

SEWERAGE & WATER BOARD OF NEW ORLEANS

SPECIAL FINANCE AND ADMINISTRATION COMMITTEE MEETING

WEDNESDAY, DECEMBER 4, 2019

2:00 PM

**6 2 5 S T . J O S E P H S T R E E T
2 ^{N D} F L O O R B O A R D R O O M**

Lynes Sloss • Janet Howard
Joseph Peychaud • Ralph Johnson • Alejandra Guzman

FINAL AGENDA

- 1. ROLL CALL**
- 2. PRESENTATION ITEMS**
 - SWBNO 2020 Operating and Capital Budget Proposal (Yvette Downs, CFO)
- 3. DISCUSSION ITEMS**
 - Budget Question and Answer
- 4. EXECUTIVE SESSION**
- 5. PUBLIC COMMENT**
- 6. ADJOURNMENT**

2020 OPERATING AND CAPITAL BUDGET PROPOSAL

Sewerage & Water Board of New Orleans
Finance & Administration Committee
November 13, 2019
Prepared by the Budget Department

2019 Achievements

- New Organization Structure
- Stabilized Assets
- CAFR Submitted On Time
- New Funding Identified
- Power Master Plan Initiated:
 - Repair and Replace Outdated Equipment and Assets
 - Movement From Steam to Electric Power
- New Procurement Policies and Procedures
- Enhance Public Outreach and Education
- Focus on Human Resource Management

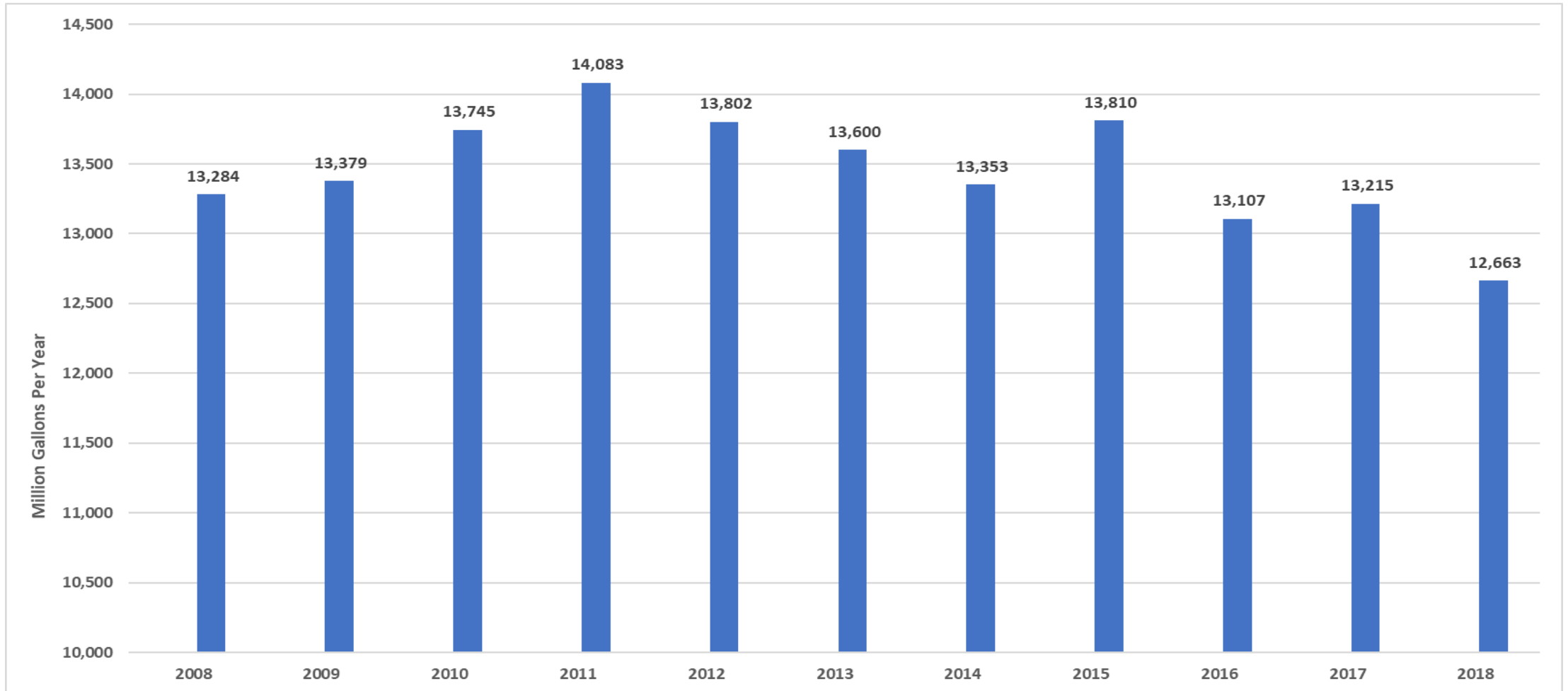
2020 Major Initiatives

- Generator Rental Savings - (\$14.5m)
- Backflow Preventer Initiative - \$3m
- Wet Well Cleaning - \$1.2m
- Underground Canal Cleaning - \$1m
- Service Cut Paving - \$240k
- Valve Exercising - \$138k
- Upgrade security badge system - \$50k
- Safety Training & PPE Enforcement - \$509k
- New CAO, Real Estate & Continuous Improvement Services - \$900k
- New Chief Customer Service Officer - \$200k

2020 Revenues

Water and Sewer Consumption

Billed Water Consumption*

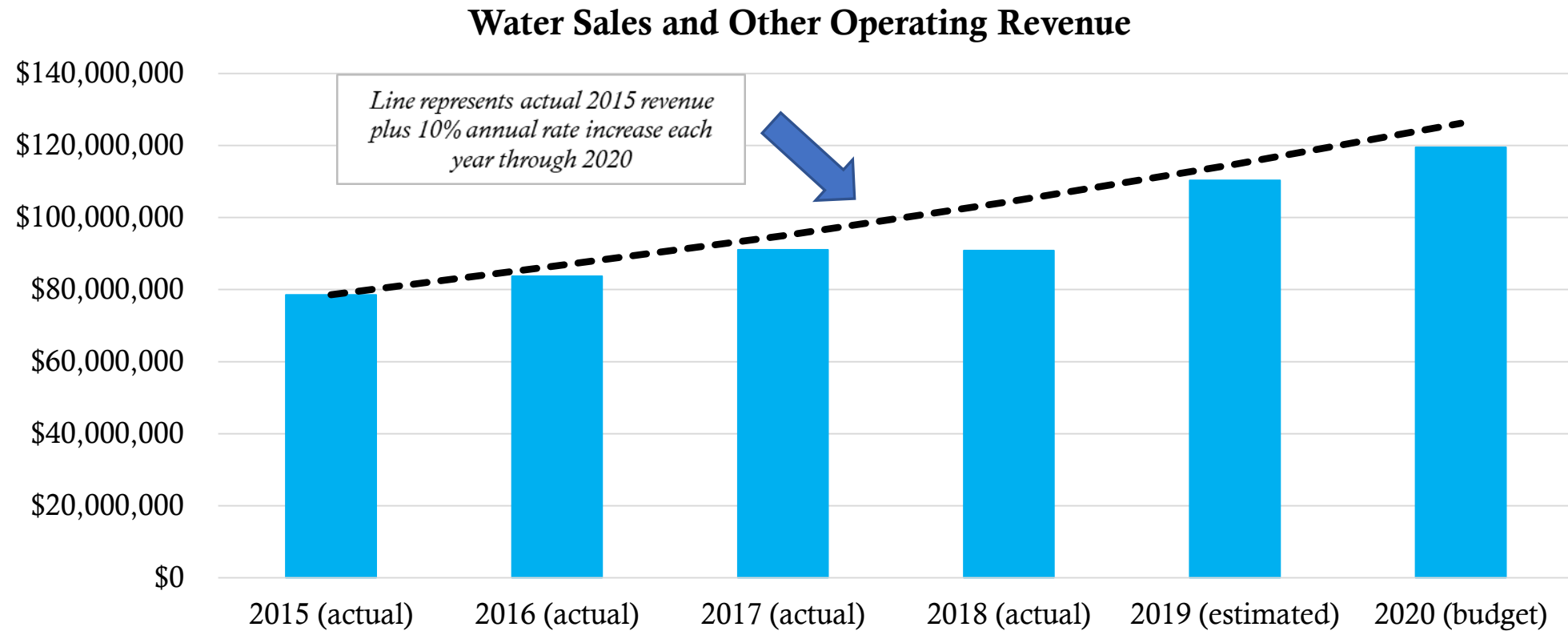


2020 Water and Sewer Operating Revenue Assumptions

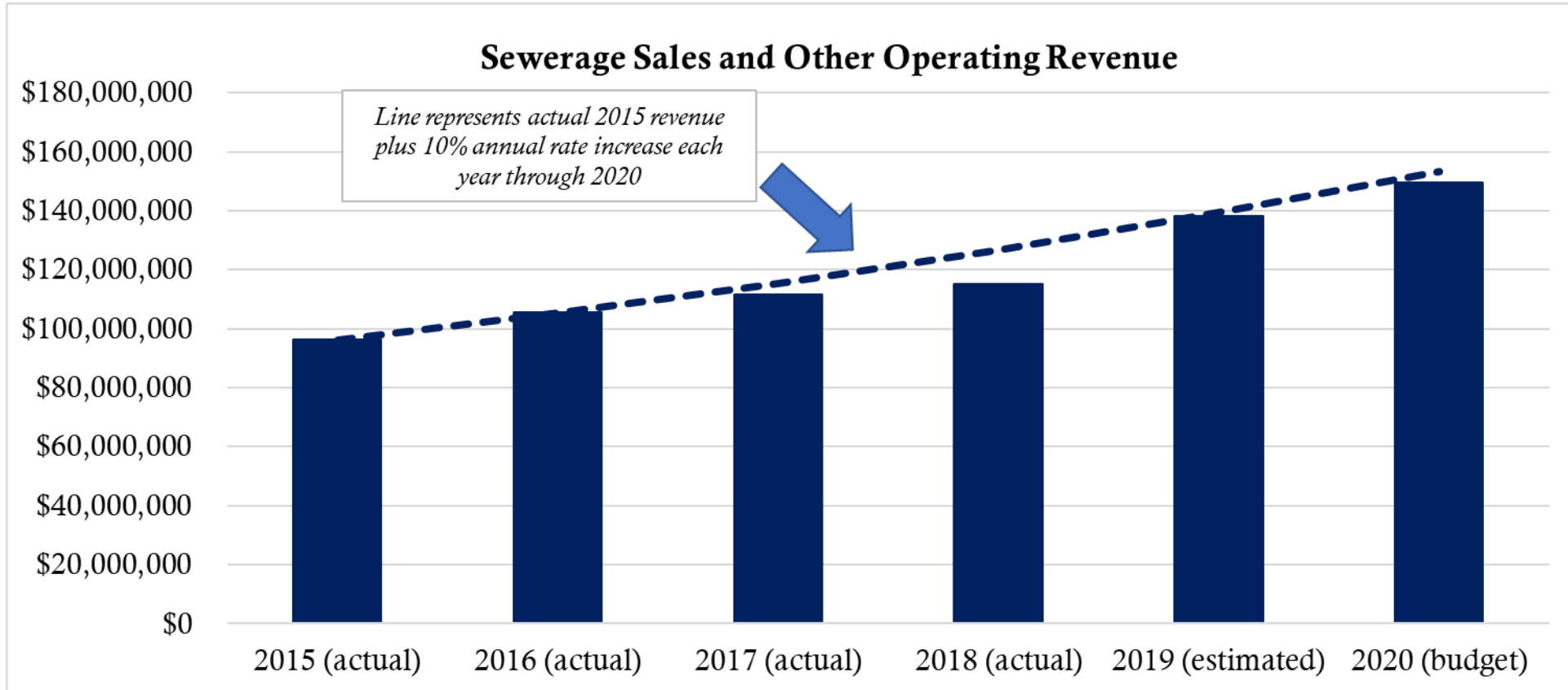
\$263.7M

Revenue Source	Proposed 2020 Budget
Water:	
Water Sales	\$ 118,952,385.00
Adjustments	\$ (2,379,000.00)
Other Water Revenue	\$ 569,995.00
Total Water Revenue	\$ 117,143,380.00
Sewer:	
Sewer Sales	\$ 148,910,517.00
Adjustments	\$ (2,978,000.00)
Other Operating Revenue	\$ 634,837.00
Total Sewer Revenue	\$ 146,567,354.00

Water Revenue Trends



Sewer Revenue Trends

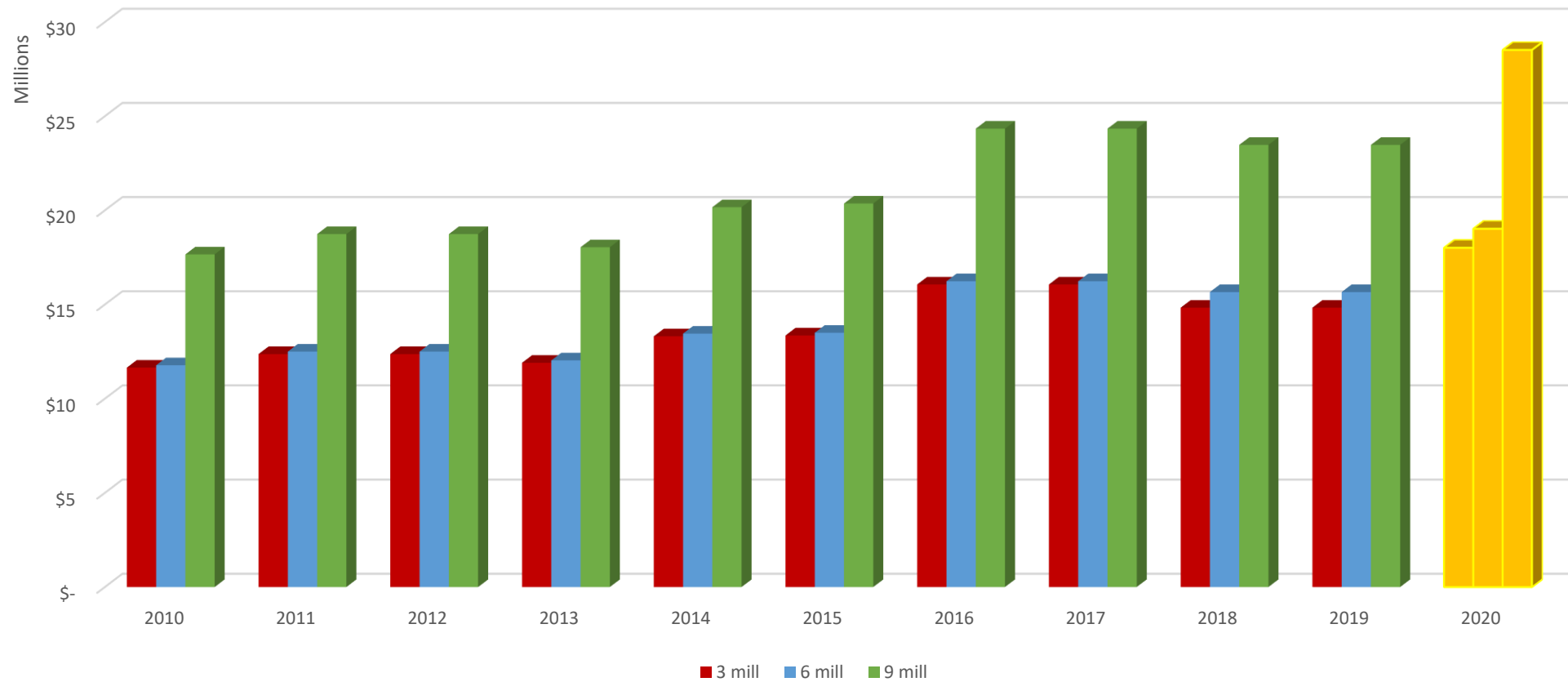


2020 Drainage Revenue Assumptions

Assessment Year	Total Net Taxable	Collection Rate	Millage Rate	Millage Description	Drainage Revenues
2020	\$4,487,546,230	90%	0.00446	Three Mill	18,013,011
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1. Taxable values based on certified tax rolls as of October 2019
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2020 Drainage Revenue Assumptions



Anticipated Fair Share Agreement

Type of Revenue	Revenue Source	Amount Anticipated
On-time	FEMA Revolver Transfer	\$7.65 M
	MCC FUNDS	\$28 M
	HMGP	\$16.5 M
Recurring	Lost Penny	\$8.20
	DDD Millage	\$0.00
	STR Equalization	\$8.20
	Local Privilege	\$4.35
Other	Capital Outlay	\$7.3 M
	GO Zone Repayment Deferral	Save ~\$3.5M annually

2020 Water and Sewer Proposed Revenue Budget

Revenue Source	Actual 2016	Actual 2017	Actual 2018	Budget 2019	Budget 2020
Water:					
Total Water Sales	\$82,946,807	\$90,464,810	\$90,287,081	\$102,615,607	\$116,573,385
Other Operating Revenue	783,126	561,189	583,693	567,041	569,995
Total Water Revenue	\$83,729,933	\$91,025,999	\$90,870,774	\$103,182,648	\$117,143,380
Sewer:					
Total Sewer Sales	\$104,795,182	\$111,063,719	\$114,614,158	\$125,591,928	\$145,932,517
Other Operating Revenue	631,558	620,565	659,170	528,907	634,837
Total Sewer Revenue	\$105,426,740	\$111,684,284	\$115,273,328	\$126,120,835	\$146,567,354
Fair Share:					
Drainage					
9 Mill				\$26,253,824	\$28,513,869
6 Mill				16,585,277	19,022,708
3 Mill				\$17,514,945	\$18,013,011
Total Drainage				\$60,354,046	\$65,549,587.78
Total Revenue				\$289,657,529	\$329,260,322

2020 Operating Budget Proposal

2020 Expense Budget Proposal

**\$11.1 M or
4.1 %
increase**

<i>SWB Level</i>	2019 Budget	2020 Budget Requested Inc/Dec	2020 Budget Request
Total Personnel Services Object Codes (2100- 2950)	\$ 103,151,796.00	\$ 8,281,383.00	\$ 111,433,179.00
<i>Total Services and Utilities Object Codes (3100-3800)</i>	\$ 65,412,429.00	\$ 6,259,083.00	\$ 71,671,512.00
Total Material and Supplies Object Codes(4400-4800)	\$ 55,119,154.00	\$ (4,874,391.00)	\$ 50,244,763.00
<i>Total Special Current Charges Object Codes(5800-5880)</i>	\$ 6,824,502.00	\$ (661,775.00)	\$ 6,162,727.00
Total Furniture and Equipment Object Codes(6900-6980)	\$ 1,260,966.00	\$ 194,437.00	\$ 1,455,403.00
<i>Total for Organization</i>	\$ 231,768,847.00	\$ 9,198,737.00	\$ 240,967,584.00
Debt Service	\$ 38,501,157.00	\$ 1,884,868.00	\$ 40,386,025.00
<i>Total Operating including Debt Service</i>	\$ 270,270,004.00	\$ 11,083,605.00	\$ 281,353,609.00

2020 Budget Proposal By System

Division	Water		Sewerage		Drainage		2020 Adopted
Executive Director	\$	1,068,985	\$	1,356,332	\$	606,329	\$ 3,031,647
Special Counsel	\$	1,376,836	\$	2,044,726	\$	1,167,890	\$ 4,589,452
Chief Administrative Officer	\$	17,526,240	\$	20,805,452	\$	10,443,182	\$ 48,774,875
Communications	\$	303,657	\$	303,657	\$	151,829	\$ 759,143
General Supt./Operations	\$	64,035,345	\$	70,966,855	\$	36,535,749	\$ 171,537,950
Chief Financial Officer	\$	11,377,245	\$	12,851,413	\$	2,236,336	\$ 26,464,995
Chief Customer Service Officer	\$	79,244	\$	79,244	\$	39,622	\$ 198,110
Overhead	\$	(4,966,544)	\$	(4,753,714)	\$	(4,668,330)	\$ (14,388,588)
Total Operating & Maintenance	\$	90,801,009	\$	103,653,966	\$	46,512,609	\$ 240,967,584
2019 Approved	\$	83,348,880	\$	92,279,316	\$	56,140,649	\$ 231,768,845
2020 Proposal vs 2019 Adopted	\$	7,452,129	\$	11,374,650	\$	(9,628,040)	\$ 9,198,739

Debt Service payments not included



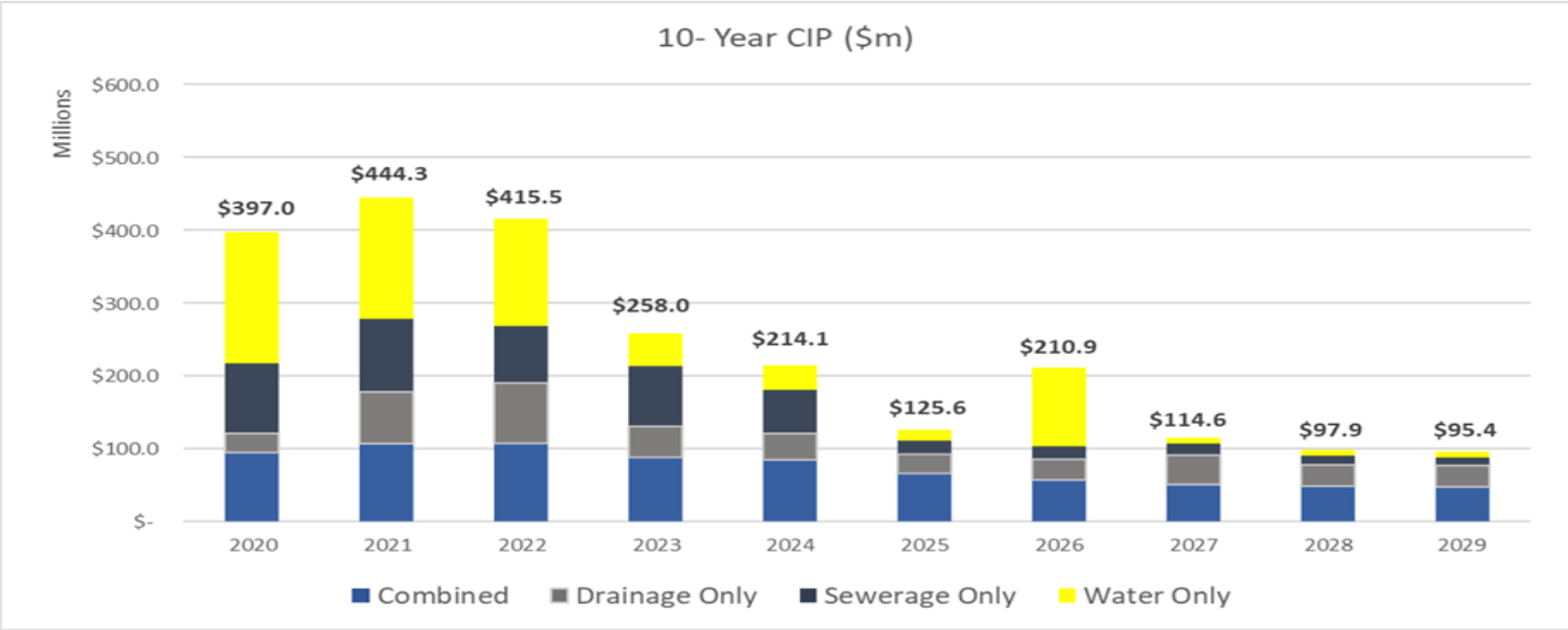
Budget Summary Roll-Up

Department	2019 Budgeted	2020 Budget Request	Increase/Decrease
Executive Director(Ghassan Korban)	\$ 2,897,374.00	\$ 3,031,647.00	\$ 134,273.00
Special Counsel (Yolanda Grinstead)	\$ 3,186,621.00	\$ 4,589,452.00	\$ 1,402,831.00
Chief Administrative Officer (Callahan)	\$ 42,416,092.00	\$ 48,774,875.00	\$ 6,358,783.00
General Superintendent/Operations(Robert Turner)	\$ 172,191,692.00	\$ 171,537,950.00	\$ (653,742.00)
Chief Customer Service	\$ -	\$ 198,110.00	\$ 198,110.00
Communication (Richard Rainey)	\$ 1,182,235.00	\$ 759,143.00	\$ (423,092.00)
Chief Financial Officer (Yvette Downs)	\$ 23,921,516	\$ 26,464,995	\$ 2,543,479.00
Logistics (disestablished)	\$ 361,905.00	\$ -	\$ (361,905.00)
Overhead	\$ (14,388,588.00)	\$ (14,388,588.00)	\$ -
Operating & Maintenance	\$231,768,847.00	\$ 240,967,584.00	\$ 9,198,737.00
Debt Service			
Water	\$ 13,333,550.00	\$ 13,473,550.00	
Sewerage	\$ 23,139,057.00	\$ 21,730,455.00	
Drainage	\$ 2,028,550.00	\$ 2,035,950.00	
Go Zone		\$ 3,146,070.00	
Total Debt Service	\$38,501,157.00	\$ 40,386,025.00	\$ 1,884,868.00
Total Operating & Maint Including debt Service	\$270,270,004.00	\$ 281,353,609.00	\$ 11,083,605.00

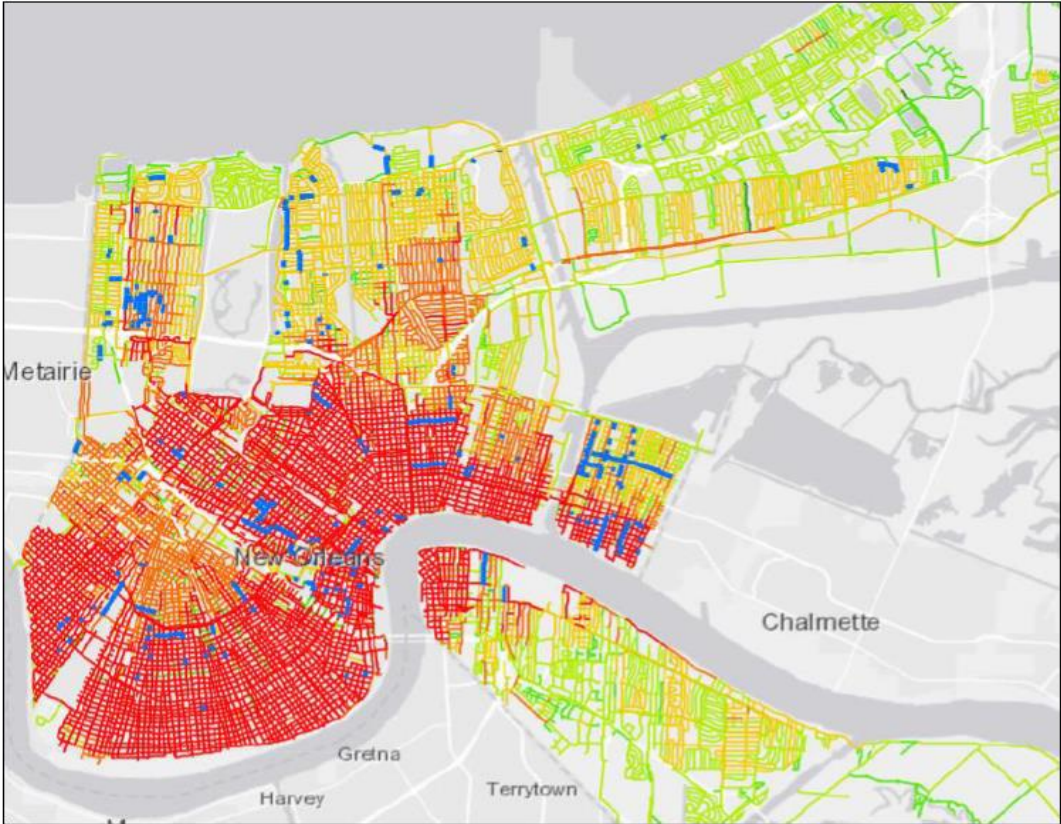
2020 Capital Improvement Plan Proposal

2020-2029 PROJECTED CAPITAL NEEDS

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	10 Year Total
COMBO	\$94,580,252	\$106,069,295	\$106,967,750	\$87,811,250	\$84,204,800	\$65,739,250	\$56,757,750	\$50,482,500	\$48,188,500	\$47,339,000	\$748,640,347
DRAINAGE	\$26,172,615	\$70,964,021	\$82,721,679	\$42,498,427	\$36,375,000	\$26,375,000	\$28,375,000	\$40,375,000	\$29,275,000	\$29,275,000	\$412,406,742
SEWERAGE	\$96,080,266	\$100,230,842	\$78,388,243	\$82,772,483	\$59,772,483	\$18,550,000	\$17,850,000	\$15,900,000	\$12,620,000	\$10,925,000	\$493,089,317
WATER	\$180,146,051	\$166,580,529	\$147,929,087	\$44,936,579	\$33,725,000	\$14,965,000	\$107,965,000	\$7,865,000	\$7,865,000	\$7,865,000	\$691,342,246
TOTALS	\$396,979,184	\$444,344,687	\$415,506,759	\$258,018,739	\$214,077,283	\$125,629,250	\$210,947,750	\$114,622,500	\$97,948,500	\$95,404,000	\$2,373,478,652



AGING WATER INFRASTRUCTURE



Indicates approximately 23 miles of repairs/replacements made under various post-Katrina construction programs

Age of Water Mains	Length of Water Mains (miles)	Percent of distribution system
1900 - 1919	525.02	34.3%
1920 - 1939	208.22	13.6%
1940 - 1959	309.35	20.2%
1960 - 1979	389.47	25.5%
1980 - 1999	97.35	6.4%
2000 - 2019	0.90	0%*
TOTAL :	1,530.3	

*0.05%

48" Water Main Break – Precautionary BWA for Uptown



Panola and Lowerline Streets



Major CIP Focus in 2020

- SCADA Improvements
- JIRR Program
- Sewer Consent Decree
- Lead Line Replacements
- Power Master Planning
- Continuation of HMGP Projects
- Technology Improvements
- Fleet/Equipment Replacement

2020 PROPOSED CAPITAL EXPENDITURES

	2020 Requested
Water	\$161,857,198
Sewer	\$94,165,266
Drainage	\$15,612,615
Combo	\$53,759,802
TOTAL	\$325,394,881

Sewerage and Water Board of New Orleans Capital Budget Comparison 2019 Adopted vs 2020 Requested

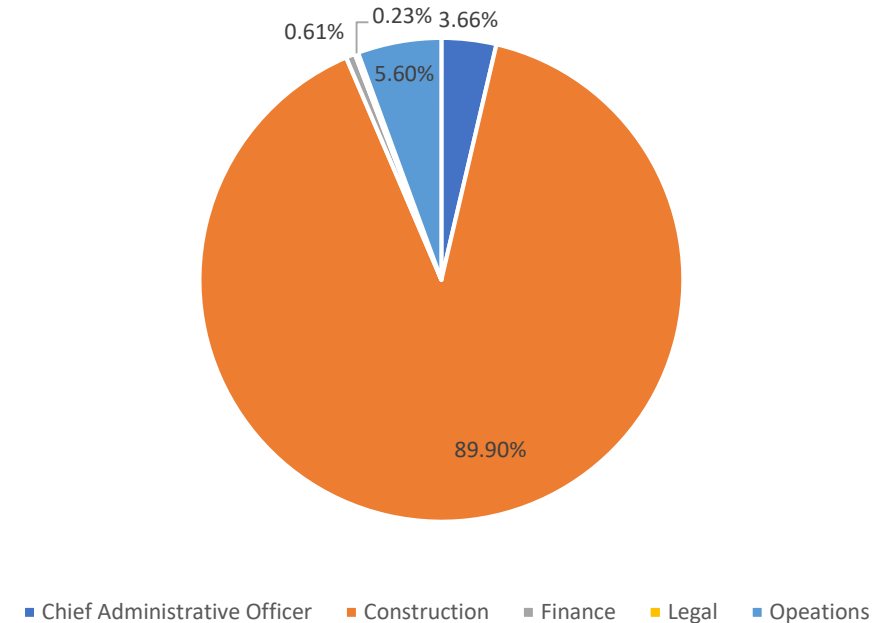
	2019 Adopted
Water	\$48,129,240
Sewer	\$55,357,381
Drainage	\$32,282,354
Combo	\$30,896,755
TOTAL	\$166,665,730

	2020 Requested
Water	\$161,857,198
Sewer	\$94,165,266
Drainage	\$15,612,615
Combo	\$53,759,802
TOTAL	\$325,394,881

The 2020 Requested Budget is **\$158,729,151** more than the 2019 Adopted Budget.

2020 Capital Expenditure Budget By Division

	2020
Chief Administrative Officer	\$11,900,000
Construction	\$292,534,881
Finance	\$2,000,000
Legal	\$750,000
Operations	\$18,210,000
TOTAL	\$325,394,881



Grant Funded Projects

Project Description	Funding Source	Amount
Sewer JIRR and Consent Decree Projects	FEMA/WIFIA/OTHER	\$ 73,505,266.00
Replacement of Water Distribution System on East Bank	FEMA	\$ 67,223,219.00
Water Hammer Hazard Mitigation Program	FEMA	\$ 37,300,000.00
Modifications/Upgrades of EMD's	FEMA	\$ 8,500,000.00
Replace/Upgrade Drainage System Associated with JIRR FEMA Projects	FEMA	\$ 3,137,615.00
JIRR Replacement of Identified ADA Ramps	FEMA	\$ 2,383,979.00
Upgrade & Expansion of SCADA	NDR Grant	\$ 1,200,000.00
CWP West Substation	Capital Outlay	\$ 7,966,152.00
Oak Street Pump Station Retrofit	HMGP	\$ 8,250,000.00
	Total	\$209,466,231.00

Fair Share Projects

Project Description	Funding Source	Amount
SELA Debt	SWB	\$ 5,500,000.00
AMI Phase 1 (Survey)	SWB	\$ 2,000,000.00
Master Plan Development	SWB	\$ 2,000,000.00
Rehab of Underground Drainage Canals	SWB	\$ 1,000,000.00
Sycamore Filter Gallery Design	SWB	\$ 9,000,000.00
Cross Connection Phase 2 Remediation	SWB	\$ 1,000,000.00
	Total	\$ 20,500,000.00

Projects With Targeted Funding

Project Description	Funding Source	Amount
Water Line Replacements	LDH/EPA	\$ 30,000,000.00
Vehicle/Equipment Replacements	Appropriation Financing	\$ 10,000,000.00
Security Systems	EPA Grant	\$ 400,000.00
Technology Implementations	Appropriation Financing	\$ 11,000,000.00
Sewer Extention/Main Replacement Work	Sewer Bonds	\$ 12,710,000.00
Misc Repairs at Various Sewerage Pumping Stations	Sewer Bonds	\$ 6,150,000.00
Westbank WWTP Improvements	Sewer Bonds	\$ 400,000.00
Bio Reactor Train #4	Sewer Bonds	\$ 1,400,000.00
Water Main Replacements (DPW)	Water Bonds	\$ 4,400,000.00
Drain Lines Replacement (36 " and greater)	Drainage Fund	\$ 1,025,000.00
Bulk Chemical Feed	Water Bonds	\$ 11,000,000.00
Carrollton Water Plant Roof Replacement	HMGP Grant	\$ 1,800,000.00
Claiborne and Panola Pumping Stations Stormproofing	HMGP Grant	\$ 200,000.00
Green Infrastructure	Paygo	\$ 843,650.00
Lead Line Replacement	Paygo	\$ 350,000.00
SELA Legal Support	Paygo	\$ 750,000.00
SELA Program Management/Forensic Engineering	Paygo	\$ 2,500,000.00
SELA Claims Management	Paygo	\$ 500,000.00
	Total	\$ 95 ,428,650.00

2020 Budgeted Positions

			2020
	Budget Filled	Budget Vacant	Total Positions
Chief Administrative Officer	53	12	65
Chief Financial Officer	326	52	378
Communications	2	2	4
Chief Customer Service Officer	0	0	0
Executive Director	5	11	16
General Superintendent/Operations	961	142	1103
Special Counsel	12	5	17
	1359	224	1583

Sewerage and Water Board 2020 Budget Proposal



Mission and Guiding Principles



Sewerage and Water Board of New Orleans


Our Mission and Vision

Our Mission

We Serve the people of New Orleans and improve their quality of life by providing safe drinking water; removing waste water for safe return to the environment ;and draining storm water to protect our community. Our team of experts does the reliably, continuously, and at a reasonable cost.

Our Vision

Our vision is to earn and hold the trust and confidence of our customers and community for reliable and sustainable water services and to be a model Utility in the water industry.



Sewerage and Water Board of New Orleans

Our Guiding Principles

<p style="text-align: center;">Teamwork</p> <p>We work as a team with our coworkers, partner agencies, and the community to get the job done. We are strong leaders and followers, but most importantly, great teammates</p>	<p style="text-align: center;">Customer Focus</p> <p>We provide consistent, high quality customer service in everything we do. We treat each customer with care and respect and we take their satisfaction as a personal mission.</p>	
<p style="text-align: center;">Honesty and Integrity</p> <p>We serve the public and must earn their trust every day through our professional and personal conduct, being ethical and transparent in all we do.</p>	<p style="text-align: center;">Service excellence</p> <p>As a public utility we have a duty to serve our city and its visitors. They count on us to perform our jobs well and to strive for excellence in everything we do.</p>	<p style="text-align: center;">Safety</p> <p>We look out for each other and protect those we serve. We engage in and abide by safe practices at all times. We never hesitate to act or speak up when we see an unsafe situation</p>
<p style="text-align: center;">Workplace Climate</p> <p>We maintain a positive, safe work environment. We want to be an employer of choice and a place where employees desire to come to work each day. We are inclusive, treat each member with respect, and value every member of our team.</p>		<p style="text-align: center;">Accountability</p> <p>What we do is of the highest importance to the people of New Orleans. As good stewards of public resources, we hold ourselves and each other to the highest standard.</p>

Introduction

For 120 years, the Sewerage and Water Board of New Orleans (S&WB) has served the City, providing quality water, sewer, and drainage services to keep its residents safe and healthy. The utility is presently finishing an intense period of emergency recovery after years of deferred maintenance led to systemic deficiencies. Its operations are stable, and its organizational performance continues to improve. To stay on that course of success, however, S&WB relies on several critical factors:

- A supportive and engaged Board of Directors;
- A team of committed and skilled employees;
- An organizational desire to improve operational efficiency;
- Extensive and updated infrastructure and equipment;
- Satisfied customers and stakeholders; and Financial sustainability and long-range planning.

This document details S&WB's financial plan for FY 2020 with these factors in mind. It provides a high-level overview of the financial picture of the utility with regard to the organization's bond rating, operating and capital budgets. It then describes S&WB's strategic initiatives for 2020, as well as those of each Deputy Director. After identifying the utility's needs, this summary highlights New Orleans' demographics, including customer demand. It concludes with a discussion of the states of its water, sewer, and drainage funds in the context of FY 2020 priorities and projections.

The financial information presented in this budget book is essential to support S&WB's Vision:

To earn and hold the trust and confidence of our customers and community for reliable and sustainable water services, and to be a model utility in the water industry.



2019 Achievements

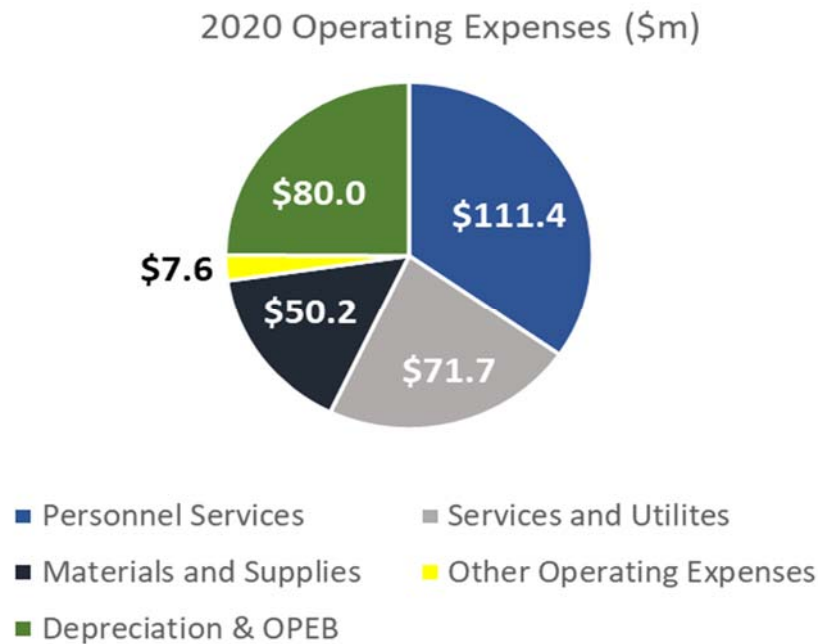
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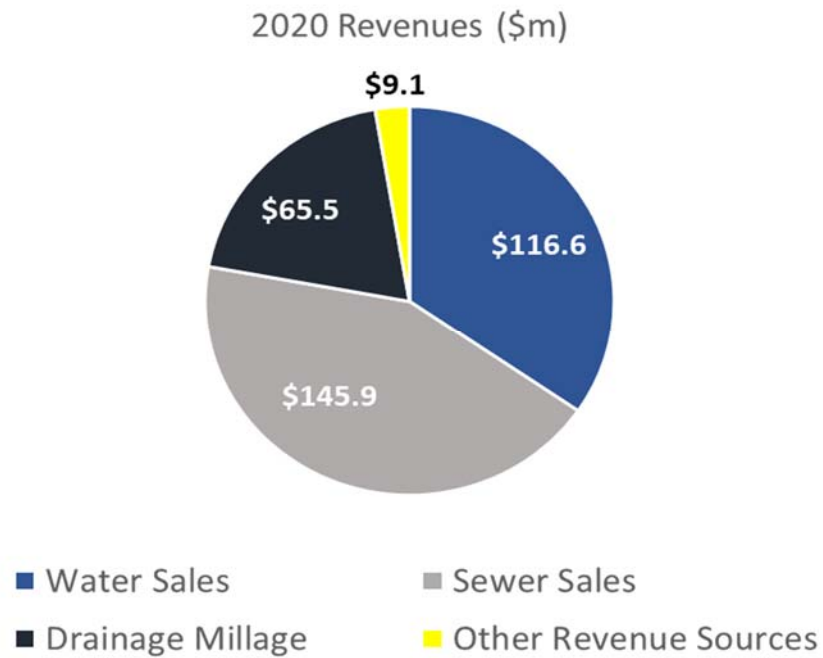
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- New CAO, Real Estate & Continuous Improvement Services - \$900k
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Financial Overview

Like many utilities, S&WB is challenged to support an expansive and aging infrastructure. This infrastructure, as well as the associated regulatory requirements and staffing needs, have and continue to increase utility costs. To fund utility operations and finance capital projects, S&WB's primary revenue sources are water and sewer rates and drainage millages. The S&WB will implement approved water and sewer rate increases in 2020 and continue to collect tax revenue for drainage costs.



S&WB has prepared its 2020 Budget on a modified accrual basis. On an accrual basis, total expenses during 2020 are projected to be about \$360 million. On a cash basis, which only includes direct operating and maintenance costs and principal and interest on debt service, S&WB expects to spend roughly \$281 million. Excess revenues above these expenses will be used for capital reinvestment.



S&WB expects to recover roughly \$337 million in revenues during 2020. Operating revenues are generated primarily from water and sewer user charges, though S&WB collects a small amount of other operating revenues from penalties and miscellaneous fees. Non-Operating revenues consist of drainage millage collections, interest, and other miscellaneous non-operating revenues.

2020 Revenues

Water and Sewer Rate Update

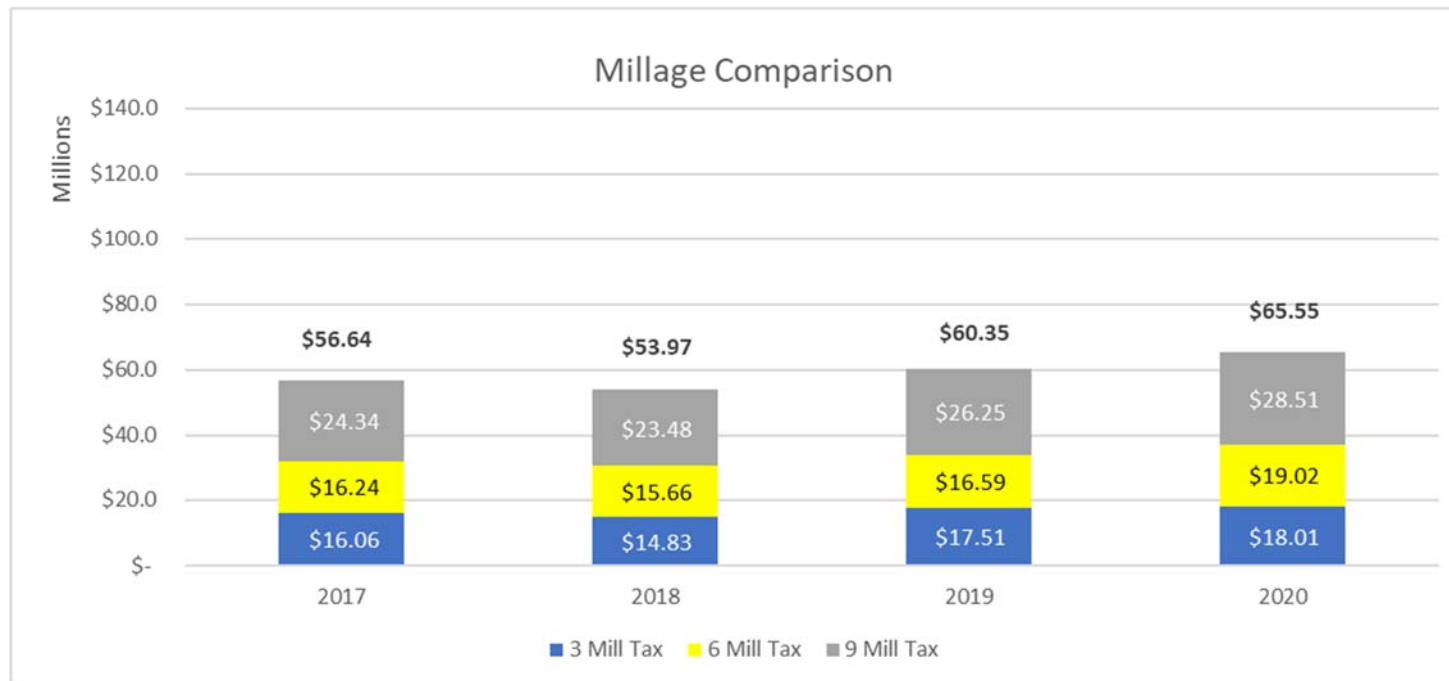
In 2020, S&WB will implement the final rate increase of an eight-year utility rate program that was approved in 2012 and implemented in 2013. The 2020 rate structure and rates reflect a 10% increase from 2019 rates. A new rate study will be completed in 2020.

Drainage Revenue

The drainage utility service is funded through ad valorem property taxes:

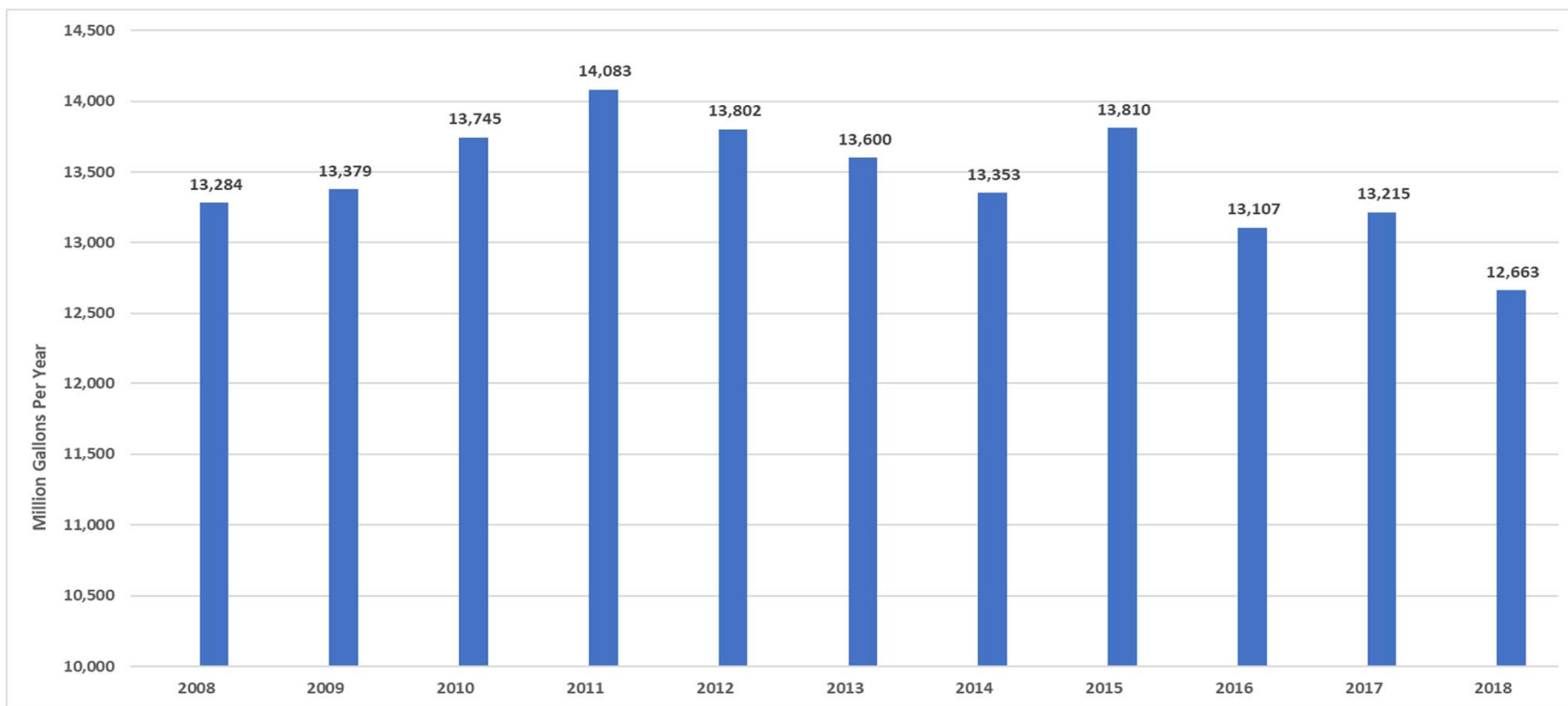
- Three Mill
- Six Mill
- Nine Mill

These millages provide the most stable type of revenue. However, this also means that the utility cannot increase revenues through rate adjustments, and thus is limited by the revenue these millages generate. The anticipated revenue for the drainage utility is \$65 million.



Water and Sewer Consumption

Billed Water Consumption*

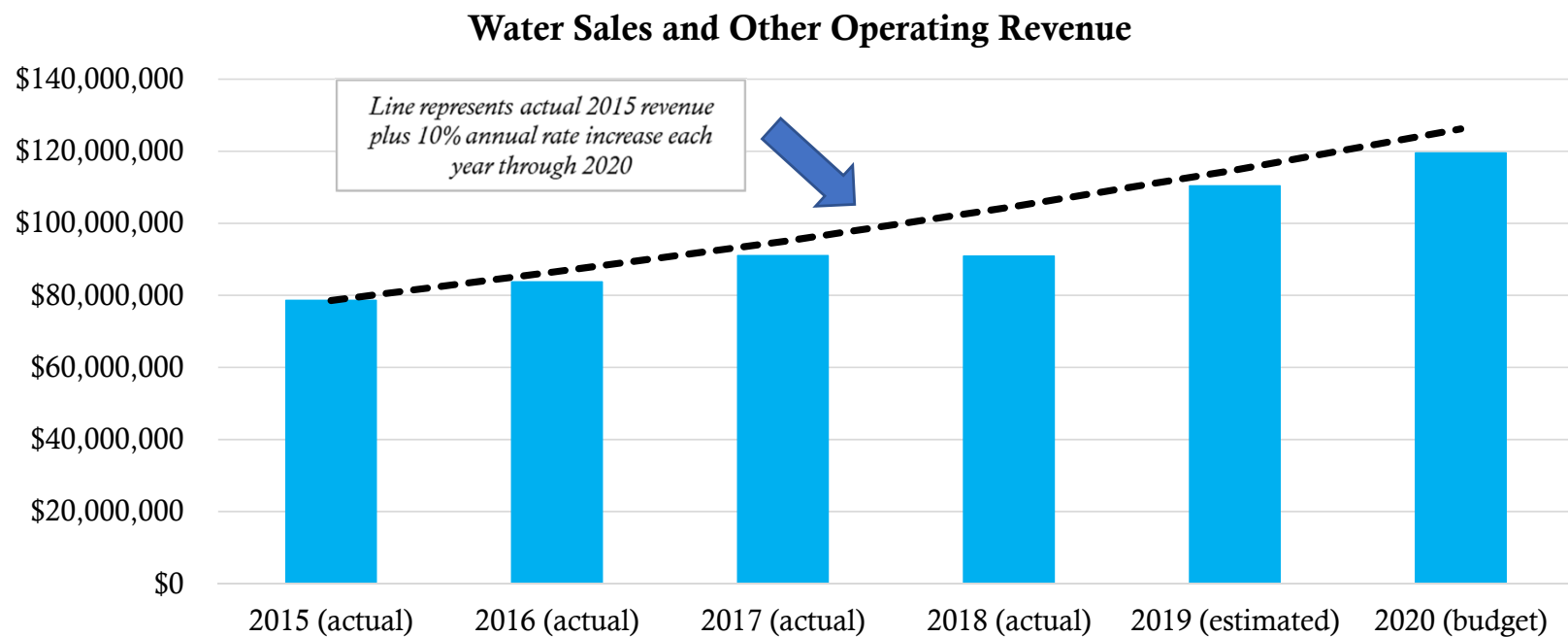


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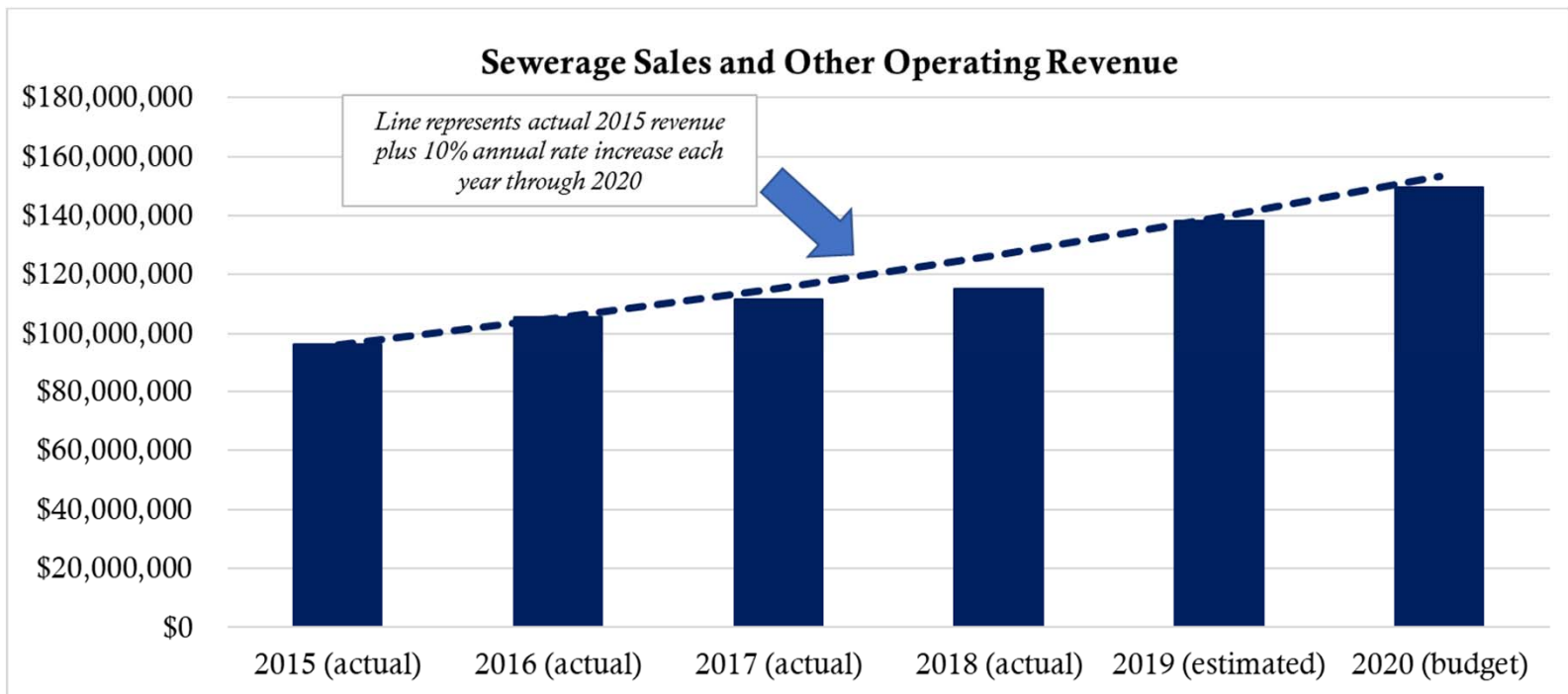
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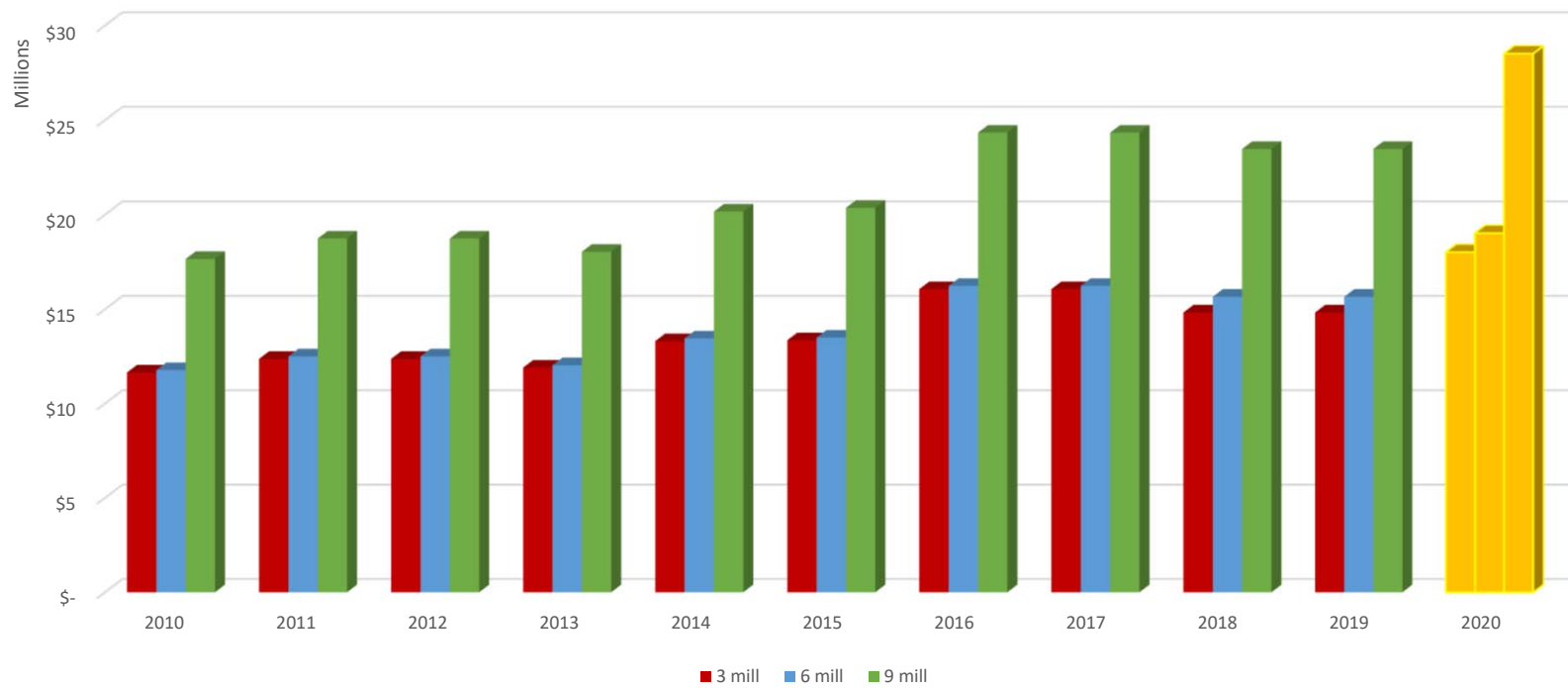
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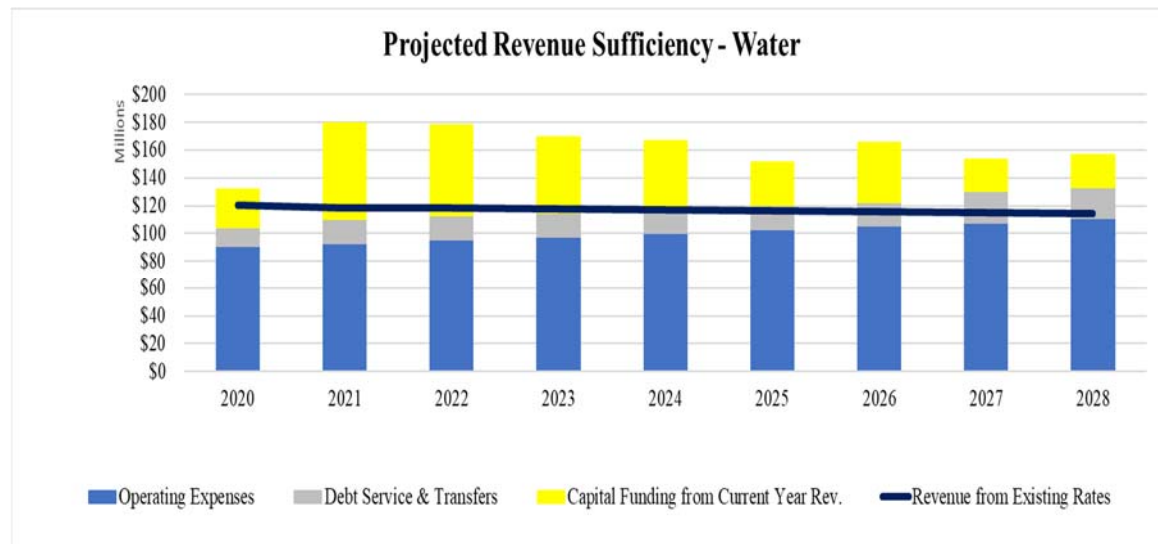
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	GO Zone Repayment Deferral	Save ~\$3.5M annually

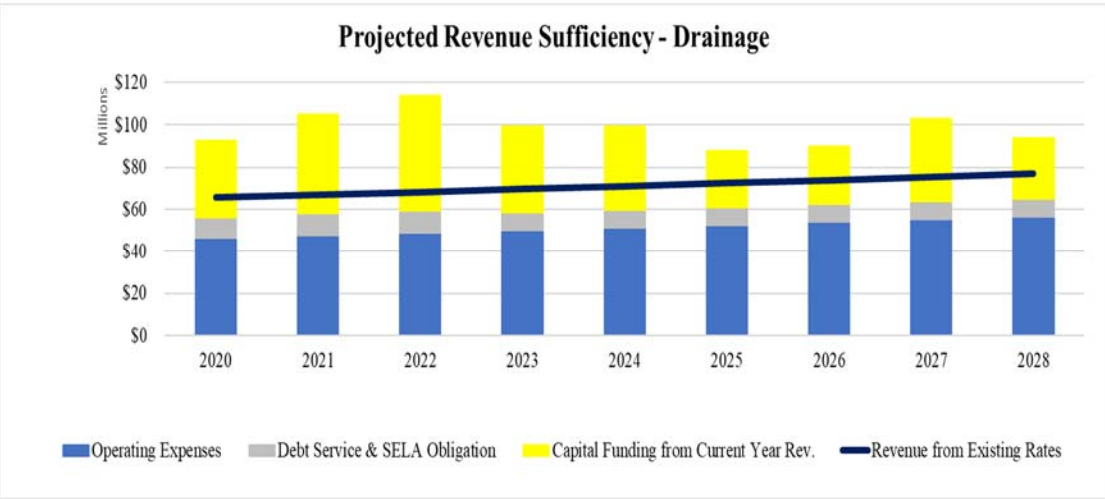
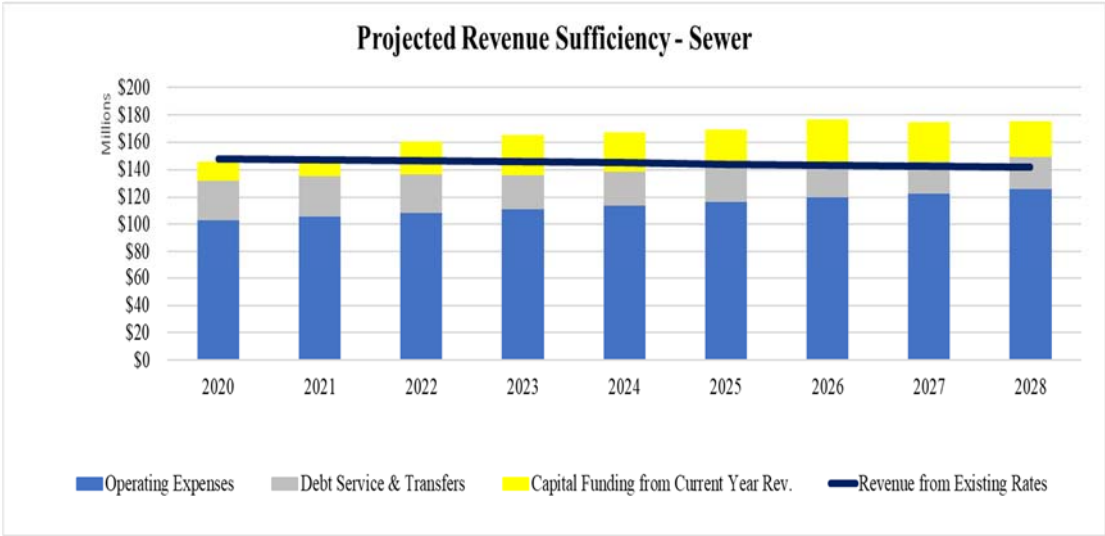
2020 Water and Sewer Proposed Revenue Budget

Revenue Source	Actual 2016	Actual 2017	Actual 2018	Budget 2019	Budget 2020
Water:					
Total Water Sales	\$82,946,807	\$90,464,810	\$90,287,081	\$102,615,607	\$116,573,385
Other Operating Revenue	783,126	561,189	583,693	567,041	569,995
Total Water Revenue	\$83,729,933	\$91,025,999	\$90,870,774	\$103,182,648	\$117,143,380
Sewer:					
Total Sewer Sales	\$104,795,182	\$111,063,719	\$114,614,158	\$125,591,928	\$145,932,517
Other Operating Revenue	631,558	620,565	659,170	528,907	634,837
Total Sewer Revenue	\$105,426,740	\$111,684,284	\$115,273,328	\$126,120,835	\$146,567,354
Fair Share:					
Drainage					
9 Mill				\$26,253,824	\$28,513,869
6 Mill				16,585,277	19,022,708
3 Mill				\$17,514,945	\$18,013,011
Total Drainage				\$60,354,046	\$65,549,587.78
Total Revenue				\$289,657,529	\$329,260,322

System Revenue Sufficiency

As shown in the graphic below, growing operating costs and continued reinvestment in the S&WB's capital infrastructure will continue to push total utility costs higher through 2027. After 2020, existing rates will no longer be sufficient to fully recover system costs and additional rate increases will be required. S&WB will perform a comprehensive rate study to ensure that rates for 2021 and there after are sufficient to fully recover system costs and do so in an equitable and affordable manner.





2020 Operating Budget Proposal

2020 Expense Budget Proposal

\$11.1 M or
4.1 %
increase

<i>SWB Level</i>	2019 Budget	2020 Budget Requested Inc/Dec	2020 Budget Request
Total Personnel Services Object Codes (2100- 2950)	\$ 103,151,796.00	\$ 8,281,383.00	\$ 111,433,179.00
Total Services and Utilities Object Codes (3100-3800)	\$ 65,412,429.00	\$ 6,259,083.00	\$ 71,671,512.00
Total Material and Supplies Object Codes(4400-4800)	\$ 55,119,154.00	\$ (4,874,391.00)	\$ 50,244,763.00
Total Special Current Charges Object Codes(5800-5880)	\$ 6,824,502.00	\$ (661,775.00)	\$ 6,162,727.00
Total Furniture and Equipment Object Codes(6900-6980)	\$ 1,260,966.00	\$ 194,437.00	\$ 1,455,403.00
Total for Organization	\$ 231,768,847.00	\$ 9,198,737.00	\$ 240,967,584.00
Debt Service	\$ 38,501,157.00	\$ 1,884,868.00	\$ 40,386,025.00
Total Operating including Debt Service	\$ 270,270,004.00	\$ 11,083,605.00	\$ 281,353,609.00

2020 Budget Proposal By System

Division	Water		Sewerage		Drainage		2020 Adopted
Executive Director	\$	1,068,985	\$	1,356,332	\$	606,329	\$ 3,031,647
Special Counsel	\$	1,376,836	\$	2,044,726	\$	1,167,890	\$ 4,589,452
Chief Administrative Officer	\$	17,526,240	\$	20,805,452	\$	10,443,182	\$ 48,774,875
Communications	\$	303,657	\$	303,657	\$	151,829	\$ 759,143
General Supt./Operations	\$	64,035,345	\$	70,966,855	\$	36,535,749	\$ 171,537,950
Chief Financial Officer	\$	11,377,245	\$	12,851,413	\$	2,236,336	\$ 26,464,995
Chief Customer Service Officer	\$	79,244	\$	79,244	\$	39,622	\$ 198,110
Overhead	\$	(4,966,544)	\$	(4,753,714)	\$	(4,668,330)	\$ (14,388,588)
Total Operating & Maintenance	\$	90,801,009	\$	103,653,966	\$	46,512,609	\$ 240,967,584
2019 Approved	\$	83,348,880	\$	92,279,316	\$	56,140,649	\$ 231,768,845
2020 Proposal vs 2019 Adopted	\$	7,452,129	\$	11,374,650	\$	(9,628,040)	\$ 9,198,739

Debt Service payments not included

Sewerage and Water Board of New Orleans 2020 Operating Budget By System

Division	A	B	C	D
	Water	Sewerage	Drainage	2020 Recommended
1 Executive Director	\$ 1,068,985	\$ 1,356,332	\$ 606,329	\$ 3,031,647
2 Special Counsel	\$ 1,376,836	\$ 2,044,726	\$ 1,167,890	\$ 4,589,452
3 Chief Administrative Officer	\$ 17,526,240	\$ 20,805,452	\$ 10,443,182	\$ 48,774,875
4 Communications	\$ 303,657	\$ 303,657	\$ 151,829	\$ 759,143
5 General Supt./Operations	\$ 64,035,345	\$ 70,966,855	\$ 36,535,749	\$ 171,537,950
6 Chief Financial Officer	\$ 11,377,245	\$ 12,851,413	\$ 2,236,336	\$ 26,464,995
7 Chief Customer Service Officer	\$ 79,244	\$ 79,244	\$ 39,622	\$ 198,110
8 Overhead	\$ (4,966,544)	\$ (4,753,714)	\$ (4,668,330)	\$ (14,388,588)
9 Total Operating & Maintenance	\$ 90,801,009	\$ 103,653,966	\$ 46,512,609	\$ 240,967,584
10 Debt Service	\$ 13,473,550	\$ 24,876,525	\$ 2,035,950	\$ 40,386,025
11 Depreciation & Allowance Expenses (non-cash)	\$ 18,932,000	\$ 27,125,000	\$ 22,950,000	\$ 69,007,000
12 OPEB Liability (non-cash)	\$ 3,666,667	\$ 3,666,667	\$ 3,666,667	\$ 11,000,000
13 Total Expense	\$ 126,873,226	\$ 159,322,158	\$ 75,165,225	\$ 361,360,609

Sewerage and Water Board of New Orleans 2020 Operating Budget By System

	A	B	C	D
	Water	Sewerage	Drainage	Total
Operating Revenues:				
1 Revenues from Charges	\$ 118,952,385	\$ 148,910,517	\$ -	\$ 267,862,902
2 Other Operating Revenues	\$ 569,995	\$ 634,837	\$ -	\$ 1,204,832
3 Adjustment for Uncollectible Accounts	\$ (2,379,000)	\$ (2,978,000)	\$ -	\$ (5,357,000)
4 Total Operating Revenues	\$ 117,143,380	\$ 146,567,354	\$ -	\$ 263,710,734
Operating Expenses:				
5 Operating & Maintenance Expenses	\$ 90,801,009	\$ 103,653,966	\$ 46,512,609	\$ 240,967,584
6 Depreciation & Allowances Expenses (non-cash)	\$ 18,932,000	\$ 27,125,000	\$ 22,950,000	\$ 69,007,000
7 OPEB Liability (non-cash)	\$ 3,666,667	\$ 3,666,667	\$ 3,666,667	\$ 11,000,000
8 Total Operating Expense	\$ 113,399,676	\$ 134,445,633	\$ 73,129,275	\$ 320,974,584
9 Net Operating Income	\$ 3,743,704	\$ 12,121,721	\$ (73,129,275)	\$ (57,263,850)
Non-Operating Revenues (Expenses)				
10 Tax Revenues	\$ -	\$ -	\$ 65,549,588	\$ 65,549,588
11 Interest Income	\$ 526,861	\$ 468,683	\$ 504,031	\$ 1,499,575
12 Other Non-Operating Revenues	\$ 2,500,984	\$ 873,669	\$ 512,948	\$ 3,887,601
13 FEMA Expense Reimbursement	\$ 756,943	\$ 1,261,571	\$ 504,628	\$ 2,523,142
14 Total Non-Operating Revenues	\$ 3,784,788	\$ 2,603,923	\$ 67,071,195	\$ 73,459,905
Non-Operating Expenses:				
15 Interest Expense - Series 2011 Bonds	\$ -	\$ 57,380	\$ -	\$ 57,380
16 Interest Expense - Series 2014 Bonds	\$ 4,760,000	\$ 4,574,075	\$ 140,950	\$ 9,475,025
17 Interest Expense - Series 2015 Bonds	\$ 4,888,550	\$ 5,000,000	\$ -	\$ 9,888,550
18 LADEQ Loan	\$ -	\$ -	\$ -	\$ -
19 Go Zone Interest Expense	\$ -	\$ -	\$ -	\$ -
20 Capitalized Interest	\$ (9,648,550)	\$ (9,631,455)	\$ (140,950)	\$ (19,420,955)
21 Total Non-Operating Expenses	\$ -	\$ -	\$ -	\$ -
22 Net Income	\$ 7,528,492	\$ 14,725,644	\$ (6,058,081)	\$ 16,196,055
Debt Service				
23 Net Income	7,528,492	\$ 14,725,644	\$ (6,058,081)	\$ 16,196,055
24 Depreciation & Allowances Expenses (non- cash)	\$ 18,932,000	\$ 27,125,000	\$ 22,950,000	\$ 69,007,000
25 OPEB Liability (non-cash)	\$ 3,666,667	\$ 3,666,667	\$ 3,666,667	\$ 11,000,000
26 Cash Available for Debt Service	\$ 30,127,159	\$ 45,517,310	\$ 20,558,586	\$ 96,203,055
27 Debt Service Principal/Interest	\$ 13,473,550	\$ 21,730,455	\$ 2,035,950	\$ 37,239,955
28 GO Zone	\$ -	\$ 3,146,070	\$ -	\$ 3,146,070
29 Cash Available After Debt Service	\$ 16,653,609	\$ 20,640,785	\$ 18,522,636	\$ 55,817,030

Sewerage and Water Board of New Orleans 2020 Operating Budget By System

	A 2018 Budget	B 2019 Budget	C 2020 Budget
Operating Revenues:			
1 Revenues from Charges	\$ 234,584,616	\$ 232,158,448	\$ 267,862,902
2 Other Operating Revenues	\$ 4,397,477	\$ 1,092,035	\$ 1,204,832
3 Adjustment for Uncollectible Accounts	\$ (4,691,693)	\$ (3,947,000)	\$ (5,357,000)
4 Total Operating Revenues	\$ 234,290,400	\$ 229,303,483	\$ 263,710,734
Operating Expenses:			
5 Operating & Maintenance Expenses	\$ 217,344,481	\$ 231,768,846	\$ 240,967,584
6 Depreciation & Allowances Expenses (non-cash)	\$ 59,867,000	\$ 59,867,000	\$ 69,007,000
7 OPEB Liability (non-cash)	\$ 10,000,000	\$ 10,000,000	\$ 11,000,000
8 Total Operating Expense	\$ 287,211,481	\$ 301,635,846	\$ 320,974,584
9 Net Operating Income	\$ (52,921,081)	\$ (72,332,363)	\$ (57,263,850)
Non-Operating Revenues			
10 Tax Revenues	\$ 53,966,337	\$ 60,354,046	\$ 65,549,588
11 Interest Income	\$ 1,384,981	\$ -	\$ 1,499,575
12 Other Non-Operating Revenues	\$ 3,065,709	\$ 1,781,544	\$ 3,887,601
13 FEMA Expense Reimbursement	\$ 3,292,601	\$ 4,523,081	\$ 2,523,142
14 Total Non-Operating Revenues	\$ 61,709,628	\$ 66,658,671	\$ 73,459,905
Non-Operating Expenses:			
15 Interest Expense - Series 2011 Bonds	\$ 65,607	\$ 61,513	\$ 57,380
16 Interest Expense - Series 2014 Bonds	\$ 11,033,800	\$ 10,256,000	\$ 9,475,025
17 Interest Expense - Series 2015 Bonds	\$ 9,940,550	\$ 9,919,550	\$ 9,888,550
18 LADEQ Loan	\$ -	\$ -	\$ -
19 Go Zone Interest Expense	\$ -	\$ -	\$ -
20 Capitalized Interest	\$ (20,974,350)	\$ (20,237,063)	\$ (19,420,955)
21 Total Non-Operating Expenses	\$ 65,607	\$ -	\$ -
22 Net Income	\$ 8,722,940	\$ (5,673,692)	\$ 16,196,055

Sewerage and Water Board of New Orleans 2020 Operating Budget By System

Sewerage and Water Board of New Orleans Key Metrics from 2020 Operating Budget

	Water	Sewer	Drainage	Total
Cash Generated From Operations				
1 Net Income	\$ 7,528,492	\$ 14,725,644	\$ (6,058,081)	\$ 16,196,055
2 Plus Depreciation & Allowances Expenses (non-cash)	\$ 18,932,000	\$ 27,125,000	\$ 22,950,000	\$ 69,007,000
3 OPEB Liability (non-cash)	\$ 3,666,667	\$ 3,666,667	\$ 3,666,667	\$ 11,000,000
4 Less Capitalized Interest	\$ (9,648,550)	\$ (9,631,455)	\$ (140,950)	\$ (19,420,955)
5 Bond Principal Payments	\$ 3,825,000	\$ 12,099,000	\$ 1,895,000	\$ 17,819,000
6 Total Cash Generated From Operations	<u>\$ 24,303,609</u>	<u>\$ 47,984,855</u>	<u>\$ 22,312,636</u>	<u>\$ 94,601,100</u>

	Water	Sewer	Drainage
7 Total Operating Revenue	\$ 117,143,380	\$ 146,567,354	\$ -
8 Total Other Operating Revenue	\$ 3,784,788	\$ 2,603,923	\$ 67,071,195
9 Total Revenue	<u>\$ 120,928,168</u>	<u>\$ 149,171,277</u>	<u>\$ 67,071,195</u>
10 Operating and Maintenance Expense	\$ 90,801,009	\$ 103,653,966	\$ 46,512,609
11 Cash Available for Debt Service	<u>\$ 30,127,159</u>	<u>\$ 45,517,310</u>	<u>\$ 20,558,586</u>

Debt Service Coverage		
12 Net Operating Income	\$ 3,743,704	\$ 12,121,721
13 Other Non-Operating Revenues	\$ 3,784,788	\$ 2,603,923
14 Depreciation & Allowances Expenses (non-cash)	\$ 18,932,000	\$ 27,125,000
15 OPEB Liability (non-cash)	\$ 3,666,667	\$ 3,666,667
16 Cash Available for Debt Service	<u>\$ 30,127,159</u>	<u>\$ 45,517,310</u>
17 Debt Service (Principal and Interest)	\$ 13,473,550	\$ 21,730,455
18 GO Zone	<u>\$ -</u>	<u>\$ 3,146,070</u>
19 Debt Service Coverage Times	2.24	1.83

**Sewerage and Water Board of New Orleans Operating and Maintenance Budget
Comparison 2018 Budget, 2019 Budget, 2020 Budget
(WATER)**

	A		B		C
	2018		2019		2020
	Budget		Budget		Budget
Operating Revenues:					
1 Revenues from Charges	\$ 105,248,728	\$	104,392,601	\$	118,952,385
2 Other Operating Revenues	\$ 3,474,075	\$	565,047	\$	569,995
3 Adjustment for Uncollectible Accounts	\$ (2,104,975)	\$	(1,775,000)	\$	(2,379,000)
4 Total Operating Revenues	<u>\$ 106,617,828</u>	\$	<u>103,182,648</u>	\$	<u>117,143,380</u>
Operating Expenses:					
5 Operating & Maintenance Expenses	\$ 82,372,798	\$	83,348,880	\$	90,801,009
6 Depreciation & Allowances Expenses (non-cash)	\$ 15,957,000	\$	15,957,000	\$	18,932,000
7 OPEB Liability (non-cash)	\$ 3,333,333	\$	3,333,333	\$	3,666,667
8 Total Operating Expenses	<u>\$ 101,663,132</u>	\$	<u>102,639,213</u>	\$	<u>113,399,676</u>
9 Net Operating Income	\$ 4,954,696	\$	543,435	\$	3,743,704
Non-Operating Revenues (Expenses):					
10 Tax Revenues	\$ -	\$	-	\$	-
11 Interest Income	\$ 764,213	\$	-	\$	526,861
12 Other Non-Operating Revenues	\$ 822,605	\$	1,249,075	\$	2,500,984
13 FEMA Expense Reimbursement	\$ 1,646,300	\$	1,356,924	\$	756,943
14 Total Non-Operating Revenues	<u>\$ 3,233,119</u>	\$	<u>2,605,999</u>	\$	<u>3,784,788</u>
Non-Operating Expenses:					
15 Interest Expense - Series 2011 Bonds	-			\$	-
16 Interest Expense - Series 2014 Bonds	5,033,000		4,900,000	\$	4,760,000
17 Interest Expense - Series 2015 Bonds	4,940,550		4,919,550	\$	4,888,550
18 Go Zone Interest Expense	-		-	\$	-
19 Capitalized Interest	(9,973,550)		(9,819,550)	\$	(9,648,550)
20 Total Non-Operating Expenses	<u>-</u>		<u>-</u>	\$	<u>-</u>
21 Net Income	<u><u>\$ 8,187,815</u></u>	\$	<u><u>3,149,434</u></u>	\$	<u><u>7,528,492</u></u>

Sewerage and Water Board of New Orleans 2020 Operating Budget
Water System Operating Revenues

		A	B	C
Account	Description	2018 Budget	2019 Budget	2020 Budget
Water Sales				
1	4001 Residential Sales	\$ 53,099,800	\$ 53,002,900	\$ 62,240,400
2	4004 Residential Multi-Family Sales	\$ 5,399,499	\$ 5,119,800	\$ 5,807,400
3	4007 Commercial Sales	\$ 43,933,316	\$ 44,475,500	\$ 49,338,300
4	4010 Industrial Sales	\$ 1,374,871	\$ 276,300	\$ 256,400
5	4028 Sewer Allowance	\$ 2,626	\$ 1,994	\$ 2,138
6	4012 Delinquent Fee - Water	\$ 1,438,616	\$ 1,516,107	\$ 1,307,747
	Total Water Sales	\$ 105,248,728	\$ 104,392,601	\$ 118,952,385
7	Adjustment for Uncollectible Accounts	\$ (2,104,975)	\$ (1,775,000)	\$ (2,379,000)
		\$ (2,104,975)	\$ (1,775,000)	\$ (2,379,000)
Revenue Sharing				
8	4019 State Revenue Sharing	\$ -	\$ 193,327	\$ 259,591
9	Total Revenue Sharing	\$ -	\$ 193,327	\$ 259,591
Plumbing Inspection and License Fees				
10	4022 Plumbing Inspection Fees	\$ 299,729	\$ 299,544	\$ 294,068
11	4025 Plumbing License Fees	\$ 19,265	\$ 19,143	\$ 16,336
12	Total Plumbing Fees	\$ 318,994	\$ 318,687	\$ 310,404
Miscellaneous Revenues				
13	Other Revenue	\$ 3,155,081	\$ 53,033	\$ -
14	Interest from Bond Reserve Fund	\$ -	\$ -	\$ -
15	Total Miscellaneous Revenues	\$ 3,155,081	\$ 53,033	\$ -
16	Total Water Other Operating Revenues	\$ 3,474,075	\$ 565,047	\$ 569,995
17	Total Water System Operating Revenues	\$ 106,617,828	\$ 103,182,648	\$ 117,143,380

Sewerage and Water Board of New Orleans 2020 Operating Budget
Water System Non-Operating Revenues

		A		B		C	
Account	Description	2018 Budget		2019 Budget		2020 Budget	
Interest Income							
1	7001 Interest	\$ -		\$ -		\$ -	
2	7005 Excess Reser. Fund Interest	\$ 63,143		\$ -		\$ -	
2	7009 Interest WRB	\$ 565,258		\$ -		\$ 311,696	
3	7010 Restricted Int. WRB	\$ 7,239		\$ -		\$ -	
4	7011 Interest income (LGIP)	\$ 21,731		\$ -		\$ 41,664	
5	7015 Interest Income Bond Premium	\$ -		\$ -		\$ -	
6	7041 Interest Customer Deposits LGIP	\$ 27,324		\$ -		\$ 52,388	
7	7047 Interest Income Customer DP MM	\$ 69,805		\$ -		\$ 100,843	
8	7050 Interest Income Health Reserve	\$ 9,712		\$ -		\$ 20,271	
9	7052 Interest Income Water Sys MM	\$ -		\$ -		\$ -	
10	Total Interest Income	\$ 764,213		\$ -		\$ 526,861	
Other Income							
11	7101 NSF Fees	\$ 65,127		\$ 45,210		\$ 63,450	
12	4019 Non-Operating Revenues	\$ 143,774		\$ -		\$ -	
13	7105 Reconnect/Reset Fees	\$ 261,645		\$ 95,979		\$ 732,852	
14	7205 Rental Income/Property	\$ 53,601		\$ 61,697		\$ 61,000	
15	7501 Gain/Loss	\$ -		\$ -		\$ -	
16	7506 Damage/NE	\$ 13,311		\$ 68,838		\$ 573,166	
17	7509 Delinquent Account Charge	\$ -		\$ 140		\$ -	
18	7514 Sales of Plans & Specs	\$ -		\$ -		\$ -	
19	7521 Reimb Printing/Copies Charges	\$ 2,270		\$ 6,746		\$ 2,211	
20	7525 Transfer from Revolving Fund	\$ 23,818		\$ -		\$ -	
21	7527 Admin Fees/FEMA	\$ 25,286		\$ -		\$ 14,280	
22	7528 State Vend Comp Sales Tax	\$ -		\$ 873,786		\$ 978,097	
23	7531 State Vend Comp Sales Tax	\$ -		\$ -		\$ -	
24	7534 Manage Competition RFP Fee	\$ -		\$ -		\$ -	
25	7537 Vendor Compensation Sales Tax	\$ 30,417		\$ 6,924		\$ 22,305	
26	7539 Retiree Drug Subsidy	\$ 122,126		\$ 2,141		\$ -	
27	7550 S&WB Logo	\$ 3,838		\$ 218		\$ 1,023	
28	7565 Legal Settlement	\$ 5,211		\$ 1,511		\$ 15,889	
29	7590 Citation Administration Fees	\$ 17,395		\$ 3,637		\$ 14,765	
30	7592 Vehicle Usage	\$ 26,578		\$ 10,812		\$ 19,411	
31	7594 O & M Contrib. from Fema - Point Repairs	\$ -		\$ -		\$ -	
32	7995 Life Insurance Employees	\$ -		\$ 12,578		\$ 1,030	
33	7997 Travel Reimbursement	\$ 499		\$ 1,747		\$ 974	
34	7999 Blue Cross Reimb/Transfer	\$ 27,710		\$ 57,112		\$ 530	
35	Total Other Income	\$ 822,605		\$ 1,249,075		\$ 2,500,984	
Reimbursements							
36	7585 FEMA Expen. Reimb./Misc Revenue Other	\$ 1,646,300		\$ 1,356,924		\$ 756,943	
37	Total Reimbursements	\$ 1,646,300		\$ 1,356,924		\$ 756,943	
38	Total Water Non-Operating Revenues	\$ 3,233,119		\$ 2,605,999		\$ 3,784,788	

**Sewerage and Water Board of New Orleans 2020 Operating Budget
Comparison 2018 Budget, 2019 Budget, 2020 Budget
(SEWER)**

		2018 Budget		2019 Budget		2020 Sewer
Operating Revenues:						
1	Revenues from Charges	\$ 129,335,888	\$	127,765,847	\$	148,910,517
2	Other Operating Revenues	\$ 923,402	\$	526,988	\$	634,837
3	Adjustment for Uncollectible Accounts	\$ (2,586,718)	\$	(2,172,000)	\$	(2,978,000)
4	Total Operating Revenues	\$ 127,672,572	\$	126,120,835	\$	146,567,354
Operating Expenses:						
5	Operating & Maintenance Expenses	\$ 86,996,960	\$	92,279,316	\$	103,653,966
6	Depreciation & Allowances Expenses (non- cash)	\$ 22,360,000	\$	22,360,000	\$	27,125,000
7	OPEB Liability (non-cash)	\$ 3,333,333	\$	3,333,333	\$	3,666,667
8	Total Operating Expenses	\$ 112,690,293	\$	117,972,649	\$	134,445,633
9	Net Operating Income	\$ 14,982,279	\$	8,148,186	\$	12,121,721
Non-Operating Revenues (Expenses):						
10	Tax Revenues	\$ -	\$	-	\$	-
11	Interest Income	\$ 466,420	\$	-	\$	468,683
12	Other Non-Operating Revenues	\$ 921,843	\$	512,545	\$	873,669
13	FEMA Expense Reimbursement	\$ 1,646,300	\$	2,261,541	\$	1,261,571
14	Total Non-Operating Revenues	\$ 3,034,563	\$	2,774,086	\$	2,603,923
15	Non-Operating Expenses:					
16	Interest Expense - Series 2011 Bonds	\$ 65,607	\$	61,513	\$	57,380
17	Interest Expense - Series 2014 Bonds	\$ 5,717,450	\$	5,142,450	\$	4,574,075
18	Interest Expense - Series 2015 Bonds	\$ 5,000,000	\$	5,000,000	\$	5,000,000
19	LADEQ Loan	\$ -	\$	-	\$	-
20	Go Zone Interest Expense	\$ -	\$	-	\$	-
21	Capitalized Interest	\$ (10,717,450)	\$	(10,203,963)	\$	(9,631,455)
22	Total Non-Operating Expenses	\$ 65,607	\$	-	\$	-
23	Net Income	\$ 17,951,235	\$	10,922,272	\$	14,725,644

**Sewerage and Water Board of New Orleans Operating and Maintenance Budget
2020 Sewer System Operating Revenues**

	Account	Description	2018 Budget	2019 Budget	2020 Budget
		Sewerage Sales			
1	4002	Residential Sales	\$ 71,718,866	\$ 70,220,900	\$ 80,397,700
2	4005	Residential Multi-Family Sales	\$ 6,173,057	\$ 6,059,300	\$ 7,134,200
3	4008	Commercial Sales	\$ 48,866,708	\$ 49,253,900	\$ 59,575,600
4	4011	Industrial Sales	\$ 581,217	\$ 704,200	\$ 526,000
5	4028	Sewer Allowance	\$ 2,988	\$ 1,919	\$ 2,075
6	4132	Excess Strength Charge	\$ 833,357	\$ -	\$ -
7	4013	Delinquent Fee Sewer	\$ 1,159,694	\$ 1,525,628	\$ 1,274,942
8		Total Sewer Sales	\$ 129,335,888	\$ 127,765,847	\$ 148,910,517
9		Adjustment for Uncollectible Accounts	\$ (2,586,718)	\$ (2,172,000)	\$ (2,978,000)
10		Total Adjustments for Uncollectable Accounts	\$ (2,586,718)	\$ (2,172,000)	\$ (2,978,000)
		Revenue Sharing			
11		State Revenue Sharing	\$ -	\$ 241,116	\$ 323,759
12		Total State Revenue Sharing Fees	\$ -	\$ 241,116	\$ 323,759
		Plumbing Inspection and License Fees			
13	4022	Plumbing Inspection Fees	\$ 326,081	\$ 271,114	\$ 293,892
14	4025	Plumbing License Fees	\$ 13,505	\$ 14,758	\$ 17,186
15		Total Plumbing Fees	\$ 339,586	\$ 285,872	\$ 311,078
		Other Revenues			
16		Other Revenues	\$ 597,321	\$ -	\$ -
17		Total Other Revenues	\$ 597,321	\$ -	\$ -
18		Total Sewerage Other Operating Revenues	\$ 936,907	\$ 526,988	\$ 634,837
19		Total Sewerage Operating Revenues	\$ 127,686,077	\$ 126,120,835	\$ 146,567,354

Sewerage and Water Board of New Orleans 2020 Operating Budget
Sewer System Non-Operating Revenues

Account Description		2018 Budget	2019 Budget	2020 Budget
Interest Income				
1	7001 Interest Income	\$ 242	\$ -	
2	7005 Excess Reserve Fund Interest	\$ 95,617	\$ -	\$ 418,309
3	7011 Interest Income LGIP	\$ 479	\$ -	\$ 919
4	7015 Interest Income Bond Premium	\$ -	\$ -	\$ -
5	7017 Interest SSRB New	\$ 188,968	\$ -	\$ 32
6	7019 Restricted Int SSRB	\$ 21,334	\$ -	\$ -
7	7023 Restricted Int DEQ	\$ 1,792	\$ -	\$ 7,441
8	7048 Interest Income Sewer Sys MM	\$ 150,224	\$ -	\$ 25,779
9	7050 Interest Income Health Reserve	\$ 7,764	\$ -	\$ 16,203
10	Total Interest Income	\$ 466,420	\$ -	\$ 468,683
Other Income				
11	7101 NSF Fees	\$ -	\$ -	\$ -
12	4019 Non-Operating Revenues	\$ 179,314	\$ -	\$ -
13	7105 Reconnect/Reset Fees	\$ 261,645	\$ -	\$ -
14	7205 Rental Income Property	\$ 8,302	\$ -	\$ 23,711
15	7506 Reimbursement Damage/Networks	\$ -	\$ -	\$ -
16	7525 Transfer from Revolving Fund	\$ -	\$ -	\$ -
17	7527 Administrative Fees	\$ 5,463	\$ -	\$ 33,900
18	7539 Retiree Drug Subsidy	\$ 122,126	\$ -	\$ -
19	7545 Waste Disposal Fees	\$ 315,768	\$ 404,766	\$ 716,447
20	7546 Grease Trap Permit Fees	\$ -	\$ 76,080	\$ 72,730
21	7590 Citation Admin Fees	\$ 6,683	\$ 547	\$ 400
22	7592 Vehicle Usage	\$ 22,543	\$ 15,743	\$ 25,391
23	7995 Life Insurance Employees	\$ -	\$ 15,409	\$ 1,090
24	Total Other Income	\$ 921,844	\$ 512,545	\$ 873,669
Reimbursements				
25	7585 FEMA Expense Reimbursement	\$ 1,646,300	\$ 2,261,541	\$ 1,261,571
26	Total Reimbursement	\$ 1,646,300	\$ 2,261,541	\$ 1,261,571
27	Total Sewerage Non-Operating Revenues	\$ 3,034,564	\$ 2,774,086	\$ 2,603,923

**Sewerage and Water Board of New Orleans 2020 Operating Budget
Comparison 2018 Budget, 2019 Budget, 2020 Budget
(DRAINAGE)**

	2018	2019	2020
	Budget	Budget	Drainage
Operating Revenues:			
1 Revenues from Charges	\$ -	\$ -	\$ -
2 Other Operating Revenues	\$ -	\$ -	\$ -
3 Total Operating Revenues	\$ -	\$ -	\$ -
Operating Expenses:			
4 Operating & Maintenance Expenses	\$ 47,974,722	\$ 56,140,649	\$ 46,512,609
5 Depreciation & Allowances Expenses (non-cash)	\$ 21,550,000	\$ 21,550,000	\$ 22,950,000
6 OPEB Liability (non-cash)	\$ 3,333,333	\$ 3,333,333	\$ 3,666,667
7 Total Operating Expenses	\$ 72,858,055	\$ 81,023,982	\$ 73,129,275
8 Net Operating Income	\$ (72,858,055)	\$ (81,023,982)	\$ (73,129,275)
Non-Operating Revenues (Expenses):			
9 Tax Revenues	\$ 53,966,337	\$ 60,354,046	\$ 65,549,588
10 Interest Income	\$ 154,347	\$ -	\$ 504,031
11 Other Non-Operating Revenues	\$ 1,321,260	\$ 19,924	\$ 512,948
12 FEMA Expense Reimbursement	\$ -	\$ 904,616	\$ 504,628
13 FEMA Force Accounts Reimbursement	\$ -	\$ -	\$ -
14 Total Non-Operating Revenues	\$ 55,441,944	\$ 61,278,586	\$ 67,071,195
Non-Operating Expenses:			
15 Interest Expense - Series 2011 Bonds	\$ -	\$ -	\$ -
16 Interest Expense - Series 2014 Bonds	\$ 283,350	\$ 213,550	\$ 140,950
17 Interest Expense - Series 2015 Bonds	\$ -	\$ -	\$ -
18 Go Zone Interest Expense	\$ -	\$ -	\$ -
19 Capitalized Interest	\$ (283,350)	\$ (213,550)	\$ (140,950)
20 Total Non-Operating Expenses	\$ -	\$ -	\$ -
21 Net Income	\$ (17,416,111)	\$ (19,745,396)	\$ (6,058,081)

**Sewerage and Water Board of New Orleans Operating and Maintenance Budget
2020 Drainage System Non-Operating Revenues**

	Account	Description	2018 Budget	2019 Budget	2020 Budget
		Ad Valorem Taxes			
1	4130	9 Mill Tax	\$ 23,475,190	\$ 26,253,824	\$ 28,513,869
2	4310	3 Mill Tax	\$ 14,829,936	\$ 17,514,945	\$ 18,013,011
3	4320	6 Mill Tax	\$ 15,661,211	\$ 16,585,277	\$ 19,022,708
4		Total Ad Valorem Tax	\$ 53,966,337	\$ 60,354,046	\$ 65,549,588
		Interest Income			
5	7001	Interest	\$ -	\$ -	
6	7015	Interest Income Bond Premium	\$ -	\$ -	
7	7020	Restricted Int SELA	\$ 19,585	\$ -	\$ 351,969
8	7025	Interest Drainage O&M	\$ 26,165	\$ -	
9	7029	Interest Drainage System 3 Mill	\$ -	\$ -	\$ 17,160
10	7033	Interest Drainage System 6 Mill	\$ 52,165	\$ -	\$ 52,472
11	7037	Interest Drainage System 9 Mill	\$ 38,445	\$ -	\$ 66,238
12	7045	Interest Income DOM MM	\$ 10,229	\$ -	
13	7050	Interest Income Health Reserve	\$ 7,759	\$ -	\$ 16,193
14		Total Interest Income	\$ 154,348	\$ -	\$ 504,031
		Other Income			
15	7205	Rental Income/Property	\$ 3,325	\$ 3,048	\$ 2,286
16	7401	Two Mill (3.65) Tax	\$ 2,530	\$ 275	\$ 35
17	7501	Other Income	\$ -	\$ -	
18	7504	Reimbursement DPS # 6 & 11	\$ 1,163,245	\$ -	\$ 490,272
19	7525	Tran Revo	\$ -	\$ -	
20	7527	Administrative Fees	\$ 8,965	\$ -	\$ 4,833
21	7539	Retiree Drug Subsidy	\$ 122,126	\$ -	
22	7545	Waste Disposal Fees	\$ -	\$ -	
23	7565	Legal Settlement	\$ -	\$ -	
24	7590	Citation Admin Fees	\$ 2,971	\$ 273	\$ 200
25	7592	Vehicle Usage	\$ 18,098	\$ 8,453	\$ 14,815
26	7995	Life Insurance Employer	\$ -	\$ 7,875	\$ 507
27	9006	Fair Share	\$ -	\$ -	\$ -
28		Total Other Income	\$ 1,321,260	\$ 19,924	\$ 512,948
		Reimbursements			
29	7585	FEMA Expense Reimbursement	\$ -	\$ 904,616	\$ 504,628
30		Total Reimbursement	\$ -	\$ 904,616	\$ 504,628
31		Total Drainage Other Operating Revenues	\$ 1,475,608	\$ 924,540	\$ 1,521,607
32		Total Drainage Non-Operating Revenues	\$ 55,441,945	\$ 61,278,586	\$ 67,071,195

2020 Budgeted Positions

			2020
	Budget Filled	Budget Vacant	Total Positions
Chief Administrative Officer	53	12	65
Chief Financial Officer	326	52	378
Communications	2	2	4
Chief Customer Service Officer	0	0	0
Executive Director	5	11	16
General Superintendent/Operations	961	142	1103
Special Counsel	12	5	17
	1359	224	1583

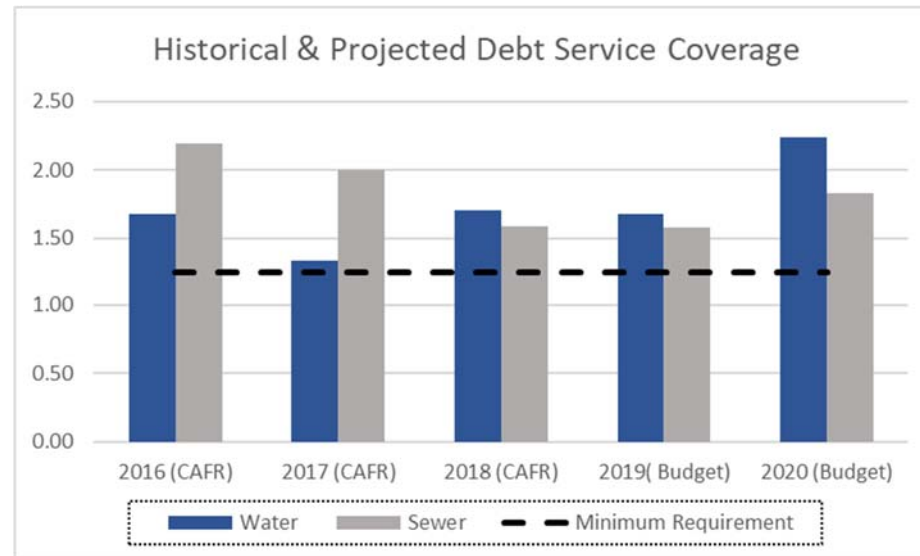
The magnitude of the future rate increases is unknown at this time, but S&WB will explore all revenue options to keep rates as affordable as possible while maintaining clean, safe, and reliable water, sewer, and drainage services.

Bond Rating and Debt Service Coverage

S&WB regularly issues debt to support its Capital Improvement Program. The organization's bond rating from Standard and Poor (S&P) and Fitch are shown below.

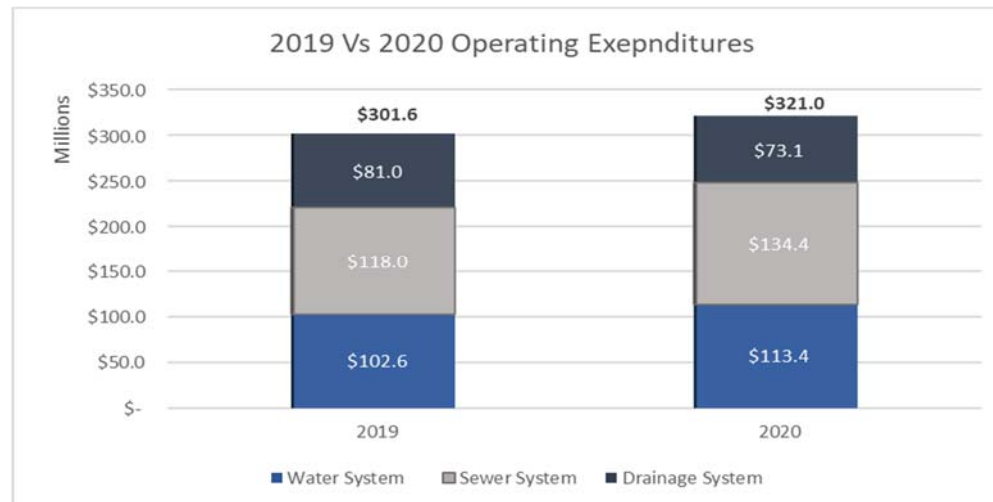
SWBNO Ratings	S&P	Fitch
Sewer	A	A-
Water	A-	A-
Drainage	AA-	A+

One of the most important financial metrics to S&WB is Debt Service Coverage, which demonstrates the Board's ability to meet its annual debt obligations. The calculation for Debt Service Coverage is established in S&WB's Rate Covenant and is calculated by dividing Funds Available for Debt Service (Adjusted Revenues less Net Operating Expenses) by annual debt service payments. As specified in S&WB's Rate Covenant, S&WB is legally required to maintain Debt Service Coverage of 125% with respect to Senior Debt and 110% of aggregate Senior and Subordinate Debt. As shown, historically S&WB has maintained strong Debt Service Coverage and is projected to do the same in 2020. Strong levels of Debt Service Coverage are seen favorably by rating agencies and help S&WB save money on long-term interest costs.



Expenditures

S&WB projected increases to its operating expenses, primarily for sewer and drainage services, to enhance reliability and responsiveness for ratepayers.



2020
Detailed
Budget
Schedules



Sewerage and Water Board of New Orleans
2020
Operating and Maintenance Expense Detail
by Department and System

Code	Department	Water	Sewerage	Drainage	Total
I.	<u>Executive Director</u>				
0010	Executive Director	\$ 431,021	\$ 718,368	\$ 287,347	\$ 1,436,735
0250	Board Relations	\$ 99,274	\$ 99,274	\$ 49,637	\$ 248,184
0260	Records Management	\$ 76,093	\$ 76,093	\$ 38,047	\$ 190,233
0082	Internal Audit	\$ 462,598	\$ 462,598	\$ 231,299	\$ 1,156,495
	<u>Total Executive Director</u>	\$ 1,068,985	\$ 1,356,332	\$ 606,329	\$ 3,031,647
II.	<u>Special Counsel</u>				
0020	Legal Department	\$ 1,001,836	\$ 1,669,726	\$ 667,890	\$ 3,339,452
0022	Customer Review Officer	\$ 125,000	\$ 125,000	\$ -	\$ 250,000
0966	Drainage Damage Claims	\$ -	\$ -	\$ 500,000	\$ 500,000
0967	Water Damage Claims	\$ 250,000	\$ -	\$ -	\$ 250,000
0968	Sewerage Damage Claims	\$ -	\$ 250,000	\$ -	\$ 250,000
	<u>Total Special Counsel</u>	\$ 1,376,836	\$ 2,044,726	\$ 1,167,890	\$ 4,589,452

Sewerage and Water Board of New Orleans
2020
Operating and Maintenance Expense Detail
by Department and System

Code	Department	Water	Sewerage	Drainage	Total
III. <u>Communications</u>					
0013	Communications	\$ 303,657	\$ 303,657	\$ 151,829	\$ 759,143
0030	Community Relations	\$ -	\$ -	\$ -	\$ -
	<u>Total Communications</u>	\$ 303,657	\$ 303,657	\$ 151,829	\$ 759,143
IV. <u>Chief Customer Service</u>					
0019	Chief Customer Service	\$ 79,244	\$ 79,244	\$ 39,622	\$ 198,110
	<u>Total Chief Customer Service</u>	\$ 79,244	\$ 79,244	\$ 39,622	\$ 198,110
V. <u>Chief Administrative Officer</u>					
	<u>Chief Administrative Officer</u>				
0017	Chief Administrative Officer	\$ 179,440	\$ 179,440	\$ 89,720	\$ 448,599
	<u>Total Chief Administrative Officer</u>	\$ 179,440	\$ 179,440	\$ 89,720	\$ 448,599
	<u>Real Estate Administrator</u>				
0018	Real Estate Administrator	\$ 78,740	\$ 78,740	\$ 39,370	\$ 196,850
	<u>Total Real Estate Administrator</u>	\$ 78,740	\$ 78,740	\$ 39,370	\$ 196,850

Sewerage and Water Board of New Orleans
2020
Operating and Maintenance Expense Detail
by Department and System

Code	Department	Water	Sewerage	Drainage	Total
	<u>Continuous Improvement</u>				
0012	Continuous Improvement	\$ 80,913	\$ 80,913	\$ 80,913	\$ 242,738
	<u>Total Continuous Improvement</u>	\$ 80,913	\$ 80,913	\$ 80,913	\$ 242,738
	<u>Information Systems</u>				
0405	Information Systems	\$ 34,561	\$ 69,123	\$ 34,561	\$ 138,245
0450	Computer Center	\$ 3,244,276	\$ 6,488,551	\$ 3,244,276	\$ 12,977,102
0460	Records and Data Management	\$ 375	\$ 750	\$ 375	\$ 1,500
	<u>Total Information Systems</u>	\$ 3,279,212	\$ 6,558,424	\$ 3,279,212	\$ 13,116,847
	<u>Human Resources</u>				
0200	Human Resource Administration	\$ 121,000	\$ 121,000	\$ 60,500	\$ 302,501
0210	Recruitment & Classifications	\$ 415,657	\$ 415,657	\$ 207,829	\$ 1,039,143
0220	Medical Operations	\$ 24,000	\$ 24,000	\$ 12,000	\$ 60,000
0230	Training	\$ 943,152	\$ 943,152	\$ 471,576	\$ 2,357,881
0240	Benefits Administration	\$ 166,695	\$ 166,695	\$ 83,348	\$ 416,738
0050	Office of Equal Employment Opportunity	\$ 137,217	\$ 137,217	\$ 68,609	\$ 343,043
	<u>Total Human Resources</u>	\$ 1,807,722	\$ 1,807,722	\$ 903,861	\$ 4,519,306
	<u>Human Resources-Payroll Related</u>				
9300	Hospitalization - Board's Contribution	\$ 5,246,200	\$ 5,246,200	\$ 2,623,100	\$ 13,115,500
9350	Employee Life Ins Contributions	\$ 36,000	\$ 36,000	\$ 18,000	\$ 90,000
9500	LUTA (Unemployment Tax)	\$ 4,800	\$ 4,800	\$ 2,400	\$ 12,000
9999	Terminal Leave	\$ 800,000	\$ 800,000	\$ 400,000	\$ 2,000,000

Sewerage and Water Board of New Orleans
2020
Operating and Maintenance Expense Detail
by Department and System

Code	Department	Water	Sewerage	Drainage	Total
	<u>Total Human Resources-Payroll Related</u>	\$ 6,087,000	\$ 6,087,000	\$ 3,043,500	\$ 15,217,500
0011	Security Department	\$ 2,095,194	\$ 2,095,194	\$ 1,047,597	\$ 5,237,985
0055	Office of Emergency Management	\$ 329,421	\$ 329,421	\$ 164,710	\$ 823,552
0081	Office of Risk Management	\$ 418,829	\$ 418,829	\$ 209,414	\$ 1,047,072
0084	Safety Department	\$ 271,170	\$ 271,170	\$ 135,585	\$ 677,926
0944	Fleet Liability	\$ 140,000	\$ 140,000	\$ 70,000	\$ 350,000
0960	General Insurance	\$ 1,380,000	\$ 1,380,000	\$ 690,000	\$ 3,450,000
9550	Worker's Compensation	\$ 61,200	\$ 61,200	\$ 30,600	\$ 153,000
9960	Temporary Total Disability	\$ 954,600	\$ 954,600	\$ 477,300	\$ 2,386,500
9961	Permanent Partial Disability	\$ 279,200	\$ 279,200	\$ 139,600	\$ 698,000
9962	Permanent Total Disability	\$ 83,600	\$ 83,600	\$ 41,800	\$ 209,000
	<u>Total Security</u>	\$ 6,013,214	\$ 6,013,214	\$ 3,006,607	\$ 15,033,035
	<u>Total Chief Administrative Officer</u>	\$ 17,526,240	\$ 20,805,452	\$ 10,443,182	\$ 48,774,875

VI. General Superintendent/Operations

1000	General Superintendent	\$ 147,473	\$ 245,789	\$ 98,315	\$ 491,577
3000	Chief of Operations	\$ 62,939	\$ 104,898	\$ 41,959	\$ 209,795
3300	Superintendent Sewerage Treatment	\$ -	\$ 15,259,797	\$ -	\$ 15,259,797
	<u>Total Department of Operations</u>	\$ 210,412	\$ 15,610,483	\$ 140,274	\$ 15,961,169

Sewerage and Water Board of New Orleans
2020
Operating and Maintenance Expense Detail
by Department and System

Code	Department	Water	Sewerage	Drainage	Total
	<u>JIRR</u>				
0015	JIRR	\$ 642,753	\$ 1,071,255	\$ 428,502	\$ 2,142,510
	<u>Total JIRR</u>	\$ 642,753	\$ 1,071,255	\$ 428,502	\$ 2,142,510
	<u>Environmental Compliance</u>				
0070	Environmental Compliance	\$ 788,862	\$ 1,972,155	\$ 1,183,293	\$ 3,944,310
	<u>Total Environmental Compliance</u>	\$ 788,862	\$ 1,972,155	\$ 1,183,293	\$ 3,944,310
	<u>Support Services</u>				
0800	Director of Support Services	\$ 124,108	\$ 248,215	\$ 248,215	\$ 620,538
0801	Administration Building - St. Charles	\$ 334,562	\$ 334,562	\$ 167,281	\$ 836,406
0805	CDL Training Unit	\$ 17,822	\$ 17,822	\$ 8,911	\$ 44,554
0811	Building Maintenance	\$ 769,461	\$ 769,461	\$ 384,730	\$ 1,923,652
0815	Grounds Maintenance	\$ 1,090,351	\$ 1,090,351	\$ 545,175	\$ 2,725,877
0820	Canal Maintenance & Dredging	\$ -	\$ -	\$ 100,000	\$ 100,000
0830	Equipment Mtce. Information Systems	\$ 240,137	\$ 240,137	\$ 120,069	\$ 600,343
0840	Central Yard Garage	\$ 1,648,919	\$ 1,648,919	\$ 824,459	\$ 4,122,297
0841	Satellite Garage	\$ 425,605	\$ 425,605	\$ 212,803	\$ 1,064,013
0845	Body Shop	\$ 461,318	\$ 461,318	\$ 230,659	\$ 1,153,296
0850	Warehouse and Grounds	\$ 525,644	\$ 525,644	\$ 262,822	\$ 1,314,109
0852	Hauling	\$ 10,000	\$ 10,000	\$ 5,000	\$ 25,000
	<u>Total Support Services</u>	\$ 5,647,926	\$ 5,772,034	\$ 3,110,125	\$ 14,530,085

Sewerage and Water Board of New Orleans
2020
Operating and Maintenance Expense Detail
by Department and System

Code	Department	Water	Sewerage	Drainage	Total
	<u>Drainage Pumping</u>				
2100	Superintendent - Drainage Pumping	\$ -	\$ -	2,265,627	\$ 2,265,627
2200	Central Control	\$ -	\$ -	1,304,984	\$ 1,304,984
2300	Drainage Pumping Supervisor	\$ -	\$ -	609,360	\$ 609,360
2301	Unmanned DPS Maintenance	\$ -	\$ -	269,670	\$ 269,670
2302	DPS Maintenance - Employees	\$ -	\$ -	412,847	\$ 412,847
2310	Old City	\$ -	\$ -	4,253,204	\$ 4,253,204
2311	Station #1	\$ -	\$ -	100,070	\$ 100,070
2312	Station #2	\$ -	\$ -	8,500	\$ 8,500
2313	Station #3	\$ -	\$ -	13,125	\$ 13,125
2314	Station #4	\$ -	\$ -	50,760	\$ 50,760
2315	Station #5	\$ -	\$ -	15,400	\$ 15,400
2316	Station #6	\$ -	\$ -	204,700	\$ 204,700
2317	Station #7	\$ -	\$ -	100,450	\$ 100,450
2319	Station #19	\$ -	\$ -	180,600	\$ 180,600
2320	Algiers Drainage Operations	\$ -	\$ -	841,560	\$ 841,560
2321	Station #11	\$ -	\$ -	380,013	\$ 380,013
2330	Unmanned Drainage Stations	\$ -	\$ -	979,829	\$ 979,829
2331	Citrus #10	\$ -	\$ -	35,100	\$ 35,100
2332	Station #12	\$ -	\$ -	3,100	\$ 3,100
2333	Grant	\$ -	\$ -	70,100	\$ 70,100
2334	Jahncke #14	\$ -	\$ -	100,200	\$ 100,200
2335	Intra-Coastal #15	\$ -	\$ -	210,100	\$ 210,100
2336	St. Charles #16	\$ -	\$ -	45,260	\$ 45,260

Sewerage and Water Board of New Orleans
2020
Operating and Maintenance Expense Detail
by Department and System

Code	Department	Water	Sewerage	Drainage	Total
2337	Elaine	\$ -	\$ -	\$ 11,100	\$ 11,100
2338	Maxent #18	\$ -	\$ -	\$ 15,000	\$ 15,000
2339	Dwyer	\$ -	\$ -	\$ 60,000	\$ 60,000
2340	Carrollton Frequency Changer	\$ -	\$ -	\$ 50,570	\$ 50,570
2341	AMID Drainage Pumping Station	\$ -	\$ -	\$ 22,700	\$ 22,700
2342	I-10 Underpass DPS	\$ -	\$ -	\$ 83,900	\$ 83,900
2343	Pritchard DPS	\$ -	\$ -	\$ 20,000	\$ 20,000
2347	Station D	\$ -	\$ -	\$ 748,000	\$ 748,000
2348	Underpass Station	\$ -	\$ -	\$ 17,500	\$ 17,500
2350	Permanent Pump Station Operation	\$ -	\$ -	\$ 2,500,000	\$ 2,500,000
	<u>Total Drainage Pumping</u>	\$ -	\$ -	\$ 15,983,329	\$ 15,983,329
	<u>Sewerage Pumping</u>				
2400	Sewerage Pumping Supervisor	\$ -	\$ 2,674,705	\$ -	\$ 2,674,705
2401	Sewer PS Maintenance - Employees	\$ -	\$ 193,624	\$ -	\$ 193,624
2411	Station A	\$ -	\$ 730,450	\$ -	\$ 730,450
2412	Automatic Stations-Algiers	\$ -	\$ 298,873	\$ -	\$ 298,873
2413	Maintenance Sewer Stations-Algiers	\$ -	\$ 71,917	\$ -	\$ 71,917
2430	Automatic Stations	\$ -	\$ 848,722	\$ -	\$ 848,722
	<u>Total Sewerage Pumping</u>	\$ -	\$ 4,818,291	\$ -	\$ 4,818,291
	<u>Water Pumping and Power</u>				
3100	Superintendent	\$ 632,183	\$ 1,053,638	\$ 421,455	\$ 2,107,276
3102	Shift Employees N.O. River Intake	\$ 1,465,927	\$ -	\$ -	\$ 1,465,927

Sewerage and Water Board of New Orleans
2020
Operating and Maintenance Expense Detail
by Department and System

Code	Department	Water	Sewerage	Drainage	Total
3103	Intake Maintenance/N.O. River Station	\$ 208,857	\$ -	\$ -	\$ 208,857
3111	Boiler Operations	\$ 628,556	\$ 628,556	\$ 314,278	\$ 1,571,391
3112	Boiler Room Maintenance Employees	\$ 394,043	\$ 394,043	\$ 197,021	\$ 985,107
3113	Drainage High Pressure Gas	\$ -	\$ -	\$ 1,500,000	\$ 1,500,000
3114	Water High Pressure Gas	\$ 5,250,000	\$ -	\$ -	\$ 5,250,000
3115	Sewer High Pressure Gas	\$ -	\$ 1,250,000	\$ -	\$ 1,250,000
3130	Pumping Operations	\$ 1,613,637	\$ -	\$ -	\$ 1,613,637
3131	Water Pumping Maintenance Personnel	\$ 209,685	\$ -	\$ -	\$ 209,685
3135	Steam Turbine Generators	\$ 411,783	\$ 411,783	\$ 205,892	\$ 1,029,458
3136	Gas Turbine Generators	\$ 166,300	\$ 166,300	\$ 83,150	\$ 415,750
3137	Maintenance Employees for Generators	\$ -	\$ 347,681	\$ 347,681	\$ 695,362
3150	Station C	\$ -	\$ 884,578	\$ -	\$ 884,578
3151	Minor Maintenance Employees Station C	\$ -	\$ 523,088	\$ -	\$ 523,088
3152	Materials & Supplies-O&M Algiers Station	\$ 402,743	\$ -	\$ -	\$ 402,743
	<u>Total Water Pumping & Power</u>	\$ 11,383,714	\$ 5,659,667	\$ 3,069,477	\$ 20,112,859
 <u>Purification</u>					
3200	Superintendent-Purification	\$ 365,666	\$ -	\$ -	\$ 365,666
3210	Laboratory	\$ 1,198,779	\$ -	\$ -	\$ 1,198,779
3220	Carrollton (Supervisor)	\$ 310,163	\$ -	\$ -	\$ 310,163
3221	Chemical House	\$ 1,185,839	\$ -	\$ -	\$ 1,185,839
3222	Dorr Unit	\$ 206,993	\$ -	\$ -	\$ 206,993
3223	Maintenance and Relief-MWP	\$ 660,731	\$ -	\$ -	\$ 660,731
3224	Chemicals (New Orleans)	\$ 5,582,500	\$ -	\$ -	\$ 5,582,500

Sewerage and Water Board of New Orleans
2020
Operating and Maintenance Expense Detail
by Department and System

Code	Department	Water	Sewerage	Drainage	Total
3225	Reservoir Washing-Labor	\$ -	\$ -	\$ -	-
3226	Sycamore Filters	\$ 903,571	\$ -	\$ -	903,571
3227	Mtce Employees/Sycamore Filters	\$ 788,825	\$ -	\$ -	788,825
3228	Mtce Employees/Claiborne Filters	\$ 138,056	\$ -	\$ -	138,056
3229	Claiborne Filters	\$ 530,423	\$ -	\$ -	530,423
3231	Water Tower	\$ 15,450	\$ -	\$ -	15,450
3240	Algiers (Supervisor)	\$ 165,234	\$ -	\$ -	165,234
3241	Maintenance & Relief-AWP	\$ 483,342	\$ -	\$ -	483,342
3242	Head House	\$ 579,919	\$ -	\$ -	579,919
3243	Filter #2	\$ 445,387	\$ -	\$ -	445,387
3244	Chemicals (Algiers)	\$ 765,000	\$ -	\$ -	765,000
	<u>Total Purification</u>	\$ 14,325,878	\$ -	\$ -	14,325,878
 <u>Facility Maintenance</u>					
4000	Chief of Facility Maintenance	\$ 119,263	\$ 198,772	\$ 79,509	\$ 397,544
4100	Electrical Maintenance Superintendent	\$ 609,504	\$ 1,015,840	\$ 406,336	\$ 2,031,679
4110	Outside System	\$ 286,856	\$ 478,094	\$ 191,237	\$ 956,187
4120	In Plant System	\$ 260,143	\$ 433,571	\$ 173,428	\$ 867,142
4130	Communications	\$ 243,675	\$ 406,125	\$ 162,450	\$ 812,249
4260	Plant Maintenance	\$ 1,478,189	\$ 2,463,648	\$ 985,459	\$ 4,927,295
4270	Meter Repairs	\$ 395,407	\$ 395,407	\$ -	\$ 790,814
4300	Mechanical Maintenance Superintendent	\$ 625,397	\$ 1,042,329	\$ 416,931	\$ 2,084,657
4310	Carrollton	\$ 420,207	\$ 700,345	\$ 280,138	\$ 1,400,689
4320	Field Crews	\$ 364,393	\$ 607,322	\$ 242,929	\$ 1,214,644

Sewerage and Water Board of New Orleans
2020
Operating and Maintenance Expense Detail
by Department and System

Code	Department	Water	Sewerage	Drainage	Total
4330	Welding & Fabrication	\$ 435,746	\$ 726,244	\$ 290,498	\$ 1,452,488
4340	Diesel/Emer Pwr Maint- Tech Svc	\$ 150,314	\$ 250,524	\$ 100,209	\$ 501,047
	<u>Total Facility Maintenance</u>	\$ 5,389,093	\$ 8,718,218	\$ 3,329,124	\$ 17,436,435
<u>Networks</u>					
6000	Chief of Networks	\$ 313,890	\$ 313,890	\$ 156,945	\$ 784,725
6001	Zone One	\$ 1,728,020	\$ 1,728,020	\$ 864,010	\$ 4,320,050
6002	Zone Two	\$ 1,207,977	\$ 1,207,977	\$ 603,989	\$ 3,019,943
6003	Zone Three	\$ 1,276,277	\$ 1,276,277	\$ 638,139	\$ 3,190,693
6004	Zone Four	\$ 1,224,957	\$ 1,224,957	\$ 612,479	\$ 3,062,393
6005	Zone Five	\$ 1,214,790	\$ 1,214,790	\$ 607,395	\$ 3,036,975
6006	Zone Six	\$ 1,049,100	\$ 1,049,100	\$ 524,550	\$ 2,622,749
6007	Zone Seven	\$ 1,289,672	\$ 1,289,672	\$ 644,836	\$ 3,224,179
6010	Field Service Center	\$ 556,870	\$ 556,870	\$ 278,435	\$ 1,392,175
6430	Leak Detections	\$ 200,000	\$ 200,000	\$ 100,000	\$ 500,000
6460	Valve & Hydrant Maint	\$ 63,500	\$ -	\$ -	\$ 63,500
6470	House Connections	\$ 41,000	\$ -	\$ -	\$ 41,000
6500	Network's Technical Services	\$ 763,702	\$ 763,702	\$ 381,851	\$ 1,909,254
6523	Catch Basin Cleaning	\$ -	\$ -	\$ 2,228,000	\$ 2,228,000
6600	OPSB	\$ -	\$ -	\$ -	\$ -
6611	Rigid Paving	\$ 350,000	\$ 350,000	\$ -	\$ 700,000
6612	Asphalt Paving	\$ 247,500	\$ 247,500	\$ -	\$ 495,000
6620	Non-FEMA Water Paving & Point Repair	\$ 10,150,000	\$ -	\$ -	\$ 10,150,000
6621	Non-FEMA Sewer Paving & Point Repair	\$ -	\$ 10,750,000	\$ -	\$ 10,750,000

Sewerage and Water Board of New Orleans
2020
Operating and Maintenance Expense Detail
by Department and System

Code	Department	Water	Sewerage	Drainage	Total
	<u>Total Networks</u>	\$ 21,677,254	\$ 22,172,754	\$ 7,640,627	\$ 51,490,636
	<u>Engineering</u>				
7000	Chief of Engineering	\$ 77,082	\$ 128,470	\$ 51,388	\$ 256,940
7010	Scada / Hydraulic Engineering	\$ 80,181	\$ 133,635	\$ 53,454	\$ 267,269
7100	Mechanical Engineering	\$ 376,976	\$ 628,293	\$ 251,317	\$ 1,256,586
7200	Electrical Engineering	\$ 282,967	\$ 471,611	\$ 188,644	\$ 943,222
7210	Cathodic Protection	\$ 5,066	\$ 8,443	\$ 3,377	\$ 16,886
7300	Construction & Inspection	\$ 179,195	\$ 298,658	\$ 119,463	\$ 597,315
7310	Engineering Field Inspection	\$ 304,688	\$ 507,813	\$ 203,125	\$ 1,015,626
7400	Network Engineering	\$ 306,225	\$ 510,375	\$ 204,150	\$ 1,020,749
7500	Civil Engineering	\$ 191,441	\$ 319,068	\$ 127,627	\$ 638,135
7800	Drainage Engineering	\$ -	\$ -	\$ 448,452	\$ 448,452
	<u>Total Engineering</u>	\$ 1,803,818	\$ 3,006,364	\$ 1,650,998	\$ 6,461,180
	<u>Plumbing</u>				
8000	Plumbing	\$ 1,959,201	\$ 1,959,201	\$ -	\$ 3,918,402
8010	Cross Connection Control	\$ 20,165	\$ 20,165	\$ -	\$ 40,330
8100	House Connections	\$ 88,894	\$ 88,894	\$ -	\$ 177,787
8200	Field/Account Review Unit	\$ 97,375	\$ 97,375	\$ -	\$ 194,749
	<u>Total Plumbing</u>	\$ 2,165,634	\$ 2,165,634	\$ -	\$ 4,331,268
	<u>Total General Superintendent/Operations</u>	\$ 64,035,345	\$ 70,966,855	\$ 36,535,749	\$ 171,537,950

Sewerage and Water Board of New Orleans
2020
Operating and Maintenance Expense Detail
by Department and System

Code	Department	Water	Sewerage	Drainage	Total
VII. Chief Financial Officer					
	<u>Chief Financial Officer</u>				
0014	Chief Financial Officer	\$ 308,460	\$ 514,100	\$ 205,640	\$ 1,028,199
0016	Office of Chief Investment Officer	\$ -	\$ -	\$ -	\$ -
0937	Professional Memberships and Dues	\$ 34,500	\$ 57,500	\$ 23,000	\$ 115,000
0984	New Strategic Initiatives	\$ 300,000	\$ 500,000	\$ 200,000	\$ 1,000,000
9450	Compensation Changes	\$ 450,000	\$ 750,000	\$ 300,000	\$ 1,500,000
		\$ 1,092,960	\$ 1,821,600	\$ 728,640	\$ 3,643,199
	<u>EDBP</u>				
0040	Economically Disadvantaged Business Prog.	\$ 248,875	\$ 248,875	\$ 124,437	\$ 622,187
	<u>Total EDBP</u>	\$ 248,875	\$ 248,875	\$ 124,437	\$ 622,187
	<u>Planning and Budget</u>				
0060	Planning & Budget	\$ 408,383	\$ 408,383	\$ 204,192	\$ 1,020,958
	<u>Total Planning & Budget</u>	\$ 408,383	\$ 408,383	\$ 204,192	\$ 1,020,958
	<u>Project Delivery Unit</u>				
0065	Project Delivery Unit	\$ 758,293	\$ 1,263,821	\$ 505,528	\$ 2,527,642
	<u>Project Delivery Unit</u>	\$ 758,293	\$ 1,263,821	\$ 505,528	\$ 2,527,642

Sewerage and Water Board of New Orleans
2020
Operating and Maintenance Expense Detail
by Department and System

Code	Department	Water	Sewerage	Drainage	Total
	<u>Treasury</u>				
0066	Treasury	\$ 61,367	\$ 61,367	\$ 30,684	\$ 153,418
	<u>Total Treasury</u>	\$ 61,367	\$ 61,367	\$ 30,684	\$ 153,418
	<u>Finance</u>				
0083	Inventory Control	\$ 65,500	\$ 65,500	\$ 32,750	\$ 163,750
0300	Finance Administration	\$ 474,573	\$ 474,573	\$ 237,287	\$ 1,186,433
0320	Payroll	\$ 232,336	\$ 232,336	\$ 116,168	\$ 580,840
0340	Customer Accounting	\$ 35,655	\$ 35,655	\$ 17,828	\$ 89,138
0350	Accounting	\$ 659,148	\$ 659,148	\$ 329,574	\$ 1,647,870
0910	Pension Related Expense	\$ 40,000	\$ 40,000	\$ 20,000	\$ 100,000
	<u>Total Finance</u>	\$ 1,507,212	\$ 1,507,212	\$ 753,606	\$ 3,768,031
	<u>Revenue</u>				
0500	Revenue & Customer Service Admin.	\$ 380,933	\$ 380,933	\$ -	\$ 761,866
0501	Customer Relations	\$ 158,490	\$ 158,490	\$ -	\$ 316,980
0902	Water Service Assistance Program	\$ 150,000	\$ 150,000	\$ -	\$ 300,000
0502	Revenue Administration - Mailroom	\$ 453,419	\$ 453,419	\$ -	\$ 906,837
0503	Customer Accounts Review	\$ 64,790	\$ 64,790	\$ -	\$ 129,579
	<u>Total Revenue</u>	\$ 1,207,631	\$ 1,207,631	\$ -	\$ 2,415,262
	<u>Billing & Accounts</u>				
0506	Sanitation	\$ 126,775	\$ 126,775	\$ -	\$ 253,550
0510	Billings	\$ 75,004	\$ 75,004	\$ -	\$ 150,008

Sewerage and Water Board of New Orleans
2020
Operating and Maintenance Expense Detail
by Department and System

Code	Department	Water	Sewerage	Drainage	Total
0511	Billing Review & Commercial Accts	\$ 467,208	\$ 467,208	\$ -	\$ 934,415
0512	Bill Adjustments	\$ 465,051	\$ 465,051	\$ -	\$ 930,101
0519	Credits & Collections	\$ 690,953	\$ 690,953	\$ -	\$ 1,381,905
	<u>Total Billing & Accounts</u>	\$ 1,824,990	\$ 1,824,990	\$ -	\$ 3,649,979
	<u>Customer Service</u>				
0520	Cashier	\$ 443,534	\$ 443,534	\$ -	\$ 887,067
0530	Customer Service Administration	\$ 99,494	\$ 99,494	\$ -	\$ 198,987
0531	Customer Service -Walk Ins	\$ 424,808	\$ 424,808	\$ -	\$ 849,616
0532	Customer Service - Westbank Office	\$ 39,964	\$ 39,964	\$ -	\$ 79,927
0533	Customer Service Telephone	\$ 551,776	\$ 551,776	\$ -	\$ 1,103,551
0534	Customer Service-Mail Resolving	\$ 228,234	\$ 228,234	\$ -	\$ 456,468
0535	Emergency Telephone Center	\$ 150,071	\$ 150,071	\$ 75,035	\$ 375,177
0536	Service Request Contract Center	\$ 78,586	\$ 78,586	\$ 39,293	\$ 196,464
	<u>Total Customer Service</u>	\$ 2,016,464	\$ 2,016,464	\$ 114,328	\$ 4,147,257
	<u>Meter Service</u>				
0540	Meter Reading & Investigations	\$ 2,621,228	\$ 2,621,228	\$ -	\$ 5,242,456
	<u>Total Meter Service</u>	\$ 2,621,228	\$ 2,621,228	\$ -	\$ 5,242,456
	<u>Purchasing</u>				
0700	Purchasing	\$ 412,142	\$ 412,142	\$ 206,071	\$ 1,030,356
0710	Printing	\$ 97,700	\$ 97,700	\$ 48,850	\$ 244,250
	<u>Total Purchasing</u>	\$ 509,842	\$ 509,842	\$ 254,921	\$ 1,274,606

Sewerage and Water Board of New Orleans
2020
Operating and Maintenance Expense Detail
by Department and System

Code	Department	Water	Sewerage	Drainage	Total
<u>Adjustment</u>					
	Board Employer's Pension Contribution	\$ (880,000)	\$ (640,000)	\$ (480,000)	\$ (2,000,000)
		\$ (880,000)	\$ (640,000)	\$ (480,000)	\$ (2,000,000)
	<u>Total Chief Financial Officer</u>	\$ 11,377,245	\$ 12,851,413	\$ 2,236,336	\$26,464,995
 VIII. <u>Overhead Allocation</u>					
0996	Water O/H CP#820	\$ (4,966,544)	\$ -	\$ -	\$ (4,966,544)
0997	Drainage O/H CP#820	\$ -	\$ -	\$ (4,668,330)	\$ (4,668,330)
0998	Sewerage O/H CP#820	\$ -	\$ (4,753,714)	\$ -	\$ (4,753,714)
	<u>Total Overhead</u>	\$ (4,966,544)	\$ (4,753,714)	\$ (4,668,330)	\$ (14,388,588)
Total Operating and Maintenance		\$ 90,801,009	\$ 103,653,966	\$ 46,512,609	\$ 240,967,584

IX. Other Operating Expenses

5001	Drainage Non-Cash Expense	\$ -	\$ -	\$ 22,950,000	\$ 22,950,000
5002	Water Non-Cash Expense	\$ 18,932,000	\$ -	\$ -	\$ 18,932,000
5003	Sewerage Non-Cash Expense	\$ -	\$ 27,125,000	\$ -	\$ 27,125,000
	Total Depreciation & Allowance Expenses (Non-Cash)	\$ 18,932,000	\$ 27,125,000	\$ 22,950,000	\$ 69,007,000

Sewerage and Water Board of New Orleans
2020
Operating and Maintenance Expense Detail
by Department and System

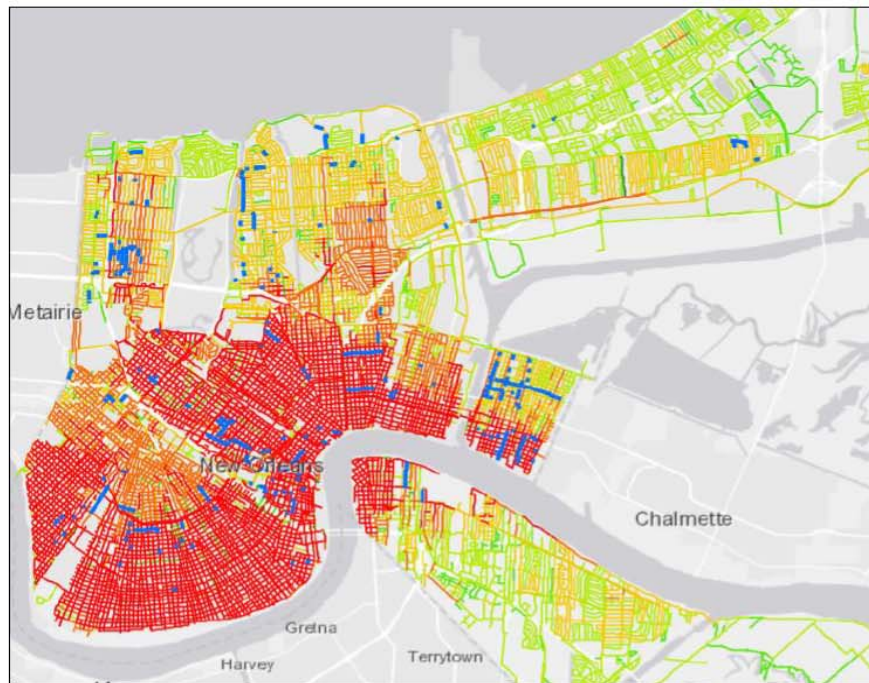
Code	Department	Water	Sewerage	Drainage	Total
9100	OPEB Liability (non-cash)	\$ 3,666,667	\$ 3,666,667	\$ 3,666,667	\$ 11,000,000
	Total OPEB Liability (non-cash)	\$ 3,666,667	\$ 3,666,667	\$ 3,666,667	\$ 11,000,000
	<u>Total Other Non-Cash Expenses</u>	\$ 22,598,667	\$ 30,791,667	\$ 26,616,667	\$ 80,007,000
	Total 2020 Operating Expenses	\$ 113,399,676	\$ 134,445,633	\$ 73,129,275	\$320,974,584

2020 Capital Improvement Plan Proposal

Major CIP Focus in 2020

- SCADA Improvements
- JIRR Program
- Sewer Consent Decree
- Lead Line Replacements
- Power Master Planning
- Continuation of HMGP Projects
- Technology Improvements
- Fleet/Equipment Replacement

AGING WATER INFRASTRUCTURE

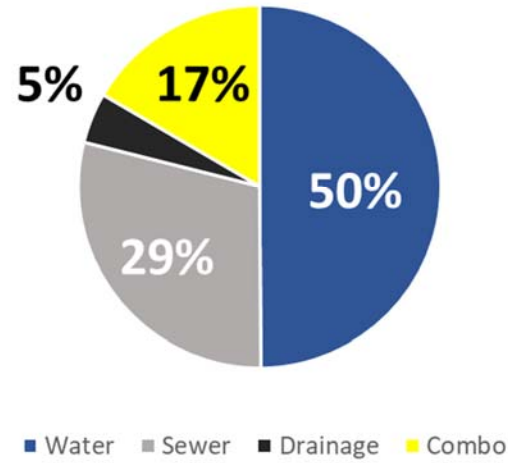


Indicates approximately 23 miles of repairs/replacements made under various post-Katrina construction programs

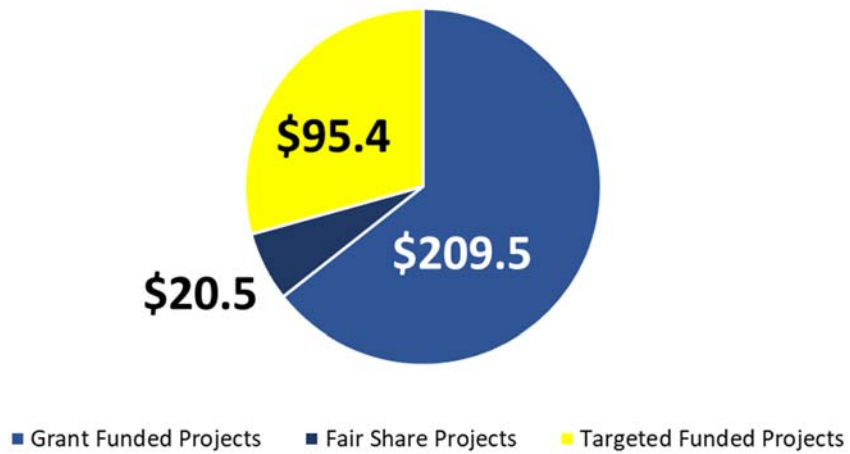
Age of Water Mains	Length of Water Mains (miles)	Percent of distribution system
1900 - 1919	525.02	34.3%
1920 - 1939	208.22	13.6%
1940 - 1959	309.35	20.2%
1960 - 1979	389.47	25.5%
1980 - 1999	97.35	6.4%
2000 - 2019	0.90	0%*
TOTAL :	1,530.3	

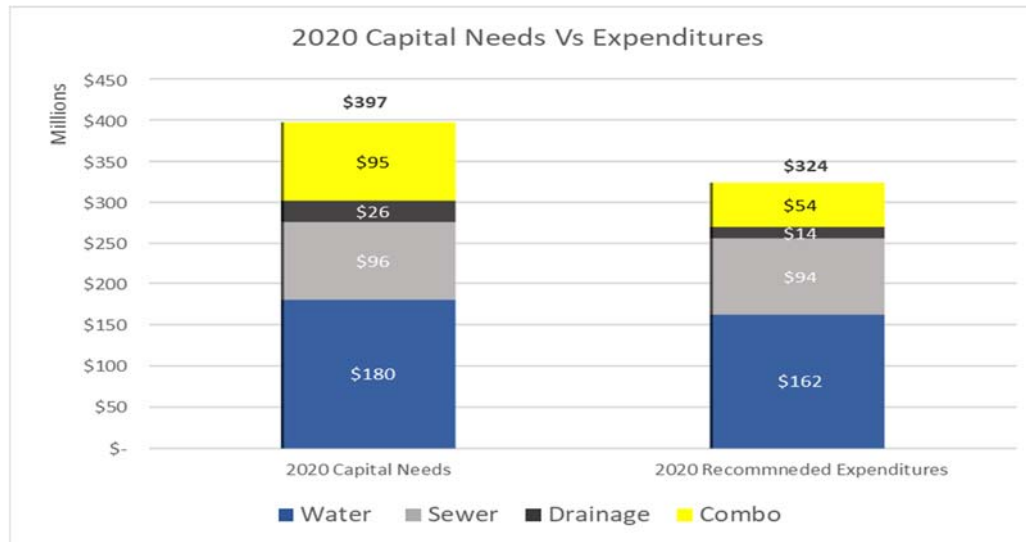
*0.05%

2020 Capital Uses

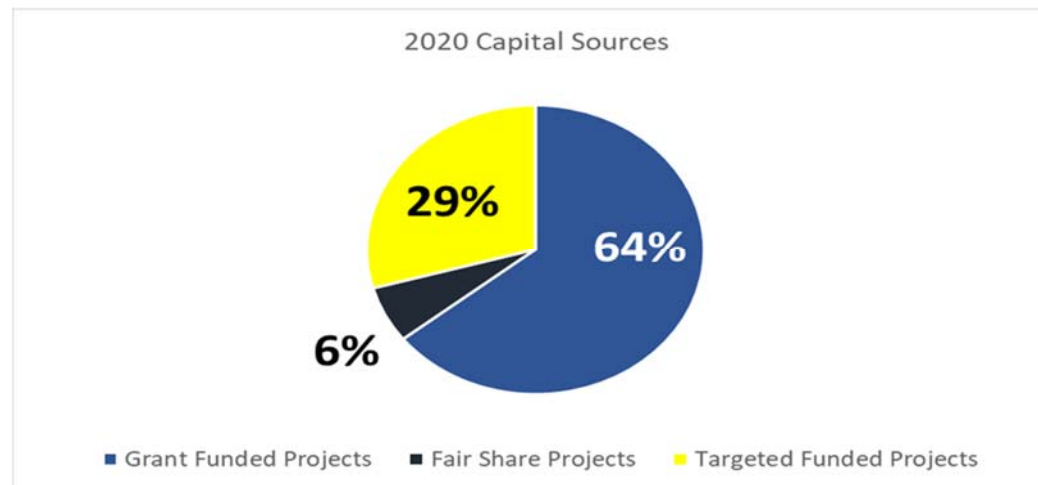


2020 Capital Sources (\$m)



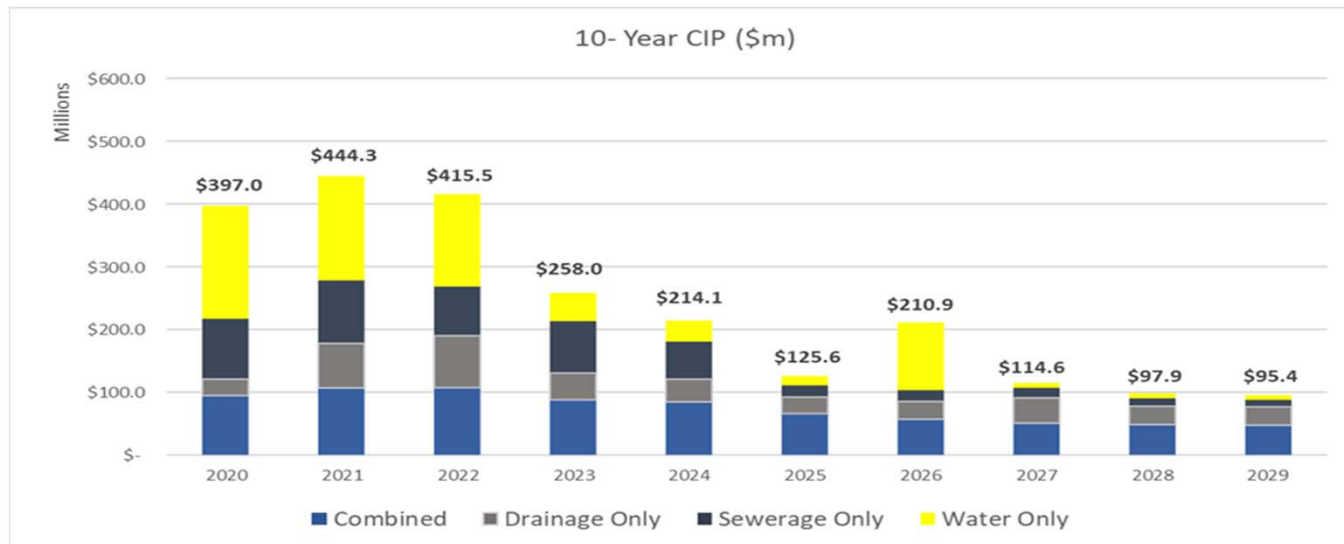


The 2020 Capital Budget includes \$325.4 million in capital expenditures based on the needs of the water, sewer, drainage. Financing sources for the 2020 Capital Budget include: Grant Funded and Fair Share Projects. Projects identified as “Targeted Funded Projects” are contingent upon receiving funds from identified sources.



2020-2029 PROJECTED CAPITAL NEEDS

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	10 Year Total
COMBO	\$94,580,252	\$106,069,295	\$106,967,750	\$87,811,250	\$84,204,800	\$65,739,250	\$56,757,750	\$50,482,500	\$48,188,500	\$47,339,000	\$748,640,347
DRAINAGE	\$26,172,615	\$70,964,021	\$82,721,679	\$42,498,427	\$36,375,000	\$26,375,000	\$28,375,000	\$40,375,000	\$29,275,000	\$29,275,000	\$412,406,742
SEWERAGE	\$96,080,266	\$100,230,842	\$78,388,243	\$82,772,483	\$59,772,483	\$18,550,000	\$17,850,000	\$15,900,000	\$12,620,000	\$10,925,000	\$493,089,317
WATER	\$180,146,051	\$166,580,529	\$147,929,087	\$44,936,579	\$33,725,000	\$14,965,000	\$107,965,000	\$7,865,000	\$7,865,000	\$7,865,000	\$691,342,246
TOTALS	\$396,979,184	\$444,344,687	\$415,506,759	\$258,018,739	\$214,077,283	\$125,629,250	\$210,947,750	\$114,622,500	\$97,948,500	\$95,404,000	\$2,373,478,652



2020 PROPOSED CAPITAL EXPENDITURES

	2020 Requested
Water	\$161,857,198
Sewer	\$94,165,266
Drainage	\$15,612,615
Combo	\$53,759,802
TOTAL	\$325,394,881

Sewerage and Water Board of New Orleans Capital Budget Comparison 2019 Adopted vs 2020 Requested

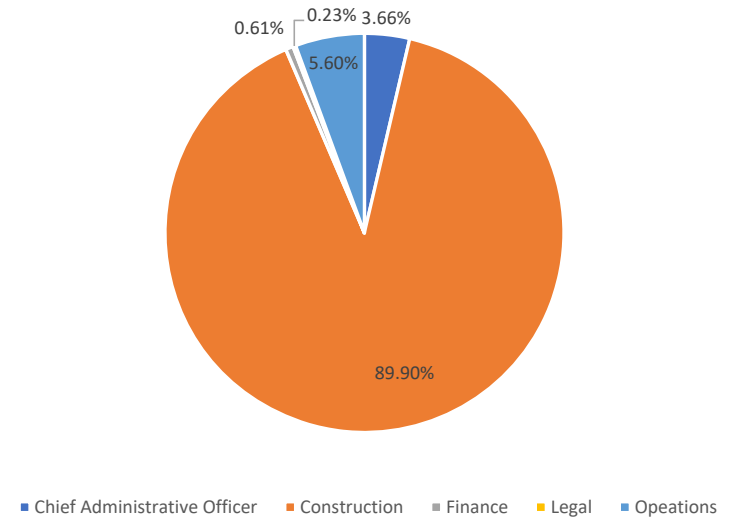
	2019 Adopted
Water	\$48,129,240
Sewer	\$55,357,381
Drainage	\$32,282,354
Combo	\$30,896,755
TOTAL	\$166,665,730

	2020 Requested
Water	\$161,857,198
Sewer	\$94,165,266
Drainage	\$15,612,615
Combo	\$53,759,802
TOTAL	\$325,394,881

The 2020 Requested Budget is **\$158,729,151** more than the 2019 Adopted Budget.

2020 Capital Expenditure Budget By Division

	2020
Chief Administrative Officer	\$11,900,000
Construction	\$292,534,881
Finance	\$2,000,000
Legal	\$750,000
Operations	\$18,210,000
TOTAL	\$325,394,881



Grant Funded Projects

Project Description	Funding Source	Amount
Sewer JIRR and Consent Decree Projects	FEMA/WIFIA/OTHER	\$ 73,505,266.00
Replacement of Water Distribution System on East Bank	FEMA	\$ 67,223,219.00
Water Hammer Hazard Mitigation Program	FEMA	\$ 37,300,000.00
Modifications/Upgrades of EMD's	FEMA	\$ 8,500,000.00
Replace/Upgrade Drainage System Associated with JIRR FEMA Projects	FEMA	\$ 3,137,615.00
JIRR Replacement of Identified ADA Ramps	FEMA	\$ 2,383,979.00
Upgrade & Expansion of SCADA	NDR Grant	\$ 1,200,000.00
CWP West Substation	Capital Outlay	\$ 7,966,152.00
Oak Street Pump Station Retrofit	HMGP	\$ 8,250,000.00
	Total	\$209,466,231.00

Fair Share Projects

Project Description	Funding Source	Amount
SELA Debt	SWB	\$ 5,500,000.00
AMI Phase 1 (Survey)	SWB	\$ 2,000,000.00
Master Plan Development	SWB	\$ 2,000,000.00
Rehab of Underground Drainage Canals	SWB	\$ 1,000,000.00
Sycamore Filter Gallery Design	SWB	\$ 9,000,000.00
Cross Connection Phase 2 Remediation	SWB	\$ 1,000,000.00
	Total	\$ 20,500,000.00

Projects With Targeted Funding

Project Description	Funding Source	Amount
Water Line Replacements	LDH/EPA	\$ 30,000,000.00
Vehicle/Equipment Replacements	Appropriation Financing	\$ 10,000,000.00
Security Systems	EPA Grant	\$ 400,000.00
Technology Implementations	Appropriation Financing	\$ 11,000,000.00
Sewer Extention/Main Replacement Work	Sewer Bonds	\$ 12,710,000.00
Misc Repairs at Various Sewerage Pumping Stations	Sewer Bonds	\$ 6,150,000.00
Westbank WWTP Improvements	Sewer Bonds	\$ 400,000.00
Bio Reactor Train #4	Sewer Bonds	\$ 1,400,000.00
Water Main Replacements (DPW)	Water Bonds	\$ 4,400,000.00
Drain Lines Replacement (36 " and greater)	Drainage Fund	\$ 1,025,000.00
Bulk Chemical Feed	Water Bonds	\$ 11,000,000.00
Carrollton Water Plant Roof Replacement	HMGP Grant	\$ 1,800,000.00
Claiborne and Panola Pumping Stations Stormproofing	HMGP Grant	\$ 200,000.00
Green Infrastructure	Paygo	\$ 843,650.00
Lead Line Replacement	Paygo	\$ 350,000.00
SELA Legal Support	Paygo	\$ 750,000.00
SELA Program Management/Forensic Engineering	Paygo	\$ 2,500,000.00
SELA Claims Management	Paygo	\$ 500,000.00
	Total	\$ 95,428,650.00