REFUNDING ISSUE – Book-Entry Only

INSURED RATING: S&P: "AA"
UNDERLYING RATINGS: Moody's: "A1", S&P: "AA-"
See "BOND RATINGS" herein

In the opinion of Foley & Judell, L.L.P., Bond Counsel, interest on the Bonds is not excludable from gross income for federal income tax purposes. Further, pursuant to Part II of Chapter 4 of Subtitle II of Title 39 of the Louisiana Revised Statutes of 1950, as amended, the Bonds and the interest or other income thereon or with respect thereto shall be exempt from all income tax or other taxation in the State of Louisiana. See "Tax MATTERS" herein and the proposed form of Bond Counsel opinion attached hereto as Appendix "E."

$78,415,000
Taxable Utilities Revenue Refunding Bonds, Series 2021
CITY OF LAFAYETTE, STATE OF LOUISIANA

Dated: Date of Delivery | **Due: November 1, as shown below**

The above-referenced bonds (the "Bonds") are being initially issued as fully registered bonds without coupons in denominations of $5,000 each, or any integral multiple thereof within a single maturity, and when issued will be initially registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds. **Purchasers of the Bonds will not receive certificates representing their interest in the Bonds purchased.** Purchases of the Bonds may be made only in book-entry form in authorized denominations by credit to participating broker-dealers and other institutions on the books of DTC as described herein. Principal of and interest on the Bonds is payable at the designated office of Hancock Whitney Bank, in the City of Baton Rouge, Louisiana, as Paying Agent, or any successor paying agent, to DTC, which will remit such payments in accordance with its normal procedures, as described herein. Interest on the Bonds is payable on May 1 and November 1 of each year, commencing May 1, 2022. See "Book-Entry Only System" in Appendix "G" hereto.

THE BONDS ARE NOT SUBJECT TO REDEMPTION AS SET FORTH HEREIN. See "THE BONDS – No Redemption" herein.

The Bonds are special obligations of the City of Lafayette, State of Louisiana (the "City" or the "Issuer") and do not constitute general obligations or indebtedness of the Issuer within the meaning of the Constitution of Louisiana, but shall be payable, equally with the Outstanding Parity Bonds (as hereinafter defined), solely from and secured by a lien upon and a pledge of the income and revenues of the Issuer's revenue producing public utility, consisting of electric, water and wastewater utilities (the "Utilities System").

The Bonds are being issued for the purpose of (a) refunding a portion of the City's Utilities Revenue Refunding Bonds, Series 2012 (the "Series 2012 Bonds"), (b) funding a reserve for the payment of the Bonds, and (c) paying costs of issuance, including payment of a municipal bond insurance policy. The Bonds are being issued on a complete parity with the Issuer's outstanding unrefunded Series 2012 Bonds, maturing November 1, 2022, Utilities Revenue Bonds Refunding Bonds, Series 2017, and Utilities Revenue Bonds, Series 2019 (collectively, the "Outstanding Parity Bonds"). See "PURPOSE OF ISSUE" herein.

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the Bonds by BUILD AMERICA MUTUAL ASSURANCE COMPANY.

MATURITY SCHEDULE
(Base CUSIP No. 506498)

Nov. 1	Amount	Interest Rate	Yield	CUSIP†	Nov. 1	Amount	Interest Rate	Yield	CUSIP†
2022	$1,040,000	2.00%	0.36%	A61	2026	$13,215,000	2.00%	1.55%	B29
2023	12,490,000	2.00	0.56	A79	2027	13,455,000	2.00	1.80	B37
2024	12,725,000	2.00	1.02	A87	2028	12,525,000	2.00	2.00	B45
2025	12,965,000	2.00	1.30	A95					

The Bonds are offered subject to the approving opinion of Foley & Judell, L.L.P., Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their Counsel, Nixon Peabody LLP. It is expected that the Bonds will be delivered in Lafayette, Louisiana, and available for delivery through the facilities of DTC, on or about November 18, 2021, against payment therefor.

STIFEL RAYMOND JAMES®

The date of this Official Statement is October 19, 2021. This cover page contains information for quick reference only. It is not a summary of this Bond issue. Investors must read the entire Official Statement, including the Appendices hereto, to obtain information essential to the making of an informed investment decision.

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† CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by Standard & Poor's Financial Services LLC on behalf of The American Bankers Association. This information is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services Bureau. CUSIP numbers have been assigned by an independent company not affiliated with the Issuer or the Underwriters and are included solely for the convenience of the registered owners of the applicable Bonds. Neither the Issuer nor the Underwriters are responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the applicable Bonds or as included herein. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

NO DEALER, BROKER, SALESPERSON OR OTHER PERSON HAS BEEN AUTHORIZED BY THE LAFAYETTE CITY COUNCIL, AS THE GOVERNING AUTHORITY OF THE ISSUER FOR UTILITY PURPOSES, OR THE UNDERWRITERS TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS WITH RESPECT TO THE OBLIGATIONS HEREIN DESCRIBED OTHER THAN THOSE CONTAINED IN THIS OFFICIAL STATEMENT, AND IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY ANY OF THE FOREGOING.

THE INFORMATION SET FORTH HEREIN HAS BEEN FURNISHED BY THE ISSUER AND INCLUDES INFORMATION OBTAINED FROM SOURCES WHICH ARE BELIEVED TO BE RELIABLE BUT IS NOT GUARANTEED AS TO ACCURACY OR COMPLETENESS. THE INFORMATION SET FORTH HEREIN CONCERNING DTC HAS BEEN FURNISHED BY DTC, AND NO REPRESENTATION IS MADE BY THE ISSUER OR THE UNDERWRITERS AS TO THE COMPLETENESS OR ACCURACY OF SUCH INFORMATION.

THE UNDERWRITERS HAVE PROVIDED THE FOLLOWING SENTENCE FOR INCLUSION IN THIS OFFICIAL STATEMENT: "THE UNDERWRITERS HAVE REVIEWED THE INFORMATION IN THIS OFFICIAL STATEMENT IN ACCORDANCE WITH, AND AS PART OF ITS RESPONSIBILITIES TO INVESTORS UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE UNDERWRITERS DO NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION."

THE INFORMATION AND EXPRESSIONS OF OPINION HEREIN ARE SUBJECT TO CHANGE WITHOUT NOTICE, AND NEITHER THE DELIVERY OF THIS OFFICIAL STATEMENT NOR ANY SALE MADE HEREUNDER SHALL UNDER ANY CIRCUMSTANCES CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE ISSUER OR DTC SINCE THE DATE HEREOF. THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUER OR THE UNDERWRITERS AND ANY ONE OR MORE OF THE PURCHASERS OR REGISTERED OWNERS OF THE BONDS.

THIS OFFICIAL STATEMENT IS BEING PROVIDED TO PROSPECTIVE PURCHASERS EITHER IN BOUND PRINTED FORM ("ORIGINAL BOUND FORMAT") OR IN ELECTRONIC FORMAT ON THE FOLLOWING WEBSITE: http://www.munios.com. THIS OFFICIAL STATEMENT MAY BE RELIED UPON ONLY IF IT IS IN ITS ORIGINAL BOUND FORMAT OR AS PRINTED IN ITS ENTIRETY DIRECTLY FROM SUCH WEBSITE.

THE ORDER AND PLACEMENT OF MATERIALS IN THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES, ARE NOT TO BE DEEMED A DETERMINATION OF RELEVANCE, MATERIALITY OR IMPORTANCE, AND THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES, MUST BE CONSIDERED IN ITS ENTIRETY. THE CAPTIONS AND HEADINGS IN THIS OFFICIAL STATEMENT ARE FOR CONVENIENCE OF REFERENCE ONLY, AND IN NO WAY AFFECT THE MEANING OR CONSTRUCTION, OF ANY PROVISION OR SECTION OF THIS OFFICIAL STATEMENT. THE OFFERING OF THE BONDS IS MADE ONLY BY MEANS OF THIS OFFICIAL STATEMENT.

All summaries herein of documents and agreements are qualified in their entirety by reference to such documents and agreements, and all summaries herein of the Bonds are qualified in their entirety by reference to the form thereof included in the Bond Ordinance and the provisions with respect thereto included in the aforesaid documents and agreements.

The Bonds have not been registered with the Securities and Exchange Commission. The registration, qualification or exemption of the Bonds in accordance with the applicable securities law provisions of the jurisdictions in which the securities have been registered, qualified or exempted should not be regarded as a recommendation thereof. Neither these jurisdictions nor any of their agencies have guaranteed or passed upon the safety of the Bonds as an investment, upon probability of any earnings thereon or upon the accuracy or adequacy of this Official Statement.

The prices and other terms respecting the offering and sale of the Bonds may be changed from time to time by the Underwriters after the Bonds are released for sale, and the Bonds may be offered and sold at prices other than the initial offering prices, including sales to dealers who may sell the Bonds into investment accounts. In connection with the offering of the Bonds, the Underwriters may overallot or effect transactions which stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

The Issuer maintains the following website: www.LafayetteUtilityBonds.com. However, the information presented on that website is not part of this Official Statement and should not be relied upon in making investment decisions with respect to the Bonds. References to web site addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such web sites and the information or links contained therein are not incorporated into, and are not part of, this final official statement for purposes of, and as that term is defined in, Rule 15c2-12 of the United States Securities and Exchange Commission.

Build America Mutual Assurance Company ("BAM") makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, BAM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding BAM, supplied by BAM and presented under the heading "Bond Insurance" and "Appendix H - Specimen Municipal Bond Insurance Policy".

Cautionary Statements Regarding Forward-Looking Statements in this Official Statement

This Official Statement is marked with a dated date and speaks only as of that dated date. Readers are cautioned not to assume that any information has been updated beyond the dated date except as to any portion of the Official Statement that expressly states that it constitutes an update concerning specific recent events occurring after the dated date of the Official Statement. Any information contained in the portion of the Official Statement indicated to concern recent events speaks only as of its date. The Issuer expressly disclaims any duty to provide an update of any information contained in this Official Statement, except as agreed upon by said parties pursuant to the continuing disclosure certificate (the "Continuing Disclosure Certificate") included herein as Appendix "F."

The information contained in this Official Statement may include forward looking statements by using forward-looking words such as "may," "will," "should," "expects," "believes," "anticipates," "estimates," "budgets" or others. The reader is cautioned that forward-looking statements are subject to a variety of uncertainties that could cause actual results to differ from the projected results. Those risks and uncertainties include general economic and business conditions, and various other factors that are beyond the control of the Issuer.

Because the Issuer cannot predict all factors that may affect future decisions, actions, events or financial circumstances, what actually happens may be different from what is included in forward-looking statements.

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MAYOR-PRESIDENT OF THE LAFAYETTE CITY-PARISH
CONSOLIDATED GOVERNMENT
Joshua S. Guillory

CITY COUNCIL
Liz W. Hebert, District 3, *Chair*
Nanette S. Cook, District 4, *Vice Chair*
Patrick "Pat" Lewis, District 1
Andy Naquin, District 2
Glenn M. Lazard, District 5

CLERK OF THE COUNCIL
Veronica L. Williams

CHIEF ADMINISTRATIVE OFFICER
Cydra Wingerter

CHIEF FINANCIAL OFFICER
Lorrie R. Toups

INTERIM DIRECTOR OF LAFAYETTE UTILITIES SYSTEM
Lowell Duhon

CONSULTING ENGINEER
Burns & McDonnell Engineering Company, Inc.

CERTIFIED PUBLIC ACCOUNTANTS
Kolder, Slaven & Company, LLC

CITY-PARISH ATTORNEY
Gregory J. Logan

BOND COUNSEL
Foley & Judell, L.L.P.

OFFICIAL STATEMENT

$78,415,000
TAXABLE UTILITIES REVENUE REFUNDING BONDS, SERIES 2021

CITY OF LAFAYETTE, STATE OF LOUISIANA

INTRODUCTION

This Official Statement of the City of Lafayette, State of Louisiana (the "City" or "Issuer") provides information with respect to the captioned bonds (the "Bonds"). This Official Statement contains summaries of certain provisions of the General Bond Ordinance (as hereinafter defined) and the Sixth Supplemental Ordinance expected to be adopted by the Lafayette City Council (the "Governing Authority" or "City Council"), acting as the governing authority of the Issuer, on November 2, 2021, pursuant to which the Bonds are being issued (the "Sixth Supplemental Ordinance").

Brief descriptions of the Issuer, the Utilities System (as hereinafter defined), the Bonds, the Bond Ordinance (as hereinafter defined) and other acts, resolutions, ordinances, documents and instruments are contained in this Official Statement, and reference to such matters is qualified by reference to such entity, act, resolution, ordinance, document or instrument so referred to or summarized.

Included as Appendix "B" hereto is the Consulting Engineer's Report dated September 14, 2021, (the "Consulting Engineer's Report") prepared by Burns & McDonnell Engineering Company, Inc., 9400 Ward Pkwy, Kansas City, MO 64114, Phone: (816) 333-9400 (the "Consulting Engineer"), which includes a description of the business, organization and management of the Utilities System, its findings regarding the Utilities System, and a survey of the finances and environmental issues of the Utilities System. The forecasts contained in the Consulting Engineer's Report are based on assumptions about the outcome of future events and there can be no assurance that such forecasts will approximate actual results. The Consulting Engineer's Report should be read in its entirety prior to the making of an investment decision with respect to the Bonds. Additional information about the Issuer is included in Appendix "C" and Appendix "D", and the Comprehensive Annual Financial Report of the Issuer for the Fiscal Year ended October 31, 2020 is included in Appendix "I" hereto. The proposed form of opinion of Foley & Judell, L.L.P., Bond Counsel, is included in Appendix "E" hereto.

Reference in this Official Statement to owner, holder, registered owner, Bondholder or Bondowner means the registered owner of the Bonds determined in accordance with the Bond Ordinance.

CAPITALIZED TERMS NOT OTHERWISE DEFINED WITHIN THIS OFFICIAL STATEMENT SHALL HAVE THE MEANING GIVEN IN THE GENERAL BOND ORDINANCE ATTACHED HERETO AS APPENDIX "A" UNLESS THE CONTEXT INDICATES OTHERWISE.

Bond Ordinance

The Issuer adopted a General Bond Ordinance on June 29, 2004 (the "General Bond Ordinance"), which authorized the issuance of bonds of the Issuer designated as "Utilities Revenue Bonds." The General Bond Ordinance authorizes the issuance of each series of bonds by a supplemental ordinance adopted by the Issuer. The First Supplemental Ordinance, which provided for the issuance of the $183,990,000 Utilities Revenue Bonds, Series 2004, dated August 10, 2004 (the "Series 2004 Bonds"), was adopted on June 29, 2004, the Second Supplemental Ordinance, which provided for the issuance of the $86,080,000 Utilities Revenue Bonds, Series 2010 (the "Series 2010 Bonds"), was adopted on November 2, 2010, the Third Supplemental Ordinance, which provided for the issuance of the $153,960,000 Utilities Revenue Refunding Bonds, Series 2012 (the "Series 2012 Bonds") was adopted on October 2, 2012, the Fourth Supplemental Ordinance, which provided for the issuance of the $59,465,000 Utilities Revenue Refunding Bonds, Series 2017 (the "Series 2017 Bonds"), was adopted on August 8, 2017 and amended on September 19, 2017, the Fifth Supplemental Ordinance which provided for the issuance of the $58,065,000 Utilities Revenue Bonds, Series 2019 (the "Series 2019 Bonds"), was adopted on March 26, 2019, and the Sixth Supplemental

Ordinance which provides for the issuance of the Bonds is expected to be adopted on November 2, 2021 (the General Bond Ordinance, together with the supplements thereto, is collectively referred to herein as the "Bond Ordinance").

The Issuer

The Issuer was incorporated in 1914. It is located on the Vermilion River, approximately 30 miles from the Gulf of Mexico, 160 miles west of New Orleans, and 214 miles east of Houston, Texas. The Issuer is the Parish seat of the Parish of Lafayette, State of Louisiana (the "Parish"), which was created on January 17, 1823, and covers a total area of approximately 277 square miles. The area of the Issuer is approximately 49.2 square miles. The Issuer is the center of a metropolitan area that includes the Parish and the area within the boundaries of Acadia, St. Landry, and St. Martin Parishes. The Issuer had an estimated population of 137,309 in 2020.

The Issuer owns and operates a utilities system as a single revenue producing public utility consisting of: (1) an Electric System (including generation, transmission and distribution facilities); (2) a Water System (including supply, treatment, transmission, distribution and storage facilities); and (3) a Wastewater System (including wastewater collection and treatment facilities), as more fully described herein (collectively, the "Utilities System" or "LUS"). The Issuer also owns a local communications network that offers telephone, cable television, high-speed Internet access, and other communications and information services and any future services, improvements and additions thereto (the "Communications System"), but the revenues from the Communications System are not pledged to the payment of the Bonds.

The Home Rule Charter of the City and the Parish, effective on January 6, 2020 (the "Charter") provides that the City Council is the governing authority of the Utilities Department, which is also known as the Utilities System or LUS. The Charter further provides that the City Council shall fix rates, incur indebtedness, approve the utility budget, and approve proposals for the improvement and extension of the utilities. For a further discussion of the governance of the Issuer and the Utilities System, see "CITY OF LAFAYETTE – Governance" herein.

Outstanding Parity Bonds

The Bonds are being issued on a complete parity with (i) $11,050,000 outstanding of the Issuer's Series 2012 Bonds, (ii) $56,685,000[*] outstanding of the Issuer's Series 2017 Bonds, and (iii) $55,605,000[*] outstanding of the Issuer's Series 2019 Bonds (collectively, the "Outstanding Parity Bonds").

Bond Insurance

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Bonds by Build America Mutual Assurance Company. See "BOND INSURANCE" herein and Appendix "H" attached hereto for a specimen Municipal Bond Insurance Policy.

PURPOSE OF ISSUE

The Bonds are being issued to provide funds for the purpose of (a) refunding a portion of the City's Series 2012 Bonds, (b) funding a reserve for the payment of the Bonds, and (c) paying costs of issuance of the Bonds, including the payment of a municipal bond insurance policy.

PLAN OF REFUNDING

The Bonds are being issued to (i) refund a portion of the City's outstanding Series 2012 Bonds, (ii) fund a debt service reserve, if required, and (iii) pay costs of issuance of the Bonds.

The City presently anticipates that the Series 2012 Bonds to be refunded are expected to consist of the Series 2012 Bonds listed in the following table (collectively, the "Refunded 2012 Bonds"):

[*] As of November 2, 2021. Excludes principal and interest payments to be made on Outstanding Parity Debt on November 1, 2021.

Maturity Date (November 1)	Amount to be Refunded	Interest Rate	Redemption Date	Redemption Price	CUSIP*
2023	$11,605,000	5.00%	November 1, 2022	100%	506498YK4
2024	12,185,000	5.00	November 1, 2022	100	506498YL2
2025	12,790,000	5.00	November 1, 2022	100	506498YM0
2026	13,435,000	5.00	November 1, 2022	100	506498YN8
2027	14,100,000	5.00	November 1, 2022	100	506498YP3
2028	13,600,000	5.00	November 1, 2022	100	506498YQ1

* Neither the City nor the Underwriters are responsible for the accuracy or completeness of the CUSIP numbers.

The City will select the Series 2012 Bonds to be refunded at or about the time of the pricing of the Bonds and such selection will be based upon, among other things, market conditions existing at such time. No assurance can be given as to which Series 2012 Bonds will be finally selected for refunding, and the Series 2012 Bonds finally selected may not include any of the Series 2012 Bonds shown above and may include other Series 2012 Bonds.

The Refunded 2012 Bonds will be redeemed at a redemption price of 100% of the principal amount thereof plus interest accrued thereon to the date of redemption.

Moneys sufficient to pay the redemption price of and interest on the Refunded 2012 Bonds on the redemption date therefor will be derived from a portion of the proceeds of the Bonds and certain amounts available under the Bond Ordinance.

Simultaneously with the issuance of the Bonds, the City will enter into a Defeasance and Escrow Deposit Agreement (the "Escrow Agreement") with Hancock Whitney Bank, as escrow agent (in such capacity, the "Escrow Agent"). The moneys on deposit in the Escrow Fund may be held uninvested or may be invested in certain direct obligations of the United States of America ("U.S. Treasury Securities") which will be scheduled to mature and bear interest at the times and in the amounts required to pay the principal or redemption price, as applicable, of and interest on the Refunded 2012 Bonds when due.

Upon deposit of cash and/or U.S. Treasury Securities with the Escrow Agent pursuant to the Escrow Agreement and compliance with certain other provisions of the Bond Ordinance, the Refunded 2012 Bonds shall no longer be deemed "Outstanding" within the meaning of the Bond Ordinance.

Prior to or concurrently with the delivery of the Bonds, the City shall obtain an independent mathematical verification that the moneys and Defeasance Securities required to be irrevocably deposited in trust in the Escrow Fund established pursuant to the Escrow Agreement with the Escrow Agent, together with the earnings to accrue thereon, will always be sufficient for the payment of the principal of and interest on the Refunded 2012 Bonds. In accordance with the terms of the Escrow Agreement, the aforesaid escrow obligations may be sold and replacement obligations substituted therefor. See "VERIFICATION OF MATHEMATICAL COMPUTATIONS" herein.

The moneys held under the Escrow Agreement will not be available to pay debt service on the Bonds.

The Underwriters may hold certain of the Refunded 2012 Bonds and as a result may receive a portion of the proceeds of this offering in connection with the redemption of the Refunded 2012 Bonds.

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DEBT SERVICE REQUIREMENTS

The following table sets forth, for each fiscal year ending October 31, the amounts, rounded to the nearest dollar, required to be made available in such Fiscal Year for the payment of the principal of and interest on the Bonds and on the Outstanding Parity Bonds outstanding under the Bond Ordinance after giving effect to the defeasance of the Refunded Bonds. The principal of the Bonds and Outstanding Parity Bonds matures on each November 1, one day following the close of the respective fiscal years listed.

Fiscal Year Ending 10/31	Outstanding Parity Bonds(1)	Series 2021 Principal	Series 2021 Interest	TOTAL(1)
2022	$22,788,725.00	-	$710,091.39	$23,498,816.39
2023	20,824,725.00	$1,040,000.00	1,557,900.00	23,422,625.00
2024	9,501,225.00	12,490,000.00	1,422,600.00	23,413,825.00
2025	9,492,975.00	12,725,000.00	1,170,450.00	23,388,425.00
2026	9,493,225.00	12,965,000.00	913,550.00	23,371,775.00
2027	9,486,350.00	13,215,000.00	651,750.00	23,353,100.00
2028	9,481,850.00	13,455,000.00	385,050.00	23,321,900.00
2029	9,478,975.00	12,525,000.00	125,250.00	22,129,225.00
2030	9,472,100.00	-	-	9,472,100.00
2031	9,465,600.00	-	-	9,465,600.00
2032	9,476,450.00	-	-	9,476,450.00
2033	9,485,600.00	-	-	9,485,600.00
2034	9,476,750.00	-	-	9,476,750.00
2035	9,474,575.00	-	-	9,474,575.00
2036	9,468,400.00	-	-	9,468,400.00
2037	4,067,750.00	-	-	4,067,750.00
2038	4,066,375.00	-	-	4,066,375.00
2039	4,068,000.00	-	-	4,068,000.00
2040	4,067,250.00	-	-	4,067,250.00
2041	4,068,750.00	-	-	4,068,750.00
2042	4,067,125.00	-	-	4,067,125.00
2043	4,067,000.00	-	-	4,067,000.00
2044	4,067,875.00	-	-	4,067,875.00
2045	4,069,250.00	-	-	4,069,250.00
Total	$203,476,900.00	$78,415,000.00	$6,936,641.39	$288,828,541.39

(1) Includes 11/1/2021 payment on the unrefunded Series 2012 Bonds, Series 2017 Bonds and Series 2019 Bonds.

ESTIMATED SOURCES AND USES OF FUNDS

The sources and uses of funds with respect to the Bonds are estimated to be as follows:

Sources	
Par Amount of Bonds	$78,415,000.00
Reoffering Premium	1,508,699.15
Transfers from Prior Issue Debt Service Reserve Funds	17,327,530.64
TOTAL	$97,251,229.79
Uses of Funds	
Deposit to Escrow Fund	$81,530,196.22
Deposit to Debt Service Reserve Fund	14,649,683.36
Costs of Issuance(1)	1,071,350.21
TOTAL	$97,251,229.79

Source: The Underwriters.

(1) Includes legal fees, underwriters' discount, bond insurance premium and other issuance costs.

THE BONDS

The Issue

Seventy-Eight Million, Four Hundred Fifteen Thousand Dollars ($78,415,000) of Taxable Utilities Revenue Refunding Bonds, Series 2021, of the Issuer are being issued. The Bonds will be dated the delivery date thereof.

Authority for Issue

The Bonds are being issued pursuant to the provisions of Part II of Chapter 4 of Subtitle II of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority (the "Act"), the General Bond Ordinance and the Sixth Supplemental Ordinance.

Average Life

The average life of the Bonds is approximately 4.42 years from their dated date.

Form and Denomination

The Bonds will be initially issued as fully registered bonds in "book-entry only" form registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds, and purchasers of the Bonds will not receive certificates representing their interest in the Bonds purchased. The Bonds are in the denomination of $5,000, or any integral multiple thereof within a single maturity. See "Book-Entry Only System" in Appendix "G" hereto.

Maturities; Interest Payment Dates

The Bonds will mature on November 1 in the years and in the principal amounts indicated on the cover page of this Official Statement and will bear interest from the dated date of the Bonds, payable on May 1 and November 1 of each year, commencing May 1, 2022 (each an "Interest Payment Date"), at the rates per annum indicated on the cover page hereof. The Bonds shall bear interest from the date thereof or from the most recent Interest Payment Date to which interest has been paid or duly provided for. Interest on the Bonds will be computed on the basis of a 360-day year consisting of twelve 30-day months. The record date for the Bonds is the 15th day of the month preceding the Interest Payment Date.

No Redemption

The Bonds are not subject to redemption prior to maturity.

Provisions Applicable if Book-Entry Only System is Terminated

General. Purchasers of Bonds will receive principal, and interest payments, and may transfer and exchange Bonds, pursuant to the following provisions only if the book-entry only system is terminated. Otherwise, payments and transfers and exchanges will be made only as described in Appendix "G" – "Book-Entry Only System" hereto.

Place of Payment. Principal of the Bonds is payable at Hancock Whitney Bank or any successor thereto (the "Paying Agent").

Payment of Interest. Upon discontinuation of the book-entry only system, interest on the Bonds will be payable by check mailed on or before the Interest Payment Date by the Paying Agent to the registered owner, determined as of the close of business on the 15th calendar day of the month next preceding an Interest Payment Date, whether or not such day is a Business Day (the "Record Date"), at the address of such registered owner as it appears on the registration books of the Paying Agent.

The person in whose name any Bond is registered at the close of business on the Record Date with respect to an Interest Payment Date shall be entitled to receive the interest payable with respect to such Interest Payment Date notwithstanding the cancellation of such Bond upon any registration of transfer or exchange thereof subsequent to such Record Date and prior to such Interest Payment Date.

During any period after the initial delivery of the Bonds in book-entry form when the Bonds are delivered in multiple certificates form, upon request of a registered owner of at least $1,000,000 in principal amount of Bonds outstanding, all payments of principal and interest on the Bonds will be paid by wire transfer in immediately available funds to an account designated by such registered owner.

Provisions for Transfer, Registration and Assignment. The transfer of the Bond shall be registered on the registration books of the Paying Agent upon surrender of the Bond at the principal corporate trust office of the Paying Agent as Bond Registrar, duly endorsed by, or accompanied by written instrument of transfer in form and a guaranty of signature satisfactory to the Paying Agent, duly executed by the registered owner or his attorney duly authorized in writing, and thereupon a new Bond or Bonds of the same maturity and of authorized denominations, for the same aggregate principal amount, will be issued to the transferee. Prior to due presentment for transfer of the Bond, the Issuer and the Paying Agent may deem and treat the registered owner thereof as the absolute owner thereof (whether or not the Bond is overdue) for the purpose of receiving payment of or on account of principal and interest on the Bond and for all purposes, and neither the Issuer nor the Paying Agent shall be affected by any notice to the contrary. Neither the Issuer nor the Paying Agent shall be required to issue, register the transfer of, or exchange any Bond during a period beginning at the opening of business on the 15th day of the month next preceding an Interest Payment Date and ending at the close of business on the Interest Payment Date.

SECURITY AND SOURCES OF PAYMENT

Sources of Payment

The Bonds, the Outstanding Parity Bonds and any additional Bonds hereafter issued on a parity therewith are special and limited obligations of the Issuer and are secured by and payable in principal and interest solely from the income and revenues derived or to be derived from the operation of the Issuer's Utilities System ("Revenues"), after provision has been made for the payment therefrom of the reasonable and necessary expenses of operation and maintaining the Utilities System ("Net Revenues"). Such Net Revenues consist of (i) all rates, fees, charges, income, rents and receipts derived by the Issuer from or attributable to the ownership and operation of the Utilities System, including all revenues attributable to the Utilities System or to the payment of the costs thereof received by the Issuer under any contracts for the sale of power, energy, transmission or other use of the services, facilities or products of the Utilities System or any part thereof or any contractual arrangement with respect to the use of the Utilities System or any portion thereof or the services, output, facilities, capacity or products of the Utilities System, (ii) the proceeds of any insurance covering business interruption loss relating to the Utilities System, (iii) interest received on the investment or reinvestment of any moneys held hereunder required to be deposited or kept in the Receipts Fund (defined hereafter), (iv) payments received by the Issuer under a Qualified Swap (defined hereafter), and (v) funds received from a Rate Stabilization Account as described in the Bond Ordinance; provided, however, that the "Net Revenues" shall not include revenues from a Separately Financed Project (defined hereafter) or Impact Fees (defined hereafter) or revenues deposited in a Rate Stabilization Account, less any operating and maintenance expense as defined in accordance with generally accepted accounting principles in the United States of America, plus any expenses incurred under any Power Sales Contract (as defined hereafter). Accordingly, Costs of Operation and Maintenance shall not include (i) any costs and expenses attributable to a Separately Financed Project, (ii) any costs or expenses for new construction or for reconstruction other than restoration of any part of the Utilities System to the condition of serviceability thereof when new, (iii) depreciation costs or (iv) any interest expense on any obligation.

The Bond Ordinance defines "Power Sales Contract" to mean the Power Sales Contract, dated May 1, 1977, executed June 3, 1977, with the Lafayette Public Power Authority (the "LPPA Contract") and any other contracts for fuel, energy, water, sewer or power designated in writing by the Issuer as a Cost of Operation and Maintenance.

So long as any Obligations, issued in any form of debt, authorized by a Supplemental Ordinance, including but not limited to, Bonds, notes, bond anticipation notes, commercial paper and Guaranteed Debt which are delivered under the Bond Ordinance, including any Bonds and Parity Contract Obligations, but not including any Contract Obligation or Subordinated Indebtedness, remain Outstanding, the Issuer will fix, charge and collect, or cause to be fixed, charged and collected, subject to applicable requirements or restrictions imposed by law, such rates, rentals, fees and charges for the use of and for the services and products provided by the Utilities System as are expected to be sufficient in each Sinking

Fund Year (ending October 31) to produce Revenues, in an amount, at least equal to the sum of (i) one hundred percent (100%) of the Costs of Operation and Maintenance for such Sinking Fund year, (ii) one hundred percent (100%) of the Bond Service Requirement for such Sinking Fund Year, (iii) one hundred percent (100%) of the amounts payable with respect to Subordinated Indebtedness and Subordinated Contract obligations in such sinking fund year, (iv) one hundred percent (100%) of the amount required to maintain a Reserve Fund in accordance with the provisions of the Bond Ordinance, and any additional amount required to make all other payments required to be made. See "GENERAL COVENANTS OF THE ISSUER — Rate Covenant" herein.

The Bonds and the Outstanding Parity Bonds are not general obligations of the Issuer, and neither the full faith and credit of the Issuer nor the State of Louisiana is pledged to the payment thereof.

The table below shows the projected debt service for the Utilities System and the associated debt service coverage ratio. In each year from 2021 to 2030, the debt service coverage ratio is projected to exceed the minimum coverage requirement of 1.0 required by the Bond Ordinance.

Utilities System
Projected Debt Service Coverage

FY	Operating Revenues (1)	Operating Expenses(2)	Net Available Revenues for Debt Service	Debt Service(3)	Debt Service Coverage Ratio
2021	$233,901,089	$156,556,480	$77,344,609	$25,095,600	3.1
2022	$234,800,014	$153,748,443	$81,051,571	$23,692,617	3.4
2023	$239,404,912	$156,545,364	$82,859,548	$23,588,600	3.5
2024	$244,151,365	$170,863,075	$73,288,290	$23,577,150	3.1
2025	$250,492,883	$169,785,092	$80,707,791	$23,564,900	3.4
2026	$253,039,638	$169,377,569	$83,662,069	$23,555,950	3.6
2027	$256,930,843	$172,794,495	$84,136,347	$23,534,750	3.6
2028	$253,174,238	$159,293,235	$93,881,003	$31,084,306	3.0
2029	$258,337,984	$156,343,438	$101,994,546	$20,976,964	4.9
2030	$261,563,571	$159,386,107	$102,177,464	$20,980,103	4.9

Source: Consulting Engineer and LUS.

(1) Operating Revenues include interest income and other miscellaneous revenue.

(2) Operating Expenses include operation and maintenance expenses and other expenses such as customer service and administrative and general costs. Operating Expenses do not include ILOT, normal capital and special equipment, and other miscellaneous expenses.

(3) Utilities System Debt Service was prepared on a cash basis. Utilities Debt Service includes the Series 2010 Bonds, Series 2017 Bonds, Series 2019 Bonds, proposed LUS Series 2021 Refunding Bonds and a projected bond issue in 2027 for a new power plant. The Series 2021 Refunding Bonds are refunding the Series 2012 Bonds.

Creation of Funds and Accounts

The Bond Ordinance creates and establishes a "Receipts Fund," "Operating Fund," "Sinking Fund," "Reserve Fund" and "Capital Additions Fund" as defined below. There may be created and established in the Operating Fund and the Capital Additions Fund one or more separate accounts or subaccounts as determined by the Issuer from time to time to be necessary or convenient. The Operating Fund, the Reserve Fund and the Capital Additions Fund and all accounts and subaccounts therein shall constitute trust funds for the purposes provided in the Bond Ordinance, shall be delivered to and held by the Chief Financial Officer (or an Authorized Depository designated by the Chief Financial Officer), who shall act as trustee of such funds for the purposes thereof, shall, except as otherwise provided in the Bond Ordinance, be subject to a lien and charge in favor of the Bondholders and used only as therein provided. The described trust obligation shall extend only to the Issuer's obligation to hold such funds for the benefit of Bondholders, but does not impose a trust obligation on any Authorized Depository.

All accounts referenced in the Bond Ordinance mean separate accounting, not necessarily separate bank, accounts.

(a) Receipts Fund. Revenues, except (i) income received from the sale of capital assets and charges between divisions of the Utilities System, and (ii) proceeds from the issuance of Obligations shall be deposited daily as the same may be collected in a separate and special bank account known and designated as the "Receipts Fund," established and maintained with the Bank, or may be deposited in a fund with other moneys of the City and/or Parish in a Bank provided separate accounting is maintained at all times under the title of "Receipts Fund" and referred to hereinafter as the "Receipts Fund."

(b) Operating Fund. Out of the Receipts Fund, there shall be transferred to or set aside in an "Operating Fund," from time to time as needed during each Sinking Fund Year amounts sufficient to provide for the payment of Costs of Operation and Maintenance, including payments pursuant to the LPPA Contract.

(c) Sinking Fund. After meeting the requirements of (b) above, the moneys in the Receipts Fund shall be used for the establishment and maintenance with a Bank of a "Utilities Revenue Bond Sinking Fund" (the "Sinking Fund") sufficient in amount to pay promptly and fully the principal of, premium, if any, and the interest on the Obligations authorized in the Bond Ordinance including any Additional Parity Obligations issued hereafter in the manner provided therein, as they severally become due and payable whether by maturity or mandatory call, by transferring as needed from the Receipts Fund to the Sinking Fund. Arrangements with the Paying Agent shall be made as will assure, to the amount of money in the Sinking Fund, prompt payment for principal and interest on the Obligations payable from the Sinking Fund. Appropriate amounts shall also be placed in the Sinking Fund to allow for the payment of the charges of the Paying Agent. On or before the day before the Interest Payment Date, the Issuer will deposit with the Paying Agent sufficient funds to make payment of the principal and/or interest owed on the obligations, as of that Interest Payment Date.

A Supplemental Ordinance may provide for additional amounts to be deposited into the Sinking Fund.

(d) Reserve Fund. After meeting the requirements of (c) above, the moneys in the Receipts Fund shall next be used to satisfy the Reserve Requirements for Reserve Secured Bonds. The Bond Ordinance provides for the segregation of the Reserve Fund into separate accounts, each of which may be created for one or more Series of Revenue Secured Bonds, each of which accounts having its own Reserve Requirement. Currently, there is a single account for the Outstanding Parity Bonds and the Reserve Fund Account will secure the Bonds and the Outstanding Parity Bonds along with and any future Reserve Secured Bonds that shall be designated as utilizing such Reserve Fund Account

Except as set forth in a Supplemental Ordinance, amounts on deposit in each account of the Reserve Fund may be used solely for the purpose of curing deficiencies in the Sinking Fund for the payment when due of the principal of, premium, if any, and interest on the Reserve Secured Bonds for which such account was created. If funds on deposit in each Reserve Fund account exceed the account Reserve Requirement for the applicable Reserve Secured Bonds, the excess cash shall be deposited into the Sinking Fund to the extent moneys from the Receipts Fund are unavailable to meet current Bond Service Requirements and otherwise to the Capital Additions Fund, provided however that upon refunding of any Reserve Secured Bonds such excess may be applied to pay or redeem the Reserve Secured Bonds to be refunded.

Within the Reserve Fund there may be created separate accounts to secure the payment of various issues of Reserve Secured Bonds, each with varying Reserve Requirements. Any issue of Reserve Secured Bonds may utilize an existing Reserve Fund account, provided that the Reserve Requirement of the prior issue is met and satisfied.

If at any time the Issuer is required to fund a Reserve Fund account, or to increase the amount required to be maintained in the Reserve Fund account pursuant to the General Bond Ordinance, the amount, or increase in the amount, as applicable, required to satisfy such Reserve Requirement may be funded in up to twelve substantially equal consecutive monthly deposits commencing not later than the month following the occurrence of deficiency.

Each Reserve Requirement, in whole or in part, may be funded with cash or Investment Obligations, or one or more Reserve Products, or a combination thereof. Any such Reserve Product must provide for payment on any interest or principal payment date (provided adequate notice is given) on which a deficiency exists (or is expected to exist) in moneys held hereunder for payment of the principal of or interest on the Obligations due on such date which cannot be cured by funds in any other fund or account held pursuant to the Bond Ordinance and available for such purpose, and shall name the Paying Agent as the beneficiary thereof. Each Reserve Product must be rated in the highest rating category by each Rating Agency. If a disbursement is made from a Reserve Product as provided above, the Issuer shall be obligated to reinstate the maximum limits of such Reserve Product on or before the close of the month following such disbursement from the first Revenues available pursuant to the Bond Ordinance or to replace such Reserve Product by depositing into the Reserve Fund pursuant to the Bond Ordinance, funds in the maximum amount originally available under such Reserve Product, plus amounts necessary to reimburse the Reserve Product Provider for previous disbursements under such Reserve Product, or a combination thereof. For purposes of this Section, amounts necessary to satisfy such reimbursement obligations of the Issuer to the Reserve Product Provider shall be deemed to be required deposits to the Reserve Fund, but shall be applied to satisfy the obligations to the Reserve Product Provider.

If the Reserve Requirement is funded in whole or in part with cash or investment obligations and no event of default shall have occurred and be continuing under the Bond Ordinance, the Issuer may at any time in its discretion, substitute a Reserve Product meeting the requirements of the Bond Ordinance for the cash and investment obligations in the Reserve Fund and the Issuer may then withdraw such cash and investment obligations from the Reserve Fund and deposit them to the credit of the Operating Fund so long as (i) the same does not adversely affect any rating by a Rating Agency then in effect with respect to the obligations, or any series thereof, and (ii) the Issuer obtains an opinion of Bond Counsel to the effect that such actions will not, in and of themselves, adversely affect the exclusion from gross income of interest on the obligations (if not taxable obligations) for federal income tax purposes.

Cash on deposit in any Reserve Fund account shall be used (or investments purchased with such cash shall be liquidated and the proceeds applied as required) prior to any drawing on any Reserve Product in such account. If more than one Reserve Product is deposited in the Reserve Fund account, drawings thereunder shall be made on a pro rata basis, calculated by reference to the maximum amounts available thereunder.

Any Supplemental Ordinance may require a greater Reserve Requirement or no Reserve Requirement for any issue or series of obligations of or other obligations on behalf of Issuer with respect to the Reserve Fund.

(e) Capital Additions Fund. After meeting the requirements in (d) above, the moneys in the Receipts Fund shall next be deposited in the Capital Additions Fund, which moneys in the Capital Additions Fund shall next be used for the following purposes:

(i) When amounts are deposited in the Capital Additions Fund to pay the capitalized cost of interest on Obligations of the Issuer, the Issuer shall pay from the Capital Additions Fund to the Paying Agent, on or before the date or dates on which interest on such obligations becomes due and payable, an amount equal to such interest.

(ii) Notwithstanding the above provisions of this Section, amounts in the Capital Additions Fund must be applied to the payment of principal of and interest on the Obligations and the payment of Parity Debt, on a parity basis, when due at any time that moneys are not available therefor.

(iii) There shall also be deposited in said fund all Impact Fees.

(iv) Not later than one hundred twenty (120) days following the close of each Fiscal Year the Issuer will receive from the Capital Additions Fund, if and to the extent that the money in such Fund makes possible such payment under the restrictions hereinafter contained, a payment in lieu of taxes, the amount of which shall be determined as follows:

(A) There shall be set aside in each fiscal year for the purpose of paying Capital Costs an amount equal to seven and one-half percent (7-1/2%) of the total Non-Fuel Revenues into the Receipts Fund for such Fiscal Year.

(B) If the balance of the amount so paid into the Capital Additions Fund in any Fiscal Year, after there has been deducted from the amount so paid seven and one-half percent (7-1/2%) of the total Non-Fuel Revenues into the Receipts Fund as above provided, is equal or less than twelve percent (12%) of the Receipts Fund deposits for such Fiscal Year, all of such balance shall be paid to the Issuer; however, if such balance is more than twelve percent (12%) of the Receipts Fund deposits for such year, then the Issuer shall be paid an amount equal to twelve percent (12%) of said Receipts Fund deposits.

(C) The remaining moneys in the Capital Additions Fund may be used for (i) paying Capital Costs or for the creation and maintenance of a Rate Stabilization Account, which may be used for making payments into the Receipts Fund to provide for temporary losses of revenue, such payments to be made for such time and in such amounts as may be determined by the Issuer and shall be considered as Revenue as defined in the Bond Ordinance, (ii) the payment of Subordinated Indebtedness and Subordinated Contract Obligations, (iii) the purchase of Outstanding Obligations, or (iv) making any payment or investment for any lawful purpose.

Creation of Liens; Issuance of Subordinated Indebtedness; Subordinated Contract Obligation and Debt

The Issuer shall not issue any bonds or other evidences of indebtedness or incur obligations, other than Obligations and Parity Debt as provided in the Bond Ordinance, secured by a pledge of the Net Revenues and shall not create or cause to be created any lien or charge on the Net Revenues except to the extent otherwise provided in the Bond Ordinance; provided, however, that the Issuer may, at any time, or from time to time, incur Subordinated Indebtedness or enter into Subordinated Contract Obligations payable out of, and which may be secured by a pledge of, such amounts as may from time to time be available for the purpose of the payment thereof in accordance with the Bond Ordinance, and such pledge shall be, and shall be expressed to be, subordinate in all respects to the pledge of Net Revenues created by the Bond Ordinance as security for payment of the Obligations and provided further, however, that nothing contained in the Bond Ordinance shall prevent the Issuer from issuing (i) bonds, notes, or other obligations or evidences of indebtedness under another and separate resolution or ordinance to finance a Separately Financed Project; or (ii) other bonds, notes, or other obligations or evidences of indebtedness under another and separate resolution or ordinance payable from, among other sources, those moneys withdrawn by the Issuer from the Capital Additions Fund.

Issuance of Parity Obligations

Except as otherwise provided in this section, no Obligations may be issued under the Bond Ordinance, unless the Issuer shall have first complied with the requirements of this Section. Additional Obligations may be issued from time to time under the Bond Ordinance for any lawful purpose of the Issuer in connection with the Utilities System.

(1) Any Obligations, or any part thereof, may be refunded and the refunding Obligations so issued shall enjoy complete equality of lien with the Obligations which are not refunded, if there be any, and the refunding Obligations shall continue to enjoy whatever priority of lien over subsequent issues as may have been enjoyed by the Obligations refunded.

(2) Additional Obligations, other than refunding Obligations described in (1) above, may be issued from time to time under the Bond Ordinance upon compliance with the following conditions:

(a) the Issuer shall have enacted a Supplemental Ordinance authorizing such Obligations and providing for the terms thereof as contemplated in the Bond Ordinance and reciting that all of the covenants contained in the Bond Ordinance will be fully applicable to such Obligations and otherwise complying with the provisions of the Bond Ordinance;

(b) the Mayor-President shall certify in writing that, upon the delivery of such Obligations, the Issuer will not be in default in the performance of the terms and provisions of the Bond Ordinance or of any of the Obligations;

(c) the (i) Mayor-President shall certify in writing that the Net Revenues of the Utilities System, as shown on the then-most recent available audited financial statements of the Utilities System equal or exceed the Bond Service Requirement for the same audited period for all Outstanding Obligations and (ii) a certificate from the Consulting Engineer certifying that the Net Revenues of the Utilities System equal or exceed the Bond Service Requirement for all Outstanding Bonds, Parity Debt and additional Obligations proposed to be issued for the first three complete Bond Years during which the additional Obligations shall be outstanding; and

(d) the Governing Authority shall have received an opinion or opinions from the Bond Counsel to the effect that (i) the Issuer has the right and power under the Act to enact the Bond Ordinance and the Bond Ordinance has been duly and lawfully enacted by the Issuer, is in full force and effect and is valid and binding upon the

Issuer and is enforceable in accordance with its terms and no other authorization of the Bond Ordinance is required, (ii) the Bond Ordinance creates a valid lien upon and pledge of the Net Revenues, (iii) the obligations are valid and binding limited obligations of the Issuer, enforceable in accordance with their terms and the Bond Ordinance and have been duly and validly authorized and issued in accordance with the Act and the Bond Ordinance, and (iv) the Issuer has the full lawful power and authority to issue the Obligations for the purposes for which they are authorized.

In calculating Net Revenues of the Utilities System for purposes of clause (c) above, the Mayor-President may, at his or her option, adjust the amount of Net Revenues shown on the most recent available audited financial statements of the Utilities System in the following respects:

(i) If, prior to the issuance of the additional Obligations or incurrence of Parity Debt, the Issuer shall have increased the rates, fees, rentals or other charges for services of the Utilities System, the above calculations of Net Revenues may be adjusted to show the Net Revenues that would have been derived from the Utilities System if such increased rates, fees, rentals or other charges had been in effect for the full fiscal year covered by such audited financial statements;

(ii) If the Issuer shall have acquired or shall have contracted to acquire all or part of any privately or publicly owned utility system which is to be added to the Utilities System and the cost of which is to be paid, in whole or in part, from proceeds of the proposed additional Obligations, then the above calculations of Net Revenues shall be increased by adding thereto the Net Revenues that would have been derived if such addition to the Utilities System had been included in the Utilities System for the full fiscal year covered by such audited financial statements; and

(iii) If the Issuer, in connection with the issuance of the additional Obligations or incurrence of Parity Debt, shall enter into a contract (with a duration or term not less than the final maturity of such additional obligations) with any public or private entity whereby the Issuer agrees to furnish services of the Utilities System to such entity, then the Net Revenues shown on the audited financial statements shall be increased by the estimated amount which such public or private entity has agreed to pay in one fiscal year for the furnishing of such services, after deducting therefrom the cost of operation, maintenance, repair, renewal and replacement allocable to providing such services.

(e) Obligations issued and Parity Debt incurred pursuant to the foregoing terms and conditions shall be deemed on a parity with all Obligations and Parity Debt then Outstanding, and all of the covenants and other provisions of the Bond Ordinance shall be for the equal benefit, protection and security of the holders of any Obligations originally authorized and issued and Parity Debt incurred pursuant to the Bond Ordinance and the holders of any Obligations and Parity Debt evidencing additional obligations subsequently created within the limitations of and in compliance with the foregoing.

Notwithstanding anything contained in the Bond Ordinance to the contrary, the above provisions shall not be applicable to Parity Reimbursement Obligations and Parity Swap Obligations incurred with respect to obligations which met the above conditions upon their issuance or incurrence.

Separately Financed Project

Nothing in the Bond Ordinance shall prevent the Issuer from authorizing and issuing bonds, notes, or other obligations or evidences of indebtedness, other than Obligations, for any project authorized by the Act, or from financing or otherwise providing for any such project from other available funds (such project being referred to as a "Separately Financed Project"), if the debt service on such bonds, notes, or other obligations or evidences of indebtedness, and the Issuer's share of any operating expenses related to such Separately Financed Project, are payable solely from the revenues or other income derived from the ownership or operation of such Separately Financed Project, from other available funds of the Issuer not constituting part of the Revenues or from other funds withdrawn by the Issuer from the Capital Additions Fund.

GENERAL COVENANTS OF THE ISSUER

Bond Ordinance to Constitute Contract

The Bond Ordinance shall be deemed to be and shall constitute a contract between the Issuer and the Bondholders. The covenants and agreements to be performed by the Issuer set forth in the Bond Ordinance shall be for the equal benefit, protection and security of the Bondholders and all Obligations shall be of equal rank and without preference, priority or distinction over any other thereof, except as expressly provided in the Bond Ordinance.

Operation Covenant

The Issuer has covenanted to operate the Utilities System in a business-like manner and, in consultation with the Consulting Engineer, to operate the Utilities System in such manner in order to insure the continued availability of Net Revenues to pay all costs required by the Bond Ordinance. The Issuer covenants to adequately maintain and improve the Utilities System and to employ the necessary staff and employees, as required by industry practice and as necessary to properly operate and protect the Utilities System.

Rate Covenant

So long as any Obligations remain outstanding, the Issuer will fix, charge and collect, or cause to be fixed, charged and collected, subject to applicable requirements or restrictions imposed by law, such rates, rentals, fees and charges for the use of and for the services and products provided by the Utilities System as are expected to be sufficient in each Sinking Fund Year to produce Revenues, in an amount, at least equal to the sum of (i) one hundred percent (100%) of the Costs of Operation and Maintenance for such Sinking Fund Year, (ii) one hundred percent (100%) of the Bond Service Requirement for such Sinking Fund Year, (iii) one hundred percent (100%) of the amounts payable with respect to Subordinated Indebtedness and Subordinated Contract Obligations in such Sinking Fund Year, (iv) one hundred percent (100%) of the amount required to maintain the Reserve Fund in accordance with the Bond Ordinance, and any additional amount required to make all other payments required to be made.

Failure by the Issuer to comply with the preceding paragraph in any Fiscal Year shall not constitute an event of default under the Bond Ordinance so long as the Issuer shall, no later than sixty (60) days after discovering such non-compliance and in all events no later than sixty (60) days of receipt by the Issuer of audited financial statements delivered pursuant to the Bond Ordinance which statements show such noncompliance, retain a Qualified Independent Consultant for the purpose of reviewing the Utilities System fees, rates, rents, charges and surcharges and shall implement the recommendations of such Qualified Independent Consultant with respect to such fees, rates, rents, charges and surcharges filed by the Qualified Independent Consultant with the Issuer in a written report or certificate, and such failure shall not be an event of default even though the Qualified Independent Consultant shall be of the opinion, as set forth in such report or certificate, that it would be impracticable at the time to charge such fees, rates, rents, charges and surcharges for the Utilities System as would provide funds sufficient to comply with the requirements of the preceding paragraph so long as the Issuer imposes such schedule of fees, rates, rents, charges and surcharges as in the opinion of such Qualified Independent Consultant will allow the Issuer to as nearly as then practicable comply with such requirements and the Issuer shall again be in compliance within the preceding paragraph no later than twelve calendar months after its discovery of such non-compliance. The Issuer shall provide notice of its failure to comply with the preceding paragraph to the Municipal Securities Rulemaking Board (the "MSRB") no later than thirty (30) days after engaging the services of a Qualified Independent Consultant pursuant to the requirements of the preceding sentence and shall provide a copy of the report or certificate of the Qualified Independent Consultant to any Owner who shall request the same in writing. Furthermore, the Issuer shall provide a copy of the report or certificate of the Qualified Independent Consultant to the Rating Agencies within thirty (30) days after receipt of same.

Maintenance of Utilities System; Disposition

The Issuer has covenanted to maintain the Utilities System and all parts thereof in good condition and will operate the same in an efficient and economical manner, making such expenditures for such equipment, maintenance and repairs and for renewals and replacements thereof as maybe proper for its economical operation and maintenance, provided, however, that nothing shall be construed to prevent the Issuer from ceasing to operate or maintain, or from leasing or disposing of any portion or component of the Utilities System if, in the judgment of the Issuer, (i) it is advisable to lease, dispose of, or not operate and maintain the same, and (ii) the lease, disposition or failure to maintain or operate such component or portion of the Utilities System will not prevent the Issuer from meeting the requirements of the Bond Ordinance. Notwithstanding anything in the foregoing to the contrary, the sale-leaseback or lease-leaseback of any portion or component of the Utilities System or any similar contractual arrangements the effect of which is that the Issuer continues to retain as part of the Revenues, the Revenues from such portion or component of the Utilities System, shall not constitute a lease or disposition thereof for purposes of the Bond Ordinance.

Reports and Annual Audits

The Issuer has covenanted to require that an annual audit of the accounts and records with respect to the Utilities System be completed as soon as reasonably practicable after the end of each Fiscal Year by a qualified independent certified public accountant. Such audit shall be conducted in accordance with generally accepted auditing standards as applied to governments and shall include a statement by such auditors that no default on the part of the Issuer of any covenant or obligation hereunder has been disclosed by reason of such audit, or, alternatively, specifying in reasonable detail the nature of such default.

Additions to Utilities System

The Issuer may add to the Utilities System any facilities or equipment purchased, acquired or constructed for the purpose of improving or renovating any element of the then-existing Utilities System. In addition, the Issuer may add to the Utilities System any facilities or equipment for the provision of utility-related services other than those provided by the then-existing Utilities System, so long as, (i) if any Tax-Exempt Obligations are outstanding under the Bond Ordinance, the Issuer shall have received an opinion of Bond Counsel that the addition to the Utilities System will not, in and of itself, cause the interest on such Tax-Exempt Obligations not to be excludable from gross income of the Holders thereof for federal income tax purposes, (ii) if the Revenues anticipated by the Issuer to be derived from such addition in its first full Fiscal Year of operations are equal to or greater than ten percent (10%) of the total Revenues derived by the Utilities System in the most recent Fiscal Year of the Issuer preceding the adding of such addition to the Utilities System for which audited financial statements are available, or if the Cost of Operation and Maintenance anticipated by the Issuer to be incurred in connection with such addition in its first full Fiscal Year of operation are equal to or greater than ten percent (10%) of the total Cost of Operation and Maintenance incurred by the Utilities System in the most recent fiscal year preceding the adding of such addition to the Utilities System for which audited financial statements are available, prior to making such addition to the Utilities System the Issuer shall have obtained a written report of a Qualified Independent Consultant to the effect that within its first five (5) full years of operation, the annual additional Revenues generated by such addition in any one Fiscal Year of such first five (5) full years will exceed the annual additional Costs of Operation and Maintenance allocable to such additions in such Fiscal Year, and (iii) within ninety (90) days after adding such addition to the Utilities System the Issuer shall have provided written notice of same to each Rating Agency.

CITY OF LAFAYETTE

General

The City was incorporated in 1914. It is located on the Vermilion River, approximately 30 miles from the Gulf of Mexico, 135 miles west of New Orleans, and 200 miles east of Houston, Texas. The City is the parish seat of the Parish, which was created on January 17, 1823, and covers a total area of approximately 277 square miles. The City is located in the heart of Acadiana, an eight-parish area in the center of southern Louisiana, between New Orleans and Houston, Texas in proximity to many of the largest and richest oilfields in Louisiana. Each of the Electric System, Water System and Wastewater System provides services primarily inside the City, but also on a limited basis to some areas outside the City limits.

For additional information with respect to the City, see Appendix "C" and Appendix "D" hereto.

Governance

In the Fall of 1992, the electorate of the Parish, including the City, adopted the initial Home Rule Charter of the City and the Parish (the "Initial Charter") which established the Lafayette City-Parish Consolidated Government ("LCG") for the purposes of consolidating the governmental functions of the City and the Parish, which government became operative June 3, 1996, when the LCG officials took office pursuant to the Initial Charter. On December 8, 2018, voters of the Parish and the City ratified amendments to the Initial Charter (the "Charter Amendments") which provides the rules of governance for the City and the Parish. While LUS was governed under the 1996 Home Rule Charter during the fiscal year 2019 period, in January 2020, the new Charter was implemented which modified the governance structure as described herein. Historically, the Lafayette Public Utilities Authority ("LPUA") approved the LUS budgets, and issued debt as approved by the Mayor-President and City-Parish Council. Beginning in January 2020, the City Council assumed LPUA's responsibilities with respect to the Utilities System.

The Charter defines the LCG departmental structure. LCG manages and operates the Utilities System through its departmental structure. The Utilities Department is responsible for the Utilities System while the Communications Department is responsible for the Communications System management and operations. Other LCG departments perform certain functions to and provide support for LUS operations, such as the Chief Administrative Officer, which includes human resources, the Office of Finance and Management, which includes accounting, budget management, purchasing and property management, and risk management and group insurance, and the Legal Department. The City owns the Utilities System and the Communications System assets. LCG operates on a fiscal year beginning November 1 and ending on October 31 of the following year.

Now, LCG is currently governed by a Mayor-President and City Council members that are elected by the City to four-year terms of office. The Lafayette City Council ("City Council") consists of five members who are serving as the governing authority for the City and the Lafayette Parish Council ("Parish Council") consists of five members who are serving as the governing authority for the Parish. The City Council and the Parish Council, jointly, serve as the governing authority for LCG. The Mayor-President leads LCG along with the City Council and Parish Council. The City Council is the governing authority for LUS, LPPA, and LUS Fiber. The Mayor-President appoints the Director of Utilities and Communications, with such appointment for the Director of Utilities subject to ratification by the City Council. Certain provisions provided by LCG to the City and Parish are shared such as finance, accounting, administration, human resources, legal, and insurance. The Mayor-President and Chief Administrative Officer supervise the administration of departments, offices, and agencies of LCG. Certain departments of LCG are involved in day-to-day support of the management of LUS. Joshua S. Guillory is the Mayor-President of LCG and his term expires January 2024.

The following are the current members of the City Council:

	Term Expires
Liz W. Hebert, District 3, *Chair*	January 2024
Nanette S. Cook, District 4, *Vice Chair*	January 2024
Patrick "Pat" Lewis, District 1	January 2024
Andy Naquin, District 2	January 2024
Glenn M. Lazard, District 5	January 2024

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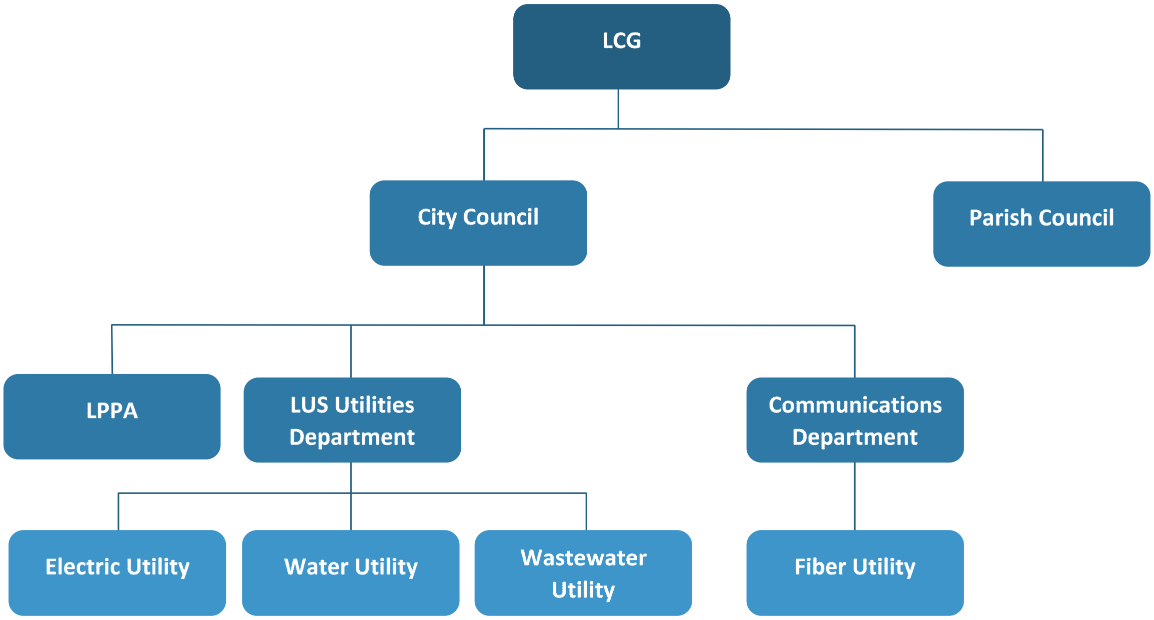
LCG Structure

The chart below reflects the City's Utilities System and Communications System organizational structure.



THE UTILITIES SYSTEM

General

The Issuer owns and operates the Utilities System as a single revenue producing public utility consisting of: (1) an Electric System, including generation, transmission and distribution facilities (the "Electric System"); (2) a Water System, including supply, treatment, transmission, distribution and storage facilities (the "Water System"); and (3) a Wastewater System, including wastewater collection and treatment facilities (the "Wastewater System"), each as more fully described herein.

As of October 31, 2020, LUS served 69,364 electric accounts, 57,412 water accounts, and 46,133 wastewater accounts. LUS generates revenues primarily from the sale of the utility services it provides. The electric utility represents approximately 75 percent of the revenues and costs of LUS while the water and wastewater utilities represent the remaining 25 percent. The historical revenues have been relatively stable for all three utilities over the last five years. Only the electric utility experienced a noticeable reduction in fiscal year 2020 due to the COVID-19 pandemic, however it should be noted that the revenue reduction was combined with a commensurate reduction in fuel and purchased power expenses.

Each of the Electric System, Water System and Wastewater System provides services primarily inside the City, but also on a limited basis to some areas outside the City limits. For more information regarding services provided outside the City limits, see "WATER SYSTEM – General" and "WASTEWATER SYSTEM – General".

Management of the Utilities System

The principal members of the management team of the Utilities System include:

Lowell Duhon — *Lafayette Utilities System's Interim Director.* Lowell was born and raised in Lafayette and earned a Bachelor's Degree in Business Administration/Finance from the former University of Southwestern Louisiana (now the University of Louisiana at Lafayette) in 1975 and a Master's in Business Administration in 1982. He has 38 years of experience in banking, finance, and executive management and was previously the Chief Administrative Officer for the City. Lowell has been serving in this interim role since October 2019 and will continue to fulfill this role until the City hires a permanent Utilities Director. Preng & Associates, LLC has been contracted by LCG to recruit a permanent director.

Lorrie R. Toups, CPA, CGFO — *Chief Financial Officer.* Lorrie has 28 years of experience in government finance. She was employed by St. Charles Parish, Louisiana from 1993 through 2008 where she held the position of Director of Finance from 2000 – 2008. She served as Director of Accounting from 2008 through 2010 in Jefferson Parish, Louisiana prior to joining Lafayette City-Parish Consolidated Government in January 2011.

Lorrie is a certified public accountant and a certified government finance officer. She holds a B.S./B.A. degree from Nicholls State University with a major in accounting. She is a past president of the Louisiana Government Finance Officers Association and served six years on its board of directors. She served on the board of directors for the Louisiana Certified Public Accountants – New Orleans Chapter for four years and chaired the Governmental and Non-profit committee for seven years. Lorrie also served on the Industrial Development Board of St. Charles Parish and on the Archbishop Chapelle High School Board.

Jeffrey Stewart — *Engineering & Power Supply Manager*. Jeffrey has over 20 years of experience at LUS and is responsible for the supervision of all day-to-day engineering activities, including Civil Engineering, Power Marketing, System Engineering, and Environmental Compliance associated with power generation. Jeffrey is also the Primary Authorized Officer for North American Electric Reliability Corporation ("NERC") Compliance. He is a registered Professional Engineer in the State of Louisiana and holds a Bachelor of Science degree in Electrical Engineering from LSU.

Gregory A. Labbé — *Electric Operations Manager*. Gregory has been with working with LUS for 35 years and has held several positions in the Electric Operations Section. Mr. Labbé is responsible for the day-to-day operation of the electric transmission and distribution system including Transmission and Distribution Operations, Field Operations, Energy Control, Substations and Communication, Facilities Management, and the Warehouse. Mr. Labbé is a graduate of T.H. Harris Technical School in Opelousas, Louisiana.

Craig Gautreaux — *Water and Wastewater Operations Manager*. Craig has 36 years of experience in the Civil Engineering/Wastewater Operations industry (5 years with the University of Louisiana-Lafayette, 5 years with a private consulting firm and 27 years with the Utilities System). He is a Graduate Civil Engineer with a Masters in Civil Engineering.

Tracy Mouton — *Environmental Compliance Manager*. Tracy has been in the environmental field with the Utilities System for 27 years, serving as the Environmental Compliance Manager since July 2017. Her education includes a Bachelor of Science in biology with a minor in chemistry from Jackson State University in Jackson, Mississippi.

Alison Alleman — *Customer & Support Services Manager.* Alison has over 20 years of experience at LUS and has been serving as the Customer & Support Services Manager on an interim basis since May 2020 and permanently since November 2020. She holds a Bachelor of Science in Finance degree and a Master of Business Administration from the University of Louisiana at Lafayette. She is responsible for various support and customer service functions within the Utilities System including revenue collection, financial monitoring and planning, rates, revenue assurance, employee development, meter services, utility conservation, customer service, business support services, and administration support services

Employees

As of October 31, 2020, the Utilities System had approximately 419 employees on staff. The Utilities System has a budgeted 447 employees for fiscal year 2021.

Permits and Approvals

The Utilities System facilities are in material compliance with applicable environmental regulations and key environmental permits, approvals, and consent orders.

Environmental Stewardship

LUS promotes conservation and is committed to the efficient use of natural resources. LUS promotes energy star products, educates customers on energy and water conservation practices, and provides web-based tools for customers to better manage their consumption on a daily basis. In addition, LUS employs an energy conservation specialist who provides complimentary energy audits to customers and provides tips for reducing energy and water usage. Some of the programs LUS has initiated include land farming, availability of Kill-a-Watt™ meters, Nest® thermostats, and rain barrels.

CAPITAL IMPROVEMENT PROJECTS

The most recent Utilities System Capital Improvement Program ("CIP") is contained in the LCG Adopted Operating and Five-Year Capital Improvement Budget FY 2020-2021 ("2021 Budget"). The five-year CIP totals $101,950,000 and is shown in the table below. The CIP consists of each of (i) the CIP for the Electric System (the "Electric System CIP"), (ii) the CIP for the Water System (the "Water System CIP") and (iii) the CIP for the Wastewater System (the "Wastewater CIP").

Utilities System
Capital Improvement Program

Utility	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
Electric (1)						
Acquisitions	$675,000	$400,000	$0	$0	$0	$1,075,000
Production	1,530,000	1,130,000	$380,000	380,000	880,000	4,300,000
Distribution	4,025,000	2,035,000	1,035,000	1,035,000	1,035,000	9,165,000
Substation	925,000	1,225,000	1,225,000	925,000	925,000	5,225,000
Transmission	10,000	10,000	10,000	10,000	10,000	50,000
General Plant	5,115,000	2,635,000	910,000	760,000	260,000	9,680,000
Total Electric	$12,280,000	$7,435,000	$3,560,000	$3,110,000	$3,110,000	$29,495,000
Water						
Production	$1,380,000	$1,430,000	$830,000	$2,980,000	$2,230,000	$8,850,000
Distribution	3,210,000	1,060,000	1,685,000	1,585,000	760,000	8,300,000
Total Water	$4,590,000	$2,490,000	$2,515,000	$4,565,000	$2,990,000	$17,150,000
Wastewater						
Treatment	$16,660,000	$910,000	$7,260,000	$610,000	$6,360,000	$31,800,000
Collection	6,215,000	3,155,000	8,645,000	2,745,000	2,745,000	23,505,000
Total Wastewater	$22,875,000	$4,065,000	$15,905,000	$3,355,000	$9,105,000	$55,305,000
Total Capital Program	**$39,745,000**	**$13,990,000**	**$21,980,000**	**$11,030,000**	**$15,205,000**	**$101,950,000**

Source: 2021 Budget. Amounts are in 2021 dollars.
(1) Does not include the LPPA Rodemacher Unit 2 CIP.

Electric System Improvements

The Electric System CIP is reviewed, updated, and budgeted annually. The Electric System CIP totals $29,495,000 over the five-year period.

Production

The Electric System CIP includes production capital expenditures totaling $4.30 million over the five-year period, primarily related to combustion turbine plant improvements, and including inlet air chiller coil replacements, emissions controls, replacement of a cooling tower, and fuel supply improvements.

Distribution

Distribution system capital improvements are budgeted to total $9.1 million in the Electric System CIP over the next five years and include replacing and renewing distribution feeders, extending distribution infrastructure to serve system expansions, and other general distribution improvements.

Substation

The substation capital improvements are budgeted to total $5.23 million in the Electric System CIP over the next five years. The substation capital improvement projects are associated with transformer replacements, high voltage breaker replacements throughout the transmission and distribution substation system, and general substation plant improvements.

Transmission

The transmission capital improvements are budgeted to total $50,000 in the Electric System CIP over the next five years. The capital cost is associated with miscellaneous transmission improvements.

General Plant

The Electric System CIP for General Plant totals $9.68 million. At 2.5 million, the largest project is for the street lighting upgrades planned. The Electric System CIP also includes 2.5 million of facilities improvements related to building HVAC replacements. The remaining capital cost is associated with a call center/CIS enhancement, a digital self-service system, supervisory control and data acquisition (“SCADA”) software upgrade, warehouse renovations, outage management system replacement, facilities improvements, and network/technology improvements.

Water System Improvements

The Water System CIP is reviewed, updated, and budgeted annually. The Water System five-year CIP contained in the 2021 Budget totals $17.15 million for the five-year period and includes building rehabilitation; treatment plant upgrades; and main replacements, upgrades, and extensions.

Production

The Water System CIP includes $8.85 million in production improvements. Projects include water plant facilities rehabilitation, installation of storage, replacing chemical handling facilities, and general projects for extending life of the plant sites.

Distribution

The Water System CIP includes $8.3 million in water distribution improvements. Projects include water line extensions, distribution ground storage tank installation, water tower/tank repainting, replacement of old water lines, and general projects for extending useful life of distribution facilities.

Wastewater System Improvements

The Wastewater System CIP is reviewed, updated, and budgeted annually. The Wastewater System five-year CIP contained in the 2021 Budget totals $55.30 million and includes the expansion of wastewater treatment plants, digester rehabilitations, lift station upgrades, gravity sewer upgrades, collection system improvements, odor control, and sludge handling.

Treatment

The Wastewater System CIP includes $31.80 million for LUS’ wastewater treatment facilities Projects include continued phases of wastewater treatment plant expansions and general projects for extending useful life of treatment plants.

Collection

The Wastewater System CIP includes $23.50 million for wastewater collection improvements. Projects include compliance with CMOM program, updating and rehabilitating lift stations, installing major lift stations and force main lines, and general projects for extending useful life of collection facilities.

ELECTRIC SYSTEM

General

The Electric System consists of power generation, transmission, substation, distribution, and customer facilities within and outside its service territory. LUS became a full market participant in the Midcontinent Independent System Operator, Inc. ("MISO") as a Local Balancing Authority in 2013. MISO membership required LUS to modify the methods and processes the utility uses to purchase and sell power. LUS purchases all its energy needs from the MISO market and dispatches its generation facilities to the market as market power sales.

Generation Facilities

LUS generates electricity with two natural gas-fired generating facilities located within the Parish, the T.J. Labbé Plant, and the Hargis-Hébert Plant, and the LPPA owned Rodemacher Unit 2 coal-fired generating plant located approximately 100 miles northwest of the City near Boyce, Louisiana. LPPA holds a 50 percent ownership interest in Rodemacher Unit 2 facilities, which is operated by Cleco.

The Utilities System has two local power plants that were retired in place, the Doc Bonin Plant and the Curtis Rodemacher Plant. The Doc Bonin and the Curtis Rodemacher Plants have been deemed economically obsolete. Curtis Rodemacher was retired in June 2000 and the Doc Bonin Plant was retired in April 2017. In 2016, a decommissioning study was performed for the Doc Bonin Plant and provided cost estimates for varying levels of decommissioning.

Rodemacher Unit 2 would require significant modifications by 2027 in order to comply with CCR and ELG rules and continue to operate utilizing coal. Due to the cost associated with these modifications, the Joint Owners have decided that prior to the required compliance date, Rodemacher Unit 2 will stop utilizing coal in the future. The Joint Owners are still evaluating whether Rodemacher Unit 2 should be retired or converted to burn natural gas. Either alternative is expected to be a major expenditure and LUS would be responsible for 50 percent of the total cost.

LUS is performing routine maintenance, upkeep, and site monitoring at the retired plants. At Curtis Rodemacher, site monitoring and remediation includes periodic soil sampling and lead paint removal. LCG must retain ownership of the Curtis Rodemacher site due to the co-location of a large, critical substation at the site and related security needs. Periodic costs associated with site monitoring and upkeep of both retired plants will continue, as needed, to maintain ownership and environmental compliance.

LUS selected Burns & McDonnell as a consultant to perform an Integrated Resource Plan ("IRP") to evaluate overall power supply options, including plans for potentially replacing or repowering the Doc Bonin Plant. Burns & McDonnell completed the IRP in fiscal year 2020. The IRP included recommendations for the retirement of Rodemacher Unit 2 from coal-fired operation at the end of 2027, the potential construction of a new LUS owned simple cycle gas turbine power plant at the existing Doc Bonin Plant site in 2028, and the addition of utility scale solar which would be procured through a power purchase agreement. LUS continues to evaluate its power supply alternatives based on the results of the IRP, and initiate progress where needed.

T.J. Labbé and Hargis-Hébert Plants

The T.J. Labbé Plant began operation in 2005 and consists of two natural gas-fired 48 MW General Electric ("GE") model LM6000PC SPRINT combustion turbine generators (each a "CTG") equipped with supplemental inlet air cooling and compressor intercooling using a proprietary GE Spray-Intercooled system called "SPRINT." The CTGs are capable of starting and reaching base load generation levels within 10 minutes. While the plant is staffed 24-hours per day, seven days a week, the CTGs are capable of being remotely started and monitored by the Hargis-Hébert staff. Previously, the T. J. Labbé Plant could be started and monitored from the Doc Bonin Plant control room. With the retirement of the Doc Bonin Plant, controls at both T. J. Labbé and Hargis-Hébert were upgraded in 2017 to allow for the start-up and monitoring of either plant from one location, if required. The T.J. Labbé Plant is connected to the LUS transmission system at 230 kV. The plant also includes a 600-kilowatt ("kW") emergency generator for black start capability.

Annual net generation at the T. J. Labbé Plant has averaged approximately 8,867 megawatt hours ("MWh") for unit 1 and 12,404 for unit 2 combined over the period from 2016 through 2020 with an average annual plant capacity factor of 2.2 percent and 1.9 percent for units 1 and 2 of the T.J. Labbé Plant, respectively. The annual average heat rate of the T. J. Labbé Plant was approximately 12,404 British Thermal Units ("Btu") per kilowatt-hours ("kWh").

The Hargis-Hébert Plant began commercial operation in 2006 and is nearly identical to the T.J. Labbé Plant, with two natural gas-fired 48 MW GE model LM6000PC SPRINT CTGs. The Hargis-Hébert Plant CTGs have the additional capability of providing voltage support to the transmission grid through a specially designed clutch system that was originally installed on each of the CTGs allowing the gas turbine to be shut down and uncoupled from the generator while the generator remains synchronized to the grid to supply or absorb reactive power. The CTGs are capable of starting and reaching base load generation levels within 10 minutes. The Hargis-Hébert Plant connects to the LUS transmission system at 69 kV. The plant has a 600-kW emergency generator for black start capability.

Annual net generation at the Hargis-Hébert Plant has averaged approximately 11,476 MWh for unit 1 ad 12,333 MWh for unit 2 over the 2016 to 2020 period, with an average annual plant capacity factor of 2.9 percent and 2.9 percent for units 1 and 2 of the Hargis-Hébert Plant, respectively. The annual average heat rate of the Hargis-Hébert Plant was approximately 12,333 Btu per kWh.

Rodemacher Unit 2

Rodemacher Unit 2 is a 523 MW coal-fired generating station located at the Brame Energy Center near Boyce, Louisiana. Rodemacher Unit 2 is jointly owned by LPPA (50 percent), Cleco (30 percent), and the Louisiana Energy and Power Authority ("LEPA") (20 percent) (collectively, the "Joint Owners"). The Agreement for Joint Ownership, Construction, and Operation (the "Joint Ownership Agreement") dated June 30, 1977, as amended, established the joint ownership of Rodemacher Unit 2. The Joint Owners share the output of Rodemacher Unit 2 based on the relative ownership percentages. LPPA's ownership share of Rodemacher Unit 2 is 261.5 MW of capacity and the related energy output. The Joint Ownership Agreement remains in effect through June 30, 2032.

Rodemacher Unit 2 provides the largest portion of LUS' power generation capacity. Annual net generation at Rodemacher Unit 2 has averaged approximately 1,855,249 MWh over the period from 2016 through 2020 with an average annual plant capacity factor of 42.8 percent. The annual average heat rate of Rodemacher Unit 2 was approximately 11,631 Btu per KWh. For additional information regarding the LPPA Contract with respect to Rodemacher Unit 2, see "– Power Supply/Sales Contracts" below.

For additional information related to the potential retirement or conversion to natural gas of Rodemacher Unit 2, see "– Generation Facilities" above.

MISO Market

The Utilities System became a MISO full Market Participant in December 2013. MISO provides reliability and wholesale market grid operation for interconnected utilities in the midcontinent region of the United States. LUS is a Local Balancing Authority within the MISO Balancing Authority footprint.

As discussed below under "– Fuel Infrastructure and Supply Contracts", LUS has an agreement with The Energy Authority ("TEA") for power and fuel marketing and TEA is registered as LUS' Market Participant in MISO. LUS evaluates and approves TEA's strategies for energy market participation, as well as provides feedback on how the selected strategies worked compared to alternative strategies.

Participation in the MISO market requires a buy-all/sell-all type of transaction. In collaboration with TEA, LUS purchases power to meet all its load from the MISO market on an hourly basis. Simultaneously, MISO economically dispatches LUS' generation assets and all of the generation is sold into the MISO market creating market sales for LUS. As a result of these changes, LUS reports the combined transaction as net purchased power (total market purchases less total market sales).

The MISO membership has improved the economic and over-all power supply situation for LUS. In addition to the transmission system improvements mentioned above, LUS also enjoys operational benefits resulting from MISO dispatch of its local generation, and is provided flexibility in the dispatch of LPPA's Rodemacher Unit 2 capacity.

Operations and Related Performance

Each division within the Electric System has a safety representative and full support from upper management. The Departmental Accident Review Committee evaluates all incidents to report on causes and measures to improve safety. LUS adopted the American Public Power Association Safety Manual.

The distribution system Dispatch Center addresses customer calls, dispatches, and tracks crews. The Dispatch Center utilizes an automated metering infrastructure system as the primary means for detecting and tracking outages, supplemented with customer call tracking. The outage management system tracks outage locations over time to prioritize maintenance/replacement work and determine system reliability indices.

Transmission and Distribution

The Electric System has 47 miles of transmission lines and 1,019 miles of distribution lines. Transmission substation facilities are at 230 kV, 138 kV, and 69 kV. The 230 kV transmission system includes 16 miles of line with interconnections to Cleco and Entergy. The 138 kV system equipment at the Doc Bonin Plant Substation connects to Entergy, as well as autotransformers to the 230 kV and 69 kV busses. The 69 kV transmission system consists of 31 miles of line. Fifteen distribution substations serve the 86 feeders on the LUS 13.8 kV distribution system. Existing transmission circuits are on a range of structure types and configurations, but most commonly steel or wood mono poles, with the former being the most common new construction practice.

The 1,019 miles of distribution lines include 480 miles of overhead and 526 miles of underground lines (13.8 kV). Overhead distribution poles are primarily creosote-treated southern yellow pine, with light-duty steel poles for corners or areas where guying is not possible.

All distribution facilities serving new subdivisions and commercial developments are underground. New underground cable is typically aluminum. All underground cable is installed in conduit with the exception of segments purchased from the local cooperative utility, Southwest Louisiana Electric Membership Corporation. LUS is not aggressively pursuing conversion of overhead to underground facilities due to the significant costs incurred for such a conversion.

The transmission and distribution systems utilize dedicated fiber optic cables for secure communication and protection of the systems. Distribution capacitor bank controls and recloser controls are connected to the operations center via the fiber system.

Rodemacher Unit 2 sends electric power from the switch station via five transmission lines, all of which operate at 230kV. The transmission lines service Clarence, Leesville, Rapides, Sherwood, and St. Landry. LUS has had firm transmission agreement with Cleco for the plant since it was commissioned, however the portion of its interconnection agreement related to firm transmission expired in August 2021. The transmission to Rodemacher is handled through the Network Integrated Transmission Service (“NITS”). Ceasing firm transmission services from Cleco is expected to achieve net O&M savings by LUS of approximately $4 million to $5 million in transmission costs per year, representing a savings of approximately $6 million to $7 million due to the termination of services by Cleco, as adjusted by a slight increase in NITS of approximately $1 million per year.

Environmental and Regulatory Compliance and Issues

The Electric System and LPPA’s Rodemacher Unit 2 are subject to continuing environmental regulation. Federal, state, and local standards and procedures, which regulate the impact of the generating assets on the environment, are subject to change. Consequently, there is no assurance that the facilities owned or under contract to the Electric System will remain subject to regulations that are currently in effect or will always be in compliance with regulations governing the protection of the environment that may be enacted in the future. The State of Louisiana (the “State”), through the Louisiana Department of Environmental Quality (“LDEQ”), establishes standards of performance and requires permits for the generating units of the Electric System, as well as Rodemacher Unit 2 in which the City has an ownership interest. In addition, the LDEQ has been delegated authority over and implements certain programs established by the EPA.

The Electric System facilities and LPPA's Rodemacher Unit 2 are in material compliance with applicable environmental regulations and key environmental permits, approvals and consent orders. LUS does not expect any rejections or delays in the renewals of the Electric System or LPPA environmental or operating permits.

NERC is a regulatory authority whose mission is to assure the reliability and security of the bulk power system in North America. NERC develops and enforces reliability and security standards including the Critical Infrastructure Protection (the "NERC CIP"). The NERC CIP plan consists of standards and requirements covering the security of electronic perimeters and the protection of critical cyber assets, as well as personnel and training, security management, and disaster recovery planning. The Electric System's most recent NERC CIP audit was completed in November 2019 with zero areas of concern. LUS's NERC 693 Reliability audit in 2017 was successful, with no violations. SERC Reliability Corporation ("SERC") was assigned as LUS's regional compliance enforcement authority as of December 2, 2017. SERC conducted an Operations and Planning off-site audit of LUS in 2020, NCR01114 from May 18, 2020 through September 10, 2020, in which there were zero areas of concern and zero recommendations were made. Additionally, SERC also conducted a review of LUS as a balancing authority and transmission operator due to the new EMS. A report was issued by certification review team and determined that LUS does not require a new certification. LUS is in compliance with all applicable NERC CIP and Operations and Planning 693 standards.

LUS remains registered with NERC as a Balancing Authority, Transmission Operator, Transmission Owner, Transmission Planner, Generator Operator, Generator Owner and Distribution Provider. LUS also has delegation agreements with MISO through Coordinated Functional Registration or Joint Registration Organizations Agreement. In 2011, LUS established a formal program for internal compliance, supported by management and the Lafayette City council.

The formation of LUS's NERC Compliance Section was established to meet the continuing evolution of in-scope regulatory standards and to provide oversight and assistance to Subject Matter Experts. LUS's NERC Compliance consist of a full-time NERC Analyst, an Electric Reliability & Environmental Compliance Administrator, and several Subject Matter Experts with various departments.

LUS has a separate environmental and compliance division for the Electric System. Individual personnel within the Electric Environmental Compliance division are assigned to: 1) NERC compliance; 2) spills, Spill Prevention Control and Countermeasure plans, and remediation; and 3) air quality. Compliance staff education and training takes place as standards are updated or newly created; and the staff participates in NERC reliability conferences.

Fuel Infrastructure and Supply Contracts

The City signed a Resource Management Agreement with TEA in 2000 allowing TEA to market capacity and energy in the wholesale market and to purchase capacity and energy on behalf of the City if needed. In 2005, the City signed Letter Agreement Number Two for Natural Gas Services (the "Letter Agreement") with TEA. The Letter Agreement authorizes TEA to purchase natural gas and both firm and interruptible transportation and marketing the Electric System's surplus natural gas and transportation. The Letter Agreement continues until either party provides 30-day written notice of termination to the other party.

Natural gas supply to the Doc Bonin Plant site is via a 10-mile-long, 10-inch gas supply line, owned by LUS that connects to the Texas Gas Transmission Corporation and the Columbia Gulf Transmission Company pipeline. Natural gas is supplied to the T. J. Labbé Plant through an expansion pipeline that is approximately one-half mile long and is connected to the 10-inch gas supply line serving the Doc Bonin Plant site. Natural gas to the Hargis-Hébert Plant is supplied from an interconnection to the east-west Gulf South Pipeline Company, LP ("Gulf South") system located between Louisiana Highway 89 and Commission Boulevard. Gulf South operates and maintains the 10-inch lateral, which terminates at the metering station located on the Hargis-Hébert Plant property.

Natural gas is delivered to T.J. Labbé at pressures in the range of 675 psig plus or minus 20 psig. As such, the three 50 percent natural gas compressors at T.J. Labbé are not needed and were permanently bypassed and decommissioned in Spring 2017. The natural gas is delivered through a fuel gas strainer, gas flow meter, a primary and secondary shut off valve, a fuel gas manifold, and goes to the fuel nozzles. Natural gas from the TransCanada pipeline is procured on behalf of LUS by The Energy Authority ("TEA") who also bids the units in as MISO market participants. The quantity and price of gas is determined daily based on day-ahead nominations. T.J. Labbé does not have firm gas supply.

Natural gas is delivered to Hargis-Hébert at pressures in the range of 675 psig plus or minus 20 psig. Hargis-Hébert does not have compressors, but the plant does have dew point heaters. The natural gas is delivered through a fuel gas strainer, gas flow meter, a primary and secondary shut off valve, a fuel gas manifold, and goes to the fuel nozzles. Natural gas from the Gulf South pipeline is procured on behalf of LUS by TEA who also bids the units in as MISO market participants. The quantity and price of gas is determined daily based on day-ahead nominations. Hargis-Hébert does not have firm gas supply.

The Joint Owners of Rodemacher Unit 2 purchase coal from Arch Coal Sales, Inc., Navajo Transitional Energy Company ("NTEC"), and Peabody COALSALES, LLC. The coal is sourced from the Powder River Basin in Wyoming. LPPA owns two unit-trains for rail transportation to the facility. The existing contracts allow the coal to either be rejected or allows for a price adjustment if the heat content is too low or the sulfur content is too high. The bottom ash and fly ash from Rodemacher Unit 2 is removed from site by truck and sold for beneficial reuse by Charrah, Inc. The Joint Owners have an agreement with Charrah through 2025.

An annual physical observation of the coal inventory is performed based on an aerial photographic survey and density measurements. An adjustment to inventory occurs when the survey indicates a variance in the results of the physical inventory of at least plus or minus 3 percent.

Power Supply / Sales Contracts

LPPA — Rodemacher Unit 2 Power Station

The Issuer entered into the LPPA Contract with the Lafayette Public Power Authority ("LPPA"). LPPA is a political subdivision of the State of Louisiana created in 1976 (and ratified and affirmed in 1977) by the City under and by virtue of the authority conferred by Article VI, Section 19 of the Louisiana Constitution of 1974, Sections 4170 through 4174 of Title 33 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority supplemental thereto. LPPA was created for the purpose of planning, financing, constructing, acquiring, improving, operating, maintaining and managing public power projects or improvements singly or jointly with other public or private corporations, and for the purpose of purchasing electric power and selling electric power to, or exchanging electric power with, the City and others. LPPA constitutes a legal entity separate and apart from the City. The City Council is the governing authority of LPPA, the chief executive officer of LPPA is the Mayor-President, and the managing director of LPPA is the Director of Utilities.

Pursuant to the LPPA Contract, the Issuer has agreed to purchase, and LPPA has agreed to sell, all of LPPA's share of the power and energy derived from LPPA's 50% ownership interest of a 523 MW coal-fired steam generating unit known as Rodemacher Unit No. 2 located at the Brame Energy Center (formerly known as the Rodemacher Power Station) near Boyce, Louisiana ("Rodemacher Unit 2") which is operated by Cleco Corporate Holdings, LLC ("Cleco"). The LPPA Contract expires on August 31, 2047.

Under the LPPA Contract, payments by the Issuer are specified to be sufficient to pay all costs of LPPA in connection with Rodemacher Unit 2, including LPPA's share of operation and maintenance of Rodemacher Unit 2, coal inventory costs, debt service requirements, and all other financial obligations of LPPA's share of Rodemacher Unit 2. The obligations of the Issuer to make the payments under the LPPA Contract are required to constitute operating expenses of the Issuer payable solely from the revenues of the Utilities System. Such payments are required to be made whether or not Rodemacher Unit 2 is operating or operable. As a result of being defined as operating expenses, the LPPA expenses have priority over the payment of debt service on the Issuer's debt. As of the date of this Official Statement, LPPA has $71,325,000 aggregate principal amount of debt currently outstanding. In order to finance and refinance its portion of the costs of certain improvements, renewals, repairs and replacements for Rodemacher Unit 2, LPPA sold (i) $65,100,000 of its Electric Revenue Bonds, Series 2012 (the "LPPA Series 2012 Bonds") on November 28, 2012 and delivered said bonds on December 21, 2012 and (ii) $29,035,000 of its Electric Revenue Refunding Bonds, Series 2015 on October 14, 2015 and delivered said bonds on November 13, 2015. LPPA is in the process of refunding the existing LPPA Series 2012 Bonds and plans to refund the bonds before the end of the year.

The monthly billing payment for electric service to the City is paid in advance, and is based on monthly power and energy costs as estimated and budgeted by LPPA. Pursuant to the LPPA Contract, an annual reconciliation between budgeted amounts billed and the actual aggregate monthly power and energy costs as defined in the LPPA Contract is to be made 120 days after the end of each contract year. The payments made by the City pursuant to the LPPA Contract constitute operation and maintenance expenses under the Bond Ordinance. For fiscal year 2020, such payments aggregated $37.5 million.

As discussed under "CERTAIN FACTORS AFFECTING THE ELECTRIC UTILITY INDUSTRY—Environmental Matters," there are new and additional environmental requirements which may be imposed on the operation of coal fired generation units such as Rodemacher Unit 2. Such requirements may result in substantial and increased capital costs and operating costs.

LUS selected Burns & McDonnell as a consultant to perform an Integrated Resource Plan ("IRP") to evaluate overall power supply options, including plans for potentially replacing or repowering the Doc Bonin Plant. Burns & McDonnell completed the IRP in fiscal year 2020. The IRP included recommendations for the retirement of Rodemacher Unit 2 from coal-fired operation at the end of 2027, the potential construction of a new LUS owned simple cycle gas turbine power plant at the existing Doc Bonin Plant site in 2028, and the addition of utility scale solar which would be procured through a power purchase agreement. LUS continues to evaluate its power supply alternatives based on the results of the IRP, and initiate progress where needed.

Hydroelectric Purchased Power

LUS has a power purchase agreement in place with the Southwestern Power Administration ("SWPA"). The power purchase agreement provides LUS with 22,320 MWh of energy supply from hydroelectric power generation. The power purchase agreement is through May 31, 2033. As one of four Power Marketing Administrations in the United States, Southwestern markets hydroelectric power in Arkansas, Kansas, Louisiana, Missouri, Oklahoma, and Texas from 24 U.S. Army Corps of Engineers multipurpose dams.

Energy Contract and Renewable Energy Credit Contract

LCG signed a contract with Exelon Generation Company, LLC for energy only based on 50 MW at 100 percent load factor. The contract term was from January 1, 2019 through December 31, 2020.

LCG signed a contract with STX Services B.V. via TEA for renewable energy credits. The contract term was from January 1, 2019 through December 31, 2020.

LUS staff are currently conducting a renewable power supply request for proposals. LUS and LCG are currently in the process of evaluating renewable energy supply contract proposals but have not made any selections or recommendations to LCG.

Electric System Sales

Customers

The ten largest retail customers of the Electric System are set forth in the following table:

Electric System Largest Retail Customers
Twelve months ended October 31, 2020

Customer	2020 Revenues	% of Total Retail Revenues
University of Louisiana	$10,022,258	6.0%
Lafayette General Hospital	2,796,915	1.7
Our Lady Of Lourdes	1,762,141	1.1
Lafayette Consolidated Government-Street Lighting	1,572,133	0.9
Stuller Inc.	971,095	0.6
Haliburton – Gulf Coast Campus	718,208	0.4
University Hospital & Clinics Inc.	697,084	0.4
International Paper	655,483	0.4
Women's and Children's Hospital	612,293	0.4
Catalyst Recovery	602,562	0.4
TOTAL	$20,410,172	12.3%
TOTAL REVENUES	$166,467,519	100%

Source: LUS

Historical Power Sales

As discussed above under "MISO Market", LUS purchases the entirety of its requirements from the MISO market. Correspondingly, MISO dispatches LUS' generation units and all of the generation is sold into the MISO market. The column labeled MISO Market Sales below represents LUS' sales into the MISO market from LUS generating units. The column labeled MISO Market Purchases below represents purchases from the MISO market.

Fiscal Year	Retail Sales (MWh)	Wholesale Sales (MWh)[1]	MISO Market Sales (MWh)	MISO Market Purchases (MWh)
2016	2,027,945	0	872,154	2,098,275
2017	1,980,653	0	898,205	2,042,686
2018	2,031,847	0	1,153,292	2,108,460
2019	2,004,310	0	1,132,482	2,036,411
2020	1,917,040	0	736,830	1,987,674

Source: LUS, the Consulting Engineer, and Aces Power LLC. LUS Financial and Operating Statements, 2016 through 2020 audited.
(1) After LUS joined MISO, all LUS generation was sold to the MISO Market.

Projected Demand and Resources

As a MISO participant, LUS required to procure sufficient capacity to meet its load requirements. This capacity can be procured through owned resources or power purchase contracts. In order to meet its resource adequacy (i.e. capacity) requirements, LUS has been purchasing short-term capacity contracts. Below provides a summary of LUS recent and current capacity contracts:

- 40.0 MW from June of 2016 through May of 2020 with NRG Energy, Inc. ("NRG")
- 80.0 MW from June of 2020 through May 2021 with TEA
- 68.0 MW from June of 2021 through May of 2022 with NRG.

WASTEWATER SYSTEM

General

The Issuer owns and operates a Wastewater System that provides sewer services to residents within the Issuer's boundaries, as well as to some residents outside its boundaries. Any residents outside the City limits that wish to be connected to the Wastewater System must be approved by the City Council. In addition, the Issuer operates and maintains approximately 18 packaged wastewater treatment systems outside the City limits in unincorporated areas of the Parish. These package plants serve subdivisions and rural areas that are not currently in the LUS service area or connected to the Wastewater System. The Wastewater System is comprised of a wastewater collection system, four wastewater treatment plants at various locations throughout the City, and waste sludge management and disposal facilities. The total combined permitted treatment capacity for the four plants is 18.5 MGD. As of October 31, 2020, LUS provided wastewater services to 46,133 customers.

Wastewater Treatment and Collection

The four main wastewater treatment plants are the South Plant, the East Sewage Treatment Plant (the "East Plant"), the Ambassador Caffery Plant, and the Northeast Plant. The total permitted capacity for these plants is 18.5 MGD, while the total combined flowholding capacity at the four plants is 38.5 million gallons.

The South Plant and the East Plant are activated sludge facilities with permitted capacities of 7.0 MGD and 4.0 MGD, respectively. The Northeast Plant is an oxidation ditch facility with a permitted capacity of 1.5 MGD. The Ambassador Caffery Plant is a 6.0 MGD treatment plant that was originally constructed with rotating biological contactors ("RBC") and an oxidation ditch, but the SBR has since replaced the RBC process. The design capacity of this plant is 9.25 MGD. LUS finds the SBR system to be extremely efficient and flexible by easily processing varying flow ranges.

LUS is in the process of purchasing land surrounding the existing South Plant site for future construction of additional retention and treatment facilities to serve growth in the system and the potential addition of packaged plants in the area. The design project for a new sewer lift station and 20-inch force main to the SSTP is in progress. This project will require a new 20-inch force main and is expected to take at least two years. Although the state government owns some property along the proposed routing, LUS has encountered challenges with acquiring property for the lift station and force main routing. Additionally, the SBRs at the SSTP are being evaluated to handle new and future capacity associated with housing development in the downtown area.

The Wastewater System consists of 688.4 miles of gravity sewer collection pipes and interceptors and sewer force mains, with 13,008 manholes and 195 sanitary sewer lift stations. As the City area is relatively flat, with little to no elevation relief, the wastewater collection system requires a significant number of lift stations to pump and re-pump wastewater to the four treatment plants. The 195 sanitary sewer lift stations consist of approximately 35 percent Gorman Rupp style suction lift stations, and 65 percent submersible stations of various makes and descriptions.

LUS is also charged with the responsibility of assimilating small, community-type package wastewater treatment plants into the Wastewater System. These package plants are increasingly utilized to serve subdivisions and rural areas that are not currently in the LUS service area. To date, 125 package wastewater treatment plants are now operated and maintained as LUS' Wastewater System infrastructure. Each of the package plants carries its own discharge permit, and their relatively isolated locations mean that they do not affect LUS capacity as both treatment and discharge are located at the package plant site. Additional packaged plant integration capacity will be provided by the future South Plant and Wastewater System expansions should those service areas be incorporated into the existing collection system.

Wastewater Discharge Permits

The wastewater discharge permit renewals for all four plants expired in the Fall of 2019. All Louisiana Pollution Discharge Elimination System ("LPDES") permits have been renewed and are effective as of 11/01/2019 for ACTP, 04/01/2020 for ESTP, 11/01/2020 for NETP, and 04/01/2020 for SSTP. All renewed permits contain identical effluent limits for biological oxygen demand, total suspended solids, ammonia nitrogen, dissolved oxygen, total residual chlorine, and pH, and have not changed as a result of the renewals. The quality of various discharge parameters of each treatment unit is recorded on wastewater discharge monitoring reports ("DMRs") and submitted monthly to LDEQ. The 2018 DMRs for the various treatment plants and operating units indicate all operating units were in compliance with National Pollutant Discharge Elimination System ("NPDES") discharge limits, no notices of violation of effluent limits were received, LUS is current with all fees and report submittals.

Operations and Related Performance

In 2020, the average daily wastewater volume treated by the four plants was 15.4 MGD. The average operating volumes treated by the four plants is less than each plant's permitted capacity. Ambassador Caffery Plant's average wastewater flow is at its permitted level of 6.0 MGD. While the flows are at the permitted level, the SBR system at the Ambassador Caffery Plant can treat up to 9.25 MGD as a peak or maximum flow. At times, the Ambassador Caffery Plant treats wastewater flows above its permitted levels in times of emergency operations or diversions to replace or repair other plant or collection system infrastructure. This situation occurs very rarely during extreme weather events.

EPA performed an audit of LUS's sanitary sewer system in 2017, which included the wastewater master plan, flow studies, and a tour of the four wastewater plants and some lift stations. A report of findings from the EPA's audit was released in May 2018. Resulting from the audit, an Administrative Order ("AO") was issued effective April 24, 2018 which requires LUS to prepare and implement a Capacity, Management, Operations, and Maintenance Program ("CMOM") by May 1, 2020.

The details of the CMOM implementation plan were submitted by LUS in February 2020, which included Collection System Management, Collection System Operations, Collection System Maintenance, and Collection System Capacity Evaluation. The AO requires LUS to regularly test and repair sewerage infrastructure by inspecting and cleaning 10 percent of the collection system each year and addressing defects within three years of the date on which they were identified. Additionally, the entire wastewater collection system needs to be rehabilitated by November 1, 2033, which averages approximately 7.7 percent annually.

LUS increased the budget for Closed Circuit Television Video ("CCTV") inspection, inflow and infiltration ("I&I") repairs in CIP, manhole lining, and point repairs. LUS staff have indicated that temporary changes in operations due to COVID-19 have resulted in lessened CCTV inspections of the wastewater collection system. This is of particular importance, as LUS is required to inspect at least 10 percent of the collection system each year.

Additional measures required by the AO include implementation of a sanitary sewer cleaning program which aims to clean the sanitary sewers on a 10-year revolving schedule. As the staff implements this program, the cycles of cleaning will depend on the pipeline condition, risk, and consequence of failure. As for critical cleaning, certain line segments may be identified to be more susceptible to blockages and may be put on a critical cleaning list as a preventive measure. The field supervisor is responsible for determining the cleaning cycle for these line segments.

LUS performs routine manhole inspections which are recorded in the "CityWorks program" software for asset management tracking. LUS indicated that Sewer Line-Rapid Assessment Tool acoustic technology and CCTV would be used to adhere to the CMOM to inspect all pipes and manholes, rotating though the entire system every 10 years. The first rotation through the entire collection system is required to be completed by November 1, 2030. Furthermore, LUS prioritizes repairing manholes and pipes using the Point Repair Priority Scores and Definitions and Manhole Repair Priority Scores that were developed in response to the AO.

LUS has also implemented a comprehensive training program for all staff participation in O&M in accordance with the AO. This arose from a lack of documented O&M training program and concern with staff succession.

Additionally, the CMOM Program establishes protocols for LUS to identify I&I issues for the most problematic areas of the collection system. Activities completed related to testing maintenance, and repair of sewage infrastructure can be located as noted on the 2019 and 2020 budgets of LUS. LUS does not expect any material difficulty or have any material concerns complying with the AO.

Currently, LUS's use of biosolids are permitted under LDEQ Sewage Sludge and Biosolids Use or Disposal Permit No. LAJ020125. Waste sludge generated at each of the wastewater treatment plants is treated to Class B biosolids standards and dewatered prior to transport to the application site. Due to the shortage of land application sites, LUS continues to face challenges associated with land application of biosolids. Currently, LUS applies biosolids on privately-owned farmland, and, due to the nature of land-use agreements, staff cannot always access the sites to apply the biosolids when needed. LUS is required to accommodate their farming activities such as crop and livestock rotation, and access to farming operations during inclement weather. This arrangement makes it necessary for LUS to secure more acreage than is required for actual biosolids disposal. LUS currently leases approximately 1,163 acres for sludge disposal, with year-to-year leases that each include a 30-day notice end-of-lease clause, but only utilized 302 acres in 2019.

Currently, three of the four wastewater plants use mechanical dewatering and belt press the biosolids to remove excess water from the biosolids. The dewatered biosolids are land applied. The Northeast Plant uses only lime stabilization to treat the biosolids. Adding mechanical dewatering before the lime stabilization will reduce the volume of biosolids produced by the plants.

Although not all wastewater treatment plants ("WWTPs") have active odor control, the permit from LDEQ requires that odor production be minimized as an operational standard for land applying the biosolids. Additional land-use agreements, such as purchasing and owning land to apply the biosolids, should be considered.

Post-Hurricane Inspections

Two post-hurricane inspections were completed by the EPA for each of the four wastewater plants following Hurricane Delta and Hurricane Marco and Hurricane Laura (one inspection), in late 2020.

The South Plant, the East Plant, and the Northeast Plant were found to have no needed repairs following the hurricanes. The Ambassador Caffery Plant was found to have some needed repairs following Hurricane Marco and Hurricane Laura, but damages were not caused by the hurricane and repairs were scheduled to occur the following week. There were no damages to the Ambassador Caffery Plant following Hurricane Delta.

Environmental and Regulatory Compliance and Issues

In accordance with each facility's LPDES permit, LUS is required to file an Annual Municipal Water Pollution Prevention audit report for each operating facility. Sometimes, LUS exceeds the design/permitted flow capacity at its wastewater treatment plants. These exceedances are reported to LDEQ and LDEQ coordinates with LUS for an excursion regrading repairs and replacements.

Spill prevention control and countermeasures ("SPCC") plans are required to comply with state and federal regulations if facilities are proximate to U.S. waters. Compliance is required by facilities which are subject to spills of oils, fuels, or other controlled substances and have a storage capacity of more than 1,320 gallons at a single facility. SPCC plans were prepared and implemented in accordance with these regulations for each wastewater treatment facility. Each facility's SPCC Plan was last reviewed in 2017. SPCC Plans must be reviewed every five (5) years, with the next review due in 2022, upon significant change in oil storage, or if a spill incident occurs.

Federal regulation requires that LUS maintain a wastewater pretreatment program that is applicable to certain customers discharging to the LUS collection system, with particular emphasis on industrial users. Industrial users are identified by review of the North American Industry Classification System code of the user. The program is overseen and enforced by the LUS Environmental Compliance Division; and was established to accomplish the following objectives:

1. Prevent pollutant discharges which will interfere with operations of publicly owned treatment works ("POTWs"), including the use or disposal of municipal sludge (i.e., biosolids),

2. Prevent pollutant discharges which the POTW is not designed to remove by treatment,

3. Reduce the risk of exposing workers to hazardous chemicals, and

4. Improve opportunities to recycle and reclaim industrial wastewaters and sludges.

Significant Industrial User Permits are issued to any customer that discharges an average of 25,000 gallons or more of process wastewater. Six customers have been issued this permit because they either contribute process waste stream that make up 5 percent or more of the average dry-weather hydraulic or organic capacity of the treatment plant or have a reasonable potential for adversely affecting the treatment facility's operation for violating any pretreatment standard or requirement.

A total of seven Categorical Zero Discharge Permits have been issued to customers that do not discharge any process wastewater in accordance with Section 307 of the Clean Water Act.

A Pretreatment Audit was conducted by the LDEQ in February 2020. The audit concluded that all testing and monitoring requirements were met by all industrial users under the permit. Resulting recommendations were to provide explanation of where permit limitations are derived from within the documentation submitted as a part of the Pretreatment Audit, and that industrial users include an evaluation of spills or slug loads that may have occurred during the year. Any proposed change to the facility regarding its Pretreatment Program must first be submitted to LDEQ for approval.

The wastewater strength to the LUS WWTPs is characterized as primarily domestic wastewater, with very little industrial wastewater. LUS operators have indicated that the wastewater influent is consistent between the WWTPs. Influent water quality generally contains 25 mg/L of total nitrogen, 170 mg/L of 5-day carbonaceous BOD5, and 30 to 40 mg/L TSS.

Publicly-owned treatment works serving the City are subject to regulatory limitations of wastewater discharges to the Vermillion River to Bayou St. Claire. The wastewater discharge limitations are established by the LPDES permit, which has assigned a permit limit and specific discharge loading limits for each of the LUS WWTPs. Although the concentrations (mg/L) of each contaminant are consistent between the WWTPs, the loading rate (lbs/day) is not consistent and presents treatment challenges as the City continues to grow and develop.

The LPDES has imposed a hold on new (additional) contaminant loading to the Vermillion River due to agriculture, waste flows from unincorporated areas, and waste flows from publicly owned treatment works. As the City continues to develop and grow, this contaminant loading restriction requires that the lbs/day limit by LDEQ is met by the LUS WWTPs, regardless of influent flow increases.

Wastewater System Sales

The largest retail customers of the Wastewater System are reflected in the table below.

Wastewater System Largest Retail Customers
Twelve months ended October 31, 2020

Customer	2020 Revenues	% of Total Revenues
University of Louisiana	$664,883	2.1%
Borden Company	262,364	0.8
Lafayette General Hospital	259,551	0.8
Bayou Shadows Apartments	239,269	0.8
Our Lady of Lourdes	148,003	0.5
Lafayette Parish Correctional Center	136,812	0.4
Pinhook South Apartments	128,059	0.4
Westport Linen Services	122,626	0.4
South Point Apartments	112,712	0.4
Magnolia View Mobile Home Park	98,157	0.3
TOTAL	$2,172,436	7.0%
TOTAL REVENUES	$31,122,710	100%

Source: LUS

In addition, LUS is currently under contract for the collection, treatment and disposal of wastewater and operation and maintenance of the system for the Grossie Avenue area. This area includes a small number of customers served by a separately owned wastewater collection system owned by the Parish. This agreement was entered into in 1995 between the City and the Parish via a United States Department of Housing and Urban Development grant. Flows from the approximately 50 customers are treated at the East Plant. The agreement has a 40-year term and expires in August 2035.

Historical and Projected Wastewater Flows

Wastewater flows are measured at the intake of the treatment facility and vary annually depending on rainfall events.

Wastewater System collection volumes decreased in 2020 by 4.3 percent from 2019 collection volumes, and generally lower than the average collected flow from 2016 through 2019. The collection volumes vary with weather related events. Historical Wastewater System collection volumes are shown in the table below.

Historical Wastewater Retail Collection (1000 gallons)

Fiscal Year	Total Retail Collection(1)(2)(3)
2016	6,267,402
2017	5,768,832
2018	5,326,815
2019	5,746,278
2020	5,498,088

Source: Consulting Engineer and LUS. LUS Financial and Operating Statements.

(1) Annual collection volumes vary with weather. The 2016 volume reflects a wet weather event.

(2) The Wastewater System does not provide wholesale service.

(3) Retail collection is not associated with the gallons used for billing wastewater customers.

New and Proposed Wastewater Regulations

The EPA, based on statutory requirements, periodically conducts reviews of wastewater regulations and standards to determine if a change in regulations is warranted. The Utilities System monitors the planned changes to these regulations and has or will have incorporated these requirements into its current and future operations. The Utilities System does not anticipate that compliance with any presently proposed regulatory changes will require major capital expenditures or major increases in costs of operations. The Utilities System can make no assurances that future regulations will not cause major capital expenditure or major increases in costs of operations.

WATER SYSTEM

General

The Water System consists of key water infrastructure including four water treatment facilities, 19 ground water wells, elevated and ground treated-water storage, and 1,153 miles of distribution mains. The wells serve the Water System with a combined total treatment capacity of 51.1 MGD. In addition to the Water System within the City limits, LUS provides retail and wholesale water service outside the City limits. Any residents outside of the City limits that wish to be connected to the Water System must be approved by the City Council. Wholesale services are provided in accordance with contracts between LCG and the district customers. LCG has six wholesale contracts serving seven specific customers, including two water districts and five neighboring water systems or cities. These six wholesale contracts include Waterworks District North, Waterworks District South, the City of Scott, the City of Broussard, Milton Water System, and the City of Youngsville. Water service to Waterworks District North customers is billed by LCG in the name of the Waterworks District North consistent with the applicable rate schedules. Both the Waterworks District North and the Waterworks District South constructed their own additions and extensions according to standards set by LUS. In addition to its wholesale contracts, LCG has a contract to provide emergency back-up water service to the City of Carencro. This agreement was signed in 1980 and has no expiration.

LUS performs all water metering and customer service. In 2020, LUS provided water service to 57,412 meters representing residential, commercial, industrial, and wholesale customers. Water System total sales declined 0.7 percent in 2020; with retail water sales decreasing 1.4 percent, while wholesale water sales increased 0.9 percent.

Water Supply

The Chicot underground aquifer is the sole source of raw water supply for the Utilities System. Groundwater from the Chicot aquifer provides the Utilities System with a reliable and abundant source of good quality water. The EPA has designated the Chicot aquifer as a sole source aquifer for all or parts of fifteen parishes in Louisiana and parts of Texas thereby requiring special consideration for federal permitting of projects that could adversely affect it. The Chicot aquifer supplies at least 50 percent of the drinking water for its service area and there are no reasonably available alternate supplies should the aquifer become contaminated. The Water System has joined with the LDEQ to implement a wellhead protection program for the Utilities System water supply. Outside potential contamination sources within the wellhead protection areas have been identified by the Utilities System and LDEQ has authority to take appropriate action to ensure that contamination is prevented.

Studies conducted by the LDEQ indicate that the water quality of the Chicot aquifer generally does not exceed the maximum contaminant levels for pollutants listed in the federal primary drinking water standards. The Chicot raw water supply is treated by a multi-step purification process at water treatment facilities that are monitored 24-hours a day by LUS operators, and certified by Louisiana Department of Health and Hospitals ("LA DHH") to ensure that all water delivered to its customers is safe to drink, and is of acceptable secondary quality.

Water Treatment and Production

The Water System includes two water treatment facilities (the SWP and the NWP), and a total of 19 ground water wells to provide raw water for treatment, as well as supplemental volume and pressure to the system. The SWP has a capacity of 24.0 MGD and the NWP has a capacity of 20.8 MGD. Both the NWP and SWP use coagulation, sedimentation, and filtration to remove iron and manganese with lime-softening for hardness reduction and hypochlorite for finished water disinfection.

Sixteen deep well pumps located at the SWP and NWP provide the raw water supply for treatment at both facilities. The remaining four pumps are remotely located from the treatment plants and provide additional volume and pressure to the system. Water Well Nos. 24 and 26, located at the Gloria Switch remote site, provide supplemental volume and pressure to the northern end of the distribution system. Treatment at this site consists of application of potassium permanganate followed by six pressure filters, and hypochlorite is added for disinfection. Finished water is stored in a ground storage tank and delivered to the system with high-service pumps.

Water Well Nos. 23 and 25, located at the Commission Boulevard remote site, provide additional volume and pressure to the wholesale users on the southern end of the distribution system including the City of Broussard, the City of Youngsville, and Milton Water System. Groundwater pumped at this location contains elevated levels of ammonia which will be addressed by a new water treatment facility that LUS intends on constructing at this location. The Commission Boulevard site also includes the Fabacher Field re-boost facilities consisting of a 2.0 million gallon ("MG") ground storage tank and high service pumps that are used to improve pressure conditions at the outer limits of the distribution system.

Water production facilities are provided with on-site backup electric generation facilities that are adequate to sustain an acceptable level of water production in the event of power failures or other catastrophic events. The SWP is equipped with full power generation capacity capable of maintaining full production output, while the NWP is equipped sufficiently to provide approximately 25 percent of full plant power demand.

Water Distribution and Storage

The water distribution system consists of 1,153 miles of pipe and the treated water storage of approximately 13.68 MG. LUS also utilizes the Communications System assets and fiber connections to manage, monitor, and control the water flows and storage volumes on the Water System.

The treated water storage includes 4.30 MG of elevated storage and 9.38 MG of ground storage, including finished water and booster pumping station clear wells. As the geographical service area and customer base have increased over the past several years, there has not been a corresponding increase in the amount and size of distribution lines. Current capacity and water pressure in the system is adequate. LUS has completed several projects in recent years to improve the distribution system and related pressure. LUS plans for additional distribution improvements to meet the demands from future residential and commercial development as outlined in Water System CIP.

Operations and Related Performance

Gross water production in 2020 was 8,340 MG, or an average of 22.9 MGD. Unaccounted for water is calculated by subtracting the Total Water Sales by the Total Water Distributed and represents the volume of water lost in the distribution system. These losses can be attributed to physical losses (i.e., pipe or tank leakage) or non-physical losses (i.e., under-billed or un-billed volume). In 2020, unaccounted for water was 12.5 percent which is over 5 percent increase from the lowest value in the past five years occurring in 2017.

The amount of lost and not accounted for water is within the range of acceptable industry standards. Much of the unaccounted-for water is primarily due to aggressive line flushing for hydrants. Responding to insurance requirements, LUS flushes hydrants twice per year. Fire hydrants are required to be tested by the Property Insurance Association of Louisiana in order to obtain or retain a higher fire insurance rating for the City. In addition, in 2013 the LA DHH Emergency Rule was established to protect Water Systems from the effects of the Naegleria fowleri amoeba and has resulted in significant increases in flushing due to the requirement to maintain 0.5 milligram per liter ("mg/l") of free or total chlorine to all extremities of the distribution system. Discussions with LUS staff indicate that automatic line flushing at 10 to 12 locations of the distribution system is also necessary to mitigate water quality concerns. Flushing is performed at night and is controlled with automatic timers. Due to the continued increasing trend in unaccounted water, LUS may consider studying water loss in more detail or performing a water audit for water loss control for improved management of non-revenue water.

Wholesale Contracts

In addition to the Water System within the City limits, LUS operates and maintains water distribution facilities outside the City limits as a wholesale water provider, as described above. Water service to Water District North customers is billed by LCG in the name of the Water District North consistent with the applicable rate schedules. Both the North and South Water Districts constructed their own additions and extensions according to standards set by LUS.

Wholesale customers represented 30.2 percent of total water sales volume and 30.1 percent of the total water sales revenue in 2020, respectively. While both wholesale water sales volume and revenues have increased recently, wholesale revenues have increased more due to wholesale rate increases.

Each of the contracts is a long-term contract between 30 and 40 years in length, except for the City of Scott and the City of Broussard. In 2019, the contract with the City of Broussard was extended from an expiration in 2020 to 2038. Also, in 2019, the contract with the City of Scott was extended from an expiration in 2022 to 2038. The Waterworks District North and Waterworks District South contracts expire in 2032 and 2035, respectively. The Milton Water System expires in 2037 and the City of Youngsville expires in 2038.

Environmental and Regulatory Compliance and Issues

Pursuant to the requirements of the Safe Drinking Water Act ("SDWA"), the Utilities System must prepare and distribute an annual water quality report to its customers by July 1 of each calendar year. The most recent report for 2020 shows that the water quality of the Utilities System is well within the regulatory limits established by the EPA.

The EPA, based on statutory requirements, periodically conducts reviews of contaminants found in drinking water to determine if a change in regulations is warranted. The Utilities System monitors planned changes to these regulations and either has incorporated or will incorporate the current requirements into current and future operations. EPA published revised lead and copper drinking water rules on January 15, 2021. The rule became effective on March 16 2021 with a compliance date of January 16, 2024. On June 16, 2021 EPA extended the effective date to December 16, 2021 and the compliance date to October 16, 2024 in an effort to allow additional comments from the public. The cost for LUS to comply with this rule will be dependent on changes EPA makes, if any, based on comments received.

LUS reports that the water treatment plants and supplemental wells are currently in compliance with all operating permits, and meet all applicable drinking water standards of the SDWA. The NWP permit to discharge wastewater associated with the treatment of potable water is current and effective through December 16, 2025, at which point it will be automatically renewed. The SWP permit to discharge wastewater from the treatment of potable water, stormwater, and sanitary wastewater is current and effective through May 31, 2025. LUS does not expect any rejections or delays in the renewal of the Water System environmental or operating permits.

Chlorine gas and sodium hypochlorite are disinfectants used at each of LUS's treatment facility locations to control microbes within the distribution system. The minimum allowable free chlorine concentration in the distribution system, set by Louisiana Department of Health and Hospitals ("LA DHH"), is 0.5 ppm and the maximum residual disinfectant level ("MRDL") and maximum residual disinfectant level goal ("MRDLG") are both 4 ppm. LUS is well within the acceptable range.

The Water System has implemented the management and enforcement of 2014 LA DHH regulations for backflow prevention for individual users. The 2014 LA DHH regulations expired on January 1, 2016, however, the Louisiana State Uniform Construction Code Council has adopted and enforces the 2014 LA DHH regulations. LUS continues to maintain its backflow prevention program in case the LA DHH re-implements the regulation in future years or as an Emergency Rule.

The America's Water Infrastructure Act ("AWIA") of 2018, Section 2013 requires all water systems perform a Risk and Resilience Assessment ("RRA") and update the water system's Emergency Response Plan ("ERP"). LUS was required to certify completion of an RRA and ERP Update by March 31, 2020, and September 30, 2020, respectively. LUS reported that EPA certifications were submitted by LUS prior to the regulatory deadlines.

The EPA issued the final Lead and Copper Rule Revisions ("LCRR") on January 15, 2021, aimed to better protect children at schools and childcare facilities against lead exposure through drinking water. The LCRR represents the first major update to the Lead and Copper Rule in 30 years and requires water utilities to prepare and maintain lead service line inventories, requires modifications to lead and copper sample locations and protocols, and, if triggered, perform and implement corrosion control studies and/or lead service line replacement.

On March 12, 2021, EPA announced that the effective date of the LCRR, initially proposed as March 16, 2021, would be delayed until June 17, 2021. LUS has begun preparing for operational changes brought about by the LCRR, specifically in developing a lead service line ("LSL") inventory and revisions to the lead and copper sampling. Per the LCRR, all systems with any LSLs shall prepare and submit to the state a LSL Replacement Plan by January 16, 2024.

Due to presidential directives to review certain regulations, the EPA has proposed to delay the effective date of the LCRR until December 16, 2021, with a compliance date of October 16, 2024. At the time of publication of the Consulting Engineer's Report attached as Appendix "B" hereto, it was unknown if the EPA's proposal to delay the effective date until December 16, 2021 would be accepted. So, while there is some uncertainty regarding the timing of the LCRR being effective, LUS is evaluating the requirements and implement initiatives necessary to ensure compliance.

Further information on the existing environmental permits and applicable water regulations are described in Appendix "B" hereto.

Water System Sales

The largest retail customers of the Water System are reflected in the table below.

Water System Largest Retail Customers
Twelve months ended October 31, 2020

Customer	**2020 Revenues**	**% of Total Revenues**
University of Louisiana	$279,475	1.3
Lafayette General Hospital	142,669	0.7
Our Lady of Lourdes	107,881	0.5
Bayou Shadows Apartments	82,058	0.4
Borden Company	82,012	0.4
Lafayette Parish Correctional Center	49,492	0.2
Health & Beauty Solutions Inc.	48,044	0.2
Pinhook South Apartments	44,533	0.2
Layfayette General Southwest	41,571	0.2
South Point Apartments	39,716	0.2
TOTAL	$917,451	4.2%
TOTAL REVENUES	$21,696,556	100%

Source: LUS

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Historical Water Sales

Water System total sales in 2020 were 1.5 percent higher than 2019, driven by an increase in wholesale water sales. Wholesale water sales increased due to increased residential and commercial development in areas served by the wholesale customers. Historical Water System volume sales are shown in the table on the next page.

Historical Water Retail and Wholesale Sales
(1000 gallons)

Fiscal Year	Retail	Wholesale	Total
2016	5,402,650	2,117,627	7,520,277
2017	5,382,447	2,161,051	7,543,498
2018	5,363,552	2,256,611	7,620,463
2019	5,148,605	2,171,928	7,320,533
2020	5,075,882	2,191,571	7,267,453

Source: LUS

RATES FOR UTILITIES SYSTEM

The City Council is responsible for setting the Utility System's rates and charges. Beginning in January 2020, the City Council assumed LPUA's responsibilities with respect to the Utilities System, in addition to approval of rates.

Currently, the Utilities System's retail rates adequately cover operating and maintenance costs, debt service obligations (including minimum debt service coverage requirements), capital expenditures paid from current earnings, and the required ILOT payments to the City. The Utilities System pursues an overall financial objective where each system charges rates sufficient to render such system financially independent of the others, so that customers pay the full cost of service without subsidization. For the Electric System, Water System, and Wastewater System, rates are cost-based and charged to individual classes of customers based on customer use of the system and consumption patterns.

In 2016, the Utilities System completed a rate study which showed that rates for each of the Electric System, Water System, and Wastewater System were insufficiently recovering all costs. As a result, LPUA approved a two-phase rate increase for each utility. Rates were increased on November 1, 2016 and again on November 1, 2017. The rate increases implemented in 2016 and 2017 were designed to collect sufficient revenues to meet all operating costs, debt service coverage requirements, ILOT requirements, maintain reserves and fund capital expenses through 2021. The November 1, 2016 rate increases were 2.8 percent for the Electric System, 7.4 percent for the Water System (retail only), and 6.1 percent for the Wastewater System. The November 1, 2017 rate increases were 2.8 percent for the Electric System, 7.2 percent for the Water System (retail only), and 5.7 percent for the Wastewater System.

The Electric System rates consist of a monthly Fuel Charge (the "FC") and base rates (customer, energy, demand charges). Section 94-120 of the LCG Code of Ordinances establishes the FC. The FC is set using fuel (natural gas and coal for LPPA and related costs), purchased power expenses, and other associated costs. Each rate class includes a fuel charge rider which recovers the variable cost of fuel and purchased power from customers monthly. Schedule FCs protect LUS from financial risk of unforeseen and volatile fluctuations in the wholesale power market which LUS operates. All operating expenses associated with environmental compliance, fuel, and purchased power are included in the FC and passed directly to customers in their monthly bills.

In fiscal year 2021, the Utilities System engaged Burns & McDonnell to prepare a rate study for the electric, water, and wastewater utilities. The results of the rate study are expected to be available in fiscal year 2022 with new rates implemented in fiscal year 2023.

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Electric System Rates

Electric Retail Rate Summary

Rate Class	Serves	Effective Date	Customer Charge (per month)	Demand Charge (per kW)	Non-Fuel Energy Charge (per kWh)
R-1	Residential	Nov. 2017	$8.00	$ --	$0.04764
R-1-O	Residential-Non City	Nov. 2017	8.80	--	0.05240
C-1	Small Commercial	Nov. 2017	10.00	--	0.06176
C-2	Large Commercial	Nov. 2017	50.00	8.50	0.02098
SC-1	Schools and Churches	Nov. 2017	$10.00	--	0.05220

Source: The Utilities System

Electric System Sales by Customer Class

As of October 31, 2020, residential and commercial customers represent approximately 90 percent of retail Electric System energy sales. The Utilities System's commercial customer base is diverse with no single commercial customer representing more than 2 percent of its retail revenues.

Electric System Customer Class Statistics as of October 31, 2020

Customer Class	Number of Customers	Percent of Total	Retail Sales (kWh)	Percent of Total
Residential	56,440	81.4%	813,404,514	42.4%
Residential - Outside the City	972	1.4	15,985,869	0.8
Commercial without Demand - Small	8,063	11.6	177,403,666	9.3
Commercial Small and Large - Outside of City	173	0.2	14,478,770	0.8
Commercial with Demand - Large	1,249	1.8	725,503,529	37.8
Private Security Lighting	1,741	2.5	6,919,550	0.4
Street Lighting	2	0.0	16,866,743	0.9
Schools and Churches	440	0.6	50,779,859	2.6
Municipal – General Fund	3	0.0	257,491	0.0
University of Louisiana - Lafayette	102	0.1	60,807,708	3.2
Interdepartmental	181	0.3	34,631,827	1.8
TOTAL METERS IN SERVICE	69,364	100.0	1,917,039,526	100.0%

Source: LUS Financial and Operating Statements.

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Electric System Rate Comparisons

The Electric System's residential electric rates have historically been among the lowest in the state and surrounding region. The following tables and figures compare the average residential and commercial rates for the selected electric utilities in the region. As shown in the table below, the Electric System's residential rates are lower than average for the region.

Electric Residential Rate Comparison

City	Average $/kWh [1]
New Orleans [2]	$0.1082
New Orleans [3]	0.1082
Shreveport[4]	0.1044
New Iberia [5]	0.0998
Alexandria	0.0949
Baton Rouge [6]	0.0933
Lake Charles [7]	0.0933
LUS	**0.0892**

Source: 2021 Annual Consulting Engineer's Report.
(1) S&P Global Retail Average Rate Summary for Louisiana.
(2) Served by Cleco.
(3) Served by Entergy.
(4) Served by SWEPCO.
(5) Served by Cleco.
(6) Served by Entergy.
(7) Served by Entergy.

Electric System Commercial Rate Comparison

City	Average $/kWh [1]
New Iberia [2]	$0.1092
Alexandria	0.0959
Shreveport [3]	0.0941
New Orleans [4]	0.0880
Baton Rouge [5]	0.0830
Lake Charles [5]	0.0830
LUS	**0.0822**

Source: 2021 Annual Consulting Engineer's Report.
(1) S&P Global Retail Average Rate Summary for Louisiana.
(2) Served by Cleco.
(3) Served by SWEPCO.
(4) Served by Entergy New Orleans.
(5) Served by Entergy Louisiana.

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Water System Rates

Water Retail Rate Summary

Rate Class	Serves	Effective Date	Meter Size	Customer Charge ($/month)	Winter Commodity Rate ($/1,000 gallons)	Summer Commodity Rate Tier 1 ($/1,000 gallons)	Summer Commodity Rate Tier 2 ($/1,000 gallons)	Monthly Commodity Rate ($/1,000 gallons)
W-1	Residential	Nov-17	0.75	$4.85	$1.65	$1.65	$2.65	NA
			1.00	8.10	1.65	1.65	2.65	NA
			1.50	16.15	1.65	1.65	2.65	NA
			2.00	25.85	1.65	1.65	2.65	NA
			3.00	48.50	1.65	1.65	2.65	NA
			4.00	80.85	1.65	1.65	2.65	NA
			6.00	161.65	1.65	1.65	2.65	NA
			8.00	258.65	1.65	1.65	2.65	NA
W-1-O	Residential Non-City	Nov-17	0.75	9.70	3.30	3.30	5.30	NA
			1.00	16.15	3.30	3.30	5.30	NA
			1.50	32.35	3.30	3.30	5.30	NA
			2.00	51.75	3.30	3.30	5.30	NA
W-2	Commercial	Nov-17	0.75	4.85	NA	NA	NA	$1.85
			1.00	8.10	NA	NA	NA	1.85
			1.50	16.15	NA	NA	NA	1.85
			2.00	25.85	NA	NA	NA	1.85
			3.00	48.50	NA	NA	NA	1.85
			4.00	80.85	NA	NA	NA	1.85
			6.00	161.65	NA	NA	NA	1.85
			8.00	258.65	NA	NA	NA	1.85
W-2-O	Commercial Non-City	Nov-17	0.75	9.70	NA	NA	NA	3.70
			1.00	16.15	NA	NA	NA	3.70
			1.50	32.35	NA	NA	NA	3.70
			2.00	51.75	NA	NA	NA	3.70

Source: The Utilities System.

Wastewater System Rates

Wastewater System Rate Summary

Rate Class	Serves	Effective Date	Customer Charge (per month)	Volumetric Charge (per gallon)
S-1	Residential	Nov. 2017	$8.60	$0.00590
S-1-0	Residential, Non-City	Nov. 2017	10.30	0.00710
S-2	Commercial	Nov. 2017	16.15	0.00615
S-2-0	Commercial, Non-City	Nov. 2017	24.20	0.00740

Source: The Utilities System.

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TREND IN FINANCES

The combined summary schedules of the Utilities System for the five fiscal years ended October 31, 2020 and for the nine months ended July 31, 2020 and July 31, 2021 follow:

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
LAFAYETTE UTILITIES SYSTEM INCOME STATEMENTS

	Twelve months ended October 31,					**Nine months ended July 31,**	
	(audited)					(unaudited)	
OPERATING REVENUES:	2016	2017	2018	2019	2020	2020	2021
Electric	$95,194,646	$98,059,006	$106,419,392	$104,141,324	$99,722,977	$70,720,722	$73,289,253
Electric Retail Fuel Adjustment	78,153,587	76,829,537	72,872,661	73,101,002	65,117,850	46,967,061	49,947,559
Water	18,286,651	19,458,484	21,220,243	20,524,232	21,144,643	15,335,594	16,090,839
Wastewater	28,752,436	30,305,358	31,690,825	30,911,782	30,396,508	22,690,876	23,703,850
Fiber	0	0	0	0	0	0	0
TOTAL OPERATING REVENUES	220,387,320	224,652,385	232,203,121	228,678,340	216,381,978	155,714,253	163,031,501
OPERATING EXPENSES:							
Electric Fuel & Purch Power	$85,345,312	$89,401,701	$88,632,979	$79,275,605	$74,047,342	$51,204,073	$62,453,362
Electric Other Production	6,902,595	7,574,927	5,823,932	5,097,410	3,606,586	2,737,699	3,275,024
Other Electric	34,446,286	36,370,497	36,710,947	35,027,667	34,390,321	26,036,480	25,090,586
Water	13,761,106	13,965,819	14,260,225	14,227,206	13,159,106	9,740,463	10,024,206
Wastewater	18,295,151	18,685,538	18,737,163	19,211,514	18,295,187	13,443,965	13,926,015
Fiber	0	0	0	0	0	0	0
TOTAL OPERATING EXPENSES	$158,750,450	$165,998,482	$164,165,246	$152,839,402	$143,498,542	$103,162,680	$114,769,193
NET OPERATING REVENUES	$61,636,870	$58,653,903	$68,037,875	$75,838,938	$72,883,436	$52,551,573	$48,262,308
DEPRECIATION	$23,601,958	$23,960,817	$24,555,286	$25,130,355	$25,189,698	$18,748,784	$18,209,514
OTHER INCOME:							
Interest Income	$1,704,947	$2,020,622	$2,868,340	$4,695,793	$2,904,807	$2,543,052	$784,692
Unrealized Gain/Loss on Invs	117,778	(283,409)	(46,380)	399,671	(139,572)	0	0
Amortization of Debt Premium	3,020,974	2,995,867	3,544,254	3,639,998	3,769,742	2,827,307	2,666,414
Water Tapping Fees	78,320	64,240	72,240	56,760	61,540	42,980	57,060
Communications Lease Income	27,648	25,378	0	0	11,379	11,379	0
Contributions in Aid of Construct	56,063	128,155	304,557	0	140,856	139,438	0
Misc. Non-Operating Revenue	2,566,471	3,335,924	4,188,986	3,141,166	3,633,306	2,075,391	1,456,132
Total Other Income	$7,572,201	$8,286,777	$10,931,997	$11,933,388	$10,382,058	$7,639,547	$4,964,298
OTHER EXPENSES:							
Loss on Disposition of Property	$329,136	$369,488	$398,883	$309,767	$290,397	$16,741	$9,441
Interest Expense	10,970,238	8,916,835	9,622,905	10,362,925	11,184,000	8,388,000	7,901,700
Amortization on Plant	989,789	782,767	608,729	600,810	488,306	366,230	296,460
Amortization - Other	1,266,821	1,264,007	1,695,453	1,586,946	1,498,590	1,123,942	1,054,379
Interest on Customer Deposits	821	1688	4307	5331	1834	83	101
Tax Collections/Non-Operating	0	0	0	0	0	0	0
Misc. Non-Operating Expense	1,589,252	3,182,762	2,844,560	3,369,807	3,649,380	1,350,093	3,211,865
Total Other Expense	$15,146,057	$14,517,547	$15,174,837	$16,235,586	$17,112,507	$11,245,089	$12,473,946
NET INCOME BEFORE IN LIEU OF TAXES	$30,461,056	$28,462,316	$39,239,749	$46,406,385	$40,963,289	$30,197,247	$22,543,146
In-Lieu-of-Taxes (ILOT)	$23,306,557	$22,568,235	$23,708,786	$25,051,002	$24,679,711	$16,781,263	$16,424,864
NET INCOME	$7,154,499	$5,894,081	$15,530,963	$21,355,383	$16,283,578	$13,415,984	$6,118,282

UTILITIES SYSTEM
HISTORICAL DEBT SERVICE COVERAGE CALCULATION

	FY 16(1)	FY 17(1)	FY 18(1)	FY 19(1)	FY 20(1)	July 31, 2020(2)	July 31, 2021(2)
Operating Revenues (3)	$222,092,226	$226,673,006	$235,071,461	$233,374,132	$219,286,785	$158,257,305	$163,816,193
Operating Expenses (4)	158,750,451	165,998,482	164,165,246	152,839,402	143,498,542	103,162,680	114,769,193
Net Available Revenues	63,341,775	60,674,524	70,906,215	80,534,730	75,788,243	55,094,625	49,047,000
Debt Service (5)	22,925,238	21,341,835	21,427,905	22,732,925	25,374,000	25,374,000	25,095,600
Debt Service Coverage	2.8	2.8	3.3	3.5	3.0	NA	NA

(1) Source: LUS Financial and Operating Statements, 2016-2020, audited.
(2) Source: LUS. Figures unaudited.
(3) Operating Revenues include interest income and other miscellaneous revenue.
(4) Operating Expenses include O&M and other expenses such as customer service, and administrative and general costs. Operating Expenses do not include ILOT, normal capital and special equipment, nor other miscellaneous expenses.
(5) Debt service was prepared on a cash basis. Debt Service includes the Series 1996 Bonds, Series 2004 Bonds, Series 2010 Bonds, which were partially defeased and refunded by the Series 2012 Bonds. The Series 1996 Bonds matured on November 1, 2017. By 2020, the Series 2010 Bonds were fully redeemed by the proceeds of the Series 2017 Bonds.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Base rate revenues for all utilities services provided by the Electric System, Water System, and Wastewater System remained stable from fiscal years 2016 through 2019, with rate increases in 2017 and 2018 being the main drivers of the increase in total operating revenues during that period. LUS saw a temporary decline in energy sales use per customer in the non-residential classes in FY 2020 due to the COVID-19 pandemic, however LUS has already begun to see a rebound in use per customer and revenues through the first 10 months of FY 2021. Fuel adjustment revenues decreased between fiscal year 2016 and fiscal year 2020, with a high of $78.1 million in 2016 and low of $65.1 million in 2020, mainly due to reductions in fuel and purchased power costs.

Operating expense fluctuated from fiscal year 2016 to fiscal year 2020 and were mainly influenced by changes in fuel and purchased power costs in the Electric System. Other electric, water and wastewater operational costs remained relatively stable (when excluding fuel and purchased power) from fiscal years 2016 to 2020.

Balance available for debt service increased from $63.3 million in fiscal year 2016 to $75.8 million in fiscal year 2020. Additionally, debt service increased from fiscal year 2016 to fiscal year 2020 by $2.5 million. Debt service coverage increased from 2.8 in fiscal year 2016 to 3.0 in fiscal year 2020. Consequently, the balance available after debt service also increased when comparing fiscal year 2016 and fiscal year 2020.

CONSULTING ENGINEER'S REPORT

Included in Appendix "B" hereto is the Consulting Engineer's Report. The Consulting Engineer's Report includes a description of the business, organization and management of the Utilities System and the Communications System; its findings regarding the Electric System, the Wastewater System and the Water System; environmental issues; and a financial survey. The forecasts contained in the Consulting Engineer's Report are based upon assumptions about the outcome of future events and there can be no assurance that such forecasts will approximate actual results. Said Consulting Engineer's Report should be read in full prior to the making of an investment decision with respect to the Bonds. The information included in Appendix "B" was provided by the Consulting Engineer and should not be deemed as a representation of either the Issuer or the Underwriters.

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CERTAIN FACTORS AFFECTING THE ELECTRIC UTILITY INDUSTRY AND OTHER REGULATORY MATTERS

The Electric Utility Industry Generally

The electric utility industry has been, and in the future may be, affected by a number of factors which could impact the financial condition and competitiveness of electric utilities, such as that operated as part of the Utilities System. Such factors include, among others, (i) effects of compliance with rapidly changing environmental, safety, licensing, regulatory and legislative requirements, (ii) changes resulting from conservation and demand-side management programs on the timing and use of electric energy, (iii) other federal and state legislative changes, (iv) effects of competition from other electric utilities (including increased competition resulting from mergers, acquisitions, and "strategic alliances" of competing electric (and gas) utilities and from competitors transmitting less expensive electricity from much greater distances over an interconnected system) and new methods of producing low cost electricity, (v) increased competition from independent power producers and marketers and brokers, (vi) "self-generation" by certain industrial and commercial customers, (vii) issues relating to the ability to issue tax-exempt obligations, (viii) severe restrictions on the ability to sell to nongovernmental entities electricity from generation projects financed with outstanding tax-exempt obligations, (ix) changes from projected future load requirements, (x) increases in costs, (xi) shifts in the availability and relative costs of different fuels, (xii) inadequate risk management procedures and practices with respect to, among other things, the purchase and sale of energy and transmission capacity, and (xiii) effects of possible manipulation of electric markets. Any of these general factors and the factors discussed below (as well as other factors) could have an effect on the financial condition of the Utilities System.

Electric utilities are subject to various federal and state laws requiring compliance with environmental rules and regulations. In addition, the operation of the Utilities System is also subject to various federal and state laws which affect the construction and operation of its facilities.

Environmental Issues

The Utilities System is subject to continuing environmental regulation. Federal, state, and local standards and procedures, which regulate the impact of the Utilities System on the environment, are subject to change. Consequently, there is no assurance that the facilities owned or under contract to the Utilities System will remain subject to regulations that are currently in effect or will always be in compliance with future regulations governing the protection of the environment. The State, through the LDEQ, establishes standards of performance and requires permits for the generating units of the Utilities System as well as Rodemacher Unit 2 in which the City has an ownership interest. In addition, the LDEQ has been delegated authority over and implements certain programs established by the EPA.

The Utilities System facilities are in material compliance with applicable environmental regulations and key environmental permits, approvals and consent orders.

Acid Rain Program. The EPA issued a Title IV permit for Rodemacher Unit 2, which addresses the Acid Rain Program provisions of the Clean Air Act as applicable to Rodemacher Unit 2. The Acid Rain Program established (1) a trading system for sulfur dioxide ("SO_2") allowances, which are allocated to each facility, (2) NO_x emission limits for coal-fired units, and (3) established a tracking/reporting system for SO_2, NO_x, and carbon dioxide ("CO_2") emissions.

Each SO_2 allowance is equal to one ton of SO_2 emissions. Emission allowances may be banked, transferred, purchased or sold. If the facility emits more than the allocated SO_2 allowances, it may purchase additional allowances in the established market or may transfer allowances from another of the Joint Owner's facilities. The Rodemacher Unit 2 receives an annual allocation of 18,212 SO_2 allowances (tons). LPPA's share of the total SO_2 allocation is based on its ownership interest in the facility.

Rodemacher Unit 2's historical SO_2 emissions have been below permitted levels. The operation of Rodemacher Unit 2 is not expected to be restricted due to the SO_2 emission limits of the air permit because the plant currently burns, and is expected to continue to burn, 0.7 lbs per million British Thermal Units ("MMBtu") sulfur coal. Total SO_2 emissions are directly related to the sulfur content of the coal. The average annual SO_2 emission rate over the past five years has been 50 percent to 75 percent less than the permit limit of 1.2 lb/MMBtu.

NO_x emissions under the Rodemacher Unit 2 Title IV Permit are limited to 0.46 lb/MMBtu. In addition, Rodemacher Unit 2 is allocated NO_x allowances under CSAPR, which requires the purchase of additional allowances if actual NO_x emissions are greater than allocated.

Clean Air Interstate Rule and Cross State Air Pollution Rule. In July 2011, the EPA finalized the Cross State Air Pollution Rule ("CSAPR") to replace the existing Clean Air Interstate Rule. In August 2012, the United States Court of Appeals for the District of Columbia Circuit invalidated CSAPR. On April 29, 2014, the United States Supreme Court (the "Supreme Court") reversed the Court of Appeals, upholding all aspects of the rule that had resulted in the Court of Appeals' invalidation. The Supreme Court remanded CSAPR to the Court of Appeals for further proceedings. On November 21, 2014, the EPA issued an interim final rule amending the CSAPR compliance deadlines to align with the October 23, 2014 ruling that granted EPA's motion to lift the stay of CSAPR and delay its deadlines for three years. The interim final rule provides that compliance with CSAPR Phase 1 emissions budgets were required in 2015 and 2016 and compliance with Phase 2 was required beginning in 2017. On September 7, 2016, the EPA finalized an update to the CSAPR ozone season program.

CSAPR is administered by the EPA and LDEQ no longer issues a separate permit for CSAPR. Under CSAPR, each facility is assigned an allocation of NO_x (tons), which may be emitted during the Ozone Season (May – September). If the facility exceeds the limit during the Ozone Season, additional allowances may be withdrawn from the owner's banked allowances or allowances may be purchased.

The impact of CSAPR is not expected to be significant for the Hargis-Hébert, and T. J. Labbé Plants because the current proposed allowance allocations are roughly equivalent to the recent emissions at all of the Electric System natural gas generating plants. Similarly, CSAPR is not expected to impact operations at Rodemacher Unit 2 as the allocation is equivalent to recent emissions history and improved performance from the SNCR installation.

Mercury and Air Toxics Standard. On February 16, 2012, the EPA issued the final ruling titled *National Emission Standards for Hazardous Air Pollutants from Coal- and Oil-fired Electric Utility Steam Generating Units and Standards of Performance for Fossil-Fuel-Fired Electric Utility, Industrial-Commercial-Institutional, and Small Industrial-Commercial-Institutional Steam Generating Units,* commonly referred to as MATS. To comply with MATS requirements, Rodemacher Unit 2 completed the installation of a dry absorbent injection system for acid gas control; a fabric filter baghouse for metallic particulate control; and ID booster fans. As of the date of this Report, all the new equipment and systems are functioning properly. The results of the contract guarantee testing indicate that the equipment is operating per design to meet MATS requirements. On June 29, 2015, the Supreme Court effectively remanded the EPA's MATS requirements to the District of Columbia Circuit Court. The Supreme Court's decision did not prohibit the EPA from regulating mercury emissions; however, it did require the EPA to consider costs for those plants yet to meet the MATS requirements. The EPA subsequently submitted revised cost/benefit analyses. In December 2015, the Supreme Court refused to grant a stay on MATS, thus MATS has been fully implemented. The court rulings on MATS do not affect Rodemacher Unit 2, as it has completed an upgrade and meets MATS requirements.

Regional Haze Rule. The Regional Haze Rule requires certain existing large stationary emissions sources, such as coal-fired power generation units, to install Best Available Retrofit Technology ("BART") to improve visibility at certain National Parks designated as Class I areas. Under the rule, certain types of older sources are required to install BART to control particulate matter, SO_2 and NO_x emissions. In 2012, the EPA issued a final action allowing states participating in the CSAPR trading program to use those programs instead of source specific BART to meet the requirements for the Regional Haze Rule.

The Regional Haze Rule BART requirement was superseded by the approval of CSAPR in 2014. However, in Louisiana, CSAPR only applies to NO_X emissions during the Ozone Season. BART for NO_x is accomplished by continuing participation in the CSAPR trading allowance trading program.

SO_2 emission sources that fall under Regional Haze Rule BART requirements were evaluated for their effect on pertinent Class I areas.

In February 2017, LDEQ submitted to the EPA a proposed state implementation plan (the "SIP") indicating how BART-applicable Electric Utility Steam Generating Units in Louisiana would comply with the BART requirements. On December 21, 2017, the EPA published approval of the SIP in the Federal Register. BART for

Rodemacher Unit 2 as designed in the SIP will be continued operation of the existing dry sorbent injection system ("DSI") with increased reagent injection in order to meet a lower SO_2 limit of 0.30 lb/MMBtu on a 30-day rolling basis. The current air permit limit is 1.2 lb/MMBtu.

The EPA publication discusses emissions testing conducted on the existing DSI system to evaluate control of hydrogen chloride with respect to the MATS rule, during which the continuous emission monitoring system was operating and capturing SO_2 emissions data. The effective date of the SIP was January 22, 2018. Compliance must take place as expeditiously as practicable, but no later than one year of the effective date of the SIP. Cleco has confirmed that the existing DSI system continues to meet the requirements of and compliance with the SIP, including the lower SO_2 limit.

Coal Combustion Residue. On December 19, 2014, the EPA finalized the Coal Combustion Residuals ("CCR") Rule, which was published in the Federal Register (40 CFR 257) on April 17, 2015 and became effective on October 14, 2015. Rodemacher Unit 2 has two surface impoundments (Fly Ash Pond and Bottom Ash Pond) subject to the CCR Rule. Because the final CCR Rule classifies coal ash as solid waste rather than hazardous waste, Rodemacher Unit 2 continues to market and sell most of its fly ash and bottom ash for beneficial use. Although the CCR Rule redefined beneficial use, it does not affect beneficial use applications that were initiated before October 2015.

The CCR Rule also establishes minimum criteria for CCR landfills, CCR surface impoundments, and all lateral expansions of CCR units, including location restrictions, liner design criteria, structural integrity requirements, operating criteria, groundwater monitoring and corrective action requirements, closure and post-closure care requirements, and recordkeeping and notification requirements. CCR surface impoundments that do not receive CCR after the effective date of the rule, but still contain water, are still subject to applicable regulatory requirements.

The final CCR Rule required the owner or operator of an existing CCR surface impoundment to document, no later than October 17, 2016, whether the impoundment was constructed to meet the liner requirements included in 40 CFR 257.71. To comply with this requirement, Cleco obtained certification from a qualified professional engineer (Providence Engineering and Environmental Group LLC) attesting that both the Fly Ash Pond and the Bottom Ash Pond meet the requirements of the final CCR Rule. Additionally, a CCR Groundwater Monitoring Program was established to verify the integrity of the pond liners, as required by the CCR Rule.

Annual inspections of the Fly Ash Pond and Bottom Ash Pond were conducted in December 2020 by Providence Engineering and Environmental Group LLC. The Fly Ash Pond inspection found the reservoir to be in satisfactory condition; however, minor corrective actions were noted to be required on the exterior and interior slopes due to ground disturbance caused by feral hogs. The Bottom Ash Pond inspection report states that the reservoir and slopes are in satisfactory condition, and no corrective actions were needed. Annual inspections and maintenance will continue until pond closure is complete.

National Ambient Air Quality Standards. The Clean Air Act requires the EPA to set National Ambient Air Quality Standards ("NAAQS") to protect public health and the environment. Ambient air quality monitoring and air dispersion models are used to monitor air quality in a region or predict concentrations of pollutants for a given area. When pollution exceeds an allowable air quality standard, an area may be designated as a "Nonattainment Area," which typically requires emissions reductions from sources within the region and more restrictive permit limits for new sources. Rapides Parish and the surrounding region in Northern Louisiana is currently designated as "Attainment" for all criteria pollutants. Therefore, the more stringent nonattainment area regulations do not apply to Rodemacher Unit 2 under the current NAAQS.

In addition to NAAQS implementation, the EPA must review the standards every five years to maintain pace with new developments in health and science. Rapides Parish continues to meet the most current standards for NO_x (1-hour), PM2.5, SO_2 (1-hour), and ozone. If future updates to the NAAQS result in a Nonattainment Area designation, LDEQ would evaluate emission sources in the region and emissions reductions at Rodemacher Unit 2 could be required.

New Source Performance Standards. On October 23, 2015, the EPA published the final New Source Performance Standard designed to reduce carbon pollution from new power plants. This regulation, which only applies to new facilities, limits coal fired power plant carbon dioxide ("CO_2") emissions to 1,400 lb/MWh (gross). Traditional coal fired power plants cannot meet this limit without some form of CO_2 abatement, such as carbon capture and sequestration. Existing plants that commenced construction per the definition at 40 CFR) Subpart 60 prior to January 8, 2014 are not subject to the rule. Rodemacher Unit 2 commenced construction prior to January 8, 2014, and as such, is not subject to the rule.

Water Discharge Permit. LPDES Permit No. LA0008036 authorizes the discharge of operational wastewaters and storm water from the Brame Energy Center to surface waters of the State. Although the LPDES Permit expired on September 30, 2019, a timely renewal application was submitted on March 13, 2019, and Cleco provided additional information requested by LDEQ on March 24, 2020. The conditions of the expired permit are administratively continued until the effective date of a new permit, as governed by LAC 33:IX.2321.

The LPDES Permit establishes monitoring, reporting, and recordkeeping requirements for wastewater and storm water discharges, including effluent limitations specific to wastewater types and outfall locations. Based on review of the EPA ECHO and LDEQ online systems, the facility has no outstanding NOVs or material compliance issues associated with the LPDES Permit.

Wastewater Effluent Limitation Guidelines. When a 2009 study found the effluent limitation guidelines ("ELGs"), established in 1982, to be ineffective to address metals and other pollutants discharged from steam electric power generating facilities, the EPA finalized new ELGs (40 CFR 423) on September 30, 2015, which focused on wastewater streams generated by coal-fired steam electric plants: flue gas desulfurization ("FGD"), fly ash, bottom ash, flue gas mercury control, and gasification of fuels including coal and petroleum coke. In September 2017, the compliance dates for FGD wastewater and bottom ash transport water ELGs were postponed for two years to allow EPA additional time to review and reconsider the rule for these two effluent streams. However, the November 1, 2018 compliance date for fly ash transport water and flue gas mercury control wastewater remained in effect. Cleco indicated that the ELGs for these two wastewater streams are met with existing plant equipment and procedures.

In November 2019, the EPA issued the 2019 Proposed Revision to the Steam Electric Effluent Guidelines for FGD wastewater and bottom ash transport water, which changed the technology basis for treatment of these effluent streams, revised the voluntary incentives program for FGD wastewater, and added subcategories for high-low facilities, low utilization boilers, and boilers retiring by 2028. The 2019 revision established a December 31, 2023 compliance deadline for bottom ash transport water and a December 31, 2025 compliance deadline for FGD wastewater. These proposed revisions were finalized as the 2020 Steam Electric Reconsideration Rule, were published in the Federal Register on October 13, 2020, and became effective on December 14, 2020.

On December 2, 2020, Cleco notified LDEQ of its intent to comply with the site-specific alternative to initiation of closure due to permanent cessation of a coal-fired boiler by a date certain for the Bottom Ash Pond at the Brame Energy Center, pursuant to 40 CFR § 257.106(i)(18). In accordance with 40 CFR § 257.103(f)(2), Cleco submitted a demonstration seeking to qualify for these alternative closure requirements to the EPA on November 12, 2020. A revised demonstration was submitted to the EPA on November 25, 2020.

On January 8, 2021, Cleco submitted responses to LDEQ's request for additional information, including a copy of Rodemacher Unit 2's Notice of Planned Participation per 40 CFR 423.19(f). As communicated to LDEQ, Cleco plans to permanently cease coal-fired operation of Rodemacher Unit 2, the only unit at the facility that discharges bottom ash transport water, by the third quarter of 2027 in order to achieve complete closure of the associated CCR impoundments prior to the October 17, 2028 CCR Part A deadline. Therefore, the facility would be classified as an Electric Generating Unit ("EGU") Permanently Ceasing Coal Combustion ("PCCC") by December 31, 2028.

As communicated by LDEQ, the final ELGs will be implemented in the renewed LPDES Permit.

Other Regulatory Matters

Other operations of the Utilities System outside the Electric System are also subject to continuing environmental, conservation and other regulation and permitting requirements by federal, state and local authorities. The Issuer believes that its operations are currently in substantial compliance with the provisions with all such regulations and permitting requirements.

Federal and State standards and procedures that govern the control of the environment, conservation and system operations can change. These changes may arise from continuing legislative, regulatory, and judicial action regarding the standards, procedures and requirements for compliance and the issuance of permits. Therefore, there is no assurance that the units in operation, under construction, or contemplated will remain subject to the regulations that are currently in effect. Furthermore, changes in clean air laws and environmental standards may result in increased capital and operating costs.

COMMUNICATIONS SYSTEM

The Communications System, also known as LUS Fiber, operates a 100 percent fiber optic system. As of the end of 2020, the Communications System served 34 wholesale customers and over 22,000 retail customers with cable television, Internet, or telephone or some combination of the three services. These services are in competition with regional and national data, and communications providers including Cox Communications, Dish, AT&T, kaptel, REACH4 and HughesNet. LUS Fiber continues to provide some of the fastest broadband service in the country, with its 1-gigabit fiber home service offering equal upload and download speeds with its fiber equipment connecting directly to the home.

Currently, the Communications System's services are primarily offered within the City limits and within certain parts of the Parish. In November 2017, LUS Fiber attained franchise status, allowing it to offer communications services outside the City and unincorporated areas in the Parish. LUS Fiber recently expanded to offer services in the City of Broussard and the City of Youngsville. LUS Fiber is building out targeted areas, which provides video, Internet, and telephone services to residential and business customers within the City limits.

The fiber optic system began in 1998 with bulk fiber serving the Electric System's SCADA system, transmission line protection systems, and LUS facilities. Further expansion offered communications and data services to governmental and educational facilities, and retail data, telephone, and CATV services to the public. The first retail customers began receiving service in February 2009. The Communications System includes numerous 10-gigabit circuits deployed in multiple loops for greater redundancy that span the entire City and connect with national fiber backbone through contracts with various providers. The Communications System added a third 10-gigabit Internet drain to cover capacity required in the near future. The three 10-gigabit fiber connections are a fixed cost for the Communications System with data bursts above the various committed gigabit levels leading to additional variable costs. Currently the system consists of 191 miles of backbone fiber, 161 miles of distribution fiber, and 577 miles of access fiber connecting to individual premise locations.

In preparation for providing retail communications services, the Communications System purchased the fiber optic system from the Utilities System in 2007. The Communications System also reimbursed the Utilities System for start-up costs. Both the purchase of assets and the reimbursement of start-up costs were funded by internal loans between the Utilities System and the Communications System at market terms and rates. As of October 31, 2020, the Communications System has borrowed $23 million in aggregate principal amount outstanding from the Utilities System for the acquisition of the already-existing fiber infrastructure, start-up costs and operations. The Communications System repayment of the loans will continue through 2033. The Communications System does not expect any future loans from the Utilities System.

In addition to the loans from the Utilities System, the Communications System has issued Communications System Revenue Bonds ("Communications System Bonds") for the purposes of expanding and upgrading the fiber optic infrastructure from wholesale to retail telecommunications services. As of the date of this Official Statement, $81.3 in aggregate principal amount of Communications System Bonds are outstanding. The repayment of the Utilities System loans is subordinate to the Communications System Bonds debt service. The Communications System is in the process of refunding its existing Series 2012 Bonds this year.

The Communications System is financially separate from the Utilities System; however, if the Communications System fails to transfer to the Paying Agent by the 21st day of the month proceeding an interest payment date the amount equal to the debt service on the Communications System Bonds falling due on the first day of the following month (a "Credit Event"), the Utilities System is required to pay such debt service (but only to the extent of such insufficiency) from revenues available for the payment of Subordinated Indebtedness on deposit in the Capital Additions Fund of the Utilities System. Upon the occurrence of a Credit Event, the Communications System must proceed to discontinue its provision of services, as soon as reasonably practicable, taking into consideration minimizing the interruption of services to existing users of the Communications System. Pursuant to the ordinances of the City authorizing the issuance of the Communications System Bonds (collectively, the "Communications System Ordinance"), the rate covenant contained in the Bond Ordinance was incorporated by reference into the

Communications System Ordinance, and the debt service requirements on any Communications System Bonds are treated as amounts payable with respect to Subordinated Indebtedness of the Utilities System for the purposes of the rate covenant under the Bond Ordinance. See page 7-22 of the Consulting Engineer's Report in Appendix "B" hereto.

INVESTOR CONSIDERATIONS

The purchase of the Bonds involves certain investment risks which are discussed throughout this Official Statement, and each prospective investor should make an independent evaluation of all information presented in this Official Statement in order to make an informed investment decision. Particular attention should be given to the factors described below which, among others, could affect the payment of debt service on the Bonds.

Operating Risk

As with any utility, operation of the Utilities System could be affected by many factors, including the breakdown or failure of equipment or processes, the performance of the Electric System, the Wastewater System and/or the Water System below expected levels of output or efficiency, labor disputes, changes in laws and regulations governing the Utilities System operations and catastrophic events such as fires, explosions or similar events. The occurrence of such events could significantly prevent, hinder or increase the costs of operating the Utilities System and likewise affect Net Revenues.

General Economic Factors Affecting the Utilities System

Economic factors could have an adverse economic impact on the Utilities System. These factors include, among others, the increased costs of operation and maintenance of the Utilities System, adverse demographic changes (i.e. reductions in population or users) in the service area of the Utilities System, and general adverse changes in the economy which reduce the consumption of water and inhibit the ability of users to pay their utility bills.

Limited Obligations

The Bonds shall not be or constitute general obligations or indebtedness of the Issuer within the Constitution, but shall be payable solely from and secured by a lien upon and a pledge of the Net Revenues of the Utilities System. No bondholder shall ever have the right to compel the exercise of *ad valorem* taxing power of the Issuer or taxation in any form on any real or personal property to pay the Bonds or interest thereon, nor shall any bondholder be entitled to the payment of such principal and interest from any other funds of the Issuer other than the Net Revenues of the Utilities System in the manner and to the extent provided in the Bond Ordinance. In addition, no recourse shall be had for the payment of the principal or interest on the Bonds or for any claim based thereon or the Bond Ordinance against any member of the Governing Authority or officer of the Issuer or any person executing the Bonds. Therefore, the security for the punctual payment of the principal of and interest on the Bonds is dependent on the availability of Net Revenues in an amount sufficient to meet the debt service requirements of the Bonds, the Outstanding Parity Bonds and any Additional Parity Bonds.

Future Changes in Laws

The information presented in this Official Statement is based on the laws and regulations of the United States of America and the State and related court and administrative law decisions in effect as of the date of this Official Statement (collectively, the "Laws"). In addition, the opinions delivered in connection with the issuance of the Bonds are based on the Laws. No assurance can be given as to the impact, if any, future events, regulations, legislation, court decisions or administrative decisions may have with respect to the Laws or that any or all of the Laws will remain in effect during the entire term of the Bonds.

Difficulties in Enforcing Remedies

The remedies available to the owners of the Bonds upon an event of default under the Bond Ordinance are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically in the United States Bankruptcy Code, 11 U.S.C. §101 et seq. (the "Bankruptcy Code"), the remedies provided in the Bond Ordinance may not be readily available or may be limited. The various legal opinions delivered concurrently with the delivery of the Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by general principles of equity and by bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting the rights of creditors generally.

The enforceability of the rights and remedies of the owners of the Bonds, and the obligations incurred by the Issuer in issuing the Bonds, are subject to the Bankruptcy Code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditors' rights generally, now or hereafter in effect to the extent constitutionally applicable; equity principles which may limit the specific enforcement under State law of certain remedies; the exercise by the United States of America of the powers delegated to it by the federal Constitution; and the exercise of the sovereign police powers of the State or its governmental bodies. Consistent with the contracts clauses of the Louisiana and United States Constitutions, in a bankruptcy proceeding or due to the exercise of powers by the federal or State government, Bondowners could be subject to judicial discretion and the interpretation of their rights in bankruptcy or otherwise, which consequently may entail risks of delay, limitation, or modification of their rights. Under current State law, no political subdivision of the State, including the Issuer, may file for protection under Chapter 9 of the Bankruptcy Code unless such filing is approved by the Louisiana State Bond Commission and the Governor and Attorney General of the State. Further, no political subdivision of the State, after filing for bankruptcy protection, may carry out a plan of readjustment of debts approved by the bankruptcy court until such plan is approved by the Louisiana State Bond Commission and the Governor and Attorney General of the State.

The obligations of the Issuer under the Bond Ordinance are and may be secured on a parity with other obligations of the Issuer so that any proceeds that might be derived from the exercise of remedies would be required to be shared among the owners of the Bonds and the Outstanding Parity Bonds and the holders of any Additional Parity Bonds.

The pledge of the Net Revenues by the Issuer to secure its obligations with respect to the Bonds may be ineffective as to certain revenues or under certain circumstances.

Financial Information

Certain financial information relating to the Issuer is set forth herein and in the appendices hereto. There can be no assurance that the financial results achieved by the Issuer in the future (including, but not limited to, the amount of Net Revenues collected by the Issuer) will be similar to historical results. Such future results will vary from historical results and actual variations may be material.

Secondary Market

There is no guarantee that a secondary trading market will develop for the Bonds. Consequently, prospective bond purchasers should be prepared to hold their Bonds to maturity. Subject to applicable securities laws and prevailing market conditions, the Underwriters intend, but are not obligated, to make a market in the Bonds. As a result, owners of the Bonds may be unable to dispose of the Bonds should they no longer desire to own the Bonds. The Underwriters cannot guarantee the liquidity of the Bonds; consequently, prospective purchasers of the Bonds should be prepared to hold such bonds until maturity.

If such secondary market exists after the issuance of the Bonds, events such as decreases in benchmark interest rate indices, downward revisions or withdrawals of ratings on the Bonds or the Issuer, and general market turmoil, among others, may adversely affect the value of the Bonds on such secondary market. The Underwriters cannot guarantee that the owner of a Bond will not experience a loss of value of such Bond prior to maturity.

There can be no guarantee the rating assigned to the Bonds at the time of issuance will not be lowered or withdrawn at any time, the effect of which could adversely affect the market price for, and marketability of, the Bonds in the secondary market. See the information under "BOND RATINGS" herein

Approval of Louisiana State Bond Commission

The Louisiana State Bond Commission (the "State Bond Commission") previously approved the issuance of the Bonds. The State Bond Commission expressly provides that said approval does not constitute a recommendation, approval or sanction by the State Bond Commission or the State of the investment quality of the Bonds and does not constitute any guaranty of repayment of the Bonds by the State Bond Commission or the State. The approval of the Bonds by the State Bond Commission should not be relied upon by any prospective purchaser of the Bonds as advice. The written approval of the State Bond Commission expressly states that neither it nor the State shall have any liability or legal responsibility to investors arising out of, related to, or connected with the approval of the Bonds.

Cybersecurity

The City is dependent on electronic information technology systems to deliver high quality, coordinated and cost-efficient services. These systems may contain sensitive information or support critical operational functions which may be valued for unauthorized purposes. As a result, the electronic systems and networks of the City may be targets of cyberattack. The City has taken, and continues to take, measures to protect its information technology systems, and the private, confidential information that those systems may contain, against cyberattack. While the City employs information technology professionals and utilizes operational safeguards that are tested periodically, no assurance can be given that such measures will protect the City against all cybersecurity threats or attacks or the severity or consequences of any such attack. The availability of Net Revenues to pay debt service on the Bonds is likewise dependent upon the technology systems of various third parties, including financial institutions, over which the City has no control.

Failure to Provide Ongoing Disclosure

The failure of the Issuer to comply with the continuing disclosure certificate described herein may adversely affect the transferability and liquidity of the Bonds and their market price. See "CONTINUING DISCLOSURE" herein.

Book-Entry

Persons who purchase Bonds through DTC Participants become creditors of the DTC Participant with respect to the Bonds. Records of the investors' holdings are maintained only by the DTC Participant and the investor. In the event of the insolvency of the DTC Participant, the investor would be required to look to the DTC Participant's estate and to any insurance maintained by the DTC Participant, to make good the investor's loss. Neither the Issuer nor the Underwriters are responsible for failures to act by, or insolvencies of, the Securities Depository or any DTC Participant. See Appendix "G" hereto.

Forward-Looking Statements

This Official Statement contains statements relating to future results that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. When used in this Official Statement, the words "estimate," "intend," "expect" and similar expressions identify forward-looking statements. Any forward-looking statement is subject to uncertainty and risks that could cause actual results to differ, possibly materially, from those contemplated in such forward-looking statements. Inevitably, some assumptions used to develop forward-looking statements will not be realized or unanticipated events and circumstances may occur. Therefore, investors should be aware that there are likely to be differences between forward-looking statements and actual results; those differences could be material.

Hurricanes

The Issuer is located near the Gulf Coast of Louisiana in an area that is prone to hurricanes and other tropical events. In the last five years, Hurricanes Barry, Harvey, and Cristobal, along with less intense tropical storms and tropical depressions, have impacted parts of the Louisiana coast. In addition, Hurricanes Laura and Ida caused significant damage to various parts of Louisiana in August 2020 and August 2021, respectively. In October 2020, Hurricane Delta caused substantial destruction and flooding across the coastal areas of Louisiana. The utilities system had 50,000 homes affected and was fully restored within 4 days at a cost of $7,100,000. While LUS incurred preparation and response expenses, there are no negative financial impacts from Hurricane Delta. On August 29, 2021, Hurricane Ida caused substantial destruction and flooding across the coastal areas of Louisiana and throughout the southeastern United States. The City was not in an area affected by Hurricane Ida or part of the designated area for individual assistance established by the Federal Emergency Management Agency in response to Hurricane Ida. The utilities system did not suffer any significant damage from Hurricane Ida. While LUS incurred preparation and response expenses, there are no negative financial impacts from Hurricane Ida. The Issuer cannot predict if or when any hurricane or other tropical event will occur or the effect any such hurricane or tropical event may have on its operations, population, demographics, economic or financial stability, or ability to pay debt service on the Bonds. The Issuer is located near the Gulf Coast of Louisiana in an area that is prone to hurricanes and other tropical events. In the last five years, Hurricanes Barry, Harvey, and Cristobal, along with less intense tropical storms and tropical depressions, have impacted parts of the Louisiana coast. In addition, Hurricanes Laura and Ida caused significant damage to various parts of Louisiana in August 2020 and August 2021, respectively. In October 2020, Hurricane Delta caused substantial destruction and flooding across the coastal areas of Louisiana. The utilities system had 50,000 homes affected and was fully restored within 4 days at a cost of $7,100,000. While LUS incurred preparation and response expenses, there are no negative financial impacts from the storm. The Issuer cannot predict if or when any such tropical event will occur or the effect any such tropical event may have on its operations, population, demographics, economic or financial stability, or ability to pay debt service on the Bonds.

COVID-19 Pandemic

The outbreak of a new strain of coronavirus and the disease caused thereby ("COVID-19"), an upper respiratory tract illness, has spread to numerous countries across the globe, including the United States. COVID-19 rapidly and negatively impacted unemployment rates and economic growth indicators in the United States, including in the City's service area.

On March 11, 2020, Louisiana Governor John Bel Edwards issued Proclamation Number 25 JBE 2020, declaring a public health emergency relative to the COVID-19 pandemic, which remains in effect. During the period since the Governor's public health emergency declaration, Louisiana authorities imposed various restrictions and guidelines to mitigate harmful public health effects of the COVID-19 pandemic. Electrical power generation was declared essential infrastructure and was exempted from certain government restrictions, such as a stay-at-home order that was issued March 22, 2020. On August 2, 2021, in response to a "fourth surge" in the State caused primarily by the COVID-19 Delta variant, Governor Edwards updated his public health emergency order, restoring most masking requirements but not instituting business capacity restrictions in most establishments in the State.

The COVID-19 pandemic and business closures have had a significant economic impact throughout Louisiana. The Louisiana unemployment rate increased from 4.9% in November 2019 to 13.1% in May 2020 and decreased to 7.1% in May 2021.

While commercial electric retail sales in Louisiana were negatively affected by the COVID-19 pandemic and its related effects on people's behaviors, overall electric retail sales did not display a discernable negative effect. Commercial retail sales decreases were offset by residential retail sales increases. The City did not experience a material effect on its operations attributable to the COVID-19 pandemic. The City does not anticipate any negative effects on operations related to the COVID-19 pandemic.

Because of the evolving nature of the outbreak and federal, state and local responses thereto, The City cannot predict the extent or duration of the outbreak or what impact it may have on the City's future financial condition or operations. There can be no assurances that the spread of COVID-19 or other highly contagious or epidemic diseases will not adversely impact the City, its financial condition, operations, supply chains and customers. The effects of the pandemic on the City's financial performance or operations could be material. The City cannot predict costs associated with this or any other potential infectious disease outbreak, including whether there will be any increase in operational costs incurred to clean, sanitize and maintain its facilities either before or after an outbreak of an infectious disease. If the pandemic and its consequences are prolonged, the likelihood of adverse impacts occurring from these risks or others could be increased.

Additional Information. State emergency declarations remain in effect in response to COVID-19, resulting in significant reductions in business, travel, and other economic activity. All Proclamations, Executive Orders and Emergency Orders related to COVID-19 are available on the following website: https://gov.louisiana.gov/coronavirus.

Information regarding COVID-19 in the State is available at the following website:

http://ldh.la.gov/Coronavirus/

Information regarding the State's efforts to reopen is available at the following websites:

https://gov.louisiana.gov/index.cfm/newsroom/detail/2488, and https://opensafely.la.gov/

The City has not incorporated by reference the information on the foregoing websites and does not assume any responsibility for the accuracy of the information on such websites.

THE BONDS INVOLVE A DEGREE OF RISK. POTENTIAL INVESTORS IN THE BONDS ARE RESPONSIBLE FOR CONDUCTING AN INDEPENDENT INVESTIGATION OF MATTERS RELATING TO THE FINANCIAL ASPECTS OF THE BONDS, THE ISSUER AND THE SECURITY FOR THE BONDS TO DETERMINE IF AN INVESTMENT IN THE BONDS, AND THE RISKS ASSOCIATED THEREWITH, IS CONSISTENT WITH THEIR INVESTMENT OBJECTIVES. POTENTIAL INVESTORS SHOULD NOT RELY ON ANY PARTY TO THE TRANSACTION WITH RESPECT TO THE INVESTIGATION OF ANY SUCH MATTERS. PROSPECTIVE PURCHASERS SHOULD CONFER WITH THEIR OWN LEGAL AND FINANCIAL ADVISORS BEFORE CONSIDERING A PURCHASE OF THE BONDS.

LITIGATION

No litigation has been filed questioning the validity of the Bonds or the security thereof, and a certificate to that effect will be delivered by the Issuer to the Underwriters upon issuance of the Bonds.

Notwithstanding the foregoing, like any other municipal entity, the Issuer is a party to various lawsuits from time to time, and other disputes. The Issuer believes that the estimated costs and expenses of defense of such litigation will be entirely within the applicable insurance policy limits (subject to applicable deductibles) or not in excess of the total available reserves therefor. Therefore, the Issuer does not believe that an unfavorable ruling on any actual litigation which is currently pending would have a material adverse effect on the financial condition of the Issuer.

Each year the City is named defendant in various civil actions. Many are disposed of by settlement or by prescription of the action or the judgment. There are no final and unappealable money judgments against the City in an amount in excess of $1 million which are unsatisfied or outstanding. There are a number of suits pending against the City and/or Lafayette City-Parish Consolidated Government of which the City is a part, but, as a general proposition, Louisiana law neither requires nor allows an amount to be stated in the petition initiating the suit. Many of the judgments previously awarded, and it is anticipated that many that may be awarded in connection with pending actions, will be satisfied by insurance or through the City's self-insurance program. The remaining judgments are not enforceable unless the Council appropriates moneys for such purpose. Article XII, Section 10(c) of the Louisiana Constitution of 1974, provides in part: "...No judgment against...a political subdivision shall be exigible, payable, or paid except from funds appropriated therefor by the legislature or by the political subdivision against which the judgment is rendered." In the case of Holly & Smith Architects, Inc. v. St. Helena Congregate, 928 So. 2d 615 (La. App. 1st Cir. 2/10/06), the Louisiana First Circuit Court of Appeals ruled that judgments against political subdivisions may become a judicial mortgage on immovable property of such governments that may follow the property if transferred to another person. The case was appealed to the Louisiana Supreme Court and the judgment was affirmed as to result only. The Supreme Court opinion said that, "From the plain language of the constitutional and statutory provisions, there are no prohibitions against recording in the mortgage records those judgments rendered against political subdivisions; however, the constitutional and statutory provisions are very clear with respect to the method by which judgments against the State and/or its political subdivisions are paid." In April 2018, during the preparation of the fiscal year 2017 attest audit, LUS self-reported that it paid for services from LUS Fiber, but had not fully utilized these services. LUS reported fiber was run to approximately 180 sewer lift stations; however, the wastewater division's efforts to complete connections for these services did not keep pace with LUS Fiber's construction, resulting in only 117 of the lift stations being fully connected.

Per the fiscal year 2017 attest audit, dated September 28, 2018, LUS requested and was being billed for 180 lift stations; however, service was not utilized by LUS at 63 of those lift stations even though LUS Fiber installed and provided the services. This resulted in LUS paying $1,259,855 since 2012 for services not utilized. In addition, LUS neglected to terminate service at 25 CAP banks resulting in $274,882 being paid to LUS Fiber for services not used. LUS was reimbursed by LUS Fiber a total of $1,752,194.85 for those charges in 2018 at the request of LCG administration, even though the reimbursement was not mandated by the LPSC. On March 17, 2021, the LPSC accepted the findings of the 2017 audit, affirming that the systems, processes, and procedures applied by the

Communications System complies with the LPSC rules and the Fair Competition Act through the end of fiscal year 2017.

The fiscal year 2018 and fiscal year 2019 audits are still outstanding as of April 30, 2021. The major unresolved item is the appropriate price for LUS Fiber to charge LUS for a POMS that provided instantaneous outage notifications to the electrical utility for 989 taps through the end of June 2019.

At its meeting of December 16, 2020, the PSC accepted PSC Staff's recommendation to take no further action regarding the POMS charges. By Order dated March 19, 2021, the PSC closed the audit proceeding in which the POMS charges had been raised, without taking any action regarding these charges. Following this Order, there are no pending audit proceedings involving LUS.

LEGAL MATTERS

The approving opinion of Foley & Judell, L.L.P, Bond Counsel, is limited to the matters set forth therein and Bond Counsel is not passing upon the accuracy or completeness of this Official Statement. Bond Counsel's opinion is based on existing law, which is subject to change. Such opinion is further based on factual representations made to Bond Counsel as of the date thereof. Bond Counsel assumes no duty to update or supplement its opinion to reflect any facts or circumstances that may thereafter come to Bond Counsel's attention or to reflect any changes in law that may thereafter occur or become effective. Moreover, Bond Counsel's opinion is not a guarantee of a particular result, and is not binding on the Internal Revenue Service or the courts; rather, such opinion represents Bond Counsel's professional judgment based on its review of existing law and in reliance on the representations and covenants that it deems relevant to such opinion.

A manually executed original of such opinion will be delivered to the Underwriters on the date of payment for and delivery of the Bonds. The form of said legal opinion appears in Appendix "E" to this Official Statement. For additional information regarding the opinion of Bond Counsel, see the section below titled "TAX MATTERS." The compensation of Bond Counsel is contingent upon the sale and delivery of the Bonds.

Certain other legal matters will be passed upon for the Underwriters by Nixon Peabody LLP, New York, New York, Counsel to the Underwriters.

TAX MATTERS

Interest on the Bonds

In the opinion of Foley & Judell, L.L.P., New Orleans, Louisiana ("Bond Counsel"), interest on the Bonds is **NOT** excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Thus, owners of the Bonds generally must include interest on the Bonds in gross income for federal income tax purposes. See Appendix "E".

State Taxes

Bond Counsel is of the opinion that, pursuant to the Part II of Chapter 4 of Subtitle II of Title 39 of the Louisiana Revised Statutes of 1950, as amended, the Bonds and the interest or other income thereon or with respect thereto shall be exempt from all income tax and other taxation by the State. Each prospective purchaser of the Bonds should consult his or her own tax advisor as to the status of interest on the Bonds under the tax laws of any state other than Louisiana.

Federal Income Taxes

Other than as stated in the two preceding paragraphs, Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or other aspects of the Bonds. The following is a summary of certain anticipated United States federal income tax consequences of the purchase, ownership and disposition of the Bonds by those that acquire Bonds in the initial offering. The summary is based upon the provisions of the Code, the regulations promulgated thereunder and the judicial and administrative rulings and decisions now in effect, all of which are subject to change. The summary generally addresses the Bonds held as capital assets and does not purport to address all aspects of federal income taxation that may affect particular investors in light of their individual circumstances or certain types of investors subject to special treatment under the federal income tax laws, including but not limited to financial institutions, insurance companies, dealers in securities or currencies, persons holding such Bonds as a hedge against currency risks or as a position in a "straddle" for tax purposes, or persons whose functional currency is not the United States dollar. Potential purchasers of the Bonds should consult their own tax advisors in determining the federal, state or local tax consequences to them of the purchase, holding and disposition of the Bonds.

Sale or Redemption of the Bonds

A bondowner's tax basis for a Bond is the price such owner pays for the Bond plus the amount of any original issue discount and market discount previously included in income, reduced on account of any payments received (other than "qualified periodic interest" payments) and any amortized bond premium. Gain or loss recognized on a sale, exchange or redemption of a Bond, measured by the difference between the amount realized and the Bond basis as so adjusted, will generally give rise to capital gain or loss if the Bond is held as a capital asset (except as discussed above under "Market Discount"). The defeasance of the Bonds may result in a deemed sale or exchange of such Bonds under certain circumstances; owners of such Bonds should consult their tax advisors as to the federal income tax consequences of such an event.

Defeasance

The legal defeasance of the Bonds may result in a deemed sale or exchange of such bonds under certain circumstances. Owners of such Bonds should consult their tax advisors as to the federal income tax consequences of such a defeasance

Reporting Requirement

In general, information reporting requirements will apply to certain payments of principal and interest paid on the Bonds, and to the proceeds paid on the sale of the Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability. Owners of the Bonds should consult their tax advisors as to their qualification for exemption from backup withholding and the procedure for obtaining the exemption.

Changes in Federal and State Tax Law

From time to time, there are legislative proposals in Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to herein. In addition, such legislation (whether currently proposed, proposed in the future or enacted) could affect the market value or marketability of the Bonds. Future Congressional proposals could also affect the Bonds, even if never enacted. It cannot be predicted whether or in what form any such proposals might ultimately be enacted or whether if enacted such proposals would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds or the market value thereof would be impacted thereby. Prospective purchasers of the Bonds should consult their tax or investment advisors regarding any pending or proposed legislation, regulatory initiatives or litigation.

The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds, Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending or proposed federal or state tax legislation, regulations or litigation.

THE FOREGOING DISCUSSION OF CERTAIN FEDERAL AND STATE INCOME TAX CONSEQUENCES IS PROVIDED FOR GENERAL INFORMATION ONLY. INVESTORS SHOULD CONSULT THEIR TAX ADVISORS AS TO THE TAX CONSEQUENCES TO THEM IN LIGHT OF THEIR OWN PARTICULAR INCOME TAX POSITION, OF ACQUIRING, HOLDING OR DISPOSING OF THE BONDS.

UNDERWRITING

Stifel, Nicolaus & Company, Incorporated and Raymond James & Associates, Incorporated. (collectively, the "Underwriters") have agreed, subject to certain customary conditions precedent to closing, to purchase the Bonds at a purchase price of $79,394,397.90 (representing the principal amount of the Bonds, plus original issue premium of $1,508,699.15 and less Underwriter's discount of $529,301.25). The initial public offering prices or yields are set forth on the cover page of this Official Statement. The Underwriters' obligations are subject to certain conditions precedent, and they will be obligated to purchase all the Bonds if they are purchased. The Bonds may be offered and sold to certain dealers at a price or yield lower than such public offering prices or yields. The public offering prices may be changed, from time to time, by the Underwriters.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

The accuracy of (a) the mathematical computations of the adequacy of the Defeasance Securities and any moneys to be on deposit in the Escrow Fund to provide for the payment when due of the interest on and the redemption price of the Refunded 2012 Bonds and (b) computation of the yields on the Bonds and the Defeasance Securities will be verified by Bingham Arbitrage Rebate Services Incorporated (the "Verification Agent"). Such verifications will be based upon certain public information supplied to the Verification Agent. by or on behalf of the City.

BOND INSURANCE

The following information has been furnished by Build America Mutual Assurance Company for use in this Official Statement. The Issuer makes no representations as to the accuracy or adequacy of such information or as to the absence of material adverse changes in such information subsequent to the dates indicated. Summaries of or references to the Bond Insurance Policy are made subject to all the detailed provisions thereof to which reference is hereby made for further information and do not purport to be complete statements of any or all of such provisions. Reference is made to Appendix "H" for a specimen of the Bond Insurance Policy.

Bond Insurance Policy

Concurrently with the issuance of the Bonds, Build America Mutual Assurance Company ("BAM") will issue its Municipal Bond Insurance Policy for the Bonds (the "Policy"). The Policy guarantees the scheduled payment of principal of and interest on the Bonds when due as set forth in the form of the Policy included as an appendix to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

Build America Mutual Assurance Company

BAM is a New York domiciled mutual insurance corporation and is licensed to conduct financial guaranty insurance business in all fifty states of the United States and the District of Columbia. BAM provides credit enhancement products solely to issuers in the U.S. public finance markets. BAM will only insure obligations of states, political subdivisions, integral parts of states or political subdivisions or entities otherwise eligible for the exclusion of income under section 115 of the U.S. Internal Revenue Code of 1986, as amended. No member of BAM is liable for the obligations of BAM.

The address of the principal executive offices of BAM is: 200 Liberty Street, 27th Floor, New York, New York 10281, its telephone number is: 212-235-2500, and its website is located at: www.buildamerica.com.

BAM is licensed and subject to regulation as a financial guaranty insurance corporation under the laws of the State of New York and in particular Articles 41 and 69 of the New York Insurance Law.

BAM's financial strength is rated "AA/Stable" by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"). An explanation of the significance of the rating and current reports may be obtained from S&P at www.standardandpoors.com. The rating of BAM should be evaluated independently. The rating reflects the S&P's current assessment of the creditworthiness of BAM and its ability to pay claims on its policies of insurance.

The above rating is not a recommendation to buy, sell or hold the Bonds, and such rating is subject to revision or withdrawal at any time by S&P, including withdrawal initiated at the request of BAM in its sole discretion. Any downward revision or withdrawal of the above rating may have an adverse effect on the market price of the Bonds. BAM only guarantees scheduled principal and scheduled interest payments payable by the issuer of the Bonds on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the Policy), and BAM does not guarantee the market price or liquidity of the Bonds, nor does it guarantee that the rating on the Bonds will not be revised or withdrawn.

Capitalization of BAM

BAM's total admitted assets, total liabilities, and total capital and surplus, as of June 30, 2021 and as prepared in accordance with statutory accounting practices prescribed or permitted by the New York State Department of Financial Services were $488.6 million, $165.5 million and $323.1 million, respectively.

BAM is party to a first loss reinsurance treaty that provides first loss protection up to a maximum of 15% of the par amount outstanding for each policy issued by BAM, subject to certain limitations and restrictions.

BAM's most recent Statutory Annual Statement, which has been filed with the New York State Insurance Department and posted on BAM's website at www.buildamerica.com, is incorporated herein by reference and may be obtained, without charge, upon request to BAM at its address provided above (Attention: Finance Department). Future financial statements will similarly be made available when published.

BAM makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, BAM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding BAM, supplied by BAM and presented under the heading "BOND INSURANCE".

Additional Information Available from BAM

Credit Insights Videos. For certain BAM-insured issues, BAM produces and posts a brief Credit Insights video that provides a discussion of the obligor and some of the key factors BAM's analysts and credit committee considered when approving the credit for insurance. The Credit Insights videos are easily accessible on BAM's website at www.buildamerica.com/videos. (The preceding website address is provided for convenience of reference only. Information available at such address is not incorporated herein by reference.)

Credit Profiles. Prior to the pricing of bonds that BAM has been selected to insure, BAM may prepare a pre-sale Credit Profile for those bonds. These pre-sale Credit Profiles provide information about the sector designation (e.g. general obligation, sales tax); a preliminary summary of financial information and key ratios; and demographic and economic data relevant to the obligor, if available. Subsequent to closing, for any offering that includes bonds insured by BAM, any pre-sale Credit Profile will be updated and superseded by a final Credit Profile to include information about the gross par insured by CUSIP, maturity and coupon. BAM pre-sale and final Credit Profiles are easily accessible on BAM's website at www.buildamerica.com/credit-profiles. BAM will produce a Credit Profile for all bonds insured by BAM, whether or not a pre-sale Credit Profile has been prepared for such bonds. (The preceding website address is provided for convenience of reference only. Information available at such address is not incorporated herein by reference.)

Disclaimers. The Credit Profiles and the Credit Insights videos and the information contained therein are not recommendations to purchase, hold or sell securities or to make any investment decisions. Credit-related and other analyses and statements in the Credit Profiles and the Credit Insights videos are statements of opinion as of the date expressed, and BAM assumes no responsibility to update the content of such material. The Credit Profiles and Credit Insight videos are prepared by BAM; they have not been reviewed or approved by the issuer of or the underwriter for the Bonds, and the issuer and underwriter assume no responsibility for their content.

BAM receives compensation (an insurance premium) for the insurance that it is providing with respect to the Bonds. Neither BAM nor any affiliate of BAM has purchased, or committed to purchase, any of the Bonds, whether at the initial offering or otherwise.

BOND RATINGS

S&P Global Ratings ("S&P") has assigned its rating of "AA" to the Bonds, with the understanding that the municipal bond insurance policy of BAM will be issued upon delivery of the Bonds. See "BOND INSURANCE." S&P and Moody's Investors Service, Inc. ("Moody's") have assigned their initial underlying ratings of "AA-" and "A1", respectively, to the Bonds. Such ratings reflect only the view of S&P and Moody's and are not a recommendation to buy, sell, or hold the Bonds. Any desired explanation of the significance of such ratings may be obtained from the rating agency furnishing the same, at the following addresses: Standard & Poor's Public Finance Ratings, Lincoln Plaza, Suite 3200, 500 N. Akard, Dallas, Texas 75201, telephone (214) 871-1400 or Moody's Investors Service, Plaza of the Americas, Suite 2165, 600 N. Pearl Street, Dallas, Texas 75201, telephone (214) 220-4350. Generally, a rating agency bases its rating on the information and materials furnished by the issuer and others, and on investigations, studies and assumptions made by such rating agency. A rating may be changed, suspended, or withdrawn as a result of changes, in or unavailability of, information. There is no assurance that a rating will not be changed or withdrawn entirely, if in the judgment of the rating agency issuing the rating, circumstances so warrant. Any such downward changes or withdrawals of the ratings could have an adverse effect on the market price for the Bonds.

CONTINUING DISCLOSURE

General

The Issuer will, pursuant to a Continuing Disclosure Certificate to be dated the date of delivery of the Bonds (the "Continuing Disclosure Certificate"), covenant for the benefit of Bond Owners to provide (i) certain financial information and operating data relating to the Issuer on or before June 30th of each year, with the first such report due not later than June 30, 2022 (the "Annual Report"), and (ii) notices of the occurrence of certain enumerated events, called "Listed Events," in the future that may affect the Issuer or the Bonds. The Annual Reports and any notices of Listed Events required pursuant to the Continuing Disclosure Certificate will be filed with the MSRB through the Electronic Municipal Market Access website ("EMMA") and with any future Louisiana officially designated State Information Depository. For the specific nature of the information to be contained in the Annual Report or the potential Listed Events, see Appendix "F" – "Form of Continuing Disclosure Certificate" attached hereto. The Issuer is entering into the Continuing Disclosure Certificate in order to assist the Underwriters in complying with S.E.C. Rule 15c2-12(b)(5) (the "Rule"). The Issuer has not undertaken to provide all information investors may desire to have in making decisions to hold, sell or buy the Bonds and has no obligation to provide any information subsequent to the delivery of the Bonds except as provided in the Continuing Disclosure Certificate.

The Issuer's Dissemination Agent for the above information is its Chief Financial Officer, Lafayette City-Parish Consolidated Government, 705 West University Avenue, Lafayette, Louisiana 70506, telephone 337-291-8202.

The Issuer has filed all continuing disclosure reports currently required by its prior undertakings under the Rule. The Issuer has established procedures to ensure proper filing of the reports and notices required by the Continuing Disclosure Certificate and its prior undertakings with the EMMA in the future. Such procedures include, but are not limited to, (i) designating the Issuer's Chief Financial Officer with the duty of ensuring proper filings, (ii) educating the Governing Authority of the Issuer on an ongoing basis regarding the importance of the proper content and filing of the reports and notices required by the Continuing Disclosure Certificate and its prior undertakings, and (iii) periodically checking MSRB/EMMA to ensure such reports and notices have been properly filed and indexed. In addition, the Issuer has enrolled in the MSRB/EMMA reminder service, which will help ensure the proper officials of the Issuer are advised of upcoming filing deadlines.

Louisiana Act 463

The State Legislature enacted Act 463 of the 2014 Regular Session of the State Legislature provides additional procedures designed to ensure compliance with the Continuing Disclosure Certificate by (i) requiring public entities, such as the Issuer, to keep certain records demonstrating compliance with the Continuing Disclosure Certificate, and (ii) mandating that the Issuer's auditor, as part of the preparation of the Issuer's annual financial audit, review the Issuer's compliance with its continuing disclosure undertakings and record keeping requirements.

CONSULTING ENGINEER

The Consulting Engineer is a national utility consulting firm providing services for publicly owned electric, water, wastewater and solid waste utilities. The Consulting Engineer and its team members provide deep expertise and experience in the construction and operation of utilities and related assets and infrastructure. Members of the Consulting Engineer's team actively participate in utility industry organizations; provide expert testimony to local, state, and federal utility regulatory bodies; and routinely evaluate utility infrastructure and operations. In the role as Consulting Engineer to the Issuer, the Consulting Engineer is required to approve of the appointment of a Chief Operating Officer, to develop a Comprehensive Annual Report and to advise the Issuer as to any revisions of rates on the Utilities System.

ADDITIONAL INFORMATION

For any additional information concerning the Issuer, please address Ms. Lorrie Toups, Chief Financial Officer, Lafayette City-Parish Consolidated Government, P.O. Box 4017-C, Lafayette, Louisiana 70502, telephone 337-291-8202. For additional information concerning the Bonds now offered for sale, please address Stifel, Nicolaus & Company, 501 North Broadway, Saint Louis, MO 63102 (telephone 314-342-2251).

For convenience, copies of certain financial information with respect to the Issuer may be obtained through the following website: www.LafayetteUtilityBonds.com. Copies of certain financial information with respect to LCG may be obtained through the following website: https://www.lafayettela.gov/finance-management/home. No information or statement on these websites is included by specific cross-reference herein.

Although the Issuer has prepared the information on its website for the convenience of those seeking that information, no decision in reliance upon that information should be made. Typographical or other errors may have occurred in converting the original source documents to their digital format, and the Issuer assumes no liability or responsibility for errors or omissions contained on any website. Further, the Issuer disclaims any duty or obligation to update or maintain the availability of the information contained on any website or any responsibility or liability for any damages caused by viruses contained within the electronic files on any website. The Issuer also assumes no liability or responsibility for any errors or omissions or for any updates to dated information contained on any website.

MISCELLANEOUS

Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Neither this Official Statement nor any statement that may have been made verbally or in writing is to be construed as a contract with the holders or beneficial owners of the Bonds.

The appendices attached hereto are integral parts of this Official Statement and must be read in their entirety together with all foregoing statements.

The execution and delivery of this Official Statement has been duly authorized and approved by the City.

CITY OF LAFAYETTE,
STATE OF LOUISIANA

/s/ Joshua S. Guillory	/s/ Liz W. Herbert	/s/Veronica L. Williams
Joshua S. Guillory	Liz W. Hebert	Veronica L. Williams
Lafayette Mayor-President	Council Chair	Lafayette Clerk of the Council

GENERAL UTILITIES REVENUE BOND ORDINANCE NO. O-122-2004

An ordinance of the Lafayette City-Parish Council and the Lafayette Public Utilities Authority authorizing the incurring of debt and issuance from time to time of Utilities Revenue Bonds of the City of Lafayette, State of Louisiana; prescribing the form, providing for the rights of the holders thereof; providing for the payment of said Bonds and the application of the proceeds thereof; and providing for other matters in connection therewith.

SECTION 1. WHEREAS, the City of Lafayette, State of Louisiana (the "Issuer") now owns and operates a utilities system as a single revenue producing public utility, consisting of the waterworks plant and system, electric power and light plant and system and sewer system, as more fully described in Section 1.1 hereof; and

SECTION 2. WHEREAS, the Issuer has outstanding the following described revenue bonds which are payable from a pledge and dedication of the income and revenues of the Utilities System, viz:

Issue	Date of Issue	Principal Outstanding	Maturing Nov. 1, 2004 to Nov. 1:	Authorized by Ordinance Adopted on:
Utilities Revenue Refunding Bonds Series 1993	September 1, 1993	$6,020,000	2004	September 14, 1993 (supplemented September 23, 1993)
Utilities Revenue Bonds, Series 1996	August 22, 1996	$13,520,000	2017	May 28, 1996

SECTION 3. WHEREAS, it is recognized that the Issuer entered into a Power Sales Contract dated May 1, 1977, first actually executed June 3, 1977, with the Lafayette Public Power Authority ("LPPA") under which contract the Issuer has agreed to purchase the power and energy from the LPPA's 50% ownership interest in the Rodemacher No. II Plant at Boyce, Louisiana, and the Issuer's payments to LPPA under said contract constitute obligations of the Issuer payable as an operating expense of the Utilities System and such payments shall be made whether or not the Rodemacher No. II Plant is then operable or is operating; and

SECTION 4. WHEREAS, the Power Sales Contract obligates the Issuer to maintain sufficient rates for the commodities and services furnished by its Utilities System to meet its obligations under such contract and pay all other obligations payable from, or constituting a charge or lien on such revenues; and

SECTION 5. WHEREAS, the Issuer will defease or retire the Utilities Revenue Refunding Bonds, Series 1993 or otherwise terminate the pledge of the revenues of the Utilities System to such Bonds (but not the Power Sales Agreement) prior to the delivery of any of the bonds authorized and provided for hereby; and

SECTION 6. WHEREAS, the Louisiana Department of Environmental Quality, the sole owner of the Utilities Revenue Bonds, Series 1996, has consented to the adoption of this Ordinance and has agreed that Parity Debt issued under this Ordinance will be issued on a parity with the Utilities Revenue Bonds, Series 1996 and will become Outstanding Bonds; and

SECTION 7. WHEREAS, the Issuer wishes to provide for the issuance from time to time of its revenue bonds payable from the revenues of the Utilities System; and

SECTION 8. NOW, THEREFORE, BE IT ORDAINED by the Lafayette City-Parish Council, acting as the governing authority of the City of Lafayette, State of Louisiana, and the Lafayette Public Utilities Authority, acting as the governing authority of the Utilities Department, that:

ARTICLE I

DEFINITIONS AND INTERPRETATION

SECTION 1.1. Definitions. The following terms shall have the following meanings unless the context otherwise requires:

"Accreted Values" means, as of any date of computation with respect to any Capital Appreciation Bond, an amount equal to the principal amount of such Capital Appreciation Bond (the principal amount at its initial offering) plus the interest accrued on such Capital Appreciation Bond from the date of delivery to the original purchasers thereof to the Compounding Date next preceding the date of computation or the date of computation if a Compounding Date, such interest to accrue at a rate not exceeding the maximum rate permitted by law, compounded periodically, plus, with respect to matters related to the payment upon redemption of the Capital Appreciation Bonds, if such date of computation shall not be a Compounding Date, a portion of the difference between the Accreted Value as of the immediately preceding Compounding Date and the Accreted Value as of the immediately succeeding Compounding Date, calculated based on the assumption that Accreted Value accrues during any period in equal daily amounts on the basis of a year of twelve 30-day months.

"Act" means Part XIII, Chapter 4 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other statutory and constitutional provisions supplemental thereto.

"Additional Parity Obligations" means any additional pari passu obligations which may hereafter be issued pursuant to Section 9.2 hereof on a parity with the Bonds.

"Agent" means a financial institution performing those duties described in Section 10.5.

"Annual Budget" means the annual operating budget of the Utilities System, as amended and supplemented from time to time, prepared by the Issuer for each Fiscal Year.

"Authorized Depository" means any bank, trust company, national banking association, savings and loan association, savings bank or other banking association selected by the Issuer as a depository hereunder.

"Bank" means the bank or banks selected by the Issuer which may be the regularly designated fiscal agent bank or banks of the Issuer.

"BMA Municipal Index" means The Bond Market Association Municipal Swap Index as of the most recent date for which such index was published, or such other weekly, high-grade index comprised of seven-day, tax-exempt variable rate demand notes produced by Municipal Market Data, Inc., or its successor, or as otherwise designated by The Bond Market Association or any successor thereto; provided, however, that, if such index is no longer produced by Municipal Market Data, Inc. or its successor, then "BMA Municipal Index" shall mean such other reasonably comparable index selected by the Issuer.

"Bond Counsel" means counsel experienced in matters relating to the validity of, and the exclusion from gross income for federal income tax purposes of interest on, obligations of states and their political subdivisions selected by the Issuer.

"Bond" or "Bonds" means any or all of the Utilities Revenue Bonds of the Issuer, issued pursuant to the Ordinance, as the same may be amended from time to time, whether initially delivered or issued in exchange for, upon transfer of, or in lieu of any previously issued Bond, including the currently outstanding Utilities Revenue Bonds, Series 1996.

"Bondholders," "Registered Owner," "Holder," and "Owner" means the registered owners (or their authorized representatives) of Obligations issued in registered form and the holders of Obligations issued in bearer form.

"Bond Obligation" means, as of the date of computation, the sum of: (i) the principal amount of all Current Interest Bonds then Outstanding and (ii) the Accreted Value on all Capital Appreciation Bonds then Outstanding.

"Bond Ordinances" means the ordinances authorizing the issuance of the Outstanding Parity Obligations.

"Bond Service Requirement" means for a given Sinking Fund Year, the remainder after subtracting any accrued interest paid by the purchasers of Obligations, and capitalized interest for the Bond Year ending the immediately following November 1 that has been deposited into the Sinking Fund for that purpose from the sum of the principal of and interest and premium, if any, or other payments on Obligations coming due in such Bond Year.

For purpose of determining the Bond Service Requirement, unless the interest rate is fixed for the duration of the applicable Bond Year, in which case the actual interest rate shall be used, the interest rate on Variable Rate Obligations that are Outstanding at the time of such determination, shall be assumed to be one hundred ten percent (110%) of the average interest rate on such Variable Rate Obligations during the twelve months ending with the month preceding the date of calculation (or such shorter period of time as such Variable Rate Obligations shall have been Outstanding). If such Variable Rate Obligations are not Outstanding on the date of such calculation, the interest rate used to calculate the Bond Service Requirement, if the Obligations are Tax-Exempt Obligations, shall be 110% of the BMA Municipal Index on the date of calculation, and if the Obligations are Taxable Obligations shall be the interest rate on U.S. Treasury Obligation with comparable maturities, plus 50 basis points, on the date of calculation.

If a Series of Variable Rate Obligations is subject to purchase by the Issuer pursuant to a mandatory or optional tender by the holder, the "tender" date or dates shall be ignored and the stated maturity dates thereof shall be used for purposes of this calculation.

For all purposes of this Ordinance, if the Issuer has entered into a Qualified Swap with respect to all or a portion of a series of Obligations, interest on such Obligations shall be calculated at (i) the fixed rate or rates of the Qualified Swap if the Issuer has entered into what is generally referred to as a "floating-to-fixed" Qualified Swap (where the Issuer pays a fixed rate and receives a floating rate) or (ii) as provided in paragraph two above of this definition of "Bond Service Requirement," if the Issuer has entered into either what is generally referred to as a "fixed-to-floating" Qualified Swap (where the Issuer pays a variable rate and receives a fixed rate) or a "floating-to-floating" Qualified Swap (where the Issuer pays a variable rate and receives a different variable rate).

For purposes of calculating the Bond Service Requirement with respect to Designated Maturity Obligations, the unamortized principal coming due on the final maturity date thereof that the Issuer reasonably anticipates refinancing, as reflected in the Annual Budget, shall not be included and in lieu thereof, there shall be included in the Bond Service Requirement for the Bond Year in which such final maturity occurs only the principal amount thereof the Issuer reasonably anticipates to become due in such Bond Year, taking into account any such anticipated refinancing of such Designated Maturity Obligations.

For purposes of calculating the Bond Service Requirement with respect to Commercial Paper Obligations, only the interest obligations with respect to such Commercial Paper Obligations and the principal amount of the Commercial Paper Obligations the Issuer reasonably expects to retire and not to pay with the proceeds of roll-over Commercial Paper Obligations in such Bond Year (as reflected in the Annual Budget) shall be included in the calculation of the Bond Service Requirement. The interest rate on the Commercial Paper Obligations shall be assumed for purposes of calculating the Bond Service Requirement, to be equal to the greater of (i) 110% of the Bond Market Association Municipal Swap Index (or if such index is no longer available, such other reasonably comparable index as the Issuer shall designate) or (ii) the actual rate on such Commercial Paper Obligations.

"Bond Year" means the annual period beginning on the second day of November of each year and ending on the first day of November of the following calendar year.

"Business Day" means, except as otherwise provided in a Supplemental Ordinance, a day of the year other than a day on which banks located in New York, New York and the cities in which the principal offices of the Paying Agent are located are required or authorized to remain closed and on which the New York Stock Exchange is closed.

"Capital Additions Fund" means the fund by that name established in Section 5.1(e) hereof.

"Capital Appreciation Bonds" means Obligations that bear interest which is payable only at maturity or upon redemption prior to maturity in amounts determined by reference to the Accreted Values.

"Capital Costs" means the costs of (i) physical construction of or acquisition of real or personal property or interests therein for any Project, together with incidental costs (including legal, administrative, engineering, consulting and technical services, insurance and financing costs), working capital and reserves deemed necessary or desirable by the Issuer (including but not limited to costs of supplies, fuel, fuel assemblies and components or interests therein), and other costs properly attributable thereto; (ii) all capital improvements or additions, including but not limited to, renewals or replacements of or repairs, additions, improvements, modifications or betterments to or for any Project; (iii) the acquisition of any other real property, capital improvements or additions, or interests therein, deemed necessary or desirable by the Issuer for the conduct of its business; (iv) any other purpose for which bonds, notes or other obligations of the Issuer may be issued under the Act (whether or not also classifiable as a Cost of Operation and Maintenance); and (v) the payment of principal, interest, and redemption, tender or Purchase Price of any (a) Obligations issued by the Issuer for the payment of any of the costs specified above, (b) any Obligations issued to refund such Obligations, or

(c) Obligations issued to pay capitalized interest; provided, however, that the term Capital Costs shall not include any costs of the Issuer relating to a Separately Financed Project.

"Chief Financial Officer" means the Chief Financial Officer of the Issuer or the successor in function as chief financial officer of the Issuer.

"Chief Operating Officer" means the Director of Utilities or his successor in function as Chief Operating Officer of the Utilities System.

"Clerk" means the Clerk of the City Council.

"Code" means the Internal Revenue Code of 1986, as amended, or any successor Federal Internal

"Commercial Paper Obligations" means all of the Obligations Series or a proportionate maturity thereof with a maturity of less than 271 days so designated by the Issuer by Supplemental Ordinance prior to issuance thereof.

"Compounding Date" means a date for compounding of interest on Capital Appreciation Bonds as shown on a table of Accreted Values for such Capital Appreciation Bonds.

"Consulting Engineer" means a consulting utility engineer or firm of consulting utility engineers with nationally recognized credentials demonstrating skill and experience in the construction and operation of publicly owned electric, water and waste water utility properties.

"Costs of Issuance" means all items of expense, directly or indirectly payable or reimbursable and related to the authorization, sale and issuance of the Bonds, including but not limited to printing costs, costs of preparation and reproduction of documents, filing and recording fees, initial fees and charges of any fiduciary, legal fees and charges, fees and charges for the preparation and distribution of a preliminary official statement and official statement, if paid by the Issuer, fees and disbursements of consultants and professionals, costs of credit ratings, fees and charges for preparation, execution, transportation and safekeeping of the Bonds, costs and expenses of refunding, premiums for the insurance of the payment of the Bonds, if any, and any other cost, charge or fee paid or payable by the Issuer in connection with the original issuance of any issue of Bonds.

"Cost of Operation and Maintenance" means any operating and maintenance expense as defined in accordance with generally accepted accounting principles in the United States of America, plus any Power Sales Contract. Notwithstanding the foregoing, Costs of Operation and Maintenance shall not include (i) any costs and expenses attributable to a Separately Financed Project, (ii) any costs or expenses for new construction or for reconstruction other than restoration of any part of the Utilities System to the condition of serviceability thereof when new, (iii) depreciation costs or (iv) any interest expense on any Obligation.

"Credit Facility" means a line of credit, letter of credit, standby bond purchase agreement, policy of bond insurance, surety bond, guaranty or similar credit or liquidity enhancement device or arrangement providing credit or liquidity support with respect to any Outstanding Obligations or Subordinated Indebtedness, or any agreement relating to reimbursement of advances under any such instrument.

"Current Interest Bonds" means Obligations that bear interest which is payable periodically rather than solely at the maturity of such Obligations.

"Defeasance Securities" means (i) direct non-callable obligations of the United States of America or obligations the timely payment when due of the principal of and interest on which is unconditionally guaranteed by the United States of America, to which the direct obligation or guarantee of the full faith and credit of the United States of America has been pledged, (ii) stripped interest obligations on bonds, notes, debentures and similar obligations issued by the Resolution Funding Corporation , (iii) local government obligations rated AAA by a Rating Agency (iv) local government obligations defeased by securities described in clauses (i), (ii), (iii), (v), (vi) and (vii) hereof , (v) guaranteed investment contracts rated AAA by a Rating Agency, (vi) in the event any Bonds are secured by a Credit Facility, any securities approved by such Credit Facility provider, and (vii) notes, bonds, debentures, mortgages and other evidences of indebtedness, issued or guaranteed at the time of the investment by the United States Postal Service, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Student Loan Marketing Association, the Federal Farm Credit System, or any other United States government sponsored agency; provided that at the time of the investment such agency or its obligations are rated and the agency receives, or its obligations receive, ratings in the highest Rating Category of each of the Rating Agencies that then rates such agency or its obligations.

"Designated Maturity Obligations" means all of the Obligations of a Series or a particular maturity thereof, with a maturity longer than 270 days, so designated by the Issuer by Supplemental Ordinance prior to the issuance thereof, for which no mandatory sinking fund redemption requirements have been established.

"Distribution Charge" means any charge or fee in the nature of a stranded cost or similar charge paid by any person other than the Utilities System for use of the facilities of the Utilities System.

"Exposure on Guaranteed Debt" means, with respect to the period of time for which calculated, (i) as to each Guaranteed Debt as to which the Issuer has not been required to make any payments under its guaranty, an amount equal to twenty percent (20%) of the debt service requirement for such period (calculated in the same manner as the Bond Service Requirement) on that Guaranteed Debt, and (ii) as to any Guaranteed Debt as to which the Issuer has been required to make any payments under its guaranty, an amount equal to one hundred percent (100%) of the debt service requirement for such period (calculated in the same manner as the Bond Service Requirement) on that Guaranteed Debt.

"Executive Officers" means, collectively, the Mayor-President, and the Clerk of the Council and the Chairman of the Lafayette City Council or any officers of the Issuer or its successor designated by Supplemental Ordinance.

"Fiduciary" or "Fiduciaries" means any trustee, or Paying Agent, or any or all of them, as may be appropriate.

"Fiscal Year" means the one-year period commencing on November 1 of each year, or such other one-year period as may be designated by the Governing Authority as the fiscal year of the Issuer.

"Fuel Revenues" means retail fuel adjustment charge revenues, as billed under the then-current rate ordinance, and revenues from fuel charges billed to wholesale customers.

"Funds" means the Receipts Fund, Capital Additions Fund, Sinking Fund and Reserve Fund.

"Governing Authority" means the Lafayette City-Parish Council and the Lafayette Public Utilities Authority, or its successor in function, as provided by the Issuer's home rule charter or any successor charter.

"Government Securities" means direct obligations of, or obligations the timely payment of the principal of and interest on which are fully and unconditionally guaranteed by, the United States of America, which may be United States Treasury Obligations such as the State and Local Government Series and may be in book-entry form.

"Guaranteed Debt" means any indebtedness or obligation for money of any Person which the Issuer has guaranteed to pay from the Utilities System on a parity with debt service on the Obligations.

"Impact Fees" means all capital expansion fees, contributions in aid of construction, system improvement fees, or other similar fees and charges, separately imposed by the Issuer as a non-user capacity charge for the proportionate share of the cost of expanding, oversizing, separating or constructing new additions to the Utilities System. "Impact Fees" shall not include connection or hook-up charges or other payments or fees received by the Issuer as reimbursement for the cost of connecting or re-connecting a customer to the Utilities System.

"Interest Payment Date" means May 1 and November 1 of each year, except as otherwise provided in any Supplemental Ordinance.

"Investment Obligations" means any investments or securities then permitted under Louisiana law.

"Issuer" means the City of Lafayette, State of Louisiana.

"Net Revenues" means, for any fiscal year period, the amount of Revenues less the Cost of Operation and Maintenance of the Utilities System.

"Non-Fuel Revenues" means Revenues less Fuel Revenues.

"Obligations" means any obligations, issued in any form of debt, authorized by a Supplemental Ordinance, including but not limited to, Bonds, notes, bond anticipation notes, commercial paper and Guaranteed Debt, which are delivered under this Ordinance, including any Bonds and Parity Contract Obligations but such term shall not include any Subordinated Contract Obligation or Subordinated Indebtedness.

"Operating Fund" means the fund by that name established in Section 5.1(b) hereof.

"Ordinance" means this Ordinance as from time to time amended or supplemented by Supplemental Ordinance.

"Outstanding", when used with reference to the Bonds, means, as of any date, all Bonds theretofore issued under the Ordinance, except:

(a) Bonds theretofore cancelled by the Paying Agent or delivered to the Paying Agent for cancellation;

(b) Bonds for the payment or redemption of which sufficient cash and/or Defeasance Securities have been deposited with the Paying Agent or an escrow agent in trust for the Owners of such Bonds with the effect specified in the Ordinance, provided that if such Bonds are to be redeemed, irrevocable notice of such redemption has been duly given or provided for pursuant to the Ordinance, to the satisfaction of the Paying Agent, or waived;

(c) Bonds in exchange for or *in lieu* of which other Bonds have been registered and delivered pursuant to the Ordinance; and

(d) Bonds alleged to have been mutilated, destroyed, lost, or stolen which have been paid as provided in the Ordinance or by law.

"Parity Contract Obligation" means that portion of any rates, fees, charges or payments which the Issuer is contractually obligated to pay to another entity for fuel, energy or power, for the specific purpose of paying principal or interest or both on that entity's obligations directly associated with such contract and payable to such entity regardless of whether fuel, energy or power is delivered or made available for delivery which is secured by a pledge of and lien on the Net Revenues on a parity with the lien created by Section 4.2 hereof to secure the Obligations.

"Parity Debt" means any Parity Contract Obligation, Parity Reimbursement Obligation, Parity Swap Obligation or Guaranteed Debt; provided, however, that for purposes of the definition of the term "Bond Service Requirement," Parity Debt shall with respect to Guaranteed Debt include only Exposure on Guaranteed Debt. For purposes of Section 9.2 of this Ordinance, any Parity Debt shall specify, to the extent applicable, the interest and principal components of, or the scheduled payments corresponding to interest under, such Parity Debt.

"Parity Reimbursement Obligation" has the meaning provided in Section 9.4(d) hereof.

"Parity Swap Obligation" means the obligation to pay any amount under a Qualified Swap calculated as interest on a notional amount (but excluding any termination payments and payments of any other fees, expenses, indemnification or other obligations to a counterparty), that is secured by a pledge of, and a lien on, the Net Revenues on a parity with the lien created by Section 4.2 to secure the Obligations.

"Paying Agent" means the Issuer or any Authorized Depository designated by the Issuer to (i) serve as a Paying Agent or place of payment for the Obligations issued hereunder which shall have agreed to arrange for the timely payment of the principal of, interest on and redemption premium, if any, with respect to the Obligations to the registered owners thereof, from funds made available therefor by the Issuer, and any successors designated pursuant to this Ordinance and (ii) maintain the registration books for the Obligations of any Series issued hereunder or to perform other duties with respect to registering the transfer of Obligations.

"Person" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof.

"Power Sales Contract" means (i) the Power Sales Contract dated May 1, 1977 executed by and between the Issuer and the Lafayette Public Power Authority or (ii) any other contract for fuel, energy, water, sewer or power designated in writing by the Issuer as a Cost of Operation and Maintenance.

"Principal Payment Date" means November 1 of each year.

"Project" means any project, facility, system, equipment, or material related to or necessary or desirable in connection with the Utilities System, whether owned jointly or singly by the Issuer, including any output in which the Issuer has an interest, heretofore or hereafter authorized by the Act; provided, however, that the term "Project" shall not include any Separately Financed Project.

"Purchase Price" means, with respect to any Obligation, 100% of the principal amount thereof plus accrued interest, if any, plus in the case of an Obligation subject to mandatory tender for purchase on a date when such Obligation is also subject to optional redemption at a premium, an amount equal to the premium that would be payable on such Obligation if redeemed on such date.

"Qualified Independent Consultant" means any one or more qualified and recognized independent consultants or firm of consultants (which may include, without limitation, independent accountants and engineers), having favorable repute, skill and experience with respect to the acts and duties required of a Qualified Independent Consultant by a particular section or sections of this Ordinance, as shall from time to time be retained by the Issuer for the purposes hereof. It may be the Consulting Engineer described in Article VIII.

"Qualified Swap" means, to the extent from time to time permitted by law, with respect to Obligations, any financial arrangement (i) which is entered into by the Issuer with an entity that is a Qualified Swap Provider at the time the arrangement is entered into, (ii) which is a cap, floor or collar; an interest rate, forward rate or future rate swap (such swap may be based on an amount equal either to the principal amount of such Obligations of the Issuer as may be designated or a notional principal amount relating to all or a portion of the principal amount of such Obligations); asset, index, price or market-linked transaction or agreement; other exchange or rate protection transaction agreement; other similar transaction (however designated); or any combination thereof; or any option with respect thereto, entered into by the Issuer for the purpose of moderating interest rate fluctuations or otherwise, and (iii) which has been designated in writing by the Issuer as a Qualified Swap with respect to such Obligations.

"Qualified Swap Provider" means an entity whose senior long term obligations, other senior unsecured long term obligations, financial program rating, counterparty rating, or claims-paying ability, or whose payment obligations under an interest rate exchange agreement are guaranteed by an entity whose senior long term debt obligations, other senior unsecured long term obligations, financial program rating, counterparty rating, or claims-paying ability, are rated either (i) at least as high as the third highest Rating Category of each nationally recognized securities Rating Agency then maintaining a rating for the Qualified Swap Provider, but in no event lower than any Rating Category designated by each such Rating Agency for the Obligations subject to such Qualified Swap, or (ii) any such lower Rating Categories which each such Rating Agency indicates in writing to the Issuer will not, by itself, result in a reduction or withdrawal of its rating on the Outstanding Obligations subject to such Qualified Swap that is in effect prior to entering into such Qualified Swap.

"Rate Stabilization Account" means the account set out in Section 5.1(e).

"Rating Agency" means each nationally recognized securities rating agency then maintaining a rating on the Obligations at the request of the Issuer.

"Rating Category" means one of the generic rating categories of any Rating Agency without regard to any refinement or gradation of such rating by a numerical modifier or otherwise.

"Record Date" means, except as otherwise provided in a Supplemental Ordinance, with respect to an Interest Payment Date, the fifteenth day of the calendar month next preceding such Interest Payment Date, whether or not such day is a Business Day.

"Redemption Price" means, when used with respect to an Obligation, the principal amount thereof plus the applicable premium, if any, payable upon redemption thereof pursuant to the Ordinance.

"Reimbursement Obligation" has the meaning provided in Section 9.4(d) hereof.

"Reserve Fund" means the Fund by that name established in Section 5.1 hereof.

"Reserve Product" means a policy of bond insurance, a surety bond or a letter of credit or other credit facility used in lieu of a cash deposit in the Reserve Fund meeting the terms and conditions of Section 5.1 hereof.

"Reserve Product Provider" means a bond insurance provider or a bank or other financial institution providing a Reserve Product, whose bond insurance policies insuring, or whose letters of credit, surety bonds or other credit facilities securing, the payment, when due, of the principal of, premium, if any, and interest on bond issues by public entities, at the time such Reserve Product is obtained, result in such issues being rated in one of the two highest full rating categories by each of the Rating Agencies; provided, however, that nothing herein shall require the Issuer to obtain a rating on any Bonds issued under this Ordinance.

"Reserve Requirement" means, with respect to each series of Obligations, the amount, if any, set forth as the Reserve Requirement in the Supplemental Ordinance authorizing any series of Obligations.

"Reserve Secured Bonds" means a Series of Bonds for which the Supplemental Ordinance related to such Series provide that the payment of the principal, premium, if any, and interest on the bonds of such Series shall be secured by amounts on deposit and investments held in a designated account in the Reserve Fund.

"Revenues" means (i) all rates, fees, charges, income, rents and receipts derived by the Issuer from or attributable to the ownership and operation of the Utilities System, including all revenues attributable to the Utilities System or to the payment of the costs thereof received by the Issuer under any contracts for the sale of power, energy, transmission or other use of the services, facilities or products of the Utilities System or any part thereof or any contractual arrangement with respect to the use of the Utilities System or any portion thereof or the services, output, facilities, capacity or products of the Utilities System, (ii) the proceeds of any insurance covering business interruption loss relating to the Utilities System, (iii) interest received on the investment or reinvestment of any moneys held hereunder required to be deposited or kept in the Receipts Fund, (iv) payments received by the Issuer under a Qualified Swap, and (v) funds received from a Rate Stabilization Account; provided, however, that "Revenues" shall not include revenues from a Separately Financed Project or Impact Fees or revenues deposited in a Rate Stabilization Account.

"Separately Financed Project" has the meaning provided in Section 9.3 hereof.

"Series" means any portion of the Obligations of an issue authenticated and delivered in a single transaction, payable from an identical source of revenue and identified pursuant to a Supplemental Ordinance authorizing such Obligations as a separate Series of Obligations, regardless of variations in maturity, interest rate, redemption requirements or other provisions, and any Obligations thereafter authenticated and delivered in lieu of or in substitution of a Series of Obligations issued pursuant to this Ordinance.

"Series 2004 Bonds" means the Bonds issued by the first Supplemental Ordinance, in an amount not exceeding Two Hundred Million Dollars ($200,000,000).

"Sinking Fund Year" means the year commencing on November 1st and ending on October 31st of the following year.

"State" means the State of Louisiana.

"Subordinated Contract Obligation" means any payment obligation (other than a payment obligation constituting Parity Debt or Subordinated Indebtedness) arising under (a) any Credit Facility which has been designated in writing by the Issuer as constituting a "Subordinated Contract Obligation," (b) any Qualified Swap which has been designated in writing by the Issuer as constituting a "Subordinated Contract Obligation," and (c) any other contract, agreement or other obligation authorized by ordinance or resolution of the Issuer and designated in writing by the Issuer as constituting a "Subordinated Contract Obligation." Each Subordinated Contract Obligation shall be payable from the Net Revenues subject and subordinate to the payments to be made with respect to the Obligations and Parity Debt, and shall be secured by a lien on and pledge of the Net Revenues junior and inferior to the lien on and pledge of the Net Revenues herein created for the payment of the Obligations and Parity Debt.

"Subordinated Indebtedness" means any bond, note or other indebtedness authorized by ordinance or resolution of the Issuer and designated in such ordinance or resolution by the Issuer as constituting "Subordinated Indebtedness," which shall be payable from the Net Revenues subject and subordinate to the payments to be made with respect to the Obligations and Parity Debt, and which shall be secured by a lien on and pledge of the Net Revenues junior and inferior to the lien on and pledge of the Net Revenues herein created for the payment of the Obligations and Parity Debt.

"Supplemental Ordinance" means any ordinance or resolution supplemental to or amendatory of this Ordinance, enacted or adopted by the Issuer in accordance with Article III hereof.

"Taxable Obligations" means any Obligations which are not Tax-Exempt Obligations.

"Tax-Exempt Obligations" means any Obligations the interest on which is intended by the Issuer to be generally excluded from gross income for federal income tax purposes.

"Trustee" means a financial institution serving in the capacity described in Section 10.2.

"Utilities System" means the revenue producing public utilities system of the Issuer consisting of the combined waterworks plants and system, the electric power and light plant and systems, and sewer system, including specifically all properties of every nature owned, leased or operated by the Issuer and used or useful in the operation of its complete waterworks plants and system, electric power and light plants and system and sewer systems, as said plants and systems now exist and as they may be improved, extended or supplemented from any source including the proceeds of bonds, and including all real estate, personal and intangible properties, contracts, franchises, leases and choses in action, and including any right to use the capacity from any facilities or services thereof, and all properties now or hereafter operated by the Issuer under lease or agreement with any other individual, joint venture, partnership or corporation, public or private, as a part of the Utilities System, whether lying within or without the boundaries of the Issuer. Upon compliance with the requirements of Section 7.12 hereof, the term "Utilities System" may include any other utility-related services or functions, as the Issuer shall determine by subsequent ordinance or resolution. The Utilities System shall not include any Separately Financed Project.

"Variable Rate Obligations" means Obligations issued with a variable, adjustable, convertible or other similar interest rate which is not fixed in percentage for the remaining term thereof.

SECTION 1.2. Interpretation. In the Ordinance, unless the context otherwise requires, (a) words importing the singular include the plural and vice versa, (b) words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders and (c) the title of the offices used in this Ordinance shall be deemed to include any other title by which such offices shall be known under any subsequently adopted charter.

ARTICLE II

INSTRUMENT TO CONSTITUTE CONTRACT

SECTION 2.1 Instrument to Constitute Contract. In consideration of the Obligations authorized to be issued hereunder by those who shall hold the same from time to time, this Ordinance shall be deemed to be and shall constitute a contract between the Issuer and the Bondholders. The covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the Bondholders, and all Obligations shall be of equal rank and without preference, priority or distinction over any other thereof, except as expressly provided herein.

ARTICLE III

AUTHORIZATION, DESCRIPTION, FORM AND TERMS OF OBLIGATIONS

SECTION 3.1 Description of Obligations. Obligations may be issued from time to time in accordance with the terms of this Ordinance. The Obligations authorized hereunder may be issued in one or more Series that may be delivered from time to time. The Obligations may be issued as Tax-Exempt Obligations, as Taxable Obligations, as obligations that convert from Taxable Obligations to Tax-Exempt Obligations, as fixed rate Obligations, as Variable Rate Obligations, as Capital Appreciation Bonds, as Current Interest Bonds, as Designated Maturity Obligations and/or as Commercial Paper Obligations. The Issuer shall by Supplemental Ordinance authorize each Series of Obligations and shall specify the following:

(a) the authorized principal amount of such Series, the purpose or purposes for which such Obligations are issued;

(b) the date and terms of maturity or maturities of the Obligations;

(c) whether such Obligations are Designated Maturity Obligations or Commercial Paper Obligations;

(d) the interest rate or rates of the Obligations or the method for determining such interest rate or rates, which may include variable, adjustable, convertible, auction reset or other rates, original issue discounts, Capital Appreciation Bonds and zero interest rate Obligations.

(e) the authorized denominations (or, with respect to Capital Appreciation Bonds, the value at maturity) of each Series of Obligations;

(f) numbering and lettering of such Obligations;

(g) the Paying Agent and place or places of payment of such Obligations;

(h) the redemption prices for such Obligations and any terms of redemption not inconsistent with the provisions of this Ordinance, which may include mandatory redemptions which may or may not be at the election of the Holder or Registered Owner thereof;

(i) any terms permitting or requiring the tender of such Obligations by the Owner thereof for purchase;

(j) the use of the proceeds of such Series of Obligations not inconsistent with this Ordinance;

(k) the forms of such Obligations; and

(l) any other terms or provisions applicable to the Obligations of such Series, not inconsistent with the provisions of this Ordinance or the Act.

All of the foregoing may be added by Supplemental Ordinance adopted or enacted at any time and from time to time prior to the issuance of such Series of Obligations.

Except as otherwise provided by Supplemental Ordinance, all Obligations hereunder shall be in registered form. All Obligations issued hereunder shall be in substantially the form provided by the Supplemental Ordinance authorizing the issuance of such Obligations; shall, unless otherwise provided by Supplemental Ordinance, be payable in lawful money of the United States of America and shall bear interest from their date paid by check or draft of the Paying Agent mailed to the Registered Owner thereof. Principal of and interest and redemption premiums, if any, on Capital Appreciation Bonds, and principal of and redemption premiums, if any, on Current Interest Bonds shall be payable by check or draft at maturity or earlier redemption thereof upon presentation and surrender of such Obligations to the Paying Agent. In addition, notwithstanding the foregoing, if and to the extent permitted by applicable law, the Issuer shall establish a system of registration and may issue thereunder certificated registered public obligations (represented by instruments) or uncertificated registered public obligations (not represented by instruments) commonly known as book-entry obligations, combinations thereof, or such other obligations as may then be permitted by law. The Issuer shall appoint such registrars, transfer agents, depositories, or other agents as may be necessary to cause the registration, registration of transfer and reissuance of the Obligations within a commercially reasonable time according to the then current industry standards and to cause the timely payment of interest, principal and premiums payable with respect to the Obligations. If the Issuer adopts a system for the issuance of uncertificated registered public obligations, it may permit thereunder the conversion, at the option of a Holder of any Obligation then outstanding, of a certificated registered public obligation to an uncertificated registered public obligation, and the reconversion of the same.

The registration of the Obligations issued in registered form may be transferred upon the registration books therefor upon delivery to the Paying Agent, accompanied by a written instrument or instruments of transfer in form and with guaranty of signature satisfactory to the Paying Agent, duly executed by the Registered Owner of such Obligations or by his attorney-in-fact or legal representative, containing written instructions as to the details of transfer of such Obligations, along with the social security number or federal employer identification number of such transferee. In all cases of a transfer of registered Obligations, the Paying Agent shall at the earliest practical time in accordance with the provisions of this Ordinance enter the transfer of ownership in the registration books for the Obligations and (unless uncertificated registration shall be requested and the Issuer has a registration system that will accommodate uncertificated registration) shall deliver in the name of the new transferee or transferees a new fully-registered Obligation or Obligations of the same Series, maturity and of authorized denomination or denominations for the same aggregate principal amount and payable from the same sources of funds. The Paying Agent or the Issuer may charge the Registered Owners of such Obligations for the registration of every such transfer of such Obligations an amount sufficient to reimburse it for any tax, fee or any other governmental charge required to be paid, except for any such governmental charge imposed by the Issuer, with respect to the registration of such transfer, and may require that such amounts be paid before any such new Obligations shall be delivered.

Except as otherwise provided in the Supplemental Ordinance, if any date for payment of the principal of, premium, if any, or interest on any Obligation is not a Business Day, then the date for such payment shall be the next succeeding Business Day, and payment on such day shall have the same force and effect as if made on the nominal date of payment.

With respect to any Series of Obligations, the Issuer may, by Supplemental Ordinance enacted or adopted prior to the issuance of such Series of Obligations, reserve or exercise the right to sell, assign or transfer rights to call Obligations of such Series for mandatory purchase.

Unless otherwise provided by Supplemental Ordinance adopted prior to the issuance of the applicable Series of Obligations, a purchase of Obligations by or through a remarketing agent, trustee, auction agent, credit facility provider or the Issuer pursuant to an optional or mandatory tender shall not be deemed a redemption of such Obligations and will not be deemed to extinguish or discharge the indebtedness evidenced by such Obligations. Any Obligations purchased by or on behalf of the Issuer pursuant to an optional or mandatory tender shall be purchased with the intent that the indebtedness evidenced by such Obligations shall not be extinguished or discharged; such indebtedness shall not be extinguished or discharged and such Obligations shall remain outstanding hereunder unless and until such Obligations are delivered to the paying agent therefor for cancellation.

SECTION 3.2. Execution of Obligations. Unless otherwise provided by Supplemental Ordinance, the Obligations shall be executed in the name of the Issuer as provided in the Charter of the Issuer and the seal of the Issuer shall be imprinted, reproduced or lithographed on the Obligations, attested to and countersigned as provided in the Charter of the Issuer. There may be such additional signatures and attestations as may be determined by the Issuer. The signatures of the officers of the Issuer on the Obligations may be by facsimile, but one such officer shall sign his manual signature on the Obligations unless the Issuer appoints an authenticating agent, registrar, transfer agent or trustee who shall cause one of its duly authorized officers to manually execute the Obligations. If any officer whose signature appears on the Obligations ceases to hold office before the delivery of the Obligations, his signature shall nevertheless be valid and sufficient for all purposes. In addition, any Obligation may bear the signature of, or may be signed by, such persons as at the actual time of execution of such Obligation shall be the proper officers to sign such Obligation although at the date of such Obligation or the date of delivery thereof such persons may not have been such officers.

SECTION 3.3. Obligations Mutilated, Destroyed, Stolen or Lost. If any Obligation is mutilated, destroyed, stolen or lost, the Issuer or its agent may, in its discretion (i) deliver a duplicate replacement Obligation, or (ii) pay an Obligation that has matured or is about to mature. A mutilated Obligation shall be surrendered to and cancelled by the Chief Financial Officer or the duly authorized agent of the Issuer. The Bondholder must furnish the Issuer or its agent proof of ownership of any destroyed, stolen or lost Obligation; post satisfactory indemnity; comply with any reasonable conditions the Issuer or its agent may prescribe; and pay the Issuer's and/or its agent's reasonable expenses.

Any such duplicate Obligation shall constitute an original contractual obligation on the part of the Issuer whether or not the destroyed, stolen, or lost Obligation be at any time found by anyone, and such duplicate Obligation shall be entitled to equal and proportionate benefits and rights as to lien on, and source of and security for payment from, the funds pledged to the payment of the Obligation so mutilated, destroyed, stolen or lost.

SECTION 3.4. Provisions for Redemption. Each Series of Obligations may be subject to redemption prior to maturity at such times and in such manner as may be established by Supplemental Ordinance of the Issuer adopted with respect to any Series of Obligations on or before the time of delivery of those Obligations. Unless otherwise provided by Supplemental Ordinance with respect to a Series of Obligations, notice of redemption shall be sent at least thirty (30) days prior to the redemption date (i) be filed with the paying agent, and (ii) be mailed, postage prepaid, to all Registered Owners of Bonds to be redeemed at their address as they appear of record on the books of the Paying Agent as of forty-five (45) days prior to the date fixed for redemption, unless otherwise provided by Supplemental Ordinance. Interest shall cease to accrue on any Bond duly called for prior redemption on the redemption date, if payment thereof has been duly provided. The privilege of transfer or exchange of any of the Bonds so called for redemption is suspended for a period commencing 15 calendar days preceding the mailing of the notice of redemption and ending on the date fixed for redemption. Failure to mail any such notice to a registered owner of an Obligation, or any defect therein, shall not affect the validity of the proceedings for redemption of any Obligation or portion thereof with respect to which no failure or defect occurred.

SECTION 3.5. Effect of Notice of Redemption. Notice having been given in the manner and under the conditions hereinabove required, the Obligations or portions of Obligations so called for redemption shall, on the redemption date designated in such notice, become and be due and payable at the redemption price provided for redemption of such Obligations or portions of Obligations on such date. On the date so designated for redemption, moneys for payment of the redemption price being held in separate accounts by the Paying Agent, an escrow agent or any Authorized Depository, in trust for the registered owners of the Obligations or portions thereof to be redeemed, all as provided in this Ordinance, interest on the Obligations or portions of Obligations so called for redemption shall cease to accrue, such Obligations and portions of Obligations shall cease to be entitled to any lien, benefit or security under this Ordinance, and the registered owners of such Obligations or portions of Obligations shall have no right in respect thereof except to receive payment of the redemption price thereof and, to the extent provided in Section 3.1 of this Article, to receive Obligations for any unredeemed portions of the Obligations. Notwithstanding anything to the contrary in the Ordinance, with respect to any notice of optional redemption of Obligations, unless upon the giving of such notice such Obligations or portions thereof shall be deemed to have been paid within the meaning hereof, such notice shall state that such redemption shall be conditioned upon the receipt by the Paying Agent on or prior to the date fixed for such redemption of moneys sufficient to pay the principal of, premium, if any, and interest on such Obligations or portions thereof to be redeemed, and that if such moneys shall not have been so received said notice shall be of no force and effect and the Issuer shall not be required to redeem such Obligations or portions thereof. In the event that such notice of redemption contains such a condition and such moneys are not so received, the redemption shall not be made and the Paying Agent shall within five (5) days thereafter give notice, in the manner in which the notice of redemption was given, that such moneys were not so received.

SECTION 3.6. Redemption of Portion of Registered Obligations. In case part but not all of an outstanding fully-registered Obligation shall be selected for redemption, the Registered Owners thereof shall present and surrender such Obligation to its designated Paying Agent (or if no such Paying Agent is designated, to the Issuer) for payment of the principal amount thereof and premium, if any, so called for redemption, and the Issuer shall execute and deliver to or upon the order of such Registered Owner, without charge therefor, for the unredeemed balance of the principal amount of the Obligation so surrendered, an Obligation or Obligations fully-registered as to principal and interest.

SECTION 3.7. Application of Proceeds. Except as otherwise provided hereby, the proceeds, including accrued interest and premium, if any, received from the sale of the Obligations of any Series shall be applied by the Issuer simultaneously with the delivery of such Obligations in accordance with the provisions of a Supplemental Ordinance of the Issuer enacted or adopted at or before the delivery of such Series of Obligations, in conformity with this Ordinance.

SECTION 3.8. Temporary Obligations. Pending the preparation of definitive Obligations, the Issuer may execute and deliver temporary Obligations. Temporary Obligations shall be issuable as registered Obligations without coupons, of any authorized denomination, and substantially in the form of the definitive Obligations but with such omissions, insertions, and variations as may be appropriate for temporary Obligations, all as may be determined by the Issuer. Temporary Obligations may contain such reference to any provisions of this Ordinance as may be appropriate. Every temporary Obligation shall be executed and authenticated upon the same conditions and in substantially the same manner, and with like effect, as the definitive Obligations. As promptly as practicable the Issuer shall execute and shall furnish definitive Obligations and thereupon temporary Obligations may be surrendered in exchange for definitive Obligations without charge at the principal office of the Paying Agent, and the Paying Agent shall authenticate and deliver in exchange for such temporary Obligations a like aggregate principal amount of definitive Obligations of authorized denominations. Until so exchanged, the temporary Obligations shall be entitled to the same benefits under this Ordinance as definitive Obligations.

ARTICLE IV

SOURCE OF PAYMENT OF OBLIGATIONS; SPECIAL OBLIGATIONS OF THE ISSUER

SECTION 4.1. Obligations Not to be Indebtedness of the Issuer. The Obligations shall not be or constitute general obligations or indebtedness of the Issuer within the meaning of the Constitution of Louisiana, but shall be payable solely from and secured by a lien upon and a pledge of the Net Revenues of the Utilities System, in the manner and to the extent herein provided. No Bondholder shall ever have the right to compel the exercise of the ad valorem taxing power of the Issuer or taxation in any form on any real or personal property to pay such Obligations or the interest thereon, nor shall any Bondholder be entitled to payment of such principal and interest from any other funds of the Issuer other than Net Revenues in the manner and to the extent herein provided.

SECTION 4.2. Pledge of Net Revenues. The payment of the principal of, premium, if any, and interest on the Obligations shall be secured forthwith equally and ratably by an irrevocable lien on the Net Revenues, all in the manner and to the extent provided herein, prior and superior to all other liens or encumbrances on the Net Revenues, except as otherwise provided herein, and the Issuer does hereby irrevocably pledge the Net Revenues to the payment of the principal of, premium, if any, and interest on the Obligations.

ARTICLE V

CREATION OF FUNDS AND ACCOUNTS

SECTION 5.1. Creation of Funds and Accounts. There are hereby created and established the “Receipts Fund,“ the “Operating Fund,“ the “Sinking Fund,“ the “Reserve Fund” and the “Capital Additions Fund”. There may be created and established in the Operating Fund and the Capital Additions Fund one or more separate accounts or subaccounts as determined by the Issuer from time to time to be necessary or convenient. The Operating Fund, the Reserve Fund and the Capital Additions Fund and all accounts and subaccounts therein shall constitute trust funds for the purposes herein provided, shall be delivered to and held by the Chief Financial Officer (or an Authorized Depository designated by the Chief Financial Officer), who shall act as trustee of such funds for the purposes hereof, shall, except as otherwise provided herein, be subject to a lien and charge in favor of the Bondholders and used only as herein provided. The described trust obligation shall extend only to the Issuer’s obligation to hold such funds for the benefit of Bondholders, but does not impose a trust obligation on any Authorized Depository.

Moneys currently deposited in funds for the Bonds, other than the Series 2004 Bonds, will be transferred to the Funds that provide a similar function. Accordingly, moneys in a current sinking fund established for the Utilities Revenue Bonds, Series 1996 will be transferred to the Sinking Fund. Similarly, moneys in a reserve fund will be transferred to the Reserve Fund, as will moneys in a capital additions fund be transferred to the Capital Additions Fund.

All accounts referenced in the Ordinance means separate accounting, not necessarily separate bank accounts.

(a) Receipts Fund. Revenues, except (i) income received from the sale of capital assets and charges between divisions of the Utilities System, and (ii) proceeds from the issuance of Obligations shall be deposited daily as the same may be collected in a separate and special bank account known and designated as the "Receipts Fund", established and maintained with the Bank, or may be deposited in a fund with other moneys of the City and/or Parish in a Bank provided separate accounting is maintained at all times under the title of "Receipts Fund" and referred to hereinafter as the "Receipts Fund".

(b) Operating Fund. Out of the Receipts Fund, there shall be transferred to or set aside in an "Operating Fund," from time to time as needed during each Sinking Fund Year amounts sufficient to provide for the payment of Costs of Operation and Maintenance.

(c) Sinking Fund. After meeting the requirements of 5.1(b) above, the moneys in the Receipts Fund shall be used for the establishment and maintenance with the Bank of a "Utilities Revenue Bond Sinking Fund" (the "Sinking Fund") sufficient in amount to pay promptly and fully the principal of, premium, if any, and the interest on the Obligations herein authorized including any Additional Parity Obligations issued hereafter in the manner provided herein, as they severally become due and payable whether by maturity or mandatory call, by transferring as needed from the Receipts Fund to the Sinking Fund. Arrangements with the Paying Agent shall be made as will assure, to the amount of money in the Sinking Fund, prompt payment for principal and interest on the Obligations payable from the Sinking Fund. Appropriate amounts shall also be placed in the Sinking Fund to allow for the payment of the charges of the Paying Agent. On or before the day before the Interest Payment Date, the Issuer will deposit with the Paying Agent sufficient funds to make payment of the principal and/or interest owed on the obligations, as of that Interest Payment Date.

A Supplemental Ordinance may provide for additional amounts to be deposited into the Sinking Fund.

(d) Reserve Fund. After meeting the requirements of 5.1(c), the moneys in the Receipts Fund shall next be used to satisfy the Reserve Requirements for Reserve Secured Bonds. The Reserve Fund will be segregated into one or more accounts that are created for various Series of Reserve Secured Bonds.

Except as set forth in a Supplemental Ordinance, amounts on deposit in each account of the Reserve Fund may be used solely for the purpose of curing deficiencies in the Sinking Fund for the payment when due of the principal of, premium, if any, and interest on the Reserve Secured Bonds for which such account was created. If funds on deposit in each Reserve Fund account exceed the account Reserve Requirement for the applicable Reserve Secured Bonds, the excess cash shall be deposited into the Sinking Fund to the extent moneys from the Receipts Fund are unavailable to meet current Bond Service Requirements and otherwise to the Capital Additions Fund, provided however that upon refunding of any Reserve Secured Bonds such excess may be applied to pay or redeem the Reserve Secured Bonds to be refunded.

Within the Reserve Fund there may be created separate accounts to secure the payment of various issues of Reserve Secured Bonds, each with varying Reserve Requirements. Any issue of Reserve Secured Bonds may utilize an existing Reserve Fund account, provided in doing so, the Reserve Requirement of the prior issue is met and satisfied.

If at any time the Issuer is required to fund a Reserve Fund account, or to increase the amount required to be maintained in the Reserve Fund account pursuant to the preceding paragraph, the amount, or increase in the amount, as applicable, required to satisfy such Reserve Requirement may be funded in up to twelve substantially equal consecutive monthly deposits commencing not later than the month following the occurrence of deficiency.

Each Reserve Requirement, in whole or in part, may be funded with cash or Investment Obligations, or one or more Reserve Products, or a combination thereof. Any such Reserve Product must provide for payment on any interest or principal payment date (provided adequate notice is given) on which a deficiency exists (or is expected to exist) in moneys held hereunder for payment of the principal of or interest on the Obligations due on such date which cannot be cured by funds in any other fund or account held pursuant to this Ordinance and available for such purpose, and shall name the Paying Agent as the beneficiary thereof. Each Reserve Product must be rated in the highest rating category by each Rating Agency. If a disbursement is made from a Reserve Product as provided above, the Issuer shall be obligated to reinstate the maximum limits of such Reserve Product on or before the close of the month following such disbursement from the first Revenues available pursuant to this Section or to replace such Reserve Product by depositing into the Reserve Fund pursuant to such sections, funds in the maximum amount originally available under such Reserve Product, plus amounts necessary to reimburse the Reserve Product Provider for previous disbursements under such Reserve Product, or a combination thereof. For purposes of this Section, amounts necessary to satisfy such reimbursement obligations of the Issuer to the Reserve Product Provider shall be deemed to be required deposits to the Reserve Fund, but shall be applied to satisfy the obligations to the Reserve Product Provider.

If the Reserve Requirement is funded in whole or in part with cash or Investment Obligations and no event of default shall have occurred and be continuing hereunder, the Issuer may at any time in its discretion, substitute a Reserve Product meeting the requirements of this Ordinance for the cash and Investment Obligations in the Reserve Fund and the Issuer may then withdraw such cash and Investment Obligations from the Reserve Fund and deposit them to the credit of the Operating Fund so long as (i) the same does not adversely affect any rating by a Rating Agency then in effect with respect to the Obligations, or any Series thereof, and (ii) the Issuer obtains an opinion of Bond Counsel to the effect that such actions will not, in and of themselves, adversely affect the exclusion from gross income of interest on the Obligations (if not Taxable Obligations) for federal income tax purposes.

Cash on deposit in any Reserve Fund account shall be used (or investments purchased with such cash shall be liquidated and the proceeds applied as required) prior to any drawing on any Reserve Product in such account. If more than one Reserve Product is deposited in the Reserve Fund account, drawings thereunder shall be made on a pro rata basis, calculated by reference to the maximum amounts available thereunder.

Moneys in reserve in connection with the Utilities Revenue Bonds, Series 1996 shall be retained in a Reserve Fund account until a date one year before the final retirement of such bonds.

Any Supplemental Ordinance may require a greater Reserve Requirement or no Reserve Requirement for any issue or series of obligations of or other obligations on behalf of Issuer with respect to the Reserve Fund.

(e) Capital Additions Fund. After meeting the requirements in 5.1(d), the moneys in the Receipts Fund shall next be deposited in the Capital Additions Fund, which moneys in the Capital Additions Fund shall next be used for the following purposes:

(i) When amounts are deposited in the Capital Additions Fund to pay the capitalized cost of interest on Obligations of the Issuer, the Issuer shall pay from the Capital Additions Fund to the Paying Agent, on or before the date or dates on which interest on such Obligations becomes due and payable, an amount equal to such interest.

(ii) Notwithstanding the above provisions of this Section, amounts in the Capital Additions Fund must be applied to the payment of principal and Redemption Price of and interest on the Obligations and the payment of Parity Debt, on a parity basis, when due at any time that moneys are not available therefor.

(iii) There shall also be deposited in said fund all Impact Fees.

(iv) Not later than one hundred twenty (120) days following the close of each Fiscal Year the Issuer will receive from the Capital Additions Fund, if and to the extent that the money in such Fund makes possible such payment under the restrictions hereinafter contained, a payment in lieu of taxes, the amount of which shall be determined as follows:

(A) There shall be set aside in each Fiscal Year for the purpose of paying Capital Costs an amount equal to seven and one-half percent (7-1/2%) of the total Non-Fuel Revenues into the Receipts Fund for such Fiscal Year.

(B) If the balance of the amount so paid into the Capital Additions Fund in any Fiscal Year, after there has been deducted from the amount so paid seven and one-half percent (7-1/2%) of the total Non-Fuel Revenues into the Receipts Fund as above provided, is equal or less than twelve percent (12%) of the Receipts Fund deposits for such Fiscal Year, all of such balance shall be paid to the Issuer; however, if such balance is more than twelve percent (12%) of the Receipts Fund deposits for such Year, then the Issuer shall be paid an amount equal to twelve percent (12%) of said Receipts Fund deposits.

(C) The remaining moneys in the Capital Additions Fund may be used for (i) paying Capital Costs or for the creation and maintenance of a Rate Stabilization Account, which may be used for making payments into the Receipts Fund to provide for temporary losses of revenue, such payments to be made for such time and in such amounts as may be determined by the Issuer and shall be considered as Revenue as defined herein, (ii) the payment of Subordinated Indebtedness and Subordinated Contract

Obligations, (iii) the purchase of Outstanding Obligations, or (iv) making any payment or investment for any lawful purpose.

ARTICLE VI

DEPOSITORIES OF MONEYS, SECURITY FOR DEPOSITS AND INVESTMENT OF FUNDS

SECTION 6.1. Deposits Constitute Trust Funds. All funds or other property which at any time may be owned or held in the possession of or deposited with the Issuer in the funds and accounts created or maintained under the provisions of this Ordinance shall be held in trust and applied only in accordance with the provisions of this Ordinance.

All funds or other property which at any time may be owned or held in the possession of or deposited with the Issuer pursuant to this Ordinance shall be continuously secured, for the benefit of the Issuer and the Bondholders, either (a) by lodging with an Authorized Depository, as custodian, collateral security consisting of obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America having a market value (exclusive of accrued interest) not less than the amount of such deposit, or (b) in such other manner as may then be required or permitted by applicable state or federal laws and regulations regarding the security for, or granting a preference in the case of, the deposit of trust funds.

All moneys deposited with each Authorized Depository shall be credited to the particular Fund or Account to which such moneys belong.

SECTION 6.2. Investment of Moneys. Moneys held for the credit of the Funds established hereunder shall be invested and reinvested by the Issuer in Investment Obligations. Such investments or reinvestments shall mature or become available not later than the respective dates, as estimated by the Issuer, that the moneys held for the credit of said Funds will be needed for the purposes of such Funds.

Obligations so purchased as an investment of moneys in any such Fund shall be deemed at all times to be a part of such Fund, and shall at all times, for the purposes of this Ordinance, be valued at the amortized cost of such investments.

Except as otherwise expressly provided herein or as provided by subsequent resolution or ordinance, all income and profits derived from the investment of moneys in the Funds shall be deposited in the Receipts Fund and used for the purposes specified for the Receipts Fund, except that all income and profits derived from the investment of moneys in the Reserve Fund shall be retained therein until the Reserve Fund is fully funded and then shall be deposited in the Receipts Fund.

All such investments relating to Tax Exempt Obligations shall be made in compliance with covenants in Supplemental Ordinances relating to the Internal Revenue Code of 1986, as amended.

ARTICLE VII

GENERAL COVENANTS OF THE ISSUER

SECTION 7.1. Operation Covenant. The Issuer hereby covenants to operate the Utilities System in a business like manner and, in consultation with the Consulting Engineers, to operate the Utilities System in such manner in order to insure the continued availability of Net Revenues to pay all costs required by this Ordinance. The Issuer covenants to adequately maintain and improve the Utilities System and to employ the necessary staff and employees, as required by industry practice and as necessary to properly operate and protect the Utilities System.

SECTION 7.2. Maintenance of Utilities System; Disposition. The Issuer will maintain the Utilities System and all parts thereof in good condition and will operate the same in an efficient and economical manner, making such expenditures for such equipment, maintenance and repairs and for renewals and replacements thereof as may be proper for its economical operation and maintenance, provided, however, that nothing herein shall be construed to prevent the Issuer from ceasing to operate or maintain, or from leasing or disposing of any portion or component of the Utilities System if, in the judgment of the Issuer, (i) it is advisable to lease, dispose of, or not operate and maintain the same, and (ii) the lease, disposition or failure to maintain or operate such component or portion of the Utilities System will not prevent the Issuer from meeting the requirements of Sections 5.1 and 7.7 hereof. Notwithstanding anything in the foregoing to the contrary, the sale-leaseback or lease-leaseback of any portion or component of the Utilities System or any similar contractual arrangements the effect of which is that the Issuer continues to retain as part of the Revenues, the Revenues from such portion or component of the Utilities System, shall not constitute a lease or disposition thereof for purposes of this Section.

SECTION 7.3. No Competitive Facilities. The Issuer shall not hereafter construct, acquire or operate any plants, structures, facilities or properties which will provide like services of the Utilities System in the Issuer and the areas currently served by the respective systems in competition with and not as part of the Utilities System unless such construction, acquisition or operation, in the judgment of the Issuer, does not materially impair the ability of the Issuer to comply with Section 5.1. Unless prohibited by any applicable law or regulation, the Issuer shall not voluntarily grant a franchise to any entity to construct or operate any competing facility providing the same services provided by the Utilities System. In the event the Issuer is required by law to allow use of its transmission line to any other electric provider, the Issuer, if permitted by law, shall charge a Distribution Charge.

SECTION 7.4. Obligation to Connect Sewerage Users. Acting in the exercise of its police powers, the Issuer will take all actions necessary to require every owner, tenant or occupant of each lot or parcel of land in the Issuer which abuts upon a street or other public way containing a sewer line and upon which lot or parcel a building shall have been constructed for residential, commercial or industrial use, to connect such building with the Utilities System and to cease to use any other method for the disposal of sewage, sewerage water or other polluting matter. All such connections shall be made in accordance with rules and regulations to be adopted from time to time by the Governing Authority, which rules and regulations may provide for an inspection charge to assure the proper making of such connection.

SECTION 7.5. No Free Service. The Issuer will not permit free water, electricity or sewerage service to be supplied by the Utilities System to the Issuer or any department thereof or to any person, firm or corporation, public or private, or to any public agency or instrumentality.

SECTION 7.6. Operating Budget. Before the first day of each Fiscal Year the Governing Body shall prepare, approve and adopt in the manner prescribed by law, and may amend from time to time as provided by law, a detailed budget of the Revenues, Bond Service Requirement (including the anticipated amortization of Designated Maturity Obligations and Commercial Paper Obligations), and Cost of Operation and Maintenance for the next succeeding Fiscal Year. Copies of its annual budgets and all authorizations for increases in the Cost of Operation and Maintenance shall be available for inspection at the offices of the Issuer and shall be mailed to any Bondholder requesting the same.

SECTION 7.7. Rate Covenant.

(a) So long as any Obligations remain Outstanding, the Issuer will fix, charge and collect, or cause to be fixed, charged and collected, subject to applicable requirements or restrictions imposed by law, such rates, rentals, fees and charges for the use of and for the services and products provided by the Utilities System as are expected to be sufficient in each Sinking Fund Year to produce Revenues, in an amount, at least equal to the sum of (i) one hundred percent (100%) of the Costs of Operation and Maintenance for such Sinking Fund Year, (ii) one hundred percent (100%) of the Bond Service Requirement for such Sinking Fund Year, (iii) one hundred percent (100%) of the amounts payable with respect to Subordinated Indebtedness and Subordinated Contract Obligations in such Sinking Fund Year, (iv) one hundred percent (100%) of the amount required to maintain the Reserve Fund in accordance with Section 5.1 hereof, and any additional amount required to make all other payments required to be made.

(b) Failure by the Issuer to comply with the preceding paragraph of this Section in any Fiscal Year shall not constitute an event of default as described in Section 10.1 hereof so long as the Issuer shall, no later than sixty (60) days after discovering such non-compliance and in all events no later than sixty (60) days of receipt by the Issuer of audited financial statements delivered pursuant to Section 7.9 hereof which statements show such noncompliance, retain a Qualified Independent Consultant for the purpose of reviewing the Utilities System fees, rates, rents, charges and surcharges and shall implement the recommendations of such Qualified Independent Consultant with respect to such fees, rates, rents, charges and surcharges filed by the Qualified Independent Consultant with the Issuer in a written report or certificate, and such failure shall not be an event of default even though the Qualified Independent Consultant shall be of the opinion, as set forth in such report or certificate, that it would be impracticable at the time to charge such fees, rates, rents, charges and surcharges for the Utilities System as would provide funds sufficient to comply with the requirements of the preceding paragraph so long as the Issuer imposes such schedule of fees, rates, rents, charges and surcharges as in the opinion of such Qualified Independent Consultant will allow the Issuer to as nearly as then practicable comply with such requirements and the Issuer shall again be in compliance within the preceding paragraph of this Section no later than twelve calendar months after its discovery of such non-compliance.

The Issuer shall provide notice of its failure to comply with the preceding paragraph of this Section to all then existing Nationally Recognized Municipal Securities Information Repositories no later than thirty (30) days after engaging the services of a Qualified Independent Consultant pursuant to the requirements of the preceding sentence and shall provide a copy of the report or certificate of the Qualified Independent Consultant to any Owner who shall request the same in writing. Furthermore, the Issuer shall provide a copy of the report or certificate of the Qualified Independent Consultant to the Rating Agencies within thirty (30) days after receipt of same.

SECTION 7.8. Books and Records. The Issuer shall keep separately identifiable financial books, records, accounts and data concerning the operation of the Utilities System and the receipt and disbursement of Revenues, and any Bondholder shall have the right at all reasonable times to inspect the same.

SECTION 7.9. Reports and Annual Audits. The Issuer shall require that an annual audit of the accounts and records with respect to the Utilities System be completed as soon as reasonably practicable after the end of each Fiscal Year by a qualified independent certified public accountant. Such audit shall be conducted in accordance with generally accepted auditing standards as applied to governments and shall include a statement by such auditors that no default on the part of the Issuer of any covenant or obligation hereunder has been disclosed by reason of such audit, or, alternatively, specifying in reasonable detail the nature of such default.

SECTION 7.10. Insurance and Condemnation Awards. The Issuer will carry adequate fire, windstorm, explosion/and other hazard insurance on the components of the Utilities System that are subject to loss through fire, windstorm, hurricane, cyclone, explosion or other hazards; adequate public liability insurance; other insurance of the kinds/and amounts normally carried in the operation of similar enterprises; and in time of war, such insurance as may be available at reasonable cost against loss or damage by the risks and hazards of war in an amount or amounts equal to the fair market value of the Utilities System. The Issuer may, upon appropriate authorization by its Governing Body, self-insure against such risks on a sound actuarial basis. Any such insurance shall be carried for the benefit of the Issuer and, to the extent herein provided, the Bondholders. All proceeds received from property damage or destruction insurance and all proceeds received from the condemnation of the Utilities System or any part thereof are hereby pledged by the Issuer as security for the Obligations, and thereafter shall be deposited at the option of the Issuer but subject to the limitations hereinafter described either (i) into the Capital Additions Fund, in which case, such proceeds shall be held in the Capital Additions Fund and used to remedy the loss, damage or taking for which such proceeds are received, either by repairing the damaged property or replacing the destroyed or taken property, as soon as practicable after the receipt of such proceeds, or (ii) into the Sinking Fund for the purpose of purchasing or redeeming Obligations.

SECTION 7.11. Enforcement of Collections. The Issuer will diligently enforce and collect the fees, rates, rentals and other charges for the use of the products, services and facilities of the Utilities System. The Issuer will not take any action that will impair or adversely affect its rights to impose, collect and receive the Revenues as herein provided, or impair or adversely affect in any manner the pledge of the Revenues made herein or the rights of the Bondholders.

SECTION 7.12. Additions to Utilities System. The Issuer may add to the Utilities System any facilities or equipment purchased, acquired or constructed for the purpose of improving or renovating any element of the then-existing Utilities System. In addition, the Issuer may add to the Utilities System any facilities or equipment for the provision of utility-related services other than those provided by the then existing Utilities System so long as, (i) if any Tax-Exempt Obligations are Outstanding hereunder, the Issuer shall have received an opinion of Bond Counsel that the addition to the Utilities System will not, in and of itself, cause the interest on such Tax-Exempt Obligations not to be excludable from gross income of the Holders thereof for federal income tax purposes, (ii) if the Revenues anticipated by the Issuer to be derived from such addition in its first full Fiscal Year of operations are equal to or greater than ten percent (10%) of the total Revenues derived by the Utilities System in the most recent Fiscal Year of the Issuer preceding the adding of such addition to the Utilities System for which audited financial statements are available, or if the Cost of Operation and Maintenance anticipated by the Issuer to be incurred in connection with such addition in its first full Fiscal Year of operation are equal to or greater than ten percent (10%) of the total Cost of Operation and Maintenance incurred by the Utilities System in the most recent Fiscal Year preceding the adding of such addition to the Utilities System for which audited financial statements are available, prior to making such addition to the Utilities System the Issuer shall have obtained a written report of a Qualified Independent Consultant to the effect that within its first five (5) full years of operation, the annual additional Revenues generated by such addition in any one Fiscal Year of such first five (5) full years will exceed the annual additional Costs of Operation and Maintenance allocable to such additions in such Fiscal Year, and (iii) within ninety (90) days after adding such addition to the Utilities System the Issuer shall have provided written notice of same to each Rating Agency.

ARTICLE VIII

CONSULTING ENGINEER

SECTION 8.1. Consulting Engineer. The Issuer shall retain a Consulting Engineer for the purpose of providing the Issuer immediate and continuous counsel and advise regarding the Utilities System. It shall be the further duty of the Consulting Engineer to advise the Issuer in its appointment of a Chief Operating Officer for the Utilities System and the Issuer agrees that it will not appoint anyone as Chief Operating Officer who has not been approved by the Consulting Engineer.

SECTION 8.2. Comprehensive Annual Report. The Consulting Engineer shall prepare within one hundred eighty (180) days after the close of each Fiscal Year a comprehensive report, which comprehensive report shall contain therein or be accompanied by a certified copy of an audit of such year's business prepared by the certified public accountant chosen by the Issuer, and in addition thereto, shall report upon the operations of the Utilities System during the preceding year, the maintenance of the properties, the efficiency of the management of the property, the proper and adequate keeping of books of account and record, the adherence to budget and budgetary control provisions, the adherence to all the provisions of the Ordinance, and all other things having a bearing upon the efficient and profitable operations of the Utilities System, and shall include whatever criticism of any phase of the operation of the Utilities System the Consulting Engineer may deem proper, and such recommendation as to changes in operation and the making of repairs, renewals, replacements, extensions, betterments and improvements as the Consulting Engineer may deem proper including recommended changes in organization, pay scales and risk management practices. Copies of such report shall be placed on file with the Chief Operating Officer and shall be open to inspection by any Owners of any of the Bonds. Such report shall also contain the Consulting Engineer's recommendations as to personnel practices and policy and his analysis of the ability of the Utilities System to function in the present and forecasted environments.

SECTION 8.3. Recommendation as to Rate Revision. It shall further be the duty of the Consulting Engineer to advise the Issuer as to any revisions of rates and charges, and the Issuer agrees to make no downward revisions in its rates and charges for services (except fuel adjustment charges) which are not approved by the Consulting Engineer.

ARTICLE IX

ISSUANCE OF ADDITIONAL OBLIGATIONS

SECTION 9.1. Creation of Liens, Issuance of Subordinated Indebtedness, Subordinated Contract Obligations and Debt. The Issuer shall not issue any bonds or other evidences of indebtedness or incur obligations, other than the Obligations and Parity Debt as provided herein, secured by a pledge of the Net Revenues and shall not create or cause to be created any lien or charge on the Net Revenues except to the extent provided in Section 3.1; provided, however, that the Issuer may, at any time, or from time to time, incur Subordinated Indebtedness or enter into Subordinated Contract Obligations payable out of, and which may be secured by a pledge of, such amounts as may from time to time be available for the purpose of the payment thereof in accordance with Section 5.1(e) hereof and such pledge shall be, and shall be expressed to be, subordinate in all respects to the pledge of Net Revenues created by this Ordinance as security for payment of the Obligations and provided further, however, that nothing contained in this Ordinance shall prevent the Issuer from issuing (i) bonds, notes, or other obligations or evidences of indebtedness under another and separate resolution or ordinance to finance a Separately Financed Project; or (ii) other bonds, notes, or other obligations or evidences of indebtedness under another and separate resolution or ordinance payable from, among other sources, those moneys withdrawn by the Issuer from the Capital Additions Fund.

SECTION 9.2. Issuance of Parity Obligations. Except as otherwise provided in this section, no Obligations may be issued under this Ordinance, other than Series 2004 Bonds, unless the Issuer shall have first complied with the requirements of this Section. Additional Obligations may be issued from time to time hereunder for any lawful purpose of the Issuer in connection with the Utilities System.

(1) Any Obligations, or any part thereof, may be refunded and the refunding Obligations so issued shall enjoy complete equality of lien with the Obligations which are not refunded, if there be any, and the refunding Obligations shall continue to enjoy whatever priority of lien over subsequent issues as may have been enjoyed by the Obligations refunded.

(2) Additional Obligations, other than refunding described in subparagraph (1) above, may be issued from time to time under this Ordinance upon compliance with the following conditions:

(a) the Issuer shall have enacted a Supplemental Ordinance authorizing such Obligations and providing for the terms thereof as contemplated herein and reciting that all of the covenants contained herein will be fully applicable to such Obligations and otherwise complying with the provisions of Section 3.1;

(b) the Mayor-President of the Issuer shall certify in writing that, upon the delivery of such Obligations, the Issuer will not be in default in the performance of the terms and provisions of this Ordinance or of any of the Obligations;

(c) the (i) Mayor-President of the Issuer shall certify in writing that the Net Revenues of the Utilities System, as shown on the then-most recent available audited financial statements of the Utilities System equal or exceed the Bond Service Requirement for the same audited period for all Outstanding Obligations and (ii) a Certificate from the Consulting Engineer certifying that the Net Revenues of the Utilities System equal or exceed the Bond Service Requirement for all Outstanding Bonds, Parity Debt and additional Obligations proposed to be issued for the first three complete Bond Years during which the additional Obligations shall be outstanding; and

(d) the Governing Authority shall have received an opinion or opinions from the Bond Counsel to the effect that (i) the Issuer has the right and power under the Act to enact this Ordinance and this Ordinance has been duly and lawfully enacted by the Issuer, is in full force and effect and is valid and binding upon the Issuer and is enforceable in accordance with its terms and no other authorization of this Ordinance is required, (ii) this Ordinance creates a valid lien upon and pledge of the Net Revenues, (iii) the Obligations are valid and binding limited obligations of the Issuer, enforceable in accordance with their terms and this Ordinance and have been duly and validly authorized and issued in accordance with the Act and this Ordinance, and (iv) the Issuer has the full lawful power and authority to issue the Obligations for the purposes for which they are authorized.

In calculating Net Revenues of the Utilities System for purposes of clause (c) above, the Mayor-President may, at his or her option, adjust the amount of Net Revenues shown on the most recent available audited financial statements of the Utilities System in the following respects:

> (i) If, prior to the issuance of the additional Obligations or incurrence of Parity Debt, the Issuer shall have increased the rates, fees, rentals or other charges for services of the Utilities System, the Net Revenues may be adjusted to show the Net Revenues that would have been derived from the Utilities System if such increased rates, fees, rentals or other charges had been in effect for the full Fiscal Year covered by such audited financial statements;
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> (ii) If the Issuer shall have acquired or shall have contracted to acquire all or part of any privately or publicly owned utility system which is to be added to the Utilities System and the cost of which is to be paid, in whole or in part, from proceeds of the proposed additional Obligations, then the Net Revenues shall be increased by adding thereto the Net Revenues that would have been derived if such addition to the Utilities System had been included in the Utilities System for the full Fiscal Year covered by such audited financial statements; and
>
> (iii) If the Issuer, in connection with the issuance of the additional Obligations or incurrence of Parity Debt, shall enter into a contract (with a duration or term not less than the final maturity of such additional Obligations) with any public or private entity whereby the Issuer agrees to furnish services of the Utilities System to such entity, then the Net Revenues shown on the audited financial statements shall be increased by the estimated amount which such public or private entity has agreed to pay in one Fiscal Year for the furnishing of such services, after deducting therefrom the cost of operation, maintenance, repair, renewal and replacement allocable to providing such services.

(e) Obligations issued and Parity Debt incurred pursuant to the terms and conditions of this Section shall be deemed on a parity with all Obligations and Parity Debt then Outstanding, and all of the covenants and other provisions of this Ordinance shall be for the equal benefit, protection and security of the holders of any Obligations originally authorized and issued and Parity Debt incurred pursuant to this Ordinance and the holders of any Obligations and Parity Debt evidencing additional obligations subsequently created within the limitations of and in compliance with this Section.

Notwithstanding anything contained in Section 9.2 to the contrary, the above provisions shall not be applicable to Parity Reimbursement Obligations and Parity Swap Obligations incurred with respect to Obligations which met the conditions of this Section 9.2 upon their issuance or incurrence.

SECTION 9.3. Separately Financed Project. Nothing in this Ordinance shall prevent the Issuer from authorizing and issuing bonds, notes, or other obligations or evidences of indebtedness, other than Obligations, for any project authorized by the Act, or from financing or otherwise providing for any such project from other available funds (such project being referred to herein as a "Separately Financed Project"), if the debt service on such bonds, notes, or other obligations or evidences of indebtedness, and the Issuer's share of any operating expenses related to such Separately Financed Project, are payable solely from the revenues or other income derived from the ownership or operation of such Separately Financed Project, from other available funds of the Issuer not constituting part of the Revenues or from other funds withdrawn by the Issuer from the Capital Additions Fund.

SECTION 9.4. Credit Facilities; Qualified Swaps and Other Similar Arrangements; Parity Debt

(a) The Issuer may include such provisions in a Supplemental Ordinance authorizing the issuance of a Series of Obligations secured by a Credit Facility as the Issuer deems appropriate, and no such provisions shall be deemed to constitute an amendment to this Ordinance requiring action under Article XI hereof, including:

(1) So long as a Credit Facility providing security (but not liquidity) is in full force and effect, and payment on the Credit Facility is not in default, then, in all such events, the issuer of the Credit Facility shall be deemed to be the sole Bondholder of the Outstanding Obligations the payment of which such Credit Facility secures when the approval, consent or action of the Bondholders for such Obligations is required or may be exercised under this Ordinance. The rights of the issuer of a Credit Facility under this clause (1) may not be assigned or delegated by the issuer of such Credit Facility without the written consent of the Issuer.

(2) In the event that the principal, sinking fund installments, if any, and Redemption Price, if applicable, and interest due on any Outstanding Obligations shall be paid under the provisions of a Credit Facility, all covenants, agreements and other obligations of the Issuer to the Bondholders of such Obligations shall continue to exist and such issuer of the Credit Facility shall be subrogated to the rights of such Bondholders in accordance with the terms of such Credit Facility.

(b) In addition, such Supplemental Ordinance may establish such provisions as are necessary (i) to comply with the provisions of each such Credit Facility, (ii) to provide relevant information to the issuer of the Credit Facility, (iii) to provide a mechanism for paying principal installments and interest on Obligations secured by the Credit Facility, and (iv) to make provision for any events of default or for additional or improved security required by the issuer of a Credit Facility.

(c) In connection therewith the Issuer may enter into such agreements with the issuer of such Credit Facility providing for, inter alia: (i) the payment of fees and expenses to such issuer for the issuance of such Credit Facility, (ii) the terms and conditions of such Credit Facility and the Obligations affected thereby, and (iii) the security, if any, to be provided for the issuance of such Credit Facility.

(d) The Issuer may secure such Credit Facility by an agreement providing for the purchase of the Obligations secured thereby with such adjustments to the rate of interest, method of determining interest, maturity, or redemption provisions as specified by the Issuer in the applicable Supplemental Ordinance. The Issuer may also in an agreement with the issuer of such Credit Facility agree to directly reimburse such issuer for amounts paid under the terms of such Credit Facility (together with interest thereon, the "Reimbursement Obligation"); provided, however, that no Reimbursement Obligation shall be created for purposes of this Ordinance, until amounts are paid under such Credit Facility. Any such Reimbursement Obligation, which may include interest calculated at a rate higher than the interest rate on the related Obligation, may be secured by a pledge of, and a lien on, the Net Revenues on a parity with the lien created by Section 4.2 to secure the Obligations (a "Parity Reimbursement Obligation"), but only to the extent principal amortization requirements with respect to such reimbursement are equal to the amortization requirements for such related Obligations, without acceleration, or may constitute a Subordinated Contract Obligation, as determined by the Issuer. Parity Reimbursement Obligations shall not include any payments of any fees, expenses, indemnification, or other obligations to any such provider, or any payments pursuant to term-loan or other principal amortization requirements in reimbursement of any such advance that are more accelerated than the amortization requirements on such related Obligations, which payments shall be Subordinated Contract Obligations.

(e) Any such Credit Facility shall be for the benefit of and secure such Obligations or portion thereof as specified in the applicable Supplemental Ordinance.

(f) In connection with the issuance of any Obligations or at any time thereafter so long as Obligations remain Outstanding, the Issuer may, to the extent from time to time permitted pursuant to law, enter into Qualified Swaps. The Issuer's obligation to pay any amount under any Qualified Swap may constitute a Parity Swap

Obligation, or may constitute a Subordinated Contract Obligation, as determined by the Issuer. Parity Swap Obligations shall not include any payments of any termination or other fees, expenses, indemnification or other obligations to a counterparty to a Qualified Swap, which payments shall be Subordinated Contract Obligations.

(g) The Issuer's obligation to pay that portion of any rates, fees, charges or payments which the Issuer is contractually obligated to pay to another entity for fuel, energy or power, for the specific purpose of meeting principal or interest or both on that entity's obligations directly associated with such contract and payable to such entity regardless of whether fuel or energy is delivered or made available for delivery, may be secured by a pledge of, and lien on, the Net Revenues on a parity with the lien created by Section 4.2 to secure the Obligations (a "Parity Contract Obligation"), or may constitute a Subordinated Contract Obligation or Cost of Operations and Maintenance, as determined by the Issuer.

ARTICLE X

EVENTS OF DEFAULT; REMEDIES

SECTION 10.1. Events of Default. Each of the following events is hereby declared an "event of default", that is to say if:

(a) payment of principal of any Obligation shall not be made when the same shall become due and payable, either at maturity (whether by acceleration or otherwise) or on required payment dates by proceedings for redemption or otherwise; or

(b) payment of any installment of interest shall not be made when the same shall become due

(c) the Issuer shall for any reason be rendered incapable of fulfilling its obligations hereunder to the extent that the payment of or security for the Obligations would be materially adversely affected, and such conditions shall continue unremedied for a period of thirty (30) days after the Issuer becomes aware of such conditions; or

(d) an order or decree shall be entered, with the consent or acquiescence of the Issuer, appointing a receiver or receivers of the Issuer, the Utilities System, the Revenues, or any part thereof or the filing of a petition by the Issuer for relief under federal bankruptcy laws or any other applicable law or statute of the United States of America or the State of Louisiana, which shall not be dismissed, vacated or discharged within thirty (30) days after the filing thereof; or

(e) any proceedings shall be instituted, with the consent or acquiescence of the Issuer, for the purpose of effecting a compromise between the Issuer and its creditors or for the purpose of adjusting the claims of such creditors, pursuant to any federal or state statutes now or hereafter enacted, if the claims of such creditors are under any circumstances payable from the Revenues; or

(f) the entry of a final judgment or judgments for the payment of money against the Issuer as a result of the ownership, operation or control of the Utilities System or which subjects any of the funds pledged hereunder to a lien for the payment thereof in contravention of the provisions of this Ordinance for which there does not exist adequate insurance, reserves or appropriate bonds for the timely payment thereof, and any such judgment shall not be discharged within ninety (90) days from the entry thereof or an appeal shall not be taken therefrom or from the order, decree or process upon which or pursuant to which such judgment shall have been granted or entered, in such manner as to stay the execution of or levy under such judgment, order, decree or process or the enforcement thereof; or

(g) the Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Obligations or in this Ordinance on the part of the Issuer to be performed, and such default shall continue for sixty (60) days after written notice specifying such default and requiring the same to be remedied shall have been given to the Issuer by the Registered Owners of not less than twenty-five percent (25%) of the Bond Obligation; notwithstanding the foregoing, however, an event of default shall not be deemed to have occurred under this paragraph if the default of the Issuer cannot be cured within sixty (60) days of such notice but can be cured within a reasonable period of time and the Issuer in good faith institutes curative action within such sixty-day period and diligently pursues such action until the default has been corrected.

Notwithstanding the foregoing, with respect to the events described in clauses (c) and (g), the Issuer shall not be deemed in default hereunder if such default can be cured within a reasonable period of time and if the Issuer in good faith institutes appropriate curative action and diligently pursues such action until the default has been corrected.

SECTION 10.2. Enforcement of Remedies. Upon the happening and continuance of any event of default specified in Section 10.1, then and in every such case the Owners of not less than twenty-five percent (25%) of the Bond Obligation may appoint any state bank, national bank, trust company or national banking association qualified to transact business in Louisiana to serve as trustee for the benefit of the Holders of all Obligations then outstanding (the "Trustee"). Notice of such appointment, together with evidence of the requisite signatures of the Holders of twenty-five percent (25%) of the Bond Obligation and the trust instrument under which the Trustee shall have agreed to serve shall be filed with the Issuer and the Trustee and notice of such appointment shall be published in THE BOND BUYER or a financial journal of general circulation in the City of New York, New York and mailed to the Registered Owners of the Obligations; provided, however, that if all Obligations then Outstanding are in registered form, no newspaper publication shall be required. After the appointment of a Trustee hereunder, no further Trustees may be appointed; however, the Holders of a majority of the Bond Obligation may remove the Trustee initially appointed and appoint one or more successors at any time. If the default for which the Trustee was appointed is cured or waived pursuant to this Article, the appointment of the Trustee shall terminate with respect to such default.

After a Trustee has been appointed pursuant to the foregoing, the Trustee may proceed, and upon the written request of Owners of twenty-five percent (25%) of the Bond Obligation shall proceed to protect and enforce the rights of the Bondholders under the laws of the State of Louisiana, including the Act, and under this Ordinance, by such suits, actions or special proceedings in equity or at law, or by proceedings in the office of any board, body or officer having jurisdiction, either for the specific performance of any covenant or agreement contained herein or in aid of execution of any power herein granted or for the enforcement of any proper legal or equitable remedy, all as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights.

In the enforcement of any remedy against the Issuer under this Ordinance the Trustee shall be entitled to sue for, enforce payment of and receive any and all amounts then or during any default becoming, and at any time remaining, due from the Issuer for principal, premium, if any, and interest or otherwise under any provisions of this Ordinance or of such Obligations and unpaid, with interest on overdue payments of principal and, to the extent permitted by law, on interest at the rate or rates of interest specified in such Obligations, together with any and all costs and expenses of collection and of all proceedings hereunder and under such Obligations, without prejudice to any other right or remedy of the Trustee or of the Bondholders, and to recover and enforce any judgment or decree against the Issuer, but solely as provided herein and in such Obligations, for any portion of such amounts remaining unpaid and interest, costs and expenses as above provided, and to collect (but solely from moneys in the Receipts Fund, and any other moneys available for such purpose) in any manner provided by law, the moneys adjudged or decreed to be payable.

SECTION 10.3. Effect of Discontinuing Proceedings. In case any proceeding taken by the Trustee or any Bondholder on account of any default shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee or such Bondholder, then and in every such case the Issuer, the Trustee and Bondholders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies and powers of the Trustee shall continue as though no such proceeding had been taken.

SECTION 10.4. Directions to Trustee as to Remedial Proceedings. Anything in this Ordinance to the contrary notwithstanding, the Holders of a majority of the Bond Obligation shall have the right, by an instrument or concurrent instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee hereunder, provided that such direction shall not be otherwise than in accordance with law or the provisions of this Ordinance, and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Bondholders not parties to such direction.

SECTION 10.5. Pro Rata Application of Funds. Anything in this Ordinance to the contrary notwithstanding, if at any time the moneys in the Operating Fund, as the case may be, shall not be sufficient to pay the principal (or Accreted Values with respect to the Capital Appreciation Bonds) of or the interest on the Obligations as the same become due and payable, such moneys, together with any moneys then available or thereafter becoming available for such purpose, whether through the exercise of the remedies provided for in this Article or otherwise, shall be applied as follows:

(a) Unless the principal of all the Obligations and Parity Debt shall have become due and payable, all such moneys shall be applied (1) to the payment of all installments of interest then due on the Obligations and the interest component of Parity Debt then due, in the order of the maturity of the installments of such interest, to the persons entitled thereto, ratably, without any discrimination or preference, and (2) to the payment of all installments of principal of Obligations and Parity Debt then due.

(b) If the principal of all the Obligations and Parity Debt shall have become due and payable, all such moneys shall be applied to the payment of the principal, premium, if any, and interest (or Accreted Values with respect to Capital Appreciation Bonds) then due and unpaid upon the Obligations and Parity Debt, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Obligation or Parity Debt over any other Obligation or Parity Debt, ratably, according to the amounts due, respectively, for principal and interest (or Accreted Values with respect to Capital Appreciation Bonds), to the persons entitled thereto without any discrimination or preference except as to any difference in the respective rates of interest specified in the Obligations and Parity Debt.

Whenever moneys are to be applied by a trustee or paying agent appointed by the Issuer (the "Agent"), pursuant to the provisions of this Section, such moneys shall be applied by the Agent at such times, and from time to time, as the Agent in its sole discretion shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future; the setting aside of such moneys, in trust for the proper purpose, shall constitute proper application; and the Agent shall incur no liability whatsoever to the Issuer, to any Bondholder or owner of Parity Debt or to any other person for any delay in applying any such moneys, so long as reasonable diligence, having due regard to the circumstances, and ultimately applies the same in accordance with such provisions of this Ordinance as may be applicable at the time of application. Whenever the Agent shall exercise such discretion in applying such moneys, it shall fix the date (which shall be an interest payment date unless the Issuer shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue and the Accreted Value of Capital Appreciation Bonds shall cease to accrete. The Agent shall give such notice as it may deem appropriate of the fixing of any such date, and shall not be required to make payment to the owner of any Obligation unless such Obligation shall be presented to the Agent for appropriate endorsement or for cancellation if fully paid.

SECTION 10.6. Restrictions on Actions by Individual Bondholders. No Bondholder shall have any right to institute any suit, action or proceeding in equity or at law for the execution of any obligation hereunder or for any other remedy hereunder unless such Bondholder previously shall have given to the Issuer written notice of the event of default on account of which suit, action or proceeding is to be taken, and unless the Holders of not less than twenty-five percent (25%) of the Bond Obligation shall have made written request of the Issuer after the right to exercise such powers or right of action, as the case may be, shall have accrued, and shall have afforded the Issuer a reasonable opportunity either to proceed to exercise the powers hereinabove granted or to institute such action, suit or proceeding in its or their name, and unless, also, there shall have been offered to the Issuer reasonable security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby, including the reasonable fees of its attorneys (including fees on appeal), and the Issuer shall have refused or neglected to comply with such request within a reasonable time; and such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Issuer, to be conditions precedent to the execution of the powers and rusts of this Ordinance or for any other remedy hereunder. It is understood and intended that no one or more Owners of the Obligations hereunder secured shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of this Ordinance, or to enforce any right hereunder, except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the benefit of all Bondholders, and that any individual rights of action or any other right given to one or more of such Owners by law are restricted by this Ordinance to the rights and remedies herein provided.

Nothing contained herein, however, shall affect or impair the right of any Bondholder, individually, to enforce the payment of the principal of and interest on his Obligation or Obligations at and after the maturity thereof, at the time, place, from the source and in the manner provided in this Ordinance.

SECTION 10.7. Appointment of a Receiver. Upon the happening and continuance of an event of default, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Bondholders under this Ordinance, the Trustee shall be entitled, as a matter of right, without regard to the solvency of the Issuer, to the appointment of a receiver or receivers of the Utilities System, pending such proceedings, with such powers as the court making such appointments shall confer, whether or not the Revenues, the Net Revenues and other funds pledged hereunder shall be deemed sufficient ultimately to satisfy the Obligations outstanding hereunder.

ARTICLE XI

MISCELLANEOUS PROVISIONS

SECTION 11.1. Modification or Amendment.

(a) No modification or amendment of this Ordinance, or of any Supplemental Ordinance, materially adverse to the Bondholders may be made without the consent in writing of the Owners of not less than a majority of the Bond Obligation, but for such purposes the Series 1996 Utilities Revenue Bonds shall not be included in the calculation of Bond Obligation, unless otherwise provided by Supplemental Ordinance, and no modification or amendment shall permit a change (a) in the maturity of any of the Obligations or a reduction in the rate of interest thereon, (b) in the amount of the principal obligation of any Obligation, (c) that would affect the unconditional obligation of the Issuer to collect and hold the Revenues as herein provided, or provide for the receipt and disbursement of such Revenues as herein provided, or (d) that would reduce such percentage of Owners of the Bond Obligation, required above, for such modifications or amendments, without the consent of all of the Bondholders. For the purpose of Bondholders, voting rights or consents, the Obligations, if any, owned by or held for the account of the Issuer, directly or indirectly, shall not be counted. Notwithstanding the foregoing, and so long as the same shall not result in the interest on Obligations other than Taxable Obligations Outstanding hereunder being included in gross income of the holders thereof for federal income tax purposes, the Issuer may, without the consent of the Bondholders, enter into such supplemental ordinances or resolutions (which supplemental ordinances or resolutions shall thereafter form a part hereof):

(i) To cure any ambiguity, inconsistency or formal defect or omission in this Ordinance or in any Supplemental Ordinance, or

(ii) To grant to or confer upon the Bondholders any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Bondholders, or

(iii) To provide for the sale, authentication and of additional Obligations or refunding Obligations and the disposition of the proceeds from the sale thereof, in the manner and to the extent authorized herein, or

(iv) To modify, amend or supplement this Ordinance or any ordinance or resolution supplemental hereto in such manner as to permit the qualification hereof and thereof under the Trust Indenture Act of 1939 or any similar federal statute hereafter in effect or to permit the qualification of the Obligations for sale under the securities laws of any of the states of the United States of America, and, if the Issuer so determines, to add to this Ordinance or any ordinance or resolution supplemental hereto such other terms, conditions and provisions as may be permitted by said Trust Indenture Act of 1939 or similar federal statute, or

(v) To provide for the issuance of coupon Obligations or certificated or uncertificated registered public obligations, or

(vi) To provide for changes suggested by a nationally recognized securities rating agency as necessary to secure or maintain the rating on the Obligations, or

(vii) To subject to the terms of this Ordinance any additional funds, securities or properties, or

(viii) To make any other change or modification of the terms hereof which, in the reasonable judgment of the Issuer is not prejudicial to the rights or interests of the Holders of the Obligations hereunder.

B. Notwithstanding any provision set forth above, any bond insurer of any Obligations or Parity Debt may vote on behalf of all Bondholders of all such Obligations or Parity Debt.

C. Notice of any amendments or modifications of this Ordinance shall be given by the Issuer to the Rating Agencies then rating any Obligations Outstanding hereunder.

SECTION 11.2. Defeasance and Release of Ordinance. If, at any time after the date of issuance of the Obligations, (a) all Obligations secured hereby, or any Series thereof, or maturity or portion of a maturity within a Series, shall have become due and payable in accordance with their terms or otherwise as provided in this Ordinance, or shall have been duly called for redemption, or the Issuer gives the Paying Agent irrevocable instructions directing the payment of the principal of, premium, if any, and interest on such Obligations at maturity or at any earlier redemption date scheduled by the Issuer, or any combination thereof, (b) the whole amount of the principal, premium, if any, and the interest so due and payable upon all of such Obligations then outstanding, at maturity or upon redemption, shall be paid, or sufficient moneys shall be held by the Paying Agent, an escrow agent or any Authorized Depository, in irrevocable trust for the benefit of such Bondholders (whether or not in any accounts created hereby) which, as verified by a report of a nationally recognized independent certified public accountant or nationally recognized firm of independent certified public accountants, when invested in Defeasance Securities maturing not later than the maturity or redemption dates of such principal, premium, if any, and interest will, together with the income realized on such investments, be sufficient to pay all such principal, premium, if any, and interest on said Obligations at the maturity thereof or the date upon which such Obligations are to be called for redemption prior to maturity, and (c) provisions shall also be made for paying all other sums payable hereunder by the Issuer, then and in that case the right, title and interest of such Bondholders hereunder and the pledge of and lien on the Revenues, and the Net Revenues and all other pledges and liens created hereby or pursuant hereto, with respect to such Bondholders shall thereupon cease, determine and become void, and if such conditions have been satisfied with respect to all Obligations issued hereunder and then Outstanding, all balances remaining in any other funds or accounts created by this Ordinance other than moneys held for redemption or payment of Obligations and to pay all other sums payable by the Issuer hereunder shall be distributed to the Issuer for any lawful purpose; otherwise this Ordinance shall be, continue and remain in full force and effect.

For purposes of determining the amount of interest due and payable with respect to Variable Rate Obligations pursuant to (b) above, the interest on such Variable Rate Obligations shall be calculated at the maximum rate permitted by the terms thereof; provided, however, that if on any date, as a result of such Variable Rate Obligations having borne interest at less than such maximum rate for any period, the total amount of moneys and Defeasance Securities on deposit with the Paying Agent for the payment of interest on such Variable Rate Obligations is in excess of the total amount which would have been required to be deposited with the Paying Agent on such date in respect of such Variable Rate Obligations in order to satisfy the above provisions, the Paying Agent shall pay the amount of such excess to the Issuer for use in such manner as required or permitted pursuant to an opinion of Bond Counsel in order not to cause interest on the Obligations (other than Taxable Bonds) or any bonds issued to refund the Obligations to cease to be excludable from gross income for federal income tax purposes.

For purposes of determining the amount of principal, premium, if any, and interest due and payable pursuant to (b) above with respect to Obligations subject to mandatory purchase or redemption by the Issuer at the option of the Registered Owner thereof (“Put Bonds”), as long as a liquidity credit facility remains in place such amount shall be the maximum amount of principal of and premium, if any, and interest on such Put Bonds which could become payable to the Registered Owners of such Put Bonds upon the exercise of any such demand options provided to the registered owners of such Put Bonds, If any portion of the moneys deposited with the Paying Agent for the payment of the principal of and premium, if any, and interest on Put Bonds is not required for such purpose the Paying Agent shall pay the amount of such excess to the Issuer for use in such manner as required or permitted pursuant to an opinion of Bond Counsel in order not to cause interest on the Obligations (other than Taxable Bonds) or any bonds issued to refund the Obligations to cease to be excluded from gross income for federal income tax purposes.

If a portion of a maturity of a series of Obligations subject to mandatory sinking fund redemption shall be defeased as provided above, the principal amount of the Obligations so defeased shall be allocated to the mandatory sinking fund installments designated by the Issuer, or if no such designation is made, such principal amount shall be allocated to mandatory sinking fund installments in inverse order of maturity.

SECTION 11.3. Tax Covenants. It is the intention of the Issuer and all parties under its control that the interest on the Obligations issued hereunder that are not Taxable Obligations be and remain excluded from gross income for federal income tax purposes and to this end the Issuer hereby represents to and covenants with each of the Holders of the Obligations issued hereunder that are not Taxable Bonds that it will comply with the requirements applicable to it contained in Section 103 and Part IV of Subchapter B of Chapter 1 of Subtitle A of the Code to the extent necessary to preserve the exclusion of interest on the Obligations issued hereunder that are not Taxable Obligations from gross income for federal income tax purposes. Specifically, without intending to limit in any way the generality of the foregoing, the Issuer covenants and agrees:

(1) to make or cause to be made all necessary determinations and calculations of the amount required to be paid to the United States of America pursuant to Section 148(f) of the Code (the “Rebate Amount”) and required payments of the Rebate Amount;

(2) to set aside sufficient moneys from the Revenues or other legally available funds of the Issuer, to timely pay the Rebate Amount to the United States of America;

(3) to pay the Rebate Amount to the United States of America at the times and to the extent required pursuant to Section 148(f) of the Code;

(4) to maintain and retain all records, pertaining to the Rebate Amount with respect to the Obligations that are not Taxable Obligations issued hereunder and required payments of the Rebate Amount with respect to the Obligations that are not Taxable Obligations for at least six years after the final maturity of the Obligations that are not Taxable Obligations or such other period as shall be necessary to comply with the Code;

(5) to refrain from taking any action that would cause any Obligations or any Series or portion thereof issued hereunder, other than Taxable Obligations and bonds issued with the intent that they shall constitute "private activity bonds" under Section 141(a) of the Code, to be classified as "private activity bonds" under Section 141(a) of the Code; and

(6) to refrain from taking any action that would cause the Obligations that are not Taxable Obligations issued hereunder to become arbitrage bonds under Section 148 of the Code.

The Issuer understands that the foregoing covenants impose continuing obligations of the Issuer that will exist as long as the requirements of Section 103 and Part IV of Subchapter B of Chapter 1 of Subtitle A of the Code are applicable to the Obligations.

Notwithstanding any other provision of this Ordinance, including, in particular Section 11.3 hereof, the obligation of the Issuer to pay the Rebate Amount to the United States of America and to comply with the other requirements of this Section 11.4 shall survive the defeasance or payment in full of the Obligations that are not Taxable Obligations.

SECTION 11.4. Severability. If any one or more of the covenants, agreements or provisions of this Ordinance should be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separate from the remaining covenants, agreements or provisions of this Ordinance or of the Obligations issued hereunder.

SECTION 11.5. No Third-Party Beneficiaries. Except as herein or by Supplemental Ordinance otherwise expressly provided, nothing in this Ordinance expressed or implied is intended or shall be construed to confer upon any person, firm or corporation other than the parties hereto and the owners and holders of the Obligations issued under and secured by this Ordinance, any right, remedy or claim, legal or equitable, under or by reason of this Ordinance or any provision hereof, this Ordinance and all its provisions being intended to be and being for the sole and exclusive benefit of the parties hereto and the Owners and Holders from time to time of the Obligations issued hereunder.

SECTION 11.6. Controlling Law; Members of Issuer Not Liable. All covenants, stipulations, obligations and agreements of the Issuer contained in this Ordinance shall be deemed to be covenants, stipulations, obligations and agreements of the Issuer to the full extent (authorized by the Act and provided by the Constitution and laws of the State of Louisiana). No covenant, stipulation, obligation or agreement contained herein shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member of the Governing Authority, agent or employee of the Issuer in his individual capacity, and neither the members of the Issuer nor any official executing the Obligations shall be liable personally on the Obligations or this Ordinance or shall be subject to any personal liability or accountability by reason of the issuance or the execution by the Issuer or such members thereof.

SECTION 11.7. Repeal of ordinances or resolutions. All ordinances or resolutions, or parts thereof, in conflict herewith are hereby repealed.

SECTION 11.8. Effective Date. This ordinance shall become effective upon signature of the Lafayette Mayor-President, the elapse of ten (10) days after receipt by the Lafayette Mayor-President without signature or veto, or upon an override of a veto, whichever occurs first.

APPENDIX B

CONSULTING ENGINEER'S REPORT

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Consulting Engineer's Report Revenue Refunding Bonds Series 2021

Lafayette Utilities System, Louisiana Public Power Authority, and LUS Fiber

Consulting Engineer's Report: Revenue Refunding Bonds Series 2021
Project No. 137018

9/14/2021

Consulting Engineer’s Report Revenue Refunding Bonds Series 2021

prepared for

Lafayette Utilities System, Louisiana Public Power Authority, and LUS Fiber
Consulting Engineer’s Report: Revenue Refunding Bonds Series 2021
Lafayette, Louisiana
Project No. 137018

Final
9/14/2021

prepared by

Burns & McDonnell Engineering Company, Inc.
Kansas City, Missouri

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LIST OF ABBREVIATIONS

Abbreviation	**Term/Phrase/Name**
°F	Degrees Fahrenheit
A&G	Administrative and General
ACE	Affordable Clean Energy
ACSR	Aluminum-conductor steel-reinforced cable
ACTP	Ambassador Caffery Treatment Plant
ADMS	Advanced Distribution Management System
AMI	Advanced Metering Infrastructure
AO	Administrative Order
APPA	American Public Power Association
AWIA	America's Water Infrastructure Act
AWWA	American Water Works Association
BOD5	Biological oxygen demand
Bond Ordinances	General Bond Ordinance
Bonin	Louis "Doc" Bonin Generation Station
BPA	Blanket Purchase Agreement
Burns & McDonnell	Burns & McDonnell Engineering Company, Inc.
CAFR	Comprehensive Annual Financial Report
CAIDI	Customer Average Interruption Duration Index
CATV	Cable television
CBRS	Citizens Broadband Radio Service
CCR	Coal Combustion Residuals
CCR	Consumer Confidence Report
CCTV	Closed-circuit television video
CEMS	Continuous emission monitoring system
Charter	Home Rule Charter
CIP	Capital Improvement Program
City/Lafayette	City of Lafayette, Louisiana
CMOM	Capacity, Management, Operations, and Maintenance Program
CO2	Carbon dioxide
Commission Boulevard	Commission Boulevard Remote Site
CPP	Clean Power Plan
CSAPR	Cross State Air Pollution Rule
DA	Deaerator
DBPR	Disinfectants and Disinfection Byproducts Rule
Demin	Demineralized water
DSC	Debt service coverage
DSCR	Debt service coverage ratio

Abbreviation	**Term/Phrase/Name**
DVR	Digital video recorder
EDA	U.S. Department of Commerce's Economic Development Administration
EGU	Electric Generating Unit
ELG	Effluent limitation guidelines
EMMA	Electronic Municipal Market Access
EMS	Energy management system
EPA	Environmental Protection Agency
ERP	Emergency Response Plan
ESP	Electro-static precipitator
ESRI	Environmental Systems Research Institute
ESTP	East Sewage Treatment Plant
Fair Completion Act	The Local Government Fair Completion Act
FC	Fuel Charge
FCC	Federal Communications Commission
FCI	Faulted circuit indicators
FEMA	Federal Emergency Management Agency
FGD	Flue gas desulfurization
FRP	Facility Response Plan
FTTP	Fiber-to-the-premises
FWH	Feed water heater
FY	Fiscal year
GAC	Granular activated carbon
Gbps	Gigabits per second
GE	General Electric
GIS	Geographic information system
Gloria Switch	Gloria Switch Remote Site
GOHSEP	Governor's Office of Homeland Security and Emergency Preparedness
GPON	Gigabit passive optical network
GSU	Generator step-up
HAA5	Five haloacetic acids
HP	High pressure
HPBX	Hosted voice
HPC	High pressure combustion
HSE	Hot section exchanges
I&I	Inflow and infiltration
ICAP	Installed capacity
ILOT	In lieu of tax
IRP	Integrated resource plan
ISP	Internet service providers

Abbreviation	**Term/Phrase/Name**
kV	Kilovolts
LA DHH	Louisiana Department of Health and Hospitals
lb/hr	Pounds per hour
LCG	Lafayette City-Parish Consolidated Government
LCRR	Lead and Copper Rule Revisions
LDEQ	Louisiana Department of Environmental Quality
LiDAR	Light Detection and Ranging
LP	Low pressure
LPDES	Louisiana Pollutant Discharge Elimination System
LPPA	Lafayette Public Power Authority
LPSC	Louisiana Public Service Commission
LPSC Rules	LPSC Cost Allocation and Affiliate Transaction Rules
LPUA	Louisiana Public Utilities Authority
LRZ	Local Resource Zone
LS	Lift stations
LSL	Lead service line
LTE	Long-term evolution
LUS	Lafayette Utilities System
LUS Fiber	Communications System
MAIFI	Momentary Average Interruption Frequency Index
Mbps	Megabits per second
MCL	Maximum contaminant levels
MCR	Maximum continuous rating
MG	Million gallons
MGD	Million gallons per day
MISO	Midcontinent Independent System Operator, Inc.
MRDL	Maximum residual disinfectant level
MRDLG	Maximum residual disinfectant level goal
MSGP	Multi-Sector General Permit
MSRB	Municipal Securities Rulemaking Board
MV	Medium voltage
MVA	Megavolt amperes
MW	Megawatts of electricity
NAAQS	National Ambient Air Quality Standards
NAICS	North American Industry Classification System
NERC	North American Electric Reliability Corporation
NERC CIP	NERC Critical Infrastructure Protection
NETP	Northeast Treatment Plant
NOV	Notice of Violation

Abbreviation	Term/Phrase/Name
NOx	Nitrous oxide
NSPS	New Source Performance Standards
NTEC	Navajo Transitional Energy Company
NWP	North Water Treatment Plant
O&M	Operations and Maintenance Expense
O&P	Operations and Planning
OLT	Optical terminal
OMS	Outage Monitoring System
OSI	Open Systems International, Inc.
Parish	Lafayette Parish
PCCC	Permanently Ceasing Coal Combustion
PFAS	Polyfluoroalkyl substances
PIAL	Property Insurance Association of Louisiana
POMS	Power Outage Monitoring System
PON	Passive optical network
POTW	Publicly owned treatment works
PRB	Powder River Basin
PRI	Primary Rate Interface
psig	Pounds per square inch gauge
PVC	Polyvinyl chloride
RATA	Relative Testing Accuracy Audit
RCRA	Resource Conservation and Recovery Act
Report	Consulting Engineer's Comprehensive Annual Report
RRA	Risk and Resilience Assessment
SAIDI	System Average Interruption Duration Index
SAIFI	System Average Interruption Frequency Index
SBR	Sequencing batch reactors
SCADA	Supervisory control and data acquisition
SEC	Securities and Exchange Commission
SNCR	Selective non-catalytic reduction
SO2	Sulfur dioxide
SPCC	Spill Prevention, Control, and Countermeasure
SPRINT	General Electric's Spray Intercooling system
SSTP	South Sewage Treatment Plant
STG	Steam turbine generator
SWP	South Water Treatment Plant
SWPA	Southwestern Power Administration
TAS	Turbine Air Systems

Abbreviation	Term/Phrase/Name
TDS	Total dissolved solids
TEA	The Energy Authority
TIER	Times interest earned ratio
TPL	Transmission planning
TSS	Total suspended solids
TTHM	Total trihalomethanes
UCMR	Unregulated Contaminant Monitoring Rule
UF	Ultra filtration
Utilities System	Lafayette Utilities Systems Electric, Water, and Wastewater Systems
VSV	Variable stator vane
WWTP	Wastewater treatment plants

1.0 INTRODUCTION

Burns & McDonnell Engineering Company (Burns & McDonnell) presents this report ("Report") of our technical , operational, and financial due diligence studies concerning the proposals by the City of Lafayette, Louisiana ("City) and the Louisiana Public Power Authority ("LPPA") to issue revenue refunding bonds for Lafayette Utilities System (LUS), LPPA, and the Communications System also referred to as LUS Fiber within this document.

1.1 LUS Bonds Refunding

The City of Lafayette is proposing to issue its Utilities Revenue Refunding Bonds, Series 2021 ("LUS Series 2021 Refunding Bonds") in the principal amount of $78,040,000. The LUS Series 2021 Refunding Bonds are being issued pursuant to an ordinance adopted by the Lafayette City-Parish Council ("Council") on September 21, 2021 ("LUS Series 2021 Refunding Ordinance"). The LUS Series 2021 Refunding Bonds will refund the existing LUS Series 2012 Bonds.

1.2 LPPA Bonds Refunding

The City of Lafayette and its political subdivision LPPA are proposing to issue LPPA's Electric Revenue Refunding Bonds, Series 2021 ("LPPA Series 2021 Refunding Bonds") in the principal amount of $38,625,000. The LPPA Series 2021 Refunding Bonds are being issued by LPPA in accordance with the terms of Ordinance No. O-LPPA-122 adopted on December 22, 1981 ("General Bond Ordinance") and a new ordinance adopted on September 21, 2021 (the "LPPA Series 2021 Refunding Ordinance", and together with the General Bond Ordinance, the "Bond Ordinance"). The LPPA Series 2021 Refunding Bonds will refund the existing LPPA Series 2012 Bonds.

1.3 LUS Fiber Bonds Refunding

The City of Lafayette is proposing to issue its Communications System Revenue Refunding Bonds, Series 2021 ("LUS Fiber Series 2021 Refunding Bonds") in the principal amount of $13,835,000. The LUS Fiber Series 2021 Refunding Bonds are being issued pursuant to an ordinance adopted by the Lafayette City-Parish Council ("Council") on September 21, 2021 as supplemented by a First Ordinance adopted on June 12, 2007 and a Second Supplemental Ordinance adopted on September 21, 2021 (collectively, "Bond Ordinance"). The LUS Fiber Series 2021 Refunding Bonds will refund the existing LUS Fiber Series 2012 Bonds.

1.4 LUS, LPPA, and LUS Fiber Governance

The Lafayette Parish ("Parish") electorate and the City of Lafayette, Louisiana, ("City" or "Lafayette") adopted the Home Rule Charter ("Charter") to consolidate the City and Parish governmental functions as of 1996, thereafter known as the Lafayette Consolidated Government ("LCG"). LCG is governed by a Mayor-President and City-Parish Council members. The Mayor-President and Chief Administrative Officer supervise the administration of departments, offices, and agencies of LCG. Certain provisions provided by LCG to the City and Parish are shared. Certain departments of LCG are involved in day-to-day support of the management of LUS. The City Council is the governing authority for LUS, LPPA, and LUS Fiber. The City owns the Utilities System and the Communications System assets, whereas LPPA is a political subdivision of the State of Louisiana. LCG manages and operates the Utilities System and Communications System as distinct departments in its organizational structure. The Utilities Department is responsible for the Utilities System while the Communications Department is responsible for the Communications System management and operations. Other LCG departments perform certain functions to provide support for LUS operations.

1.5 Lafayette Utilities System

The City is the owner of the LUS which includes the Electric System (including generation, transmission, and distribution facilities), the Water System (including supply, treatment, distribution, and storage facilities), and the Wastewater System (including wastewater collection and treatment facilities) (collectively, the Utilities System). Upon consolidation of the City and Parish governing authorities into LCG, it was specifically recognized that the Charter should accommodate for the governing of LUS, which is a City utility system. The Electric Utility, Water System, and Wastewater System are financed by the Utilities System revenue bonds.

1.6 Lafayette Public Power Authority

The City Council is the governing authority of LPPA. LPPA is a political subdivision of the State of Louisiana and was created in 1976 for the purpose of financing electric generation facilities to provide power to the City's electric system. LPPA provides the output of these generating facilities to LCG through a wholesale power sales agreement. The only generating facilities owned by LPPA include Rodemacher No. 2 which is described in more detail in Section 4 of this Report.

1.7 LUS Fiber

The Communications System, also referred to as LUS Fiber, offers an array of services in the competitive wholesale and retail markets including fiber leases, wholesale broadband, and retail customer services. The Communications System offered a new streaming service, connecTV , in 2019. In the retail market, the Communications System offers the "triple play" of services. The "triple play" is a common term in the industry that refers to cable television ("CATV"), telephone, and Internet services. Additional internet content streaming services are now offered as well. The backbone of the system includes a 70-mile fiber backbone with direct connections to national, major Tier 1 broadband providers. The retail portion of the Communications System includes over 800 miles of overhead and underground fiber lines along City streets, along with associated equipment. The system also consists of a major headend facility, including satellite dishes and electronics, along with backup power and connection to at least three long haul connections with major Internet carriers. The Communication System consists of a separate Communications Services Enterprise Fund with a separate and distinct set of accounts, funds, and bond pledges. The Communication System is financed by the Communication System revenue bonds

1.8 Burns & McDonnell Scope of Work

The LCG retained Burns & McDonnell, as its Consulting Engineer in January 2021. The LUS General Bond Ordinance, and Communications System General Bond Ordinance (collectively, the "Bond Ordinances") set forth specific duties and responsibilities of the Consulting Engineer, which include advising LUS on its appointment of a Chief Operating Officer, providing continuous engineering counsel to the LCG in connection with operations of the Utilities System and Communications System, advising on rate revisions, and preparing an annual comprehensive report on the operations of LUS and LUS Fiber after the close of each fiscal year ("FY").

The Consulting Engineer also supports LCG in the preparation of bond feasibility studies for new and refunding bonds. The analyses and investigations completed by Burns & McDonnell in the performance of its due diligence reviews and assessments of LUS, LPPA, and LUS Fiber are included in Sections 2 through 7 of this report and are materially the same as those included in the 2021 Annual Consulting Engineers Report issued to LCG on April 30, 2021. The financial projections summarized in Section 8 of this report incorporate the new bond refunding debt service proposed for October 2021.

1.9 Authorization and Purpose of the Bonds

The City and LPPA are proposing to issue the LUS Series 2021 Refunding Bonds, LPPA Series 2021 Refunding Bonds, and LUS Fiber Series 2021 Refunding Bonds for the purpose of refunding the existing LUS Series 2012 Bonds, LPPA Series 2012 Bonds, and LUS Fiber Series 2012 Bonds, respectively. The expected sources and uses of the Series 2021 Bonds are presented in the tables below. All bond refunding sources, uses, and amortization schedules were provided to by Stifel to Burns & McDonnell on September 2, 2021.

Table 1-1: Estimated Sources and Uses of LUS Series 2021 Refunding Bonds

Sources of Funds	
Par Amount of Bonds	$78,040,000
Reoffering Premium	$2,102,390
Transfers from Prior Issue DSR Funds	$17,327,531
Total Sources	$97,469,920
Uses of Funds	
Total Underwriter's Discount (0.700%)	$546,280
Costs of Issuance	$609,014
Gross Bond Insurance Premium (15.0 bp)	$127,433
Deposit to Debt Service Reserve Fund (DSRF)	$14,624,557
Deposit to Net Cash Escrow Fund	$81,562,223
Rounding Amount	$414
Total Uses	$97,469,920

Source: Underwriter
(1) Total LUS savings from bond refunding is $10.6 million
(2) Sources and uses provided by Stifel on September 2, 2021

Table 1-2: Estimated Sources and Uses of LPPA Series 2021 Refunding Bonds

Sources of Funds	
Par Amount of Bonds	$38,625,000
Reoffering Premium	$408,625
Transfers from Prior Issue DSR Funds	$9,548,000
Total Sources	$48,581,625
Uses of Funds	
Total Underwriter's Discount (0.700%)	$270,375
Costs of Issuance	$286,503
Gross Bond Insurance Premium (20.0 bp)	$87,647
Deposit to Debt Service Reserve Fund (DSRF)	$7,065,500
Deposit to Net Cash Escrow Fund	$40,870,696
Rounding Amount	$904
Total Uses	$48,581,625

Source: Underwriter
(1) Total LPPA savings from bond refunding is $7.8 million
(2) Sources and uses provided by Stifel on September 2, 2021

Table 1-3: Estimated Sources and Uses of LUS Fiber Series 2021 Refunding Bonds

Sources of Funds	
Par Amount of Bonds	$13,835,000
Reoffering Premium	$1,138,560
Total Sources	$14,973,560
Uses of Funds	
Total Underwriter's Discount (0.700%)	$103,763
Costs of Issuance	$180,506
Gross Bond Insurance Premium (35.0 bp)	$57,421
Deposit to Current Refunding Fund	$14,626,172
Rounding Amount	$5,698
Total Uses	$14,973,560

Source: Underwriter
(1) Total LUS Fiber savings from bond refunding is $2.7 million
(2) Sources and uses provided by Stifel on September 2, 2021

1.10 Utilities System Overall Performance

LUS continued to experience modest customer growth across its electric, water and wastewater utility systems in FY 2020 with total customer count growth slightly over one percent. LUS experienced some declines in sales per customer in early spring 2020 due to the COVID-19 pandemic; however, use per customer has begun to resume back to pre-pandemic levels.

LUS experienced a 6 percent decline in total system revenues in FY 2020, primarily due a 7.5 percent reduction in electric revenues. Water revenues increased by nearly 1 percent, while wastewater revenues realized a decline of approximately 3 percent. The decrease in revenues was due to declines both in reduced use per customer in the commercial classes and a lower fuel charge. The water system benefitted from increased wholesale sales. No retail rate changes occurred in FY 2020.

LUS FY 2020 revenues and expenses were both lower than originally budgeted which helped to maintain strong cash flows. Lower revenues were offset by lower operating expenses including lower power supply expenses, lower water and wastewater production costs, and temporary reductions in non-variable O&M expenses. In addition to lower expenses, actual capital spending was less than anticipated for FY 2020.

LUS's financial performance remained relatively strong in FY 2020 and steadily improved throughout the year. LUS continues to maintain a strong debt service coverage ("DSC") ratio over 3.0 and has sufficient cash to fund its operating and capital expenditures.

1.11 Communication System Overall Performance

Since 2016, the Communications System's number of accounts increased at a compound annual rate of 4.9 percent, totaling 20,412 retail accounts in 2019. At the current customer levels, the Communications System generates sufficient revenues to meet operating and maintenance expenses, debt service, capital improvements, inter-utility loan payments, imputed taxes, and all other financial obligations. The Communications System's operating expenses are holding steady while revenue continues to grow. Further, LUS Fiber's profit margin is sufficient to allow the Communications System to spend $2 million per year on continued network expansion.

The Communications System's cash flow reserves are sufficient to cover all remaining liabilities related to the 2018 to 2019 attest audit, and revenue trends suggest LUS Fiber will continue to generate positive cash flow beyond 2022, when bond payments will grow from $9.4 million to $10.6 million per year.

Over the past year, the COVID-19 pandemic has accelerated the cord-cutting trend (both in the Lafayette market and nationwide), leading to higher-than-expected churn of video subscribers. However, growth in the Communications System's internet subscribers and migration of existing customers to higher bandwidth tiers has more than made up for shrinking video revenue.

As of the writing of this Report, LUS Fiber has achieved a residential internet take-rate (i.e., the percentage of eligible premises that subscribe to service) in line with what other fiber-to-the-premises operators (both municipally owned and private) have achieved in other markets with a capable cable competitor. Increased demand for upload capacity—which is a competitive advantage of the Communications System's fiber technology—may help fuel continued growth.

From a technical standpoint, the network has sufficient excess network capacity to support numerous additional lit and/or dark fiber customers. And given that most of the Communications System's costs are fixed and do not vary when new customers are added, revenues associated with customer growth above current levels likely will further improve the system's financial performance.

In addition, LUS Fiber was recently awarded a $3.1 million grant from the U.S. Department of Commerce's Economic Development Administration ("EDA") to fund additional network expansion in Lafayette, St. Martin, and Iberia Parishes.

1.12 Report Organization

This Report has been organized as presented below. The contents of Sections 2 through 7 are materially the same as information included in the 2021 Consulting Engineers Annual Report issued on April 30, 2021.

- Section 1 – Introduction to the Report that describes the purpose of the report, the description and purpose of the refunding bonds, and a brief description of the entities issuing the bonds.
- Section 2 – Governance, Organization, Management, and Revenue Pledge describes the organizational structure and management team of LUS, which oversees the operation of the Utilities System and Communications System, including the governance and shared services provided by LCG.
- Section 3 – Utilities System provides an overview of the combined electric, water, and wastewater operations that comprise the Utilities System, including historical financial performance.
- Section 4 – Electric System provides an in-depth review of Electric System operations, system condition, rate comparisons, performance benchmarking, and financial performance and contribution to the Utilities System revenue pledge.
- Section 5 – Water System provides an in-depth review of Water System operations, system condition, rate comparisons, and financial performance and contribution to the Utilities System revenue pledge.

- Section 6 – Wastewater System provides an in-depth review of Wastewater System operations, system condition, rate comparisons, and financial performance and contribution to the Utilities System revenue pledge.
- Section 7 – Communications System provides an in-depth review of the LUS Fiber internet, telephone, and cables businesses including an assessment of market share, service offerings, price competitiveness, and financial performance in support of the Communications System revenue pledge.
- Section 8 – Projections of Financial Results and Conclusions in support of the Series 2021 Bond Refunding's. This section includes projections of revenues, expenses, debt service coverage, observations and conclusions on the bond refunding for LUS, LPPA, and LUS Fiber.

1.13 Statement of Limitations

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2.0 GOVERNANCE, ORGANIZATION, AND MANAGEMENT

2.1 Governance

The Lafayette Parish (the "Parish") electorate and the City of Lafayette, Louisiana, ("City" or "Lafayette") adopted the Home Rule Charter ("Charter") to consolidate the City and Parish governmental functions as of 1996. The Charter defined the LCG departmental structure. LCG manages and operates the Utilities System and Communications System through its departmental structure. The Utilities Department is responsible for the Utilities System while the Communications Department is responsible for the Communications System management and operations. Other LCG departments perform certain functions to and provide support for LUS operations, such as the Chief Administrative Officer, which includes human resources, the Office of Finance and Management, which includes accounting, budget management, purchasing and property management, and risk management and group insurance, and the Legal Department. The City owns the Utilities System and the Communications System assets. LCG operates on a FY beginning November 1 and ending on October 31 of the following year. While LUS was governed under the 1996 Home Rule Charter during the FY 2019 period, in January 2020, a new Home Rule Charter was implemented which modified the governance structure to that which is described in this report.

Now, LCG is currently governed by a Mayor-President and City-Parish Council members that are elected by the Parish and the City to four-year terms of office. The Lafayette City Council consists of five members who are serving as the governing authority for the City and the Lafayette Parish Council consists of five members who are serving as the governing authority for the Parish. The City Council and the Parish Council, jointly, serve as the governing authority for LCG. The Mayor-President leads LCG along with the City Council and Parish Council. The City Council is the governing authority for LUS, LPPA, and LUS Fiber. The Mayor-President appoints the Director of Utilities and Communications, with such appointment for the Director of Utilities subject to ratification by the City Council. Certain provisions provided by LCG to the City and Parish are shared such as finance, accounting, administration, human resources, legal, and insurance . The Mayor-President and Chief Administrative Officer supervise the administration of departments, offices, and agencies of LCG. Certain departments of LCG are involved in day-to-day support of the management of LUS. The current members of the City-Parish Council are presented in Table 2-1.

Table 2-1: City-Parish Council Members

City Council	Parish Council
Pat Lewis	Bryan Tabor
Andy Naquin	Kevin Naquin
Liz Hebert	Joshua Carlson
Nanette Cook	John J. Guilbeau
Glenn Lazard	Abraham Rubin, Jr.

The City Council is the governing authority of LPPA. LPPA is a political subdivision of the State of Louisiana and was created in 1976 for the purpose of financing electric generation facilities to provide power to the City's electric system. LPPA provides the output of these generating facilities to LCG through a wholesale power sales agreement. The only generating facilities owned by LPPA include Rodemacher No. 2 which is described in more detail in the Electric Utility Section of this Report.

The City is the owner of the Electric System (including generation, transmission, and distribution facilities), the Water System (including supply, treatment, distribution, and storage facilities), and the Wastewater System (including wastewater collection and treatment facilities) (collectively, the Utilities System), as well as the Communications System. Upon consolidation of the City and Parish governing authorities into LCG, it was specifically recognized that the Charter should accommodate for the governing of LUS, which is a City utility system. The Electric Utility, Water System, and Wastewater System are financed by the Utilities System revenue bonds.

The Communications System offers an array of services in the competitive wholesale and retail markets including fiber leases, wholesale broadband, and retail customer services. The Communications System offered a new streaming service, connecTV, in 2019. In the retail market, the Communications System offers the "triple play" of services. The "triple play" is a common term in the industry that refers to cable television ("CATV"), telephone, and Internet services. Additional internet content streaming services are now offered as well. The backbone of the system includes a 70-mile fiber backbone with direct connections to national, major Tier 1 broadband providers. The retail portion of the Communications System includes over 800 miles of overhead and underground fiber lines along City streets, along with associated equipment. The system also consists of a major headend facility, including satellite dishes and electronics, along with backup power and connection to at least three long haul connections with major

Internet carriers. The Communication System consists of a separate Communications Services Enterprise Fund with a separate and distinct set of accounts, funds, and bond pledges. The Communication System is financed by the Communication System revenue bonds.

2.2 Operating and Capital Budgeting

The budgeting process begins in early April of each year with each LCG department preparing and submitting their proposed operating and capital budgets. Many departments begin working on their own budgets prior to April. By the end of July, the administration of LCG presents a proposed budget to the City-Parish Council for consideration. The City-Parish Council then holds a series of budget review meetings where changes may be considered to the proposed budget. Per the Charter requirements, the budget must be presented to the City-Parish Council at least 90 days prior to the beginning of each FY and adopted no later than the second to last regular meeting of the FY. A final budget is typically adopted in late September.

The operating portion of the budget contains projections of revenues and expenses. Each division within LUS and LUS Fiber estimates their expenses for the upcoming FY and submits their estimates to LUS and LUS Fiber management. LUS and LUS Fiber management then compile the projections for each division and submit the document to LCG. Each year, the Utilities System and Communications System develop a five-year capital improvement program (CIP). The CIP is reviewed, updated, and budgeted annually. These budgets are normally finalized after the completion of this Report. Forecasts of revenues, expenses, and capital contained within the continuing disclosures within this report are based on previous budgets and projections which are subject to change during the budgeting process.

2.3 Service Territory

LUS provides electric, water, and wastewater utility service to customers primarily within the City limits. LUS also services some electric, water, and wastewater customers outside the City limits but within the Parish limits. As of October 31, 2020, LUS served 69,364 electric accounts, 57,412 water accounts, and 46,133 wastewater accounts.

LCG has franchise agreements and street lighting agreements with the City of Broussard and the City of Youngsville for electric service. LUS provides street lighting service to both cities and provides services to new residential and commercial developments within these cities.

LUS serves retail water customers inside and outside the City limits while providing wholesale water for other parish water distribution companies which are described in more detail later in this report.

LUS serves wastewater customers inside and outside the City limits. In addition, LUS serves localized (e.g., residential subdivision) packaged wastewater treatment systems.

The Communications System services are generally offered within the City limits, but have expanded to new subdivisions outside the City. At the end of October 2020, the Communications System served approximately 34 wholesale accounts and over 20,000 retail accounts with CATV, telephone, Internet, or some combination of the three. The Communications System continues to show notable positive growth each year. The Communications System attained franchise status in November 2017 throughout the Parish and offers communications service to the City of Broussard, City of Youngsville, City of Carencro, and unincorporated areas in the Parish. The Communications System is continuing to build out targeted areas and was recently awarded a grant to build out the Communications System to serve new underserved areas in neighboring Parishes.

2.4 Management and Organization

The Utilities System is a department of LCG and is managed and operated in accordance with the Charter and provisions of the current Utilities System General Bond Ordinance. The "Flow of Funds" set forth in the General Bond Ordinance specifies how to treat revenues and related margins resulting from LUS operations. Available margins, once O&M expenses have been paid, are first required to meet debt service and reserve fund obligations, then a formula is applied to determine amounts for capital improvements and replacements funding, and the payment amount to the City's General Fund as ILOT. The Lafayette Public Utilities Authority ("LPUA") historically approved LUS budgets and issued debt as approved by the Mayor-President and City-Parish Council. Beginning in January 2020, the City Council assumed LPUA's responsibilities with respect to the Utilities System, in addition to approval of rates and has been fulfilling this responsibility through most of FY 2020.

The Communications System is a separate department of LCG and is managed and operated in accordance with the Charter and provisions of the current Communications System General Bond Ordinance. The "Flow of Funds" set forth in the General Bond Ordinance specifies how to treat revenues and related margins resulting from Communications System operations. Available margins, once O&M expenses were paid, are first required to meet debt service and reserve fund obligations, then a formula is applied to determine amounts for capital improvements and replacements funding, and the Imputed taxes. Historically LPUA approved the Communications System budgets, and issued debt as approved by the Mayor-President and City-Parish Council. Beginning in January 2020, the City Council assumed LPUA's responsibilities with respect to the Communications System and has been fulfilling this responsibility through most of FY 2020.

The Utilities Director and Communication System Director are both appointed by the Mayor-President with the Director of Utilities appointment subject to ratification by the City Council. The Consulting Engineer advises the LUS in its appointment of a Chief Operating Officer of the Utilities System, per the ordinance requirements, and has been fulfilling this role in FY 2021 as LUS considers permanent placements for the position.

2.4.1 LUS Organizational Structure

The Utilities System has eight functional areas reporting to the Utilities Director. These functional areas include Support Services, Customer Service, Environmental Compliance, Power Production, Electric Operations, Water Operations, Wastewater Operations, and Engineering.

LUS is managed by the Utilities Director. The Utilities Director is responsible for the management and operations of the LUS electric utility, water utility, and wastewater utility. More specifically, the Utilities Director oversees and manages electric production and distribution, water treatment and distribution, wastewater collection and treatment, utility engineering services, supervision of construction work for LUS, maintaining utility equipment in cooperation with the central garage, reading, billing and, collection of all utility meters, and other such activities as may be directed by the Mayor-President as necessary or incidental to the operation of LUS.

The current Interim Utilities Director is Mr. Lowell Duhon. Mr. Duhon graduated from the University of Louisiana at Lafayette with a B.S. and master's in business administration. Prior to serving as the Interim Utilities Director, Mr. Duhon was the Chief Administrative Officer of LCG. Prior to LCG, Mr. Duhon had experience as a Financial Consultant. Mr. Duhon has been serving in this interim role since October 2019 and will continue to fulfill this role until LUS and LCG hire a permanent Utilities Director. LUS has started the process of recruiting a permanent Utilities Director.

Division managers reporting to the Interim Utilities Director are presented below along with their credentials.

- Jeffrey Stewart – Engineering & Power Supply Manager, Power Production Manager: Mr. Stewart has over 19 years of experience at LUS and continues to serve as the Engineering & Power Supply Manager. In this position, Mr. Stewart is responsible for the supervision of all day-to-day engineering activities including Civil Engineering, Power Marketing, System Engineering and Substation

Engineering, Network Engineering, Environmental Compliance associated with power generation, and the Primary Authorized Officer for North American Electric Reliability Corporation ("NERC") Compliance.

- Alison Alleman – Customer & Support Services Manager: Ms. Alleman has over 20 years of experience at LUS. Ms. Alleman has been serving as the Customer & Support Services Manager on an interim basis since May 2020 and permanently since November 2020. She holds a Bachelor of Science in Finance degree and a Master of Business Administration degree from the University of Louisiana at Lafayette. She is responsible for various support and customer service functions within the Utilities Department including financial monitoring and planning, rates, revenue assurance, employee development, meter services, utility conservation, customer service, business support services, and administration support services.
- Tracy Mouton – Environmental Compliance Manager: Ms. Mouton has worked in the environmental field with the Utilities System for 27 years, serving as the Environmental Compliance Manager since July 2016. Her education includes a Bachelor of Science in Biology with a minor in chemistry from Jackson State University in Jackson, Mississippi. Ms. Mouton is responsible for ensuring environmental compliance of all LUS business operations associated with water and wastewater operations.
- Gregory A. Labbé – Electric Operations Manager: Mr. Labbé has worked with LUS for 35 years and held several positions in the Electric Operations Section. Mr. Labbé is responsible for the day-to-day operation of the electric transmission and distribution system including Transmission and Distribution Operations, Field Operations, Energy Control, Substations and Communication, Facilities Management, and the Warehouse. Mr. Labbé is a graduate of T.H. Harris Technical School in Opelousas, Louisiana.
- Craig Gautreaux – Water and Wastewater Operations Manager: Mr. Gautreaux has 36 years of experience in the civil engineering and wastewater operations industry (5 years with a private consulting firm, and 31 years with the Utilities System). Mr. Gautreaux has a master's degree in civil engineering and is responsible for the day-to-day operation of the Water and Wastewater Systems including Water Production, Water Distribution Operations, Wastewater Treatment, and Wastewater Collection.

2.4.1.1 LUS Staffing

LUS reviews its overall staffing requirements annually and budgets overall staffing level in its annual budgetary process to continue to provide reliable and cost-effective services to customers. The LUS staffing levels by department have been relatively stable over the last several years and appear reasonable for the size and complexity of the organization. At the end of 2020 there were several vacancies across the organization with some departments having more vacancies than others, such as the T&D group. LUS is working to fill those positions and has recently hired four additional linemen with plans to bring in additional linemen over the coming year. The personnel tables by department are contained in the LCG 2020 Budget and the LCG 2021 Budget. Table 2-2 presents the number of employees by department at the end of FY 2020 as well as the budgeted number of employees in FY 2020 and FY 2021.

Table 2-2: LUS Number of Personnel by Department

	Personnel		
	October 31, 2020	2020 Budget	2021 Budget
Director's Office	2	2	2
Support Services	25	28	27
Customer Service	40	44	31
Environmental Compliance	15	17	17
Power Production	30	35	35
Electric Operations	82	94	94
Water Operations	58	61	62
Wastewater Operations	92	98	98
Engineering	75	81	81
Total Utilities System	419	460	447

Source: 2020 Budget, 2021 Budget, LUS Org Chart

2.4.2 LUS Fiber Organizational Structure

At the end of March 2021, Lafayette Mayor-President Josh Guillory named Ryan Meche, previously the Engineering Manager, as LUS Fiber's new Director. Mr. Meche graduated from the University of Louisiana at Lafayette with a Bachelor of Science in Electrical Engineering and is a registered Professional Engineer in Louisiana. Mr. Meche has been an employee of LUS for 17 years.

From October 14, 2019, to the end of March 2021, the Interim Communications System Director was Ms. Kayla Miles. Ms. Miles graduated from the University of Louisiana at Lafayette with a Bachelor of Arts in Public Relations. Prior to serving as the Interim Communications System Director, Ms. Miles was the Communications Support Services Administrator for Communications System.

From November 1, 2018 through October 14, 2019, the Interim Communications System Director was Ms. Teles Fremin. Ms. Fremin graduated from the University of Louisiana at Lafayette with a Bachelor of Science in Electrical Engineering and is a registered Professional Engineer in Louisiana. Ms. Fremin has been an employee of LUS for 19 years.

From July 2018 through November 1, 2018, the Communications Director was also the Interim Utilities Director at the time, Mr. Jeffrey Stewart.

Prior to July 2018, the Utilities Director was Mr. Terry Huval. Upon Mr. Huval's resignation and retirement, Mr. Jeffrey Stewart was appointed the Interim Utilities Director.

Since November 1, 2018, the Communications Director has been responsible for the Communications System operations and management. Communications System employees and facilities are organized separately from Utilities System operations; however, several services such as accounting and reporting functions are shared among the Communications System and Utilities System. In accordance with the requirement to maintain separate Utilities System and Communications System funds, all costs associated with these services are accounted for separately.

The Communications System employs approximately 83 employees, reporting to 5 functional areas: Administration and Support, Operations, Warehouse, Business Support Services, and Engineering. Division managers report to Ryan Meche, the Communications System Director. Mr. Meche graduated from the University of Louisiana at Lafayette with a Bachelor of Science in Electrical Engineering and is a registered Professional Engineer in Louisiana. Mr. Meche has been an employee of LUS for 16 years. He is responsible for overseeing all matters regarding Communications System.

2.4.2.1 LUS Fiber Staffing

The staffing table below reflects the fact that the Business Support Services division took over direct management of twelve customer service personnel in FY2021. In the past, these twelve positions were included in the LUS manning table, and LUS Fiber covered the cost of these positions through the Administrative and General expense line item in LUS Fiber's budget, in accordance with LCG's cost allocation plan. These positions were not included as LUS Fiber staffing counts in the previous years' projected budget, creating the appearance of staffing level above target levels. However, setting aside the additional customer service staff, the Communications System is understaffed in each functional area by a total of six personnel.

Table 2-3: LUS Fiber Number of Personnel by Department

	Personnel		
	October 31, 2020	2020 Budget	2021 Budget
Administration & Support	1	2	4
Operations	31	37	34
Warehouse	2	3	3
Business Support Services & Customer Service	10	13	22
Engineering	17	22	20
Total Communications System	61	77	83

Source: 2020 Budget, 2021 Budget, LUS Org Chart

3.0 UTILITIES SYSTEM FINANCIAL REVIEW

3.1 System Description

LUS operates Electric, Water, and Wastewater Systems. The Electric System operates power generation, transmission, distribution, and customer assets. The Water System includes raw water treatment plants, distribution system, and customer assets. The Wastewater System includes sewage treatment plants, collection piping, and customer assets. This section of the Report provides a summary of the historical financial condition of LUS through the end of FY 2020.

3.2 Customers

LUS serves customers both within the City limits and outside the City. The Water system has wholesale agreements with several cities that are described later in this report. The Electric system has franchise agreements with the City of Broussard and City of Youngsville which allow LUS to provide service in those cities. The historical number of customers served by each utility is provided in Table 3-1. LUS has experienced modest growth over the last five years.

Table 3-1: Historical Utility Customers

Year	Electric	Water	Wastewater	Total
2016	66,325	55,851	44,269	166,445
2017	66,860	56,302	44,830	167,993
2018	67,243	56,564	45,019	168,826
2019	68,495	58,316	45,623	172,434
2020	69,364	57,412	46,133	172,909

Source: LUS Financial and Operating Statements

3.3 Historical Revenues

LUS generates revenues primarily from the sale of the utility services it provides. The electric utility represents approximately 75 percent of the revenues and costs of LUS while the water and wastewater utilities represent the remaining 25 percent. The historical revenues have been relatively stable for all three utilities over the last five years. Only the electric utility experienced a noticeable reduction in FY 2020 due to the COVID-19 Pandemic, however it should be noted that the revenue reduction was combined with a commensurate reduction in fuel and purchased power expenses. The historical revenues by utility are presented in Table 3-2 and include revenues from base rates, fuel charges, interest income, and other miscellaneous revenues.

Table 3-2: Historical Operating and Other Revenues

Year	Electric Revenues	Water Revenues	Wastewater Revenues	Total Revenues
2016	$174,354,151	$18,593,541	$29,144,574	$222,092,266
2017	$176,060,504	$19,822,196	$30,790,307	$226,673,006
2018	$180,955,690	$21,736,544	$32,379,226	$235,071,461
2019	$179,965,886	$21,369,475	$32,038,772	$233,374,132
2020	$166,467,519	$21,696,556	$31,122,710	$219,286,785

Source: LUS Financial and Operating Statements

3.4 Debt Service Coverage

LUS currently has several outstanding bonds that were issued for the purposes of making improvements and expansions to the three utility systems. LUS has a minimum DSC ratio of 1.0 as required by the Bond Ordinances and has continued to adequately maintain its DSC over the last five years. LUS has been making payments on the Series 2019 Bonds, Series 2017 Bonds, Series 2012 Bonds, and Series 2010 Bonds. The Series 2010 Bonds were fully redeemed by the Series 2017 Bonds on November 1, 2020. Table 3-3 presents the historical debt service coverage ratio for LUS.

Table 3-3: Historical Debt Service Coverage

Year	Operating Revenues	Operating Expenses	Net Available Revenues	Debt Service	Debt Service Coverage Ratio
2016	$222,092,266	$158,750,451	$63,341,815	$22,925,238	2.8
2017	$226,673,006	$165,998,482	$60,674,525	$21,341,835	2.8
2018	$235,071,461	$164,165,246	$70,906,215	$21,427,905	3.3
2019	$233,374,132	$152,839,402	$80,534,731	$22,732,925	3.5
2020	$219,286,785	$143,498,541	$75,788,244	$25,374,000	3.0

Source: LUS Financial and Operating Statements

3.5 Rate Adjustments

The current rates for LUS are presented in the LCG Code of Ordinances, Article III – Rates and Charges, Division 1. The electric, water, and wastewater utilities each have their own tariffs for each customer class and are comprised of both fixed charges and variable charges. Rates are adjusted through rates studies that are conducted every few years with rate recommendations approved by the City-Parish Council. The fuel charge within the electric utility is adjusted monthly based on the cost of fuel and purchased power and the Utility Director monitors and manages the fuel charge on a month-to-month basis to adequately recover eligible costs. The most recent rate study was completed in 2016. The study demonstrated that the utility rates would have been insufficient to recover the three utilities' costs. Therefore, each utility required a series of rates increases to be implemented over several years. As demonstrated by the historical DSC analysis, the rate increases have provided the required revenues to be in compliance with Bond Covenants, maintain adequate cash balances, and fund the capital and operating costs of the utility. The historical approved total rate revenue adjustments by utility are presented in Table 3-4.

Table 3-4: LUS Historical Rate Adjustments

	2016	2017	2018	2019	2020
Electric Retail	0.0%	2.8%	2.8%	0.0%	0.0%
Water Retail	0.0%	7.4%	7.2%	0.0%	0.0%
Wastewater Retail	0.0%	6.1%	5.7%	0.0%	0.0%

3.6 Operating and Capital Budgets

LUS prepares and submits the proposed operating and capital budget to LCG annually for approval. The operating section of the budget includes projections of revenues and expenses for the upcoming FY. The operating projections for the upcoming FY are finalized subsequent to the completion of this Report.

The CIP is included within the FY 2021 Budget and is presented in Table 3-5 as provided by LUS. The total forecasted CIP over the next five years is largely concentrated in FY 2021 and FY 2023. Forecasted CIP is anticipated to be funded through retained earnings. Additional details on the nature of the projects within the CIP are provided later within this Report for each utility.

Table 3-5: LUS 2021 Budget Projected Capital Improvement Plan

	2021	2022	2023	2024	2025	Total
Electric						
Acquisitions	$675,000	$400,000	$0	$0	$0	$1,075,000
Production	$1,530,000	$1,130,000	$380,000	$380,000	$880,000	$4,300,000
Distribution	$4,025,000	$2,035,000	$1,035,000	$1,035,000	$1,035,000	$9,165,000
Substation	$925,000	$1,225,000	$1,225,000	$925,000	$925,000	$5,225,000
Transmission	$10,000	$10,000	$10,000	$10,000	$10,000	$50,000
General Plant	$5,115,000	$2,635,000	$910,000	$760,000	$260,000	$9,680,000
Total Electric	$12,280,000	$7,435,000	$3,560,000	$3,110,000	$3,110,000	$29,495,000
Water						
Production	$1,380,000	$1,430,000	$830,000	$2,980,000	$2,230,000	$8,850,000
Distribution	$3,210,000	$1,060,000	$1,685,000	$1,585,000	$760,000	$8,300,000
Total Water	$4,590,000	$2,490,000	$2,515,000	$4,565,000	$2,990,000	$17,150,000
Wastewater						
Treatment	$16,660,000	$910,000	$7,260,000	$610,000	$6,360,000	$31,800,000
Collection	$6,215,000	$3,155,000	$8,645,000	$2,745,000	$2,745,000	$23,505,000
Total Wastewater	$22,875,000	$4,065,000	$15,905,000	$3,355,000	$9,105,000	$55,305,000
Total Capital Program	$39,745,000	$13,990,000	$21,980,000	$11,030,000	$15,205,000	$101,950,000

Source: LUS 2021 Adopted Budget

(1) $400,000 in 2021 will be funded by the remaining Series 2019 bond funds.

3.7 LUS System Budget and Actual Performance

As part of this Report, Burns & McDonnell compared the LUS FY 2020 budgets to the FY 2020 actual results. This section presents the results of the LUS budget and actual accounts for FY 2020. The categories presented are similar to those in the FY 2020 Budget and may be slightly different than others found within the Report. LUS performed better than expected during FY 2020 even with the COVID 19 pandemic as demonstrated in Table 3-6.

Table 3-6: LUS Comparison of FY 2020 Budget and Actual Results

	2020 Actual (millions)	2020 Adopted Budget (millions)	Difference (millions)	Difference (%)
Operating Revenues				
Electric Retail Sales	$98	$101	($3)	-3.3%
Electric Retail Fuel Adj.	$65	$81	($16)	-19.9%
Electric Wholesale Sales	$0	$0	($0)	-10.1%
Water Sales	$21	$22	($1)	-3.9%
Wastewater Sales	$30	$32	($2)	-6.8%
Interest Income	$3	$2	$1	81.6%
Miscellaneous Other	$2	$3	($1)	-24.4%
Total Operating Revenue	$219	$241	($22)	-9.1%
Operating Expenses				
Purchased Power LPPA	$37	$55	($18)	-32.2%
Purchased Power Other	$18	$18	$0	2.5%
Purchased Power MISO	$32	$57	($25)	-44.1%
Purchased Power MISO Sales	($16)	($40)	$24	-60.6%
Production Fuel	$2	$2	($0)	-13.0%
Other O&M	$69	$83	($13)	-15.9%
ILOT	$25	$24	$1	3.7%
Total Operating Expenses	$168	$199	($31)	-15.6%
Other Income (Expenses)				
Normal Capital & Spec Equip	($6)	($10)	$4	-39.3%
Principal from Internal Loans	$1	$1	($0)	-13.9%
Interest from Internal Loans	$1	$1	$0	3.3%
Interest on Long Term Debt	($10)	($11)	$1	-7.3%
Principal on Long Term Debt	($12)	($14)	$2	-12.8%
Total Other	($27)	($34)	$6	-19.3%
Cash Available for Capital	$24	$9	$15	180.2%

Source: LUS Financial and Operating Statements

The electric utility experienced lower electric sales volumes and revenues; however, those were offset by lower wholesale power costs. The overall non-power costs reductions also helped offset the lower retail revenues. The water utility saw a slight increase in total revenues with reductions in operating costs that helped support cash flows. The wastewater utility revenues and O&M expenses both declined compared to budget; however, the overall net result supported a slight increase to operating cash flows providing more cash for capital than was budgeted for FY 2020.

3.8 LUS Shared Services

Shared services for LUS are provided by the Customer Service & Support Service divisions. These divisions provide financial planning, rates, meter services, customer service, and administration and business support services for all three of LUS's utilities. The cost of these services is assigned and shared across the Electric, Water, and Wastewater Systems in the establishment of rates and charges. The customer service staff has experienced turnover that is typical within the industry and LUS is working with Civil Service to implement an apprenticeship program to increase employee retention. . The Support Services division is a smaller group and has experienced low turnover. .

3.9 Payment In Lieu of Tax

LUS makes an annual ILOT payment to the City. ILOT payments by municipally owned utilities are commonly used by local governments across the country to collect taxes and/or franchise fees that would be collected if an investor-owned utility were operating the utility franchises within the city. The LUS ILOT calculation provides for an ILOT payment of up to 12 percent of the Receipts Fund. The non-fuel revenues are the gross receipts less fuel costs and other miscellaneous items. To be eligible to make the ILOT payment, LUS must first pass an ILOT Test. The purpose of the test is to ensure that LUS has sufficient cash to meet capital obligations. If cash available after debt service, less 7.5 percent of the non-fuel revenues, is greater than 12 percent of the Receipts Fund, LUS passes the test and makes the ILOT payment to the City. Should LUS fail the ILOT Test, LUS pays an amount equal to the amount of cash available after debt service, less 7.5 percent of the non-fuel revenues. The American Public Power Association ("APPA") benchmarks ILOT as a percentage of revenue across the country as well as the West South Central Region, as defined by APPA, in which LUS is located. The median ILOT for this region is 11.9 percent while LUS has paid an average ILOT rate of 10.5 percent over the last five years as presented in Table 3-7.

Table 3-7: LUS Historical ILOT Payments

	2016	2017	2018	2019	2020
ILOT Paid (1)	$23,306,557	$22,568,235	$23,708,786	$25,051,002	$24,679,711
Total Operating Revenues	$222,092,266	$226,673,006	$235,071,461	$233,374,132	$219,286,785
ILOT as a percent of Revenues	10.5%	10.0%	10.1%	10.7%	11.3%

Source: LUS Financial and Operating Statements
(1)Represents ILOT paid for the Utilities System including electric, water, and wastewater systems.

3.10 Accounting and Financial Statements

LUS accounting responsibilities are managed and performed by LCG, including the selection of accounting software and related financial reporting. LCG prepares monthly Financial and Operating Statements for LUS which are also provided to the Engineer of Record monthly. These statements include a balance sheet, income statement, revenues and expenses, and other detailed operating statistics. The final audited financial statements contained in the Comprehensive Audited Financial Report ("CAFR") Statements are typically not available until April of the following fiscal year which is when this Consulting Engineer's Report is also completed. The detailed data contained within this Report is based upon the monthly Financial and Operating Statements provided to the Engineer of Record and may vary from the tables in the CAFR. Based on information contained in previous CAFRs and CERs the differences are generally not material.

3.10.1 Balance Sheet

The historical balance sheet for LUS is presented in Table 3-8. LUS assets have continued to grow as the utility systems each continue to grow to serve new customers. Bond funds increased considerably in 2019 as result of the 2019 Series Bonds and have remained high in 2020 and will remain high until the bond funded projects are completed. Retained earnings have grown steadily over the last year few years while the debt to equity ratio has been relatively stable.

Table 3-8: LUS Historical Balance Sheet

Total Assets	2016	2017	2018	2019	2020
Utility Plant	$ 569,502,627	$ 566,271,981	$ 565,059,332	$ 561,320,749	$ 561,005,523
Bond and Special Funds	131,820,767	124,504,455	132,262,607	213,449,976	216,710,984
Current Assets	13,010,477	8,885,760	8,780,394	10,183,720	9,110,701
Accounts Receivable	27,665,322	29,668,893	28,439,772	28,657,295	28,520,766
Reserve for Uncollectible Accounts	(1,150,040)	(1,215,674)	(1,090,028)	(941,530)	(799,310)
Notes Receivable	27,623,160	27,181,093	26,529,343	25,686,227	24,706,574
Inventories	8,316,964	8,981,327	9,097,936	9,444,953	10,671,253
Deferred Debits	26,647,000	27,838,831	22,227,147	23,962,998	23,542,330
Total Assets	$ 803,436,278	$ 792,116,667	$ 791,306,504	$ 871,764,388	$ 873,468,821
Total Liabilities & Equity					
Long Term Debt	$ 214,410,000	$ 195,915,000	$ 184,110,000	$ 229,805,000	$ 215,615,000
Current Liabilities	28,334,541	24,734,800	24,900,222	27,266,441	33,950,669
Long Term Liabilities	56,581,937	60,358,386	62,946,218	73,987,500	66,914,126
Retained Earnings	504,109,800	511,108,482	519,350,063	540,705,447	556,989,025
Total Liabilities & Fund Equity	$ 803,436,278	$ 792,116,667	$ 791,306,504	$ 871,764,388	$ 873,468,821

Source: LUS Financial and Operating Statements

3.10.2 Fund Balances

Article V of the LUS General Bond Ordinance dictates the funds and accounts of LUS and defines the 'Flow of Funds.' Article V creates several funds which are presented in Table 3-9. The flow of funds proceeds in the following order: Receipts Fund, Operating Fund, Sinking Fund, Reserve Fund, and Capital Additions Fund. Funds may be created as new bonds are issued. Table 3-9 summarizes the beginning balance, receipts, disbursements, and ending balances of the required funds cash balances. First, 7.5 percent of non-fuel revenues are transferred to capital costs of LUS. Then 12 percent of total deposits in the Receipts Fund are transferred to the General Fund of the Issuer. Then funds are used to pay amounts due on Subordinated indebtedness with remaining funds used for other purposes under the General Ordinances.

Table 3-9: LUS Fund Balances as of October 31, 2020 ($1,000)

	Receipts Fund	Operating Fund	Bond & Interest Fund	Capital Additions	Bond Reserve Fund	2019 Bond Construction Fund	Total
Beginning Balance	$ 809	$ 8,000	$ -	$ 115,419	$ 17,278	$ 70,810	$ 212,316
Receipts	246,094	269,650	25,374	54,067	50	660	595,895
Disbursements	246,118	269,650	25,374	46,454	0	4,264	591,860
Ending Balance	$ 785	$ 8,000	$ -	$ 123,032	$ 17,328	$ 67,206	$ 216,351

Source: LUS Financial and Operating Statements

3.10.3 Income Statement

The LUS Income statement is presented in Table 3-10. Over the last five years LUS net operating revenues after depreciation have increased with system growth and several rate increases that were implemented in 2017 and 2018 to improve financial conditions as determined in the 2016 rate study. In FY 2020, LUS experienced a reduction in overall revenues which was largely driven by lower electric sales and electric revenues. The 5.5 percent was offset by a corresponding reduction in operating expenses which helped to maintain net operating revenues during FY 2020. Net income was largely lower due to increases in miscellaneous non-operating expenses resulting from two hurricanes, higher interest expense from the Series 2019 Bonds, and reductions in interest income from lower market interest rates.

Table 3-10: Historical Income Statement

	2016	2017	2018	2019	2020
Operating Revenues	$ 220,387,318	$ 224,652,384	$ 232,203,121	$ 228,678,339	$ 216,381,978
Operating Expenses	158,750,451	165,998,482	164,165,246	152,839,402	143,498,542
Net Operating Revenues	$ 61,636,867	$ 58,653,902	$ 68,037,875	$ 75,838,938	$ 72,883,436
Depreciation	23,601,958	23,960,817	24,555,286	25,130,355	25,189,698
Net Operating Revenues after Depreciation	$ 38,034,910	$ 34,693,086	$ 43,482,589	$ 50,708,583	$ 47,693,737
Other Income					
Interest Income	$ 1,704,947	$ 2,020,622	$ 2,868,340	$ 4,695,793	$ 2,904,807
Unrealized Gain/Loss on Invs	117,778	(283,409)	(46,380)	399,671	(139,572)
Amortization of Debt Premium	3,020,974	2,995,867	3,544,254	3,639,998	3,769,742
Water Tapping Fees	78,320	64,240	72,240	56,760	61,540
Communications Lease Income	27,648	25,378	0	0	11,379
Contributions in Aid of Construction	56,063	128,155	304,557	0	140,856
Misc. Non Operating Revenue	2,566,471	3,335,924	4,188,986	3,141,166	3,633,306
Total Other Income	$ 7,572,201	$ 8,286,777	$ 10,931,997	$ 11,933,388	$ 10,382,059
Other Expenses					
Loss on Disposition of Property	329,136	369,488	398,883	309,767	290,397
Interest Expense	10,970,238	8,916,835	9,622,905	10,362,925	11,184,000
Amortizations	2,256,610	2,046,774	2,304,183	2,187,756	1,986,896
Interest on Customer Deposits	821	1,688	4,307	5,331	1,834
Tax Collections/Non Operating	0	0	0	0	0
Misc Non Operating Expense	1,589,252	3,182,762	2,844,559	3,369,807	3,649,380
Total Other Expenses	$ 15,146,058	$ 14,517,546	$ 15,174,837	$ 16,235,585	$ 17,112,507
Net Income Before in Lieu of Tax	30,461,053	28,462,316	39,239,748	46,406,385	40,963,290
ILOT	23,306,557	22,568,235	23,708,786	25,051,002	24,679,711
Net Income	$ 7,154,496	$ 5,894,081	$ 15,530,962	$ 21,355,383	$ 16,283,579

Source: LUS Financial and Operating Statements

3.10.4 Cash Flow Statement

The LUS historical cash flows are presented in Table 3-11. LUS, like many other municipals, is primarily focused on net cash flows and cash balances and traditionally set rates based on meeting cash targets including, but not limited to, debt service coverage. Except for FY 2020, LUS has realized a steady increase in its change in cash due to operations and ILOT. The lower change in cash due to operations in FY 2020 is attributed to the same factors discussed in the net income statement section of this Report.

Table 3-11: LUS Historical Cash Flows

	2016	2017	2018	2019	2020	Five-Year Total
Operating Revenues	$ 220,387,318	$ 224,652,384	$ 232,203,121	$ 228,678,339	$ 216,381,978	$ 1,122,303,140
Operating Expenses	158,750,451	165,998,482	164,165,246	152,839,402	143,498,542	785,252,122
Net Operating Revenues	$ 61,636,867	$ 58,653,902	$ 68,037,875	$ 75,838,938	$ 72,883,436	$ 337,051,018
Debt Service	22,925,238	21,341,835	21,427,905	22,732,925	25,374,000	113,801,903
Balance After Debt Service	$ 38,711,630	$ 37,312,067	$ 46,609,970	$ 53,106,013	$ 47,509,436	$ 223,249,116
Less Normal Capital & Special Equipment	9,309,935	4,890,913	5,032,337	6,979,931	11,144,716	37,357,833
Less ILOT	23,306,557	22,568,235	23,708,786	25,051,002	24,679,711	119,314,291
Change in Cash due to Operations and ILOT	$ 6,095,137	$ 9,852,919	$ 17,868,847	$ 21,075,080	$ 11,685,009	$ 66,576,992

Source: LUS Financial and Operating Statements

4.0 ELECTRIC UTILITY SYSTEM

4.1 Electric Utility Summary

The City owns and operates an Electric System providing reliable power to approximately 70,000 retail customers. LUS operates power generation, transmission, substation, distribution, and customer facilities within and outside its service territory. Table 4-1 presents the historical Electric System retail sales, wholesale sales, and wholesale purchases over the last five years.

Table 4-1: Electric System Historical Retail and Wholesale Sales

Year	Retail Sales (MWh)	MISO Market Sales (MWh)	MISO Market Purchases (MWh)
2016	2,027,945	872,154	2,098,275
2017	1,980,653	898,205	2,042,686
2018	2,031,847	1,153,292	2,108,460
2019	2,004,310	1,132,482	2,036,411
2020	1,917,040	736,830	1,987,674

Source: LUS Financial and Operating Statements

LUS has been a full market participant as a Local Balancing Authority and Transmission Owner within the Midcontinent Independent System Operator, Inc. ("MISO") since 2013. Participation in the MISO market requires a buy-all/sell-all type of transaction for energy. LUS purchases all its energy requirements to serve its load from the MISO market. Correspondingly, MISO dispatches the LUS generation units and all the generation is sold into the MISO market. The MISO Market Purchases represent purchases from the MISO market to serve LUS retail load. As presented in Table 4-2, retail sales by class as of October 31, 2020, indicate that residential and commercial customers represent approximately 90 percent of Electric System sales. The LUS commercial customer base is diverse, with no single customer representing more than 2 percent of LUS electric retail revenues.

Table 4-2: Electric System Customer Class Statistics as of October 31, 2020

	Number of Customers	Percent of Total	Sales (kWh)	Percent of Total
Residential	56,440	81.4%	813,404,514	42.4%
Residential - Outside the City	972	1.4%	15,985,869	0.8%
Commercial without Demand-Small	8,063	11.6%	177,403,666	9.3%
Commercial Small and Large - Outside the City	173	0.2%	14,478,770	0.8%
Commercial with Demand - Large	1,249	1.8%	725,503,529	37.8%
Private Security Lighting	1,741	2.5%	6,919,550	0.4%
Street Lighting	2	0.0%	16,866,743	0.9%
Schools and Churches	440	0.6%	50,779,859	2.6%
Municipal-General Fund	3	0.0%	257,491	0.0%
University of Louisiana - Lafayette	102	0.1%	60,807,708	3.2%
Interdepartmental	181	0.3%	34,631,827	1.8%
Total	69,364	100.0%	1,917,039,526	100.0%

Source: LUS Financial and Operating Statements

4.2 Power Supply Summary

LUS provides energy and capacity to its customers through owned resources and power supply contracts. The total peak demand for LUS was approximately 441 megawatts ("MW") in 2020 and is expected to grow to 500 MW by 2036 based on load forecasts conducted within a recent integrated resource plan ("IRP"). LUS is forecasted to experience long-term load growth around two tenths of a percent, which is consistent with other utilities' load forecasts in the region. LUS owns and operates two power generation facilities in Lafayette: T.J. Labbe and Hargis-Hebert. Both facilities have two natural gas-fired combustion turbines to provide capacity and energy. These four natural gas-fired combustion turbines are interconnected to the transmission system within the City of Lafayette. In addition to the power plants which LUS owns, LUS also has several power purchase agreements in place to provide capacity and energy to meet its load. Through the LPPA, Lafayette owns 50 percent of Rodemacher No.2, which is a coal-fired unit with a capacity of approximately 500MW located near Boyce, Louisiana. Rodemacher No.2 is operated by Cleco Corporate Holdings, LLC as part of the Brame Energy Center. Table 4-3 presents the approximate installed capacity ("ICAP") for the power supply resources owned by LUS.

Table 4-3: LUS Power Supply Resources (Net Capacity)

LUS Power Plants		
Unit	Fuel	Installed Capacity (ICAP, MW)
Hargis-Hebert 1	Natural Gas	47
Hargis-Hebert 2	Natural Gas	47
TJ Labbe 1	Natural Gas	48
TJ Labbe 2	Natural Gas	47
LUS Power Purchase Agreements		
Unit	Fuel	Installed Capacity (ICAP, MW)
Lafayette Public Power Authority (LPPA) Rodemacher No.2	Coal	246
Southwest Power Administration	Hydro	18
NRG	Capacity only	40

As illustrated by the list above, LUS has a diverse power supply portfolio consisting of coal, natural gas, and hydroelectric resources. The Southwest Power Administration contract consists of hydroelectric resources and is expected to operate until 2033.

Within the recent IRP conducted in 2019-2020, the long-term operation of Rodemacher No.2 was specifically evaluated due to the ongoing environmental regulations which impact coal-fired units, as well as the associated economics. Within the IRP evaluation, long-term operation of Rodemacher No.2 utilizing coal as a fuel was higher cost compared to other power supply alternatives. As such, LUS has expressed a desire to potentially retire Rodemacher No.2 from coal-fired operation at the end of 2027. However, Rodemacher No.2 is co-owned between multiple utilities. No firm retirement date has been set by the co-owners. If the co-owners elect to retire Rodemacher No.2, LUS will need to replace the capacity and energy from Rodemacher No.2 when retired with new power supply resources. LUS has already started evaluating alternatives in anticipation of replacing Rodemacher No.2.

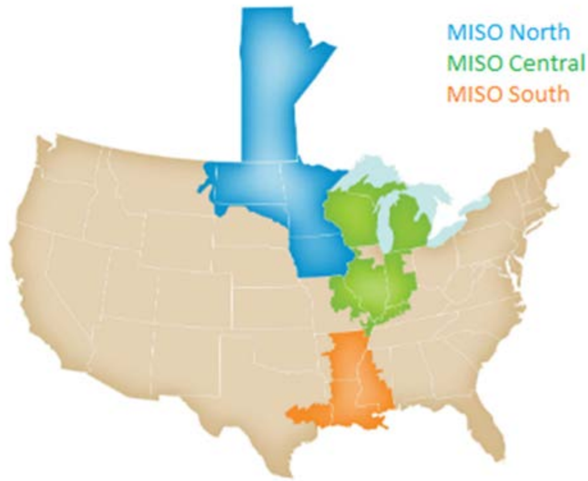
In addition to the plants above, LUS has two retired power plant facilities consisting of the Louis "Doc" Bonin Generation Station ("Bonin") (the site of the LUS operations center) and the Curtis Rodemacher Generation Station. Both plants were retired as they became economically obsolete. The Bonin facility was retired in 2017 and has gone through various decommissioning and demolition efforts. The Bonin facility had four fuel oil tanks located on-site that have been demolished, removed, and remediated. LUS has plans to remove the cooling towers, specifically the cooling tower for Unit 3 to provide additional space for electrical switchyard/substation expansions. The remediation has been completed for the cooling towers and LUS is currently evaluating demolition alternatives.

The Curtis Rodemacher facility is a retired natural gas-fired steam plant. The plant was retired in 1993 from power generation. The facility was retired-in-place and LUS continues to monitor the facility and address issues as they arise associated with lead-based paint, asbestos, and other maintenance requirements. The Rodemacher facility is adjacent to the Pinhook substation. LUS continues to evaluate potential opportunities for repurposing the facility for LUS uses.

4.2.1 MISO Wholesale Market

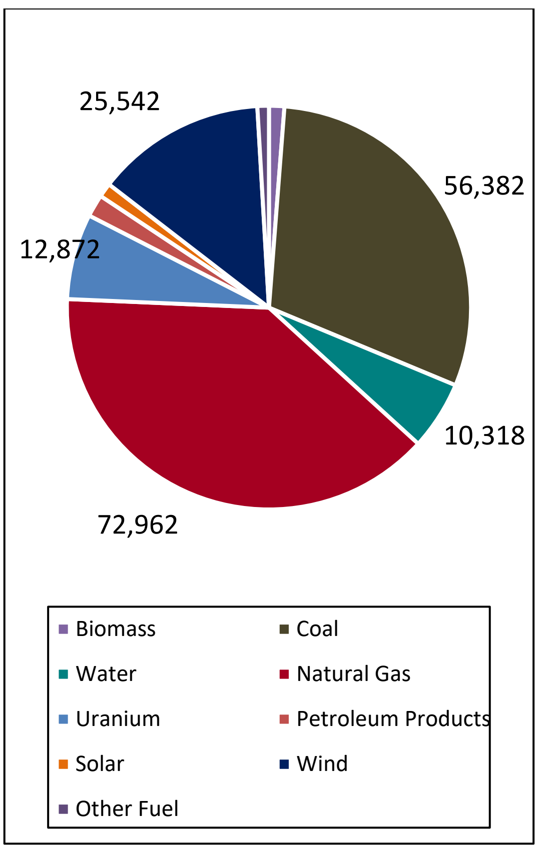
The power grid, consisting of power generation and transmission lines, is operated by independent system operators across many areas of the country. Within the central part of the country, MISO is the system operator. MISO is charged with the reliable operation of the grid. MISO initiated its integrated marketplace on April 1, 2005. On December 18, 2013, LUS officially joined MISO, along with several other utilities which formed the MISO South region and was integrated into MISO's transmission system. MISO is separated into three areas: North, Central, and South. LUS operates in the MISO South region. The MISO market is made up of numerous utilities operating in 15 states and the Canadian province of Manitoba as illustrated in Figure 4-1.

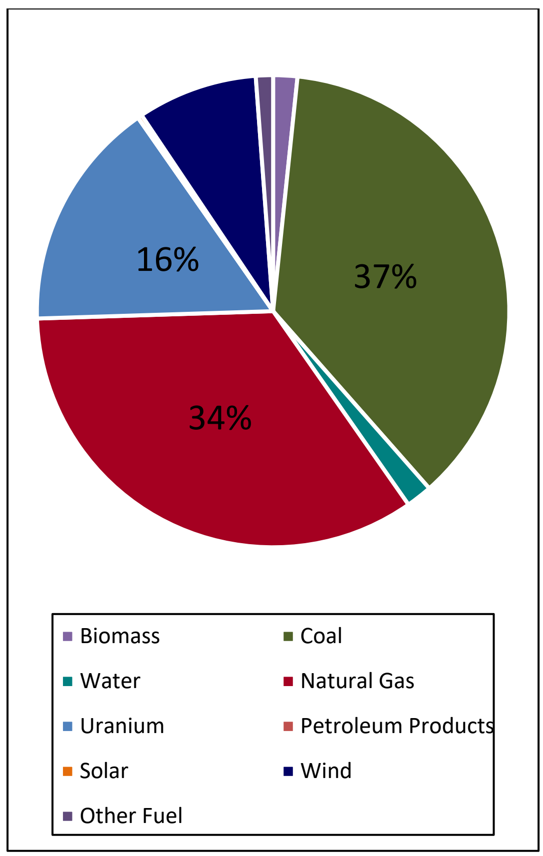
Figure 4-1: MISO Market Area



MISO has a wide range of capacity and energy resources including fossil fuel, renewable, and nuclear generation. The capacity and energy mix of resources within MISO for 2019 is presented in Figure 4-2.

Figure 4-2: MISO 2019 Summer Capacity (MW) and Generation (%) by Fuel Type





MISO South is more heavily based on natural gas resources compared to the other two MISO regions, which rely more heavily on coal-fired resources. MISO North has the most extensive wind generation within the MISO footprint.

Utilities typically acquire all their energy from the market and sell energy from their resources into the market when it is accepted for dispatch, rather than self-scheduling resources. LUS has retained The Energy Authority ("TEA") as its power and fuel marketer. TEA is registered as the market participant for LUS. TEA has the responsibility to assist LUS in developing a strategy for procuring and selling energy within the MISO market.

To provide sufficient capacity near load centers, MISO is divided into nine Local Resource Zones ("LRZ"), as presented in Figure 4-3 below. A utility must obtain enough capacity within its LRZ to meet MISO's requirements. LUS is in LRZ 9.

Figure 4-3: MISO Load Resource Zones[1]

Recently, wholesale energy prices have remained low due to several factors including relatively low load growth, significant addition of wind resources (MISO had 20.5 GW of wind installed as of June 30, 2019)[2], and low price of natural gas. According to LUS, the 2020 load cost were some of the lowest that the utility had experienced in the last decade. As discussed above, LUS dispatches its power generating facility into the MISO market. Table 4-4 presents the historical electric generation for each plant.

[1] MISO, *2020/2021 Planning Resource Auction (PRA) Results*, April 2020, https://cdn.misoenergy.org/2020-2021%20PRA%20Results442333.pdf
[2] MISO, *Planning Year 2020-2021 Wind & Solar Capacity Credit*, December 2019, https://cdn.misoenergy.org/2020%20Wind%20&%20Solar%20Capacity%20Credit%20Report408144.pdf

Table 4-4: Electric Generation by Plant (MWh)

	2016	2017	2018	2019	2020
T.J. Labbe	13,423	16,738	17,974	13,755	17,976
Hargis Hebert	21,848	22,972	22,928	22,934	21,807
Rodemacher Unit 2	797,928	825,089	1,062,984	1,045,878	656,054
Total Generation	833,199	864,799	1,103,886	1,082,567	695,837

4.2.2 T.J. Labbe Plant

4.2.2.1 Plant Description

The T.J. Labbé Plant began commercial operation in 2005 and consists of two General Electric ("GE") simple cycle LM6000 PC aeroderivative combustion turbines. The turbines each have a nominal net output of 48 MW each. The turbines utilize GE's Spray Intercooling ("SPRINT") system. The SPRINT system works by spraying atomized water directly into the air stream in the compressor stages to cool the air and increase the mass flow through the turbine, thereby increasing the electrical output of the generator. The combustion turbines also utilize water injection to control nitrous oxides ("NOx") emissions.

The combustion turbines use natural gas as the fuel source, which is supplied by the TransCanada interconnect pipeline. T.J. Labbé has three 50 percent gas compressors on site, but they are not used as gas supply pressure to the site is sufficient to run the combustion turbines without compression.

To improve combustion turbine performance during warmer weather conditions, each unit is also equipped with an inlet chiller system. A Turbine Air Systems ("TAS") chiller system provides chilled water to coils in the inlet filter house to cool inlet air entering the turbine, thereby increasing the mass flow through the turbine, and increasing power output. The chiller can cool the inlet air down to 48°F for optimum performance up to an ambient temperature of 90°F.

The exhaust stacks are equipped with continuous emission monitoring system ("CEMS") to ensure that the turbines comply with emissions limits.

The facility is equipped with a 600-kW emergency generator that provides black start capability.

4.2.2.2 Performance and Statistics

The LM6000 is a proven machine with years of operating experience. The first LM6000 turbine was installed in 1992 and the 1,200 units installed world-wide have logged over 39 million operating hours. The LM6000 PC can start and reach based load within 10 minutes. The turbines also have the capability of ramping at 50 MW/min. The flexible operating profile makes these combustion turbines ideal units to service peak demand loads. Table 4-5 and Table 4-6 present the historical operating statistics for the last five years for T.J. Labbé.

Table 4-5: Unit 1 Historical Operating Statistics

Generation Statistics	2016	2017	2018	2019	2020	5-year Average
Gross Generation (MWh)	7,545	10,648	12,084	8,848	9,377	9,700
Net Generation (MWh)	5,934	9,998	11,494	8,128	8,779	8,867
Average Heat Rate (Btu/kWH) (Note 1)	12,976	11,353	10,702	13,425	12,661	12,404
Unit Capacity Factor (%)	1.4%	2.4%	2.6%	2.2%	2.4%	2.2%
Unit Service Factor (%)	3.5%	5.5%	5.6%	4.5%	4.7%	4.7%
Unit Starts	40	52	51	73	63	56
Availability Factor (%)	86.1%	95.2%	87.1%	92.6%	93.9%	91.0%
Forced Outage Rate (%)	2.6%	1.2%	1.5%	0.0%	0.2%	1.1%

Note 1: Average Heat Rate is for the entire T.J. Labbé plant and not specific to Unit 1.

Table 4-6: Unit 2 Historical Operating Statistics

Generation Statistics	2016	2017	2018	2019	2020	5-year Average
Gross Generation (MWh)	7,690	8,228	8,143	8,586	9,634	8,456
Net Generation (MWh)	6,234	6,741	6,749	7,079	8,082	6,977
Average Heat Rate (Btu/kWH) (Note 1)	12,976	11,353	10,702	13,425	14,464	12,404
Unit Capacity Factor (%)	1.4%	1.6%	1.9%	2.2%	2.3%	1.9%
Unit Service Factor (%)	3.5%	4.6%	5.0%	4.3%	4.8%	4.5%
Unit Starts	44	54	45	72	70	57
Availability Factor (%)	88.0%	83.8%	59.9%	93.2%	97.6%	84.5%
Forced Outage Rate (%)	23.3%	71.6%	86.8%	0.0%	2.2%	36.8%

Note 1: Average Heat Rate is for the entire T.J. Labbé plant and not specific to Unit 2.

The historical performance data from T.J. Labbé are in line with typical industry benchmarks for similar type units. Overall, the reliability and availability of the units is considered good.

4.2.2.3 Recent and Planned Upgrades and Maintenance

LUS has chosen to perform the major maintenance inspections more frequently than the original recommendation by GE due to feedback from other LM6000 owners in the industry. Plant personnel indicated that the combustion turbines undergo a borescope inspection twice a year, once in Spring and once in Fall. It is also documented that units will receive a borescope inspection if there is a trip where the cause is not readily known. Hot section exchanges ("HSE") are scheduled every 15,000 hours instead of the original recommendation of 25,000 hours. The major overhauls are scheduled every 30,000 hours instead of the original recommendation of 50,000 hours. Variable stator vane ("VSV") bushings are changed every 10,000 hours instead of the original recommendation of 12,500 hours. High pressure combustion ("HPC") stage 1 blades are changed every 15,000 hours and the HPC stage 3-5 blades are changed every 1,000 starts. Although the more frequent major maintenance activities result in a higher O&M cost for the facilities, the low number of operating hours per year for each of the units means that each unit has only undergone one HSE to date and no major overhauls have been completed.

LUS has also continued to perform regular maintenance on the balance of plant equipment at T.J. Labbé. This includes upgrades to the chiller system such as motor overhauls (completed one chiller motor overhaul in 2020 and plan to complete one per year) and modifications to chiller coils to improve the ability to quickly drain and refill to prevent coil leaks due to freezing. LUS has also focused on painting various equipment and structures to prevent corrosion.

4.2.2.3.1 T.J. Labbé Unit 1

In Spring of 2020, the Unit 1 combustion turbine was sent to a GE facility to undergo upgrades to the air oil seals on the compressor side bearings. The unit was experiencing low oil pressure and higher vibration. This is an upgrade that the other LM6000 units in LUS's fleet have all already undergone. The unit was out of service for approximately two weeks. Unit 1 also had the fall borescope inspection conducted by TransCanada Turbines on November 4, 2020. At the time of the inspection, Unit 1 had experienced 1,001 fired starts and 20,992 fired hours. During the borescope inspection, the inlet/compressor, combustion, turbine, and exhaust sections were evaluated. All sections were considered serviceable, and no major concerns were noted.

The Unit 1 combustion turbine also received a hot section exchange inspection in 2013. At the time of the inspection, the unit had experienced 17,520 fired hours and 548 fired starts. During the inspection, the HPT rotor assembly, and the stage 1 and 2 nozzle assemblies were replaced. The combustor has no visual defects detected. The combustor for Unit 1 was previously replaced in 2011 when the unit was at 16,784 fired hours and 477 fired starts.

The unit has not yet received a major overhaul given its limited operating hours. The first major overhaul is planned for 30,000 hours.

4.2.2.3.2 T.J. Labbé Unit 2

In 2020, the Unit 2 combustion turbine underwent a borescope inspection in the Spring and in the Fall. The Spring borescope inspection was conducted by GE and the Fall borescope inspection was conducted by TransCanada Turbines. At the time of the Spring inspection, Unit 2 had experienced 1,012 fired starts and 14,105 fired hours. At the time of the Fall inspection, Unit 2 had experienced 1,080 fired starts and 14,521 fired hours. During each borescope inspection, the inlet/compressor, combustion, turbine, and exhaust sections were evaluated. All sections were considered serviceable, and no major concerns were noted.

Unit 2 combustion turbine also received a hot section exchange inspection in 2015. At the time of the inspection, the unit had experienced 12,475 fired hours and 729 fired starts. During the inspection, the engine was shipped to Houston to receive a hot section replacement. The combustion chamber, the HPT rotor, and the stage 1 and 2 nozzle assemblies were also replaced. A new VBV expansion joint was installed.

The turbine was sent to a GE facility to undergo improvements to the air oil seals in Spring 2017. The unit has not yet received a major overhaul given its limited operating hours. The first major overhaul is planned for 30,000 hours.

4.2.2.4 Fuel Supply

Natural gas is delivered to T.J. Labbé at pressures in the range of 675 psig plus or minus 20 psig. As such, the three 50 percent natural gas compressors at Labbe are not needed and have been permanently bypassed and decommissioned in Spring 2017. The natural gas is delivered through a fuel gas strainer, gas flow meter, a primary and secondary shut off valve, a fuel gas manifold, and goes to the fuel nozzles.

Natural gas from the TransCanada pipeline is procured on behalf of LUS by The Energy Authority (TEA) who also bids the units in as MISO market participants. The quantity and price of gas is determined daily based on day-ahead nominations. T.J. Labbé does not have firm gas supply.

4.2.2.5 Water Supply

Water treatment at each site consists of chemical treatment, granular activated carbon ("GAC") pre-filtration, cartridge filtration, reverse osmosis, and mixed bed demineralizer systems. The water treatment system is used to meet the facilities' 143 gpm makeup water requirement for lost system water due to chiller cooling towers, water injection for NOx control, and for the SPRINT system.

City water supply is delivered under pressure to the inlet of the pre-filtration skid. Prior to entering the filtration system, the feed water supply is dosed with sodium meta bi-sulfite to remove chlorine. The GAC filter removes organic matter and any residual chlorine from the feed water supply prior to its use in the reverse osmosis system. The reverse osmosis system removes most of the dissolved solids from the feed water by using a high-pressure pump to force water through a membrane that removes contaminants. Each reverse osmosis train consists of two passes. The second pass outlet is tied to a mixed bed demineralizer which removes the remaining dissolved solids and silica from the feed water. The demineralized ("demin") water is stored in a 180,000-gallon storage tank at each site. Each site contracts with a third party to regenerate the mixed bed and carbon filters.

Additionally, T.J. Labbé has wastewater discharge restrictions, so there is a wastewater storage tank on site that manages the discharge.

4.2.2.6 Plant Transmission Delivery

Power at T.J. Labbé is generated by two 72 megavolt amperes ("MVA"), 13.8 kilovolts ("kV") turbine generators. Each generator sends electricity to a generator step-up ("GSU") transformer via cable bus systems. The GSUs at T.J. Labbé step the 13.8 kV power up to 230 kV. Each of the turbine generators also send electrical power to auxiliary transformers that drop the voltage down to 4.16 kV. The 4.16 kV from the auxiliary transformers is sent to the medium voltage ("MV") switchgear where it is relayed to the station service transformers and the chiller system. The station service transformers further step down the voltage from 4.16 kV to 480 kV for station auxiliaries such as fans, pumps, and motors.

4.2.2.7 Plant Staffing and Operations

The facility is staffed 24 hours per day, 7 days a week, but can also be started and monitored remotely at the Hargis-Hébert facility.

4.2.2.8 Environmental Permits and Compliance

The Labbé plant holds current air permits for Title V and Acid Rain, as shown in Table 4-7. The Acid Rain permit requires quarterly reports on emissions of NO_x, sulfur dioxide ("SO_2"), and carbon dioxide ("CO_2"). NO_x from the turbines is measured by CEMS with annual CEMS Relative Accuracty Testing Audit ("RATA") testing. The turbines are classified as "gas-fired" under Acid Rain since fuel oil combustion is less than 10 percent of the annual capacity. However, the turbines may exceed this 10 percent threshold and become classified as "oil-fired." Additional monitoring would be required as "oil-fired" units. However, the units do not currently have the ability to operate using fuel oil.

The Title V permit includes limits that make the facility a minor source for the Prevention of Significant Deterioration ("PSD") program by limiting emissions of CO and NO_x. The facility is a minor source of HAPs. The two turbines can burn natural gas, and the one black start generator burns fuel oil. The permit allows the facility to operate as a peaking plant, meaning that while actual emissions are low, the permit allows for significant operation as needed as long as the ton per year limits are not exceeded (239.11 tpy CO and 241.37 tpy NO_x). Actual emissions for 2020 were less than 10 tons NO_x. The Title V permit allows fuel oil operation even though the turbines are not capable of burning fuel oil without a physical modification.

As presented in Table 4-8, Labbé holds sufficient allowances for its 2020 emissions under the Cross State Air Pollution Rule ("CSAPR") for the May to September ozone season. A separate CSAPR permit is not required. Excess allowances from Bonin were transferred to Labbé.

No excess emission events occurred in 2020 and no Notice of Violations ("NOVs") were issued. All required quarterly, semi-annual, and annual reports were submitted. Deviations were reported for data availability occurred several times in 2020.

Table 4-7: T. J. Labbé Air Permits

Permit Description	Permit Number	Issue Date	Expiration Date	Renewal Application Deadline
Title V Operating Permit	1520-00128-V4	August 23, 2018	August 23, 2023	February 23, 2023
Acid Rain Permit	1520-00128-IV3	August 23, 2018	August 23, 2023	February 23, 2023

Source: LUS

Table 4-8: T. J. Labbé Emission Allowances

NO_x Allowances Held (tons)	2020 Ozone Season NO_x Emissions (tons)	SO_2 Allowances Held
661	4	1067

Source: LUS

4.2.3 Hargis-Hebert Plant

4.2.3.1 Plant Description

Hargis-Hébert began commercial operation in 2006 and is nearly identical to T.J. Labbé. Hargis-Hebert consists of two GE simple cycle LM6000 PC aeroderivative combustion turbines. The turbines each have a nominal net output of 48 MW each. The turbines utilize GE's SPRINT system for increased power output and water injection to control NOx emissions.

The combustion turbines use natural gas as the fuel source, which is supplied by the Gulf South pipeline. Gas supply pressure to the site is sufficient to run the combustion turbines without compression.

To improve combustion turbine performance during warmer weather conditions, each unit is also equipped with an inlet chiller system. A TAS chiller system is capable of cooling the inlet air down to 48°F for optimum performance up to an ambient temperature of 90°F.

The exhaust stacks are equipped with CEMS to ensure that the turbines comply with emissions limits.

The facility is equipped with a 600-kW emergency generator that provides black start capability.

4.2.3.2 Performance and Statistics

Table 4-9 and Table 4-10 present the historical operating statistics for the last five years for Hargis-Hebert.

Table 4-9: Unit 1 Historical Operating Statistics

Generation Statistics	2016	2017	2018	2019	2020	5-year Average
Gross Generation (MWh)	8,805	12,882	12,613	14,088	12,876	12,253
Net Generation (MWh)	7,593	12,168	11,822	13,494	12,301	11,476
Average Heat Rate (Btu/kWH) (Note 1)	12,853	12,064	11,354	11,956	13,438	12,333
Unit Capacity Factor (%)	1.7%	2.9%	3.0%	3.7%	3.2%	2.9%
Unit Service Factor (%)	4.6%	6.5%	7.8%	6.5%	5.9%	6.3%
Unit Starts	45	63	51	91	63	63
Availability Factor (%)	66.1%	83.7%	94.5%	90.7%	94.0%	85.8%
Forced Outage Rate (%)	82.5%	17.7%	1.8%	0.3%	0.0%	20.5%

Note 1: Average Heat Rate is for the entire Hargis-Hebert plant and not specific to Unit 1.

Table 4-10: Unit 2 Historical Operating Statistics

Generation Statistics	2016	2017	2018	2019	2020	5-year Average
Gross Generation (MWh)	15,207	12,318	12,429	12,571	9,008	12,307
Net Generation (MWh)	12,986	10,809	10,906	11,000	7,638	10,668
Average Heat Rate (Btu/kWH) (Note 1)	12,853	12,064	11,354	11,956	13,438	12,333
Unit Capacity Factor (%)	3.0%	2.7%	2.9%	3.5%	2.4%	2.9%
Unit Service Factor (%)	7.9%	7.0%	7.6%	6.7%	4.6%	6.8%
Unit Starts	72	59	50	88	55	65
Availability Factor (%)	93.2%	94.2%	94.3%	87.6%	91.6%	92.2%
Forced Outage Rate (%)	18.0%	17.6%	0.0%	0.0%	0.0%	7.1%

Note 1: Average Heat Rate is for the entire Hargis-Hebert plant and not specific to Unit 2.

The historical performance data from Hargis-Hebert are in line with anticipated values that Burns & McDonnell has observed in the industry. Overall, the reliability and availability of the units are considered to be good.

4.2.3.3 Recent and Planned Upgrades and Maintenance

LUS has chosen to perform the major maintenance inspections more frequently than recommended by GE due to feedback from other LM6000 owners in the industry. Inspection schedules are the same as for T.J. Labbé. Due to safety concerns related to COVID-19, LUS chose to cancel spring borescope inspections at Hargis-Hebert. This decision was discussed with GE and due to the relatively low number of starts and run-hours it was determined to be a low risk. Normal fall borescopes were completed.

LUS has also continued to perform regular maintenance on the balance of plant equipment at Hargis-Hebert. This includes upgrades to the chiller system such as motor overhauls and modifications to chiller coils to improve the ability to quickly drain and refill to prevent coil leaks due to freezing. LUS has also focused on painting various equipment and structures to prevent corrosion.

4.2.3.3.1 Hargis-Hebert Unit 1

In Fall of 2020, the Unit 1 combustion turbine underwent a borescope inspection conducted by GE on October 22, 2020. At the time of the inspection, Unit 1 had experienced 1,228 fired starts and 18,738 fired hours. During the borescope inspection, the inlet/compressor, combustion, turbine, and exhaust sections were evaluated. All sections were considered serviceable and no major concerns were noted.

The Unit 1 combustion turbine also received a hot section exchange inspection in 2013. At the time of the inspection, the unit had experienced 14,917 fired hours and 870 fired starts. During the inspection, the hot section was replaced except for the combustion chamber.

The unit has not yet received a major overhaul given its limited operating hours. The first major overhaul is planned for 30,000 hours.

4.2.3.3.2 Hargis-Hebert Unit 2

In Fall of 2020, the Unit 1 combustion turbine underwent a borescope inspection conducted by GE on October 21, 2020. At the time of the inspection, Unit 2 had experienced 1,309 fired starts and 18,043 fired hours. During the borescope inspection, the inlet/compressor, combustion, turbine, and exhaust sections were evaluated. All sections were considered serviceable, and no major concerns were noted.

In 2012, Unit 2 received a hot section exchange performed by GE. At the time of the inspection, Unit 2 had experienced 14,680 operating hours and an unreported number of starts. The whole hot section was overhauled for the inspection. Repairs were made to the gaskets and oil pumps, and the unit was returned to good operating condition.

The unit has not yet received a major overhaul given its limited operating hours. The first major overhaul is planned for 30,000 hours.

4.2.3.4 Fuel Supply

Natural gas is delivered to Hargis-Hebert at pressures in the range of 675 psig plus or minus 20 psig. Hargis-Hebert does not have compressors, but the plant does have dew point heaters. The natural gas is delivered through a fuel gas strainer, gas flow meter, a primary and secondary shut off valve, a fuel gas manifold, and goes to the fuel nozzles.

Natural gas from the Gulf South pipeline is procured on behalf of LUS by TEA who also bids the units in as MISO market participants. The quantity and price of gas is determined daily based on day-ahead nominations. Hargis-Hebert does not have firm gas supply.

4.2.3.5 Plant Transmission Delivery

Power is generated by two 72 MVA, 13.8 kV turbine generators. Each generator sends electricity to a GSU transformer via cable bus systems. The GSUs at Hargis-Hebert step the 13.8 kV power up to 69 kV. Each of the turbine generators each also send electrical power to auxiliary transformers that drop the voltage down to 4.16 kV. The 4.16 kV from the auxiliary transformers is sent to the MV switchgear where it is relayed to the station service transformers and the chiller system. The station service transformers further step down the voltage from 4.16 kV to 480 kV for station auxiliaries such as fans, pumps, and motors.

4.2.3.6 Water Supply

Water treatment at each site consists of chemical treatment, GAC pre-filtration, cartridge filtration, reverse osmosis, and mixed bed demineralizer systems. The water treatment system is used to meet the facilities' 143 gpm makeup water requirement for lost system water due to cooling towers, water injection for NOx control and for the SPRINT system.

At each site, the city water supply is delivered under pressure to the inlet of the pre-filtration skid. Prior to entering the filtration system, the feed water supply is dosed with sodium meta bisulfite to remove chlorine. The GAC filter removes organic matter and any residual chlorine from the feed water supply prior to its use in the reverse osmosis system. The reverse osmosis system removes most of the dissolved solids from the feed water by using a high-pressure pump to force water through a membrane that removes contaminants behind. Each reverse osmosis train consists of two passes. The second pass outlet is tied to a mixed bed demineralizer which removes the remaining dissolved solids and silica from the feed water. The demin water is stored in a 180,000-gallon storage tank. Each site contracts with a third party to regenerate the mixed bed and carbon filters. Due to low water pressures, the City has recently added a well near the Hargis-Hebert site that is untreated. The location of the well causes a higher percentage of untreated water to be supplied to Hargis-Hebert and the conductivity of the water is too high for the reverse osmosis system. Hargis-Hebert has recently installed carbon filters and green sand filters to manage to conductivity.

4.2.3.7 Plant Staffing and Operations

The facility is staffed 24 hours per day, 7 days a week, but can also be started and monitored remotely at the T.J. Labbe facility

4.2.3.8 Environmental Permits

The Hargis-Hebert plant holds current air permits for Title V and Acid Rain, as shown in Table 4-11. The Acid Rain permit requires quarterly reports on emissions of NO_x, SO_2, and CO_2. NO_x from the turbines is measured by CEMS with annual CEMS RATA testing. The turbines are classified as "gas-fired" under Acid Rain since fuel oil combustion is less than 10 percent of the annual capacity. However, the turbines may exceed this 10 percent threshold and become classified as "oil-fired." Additional monitoring would be required as "oil-fired" units. However, the units do not currently have the ability to operate using fuel oil.

The Title V permit includes limits that make the facility a minor source for the PSD program by limiting emissions of CO and NO_x. The facility is a minor source of HAPs. The two turbines can burn natural gas, and the one black start generator burns fuel oil. The permit allows the facility to operate as a peaking plant, meaning that while actual emissions are low, the permit allows for significant operation as needed as long as the ton per year limits are not exceeded (239.11 tpy CO and 241.37 tpy NO_x). Actual emissions for 2020 were less than 13 tons NO_x. The Title V permit allows fuel oil operation even though the turbines are not capable of burning fuel oil without a physical modification.

As shown in Table 4-12, Hargis-Hebert holds sufficient allowances for its 2020 emissions under the CSAPR for the May to September ozone season. A separate CSAPR permit is not required. Excess allowances from Bonin were transferred to Hargis-Hebert.

LDEQ conducted a Title V permit inspection on June 19, 2020, which resulted in finding three areas of concern from operations in 2019 (related to calibration gases and natural gas sampling) and a warning letter. No excess emission event occurred in 2020 and no NOVs were issued. All required quarterly, semi-annual, and annual reports were submitted. Deviations were reported for data availability in February and in June of 2020.

Table 4-11: Hargis-Hebert Air Permits

Permit Description	Permit Number	Issue Date	Expiration Date	Renewal Application Deadline
Title V Operating Permit	1520-00128-V4	August 17, 2018	August 17, 2023	February 17, 2023
Acid Rain Permit	1520-00131-IV3	August 17, 2018	August 17, 2023	February 17, 2023

Source: LUS

Table 4-12: Hargis-Hebert NOx Emission Allocations

NO_x Allowances Held (tons)	2020 Ozone Season NO_x Emissions (tons)	SO_2 Allowances Held
617	4	1,223

Source: LUS

4.2.4 Rodemacher Unit 2

4.2.4.1 Plant Description

Rodemacher Unit 2 is a coal-fired steam electric generating unit located at the Brame Energy Center in Lena, Louisiana with an output of approximately 523MW (gross). Rodemacher Unit 2 entered commercial operation in 1982 and is jointly owned by LPPA (50 percent), Cleco (30 percent), and LEPA (20 percent). LPPA's ownership share of Rodemacher Unit 2 is 261.5 MW of capacity and the related energy output. Rodemacher Unit 2 is operated by Cleco, but each owner dispatches their share of the total capacity. Each owner self-schedules Rodemacher Unit 2 at minimum load and then economically dispatches the remaining capacity into the MISO market. LPPA has a power sales contract with the City of Lafayette in which the City agrees to purchase all of LPPA's share of the capacity and energy produced by Rodemacher Unit 2.

The Joint Ownership Agreement defines the LPPA's authority regarding decision making and operation of Rodemacher Unit 2. Cleco is required to provide relevant information to the Joint Owners regarding finances, operations, and future decisions. The Joint Owners require more than 50 percent ownership approval for any major changes regarding operations or finances. LPPA's 50 percent ownership stake provides the authority to reject major changes or request further analysis. This reduces the risk of the other owners could make changes that would adversely impact LPPA. The Joint Owners Agreement is effective through June 30, 2032.

Rodemacher Unit 2 generates electric power using a pulverized coal-fired, natural circulation, reheat boiler manufactured by Foster Wheeler. The boiler has a maximum continuous rating ("MCR") of 3,800,000 pounds per hour ("lb/hr") of steam at the superheater outlet pressure of 2,620 pounds per square inch gauge ("psig") and temperature of 1,005 degrees Fahrenheit ("°F"). The reheater is designed for an operating temperature of 1,005°F. The coal arrives on site via rail with rotary dump cars. Coal is prepared for the boiler by 5 roller wheel coal mills.

The boiler has a balanced draft furnace with combustion air being supplied by two 50 percent forced draft fans. The boiler was initially designed to burn various types of coal and natural gas, but primarily burns Powder River Basin ("PRB") coal and starts up on natural gas. Rodemacher Unit 2 has one motor driven startup boiler feed pump capable of allowing the unit to achieve approximately 330 MW and one 100 percent capacity turbine driven boiler feed pump capable of operating between minimum load and full load. Feedwater and condensate are heated to economizer inlet conditions utilizing four low pressure ("LP") feed water heaters ("FWHs"), a deaerator ("DA"), and two high pressure ("HP") feedwater heaters. Rodemacher Unit 2 also utilizes a GE steam turbine generator ("STG"), which is a four casing, single reheat, tandem compound, four flow condensing unit. The generators are rated at 496 MVA. Cooling water for the Units is circulated through a two-shell single pass condenser. Cooling water for the steam turbine condenser and closed cooling water system is supplied by Lake Rodemacher. Lake Rodemacher is a man-made lake built specifically for Brame Energy Center.

For emissions controls, Rodemacher Unit 2 utilizes a selective non-catalytic reduction ("SNCR") system with urea injection for NO_x reduction and an electro-static precipitator ("ESP") for 99.5 percent removal of fly ash. Rodemacher Unit 2 also uses a dry sorbent injection system for acid gas control and added a fabric filter baghouse for additional particulate emissions controls to comply with EPA Mercury and Air Toxic Standards ("MATS") requirements.

4.2.4.2 Performance and Statistics

Table 4-13 summarizes the historical operating statistics for the last five years for Rodemacher Unit 2.

Table 4-13: Rodemacher Unit 2 Historical Operating Statistics

Generation Statistics	2016	2017	2018	2019	2020	5-year Average
Gross Generation (MWh)	1,855,018	1,987,052	2,555,929	2,532,781	1,614,522	2,109,060
Net Generation (MWh)	1,598,556	1,734,980	2,278,751	2,269,151	1,394,805	1,855,249
Average Heat Rate (Btu/kWH)	11,896	11,524	11,385	11,085	12,263	11,631
Unit Capacity Factor (%)	36.7%	40.0%	52.7%	52.6%	32.2%	42.8%
Availability Factor (%)	83.2%	75.6%	89.5%	90.1%	70.7%	81.8%
Forced Outage Rate (%)	2.4%	9.5%	3.2%	2.4%	4.0%	4.3%

Source: LPPA Manager's Monthly Reports

Rodemacher Unit 2 has been a relatively reliable unit with average Forced Outage Rates over the last five years less than five percent. In 2020, the forced outage rate was in line with previous years, but the capacity factor for the unit was lower. The reduction in capacity factor is partially due to lower market pricing in MISO which has been due to low natural gas prices. Another contributing factor was an extended planned outage that occurred in September and October.

4.2.4.3 Recent and Planned Upgrades and Maintenance

A major steam turbine inspection is scheduled every six years, which is in line with industry standards. Rodemacher Unit 2 underwent a major steam turbine overhaul in the fall of 2020. This included maintenance activities associated with the main turbine values, inspection of turbine components, and replacing a row of LP turbine blades. The total outage duration was 102 days.

Rodemacher Unit 2 has continued to monitor and maintain the boiler tubes and duct work. The last boiler chemical clean was in 2016. Tube samples are taken annually to determine when chemical cleaning is needed. The drum is inspected annually, and no major issues have been found.

The site is attempting to reduce or eliminate copper in the condensate and feedwater system which has caused copper deposition in the HP turbine. Feedwater heaters 3, 4, 6, and 7 have been replaced with stainless steel tubes and feedwater heaters 1 and 2 are still copper nickel alloy. There are plans to replace FWHs 1 and 2 in 2021.

The condenser is manually cleaned during each spring outage and is backwashed every other week.

No major maintenance activities are planned for the next few years.

4.2.4.4 Fuel Supply and Ash Handling

The Joint Owners purchase coal from Arch Coal Sales, Inc., Navajo Transitional Energy Company ("NTEC"), and Peabody COALSALES, LLC. The coal is sourced from the Powder River Basin in Wyoming. LPPA owns two unit-trains for rail transportation to the facility. The existing contracts allow the coal to either be rejected or allows for a price adjustment if the heat content is too low or the sulfur content is too high. The bottom ash and fly ash from Rodemacher Unit 2 is removed from site by truck and sold for beneficial reuse by Charrah, Inc. The Joint Owners have an agreement with Charrah through 2025.

4.2.4.5 Plant Transmission Delivery

Rodemacher Unit 2 sends electric power from the switch station via five transmission lines, all of which operate at 230kV. The transmission lines service Clarence, Leesville, Rapides, Sherwood, and St. Landry. LUS has had firm transmission agreement for the plant since it was commissioned. LUS has decided to terminate the firm transmission agreement with Cleco and will save $6 million to $7 million per year. LUS provided notice three years ago. LUS will have a slight increase in network integrated transmission service ("NITS"), but expects to save a significant amount from this change. This will happen in FY 2021. NITS is not expected to increase any more than $1 million per year. The net savings from this is $4 million to $5 million per year. This transmission savings is O&M savings.

4.2.4.6 Water Supply

Water is supplied from Lake Rodemacher. The water is pretreated with ultra-filtration ("UF") and then sent through a RO and a demineralizer. There are two 250,000-gallon aluminum tanks that hold the demin water. Hydrazine and phosphate are used to treat boiler water in the drum. The lake is self-contained and is not subject to 316.B requirements.

4.2.4.7 Plant Staffing and Operations

Cleco provides maintenance and operations staffing for Rodemacher Unit 2. The unit is staffed 24 hours a day, 7 days a week.

4.2.4.8 Future Decommissioning and Conversion

Rodemacher Unit 2 would require significant modifications by 2027 in order to comply with CCR and ELG rules and continue to operate utilizing coal. Due to the cost associated with these modifications, the Joint Owners have decided that prior to the required compliance date, Rodemacher Unit 2 will stop utilizing coal in the future. The Joint Owners are still evaluating whether Rodemacher Unit 2 should be retired or converted to burn natural gas. Either alternative is expected to be a major expenditure and LUS would be responsible for 50 percent of the total cost.

4.2.4.9 Environmental Permits and Compliance

4.2.4.9.1 EPA Clean Air Act Greenhouse Gas Regulation

On January 19, 2021, the United States Court of Appeals for the District of Columbia Circuit vacated the Trump Administration's Affordable Clean Energy ("ACE") Rule, which had in turn replaced the Clean Power Plan ("CPP") of the Obama Administration. The Biden Administration is expected to start fresh in implementing its own climate change agenda. No drafts have been proposed at this time.

4.2.4.9.2 New Source Performance Standards

New Source Performance Standards ("NSPS") for Greenhouse Gas Emissions for Electric Generating Units (40 CFR Subpart TTTT) does not apply to Rodemacher 2 since it did not commence construction after January 8, 2014.

4.2.4.9.3 Environmental Permits and Compliance

Table 4-14 summarizes the key environmental permits for Rodemacher Unit 2.

Table 4-14: Rodemacher Unit 2 Key Permits

Permit Description	Permit Number	Regulatory Authority[1]	Expiration Date	Renewal Application Deadline
Title V Operating Permit	2360-00030-V4	LDEQ	February 20, 2024	August 20, 2022
Acid Rain Permit	2360-00030-IV5	EPA	February 20, 2024	August 20, 2022
LPDES Permit[2]	LA0008036	LDEQ	September 30, 2019	Submitted March 13, 2019
Solid Waste Standard Type I Permit (metal cleaning waste pond, bottom ash pond, and fly ash pond)	P-0005R1	LDEQ	November 18, 2026	Must renew every 10 years.
Solid Waste Standard Type I (coal sedimentation pond)	P-0062R1	LDEQ	November 18, 2026	Must review every 10 years.
Radioactive Material License	LA-3719-L01	LDEQ	May 31, 2023	30 calendar days prior to expiration
Spill Prevention, Control, and Countermeasure ("SPCC") Plan	N/A	EPA	Last revised December 2019	Plan review must be completed every 5 years.
Hazardous Waste Generator ("RCRA")[3]	LAD071941611	EPA	N/A	N/A

Source: LUS
[1] LDEQ = Louisiana Department of Environmental Quality, EPA = U.S. Environmental Protection Agency
[2] Facility operating under existing Louisiana Pollution Discharge Elimination System (LPDES) permit (administratively continued)
[3] RCRA = Resource Conservation and Recovery Act

4.2.4.9.4 National Ambient Air Quality Standards

The Clean Air Act requires EPA to set National Ambient Air Quality Standards ("NAAQS") for pollutants that are common in outdoor air, considered harmful to public health and the environment. Rapides Parish is currently designated as attainment for all criteria pollutants; however, the Parish to the south (Evangeline) is non-attainment for SO_2. EPA updates the NAAQS every five years. The $PM_{2.5}$ NAAQS is the subject of current scientific inquiry and a reduction of the standard is possible during the next review. A lowering of the $PM_{2.5}$ NAAQS would create new non-attainment areas and could affect the operation of any coal-fired boiler.

4.2.4.9.5 Air Emissions and Opacity Limitations

Unit 2 operates utilizing coal, natural gas, and number 6 fuel oil to generate up to 523 MW (gross). Emissions are controlled by activated carbon injection, dry sorbent injection, fabric filter baghouse, and a selective non-catalytic reduction control device.

SO_2 and NO_2 emissions are covered in the Acid Rain permit. Emissions are lower than the limits, as presented in Table 4-15 and Table 4-16. The SO_2 limit was lowered to comply with the Regional Haze Rule State Implementation Plan. Emissions controls were added to comply with CSAPR and MATS. The SNCR has been installed and is used during the ozone season (May 1to September 30). Rodemacher received 995 tons for the NO_x ozone season allocations in 2020. For 2021, 2022, and 2023 Rodemacher 2 will only receive 875 NO_x ozone season allocations. LUS will monitor the run hours during the ozone season to stay below the allocations issued to LPPA. LPPA should have approximately 283 allowance in the bank prior to distribution of 2021.

The final CSAPR changes were signed March 15, 2021, which encourage plants to increase use of NO_x controls by turning them on more often and/or using more reagent to achieve a lower NO_x rate when they are operating. Rodemacher 2 will likely need to increase use of the SNCR to decrease emissions.

No excess emission event occurred in 2020 and no NOVs were issued. All required quarterly, semi-annual, and annual reports were submitted. Deviations were reported for data availability occurred several times in 2020.

Table 4-15: LPPA Rodemacher Unit 2 SO_2 Emissions

Year	Annual Average (lb/MMBtu)	Permit Limit (lb/MMBtu)	Total Annual (tpy)	Annual Allocation (tpy)
2016	0.28	1.2	3,133	18,212
2017	0.27	1.2	2,887	18,212
2018	0.33	1.2	4,726	18,212
2019	0.24	0.3	3,040	18,212
2020	0.24	0.3	1,649	18,212

Source: LUS

Table 4-16: LPPA Rodemacher Unit 2 NO_2 Emissions

Year	Annual Average (lb/MMBtu)	Permit Limit (lb/MMBtu)	Total Annual (tpy)	Ozone Season (tpy)
2016	0.18	0.46	1,984	868
2017	0.15	0.46	1,581	674
2018	0.22	0.46	3,268	1,488
2019	0.22	0.46	2,706	1,033
2020	0.18	0.46	1,257	699

Source: LUS

4.2.4.9.6 Allocations

Brame Energy Center holds sufficient allowances for its emissions, as shown in Table 4-17.

Table 4-17: Rodemacher Unit 2 Emission Allocations (LUS Portion Only)

NO_x Allowances Held (tons)	2020 Ozone Season NO_x Emissions (tons)	SO_2 Allocations (tons)	2020 SO_2 Emissions (Tons)
497.5	332.37	9,106	795.81

Source: LUS

4.2.4.9.7 Cooling Water Supply and 316(b) Regulation

Cooling tower and boiler makeup water is pumped from a screened water intake structure at Lake Rodemacher. Rainfall and storm water runoff provides makeup to Lake Rodemacher for water lost to evaporation. As determined by LDEQ, Lake Rodemacher is not subject to Section 316(b) of the Clean Water Act because it was constructed to support power generation operations and is not considered "waters of the State."

4.2.4.9.8 Wastewater Discharge Permit

Louisiana Pollutant Discharge Elimination System ("LPDES") Permit No. LA0008036 authorizes the discharge of operational wastewaters and storm water from the Brame Energy Center to surface waters of the State. Although the LPDES Permit expired on September 30, 2019, a timely renewal application was submitted on March 13, 2019, and Cleco provided additional information requested by LDEQ on March 24, 2020. The conditions of the expired permit are administratively continued until the effective date of a new permit, as governed by LAC 33:IX.2321.

The LPDES Permit establishes monitoring, reporting, and recordkeeping requirements for wastewater and storm water discharges, including effluent limitations specific to wastewater types and outfall locations.

Based on review of the EPA ECHO and LDEQ online systems, the facility has no outstanding NOVs or material compliance issues associated with the LPDES Permit.

4.2.4.9.9 Wastewater Effluent Limitation Guidelines

When a 2009 study found the effluent limitation guidelines ("ELGs"), established in 1982, to be ineffective to address metals and other pollutants discharged from steam electric power generating facilities, the EPA finalized new ELGs (40 CFR 423) on September 30, 2015, which focused on wastewater streams generated by coal-fired steam electric plants: flue gas desulfurization ("FGD"), fly ash, bottom ash, flue gas mercury control, and gasification of fuels including coal and petroleum coke. In September 2017, the compliance dates for FGD wastewater and bottom ash transport water ELGs were postponed for two years to allow EPA additional time to review and reconsider the rule for these two effluent streams. However, the November 1, 2018 compliance date for fly ash transport water and flue gas mercury control wastewater remained in effect. Cleco indicated that the ELGs for these two wastewater streams are met with existing plant equipment and procedures.

In November 2019, the EPA issued the 2019 Proposed Revision to the Steam Electric Effluent Guidelines for FGD wastewater and bottom ash transport water, which changed the technology basis for treatment of these effluent streams, revised the voluntary incentives program for FGD wastewater, and added subcategories for high-low facilities, low utilization boilers, and boilers retiring by 2028. The 2019 revision established a December 31, 2023 compliance deadline for bottom ash transport water and a December 31, 2025 compliance deadline for FGD wastewater. These proposed revisions were finalized as the 2020 Steam Electric Reconsideration Rule, were published in the Federal Register on October 13, 2020, and became effective on December 14, 2020.

On December 2, 2020, Cleco notified LDEQ of its intent to comply with the site-specific alternative to initiation of closure due to permanent cessation of a coal-fired boiler by a date certain for the Bottom Ash Pond at the Brame Energy Center, pursuant to 40 CFR § 257.106(i)(18). In accordance with 40 CFR § 257.103(f)(2), Cleco submitted a demonstration seeking to qualify for these alternative closure requirements to the EPA on November 12, 2020. A revised demonstration was submitted to the EPA on November 25, 2020.

On January 8, 2021, Cleco submitted responses to LDEQ's request for additional information, including a copy of Rodemacher Unit 2's Notice of Planned Participation per 40 CFR 423.19(f). As communicated to LDEQ, Cleco plans to permanently cease coal-fired operation of Rodemacher Unit 2, the only unit at the facility that discharges bottom ash transport water, by the third quarter of 2027 in order to achieve complete closure of the associated CCR impoundments prior to the October 17, 2028 CCR Part A deadline. Therefore, the facility would be classified as an Electric Generating Unit ("EGU") Permanently Ceasing Coal Combustion ("PCCC") by December 31, 2028.

As communicated by LDEQ, the final ELGs will be implemented in the renewed LPDES Permit.

4.2.4.9.10 Coal Combustion Residuals

On December 19, 2014, the EPA finalized the Coal Combustion Residuals ("CCR") Rule, and it was published in the Federal Register (40 CFR 257) on April 17, 2015 and became effective on October 14, 2015. Rodemacher Unit 2 has two surface impoundments (Fly Ash Pond and Bottom Ash Pond) subject to the CCR Rule. Because the final CCR Rule classifies coal ash as solid waste rather than hazardous waste, Rodemacher Unit 2 continues to market and sell most of its fly ash and bottom ash for beneficial use. Although the CCR Rule redefined beneficial use, it does not affect beneficial use applications that were initiated before October 2015.

The CCR Rule also establishes minimum criteria for CCR landfills, CCR surface impoundments, and all lateral expansions of CCR units, including location restrictions, liner design criteria, structural integrity requirements, operating criteria, groundwater monitoring and corrective action requirements, closure and post-closure care requirements, and recordkeeping and notification requirements. CCR surface impoundments that do not receive CCR after the effective date of the rule, but still contain water, are still subject to applicable regulatory requirements.

The final CCR Rule required the owner or operator of an existing CCR surface impoundment to document, no later than October 17, 2016, whether the impoundment was constructed to meet the liner requirements included in 40 CFR 257.71. To comply with this requirement, Cleco obtained certification from a qualified professional engineer (Providence Engineering and Environmental Group LLC) attesting that both the Fly Ash Pond and the Bottom Ash Pond meet the requirements of the final CCR Rule. Additionally, a CCR Groundwater Monitoring Program was established to verify the integrity of the pond liners, as required by the CCR Rule.

Annual inspections of the Fly Ash Pond and Bottom Ash Pond were conducted in December 2020 by Providence Engineering and Environmental Group LLC. The Fly Ash Pond inspection found the reservoir to be in satisfactory condition; however, minor corrective actions were noted to be required on the exterior and interior slopes due to ground disturbance caused by feral hogs. The Bottom Ash Pond inspection report states that the reservoir and slopes are in satisfactory condition, and no corrective actions were needed. Annual inspections and maintenance will continue until pond closure is complete.

4.2.4.9.11 Oil Storage and Spill Prevention

The SPCC Plan for the Brame Energy Center was written in accordance with State and Federal regulations, including Title 33, Part IX Chapter 9 of the Louisiana Administrative Code (LAC 33:IX.Chapter 9) and 40 CFR 112. The SPCC Plan establishes operating procedures, best management practices, equipment, and other requirements to prevent the discharge of oil from non-transportation-related onshore and offshore facilities. The SPCC Plan must be reviewed at least every five years and was most recently revised in December 2019.

The Facility Response Plan ("FRP") regulation (40 CFR 112.20) applies to those facilities that may reasonably be expected to cause substantial harm to the environment by discharging oil. The FRP for the Brame Energy Center addresses 40 CFR 112.20.f.1.ii (i.e., those facilities whose total oil storage capacity is greater than or equal to 1 million gallons). LPPA has no ownership interest in, nor liability for, the fuel oil storage tanks on the Brame Energy Center site.

4.2.5 Retired Sites of Bonin and Rodemacher

The Bonin site is retired from electric generation. The Bonin site is the location of the LUS operations center. The Bonin plant still has the existing switchyard and gas transmission line to the site. LUS is considering using the Bonin site for future gas-fired generation, however no final decisions have been made by LUS. Curtis Rodemacher was retired in June 2000 and ongoing site monitoring includes periodic inspections, with asbestos abatement and lead paint removal as required.

4.2.5.1 Environmental

The Acid Rain and Title V permits for the Doc Bonin facility were withdrawn in February 2017. The facility had three EGUs. Unit 1 last operated on June 22, 2011, and was put into cold storage on June 1, 2013. Unit 2 last operated on July 5, 2013, and was put into cold storage on June 29, 2014, and Unit 3 last operated on August 27, 2013, and was put into cold storage on June 29, 2014. CSAPR allowances were transferred to Labbé and Hargis-Hebert. In 2016, MISO agreed to the retirement of Bonin since Units 2 and 3 were not needed for reliability.

LUS submitted a Request for Termination of its LPDES Permit (No. LA0005711), which authorized the discharge of operational wastewaters and stormwater from the Doc Bonin facility, on May 5, 2019. In response, LDEQ issued a letter on August 16, 2019, stating that the LPDES Permit has been allowed to expire, and the permit number has been removed from the LDEQ system. Prior to LPDES Permit termination, LUS applied for permit authorization under LDEQ's Storm Water Multi-Sector General

Permit ("MSGP") for continued coverage of stormwater discharged from the Doc Bonin site. The MSGP (No. LAR05Q054) was authorized on April 24, 2019.

The Doc Bonin site is no longer required to adhere to regulated materials storage and spill response requirements from the EPA and LDEQ, as fuel oil tanks and other regulated materials storage vessels have been removed from the site. Contaminated soil from historic fuel oil storage has also been removed.

4.2.6 Hydroelectric Purchased Power

LUS has a power purchase agreement in place with the Southwestern Power Administration ("SWPA"). The power purchase agreement provides LUS with 22,320 MWh of energy supply from hydroelectric power generation. The power purchase agreement is through May 31, 2033. As one of four Power Marketing Administrations in the United States, Southwestern markets hydroelectric power in Arkansas, Kansas, Louisiana, Missouri, Oklahoma, and Texas from 24 U.S. Army Corps of Engineers multipurpose dams.[3]

4.2.7 Power Purchase Agreements

LUS had a power purchase agreement with Exelon Generation Company, LLC for energy. The contract expired on December 31, 2020. The contract was based on a purchase of 50MW each hour at a 100 percent load factor. LUS, through The Energy Authority, Inc. (the power marketer for LUS), had a contract with STX Services B.V. for the renewable energy credits associated with the Exelon Generation energy. It also expired on December 31, 2020.

4.2.8 Capacity Contracts

As a MISO participant, LUS is required to procure sufficient capacity to meet its load requirements. This capacity can be procured through owned resources or power purchase contracts. In order to meet its resource adequacy (i.e. capacity) requirements, LUS has been purchasing short-term capacity contracts. Below provides a summary of LUS recent and current capacity contracts.

- NRG: June 2016 through May 2020 for approximately 40 MW
- TEA: June 2020 through May 2021 for 80MW
- NRG: June 2021 through May 2022 for 68MW

4.3 Transmission and Distribution

The LUS electric system consists of approximately 47 miles of transmission lines (69 kV and above),

[3] https://www.swpa.gov/

1,019 miles of distribution lines (13.8 kV) and a few hundred miles of secondary and street light lines (600V and below). The transmission and distribution lines are connected by 15 substations which are further described in the following sections.

4.3.1 Transmission System Description

The transmission lines operate at three voltage classes: 230 kV, 138 kV, and 69 kV, on a variety of structure types and configurations, but most commonly steel or wood mono poles, with the former being the most common new construction practice. The 230 kV feeds the Pont Des Mouton, Mall, Flanders, Beadle, and Elks distribution substations. It also connects the generation at T.J. Labbe Plant and ties to Cleco (at Pont Des Mouton and T.J. Labbe Plant substations), and Entergy (at T.J. Labbe Plant substations). The 138 kV is limited to at or near Doc Bonin Plant and Flanders substations and serves primarily to create additional ties to Cleco, at Flanders substation, and Entergy, at Doc Bonin Plant substation. 69 kV is LUS's most common transmission voltage, as it serves the Warehouse, Luke, St George, Gilman, Peck, Guilbeau, Perard, Sewer, Pinhook, La Neuville, and Elks substations as well as the Hargis-Hebert Plant.

4.3.2 Substations Description

LUS's typical substation configuration includes a single bus, looped transmission configuration with provisions for up to two 69/13.8 kV or 230/13.8 kV transformers, each serving up to four 13.8 kV circuits, normally configured. Both the transmission system and distribution circuits are typically protected by breakers within each substation. All substations other than La Neuville have two transformers. The LUS system has a total of 86 distribution circuits as of February 2021.

4.3.3 Distribution System Description

The 1,019 miles of distribution lines include approximately 480 miles of overhead and 526 miles of underground primary. The overhead distribution lines are typically constructed with single wood pole (creosote-treated, yellow pine) construction, 336 aluminum-conductor steel-reinforced cable ("ACSR") or similar backbone conductor, and normally open ties to other, neighboring circuits. The underground distribution lines (primary and secondary) consist of jacketed cable in polyvinyl chloride ("PVC") conduit.

4.3.4 Inspections & Maintenance

LUS has several cyclical inspection programs, focused on specific types/categories of equipment, as a part of its proactive maintenance practices. Table 4-18 outlines key transmission, substation, and distribution inspection and maintenance programs and their associated cycle durations.

Table 4-18: Maintenance and Inspection Programs

Asset Class	Program	Cycle (years)
Transmission	Pole inspections*	8
	Breaker maintenance	5
	Tree trimming / vegetation management (69 kV)	1+
	Tree trimming / vegetation management (230 kV)	1
Substation	General maintenance (transformers)	5
	Relay maintenance (microprocessor)	5
	LTC maintenance (transformers)	3
	Relay maintenance (electromechanical)	2
	Oil testing / sampling (transformers)	1
Distribution	Pole inspections*	8
	Major underground equipment inspection	8
	Tree trimming / vegetation management	4
	Capacitor testing	1
	Cable partial discharge testing	as needed

*includes grounding/ohm testing

LUS's inspection and maintenance cycles are consistent with industry and regional best practices. Generally, maintenance work is performed by LUS crews, promoting system awareness and knowledge while new construction work is typically performed by contract crews. Much of the inspection work is executed by contractors as well, such as Osmose for pole inspections and Doble for transformer testing.

4.3.5 System Planning and Studies

LUS Staff perform annual planning assessments on both the transmission and distribution systems to assess system capacity, adequacy, and reliability.

4.3.5.1 Transmission Planning Studies

The transmission assessments are completed in accordance with applicable NERC standards such as NERC TPL-001-4 and in collaboration with MISO staff. The results of the 2019 NERC TPL-001-4 showed no performance criteria violations after existing mitigation plans for Planning Events P1 through P7 or for any Extreme Events. The study found that six LUS non-BES breakers did not have adequate interrupting capability and therefore needed replacement. The study also found that generation capacity at the retired Bonin site during a contingency can reduce loading on some nearby system elements. Overall, the LUS study results were consistent with MISO findings and continued compliance with NERC transmission planning ("TPL") standards.

4.3.5.2 Distribution Planning Studies & Practices

LUS utilizes a model export process from its Environmental Systems Research Institute ("ESRI") geographic information system ("GIS") to the Easton CYME Power Engineering Software to facilitate load flow, short circuit, and protection coordination studies on its distribution system. Its distribution planners regularly update these models with current system topology and load levels to test system adequacy, reliability and to scope system improvement projects. LUS performs a robust annual contingency analysis to verify the system capability to serve N-1 contingency scenarios of:

- Loss of a substation transformer
- Loss of a distribution feeder
- Loss of a distribution substation

In the event of these contingencies, the system must allow for operator or crew reconfiguration while maintaining equipment operating limits and power quality limits. This practice is well aligned with LUS expectations for system reliability, availability, and operability.

4.3.6 Maintenance & System Improvement Projects

In 2020, as a part of cyclical inspections and maintenance, LUS 1) replaced 13 transmission poles and 89 distribution poles that failed Osmose inspections, 2) upgraded transmission relating at Sewer, Perard, and Guilbeau substations, 3) installed 138 kV and 230 kV SF6 breakers to replace oil breakers of the same voltage class, and 4) replaced several 15 kV oil breakers with vacuum breakers. Additionally, LUS deployed aerial photography and Light Detection and Ranging ("LiDAR") technology to assess and analyze the age and condition of LUS transmission lines and right-of-way. Further, to improve operations, safety, and reliability, LUS completed the following projects in 2020:

- Installed 1,905 feet of 600amp underground along Town Center Pkwy.
- Installed 1,386 feet of 600amp overhead along Duhon Rd.
- Reconductored 960 feet' of overhead, installed 537 feet of overhead, installed 1,017 feet of underground to create a loop feed on Polly Lane and create a backfeed for Polly Lane Apartments.
- Installed 2,400 feet of 600amp underground and 1,300 feet of 600amp overhead to connect PDM Substation with Warehouse substation.
- Reconductored 6,430 feet of copper overhead to improve feeders on a list of the 5 worst feeders in Lafayette.

LUS maintains little to no backlog of inspection and maintenance related replacements and prioritizes these projects as they occur.

4.3.7 Planned Maintenance & System Improvement Projects

The following projects are planned in the near term to serve new load, continue ongoing maintenance, or target worst performing feeders:

- Construct the new 230 kV / 69 kV / 13.8 kV Moss Substation and associated feeder reconductoring. This station will be connected to the existing 69kV transmission line from Gilman to Peck, and the existing 230kV station Pont Des Mouton. This station will relieve loading on Pont Des Mouton and Peck stations as well as serve as another path for power to flow from the 230kV system to the 69kV system adding resiliency and redundancy.
- Bus differential relaying upgrades at the T.J. Labbe switchyard (NERC Compliance).
- Replace aged wooden 230kV structures from Beadle-Elks with monopole steel line.
- Construct new PDM feeder # 3555.
- Reconductor circuit # 2555/8560.
- Transformer relaying upgrades at the following stations: Guilbeau, Sewer, Perard.
- Feeder relaying upgrades at the following stations: Guilbeau, Perard.
- Sewer T80B transformer replacement to be completed spring 2021.
- Inspect and rehab 230kV Steel transmission structures for deterioration.

4.3.8 Operations and Related Performance

The dispatch and operations groups were fully staffed in 2020, and up-to-date with required training for compliance with the NERC PER standards. LUS has certified internal staff facilitating NERC compliance and certification for the group.

4.3.8.1 EMS and SCADA Upgrades

In 2020, LUS upgraded its energy management system ("EMS") and supervisory control and data acquisition ("SCADA") systems (hardware and software), by Open Systems International, Inc. ("OSI"). The previous systems were aging, becoming cost prohibitive to maintain, and were no longer supported by maintenance or service contractors. The upgrades included: 5 workstations, 15 servers, 4 switches, and 4 firewalls. The resulting enabled EMS features include:

- Automated baseline generation tools.
- Security patch assessment tools.
- Big data historian.
- SCADA playback mode.
- Corporate read-only viewing capabilities.

Concurrent with the EMS and SCADA systems upgrades, LUS completed an ECS control room renovation. The upgrades included:

- Installation of a digital map board replacement for the analog map board.

- Datapath audio/video connections to display the state of the electric system on the digital map board.
- Replacement of the existing operator desks with two Winsted stand/sit consoles, and two stationary consoles.
- Addition of a dedicated conference room to improved sound control and operator training activities.

The new SCADA and EMS increase the speed and efficiency of operation functions, enable better reporting for management and stakeholder awareness, and simplify future maintenance operations.

4.3.9 Reliability

FY 2020 was an abnormally busy storm season for LUS. In FY 2020, LUS experienced four major storm event days. The major events days were as follows:

- January 11 – Tornado
- August 27 – Hurricane Laura
- October 9 – Hurricane Delta
- October 10 – Hurricane Delta

Excluding the major event days, which is the prevailing industry practice for comparisons between utilities, the LUS system consistently outperforms regional and national averages for system reliability and availability, reflecting its established, intentional, and proactive maintenance, planning, and construction practices. Table 4-19details the annual reliability performance of the LUS system over the last five years, for each of the four major reporting categories (System Average Interruption Duration Index ("SAIDI"), System Average Interruption Frequency Index ("SAIFI"), Customer Average Interruption Duration Index ("CAIDI"), and Momentary Average Interruption Frequency Index ("MAIFI")). The table includes national and regional municipal utility averages for reference

Table 4-19: LUS Electric System Reliability Metrics

Year	SAIDI	SAIFI	CAIDI	MAIFI
2016	38.2	0.80	47.6	0.74
2017	34.2	0.59	58.4	0.91
2018	31.9	0.72	44.2	0.83
2019	39.7	0.74	53.6	0.57
2020	26.6	0.65	40.8	0.70
National Median (1)	42.3	0.69	71.3	N/A
Regional Average (2)	93.6	1.17	62.9	N/A

1. Averages for 2018 triennial, American Public Power Association "Evaluation of Data Submitted in APPA's 2018 Distribution System Reliability and Operations Survey", Michael Hyland Alex Hofmann, Tyler Doyle and Ji Yoon Lee, July 2019.
2. APPA Region 4 (OK, AR, TX, LA) results for 2018 survey, American Public Power Association "Evaluation of Data Submitted in APPA's 2018 Distribution System Reliability and Operations Survey".

LUS has several initiatives that support a continued focus on system reliability. System operations has longer term plans to further utilize its Outage Monitoring System ("OMS") and enable its operators by allowing manual operator control of feeder reclosers for contingency switching. Longer term these operations will be automatically executed quickly and without operator intervention. These advances and continued expansion of communicating faulted circuit indicators ("FCI") and capacitor banks will enable near-term Advanced Distribution Management System ("ADMS") capabilities. LUS annually targets the top five worst performing feeders for detailed analysis and investment to improve reliability.

4.3.10 System Security

A detailed evaluation of the Utilities System security measures is beyond the intent of this Report. However, LUS facilities have physical security in place such as fencing, automatic gates, security checkpoints, keypads, etc. LUS security practices include employee and contractor background checks, routine training, and standard entry procedures for all electric facilities. There were no modifications to the physical security systems in 2020.

4.4 Historical Capital Improvement Program

LUS uses a capital work order system to track capital expenses. The historical capital presented in Table 4-20 reflects investment in infrastructure funded by the Series 2010 and Series 2019 Bonds and retained earnings. The Series 2010 Bonds were issued for multiple projects including the Acadiana Load Pocket transmission project and Advanced Metering Infrastructure ("AMI") projects. The Series 2019 Bonds are available to support various capital projects including fuel supply improvements, chiller coil replacement, breaker replacements, substation improvements, switchyard improvements, and street lighting upgrade.

Table 4-20: Electric System Historical CIP

	2016	2017	2018	2019	2020
Normal Capital & Special Equipment	$6,351,851	$1,565,194	$2,136,589	$3,468,467	$7,142,480
Series 2010 Bonds	729,576	0	0	0	0
Series 2019 Bonds	0	0	0	241,628	3,123,162
Retained Earnings	5,990,441	2,499,043	5,752,782	4,331,810	4,026,770
Total Electric Capital	$13,071,867	$4,064,237	$7,889,370	$8,041,906	$14,292,412

Source: LUS Financial and Operating Statements

4.5 Regulatory Compliance

NERC is a regulatory authority whose mission is to assure the reliability and security of the bulk power system in North America. NERC develops and enforces reliability and security standards including the Critical Infrastructure Protection (NERC CIP). The NERC CIP plan consists of standards and requirements covering the security of electronic perimeters and the protection of critical cyber assets, as well as personnel and training, security management, and disaster recovery planning. The Electric System's most recent NERC CIP audit was completed in November 2019 with zero areas of concern. LUS's NERC 693 Reliability audit in 2017 was successful, with no violations. SERC was assigned as LUS's regional compliance enforcement authority as of December 2, 2017. SERC Reliability Corporation conducted an Operations and Planning off-site audit of 2020 LAFA, NCR01114 from May 18, 2020 through September 10, 2020 in which there were zero areas of concern and zero recommendations were made. Additionally, SERC also conducted a review of LUS as a balancing authority and transmission operator due to the new EMS. A report was issued by certification review team and determined that LUS does not require a new certification. LUS is in compliance with all applicable NERC CIP and Operations and Planning ("O&P") 693 standards.

LUS, also known as LAFA, remains registered with NERC as a Balancing Authority, Transmission Operator, Transmission Owner, Transmission Planner, Generator Operator, Generator Owner and Distribution Provider. LAFA, also has delegation agreements with MISO through Coordinated Functional Registration or Joint Registration Organizations Agreement. In 2011, LAFA established a formal program for internal compliance, supported by management and the Lafayette City council.

The formation of LAFA's NERC Compliance Section was established to meet the continuing evolution of in-scope regulatory standards and to provide oversight and assistance to Subject Matter Experts. LAFA's NERC Compliance consist of a full-time NERC Analyst, an Electric Reliability & Environmental Compliance Administrator, and several Subject Matter Experts with various departments.

4.6 Contracts and Agreements

LUS maintains many contracts and agreements important to its day-to-day utility operations. Among the day-to-day operations contracts are agreements relating to maintenance of key equipment, testing services, customer acquisitions, and certain analysis functions. Table 4-21provides a summary of the key contracts that are in place for LPPA and LCG.

Table 4-21: Electric System LPPA and LCG Key Contracts and Agreements

Contracts & Agreements Between	Date Signed/Renewed	Termination Date	Provisions
LPPA Contracts			
LPPA – Cleco, LEPA	November 15, 1982	June 30, 2032 or end of useful life	Joint ownership of Rodemacher Unit 2
LCG – LPPA	May 1, 1997	August 31, 2047 or when bonds were paid	Purchase of power from LPPA's 50 percent share in Rodemacher Unit 2
LPPA – Peabody	November 7, 2007	60 days' written notice	Purchase of coal for Rodemacher Unit 2
LPPA – Arch Coal Sales, Inc.	August 4, 2009	Upon 30 days' notice	Purchase of coal for Rodemacher Unit 2
LPPA - Navajo Transitional Energy Company, LLC	December 11, 2002	Upon 180 days' notice	Purchase of coal for Rodemacher Unit 2
LPPA – Cleco – LEPA – Charah Inc	March 1, 2015	February 29, 2020; may be renewed for 1- or 5-year period	Sale of byproducts (ash) for reuse
MISO Related Contracts			
LCG – Other Transmission	January 4, 2013	Coincides with MISO Owners Agreement	Supplemental Agreement between Transmission Facilities Owners and MISO regarding Independent System Operator (ISO) services and functions
LCG – Other Transmission Facilities Owners	February 4, 2013	30 years from the earliest Effective Date for any signatory, therafter 5-year terms	Transmission Owner Agreement for LUS in MISO
LCG – MISO	February 4, 2013	Coincides with MISO Owners Agreement	Agency Agreement for Open Access Transmission Service
LCG – MISO	August 1, 2013	Upon 30-day notice	Agreement to procure satellite phone link
LCG – MISO	September 25, 2013	2 years from Effective Date, thereafter 1-year terms	Modeling, Data, and Analysis reliability standards compliance obligations primarily related to NERC requirements
LCG – Other Transmission Facilities Owners	December 10, 2013	5 years from Effective Date, thereafter 1-year term	Settlement Agreement between Transmission Owners and MISO on Filing Rights
LCG – Midwest ISO Transmission Owners	January 25, 2018	Withdrawal from MISO	Cost sharing for attorneys and consultants related to MISO.
TEA and Fuel Contracts			
LCG – TEA	June 1, 2013	Upon 6-months' notice, but not prior to 48 months after the Effective Date	Power and Fuel Marketing
TEA – Centerpointe	March 28, 2019	June 30, 2020 with 1 year extension option	Supply of natural gas for Hargis Hébert Plant
TEA –Centerpointe	July 15, 2109	June 30, 2020 with 2 year extension option	Supply of natural gas for T. J. Labbé Plant and Doc Bonin Plant sites
Capacity, Energy and Renewable Contracts			
LCG – NRG	July 10, 2015	May 2020	40.0 MW of capacity from June 2016 – May 2020
LCG – TEA	January 16, 2017	May 2019	33.0 MW of capacity from June 2017 – May 2019
LCG – TEA	February 22, 2018	May 2019	11.8 MW of capacity from June 2018 – May 2019
LCG – TEA	December 2018	May 31 2020	43.8 MW of capacity from June 2019 – May 2020
LCG – Exelon Generation Company, LLC	August 7, 2018	December 31, 2020	Energy contract for 50 MW at 100% load factor from January 1, 2019 through December 31, 2020.
LCG – SPA	June 1, 2018	May 31, 2033	Purchase of hydroelectric power
LCG – SPP	August 9, 2013	September 1, 2018	Firm point-to-point transmission service. Contract was not renewed.
LCG – STX Services B.V. (via TEA)	August 3, 2018	December 31, 2020	RECs from January 1, 2019 through December 31, 2020.
LCG - NRG	June 1, 2020	May 31, 2020	80 MW of capacity from June 2020 – May 2021
LCG - TEA	March 1, 2020	March 31, 2021	50 MW on-peak 30 MW off-peak energy contract at 100% load factor for March 2020
LCG - TEA	October 1, 2020	October 31, 2021	50 MW 7x24 energy contract at 100% load factor for March 2020
Transmission Related Contracts			
City – Louisiana Generating (Cajun Electric)	May 23, 1983	Upon 3-year notice	Interchange agreement for electric transmission
City – Entergy Louisiana	October 6, 1988	Upon 18-month notice	Interchange agreement for electric transmission
LCG – Entergy Gulf States	June 22, 2012	June 21, 2032; year to year thereafter	Interconnection agreement for delivery of power
LCG – Cleco	1991	August 31, 2021 (1)	Interconnection agreement for delivery of power. Transformer lease agreement (Cleco rents transformer space to serve Breaux Bridge) Firm transmission service point to point (expires August 31, 2021). LCG legal is working on the amendment to terminate firm transmission service.
Miscellaneous Contracts			
LCG – SLEMCO	September 10, 2004	September 10, 2019	Contract expired. Negotiations ongoing.
LCG – TransCanada	January 18, 2019	January 18, 2024	CTG Maintenance Services.
LCG – City of Broussard	December 18, 2015	December 17, 2038	Franchise Agreement
LCG – City of Broussard	December 18, 2015	December 17, 2038	Streetlighting Agreement
LCG – City of Youngsville	July 7, 2017	November 30, 2026	Franchise Agreement
LCG – City of Youngsville	July 7, 2017	November 30, 2026	Streetlighting Agreement

Source: LUS

4.7 Utility Benchmarking

LUS compares favorably with its regional and national peers when benchmarking electric rates and financial performance. The following sections benchmark LUS's electric rates and financial performance.

4.7.1 Utility Rates Benchmark

LUS's residential and commercial electric rates have consistently been among the lowest in the region and continued to follow that trend into FY 2020. The following tables compare the average residential and commercial electric rates in the region as of October 31, 2020. Table 4-22 presents LUS and its regional peers' average electric rate based on a usage of 1,000 kWh per month. Table 4-23 presents the LUS commercial rate benchmark based on S&P Global data through 2019. While the fuel portion of the rate changes on a monthly basis based on LUS's cost of fuel and purchased power, the non-fuel rates have not been adjusted since FY 2018.

Table 4-22: Electric System Residential Rate Comparison

Utility	Average Rate ($/kWh)
New Orleans – Cleco	$0.1082
New Orleans - Entergy	$0.1082
Shreveport – SWEPCO	$0.1044
New Iberia - Cleco	$0.0998
Alexandria	$0.0949
Baton Rouge – Entergy	$0.0933
Lake Charles – Entergy	$0.0933
LUS	$0.0892

Source: LUS

Table 4-23: Electric System Commercial Rate Comparison

Utility	Average Rate ($/kWh)
New Iberia – Cleco	$0.1092
Alexandria	$0.0959
Shreveport – SWEPCO	$0.0941
New Orleans – Entergy New Orleans	$0.0880
Baton Rouge – Entergy Louisiana	$0.0830
Lake Charles – Entergy Louisiana	$0.0830
LUS	$0.0822

Source: S&P Global Retail Average Retail Rate Summary for Louisiana

4.7.2 Financial and Operating Statistics Benchmark

LUS benchmarks itself against other national and regional municipal electric utilities. Table 4-24 presents selected financial and operational ratios for LUS's electric utility with other national and regional utilities. The data is based on APPA Financial and Operating Ratios of Public Power Utilities, 2019 Data published in 2021. The APPA report contains data based on regions of the U.S. and the number of electric customers served by the utility. LUS was benchmarked against other Southwest regional utilities since Louisiana falls within the southwest region. The majority of LUS's operating ratios are within an acceptable range of both national and regional benchmarks. LUS's revenue per kWh has remained consistently below benchmarks even with recent rate increases. The financial ratios including debt to total assets, current ratio, times interest earned ratio ("TIER"), and DSC have all remained within an acceptable range. Considering the COVID-19 pandemic in FY 2020, LUS continued to retain a stable uncollectable accounts per revenue dollar which is a testament to the strength of the customers and community. The system load factor has always been lower than national and regional averages due to a higher proportionate share of Residential customers to commercial customers as expected.

Table 4-24: Benchmarked Electric Utility Operating Ratios

Statistic	Basis	U.S. 50,000 - 100,000 Customers National	Southwest U.S. Regional	LUS	LUS	LUS
		2019	2019	2018	2019	2020
Revenue per kWh – All Retail Customers	Elec	$0.108	$0.091	$0.087	$0.087	$0.085
Debt to Total Assets	Total LUS	0.509	0.415	0.344	0.380	0.362
Operating Ratio (Electric specific)	Elec	0.763	0.724	0.725	0.663	0.673
Current Ratio	Total LUS	3.28	2.48	2.56	2.37	1.84
Times Interest Earned	Elec	2.53	2.63	7.44	8.49	7.34
Debt Service Coverage	Elec	2.09	1.49	3.05	3.65	3.15
Net Income per Revenue Dollar ($)	Elec	$0.0430	$0.0630	$0.0645	$0.1140	$0.0856
Uncollectible Accounts per Revenue Dollar ($)	Total LUS	$0.0012	$0.0012	$0.0060	$0.0052	$0.0048
Total O&M Expense per kWh Sold	Elec	$0.0770	$0.0670	$0.0646	$0.0596	$0.0584
System Load Factor	Elec	65.5%	60.8%	52.9%	51.4%	51.3%

4.8 Historical Financial Performance

The LUS electric utility has maintained strong financial performance over the last five years. The electric utility is responsible for nearly 80 percent of the total LUS utility revenues, so strong performance is important for the overall financial health of LUS. The electric system has provided sufficient debt service coverage over the last five years for the Series 2010 Bonds, Series 2012 Bonds, Series 2017 Bonds, and Series 2019 Bonds. The Series 2010 Bonds were fully redeemed as of November 1, 2020. The historical operating revenues, expenses, and debt service coverage calculations are presented in Table 4-25. Operating revenues include interest income and miscellaneous income. Operating expenses do not include ILOT, normal capital spend and special equipment costs, and other miscellaneous expenses.

Table 4-25: Electric System Historical Debt Service Coverage

Year	Operating Revenues	Operating Expenses	Net Revenues Available for Debt Service	Debt Service	Debt Service Coverage Ratio
2016	$174,354,151	$126,694,194	$47,659,957	$16,503,966	2.9
2017	$176,060,504	$133,347,125	$42,713,378	$15,655,298	2.7
2018	$180,955,690	$131,167,858	$49,787,833	$16,337,720	3.0
2019	$179,965,886	$119,400,682	$60,565,203	$16,615,466	3.6
2020	$166,467,519	$112,044,248	$54,423,272	$17,255,061	3.2

Source: LUS Financial and Operating Statements

4.8.1 Rate Structures

LUS's electric utility rates include customer charges, demand charges, and energy charges like many other electric utilities. The electric rates are reviewed periodically with the most recent rate study completed in FY 2016. The rate classes include residential, commercial, industrial, schools and churches, a university special contract rate, street lighting rates, and private area lighting. The residential class and small commercial class rates do not currently have demand charges while the other classes do.

Each rate class includes a fuel charge rider which recovers the variable cost of fuel and purchased power from customers monthly. Schedule Fuel Charge (FC) protects LUS from financial risk of unforeseen and volatile fluctuations in the wholesale power market which LUS operates. All operating expenses associated with environmental compliance, fuel, and purchased power are included in the FC and passed directly to customers in their monthly bills. More specifically, the FC recovers the net cost of MISO market purchases and sales, wholesale transmission costs, LPPA fuel costs, LPPA rail car debt, LPPA MATS debt, LPPA MATS O&M, LPPA reagents, LUS power plant fuel costs, hydro purchased power costs, and TEA power marketing costs.

The current electric rates are presented in Table 4-26. The base electric rates (i.e. non-FC rates) have not changed since FY 2018. LUS periodically performs rate studies so that rates continue to generate revenues that are sufficient to recover its operating expenses and pay its outstanding debt obligations.

Table 4-26: Electric System Rate Schedules

Rate Class	Serves	Effective Date	Customer Charge ($/month)	Demand Charge ($/kW-month)	Non-Fuel Energy Charge ($/kWh)
R-1	Residential	Nov-17	$8.00	$0.00	$0.04764
R-1-O	Residential Non-City	Nov-17	$8.80	$0.00	$0.05240
C-1	Small Commercial	Nov-17	$10.00	$0.00	$0.06176
C-2	Large Commercial	Nov-17	$50.00	$8.50	$0.02098
SC-1	Schools and Churches	Nov-17	$10.00	$0.00	$0.05220

Source: LUS Rate Tariffs

4.8.2 Revenue Analysis

As described in the rates section of this Report, LUS generates revenues from base rates and the FC rider. The FC is adjusted as required to recover LUS's fuel and purchased power cost as defined in the ordinances and described previously. Table 4-27 presents the historical base rate and FC revenue over the last five years. Base rate revenues have steadily increased due to increased sales and base rate increases implemented in FY 2017 and FY2018. The FC revenues have fluctuated with wholesale market prices and fuel costs along with increases in energy sales. In FY 2020, the wholesale power market prices dropped which reduced the FC rate. A reduction in overall retail sales of four percent resulted in a reduction in overall base rate revenues and FC revenues.

Table 4-27: Historical Base Rate and Fuel Charge Revenues

	2016	2017	2018	2019	2020
Revenues					
Retail Sales- Base Rate	$91,631,825	$94,552,196	$102,886,777	$100,836,993	$97,878,860
Retail Sales- Fuel Clause	78,153,587	76,829,537	72,872,661	73,101,002	65,117,850
Total	$169,785,412	$171,381,733	$175,759,439	$173,937,995	$162,996,710
Energy Sales					
Retail Sales (kWh)	2,027,944,893	1,980,653,304	2,031,847,230	2,004,309,990	1,917,039,526
Revenue per kWh					
Retail Sales- Base Rate	$0.0452	$0.0477	$0.0506	$0.0503	$0.0511
Retail Sales- Fuel Clause	$0.0385	$0.0388	$0.0359	$0.0365	$0.0340
Total	$0.0837	$0.0865	$0.0865	$0.0868	$0.0850

Source: LUS Financial and Operating Statements

4.8.3 Revenue Statistics

As described previously, LUS provides service through multiple rate schedules which are updated periodically. LUS has experienced customer growth in all classes between FY 2016 and 2020. However, the energy usage per customer has been on a steady decline over the last five years due to more efficient homes and businesses and lower usage appliances. FY 2020 experienced a noticeable use per customer decline in the Commercial rate classes and schools due to the COVID-19 pandemic; however, that temporary reduction has already begun to subside by the reopening of businesses and schools which started in late FY 2020 and continued into early FY 2021. These trends in reduction in use per customer over the last five years and during FY 2020 are consistent with the majority of utilities across the United States. Table 4-28 presents the historical base rate revenues and sales in total and per customer by classification.

Table 4-28: Historical Base Rate Revenue Statistics

	2016	2017	2018	2019	2020
Revenues (non Fuel)					
Residential	$37,245,915	$39,500,029	$45,868,752	$44,867,081	$45,249,322
Commercial	46,646,591	47,150,242	48,685,466	47,517,635	44,934,325
Schools & Churches	4,893,085	4,996,497	5,308,787	5,210,732	4,638,383
Other	2,846,234	2,905,428	3,023,773	3,241,545	3,056,830
Total	$91,631,825	$94,552,196	$102,886,777	$100,836,993	$97,878,860
Number of Customers					
Residential	54,761	55,227	55,535	56,769	57,412
Commercial	9,141	9,204	9,285	9,285	9,484
Schools & Churches	511	522	518	527	541
Other	1,912	1,908	1,905	1,915	1,926
Total	66,325	66,860	67,243	68,495	69,364
Revenue per Customer					
Residential	$680	$715	$826	$790	$788
Commercial	5,103	5,123	5,243	5,118	4,738
Schools & Churches	9,572	9,578	10,250	9,891	8,567
Other	1,489	1,523	1,587	1,692	1,587
Total ($/customer)	1,382	1,414	1,530	1,472	1,411
Sales (kWh)					
Residential	822,151,289	790,227,214	845,855,856	830,153,367	829,390,383
Commercial	1,022,107,401	1,008,350,471	1,000,509,799	988,791,647	917,385,965
Schools & Churches	126,162,076	124,728,756	127,870,744	126,428,653	111,587,567
Other	57,524,127	57,346,863	57,610,831	58,936,323	58,675,611
Total	2,027,944,893	1,980,653,304	2,031,847,230	2,004,309,990	1,917,039,526
Sales (kWh) per Customer					
Residential	15,014	14,309	15,231	14,623	14,446
Commercial	111,816	109,562	107,753	106,498	96,728
Schools & Churches	246,812	239,097	246,894	239,978	206,103
Other	30,088	30,055	30,246	30,771	30,460
Total	30,576	29,624	30,216	29,262	27,638
Revenue per kWh					
Residential	$0.0453	$0.0500	$0.0542	$0.0540	$0.0546
Commercial	0.0456	0.0468	0.0487	0.0481	0.0490
Schools & Churches	0.0388	0.0401	0.0415	0.0412	0.0416
Other	0.0495	0.0507	0.0525	0.0550	0.0521
Total	$0.0452	$0.0477	$0.0506	$0.0503	$0.0511

Source: LUS Financial and Operating Statements

4.8.4 Expense Analysis

LUS's electric utility incurs both variable and fixed operating expenses. Variable expenses generally fluctuate with how much power is generated, delivered, and used while fixed operating expenses do not. Variable operating expense include fuel, LPPA fuel, and wholesale purchased power and sales. Fixed operating expenses that do not change with the amount of energy consumed include power production labor and maintenance, distribution labor and maintenance, customer service and sales expense, and administrative and general expenses. Table 4-29 presents the historical operating expenses for LUS's- electric utility system. In FY 2020, the MISO wholesale market prices were low which resulted in lower purchased power costs, lower generation fuel consumption and generation sales. Fixed production costs have been on a steady decline due to cost reductions at Doc Bonin, Hargis-Hebert, and Labbé power plants which has helped to keep rates low when combined with previous rate increases.

Table 4-29: Historical Fixed and Variable Expenses

Variable Expenses	2016	2017	2018	2019	2020
Fuel Cost - LUS	$1,363,817	$1,967,322	$3,020,362	$2,369,957	$1,945,110
Purchased Power Other	3,543,627	3,926,250	3,637,576	15,569,793	18,203,665
Purchased Power LPPA Fuel	26,658,901	26,620,153	29,566,005	27,808,739	19,288,183
Purchased Power MISO	55,468,362	64,942,619	67,855,286	46,658,114	32,103,265
Purchased Power MISO Sales	(23,357,459)	(29,186,362)	(36,621,122)	(32,525,010)	(15,696,107)
Production - Variable	$63,677,247	$68,269,981	$67,458,107	$59,881,593	$55,844,116
Fixed Expenses					
Production - Fixed	$28,570,660	$28,706,647	$26,998,804	$24,491,422	$21,809,812
Transmission	8,661,822	9,192,823	9,275,422	8,612,596	8,438,158
Distribution	11,613,300	12,283,787	12,143,206	11,837,879	10,990,219
Customer	2,868,750	2,917,554	2,828,513	2,690,275	2,742,846
A&G	11,302,414	11,976,332	12,463,806	11,886,918	12,219,098
Total Fixed	$63,016,947	$65,077,144	$63,709,751	$59,519,089	$56,200,132
Total Fixed & Variable	$126,694,194	$133,347,125	$131,167,858	$119,400,682	$112,044,248
Percent Variable	50%	51%	51%	50%	50%
Percent Fixed	50%	49%	49%	50%	50%

Source: LUS Financial and Operating Statements

4.8.5 LPPA Historical Operating Revenue and Expense Analysis

Table 4-31 summarizes LPPA's share of the historical operating expenses for Rodemacher Unit 2. The Operating Expenses includes fuel, operations and maintenance, and A&G expense. The table also presents the LPPA total operating expense on a dollars per kWh basis. The total cost associated with LPPA is passed through as a purchased power expense to LUS. The LPPA historical Operating Revenues, Operating Expenses, and balance available for debt service is presented in Table 4-31.

Table 4-30: LPPA Historical Operating Expenses

	2016	2017	2018	2019	2020
LPPA Share (MWh)	797,928	825,089	1,062,984	1,045,878	656,054
Fuel	$26,658,901	$26,620,153	$29,566,005	$27,808,739	$19,288,183
Operations	2,799,380	3,191,851	3,591,720	2,731,655	3,237,018
Maintenance	5,857,500	7,115,532	5,376,070	5,357,042	6,075,341
Administrative & General	2,684,288	2,729,322	2,778,370	2,793,274	2,744,099
Total Operating Expenses	$38,000,069	$39,656,858	$41,312,164	$38,690,711	$31,344,641
Total Operating Expenses ($/MWh)	47.62	48.06	38.86	36.99	47.78
Total Operating Expenses Less Fuel ($/MWh)	14.21	15.80	11.05	10.40	18.38

Source: LPPA Manager's Monthly Reports

Table 4-31: LPPA Historical Revenues, Expenses, Balances Available for Debt Service

	2016	2017	2018	2019	2020
Total Operating Revenues	$48,326,966	$47,753,386	$50,740,877	$47,202,751	$37,491,409
Total Operating Expenses	38,000,068	39,656,858	41,312,164	38,690,711	31,344,641
Net Operating Revenues	$10,326,898	$8,096,528	$9,428,713	$8,512,040	$6,146,768
Other Income	$190,946	$321,942	$548,007	$1,035,324	$317,785
Balance Available for Debt Service	$10,517,844	$8,418,470	$9,976,720	$9,547,364	$6,464,553
Debt Service	6,888,039	6,926,306	6,916,606	6,916,206	6,922,456
Balance After Debt Service	$3,629,805	$1,492,164	$3,060,113	$2,631,158	($457,903)
Debt Service Coverage Ratio (1)	1.5	1.2	1.4	1.4	0.9

Source: LPPA Manager's Monthly Reports

(1) Debt service includes Series 2007, 2023, and 2015 bonds. In 2015, LPPA refunded the majority of the 2007 bonds. The Series 2007 Bonds final payment was November 1, 2017. Due to a surplus in LPPA's cash balance, the Administration elected not to bill LUS for $4.5 million of LPPA's capital expenditures in FY 2020. This resulted in a $4.5 million decrease to LPPA's operating revenue, which in turn caused LPPA's debt service coverage ratio to drop below 1.0. This was a one-time adjustment for FY 2020 only.

4.9 Observations and Recommendations

Based on the analysis described herein, Burns & McDonnell provides the following observations:

- Based on visual inspection of facilities, records audit, and interviews of LUS staff, the LUS distribution and transmission system in good condition, maintained properly and in accordance with prudent utility and industry practices.
- LUS is proactive and strategic in its cyclical inspection, maintenance, and replacement of equipment.
- The LUS transmission and distribution planning and construction practices are proactive and aligned with a focus on reliability, resiliency, and efficient operation of the system.
- The LUS distribution system consistently outperforms regional and national averages for system reliability and availability, which reflects its intentional and proactive maintenance, planning, and construction practices.
- Revenues were sufficient to meet all financial obligations including operating expenses, LUS and LPPA debt service, capital improvements, ILOT payments, and required reserves. LUS's electric system operating, expense, debt, revenue, and related ratios reflect a financially stable and healthy utility that is currently offering competitive, lower than market average rates.
- The Utilities System CIP has been sufficient to sustain and improve the integrity and reliability of the system.
- LUS and Burns & McDonnell completed an IRP in FY 2020. The IRP had several recommendations which included the retirement of Rodemacher No. 2 in 2028, the construction of a new LUS owned simple cycle gas turbine power plant at the existing Doc Bonin site in 2028, and the addition of utility scale solar which would be procured through a power purchase agreement. LUS is progressing

through each of these initiatives.

- LUS has performed exceptionally well in FY 2020 even with sustaining two hurricanes. LUS's performance on the four reported indices is consistent or significantly better than typical national median performance reported by both regional and national benchmarks. LUS has performed well in NERC CIP audits, NERC 693 operational audits, and LDEQ environmental inspections.
- The organizational structure and management of the Electric System engineering and operations areas appears to be strong based on initial observations, interviews, organizational structures, and manpower within each department.
- LUS has indicated that it is working to fill multiple vacancies in specific departments with electric lineman being an ongoing challenge. The Electric System management team is working with local schools to hire and retain strong talent that appreciate the benefits provided by a more stable municipal utility business when compared to the oil and gas business of the gulf coast. LUS has recently begun the process for searching for a permanent utility director.
- The electric system revenue recovery structure, like most electric utilities, is misaligned. LUS recovers nearly 85 percent of its revenues through variable charges when 50 percent of its costs are fixed. This creates a systemic problem when energy usage per customer is declining but customer growth is increasing. Long term, LUS will need to address this issue with rate restructuring.

5.0 WATER UTILITY SYSTEM

5.1 Water Utility Summary

LUS provides potable water supply, water treatment, transmission, and distribution of finished potable water. Raw water supply is obtained from the Chicot aquifer. Key water infrastructure includes four water treatment facilities, 19 ground water wells, elevated and ground treated-water storage, and 1,153 miles of distribution mains.

LUS performs all water metering and customer service. In 2020, LUS provided water service to 57,412 meters representing residential, commercial, industrial, and wholesale customers. Water System total sales declined 0.7 percent in 2020; with retail water sales decreasing 1.4 percent, while wholesale water sales increased 0.9 percent. Historical Water System volume sales are presented in Table 5-1.

Table 5-1: Historical Retail and Wholesale Sales Volumes

FY	Retail Sales (1,000 gallons)	Wholesale Sales (1,000 gallons)	Total Sales (1,000 gallons)
2016	5,402,650	2,117,627	7,520,277
2017	5,382,447	2,161,051	7,543,498
2018	5,363,552	2,256,911	7,620,462
2019	5,148,605	2,171,928	7,320,533
2020	5,075,882	2,191,571	7,267,453

Source: LUS Financial and Operating Statements

5.2 Water Supply Summary

Nineteen groundwater wells within the Chicot aquifer provide water supply to four water treatment facilities: South Water Treatment Plant ("SWP"), North Water Treatment Plant ("NWP"), Commission Boulevard Remote Site ("Commission Boulevard"), and Gloria Switch Remote Site ("Gloria Switch") as summarized in Table 5-2. The Chicot aquifer is the sole source of supply for LUS, and groundwater produced is generally of high quality and characterized by the USGS as having a "very hard" level of hardness. Treatment processes employed by LUS are discussed in detail in Section 5.3.

Table 5-2: Summary of Well Capacity

Well No.	Capacity (MGD)	Well No.	Capacity (MGD)
South Water Treatment Plant		North Water Treatment Plant	
1	2.59	7	2.88
2	2.59	9	2.88
3	2.59	12	2.81
4	2.59	14	3.03
5	2.59	16	2.95
6	4.04	19	2.88
7	4.04	21	2.88
		22	2.88
Total Production Capacity	21.0	Total Production Capacity	23.2
Firm Production Capacity[1]	17.0	Firm Production Capacity[1]	20.2
Commission Boulevard Remote Site		Gloria Switch Remote Site	
23	1.44	24	1.44
25	2.45	26	2.31
Total Production Capacity	3.89	Total Production Capacity	3.75
Firm Production Capacity[1]	1.44	Firm Production Capacity[1]	1.44

[1] Firm capacity assumes the largest well is out of service.

The Chicot aquifer system underlies approximately 9,950 square miles of southwestern Louisiana and provides approximately 800 million gallons per day ("MGD") of freshwater for municipal, commercial, industrial, and agricultural uses through approximately 2,300 groundwater wells. In the 2018 Triennial Report (LDEQ, 2018), the water quality of the Chicot aquifer was sampled in 22 wells (one well of which is owned by LUS) located in 13 parishes between July 2016 and June 2017. Field and analytical sampling results, as summarized in the Triennial Report, indicate no EPA maximum contaminant levels ("MCLs") were exceeded and that the secondary MCLs were exceeded in at least one well for chloride, pH, color, iron, and total dissolved solids ("TDS"). Secondary MCLs are not enforceable by the EPA and are aesthetic in nature. Treatment processes are employed by LUS to address several of these secondary MCLs as described in Section 5.3. EPA designated the Chicot aquifer as a sole-sourced aquifer, meaning it supplies at least 50 percent of the drinking water for its service area and there are no reasonably available alternate supplies should the aquifer become contaminated[4].

[4] https://deq.louisiana.gov/assets/docs/Water/Triennial_reports/AquiferSummaries_2015-2018/10ChicotAquiferSummary18FINAL.pdf

5.2.1 Well Completions

LUS's deep wells are each equipped with a line shaft vertical turbine pump with a surface-mounted motor. LUS reported that an independent contractor inspects wells once per year and cleaning/rehabilitation is performed as required to maintain well pumping capacity.

5.3 Water Treatment and Production

Four facilities provide treatment and/or disinfection of raw groundwater prior to entering the distribution system for public consumption. Treatment facility capacities and major processes are described in the following sections and summarized in Table 5-3.

Table 5-3: Water Treatment Capacity

Water Treatment Facility	Primary Treatment Processes	Treatment Capacity (MGD)
South Water Treatment Plant	Lime Softening Coagulation and Filtration Disinfection	24.0
North Water Treatment Plant	Lime Softening Coagulation and Filtration Disinfection	20.8
Commission Boulevard Remote Site	Stabilization Disinfection	2.8
Gloria Switch Remote Site	Iron and Manganese Removal Stabilization Disinfection	3.8
Total Treatment Capacity		51.1
Highest Recorded Production		33.8

Source of data: LUS

5.3.1 South Water Treatment Plant

Groundwater produced by water supply wells (Well 1 through Well 7) is combined at the head of the SWP located at 810 W. Broussard Road where raw water is oxidized, softened, filtered, and disinfected. The SWP was built in the 1980s and in 1990 production capacity was expanded by addition of a third treatment unit (rated approximately 8 MGD), additional filtration, and a second finished water clear well and high service pump station. The current treatment capacity of 24 MGD exceeds the total water well production capacity at this facility by 3 MGD.

Three softening basins (also referred to as treatment unit) receive hydrated lime and alum in the mixing zone. Settled effluent from the basins is gravity fed to one of the eight filters. Filtered water is temporarily stored in one of two finished water clearwells and pumped into the distribution system. Disinfection at the SWP is provided by chlorine gas.

Waste streams including clarifier blowdown, backwash, and filter-to-waste are temporarily stored in a backwash recycle tank where decant water is pumped back to the treatment units. Settled solids are pumped from the backwash recycle tank to a digester for further thickening. Thickened treatment residuals are hauled and land-applied at local farmland.

Emergency power is provided by an on-site emergency diesel generator capable of powering the full plant. At the time of the field visit, a construction project was under way to improve the control building roof and enhance the structural integrity of the control building walls.

5.3.2 North Water Treatment Plant

Groundwater produced by water supply wells (Well 7 through Well 22) is combined at the head of the NWP located at 200 N Buchanan Street in Lafayette where it is treated utilizing processes similar to the SWP. The NWP was built in the 1929 and expanded and/or improved several times since then. The current treatment capacity is 20.8 MGD which is very close to the firm capacity of the wells feeding raw water to this facility.

Five softening basins receive hydrated lime and alum in the mixing zone and settled effluent is gravity fed to 1 of the 15 filters. Filtered water is temporarily stored in 1 of 3 finished water clearwells or an on-site 3.0-M gallon ground storage tank and pumped into the distribution system. Disinfection at the NWP is also provided by chlorine gas. Treatment plant waste streams at the NWP are handled similarly to the SWP and residuals are similarly land applied.

Emergency power is provided by an on-site emergency diesel generator capable of powering approximately one fourth of the full plant power demand. It was noted by LUS staff that operations staff prefer to work at this location during hurricane or inclement weather events due to the robust concrete construction of the operations building.

The 16-inch finished water pipeline that conveys water out of the NWP to the distribution system presents a hydraulic bottleneck and limits LUS's ability to utilize the full production capacity of the plant.

At the time of the field visit, a construction project was under way to replace the high service pump station main header. Four high service pumps were temporarily out of service for this project limited pumping capacity.

A LDEQ incident report dated October 3, 2020, indicated that a release of lime powder occurred during bulk tank transfer procedures. The report indicates 2 to 3 lbs of lime had accumulated on the tank roof during transfer. The spilled material was cleaned up via vacuum and no environmental impact occurred.

5.3.3 Commission Boulevard Remote Site

Groundwater produced by water supply wells (Well 23 and Well 25) is disinfected with sodium hypochlorite and dosed with phosphate at the Commission Boulevard Remote Site (located 204 Commission Boulevard) prior to entering the distribution system. Groundwater pumped at this location contains elevated levels of ammonia which will be addressed by a new water treatment facility that LUS intends on constructing at this location. The new treatment facility has already been designed and will utilize a biological process to remove ammonia and remove iron and manganese using oxidation and Greensand filtration similar to the Gloria Switch Remote Site. Pilot testing was conducted and determined these treatment processes to be successful at removing the targeted contaminants. Disinfection will be converted to chlorine gas as part of the project. The new water treatment plant will be located adjacent to the Commission Boulevard Remote Site and construction is scheduled to commence this year.

5.3.4 Gloria Switch Remote Site

Groundwater produced by water supply wells (Well 24 and Well 26) is treated and disinfected at the Gloria Switch Remote Site located at 1708 W Gloria Switch Road, Carencro, Louisiana. Groundwater is dosed with sodium hypochlorite and permanganate for oxidation upstream of Greensand filtration for iron and manganese removal. Phosphate is then added for stabilization and additional sodium hypochlorite provides disinfection residual. A 0.75-M gallon ground storage tank is located on site adjacent and provides supply to the high service pump station.

LUS staff noted that the Greensand media should be replaced in the future due to the presence of "mud balls." Mud balls in granular filter media can form over time when filter media is not being cleaned (via backwashing) thoroughly.

Emergency power is provided by an on-site emergency diesel generator capable of providing the full plant power demand.

5.4 Water Distribution and Storage

Water main lines primarily consist of ductile iron, polyethylene, PVC, asbestos cement, and cast iron; however, other materials are also present in the system. There are 224 sample stations located throughout the distribution system. The distribution system assets including main lines, valves, and hydrants are summarized in Table 5-4.

Table 5-4: Water Distribution System Assets

Asset	2016	2017	2018	2019	2020[1]
Miles of Main Lines	1,126	1,164	1,170	1,145	1,153
Number of Valves	23,230	23,435	23,607	23,755	24,112
Number of Hydrants	6,540	6,579	6,616	6,685	6,614

Source of data: LUS Internal Memorandum, December 21, 2020

[1]Total number includes City of Lafayette and North Water District

During 2020, approximately 9.1 miles of new water mains were installed in the City of Lafayette and 0.2 miles of new mains in the North Water District.

Water is stored in numerous ground storage or elevated storage tanks located at the treatment plant sites and throughout the distribution system, as summarized in Table 5-5.

Table 5-5: Water Storage Facilities

Location	Storage Type	Storage Volume (MG)
Treatment Facilities		
South Water Treatment Plant	Ground Storage – Concrete Clearwell	0.225
	Ground Storage – Concrete Clearwell	0.5
	Ground Storage – Concrete Tank	2.0
	Total Storage	2.725
North Water Treatment Plant	Ground Storage – Concrete Clearwell	0.3
	Ground Storage – Concrete Clearwell	0.3
	Ground Storage – Concrete Clearwell	0.3
	Ground Storage – Concrete Tank	3.0
	Total Storage	3.9
Gloria Switch Remote Site	Ground Storage – Concrete Tank	0.75
	Total Storage	0.75
Distribution System		
Fabacher	Ground Storage – Concrete Tank	2.0
Bertrand	Elevated Multi-Column	0.3
Walker Road	Elevated Multi-Column	1.0
Guilbeau	Elevated Multi-Column	1.0
South Park	Elevated Composite	1.0
North Park	Elevated Composite	1.0
	Total Storage	6.3
	Total System Storage	13.675

Source of data: LUS

LUS staff indicated that additional ground storage is required at the SWP because the existing 2.0 M gallon tank has a leak in the tank floor. The tank is operated 24 hours per day, so it cannot be removed from service for the repairs to be performed.

The 2 M gallon Fabacher ground storage tank has an adjacent high service pump station with a sodium hypochlorite storage and dosing system. A 1,000-gallon sodium hypochlorite tank was augmented with a 100-gallon tank because boosting the chlorine residual at this location is rarely needed. LUS staff noted that the two 3.6 MGD single-speed high service pumps provide too much pressure, which would be alleviated with the addition of variable frequency drives.

LUS uses contracted tank inspection services on an annual basis to inspect each elevated storage tank. As a result of recent tank inspection, the Guilbeau tank was repainted, and the North Park and South Park tanks were cleaned out.

5.4.1 Operations and Related Performance

Gross water production in 2020 was 8,340 million gallons ("MG") or an average of 22.9 MGD. Unaccounted for water is calculated by subtracting the Total Water Sales by the Total Water Distributed and represents the volume of water lost in the distribution system. These losses can be attributed to physical losses (i.e., pipe or tank leakage) or non-physical losses (i.e., under-billed or un-billed volume). In 2020, unaccounted for water was 12.5 percent which is over 5 percent increase from the lowest value in the past five years occurring in 2017.

Table 5-6: Production and Unaccounted for Volumes

Item	2016	2017	2018	2019	2020
Total Water Produced (1,000 Gal)	8,153,707	8,150,356	8,430,630	8,272,102	8,340,279
Plant Use (1,000 Gal)	31,200	31,200	31,200	31,200	31,200
Total Water Distributed (1,000 Gal)	8,122,507	8,119,156	8,399,430	8,240,902	8,309,079
Total Water Sales (1,000 Gal)	7,520,277	7,543,498	7,620,462	7,320,533	7,267,453
Not Accounted for (1,000 Gal)	602,230	575,658	778,968	920,369	1,041,626
Unaccounted for Water	7.4%	7.1%	9.3%	11.2%	12.5%

Source of data: LUS Financial and Operating Statements

Distribution system hydrant testing occurs twice per year as required by the Property Insurance Association of Louisiana ("PIAL") and is necessary to maintain the utility's Class II PIAL fire rating. In previous reports, it was noted that distribution system flushing was required to meet the Louisiana Department of Health and Hospitals Emergency Rule governing the minimum disinfectant residual of 0.5 mg/L chlorine in the distribution system was an attributing factor to the rise in unaccounted for water. Discussions with LUS staff indicate that automatic line flushing at 10 to 12 locations of the distribution system is also necessary to mitigate water quality concerns. Flushing is performed at night and is controlled with automatic timers.

Due to the continued increasing trend in unaccounted water, LUS should consider studying water loss in more detail or performing a Water Audit for Water Loss Control for improved management of non-revenue water.

5.5 Historical Capital Improvement Program

LUS tracks capital expenses through its capital work order system. Historical capital improvements program expenditures presented in Table 5-7 reflect investments in infrastructure funded by the Series 2010 and Series 2019 Bonds and retained earnings. The Series 2010 Bonds were used for the Water System AMI projects and improvements to the water production system. The Series 2019 Bonds are available to support various capital projects including building rehabilitation and improvements, ground storage tank and treatment plant upgrades. Major capital improvements completed in FY2020 included water tower painting, filter gallery painting and replacement, replacement of 2" galvanized mains, maintenance building expansion and phosphate chemical system, and armoring of the South plant operations building.

Table 5-7: Historical Capital Improvement Program

	2016	2017	2018	2019	2020
Normal Capital & Special Equipment	$ 1,433,461	$ 1,448,745	$ 1,630,841	$ 1,526,170	$ 2,382,861
Series 2010 Bonds	98,026	0	0	0	0
Series 2019 Bonds	0	0	0	0	1,003,625
Retained Earnings	2,925,329	1,704,416	791,664	786,874	633,431
Total Water Capital	$ 4,456,815	$ 3,153,161	$ 2,422,504	$ 2,313,045	$ 4,019,917

Source of data: LUS Financial and Operating Statements

5.6 Environmental and Regulatory Compliance

The following sections provide an overview of environmental and regulatory compliance associated with the water system. Environmental compliance for the water system is provided by LUS Environmental and Compliance staff including sample collection, analysis, and reporting.

5.6.1 Water Quality

The EPA requires water utilities to perform specific annual water quality sampling and summarize results in an annual Consumer Confidence Report which is then made available to the public.[5] The 2019 water quality report indicates no MCL exceedances were observed in the 2019 calendar year. A Louisiana Drinking Water Watch search was performed and indicates there were no water system deficiencies found, as presented in Table 5-8.

[5] The 2019 Consumer Confidence Report can be found at https://www.lus.org/water-quality.

Table 5-8: Drinking Water System Violations

Type	Category	Analysis	Compliance Period
No violations occurred during this CER reporting period	NA	NA	NA

Source of data: LUS 2019 Consumer Confidence Report

Triennial lead and copper sampling was performed by LUS in 2019 and was not required in the 2020 calendar year. For reference, the 2019 lead and copper sampling results are provided in Table 5-9. There are zero sites that reported lead or copper concentrations above EPA Designated Action Levels. Section 5.6.3 discusses recent revisions to the Lead and Copper Rule.

Table 5-9: 2019 Triennial Lead and Copper Sampling

Constituent	Major Source in Drinking Water	EPA Designated Action Level (requires treatment) at 90^{th} Percentile	LUS Results at 90^{th} Percentile Testing
Lead	Corrosion of household plumbing systems; Erosion of natural deposits	15 ppb	0 ppb
Copper	Corrosion of household plumbing systems	1.3 ppm	0 ppm

Source of data: 2019 Triennial Lead and Copper Sampling

The EPA Stage 2 Disinfectants and Disinfection Byproducts Rule ("DBPRs") requires sampling of regulated contaminants including total trihalomethanes ("TTHM") and five haloacetic acids ("HAA5"). LUS is required to sample six distribution system monitoring locations quarterly. Results of the DBPR sampling are summarized in Table 5-10. No TTHM or HAA5 samples exceeded the respective MLC or MCLG.

Table 5-10: Disinfection Byproducts Monitored in Distribution System

DBP	Typical Source	Maximum Contaminant Level (MCL)	Maximum Contaminant Level Goal (MCLG)	Locational Running Annual Average (LRAA)	Range	Location
Haloacetic Acids (HAA5)	By-product of drinking water chlorination	60 ppb	0 ppb	4.4 ppb	2.8-4.9 ppb	Ambassador Caffery & W. Congress
				5.0 ppb	4.3-5.9 ppb	Gloria Switch Rd. & Arbor
				6.3 ppb	2.8-10.1 ppb	Kaliste Saloom & E. Broussard
				7.2 ppb	6.5-8.3 ppb	Thomas Nolan & Brigante
				3.5 ppb	1.5-3.8 ppb	Vennard & Valley View
				2.9 ppb	1.4-3.3 ppb	Walker & Doc Bonin
Total Trihalomethanes (TTHM)	By-product of drinking water chlorination	80 ppb	0 ppb	9.8 ppb	7.5-9.1 ppb	Ambassador Caffery & W. Congress
				11.0 ppb	8.1-12.0 ppb	Gloria Switch Rd. & Arbor
				8.7 ppb	8.0-9.6 ppb	Kaliste Saloom & E. Broussard
				18.4 ppb	12.7-21.1 ppb	Thomas Nolan & Brigante
				9.1 ppb	7.4-8.6 ppb	Vennard & Valley View
				6.4 ppb	5.8-7.1 ppb	Walker & Doc Bonin

Source of data: LUS 2019 Consumer Confidence Report
ppb: parts per billion

Chlorine gas and sodium hypochlorite are disinfectants used at each of LUS's treatment facility locations to control microbes within the distribution system. The minimum allowable free chlorine concentration in the distribution system, set by Louisiana Department of Health and Hospitals ("LA DHH"), is 0.5 ppm and the maximum residual disinfectant level ("MRDL") and maximum residual disinfectant level goal ("MRDLG") are both 4 ppm. A summary of chlorine in the distribution system is included in Table 5-11.

Table 5-11: Distribution System Disinfectant

Disinfectant	Typical Source	MRDL	MRDLG	Highest RRA	LUS Range
Chlorine	Water additive to control microbes	4 ppm	4 ppm	1.6 ppm	0.52-2.2 ppm

Source of data: LUS 2019 Consumer Confidence Report

Drinking water in the distribution system is also sampled and analyzed for microbes. The results of the microbiological sampling are summarized in Table 5-12.

Table 5-12: Microbiologicals Monitored in Distribution System

Microbiologicals	Typical Source	Maximum Contaminant Level (MCL)	Maximum Contaminant Level Goal (MCLG)	Result
None Detected	NA	NA	NA	NA

Source of data: LUS 2019 Consumer Confidence Report

Raw groundwater was also sampled and analyzed for barium, fluoride, combined radium (-226 and -228) and gross beta particle activity. The results of the sampling are summarized in Table 5-13.

Table 5-13: Constituents Monitored Before Treatment

Constituent	Major Source in Drinking Water	Maximum Contaminant Level (MCL)	Maximum Contaminant Level Goal (MCLG)	LUS Max	LUS Range
Barium	Erosion of natural deposits; runoff from orchards; runoff from glass and electronics production wastes	2 ppm	2 ppm	0.28 ppm	<RL-0.28 ppm
Fluoride	Erosion of natural deposits; discharge from fertilizer and aluminum factories	4 ppm	4 ppm	0.2 ppm	<RL-0.2 ppm
Combined Radium (-226 & -228)	Erosion of natural deposits	5 pCi/L	0 pCi/L	1.5 pCi/L	0.0-1.5 pCi/L
Gross Beta Particle Activity	Decay of natural and man-made deposits	50 pCi/L	0 pCi/L	2.5 pCi/L	<RL-2.5 pCi/L

Source of data: LUS 2019 Consumer Confidence Report

EPA requires monitoring of specific contaminants under the Unregulated Contaminant Monitoring Rule ("UCMR"). Under UCMR4, covering calendar years 2018 to 2020, groundwater systems are required to sample 20 contaminants. Unregulated contaminants detected are summarized in the 2019 CCR and in Table 5-14. Every five years, the EPA updates the contaminants to be monitored by public water systems. UMCR5 has been published in draft form and includes sampling and analysis for 29 per- and polyfluoroalkyl substances ("PFAS") and one metal: lithium. Sampling for UMCR5 will take place between 2023 and 2025.

Table 5-14: Unregulated Contaminants (UCM4)

Unregulated Contaminant	Month of Collection	LUS Max	LUS Range
Manganese	January, February, July, August	75.7 ppb	0.81-75.7 ppb
Bromide	January, February, July, August	260.0 ppb	<RL-260.0 ppb
Bromochloroacetic Acid	January, July	2.5 ppb	0.90-2.5 ppb
Bromodichloroacetic Acid	January, July	2.0 ppb	0.57-2.0 ppb
Chlorodibromoacetic Acid	January, July	1.9 ppb	0.50-1.9 ppb

Notes:
Source of data: LUS 2019 Consumer Confidence Report

5.6.2 America's Water Infrastructure Act of 2018

The America's Water Infrastructure Act ("AWIA") of 2018, Section 2013 requires all water systems perform a Risk and Resilience Assessment ("RRA") and update the water system's Emergency Response Plan ("ERP"). LUS was required to certify completion of an RRA and ERP Update by March 31, 2020, and September 30, 2020, respectively. LUS reported that these services were performed by Neel Schaffer and that EPA certifications were submitted by LUS prior to the regulatory deadlines.

5.6.3 Lead and Copper Rule Revisions

The EPA issued the final Lead and Copper Rule Revisions ("LCRR") on January 15, 2021, aimed to better protect children at schools and childcare facilities against lead exposure through drinking water. The LCRR represents the first major update to the Lead and Copper Rule in 30 years and requires water utilities to prepare and maintain lead service line inventories, requires modifications to lead and copper sample locations and protocols, and, if triggered, perform and implement corrosion control studies and/or lead service line replacement.

On March 12, 2021, EPA announced that the effective date of the LCRR, initially proposed as March 16, 2021, would be delayed until June 17, 2021. LUS should begin preparing for operational changes brought about by the LCRR, specifically in developing a lead service line ("LSL") inventory and revisions to the lead and copper sampling. Per the LCRR, all systems with any LSLs shall prepare and submit to the state a LSL Replacement Plan by January 16, 2024.

It should be noted that, because of presidential directives to review certain regulations, EPA has proposed to delay the effective date of the LCRR until December 16, 2021 with a compliance date of September 16, 2024. At the time of this report's publication, it was unknown if EPA's proposal to delay the effective date until December 16, 2021 would be accepted. So, while there is some uncertainty regarding the timing of the LCRR being effective, LUS should evaluate the requirements and implement initiatives necessary to ensure compliance.

5.6.4 Louisiana Pollutant Discharge Elimination System Permits

The water system maintains three LPDES permits as described in the following sections.

5.6.4.1 North Water Treatment Plant LPDES Permit

LPDES Permit LAG380057 permits for the discharge of clarifier sludge and/or clarifier blowdown at Outfall 004. The permit is effective as of December 17, 2020.

5.6.4.2 South Water Treatment Plant LPDES Permit

LPDES Permit LA0079278 permits for the discharge of stormwater or process flows at five stormwater outfalls. The permit is effective as of June 1, 2020.

5.6.4.3 North Booster Well Treatment and Storage Facility

LPDES Permit LAG380096 permits for the discharge of stormwater or process flows to outfalls at the North Booster Well Treatment and Storage Facility located at Gloria Switch Road. The permit is effective as of December 17, 2020.

5.6.5 Spill Prevention Control and Countermeasures Plan

SPCC plans are required to comply with state and federal regulations if facilities are proximate to U.S. waters. Compliance is required by facilities which are subject to spills of oils, fuels, or other controlled substances and have a storage capacity of more than 1,320 gallons at a single facility. SPCC Plans are required at the North Water Treatment Plant and the South Water Treatment Plant and were prepared for each facility in 2006. Each water treatment plant SPCC Plan was last reviewed for substantial changes in May 2017. SPCC Plans must be reviewed every five (5) years (the next review is due in 2022) or upon significant change in oil storage or if a spill incident occurs.

5.6.6 Post-Hurricane Inspections

Two post-hurricane inspections were completed by the EPA at the North Water Treatment Plant and the South Water Treatment Plant following Hurricane Delta, and Hurricane Marco and Hurricane Laura (one inspection). Both water treatment plant facilities were noted as operational with no further action required.

5.7 Contracts and Agreements

LUS owns, operates, and maintains a regional Water System that serves customers both inside and outside its City limits. Services are provided on a retail and wholesale basis outside the City, including seven wholesale customers governed by six contracts. Wholesale customers are comprised of two water districts and five neighboring water systems or cities including:

- Waterworks District North (retail and wholesale)
- Waterworks District South
- The City of Scott
- The City of Broussard
- Milton Water System
- The City of Youngsville
- The City of Carencro (emergency supply only; not a typical wholesale customer)

LCG also provides billing services on behalf of Waterworks District North to its retail customers. Both the North and South Waterworks Districts constructed their own additions and extensions following LUS construction standards. In addition to its wholesale contracts, LCG has a contract to provide emergency back-up water service to the City of Carencro. This agreement was signed in 1980 and has no expiration.

Wholesale customers represented 30.2 percent of total water sales volume and 30.1 percent of the total water sales revenue in 2020, respectively. While both wholesale water sales volume and revenues have increased recently, wholesale revenues have increased more due to wholesale rate increases. Table 5-15 and Table 5-16 summarize the historical wholesale water volume sales and revenues by customer.

Table 5-15: Wholesale Water Sales by Customer (1,000 gallons)

Customer	2016	2017	2018	2019	2020
City of Scott	331,260	356,855	339,037	365,611	332,496
City of Broussard	236,605	260,502	297,294	332,037	219,374
City of Youngsville	314,452	345,638	406,563	367,097	449,303
Milton Water System	245,279	225,155	234,024	240,071	246,763
Waterworks District North	458,802	448,394	442,492	324,787	376,549
Waterworks District North - Wholesale	228,077	225,320	222,101	227,818	213,567
Waterworks District South	303,152	299,187	315,399	314,507	353,520
Total Wholesale Water Sales	2,117,627	2,161,051	2,256,911	2,171,928	2,191,571
Total Water Sales (Wholesale and Retail)	7,520,277	7,543,498	7,620,462	7,320,533	7,267,453
Percent of Total Sales from Wholesale	28.2%	28.6%	29.6%	29.7%	30.2%

Source: LUS Financial and Operating Statements

Table 5-16: Wholesale Water Revenues by Customer

Customer	2016	2017	2018	2019	2020
City of Scott	$711,851	$844,031	$988,418	$997,561	$909,160
City of Broussard	503,623	613,321	760,203	879,643	590,437
City of Youngsville	665,814	820,289	1,033,306	934,361	1,240,640
Milton Water System	516,698	528,244	601,330	602,054	675,946
Waterworks District North	1,210,188	1,187,053	1,265,202	944,243	1,394,202
Waterworks District North - Wholesale	483,261	536,451	574,238	588,692	571,651
Waterworks District South	645,213	703,063	815,558	815,953	973,644
Total Wholesale Water Revenues	$4,736,650	$5,232,452	$6,038,256	$5,762,507	$6,355,680
Total Water Sales (Retail & Wholesale)	$18,286,651	$19,458,484	$21,220,243	$20,524,232	$21,144,642
Percent of Total Sales from Wholesale	25.9%	26.9%	28.5%	28.1%	30.1%

Source: LUS Financial and Operating Statements

A summary of wholesale contract terms is presented in Table 5-17. In 2019, the contract with the City of Broussard was extended from an expiration in 2020 to 2038. Also, in 2019, the contract with the City of Scott was extended from an expiration in 2022 to 2038. The Waterworks District North and Waterworks District South contracts expire in 2032 and 2035, respectively. The Milton Water System expires in 2037 and the City of Youngsville expires in 2038.

Table 5-17: Wholesale Water Contract Terms

Customer	Contract Date	Term in Years	Termination Date
Water District North – Full Service – Phase 1, 2, 3, 4 (NE area, NW area, Scott area)	October 17, 2002	30	October 17, 2032
Waterworks District North – Wholesale	October 17, 2002	30	October 17, 2032
City of Scott	May 28, 1997	41	May 31, 2038
City of Broussard	March 5, 1998	40	July 31, 2038
Milton Water System	April 28, 1997	40	April 28, 2037
City of Youngsville	December 24, 1998	40	December 24, 2038
Waterworks District South	October 13, 1995	40	October 12, 2035
City of Carencro (1)	March 28, 1980	N/A	None

Source: LUS

(1) Letter Agreement with the City of Carencro on an emergency back-up basis. The rate charged will be the same as the current City of Scott rate. As per information received from LUS's Water System, LUS supplied water to the City of Carencro under this letter agreement fewer than five times.

5.8 Utility Benchmarking

5.8.1 Utility Rates

LUS's residential and commercial water rates have historically been among the lowest in the state and surrounding region. Table 5-18 and Table 5-19 provide a regional comparison of effective water rates for residential and commercial customers, respectively.

Table 5-18: Residential Rate Comparison

Utility	Average ($/1,000 gallons) (1)
LUS	$ 2.64
Alexandria	$ 3.19
Lake Charles	$ 3.49
Shreveport	$ 3.59
Baton Rouge	$ 4.37
New Iberia	$ 5.46
New Orleans	$ 9.64

Source: LUS. Rates as of January 2021.
(1) Assumes monthly water consumption of 7,000 gallons.

Table 5-19: Commercial Rate Comparison

Utility	Average ($/1,000 gallons) (1)
LUS	$ 2.97
Alexandria	$ 3.27
Shreveport	$ 4.08
Lake Charles	$ 4.18
Baton Rouge	$ 4.45
New Iberia	$ 4.45
New Orleans	$ 9.77

Source: LUS. Rates as of January 2021.
(1) Assumes monthly water consumption of 30,000 gallons.

LUS last completed a rate study in 2016, indicating the need to increase Water System rates to adequately cover its costs. Retail rates were increased 7.4 percent effective November 1, 2016 and 7.2 percent effective November 1, 2017. Retail rates have remained unchanged since then.

Wholesale rates are evaluated every other year through a cost-of-service study. The next cost of service study for wholesale water rates is scheduled to occur later in 2021.

5.8.2 Financial and Operating Statistics

The American Water Works Association ("AWWA") annually publishes benchmarking data across a variety of performance indicators for water and wastewater utilities. The *2020 AWWA Utility Benchmarking: Performance Management for Water and Wastewater* was released in early 2021, compiling various financial and operating ratios from 2019. For this analysis, specific ratios were obtained from the AWWA report representing national and regional medians. The AWWA defines national metrics as water utilities in both the United States and Canada, hereafter referred to as "National." Ratios are also available by region and by number of water customers served. The U.S. South region was used, which includes Louisiana and is hereafter referred to as "Regional." Further, ratios are available specifically for water utilities, wastewater utilities, and combined water and wastewater utilities. Where possible, comparisons have been made to water utility ratios. However, some LUS balance sheet information is available only for the combined Electric, Water and Wastewater Utilities System, hereafter referred to as "Combined." The AWWA "Combined" benchmarking data only includes water and wastewater utilities.

LUS's operating ratio benchmark results are presented in Table 5-20. LUS's water operational costs are lower than the National and Regional medians. LUS's combined debt ratio is lower than the Regional median, but higher than the National median. The operating ratio is higher on both a water-only and combined basis than either the National or Regional medians. However, the AWWA combined utilities median includes water, wastewater, and stormwater, while LUS includes water, wastewater and electric. LUS's cash reserves are lower than the National and Regional medians. Debt service coverage for LUS is higher than either the National or Regional medians on both a water-only and combined basis.

Table 5-20: Benchmarked Water Utility Operating Ratios

		National(1)	Regional	LUS	
Statistics	**Basis**	**2019**	**2019**	**2019**	**2020**
Operational Costs per MG	Water	$1,949	$2,159	$1,720	$1,556
Debt to Total Assets (Debt Ratio)	Combined	0.31	0.48	0.38	0.37
Operating Ratio (O&M cost/ Operating revenue)	Water	0.49	0.50	0.69	0.61
Operating Ratio (O&M cost/ Operating revenue)	Combined	0.46	0.47	0.68	0.67
Cash Reserve Days(2)	Combined	413	256	51	49
Debt Service Coverage	Water	3.08	2.62	3.76	3.83
Debt Service Coverage	Combined	3.20	2.24	3.54	3.02

Source: AWWA and LUS

(1) National AWWA benchmarks for water and combined water and wastewater utilities with 50,001 to 100,000 customers to align with the Water System customers served.

(2) LUS results based on total O&M for Electric, Water, and Wastewater Systems less fuel and purchased power expenses.

5.9 Historical Financial Performance

Table 5-21 presents historical debt service and the associated DSCR. Historical Water System debt service as shown below includes a portion of the Series 2010 Bonds, Series 2012 Bonds, Series 2017 Bonds, and Series 2019 Bonds. The Series 2010 Bonds were fully redeemed by the proceeds of the Series 2017 Bonds on November 1, 2020. The first debt service payment for the Series 2019 Bonds was due November 1, 2019 (FY 2020). In each year since 2016, the DSCR exceeded the minimum coverage requirement of 1.0 required by the Bond Ordinances.

Table 5-21: Historical Financial Performance

Fiscal Year	Operating Revenues (1)	Operating Expenses (2)	Net Revenues Available for Debt Service	Debt Service (3)	Debt Service Coverage Ratio
2016	18,593,541	13,761,106	4,832,435	1,801,748	2.7
2017	19,822,196	13,965,819	5,856,377	1,415,916	4.1
2018	21,736,544	14,260,225	7,476,319	1,726,379	4.3
2019	21,369,475	14,227,206	7,142,269	1,899,168	3.8
2020	21,696,556	13,159,106	8,537,450	2,276,675	3.7

Source: LUS Financial and Operating Statements

(1) Operating Revenues include interest income and other miscellaneous income.

(2) Operating Expenses include O&M and other expenses such as customer service and A&G costs. Operating Expenses do not include ILOT, normal capital and special equipment, and other miscellaneous expenses.

(3) Debt Service was prepared on a cash basis for this table and includes a portion of the Series 2010 Bonds, Series 2012 Bonds, Series 2017 Bonds, and Series 2019 Bonds. The Series 2010 Bonds were fully redeemed by the Series 2017 Bonds on November 1, 2020.

5.9.1 Rate Structures

The Water System provides service to retail and wholesale customers. Wholesale customers are outside the City limits and are served on a contract basis. Retail customers are served both inside and outside the City limits. Water System customer classes include residential, commercial, schools and churches, and special contract customers for bulk water. The Water System rate structure for retail customers includes a customer charge that varies based on the meter size, and a commodity charge that is based on usage in thousand gallons. The commodity charge for Residential customers includes a uniform rate per thousand gallons in the winter period (December through March) and an inclining block rate structure in the summer period (April through November). Table 5-22 presents the retail rate schedule for LUS.

Table 5-22: Retail Rate Schedules

Rate Class	Serves	Effective Date	Meter Size (inches)	Customer Charge ($/month)	Winter Commodity Rate ($/1,000 gallons)	Summer Commodity Rate Tier 1 ($/1,000 gallons)	Summer Commodity Rate Tier 2 ($/1,000 gallons)	Monthly Commodity Rate ($/1,000 gallons)
W-1	Residential	Nov-17	0.75	$4.85	$1.65	$1.65	$2.65	NA
			1.00	$8.10	$1.65	$1.65	$2.65	NA
			1.50	$16.15	$1.65	$1.65	$2.65	NA
			2.00	$25.85	$1.65	$1.65	$2.65	NA
			3.00	$48.50	$1.65	$1.65	$2.65	NA
			4.00	$80.85	$1.65	$1.65	$2.65	NA
			6.00	$161.65	$1.65	$1.65	$2.65	NA
			8.00	$258.65	$1.65	$1.65	$2.65	NA
W-1-O	Residential Non-City	Nov-17	0.75	$9.70	$3.30	$3.30	$5.30	NA
			1.00	$16.15	$3.30	$3.30	$5.30	NA
			1.50	$32.35	$3.30	$3.30	$5.30	NA
			2.00	$51.75	$3.30	$3.30	$5.30	NA
W-2	Commercial	Nov-17	0.75	$4.85	NA	NA	NA	$1.85
			1.00	$8.10	NA	NA	NA	$1.85
			1.50	$16.15	NA	NA	NA	$1.85
			2.00	$25.85	NA	NA	NA	$1.85
			3.00	$48.50	NA	NA	NA	$1.85
			4.00	$80.85	NA	NA	NA	$1.85
			6.00	$161.65	NA	NA	NA	$1.85
			8.00	$258.65	NA	NA	NA	$1.85
W-2-O	Commercial Non-City	Nov-17	0.75	$9.70	NA	NA	NA	$3.70
			1.00	$16.15	NA	NA	NA	$3.70
			1.50	$32.35	NA	NA	NA	$3.70
			2.00	$51.75	NA	NA	NA	$3.70

5.9.2 Revenue Analysis

Table 5-23 presents the Water System revenues. The total retail revenues increased by 4.8 percent in 2017 and 6.9 percent in 2018 due primarily to rate increases. The revenues decreased by 2.7 percent in 2019 due to lower sales. In 2020, total retail revenues increased 0.8 percent, with higher Residential sales and revenues largely offset by lower sales and revenues from non-residential classes, a dynamic influenced heavily by the COVID-19 pandemic.

Table 5-23: Retail Revenues by Class

	2016	2017	2018	2019	2020
Revenues					
Residential	$7,426,141	$7,796,049	$8,410,699	$8,181,849	$8,515,274
Commercial	5,092,632	5,319,854	5,543,239	5,464,127	5,355,309
Schools & Churches	500,405	537,322	632,392	534,520	473,545
Other	210,500	209,454	234,910	244,873	200,216
Total	$13,229,678	$13,862,679	$14,821,240	$14,425,369	$14,544,345
Number of Customers					
Residential	42,393	42,693	42,929	44,633	43,627
Commercial	6,550	6,647	6,671	6,899	6,824
Schools & Churches	297	305	312	317	317
Other	283	284	283	281	285
Total	49,524	49,929	50,195	52,130	51,054
Revenue per Customer					
Residential	$175	$183	$196	$183	$195
Commercial	777	800	831	792	785
Schools & Churches	1,683	1,763	2,028	1,685	1,494
Other	743	739	831	871	702
Total	$267	$278	$295	$277	$285
Sales (1000 gallons)					
Residential	2,737,573	2,714,031	2,735,228	2,561,224	2,681,717
Commercial	2,334,596	2,342,707	2,243,690	2,237,397	2,130,776
Schools & Churches	231,962	236,557	289,301	248,388	187,246
Other	98,519	89,152	95,333	101,596	76,143
Total	5,402,650	5,382,447	5,363,552	5,148,605	5,075,882
Sales (1000 gallons) per Customer					
Residential	65	64	64	57	61
Commercial	356	352	336	324	312
Schools & Churches	780	776	928	783	591
Other	348	314	337	361	267
Total	109	108	107	99	99
Revenue per 1000 gallon					
Residential	2.71	2.87	3.07	3.19	3.18
Commercial	2.18	2.27	2.47	2.44	2.51
Schools & Churches	2.16	2.27	2.19	2.15	2.53
Other	2.14	2.35	2.46	2.41	2.63
Total	2.45	2.58	2.76	2.80	2.87

Source: LUS Financial and Operating Statements

5.9.3 Expense Analysis

Table 5-24 shows historical water operating expenses, distinguished between fixed and variable costs. Variable operating expenses within Power & Pumping include purchased power costs, while variable operating expenses within Purification include chemical costs. Fixed operating expenses include Source of Supply, a portion of Power & Pumping and Purification, Distribution, Customer Service, and Administrative and General ("A&G") expenses. Historically, variable expenses average about 22 percent of total expenses.

Table 5-24: Historical and Variable Expense Summary

	2016	2017	2018	2019	2020
Variable Expenses					
Power & Pumping	$474,683	$461,177	$464,538	$461,845	$465,557
Purification	2,624,435	2,556,678	2,587,531	2,675,900	2,372,173
Total Variable Expenses	$3,099,118	$3,017,855	$3,052,070	$3,137,745	$2,837,730
Fixed Expenses					
Source of Supply	$185,999	$191,113	$175,620	$183,896	$179,867
Power & Pumping	327,040	268,334	296,324	303,191	274,159
Purification	1,853,514	1,929,383	1,971,597	1,871,480	1,716,917
Distribution	2,538,366	2,619,286	2,884,033	2,889,727	2,098,086
Customer	1,149,579	1,128,205	1,219,158	1,172,251	1,295,339
A&G	4,607,489	4,811,643	4,661,424	4,668,916	4,757,007
Total Fixed Expenses	$10,661,987	$10,947,964	$11,208,155	$11,089,461	$10,321,376
Total Fixed & Variable	$13,761,106	$13,965,819	$14,260,225	$14,227,206	$13,159,106
Percent Variable	23%	22%	21%	22%	22%
Percent Fixed	77%	78%	79%	78%	78%

Source: LUS Financial and Operating Statements

5.10 Observations and Recommendations

- Based on the analysis described herein, Burns & McDonnell presents the following observations and recommendations.
- Total water production has remained generally stable but overall retail water sales have declined.
- Retail sales reductions have been partially offset by wholesale sales increases, with wholesale sales representing 28 to 30 percent of total sales over the last five years. LUS coordinates closely with its wholesale customers regarding growth for planning purposes and should continue to do so.
- With relatively steady water production and a general decline in water sales, unaccounted for water has increased from 7.4 percent in 2016 to 12.5 percent in 2020. Overall unaccounted for water (i.e., losses) on a percentage basis have increased over the last four years.
- Within its next rate study, LUS should evaluate the possibility of increasing its fixed cost recovery in its Water System revenue streams to improve overall revenue stability. Such a change can be accomplished in a revenue-neutral way, meaning rates would still produce the same overall Water System revenue under normal conditions. This change could be phased-in over time to mitigate customer impact.
- Water produced by the two Commission Boulevard groundwater wells is not softened or treated for iron and manganese removal prior to entering the distribution system. Areas of the distribution system where this groundwater blends with softened water from the North and/or South Water Treatment

Plants has been observed to cause aesthetic issues with water being delivered to customers. LUS utilizes automatic flushing in these areas of the distribution system; however, robust monitoring or operational changes in the system may be necessary to prevent these events from occurring until the new Commission Boulevard Water Treatment Facility is constructed and operational. The treatment plant improvements are scheduled to be completed in 2022.

- The 16-inch pipeline leaving the North Water Treatment Plant into the distribution system presents a hydraulic limitation (or "bottleneck") on the amount of water that can be pumped out of the treatment plant. This in turn, reduces the ability to utilize the full treatment capacity of the plant. Burns & McDonnell recommends potential solutions to mitigate this bottleneck for this pipeline be evaluated in the future. This would allow LUS to utilize the full treatment capacity of the plant to meet increasing demands in the system.
- Annual programs are in place for inspection of elevated water towers and for inspection and testing of groundwater production wells. Through discussion and observations, it appears that a programmatic proactive maintenance approach is not applied consistently across all LUS water assets. Proactive maintenance results in extended asset life and reduces the likelihood and duration of unexpected downtime or failures. LUS should evaluate its water system assets to estimate remaining service life and likelihood of failure. The results of that assessment should be used to further develop capital improvement planning to address critical assets over a long-term period, with targeted strategies to address high-priority items. This effort should include planning for renewal and replacement of aging infrastructure over its anticipated service life.
- LUS should begin preparing for operational changes brought about by recent LCRR, specifically in developing an LSL inventory and revisions to lead and copper sampling locations and protocol. An LSL Replacement Plan must be developed if LSL are present in the distribution system. LUS should evaluate LCRR requirements as soon as possible to confirm operating and capital obligations associated with compliance.
- Due to the continued increasing trend in unaccounted for water, LUS should consider studying water loss in more detail or performing a Water Audit for Water Loss Control for improved management of non-revenue.

6.0 WASTEWATER UTILITY SYSTEM

6.1 Wastewater Utility Summary

LUS provided wastewater conveyance, treatment, and sludge management and disposal services to 46,133 retail customers in 2020. Key infrastructure includes 688.4 miles of collection mains, 195 lift stations, four wastewater treatment plants, and sludge management and disposal facilities. The total combined permitted treatment capacity of the four plants is 18.5 MGD, while the total combined flowholding capacity at the four plants is 38.5 M gallons. LUS is also responsible for integrating small package wastewater treatment plants that primarily serve subdivisions and rural areas into the main LUS Wastewater System.

Wastewater system collected flow decreased in 2020 by 4.3 percent compared to 2019 flows, and generally lower than the average collected flow from 2016 through 2019. Historical Wastewater System collected flows are shown in Table 6-1.

Table 6-1: Wastewater System Historical Retail Collection

Fiscal Year	Retail Collection (1000 gallons) (1)(2)
2016	6,267,402
2017	5,768,832
2018	5,326,815
2019	5,746,278
2020	5,498,088

Source: LUS Financial and Operating Statements
(1) The Wastewater System does not provide wholesale service.
(2) Retail Collection is not associated with the gallons used for billing wastewater customers.

6.2 Wastewater Treatment

LUS owns and operates four wastewater treatment plants ("WWTPs"): the South Sewage Treatment Plant ("SSTP"), the East Sewage Treatment Plant ("ESTP"), the Ambassador Caffery Treatment Plant ("ACTP"), and the Northeast Treatment Plant ("NETP"). The combined average day treated flowrate for these WWTPs in 2020 was 15.4 MGD and the total permitted capacity is 18.5 MGD as summarized in Table 6-2.

Table 6-2: Wastewater Treatment and Storage Summary

Facility	2020 Average Day Flow (MGD)	Permitted Capacity (MGD)	Wet-Weather Storage Capacity (MG)
South Sewage Treatment Plant	5.1	7.0	3.5
East Sewage Treatment Plant	3.1	4.0	3.0
Ambassador Caffery Treatment Plant	5.9	6.0[1]	7.0
Northeast Treatment Plant	1.3	1.5	25.0
Total	15.4	18.5	38.5

Source: LUS

[1] Permitted capacity is 6.0 MGD; however, plant treatment capacity is 9.25 MGD.

The LUS wastewater system is a separate sanitary sewer system, consisting of an interconnected network of piping and lift stations that conveys domestic sewage to the City's WWTPs. During wet weather events with large amounts of precipitation, the WWTPs may be undersized to completely treat peak flows associated with stormwater and groundwater, known as inflow and infiltration (I&I), that enters the sanitary sewer system through cross connections with stormwater sources or cracks in pipes or manholes. Influent flow exceeding the WWTPs peak design flow capacity is diverted to on-site wet weather basins. Wastewater diverted to the wet weather basins is stored and treated by the WWTPs when wet weather flows subside. Wet weather flows are generally treated as if they are domestic sewage. Influent flow exceeding the capacity of the on-site wet weather basins may be bypassed around biological treatment processes but is disinfected prior to discharge to the Vermillion River, but this occurs very rarely only during an extreme weather event.

Since wastewater treatment uses microorganisms for removal of organics, a portion of the biomass waste or sludge streams must be continuously removed from the WWTPs. Final disposal of biosolids (i.e., dewatered sludge from the WWTPs) is land applied at several farms in the Lafayette area. Recent land development has reduced the number of land-application sites that are available to LUS. Three of the WWTPs use mechanical dewatering devices to further concentrate the solids (to approximately 22 to 27 percent solids by weight) and reduce the total volume of biosolids to be land-applied. The NETP does not use mechanical dewatering and the resulting land-applied biosolids are approximately 2 to 3 percent solids by weight.

LUS staff have indicated the majority of wastewater treated at the WWTPs is domestic waste, with very little industrial waste flows. The Louisiana Department of Environmental Quality (LDEQ) has limited discharge loading into the Vermillion River due to farming and unincorporated wastes being discharged to the river. As such, treatment of wastewater needs to be performed to levels that reduce the 5-day carbonaceous biological oxygen demand ("BOD5"), total suspended solids ("TSS"), and ammonia in the effluent streams of the WWTPs, in accordance with each facility's LPDES permit.

6.2.1 South Sewage Treatment Plant

The SSTP treats an average flowrate of 5.1 MGD and is permitted to treat up to 7 MGD of flow. The SSTP headworks receives water from the on-site main pump station and the primary force main from the Acacia Lift Station across the Vermillion River. All influent flows pass through rotary screens and vortex grit removal processes to separate large debris and sediment from the water to improve treatability. After pretreatment, the SSTP flow splits between two treatment trains: the East Side train and the West Side train. Each train uses activated sludge (i.e., a mixture of microbial organisms and sewage which are oxygenated for nutrient removal) followed by circular clarifier basins and chain-and-flights final clarifiers. Treated water is then disinfected with chlorine, and finally dechlorinated prior to discharge to the Vermillion River. The SSTP does not have any means to actively control odor at the plant. During wet weather events, the SSTP is configured to segregate influent flow into an on-site 3.5 M gallon wet weather storage basin.

The sludge goes through aerobic digestion (i.e., biological digestion of nutrients in the presence of both free and bound oxygen) and anaerobic digestion (i.e., biological digestion of nutrients in absence of both free and bound oxygen) to further breakdown organic content. Digested sludge is then dewatered by a belt filter press. The solids from the belt filter press are then land applied, and the liquid stream is sent back to the plant headworks.

6.2.2 East Sewage Treatment Plant

The ESTP receives waste flows along the I-49 corridor area of Lafayette and has a permitted capacity of 4 MGD. In 2020, the average treated flow was 3.1 MGD. Wastewater flows into the ESTP dry pit area via gravity and pumped from the dry pit to the plant headworks. The treatment at the ESTP consists of rotary screens and diffused air grit removal for pretreatment, followed by primary clarifiers, oxidation ditches, final clarifiers, chlorine disinfection, and dechlorination. Sodium hypochlorite is used for both disinfection and for odor control. The treated water is then stored in an on-site tank for non-potable uses or discharged to the Vermillion River. During wet weather events, the ESTP is configured to segregate influent flow into an on-site 3.0 M gallon wet weather storage basin.

The sludge goes through a thickening process followed by anaerobic digestion (i.e., biological digestion of nutrients in absence of both free and bound oxygen) to further breakdown organic content. Digested sludge is then dewatered by a belt filter press. The solids from the belt filter press are then land applied, and the liquid stream is sent back to the plant headworks. A segment of land at the Vermillion Conference Center, adjacent to the ESTP, will be utilized for sludge drying in the future.

6.2.3 Ambassador Caffery Treatment Plant

The ACTP treats an average flow rate of 5.9 MGD and is permitted to treat up to 6 MGD (the design capacity of this plant is 9.25 MGD). Wastewater flows into the ACTP through a gravity-fed dry pit area which is then pumped from the dry pit to the plant headworks, or through a collection of forcemains which pump directly to the plant headworks. Pretreatment at the ACTP consists of rotary screens and vortex grit removal. Flow is then split to two different aerobic treatment processes, sequencing batch reactors ("SBRs") and oxidation ditches, followed by final clarifiers, chlorine disinfection, and dechlorination. During wet weather events, the ACTP is configured to segregate influent flow into an on-site 7 M gallon wet weather storage basin.

The sludge is treated through a thickening process followed by anaerobic digestion to further breakdown organic content in the sludge. Digested sludge is then dewatered by a spiral screw press, which is aided by addition of a polymer. The solids from the screw press are then land applied, and the liquid stream is sent back to the plant headworks.

6.2.4 Northeast Treatment Plant

The NETP treats an average flow rate of 1.3 MGD, which is slightly less than the permitted capacity of 1.5 MGD. Wastewater flows into the NETP headworks through a collection of local forcemains. Pretreatment at the NETP consists of stepping screens and bypass screens and a vortex grit removal chamber. Flow is aerobically treated in oxidation ditches, followed by final clarifiers, chlorine disinfection, and dechlorination using sulfur dioxide. During wet weather events, the NETP is configured to segregate influent flow into an on-site 25 M gallon wet weather storage basin.

The sludge is mixed with lime via a paddle wheel mixer to produce a homogenized mixture of stabilized sludge to produce Class B biosolids. Addition of lime increases the pH to effectively kill pathogens and microorganisms, in addition to providing some loss of moisture content. The stabilized lime mixture is then land-applied. A 20-acre pond for lime solids holding located at the NETP is used to store solids trucked from the South Water Treatment Plant and North Water Treatment Plant during rainy conditions that will not allow for the general disposal on land farm sites.

6.3 Wastewater Collection

As described previously, the LUS wastewater system is a separate sanitary sewer system conveying domestic sewage. Surface runoff is conveyed through a separate system. The topography of the service area is relatively flat and spans both sides of the Vermillion River. Due to the topography and geographic boundary of the river, the LUS wastewater collection system uses 195 lift stations to overcome hydraulic grade line (i.e., overcome natural drainage patters due to gravity) of the city via pumping. Of these lift stations, approximately 30 percent are self-priming style suction lift stations, and the remainder are submersible lift stations of various functionality. In recent years, the increasing number of lift stations is due to LUS providing sewer service to an increasing amount of new land development. The wastewater collection system infrastructure is summarized in Table 6-3.

Table 6-3: Wastewater Collection System Assets

	2016	2017	2018	2019	2020
Number of Connections	44,269	45,034	45,436	45,942	46,380
Miles of Pipe [1]	659	665	673	692	688.4
Number of Manholes	12,313	12,538	12,716	12,868	13,008
Number of Lift Stations	179	185	188	190	195

Source of data: LUS Internal Memorandum, December 21, 2020
(1) Includes gravity sewers and force mains; does not include service laterals.

Engineering design of significant wastewater system infrastructure is typically delegated to consultant engineering firms. Some limited design tasks are performed by LUS staff. Lift stations ("LS") that need upgrades or rehabilitation are the Thomas Park LS, and the Alice Drive LS. The design of the improvements to Thomas Park LS design will be completed by the end of the year. Replacement of the Alice Drive LS will follow replacement of the Thomas Park LS.

Wastewater infrastructure (i.e., gravity pipes, force mains, and pump stations) in the downtown and geographically-central areas of the City are undersized to accommodate the recent land development and population density changes in these parts of the service area. The City has largely ceased new housing development in the downtown area because the infrastructure cannot meet conveyance needs. The design project for a new sewer lift station and 20-inch force main to the SSTP is in progress. This project will require a new 20-inch force main and is expected to take at least two years. Although the state government owns some property along the proposed routing, LUS has encountered challenges with acquiring property for the lift station and force main routing. Additionally, the SBRs at the SSTP are being evaluated to handle new and future capacity associated with housing development in the downtown area.

The older, aging, lift stations in the LUS inventory are primarily wet-pit and dry-pit style, with the newer lift stations being submersible style. Improvements to the aging lift stations are being evaluated to convert these to suction-lift style. There are on-going efforts to improve the resiliency of the lift stations by adding quick-connection fittings to the discharge piping, which allow for operators to use a portable pump to convey wastewater flows in the event of a power outage. Lift station telemetry (i.e., remote-collection and transmission of data) equipment is not uniform, with 40 lift stations having fiber optic transmission, 50 lift stations having cellular transmission, 30 lift stations having no telemetry, and the remainder (including package plants) have Mission auto-dialers.

6.3.1 Operations and Related Performance

6.3.1.1 COVID-19

Due to COVID-19, LUS has modified basic operations of the utility to keep non-essential personnel at home when possible. Operations staff has also been separated to ensure that, in the possibility of an outbreak, staff would not get infected at the same time.

Additionally, operations and maintenance shifted from a proactive approach to a reactionary approach to minimize the close-quarters exposure of operators and limiting maintenance to only critical situations. This has impacted routine inspections and maintenance items, such as closed-circuit television video ("CCTV") inspections and other items discussed in Section 6.3.1.2. The full extent of the impact of this approach cannot be determined and may result in further reactionary maintenance in the future.

6.3.1.2 Capacity, Management, Operations, and Maintenance Program

The EPA performed an audit of LUS's sanitary sewer system in 2017 which included the wastewater master plan, flow studies, and a tour of the four wastewater plants and some lift stations. A report of findings from the EPA's audit was released in May 2018. Resulting from the audit, an Administrative Order ("AO") was issued effective April 24, 2018 which requires LUS to prepare and implement a Capacity, Management, Operations, and Maintenance Program ("CMOM") by May 1, 2020.

The details of the CMOM implementation plan were submitted by LUS in February 2020, which included Collection System Management, Collection System Operations, Collection System Maintenance, and Collection System Capacity Evaluation. The AO requires LUS to regularly test and repair sewerage infrastructure by inspecting and cleaning 10 percent of the collection system each year and addressing defects within three years of the date on which they were identified. Additionally, the entire wastewater collection system needs to be rehabilitated by November 1, 2033, which averages approximately 7.7 percent annually.

LUS increased the budget for CCTV inspection, inflow and infiltration ("I&I") repairs in CIP, manhole lining, and point repairs. LUS staff have indicated that temporary changes in operations due to COVID-19 have resulted in lessened CCTV inspections of the wastewater collection system. This is of particular importance, as LUS is required to inspect at least 10 percent of the collection system each year.

Additional measures required by the AO include implementation of a sanitary sewer cleaning program which aims to clean the sanitary sewers on a 10-year revolving schedule. As the staff implements this program, the cycles of cleaning will depend on the pipeline condition, risk, and consequence of failure. As for critical cleaning, certain line segments may be identified to be more susceptible to blockages and may be put on a critical cleaning list as a preventive measure. The field supervisor is responsible for determining the cleaning cycle for these line segments.

LUS performs routine manhole inspections which are recorded in the CityWorks program software for asset management tracking. LUS indicated that Sewer Line-Rapid Assessment Tool acoustic technology and CCTV would be used to adhere to the CMOM to inspect all pipes and manholes, rotating though the entire system every 10 years. The first rotation through the entire collection system is required to be completed by November 1, 2030. Furthermore, LUS prioritizes repairing manholes and pipes using the Point Repair Priority Scores and Definitions and Manhole Repair Priority Scores that were developed in response to the AO.

LUS has also implemented a comprehensive training program for all staff participation in O&M in accordance with Activity D.2 of the AO. This arose from a lack of documented O&M training program and concern with staff succession.

Additionally, the CMOM Program establishes protocols for LUS to identify I&I issues for the most problematic areas of the collection system. LUS's CCTV inspection program uses remote cameras to inspect pipes owned by LUS; however, any defects within privately-owned systems are challenging to rehabilitate because work must be performed by the property owner. Activities completed related to testing maintenance, and repair of sewage infrastructure are as noted on the 2019 and 2020 budgets.

6.3.1.3 Biosolids and Land Application

Currently, LUS's use of biosolids are permitted under LDEQ Sewage Sludge and Biosolids Use or Disposal Permit No. LAJ020125. Waste sludge generated at each of the wastewater treatment plants is treated to Class B biosolids standards and dewatered prior to transport to the application site.

Due to the shortage of land application sites, LUS continues to face challenges associated with land application of biosolids. Currently, LUS applies biosolids on privately-owned farmland, and, due to the nature of land-use agreements, staff cannot always access the sites to apply the biosolids when needed.

LUS is required to accommodate farming activities such as crop and livestock rotation, and any needed access during inclement weather. As a result, LUS is required to lease more acreage than is physically necessary for the amount of biosolids produced (year-to-year leases with 30-day end-notice). LUS currently leases approximately 1,163 acres for biosolids application, but only utilized 302 acres in 2019.

Currently, three of the four wastewater plants (SSTP, ESTP, and ACTP) use mechanical dewatering and belt press the biosolids to remove excess water from the biosolids. The dewatered biosolids are land applied. The NETP uses only lime stabilization to treat the biosolids. Adding mechanical dewatering before the lime stabilization will reduce the volume of biosolids produced by the plants.

Although not all WWTPs have active odor control, the permit from LDEQ requires that odor production be minimized as an operational standard for land applying the biosolids. Additional land-use agreements, such as purchasing and owning land to apply the biosolids, should be considered.

6.4 Historical Capital Improvement Program

LUS tracks capital expenses through its capital work order system. Historical capital improvements program expenditures shown in Table 6-4 reflect investments in infrastructure funded by the Series 2010 and Series 2019 Bonds. The Series 2010 Bonds were issued for wastewater collection system improvements including lift stations and interceptors. The Series 2019 Bonds are available to support capital projections like expansion of the treatment plants, lift station, and sludge handling.

Table 6-4: Wastewater System Historical CIP

	2016	2017	2018	2019	2020
Wastewater					
Normal Capital & Special Equipment	$1,524,624	$1,876,974	$1,264,908	$1,985,294	$1,619,375
Series 2010 Bonds	98,009	0	0	0	0
Series 2019 Bonds	0	0	0	128,538	174,992
Retained Earnings	2,294,350	4,207,580	6,881,980	5,247,716	4,298,097
Total Wastewater Capital	$3,916,983	$6,084,553	$8,146,888	$7,361,548	$6,092,464

6.5 Environmental and Regulatory Compliance

In accordance with each facility's LPDES permit, LUS is required to file an Annual Municipal Water Pollution Prevention audit report for each operating facility. Sometimes, LUS exceeds the design/permitted flow capacity at its wastewater treatment plants. These exceedances are reported to LDEQ and LDEQ coordinates with LUS for an excursion regrading repairs and replacements. The number of months during which the design capacity of each plant was exceed over the past five years is summarized in Table 6-5.

Table 6-5: Total Monthly Occurrences of Design or Permit Capacity Exceedances

Wastewater Treatment Plant	2016	2017	2018	2019	2020
Flow Exceedances					
South Sewage	2	0	0	0	0
East Sewage	1	2	1	0	0
Ambassador Caffery	8	5	1	6	5
Northeast	1	0	0	0	0
Biological Loading Exceedances					
South Sewage	0	0	0	3	0
East Sewage	1	0	0	0	0
Ambassador Caffery	0	0	0	0	0
Northeast	0	0	0	1	0

Source: LUS

6.5.1 Spill Prevention Control and Countermeasures

SPCC plans are required to comply with state and federal regulations if facilities are proximate to U.S. waters. Compliance is required by facilities which are subject to spills of oils, fuels, or other controlled substances and have a storage capacity of more than 1,320 gallons at a single facility. SPCC plans were prepared and implemented in accordance with these regulations for each wastewater treatment facility. Each facility's SPCC Plan was last reviewed in 2017. SPCC Plans must be reviewed every five (5) years (the next review is due in 2022) or upon significant change in oil storage or if a spill incident occurs.

6.5.2 Wastewater Pretreatment Program

Federal regulation requires that LUS maintain a wastewater pretreatment program that is applicable to certain customers discharging to the LUS collection system, with particular emphasis on industrial users. Industrial users are identified by review of the North American Industry Classification System ("NAICS") code of the user. The program is overseen and enforced by the LUS Environmental Compliance Division; and was established to accomplish the following objectives:

1. Prevent pollutant discharges which will interfere with operations of publicly owned treatment works ("POTWs"), including the use or disposal of municipal sludge (i.e., biosolids),
2. Prevent pollutant discharges which the POTW is not designed to remove by treatment,
3. Reduce the risk of exposing workers to hazardous chemicals, and
4. Improve opportunities to recycle and reclaim industrial wastewaters and sludges.

Significant Industrial User Permits are issued to any customer that discharges an average of 25,000 gallons or more of process wastewater. Six customers have been issued this permit because they either contribute process waste stream that make up 5 percent or more of the average dry-weather hydraulic or organic capacity of the treatment plant or have a reasonable potential for adversely affecting the treatment facility's operation for violating any pretreatment standard or requirement.

A total of seven Categorical Zero Discharge Permits have been issued to customers that do not discharge any process wastewater in accordance with CWA section 307.

A Pretreatment Audit was conducted by the Louisiana Department of Environmental Quality in February 2020. The audit concluded that all testing and monitoring requirements were met by all industrial users under the permit. Resulting recommendations were to provide explanation of where permit limitations are derived from within the Fact Sheet (the documentation submitted as a part of the Pretreatment Audit,) and that industrial users include an evaluation of spills or slug loads that may have occurred during the year. Any proposed change to the facility regarding its Pretreatment Program must first be submitted to LDEQ for approval.

6.5.3 Flow and Biological Loading

The wastewater strength to the LUS WWTPs is characterized as primarily domestic wastewater, with very little industrial wastewater. LUS operators have indicated that the wastewater influent is consistent between the WWTPs. Influent water quality generally contains 25 mg/L of total nitrogen, 170 mg/L of 5-day carbonaceous BOD5, and 30 to 40 mg/L TSS.

Publicly-owned treatment works serving the City of Lafayette are subject to regulatory limitations of wastewater discharges to the Vermillion River to Bayou St. Claire. The wastewater discharge limitations are established by the LPDES permit, which has assigned a permit limit and specific discharge loading limits for each of the LUS WWTPs. Although the concentrations (mg/L) of each contaminant are consistent between the WWTPs, the loading rate (lbs/day) is not consistent and presents treatment challenges as the City continues to grow and develop. The average monthly discharge limitations are summarized in Table 6-.

Table 6-7: Wastewater Treatment Plant Average Monthly Discharge Limitations

	South Sewage	East Sewage	Ambassador Caffery	Northeast
LPDES Permit	LA0036374	LA0036382	LA0042561	LA0036391
Design Flow	7.0 MGD	4.0 MGD	6.0 MGD	1.5 MGD
BOD_5 – May through December	584 lbs/day 10 mg/L	334 lbs/day 10 mg/L	500 lbs/day 10 mg/L	125 lbs/day 10 mg/L
BOD_5 – January through April	1168 lbs/day 20 mg/L	667 lbs/day 20 mg/L	1,000 lbs/day 20 mg/L	250 lbs/day 20 mg/L
Total Ammonia-Nitrogen (as N) May through December	292 lbs/day 5 mg/L	167 lbs/day 5 mg/L	250 lbs/day 5 mg/L	63 lbs/day 5 mg/L
Total Ammonia-Nitrogen (as N) January through April	584 lbs/day 10 mg/L	334 lbs/day 10 mg/L	500 lbs/day 10 mg/L	125 lbs/day 10 mg/L
Total Nitrogen (as N)	Monitoring Only	Monitoring Only	Monitoring Only	Monitoring Only
Cyanide	--	--	--	Monitoring and Reporting Only
TSS – May through December	876 lbs/day 15 mg/L	500 lbs/day 15 mg/L	751 lbs/day 15 mg/L	188 lbs/day 15 mg/L
TSS – January through April	1168 lbs/day 20 mg/L	667 lbs/day 20 mg/L	1,000 lbs/day 20 mg/L	250 lbs/day 20 mg/L
Total Phosphorus (as P)	Monitoring Only	Monitoring Only	Monitoring Only	Monitoring Only

The LPDES has imposed a hold on new (additional) contaminant loading to the Vermillion River due to agriculture, waste flows from unincorporated areas, and waste flows from publicly owned treatment works. As the City continues to develop and grow, this contaminant loading restriction requires that the lbs/day limit by LDEQ is met by the LUS WWTPs, regardless of influent flow increases.

6.5.4 Post-Hurricane Inspections

Two post-hurricane inspections were completed by the EPA for each of the four WWTPs following Hurricane Delta and Hurricane Marco and Hurricane Laura (one inspection), in late 2020.

The SSTP, ESTP, and NETP were found to have no needed repairs following the hurricanes. The ACTP was found to have some needed repairs following Hurricane Marco and Hurricane Laura, but damages were not caused by the hurricane and repairs were scheduled to occur the following week. There were no damages to the ACTP following Hurricane Delta.

6.6 Contracts and Agreements

LUS is currently under contract in the Grossie Avenue area for wastewater O&M. This area included a small number of customers served by a separately owned wastewater collection system where the flows from the approximately 50 customers are treated at the ESTP. The 40-year agreement was executed in

1995 and expires August 2035.

6.7 Utility Benchmarking

6.7.1 Utility Rates

Residential and commercial wastewater rates implemented by LUS are comparable to and competitive with utilities benchmarked in the state and surrounding region. Table 6-8 and Table 6-6 provide a regional comparison of effective wastewater rates for residential and commercial customers, respectively.

Table 6-8: Residential Rate Comparison

Utility	Average ($/1,000 gallons) (1)
Alexandria	$ 3.86
Lake Charles	$ 4.40
New Iberia	$ 5.14
Baton Rouge	$ 6.61
LUS	$ 7.13
Shreveport	$ 10.81
New Orleans	$ 12.23

Source: LUS. Rates as of January 2021.
(1) Assumes monthly water consumption of 7,000 gallons.

Table 6-6: Commercial Rate Comparison

Utility	Average ($/1,000 gallons) (1)
Alexandria	$ 3.59
Lake Charles	$ 3.94
Baton Rouge	$ 6.15
New Iberia	$ 6.17
LUS	$ 6.69
Shreveport	$ 8.74
New Orleans	$ 13.18

Source: Burns & McDonnell. Rates as of January 2021.
Assumes monthly water consumption of 30,000 gallons.

LUS last completed a rate study in 2016, indicating the need to increase Wastewater System rates to adequately cover its costs. Retail rates were increased 6.1 percent effective November 1, 2016, and 5.7 percent effective November 1, 2017. Retail rates have remained unchanged since then.

6.7.2 Financial and Operating Statistics

The AWWA annually publishes benchmarking data across a variety of performance indicators for water and wastewater utilities. The *2020 AWWA Utility Benchmarking: Performance Management for Water* *and Wastewater* was released in early 2021, compiling various financial and operating ratios from 2019. For this analysis, specific ratios were obtained from the AWWA report representing national and regional medians. The AWWA defines national metrics as wastewater utilities in both the United States and Canada, hereafter referred to as "National." Ratios are also available by region and by number of wastewater customers served. The U.S. South region was used, which includes Louisiana and is hereafter referred to as "Regional." Further, ratios are available specifically for water utilities, wastewater utilities, and combined water and wastewater utilities. Where possible, comparisons have been made to wastewater utility ratios. However, some LUS balance sheet information is available only for the combined Electric, Water and Wastewater Utilities System, hereafter referred to as "Combined." The AWWA "Combined" benchmarking data only includes water and wastewater utilities.

The benchmark results are presented in Table 6-9. LUS's wastewater operational costs are lower than the National median but higher than the Regional median. LUS's combined debt ratio is lower than the Regional median but higher than the National median. The operating ratio is higher on both a wastewater-only and combined basis than either the National or Regional medians. However, the AWWA combined utilities median includes water, wastewater, and stormwater, while LUS includes water, wastewater, and electric. LUS's cash reserves are lower than the National and Regional medians. While LUS's 2020 wastewater debt service coverage is lower than the Regional median, all other measures of LUS debt service coverage presented in Table 6-7 are higher than their respective National or Regional median benchmarks.

Table 6-7: Benchmarked Wastewater Utility Operating Ratios

		National[1]	Regional	LUS	
Statistics	**Basis**	**2019**	**2019**	**2019**	**2020**
Operational Costs per MG	Wastewater	$3,519	$2,149	$3,343	$3,328
Debt to Total Assets (Debt Ratio)	Combined	0.31	0.48	0.38	0.36
Operating Ratio (O&M cost/ Operating revenue)	Wastewater	0.50	0.48	0.64	0.61
Operating Ratio (O&M cost/ Operating revenue)	Combined	0.46	0.47	0.68	0.67
Cash Reserve Days[2]	Combined	413	256	51	48
Debt Service Coverage	Wastewater	2.11	2.39	3.04	2.20
Debt Service Coverage	Combined	3.20	2.24	3.54	2.99

Source: AWWA and LUS

(1) National AWWA benchmarks for water and combined water and wastewater utilities with 50,001 to 100,000 customers to align with the Water System customers served.

(2) LUS results based on total O&M for Electric, Water, and Wastewater Systems less fuel and purchased power expenses.

6.8 Historical Financial Performance

Table 6-8 presents historical debt service and the associated DSCR. Historical Wastewater System debt service as shown below includes the Series 1996 Bonds, a portion of the Series 2010 Bonds, Series 2012 Bonds, Series 2017 Bonds, and Series 2019 Bonds. The Series 2010 Bonds were fully redeemed by the proceeds of the Series 2017 Bonds on November 1, 2020. The first debt service payment for the Series 2019 Bonds was due November 1, 2019 (FY 2020). In each year since 2016, the DSCR exceeded the minimum coverage requirement of 1.0 required by the Bond Ordinances.

Table 6-8: Historical Financial Performance

Fiscal Year	Operating Revenues (1)	Operating Expenses (2)	Net Revenues Available for Debt Service	Debt Service (3)	Debt Service Coverage Ratio
2016	$29,144,574	$18,295,151	$10,849,422	$4,619,524	2.3
2017	$30,790,307	$18,685,538	$12,104,769	$4,270,621	2.8
2018	$32,379,226	$18,737,163	$13,642,063	$3,363,806	4.1
2019	$32,038,772	$19,211,514	$12,827,259	$4,218,291	3.0
2020	$31,122,710	$18,295,187	$12,827,523	$5,842,264	2.2

Source: LUS Financial and Operating Statements

(1) Operating Revenues include interest income and other miscellaneous income.

(2) Operating Expenses include O&M and other expenses such as customer service and A&G costs. Operating Expenses do not include ILOT, normal capital and special equipment, and other miscellaneous expenses.

(3) Debt service was prepared on a cash basis for this table and includes the Series 1996 Bonds and a portion of the Series 2010 Bonds, Series 2012 Bonds, Series 2017 Bonds and Series 2019 Bonds. The Series 2010 Bonds were fully redeemed by the proceeds of the Series 2017 Bonds on November 1, 2020. The first debt service payment for the Series 2019 Bonds was due November 1, 2019 (FY 2020).

6.8.1 Rate Structures

The Wastewater System provides service to retail customers both inside and outside the City limits. Wastewater System customer classes for ratemaking purposes include residential and commercial. The Wastewater System rate structure includes a customer charge based on class and a commodity charge applied to billed volume. The determination of billed volume varies by season. During December through March, customers are billed actual water use. For the remaining months of the year, usage is generally calculated using the average usage of the four preceding winter months (December through March). However, billed volume may not be less than 75 percent of actual water consumption in each of those months. LUS can adjust billed volume as needed.

Table 6-9: Rate Schedules

Rate Class	Serves	Effective Date	Customer Charge ($/month)	Monthly Volumetric Charge ($/1,000 gallons)
S-1	Residential	Nov 2017	$8.60	$5.90
S-1-O	Residential Non-City	Nov 2017	$10.30	$7.10
S-2	Commercial	Nov 2017	$16.15	$6.15
S-2-O	Commercial Non-City	Nov 2017	$24.20	$7.40

Source: LUS Rate Schedules

6.8.2 Revenue Analysis

Table 6-10 presents the Wastewater System retail rate revenues. In total, 2020 revenues were generally consistent with 2019, decreasing 0.2 percent year over year. Residential revenues increased in 2020 but were offset by declining revenue in all other classes, a dynamic influenced by the COVID-19 pandemic. Customer counts have increased on average 1.0 percent per year from 2016 to 2020. Consistent with trends in overall Wastewater System revenues, revenue per customer declined overall by 1.3 percent in 2020, with Residential revenue per customer increasing while other classes declined.

Table 6-10: Retail Revenues by Class

	2016	2017	2018	2019	2020
Revenues					
Residential	$15,428,467	$16,301,946	$17,209,307	$16,620,065	$17,069,978
Commercial	11,669,904	11,899,780	12,073,215	11,804,385	11,552,556
Schools & Churches	1,213,052	1,300,138	1,509,518	1,316,766	1,092,977
Other	211,356	204,511	185,506	169,456	145,715
Total	$28,522,778	$29,706,376	$30,977,546	$29,910,672	$29,861,226
Number of Customers					
Residential	38,569	39,054	39,229	39,791	40,237
Commercial	5,328	5,398	5,402	5,442	5,503
Schools & Churches	257	263	273	275	282
Other	115	116	116	115	111
Total	44,269	44,830	45,019	45,623	46,133
Revenue per Customer					
Residential	$400	$417	$439	$418	$424
Commercial	2,190	2,205	2,235	2,169	2,099
Schools & Churches	4,719	4,947	5,528	4,781	3,876
Other	1,838	1,762	1,606	1,479	1,309
Total	$644	$663	$688	$656	$647

Source: LUS Financial and Operating Statements

6.8.3 Expense Analysis

Table 6-11 presents historical wastewater operating expenses, distinguished between fixed and variable costs. Variable operating expenses within Collection include purchased power costs, while variable operating expenses within Treatment include chemical costs. Fixed operating expenses include the remaining portions of Collection and Treatment expenses, plus Customer Service and A&G expenses. Historically, variable expenses average about 9 percent of total expenses, with the remaining 91 percent pertaining to fixed expenses.

Table 6-11: Historical Fixed and Variable Expense Summary

	2016	2017	2018	2019	2020
Variable Expenses					
Collection	$366,371	$346,809	$332,139	$372,159	$354,468
Treatment	1,350,099	1,351,974	1,334,120	1,249,620	1,163,932
Total Variable Expenses	$1,716,470	$1,698,783	$1,666,259	$1,621,779	$1,518,400
Fixed Expenses					
Collection	$4,095,630	$4,350,118	$4,390,309	$4,940,592	$4,534,054
Treatment	5,565,525	5,452,814	5,543,161	5,737,501	5,089,896
Customer	1,347,623	1,345,368	1,399,015	1,365,016	1,318,028
A&G	5,569,902	5,838,454	5,738,418	5,546,626	5,834,810
Total Fixed Expenses	$16,578,681	$16,986,755	$17,070,904	$17,589,735	$16,776,788
Total Fixed & Variable	$18,295,151	$18,685,538	$18,737,163	$19,211,514	$18,295,187
Percent Variable	9%	9%	9%	8%	8%
Percent Fixed	91%	91%	91%	92%	92%

Source: LUS Financial and Operating Statements

6.9 Observations and Recommendations

Based on the analysis described herein, Burns & McDonnell offers the following observations and recommendations.

- Within its next rate study, similar to the Water System, LUS should evaluate the possibility of increasing its fixed cost recovery in its Wastewater System revenue streams to improve overall revenue stability. Such a change can be accomplished in a revenue-neutral way, meaning rates would still produce the same overall Wastewater System revenue under normal conditions. This change could be phased-in over time to mitigate customer impact.
- It is important that cleaning, inspection, and rehabilitation of the wastewater collection system be continued to comply with the requirements of the AO. The rate of such work needs to be resumed to meet the required 10 percent per year, which is an increase from the 8 percent performed in 2018 and 2019. It is unknown if the EPA will take exception to the requirements of the AO and CMOM due to COVID-19, and until some confirmation is provided, it should not be assumed

that exception will be given. Additionally, collection system rehabilitation should be performed at a pace of 7.7 percent of the system per year, which is a much higher rate than the reported 1.6 percent in 2018.

- The CMOM program implemented in response to the AO has established a framework for programmatic proactive maintenance of LUS's collection system assets. Proactive maintenance results in extended asset life and reduces the likelihood and duration of unexpected downtime or failures. As part of its efforts to implements its CMOM program, LUS should evaluate its wastewater system assets to estimate remaining service life and likelihood of failure. The results of that assessment should be used to further develop capital improvement planning to address critical assets over a long-term period, with targeted strategies to address high-priority items. This effort should include planning for renewal and replacement of aging infrastructure over its anticipated service life.
- LUS currently has agreements for access to areas totaling more than the area physically required to contain all produced biosolids, because the land-use agreement structures require LUS to accommodate farming activities, which reduces the availability these spaces. LUS may evaluate new, or restructured, land-use agreements to provide better availability of land or flexibility for the application of biosolids.
- LUS should evaluate a mechanical dewatering process at the NETP to remove excess water prior to lime stabilization. This WWTP generates biosolids at approximately 2 to 3 percent solids by weight, and the other three WWTPs produce biosolids at approximately 22 to 27 percent solids by weight after processing with mechanical equipment. This is also anticipated to alleviate some challenges with the frequency of land application.
- LUS should evaluate its watsewater system assets to estimate remaining service life and likelihood of failure. The results of that assessment should be used to further develop capital improvement planning to address critical assets over a long-term period, with targeted strategies to address high-priority items. This effort should include planning for renewal and replacement of aging infrastructure over its anticipated service life.
- Due to regional contaminant loading to the Vermillion River, the LDEQ has imposed a hold on new and additional contaminant loading to the river. Simultaneously, population growth and development within the LUS service area has increased, and therefore wastewater flows to the LUS WWTPs have also increased. As a confluence of these factors, it is recommended that a treatment process evaluation of the four WWTPs be completed to identify the risks that LUS faces with respect to meeting LPDES loading limits, and what improvements may reduce LUS

loading to the river. The evaluation should consider potential changes to treatment costs at each of the plants in total and on a per unit of wastewater treatment basis.

7.0 COMMUNICATIONS SYSTEM

7.1 Communication System Summary

The Communications System began in 1998 with LUS building fiber to serve the Electric System's SCADA system, transmission line protection systems, and LUS facilities. Further expansion of the system allowed LUS to offer wholesale communications and data services to governmental and educational facilities, and retail data, telephone, and cable TV services to the general public. The first retail customers began receiving service in February 2009.

In preparation for providing retail communications services, the Communications System purchased the fiber optic system from the Utilities System in 2007. The Communications System utilized internal loans from the Utilities System to fund the purchase of the fiber system assets, startup costs, and operating costs. The Communications System does not expect any future loans from the Utilities System. The Communications System repayment of the loans will continue through 2033. The repayment of the Utilities System loans is subordinate to the payment of debt service on the Communications System bonds.

The Communications System, also known as LUS Fiber, is comprised of a 191-mile fiber backbone system with direct connections to national Tier 1 broadband providers, 161 miles of distribution fiber, and 577 miles of access fiber connecting to individual premise locations. About 40 percent of the infrastructure is on aerial utility poles and 60 percent is underground. LUS reports that it has constructed on average between one and one and a half miles of new infrastructure per month in the past year, mostly underground.

The system is a fiber-to-the-premises ("FTTP") architecture, with fiber located in most of the streets of the service area. Relative to the copper telephone and cable broadband technologies used by its competitors, LUS Fiber uses a passive optical network ("PON") technology that is well-suited to all residential and all but the most intensive commercial and institutional uses. FTTP has many times the theoretical maximum capacity of other technologies and can be scaled to much higher speeds in the coming years simply by changing modules in the network headend and huts, and by upgrading the network terminal at the home or business. The system is currently configured with a split of 32 homes per PON segment, per industry standard.

LUS Fiber cables are installed both on aerial poles and underground, based usually on the location of the other utilities. Where fiber is on aerial poles owned by LUS, it is placed 15 inches below power in the "safety space" that is restricted to the power company, thus taking advantage of the open space above the other communications providers, while safely constructed and managed by individuals qualified to work with high voltages. Where LUS Fiber cables are on poles owned by a different utility, they are currently located in the communication space. LUS Fiber staff continues to work with these utilities in an effort to allow LUS Fiber to locate their cables in the safety space.

At intervals, a pole mounted splice enclosure is placed below the communication space. The placement of the enclosure allows for easy access to the drop installation points by installation staff or contractors who are not necessarily qualified to work in the high-voltage space on the poles. Based on one day of sample drive-through inspection of the system, the aerial infrastructure appears to be well maintained.

7.1.1 Backbone Architecture

The headend has 13 satellite dishes and one tower for of air reception of local TV networks. There are two power inputs to the headend building for redundancy. There is also a battery backup to maintain the network until the power can be switched to the secondary power source if an outage interrupts the primary power source. There is also a backup generator that is tested once a week. The equipment in the headend appears to be well maintained, cabling is kept in an orderly fashion.

There are 14 huts connected over backbone fiber to the headend. Most of the huts can serve up to 2,304 subscribers and two of the huts are equipped to serve up to 4,608 subscribers. There are two power inputs to each hut for redundancy. There is also a battery backup.

The equipment in the headend and the huts is undergoing a scheduled replacement and upgrade. The core network routers are Cisco ASR9010, located at the headend and hut locations, feeding two separate networks. One network is comprised of Cisco ASR 9010s used to sell wholesale and enterprise services. The other network is comprised of Nokia 7750s, 7450s and 7342, used to sell residential and business services. The Communications System is in the process of upgrading the backbone ring from 10 Gbps 7450s and 7342s to 100 Gbps 7360s. The upgrade is not complete. While the migration takes place, there are two parallel backbone rings in operation, one using legacy equipment and one using the new equipment.

The fiber distribution equipment uses the industry standard gigabit passive optical network ("GPON") technology. At each hut, the current GPON optical terminal ("OLT") provides an aggregate 2.5 Gbps to 32 premises--- these OLTs are being replaced by the Nokia 7360 which will deliver 10 Gbps to those premises.

7.1.2 Customers

Since 2016, the Communications System number of accounts increased at a compound annual rate of 4.9 percent, totaling 20,412 retail accounts in 2019. The historical number of accounts and market share is consistently increasing as presented in Table 7-1

Table 7-1: Communications System Market Share (Confidential)

Fiscal Year	Number of Customer Accounts	Increase in Customer Accounts (%)	LUS Fiber Total Passings[6]	Increase in LUS Fiber Passings (%)	LUS Fiber Market Share
2015	16,578		48,753		
2016	18,243	10.0%	49,521	1.6%	36.8%
2017	18,973	4.0%	50,218	1.4%	37.8%
2018	20,412	7.6%	50,857	1.3%	40.1%
2019	21,291	4.3%	51,452	1.2%	41.4%
2020	22,053	3.6%	52,011	1.1%	42.4%

LUS Fiber's marketing activities focus primarily on single family residence and business customers receiving electric service inside the City limits. Customers meeting this profile enable LUS Fiber to provide communication services with minimal additional cost. For the purposes of understanding the Communications System's share of the LUS target market, the Communications System customer projections are compared with a subset of LUS Electric System customers along with customers outside the LUS Electric System service territory.

Roughly 95 percent of LUS Fiber's residential customers live in single-family units, including duplexes and fourplexes. Currently, LUS Fiber only offers service in two or three large multi-dwelling-unit complexes with 150 to 200 residences. LUS Fiber reports having a difficult getting access from apartment owners. Many have existing agreements with Cox, which are not cost-effective to overbuild. For new buildings, LUS had positive conversations with the local developers, but once these buildings are turned over to national management companies, those companies often already have a larger agreement with Cox; in those scenarios, it is challenging for LUS Fiber to compete with the "door fees" charged by the management company. LUS Fiber is in the process of updating its plan to serve apartment complexes within its service territory.

LUS Fiber also offers services to both single-tenant and multi-tenant commercial properties. Of the

[6] Total passings includes serviceable residential and business customers throughout the communication system's service footprint, excluding MDUs where landlords do not provide LUS Fiber with access to residential units.

10,305 total business and government passings, LUS Fiber has just over 5,000 business customers.

7.1.3 Service Offerings

In the retail market, the Communications System offers "triple play" services. "Triple play" is a common term in the industry that refers to cable TV, internet, and telephone services. The Communications System provides services to approximately 20,000 customers, who can choose to purchase any, or all, of the triple-play services. These services are in competition with regional and national data, and communications providers including Cox Communications, Dish, AT&T, Dish, Kaptel, REACH4, and HughesNet.

The Communications System offers the following residential retail services to customers:

1. Residential Cable Television / Video Services
    a. 87 analog, 327 digital channels
    b. Traditional Video Packages
        i. Basic Package with 21 channels
        ii. Expanded Basic with 80+ channels
        iii. Digital Access with 200+ digital channels
        iv. Digital Plus with 270+ digital channels
        v. Digital Hispanic with 270+ digital channels, including 5 Spanish-only channels
        vi. Premium Movie Suites (HBO, Cinemax, Showtime, Starz/Encore)
    c. Additional equipment and service options include digital video recorder ("DVR"), video on demand, pay-per-view, and set top boxes.
2. ConnecTV Packages
    a. ConnecTV Basic with 21 channels
    b. ConnecTV Expanded with Basic 80+ channels
    c. ConnecTV Plus with 270+ channels
    d. Sports Package with 18 channels
    e. Premium Movie Suites (HBO, Cinemax, Showtime, Starz/Encore)
3. Residential Internet Service
    a. 3, 60, 100 megabits per second ("Mbps")
    b. 1 and 10 gigabit per second ("Gbps")
    c. Hub City Wi-Fi – residential Wi-Fi service
    d. Hub City Wi-Fi Plus – residential Wi-Fi service
4. Residential Telephone Service

   a. Basic Line – basic digital telephone service line with paid long-distance calling; packages and features are sold separately
   b. Basic Feature Package – basic calling features
   c. Premium Feature Package – basic service, plus voicemail and caller identification
   d. Unlimited Long Distance – offered as a separate service to add to the above services
   e. International Long Distance – per minute rate depending on the area called

In addition to the residential retail communications services, the Communications System offers the following business retail services to customers:

5. Business Internet Service
   a. 10, 25, 100 Mbps
   b. 1 Gbps
6. Business Video Service
   a. 87 analog, 327 digital channels
   b. Traditional Video Packages (same as residential service offerings)
7. Business Telephone Service
   a. Utility line- includes unlimited local calling
   b. Business Phone Line- includes anonymous call rejection, automatic callback, automatic recall, busy call forwarding, call blocking, hold, transfers, call waiting, calling name/number delivery/blocking, delayed call forwarding, selective call acceptance, rollover group, selective call forwarding/rejection, speed calling, three-way calling, telephone user interface commands, immediate forwarding and voicemail.
   c. Business Phone Line Enhanced- includes incoming call manager, sequential ring, priority call, time of day/day of week routing, individual contact management, call screening and remote office services
   d. Hosted voice ("HPBX")
   e. Primary Rate Interface ("PRI")
   f. Conference Calling, Unlimited Long Distance, E-Fax, Auto-Attendant – offered as separate services to add to the above services.

The sale of internet services exhibits the highest growth for the Communications System, while cable TV service and telephone service sales are more variable. Although the number of cable TV and telephone subscribers have remained relatively stable over the last few years, growth has not kept pace with overall customer growth. This year has seen a surge in the use of over-the-top video and VoIP telephone services, and LUS Fiber anticipates that the total number of cable TV and telephone subscribers will begin to gradually decline in 2021. It is difficult to directly compare specific cable TV, internet, and telephone service offerings across all competitors in the market as each competitor bundles packages, services, and offerings differently.

7.1.4 Wholesale Contracts

The Communications System has contracts with AT&T and CenturyLink to connect to the national fiber backbone. The Communications System has several wholesale contracts with major carriers, internet service providers ("ISP"), and application service providers, who in turn provide bandwidth, internet, and telephone services on a retail basis to medium and large business customers.

7.2 Competition and Benchmarking

The cable TV and internet services markets within the City are competitive. National telecommunications firms such as Cox Communications, Dish, and AT&T offer services. All three of these companies also have licensed or priority access to wireless spectrum, which may further increase competition for telecommunications services within LUS Fiber's service territory.

Across most of its service territory, the Communications System's network has significant technical advantages over its competitors' networks. Increased reliance on videoconferencing platforms during the pandemic has led to growing demand for upload capacity, but the overall capacity limitations of HFC networks forces Cox to offer service with 10 percent or less of overall bandwidth dedicated to upload. AT&T's DSL network can only provide a similarly asymmetrical service, with even more limited overall capacity. However, AT&T has upgraded its copper plant with fiber in some parts of Lafayette and the surrounding areas, enabling the company to offer symmetrical internet services comparable to LUS Fiber. AT&T has announced plans to continue expanding its fiber network over the next two years, including in parts of Lafayette, though the extent of its fiber construction plans in the area remains unclear at this time.

Current Communications System rates are stable, with increases for cable TV or video generally driven by programming and content costs. LUS Fiber offers comparable and competitively priced cable TV packages as its competitors throughout its service territory. LUS Fiber's internet services are competitively priced and deliver faster download speeds and significantly faster upload speeds than any other provider can offer, except where AT&T's fiber service is available. The Communications System also offers customers a unique feature that enables peer-to-peer connections within the City limits with excellent data exchange speeds. Currently competitors cannot offer this feature. Telephone service is competitive but difficult to compare directly with competitors' packages.

Table 7-2 summarizes and compares LUS Fiber and competitors' internet service offerings within the City. The comparison illustrates LUS Fiber's competitive advantage of faster download and upload speeds available at lower prices than competitors. Lafayette Economic Development Authority also markets these capabilities to businesses the Authority is working to attract.

Table 7-2: Communications System Competitive Internet Service Offerings

Provider	Speed (Download/Upload) in Mbps	Monthly Price (Regular/ Non-Promotional)
LUS Fiber-Internet	3/3	$19.95
LUS Fiber-Internet	60/60	$52.95
LUS Fiber-Internet	100/100	$62.95
LUS Fiber-Internet	300/300	$88.95
LUS Fiber-Internet	1,000/1,000	$114.95
LUS Fiber-Internet	10GB/10GB	$295.95
LUS Fiber-Hub City Wi-Fi	60/60 and Wi-Fi	$62.95
LUS Fiber-Hub City Wi-Fi	100/100 and Wi-Fi	$72.95
LUS Fiber-Hub City Wi-Fi	300/300 and Wi-Fi	$93.95
LUS Fiber-Hub City Wi-Fi	1000/1000 and Wi-Fi	$119.95
Cox Residential	25/1	$44.99
Cox Residential	50/3	$65.99
Cox Residential	150/10	$83.99
Cox Residential	500/10	$99.99
Cox Residential	940/35	$119.99
ATT Fiber (limited availability)	100/100	$55.00
ATT Fiber	300/300	$65.00
ATT Fiber	1000/1000	$80.00
ATT IPBB	10/1	$55.00
ATT IPBB	5/1	$55.00
LUS Fiber Business	10/10	$74.95
LUS Fiber Business	25/25	$99.95
LUS Fiber Business	50/50	$139.95
LUS Fiber Business	100/100	$199.95
LUS Fiber Business	500/500	$299.95
LUS Fiber Business	1000/1000	$499.95
Cox Business	50/10	$94.99
Cox Business	100/20	$124.99
Cox Business	200/20	$174.99
ATT Business	8/1	$80
ATT Business	12/1.5	$130
ATT Business	50/10	$200.00
ATT Business	100/20	$300.00
ATT Fiber Business (limited availability)	300/75	$180.00
ATT Fiber Business	500/100	$300
ATT Fiber Business	1000/200	$500

Source: LUS Fiber, and ATT and Cox websites

7.3 Operations and Related Performance

As a normal course of business, service outages do occur. Since the inception of the Communications System, LUS Fiber has successfully restored service in a timely manner when outages occur. Successful outage management requires the proactive periodic replacement and upgrade of equipment. Overall, the Communications System performance remains highly reliable with limited outages for customers. Communications System customers regularly give LUS Fiber high marks for reliability, contrasting the negative reliability trend of its competitors. There were no major network outages in 2019. There were a few minor outages due to fiber cuts by third party construction crews; these outages were geographically isolated and affected a small percentage of customers.

Customers may pay their bill by mail, phone, online, drop box, or in person. LUS Fiber also accepts automatic bank or credit card payments. At the end of 2020, LUS Fiber launched BPA Quality Assurance Call Quality Grading for customer service personnel. The initial reports from BPA suggested significant room for improvement. Since then, LUS Fiber has been working on developing more in-depths the training for customer service representatives and setting benchmarks to improve the quality of the service they provide.

7.3.1 Communication Shared Services

During 2020, Communications System employees and facilities were organized separately from Utilities System operations; however, several services (such as accounting) and reporting functions were shared among the Communications System and Utilities System. In accordance with the requirement to maintain separate Utilities System and Communications System funds, all costs associated with these services are accounted for separately.

Prior to November 2020, the LUS Business Support Services division managed the customer service for both the Utilities System and the Communications System. In November, the Communications System took on direct management of LUS Fiber's customer service employees. The Communications System continues to share the same office space and customer service centers as the Utilities System. An appropriate portion of shared costs are allocated to the Communications System through LCG's Cost Allocation Plan, in compliance with the "Fair Competition Act."

7.3.2 Construction and Installation

LUS Fiber has fiber optic technicians on staff to maintain its existing plant. This crew can do line work, maintenance, splicing, as well as troubleshooting. Major new build projects are done by a contract construction company. LUS Fiber staff augment the contract crews during major new build projects.

New underground build is mostly directional boring. LUS Fiber has been able to reduce construction costs relative to previous years. It is issuing a new bid for construction companies.

The focus for the next 18 months in new construction will be in the areas to be built under which the EDA award, in addition to the continual expansion within Lafayette Parish.

LUS Fiber staff perform repairs and maintenance out on cable infrastructure, including splicing.

The engineering department designs and prepares work prints for new construction projects. Market growth is considered in design process to efficiently use the resources to accommodate future expansion of the network.

Service installation is done by contractors. LUS Fiber has been considering the option of bringing installation in-house and has completed an analysis that indicating the costs to be similar. However, in a contractor arrangement the installations can be paid on a per installation basis and can be easily scaled up and down. It would also be necessary to determine how to structure incentives if installations were brought in-house.

7.3.3 Fiber Documentation and Automation

LUS Fiber uses ESRI ArcGIS Mapping software for mapping its communication network. GIS allows the user to readily locate equipment and track a fiber from the headend to the subscriber's address. This can potentially also be an effective tool to help field technicians perform mobile data collection and editing, find assets and information, and report their real-time locations. LUS Fiber is in the process of migrating from a paper-based approach to an entirely electronic means of work orders, ticketing, and mapping, but staff are still on a learning curve and tools are being developed. Installation and repair technicians each have tablet computers, used for routing and trouble tickets.

The GIS system has comprehensive information on each enclosure and cable in the system. The level of detail is in line with industry standards.

7.3.4 Outages and Performance Metrics

According to LUS, there were no major network outages since November 1, 2019. There were a few minor outages resulting from fiber cuts due to third party construction crews, that were geographically isolated and affected only a small percentage of customers.

LUS is interested in more formal tracking and reporting of outages and key metrics. It would like to begin formally tracking install timeframes, trouble ticket timeframes, and construction cost per foot. It would like to begin goal setting on those metrics, and to have a management dashboard with those metrics, to be addressed by LUS specialists.

7.3.5 Environmental Issues

LUS reports no changes in environmental issues or compliance since November 1, 2019.

7.3.6 Security and Risk Assessment

LUS reports that there have been no significant security issues or changes in security posture since November 1, 2019, and no risk analyses or reports since then.

7.4 Regulatory Structure and Compliance

The Communications System must adhere to the Local Government Fair Competition Act (the "Fair Competition Act") in Louisiana. The Fair Competition Act requires, among other provisions, that LUS Fiber must operate the Communications System in a manner that does not discriminate against competing providers of the same service and it may not grant any undue or unreasonable preference to itself or any private provider of covered services. Further, LUS Fiber may not cross-subsidize its covered services with tax dollars, income from other local government or utility services, below-market rate loans from the local government, or any other means. Under the Fair Competition Act, covered services of LUS Fiber include telecommunications services, advanced services (internet), and cable TV.

Separate from the requirements of the Fair Competition Act and Louisiana Public Service Commission ("LPSC") Rules, the LPSC has some jurisdiction over the telecommunication rates of LUS Fiber—but it does not have jurisdiction over LUS Fiber's rates for advanced services (internet) and cable TV.

Pursuant to the Act, LUS Fiber is also subject to certain rules and audit requirements of the LPSC. In particular, pursuant to the Act, the LPSC enacted Cost Allocation and Affiliate Transaction Rules ("LPSC Rules") and has responsibility and authority for compliance thereof by LUS Fiber. LUS Fiber is required by the LPSC Rules to file a certification with the LPSC on an annual basis, signed under oath, stating that it is complying with the Act and the LPSC Rules. After 2014, LUS Fiber was no longer required to file the annual audit.

7.4.1 Attest Audit

The LPSC Rules require LUS Fiber to have an attest engagement audit performed on an annual basis by an independent certified public accountant. The attest audit expresses an opinion as to whether the LUS Fiber systems, processes, and procedures comply with the Fair Competition Act and the LPSC Rules. LUS Fiber obtains and files such attest audit reports with the LPSC annually for each fiscal year of its operations. In addition, pursuant to the LPSC Rules, the LPSC conducts separate audits of LUS Fiber's compliance with the LPSC Rules.

In April 2018, during the preparation of the FY17 attest audit, LUS self-reported that it paid for services from LUS Fiber, but had not fully utilized these services. LUS reported fiber was run to approximately 180 sewer lift stations; however, the Wastewater Division's efforts to complete connections for these services did not keep pace with LUS Fiber's construction, resulting in only 117 of the lift stations being fully connected.

Per the 2017 attest audit, dated September 28, 2018, LUS requested and was being billed for 180 lift stations; however, service was not utilized by LUS at 63 of those lift stations even though LUS Fiber installed and provided the services. This resulted in LUS paying $1,259,855 since 2012 for services not utilized. In addition, LUS neglected to terminate service at 25 CAP banks resulting in $274,882 being paid to LUS Fiber for services not used. LUS was reimbursed by LUS Fiber a total of $1,752,194.85 for the above charges in 2018 at the request of LCG administration, even though the reimbursement was not mandated by the LPSC. On March 17, 2021, the LPSC accepted the findings of the 2017 audit, affirming that the systems, processes, and procedures applied by the Communications System complies with the LPSC rules and the Fair Competition Act through the end of FY17.

The FY18 and FY19 audits are still outstanding at the time of this Report's preparation. The major unresolved item is the appropriate price for LUS Fiber to charge LUS for a Power Outage Monitoring System ("POMS") service that provided instantaneous outage notifications to the electrical utility for 989 taps through the end of June 2019.

The auditor has proposed a methodology for calculating the cost of providing the service that divides the direct costs associated with providing the POMS service (the incremental cost of POMS) by the total direct cost pool to generate an allocation factor, and then multiplying the allocation factor by the total indirect cost pool to set the indirect costs allocatable to the POMS service. Using this methodology, the auditor has proposed assigning the costs of a full year of the POMS service to be $210,540, suggesting LUS Fiber overcharged LUS for the POMS service by $645,766 in FY 2018, and $435,359 in FY 2019.

The auditors' proposed methodology is not in compliance with LUS's Cost Allocation Manual (CAM). The full-cost accounting methodology mandated by the CAM requires LUS Fiber to set prices for services offered exclusively to LUS based on all costs incurred in providing the service, but the proposed methodology sets an allocation factor based on incremental costs alone.

The incremental costs associated with providing the POMS were minimal, but delivering outage data from optical network terminals would not be possible without the ongoing operation and maintenance of the network as a whole. To comply with full cost accounting, the allocation factor ought to reflect both incremental costs attributable to POMS and some fair portion of the overall direct costs associated with maintaining network operations.

Furthermore, the proposed methodology would lead LUS Fiber to charge dramatically less than the market rate for a comparable service, raising concerns about cross-subsidization prohibited under the Fair Competition Act.

The auditor's proposed methodology suggests pricing that would have been dramatically lower than what LUS Fiber would have paid for backhaul alone for an outage management solution from another vendor. For example, an independent broadband utility in a nearby state charges its electrical counterpart $50 per month per site for AMI collector sites, switchgear, capacitor banks, and other core electrical sites that require connectivity. At this price, backhaul from data collection sites for the 989 LUS taps served by the POMS would cost $593,400 per year, or 2.8 times the price the auditor proposes for a full year of POMS service.

While the CAM indicates that the cost of the POMS service should be calculated using full cost accounting, and not by reference to fair market pricing, the fact that the proposed methodology calculates a cost for a service that is less than half of what LUS might pay to another vendor for backhaul alone raises concerns that the proposed pricing does not properly account for all costs. Further, using a methodology that sets an allocation factor based on incremental costs alone, rather than full-cost accounting, creates a precedent for allocating common costs that would lead LUS Fiber to regularly undercharge LUS, creating an effective subsidy.

Using a methodology that sets an allocation factor based on a fair portion of both the indirect and direct costs will lead to pricing more in line with the market price of a comparable service. However, if the attest auditor's methodology is used to set the appropriate price of the POMS service, LUS Fiber will be required to reimburse LUS a total of $1,182,677 according to the auditors' calculations. LUS Fiber has sufficient funds in its retained earnings reserve account to immediately cover the full cost of this reimbursement if necessary, though doing so will reduce the funds available for network expansion efforts.

7.4.2 Federal Communications Commission

In February 2015, the Federal Communications Commission ("FCC") ruled and reclassified broadband internet access services under Title II of the Communications Act. The FCC will regulate certain aspects of broadband internet services across the country, in particular the ability of broadband providers (e.g., AT&T/DirecTV, Cox Communications) to slow or block competitors' services and/or charge fees to content providers to deliver content at faster speeds. This broadband regulation is commonly referred to as "Net Neutrality." While the FCC ruled on Net Neutrality, the U.S. Telecom Association filed a lawsuit against the FCC challenging the Net Neutrality rule. In June 2016, the US Court of Appeals upheld the FCC's Net Neutrality rules and the idea that broadband access is a public utility, rather than a luxury.

In November 2017, a newly appointed FCC Commissioner proposed a repeal of Net Neutrality, with the FCC subsequently voting to repeal the legislation. Various states announced they planned to sue the FCC over the decision. In February 2018, the FCC informed Congress of their intention to repeal Net Neutrality, giving Congress 60 days to stop the repeal with the Congressional Review Act. Congress failed to pass the Congressional Review Act and the 2015 Net Neutrality Order was repealed. The FCC Restoring Internet Freedom Order took effect on June 11, 2018.

7.4.3 Environmental Compliance

Given the design and operation of the Communications System, there are limited environmental compliance issues. The Communications System fiber is installed on LUS's overhead electric poles and in underground ducts co-located within the underground electric distribution system, avoiding additional right-of-way requirements or construction and land use related issues.

7.5 Payment In Lieu of Tax and Imputed Tax

Pursuant to terms of a regulatory settlement, the Communications System must calculate and pay to the City an Imputed Tax. The Imputed Tax is equivalent to the payments that it would have to make if it were a privately-owned entity paying applicable state and local sales tax, property tax, franchise tax, and income tax. This Imputed Tax calculation is performed annually and can be paid to either the Utilities System or the LCG General Fund. As the Communications System improves operating margins, the Communications System will be able to pay ILOT to the LCG General Fund. Once ILOT payments are made to the LCG General Fund, the corresponding Imputed Tax obligation is reduced on a dollar-by-dollar basis.

The Communications System's ILOT calculation provides for an ILOT payment up to 12 percent of Adjusted Revenues (revenues less the cost of goods sold). However, all or a portion of this payment is made subject to a test. The ILOT test ensures that the Communications System retains sufficient cash to meet capital obligations. The test requires that the ILOT payment be no greater than 12 percent of Adjusted Revenues, or the cash balance available after the payment of operating expenses and debt service less 7.5 percent of Adjusted Revenues. The Communications System tax requirement cannot be less than that required by the Imputed Tax calculation.

On July 21, 2015, the City-Parish Council approved Ordinance No. O-014-2015 that revised the ILOT calculation. This ordinance recognizes that the Communications System operates in a competitive environment and the current ILOT calculation is a greater expense than Imputed Tax. With the approval of this ordinance, the Communications System is now required to pay an ILOT amount equal to Imputed Taxes. The Imputed Tax payments were made to LUS and the City for years 2016 through 2020 as prescribed in the ordinance. Beginning in 2020, 100 percent of Imputed Tax payments goes to the City. The reduced financial obligation has helped increase cash available for Communications System's capital improvement projects and reserves, thereby reducing pressure to raise rates in the future and helping to maintain a level playing field with competitors.

7.6 Operating and Capital Budget

The Communications System prepares and submits their proposed operating and capital budget to LCG. The operating portion of the budget contains projections of revenues and expenses for the upcoming fiscal year. The CIP as contained in the 2021 Budget is presented in Table 7-3 and totals $39.4 million over the five-year period. The Communications System's five-year CIP is reviewed, updated, and budgeted annually. General life expectancy of incoming connections and distribution (e.g., headend), network, and hut equipment is 5 to 10 years, at which time replacement or upgrade may be warranted. Customer premises equipment has a roughly five-year life expectancy.

Table 7-3: Projected Capital Improvement Plan

Project Description	2021	2022	2023	2024	2025	Total
Customer Installations	$2,189,000	$2,050,000	$2,000,000	$2,000,000	$2,000,000	$10,239,000
Customer Premise Equipment	3,262,000	2,850,000	2,650,000	2,250,000	2,150,000	13,162,000
Headend Equipment and Upgrades	350,000	475,000	550,000	650,000	650,000	2,675,000
Hut Equipment and Upgrades	375,000	350,000	350,000	350,000	350,000	1,775,000
Network Equipment and Upgrades	410,000	375,000	350,000	350,000	350,000	1,835,000
Special Equipment	1,850,000	1,850,000	1,850,000	1,850,000	1,850,000	9,250,000
Special Capital	85,000	85,000	85,000	85,000	85,000	425,000
Total	$8,521,000	$8,035,000	$7,835,000	$7,535,000	$7,435,000	$39,361,000

Source: LUS Fiber CIP. All projects are shown in 2021 dollars.

The timing of capital projects is continually evaluated based on priority given changing circumstances; therefore, projects identified in the early years of the five-year program reflect a higher degree of certainty. All projects identified in the Communications System CIP are expected to be funded with cash available from Communications System operations.

The Communications System's revenue performance was aligned with the 2020 and is presented in Table 7-4. The Communications System collected $42.9 million in operating and miscellaneous revenues in 2020, as compared to the budgeted $42.3 million. Operating expenses were under budget at $22.4 million, as compared to the budgeted $22.7 million. Other Income & Expenses were close to the budgeted amount. Overall, the cash available for capital was slightly above the budgeted amount. The Communications System's actual financial performance was close to budget and it exceeded DSCR requirements and continued to increase its net revenues.

Table 7-4: Communications System Budget to Actual Performance

	Actual (millions)	Adopted Budget (millions)	Difference (millions)	Difference (%)
Operating Revenues				
Retail Sales	$39.5	$39.3	$0.2	0.5%
Wholesale Sales	2.6	2.7	(0.1)	-2.6%
Interest Income	0.1	0.2	(0.1)	-74.5%
Miscellaneous Income	0.7	0.1	0.6	421.0%
Total Operating Revenue	$42.9	$42.3	$0.6	1.4%
Operating Expenses				
Cost of Production	$9.2	$9.8	($0.6)	-5.7%
Other O&M	13.2	13.0	0.2	1.7%
Total Operating Expenses	$22.4	$22.7	($0.3)	-1.5%
Other Income (Expenses)				
Normal Capital	($0.1)	($0.1)	$0.0	-32.4%
Interest on Long Term Debt	(4.8)	(4.8)	0.0	0.0%
Principal on Long Term Debt	(4.6)	(4.6)	0.0	0.0%
Note Payable	(1.7)	(1.7)	0.0	0.0%
Imputed Tax	(0.5)	(1.1)	0.6	-50.6%
Total Other	($11.7)	($12.2)	$0.6	-4.5%
Cash Available for Capital	$8.8	$7.4	$1.5	20.2%

Source: LCG Finance and Accounting

7.7 Accounting and Financial Statements

The accounting responsibilities for the Communications System resides with LCG. LCG prepares monthly Financial and Operating Statements for the Communications System. These statements include a balance sheet, income statement, and detailed revenues and expenses. As part of LCG, the Communications System follows the same fiscal year with the ending date of October 31.

The audit for each fiscal year is generally not available until April of the following year. The detailed financial data included for the Utilities System was primarily based on the monthly Financial and Operating Statements that support and align with the audited CAFR. The tables included in this Report may slightly vary from the tables in the CAFR as numbers may be presented in various ways to calculate metrics. Although the numbers may vary, the differences are not material and do not affect the resulting metrics.

7.7.1 Balance Sheet

A comparative balance sheet is presented in Table 7-5. Total Assets have remained steady over the five years primarily due to renewal and replacement of assets. Since 2016, the Retained Earnings increased due to positive net operating income. There was a significant increase in uncollectible accounts in 2019 due to an upgrade of the billing system. During the upgrade, the Communications System fell behind on writing off uncollectible accounts; however, as the upgrade was completed, the write-offs returned to historical levels and declined back towards historical averages in 2020.

Table 7-5: Communications System Historical Balance Sheet

Total Assets	2016	2017	2018	2019	2020
Communications Plant	$77,989,976	$76,227,066	$77,827,044	$78,200,948	$76,036,947
Bonds and Special Accounts	6,327,788	9,404,519	6,014,644	5,920,578	9,946,583
Cash and Cash Equivalent	3,467,990	2,959,953	2,580,711	2,677,170	2,651,089
Accounts Receivable	1,508,689	1,451,287	1,425,507	2,174,550	2,577,723
Reserve for Uncollectible Accounts	(100,656)	(138,185)	(183,659)	(605,788)	(499,419)
Prepayments	262,960	256,139	448,868	404,315	400,011
Inventories	0	0	0	0	0
Deferred Debits	9,613,092	8,496,356	7,252,853	6,864,226	5,852,558
Total Assets	$99,069,837	$98,657,134	$95,365,968	$95,635,998	$96,965,493
Total Liabilities & Equity					
Long Term Debt	$105,255,000	$101,210,000	$96,785,000	$92,140,000	$87,260,000
Current Liabilities	2,654,078	4,198,360	2,395,408	2,913,130	3,447,363
Long Term Liabilities	42,556,583	41,249,931	39,484,427	37,899,544	36,342,579
Retained Earnings	(51,395,823)	(48,001,156)	(43,298,868)	(37,316,675)	(30,084,450)
Total Liabilities & Fund Equity	$99,069,837	$98,657,134	$95,365,968	$95,635,998	$96,965,493

Source: Communications System Financial and Operating Statements

7.7.2 Fund Balances

Article V of the Communications System General Bond Ordinance dictates the Communications Systems' funds and accounts and how the 'Flow of Funds' works. Article V creates the following accounts: Receipts, Operating, Sinking Fund, and Capital Additions. In addition, funds may be created as new bonds are issued. Table 7-6 summarized the beginning balance, receipts, disbursements, and ending balances of the required funds. The Total Fund Balances increased by $4.97 million, or 44.8 percent, in 2019.

Table 7-6: Communications System Fund Balances as of October 31, 2020 ($1,000)

	Receipts	Operating	Debt Service	Retained Earnings Reserve	Capital Additions	Security Deposits	Construction Funds	Total Accounts
Beginning Balance	$125	$2,250	$0	$2,695	$5,921	$108	$0	$11,099
Receipts	43,636	28,472	9,444	1,059	11,256	40	0	93,907
Disbursements	43,641	28,472	9,444	0	7,379	0	0	88,936
Ending Balance	$120	$2,250	$0	$3,754	$9,798	$148	$0	$16,070

Source: Communications System Financial and Operating Statements

7.7.3 Income Statement

Table 7-7 presents the comparative income statement. The Operating Revenues and Operating Expenses have increased consistently since 2016 as the Communications System expanded and gained market share. Correspondingly, the Net Operating Revenues have increased 4.7 percent annually over the last five years.

Other Income varied over the years as amortization, fund balances, and interest rates changed. While the Net Income before Taxes was negative through 2015, it has been positive since.

There was a major change in the depreciation calculation in year 2016. The asset lives used for depreciation were originally set up nearly 10 years ago based on a consultant's recommendations. The historical depreciation rates for the communications related assets were aggressive and in recent years the City's auditors have commented that the depreciation needed to be reviewed. During 2016, the asset lives used for depreciation were adjusted to better reflect the actual asset lives based on the Communications System's experience with the assets and based on asset lives used by other municipal utilities. Each account was reviewed by LCG and adjusted based on this information. The adjustments were then reviewed by the City's auditors and approved. The depreciation in 2016 decreased by $4.2 million, or 39 percent from year 2015. The decrease in depreciation expense, in addition to increases in revenues, contributed to the increase in Net Income since 2016.

Table 7-7: Communications System Income Statement

	2016	2017	2018	2019	2020
Operating Revenues	$35,686,587	$37,217,396	$38,265,799	$40,816,572	$42,878,636
Operating Expenses	19,467,412	19,654,241	20,312,983	21,398,164	22,388,190
Net Operating Revenues	$16,219,175	$17,563,155	$17,952,816	$19,418,408	$20,490,446
Depreciation	6,602,622	6,869,519	7,369,971	7,901,209	7,736,639
Net Operating Revenues after Depreciation	$9,616,553	$10,693,635	$10,582,845	$11,517,199	$12,753,807
Other Income					
Interest Income	$18,136	$64,463	$151,056	$195,263	$50,918
Unrealized Gain/Loss on Invs	0		0	481	0
Amortization of Debt Premium	1,211,233	1,206,147	1,151,434	1,091,581	1,028,753
Amortization of Debt Discount	(4,118)	(4,118)	(4,118)	(4,118)	(4,118)
Misc. Non Operating Revenue	103,639	91,683	135,700	90,273	(15,901)
Other Operating Gains/Losses	1,095	(14,672)	650	687	836
Total Other Income	$1,329,985	$1,343,503	$1,434,722	$1,374,168	$1,060,489
Other Expenses					
Amortized Bond Issuance Costs	$24,565	$24,462	$23,352	$22,138	$20,864
Amortized Start Up Costs	96,742	96,742	96,742	96,743	96,742
Amortized 2007 Expense	6,786	6,786	6,786	6,785	6,786
Amortized Loss On Refunding	622,118	619,506	591,404	560,663	528,392
Interest on Long Term Debt	5,225,541	5,206,741	5,004,491	4,783,241	4,550,991
Interest on Long Term Debt - LUS Note	901,003	897,753	883,386	862,204	834,802
Interest on Customer Deposits	36	(695)	10	23	21
Extraordinary Charges	0		0	0	0
Total Other Expenses	$6,876,792	$6,851,296	$6,606,172	$6,331,797	$6,038,600
Net Income Before in Lieu of Tax	$4,069,747	$5,185,843	$5,411,395	$6,559,570	$7,775,696
ILOT or Imputed Taxes	823,878	686,575	542,800	561,239	543,471
Net Income	$3,245,869	$4,499,268	$4,868,594	$5,998,331	$7,232,225

Source: Communications System Financial and Operating Statements

7.7.4 Cash Flow

Cash flow is an important indicator of municipal utility financial health. Municipal utilities typically operate on a Cash Basis. Cash Basis means that non-cash expenses, such as depreciation are excluded from calculations, but other cash expenses, such as principal payments associated with debt service are included. Since municipally owned utilities are primarily concerned with accumulating sufficient cash balances to meet operating expenses, debt service, capital improvements, and other obligations, the financial results are presented in this manner.

Table 7-8 presents the change in cash due to Operations and Imputed Tax or ILOT for the Communications System over the period 2016 through 2020. These numbers indicate current Communications System revenues have improved from year-to-year as new customers were added to the system. Since 2016, the Communications Systems Net Operating Revenues met operating expenses, debt service, ILOT, or Imputed Tax obligation of the utility, and generated positive cash flow. The 5-year cumulative net margin resulted in a gain of approximately $44.8 million.

Table 7-8: Communications System Comparative Cash Flow

	2016	2017	2018	2019	2020	Total
Operating Revenues	$35,686,587	$37,217,396	$38,265,799	$40,816,572	$42,878,636	$194,864,991
Operating Expenses	19,467,412	19,654,241	20,312,983	21,398,164	22,388,190	103,220,991
Net Operating Revenues	$16,219,175	$17,563,155	$17,952,816	$19,418,408	$20,490,446	$91,644,000
Debt Service	$6,165,541	$9,251,741	$9,429,491	$9,428,241	$9,430,991	$43,706,006
Balance After Debt Service	$10,053,634	$8,311,413	$8,523,325	$9,990,167	$11,059,455	$47,937,994
Less ILOT/Imputed Tax	$823,878	$686,575	$542,800	$561,239	$543,471	$3,157,964
Change in Cash due to Operations and ILOT / Imputed Tax	$9,229,756	$7,624,838	$7,980,525	$9,428,928	$10,515,984	$44,780,030

Source: Communications System Financial and Operating Statements

7.8 Historical Capital Improvement Program

LUS uses a capital work order system to track capital expenses. The historical capital presented in Table 7-9 reflects investment in infrastructure funded by the Series 2007 Bonds, Series 2012 Bonds, and retained earnings. The Series 2007 Bonds were issued to build the retail side of the Communications System. The Series 2012 Bonds were issued for customer installations and equipment and various projects.

As mentioned, LUS Fiber attained franchise status in November 2017 to offer communications service outside Lafayette in the City of Broussard, City of Youngsville, and unincorporated areas in the Parish. In 2018, LUS Fiber expanded into Broussard and Youngsville to serve new customers as indicated by the capital spending in 2018. In 2019, LUS Fiber expanded into Carencro. LUS Fiber is continuing to build out targeted areas. As previously noted, during preparation of this report the EDA announced LUS Fiber will be awarded a grant to extend service to underserved commercial areas in St. Martin Parish and Iberia Parish. After the extension through the business districts is complete, LUS Fiber will be able to continue to expand its service territory into the residential neighborhoods passed by the new fiber construction.

Table 7-9: Communications System Historical Capital Improvement Program

	2016	2017	2018	2019	2020
Series 2012A Bonds	$21,315	$0	$13,731	$2,223	$0
Series 2012 B Bonds	38,141	0	26,213	801	0
Retained Earnings	4,967,142	4,865,162	8,523,970	7,734,867	5,273,513
Special Equipment	0	11,138	50,465	247,473	54,984
Total Capital	$5,026,598	$4,876,301	$8,614,379	$7,985,364	$5,328,497

Source: Communications System Status of Construction Work Order Reports

7.9 Historical Financial Performance

Since its inception in 2009, the Communications System exhibited steady growth and improved operating margins. The Communications System credit rating from Moody's was increased in 2019 from A3 to A2.

7.9.1 Historical Debt Service Coverage

Communications System debt service for years 2016 through 2020 include the Series 2007 Bonds, Series 2012 Bonds, and Series 2015 Bonds. Table 7-10 presents historical debt service and the associated DSCR. In each year since 2016, the DSCR exceeded the minimum coverage requirement of 1.0 required by the Bond Ordinances.

Table 7-10: Communications System Historical Debt Service Coverage

Year	Operating Revenues	Operating Expenses	Net Revenues Available for Debt Service	Debt Service	Debt Service Coverage Ratio
2016	$35,704,723	$19,467,412	$16,237,311	$6,165,541	2.6
2017	$37,281,859	$19,654,241	$17,627,618	$9,251,741	1.9
2018	$38,416,855	$20,312,983	$18,103,872	$9,429,491	1.9
2019	$41,011,835	$21,398,164	$19,613,671	$9,428,241	2.1
2020	$42,929,555	$22,388,190	$20,541,364	$9,430,991	2.2

Source: Communications System Financial and Operating Statements
(1) Operating revenues include interest income and other miscellaneous income.
(2) O&M and other expenses include customer service, and A&G costs. Operating expenses do not include ILOT internal loan payments to LUS, and other miscellaneous expenses.
(3) Debt service includes the Series 2007 Bonds, Series 2012 Bonds, and Series 2015 Bonds. The 2012 Series Bonds debt service in years 2012 and 2013 was paid for out of capitalized interest. The 2015 debt service includes $4.77 million paid into the refunded Series 2007 Bonds escrow account.

7.9.2 Revenue Analysis

The Communications System's internet revenues have consistently increased over the last five years as the Communications System expanded as shown in Table 7-11. Cable and telephone revenues fluctuate; however, each remain relatively stable over the last five years. Wholesale and other revenues have fluctuated and include dark fiber lease, late fees, miscellaneous revenues, colocation, and other items.

Table 7-11: Communications System Historical Operating Revenues

	2016	2017	2018	2019	2020
Cable TV	$12,495,096	$12,355,260	$11,646,190	$12,292,735	$13,428,408
Data/Internet	14,238,687	15,839,986	17,639,525	19,515,248	20,505,164
Telephone	5,840,121	5,685,137	5,727,349	5,604,970	5,613,103
Wholesale	2,263,413	2,464,909	2,537,726	2,794,419	2,582,259
Other	849,270	872,104	715,008	609,200	749,703
Total Operating Revenues	$35,686,587	$37,217,396	$38,265,799	$40,816,572	$42,878,636

Source: Communications System Financial and Operating Statements

Related to the 2019 Mayor-President's internal audit of LUS Fiber services to LU0S, services were identified as potentially noncompliant with the Fair Competition Act. These included a power outage monitoring system for the electric utility and several network service and fiber connections for LUS assets, facilities, or equipment. In 2019, LUS eliminated the power outage monitoring system through LUS fiber with the anticipated implementation of its OMS. The elimination of the wholesale service to LUS reduced LUS Fiber Wholesale revenues; however, other wholesale sales and customers have replaced the lost revenue and continue to grow. Prior repayments from LUS Fiber to LUS occurred in 2018 and did not impact 2019 or 2020 revenues, cash flow or Debt Service Coverage.

7.9.3 Expense Analysis

The cost of goods sold generally increased since 2016 as LUS Fiber added customers as presented in Table 7-12. Cost of goods sold predominantly consists of programming and content costs associated with service offerings. As the number of customers increase, so do the costs of goods sold for the cable and long-distance phone customers. The Plant Specific Expense averages $4.6 million and decreased by 6.1 percent in 2020. The Plant Specific Expense includes vehicles, furniture, electronics, maintenance, repairs, general maintenance, and other plant related items. The Plant Non-specific Expense have averaged approximately $2.3 million per year. The primary cost item in this category is engineering. Customer Operations have averaged $2.0 million over the last five years and decreased 14.2 percent in 2020. The administrative costs averaged $3.3 million over the past five years.

Table 7-12: Communications System Historical Operating Expenses

	2016	2017	2018	2019	2020
Cost of Goods Sold	$7,382,247	$7,207,212	$7,786,666	$8,697,038	$9,212,774
Plant Specific Expense	4,521,047	4,601,990	4,664,168	4,639,539	4,655,614
Plant Non Specific Expense	2,453,269	2,560,755	2,308,814	1,947,137	2,563,273
Customer Operations	1,597,052	1,911,069	2,278,406	2,166,207	1,908,748
Administrative	3,280,872	3,140,940	3,018,940	3,652,305	3,535,648
Other Operating Expenses	232,924	232,275	255,989	295,938	512,134
Total Operating Expenses	$19,467,412	$19,654,241	$20,312,983	$21,398,164	$22,388,190

Source: Communications System Financial and Operating Statements

7.9.4 Credit Event Analysis

The Communications System is financially separate from the Utilities System; however, if the Communications System fails to transfer to the Paying Agent by the 21st day of the month proceeding an interest payment date the amount equal to the debt service on the Communications System Bonds falling due on the first day of the following month (a Credit Event), the Utilities System is required to pay such debt service (but only to the extent of such insufficiency) from revenues available for the payment of

Subordinated Indebtedness on deposit in the Capital Additions Fund of the Utilities System. Upon the occurrence of a Credit Event, the Communications System must proceed to discontinue its provision of services, as soon as reasonably practical, taking into consideration minimizing the interruption of services to existing users of the Communications System. Pursuant to the ordinances of the City authorizing the issuance of the Communications System Bonds, the rate covenant contained in the Bond Ordinances were incorporated by reference into the Communications System Bond Ordinance, and the debt service requirements on any Communications System Bonds are treated as amounts payable with respect to Subordinated Indebtedness of the Utilities System for the purposes of the rate covenant under the Bond Ordinances. Table 7-13 shows that if a Credit Event had occurred in 2020, the Utilities System DSCR would have exceeded the minimum coverage requirement of 1.0 required by the Bond Ordinances.

Table 7-13: Credit Event Residual Balance Coverage Calculation

	2020
Utilities System Net Revenues	$76,713,912
Less Interest Income from Internal Loans	$862,204
Utilities System Balance Available for Debt Service	$75,851,708
Less Utilities System Debt Service (1)	$25,374,000
Less Capital of 7.5% (2)	$11,311,545
Utilities System Residual Revenues Available for Communications Debt Service	$39,166,164
Communications System Debt Service (3)	$9,430,991
Utilities System Debt Service Coverage Ratio for Communications System Debt	4.2

Source: LUS

(1) Debt service includes include the Series 2010 Bonds, Series 2012 Bonds and Series 2019 Bonds. The Series 2019 Bonds first debt service was due November 1, 2019 (FY 2020).

(2) The Bond Ordinance requires a minimum amount equal to 7.5% of the Adjusted Revenue deposits into the Receipts Account for the purposes of paying capital costs.

(3) The debt service represents debt service on the Series 2012 Bonds and Series 2015 Bonds.

7.10 Observations and Recommendations

Based on the analysis described herein, Burns & McDonnell and CTC offer the following observations and recommendations.

- LUS Fiber should consider refinancing debt to provide additional capital to fund network expansion efforts. With interest rates low, refinancing the Communications System's existing internal LUS loans and Fiber Bonds would reduce annual debt service payments in the near term. The additional reserves and cash flow would provide LUS Fiber with the flexibility to react to the fast-changing market. This is particularly important considering the enormous growth in broadband use in general—an expansion that was accelerated by the pandemic, and now will be affected further by the extraordinary availability of new federal broadband grant funds. LUS Fiber should position itself to react to opportunity that is in the best interest of LUS Fiber and the community. Given LUS Fiber's solid financial position and strong credit rating, the Communications System could consider issuing new debt to accelerate network expansion into nearby underserved areas and provide LUS Fiber with additional flexibility to react to changing market conditions that will impact operations. More rapid expansion will potentially help grow the revenue base and provide more stability in the coming years, during which there likely will be dramatic shifts in the market for voice, video, and data services.

- LUS Fiber should continue to pursue federal and state grant opportunities and local partnerships to extend the network to underserved surrounding areas. LUS Fiber's future revenue growth is primarily constrained by the Communications System's ability to expand into nearby underserved areas. Grants like the one the EDA recently awarded LUS Fiber would allow the Communications System to expedite the process of extending its network into surrounding communities where demand for robust, symmetrical broadband products is strong. LUS Fiber should consider developing a strategy to take advantage of upcoming federal and state broadband infrastructure grant opportunities to expand its territory and further grow its customer base.
- LUS Fiber should continue developing the customer service department to serve as a secondary sales and retention department. Taking over direct management of LUS Fiber customer service personnel has already begun to give the Communications System more control over the customer-facing side of the organization. Over time, LUS Fiber managers can work with customer service representatives to play additional roles for the organization, including upselling customers with additional service offerings and recognizing when additional interventions may be required to prevent a customer from discontinuing service.
- Maintaining a qualified staff will continue to present LUS Fiber with potential challenges due to the extremely competitive nature of the business, leading to the potential for employees to make significantly greater salaries in the marketplace.
- LUS Fiber may want to consider creating a tiered management structure. LUS Fiber currently has a flat organizational structure with many people reporting to a single manager. For example, the Chief Engineer has 30 direct reports. One way to address the issue would be to formally assign many of the

reports to an Engineer III taking up a managerial role. The Communication Business Supervisor recently took on the responsibility of managing the customer service team, adding 11 direct reports, and exacerbating the need for team leads or supervisors. With so many direct reports, there is a risk of an unofficial management structure evolving in place of one with firmly established accountability.

- Given the competitiveness of the broadband market, LUS Fiber should evaluate its compensation structure. For fiscal year 2019/2020, there was a cost-of-living increase raise of 5 percent, which went into effect on December 15, 2019. Based on the salary benchmarking review, LUS Fiber is compensating its employees at a level slightly below the regional median salaries reviewed. Two classifications compared were only a few percent lower and the other two classifications more than 10 percent below the regional median salary. LUS Fiber should examine its salaries in comparison to other regional telecommunication providers so that it can continue to hire and retain well qualified analysts, technicians, and support specialists.
- LUS Fiber may consider reviewing required qualifications for specific roles. For example, it may not be necessary to require a P.E. license for a particular Engineer III role, if that individual is focused on network electronics or other specialties that require a different skill set.
- LUS Fiber may consider creating systems for tracking key network performance, installation, and customer service metrics. To continue to improve customer satisfaction and financial performance, LUS Fiber management needs additional visibility into the costs and response times associated with various aspects of network installation, maintenance, and repair. Tracking these metrics will allow management to monitor performance over time and set improvement goals.
- LUS Fiber may consider restructuring its enterprise service catalogue and find a sales partner with experience selling business and enterprise services. A large potential revenue opportunity lies in using excess network capacity to sign up additional high-value enterprise customers. Historically, LUS Fiber's enterprise service offerings have been marketed only to wholesale customers. To attract additional retail enterprise customers, LUS Fiber may need to simplify its pricing and align its enterprise service offerings with the service categories most commonly used in the enterprise data service marketplace. It may also be valuable to conduct a competitive procurement to assess the market of entities that could help with the marketing and sales efforts needed to attract additional enterprise customers.
- LUS Fiber may consider adding mobile service offering. Increasingly customers are bundling home internet, video, voice, and mobile service from a single provider. AT&T already offers a quadruple-play bundle, and last year Cox began taking steps that suggest it will soon roll out a mobile service

offering as well, likely in conjunction with the buildout of its own LTE network using the Citizens Broadband Radio Service ("CBRS") priority access licenses it purchased last year. LUS Fiber may want to explore partnerships with mobile service providers to help increase market share among those consumers who want to bundle a mobile service offering with their home internet, phone, and some form of video service (whether CATV or over-the-top). The revenue opportunity associated with such a partnership is likely limited, but LUS Fiber may be able to find partnership opportunities where the costs to LUS Fiber are low and risks are minimal.

8.0 PROJECTIONS OF FINANCIAL RESULTS AND CONCLUSIONS

8.1 Utilities System

This section includes forward-looking financial statements based on Burns & McDonnell's current expectations and projections about future events and financial trends regarding the Utilities System. Projections as contained herein reflect estimates of what might occur in the future based on the information available as of the date of this Report. Burns & McDonnell cannot predict the future or guarantee future financial performance of the Utilities System. To the extent that assumptions used in these projections vary from those actually observed, financial performance as presented herein will vary from actual performance. Burns & McDonnell prepared a 10-year projection of financial and operating data for each of the Electric, Water, and Wastewater Systems. Projections are based on Burns & McDonnell's review of historical operating results, the 2021 Budget, visual observations of the Utilities System assets, and other assumptions and considerations as listed in the Report. The projections prepared by Burns & McDonnell are for the Projected Period of November 1, 2020 through October 31, 2030. LUS provided actual historical data for the 2016 through 2020 period.

8.1.1 Electric System Revenue and Expense Projections

Burns & McDonnell completed a long-term system load forecast in 2020. The long-term load forecast forms the basis for long term projections of customer growth and energy sales and was used in the 2020 LUS IRP prepared by Burns & McDonnell. Electric System retail revenue projections are based on the load forecast and the existing utility rates in place. The existing electric rates allow LUS to pass the direct MISO power cost, fuel cost, certain LPPA costs, environmental costs, purchased power costs, and other eligible cost directly to consumers in the form of a fuel charge that is adjusted regularly. This mechanism greatly reduces risk to LUS. LUS's largest expense is associated with the cost to purchase and generate power for the electric utility system. The projected purchased power cost is based on the 2020 IRP projections prepared by Burns & McDonnell. Fixed expense projections associated with operating the generating units are based historical average levels with escalation. Variations in variable purchased power costs are directly covered by the fuel charge billed to customers. Other electric utility fixed costs such as transmission, distribution, customer costs, A&G expenses, and debt service are recovered through LUS's base electric rates.

8.1.2 Wastewater System Revenue and Expense Projections

The long-term forecast assumes that the number of customers in the wastewater utility will grow at approximately 0.4 percent per year over the next 10 years. Wastewater rate increases of 2% per year are assumed for the wastewater utility over the forecast. Wastewater operating expenses include treatment, collection, customer, and A&G expense with water treatment being the largest. These expense projections are generally based historical average levels with escalation. Some variable production expenses are escalated based on volumes and changes to electric rates. The wastewater system recovers increases in expenses through periodic rate increases that are approved in rate studies.

8.1.3 Water Revenue and Expense System Projections

The long-term forecast assumes that the number of customers in the water utility will grow at approximately 0.4 percent per year over the next 10 years. Water rate increases of 2% per year are assumed for the water utility over the forecast. Wholesale water sales are projected to continue to grow over the forecast period with 6% rate increases assumed every other year. Water operating expenses include production, distribution, customer, and A&G expense with water production being the largest. These expense projections are generally based historical average levels with escalation. Some variable production expenses are escalated based on volumes and changes to electric rates. The water system recovers increases in expenses through rate increases that are approved in rate studies.

8.1.4 Utilities System Financial Projections Summary

The tables included in this section present the historical and projected customers, operating revenues, and operating expenses for the electric utility, wastewater utility, and water utility.

Table 8-1: Utilities System Historical and Projected Number of Customers by System

Year	Electric	Water	Wastewater
Historical			
2016	66,325	55,851	44,269
2017	66,860	56,302	44,830
2018	67,243	56,564	45,019
2019	68,495	58,316	45,623
2020	69,364	57,412	46,133
Projected			
2021	69,716	57,735	46,491
2022	70,086	57,996	46,737
2023	70,427	58,236	46,964
2024	70,746	58,459	47,177
2025	71,046	58,669	47,378
2026	71,334	58,863	47,569
2027	71,609	59,053	47,753
2028	71,863	59,229	47,922
2029	72,118	59,405	48,092
2030	72,372	59,581	48,262
Average Growth	0.4%	0.4%	0.4%

Source: LUS Fiber

(1) Electric System projections based on 2019 Load Forecast for LUS developed by Burns & McDonnell.

(2) Water System retail customer projections were based on the Electric System customer growth forecast. Wholesale customer growth was based on specific growth forecasts for wholesale customers.

(3) Wastewater System customer projections were based on the Electric System customer growth forecast.

Table 8-2: Electric System Historical and Projected Sales and Revenue

FY	Retail Sales (MWh)	Retail Sales: Base Rate Revenue	Retail Sales: FC Revenue	Other Revenue	Total Operating Revenue
2016	2,027,945	$91,631,825	$78,153,587	$4,568,740	$174,354,151
2017	1,980,653	$94,552,196	$76,829,537	$4,678,770	$176,060,504
2018	2,031,847	$102,886,777	$72,872,661	$5,196,252	$180,955,690
2019	2,004,310	$100,836,993	$73,101,002	$6,027,891	$179,965,886
2020	1,917,040	$97,878,860	$65,117,850	$3,470,810	$166,467,519
2021	2,007,361	$102,697,149	$72,345,290	$4,782,971	$179,825,410
2022	2,010,412	$102,850,291	$71,429,938	$4,887,505	$179,167,734
2023	2,017,139	$103,145,237	$74,170,201	$5,058,888	$182,374,325
2024	2,023,866	$103,439,079	$76,744,999	$5,201,943	$185,386,021
2025	2,029,632	$103,687,156	$81,266,465	$5,324,501	$190,278,123
2026	2,035,398	$103,935,009	$81,639,814	$5,452,146	$191,026,969
2027	2,041,164	$104,182,698	$83,606,077	$5,601,088	$193,389,863
2028	2,046,930	$104,429,343	$77,537,708	$5,752,799	$187,719,851
2029	2,051,735	$104,632,326	$80,715,255	$5,928,979	$191,276,560
2030	2,057,501	$104,888,981	$82,526,365	$6,172,681	$193,588,027

Source: LUS and Burns & McDonnell projections
(1) Projections based on Burns & McDonnell load forecast from 2020 IRP.
(2) Base rate revenue projections reflect revenue from existing rate structures.
(3) Other revenue includes miscellaneous operation revenue and interest income.

Table 8-3: Electric System Historical and Projected Operating Expenses

FY	Production	Transmission	Distribution	Customer Accounts, Service & Sales	Administrative & General	Total Operating Expenses
2016	$92,247,908	$8,661,822	$11,613,300	$2,868,750	$11,302,414	$126,694,194
2017	$96,976,628	$9,192,823	$12,283,787	$2,917,554	$11,976,332	$133,347,125
2018	$94,456,911	$9,275,422	$12,143,206	$2,828,513	$12,463,806	$131,167,858
2019	$84,373,015	$8,612,596	$11,837,879	$2,690,275	$11,886,918	$119,400,682
2020	$77,653,928	$8,438,158	$10,990,219	$2,742,846	$12,219,098	$112,044,248
2021	$89,996,672	$7,730,084	$11,664,970	$2,729,678	$12,104,337	$124,225,741
2022	$90,504,743	$3,108,037	$11,839,945	$2,764,790	$12,285,902	$120,503,416
2023	$92,275,812	$3,154,657	$12,017,544	$2,808,043	$12,470,190	$122,726,246
2024	$105,554,230	$3,201,977	$12,197,807	$2,851,558	$12,657,243	$136,462,816
2025	$103,393,332	$3,250,007	$12,380,774	$2,899,423	$12,847,102	$134,770,638
2026	$101,942,691	$3,298,757	$12,566,486	$2,939,470	$13,039,808	$133,787,212
2027	$104,276,909	$3,348,238	$12,754,983	$2,983,356	$13,235,406	$136,598,892
2028	$89,786,809	$3,398,462	$12,946,308	$3,011,600	$13,433,937	$122,577,115
2029	$85,700,903	$3,449,439	$13,140,503	$3,059,064	$13,635,446	$118,985,354
2030	$87,610,417	$3,501,180	$13,337,610	$3,102,227	$13,839,977	$121,391,413

Source: LUS and Burns & McDonnell projections
(1) Production expenses are based on 2020 IRP forecasts and incorporate new contracts for capacity and solar.
(2) Transmission cost reduction will reduce in FY2022 due to expiration of Cleco contract. LUS estimated forecast expenses.
(3) Total Operating Expenses do not include ILOT, debt service, capital, or other expenses.
(4) Production expense assumes LPPA Series 2021 Refunding Bonds refund the LPPA Series 2012 Bonds.

Table 8-4: Wastewater System Historical and Projected Retail Sales and Revenue

FY	Retail Sales (1000 gallons)	Retail Sales Revenue	Other Revenue	Total Operating Revenue
2016	6,267,402	$28,522,778	$621,796	$29,144,574
2017	5,768,832	$29,706,376	$1,083,931	$30,790,307
2018	5,326,815	$30,977,546	$1,401,680	$32,379,226
2019	5,746,278	$29,910,672	$2,128,101	$32,038,772
2020	5,498,088	$29,861,226	$1,261,483	$31,122,710
2021	5,765,733	$30,790,941	$920,703	$31,711,643
2022	5,796,316	$31,567,217	$833,741	$32,400,958
2023	5,824,500	$32,336,646	$839,071	$33,175,717
2024	5,850,864	$33,145,937	$844,451	$33,990,388
2025	5,875,740	$33,952,600	$850,009	$34,802,609
2026	5,899,541	$34,758,565	$855,841	$35,614,407
2027	5,922,267	$35,608,202	$862,086	$36,470,288
2028	5,943,256	$36,452,679	$878,111	$37,330,791
2029	5,964,327	$37,302,747	$863,731	$38,166,478
2030	5,985,399	$37,434,536	$837,908	$38,272,444

Source: LUS and Burns & McDonnell projections
(1) Retail sales are based on projected customer growth and use per customer.
(2) Retail sales revenue includes historical rate increases in 2017 and 2018. 2.0% rate increases are assumed through 2029.
(3) Other revenue includes miscellaneous operation revenue and interest income.

Table 8-5: Wastewater System Historical and Projected Operating Expenses

FY	Treatment	Collection	Customer Accounting, Collecting, Service and Info	Administrative & General	Total Operating Expenses
2016	$6,915,624	$4,462,001	$1,347,623	$5,569,902	$18,295,151
2017	$6,804,788	$4,696,927	$1,345,368	$5,838,454	$18,685,538
2018	$6,877,281	$4,722,449	$1,399,015	$5,738,418	$18,737,163
2019	$6,987,121	$5,312,751	$1,365,016	$5,546,626	$19,211,514
2020	$6,253,827	$4,888,522	$1,318,028	$5,834,810	$18,295,187
2021	$6,511,264	$5,295,207	$1,314,473	$5,700,805	$18,821,750
2022	$6,703,825	$5,367,273	$1,332,121	$5,786,317	$19,189,536
2023	$6,808,345	$5,453,460	$1,352,734	$5,873,112	$19,487,651
2024	$6,913,195	$5,540,155	$1,373,520	$5,961,208	$19,788,079
2025	$7,027,304	$5,635,753	$1,395,930	$6,050,626	$20,109,614
2026	$7,125,566	$5,716,384	$1,415,647	$6,141,386	$20,398,982
2027	$7,231,580	$5,804,396	$1,436,808	$6,233,507	$20,706,291
2028	$7,305,550	$5,862,032	$1,452,503	$6,327,009	$20,947,094
2029	$7,419,279	$5,957,058	$1,475,103	$6,421,914	$21,273,355
2030	$7,528,757	$6,047,973	$1,496,264	$6,518,243	$21,591,237

Source: LUS and Burns & McDonnell projections
(1) Total Operating Expenses do not include ILOT, debt service, capital, or other expenses

Table 8-6: Water System Historical and Projected Retail and Wholesale Sales and Revenue

FY	Retail Sales (1000 gallons)	Wholesale Sales (1000 gallons)	Retail Sales Revenue	Wholesale Sales Revenue	Other Revenue	Total Operating Revenue
2016	5,402,650	$2,117,627	$13,229,678	$4,736,650	$627,213	$18,593,541
2017	5,382,447	$2,161,051	$13,862,679	$5,232,452	$727,065	$19,822,196
2018	5,363,552	$2,256,911	$14,821,240	$6,038,256	$877,048	$21,736,544
2019	5,148,605	$2,171,928	$14,425,369	$5,762,507	$1,181,598	$21,369,475
2020	5,075,882	$2,191,571	$14,544,345	$6,355,680	$796,531	$21,696,556
2021	5,375,099	$2,273,591	$15,211,529	$6,585,487	$567,020	$22,364,036
2022	5,403,609	$2,322,204	$15,616,430	$7,060,063	$554,828	$23,231,322
2023	5,429,884	$2,373,342	$16,018,157	$7,281,874	$554,840	$23,854,870
2024	5,454,462	$2,425,065	$16,417,931	$7,809,668	$547,358	$24,774,957
2025	5,477,653	$2,478,477	$16,816,394	$8,055,114	$540,644	$25,412,152
2026	5,499,841	$2,533,644	$17,214,502	$8,642,737	$541,024	$26,398,263
2027	5,521,027	$2,590,638	$17,612,076	$8,918,319	$540,297	$27,070,691
2028	5,540,594	$2,649,534	$18,006,930	$9,573,207	$543,459	$28,123,596
2029	5,560,238	$2,710,409	$18,459,990	$9,882,942	$552,014	$28,894,946
2030	5,579,882	$2,773,345	$18,525,208	$10,613,535	$564,357	$29,703,101

Source: LUS and Burns & McDonnell projections
(1) Retail sales are based on projected customer growth and use per customer. Wholesale sales are based on customer specific forecasts.
(2) Retail sales revenue includes historical rate increases in 2017 and 2018. 2.0% rate increases are assumed through 2029.
(3) Wholesale revenue increases of 6% are included every other year of the forecast beginning in 2022.
(4) Other revenue includes miscellaneous operation revenue and interest income.

Table 8-7: Water System Historical and Projected Operating Expenses

FY	Production	Distribution	Customer Accounting, Collecting, Service and Info	Administrative & General	Total Operating Expenses
2016	$5,465,672	$2,538,366	$1,149,579	$4,607,489	$13,761,106
2017	$5,406,685	$2,619,286	$1,128,205	$4,811,643	$13,965,819
2018	$5,495,611	$2,884,033	$1,219,158	$4,661,424	$14,260,225
2019	$5,496,311	$2,889,727	$1,172,251	$4,668,916	$14,227,206
2020	$5,008,674	$2,098,086	$1,295,339	$4,757,007	$13,159,106
2021	$5,399,910	$2,297,856	$1,297,806	$4,513,417	$13,508,989
2022	$5,667,678	$2,490,927	$1,315,767	$4,581,119	$14,055,491
2023	$5,815,879	$2,529,789	$1,335,964	$4,649,835	$14,331,467
2024	$5,967,077	$2,569,158	$1,356,363	$4,719,583	$14,612,181
2025	$6,127,384	$2,609,057	$1,378,022	$4,790,377	$14,904,841
2026	$6,281,823	$2,649,516	$1,397,804	$4,862,232	$15,191,375
2027	$6,444,887	$2,690,541	$1,418,718	$4,935,166	$15,489,312
2028	$6,591,993	$2,732,100	$1,435,739	$5,009,193	$15,769,025
2029	$6,768,225	$2,774,306	$1,457,866	$5,084,331	$16,084,729
2030	$6,946,666	$2,817,164	$1,479,031	$5,160,596	$16,403,457

Source: LUS and Burns & McDonnell projections
(1) Total Operating Expenses do not include ILOT, debt service, capital, or other expenses.

8.1.5 Revenues Available for Debt Service

LUS debt service includes the existing LUS Series 2010 Bonds, Series 2017 Bonds, Series 2019 Bonds, and proposed LUS Series 2021 Refunding Bonds. Future new debt service assumes a bond issue in 2027 for a proposed gas turbine plant. No other new debt issues are included in the projections. The projected debt service coverage ratio exceeds the minimum requirement of 1.0. Based on the current market conditions as of the date of this report the Underwriter estimates that the LUS Series 2021 Refunding Bonds will refund the LUS Series 2012 Bonds and save LUS approximately $10.65 million from years 2022 to 2029 as shown in Table 8-8.

Table 8-8: LUS Series 2021 Refunding Bonds Savings

Calendar Year	Series 2012 Bonds Debt Service	Series 2021 Bonds Debt Service	Savings
2022	$714,953	$1,942,875	$1,227,922
2023	$2,540,900	$3,885,750	$1,344,850
2024	$13,851,650	$15,200,625	$1,348,975
2025	$13,840,550	$15,185,875	$1,345,325
2026	$13,819,700	$15,166,500	$1,346,800
2027	$13,809,000	$15,155,875	$1,346,875
2028	$13,783,400	$15,132,500	$1,349,100
2029	$12,594,700	$13,940,000	$1,345,300
Total	$84,954,853	$95,610,000	$10,655,147

Source: Series 2021 Refunding Bonds debt service and savings from Underwriter

For illustrative purposes, Table 8-9 presents the Utilities System Net Revenues Available for Debt Service. The Utilities Net Revenue Available for Debt Service is equal to gross operating revenues less operating expense, excluding payments made by LUS for the debt service. It is estimated that the debt service coverage ratio for the existing and indicated debt service will range from a minimum of 3.1 to a maximum of 4.9 over the forecast for the Utilities System.

Table 8-9: Utilities System Revenues and Debt Service Coverage

FY	Operating Revenues	Operating Expenses	Net Available Revenues for Debt Service	Debt Service	Balance Available After Debt Service	Debt Service Coverage Ratio
2021	$233,901,089	$156,556,480	$77,344,609	$25,095,600	$52,249,009	3.1
2022	$234,800,014	$153,748,443	$81,051,571	$23,692,617	$57,358,954	3.4
2023	$239,404,912	$156,545,364	$82,859,548	$23,588,600	$59,270,948	3.5
2024	$244,151,365	$170,863,075	$73,288,290	$23,577,150	$49,711,140	3.1
2025	$250,492,883	$169,785,092	$80,707,791	$23,564,900	$57,142,891	3.4
2026	$253,039,638	$169,377,569	$83,662,069	$23,555,950	$60,106,119	3.6
2027	$256,930,843	$172,794,495	$84,136,347	$23,534,750	$60,601,597	3.6
2028	$253,174,238	$159,293,235	$93,881,003	$31,084,306	$62,796,697	3.0
2029	$258,337,984	$156,343,438	$101,994,546	$20,976,964	$81,017,582	4.9
2030	$261,563,571	$159,386,107	$102,177,464	$20,980,103	$81,197,361	4.9

Source: LUS

(1) Operating Revenues include interest income and other miscellaneous revenue.

(2) Operating Expenses include O&M and other expenses such as customer service, and A&G costs. Operating Expenses do not include ILOT, normal capital and special equipment, nor other miscellaneous expenses.

(3) Utilities System Debt Service was prepared on a cash basis. Utilities Debt Service includes the Series 2010 Bonds, Series 2017 Bonds, Series 2019 Bonds, proposed LUS Series 2021 Refunding Bonds and a projected bond issue in 2027 for a new power plant. The Series 2021 Refunding Bonds are refunding the Series 2012 Bonds.

As described in Section 7.0 of this report, if the Communications System defaults on its bonds, to the extent of the insufficiency, the Residual Revenues of the Utilities System will be used to pay the debt service associated with the Communications System. Table 8-10 presents the annual Utilities System Residential Revenues debt service coverage under a "default" scenario. The ratio compares the Utilities System Residual Revenues to the Communications System debt obligation.

Table 8-10: Utilities System Revenues and Debt Service Coverage – Assuming a Communications System Default

FY	Utilities System Net Available Revenues for Debt Service	Utilities System Debt Service	Capital Additions Account, Minimum Capital Requirement	Net Revenues Available for Communications Debt Service	Communications Debt Service	Balance Available After Debt Service	Debt Service Coverage Ratio from Residual Revenues
2021	$76,509,807	$25,095,600	$12,090,338	$39,323,869	$9,431,991	$29,891,878	4.2
2022	$80,248,607	$23,692,617	$12,222,385	$44,333,606	$9,541,943	$34,791,663	4.6
2023	$82,108,832	$23,588,600	$12,361,571	$46,158,661	$9,853,203	$36,305,458	4.7
2024	$72,591,911	$23,577,150	$12,518,217	$36,496,544	$10,136,553	$26,359,991	3.6
2025	$80,067,923	$23,564,900	$12,654,208	$43,848,815	$10,483,353	$33,365,463	4.2
2026	$83,080,973	$23,555,950	$12,811,755	$46,713,268	$10,528,953	$36,184,315	4.4
2027	$83,616,373	$23,534,750	$12,954,704	$47,126,919	$10,526,303	$36,600,616	4.5
2028	$93,424,595	$31,084,306	$13,124,129	$49,216,161	$10,530,903	$38,685,258	4.7
2029	$101,604,248	$20,976,964	$13,271,385	$67,355,899	$10,534,728	$56,821,172	6.4
2030	$101,855,921	$20,980,103	$13,369,644	$67,506,173	$10,542,278	$56,963,896	6.4

Source: LUS

(1) Utilities System Debt Service was prepared on a cash basis. Utilities Debt Service includes the Series 2010 Bonds, Series 2017 Bonds, Series 2019 Bonds, proposed LUS Series 2021 Refunding Bonds and a projected bond issue in 2027 for a new power plant. The Series 2012 Bonds are being refunded with the Series 2021 Refunding Bonds.

(2) The Bond Ordinances require a minimum amount equal to 7.5 % of the total Non-fuel Revenue deposits into the Receipts Account for the purposes of paying capital costs.

(3) Communications System Debt Service was prepared on a cash basis. Communications System Debt Service includes the proposed LUS Fiber Series 2021 Refunding Bonds, Series 2015 Bonds. No new bonds are projected to be issued for the Communications System from 2022 through 2030. The LUS Fiber Series 2021 Refunding Bonds are refunding the Series 2012 Bonds.

8.1.6 Principal Considerations and Assumptions

The projected operating results for the Utilities System, also referred to as LUS, rely upon information gathered and assumptions made during Burns & McDonnell's review. Key assumptions which were relied upon are summarized below.

1. LUS is assumed to operate and maintain the Utilities System following prudent utility practices. Prudent utility practices mean practices, methods, and acts that would be expected to accomplish the desired results in a workmanlike manner.
2. LUS is assumed to continue to hire and maintain competent personnel in amounts necessary to sustain service. If needed, LUS will provide training to personnel to ensure the safety of personnel and reliability of the utilities.
3. LUS is assumed to continue to maintain and renew any required permits or approvals related to the utilities including electric, water, and wastewater treatment plants and sites.
4. There will not be further regulation of LUS facilities that require major capital expenditures for LUS to comply beyond those referenced in this Report and included in the LUS CIP.
5. It is assumed that the Rodemacher Unit 2, Hargis-Hébert Plant, T. J. Labbé Plant and the future combustion turbine plants will be maintained and operated in good condition throughout the Projected Period.
6. It is assumed that the transmission and distribution systems will be maintained and operated in good condition throughout the Projected Period.
7. It is assumed that the water treatment plants, ground water wells, and distribution system will be maintained and operated in good condition throughout the Projected Period.
8. It is assumed that the wastewater treatment plants and collection system will be maintained and operated in good condition throughout the Projected Period.
9. It is assumed that all existing contracts will be honored and that the Utilities System would extend or replace any expired contracts as needed.
10. It is assumed that standard operating procedure for LUS will continue and will not include the effects of any event outside of LUS's control including events traditionally considered force majeure.
11. LUS is assumed to continue to have adequate coal, natural gas, and water supply for operation of the power plants.
12. LUS is assumed to continue to have adequate water supply from the Chicot aquifer to meet the customers' needs.
13. LUS is assumed to continue to be a market participant in MISO including providing capacity and meeting all other operational and financial requirements.
14. LUS is assumed to continue to have adequate transmission access in MISO to buy and sell power as

needed.

15. Utilities System financial and operating data was provided by LUS and LCG.
16. LPPA financial and operating data was provided by LUS, LPPA and Cleco staff. Data provided includes historical financial and operating data for 2015 through 2019, the 2020 Budget, and the LPPA Operating and Capital Budget.
17. Burns & McDonnell completed a long-term system load forecast in 2020. The long-term load forecast forms the basis for long term projections of customer growth and energy sales and was used in the 2020 LUS IRP prepared by Burns & McDonnell.
18. Burns & McDonnell prepared an IRP for the electric system in 2020. The IRP contained projections of forecasted fuel usage and cost, MISO wholesale market revenues, MISO wholesale market costs, and power purchase agreement costs for both LUS and LPPA power plants. The IRP assumes Rodemacher Unit 2 is retired in 2027 and is replaced with a simple cycle gas turbine plant of similar capacity. Additional solar capacity and energy is assumed to be added between 2021 and 2029. The load forecast and IRP have not been updated since early 2020.
19. The existing electric rates allow LUS to pass the direct MISO power cost, fuel cost, certain LPPA costs, environmental costs, purchased power costs, and other eligible cost directly to consumers in the form of a fuel charge that is adjusted regularly. This mechanism reduces risk to LUS.
20. Future costs associated with emissions or potential environmental compliance have not been included within the projected operating results. Rodemacher Unit 2 is planned to be retired in 2027 and Burns & McDonnell has included preliminary estimated costs for the retirement and closure of the plant. All operating expenses associated with environmental compliance are included in the fuel charge and passed through to customers in the retail electric rates.
21. The most recent semiannual Blue Chip Economic Indicator projection of GDP dated March 2020 was used for inflation. The GDP inflation factor was used to escalate O&M expenses and capital similar to previous years.
22. Projected interest cost associated with future LUS bonds were assumed to be 2.4% gradually increasing to 2.8% by 2030 with new bonds being financed over 25 years. Only the electric utility is assumed to issue bonds in the Projected Period.
23. The ILOT calculation provides for an ILOT payment equal to 12% of the Receipts Fund deposits. To be eligible to make the ILOT payment, LUS must first pass an ILOT Test. The ILOT test ensures that the Utilities System retains sufficient cash to meet capital obligations. If cash available after payment of operating expenses and debt service, less 7.5% of the Non-fuel Revenues, is greater than 12% of the Receipts Fund, LUS passes the test and makes the ILOT payment to the City. If LUS fails the ILOT test, LUS pays the cash available after debt service less 7.5% of the Non-fuel Revenues.

24. The projections include the LUS CIP which reflects capital projects designed to upgrade, renew, and expand the system to meet customer growth requirements. In this Report, the capital plan for years 2021 through 2025 was based on the 2021 Budget and 2026 through 2030 was based on historical levels. The five-year CIP is updated annually.
25. Cash available reflects remaining funds available to LUS once all other credit obligations of LUS are satisfied. LCG has a financial objective that requires a minimum cash balance of $8,000,000 to be held in an Operation and Maintenance Fund. The Operation and Maintenance Fund resides in the Operating Fund providing a cash reserve to meet system O&M expense requirements. Once O&M expense and debt service obligations are met by LUS, accumulated cash balances are held in a Capital Additions Fund and are applicable to capital projects or other lawful uses. The Projected Period assumes that capital additions for LUS will be paid with a combination of cash balances available in the Capital Additions Fund and new debt.
26. All proposed 2021 refunding bonds for LUS, LPPA, and LUS Fiber are successfully completed simultaneously.
27. Debt service payments associated with all 2021 refunding bonds have been provided for each refunding issue by the Underwriter.

8.1.7 Principal Conclusions

Based on upon the principal considerations and assumptions and upon the studies and analyses summarized or discussed in this Report, which should be read in its entirety, Burns & McDonnell is of the following opinions pertaining to the Utility System:

- Based on physical observations of the system and review of records, LUS is maintaining the properties in a manner consistent with reasonable utility practices.
- LCG, LUS, and LPPA have an efficient management structure in place to maintain the utility property and maintain adequate accounting and financial records for each of the three utility systems.
- LUS prepares budgets and has budgetary control measures that have enabled the utility to maintain its financial position over the last five years. Revenues were sufficient to meet all financial obligations including debt payment, operating expenses, ILOT payments, and capital funding requirements. LUS has maintained competitive utility service rates while exceeding its minimum 1.0 DSC ratio.
- LUS has been deploying the necessary capital for the repair, replacement, and expansion of the utility systems. Based on Burns & McDonnell's review of the historical and projected capital improvement plan, LUS is making necessary repairs, renewals, replacements, extensions, betterments, and improvements of each of the utility systems.
- For each of the utility systems, LUS is striving to maintain competitive salaries to recruit and retain

talented engineers, managers, operators, technicians, and financial staff. The managers and staff in place within LUS appear to be well organized and committed to successfully running the utilities.

- Subject to proposed revenue increases, revenues anticipated for the Utilities System are adequate to provide for: (1) the estimated operation and maintenance expenses of the Utilities System; (2) debt service on all Utilities System currently outstanding bonds and all other payments required to be made pursuant to the LUS Bond Ordinance; (3) deposits to fund capital additions as estimated in this report; (4) the estimated ILOT payments to the City; and (5) the required reserves.

8.2 LPPA

This section includes forward looking financial statements based on Burns & McDonnell's current expectations and projections about future events and financial trends regarding LPPA. Projections as contained herein reflect estimates of what might occur in the future based on the information available to us as of the date of this Report. Burns & McDonnell cannot predict the future or guarantee future financial performance of LPPA. To the extent that assumptions used in these projections vary from those actually observed, financial performance as presented herein will vary from actual performance. Burns & McDonnell prepared a 10-year projection of financial and operating data for LPPA. Projections are based on Burns & McDonnell's review of historical operating results, CLECO's budgets, visual observations of the LPPA assets, and other assumptions and considerations as listed in the Report. The projections prepared by Burns & McDonnell are for the Projected Period of November 1, 2020 through October 31, 2030. LUS provided actual historical data for the 2016 through 2020 period.

8.2.1 Financial Projections

LPPA projected revenues reflect the full cost recovery per the PSC. Therefore, revenues are equivalent to debt service, capital, and meeting reserve requirements. LPPA's largest expense is its fuel cost. Rodemacher Unit 2 is economically dispatched into the MISO market. The projected fuel expense used in the forecast is based on the Burns & McDonnell 2020 IRP. The IRP utilized various assumptions to dispatch the unit using fuel pricing from LUS and market prices. Rodemacher Unit 2 will no longer burn coal beginning in 2027. A new gas fired generation unit is assumed to replace the plant capacity in 2027. The other non-fuel operating expenses for LPPA were provided by CLECO through 2025. Years 2026 to 2027 are escalated based on inflation. The forecast assumes that the plant is retired in 2028 with minimal continued operating expenses thereafter. The tables within this section summarize the projected LPPA operating revenues and expenses.

8.2.2 Revenues Available for Debt Service

LPPA fuel, O&M expenses, debt service associated with MATS upgrades, and debt service associated with rail cars are included in the LUS FC calculation. In 2020, approximately 80% of LPPA debt service was passed through Schedule FC. LUS Electric System base rates recover the remaining LPPA debt service obligation. LPPA existing debt service includes the existing LPPA Series 2015 Bonds and proposed LPPA Series 2021 Refunding Bonds. Projected operating results assume no future bond issues to meet LPPA capital requirements. The debt service coverage ratio meets the minimum requirement of 1.0. Because LUS pays 100% of LPPA costs, Operating Revenues, provided exclusively from LUS, generally equal Operating Costs including expenses, debt service, and capital spending. To the extent that

DSC is greater than 1.0, any available cash is applied to capital improvement projects. Based on the current market conditions as of the date of this report the Underwriter estimates that the LPPA Series 2021 Refunding Bonds will refund the LPPA Series 2012 Bonds and save approximately $7.82 million from years 2022 to 2033 as shown in Table 8-11.

Table 8-11: LPPA Series 2021 Refunding Bonds Savings

Calendar Year	Series 2012 Bonds Debt Service	Series 2021 Bonds Debt Service	Savings
2022	$358,839	$916,925	$558,086
2023	$1,170,995	$1,833,850	$662,855
2024	$4,256,945	$4,915,950	$659,005
2025	$4,241,095	$4,901,175	$660,080
2026	$4,234,045	$4,893,425	$659,380
2027	$4,230,645	$4,892,300	$661,655
2028	$4,225,845	$4,887,300	$661,455
2029	$4,224,595	$4,883,050	$658,455
2030	$4,211,945	$4,874,175	$662,230
2031	$4,252,445	$4,914,025	$661,580
2032	$4,209,308	$4,870,250	$660,943
2033	$4,205,760	$4,863,625	$657,865
Total	$43,822,462	$51,646,050	$7,823,588

Source: Series 2021 Refunding Bonds debt service and savings from Underwriter

For illustrative purposes, Table 8-12 presents the Net Revenues Available for Debt Service. The Net Revenue Available for Debt Service is equal to operating revenues less operating expense, excluding payments made for the debt service. It is estimated that the debt service coverage ratio for the existing and indicated debt service will range from a minimum of 1.0 to a maximum of 3.8 over the forecast for LPPA as presented in Table 8-12.

Table 8-12: LPPA Revenues and Debt Service Coverage Ratios

FY	Operating Revenues	Operating Expenses	Net Revenues Available for Debt Service	Debt Service	Debt Servic Coverage Ratio
2021	$58,774,457	$47,946,053	$10,828,404	$6,916,306	1.6
2022	$60,522,893	$47,248,822	$13,274,071	$6,233,497	2.1
2023	$60,353,400	$48,495,306	$11,858,093	$6,232,651	1.9
2024	$72,817,870	$49,330,931	$23,486,939	$6,220,151	3.8
2025	$66,227,724	$49,600,901	$16,626,823	$6,214,951	2.7
2026	$59,938,157	$45,370,051	$14,568,106	$6,216,751	2.3
2027	$68,022,834	$53,342,041	$14,680,793	$6,199,401	2.4
2028	$15,331,916	$200,000	$15,131,916	$6,200,751	2.4
2029	$9,541,126	$203,000	$9,338,126	$9,338,126	1.0
2030	$9,549,621	$206,045	$9,343,576	$9,343,576	1.0

(1) Operating Revenues equals revenues received from LUS.
(2) Operating Expenses do not include capital.
(3) Debt service includes existing bond debt service and proposed LPPA Series 2021 Refunding Bonds debt service. The proposed LPPA Series 2021 Refunding Bonds refund the existing Series 2012 Bonds.

8.2.3 Principal Considerations and Assumptions

The projected operating results for LPPA rely upon information gathered and assumptions made during Burns & McDonnell's review. Key assumptions pertaining to LPPA, which also impact LUS, were relied upon and summarized in Section 8.1.6 of this report. Additional assumptions are provided below.

1. LPPA financial and operating data was provided by LUS, LPPA and Cleco staff. Data provided includes historical financial and operating data for 2015 through 2019, the 2020 Budget, and the LPPA Operating and Capital Budget.
2. Burns & McDonnell prepared an IRP for the electric system in 2020. The IRP assumes Rodemacher Unit 2 is retired in 2027 and is replaced with a simple cycle gas turbine plant of similar capacity.
3. The existing electric rates allow LUS to pass the direct MISO power cost, fuel cost, certain LPPA costs, environmental costs, purchased power costs, and other eligible cost directly to consumers in the form of a fuel charge that is adjusted regularly. This mechanism greatly reduces risk to LUS.
4. Future costs associated with emissions or potential environmental compliance have not been included within the projected operating results. Rodemacher Unit 2 is planned to be retired in 2027 and Burns & McDonnell has included preliminary estimated costs for the retirement and closure of the plant. All operating expenses associated with environmental compliance are included in the fuel charge and passed through to customers in the retail electric rates.

5. Burns & McDonnell has made no determination as to the validity and enforceability of any contract, agreement, rule, or regulation applicable to LCG, LUS, or LPPA and the operation thereof. For the purposes of our report and projections we have assumed that all contracts, agreements, rules, and regulations will be fully enforceable in accordance with the terms.
6. Burns & McDonnell conducted our analysis and studies for this report based on information provided by the bond market analysis performed by the Underwriter and previous work completed in the 2021 Annual Consulting Engineers Report.
7. Based on the bond market analysis provided by Underwriter with respect to the issuance of the Series 2021 Bonds, Burns & McDonnell has assumed that the new bonds will refund the Series 2012 Bonds.
8. The Managing Director of LPPA, who is also the Director of Utilities, will operate and maintain LPPA following prudent utility practices.
9. All permits, approvals, and permit modifications necessary to operate Rodemacher Unit 2 through will be maintained and renewed. Any changes in permits and approvals will not require significant changes in design or cause a significant increase in the costs associated with the RPS-2 or cause a reduction in generation before 2027.
10. Cleco will continue to operate, maintain, and provide for necessary capital renewals and replacements through the life of the bonds.
11. During the Projected Period, the LPPA CIP reflects capital projects designed to maintain the assets for reliability and environmental compliance. The capital projects include low pressure blade replacements, baghouse bag and cage replacements, boiler insulation repair, CCR compliance asset retirement obligation, and other projects related to reliability or improving performance.
12. LPPA's current Bond Reserve Fund Balance is approximately $9.56 million as required by the bond ordinance. LPPA also maintains a Reserved and Contingency Fund of approximately $5.28 million and a Fuel Cost Stability Fund of approximately $4.5 million.
13. All proposed 2021 refunding bonds for LUS, LPPA, and LUS Fiber are successfully completed simultaneously.
14. Debt service payments associated with all 2021 refunding bonds have been provided for each refunding issue by the Underwriter.

8.2.4 Principal Conclusions

Based upon the foregoing principal considerations and assumptions and upon the studies and analyses summarized in this Report, which should be read in its entirety, Burns & McDonnell is of the following opinions pertaining to LPPA:

1. Rodemacher Unit 2 is in generally good condition and maintained within prudent utility practices. These practices include prudent operations, maintenance, and capital improvements and replacements.
2. Revenues collected from LUS will be adequate to provide for the operation, maintenance, fuel, capital, and debt cost associated with LPPA.
3. Rodemacher Unit 2 has provided and should continue to provide a reliable source of capacity and energy to the electric system until 2027.
4. LUS is expected to be able to meet its obligations for power purchases from LPPA in accordance with the Power Sales Contract.
5. The capital projects proposed by the Joint Owners are justified based on the data provided to Burns & McDonnell. The funds budgeted for the projects are within the range expected.
6. The Joint Owners have identified and obtained key environmental permits and approvals necessary for operation of Rodemacher Unit 2. While some permits and approvals require periodic renewals, Burns & McDonnell did not identify any instances that would prevent the renewal of a permit and approval provided applications for those are submitted to agencies timely.
7. Rodemacher is currently in material compliance with the key environmental permits and approvals issued by the various federal agencies for operation.

8.3 Communications System

This section contains forward looking financial statements based on Burns & McDonnell's current expectations and projections about future events and financial trends regarding the Communications System. Projections as contained herein reflect estimates of what might occur in the future based on the information available to us as of the date of this Report. Burns & McDonnell cannot predict the future or guarantee future financial performance of the Communications System. To the extent that assumptions used in these projections vary from those actually observed, financial performance as presented herein will vary from actual performance. Burns & McDonnell relied upon a 10-year projection prepared by the Communications System for the Projected Period of November 1, 2020 through October 31, 2030. LUS provided actual historical data for the 2016 through 2020 period.

8.3.1 Communications System Projections

Since the Communications System inception in 2009, the system has successfully added customers and increased market share within the LUS service territory. The sale of CATV, Internet, and telephone services to retail and wholesale customers directly relates to the Communications System revenues. Projected operating results reflect average annual customer growth of 4.0% over the 2021 through 2030 period. The growth assumption results in target market share from the current 41% to 56% in 2030. The Communications System Number of Customers and Market Penetration is presented in Table 8-13.

Revenue per customer reflects a blend of CATV, Internet, and telephone services as described earlier in this Report. Retail service pricing levels are projected to be adjusted periodically in consideration of the cost of goods sold and other rising costs. The Communications System pricing practices reflect an opportunistic approach where the development of new or higher value service offerings and competitor price increases provide the Communications System the ability to adjust rates if warranted. The Communications System's pricing strategy is to offer comparable or higher quality services at a lower price than the competition. Additionally, wholesale customer projections remain constant, at 34 customers, from 2021 to 2030 with revenues of $2.6 million annually. Projected Operating Revenues are presented in Table 8-14.

The expense projection includes the cost of goods sold, maintenance of plant, A&G expense, and other miscellaneous expenses. The projected cost of goods sold assumes the 2020 cost per customer (adjusted for historical cost of goods sold inflation) multiplied by the projected number of customers. Other expenses have been escalated at 2.1% annually over the period 2021 through 2030. Projected Operating Expenses are presented in Table 8-15.

Table 8-13: Communications System Number of Customers and Market Penetration

Year	Number of Customer Accounts	Increase in Customer Accounts (%)	Market Potential	LUS Target Market	Increase in LUS Target Market (%)	LUS Target Market Share
2016	18,243	10.0%	54,732	49,521	1.6%	36.8%
2017	18,973	4.0%	55,503	50,218	1.4%	37.8%
2018	20,412	7.6%	56,209	50,857	1.3%	40.1%
2019	21,291	4.3%	56,866	51,452	1.2%	41.4%
2020	22,053	3.6%	57,484	52,011	1.1%	42.4%
2021	23,045	4.5%	58,072	52,543	1.0%	43.9%
2022	23,949	3.9%	60,072	53,022	0.9%	45.2%
2023	24,907	4.0%	62,072	53,460	0.8%	46.6%
2024	25,904	4.0%	64,072	53,868	0.8%	48.1%
2025	26,940	4.0%	66,072	54,279	0.8%	49.6%
2026	28,018	4.0%	68,072	54,692	0.8%	51.2%
2027	29,138	4.0%	70,072	55,107	0.8%	52.9%
2028	30,304	4.0%	72,072	55,525	0.8%	54.6%
2029	31,516	4.0%	74,072	55,944	0.8%	56.3%
2030	32,777	4.0%	76,072	55,944	0.0%	58.6%
Average Growth	4.0%		3.0%	0.7%		

Source: LUS Fiber

(1) Communications customer projections include retail customers with CATV, Internet, and telephone or some combination of the three services. The number of customers reflects the customers at the end of the year. The retail customer projection takes into consideration that the Communications System began serving customers in 2007 as a new market entrant. Historical percentage growth in customers has been significant because the Communications System was new to the market. The projection assumes that percentage increases in annual growth will gradually decline as LUS market presence matures and market penetration reflects levels that consider the presence of several competitors.

(2) Projection includes all LUS residential electric customers inside the City limits, as well as other locations passed by LUS Fiber's fiber network.

(3) Target market excludes apartments and other multifamily dwellings.

Table 8-14: Communications System Revenue Forecast

Year	Number of Retail Customers	Number of Wholesale Customers	Retail	Wholesale	Total
2021	23,045	34	$39,546,675	$2,582,259	$42,128,933
2022	23,949	34	$40,099,029	$2,582,259	$42,681,288
2023	24,907	34	$40,717,730	$2,582,259	$43,299,989
2024	25,904	34	$41,273,870	$2,582,259	$43,856,129
2025	26,940	34	$41,761,932	$2,582,259	$44,344,191
2026	28,018	34	$42,176,002	$2,582,259	$44,758,261
2027	29,138	34	$42,509,746	$2,582,259	$45,092,005
2028	30,304	34	$42,756,381	$2,582,259	$45,338,640
2029	31,516	34	$42,908,646	$2,582,259	$45,490,905
2030	32,777	34	$42,958,774	$2,582,259	$45,541,033
Average Growth	4.0%	0.0%	0.9%	0.0%	0.9%

Source: LUS Fiber

Table 8-15: Communications System Operation and Maintenance Expense

Year	Cost of Goods Sold	Other Expenses	Total Expenses
2021	$9,102,829	$13,596,533	$22,699,362
2022	$8,956,409	$13,827,516	$22,783,925
2023	$8,755,536	$14,034,929	$22,790,465
2024	$8,512,469	$14,245,453	$22,757,922
2025	$8,223,490	$14,459,135	$22,682,625
2026	$7,884,617	$14,676,022	$22,560,639
2027	$7,491,583	$14,896,162	$22,387,745
2028	$7,039,819	$15,119,605	$22,159,423
2029	$6,524,435	$15,346,399	$21,870,834
2030	$5,940,200	$15,576,595	$21,516,795
Average Growth	-4.6%	1.5%	-0.6%

Source: LUS Fiber

(1) Cost of Goods Sold predominantly consists of programming and content costs associated with service offerings.

(2) Includes O&M expenses; other expenses include customer service, and A&G costs. Excludes depreciation. Operating expenses do not include imputed tax, inter-utility loan payments to LUS, external loan payments, and other miscellaneous expenses.

8.3.2 Revenues Available for Debt Service

The Communications System debt service included the existing Series 2015 Bonds and proposed LUS Fiber Series 2021 Refunding Bonds. No other debt issues are included in the projections. The projected debt service coverage ratio exceeds the minimum requirement of 1.0. Based on the current market conditions as of the date of this report the Underwriter estimates that the LUS Fiber Series 2021 Refunding Bonds will refund the LUS Fiber Series 2012 Bonds and save approximately $2.75 million from years 2022 to 2032 as shown below Table 8-16.

Table 8-16: Communications System Series 2021 Refunding Bonds Savings

Calendar Year	Series 2012 Bonds Debt Service	Series 2021 Bonds Debt Service	Savings
2022	$183,810	$374,064	$190,254
2023	$875,190	$1,887,104	$1,011,914
2024	$1,159,765	$1,887,969	$728,204
2025	$1,441,840	$1,889,484	$447,644
2026	$1,777,040	$1,881,054	$104,014
2027	$1,827,640	$1,882,335	$54,695
2028	$1,825,990	$1,873,409	$47,419
2029	$1,827,790	$1,874,424	$46,634
2030	$1,827,940	$1,869,000	$41,060
2031	$1,831,340	$1,871,975	$40,635
2032	$1,827,545	$1,864,825	$37,280
Total	$16,405,890	$19,155,643	$2,749,753

Source: Series 2021 Refunding Bonds debt service and savings from Underwriter

For illustrative purposes, Table 8-17 presents the Net Revenues Available for Debt Service. The Net Revenue Available for Debt Service is equal to gross operating revenues less operating expense, excluding payments made by the Communications System for the debt service. It is estimated that the debt service coverage ratio for the existing and indicated debt service will range from a minimum of 2.1 to a maximum of 2.2 over the forecast for the Communications System.

Table 8-17: Communications System Projected Operating Results

	2021	2022	2023	2024	2025
Operating Revenues					
Retail Sales	$39,546,675	$40,099,029	$40,717,730	$41,273,870	$41,761,932
Wholesale Sales	2,582,259	2,582,259	2,582,259	2,582,259	2,582,259
Other Revenues	790,647	796,315	807,370	823,465	843,679
Total Operating Revenues	$42,919,580	$43,477,603	$44,107,358	$44,679,594	$45,187,869
Operating Expenses					
Cost of Goods Sold	$9,102,829	$8,956,409	$8,755,536	$8,512,469	$8,223,490
O&M and Other	13,596,533	13,827,516	14,034,929	14,245,453	14,459,135
Total Operating Expenses	$22,699,362	$22,783,925	$22,790,465	$22,757,922	$22,682,625
Balance Available for Debt Service	$20,220,218	$20,693,678	$21,316,893	$21,921,672	$22,505,244
Debt Service	$9,431,991	$9,541,943	$9,853,203	$10,136,553	$10,483,353
Debt Service Coverage Ratio	2.1	2.2	2.2	2.2	2.1
Balance After Debt Service	$10,788,227	$11,151,736	$11,463,691	$11,785,119	$12,021,892
Other Income (Expenditures)					
Imputed Tax	($767,904)	($877,788)	($825,882)	($789,595)	($750,625)
Inter-utility Loan Repayment	(2,410,578)	(2,422,635)	(2,435,174)	(2,448,215)	(2,461,778)
Other Income	71,809	72,887	73,980	75,090	76,216
Total Other Income (Expenditures)	($3,106,672)	($3,227,536)	($3,187,077)	($3,162,721)	($3,136,187)
Balance Available for Capital	$7,681,555	$7,924,199	$8,276,614	$8,622,398	$8,885,705

Source: LUS Fiber

As described in Section 8.1 of this report, the financial performance of the Communications System has a financial impact on the Utilities System. While the Communications System is separate from the Utilities System, if the Communications System defaults on the existing Series 2015 Bonds or the proposed Series 2021 Bonds, the Utilities System Residual Revenues would be used to cover any debt service shortfalls. The Utilities System Residual Revenues are defined by Bond Ordinance as those revenues that are deposited into the Capital Additions Fund and are available for subordinated indebtedness.

8.3.3 Principal Considerations and Assumptions

The projected operating results for the Communications System rely upon the information gathered and assumptions made during Burns & McDonnell's review. Key assumptions which were relied upon are summarized below.

1. Burns & McDonnell assumed the Communications System will operate, maintain, and upgrade head-end facilities and other important supporting infrastructure to ensure reliable and technologically

competitive service offerings to customers.

2. Burns & McDonnell assumed the Communications System will hire and maintain competent personnel in amounts necessary to sustain service. If needed, the Communications System will provide training to personnel to ensure the safety and reliability of the Communications System.
3. Burns & McDonnell assumed the Communications System will maintain and renew any required permits or approvals.
4. Burns & McDonnell assumed standard operating procedure for the Communications System and Burns & McDonnell did not include the effects of any event outside of the Communications System's control, including force majeure.
5. Communications System financial and operating information was provided by the Communications System, LCG, interviews with LUS and LCG staff, and visual observations of the Communications System facilities. Data provided by the Communications System and LCG include historical financial and operating data for years 2016–2020, projected financial and operating data for years 2021–2030, and the 2021 Budget.
6. Burns & McDonnell relied upon the most recent semi-annual Blue Chip Economic Indicator projection of GDP, as of 2021. The GDP factor was used to escalate O&M expenses and capital. Per the Blue Chip forecast, the annual GDP factor is projected to be 2.1% over the Projected Period.
7. Other expense items include the Communications System's Imputed Tax obligations, repayment of inter-utility loans from the Utilities System, Operating Account reserve obligations, and other miscellaneous expenses. The Communications System utilized loans from the LUS to fund the fiber system assets purchase, startup costs, and operating costs. The Communications System loans repayment will continue through 2033. The Operating Account reserve obligation was a one-time expense incurred by the Communications System to establish a Communications Systems Operating Account.
8. Pursuant to terms of a regulatory settlement, the Communications System must pay an Imputed Tax. The Imputed Tax is equivalent to paying state and local sales tax, property tax, franchise tax, and income tax. The Communications System's ILOT calculation provides for an ILOT payment up to 12% of Adjusted Revenues deposits (revenues less cost of goods sold). However, all or a portion of this payment is made subject to an ILOT test. The ILOT test ensures that the Communications System retains sufficient cash to meet capital obligations. The ILOT test requires that the ILOT payment be no greater than 12% of Adjusted Revenues deposits, or the cash balance available after the payment of operating expenses and debt service less 7.5% of the Adjusted Revenues deposits. The Communications System tax requirement cannot be less than that required by the Imputed Tax calculation. In 2015, the City-Parish Council approved an ordinance that revises the required ILOT

payment. This ordinance recognizes that the Communications System operates in a competitive environment and the ILOT calculation was a greater expense than Imputed Tax. With the approval of this ordinance, the Communications System pays an ILOT amount equal to Imputed Taxes. The Imputed Tax payments was made to LUS and the City through 2020 as prescribed in the ordinance. Starting in 2020, 100% of the Imputed Tax payments go to the City.

9. The CIP includes the ongoing cost of customer installations, head-end, hut, network equipment and upgrades, and other miscellaneous items. In this Report, the capital plan for years 2021 through 2025 was based on the 2021 Budget and 2026 through 2030 was based on historical spending.
10. Cash available reflects remaining funds available to the Communications System once all other credit obligations of the Communications System are satisfied. For the Communications System, LUS established a financial objective that requires a minimum cash balance of $2,250,000 to be held in an Operating Account. The Operating Account maintains a cash reserve to meet system O&M expense requirements. Once O&M expense and debt service obligations are met by the Communications System, accumulated cash balances are held in a Capital Additions Fund and are applicable to capital projects or other lawful uses. The Projected Period assumes that there are sufficient cash balances in the Capital Additions Fund to meet the entire Communications System CIP obligation.
11. All proposed 2021 refunding bonds LUS, LPPA, and LUS Fiber are successfully completed simultaneously.
12. Debt service payments associated with all 2021 refunding bonds have been provided for each refunding issue by the Underwriter.

8.3.4 Principal Conclusions

Based upon the principal considerations and assumptions and upon the studies and analyses summarized or discussed in this Report, which should be read in its entirety, Burns & McDonnell is of the following opinions:

1. Based on visual inspection of facilities, records audit, and interviews of LUS Fiber staff, the LUS Fiber communication network is in good condition, maintained properly and in accordance with reasonable industry practices.
2. At the current customer levels, the Communications System generates sufficient revenues to meet operating and maintenance expenses, debt service, capital improvements, inter-utility loan payments, imputed taxes, and all other financial obligations, with a sufficient profit margin to allow the Communications System to spend $2 million per year on continued network expansion.
3. Existing and projected internal loans from the Utilities System to the Communications System do not have a material impact on the financial health of the Utilities System.

4. Burns & McDonnell is not aware of any current law or regulation that would greatly expense or danger the operation of the Communications System.
5. Competition exists in the telecommunications industry. The Communications System is subject to different risks than the Utilities System services. These risks include market risk, technology risk, and customer turnover. Pricing for LUS Fiber's services is competitive however LUS Fiber monitors and updates its service offerings and technology to maintain competitiveness.
6. Various business and technical observations and recommendations are contained in the 2021 Annual Consulting Engineers Report. LUS Fiber and its Consulting Engineer of Record monitor the business and technical health of LUS Fiber annually.
7. Based upon the historical financial performance and business forecasts as provided by LUS Fiber, the Utilities System does not appear to be at financial risk due to the Communications System.

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FINANCIAL AND STATISTICAL DATA RELATIVE TO THE CITY OF LAFAYETTE AND THE PARISH OF LAFAYETTE, STATE OF LOUISIANA

Information on the City, the Parish and the State is included for informational purposes only. The Series 2021 Bonds are not secured by, nor are ad valorem taxes pledged to, the repayment of the Series 2021 Bonds.

Location and Area of the City

The City of Lafayette, State of Louisiana (the "City") is located on the Vermilion River, approximately 30 miles from the Gulf of Mexico. The City is the Parish seat of the Parish of Lafayette, State of Louisiana (the "Parish"), which was created on January 17, 1823, and covers a total area of approximately 277 square miles. The area of the City is approximately 51.75 square miles.

Population of the City of Lafayette

Year	Population
1940	19,210
1950	33,541
1960	40,400
1970	68,908
1980	81,961
1990	94,440
2000	110,257
2010	120,623
2020	137,309

Source: 1940-2010: U. S. Census Bureau.,
2020: Louisiana State Treasurer's office

Assessed Value of Taxable Property of the City

The trend in the assessed valuation of the City appears in the following table.

Assessed Year/Fiscal Year	Assessed Value
2011/2012	$1,217,474,359
2012/2013	1,303,420,762
2013/2014	1,351,910,412
2014/2015	1,378,851,017
2015/2016	1,460,184,953
2016/2017	1,575,850,272
2017/2018	1,589,623,826
2018/2019	1,582,892,287
2019/2020	1,612,353,117
2020/2021	1,542,341,644

Sources: Louisiana Tax Commission; Lafayette Parish Assessor.

A breakdown of the City's 2020 assessed valuation (Fiscal Year 2021) by classification of property follows:

Classification of Property	2020 Assessed Valuation
Real Estate	$1,225,164,044
Personal Property	289,481,989
Public Service Property	27,695,611
Total:	**$1,542,341,644**

Source: Lafayette Parish Assessor.

Millage Rates

The recent trend in the *ad valorem* tax rates levied within the boundaries of the City follows:

	Millage Rates				
	Assessed Year 2016/Fiscal Year 2017	Assessed Year 2017/Fiscal Year 2018	Assessed Year 2018/Fiscal Year 2019	Assessed Year 2019/Fiscal Year 2020	Assessed Year 2020/Fiscal Year 2021
City of Lafayette					
General	5.42	5.42	5.42	5.42	5.42
Public Roads	1.29	1.29	1.29	1.29	1.29
Playground/Recreation Maint.	1.78	1.78	1.78	1.92	1.92
Public Buildings	1.13	1.13	1.13	1.13	1.13
Police & Fire Depts. Bonds	3.18	3.18	3.18	3.18	3.18
Police Salaries	3.00	3.00	3.00	3.00	3.00
Fire Salaries	2.00	2.00	2.00	2.00	2.00
Total	**17.80**	**17.80**	**17.80**	**17.94**	**17.94**
Parishwide School Taxes					
Schools Regular	4.59	4.59	4.59	4.59	4.92
Special	7.27	7.27	7.27	7.27	7.79
Special School Improvement	5.00	5.00	5.00	5.00	5.35
School 1985 Operation	16.70	16.70	16.70	16.70	17.88
Parish Taxes					
General Alimony	3.05	3.05	3.05	3.05	3.25
Courthouse & Jail Maintenance	2.34	2.34	2.34	2.34	2.51
Library (2007-2016)	2.68	-	-	-	-
Library (2009–2018)	1.48	1.48	1.48	-	-
Library (2013-2022)	1.84	1.84	1.84	1.84	1.84
Library (2017-2026)	-	2.68	2.68	2.91	2.91
Juvenile Detention Maintenance	1.17	1.17	1.17	1.17	1.25
Lafayette Economic Development Authority	1.68	1.68	1.68	1.68	1.68
Assessment District	1.44	1.44	1.56	1.44	1.67
Law Enforcement	16.79	16.79	16.79	16.79	17.36
Airport Regional Parishwide	1.58	1.58	1.58	1.71	1.71
Detention Correctional Facility	1.90	1.90	1.90	2.06	2.21
Road and Bridges	4.17	4.17	4.17	4.17	4.47
Lafayette Parish Bayou Vermilion-					
Bond & Interest	0.17	0.17	0.17	0.17	0.10
Maintenance	0.75	0.75	0.75	0.75	0.79
Drainage Maintenance	3.34	3.34	3.34	3.34	3.58
Roads/Highways/Bridges (Bonds)	2.75	2.75	2.75	2.00	2.00
Teche-Vermilion Water District	1.41	1.41	1.41	1.41	1.41
Health Unit/Mosquito/Drainage	3.56	3.56	3.56	3.56	3.64
Other Parish and District Taxes:					
Parish Tax (Inside Municipalities)	1.52	1.52	1.52	1.52	1.625
Lafayette Center Development District	11.24	11.69	12.75	12.75	13.80

Sources: Louisiana Tax Commission; Lafayette Parish Assessor.

Leading Taxpayers

The ten largest property taxpayers of the City and their 2020 assessed valuations (Fiscal Year 2021) follow.

Name of Taxpayer	Type of Business	2020 Assessed Valuation
1. Iberiabank	Banking	$19,570,028
2. Stuller, Inc.	Manufacturing	11,435,084
3. Walmart/Sams	Warehouse Clubs & Supercenters	9,819,791
4. AT&T/Bellsouth	Telecommunications	9,588,690
5. JP Morgan Chase	Banking	9,192,717
6. Franks Casing	Oil & Gas Support Services	8,970,694
7. Hancock Whitney National Bank	Banking	7,384,423
8. Service Chevrolet Inc	New Car Dealers	7,043,253
9. Entergy Gulf States	Electric Company	6,950,240
10. Home Bank	Banking	6,939,149
		$96,894,069*

* Approximately 6.28% of the 2020 assessed valuation of the Issuer.
Source: Lafayette Parish Assessor.

Sales Tax Collections

The City has collected the following amounts from its 1961 special one percent (1%) sales and use tax initially effective July 1, 1961 and 1985 special one percent sales and use tax initially effective July 1, 1985, each effective in perpetuity, for the periods indicated below:

City of Lafayette Combined (61 & 85) Gross Sales Tax Collections[1]

Month Collected	FY 18-19 Actual Collections	FY 19-20 Actual Collections	FY 20-21 Actual Collections
November	$6,707,189	$6,880,764	$7,421,760
December	6,896,866	6,953,838	6,950,710
January	7,850,848	7,990,427	8,679,469
February	6,215,366	6,396,301	6,609,128
March	6,146,758	5,919,877	6,602,745
April	7,254,425	6,172,283	8,784,518
May	6,689,138	5,276,476	8,358,164
June	7,021,114	5,988,734	8,177,907
July	6,852,811	7,000,724	9,024,942
August	6,602,487	6,782,130	7,887,562*
September	6,682,354	6,480,530	-
October	6,894,911	6,480,530	-
TOTAL	$81,814,268	$79,695,440	$78,496,904

Source: City of Lafayette. Figures unaudited.
* Latest month for which figures are available.
[1] Sales tax collections for a particular month are based on actual collections during the previous month.

SUMMARY DEBT STATEMENT AS OF OCTOBER 2, 2021
(For additional information, see Appendix "D" of this Official Statement)

A. Direct Debt of the City of Lafayette

Type of Obligation	Principal Outstanding
Sales Tax Bonds	$ 212,150,000
Utilities Revenue Bonds	215,615,000
Certificates of Indebtedness	2,435,000
Communications System Revenue Bonds	87,260,000
Limited Tax Bonds	25,835,000

B. Overlapping Debt of the Parish of Lafayette

Type of Obligation	Principal Outstanding
General Obligation Bonds	$ 36,810,000

C. Overlapping Debt of the Lafayette Parish School Board

Type of Obligation	Principal Outstanding
Sales Tax Revenue Bonds	$ 121,535,000
Certificates of Indebtedness	3,965,000
Limited Tax Bonds (Taxable QSCB)	5,917,651
Limited Tax Revenue Bonds	95,093,991

D. Overlapping Debt of the Law Enforcement District of the Parish of Lafayette

Type of Obligation	Principal Outstanding
Limited Tax Revenue Bonds	$ 14,405,000

E. Overlapping Debt of Lafayette Parish Bayou Vermilion District

Type of Obligation	Principal Outstanding
Unlimited *Ad Valorem* Tax Bonds	$ 3,395,000

F. Underlying Debt of the Lafayette Public Power Authority

Type of Obligation	Principal Outstanding
Electric Revenue Bonds	$ 71,325,000

G. Partially Underlying Debt of Lafayette Parish Waterworks District North

Type of Obligation	Principal Outstanding
Water Revenue Bonds	$ 1,864,000

H. Partially Underlying Debt of Lafayette Parish Waterworks District South

Type of Obligation	Principal Outstanding
Water Revenue Bonds	$ 4,453,000

(NOTE: The above statement excludes the outstanding indebtedness of the Lafayette Airport Commission, the Lafayette Economic Development Authority (formerly the Lafayette Harbor, Terminal and Industrial Development District), the Lafayette Public Trust Financing Authority, Lafayette Industrial Development Board, Lafayette I-10 Corridor District at Mile Marker 103, District No. 4 Regional Planning and Development Commission, all operating and capital leases and all short-term cash flow borrowings.)

Source: Lafayette City-Parish Consolidated Government; Figures unaudited

Short Term Indebtedness

According to the Chief Financial Officer of LCG, the City has no short term indebtedness other than normal accounts payable or as otherwise disclosed in this Official Statement.

Default Record

According to the Chief Financial Officer of LCG, the City has never defaulted in the payment of its outstanding bonds or obligations.

Budget

The budget for LCG for the fiscal year ending October 31, 2021, as well as the of the proposed budget for the fiscal year ending October 31, 2022, can be found on its website at https://www.lafayettela.gov/finance-management/lcg-budget-documents/default.

No information or statement on such website is incorporated by specific-cross reference herein.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Except as specifically provided herein, such websites and the information or links contained therein, including specifically (but not limited to) the information on the Issuer's website, are not included by reference herein, and are not part of this Official Statement for purposes of, and as that term is defined in, Rule 15c2-12 of the United States Securities and Exchange Commission.

Although the Issuer has provided access to the information on the website above for the convenience of those seeking that information, no decision in reliance upon that information should be made. Typographical or other errors may have occurred in converting the original source documents to their digital format, and the Issuer assumes no liability or responsibility for errors or omissions contained on any website. Further, the Issuer disclaims any duty or obligation to update or maintain the availability of the information contained on any website or any responsibility or liability for any damages caused by viruses contained within the electronic files on any website. The Issuer also assumes no liability or responsibility for any errors or omissions or for any updates to dated information contained on any website.

ECONOMIC INDICATORS

Per Capita Personal Income

A comprehensive revision of the estimates of Per Capita Personal Income by State was published in November 2020 by the Bureau of Economic Analysis of the U.S. Department of Commerce. The recent trends in revised per capita personal income for Lafayette Parish, Louisiana, and the Nation are indicated in the following table:

	Per Capita Personal Income				
	2015	**2016**	**2017**	**2018**	**2019**
Lafayette Parish	$49,251	$45,324	$47,603	$48,707	$49,629
Louisiana	42,900	42,528	43,932	46,207	47,460
United States	49,019	50,015	52,118	54,606	56,490

Source: U.S. Department of Commerce, Bureau of Economic Analysis. November 17, 2020.
(The personal income level for the United States is derived as the sum of the county estimates; it differs from the national income and product accounts (NIPA) estimate of personal income because by definition, it omits the earnings of Federal civilian and military personnel stationed abroad and others. It can also differ from the NIPA estimate because of different data sources and revision schedules.)

Employment

The Louisiana Workforce Commission has issued revised not seasonally adjusted annual average statistics for various employment areas within Louisiana. The revised not seasonally adjusted annual average figures for the Parish and Louisiana were reported as follows:

Year	Labor Force	Employment	Unemployment	Parish Rate	State Rate
2016	114,488	107,456	7,032	6.1%	6.1%
2017	113,286	107,751	5,535	4.9%	5.1%
2018	114,483	109,435	5,048	4.4%	4.8%
2019	115,923	111,100	4,823	4.2%	4.6%
2020	113,811	105,742	8,069	7.1%	8.3%

The preliminary figures for Lafayette Parish for July 2021 were reported as follows:

Month	Labor Force	Employment	Unemployment	Parish Rate	State Rate
07/21	116,065	110,232	5,833	5.0%	6.6%*

The preliminary figures for the Lafayette Metropolitan Statistical Area ("MSA") for July 2021 were reported as follows:

Month	Labor Force	Employment	Unemployment	MSA Rate	State Rate
07/21	215,060	202,979	12,081	5.6%	6.6%*

* Seasonally adjusted.
Source: Louisiana Workforce Commission. August 27, 2021.

The following table shows the composition of the employed work force in the Lafayette MSA:

Nonfarm Wage and Salary Employment by Major Industry
(Employees in Thousands)

	Preliminary July 2021	Revised June 2021	July 2020
Mining & Logging	10.2	10.0	10.0
Construction	9.5	9.4	8.9
Manufacturing	13.4	13.4	13.8
Trade, Transportation & Utilities	39.2	39.6	39.0
Information	2.0	2.0	2.0
Financial Activities	10.1	10.0	10.4
Professional and Business Services	22.3	22.3	20.8
Educational and Health Services	34.4	34.1	31.6
Leisure and Hospitality	19.8	20.1	18.0
Other Services	6.9	6.9	6.6
Government	25.0	25.1	25.5
Total	192.8	192.9	186.6

Source: Louisiana Workforce Commission.

The names of several of the largest employers located in Parish of Lafayette are as follows:

Name of Employer		Type of Business	Approximate No. of Employees
1.	Lafayette Parish School System	Education	4,322
2.	Ochsner Lafayette General	Health Care	4,078
3.	Our Lady of Lourdes Regl Med	Health Care	2,800
4.	Lafayette Consolidated Government	Government	2,500
5.	University of Louisiana at Lafayette	Education	2,426
6.	WHC Energy Services	Higher Education	1,505
7.	WalMart Companies	Retail	1,165
8.	Stuller Inc.	Jewelry Manufacturing	1,061
9.	Lafayette Parish Government (not part of LCG)*	Government	1,031
10.	Superior Energy Services	Energy Services	834

Source: Lafayette City-Parish Consolidated Government.
*Note: Lafayette Parish Government (not part of LCG) includes Clerk of Court, Assessor and Sheriff's Offices.

There can be no assurance that any employer listed will continue to locate in the Parish or continue employment at the level stated.

GENERAL INFORMATION

The City

The City is located in the heart of Acadiana, an eight-parish area in the center of southern Louisiana, between New Orleans and Houston. The area was settled in 1763 by exiled Acadians from Nova Scotia. French and Acadian culture, handwork and traditions are very much in evidence in and around the City and both French and English languages are still spoken.

City-Parish Government

On November 2, 1992, the voters of the Parish approved a home-rule charter that merged the governing authorities of the City of Lafayette and the Parish of Lafayette effective June 3, 1996.

Section 4-17 of the Lafayette City-Parish Consolidated Government Home Rule Charter (the "Charter") provides for administrative reorganization whereby the Mayor-President proposes and the Lafayette City Council (the "City Council") and/or the Lafayette Parish Council (the "Parish Council") approve various organizational changes. In May 1998, the Lafayette City-Parish Council adopted an ordinance providing for the reorganization of certain functions and departments under the Charter.

On December 8, 2018, the voters of the Parish and the City ratified amendments to the Charter which provides the rules of governance for the City and the Parish. Pursuant to the Charter amendments ratified by the voters, the Lafayette City-Parish Council was replaced by the City Council, which serves as governing authority of the City, and the Parish Council, which serves as governing authority of the Parish. Furthermore, the City Council and the Parish Council, jointly, serve as the governing authority for LCG. The LCG chief executive remains the Mayor-President. *There was no change in the corporate status of the City nor any change in the revenues providing the security for the Bonds that are the subject of this Official Statement.*

The Governing Authority of the City is the City Council, consisting of five members elected from five single member districts. The names of the incumbent Mayor-President and City Council members are listed on the title page to this Official Statement.

Industry, Commerce and Agriculture

The City is the natural economic, commercial, agricultural, retail and cultural center of the region because of its location as the geographic center of Acadiana. The Parish's location between New Orleans and Houston and its proximity to the largest and richest oilfields in Louisiana and the Gulf of Mexico make the oil industry a factor in the City's economy. However, the City's employment has significantly diversified over the years and today mining represents 10% of employment. Also, the City's economy is largely driven by its position as a major regional trade and retail center serving the southwest region of Louisiana, which includes Lafayette Parish and surrounding areas, with an estimated population of over 878,000 people. A third significant factor in the City's economy is the educational and medical facilities located within its boundaries. The University of Louisiana at Lafayette ("ULL"), the second largest institution of higher education in the State, is located in the City. ULL had a 2020 (Fall Semester) enrollment of approximately 19,178 full-time and part-time students.

With its excellent climate and soil, Lafayette Parish is a strong agricultural area in the State. The main crops are soy beans, rice, wheat and corn. Dairy and beef cattle, sheep and hogs are raised extensively throughout the Parish.

Lafayette's unique culture and quality of life draws thousands of visitors to Lafayette. It is well-known for its great food, music, and festivals, along with many historical attractions, museums and art exhibitions. The "Acadian Village" is a replica of a Cajun settlement, with homes and buildings, their furnishings, all reflecting the Cajun living conditions of yore. Vermilionville Living History Museum is a similar tourist attraction located on the beautiful grounds on the banks of Bayou Vermilion and is laid out as a historic village authentically portraying life in Acadiana between 1765 and 1890. Located near Vermilionville is the Acadian Cultural Center belonging to the Jean Lafitte National Park System offering various Cajun and Creole-related topics. Although the City is modern in most respects, there is a strong interest in preserving the flavor and customs of the past. Accordingly, recent history has shown a renewed interest in the Cajun language, Zydeco music, Cajun cuisine and historical sites in the area.

Lafayette is also home to nationally recognized festivals. Festival International de Louisiane is an annual four-day free celebration that brings talented artists from francophone countries around world. French, African, Caribbean, and Hispanic cultures participate via music, dance and craft performances. Festivals Acadiens et Créoles is a weekend festival featuring Cajun, Creole, and Zydeco musicians.

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STATEMENT OF DIRECT, OVERLAPPING BONDED DEBT AS OF OCTOBER 2, 2021
(*The accompanying notes are an integral part of this statement*)

Notes	Name of Issuer and Issue	Interest Rates (%)	Dated Date	Final Maturity Date	Principal Outstanding	Principal Amount Due Within One Year
(1)	**Direct Debt of the City of Lafayette, State of Louisiana**					
(2)	Public Improvement Sales Tax Refunding Bonds, Series ST-2011C	3.125-5.0	12/08/11	3/01/27	$3,730,000	$560,000
(2)	Public Improvement Sales Tax Refunding Bonds, Series ST-2012A	3.0-3.125	6/01/12	3/01/28	2,980,000	370,000
(2)	Public Improvement Sales Tax Bonds, Series 2013	3.125-5.0	6/21/13	3/01/38	12,165,000	515,000
(2)	Public Improvement Sales Tax Refunding Bonds, Series 2014A	5.0	10/17/14	3/01/30	11,775,000	1,075,000
(2)	Public Improvement Sales Tax Refunding Bonds, Series 2014C	5.0	12/05/14	3/01/24	7,980,000	3,155,000
(2)	Public Improvement Sales Tax Refunding Bonds, Series 2015A	2.43	12/18/15	3/01/25	2,135,000	300,000
(2)	Public Improvement Sales Tax Refunding Bonds, Series 2016D	2.0-4.0	2/26/16	3/01/32	10,085,000	740,000
(2)	Public Improvement Sales Tax Refunding Bonds, Series 2017A	3.0-5.0	7/18/17	3/01/32	9,490,000	725,000
(2)	Public Improvement Sales Tax Refunding Bonds, Series 2018A	4.0-5.0	12/06/18	3/01/33	17,845,000	1,205,000
(2)	Public Improvement Sales Tax Refunding Bonds, Series 2020	4.0	9/18/20	3/01/34	2,940,000	0
(2)	Taxable Public Improvement Sales Tax Refunding Bonds, Series 2020A	0.562-1.744	9/18/20	3/01/30	7,800,000	0
(2)	Public Improvement Sales Tax Bonds, Series 2020B	1.0-5.0	9/18/20	3/01/40	25,000,000	0
(3)	Public Improvement Sales Tax Refunding Bonds, Series ST-2011D	3.125-5.0	12/08/11	5/01/27	5,340,000	870,000
(3)	Public Improvement Sales Tax Refunding Bonds, Series ST-2012B	3.0-5.0	6/01/12	5/01/28	7,710,000	995,000
(3)	Public Improvement Sales Tax Refunding Bonds, Series 2014B	3.0-3.375	9/26/14	5/01/30	1,205,000	115,000
(3)	Public Improvement Sales Tax Refunding Bonds, Series 2015	5.0	2/06/15	5/01/24	2,385,000	755,000
(3)	Public Improvement Sales Tax Refunding Bonds, Series 2016A	3.0-5.0	2/26/16	5/01/25	7,245,000	3,120,000
(3)	Public Improvement Sales Tax Refunding Bonds, Series 2016E	2.63	2/26/16	5/01/32	1,340,000	105,000
(3)	Public Improvement Sales Tax Refunding Bonds, Series 2018B	4.0-5.0	12/06/18	5/01/34	16,550,000	960,000
(3)	Public Improvement Sales Tax Refunding Bonds, Series 2019A	2.5-5.0	4/11/19	5/01/44	25,950,000	120,000
(3)	Public Improvement Sales Tax Bonds, Series 2020D	1.0-5.0	9/18/20	5/01/45	25,000,000	0
(3)	Taxable Public Improvement Sales Tax Refunding Bonds, Series 2020C	.562-1.744	9/18/20	5/01/30	5,500,000	0
(4)	Utilities Revenue Refunding Bonds, Series 2012	5.0	1/11/13	11/01/28	99,290,000	10,525,000
(4)	Utilities Revenue Refunding Bonds, Series 2017	4.0-5.0	10/13/17	11/01/35	59,465,000	2,780,000
(4)	Utilities Revenue Bonds, Series 2019	5.0	5/01/19	11/01/44	56,860,000	1,255,000
(5)	Certificates of Indebtedness, Series 2011	3.65	5/11/11	5/01/26	2,435,000	445,000
(6)	Communications System Revenue Bonds, Series 2012A	4.0-5.0	1/26/12	11/01/31	7,595,000	0
(6)	Taxable Communications System Revenue Bonds, Series 2012B	5.0-6.0	1/26/12	11/01/31	7,000,000	0
(6)	Communications System Revenue Refunding Bonds, Series 2015	3.75-5.0	8/21/15	11/01/31	72,665,000	5,125,000
(7)	Taxable Limited Tax Refunding Bonds, Series 2020	0.482-1.824	9/18/20	5/01/32	25,835,000	0

Notes	Name of Issuer and Issue	Interest Rates (%)	Dated Date	Final Maturity Date	Principal Outstanding	Principal Amount Due Within One Year
(8)	**Overlapping Debt of the Parish of Lafayette, State of Louisiana**					
(9)	General Obligation Refunding Bonds, Series 2012	3.0-4.0	5/03/12	3/01/28	$9,325,00	$1,180,000
(9)	General Obligation Refunding Bonds, Series 2014	3.0-4.0	8/01/14	3/01/30	7,415,000	695,000
(9)	General Obligation Refunding Bonds, Series 2020	3.0-5.0	12/29/20	3/01/35	20,070,000	1,685,000
(10)	**Overlapping Debt of the Parish School Board of the Parish of Lafayette, State of Louisiana**					
(5)	Refunding Cert. of Indebtedness, Series 2010	3.06	12/29/10	11/01/23	910,000	294,000
(5)	Certificate of Indebtedness, Series 2015	2.20	8/17/15	11/01/22	3,055,000	1,505,000
(11)	Sales Tax Revenue Bonds, Series 2018	3.0-5.0	2/27/18	4/01/43	45,380,000	1,290,000
(11)	Sales Tax Revenue Bonds, Series 2018A	3.0-3.625	7/31/18	4/01/43	19,535,000	630,000
(11)	Sales Tax Revenue Bonds, Series 2019	2.0-5.0	4/18/19	4/01/49	24,800,000	100,000
(11)	Taxable Sales Revenue Refunding Bonds, Series 2020	.361-2.83	10/15/20	4/01/48	31,820,000	255,000
(12)	Limited Tax Bonds (Taxable QSCB), Series 2009	0.8	12/11/09	10/01/24	2,000,001	666,667
(12)	Limited Tax Bonds (Taxable QSCB), Series 2011	0	3/01/11	10/01/26	3,333,340	666,666
(12)	Limited Tax Bonds (Taxable QSCB), Series 2012	0	4/03/12	3/01/27	584,310	97,385
(12)	Limited Tax Revenue Bonds, Series 2012A	2.0-4.0	1/04/13	3/01/29	5,805,000	1,510,000
(12)	Limited Tax Revenue Bonds, Series 2016	2.375	12/21/16	12/21/56	74,383,991	1,374,518
	Taxable Limited Tax Revenue Refunding Bonds, Series 2020	0.381-1.825	10/15/20	3/01/32	14,905,000	205,000
(13)	**Overlapping Debt of Law Enforcement District of the Parish of Lafayette, State of Louisiana**					
(14)	Limited Tax Revenue Bonds, Series 2012	3.0	3/01/12	3/01/22	1,000,000	1,000,000
(14)	Taxable Limited Tax Revenue Refunding Bonds, Series 2020	0.3-1.9	9/22/20	3/01/32	13,475,000	70,000
(16)	**Overlapping Debt of the Lafayette Parish Bayou Vermilion District, State of Louisiana**					
(9)	General Obligation Bonds, Series 2016	2.0-2.625	8/30/16	3/01/36	3,545,000	150,000
(17)	**Overlapping Debt of Lafayette Public Power Authority**					
(18)	Electric Revenue Bonds, Series 2012	2.0-5.0	12/21/12	11/01/32	44,935,000	2,880,000
(18)	Electric Revenue Refunding Bonds, Series 2015	3.0-5.0	11/13/15	11/01/32	26,390,000	865,000
(19)	**Partially Underlying Debt of Lafayette Parish Waterworks District North, Lafayette Parish, Louisiana**					
(20)	Water Revenue Refunding Bonds, Series 2013	2.95	1/29/13	10/01/27	1,864,000	395,000
(21)	**Partially Underlying Debt of Lafayette Parish Waterworks District South, Lafayette Parish, Louisiana**					
(20)	Water Revenue Bonds, Series 2018	1.675-3.35	7/26/18	8/01/30	1,460,000	143,000
(20)	Water Revenue Refunding Bonds, Series 2021	2.0	3/25/21	8/01/31	2,993,000	283,000

NOTES

(1) The 2020 total assessed valuation of the City of Lafayette, State of Louisiana is approximately $1,542,341,644, all of which is taxable for municipal purposes.

(2) Payable solely from and secured by an irrevocable pledge and dedication of the avails or proceeds of the special 1% sales and use tax being levied and collected by the issuer, pursuant to elections held in the issuer on May 13, 1961, November 20, 1965, March 22, 1977, and July 21, 2001, subject only to the prior payment of the reasonable and necessary costs and expenses of collecting and administering the tax.

(3) Payable solely from and secured by an irrevocable pledge and dedication of the avails or proceeds of the special 1% sales and use tax now being levied and collected by the issuer, pursuant to elections held in the issuer on May 4, 1985, November 15, 1997, and July 21, 2001, subject only to the prior payment of the reasonable and necessary costs and expenses of collecting and administering the tax.

(4) Payable as to principal and interest, solely from the income and revenues to be derived from the operation of the Lafayette Utilities System, subject only to the prior payment of the reasonable expenses of administration, operation and maintenance of the Lafayette Utilities System.

(5) Secured by and payable solely from an irrevocable pledge and dedication of the excess of annual revenues of the issuer above statutory, necessary and usual charges in each of the fiscal years during which the obligations and any parity obligations are outstanding.

(6) The Bonds shall be special obligations of the issuer, payable first, from the net income and revenues of the Communications System and second, to the amount necessary, from a secondary or subordinate pledge of the revenues of the Utilities System.

(7) Secured by and payable from an irrevocable pledge and dedication of the funds to be derived by the issuer from the levy and collection of a special tax of 5.42 mills (such rate being subject to adjustment from time to time due to reassessment), which the issuer is authorized to impose and collect in each year. Said special tax is authorized to be levied on all the property subject to taxation within the corporate boundaries of the issuer.

(8) The 2020 total assessed valuation of the Parish of Lafayette, State of Louisiana is approximately $2,610,448,358, of which approximately $2,202,052,148 is taxable.

(9) Secured by and payable from unlimited *ad valorem* taxation.

(10) The 2020 total assessed valuation of the Parish School Board of the Parish of Lafayette, State of Louisiana is approximately $2,610,448,358, of which approximately $2,202,052,148 is taxable.

(11) Payable solely from and secured by an irrevocable pledge and dedication of the avails or net proceeds of the 1% sales and use tax being levied and collected by the issuer, authorized at an election held on September 18, 1965, subject only to the prior payment of the reasonable and necessary costs and expenses of collecting and administering the tax.

(12) Secured by and payable from an irrevocable pledge and dedication of the funds to be derived by the issuer from the levy and collection of a special tax of 4.59 mills (such rate being subject to adjustment from time to time due to reassessment) authorized to be levied each year on all the property subject to taxation within the corporate boundaries of the issuer.

(13) The 2020 total assessed valuation of the Law Enforcement District of the Parish of Lafayette, State of Louisiana is approximately $2,610,448,358, of which approximately $2,202,052,148 is taxable.

(14) Secured by and payable from an irrevocable pledge and dedication of the annual revenues of a special *ad valorem* tax of 8.03 mills (such rate being subject to adjustment from time to time due to reassessment) within the issuer, authorized to be imposed and collected each year on all the property subject to taxation within the corporate boundaries of the issuer.

(15) [Reserved.]

(16) The 2018 total assessed valuation of the Lafayette Parish Bayou Vermilion District, State of Louisiana is approximately $2,610,448,358, of which approximately $2,202,052,148 is taxable.

(17) The Lafayette Public Power Authority is parishwide, and levied no *ad valorem* taxes in 2020.

(18) Secured by a pledge of project power revenues of the Lafayette Public Power Authority attributable to the project after payment of operating expenses.

(19) Lafayette Parish Waterworks District North of the Parish of Lafayette, State of Louisiana includes an area lying to the North of the Township line between Township 9 South and Township 10 South, except those areas included in any municipality or other water district, and except certain areas adjacent to the City of Lafayette. The District levied no *ad valorem* taxes in 2020.

(20) Payable solely from the income and revenues derived or to be derived from the operation of the waterworks system of the issuer, subject only to the prior payment of the reasonable and necessary expenses of operating and maintaining the system.

(21) Lafayette Parish Waterworks District South of the Parish of Lafayette, State of Louisiana includes an area lying to the South of the Township line between Township 9 South and Township 10 South, except those areas included in any municipality or other water district and/or certain water systems, and except certain areas adjacent to the City of Lafayette. The District levied no *ad valorem* taxes in 2020.

(NOTE: The above statement excludes the outstanding indebtedness of the Lafayette Airport Commission, the Lafayette Economic Development Authority (formerly the Lafayette Harbor, Terminal and Industrial Development District), the Lafayette Public Trust Financing Authority, Lafayette Industrial Development Board, Lafayette I-10 Corridor District at Mile Marker 103, District No. 4 Regional Planning and Development Commission, and all operating and capital leases and all short-term cash flow borrowings.)

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FORM OF LEGAL OPINION

Set forth below is the proposed form of opinion of Foley & Judell, L.L.P., as Bond Counsel to the Issuer. It is preliminary and subject to change prior to delivery of the Bonds.

Form Opinion of Bond Counsel

November 18, 2021

Honorable Lafayette City Council
Lafayette City-Parish Consolidated Government
Lafayette, Louisiana

$78,415,000
TAXABLE UTILITIES REVENUE REFUNDING BONDS, SERIES 2021
OF THE
CITY OF LAFAYETTE, STATE OF LOUISIANA

We have acted as bond counsel to the City of Lafayette, State of Louisiana (the "Issuer"), in connection with the issuance of the captioned bonds (the "Bonds"). The Bonds are issued in fully registered form, are dated, bear interest at the rates, and mature on the dates and in the principal amounts and are subject to redemption as set forth in the Bond Ordinance (hereinafter defined).

The Bonds have been issued by the Issuer pursuant to an ordinance adopted by its governing authority on June 29, 2004 (as supplemented and amended, the "General Bond Ordinance") and a Sixth Supplemental Ordinance adopted on November 2, 2021 (the "Supplemental Ordinance," and together with the General Bond Ordinance, the "Bond Ordinance"), for the purpose of (i) refunding of a portion of the Issuer's Utilities Revenue Refunding Bonds, Series 2012, maturing on November 1 in the years 2023 through 2028, inclusive (the "Refunded Bonds"), (ii) funding a reserve, and (iii) paying the costs of issuance of the Bonds, under the authority of Part II of Chapter 4 of Subtitle II of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority (the "Act").

The Issuer, in and by the Bond Ordinance, has entered into certain covenants and agreements with the owners of the Bonds with respect to the security and payment of the Bonds, including a provision for the issuance of *pari passu* obligations, for the terms of which reference is made to the Bond Ordinance. Capitalized terms used but not defined herein shall have the meaning given to them in the Bond Ordinance.

We have examined the provisions of the Constitution and statutes of the State of Louisiana, a certified transcript of the proceedings of the governing authority of the Issuer relating to the issuance of the Bonds, and such other documents, proofs and matters of law as we deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon the representations contained in the Bond Ordinance and in the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

On the basis of the foregoing examinations, we are of the opinion, as of the date hereof and under existing law, that:

1. Said proceedings, documents and proofs show lawful authority for the issuance of the Bonds pursuant to said Constitution and statutes and the Bond Ordinance.

2. The Bonds are valid and binding special and limited obligations of the Issuer and are secured by and payable as to principal and interest, equally with the Outstanding Parity Bonds (as defined below), solely from the income and revenues to be derived from the operation of the Utilities System, subject only to the prior payment of the

reasonable expenses of administration, operation and maintenance of the Utilities System (the "Net Revenues"), and the Bond Ordinance create a valid pledge of the Net Revenues.

3. The Bonds have been issued on a complete parity in all respects with the Issuer's (i) unrefunded Utilities Revenue Refunding Bonds, Series 2012, maturing November 1, [2022]; (ii) Utilities Revenue Refunding Bonds, Series 2017, maturing on November 1 of the years 2022 through 2035, inclusive; and (iii) Utilities Revenue Bonds, Series 2019, maturing on November 1 of the years 2022 through 2044, inclusive (collectively, the "Outstanding Parity Bonds"), and the lien of the owners of the Bonds and the owners of the Outstanding Parity Bonds on the revenues will be prior and superior to the lien on such revenues of any obligations hereafter issued and payable therefrom except *pari passu* additional obligations hereafter issued within the terms, limitations and restrictions contained in the Bond Ordinance and the ordinances authorizing the issuance of the Outstanding Parity Bonds.

4. Interest on the Bonds is not excludable from gross income for federal income tax purposes.

5. Under the Act, the Bonds and the interest or other income thereon or with respect thereto shall be exempt from all income tax and other taxation in Louisiana.

Except as stated above, we express no opinion as to any federal, state or local tax consequences resulting from the ownership of, receipt or accrual of interest on or disposition of the Bonds.

It is to be understood that the rights of the owners of the Bonds and the enforceability of the Bonds and the Bond Ordinance may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable, and that their enforceability may also be subject to the exercise of the sovereign police powers of the State of Louisiana, or its governmental bodies, and the exercise of judicial discretion in appropriate cases

Respectfully submitted,

APPENDIX F

FORM OF CONTINUING DISCLOSURE CERTIFICATE

$78,415,000
TAXABLE UTILITIES REVENUE REFUNDING BONDS, SERIES 2021

CITY OF LAFAYETTE, STATE OF LOUISIANA

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the City of Lafayette, State of Louisiana (the "Issuer"), acting through its Chief Financial Officer, in connection with the issuance of the above captioned issue of Taxable Utilities Revenue Refunding Bonds, Series 2021 (the "Bonds"). The Bonds are being issued pursuant to an ordinance adopted by the Issuer's governing authority on June 29, 2004 (the "General Bond Ordinance"), as supplemented by an ordinance adopted on November 2, 2021 (the "Series Ordinance," and together with the General Bond Ordinance, the "Ordinance"), and are described in that certain Official Statement dated October 19, 2021 (the "Official Statement"), which contains certain information concerning the Issuer, the revenues securing the Bonds and certain financial and other information relating thereto. The Issuer covenants and agrees as follows:

SECTION 1. *Definitions.* In addition to the definitions set forth in the preceding paragraph and in the Ordinance, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Bondholder" shall mean any owner of the Bonds, including any owner of a beneficial interest in the Bonds.

"Dissemination Agent" shall mean the Chief Financial Officer of the Issuer, whose mailing address is 705 W. University Ave., Lafayette, Louisiana 70506, or any successor Dissemination Agent designated by the Issuer.

"Governing Authority" shall mean the Lafayette City Council.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

"MSRB" shall mean the Municipal Securities Rulemaking Board, through its Electronic Municipal Market Access Center ("EMMA") which has been designated by the Securities and Exchange Commission as the single centralized repository for the collection and availability of continuing disclosure documents for purposes of the Rule, and which is available at the following web address:

Municipal Securities Rulemaking Board
Electronic Municipal Market Access Center
http://emma.msrb.org

"Participating Underwriter" shall mean Stifel, Nicolaus & Company, Incorporated, the firm acting as representative of the firms acting as underwriters in the primary offering of the Bonds.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

SECTION 2. *Purpose of the Disclosure Certificate*. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Bondholders and the Participating Underwriter, and in order to assist the Participating Underwriter in complying with the Rule.

SECTION 3. *Provision of Annual Reports.* (a) On or before June 30 of each year, commencing June 30, 2022, the Issuer shall, or shall cause the Dissemination Agent to, provide to the MSRB an Annual Report which is consistent with the requirements set forth in Section 4 below. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as set forth below; *provided* that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report. If the Issuer's fiscal year changes, it shall give, or shall cause to be given, notice of such change in the same manner as for a Listed Event under Section 5, and this Disclosure Certificate shall, to the extent necessary, be automatically amended so that the due date of the Annual Report as provided in this paragraph shall be the last day of the eighth month following the end of the new fiscal year, and such new date shall be included in the notice given pursuant to this sentence.

(b) If the Annual Report is not provided to the MSRB by the date required in (a) above, the Issuer shall, or shall cause the Dissemination Agent to, send in a timely manner a Notice of Failure to File Annual Report to the MSRB, in substantially the form attached as **Exhibit A**.

SECTION 4. *Content of Annual Reports.* (a) The Annual Report shall contain or incorporate by reference the following:

(i) Audited financial statements of the Issuer for the preceding fiscal year. If the Issuer's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format preferred by the Issuer, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(ii) Any change in the basis of accounting used by the Issuer in reporting its financial statements. The Issuer currently follows GAAP principles and mandated Louisiana statutory accounting requirements as in effect from time to time. In the event of any material change in such requirements the impact of such changes will be described in the Annual Report of the year such change occurs.

(iii) The Annual Engineering Report required to be prepared by the Ordinance, which Report shall include updates to the operational and statistical data under the headings "ELECTRIC SYSTEM – Electric System Sales," "WASTEWATER SYSTEM – Wastewater System Sales," "WATER SYSTEM – Water System Sales," "RATES FOR UTILITIES SYSTEM," "UTILITIES SYSTEM HISTORICAL DEBT SERVICE COVERAGE CALCULATION," and "TREND IN FINANCES" in the Official Statement.

Any or all of the items listed in Section 4(a) or 4(b) above may be incorporated by reference from other documents, including official statements of debt issues of the Issuer or related public entities, which have been submitted to the MSRB or the Securities and Exchange Commission. If the document incorporated by reference is a deemed final official statement, it shall be available from the MSRB. The Issuer shall clearly identify each such other document so incorporated by reference.

SECTION 5. *Reporting of Listed Events*. (a) This section shall govern the giving of notices of the occurrence of any of the following Listed Events with respect to the Bonds:

(i) Principal and interest payment delinquencies;
(ii) Non-payment related defaults, if material;
(iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
(iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
(v) Substitution of credit or liquidity providers, or their failure to perform;
(vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
(vii) Modifications to rights of Bondholders, if material;
(viii) Bond calls, if material, and tender offers;
(ix) Defeasances;
(x) Release, substitution, or sale of property securing repayment of the Bonds, if material;
(xi) Rating changes;
(xii) Bankruptcy, insolvency, receivership or similar event of the Issuer;
(xiii) The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement

relating to any such actions, other than pursuant to its terms, if material;

(xiv) Appointment of a successor or additional trustee or paying agent or the change of name of a trustee or paying agent, if material;

(xv) Incurrence of a financial obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Issuer, any of which affect Bondholders; or

(xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Issuer, any of which reflect financial difficulties.

(b) Whenever the Issuer obtains knowledge of the occurrence of a Listed Event, the Issuer shall direct the Dissemination Agent to file as soon as possible, but in no event more than ten business days after the occurrence of the event, a notice of such occurrence with the MSRB.

(c) The term "financial obligation" as used in Section 5(a)(xv) and (xvi) above shall have the meaning given to such term in the Issuer's Post-Issuance Compliance Policy for Municipal Securities in effect on the date hereof, as said policy may be amended from time to time.

SECTION 6. *Management Discussion of Items Disclosed*. If an item required to be disclosed as part of the Annual Report or the Listed Events would be misleading without discussion, the Issuer shall additionally provide a statement clarifying the disclosure in order that the statement made will not be misleading in light of the circumstances in which it is made.

SECTION 7. *Termination of Reporting Obligation.* The obligations of the Issuer under this Disclosure Certificate shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds.

SECTION 8. *Dissemination Agent.* The Issuer may, from time to time, appoint or engage a successor Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

SECTION 9. *Amendment; Waiver.* Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Issuer, or type of business conducted;

(b) This Disclosure Certificate, as amended, or the provision, as waived, would, in the opinion of counsel expert in federal securities laws selected by the Issuer, have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by Bondholders in the same manner as provided in the Ordinance for amendments to the Ordinance with the consent of Bondholders, (ii) does not, in the opinion of counsel expert in federal securities laws selected by the Issuer, materially impair the interests of the Bondholders, (iii) is necessary to comply with a change in the legal requirements or other change in law, including any change in the requirements of the Rule, or (iv) is otherwise permitted by federal securities laws at the time of such amendment.

In the event of any such amendment or waiver of a provision of this Disclosure Certificate, the Issuer shall describe such amendment in the next Annual Report relating to the Issuer and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of change of accounting principles, on the presentation) of financial information or operating data being presented by or in respect of the Issuer.

SECTION 10. *Additional Information*. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall not have any obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 11. *Default*. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any Bondholder or the Participating Underwriter may take such actions as may be necessary and appropriate, to cause the Issuer to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default under the Ordinance, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 12. *Beneficiaries*. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriter and the Bondholders, and shall create no rights in any other person or entity.

SECTION 13. *Other Stipulations.* Any document submitted to the MSRB pursuant to this Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB. Any document submitted to the MSRB pursuant to this Disclosure Certificate shall be in Portable Document Format (.pdf) and word-searchable (without regard to diagrams, images and other non-textual elements).

IN FAITH WHEREOF, the undersigned has executed this Continuing Disclosure Certificate on this, the 18th day of November, 2021.

CITY OF LAFAYETTE, STATE OF LOUISIANA

By: _______________________________

EXHIBIT A
to Continuing Disclosure Certificate

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: City of Lafayette, State of Louisiana

Name of Bond Issue: $78,415,000 Taxable Utilities Revenue Refunding Bonds, Series 2021

Date of Issuance: November 18, 2021

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report as required by the Continuing Disclosure Certificate dated November 18, 2021. The Issuer anticipates that its Annual Report will be filed by _________________.

Date: _____________________

CITY OF LAFAYETTE, STATE OF LOUISIANA

By: _______________________________________
Chief Financial Officer

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APPENDIX G

BOOK-ENTRY ONLY SYSTEM

The Bonds initially will be issued solely in book-entry only form to be held in the system maintained by DTC. So long as such book-entry only system is used, only DTC will receive or have the right to receive physical delivery of the Bonds and Beneficial Owners (as defined herein) will not be or be considered to be, and will not have any rights as, owners or holders of the Bonds under the Bond Ordinance.

The following information about the book-entry only system applicable to the Bonds has been supplied by DTC. Neither the Issuer nor the Underwriters make any representations, warranties or guarantees with respect to its accuracy or completeness.

DTC will act as the initial securities depository for the Bonds. The Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each maturity of the Bonds, in the aggregate principal amount thereof, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has an S&P rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

SO LONG AS CEDE & CO. (OR ANY OTHER NOMINEE REQUESTED BY DTC) IS THE REGISTERED OWNER OF THE BONDS AS NOMINEE FOR DTC, REFERENCES HEREIN TO THE HOLDERS OR REGISTERED OWNERS OR OWNERS OF THE BONDS SHALL MEAN CEDE & CO. (OR SUCH OTHER NOMINEE), AS AFORESAID, AND SHALL NOT MEAN THE BENEFICIAL OWNERS.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds such as defaults, and proposed amendments to the Bond Ordinance. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal of and interest payments on the Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer or the Paying Agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, nor its nominee, the Issuer, or the Paying Agent, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as a depository with respect the Bonds at any time by giving reasonable notice to the Issuer or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered.

NEITHER THE ISSUER NOR THE TRUSTEE NOR THE BOND REGISTRAR NOR THE PAYING AGENT NOR THE UNDERWRITERS (OTHER THAN IN ITS CAPACITY, IF ANY, AS DIRECT PARTICIPANT OR INDIRECT PARTICIPANT) WILL HAVE ANY OBLIGATION TO THE DIRECT PARTICIPANTS OR THE INDIRECT PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO (1) DTC'S PROCEDURES OR ANY PROCEDURES OR ARRANGEMENTS BETWEEN DIRECT PARTICIPANTS, INDIRECT PARTICIPANTS AND THE PERSONS FOR WHOM THEY ACT RELATING TO THE MAKING OF ANY DEMAND BY CEDE & CO. AS THE REGISTERED OWNER OF THE BONDS, (2) THE ADHERENCE TO SUCH PROCEDURES OR ARRANGEMENTS OR THE EFFECTIVENESS OF ANY ACTION TAKEN PURSUANT TO SUCH PROCEDURES OR ARRANGEMENTS OR (3) THE PAYMENTS TO OR THE PROVIDING OF NOTICE FOR THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS, OR THE BENEFICIAL OWNERS.

Discontinuation of the Book-Entry Only System. DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Issuer or the Trustee. In addition, if the Issuer determines that (i) DTC is unable to discharge its responsibilities with respect to the Bonds, or (ii) continuation of the system of book-entry only transfers through DTC is not in the best interests of the Beneficial Owners of the Bonds or of the Issuer, the Issuer may, upon satisfaction of the applicable procedures of DTC with respect thereto, terminate the services of DTC with respect to the Bonds. Upon the resignation of DTC or determination by the Issuer that DTC is unable to discharge its responsibilities, the Issuer may, within ninety days, appoint a successor depository. If no such successor is appointed or the Issuer determines to discontinue the book-entry only system, Bond certificates will be printed and delivered. Transfers and exchanges of Bonds shall thereafter be made as provided in the Bond Ordinance.

If the book-entry only system is discontinued with respect to the Bonds, the persons to whom Bond certificates are delivered will be treated as "Holders" of Bonds for all purposes of the Bond Ordinance including without limitation the payment of principal, premium, if any, and interest on Bonds, and the giving to the Issuer or the Trustee of any notice, consent, request or demand pursuant to the Bond Ordinance for any purpose whatsoever. In such event, interest on the Bonds will be payable by check or draft of the Paying Agent mailed to such Holders at the addresses shown on the registration books maintained on behalf of the Issuer, and the principal of all Bonds will be payable at the principal corporate trust office of the Paying Agent.

The information in this Appendix "G" concerning DTC and DTC's book-entry system has been obtained from sources that the Issuer and the Underwriters believe to be reliable. No representation is made herein by the City or the Underwriters as to the accuracy, completeness or adequacy of such information, or as to the absence of material adverse changes in such information subsequent to the date of the Official Statement to which this APPENDIX "G" is attached.

THE ISSUER AND THE UNDERWRITERS CANNOT AND DO NOT GIVE ANY ASSURANCES THAT THE DTC PARTICIPANTS OR THE INDIRECT PARTICIPANTS WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE BONDS (i) PAYMENTS OF PRINCIPAL OF OR INTEREST AND PREMIUM, IF ANY, ON THE BONDS; (ii) CONFIRMATION OF BENEFICIAL OWNERSHIP INTERESTS IN BONDS; OR (iii) NOTICES SENT TO DTC OR CEDE & CO., ITS NOMINEE, AS THE REGISTERED OWNERS OF THE BONDS, OR THAT THEY WILL DO SO ON A TIMELY BASIS OR THAT DTC, DTC PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT. THE CURRENT "RULES" APPLICABLE TO DTC ARE ON FILE WITH THE SECURITIES AND EXCHANGE COMMISSION AND THE CURRENT "PROCEDURES" OF DTC TO BE FOLLOWED IN DEALING WITH DTC PARTICIPANTS ARE ON FILE WITH DTC.

NEITHER THE ISSUER, THE UNDERWRITERS NOR THE PAYING AGENT WILL HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO SUCH DTC PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT; (2) THE PAYMENT BY ANY DTC PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OR INTEREST OR PREMIUM, IF ANY, ON THE BONDS; (3) THE DELIVERY BY ANY DTC PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE BOND ORDINANCE TO BE GIVEN TO BONDHOLDERS; OR (4) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS BONDHOLDER.

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APPENDIX H

SPECIMEN MUNICIPAL BOND INSURANCE POLICY

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MUNICIPAL BOND INSURANCE POLICY

ISSUER: [NAME OF ISSUER]

Policy No: _____

MEMBER: [NAME OF MEMBER]

BONDS: $__________ in aggregate principal amount of [NAME OF TRANSACTION] [and maturing on]

Effective Date: _________

Risk Premium: $__________
Member Surplus Contribution: $_________
Total Insurance Payment: $_________

BUILD AMERICA MUTUAL ASSURANCE COMPANY ("BAM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") for the Bonds named above (as set forth in the documentation providing for the issuance and securing of the Bonds), for the benefit of the Owners or, at the election of BAM, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the first Business Day following the Business Day on which BAM shall have received Notice of Nonpayment, BAM will disburse (but without duplication in the case of duplicate claims for the same Nonpayment) to or for the benefit of each Owner of the Bonds, the face amount of principal of and interest on the Bonds that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by BAM, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of such principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in BAM. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by BAM is incomplete, it shall be deemed not to have been received by BAM for purposes of the preceding sentence, and BAM shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, any of whom may submit an amended Notice of Nonpayment. Upon disbursement under this Policy in respect of a Bond and to the extent of such payment, BAM shall become the owner of such Bond, any appurtenant coupon to such Bond and right to receipt of payment of principal of or interest on such Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under such Bond. Payment by BAM either to the Trustee or Paying Agent for the benefit of the Owners, or directly to the Owners, on account of any Nonpayment shall discharge the obligation of BAM under this Policy with respect to said Nonpayment.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent (as defined herein) are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity (unless BAM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration) and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment made to an Owner by or on behalf of the Issuer of principal or interest that is Due for Payment, which payment has been recovered from such Owner pursuant to the United States Bankruptcy Code in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means delivery to BAM of a notice of claim and certificate, by certified mail, email or telecopy as set forth on the attached Schedule or other acceptable electronic delivery, in a form satisfactory to BAM, from and signed by an Owner, the Trustee or the Paying Agent, which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount, (d) payment instructions and (e) the date such claimed amount becomes or became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer, the Member or any other person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

BAM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee, the Paying Agent, the Member and the Issuer specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee, the Paying Agent, the Member or the Issuer (a) copies of all notices required to be delivered to BAM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to BAM and shall not be deemed received until received by both and (b) all payments required to be made by BAM under this Policy may be made directly by BAM or by the Insurer's Fiscal Agent on behalf of BAM. The Insurer's Fiscal Agent is the agent of BAM only, and the Insurer's Fiscal Agent shall in no event be liable to the Trustee, Paying Agent or any Owner for any act of the Insurer's Fiscal Agent or any failure of BAM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, BAM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to BAM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy. This Policy may not be canceled or revoked.

This Policy sets forth in full the undertaking of BAM and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW. THIS POLICY IS ISSUED WITHOUT CONTINGENT MUTUAL LIABILITY FOR ASSESSMENT.

In witness whereof, BUILD AMERICA MUTUAL ASSURANCE COMPANY has caused this Policy to be executed on its behalf by its Authorized Officer.

BUILD AMERICA MUTUAL ASSURANCE COMPANY

By: ______________________________________
Authorized Officer

Notices (Unless Otherwise Specified by BAM)

Email:
claims@buildamerica.com
Address:
200 Liberty Street, 27th floor
New York, New York 10281
Telecopy:
212-962-1524 (attention: Claims)

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APPENDIX I

AUDITED FINANCIAL STATEMENTS FOR FISCAL YEAR 2020 FOR LUS, THE COMMUNICATIONS SYSTEM AND THE CITY GENERAL FUND

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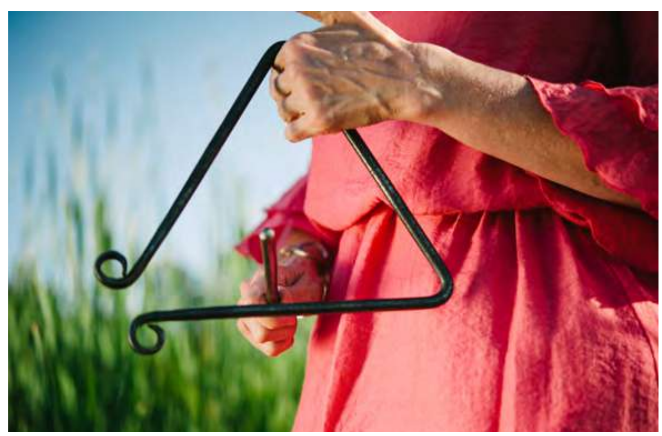
for the year ended October 31, 2020

COMPREHENSIVE ANNUAL FINANCIAL REPORT



Lafayette

CONSOLIDATED GOVERNMENT

The consolidated government of the City of Lafayette and the Parish of Lafayette, Louisiana

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Lafayette

Innovation with an accent.

Lafayette City-Parish Consolidated Government
Lafayette, Louisiana

For the Fiscal Year Ended
October 31, 2020

Prepared by: Office of Finance & Management
Lorrie R. Toups, CPA, Chief Financial Officer

Lafayette

CONSOLIDATED GOVERNMENT

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Comprehensive Annual Financial Report
For the Fiscal Year Ended October 31, 2020

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Lafayette, Louisiana

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CONSOLIDATED GOVERNMENT

Introductory Section

Lafayette
FINANCE AND MANAGEMENT

Chief Financial Officer

April 19, 2021

Mayor-President Joshua S. Guillory
Members of the City and Parish Councils
Citizens of Lafayette Parish, Louisiana

Dear Mayor-President, Members of the City and Parish Councils, and Citizens of Lafayette Parish:

Pursuant to Louisiana State Statutes and the Home Rule Charter, I am pleased to submit the Comprehensive Annual Financial Report for Lafayette City-Parish Consolidated Government for the fiscal year ended October 31, 2020. The Home Rule Charter requires that the City and Parish Councils jointly provide an annual independent post fiscal year audit and such additional audits, as it deems necessary, of the accounts and other evidence of financial transactions of the Consolidated Government including those of all Consolidated Government departments, offices, or agencies. The City and Parish Councils jointly shall designate an independent auditor to make such audits.

The Accounting Division of the Office of Finance and Management prepared this report in accordance with generally accepted accounting principles (GAAP). We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to set forth fairly the financial position and results of operations of the City-Parish as measured by the financial activities of its various funds and the entity-wide presentation; and that all disclosures necessary to enable readers to gain an understanding of City-Parish financial affairs have been included. Responsibility for the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the local government.

Lafayette City-Parish Consolidated Government's financial statements have been audited by Kolder, Slaven & Company, LLC, a firm of licensed, independent, certified public accountants designated jointly by the City and Parish Councils. The goal of the independent audit was to provide reasonable assurance that the financial statements are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that Lafayette City-Parish Consolidated Government's financial statements for the fiscal year ended October 31, 2020 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first document of the Financial Section of this report.

Lafayette City-Parish Consolidated Government (LCG) is required to undergo an annual single audit in conformance with the audit requirements of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and the Audit Requirements for Federal Awards* (Uniform Guidance). Information related to this single audit including the Schedule of Expenditures of Federal Awards, findings and recommendations, and the independent auditor's reports on the internal control structure and compliance with applicable laws and regulations is presented within the Single Audit Section immediately following the Statistical Section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

Profile of the Government

The City of Lafayette, Louisiana is the parish seat of the Parish of Lafayette. The 2020 estimated population of the City is 135,737 and the Parish is 244,056. The region was settled in 1763 by exiled Acadians from Nova Scotia (commonly called Cajuns). The Parish was created on January 17, 1823 and covers a total of 277 square miles. The City of Lafayette was originally founded as Vermilionville in 1821 and later renamed Lafayette in 1884. The City was incorporated in 1914. The Parish is located in the heart of Acadiana, an eight parish area in the center of southern Louisiana between New Orleans and Houston. French, Creole, and Acadian culture, handwork and traditions are very much in evidence in and around the region and both French and English languages are still spoken. An estimated 11.1% of the Parish population speaks both French and English.

Prior to January 2020, the governing authority of LCG was the Lafayette City-Parish Council, consisting of nine members elected from nine single member districts. By a general vote of Lafayette citizens, effective January 6, 2020, this Council was replaced by two separate councils consisting of five members each. The Lafayette City Council serves as the governing authority for the City of Lafayette. The Lafayette Parish Council serves as the governing authority for the Parish of Lafayette. The City Council and Parish Council, jointly, serve as the governing authority for Lafayette City-Parish Consolidated Government. The LCG chief executive is the Mayor-President. LCG's governance structure is by home rule charter which, in its current form, was voted on by the citizenry in 1992. Although the governments were consolidated in 1996, the Home Rule Charter states that "The City of Lafayette shall continue to exist as a legal entity… and shall exercise all powers granted by general state law and the state constitution for municipalities of the same population class." The Charter also states that all fees, charges, and taxes levied by Lafayette Parish and the City of Lafayette shall continue to be levied by the City-Parish Government for purposes and services as prior to consolidation until changed by the appropriate Council(s) having legislative power over the subject matter of the fees, charges, and/or taxes, or by a vote of the people when a vote is required for tax purposes; therefore, after consolidating administration and operations of the two governments, LCG continues to maintain separate accounts for the City of Lafayette and Parish funds.

Lafayette City-Parish Consolidated Government provides a wide range of services including public safety, highways and streets, sanitation, airports, transportation, recreational activities, general administration functions, and other general governmental services. It also provides fiber optic networking services through LUSFiber. Lafayette Utilities System (LUS), a department of LCG, provides electric, water, and wastewater services that are amongst the lowest priced in the state.

Mission Statement

The mission of Lafayette City-Parish Consolidated Government is to enhance the quality of life of our community by providing high-quality; cost-effective services that meet the needs and expectations of the public.

Accomplishments

- The Office of Finance and Management earned LCG's seventh Government Finance Officers Association Distinguished Budget Presentation Award for the FY 2020 budget document.

- The Planning Division of the Department of Development and Planning was awarded a 10-million-dollar BUILD (Better Utilizing Investments to Leverage Development) grant to fund the redevelopment of the University Avenue corridor.
- The International Center retained its position as the Louisiana representative in the Regional Export Promotion Program (REPP) of the Export-Import Bank of the United States (EXIM Bank) in 2020.
- Public Works successfully performed and managed the emergency debris removal for Hurricanes Laura and Delta totaling 418,891 yards of debris.
- The IS&T Department launched the second phase of 311 Lafayette Services. Through 311 Lafayette Services, citizens can submit non-emergency service requests and find related information in one, easy-to-access location. The second phase included service requests for the Lafayette Animal Shelter and Care Center and the Public Works Department. The additions have enhanced LCG's responsive to citizens' online requests to report issues or concerns.

Budgetary Control

The fiscal year for Lafayette City-Parish Consolidated Government is November 1 through October 31. The Home Rule Charter requires that at least ninety days prior to the beginning of each fiscal year, an operating budget and a capital improvement budget be submitted to the City Council and the Parish Council. The Clerk of the Council then publishes a joint public hearing notice at least ten days prior to the date the budget is presented to the public for a formal public hearing. The notice is required to include a general summary of the proposed budget, the times and places where copies of the budget are available for public inspection, and the location, date, and time of the joint public hearing.

The annual budget serves as a policy document, a financial plan, an operations guide, and a communications device for Lafayette City-Parish Consolidated Government. It is the foundation for LCG's allocation of resources toward service delivery plans for the coming fiscal year. The budget is reported using the current financial resources measurement focus and is consistent with generally accepted accounting principles as applied to governmental units. Appropriations define the cash limits that cannot be exceeded. No reference is given to when revenues are earned or expenses are incurred. For budgetary purposes, these items are only recognized when received or paid. Non-cash items such as depreciation and amortization are not budgeted.

Conversely, the government-wide, proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Nonexchange transactions in which the government gives (or receives) value without directly receiving (or giving) equal value in exchange include property taxes, grants, and entitlements. On an accrual basis, property taxes are recognized in the year for which the taxes are levied. Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Local Economy

The business base of the Parish includes energy services, manufacturing, health care, transportation and distribution, education, information technology, finance, tourism, and other service-related industries. The population in Lafayette's trade market is over 600,000 people with over a million tourists visiting the area each year. More than twenty percent of the retail dollars spent in the Parish come from visitors outside the Parish's borders.

Sales taxes make up one of the largest parts of local revenues and are usually restricted (dedicated) to specific uses by the voters. Currently, residents are charged a total of eight point forty-five percent (8.45%) sales tax, with the exception of TIF districts. Lafayette City-Parish Consolidated Government has a two percent (2%) general sales and use tax for the City of Lafayette and a one percent (1%) general sales and use tax for the Parish of Lafayette. In 2020, total retail sales reached $6.43 billion, the highest year on record.

Proceeds of the 1961 one percent (1%) general sales and use tax levied by the City of Lafayette are dedicated to capital improvements such as street improvements, building construction, drainage, and any other work of permanent public improvement. Proceeds of the 1985 one percent (1%) general sales and use tax levied by the City of Lafayette are dedicated to capital improvements for streets and drainage. Both the 1961 and 1985 general sales and use taxes are dedicated to supplementing the revenues of the City's General Fund after providing the debt service on outstanding bonds, provided that such an amount cannot exceed 35% of the annual sales tax revenues.

Lafayette Parish is authorized by the voters of the Parish to levy and collect one percent (1%) general sales and use tax on a parish-wide basis except for territory located within the boundaries of any incorporated municipality situated within the Parish. The net proceeds of the sales tax are deposited in the Parish General Fund for general expenditures.

Between fiscal year 2019 and 2020, total sales tax revenues decreased by $1,797,260. The decrease in retail sales is attributable to the COVID-19 pandemic.

In response to the COVID-19 pandemic, national and State emergency declarations are in effect, resulting in significant reductions in business, travel, and other economic activity.

The five year trend for sales tax at the fund level has been as follows:

Fiscal Year	City-1961	City-1985	Parish	TIF MM103	Total
2016	$43,337,302	$36,122,279	$4,664,950	$1,524,519	$85,649,050
2017	$43,441,278	$36,575,353	$4,573,349	$1,247,517	$85,837,497
2018	$43,181,294	$36,221,327	$4,576,267	$1,269,596	$85,248,484
2019	$44,592,889	$37,221,378	$4,885,224	$1,138,358	$87,837,849
2020	$43,803,676	$35,891,764	$5,304,706	$1,040,443	$86,040,589

For further information regarding sales taxes, please refer to the Statistical Section that immediately follows the Financial Section of this report.

In October of 2020, the unemployment rate for Lafayette Parish was 7.6%, above the national average of 6.6% and below the state's rate of 9.9%. The per capita income is $49,629 with an average single family home price of $239,090.

The Lafayette Parish School System includes 45 schools, 25 elementary schools, 12 middle schools, and 8 high schools. Included in the system are magnet academies, foreign language immersion curriculums, and gifted and talented programs. Lafayette is also home to the University of Louisiana at Lafayette (UL Lafayette) which is part of the University of Louisiana System. The University is the second largest university in Louisiana with over 19,000 students. UL Lafayette offers bachelors, masters, and doctoral degrees in curriculums ranging from the humanities to hard sciences. It is one of the top-ranked universities in the south.

Major Initiatives

Mayor-President Josh Guillory's administration places a focus on returning to the core functions of government, such as providing infrastructure and safety to its citizens while maintaining a healthy balanced budget. A "do more with less" attitude prevents overspending and encourages creative problem-solving in government. Major initiatives of Mayor-President Josh Guillory's administration include: fixing drainage issues, providing a safe and enjoyable environment for citizens, repairing, maintaining and developing infrastructure, growing the economy through diversification and improving overall quality of life for the people that Lafayette Consolidated Government serves.

- **Drainage** – In early 2020, the Public Works Department was divided into the three separate departments; Public Works, Drainage, and Traffic, Roads, & Bridges. The Department of Drainage was made separate from Public Works to increase transparency, accountability and efficiency within the department. A multi-faceted approach to drainage has been instituted that includes community outreach, maintenance and development. Public outreach assists in determining key areas of interest within the Parish. Maintenance includes: roadside excavation, coulee outfall excavation, repairs and installation of subsurface drainage and catch basins, subsurface pipe rehabilitation, culvert flushing and the removal of blockages. The development of storm water retention/detention facilities along major channels and laterals throughout the Parish will also assist in mitigating the drainage issues within the Parish.

- **Public Safety** – It is essential for a government to ensure the safety of its citizens. Having well-supplied and well-funded police and fire departments are essential for the protection of life and property. The COVID-19 public health emergency emphasized this need. Police and fire assistance has been an essential part of Lafayette Consolidated Government's response to COVID-19. In addition to their usual duties, officers worked with public health officials and the public to ensure that businesses and individuals were in compliance with COVID-19 guidelines. Through these procedures businesses were able to open safely while working to slow the spread of the virus.

- **Infrastructure** – The maintenance, revitalization and development of critical infrastructure are crucial to the success of the City and Parish. Infrastructure boosts commerce, supports businesses, connects cities and creates opportunities for struggling businesses and communities. Lafayette Consolidated Government is investing in its infrastructure beginning with its roads. The Traffic, Roads and Bridges Department was created from the Public Works Department to increase transparency, accountability and efficiency within the department. This department focuses on improving/maintaining the roads within the Parish as well as mitigating traffic. Technology, such as road sensors, are being utilized to assist with these measures. This maintenance extends to structures as well. Once revitalized and deemed safe, reintroducing the Buchanan Garage back into commerce is another goal of the Guillory administration. This garage will allow for more parking downtown and increased commerce for the area. The process for developing in Lafayette will also be amended to be more inviting to businesses.

- **Economic Growth & Diversification** – In addition to being an energy hub, in the past 25 years Lafayette has diversified by positioning itself as a medical, transportation, finance, technology, entertainment, education and retail hub. The business base of the Parish includes energy services, manufacturing, health care, transportation and distribution, education, technology, finance, tourism and other service-related industries. It's the continued diversification with the energy industry that has contributed to the economic vitality of Lafayette Parish. Guillory's administration looks to work with the community and continue this progress. The introduction of more public-private partnerships within government will assist in building relationships with local business owners as well as increasing commerce. Project Geaux Mow was created with these principles in mind. With limited grass cutting crews and budget, LCG offered bids to its grass-cutting projects to local lawn care professionals via web application. Project Geaux Mow has successfully reduced the time between grass cutting from 6 weeks to 2 weeks while supporting local businesses and saving money.

Relevant Financial Policies

Fund/Department Structure

The fund structure for LCG is especially complex. City and Parish funds are accounted for separately due to the source of revenue and authority granted by the voters of both the City and the Parish. There are two general funds; one for the City and one for the Parish that are reported as one combined general fund to comply with generally accepted accounting principles. Combined, there are over fifty general governmental funds (special revenue, debt service, and capital projects), four internal service funds, and five business type funds.

Investment Management

The Cash Management Rules and Guidelines of LCG address the following areas:

- Scope, Prudence, and Objectives
- Delegation of Authority
- Authorized Financial Dealers and Institutions and Diversification in Authorized and Suitable Investments
- Collateralization
- Safekeeping and Custody

It is the policy of LCG to invest public funds in a manner which conforms to existing Louisiana State Statutes governing the investment of public funds and LCG's Home Rule Charter while receiving a maximum rate of return. LCG's Investment Policy has the following objectives: safety, liquidity, yield, and public trust. Authorized security purchases include:

- U.S. Treasury Bills, Notes, and Bonds with maturities not to exceed two years.
- Federal agency and instrumentality coupon debentures and discount notes with maturities not to exceed two years – limited to Federal Home Loan Bank, Federal National Mortgage Association, Federal Farm Credit Bank, and Federal Home Loan Mortgage Corporation.
- Repurchase agreements with a maturity not to exceed six months on the above securities collateralized at a minimum of 102 percent of the purchase price of the repurchase agreement.
- The purchase of any securities listed in the first two bullets in excess of two years must be pre-approved in writing by the Chief Financial Officer.

Fund Balance Policy

Governmental funds report the difference between their assets and liabilities as fund balance. Under generally accepted accounting principles, fund balance is divided into two major components; Nonspendable and Spendable. Nonspendable is that portion of fund balance that is not available for appropriation because the assets it represents are not in a spendable form, such as inventory. Spendable Fund Balance is further broken down into four categories; restricted, committed, assigned, and unassigned. It is the unassigned portion of fund balance that can be appropriated without external or internal restrictions. It is the intent of LCG administration to maintain at a minimum its unassigned fund balance for the City General Fund at 20% of the total fund's operating expenses. Under this policy, LCG administration, in its budgeting process, submits a proposed budget to the City Council and the Parish Council that adheres strictly to the fund balance requirements. This policy has not yet been ratified by the City Council and the Parish Council and during the budget adoption process the Councils may, at their discretion, amend the budget in such a way that this policy is violated. In such cases, policy violations will be discussed in the administration's transmittal letter in the final budget document. Additionally, the City Council and the Parish Council may be asked to provide a discussion of these decisions and, if provided, will be included in the final budget document as well.

Debt Policy

LCG's debt is issued primarily as a financing tool for infrastructure (such as streets, drainage, and utilities) and infrastructure improvements. A careful balance between debt financed projects and pay-as-you-go capital projects is maintained. Capital projects that may be funded by debt are evaluated within the context of LCG's long range capital plan and debt is only issued after careful consideration of current debt levels, economic conditions, the availability of alternative funding sources, and key debt and liquidity ratios. Bond covenants require that the average annual revenues for the City of Lafayette sales tax collections for the two most recent fiscal years must equal or exceed 1.5 times the highest combined principal and interest requirements for any succeeding fiscal year on all City sales tax bonds outstanding. It is the administration's policy to maintain a higher City sales tax ratio of 2.0.

Louisiana Revised Statutes limit the Parish's general obligation bonded debt for other purposes to 10% of the assessed valuation of the taxable property for a single purpose with no limit on the number of purposes. The City may issue general obligation bonded debt in excess of 10% of the assessed valuation of the taxable property for any single purpose provided that the aggregate for all such purposes (determined at the time of issuance of the bonds) does not exceed 35% of the assessed valuation of the taxable property of the City.

Compliance with all bond covenants, bond ordinances, contracts, etc. are monitored. Additionally, required financial data and event information are uploaded to the Electronic Municipal Market Access (EMMA) which is the official repository for information on virtually all municipal bonds.

Revenue Policy

LCG endeavors to have a diversified and stable revenue system to protect against unforeseeable short-term fluctuations in any one revenue source. Revenue forecasts are based on the best information available and take into consideration historical trends, current economic factors (such as property assessments and retail sales trends), and projected activity. Revenues are budgeted conservatively but if economic downturns develop, which could result in revenue shortfalls, adjustments in budgeted expenditures are made to compensate. LCG establishes and monitors user fees and charges based on the cost of services and community benefit. Services may be subsidized as the Councils deems necessary. The use of one-time revenues or those of an unpredictable nature to fund on-going expenditures is discouraged. LCG pursues alternate methods of financing such as federal and state grants and intergovernmental agreements.

Expenditure Policy

All department directors share in the responsibility of looking at and understanding LCG's long-term financial viability, the general spending trends of their respective departments, the projected departmental revenues, and educating themselves and their staff on the necessary short and long-term balance between revenues and expenses. Departmental budgets are submitted to the administration with these responsibilities in mind and budgets are typically zero-based or status quo with little or no increases to expenditures contemplated. As the administration evaluates budgetary requests, higher priority is given to expenditures which provide direct public services and public health and safety. The highest priority is given to the payment of bonds, notes, contracts, accounts payable, and other monetary liabilities. An appropriate balance between these priorities and the dollars provided towards the assurance of good management and legal compliance is strived for.

Capital Improvements

LCG maintains a Five-Year Capital Improvement Program (including anticipated funding sources) which is updated annually and is approved by the City Council and the Parish Council during the budget process. Capital improvement projects are defined as infrastructure, equipment purchases, or construction that results in a capitalized asset and having a useful life of more than one year.

In addition to a Five-Year Capital Improvement Program, Section 5-05 of the Home Rule Charter requires that a Capital Improvement budget must include the estimated annual cost of operating and maintaining the capital improvement to be constructed or acquired.

Proposed capital projects are reviewed by departmental directors, staff, and administration. Priority of projects is based on financial sources available and/or debt considered and overall consistency with LCG's goals and objectives.

Internal Controls and Fiscal Monitoring

City-Parish management is responsible for establishing, implementing, and maintaining a framework of internal controls designed to ensure that City-Parish assets are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles.

The system of internal control is designed to provide reasonable but not absolute assurance regarding: 1) the safeguarding of assets against loss from unauthorized use or disposition, 2) the reliability of financial records for preparing financial statements, and 3) accountability for assets. The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits likely to be derived and the valuation of costs and benefits requires estimates and judgments by management.

Financial systems will maintain internal controls to monitor revenues, expenditures, and program performance on an ongoing basis. As required by the Home Rule Charter and/or internal written policy, monthly financial reports are prepared as well as departmental meetings held to review the status of revenues and expenditures and compliance to the adopted budget.

Long-term Financial Planning

The City of Lafayette, through the Lafayette Public Power Authority (LPPA), acquired a 50 percent ownership interest in a fossil fuel steam electric generating unit known as Rodemacher Unit 2 ("Unit 2"). The output of Unit 2 is sold by LPPA to the City in accordance with a long-term power sales contract whereby LPPA agreed to sell and the City agreed to purchase LPPA's share of the power and energy produced by Unit 2. The contract expires August 31, 2047. Payments under the contract are specified to be sufficient to pay all costs of LPPA in connection with Unit 2 including LPPA's share of operation and maintenance of Unit 2, debt service requirements, and all other financial obligations of LPPA's share of Unit 2. These obligations are payable as an operating expense of the Utilities System Fund and payable solely from the revenues of the Utility System. Expenses related to fuel, purchased power, and associated costs are recovered through a fuel charge established by the director of the Utilities System. The payments to LPPA are required to be made whether or not Unit 2 is operating or inoperable.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Lafayette City-Parish Consolidated Government for its comprehensive annual financial report for the fiscal year ended October 31, 2019. This was the fifth consecutive year that the government has achieved this prestigious award. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only; however, LCG believes that the current comprehensive annual financial report continues to meet the Certificate of Achievement for Excellence in Financial Reporting Program's requirements and LCG is submitting it to GFOA to determine its eligibility for another certificate.

In addition, Lafayette City-Parish Consolidated Government also received GFOA's Distinguished Budget Presentation Award for its annual operating budget prepared for the fiscal year covered by this Comprehensive Annual Financial Report. This was the seventh consecutive year that the government has received this award. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, an operations guide, a financial plan, and a communications device.

The preparation of this report on a timely basis could not have been accomplished without the dedicated services of a highly trained and qualified staff. I also would like to acknowledge the thorough, professional, and timely manner in which the audit was conducted by our independent auditors Kolder, Slaven, & Company, LLC.

In addition, we express our appreciation to Mayor-President, Mr. Joshua S. Guillory and the members of the City and Parish Councils for their interest and support in planning and conducting the financial affairs of the City-Parish in a responsible and progressive manner during their terms in office.

Respectfully submitted,

Lorrie R. Toups

Lorrie R. Toups, CPA
Chief Financial Officer
Office of Finance & Management

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Lafayette Consolidated Government
Louisiana

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

October 31, 2019

Christopher P. Morrill

Executive Director/CEO

Lafayette City-Parish Consolidated Government
Lafayette, Louisiana

Comprehensive Annual Financial Report
For the Fiscal Year Ended October 31, 2020

Listing of Principal Elected and Administrative Officials

Principal Elected Officials

(As of October 31, 2020)

Honorable Joshua S. Guillory
Mayor-President

Members of the Parish Council

Bryan Tabor	District 1
Kevin Naquin	District 2
Josh Carlson	District 3
John J. Guilbeau	District 4
Abraham "AB" Rubin Jr.	District 5

Members of the City Council

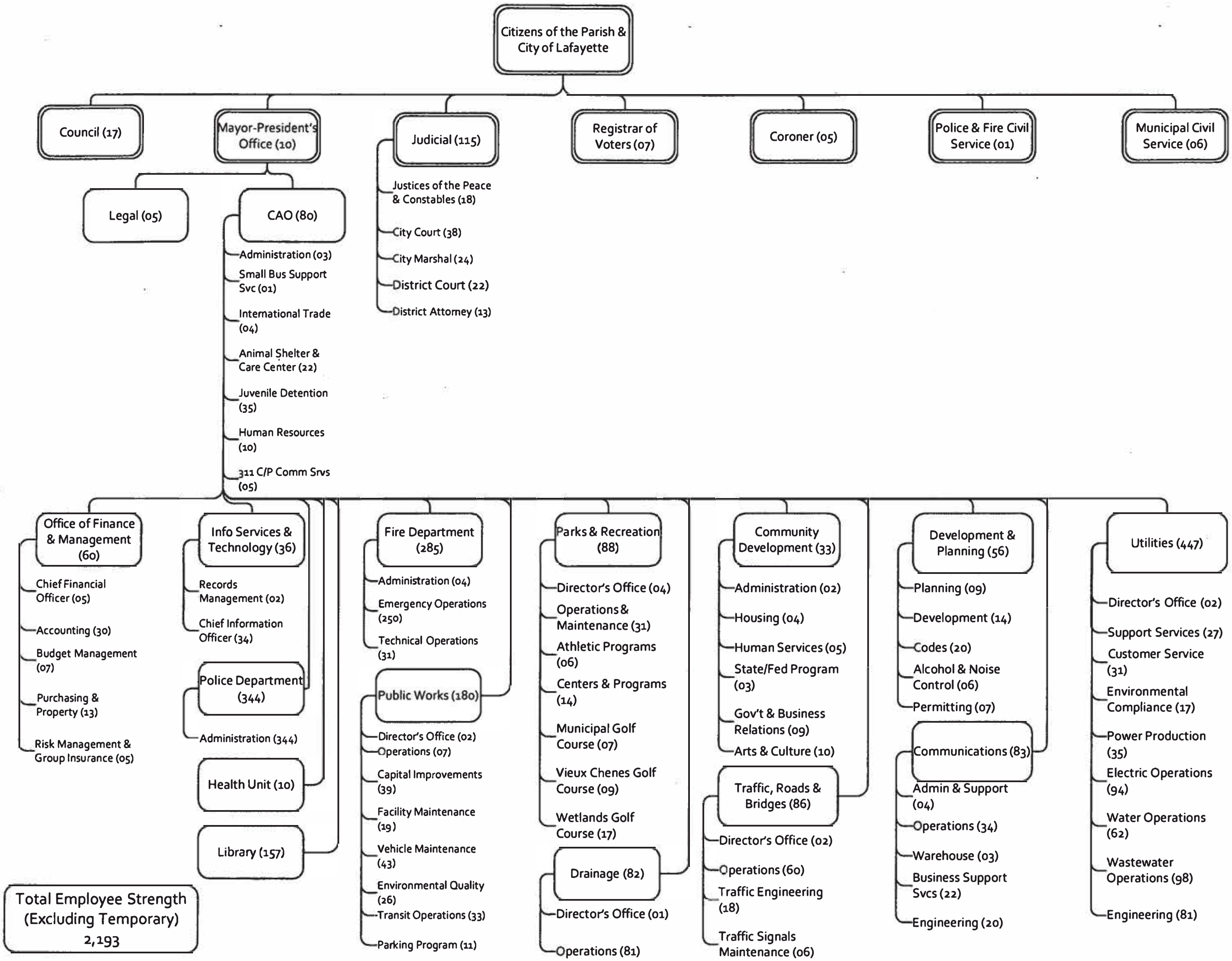
Patrick "Pat" Lewis	District 1
Andy Naquin	District 2
Liz W. Hebert	District 3
Nanette S. Cook	District 4
Glenn M. Lazard	District 5

Principal Administrative Officials

Cydra Wingerter
Chief Administrative Officer

Lorrie R. Toups, CPA
Chief Financial Officer

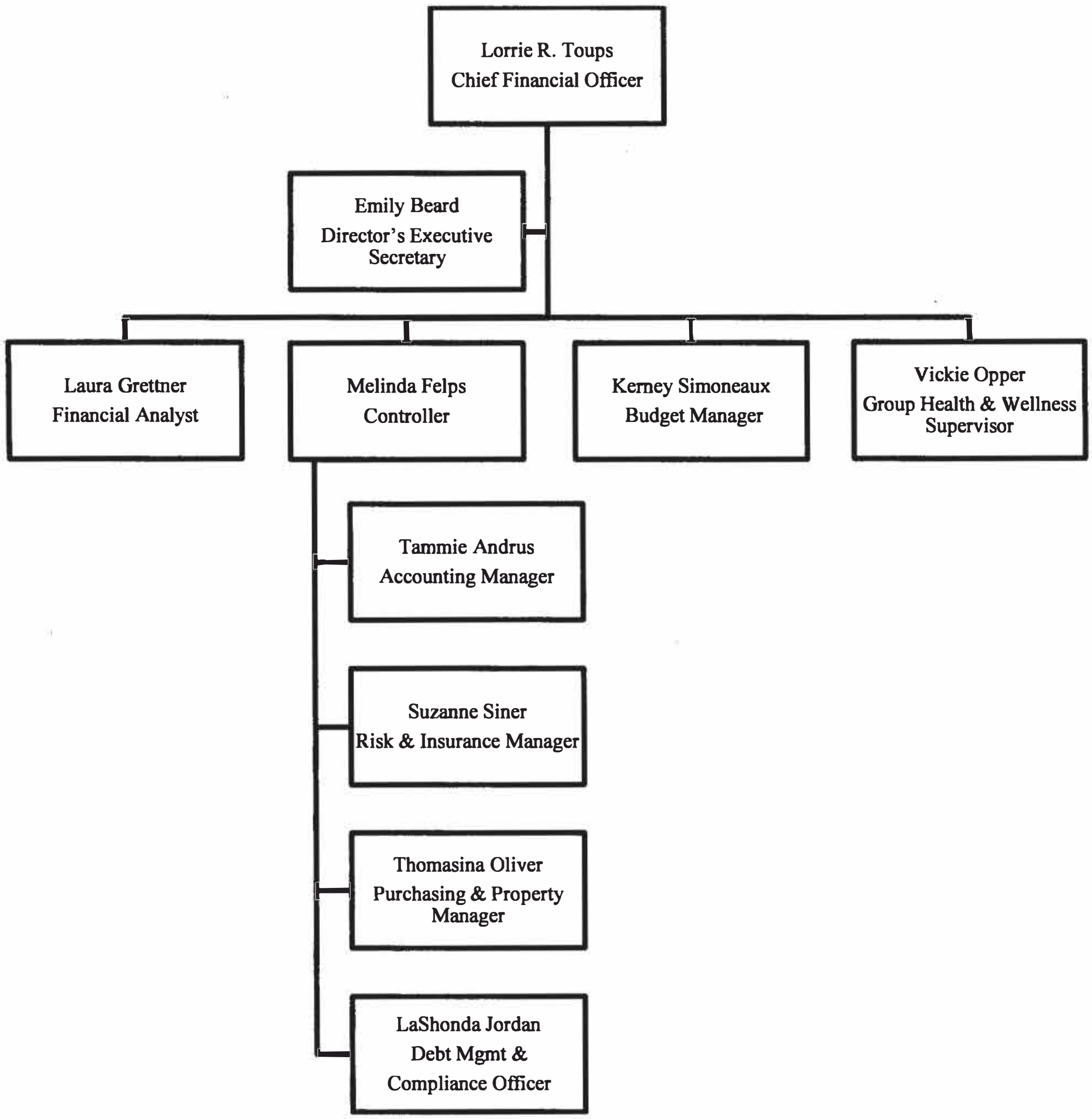
Gregory Logan
City-Parish Attorney



Citizens of the Parish & City of Lafayette
Council (17)
Mayor-President's Office (10)
Legal (05)
CAO (80)
Administration (03)
Small Bus Support Svc (01)
International Trade (04)
Animal Shelter & Care Center (22)
Juvenile Detention (35)
Human Resources (10)
311 C/P Comm Srvs (05)
Judicial (115)
Justices of the Peace & Constables (18)
City Court (38)
City Marshal (24)
District Court (22)
District Attorney (13)
Registrar of Voters (07)
Coroner (05)
Police & Fire Civil Service (01)
Municipal Civil Service (06)
Office of Finance & Management (60)
Chief Financial Officer (05)
Accounting (30)
Budget Management (07)
Purchasing & Property (13)
Risk Management & Group Insurance (05)
Info Services & Technology (36)
Records Management (02)
Chief Information Officer (34)
Police Department (344)
Administration (344)
Health Unit (10)
Library (157)
Fire Department (285)
Administration (04)
Emergency Operations (250)
Technical Operations (31)
Public Works (180)
Director's Office (02)
Operations (07)
Capital Improvements (39)
Facility Maintenance (19)
Vehicle Maintenance (43)
Environmental Quality (26)
Transit Operations (33)
Parking Program (11)
Parks & Recreation (88)
Director's Office (04)
Operations & Maintenance (31)
Athletic Programs (06)
Centers & Programs (14)
Municipal Golf Course (07)
Vieux Chenes Golf Course (09)
Wetlands Golf Course (17)
Drainage (82)
Director's Office (01)
Operations (81)
Community Development (33)
Administration (02)
Housing (04)
Human Services (05)
State/Fed Program (03)
Gov't & Business Relations (09)
Arts & Culture (10)
Traffic, Roads & Bridges (86)
Director's Office (02)
Operations (60)
Traffic Engineering (18)
Traffic Signals Maintenance (06)
Development & Planning (56)
Planning (09)
Development (14)
Codes (20)
Alcohol & Noise Control (06)
Permitting (07)
Communications (83)
Admin & Support (04)
Operations (34)
Warehouse (03)
Business Support Svcs (22)
Engineering (20)
Utilities (447)
Director's Office (02)
Support Services (27)
Customer Service (31)
Environmental Compliance (17)
Power Production (35)
Electric Operations (94)
Water Operations (62)
Wastewater Operations (98)
Engineering (81)
Total Employee Strength (Excluding Temporary) 2,193

Lafayette City-Parish Consolidated Government

Office of Finance and Management



Lafayette

CONSOLIDATED GOVERNMENT

Financial Section

KOLDER, SLAVEN & COMPANY, LLC
CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Brad E. Kolder, CPA, JD*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
Stephen J. Anderson, CPA*
Christine C. Doucet, CPA
Wanda F. Arcement, CPA
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INDEPENDENT AUDITOR'S REPORT

To the Lafayette City-Parish
Council of Lafayette, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Lafayette City-Parish Consolidated Government (the Government), as of and for the year ended October 31, 2020, and the related notes to the financial statements, which collectively comprise the Government's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Cajundome Commission, City Court of Lafayette, Lafayette Regional Airport, Lafayette Parish Waterworks District North, Lafayette Parish Waterworks District South, Lafayette Parish Bayou Vermilion District, and Lafayette Parish Communication District, component units, which represent 90.62% and 96.12%, respectively, of the assets and program and general revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for Cajundome Commission, City Court of Lafayette, Lafayette Regional Airport, Lafayette Parish Waterworks District North, Lafayette Parish Waterworks South, Lafayette Parish Bayou Vermilion District, and Lafayette Parish Communication District is based solely on the reports of other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Government, as of October 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison schedule, schedule of changes in total OPEB liability and related ratios, schedule of employer's share of net pension liability, and schedule of employer contributions on pages 4 through 15 and 101 through 104, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Government's basic financial statements. The introductory, other supplementary information, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The governmental funds, nonmajor enterprise funds, internal service funds, fiduciary funds, nonmajor component unit combining statements, Utility System Fund statement, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied by us and other auditors in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion and the opinion of other auditors, the governmental funds, nonmajor enterprise funds, internal service funds, fiduciary funds, nonmajor component unit combining statements, Utility System Fund statement, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole. The prior year comparative information on the governmental funds and nonmajor enterprise funds combining statements has been derived from the Government's 2019 financial statements, which was subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, was fairly presented in all material respects in relation to the financial statements as a whole.

The introductory section, budgetary comparison schedules, governmental fund schedules of revenues, expenditures, and changes in fund balances – budget to actual, schedules of expenditures compared to capital budget, and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated April 19, 2021, on our consideration of the Government's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Government's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Government's internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
April 19, 2021

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Management's Discussion and Analysis
October 31, 2020

Lafayette City-Parish Consolidated Government (LCG) presents the following discussion and analysis of the financial performance during the fiscal year ending October 31, 2020. During this fiscal year, Lafayette experienced the economic effects of the federal, state, and local response to the COVID-19 pandemic including stay at home orders and business operation restrictions. Whenever possible during this discussion, those economics effects will be highlighted.

This discussion and analysis is intended to assist readers in focusing on significant financial issues and changes in financial position and identifying any significant variances from the adopted budget. We encourage readers to consider the information presented here in conjunction with additional information presented in the financial statements provided in this report. All amounts, unless otherwise indicated, are expressed in millions of dollars.

Financial Highlights

- The assets and deferred outflows of LCG exceeded its liabilities and deferred inflows by $1,138.8 (net position).

- At the end of the current fiscal year, unassigned fund balance for the General Fund was $59.3, or 51.2% of total General Fund expenditures and other financing uses. Ending Fund Balance for the General Fund notes an increase of $14.6 or 26.1% over 2019.

- At the end of the current fiscal year, LCG's governmental funds reported combined ending fund balance of $348.2, an increase of $54.4 compared to the fiscal year 2019. Of this amount $2 is non-spendable and $346.2 is spendable. Of the total spendable fund balance, $59.3 is unassigned and is available for spending at the Government's discretion.

- LCG issued City Public Improvement Sales Tax Refunding Bonds during the fiscal year which resulted in a debt service reduction of $2.3 and an economic gain of $2.2.

- LCG implemented GASB State No 88 *"Certain Disclosure Related to Debt, Including Direct Borrowings and Direct Placements*. The intent of the GASB pronouncement is to improve the information that is disclosed in the notes to the financial statements related to debt. Details on the long-term debt of LCG can be found in Note 15: "*Long-term liabilities*".

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to LCG's basic financial statements which have three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview similar to private-sector business financial presentations.

The *statement of net position* presents information on all of LCG's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of LCG is improving or deteriorating.

The *statement of activities* presents information showing how the Government's net position changed during the fiscal year. Changes in net position are recorded when the underlying event giving rise to the change occurs regardless of the timing of the cash flows. Therefore, revenues and expenses reported in this statement for some items will not result in cash flows until future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). Both of the government-wide financial statements distinguish functions of LCG that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees or charges (business-type activities).

Governmental activities include general government, public safety, public works, urban redevelopment and housing, culture and recreation, health and welfare, economic opportunity, and economic development and assistance.

The business-type activities reflect private sector type operations where the fee for service typically covers all or most of the cost of operations including depreciation. The City's electric, water, wastewater, fiber optics utilities funds, along with LCG's solid waste collection, environmental services, and CNG service station funds are reported here.

Fund Financial Statements

The accounts of LCG are organized on the basis of funds, each of which is considered a separate accounting entity. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements are used to present financial information detailing resources that have been identified for specific activities. The focus of the fund financial statements is on LCG's major funds although non-major funds are also presented in aggregate and further detailed in the supplementary statements.

LCG uses fund accounting to ensure and demonstrate compliance with requirements placed on resources. Funds are divided into three categories: governmental, proprietary and fiduciary. Fund financial statements allow LCG to present information regarding fiduciary funds since they are not reported in the government-wide financial statements.

Governmental Funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Unlike the government-wide financial statements, governmental fund financial statements focus on near-term outflows of spendable resources as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's current financing requirements.

LCG has presented the General Fund and the Sales Tax Capital Improvement Fund as major funds. All non-major governmental funds are presented in one column, titled "Other Governmental Funds". Combining financial statements of the non-major funds can be found in the other supplementary information section that follows the basic financial statements.

Proprietary Funds encompass both enterprise and internal service funds on the fund financial statements. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Internal service funds are an accounting device used to accumulate and allocate costs internally among LCG's various functions. LCG uses internal service funds to account for its central vehicle maintenance, central printing, self-insured insurance and group hospitalization activities. Because all of these services predominantly benefit governmental rather than business-type functions, they have been included within the governmental activities section in the government-wide financial statements. Combining statements of the non-major individual enterprise and internal service funds can be found in the other supplementary information section following the basic financial statements.

Fiduciary Funds are used to account for resources held for the benefit of parties outside the primary government. Fiduciary funds are not reflected in the government-wide financial statements as the resources of those funds are not available to support LCG's programs and operations. With the exception of agency funds, the accounting for fiduciary funds is much like that used for the proprietary funds.

Notes to the Basic Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements and are a required part of the basic financial statements.

Other Supplementary Information – In addition to the basic financial statements and accompanying notes, this report also presents the required supplementary information of LCG's General Fund budgetary comparison schedules that demonstrate compliance with its budget.

Also included in the report are the Uniform Guidance, Auditor's reports, findings and schedules and the statistical section.

Government-Wide Financial Statement Analysis

The following schedule reflects the condensed Statement of Net Position for October 31, 2020, with comparative figures for 2019:

Condensed Statement of Net Position (in millions)
Year-Ended October 31, 2020 and 2019

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Assets:						
Current and other assets	$ 406.0	$ 342.1	$ 93.4	$ 92.4	$ 499.4	$ 434.5
Restricted assets	-	-	247.8	240.6	247.8	240.6
Capital assets	621.5	608.5	764.9	764.8	1,386.4	1,373.3
Total assets	1,027.5	950.6	1,106.1	1,097.8	2,133.6	2,048.4
Deferred Outflows of Resources	55.1	49.5	24.1	29.6	79.2	79.1
Liabilities:						
Current liabilities	22.8	17.6	30.0	22.9	52.8	40.5
Long-term liabilities	534.3	490.2	465.2	498.5	999.5	988.7
Total liabilities	557.1	507.8	495.2	521.4	1,052.3	1,029.2
Deferred Inflows of Resources	16.9	11.0	4.8	2.0	21.7	13.0
Net Position:						
Net Investment in Capital Assets	382.2	372.3	427.5	399.9	809.7	772.2
Restricted	227.8	219.9	165.0	154.3	392.8	374.2
Unrestricted	(101.3)	(110.9)	37.6	49.8	(63.7)	(61.1)
Total net position	$ 508.7	$ 481.3	$ 630.1	$ 604.0	$ 1,138.8	$ 1,085.3

For the year-ended October 31, 2020, total assets and deferred outflows exceeded liabilities and deferred inflows by $1,138.8. The largest portion of LCG's net position, $809.7 (71.1%) represents its investment in capital assets less any related debt used to acquire those assets that are still outstanding and includes assets such as land, infrastructure, improvements, buildings, machinery and equipment and intangibles.

Capital assets are used to provide services to the citizens of LCG and are not available for further spending. Although LCG's investment in capital assets is reported net of related debt, the resources needed to repay the debt must be provided from other sources as capital assets cannot be used to liquidate liabilities. Of the total net position, $392.8 represents resources that are subject to external restrictions on how they may be used.

The deficit of $101.3 in unrestricted net position in governmental activities is primarily the result of long-term liabilities such as the net pension liability required under GASB 68, the accounting for non-pension related benefits under GASB 75, and the liability for unused employee vacation and sick days not previously funded, which together exceed current assets that are not externally dedicated for specific purposes. The business-type activities unrestricted assets are $37.6 at year end.

The following schedule provides a summary of the changes to LCG's net position for the year ended October 31, 2020, with comparative figures for 2019:

Condensed Statement of Changes in Net Position (in millions)
For the Years Ended October 31, 2020 and 2019

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program revenue -						
Fees, fines, and charges for services	$ 20.0	$ 24.4	$ 314.8	$ 334.9	$ 334.8	$ 359.3
Operating grants and contributions	34.8	15.2	4.8	1.0	39.6	16.2
Capital grants and contributions	1.5	1.7	0.1	-	1.6	1.7
General revenues -						
Sales taxes	87.0	88.1	-	-	87.0	88.1
Property taxes	86.9	89.0	-	-	86.9	89.0
Other	18.3	23.9	4.2	7.3	22.5	31.2
Total revenues	248.5	242.3	323.9	343.2	572.4	585.5
Expenses:						
General government	55.6	54.6	-	-	55.6	54.6
Public safety	87.9	80.0	-	-	87.9	80.0
Public Works	41.0	41.4	-	-	41.0	41.4
Urban & economic redevelopment	2.7	8.0	-	-	2.7	8.0
Culture and recreation	27.7	33.4	-	-	27.7	33.4
Health, welfare & economic opportunity	1.5	1.2	-	-	1.5	1.2
Unallocated depreciation	18.9	19.3	-	-	18.9	19.3
Combined utilities system	-	-	184.3	190.5	184.3	190.5
Communications system	-	-	35.8	34.9	35.8	34.9
Coal-fired electric plant	-	-	36.5	43.9	36.5	43.9
Solid waste collection	-	-	15.7	15.9	15.7	15.9
CNG Station	-	-	0.1	0.2	0.1	0.2
Interest on long-term debt	11.2	11.6	-	-	11.2	11.6
Total expenses	246.5	249.5	272.4	285.4	518.9	534.9
Increase (decrease) in net position before transfers	2.0	(7.2)	51.5	57.8	53.5	50.6
Transfers	25.4	25.8	(25.4)	(25.8)	-	-
Changes in net position	27.4	18.6	26.1	32.0	53.5	50.6
Net position, November 1	481.3	462.7	604.0	572.0	1,085.3	1,034.7
Net position, October 31	$ 508.7	$ 481.3	$ 630.1	$ 604.0	$ 1,138.8	$ 1,085.3

LCG's total revenues were $572.4 and the total cost of all programs and services was $518.9 resulting in an increase in net position of $53.5. General revenues represented 34.3% of LCG's total revenue while program revenues provided 65.7% of total revenues. Business-type activity expenses totaled $272.4 or 52.5% of the government's total expenses.

Governmental Activities net position increased $27.4 in 2020 compared to $18.6 in the prior year. The cost of all governmental activities this year was $246.5 and represented a $3 decrease from 2019 expenses. LCG's largest program in governmental activities is public safety, with $94 of resources applied thereto. Following that is general government, public works, and culture and recreation.

Some factors affecting the change in net position for *Governmental Activities* were:

- An increase of $6.2 in total governmental revenues due to an increase in grant funds of $19.6 due predominately to the receipt of COVID-19 assistance offset by decreases in all other revenues as a result of public business restrictions due to the pandemic.
- An increase in Public Safety expense of $7.9 due to an increase in personnel salaries and related costs.
- Decreases in all other expense categories in the aggregate amount of $17 due to the government's response to the COVID crisis by restricting expenditures, delaying projects, hiring freezes, and furloughing employees.

Business-Type Activities net position increased by $26.1 in the current fiscal year compared to $32 in the prior year. Charges for services make up 97.2% of the revenues in the business-type activities. The largest funds in this group are the Utilities System (LUS), Lafayette Public Power Authority (LPPA) and the Communications System. Charges for services decreased $20.1 in the current fiscal year due predominately to fluctuations in the fuel adjustment charge for electric services as well as a decrease in the purchase of power from the Rodemacher electric generating unit in the MISO market. Communications System (LUSFiber) operating revenues increased by $1.8 due to the additional customers served during 2020.

Financial Analysis of Governmental Funds

Activities of the Primary Government's General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds are considered general government functions. The General Fund is LCG's primary operating fund. Special Revenue funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes other than debt service or capital projects. Debt Service funds are used to account for financial activity related to the government's general bonded indebtedness as well as other long-term obligations. Capital Projects funds are used to account for financial activity related to the government's indebtedness for capital projects, other agency contributions and the operating activities of those projects.

Total revenues increased $6.6 or 2.5% when compared to the prior fiscal year revenues. This increase was caused predominately by an increase in Federal Grant revenue of $17.8 (162.4%) from the receipt of COVID-19 relief funds through the CARES Act as well as an increase of $1.7 in Other due to capital outlay funds for jail and courthouse improvements. A majority of the normal recurring revenues noted less than anticipated decreases during FY 2020 as COVID related business restrictions and stay at home orders were enforced and a decrease in oil and gas inventory was experienced.

- Ad Valorem Taxes decreased $2.2 or 2.5% from 2019 to 2020.
- Sales and Use Taxes decreased $1.5 or 1.7% from 2019 to 2020.
- Other Taxes decreased $.2 or 4.5%.
- Parish Transportation Grant Funds decreased $.2 or 11.2%.

- Charges for Services decreased $3.8 or 19.2%.
- Fines and Forfeitures decreased $.2 or 11.2%.
- Investment Earnings decreased $3.4 or 44.3% as both short-term and long-term interest rates were lowered.

As of the end of the fiscal year, LCG's governmental funds reported combined ending fund balances of $348.2, an increase of $54.4 in comparison with the prior year. This increase is the result of increases in restricted fund balance for expected and planned capital outlay, fund balance assigned for subsequent year's expenses, and fund balance committed to Fire and Police sustainability and resiliency. Less than 1% of governmental funds' fund balance is not spendable. The remaining 99.9% or $346.2 is spendable. This represents $276.9 restricted in use, $10 in committed, and $59.3 unassigned.

The unassigned fund balance represents amounts available for additional appropriations at the end of the fiscal year.

The total fund balance of the General Fund at year-end was $70.8, an increase of $14.6 from the previous year. The total spendable General Fund balance for fiscal year 2020 is $69.3 which represents $10 in committed and $59.3 in unassigned fund balances. The unassigned fund balance represents amounts available for additional appropriations at the end of the fiscal year.

Fund balance in the Sales Tax Capital Improvement Fund remained stable with a negligible decrease of less than 1% over ending fund balance in 2019.

General Fund Budgetary Highlights

Changes in original budget appropriations to the final amended budget appropriations resulted in a net $9.1 increase in appropriations. This increase can be summarized by the following:

- General Government increased $1.5 which is attributable to an increase in appropriations predominately related to personnel pay plans and unanticipated increases in normal operating expenses.

- Public Safety appropriations increased $7.7 which is attributable increases in appropriations related to personnel salaries and related costs.

Final budgeted appropriations for the General Fund were $109.5 while actual expenditures were $102.3, creating a positive variance of $7.1. The overall positive variance was due to the government's monitoring and timely reaction to adverse financial effects of the pandemic. Measures were put in place to stop travel and training, delays in filling or deleting vacant positions and curtailing or delaying projects. Significant variances are as follows:

- General Government had a positive variance of $3.3 primarily due to reductions in operating expenses such as personnel salaries and related costs, contractual and professional services, and incomplete projects.

- Public Works had a positive variance of $641 thousand due to reductions in general operating costs and incomplete projects.

- Public Safety had a positive variance of $3.1 due to the reduction of personnel salaries, transportation costs, reductions in telephone and utilities charges as well as other operating expenses.

- Culture and Recreation had a positive variance of $84.6 thousand due to the reduction of operating expenses such as personnel salaries and related costs.

Financial Analysis of Proprietary Funds

Proprietary Funds: Activities of the Primary Government's Utilities System Fund, Communications System Fund, Lafayette Public Power Authority Fund, Environmental Services Disposal Fund, and the CNG Service Station Fund are considered proprietary funds. Financial analysis of these activities is on the same basis as the business-type activities. As of the end of the current fiscal year, the primary government's proprietary funds reported ending net position of $629.6, an increase of $26.1 or 4.3% in comparison with the prior year. The majority of the increase in ending net position is a reduction of $16.8 in operating expense from 2019 to 2020. Other changes that attributed to the increase in net position relate to normal revenue and expense fluctuations seen from year to year.

Details of the proprietary funds are covered under the section titled "Government-Wide Financial Statement Analysis" on page 7.

Capital Asset and Debt Administration

Capital Assets: LCG's investment in capital assets for its governmental and business-type activities as of October 31, 2020 amounts to $1,386.4 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, parking facilities, electric, water, wastewater, fiber optic utility facilities, roads, highways, bridges, and drainage systems. The net increase in LCG's investment in capital assets for the current fiscal year was negligible.

Capital Assets (Net of Depreciation)
(in millions)
October 31, 2020 and 2019

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	$ 44.5	$ 44.6	$ 24.4	$ 24.9	$ 68.9	$ 69.5
Land improvements	6.5	6.1	-	-	6.5	6.1
Buildings and improvements	98.2	99.6	0.1	0.1	98.3	99.7
Equipment	39.4	37.3	11.1	10.7	50.5	48.0
Infrastructure	368.4	381.4	-	-	368.4	381.4
Utility plant and equipment	-	-	624.3	625.4	624.3	625.4
Fiber Optics	-	-	71.0	75.6	71.0	75.6
Construction in progress	64.5	39.5	34.0	28.1	98.5	67.6
Total	$ 621.5	$ 608.5	$ 764.9	$ 764.8	$ 1,386.4	$ 1,373.3

Major capital asset events during the current fiscal year included the following:

- Continued or initiated construction of several major road improvement projects including, Kaliste Saloom Road Widening PH3-A and PH3-B, Dulles Drive Widening, Polly Lane Extension PHII, and Asphalt Street Patching, and Microsurfacing and Overlay Projects.
- Continued or initiated construction of drainage projects such as North Williams Drive Drainage Improvements, Girard Park Emergency Cross Drain replacements, and Derby Heights Drainage Improvements.
- Continued or initiated construction of building improvement projects such as the new Animal Shelter and Care Center, Fire Station #1 roof replacement, and elevator upgrades and modernization in various buildings.
- Completed various street, bridge, and drainage projects including Frem. Boustany Extension, a roundabout at Girard Park Dr. and Hospital Drive, urban street reconstruction projects, West Congress Street repairs, Bayou Carencro-Lateral 8C Drainage Improvements, and maintenance of drainage systems in several locations.
- Completion of various building improvements including the Buchanan Street Parking Garage panel removal, the Lafayette Police Mounted Patrol Horse Arena, and the Police Defensive Tactics Training Center.
- Completed various Parks & Recreation improvements such as the construction of three new pavilions at Girard Park, roof replacement at the MLK Recreation Center, a concrete replacement project at Hebert Golf Course, and a major drainage project at the Wetlands Golf Course.
- Completed Phase III painting and rehabilitation of the North Water Plant Filter Gallery.
- Completed upgrades to the SCADA (Supervisory Control and Data Acquisition) system.
- Completed sewer system upgrades at Camellia Blvd. and Republic Avenue.
- Continued equipment and service installations of new telecommunications customers.
- Continued construction of fiber infrastructure into additional subdivisions in Lafayette and the surrounding municipalities within the Parish.
- Continued network equipment upgrades to FTTx network with the availability to provide 10Gbs to residents.

Additional information on LCG's capital assets can be found in Note 8 of this report.

Long-Term Debt: At the end of the current fiscal year, LCG had total bonded debt outstanding of $743.4. Of this amount, $43.6 is comprised of debt backed by the full faith and credit of the Lafayette Parish government. The remainder of the debt represents bonds secured solely by specified revenue sources such as the Utilities System revenues, Communications System revenues and the 2% City sales tax revenues. There are no general obligation bonds outstanding for the City of Lafayette at the end of the fiscal year.

Summary of Outstanding Debt at Year-End (in millions)
October 31, 2020 and 2019

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Claims payable	$ 17.0	$ 13.6	$ -	$ -	$ 17.0	$ 13.6
Compensated absences	18.9	17.0	8.3	7.6	27.2	24.6
Other postemployment benefits	32.4	29.7	7.5	7.3	39.9	37.0
Net Pension Liability	137.4	136.6	34.6	40.7	172.0	177.3
Parish G.O. Bonds	43.6	47.0	-	-	43.6	47.0
City Sales Tax Revenue Bonds	256.3	216.6	-	-	256.3	216.6
City Certificates	2.9	3.3	-	-	2.9	3.3
Taxable Refunding Bonds	25.8	26.4	-	-	25.8	26.4
Utilities Revenue Bonds	-	-	242.2	260.1	242.2	260.1
Communications System Revenue Bonds	-	-	93.4	99.3	93.4	99.3
Lafayette Public Power Authority Revenue Bonds	-	-	79.2	83.5	79.2	83.5
Total	$534.3	$490.2	$465.2	$498.5	$999.5	$988.7

Lafayette Consolidated Government's total debt increased during the year by $10.8 predominately due to the issuance of $50 in Series 2020B and 2020D Public Improvement Sales Tax Bonds. Additionally, the Government issued Public Improvement Sales Tax Refunding Bonds, Series 2020, 2020A and Series 2020C along with Series 2020 in Taxable Limited Refunding Bonds, which resulted in an aggregate debt savings and economic gain of $2.3 and $2.2, respectively. For more information about Long-term Liabilities, see Note 15.

Standard & Poor's (S & P), Moody's and Fitch's underlying rating for LCG's obligations during fiscal year 2020 were as follows:

	Underlying Ratings		
	Moody's	S&P	Fitch
City of Lafayette Sales Tax Revenue Bonds - 1961 and 1985 Taxes	Aa3	AA	AA
Lafayette Parish General Obligation Bonds	Aa2	AA	-
City of Lafayette Utilities System Revenue Bonds	A1	AA-	-
Lafayette Public Power Authority Revenue Bonds	A1	AA-	-
City of Lafayette Utilities Communications System Revenue Bonds	A2	A+	-

Computation of the legal debt margin (in whole dollars) for general obligation bonds is as follows:

Governing Authority: City of Lafayette, Louisiana
Ad valorem Taxes:

Assessed Valuation, 2019 tax roll (FY 2020)	$1,599,085,838
Debt Limit: 10% of Assessed Valuation (for any one purpose)	$ 159,908,584
Debt Limit: 35% of Assessed Valuation (aggregate, all purposes)	$ 559,680,043

There are no outstanding bonds secured by ad valorem taxes of the City of Lafayette at this time.

Governing Authority: Parish of Lafayette, Louisiana
Ad valorem Taxes:

Assessed Valuation, 2019 tax roll (FY 2020)	$2,349,992,652
Debt Limit: 10% of Assessed Valuation (for any one purpose)	$ 234,999,265
Debt outstanding	$ 43,555,000

The Louisiana Revised Statutes limit the City's bonded debt for any one purpose to 10% of the assessed valuation including homestead exemption property and 35% for all purposes. The Parish bonded debt is limited to 10% of the assessed valuation of the taxable property for any one purpose.

Economic Factors and Next Year's Budget

Many factors were considered when preparing the fiscal year 2021 budget. The status of the Lafayette economy was assessed as well as historical revenue and expenditure trends. At the time the budget was prepared, the State of Louisiana was emerging from general stay at home orders and working through phased business reopening plans as a result of the on-going COVID-19 health crisis. While there were early indications of recovery in Lafayette as business resumed, the year to year trend analysis of retail sales and other economic indicators were not accurate for forecasting the fiscal year 2021 with any certainty. There was also the expectation of additional rises in COVID infections which would lead to reinstituting temporary business closures. The 2021 budget reflects a conservative approach to the estimate of revenues combined with stringent budgetary cuts and cost saving adjustments in response to the adverse economic impacts experienced due to the pandemic.

Total Budgeted Revenues net of interfund transfers for 2021 are $523 which represents a decrease of $24.4 (4.7%) as compared to the 2020. This decrease is primarily due to an estimated decrease in Sales Tax revenue of $21.5 and a $7.5 decrease in Utilities System revenues. Total appropriations including inter-fund transfers and capital outlay total $609 and reflects a decrease over 2020 of $23.3 or 3.8%.

In the FY 2021 budget, appropriations in the City General Fund totaled $104.8 which represents a decrease of 7.6% from FY 2020. Amounts appropriated in the FY 2021 Parish General Fund budget totaled $12.2 and represents a 5.8% decrease over FY 2020. LCG continues to diligently monitor its operations and the local economy with the expectation of reacting quickly to any further realized effects of the pandemic.

Another major revenue source to the General Fund is the Utilities System's payment in-lieu-of-tax (ILOT) which makes up 26.9% of the General Fund's revenues. The ILOT for fiscal year 2020 was $25.4.

In order to maintain financial flexibility, conserve a sufficient fund balance, and allow for the controlled use of excess fund balance, the LCG administration adopted as part of its budgetary strategy a City fund balance policy whereby a minimum maintenance level was set at 20% of annual expenditures. For FY 2021, LCG adopted a City General Fund budget with a budgeted fund balance of $28.2, which exceeds the administration's policy. The 2021 budgeted ending fund balance for the Parish General Fund is $66.8 thousand.

Request for Information

This financial report is designed to provide a general overview of the finances of Lafayette City-Parish Consolidated Government and to demonstrate accountability for monies received. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Lafayette Consolidated Government, Office of Finance and Management, P.O. Box 4017-C, Lafayette, Louisiana 70502.

Lafayette

CONSOLIDATED GOVERNMENT

Government-Wide
Financial Statements

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Statement of Net Position
October 31, 2020

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
ASSETS				
Cash and interest-bearing deposits	$ 59,925,306	$ 15,509,973	$ 75,435,279	$ 68,511,794
Investments	309,675,595	18,427,755	328,103,350	15,705,276
Receivables, net	7,648,751	29,443,179	37,091,930	12,026,483
Internal balances	218,702	(218,702)	-	-
Due from primary government/component unit	38,960	-	38,960	6,722
Due from other governmental agencies	25,846,183	6,542,374	32,388,557	12,231,037
Inventories, net	609,818	22,864,706	23,474,524	257,292
Prepaid items	513,168	877,012	1,390,180	509,571
Other assets	-	-	-	2,489,333
Note receivable	1,535,000	-	1,535,000	-
Restricted assets:				
Cash and interest-bearing deposits	-	10,307,547	10,307,547	31,289,051
Investments	-	236,026,902	236,026,902	-
Receivables	-	229,925	229,925	-
Unamortized start-up costs	-	1,235,962	1,235,962	-
Capital assets:				
Non-depreciable	108,982,656	58,366,496	167,349,152	98,634,904
Depreciable, net	512,542,505	706,528,070	1,219,070,575	107,275,541
Total assets	1,027,536,644	1,106,141,199	2,133,677,843	348,937,004
DEFERRED OUTFLOWS OF RESOURCES				
Deferred loss on bond refunding	10,114,500	13,392,916	23,507,416	3,660
Other postemployment benefits	7,043,790	1,637,242	8,681,032	35,561
Pensions	37,966,077	9,023,715	46,989,792	2,053,717
Total deferred outflows of resources	55,124,367	24,053,873	79,178,240	2,092,938
LIABILITIES				
Accounts and other payables	22,164,063	20,187,234	42,351,297	16,629,452
Due to primary government/component unit	6,722	-	6,722	38,960
Due to other governmental agencies	-	-	-	9,538
Unearned revenue	604,066	20,040	624,106	1,946,614
Customer deposits	-	9,807,918	9,807,918	393,200
Long-term liabilities:				
Portion due or payable within one year	34,137,954	2,339,261	36,477,215	1,396,038
Portion due or payable after one year	500,199,612	462,878,690	963,078,302	14,599,280
Total liabilities	557,112,417	495,233,143	1,052,345,560	35,013,082
DEFERRED INFLOWS OF RESOURCES				
Property taxes	-	-	-	2,498,172
Other postemployment benefits	2,095,523	487,079	2,582,602	19,298
Pensions	14,763,435	4,353,906	19,117,341	2,516,197
Total deferred inflows of resources	16,858,958	4,840,985	21,699,943	5,033,667
NET POSITION				
Net investment in capital assets	382,191,346	427,491,698	809,683,044	201,372,631
Restricted for (Note 21):				
Capital projects	131,577,415	-	131,577,415	30,748,024
Debt service	34,369,647	165,038,685	199,408,332	2,830,083
External legal constraints/programs	61,872,516	-	61,872,516	607,346
Unrestricted (deficit)	(101,321,288)	37,590,561	(63,730,727)	75,425,109
Total net position	$ 508,689,636	$ 630,120,944	$ 1,138,810,580	$ 310,983,193

The accompanying notes are an integral part of the basic financial statements.

Statement of Activities
For the Year Ended October 31, 2020

		Program Revenues			Net (Expense) Revenue and Changes in Net Position			
					Primary Government			
nction/Program	Expenses	Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	Component Units
imary government:								
Governmental activities -								
General government	$ 55,585,624	$ 12,314,730	$ 825,682	$ -	$ (42,445,212)	$ -	$ (42,445,212)	$ -
Public safety	87,925,351	2,721,918	23,640,407	-	(61,563,026)	-	(61,563,026)	-
Public works	41,020,158	1,047,300	8,337,041	1,475,015	(30,160,802)	-	(30,160,802)	-
Urban redevelopment and housing	1,662,715	-	1,022,008	-	(640,707)	-	(640,707)	-
Culture and recreation	27,701,257	3,955,823	-	33,548	(23,711,886)	-	(23,711,886)	-
Health and welfare	1,140,310	-	-	-	(1,140,310)	-	(1,140,310)	-
Economic opportunity	346,859	-	282,102	-	(64,757)	-	(64,757)	-
Economic development and assistance	1,041,332	-	571,340	-	(469,992)	-	(469,992)	-
Unallocated depreciation	18,889,263	-	-	-	(18,889,263)	-	(18,889,263)	-
Interest on long-term debt	11,190,201	-	55,720	-	(11,134,481)	-	(11,134,481)	-
Total governmental activities	246,503,070	20,039,771	34,734,300	1,508,563	(190,220,436)	-	(190,220,436)	-
Business-type activities -								
Electric	138,720,335	165,391,654	4,295,576	140,856	-	31,107,751	31,107,751	-
Water	19,125,301	21,206,183	-	-	-	2,080,882	2,080,882	-
Sewer	26,454,431	30,396,507	-	-	-	3,942,076	3,942,076	-
Communications system	35,810,276	43,231,439	542,123	-	-	7,963,286	7,963,286	-
Coal-fired electric plant	36,491,506	37,491,409	-	-	-	999,903	999,903	-
Solid waste collection services	15,672,014	16,834,331	-	-	-	1,162,317	1,162,317	-
CNG Service Station	162,553	233,572	-	-	-	71,019	71,019	-
Total business-type activities	272,436,417	314,785,095	4,837,699	140,856	-	47,327,233	47,327,233	-
Total primary government	$518,939,487	$334,824,866	$39,571,999	$ 1,649,419	(190,220,436)	47,327,233	(142,893,203)	-
omponent units								
Cajundome Commission	$ 6,997,949	$ 4,060,054	$ 338,744	$ 100,000				(2,499,151)
Lafayette Regional Airport	15,933,228	12,074,269	108,099	25,633,207				21,882,347
Lafayette Public Trust Financing Authority	875,333	96,732	-	-				(778,601)
Nonmajor component units	18,409,591	12,753,514	4,082,408	202,004				(1,371,665)
Total component units	$ 42,216,101	$ 28,984,569	$ 4,529,251	$25,935,211				17,232,930
		General revenues:						
		Taxes -						
		Property			86,874,509	-	86,874,509	6,330,222
		Sales			87,013,881	-	87,013,881	-
		Occupational licenses			3,165,112	-	3,165,112	-
		Insurance premium			946,801	-	946,801	-
		Franchise fees			2,480,829	-	2,480,829	-
		Interest and penalties - delinquent taxes			152,715	-	152,715	-
		Other			76,801	-	76,801	2,214,299
		Grants and contributions not restricted to specific programs			1,863,684	-	1,863,684	48,272
		Non-employer pension contributions			3,357,502	691,689	4,049,191	45,570
		Investment earnings			4,554,422	3,288,720	7,843,142	2,971,305
		Gain on sale/disposal of capital assets			19,504	4,354	23,858	25,449
		Miscellaneous			1,639,030	200,856	1,839,886	664,923
		Transfers			25,424,678	(25,424,678)	-	-
		Total general revenues and transfers			217,569,468	(21,239,059)	196,330,409	12,300,040
		Changes in net position			27,349,032	26,088,174	53,437,206	29,532,970
		Net position, beginning as restated			481,340,604	604,032,770	1,085,373,374	281,450,223
		Net position, ending			$508,689,636	$630,120,944	$1,138,810,580	$310,983,193

he accompanying notes are an integral part of the basic financial statements.

Fund Financial Statements

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Balance Sheet - Governmental Funds
October 31, 2020

	General	Sales Tax Capital Improvements	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and interest-bearing deposits	$ 13,908,120	$ 10,535,039	$ 37,956,981	$ 62,400,140
Investments	53,811,908	52,813,302	179,779,684	286,404,894
Accounts receivable, net	1,940,885	-	799,422	2,740,307
Loans receivable	-	-	3,148,978	3,148,978
Allowance for uncollectible loans	-	-	(290,948)	(290,948)
Assessments receivable	-	-	32,109	32,109
Accrued interest receivable	273,290	268,218	878,093	1,419,601
Due from other funds	5,648,768	5,354,140	3,039,435	14,042,343
Due from component units	38,960	-	-	38,960
Due from other governmental agencies	789,732	-	16,963,228	17,752,960
Inventories, at cost	-	161,176	25,953	187,129
Prepaid items	313	-	247,623	247,936
Note receivable	1,535,000	-	-	1,535,000
Total assets	$ 77,946,976	$ 69,131,875	$ 242,580,558	$ 389,659,409
LIABILITIES AND FUND BALANCES				
Liabilities:				
Cash overdraft	$ -	$ -	$ 7,247,963	$ 7,247,963
Accounts payable	681,763	778,984	3,068,689	4,529,436
Accrued salaries and benefits	5,115,237	93,039	898,375	6,106,651
Contracts payable	-	753,062	5,695,895	6,448,957
Retainage payable	-	383,881	2,103,689	2,487,570
Other payables	579,641	-	188,999	768,640
Due to other funds	712,441	500,000	12,081,254	13,293,695
Due to component units	6,722	-	-	6,722
Unearned revenue	1,877	1,953	600,236	604,066
Total liabilities	7,097,681	2,510,919	31,885,100	41,493,700
Fund balances:				
Nonspendable -				
Inventories	-	161,176	25,953	187,129
Prepaid items	313	-	247,623	247,936
Long-term note receivable	1,535,000	-	-	1,535,000
Restricted -				
Capital expenditures	-	66,459,780	115,583,302	182,043,082
Debt service	-	-	33,365,872	33,365,872
Operations and maintenance	-	-	58,150,591	58,150,591
Purpose of grantors and donors	-	-	3,311,192	3,311,192
Committed -				
Fire and police sustainability and resiliency	10,016,795	-	-	10,016,795
Operations and maintenance	-	-	13,303	13,303
Unassigned	59,297,187	-	(2,378)	59,294,809
Total fund balances	70,849,295	66,620,956	210,695,458	348,165,709
Total liabilities and fund balances	$ 77,946,976	$ 69,131,875	$ 242,580,558	$ 389,659,409

The accompanying notes are an integral part of the basic financial statements.

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
October 31, 2020

Total fund balances for governmental funds at October 31, 2020		$ 348,165,709
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. These assets consist of the following:		
Land	$ 44,456,807	
Construction in progress	64,525,849	
Land improvements, net of $3,079,406 accumulated depreciation	6,498,760	
Buildings and improvements, net of $107,876,243 accumulated depreciation	98,108,665	
Vehicles, net of $43,621,416 accumulated depreciation	22,834,263	
Movables, net of $30,907,734 accumulated depreciation	16,162,602	
Infrastructure, net of $401,110,334 accumulated depreciation	368,387,374	620,974,320
Certain receivables are not available to pay for the current period's expenditures and, therefore, are not reported in the funds		8,034,854
The deferred loss on bond refunding is not an available resource, and therefore, is not reported in the funds		10,114,500
The deferred outflows of expenditures for the OPEB and various pensions are not a use of current resources, and therefore, are not reported in the funds		45,009,867
Interest expense is accrued at year-end in the government-wide financial statements, but is recorded only if due and payable on the governmental fund financial statements		(1,242,837)
Some liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds. These liabilities consist of the following:		
Bonds and certificates of indebtedness payable	(328,511,858)	
Compensated absences payable	(18,808,248)	
Other postemployment benefits	(32,442,285)	
Net pension liability	(137,491,799)	(517,254,190)
The deferred inflows of contributions for the OPEB and various pensions are not available resources, and therefore, are not reported in in the funds		(16,858,958)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of internal service funds are included in governmental activities in the statement of net position.		11,746,371
Total net position of governmental activities at October 31, 2020		$ 508,689,636

The accompanying notes are an integral part of the basic financial statements.

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds
For the Year Ended October 31, 2020

	General	Sales Tax Capital Improvements	Other Governmental Funds	Total Governmental Funds
Revenues:				
Taxes -				
Ad valorem	$ 29,651,389	$ -	$ 57,223,120	$ 86,874,509
Sales and use	33,211,184	27,141,663	25,980,504	86,333,351
Payment in lieu of taxes:				
Utilities system	24,679,711	-	-	24,679,711
Communications system	767,904	-	-	767,904
Other	3,657,145	-	-	3,657,145
Licenses and permits	3,165,112	-	2,378,320	5,543,432
Intergovernmental -				
Federal grants	-	-	28,743,449	28,743,449
State funds:				
Parish transportation funds	-	-	1,408,012	1,408,012
State shared revenue	496,781	-	1,366,903	1,863,684
On-behalf payments	3,218,524	-	-	3,218,524
Other	117,014	-	2,722,316	2,839,330
Charges for services	10,118,260	-	5,675,794	15,794,054
Fines and forfeits	831,488	-	1,035,910	1,867,398
Investment earnings	817,617	812,820	2,607,703	4,238,140
Miscellaneous	845,260	302,691	491,079	1,639,030
Total revenues	111,577,389	28,257,174	129,633,110	269,467,673
Expenditures:				
Current -				
General government	26,748,463	647,149	24,934,936	52,330,548
Public safety	71,716,655	1,254,270	4,486,626	77,457,551
Public works	3,797,267	7,923,327	25,007,498	36,728,092
Urban redevelopment and housing	-	-	1,486,667	1,486,667
Culture and recreation	1,864	863,761	23,263,478	24,129,103
Health and welfare	41,827	-	1,026,989	1,068,816
Economic opportunity	42,869	-	282,102	324,971
Economic development and assistance	-	-	571,340	571,340
Debt service -				
Principal retirement	-	-	23,715,000	23,715,000
Interest and fiscal charges	-	-	10,872,768	10,872,768
Debt issuance costs	-	-	1,083,591	1,083,591
Capital outlay	-	14,963,108	29,771,838	44,734,946
Total expenditures	102,348,945	25,651,615	146,502,833	274,503,393
Excess (deficiency) of revenues over expenditures	9,228,444	2,605,559	(16,869,723)	(5,035,720)
Other financing sources (uses):				
Issuance of debt	-	-	50,000,000	50,000,000
Issuance of refunding debt	-	-	42,075,000	42,075,000
Premium from issuance of debt	-	-	10,303,427	10,303,427
Payment to escrow agent	-	-	(42,956,211)	(42,956,211)
Transfers in	18,844,828	1,115,017	42,349,942	62,309,787
Transfers out	(13,425,929)	(3,960,309)	(44,946,977)	(62,333,215)
Total other financing sources (uses)	5,418,899	(2,845,292)	56,825,181	59,398,788
Net change in fund balances	14,647,343	(239,733)	39,955,458	54,363,068
Fund balances, beginning	56,201,952	66,860,689	170,740,000	293,802,641
Fund balances, ending	$ 70,849,295	$ 66,620,956	$ 210,695,458	$ 348,165,709

The accompanying notes are an integral part of the basic financial statements.

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended October 31, 2020

Total net changes in fund balances at October 31, 2020 per statement of revenues, expenditures and changes in fund balances		$54,363,068
The change in net position reported for governmental activities in the statement of activities is different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay and equipment purchases which are considered expenditures on the statement of revenues, expenditures and changes in fund balances	$44,734,946	
Capital assets assigned from the Cajundome Commission	33,548	
Depreciation expense for the year ended October 31, 2020	(31,421,041)	
Loss on sale/disposal of capital assets	(494,966)	12,852,487
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds		
Sales taxes	672,443	
Non-employer pension contributions	3,357,502	4,029,945
Repayment of principal of long-term debt is recorded as expenditures in the governmental funds but reduces the liability in the statement of net position. Also governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities over multiple periods.		
Issuance of debt	(92,075,000)	
Payment to escrow agent	42,956,211	
Principal payments	23,715,000	
Original issue premium on debt issued during the fiscal year	(10,303,427)	
Net bond premium, discount amortized	2,147,340	
Loss on refunding amortized	(1,260,346)	(34,820,222)
Expenses reported in the statement of activities are recognized when liabilities are incurred; while expenditures are recognized at the fund level when cash payments are made. The amounts below represent the difference between the expenses incurred at the government-wide level and the current financial resources expended at the fund level.		
Compensated absences	(1,900,141)	
Interest expense	(120,836)	
Other postemployment benefits	(331,952)	
Pension expense	(7,315,022)	(9,667,951)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities		591,705
Total changes in net position at October 31, 2020 per statement of activities		$27,349,032

The accompanying notes are an integral part of the basic financial statements.

Lafayette
CONSOLIDATED GOVERNMENT

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Statement of Net Position - Proprietary Funds
October 31, 2020

	Business -Type Activities - Enterprise Funds					
	Utilities System	Communications System	Lafayette Public Power Authority	Other Enterprise Funds	Total	Governmental Activities Internal Service Funds
ASSETS						
CURRENT ASSETS						
Cash and interest-bearing deposits	$ 8,733,892	$ 2,695,124	$ 3,161,385	$ 919,572	$ 15,509,973	$ 4,784,617
Investments	-	-	14,000,000	4,427,755	18,427,755	23,270,701
Accounts receivable, net	25,862,770	1,513,098	2,184	2,042,640	29,420,692	480,521
Accrued interest receivable	-	-	-	22,487	22,487	118,183
Due from other funds	160,166	2,236	265,755	1,645,366	2,073,523	78,405
Due from other governmental agencies	5,979,404	562,970	-	-	6,542,374	-
Inventories, net	10,276,108	-	12,588,598	-	22,864,706	422,689
Prepaid items	1,008	525,551	350,453	-	877,012	265,232
Total current assets	51,013,348	5,298,979	30,368,375	9,057,820	95,738,522	29,420,348
NONCURRENT ASSETS						
Restricted assets:						
Cash and interest-bearing deposits	7,188,766	2,949,953	168,828	-	10,307,547	-
Investments	209,870,699	7,000,000	19,156,203	-	236,026,902	-
Receivables	203,459	-	26,466	-	229,925	-
Total restricted assets	217,262,924	9,949,953	19,351,497	-	246,564,374	-
CAPITAL ASSETS						
Land	20,611,843	398,264	201,964	3,147,688	24,359,759	-
Construction in progress	21,810,424	4,661,553	7,534,760	-	34,006,737	-
Buildings and site improvements, net	-	-	-	89,487	89,487	97,075
Equipment, net	-	-	-	1,140,726	1,140,726	453,766
Utility plant and equipment, net	518,583,256	70,977,130	115,737,471	-	705,297,857	-
Total capital assets, net	561,005,523	76,036,947	123,474,195	4,377,901	764,894,566	550,841
OTHER ASSETS						
Notes receivable - interfund loans	24,706,574	-	-	-	24,706,574	-
Unamortized start-up costs	-	1,235,962	-	-	1,235,962	-
Total other assets	24,706,574	1,235,962	-	-	25,942,536	-
Total noncurrent assets	802,975,021	87,222,862	142,825,692	4,377,901	1,037,401,476	550,841
Total assets	853,988,369	92,521,841	173,194,067	13,435,721	1,133,139,998	29,971,189
DEFERRED OUTFLOWS OF RESOURCES						
Deferred loss on bond refunding	8,464,154	3,171,471	1,757,291	-	13,392,916	-
Other postemployment benefits	1,551,300	68,580	-	17,362	1,637,242	-
Pensions	7,547,764	1,206,021	-	269,930	9,023,715	-
Total deferred outflows of resources	17,563,218	4,446,072	1,757,291	287,292	24,053,873	-

The accompanying notes are an integral part of the basic financial statements.

	Business -Type Activities - Enterprise Funds					
LIABILITIES	Utilities System	Communications System	Lafayette Public Power Authority	Other Enterprise Funds	Total	Governmental Activities Internal Service Funds
CURRENT LIABILITIES (payable from current assets)						
Cash overdraft	-	-	-	-	-	11,488
Accounts payable	8,577,184	1,523,476	1,475,626	2,239,960	13,816,246	428,897
Accrued liabilities	2,661,540	421,239	-	70,957	3,153,736	63,891
Contracts payable	1,047,223	295,102	1,563,368	-	2,905,693	-
Retainage payable	311,559	-	-	-	311,559	-
Other payables	-	-	-	-	-	28,815
Unearned revenue	20,040	-	-	-	20,040	-
Due to other funds	1,914,527	902,342	1,668	-	2,818,537	82,039
Unpaid claims liability	-	-	-	-	-	6,342,860
Compensated absences	2,060,706	201,078	-	77,477	2,339,261	106,925
Total	16,592,779	3,343,237	3,040,662	2,388,394	25,365,072	7,064,915
CURRENT LIABILITIES (payable from restricted assets)						
Customers' deposits	9,656,076	151,842	-	-	9,807,918	-
Total current liabilities	26,248,855	3,495,079	3,040,662	2,388,394	35,172,990	7,064,915
NONCURRENT LIABILITIES						
Revenue bonds payable	242,170,516	93,389,396	79,236,363	-	414,796,275	-
Notes payable - interfund loans	-	24,706,574	-	-	24,706,574	-
Claims payable	-	-	-	-	-	10,633,591
Compensated absences	5,784,580	-	-	144,322	5,928,902	-
Other postemployment benefits	7,146,381	316,408	-	80,697	7,543,486	-
Net pension liability	29,142,811	4,554,921	-	912,295	34,610,027	-
Total noncurrent liabilities	284,244,288	122,967,299	79,236,363	1,137,314	487,585,264	10,633,591
Total liabilities	310,493,143	126,462,378	82,277,025	3,525,708	522,758,254	17,698,506
DEFERRED INFLOWS OF RESOURCES						
Other postemployment benefits	461,511	20,403	-	5,165	487,079	-
Pensions	3,607,908	569,581	-	176,417	4,353,906	-
Total deferred inflows of resources	4,069,419	589,984	-	181,582	4,840,985	-
NET POSITION						
Net investment in capital assets	393,158,122	(14,476,080)	44,431,755	4,377,901	427,491,698	550,841
Restricted for:						
Debt service	140,389,105	9,798,111	14,851,469	-	165,038,685	-
Unrestricted (deficit)	23,441,798	(25,406,480)	33,391,109	5,637,822	37,064,249	11,721,842
Total net position (deficit)	$ 556,989,025	$ (30,084,449)	$ 92,674,333	$10,015,723	$ 629,594,632	$ 12,272,683

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Reconciliation of the Proprietary Funds Statement of Net Position
to the Statement of Net Position
October 31, 2020

Total net position - enterprise funds at October 31, 2020	$ 629,594,632
Total net position reported for business-type activities in the statement of net position is different because:	
The net position and liabilities of certain internal service funds are reported with business-type activities	526,312
Total net position of business-type activities at October 31, 2020	$ 630,120,944

The accompanying notes are an integral part of the basic financial statements.

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds
For the Year Ended October 31, 2020

	Business -Type Activities - Enterprise Funds					
	Utilities System	Communications System	Lafayette Public Power Authority	Other Enterprise Funds	Total	Governmental Activities Internal Service Funds
Operating revenues:						
Charges for services	$ 213,915,365	$ 41,867,397	$ 37,491,409	$ 16,730,146	$ 310,004,317	$ 36,525,830
Miscellaneous	3,078,979	1,364,042	-	337,757	4,780,778	2,002,822
Total operating revenues	216,994,344	43,231,439	37,491,409	17,067,903	314,785,095	38,528,652
Operating expenses:						
Production, collection and cost of services	87,551,122	18,824,880	28,437,953	14,915,958	149,729,913	38,323,694
Distribution and treatment	27,780,290	-	162,589	-	27,942,879	-
Administrative and general	28,167,129	3,873,898	2,744,099	791,142	35,576,268	-
Transfer to City in lieu of taxes	24,679,711	543,471	-	-	25,223,182	-
Depreciation and amortization	25,678,004	7,817,484	2,354,239	153,153	36,002,880	74,497
Total operating expenses	193,856,256	31,059,733	33,698,880	15,860,253	274,475,122	38,398,191
Operating income	23,138,088	12,171,706	3,792,529	1,207,650	40,309,973	130,461
Nonoperating revenues (expenses):						
Investment earnings	2,765,235	50,897	302,117	57,648	3,175,897	436,356
Interest expense	(8,914,681)	(4,910,415)	(2,792,626)	-	(16,617,722)	-
Gain (loss) on disposal of capital assets	(290,397)	836	-	3,518	(286,043)	19,504
Federal grant revenue	4,295,576	542,123	-	-	4,837,699	-
Hurricane/flood expenses	(5,667,070)	(716,005)	-	-	(6,383,075)	-
Non-employer pension contributions	580,344	90,909	-	20,436	691,689	-
Other, net	200,856	-	-	-	200,856	-
Total nonoperating revenues (expenses)	(7,030,137)	(4,941,655)	(2,490,509)	81,602	(14,380,699)	455,860
Income before contributions and transfers	16,107,951	7,230,051	1,302,020	1,289,252	25,929,274	586,321
Capital contributions	140,856	-	-	-	140,856	-
Transfers in	34,771	2,175	-	206	37,152	491
Transfers out	-	-	-	(14,215)	(14,215)	-
Change in net position	16,283,578	7,232,226	1,302,020	1,275,243	26,093,067	586,812
Net position (deficit), beginning	540,705,447	(37,316,675)	91,372,313	8,740,480	603,501,565	11,685,871
Net position (deficit), ending	$ 556,989,025	$ (30,084,449)	$ 92,674,333	$ 10,015,723	$ 629,594,632	$ 12,272,683

The accompanying notes are an integral part of the basic financial statements.

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Reconciliation of the Statement of Revenues, Expenses, and
Changes in Fund Net Position of Proprietary Funds
to the Statement of Activities
For the Year Ended October 31, 2020

Total net changes in net position at October 31, 2020 per statement of revenues, expenditures and changes in fund net position	$ 26,093,067
The change in net position reported for business-type activities in the statement of activities is different because:	
The net revenue (expense) of certain internal service funds are reported with business-type activities	(4,893)
Total changes in net position at October 31, 2020 per statement of activities	$ 26,088,174

The accompanying notes are an integral part of the basic financial statements.

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Statement of Cash Flows - Proprietary Funds
For the Year Ended October 31, 2020

	Business-Type Activities - Enterprise Funds					Governmental Activities
	Utilities System	Communications System	Lafayette Public Power Authority	Other Enterprise Funds	Total	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers	$213,614,991	$41,874,702	$37,491,409	$16,545,371	$309,526,473	$ 6,530,610
Receipts from insured	-	-	-	-	-	30,275,010
Payments to suppliers for goods and services	(111,781,579)	(17,430,469)	(33,645,024)	(13,326,015)	(176,183,087)	(12,414,643)
Payments to employees and for employee related costs	(25,638,902)	(3,746,083)	(413,642)	(1,305,688)	(31,104,315)	(2,507,547)
Payments for claims	-	-	-	-	-	(20,119,951)
Internal activity - payments to other funds	(24,679,711)	(543,471)	-	-	(25,223,182)	-
Other receipts	3,279,835	1,364,042	-	337,757	4,981,634	2,002,822
Net cash provided by operating activities	54,794,634	21,518,721	3,432,743	2,251,425	81,997,523	3,766,301
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Decrease in cash overdraft	-	-	-	-	-	(134,753)
Increase in customer deposits, net of refunds	304,509	43,425	-	-	347,934	-
Interest paid on customer deposits	(1,833)	-	-	-	(1,833)	-
Payments for hurricane/flood expenses	(5,667,070)	(716,005)	-	-	(6,383,075)	-
. Transfers in (out)	34,771	2,175	-	(14,215)	22,731	-
Net cash used by noncapital financing activities	(5,329,623)	(670,405)	-	(14,215)	(6,014,243)	(134,753)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Principal payments on bonds	(14,190,000)	(4,880,000)	(3,615,000)	-	(22,685,000)	-
Principal received/paid on interfund loan	979,653	(979,653)	-	-	-	-
Grants received	693,204	27,358	-	-	720,562	-
Interest paid	(11,184,001)	(5,385,794)	(3,307,455)	-	(19,877,250)	-
Purchase and construction of capital assets	(25,778,952)	(5,636,910)	(2,901,295)	(993,508)	(35,310,665)	(232,631)
Net cash used by capital and related financing activities	(49,480,096)	(16,854,999)	(9,823,750)	(993,508)	(77,152,353)	(232,631)
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest earnings	2,623,494	50,897	343,193	52,357	3,069,941	425,147
Purchases of investments	(2,672,857)	-	(1,889,563)	(1,144,080)	(5,706,500)	(3,492,325)
Net cash provided (used) by investing activities	(49,363)	50,897	(1,546,370)	(1,091,723)	(2,636,559)	(3,067,178)
Net increase (decrease) in cash and cash equivalents	(64,448)	4,044,214	(7,937,377)	151,979	(3,805,632)	331,739
Balances, beginning of the year	122,140,273	8,600,863	34,963,982	767,593	166,472,711	4,452,878
Balances, end of the year	$122,075,825	$12,645,077	$27,026,605	$ 919,572	$162,667,079	$ 4,784,617

(continued)

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Statement of Cash Flows - Proprietary Funds (Continued)
For the Year Ended October 31, 2020

	Business-Type Activities - Enterprise Funds					
	Utilities System	Communications System	Lafayette Public Power Authority	Other Enterprise Funds	Total	Governmental Activities Internal Service Funds
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES						
Operating income	$ 23,138,088	$ 12,171,706	$ 3,792,529	$ 1,207,650	$ 40,309,973	$ 130,461
Adjustments to reconcile operating income to net cash provided by operating activities:						
Depreciation and amortization	25,678,004	7,817,484	2,354,239	153,153	36,002,880	74,497
Provision for bad debts	737,667	568,157	-	203,969	1,509,793	-
Pension expense	530,229	853,256	-	13,648	1,397,133	-
Other postemployment benefits	(368,181)	43,860	-	(12,380)	(336,701)	-
Other	200,856	-	-	-	200,856	-
Change in assets and liabilities:						
Receivables	(1,038,041)	(560,852)	35,122	(388,744)	(1,952,515)	145,062
Inventories	(1,105,145)	-	(656,121)	-	(1,761,266)	(20,135)
Prepaid expenses and clearing accounts	118,012	3,993	(71,710)	-	50,295	(62,639)
Accounts payable	4,727,199	715,310	(795,711)	1,107,636	5,754,434	3,365,630
Accrued liabilities	150,865	27,938	-	-	178,803	-
Unearned revenue	2,748	-	-	-	2,748	(3,268)
Due from/to other funds	1,324,553	(137,258)	(1,225,605)	(13,321)	(51,631)	122,551
Compensated absences	697,780	15,127	-	(20,186)	692,721	14,142
Net cash provided by operating activities	$ 54,794,634	$ 21,518,721	$ 3,432,743	$ 2,251,425	$ 81,997,523	$ 3,766,301
Noncash investing, capital and financing activities:						
Decrease in fair value of investments	$ (139,572)	$ -	$ (15,668)	$ (3,704)	$ (158,944)	$ (25,698)
Gain (loss) on disposal of capital assets	$ (290,397)	$ 836	$ -	$ 3,518	$ (286,043)	$ 19,504
Cash and cash equivalents, beginning of period						
Cash - unrestricted	$ 3,509,557	$ 2,571,868	$ 4,131,949	$ 767,593	$ 10,980,967	$ 4,452,878
Investments - unrestricted	6,000,000	-	19,000,000	-	25,000,000	-
Cash - restricted	16,806,657	4,028,995	741,078	-	21,576,730	-
Investments - restricted	196,494,576	2,000,000	18,637,234	-	217,131,810	-
Less: Investments with maturity in excess of 90 days	(100,670,517)	-	(7,546,279)	-	(108,216,796)	-
Total	122,140,273	8,600,863	34,963,982	767,593	166,472,711	4,452,878
Cash and cash equivalents, end of period						
Cash - unrestricted	8,733,892	2,695,124	3,161,385	919,572	15,509,973	4,784,617
Investments - unrestricted	-	-	14,000,000	-	14,000,000	-
Cash - restricted	7,188,766	2,949,953	168,828	-	10,307,547	-
Investments - restricted	209,870,699	7,000,000	19,156,203	-	236,026,902	-
Less: Investments with maturity in excess of 90 days	(103,717,532)	-	(9,459,811)	-	(113,177,343)	-
Total	122,075,825	12,645,077	27,026,605	919,572	162,667,079	4,784,617
Net increase (decrease)	$ (64,448)	$ 4,044,214	$ (7,937,377)	$ 151,979	$ (3,805,632)	$ 331,739

The accompanying notes are an integral part of the basic financial statements.

Lafayette

CONSOLIDATED GOVERNMENT

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Statement of Fiduciary Net Position
Fiduciary Funds
October 31, 2020

	Metrocode Retirement Fund	Agency Funds
ASSETS		
Cash and interest-bearing deposits	$ -	$ 1,245,257
Investments	-	44,288
Accrued interest receivable	-	225
Total assets	-	1,289,770
LIABILITIES		
Accounts payable	-	13,806
Other payables	-	1,275,964
Total liabilities	$ -	$ 1,289,770

The accompanying notes are an integral part of the basic financial statements.

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended October 31, 2020

	Metrocode Retirement Fund
ADDITIONS	
Transfer from Codes and Permits Special Revenue Fund	$ 2,842
DEDUCTIONS	
Benefits paid	2,842
Change in net position	-
Net position, beginning	-
Net position, ending	$ -

The accompanying notes are an integral part of the basic financial statements.

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Combining Statement of Net Position - Discretely Presented Component Units
October 31, 2020

	Cajundome Commission	Lafayette Regional Airport	Lafayette Public Trust Financing Authority	Nonmajor Component Units	Total
ASSETS					
CURRENT ASSETS:					
Cash and interest-bearing deposits	$ 3,817,049	$ 42,600,282	$ 3,214,886	$ 18,879,577	$ 68,511,794
Restricted cash and interest-bearing deposits	-	-	282,675	-	282,675
Investments	-	-	14,906,165	799,111	15,705,276
Accounts receivable, net	449,597	1,946,788	8,227,756	1,402,342	12,026,483
Due from primary government	-	-	-	6,722	6,722
Due from other governmental agencies	-	10,099,457	-	2,131,580	12,231,037
Inventories	104,319	-	-	152,973	257,292
Prepaid items	-	407,752	-	101,819	509,571
Total current assets	4,370,965	55,054,279	26,631,482	23,474,124	109,530,850
NONCURRENT ASSETS:					
Restricted cash and interest-bearing deposits	-	27,155,179	-	3,851,197	31,006,376
Other assets	7,692	-	2,481,641	-	2,489,333
Net pension asset		-		-	-
Capital assets:					
Non-depreciable	-	84,320,240	64,635	14,250,029	98,634,904
Depreciable, net	-	82,600,406	2,111,420	22,563,715	107,275,541
Total noncurrent assets	7,692	194,075,825	4,657,696	40,664,941	239,406,154
Total assets	4,378,657	249,130,104	31,289,178	64,139,065	348,937,004
DEFERRED OUTFLOWS OF RESOURCES					
Deferred loss on bond refunding	-	-	-	3,660	3,660
Other postemployment benefits	-	-	-	35,561	35,561
Pensions	493,617	678,714	-	881,386	2,053,717
Total deferred outflows of resources	493,617	678,714	-	920,607	2,092,938
LIABILITIES					
CURRENT LIABILITIES:					
Accounts and other payables	679,747	13,163,882	28,688	2,757,135	16,629,452
Due to primary government	-	-	-	38,960	38,960
Due to other governmental agencies	-	-	-	9,538	9,538
Unearned revenue	1,869,193	32,668	-	44,753	1,946,614
Deposits	-	173,485	1,500	218,215	393,200
Current portion of long-term liabilities:					
Compensated absences	7,595	342,709	-	3,771	354,075
Bonds and leases payable	71,963	-	-	970,000	1,041,963
Total current liabilities	2,628,498	13,712,744	30,188	4,042,372	20,413,802
NONCURRENT LIABILITIES:					
Noncurrent portion of long-term liabilities:					
Compensated absences	130,265	-	-	471,310	601,575
Bonds and leases payable	243,632	-	-	8,567,412	8,811,044
Other postemployment benefits	-	-	-	128,217	128,217
Net pension liability	3,620,993	920,187	-	517,264	5,058,444
Total noncurrent liabilities	3,994,890	920,187	-	9,684,203	14,599,280
Total liabilities	6,623,388	14,632,931	30,188	13,726,575	35,013,082
DEFERRED INFLOWS OF RESOURCES					
Property taxes	-	336,132	-	2,162,040	2,498,172
Other postemployment benefits	-	-	-	19,298	19,298
Pensions	1,845,238	56,177	-	614,782	2,516,197
Total deferred inflows of resources	1,845,238	392,309	-	2,796,120	5,033,667
NET POSITION					
Net investment in capital assets	-	166,920,646	2,176,055	32,275,930	201,372,631
Restricted for (Note 21):					
Capital projects	2,325,636	27,155,179	-	1,267,209	30,748,024
Debt service	-	-	-	2,830,083	2,830,083
External legal constraints/programs	-	-	-	607,346	607,346
Unrestricted (deficit)	(5,921,988)	40,707,753	29,082,935	11,556,409	75,425,109
Total net position (deficit)	$ (3,596,352)	$ 234,783,578	$ 31,258,990	$ 48,536,977	$ 310,983,193

The accompanying notes are an integral part of the basic financial statements.

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Combining Statement of Activities - Discretely Presented Component Units
For the Year Ended October 31, 2020

	Cajundome Commission	Lafayette Regional Airport	Lafayette Public Trust Financing Authority	Nonmajor Component Units	Total
Expenses	$ 6,997,949	$ 15,933,228	$ 875,333	$ 18,409,591	$ 42,216,101
Program Revenues:					
Charges for services	4,060,054	12,074,269	96,732	12,753,514	28,984,569
Operating grants and contributions	338,744	108,099	-	4,082,408	4,529,251
Capital grants and contributions	100,000	25,633,207	-	202,004	25,935,211
Total program revenues	4,498,798	37,815,575	96,732	17,037,926	59,449,031
Net program revenues (expenses)	(2,499,151)	21,882,347	(778,601)	(1,371,665)	17,232,930
General revenues:					
Taxes-					
Property	-	3,806,553	-	2,523,669	6,330,222
Hotel/motel	2,214,299	-	-	-	2,214,299
Grants and contributions not restricted to specific programs	-	48,272	-	-	48,272
Non-employer pension contributions	-	15,843	-	29,727	45,570
Investment earnings	22,409	1,345,787	1,244,772	358,337	2,971,305
Gain on disposal of capital assets	-	25,449	-	-	25,449
Miscellaneous	223,962	88,332	85,274	267,355	664,923
Total general revenues	2,460,670	5,330,236	1,330,046	3,179,088	12,300,040
Change in net position	(38,481)	27,212,583	551,445	1,807,423	29,532,970
Net position (deficit), beginning as restated	(3,557,871)	207,570,995	30,707,545	46,729,554	281,450,223
Net position (deficit), ending	$ (3,596,352)	$ 234,783,578	$ 31,258,990	$ 48,536,977	$ 310,983,193

The accompanying notes are an integral part of the basic financial statements.

Lafayette

CONSOLIDATED GOVERNMENT

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Notes to the Basic Financial Statements

Index

(1) Summary of Significant Accounting Policies

The financial statements of Lafayette City-Parish Consolidated Government (the "Government") are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The accounting and reporting framework and the more significant accounting policies are described below.

A. Reporting Entity

The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Primary Government -

The Government operates under a home rule charter. The plan of government provided by the home rule charter is a President-Council form of government. The elected Mayor-President is the head of the executive branch and the elected Council (nine members) will constitute the legislative branch. The Government's operations include police and fire protection, public transportation (a Government-owned bus system), streets and drainage, parks and recreation, certain social services (including urban redevelopment and housing) and general administration services. The Government owns and operates four enterprise activities: (1) a utilities system which generates and distributes electricity and provides water and sewer services; (2) a fiber optic network which provides telephone, cable TV and internet services; (3) an environmental quality division which provides compost and solid waste disposal and other environmental services; and (4) a compressed natural gas service station which provides an alternative fuel source for both public and private vehicles.

Component Units -

Section 2100 of the 2011 Governmental Accounting Standards Board (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, "Defining the Financial Reporting Entity" establishes criteria for determining which entities should be considered a component unit and, as such, part of the reporting entity for financial reporting purposes. The basic criteria are as follows:

1. Legal status of the potential component unit including the right to incur its own debt, levy its own taxes and charges, expropriate property in its own name, sue and be sued, and the right to buy, sell and lease property in its own name.

2. Whether the primary government's governing authority (City-Parish Council or Mayor-President) appoints a majority of board members of the potential component unit and is able to impose its will on the potential component unit or the potential component unit is fiscally dependent on the primary government.

3. Financial benefit/burden relationship between the primary government and the potential component unit.

4. The nature and significance of the relationship between the potential component unit with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading.

Based on these criteria, the Government includes the component units detailed below in the financial reporting entity.

Blended Component Unit -

Lafayette Public Power Authority (LPPA) - LPPA was created by the Louisiana Legislature for the purpose of acquiring electric generating facilities in conjunction with other governmental entities or private enterprises. LPPA owns 50% of a coal-fired generating plant in Boyce, Louisiana (other owners: Cleco - 30%; Louisiana Energy and Power Authority - 20%). All energy produced from LPPA's share of the facility is sold to the Government. Lafayette Public Utilities Authority (LPUA) is LPPA's governing authority and is comprised of City-Parish Council members whose council district includes sixty percent (60%) or more of persons residing in the City of Lafayette and the Government's Director of Utilities is its Managing Director. Although it is legally separate from the Government, LPPA is reported as if it were part of the primary government because its governing body is composed of much of the governing body of the Government and all of the energy generated is sold to the Government's Utilities System.

Discretely Presented Component Units -

Downtown Development Authority - Downtown Development Authority was created by the Louisiana Legislature to implement various plans to aid and encourage both private and public development of the Lafayette Centre Development District. The Council appoints the seven members of the Authority, and the Council must also approve any development plans of the Authority. Funding is provided by an ad valorem tax. The tax began in 1993 and renewed for a period of 15 years in 2008. The Authority's fiscal year end is December 31.

Firemen's Pension and Relief Fund and Police Pension and Relief Fund - These entities were created by the Louisiana Legislature to provide retirement and disability benefits to the firemen and policemen of the City of Lafayette. During a prior fiscal year, each merged with its respective statewide system. The funds will continue to exist until all assets have been liquidated. The entities' fiscal year end is October 31.

Cajundome Commission - Cajundome Commission was created in 1987 by an intergovernmental agreement between the City of Lafayette and the University of Louisiana - Lafayette, and is responsible for overseeing the operations of the Cajundome, a multi-purpose civic center. Three of the five members of the Commission are appointed by the Government, and the Government makes an annual contribution toward the operating and capital costs of the Cajundome. The Commission's fiscal year end is October 31.

City Court of Lafayette - City Court of Lafayette was created by the special legislative act. City Court has jurisdiction to hear cases that deal with the City of Lafayette municipal ordinances, traffic violations, parking violations, and cases where the amount disputed or value of the property involved does not exceed $15,000. The City judges are elected and cannot be removed by the City-Parish officials. City Court of Lafayette is fiscally dependent on the City. The Council has the ability to modify or approve its budget, which comes from the General Fund. There are certain funds collected by City Court, pursuant to state statute, which are under the control of City Court. Financial data reported for the City Court component unit is from its separately audited financial statements for the fiscal year ended October 31.

Lafayette Regional Airport - Lafayette Regional Airport is a municipally owned, non-hub airport located on U.S. Highway 90 East in the City of Lafayette. The Airport provides passenger service through three regional carriers. The major source of revenue for the Airport is rentals on buildings, hangars, land and terminal space. The Airport is governed by a seven member, non-elected commission. Five members are appointed by the Government, one member is appointed by the Mayor-President, and one member is appointed by the mayors of the various municipalities surrounding Lafayette. The City-Parish Council has the ability to approve and/or deny each annual budget for the commission. The Airport's fiscal year end is December 31.

Lafayette Parish Waterworks District North - Lafayette Parish Waterworks District North was created under the provisions of Louisiana Revised Statutes 33:3811, for the purpose of providing potable drinking water to the rural areas of Lafayette Parish. The District is governed by a board of commissioners composed of nine members appointed by the Government. Each board of commissioners serves a four year term and cannot serve more than 12 years. The Council has the ability to impose its will by setting rates and approving the District's debt. The District's fiscal year end is December 31.

Lafayette Parish Waterworks District South - Lafayette Parish Waterworks District South was issued a charter by the State of Louisiana and a franchise from the Parish of Lafayette on October 10, 1974. The District's purpose is to provide a water system for the southern district of Lafayette Parish. The Government's Council appoints the governing body of the District. The Council has the ability to impose its will by setting rates and approving the District's debt. The District's fiscal year end is August 31.

Lafayette Public Trust Financing Authority (LPTFA) - LPTFA was formed as a public trust on January 16, 1979 pursuant to Chapter 2-A of Title 9 of the Louisiana revised statutes. The Government's Council approves the by-laws and debt issues of LPTFA. The beneficiary of the trust is the City of Lafayette. LPTFA was created to provide financing to low and moderate income families within the Parish of Lafayette. The governing body is comprised of a board of seven trustees appointed by the Government's Council. LPTFA's fiscal year end is March 31.

Lafayette Parish Bayou Vermilion District - Lafayette Parish Bayou Vermilion District is a corporate body created under Chapter 32 of Title 33 of the Louisiana Revised Statutes of 1950, comprised of R.S. 33:9201 through 33:9210. The District is governed by a Board of Commissioners composed of nine members. Two members are appointed by the chief executive officers of the incorporated municipalities of Lafayette Parish other than the City of Lafayette; one member is appointed by the chief executive officer of Lafayette Consolidated Government; three members, one of whom shall be a black citizen, shall be appointed by the governing authority of the City of Lafayette; one member shall be appointed by the chief executive officer of Lafayette Parish; and two members shall be appointed by the governing authority of Lafayette Consolidated Government.

The District's purpose is that of improving the water quality and the aesthetics of the Bayou Vermilion within the Parish of Lafayette in an effort to promote the bayou as a recreational and cultural asset to create and control a new type of viable economic development adjacent to Bayou Vermilion so as to provide a diversified economic base for the City and Parish of Lafayette and to do any and all other act which would enhance the general condition of Bayou Vermilion. The Council has the ability to impose its will on the District by approving the levying of taxes and the issuance of debt. The District's fiscal year end is December 31.

Lafayette Parish Communication District - Lafayette Parish Communication District consists of the "911" Fund, the Office of Homeland Security and Emergency Preparedness Fund, and the Communication System Management Fund. The "911" Fund was created by House Bill No. 480, Act No. 788 and signed into law July 18, 1979 for the purpose of establishing local emergency telephone response service for Lafayette Parish. The Lafayette City-Parish Council acting as the governing authority for Lafayette Parish shall determine the methods and sources of funding for the District. The Office of Homeland Security and Emergency Preparedness Fund (OHSEP) was consolidated with Lafayette Parish Communication District on November 1, 1984. Funding for OHSEP is provided by State of Louisiana Office of Homeland and Emergency Preparedness and the Government. Any revenues in excess of expenditures are refunded proportionately to the City and Parish of Lafayette at the end of each fiscal year. The Communication System Management Fund (CSMF) was established on November 1, 1986 to administer the City of Lafayette's 800 Megahertz Radio System. CSMF charges Lafayette Utilities System and surrounding communities a rental fee for radio tower usage. The City of Lafayette reimburses CSMF for excess expenditures over revenues received from tower rentals. The economic resources held by the District are a direct benefit for the citizens of Lafayette Parish. The relationship between the Government and the District is such that exclusion would cause the Government's financial statements to be incomplete. The District's fiscal year end is October 31.

Complete financial statements of the above component units that issue separate financial statements can be obtained at the office of the Legislative Auditor of the State of Louisiana, 1600 North 3rd, Baton Rouge, Louisiana 70802.

Related Organizations

The Government is responsible for appointing members of the boards of other organizations, but the Government's accountability for these organizations do not extend beyond making the appointments.

The following agencies are related organizations to the Government. Each organization's financial statements, for those that issue financial statements, can be obtained at their respective administrative offices listed as follows:

Industrial Development Board
(no financial statements)

Housing Authority of Lafayette
115 Kattie Drive
Lafayette, Louisiana 70501

Lafayette Parish Conventions and Visitors Commission
Post Office Box 52066
Lafayette, Louisiana 70505

Lafayette City-Parish Recreation Advisory Commission
(no financial statement)

Lafayette Crime Prevention Advisory Commission
(no financial statement)

Planning and Zoning Commission
(no financial statements)

Joint Ventures

The Government, in conjunction with the Lafayette Parish Sheriff's Office, has entered into an agreement to create the Lafayette Metro Narcotics Task Force (Task Force). The Task Force is solely responsible for the operations of its office. Other than certain operating expenditures that are paid or provided by the members of the joint powers agreement, the Task Force is financially independent. For 2020, the Government's operating appropriation was $64,790. The Task Force's financial statements can be obtained at the following:

Lafayette Metro Narcotics Task Force
Post Office Box 60309
Lafayette, Louisiana 70596-0309

The Acadiana Criminalistics Laboratory Commission (Acadiana Crime Lab) was created by State statute and is comprised of a 21-member board of commissioners, for which the Government has one appointment. The Acadiana Crime Lab is financed primarily through court costs with any deficit allocated on a pro rata basis to each participating Parish. For 2020, the Government's operating appropriation was $250,000. The Acadiana Crime Lab's financial statements can be obtained at the following:

Acadiana Criminalistics Laboratory Commission
5004 West Admiral Doyle
New Iberia, Louisiana 70560

Jointly Governed Organization

The Government is responsible for appointing one member of the Teche-Vermilion Fresh Water District. This appointment represents less than a voting majority of this respective board. There is no ongoing financial interest or ongoing financial responsibility for this organization.

B. Basis of Presentation

The Government's basic financial statements consist of the government-wide statements on all of the non-fiduciary activities of the primary government and its component units and the fund financial statements (individual major fund and combined nonmajor fund). The statements are prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units.

Government-Wide Financial Statements - (GWFS)

The government-wide financial statements include the statement of net position and the statement of activities for all non-fiduciary activities of the primary government and the total for its component units. As a general rule, the effect of interfund activity has been removed from these statements. Exceptions to the general rule are payments between the enterprise funds and other various functions of government for charges such as electric fees and contributions between the primary government and its component units which are reported as external transactions. These statements distinguish between the governmental and business-type activities of the Government. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties. The primary government is reported separately from the legally separate component units as detailed in the previous section.

In the government-wide statement of net position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Government's net position is reported in three parts – net investment in capital assets, restricted net position; and unrestricted net position. The Government's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

The government-wide statement of activities reports both the gross and net cost of each of the Government's functions and business-type activities. The functions are also supported by general government revenues (property taxes, sales and use taxes, certain intergovernmental revenues, etc.). The statement of activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and for various services provided and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. The net cost (by function or business-type activity) is normally covered by general revenue (property taxes, sales taxes, intergovernmental revenues, interest income, etc.).

Indirect costs are based on a study conducted by MGT of America Consulting, LLC. A Full Cost Allocation Plan is generated which allocates support services (purchasing, accounting, personnel, building maintenance, etc.) provided by the General Fund to the various City-Parish departments/funds. These costs are recorded as expenditures in the other funds and as revenue in the General Fund. Support services allocated for 2020 amounted to $392,962 for grant programs and $7,033,516 for other funds.

Fund Financial Statements - (FFS)

The fund financial statements provide information about the Government's funds, including its fiduciary funds and blended component units. Separate statements for each fund category - governmental, proprietary, and fiduciary - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

The Government reports the following major governmental funds:

General Fund -

This is the Government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The Government is required to maintain two separate general funds as follows: 1) City General Fund which accounts for resources used to finance the legally defined services of the City government; and 2) Parish General Fund which accounts for resources used to finance the legally defined services of the Parish government.

Sales Tax Capital Improvements Fund -

This fund accounts for the portion of proceeds derived from the City's sales and use tax that is dedicated for capital improvements.

The other governmental funds of the Government are considered non-major funds. They include special revenue funds which account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes, debt service funds, and capital projects funds.

The Government reports the following major enterprise funds:

Utilities System Fund -

This fund accounts for the provision of electric, water and sewer services to the residents of the City and some residents of the Parish. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collections.

Communications System Fund -

This fund accounts for the provision of wholesale fiber bandwidth to retail companies for resale and the provision of telephone, cable TV and internet services to residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collections.

Lafayette Public Power Authority (LPPA) -

This fund accounts for the operations of a coal-fired electric generation plant in Boyce, Louisiana, and the sale of energy produced to the Government. LPPA owns 50% of the total plant and accounts for 50% of total costs. The City has agreed to purchase all electric power from LPPA under the terms of a power sales contract. All activities necessary to provide such services are accounted for in LPPA, which is a blended component unit of the Government.

In addition, the Government reports the following:

Internal Service Funds -

These funds account for vehicle and transportation services, printing services, and self-insurance including medical insurance coverage provided to other departments on a cost reimbursement basis.

Metrocode Retirement Fund -

This fund accounts for monies accumulated to provide supplemental retirement benefits to two employees so that benefits to all former Metrocode employees are equitable upon retirement.

Agency Funds -

These funds account for assets held by the Government to cover estimated court costs in connection with criminal and civil suits and on behalf of other funds within the Government.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds.

The Government's internal service funds are presented in the proprietary funds financial statements. Because the principal users of the internal services are the Government's governmental activities, the financial statements of the internal services funds are consolidated into the governmental column when presented in the government-wide financial statements. To the extent possible, the cost of these services is reported in the appropriate functional activity.

The Government's fiduciary funds are presented in the fiduciary fund financial statements by type. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the Government, these funds are not incorporated into the government-wide statements.

C. Basis of Accounting

Government-wide, proprietary and fiduciary fund financial statements -

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary fund financial statements, except for agency funds, which have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Nonexchange transactions, in which the Government gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements and donations. On an accrual basis, property taxes are recognized in the year for which the taxes are levied. Revenue from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements -

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Sales taxes are considered "measurable" when in the hands of the Sales Tax Collector and are recognized as revenue at that time. Ad valorem taxes are recognized as revenue in the year for which budgeted, that is, in the year in which such taxes are billed and collected. Revenue from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. All other receivables collected within 60 days after year-end are considered available and recognized as revenue of the current year.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments and compensated absences, which are recognized to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources. Except for miscellaneous supplies warehoused at central locations and issued to operating departments as needed, purchases of various operating supplies are regarded as expenditures at the time purchased.

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Equity

Cash and Cash Equivalents

Cash includes amounts in demand deposits and on hand. For purposes of statements of cash flows, highly liquid investments (including restricted assets) with an original maturity of three months or less are considered to be cash equivalents.

The cash balances of substantially all funds and of other legally separate entities are pooled and invested by the Government for the purpose of increasing earnings through investment activities. The purpose of this consolidated account is to reduce administrative costs and provide a single cash balance available for the maximization of investment earnings. Each participating fund shares in the investment earnings according to its average cash and investment balance. The individual funds' portion of the pool's assets are presented as "Cash, Investments and Accrued Interest," as applicable based on its percentage of the total of each item. In addition, separate bank accounts have been established for certain restricted funds as required by bond indentures for related bond issues.

Investments

Under state law the Government may deposit funds with a fiscal agent organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The Government may invest in United States bonds, treasury notes and bills, government backed agency securities, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in Louisiana Asset Management Pool (LAMP), a nonprofit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool.

In accordance with professional standards, investments meeting the criteria specified in the standards are stated at fair value, which is either a quoted market price or the best estimate available. Investments which do not meet the requirements are stated at cost. These investments include overnight repurchase agreements and amounts invested in LAMP.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year end and not yet received. Major receivable balances for the governmental funds include sales and use taxes, federal and state grants.

Accounts receivable for the Utilities System Fund, Communications System Fund, and the Environmental Services Disposal Fund are reported net of an allowance. The allowance amount at October 31, 2020 was $799,310, $499,419, and $239,850 respectively.

Loans receivable in governmental funds consist of rehabilitation, first-time homebuyers loans, etc., that are generally not expected or scheduled to be collected in the subsequent year. These are reported net of allowances. The allowance amounts are reflected on the face of the financial statement, as applicable.

Interfund Receivables and Payables

Short-term cash borrowings between funds are considered temporary in nature. These amounts are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Inventories and Prepaid Items

Miscellaneous supplies warehoused at central locations are stated at cost (moving average). Building materials stockpiled for the Government's housing rehabilitation program, which supplies are eligible for grant reimbursement only when actually used in a project, are stated at average cost.

Inventories, other than fuel oil, held by the Utilities System Fund and the Internal Service Funds are stated at average cost. Fuel oil inventory in the Utilities System Fund is stated at the lower of cost or market. Coal inventory held by LPPA is stated at the lower of cost or market as determined by the average cost method.

Governmental fund type inventories are recorded under the consumption method in the fund financial statements. Appropriate allowances have been recorded for obsolete items. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Bond Premiums, Discounts, and Start-up Costs

In governmental funds, bond premiums, discounts, and issuance costs are recognized in the current period. In proprietary funds (and for governmental funds, in the government-wide statements), bond premiums and discounts are deferred and amortized over the terms of the bonds to which they apply. Also included in assets of the proprietary funds are start-up costs of the Communications System (as defined by applicable professional standards). These costs will be recovered by future rates of the Communications System and will be amortized over their cost recovery period.

Restricted Assets

Certain resources of the Utilities System Fund, Communications System Fund and LPPA are classified as restricted assets on the statement of net position because their use is limited by bond ordinances or for self-insurance purposes, or because they represent customers' deposits being held.

Capital Assets

The accounting treatment over property, plant, and equipment (capital assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements. The Government maintains a threshold level of $1,000 or more for capitalizing fixed assets.

Government-Wide Financial Statements -

In the government-wide financial statements, all governmental capital assets of City of Lafayette, Lafayette Parish Government subsequent to 1979, and Lafayette City-Parish Consolidated Government are valued at cost where historical records are available and at estimated historical cost where historical records cannot be located. All capital assets are recorded at historical cost, or estimated historical cost if actual is unavailable, except for donated assets, which are recorded at their acquisition value at the date of donation. All capital assets of Lafayette Parish Government which were purchased prior to 1980 are valued at estimate historical cost with the exception of buildings. Buildings have been recorded at insured values in effect in 1980. This basis is not in accordance with generally accepted accounting principles which require that such assets be recorded at cost or estimated historical cost. The potential differences resulting from the use of insured values as opposed to cost have been determined to be insignificant to the Government. Prior to November 1, 2001, governmental funds' infrastructure assets were not capitalized.

Capital assets in the Utilities System Fund were initially recorded on November 1, 1949 at values assigned by a survey and analysis conducted by the City's consulting engineers. Capital assets acquired since the original capitalization and all other proprietary fund capital assets are valued at historical cost.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

	Years
Buildings and improvements	8 - 40
Equipment (vehicles and movables)	3 - 20
Infrastructure	25 - 40
Utility plant and equipment	5 - 100
Acquisition adjustments	8 - 9

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Fund Financial Statements –

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

The Government capitalizes interest cost during the construction phase of major capital projects of proprietary funds. The amount of interest cost capitalized on major capital projects acquired or constructed with proceeds of restricted tax-exempt debt includes all interest cost of the borrowing less any interest earned on related interest-bearing investments purchased with proceeds of the related borrowings from the date of the borrowing until the assets are placed in service. Total interest incurred for the year ended October 31, 2020 for the proprietary funds and business-type activities was $16,617,722. The total amount for business-type activities was expensed.

Total interest incurred for the year ended October 31, 2020 for the governmental funds was $10,872,768 and for governmental activities was $11,190,201. The total amount for both the governmental funds and the governmental activities was expensed.

Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, GASB requires an entity to delay recognition of decreases in net position as expenditures until a future period. In other instances, entities are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively. At October 31, 2020, the Government's deferred outflows of resources and deferred inflows of resources are attributable to unamortized losses on bond refundings, OPEB, and pension plans.

Compensated Absences

Employees earn vacation pay in varying amounts ranging from eight hours per month to 16 hours per month, depending upon length of service. At the end of each year, annual leave may be carried forward provided the amount carried forward does not exceed an employee's annual earning rate at the time. Unused annual leave (in excess of what can be carried forward) is credited to the employee's sick leave balance. Subject to the above limitation, unused vacation is paid to an employee upon retirement or resignation at hourly rates being earned at separation.

Sick leave is accumulated at the rate of 12 days per year, and any unused sick leave may be carried forward without limitation. No sick leave is paid upon resignation. Employees separated due to retirement or deaths are paid for all accumulated sick leave at the hourly rates being earned by that employee at separation.

In the government-wide and proprietary fund financial statements, the Government accrues accumulated unpaid vacation and sick leave and associated related costs when earned (or estimated to be earned) by the employee. The current portion is the amount estimated to be used/paid in the following year. The remainder is reported as non-current. Compensated absences typically have been liquidated by the General Fund and a few other governmental funds. Claims liabilities typically have been liquidated by the internal service funds.

Long-term Obligations

The accounting treatment of long-term obligations depends on whether the obligation relates to governmental or proprietary fund obligations and whether they are reported in the government-wide or fund financial statements.

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide financial statements. The long-term obligations consists primarily of bonds payable, accrued compensated absences, and claims payable.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. These long-term obligations include claims and judgements, compensated absences, OPEB, and pension and are generally liquidated by the General Fund. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary funds is the same in the fund financial statements as it is in the government-wide financial statements.

Equity Classifications

Government-Wide Financial Statements –

Net position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. The Government reports three components as follows:

(1) Net investment in capital assets - This component consists of net capital assets reduced by the outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.

(2) Restricted net position - This component is considered restricted if its use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws or buyers of the Government's bonds. Restricted net position is restricted assets reduced by liabilities and deferred inflows of resources related to the restricted assets.

(3) Unrestricted net position - This component consists of all other net position that does not meet the definition of the above two components and is available for general use by the Government.

The government-wide statement of net position reports $392,858,263 of restricted net position of which $117,961,530 is restricted by enabling legislation.

Fund Financial Statements –

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance is further classified as follows:

(1) Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

(2) Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

(3) Committed – amounts that can be used only for specific purposes determined by a formal action of the council members. The City-Parish Council is the highest level of decision-making authority for the Government. Commitments may be established, modified, or rescinded only through ordinances approved by council members.

(4) Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the Government's adopted policy, only the City-Parish Council may assign amounts for specific purposes.

(5) Unassigned – the residual classification for the General Fund and includes amounts that are available for any purpose. Positive amounts are reported only in the General Fund.

At October 31, 2020, the governmental funds' balance sheet reports restricted fund balance for capital expenditures in the amount of $182,043,082, of which the following amounts are for encumbrances:

	Sales Tax Capital Improvements	Other Governmental Funds	Total Governmental Funds
Encumbrances	$ 10,758,822	$ 17,580,936	$ 28,339,758

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Government considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Government considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the City-Parish Council provided otherwise in its commitment or assignment actions.

Proprietary fund equity is classified the same as in the government-wide statements.

Interfund Transfers

Permanent reallocations of resources between funds of the primary government are classified as interfund transfers. For the purposes of the statement of activities, all interfund transfers between governmental funds and proprietary funds have been eliminated.

Accounting Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(2) Cash and Interest-Bearing Deposits

Under state law the Government may deposit funds with a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The Government may invest in direct obligations of the United States government, bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies and/or the United States government, and time certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

At October 31, 2020, the Government had demand deposits (book balances) totaling $86,988,083 as follows:

	Primary Government	Fiduciary Funds	Total
Interest-bearing deposits	$ 85,742,826	$ 1,245,257	$ 86,988,083

Custodial credit risk is the risk that in the event of a bank failure of a depository financial institution, the Government's deposits may not be recovered or the collateral securities that are in the possession of the outside party will not be recovered. These deposits are stated at cost, which approximates fair value. Under state law, deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The fair value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the Government or the pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties.

Deposit balances (bank balances) at October 31, 2020, are secured as follows:

Bank balances	$ 88,403,661
Federal deposit insurance	$ 250,000
Pledged securities	88,153,661
Total federal deposit insurance and pledged securities	$ 88,403,661

Deposits in the amount of $88,153,661 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging institution's trust department or agent, but not in the Government's name. The Government does not have a policy for custodial credit risk.

(3) Investments

As of October 31, 2020, the Government's investments were as follows:

Investment Type	
Primary Government:	
Repurchase agreements	$ 77,395,152
U.S. Treasuries	351,337,046
U.S. Instrumentalities	131,692,121
LAMP	3,705,933
Total primary government	564,130,252
Fiduciary Funds:	
Repurchase agreements	2,890
U.S. Treasuries	28,469
U.S. Instrumentalities	12,377
LAMP	552
Total fiduciary funds	44,288
Total investments	$ 564,174,540

The Government participates in Louisiana Asset Management Pool (LAMP). LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide safe environment for the placement of public funds in short-term, high quality investments. The financial statements for LAMP may be accessed on their website (https://www.lamppool.com). The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA – R.S. 33:2955. The following provides information that is relevant to LAMP:

Credit risk: LAMP is rated AAAm by Standard & Poor's.

Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.

Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.

Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosures using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 or 762 days for U.S. Government variable rate investments. The WAM for LAMP's total investments is 45 days as of October 31, 2020.

The investments of LAMP are stated at fair value which is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pooled shares. LAMP is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

The following provides information about interest rate risk associated with the Government's investments:

Primary Government:

Investment Type	% of Portfolio	Investment Maturities: Fair Value	Less Than One Year	One - Five Years
Repurchase agreements	14%	$ 77,395,152	$ 77,395,152	$ -
U.S. Treasuries	62%	351,337,046	321,648,825	29,688,221
U.S. Instrumentalities	23%	131,692,121	88,942,072	42,750,049
State Investment Pool (LAMP)	1%	3,705,933	3,705,933	-
Total	100%	$ 564,130,252	$ 491,691,982	$ 72,438,270

Fiduciary Funds:

Investment Type	% of Portfolio	Investment Maturities: Fair Value	Less Than One Year	One - Five Years
Repurchase agreements	7%	$ 2,890	$ 2,890	$ -
U.S. Treasuries	64%	28,469	24,046	4,423
U.S. Instrumentalities	28%	12,377	12,377	-
State Investment Pool (LAMP)	1%	552	552	-
Total	100%	$ 44,288	$ 39,865	$ 4,423

Credit rate risk: The risks are managed by restricting investments to those authorized by R.S. 33:5162. The Government's Investment Policy limits investments to fully insured and/or fully-collateralized certificates of deposits and direct and indirect obligations of U.S. government agencies. The Government's investments in U.S. Treasuries and U.S. Instrumentalities were rated AA+ by Standard and Poor's and repurchase agreements were not rated.

Concentration of credit risk: R.S. 33:2955 provides that all fixed income investments be appropriately diversified by maturity, security, sector, and credit quality. At October 31, 2020, no more than 5 percent of the Government's total investments were invested in any single issue.

Custodial Credit Risk - In the event of the failure of the counterparty, the Government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Government's investment policy requires all investments to be in the Government's name and all ownership securities to be evidenced by an acceptable safekeeping receipt issued by a third-party financial institution which is acceptable to the Government. Accordingly, the Government had no custodial credit risk related to its investments.

In accordance with GASB Statement No. 31, the Government recognized a net decrease in the fair value of investments in the amount of $338,258 and $0 for the primary government and fiduciary funds, respectively. This amount takes into account all changes in fair value that occurred during the year. The unrealized gain on investments held at October 31, 2020 was $459,944 and $0 for the primary government and fiduciary funds, respectively.

(4) Receivables

At October 31, 2020, receivables consist of the following:

	Governmental Activities	Business-type Activities	Total Primary Government	Component Units
Accounts, net	$ 3,220,828	$ 29,420,692	$ 32,641,520	$ 1,865,206
Loans receivable, net	2,858,030	-	2,858,030	7,535,128
Ad valorem taxes	-	-	-	1,822,583
Assessments	32,109	-	32,109	-
Accrued interest	1,537,784	22,487	1,560,271	374,172
Other	-	-	-	429,394
	$ 7,648,751	$ 29,443,179	$ 37,091,930	$ 12,026,483

(5) Ad Valorem Taxes

Fund financial statements -

City of Lafayette:

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the City in April or May and are billed to taxpayers in November. The taxes are levied for the period of November 1 through October 31. Billed taxes become delinquent on January 1 of the year following the year they attach as an enforceable lien. Revenues from ad valorem taxes are budgeted and recognized as revenue in the year billed. The City bills and collects its own property taxes using the assessed values determined by the Tax Assessor of Lafayette Parish.

For the year ended October 31, 2020, taxes of 17.94 mills were levied on property with net assessed valuations totaling $1,599,085,838 and were dedicated as follows:

General corporate purposes	5.42 mills
Maintenance of public streets	1.29 mills
Maintenance of public buildings	1.13 mills
Recreation and parks	1.92 mills
Maintenance and operation of fire and police departments	8.18 mills

Total taxes levied were $28,687,671. Taxes receivable at October 31, 2020 totaled $1,208,245, all of which is considered uncollectible. Therefore, an allowance for uncollectible taxes was established for the entire balance, resulting in net taxes receivable of $0.

Lafayette Parish:

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. During the current fiscal year, taxes were levied by Lafayette Parish in August of 2019 and were billed to the taxpayers by the Assessor in November of 2019 for the period November 1, 2019 through October 31, 2020. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. Taxes are budgeted and the revenue recognized in the year following the assessment, which is the year for which the taxes are levied.

The taxes are based on assessed values determined by the Tax Assessor of Lafayette Parish and are collected by the Sheriff. The taxes are remitted net of deductions for Pension Fund contributions. For the year ended October 31, 2020, taxes of 27.96 mills were levied on property with net assessed valuations totaling $2,349,992,652 and were dedicated as follows:

General corporate purposes, in city	1.52 mills
General corporate purposes	3.05 mills
Maintenance of buildings, drainage, roads, and bridges	17.83 mills
Debt service contingency	2.00 mills
Combined public health	2.21 mills
Storm water management	1.10 mills
Cultural Economy	0.25 mills

Total taxes levied during 2019 for 2020, exclusive of homestead exemptions, were $59,159,059. Taxes receivable at October 31, 2020 totaled $982,447, all of which is considered uncollectible. Therefore, an allowance for uncollectible taxes was established for the entire balance, resulting in net taxes receivable of $0.

Government-wide financial statements -

Property taxes are recognized in the year for which they are levied, net of uncollectible amounts, as applicable.

(6) Due From Other Governmental Agencies

Amounts due from other governmental agencies consist of the following at October 31, 2020:

Fund financial statements:	
Governmental funds -	
Lafayette Parish School Board:	
Sales and use taxes collected but not remitted	$ 8,339,793
Federal Grant funds	5,644,176
State of Louisiana:	
Federal pass-through grant funds	3,246,879
State grant funds	448,047
Other	74,065
Total amount reported in governmental funds	$ 17,752,960

Proprietary funds -	
FEMA grant funds	$ 6,542,374
Government-wide financial statements:	
Total amount reported in governmental funds	$ 17,752,960
Total amount reported in proprietary funds	6,542,374
Additional sales and use taxes due from Lafayette Parish School Board	8,093,223
	$ 32,388,557

(7) Restricted Assets - Enterprise Funds

Restricted assets of Utilities System Fund consist of the following at October 31, 2020:

Bond reserve fund	$ 17,323,575
Capital additions and contingencies fund	123,065,530
Bond construction fund	67,217,743
Customers' deposits	9,656,076
Total	$ 217,262,924

Restricted assets of Communications System Fund consist of the following at October 31, 2020:

Capital additions and contingencies fund	$9,798,111
Customers' deposits	151,842
Total	$9,949,953

Restricted assets of LPPA consist of the following at October 31, 2020:

Bond reserve fund	$ 9,568,118
Capital additions and contingencies	5,283,351
Fuel cost stability fund	4,500,028
Total	$ 19,351,497

(8) Capital Assets

Capital assets activity for the year ended October 31, 2020 was as follows:

	Balance 11/01/19	Additions	Deletions	Balance 10/31/20
Governmental activities:				
Capital assets not being depreciated:				
Land	$ 44,569,822	$ 14,526	$ 127,541	$ 44,456,807
Construction in progress	39,491,923	31,175,928	6,142,002	64,525,849
Other capital assets:				
Land improvements	8,815,196	762,970	-	9,578,166
Buildings and improvements	204,409,530	3,074,862	335,661	207,148,731
Vehicles	65,207,712	6,517,324	4,579,318	67,145,718
Movables	45,707,107	3,728,146	1,461,293	47,973,960
Infrastructure	763,603,762	5,893,946	-	769,497,708
Totals	1,171,805,052	51,167,702	12,645,815	1,210,326,939
Less accumulated depreciation				
Land improvements	2,687,190	392,216	-	3,079,406
Buildings and improvements	104,786,646	4,454,717	298,372	108,942,991
Vehicles	44,271,803	4,287,658	4,488,519	44,070,942
Movables	29,343,797	3,471,684	1,217,376	31,598,105
Infrastructure	382,221,071	18,889,263	-	401,110,334
Total accumulated depreciation	563,310,507	31,495,538	6,004,267	588,801,778
Governmental activities, capital assets, net	$ 608,494,545	$ 19,672,164	$ 6,641,548	$ 621,525,161
Business-type activities:				
Capital assets not being depreciated:				
Land	$ 24,928,454	$ 126,449	$ 695,144	$ 24,359,759
Construction in progress	28,137,472	34,919,731	29,050,466	34,006,737
Other capital assets:				
Buildings and improvements	2,564,029	-	-	2,564,029
Electric plant	861,279,444	18,678,004	2,199,301	877,758,147
Water plant	166,803,279	4,537,590	95,481	171,245,388
Sewer plant	254,182,602	3,646,711	407,964	257,421,349
Fiber optics	164,776,261	3,149,648	836,885	167,089,024
Equipment	17,033,894	990,613	29,991	17,994,516
Totals	1,519,705,435	66,048,746	33,315,232	1,552,438,949
Less accumulated depreciation				
Buildings and improvements	2,468,728	5,814	-	2,474,542
Electric plant	483,073,956	17,377,075	1,951,266	498,499,765
Water plant	78,880,172	4,316,305	87,265	83,109,212
Sewer plant	94,868,008	5,959,393	342,354	100,485,047
Fiber optics	89,200,365	7,713,983	802,453	96,111,895
Equipment	6,367,131	526,782	29,991	6,863,922
Total accumulated depreciation	754,858,360	35,899,352	3,213,329	787,544,383
Business-type activities, capital assets, net	$ 764,847,075	$ 30,149,394	$ 30,101,903	$ 764,894,566

Depreciation expense was charged to governmental activities as follows:

General government	$ 2,115,323
Public safety	3,717,711
Public works	2,939,292
Urban redevelopment and housing	20,619
Culture and recreation	3,192,803
Health and welfare	79,980
Economic opportunity	1,706
Economic development and assistance	464,344
Internal service funds	74,497
Infrastructure depreciation is unallocated	18,889,263
Total	$ 31,495,538

Depreciation expense was charged to business-type activities as follows:

Electric	$ 17,268,212
Water	4,316,305
Wastewater	5,959,393
Fiber optics	7,713,983
Coal-fired electric plant	488,306
Solid waste collection services	153,153
Total	$ 35,899,352

Construction in progress for the governmental activities is comprised of the following:

Fund type/Funding source/ Project type:	Project Authorization	Capitalized to Date	Construction in Progress	Remaining Authorized
Capital Projects Funds:				
Bond proceeds-				
Streets and drainage projects	$ 112,454,716	$ 5,857,509	$ 46,815,380	$ 59,781,827
Parks and recreation	2,700,999	132,012	1,075,101	1,493,886
Building improvements	2,200,000	-	495,742	1,704,258
	117,355,715	5,989,521	48,386,223	62,979,971
Other sources-				
Building improvements	138,480	-	20,843	117,637
Streets and drainage projects	24,284,387	6,626,588	3,334,518	14,323,281
	24,422,867	6,626,588	3,355,361	14,440,918
Other Governmental Funds:				
Other sources-				
Building improvements	28,000,000	6,775,481	4,433,990	16,790,529
Streets and drainage projects	38,962,052	8,802,526	8,350,275	21,809,251
	66,962,052	15,578,007	12,784,265	38,599,780
Total	$ 208,740,634	$ 28,194,116	$ 64,525,849	$ 116,020,669

Construction in progress for the business-type activities is comprised of the following:

Funding source/ Project type:	Project Authorization	Capitalized to Date	Construction in Progress	Remaining Authorized
Equity-				
Electric plant	$ 52,336,581	$ 16,451,536	$ 14,921,909	$ 20,963,136
Water plant	17,664,285	5,260,923	2,286,862	10,116,500
Sewer plant	32,426,308	10,182,669	9,146,464	13,097,175
Fiber optics	14,691,407	7,458,783	4,661,553	2,571,071
	117,118,581	39,353,911	31,016,788	46,747,882
Bond proceeds-				
Electric plant	40,773,654	920,225	2,516,994	37,336,435
Water	9,250,000	710,000	293,625	8,246,375
Sewer	16,750,000	124,200	179,330	16,446,470
	66,773,654	1,754,425	2,989,949	62,029,280
Total	$ 183,892,235	$ 41,108,336	$ 34,006,737	$108,777,162

(9) Accounts and Other Payables

Accounts and other payables consist of the following at October 31, 2020:

	Governmental Activities	Business-type Activities	Total Primary Government	Component Units
Accounts	$ 5,016,702	$ 13,816,246	$ 18,832,948	$15,722,393
Accrued liabilities	6,170,542	3,153,736	9,324,278	331,028
Contracts	6,448,957	2,905,693	9,354,650	-
Retainage	2,487,570	311,559	2,799,129	521,238
Accrued interest	1,242,837	-	1,242,837	54,793
Other	797,455	-	797,455	-
	$ 22,164,063	$ 20,187,234	$ 42,351,297	$16,629,452

(10) Interfund Receivables and Payables

Interfund receivables and payables at October 31, 2020 consist of the following:

	Due from	Due to
Major funds:		
General Fund	$ 5,648,768	$ 712,441
Sales Tax Capital Improvements	5,354,140	500,000
Nonmajor governmental funds:		
Special revenue funds	2,341,693	10,523,872
Debt service funds	697,742	1,355,586
Capital projects funds	-	201,796
Enterprise funds:		
Utilities System	160,166	1,914,527
Communications System	2,236	902,342
Lafayette Public Power Authority	265,755	1,668
Nonmajor enterprise funds	1,645,366	-
Internal service funds	78,405	82,039
	$ 16,194,271	$ 16,194,271

These balances resulted from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur and payments between funds are made.

(11) Receivables and Payables Between Primary Government and Component Units

Balances at October 31, 2020 consist of the following:

	Receivable	Payable
Primary Government:		
General Fund	$ 38,960	$ 6,722
Component Units:		
Lafayette Parish Communication District	6,722	38,960
	$ 45,682	$ 45,682

(12) Interfund Transfers

Interfund transfers for the year ended October 31, 2020 consist of the following:

	Transfers In	Transfers Out
Major funds:		
General Fund	$ 18,844,828	$ 13,425,929
Sales Tax Capital Improvements	1,115,017	3,960,309
Nonmajor governmental funds:		
Special revenue funds	33,278,404	41,590,001
Debt service funds	8,019,253	2,007,933
Capital projects funds	1,052,285	1,349,043
Enterprise funds:		
Utilities System	34,771	-
Communications System	2,175	-
Other enterprise funds	206	14,215
Internal service fund:		
Central Vehicle Maintance Fund	491	-
	$ 62,347,430	$ 62,347,430

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund required, and (3) use unrestricted revenues collected in one fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

(13) Transactions Between Primary Government and Discretely Presented Component Units

The following transactions between the primary government and its discretely presented component units for the year ended October 31, 2020 are reported as external transactions in the government-wide statement of activities:

Governmental activities:	
Transfer to Cajundome Commission to subsidize operations	$ (338,744)
Transfer from Cajundome Commission for assignment of capital assets	33,548
Transfer to Firemen's Pension and Relief Fund to subsidize operations	(452,151)
Transfer to Police Pension and Relief Fund to subsidize operations	(422,656)
Transfer to Lafayette Parish Communications District for tower rental	(6,722)
Transfer to Lafayette Parish Communications District to fund operations of the Office of Emergency Preparedness	(117,498)
Transfer from Downtown Development Authority to help fund road and bridge maintenance	8,022
Total	$(1,296,201)

(14) Interfund Loans – Notes Receivable/Notes Payable

In addition to the sale of Bonds to finance the Communication's fiber optics infrastructure, the Communications System entered into various notes payable to the Utilities System for costs associated with the start-up of the new Communications System which were advanced by the Utilities System. In accordance with La. R.S. 45:844.52(C) (2), funds advanced by the Utilities System Fund for start-up costs of the Communications System must be repaid at interest rates and on terms and conditions available to private enterprises in the open market. The total of the notes is reported as interfund loans – notes receivable in the Utilities System Fund and as interfund loans – notes payable in the Communications System Enterprise Fund.

Note Payable - Fiber Assets - This note covers the reimbursement to the Utilities System for the transfer of its fiber optic network, including various related vehicles and equipment, and its fiber inventory to the Communications System Enterprise Fund. The note payable in the amount of $12,472,187 is payable in 20 years with annual payments ranging from $50,000 through $1,226,599 including interest at 3.25%. As of October 31, 2020, the outstanding principal balance was $11,972,187.

Note Payable - Start-up Costs – This note covers funds advanced by the Utilities System for Start-up costs. Start-up costs include legal, engineering, and other professional services, cost of a feasibility study, bond ratings, and other costs associated with obtaining financing occurred during the period of July 7, 2004 through June 28, 2007. The note payable in the amount of $3,500,891 is payable in 20 years with annual payments ranging from $50,000 through $308,220 including interest at 3.25%. As of October 31, 2020, the outstanding principal balance was $3,008,377.

Notes Payable - Imputed Taxes - These notes cover the amount for imputed taxes which are obligated to be included in its rates an amount equal to all taxes, fees, and other assessments that would be applicable to a similarly situated private provider of the same services in accordance with the Louisiana Public Service Commission (LPSC) Cost Allocation and Affiliate Transaction Rules as adopted by the LPSC on September 14, 2005. The applicable imputed taxes include: property, franchise, and sales taxes. The note payable for 2009 and 2010 imputed taxes is $3,139,464, payable in 20 years with annual payments ranging from $50,000 through $273,418, including interest at 3.25%. As of October 31, 2020, the outstanding principal balance was $2,668,688.

The note payable for 2011 imputed taxes is $1,571,967, payable in 20 years with annual payments ranging from $25,000 through $136,924, including interest at 3.25%. The note payable for 2012 imputed taxes is $1,202,261, payable in 20 years with annual payments ranging from $25,000 through $97,488, including interest at 3.25%. As of October 31, 2020, the outstanding principal balances were $1,336,445 and $1,012,415 for 2011 and 2012 imputed taxes, respectively.

Note Payable - 2011 Operating Loan – This note payable provides additional funds for operations. The note payable in the amount of $5,836,390 is payable in 20 years with annual payments ranging from $50,000 through $453,387, including interest at 3.25%. As of October 31, 2020, the outstanding principal balance was $4,708,462.

The annual debt service requirements to maturity of these loans at October 31, 2020 follows:

Year	Principal	Interest	Total
2021	$ -	$ 401,481	$ 401,481
2022	1,607,613	776,839	2,384,452
2023	1,671,919	723,548	2,395,467
2024	1,738,795	668,124	2,406,919
2025	1,808,348	610,481	2,418,829
2026 - 2030	10,186,379	2,103,796	12,290,175
2031 - 2034	7,693,520	416,933	8,110,453
	$24,706,574	$ 5,701,202	$30,407,776

(15) Long-Term Liabilities

Primary Government

City of Lafayette:

Revenue Bonds - The City issued bonds/certificates which are repaid from specific revenue sources, either sales taxes or income derived from proprietary funds. Proceeds are used for the acquisition and construction of major capital facilities of both governmental and business-type activities. The bonds expected to be paid from business-type revenues are reported in the proprietary funds. Revenue bonds have also been issued to refund other revenue bonds.

Direct Placement Sales Tax Refunding Bonds/Certificates of Indebtedness - The City issued bonds/certificates which are repaid from specific revenue sources, either sales taxes or excess revenues. These refunding bonds/certificates are secured by an irrevocable pledge and dedication of the proceeds of the special one percent sales and use tax/excess revenues. There are no significant events of default or termination with finance-related consequences associated with these refunding bonds/certificates.

Taxable Refunding Bonds - The City issued taxable refunding bonds to refund the outstanding notes with the Firefighters and Municipal Police Employees Retirement Systems. The Bonds are secured by and payable solely from a pledge and dedication of the excess of annual revenue above statutory, necessary and usual charges in each of the fiscal years during which the Bonds are outstanding.

Lafayette Parish Government:

General Obligation Bonds/Certificates of Indebtedness - The Parish issues general obligation bonds/certificates to provide funds for the acquisition and construction of major capital facilities. These bonds are direct obligations and pledge the full faith and credit of the Parish.

Long-term liabilities outstanding at October 31, 2020 is as follows:

	Issued Amount	Issue Date	Maturity Date	Interest Rates	Balance Outstanding
Governmental activities:					
City of Lafayette -					
Sales tax revenue bonds:					
1961 Sales Tax	$ 16,665,000	06/01/11	03/01/26	2.00 - 5.00	$ 385,000
	7,960,000	12/08/11	03/01/27	2.00 - 5.00	4,265,000
	11,445,000	06/01/12	03/01/28	2.00 - 4.00	3,345,000
	15,690,000	06/21/13	03/01/38	2.00 - 5.00	12,660,000
	17,060,000	10/17/14	03/01/30	3.00 - 5.00	12,790,000
	23,930,000	12/05/14	03/01/24	5.00	10,975,000
	12,915,000	02/26/16	03/01/32	2.00 - 4.00	10,805,000
	11,460,000	07/27/17	03/01/32	3.00 - 5.00	10,165,000
	20,175,000	12/06/18	03/01/33	3.00 - 5.00	18,995,000
	2,940,000	09/18/20	03/01/34	4.00	2,940,000
	7,800,000	09/18/20	03/01/45	.562 - 1.744	7,800,000
	25,000,000	09/18/20	03/01/45	3.00 - 5.00	25,000,000
					120,125,000
	Direct placement-				
	3,550,000	12/18/15	03/01/25	2.43	2,430,000
Total 1961 Sales Tax					122,555,000
1985 Sales Tax	12,150,000	06/01/11	05/01/26	2.00 - 4.25	385,000
	11,390,000	12/08/11	05/01/27	2.00 - 5.00	6,180,000
	13,710,000	06/01/12	05/01/28	2.00 - 5.00	8,640,000
	1,825,000	10/17/14	05/01/30	2.00 - 5.00	1,315,000
	11,825,000	02/06/15	05/01/24	5.00	4,175,000
	21,745,000	02/26/16	05/01/25	3.00 - 5.00	10,210,000
	18,580,000	12/06/18	05/01/34	3.00 - 5.00	17,465,000
	26,070,000	04/11/19	05/01/44	3.00 - 5.00	26,070,000
	5,500,000	09/18/20	05/01/45	.562 - 1.744	5,500,000
	25,000,000	09/18/20	05/01/45	3.00 - 5.00	25,000,000
					104,940,000
	Direct placement-				
	1,740,000	02/26/16	05/01/32	2.63	1,440,000
Total 1985 Sales Tax					106,380,000
Total sales tax revenue bonds					228,935,000
Taxable refunding bonds:					
Series 2020	25,835,000	09/18/20	05/01/32	.482 - 1.824	25,835,000
Direct Placement:					
Certificates of Indebtedness-Series 2011	6,000,000	05/11/11	05/01/26	3.65	2,865,000
Total City of Lafayette					257,635,000

(continued)

	Issued Amount	Issue Date	Maturity Date	Interest Rates	Balance Outstanding
(Continued)					
Lafayette Parish Government -					
General obligation bonds:					
Series 2010	26,000,000	01/12/11	03/01/35	2.00 - 5.00	18,935,000
Series 2010	12,785,000	01/12/11	03/01/26	2.00 - 5.00	6,085,000
Series 2012	16,315,000	05/03/12	03/01/28	2.00 - 4.00	10,450,000
Series 2014	11,045,000	06/24/14	03/01/30	2.00 - 5.00	8,085,000
Total Lafayette Parish Government					43,555,000
Unamortized bond premiums, net of discounts					27,321,858
Total bond indebtedness					328,511,858
Other liabilities:					
Compensated absences					18,915,173
Claims payable					16,976,451
Other postemployment benefits					32,442,285
Net pension liability					137,491,799
Total other liabilities					205,825,708
Total governmental activities liabilities					$ 534,337,566
Business-type activities:					
City of Lafayette -					
Utilities revenue bonds:					
Series 2012	153,960,000	01/11/13	11/01/28	4.00 - 5.00	$ 99,290,000
Series 2017	59,465,000	10/13/17	11/01/35	4.00 - 5.00	59,465,000
Series 2019	58,065,000	05/01/19	11/01/44	3.00 - 5.00	56,860,000
Total					215,615,000
Unamortized bond premiums, net of discounts					26,555,516
Total Utilities revenue bonds					242,170,516
Communications system revenue bonds:					
Series 2012A	7,595,000	01/26/12	11/01/31	4.00 - 5.00	7,595,000
Series 2012B	7,000,000	01/26/12	11/01/31	5.00 - 6.00	7,000,000
Series 2015	91,600,000	07/22/15	11/01/31	2.00 - 5.00	72,665,000
Total					87,260,000
Unamortized bond premiums, net of discounts					6,129,396
Total Communications system revenue bonds					93,389,396
LPPA revenue bonds:					
Series 2012	65,100,000	12/21/12	11/01/32	3.00 - 5.00	44,935,000
Series 2015	29,035,000	11/13/15	11/01/32	2.00 - 5.00	26,390,000
Total					71,325,000
Unamortized bond premiums, net of discounts					7,911,363
Total LPPA revenue bonds					79,236,363
Total bond indebtedness					414,796,275
Compensated absences					8,268,163
Other postemployment benefits					7,543,486
Net pension liability					34,610,027
Total business-type activities liabilities					$ 465,217,951

Changes in Long-Term Liabilities

The following is a summary of changes for the year ended October 31, 2020:

	Balance 11/01/19	Additions	Reductions	Balance 10/31/20	Due Within One Year
Governmental activities:					
City of Lafayette -					
Sales tax revenue bonds	$ 192,900,000	$ 66,240,000	$ 34,075,000	$ 225,065,000	$ 16,390,000
Taxable refunding bonds	26,365,000	25,835,000	26,365,000	25,835,000	-
Direct placement:					
Sales tax refunding bonds	4,250,000	-	380,000	3,870,000	395,000
Certificates of Indebtedness	3,275,000	-	410,000	2,865,000	430,000
Lafayette Parish -					
General obligation bonds	46,960,000	-	3,405,000	43,555,000	3,565,000
Other liabilities:					
Compensated absences	17,000,890	9,564,700	7,650,417	18,915,173	7,015,094
Claims liabilities	13,640,769	20,488,066	17,152,384	16,976,451	6,342,860
Other postemployment benefits	29,758,380	4,742,492	2,058,587	32,442,285	-
Net pension liability	136,595,877	27,458,609	26,562,687	137,491,799	-
	470,745,916	154,328,867	118,059,075	507,015,708	$ 34,137,954
Unamortized bond premiums	19,485,417	10,303,428	2,466,987	27,321,858	
Governmental activities long-term liabilities	$ 490,231,333	$ 164,632,295	$ 120,526,062	$ 534,337,566	
Business-type activities:					
Utilities revenues bonds:					
Series 2010	$ 2,960,000	$ -	$ 2,960,000	$ -	$ -
Series 2012	109,315,000	-	10,025,000	99,290,000	-
Series 2017	59,465,000	-	-	59,465,000	-
Series 2019	58,065,000	-	1,205,000	56,860,000	-
	229,805,000	-	14,190,000	215,615,000	-
Unamortized bond premiums	30,325,258	-	3,769,742	26,555,516	
Total	260,130,258	-	17,959,742	242,170,516	
Communications revenue bonds:					
Series 2012 A	7,595,000	-	-	7,595,000	-
Series 2012 B	7,000,000	-	-	7,000,000	-
Series 2015	77,545,000	-	4,880,000	72,665,000	-
	92,140,000	-	4,880,000	87,260,000	-
Unamortized bond premiums	7,154,032	-	1,024,636	6,129,396	
Total	99,294,032	-	5,904,636	93,389,396	
LPPA revenue bonds:	74,940,000	-	3,615,000	71,325,000	-
Unamortized bond premium	8,521,528	-	610,165	7,911,363	
Total	83,461,528	-	4,225,165	79,236,363	
Compensated absences	7,575,442	2,863,470	2,170,749	8,268,163	2,339,261
Other postemployment benefits	7,341,176	2,665,271	2,462,961	7,543,486	-
Net pension liability	40,724,965	1,272,390	7,387,328	34,610,027	-
Business-type activities long-term liabilities	$ 498,527,401	$ 6,801,131	$ 40,110,581	$ 465,217,951	$ 2,339,261

The annual debt service requirements to maturity of all bonds outstanding follows:

City of Lafayette –

	Sales Tax Revenue Bonds		
Year Ended October 31	Principal	Interest	Total
2021	$ 16,390,000	$ 7,023,035	$ 23,413,035
2022	15,280,000	8,397,709	23,677,709
2023	15,625,000	7,679,594	23,304,594
2024	14,455,000	6,975,677	21,430,677
2025	13,745,000	6,430,452	20,175,452
2026 - 2030	61,765,000	24,774,568	86,539,568
2031 - 2035	36,795,000	15,085,481	51,880,481
2036 - 2040	25,535,000	8,784,600	34,319,600
2041 - 2045	25,475,000	3,325,900	28,800,900
	$ 225,065,000	$ 88,477,016	$ 313,542,016

	Direct Placement Sales Tax Refunding Bonds		
Year Ended October 31	Principal	Interest	Total
2021	$ 395,000	$ 74,401	$ 469,401
2022	405,000	83,478	488,478
2023	715,000	69,660	784,660
2024	745,000	51,771	796,771
2025	705,000	33,995	738,995
2026 - 2030	625,000	87,448	712,448
2031 - 2032	280,000	11,046	291,046
	$ 3,870,000	$ 411,799	$ 4,281,799

	Taxable Refunding Bonds		
Year Ended October 31	Principal	Interest	Total
2021	$ -	$ 199,843	$ 199,843
2022	-	322,616	322,616
2023	2,475,000	322,616	2,797,616
2024	2,485,000	310,687	2,795,687
2025	2,505,000	293,590	2,798,590
2026 - 2030	12,925,000	1,057,264	13,982,264
2031 - 2032	5,445,000	146,686	5,591,686
	$ 25,835,000	$ 2,653,302	$ 28,488,302

Year Ended October 31	Direct Placement - Certificates of Indebtedness Principal	Interest	Total
2021	$ 430,000	$ 104,573	$ 534,573
2022	445,000	88,878	533,878
2023	465,000	72,635	537,635
2024	485,000	55,663	540,663
2025	510,000	37,960	547,960
2026	530,000	19,345	549,345
	$2,865,000	$ 379,054	$3,244,054

Lafayette Parish Government –

Year Ended October 31	General Obligation Bonds Principal	Interest	Total
2021	$ 3,565,000	$ 1,751,575	$ 5,316,575
2022	3,730,000	1,604,694	5,334,694
2023	3,910,000	1,450,763	5,360,763
2024	4,080,000	1,285,963	5,365,963
2025	4,280,000	1,114,738	5,394,738
2026 - 2030	16,095,000	3,346,588	19,441,588
2031 - 2035	7,895,000	1,024,344	8,919,344
	$ 43,555,000	$ 11,578,665	$ 55,133,665

Proprietary Funds –

Year Ended October 31	Utilities Revenue Bonds Principal	Interest	Total
2021	$ -	$ 5,267,800	$ 5,267,800
2022	14,560,000	10,171,600	24,731,600
2023	15,285,000	9,425,475	24,710,475
2024	16,060,000	8,641,850	24,701,850
2025	16,860,000	7,818,850	24,678,850
2026 - 2030	81,095,000	25,712,375	106,807,375
2031 - 2035	34,445,000	12,933,975	47,378,975
2036 - 2040	19,310,000	6,427,775	25,737,775
2041 - 2045	18,000,000	2,340,000	20,340,000
	$ 215,615,000	$ 88,739,700	$ 304,354,700

	Communications System Revenue Bonds		
Year Ended October 31	Principal	Interest	Total
2021	$ -	$ 2,053,496	$ 2,053,496
2022	5,125,000	4,178,866	9,303,866
2023	6,540,000	3,890,341	10,430,341
2024	6,870,000	3,560,582	10,430,582
2025	7,210,000	3,212,596	10,422,596
2026 - 2030	41,755,000	10,182,521	51,937,521
2031 - 2032	19,760,000	955,581	20,715,581
	$ 87,260,000	$ 28,033,983	$ 115,293,983

	LPPA Revenue Bonds		
Year Ended October 31	Principal	Interest	Total
2021	$ -	$ 1,585,653	$ 1,585,653
2022	3,745,000	3,100,731	6,845,731
2023	3,895,000	2,937,281	6,832,281
2024	4,075,000	2,762,906	6,837,906
2025	4,245,000	2,580,131	6,825,131
2026 - 2030	27,635,000	9,454,969	37,089,969
2030 - 2033	27,730,000	1,835,030	29,565,030
	$ 71,325,000	$ 24,256,701	$ 95,581,701

Bond Refundings

On September 18, 2020, the Government issued $2,940,000 Public Improvement Sales Tax Refunding Bonds Series 2020, maturing March 1, 2034 with an average interest rate of 4.0% to advance refund $3,640,000 of outstanding Sales Tax Bonds, Series 2009A RZED, maturing March 1, 2034 with an average interest rate of 7.23%. The refunding bonds were issued at a premium of $630,556 and, after paying issuance costs of $33,874, the net proceeds of $3,536,682 plus existing funds of $115,745 were used to pay in full the refunded bonds. As a result of the refunding, the Government reduced its total debt service requirements by $1,151,914, which resulted in an economic gain of $807,055.

On September 18, 2020, the Government issued $7,800,000 Taxable Public Improvement Sales Tax Refunding Bonds Series 2020A, maturing March 1, 2045 with an average interest rate of 1.43% to advance refund $7,975,000 of $8,360,000 outstanding Sales Tax Bonds, Series 2011A, maturing March 1, 2026 with an average interest rate of 4.11%. After paying issuance costs of $101,620, the net proceeds of $7,698,380 plus existing funds of $437,605 were used to purchase government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded bonds. The advance refunding met the requirements of an in-substance defeasance and the refunded bonds were removed from the Government's government-wide financial statements. As a result of the advance refunding, the Government reduced its total debt service requirements by $913,593, which resulted in an economic gain of $414,000.

On September 18, 2020, the Government issued $5,500,000 Taxable Public Improvement Sales Tax Refunding Bonds Series 2020C, maturing March 1, 2034 with an average interest rate of 1.41% to advance refund $5,450,000 of $5,835,000 outstanding Sales Tax Bonds, Series 2011B, maturing May 1, 2045 with an average interest rate of 4.09%. After paying issuance costs of $74,205, the net proceeds of $5,425,795 plus existing funds of $240,180 were used to purchase government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded bonds. The advance refunding met the requirements of an in-substance defeasance and the refunded bonds were removed from the Government's government-wide financial statements. As a result of the advance refunding, the Government reduced its total debt service requirements by $685,777, which resulted in an economic gain of $274,333.

On September 18, 2020, the Government issued $25,835,000 Taxable Limited Tax Refunding Bonds Series 2020, maturing March 1, 2045 with an average interest rate of 1.42% to advance refund $23,855,000 of outstanding Taxable Limited Tax Refunding Bonds, Series 2012, maturing May 1, 2032 with an average interest rate of 3.75%. After paying issuance costs of $309,612, the net proceeds of $25,501,824 were used to purchase government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded bonds. The advance refunding met the requirements of an in-substance defeasance and the refunded bonds were removed from the Government's government-wide financial statements. As a result of the advance refunding, the Government increased its total debt service requirements by $429,804, which resulted in an economic gain of $665,880.

Debt Defeasance

The Government has defeased certain bonds by placing the proceeds of new bonds in irrevocable trusts to provide for all future debt service payments on old bonds. Accordingly, the trust accounts' assets and the liabilities for the defeased bonds are not included in the Government's financial statements. At October 31, 2020, the primary government had defeased bonds in the amount of $129,635,000.

(16) Risk Management

The Government is exposed to various risks of loss, which are handled through internal service funds as described below:

Self-Insurance Fund

On November 1, 1979, the Government became self-insured with regard to workers' compensation, general liability, law enforcement, errors and omissions, automobile liability, automobile physical damage and property. The Self-Insurance Fund was established to account for claims, expenses, and administrative costs related to these self-insured and retained risks. The fund uses a third party administrator to service and estimate claim losses and uses both in-house legal staff and outside counsel for defense of self-insured claims. Excess risk or stop-loss coverage is used to limit retained risk where feasible and the cost of such coverage is also paid through the Risk Management Fund.

The following is a summary of the Government's self-insured retentions.

Workers' compensation	$ 2,000,000
General liability	Unlimited
Errors and omissions	Unlimited
Automobile liability	Unlimited
Fleet collision	Unlimited
Property:	
Power plant	$ 500,000
Other	$ 100,000

As an internal service activity, the Self Insurance Fund is a proprietary fund in which both current and long-term liabilities for claims and losses are recognized and reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Claim liabilities are based upon the estimated ultimate cost of settling the claims including specific, incremental claim adjustment expenses, salvage, and subrogation and considering the effects of inflation and recent claim settlement trends including frequency and amount of payouts and other economic and social factors. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The Government currently does not discount its claims liabilities. The following is a summary of changes in claims liability for the years ended October 31, 2020 and 2019:

	2020	2019
Unpaid claims liability, beginning	$ 11,342,451	$ 10,889,555
Current year claims and changes in estimates	6,749,897	5,397,181
Claims paid	(2,641,005)	(4,944,285)
Unpaid claims liability, ending	$ 15,451,343	$ 11,342,451
Claims due within one year	$ 4,817,752	$ 4,718,123
Claims payable after one year	10,633,591	6,624,328
	$ 15,451,343	$ 11,342,451

Although the Government's Self-Insurance Fund is operated on a unitary basis, contributions for premiums, reserves and losses for coverage is divided between those applicable to the Government's Utilities and Communications Systems and those applicable to non-utility funds (funded primarily from General Fund revenues). These contributions are also reported as external transactions. The net position at October 31, 2020 is applicable to utility and non-utility activity as follows:

Net position:	
Utilities	$ 68,915
Communications	(10,872,911)
Other	(121,040)
Total	$ (10,925,036)

Each year, the Utilities and Communications Systems and those non-utility funds reimburse the Self-Insurance Fund based on the prior year actual losses.

Group Hospitalization Fund

During the fiscal year ending October 31, 1988, the City became self-insured for group hospitalization, at which time a Group Hospitalization Fund was established to account for claims, expenses, and administrative costs related to these self-insured and retained risks. Upon consolidation in September of 1996, the Parish employees were included in the program. The employer's and employees' portions of premiums are paid into the Group Hospitalization Fund and are available to pay claims and administrative costs. Excess risk or stop-loss coverage is used to limit retained risk where feasible and the cost of such coverage is also paid through the Group Hospitalization Fund. The stop-loss retention is limited to $150,000 per person. The insurance policy provides an unlimited maximum benefit per person in excess of specific deductible per year.

As an internal service activity, the Group Hospitalization Fund is a proprietary fund that reports liabilities when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Claim liabilities are based upon the estimated ultimate cost of settling the claims including specific, incremental claim adjustment expenses, salvage, and subrogation and considering the effects of inflation and recent claim settlement trends including frequency and amount of payouts and other economic and social factors. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The Government currently does not discount its claims liabilities. Changes in the balances of claims liabilities during the fiscal years ended October 31, 2020 and 2019 are as follows:

	2020	2019
Claims liability, beginning	$ 2,298,318	$ 1,661,408
Current year claims and changes in estimates	13,738,168	18,764,988
Claims paid	(14,511,379)	(18,128,078)
Claims liability, ending	$ 1,525,107	$ 2,298,318

Claims payable for group hospitalization at October 31, 2020 was determined as follows:

1. Claims incurred prior to October 31, 2020 and paid subsequently:

Paid as of	Amount	
November 2020	$1,006,034	
December 2020	392,824	$1,398,858
2. Provision for claims incurred but not reported		126,249
Total claims payable		$1,525,107

The provision for claims incurred but not reported of $126,249 was calculated utilizing historical information adjusted for current trends.

(17) Commitments and Contingencies

A. Coal Purchase Commitments

On July 16, 2020, LPPA entered into a five-month contract to purchase 113,400 tons at $9.65 per ton which expires on December 31, 2020. As of October 31, 2020, the Authority purchased 113,400 tons of the 113,400-ton contract requirement at $9.65 per ton for a total cost of $1,094,310. There were no remaining outstanding commitments on this contract as of October 31, 2020.

B. Construction Commitments

At October 31, 2020, the Government had several uncompleted construction contracts. The remaining commitment on these contracts was $42,746,009, of which $42,005,963 was attributable to governmental activities and $740,046 was attributable to business-type activities.

C. Arbitrage Rebate

Section 148 of the Internal Revenue Code of 1986, as amended, requires that issuers of tax-exempt debt make arbitrage calculations annually on bonds issued after August 31, 1986 to determine whether an arbitrage rebate liability exists between the issuer and the U.S. Department of the Treasury. Arbitrage is the difference (or profit) earned from borrowing funds at tax-exempt rates and investing the proceeds in higher yielding taxable securities. There was no arbitrage rebate liability at October 31, 2020.

D. Grant Audits

The Government receives grants for specific purposes that are subject to review and audit by the agencies providing the funding. Such audits and reviews could result in expenses being disallowed under the terms and conditions of the grants. In the opinion of management, such disallowances, if any, would be immaterial.

E. Contingent Liabilities

The Government is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Consolidated Government's attorneys, any judgments rendered in favor of the plaintiff or payments resulting from compromise settlements, if any, will be within the limits of the various insurance coverages carried by the Government or funded through its self-insurance program.

F. Asset Retirement

The owners of LPPA agreed during the fiscal year to close the coal combustion and residuals (CCR) ponds for Rodemacher Unit 2 and the Brame Engergy Center. The Authority anticipates that the Rodemacher Unit 2 will cease operations by October 2028 through retirement or conversion to alternative fuels such as natural gas. The cost associated with this decision has not been determined; therefore, an asset retirement obligation has not been recorded in the financial statements as of October 31, 2020.

(18) Contract for Purchase of Power

On May 1, 1977, the City of Lafayette entered into a power sales contract with LPPA to purchase all of the electric power and energy that is capable of generation from LPPA's 50% ownership interest in a fossil fuel steam electric generating plant near Boyce, Louisiana. Under the terms of the power sales contract, which will terminate on August 31, 2047, the City makes monthly payments sufficient to cover: all debt service of LPPA (including debt service reserve requirements); the amount LPPA is required under its bond resolution(s) to pay or set aside during such month into any other fund or account established by the bond resolutions including working capital funds; any payments LPPA is required to make for the cost of renewals, replacements or preventive maintenance of the facility; and the costs of producing or delivering power during such month (including general and administrative expenses, but excluding depreciation). Such payments will continue through the term of the contract whether or not the unit is operable or whether power or energy is being delivered to the City under the terms of the contract.

(19) Postemployment Health Care and Life Insurance Benefits

Plan Description: The Lafayette Consolidated Government (the Government) provides certain continuing health care and life insurance benefits for its retired employees. The Lafayette Consolidated Government's OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the Government. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the Government. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB) Codification Section P52 *Postemployment Benefits Other Than Pensions—Reporting For Benefits Not Provided Through Trusts That Meet Specified Criteria—Defined Benefit*.

Benefits Provided – Medical benefits are provided through insured programs. Employees are covered by four different Retirement Systems: Municipal Employees Retirement System (MERS), whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 25 years of service at any age; or, age 60 and 10 years of service; Parochial Employees Retirement System (PERS), whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; age 60 and 10 years of service; or, age 65 and 7 years of service; Firefighters' Retirement System (FRS), whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 25 years of service at any age; or, age 50 and 20 years of service; and, the Municipal Police Employees' Retirement System (MPERS), whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 25 years of service at any age; age 50 and 20 years of service; or, age 55 and 12 years of service.

Employees covered by benefit terms – At October 31, 2020, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	377
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	1,964
	2,341

Total OPEB Liability

The Government's total OPEB liability was measured as of October 31, 2020 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and other inputs – The total OPEB liability in the October 31, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	4.0%, including inflation
Discount rate	2.79%, annually (beginning of year)
	2.37%, annually (end of year)
Healthcare cost trend rates	5.5% annually for ten years, 4.5% thereafter

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index as of October 31, 2020, the end of the applicable measurement period.

Mortality rates were based on the RP-2000 Table without projection with 50%/50% unisex blend.

The actuarial assumptions used in the October 31, 2020 valuation were based on the results of ongoing evaluations of the assumptions from November 1, 2009 to October 31, 2020.

Balance at October 31, 2019	$ 37,099,556
Changes for the year:	
Service cost	688,570
Interest on Net OPEB Obligation	1,000,464
Difference between expected and actual experience	911,762
Changes in assumptions	2,766,712
Benefit payments and net transfers	(2,481,293)
Net change in OPEB liability	2,886,215
Balance at October 31, 2020	$ 39,985,771

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the Government, as well as what the Government's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.79%) or 1-percentage-point higher (3.79%) than the current discount rate:

	1.0% Decrease	Current Discount	1.0% Increase
Total OPEB liability	$47,048,050	$39,985,771	$34,091,379

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates – The following presents the total OPEB liability of the Government, as well as what the Government's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.5%) or 1-percentage-point higher (6.5%) than the current healthcare trend rates:

	1.0% Decrease	Current Trend	1.0% Increase
Total OPEB liability	$33,952,741	$39,985,771	$41,177,803

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended October 31, 2020, the Government recognized OPEB expense of $2,476,542. At October 31, 2020, the Government reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,639,410	$ 799,931
Changes in assumptions	7,041,622	1,782,671
Total	$ 8,681,032	$ 2,582,602

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years ending October 31:	
2021	$ 787,508
2022	787,508
2023	787,508
2024	787,508
2025	787,508
Thereafter	2,160,890
	$ 6,098,430

Payable to the OPEB Plan

At October 31, 2020, the Government did not have any amounts owed to the OPEB plan.

(20) Employee Retirement Systems

The Government participates in six cost-sharing defined benefit plans, each administered by separate public employee retirement systems. Article X, Section 29(F) of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions of all plans administered by these public employee retirement systems to the State Legislature. These plans are not closed to new entrants. Substantially all Government employees participate in one of the following retirement systems:

Plan Descriptions:

Municipal Employees' Retirement System (MERS) provides retirement, disability, and survivor benefits to eligible employees and their beneficiaries as defined in LRS 11:1731 and 11:1781. The Government participates in Plan A.

State of Louisiana - Municipal Police Employees' Retirement System (MPERS) provides retirement, disability, and survivor benefits to eligible employees and their beneficiaries as defined in LRS 11:2211 and 11:2220.

State of Louisiana – Firefighters' Retirement System (FRS) provides retirement, disability, and survivor benefits to eligible employees and their beneficiaries as defined in LRS 11:2251-2254 and 11:2256.

Parochial Employees' Retirement System (PERS) provides retirement, disability, and survivor benefits to eligible employees and their beneficiaries as defined in LRS 11:1901 and 11:1941. The Government participates in Plan A.

Louisiana State Employees' Retirement System (LASERS) provides retirement, disability, and survivor benefits to eligible state employees and their beneficiaries as defined in the Louisiana Revised Statutes. The age and years of creditable service required for a member to receive benefits are established by LRS 11:441 and vary depending on the member's hire date, employer and job classification.

Registrar of Voters Employees' Retirement System (ROVERS) provides retirement, disability, and survivor benefits to eligible registrars of voters in each parish, their deputies, their permanent employees, and their beneficiaries as defined in the Louisiana Revised Statutes. Eligibility for retirement benefits and the computation of retirement benefits are defined in LRS 11:2071-2072.

The systems' financial statements are prepared using the accrual basis of accounting. Employer and employee contributions are recognized in the period in which the employee is compensated for services performed. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. Interest income is recognized when earned. Ad valorem taxes and revenue sharing monies are recognized in the year collected by the tax collector. A brief summary of eligibility and benefits of the plans are provided in the following table:

	MERS	MPERS	FRS
Final average salary	Highest 60 months	Highest 36 months or 60 months[2]	Highest 36 months
Years of service required and/or age eligible for benefits	25 years of any age 10 years age 60 20 years any age[1]	25 years of any age 20 years age 50 12 years age 55 20 years any age[1] 30 years any age[3] 25 years age 55[3] 10 years age 60[3]	25 years of any age 20 years age 50 12 years age 55
Benefit percent per years of service	3.00%	2.50 - 3.33%[4]	3.33%

	PERS	LASERS	ROVERS
Final average salary	Final average compensation	Highest 36 months or 60 months[6]	Highest 36 months or 60 months[6]
Years of service required and/or age eligible for benefits	30 years of any age 25 years age 55[5] 10 years age 60[5] 7 years age 65[5]	30 years of any age 25 years age 55 20 years of any age[1] 5-10 years age 60[7]	30 years of any age[10,11] 20 years age 55[10,11] 10 years age 60[10,11]
Benefit percent per years of service	3.00%	2.5% - 3.5%[8]	3.0% - 3.33%[9]

[1] With actuarial reduced benefits
[2] Membership commencing January 1, 2013
[3] Under non hazardous duty sub plan commencing January 1, 2013
[4] As of January 1, 2013 non hazardous duty plan 2.5%, hazardous duty plan 3.0%, prior to January 1, 2013 3.33%
[5] Employees hired after January 1, 2007: 30 years age 55, 10 years age 62, 7 years age 67
[6] Employees hired after 6/30/06 use the revised benefit calculation based on the highest 60 months
[7] Five to ten years of creditable service at age 60 depending upon the plan or when hired
[8] Members in regular plan 2.5%, hazardous duty plan 3.33%, and judges 3.5%
[9] Benefit percent varies depending on hire date
[10] For those hired prior to 1/1/2013
[11] Hired after 12/31/12 age eligibility is 30 years at 55, 20 years at 60, and 10 years at age 62

Contributions

Article X, Section 29(E)(2)(a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions. Employer contributions are actuarially determined using statutorily established methods on an annual basis and are constitutionally required to cover the employer's portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems' Actuarial Committee. In addition, MERS, PERS, And ROVERS receive a percentage of ad valorem taxes collected by parishes. These entities are not participating employers in the pension systems and are considered to be nonemployer contributing entities. Contributions of employees, employers, and non-employer contributing entities effective for the year ended October 31, 2020 for the defined benefit pension plans in which the primary government is a participating employer were as follows:

Plan	Active Member Contribution Percentage	Employer Contribution Percentage	Amount from Nonemployer Contributing Entities	Amount of Government Contributions
MERS	10.00%	29.50%	$ 1,239,895	$ 10,323,531
MPERS	10.00%	33.75%	1,194,201	6,032,216
FRS	10.00%	32.25%	1,662,526	4,603,442
PERS	9.50%	12.25%	401,121	4,122,103
LASERS	11.50%	42.50%	-	82,149
ROVERS	7.00%	18.00%	27,816	74,422
TOTAL			$ 4,525,559	$ 25,237,863

Net Pension Liability

The Government's net pension liability at October 31, 2020 is comprised of its proportionate share of the net pension liability relating to each of the cost-sharing plans in which the Government is a participating employer. The Government's net pension liability for each plan was measured as of the plan's measurement date (June 30, 2020 for all plans except PERS and December 31, 2019 for PERS) and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Government's proportionate share of the net pension liability for each of the plans in which it participates was based on the Government's required contributions in proportion to total required contributions for all employers.

As of the most recent measurement date, the Government's proportion for each plan and the change in proportion from the prior measurement date were as follows:

Plan	Proportionate Share of Net Pension Liability	Proportionate Share (%) of Net Pension Liability	Increase/(Decrease) from Prior Measurement Date
MERS	$ 79,017,583	18.276685%	0.706523%
MPERS	50,635,818	5.478685%	0.567325%
FRS	41,130,754	5.933847%	0.276271%
PERS	233,341	4.956822%	-0.208137%
LASERS	895,217	0.010820%	-0.000040%
ROVERS	189,113	0.877846%	0.022872%
Total	$ 172,101,826		

Since the measurement date of the net pension liability was June 30, 2020 (December 31, 2019 for PERS), the net pension liability is based upon fiduciary net position for each of the plans as of those dates. Detailed information about each pension plan's assets, deferred outflows, deferred inflows, and fiduciary net position that was used in the measurement of the Government's net pension liability is available in the separately issued plan financial reports for those fiscal years. The financial report for each plan may be accessed on their website as follows:

MERS - http://www.mersla.com/
MPERS - http://www.lampers.org/
FRS - http://ffret.com/
PERS - http://www.persla.org/
LASERS - http://lasersonline.org/
ROVERS - http://www.larovers.com/

Actuarial Assumptions

The following table provides information concerning actuarial assumptions used in the determination of the total pension liability for each of the defined benefit plans in which the primary government is a participating employer:

	MERS	MPERS	FRS
Date of experience study on which significant assumptions are based	7/1/2013 - 6/30/2018	7/1/2014 - 6/30/2019	7/1/2014 - 6/30/2019
Expected remaining service lives	3	4	7
Inflation Rate	2.5%	2.5%	2.5%
Projected salary increases	4.5% - 6.4%	4.7% - 12.3%	4.50% - 14.75%
Projected benefit changes including COLAs	None	None	None
Source of mortality assumptions	(1), (2), (3)	(4), (5), (6)	(4), (5), (6)

(continued)

	PERS	LASERS	ROVERS
Date of experience study on which significant assumptions are based	1/1/2013 - 12/31/2017	7/1/2014 - 6/30/2018	7/1/2014 - 6/30/2019
Expected remaining service lives	4	2	5
Inflation rate	2.4%	2.3%	2.3%
Projected salary increases	4.75%	2.6% - 13.8%	5.25%
Projected benefit changes including COLAs	None	None	None
Source of mortality assumptions	(1), (2), (3)	(7), (8)	(8), (9)

(1) PubG-2010 (B) Healthy Retiree Table

(2) PubG-2010 (B) Employee Table

(3) PubNS-2010 (B) Disabled Retiree Table

(4) Pub-2010 Safety Below-Median Healthy Retiree Table

(5) Pub-2010 Safety Below-Median Employee Table

(6) Pub-2010 Safety Disabled Retiree Table

(7) RP-2014 Blue Collar (males/females) and White Collar (females) Healthy Annuitant Tables

(8) RP-2000 Disabled Retiree Mortality Table

(9) RP-2000 Healthy Annuitant Table

Cost of Living Adjustments

The pension plans in which the Government participates have the authority to grant cost-of-living adjustments (COLAs) on an ad hoc basis. COLAs may be granted to the state system (LASERS) if approved with a two-thirds vote of both houses of the Legislature, provided the plan meets certain statutory criteria related to the funded status and interest earnings.

Pursuant to LRS 11:242(B), the power of the Board of Trustees of the statewide systems (MERS, MPERS, FRS, PERS, and ROVERS) to grant a COLA is effective in calendar years that the legislature fails to grant a COLA, unless in the legislation granting a COLA, the legislature authorizes the Board of Trustees to provide an additional COLA. The authority to grant a COLA by the Board is subject to the funded status and interest earnings. The effects of the benefit changes made as a result of the COLAs is included in the measurement of the total pension liability as of the measurement date at which the ad hoc COLA was granted and the amount is known and reasonably estimable.

Discount Rate

The discount rates used to measure the Government's total pension liability for each plan and the significant assumptions used in the determination of the discount rate for each plan are as follows:

	MERS	MPERS	FRS	PERS	LASERS	ROVERS
Discount rate	6.95%	6.95%	7.00%	6.50%	7.55%	6.40%
Change in discount rate from prior valuation	-0.050%	-0.175%	-0.15%	0.00%	-0.05%	-0.10%
Plan cash flow assumptions	(1)	(1)	(1)	(1)	(1)	(1)
Rates incorporated in the Discount Rate:						
Long-term Rate of Return	6.95%	6.95%	7.00%	6.50%	7.55%	6.40%
Periods applied	All	All	All	All	All	All
Municipal Bond Rate	N/A	N/A	N/A	N/A	N/A	N/A

Plan Cash Flow Assumptions:
1) Plan member contributions will be made at the current contributions rates and sponsor contributions will be made at the actuarially determined rates.

The discount rates used to measure the Government's total pension liability for each plan is equal to the long-term expected rate of return on pension plan investments that are expected to be used to finance the payment of benefits. For MERS, MPERS, FRS, LASERS, and ROVERS, the long-term expected rate of return for each plan was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. For PERS the rate was determined using a triangulation method which integrated the Capital Asset Pricing Model (CAPM), a treasury yield curve approach and an equity building block model. Risk return and correlation are projected on a forward-looking basis in equilibrium, in which best-estimates of expected future real rates of return are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification.

The target allocation and best estimates of arithmetic/geometric real rates of return for each major asset class are summarized for each plan in the following tables:

	MERS*		MPERS*		PERS*	
Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return
Fixed Income	38%	1.67%	33.5%	0.54%	35%	1.05%
Equities	53%	2.33%	48.5%	3.08%	52%	3.41%
Alternative Investments	9%	0.40%	18.0%	1.02%	11%	0.61%
Real Estate	-	-	-	-	2%	0.11%
Total	100%	4.40%	100%	4.64%	100%	5.18%
Inflation		2.60%		2.55%		2.00%
Expected Return		7.00%		7.19%		7.18%

	FRS*		LASERS**		ROVERS*	
Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return
Domestic Fixed Income	26.0%	1.00%	6%	1.76%	12.5%	0.31%
International Fixed Income	5.0%	3.40%	10%	3.98%	10%	0.35%
Domestic Equity	26.0%	5.72%	23%	4.79%	37.5%	2.81%
International Equity	18.0%	6.24%	32%	5.83%	20%	1.70%
Global Equity	10.0%	6.23%	-	-	-	-
Global Tactical Asset Allocation	0%	4.22%	-	-	-	-
Risk Parity	0%	4.22%	7%	4.20%	-	-
Alternative Investments	-	-	22%	6.69%	10%	0.63%
Private Equity	9%	10.29%	-	-	-	-
Real Estate	6%	4.20%	-	-	10%	0.45%
Total	100%		100%	5.81%	100%	6.25%
Inflation/Rebalancing						2.50%
Expected Return						8.75%

*Arithmetic real rates of return
**Geometric real rates of return

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

Changes in the net pension liability may either be reported in pension expense in the year the change occurred or recognized as a deferred outflow of resources or a deferred inflow of resources in the year the change occurred and amortized into pension expense over a number of years. For the year ended October 31, 2020, the Government recognized $33,950,015 in pension expense related to all defined benefit plans in which it participates. MERS, PERS, and ROVERS recognized revenues in the amount of $476,368 in ad valorem taxes collected from non-employer contributing entities. The pension expense and revenues are summarized by plan in the following table:

Plan	Pension Expense	Revenues
MERS	$ 13,281,771	$211,719
MPERS	8,428,234	-
FRS	7,635,650	-
PERS	4,453,384	211,719
LASERS	110,245	52,930
ROVERS	40,731	-
Total	$ 33,950,015	$476,368

At October 31, 2020, the Government reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources			
	MERS	MPERS	FRS	PERS
Differences between expected and actual experience	$ 36,638	$ -	$ -	$ -
Changes in assumptions	1,329,341	1,203,224	3,976,048	3,258,886
Net difference between projected and actual earnings on pension plan investments	7,885,128	6,074,779	4,529,570	-
Changes in proportion and differences between actual contributions and proportionate share of contributions	1,788,539	3,507,379	2,216,557	-
Employer contributions to the pension plans subsequent to the measurement date of the net pension liability	3,686,822	2,177,781	1,809,328	3,295,956
Total	$14,726,468	$12,963,163	$ 12,531,503	$ 6,554,842

(continued)

	Deferred Outflows of Resources		
	LASERS	ROVERS	Total
Differences between expected and actual experience	$ -	$ -	$ 36,638
Changes of assumptions	2,864	34,867	9,805,230
Net difference between projected and actual earnings on pension plan investments	130,864	5,057	18,625,398
Changes in proportion and differences between actual contributions and proportionate share of contributions	-	9,803	7,522,278
Employer contributions to the pension plans subsequent to the measurement date of the net pension liability	22,878	7,483	11,000,248
Total	$156,606	$ 57,210	$46,989,792

	Deferred Inflows of Resources			
	MERS	MPERS	FRS	PERS
Differences between expected and actual experience	$ 447,936	$1,994,506	$2,631,540	$ 2,088,897
Net difference between projected and actual earnings on pension plan investments	-	-	-	8,746,806
Changes in assumptions	-	1,249,618	-	-
Changes in proportion and differences between actual contributions and proportionate share of contributions	-	678,342	954,886	285,459
Total	$ 447,936	$3,922,466	$3,586,426	$11,121,162

	Deferred Inflows of Resources		
	LASERS	ROVERS	Total
Differences between expected and actual experience	$ 8,597	$ 30,526	$ 7,202,002
Net difference between projected and actual earnings on pension plan investments	-	-	8,746,806
Changes in assumptions	-	-	1,249,618
Changes in proportion and differences between actual contributions and proportionate share of contributions	-	228	1,918,915
Total	$ 8,597	$ 30,754	$19,117,341

Deferred outflows of resources of $11,000,248 resulting from the employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability during the subsequent year. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions to be recognized in pension expense are as follows:

Year Ended October 31	MERS	MPERS	FRS	PERS
2021	$ 4,230,127	$ 1,024,144	$ 1,398,201	$ (1,808,485)
2022	3,414,102	2,379,735	2,165,994	(2,274,011)
2023	1,791,669	2,305,374	1,828,764	158,180
2024	1,155,812	1,153,663	1,130,721	(3,937,960)
2025	-	-	283,831	-
Thereafter	-	-	328,238	-
	$ 10,591,710	$ 6,862,916	$ 7,135,749	$ (7,862,276)

Year Ended October 31	LASERS	ROVERS	TOTAL
2021	$ 16,667	$ 149	$ 4,860,803
2022	37,739	6,533	5,730,092
2023	40,440	3,257	6,127,684
2024	30,285	9,034	(458,445)
2025	-	-	283,831
Thereafter	-	-	328,238
	$ 125,131	$ 18,973	$ 16,872,203

Sensitivity of the Government's Proportional Share of the Net Pension Liabilities to Changes in the Discount Rate:

The following presents the Government's proportionate shares of the net pension liabilities of the plans, calculated using their respective discount rates, as well as what the Government's proportionate shares of the net pension liabilities would be if they were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

		Net Pension Liability		
Plan	Current Discount Rate	1% Decrease	Current Discount Rate	1% Increase
MERS	6.95%	$ 102,793,215	$ 79,017,583	$ 58,914,280
MPERS	6.95%	71,137,926	50,635,818	33,496,904
FRS	7.00%	59,412,966	41,130,754	25,870,501
PERS	6.50%	25,219,780	233,341	(20,704,807)
LASERS	7.55%	1,100,083	895,217	721,366
ROVERS	6.40%	310,565	189,113	85,606
Total		$ 259,974,535	$ 172,101,826	$ 98,383,850

Payables to the Pension Plans

The Government recorded accrued liabilities to each of the pension plans for the year ended October 31, 2020 for the contractually required contributions for the month of October 2020. The amounts are included in liabilities under the amounts reported as accounts and other payables. The balance due to each plan at October 31, 2020 is as follows:

Plan	
MERS	$ 1,206,628
MPERS	880,501
FRS	741,000
PERS	530,682
Total	$ 3,358,811

(21) Restricted Net Position

At October 31, 2020, restricted net position consisted of the following:

	Primary Government			
	Governmental Activities	Business-type Activities	Primary Government	Component Fund
Capital projects:				
Construction of capital assets	$131,577,415	$ -	$131,577,415	$30,748,024
Debt service	34,369,647	165,038,685	199,408,332	2,830,083
External legal constraints/programs:				
General government programs	12,648,383	-	12,648,383	607,346
Public safety programs	4,172,849	-	4,172,849	-
Public works programs	27,342,325	-	27,342,325	-
Culture and recreation programs	12,264,939	-	12,264,939	-
Health and welfare programs	2,109,253	-	2,109,253	-
Purpose of grantors and donors	3,334,767	-	3,334,767	-
	61,872,516	-	61,872,516	607,346
Total restricted net position	$227,819,578	$165,038,685	$392,858,263	$34,185,453

(22) On-Behalf Payments for Salaries and Benefits

GASB Statement No. 24, *Accounting and Financial Reporting For Certain Grants and Other Financial Assistance* requires the Government to report and disclose in the financial statements on-behalf salary and fringe benefit payments made by the State of Louisiana to certain groups of Government employees. Supplementary salary payments are made by the state directly to certain groups of employees. The Government is not legally responsible for these salaries. Therefore, the basis for recognizing the revenue and expenditure payments is the actual contribution made by the state. For the fiscal year ended October 31, 2020, the state paid supplemental salaries in the amount of $3,218,524 to city marshal, fire, and law enforcement employees. The payments are recorded as intergovernmental revenue and public safety expenses/expenditures in the GAAP basis government-wide and General Fund financial statements.

(23) Environmental Liabilities and Regulations

LPPA

The Authority is subject to certain federal, state and local laws and regulations governing the protection of the environment. Violations of these laws and regulations may result in substantial fines and penalties. All environmental permits necessary for the operation of its electric power generation facility has been obtained, and management believes all regulations and environmental laws to be in compliance. Environmental requirements affecting electric power generation facilities are complex, change frequently, and have become more stringent over time as a result of new legislation, administrative actions, and judicial interpretations. Therefore, the capital costs and other expenditures necessary to comply with existing and new environmental requirements are difficult to determine.

The following operating permits and plans are required for operation of the power plant.

- Title V Permit,
- Title IV Permit,
- LA Pollutant Discharge Elimination System (LPDES) Permit
- Solid Waste Standard, Type I Permits
- Radioactive Material License
- Spill Prevention Control and Countermeasure Plan
- Facility Response Plan
- Hazardous Waste Generator Permit

EPA finalized the Cross-State Air Pollution Rule (CSAPR) to replace the Clean Air Interstate Rule (CAIR) on July 6, 2011. This rule was designed to address air pollution from upwind states that crosses state lines and affects air quality in downwind states. CSAPR imposes significant reductions in SO2 and NOx emissions from electric generating units (EGUs) that cross state lines. Under CSAPR, the EPA sets total emissions limits for each state, allowing limited interstate and unlimited intrastate trading of emission allowances among power plants to comply with these limits beginning January 1, 2012. Specifically for Louisiana, CSAPR limits NOx emissions for the ozone season, consisting of the months of May through September. However, on December 30, 2011, the D. C. Circuit Court of Appeals issued an order staying implementation of CSAPR. The Court further ordered that the Clean Air Interstate Rule (CAIR), a predecessor rule to CSAPR, remain in place while CSAPR was stayed. On April 29, 2014, the U.S. Supreme Court issued an opinion reversing the August 21, 2012 D. C. Court decision that vacated CSAPR and remanded the case back to the D. C. Circuit, where outstanding issues in the case were to be resolved. The stay remained in place until those issues were settled. On October 23, 2014, the D. C. Circuit granted EPA's request to lift the CSAPR stay and extended its deadlines by three years. CSAPR Phase I implementation became effective January 1, 2015, with Phase 2 beginning in 2017.

EPA proposed a CSAPR Update Rule on November 20, 2015 to address interstate transport of air pollution under the 2008 ozone National Ambient Air Quality Standard (NAAQS) and to help downwind states and communities meet and maintain the 2008 ozone NAAQS. The proposal is set to reduce the NOx emissions for Phase 2 effective in 2017. On December 3, 2015, EPA published the proposed update to CSAPR for the 2008 ozone NAAQS. The Authority filed comments to EPA by the deadline of February 2, 2016. EPA finalized the CSAPR Update Rule on October 26, 2016, and the rule became effective on December 27, 2016. Starting in May 2017, this rule reduced summertime (May - September) nitrogen oxides (NOX) emissions from power plants in 22 states in the eastern U.S., including Louisiana.

The Environmental Protection Agency (EPA) has proposed and adopted the Clean Air Act (CAA) relevant to the emissions of sulfur dioxide (SO2) and nitrogen oxide (NOx) from generating units. The CAA established the Acid Rain Program to address the effects of acid rain and imposed restrictions on SO2 emissions from generating units. The CAA requires electric generating units to possess a regulatory "allowance" for each ton of SO2 emitted beginning in the year 2000. The EPA allocates a set number of allowances to each affected unit based on its historic emissions. All generating units have sufficient allowances for operations and expects to have sufficient allowances operations in the foreseeable future under the Acid Rain Program. The Authority assist with operating below SO2 emission limits of the air permit by burning low sulfur coal (0.7 lbs/MMBtu).

In 1999, the EPA announced a major effort to improve air quality in the national parks and wilderness areas. The Regional Haze Rule requires existing large stationary emissions sources such as electric generation units (coal-fired) to install BART (Best Achievable Retrofit Technology) to improve the visibility of National Parks and Wilderness areas designated as Class I areas. BART would control particulate matter, SO2 and NOx emissions. In 2012, EPA issued a final notice allowing states participating in the CSPAR program to use those programs instead of source specific BART to meet the requirements. In February of 2017, the Louisiana Department of Environmental Quality (LDEQ) submitted to the EPA a proposed SIP (State Implementation Plan) indicating how BART-applicable electric generating units in Louisiana would comply with the requirements. EPA approved the SIP and posted in the federal registry on December 21, 2017 with the effective date of January 22, 2018. The Authority's meets this rule with the continued operation of the existing dry sorbent injection system (DSI) with increased reagent injection in order to meet the 30-day rolling basis as indicated on the SIP for the Authority's generation unit.

The EPA on February 16, 2012 adopted this final rule under Section 112 of the CAA governing the emissions of mercury and other hazardous air pollutants from certain electric generating units (EGUs). The EPA established maximum achievable control technology (MACT) standards for coal-fired EGUs in late 2011, and signed a final rule setting forth national emissions standards for hazardous air pollutants from coal- and oil-fired electric utility steam generating units on December 16, 2011. The final rule is now known as Mercury & Air Toxic Standards (MATS). The MATS rule requires affected EGUs to meet specific numeric emission standards and to establish work practice standards to address hazardous air pollutants. As a result of litigation due to the cost of the regulation, on December 15, 2015, the U.S. Court of Appeals for the D.C. Circuit issued an order remanding the MATS rule without vacatur. The court expected EPA to provide a response to the issue raised by the Supreme Court on the relevance of costs that affected facilities will incur because of MATS, on or before April 15, 2016, with a possible one year extension on the implementation period for industry. On April 15, 2016, the EPA issued a final finding that it is appropriate and necessary to set standards for emissions of air toxics from coal- and oil-fired power plants. The EPA found that the cost of compliance with MATS is reasonable and that the electric power industry can comply with MATS and maintain its ability to provide reliable electric power to consumers at a reasonable cost. The Authority meets compliance of this rule as a dry absorbent injection system for acid gas control, a fabric filter bag house for metallic particulate control and ID booster fan was install on unit.

The Wastewater Effluent Standard was an existing standard found by EPA to not adequately address the pollutants being discharged and have not kept pace with changes for the steam electric power generating effluent. In 2009 EPA proposed more stringent limits for new metals and parameters for individual wastewater streams generated by steam electric power plants, with emphasis on coal-fired power plants. On September 30, 2015, the EPA finalized the new Effluent guidelines (ELG) for coal-fired steam electric plants, with portions being postponed and re-issued in November of 2019 as Proposed Revisions to the Steam ELGs.

This rule established new requirements for power plant wastewater streams including flue gas desulfurization (FGD), fly ash, bottom ash, flue gas mercury control and gasification of fuels such as coal and petroleum coke. In September of 2017, EPA postponed the compliance dates for the new standards pertaining to two streams, FGD wastewater and bottom ash transport water, for two years to provide additional time for EPA to review and reconsider the rule. The remaining wastewater streams (fly ash transport water and flue gas mercury control wastewater) became effective on November 1, 2018. On November 22, 2019 EPA issued the 2019 Proposed Revision to the ELG rule for FGD wastewater and for bottom ash transport water. The deadline for compliance are proposed for December 31, 2023 for bottom ash transport and December 31, 2025 for FGD wastewater, with options for plants that have retirement plans or opt into stricter controls. The Authority is working with the other joint owners to establish the best option for the long-term compliance.

EPA finalized the Coal Combustion Residue (CCR) Rule on December 19, 2014 and was published on April 17, 2015. The rule establishes technical requirement for CCR landfills and surface impoundments. The rule also redefines the beneficial use and disposal standards. This includes classifying coal ash as solid waste rather than hazardous waste. On June 14, 2016 the court vacated and removed certain provisions including "early closure" provisions. July of 2016 in response to the vacatur, certain deadlines were extended for inactive sites. In 2018, amendments were implemented regarding groundwater monitoring standards and requirements for closure where surface impoundments do not meet groundwater protection standards. EPA's proposed revision to the CCR Rule was published on August 14, 2019 and revises the beneficial use rules. The final rule establishes minimum national criteria for CCR landfills; surface impoundments; and all lateral expansions of CCR units. The Authority has made the appropriate filings, while performing necessary monitoring as required by the rule.

On June 2, 2014, EPA released the rule under Section 111(d) of the Clean Air Act, known as the Clean Power Plan (CPP), which proposed guidelines for Carbon Dioxide (CO_2) emissions from existing fossil fuel-fired power plants. The rule would "set state-specific goals" for CO_2 emissions from the power sector, in addition to developing plans to achieve the state-specific goals. EPA finalized the CPP on August 3, 2015. The U.S. Supreme Court issued a stay of the implementation on February 9, 2016. June of 2019, the EPA repealed the CPP and simultaneously finalized the Affordable Clean Energy (ACE) rule. The approach to the ACE rule was to establish guidelines for states to develop plans to address GHG emissions from existing coal-fired power plants. The rule allows states three years to develop a state plan, while allowing EPA another year to complete state submittal.

In order to comply with these regulations, the Authority's 50% share of costs is approximately $74,600,000. Compliance with CSAPR was completed during the 2012-2013 fiscal year at a cost of $5,500,000. Environmental upgrades for compliance with MATS were completed at the beginning of 2015 at a cost of $67,400,000. Funding for these projects was obtained through existing funds and the issuance of $74,600,000 Series 2012 Electric Revenue Bonds.

(24) Flow of Funds: Restrictions on Use - Utility Revenues

Under the terms of various bond indentures on outstanding Utilities Revenue Bonds for acquiring and constructing extensions and improvements to the Utilities System, all income and revenues (2020 collections $219,092,922) of the Utilities System are pledged and dedicated to the retirement of the bonds with outstanding principal and interest balances in the amount of $215,615,000 and $88,739,700, respectively. All revenues are to be deposited in funds as indicated below.

All revenue, except income received from the sale of capital assets and charges between divisions of the Utilities System, shall be deposited daily into a Receipts Fund. Out of the Receipts Fund, there shall be transferred to an Operating Fund from time to time as needed during each sinking fund year amounts sufficient to provide for the payment of costs of operation and maintenance.

After meeting the requirements of the Operating Fund, the monies in the Receipts Fund shall be transferred to the Sinking Fund in amounts sufficient to pay promptly and fully the principal of, premium, if any, and the interest on the outstanding revenue bonds as they become due and payable whether by maturity or mandatory call. Appropriate amounts shall also be placed in the Sinking Fund to allow for the payment of the charges of the paying agent. On or before the day before the interest payment date, sufficient funds to make the payment of the principal and/or interest owed on the obligations, as of that interest payment date, shall be deposited with the paying agent.

After meeting the requirements of the Operating and Sinking Funds, monies in the Receipts Fund are transferred to the Reserve Fund to satisfy the reserve requirements for reserve secured bonds. Amounts in the Reserve Fund are used solely for the purposes of curing deficiencies in the Sinking Fund for the payment when due of the principal of, premium, if any, and interest on the reserve secured bonds.

After meeting the requirements of the Reserve Fund, the monies in the Receipts Fund shall be deposited in the Capital Additions Fund. The monies in the Capital Additions Fund shall be used for the payment of principal and redemption price of and interest on obligations when due at any time monies are not available. It shall also be used to make the in lieu of tax payment to the City General Fund. The remaining money in the Capital Additions Fund may be used for (1) paying capital costs, (2) creation of a rate stabilization account to provide for temporary loss of revenue, (3) payment of subordinated indebtedness and subordinated contract obligations, (4) purchase of outstanding obligations, or (5) making any payment or investment for any lawful purpose.

(25) Flow of Funds: Restrictions on Use – Communications Revenues

Under the terms of the ordinance authorizing and providing for the issuance of Communications System Revenue Bonds to construct a fiber optic infrastructure, all income and revenues (2020 collections $42,929,555) of the Communications System are pledged and dedicated to the retirement of the bonds with outstanding principal and interest balances in the amount of $87,260,000 and $28,033,983, respectively. All revenues are to be deposited in accounts as indicated below.

All revenue, except income received from the sale of capital assets and proceeds from the issuance of bonds shall be deposited daily into a Receipts Account. Out of the Receipts Account, after the application of bond proceeds deposited for working capital have been exhausted, there shall be transferred to an Operating Account from time to time as needed during each debt service account year amounts sufficient to provide for the payment of costs of operation and maintenance.

After meeting the requirements of the Operating Account and after the capitalized interest deposited into the Debt Service Account has been exhausted, the monies in the Receipts Account shall be transferred to the Debt Service Account in amounts equal to 1/6 of the next semiannual interest payment due and 1/12 of the next principal payment due on or before the 20th day of each month. On or before the 21st day of the month preceding each interest payment date, sufficient funds to make the payment of the principal and/or interest owed on the obligations, as of that interest payment date, shall be deposited with the paying agent.

After meeting the requirements of the Operating and Debt Service Sinking Accounts, monies in the Receipts Account are transferred to the Reserve Account to satisfy the reserve requirements for reserve secured bonds. Amounts in the Reserve Account are used solely for the purposes of curing deficiencies in the Sinking Account for the payment when due of the principal of, premium, if any, and interest on the reserve secured bonds.

After meeting the requirements of the Reserve Account, the monies in the Receipts Account shall be deposited in the Capital Additions Account. The monies in the Capital Additions Account shall be used for the payment of principal and redemption price of and interest on obligations when due at any time monies are not available. The remaining money in the Capital Addition Account may be used for: (1) paying capital costs, (2) payment of subordinated indebtedness and subordinated contract obligations, (3) purchase of outstanding obligations, or (4) making any payment or investment for any lawful purpose.

(26) Flow of Funds: Restrictions on Use - LPPA

Under the terms of the ordinance authorizing and providing for the issuance of electric revenue bonds to finance the acquisition of an ownership interest in a fossil fuel steam electric generating plant and for other purposes relating thereto, the bonds are special obligations payable solely from and secured by the revenues and other funds including bond proceeds. All income and revenues (2020 collections $37,491,409) of LPPA are pledged and dedicated to the retirement of the bonds with outstanding principal and interest balances in the amount of $71,325,000 and $24,256,701, respectively. Such revenues consist of all income, fees, charges, receipts, profits, and other monies derived from its ownership and operation of the fossil fuel steam electric generating plant, other than certain money derived during the period of construction. Monies in the revenue fund shall first be applied to the payment of operating expenses of the plant.

Monies in the revenue fund shall then be deposited into the bond fund to pay principal and premium, if any, and interest on all bonds as they become due and payable; and then applied to maintain in the bond fund reserve account an amount equal to the maximum annual debt service requirements on all bonds. After making the required payments into the operating account and bond fund, there shall be paid out of the revenue fund into the reserve and contingency fund an amount equal to $1,500,000 or such greater amount as may be determined by the consulting engineer, provided that there shall not be required to be paid therein during any month an amount in excess of 25% of the amounts required to be paid during such month to the bond fund. If on any October 31st following the date of commercial operation, the monies credited (or to be credited as of such date) to the revenue fund shall exceed the required amount of working capital for the operation of the plant, the amount of such excess shall be applied (1) to reduce monthly power costs to the Government under the power sales contract, (2) to pay the cost of making repairs, renewals and replacements, additions, betterments and improvements to and extensions of the plant operations, (3) to the purchase or redemption of bonds, (4) to any other purpose in connection with the plant operation, or (5) to any other lawful purpose, including the payment of subordinated indebtedness.

The Fuel Cost Stability Fund was established to allow level billings to the retail customer when the generating plant is out of service for a period of seven days or more. In those instances, a credit may be applied to the monthly power bill to the Government. When the unit has been returned to operation, the funds which were applied as a credit are recovered by application of a surcharge to restore the fund balance over a reasonable period of time.

(27) Dedication of Proceeds and Flow of Funds - Sales and Use Taxes

City of Lafayette

A. Proceeds of the 1961 1% sales and use tax levied by the City of Lafayette (2020 collections $44,061,003) are dedicated to the following purposes:

1. Capital improvements (as more fully described in the tax proposition) for streets, sidewalks and bridges; drains, drainage canals and sub-surface drainage; fire department stations and equipment; police department stations and equipment; garbage disposal and health and sanitation equipment and facilities; public buildings; public parks and recreational facilities and equipment; civil defense; and any other work of permanent public improvement, title to which shall be in the public.

2. Supplementing the revenues of the City General Fund, after providing for debt service on outstanding bonds, provided that such an amount cannot exceed 35% of the annual sales tax revenues.

Proceeds of the tax have been pledged and dedicated to the retirement of various Public Street and Drainage Bonds with outstanding principal and interest balances in the amount of $122,555,000 and $40,813,750, respectively, at October 31, 2020.

B. Proceeds of the 1985 1% sales and use tax levied by the City of Lafayette (2020 collections $36,175,431) are dedicated to the following purposes:

1. Capital improvements (as more fully described in the tax proposition) for street and drainage improvements.

2. Supplementing the revenues of the City General Fund, after providing for debt service on outstanding bonds, provided that such an amount cannot exceed 35% of the annual sales tax revenues.

Proceeds of the tax have been pledged and dedicated to the retirement of Public Streets and Drainage Bonds with outstanding principal and interest balances in the amount of $106,380,000 and $48,075,065, respectively, at October 31, 2020.

Under the terms of the various bond indentures:

1. All proceeds of the tax are to be deposited daily into a Sales Tax Trust Fund.

2. Each month, there will be transferred from the Sales Tax Trust Fund an amount estimated to be required to pay for all reasonable and necessary costs and expenses of collecting and administering the tax during the next succeeding month.

3. On or before the 20th day of each month, there shall be transferred to a Sales Tax Bond Sinking Fund an amount equal to 1/6 of the interest falling due on the next interest payment date and 1/12 of the principal falling due on the next principal payment date.

4. On or before the 20th day of each month, there shall also be transferred to a Sales Tax Bond Reserve Fund a prescribed sum until such time as there is on deposit in that fund a sum equal to the highest combined principal and interest requirements in any succeeding fiscal year on the outstanding bonds.

5. Any funds remaining after the above transfers will be considered surplus and may be used for the purposes for which the tax was levied.

C. Proceeds of the 1% sales and use tax levied by the City of Lafayette beginning October 1, 2006 on businesses located within a defined district (2020 collections $1,013,877) are dedicated for financing redevelopment, infrastructure, and other community-improvement projects in the Lafayette I-10 Corridor District.

D. Proceeds of the 1% sales and use tax and 2% hotel occupancy tax levied by the City of Lafayette beginning July 1, 2020 on businesses located within a defined district (2020 collections $121,450) are dedicated for the acquisition, design, development, and construction of various multi-phased projects designed to encourage economic development within the Downtown Lafayette Economic Development District.

E. Proceeds of the 1% sales and use tax and 2% hotel occupancy tax levied by the City of Lafayette beginning July 1, 2020 on businesses located within a defined district (2020 collections $151,106) are dedicated for the acquisition, design, development, and construction of various multi-phased projects designed to encourage economic development within the University Gateway Economic Development District.

F. Proceeds of the 1% sales and use tax and 2% hotel occupancy tax levied by the City of Lafayette beginning July 1, 2020 on businesses located within a defined district (2020 collections $884) are dedicated for the acquisition, design, development, and construction of various multi-phased projects designed to encourage economic development within the Trappey Economic Development District.

G. Proceeds of the 1% sales and use tax and 2% hotel occupancy tax levied by the City of Lafayette beginning July 1, 2020 on businesses located within a defined district (2020 collections $137,637) are dedicated for the acquisition, design, development, and construction of various multi-phased projects designed to encourage economic development within the Northway Economic Development District.

H. Proceeds of the 1% sales and use tax and 2% hotel occupancy tax levied by the City of Lafayette beginning July 1, 2020 on businesses located within a defined district (2020 collections $7,919) are dedicated for the acquisition, design, development, and construction of various multi-phased projects designed to encourage economic development within the Holy Rosary Institute Economic Development District.

Lafayette Parish

Lafayette Parish is authorized by the voters of the parish to levy and collect a one percent (1%) sales and use tax on a parish-wide basis except for territory located within the boundaries of any incorporated municipality situated within the Parish. The sales tax ordinance provides that the net proceeds of the sales tax will be deposited in the General Fund of the Parish for general expenditures. Revenues from this tax totaled $5,344,574 for the period ended October 31, 2020.

(28) Fair Value Measurements

Professional standards require the disclosure for fair value measurements of financial assets and liabilities and for fair value measurements of nonfinancial items that are recognized or disclosed at fair value in the financial statements on a recurring basis. The standards establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements).

The three levels of inputs used to measure fair value are as follows:

a. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

b. Level 2 inputs are observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

c. Level 3 inputs are unobservable inputs for the asset or liability.

The following methods and assumptions were used by the Government in estimating fair values of financial instruments:

a. The carrying amount reported in the statement of net position for the following approximates fair value due to the short maturities of these instruments: cash, accounts receivable, and accounts payable.

b. The fair value for investment securities are based on quoted market prices at the reporting date multiplied by the quantity held. The carrying value equals fair value.

The following table presents assets that are measured at fair value on a recurring basis at October 31, 2020:

Primary Government:

Description	Total	(Level 1)	(Level 2)	(Level 3)
U.S. Treasuries	$ 351,337,046	$ 351,337,046	$ -	$ -
U.S. Instrumentalities	131,692,121	-	131,692,121	-
	$ 483,029,167	$ 351,337,046	$ 131,692,121	$ -

Fiduciary Funds:

Description	Total	(Level 1)	(Level 2)	(Level 3)
U.S. Treasuries	$ 28,469	$ 28,469	$ -	$ -
U.S. Instrumentalities	12,377	-	12,377	-
	$ 40,846	$ 28,469	$ 12,377	$ -

(29) Deficit Fund Balance of Individual Funds

The following funds reported deficit net position at October 31, 2020:

Enterprise fund:	
Communications System - net position	$ (30,084,449)
Internal service funds:	
Central printing - net position	(1,800)
Self-Insurance - net position	(10,925,036)

These deficits will be funded by future excess revenues.

(30) Compensation of Council

The compensation paid to the council members for the year ended October 31, 2020 follows:

Abraham Rubin, Jr.	$ 23,847
Andre Naquin	23,847
Bryan Tabor	23,847
Glenn Lazard	23,847
John Guilbeau	23,847
Joshua Carlson	23,847
Kevin Naquin	29,977
Liz W. Hebert	29,857
Nanette Cook	29,857
Patrick Lewis	30,458
Bruce Conque	6,492
Jared Bellard	5,366
Jay Castille	6,020
Kenneth P. Boudreaux	6,492
William G. Theriot	5,366
	$ 292,967

(31) Compensation, Benefits, and Other Payments to Agency Head

The schedule of compensation, benefits, and other payments to Joel Robideaux, Mayor-President for the period November 1, 2019 through January 5, 2020 and Joshua Guillory, Mayor-President for the period January 6, 2020 through October 31, 2020 follows:

	Joel Robideaux	Joshua S. Guillory
Salary	$ 25,599	$ 93,786
Benefits (insurance, retirement, medicare)	9,887	35,762
Vehicle subsidy lease	1,298	4,702
Expense allowance	656	2,944
Per diem	-	321
Transportation	934	647
Travel	-	2,002
Special meals	58	941

(32) Tax Abatement

The Government is subject to tax abatements granted by the Department of Economic Development. This program has the stated purpose of increasing business activity and employment in the Parish and the State. Under the program, companies commit to expand or maintain facilities or employment in the Parish, establish a new business in the Parish, or relocate an existing business to the Parish. Agreements include an abatement of ad valorem taxes for a period of 10 years from the initial assessment date. As a result of these agreements, the Government's ad valorem revenues were reduced by each tax abatement program as follows:

Tax abatement program:	
Historic preservation	$ 11,841
Industrial tax exemption	979,232
PILOT abatement	523,681
Total	$1,514,754

(33) New Accounting Pronouncements

The Governmental Accounting Standards Board (GASB) has issued the following statements and implementation guides which were not required to be implemented by the Government during the current fiscal year.

- GASB Statement No. 84, "Fiduciary Activities." The requirements of this Statement are effective for fiscal years beginning after December 31, 2020.
- GASB Statement No. 90, "Majority Equity Interests an amendment of GASB Statements No. 14 and No. 61." The requirements of this Statement are effective for fiscal years beginning after December 31, 2020.
- Implementation Guide No. 2019-2, "Fiduciary Activities." The requirements of this Implementation Guide will take effect for financial statements starting with fiscal year that ends December 31, 2020.

- GASB Statement No. 87, "Leases." The requirements of this Statement are effective for fiscal years beginning after June 30, 2022.
- GASB Statement No. 89, "Accounting for Interest Cost Incurred before the End of a Construction Period." The requirements of this Statement are effective for fiscal years beginning after December 31, 2021.
- GASB Statement No. 91, "Conduit Debt Obligations." The requirements of this Statement are effective for fiscal years beginning after December 31, 3022.
- Implementation Guide No. 2019-1, "Implementation Guidance Update-2019" The requirements of this Implementation Guide will take effect for financial statements starting with fiscal year that ends June 30, 2021.
- Implementation Guide No. 2019-3, "Leases" The requirements of this Implementation Guide will take effect for financial statements starting with fiscal year that ends June 30, 2022.

The effect of implementation of these new pronouncements on the Government's financial statements has not yet been determined.

(34) Subsequent Events

A. As a result of the spread of the COVID-19 Coronavirus, economic uncertainties have arisen which may have and continue to impact the Lafayette City-Parish Consolidated Government's ongoing operations. The extent and severity of the potential impact on future operations is unknown at this time.

B. On December 29, 2020, the Government issued $20,185,000 of General Obligation Refunding Bonds, Series 2020 with an average interest rate of 4.07% to advance refund $18,060,000 of $18,935,000 outstanding General Obligation Bonds, Series 2010, maturing March 1, 2035 with an average interest rate of 4.91% and $5,190,000 of $6,085,000 outstanding General Obligation Bonds, Series 2010, maturing March 1, 2036 with an average interest rate of 4.79%. As a result of the advance refunding, the Government reduced its total debt service requirements by $5,969,129, which resulted in an economic gain of $5,557,188.

C. On December 27, 2019, the Government's former Mayor-President, Joel Robideaux, self-reported to the Louisiana Public Service Commission (LPSC) payments made by the Government's Utilities System division to their Communications System division for a power outage monitoring service that he believed to be not necessary and possibly in violation of the Local Government Fair Competition Act. Subsequent to the self-reporting, the Government conducted an internal review of transactions between the Utilities System and the Communications System and reported transactions to the Government's Council that were believed to be of concern during a December 2019 council meeting. During March 2020, the Government engaged an independent firm to conduct a forensic audit. On March 22, 2021, the LPSC issued correspondence to the City Council indicating that after an extensive review of the responses to the data requests submitted to the Government and the Forensic Examination Report issued by Carr Riggs & Ingram, CPA's, there were no further actions necessary on the issues raised on December 27, 2019 by the former Mayor-President, Joel Robideaux. The correspondence received from the LPSC confirmed there are no pending audit dockets involving the Government and no other repayments need to be made by the Communications System for any incidents of non-compliance of the Local Government Fair Competition Act and the Commission's Cost Allocation and Affiliate Transaction Rules.

Lafayette

CONSOLIDATED GOVERNMENT

Required Supplementary Information

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
General Fund

Combined Budgetary Comparison Schedule
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes -				
Ad valorem	$ 29,043,922	$ 29,043,922	$ 29,651,389	$ 607,467
Sales and use	32,560,326	31,337,784	33,211,184	1,873,400
Payments in lieu of taxes:				
Utilities System	23,800,000	23,800,000	24,679,711	879,711
Communications System	810,000	810,000	767,904	(42,096)
Other	3,946,878	3,957,074	3,657,145	(299,929)
Licenses and permits	3,600,417	3,600,417	3,165,112	(435,305)
Intergovernmental -				
State shared revenue	690,138	690,138	496,781	(193,357)
On-behalf payments	3,218,524	3,218,524	3,218,524	-
Other	113,820	148,329	117,014	(31,315)
Charges for services	10,792,275	10,315,963	10,118,260	(197,703)
Fines and forfeits	835,000	835,000	831,488	(3,512)
Investment earnings	1,035,835	631,401	817,617	186,216
Miscellaneous	676,135	677,777	845,260	167,483
Total revenues	111,123,270	109,066,329	111,577,389	2,511,060
Expenditures:				
Current -				
General government	28,536,535	30,011,234	26,748,463	3,262,771
Public safety	67,202,921	74,859,469	71,716,655	3,142,814
Public works	4,479,450	4,438,531	3,797,267	641,264
Culture and recreation	86,500	86,500	1,864	84,636
Health and welfare	41,827	41,827	41,827	-
Economic opportunity	56,612	58,639	42,869	15,770
Total expenditures	100,403,845	109,496,200	102,348,945	7,147,255
Excess (deficiency) of revenues over expenditures	10,719,425	(429,871)	9,228,444	9,658,315
Other financing sources (uses):				
Transfers in	1,159,400	15,764,818	18,844,828	3,080,010
Transfers out	(23,318,308)	(16,769,977)	(13,425,929)	3,344,048
Total other financing sources (uses)	(22,158,908)	(1,005,159)	5,418,899	6,424,058
Net change in fund balance	(11,439,483)	(1,435,030)	14,647,343	16,082,373
Fund balance, beginning	56,201,952	56,201,952	56,201,952	-
Fund balance, ending	$ 44,762,469	$ 54,766,922	$ 70,849,295	$ 16,082,373

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Schedule of Changes in Total OPEB Liability and Related Ratios
For the Year Ended October 31, 2020

	2020	2019	2018
Total OPEB Liability			
Service costs	$ 688,570	$ 545,870	$ 532,176
Interest	1,000,464	1,302,790	1,262,719
Changes of benefit terms	-	-	-
Differences between expected and actual experience	911,762	1,000,884	(984,530)
Changes of assumptions	2,766,712	5,448,515	(2,194,055)
Benefit payments	(2,481,293)	(2,991,901)	(2,835,925)
Net change in total OPEB liability	2,886,215	5,306,158	(4,219,615)
Total OPEB liability - beginning	37,099,556	31,793,398	36,013,013
Total OPEB liability - ending	$ 39,985,771	$ 37,099,556	$ 31,793,398
Covered-employee payroll	$ 116,678,406	$96,981,671	$ 93,251,607
Total OPEB liability as a percentage of covered-employee payroll	34.27%	38.25%	34.09%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Schedule of Employer's Share of Net Pension Liability
For the Year Ended October 31, 2020

Plan/ Fiscal Year	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
MERS					
6/30/2020	18.276685%	$ 79,017,583	$34,553,957	228.7%	64.52%
6/30/2019	17.570162%	73,419,759	32,484,700	226.0%	64.68%
6/30/2018	17.555500%	72,691,669	32,365,313	224.6%	63.94%
6/30/2017	17.405863%	72,816,064	30,724,520	237.0%	62.49%
6/30/2016	16.871487%	69,151,342	30,084,365	229.9%	62.11%
6/30/2015	16.528899%	59,043,816	28,047,159	210.5%	66.18%
MPERS					
6/30/2020	5.478685%	50,635,818	17,031,415	297.3%	70.94%
6/30/2019	4.911360%	44,603,374	15,510,326	287.6%	71.01%
6/30/2018	5.079721%	42,944,272	15,124,384	283.9%	71.89%
6/30/2017	5.087030%	44,411,924	15,383,065	288.7%	70.08%
6/30/2016	5.403196%	50,643,169	15,179,586	333.6%	66.04%
6/30/2015	5.420541%	42,464,273	14,481,860	293.2%	70.73%
FRS					
6/30/2020	5.933847%	41,130,754	14,774,162	278.4%	72.61%
6/30/2019	5.657576%	35,427,232	13,670,664	259.1%	73.96%
6/30/2018	5.878694%	33,814,706	13,987,743	241.7%	74.76%
6/30/2017	5.911442%	33,883,493	13,786,301	245.8%	73.55%
6/30/2016	5.879921%	38,459,999	13,254,851	290.2%	68.16%
6/30/2015	5.556288%	29,987,911	11,742,851	255.4%	72.45%
PERS					
12/31/2019	4.956822%	233,341	31,409,252	0.74%	99.89%
12/31/2018	5.164959%	22,923,942	32,309,791	70.95%	88.86%
12/31/2017	5.365921%	(3,982,836)	33,809,328	-11.78%	101.98%
12/31/2016	5.750710%	11,843,662	32,937,454	35.96%	94.15%
12/31/2015	5.990462%	15,768,618	34,292,021	45.98%	92.23%
12/31/2014	6.054898%	1,655,459	31,791,663	5.21%	99.15%
LASERS					
6/30/2020	0.010820%	895,217	211,552	423.2%	58.00%
6/30/2019	0.010860%	786,653	207,314	379.4%	62.90%
6/30/2018	0.011330%	772,971	207,150	373.1%	64.30%
6/30/2017	0.011520%	811,084	205,084	395.5%	62.50%
6/30/2016	0.011420%	896,997	204,304	439.0%	57.70%
6/30/2015	0.010700%	727,421	197,239	368.8%	62.70%
ROVERS					
6/30/2020	0.877846%	189,113	112,733	167.8%	83.32%
6/30/2019	0.854974%	159,882	123,982	129.0%	84.83%
6/30/2018	0.833827%	196,819	115,688	170.1%	80.57%
6/30/2017	0.836387%	183,596	114,550	160.3%	80.51%
6/30/2016	0.772199%	219,113	106,071	206.6%	73.98%
6/30/2015	0.817071%	200,104	112,689	177.6%	76.86%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Schedule of Employer Contributions
For the Year Ended October 31, 2020

Plan	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a % of Covered Payroll
MERS					
2020	$ 10,111,812	$ 10,111,812	$ -	$ 35,688,748	28.33%
2019	8,796,690	8,796,690	-	33,090,997	26.58%
2018	8,039,472	8,039,472	-	31,944,922	25.17%
2017	7,467,805	7,467,805	-	31,443,389	23.75%
2016	6,421,364	6,421,364	-	30,699,748	20.92%
2015	5,639,211	5,639,211	-	28,552,967	19.75%
MPERS					
2020	6,032,216	6,032,216	-	18,325,719	32.92%
2019	5,045,142	5,045,142	-	15,603,532	32.33%
2018	4,713,932	4,713,932	-	15,084,582	31.25%
2017	4,781,555	4,781,555	-	15,219,804	31.42%
2016	4,628,660	4,628,660	-	15,301,355	30.25%
2015	4,565,299	4,565,299	-	14,806,375	30.83%
FRS					
2020	4,603,442	4,603,442	-	15,738,263	29.25%
2019	3,694,756	3,694,756	-	13,726,648	26.92%
2018	3,693,913	3,693,913	-	13,939,294	26.50%
2017	3,558,613	3,558,613	-	13,864,726	25.67%
2016	3,618,058	3,618,058	-	13,610,250	26.58%
2015	3,474,961	3,474,961	-	12,157,298	28.58%
PERS					
2020	3,910,384	3,910,384	-	32,250,590	12.13%
2019	3,634,303	3,634,303	-	31,602,635	11.50%
2018	3,695,915	3,695,915	-	31,679,271	11.67%
2017	4,182,651	4,182,651	-	33,239,611	12.58%
2016	4,473,091	4,473,091	-	33,759,177	13.25%
2015	5,161,225	5,161,225	-	34,991,356	14.75%
LASERS					
2020	82,149	82,149	-	193,595	42.43%
2019	84,783	84,783	-	207,462	40.87%
2018	83,133	83,133	-	207,314	40.10%
2017	79,523	79,523	-	205,486	38.70%
2016	77,526	77,526	-	203,658	38.07%
2015	81,170	81,170	-	201,082	40.37%
ROVERS					
2020	21,492	21,492	-	119,400	18.00%
2019	20,077	20,077	-	115,829	17.33%
2018	19,778	19,778	-	116,341	17.00%
2017	21,786	21,786	-	114,663	19.00%
2016	23,830	23,830	-	109,985	21.67%
2015	25,660	25,660	-	108,423	23.67%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Notes to the Required Supplementary Information

(1) Budget and Budgetary Accounting

The budgets for the General, Special Revenue, and Debt Service funds for fiscal year 2019 were prepared on the modified accrual basis of accounting, consistent with generally accepted accounting principles (GAAP). The Capital Projects Funds' budgets were prepared on a project basis and, therefore, are not presented. No budget is presented for the Sewer Assessment Bonds Funds because no expenditures were anticipated for these funds.

The Government follows the procedures detailed below in adopting its budget.

a. At least 90 days prior to the beginning of each fiscal year, the Mayor-President submits to the Council a proposed budget in the form required by the City-Parish Charter.

b. A public hearing is conducted to obtain taxpayer comments and notice thereof is published in the official journal at least 10 days prior to such hearing. The notification includes the time and place of the public hearing in addition to a general summary of the proposed budget.

c. Final adoption of the budget is required to be not later than the second-to-last regular meeting of the preceding fiscal year.

d. The Mayor-President is authorized to transfer budgeted amounts within departments, except that no transfer can be made to or from any salary account, unless authorized by the City-Parish Council by ordinance. Any revisions which cause interdepartmental transfers or alter the total revenues or expenditures of any fund must likewise be approved by the City-Parish Council.

e. Formal budgetary integration is employed as a management control device during the year for all funds. No payment can be made or obligated against any appropriation unless the Mayor-President or his designee first certifies that sufficient unencumbered funds are or will be available to meet the obligation when it becomes due and payable. In practice, this has generally been interpreted (due to the flexibility for intradepartmental transfer of line item appropriations) to mean control at the departmental/fund level.

f. Those budgets presented in the budgetary comparison schedules are adopted on a basis consistent with generally accepted accounting principles as applied to governmental units.

g. Under the Charter, all appropriations, except for capital outlays, lapse at the close of the fiscal year to the extent that they have not been expended or encumbered. Appropriations for capital outlays lapse after completion of the project or abandonment. A capital outlay appropriation is deemed abandoned if three years pass without any disbursement or encumbrance of the appropriation.

h. All budgeted amounts presented reflect the original budget and the final budget (which have been adjusted for legally authorized revisions during the year).

(2) Pension Plans

Changes of Assumptions – Changes of assumptions about future economic or demographic factors or of other inputs were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plans. These assumptions include the rate of investment return, mortality of plan members, rate of salary increase, rates of retirement, rates of termination, rates of disability, and various other factors that have an impact on the cost of the plan.

(3) Other Postemployment Benefit Plans

Benefit Changes – There were no changes of benefit terms for the year ended October 31, 2020.

Changes of Assumptions – The discount rate decreased from 4.30% to 2.79% for the year ended October 31, 2020.

Other Supplementary Information

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
General Funds

Combining Balance Sheet
October 31, 2020

	City	Parish	Total
ASSETS			
Cash and interest-bearing deposits	$ 13,682,638	$ 225,482	$ 13,908,120
Investments	52,705,583	1,106,325	53,811,908
Accounts receivable, net	1,629,096	311,789	1,940,885
Accrued interest receivable	267,671	5,619	273,290
Due from other funds	5,618,058	30,710	5,648,768
Due from component units	19,480	19,480	38,960
Due from other governmental agencies	303,810	485,922	789,732
Prepaid expenses	313	-	313
Note receivable	1,535,000	-	1,535,000
Total assets	$ 75,761,649	$ 2,185,327	$ 77,946,976
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	$ 601,385	$ 80,378	$ 681,763
Accrued salaries and benefits	5,057,067	58,170	5,115,237
Other payables	566,782	12,859	579,641
Due to other funds	593,224	119,217	712,441
Due to component units	6,722	-	6,722
Unearned revenue	1,877	-	1,877
Total liabilities	6,827,057	270,624	7,097,681
Fund balances:			
Nonspendable:			
Prepaid items	313	-	313
Long-term note receivable	1,535,000	-	1,535,000
Committed:			
Fire and police sustainability and resiliency	10,016,795	-	10,016,795
Unassigned	57,382,484	1,914,703	59,297,187
Total fund balances	68,934,592	1,914,703	70,849,295
Total liabilities and fund balances	$ 75,761,649	$ 2,185,327	$ 77,946,976

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
General Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended October 31, 2020

	City	Parish	Total
Revenues:			
Taxes -			
Ad valorem	$ 25,520,608	$ 4,130,781	$ 29,651,389
Sales and use	27,906,478	5,304,706	33,211,184
Payments in lieu of taxes:			
Utilities System	24,679,711	-	24,679,711
Communications system	767,904	-	767,904
Other	2,082,274	1,574,871	3,657,145
Licenses and permits	2,561,443	603,669	3,165,112
Intergovernmental -			
State shared revenue	141,428	355,353	496,781
On-behalf payments	3,218,524	-	3,218,524
Other	-	117,014	117,014
Charges for services	9,059,850	1,058,410	10,118,260
Fines and forfeits	802,380	29,108	831,488
Investment earnings	796,746	20,871	817,617
Miscellaneous	842,982	2,278	845,260
Total revenues	98,380,328	13,197,061	111,577,389
Expenditures:			
Current -			
General government	21,181,193	5,567,270	26,748,463
Public safety	70,806,877	909,778	71,716,655
Public works	3,797,267	-	3,797,267
Culture and recreation	-	1,864	1,864
Health and welfare	-	41,827	41,827
Economic opportunity	-	42,869	42,869
Total expenditures	95,785,337	6,563,608	102,348,945
Excess of revenues over expenditures	2,594,991	6,633,453	9,228,444
Other financing sources (uses):			
Transfers in	18,811,137	33,691	18,844,828
Transfers out	(12,387,663)	(1,038,266)	(13,425,929)
Internal transfers	5,053,189	(5,053,189)	-
Total other financing sources (uses)	11,476,663	(6,057,764)	5,418,899
Net change in fund balances	14,071,654	575,689	14,647,343
Fund balances, beginning	54,862,938	1,339,014	56,201,952
Fund balances, ending	$ 68,934,592	$ 1,914,703	$ 70,849,295

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
General Fund - City of Lafayette

Budgetary Comparison Schedule
For the Year Ended October 31, 2020
With Comparative Actual Amounts for the Year Ended October 31, 2019

	2020				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2019 Actual
Revenues:					
Taxes -					
Ad valorem	$ 25,008,156	$ 25,008,156	$ 25,520,608	$ 512,452	$ 25,149,345
Sales and use	28,136,655	26,367,819	27,906,478	1,538,659	28,667,205
Payments in lieu of taxes:					
Utilities System	23,800,000	23,800,000	24,679,711	879,711	25,051,002
Communications System	810,000	810,000	767,904	(42,096)	800,000
Other	2,384,751	2,384,751	2,082,274	(302,477)	2,241,345
Licenses and permits	3,029,237	3,029,237	2,561,443	(467,794)	2,569,543
Intergovernmental -					
State shared revenue	157,111	157,111	141,428	(15,683)	142,611
On-behalf payments	3,218,524	3,218,524	3,218,524	-	3,136,186
Charges for services	9,612,741	9,145,009	9,059,850	(85,159)	9,291,633
Fines and forfeits	819,260	819,260	802,380	(16,880)	853,052
Investment earnings	1,011,085	606,651	796,746	190,095	1,424,621
Miscellaneous	674,135	675,777	842,982	167,205	805,590
Total revenues	98,661,655	96,022,295	98,380,328	2,358,033	100,132,133
Expenditures:					
Current -					
General government	22,680,320	24,054,695	21,181,193	2,873,502	20,668,818
Public safety	66,358,686	73,906,953	70,806,877	3,100,076	64,328,893
Public works	4,479,450	4,438,531	3,797,267	641,264	3,874,519
Total expenditures	93,518,456	102,400,179	95,785,337	6,614,842	88,872,230
Excess (deficiency) of revenues over expenditures	5,143,199	(6,377,884)	2,594,991	8,972,875	11,259,903
Other financing sources (uses):					
Proceeds from sale of assets	-	-	-	-	1,400,000
Transfers in	1,159,400	15,764,818	18,811,137	3,046,319	1,515,278
Transfers out	(22,388,547)	(15,758,120)	(12,387,663)	3,370,457	(14,959,789)
Internal transfers	5,041,983	5,053,189	5,053,189	-	4,991,910
Total other financing sources (uses)	(16,187,164)	5,059,887	11,476,663	6,416,776	(7,052,601)
Net change in fund balance	(11,043,965)	(1,317,997)	14,071,654	15,389,651	4,207,302
Fund balance, beginning	54,862,938	54,862,938	54,862,938	-	50,655,636
Fund balance, ending	$ 43,818,973	$ 53,544,941	$ 68,934,592	$ 15,389,651	$ 54,862,938

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
General Fund - City of Lafayette

Budgetary Comparison Schedule - Detail of Expenditures
For the Year Ended October 31, 2020
With Comparative Actual Amounts for the Year Ended October 31, 2019

	2020				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2019 Actual
Elected Officials:					
City Council -					
Personnel costs	$ 725,090	$ 744,740	$ 743,925	$ 815	$ 799,935
Materials and supplies	14,400	15,000	12,259	2,741	4,754
Printing and postage	31,230	31,230	9,374	21,856	10,959
Professional fees	247,508	256,408	246,902	9,506	223,223
Professional services	35,550	35,800	20,934	14,866	28,527
Publications and recording	65,000	60,955	42,265	18,690	52,879
Telephone	29,850	29,850	13,813	16,037	14,742
Tourist promotion	9,000	9,000	403	8,597	307
Training	1,800	225	60	165	353
Transportation	14,808	14,808	534	14,274	699
Travel and meetings	51,100	27,702	6,284	21,418	16,987
Uninsured losses	28,011	143,176	143,176	-	32,790
Vehicle subsidy leases	7,000	7,000	6,023	977	6,023
Other	9,360	34,700	3,118	31,582	3,913
Total City Council	1,269,707	1,410,594	1,249,070	161,524	1,196,091
Mayor-President's Office -					
Operations:					
Personnel costs	1,063,926	1,064,213	915,148	149,065	1,019,365
Transportation	5,000	5,000	2,800	2,200	4,096
Expense allowance	3,600	3,601	3,600	1	3,600
Materials and supplies	6,548	11,257	10,936	321	5,575
Travel and meetings	22,280	14,916	9,958	4,958	22,861
Telephone	12,500	14,200	11,658	2,542	9,101
Printing and postage	7,819	6,819	1,212	5,607	611
Vehicle subsidy leases	22,848	20,648	18,977	1,671	21,895
Municipal dues	2,682	2,682	175	2,507	2,850
Contractual services	8,260	12,410	8,622	3,788	9,098
Tourist promotion	34,038	15,237	4,426	10,811	7,789
Uninsured losses	3,713	3,182	3,182	-	19,663
Other	3,819	2,797	2,244	553	472
	1,197,033	1,176,962	992,938	184,024	1,126,976

(continued)

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
General Fund - City of Lafayette

Budgetary Comparison Schedule - Detail of Expenditures (Continued)
For the Year Ended October 31, 2020
With Comparative Actual Amounts for the Year Ended October 31, 2019

	2020				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2019 Actual
Chief Administrative Office -					
Administration and Emergency Operations:					
Personnel costs	337,222	345,785	341,296	4,489	320,709
Materials and supplies	2,592	2,592	2,185	407	1,362
Telephone and utilities	3,150	3,150	764	2,386	551
Vehicle subsidy leases	6,000	6,000	6,143	(143)	6,115
External appropriations	-	-	-	-	40,000
Other	10,836	6,986	1,397	5,589	77,366
	359,800	364,513	351,785	12,728	446,103
Human Resources:					
Personnel costs	587,520	615,497	591,690	23,807	529,590
Materials and supplies	13,490	13,090	11,393	1,697	10,877
Telephone	1,600	1,600	386	1,214	320
Printing and postage	3,845	4,245	1,986	2,259	2,145
Professional services	100,742	100,742	73,923	26,819	78,464
Other	71,994	47,482	41,439	6,043	9,960
	779,191	782,656	720,817	61,839	631,356
International Trade:					
Personnel costs	371,136	366,965	341,545	25,420	338,230
Transportation	2,258	2,258	488	1,770	1,781
Materials and supplies	8,100	14,328	12,067	2,261	7,635
Travel and meetings	12,060	1,473	1,251	222	15,306
Telephone and utilities	20,400	21,600	16,799	4,801	18,241
Printing and postage	999	199	46	153	777
Contractual services	9,667	17,449	11,354	6,095	9,763
Tourist/customer relations	9,900	50	-	50	5,799
Other	19,837	21,166	19,014	2,152	27,238
	454,357	445,488	402,564	42,924	424,770
Small Business Support Services:					
Personnel costs	46,880	48,655	48,853	(198)	46,353
Telephone	400	400	21	379	20
Printing and postage	1,166	1,166	-	1,166	976
Other	1,000	223	-	223	-
	49,446	50,444	48,874	1,570	47,349
Total Chief Administrative Office	1,642,794	1,643,101	1,524,040	119,061	1,549,578
Total Mayor-President's Office	2,839,827	2,820,063	2,516,978	303,085	2,676,554

(continued)

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
General Fund - City of Lafayette

Budgetary Comparison Schedule - Detail of Expenditures (Continued)
For the Year Ended October 31, 2020
With Comparative Actual Amounts for the Year Ended October 31, 2019

	2020				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2019 Actual
City Court -					
Operations:					
Personnel costs	2,174,496	2,245,342	2,195,500	49,842	2,098,513
Transportation	554	154	89	65	75
Materials and supplies	18,601	17,058	15,246	1,812	19,360
Telephone and utilities	58,800	58,800	55,710	3,090	58,017
Maintenance	4,838	4,838	3,919	919	3,213
Contractual services	1,728	1,728	570	1,158	590
Printing and postage	9,072	9,488	9,291	197	10,498
External appropriations	250,000	250,000	250,000	-	250,000
Other	24,376	25,903	25,415	488	31,769
	2,542,465	2,613,311	2,555,740	57,571	2,472,035
City Marshal:					
Personnel costs	1,758,932	1,888,539	1,800,170	88,369	1,707,741
Transportation	120,000	118,000	81,066	36,934	104,480
Telephone	2,000	2,000	635	1,365	803
Training	25,920	15,562	12,808	2,754	-
Other	94,039	94,039	92,259	1,780	58,823
	2,000,891	2,118,140	1,986,938	131,202	1,871,847
Total City Court	4,543,356	4,731,451	4,542,678	188,773	4,343,882
Legal Department -					
Personnel costs	275,613	265,613	216,385	49,228	202,418
Materials and supplies	25,056	23,356	14,033	9,323	13,475
Telephone	4,800	3,200	300	2,900	642
Contractual services	138,780	154,180	144,654	9,526	143,700
Printing and binding	691	691	-	691	423
Professional fees	1,600,000	1,600,000	1,528,426	71,574	1,394,835
Other	5,075	2,031	460	1,571	196
Total Legal Department	2,050,015	2,049,071	1,904,258	144,813	1,755,689
Total Elected Officials	10,702,905	11,011,179	10,212,984	798,195	9,972,216

(continued)

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
General Fund - City of Lafayette

Budgetary Comparison Schedule - Detail of Expenditures (Continued)
For the Year Ended October 31, 2020
With Comparative Actual Amounts for the Year Ended October 31, 2019

	2020				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2019 Actual
Office of Finance and Management:					
Chief Financial Officer -					
Personnel costs	564,107	584,833	559,117	25,716	484,328
Training	6,912	1,972	284	1,688	4,252
Materials and supplies	3,106	3,106	1,604	1,502	2,474
Telephone	1,480	1,980	1,843	137	1,473
Travel and meetings	866	433	201	232	341
Printing and postage	828	828	117	711	211
Vehicle subsidy leases	6,200	6,200	6,023	177	6,023
Dues and licenses	1,584	1,735	1,735	-	1,780
Uninsured losses	27,339	92,668	92,668	-	175
Other	7,862	6,611	416	6,195	271
	620,284	700,366	664,008	36,358	501,328
Accounting -					
Personnel costs	1,782,118	1,816,241	1,820,179	(3,938)	1,772,822
Training	12,960	1,614	596	1,018	10,959
Materials and supplies	14,616	17,616	15,790	1,826	15,381
Telephone	1,390	1,590	1,645	(55)	1,250
Printing and postage	22,536	19,336	17,854	1,482	20,982
Contractual services	8,163	8,163	7,949	214	6,352
Other	2,882	2,882	1,658	1,224	2,569
	1,844,665	1,867,442	1,865,671	1,771	1,830,315
Budget Management -					
Personnel costs	651,224	639,765	611,715	28,050	503,972
Training	864	1,311	1,177	134	135
Materials and supplies	2,583	2,423	2,259	164	2,969
Telephone	200	200	191	9	252
Printing and postage	2,601	2,601	1,424	1,177	3,669
Contractual services	605	665	665	-	665
	658,077	646,965	617,431	29,534	511,662

(continued)

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
General Fund - City of Lafayette

Budgetary Comparison Schedule - Detail of Expenditures (Continued)
For the Year Ended October 31, 2020
With Comparative Actual Amounts for the Year Ended October 31, 2019

	2020				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2019 Actual
Purchasing and Property Management -					
Personnel costs	700,690	738,862	673,426	65,436	670,672
Transportation	2,871	2,871	601	2,270	1,551
Training	2,160	1,398	1,313	85	2,169
Materials and supplies	5,875	5,875	4,479	1,396	7,019
Telephone	4,000	4,000	2,926	1,074	2,729
Printing and postage	9,504	9,504	3,499	6,005	3,732
Other	864	864	225	639	544
	725,964	763,374	686,469	76,905	688,416
Risk Management -					
Personnel costs	493,796	498,105	437,321	60,784	439,246
Contractual services	88,632	88,632	47,226	41,406	54,381
Materials and supplies	6,653	6,653	2,748	3,905	4,497
Printing and postage	1,663	1,663	361	1,302	1,547
Telephone	7,518	7,518	3,255	4,263	3,418
Training	8,208	2,097	1,136	961	1,518
Transportation	10,835	10,835	6,680	4,155	7,132
Uniforms	1,296	1,296	-	1,296	228
Uninsured losses	36,685	20,481	20,481	-	38,476
Other	4,756	4,756	1,696	3,060	1,530
	660,042	642,036	520,904	121,132	551,973
General Accounts -					
External appropriations	1,818,613	1,836,848	1,604,710	232,138	1,623,393
Duplication costs	114,110	108,730	60,731	47,999	87,253
Professional services	103,876	103,876	70,100	33,776	82,050
Accrued leave	991,385	1,649,385	1,544,581	104,804	1,539,357
Unemployment compensation	65,000	65,000	26,127	38,873	14,565
Insurance and bonds	180,071	212,739	202,985	9,754	160,466
Dues and licenses	22,701	25,701	25,393	308	25,222
Utilities - street lighting	1,675,000	1,675,000	1,557,458	117,542	1,609,065
Group insurance - retirees	438,601	438,601	438,601	-	349,141
Other	7,199	7,199	8,859	(1,660)	8,263
Election	101,000	101,000	39,306	61,694	24,956
	5,517,556	6,224,079	5,578,851	645,228	5,523,731
Total Office of Finance and Management	10,026,588	10,844,262	9,933,334	910,928	9,607,425

(continued)

Budgetary Comparison Schedule - Detail of Expenditures (Continued)
For the Year Ended October 31, 2020
With Comparative Actual Amounts for the Year Ended October 31, 2019

	2020				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2019 Actual
Department of Information Services and Technology:					
Chief Information Officer:					
Personnel costs	3,178,240	3,236,433	3,034,126	202,307	2,764,539
Training	151,357	34,228	20,421	13,807	110,486
Materials and supplies	17,280	17,280	16,197	1,083	12,526
Telephone	512,160	512,160	471,016	41,144	459,114
Travel and meetings	1,728	1,139	896	243	1,267
Vehicle subsidy leases	6,000	6,000	6,023	(23)	5,747
Printing and postage	692	692	21	671	91
Professional services	1,876,312	1,877,172	1,329,883	547,289	1,232,002
Maintenance	105,943	105,943	103,658	2,285	106,363
Publications and recording	800	800	167	633	-
Other	20,740	18,809	1,129	17,680	1,271
	5,871,252	5,810,656	4,983,537	827,119	4,693,406
Communications:					
Personnel costs	248,520	253,030	200,991	52,039	219,446
Transportation	5,500	5,500	2,286	3,214	3,521
Materials and supplies	1,901	1,456	255	1,201	1,354
Telephone	250	3,250	1,506	1,744	190
Printing and postage	1,440	1,560	1,550	10	1,878
Maintenance	2,340	2,645	2,584	61	4,669
Other	1,620	1,640	1,519	121	5,120
	261,571	269,081	210,691	58,390	236,178
Records Management:					
Personnel costs	108,783	112,757	113,395	(638)	107,205
Training	3,600	360	-	360	3,925
Materials and supplies	3,384	3,653	3,326	327	3,307
Telephone	642	642	441	201	41
Transportation	600	331	9	322	-
Other	965	965	656	309	593
	117,974	118,708	117,827	881	115,071
Total Department of Information Services and Technology	6,250,797	6,198,445	5,312,055	886,390	5,044,655

(continued)

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
General Fund - City of Lafayette

Budgetary Comparison Schedule - Detail of Expenditures (Continued)
For the Year Ended October 31, 2020
With Comparative Actual Amounts for the Year Ended October 31, 2019

	2020				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2019 Actual
Police Department:					
Personnel costs	28,439,449	32,856,786	31,871,361	985,425	26,955,806
Contractual services	409,800	766,640	372,433	394,207	295,043
Coroner's fees	118,700	118,700	98,964	19,736	78,697
Transportation	1,500,000	1,500,000	1,382,126	117,874	1,489,778
Materials and supplies	405,289	378,649	301,849	76,800	356,752
Municipal dues	8,042	19,332	17,481	1,851	12,010
Telephone and utilities	791,394	811,394	662,815	148,579	683,148
Travel and meetings	33,579	18,663	1,063	17,600	10,387
Printing and postage	19,008	19,008	7,460	11,548	15,759
Maintenance	249,012	249,012	158,214	90,798	150,091
External appropriations	372,373	208,373	187,165	21,208	340,861
Other	235,992	223,767	133,643	90,124	132,282
Professional services	22,680	22,680	13,682	8,998	21,511
Rent	3,994	3,994	3,993	1	3,993
Undercover investigation	22,334	22,334	6,230	16,104	18,884
Training	399,994	227,763	185,235	42,528	332,467
Uniforms	281,319	281,319	233,328	47,991	261,557
Uninsured losses	828,411	813,044	813,044	-	2,605,933
Vehicle sibsidy leases	158,750	158,750	99,224	59,526	93,741
Total Police Department	34,300,120	38,700,208	36,549,310	2,150,898	33,858,700
Fire Department:					
Personnel costs	23,541,684	25,896,618	25,665,376	231,242	22,078,007
Training	87,390	86,640	34,072	52,568	68,996
Transportation	808,024	808,024	612,100	195,924	804,032
Materials and supplies	99,953	108,853	90,164	18,689	97,629
Maintenance	76,100	104,025	86,551	17,474	60,283
Telephone and utilities	347,779	371,779	323,558	48,221	334,239
Travel and meetings	3,888	3,084	2,274	810	3,244
Printing and postage	2,434	2,334	1,332	1,002	1,635
Tourist/customer relations	8,262	4,961	2,190	2,771	9,326
Professional services	92,720	90,720	76,640	14,080	70,147
Other	65,639	66,470	63,230	3,240	61,253
Uniforms	100,483	94,483	64,912	29,571	102,400
Uninsured losses	230,839	788,232	788,232	-	679,431
Total Fire Department	25,465,195	28,426,223	27,810,631	615,592	24,370,622

(continued)

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
General Fund - City of Lafayette

Budgetary Comparison Schedule - Detail of Expenditures (Continued)
For the Year Ended October 31, 2020
With Comparative Actual Amounts for the Year Ended October 31, 2019

	2020				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2019 Actual
Public Works:					
Facility Maintenance -					
Personnel costs	802,592	835,000	819,766	15,234	768,572
Materials and supplies	182,334	199,309	193,588	5,721	193,399
Telephone and utilities	506,066	493,876	329,669	164,207	388,326
Maintenance	363,099	359,924	335,002	24,922	332,852
Transportation	40,176	40,176	25,288	14,888	30,385
Professional services	161,749	160,139	152,570	7,569	164,637
Uniforms	2,651	2,651	1,853	798	332
Printing and postage	216	216	-	216	147
Other	136,566	127,567	99,888	27,679	117,658
	2,195,449	2,218,858	1,957,624	261,234	1,996,308
Traffic and Transit -					
Personnel costs	1,730,144	1,753,417	1,486,616	266,801	1,516,035
Training	15,219	2,722	-	2,722	11,846
Transportation	90,685	90,685	50,728	39,957	73,629
Materials and supplies	16,848	16,848	16,319	529	13,633
Telephone and utilities	326,780	327,430	268,426	59,004	249,562
Printing and postage	1,383	1,383	66	1,317	449
Uniforms	3,975	7,475	5,516	1,959	1,736
Maintenance	5,011	4,361	2,119	2,242	2,864
Professional services	3,456	3,456	2,358	1,098	2,439
Uninsured losses	88,429	9,825	7,085	2,740	5,674
Other	2,071	2,071	410	1,661	344
	2,284,001	2,219,673	1,839,643	380,030	1,878,211
Total Public Works	4,479,450	4,438,531	3,797,267	641,264	3,874,519

(continued)

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
General Fund - City of Lafayette

Budgetary Comparison Schedule - Detail of Expenditures (Continued)
For the Year Ended October 31, 2020
With Comparative Actual Amounts for the Year Ended October 31, 2019

	2020				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2019 Actual
Community Development Department:					
Administration -					
External appropriations	614,799	614,799	610,766	4,033	638,389
Personnel costs	202,319	219,045	220,219	(1,174)	200,222
Materials and supplies	1,620	1,920	1,464	456	678
Telephone	2,600	2,600	455	2,145	61
Vehicle subsidy leases	6,200	6,200	6,023	177	6,023
Uninsured losses	81,321	111,355	111,355	-	30,170
Other	20,433	14,363	11,030	3,333	11,996
	929,292	970,282	961,312	8,970	887,539
Senior Center -					
Personnel costs	334,690	270,136	247,060	23,076	329,898
Transportation	11,570	7,495	2,857	4,638	3,000
Materials and supplies	6,912	5,376	2,809	2,567	5,348
Telephone and utilities	35,240	29,309	19,823	9,486	22,553
Printing and postage	2,202	635	25	610	173
Maintenance	13,824	12,284	9,835	2,449	10,503
Contractual services	5,818	505,340	3,703	501,637	5,471
Tourist/customer relations	4,320	1,320	723	597	1,101
Other	790	287	-	287	249
	415,366	832,182	286,835	545,347	378,296
Government and Business Relations -					
Personnel costs	55,132	57,259	37,368	19,891	54,494
Training	259	514	513	1	128
Materials and supplies	1,134	1,009	739	270	342
Printing and postage	216	86	3	83	58
	56,741	58,868	38,623	20,245	55,022
Total Community Development Department	1,401,399	1,861,332	1,286,770	574,562	1,320,857

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LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
General Fund - City of Lafayette

Budgetary Comparison Schedule - Detail of Expenditures (Continued)
For the Year Ended October 31, 2020
With Comparative Actual Amounts for the Year Ended October 31, 2019

	2020				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2019 Actual
Development and Planning:					
Personnel costs	295,826	307,203	294,763	12,440	283,168
Transportation	5,000	1,000	232	768	990
Materials and supplies	8,640	25,440	19,236	6,204	13,042
Telephone	5,000	2,000	1,243	757	976
Printing and postage	9,936	6,336	5,750	586	3,510
Travel and meetings	-	-	909	(909)	-
Other	13,703	4,964	-	4,964	1,103
	338,105	346,943	322,133	24,810	302,789
Municipal Civil Service:					
Personnel costs	504,769	524,132	528,278	(4,146)	496,168
Materials and supplies	2,419	2,419	1,791	628	2,097
Telephone	800	800	148	652	169
Printing and postage	2,549	2,549	912	1,637	1,379
Publication and recordation	5,500	2,272	223	2,049	347
Legal fees	26,000	29,228	21,426	7,802	13,191
Training	2,404	2,404	-	2,404	-
Vehicle subsidy leases	6,000	6,000	6,023	(23)	6,023
Other	3,456	3,252	2,052	1,200	1,073
	553,897	573,056	560,853	12,203	520,447
Total expenditures	$ 93,518,456	$ 102,400,179	$ 95,785,337	$ 6,614,842	$ 88,872,230

Lafayette
CONSOLIDATED GOVERNMENT

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
General Fund - Lafayette Parish

Budgetary Comparison Schedule
For the Year Ended October 31, 2020
With Comparative Actual Amounts for the Year Ended October 31, 2019

	2020				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2019 Actual
Revenues:					
Taxes -					
Ad valorem	$ 4,035,766	$ 4,035,766	$ 4,130,781	$ 95,015	$ 4,034,076
Sales and use	4,423,671	4,969,965	5,304,706	334,741	4,885,224
Other	1,562,127	1,572,323	1,574,871	2,548	1,587,971
Licenses and permits	571,180	571,180	603,669	32,489	595,608
Intergovernmental -					
State shared revenue	533,027	533,027	355,353	(177,674)	438,274
Other	113,820	148,329	117,014	(31,315)	137,966
Charges for services	1,179,534	1,170,954	1,058,410	(112,544)	1,199,718
Fines and forfeits	15,740	15,740	29,108	13,368	28,057
Investment earnings	24,750	24,750	20,871	(3,879)	35,450
Miscellaneous	2,000	2,000	2,278	278	4,763
Total revenues	12,461,615	13,044,034	13,197,061	153,027	12,947,107
Expenditures:					
Current -					
General government	5,856,215	5,956,539	5,567,270	389,269	5,455,551
Public safety	844,235	952,516	909,778	42,738	940,917
Culture and recreation	86,500	86,500	1,864	84,636	6,090
Health and welfare	41,827	41,827	41,827	-	41,827
Economic opportunity	56,612	58,639	42,869	15,770	54,407
Total expenditures	6,885,389	7,096,021	6,563,608	532,413	6,498,792
Excess of revenues over expenditures	5,576,226	5,948,013	6,633,453	685,440	6,448,315
Other financing sources (uses):					
Transfers in	-	-	33,691	33,691	112,768
Transfers out	(929,761)	(1,011,857)	(1,038,266)	(26,409)	(898,283)
Internal transfers	(5,074,171)	(5,053,189)	(5,053,189)	-	(4,991,910)
Total other financing sources (uses)	(6,003,932)	(6,065,046)	(6,057,764)	7,282	(5,777,425)
Net change in fund balance	(427,706)	(117,033)	575,689	692,722	670,890
Fund balance, beginning	1,339,014	1,339,014	1,339,014	-	668,124
Fund balance, ending	$ 911,308	$ 1,221,981	$ 1,914,703	$ 692,722	$ 1,339,014

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
General Fund - Lafayette Parish

Budgetary Comparison Schedule - Detail of Expenditures
For the Year Ended October 31, 2020
With Comparative Actual Amounts for the Year Ended October 31, 2019

	2020				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2019 Actual
Elected Officials:					
Parish Council -					
General government -					
Personnel costs	$ 122,500	$ 125,074	$ 130,932	$ (5,858)	$ -
Materials and supplies	-	1,500	-	1,500	-
Telephone	-	6,000	23	5,977	-
Publication and recordation	-	38,825	20,174	18,651	-
Travel and meetings	-	9,947	2,023	7,924	-
Printing and postage	-	8,675	4,766	3,909	-
Tourist promotion	-	4,500	122	4,378	-
Other	77,500	-	-	-	-
	200,000	194,521	158,040	36,481	-
District Courts Judges -					
General government -					
Personnel costs	1,263,425	1,263,425	1,266,186	(2,761)	1,233,694
Contractual services	166,800	166,800	64,414	102,386	141,905
Repairs and maintenance	8,000	9,250	9,250	-	7,414
Insurance	14,700	13,450	10,005	3,445	7,365
Other	4,100	4,100	4,058	42	4,474
	1,457,025	1,457,025	1,353,913	103,112	1,394,852
District Attorney -					
General government:					
Personnel costs	569,014	620,526	620,526	-	536,277
Insurance	1,039	1,039	1,039	-	1,023
	570,053	621,565	621,565	-	537,300
Justice of the Peace and Constables -					
General government:					
Personnel costs	184,653	184,653	176,512	8,141	176,207
Training	12,000	12,000	10,270	1,730	7,914
Supplies and materials	640	640	-	640	-
	197,293	197,293	186,782	10,511	184,121

(continued)

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
General Fund - Lafayette Parish

Budgetary Comparison Schedule - Detail of Expenditures (Continued)
For the Year Ended October 31, 2020
With Comparative Actual Amounts for the Year Ended October 31, 2019

	2020				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2019 Actual
Registrar of Voters -					
General government:					
Personnel costs	177,884	178,344	150,245	28,099	149,699
Telephone	7,404	7,404	7,158	246	7,152
Vehicle subsidy leases	5,400	5,400	5,360	40	5,361
Materials and supplies	6,774	6,774	4,662	2,112	4,429
Other	38,477	105,198	36,730	68,468	27,755
	235,939	303,120	204,155	98,965	194,396
Total Elected Officials	2,660,310	2,773,524	2,524,455	249,069	2,310,669
Office of Finance and Management:					
General Accounts -					
General government:					
Dues and subscriptions	16,750	16,750	16,432	318	16,682
Publication and recordation	10,400	10,400	6,477	3,923	10,440
Printing and binding	1,600	795	-	795	-
Charges for collection	201,007	205,574	193,976	11,598	186,618
External appropriations	2,542,639	2,491,127	2,494,286	(3,159)	2,611,949
Group insurance	44,861	44,861	44,861	-	41,346
Assessor's office	-	37,055	450	36,605	17,000
Other	178,037	178,842	98,783	80,059	94,502
Street lighting	37,900	37,900	34,835	3,065	35,867
Public safety -					
Office of Emergency Preparedness	62,375	78,230	58,750	19,480	54,406
Contractual services - sheriff	45,000	45,000	36,176	8,824	41,446
Health and welfare -					
Parish Service Officer	41,827	41,827	41,827	-	41,827
Total Office of Finance and Management	3,182,396	3,188,361	3,026,853	161,508	3,152,083

(continued)

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
General Fund - Lafayette Parish

Budgetary Comparison Schedule - Detail of Expenditures (Continued)
For the Year Ended October 31, 2020
With Comparative Actual Amounts for the Year Ended October 31, 2019

	2020				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2019 Actual
Parishwide Fire Protection:					
Transportation	22,959	38,959	36,004	2,955	63,975
2% fire insurance rebate -					
Milton	40,382	38,416	38,416	-	40,382
Judice	42,904	39,272	39,272	-	42,903
Carencro	85,154	81,748	81,748	-	85,153
Duson	18,464	12,823	12,823	-	18,463
Scott	86,627	84,553	84,553	-	86,627
Broussard	57,547	62,057	62,057	-	57,547
Youngsville	81,507	92,706	92,706	-	81,507
External appropriations -					
Milton	42,188	73,500	69,323	4,177	70,342
Judice	42,188	73,500	66,788	6,712	66,959
Carencro	42,188	42,188	42,188	-	42,188
Duson	42,188	57,000	56,410	590	56,455
Scott	42,188	42,188	42,188	-	42,188
Broussard	42,188	42,188	42,188	-	42,188
Youngsville	42,188	42,188	42,188	-	42,188
Tower rental	6,000	6,000	6,000	-	6,000
Total Parishwide Fire Protection	736,860	829,286	814,852	14,434	845,065

(continued)

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
General Fund - Lafayette Parish

Budgetary Comparison Schedule - Detail of Expenditures (Continued)
For the Year Ended October 31, 2020
With Comparative Actual Amounts for the Year Ended October 31, 2019

	2020				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2019 Actual
Parks and Recreation Department:					
Operations and Maintenance -					
Culture and recreation:					
Equipment purchases	86,500	86,500	1,864	84,636	6,090
Community Development Department:					
Federal Programs Administration -					
Economic opportunity:					
Personnel costs	55,132	57,259	42,641	14,618	53,853
Telephone and utilities	200	200	8	192	7
Other	1,280	1,180	220	960	547
Total Community Development Department	56,612	58,639	42,869	15,770	54,407
Others:					
County Agent -					
General government:					
Transportation	2,871	2,871	656	2,215	3,310
Telephone	15,000	15,000	14,560	440	15,142
Repairs and maintenance	240	240	-	240	-
Materials and supplies	32,200	31,550	29,051	2,499	3,685
Uniforms	1,600	-	-	-	-
Office expense	2,000	1,250	-	1,250	-
Contractual services	108,000	108,000	107,965	35	107,634
Other	800	800	483	317	707
Total Others	162,711	159,711	152,715	6,996	130,478
Total expenditures	$ 6,885,389	$ 7,096,021	$ 6,563,608	$ 532,413	$ 6,498,792

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Governmental Funds

Combining Balance Sheet - By Fund Type
October 31, 2020
With Comparative Totals for October 31, 2019

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Totals 2020	Totals 2019
ASSETS					
Cash and interest-bearing deposits	$ 21,172,191	$ 6,446,587	$ 10,338,203	$ 37,956,981	$ 29,508,526
Investments	100,527,381	27,425,436	51,826,867	179,779,684	147,888,006
Accounts receivable, net	797,983	-	1,439	799,422	580,402
Loans receivable	3,148,978	-	-	3,148,978	3,080,055
Allowance for uncollectible loans	(290,948)	-	-	(290,948)	(184,935)
Assessments receivable	-	32,109	-	32,109	34,564
Accrued interest receivable	495,301	119,584	263,208	878,093	577,583
Due from other funds	2,341,693	697,742	-	3,039,435	4,591,840
Due from other governmental agencies	16,963,228	-	-	16,963,228	10,016,681
Inventories, at cost	25,953	-	-	25,953	27,884
Prepaid items	247,623	-	-	247,623	148,980
Total assets	$ 145,429,383	$ 34,721,458	$ 62,429,717	$ 242,580,558	$ 196,269,586
LIABILITIES AND FUND BALANCES					
Liabilities:					
Cash overdraft	$ 7,247,963	$ -	$ -	$ 7,247,963	$ 1,411,263
Accounts payable	3,068,689	-	-	3,068,689	3,300,994
Accrued salaries and benefits	898,375	-	-	898,375	842,513
Contracts payable	2,894,378	-	2,801,517	5,695,895	2,026,910
Retainage payable	644,297	-	1,459,392	2,103,689	1,917,151
Other payables	188,999	-	-	188,999	191,699
Due to other funds	10,523,872	1,355,586	201,796	12,081,254	15,313,064
Due to other governmental agencies	-	-	-	-	116,280
Unearned revenue	600,236	-	-	600,236	409,712
Total liabilities	26,066,809	1,355,586	4,462,705	31,885,100	25,529,586
Fund balances:					
Nonspendable -					
Inventories	25,953	-	-	25,953	27,884
Prepaid items	247,623	-	-	247,623	148,980
Restricted -					
Capital expenditures	57,616,290	-	57,967,012	115,583,302	76,687,031
Debt service	-	33,365,872	-	33,365,872	33,576,863
Operations and maintenance	58,150,591	-	-	58,150,591	56,618,389
Purpose of grantors and donors	3,311,192	-	-	3,311,192	3,677,156
Committed -					
Operations and maintenance	13,303	-	-	13,303	11,257
Unassigned	(2,378)	-	-	(2,378)	(7,560)
Total fund balances	119,362,574	33,365,872	57,967,012	210,695,458	170,740,000
Total liabilities and fund balances	$ 145,429,383	$ 34,721,458	$ 62,429,717	$ 242,580,558	$ 196,269,586

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended October 31, 2020
With Comparative Actual Amounts for the Year Ended October 31, 2019

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Totals 2020	Totals 2019
Revenues:					
Taxes -					
Ad valorem	$ 52,591,807	$ 4,631,313	$ -	$ 57,223,120	$ 59,877,711
Sales and use	1,916,090	24,064,414	-	25,980,504	25,441,431
Licenses and permits	2,378,320	-	-	2,378,320	2,722,392
Intergovernmental -					
Federal grants	28,743,449	-	-	28,743,449	10,955,637
State funds:					
Parish transportation funds	1,408,012	-	-	1,408,012	1,585,005
State shared revenue	1,366,903	-	-	1,366,903	1,271,506
Other	2,666,596	55,720	-	2,722,316	1,006,377
Charges for services	5,675,794	-	-	5,675,794	9,053,683
Fines and forfeits	1,035,910	-	-	1,035,910	1,221,864
Investment earnings	1,780,053	552,998	274,652	2,607,703	4,756,956
Miscellaneous	490,746	-	333	491,079	1,571,674
Total revenues	100,053,680	29,304,445	274,985	129,633,110	119,464,236
Expenditures:					
Current -					
General government	24,591,134	169,022	174,780	24,934,936	21,487,543
Public safety	4,486,626	-	-	4,486,626	4,069,111
Public works	25,007,498	-	-	25,007,498	25,249,639
Urban redevelopment and housing	1,486,667	-	-	1,486,667	1,895,693
Culture and recreation	23,263,478	-	-	23,263,478	26,575,313
Health and welfare	1,026,989	-	-	1,026,989	991,777
Economic opportunity	282,102	-	-	282,102	294,049
Economic development and assistance	571,340	-	-	571,340	4,908,975
Debt service -					
Principal retirement	-	23,715,000	-	23,715,000	21,140,000
Interest and fiscal charges	-	10,872,768	-	10,872,768	11,489,632
Debt issuance costs	-	519,311	564,280	1,083,591	1,054,118
Capital outlay	10,852,244	-	18,919,594	29,771,838	29,442,702
Total expenditures	91,568,078	35,276,101	19,658,654	146,502,833	148,598,552
Excess (deficiency) of revenues over expenditures	8,485,602	(5,971,656)	(19,383,669)	(16,869,723)	(29,134,316)
Other financing sources (uses):					
Issuance of debt	-	-	50,000,000	50,000,000	26,070,000
Issuance of refunding debt	-	42,075,000	-	42,075,000	38,755,000
Premium on issuance of debt	-	630,556	9,672,871	10,303,427	7,384,537
Payment to refunded bond escrow agent	-	(42,956,211)	-	(42,956,211)	(43,692,114)
Transfers in	33,278,404	8,019,253	1,052,285	42,349,942	29,597,076
Transfers out	(41,590,001)	(2,007,933)	(1,349,043)	(44,946,977)	(16,383,709)
Total other financing sources (uses)	(8,311,597)	5,760,665	59,376,113	56,825,181	41,730,790
Net change in fund balances	174,005	(210,991)	39,992,444	39,955,458	12,596,474
Fund balances, beginning	119,188,569	33,576,863	17,974,568	170,740,000	158,143,526
Fund balances, ending	$ 119,362,574	$ 33,365,872	$ 57,967,012	$ 210,695,458	$ 170,740,000

Lafayette
CONSOLIDATED GOVERNMENT

Nonmajor
Special Revenue Funds

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue funds account for and report the proceeds of specific revenue sources that are legally restricted for specific purposes other than debt service or capital projects.

Road and Bridge Maintenance - this fund accounts for proceeds of ad valorem taxes assessed by the City and the Parish, State's Parish Transportation funds, state shared revenue, and any interest earned on these funds to cover the costs of maintaining and improving the roads and bridges in the City and the Parish.

Parishwide Drainage Maintenance - this fund accounts for proceeds of ad valorem taxes assessed by the Parish, state shared revenue, and interest earned on these funds to cover the costs of improving and maintaining drainage throughout Lafayette Parish.

Adult Correctional Facility Maintenance - this fund accounts for proceeds of ad valorem taxes, state shared revenue, and interest earned on these funds to cover the costs of operating and maintaining the Adult Correctional Facility in the Parish.

Courthouse and Jail Maintenance - this fund accounts for proceeds of ad valorem taxes assessed by the Parish, state shared revenue, and interest earned on these funds. These revenues are dedicated to the courthouse and jail in the Parish for operations and maintenance costs.

Juvenile Detention Home Maintenance - this fund accounts for ad valorem taxes assessed by the Parish, collection and disbursement of various federal and state grants, state shared revenue, charges for services, and any interest earned on these funds. Revenues are dedicated to covering the cost of operating, improving, and maintaining the Juvenile Detention Home.

Combined Public Health - this fund accounts for ad valorem taxes assessed by the Parish, collection and disbursement of those taxes to funds dedicated to operating and maintaining the Health Unit, Animal Shelter and Care Center, and Mosquito Abatement and Control.

Health Unit Maintenance – this fund is dedicated to operating and maintaining the Health Unit. Funding is provided by ad valorem taxes assessed by the Parish through the Combined Public Health millage.

Mosquito Abatement and Control – this fund is dedicated for the purpose of controlling mosquitoes and other arthropods. Funding is provided by ad valorem taxes assessed by the Parish through the Combined Public Health millage.

Storm Water Management – this fund accounts for proceeds of ad valorem taxes assessed by the Parish to cover the cost of improving and maintaining flood prone drainage areas.

Cultural Economy – this fund accounts for proceeds of ad valorem taxes assessed by the Parish to grow the economy through Culture, Recreation, Entertainment, Arts, Tourism, and Economy.

Nonmajor Governmental Funds

Special Revenue Funds (Continued)

Parishwide Street, Drainage, and Bridge – this fund is used for the purposes of construction, improvement, operation, and maintenance of road, bridges, and drainage throughout Lafayette Parish. The funding is provided by an $8 million library millage rededication approved by the voters in 2019.

Parishwide Parks & Recreation – this fund is used for the purposes of construction, improvement, operation, and maintenance of parks and recreation facilities throughout Lafayette Parish. The funding is provided by an $2 million library millage rededication approved by the voters in 2019.

Lafayette Parish Public Library - this fund accounts for proceeds of ad valorem taxes assessed by the Parish, state shared revenue, and revenues from services provided by the Library. These revenues are to cover the cost of operating and maintaining all branches of the Lafayette Parish Public Library.

Municipal Transit System - this fund accounts for the activities necessary to provide bus service for the residents of the City.

Recreation and Parks – this fund is funded primarily from a transfer of City general governmental funds and ad valorem taxes assessed by the City. These proceeds are used for the purpose of maintaining and operating recreation programs in the City.

Golf Courses - this fund is used to account for the operations of the City's three golf courses. The fund's operations are financed by green fees, golf equipment rentals, memberships, and tournament fees.

Lafayette Development and Revitalization – this fund is used to account for the operations of a revolving loan fund used in conjunction with commercial and residential development throughout Lafayette's Historic and Downtown areas. The fund's operations are financed by an initial contribution from the City General Fund, future loan fees and interest earnings.

Natural History Museum and Planetarium - this fund is used to account for revenues from ticket sales, facility rentals, and other services provided to cover the costs of operating and maintaining the museum and planetarium.

Heymann Performing Arts Center - these funds are used to account for all proceeds from ticket sales and facility rental fees at the Heymann Performing Arts Center. The proceeds of these sales go toward operating and maintaining the facility.

Animal Shelter and Care Center – this fund is dedicated for the purpose of operating and maintaining the Animal Shelter and Care Center in Lafayette Parish. The Animal Shelter and Care Center ensures the humane treatment of animals through in-house vaccinations as well as a spay/neuter program. Funding is provided by ad valorem taxes assessed by the Parish through the Combined Public Health millage.

Parking Program - this fund is used to account for parking revenues to promote improved parking facilities.

Nonmajor Governmental Funds

Special Revenue Funds (Continued)

Codes and Permits - this fund is used to account for the revenues from permits and other services provided by the Codes Division to cover the costs of operating and maintaining the Development and Planning Department.

Coroner's Expense - this fund accounts for revenues from services provided by the Coroner's office. Proceeds from these services are dedicated to covering the costs of operating and maintaining the Coroner's office in Lafayette Parish.

War Memorial - this fund is used to account for the operating subsidy from the Parish General Fund for operating and maintaining the War Memorial Building.

Criminal Court - this fund is used to account for deposited fines and forfeitures to be used and paid for specific and specified expenses generally related to the Judges of the 15th Judicial District and the Office of the District Attorney, upon a motion by the District Attorney and order of the District Court. One half of any surplus remaining in the fund on December 31st of each year shall be transferred to the Parish General Fund.

Justice Department Federal Equitable Sharing - this fund accounts for the cash proceeds received from seizures and forfeitures, as well as any interest earned on these funds. These funds are dedicated to public safety.

Traffic Safety - this fund accounts for the photo enforcement program for ticket fees collected by a third party administrator for Lafayette Consolidated Government.

Narcotics Seized/Forfeited Property - these funds account for the cash proceeds received from federal and state narcotic seizures and forfeitures, as well as any interest earned on these funds.

1961 Sales Tax Trust - this fund is used to account for the 1% sales and use tax levied by the City of Lafayette. These revenues are dedicated to capital improvements, the general fund, and debt service.

1985 Sales Tax Trust - this fund is used to account for the 1% sales and use tax levied by the City of Lafayette. These revenues are dedicated to capital improvements, the general fund, and debt service.

TIF Sales Tax Trusts - this fund is used to account for sales and use tax levied by the City of Lafayette. These revenues are dedicated to redevelopment, infrastructure, and other community-improvement projects in the defined district.

Downtown Lafayette EDD - this fund is used to account for sales and use tax levied by the Downtown Lafayette Economic Development District. These revenues are dedicated for the acquisition, design, development, and construction of various multi-phased projects designed to encourage economic development within the Downtown Lafayette Economic Development District.

Nonmajor Governmental Funds

Special Revenue Funds (Continued)

University Gateway EDD - this fund is used to account for sales and use tax levied by the University Gateway Economic Development District. These revenues are dedicated for the acquisition, design, development, and construction of various multi-phased projects designed to encourage economic development within the University Gateway Economic Development District.

Trappey EDD - this fund is used to account for sales and use tax levied by the Trappey Economic Development District. These revenues are dedicated for the acquisition, design, development, and construction of various multi-phased projects designed to encourage economic development within the Trappey Economic Development District.

Northway EDD - this fund is used to account for sales and use tax levied by the Northway Economic Development District. These revenues are dedicated for the acquisition, design, development, and construction of various multi-phased projects designed to encourage economic development within the Northway Economic Development District.

Holy Rosary Institute EDD - this fund is used to account for sales and use tax levied by the Holy Rosary Institute Economic Development District. These revenues are dedicated for the acquisition, design, development, and construction of various multi-phased projects designed to encourage economic development within the Holy Rosary Institute Economic Development District.

Community Development Grants - these funds are to accounts for the collection and disbursement of various federal and state grants administered by the Community Development Department. These grants go toward programs to increase opportunities, assist in the creation of employment, and improving and restoring housing in Lafayette Parish.

Federal Transportation and Planning Grants - these funds are to account for the collection and disbursement of various federal and state grants administered by the Public Works Department. These funds are used to cover the costs of planning, operating, improving, and maintaining buses, Interstate 49, other state and local roadways, sidewalks and crosswalks in the Parish.

Other Federal Grants - this fund accounts for the collection and disbursement of various federal grants received by Lafayette Consolidated Government.

Other State Grants - this fund accounts for the collection and disbursement of various state grants received by Lafayette Consolidated Government.

Other Grants – this fund accounts for the collection and disbursement of various non-federal, non-state funded grants received by Lafayette Consolidated Government.

Lafayette

CONSOLIDATED GOVERNMENT

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Combining Balance Sheet
Nonmajor Special Revenue Funds
October 31, 2020

	Road and Bridge Maintenance	Parishwide Drainage Maintenance	Adult Correctional Facility Maintenance	Courthouse and Jail Maintenance
ASSETS				
Cash and interest-bearing deposits	$ 3,680,611	$ 2,009,592	$ -	$ 2,382,442
Investments	18,451,481	10,074,401	-	11,943,557
Accounts receivable, net	252,497	-	3,062	-
Loans receivable	-	-	-	-
Allowance for uncollectible loans	-	-	-	-
Accrued interest receivable	93,708	51,164	-	60,656
Due from other funds	13,667	-	836,980	-
Due from other governmental agencies	-	-	-	-
Inventories, at cost	-	-	-	-
Prepaid items	-	-	-	-
Total assets	$ 22,491,964	$ 12,135,157	$ 840,042	$ 14,386,655
LIABILITIES AND FUND BALANCES				
Liabilities:				
Cash overdraft	$ -	$ -	$ -	$ -
Accounts payable	213,192	279,648	828,785	109,239
Accrued salaries and benefits	97,402	77,316	-	592
Contracts payable	833,300	11,533	-	-
Retainage payable	103,936	229,680	11,257	3,790
Other payables	-	-	-	-
Due to other funds	-	907	-	836,980
Unearned revenue	-	-	-	-
Total liabilities	1,247,830	599,084	840,042	950,601
Fund balances:				
Nonspendable -				
Inventories	-	-	-	-
Prepaid items	-	-	-	-
Restricted -				
Capital expenditures	15,960,410	7,082,825	-	7,024,098
Operations and maintenance	5,283,724	4,453,248	-	6,411,956
Purpose of grantors and donors	-	-	-	-
Committed -				
Operations and maintenance	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	21,244,134	11,536,073	-	13,436,054
Total liabilities and fund balances	$ 22,491,964	$ 12,135,157	$ 840,042	$ 14,386,655

Juvenile Detention Home Maintenance	Combined Public Health	Health Unit Maintenance	Mosquito Abatement and Control	Storm Water Management	Cultural Economy	Parishwide Street, Drainage, and Bridge
$ 703,568	$ 116,080	$ 322,434	$ 119,006	$ 1,605,084	$ 193,667	$ 1,343,387
3,524,090	581,926	1,616,415	596,596	8,046,538	970,882	6,734,610
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
17,897	2,955	8,209	3,030	40,865	4,930	34,202
-	-	-	-	-	-	-
5,607	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
$ 4,251,162	$ 700,961	$ 1,947,058	$ 718,632	$ 9,692,487	$ 1,169,479	$ 8,112,199
$ -	$ -	$ -	$ -	$ -	$ -	$ -
37,009	-	16,850	100,000	156,311	-	-
54,607	-	16,566	-	19,281	-	-
-	-	-	-	-	-	-
-	-	-	-	23,741	-	-
-	-	-	-	-	-	-
-	-	-	-	-	1,683	-
-	-	-	-	-	-	-
91,616	-	33,416	100,000	199,333	1,683	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	505,350	-	-	621,121	-
4,159,546	700,961	1,408,292	618,632	9,493,154	546,675	8,112,199
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
4,159,546	700,961	1,913,642	618,632	9,493,154	1,167,796	8,112,199
$ 4,251,162	$ 700,961	$ 1,947,058	$ 718,632	$ 9,692,487	$ 1,169,479	$ 8,112,199

(continued)

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Combining Balance Sheet
Nonmajor Special Revenue Funds (Continued)
October 31, 2020

	Parishwide Parks & Recreation	Lafayette Parish Public Library	Municipal Transit System	Recreation and Parks
ASSETS				
Cash and interest-bearing deposits	$ 335,847	$ 5,099,882	$ 300	$ 280
Investments	1,683,652	25,551,853	-	-
Accounts receivable, net	-	-	58,661	2
Loans receivable	-	-	-	-
Allowance for uncollectible loans	-	-	-	-
Accrued interest receivable	8,551	129,768	-	-
Due from other funds	-	-	88,742	149,107
Due from other governmental agencies	-	-	398,794	-
Inventories, at cost	-	-	-	-
Prepaid items	-	247,623	-	-
Total assets	$ 2,028,050	$ 31,029,126	$ 546,497	$ 149,389
LIABILITIES AND FUND BALANCES				
Liabilities:				
Cash overdraft	$ -	$ -	$ -	$ -
Accounts payable	-	161,778	90,339	56,182
Accrued salaries and benefits	-	213,721	57,364	73,440
Contracts payable	-	-	-	-
Retainage payable	-	-	-	-
Other payables	-	-	-	1,898
Due to other funds	-	-	398,794	-
Unearned revenue	-	-	-	17,869
Total liabilities	-	375,499	546,497	149,389
Fund balances:				
Nonspendable -				
Inventories	-	-	-	-
Prepaid items	-	247,623	-	-
Restricted -				
Capital expenditures	-	21,287,814	-	-
Operations and maintenance	2,028,050	9,118,190	-	-
Purpose of grantors and donors	-	-	-	-
Committed -				
Operations and maintenance	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	2,028,050	30,653,627	-	-
Total liabilities and fund balances	$ 2,028,050	$ 31,029,126	$ 546,497	$ 149,389

Golf Courses	Lafayette Development and Revitalization	Natural History Museum and Planetarium	Heymann Performing Arts Center	Animal Shelter and Care Center	Parking Program	Codes and Permits
$ 535	$ 88,269	$ -	$ 66,846	$ 1,305,789	$ 200	$ 2,500
-	442,507	-	56,214	6,545,124	-	-
-	-	-	1,734	36,144	-	87,607
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	2,247	-	286	33,240	-	-
81,087	500,000	15,438	84,065	-	19,517	13,860
-	-	-	-	-	-	-
2,378	-	-	-	-	-	-
-	-	-	-	-	-	-
$ 84,000	$ 1,033,023	$ 15,438	$ 209,145	$ 7,920,297	$ 19,717	$ 103,967
$ -	$ -	$ -	$ -	$ -	$ -	$ -
11,708	-	10,000	13,426	30,032	2,598	327
45,546	-	5,438	9,736	34,919	13,280	95,042
-	-	-	-	1,767,537	-	-
-	-	-	-	186,327	-	-
25,550	-	-	-	-	3,839	8,598
-	1,000,000	-	46,382	-	-	-
1,196	-	-	139,601	415	-	-
84,000	1,000,000	15,438	209,145	2,019,230	19,717	103,967
2,378	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	829,263	-	-
-	33,023	-	-	5,071,804	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(2,378)	-	-	-	-	-	-
-	33,023	-	-	5,901,067	-	-
$ 84,000	$ 1,033,023	$ 15,438	$ 209,145	$ 7,920,297	$ 19,717	$ 103,967

(continued)

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Combining Balance Sheet
Nonmajor Special Revenue Funds (Continued)
October 31, 2020

	Coroner's Expense	War Memorial	Criminal Court	Justice Department Federal Equitable Sharing
ASSETS				
Cash and interest-bearing deposits	$ -	$ -	$ 382,116	$ 9,427
Investments	-	-	-	47,257
Accounts receivable, net	133,626	-	-	-
Loans receivable	-	-	-	-
Allowance for uncollectible loans	-	-	-	-
Accrued interest receivable	-	-	-	240
Due from other funds	58,851	11,239	-	-
Due from other governmental agencies	16,332	-	57,205	-
Inventories, at cost	-	-	-	-
Prepaid items	-	-	-	-
Total assets	$ 208,809	$ 11,239	$ 439,321	$ 56,924
LIABILITIES AND FUND BALANCES				
Liabilities:				
Cash overdraft	$ -	$ -	$ -	$ -
Accounts payable	68,788	7,778	-	-
Accrued salaries and benefits	8,421	3,461	19,562	-
Contracts payable	-	-	-	-
Retainage payable	-	-	-	-
Other payables	131,600	-	-	-
Due to other funds	-	-	-	-
Unearned revenue	-	-	-	-
Total liabilities	208,809	11,239	19,562	-
Fund balances:				
Nonspendable -				
Inventories	-	-	-	-
Prepaid items	-	-	-	-
Restricted -				
Capital expenditures	-	-	-	-
Operations and maintenance	-	-	419,759	-
Purpose of grantors and donors	-	-	-	56,924
Committed -				
Operations and maintenance	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	-	-	419,759	56,924
Total liabilities and fund balances	$ 208,809	$ 11,239	$ 439,321	$ 56,924

	Traffic Safety	Narcotics Seized/ Forfeited Property	1961 Sales Tax Trust	1985 Sales Tax Trust	TIF Sales Tax Trusts	Downtown Lafayette EDD
	$ 2,203	$ 14,193	$ 726	$ -	$1,203,028	$ 48,280
	11,044	71,152	-	-	3,000,000	-
	-	-	-	-	102,916	34,333
	-	-	-	-	-	-
	-	-	-	-	-	-
	56	361	-	-	-	-
	-	-	16	-	65	-
	-	-	4,269,724	3,584,148	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	$ 13,303	$ 85,706	$ 4,270,466	$3,584,148	$4,306,009	$ 82,613
	$ -	$ -	$ -	$ -	$ -	$ -
	-	-	24,895	20,805	600	170
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	4,245,571	3,563,343	-	-
	-	-	-	-	-	-
	-	-	4,270,466	3,584,148	600	170
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	4,305,409	-
	-	-	-	-	-	82,443
	-	85,706	-	-	-	-
	13,303	-	-	-	-	-
	-	-	-	-	-	-
	13,303	85,706	-	-	4,305,409	82,443
	$ 13,303	$ 85,706	$ 4,270,466	$3,584,148	$4,306,009	$ 82,613

(continued)

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Combining Balance Sheet
Nonmajor Special Revenue Funds (Continued)
October 31, 2020

	University Gateway EDD	Trappey EDD	Northway EDD	Holy Rosary Institute EDD
ASSETS				
Cash and interest-bearing deposits	$ 61,415	$ 133	$ 59,311	$ 3,892
Investments	-	-	-	-
Accounts receivable, net	46,480	174	35,439	2,492
Loans receivable	-	-	-	-
Allowance for uncollectible loans	-	-	-	-
Accrued interest receivable	-	-	-	-
Due from other funds	-	-	-	-
Due from other governmental agencies	-	-	-	-
Inventories, at cost	-	-	-	-
Prepaid items	-	-	-	-
Total assets	$ 107,895	$ 307	$ 94,750	$ 6,384
LIABILITIES AND FUND BALANCES				
Liabilities:				
Cash overdraft	$ -	$ -	$ -	$ -
Accounts payable	219	-	171	11
Accrued salaries and benefits	-	-	-	-
Contracts payable	-	-	-	-
Retainage payable	-	-	-	-
Other payables	-	-	-	-
Due to other funds	-	-	-	-
Unearned revenue	-	-	-	-
Total liabilities	219	-	171	11
Fund balances:				
Nonspendable -				
Inventories	-	-	-	-
Prepaid items	-	-	-	-
Restricted -				
Capital expenditures	-	-	-	-
Operations and maintenance	107,676	307	94,579	6,373
Purpose of grantors and donors	-	-	-	-
Committed -				
Operations and maintenance	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	107,676	307	94,579	6,373
Total liabilities and fund balances	$ 107,895	$ 307	$ 94,750	$ 6,384

Community Development Grants	Federal Transportation and Planning Grants	Other Federal Grants	Other State Grants	Other Grants	Total
$ -	$ -	$ -	$ -	$ 11,148	$ 21,172,191
522,194	-	-	-	55,888	100,527,381
-	-	-	-	2,816	797,983
3,148,978	-	-	-	-	3,148,978
(290,948)	-	-	-	-	(290,948)
2,652	-	-	-	284	495,301
255,496	-	213,563	-	-	2,341,693
359,044	1,575,394	6,254,040	442,940	-	16,963,228
23,575	-	-	-	-	25,953
-	-	-	-	-	247,623
$ 4,020,991	$1,575,394	$ 6,467,603	$ 442,940	$ 70,136	$ 145,429,383
$ 365,337	$1,455,186	$ 5,239,384	$ 188,056	$ -	$ 7,247,963
154,477	-	653,839	16,818	2,694	3,068,689
24,071	-	28,610	-	-	898,375
9,300	120,208	-	152,500	-	2,894,378
-	-	-	85,566	-	644,297
17,425	-	89	-	-	188,999
255,496	-	174,716	-	-	10,523,872
2,748	-	370,965	-	67,442	600,236
828,854	1,575,394	6,467,603	442,940	70,136	26,066,809
23,575	-	-	-	-	25,953
-	-	-	-	-	247,623
-	-	-	-	-	57,616,290
-	-	-	-	-	58,150,591
3,168,562	-	-	-	-	3,311,192
-	-	-	-	-	13,303
-	-	-	-	-	(2,378)
3,192,137	-	-	-	-	119,362,574
$ 4,020,991	$1,575,394	$ 6,467,603	$ 442,940	$ 70,136	$ 145,429,383

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended October 31, 2020

	Road and Bridge Maintenance	Parishwide Drainage Maintenance	Adult Correctional Facility Maintenance	Courthouse and Jail Maintenance
Revenues:				
Taxes -				
Ad valorem	$ 9,656,712	$ 7,734,652	$ 4,770,483	$ 5,418,621
Sales and use	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental -				
Federal grants	-	-	-	-
State funds:				
Parish transportation funds	1,408,012	-	-	-
State shared revenue	266,080	96,337	126,585	143,548
Other	49,840	-	-	-
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Investment earnings	308,475	177,931	22,414	188,237
Miscellaneous	2,781	50,391	30,417	-
Total revenues	11,691,900	8,059,311	4,949,899	5,750,406
Expenditures:				
Current -				
General government	5,313	10,877	6,060,926	2,559,330
Public safety	-	-	-	-
Public works	7,194,939	6,104,586	-	-
Urban redevelopment and housing	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Economic opportunity	-	-	-	-
Economic development and assistance	-	-	-	-
Capital outlay	3,004,795	1,593,028	148,133	3,183
Total expenditures	10,205,047	7,708,491	6,209,059	2,562,513
Excess (deficiency) of revenues over expenditures	1,486,853	350,820	(1,259,160)	3,187,893
Other financing sources (uses):				
Transfers in	2,097,503	3,953	1,259,160	-
Transfers out	(1,531,311)	(341,877)	-	(1,326,709)
Total other financing sources (uses)	566,192	(337,924)	1,259,160	(1,326,709)
Net change in fund balances	2,053,045	12,896	-	1,861,184
Fund balances, beginning	19,191,089	11,523,177	-	11,574,870
Fund balances, ending	$ 21,244,134	$ 11,536,073	$ -	$ 13,436,054

Juvenile Detention Home Maintenance	Combined Public Health	Health Unit Maintenance	Mosquito Abatement and Control	Storm Water Management	Cultural Economy	Parishwide Street, Drainage, and Bridge
$ 2,709,449	$ 5,117,839	$ -	$ -	$ 2,547,341	$ 578,939	$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
22,952	-	-	-	-	-	-
-						
-	-	-	-	-	-	-
40,852	-	227,125	-	-	-	-
-	-	-	-	35,193	-	-
139,168	-	-	-	-	-	-
-	-	-	-	-	-	-
64,386	9,359	23,155	15,070	129,900	14,986	117,107
200	-	-	-	-	-	-
2,977,007	5,127,198	250,280	15,070	2,712,434	593,925	117,107
893	188,449	4	1,218,026	2,979,257	-	4,908
2,820,733	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	232,861	-
-	-	1,026,989	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
12,989	-	-	-	19,498	6,704	-
2,834,615	188,449	1,026,993	1,218,026	2,998,755	239,565	4,908
142,392	4,938,749	(776,713)	(1,202,956)	(286,321)	354,360	112,199
2,083	-	1,926,099	1,206,937	-	-	8,000,000
(5,053)	(5,033,625)	-	-		(20,000)	-
(2,970)	(5,033,625)	1,926,099	1,206,937	-	(20,000)	8,000,000
139,422	(94,876)	1,149,386	3,981	(286,321)	334,360	8,112,199
4,020,124	795,837	764,256	614,651	9,779,475	833,436	-
$ 4,159,546	$ 700,961	$ 1,913,642	$ 618,632	$ 9,493,154	$ 1,167,796	$ 8,112,199

(continued)

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds (Continued)
For the Year Ended October 31, 2020

	Parishwide Parks & Recreation	Lafayette Parish Public Library	Municipal Transit System	Recreation and Parks
Revenues:				
Taxes -				
Ad valorem	$ -	$ 10,999,280	$ -	$ 3,058,491
Sales and use	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental -				
Federal grants	-	-	398,794	-
State funds:				
Parish transportation funds	-	-	-	-
State shared revenue	-	185,693	279,918	-
Other	-	-	-	-
Charges for services	-	47,680	266,620	211,754
Fines and forfeits	-	11,945	-	-
Investment earnings	29,277	409,688	-	12,353
Miscellaneous	-	84,700	165,782	5,895
Total revenues	29,277	11,738,986	1,111,114	3,288,493
Expenditures:				
Current -				
General government	1,227	-	134,487	-
Public safety	-	-	-	-
Public works	-	-	4,856,248	-
Urban redevelopment and housing	-	-	-	-
Culture and recreation	-	11,836,978	-	5,521,019
Health and welfare	-	-	-	-
Economic opportunity	-	-	-	-
Economic development and assistance	-	-	-	-
Capital outlay	-	398,035	-	-
Total expenditures	1,227	12,235,013	4,990,735	5,521,019
Excess (deficiency) of revenues over expenditures	28,050	(496,027)	(3,879,621)	(2,232,526)
Other financing sources (uses):				
Transfers in	2,000,000	7,614	3,879,621	2,232,526
Transfers out	-	(10,000,000)	-	-
Total other financing sources (uses)	2,000,000	(9,992,386)	3,879,621	2,232,526
Net change in fund balances	2,028,050	(10,488,413)	-	-
Fund balances, beginning	-	41,142,040	-	-
Fund balances, ending	$ 2,028,050	$ 30,653,627	$ -	$ -

Golf Courses	Lafayette Development and Revitalization	Natural History Museum and Planetarium	Heymann Performing Arts Center	Animal Shelter and Care Center	Parking Program	Codes and Permits
$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	2,378,320
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
2,354,005	-	21,714	1,305,037	276,502	364,299	319,134
-	-	-	-	-	133,700	-
434	6,637	-	1,869	121,665	258	-
31,043	-	23	104	2,206	3,960	2,304
2,385,482	6,637	21,737	1,307,010	400,373	502,217	2,699,758
2,558	-	-	-	2,314,053	1,918	4,009,627
-	-	-	-	-	-	-
-	-	-	-	-	703,126	-
-	-	-	-	-	-	-
2,849,928	-	940,137	1,863,061	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	4,048,894	-	6,137
2,852,486	-	940,137	1,863,061	6,362,947	705,044	4,015,764
(467,004)	6,637	(918,400)	(556,051)	(5,962,574)	(202,827)	(1,316,006)
467,004	500,000	918,400	602,433	2,067,220	202,827	1,316,006
-	(1,000,000)	-	(46,382)	-	-	-
467,004	(500,000)	918,400	556,051	2,067,220	202,827	1,316,006
-	(493,363)	-	-	(3,895,354)	-	-
-	526,386	-	-	9,796,421	-	-
$ -	$ 33,023	$ -	$ -	$ 5,901,067	$ -	$ -

(continued)

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds (Continued)
For the Year Ended October 31, 2020

	Coroner's Expense	War Memorial	Criminal Court	Justice Department Federal Equitable Sharing
Revenues:				
Taxes -				
Ad valorem	$ -	$ -	$ -	$ -
Sales and use	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental -				
Federal grants	-	-	-	-
State funds:				
Parish transportation funds	-	-	-	-
State shared revenue	-	-	-	765
Other	-	-	602,910	-
Charges for services	365,819	-	4,062	-
Fines and forfeits	81,203	-	807,144	-
Investment earnings	127	-	1,173	-
Miscellaneous	6,775	26,670	-	-
Total revenues	453,924	26,670	1,415,289	765
Expenditures:				
Current -				
General government	1,081,251	238,530	1,326,398	-
Public safety	-	-	-	-
Public works	-	-	-	-
Urban redevelopment and housing	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Economic opportunity	-	-	-	-
Economic development and assistance	-	-	-	-
Capital outlay	2,894	-	-	16,037
Total expenditures	1,084,145	238,530	1,326,398	16,037
Excess (deficiency) of revenues over expenditures	(630,221)	(211,860)	88,891	(15,272)
Other financing sources (uses):				
Transfers in	630,221	211,860	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	630,221	211,860	-	-
Net change in fund balances	-	-	88,891	(15,272)
Fund balances, beginning	-	-	330,868	72,196
Fund balances, ending	$ -	$ -	$ 419,759	$ 56,924

Traffic Safety	Narcotics Seized/ Forfeited Property	1961 Sales Tax Trust	1985 Sales Tax Trust	TIF Sales Tax Trusts	Downtown Lafayette EDD
$ -	$ -	$ -	$ -	$ -	$ -
-	-	318,624	264,260	1,040,442	82,844
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	19,511	-	-	-	-
-	-	-	-	-	-
1,918	-	-	-	-	-
128	977	20,525	16,829	26,053	16
-	-	-	-	-	-
2,046	20,488	339,149	281,089	1,066,495	82,860
-	-	339,149	281,089	1,348,288	417
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	339,149	281,089	1,348,288	417
2,046	20,488	-	-	(281,793)	82,443
-	-	228,134	188,864	-	-
-	-	(228,134)	(188,864)	-	-
-	-	-	-	-	-
2,046	20,488	-	-	(281,793)	82,443
11,257	65,218	-	-	4,587,202	-
$ 13,303	$ 85,706	$ -	$ -	$ 4,305,409	$ 82,443

(continued)

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds (Continued)
For the Year Ended October 31, 2020

	University Gateway EDD	Trappey EDD	Northway EDD	Holy Rosary Institute EDD
Revenues:				
Taxes -				
Ad valorem	$ -	$ -	$ -	$ -
Sales and use	108,176	307	95,032	6,405
Licenses and permits	-	-	-	-
Intergovernmental -				
Federal grants	-	-	-	-
State funds:				
Parish transportation funds	-	-	-	-
State shared revenue	-	-	-	-
Other	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Investment earnings	21	-	20	1
Miscellaneous	-	-	-	-
Total revenues	108,197	307	95,052	6,406
Expenditures:				
Current -				
General government	521	-	473	33
Public safety	-	-	-	-
Public works	-	-	-	-
Urban redevelopment and housing	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Economic opportunity	-	-	-	-
Economic development and assistance	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	521	-	473	33
Excess (deficiency) of revenues over expenditures	107,676	307	94,579	6,373
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	107,676	307	94,579	6,373
Fund balances, beginning	-	-	-	-
Fund balances, ending	$ 107,676	$ 307	$ 94,579	$ 6,373

Community Development Grants	Federal Transportation and Planning Grants	Other Federal Grants	Other State Grants	Other Grants	Total
$ -	$ -	$ -	$ -	$ -	$ 52,591,807
-	-	-	-	-	1,916,090
-	-	-	-	-	2,378,320
1,754,227	7,267,889	19,298,148	1,439	-	28,743,449
-	-	-	-	-	1,408,012
-	-	-	-	-	1,366,903
-	-	70,565	1,888,577	-	2,666,596
-	-	-	-	-	5,675,794
-	-	-	-	-	1,035,910
60,982	-	-	-	-	1,780,053
28,941	-	-	-	48,554	490,746
1,844,150	7,267,889	19,368,713	1,890,016	48,554	100,053,680
-	-	454,296	-	28,836	24,591,134
-	-	1,665,893	-	-	4,486,626
-	3,047,460	1,286,866	1,780,341	33,932	25,007,498
1,371,624	-	-	115,043	-	1,486,667
-	-	19,494	-	-	23,263,478
-	-	-	-	-	1,026,989
282,102	-	-	-	-	282,102
558,353	-	12,987	-	-	571,340
-	1,475,015	116,902	-	-	10,852,244
2,212,079	4,522,475	3,556,438	1,895,384	62,768	91,568,078
(367,929)	2,745,414	15,812,275	(5,368)	(14,214)	8,485,602
1,310,207	879,239	1,120,911	5,368	14,214	33,278,404
(1,310,207)	(3,624,653)	(16,933,186)	-	-	(41,590,001)
-	(2,745,414)	(15,812,275)	5,368	14,214	(8,311,597)
(367,929)	-	-	-	-	174,005
3,560,066	-	-	-	-	119,188,569
$ 3,192,137	$ -	$ -	$ -	$ -	$ 119,362,574

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
Road and Bridge Maintenance

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes -				
Ad valorem	$ 9,438,282	$ 9,634,207	$ 9,656,712	$ 22,505
Intergovernmental -				
State funds:				
Parish transportation funds	1,600,000	1,600,000	1,408,012	(191,988)
State shared revenue	274,971	274,971	266,080	(8,891)
Other	77,064	249,787	49,840	(199,947)
Investment earnings	75,000	75,000	308,475	233,475
Miscellaneous	-	-	2,781	2,781
Total revenues	11,465,317	11,833,965	11,691,900	(142,065)
Expenditures:				
Current -				
General government:				
Professional and technical services	2,131	2,131	2,131	-
Property services	3,173	4,731	3,182	1,549
	5,304	6,862	5,313	1,549
Public works:				
Personnel services	5,130,851	4,646,510	4,062,999	583,511
Professional and technical services	1,237,755	1,335,120	1,091,045	244,075
Property services	317,200	324,002	229,806	94,196
Other services	939,416	923,272	680,343	242,929
Supplies	69,950	65,550	57,372	8,178
Other	906,606	1,073,503	1,073,374	129
	8,601,778	8,367,957	7,194,939	1,173,018
Capital outlay	7,785,692	3,487,580	3,004,795	482,785
Total expenditures	16,392,774	11,862,399	10,205,047	1,657,352
Excess (deficiency) of revenues over expenditures	(4,927,457)	(28,434)	1,486,853	1,515,287
Other financing sources (uses):				
Transfers in	2,014,795	2,014,795	2,097,503	82,708
Transfers out	(869,044)	(2,004,820)	(1,531,311)	473,509
Total other financing sources (uses)	1,145,751	9,975	566,192	556,217
Net change in fund balance	(3,781,706)	(18,459)	2,053,045	2,071,504
Fund balance, beginning	19,191,089	19,191,089	19,191,089	-
Fund balance, ending	$ 15,409,383	$ 19,172,630	$ 21,244,134	$ 2,071,504

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
Parishwide Drainage Maintenance

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes -				
Ad valorem	$ 7,557,932	$ 7,713,932	$ 7,734,652	$ 20,720
Intergovernmental -				
State funds:				
State shared revenue	99,555	99,555	96,337	(3,218)
Investment earnings	200,000	200,000	177,931	(22,069)
Miscellaneous	-	10,000	50,391	40,391
Total revenues	7,857,487	8,023,487	8,059,311	35,824
Expenditures:				
Current -				
General government:				
Purchased property services	2,542	3,790	10,877	(7,087)
Public works:				
Personnel services	3,937,453	4,014,616	3,391,171	623,445
Professional and technical services	973,000	970,500	769,437	201,063
Property services	1,520,200	1,528,200	698,871	829,329
Other services	868,461	870,211	577,923	292,288
Supplies	246,000	238,000	202,137	35,863
Other	498,131	466,355	465,047	1,308
	8,043,245	8,087,882	6,104,586	1,983,296
Capital outlay	1,197,000	1,774,874	1,593,028	181,846
Total expenditures	9,242,787	9,866,546	7,708,491	2,158,055
Excess (deficiency) of revenues over expenditures	(1,385,300)	(1,843,059)	350,820	2,193,879
Other financing sources (uses)				
Transfers in	-	693	3,953	(3,260)
Transfers out	(341,877)	(341,877)	(341,877)	-
Total other financing sources (uses)	(341,877)	(341,184)	(337,924)	(3,260)
Net change in fund balance	(1,727,177)	(2,184,243)	12,896	2,190,619
Fund balance, beginning	11,523,177	11,523,177	11,523,177	-
Fund balance, ending	$ 9,796,000	$ 9,338,934	$ 11,536,073	$ 2,190,619

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
Adult Correctional Facility Maintenance

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes -				
Ad valorem	$ 4,299,417	$ 4,299,417	$ 4,770,483	$ 471,066
Intergovernmental -				
State funds:				
State shared revenue	120,405	120,405	126,585	6,180
Investment earnings	21,200	21,200	22,414	1,214
Miscellaneous	30,000	30,000	30,417	417
Total revenues	4,471,022	4,471,022	4,949,899	478,877
Expenditures:				
Current -				
General government:				
Personnel services	156,175	174,093	174,092	1
Professional and technical services	3,499,000	4,568,794	4,176,423	392,371
Property services	1,204,588	933,619	896,450	37,169
Other services	115,821	115,851	115,851	-
Supplies	248,000	218,000	189,276	28,724
Other	527,000	513,899	508,834	5,065
	5,750,584	6,524,256	6,060,926	463,330
Capital outlay	1,080,785	4,344,494	148,133	4,196,361
Total expenditures	6,831,369	10,868,750	6,209,059	4,659,691
Deficiency of revenues over expenditures	(2,360,347)	(6,397,728)	(1,259,160)	5,138,568
Other financing sources:				
Transfers in	2,360,347	6,397,728	1,259,160	(5,138,568)
Net change in fund balance	-	-	-	-
Fund balance, beginning	-	-	-	-
Fund balance, ending	$ -	$ -	$ -	$ -

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
Courthouse and Jail Maintenance

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes -				
Ad valorem	$ 5,294,995	$ 5,404,683	$ 5,418,621	$ 13,938
Intergovernmental -				
State funds:				
State shared revenue	148,344	148,344	143,548	(4,796)
Investment earnings	150,000	150,000	188,237	38,237
Total revenues	5,593,339	5,703,027	5,750,406	47,379
Expenditures:				
Current -				
General government:				
Personnel services	192,341	197,756	197,755	1
Professional and technical services	349,418	349,418	340,337	9,081
Property services	1,260,771	1,261,642	1,047,514	214,128
Other services	114,455	114,455	110,009	4,446
Supplies	1,000	1,000	730	270
Other	-	865,000	862,985	2,015
	1,917,985	2,789,271	2,559,330	229,941
Capital outlay	1,545,000	224,406	3,183	221,223
Total expenditures	3,462,985	3,013,677	2,562,513	451,164
Excess of revenues over expenditures	2,130,354	2,689,350	3,187,893	498,543
Other financing uses:				
Transfers out	(2,435,875)	(6,473,257)	(1,326,709)	5,146,548
Net change in fund balance	(305,521)	(3,783,907)	1,861,184	5,645,091
Fund balance, beginning	11,574,870	11,574,870	11,574,870	-
Fund balance, ending	$ 11,269,349	$ 7,790,963	$ 13,436,054	$ 5,645,091

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
Juvenile Detention Home Maintenance

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes -				
Ad valorem	$ 2,647,575	$ 2,703,243	$ 2,709,449	$ 6,206
Intergovernmental -				
Federal grants	35,600	35,600	22,952	(12,648)
State funds:				
State shared revenue	42,216	40,852	40,852	-
Charges for services	420,000	153,279	139,168	(14,111)
Investment earnings	89,000	76,654	64,386	(12,268)
Miscellaneous	-	-	200	200
Total revenues	3,234,391	3,009,628	2,977,007	(32,621)
Expenditures:				
Current -				
General government:				
Purchased property services	891	1,336	893	443
Other	416	416	-	416
	1,307	1,752	893	859
Public safety:				
Personnel services	1,896,134	1,987,732	1,986,003	1,729
Purchased professional and technical services	422,540	697,082	543,076	154,006
Purchased property services	87,913	91,113	80,996	10,117
Other services	39,136	39,136	34,027	5,109
Supplies	111,197	113,697	91,638	22,059
Other	329,909	599,749	84,993	514,756
	2,886,829	3,528,509	2,820,733	707,776
Capital outlay	38,000	448,289	12,989	435,300
Total expenditures	2,926,136	3,978,550	2,834,615	1,143,935
Excess (deficiency) of revenues over expenditures	308,255	(968,922)	142,392	1,111,314
Other financing sources (uses):				
Transfers in	-	638	2,083	1,445
Transfers out	-	(2,900)	(5,053)	(2,153)
Total other financing sources (uses)	-	(2,262)	(2,970)	(708)
Net change in fund balance	308,255	(971,184)	139,422	1,110,606
Fund balance, beginning	4,020,124	4,020,124	4,020,124	-
Fund balance, ending	$ 4,328,379	$ 3,048,940	$ 4,159,546	$ 1,110,606

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
Combined Public Health

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes -				
Ad valorem	$ 5,046,191	$ 5,110,919	$ 5,117,839	$ 6,920
Investment earnings	32,000	32,000	9,359	(22,641)
Total revenues	5,078,191	5,142,919	5,127,198	(15,721)
Expenditures				
Current -				
General government:				
Personnel services	183,079	186,773	186,773	-
Property services	1,682	1,682	1,676	6
Total expenditures	184,761	188,455	188,449	6
Excess of revenues over expenditures	4,893,430	4,954,464	4,938,749	(15,715)
Other financing uses:				
Transfers out	(4,519,098)	(5,033,625)	(5,033,625)	-
Net change in fund balance	374,332	(79,161)	(94,876)	(15,715)
Fund balance, beginning	795,837	795,837	795,837	-
Fund balance, ending	$ 1,170,169	$ 716,676	$ 700,961	$ (15,715)

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
Health Unit Maintenance

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental -				
State funds:				
State shared revenue	$ -	$ -	$ 227,125	$ 227,125
Investment earnings	22,000	22,000	23,155	1,155
Total revenues	22,000	22,000	250,280	228,280
Expenditures:				
Current -				
General government:				
Property services	-	354	4	350
Health and welfare:				
Personnel services	561,322	585,503	556,856	28,647
Professional and technical services	120,301	374,224	107,799	266,425
Property services	337,500	337,500	337,500	-
Other services	9,612	9,612	9,612	-
Other	-	250,000	15,222	234,778
	1,028,735	1,556,839	1,026,989	529,850
Total expenditures	1,028,735	1,557,193	1,026,993	530,200
Deficiency of revenues over expenditures	(1,006,735)	(1,535,193)	(776,713)	758,480
Other financing sources:				
Transfers in	1,262,201	1,899,368	1,926,099	26,731
Net change in fund balance	255,466	364,175	1,149,386	785,211
Fund balance, beginning	764,256	764,256	764,256	-
Fund balance, ending	$1,019,722	$1,128,431	$ 1,913,642	$ 785,211

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
Mosquito Abatement and Control

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Investment earnings	$ 34,000	$ 15,640	$ 15,070	$ (570)
Expenditures:				
Current -				
General government:				
Professional and technical services	1,222,664	1,217,997	1,217,997	-
Other services	5,522	4,580	29	4,551
	1,228,186	1,222,577	1,218,026	4,551
Capital outlay	-	-	-	-
Total expenditures	1,228,186	1,222,577	1,218,026	4,551
Deficiency of revenues over expenditures	(1,194,186)	(1,206,937)	(1,202,956)	3,981
Other financing sources:				
Transfers in	1,192,410	1,206,937	1,206,937	-
Net change in fund balance	(1,776)	-	3,981	3,981
Fund balance, beginning	614,651	614,651	614,651	-
Fund balance, ending	$ 612,875	$ 614,651	$ 618,632	$ 3,981

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
Storm Water Management

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes -				
Ad valorem	$ 2,454,556	$ 2,535,659	$ 2,547,341	$ 11,682
Other	-	35,193	35,193	-
Investment earnings	130,000	130,000	129,900	(100)
Total Revenues	2,584,556	2,700,852	2,712,434	11,582
Expenditures:				
Current -				
Public works:				
Personnel services	109,346	757,367	547,777	209,590
Professional and technical services	3,447,818	562,102	399	561,703
Property services	-	2,542,915	2,423,181	119,734
Other services	837	18,864	4,643	14,221
Supplies	-	4,050	2,822	1,228
Other	-	620	435	185
	3,558,001	3,885,918	2,979,257	905,248
Capital outlay	-	35,000	19,498	15,502
Total expenditures	3,558,001	3,920,918	2,998,755	920,750
Net change in fund balance	(973,445)	(1,220,066)	(286,321)	932,332
Fund balance, beginning	9,779,475	9,779,475	9,779,475	-
Fund balance, ending	$ 8,806,030	$ 8,559,409	$ 9,493,154	$ 932,332

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
Cultural Economy

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes -				
Ad valorem	$ 557,854	$ 576,285	$ 578,939	$ 2,654
Investment earnings	10,300	10,300	14,986	4,686
Total Revenues	568,154	586,585	593,925	7,340
Expenditures:				
Current -				
Culture and recreation:				
Other purchased services	269,007	268,421	167,253	101,168
Supplies	249,964	551,107	63,437	487,670
Other	23,100	23,100	2,171	20,929
	542,071	842,628	232,861	609,767
Capital outlay	-	150,000	6,704	143,296
Total expenditures	542,071	992,628	239,565	753,063
Excess (deficiency) of revenues over expenditures	26,083	(406,043)	354,360	760,403
Other financing uses:				
Transfers out	-	(20,000)	(20,000)	-
Net change in fund balance	26,083	(426,043)	334,360	760,403
Fund balance, beginning	833,436	833,436	833,436	-
Fund balance, ending	$ 859,519	$ 407,393	$ 1,167,796	$ 760,403

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
Parishwide Street, Drainage, and Bridge

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Investment earnings	$ -	$ 98,110	$ 117,107	$ 18,997
Expenditures:				
Current -				
General Government				
Other	-	4,908	4,908	-
Excess of revenues over expenditures	-	93,202	112,199	18,997
Other financing sources:				
Transfers in	-	8,000,000	8,000,000	-
Net change in fund balance	-	8,093,202	8,112,199	18,997
Fund balance, beginning	-	-	-	-
Fund balance, ending	$ -	$ 8,093,202	$ 8,112,199	$ 18,997

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
Parishwide Parks and Recreation

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Investment earnings	$ -	$ 24,527	$ 29,277	$ 4,750
Expenditures:				
Current -				
General Government				
Other	-	1,227	1,227	-
Excess of revenues over expenditures	-	23,300	28,050	4,750
Other financing sources:				
Transfers in	-	2,000,000	2,000,000	-
Net change in fund balance	-	2,023,300	2,028,050	4,750
Fund balance, beginning	-	-	-	-
Fund balance, ending	$ -	$ 2,023,300	$ 2,028,050	$ 4,750

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
Lafayette Parish Public Library

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes -				
Ad valorem	$ 10,154,904	$ 10,976,936	$ 10,999,280	$ 22,344
Intergovernmental -				
State funds:				
State shared revenue	270,822	270,822	185,693	(85,129)
Charges for services	61,300	61,300	47,680	(13,620)
Fines and forfeits	26,700	26,700	11,945	(14,755)
Investment earnings	500,000	500,000	409,688	(90,312)
Miscellaneous	78,650	89,750	84,700	(5,050)
Total revenues	11,092,376	11,925,508	11,738,986	(186,522)
Expenditures:				
Current -				
Culture and recreation:				
Personnel services	7,874,802	8,161,914	7,763,436	398,478
Professional and technical services	1,250,990	1,270,051	1,150,265	119,786
Property services	1,361,160	1,345,960	1,131,962	213,998
Other services	736,831	789,131	733,792	55,339
Supplies	1,014,550	1,030,955	856,698	174,257
Other	297,978	209,950	200,825	9,125
	12,536,311	12,807,961	11,836,978	970,983
Capital outlay	-	901,624	398,035	503,589
Total expenditures	12,536,311	13,709,585	12,235,013	1,474,572
Deficiency of revenues over expenditures	(1,443,935)	(1,784,077)	(496,027)	1,288,050
Other financing sources (uses):				
Transfers in	-	1,560	7,614	6,054
Transfers out	-	(10,000,000)	(10,000,000)	-
Total other financing sources (uses)	-	(9,998,440)	(9,992,386)	6,054
Net change in fund balance	(1,443,935)	(11,782,517)	(10,488,413)	1,294,104
Fund balance, beginning	41,142,040	41,142,040	41,142,040	-
Fund balance, ending	$ 39,698,105	$ 29,359,523	$ 30,653,627	$ 1,294,104

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
Municipal Transit System

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental -				
Federal grants	$ 1,400,000	$ 398,978	$ 398,794	$ (184)
State funds:				
State shared revenue	310,735	310,735	279,918	(30,817)
Charges for services	363,375	363,375	266,620	(96,755)
Investment earnings	1,805	1,805	-	(1,805)
Miscellaneous	133,019	131,579	165,782	34,203
Total revenues	2,208,934	1,206,472	1,111,114	(95,358)
Expenditures:				
Current -				
General government:				
Professional and technical services	5,541	14,741	14,741	-
Property services	158,376	158,376	117,772	40,604
Other services	2,160	2,160	1,974	186
Supplies	432	432	-	432
	166,509	175,709	134,487	41,222
Public works:				
Personnel services	2,085,477	2,061,782	2,012,310	49,472
Professional and technical services	416,104	414,066	409,029	5,037
Property services	74,137	70,237	52,004	18,233
Other services	1,909,430	2,074,596	2,031,977	42,619
Supplies	15,552	15,552	10,423	5,129
Other	379,567	341,194	340,505	689
	4,880,267	4,977,427	4,856,248	121,179
Total expenditures	5,046,776	5,153,136	4,990,735	162,401
Deficiency of revenues over expenditures	(2,837,842)	(3,946,664)	(3,879,621)	67,043
Other financing sources:				
Transfers in	2,837,842	3,946,664	3,879,621	(67,043)
Net change in fund balance	-	-	-	-
Fund balance, beginning	-	-	-	-
Fund balance, ending	$ -	$ -	$ -	$ -

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
Recreation and Parks

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes -				
Ad valorem	$ 2,778,768	$ 3,052,062	$ 3,058,491	$ 6,429
Charges for services	469,863	216,948	211,754	(5,194)
Investment earnings	12,000	12,353	12,353	-
Miscellaneous	6,300	7,503	5,895	(1,608)
Total revenues	3,266,931	3,288,866	3,288,493	(373)
Expenditures:				
Current -				
Culture and recreation:				
Personnel services	4,521,872	4,631,996	3,820,551	811,445
Professional and technical services	12,619	12,849	5,960	6,889
Property services	1,008,151	970,637	762,328	208,309
Other services	955,114	991,150	729,970	261,180
Supplies	149,581	155,899	94,506	61,393
Other	366,172	142,868	107,704	35,164
Total expenditures	7,013,509	6,905,399	5,521,019	1,384,380
Deficiency of revenues over expenditures	(3,746,578)	(3,616,533)	(2,232,526)	1,384,007
Other financing sources:				
Transfers in	3,746,578	3,616,533	2,232,526	(1,384,007)
Net change in fund balance	-	-	-	-
Fund balance, beginning	-	-	-	-
Fund balance, ending	$ -	$ -	$ -	$ -

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
Golf Courses

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for services	$ 2,288,600	$ 2,110,017	$ 2,354,005	$ 243,988
Investment earnings	600	134	434	300
Miscellaneous	20,000	25,283	31,043	5,760
Total revenues	2,309,200	2,135,434	2,385,482	250,048
Expenditures:				
Current -				
General government:				
Professional and technical services	2,558	2,558	2,558	-
Culture and recreation:				
Personnel services	1,769,874	1,787,908	1,690,697	97,211
Professional and technical services	267,294	259,283	233,132	26,151
Property services	537,662	540,992	480,604	60,388
Other services	230,100	229,258	210,943	18,315
Supplies	35,657	34,364	31,652	2,712
Other	111,102	219,587	202,900	16,687
	2,951,689	3,071,392	2,849,928	221,464
Total expenditures	2,954,247	3,073,950	2,852,486	221,464
Deficiency of revenues over expenditures	(645,047)	(938,516)	(467,004)	471,512
Other financing sources:				
Transfers in	645,047	938,516	467,004	(471,512)
Net change in fund balance	-	-	-	-
Fund balance, beginning	-	-	-	-
Fund balance, ending	$ -	$ -	$ -	$ -

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
Lafayette Development and Revitalization

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Investment earnings	$ -	$ -	$ 6,637	$ 6,637
Expenditures	-	-	-	-
Excess of revenues over expenditures	-	-	6,637	6,637
Other financing sources (uses):				
Transfers in	-	500,000	500,000	-
Transfers out	-	(1,000,000)	(1,000,000)	-
Total other financing sources (uses)	-	(500,000)	(500,000)	-
Net change in fund balance	-	(500,000)	(493,363)	6,637
Fund balance, beginning	526,386	526,386	526,386	-
Fund balance, ending	$ 526,386	$ 26,386	$ 33,023	$ 6,637

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
Natural History Museum and Planetarium

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for services	$ 119,655	$ 22,514	$ 21,714	$ (800)
Miscellaneous	-	-	23	23
Total revenues	119,655	22,514	21,737	(777)
Expenditures:				
Current -				
Culture and recreation:				
Personnel services	758,555	617,584	568,886	48,698
Property services	418,813	338,302	289,422	48,880
Other services	58,366	58,258	32,977	25,281
Supplies	16,373	16,373	4,715	11,658
Other	47,851	47,851	44,137	3,714
Total expenditures	1,299,958	1,078,368	940,137	138,231
Deficiency of revenues over expenditures	(1,180,303)	(1,055,854)	(918,400)	137,454
Other financing sources:				
Transfers in	1,180,303	1,055,854	918,400	(137,454)
Net change in fund balance	-	-	-	-
Fund balance, beginning	-	-	-	-
Fund balance, ending	$ -	$ -	$ -	$ -

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
Heymann Performing Arts Center

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for services	$ 2,426,897	$ 1,317,119	$ 1,305,037	$ (12,082)
Investment earnings	5,391	1,822	1,869	47
Miscellaneous	-	83	104	21
Total revenues	2,432,288	1,319,024	1,307,010	(12,014)
Expenditures:				
Current -				
Culture and recreation:				
Personnel services	894,730	711,125	680,835	30,290
Professional and technical services	1,634,327	1,057,647	898,472	159,175
Property services	223,446	214,033	178,384	35,649
Other services	90,838	79,315	65,095	14,220
Supplies	25,748	23,157	18,784	4,373
Other	90,198	28,042	21,491	6,551
Total expenditures	2,959,287	2,113,319	1,863,061	250,258
Deficiency of revenues over expenditures	(526,999)	(794,295)	(556,051)	238,244
Other financing sources (uses):				
Transfers in	644,771	794,295	602,433	(191,862)
Transfers out	(117,772)	-	(46,382)	(46,382)
Total other financing sources (uses)	526,999	794,295	556,051	(238,244)
Net change in fund balance	-	-	-	-
Fund balance, beginning	-	-	-	-
Fund balance, ending	$ -	$ -	$ -	$ -

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
Animal Shelter and Care Center

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for services	$ 283,200	$ 283,200	$ 276,502	$ (6,698)
Investment earnings	160,000	120,000	121,665	1,665
Miscellaneous	-	2,629	2,206	(423)
Total revenues	443,200	405,829	400,373	(5,456)
Expenditures:				
Current -				
General government:				
Personnel services	1,211,497	1,237,410	1,111,982	125,428
Professional and technical services	451,439	458,064	422,161	35,903
Property services	77,198	76,198	42,999	33,199
Other services	179,308	176,308	105,745	70,563
Supplies	148,820	197,151	160,590	36,561
Other	248,425	475,679	470,576	5,103
	2,316,687	2,620,810	2,314,053	306,757
Capital outlay	191,000	4,050,000	4,048,894	1,106
Total expenditures	2,507,687	6,670,810	6,362,947	307,863
Deficiency of revenues over expenditures	(2,064,487)	(6,264,981)	(5,962,574)	302,407
Other financing sources:				
Transfers in	2,064,487	2,064,487	2,067,220	2,733
Net change in fund balance	-	(4,200,494)	(3,895,354)	305,140
Fund balance, beginning	9,796,421	9,796,421	9,796,421	-
Fund balance, ending	$ 9,796,421	$ 5,595,927	$ 5,901,067	$ 305,140

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
Parking Program

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for services	$ 490,000	$ 362,966	$ 364,299	$ 1,333
Fines and forfeits	235,000	134,803	133,700	(1,103)
Investment earnings	900	450	258	(192)
Miscellaneous	-	3,429	3,960	531
Total revenues	725,900	501,648	502,217	569
Expenditures:				
Current -				
General government:				
Professional and technical services	1,918	1,918	1,918	-
Public works:				
Personnel services	540,881	543,150	495,501	47,649
Professional and technical services	36,962	41,962	30,814	11,148
Property services	80,945	80,945	56,631	24,314
Other services	170,958	151,958	115,765	36,193
Supplies	7,344	7,344	3,229	4,115
Other	3,644	3,024	1,186	1,838
	840,734	828,383	703,126	125,257
Total expenditures	842,652	830,301	705,044	125,257
Deficiency of revenues over expenditures	(116,752)	(328,653)	(202,827)	125,826
Other financing sources:				
Transfers in	116,752	328,653	202,827	(125,826)
Net change in fund balance	-	-	-	-
Fund balance, beginning	-	-	-	-
Fund balance, ending	$ -	$ -	$ -	$ -

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
Codes and Permits

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Licenses and permits	$ 1,933,335	$ 2,333,335	$ 2,378,320	$ 44,985
Charges for services	310,595	310,595	319,134	8,539
Investment earnings	351	351	-	(351)
Miscellaneous	3,060	3,060	2,304	(756)
Total revenues	2,247,341	2,647,341	2,699,758	52,417
Expenditures:				
Current -				
General government:				
Personnel services	4,001,465	3,488,921	3,475,791	13,130
Professional and technical services	234,686	242,686	212,260	30,426
Property services	47,450	47,550	45,465	2,085
Other services	341,423	234,691	167,307	67,384
Supplies	46,152	53,152	45,762	7,390
Other	98,771	73,635	63,042	10,593
	4,769,947	4,140,635	4,009,627	131,008
Capital outlay	-	10,631	6,137	4,494
Total expenditures	4,769,947	4,151,266	4,015,764	135,502
Deficiency of revenues over expenditures	(2,522,606)	(1,503,925)	(1,316,006)	187,919
Other financing sources:				
Transfers in	2,522,606	1,503,925	1,316,006	(187,919)
Net change in fund balance	-	-	-	-
Fund balance, beginning	-	-	-	-
Fund balance, ending	$ -	$ -	$ -	$ -

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
Coroner's Expense

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for services	$ 384,900	$ 345,936	$ 365,819	$ 19,883
Fines and forfeits	93,000	87,983	81,203	(6,780)
Investment earnings	-	128	127	(1)
Miscellaneous	800	6,725	6,775	50
Total revenues	478,700	440,772	453,924	13,152
Expenditures:				
Current -				
General government:				
Personnel services	271,904	273,011	273,146	(135)
Professional and technical services	377,378	376,387	310,080	66,307
Property services	52,789	41,697	40,908	789
Other services	17,323	18,430	18,180	250
Supplies	9,872	13,614	12,137	1,477
Other	400,620	443,821	426,800	17,021
	1,129,886	1,166,960	1,081,251	85,709
Capital outlay	-	3,000	2,894	106
Total expenditures	1,129,886	1,169,960	1,084,145	85,815
Deficiency of revenues over expenditures	(651,186)	(729,188)	(630,221)	98,967
Other financing sources:				
Transfers in	651,186	729,188	630,221	(98,967)
Net change in fund balance	-	-	-	-
Fund balance, beginning	-	-	-	-
Fund balance, ending	$ -	$ -	$ -	$ -

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
War Memorial

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Miscellaneous	$ 45,720	$ 25,720	$ 26,670	$ 950
Expenditures:				
Current -				
General government:				
Personnel services	181,252	135,346	111,834	23,512
Professional and technical services	8,800	3,800	2,145	1,655
Property services	100,100	105,100	98,931	6,169
Other services	5,763	5,763	5,763	-
Supplies	587	587	27	560
Other	27,793	27,793	19,830	7,963
Total expenditures	324,295	278,389	238,530	39,859
Deficiency of revenues over expenditures	(278,575)	(252,669)	(211,860)	40,809
Other financing sources:				
Transfers in	278,575	252,669	211,860	(40,809)
Net change in fund balance	-	-	-	-
Fund balance, beginning	-	-	-	-
Fund balance, ending	$ -	$ -	$ -	$ -

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
Criminal Court

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental -				
Other	$ 610,740	$ 629,626	$ 602,910	$ (26,716)
Charges for services	3,000	3,000	4,062	1,062
Fines and forfeits	773,200	773,200	807,144	33,944
Investment earnings	1,000	1,000	1,173	173
Total revenues	1,387,940	1,406,826	1,415,289	8,463
Expenditures:				
Current -				
General government				
Personnel services	610,740	629,626	602,910	26,716
Professional and technical services	656,534	656,534	646,104	10,430
Other	118,932	118,932	77,384	41,548
Total expenditures	1,386,206	1,405,092	1,326,398	78,694
Net change in fund balance	1,734	1,734	88,891	87,157
Fund balance, beginning	330,868	330,868	330,868	-
Fund balance, ending	$ 332,602	$ 332,602	$ 419,759	$ 87,157

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
Justice Department Federal Equitable Sharing

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Other	$ -	$ -	$ -	$ -
Investment earnings	-	760	765	5
Total Revenues	-	760	765	5
Expenditures:				
Current -				
Public safety:				
Personnel services	-	3,362	-	3,362
Purchased professional and technical services	-	3,013	-	3,013
Other purchased services	-	98	-	98
	-	6,473	-	6,473
Capital outlay	-	40,263	16,037	24,226
Total expenditures	-	46,736	16,037	30,699
Net change in fund balance	-	(45,976)	(15,272)	30,704
Fund balance, beginning	72,196	72,196	72,196	-
Fund balance, ending	$ 72,196	$ 26,220	$ 56,924	$ 30,704

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
Traffic Safety

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and forfeits	$ 400,000	$ 1,918	$ 1,918	$ -
Investment earnings	-	97	128	31
Total revenues	400,000	2,015	2,046	31
Expenditures:				
Current -				
Public safety:				
Personnel services	222,305	-	-	-
Professional and technical services	177,695	-	-	-
Total expenditures	400,000	-	-	-
Net change in fund balance	-	2,015	2,046	31
Fund balance, beginning	11,257	11,257	11,257	-
Fund balance, ending	$ 11,257	$ 13,272	$ 13,303	$ 31

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
Narcotics Seized/Forfeited Property

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Other	$ -	$ 20,882	$ 19,511	$ (1,371)
Investment earnings	-	214	977	763
Total revenues	-	21,096	20,488	(608)
Expenditures:				
Current -				
Public safety:				
Professional and technical services	-	521	-	521
Capital outlay	-	1,475	-	1,475
Total expenditures	-	1,996	-	1,996
Net change in fund balance	-	19,100	20,488	1,388
Fund balance, beginning	65,218	65,218	65,218	-
Fund balance, ending	$ 65,218	$ 84,318	$ 85,706	$ 1,388

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
1961 Sales Tax Trust

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes -				
Sales and use taxes	$ 500,000	$ 310,000	$ 318,624	$ 8,624
Investment earnings	30,000	30,000	20,525	(9,475)
Total revenues	530,000	340,000	339,149	(851)
Expenditures:				
Current -				
General government				
Professional and technical services	500,000	344,459	339,149	5,310
Excess (deficiency) of revenues over expenditures	30,000	(4,459)	-	4,459
Other financing sources (uses):				
Transfers in	130,000	130,000	228,134	98,134
Transfers out	(160,000)	(125,541)	(228,134)	(102,593)
Total other financing sources (uses)	(30,000)	4,459	-	(4,459)
Net change in fund balance	-	-	-	-
Fund balance, beginning	-	-	-	-
Fund balance, ending	$ -	$ -	$ -	$ -

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
1985 Sales Tax Trust

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes -				
Sales and use taxes	$ 450,000	$ 265,400	$ 264,260	$ (1,140)
Investment earnings	20,000	20,000	16,829	(3,171)
Total revenues	470,000	285,400	281,089	(4,311)
Expenditures:				
Current -				
General government:				
Professional and technical services	450,000	295,060	281,089	13,971
Excess (deficiency) of revenues over expenditures	20,000	(9,660)	-	9,660
Other financing sources (uses):				
Transfers in	80,000	80,000	188,864	108,864
Transfers out	(100,000)	(70,340)	(188,864)	(118,524)
Total other financing sources (uses)	(20,000)	9,660	-	(9,660)
Net change in fund balance	-	-	-	-
Fund balance, beginning	-	-	-	-
Fund balance, ending	$ -	$ -	$ -	$ -

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
TIF Sales Tax Trusts

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes -				
Sales and use taxes	$ 1,203,996	$ 378,017	$ 1,040,442	$ 662,425
Investment earnings	108,000	66,390	26,053	(40,337)
Total revenues	1,311,996	444,407	1,066,495	622,088
Expenditures:				
Current -				
General government:				
Professional and technical services	1,266,500	1,399,029	1,348,288	50,741
Capital outlay	-	129,919	-	129,919
Total expenditures	1,266,500	1,528,948	1,348,288	180,660
Net change in fund balance	45,496	(1,084,541)	(281,793)	802,748
Fund balance, beginning	4,587,202	4,587,202	4,587,202	-
Fund balance, ending	$ 4,632,698	$ 3,502,661	$ 4,305,409	$ 802,748

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
Downtown Lafayette EDD

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes -				
Sales and use taxes	$ -	$ 78,000	$ 82,844	$ 4,844
Investment earnings	-	-	16	16
Total revenues	-	78,000	82,860	4,860
Expenditures:				
Current -				
General government				
Professional and technical services	-	500	417	83
Net change in fund balance	-	77,500	82,443	4,943
Fund balance, beginning	-	-	-	-
Fund balance, ending	$ -	$ 77,500	$ 82,443	$ 4,943

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
University Gateway EDD

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes -				
Sales and use taxes	$ -	$ 105,000	$ 108,176	$ 3,176
Investment earnings	-	-	21	21
Total revenues	-	105,000	108,197	3,197
Expenditures:				
Current -				
General government				
Professional and technical services	-	550	521	29
Net change in fund balance	-	104,450	107,676	3,226
Fund balance, beginning	-	-	-	-
Fund balance, ending	$ -	$ 104,450	$ 107,676	$ 3,226

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
Trappey EDD

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes -				
Sales and use taxes	$ -	$ 250	$ 307	$ 57
Investment earnings	-	-	-	-
Total revenues	-	250	307	57
Expenditures:				
Current -				
General government				
Professional and technical services	-	-	-	-
Net change in fund balance	-	250	307	57
Fund balance, beginning	-	-	-	-
Fund balance, ending	$ -	$ 250	$ 307	$ 57

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
Northway EDD

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes -				
Sales and use taxes	$ -	$ -	$ 95,032	$ 95,032
Investment earnings	-	-	20	20
Total revenues	-	-	95,052	95,052
Expenditures:				
Current -				
General government				
Professional and technical services	-	-	473	(473)
Net change in fund balance	-	-	94,579	94,579
Fund balance, beginning	-	-	-	-
Fund balance, ending	$ -	$ -	$ 94,579	$ 94,579

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
Holy Rosary Institute EDD

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes -				
Sales and use taxes	$ -	$ 6,000	$ 6,405	$ 405
Investment earnings	-	-	1	1
Total revenues	-	6,000	6,406	406
Expenditures:				
Current -				
General government				
Professional and technical services	-	50	33	17
Net change in fund balance	-	5,950	6,373	423
Fund balance, beginning	-	-	-	-
Fund balance, ending	$ -	$ 5,950	$ 6,373	$ 423

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
Community Development Grants

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental -				
Federal grants	$ -	$ 1,771,859	$ 1,754,227	$ (17,632)
Investment earnings	-	50,000	60,982	10,982
Miscellaneous	-	17,023	28,941	11,918
Total revenues	-	1,838,882	1,844,150	5,268
Expenditures:				
Current -				
Urban redevelopment and assistance:				
Personnel services	-	366,313	360,576	5,737
Professional and technical services	-	19,822	690	19,132
Property services	-	270,757	252,972	17,785
Other services	-	169,560	194,888	(25,328)
Supplies	-	49,262	10,342	38,920
Other	-	557,253	552,156	5,097
	-	1,432,967	1,371,624	61,343
Economic development and assistance:				
Personnel services	-	290,944	253,797	37,147
Professional and technical services	-	54,414	20,668	33,746
Purchased property services	-	300	-	300
Other services	-	44,677	3,031	41,646
Supplies	-	4,900	2,685	2,215
Other	-	3,946	1,921	2,025
	-	399,181	282,102	117,079
Economic opportunity:				
Personnel services	-	277,307	251,186	26,121
Professional and technical services	-	16,832	5,844	10,988
Purchased property services	-	310,547	281,296	29,251
Other services	-	26,490	9,204	17,286
Supplies	-	16,753	10,088	6,665
Other	-	1,953	735	1,218
	-	649,882	558,353	91,529
Total expenditures	-	2,482,030	2,212,079	269,951
Deficiency of revenues over expenditures	-	(643,148)	(367,929)	275,219
Other financing sources (uses):				
Transfers in	-	513,149	1,310,207	797,058
Transfers out	-	(513,149)	(1,310,207)	(797,058)
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	-	(643,148)	(367,929)	275,219
Fund balance, beginning	3,560,066	3,560,066	3,560,066	-
Fund balance, ending	$ 3,560,066	$ 2,916,918	$ 3,192,137	$ 275,219

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
Federal Transportation and Planning Grants

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental -				
Federal grants	$ -	$ 7,261,574	$ 7,267,889	$ 6,315
Other	-	-	-	-
Total revenues	-	7,261,574	7,267,889	6,315
Expenditures:				
Current -				
Public works:				
Other services	-	3,050,000	3,047,460	2,540
Capital outlay	-	1,482,199	1,475,015	7,184
Total expenditures	-	4,532,199	4,522,475	9,724
Excess of revenues over expenditures	-	2,729,375	2,745,414	16,039
Other financing sources (uses):				
Transfers in	-	801,385	879,239	77,854
Transfers out	-	(3,530,760)	(3,624,653)	(93,893)
Total other financing sources (uses)	-	(2,729,375)	(2,745,414)	(16,039)
Net change in fund balance	-	-	-	-
Fund balance, beginning	-	-	-	-
Fund balance, ending	$ -	$ -	$ -	$ -

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
Other Federal Grants

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental -				
Federal grants	$ -	$ 18,559,137	$ 19,298,148	$ 739,011
State funds:				
Other	-	70,000	70,565	565
Total revenues	-	18,629,137	19,368,713	739,576
Expenditures:				
Current -				
General government:				
Personnel services	-	5,025	5,007	18
Professional and technical services	-	720	608	112
Other purchased services	-	37,810	37,515	295
Supplies	-	5,517	3,308	2,209
Other	-	412,250	407,858	4,392
	-	461,322	454,296	7,026
Public safety:				
Personnel services	-	1,204,893	1,203,035	1,858
Professional and technical services	-	222,472	218,657	3,815
Property services	-	122,612	120,590	2,022
Other purchased services	-	2,471	606	1,865
Supplies	-	124,241	121,586	2,655
Other	-	9,597	1,419	8,178
	-	1,686,286	1,665,893	20,393
Public works:				
Personnel services	-	325,120	321,163	3,957
Professional and technical services	-	89,100	87,958	1,142
Property services	-	4,675	4,553	122
Supplies	-	34,000	32,200	1,800
Other	-	848,720	840,992	7,728
	-	1,301,615	1,286,866	14,749
Culture and recreation:				
Professional and technical services	-	17,100	16,300	800
Supplies	-	3,470	3,194	276
	-	20,570	19,494	1,076

(continued)

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
Other Federal Grants (Continued)

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Economic development and assistance:				
Personnel services	-	12,239	11,699	540
Other purchased services	-	8,912	818	8,094
Supplies	-	1,593	470	1,123
	-	22,744	12,987	9,757
Capital outlay	-	130,635	116,902	13,733
Total expenditures	-	3,623,172	3,556,438	66,734
Excess of revenues over expenditures	-	15,005,965	15,812,275	806,310
Other financing sources (uses):				
Transfers in	-	535,089	1,120,911	585,822
Transfers out	-	(15,541,054)	(16,933,186)	(1,392,132)
Total other financing sources (uses)	-	(15,005,965)	(15,812,275)	(806,310)
Net change in fund balance	-	-	-	-
Fund balance, beginning	-	-	-	-
Fund balance, ending	$ -	$ -	$ -	$ -

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
Other State Grants

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental -				
Federal grants	$ -	$ 1,400	$ 1,439	$ 39
State funds:				
Other	-	1,888,254	1,888,577	323
Total revenues	-	1,889,654	1,890,016	362
Expenditures:				
Current -				
Public works:				
Other	-	1,780,200	1,780,341	(141)
Urban redevelopment and housing:				
Other services	-	158,650	115,043	43,607
Total expenditures	-	1,938,850	1,895,384	43,466
Deficiency of revenues over expenditures	-	(49,196)	(5,368)	43,828
Other financing sources:				
Transfers in	-	49,196	5,368	(43,828)
Net change in fund balance	-	-	-	-
Fund balance, beginning	-	-	-	-
Fund balance, ending	$ -	$ -	$ -	$ -

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Special Revenue Fund
Other Grants

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Miscellaneous	$ -	$ 47,580	$ 48,554	$ 974
Expenditures:				
Current -				
General government:				
Personnel services	-	2,850	-	2,850
Purchased professional & technical services	-	750	360	390
Supplies	-	6,300	5,694	606
Other	-	48,798	22,782	26,016
	-	58,698	28,836	29,862
Public works:				
Supplies	-	37,332	33,932	3,400
Total expenditures	-	96,030	62,768	33,262
Deficiency of revenues over expenditures	-	(48,450)	(14,214)	34,236
Other financing sources:				
Transfers in	-	48,450	14,214	(34,236)
Net change in fund balance	-	-	-	-
Fund balance, beginning	-	-	-	-
Fund balance, ending	$ -	$ -	$ -	$ -

Lafayette

CONSOLIDATED GOVERNMENT

Nonmajor
Debt Service Funds

Nonmajor Governmental Funds

Debt Service Funds

Debt Service Funds account for and report financial resources that are restricted or committed for payment of general long-term debt principal, interest, and paying agent fees.

1961 Sales Tax Bonds Sinking Fund - accounts for sales tax revenues dedicated for the payment of principal and interest requirements of all outstanding 1961 Public Improvement Sales Tax Bonds of the City of Lafayette. Also accounts for the portion of the bonds issued for the purpose of advance refunding for certain outstanding obligations of the City.

1961 Sales Tax Bonds Reserve Fund - this reserve fund accounts for a specified amount or balance that is required to be kept in case any pledged revenues are insufficient to pay debt service requirements for the 1961 City Sales Tax Bonds.

1985 Sales Tax Bonds Sinking Fund - accounts for sales tax revenues dedicated for the payment of principal and interest requirements of all outstanding 1985 Public Improvement Sales Tax Bonds of the City of Lafayette. Also accounts for the portion of the bonds issued for the purpose of advance refunding for certain outstanding obligations of the City.

1985 Sales Tax Bonds Reserve Fund - this reserve fund accounts for a specified amount or balance that is required to be kept in case any pledged revenues are insufficient to pay debt service requirements for the 1985 City Sales Tax Bonds.

Sewer Assessment Bonds - to account for the payment of principal and interest on bonds issued for the acquisition, development, and improvements to the City of Lafayette's sewers. Funding consists of special assessment taxes to the public who will benefit from the improvements.

Contingencies Sinking Fund - accounts for revenues from ad valorem taxes assessed by the Parish dedicated for the payment of principal and interest requirements for the Lafayette Parish General Obligation Bonds.

Certificates of Indebtedness, Series 2011 Sinking Fund - accounts for excess annual revenue dedicated for the payment of principal and interest requirements of the 2011 City Certificate of Indebtedness.

Limited Tax Refunding Bonds Sinking Fund - this fund is used to account for the payment of principal, interest, and related charges for the 2020 Bond Series. Funding consists of proceeds from ad valorem taxes assessed by the City.

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Combining Balance Sheet
Nonmajor Debt Service Funds
October 31, 2020

	1961 Sales Tax Bonds		1985 Sales Tax Bonds	
	Sinking Fund	Reserve Fund	Sinking Fund	Reserve Fund
ASSETS				
Cash and interest-bearing deposits	$ 1,073,330	$ 42,145	$ 4,091,086	$ 89,820
Investments	5,498,402	8,323,648	-	7,846,129
Assessments receivable:				
Delinquent	-	-	-	-
Accrued interest receivable	-	60,448	44	29,853
Due from other funds	356,091	98,120	243,515	16
Total assets	$ 6,927,823	$ 8,524,361	$ 4,334,645	$ 7,965,818
LIABILITIES AND FUND BALANCES				
Liabilities:				
Due to other funds	$ 356,259	$ 355,923	$ 244,145	$ 243,065
Fund balances:				
Restricted -				
Debt service	6,571,564	8,168,438	4,090,500	7,722,753
Total liabilities and fund balances	$ 6,927,823	$ 8,524,361	$ 4,334,645	$ 7,965,818

Sewer Assessment Bonds	Contingencies Sinking Fund	Certificates of Indebtedness, Series 2011 Sinking Fund	Limited Tax Refunding Bonds Sinking Fund	Total
$ 1,777	$ 1,002,669	$ 37,976	$ 107,784	$ 6,446,587
-	5,026,537	190,383	540,337	27,425,436
32,109	-	-	-	32,109
-	25,528	967	2,744	119,584
-	-	-	-	697,742
$ 33,886	$ 6,054,734	$ 229,326	$ 650,865	$ 34,721,458
$ 33,886	$ -	$ -	$ 122,308	$ 1,355,586
-	6,054,734	229,326	528,557	33,365,872
$ 33,886	$ 6,054,734	$ 229,326	$ 650,865	$ 34,721,458

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Year Ended October 31, 2020

	1961 Sales Tax Bonds		1985 Sales Tax Bonds	
	Sinking Fund	Reserve Fund	Sinking Fund	Reserve Fund
Revenues:				
Taxes -				
Ad valorem	$ -	$ -	$ -	$ -
Sales and use	12,677,076	-	10,855,703	-
Intergovernmental -				
Federal subsidy	55,720	-	-	-
Investment earnings	51,419	224,746	53,184	117,360
Total revenues	12,784,215	224,746	10,908,887	117,360
Expenditures:				
Current -				
General government	-	-	-	-
Debt service -				
Principal retirement	9,055,000	-	8,335,000	-
Interest and fiscal charges	4,610,968	-	3,757,352	-
Debt issuance costs	135,494	-	74,205	-
Total debt service	13,801,462	-	12,166,557	-
Total expenditures	13,801,462	-	12,166,557	-
Excess (deficiency) of revenues over expenditures	(1,017,247)	224,746	(1,257,670)	117,360
Other financing sources (uses):				
Issuance of refunding debt	10,740,000	-	5,500,000	-
Premium from issuance of refunding debt	630,556	-	-	-
Payment to escrow agent	(11,638,293)	(150,119)	(5,651,554)	(14,421)
Transfers in	1,021,848	20,000	1,738,926	1,786,854
Transfers out	(2,968)	(1,396,399)	(419,702)	(188,864)
Total other financing sources (uses)	751,143	(1,526,518)	1,167,670	1,583,569
Net change in fund balances	(266,104)	(1,301,772)	(90,000)	1,700,929
Fund balances, beginning	6,837,668	9,470,210	4,180,500	6,021,824
Fund balances, ending	$ 6,571,564	$ 8,168,438	$ 4,090,500	$ 7,722,753

Sewer Assessment Bonds	Contingencies Sinking Fund	Certificates of Indebtedness, Series 2011 Sinking Fund	Limited Tax Refunding Bonds Sinking Fund	Total
$ -	$ 4,631,313	$ -	$ -	$ 4,631,313
-	-	531,635	-	24,064,414
-	-	-	-	55,720
-	89,195	3,063	14,031	552,998
-	4,720,508	534,698	14,031	29,304,445
-	169,022	-	-	169,022
-	3,405,000	410,000	2,510,000	23,715,000
-	1,896,950	112,055	495,443	10,872,768
-	-	-	309,612	519,311
-	5,301,950	522,055	3,315,055	35,107,079
-	5,470,972	522,055	3,315,055	35,276,101
-	(750,464)	12,643	(3,301,024)	(5,971,656)
-	-	-	25,835,000	42,075,000
-	-	-	-	630,556
-	-	-	(25,501,824)	(42,956,211)
-	-	-	3,451,625	8,019,253
-	-	-	-	(2,007,933)
-	-	-	3,784,801	5,760,665
-	(750,464)	12,643	483,777	(210,991)
-	6,805,198	216,683	44,780	33,576,863
$ -	$ 6,054,734	$ 229,326	$ 528,557	$ 33,365,872

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Debt Service Fund
1961 Sales Tax Bonds Sinking Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes -				
Sales and use	$ 13,520,581	$ 12,900,016	$ 12,677,076	$ (222,940)
Intergovernmental -				
Federal subsidy	110,729	110,729	55,720	(55,009)
Investment earnings	110,794	67,866	51,419	(16,447)
Total revenues	13,742,104	13,078,611	12,784,215	(294,396)
Expenditures:				
Debt service -				
Principal retirement	9,269,274	9,055,000	9,055,000	-
Interest and fiscal charges	4,632,830	4,632,830	4,610,968	21,862
Debt issuance cost	-	210,206	135,494	74,712
Total expenditures	13,902,104	13,898,036	13,801,462	96,574
Deficiency of revenues over expenditures	(160,000)	(819,425)	(1,017,247)	(197,822)
Other financing sources (uses):				
Issuance of refunding debt	-	10,740,000	10,740,000	-
Premium from issuance of refunding debt	-	630,556	630,556	-
Payment to escrow agent	-	(11,638,293)	(11,638,293)	-
Transfers in	160,000	160,000	1,021,848	861,848
Transfers out	-	-	(2,968)	(2,968)
Total other financing sources (uses)	160,000	(107,737)	751,143	858,880
Net change in fund balance	-	(927,162)	(266,104)	661,058
Fund balance, beginning	6,837,668	6,837,668	6,837,668	-
Fund balance, ending	$ 6,837,668	$ 5,910,506	$ 6,571,564	$ 661,058

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Debt Service Fund
1961 Sales Tax Bonds Reserve Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Investment earnings	$ 130,000	$ 130,000	$ 224,746	$ 94,746
Expenditures	-	-	-	-
Excess of revenues over expenditures	130,000	130,000	224,746	94,746
Other financing sources (uses):				
Payment to escrow agent	-	(150,119)	(150,119)	-
Transfers in	-	-	20,000	20,000
Transfers out	(130,000)	(1,182,285)	(1,396,399)	(214,114)
Total other financing sources (uses)	(130,000)	(1,332,404)	(1,526,518)	(194,114)
Net change in fund balance	-	(1,202,404)	(1,301,772)	(99,368)
Fund balance, beginning	9,470,210	9,470,210	9,470,210	-
Fund balance, ending	$ 9,470,210	$ 8,267,806	$ 8,168,438	$ (99,368)

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Debt Service Fund
1985 Sales Tax Bonds Sinking Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes -				
Sales and use	$ 12,161,929	$ 11,084,410	$ 10,855,703	$ (228,707)
Investment earnings	93,177	67,287	53,184	(14,103)
Total revenues	12,255,106	11,151,697	10,908,887	(242,810)
Expenditures:				
Debt service -				
Principal retirement	8,335,000	8,335,000	8,335,000	-
Interest and fiscal charges	3,880,106	3,770,231	3,757,352	12,879
Debt issuance cost	-	101,698	74,205	27,493
Total expenditures	12,215,106	12,206,929	12,166,557	40,372
Excess (deficiency) of revenues over expenditures	40,000	(1,055,232)	(1,257,670)	(202,438)
Other financing sources (uses):				
Issuance of refunding debt	-	5,500,000	5,500,000	-
Payment to escrow agent	-	(5,651,554)	(5,651,554)	-
Transfers in	550,616	550,616	1,738,926	1,188,310
Transfers out	-	-	(419,702)	(419,702)
Total other financing sources (uses)	550,616	399,062	1,167,670	768,608
Net change in fund balance	590,616	(656,170)	(90,000)	566,170
Fund balance, beginning	4,180,500	4,180,500	4,180,500	-
Fund balance, ending	$ 4,771,116	$ 3,524,330	$ 4,090,500	$ 566,170

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Debt Service Fund
1985 Sales Tax Bonds Reserve Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Investment earnings	$ 80,000	$ 80,000	$ 117,360	$ 37,360
Expenditures	-	-	-	-
Excess of revenues over expenditures	80,000	80,000	117,360	37,360
Other financing sources (uses):				
Payment to escrow agent	-	(14,421)	(14,421)	-
Transfers in	-	1,347,152	1,786,854	439,702
Transfers out	(80,000)	(80,000)	(188,864)	(108,864)
Total other financing sources (uses)	(80,000)	1,252,731	1,583,569	330,838
Net change in fund balance	-	1,332,731	1,700,929	368,198
Fund balance, beginning	6,021,824	6,021,824	6,021,824	-
Fund balance, ending	$ 6,021,824	$ 7,354,555	$ 7,722,753	$ 368,198

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Debt Service Fund
Contingencies Sinking Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes -				
Ad valorem	$ 4,600,000	$ 4,600,000	$ 4,631,313	$ 31,313
Investment earnings	122,000	122,000	89,195	(32,805)
Total revenues	4,722,000	4,722,000	4,720,508	(1,492)
Expenditures:				
Current -				
General government	167,440	169,022	169,022	-
Debt service -				
Principal retirement	3,405,000	3,405,000	3,405,000	-
Interest and fiscal charges	1,897,950	1,897,950	1,896,950	1,000
Total debt service	5,302,950	5,302,950	5,301,950	1,000
Total expenditures	5,470,390	5,471,972	5,470,972	1,000
Net change in fund balance	(748,390)	(749,972)	(750,464)	(492)
Fund balance, beginning	6,805,198	6,805,198	6,805,198	-
Fund balance, ending	$ 6,056,808	$ 6,055,226	$ 6,054,734	$ (492)

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Debt Service Fund
Certificates of Indebtedness, Series 2011 Sinking Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes -				
Sales and use	$ 527,255	$ 527,255	$ 531,635	$ 4,380
Investment earnings	4,800	4,800	3,063	(1,737)
Total revenues	532,055	532,055	534,698	2,643
Expenditures:				
Debt service -				
Principal retirement	410,000	410,000	410,000	-
Interest and fiscal charges	112,055	112,055	112,055	-
Total expenditures	522,055	522,055	522,055	-
Net change in fund balance	10,000	10,000	12,643	2,643
Fund balance, beginning	216,683	216,683	216,683	-
Fund balance, ending	$ 226,683	$ 226,683	$ 229,326	$ 2,643

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana
Nonmajor Debt Service Fund
Limited Tax Refunding Bonds Sinking Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended October 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Investment earnings	$ 17,500	$ 17,500	$ 14,031	$ (3,469)
Expenditures:				
Debt service -				
Principal retirement	2,510,000	2,510,000	2,510,000	-
Interest and fiscal charges	942,725	495,443	495,443	-
Debt issuance costs	-	333,177	309,612	23,565
Total expenditures	3,452,725	3,338,620	3,315,055	23,565
Deficiency of revenues over expenditures	(3,435,225)	(3,321,120)	(3,301,024)	(27,034)
Other financing sources (uses):				
Proceeds from issuance of refunding debt	-	25,835,000	25,835,000	-
Payment to escrow agent	-	(25,501,824)	(25,501,824)	-
Transfers in	3,451,625	3,451,625	3,451,625	-
Total other financing sources (uses)	3,451,625	3,784,801	3,784,801	-
Net change in fund balance	16,400	463,681	483,777	(27,034)
Fund balance, beginning	44,780	44,780	44,780	-
Fund balance, ending	$ 61,180	$ 508,461	$ 528,557	$ (27,034)

Nonmajor
Capital Projects Funds

Nonmajor Governmental Funds

Capital Projects Funds

Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

1961 City Sales Tax Bond Construction Funds - these funds are to account for the proceeds from bond issues used to finance capital improvement projects within the City of Lafayette. These bond issues are secured and payable from a pledge and dedication of the proceeds of the 1961 City sales and use tax.

City Combined Bond Construction Fund – this fund is to account for the proceeds from bond issues used to finance capital improvement projects within the City of Lafayette. These bond issues are secured and payable from a pledge and dedication of the proceeds of either the 1961 City sales and use tax or the 1985 City sales and use tax.

Parish General Obligation Bond Construction Funds - these funds are to account for the proceeds from bond issues to finance capital infrastructure improvement projects within Lafayette Parish.

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Combining Balance Sheet
Nonmajor Capital Projects Funds
October 31, 2020

	1961 City Sales Tax Bond Construction	City Combined Bond Construction	Parish General Obligation Bond Construction	Total
ASSETS				
Cash and interest-bearing deposits	$ 3,197	$ 10,333,713	$ 1,293	$ 10,338,203
Investments	15,860	51,804,523	6,484	51,826,867
Accrued interest receivable	80	263,095	33	263,208
Accounts receivable	-	1,439	-	1,439
Total assets	$ 19,137	$ 62,402,770	$ 7,810	$ 62,429,717
LIABILITIES AND FUND BALANCES				
Liabilities:				
Contracts payable	$ -	$ 2,801,517	$ -	$ 2,801,517
Retainage payable	-	1,459,392	-	1,459,392
Due to other funds	16	201,780	-	201,796
Total liabilities	16	4,462,689	-	4,462,705
Fund balances:				
Restricted -				
Capital expenditures	19,121	57,940,081	7,810	57,967,012
Total liabilities and fund balances	$ 19,137	$ 62,402,770	$ 7,810	$ 62,429,717

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended October 31, 2020

	1961 City Sales Tax Bond Construction	City Combined Bond Construction	Parish General Obligation Bond Construction	Total
Revenues:				
Miscellaneous -				
Investment earnings	$ 562	$ 273,989	$ 101	$ 274,652
Other	-	333	-	333
Total revenues	562	274,322	101	274,985
Expenditures:				
Current -				
General government	-	174,780	-	174,780
Debt service -				
Debt issuance costs	-	564,280	-	564,280
Capital outlay	-	18,919,594	-	18,919,594
Total expenditures	-	19,658,654	-	19,658,654
Deficiency of revenues over expenditures	562	(19,384,332)	101	(19,383,669)
Other financing sources (uses):				
Issuance of debt	-	50,000,000	-	50,000,000
Premium from issuance of debt	-	9,672,871	-	9,672,871
Transfers in	-	1,052,285	-	1,052,285
Transfers out	(1,891)	(1,347,152)	-	(1,349,043)
Total other financing sources (uses)	(1,891)	59,378,004	-	59,376,113
Net change in fund balances	(1,329)	39,993,672	101	39,992,444
Fund balances, beginning	20,450	17,946,409	7,709	17,974,568
Fund balances, ending	$ 19,121	$57,940,081	$ 7,810	$57,967,012

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Schedule of Expenditures Compared to Capital Budget
City Combined Bond Fund
For the Year Ended October 31, 2020

		Expenditures		Balance of
	Project Authorization	Prior Years	Current Year	Incomplete Projects
Street projects:				
Belle Fontaine Drive Extension	$ 450,646	$ 12,950	$ -	$ 437,696
BlueBird Dr Ext/Widening	549,498	50,837	-	498,661
Bridge Replacements	519,362	137,503	11,890	369,969
Camellia/Settlers Tr Turn Lane	1,000,000	25,842	12,813	961,345
CIDC, Lat 7-Curran/Dulles	499,956	4,934	318,701	176,321
Daigle Street Hard Surfacing	1,506,059	1,238,120	558	267,381
Downtown Sidewlks/Curbs/Ovrly	820,000	67,369	33,587	719,044
Duhon Road Widening	721,601	37,093	-	684,508
Dulles Drive Widening	10,434,611	472,615	3,150,790	6,811,206
E Pont Des Mouton Rd Wide Ph II	2,896,203	1,306,872	968	1,588,363
Frem Boustany Ext	3,726,270	786,832	1,785,429	1,154,009
Kaliste Saloom Widening	33,935,674	16,122,880	9,488,367	8,324,427
LA Ave Ext Ph IID (Marvw/G SW)	385,508	242,839	7,817	134,852
N Domingue-Dulles Roundabout	1,600,000	45,290	23,500	1,531,210
N St Antoine Ext-Pont Des Mtn	2,824,285	188,177	25,407	2,610,701
Pecan/Buick/Pine/Chestr Sdewlk	250,000	7,149	-	242,851
Pinhook/Kaliste Saloom Turn Lane	250,000	-	-	250,000
Polly Lane Extension	2,514,433	1,416,794	194,611	903,028
Robley Ext-SC Pkwy/Crestlawn	50,110	28,547	-	21,563
Simcoe Street Corridor Ph II	820,199	21,842	-	798,357
South City Park Extension	789,768	716,924	72,844	-
University Corridor Initiative	1,600,000	110,942	477,485	1,011,573
Vermilion Lat 4 Beaul/Settlers	1,184,762	746,139	9,597	429,026
Verot School - Pinhook/Vincent	27,324	6,308	-	21,016
W Willow St Widening	750,000	38,260	-	711,740
Pinhook/University Int Improv	200,000	-	-	200,000
N St Antoine Street Extension	9,600,000	-	-	9,600,000
Kaliste Saloom Widening	4,000,000	50,711	565,672	3,383,617
New River Oaks Pump Station	225,000	25,000	-	200,000
River Oaks Pump Station - New St	50,000	-	-	50,000
Downtown Street/Sidewalk PH III	500,000	-	-	500,000
Rue De Bel Ext PH2 (S/Duhon Rd)	587,660	-	1,274	586,386
	85,268,929	23,908,769	16,181,310	45,178,850

(continued)

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Schedule of Expenditures Compared to Capital Budget
City Combined Bond Fund (Continued)
For the Year Ended October 31, 2020

	Project Authorization	Expenditures Prior Years	Expenditures Current Year	Balance of Incomplete Projects
Drainage project				
Bellefontaine Drainage	499,716	3,766	-	495,950
Concrete Coulee Renovations	1,867,691	524,858	8,612	1,334,221
Coulee Bend Improvements	1,651,739	163,503	192	1,488,044
Sunbeam Coulee Ph II	2,451,794	262,216	1,918,223	271,355
Walker Road Drainage	3,190,496	40,321	-	3,150,175
Storm Water Division	7,130,716	-	14,348	7,116,368
City Storm Water Diversion	746,864	-	-	746,864
	17,539,016	994,664	1,941,375	14,602,977
Park and Recreation				
Girard Park Improvements	300,000	131,922	125,893	42,185
Heymann Park Design	75,000	-	63	74,937
Neighborhood Park Freetown	1,000,000	418	21,847	977,735
Moore Park Improvements	103,660	3,660	100,000	-
Park Improvements - City Wide	318,381	28,647	189,388	100,346
Recreation Center Improvements	650,000	309,142	190,912	149,946
Tennis Facility Improvements	253,958	100,321	4,900	148,737
	2,700,999	574,110	633,003	1,493,886
Building project				
Comeaux Roof/Building Repair	500,000	328,071	109,415	62,514
Fire Station #3	1,700,000	3,765	54,491	1,641,744
	2,200,000	331,836	163,906	1,704,258
	$ 107,708,944	$ 25,809,379	$ 18,919,594	$ 62,979,971

Lafayette
CONSOLIDATED GOVERNMENT

Nonmajor
Enterprise Funds

Nonmajor Enterprise Funds

Enterprise funds account for operations: (a) that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Environmental Services Disposal Fund - this fund is to account for the revenues, expenses, and fixed assets associated with the operations of the Environmental Quality Division which consists of compost disposal, solid waste disposal and other environmental issues in Lafayette Parish.

CNG Service Station Fund - this fund is to account for the revenues and expenses associated with the operation and maintenance of the Compressed Natural Gas (CNG) service station which services both public and private vehicles.

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Combining Statement of Net Position
Nonmajor Enterprise Funds
October 31, 2020
With Comparative Totals for October 31, 2019

	2020			
	Environmental Services Disposal	CNG Service Station	Total Nonmajor Enterprise Funds	2019
ASSETS				
CURRENT ASSETS				
Cash and interest-bearing deposits	$ 830,815	$ 88,757	$ 919,572	$ 767,593
Investments	3,982,804	444,951	4,427,755	3,287,382
Accounts receivable, net	2,042,640	-	2,042,640	1,857,865
Accrued interest receivable	20,227	2,260	22,487	13,492
Due from other funds	1,645,366	-	1,645,366	1,632,157
Total current assets	8,521,852	535,968	9,057,820	7,558,489
NONCURRENT ASSETS				
Capital assets:				
Land	3,147,688	-	3,147,688	3,147,688
Buildings and site improvements, net	89,487	-	89,487	95,302
Equipment, net	1,140,726	-	1,140,726	297,451
Total noncurrent assets	4,377,901	-	4,377,901	3,540,441
Total assets	12,899,753	535,968	13,435,721	11,098,930
DEFERRED OUTFLOWS OF RESOURCES				
Other postemployment benefits	17,362	-	17,362	13,773
Pensions	269,930	-	269,930	457,354
	287,292	-	287,292	471,127
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	2,226,760	13,200	2,239,960	1,145,483
Accrued salaries and benefits	70,957	-	70,957	57,798
Retainage payable	-	-	-	6,619
Compensated absences	77,477	-	77,477	55,349
Due to other funds	-	-	-	112
Total current liabilities	2,375,194	13,200	2,388,394	1,265,361
NONCURRENT LIABILITIES				
Compensated absences	144,322	-	144,322	186,636
Other postemployment benefits	80,697	-	80,697	86,668
Net pension liability	912,295	-	912,295	1,235,893
Total noncurrent liabilities	1,137,314	-	1,137,314	1,509,197
Total liabilities	3,512,508	13,200	3,525,708	2,774,558
DEFERRED INFLOWS OF RESOURCES				
Other postemployment benefits	5,165	-	5,165	7,986
Pensions	176,417	-	176,417	47,033
Total deferred inflows of resources	181,582	-	181,582	55,019
NET POSITION				
Net investment in capital assets	4,377,901	-	4,377,901	3,540,441
Unrestricted	5,115,054	522,768	5,637,822	5,200,039
Total net position	$ 9,492,955	$ 522,768	$ 10,015,723	$ 8,740,480

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Nonmajor Enterprise Funds
For the Year Ended October 31, 2020
With Comparative Actual Amounts for the Year Ended October 31, 2019

	2020			
	Environmental Services Disposal	CNG Service Station	Total Nonmajor Enterprise Funds	2019
Operating revenues:				
Charges for services	$ 16,496,574	$ 233,572	$ 16,730,146	$ 16,559,221
Miscellaneous	337,757	-	337,757	284,239
Total operating revenues	16,834,331	233,572	17,067,903	16,843,460
Operating expenses:				
Production, collection and cost of services	14,819,206	96,752	14,915,958	15,048,894
Administrative and general	725,341	65,801	791,142	918,160
Depreciation	153,153	-	153,153	126,415
Total operating expenses	15,697,700	162,553	15,860,253	16,093,469
Operating income	1,136,631	71,019	1,207,650	749,991
Nonoperating revenues:				
Investment earnings	51,343	6,305	57,648	90,267
Gain on disposal of capital assets	3,518	-	3,518	-
Non-employer pension contributions	20,436	-	20,436	19,653
Total nonoperating revenues	75,297	6,305	81,602	109,920
Income before transfers	1,211,928	77,324	1,289,252	859,911
Transfers in	206	-	206	-
Transfers out	(14,215)	-	(14,215)	-
Change in net position	1,197,919	77,324	1,275,243	859,911
Net position, beginning	8,295,036	445,444	8,740,480	7,880,569
Net position, ending	$ 9,492,955	$ 522,768	$ 10,015,723	$ 8,740,480

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended October 31, 2020
With Comparative Actual Amounts for the Year Ended October 31, 2019

	2020			
	Environmental Services Disposal	CNG Service Station	Total Nonmajor Enterprise Funds	2019
Cash flows from operating activities:				
Receipts from customers	$ 16,311,799	$ 233,572	$ 16,545,371	$ 16,395,213
Payments to suppliers for goods and services	(13,154,187)	(171,828)	(13,326,015)	(14,467,711)
Payments to employees and for employee related costs	(1,305,688)	-	(1,305,688)	(1,365,400)
Other receipts	337,757	-	337,757	284,239
Net cash provided by operating activities	2,189,681	61,744	2,251,425	846,341
Cash flows from noncapital financing activities:				
Transfers out	(14,215)	-	(14,215)	-
Cash flows from capital and related financing activities:				
Purchase of capital assets	(993,508)	-	(993,508)	(29,084)
Cash flows from investing activities:				
Interest earnings	46,252	6,105	52,357	75,152
Purchases of investments	(1,079,386)	(64,694)	(1,144,080)	(865,957)
Net cash used by investing activities	(1,033,134)	(58,589)	(1,091,723)	(790,805)
Net increase in cash and cash equivalents	148,824	3,155	151,979	26,452
Balances, beginning of the year	681,991	85,602	767,593	741,141
Balances, end of the year	$ 830,815	$ 88,757	$ 919,572	$ 767,593
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	$ 1,136,631	$ 71,019	$ 1,207,650	$ 749,991
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	153,153	-	153,153	126,415
Provision for bad debts	203,969	-	203,969	330,450
Pension expense	13,648	-	13,648	157,103
OPEB expense	(12,380)	-	(12,380)	(19,046)
Change in assets and liabilities:				
Receivables	(388,744)	-	(388,744)	(494,458)
Accounts and other payables	1,116,911	(9,275)	1,107,636	9,039
Due from/to other funds	(13,321)	-	(13,321)	(29,435)
Compensated absences	(20,186)	-	(20,186)	16,282
Net cash provided by operating activities	$ 2,189,681	$ 61,744	$ 2,251,425	$ 846,341
Noncash investing, capital and financing activities:				
Gain on disposal of capital assets	$ 3,518	$ -	$ 3,518	$ -
Increase (decrease) in fair value of investments	$ (3,207)	$ (497)	$ (3,704)	$ 11,417

Internal Service Funds

Internal Service Funds

Internal Service funds account for the financing of goods or services provided by one department or agency to other department or agencies of the governmental unit, or to other governmental units, on a cost-reimbursement basis.

Central Vehicle Maintenance Fund – this fund manages, maintains, and repairs LCG fleet vehicles consisting predominately of City buses, public safety vehicles, and various heavy equipment.

Central Printing Fund - this fund is to account for revenues received for performing printing and binding services for departments and outside entities.

Self-Insurance Fund - this fund is also called the Risk Management Fund. This fund is used to account for self-insurance activities involving property damage, worker's compensation, and general liability claims.

Group Hospitalization Fund - this fund is used to account for self-insurance activities involving medical care claims and payment of insurance premiums by LCG's employees, retirees, and dependents.

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Combining Statement of Net Position
Internal Service Funds
October 31, 2020

	Central Vehicle Maintenance	Central Printing	Self-Insurance	Group Hospital-ization	Total
ASSETS					
CURRENT ASSETS					
Cash and interest-bearing deposits	$ 46,610	$ -	$ 751,352	$ 3,986,655	$ 4,784,617
Investments	233,664	-	3,766,643	19,270,394	23,270,701
Accounts receivable, net	833	-	47,485	432,203	480,521
Accrued interest receivable	1,187	-	19,129	97,867	118,183
Due from other funds	721	11	2,673	75,000	78,405
Inventories, net	422,689	-	-	-	422,689
Prepaid items	-	15,232	250,000	-	265,232
Total current assets	705,704	15,243	4,837,282	23,862,119	29,420,348
NONCURRENT ASSETS					
Capital assets:					
Buildings, net	97,075	-	-	-	97,075
Equipment, net	444,267	9,499	-	-	453,766
Total noncurrent assets	541,342	9,499	-	-	550,841
Total assets	$ 1,247,046	$ 24,742	$ 4,837,282	$ 23,862,119	$ 29,971,189
CURRENT LIABILITIES					
Cash overdraft	$ -	$ 11,488	$ -	$ -	$ 11,488
Accounts payable	178,969	-	229,935	19,993	428,897
Accrued salaries and benefits	59,110	-	-	4,781	63,891
Other payables	-	15,054	-	13,761	28,815
Due to other funds	1,000	-	81,039	-	82,039
Unpaid claims liability	-	-	4,817,753	1,525,107	6,342,860
Compensated absences	106,925	-	-	-	106,925
Total current liabilities	346,004	26,542	5,128,727	1,563,642	7,064,915
NONCURRENT LIABILITIES					
Claims payable	-	-	10,633,591	-	10,633,591
Total liabilities	346,004	26,542	15,762,318	1,563,642	17,698,506
NET POSITION					
Net investment in capital assets	541,342	9,499	-	-	550,841
Unrestricted (deficit)	359,700	(11,299)	(10,925,036)	22,298,477	11,721,842
Total net position (deficit)	901,042	(1,800)	(10,925,036)	22,298,477	12,272,683
Total liabilities and net position	$ 1,247,046	$ 24,742	$ 4,837,282	$ 23,862,119	$ 29,971,189

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Internal Service Funds
For the Year Ended October 31, 2020

	Central Vehicle Maintenance	Central Printing	Self-Insurance	Group Hospital-ization	Total
Operating revenues:					
Charges for services	$ 6,395,889	$ 694	$ 7,434,734	$ 22,694,513	$ 36,525,830
Miscellaneous	5,744	25	611,467	1,385,586	2,002,822
Total operating revenues	6,401,633	719	8,046,201	24,080,099	38,528,652
Operating expenses:					
Cost of services rendered	6,874,596	694	10,886,545	20,561,859	38,323,694
Depreciation	72,672	1,825	-	-	74,497
Total operating expenses	6,947,268	2,519	10,886,545	20,561,859	38,398,191
Operating income (loss)	(545,635)	(1,800)	(2,840,344)	3,518,240	130,461
Nonoperating revenues (expenses):					
Investment earnings	2,864	-	35,373	398,119	436,356
Gain (loss) on sale/disposal of assets	19,504	-	-	-	19,504
Total nonoperating revenues (expenses)	22,368	-	35,373	398,119	455,860
Income (loss) before transfers	(523,267)	(1,800)	(2,804,971)	3,916,359	586,321
Transfers in	491	-	-	-	491
Change in net position	(522,776)	(1,800)	(2,804,971)	3,916,359	586,812
Net position (deficit), beginning	1,423,818	-	(8,120,065)	18,382,118	11,685,871
Net position (deficit), ending	$ 901,042	$ (1,800)	$ (10,925,036)	$ 22,298,477	$ 12,272,683

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended October 31, 2020

	Central Vehicle Maintenance	Central Printing	Self-Insurance	Group Hospital-ization	Total
Cash flows from operating activities:					
Receipts from customers	$ 6,395,188	$ 135,422	$ -	$ -	$ 6,530,610
Receipts from insured	-	-	7,404,864	22,870,146	30,275,010
Payments to suppliers for goods and services	(4,684,614)	(694)	(3,907,701)	(3,821,634)	(12,414,643)
Payments to employees and for employee related costs	(2,245,823)	-	-	(261,724)	(2,507,547)
Payments for claims	-	-	(2,816,687)	(17,303,264)	(20,119,951)
Other receipts	5,744	25	611,467	1,385,586	2,002,822
Net cash provided (used) by operating activities	(529,505)	134,753	1,291,943	2,869,110	3,766,301
Cash flows from noncapital financing activities:					
Decrease in cash overdraft	-	(134,753)	-	-	(134,753)
Cash flows from capital and related financing activities:					
Purchase of capital assets	(232,631)	-	-	-	(232,631)
Cash flows from investing activities:					
Interest earnings	7,010	-	29,658	388,479	425,147
Sales (purchases) of investments	611,343	-	(1,157,456)	(2,946,212)	(3,492,325)
Net cash provided (used) by investing activities	618,353	-	(1,127,798)	(2,557,733)	(3,067,178)
Net increase (decrease) in cash and cash equivalents	(143,783)	-	164,145	311,377	331,739
Balances, beginning of the year	190,393	-	587,207	3,675,278	4,452,878
Balances, end of the year	$ 46,610	$ -	$ 751,352	$ 3,986,655	$ 4,784,617
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	$ (545,635)	$ (1,800)	$ (2,840,344)	$ 3,518,240	$ 130,461
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	72,672	1,825	-	-	74,497
Change in assets and liabilities:					
Receivables	(701)	-	(29,870)	175,633	145,062
Inventories	(20,135)	-	-	-	(20,135)
Prepaid items	-	12,361	(75,000)	-	(62,639)
Accounts and other payables	(49,588)	15,054	4,158,947	(758,783)	3,365,630
Unearned revenue	-	-	-	(3,268)	(3,268)
Due from/to other funds	(260)	107,313	78,210	(62,712)	122,551
Compensated absences	14,142	-	-	-	14,142
Net cash provided (used) by operating activities	$ (529,505)	$ 134,753	$ 1,291,943	$ 2,869,110	$ 3,766,301
Noncash investing, capital and financing activities:					
Decrease in fair value of investments	$ (1,857)	$ -	$ (2,695)	$ (21,146)	$ (25,698)
Gain on disposal of capital assets	$ 19,504	$ -	$ -	$ -	$ 19,504

Fiduciary Funds

Fiduciary Funds

Agency funds are used to account for short-term custodial collections on resources on behalf of another individual, entity, or government.

Property Tax Escrow Fund - this fund accounts for proceeds of ad valorem taxes assessed by the City that were paid under protest by the taxpayer.

Civil Court Operating Fund - this fund accounts for the monies held (bonds posted) by plaintiffs to cover estimated court costs in connection with civil and criminal suits. Any monies remaining after settlement of the suits are refunded to the plaintiffs.

Court Cost Bond Fund - this fund accounts for the monies held (bonds posted) by plaintiffs to cover estimated court costs in connection with civil and criminal suits. Any monies remaining after settlement of the suits are refunded to the plaintiffs.

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Combining Statement of Assets and Liabilities
Agency Funds
October 31, 2020

	Property Tax Escrow Fund	Civil Court Operating Fund	Court Cost Bond Fund	Total
ASSETS				
Cash and interest-bearing deposits	$ 8,834	$ 1,117,126	$ 119,297	$ 1,245,257
Investments	44,288	-	-	44,288
Accrued interest receivable	225	-	-	225
Total assets	$ 53,347	$ 1,117,126	$ 119,297	$ 1,289,770
LIABILITIES				
Accounts payable	$ -	$ 13,806	$ -	$ 13,806
Other payables	53,347	1,103,320	119,297	1,275,964
Total liabilities	$ 53,347	$ 1,117,126	$ 119,297	$ 1,289,770

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended October 31, 2020

	Balance November 1, 2019	Additions	Deductions	Balance October 31, 2020
Property Tax Escrow:				
ASSETS				
Cash and interest-bearing deposits	$ 9,129	$ -	$ 295	$ 8,834
Investments	40,604	3,684	-	44,288
Accrued interest receivable	167	225	167	225
Total assets	$ 49,900	$ 3,909	$ 462	$ 53,347
LIABILITIES				
Other payables	$ 49,900	$ 3,909	$ 462	$ 53,347
Civil Court Operating fund:				
ASSETS				
Cash and interest-bearing deposits	$ 1,576,284	$ 576,090	$ 1,035,248	$ 1,117,126
LIABILITIES				
Accounts payable	$ 23,386	$ 13,806	$ 23,386	$ 13,806
Other payables	1,552,898	576,090	1,025,668	1,103,320
Total liabilities	$ 1,576,284	$ 589,896	$ 1,049,054	$ 1,117,126
Court Cost Bond Fund:				
ASSETS				
Cash and interest-bearing deposits	$ 135,507	$ 2,227,977	$ 2,244,187	$ 119,297
LIABILITIES				
Other payables	$ 135,507	$ 2,227,977	$ 2,244,187	$ 119,297
Totals - All Agency Funds:				
ASSETS				
Cash and interest-bearing deposits	$ 1,720,920	$ 2,804,067	$ 3,279,730	$ 1,245,257
Investments	40,604	3,684	-	44,288
Accrued interest receivable	167	225	167	225
Total assets	$ 1,761,691	$ 2,807,976	$ 3,279,897	$ 1,289,770
LIABILITIES				
Accounts payable	$ 23,386	$ 13,806	$ 23,386	$ 13,806
Other payables	1,738,305	2,807,976	3,270,317	1,275,964
Total liabilities	$ 1,761,691	$ 2,821,782	$ 3,293,703	$ 1,289,770

Lafayette

CONSOLIDATED GOVERNMENT

Nonmajor
Discretely Presented
Component Units

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Combining Statement of Net Position - Nonmajor Discretely Presented Component Units
October 31, 2020

	Downtown Development Authority	Firemen's Pension and Relief Fund	Police Pension and Relief Fund
ASSETS			
CURRENT ASSETS:			
Cash and interest-bearing deposits	$ 180,712	$ -	$ -
Investments	799,111	-	-
Accounts receivable, net	26,880	-	-
Due from primary government	-	-	-
Due from other governmental agencies	424,141	-	-
Inventories	-	-	-
Prepaid items	-	-	-
Total current assets	1,430,844	-	-
NONCURRENT ASSETS:			
Restricted cash and interest-bearing deposits	-	-	-
Capital assets:	-		
Non-depreciable	21,000	-	-
Depreciable, net	4,407	-	-
Total noncurrent assets	25,407	-	-
Total assets	1,456,251	-	-
DEFERRED OUTFLOWS OF RESOURCES			
Deferred loss on bond refunding	-	-	-
Other post-employment benefits	-	-	-
Pensions	125,522	-	-
Total deferred outflows of resources	125,522	-	-
LIABILITIES			
CURRENT LIABILITIES:			
Accounts and other payables	23,653	-	-
Due to primary government	-	-	-
Due to other governmental agencies	-	-	-
Unearned revenue	-	-	-
Deposits	-	-	-
Current portion of long-term liabilities-			
Compensated absences	3,771	-	-
Bonds payable	-	-	-
Total current liabilities	27,424	-	-
NONCURRENT LIABILITIES:			
Noncurrent portion of long-term liabilities-			
Compensated absences	-	-	-
Bonds payable	-	-	-
Other post-employment benefits	-	-	-
Net pension liability	137,689	-	-
Total noncurrent liabilities	137,689	-	-
Total liabilities	165,113	-	-
DEFERRED INFLOWS OF RESOURCES			
Property taxes	-	-	-
Other post-employment benefits	-	-	-
Pensions	9,311	-	-
Total deferred inflows of resources	9,311	-	-
NET POSITION			
Net investment in capital assets	25,407	-	-
Restricted for (Note 21):			
Capital projects	-	-	-
Debt service	-	-	-
External legal constraints/programs	-	-	-
Unrestricted (deficit)	1,381,942	-	-
Total net position	$ 1,407,349	$ -	$ -

City Court of Lafayette	Lafayette Parish Waterworks District North	Lafayette Parish Waterworks District South	Lafayette Parish Bayou Vermilion District	Lafayette Parish Communication District	Total
$ 4,080,017	$ 1,291,161	$ 434,912	$ 3,106,789	$ 9,785,986	$ 18,879,577
-	-	-	-	-	799,111
25,856	437,461	292,600	202,347	417,198	1,402,342
-	-	-	-	6,722	6,722
-	-	-	1,707,439	-	2,131,580
-	-	119,130	33,843	-	152,973
-	34,530	2,697	30,102	34,490	101,819
4,105,873	1,763,152	849,339	5,080,520	10,244,396	23,474,124
-	1,984,136	1,867,061	-	-	3,851,197
-	1,424,211	773,102	146,000	11,885,716	14,250,029
2,125,231	5,844,512	7,736,856	2,757,301	4,095,408	22,563,715
2,125,231	9,252,859	10,377,019	2,903,301	15,981,124	40,664,941
6,231,104	11,016,011	11,226,358	7,983,821	26,225,520	64,139,065
-	-	3,660	-	-	3,660
-	-	-	-	35,561	35,561
-	-	-	406,969	348,895	881,386
-	-	3,660	406,969	384,456	920,607
7,233	727,823	150,729	133,470	1,714,227	2,757,135
-	-	-	-	38,960	38,960
-	-	-	9,538	-	9,538
-	-	-	19,956	24,797	44,753
-	159,990	58,225	-	-	218,215
-	-	-	-	-	3,771
-	382,000	448,000	140,000	-	970,000
7,233	1,269,813	656,954	302,964	1,777,984	4,042,372
-	-	-	50,358	420,952	471,310
-	2,223,605	2,755,000	3,588,807	-	8,567,412
-	-	-	-	128,217	128,217
-	-	-	367,341	12,234	517,264
-	2,223,605	2,755,000	4,006,506	561,403	9,684,203
7,233	3,493,418	3,411,954	4,309,470	2,339,387	13,726,575
-	-	-	2,162,040	-	2,162,040
-	-	-	-	19,298	19,298
-	-	-	22,379	583,092	614,782
-	-	-	2,184,419	602,390	2,796,120
2,125,231	5,045,118	6,195,749	2,903,301	15,981,124	32,275,930
-	-	-	1,267,209	-	1,267,209
-	1,262,220	970,198	597,665	-	2,830,083
607,346	-	-	-	-	607,346
3,491,294	1,215,255	652,117	(2,871,274)	7,687,075	11,556,409
$ 6,223,871	$ 7,522,593	$ 7,818,064	$ 1,896,901	$ 23,668,199	$ 48,536,977

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Combining Statement of Activities - Nonmajor Discretely Presented Component Units
For the Year Ended October 31, 2020

	Downtown Development Authority	Firemen's Pension and Relief Fund	Police Pension and Relief Fund
Expenses	$ 508,677	$ 452,151	$ 422,656
Program revenues:			
Charges for services	-	-	-
Operating grants and contributions	5,000	452,151	422,656
Capital grants and contributions	-	-	-
Total program revenues	5,000	452,151	422,656
Net program revenues (expenses)	(503,677)	-	-
General revenues:			
Taxes-			
Property	444,058	-	-
Non-employer pension contributions	2,371	-	-
Investment earnings	25,566	-	-
Miscellaneous	4,570	-	-
Total general revenues	476,565	-	-
Change in net position	(27,112)	-	-
Net position, beginning as restated	1,434,461	-	-
Net position, ending	$ 1,407,349	$ -	$ -

City Court of Lafayette	Lafayette Parish Waterworks District North	Lafayette Parish Waterworks District South	Lafayette Parish Bayou Vermilion District	Lafayette Parish Communication District	Total
$ 3,471,911	$ 4,011,168	$ 2,207,856	$ 3,576,280	$ 3,758,892	$ 18,409,591
430,298	4,388,018	2,246,223	881,964	4,807,011	12,753,514
2,660,534	-	-	298,669	243,398	4,082,408
-	-	90,600	-	111,404	202,004
3,090,832	4,388,018	2,336,823	1,180,633	5,161,813	17,037,926
(381,079)	376,850	128,967	(2,395,647)	1,402,921	(1,371,665)
-	-	-	2,079,611	-	2,523,669
-	-	-	6,325	21,031	29,727
14,041	1,415	41,987	85,050	190,278	358,337
12,623	14,084	106,514	75,869	53,695	267,355
26,664	15,499	148,501	2,246,855	265,004	3,179,088
(354,415)	392,349	277,468	(148,792)	1,667,925	1,807,423
6,578,286	7,130,244	7,540,596	2,045,693	22,000,274	46,729,554
$ 6,223,871	$ 7,522,593	$ 7,818,064	$ 1,896,901	$ 23,668,199	$ 48,536,977

Lafayette

CONSOLIDATED GOVERNMENT

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Statement of Revenues, Expenses, and Changes in
Fund Net Position
Utilities System Fund
For the Year Ended October 31, 2020

	Electric	Water	Sewer	Total
Operating revenues:				
General customers	$ 90,737,619	$ 13,896,344	$ 28,622,534	$ 133,256,497
Municipality	994,637	124,374	118,671	1,237,682
Sales to other public utilities	157,404	-	-	157,404
Other sales to public authorities	4,658,430	6,803,465	1,092,977	12,554,872
Interdepartmental sales	1,488,174	75,842	27,044	1,591,060
Fuel clause adjustment	65,117,850	-	-	65,117,850
Miscellaneous	2,237,540	306,158	535,281	3,078,979
Total operating revenues	165,391,654	21,206,183	30,396,507	216,994,344
Operating expenses:				
Production and collection	77,653,927	5,008,674	4,888,521	87,551,122
Distributions and treatment	19,428,377	2,098,086	6,253,827	27,780,290
Customers' accounting and collecting	2,742,847	1,295,339	1,318,028	5,356,214
Administrative and general	12,219,098	4,757,007	5,834,810	22,810,915
Transfers to City in lieu of taxes	18,260,089	2,586,902	3,832,720	24,679,711
Amortization of utilities plant acquisition adjustments	488,306	-	-	488,306
Depreciation	14,914,001	4,316,305	5,959,392	25,189,698
Total operating expenses	145,706,645	20,062,313	28,087,298	193,856,256
Operating income	$ 19,685,009	$ 1,143,870	$ 2,309,209	23,138,088
Nonoperating revenues (expenses):				
Investment earnings				2,765,235
Interest expense				(11,185,834)
Amortization of debt premiums and loss on refundings, net				2,271,153
Loss on disposal of assets				(290,397)
Federal grant revenue				4,295,576
Hurricane/flood expenses				(5,667,070)
Non-employer pension contributions				580,344
Other, net				200,856
Total nonoperating revenues (expenses)				(7,030,137)
Income before contributions and transfers				16,107,951
Capital contributions				140,856
Transfers in				34,771
Change in net position				16,283,578
Net position, beginning				540,705,447
Net position, ending				$ 556,989,025

Lafayette

CONSOLIDATED GOVERNMENT

Statistical Section
(Unaudited)

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
LAFAYETTE, LOUISIANA

STATISTICAL SECTION INDEX
(Unaudited)

This part of Lafayette Consolidated Government's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the Financial Statements, Note Disclosures, Required Supplementary Information, and Other Supplementary Information says about the City-Parish's overall financial health.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual financial reports for fiscal years 2011-2012 and the Comprehensive Annual Financial Reports for fiscal years 2013-2020.

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
LAFAYETTE, LOUISIANA

GENERAL GOVERNMENTAL REVENUES BY SOURCE (1)
LAST TEN FISCAL YEARS
(Unaudited)

	Fiscal Year Ended October 31,			
	2020	2019	2018	2017
Revenues:				
Taxes (2)	$ 176,865,005	$ 180,728,297	$ 177,254,989	$ 177,343,233
Licenses and Permits	5,543,432	5,887,543	5,593,520	5,235,468
Intergovernmental	38,072,999	18,673,562	15,872,439	15,996,643
Charges for Services	15,794,054	19,545,034	18,989,868	16,967,426
Fines and Forfeitures	1,867,398	2,102,973	2,490,758	3,773,089
In Lieu of Taxes	25,447,615	25,851,002	24,308,786	22,968,235
Miscellaneous (3)	4,486,674	8,189,056	4,245,324	2,770,441
Total Revenues	**$ 268,077,177**	**$ 260,977,467**	**$ 248,755,684**	**$ 245,054,535**

Notes:

(1) Includes General, Special Revenue and Debt Service Funds.

(2) Includes General, Sales Tax Capital Improvements, Special Revenue and Debt Service Funds.

(3) Includes Investment Income and Other Miscellaneous Revenues.

Fiscal Year Ended October 31,					
2016	**2015**	**2014**	**2013**	**2012**	**2011**
$ 170,156,309	$ 171,645,002	$ 164,122,324	$ 159,993,804	$ 152,061,530	$ 145,029,781
5,250,802	5,762,440	6,360,360	5,208,865	5,037,516	4,725,364
21,381,889	20,668,267	20,466,818	22,353,091	20,567,305	24,771,364
17,307,147	16,827,710	17,646,804	15,566,964	15,134,266	15,571,006
4,297,071	4,429,926	4,607,150	4,225,000	4,069,732	4,573,296
23,506,557	22,847,494	22,073,834	22,131,617	21,596,096	19,199,649
3,081,573	2,096,533	1,811,911	2,826,792	3,227,829	2,865,117
$ 244,981,348	**$ 244,277,372**	**$ 237,089,201**	**$ 232,306,133**	**$ 221,694,274**	**$ 216,735,577**

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
LAFAYETTE, LOUISIANA

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)
LAST TEN FISCAL YEARS
(Unaudited)

	Fiscal Year Ended October 31,			
	2020	**2019**	**2018**	**2017**
Expenditures				
General Government	$ 51,508,619	$ 47,554,783	$ 41,789,045	$ 38,649,408
Public Safety	76,203,281	69,338,921	70,818,920	70,037,648
Public Works	28,804,765	29,124,158	23,007,821	23,294,563
Urban Redevelopment and Housing	1,486,667	1,895,693	2,480,202	2,505,022
Culture and Recreation	23,265,342	26,581,403	27,061,463	24,057,568
Economic Opportunity	896,311	5,257,431	1,651,464	1,536,317
Debt Service	35,107,079	33,683,750	35,860,438	52,967,037
Other	11,921,060	12,495,689	8,576,281	6,904,329
Total Expenditures	**$ 229,193,124**	**$ 225,931,828**	**$ 211,245,634**	**$ 219,951,892**

Notes:

(1) All General, Special Revenue and Debt Service Fund expenditures including capital outlays and net of reimbursements from other funds.

Table 2

Fiscal Year Ended October 31,					
2016	2015	2014	2013	2012	2011
$ 39,492,566	$ 37,833,079	$ 37,097,084	$ 35,360,933	$ 33,495,602	$ 31,694,511
73,174,592	67,770,631	64,709,848	61,700,331	56,544,789	59,944,233
24,790,724	26,023,220	27,788,589	26,834,486	28,624,957	28,864,289
2,707,077	1,540,596	1,720,210	5,349,600	3,809,902	2,864,850
22,869,042	23,418,271	21,460,252	21,188,020	20,321,058	21,505,511
1,705,206	1,650,728	1,571,750	1,806,432	1,806,957	2,016,561
45,478,180	39,373,191	40,828,766	40,468,921	37,713,299	41,429,285
11,760,696	10,667,348	11,232,626	10,940,221	5,286,470	7,662,040
$ 221,978,083	**$ 208,277,064**	**$ 206,409,125**	**$ 203,648,944**	**$ 187,603,034**	**$ 195,981,280**

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
LAFAYETTE, LOUISIANA

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(Unaudited)

	Fiscal Year Ended October 31,			
	2020	**2019**	**2018**	**2017**
Governmental Activities				
Net Investment in Capital Assets	$ 382,191	$ 372,326	$ 362,249	$ 354,215
Restricted	227,820	219,963	208,925	192,529
Unrestricted (deficit)	(101,321)	(110,948)	(108,492)	(82,458)
Total Governmental Activities Net Position	508,690	481,341	462,682	464,286
Business-type Activities				
Net Investment in Capital Assets	427,492	399,870	377,559	354,438
Restricted	165,039	154,329	144,079	140,141
Unrestricted	37,590	49,834	50,295	58,321
Total Business-type Activities Net Position	630,121	604,033	571,933	552,900
Primary Government				
Net Investment in Capital Assets	809,683	772,196	739,808	708,653
Restricted	392,859	374,292	353,004	332,670
Unrestricted	(63,731)	(61,114)	(58,197)	(24,137)
Total Primary Government Net Position	$1,138,811	$1,085,374	$1,034,615	$1,017,186

Fiscal Year Ended October 31,					
2016	2015	2014	2013	2012	2011
$ 348,358	$ 323,369	$ 311,019	$ 300,526	$ 301,007	$ 295,978
176,076	182,029	174,476	170,001	161,372	156,687
(81,755)	(80,933)	(10,965)	(28,122)	(39,408)	(40,184)
442,679	424,465	474,530	442,405	422,971	412,481
333,721	318,156	311,982	301,464	300,397	301,825
142,028	143,872	133,086	124,301	119,518	129,462
57,716	57,049	77,913	74,657	76,563	61,562
533,465	519,077	522,981	500,422	496,478	492,849
682,079	641,525	623,001	601,990	601,404	597,803
318,104	325,901	307,562	294,302	280,890	286,149
(24,039)	(23,884)	66,948	46,535	37,155	21,378
$ 976,144	$ 943,542	$ 997,511	$ 942,827	$ 919,449	$ 905,330

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
LAFAYETTE, LOUISIANA

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(Unaudited)

	Fiscal Year Ended October 31,			
Expenses	**2020**	**2019**	**2018**	**2017**
Governmental activities -				
General government	$ 55,586	$ 54,612	$ 44,465	$ 43,499
Public safety	87,925	79,981	81,044	81,297
Public works	41,020	41,385	33,635	34,608
Urban redevelopment & housing	1,663	2,007	2,714	2,601
Culture & recreation	27,701	33,455	32,674	29,656
Health & welfare	1,140	1,169	1,104	1,084
Economic opportunity	347	435	349	450
Economic development & assistance	1,041	5,611	1,794	1,692
Unallocated depreciation	18,889	19,292	18,785	18,312
Interest on long-term debt	11,190	11,628	12,567	13,818
Total governmental activities	246,502	249,575	229,131	227,017
Business-type activities -				
Electric	138,720	142,522	151,485	152,525
Water	19,125	20,452	19,902	19,235
Sewer	26,454	27,508	26,033	25,238
Coal-fired electric plant	36,492	43,877	46,284	44,612
Animal Shelter & Care Center	-	-	-	-
Solid waste collection services	15,672	15,866	15,213	13,994
Communications system	35,810	34,905	33,499	32,854
CNG service station	163	236	221	250
Total business-type activities	272,436	285,366	292,637	288,708
Total primary government expenses	518,938	534,941	521,768	515,725
Program Revenues				
Governmental activities -				
Charges for Services:				
General Government	12,315	12,991	12,627	12,050
Public Safety	2,722	3,063	3,210	4,103
Culture and Recreation	3,956	6,838	6,309	5,112
Other	1,047	1,478	1,665	1,559
Operating Grants and Contributions	34,734	15,263	13,820	13,925
Capital Grants and Contributions	1,509	1,676	249	690
Total governmental activities program revenues	56,283	41,309	37,880	37,439

Fiscal Year Ended October 31,					
2016	2015	2014	2013	2012	2011
$ 43,520	$ 40,052	$ 38,819	$ 37,185	$ 41,906	$ 36,753
83,342	72,437	67,334	65,644	61,738	64,478
36,667	35,194	34,216	34,975	36,742	36,374
2,796	1,568	1,737	5,387	3,921	2,916
27,844	26,818	23,687	24,380	23,427	24,635
1,294	1,223	1,009	1,055	786	699
375	333	329	318	325	361
2,011	1,916	1,682	2,012	1,972	2,171
18,176	17,685	17,269	17,004	16,577	16,043
15,233	17,751	18,701	19,317	21,099	20,595
231,258	214,977	204,783	207,277	208,494	205,025
149,251	150,510	165,530	159,499	158,506	173,441
19,938	18,460	17,613	16,809	17,196	16,522
25,842	24,267	23,128	22,224	22,564	21,360
43,319	49,469	57,398	59,054	52,600	53,329
-	1,475	1,308	13,411	1,840	1,452
13,791	13,882	13,493	1,453	12,653	12,500
32,586	37,028	35,766	37,206	35,607	33,567
257	211	188	101	-	-
284,984	295,302	314,424	309,757	300,967	312,170
516,242	510,279	519,207	517,034	509,461	517,195
11,854	12,015	13,019	9,152	9,013	9,289
3,187	3,133	3,196	2,951	5,396	4,994
5,400	5,774	6,028	6,357	5,781	6,732
3,362	3,096	3,394	3,611	1,292	1,118
15,629	15,202	15,719	14,610	12,363	12,217
4,240	4,957	2,852	5,903	4,183	10,180
43,672	44,177	44,208	42,584	38,028	44,531

(Continued)

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
LAFAYETTE, LOUISIANA

CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(Unaudited)

	Fiscal Year Ended October 31,			
	2020	2019	2018	2017
Business-type activities -				
Electric	169,828	179,047	180,064	175,866
Water	21,206	20,581	21,292	19,523
Sewer	30,397	30,912	31,691	30,305
Communications system	43,774	41,427	38,812	37,674
Coal-fired electric plant	37,491	47,203	50,741	47,753
Solid waste collection services	16,834	16,477	15,794	15,077
Animal Shelter & Care Center	-	-	-	-
CNG service station	234	366	338	344
Total business-type activities	319,764	336,013	338,732	326,542
Net (expense)/revenue:				
Governmental activities	(190,220)	(208,266)	(191,251)	(189,578)
Business-type activities	47,327	50,648	46,095	37,834
Total primary government net expense	(142,893)	(157,618)	(145,156)	(151,744)
General Revenues:				
Governmental activities				
Taxes-				
Property	86,874	89,061	88,022	87,453
Sales	87,014	88,068	85,735	85,456
Occupational licenses	3,165	3,165	3,264	3,152
Insurance premium	947	937	933	1,020
Franchise fees	2,481	2,630	2,808	2,804
Interest and penalties-delinquent taxes	153	167	152	139
Other	77	96	93	90
Grants and contributions not restricted to specific programs	1,864	1,852	1,880	1,752
Non-employer pension contributions	3,357	2,939	2,901	2,863
Investment Earnings	4,554	8,265	4,398	1,894
Gain (loss) on sale/disposal of capital assets	19	1,459	-	2
Miscellaneous	1,639	2,435	1,254	1,592
Transfers	25,425	25,851	24,004	22,968
Total governmental activities general revenues and transfers	217,569	226,925	215,444	211,185
Business-type activities				
Non-employer pension contributions	692	641	655	637
Investment earnings	3,289	6,587	3,571	2,074
Gain (loss) on sale/disposal of capital assets	4	75	-	1
Miscellaneous	201	-	307	1,857
Transfers	(25,425)	(25,851)	(24,004)	(22,968)
Total business-type activities general revenues and transfers	(21,239)	(18,548)	(19,471)	(18,399)
Total primary governmental general revenues and transfers	196,330	208,377	195,973	192,786
Change in Net Position				
Governmental activities	27,349	18,659	24,193	21,607
Business-type activities	26,088	32,100	26,624	19,435
Total primary government net position	$ 53,437	$ 50,759	$ 50,817	$ 41,042

Table 4

Fiscal Year Ended October 31,					
2016	2015	2014	2013	2012	2011
174,419	182,655	201,907	189,891	181,495	189,954
18,365	18,135	17,850	17,499	17,790	18,673
28,752	28,791	28,580	28,617	29,145	29,631
36,012	34,079	32,150	27,424	24,064	17,011
48,327	51,724	58,882	60,404	58,094	64,048
14,625	14,622	14,364	13,378	13,297	12,201
-	224	406	438	468	477
328	285	290	160	-	-
320,828	330,515	354,429	337,812	324,353	331,995
(187,586)	(170,800)	(160,575)	(164,693)	(170,466)	(160,494)
35,844	35,213	40,005	28,055	23,386	19,825
(151,742)	(135,587)	(120,570)	(136,638)	(147,080)	(140,669)
80,450	77,986	70,488	70,556	65,981	64,322
85,839	88,896	90,231	86,055	83,038	77,874
3,052	3,002	2,977	2,930	2,759	2,736
937	1,046	899	895	806	788
2,819	2,858	2,911	2,498	2,398	2,437
135	110	103	135	109	134
166	75	76	70	74	88
1,798	1,950	2,052	2,320	4,026	3,724
2,878	2,667	-	-	-	-
1,595	803	656	598	1,117	1,483
2	(502)	(705)	(359)	(2,285)	-
2,017	1,945	2,050	2,534	2,578	2,089
23,507	22,240	20,961	20,970	20,352	18,075
205,195	203,076	192,699	189,203	180,955	173,750
625	617	-	-	-	-
2,030	1,606	1,416	2,002	1,324	2,292
1	(595)	(466)	(322)	(950)	(402)
-	(105)	2,566	234	221	575
(23,507)	(22,240)	(20,961)	(20,970)	(20,352)	(18,075)
(20,851)	(20,717)	(17,445)	(19,056)	(19,757)	(15,609)
184,344	182,359	175,254	170,147	161,198	158,141
17,609	32,276	32,124	24,510	10,489	13,256
14,993	14,496	22,560	8,999	3,629	4,216
$ 32,602	$ 46,772	$ 54,684	$ 33,509	$ 14,118	$ 17,472

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
LAFAYETTE, LOUISIANA

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)

	Fiscal Year Ended October 31,			
	2020	2019	2018	2017
General Fund (1)				
Nonspendable	$ 1,535,313	$ 6,392	$ 3,349	$ -
Committed	10,016,795	-	-	404,616
Assigned	-	18,794,764	5,353,753	3,406,257
Unassigned	59,297,187	37,400,796	45,966,658	46,256,283
Total General Fund	$ 70,849,295	$ 56,201,952	$ 51,323,760	$ 50,067,156
All Other Governmental Funds				
Nonspendable	$ 434,752	$ 363,053	$ 412,772	$ 356,185
Restricted	276,870,737	215,220,584	199,052,359	193,992,540
Committed	13,303	-	-	-
Assigned	-	22,024,612	14,158,215	15,936,260
Unassigned	(2,378)	(7,560)	-	-
Total All Other Governmental Funds	$277,316,414	$237,600,689	$213,623,346	$210,284,985

(1) Combined City and Parish General Funds

Fiscal Year Ended October 31,					
2016	**2015**	**2014**	**2013**	**2012**	**2011**
$ 1,465	$ 1,652	$ 2,613	$ 2,583	$ 1,615	$ 4,878
519,458	670,452	531,077	1,281,910	614,863	598,648
2,380,487	2,774,438	1,594,458	1,158,166	5,151,181	7,074,623
43,177,179	39,393,496	34,267,600	26,216,323	18,576,318	8,217,158
$ 46,078,589	$ 42,840,038	$ 36,395,748	$ 28,658,982	$ 24,343,977	$ 15,895,307
$ 341,918	$ 271,167	$ 376,192	$ 283,208	$ 268,863	$ 305,416
207,730,318	227,599,802	243,505,858	250,215,757	44,993,763	45,285,579
22,390	26,723	209,492	591,089	136,982,615	154,888,184
11,393,650	11,291,894	3,152,108	3,165,111	67,200,449	70,768,270
-	-	-	-	-	-
$219,488,276	$239,189,586	$247,243,650	$254,255,165	$249,445,690	$271,247,449

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
LAFAYETTE, LOUISIANA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(Unaudited)

	Fiscal Year Ended October 31, 2020	2019	2018	2017
Revenues				
Taxes	$ 202,313	$ 206,579	$ 201,564	$ 200,311
Licenses and permits	5,543	5,888	5,593	5,235
Intergovernmental	38,073	18,674	15,873	16,057
Charges for services	15,794	19,545	18,990	16,967
Fines and forfeits	1,867	2,103	2,491	3,773
Investments earnings	4,238	7,615	4,032	1,757
Miscellaneous revenues	1,639	2,435	1,254	1,592
Total revenues	269,467	262,839	249,797	245,692
Expenditures				
Current:				
General government	52,330	48,489	42,606	39,874
Public safety	77,458	70,580	71,933	72,763
Public works	36,728	36,061	29,424	30,467
Urban redevelop and housing	1,487	1,896	2,480	2,505
Culture and recreation	24,129	28,495	29,065	25,710
Health and welfare	1,069	1,034	1,023	977
Economic opportunity	325	348	338	383
Economic dev and assist	571	5,075	1,321	1,164
Debt service:				
Principal retirement	23,715	21,140	22,655	22,155
Interest and fiscal charges	10,873	11,490	13,206	14,321
Debt issuance costs	1,083	1,054	-	252
Capital outlay	44,735	38,188	30,846	24,097
Total expenditures	274,503	263,850	244,897	234,668
Excess (deficiency) of revenues over (under) expenditures	(5,036)	(1,011)	4,900	11,024
Other financing sources (uses)				
Proceeds from sale of assets	-	1,400	-	-
Issuance of debt	50,000	64,825	-	11,460
Issuance of refunding debt	42,075	-	-	-
Premium on issuance of debt	10,303	7,384	-	1,749
Payment to escrow agent	(42,956)	(43,692)	-	(29,448)
Transfers in	62,310	32,731	50,134	50,355
Transfers out	(62,333)	(32,782)	(50,439)	(50,355)
Total other financing sources (uses)	59,399	29,866	(305)	(16,239)
Net change in fund balances	$ 54,363	$ 28,855	$ 4,595	$ (5,215)
Debt service as a percentage of non-capital expenditures	15.05%	14.46%	16.75%	17.32%

Fiscal Year Ended October 31,					
2016	2015	2014	2013	2012	2011
$ 193,663	$ 194,492	$ 186,196	$ 182,125	$ 173,658	$ 164,229
5,251	5,762	6,360	5,209	5,038	4,725
21,436	21,779	20,467	22,353	20,572	26,122
17,307	16,828	17,647	15,567	15,134	15,571
4,297	4,430	4,607	4,225	4,070	4,573
1,498	775	637	581	1,086	1,435
2,017	1,945	2,053	2,537	2,582	2,093
245,469	246,011	237,967	232,597	222,140	218,749
40,498	39,716	38,265	36,881	38,072	36,104
74,773	69,286	65,718	62,835	57,616	61,131
33,095	32,937	32,211	32,323	33,049	33,968
2,707	1,541	1,720	5,349	3,810	2,865
24,273	24,509	21,972	22,274	21,120	22,346
1,191	1,152	940	4,373	707	617
320	317	337	319	323	352
1,488	1,431	1,235	1,532	1,484	1,665
21,790	22,085	22,055	20,580	18,265	20,320
15,221	16,724	18,255	19,889	18,467	20,620
680	564	519	270	981	1,156
38,881	35,801	32,811	31,977	43,494	48,227
254,917	246,063	236,038	238,601	237,387	249,371
(9,448)	(52)	1,929	(6,004)	(15,247)	(30,622)
-	-	-	-	-	-
39,950	35,755	29,930	15,690	102,055	101,600
-	-	-	-	-	-
4,101	4,727	3,192	1,263	3,459	2,949
(51,837)	(41,353)	(33,075)	-	(104,525)	(41,945)
41,743	42,498	27,842	31,272	27,809	100,625
(41,743)	(43,185)	(29,093)	(32,436)	(26,903)	(101,754)
(7,786)	(1,558)	(1,204)	15,789	1,895	61,476
$ (17,234)	$ (1,610)	$ 725	$ 9,785	$ (13,352)	$ 30,854
17.13%	18.46%	19.83%	19.59%	18.94%	20.35%

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
LAFAYETTE, LOUISIANA

GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(Unaudited)

	Fiscal Year Ended October 31,			
	2020	**2019**	**2018**	**2017**
Tax Revenues:				
Ad Valorem Taxes-				
City	$ 28,579	$ 27,944	$ 27,765	$ 27,559
Parish	58,295	61,117	60,257	59,895
Interest and Penalty	153	167	152	139
Franchise Fees	2,481	2,630	2,900	2,894
Fire Insurance Rebate	947	937	933	1,020
Parish Sales Tax	5,305	4,885	4,576	4,573
City Sales Taxes-				
1961 Sales Tax	43,804	44,593	43,181	43,441
1985 Sales Tax	35,892	37,221	36,221	36,575
TIF Districts	1,040	1,138	1,270	1,248
Economic Development Districts	293	-	-	-
Total Tax Revenues	$176,789	$180,632	$177,255	$177,344

Fiscal Year Ended October 31,					
2016	2015	2014	2013	2012	2011
$ 25,906	$ 24,571	$ 24,136	$ 23,225	$ 21,758	$ 20,940
54,544	53,415	46,352	47,331	44,223	43,382
135	110	103	135	109	222
2,985	2,932	2,987	2,568	2,472	2,437
937	1,046	899	895	806	788
4,665	5,812	6,676	6,364	6,102	5,574
43,337	44,695	44,213	42,305	40,815	38,184
36,122	37,805	37,533	36,014	34,658	32,509
1,525	1,258	1,224	1,157	1,118	981
-	-	-	-	-	-
$170,156	$171,644	$164,123	$159,994	$152,061	$145,017

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
LAFAYETTE, LOUISIANA

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
(PER 1,000 of ASSESSED VALUE)
LAST TEN FISCAL YEARS
(Unaudited)

LAFAYETTE PARISH

Assessment Year	Residential Commercial Land	Residential Property	Commercial Property	Public Service	Agriculture
2010	$281,458,319	$ 842,527,004	$ 783,298,584	$ 65,389,340	$ 2,442,892
2011	285,757,222	863,409,152	776,886,861	66,165,640	2,416,669
2012	296,873,911	894,531,073	859,019,188	71,009,780	2,191,128
2013	306,613,968	927,185,878	918,824,808	76,694,460	2,155,106
2014	316,021,291	962,776,410	961,148,598	79,572,650	2,086,390
2015	332,366,816	1,001,800,150	1,032,639,271	78,653,750	2,034,087
2016	422,763,387	1,095,211,561	1,043,431,389	77,358,980	2,324,384
2017	443,348,816	1,128,408,514	1,013,499,633	77,768,440	2,263,242
2018	466,873,373	1,156,956,832	978,842,023	75,313,060	2,230,795
2019	474,736,480	1,193,166,239	1,002,010,510	78,835,070	2,234,075

CITY OF LAFAYETTE

Assessment Year	Residential Commercial Land	Residential Property	Commercial Property	Public Service	Agriculture
2010	$178,442,673	$ 507,559,069	$ 475,425,734	$ 15,183,508	$ 102,436
2011	179,632,418	514,642,262	500,981,546	22,117,879	100,254
2012	185,333,499	534,645,110	559,282,590	24,076,346	83,217
2013	189,990,488	548,135,633	584,750,323	28,950,527	83,441
2014	194,478,127	560,904,514	595,604,317	27,785,384	78,675
2015	202,766,055	574,707,838	654,581,679	28,047,677	81,704
2016	250,225,121	626,803,139	674,093,961	24,634,088	93,963
2017	267,544,880	635,380,207	661,110,220	25,503,541	84,978
2018	278,525,097	643,867,647	636,485,009	23,929,732	84,802
2019	281,573,729	660,537,704	646,326,396	23,828,694	86,594

(1) The difference in total assessed value and total taxable value is due to a homestead exemption of $75,000 applies only to Lafayette Parish.

Note: The following are the assessment rates:

Land, net of homestead exemptions	10%
Residential, net of homestead exemptions	10%
All others	15%

Source: Lafayette Parish Tax Assessor-Abstract of Assessment/
Grand Recapitulation of the Assessment Roll

Total Assessed Value	Less Exempt Property	Total Taxable Value	Estimated Actual Value	Total Direct Tax Rate	Ratio of Assessed to Estimated Actual Value
$1,975,116,139	$345,680,685	$1,629,435,454	$16,486,272,710	98.32	11.98%
1,994,635,544	350,895,141	1,643,740,403	16,695,076,170	98.46	11.95%
2,123,625,080	355,651,988	1,767,973,082	17,662,755,707	96.91	12.02%
2,231,474,220	358,487,313	1,872,986,907	18,485,048,240	96.32	12.07%
2,321,605,339	363,430,493	1,958,174,846	19,216,498,230	98.98	12.08%
2,447,494,074	365,591,179	2,081,902,895	20,246,272,337	98.15	12.09%
2,641,089,701	382,003,154	2,259,086,547	22,159,202,580	98.42	11.92%
2,665,288,645	388,335,004	2,276,953,641	22,496,869,940	98.87	11.85%
2,680,216,083	394,049,555	2,286,166,528	22,786,223,487	100.05	11.76%
2,750,982,374	400,989,722	2,349,992,652	23,381,438,007	98.22	11.77%

Total Assessed Value	Additions to/ Deletions from Roll	Total Taxable Value	Estimated Actual Value	Total Direct Tax Rate	Ratio of Assessed to Estimated Actual Value
$1,176,713,420	$ (9,263,654)	$1,167,449,766	$10,030,546,673	17.94	11.73%
1,217,474,359	1,201,014	1,218,675,373	10,283,626,313	17.94	11.84%
1,303,420,762	(4,866,555)	1,298,554,207	10,929,168,860	17.94	11.93%
1,351,910,412	(4,535,355)	1,347,375,057	11,280,431,107	17.94	11.98%
1,378,851,017	(5,471,418)	1,373,379,599	11,525,308,607	17.94	11.96%
1,460,184,953	(11,306,771)	1,448,878,182	12,139,433,830	17.94	12.03%
1,575,850,272	(22,783,466)	1,553,066,806	13,265,181,970	17.80	11.88%
1,589,623,826	(25,062,934)	1,564,560,892	13,437,502,117	17.80	11.83%
1,582,892,287	(10,596,676)	1,572,295,611	13,468,008,853	17.80	11.75%
1,612,353,117	(13,267,279)	1,599,085,838	13,730,822,910	17.94	11.74%

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
LAFAYETTE, LOUISIANA

DIRECT AND OVERLAPPING PROPERTY TAX RATES
(PER $1,000 OF ASSESSED VALUE)
LAST TEN FISCAL YEARS
(Unaudited)

	Lafayette City-Parish Consolidated Government								
	Total	Lafayette Parish			Lafayette Parish School Board				
Fiscal Year	City of Lafayette Millage	Operating Millage	Debt Service Millage	Total Parish Millage	Operating Millage	Debt Service Millage	Total School Board Millage	Other	Total
2011	17.94	26.66	3.00	29.66	33.56	-	33.56	35.10	116.26
2012	17.94	26.66	3.00	29.66	33.56	-	33.56	35.24	116.40
2013	17.94	26.61	3.00	29.61	33.56	-	33.56	33.74	114.85
2014	17.94	24.67	3.00	27.67	33.56	-	33.56	35.09	114.26
2015	17.94	27.28	3.00	30.28	33.56	-	33.56	35.14	116.92
2016	17.94	26.47	2.75	29.22	33.56	-	33.56	35.37	116.09
2017	17.80	27.05	2.75	29.80	33.56	-	33.56	35.06	116.22
2018	17.80	27.05	2.75	29.80	33.56	-	33.56	35.51	116.67
2019	17.80	27.05	2.75	29.80	33.56	-	33.56	36.69	117.85
2020	17.94	25.96	2.00	27.96	33.56	-	33.56	36.70	116.16

Source: Lafayette Parish Tax Assessor - Grand Recapitulation of the Assessment Roll.

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
LAFAYETTE, LOUISIANA

PARISH PROPERTY TAX RATES
(Per $1,000 of Assessed Value)
LAST TEN FISCAL YEARS OF COLLECTION
(Unaudited)

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Parish Tax	3.05	3.05	3.05	3.05	3.05	3.05	3.05	3.05	3.05	3.05
Parish Tax (Exempted Municipalities)	1.52	1.52	1.52	1.52	1.52	1.52	1.52	1.52	1.52	1.52
Airport Maintenance	1.71	1.58	1.58	1.58	1.71	1.71	1.71	1.71	1.71	1.71
Courthouse & Jail Maintenance	2.34	2.34	2.34	2.34	2.34	2.34	2.34	2.34	2.34	2.34
Road and Bridges	4.17	4.17	4.17	4.17	4.17	4.17	4.17	4.17	4.17	4.17
Health Unit	n/a	n/a	n/a	n/a	0.80	1.61	0.00	0.94	0.99	0.99
Juvenile Detention Home Maintenance	1.17	1.17	1.17	1.17	1.17	1.17	1.17	1.17	1.17	1.17
Drainage Maintenance	3.34	3.34	3.34	3.34	3.34	3.34	3.34	3.34	3.34	3.34
Teche-Vermilion Freshwater	1.41	1.41	1.41	1.41	1.50	1.50	1.45	1.45	1.50	1.26
Detention Correctional Facility	2.06	1.90	1.90	1.90	2.06	2.06	2.06	2.06	2.06	2.06
Public Improvement Bonds (B&I)	2.00	2.75	2.75	2.75	2.75	3.00	3.00	3.00	3.00	3.00
Mosquito Abatement	n/a	n/a	n/a	n/a	1.50	1.50	0.50	1.50	1.50	1.50
School Tax (Constitutional)	4.59	4.59	4.59	4.59	4.59	4.59	4.59	4.59	4.59	4.59
Special School Tax	7.27	7.27	7.27	7.27	7.27	7.27	7.27	7.27	7.27	7.27
Special School Impr Maintenance Op	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Law Enforcement District	16.79	16.79	16.79	16.79	16.79	16.79	16.79	16.79	16.79	16.79
School-1985 Operation	16.70	16.70	16.70	16.70	16.70	16.70	16.70	16.70	16.70	16.70
Assessment District	1.44	1.56	1.44	1.44	1.56	1.56	1.56	1.56	1.56	1.56
LEDA	1.68	1.68	1.68	1.68	1.82	1.82	1.82	1.82	1.92	1.92
Lafayette Parish Bayou Vermilion (B&I)	0.17	0.17	0.17	0.17	0.00	0.10	0.10	0.10	0.10	0.20
Lafayette Parish Bayou Vermilion Maintenance	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.71	0.75	0.75
Library	4.75	6.00	6.00	6.00	6.52	6.52	6.52	6.52	6.52	6.52
Combined Public Health	2.21	2.21	3.56	3.56	n/a	n/a	n/a	n/a	n/a	n/a
Storm Water Management	1.10	1.10	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Cultural Economy	0.25	0.25	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Sub-District of DDA	12.75	12.75	11.69	11.24	11.24	10.91	10.91	9.60	10.91	10.91
Total	98.22	100.05	98.87	98.42	98.15	98.98	96.32	96.91	98.46	98.32

Source: Lafayette Parish Tax Assessor - Grand Recapitulation of the Assessment Roll.

Note: Does not include taxes levied within municipal boundaries.

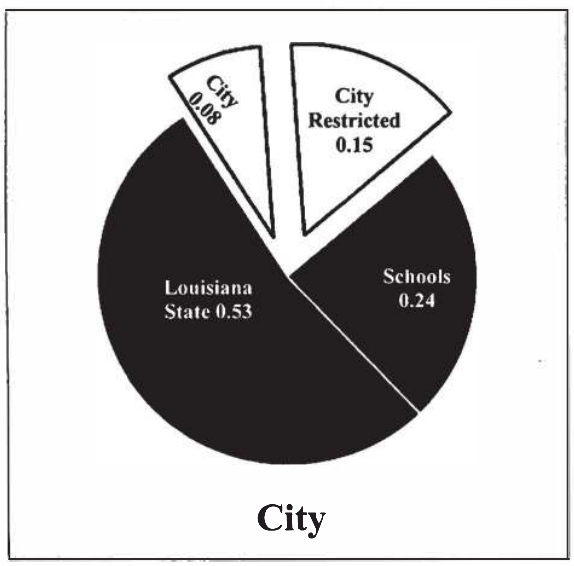
LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
LAFAYETTE, LOUISIANA

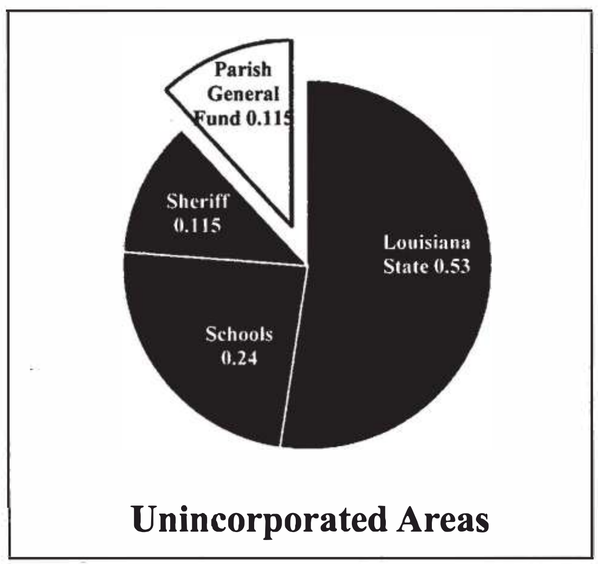
GOVERNMENTAL FUNDS GROSS SALES TAX REVENUE
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	City Sales Tax 1961 1%	City Sales Tax 1985 1%	TIF Districts 1%	Economic Development Districts 1%	Parish Sales Tax 1%	Total Sales Taxes
2011	$ 38,183,698	$ 32,509,068	$ 981,058	$ -	$ 5,574,284	$77,248,108
2012	40,814,786	34,659,644	1,117,970	-	6,101,929	82,694,329
2013	42,304,925	36,014,309	1,156,773	-	6,363,562	85,839,569
2014	44,212,574	37,532,841	1,224,206	-	6,675,866	89,645,487
2015	44,694,734	37,804,976	1,258,320	-	5,812,450	89,570,480
2016	43,337,302	36,122,279	1,524,519	-	4,664,950	85,649,050
2017	43,441,278	36,575,353	1,247,517	-	4,573,349	85,837,497
2018	43,181,294	36,221,327	1,269,596	-	4,576,267	85,248,484
2019	44,592,889	37,221,378	1,138,358	-	4,885,224	87,837,849
2020	43,803,676	35,891,764	1,040,443	292,762	5,304,706	86,333,351

Source: Lafayette Parish School System Sales Tax Division

Note: The below graphs do not include TIF and Ecocnomic Development Districts.





LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
LAFAYETTE, LOUISIANA

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Unaudited)

Year Ended October 31,	Total Tax Levy	Current Tax Collections	Percent of Current Taxes Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Total Tax Levy	Outstanding Delinquent Taxes (1)	Percent of Delinquent Taxes to Total Tax Levy
City of Lafayette (Dollars in thousands)-								
2011	$ 20,944	$ 20,827	99.44%	$ 113	$ 20,940	99.98%	$ 641	3.06%
2012	21,841	21,728	99.48%	30	21,758	99.62%	627	2.87%
2013	23,383	23,201	99.22%	25	23,226	99.33%	697	2.98%
2014	24,172	24,074	99.59%	62	24,136	99.85%	733	3.03%
2015	24,638	24,565	99.70%	6	24,571	99.73%	800	3.25%
2016	25,993	25,893	99.62%	13	25,906	99.67%	887	3.41%
2017	27,645	27,536	99.61%	22	27,558	99.69%	973	3.52%
2018	27,849	27,759	99.68%	6	27,765	99.70%	1,057	3.80%
2019	27,986	27,910	99.73%	34	27,944	99.85%	1,100	3.93%
2020	28,688	28,559	99.55%	20	28,579	99.62%	1,208	4.21%
Lafayette Parish (Dollars in thousands)-								
2011	$ 44,118	$ 43,132	97.77%	$ 93	$ 43,225	97.98%	$ 893	2.02%
2012	44,461	43,927	98.80%	230	44,157	99.32%	533	1.20%
2013	47,726	47,108	98.71%	79	47,187	98.87%	539	1.13%
2014	46,636	46,187	99.04%	81	46,268	99.21%	450	0.96%
2015	53,882	53,262	98.85%	65	53,327	98.97%	620	1.15%
2016	55,042	54,052	98.20%	376	54,428	98.88%	989	1.80%
2017	61,047	59,764	97.90%	19	59,783	97.93%	1,283	2.10%
2018	61,515	60,121	97.73%	14	60,135	97.76%	1,394	2.27%
2019	61,755	60,953	98.70%	(9)	60,944	98.69%	802	1.30%
2020	59,159	58,177	98.34%	-	58,177	98.34%	982	1.66%

(1) Includes unpaid taxes from prior years.

Source: Lafayette Parish Tax Assessor

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
LAFAYETTE, LOUISIANA

PRINCIPAL PROPERTY TAXPAYERS - LAFAYETTE PARISH
CURRENT AND NINE YEARS AGO
(Unaudited)

		December 31, 2019			December 31, 2010		
Taxpayer	Type of Business	Assessed Value	Rank	Percent of Total Assessed Valuation	Assessed Value	Rank	Percent of Total Assessed Valuation
Franks Casing	Oilfield Services	$ 25,759,222	1	0.94%	$ 18,042,496	2	0.91%
Iberiabank	Financial Services	20,453,288	2	0.74%	14,768,446	4	0.75%
Wal-Mart / Sams	Retail Services	16,575,718	3	0.60%	13,443,847	5	0.68%
Southwest La Electric (SLEMCO)	Utilities	16,289,573	4	0.59%	12,598,270	6	0.64%
Stuller Inc.	Manufacturing	15,693,253	5	0.57%	16,327,115	3	0.83%
A T & T / Bellsouth	Telecommunications	15,573,067	6	0.57%	24,473,654	1	1.24%
Expro Americas	Oilfield Services	15,343,000	7	0.56%	--	--	--
Anadarko Petroleum	Oilfield Services	14,238,135	8	0.52%	--	--	--
JP Morgan Chase	Financial Services	11,167,874	9	0.41%	--	--	--
Atmos Energy	Utilities	11,155,388	10	0.41%	--	--	--
Halliburton	Oilfield Services	--	--	--	12,458,766	7	0.63%
Offshore Energy	Oilfield Services	--	--	--	12,104,619	8	0.61%
HCA Regional Health System	Medical Services	--	--	--	11,572,372	9	0.59%
P H I Inc	Oilfield Services	--	--	--	8,345,058	10	0.42%
Totals		$ 162,248,518		5.91%	$ 144,134,643		7.30%

Parish's total assessed value for 2019	$ 2,750,982,374	
Parish's total assessed value for 2010		$ 1,975,116,139

Source: Lafayette Parish Tax Assessor

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
LAFAYETTE, LOUISIANA

PRINCIPAL PROPERTY TAXPAYERS - CITY OF LAFAYETTE
CURRENT AND NINE YEARS AGO
(Unaudited)

		December 31, 2019			December 31, 2010		
Taxpayer	Type of Business	Assessed Value	Rank	Percent of Total Assessed Valuation	Assessed Value	Rank	Percent of Total Assessed Valuation
Iberiabank	Financial Services	$ 18,543,382	1	1.15%	$ 12,394,197	2	1.05%
Franks Casing	Oilfield Services	17,020,333	2	1.06%	--	--	--
Stuller Inc.	Manufacturing	15,693,253	3	0.97%	16,327,115	1	1.39%
Wal-Mart / Sams	Retail Services	10,881,053	4	0.67%	10,750,851	4	0.91%
A T & T / Bellsouth	Telecommunications	9,748,724	5	0.60%	--	--	--
JP Morgan Chase	Financial Services	9,735,837	6	0.60%	--	--	--
Home Bank	Financial Services	7,274,697	7	0.45%	--	--	--
Service Chevrolet Inc.	Car Dealership	6,665,727	8	0.41%	4,602,228	8	0.39%
P H I Inc.	Oilfield Services	6,594,794	9	0.41%	--	--	--
Entergy Gulf States	Utilities	6,277,880	10	0.39%	--	--	--
HCA Regional Health System	Medical Services	--	--	--	11,572,372	3	0.98%
Louisiana Machinery	Construction Equip Sales/Rent	--	--	--	6,352,440	5	0.54%
B J Services	Oil & Gas Support Services	--	--	--	6,278,657	6	0.53%
Lowes Home Centers Inc	Building Material Dealers	--	--	--	4,759,220	7	0.40%
Cox Communications	Telecommunications	--	--	--	4,540,353	9	0.39%
Smith International	Oil & Gas Support Services	--	--	--	4,527,196	10	0.38%
Totals		$ 108,435,680		6.71%	$ 82,104,629		6.96%
City's total assessed value for 2019		$ 1,612,353,117					
City's total assessed value for 2010					$ 1,176,713,420		

Source: Lafayette Parish Tax Assessor

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT

LAFAYETTE, LOUISIANA

SUMMARY OF AD VALOREM TAX
ASSESSMENTS AND COLLECTIONS
Year Ended October 31, 2020
(Unaudited)

	City of Lafayette			Lafayette Parish		
	TOTAL	City General Fund *	Recreation & Parks Fund	TOTAL	Parish General Fund	Road & Bridge Maint.
Total assessed valuation- 2019 roll :						
Original roll	$ 1,612,353,117			$ 2,750,982,374		
Homestead exemption	-			(400,989,722)		
Additions to roll	3,553,241			-		
Deletions from roll	(16,820,520)			-		
Net tax roll	$ 1,599,085,838			$ 2,349,992,652		
Millage	17.94	16.02	1.92	27.96	4.57	4.17
Taxes levied	$ 28,687,600	$25,617,355	$3,070,245	$ 59,159,059	$4,192,678	$9,799,477
Collection of prior year taxes	20,088	18,083	2,005	-	-	-
	28,707,688	25,635,438	3,072,250	59,159,059	4,192,678	9,799,477
Taxes collected	28,579,098	25,520,608	3,058,490	58,176,612	4,122,245	9,637,054
Taxes receivable -						
2019 roll	128,661	114,891	13,770	982,447	70,433	162,423
Prior years' rolls	1,079,582	953,749	125,833	-	-	-
Total taxes receivable, October 31, 2020	$ 1,208,243	$ 1,068,640	$ 139,603	$ 982,447	$ 70,433	$ 162,423

* City General Fund	Mills
General alimony tax	5.42
Street maintenance tax	1.29
Maintenance of public buildings	1.13
Maintenance and operation of fire and police departments	8.18
Total	16.02

Source: Lafayette Parish Tax Assessor

Lafayette Parish								
Parishwide Drainage Maint.	Adult Correctional Facility Maint.	Lafayette Parish Public Library	Courthouse and Jail Maint.	Juvenile Detention Home Maint.	Combined Public Health	Storm Water Management	Cultural Economy	Debt Service Contingency
3.34	2.06	4.75	2.34	1.17	2.21	1.10	0.25	2.00
$7,848,979	$ 4,840,989	$ 11,162,470	$5,498,987	$2,749,497	$5,193,486	$2,584,993	$ 587,498	$4,700,005
-	-	-	-	-	-	-	-	-
7,848,979	4,840,989	11,162,470	5,498,987	2,749,497	5,193,486	2,584,993	587,498	4,700,005
7,718,907	4,760,772	10,976,888	5,407,590	2,703,934	5,107,421	2,542,156	577,760	4,621,885
130,072	80,217	185,582	91,397	45,563	86,065	42,837	9,738	78,120
-	-	-	-	-	-	-	-	-
$ 130,072	$ 80,217	$ 185,582	$ 91,397	$ 45,563	$ 86,065	$ 42,837	$ 9,738	$ 78,120

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
LAFAYETTE, LOUISIANA

CALCULATION OF LEGAL GENERAL OBLIGATION DEBT MARGIN
LAST TEN FISCAL YEARS
(Unaudited)

City of Lafayette

Fiscal Year	Gross Assessed Value	Any One Purpose	Aggregate All Purpose	Debt Outstanding	Legal Debt Margin	Total General Obligation Debt Applicable to Limitation as a Percentage of Debt Limit
2011	$1,167,449,766	$116,744,977	$408,607,418	$ -	$408,607,418	0%
2012	1,218,675,373	121,867,537	426,536,381	-	426,536,381	0%
2013	1,298,554,207	129,855,421	454,493,972	-	454,493,972	0%
2014	1,347,375,057	134,737,506	471,581,270	-	471,581,270	0%
2015	1,373,379,599	137,337,960	480,682,860	-	480,682,860	0%
2016	1,448,878,182	144,887,818	507,107,364	-	507,107,364	0%
2017	1,553,066,806	155,306,681	543,573,382	-	543,573,382	0%
2018	1,564,560,892	156,456,089	547,596,312	-	547,596,312	0%
2019	1,572,295,611	157,229,561	550,303,464	-	550,303,464	0%
2020	1,599,085,838	159,908,584	559,680,043	-	559,680,043	0%

Lafayette Parish

Fiscal Year	Gross Assessed Value	Any One Purpose	Aggregate All Purpose	Debt Outstanding	Legal Debt Margin
2011	$1,975,116,139	$197,511,614	no limit	$ 69,475,000	no limit
2012	1,994,635,544	199,463,554	no limit	66,715,000	no limit
2013	2,123,625,080	212,362,508	no limit	64,245,000	no limit
2014	2,231,474,220	223,147,422	no limit	61,820,000	no limit
2015	2,321,605,339	232,160,534	no limit	59,080,000	no limit
2016	2,447,494,074	244,749,407	no limit	56,235,000	no limit
2017	2,641,089,701	264,108,970	no limit	53,290,000	no limit
2018	2,665,288,645	266,528,865	no limit	50,205,000	no limit
2019	2,680,216,083	268,021,608	no limit	46,960,000	no limit
2020	2,750,982,374	275,098,237	no limit	43,555,000	no limit

Louisiana Revised Statutes limit the Parish's general obligation bonded debt for other purposes to 10% of the assessed valuation of the taxable property for a single purpose with no limit on the number of purposes. The City may issue general obligation bonded debt in excess of 10% of the assessed valuation of the taxable property for any single purpose provided that the aggregate for all such purposes (determined at the time of issuance of the bonds) does not exceed 35% of the assessed valuation of the taxable property of the City.

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
LAFAYETTE, LOUISIANA

OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(Unaudited)

	Governmental Activities				
	City			Parish	
Fiscal Year	Sales Tax Revenue Bonds	Taxable Refunding Bonds	Certificates of Indebtedness	General Obligation	Certificates of Indebtedness
2011	$ 324,031	$ 39,200	$ 6,000	$ 69,596	$ 880
2012	312,394	41,235	5,705	68,593	-
2013	312,549	39,575	5,400	66,006	-
2014	295,431	37,575	5,080	63,811	-
2015	276,830	35,500	4,750	60,932	-
2016	252,452	33,345	4,405	57,947	-
2017	220,701	31,105	4,045	54,863	-
2018	202,473	28,780	3,670	51,639	-
2019	215,341	26,365	3,275	48,254	-
2020	255,102	25,835	2,865	44,710	-

	Business Type			Primary Government			
Fiscal Year	Utilities Revenue Bonds	Communications Revenue Bonds	LPPA Revenue Bonds	Total Primary Government	Percentage of Personal Income	Per Capita	Personal Income (1)
2011	$ 284,063	$ 110,250	$ 52,797	$ 886,817	9.20%	$ 4	$ 9,636
2012	281,984	121,243	38,996	870,150	8.85%	4	9,837
2013	280,748	117,596	106,700	928,574	8.34%	4	11,133
2014	266,364	113,810	100,162	882,233	7.95%	4	11,100
2015	251,835	117,993	96,675	844,515	6.95%	4	12,147
2016	236,859	115,846	95,488	796,342	6.83%	3	11,668
2017	222,883	110,599	91,621	735,817	6.87%	3	10,705
2018	207,533	105,027	87,601	686,723	6.17%	3	11,128
2019	260,130	99,294	83,462	736,121	6.03%	3	12,205
2020	242,171	93,389	79,236	743,308	6.13%	3	12,129

(1) Source: U.S. Department of Commerce: Bureau of Economic Analysis

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
LAFAYETTE, LOUISIANA

RATIOS OF GENERAL BONDED DEBT
LAST TEN FISCAL YEARS
(Unaudited)

City of Lafayette:

Fiscal Year	(2) Population	(1) Net Assessed Value	Sales Tax Revenue Bonds	Taxable Refunding Bonds
2011	120,623	$ 1,167,449,766	$ 324,030,622	$ 39,200,000
2012	122,130	1,218,675,373	312,393,594	41,235,000
2013	126,227	1,298,554,207	312,548,600	39,575,000
2014	127,154	1,347,375,057	295,430,838	37,575,000
2015	128,551	1,373,379,599	276,830,123	35,500,000
2016	130,422	1,448,878,182	252,451,584	33,345,000
2017	132,272	1,553,066,806	220,701,367	31,105,000
2018	133,942	1,564,560,892	202,473,399	28,780,000
2019	135,737	1,572,295,611	215,341,041	26,365,000
2020	135,737	1,599,085,838	255,101,804	25,835,000

Lafayette Parish:

Fiscal Year	(2) Population	(1) Net Assessed Value	Gross General Obligation Bonds	Certificates of Indebtedness
2011	221,578	$ 1,629,435,354	$ 69,595,901	$ 880,000
2012	224,390	1,643,740,403	68,593,410	-
2013	229,080	1,767,973,082	66,006,129	-
2014	230,847	1,872,986,907	63,810,983	-
2015	238,586	1,958,174,846	60,931,661	-
2016	240,560	2,081,902,895	57,947,340	-
2017	242,231	2,259,086,547	54,863,019	-
2018	241,894	2,276,953,641	51,638,697	-
2019	244,056	2,286,166,528	48,254,376	-
2020	244,056	2,349,992,652	44,710,054	-

Notes:
(1) Assessed value is net after homestead exemption and miscellaneous adjustments.
(2) Louisiana Department of Treasury (2020 population estimates remain unchanged due to the official estimates not being available.)

Certificates of Indebtedness	Debt Service Monies Available	Net Bonded Debt	Net Bonded Debt to Assessed Value	Net Bonded Debt per Capita
$ 6,000,000	$ 40,916,928	$ 328,313,694	28.12%	$ 2,722
5,705,000	41,185,974	318,147,620	26.11%	2,605
5,400,000	43,124,284	314,399,316	24.21%	2,491
5,080,000	41,881,156	296,204,682	21.98%	2,329
4,750,000	40,779,403	276,300,720	20.12%	2,149
4,405,000	31,728,073	258,473,511	17.84%	1,982
4,045,000	29,303,688	226,547,679	14.59%	1,713
3,670,000	28,487,254	206,436,145	13.19%	1,541
3,275,000	26,771,665	218,209,376	13.88%	1,608
2,865,000	27,311,138	256,490,666	16.04%	1,890

Debt Service Monies Available	Net General Obligation Bonds	Net Bonded Debt to Assessed Value	Net Bonded Debt per Capita
$ 4,368,651	$ 66,107,250	4.06%	$ 298
3,807,789	64,785,621	3.94%	289
3,668,442	62,337,687	3.53%	272
3,826,722	59,984,261	3.20%	260
4,248,120	56,683,541	2.89%	238
4,492,786	53,454,554	2.57%	222
5,166,277	49,696,742	2.20%	205
5,909,647	45,729,050	2.01%	189
6,805,198	41,449,178	1.81%	170
6,054,734	38,655,320	1.64%	158

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
LAFAYETTE, LOUISIANA

COMPUTATION OF DIRECT AND OVERLAPPING DEBT
October 31, 2020
(Unaudited)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Amount Applicable to Primary Government
Direct:			
Lafayette Parish Government	$ 44,710,054	100%	$ 44,710,054
City of Lafayette	283,801,804	100%	283,801,804
Total Direct:	328,511,858		328,511,858
Overlapping:			
Lafayette Parish School Board	251,077,452	100%	251,077,452
Underlying:			
City of Broussard	18,352,028	5.17%	948,800
City of Carencro	12,360,000	3.98%	491,928
City of Scott	19,200,000	3.66%	702,720
City of Youngsville	36,021,178	6.31%	2,272,936
Total Underlying:	$ 85,933,206		4,416,384
Total overlapping debt			255,493,836
City of Lafayette/Lafayette Parish Direct Debt			328,511,858
Total Direct and Overlapping Debt			$ 584,005,694
Population (1)			
City of Lafayette	135,737	55.62%	
City of Broussard	12,624	5.17%	
City of Carencro	9,707	3.98%	
Town of Duson	1,530	0.63%	
City of Scott	8,938	3.66%	
City of Youngsville	15,393	6.31%	
Unincorporated Parish	60,127	24.64%	
Lafayette Parish	244,056		

The percentage of overlapping debt applicable is estimated using population. Application percentages were estimated by determining the portion of Municipalities population within the Parish's boundaries and dividing it by the Parish's total population.

(1) Louisiana Department of Treasury (The 2020 estimates were not available; therefore, the 2019 estimates were reported).

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
LAFAYETTE, LOUISIANA

RATIO OF SALES TAXES DEBT COVERAGE (1)
LAST TEN FISCAL YEARS
(Unaudited)

City of Lafayette:

City Sales Tax - 1961

Fiscal Year	Revenue	Less Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Debt Service Total	Debt Coverage
2011	$38,183,698	$ -	$38,183,698	$ 6,875,000	$ 7,909,190	$14,784,190	2.58
2012	40,814,786	-	40,814,786	7,010,000	8,514,310	15,524,310	2.63
2013	42,304,925	-	42,304,925	7,910,000	8,465,952	16,375,952	2.58
2014	44,212,574	-	44,212,574	8,630,000	8,637,036	17,267,036	2.56
2015	44,694,735	-	44,694,735	8,975,000	7,746,038	16,721,038	2.67
2016	43,337,302	-	43,337,302	8,960,000	7,196,343	16,156,343	2.68
2017	43,441,278	-	43,441,278	9,180,000	6,450,734	15,630,734	2.78
2018	43,181,294	-	43,181,294	9,130,000	5,896,013	15,026,013	2.87
2019	44,592,889	-	44,592,889	7,675,000	4,686,563	12,361,563	3.61
2020	43,803,676	-	43,803,676	9,055,000	4,572,829	13,627,829	3.21

City Sales Tax - 1985

Fiscal Year	Revenue	Less Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Debt Service Total	Debt Coverage
2011	$32,509,068	$ -	$32,509,068	$ 9,615,000	$ 6,819,156	$16,434,156	1.98
2012	34,659,644	-	34,659,644	7,770,000	6,154,751	13,924,751	2.49
2013	36,014,309	-	36,014,309	8,235,000	5,837,623	14,072,623	2.56
2014	37,532,841	-	37,532,841	8,525,000	5,448,986	13,973,986	2.69
2015	37,804,976	-	37,804,976	7,965,000	4,904,630	12,869,630	2.94
2016	36,122,279	-	36,122,279	7,485,000	4,114,557	11,599,557	3.11
2017	36,575,353	-	36,575,353	7,430,000	4,141,050	11,571,050	3.16
2018	36,221,327	-	36,221,327	7,740,000	3,804,453	11,544,453	3.14
2019	37,221,378	-	37,221,378	7,410,000	3,539,171	10,949,171	3.40
2020	35,891,764	-	35,891,764	8,335,000	3,725,231	12,060,231	2.98

Total City Sales Tax

Fiscal Year	Sales Tax Revenue	Less Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Debt Service Total	Debt Coverage
2011	$70,692,766	$ -	$70,692,766	$16,490,000	$14,728,346	$31,218,346	2.26
2012	75,474,430	-	75,474,430	14,780,000	14,669,061	29,449,061	2.56
2013	78,319,234	-	78,319,234	16,145,000	14,303,575	30,448,575	2.57
2014	81,745,415	-	81,745,415	17,155,000	14,086,022	31,241,022	2.62
2015	82,499,711	-	82,499,711	16,940,000	12,650,668	29,590,668	2.79
2016	79,459,581	-	79,459,581	16,445,000	11,310,900	27,755,900	2.86
2017	80,016,631	-	80,016,631	16,610,000	10,591,784	27,201,784	2.94
2018	79,402,621	-	79,402,621	16,870,000	9,700,466	26,570,466	2.99
2019	81,814,267	-	81,814,267	15,085,000	8,225,734	23,310,734	3.51
2020	79,695,440	-	79,695,440	17,390,000	8,298,060	25,688,060	3.10

Notes:

(1) This statistical table reflects the November 1 principal and interest payment for the subsequent fiscal year being paid in October of the preceding fiscal year.

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
LAFAYETTE, LOUISIANA

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES (1)
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	Principal	Interest	Payments To Escrow	Total Debt Service (2)	Total General Expenditures (3)	Ratio Of Debt Service To Total General Expenditures
2011	$20,320,000	$20,620,451	$ -	$40,940,451	$195,981,280	20.89%
2012	18,265,000	18,467,407	-	36,732,407	187,603,034	19.58%
2013	20,580,000	19,888,921	-	40,468,921	203,648,944	19.87%
2014	22,055,000	18,255,078	-	40,310,078	206,409,125	19.53%
2015	22,085,000	16,723,932	-	38,808,932	208,277,064	18.63%
2016	21,790,000	15,135,904	-	36,925,904	221,978,083	16.63%
2017	22,155,000	14,238,008	-	36,393,008	219,951,892	16.55%
2018	22,655,000	13,130,459	-	35,785,459	211,245,634	16.94%
2019	21,140,000	11,156,621	-	32,296,621	225,931,828	14.29%
2020	23,715,000	10,797,409	-	34,512,409	229,193,124	15.06%

Notes:
(1) This statistical table reflects the November 1 principal and interest payment for the subsequent fiscal year paid in October of the preceding fiscal year.
(2) Total Debt Service includes general obligation, sales tax, and special assessment bonds and certificates of indebtedness.
(3) Includes General, Special Revenue and Debt Service Funds.

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
LAFAYETTE, LOUISIANA

REVENUE BOND COVERAGE (1)
ELECTRIC, WATER AND SEWER BONDS
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	Operating Revenue (2)	Direct Operating Expenses (3)	Net Revenue Available For Debt Service	Debt Service Requirement			Coverage
				Principal	Interest	Total	
2011	$239,442,720	$ 180,840,724	$58,601,996	$ 970,000	$13,275,228	$ 14,245,228	4.1
2012	222,007,121	166,165,173	55,841,948	1,575,000	13,736,868	15,311,868	3.6
2013	234,524,951	168,415,411	66,109,540	11,865,000	11,052,286	22,917,286	2.9
2014	248,410,288	177,466,561	70,943,727	11,355,000	11,978,915	23,333,915	3.0
2015	229,579,351	160,672,844	68,906,507	11,500,000	11,424,293	22,924,293	3.0
2016	222,150,942	158,750,451	63,400,491	11,955,000	10,970,238	22,925,238	2.8
2017	226,673,006	165,998,482	60,674,524	12,425,000	8,916,835	21,341,835	2.8
2018	235,071,461	163,575,562	71,495,899	11,805,000	9,622,905	21,427,905	3.3
2019	233,345,184	152,839,401	80,505,783	12,370,000	10,362,925	22,732,925	3.5
2020	219,092,922	143,498,541	75,594,381	14,190,000	11,184,000	25,374,000	3.0

Notes:
(1) This statistical table reflects the November 1 principal and interest payment for the subsequent fiscal year being paid in October of the preceding fiscal year.
(2) Includes Interest Income before accruals and adjustments and Miscellaneous Operating Revenues. Excludes external billing revenues and water tapping fees (components of miscellaneous revenues).
(3) Excludes depreciation, amortization, and in lieu of tax payment.

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
LAFAYETTE, LOUISIANA

REVENUE BOND COVERAGE (1)
COMMUNICATIONS SYSTEM
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	Operating Revenue (2)	Direct Operating Expenses (3)	Balance Available For Debt Service	Debt Service Requirement Principal	Interest	Total	Coverage
2011	$16,752,258	$14,756,174	$ 1,996,084	$ 3,190,000	$ 5,494,331	$ 8,684,331	0.2
2012	23,372,570	15,741,515	7,631,055	3,320,000	5,366,731	8,686,731	0.9
2013	26,844,315	17,191,073	9,653,242	3,450,000	5,233,931	8,683,931	1.1
2014	31,641,423	17,591,847	14,049,576	3,590,000	5,844,060	9,434,060	1.5
2015	33,811,935	17,646,894	16,165,041	-	4,082,356	4,082,356	4.0
2016	35,704,723	19,480,196	16,224,527	940,000	5,225,541	6,165,541	2.6
2017	37,266,430	19,693,055	17,573,375	4,045,000	5,206,741	9,251,741	1.9
2018	38,416,855	20,305,834	18,111,021	4,425,000	5,004,491	9,429,491	1.9
2019	41,011,835	21,411,999	19,599,836	4,645,000	4,783,241	9,428,241	2.1
2020	42,929,555	21,514,358	21,415,197	4,880,000	4,550,991	9,430,991	2.3

Notes:

(1) This statistical table reflects the November 1 principal and interest payment for the subsequent fiscal year being paid in October of the preceding fiscal year.

(2) Includes Interest Income before accruals and adjustments and Miscellaneous Operating Revenues.

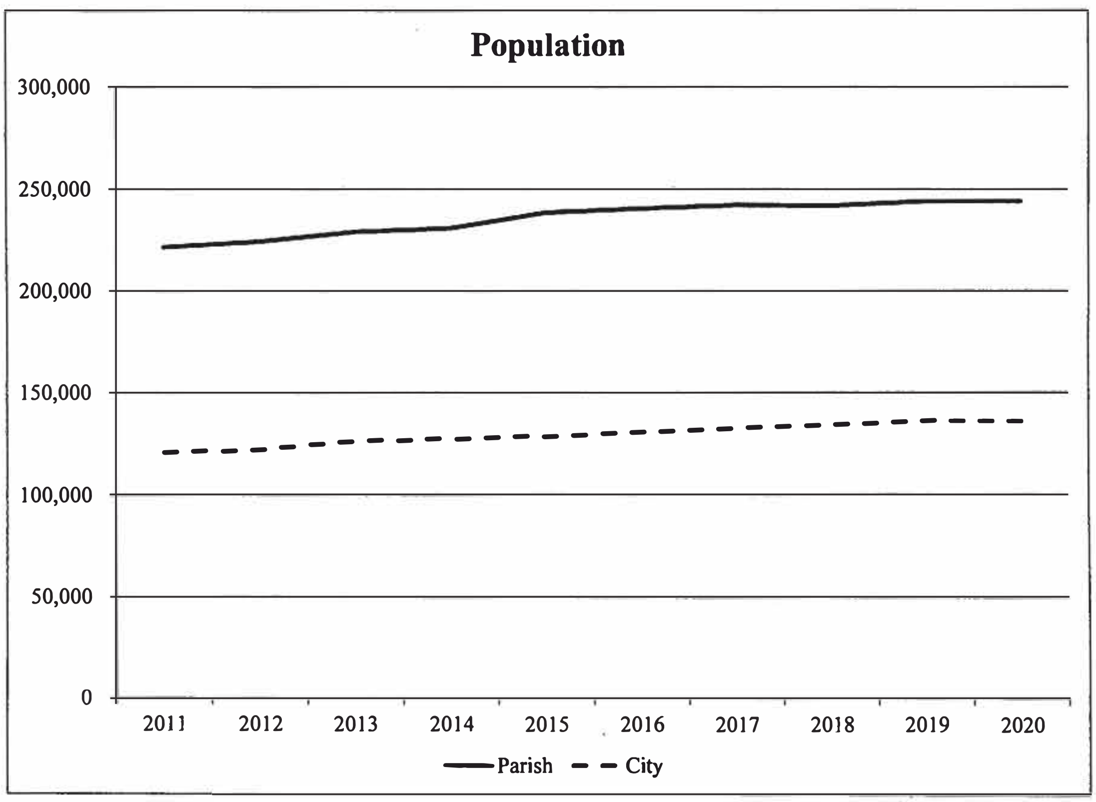
(3) Excludes depreciation, amortization, in lieu of tax payment, inter-utility loan payments to LUS, and other miscellaneous expenses.

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
LAFAYETTE, LOUISIANA

DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)

	City of Lafayette			Lafayette Parish				Public Schools (3)	
Fiscal Year	Estimated Population (4)	Median Age (2)	Unemployment Rate (2)	Estimated Population (4)	Estimated Per Capita Income (5)	Median Age (2)	Unemployment Rate (1)	Enrollment	Attendance
2011	120,623	N/A	4.5	221,578	$ 43,373	N/A	4.6	30,451	28,928
2012	122,130	34.5	3.7	224,390	43,859	34.1	3.5	32,834	31,192
2013	126,227	34.5	3.3	229,080	49,026	34.1	3.2	30,583	29,084
2014	127,154	35.3	4.4	230,847	48,000	34.4	4.2	30,056	28,493
2015	128,551	35.4	5.7	238,586	51,545	34.6	5.6	29,986	28,377
2016	130,422	35.7	6.2	240,560	48,734	34.9	6.3	29,555	27,989
2017	132,272	35.8	5.5	242,231	44,347	34.9	5.5	29,612	27,954
2018	133,942	36.3	4.8	241,894	45,892	35.1	4.3	30,264	28,478
2019	135,737	37.4	4.7	244,056	50,273	36.2	4.3	30,348	28,406
2020	135,737	37.9	7.9	244,056	49,629	36.7	7.6	30,996	33,221

Notes:
(1) Louisiana Department of Labor
(2) Lafayette Economic Development Authority
(3) Louisiana Department of Education
(4) Louisiana Department of Treasury (2020 population estimates remain unchanged due to the official estimates not being available.)
(5) Bureau of Economic Analysis
(6) Personal Income can be found on the Outstanding Debt by Type table.



LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
LAFAYETTE, LOUISIANA

PRINCIPAL EMPLOYERS
CURRENT AND NINE YEARS AGO
(Unaudited)

	2020			2011		
Employer	Employees	Rank	% of Total Employment	Employees	Rank	% of Total Employment
Lafayette Parish School System	4,322	1	3.28%	4,505	1	3.37%
Ochsner Lafayette General	4,078	2	3.10%	1,936	4	1.45%
Our Lady of Lourdes Regl Med	2,800	3	2.13%	-	-	-
Lafayette Consolidated Government	2,500	4	1.90%	2,316	2	1.73%
University of Louisiana-Lafayette	2,426	5	1.84%	1,962	3	1.47%
WHC Energy Svc	1,505	6	1.14%	1,440	8	1.08%
Walmart Companies	1,165	7	0.89%	1,735	5	1.30%
Stuller Inc.	1,061	8	0.81%	-	-	-
Lafayette Parish Government (not part of LCG)*	1,031	9	0.78%	-	-	-
Superior Energy Svc	834	10	0.63%	-	-	-
Wood Group Production Services	-	-	-	1,678	6	1.26%
Baker Hughes	-	-	-	1,478	7	1.11%
Island Operating Company	-	-	-	1,400	9	1.05%
Schlumberger	-	-	-	1,390	10	1.04%

Source: Lafayette Economic Development Authority

*Note: Lafayette Parish Govenrment (not part of LCG) includes Clerk of Court, Assessor, and Sheriff's Offices.

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
LAFAYETTE, LOUISIANA

SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	Special Assessment Billings (1)	Special Assessments Earned
2011	$ -	$ 249,998
2012	-	105,111
2013	-	82,453
2014	-	79,901
2015	-	49,339
2016	-	67,386
2017	-	23,293
2018	-	15,969
2019	-	4,452
2020	-	2,455

Note:
(1) Includes assessments due currently and deferred

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
LAFAYETTE, LOUISIANA

BUDGETED POSITION EMPLOYEES
BY FUND/DEPARTMENT
LAST TEN FISCAL YEARS
(Unaudited)

	Fiscal Year Ended October 31,			
	2020	**2019**	**2018**	**2017**
City General Fund Positions				
Office of Finance & Management	65	65	65	63
Elected Officials	126	121	110	110
Information Services and Technology	39	37	44	41
Police Department	350	349	329	326
Fire Department	285	285	285	285
Public Works	40	39	39	39
Development & Planning	6	6	6	6
Community Development Department	10	9	9	9
Municipal Civil Service	6	6	6	6
Police and Fire Civil Service	1	1	1	1
Total City General Fund Positions	928	918	894	886
Parish General Fund Positions				
Parish Council	5	n/a	n/a	n/a
Justice of the Peace & Constables	18	18	18	18
District Attorney	-	-	46	48
District Court-Judges	22	22	22	22
Registrar of Voters	7	7	7	7
Program Administration	1	3	3	3
Total Parish General Fund Positions	53	50	96	98
Special and Other Fund Positions (Including Grants)				
Animal Shelter & Care Center	22	21	21	20
Juvenile Detention	35	35	37	29
Coroner	5	5	5	5
District Court-Judges	-	-	-	-
District Attorney	-	-	-	-
District Attorney-Criminal Non-support	13	13	13	13
Parks and Recreation	116	116	116	116
Community Development Department	26	26	30	30
Public Works	297	296	297	297
Development & Planning	55	53	52	46
Utilities Department	460	460	464	464
Communications System	77	77	72	72
Group Insurance	4	4	4	4
Printing	-	-	-	3
Health Unit	10	10	10	10
Library	159	160	160	144
Grants	18	17	31	33
Total Special and Other Fund Positions	1,297	1,293	1,312	1,286
Total All Funds	2,278	2,261	2,302	2,270

Source: Budget Management

*Information is unavailable.

Table 27

Fiscal Year Ended October 31,					
2016	2015	2014	2013	2012	2011*
64	64	66	68	70	
111	107	107	105	108	
41	41	41	41	44	
320	317	316	316	332	
284	284	263	246	255	
39	38	39	182	214	
6	12	2	2	8	
9	9	9	9	12	
6	6	6	6	6	
1	1	1	1	1	
881	879	850	976	1,050	
n/a	n/a	n/a	n/a	n/a	
18	18	18	18	18	
20	20	20	20	20	
13	13	13	13	13	
7	7	7	7	7	
3	3	3	3	3	
61	61	61	61	61	Not Available
20	16	16	16	18	
29	25	25	25	24	
5	5	5	4	4	
9	9	9	9	9	
47	46	49	48	47	
13	13	14	14	14	
116	116	116	116	118	
30	30	30	30	34	
302	301	300	158	161	
47	47	47	48	49	
467	467	470	472	465	
70	64	61	55	62	
5	5	4	5	5	
3	3	4	4	4	
10	10	10	3	3	
141	137	136	112	112	
34	38	58	81	76	
1,348	1,332	1,354	1,200	1,205	
2,290	2,272	2,265	2,237	2,316	2,316

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
LAFAYETTE, LOUISIANA

OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS
(Unaudited)

	Fiscal Year Ended October 31,			
	2020	2019	2018	2017
General Government:				
Number of Commercial Construction Permits	35	47	41	44
Value of Commercial Construction Permits (1)	56,262	151,282	119,684	52,971
Number of Residential Construction Permits	717	511	571	633
Value of Residential Construction Permits (1)	203,608	140,515	151,186	157,303
Public Safety:				
Number of Police Personnel and Officers	327	334	332	321
Number of Physical Arrests	5,337	9,141	9,475	10,200
Number of Traffic Violations	15,022	13,713	15,915	20,411
Number of Parking Violations	4,599	8,786	13,727	11,918
Number of Fire Personnel and Officers	285	285	285	285
Number of Calls Answered (Fire Department)	8,585	8,653	8,359	11,945
Number of Fire Inspections Conducted	2,101	2,615	2,102	2,641
Library:				
Items Checked Out	1,941,346	2,341,408	2,225,960	1,758,657
Number of Reference Inquiries	122,080	150,203	154,681	169,610
Computer Uses	182,076	386,776	425,083	401,807
Visits to a Library	740,556	1,141,287	953,579	981,111
Electric System:				
Number of Meters in Service	69,364	68,495	67,243	66,860
Daily Average Consumption in Kilowatt Hours	5,252,163	5,491,260	5,566,705	5,426,447
Maximum Capacity of Plants in Kilowatts	200,000	200,000	200,000	200,000
Sewerage System:				
Number of Service Connections	45,942	45,436	45,034	44,269
Daily Average Treatment in Gallons	15,180,000	14,600,000	15,800,000	16,800,000
Maximum Daily Capacity of Treatment Plant in Gallons	18,500,000	18,500,000	18,500,000	18,500,000
Water System:				
Number of Service Connections	57,693	57,173	56,870	56,475
Daily Average Consumption in Gallons	22,824,000	19,420,000	20,125,000	22,258,000
Maximum Daily Capacity of Plant in Gallons	49,100,000	46,700,000	47,700,000	55,240,000

Notes:
(1) Reported In Thousands

Sources: Various LCG Departments

Fiscal Year Ended October 31,					
2016	2015	2014	2013	2012	2011
52	60	61	63	53	57
80,107	110,424	159,197	64,639	167,339	31,984
628	865	992	784	745	708
133,026	209,421	242,310	196,603	61,181	83,820
314	306	306	296	303	315
10,816	10,508	10,357	14,460	5,675	13,948
24,407	23,531	21,030	23,078	29,923	32,084
9,140	9,771	7,916	13,226	11,057	11,873
285	284	273	299	266	255
8,728	8,135	8,174	7,734	7,849	8,210
2,596	2,708	2,958	1,238	2,124	2,676
1,770,496	1,771,388	1,784,778	1,863,903	1,843,565	1,893,664
168,617	123,288	118,866	111,081	96,588	112,458
507,968	388,062	362,124	368,293	390,100	406,601
961,280	860,767	846,108	848,028	866,430	884,708
66,324	65,846	65,262	65,017	64,425	63,882
5,556,013	5,617,628	5,762,041	5,676,208	5,785,279	5,955,701
485,000	485,000	485,000	485,000	485,000	485,000
43,521	43,949	43,068	42,476	41,928	41,522
15,720,000	16,500,000	15,010,000	14,950,000	14,270,000	15,600,000
18,500,000	18,500,000	18,500,000	18,500,000	18,500,000	18,500,000
56,055	55,554	55,066	54,405	53,571	52,749
21,740,000	22,900,000	22,000,000	22,000,000	23,000,000	23,000,000
50,600,000	50,900,000	51,000,000	50,000,000	50,000,000	50,000,000

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
LAFAYETTE, LOUISIANA

CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS
(Unaudited)

	Fiscal Year Ended October 31,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Public Safety:										
Number of Police Stations	4	3	4	3	3	3	3	2	2	2
Number of Patrol Units	237	253	248	232	223	222	207	193	215	239
Number of Fire Stations	14	14	14	14	14	13	13	13	13	13
Number of Volunteer Fire Departments	7	7	7	7	7	7	7	7	7	7
Public Works:										
Miles of Streets	1,343	1,332	1,331	1,339	1,333	1,324	1,026	1,028	1,028	1,028
Miles of Drainage Coulees	871	871	871	871	950	950	944	850	850	850
Number of Bridges	261	400	392	392	392	392	392	392	388	324
Number of Street Lights	21,138	17,486	17,486	17,366	16,943	16,860	16,948	16,918	16,787	16,701
Parks and Recreation:										
Number of Community Centers	10	10	10	10	10	10	10	10	10	10
Number of Parks	35	35	35	35	35	35	35	35	35	36
Acres of Parks	1,314	1,314	1,314	1,314	1,314	1,292	1,292	1,292	1,292	1,300
Number of Golf Courses	3	3	3	3	3	3	3	3	3	3
Number of Swimming Pools	4	4	4	4	4	4	4	4	4	4
Number of Tennis Courts	55	55	55	55	55	55	55	55	55	55
Number of Ball Fields	113	113	113	113	113	120	120	120	120	102
Library:										
Number of Locations	9	9	9	9	9	9	10	10	10	10
Electric System:										
Miles of Transmission Lines	47	47	47	47	47	45	45	45	45	43
Miles of Distribution Lines	1,011	1,011	1,000	992	988	976	964	954	937	933
Sewerage System:										
Miles of Sanitary Sewers	692	673	665	659	649	649	637	621	571	564
Number of Treatment Plants	4	4	4	4	4	4	4	4	4	4
Water System:										
Miles of Water Mains	986	976	962	905	899	889	905	899	888	885
Number of Fire Hydrants	6,614	6,546	6,466	6,423	6,404	6,314	6,263	6,189	6,107	6,066

Sources: Various LCG Departments

Single Audit Section

KOLDER, SLAVEN & COMPANY, LLC

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Lafayette City-Parish
Council of Lafayette, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Lafayette City-Parish Consolidated Government, (the Government) as of and for the year ended October 31, 2020, and the related notes to the financial statements, which collectively comprise the Government's basic financial statements and have issued our report thereon dated April 19, 2021. Our report includes a reference to other auditors who audited the financial statements of Cajundome Commission, City Court of Lafayette, Lafayette Regional Airport, Lafayette Parish Waterworks District North, Lafayette Parish Waterworks South, Lafayette Parish Bayou Vermilion District, and Lafayette Parish Communication District, as described in our report on the Government's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Government's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Government's internal control. Accordingly, we do not express an opinion on the effectiveness of the Government's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control described in the schedule of findings and questioned costs as items 2020-001 through 2020-004 that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Government's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The Government's Responses to Findings

The Government's responses to the findings identified in our audit are described in the schedule of findings and questioned costs. The Government's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
April 19, 2021

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INDEPENDENT AUDITOR'S REPORT ON
COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE

To the Lafayette City-Parish
Council of Lafayette, Louisiana

Report on Compliance for Each Major Federal Program

We have audited Lafayette City-Parish Consolidated Government's (the Government) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Government's major federal programs for the year ended October 31, 2020. The Government's major federal programs are identified in the summary of auditor's results section on the accompanying schedule of findings and questioned costs. The Government's basic financial statements include the operations of Lafayette Regional Airport, which expended $17,222,425 in federal awards which is not included in the Government's schedule of expenditures of federal awards for the year ended October 31, 2020. Our audit, described below, did not include the operations of Lafayette Regional Airport because the component unit engaged other auditors to perform an audit of compliance.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Government's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Government's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Government's compliance.

Opinion on Each Major Federal Program

In our opinion, the Government complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended October 31, 2020.

Report on Internal Control over Compliance

Management of the Government is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Government's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Government's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
April 19, 2021

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Schedule of Expenditures of Federal Awards
For the Year Ended October 31, 2020

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Federal Assistance I.D. Number	Pass-Through Grantor's Number	Current Year Expenditures	Amounts Provided to Subrecipients
Direct Programs:					
U.S. Department of Transportation and Development -					
Federal Transit Cluster:					
Federal Transit Formula Grants	20.507	LA90-X486	N/A	$ 486,701	$ -
Federal Transit Formula Grants	20.507	LA90-X469	N/A	18,911	-
Federal Transit Formula Grants	20.507	LA90-X486	N/A	398,794	-
				904,406	-
COVID -19 Bus and Bus Facilities Formula Program	20.526	LA2020-025	N/A	3,737,419	-
Bus and Bus Facilities Formula Program	20.526	LA34-0009	N/A	19,060	-
Bus and Bus Facilities Formula Program	20.526	LA34-00025	N/A	26,782	-
Bus and Bus Facilities Formula Program	20.526	LA34-0009	N/A	269,829	-
Bus and Bus Facilities Formula Program	20.526	LA34-0025	N/A	26,752	-
Bus and Bus Facilities Formula Program	20.526	LA34-0028	N/A	362,435	-
				4,442,277	-
Total Federal Transit Cluster				5,346,683	-
U.S. Department of Housing and Urban Development -					
HOME Investment Partnership Program	14.239	M-16-MC-22-0202	N/A	79,080	79,080
HOME Investment Partnership Program	14.239	M-17-MC-22-0202	N/A	53,153	53,153
HOME Investment Partnership Program	14.239	M-18-MC-22-0202	N/A	57,550	-
HOME Investment Partnership Program	14.239	M-19-MC-22-0202	N/A	27,250	-
HOME Investment Partnership Program	14.239	M-20-MC-22-0202	N/A	2,493	-
				219,526	132,233
CDBG - Entitlement Grants Cluster -					
CDBG/Entitlement Grants	14.218	B-14-MC-22-0003	N/A	508	354
CDBG/Entitlement Grants	14.218	B-15-MC-22-0003	N/A	13,294	10,566
CDBG/Entitlement Grants	14.218	B-16-MC-22-0003	N/A	12,596	-
CDBG/Entitlement Grants	14.218	B-17-MC-22-0003	N/A	2,728	281
CDBG/Entitlement Grants	14.218	B-18-MC-22-0003	N/A	26,281	-
CDBG/Entitlement Grants	14.218	B-19-MC-22-0003	N/A	911,869	-
CDBG/Entitlement Grants	14.218	B-20-MC-22-0003	N/A	72,874	-
CDBG/Entitlement Grants	14.218	B-16-MC-2003	N/A	227,593	-
COVID-19 CDBG/Entitlement Grants	14.218	B-20-MW-22-0003	N/A	219,640	219,640
Total CDBG- Entitlement Grants Cluster				1,487,383	230,841
U.S. Department of Justice -					
Public Safety Partnership and Community Policing Grants	16.710	2017UMWX0042	N/A	203,202	-

(continued)

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended October 31, 2020

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Federal Assistance I.D. Number	Pass-Through Grantor's Number	Current Year Expenditures	Amounts Provided to Subrecipients
National Endowment for Humanities -					
Promotion of the Arts Grants	45.024	1847279-62	N/A	20,000	-
Federal Emergency Management Agency -					
Assistance to Firefighters Grant	97.044	EMW-2017-FP-00609	N/A	6,055	-
Assistance to Firefighters Grant	97.044	EMW-2018-FO-01856	N/A	118,182	-
				124,237	-
Total direct programs				7,401,031	363,074
Pass-through Programs:					
U.S. Department of Housing and Urban Development -					
Louisiana Division of Administration:					
Community Development Block Grant/ State's Program	14.228	B-08-DI-22-0001	N/A	47,318	-
U.S. Department of Agriculture -					
Louisiana Department of Education:					
Child Nutrition Cluster -					
National School Lunch Program	10.555	N/A	N/A	22,952	-
Total Child Nutrition Cluster				22,952	-
Federal Highway Administration -					
Louisiana Department of Transportation and Development:					
Highway Planning and Construction Cluster-					
Highway Planning and Construction	20.205	N/A	H.012304	2,320,001	-
Louisiana Office of State Parks:					
Highway Planning and Construction Cluster -					
Recreational Trails Program	20.219	N/A	H.009344	1,439	-
Total Highway Planning and Construction Cluster				2,321,440	-
National Highway Traffic Safety Administration-					
Louisiana Highway Safety Commission					
Highway Safety Cluster:					
State and Community Highway Safety	20.600	2020-30-33	N/A	79,154	-
Total Highway Safety Cluster				79,154	-

(continued)

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended October 31, 2020

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Federal Assistance I.D. Number	Pass-Through Grantor's Number	Current Year Expenditures	Amounts Provided to Subrecipients
U.S. Department of Justice -					
Louisiana Commission on Law Enforcement:					
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2018-MU-BX-0441	2018-DJ-01-5211	22,792	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2017-MU-BX-0088	2017-DJ-01-4637	11,412	-
Lafayette Parish Sheriff's Office:					
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2017-DJ-BX-0283	N/A	3,160	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2019-DJ-BX-0471	N/A	25,296	-
				62,660	-
Louisiana Commission on Law Enforcement:					
Violence Against Women Formula Grants	16.588	2018-WF-AX-0005	2018-WF-01-4717	19,915	-
Crime Victim Assistance	16.575	2018-V2-GX-0042	2018-VA-01/02/04-5047	80	-
U.S. Department of Treasury -					
Louisiana Division of Administration:					
COVID-19 Coronavirus Relief Fund	21.019	N/A	N/A	17,103,148	27,270
Institute of Museum and Library Services -					
State Library of Louisiana:					
COVID-19 National Leadership Grants	45.312	CAG-ML-FY20	N/A	2,882	-
U.S. Department of Homeland Security -					
Governor's Office of Homeland Security and Emergency Preparedness:					
Disaster Grants	97.036	FEMA-DR-4570-LA	N/A	3,607,895	-
Disaster Grants	97.036	FEMA-DR-4559-LA	N/A	1,976,943	-
COVID-19 Disaster Grants	97.036	FEMA-DR-4484-LA	N/A	40,942	-
				5,625,780	-
Hazard Mitigation Grant	97.039	N/A	1786-055-0002	348,421	348,421
Hazard Mitigation Grant	97.039	N/A	2009 DR-1786 DR-1792	536,750	151,802
				885,171	500,223
Total indirect programs				26,170,500	527,493
TOTAL FEDERAL AWARDS				$33,571,531	$ 890,567

Lafayette

CONSOLIDATED GOVERNMENT

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended October 31, 2020

(1) Basis of Presentation

The accompanying schedule of expenditures of federal awards (Schedule) includes the federal award activity of Lafayette City-Parish Consolidated Government (Government) under programs of the federal government for the year ended October 31, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Government, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Government.

(2) Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported in accordance with accounting principles generally accepted in the United States of America as applied to governmental units, which is described in Note 1 to the Government's basic financial statements for the year ended October 31, 2020. Such expenditures are recognized following the cost principle contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(3) Indirect Cost Rate

The Government has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

(4) Disaster Grants (CFDA 97.036)

The Government recognized approximately $9,618 of federal revenue related to the Hurricane Katrina natural disaster. The eligible expenditures were recognized in a previous fiscal year; therefore, these expenditures are not included in the current year schedule of expenditures of federal awards. The omission of the eligible expenditures in the fiscal year of occurrence would not have impacted the testing performed or the programs identified as major federal programs in those fiscal years.

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Schedule of Findings and Questioned Costs
For the Year Ended October 31, 2020

Part I. Summary of Auditor's Results:

1. The auditor's report expresses an unmodified opinion on the financial statements of the Government.

2. There were no significant deficiencies in internal control disclosed during the audit of the financial statements. There were four material weaknesses reported.

3. No instances of noncompliance material to the financial statements of the Government, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.

4. There were no significant deficiencies or material weaknesses in internal control over major federal award programs reported during the audit.

5. The auditor's report on compliance for the major federal programs for the Government expresses an unmodified opinion on all major federal programs.

6. There were no audit findings that are required to be reported in accordance with 2 CFR section 200.516(a) in this schedule.

7. The following programs were considered to be major programs: COVID-19 Coronavirus Relief Fund (21.019) and Highway Planning and Construction Cluster (20.205 and 20.219).

8. The threshold used to distinguish between Type A and Type B programs as described in 2 CFR section 200.518(b)(1) was $1,007,146.

9. The Government did not qualify as a low-risk auditee.

Part II. Findings which are required to be reported in accordance with generally accepted Governmental Auditing Standards:

Compliance Findings –

There were no compliance findings reported for the year ended October 31, 2020.

Internal Control Findings –

2020-001 Controls Over Fuel Cards

Fiscal year finding initially occurred: 2019

Criteria

The Government should have a control policy in place in order to effectively manage fuel cards issued to government owned vehicles and the related personal identification numbers (PINs) issued to employees.

Condition

The Government has active fuel cards assigned to assets that have been disposed, assets that do not appear in the government's records, unidentified assets labeled as miscellaneous, and assets that have not been used in excess of 120 days. Additionally, the Government has vehicles/equipment that require fuel usage that do not have an active fuel card assigned. The Government has active PINs for former employees, names that are not in the employee master file, and employees with minimal usage.

Cause

The Government has not fully implemented procedures to ensure active fuel cards are assigned to all vehicles within the Government's fleet and to ensure active PINs are only assigned to current employees that require consistent use of the government fleet to perform their daily duties.

Effect

Inadequate policies and procedures for active fuel cards and PINs will not allow the Government to detect misuse or fraud in a timely manner.

Recommendation

Management should continue to implement procedures to ensure fuel cards are issued to assets when purchased and cancelled when no longer in use. Management should ensure PINs are assigned to employees based on their job description and their need for the use of the fleet to perform their assigned duties. Management should carefully review and track the fuel usage reports by asset to identify any unusual or unexpected trends.

Views of Responsible Officials and Planned Corrective Action

Procedures have been put in place to reduce the number of fuel cards PINs issued overall, to delete PINs for employees with no usage within six months, and to ensure PINs are deleted from the system upon employee termination. An in-depth review of fuel cards assigned to vehicles and equipment has begun but has not been completed. Management has engaged a consultant to review overall operations of the Vehicle Maintenance and assist the Division in implementing new policies and procedures to include the Fuel Card program. This project is expected to be on-going for the next twelve to eighteen months and will be overseen by the Public Works Director Chad Nepveaux.

2020-002 Contracting for LUS Fiber Services

Fiscal year finding initially occurred: 2017

Criteria

The Government should have policies and procedures to ensure contract terms and pricing for communication services provided by the Government's Communications System to internal departments are consistently applied and comply with the Fair Competition Act.

Condition

The Government has contracts for communication services to internal departments that are not the most cost effective for the individual departments based on the original date of service. The contract terms can range from 12 months to 72 months with a reduction in pricing at each additional 12-month increment to the term.

Cause

The Government does not have procedures for management to effectively review new and existing contracts with internal departments for communication services.

Effect

The Government has internal departments that are being charged rates based on contract terms that may not be appropriate to perform their specific functions at rates that could be either lower or higher than necessary. This inconsistent contracting practice could be considered noncompliance with the Fair Competition Act.

Recommendation

Management should consider implementing a policy that would identify the terms that will be utilized by all internal departments when contracting for communication services. Additionally, management, with the assistance of their Information Services and Technology Department, should develop procedures to ensure contract terms, pricing, and level of service for communication services being offered to internal departments are appropriate and are in accordance with the guidelines of the Fair Competition Act.

Views of Responsible Officials and Planned Corrective Action

In order to ensure consistency in Affiliate contract pricing, standardized rates were identified for each service offering. These rates are structured to include variables such as bandwidth needs and contract term length. As an additional layer of transparency, a third-party consultant has been retained by LUS Fiber and is currently working to analyze a service offering and recommend fair market pricing. LUS Fiber will use these evaluations as a primary basis for rate adjustments for compliance with identified industry best practices. It is a primary goal of management to complete this analysis and work intensively with all of the stakeholders within Lafayette Consolidated Government to resolve this deficiency. The project is expected to be completed by October 31, 2021 and will be overseen by the Interim Communications Director Ryan Meche.

2020-003 Late Fees on Internal Billing for Services

Fiscal year finding initially occurred: 2020

Criteria

The Government should have policies and procedures to ensure timely payment of internal invoices to avoid late fees being assessed.

Condition

The Government has internal billing invoices for communication services that are not being paid timely.

Cause

The Government does not have procedures in place to ensure internal invoices are processed and paid prior to the due date.

Effect

The Government has internal departments that are paying late fees on communication services. The payment of late fees by internal departments to the communications division for services could be considered noncompliance with the Fair Competition Act.

Recommendation

Management should consider implementing policies and procedures to ensure all invoices, internal and external, are paid timely to avoid late fees and/or interest charges being assessed. Management should monitor their monthly budget-to-actual statements and make appropriate amendments prior to line items reaching their limits in order to minimize any delays in processing invoices from internal and external vendors.

Views of Responsible Officials and Planned Corrective Action

Lafayette Consolidate Government does have internal policies in place to direct the timely payment of all invoices. However, these procedures have not been followed consistently. In some cases, billing disputes or budgetary issues have delayed the payment of Communication invoices resulting in late fees. Management will retrain staff to ensure existing policies are followed and will review all policies for changes as appropriate. This project is expected to be completed within three to six months and will be overseen by the Chief Financial Officer Lorrie Toups.

2020-004 Recording Capital Assets

Fiscal year finding initially occurred: 2020

Criteria

In accordance with Louisiana Revised Statute 24:515.B.1, the Government must maintain records of all land, buildings, improvements other than buildings, equipment, and any other general fixed assets which were purchased or acquired. The listing of capital assets must be updated each year for any assets acquired and disposed.

Condition

The Government's listing of capital assets did not reflect all assets purchased or acquired in the appropriate fiscal year.

Cause

The Government did not have procedures in place to reconcile assets purchased or acquired to their capital asset listing to ensure all assets were capitalized in the proper period.

Effect

The Government's capital asset listing did not include the additions of land/buildings and lift stations in the appropriate fiscal year.

Recommendation

Management should review their policies and procedures to ensure all assets purchased or acquired are added to their capital asset listing in the appropriate fiscal year. Failure to identify and account for assets/property exposes the Government to possible loss, theft, or misuse of their assets.

Views of Responsible Officials and Planned Corrective Action

In reviewing this issue, it was discovered that there are some timing issues in the reporting of asset purchases from outside departments. Management has reviewed all of the policies and procedures with the appropriate Purchasing staff and those outside the Division. Changes in procedures have already been implemented to ensure that assets are entered into the capital asset listing in a timely manner.

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT
Lafayette, Louisiana

Schedule of Findings and Questioned Costs (Continued)
For the Year Ended October 31, 2020

Part III. Findings and questioned costs for Federal awards which include audit findings as defined in 2 CFR section 200 of the Uniform Guidance:

Compliance Findings -

There were no findings reported.

Internal Control Findings -

There were no findings reported.

April 19, 2021

U.S. Department of Treasury

The Lafayette City-Parish Consolidated Government respectfully submits the following corrective action plan for the year ended October 31, 2020.

Audit conducted by:
Kolder, Slaven & Company, LLC
183 S. Beadle Road
Lafayette, Louisiana70508

Audit Period: November 1, 2019 – October 31, 2020

The findings from the October 31, 2020 schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS – FINANCIAL STATEMENT AUDIT

Material Weakness-

Internal Control:

2020-001 Controls Over Fuel Cards

Finding: The Government has active fuel cards assigned to assets that have been disposed, assets that do not appear in the government's records, unidentified assets labeled as miscellaneous, and assets that have not been used in excess of 120 days. Additionally, the Government has vehicles/equipment that require fuel usage that do not have an active fuel card assigned. The Government has active PINs for former employees, names that are not in the employee master file, and employees with minimal usage.

Corrective Action Plan: Procedures have been put in place to reduce the number of fuel card PINs issued overall, to delete PINs for employees with no usage within six months, and to ensure PINs are deleted from the system upon employee termination. An in-depth review of fuel cards assigned to vehicles and equipment has begun but has not been completed. Management has engaged a consultant to review overall operations of Vehicle Maintenance and assist the Division in implementing new policies and procedures to include the Fuel Card program. This project is expected to be on-going for the next twelve to eighteen months and will be overseen by the Public Works Director Chad Nepveaux.

2020-002 Contracting for LUS Fiber Services

Finding: The Government has contracts for communication services to internal departments that are not the most cost effective for the individual departments based on the original date of service. The contract terms can range from 12 months to 72 months with a reduction in pricing at each additional 12-month increment to the term.

Corrective Action Plan: In order to ensure consistency in Affiliate contract pricing, standardized rates were identified for each service offering. These rates are structured to include variables such as bandwidth needs and contract term length. As an additional layer of transparency, a third-party consultant has been retained by LUS Fiber and is currently working to analyze a service offering and recommend fair market pricing. LUS Fiber will use these evaluations as a primary basis for rate adjustments for compliance with identified industry best practices. It is a primary goal of management to complete this analysis and work intensively with all of the stakeholders within Lafayette Consolidated Government to resolve this deficiency. The project is expected to be completed by October 31, 2021 and will be overseen by the Interim Communications Director Ryan Meche.

2020-003 Late Fees on Internal Billing for Services

Finding: The Government should have policies and procedures to ensure timely payment of internal invoices to avoid late fees being assessed.

Corrective Action Plan: Lafayette Consolidated Government does have internal policies in place to direct the timely payment of all invoices. However, these procedures have not been followed consistently. In some cases, billing disputes or budgetary issues have delayed the payment of Communication invoices resulting in late fees. Management will retrain staff to ensure existing policies are followed and will review all policies for changes as appropriate. This project is expected to be completed within three to six months and will be overseen by the Chief Financial Officer Lorrie Toups.

2020-004 Recording Capital Assets

Finding: The Government's listing of capital assets did not reflect all assets purchased or acquired in the appropriate fiscal year.

Corrective Action Plan: In reviewing this issue, it was discovered that there are some timing issues in the reporting of asset purchases from outside departments. Management has reviewed all of the policies and procedures with the appropriate Purchasing staff and those outside the Division. Changes in procedures have already been implemented to ensure that assets are entered into the capital asset listing in a timely manner.

FINDINGS – FEDERAL AWARD PROGRAMS AUDIT

There were no federal award program findings reported for the year ended October 31, 2020.

The findings noted above will be evaluated and corrective action will be taken as indicated on the respective finding. Should any federal or state pass-through grant agencies have questions regarding this plan, please contact Lorrie R. Toups, CPA, at 337-291-8202.

Sincerely,

Lorrie R. Toups

Lorrie R. Toups, CPA
Chief Financial Officer

Lafayette City-Parish Consolidated Government
Summary Schedule of Prior Year Audit Findings
For the Year Ended October 31, 2020

FINDINGS - FINANCIAL STATEMENT AUDIT:

Internal Control Findings –

2019-001 Controls Over Fuel Cards

Fiscal year finding initially occurred: 2019

Condition

The Government has active fuel cards assigned to assets that have been disposed, assets that do not appear in the government's records, unidentified assets labeled as miscellaneous, and assets that have not been used in excess of 120 days. Additionally, the Government has vehicles/equipment that require fuel usage that do not have an active fuel card assigned. The Government has active PINs for former employees, names that are not in the employee master file, and employees with minimal usage.

Views of Responsible Officials and Planned Corrective Action

Management agrees with this finding. An in-depth analysis of all fuel cards and PINs issued was begun in January and is expected to be completed soon. Any errors found in this finding and from the analysis will be corrected. Additionally, management has begun a full review of fuel card procedures and policies and appropriate changes will be made to both. The estimated timeframe of completion is between 4-6 months and will be overseen by the Public Works Director Chad Nepveaux.

Current Status: Not resolved. See Internal Control Finding 2020-001.

2019-002 Contracting for LUS Fiber Services

Fiscal year finding initially occurred: 2017

Condition

The Government has contracts for communication services to internal departments that have inconsistent terms. The contract terms can range from 12 months to 72 months with varying pricing at each 12-month increment.

Views of Responsible Officials and Planned Corrective Action

In order to ensure consistency in affiliate contact pricing, standardized rates were identified for each service offering. These rates are structured to include variables such as bandwidth needs and contract term length. As an additional layer of transparency, LUS Fiber intends to engage a third-party consultant to evaluate service offerings and recommend fair market pricing. LUS Fiber will use these evaluations as a primary basis for rate adjustment for compliance with identified industry best practices. The estimated timeframe of completion is between 3-6 months and will be overseen by Interim LUS Fiber Director Kayla Brooks.

Current Status: Not resolved. See Internal Control Finding 2020-002.

FINDINGS – FEDERAL AWARD PROGRAMS AUDIT:

U.S. Department of Transportation and Development, U.S. Department of Housing and Urban Development, and U. S. Department of Homeland Security:

Compliance Findings -

2019-003 Written Policies for Federal Programs

Fiscal year finding initially occurred: 2019

Federal Transit Formula Grants (20.500, 20.507, 20.526); HOME Investment Partnership Program (14.239); CDBG – Entitlement Grants Cluster (14.218); Disaster Grants (97.036):

Condition

The Government was unable to provide documentation of written procedures for determining the allowability of cost.

Views of Responsible Officials and Planned Corrective Action

Management will review the administrative requirements for federal programs to ensure compliance with all federal award requirements. Prior to funding, all proposed activities will be reviewed for compliance with the appropriate federal requirements. Additionally, written procedures for determining allowability of costs of federal expenditures has since been compiled following notice of the finding. The response to this finding was implemented prior to the completion of the audit by Community Development Director Hollis Conway.

Current Status: Resolved.

U.S. Department of Housing and Urban Development:

Compliance Findings -

2019-004 Revolving Loan Program

CDBG – Entitlement Grants Cluster (14.218):

Fiscal year finding initially occurred: 2019

<u>Condition</u>

The Government is operating a revolving loan program with CDBG funds that are combined with the activities of a HOME loan program.

<u>Views of Responsible Officials and Planned Corrective Action</u>

Management shall create a separate fund and accounts to record only the activities of the CDBG revolving loan program. Currently, two funds are used to report CDBG and HOME program income. The current HUD Housing Loan Program Fund shall be renamed the HUD CDBG Loan Program Fund. The current NHS Loan Fund shall be renamed the HUD HOME Loan Program Fund. Five CDBG and HOME receivables shall be transferred between the two funds so that each source of receivables will be reported in the proper CDBG or HOME fund. The estimated timeframe of completion is between 60 days of the audit ending date and will be overseen by Community Development Director Hollis Conway.

<u>Current Status:</u> Resolved.

U.S. Department of Housing and Urban Development:

Compliance Findings -

2019-005 Program Income

HOME Investment Partnership Program (14.239) M-13-MC-22-0202, M-14-MC-22-0202, M-15-MC-22-0202, M-16-MC-22-0202, M-18-MC-22-0202:

Fiscal year finding initially occurred: 2019

<u>Condition</u>

The Government did not disburse the funds in their local account prior to requesting funds from the United States Treasury account.

Views of Responsible Officials and Planned Corrective Action

Management has established processes and procedures to properly report all program income when collected. Additionally, program income will be properly disbursed prior to requesting funds from the grantor. The estimated timeframe of completion is between 60 days of the audit ending date and will be overseen by Community Development Director Hollis Conway.

Current Status: Not Resolved.

Updated Views of Responsible Officials and Planned Corrective Action

This finding was partially corrected in fiscal year ending October 31, 2020. A correction was made to ensure the existing program income was committed in HUD's computerized disbursement and information system (IDIS) prior to utilizing HOME funds from the United States Treasury account. We are in the process of implementing procedures to ensure principal and interest funds received from the HOME loan program are properly committed as program income in IDIS prior to utilizing HOME funds. We expect this portion of the finding to be complete by April 30, 2021.

Sincerely,

Lorrie R. Toups

Lorrie R. Toups, CPA
Chief Financial Officer

CITY OF LAFAYETTE, STATE OF LOUISIANA • TAXABLE UTILITIES REVENUE REFUNDING BONDS, SERIES 2021

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