



"RE-BUILDING THE CITY'S WATER SYSTEMS FOR THE 21ST CENTURY"

Sewerage & Water Board OF NEW ORLEANS

LATOYA CANTRELL, PRESIDENT

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May 10, 2023

The Finance and Administration Committee met on Wednesday, May 10, 2023, in the Executive Boardroom. The meeting convened at approximately 9:00 A.M.

1. ROLL CALL

Present:

Director Lynes Sloss
Director Alejandra Guzman
Director Joseph Peychaud
Director Janet Howard
Director Carol Markowitz

Absent:

2. CASH FLOW OVERVIEW

Mr. Grey Lewis, Chief Financial Officer, presented an update on the March 2023 financial results and liquidity position, as it is critical that SWBNO maintain sufficient cash flow levels to continue operations, and meet bond covenant requirements. The March 2023 Water and Sewer cash levels (179 and 210 Days Cash on Hand, respectively) exceed the minimum and target thresholds based on month end cash and budgeted expenses and additionally Debt Service Coverage is within the budgeted forecast. The fiscal year has started slow in terms of billings and collections after the holidays with March rebounding (\$23.8m cash collected) while April collections were lower at \$19.7m. The first large installment of Drainage Taxes were received in March (\$23.2m) for FY23.

March billed revenues (\$23.8m) were similar to March 2022 (23.9m). March operating expenses (\$28.5m) were lower than budgeted for the month based on conservatively budgeted FY23 amounts and greater than a year ago (\$25.1m) primarily due to timing of vendor invoices, management will continue to monitor. The FY22 yearend fiscal external audit is underway and on track to be completed in June with the filing of the Annual Comprehensive Financial Report to the Louisiana Legislative Auditor.

The F&A committee also received an update on Customer Service Statistics and Aged Receivables – For Receivables there was a 2% or \$1.1m decrease in the past due category and disputed accounts were 3,556 (<3% total Accounts) at the end of March. Average days to close a customer investigation

decreased to 79 days from 93 days last month. Aged receivables at the end of March were \$59.8m and consistent collections practices continue to be a primary focus with the collection ratio over last twelve months ended March 2023 improving relative to the last twelve months ended March 2022.

3. **ACTION ITEMS**

- Resolution (R-078-2023) Authorization for Award of Contract for Professional Services Between Sewerage and Water Board of New Orleans and Applications Software Technology, LLC (AST) for Financial Software and Services
 - **Director Joseph Peychaud moved to accept R-078-2023. Director Carol Markowitz seconded. The motion carried.**
- Resolution (R-064-2023) Authorization for Contract Amendment #2 of the Professional Services Agreement Between the Sewerage and Water Board of New Orleans and Avenu Insights and Analytics for Information Systems Management
 - **Director Joseph Peychaud moved to accept R-064-2023. Director Carol Markowitz seconded. The motion carried.**

GENERAL SUPERINTENDENT'S REPORT

CONTRACT AWARDS/RENEWALS

- Resolution (R-052-2023) Award of Contract 30248 - Carrollton Basin Sewer Rehabilitation No. 7 Between the Sewerage and Water Board of New Orleans and Fleming Construction Co., LLC
- Resolution (R-053-2023) Award of Contract 30249 - Carrollton Basin Sewer Rehabilitation No. 8 Between the Sewerage and Water Board of New Orleans and Impetus Infrastructure, LLC
- Resolution (R-054-2023) Award of Contract 30250 - Carrollton Basin Sewer Rehabilitation No. 9 Between the Sewerage and Water Board of New Orleans and BLD Services, LLC
 - **Director Janet Howard moved to accept Contract Awards/Renewals. Director Carol Markowitz seconded. The motion carried.**

CONTRACT AMENDMENTS

- Resolution (R-050-2023) Authorization of Amendment No. 3 to the Professional Services Agreement for On-Call Water Valve Operations Services Between the Sewerage and Water Board of New Orleans and Pure Technologies, Inc.

- Resolution (R-051-2023) Authorization of Amendment No. 9 to the Agreement Between the Sewerage and Water Board of New Orleans and Richard C. Lambert, LLC for Design and Engineering Services for the Water Line Replacement Program
- Resolution (R-055-2023) Authorization of Amendment No. 6 to the Agreement Between the Sewerage and Water Board of New Orleans and Burk Kleinpeter, Inc. for Program and Construction Management Services for Hurricane Related Sewer Restoration Projects
 - o **Director Joseph Psychaud moved to accept Contract Amendments. Director Janet Howard seconded. The motion carried.**

4. **INFORMATION ITEMS** –

The information items were received.

5. **PUBLIC COMMENT** –

None.

6. **ADJOURNMENT**

There being no further business to come before the Finance and Administration Committee Meeting. The meeting adjourned at approximately 9:36 AM.

Respectfully submitted,

Lynes Sloss, Chair