



625 St. Joseph Street
New Orleans, LA 70165
504.529.2837 or 52.WATER

February 11, 2026

The Finance and Administration Committee met on Wednesday, February 11, 2026, in the Executive Boardroom. The meeting convened at approximately 9:00 a.m.

Present:

Director Chadrick Kennedy
Director Janet Howard
Director Courtney Scrubbs
Director Ariane Greenidge

Absent:

Director Joseph Peychaud

FINANCIAL OVERVIEW

Grey Lewis, CFO, presented the Preliminary December 2025 financial results and liquidity position. The Utility has just completed a system conversion, replacing the legacy mainframe accounting system to Oracle, a modern enterprise resource planning system. The legacy system replacement is the first major cloud-based solution delivered by SWBNO and a key accomplishment in the Strategic Plan to improve financial stability and transparency. Next month, Mr. Lewis and SWBNO's Chief Information Officer, Darrell Eilts, will provide the committee with highlights from the Oracle project.

December preliminary results have been prepared with an abbreviated initial soft close period due to the system conversion. Mr. Lewis reported the focus will now be on stabilizing transaction processing after the conversion.

The December Month and YTD operating revenues for water and sewer are tracking above budget on a billed basis, while cash collections are about 3% lower for 2025 when compared to 2024.

In 2025, more customers utilized Promise Pay and have signed up for no interest, flexible payment plans relative to 2024. However, affordability challenges continue to exist, as well as the need to improve the return on collection efforts. December and January collections of \$22.8m and \$21.3m respectively were both above the comparable month last year. Operating Expenses were higher during the month and well below YTD (by 14%) conservatively set targets in the budgeting process. December YTD operating expenses were \$335m for all systems, up from the prior year of \$325m. Management will be working to complete December with a 2nd close and prepare for year-end audit items to complete the 2025 financial reporting in the coming weeks.

December Preliminary required bond covenant metrics for Days cash on hand and debt service coverage requirements are within required levels and scheduled debt service payments have continued monthly.

Board of Directors: Hon. Helena Moreno, President, Chadrick Kennedy, President Pro Tempore, Hon. Freddie King III, Tyler Antrup Courtney B. Scrubbs, Esq, H. Davis Cole, PE, Janet Howard, Joseph Peychaud, Ariane Greenidge, Kimberly A. Thomas, JD,



625 St. Joseph Street
New Orleans, LA 70165
504.529.2837 or 52.WATER

Mr. Lewis reported payments made related to joint infrastructure CEAs to Department of Public Works totaled \$3.2m for January and \$16.2 for last quarter. Management will continue to work with the City and update the Committee monthly on key items such as Minor Drainage Revenue shortfall, Fair Share funding, and Joint Infrastructure projects with the City.

PRESENTATION ITEMS

A. Smart Metering Program: Road to Completion - Rebecca Johnsey, Deputy General Superintendent, SWBNO

Rebecca Johnsey, Deputy GSO, presented on the road to completion for the Smart Meter Project. A timeline of the project was submitted. Project metrics such as 96% of meter upgrades complete, 98% bills based on actual meter reads, and 73% of customers registered for the customer portal were shared. While the installation contract is substantially complete, work continues to finish project close out items, like the network system acceptance. There are less than 7,000 mechanical meters that need to be upgraded and that work will be completed by in-house crews.

B. Updates on Billing Revenue, Credits, and the Collection Process - Susannah Kirby, CCSO, SWBNO and Nicole Kelly, CCSO Manager, SWBNO

Susannah Kirby, Chief Customer Service Officer, and Nicole Kelly, Utility Customer Service Manager, presented updates on Collections, Promise Pay, and HGI. They outlined new Promise Pay measures to increase collections, including adding new delinquent balances to existing plans, allowing payment of current bills through the Promise Pay site, and removing customers from the program if they become delinquent on current bills outside Promise Pay. The team also noted a sharp decline in disputes and credits handled by HGI (the City's third-party billing consultant assisting SWBNO with bill disputes) when comparing the last quarter to earlier activity which commenced in September 2024. This is primarily due to the installation of Smart Meters and accurate billing data increasing consistency and reducing customer questions.

ACTION ITEMS

- Resolution (R-029-2026) Authorizing Extension of Agreement with HDR Engineering, Inc.
 - o **Director Scrubbs moved to approve R-029-2026. Director Howard seconded. The motion carried.**



625 St. Joseph Street
New Orleans, LA 70165
504.529.2837 or 52.WATER

GENERAL SUPERINTENDENT'S REPORT

CONTRACT CHANGE ORDER BY RATIFICATION

- Resolution (R-009-2026) Ratification of Change Order No. 4 for Contract 30229- Carrollton Basin No. 1 Sewer Rehabilitation between The Sewerage and Water Board of New Orleans and BLD Services, LLC.
- Resolution (R-010-2026) Ratification of Change Order No. 5 for Contract 30254- Carrollton Basin No. 13 Sewer Rehabilitation between The Sewerage and Water Board of New Orleans and BLD Services, LLC.
- Resolution (R-011-2026) Ratification of Change Order No. 1 for Contract 30259- Carrollton Basin No. 18 Sewer Rehabilitation between The Sewerage and Water Board of New Orleans and Hard Rock Construction, LLC.
- Resolution (R-013-2026) Ratification of Change Order No. 7 for Contract 1420- Power Complex Phase 1 Equipment Installation and Commissioning between The Sewerage and Water Board of New Orleans and Frischhertz-Barnes a Joint Venture.
 - o **Director Greenidge moved to approve R-009-2026, R-010-2026, R-011-2026, R-013-2026 in globo. Director Scrubbs seconded. The motion carried.**

INFORMATION ITEMS

- A. Report – HGI (December 2025)
- B. Report – CFO (December 2025)
- C. Report – FEMA (January 2026)
- D. Report – EDBP (January 2026)

PUBLIC COMMENT

- Angela Kinlaw, a community member, attended the meeting to encourage SWBNO to ensure an efficient drainage system. Now that SWBNO is responsible for the minor drainage system, she emphasized that the utility has an opportunity to maximize outcomes to better meet the needs of the community. Lastly, Ms. Kinlaw encouraged local hiring to support drainage efforts instead of third-party contracts.



625 St. Joseph Street
New Orleans, LA 70165
504.529.2837 or 52.WATER

ADJOURNMENT

There being no further business to come before the Finance and Administration Committee, Director Kennedy made a motion to adjourn. Director Howard moved. Director Greenidge seconded. The motion carried. The meeting was adjourned at approximately 9:43 a.m.