



DATE: 09/25/2024

TIME: 9:00 a.m.

LOCATION: Executive Boardroom

COMMITTEE MEMBERS: Maurice Sholas, M.D., Ph.D., Chair | Tamika Duplessis, Ph.D., Vice Chair |
| Robin Barnes | Tyler Antrup | H. Davis Cole

Audit Committee Meeting Agenda

PUBLIC MEETING

All meetings are open to the public, and we encourage your attendance.
Those interested can join in person or virtually.

Join In-Person: Executive Board Room, Second Floor
625 St. Joseph St., New Orleans, LA 70165

Join Virtually: <https://www.swbno.org/BoardMeetings>

E-Public comments will be accepted via <https://www.swbno.org/BoardMeetings>.
All e-public comments must be received at least 2 hours prior to the meeting. Comments
will be read verbatim into the record.

I. Roll Call

II. Presentation Items

- A. EisnerAmper Annual Financial Statement Audit 2023 – Brandy Smith, Partner – EisnerAmper
- B. Audit Department Update – Ed Sutherland, Chief Audit Executive

III. Public Comment

IV. Adjournment

Board of Directors: Hon. LaToya Cantrell, President, Lynes R. Sloss, President Pro Tempore, Hon. Freddie King III, Robin Barnes, H. Davis Cole, Janet Howard, Chadrick Kennedy, Joseph Peychaud, Tamika Duplessis, Ph. D., Maurice Sholas, M.D., Ph. D., Tyler Antrup



Annual Comprehensive Financial Report

For the years ended December 31, 2023, and 2022

**SEWERAGE AND WATER BOARD
OF NEW ORLEANS, LOUISIANA**





COVER: Together with Mayor LaToya Cantrell, Members of the Board of Directors, the Sewerage and Water Board of New Orleans (SWBNO) stand before the new Power Complex substation. The substation is a crucial piece of the Power Complex that will modernize how SWBNO powers its drinking water, wastewater, and drainage systems.

To operate our systems, SWBNO relies on century-old pumps that require a special form of electricity Entergy New Orleans does not produce. Our utility currently uses in-house turbines to generate the electricity needed to power the pumps serving New Orleans.

The new substation will provide a more reliable, economical, and cleaner power source for everyday use by drawing power directly from Entergy's transmission grid. The Power Complex will also include static frequency changers to convert that modern electricity to the type of power our older pumps need.

**SEWERAGE AND WATER BOARD
OF NEW ORLEANS, LA**

**Annual Comprehensive Financial Report
For The Years Ended
December 31, 2023 and 2022**

**Prepared By:
Finance Department**

STRATEGIC FRAMEWORK

Vision

To be a model utility that earns and holds the trust and confidence of our customers, community, and partners through reliable and sustainable water services.

Mission

Our team of experts serves the people of New Orleans and improves their quality of life by reliably and affordably providing safe drinking water; removing wastewater for safe return to the environment; and draining stormwater to protect our community.

Core Values



**Customer
Focused**



**Transparent
& Honest**



Accountable



Safety-Minded



SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

Annual Comprehensive Financial Report
Years ended December 31, 2023 and 2022

TABLE OF CONTENTS

I.	INTRODUCTORY SECTION (UNAUDITED)	<u>PAGE(S)</u>
	Transmittal Letter	I-1
	Revenue and Expense Graph	I-13
	Certificate of Achievement for Excellence in Financial Reporting	I-14
	Board of Directors of the Sewerage and Water Board of New Orleans	I-15
	Committees of the Sewerage and Water Board of New Orleans	I-16
	Executive Staff	I-17
	Organizational Chart	I-18
II.	FINANCIAL SECTION	
	Independent Auditors' Report	II-1
	Management's Discussion and Analysis (Required Supplementary Information)	II-4
	Basic Financial Statements	
	Financial Statements – Enterprise Fund:	
	Statements of Net Position	II-14
	Statements of Revenues, Expenses and Changes in Net Position	II-16
	Statements of Cash Flows	II-17
	Fund Financial Statements – Fiduciary Fund	
	Statements of Fiduciary Net Position – Pension Trust Fund	II-19
	Statements of Changes in Fiduciary Net Position – Pension Trust Fund	II-20
	Notes to Financial Statements	II-21
	Required Supplementary Information	
	Schedules of Net Pension Liability, Employer Contributions, and Investment Returns	II-63
	Schedule of Changes in Total Net Pension Liability and Related Ratios	II-64
	Schedule of Changes in Total OPEB Liability and Related Ratios	II-65
	Supplementary Information	
	Net Position by Department	
	Enterprise Fund – Schedule 1	II-66
	Revenues, Expenses, and Changes in Net Position by Department	
	Enterprise Fund – Schedule 2	II-68
	Schedule of Property, Plant, and Equipment in Service by Department	
	Schedule 3	II-69
	Schedule of Bonds Payable	
	Schedule 4	II-70

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

Annual Comprehensive Financial Report
Years ended December 31, 2023 and 2022

TABLE OF CONTENTS

II. FINANCIAL SECTION (continued)	<u>PAGE(S)</u>
Schedule of Cash Receipts and Disbursements	
Debt Service and Debt Service Reserve Required by Bond Resolution	
Schedule 5	II-71
Schedule of Changes in Self-Insurance Liabilities by Department	
Schedule 6	II-72
Schedule of Compensation, Benefits, and Other Payments to the Executive Director	
Schedule 7	II-73
 III. STATISTICAL SECTION (UNAUDITED)	
This part of the Board's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Board's overall financial health.	
Summary of Statistical Information	III-0
Financial Trends	
<i>These schedules contain trend information to help the reader understand how the Board's financial performance and well-being have changed over time.</i>	
Net Position by Component – Last Ten Years	III-1
Changes in Net Position by Component – Last Ten Fiscal Years	III-2
Revenues and Expenses by Source (Enterprise Fund) - Last Ten Fiscal Years	III-3
Revenue Capacity	
<i>These schedules contain information to help the reader assess the Board's most significant local revenue source, the property tax.</i>	
Assessed and Estimated Actual Value of Taxable Property –	
Last Ten Fiscal Years	III-4
Property Tax Rates – Direct and Overlapping Governments	
Number of Mills – Last Ten Years	III-5
Ten Largest Taxpayers – December 31, 2023 and Ten Years Ago	III-6
Property Tax Levies and Collections by the City of New Orleans	
Last Ten Fiscal Years	III-7
Water and Sewer Rates – Last Ten Fiscal Years	III-8
Debt Capacity	
<i>These schedules present information to help the reader assess the affordability of the Board's current levels of understanding debt and the Board's ability to issue additional debt in the future.</i>	
Ratio of Outstanding Debt by Type – Last Ten Fiscal Years	III-9
Computation of Direct and Overlapping Debt – December 31, 2023	III-10

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

Annual Comprehensive Financial Report
Years ended December 31, 2023 and 2022

TABLE OF CONTENTS

III.	STATISTICAL SECTION (UNAUDITED) (continued)	<u>PAGE(S)</u>
	Revenue Bonds Debt Service Coverage	
	Water Bonds – Last Nine Fiscal Years	III-11
	Sewer Bonds – Last Nine Fiscal Years	III-12
	Unrestricted Cash and Cash Equivalents Days of Operating and Maintenance Expense at Year End:	
	Water System – Last Nine Fiscal Years	III-13
	Sewer System – Last Nine Fiscal Years	III-14
	Demographic and Economic Information	
	<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the Board's financial activities take place.</i>	
	Demographic Statistics – Last Ten Fiscal Years	III-15
	New Orleans Area Principal Employers (Non-Public) – Last Ten Fiscal Years	III-16
	Operating Information	
	<i>These schedules contain service and infrastructure data to help the reader understand how the information in the Board's financial report relates to the services the Board provides and the activities it performs.</i>	
	Capital Expenditures by Department – Enterprise Fund Last Ten Fiscal Years	III-17
	Schedule of Future Debt Payments:	
	Water	III-18
	Sewer	III-19
	Drainage	III-20
	Total	III-21
	Capital Asset Statistics by Function – Last Ten Fiscal Years	III-22
	Number of Active Employees – Last Ten Fiscal Years	III-23
IV.	SUPPLEMENTAL SECTION (UNAUDITED)	
	2023 Actual Capital Expenditures – Water Department	IV-1
	2023 Actual Capital Expenditures – Sewerage Department	IV-2
	2023 Actual Capital Expenditures – Drainage Department	IV-3
	2023 Actual Capital Expenditures – Power Projects	IV-4
	2023 Actual Capital Expenditures – General Budget Items	IV-5

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

Annual Comprehensive Financial Report
Years ended December 31, 2023 and 2022

TABLE OF CONTENTS

IV. SUPPLEMENTAL SECTION (UNAUDITED) (continued)	<u>PAGE(S)</u>
Pay Water Consumption (In Gallons) – 2023	IV-6
Monthly Water and Sewerage Collections – 2023	IV-7
Tables of Water Purification Operations and Water and Sewerage Distribution Systems	IV-8
Table of Rainfall in New Orleans – Last Ten Years	IV-31
Cost of Operations Identification Program Benchmarking 2023	IV-32



INTRODUCTORY SECTION



Our Five-Year Strategic Plan acts as a blueprint for SWBNO's decision-making process so we can become the model utility New Orleans deserves.

VISION:

To be a model utility that earns and holds the trust and confidence of our customers, community, and partners through reliable and sustainable water services.



TO: The Honorable LaToya Cantrell, President, and
Members of the Sewerage and Water Board of New Orleans
625 St. Joseph Street
New Orleans, LA 70165

DATE: June 27, 2024

We respectfully submit the enclosed Annual Comprehensive Financial Report (ACFR) for the Sewerage and Water Board of New Orleans (SWBNO) for the years ended December 31, 2023, and 2022. This yearly report provides our Board of Directors, investors, customers, and the public at large with the utility's latest, most complete financial portrait.

We believe that the data, as presented, is accurate in all material respects. This report is designed to fairly present SWBNO's financial position and operation results for the SWBNO Enterprise and Pension Trust Funds. Necessary disclosures are included for the reader to understand SWBNO's financial activities.

SWBNO retained Eisner Amper (EA), a licensed CPA firm, to serve as its independent auditor. EA has issued an unmodified opinion on SWBNO's financial statements for the year ended December 31, 2023. The independent auditors' report is located at the front of the Financial Section within our ACFR.

THE ANNUAL COMPREHENSIVE FINANCIAL REPORT

The ACFR is organized into four sections:

Introductory Section: This section includes this letter of transmittal, as well as various governance, leadership, and organizational charts. This transmittal letter is designed to complement the Management's Discussion and Analysis (MD&A) (see Financial Section) and should be read in conjunction with it.

Financial Section: This section includes the Independent Auditors' Report, the MD&A, basic financial statements, accompanying notes, and required supplementary information (RSI). The MD&A is required by the Governmental Accounting Standards Board (GASB) and provides an overview and analysis of the basic financial statements.

Statistical Section: This section presents graphs and details demonstrating financial trends as well as revenue and debt information as context for understanding SWBNO's overall financial health and operating capacity.

I-1

Board of Directors: LaToya Cantrell – President, Lynes Sloss – President Pro Tem, Freddie King – Councilmember, Joseph Peychaud, Robin Barnes, Chadrick Kennedy, Alejandra Guzman, Tamika Duplessis, Maurice Sholas, Janet Howard, Tyler Antrup



Supplemental Section: This section includes additional historical schedules.

The basic financial statements were prepared in accordance with U.S. Generally Accepted Accounting Principles (GAAP) and audited by independent, certified public accountants retained by SWBNO.

Pursuant to LA Revised Statutes §24:513 (A), SWBNO is required to have its financial statements audited each year by licensed, certified public accountants.

SWBNO's management is responsible for the reliability of the information in this report, based upon a comprehensive internal control framework established for this purpose. The internal control framework is designed to give reasonable assurance that the cost of internal controls should not exceed the benefits derived from the controls and that the financial statements are free from material misstatements. The internal control over financial reporting is a process designed by, or under the supervision of, SWBNO's Executive Director, Chief Financial Officer, Controller and Finance Director and effected by the Board of Directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting in accordance with GAAP.

PROFILE OF SEWERAGE AND WATER BOARD OF NEW ORLEANS

SWBNO is a public utility that owns, maintains, and operates New Orleans' vast networks of water and sewer mains, drinking water and wastewater treatment plants, as well as the components of the city's drainage system that are 36" or greater in diameter (primarily drainage canals).

SWBNO meets the criteria for classification as a component entity as described in GASB Statement No. 61, however, is fiscally independent to operate under its bond covenant and the provisions of Louisiana Revised Statutes. The reporting entity includes the Enterprise Fund and the Pension Trust Fund. The Enterprise Fund comprises three (3) independent systems: Water, Sewerage, and Drainage.

SWBNO was founded in 1899 by state law and merged with the New Orleans Drainage Commission in 1903 to eventually assume its present-day mission: To serve the people of New Orleans and improve their quality of life by providing safe drinking water, removing wastewater for safe return to the environment, and draining stormwater to protect our community. Its team of experts does this reliably, continuously, and at a reasonable cost. SWBNO's vision is to be a model utility that earns and holds the trust and confidence of our customers, community and partners through reliable and sustainable water services.

Today, SWBNO serves 364 square miles of the City of New Orleans and provides drainage services to approximately 2,550 acres of neighboring Jefferson Parish. Raw water is sourced from the Mississippi River for treatment. The utility operates a drainage system of approximately 280 miles of open and underground canals and 24 pumping stations that house 120 drainage pumps. The drainage and water



systems are powered by a combination of modern, 60-Hertz electricity and self-generated, 25-Hertz power that dates to the early 20th century. SWBNO is under a federal Consent Decree to overhaul the New Orleans sewerage system. This effort is scheduled to be completed in 2025. An independent contractor manages sewer operations.

This utility operates independently of the city government under the oversight of its 11-member Board of Directors:

- The Mayor of the City of New Orleans, serving as president
- A member of the City Council's Public Works, Sanitation and Environmental Committee or his/her designee
- Two members of the city's debt manager, the Board of Liquidation, City Debt
- Seven citizen members appointed by the mayor with the consent of the City Council

Citizen members must represent New Orleans' five City Council districts; two must be considered consumer advocates. The Board of Directors is responsible for, amongst other things, passing resolutions, adopting the budget, appointing committees, and hiring the Board's Executive Director and General Superintendent. The Executive Director is responsible for carrying out the policies and resolutions of the Board and overseeing day-to-day operations.

The water and sewerage systems, and the overall administration of SWBNO, are primarily funded through services rates, which the New Orleans City Council approves. Maintenance, operations, and improvements to the drainage system are primarily financed through three ad valorem taxes set at rates of three-(3) mill, six-(6) mill, and nine-(9) mill, which expire in 2046, 2027, and 2032, respectively. The SWBNO employs approximately 1,300 people and manages a \$236 million pension trust fund.

ECONOMIC GROWTH AND OUTLOOK

As one of the last major ports before the Mississippi River empties into the Gulf of Mexico, New Orleans is a central hub for commerce and an economic engine for the broader Gulf Coast region. It is also a large nexus for rail and truck routes. The latest mid-year estimates (July 2023) revealed the City of New Orleans experienced a decrease in population to 364,134 (*U.S. Census Bureau, Population Division*).

New Orleans has a diverse economy, with the main sectors being energy, advanced manufacturing, international trade, healthcare, and tourism. It is the home to internationally known universities and hospitals. Some of the largest companies in New Orleans include Entergy Corporation, Ochsner Health System, Tulane University, Woodward Design + Build, Hancock Whitney Corporation, and Boh Bros Construction.



The New Orleans metropolitan area unemployment rate (3.9%) was slightly below the State of Louisiana's rate (4.0%) and above the national unemployment rate at the end of 2023 (3.7%), according to the US Bureau of Labor Statistics based on the high volume of hospitality and tourism jobs in the City.

The median household income in the City of New Orleans is \$51,116 compared to \$55,416 for the State of Louisiana and \$74,755 for the United States, with 22.2% of residents falling below the federal poverty line according to the United States Census Bureau.

MANAGEMENT INITIATIVES

After receiving Board of Director approval for our first-in-a-generation strategic plan at the beginning of last year, in 2023 SWBNO turned its focus to delivering change through six working groups, one dedicated to each of the strategic plan's focus areas, which met quarterly to discuss successes, challenges, and key performance indicators.

During 2023, SWBNO carried out a range of plan-aligned tactics within the timelines the working groups identified for them. Strategic plan highlights include:

- ▶ Onboarded new leadership with a permanent Controller and additional consultants working with revenue recovery and utility billing enhancements through the smart metering project
- ▶ Additional spending controls for items larger than \$10,000
- ▶ Worked to promote customer affordability programs including special relief for low-income customers qualifying for federal aid due to the pandemic
- ▶ Developed a 5-year schedule to upgrade key software systems that are reaching end-of-life including the award of a contract to upgrade the financial information system to a new cloud-based system
- ▶ Hired permanent Human Resource Director, added leadership training classes for managers and increased Training Department staff while also progressing on an overall People Plan study
- ▶ Began installing new smart meters in the year and reengaging with customers through this transformational project
- ▶ Developed and implemented key communication campaigns (Smart Metering and Lead and Copper Rule regulations) for proactive and educational outreach for new and expected changes coming
- ▶ Established new Infrastructure project manager positions and hired 5 new professionals to manage critical infrastructure projects
- ▶ Selected a consultant in December for a Water Treatment Master Plan to holistically assess infrastructure and critical needs for the water system
- ▶ Continued with key progress on the Power Complex infrastructure to deliver initial operations by Summer 2025



FINANCIAL PLANNING

In 2023 we focus on external funding opportunities for continuation of several key capital projects while dealing with the reality of limited opportunities for rate changes as shown in the previous comprehensive financial study. The prior year comprehensive financial study allowed for further understanding of our water and sewer system revenue, the cost of providing those services to our customers, and the costs associated with capital projects to sustain and improve the service we provide.

The study found that the income our water and sewer rates generate covers our obligatory debt service and the cost of our day-to-day operations and maintenance. However, current revenue leaves nearly all our ten-year capital improvement projects unfunded which necessitates continually pursuing creative external funding opportunities.

SWBNO has received funding commitments from City of New Orleans (\$73 million), Capital Outlay (\$79 million), HUD (\$16 million), and State revolving funds (\$86.5m) in addition to a Water Infrastructure Finance and Innovation Act (WIFIA) EPA loan (\$275m) and recurring Fair Share Funding (\$64m). SWBNO also receives revenues from the three-(3) mill, six-(6) mill, and nine-(9) mill ad valorem taxes, which are restricted exclusively to the drainage system in addition to our primary revenue from rates for water and sewer services.

GENERAL OPERATIONS

The change in net position for the year ended December 31, 2023, was an increase of approximately \$172 million, as opposed to an approximately \$174 million increase for the year ended December 31, 2022, primarily due to higher expenses and lower capital contributions in 2023. Total operating revenues were relatively flat increasing only by 1.9% to approximately \$279 million given minor change in consumption levels and flat service rates with the small increase coming from other operating revenues. Total non-operating revenue increased by 24% to approximately \$83 million due one-time capital contributions, increases in interest income and additional drainage taxes from increases in the tax base from new construction.

BUDGETARY CONTROL

SWBNO maintains internal budgetary control by preparing and monitoring an annual operating and capital budget for the Water, Sewerage, and Drainage funds. The statement of revenues, expenses, and changes in net position; statement of net position; and statement of cash flows are prepared for each system. Also, monthly budget reports are provided to assist each department-level manager in fiscal decision-making.



The 2023 approved operating budget was \$379 million, which was 3% over the prior year. SWBNO has \$522 million in outstanding senior lien debt: \$36.7 million in Drainage Bonds, \$276 million in Sewer Revenue Bonds, and \$209 million in Water Revenue Bonds. SWBNO has been issued an “A” and an “A-” rating from Standard & Poor’s Ratings Services (S&P) for the sewer system and water system, respectively, and a “BBB+” for the water system and sewer system from the Fitch Ratings. In addition, the S&P and Fitch Ratings for Special Tax Bonds are “AA-” and “A,” respectively.

CAPITAL IMPROVEMENT PROGRAM

SWBNO's 10-year capital improvement program considers resources and expenses to repair, rehabilitate, and replace water, sewer, and drainage capital assets. The program allows the utility to compare the impact of future stability over the next ten years. This includes capital improvements to infrastructure for completing projects related to Hurricane Katrina repairs, ongoing rehabilitation, handling anticipated growth, maintaining compliance with regulatory requirements, technology changes, and bringing the system into the 21st century.

At the close of 2023, there were approximately 19 active contracts for capital projects in addition to a major joint project with the City - Joint Infrastructure Recovery Roads (JIRR) Program and major projects for Smart Metering, Power Complex and Sewer rehabilitation.

There are also active emergency contracts, which are those not anticipated in the capital improvement program, including:

2023 – Turbine 5 Incident – In January 2023, staff recognized a potentially critical issue with Turbine-Generator 5 and took the equipment out of service for an investigation. A vendor was engaged to help investigate a potential natural gas seepage. Identified issues were corrected and associated repairs were completed by end of March 2024.

2023 – Vehicle and Equipment Purchase – Following a similar action by the City of New Orleans, SWBNO issued an emergency declaration in March 2023 for the purchase of vehicles and equipment, due to previous challenges with procurement because of manufacturing shortages, delays, supply chain issues, parts shortages, and cancellations of orders from vendors. This emergency declaration authorized the Department of Support Services to secure informal bids for the procurement of vehicles and equipment at a cost not to exceed \$5,000,000. The majority of funds had been obligated by the end of 2023.

2023 – Turbine 4 Incident – In April 2023, staff discovered that a trip and throttle valve and Governor Control Valve malfunctioned during operation, which required an immediate shut down. A vendor was engaged to investigate the unit and make any repairs necessary. Turbine 4 was returned to service in August 2023.



2023 – Saltwater Intrusion - In Q3 2023, the US Army Corps of Engineers New Orleans District advised local municipalities of the possibility of saltwater intrusion from the Gulf of Mexico into the Mississippi River, potentially compromising the drinking water supplies for the region. Staff worked with a local design firm for a plan to mitigate these effects as best as possible. SWBNO did not award any major construction work to a contractor outside of a repair to a water line on the Algiers Forebay to create redundancy in the water supply in Algiers due to the saltwater intrusion not ultimately reaching our intake points.

2023 – Turbine 4 Incident — On December 3, 2023, operations staff discovered that the thrust bearing on Turbine 4 had failed. A contractor was engaged for investigation and repair of the turbine. A secondary failure occurred in February 2024, requiring additional investigation and repairs, which are currently ongoing.

2023 – SPS D Sewer Force Main Leak – In July 2023, a large leak developed on a 60-inch sewer force main adjacent to Sewer Pumping Station D, causing sewerage to overflow into the Peoples Canal and Florida Avenue Canal, requiring use of temporary pumps to remove sewerage from the canals. Repairs were completed near the end of July 2023.

As of December 31, 2023, SWBNO's budget for its ten-year capital improvements program totaled approximately \$2.48 billion and included \$441 million in budget authority for the year ending December 31, 2023, for the following key capital improvement activities:

- Power Complex at the Carrollton Water Plant
- Transformational Smart Metering Infrastructure project to eliminate manual meter reading
- Continue Joint Infrastructure Recovery Road in conjunction with the City of New Orleans Department of Public Works
- Comply with regulatory requirements under the Sewer Consent Decree
- Rehabilitate and upgrade facilities at the Carrollton Water Plant
- Participate in drainage system improvements in coordination with SELA Program

Due to certain regulatory and legislative changes and age of infrastructure additional capital improvements are expected but are not yet funded. Future capital improvement program expenditures will require grant funding, the issuance of additional debt depending on the amount and timing of expenditures to the extent bonding capacity allows or identification of alternative funding.

WATER SYSTEM MAJOR INITIATIVES

Below is a list of the major water system initiatives completed in 2023 and those that are still in progress:

CARROLLTON WATER PURIFICATION PLANT

- Design of valves, actuators, and controls at Sycamore Filter Gallery in progress. Construction originally began in 2018 using a phased approach. SWBNO finished Phase 3 in 2023 and will begin



construction on Phase 4 in 2024. Once Phase 4 is completed, all filter media will have been replaced for filters that will continue to stay in service. Future phases will address the flow control valves and automation.

- Design of new sludge line to the Mississippi River in progress
- Rehabilitation of Claiborne Pumping Station was completed in 2023.
- Rehabilitation of the Panola Pump Station and High Lift Stations also began in 2022 and will continue through 2024
- Design of the repairs to the fender system at New River and Oak St. Raw Water Intake Structures is complete
- Design of a new facility for the consolidated bulk storage and feed of water purification chemicals at the Carrollton Water Plant is complete. Funding is being applied through Environmental Infrastructure funds.

ALGIERS WATER PURIFICATION PLANT

- Design of water storage tank mixing in progress
- Staff design of filter media replacement and repair to valves and actuators in progress

WATER DISTRIBUTION SYSTEM

- Ongoing coordination with the Department of Public Works to rehabilitate water mains in association with the Joint Infrastructure Recovery Roads Program (JIRR) and other roadway rehabilitation projects. The JIRR includes 223 construction projects. JIRR is funded by FEMA in the amount of \$1.66 billion (\$1.4 billion to the City and \$264 million to the SWBNO). Currently ninety (90) of the JIRR projects are complete, Thirty (30) projects are in construction, and nine (9) projects are in bid and award phases.
- Ongoing management of 20 JIRR engineering consultants designing water main replacement projects for our 62 neighborhoods

WATER PUMPING AND POWER

- Replacement of various 25-Hz power distribution cables in progress
- Design of new VFDs and motors for distribution pumps completed

SEWER SYSTEM INITIATIVES

Below is a list of the major sewer system initiatives completed in 2023 and those that are still in progress:

SEWERAGE PUMPING STATIONS

- Planning for a replacement station at SPS 1 has begun with demolition of SWBNO-owned houses adjacent to the existing station completed.
- Planning for expansion of SPS 14 is continuing
- Procurement of replacement pumps and motors for multiple SPS is continuing
- Planning for the purchase of portable generators for deployment to the SPS is ongoing



SEWER COLLECTION SYSTEM

- Ongoing coordination with the Department of Public Works to rehabilitate sewer mains in association with the Joint Infrastructure Recovery Roads Program (JIRR) and other roadway rehabilitation projects
- Construction within the Mid-City Basin currently 100% complete
- Construction within the Carrollton Basin currently 60% complete

WASTEWATER TREATMENT PLANTS

- EBWWTP – Installation of the sludge dryer- Complete. Testing and commissioning. In Progress.
- EBWWTP – Replacement and installation of Bar Screen #6. Complete.
- EBWWTP – Replacement of grit screw #6. Complete.
- EBWWTP – Schwing Pump Chute Fabrication and Install – Complete.
- EBWWTP – Utility Water Pump and Strainer Rehabilitation – Complete.
- EBWWTP – Liquid Oxygen Storage Tank – New Vaporizer Install – Complete.
- EBWWTP – North RAS Station Bypass System – Complete.
- EBWWTP – Purchase and Installation of ABBA RAS Pump Assemblies – Complete.
- EBWWTP – FBI Incinerator Diesel Fuel Line Repairs – Complete.
- EBWWTP – FBI Incinerator Heat Exchanger and Expansion Joint Replacement – Complete.
- EBWWTP – Well Waterline Replacement – Complete.
- EBWWTP – Bleach Tank #2 & #3 Replacement – Complete.
- EBWWTP & WBWWTP – Phase One Capital Improvements Project – In Progress.
- EBWWTP – Vacuum Pressure Swing Adsorption (VPSA) System Replacement – In Progress.
- EBWWTP – Main Switchgear #1 & #2 Relay Replacement – In Progress.
- EBWWTP – BFP #1 & #4 Replacement – In Progress.
- EBWWTP – Effluent Pump #1 Replacement – In Progress.
- EBWWTP – 4MW Generator Transformer Replacement – In Progress.
- EBWWTP – Sedimentation Basin Cleaning & Rehab – In Progress.
- EBWWTP – FBI Incinerator Duplex Strainer Replacement – In Progress.
- EBWWTP – FBI Incinerator Venturi Scrubber Mercury Module & Media Replacement – In Progress.
- EBWWTP – Clarifier #5 Rehabilitation – In Progress.
- WBWWTP – Final Clarifier #1 Rehabilitation – In Progress.
- WBWWTP – Trickling Filter #2 Rehabilitation – In Progress.

DRAINAGE SYSTEM INITIATIVES

Below is a list of the major drainage system initiatives completed in 2023 and those that are still in progress:

DRAINAGE PUMPING STATIONS

- Additional SCADA instrumentation purchase and installation in progress
- Design of Discharge Pump Station #13 in Algiers in progress (USACE project)
- Construction of anti-siphon mechanisms at Drainage Pumping Station 12 - completed
- Repairs to DPS 3 D pump on-going
- Repairs to DPS 10 #1 pump on-going



- Repairs to DPS 16 #2 pump completed
- Repairs to DPS 6 H pump is complete, and I pump is on-going
- Repairs to DPS 11 E pump completed

CANALS

- Construction of General DeGaulle Canal improvements from Shirley Dr. to Holiday Dr. is completed
- Construction of Florida Ave. Canal Phase IV in progress
- Design of Donner Canal from Algiers Outfall Canal to Pump Station #13 in progress
- Design of General DeGaulle Canal from Behrman Place to Algiers Outfall Canal in progress

OTHER FINANCIAL INFORMATION AND SUBSEQUENT EVENTS

GOVERNOR'S TASK FORCE AND 2024 LEGISLATIVE SESSION

On February 26, 2024, Governor Jeff Landry established through executive order, the Governor's Task Force on SWBNO, and assigned duties of the Task Force to review the governing structure, billing processes, and management and organizational structure and provide a report of findings within 30 days to inform subsequent strategies, including those for 2024 Regular Legislative Session. The report was issued on March 27, 2024, with a listing of advisory recommendations to the Governor including consolidating the responsibilities for the minor drainage system from the Department of Public Works to SWBNO, appointing an independent arbiter for billing disputes and other recommendations that would restructure and reorganize the governing body of SWBNO. The 2024 Regular Legislative Session includes legislation that expands the responsibilities of SWBNO to maintain the minor drainage system with funding from the City and provides changes to domiciliary requirements in the hiring process. New legislation modifies billing practices to provide residential customers within 120 days of the enacted legislation an optional temporary fixed rate bill until a new smart meter is installed. Further new legislation effective January 1, 2025, eliminates the practice of SWBNO billing estimated consumption. The Utility is currently working to implement the new legislation in the prescribed time frames.

NEW FEDERAL REGULATIONS

SWBNO prides itself on meeting or exceeding state and federal drinking water quality standards. In March 2023, the U.S. Environmental Protection Agency released draft National Primary Drinking Water Regulations for six types of fluoroalkyl substances (PFAS). In December 2023, the agency proposed the Lead and Copper Rule Improvements that are expected to be finalized in 2024. We are also approaching the October 2024 compliance date for the agency's December 2021 Lead and Copper Rule Revisions. SWBNO will continue to prepare for timely compliance with both regulations, and we will expand our efforts to educate customers about lead, copper, and PFAS, empowering them to protect themselves from other, non-water sources of exposure (i.e., paint and soil for lead; non-stick, non-stain, and water-resistant consumer products for PFAS).



WATER TREATMENT SYSTEM EVALUATION

With a path forward to address the outstanding needs in our power system, SWBNO intends to shift focus on the next steps for major rehabilitation of our water treatment systems. Our primary drinking water treatment plant received its last major renovations in 1959, over 60 years ago. New, more efficient treatment technology has been widely adopted since then. Evolving federal drinking water quality regulations could eventually require treatment process changes. In 2024, we will begin a master planning effort focused on modernizing the Eastbank Water Treatment Plant.

ACKNOWLEDGEMENTS

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of SWBNO, particularly the Finance and Accounting departments.

We also acknowledge all members of the Board of Directors for their unfailing support, leadership, and professionalism in managing SWBNO's finances. Of course, we extended our great appreciation to the President of the Board, Mayor Latoya Cantrell, Governor John Bel Edwards, and our hospitality partners, who played a vital role in obtaining much-needed funding for SWBNO as we look toward rebuilding a strong infrastructure for the citizens and visitors of New Orleans.

Because of the dedication of its employees, SWBNO received the Government Finance Officers Association of the United States and Canada (GFOA) Certificate of Achievement for Excellence in Financial Reporting for its prior year ACFR which continues a longstanding tradition. This Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparing state and local government financial reports. To receive a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized ACFR that conforms to program standards. Such an ACFR must satisfy both generally accepted accounting principles and applicable legal requirements. The award is valid for one (1) year only. We believe the current report meets the Certificate of Achievement Program requirements, and we will submit this ACFR to the GFOA.



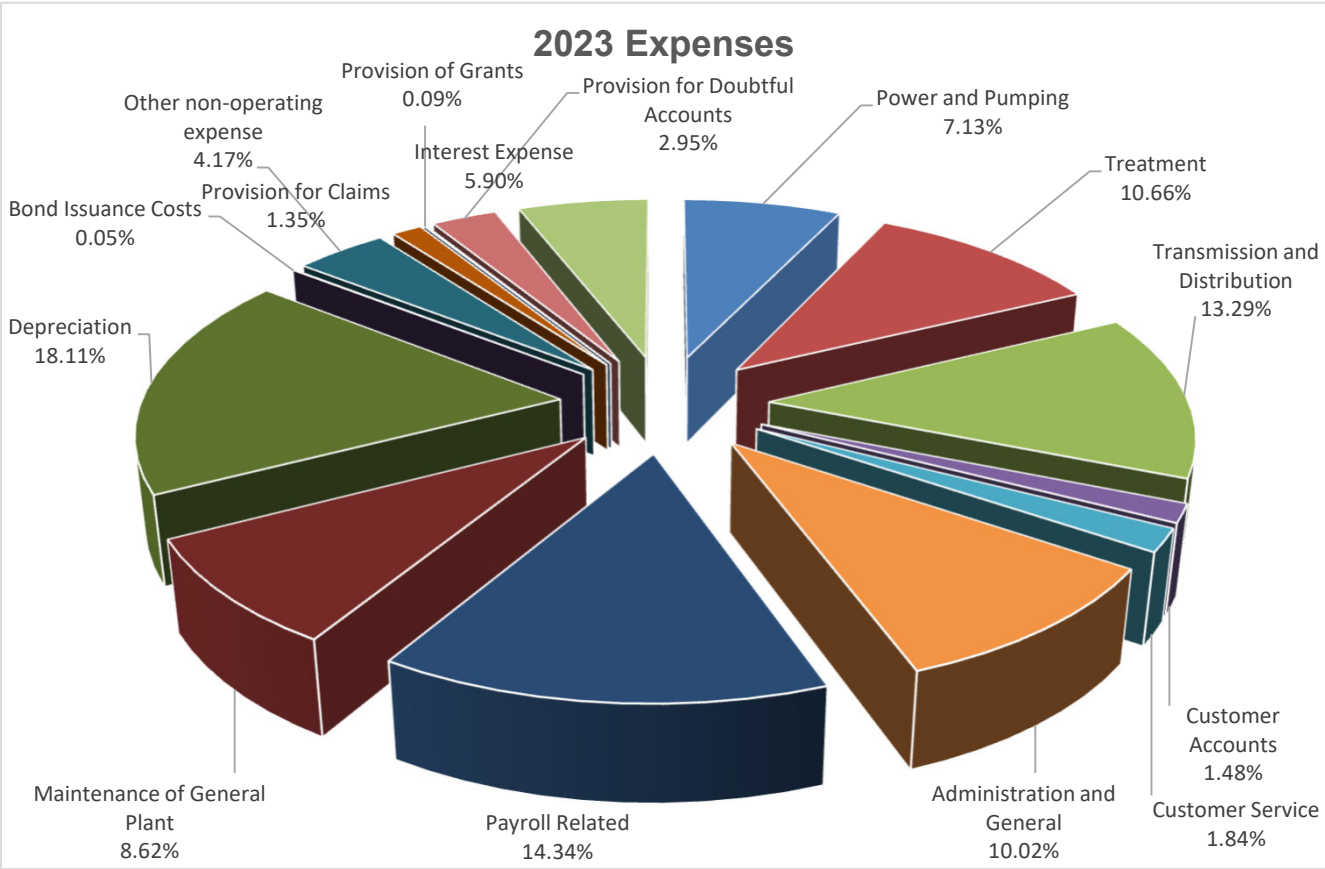
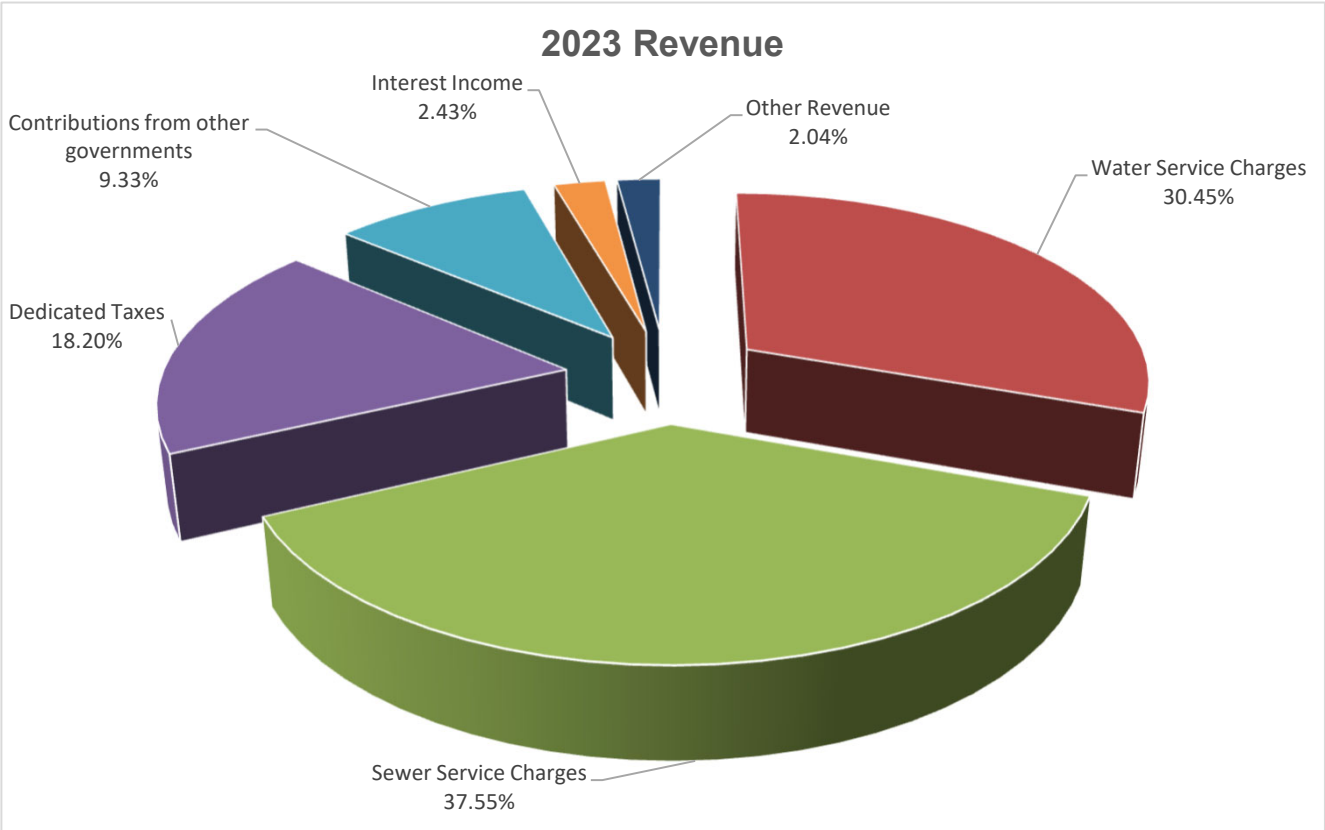
SWBNO hereby submits its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2023.

Respectfully submitted,

Ghassan Korban, Executive Director

E. Grey Lewis, Chief Financial Officer

Sewerage and Water Board of New Orleans





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**New Orleans Sewer & Water Board
Louisiana**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2022

Christopher P. Morill

Executive Director/CEO

Sewerage & Water Board of New Orleans

2023 BOARD OF DIRECTORS

MAYOR LATOYA CANTRELL

President

Mayor of the City of New Orleans, Ms. Cantrell serves as the President of the Board of Directors. Elected to the City Council in 2012, she began her term as President of the SWBNO Board once she was sworn in as the first female Mayor of New Orleans on May 7, 2018—just in time to celebrate the City's tricentennial!



TAMIKA DUPLESSIS, PH.D.

President Pro-Tem

Representing District E, Dr. Duplessis is the Executive Dean at Delgado Community College.



FREDDIE KING, III

Representing District C, Mr. King serves on several city committees. King serves as Chair member for the Community Development Committee.



ROBIN BARNES

Representing District B, Ms. Barnes retired in 2019 as the Executive Vice President and Chief Operating Officer of Greater New Orleans, Inc.



ALEJANDRA GUZMAN

Representing as a Consumer / Community Advocate, Ms. Guzman has served as the Vice President of Performance Management and Strategy at the New Orleans Business Alliance since 2016.



JANET HOWARD

Representing District B, Ms. Howard previously served as President and CEO of the Bureau of Governmental Research and is currently principal of Howard Policy Solutions LLC.



CAROL MARKOWITZ

Representing the Board of Liquidation, Ms. Markowitz is the Chief Financial Officer and Chief Operating Officer at Loyola University.



JOSEPH PEYCHAUD

Representing as a Consumer/Community Advocate, Mr. Peychaud is a lifelong resident of New Orleans and currently serves as Principal of the Waldorf School of New Orleans.



LYNESR. "POCO" SLOSS

As a representative of the Board of Liquidation, Mr. Sloss is the President and CEO of Bellwether Technology Corporation and served on the New Orleans City Planning Commission for ten years.



MAURICE G. SHOLAS, M.D., PH.D.

Representing District C, he is the principal for Sholas Medical Consulting, LLC.



NICHELLE TAYLOR

Representing District D thru August 17, 2023, Ms. Taylor serves as the Program Director of Policy Development and Implementation at Greater New Orleans Housing Alliance. She also provides leadership and coordination skills as a board member for two local nonprofits.



TYLER ANTRUP

Representing District D effective August 18, 2023, Mr. Antrup serves as a Visiting Professor at Tulane University School of Architecture.



COMMITTEES OF THE SEWERAGE AND WATER BOARD OF NEW ORLEANS

December 31, 2023

BOARD OF DIRECTORS

MAYOR LATOYA CANTRELL, PRESIDENT
LYNES R. SLOSS, PRESIDENT PRO TEMPORE

FREDDIE KING, III
ROBIN BARNES
ALEJANDRA GUZMAN
TAMIKA DUPLESSIS, PH.D.
TYLER ANTRUP

CAROL MARKOWITZ
JOSEPH E. PEYCHAUD
MAURICE SHOLAS, M.D., PH.D.
JANET HOWARD

BOARD OF TRUSTEES

MAYOR LATOYA CANTRELL, PRESIDENT
LYNES R. SLOSS, PRESIDENT PRO TEMPORE

FREDDIE KING, III
ROBIN BARNES
ALEJANDRA GUZMAN
TAMIKA DUPLESSIS, PH.D.
TYLER ANTRUP
REBECCA JOHNSEY
JACKIE SHINE

CAROL MARKOWITZ
JOSEPH E. PEYCHAUD
MAURICE SHOLAS, M.D., PH.D.
JANET HOWARD
KENNETH DAVIS, SR.
MUBASHIR MAQBOOL

AUDIT COMMITTEE

MAURICE SHOLAS, M.D., Ph.D. – Chairperson

TAMIKA DUPLESSIS, PH.D.
ROBIN BARNES

TYLER ANTRUP
ALEJANDRA GUZMAN

FINANCE AND ADMINISTRATION COMMITTEE

LYNES R. SLOSS – Chairperson

JANET HOWARD
JOSEPH PEYCHAUD

ALEJANDRA GUZMAN
CAROL MARKOWITZ

GOVERNANCE COMMITTEE

TAMIKA DUPLESSIS, PH.D. Chairperson

ALEJANDRA GUZMAN
LYNES R. SLOSS

JANET HOWARD
ROBIN BARNES

PENSION COMMITTEE

JOSEPH E. PEYCHAUD – Chairperson

TYLER ANTRUP.
MAURICE SHOLAS, M.D., PH.D.
FREDDIE KING III

JACKIE SHINE
MUBASHIR MAQBOOL
KENNETH DAVIS SR.
REBECCA JOHNSEY

STRATEGY COMMITTEE

ROBIN BARNES – Chairperson

JANET HOWARD
LYNES R. SLOSS

MAURICE SHOLAS, M.D., PH.D.
TYLER ANTRUP

OPERATIONS COMMITTEE

JANET HOWARD – Chairperson

CAROL MARKOWITZ
TAMIKA DUPLESSIS, PH.D.

JOSEPH E. PEYCHAUD
MAURICE SHOLAS, M.D., PH.D.

PLUMBING COMMITTEE

TAMIKA DUPLESSIS, PH.D. – Chairperson

ROBIN BARNES
JOSEPH PEYCHAUD

LYNES R. SLOSS
FREDDIE KING III

RUDD & WISDOM, ACTUARY

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
EXECUTIVE STAFF

December 31, 2023

EXECUTIVE DIRECTOR

Ghassan Korban

CHIEF OF STAFF

Vacant

GENERAL SUPERINTENDENT – CONSTRUCTION/OPERATIONS

Ron Spooner (Interim)

CHIEF COMMUNICATIONS OFFICER

Grace Birch

CHIEF FINANCIAL OFFICER

E. Grey Lewis

CHIEF ADMINISTRATIVE OFFICER

David Callahan

SPECIAL COUNSEL

Yolanda Grinstead

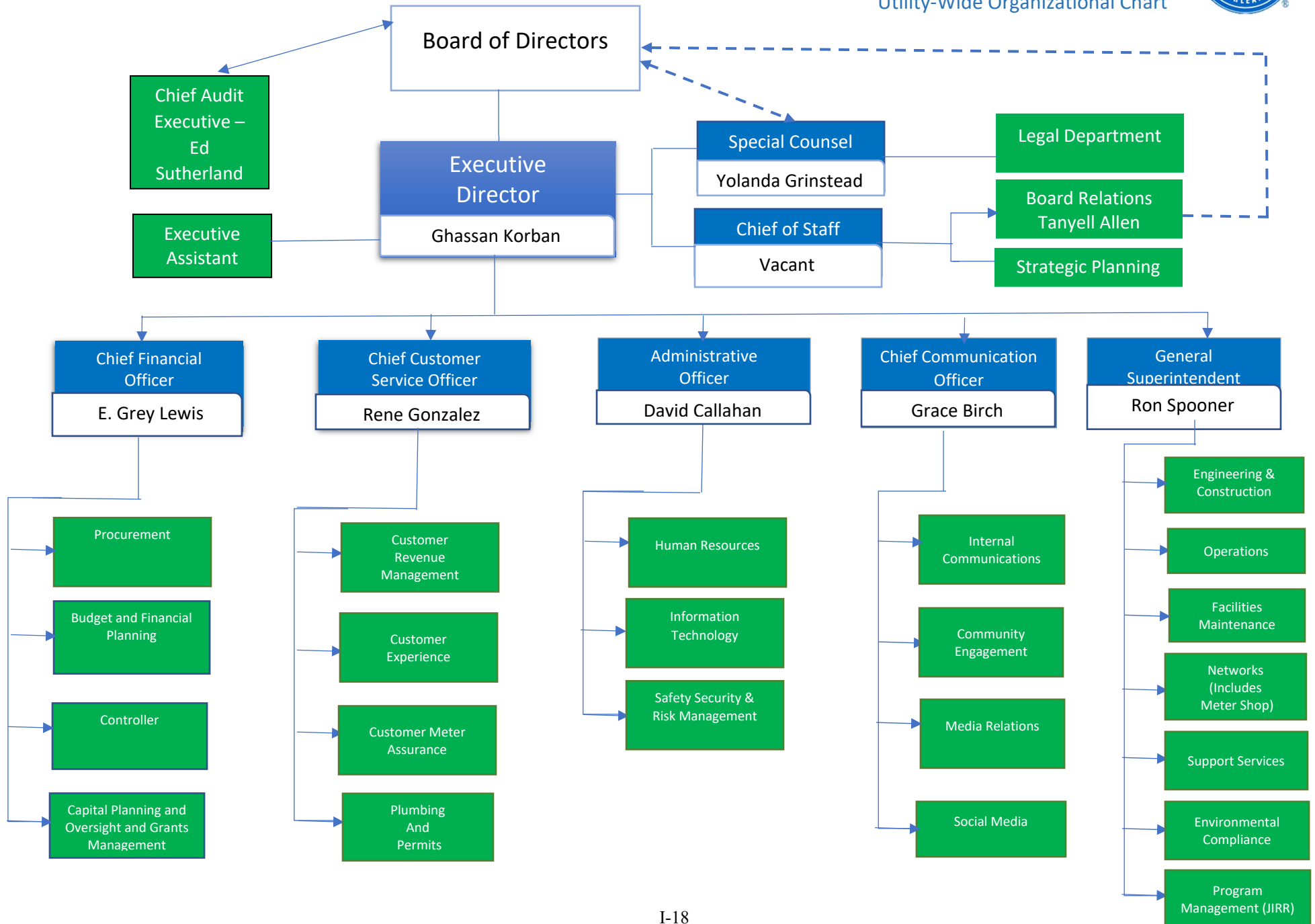
CHIEF CUSTOMER SERVICE OFFICER

Rene Gonzalez

CHIEF AUDIT EXECUTIVE

Ed Sutherland

SEWERAGE AND WATER BOARD
OF NEW ORLEANS
Utility-Wide Organizational Chart





FINANCIAL SECTION



FINANCIAL STABILITY

We are committed to practicing strong fiscal stewardship and ensuring timely revenue recovery while balancing affordability with investments necessary to deliver critical services.

INDEPENDENT AUDITORS' REPORT

Members of the Board of Directors
Sewerage and Water Board of New Orleans

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the Sewerage and Water Board of New Orleans (the "Board"), comprised of its enterprise fund and its fiduciary fund, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the enterprise fund and the fiduciary fund of the Board as of December 31, 2023, 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.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Board and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Prior Period Financial Statements and Report on Supplementary Information

The financial statements of the Sewerage and Water Board of New Orleans for the year ended December 31, 2022 were audited by other auditors whose report dated June 26, 2023 expressed unmodified opinions on those statements. Their report, as of the same date, on the supplementary information relating to the 2022 financial statements on pages II-66 through II-72 stated that, in their opinion, such information was fairly stated in all material respects in relation to the basic financial statements as of and for the year ended December 31, 2022, as a whole.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Board's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

"EisnerAmper" is the brand name under which EisnerAmper LLP and Eisner Advisory Group LLC and its subsidiary entities provide professional services.

EisnerAmper LLP and Eisner Advisory Group LLC are independently owned firms that practice in an alternative practice structure in accordance with the AICPA Code of Professional Conduct and applicable law, regulations and professional standards. EisnerAmper LLP is a licensed CPA firm that provides attest services, and Eisner Advisory Group LLC and its subsidiary entities provide tax and business consulting services. Eisner Advisory Group LLC and its subsidiary entities are not licensed CPA firms.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Board's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Board's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages II-4 through II-13 and the schedules presented on pages II-63 through II-65 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.



Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Board's basic financial statements. Schedules 1 through 7 on pages II-66 to II-73 are presented for the purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information as of and for the year ended December 31, 2023 has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other 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, Schedules 1 through 7 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section on pages I-1 to I-17, statistical section on pages III-0 to III-23, and supplemental section on pages IV-1 to IV-32 but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2024, on our consideration of the Board'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 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 Board's internal control over financial reporting and compliance.

EisnerAmper LLP

EISNERAMPER LLP
Metairie, Louisiana
June 27, 2024



SEWERAGE & WATER BOARD OF NEW ORLEANS, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS YEARS ENDED DECEMBER 31, 2023 AND 2022

The following Management Discussion and Analysis provides an overview of the financial performance of the Sewerage & Water Board of New Orleans (the Board) for the fiscal years ended December 31, 2023 and 2022. We encourage readers to consider the information presented here in conjunction with the additional information that we have furnished in our letter of transmittal. The Board's financial statements follow this section.

FINANCIAL HIGHLIGHTS

Enterprise Fund

The major highlights in the Board's enterprise fund were as follows:

2023

- The SWBNO's total assets and deferred outflows totaled \$4.47 billion in 2023 compared to \$4.28 billion in 2022, an increase of 4.4%, while net position totaled \$3.1 billion in 2023 compared to \$2.9 billion in 2022, an increase of 6.0%.
- Operating revenues increased by approximately \$5.2 million from 2022 to 2023, to a total of approximately \$279.2 million for the year ended December 31, 2023.
- Total operating expenses increased in 2023 by \$0.7 million, or 0.2% compared to 2022.
- For the year ended December 31, 2023, the Board had total outstanding senior lien municipal debt of \$522.0 million, which includes \$36.7 million in Drainage bonds, \$276.2 million in Sewer Revenue Bonds, and \$209.1 million in Water Revenue Bonds.
- The Board's net additions to construction in progress approximated \$105.7 million.
- The Southeast Louisiana (SELA) drainage system project, a major upgrade by the Army Corps of Engineers, resulted in additions of approximately \$1.9 million to work in progress during the year.
- Federal Emergency Management Agency (FEMA) Disaster Public Assistance grants revenues totaled approximately \$76.5 million and Hazard Mitigation grants totaled approximately \$4.7 million.

2022

- The SWBNO's total assets and deferred outflows totaled \$4.28 billion in 2022 compared to \$4.04 billion in 2021, an increase of 5.9%, while net position totaled \$2.9 billion in 2022 compared to \$2.7 billion in 2021, an increase of 6.4%.
- Operating revenues decreased by approximately \$1.4 million from 2021 to 2022, to a total of approximately \$274.0 million for the year ended December 31, 2022.
- Total operating expenses increased in 2022 by \$17.2 million, or 5.6% compared to 2021.
- For the year ended December 31, 2022, the Board had total outstanding senior lien municipal debt of \$543.2 million, which includes \$45.0 million in Drainage bonds, \$282.1 million in Sewer Revenue Bonds, and \$216.1 million in Water Revenue Bonds.
- The Board's net additions to construction in progress approximated \$101.3 million.
- The Southeast Louisiana (SELA) drainage system project, a major upgrade by the Army Corps of Engineers, resulted in additions of approximately \$51.3 million to work in progress during the year.

SEWERAGE & WATER BOARD OF NEW ORLEANS, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS YEARS ENDED DECEMBER 31, 2023 AND 2022

- Federal Emergency Management Agency (FEMA) Disaster Public Assistance grants revenues totaled approximately \$62.1 million and Hazard Mitigation grants totaled approximately \$11.3 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

This financial report consists of five parts: management's discussion and analysis (this section), the financial statements, the notes to the financial statements, required supplementary information, and other supplementary information.

Government-wide Financial Statements – Enterprise Fund

The Board's principal activities of providing water, sewerage, and drainage services are accounted for in a single proprietary fund – the enterprise fund. Enterprise funds are used to report business activities. Since the enterprise fund is the Board's single activity, its financial statements are presented as the Board's government-wide financial statements.

The financial statements provide both long-term and short-term information about the Board's overall financial status. The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information and other supplementary information that further explain and support the information in the financial statements.

The Board's financial statements are prepared on an accrual basis in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. Under this basis of accounting, revenues are recognized in the period in which they are earned and expenses are recognized in the period in which they are incurred. All assets and liabilities associated with the operation of the Board are included in the Statements of Net Position.

The Statement of Net Position presents financial information on all of the Board's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the Board is improving or deteriorating.

SEWERAGE & WATER BOARD OF NEW ORLEANS, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS YEARS ENDED DECEMBER 31, 2023 AND 2022

FINANCIAL ANALYSIS OF THE BOARD

ENTERPRISE FUND

2023 Net Position

The Board's total assets and deferred outflows at December 31, 2023 were approximately \$4.5 billion, a 4.4% increase from December 31, 2022 (see Table A-1).

Table A-1				
Sewerage & Water Board of New Orleans				
Net Position				
	2023	2022	Increase (Decrease)	Increase (Decrease)
Current unrestricted assets	\$ 262,594,641	\$ 220,575,829	\$ 42,018,812	19.0%
Restricted assets	115,080,153	186,976,047	(71,895,894)	(38.5%)
Property, plant, and equipment - net	3,984,314,840	3,774,815,772	209,499,068	5.5%
Other assets	14,733,145	14,026,436	706,709	5.0%
Total assets	4,376,722,779	4,196,394,084	180,328,695	4.3%
Deferred outflows of resources	90,884,723	83,284,957	7,599,766	9.1%
Total deferred outflows of resources	90,884,723	83,284,957	7,599,766	9.1%
Total assets and deferred outflows	\$ 4,467,607,502	\$ 4,279,679,041	\$ 187,928,461	4.4%
Current liabilities	\$ 201,349,251	\$ 182,670,254	\$ 18,678,997	10.2%
Long-term liabilities	1,181,690,979	1,168,919,178	12,771,801	1.1%
Total liabilities	1,383,040,230	1,351,589,432	31,450,798	2.3%
Deferred inflows of resources	30,729,337	46,602,841	(15,873,504)	(34.1%)
Total deferred inflows of resources	30,729,337	46,602,841	(15,873,504)	(34.1%)
Net position:				
Net investment in capital assets	3,243,731,620	3,177,717,657	66,013,963	2.1%
Restricted	23,249,179	23,232,994	16,185	0.1%
Unrestricted	(213,142,864)	(319,463,883)	106,321,019	(33.3%)
Total net position	3,053,837,935	2,881,486,768	172,351,167	6.0%
Total liabilities, deferred inflows, and net position	\$ 4,467,607,502	\$ 4,279,679,041	\$ 187,928,461	4.4%

The increase in total assets and deferred outflows of \$187.9 million resulted primarily due to a net increase in net property, plant, and equipment of \$209.5 million offset by a decrease in restricted assets of \$71.0 million.

Current liabilities increased by \$18.7 million primarily due to an increase in accounts payable of \$16.1 million and an increase in retainers and estimates payables of \$2.4 million due to timing of payments to vendors. Long-term liabilities increased by \$12.8 million primarily due to an increase of \$45.5 million related to total OPEB liability, net of current portion, offset by a decrease of \$22.7 million in net pension liability. Deferred outflows of resources increased by \$7.6 million, due to changes in actuary's assumptions on investment returns and demographic factors related to the pension liability. Deferred inflows of resources decreased by \$15.9 million, due to changes in the actuary's assumptions on investment returns and demographic factors related to OPEB liability.

SEWERAGE & WATER BOARD OF NEW ORLEANS, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS YEARS ENDED DECEMBER 31, 2023 AND 2022

2022 Net Position

The Board's total assets and deferred outflows at December 31, 2022 were approximately \$4.3 billion, a 5.9% increase from December 31, 2021 (see Table A-2).

Table A-2				
Sewerage & Water Board of New Orleans				
Net Position				
	2022	2021	Increase (Decrease)	Increase (Decrease)
Current unrestricted assets	\$ 220,575,829	\$ 213,110,163	\$ 7,465,666	3.5%
Restricted assets	186,976,047	140,683,315	46,292,732	32.9%
Property, plant, and equipment - net	3,774,815,772	3,596,394,508	178,421,264	5.0%
Other assets	14,026,436	13,940,444	85,992	0.6%
Total assets	4,196,394,084	3,964,128,430	232,265,654	5.9%
Deferred outflows of resources	83,284,957	75,600,403	7,684,554	10.2%
Total deferred outflows of resources	83,284,957	75,600,403	7,684,554	10.2%
Total assets and deferred outflows	\$ 4,279,679,041	\$ 4,039,728,833	\$ 239,950,208	5.9%
Current liabilities	\$ 182,670,254	\$ 170,625,896	\$ 12,044,358	7.1%
Long-term liabilities	1,168,919,178	1,125,397,594	43,521,584	3.9%
Total liabilities	1,351,589,432	1,296,023,490	55,565,942	4.3%
Deferred inflows of resources	46,602,841	36,407,062	10,195,779	28.0%
Total deferred inflows of resources	46,602,841	36,407,062	10,195,779	28.0%
Net position:				
Net investment in capital assets	3,177,717,657	2,957,963,700	219,753,957	7.4%
Restricted	23,232,994	24,212,130	(979,136)	(4.0%)
Unrestricted	(319,463,883)	(274,877,549)	(44,586,334)	16.2%
Total net position	2,881,486,768	2,707,298,281	174,188,487	6.4%
Total liabilities, deferred inflows, and net position	\$ 4,279,679,041	\$ 4,039,728,833	\$ 239,950,208	5.9%

The increase in total assets and deferred outflows of \$240.0 million resulted primarily due to a net increase in net property, plant, and equipment of \$178.4 million. Additionally, restricted assets increased by \$46.3 million in 2022 mainly due to a new Drainage Tax Bond issuance of \$45 million in December 2022.

Current liabilities increased by \$12.0 million primarily due to an increase in accounts payable of \$4.1 million and an increase in retainers and estimates payables of \$3.0 million due to timing of payments to vendors. Long-term liabilities increased by \$43.5 million primarily due to an increase of \$57.6 million related to net pension liability, an increase of \$20.7 million related to bonds payable, offset by a decrease of \$43.0 million in total OPEB liability, net of current maturities. Deferred outflows of resources and deferred inflows of resources increased by \$7.7 million and \$10.2 million, respectively, due to changes in the actuary's assumptions on investment returns and demographic factors related to the pension and OPEB liabilities.

SEWERAGE & WATER BOARD OF NEW ORLEANS, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS YEARS ENDED DECEMBER 31, 2023 AND 2022

2023 Changes in Net Position

The change in net position for the year ended December 31, 2023 was an increase of approximately \$172.4 million, as opposed to approximately \$174.2 million for the year ended December 31, 2022. The Board's total operating revenues increased by 1.9% to approximately \$279.2 million. Total non-operating revenue (expenses) increased by 24.2% to approximately \$82.7 million primarily due to property taxes increasing by \$7.8 million, City of New Orleans contribution of American Rescue Plan Act (ARPA) of \$15.0 million, and additional interest income in 2023. Capital contributions from federal grants and construction of Board property was approximately \$133.0 million resulting primarily from capital additions reimbursable under the FEMA Disaster Public Assistance and FEMA Hazard Mitigation grants of approximately \$76.5 million and \$4.7 million, respectively, and approximately \$1.9 million of capital contributions from the Army Corps of Engineers. The changes in net position are detailed in Table A-3; operating expenses are detailed in Table A-4.

Table A-3				
Sewerage & Water Board of New Orleans				
Revenues , Expenses and Change in Net Position				
	2023	2022	Increase (Decrease)	Increase (Decrease)
Operating revenues:				
Sales of water and delinquent fees	\$ 121,396,212	\$ 117,382,185	\$ 4,014,027	3.4%
Sewerage service charges	149,695,125	150,932,239	(1,237,114)	(0.8%)
Plumbing inspection and license fees	2,746,002	487,140	2,258,862	463.7%
Other revenue	5,396,432	5,188,335	208,097	4.0%
Total operating revenues	279,233,771	273,989,899	5,243,872	1.9%
Operating expenses (Table A-4)	322,610,312	321,936,241	674,071	0.2%
Operating loss	(43,376,541)	(47,946,342)	4,569,801	9.5%
Non-operating revenues (expenses):				
Property taxes	71,977,563	64,202,066	7,775,497	12.1%
Other taxes	579,189	589,220	(10,031)	(1.7%)
Contributions from other governments	21,933,185	20,507,688	1,425,497	7.0%
Federal noncapital grants	15,241,294	28,650	15,212,644	53098.2%
Interest income	9,649,785	3,353,769	6,296,016	187.7%
Other non-operating expense	(15,000,000)	-	(15,000,000)	100.0%
Interest expense	(21,202,143)	(19,938,792)	(1,263,351)	6.3%
Bond issuance costs	(163,442)	(456,865)	293,423	(64.2%)
Recovery (provision) for grants	(305,560)	(1,675,728)	1,370,168	(81.8%)
Total non-operating revenues (expenses)	82,709,871	66,610,008	16,099,863	24.2%
Income before capital contributions	39,333,330	18,663,666	20,669,664	110.7%
Capital contributions	133,017,837	155,524,821	(22,506,984)	(14.5%)
Change in net position	172,351,167	174,188,487	(1,837,320)	(1.1%)
Net position, beginning of year	2,881,486,768	2,707,298,281	174,188,487	6.4%
Net position, end of year	\$ 3,053,837,935	\$ 2,881,486,768	\$ 172,351,167	6.0%

SEWERAGE & WATER BOARD OF NEW ORLEANS, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS YEARS ENDED DECEMBER 31, 2023 AND 2022

Table A-4				
Sewerage & Water Board of New Orleans				
Operating Expenses				
	2023	2022	Increase (Decrease)	Increase (Decrease)
Power and pumping	\$ 25,632,309	\$ 20,266,743	\$ 5,365,566	26.5%
Treatment	38,311,430	28,340,517	9,970,913	35.2%
Transmission and distribution	47,748,188	37,195,201	10,552,987	28.4%
Customer accounts	5,302,059	5,524,061	(222,002)	(4.0%)
Customer service	6,619,570	9,975,986	(3,356,416)	(33.6%)
Administration and general	35,962,118	32,655,899	3,306,219	10.1%
Payroll related	51,523,615	62,238,943	(10,715,328)	(17.2%)
Maintenance of general plant	30,966,877	28,996,010	1,970,867	6.8%
Depreciation	65,081,781	65,724,568	(642,787)	-1.0%
Provision for doubtful accounts	10,594,286	27,024,356	(16,430,070)	(60.8%)
(Recovery) provision for claims	4,868,079	3,993,957	874,122	21.9%
Total operating expenses	\$ 322,610,312	\$ 321,936,241	\$ 674,071	0.2%

Total operating expenses increased by approximately \$0.7 million or 0.2% compared to 2022. Labor costs increased within Power and Pumping, Treatment, and Administration and general due to automatic salary increases for all employees (2.5% increase effective January 1) and increased overtime costs in operational departments. Additionally, payroll related fringe benefits decreased \$10.7 million due to lower pension costs during the year and lower claims expense for self-insured health benefits. Transmission and distribution costs increased \$10.6 million from both higher salary costs and increases in the commodity costs of chemicals used in the water purification processes. Additional expenses were further offset by lower provision for doubtful accounts for customer bills attributed to more consistent collection practices including service disconnections for non-payment after an extended period of no service disconnects concluded at the end of 2021.

2022 Changes in Net Position

The change in net position for the year ended December 31, 2022 was an increase of approximately \$174.2 million, as opposed to approximately \$134.7 million for the year ended December 31, 2021. The Board's total operating revenues decreased by 0.5% to approximately \$274.0 million. Total non-operating revenue (expenses) increased by 30.3% to approximately \$66.6 million primarily due to contributions from other governments increasing by \$13.5 million and additional interest income in 2022. Capital contributions from federal grants and construction of Board property was approximately \$155.5 million resulting primarily from capital additions reimbursable under the FEMA Disaster Public Assistance and FEMA Hazard Mitigation grants of approximately \$62.1 million and \$11.3 million, respectively, and approximately \$38.8 million of capital contributions from the Army Corps of Engineers. The changes in net position are detailed in Table A-5; operating expenses are detailed in Table A-6.

SEWERAGE & WATER BOARD OF NEW ORLEANS, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS YEARS ENDED DECEMBER 31, 2023 AND 2022

Table A-5				
Sewerage & Water Board of New Orleans				
Revenues , Expenses and Change in Net Position				
	2022	2021	Increase (Decrease)	Increase (Decrease)
Operating revenues:				
Sales of water and delinquent fees	\$ 117,382,185	\$ 118,236,180	\$ (853,995)	(0.7%)
Sewerage service charges	150,932,239	150,364,182	568,057	0.4%
Plumbing inspection and license fees	487,140	461,410	25,730	5.6%
Other revenue	5,188,335	6,280,427	(1,092,092)	(17.4%)
Total operating revenues	273,989,899	275,342,199	(1,352,300)	(0.5%)
Operating expenses (Table A-6)	321,936,241	304,732,630	17,203,611	5.6%
Operating loss	(47,946,342)	(29,390,431)	(18,555,911)	(63.1%)
Non-operating revenues (expenses):				
Property taxes	64,202,066	63,405,365	796,701	1.3%
Other taxes	589,220	297,387	291,833	98.1%
Contributions from other governments	20,507,688	6,996,364	13,511,324	193.1%
Federal noncapital grants	28,650	15,843	12,807	80.8%
Interest income	3,353,769	1,423,215	1,930,554	135.6%
Interest expense	(19,938,792)	(13,892,169)	(6,046,623)	43.5%
Bond issuance costs	(456,865)	(6,328,655)	5,871,790	(92.8%)
Recovery (provision) for grants	(1,675,728)	(779,631)	(896,097)	114.9%
Total non-operating revenues (expenses)	66,610,008	51,137,719	15,472,289	30.3%
Income before capital contributions	18,663,666	21,747,288	(3,083,622)	(14.2%)
Capital contributions	155,524,821	112,943,548	42,581,273	37.7%
Change in net position	174,188,487	134,690,836	39,497,651	29.3%
Net position, beginning of year	2,707,298,281	2,572,607,445	134,690,836	5.2%
Net position, end of year	\$ 2,881,486,768	\$ 2,707,298,281	\$ 174,188,487	6.4%

Table A-6				
Sewerage & Water Board of New Orleans				
Operating Expenses				
	2022	2021	Increase (Decrease)	Increase (Decrease)
Power and pumping	\$ 20,266,743	\$ 22,965,240	\$ (2,698,497)	(11.8%)
Treatment	28,340,517	26,668,794	1,671,723	6.3%
Transmission and distribution	37,195,201	35,662,527	1,532,674	4.3%
Customer accounts	5,524,061	4,992,999	531,062	10.6%
Customer service	9,975,986	10,350,482	(374,496)	(3.6%)
Administration and general	32,655,899	27,751,610	4,904,289	17.7%
Payroll related	62,238,943	53,155,580	9,083,363	17.1%
Maintenance of general plant	28,996,010	27,528,429	1,467,581	5.3%
Depreciation	65,724,568	64,250,898	1,473,670	2.3%
Provision for doubtful accounts	27,024,356	28,278,609	(1,254,253)	(4.4%)
(Recovery) provision for claims	3,993,957	3,127,462	866,495	27.7%
Total operating expenses	\$ 321,936,241	\$ 304,732,630	\$ 17,203,611	5.6%

SEWERAGE & WATER BOARD OF NEW ORLEANS, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS YEARS ENDED DECEMBER 31, 2023 AND 2022

Total operating expenses increased by approximately \$17.2 million or 5.6% compared to 2021. Administration and general costs increased by \$4.9 million due to salary increases including a 5% across the utility cost of living payment made in 2022 to all employees. Power and pumping decreased \$2.7 million with increases in natural gas costs being offset by lower overall costs relative to 2021 due to the lack of major hurricane activity in 2022. Additionally, payroll related fringe benefits increased \$9.1 million due to increases in the costs of pension offset by decreases in post-employment benefits. Transmission and distribution costs increased \$1.5 million from salary increases while Treatment costs increased \$1.7 million due to increases in the commodity costs of chemicals used in the water purification processes as well as the general salary increases.

CAPITAL ASSET AND DEBT ADMINISTRATION

2023 Capital Assets

As of December 31, 2023, the Board had invested approximately \$5.30 billion in capital assets. Net of accumulated depreciation, the Board's net capital assets at December 31, 2023 totaled approximately \$3.98 billion. This amount represents a net increase (including additions and disposals, net of depreciation) of approximately \$209.5 million, or 5.5%, over December 31, 2022. See Note 4 for detailed capital assets activity during 2023.

2022 Capital Assets

As of December 31, 2022, the Board had invested approximately \$5.04 billion in capital assets. Net of accumulated depreciation, the Board's net capital assets at December 31, 2022 totaled approximately \$3.77 billion. This amount represents a net increase (including additions and disposals, net of depreciation) of approximately \$178.4 million, or 5.0%, over December 31, 2021. See Note 4 for detailed capital assets activity during 2022.

2023 Debt Administration

The Board continues to make its regularly scheduled payments on its bonds.

In December 2023, the Louisiana Department of Environmental Quality closed a new loan of \$31.5 million to fund certain sewer main replacements and repairs. The loan is to be advanced in incremental amounts as project costs are incurred. Semi-annual interest and administrative fee payments begin in 2024. Annual principal payments are due beginning in 2024 and continuing through 2043. At December 31, 2023, the outstanding balance is \$0.2 million (Series 2023).

See Note 6 for detailed long term debt activity during 2023.

The Coastal Protection and Restoration Authority of Louisiana entered into an agreement with the Department of the Army for the Southeast Louisiana Flood Control Program. The United States Government has committed to 65% of the project costs and the Board is responsible for 35% of the project costs. At December 31, 2023, the accumulated amount due to the U.S. Government totaled approximately \$215.3 million. This amount is estimated based on the actual cost of construction incurred to date. Repayment of principal and interest for completed projects started in 2021 and is scheduled to continue through 2050 while one remaining basin is not yet completed. The total cost of the project may increase in the upcoming years as additional construction costs continue to add to the project.

SEWERAGE & WATER BOARD OF NEW ORLEANS, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS YEARS ENDED DECEMBER 31, 2023 AND 2022

SWBNO has been issued an "A" and an "A-" rating from Standard & Poor's Ratings Services (S&P) for the sewer system and water system bonds, respectively, and a "BBB+" for the water system and sewer system from the Fitch Ratings. In addition, the S&P and Fitch Ratings for Special Tax Bonds are "AA-" and "A," respectively.

2022 Debt Administration

The Board continues to make its regularly scheduled payments on its bonds.

In 2022, the Board issued \$45,000,000 of Drainage System Limited Tax Bonds for the purpose of providing short-term financing to construct a portion of the power complex at the Carrollton water plant.

In 2022, the Louisiana Department of Environmental Quality committed to loan the Board \$11.1 million to fund certain sewer main replacements and repairs. The loan is to be advanced in incremental amounts as project costs are incurred. Semi-annual interest and administrative fee payments began in 2022. Annual principal payments are due beginning in 2023 and continuing through 2043. At December 31, 2022, the outstanding balance is \$0.1 million (Series 2022).

See Note 6 for detailed long term debt activity during 2022.

The Coastal Protection and Restoration Authority of Louisiana entered into an agreement with the Department of the Army for the Southeast Louisiana Flood Control Program. The United States Government has committed to 65% of the project costs and The Board is responsible for 35% of the project costs. At December 31, 2022, the accumulated amount due to the U.S. Government totaled approximately \$217.2 million. This amount is estimated based on the actual cost of construction incurred to date. Repayment of principal and interest for completed project started in 2021. Total principal payment for the project is estimated to be approximately \$217.2 million through 2050. The total cost of the project may increase in the upcoming years as additional construction costs continue to add to the project.

SWBNO has been issued an "A" and an "A-" rating from Standard & Poor's Ratings Services (S&P) for the sewer system and water system bonds, respectively, and a "BBB+" for the water system and sewer system from the Fitch Ratings. In addition, the S&P and Fitch Ratings for Special Tax Bonds are "AA-" and "A," respectively.

SEWERAGE & WATER BOARD OF NEW ORLEANS, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS YEARS ENDED DECEMBER 31, 2023 AND 2022

ECONOMIC FACTORS AND RATES

The Board, the City Council, and the Board of Liquidation, City Debt last approved a rate increase of ten percent for the Water and Sewer Departments effective January 1, 2013 and annually thereafter through 2020. Subsequently, the Board completed a rate and affordability study to better understand the needs for future rate increases based on comprehensive financial planning of both operational and capital improvement needs. Rate studies and pursuit of external funding will continue for Water, Sewer, and Drainage Departments as the aging infrastructure continues to present a primary risk factor. Customer affordability also continues to be a challenge with significant federal funds being awarded to customers under the one-time federal program to provide relief to low-income households unable to pay water bills due to the global pandemic as part of the Low-Income Household Water Assistance Program. After a series of shut-off moratoriums both prior to the pandemic and during recovery, the Board has maintained a more consistent period of normal customer collection activities including suspension of services resulting in an overall improvement in collections and continues to work to maximize revenue recovery from all existing rates while studying the potential future-rate increases.

The total number of open customer accounts increased slightly based on the modest if any growth expected in the customer base. The total open accounts at the end of 2023 were 140,346, an increase of 1,908 from 2022 open customer accounts of 138,438.

CONTACTING THE BOARD'S FINANCIAL MANAGEMENT

This financial report is designed to provide our bondholders, patrons, and other interested parties with a general overview of the Board's finances and to demonstrate the Board's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Department at (504) 585-2356.

BASIC FINANCIAL STATEMENTS

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
STATEMENTS OF NET POSITION
ENTERPRISE FUND
December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Current assets:		
Cash and cash equivalents	\$ 155,164,073	\$ 125,185,462
Accounts receivable:		
Customers, net of allowance	28,357,506	24,384,213
Taxes	3,276,785	3,619,797
Grants	67,117,419	58,778,765
Miscellaneous	1,404,003	1,608,728
Inventory of supplies	5,800,602	6,055,051
Prepaid expenses	<u>1,474,253</u>	<u>942,242</u>
Total current assets	<u>262,594,641</u>	<u>220,574,258</u>
Noncurrent assets:		
Restricted cash, cash equivalents, and investments:		
Cash and cash equivalents restricted for capital projects	84,933,697	157,140,188
Investments restricted for capital projects	2,643,294	2,643,294
Cash and cash equivalents restricted for debt service	24,615,162	24,794,136
Cash and cash equivalents restricted health insurance	<u>2,888,000</u>	<u>2,400,000</u>
Total restricted cash, cash equivalents, and investments	<u>115,080,153</u>	<u>186,977,618</u>
Property, plant and equipment	5,301,846,100	5,037,331,917
Less: accumulated depreciation	<u>1,317,531,260</u>	<u>1,262,516,145</u>
Property, plant and equipment, net	<u>3,984,314,840</u>	<u>3,774,815,772</u>
Other assets:		
Customer deposits - cash	11,431,830	10,725,121
Customer deposits - investments	3,250,000	3,250,000
Deposits	<u>51,315</u>	<u>51,315</u>
Total other assets	<u>14,733,145</u>	<u>14,026,436</u>
Total noncurrent assets	<u>4,114,128,138</u>	<u>3,975,819,826</u>
Total assets	<u>4,376,722,779</u>	<u>4,196,394,084</u>
Deferred outflows of resources:		
Deferred amounts related to net pension liability	24,791,877	36,502,152
Deferred amounts related to total OPEB liability	34,910,213	14,143,532
Deferred amounts related to bond refunding	<u>31,182,633</u>	<u>32,639,273</u>
Total deferred outflows of resources	<u>90,884,723</u>	<u>83,284,957</u>
Total assets and deferred outflows of resources	<u>\$ 4,467,607,502</u>	<u>\$ 4,279,679,041</u>

(Continued)

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
STATEMENTS OF NET POSITION
ENTERPRISE FUND
December 31, 2023 and 2022
(Continued)

	<u>2023</u>	<u>2022</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION		
Current liabilities (payable from current unrestricted assets):		
Accounts payable	\$ 128,310,325	\$ 112,187,867
Due to City of New Orleans	7,247,375	4,735,586
Retainers and estimates payable	14,987,855	12,543,398
Due to pension trust fund	400,614	366,809
Accrued salaries	2,697,205	2,309,268
Claims payable	4,367,422	4,445,678
Total OPEB liability, due within one year	8,070,780	7,788,765
Southeast Louisiana Project liability	2,045,390	3,334,582
Debt Service Assistance Fund loan payable	3,178,103	3,037,178
Other liabilities	456,331	2,752,884
Total current liabilities (payable from current unrestricted assets):	<u>171,761,400</u>	<u>153,502,015</u>
Current liabilities (payable from restricted assets):		
Accrued interest	1,478,005	1,651,239
Bonds payable	28,109,846	27,517,000
Total current liabilities (payable from restricted assets):	<u>29,587,851</u>	<u>29,168,239</u>
Total current liabilities	<u>201,349,251</u>	<u>182,670,254</u>
Long-term liabilities:		
Claims payable, net of current portion	44,489,943	43,650,652
Accrued vacation and sick pay	11,237,121	11,803,881
Net pension liability	126,951,786	133,615,722
Total OPEB liability, net of current portion	233,896,158	188,423,873
Bonds payable, net of current maturities	509,497,123	532,229,921
Southeast Louisiana Project liability, net of current portion	213,212,130	213,894,398
Debt Service Assistance Fund loan payable, net of current maturities	28,153,260	31,325,610
Customer deposits	14,253,458	13,975,121
Total long-term liabilities	<u>1,181,690,979</u>	<u>1,168,919,178</u>
Total liabilities	<u>1,383,040,230</u>	<u>1,351,589,432</u>
Deferred inflows of resources:		
Deferred amounts related to net pension liability	235,707	2,594,556
Deferred amounts related to total OPEB liability	30,493,630	44,008,285
Total deferred inflows of resources	<u>30,729,337</u>	<u>46,602,841</u>
Net position:		
Net investment in capital assets	3,243,731,620	3,177,719,228
Restricted for debt service	23,249,179	23,232,994
Unrestricted (deficit)	<u>(213,142,864)</u>	<u>(319,465,454)</u>
Total net position	<u>3,053,837,935</u>	<u>2,881,486,768</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 4,467,607,502</u>	<u>\$ 4,279,679,041</u>

See accompanying notes to financial statements.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
ENTERPRISE FUND
For the years ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Operating revenues:		
Sales of water and delinquent fees	\$ 121,396,212	\$ 117,382,185
Sewerage service charges	149,695,125	150,932,239
Plumbing inspection and license fees	2,746,002	487,140
Other revenue	5,396,432	5,188,335
	<u>279,233,771</u>	<u>273,989,899</u>
Total operating revenues		
Operating expenses:		
Power and pumping	25,632,309	20,266,743
Treatment	38,311,430	28,340,517
Transmission and distribution	47,748,188	37,195,201
Customer accounts	5,302,059	5,524,061
Customer service	6,619,570	9,975,986
Administration and general	35,962,118	32,655,899
Payroll related expenses	51,523,615	62,238,943
Maintenance of general plant	30,966,877	28,996,010
Depreciation	65,081,781	65,724,568
Provision for doubtful accounts	10,594,286	27,024,356
Provision for claims	4,868,079	3,993,957
	<u>322,610,312</u>	<u>321,936,241</u>
Total operating expenses		
Operating loss	<u>(43,376,541)</u>	<u>(47,946,342)</u>
Non-operating revenues (expenses):		
Three-mill tax	20,305,975	18,042,189
Six-mill tax	20,833,854	18,328,446
Nine-mill tax	30,835,094	27,831,035
Two-mill tax	2,640	396
Other taxes	579,189	589,220
Contributions from other governments	21,933,185	20,507,688
Federal noncapital grants	15,241,294	28,650
Interest income	9,649,785	3,353,769
Other non-operating expense	(15,000,000)	-
Bond issuance costs	(163,442)	(456,865)
Interest expense	(21,202,143)	(19,938,792)
(Provision) recovery for grants	(305,560)	(1,675,728)
	<u>82,709,871</u>	<u>66,610,008</u>
Total non-operating revenues (expenses)		
Income before capital contributions	39,333,330	18,663,666
Capital contributions	133,017,837	155,524,821
Change in net position	172,351,167	174,188,487
Net position, beginning of year	2,881,486,768	2,707,298,281
Net position, end of year	<u>\$ 3,053,837,935</u>	<u>\$ 2,881,486,768</u>

See accompanying notes to financial statements.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
STATEMENTS OF CASH FLOWS
ENTERPRISE FUND

For the years ended December 31, 2023 and 2022

	2023	2022
Cash flows from operating activities		
Cash received from customers	\$ 258,130,279	\$ 267,625,651
Cash received for sanitation charges for the City of New Orleans	39,453,512	39,531,607
Cash payments for sanitation charges to the City of New Orleans	(38,269,907)	(38,345,659)
Cash payments to suppliers for goods and services	(117,022,920)	(106,399,964)
Cash payments to employees for services	(97,657,856)	(98,858,258)
Other revenue	8,347,159	6,548,140
Net cash provided by operating activities	<u>52,980,267</u>	<u>70,101,517</u>
Cash flows from noncapital financing activities		
Proceeds from property taxes	72,899,764	64,276,450
Contributions from other governments	21,933,185	20,507,688
Proceeds from federal grants	15,241,294	28,650
Payments for non-operating expenses	(15,000,000)	-
Net cash provided by noncapital financing activities	<u>95,074,243</u>	<u>84,812,788</u>
Cash flows from capital and related financing activities		
Acquisition and construction of capital assets	(273,864,767)	(193,394,595)
Principal payments and refundings on bonds payable	(27,381,001)	(22,955,000)
Proceeds from bonds payable	6,273,561	49,200,507
Payments for bond issuance costs	(163,442)	(456,865)
Principal payments on Debt Service Assistance Fund loan	(3,031,425)	(2,902,502)
Interest paid on bonds payable	(22,215,290)	(17,382,217)
Capital contributed by developers and federal grants	122,498,436	104,658,936
Net cash used in capital and related financing activities	<u>(197,883,928)</u>	<u>(83,231,736)</u>
Cash flows from investing activities		
Investment income	8,617,273	2,444,736
Net cash provided by investing activities	<u>8,617,273</u>	<u>2,444,736</u>
Net increase (decrease) in cash and cash equivalents	(41,212,145)	74,127,305
Cash and cash equivalents at the beginning of the year	<u>320,244,907</u>	<u>246,117,602</u>
Cash and cash equivalents at the end of the year	<u><u>\$ 279,032,762</u></u>	<u><u>\$ 320,244,907</u></u>
Reconciliation of cash, cash equivalents, and restricted cash (Note 2)		
Current assets - cash and cash equivalents	\$ 155,164,073	\$ 125,185,462
Cash and cash equivalents restricted for capital projects	84,933,697	157,140,188
Cash and cash equivalents restricted for debt service	24,615,162	24,794,136
Cash and cash equivalents restricted health insurance	2,888,000	2,400,000
Customer deposits - cash	11,431,830	10,725,121
Total cash and cash equivalents	<u><u>\$ 279,032,762</u></u>	<u><u>\$ 320,244,907</u></u>

(Continued)

SEWERAGE AND WATER BOARD OF NEW ORLEANS
STATEMENTS OF CASH FLOWS
ENTERPRISE FUND
For the years ended December 31, 2023 and 2022
(Continued)

	<u>2023</u>	<u>2022</u>
Reconciliation of operating loss to net cash provided by operating activities is as follows:		
Operating loss	\$ (43,376,541)	\$ (47,946,342)
Adjustments to reconcile net operating loss to net cash provided by operating activities:		
Depreciation	65,081,781	65,724,568
Provision for claims	4,868,079	3,993,957
Provision for doubtful accounts	10,594,286	27,024,356
Change in operating assets and liabilities:		
Increase in customer receivables	(14,567,579)	(1,438,641)
Decrease (increase) in inventory	254,449	(89,066)
Decrease (increase) in prepaid expenses and other receivables	(327,286)	645,222
Increase in deferred outflows of resources related to net pension liability and total OPEB liability	(9,056,406)	(9,171,773)
Increase (decrease) in net pension obligation	(6,663,936)	57,612,186
Increase in accounts payable	17,754,560	5,692,365
Increase (decrease) in accrued salaries, due to pension and accrued vacation and sick pay	(145,018)	1,582,169
Increase in customer deposits	278,337	85,992
Increase (decrease) in total OPEB liability	45,754,300	(42,648,018)
Decrease in other liabilities	(1,595,255)	(1,161,237)
Increase (decrease) in deferred inflows of resources related to net pension liability and total OPEB liability	(15,873,504)	10,195,779
Net cash provided by operating activities	<u>\$ 52,980,267</u>	<u>\$ 70,101,517</u>
Schedule of non-cash capital and related financing activities		
Contributions of capital assets	<u>\$ 1,875,187</u>	<u>\$ 38,829,901</u>
Additions of property, plant and equipment in accounts payable	<u>\$ 91,490,500</u>	<u>\$ 47,996,873</u>

See accompanying notes to financial statements.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
STATEMENTS OF FIDUCIARY NET POSITION
PENSION TRUST FUND
December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Assets:		
Cash	\$ 3,647,581	\$ 3,835,405
Receivables:		
Investment income	19,804	19,805
Employee contributions receivable	113,929	96,342
Due from other fund	400,614	366,809
Investments:		
Money market	5,770,717	17,443,193
LAMP	6,213,982	7,273,191
Mutual funds - debt securities	57,427,579	58,746,580
Mutual funds - equities	<u>162,853,492</u>	<u>135,578,895</u>
Total assets	<u>236,447,698</u>	<u>223,360,220</u>
Net position - restricted for pension benefits	<u><u>\$236,447,698</u></u>	<u><u>\$223,360,220</u></u>

See accompanying notes to financial statements.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
STATEMENTS OF CHANGES IN FIDUCIARY PLAN NET POSITION
PENSION TRUST FUND

For the years ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Additions:		
Contributions and transfers in:		
Employee contributions	\$ 3,410,161	\$ 2,992,176
Employer contributions	12,086,710	10,914,917
City annuity and other transfers in	1,375,073	1,223,087
	<u>16,871,944</u>	<u>15,130,180</u>
Investment income (loss):		
Interest income	793,163	164,265
Dividend income	911,171	1,285,933
Net appreciation (depreciation)	22,639,944	(39,371,317)
	<u>24,344,278</u>	<u>(37,921,119)</u>
Less: investment expenses	743,435	767,401
	<u>23,600,843</u>	<u>(38,688,520)</u>
Net investment income (loss)		
	<u>23,600,843</u>	<u>(38,688,520)</u>
Total additions (reductions)	<u>40,472,787</u>	<u>(23,558,340)</u>
Deductions:		
Benefits	(26,636,024)	(26,676,195)
Employee refunds	(749,285)	(885,422)
	<u>(27,385,309)</u>	<u>(27,561,617)</u>
Total deductions		
	<u>(27,385,309)</u>	<u>(27,561,617)</u>
Change in net position	13,087,478	(51,119,957)
Net position restricted for pension benefits		
at beginning of year	<u>223,360,220</u>	<u>274,480,177</u>
Net position restricted for pension benefits		
at end of year	<u>\$ 236,447,698</u>	<u>\$ 223,360,220</u>

See accompanying notes to financial statements.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. History and Organization

The major operation of the Sewerage and Water Board of New Orleans (the Board) is providing water, sewerage, and drainage services for the City of New Orleans (the City). The Sewerage and Water Board of New Orleans was created by Act 6 of the Louisiana Legislature of 1899 as a special board independent of the City's government to construct, maintain, and operate a water treatment and distribution system and a public sanitary sewerage system for the City. In 1903, the Legislature gave the Board control of and responsibility for the City's major drainage system and relieved the City of the duty of providing in its annual operating budget or otherwise for the maintenance and operations of the water, sewerage, and drainage systems.

In accordance with the Louisiana Revised Statutes (LRS) 33:4096 and 4121, the Board and City Council have the authority to establish the water and sewerage rates to charge to its customers. The rates are based on the actual water consumed and on the costs of maintenance and operation of the water and sewerage systems, including the costs of improvements and replacements. The collection of water and sewerage revenues are to be used by the Board for the maintenance and operation of the systems, the cost of improvements, betterments, and replacements and to provide for the payment of interest and principal on the bonds payable.

The Board has also been given the authority to levy and collect various tax millages, which are used for the operation and maintenance of the drainage operations. All excess revenues collected are made available for capital development of the system. The proceeds of the rate collections and tax millage are invested in such investments as authorized by the LRS. These investments are reflected in the combined statements of net position, as "restricted assets," as they are restricted to the purposes as described above.

The Sewerage and Water Board of New Orleans' eleven-member Board of Directors consists of the Mayor, the member of the Public Works, Sanitation, and Environment Committee of the New Orleans City Council or designee, two representatives of the Board of Liquidation, and seven citizen members, of which five represent council districts and two consumer advocates.

The Board's accounting policies conform to accounting principles generally accepted in the United States of America as applicable to utilities and to governmental units as set forth through the Governmental Accounting Standards Board (GASB). The following is a summary of the more significant policies.

B. Reporting Entity

In conformity with the GASB's definition of a reporting entity, the Board includes an enterprise fund and a pension trust fund for financial reporting purposes. The Board is considered a reporting entity based on the following criteria:

- 1) Responsibility for surpluses/deficits. The Board is solely responsible for its surpluses/deficits. In accordance with LRS, no other governmental unit is responsible for the Board's deficits or has a claim to its surpluses. The Board's operations are self-sustaining; revenues are generated through charges to customers and dedicated property taxes. Other than grants, no funding is received from the State of Louisiana or the City of New Orleans.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS (Continued)

1. Summary of Significant Accounting Policies (continued)

B. Reporting Entity (continued)

- 2) Budget Approval. The Board is solely responsible for reviewing, approving, and revising its budget.
- 3) Responsibility for Debt. The LRS authorize the Board to issue bonds; such bonds must bear on their face a statement that they do not constitute a debt of the City. The Board is solely responsible for payments to bondholders. No other governmental unit is required by statute to make any payments to bondholders nor have any payments to bondholders ever been made by any governmental unit, except the Board.
- 4) Designation of Management. The Board controls the hiring of management and employees.
- 5) Special Financial Relationship. The Board has no special financial relationships with any other governmental unit.
- 6) Statutory Authority. The Board's statutory authority was created by the State of Louisiana as an independent governmental unit. Only an amendment to the state statutes can change or abolish the Board's authority.

The Board is a component unit of the City of New Orleans as defined by Governmental Accounting Standards Board Statement 61, *The Financial Reporting Entity: Omnibus—an amendment of GASB Statements No. 14 and No. 34 and GASB Codification Section 2100*. As a result of a Louisiana Supreme Court decision on March 21, 1994, the Board was declared to be an autonomous or self-governing legal entity, legally independent of the City, State, and other governments, created and organized pursuant to LRS 33:4071 as a board, separate and independent of the governing authorities of the City and vested with autonomous or self-governing authority. No other government can mandate actions of the Board nor impose specific financial burdens, except the approval of the City Council and the Board of Liquidation in the case of bond issues and certain rate increases. Because such approval is required, the City considers the Board to be a component unit of the City and includes the Board, as a discretely presented component unit, in the City's annual financial statements. However, the Board is fiscally independent to operate under its bond covenant and the provisions of LRS.

C. Basis of Financial Statement Presentation

The Board's basic financial statements consist of the proprietary fund (the enterprise fund) and the fiduciary fund (the pension trust fund).

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS (Continued)

1. Summary of Significant Accounting Policies (continued)

C. Basis of Financial Statement Presentation (continued)

The operations of the Board are accounted for in the following fund types:

Proprietary Fund Type

The proprietary fund is used to account for the Board's ongoing operations and activities, which are similar to those often found in the private sector. The proprietary fund is accounted for using a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net position. Net position is segregated into the net investment in capital assets, restricted for debt service, and unrestricted. The Board's restricted assets are expendable for their purposes. The Board utilizes available unrestricted assets before utilizing restricted assets. The operating statements present increases (revenues) and decreases (expenses) in net position. The Board maintains one proprietary fund type – the enterprise fund. The enterprise fund is used to 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 cost (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.

Operating revenues include all charges for services; other revenues include plumbing permitting fees and other miscellaneous charges. Operating expenses include the costs associated with providing water, sewerage, and drainage services. Interest income, interest expense, grants from other governments, and tax revenues are presented as non-operating items.

Fiduciary Fund Type

The fiduciary fund is used to account for assets held by the Board in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. The Board maintains one fiduciary fund type—the pension trust fund. The pension trust fund uses the flow of economic resources measurement focus. All assets and liabilities associated with the operation of this fund are included in the statement of fiduciary net assets. The pension trust fund is used to account for the activity of the Board's employee retirement plan, which is a blended component unit of the Board as defined by Section 2100 of the GASB Codification.

D. Basis of Accounting

The enterprise fund and the pension trust fund prepare their financial statements on the accrual basis of accounting. Unbilled utility service charges are not recorded as management considers the effect of not recording such unbilled receivables as not material. Property taxes are recorded as revenue in the year for which they are levied. Plan member contributions are recognized in the period in which contributions are due. Employer contributions to the pension plan are recognized when due and the employer has made a commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
(Continued)

1. Summary of Significant Accounting Policies (continued)

E. Investments

Investments are recorded at fair value, except for short-term investments (maturity of one year or less), which are recorded at amortized cost, which approximates fair value. Securities traded in a national or international exchange are valued at the last recorded sales price at current exchange rates. Investments that do not have an established market are recorded at estimated fair value. Investment income and expenses, including changes in the fair value of the investments, are recognized in the Statements of Revenues, Expenses, and Changes in Net Position and the Statements of Changes in Fiduciary Net Position.

F. Inventory of Supplies

Inventory of supplies is valued at cost. Cost is determined by the weighted average cost method.

G. Vacation and Sick Pay

Vacation (annual leave) and sick pay (sick leave) are accrued when earned. Annual leave is accrued at the rate of .6923 of a workday for each bi-weekly accrual period for all employees on the payroll as of December 31, 1978. Employees hired after that date earn leave at a rate of .5 of a workday per bi-weekly pay period.

All employees on the payroll as of December 31, 1978 receive three additional days each year; all employees hired after that date receive three additional days each year for five through nine calendar years of continuous service; six additional days each year for ten through fourteen years; nine additional days each year for fifteen through nineteen years; and, twelve days for twenty or more years of continuous service. Civil Service's policy permits employees a limited amount of earned but unused annual leave which will be paid to employees upon separation from the Board. The amount shall not exceed ninety days for employees hired before January 1, 1979, and forty-five days for employees hired after December 31, 1978.

Sick leave is accumulated on a bi-weekly basis by all employees hired prior to December 31, 1978 at an accrual rate of .923 of a workday. For employees hired subsequent to December 31, 1978, the accrual rate is .5 of a workday for each bi-weekly period, plus a two additional days each year for employees with six through fifteen calendar years of continuous service, and seven additional days each year for employees with sixteen or more calendar years of continuous service.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS (Continued)

1. Summary of Significant Accounting Policies (continued)

G. Vacation and Sick Pay (continued)

Upon separation from the Board, an employee can elect to convert unused sick leave for retirement credits or cash. The conversion to cash is determined by a rate ranging from one day of pay for five days of leave for the 1st through 100th leave day to one day of pay for one day of leave for all days in excess of the 400th leave day. The total liability for unconverted sick leave as of December 31, 2023 and 2022 is \$16,392,485 and \$14,210,039, respectively. The amount included in the statements of net position as of December 31, 2023 and 2022 is \$11,237,121 and \$11,803,881, respectively, which represents the annual leave and the converted sick leave for cash since virtually all employees convert their sick leave to cash. The amounts for compensated absences include the salary cost as well as certain salary-related costs, such as the Board's share of social security expense and are classified as a long-term liability. The following table summarizes changes in the Board's vacation and sick pay liability.

Year	Beginning of Year Liability	Current Year Earned Changes in Estimate	Payments	End of Year Liability
2023	\$ 11,803,881	\$ 5,084,707	\$ (5,651,467)	\$ 11,237,121
2022	\$ 10,621,943	\$ 7,777,257	\$ (6,595,319)	\$ 11,803,881

H. Property, Plant, and Equipment

Property, plant, and equipment are carried at historical cost. The Board capitalizes moveable equipment with a value of \$10,000 or greater and stationary, infrastructure, network, real estate, and other equipment with a value of \$5,000 or greater. The cost of additions includes contracted work, direct labor, materials, and allocable cost. Donated capital assets are recorded at their acquisition value at the date of donation.

Depreciation is computed using the straight-line method over the estimated useful life of the asset. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is recognized in revenue for the period. The cost of maintenance and repairs is charged to operations as incurred, and significant renewals and betterments are capitalized. Deductions are made for retirements resulting from renewals or betterments.

I. Self-Insurance/Risk Management

The Board is self-insured for general liability, workers' compensation, unemployment compensation, and hospitalization benefits and claims. The accrued liability for the various types of claims represents an estimate by management of the eventual loss on the claims arising prior to year-end, including claims incurred and not yet recorded and estimates of both future payments of losses and related claims adjustment and expense. Estimated expenses and recoveries are based on a case-by-case review.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
(Continued)

1. Summary of Significant Accounting Policies (continued)

J. Bond Issuance Costs and Refinancing Gains (Losses)

Costs related to issuing bonds are expensed when incurred. Premiums and discounts associated with bond issues are amortized over the interest yield method.

K. Deferred Inflows/Outflows of Resources

Deferred outflows of resources represent a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense) until then. Deferred inflows of resources represent an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources until that time. The deferred charge on refunding recorded on the statements of net position results from the difference in carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

Deferred inflows and outflows have been recognized for the net difference between the projected and actual investment earnings for the pension plan, this amount is deferred and amortized over a period of five years. In addition, deferred inflows and outflows have been recognized for the differences between the actuarial expectation and the actual economic experience and changes in actuarial assumptions related to the defined benefit pension plan and the other post-employment benefit plan. These amounts are deferred and amortized over the average of the expected service lives of pension plan members. See Note 7 and Note 8 for additional information on deferred inflows and outflows related to the pension plan and the other post-employment benefits plan, respectively.

L. Pension

The Board may fund all or part of the accrued pension cost, depending on the resources that are available at the time of contribution, for its contributory pension plan which covers substantially all employees. Annual costs are actuarially computed using the entry age normal cost method.

M. Drainage System

The Drainage System was established as a department of the enterprise fund to account for the revenues from three-mill, six-mill, and nine-mill ad valorem taxes designated exclusively for drainage services. There exists a potential for additional financing by additional user service charges. Expenditures from the system are for the debt service of nine-mill tax bonds and drainage related operation, maintenance, and construction.

N. Capital Contributions

Contributions from developers and others, and receipts of Federal, State, and City grants for acquisition of property, plant, and equipment are recorded as capital contributions in the Statements of Revenues, Expenses, and Changes in Net Position.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
(Continued)

1. Summary of Significant Accounting Policies (continued)

O. Net Position Flow Assumption

The Board may fund outlays for a particular purpose from both restricted (e.g. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position, a flow assumption must be made about the order in which the resources are considered to be applied. The Board's policy is to consider restricted net position to have been depleted before unrestricted-net position is applied.

P. Net Position

Net investment in capital assets – This component of net position consists of capital assets, net of accumulated depreciation, and reduced by the outstanding debt attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in this component of net position. Rather, that portion of debt is included in the same component of net position as the unspent proceeds.

Restricted – This net position component reports externally imposed constraints placed on their use by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted – Unrestricted net position is the balance (deficit) of all other elements in a statement of net position remaining after net investment in capital assets and restricted net position.

Q. Cash Flows

For purposes of the statements of cash flows, only cash on hand and on deposit at financial institutions are considered to be cash equivalents. Certificates of deposits, treasury bills, and other securities are considered investments.

R. Operating and Nonoperating Revenues

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with principal ongoing operations. The principal operating revenues of the Board are charges to customers for services. Operating expenses include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are recorded as nonoperating revenues and expenses.

S. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the recorded amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the recorded amounts of revenue and expenditures during the period. Actual results could differ from those estimates.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

**NOTES TO FINANCIAL STATEMENTS
(Continued)**

2. Cash, Cash Equivalents, and Investments

The Board's investments, cash, and cash equivalents (including customer deposits) consist primarily of investments in direct obligations of the United States or agencies thereof and deposits with financial institutions.

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Statutes require that the Board's cash and certificates of deposit be covered by federal depository insurance or collateral. At December 31, 2023, the Board's interest-bearing deposits with banks consisted of cash and money market funds totaling \$213,094,329. At December 31, 2022, the Board's interest-bearing deposits with banks consisted of cash and money market funds totaling \$188,135,143. In addition, the Board held U.S. Treasury bills, which are backed by the full faith and credit of the U.S. government, in the amount of \$70,066,002 and \$139,777,814 at December 31, 2023 and 2022, respectively. The Board's cash bank balances and all certificates of deposit for 2023 and 2022 were covered by federal depository insurance or collateral held by custodial agents of the financial institutions in the name of the Board.

The following are the components of the Board's cash, cash equivalents, and investments as of December 31 for the Enterprise and Pension Trust Funds:

Statement of Net Position - Enterprise Funds	2023	2022
Cash and cash equivalents	\$ 155,164,073	\$ 125,185,462
Restricted cash and cash equivalents	112,436,859	184,332,753
Restricted investments	2,643,294	2,643,294
Customer deposits - cash	11,431,830	10,725,121
Customer deposits - investments	3,250,000	3,250,000
Total cash, cash equivalents, and investments		
- Enterprise Funds	284,926,056	326,136,630
 Statement of Net Position - Pension Trust Fund	 2023	 2022
Cash	3,647,581	3,835,405
Money Market	5,770,717	17,443,193
LAMP	6,213,982	7,273,191
Mutual Funds - debt securities	57,427,579	58,746,580
Mutual Funds - equity securities	162,853,492	135,578,895
Total cash, cash equivalents, and investments		
- Pension Trust Fund	235,913,351	222,877,264
 Total cash, cash equivalents, and investments	 \$ 520,839,407	 \$ 549,013,894

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
(Continued)

2. Cash, Cash Equivalents, and Investments (continued)

A. Fair Value Measurement

To the extent available, the Board's investments are recorded at fair value. GASB Statement No. 72 – *Fair Value Measurement and Application*, defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This statement establishes a hierarchy of valuation inputs based on the extent to which the inputs are observable in the marketplace. Inputs are used in applying the various valuation techniques and take into account the assumptions that market participants use to make valuation decisions. Inputs may include price information, credit data, interest and yield curve data, and other factors specific to the financial instrument. Observable inputs reflect market data obtained from independent sources. In contrast, unobservable inputs reflect the entity's assumptions about how market participants would value the financial instrument. Valuation techniques should maximize the use of observable inputs to the extent available.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The following describes the hierarchy of inputs used to measure fair value and the primary valuation methodologies used for financial instruments measured at fair value on a recurring basis.

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 unobservable inputs (level 3 measurements).

The three levels of the fair value hierarchy are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Board has the ability to access at the measurement date.

Level 2: Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement determined using model-based techniques that include option pricing models, discounted cash flow models, and similar techniques.

Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Deposits and investments—Statutes authorize the Board to invest in obligations of the U.S. Treasury, agencies, and instrumentalities, commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record, repurchase agreements, and the Louisiana Asset Management Pool (LAMP). In addition, the pension trust fund is authorized to invest in corporate bonds rated BBB or better by Standard & Poor's Corporation or Baa or better by Moody's Investors Service and equity securities.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS (Continued)

2. Cash and Investments (continued)

A. Fair Value Measurement (continued)

Cash equivalents such as money market funds, LAMP, and certificate of deposit are measured at net asset value (NAV). These cash equivalents have not been classified in the fair value hierarchy table.

A summary of the Board's investments, including the Pension Trust Fund, along with the fair value hierarchy levels of each type of investment as of December 31, 2023 and 2022 are as follows:

2023				
	Total	Quoted Prices in Active Markets (Level 1 Inputs)	Significant Other Observable Inputs (Level 2 Inputs)	Significant Unobservable Inputs (Level 3 Inputs)
Investment by fair value level:				
Mutual funds- equity securities	\$ 162,853,492	\$ 162,853,492	\$ -	\$ -
Mutual funds- debt securities	57,427,579	-	57,427,579	-
Total investments at fair value level	<u>\$ 220,281,071</u>	<u>\$ 162,853,492</u>	<u>\$ 57,427,579</u>	<u>\$ -</u>
Investments measured at NAV or amortized cost:				
Money market funds	\$ 5,772,288			
LAMP	12,105,705			
	<u>\$ 17,877,993</u>			
Total investments	<u>\$ 238,159,064</u>			
2022				
	Total	Quoted Prices in Active Markets (Level 1 Inputs)	Significant Other Observable Inputs (Level 2 Inputs)	Significant Unobservable Inputs (Level 3 Inputs)
Investment by fair value level:				
Mutual funds- equity securities	\$ 135,578,895	\$ 135,578,895	\$ -	\$ -
Mutual funds- debt securities	58,746,580	-	58,746,580	-
Total investments at fair value level	<u>\$ 194,325,475</u>	<u>\$ 135,578,895</u>	<u>\$ 58,746,580</u>	<u>\$ -</u>
Investments measured at NAV or amortized cost:				
Money market funds	\$ 17,444,764			
LAMP	13,164,914			
	<u>\$ 30,609,678</u>			
Total investments	<u>\$ 224,935,153</u>			

The investments measured at NAV have no unfunded commitments; redemption frequency is daily; and the redemption period notice is same day.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

**NOTES TO FINANCIAL STATEMENTS
(Continued)**

2. Cash and Investments (continued)

A. Fair Value Measurement (continued)

A reconciliation of the enterprise and pension funds to the total investments and cash and cash equivalents at December 31, 2023 and 2022 is as follows:

2023			
	Enterprise	Pension	Total
Cash and cash equivalents	\$ 279,034,333	\$ 3,647,581	\$ 282,681,914
Money market	-	5,770,717	5,770,717
LAMP	5,891,723	6,213,982	12,105,705
Mutual funds - debt securities	-	57,427,579	57,427,579
Mutual funds - equity securities	-	162,853,492	162,853,492
Total cash and investments	<u>\$ 284,926,056</u>	<u>\$ 235,913,351</u>	<u>\$ 520,839,407</u>

2022			
	Enterprise	Pension	Total
Cash and cash equivalents	\$ 320,246,478	\$ 3,835,405	\$ 324,081,883
Money market	-	17,443,193	17,443,193
LAMP	5,891,723	7,273,191	13,164,914
Mutual funds - debt securities	-	58,746,580	58,746,580
Mutual funds - equity securities	-	135,578,895	135,578,895
Total cash and investments	<u>\$ 326,138,201</u>	<u>\$ 222,877,264</u>	<u>\$ 549,015,465</u>

Pension trust fund investments are held in trust and governed pursuant to an indenture between the trustee financial institution and the Board.

B. 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 a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LRS 33:2955.

GASB Statement No. 40, *Deposit and Investment Risk Disclosure*, requires disclosure of credit risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk for all public entity investments.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS (Continued)

2. Cash and Investments (continued)

B. Louisiana Asset Management Pool (LAMP) (continued)

LAMP is an investment pool that, to the extent practical, invests in a manner consistent with GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. The following facts are relevant for investment pools:

- Credit risk: LAMP is rated AAA 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 disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 60 days and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments. The WAM for LAMP's total investments is 70 as of December 31, 2023.
- Foreign currency risk: Not applicable.

The investments in LAMP are stated at fair value. The fair value 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 pool shares.

LAMP, Inc. 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.

C. Credit and Interest Risk

Credit Risk - State law limits investments in securities issued, or backed by United States Treasury obligations, and U.S. Government instrumentalities, which are federally sponsored. The Board's investment policy does not further limit its investment choices. LAMP is rated AAA by Standard & Poor's. The Pension Trust Fund's investment policy requires that fixed income investments be investment grade (BBB or higher as rated by Standard & Poor's or Baa or higher as rated by Moody's). Bonds rated below BBB/Baa are not to exceed 15% of the portfolio, and non-rated bonds are not to exceed 1% of the portfolio.

Interest Rate Risk - Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. In general, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Board has a formal investment policy that states that the investment portfolio shall remain sufficiently liquid to meet all operating and capital requirements that may be reasonably anticipated and that maturities of investments are to be structured concurrent with cash needs to meet anticipated demand.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS (Continued)

2. Cash and Investments (continued)

C. Credit and Interest Risk (continued)

Foreign Currency Risk – The Pension Trust Fund’s exposure to foreign currency risk derives from its positions in foreign currency-denominated fixed-income investments. The Pension Trust Fund's investment policy permits it to invest up to 5 percent of total investments in foreign currency-denominated fixed-income investments. The investments in foreign currency-denominated corporate bonds were rated by Standard & Poor's.

Following are the credit risk ratings of the Pension Trust Fund’s investments in debt securities as of December 31, 2023:

Rating	Corporate Bonds	Foreign Government Bonds	Government Bonds and U.S. Treasury Notes	Other	Total	Percentage of Total
AAA	\$ -	\$ -	\$ 23,094,938	\$ 12,048,266	\$ 35,143,204	61.20%
AA+	-	-	-	93,989	93,989	0.16%
AA	6,282	141,072	-	94,346	241,700	0.42%
AA-	876,363	20,448	-	219,482	1,116,293	1.94%
A+	1,352,084	82,330	-	168,974	1,603,388	2.79%
A	1,628,037	30,773	-	120,825	1,779,635	3.10%
A-	1,455,896	1,931	-	299,197	1,757,024	3.06%
BBB+	2,493,287	46,892	-	-	2,540,179	4.42%
BBB	3,090,691	663,033	-	202,235	3,955,959	6.89%
BBB-	3,595,421	31,544	-	187,167	3,814,132	6.64%
BB+	679,866	95,108	-	9,439	784,413	1.37%
BB	598,455	95,339	-	121,440	815,234	1.42%
BB-	545,936	65,602	-	59,169	670,707	1.17%
B+	425,899	16,996	-	34,429	477,324	0.83%
B	352,365	64,820	-	9,949	427,134	0.74%
B-	217,683	99,191	-	49,075	365,949	0.64%
CCC+	177,933	6,053	-	-	183,986	0.32%
CCC	56,443	21,469	-	42,711	120,623	0.21%
CC	756	16,666	-	10,580	28,002	0.05%
C	123	-	-	5,145	5,268	0.01%
Not Rated	101,263	46,638	-	1,355,535	1,503,436	2.62%
Total	\$ 17,654,783	\$ 1,545,905	\$ 23,094,938	\$ 15,131,953	\$ 57,427,579	100.00%

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

**NOTES TO FINANCIAL STATEMENTS
(Continued)**

2. Cash and Investments (continued)

C. Credit and Interest Risk (continued)

Following are the credit risk ratings of the Pension Trust Fund's investments in debt securities as of December 31, 2022:

Rating	Corporate Bonds	Foreign Government Bonds	Government Bonds and U.S. Treasury Notes	Other	Total	Percentage of Total
AAA	\$ -	\$ -	\$ 16,011,645	\$ 14,365,196	\$ 30,376,841	52.90%
AA+	-	-	-	113,068	113,068	0.20%
AA	112,209	150,440	-	195,452	458,101	0.80%
AA-	1,002,345	47,617	-	299,407	1,349,369	2.35%
A+	1,629,624	68,276	-	164,054	1,861,954	3.24%
A	1,715,678	13,732	-	239,882	1,969,292	3.43%
A-	1,823,334	-	-	362,116	2,185,450	3.81%
BBB+	3,683,729	28,252	-	292,075	4,004,056	6.97%
BBB	3,248,268	134,804	-	871,842	4,254,914	7.41%
BBB-	4,889,625	15,139	-	486,701	5,391,465	9.39%
BB+	1,283,108	33,435	-	63,380	1,379,923	2.40%
BB	962,654	117,948	-	210,554	1,291,156	2.25%
BB-	679,035	30,574	-	57,740	767,349	1.34%
B+	480,069	48,602	-	60,526	589,197	1.03%
B	544,326	67,361	-	43,148	654,835	1.14%
B-	270,764	67,852	-	77,190	415,806	0.72%
CCC+	126,889	37,332	-	17,655	181,876	0.32%
CCC	117,929	2,678	-	55,725	176,332	0.31%
CC	-	12,698	-	9,162	21,860	0.04%
C	5,560	-	-	4,956	10,516	0.02%
Not Rated	297,569	17,223	-	978,428	1,293,220	2.25%
Total	<u>\$ 22,872,715</u>	<u>\$ 893,963</u>	<u>\$ 16,011,645</u>	<u>\$ 18,968,257</u>	<u>\$ 58,746,580</u>	<u>100.00%</u>

D. Concentration of Credit Risk

Per GASB Statement 40, *Deposit and Investment Risk Disclosures*, concentration of credit risk is defined as the risk of loss attributed the magnitude of government's investment in a single issuer. GASB 40 further defines an at-risk investment to be one that represents more than five percent (5%) of the fair value of the total investment portfolio and requires disclosure of such at-risk investments. GASB 40 specifically excludes investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments from the disclosure requirement. The Board has no investment in a single issuer that represent more than 5% of the investment portfolio. In addition, the Board's investments consist of investments in mutual funds, external investment pools, and other pooled investments.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

**NOTES TO FINANCIAL STATEMENTS
(Continued)**

2. Cash and Investments (continued)

E. Pension Trust Fund Investments

As of December 31, 2023, the Pension Trust Fund had the following investments in debt securities and maturities:

Investment Type	Maturity					Total
	Less than 1 Year	1 - 5 Years	6 - 10 Years	Greater Than 10 Years	Duration Not Available	
Corporate Bonds	\$ 1,570,916	\$ 9,400,132	\$ 5,140,478	\$ 1,519,610	\$ 23,647	\$ 17,654,783
Foreign Government Bonds	57,116	499,806	606,473	382,510	-	1,545,905
Government Bonds and U.S. Treasury Notes	40,187	5,196,600	11,942,646	5,914,302	1,203	23,094,938
Other	2,661,261	4,837,133	7,550,515	(34,707)	117,751	15,131,953
Total	\$ 4,329,480	\$ 19,933,671	\$ 25,240,112	\$ 7,781,715	\$ 142,601	\$ 57,427,579

As of December 31, 2022, the Pension Trust Fund had the following investments in debt securities and maturities:

Investment Type	Maturity					Total
	Less than 1 Year	1 - 5 Years	6 - 10 Years	Greater Than 10 Years	Duration Not Available	
Corporate Bonds	\$ 1,399,512	\$ 11,203,273	\$ 7,727,220	\$ 2,443,701	\$ 99,009	\$ 22,872,715
Foreign Government Bonds	81,770	180,207	320,419	311,567	-	893,963
Government Bonds and U.S. Treasury Notes	-	5,017,166	5,355,665	5,638,814	-	16,011,645
Other	4,824,404	4,897,368	9,246,485	-	-	18,968,257
Total	\$ 6,305,686	\$ 21,298,014	\$ 22,649,789	\$ 8,394,082	\$ 99,009	\$ 58,746,580

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS (Continued)

3. Customer Receivables

Customer receivables as of December 31 consist of the following:

2023			
	Customer Receivables	Allowance for Doubtful Accounts	Net Customer Receivables
Water	\$ 64,362,295	\$ 46,677,056	\$ 17,685,239
Sewer	69,905,201	59,232,934	10,672,267
	<u>\$ 134,267,496</u>	<u>\$ 105,909,990</u>	<u>\$ 28,357,506</u>

2022			
	Customer Receivables	Allowance for Doubtful Accounts	Net Customer Receivables
Water	\$ 60,833,157	\$ 46,921,594	\$ 13,911,563
Sewer	69,968,017	59,495,367	10,472,650
	<u>\$ 130,801,174</u>	<u>\$ 106,416,961</u>	<u>\$ 24,384,213</u>

4. Property, Plant, and Equipment

The useful lives of property, plant, and equipment consisted of the following:

Power and pumping stations – buildings and machinery	40 to 57 years
Distribution systems	75 years
Sewerage collection, treatment plant, general plant, and building	12 to 75 years
Canals and subsurface drains	75 to 100 years
Power transmissions, connections, and meters	50 years
Treatment plants, general plant, and buildings	12 to 50 years

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS (Continued)

4. Property, Plant, and Equipment (continued)

Property, plant, and equipment consisted of the following as of December 31:

Cost	2023			
	Beginning Balance	Additions	Deletions/ Reclassifications	Ending Balance
Real estate rights, non depreciable	\$ 10,618,190	-	-	\$ 10,618,190
Power and pumping stations - buildings and machinery	863,713,430	6,942,646	75,428,420	946,084,496
Distribution systems	492,287,987	92,493,503	(92,547,548)	492,233,942
Sewerage collection, treatment plant, general plant, and building	1,415,154,149	108,839,815	(39,832,394)	1,484,161,570
Canals and subsurface drainage	1,309,032,533	64,331,652	-	1,373,364,185
Power transmissions, connections and meters	159,846,548	-	(56,766,086)	103,080,462
Total property, plant, and equipment in service	4,250,652,837	272,607,616	(113,717,608)	4,409,542,845
Construction in progress	786,679,080	376,258,554	(270,634,379)	892,303,255
Total property, plant, and equipment	5,037,331,917	648,866,170	(384,351,987)	5,301,846,100
Accumulated Depreciation				
Power and pumping stations - buildings and machinery	427,427,874	20,101,634	-	447,529,508
Distribution systems	68,892,501	6,546,711	(4,624,675)	70,814,537
Sewerage collection, treatment plant, general plant, and building	531,460,279	21,821,841	(5,441,991)	547,840,129
Canals and subsurface drainage	163,250,258	13,418,211	-	176,668,469
Power transmissions, connections and meters	71,485,233	3,193,384	-	74,678,617
Total accumulated depreciation	1,262,516,145	65,081,781	(10,066,666)	1,317,531,260
Net property, plant, and equipment	\$ 3,774,815,772	\$ 583,784,389	\$ (374,285,321)	\$ 3,984,314,840
2022				
Cost	Beginning Balance	Additions	Deletions/ Reclassifications	Ending Balance
Real estate rights, non depreciable	\$ 10,618,190	\$ -	\$ -	\$ 10,618,190
Power and pumping stations - buildings and machinery	864,884,688	3,928,919	(5,100,177)	863,713,430
Distribution systems	441,547,784	78,468,094	(27,727,891)	492,287,987
Sewerage collection, treatment plant, general plant, and building	1,393,383,059	82,852,449	(61,081,359)	1,415,154,149
Canals and subsurface drainage	1,262,729,592	81,532,641	(35,229,700)	1,309,032,533
Power transmissions, connections and meters	142,714,248	137,235	16,995,065	159,846,548
Total property, plant, and equipment in service	4,115,877,561	246,919,338	(112,144,062)	4,250,652,837
Construction in progress	685,382,879	348,215,539	(246,919,338)	786,679,080
Total property, plant, and equipment	4,801,260,440	595,134,877	(359,063,400)	5,037,331,917
Accumulated Depreciation				
Power and pumping stations - buildings and machinery	409,062,408	18,365,466	-	427,427,874
Distribution systems	66,268,476	6,547,430	(3,923,405)	68,892,501
Sewerage collection, treatment plant, general plant, and building	511,103,411	24,499,490	(4,142,622)	531,460,279
Canals and subsurface drainage	150,131,459	13,118,799	-	163,250,258
Power transmissions, connections and meters	68,300,178	3,193,383	(8,328)	71,485,233
Total accumulated depreciation	1,204,865,932	65,724,568	(8,074,355)	1,262,516,145
Net property, plant, and equipment	\$ 3,596,394,508	\$ 529,410,309	\$ (350,989,045)	\$ 3,774,815,772

5. Due to City of New Orleans

The Board bills and collects sanitation charges on behalf of the City. Amounts due to the City for unremitted sanitation charges were \$7,247,375 and \$4,735,586 at December 31, 2023 and 2022, respectively. The Board is not liable for any uncollected sanitation charges. Additionally, amounts included in accounts payable due to the City for works performed by the Department of Public Works on behalf of the Board, were \$6,965,924 and \$21,355,133 at December 31, 2023 and 2022, respectively.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS (Continued)

6. Long-Term Obligations

A. Summary of Changes in Long-Term Debt

Following is a summary of changes in long-term debt for the year ended December 31, 2023:

	Balance 1/1/2023	Additions	Reductions	Balance 12/31/2023	Due Within One Year
Claims and judgments (Note 9)	\$ 48,096,330	\$ 9,249,158	\$ 8,488,123	\$ 48,857,365	\$ 4,367,422
Accrued annual and sick leave (Note 1)	11,803,881	5,084,707	5,651,467	11,237,121	-
Sewerage and water system bonds	498,155,582	6,273,560	19,071,000	485,358,142	19,469,846
Drainage system tax bonds	45,000,000	-	8,310,000	36,690,000	8,640,000
Premium on bonds payable	16,591,339	-	1,032,512	15,558,827	-
Debt service assistance loan	34,362,788	-	3,031,425	31,331,363	3,178,103
Southeast Louisiana Project	217,228,980	-	1,971,460	215,257,520	2,045,390
	<u>\$ 871,238,900</u>	<u>\$ 20,607,425</u>	<u>\$ 47,555,987</u>	<u>\$ 844,290,338</u>	<u>\$ 37,700,761</u>

Following is a summary of changes in long-term debt for the year ended December 31, 2022:

	Balance 1/1/2022	Additions	Reductions	Balance 12/31/2022	Due Within One Year
Claims and judgments (Note 9)	\$ 47,113,434	\$ 17,470,716	\$ 16,487,820	\$ 48,096,330	\$ 4,445,678
Accrued annual and sick leave (Note 1)	10,621,943	7,777,257	6,595,319	11,803,881	-
Sewerage and water system bonds	514,910,075	4,200,507	20,955,000	498,155,582	19,207,000
Drainage system tax bonds	2,000,000	45,000,000	2,000,000	45,000,000	8,310,000
Premium on bonds payable	17,785,135	-	1,193,796	16,591,339	-
Debt service assistance loan	37,265,290	-	2,902,502	34,362,788	3,037,178
Southeast Louisiana Project	206,690,029	13,873,533	3,334,582	217,228,980	3,334,582
	<u>\$ 836,385,906</u>	<u>\$ 88,322,013</u>	<u>\$ 53,469,019</u>	<u>\$ 871,238,900</u>	<u>\$ 38,334,438</u>

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

**NOTES TO FINANCIAL STATEMENTS
(Continued)**

6. Long-Term Obligations (continued)

B. Bonds Payable

Bonds payable consisted of the following as of December 31:

	Principal Balances	
	2023	2022
4.02% drainage system limited tax bonds, series 2022; due in annual principal installments ranging from \$8,310,000 to \$9,720,000; final payment due December 1, 2027.	\$ 36,690,000	\$ 45,000,000
2.00% to 5.00% sewerage service revenue bonds, series 2014 (initial average interest cost 3.86%); due in annual principal installments ranging from \$1,970,000 to \$12,970,000; final payment due June 1, 2025.	5,730,000	9,650,000
5.00% sewerage service revenue bonds, series 2015 (initial average interest cost 4.39%); due in annual principal installments ranging from \$325,000 to \$6,225,000; final payment due June 1, 2027.	8,710,000	10,710,000
5.00% sewerage service revenue bonds, series 2020B; due in annual principal installments ranging from \$2,000,000 to \$2,660,000; final payment due June 1, 2050.	64,750,000	64,750,000
2.57% sewerage revenue refunding bonds, series 2021; due in annual principal installments ranging from \$2,335,000 to \$11,510,000; final payment due June 1, 2045.	173,515,000	175,860,000
5.00% water revenue bonds, series 2014 (initial average interest cost 4.43%); due in annual principal installments ranging from \$325,000 to \$6,225,000; final payment due December 1, 2026.	7,390,000	9,620,000
4.98% water revenue bonds, series 2015 (initial average interest cost 4.38%); due in annual principal installments ranging from \$700,000 to \$2,750,000; final payment due December 1, 2028.	12,490,000	14,645,000
2.62% water revenue refunding bonds, series 2021; due in annual principal installments ranging from \$2,500,000 to \$12,740,000; final payment due December 31, 2045.	189,285,000	191,800,000

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

**NOTES TO FINANCIAL STATEMENTS
(Continued)**

6. Long-Term Obligations (continued)

B. Bonds Payable (continued)

	Principal Balances	
	2023	2022
Direct Placements:		
0.45% sewerage service revenue bonds, series 2011 (initial average interest cost 0.95%); due in annual principal installments ranging from \$411,000 to \$491,000; final payment due December 1, 2032.	4,260,000	4,711,000
0.95% sewerage service revenue bonds, series 2019; due in annual principal installments ranging from 4.56% to 100% of outstanding principal balance; final payment due June 1, 2040.	6,407,687	6,732,688
0.95% sewerage service revenue bonds, series 2022; due in annual principal installments ranging from 4.56% to 100% of outstanding principal balance; final payment due June 1, 2043.	6,248,834	138,715
1.50% sewerage service revenue bonds, series 2020A; due in annual principal installments ranging from \$1,765,000 to \$3,195,000; final payment due June 1, 2025.	5,355,000	8,485,000
1.85% sewerage service revenue bond (WIFIA loan); due in annual principal installments beginning December 1, 2031 with final payment due December 1, 2057.	1,053,179	1,053,179
0.95% sewerage service revenue bonds, series 2023; due in annual principal installments ranging from 4.56% to 100% of outstanding principal balance; final payment due December 21, 2043.	163,442	-
	522,048,142	543,155,582
Plus: bond premiums	15,558,827	16,591,339
Total	537,606,969	559,746,921
Less: current maturities	(28,109,846)	(27,517,000)
Bond payable, long-term	<u>\$ 509,497,123</u>	<u>\$ 532,229,921</u>

The changes in long-term debt were as follows:

	2023	2022
Balance, beginning of year	\$ 543,155,582	\$ 516,910,075
Principal issued	6,273,561	49,200,507
Payments	(27,381,001)	(22,955,000)
Balance, end of year	<u>\$ 522,048,142</u>	<u>\$ 543,155,582</u>

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

**NOTES TO FINANCIAL STATEMENTS
(Continued)**

6. Long-Term Obligations (continued)

B. Bonds Payable (continued)

The annual requirements to amortize bonds payable as of December 31, 2023, are as follows:

Total	Revenue Bonds		Direct Placement Revenue Bonds		Tax Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 15,245,000	\$ 13,238,152	\$ 4,224,846	\$ 231,498	\$ 8,640,000	\$ 1,474,938	\$ 28,109,846	\$ 14,944,588
2025	13,845,000	12,728,861	3,465,442	180,321	8,985,000	1,127,610	26,295,442	14,036,792
2026	16,300,000	12,226,277	1,455,000	151,069	9,345,000	766,413	27,100,000	13,143,759
2027	17,315,000	11,669,330	1,469,000	137,203	9,720,000	390,744	28,504,000	12,197,277
2028	17,665,000	11,207,834	1,483,000	123,200	-	-	19,148,000	11,331,034
2029-2033	93,485,000	49,585,823	8,185,179	362,324	-	-	101,670,179	49,948,147
2034-2038	104,760,000	37,291,218	3,205,675	36,518	-	-	107,965,675	37,327,736
2039-2043	117,875,000	21,140,652	-	-	-	-	117,875,000	21,140,652
2044-2048	60,225,000	4,178,653	-	-	-	-	60,225,000	4,178,653
2049-2050	5,155,000	205,900	-	-	-	-	5,155,000	205,900
	<u>\$ 461,870,000</u>	<u>\$ 173,472,700</u>	<u>\$ 23,488,142</u>	<u>\$ 1,222,133</u>	<u>\$ 36,690,000</u>	<u>\$ 3,759,705</u>	<u>\$ 522,048,142</u>	<u>\$ 178,454,538</u>

The indentures under which these bonds were issued provide for the establishment of restricted funds for debt service as follows:

1. Debt service funds are required for the payment of interest and principal on the revenue and tax bonds. Monthly deposits on revenue bonds, excluding bond anticipation notes, are required to be made into this fund from operations in an amount equal to 1/6 of the interest falling due on the next interest payment date, and an amount equal to 1/12 of the principal falling due on the next principal payment date. All debt service funds are administered by the Board of Liquidation. The required amount to be accumulated in this fund and on hand were \$11,541,704 and \$11,720,678 at December 31, 2023 and 2022, respectively.
2. The water bonds require a reserve equal to the largest amount required in any future calendar year to pay the principal of and interest on outstanding bonds. The sewer bonds require an amount equal to 125% of average aggregate debt service. The amount required to be accumulated in this fund and on hand was \$13,073,458 at December 31, 2023 and 2022.

Operating revenues, net of operating expenses, are pledged as security for all revenue bond issues.

Events of default for the bond agreements include the failure to pay the principal and interest payments timely and failure of the Board to observe and perform any of its covenants, conditions, or agreements under the bond agreements. Resolution may be obtained for a period of 60 days after written notice either from the paying agent or the Board of Liquidation or holders of not less than 25% in aggregate principal amount of bonds then outstanding (unless the paying agent, the Board of Liquidation or the holders agree in writing to an extension of such time prior to its expiration) specifying such failure and requesting that it be remedied.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
(Continued)

6. Long-Term Obligations (continued)

B. Bonds Payable (continued)

Upon the occurrence and continuation of an Event of Default, either the Board of Liquidation (by notice in writing by the Board) or holders of not less than 25% in aggregate principal amount of bonds then outstanding (by notice in writing to the Board and the Board of Liquidation) may declare the entire unpaid principal of the Bonds due and payable. Upon any such declaration the Board shall pay the entire unpaid principal of premium, if any, and accrued interest on the Bonds, but only from net revenues and other monies herein specifically pledged for payments.

C. Louisiana Department of Environmental Quality

In 2011, the City entered into an agreement with the Louisiana Department of Environmental Quality (LDEQ) whereby the LDEQ committed to loan the Board \$9,000,000 to fund sewer main replacements, point repairs, replacement of associated service connections and laterals, sewer line rehabilitation by cured in-place pipe lining and manhole rehabilitation. The loan was advanced in incremental amounts as project costs were incurred. The indebtedness to the LDEQ is evidenced through the Sewerage Service Subordinate Revenue Bonds, Series 2011.

In 2019, the City entered into an agreement with the LDEQ whereby the LDEQ has committed to loan the Board \$10,000,000 to fund sewer main replacements, point repairs, replacement of associated service connections and laterals, sewer line rehabilitation by cured in-place pipe lining and manhole rehabilitation. The loan is being advanced in incremental amounts as project costs are incurred. The indebtedness to the LDEQ is evidenced through the Sewerage Service Revenue Bonds, Series 2019.

In 2022, the City entered into an agreement with the LDEQ whereby the LDEQ has committed to loan the Board \$11,110,000 to fund sewer main replacements, point repairs, replacement of associated service connections and laterals, sewer line rehabilitation by cured in-place pipe lining and manhole rehabilitation. The loan is being advanced in incremental amounts as project costs are incurred. The indebtedness to the LDEQ is evidenced through the Sewerage Service Revenue Bonds, Series 2022.

In 2023, the City entered into an agreement with the LDEQ whereby the LDEQ has committed to loan the Board \$31,525,000 to fund sewer main replacements, point repairs, replacement of associated service connections and laterals, sewer line rehabilitation by cured in-place pipe lining and manhole rehabilitation. The loan is being advanced in incremental amounts as project costs are incurred. The indebtedness to the LDEQ is evidenced through the Sewerage Service Revenue Bonds, Series 2023.

D. Series 2021 Revenue Refunding Bonds

In 2021, the Board issued \$178,195,000 of Taxable Sewerage Service Revenue Refunding Bonds, Series 2021 for the purpose of partially advance refunding the Series 2014 and Series 2015 Sewerage Service Revenue and Refunding Bonds. The bond proceeds and investments, less issuance and insurance costs, were used to refund \$70,610,000 of the Series 2014 bonds and \$87,290,000 of the Series 2015 bonds, for a total of \$157,900,000. The outstanding balance of the defeased bonds at December 31, 2023 and 2022 is \$146,850,000.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
(Continued)

6. Long-Term Obligations (continued)

D. Series 2021 Revenue Refunding Bonds (continued)

In 2021, the Board issued \$194,300,000 of Taxable Water Revenue Refunding Bonds, Series 2021 for the purpose of partially advance refunding the Series 2014 and Series 2015 Water Revenue and Refunding Bonds. The bond proceeds and investments, less issuance and insurance costs, were used to refund \$79,425,000 of the Series 2014 bonds and \$82,015,000 of the Series 2015 bonds, for a total of \$161,440,000. The outstanding balance of the defeased bonds at December 31, 2023 and 2022 is \$157,435,000.

E. Series 2022 Drainage System Limited Tax Bonds

In 2022, the Board issued \$45,000,000 of Drainage System Limited Tax Bonds for the purpose of providing short-term financing to construct a portion of the power complex at the Carrollton water plant.

F. WIFIA Loan

On November 10, 2021, the Board closed on a \$275,000,000 revenue debt issue through the Water Infrastructure Financing and Innovation Act (WIFIA) with the U.S. Environment Agency (EPA), a direct borrowing, to fund over 160 projects to modernize aging and storm damaged sewer pipelines throughout the city as part of comprehensive Sewer System Evaluation and Rehabilitation Program. The WIFIA Bond will be due in semi-annual installments of interest and annual payments of principal, with a final maturity date of 35 years following the substantial completion date of the Project. No interest accrues until the Board makes its first drawdown of funds from the WIFIA Bond. The Board has pledged the net revenues of the sewer system as security for the WIFIA Bond for the duration of the bond on parity to its revenue bonds. The Board has also agreed to comply with various covenants, including a rate covenant similar to that of its revenue bonds.

G. Debt Service Assistance Loan

In July 2006, the Board and the State of Louisiana (the State) entered into a Cooperative Endeavor Agreement whereby the State agreed to lend up to \$77,465,247 from State funds on deposit in the Debt Service Assistance Fund, authorized by the Gulf Opportunity Zone Act of 2005 and Act 41 of the First Extraordinary Session of the Louisiana Legislature of 2006, to assist in payment of debt service requirements from 2006 through 2008 due to disruption of tax bases and revenue streams caused by Hurricanes Katrina and Rita. Draw downs on the loan were made as debt service payments became due. No principal or interest was payable during the initial five-year period of the loan. After the expiration of the initial five-year period, the loan shall bear interest at a fixed rate of 4.64 percent. Principal payments on the bonds began in July 2012. In July 2019, the Cooperative Endeavor Agreement was amended by the State and the Board to allow annual payments to be made through 2031. In addition, the outstanding loan balances for the Drainage and Water funds of the Board were assumed/transferred to the Sewerage fund.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

**NOTES TO FINANCIAL STATEMENTS
(Continued)**

6. Long-Term Obligations (continued)

H. Debt Service Assistance Loan (continued)

Upon the amendment, interest is payable semi-annually on January 15 and July 15 beginning July 2020. The loan will mature in January 2031. The loan may be prepaid without penalty or premium.

As of December 31, 2023, debt service requirements relating to the loan is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 3,178,103	\$ 463,236	\$ 3,641,339
2025	6,651,134	473,659	7,124,793
2026	6,959,746	322,932	7,282,678
2027	3,231,640	739,318	3,970,958
2028	3,231,640	739,318	3,970,958
2029-2031	8,079,100	1,848,296	9,927,396
	<u>\$ 31,331,363</u>	<u>\$ 4,586,759</u>	<u>\$ 35,918,122</u>

I. Southeast Louisiana Project

In 2009, the Coastal Protection and Restoration Authority of Louisiana entered into agreements (SELA PPA and SELA DPA) with the Department of the Army for the Southeast Louisiana, Louisiana Project in Jefferson and Orleans Parishes (the Project). The purpose of the Project is to provide flood damage reduction and interior drainage for Orleans and Jefferson Parishes in southeast Louisiana. The agreements set forth the obligations of the federal government and non-federal sponsors, including the Board, regarding the construction and the operation, maintenance, repair, rehabilitation, and replacement of the Project. For the SELA DPA projects, the federal government is responsible for 65% of the project costs and the non-federal sponsors are responsible for the remaining 35% less credits for work-in-kind contributions and other allowances. For the other SELA projects the federal government is responsible for 100% or 75% of the project costs and the remaining cost is the responsibility of the non-federal sponsor. Project costs are included in the capital assets of the Board.

Under the agreement, the Department of the Army, subject to the availability of funds appropriated by the Congress of the United States, shall design and construct specified work at 100% federal expense. The Board will be allowed to defer payment of its required non-federal contribution of funds of 35% and to pay said contribution of funds with interest over a period of not more than 30 years from the date of completion of the project or separable element of the project. The interest rate to be used in computing the interest shall be determined by the Secretary of the Treasury, taking into consideration average market yields on outstanding marketable obligations of the United States with remaining periods of maturity comparable to the payment period during the month preceding the Government fiscal year in which the first federal construction contract for such separable element is awarded to the SELA PPA, plus a premium of one-eighth of one percentage point for transaction costs. The amount due, including estimated accrued interest, as of December 31, 2023 and 2022 is \$215,257,520 and \$217,228,980, respectively.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

**NOTES TO FINANCIAL STATEMENTS
(Continued)**

6. Long-Term Obligations (continued)

H. Southeast Louisiana Project (continued)

The Project consists of 16 contracts, grouped in 5 basins. Project completion date, payment start date, as well as interest rate for each basin are as follows:

<u>Basin</u>	<u>Completion Date</u>	<u>Payment Start Date</u>	<u>Interest Rate</u>
OP-2	2028 (Est.)	2028 (Est.)	3.75% (Est.)
OP-3	2020	2021	3.75%
OP-4	2020	2021	3.75%
OP-5	2020	2021	3.75%
OP-6	2020	2021	3.75%

The final amount due for OP-2 will be determined by the Department of Army upon project completion.

As of December 31, 2023, projected debt service requirements relating to the total amount due are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 2,045,390	\$ 3,481,170	\$ 5,526,560
2025	2,122,092	3,404,468	5,526,560
2026	2,201,670	3,324,890	5,526,560
2027	2,284,233	3,242,327	5,526,560
2028	2,369,892	3,156,668	5,526,560
2029-2033	13,251,078	14,381,722	27,632,800
2034-2038	15,929,118	11,703,682	27,632,800
2039-2043	19,148,389	8,484,410	27,632,799
2044-2048	23,018,275	4,614,525	27,632,800
2049-2050	10,461,073	592,046	11,053,119
	<u>\$ 92,831,210</u>	<u>\$ 56,385,908</u>	<u>\$ 149,217,118</u>
	122,426,310	OP-2 Basin not yet completed	
	<u>\$ 215,257,520</u>	Southeast Louisiana Project Liability	

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
(Continued)

7. Defined Benefit Pension Plan

A. Plan Descriptions

The Board has a single-employer contributory retirement plan covering all full-time employees, the Pension Trust Fund (PTF). The Board's payroll for current employees covered by the PTF for the years ended December 31, 2023 and 2022 was \$67,962,221 and \$62,430,620, respectively; such amounts exclude overtime and standby payroll. As of the most recent valuation date (December 31, 2023), the PTF membership consisted of:

Inactive employees or beneficiaries currently receiving benefits	908
Inactive employees entitled to but not yet receiving benefits	371
Active Employees	1,190
Total	<u>2,469</u>

Benefits Provided

The benefit provisions were established by action of the Board in 1956 in accordance with LRS. The Board retains exclusive control over the plan through the Pension Committee of the Board. Effective January 1, 1996, the plan became qualified under Internal Revenue Code Section 401(a) and thus is tax exempt.

The plan provides for retirement benefits as well as death and disability benefits. All benefits vest after five years of service. Employees who retire at or after age 65 with five or more years of credited service are entitled to an annual retirement benefit, payable biweekly for life, in an amount equal to two and one-half percent of their average compensation for each year of credited service not to exceed twenty five years, increasing by four percent per year for service years in excess of twenty five years, but in no event the annual retirement benefit should exceed one hundred percent (100%) of employee's average compensation. Average compensation is the average annual earned compensation for the period of 36 successive months of service during which the employee's compensation was the highest. Employees with thirty years or more of credited service may retire without a reduction in benefits. Employees may retire prior to age 62 without 30 years of service with a reduction in benefits of three percent for each year of age below the age of 62. If an employee leaves covered employment or dies before three years of credited service, the accumulated employee contributions plus related investment earnings are refunded to the employee or designated beneficiary.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
(Continued)

7. Defined Benefit Pension Plan (continued)

A. Plan Descriptions (continued)

The retirement benefit for retirees over age 65 is subject to a cost of living adjustment each January 1, provided that the member retired on or after January 1, 1984. The adjustment is based on the increase in the Consumer Price Index for all urban wage earners published by the U.S. Department of Labor but is limited to an annual maximum of two percent on the first \$10,000 of initial retirement benefits.

Effective September 23, 1993, employers may transfer credit between the Board's plan and the City of New Orleans' retirement system with full credit for vested service. The Board and its employees are obligated under plan provisions to make all required contributions to the plan. The required contributions are actuarially determined. Level percentage of payroll employer contribution rates is determined using the entry age normal actuarial funding method.

Deferred Retirement Option Program (DROP)

Beginning in 1996, the Board offered employees a "Deferred Retirement Option Plan" (DROP), an optional retirement program which allows an employee to elect to freeze his or her retirement benefits but continue to work and draw a salary for a minimum period of one year to a maximum period of five years. While continuing employment, the retirement benefits are segregated from overall plan assets available to other participants. As of December 31, 2023 and 2022, 63 and 73 employees, respectively, participated in the plan. The amount of plan assets segregated for these individuals was \$6,213,982 and \$7,273,191 as of December 31, 2023 and 2022, respectively.

B. Funding Policy

The actuary determined contribution requirement for the Board was 21.041% and 22.773% for 2023 and 2022. The contribution requirement for employees for the years ended December 31, 2023 and 2022 was 6.0%. The actual Board's and employees' contributions for the years ended December 31 were as follows:

	<u>2023</u>	<u>2022</u>
Employer	\$ 12,086,710	\$ 10,914,917
Employee	3,410,161	3,486,071
Total contributions	<u>\$ 15,496,871</u>	<u>\$ 14,400,988</u>

C. Net Pension Liability

The Board's Net Pension Liability was measured as of December 31, 2023 and 2022. The Total Pension Liability used to calculate the Net Pension Liability was determined as of that date based on an actuarial valuation.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
(Continued)

7. Defined Benefit Pension Plan (continued)

D. Actuarial Assumptions

	<u>2023</u>	<u>2022</u>
Investment rate of return	7.00%	7.00%
Inflation	2.50%	2.50%
Salary increases including inflation	4% to 6.25%	4% to 6.25%

For 2023 and 2022, mortality rates were based on the PubG-2010 mortality tables, with male rates multiplied by 122% and female rates multiplied by 119%. Mortality was projected generationally using Scale MP-2019, with male projection factors multiplied by 86% and female projection factors multiplied by 79%.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense 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 an asset allocation percentage which is based on the nature and mix of current and expected plan investments and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Pension Trust Fund's current and expected asset allocation as of December 31, 2023 and 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
US Large Cap Equities	6.50%
US Mid Cap Equities	7.00%
US Small Cap Equities	7.25%
International Equities	4.50%
Broad Fixed Income	3.50%
Private Equity	7.75%
Global Infrastructure	4.00%
Real Estate	4.75%
Cash and Cash Equivalents	0.50%

Discount Rate

The discount rate used to measure the total pension liability was 7% for the 2023 and 2022 plan years. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that the plan's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the PTF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS (Continued)

7. Defined Benefit Pension Plan (continued)

E. Actuarial Assumptions (continued)

Investment Rate of Return

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. For the years ended December 31, 2023 and 2022, the annual money-weighted rates of return (loss) on pension plan investments, net of pension plan investment expenses, were 10.98% and (14.41)%, respectively.

Sensitivity of the Net Pension Liability to Change in the Discount Rate

The following presents the net pension liability of the Board as of December 31, 2023 and 2022, calculated using the discount rate of 7%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

	1% Decrease 6%	Current Discount Rate 7%	1% Increase 8%
<u>December 31, 2023</u>			
Total pension liability	\$ 401,426,377	\$ 363,399,484	\$ 331,243,466
Fiduciary net position	236,447,698	236,447,698	236,447,698
Net pension liability	164,978,679	126,951,786	94,795,768
<u>December 31, 2022</u>			
Total pension liability	\$ 394,367,966	\$ 356,975,942	\$ 325,372,712
Fiduciary net position	223,360,220	223,360,220	223,360,220
Net pension liability	171,007,746	133,615,722	102,012,492

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
(Continued)

7. Defined Benefit Pension Plan (continued)

F. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at			
December 31, 2022	\$ 356,975,942	\$ 223,360,220	\$ 133,615,722
Changes for the year:			
Service cost	5,828,830	-	5,828,830
Interest	24,437,848	-	24,437,848
Difference between expected and actual experience	2,167,101	-	2,167,101
Contributions – employer	-	12,086,710	(12,086,710)
Contributions – employee	-	3,410,160	(3,410,160)
Net investment income (loss)	-	23,600,845	(23,600,845)
Benefit payments, including refunds of employee contributions	(27,385,310)	(27,385,310)	-
Other	1,375,073	1,375,073	-
Net changes	6,423,542	13,087,478	(6,663,936)
Balances at			
December 31, 2023	\$ 363,399,484	\$ 236,447,698	\$ 126,951,786

The PTF Fiduciary Net Position as a percentage of Total Pension Liability was 65% and 63% as of December 31, 2023 and 2022, respectively.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
(Continued)

7. Defined Benefit Pension Plan (continued)

F. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at			
December 31, 2021	\$ 350,483,713	\$ 274,480,177	\$ 76,003,536
Changes for the year:			
Service cost	5,311,264	-	5,311,264
Interest	23,940,992	-	23,940,992
Difference between expected and actual experience	4,072,398	-	4,072,398
Contributions – employer	-	10,914,917	(10,914,917)
Contributions – employee	-	3,486,071	(3,486,071)
Net investment income (loss)	-	(38,688,520)	38,688,520
Benefit payments, including refunds of employee contributions	(27,561,617)	(27,561,617)	-
Other	729,192	729,192	-
Net changes	6,492,229	(51,119,957)	57,612,186
Balances at			
December 31, 2022	\$ 356,975,942	\$ 223,360,220	133,615,722

For the years ended December 31, 2023 and 2022, the Board recognized a pension expense of \$14,774,201 and \$16,066,907, respectively, in payroll related expense on the Statements of Revenues, Expenses, and Changes in Net Position.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

**NOTES TO FINANCIAL STATEMENTS
(Continued)**

7. Defined Benefit Pension Plan (continued)

F. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

On December 31, 2023 and 2022, the Board recorded Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
<u>December 31, 2023</u>		
Differences between expected and actual experience	\$ 5,824,805	\$ 235,707
Net difference between projected and actual earnings on pension plan investments	18,967,072	-
Total	<u>\$ 24,791,877</u>	<u>\$ 235,707</u>
<u>December 31, 2022</u>		
Differences between expected and actual experience	\$ 6,403,560	\$ 2,594,556
Changes of assumptions	1,628,644	-
Net difference between projected and actual earnings on pension plan investments	28,469,948	-
Total	<u>\$ 36,502,152</u>	<u>\$ 2,594,556</u>

Amounts recorded as Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31	Amount
2024	7,358,584
2025	8,495,843
2026	10,368,464
2027	(1,666,721)
	<u>\$ 24,556,170</u>

G. The Board's Pension Plan Fiduciary Net Position

A separate report on the pension trust fund is not issued.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
(Continued)

8. Other Post-Employment Benefits

Plan Description – The Board’s post-employment benefit plan is a single-employer defined benefit plan. The Board’s post-employment medical benefits for retirees are provided through a self-insured medical plan and are made available to employees upon actual retirement.

Participation – All active Employees as defined in the Rules and Regulations of the Employees’ Retirement System of the Board, which is generally an employee who regularly works more than 17.5 hours per week, are eligible to participate in the plan.

Employees covered by benefit terms – As of the most recent valuation date (December 31, 2023), the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	660
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>1,253</u>
	<u>1,913</u>

Total OPEB Liability

The Board’s total OPEB liability of \$241,966,938 and \$196,212,638 was measured as of December 31, 2023 and 2022, respectively, and was determined by an actuarial valuation as of December 31 of each year.

Actuarial Assumptions and other inputs – The total OPEB liability in the December 31, 2023 and 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	4.00% to 6.25% including inflation
Healthcare cost trend rates	7.50% for FY25 decreasing 0.60% per year to an ultimate rate of 4.50% for FY30 and later years
Mortality	PubG-2010 mortality table multiplied by 122% for males and 119% for females, projected generationally using Scale MP-2019 mortality improvement rates multiplied by 86% for males and 79% for females
Participation	100%

The discount rate used to measure the total OPEB liability as of December 31, 2023 and 2022 was 3.26% and 3.72%, respectively.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
(Continued)

8. Other Post-Employment Benefits (continued)

Total OPEB Liability (continued)

The source of the municipal bond rate is the Bond Buyer Index of general obligation bonds with 20 years to maturity and mixed credit quality. The bonds' average credit quality is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA.

Changes in the Total OPEB Liability 2023:

Balance at December 31, 2022	\$ 196,212,638
Changes for the year:	
Service cost	6,873,708
Interest	7,404,696
Differences between expected and actual experience	(3,163,354)
Changes of assumptions or other inputs	42,710,031
Benefits payments (employer)	<u>(8,070,781)</u>
Net changes	<u>45,754,300</u>
Balance at December 31, 2023	<u>\$ 241,966,938</u>

Changes in the Total OPEB Liability 2022:

Balance at December 31, 2021	\$ 238,860,656
Changes for the year:	
Service cost	9,916,363
Interest	5,044,582
Differences between expected and actual experience	(2,024,789)
Changes of assumptions or other inputs	(47,795,411)
Benefits payments (employer)	<u>(7,788,763)</u>
Net changes	<u>(42,648,018)</u>
Balance at December 31, 2022	<u>\$ 196,212,638</u>

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
(Continued)

8. Other Post-Employment Benefits (continued)

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the Board, as well as what the Board's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate at December 31, 2023 and 2022:

	1% Decrease (2.26%)	Current Discount Rate (3.26%)	1% Increase (4.26%)
<u>December 31, 2023</u>			
Total OPEB liability	\$ 283,535,785	\$ 241,966,938	\$ 208,992,406
	1% Decrease (2.72%)	Current Discount Rate (3.72%)	1% Increase (4.72%)
<u>December 31, 2022</u>			
Total OPEB liability	\$ 227,448,506	\$ 196,212,638	\$ 171,190,347

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates – The following presents the total OPEB liability of the Board, as well as what the Board's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare trend rates at December 31, 2023 and 2022:

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
<u>December 31, 2023</u>			
Total OPEB liability	\$ 207,573,360	\$ 241,966,938	\$ 285,646,259
	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
<u>December 31, 2022</u>			
Total OPEB liability	\$ 170,118,470	\$ 196,212,638	\$ 228,989,632

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS (Continued)

8. Other Post-Employment Benefits (continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the years ended December 31, 2023 and 2022, the Board recognized OPEB expense of \$19,543,743 and \$18,673,485, respectively. At December 31, 2023 and 2022, the Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

December 31, 2023

Changes of assumptions or other inputs	\$ 34,910,213	\$ 23,897,705
Differences between expected and actual experience	-	6,595,925
Total	<u>\$ 34,910,213</u>	<u>\$ 30,493,630</u>

December 31, 2022

Changes of assumptions or other inputs	\$ 14,143,532	\$ 35,846,558
Differences between expected and actual experience	-	8,161,727
Total	<u>\$ 14,143,532</u>	<u>\$ 44,008,285</u>

Amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

2024	\$ (2,735,044)
2025	(2,735,043)
2026	9,886,670
Total	<u>\$ 4,416,583</u>

9. Commitments

A. Capital Improvements

At December 31, 2023, the Board's budget for its ten-year capital improvements program totaled approximately \$2.5 billion, which includes \$281 million in capital expenditures for the year ending December 31, 2023 and provides for the following activities:

- Continue transformative power complex construction at the Carrollton water plant;
- Continue Joint Infrastructure Recovery Road in conjunction with City of New Orleans Department of Public Works;
- Full rehabilitation of Claiborne and Panola pumping stations as part of the Water Hammer project;
- Participate in drainage system improvements in coordination with SELA Program;
- Automated Meter Infrastructure project;

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
(Continued)

9. Commitments

A. Capital Improvements (continued)

Due to aging infrastructure and certain regulatory and legislative changes, additional capital improvements will be required. Future capital improvement program expenditures may require the issuance of additional debt depending on the amount and timing of expenditures to the extent capacity is available if external funding sources are not identified. As of December 31, 2023, the Board has \$84,933,697 of cash and cash equivalents restricted for future capital projects.

On December 14, 2022, SWBNO entered a contract with Aqua-Metric Sales to provide Advanced Metering Infrastructure (AMI), Meters, and System Installation. This contract is not to exceed the project budget estimate of \$67 million over 3 years and additional fees associated with annual subscriptions for software, network solutions, and other operating costs for the new AMI system.

B. Self-insurance

The Board is self-insured for general liability, workers' compensation, and hospitalization benefits and claims. Settled claims have not exceeded excess coverage in any of the past three fiscal years. Hospitalization benefits are charged to payroll related expense.

General liability claims are segregated internally depending on the scope and type of claim and are handled either by the Office of the Special Counsel or Administrative Services. Individual general liability losses have ranged from \$100 to \$7,500,000, illustrating the volatility of this exposure. The claims expense provision for 2023 and 2022 amounted to \$2,253,822 and \$1,085,730, respectively.

Worker's compensation expense provision for 2023 and 2022 amounted to \$2,953,672 and \$3,205,093, respectively.

The medical claims for the Board's self-insured health plan are administered by a third-party administrator. The Board's expense provision in excess of employee contributions for 2023 and 2022 was \$4,041,664 and \$12,425,458, respectively, and is included in payroll related expenses.

Changes in the claims payable amount are as follows (health payments are reflected net of contributions):

	2023	2022
Beginning of Year	\$ 48,096,330	\$ 47,113,434
Current Year Claims and Estimate Change	9,249,158	17,470,716
Claim Payments	(8,488,123)	(16,487,820)
End of Year	<u>\$ 48,857,365</u>	<u>\$ 48,096,330</u>

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

**NOTES TO FINANCIAL STATEMENTS
(Continued)**

9. Commitments (continued)

B. Self-insurance (continued)

The composition of claims payable is as follows:

	2023	2022
Short-term:		
Workers' compensation	\$ 1,342,422	\$ 1,557,678
Health insurance	3,025,000	2,888,000
Total short-term	<u>4,367,422</u>	<u>4,445,678</u>
Long-term:		
Workers' compensation	147,597	286,764
General liability	44,342,346	43,363,888
Total long-term	<u>44,489,943</u>	<u>43,650,652</u>
Total	<u>\$ 48,857,365</u>	<u>\$ 48,096,330</u>

C. Regulatory Matters

The Sewer System Evaluation and Rehabilitation Program (SSERP) was initially estimated to cost the Board \$408.2 million by the original Consent Decree with an end date of 2015. However, the Board negotiated with U.S. Environmental Protection Agency (EPA) extensions beyond the original Consent Decree deadline. Consequently, the original Consent Decree has been modified to currently provide an end date of October 2025.

The Board participates in a number of federal programs which are governed by various rules and regulations. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Board has not complied with the rules and regulations governing the grants, refunds of any money received and the collectability of any related receivable as of December 31, 2023 might be impaired.

In management's opinion, there are no significant contingent liabilities relating to compliance with the rules and regulations governing state and federal grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies. Audits of prior years have not resulted in any significant disallowed costs or refunds. Any costs that would be disallowed would be recognized in the period agreed upon by the grantor agency and the Board.

10. Deferred Compensation Plan

The Board offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. This plan, available to all employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plan, all property, and rights purchased with those amounts, and all income attributable to those amounts, property or rights are held in trust for the employees, therefore the assets of the plan are not included in these financial statements.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS (Continued)

11. Budgets

Operating and capital expenditure budgets are adopted by the Board on a basis consistent with accounting principles generally accepted in the United States. While not legally required, this budgetary information is employed as a management control device during the year. Comparison between actual and budgeted expenses is not a required presentation for an Enterprise Fund.

12. Property Taxes

Property taxes are levied by the City. Taxes on real and personal property attach as an enforceable lien on the property as of January 1. Taxes are levied on January 1, payable on January 1, and delinquent on March 15 for 2024.

The assessed value of the property is determined by an elected Assessor. The assessed value for 2023 and 2022 was \$4,767,873,690 and \$4,244,925,520, respectively. The combined tax rate dedicated for the Board for the years ended December 31, 2023 and 2022 was \$16.23 per \$1,000 of assessed valuation. These dedicated funds are available for operations, maintenance, construction, and extension of the drainage system.

13. Tax Abatement Agreement

The local government is subject to certain property tax abatements granted by the Louisiana State Board of Commerce and Industry (the “State Board”), a state entity governed by board members representing major economic groups and gubernatorial appointees. Abatements to which the government may be subject include those issued for property taxes under the Restoration Tax Abatement Program (RTAP).

Under the RTAP, as authorized by Article 7, Section 21(H) of the Louisiana Constitution and LRS 47:4311, companies that expand, restore, improve, or develop an existing structure or structures in a downtown, historic, or economic development district can apply to the State Board and the local governing authority for a property tax exemption. The exemptions are granted for a 5-year term and are renewable for an additional 5-year term upon the approval of the State Board and the local governing authority. The property tax abatements have resulted in reductions of property taxes, which the tax assessor administers as a temporary reduction in the assessed value of the property involved. The abatement agreements stipulate a percentage reduction of property taxes, which can be as much as 100 percent. The local government may recapture abated taxes if a company fails to expand facilities or otherwise fail to fulfill its commitments under the agreement.

The City Council of the City of New Orleans approved tax abatement projects of which \$1,249,678 and \$1,138,168 was for the Board for the years ended December 31, 2023 and 2022, respectively.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS (Continued)

14. Segment Information

The Board issued revenue bonds to finance its water and sewerage departments which operate the Board's water and sewerage treatment plants and distribution and collection systems. These bonds are accounted for in separate water and sewer funds, as investors in the revenue bonds rely solely on the revenue generated by the individual activities for repayment.

Summary financial information for these departments as of and for the years ended December 31 is as follows:

	Condensed Statements of Net Position			
	Water		Sewer	
	2023	2022	2023	2022
Assets:				
Current unrestricted assets	\$ 94,692,853	\$ 92,681,947	\$ 108,712,071	\$ 79,293,936
Restricted assets	34,432,275	28,073,078	38,608,774	97,864,796
Other assets	14,704,780	13,998,071	17,965	17,965
Property, plant and equipment	932,268,569	844,881,304	1,268,518,693	1,192,613,253
Total assets	1,076,098,477	979,634,400	1,415,857,503	1,369,789,950
Deferred outflows of resources:	37,972,001	35,774,622	33,012,025	30,628,440
Total assets and deferred outflows	<u>\$ 1,114,070,478</u>	<u>\$ 1,015,409,022</u>	<u>\$ 1,448,869,528</u>	<u>\$ 1,400,418,390</u>
Liabilities:				
Current	\$ 73,334,797	\$ 75,733,197	\$ 60,447,755	\$ 45,939,642
Current liabilities payable from restricted assets	7,597,504	7,386,749	13,231,399	13,352,542
Noncurrent liabilities	346,608,082	341,322,112	435,398,193	432,859,741
Total liabilities	<u>427,540,383</u>	<u>424,442,058</u>	<u>509,077,347</u>	<u>492,151,925</u>
Deferred inflows of resources:	<u>10,243,112</u>	<u>15,534,280</u>	<u>10,243,113</u>	<u>15,534,281</u>
Net position:				
Net investment in capital assets	715,080,887	655,740,959	980,977,461	988,831,397
Restricted	8,508,218	8,496,135	14,740,961	14,736,859
Unrestricted (deficit)	<u>(47,302,122)</u>	<u>(88,804,410)</u>	<u>(66,169,354)</u>	<u>(110,836,072)</u>
Total net position	<u>676,286,983</u>	<u>575,432,684</u>	<u>929,549,068</u>	<u>892,732,184</u>
Total liabilities, deferred inflows, and net position	<u>\$ 1,114,070,478</u>	<u>\$ 1,015,409,022</u>	<u>\$ 1,448,869,528</u>	<u>\$ 1,400,418,390</u>

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
(Continued)

14. Segment Information (continued)

	Condensed Statements of Revenues, Expenses, and Changes in Net Position			
	Water		Sewer	
	2023	2022	2023	2022
Service charges, pledged against bonds	\$ 126,129,805	\$ 119,977,455	\$ 151,838,539	\$ 152,291,934
Depreciation expense	(15,813,248)	(14,909,194)	(21,477,540)	(29,012,017)
Other operating expenses	(95,782,505)	(103,383,011)	(112,340,411)	(105,633,826)
Operating income	14,534,052	1,685,250	18,020,588	17,646,091
Nonoperating revenues (expenses):				
Contributions from other governments	12,136,672	9,491,730	-	-
Investment earnings	1,962,901	590,846	4,122,919	2,236,457
Other	(999,314)	(720,806)	5,527,248	4,632,151
Interest expense	(7,004,836)	(6,808,558)	(8,841,422)	(9,341,948)
Total nonoperating revenues (expenses)	6,095,423	2,553,212	808,745	(2,473,340)
Capital contributions	80,224,824	62,313,935	17,987,551	12,252,744
Change in net position	100,854,299	66,552,397	36,816,884	27,425,495
Beginning net position	575,432,684	508,880,287	892,732,184	865,306,689
Ending net position	\$ 676,286,983	\$ 575,432,684	\$ 929,549,068	\$ 892,732,184

	Condensed Statements of Cash Flows			
	Water		Sewer	
	2023	2022	2023	2022
Net cash provided by (used in):				
Operating activities	\$ 36,172,786	\$ 29,258,272	\$ 52,388,809	\$ 76,080,643
Noncapital financing activities	12,554,628	9,779,157	4,578,980	5,380,267
Capital and related financing activities	(31,830,671)	(21,820,777)	(100,312,414)	(89,274,193)
Investing activities	1,819,105	443,570	3,234,202	1,474,700
Net increase (decrease)	18,715,848	17,660,222	(40,110,423)	(6,338,583)
Cash and cash equivalents:				
Beginning of year	68,595,009	50,934,787	158,275,513	164,614,096
End of year	\$ 87,310,857	\$ 68,595,009	\$ 118,165,090	\$ 158,275,513

15. Recent Accounting Pronouncements

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, is effective January 1, 2023. The objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). This Statement requires that PPPs that meet the definition of a lease apply the guidance in Statement No. 87, *Leases*, as amended, if existing assets of the transferor that are not required to be improved by the operator as part of the PPP arrangement are the only underlying PPP assets and the PPP does not meet the definition of a service concession arrangement (SCA). This Statement provides accounting and financial reporting requirements for all other PPPs: those that either (1) meet the definition of an SCA or (2) are not within the scope of Statement 87, as amended (as clarified by this Statement). The PPP term is defined as the period during which an operator has a noncancellable right to use an underlying PPP asset, plus, if applicable, certain periods if it is reasonably certain, based on all relevant factors, that the transferor or the operator either will exercise an option to extend the PPP or will not exercise an option to terminate the PPP. This standard did not have a significant impact on the Board's financial statements and related notes.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS (Continued)

15. Recent Accounting Pronouncements (continued)

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*, is effective January 1, 2023. Under this Statement, SBITA, as defined, are financings of the right to use an underlying IT asset. SBITA liabilities are measured at the present value of SBITA payments over the term of each respective contract. Options to renew the SBITA are included in the lease term if reasonably certain to be exercised. The right-to-use IT asset may also include certain implementation phase costs. The implementation of GASB 96 did not have a significant impact to the Board's financial statements.

16. Revenue Bonds Debt Service Coverage (Unaudited)

Each of the General Bond Resolutions governing the Series 2014, 2015, 2020, and 2021 Bonds have certain covenant requirements regarding net revenue available for debt service. The Board is in compliance with these particular covenants for the year ended December 31, 2023, as provided for in the respective General Bond Resolutions. The net revenue available for debt service in the Board's debt service coverage calculations is presented in Section III, Statistical Information (Unaudited).

17. Subsequent Event

On February 26, 2024, Governor Jeff Landry established through executive order the Governor's Task Force on the Board and assigned duties of the Task Force to review the governing structure, billing processes, and management and organizational structure and provide a report of findings within 30 days to inform subsequent strategies, including those for 2024 Regular Legislative Session. The report was issued on March 27, 2024, with a listing of advisory recommendations to the Governor including consolidating the responsibilities for the minor drainage system from Department of Public Works to the Board, appointing an independent arbiter for billing disputes and other recommendations that would restructure and reorganize the governing body of the Board. The 2024 Regular Legislative Session includes legislation that expands the responsibilities of the Board to maintain the minor drainage system with funding from the City of New Orleans and provides changes to domiciliary requirements in the hiring process. New Legislation modifies billing practices to provide optional temporary fixed rate billing for residential customers until a new smart meter reader is installed within 120 days of the enacted legislation. Further the legislation effective January 1, 2025, eliminates the practice of billing estimated consumption. The Utility is currently working to implement the new legislation in the prescribed time frames.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
Schedules of Net Pension Liability, Employer Contributions, and Investment Returns
For the 10 years ended December 31, 2023

SCHEDULE OF NET PENSION LIABILITY

Actuarial Valuation Date December 31	Total Pension Liability	Plan Fiduciary Net Position	Employer's Net Pension Liability	Plan Fiduciary Net Position as a % of Total Pension Liability	Covered Payroll	Net Pension Liability as a Percentage of Payroll
2023	\$ 363,399,484	\$ 236,447,698	\$ 126,951,786	65.07%	\$ 67,962,221	186.80%
2022	356,975,942	223,360,220	133,615,722	62.57%	62,430,620	214.02%
2021	350,483,713	274,480,177	76,003,536	78.31%	57,531,267	132.11%
2020	345,916,129	248,401,024	97,515,105	71.81%	54,856,389	177.76%
2019	344,719,120	239,677,702	105,041,418	69.53%	53,213,682	197.40%
2018	339,153,248	215,279,783	123,873,465	63.48%	50,679,697	244.42%
2017	318,218,035	235,284,317	82,933,718	73.94%	41,822,648	198.30%
2016	305,105,919	224,356,261	80,749,658	73.53%	35,363,156	228.34%
2015	299,395,091	222,427,527	76,967,564	74.29%	33,672,902	228.57%
2014	296,244,723	236,556,671	59,688,052	79.85%	31,378,001	190.22%

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Year Ended	Actuarially Determined Contribution	Contributions in Relation to the Actuarial Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll Contribution	Contributions as a % of Covered Payroll
2023	\$ 11,207,172	\$ 12,086,710	\$ (879,538)	\$ 62,430,620	19.36%
2022	10,578,958	10,914,917	(335,959)	57,531,267	18.97%
2021	10,614,595	9,861,935	752,660	54,856,389	17.98%
2020	10,263,698	10,392,532	(128,834)	53,213,682	19.53%
2019	10,156,701	10,466,009	(309,308)	50,679,697	20.65%
2018	8,435,598	8,419,441	16,157	41,822,648	20.13%
2017	10,545,867	7,239,467	3,306,400	35,363,156	20.47%
2016	11,024,398	6,407,201	4,617,197	33,672,902	19.03%
2015	10,799,993	6,506,652	4,293,341	31,378,001	20.74%
2014	11,171,823	6,055,890	5,115,933	29,706,715	20.39%

Note to schedules:

Valuation Date: January 1 of fiscal year

Actuarially determined contribution rates are calculated as of January 1, which is the most recent valuation date prior to the end of the fiscal year in which contributions are reported.

Actuarial cost method	Entry age
Amortization method	Level dollar, layered closed periods
Remaining amortization period	Layered amortization with 27 years remaining on unfunded accrued liability at date of transition to funding method
Asset valuation method	7-year smoothed fair value
Inflation	2.5%
Salary increases	4.00% to 6.25%, including inflation
Investment rate of return	7.0%, net of pension plan investment expense, including inflation
Retirement age	Rates that vary by age and service
Mortality	Amount-weighted General Tables (i.e., PubG-2010 multiplied by 122% for males and 119% for females projected generationally using Scale MP-2019 mortality improvement rates with the male projection factors multiplied by 86% and female projection factors multiplied by 79%)

SCHEDULE OF INVESTMENT RETURNS

Year Ended	Net Money-Weighted Rate of Return
2023	10.98%
2022	-14.41%
2021	14.96%
2020	9.67%
2019	15.97%
2018	-3.31%
2017	10.52%
2016	5.42%
2015	-1.79%
2014	4.94%

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
Schedule of Changes in Total Net Pension Liability and Related Ratios
For the 10 years ended December 31, 2023

SCHEDULE OF CHANGES IN NET PENSION LIABILITY

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability										
Service cost	\$ 5,828,830	\$ 5,311,264	\$ 5,396,701	\$ 5,149,327	\$ 4,812,453	\$ 4,354,989	\$ 3,797,316	\$ 3,030,912	\$ 2,788,621	\$ 3,417,599
Interest on total pension liability	24,437,848	23,940,992	23,747,666	23,570,547	23,277,459	21,763,800	21,357,414	20,957,657	20,737,131	20,364,364
Effect of economic/demographic gains or (losses)	2,167,101	4,072,398	(942,832)	(8,492,559)	-	(5,689,086)	9,734,775	834,712	(1,978,038)	(1,721,210)
Effect of assumption changes or inputs	-	-	-	6,514,569	-	23,596,233	-	-	-	-
Benefit payments	(27,385,310)	(27,561,617)	(24,120,913)	(26,292,694)	(22,861,142)	(23,323,178)	(21,777,389)	(19,112,455)	(18,397,344)	(16,735,511)
Other	1,375,073	729,192	486,962	747,818	337,103	232,455	-	-	-	-
Net change in total pension liability	6,423,542	6,492,229	4,567,584	1,197,008	5,565,873	20,935,213	13,112,116	5,710,826	3,150,370	5,325,242
Total pension liability, beginning	356,975,942	350,483,713	345,916,129	344,719,121	339,153,248	318,218,035	305,105,919	299,395,093	296,244,723	290,919,481
Total pension liability, ending (a)	363,399,484	356,975,942	350,483,713	345,916,129	344,719,121	339,153,248	318,218,035	305,105,919	299,395,093	296,244,723
Plan Fiduciary Net Position										
Employer contributions	12,086,710	10,914,917	9,861,935	10,392,532	10,466,009	8,419,441	7,239,467	6,407,201	6,506,652	6,055,890
Employee contributions	3,410,160	3,486,071	2,979,077	3,015,231	2,793,158	2,535,027	2,139,705	2,063,122	1,847,259	1,535,723
Investment income (loss), net of investment expenses	23,600,845	(38,688,520)	36,872,091	20,860,435	33,662,791	(7,868,279)	23,326,273	12,570,866	(4,085,711)	11,342,004
Benefit payments	(27,385,310)	(27,561,617)	(24,120,913)	(26,292,694)	(22,861,142)	(23,323,178)	(21,777,389)	(19,112,455)	(18,397,344)	(16,735,511)
Other	1,375,073	729,192	486,963	747,818	337,103	232,455	-	-	-	-
Net change in plan fiduciary net position	13,087,478	(51,119,957)	26,079,153	8,723,322	24,397,919	(20,004,534)	10,928,056	1,928,734	(14,129,144)	2,198,106
Plan fiduciary net position, beginning	223,360,220	274,480,177	248,401,024	239,677,702	215,279,783	235,284,317	224,356,261	222,427,527	236,556,671	234,358,565
Plan fiduciary net position, ending (b)	\$ 236,447,698	\$ 223,360,220	\$ 274,480,177	\$ 248,401,024	\$ 239,677,702	\$ 215,279,783	\$ 235,284,317	\$ 224,356,261	\$ 222,427,527	\$ 236,556,671
Board's net pension liability, ending = (a) - (b)	\$ 126,951,786	\$ 133,615,722	\$ 76,003,536	\$ 97,515,105	\$ 105,041,419	\$ 123,873,465	\$ 82,933,718	\$ 80,749,658	\$ 76,967,566	\$ 59,688,052
Plan fiduciary net position as a % of total pension liability	65.07%	62.57%	78.31%	71.81%	69.53%	63.48%	73.94%	73.53%	74.29%	79.85%
Covered payroll	\$ 67,962,221	\$ 62,430,620	\$ 57,531,267	\$ 54,856,389	\$ 53,213,682	\$ 50,679,697	\$ 41,822,648	\$ 35,363,156	\$ 33,672,902	\$ 31,378,001
Board's net pension liability as a % of covered payroll	186.80%	214.02%	132.11%	177.76%	197.40%	244.42%	198.30%	228.34%	228.57%	190.22%

Notes to Schedules:

1. This schedule is prepared using the optional format of combining the required schedules in Paragraph Nos. 46.a. and 46.b. of GASB No. 68. Amounts recognized in the fiscal year represent changes between the current and prior measurement dates.
2. Information is presented using a December 31, 2023 measurement date as permitted under Paragraph No. 20 of GASB No. 68.
3. Several demographic and economic assumptions were updated to reflect recommended assumptions from an Actuarial Experience Study which were adopted by the Board of Trustees at their meeting on December 21, 2020.
4. Assumed retirement age updated and mortality updated to gender distinct 1994 Uninsured Pensioner (UP-94) mortality table, projected to 2002 using Scale AA.
5. City annuity and other transfers in; prior to 2018, these amounts were combined with "Benefit payments, including refunds of employee contributions".
6. Total compensation (not just pensionable compensation, if different) based on census used in the valuation per Q/A No. 106 of the Guide to Implementation of GASB Statement 68.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
Schedule of Changes in Total OPEB Liability and Related Ratios
For the years ended December 31, 2023 and 2022

Financial Statement Reporting Date	12/31/2023	12/31/2022	12/31/2021	12/31/2020	12/31/2019	12/31/2018
Measurement Date	12/31/2023	12/31/2022	12/31/2021	12/31/2020	12/31/2019	12/31/2018
Service cost	\$ 6,873,708	\$ 9,916,363	\$ 9,660,422	\$ 6,342,348	\$ 4,509,679	\$ 5,134,251
Interest	7,404,696	5,044,582	5,053,409	5,433,031	6,533,926	5,926,129
Difference between expected and actual experience	(3,163,354)	(2,024,789)	(8,027,532)	(7,306,463)	-	-
Changes of assumptions or other inputs	42,710,031	(47,795,411)	7,194,238	39,307,974	33,088,043	(16,063,510)
Benefit payments (employer)	(8,070,781)	(7,788,763)	(7,455,587)	(6,569,278)	(7,515,819)	(7,043,121)
Net change in total OPEB liability	45,754,300	(42,648,018)	6,424,950	37,207,612	36,615,829	(12,046,251)
Total OPEB liability - beginning	196,212,638	238,860,656	232,435,706	195,228,094	158,612,265	170,658,516
Total OPEB liability - ending	<u>\$ 241,966,938</u>	<u>\$ 196,212,638</u>	<u>\$ 238,860,656</u>	<u>\$ 232,435,706</u>	<u>\$ 195,228,094</u>	<u>\$ 158,612,265</u>
Covered-employee payroll	<u>\$ 67,962,221</u>	<u>\$ 62,430,620</u>	<u>\$ 57,531,267</u>	<u>\$ 54,856,389</u>	<u>\$ 53,213,682</u>	<u>\$ 50,679,697</u>
Total OPEB liability as a percentage of covered-employee payroll	356.03%	314.29%	415.18%	423.72%	366.88%	312.97%

Notes to Schedule:

1. This schedule is presented using the optional format of combining the required schedules in Paragraph Nos. 170.a. and 170.b. of GASB No. 75. Until a full 10-year trend is compiled, governments should present information for those years for which information is available.
2. Information is presented using measurement date which is the same as the fiscal year end.
3. No assets are accumulated in a trust that meets the criteria in Paragraph No. 4 of GASB No. 75 to pay related benefits.
4. Changes in benefit terms: None
5. Changes in assumptions or other inputs for FY2023: Assumed Per Capita Health Benefit Costs, Assumed Health Benefit Cost trend and Retiree Contribution trend have all been updated since the previous valuation. In addition, the discount rate was updated to 3.26% for the end of FY2023.
6. Changes in assumptions or other inputs for FY2022: Assumed Expenses, Assumed Per Capita Health Benefit Costs, Assumed Health Benefit Cost trend and Retiree Contribution trend have all been updated since the previous valuation. In addition, the discount rate was updated to 3.72% for the end of FY2022.
7. Changes in assumptions or other inputs for FY2021: Assumed Expenses, Assumed Per Capita Health Benefit Costs, Assumed Health Benefit Cost trend and Retiree Contribution trend have all been updated since the previous valuation. In addition, the discount rate was updated to 2.06% for the end of FY2021.
8. Changes in assumptions or other inputs for FY2020: Assumed Expenses, Assumed Per Capita Health Benefits Costs, Assumed Health Benefit Cost trend and Retiree Contribution trend have all been updated since the previous valuation. In addition, certain demographic and economic assumptions (i.e., rates of retirement, disability, termination and mortality, DROP participation, credited service for unused leave, assumed age difference for future retiree spouses and assumed salary increases) have been updated to reflect assumptions adopted by the Board of Trustees since the last valuation date. Lastly, the discount rate was updated to 2.12% for the end of FY2020.
9. Changes in assumptions or other inputs for FY2019: Assumed Expenses, Assumed Per Capita Health Benefits Costs, Assumed Health Benefit Cost trend and Retiree Contribution trend have all been updated since the previous valuation. In addition, the discount rate was updated to 2.74% for the end of FY2019.
10. Changes in assumptions or other inputs for FY2018: The discount rate was changed from 3.44% at the beginning of FY2018 to 4.10% at the end of FY2018.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
SCHEDULE OF NET POSITION BY DEPARTMENT
ENTERPRISE FUND
As of December 31, 2023 and 2022

	Water System		Sewerage System		Drainage System		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
ASSETS AND DEFERED OUTFLOWS OF RESOURCES								
Current assets:								
Cash and cash equivalents	\$ 44,031,475	\$ 32,381,533	\$ 79,614,887	\$ 60,469,288	\$ 31,517,711	\$ 32,334,641	\$ 155,164,073	\$ 125,185,462
Accounts receivable:								
Customers, net of allowance	17,685,239	13,911,563	10,672,267	10,472,650	-	-	28,357,506	24,384,213
Taxes	-	-	-	-	3,276,785	3,619,797	3,276,785	3,619,797
Grants	28,860,233	36,347,124	11,717,061	8,313,547	26,540,125	14,118,094	67,117,419	58,778,765
Miscellaneous	112,660	(75,217)	79,896	235,301	1,211,447	1,448,644	1,404,003	1,608,728
Due from (to) other internal departments	973,215	6,895,931	4,060,073	(2,452,374)	(5,033,288)	(4,443,557)	-	-
Inventory of supplies	2,383,751	2,787,538	2,076,189	1,976,630	1,340,662	1,290,883	5,800,602	6,055,051
Prepaid expenses	646,280	433,475	491,698	278,894	336,275	229,873	1,474,253	942,242
Total unrestricted and undesignated	<u>94,692,853</u>	<u>92,681,947</u>	<u>108,712,071</u>	<u>79,293,936</u>	<u>59,189,717</u>	<u>48,598,375</u>	<u>262,594,641</u>	<u>220,574,258</u>
Total current assets	<u>94,692,853</u>	<u>92,681,947</u>	<u>108,712,071</u>	<u>79,293,936</u>	<u>59,189,717</u>	<u>48,598,375</u>	<u>262,594,641</u>	<u>220,574,258</u>
Noncurrent assets:								
Restricted cash, cash equivalents, and investments								
Cash and cash equivalents restricted for capital projects	21,833,317	15,662,158	21,913,434	81,214,769	41,186,946	60,263,261	84,933,697	157,140,188
Investments restricted for capital projects	2,584,723	2,584,723	58,571	58,571	-	-	2,643,294	2,643,294
Health insurance reserve	1,038,513	843,313	1,004,255	809,055	845,232	747,632	2,888,000	2,400,000
Debt service	8,975,722	8,982,884	15,632,514	15,782,401	6,926	28,851	24,615,162	24,794,136
Total restricted cash, cash equivalents, and investments	<u>34,432,275</u>	<u>28,073,078</u>	<u>38,608,774</u>	<u>97,864,796</u>	<u>42,039,104</u>	<u>61,039,744</u>	<u>115,080,153</u>	<u>186,977,618</u>
Property, plant and equipment	1,341,762,388	1,243,503,406	1,689,868,093	1,597,150,682	2,270,215,619	2,196,677,829	5,301,846,100	5,037,331,917
Less: accumulated depreciation	<u>409,493,819</u>	<u>398,622,102</u>	<u>421,349,400</u>	<u>404,537,429</u>	<u>486,688,041</u>	<u>459,356,614</u>	<u>1,317,531,260</u>	<u>1,262,516,145</u>
Property, plant, and equipment, net	<u>932,268,569</u>	<u>844,881,304</u>	<u>1,268,518,693</u>	<u>1,192,613,253</u>	<u>1,783,527,578</u>	<u>1,737,321,215</u>	<u>3,984,314,840</u>	<u>3,774,815,772</u>
Other assets								
Customer deposits - cash	11,431,830	10,725,121	-	-	-	-	11,431,830	10,725,121
Customer deposits - investments	3,250,000	3,250,000	-	-	-	-	3,250,000	3,250,000
Deposits	<u>22,950</u>	<u>22,950</u>	<u>17,965</u>	<u>17,965</u>	<u>10,400</u>	<u>10,400</u>	<u>51,315</u>	<u>51,315</u>
Total other assets	<u>14,704,780</u>	<u>13,998,071</u>	<u>17,965</u>	<u>17,965</u>	<u>10,400</u>	<u>10,400</u>	<u>14,733,145</u>	<u>14,026,436</u>
Total noncurrent assets	<u>981,405,624</u>	<u>886,952,453</u>	<u>1,307,145,432</u>	<u>1,290,496,014</u>	<u>1,825,577,082</u>	<u>1,798,371,359</u>	<u>4,114,128,138</u>	<u>3,975,819,826</u>
Total assets	<u>1,076,098,477</u>	<u>979,634,400</u>	<u>1,415,857,503</u>	<u>1,369,789,950</u>	<u>1,884,766,799</u>	<u>1,846,969,734</u>	<u>4,376,722,779</u>	<u>4,196,394,084</u>
Deferred outflows of resources:								
Deferred amounts related to net pension liability	8,263,959	12,167,384	8,263,959	12,167,384	8,263,959	12,167,384	24,791,877	36,502,152
Deferred amounts related to total OPEB liability	11,636,738	4,714,511	11,636,737	4,714,510	11,636,738	4,714,511	34,910,213	14,143,532
Deferred amounts related to bonds refunding	<u>18,071,304</u>	<u>18,892,727</u>	<u>13,111,329</u>	<u>13,746,546</u>	<u>-</u>	<u>-</u>	<u>31,182,633</u>	<u>32,639,273</u>
Total deferred outflows of resources	<u>37,972,001</u>	<u>35,774,622</u>	<u>33,012,025</u>	<u>30,628,440</u>	<u>19,900,697</u>	<u>16,881,895</u>	<u>90,884,723</u>	<u>83,284,957</u>
Total assets and deferred outflows of resources	<u>\$ 1,114,070,478</u>	<u>\$ 1,015,409,022</u>	<u>\$ 1,448,869,528</u>	<u>\$ 1,400,418,390</u>	<u>\$ 1,904,667,496</u>	<u>\$ 1,863,851,629</u>	<u>\$ 4,467,607,502</u>	<u>\$ 4,279,679,041</u>

(Continued)

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
SCHEDULE OF NET POSITION BY DEPARTMENT, CONTINUED
ENTERPRISE FUND
As of December 31, 2023 and 2022

	<u>Water System</u>		<u>Sewerage System</u>		<u>Drainage System</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES, AND NET POSITION								
Current liabilities (payable from current assets):								
Accounts payable	\$ 52,215,544	\$ 56,559,959	\$ 49,547,184	\$ 35,140,233	\$ 26,547,597	\$ 20,487,675	\$ 128,310,325	\$ 112,187,867
Due to City of New Orleans	7,247,375	4,735,586	-	-	-	-	7,247,375	4,735,586
Retainers and estimates payable	8,500,484	8,260,130	2,576,330	2,073,073	3,911,041	2,210,195	14,987,855	12,543,398
Due to other fund	180,187	172,482	96,787	86,464	123,640	107,863	400,614	366,809
Accrued salaries	526,100	346,340	849,135	924,808	1,321,970	1,038,120	2,697,205	2,309,268
Claims payable	1,540,787	1,557,739	1,506,529	1,523,481	1,320,106	1,364,458	4,367,422	4,445,678
Total OPEB liability, due within one year	2,690,260	2,596,255	2,690,260	2,596,255	2,690,260	2,596,255	8,070,780	7,788,765
Southeast Louisiana Project liability, current portion	-	-	-	-	2,045,390	3,334,582	2,045,390	3,334,582
Debt Service Assistance Fund loan payable	-	-	3,178,103	3,037,178	-	-	3,178,103	3,037,178
Other liabilities	434,060	2,175,890	3,427	558,150	18,844	18,844	456,331	2,752,884
Total Current liabilities (payable from current assets):	<u>73,334,797</u>	<u>76,404,381</u>	<u>60,447,755</u>	<u>45,939,642</u>	<u>37,978,848</u>	<u>31,157,992</u>	<u>171,761,400</u>	<u>153,502,015</u>
Current liabilities (payable from restricted assets):								
Accrued interest	467,504	486,749	891,553	1,045,542	118,948	118,948	1,478,005	1,651,239
Bonds payable	7,130,000	6,900,000	12,339,846	12,307,000	8,640,000	8,310,000	28,109,846	27,517,000
Total current liabilities (payable from restricted assets):	<u>7,597,504</u>	<u>7,386,749</u>	<u>13,231,399</u>	<u>13,352,542</u>	<u>8,758,948</u>	<u>8,428,948</u>	<u>29,587,851</u>	<u>29,168,239</u>
Total current liabilities	<u>80,932,301</u>	<u>83,791,130</u>	<u>73,679,154</u>	<u>59,292,184</u>	<u>46,737,796</u>	<u>39,586,940</u>	<u>201,349,251</u>	<u>182,670,254</u>
Long-term liabilities:								
Claims payable, net of current portion	3,830,140	3,888,797	4,935,768	4,588,703	35,724,035	35,173,152	44,489,943	43,650,652
Accrued vacation and sick pay	4,395,806	4,320,655	4,425,423	5,178,799	2,415,892	2,304,427	11,237,121	11,803,881
Net pension liability	42,317,262	44,538,574	42,317,262	44,538,574	42,317,262	44,538,574	126,951,786	133,615,722
Total OPEB liability, net of current portion	77,965,389	62,807,958	77,965,384	62,807,957	77,965,385	62,807,958	233,896,158	188,423,873
Bonds payable, net of current maturities	203,846,027	211,119,823	277,601,096	284,420,098	28,050,000	36,690,000	509,497,123	532,229,921
Southeast Louisiana Project liability, net of current portion	-	-	-	-	213,212,130	213,894,398	213,212,130	213,894,398
Debt Service Assistance Fund loan payable, net of current maturities	-	-	28,153,260	31,325,610	-	-	28,153,260	31,325,610
Customer deposits	14,253,458	13,975,121	-	-	-	-	14,253,458	13,975,121
Total long-term liabilities	<u>346,608,082</u>	<u>340,650,928</u>	<u>435,398,193</u>	<u>432,859,741</u>	<u>399,684,704</u>	<u>395,408,509</u>	<u>1,181,690,979</u>	<u>1,168,919,178</u>
Total liabilities	<u>427,540,383</u>	<u>424,442,058</u>	<u>509,077,347</u>	<u>492,151,925</u>	<u>446,422,500</u>	<u>434,995,449</u>	<u>1,383,040,230</u>	<u>1,351,589,432</u>
Deferred inflows of resources:								
Deferred amounts related to net pension liability	78,569	864,852	78,569	864,852	78,569	864,852	235,707	2,594,556
Deferred amounts related to total OPEB liability	10,164,543	14,669,428	10,164,544	14,669,429	10,164,543	14,669,428	30,493,630	44,008,285
Total deferred inflows of resources	<u>10,243,112</u>	<u>15,534,280</u>	<u>10,243,113</u>	<u>15,534,281</u>	<u>10,243,112</u>	<u>15,534,280</u>	<u>30,729,337</u>	<u>46,602,841</u>
Net position:								
Net investment in capital assets	715,080,887	655,740,959	980,977,461	988,832,968	1,547,673,272	1,533,145,301	3,243,731,620	3,177,719,228
Restricted for debt service	8,508,218	8,496,135	14,740,961	14,736,859	-	-	23,249,179	23,232,994
Unrestricted (deficit)	(47,302,122)	(88,804,410)	(66,169,354)	(110,837,643)	(99,671,388)	(119,823,401)	(213,142,864)	(319,465,454)
Total net position	<u>676,286,983</u>	<u>575,432,684</u>	<u>929,549,068</u>	<u>892,732,184</u>	<u>1,448,001,884</u>	<u>1,413,321,900</u>	<u>3,053,837,935</u>	<u>2,881,486,768</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 1,114,070,478</u>	<u>\$ 1,015,409,022</u>	<u>\$ 1,448,869,528</u>	<u>\$ 1,400,418,390</u>	<u>\$ 1,904,667,496</u>	<u>\$ 1,863,851,629</u>	<u>\$ 4,467,607,502</u>	<u>\$ 4,279,679,041</u>

See accompanying independent auditors' report.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION BY DEPARTMENT
ENTERPRISE FUND
For the years ended December 31, 2023 and 2022

	Water System		Sewerage System		Drainage System		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
Operating revenues:								
Sales of water and delinquent fees	\$ 121,396,212	\$ 117,382,185	\$ -	\$ -	\$ -	\$ -	\$ 121,396,212	\$ 117,382,185
Sewerage service charges	-	-	149,695,125	150,932,239	-	-	149,695,125	150,932,239
Plumbing inspection and license fees	1,973,200	243,815	772,802	243,325	-	-	2,746,002	487,140
Other revenues	2,760,393	2,351,455	1,370,612	1,116,370	1,265,427	1,720,510	5,396,432	5,188,335
Total operating revenues	126,129,805	119,977,455	151,838,539	152,291,934	1,265,427	1,720,510	279,233,771	273,989,899
Operating Expenses:								
Power and pumping	4,045,696	3,166,050	6,823,670	6,661,355	14,762,943	10,439,338	25,632,309	20,266,743
Treatment	18,296,465	13,393,447	20,014,965	14,947,070	-	-	38,311,430	28,340,517
Transmission and distribution	16,043,632	13,129,981	25,553,195	18,456,206	6,151,361	5,609,014	47,748,188	37,195,201
Customer accounts	2,636,583	2,747,688	2,636,578	2,747,684	28,898	28,689	5,302,059	5,524,061
Customer service	3,271,814	4,957,796	3,271,810	4,957,793	75,946	60,397	6,619,570	9,975,986
Administration and general	12,095,931	11,198,084	16,176,559	14,405,582	7,689,628	7,052,233	35,962,118	32,655,899
Payroll related expenses	19,396,512	22,687,903	19,208,674	23,472,968	12,918,429	16,078,072	51,523,615	62,238,943
Maintenance of general plant	14,012,213	19,084,067	10,701,857	4,284,991	6,252,807	5,626,952	30,966,877	28,996,010
Depreciation	15,813,248	14,909,194	21,477,540	29,012,017	27,790,993	21,803,357	65,081,781	65,724,568
Provision for doubtful accounts	4,510,457	12,101,055	6,083,829	14,923,301	-	-	10,594,286	27,024,356
Provision for claims	1,473,202	916,940	1,869,274	776,876	1,525,603	2,300,141	4,868,079	3,993,957
Total operating expenses	111,595,753	118,292,205	133,817,951	134,645,843	77,196,608	68,998,193	322,610,312	321,936,241
Operating income (loss)	14,534,052	1,685,250	18,020,588	17,646,091	(75,931,181)	(67,277,683)	(43,376,541)	(47,946,342)
Non-operating revenues (expenses):								
Three-mill tax	-	-	-	-	20,305,975	18,042,189	20,305,975	18,042,189
Six-mill tax	-	-	-	-	20,833,854	18,328,446	20,833,854	18,328,446
Nine-mill tax	-	-	-	-	30,835,094	27,831,035	30,835,094	27,831,035
Two-mill tax	-	-	-	-	2,640	396	2,640	396
Other taxes	263,092	262,203	316,097	327,017	-	-	579,189	589,220
Contributions from other governments	12,136,672	9,491,730	4,262,883	5,051,695	5,533,630	5,964,263	21,933,185	20,507,688
Federal noncapital grants	154,864	25,224	-	1,555	15,086,430	1,871	15,241,294	28,650
Interest income	1,962,901	590,846	4,122,919	2,236,457	3,563,965	526,466	9,649,785	3,353,769
Other non-operating expense	-	-	-	-	(15,000,000)	-	(15,000,000)	-
Bond issuance costs	-	-	(163,442)	(246,640)	-	(210,225)	(163,442)	(456,865)
Interest expense	(7,004,836)	(6,808,558)	(8,841,422)	(9,341,948)	(5,355,885)	(3,788,286)	(21,202,143)	(19,938,792)
Provision for grants	(1,417,270)	(1,008,233)	1,111,710	(501,476)	-	(166,019)	(305,560)	(1,675,728)
Total non-operating revenues (expenses)	6,095,423	2,553,212	808,745	(2,473,340)	75,805,703	66,530,136	82,709,871	66,610,008
Income (expenses) before capital contributions	20,629,475	4,238,462	18,829,333	15,172,751	(125,478)	(747,547)	39,333,330	18,663,666
Capital contributions	80,224,824	62,313,935	17,987,551	12,252,744	34,805,462	80,958,142	133,017,837	155,524,821
Change in net position	100,854,299	66,552,397	36,816,884	27,425,495	34,679,984	80,210,595	172,351,167	174,188,487
Net position, beginning of year	575,432,684	508,880,287	892,732,184	865,306,689	1,413,321,900	1,333,111,305	2,881,486,768	2,707,298,281
Net position, end of year	<u>\$ 676,286,983</u>	<u>\$ 575,432,684</u>	<u>\$ 929,549,068</u>	<u>\$ 892,732,184</u>	<u>\$ 1,448,001,884</u>	<u>\$ 1,413,321,900</u>	<u>\$ 3,053,837,935</u>	<u>\$ 2,881,486,768</u>

See accompanying independent auditors' report.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT BY DEPARTMENT
As of December 31, 2023 and 2022

	2023			
	Water	Sewer	Drainage	Total
Real estate rights, non depreciable	\$ 3,001,792	\$ 1,784,209	\$ 5,832,189	\$ 10,618,190
Power and pumping stations - buildings and machinery	320,512,528	169,420,350	456,151,618	946,084,496
Distribution systems	492,233,942	-	-	492,233,942
Sewerage collection, treatment plant, general plant, and buildings	140,738,068	1,235,415,077	85,632,742	1,461,785,887
Canals and subsurface drainage	-	-	1,338,973,782	1,338,973,782
Power transmissions, connections, and meters	77,640,180	68,964,365	13,242,004	159,846,549
 Total property, plant and equipment in service	 1,034,126,510	 1,475,584,001	 1,899,832,335	 4,409,542,846
Construction in progress	307,635,878	214,284,092	370,383,284	892,303,254
Total property, plant and equipment	1,341,762,388	1,689,868,093	2,270,215,619	5,301,846,100
Accumulated depreciation	409,493,819	421,349,400	486,688,041	1,317,531,260
Net property, plant and equipment	<u>\$ 932,268,569</u>	<u>\$ 1,268,518,693</u>	<u>\$ 1,783,527,578</u>	<u>\$ 3,984,314,840</u>
	2022			
	Water	Sewer	Drainage	Total
Real estate rights, non depreciable	\$ 3,001,791	\$ 1,784,210	\$ 5,832,189	\$ 10,618,190
Power and pumping stations - buildings and machinery	292,426,432	154,947,122	416,339,876	863,713,430
Distribution systems	492,287,987	-	-	492,287,987
Sewerage collection, treatment plant, general plant, and buildings	134,316,615	1,201,430,403	79,407,131	1,415,154,149
Canals and subsurface drainage	-	-	1,309,032,533	1,309,032,533
Power transmissions, connections, and meters	77,640,180	68,964,365	13,242,003	159,846,548
 Total property, plant and equipment in service	 999,673,005	 1,427,126,100	 1,823,853,732	 4,250,652,837
Construction in progress	243,830,401	170,024,582	372,824,097	786,679,080
Total property, plant and equipment	1,243,503,406	1,597,150,682	2,196,677,829	5,037,331,917
Accumulated depreciation	398,622,102	404,537,429	459,356,614	1,262,516,145
Net property, plant and equipment	<u>\$ 844,881,304</u>	<u>\$ 1,192,613,253</u>	<u>\$ 1,737,321,215</u>	<u>\$ 3,774,815,772</u>

See accompanying independent auditors' report.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
SCHEDULE OF BONDS PAYABLE
For the year ended December 31, 2023

	Annual Interest Rates	Interest Payment Dates	Issue Date	Final Maturity Date	Outstanding as of 12/31/2022	New Debt in 2023	Payments/ Retirements in 2023	Outstanding as of 12/31/2023
Drainage System Bonds, 2022	4.02%	(6/1;12/1)	12/7/2022	12/1/2027	\$ 45,000,000	\$ -	\$ 8,310,000	\$ 36,690,000
					45,000,000	-	8,310,000	36,690,000
Sewer Revenue Bonds, 2011	0.95%	(5/1; 11/1)	12/1/2011	12/1/1932	4,711,000	-	451,000	4,260,000
Sewer Revenue Bonds, 2014	4.87%	(6/1;12/1)	12/1/2014	6/1/1944	9,650,000	-	3,920,000	5,730,000
Sewer Revenue Bonds, 2015	5.00%	(6/1;12/1)	12/17/2015	12/1/1945	10,710,000	-	2,000,000	8,710,000
Sewer Revenue Bonds, 2019	0.95%	(6/1;12/1)	11/20/2019	6/1/2040	6,732,688	-	325,001	6,407,687
Sewer Revenue Bonds, 2020A	1.50%	(12/1;06/1)	6/10/2020	6/1/2025	8,485,000	-	3,130,000	5,355,000
Sewer Revenue Bonds, 2020B	2.87%	(12/1;06/1)	12/8/2020	12/31/2080	64,750,000	-	-	64,750,000
Taxable Sewer Revenue Refunding Bonds, Series 2021	2.67%	(6/1;12/1)	3/3/2021	6/1/2045	175,860,000	-	2,345,000	173,515,000
Sewer Revenue Taxable Bond Series 2021 (WIFIA Projects)	1.85%	(6/1;12/1)	11/10/2021	6/1/2057	1,053,179	-	-	1,053,179
Sewer Revenue Bonds, 2022 LA DEQ	0.95%	(6/1;12/1)	6/22/2022	6/1/1943	138,715	6,110,119	-	6,248,834
Sewer Revenue Bonds, 2023 LA DEQ	0.95%	(6/1;12/1)	12/21/2023	12/21/2043	-	163,442	-	163,442
					282,090,582	6,273,561	12,171,001	276,193,142
Water Revenue Bonds, 2014	5.00%	(6/1;12/1)	12/1/2014	6/1/1944	9,620,000	-	2,230,000	7,390,000
Water Revenue Bonds, 2015	4.98%	(6/1;12/1)	12/17/2015	2/1/2030	14,645,000	-	2,155,000	12,490,000
Taxable Water Revenue Refunding Bonds, Series 2021	2.62%	(6/1;12/1)	3/3/2021	6/1/2045	191,800,000	-	2,515,000	189,285,000
					216,065,000	-	6,900,000	209,165,000
Total					\$ 543,155,582	\$ 6,273,561	\$ 27,381,001	\$ 522,048,142

See accompanying independent auditors' report.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
DEBT SERVICE AND DEBT SERVICE RESERVE
For the year ended December 31, 2023

	Debt Service Account				Debt Service Reserve Accounts		
	Water Revenue Bonds	Sewer Revenue Bonds	Drainage Revenue Bonds	Total	Water Revenue Bonds	Sewer Revenue Bonds	Total
Cash and investments at beginning of year	\$ 3,383,884	\$ 8,307,943	\$ 28,851	\$ 11,720,678	\$ 5,599,000	\$ 7,474,458	\$ 13,073,458
Cash receipts:							
Bond proceeds and accrued interest	-	162,449	-	162,449	-	-	-
Transfers from operating cash and debt service reserve	12,740,909	23,810,270	10,088,850	46,640,029	-	-	-
Total receipts	12,740,909	23,972,719	10,088,850	46,802,478	-	-	-
Cash disbursements:							
Principal and interest payments, cost of issuance and transfers	12,748,071	24,122,606	10,110,775	46,981,452	-	-	-
Total cash disbursements	12,748,071	24,122,606	10,110,775	46,981,452	-	-	-
Cash and investments at end of year	<u>\$ 3,376,722</u>	<u>\$ 8,158,056</u>	<u>\$ 6,926</u>	<u>\$ 11,541,704</u>	<u>\$ 5,599,000</u>	<u>\$ 7,474,458</u>	<u>\$ 13,073,458</u>

See accompanying independent auditors' report.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
CHANGES IN SELF-INSURANCE LIABILITIES BY DEPARTMENT
For the year ended December 31, 2023

	Beginning of Year	Current Year Claims and Estimate Change	Payments	End of Year
<u>Water</u>				
Short-term:				
Workers' compensation	\$ 519,226	\$ 1,251,822	\$ 1,323,574	\$ 447,474
Health insurance	1,038,513	1,991,346	1,936,546	1,093,313
Total short-term	1,557,739	3,243,168	3,260,120	1,540,787
Long-term:				
Workers' compensation	95,588	(46,389)	-	49,199
General liability	3,793,209	578,080	590,348	3,780,941
Total long-term	3,888,797	531,691	590,348	3,830,140
Total	\$ 5,446,536	\$ 3,774,859	\$ 3,850,468	\$ 5,370,927
<u>Sewer</u>				
Short-term:				
Workers' compensation	\$ 519,226	\$ 1,251,819	\$ 1,323,571	\$ 447,474
Health insurance	1,004,255	2,134,656	2,079,856	1,059,055
Total short-term	1,523,481	3,386,475	3,403,427	1,506,529
Long-term:				
Workers' compensation	95,588	(46,389)	-	49,199
General liability	4,493,115	683,803	290,349	4,886,569
Total long-term	4,588,703	637,414	290,349	4,935,768
Total	\$ 6,112,184	\$ 4,023,889	\$ 3,693,776	\$ 6,442,297
<u>Drainage</u>				
Short-term:				
Workers' compensation	\$ 519,226	\$ 589,198	\$ 660,950	\$ 447,474
Health insurance	845,232	(84,338)	(111,738)	872,632
Total short-term	1,364,458	504,860	549,212	1,320,106
Long-term:				
Workers' compensation	95,588	(46,389)	-	49,199
General liability	35,077,564	991,939	394,667	35,674,836
Total long-term	35,173,152	945,550	394,667	35,724,035
Total	\$ 36,537,610	\$ 1,450,410	\$ 943,879	\$ 37,044,141
<u>Total</u>				
Short-term:				
Workers' compensation	\$ 1,557,678	\$ 3,092,839	\$ 3,308,095	\$ 1,342,422
Health insurance	2,888,000	4,041,664	3,904,664	3,025,000
Total short-term	4,445,678	7,134,503	7,212,759	4,367,422
Long-term:				
Workers' compensation	286,764	(139,167)	-	147,597
General liability	43,363,888	2,253,822	1,275,364	44,342,346
Total long-term	43,650,652	2,114,655	1,275,364	44,489,943
Total	\$ 48,096,330	\$ 9,249,158	\$ 8,488,123	\$ 48,857,365

See accompanying independent auditors' report.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER
PAYMENTS TO THE EXECUTIVE DIRECTOR
For the year ended December 31, 2023

Ghassan Korban, Executive Director

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 343,369
Benefits-hospitalization	5,220
Benefits-life insurance	61
Benefits-retirement	76,213
Reimbursements	150
Conference travel	<u>3,245</u>
Total	\$ <u>428,258</u>

See accompanying independent auditors' report.



STATISTICAL SECTION



WORKFORCE DEVELOPMENT AND ENRICHMENT

We support and develop a high-performing team that is skilled, committed, inspired, rewarded, engaged, and accountable.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
SUMMARY OF STATISTICAL INFORMATION
December 31, 2023
(Unaudited)

This part of the Board's Annual Comprehensive Financial Report presents detailed operational and other information to assist in understanding the financial statements and required supplementary information.

Financial Trends:

These schedules contain trend information to help the reader understand how the Board's financial performance have changed over time.

Revenue Capacity:

These schedules contain information to help the reader assess the Board's most significant local revenue source, the property tax.

Debt Capacity:

These schedules present information to help the reader assess the affordability of the Board's current levels of outstanding debt and the Board's ability to issue additional debt in the future.

Demographic and Economic Information:

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Board's financial activities take place.

Operating Information:

These schedules contain service and infrastructure data to help the reader understand how the information in the Board's financial report relates to the services the Board provides and the activities it performs.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
NET POSITION BY COMPONENT
Last Ten Fiscal Years
(Unaudited - accrual basis of accounting)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Business-type activities										
Net investment in capital assets	\$ 3,243,731,620	\$ 3,177,719,228	\$ 2,957,963,700	\$ 2,856,741,717	\$ 2,631,802,752	\$ 2,543,371,049	\$ 2,405,073,361	\$ 2,251,197,095	\$ 2,009,322,572	\$ 2,013,060,377
Restricted for debt service	23,249,179	23,232,994	24,212,130	44,544,164	43,839,618	46,042,585	46,606,340	47,217,981	46,199,659	30,846,959
Unrestricted	<u>(213,142,864)</u>	<u>(319,465,454)</u>	<u>(274,877,549)</u>	<u>(328,678,436)</u>	<u>(319,374,318)</u>	<u>(344,611,643)</u>	<u>(282,688,257)</u>	<u>(69,993,128)</u>	<u>27,166,084</u>	<u>(114,602,287)</u>
Total business-type activities net position	<u>\$ 3,053,837,935</u>	<u>\$ 2,881,486,768</u>	<u>\$ 2,707,298,281</u>	<u>\$ 2,572,607,445</u>	<u>\$ 2,356,268,052</u>	<u>\$ 2,244,801,991</u>	<u>\$ 2,168,991,444</u>	<u>\$ 2,228,421,948</u>	<u>\$ 2,082,688,315</u>	<u>\$ 1,929,305,049</u>

Source: Audited Annual Comprehensive Financial Report

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
CHANGES IN NET POSITION BY COMPONENT
Last Ten Fiscal Years
(Unaudited - accrual basis of accounting)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Operating revenues:										
Sales of water and delinquent fees	\$ 121,396,212	\$ 117,382,185	\$ 118,236,180	\$ 116,603,501	\$ 113,339,213	\$ 90,287,081	\$ 90,464,810	\$ 83,158,940	\$ 78,007,937	\$ 70,818,255
Sewerage service charges	149,695,125	150,932,239	150,364,182	146,261,741	143,686,137	114,614,157	111,063,719	104,795,184	95,636,966	86,553,262
Plumbing inspection and license fees	2,746,002	487,140	461,410	462,987	582,056	648,332	588,330	638,502	610,768	678,352
Other revenue	5,396,432	5,188,335	6,280,427	5,318,766	5,351,115	5,687,203	3,451,274	4,078,380	8,290,157	5,024,480
Total operating revenues	279,233,771	273,989,899	275,342,199	268,646,995	262,958,521	211,236,773	205,568,133	192,671,006	182,545,828	163,074,349
Operating Expenses:										
Power and pumping	25,632,309	20,266,743	22,965,240	20,302,317	20,013,016	31,874,462	36,549,229	13,499,216	13,139,255	13,227,389
Treatment	38,311,430	28,340,517	26,668,794	21,680,572	19,688,222	22,958,975	25,651,907	20,300,344	18,740,637	19,527,000
Transmission and distribution	47,748,188	37,195,201	35,662,527	34,160,672	38,176,467	46,530,018	36,409,559	37,174,706	35,878,137	27,186,606
Customer accounts	5,302,059	5,524,061	4,992,999	4,656,250	5,431,786	5,243,276	4,460,155	4,151,027	3,807,405	3,514,360
Customer service	6,619,570	9,975,986	10,350,482	8,343,631	5,304,138	4,476,414	4,217,543	4,271,555	3,973,344	3,717,925
Administration and general	35,962,118	32,655,899	27,751,610	29,522,990	29,023,557	28,253,318	24,343,704	18,506,107	16,848,253	16,976,430
Payroll related	51,523,615	62,238,943	53,155,580	57,836,511	53,838,316	49,416,581	38,126,322	43,990,879	36,349,834	32,488,264
Maintenance of general plant	30,966,877	28,996,010	27,528,429	26,343,420	27,142,840	28,813,485	26,100,182	23,979,309	27,148,505	28,178,593
Depreciation	65,081,782	65,724,568	64,250,898	55,037,867	64,156,230	63,501,190	59,450,076	52,060,674	51,661,651	50,157,869
Provision for doubtful accounts	10,594,286	27,024,356	28,278,609	26,960,777	33,306,195	20,942,217	14,326,711	3,413,404	2,466,117	1,940,782
Provision (recovery) for claims	4,868,078	3,993,957	3,127,462	3,063,073	2,069,360	(7,202,684)	45,272,821	6,450,805	2,435,209	2,444,878
Total operating expenses	322,610,312	321,936,241	304,732,630	287,908,080	298,150,127	294,807,252	314,908,209	227,798,026	212,448,347	199,360,096
Operating loss	(43,376,541)	(47,946,342)	(29,390,431)	(19,261,085)	(35,191,606)	(83,570,479)	(109,340,076)	(35,127,020)	(29,902,519)	(36,285,747)
Non-operating revenues (expenses):										
Three-mill tax	20,305,975	18,042,189	17,545,136	17,906,032	15,300,420	15,504,589	15,309,309	16,043,825	14,139,193	13,481,526
Six-mill tax	20,833,854	18,328,446	18,345,424	18,614,966	16,241,889	15,576,221	16,229,098	16,215,799	14,290,667	13,626,539
Nine-mill tax	30,835,094	27,831,035	27,514,521	27,902,527	24,345,982	23,570,261	23,881,671	23,762,398	21,421,102	20,425,388
Two-mill tax	2,640	396	284	701	35	553	2,735	7,526	4,960	1,193
Other taxes	579,189	589,220	297,387	595,099	594,985	594,532	593,424	564,050	581,395	572,083
Contributions from other local governments	21,933,185	20,507,688	6,996,364	6,657,172	35,839,141	-	-	-	-	-
Federal noncapital grants	15,241,294	28,650	15,843	60,082	48,716	78,814	845	24,738	2,405	1,502
Interest income	9,649,785	3,353,769	1,423,215	527,381	1,610,012	3,788,898	4,273,821	4,667,470	2,511,032	811,263
Other non-operating expense	(15,000,000)	-	-	-	-	-	-	-	-	-
Bond issuance costs	(163,442)	(456,865)	(6,328,655)	(886,582)	(127,550)	-	-	-	(1,510,657)	(2,649,339)
Interest expense	(21,202,143)	(19,938,792)	(13,892,169)	(276,737)	(228,235)	(3,204,239)	(3,537,336)	(32,471)	(53,518)	-
Recovery (provision) for grants	(305,560)	(1,675,728)	(779,631)	(5,812,199)	(7,230,828)	3,183,641	(8,906,949)	-	-	-
Total non-operating revenues (expenses)	82,709,871	66,610,008	51,137,719	65,288,442	86,394,567	59,093,270	47,846,618	61,253,335	51,386,579	46,270,155
Income (loss) before capital contributions	39,333,330	18,663,666	21,747,288	46,027,357	51,202,961	(24,477,209)	(61,493,458)	26,126,315	21,484,060	9,984,408
Capital contributions	133,017,837	155,524,821	112,943,548	170,312,036	60,263,100	100,287,756	96,336,075	119,607,318	131,899,206	141,873,884
Change in net position	172,351,167	174,188,487	134,690,836	216,339,393	111,466,061	75,810,547	34,842,617	145,733,633	153,383,266	151,858,292
Net position:										
Beginning of year	2,881,486,768	2,707,298,281	2,572,607,445	2,356,268,052	2,244,801,991	2,168,991,444	2,228,421,948	2,082,688,315	1,899,243,681	1,747,385,389
Change in accounting principle	-	-	-	-	-	-	(94,273,121)	-	30,061,368	-
Beginning of year, as restated	2,881,486,768	2,707,298,281	2,572,607,445	2,356,268,052	2,244,801,991	2,168,991,444	2,134,148,827	2,082,688,315	1,929,305,049	1,747,385,389
End of year	\$ 3,053,837,935	\$ 2,881,486,768	\$ 2,707,298,281	\$ 2,572,607,445	\$ 2,356,268,052	\$ 2,244,801,991	\$ 2,168,991,444	\$ 2,228,421,948	\$ 2,082,688,315	\$ 1,899,243,681

Source: Audited Annual Comprehensive Financial Report - Information available for ten years

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
REVENUE AND EXPENSES BY SOURCE
ENTERPRISE FUND
Last Ten Years
(Unaudited)

Revenues	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Charges for service	\$ 158,049,869	\$ 174,255,671	\$ 188,592,626	\$ 202,116,859	\$ 205,549,570	\$ 257,607,406	\$ 263,328,229	\$ 269,061,772	\$ 268,801,564	\$ 273,837,339
Dedicated taxes	47,533,453	49,850,962	56,022,022	55,420,078	54,651,071	55,888,291	64,423,525	63,702,752	64,790,890	71,974,923
Two-mill tax	1,193	4,960	7,526	2,735	553	35	701	284	396	2,640
Interest on investments	811,263	2,511,046	4,667,470	4,273,821	3,788,898	1,610,012	527,381	1,423,215	3,353,769	9,649,785
Contributions from local governments	-	-	-	-	-	35,839,141	6,657,172	6,996,364	20,507,688	21,933,185
Other taxes and revenue	5,598,065	7,363,300	4,667,168	4,045,543	6,360,549	5,994,814	5,087,365	6,296,270	5,216,985	21,216,915
	<u>\$ 211,993,843</u>	<u>\$ 233,985,939</u>	<u>\$ 253,956,812</u>	<u>\$ 265,859,036</u>	<u>\$ 270,350,641</u>	<u>\$ 356,939,699</u>	<u>\$ 340,024,373</u>	<u>\$ 347,480,657</u>	<u>\$ 362,671,292</u>	<u>\$ 398,614,787</u>
Expenses	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Personnel services	\$ 76,009,536	\$ 81,094,850	\$ 88,422,754	\$ 85,643,784	\$ 107,582,424	\$ 112,931,852	\$ 116,727,875	\$ 111,455,664	\$ 116,428,601	\$ 111,831,462
Services and utilities	46,739,864	46,321,849	48,095,715	56,047,431	51,770,073	49,172,289	54,333,467	63,288,890	71,728,674	80,619,672
Materials and supplies	22,067,167	28,468,671	29,354,674	54,170,680	58,214,032	36,514,199	32,671,603	40,659,762	37,036,085	49,778,474
Depreciation and amortization	50,157,869	51,661,651	52,060,674	59,450,076	63,501,190	64,156,230	55,037,867	64,250,898	65,724,568	65,081,781
Provision for doubtful accounts	1,940,782	2,466,131	3,413,404	14,326,711	20,942,217	33,306,195	26,960,777	28,278,609	27,024,356	10,594,286
Other non-operating expense	-	-	-	-	-	-	-	-	-	15,000,000
Provision for claims	2,444,878	2,435,209	6,450,805	45,272,821	(7,202,684)	2,069,360	3,063,073	3,127,462	3,993,957	4,868,079
Provision for grants	-	-	-	8,906,949	(3,183,641)	7,230,828	5,812,199	779,631	1,675,728	305,560
Bond issuance costs	2,649,339	1,510,657	-	-	-	127,550	886,582	3,492,598	456,865	163,442
Interest	-	53,518	32,471	3,537,336	3,204,239	228,235	(609,845)	10,399,571	19,938,792	21,038,701
	<u>\$ 202,009,435</u>	<u>\$ 214,012,536</u>	<u>\$ 227,830,497</u>	<u>\$ 327,355,788</u>	<u>\$ 294,827,850</u>	<u>\$ 305,736,738</u>	<u>\$ 294,883,598</u>	<u>\$ 325,733,085</u>	<u>\$ 344,007,626</u>	<u>\$ 359,281,457</u>

Source: Sewerage and Water Board of New Orleans.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years
(Unaudited - amounts in thousands)

Fiscal Year (+)	Net Assessed Value		Total Net Assessed Value	Total Estimated Actual Value	Ratio of Total Net Assessed to Total Estimated Actual Value
	Real Estate	Personal Property			
2014	\$ 3,065,164	\$ 405,514	\$ 3,470,678	\$ 21,974,841	15.8%
2015	3,202,063	431,355	3,633,418	21,974,841	16.5%
2016	3,376,001	456,454	3,832,455	30,873,272	12.4%
2017	3,481,746	471,986	3,953,732	35,475,355	11.1%
2018	3,592,392	497,655	3,789,022	35,475,355	10.7%
2019	3,647,819	527,777	4,175,596	41,168,223	10.1%
2020	4,187,933	543,771	4,731,704	41,168,223	11.5%
2021	4,044,353	543,126	4,587,479	46,581,140	9.8%
2022	4,021,789	541,744	4,563,533	45,674,993	10.0%
2023	4,430,132	639,984	5,070,115	45,619,104	11.1%

Source:

(+) Louisiana Tax Commission Annual Reports, City of New Orleans

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years
(Unaudited)

Number of Mills
(Per \$1,000 of assessed value)

Fiscal Year	City of New Orleans	Orleans Levee District Eastbank	Algiers Levee District	Sewerage & Water Board of New Orleans	Orleans Parish School Board	Audubon Park & Zoo	(+) Total
2014	72.05	11.67	12.76	16.43**	45.31	3.31	145.10
2015	71.95	11.67	12.56	16.43**	45.31	3.31	144.80
2016	74.45	12.28	6.21	16.43**	45.31	3.31	141.56
2017	60.98	12.28	12.56	16.43**	45.31	3.31	134.44
2018	60.98	12.28	12.56	16.43**	45.31	3.31	134.44
2019	60.98	12.28	12.56	16.43**	45.31	3.31	134.44
2020	70.71	11.18	12.26	16.23**	45.31	1.95	141.41
2021	69.28	11.18	12.26	16.23**	45.31	1.95	139.98
2022	66.04	11.18	12.26	16.23**	45.31	1.95	136.74
2023	71.04	12.28	12.26	16.23**	45.31	1.95	142.84

Source: City of New Orleans

(+) Total excludes Sewerage and Water Board of New Orleans

**3 mills adopted in 1967 expires in 2046

**6 mills adopted in 1978 expires in 2027

**9 mills adopted in 1982 expires in 2032

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
TEN LARGEST TAXPAYERS
December 31, 2023 and Ten Years Ago
(Amount in thousands)
(Unaudited)

Name of Taxpayer	Type of Business	2023 Assessed Value	Percentage of Total Assessed Value
Entergy	Electric & Gas Utilities	\$ 119,461	2.5%
Capital One Bank	Financial Institution	83,083	1.8%
Folger Coffee	Coffee Roasting Plant	39,482	0.8%
Hancock Whitney Bank	Financial Institution	36,801	0.8%
Harrah's	Hospitality & Gaming	35,450	0.8%
J P Morgan Chase Bank	Financial Institution	23,186	0.5%
First Horizon Bank	Financial Institution	17,781	0.4%
Marriott Hotel	Hotel	16,963	0.4%
International Rivercenter	Shopping Mall; Hotel	13,965	0.3%
BellSouth	Telecommunication	12,419	0.3%
		<u>\$ 398,591</u>	<u>8.4%</u>

Name of Taxpayer	Type of Business	2013 Assessed Value	Percentage of Total Assessed Value
Entergy Service	Electric & Gas Utilities	\$ 107,943	3.4%
AT&T	Telecommunications	48,491	1.8%
Capital One Bank	Financial Institution	44,074	1.3%
Harrah's Entertainment	Hospitality & Gaming	29,944	1.2%
Marriott Hotel	Hotel	28,806	0.8%
JP Morgan Chase Bank	Financial Institution	21,449	0.8%
International Rivercenter	Shopping Mall; Hotel	18,524	0.6%
Whitney	Financial Institution	16,765	0.6%
C S & M Association Associates	Commercial Real Estate	15,856	0.5%
Hertz Properties	Rental Car	13,000	0.4%
		<u>\$ 344,852</u>	<u>11.4%</u>
Taxpayers Total		<u>\$ 3,025,015</u>	

Source: City of New Orleans Department of Finance Bureau of the Treasury

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
PROPERTY TAX
LEVIES AND COLLECTIONS BY THE CITY OF NEW ORLEANS
Last Ten Fiscal Years
(Unaudited - Amounts in Thousands)

Fiscal Year	Total Levied (1)	Collected within		Collections in	Total Collections to Date (1)	
		Fiscal year of the Levy (1)		Subsequent	Percentage	
		Amount	Percent	Years (1)	Amount	of Levy
				Amount		
Real Estate Taxes:						
2014	\$ 393,304	\$ 375,815	95.55%	\$ 16,359	\$ 392,174	99.71%
2015	422,306	397,843	94.21%	22,640	420,483	99.57%
2016	457,800	442,153	96.58%	13,536	455,689	99.54%
2017	480,924	458,767	95.39%	19,848	478,615	99.52%
2018	497,718	469,414	94.31%	25,846	495,260	99.51%
2019	496,197	456,347	91.97%	38,344	494,691	99.70%
2020	551,514	527,205	95.59%	22,114	549,319	99.60%
2021	543,383	520,864	95.86%	5,290	526,154	96.83%
2022	520,272	520,272	100.00%	17,809	520,272	99.18%
2023	604,693	604,693	100.00%	(47,120)	557,573	92.21%
Personal Property Taxes						
2014	84,620	81,926	96.82%	1,067	82,993	98.08%
2015	86,961	81,773	94.03%	3,335	85,108	97.87%
2016	92,428	88,797	96.07%	1,513	90,310	97.71%
2017	96,441	92,123	95.52%	1,236	93,359	96.80%
2018	101,280	100,453	99.18%	(3,534)	96,919	95.69%
2019	103,260	94,891	91.89%	3,748	98,639	95.52%
2020	100,865	91,272	90.49%	4,211	95,483	94.66%
2021	92,191	80,441	87.25%	11,749	92,190	100.00%
2022	96,762	84,191	87.01%	3,740	87,931	90.87%
2023	116,856	116,856	100.00%	(22,267)	94,589	80.94%

Source: City of New Orleans

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
WATER AND SEWER RATES

December 31, 2023
Last Ten Fiscal Years
(Unaudited)

Year	Water					Sewer	
	Rate per 1,000 Gallons					Monthly Base Rate	Rate per 1,000 Gallons
	Monthly Base Rate	First 3000 3,000 Gallons	Next 17,000 Gallons	Next 980,000 Gallons	All Gallons Over 1,000,000		
2014	\$ 4.91	\$ 3.26	\$ 5.57	\$ 4.38	\$ 3.67	\$ 14.04	\$ 4.88
2015	5.40	3.59	6.13	4.82	4.04	15.44	5.37
2016	5.94	3.95	6.74	5.30	4.44	16.98	5.91
2017	6.53	4.35	7.41	5.83	4.88	18.68	6.50
2018	7.18	4.79	8.15	6.41	5.37	20.55	7.15
2019	7.90	5.27	8.97	7.05	5.91	22.61	7.87
2020	8.69	5.80	9.87	7.76	6.50	24.87	8.66
2021	8.69	5.80	9.87	7.76	6.50	24.87	8.66
2022	8.69	5.80	9.87	7.76	6.50	24.87	8.66
2023	8.69	5.80	9.87	7.76	6.50	24.87	8.66

Note: Rates are based on 5/8" meter, which is the standard household meter size

Source: Sewerage and Water Board of New Orleans

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Personal Income (1) (in thousands)	Population (2)	Revenue Bonds	Special Tax Bonds	LDHH Bonds	Federal Loan	Debt Service Assistance Fund Loan	Southeast Louisiana Project Loan (3)	Total Debt	Percentage of Personal Income	Debt per Capita
2014	\$ 16,437,492	378,715	\$ 292,068,863	\$ 14,870,042	\$ 3,865	\$ -	\$ 41,317,444	\$ -	\$ 348,260,214	2.12%	920
2015	18,032,254	389,617	504,808,633	12,750,000	-	-	61,653,139	-	579,211,772	3.21%	1,487
2016	14,094,612	391,495	488,835,158	11,100,000	-	-	57,230,725	-	557,165,883	3.95%	1,423
2017	14,094,612	393,292	488,835,158	9,410,000	-	-	52,604,006	-	550,849,164	3.91%	1,401
2018	14,094,612	393,292	451,932,050	7,665,000	-	-	47,756,909	-	507,353,959	3.60%	1,290
2019	14,094,612	390,144	399,257,550	5,850,000	-	-	42,695,640	-	447,803,190	3.18%	1,148
2020	14,094,612	383,282	505,107,884	3,955,000	-	-	40,039,087	-	549,101,971	3.90%	1,433
2021	12,351,078	376,971	531,758,364	2,000,000	-	936,848	37,265,290	206,690,029	778,650,531	6.30%	2,066
2022	12,584,777	369,749	513,693,742	45,000,000	45	1,053,179	34,362,788	217,228,980	811,338,734	6.45%	2,194
2023	13,685,520	369,749	499,863,790	36,690,000	-	1,053,179	31,331,363	215,257,520	784,195,852	5.73%	2,121

(1) Source: Bureau of Economic Analysis

(2) Source: www.census.gov/popest

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
December 31, 2023
(Unaudited)

	Net Outstanding Debt	Percentage Overlapping	Overlapping Debt
	<u> </u>	<u> </u>	<u> </u>
Direct debt:			
Sewerage and Water Board, net of debt service funds (tax bonds only)	\$ 36,690,000	100%	\$ 36,690,000
	<u> </u>	<u> </u>	<u> </u>
Overlapping debt:			
City of New Orleans	573,170,000	100%	573,170,000
Audubon Park Commission	41,120,000	100%	41,120,000
	<u> </u>	<u> </u>	<u> </u>
Total overlapping debt	614,290,000	100%	614,290,000
	<u> </u>	<u> </u>	<u> </u>
 Total direct and overlapping debt	 \$ 650,980,000	 100%	 \$ 650,980,000
	<u> </u>	<u> </u>	<u> </u>

Source: Sewerage and Water Board of New Orleans

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
REVENUE BONDS DEBT SERVICE COVERAGE
WATER REVENUE BONDS
Last Nine Fiscal Years
(Unaudited)

Fiscal Year	Revenue for Debt Service Coverage (3)	Direct Operating Expenses (2)	Net Revenue Available for Debt Services	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2015	\$ 82,957,551	\$ 71,168,572	\$ 11,788,979	\$ -	\$ 3,500,000	\$ 3,500,000	3.37
2016	88,366,278	75,002,591	13,363,687	325,000	7,646,525	7,971,525	1.68
2017	94,657,534	77,838,026	16,819,508	2,540,000	10,100,550	12,640,550	1.33
2018	103,514,199	80,839,797	22,674,402	3,360,000	9,973,550	13,333,550	1.70
2019	124,155,676	82,505,413	41,650,263	3,575,000	9,819,550	13,394,550	3.11
2020	127,013,325	89,325,205	37,688,120	3,825,000	9,648,550	13,473,550	2.80
2021	123,268,185	87,175,236	36,092,949	-	4,856,418	4,856,418	7.43
2022	130,347,458	97,938,809	32,408,649	6,695,000	6,041,714	12,736,714	2.54
2023	(1) 140,647,334	91,062,354	49,584,980	6,900,000	5,840,989	12,740,989	3.89

(1) See Note 16 to the financial statements

(2) Total operating expenses less depreciation, change in total OPEB liability, net pension liability and related amortization of deferred inflows and outflows of resources

(3) Revenue for debt service coverage includes operating revenues, interest income, and grants and contributions from other governments, excluding contributions in aid of construction.

Source: Sewerage and Water Board of New Orleans

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
REVENUE BONDS DEBT SERVICE COVERAGE
SEWER REVENUE BONDS
Last Nine Fiscal Years
(Unaudited)

Fiscal Year	Revenue for Debt Service Coverage (3)	Direct Operating Expenses (2)	Net Revenue Available for Debt Services	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2015	\$ 98,166,699	\$ 50,196,374	\$ 47,970,325	\$ 11,644,000	\$ 4,750,603	\$ 16,394,603	2.93
2016	108,241,219	57,142,277	51,098,942	12,852,000	10,463,838	23,315,838	2.19
2017	114,318,485	64,686,410	49,632,075	13,392,000	11,413,498	24,805,498	2.00
2018	118,029,837	81,270,955	36,758,882	12,356,000	10,783,057	23,139,057	1.59
2019	155,359,848	78,709,343	76,650,505	11,510,000	10,203,963	21,713,963	3.53
2020	147,917,823	87,958,052	59,959,771	12,099,000	9,705,711	21,804,711	2.75
2021	153,227,165	98,753,223	54,473,942	443,000	7,762,137	8,205,137	6.64
2022	159,908,658	99,490,166	60,418,492	14,448,000	8,589,073	23,037,073	2.62
2023	(1) 160,540,438	107,620,260	52,920,178	12,171,000	8,163,682	20,334,682	2.60

(1) See Note 16 to the financial statements

(2) Total operating expenses less depreciation, change in total OPEB liability, net pension liability and related amortization of deferred inflows and outflows of resources

(3) Revenue for debt service coverage includes operating revenues, interest income, and grants and contributions from other governments, excluding contributions in aid of construction.

Source: Sewerage and Water Board of New Orleans

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
WATER SYSTEM UNRESTRICTED CASH AND CASH EQUIVALENTS
DAYS OF OPERATING AND MAINTENANCE EXPENSE AT YEAR END
Last Nine Fiscal Years
(unaudited)

<u>Fiscal Year</u>	<u>Cash Balance</u>	<u>One Day O&M</u>	<u>Measurement</u>
2015	\$ 39,253,304	\$ 194,982	201
2016	38,383,800	205,487	187
2017	29,823,726	213,255	140
2018	38,771,396	221,479	175
2019	33,211,223	226,042	147
2020	33,988,702	244,727	139
2021	30,934,570	238,836	130
2022	52,878,708	368,326	197
2023	58,736,255	249,486	235

Source: Sewerage and Water Board of New Orleans

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
SEWER SYSTEM UNRESTRICTED CASH AND CASH EQUIVALENTS
DAYS OF OPERATING AND MAINTENANCE EXPENSE AT YEAR END
Last Nine Fiscal Years
(unaudited)

<u>Fiscal Year</u>	<u>Cash Balance</u>	<u>One Day O&M</u>	<u>Measurement</u>
2015	\$ 40,267,802	\$ 137,524	293
2016	62,584,566	156,554	400
2017	52,923,266	177,223	299
2018	30,935,972	222,660	139
2019	32,694,605	215,642	152
2020	45,823,728	240,981	190
2021	51,163,649	270,557	189
2022	60,487,253	274,807	220
2023	79,632,852	294,850	270

Source: Sewerage and Water Board of New Orleans

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
DEMOGRAPHIC STATISTICS
Last Ten Fiscal Years
(Unaudited)

<u>Fiscal Year</u>	<u>Population(1)</u>	<u>Personal Income(2) (in thousands)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate (3)</u>
2014	378,715	\$ 16,437,492	\$ 43,403	7.50%
2015	389,617	18,032,254	46,282	6.00%
2016	391,495	14,094,612	36,792	5.40%
2017	393,292	14,094,612	35,838	5.41%
2018	393,292	14,094,612	35,838	3.09%
2019	390,144	14,094,612	36,127	4.50%
2020	390,144	14,094,612	36,127	8.70%
2021	383,575	14,191,488	54,435	6.20%
2022	369,749	12,584,777	34,036	3.20%
2023	364,134	13,685,520	37,013	3.80%

(1) www.census.gov/popest.

(2) Estimates- Bureau of Economic Analysis

(3) U.S. Bureau of Labor Statistics.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
NEW ORLEANS AREA PRINCIPAL EMPLOYERS
Last Ten Fiscal Years
(Unaudited)

	Rank / Number of Employees									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Acme Truck Line Inc.	10 / 3,100	10 / 3,100	10 / 3,100	10 / 3,100	10 / 3,100					
Archdiocese of New Orleans									5 / 5,000	5 / 5,000
Catholic Charities Archdiocese of New Orleans						7 / 5,000	8 / 5,000			
Dynamics Industries									9 / 3,000	9 / 3,000
Entergy						3 / 13,504	3 / 13,504	1 / 13,504	3 / 13,504	3 / 13,504
Harrah's New Orleans Casino										
Hilton Hotel & Resorts	4 / 5,000	4 / 5,000	4 / 5,000	4 / 5,000	4 / 5,000	2 / 16,380	2 / 16,380			
HRI Properties									10 / 3,000	10 / 3,000
Ingalls Shipbuilding	3 / 6,000	3 / 6,000	3 / 6,000	3 / 6,000	3 / 6,000					
Louisiana Children's Medical Center	7 / 4,500	7 / 4,500	7 / 4,500	7 / 4,500	7 / 4,500	4 / 6,100	6 / 6,100	4 / 6,100		
LSU Health Sciences Center New Orleans	2 / 7,000	2 / 7,000	2 / 7,000	2 / 7,000	2 / 7,000	8 / 4,570		7 / 4,750	6 / 4,750	6 / 4,750
LSU Public Hospital	5 / 5,000	5 / 5,000	5 / 5,000	5 / 5,000	5 / 5,000					
Morgan & Company									1/60,348	1/60,348
NASA Michoud										
New Orleans Police Department Employees Credit Union								10 / 3,000		
North Oaks Health System										
Northrup Grumman Avondale										
Ochsner Medical Institutions / Health System	1 / 9,800	1 / 9,800	1 / 9,800	1 / 9,800	1 / 9,800	1 / 19,000	1 / 30,000		2 / 32,000	2 / 32,000
OPSB Charters									4 / 7,500	4 / 7,500
Republic National Distributing							10 / 3,464	9 / 3,464		
St. Christopher the Martyr Catholic Church								6 / 5,000		
Stewart Enterprises						9 / 4,250	7 / 5,400	5 / 5,400		
Tidewater						6 / 5,510	4 / 6,550	2 / 6,550		
Tulane University	6 / 4,700	6 / 4,700	6 / 4,700	6 / 4,700	6 / 4,700	5 / 6,030	5 / 6,250	3 / 6,250	7 / 3,500	7 / 3,500
University of New Orleans	9 / 3,100	9 / 3,100	9 / 3,100	9 / 3,100	9 / 3,100					
US Post Office	8 / 4,000	8 / 4,000	8 / 4,000	8 / 4,000	8 / 4,000					
Weiser Security Services						10 / 3,500	9 / 3,500	8 / 3,500	8 / 3,500	8 / 3,500
West Jefferson Medical Center										

Source: Zippia, the Career Expert. (www.zippia.com). Employers with principal offices located in the New Orleans metropolitan area

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
CAPITAL EXPENDITURES BY DEPARTMENT
ENTERPRISE FUND
Last Ten Fiscal Years
(Unaudited)

Year	Water	Sewer	Drainage	Total
2014	\$ 46,604,884	\$ 58,870,182	\$ 152,172,018	\$ 257,647,084
2015	42,638,486	56,387,080	152,172,018	251,197,584
2016	46,106,462	48,975,578	167,051,515	262,133,555
2017	89,887,813	85,066,607	151,533,673	326,488,093
2018	72,486,981	66,802,398	108,035,976	247,325,355
2019	51,750,024	35,889,255	84,555,316	172,194,595
2020	58,425,367	43,321,073	103,848,810	205,595,250
2021	83,990,523	55,055,776	41,375,032	180,421,331
2022	78,661,531	66,390,823	91,019,123	236,071,477
2023	98,258,982	92,717,411	73,537,790	264,514,183

Source: Sewerage and Water Board of New Orleans

SEWERAGE & WATER BOARD OF NEW ORLEANS, LOUISIANA
SCHEDULE OF FUTURE DEBT PAYMENTS
DECEMBER 31, 2023
(Unaudited)

		Water Revenue Bonds			
		Series 2014	Series 2015	Series 2021	Total
2024	Principal	\$ 2,345,000	\$ 2,260,000	\$ 2,525,000	\$ 7,130,000
	Interest	369,500	624,500	4,616,045	5,610,045
2025	Principal	2,460,000	2,375,000	2,540,000	7,375,000
	Interest	252,250	511,500	4,599,910	5,363,660
2026	Principal	2,585,000	2,490,000	2,565,000	7,640,000
	Interest	129,250	392,750	4,578,117	5,100,117
2027	Principal	-	2,615,000	5,300,000	7,915,000
	Interest	-	268,250	4,552,261	4,820,511
2028	Principal	-	2,750,000	5,370,000	8,120,000
	Interest	-	137,500	4,485,534	4,623,034
2029	Principal	-	-	8,330,000	8,330,000
	Interest	-	-	4,407,186	4,407,186
2030	Principal	-	-	8,475,000	8,475,000
	Interest	-	-	4,266,332	4,266,332
2031	Principal	-	-	8,630,000	8,630,000
	Interest	-	-	4,110,301	4,110,301
2032	Principal	-	-	8,800,000	8,800,000
	Interest	-	-	3,942,793	3,942,793
2033	Principal	-	-	8,980,000	8,980,000
	Interest	-	-	3,763,185	3,763,185
2034	Principal	-	-	9,170,000	9,170,000
	Interest	-	-	3,570,923	3,570,923
2035	Principal	-	-	9,375,000	9,375,000
	Interest	-	-	3,365,423	3,365,423
2036	Principal	-	-	9,590,000	9,590,000
	Interest	-	-	3,150,642	3,150,642
2037	Principal	-	-	9,810,000	9,810,000
	Interest	-	-	2,926,140	2,926,140
2038	Principal	-	-	10,095,000	10,095,000
	Interest	-	-	2,642,729	2,642,729
2039	Principal	-	-	10,380,000	10,380,000
	Interest	-	-	2,351,085	2,351,085
2040	Principal	-	-	10,675,000	10,675,000
	Interest	-	-	2,051,207	2,051,207
2041	Principal	-	-	10,990,000	10,990,000
	Interest	-	-	1,742,806	1,742,806
2042	Principal	-	-	11,305,000	11,305,000
	Interest	-	-	1,425,305	1,425,305
2043	Principal	-	-	11,645,000	11,645,000
	Interest	-	-	1,087,398	1,087,398
2044	Principal	-	-	11,995,000	11,995,000
	Interest	-	-	739,329	739,329
2045	Principal	-	-	12,740,000	12,740,000
	Interest	-	-	380,799	380,799
Total Principal		7,390,000	12,490,000	189,285,000	209,165,000
Total Interest		751,000	1,934,500	68,755,450	71,440,950
Total Future Debt Payments		<u>\$ 8,141,000</u>	<u>\$ 14,424,500</u>	<u>\$ 258,040,450</u>	<u>\$ 280,605,950</u>

Source: Sewerage and Water Board of New Orleans

SEWERAGE & WATER BOARD OF NEW ORLEANS, LOUISIANA
SCHEDULE OF FUTURE DEBT PAYMENTS
DECEMBER 31, 2023
(Unaudited)

		Sewer Revenue Bonds										
		Series 2011	Series 2014	Series 2015	Series 2019	Series 2020A	Series 2020B	Series 2021	Series 2022	Series 2023	WIFA	Total
2024	Principal	\$ 456,000	\$3,760,000	\$2,000,000	\$ 66,846	\$3,195,000	\$ -	\$ 2,355,000	\$ 507,000	\$ -	\$ -	\$ 12,339,846
	Interest	40,470	192,500	385,500	58,664	56,363	2,949,900	4,100,207	55,827	691	19,483	7,859,605
2025	Principal	460,000	1,970,000	2,125,000	470,000	2,160,000	-	2,375,000	212,000	163,442	-	9,935,442
	Interest	36,138	49,250	282,375	54,223	16,200	2,949,900	4,083,677	53,540	736	19,483	7,545,522
2026	Principal	464,000	-	2,235,000	474,000	-	2,000,000	4,425,000	517,000	-	-	10,115,000
	Interest	31,768	-	173,375	49,739	-	2,899,900	4,052,886	50,078	-	19,483	7,277,229
2027	Principal	469,000	-	2,350,000	478,000	-	2,580,000	4,470,000	522,000	-	-	10,869,000
	Interest	27,360	-	58,750	45,217	-	2,785,400	4,004,669	45,143	-	19,483	6,986,022
2028	Principal	473,000	-	-	483,000	-	2,590,000	6,955,000	527,000	-	-	11,028,000
	Interest	22,905	-	-	40,652	-	2,656,150	3,928,650	40,160	-	19,483	6,708,000
2029	Principal	478,000	-	-	488,000	-	2,600,000	7,065,000	532,000	-	-	11,163,000
	Interest	18,411	-	-	36,040	-	2,526,400	3,821,687	35,129	-	19,483	6,457,150
2030	Principal	482,000	-	-	492,000	-	2,610,000	7,185,000	536,000	-	-	11,305,000
	Interest	13,870	-	-	31,385	-	2,396,150	3,699,373	30,056	-	19,483	6,190,317
2031	Principal	487,000	-	-	497,000	-	2,620,000	7,325,000	542,000	-	1,053,179	12,524,179
	Interest	9,291	-	-	26,687	-	2,265,400	3,565,774	24,936	-	19,483	5,911,571
2032	Principal	491,000	-	-	502,000	-	2,635,000	7,465,000	547,000	-	-	11,640,000
	Interest	4,665	-	-	21,942	-	2,134,025	3,422,202	19,763	-	-	5,602,597
2033	Principal	-	-	-	506,000	-	2,645,000	8,120,000	552,000	-	-	11,823,000
	Interest	-	-	-	17,154	-	2,002,025	3,262,993	14,543	-	-	5,296,715
2034	Principal	-	-	-	511,000	-	2,660,000	8,290,000	557,000	-	-	12,018,000
	Interest	-	-	-	12,323	-	1,869,400	3,087,283	9,275	-	-	4,978,281
2035	Principal	-	-	-	516,000	-	2,660,000	8,480,000	563,000	-	-	12,219,000
	Interest	-	-	-	7,445	-	1,749,700	2,901,446	3,955	-	-	4,662,546
2036	Principal	-	-	-	521,000	-	2,650,000	8,675,000	134,834	-	-	11,980,834
	Interest	-	-	-	2,519	-	1,643,500	2,707,056	978	-	-	4,354,053
2037	Principal	-	-	-	402,841	-	2,635,000	8,900,000	-	-	-	11,937,841
	Interest	-	-	-	22	-	1,537,800	2,481,348	-	-	-	4,019,170
2038	Principal	-	-	-	-	-	2,620,000	9,150,000	-	-	-	11,770,000
	Interest	-	-	-	-	-	1,432,700	2,225,128	-	-	-	3,657,828
2039	Principal	-	-	-	-	-	2,605,000	9,415,000	-	-	-	12,020,000
	Interest	-	-	-	-	-	1,328,200	1,961,598	-	-	-	3,289,798
2040	Principal	-	-	-	-	-	2,590,000	9,685,000	-	-	-	12,275,000
	Interest	-	-	-	-	-	1,224,300	1,690,474	-	-	-	2,914,774
2041	Principal	-	-	-	-	-	2,585,000	9,965,000	-	-	-	12,550,000
	Interest	-	-	-	-	-	1,107,875	1,411,542	-	-	-	2,519,417
2042	Principal	-	-	-	-	-	2,600,000	10,260,000	-	-	-	12,860,000
	Interest	-	-	-	-	-	978,250	1,119,318	-	-	-	2,097,568
2043	Principal	-	-	-	-	-	2,610,000	10,565,000	-	-	-	13,175,000
	Interest	-	-	-	-	-	848,000	813,295	-	-	-	1,661,295
2044	Principal	-	-	-	-	-	2,620,000	10,880,000	-	-	-	13,500,000
	Interest	-	-	-	-	-	717,250	498,161	-	-	-	1,215,411
2045	Principal	-	-	-	-	-	2,635,000	11,510,000	-	-	-	14,145,000
	Interest	-	-	-	-	-	585,875	169,139	-	-	-	755,014
2046	Principal	-	-	-	-	-	2,630,000	-	-	-	-	2,630,000
	Interest	-	-	-	-	-	467,400	-	-	-	-	467,400
2047	Principal	-	-	-	-	-	2,615,000	-	-	-	-	2,615,000
	Interest	-	-	-	-	-	362,500	-	-	-	-	362,500
2048	Principal	-	-	-	-	-	2,600,000	-	-	-	-	2,600,000
	Interest	-	-	-	-	-	258,200	-	-	-	-	258,200
2049	Principal	-	-	-	-	-	2,585,000	-	-	-	-	2,585,000
	Interest	-	-	-	-	-	154,500	-	-	-	-	154,500
2050	Principal	-	-	-	-	-	2,570,000	-	-	-	-	2,570,000
	Interest	-	-	-	-	-	51,400	-	-	-	-	51,400
Total Principal		4,260,000	5,730,000	8,710,000	6,407,687	5,355,000	64,750,000	173,515,000	6,248,834	163,442	1,053,179	276,193,142
Total Interest		204,878	241,750	900,000	404,012	72,563	41,882,100	59,007,906	383,383	1,427	155,864	103,253,883
Total Future Debt Payments		\$4,464,878	\$5,971,750	\$9,610,000	\$6,811,699	\$5,427,563	\$106,632,100	\$232,522,906	\$ 6,632,217	\$ 164,869	\$ 1,209,043	\$379,447,025

Source: Sewerage and Water Board of New Orleans

SEWERAGE & WATER BOARD OF NEW ORLEANS, LOUISIANA
SCHEDULE OF FUTURE DEBT PAYMENTS
DECEMBER 31, 2023
(Unaudited)

		Drainage Special Tax Bonds	
		Series	
		2022	Total
2024	Principal	\$ 8,640,000	\$ 8,640,000
	Interest	1,474,938	1,474,938
2025	Principal	8,985,000	8,985,000
	Interest	1,127,610	1,127,610
2026	Principal	9,345,000	9,345,000
	Interest	766,413	766,413
2027	Principal	9,720,000	9,720,000
	Interest	390,744	390,744
Total Principal		36,690,000	36,690,000
Total Interest		3,759,705	3,759,705
Total Future Debt Payments		<u>\$ 40,449,705</u>	<u>\$ 40,449,705</u>

Source: Sewerage and Water Board of New Orleans

SEWERAGE & WATER BOARD OF NEW ORLEANS, LOUISIANA
SCHEDULE OF FUTURE DEBT PAYMENTS
DECEMBER 31, 2023
(Unaudited)

		All Departments			
		Water	Sewer	Drainage	Total
2024	Principal	\$ 7,130,000	\$ 12,339,846	\$ 8,640,000	\$ 28,109,846
	Interest	5,610,045	7,859,605	1,474,938	14,944,588
2025	Principal	7,375,000	9,935,442	8,985,000	26,295,442
	Interest	5,363,660	7,545,522	1,127,610	14,036,792
2026	Principal	7,640,000	10,115,000	9,345,000	27,100,000
	Interest	5,100,117	7,277,229	766,413	13,143,759
2027	Principal	7,915,000	10,869,000	9,720,000	28,504,000
	Interest	4,820,511	6,986,022	390,744	12,197,277
2028	Principal	8,120,000	11,028,000	-	19,148,000
	Interest	4,623,034	6,708,000	-	11,331,034
2029	Principal	8,330,000	11,163,000	-	19,493,000
	Interest	4,407,186	6,457,150	-	10,864,336
2030	Principal	8,475,000	11,305,000	-	19,780,000
	Interest	4,266,332	6,190,317	-	10,456,649
2031	Principal	8,630,000	12,524,179	-	21,154,179
	Interest	4,110,301	5,911,571	-	10,021,872
2032	Principal	8,800,000	11,640,000	-	20,440,000
	Interest	3,942,793	5,602,597	-	9,545,390
2033	Principal	8,980,000	11,823,000	-	20,803,000
	Interest	3,763,185	5,296,715	-	9,059,900
2034	Principal	9,170,000	12,018,000	-	21,188,000
	Interest	3,570,923	4,978,281	-	8,549,204
2035	Principal	9,375,000	12,219,000	-	21,594,000
	Interest	3,365,423	4,662,546	-	8,027,969
2036	Principal	9,590,000	11,980,834	-	21,570,834
	Interest	3,150,642	4,354,053	-	7,504,695
2037	Principal	9,810,000	11,937,841	-	21,747,841
	Interest	2,926,140	4,019,170	-	6,945,310
2038	Principal	10,095,000	11,770,000	-	21,865,000
	Interest	2,642,729	3,657,828	-	6,300,557
2039	Principal	10,380,000	12,020,000	-	22,400,000
	Interest	2,351,085	3,289,798	-	5,640,883
2040	Principal	10,675,000	12,275,000	-	22,950,000
	Interest	2,051,207	2,914,774	-	4,965,981
2041	Principal	10,990,000	12,550,000	-	23,540,000
	Interest	1,742,806	2,519,417	-	4,262,223
2042	Principal	11,305,000	12,860,000	-	24,165,000
	Interest	1,425,305	2,097,568	-	3,522,873
2043	Principal	11,645,000	13,175,000	-	24,820,000
	Interest	1,087,398	1,661,295	-	2,748,693
2044	Principal	11,995,000	13,500,000	-	25,495,000
	Interest	739,329	1,215,411	-	1,954,740
2045	Principal	12,740,000	14,145,000	-	26,885,000
	Interest	380,799	755,014	-	1,135,813
2046	Principal	-	2,630,000	-	2,630,000
	Interest	-	467,400	-	467,400
2047	Principal	-	2,615,000	-	2,615,000
	Interest	-	362,500	-	362,500
2048	Principal	-	2,600,000	-	2,600,000
	Interest	-	258,200	-	258,200
2049	Principal	-	2,585,000	-	2,585,000
	Interest	-	154,500	-	154,500
2050	Principal	-	2,570,000	-	2,570,000
	Interest	-	51,400	-	51,400
Total Principal		209,165,000	276,193,142	36,690,000	522,048,142
Total Interest		71,440,950	103,253,883	3,759,705	178,454,538
Total Future Debt Payments		<u>\$ 280,605,950</u>	<u>\$ 379,447,025</u>	<u>\$ 40,449,705</u>	<u>\$ 700,502,680</u>

Source: Sewerage and Water Board of New Orleans

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
ANNUAL REPORT 2023 - FOR THE CALENDAR YEAR ENDING DECEMBER 31, 2023
CAPITAL ASSET STATISTICS BY FUNCTION
Last Ten Fiscal Years
(Unaudited)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Water:										
Water Lines [miles]	1,812	1,819	1,823	1,826	1,834	1,835	1,835	1,835	1,538	1,565
Water Valves	29,730	29,791	29,831	29,940	29,990	30,316	30,638	30,652	14,072	14,307
Fire Hydrants	23,117	23,130	23,146	23,214	23,264	23,264	23,624	23,624	15,342	15,396
Sewer:										
Sewer Lines [miles]	1,547	1,561	1,568	1,585	1,602	1,605	1,605	1,605	1,334	1,334
Sewer Force Mains									122	124
Sewer Manholes	23,042	23,051	23,115	23,158	23,208	23,229	23,229	23,234	29,018	29,104

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
December 31, 2023
NUMBER OF ACTIVE EMPLOYEES
Last Ten Fiscal Years
(Unaudited)

Year	Number of Active Employees
2023	1278
2022	1224
2021	1185
2020	1256
2019	1483
2018	1210
2017	1083
2016	1108
2015	1183
2014	1060

Source: Sewerage and Water Board of New Orleans



SUPPLEMENTAL SECTION



INFRASTRUCTURE RESILIENCY & RELIABILITY

We seek to improve the efficiency and resilience of current and future infrastructure by leveraging partnerships and innovative approaches to funding and sustainable design.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
December 31, 2023
ACTUAL CAPITAL EXPENDITURES

WATER DEPARTMENT

C.P.# **WATERWORKS**

110	Normal Extension & Replacement	\$	581,622
122	Sycamore and Claiborne Filter Rehabilitation		1,915,095
135	Prchs Ferric Sulfate strg tank		18,358
156	Advanced Water Treatment (Carrollton)		61,969
157	Advanced Water Treatment (Algiers)		19,300
175	Water Hurricane Recovery Bonds		73,527,347
176	Additional JIRR Water Line Replacements Required for St. Recon.-WIFIA		3,272
	TOTAL WATERWORKS		76,126,963

WATER DISTRIBUTION

214	Normal Extension & Replacement		2,045,066
216	Water System Replacment Program		665,000
239	Mains DPW Contracts		2,543,917
	TOTAL WATER DISTRIBUTION		5,253,983

POWER PROJECTS AND GENERAL BUDGET

600	Water Share of Power Projects		1,984,174
800	Water Share of General Budget Items		18,326,739
	TOTAL POWER PROJECTS AND GENERAL BUDGET		20,310,913
	TOTAL WATER DEPARTMENT	\$	101,691,859

NOTE: These figures do not include proration of interest expense.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
December 31, 2023
ACTUAL CAPITAL EXPENDITURES

SEWERAGE DEPARTMENT

<u>C.P.#</u>	<u>SEWERAGE SYSTEM</u>		
317	Ext & Replace - Gravity Mains EPA Consent Decree	\$	61,910,816
318	Point Repairs Various Sites		8,137,946
326	Ext. Rep to plumbing Stations EPA Consent Decree		330,056
339	Main in Streets Dept. Contracts		583,429
348	Normal Extensions & Replacements		<u>2,720,626</u>
	TOTAL SEWERAGE SYSTEM		<u>73,682,873</u>
 <u>POWER PROJECTS AND GENERAL BUDGET</u>			
600	Sewerage Share of Power Projects		1,942,464
800	Sewerage Share of General Budget Items		<u>19,924,714</u>
	TOTAL POWER PROJECTS AND GENERAL BUDGET		<u>21,867,178</u>
	TOTAL SEWERAGE DEPARTMENT	\$	<u><u>95,550,051</u></u>

NOTE: These figures do not include proration of interest expense.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
December 31, 2023
ACTUAL CAPITAL EXPENDITURES

DRAINAGE DEPARTMENT

<u>C.P.#</u>	<u>CANALS</u>	
417	SELA Project Design/Construction	\$ 1,670,912
439	Major Drainage Participation in DPW Projects	525,902
471	SELA Program Management	395,680
497	Florida Ave. Canal - DPS#19 to Peoples Ave. (SELA-B)	384,351
498	Dwyer Intake Canal(St. Charles Canal to Dwyer DPS)(SELA)	376,889
	TOTAL CANALS	3,353,734
 <u>PUMPING STATIONS</u>		
511	Normal Extension & Rep./Stations	558,493
	TOTAL PUMPING STATIONS	558,493
 <u>POWER PROJECTS AND GENERAL BUDGET</u>		
600	Drainage Share of Power Projects	57,026,205
800	Drainage Share of General Budget Items	11,183,737
	TOTAL POWER PROJECTS AND GENERAL BUDGET	68,209,942
	TOTAL DRAINAGE DEPARTMENT	\$ 72,122,169

NOTE: These figures do not include proration of interest expense.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
December 31, 2023
ACTUAL CAPITAL EXPENDITURES

POWER PROJECTS

<u>C.P.#</u>	<u>POWER PROJECTS</u>	<u>Water</u>	<u>Sewerage</u>	<u>Drainage</u>	<u>Total</u>
676	Modification to Power Generating System (HMGP)	\$ 1,979,031	\$ 1,939,281	\$ 46,691,789	\$ 50,610,101
677	Power Program - Non FEMA	5,143	3,183	9,334,417	9,342,743
	TOTAL POWER PROJECTS	<u>\$ 1,984,174</u>	<u>\$ 1,942,464</u>	<u>\$ 56,026,206</u>	<u>\$ 59,952,844</u>

NOTE: These figures do not include proration of interest expense.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

December 31, 2023

ACTUAL CAPITAL EXPENDITURES

GENERAL BUDGET ITEMS

<u>C.P.#</u>	<u>General Budget Items</u>	<u>Water</u>	<u>Sewerage</u>	<u>Drainage</u>	<u>Total</u>
807	Improvements to C.Y. and St. Joseph St. & CWP	\$ 49,927	\$ 49,927	\$ 49,927	\$ 149,781
808	Improvements to Customer Service Satellite	267,577	88,598	88,598	444,773
810	Major Equipment Purchases	1,996,184	1,996,184	1,996,184	5,988,552
812	Computer Systems Development	412,971	412,971	412,971	1,238,913
820	Overhead Charged to Capital	7,185,626	9,992,289	4,491,541	21,669,456
823	Purchase of Water Meters	137,888	137,888	-	275,776
824	Meter Boxes and Meter Parts	722,307	722,306	-	1,444,613
825	Automated Meter Infrastructure	5,219,161	5,219,161	2,568,809	13,007,131
843	Minor Equipment Purchases	1,126,411	1,305,390	1,305,390	3,737,191
862	Purchase of Fire Hydrants and Related Parts	1,208,687	-	-	1,208,687
879	Green Infrastructure	-	-	270,318	270,318
	TOTAL GENERAL BUDGET ITEMS	<u>\$ 18,326,739</u>	<u>\$ 19,924,714</u>	<u>\$ 11,183,738</u>	<u>\$ 49,435,191</u>

NOTE: These figures do not include proration of interest expense.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
PAY WATER CONSUMPTION (IN GALLONS) - 2023

Month	Consumption
January	1,272,514,500
February	2,345,917,300
March	1,412,832,400
April	1,473,827,900
May	1,439,930,300
June	1,150,543,700
July	1,394,109,700
August	1,971,100,000
September	1,196,690,200
October	1,050,787,400
November	1,091,652,100
December	<u>1,320,479,000</u>
Total Customer Water Metered	<u><u>17,120,384,500</u></u>

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
MONTHLY WATER AND SEWERAGE COLLECTIONS - 2023
December 31, 2023

MONTHLY WATER CHARGES COLLECTED - 2023

Months	Water Service Charges & Fees	Delinquent Fees	Total
January	\$ 9,204,170	\$ 158,891	\$ 9,363,061
February	8,140,581	143,469	8,284,050
March	10,274,502	139,086	10,413,588
April	10,827,438	226,575	11,054,013
May	13,890,509	398,853	14,289,362
June	8,731,141	136,786	8,867,927
July	9,992,191	168,911	10,161,102
August	11,111,637	176,128	11,287,765
September	8,255,344	151,470	8,406,814
October	10,642,031	186,606	10,828,637
November	11,196,064	224,825	11,420,889
December	9,389,180	171,443	9,560,623
	<u>\$ 121,654,788</u>	<u>\$ 2,283,043</u>	<u>\$ 123,937,831</u>

MONTHLY SEWERAGE CHARGES COLLECTED - 2023

Months	Sewerage Service Charges	Delinquent Fees	Total
January	\$ 6,820,483	\$ 203,592	\$ 7,024,075
February	11,844,884	189,235	12,034,119
March	13,236,545	169,929	13,406,474
April	8,435,110	227,130	8,662,240
May	9,887,988	474,415	10,362,403
June	11,579,771	159,921	11,739,692
July	11,507,025	211,915	11,718,940
August	13,007,035	233,732	13,240,767
September	13,730,229	189,003	13,919,232
October	12,428,352	246,201	12,674,553
November	9,876,919	294,744	10,171,663
December	10,079,077	216,057	10,295,134
	<u>\$ 132,433,418</u>	<u>\$ 2,815,874</u>	<u>\$ 135,249,292</u>

SEWERAGE AND WATER BOARD OF NEW ORLEANS

TABLES OF WATER PURIFICATION OPERATIONS AND WATER AND SEWERAGE DISTRIBUTION SYSTEMS - 2023

TABLE I

CARROLLTON TURBIDITIES

	River (NTU)					Effluent Settling Reservoirs (NTU)					Filters (NTU)				
	2019	2020	2021	2022	2023	2019	2020	2021	2022	2023	2019	2020	2021	2022	2023
Maximum	174	131	169	150	170	12	7.1	12	5.8	34	0.33	0.23	0.23	0.26	0.30
Minimum	12	13	8	6	4	0.8	0.7	0.9	0.7	0.7	0.04	0.04	0.03	0.04	0.04
Average	55	38	47	41	37	2.5	2.2	2.5	2.4	3.1	0.13	0.12	0.09	0.10	0.11

TABLE II

CARROLLTON ALKALINITIES

PARTS PER MILLION

	River					Effluent Settling Reservoirs					Filters				
	2019	2020	2021	2022	2023	2019	2020	2021	2022	2023	2019	2020	2021	2022	2023
Maximum	147	148	153	162	159	142	139	151	160	149	162	186	171	179	171
Minimum	81	84	85	82	79	68	70	72	70	66	100	95	95	100	87
Average	118	114	114	117	115	107	102	105	109	106	136	125	127	133	129

TABLE II A

CARROLLTON HARDNESS

PARTS PER MILLION

	NON-CARBONATE HARDNESS										TOTAL HARDNESS									
	RIVER					FILTERS					RIVER					FILTERS				
	2019	2020	2021	2022	2023	2019	2020	2021	2022	2023	2019	2020	2021	2022	2023	2019	2020	2021	2022	2023
Maximum	72	54	51	84	66	87	78	71	72	85	198	193	188	201	204	224	210	210	218	227
Minimum	15	20	10	3	0	11	17	17	2	3	100	110	110	100	95	140	135	130	125	106
Average	37	34	29	28	28	46	41	38	36	35	155	148	144	145	143	182	168	165	169	163

TABLE III

CARROLLTON BACTERIAL CHARACTERISTICS

TOTAL COLIFORM ANALYSIS

2023	River	Plant Tap	Distribution System
Maximum (Colonies / 100 ml)	2,000	0	8
Minimum (Colonies / 100 ml)	28	0	0
Average (colonies / 100 ml)	370	0	0
Number of Samples	229	365	2,196
Number of Samples Negative	0	365	2,189
Number of Samples Positive	229	0	7

* None of these 7 total coliform positive samples were *E. coli* positive, and none resulted in a violation of the Total Coliform Rule.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

TABLE IV-A

PRINCIPLE RESULTS OF OPERATION OF THE G3 CONVENTIONAL UNIT AT THE CARROLLTON WATER PURIFICATION PLANT FOR THE YEAR ENDING: December 31, 2023

1	2	3	4	5	6	7	8	9	10	11	12	13
Month		Volume of Water Treated During Month (Millions of Gallons)	Volume of Water Treated (Millions of Gallons Per Day)	Total Pounds of Polymer Used at Intake During Month	Polymer Used at Intake (ppm)	Total Pounds of Polymer Used in Plant During Month	Polymer Used in Plant (ppm)	Total Pounds of Pure Iron (Fe) Used During Month	Pure Iron (Fe) (ppm)	Turbidity of River Water (NTU)	Alkalinity of River Water (ppm as CaCO3)	Turbidity of Unit Effluent (NTU)
January	Max		0.00							141	118	
	Min		0.00							20	87	
	Avg	0.00	0.00							78	99	
February	Max		0.00							167	108	
	Min	0.00	0.00							45	79	
	Avg		0.00							86	91	
March	Max		94.08		0.00		4.76		5.42	170	107	5.0
	Min	1,316.18	52.71	0	0.00	49,425	3.88		4.41	54	86	2.6
	Avg		82.26		0.00		4.50	56,173	5.11	91	94	3.7
April	Max		95.00		0.00		4.71		5.33	100	118	4.7
	Min	2,684.33	84.00	0	0.00	101,580	4.41	115,276	5.01	51	91	1.4
	Avg		89.48		0.00		4.54		5.15	67	101	2.9
May	Max		93.79		0.00		4.78		5.42	67	125	34.0
	Min	2,783.76	82.67	0	0.00	106,083	4.30	120,335	4.88	25	99	1.2
	Avg		89.80		0.00		4.57		5.18	44	110	4.1
June	Max		92.63		0.00		4.85		5.50	51	148	6.2
	Min	2,667.83	80.21	0	0.00	101,591	4.37	115,453	4.96	6	110	1.7
	Avg		88.93		0.00		4.57		5.19	14	128	3.2
July	Max		96.54		0.00		4.73		5.39	26	144	8.4
	Min	2,792.08	85.83	0	0.00	106,099	4.23	120,723	4.89	4	107	1.5
	Avg		90.07		0.00		4.56		5.18	9	126	3.4
August	Max		114.96		0.00		4.77		5.42	36	129	7.4
	Min	2,941.94	79.83	0	0.00	111,136	4.19	126,547	4.77	6	87	1.3
	Avg		94.90		0.00		4.53		5.16	19	106	3.7
September	Max		99.63		0.00		4.79		5.44	38	146	8.4
	Min	2,791.42	86.38	0	0.00	105,946	4.07	120,429	4.63	4	94	2.1
	Avg		93.05		0.00		4.55		5.17	13	119	4.6
October	Max		101.50		0.00		4.57		5.20	38	159	7.6
	Min	2,956.25	88.71	0	0.00	101,891	3.75	115,898	4.26	5	123	2.1
	Avg		95.36		0.00		4.13		4.70	8	144	4.6
November	Max		98.58		0.00		4.36		4.95	13	153	10.0
	Min	2,797.17	87.58	0	0.00	93,407	3.60	106,196	4.09	6	117	1.4
	Avg		93.24		0.00		4.01		4.55	10	140	5.0
December	Max		100.83		0.00		4.47		5.07	15	135	7.9
	Min	2,923.25	87.83	0	0.00	98,778	3.81	112,162	4.33	5	108	3.1
	Avg		94.30		0.00		4.05		4.60	8	123	5.1
Annual	Total	26,654.22		0		975,937		1,109,193				
	Max	2,956.25	114.96	0	0.00	111,136	4.85	126,547	5.50	170	159	34.0
	Min	0.00	0.00	0	0.00	49,425	3.60	56,173	4.09	4	79	1.2
	Avg	2,221.18	91.60	0	0.00	97,594	4.39	110,919	4.99	37	115	4.0

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

TABLE IV-B

**PRINCIPLE RESULTS OF OPERATION OF THE G4 CONVENTIONAL UNIT AT THE
CARROLLTON WATER PURIFICATION PLANT FOR THE YEAR ENDING: December 31, 2023**

1	2	3	4	5	6	7	8	9	10	11	12	13
Month		Volume of Water Treated During Month (Millions of Gallons)	Volume of Water Treated (Millions of Gallons Per Day)	Total Pounds of Polymer Used at Intake During Month	Polymer Used at Intake (ppm)	Total Pounds of Polymer Used in Plant During Month	Polymer Used in Plant (ppm)	Total Pounds of Pure Iron (Fe) Used During Month	Pure Iron (Fe) (ppm)	Turbidity of River Water (NTU)	Alkalinity of River Water (ppm as CaCO ₃)	Turbidity of Unit Effluent (NTU)
January	Max		97.33		0.00		4.72		5.24	141	118	7.0
	Min	2,850.04	87.13	0	0.00	107,884	4.17	119,733	4.62	20	87	1.5
	Avg		91.94		0.00		4.54		5.04	78	99	3.9
February	Max		95.04		0.00		4.80		5.32	167	108	6.2
	Min	2,501.67	80.63	0	0.00	95,029	4.30	105,330	4.76	45	79	1.5
	Avg		89.35		0.00		4.56		5.05	86	91	3.7
March	Max		95.63		0.00		4.89		5.53	170	107	6.0
	Min	1,434.98	24.63	0	0.00	53,887	4.16	59,867	4.60	54	86	1.1
	Avg		79.72		0.00		4.53		5.04	91	94	3.2
April	Max		0.00							100	118	
	Min	0.00	0.00							51	91	
	Avg		0.00							67	101	
May	Max		0.00							67	125	
	Min	0.00	0.00							25	99	
	Avg		0.00							44	110	
June	Max		0.00							51	148	
	Min	0.00	0.00							6	110	
	Avg		0.00							14	128	
July	Max		0.00							26	144	
	Min	0.00	0.00							4	107	
	Avg		0.00							9	126	
August	Max		0.00							36	129	
	Min	0.00	0.00							6	87	
	Avg		0.00							19	106	
September	Max		0.00							38	146	
	Min	0.00	0.00							4	94	
	Avg		0.00							13	119	
October	Max		0.00							38	159	
	Min	0.00	0.00							5	123	
	Avg		0.00							8	144	
November	Max		0.00							13	153	
	Min	0.00	0.00							6	117	
	Avg		0.00							10	140	
December	Max		0.00							15	135	
	Min	0.00	0.00							5	108	
	Avg		0.00							8	123	
Annual	Total	6,786.69		0		256,799		284,930				
	Max	2,850.04	97.33	0	0.00	107,884	4.89	119,733	5.53	170	159	7.0
	Min	0.00	0.00	0	0.00	53,887	4.16	59,867	4.60	4	79	1.1
	Avg	565.56	88.14	0	0.00	85,600	4.54	94,977	5.03	37	115	3.7

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

TABLE IV-C

**PRINCIPLE RESULTS OF OPERATION OF THE L3 CONVENTIONAL UNIT AT THE
CARROLLTON WATER PURIFICATION PLANT FOR THE YEAR ENDING: December 31, 2023***

1	2	3	4	5	6	7	8	9	10	11	12	13
Month		Volume of Water Treated During Month (Millions of Gallons)	Volume of Water Treated (Millions of Gallons Per Day)	Total Pounds of Polymer Used at Intake During Month	Polymer Used at Intake (ppm)	Total Pounds of Polymer Used in Plant During Month	Polymer Used in Plant (ppm)	Total Pounds of Pure Iron (Fe) Used During Month	Pure Iron (Fe) (ppm)	Turbidity of River Water (NTU)	Alkalinity of River Water (ppm as CaCO ₃)	Turbidity of Unit Effluent (NTU)
January	Max Min Avg	0.00										
February	Max Min Avg	0.00										
March	Max Min Avg	0.00										
April	Max Min Avg	0.00										
May	Max Min Avg	0.00										
June	Max Min Avg	0.00										
July	Max Min Avg	0.00										
August	Max Min Avg	0.00										
September	Max Min Avg	0.00										
October	Max Min Avg	0.00										
November	Max Min Avg	0.00										
December	Max Min Avg	0.00										
Annual	Total Max Min Avg	0.00 0.00 0.00 0.00										

* No statistical data available; unit was not in operation in 2023

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

TABLE IV-D

**PRINCIPLE RESULTS OF OPERATION OF THE L4 CONVENTIONAL UNIT AT THE
CARROLLTON WATER PURIFICATION PLANT FOR THE YEAR ENDING: December 31, 2023**

1	2	3	4	5	6	7	8	9	10	11	12	13
Month		Volume of Water Treated During Month (Millions of Gallons)	Volume of Water Treated (Millions of Gallons Per Day)	Total Pounds of Polymer Used at Intake During Month	Polymer Used at Intake (ppm)	Total Pounds of Polymer Used in Plant During Month	Polymer Used in Plant (ppm)	Total Pounds of Pure Iron (Fe) Used During Month	Pure Iron (Fe) (ppm)	Turbidity of River Water (NTU)	Alkalinity of River Water (ppm as CaCO ₃)	Turbidity of Unit Effluent (NTU)
January	Max		66.21		0.00		4.83		5.39	141	118	5.3
	Min	1,859.54	54.38	0	0.00	70,618	4.42	78,671	4.92	20	87	1.6
	Avg		59.99		0.00		4.55		5.07	78	99	3.3
February	Max		66.25		0.00		5.17		5.75	167	108	6.0
	Min	1,691.86	56.67	0	0.00	65,846	3.94	73,348	4.40	45	79	2.6
	Avg		60.42		0.00		4.66		5.20	86	91	4.3
March	Max		66.96		0.00		5.26		5.85	170	107	6.0
	Min	1,871.17	55.46	0	0.00	71,318	4.41	80,054	4.92	54	86	2.4
	Avg		60.36		0.00		4.57		5.13	91	94	3.7
April	Max		65.08		0.00		4.86		5.54	100	118	4.9
	Min	1,767.42	53.29	0	0.00	66,895	4.20	76,230	4.79	51	91	1.6
	Avg		58.91		0.00		4.54		5.17	67	101	3.1
May	Max		64.42		0.00		5.06		5.78	67	125	3.1
	Min	1,795.30	53.13	0	0.00	67,784	4.31	77,275	4.89	25	99	1.0
	Avg		57.91		0.00		4.53		5.16	44	110	1.8
June	Max		57.46		0.00		5.10		5.83	51	148	2.8
	Min	1,550.29	44.63	0	0.00	57,588	0.00	67,977	4.90	6	110	0.8
	Avg		51.68		0.00		4.46		5.26	14	128	1.4
July	Max		57.92		0.00		4.97		5.67	26	144	3.3
	Min	1,699.67	50.13	0	0.00	64,804	4.35	73,880	4.95	4	107	0.9
	Avg		54.83		0.00		4.57		5.21	9	126	1.4
August	Max		67.71		0.00		4.90		7.07	36	129	2.5
	Min	1,668.64	26.21	0	0.00	60,896	2.12	72,359	4.83	6	87	0.9
	Avg		53.83		0.00		4.39		5.25	19	106	1.7
September	Max		66.00		0.00		5.01		5.59	38	146	2.7
	Min	1,698.33	47.67	0	0.00	64,238	4.19	73,228	4.76	4	94	1.2
	Avg		56.61		0.00		4.54		5.17	13	119	1.9
October	Max		65.08		0.00		5.02		5.72	38	159	2.6
	Min	1,730.58	48.54	0	0.00	61,109	3.88	69,592	4.42	5	123	1.0
	Avg		55.83		0.00		4.24		4.83	8	144	1.5
November	Max		66.71		0.00		4.50		5.14	13	153	3.2
	Min	1,827.83	55.71	0	0.00	61,762	3.76	70,183	4.29	6	117	0.7
	Avg		60.93		0.00		4.05		4.60	10	140	1.8
December	Max		67.58		0.00		4.45		4.81	15	135	2.6
	Min	1,844.33	51.75	0	0.00	61,320	3.64	69,552	4.13	5	108	1.3
	Avg		59.49		0.00		3.99		4.52	8	123	1.8
Annual	Total	21,004.97		0		774,179		882,349				
	Max	1,871.17	67.71	0	0.00	71,318	5.26	80,054	7.07	170	159	6.0
	Min	1,550.29	26.21	0	0.00	57,588	0.00	67,977	4.13	4	79	0.7
	Avg	1,750.41	57.55	0	0.00	64,515	4.42	73,529	5.04	37	115	2.3

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

TABLE IV-E

MONTHLY SUMMARY OF COMBINED OPERATION OF CONVENTIONAL UNITS AT THE
CARROLLTON WATER PURIFICATION PLANT FOR THE YEAR ENDING: December 31, 2023

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	
Month		Volume of Water Treated During Month (Millions of Gallons)	Volume of Water Treated (Millions of Gallons Per Day)	Total Pounds of Polymer Used at Intake During Month	Total Pounds of Polymer Used in Plant During Month	Total Pounds of Fluoride (100%) Used During Month	Fluoride (ppm)	Total Pounds of Pure Iron (Fe) Used During Month	Total Pounds of Lime Used During Month	Lime (ppm)	Total Pounds of Chlorine Used During Month	Chlorine (ppm)	Total Pounds of Anhydrous Ammonia Used During Month	Ammonia (ppm)	Total Pounds of Polyphosphate Used During Month	Poly-phosphate (ppm)	Alkalinity of Filtered Water (ppm)	Estimated High Lift	
																		Total M.G.	M.G.D.
January	Max.	4,709.58	157.08	0	178,501	17,871	0.53	198,404	916,444	26.22	194,083	5.21	46,388	1.25	30,523	0.90	133	4,346	147.67
	Min.		141.54				0.47			19.93		4.64		1.11		0.72	100		131.88
	Avg.		151.92				0.49			23.34		4.94		1.18		0.78	114		140.18
February	Max.		154.38				0.56			23.48		4.82		1.15		0.79	122		149.38
	Min.	4,193.53	142.33	0	160,875	16,203	0.46	178,678	653,449	16.24	164,189	4.52	39,303	1.08	27,014	0.75	87	3,828	124.92
	Avg.		149.77				0.51			18.67		4.69		1.12		0.77	102		136.72
March	Max.		156.88				0.52			21.12		4.97		1.19		0.80	120		145.92
	Min.	4,622.34	142.29	0	174,630	17,801	0.48	196,094	712,667	15.09	183,448	4.53	43,821	1.05	29,743	0.72	90	4,321	133.33
	Avg.		149.11				0.49			18.51		4.76		1.14		0.77	104		139.37
April	Max.		156.54				0.50			24.84		5.19		1.24		1.00	129		150.25
	Min.	4,451.75	141.17	0	168,475	17,121	0.43	191,506	822,359	18.06	182,960	4.65	43,845	1.11	28,998	0.72	96	4,334	138.29
	Avg.		148.39				0.47			22.15		4.93		1.18		0.78	113		144.47
May	Max.		151.46				0.48			28.54		5.53		1.43		0.80	140		153.25
	Min.	4,579.06	141.50	0	173,867	17,523	0.44	197,610	929,944	20.32	198,683	4.92	50,940	1.20	29,632	0.74	106	4,552	141.38
	Avg.		147.71				0.46			24.35		5.20		1.33		0.78	125		146.84
June	Max.		145.46				0.55			49.57		6.18		1.47		0.80	158		145.50
	Min.	4,218.13	129.46	0	159,180	17,261	0.46	183,430	895,179	20.67	195,352	5.32	48,444	1.31	27,510	0.76	120	4,072	128.79
	Avg.		140.60				0.51			25.50		5.56		1.38		0.78	141		135.74
July	Max.		150.71				0.59			30.10		7.18		1.38		0.80	159		147.04
	Min.	4,491.75	139.04	0	170,903	18,881	0.51	194,603	993,484	20.72	247,367	6.05	46,744	1.10	29,206	0.74	116	4,169	127.92
	Avg.		144.90				0.54			26.54		6.61		1.25		0.78	139		134.49
August	Max.		157.73				0.58			30.61		7.08		1.56		0.95	139		149.46
	Min.	4,610.58	132.98	0	172,032	18,842	0.49	198,906	995,348	21.30	245,430	5.91	54,356	1.28	29,919	0.71	102	4,162	126.88
	Avg.		148.73				0.54			25.90		6.38		1.41		0.78	120		134.24
September	Max.		155.50				0.56			28.32		6.61		1.42		0.81	160		140.13
	Min.	4,489.75	142.38	0	170,184	17,943	0.48	193,657	910,322	20.87	224,567	5.65	49,342	1.19	29,018	0.72	110	4,052	127.54
	Avg.		149.66				0.53			24.31		6.00		1.32		0.78	133		135.08
October	Max.		155.63				0.54			28.26		5.99		1.36		0.82	171		147.75
	Min.	4,686.83	144.17	0	163,001	18,236	0.46	185,490	958,343	20.94	223,294	5.47	45,781	1.01	30,302	0.74	130	4,412	136.04
	Avg.		151.19				0.50			24.52		5.71		1.17		0.78	158		142.34
November	Max.		163.33				0.50			26.03		5.60		1.35		0.83	171		156.42
	Min.	4,625.00	146.63	0	155,169	16,149	0.37	176,379	916,710	20.27	181,951	4.23	45,036	1.06	29,885	0.73	121	4,322	136.96
	Avg.		154.17				0.45			23.79		4.72		1.17		0.77	155		144.08
December	Max.		158.96				0.52			25.13		4.81		1.20		0.83	152		162.88
	Min.	4,767.58	146.92	0	160,098	16,014	0.15	181,714	911,358	19.66	178,932	4.32	44,353	1.04	30,772	0.74	113	4,591	140.04
	Avg.		153.79				0.42			22.92		4.50		1.12		0.77	138		148.09
Annual	Total	54,445.88		0	2,006,916	209,846		2,276,472	10,615,607		2,420,256		558,355		352,523			51,161.71	
	Max.	4,767.58	163.33	0	178,501	18,881	0.59	198,906	995,348	49.57	247,367	7.18	54,356	1.56	30,772	1.00	171	4,590.92	162.88
	Min.	4,193.53	129.46	0	155,169	16,014	0.15	176,379	653,449	15.09	164,189	4.23	39,303	1.01	27,014	0.71	87	3,828.17	124.92
	Avg.	4,537.16	149.17	0	167,243	17,487	0.46	189,706	884,634	23.38	201,688	5.33	46,530	1.23	29,377	0.78	129	4,263.48	140.17

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

TABLE V

PRINCIPLE RESULTS OF OPERATION OF THE ALGIERS WATER PURIFICATION PLANT FOR THE YEAR ENDING: December 31, 2023

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	
Month		Low Lift Total Million Gallons of Water Treated During Month	Amount of Water Treated Million Gallons Per 24 Hours	Total Pounds of Polyelectr olyte Used During Month	Polyelectr olyte Parts Per Million	Total Pounds of Fluoride (100%) Used During Month	Fluoride Parts Per Million	Total Pounds of Pure Iron (Fe) used During Month	Pure Iron (Fe) Parts Per Million	Total Pounds of Lime Used During Month	Lime Parts Per Million	Total Pounds of Anhydrous Ammonia Used During Month	Anhydrous Ammonia Parts Per Million	Total Pounds Chlorine Used During Month	Chlorine Parts Per Million	Total Pounds Polyphosph ate Used During Month	Polyphosph ate Parts Per Million	NTU Turbidity of Clarifier Effluent	PPM Clear Well Alkalinity of Filter Effluent	High Lift Pumpage	
																				Total M.G.D.	M.G.D.
January	Max		12.00		4.55		0.59		7.88		57.77		1.00		4.52		0.99		5.2	76	10.13
	Min		10.00	13,488	3.74	1,733	0.56		6.42	128,521	29.97	0.83		3.76	2,333	0.66	0.5		42	290.96	8.76
	Avg	357.74	11.54		4.50		0.57	20,812	6.98		43.17	2,670	0.89	12,615	4.36	0.80	1.8		62		9.39
February	Max		12.00		4.57		0.61		7.12		59.79		0.90		4.39		0.99		3.2	70	10.23
	Min	323.92	10.00	12,267	4.50	1,576	0.56	19,241	7.06	156,682	38.36	2,356	0.78	11,443	3.80	0.66	0.3		48	259.08	8.30
	Avg		11.57		4.53		0.58		7.12		46.36		0.87		4.24		0.76	1.4	58		9.25
March	Max		12.00		5.00		0.66		7.78		51.29		0.93		4.61		0.99		6.3	75	11.08
	Min	356.43	10.00	13,540	4.51	1,866	0.59	21,235	7.12	113,401	29.97	2,638	0.83	12,940	4.15	0.66	0.3		35	311.61	9.11
	Avg		11.50		4.54		0.62		7.14		38.14		0.88		4.34		0.73	1.2	58		10.05
April	Max		12.00		4.56		0.66		7.12		54.91		1.01		4.74		0.99		2.9	73	10.38
	Min	347.50	10.25	13,129	4.32	1,859	0.60	20,648	7.12	132,672	40.04	2,549	0.81	12,884	4.19	0.66	0.4		45	296.34	9.15
	Avg		11.58		4.52		0.65		7.12		45.76		0.87		4.44		0.73	1.2	59		9.88
May	Max		13.50		4.56		0.67		7.12		64.99		1.13		4.75		1.00		3.2	76	12.11
	Min	366.09	10.33	13,883	4.51	1,985	0.62	21,452	7.12	156,599	40.40	3,220	0.97	13,493	4.11	0.66	0.3		40	317.73	9.56
	Avg		11.81		4.54		0.65		7.12		49.80		1.05		4.42		0.75	1.2	54		10.25
June	Max		14.42		4.55		0.68		7.13		75.10		1.18		5.06		1.00		9.1	73	12.83
	Min	372.89	10.33	14,094	4.36	2,023	0.63	22,123	6.88	187,324	45.08	3,513	1.06	14,977	4.50	0.57	0.7		39	337.37	9.93
	Avg		12.43		4.53		0.65		7.12		60.25		1.13		4.81		0.77	4.1	54		11.25
July	Max		16.00		4.57		0.68		7.13		86.95		1.35		5.41		0.90		15.0	62	14.69
	Min	436.68	12.00	16,519	4.51	2,303	0.57	25,773	5.92	228,902	44.99	4,252	1.08	18,245	4.63	0.50	3.1		29	392.45	11.23
	Avg		14.09		4.53		0.63		7.08		62.93		1.16		5.01		0.66	8.4	47		12.66
August	Max		16.00		4.58		0.68		7.80		74.94		1.38		5.60		0.88		15.0	98	15.37
	Min	463.65	12.00	17,504	3.75	2,311	0.58	27,617	7.12	225,175	42.66	4,678	1.09	20,174	4.68	0.49	1.5		30	430.24	12.33
	Avg		14.96		4.52		0.60		7.14		58.32		1.21		5.22		0.60	6.2	48		13.88
September	Max		18.00		4.55		0.67		7.12		69.96		1.20		5.25		0.75		15.0	102	16.07
	Min	479.18	13.25	18,161	4.53	2,435	0.58	25,697	5.57	237,358	46.01	4,410	1.06	19,344	4.51	0.49	2.4		37	447.31	13.18
	Avg		15.97		4.54		0.61		6.43		59.45		1.10		4.93		0.55	5.3	57		14.91
October	Max		18.00		4.96		0.66		4.56		76.18		1.19		5.19		0.62		13.0	101	16.88
	Min	494.34	14.00	18,619	3.95	2,591	0.56	24,726	3.95	280,198	57.13	4,376	0.88	19,199	3.89	0.37	2.1		49	457.60	13.50
	Avg		15.95		4.37		0.63		4.52		65.77		1.06		4.66		0.54	6.4	65		14.76
November	Max		18.00		4.56		0.63		6.04		70.02		1.02		4.40		0.57		11.0	115	16.44
	Min	486.42	14.00	18,415	4.52	2,464	0.56	24,480	6.03	244,914	50.00	3,936	0.50	17,214	4.17	0.37	1.1		50	421.28	11.32
	Avg		16.21		4.53		0.61		6.03		62.06		0.90		4.22		0.55	4.2	68		14.04
December	Max		16.00			2,292											0.57		8.8	83	14.99
	Min	480.75	14.00	18,256				24,226		199,865			3,544		15,922		0.50	0.7	32	427.68	11.33
	Avg		15.51														0.53	3.2	60		13.80
Annual	Total	4,965.59		187,875		25,438		278,030		2,291,611		42,142		188,450		26,767				4,389.65	
	Max	494.34	18.00	18,619	5.00	2,591	0.68	27,617	7.88	280,198	86.95	4,678	1.38	20,174	5.60	2,400	1.00	15.0	115	457.60	16.88
	Min	323.92	10.00	12,267	3.74	1,576	0.56	19,241	3.95	113,401	29.97	2,356	0.50	11,443	3.76	2,066	0.37	0.3	29	259.08	8.30
	Avg	413.80	13.60	15,656	4.54	2,120	0.61	23,169	6.71	190,968	55.34	3,512	1.02	15,704	4.55	2,231	0.65	3.7	58	365.80	12.03

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

TABLE VI-A

MONTHLY SUMMARY OF CARROLLTON WATER PURIFICATION PLANT FILTER OPERATIONS FOR THE YEAR ENDING: December 31, 2023

1 Month	2	3 Total Million Gallons Water Filtered During Month		4 Total Number of Runs		5 Length of Runs in Hours		6 Million Gallons of Water Filtered Per Run		7 Million Gallons Per Day Per Filter		8 Total Amount in Million Gallons of Wash Water Used		9 Million Gallons of Wash Water Used Per Run		10 Percentage of Wash Water Used Per Run		11 Million Gallons Filtered Per Acre Per Day	
		Old	New	Old	New	Old	New	Old	New	Old	New	Old	New	Old	New	Old	New	Old	New
January	Max Min Avg	1,862.470	2368.854	79	76	239 102 165	217 48 151	40.310 2.980 23.575	49.729 12.000 31.169	3.429	4.987	20.960	54.400	0.265	0.716	8.90 0.65 1.12	5.95 1.43 2.29	104.403	82.754
February	Max Min Avg	1,621.913	2142.374	68	64	191 135 167	214 61 167	35.020 3.000 23.851	49.041 10.947 33.475	3.420	4.811	19.922	51.000	0.292	0.708	9.76 0.83 1.22	6.46 1.44 2.12	104.123	79.834
March	Max Min Avg	2,047.078	2420.421	94	72	215 23 156	212 124 159	41.620 2.440 21.777	48.583 10.947 33.617	3.350	5.074	29.157	47.200	0.310	0.674	12.71 0.74 1.42	3.17 1.39 2.00	101.985	84.204
April	Max Min Avg	1,782.510	2478.813	73	78	239 51 169	174 138 150	42.820 1.960 24.416	42.218 20.562 31.779	3.476	5.098	35.870	37.800	0.491	0.484	25.07 1.14 2.01	2.35 1.14 1.52	105.816	84.596
May	Max Min Avg	1,894.710	2610.620	81	78	243 111 170	187 123 151	46.616 2.480 23.391	48.190 18.220 33.470	3.310	5.285	23.550	56.600	0.290	0.726	11.72 0.62 1.24	3.98 1.51 2.17	100.764	87.699
June	Max Min Avg	1,878.920	2110.520	77	74	215 95 168	172 121 151	45.810 2.470 24.401	37.382 19.010 28.520	3.493	4.545	24.830	51.800	0.322	0.700	13.02 0.70 1.32	3.68 1.87 2.45	106.342	75.424
July	Max Min Avg	1,860.690	2169.180	80	78	198 135 154	192 109 159	34.010 3.310 23.258	42.500 17.646 27.810	3.623	4.174	38.670	63.800	0.483	0.817	14.57 1.42 2.07	4.63 1.92 2.94	110.310	69.266
August	Max Min Avg	2,013.070	2127.940	79	64	287 111 178	298 5 176	53.440 3.480 25.481	72.450 12.828 33.249	3.430	4.536	36.260	52.000	0.459	0.742	13.19 0.85 1.80	5.79 1.02 2.23	104.436	75.276
September	Max Min Avg	1,917.940	1990.950	77	76	210 117 168	202 61 153	40.500 3.559 24.908	38.047 9.696 26.196	3.547	4.096	39.210	58.600	0.509	0.732	14.30 1.25 2.04	7.55 1.92 2.79	107.998	67.979
October	Max Min Avg	2,303.410	1809.090	90	76	335 67 164	335 67 155	41.875 2.884 25.593	47.500 19.163 23.803	3.743	3.678	39.870	24.800	0.443	0.702	15.36 1.05 1.73	3.66 1.47 2.95	113.955	61.037
November	Max Min Avg	1,964.010	2029.510	91	72	219 51 162	173 126 149	40.150 1.040 21.582	41.788 18.912 28.882	3.201	4.652	38.770	50.000	0.426	0.694	40.89 1.06 1.97	3.67 1.66 2.17	97.441	77.195
December	Max Min Avg	2,369.680	2384.930	91	70	269 65 175	230 39 181	44.366 1.350 26.040	57.475 65.050 34.070	3.572	4.526	42.800	53.600	0.470	0.744	34.71 1.06 1.80	11.44 1.29 2.18	108.736	75.107
Annual	Total Max Min Avg	23,516.401 2,369.680 1,621.913 1,959.700	26643.202 2610.620 1809.090 2220.267	980 94 68 82	878 78 64 73	335 335 23 166	335 335 5 158	53.440 53.440 1.040 24.023	72.450 72.450 9.696 30.503	3.743 3.743 3.201 3.466	5.285 5.285 3.678 4.622	42.800 42.800 19.922 32.489	63.800 63.800 24.800 50.133	0.509 0.509 0.265 0.397	0.817 0.817 0.484 0.703	40.89 40.89 0.62 1.65	11.44 11.44 1.02 2.32	113.955 113.955 97.441 105.526	87.699 87.699 61.037 76.698

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

TABLE VI-B

MONTHLY SUMMARY OF ALGIERS WATER PURIFICATION PLANT FILTER OPERATIONS FOR THE YEAR ENDING: December 31, 2023

1	2	3	4	5	6	7	8	9	10
Month		Total Million Gallons Water Filtered During Month of Run	Total Number of Runs	Length of Runs in Hours	Million Gallons of Water Filtered Per Run	Million Gallons Per Day Per Filter	Total Amount in Million Gallons of Wash Water Used	Million Gallons of Wash Water Used Per Run	Percentage of Wash Water Used Per Run
January	Max	316.36	54	167	12.519	0.87	5.72	0.106	20.72
	Min			143	0.511				0.85
	Avg			161	5.858				1.81
February	Max	271.94	48	167	12.861	0.81	5.72	0.106	15.84
	Min			167	0.613				0.76
	Avg			167	5.665				1.71
March	Max	275.99	54	167	10.337	0.73	5.20	0.096	16.71
	Min			167	0.576				0.93
	Avg			167	5.111				1.88
April	Max	231.13	48	167	9.695	0.69	4.95	0.103	14.80
	Min			167	0.697				1.06
	Avg			167	4.815				2.14
May	Max	273.25	57	167	9.958	0.69	5.46	0.096	9.51
	Min			167	1.008				0.96
	Avg			167	4.794				2.00
June	Max	239.07	51	167	10.076	0.67	5.49	0.108	9.04
	Min			167	1.191				1.07
	Avg			167	4.688				2.29
July	Max	337.33	51	167	13.071	0.95	6.40	0.126	14.83
	Min			167	0.847				0.96
	Avg			167	6.614				1.90
August	Max	483.65	57	167	17.649	1.22	7.51	0.132	3.20
	Min			167	4.121				0.75
	Avg			167	8.485				1.55
September	Max	444.73	51	191	22.350	1.40	5.56	0.109	3.80
	Min			119	2.867				0.49
	Avg			150	8.720				1.24
October	Max	483.56	54	191	16.788	1.31	6.60	0.122	2.65
	Min			143	4.607				0.73
	Avg			164	8.955				1.36
November	Max	517.09	54	191	18.993	1.38	6.09	0.113	2.95
	Min			143	3.820				0.59
	Avg			167	9.576				1.18
December	Max	420.89	48	167	20.497	1.26	5.53	0.115	2.64
	Min			167	4.357				0.56
	Avg			167	8.769				1.31
Annual	Total	4294.99	627				70.22		
	Max	517.09	57	191	22.350	1.40	7.51	0.132	20.72
	Min	231.13	48	119	0.511	0.67	4.95	0.096	0.49
	Avg	357.92	52	165	6.837	1.00	5.85	0.11	4.08

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

December 31, 2023

TABLE VII

FIVE YEAR ANALYSIS COMPOSITE DATA (2018 - 2023) FOR NEW ORLEANS CARROLLTON DRINKING WATER PURIFICATION SYSTEM

PARAMETER	MISSISSIPPI RIVER (Before Purification)			FINISHED WATER (After Purification)		
	MAX	MIN	AVG	MAX	MIN	AVG
Total Alkalinity (ppm as CaCO ₃)	162	81	116	180	94	130
Total Hardness (ppm as CaCO ₃)	201	81	148	220	127	171
Noncarbonate Hardness (ppm as CaCO ₃)	84	3	32	86	7	41
Calcium Hardness (ppm as CaCO ₃)	152	67	96	157	94	119
Magnesium Hardness (ppm as CaCO ₃)	116	13	44	106	16	52
Nephelometric Turbidity (NTU)	174	6	45	0.2	0.04	0.10
pH	8.34	6.88	7.79	9.41	8.21	8.90
Chloride (ppm)	47	15	26	51	19	30
Fluoride (ppm)	0.34	0.1	0.17	0.95	0.49	0.69
Total Dissolved Solids (ppm)	298	2	94	355	154	255
Total Suspended Solids (ppm)	338	19	211	-----	-----	-----
Free Chlorine Residual (ppm as Cl ₂)	-----	-----	-----	0.5	0.1	0.1
Total Chlorine Residual (ppm as Cl ₂)	-----	-----	-----	4.8	0.0	3.2
Ammonia (ppm as N)	-----	-----	-----	0.33	0.02	0.14
Nitrate + Nitrite (ppm as N) *	-----	-----	-----	1.3	1.0	1.2
Sulfate (ppm) *	-----	-----	-----	54	28	42
Conductivity (µS/cm)	615	286	410	666	310	461
Temperature (°F)	88	37	66	93	52	73
Aluminum (ppm) *	-----	-----	-----	0.08	0.00	0.04
Antimony (ppm) *	-----	-----	-----	0.000	0.000	0.000
Arsenic (ppm) *	-----	-----	-----	0.001	0.000	0.000
Barium (ppm) *	-----	-----	-----	0.1	0.0	0.0
Beryllium (ppm) *	-----	-----	-----	0.000	0.000	0.000
Cadmium (ppm) *	-----	-----	-----	0.000	0.000	0.000
Chromium (ppm) *	-----	-----	-----	0.000	0.000	0.000
Copper (ppm) *	-----	-----	-----	0.2	0.0	0.0
Iron (ppm) *	-----	-----	-----	0.02	0.00	0.00
Lead (ppm) *	-----	-----	-----	0.026	0.000	0.004
Manganese (ppm) *	-----	-----	-----	0.00	0.00	0.00
Mercury (ppm) *	-----	-----	-----	0.000	0.000	0.000
Nickel (ppm) *	-----	-----	-----	0.0	0.0	0.0
Selenium (ppm) *	-----	-----	-----	0.000	0.000	0.000
Silver (ppm) *	-----	-----	-----	0.02	0.00	0.00
Thallium (ppm) *	-----	-----	-----	0.000	0.000	0.000
Zinc (ppm) *	-----	-----	-----	0.0	0.0	0.0
Potassium (ppm) *	-----	-----	-----	4.0	0.0	2.6
Sodium (ppm) *	-----	-----	-----	31.0	0.0	21.3
Cyanide (ppm) *	-----	-----	-----	0.00	0.00	0.00
Haloacetic Acids (HAA5) (ppb) *	-----	-----	-----	59.0	10.2	22.4
Total Organic Carbon (ppm) *	4.4	2.8	3.5	4.2	1.7	2.65
Total Trihalomethanes (ppb)	2.0	0.0	0.0	56.9	6.4	20.9
1,2-Dichloroethane (ppb)	0.0	0.0	0.0	0.0	0.0	0.0
Chloroform (ppb)	2.0	0.0	0.0	43.4	1.5	14.9
Carbon Tetrachloride (ppb)	0.0	0.0	0.0	0.0	0.0	0.0
Bromodichloromethane (ppb)	0.6	0.0	0.0	13.7	0.5	4.9
Tetrachloroethene (ppb)	0.0	0.0	0.0	0.8	0.0	0.0
BTX (Benzene, Toluene & Xylenes) (ppb)	7.4	0.0	0.0	1.1	0.0	0.0
Total Coliforms (CFUs/100 ml)	3500	57	560	40	0	0
E. coli (CFUs/100 ml)	-----	-----	-----	0	0	0

The results for constituents indicated with asterisks are from the Louisiana Department of Health or an LDH certified contract laboratory.

All other results are from testing by the S&WB Water Quality Laboratory.

Lead and Copper results are from 2019 and 2022 Lead and Copper Rule compliance testing.

Concerning the chemical results, the S&WB Laboratory does not meet the higher criteria required by LDH to be classified as an "LDH-OPH *Certified* Chemical Laboratory/Drinking Water;" therefore, any results reported by this laboratory for chemical drinking water parameters which are required to be analyzed in a certified laboratory are officially deemed invalid.

The S&WB Laboratory is certified by LDH for Total Coliform and E. coli testing.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

TABLE VIII

2023 CARROLLTON OPERATION

CHEMICAL	CHEMICAL COST	CHEMICAL COST PER GALLONS	MILLION
Lime	\$ 1,665,406	\$	30.59
Ferric Coagulant	2,567,538		47.16
Chlorine & Sodium Hypochlorite	4,270,997		78.44
Sodium Polyphosphate	1,037,983		19.06
Polyelectrolyte	1,444,980		26.54
Fluoride	360,313		6.62
Ammonia	608,607		11.18
TOTAL CHEMICALS	\$ 11,955,824		219.59

TOTAL COST PER MILLION GALLONS

YEAR	TOTAL WATER TREATED IN MILLION GALLONS	OPERATING COST	TOTAL COST PER GALLONS	MILLION
2023	54,445.88	\$ 18,224,623		\$334.73
2022	53,832.32	13,660,829		253.77
2021	52,332.37	9,504,986		181.63
2020	49,591.12	9,738,428		196.37
2019	50,381.19	10,328,116		205.00

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

TABLE IX

2023 ALGIERS OPERATION

CHEMICAL	CHEMICAL COST	CHEMICAL COST PER MILLION GALLONS
Lime	\$ 493,349	\$ 99.35
Ferric Coagulant	334,442	67.35
Sodium Hypochlorite	286,029	57.60
Sodium Polyphosphate	60,493	12.18
Polyelectrolyte	135,270	27.24
Fluoride (100%)	43,678	8.80
Ammonia	58,999	11.88
Carbon	-	-
TOTAL CHEMICALS	\$ 1,412,260	284.41

Total Water Treated in 2023:

4,965,590,000 Gallons

TOTAL COST PER MILLION GALLONS

YEAR	TOTAL WATER TREATED IN MILLION GALLONS	OPERATING COST	TOTAL COST PER MILLION GALLONS
2023	4,965.59	\$ 2,964,990	\$597.11
2022	4,324.34	2,840,834	656.94
2021	4,021.71	2,498,764	577.84
2020	3,921.92	2,249,216	573.49
2019	3,834.71	2,221,587	579.34
2018	3,762.72	2,209,591	587.23

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

December 31, 2023

TABLE X

**SLUDGE REMOVED FROM THE "G" BASINS PRIMARY TREATMENT UNITS
DORR MONORAKE CONVENTIONAL SYSTEM
2023**

Total Million Gallons Water Treated	33,440.91
Total Tons Dry Sludge Deposited in Basins Including Suspended and Dissolved Solids Removed and Reacting Chemicals	10,651
Total Million Gallons Wet Sludge Withdrawn from Basins	671.50
Average Percent solids in Wet Sludge	0.38
Total Million Gallons Water Used in Withdrawing Sludge	670.43
Percent of Total Water Treated Used in Withdrawing Wet Sludge	2.01

TABLE X-A

**SLUDGE REMOVED FROM THE "L" BASINS PRIMARY TREATMENT UNITS
DORR MONORAKE CONVENTIONAL SYSTEM
2023**

Total Million Gallons Water Treated	21,004.97
Total Tons Dry Sludge Deposited in Basins Including Suspended and Dissolved Solids Removed and Reacting Chemicals	5,295
Total Million Gallons Wet Sludge Withdrawn from Basins	276.80
Average Percent solids in Wet Sludge	0.46
Total Million Gallons Water Used in Withdrawing Sludge	276.28
Percent of Total Water Treated Used in Withdrawing Wet Sludge	1.32

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

TABLE XI

2023 ANALYSIS DATA FOR NEW ORLEANS CARROLLTON DRINKING WATER PURIFICATION SYSTEM

PARAMETER	MISSISSIPPI RIVER (Before Purification)			FINISHED WATER (After Purification)		
	MAX	MIN	AVG	MAX	MIN	AVG
Total Alkalinity (ppm as CaCO ₃)	159	79	115	175	88	129
Total Hardness (ppm as CaCO ₃)	204	95	143	223	105	164
Noncarbonate Hardness (ppm as CaCO ₃)	66	0	28	88	0	35
Calcium Hardness (ppm as CaCO ₃)	130	58	93	150	76	111
Magnesium Hardness (ppm as CaCO ₃)	111	13	50	114	18	53
Nephelometric Turbidity (NTU)	170	4.1	37	0.22	0.05	0.10
pH	8.13	7.26	7.73	9.15	8.45	8.80
Chloride (ppm)	74	17	31	78	21	36
Fluoride (ppm)	0.27	0.10	0.17	0.83	0.29	0.65
Free Chlorine Residual (ppm as Cl ₂)	-----	-----	-----	0.4	0.1	0.1
Total Chlorine Residual (ppm as Cl ₂)	-----	-----	-----	5.0	0.5	3.1
Ammonia (ppm as N)	-----	-----	-----	0.36	0.05	0.16
Nitrate + Nitrite (ppm as N) *	-----	-----	-----	1.3	1.0	1.2
Sulfate (ppm) *	-----	-----	-----	40	40	40
Conductivity (µS/cm)	689	282	423	736	300	479
Temperature (°F)	90	41	68	90	61	75
Aluminum (ppm) *	-----	-----	-----	0.00	0.00	0.00
Antimony (ppm) *	-----	-----	-----	0.00	0.00	0.00
Arsenic (ppm) *	-----	-----	-----	0.00	0.00	0.00
Barium (ppm) *	-----	-----	-----	0.00	0.00	0.00
Beryllium (ppm) *	-----	-----	-----	0.00	0.00	0.00
Cadmium (ppm) *	-----	-----	-----	0.00	0.00	0.00
Chromium (ppm) *	-----	-----	-----	0.00	0.00	0.00
Copper (ppm) *	-----	-----	-----	0.1	0.0	0.0
Iron (ppm) *	-----	-----	-----	0.00	0.00	0.00
Lead (ppm) *	-----	-----	-----	0.022	0.000	0.004
Manganese (ppm) *	-----	-----	-----	0.00	0.00	0.00
Mercury (ppm) *	-----	-----	-----	0.000	0.000	0.000
Nickel (ppm) *	-----	-----	-----	0.0	0.0	0.0
Potassium (ppm) *	-----	-----	-----	2.8	2.6	2.7
Selenium (ppm) *	-----	-----	-----	0.000	0.000	0.000
Silver (ppm) *	-----	-----	-----	0.00	0.00	0.00
Thallium (ppm) *	-----	-----	-----	0.000	0.000	0.000
Zinc (ppm) *	-----	-----	-----	0.0	0.0	0.0
Sodium (ppm) *	-----	-----	-----	24.2	22.8	23.4
Cyanide (ppm) *	-----	-----	-----	0.00	0.00	0.00
Haloacetic Acids (HAA5) (ppb) *	-----	-----	-----	25.2	0.0	17.6
Total Organic Carbon (ppm) *	4.3	2.7	3.3	3.1	2.1	2.4
Total Trihalomethanes (ppb)	0.0	0.0	0.0	46.4	9.5	25.9
1,2-Dichloroethane (ppb)	0.0	0.0	0.0	0.0	0.0	0.0
Chloroform (ppb)	0.0	0.0	0.0	32.9	5.5	16.1
Carbon Tetrachloride (ppb)	0.0	0.0	0.0	0.0	0.0	0.0
Bromodichloromethane (ppb)	0.0	0.0	0.0	18.2	0.0	25.9
Tetrachloroethene (ppb)	0.0	0.0	0.0	0.0	0.0	0.0
BTX (Benzene, Toluene & Xylenes) (ppb)	0.0	0.0	0.0	0.0	0.0	0.0
Total Coliforms (CFUs/100 ml)	2000	28	370	8	0	0
E. coli (CFUs/100 ml)	-----	-----	-----	0	0	0

The results for constituents indicated with asterisks are from the Louisiana Department of Health or an LDH certified contract laboratory.

All other results are from testing by the S&WB Water Quality Laboratory.

Lead and Copper results are from 2022 Lead and Copper Rule compliance testing.

Concerning the chemical results, the S&WB Laboratory does not meet the higher criteria required by LDH to be classified as an "LDH-OPH *Certified* Chemical Laboratory/Drinking Water;" therefore, any results reported by this laboratory for chemical drinking water parameters which are required to be analyzed in a certified laboratory are officially deemed invalid.

The S&WB Laboratory is certified by LDH for Total Coliform and E. coli testing.

SEWERAGE AND WATER BOARD OF NEW ORLEANS**December 31, 2023****TABLE XII****EXTRACTS FROM TABLES IV-E AND V**

**20 Year Period, 2004 to 2023 Inclusive
Maximum, Minimum, and Average Amount of
Water Treated Per Day
(M.G. per 24 Hours)**

YEAR	CARROLLTON			ALGIERS		
	MAX.	MIN.	AVG.	MAX.	MIN.	AVG.
2004	145.83	102.92	122.57	13.16	8.00	10.15
2005	144.00	0.00	115.47	22.67	7.00	10.20
2006	165.63	115.33	139.73	18.34	8.00	11.67
2007	144.75	124.00	134.06	16.00	10.00	12.13
2008	143.50	114.08	133.88	13.58	6.92	10.38
2009	147.92	129.83	138.17	14.00	8.00	10.78
2010	156.50	125.33	137.10	15.67	8.00	11.25
2011	150.83	127.17	139.37	16.83	10.00	11.73
2012	163.29	117.96	137.65	15.50	10.00	11.58
2013	141.83	120.00	131.08	15.25	10.00	11.27
2014	157.30	122.08	132.57	15.58	9.00	10.43
2015	144.71	118.33	130.47	13.92	8.83	10.09
2016	213.83	120.46	131.62	17.25	8.00	9.66
2017	149.19	125.13	138.94	14.00	8.00	10.29
2018	168.70	118.21	138.62	13.53	7.41	9.37
2019	162.83	97.08	136.95	13.65	5.83	9.19
2020	150.17	119.67	134.66	14.15	8.21	10.53
2021	154.33	120.13	140.14	14.73	8.20	10.46
2022	159.04	127.58	143.46	13.89	7.95	9.94
2023	162.88	126.88	143.07	16.88	8.30	12.03

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

December 31, 2023

TABLE XIII

**Monthly Temperature (Degrees Farenheit) of the
Mississippi River Water at the Carrollton Plant**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
January	42	43	47	47	41	46	48	46	49	48
February	40	45	46	49	45	45	47	43	44	48
March	46	45	54	55	55	50	54	51	50	54
April	59	61	62	63	58	59	62	62	61	60
May	69	70	70	69	71	69	67	69	71	67
June	79	79	79	77	82	78	77	74	80	80
July	83	84	86	83	86	82	84	83	85	86
August	84	85	85	85	86	85	85	86	85	87
September	83	83	84	80	83	84	81	82	81	85
October	72	74	75	77	73	75	71	76	74	75
November	59	65	66	61	56	54	61	60	63	64
December	49	54	53	52	47	48	50	54	51	55
Maximum	86	87	87	87	88	86	87	87	88	90
Minimum	37	39	42	44	40	44	45	37	38	41
Average	64	66	67	67	65	65	66	66	66	68
<div style="text-align: center;"> <u>Ten Year Period</u> Maximum: 90 Minimum: 37 Average: 66 </div>										

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

December 31, 2023

TABLE XIV

**Monthly Temperature (Degrees Farenheit) of the
Tap Water at the Carrollton Plant**

	2019	2020	2021	2022	2023
January	65	65	60	64	65
February	68	64	58	62	65
March	69	68	65	63	70
April	72	73	70	70	72
May	75	76	76	77	76
June	76	80	78	80	82
July	80	82	79	84	85
August	82	84	80	81	88
September	80	81	79	82	85
October	77	78	77	78	80
November	69	72	71	71	72
December	66	64	69	66	65
Maxiumum	85	93	87	88	90
Minimum	59	60	52	52	61
Average	73	74	72	73	75
<div> <div>Five Year Period</div> <div> <div>Maximum: 93</div> <div>Minimum: 52</div> <div>Average: 73</div> </div> </div>					

SEWERAGE AND WATER BOARD OF NEW ORLEANS

December 31, 2023

New Orleans West Bank Sewerage Treatment Plant 2023 Yearly Summary

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2023
Plant Ef Flow (MGD)													
Average	9.7	9.048	11.328	14.905	11.685	7.982	8.895	8.823	9.627	9.965	8.17	12.68	10
Maximum	19.4	17.400	16.400	24.5	21.47	9.2	14.3	11.800	15.00	15	12.28	30.37	30
Plant INF Flow (MGD)													
Average	8.479	7.831	6.398	6.857	7.634	5.67	5.806	4.455	5.032	5.803	6.011	8.47	7
Maximum	15.3	15.040	11.700	14.6	16.46	8.8	11.1	5.300	7.00	11.8	8.11	18.70	19
INFLUENT BOD (mg/L)													
Average	57.6	105	137	151.8	103	116.4	120.5	90	84	94.2	104	92.5	105
Maximum	96	161	379	292	173	274	212	175	141	212	167	316	379
INFLUENT TSS (mg/L)													
Average	51.1	116	223.7	282.6	116.9	118.9	150	140.8	116.1	110.6	110.3	137.6	140
Maximum	95	214	1220	807	218	327	324	337	262	349	225	960	1,220
INFLUENT BOD (lbs/day)													
Average	3,836	6,815	7,141	8,633	6,186	5,610	5,720	3,368	3,501	4,498	5,182	6,067	5,546
Maximum	6,125	11,973	18,333	31,537	10,278	13,482	12,045	6,276	5,998	10,432	8,635	16,076	31,537
INFLUENT TSS (lbs/day)													
Average	3,485	7,413	11,501	15,367	6,927	5,633	7,192	5,253	4,865	5,225	5,640	8,547	7,254.0
Maximum	7,539	14,830	60,031	39,452	12,181	15,000	22,428	12,086	11,428	17,173	11,634	48,839	60,031.3
EFFLUENT BOD (mg/L)					3								
Average	17.2	22.6	21.3	19.6	16.5	21	15.3	16.2	19.2	14.6	19	14.9	18.1
Weekly Maximum	37	39	36	30	26	37	27	26	40	25	33	29	40.0
EFFLUENT TSS (mg/L)													
Average	16.2	20.2	20.2	12.9	8.2	8.5	6.3	7	12	7	12.3	12.6	12
Weekly Maximum	49	47	53	22	15	16	14	12	36	20	26	32	53
EFFLUENT BOD (lbs/day)													
Average	1,158	1,698	1,978	2,530	1,557	1,411	1,132	1,192	1,542	1,300	1,311	1,569	1,532
Weekly Maximum	1,928	3,628	4,564	4,700	3,599	2,376	1,838	1,973	3,002	3,128	2,532	5,950	5,950
EFFLUENT TSS (lbs/day)													
Average	1,142	1,475	1,814	1,712	801	564	469	511	993	563	847	1,439	1,027.46
Weekly Maximum	2,949	2,509	6,719	3,882	1,878	1,054	740	921	3,316	1,501	1,639	6,565	6,718.70
EFFLUENT CL2 (mg/L)													
Average	0.5	0.51	0.42	0.55	0.63	0.45	0.37	0.32	0.32	0.35	0.38	0.62	0.45
Maximum	0.82	1.46	0.91	1.2	1.12	1.2	0.94	0.66	0.93	0.75	1.07	1.18	1.46
EFFLUENT COLIFORM (col/100-ml)													
Average (Geo)	4	11	4	3	2	2	3	3	6	2	2	10	4.33
Weekly Maximum (Geo)	5	47	22	10	5	5	6	4	223	5	4	26	223.00
EFFLUENT pH (su)													
Minimum	7.35	7.18	7.29	7.3	7.25	7.22	7.21	7.16	7.26	7.13	7.21	7.33	7.13
Maximum	7.56	7.42	7.58	7.48	7.7	7.40	7.35	7.39	7.7	7.33	7.47	7.72	8
DISPOSED SLUDGE (dry tons)													
Average per day	11.41	6.26	7.83	10.79	5.72	4.71	4.64	4.92	4.14	3.43	1.92	6.35	6
Total	216.73	106.44	133.02	215.79	91.59	75.34	74.17	59.03	82.85	41.12	24.98	76.17	1,197
ELECTRICITY (kwhr)													
Average per day	8,438	8,401	8,594	8,884	9,241	7,859	7,748	7,095	6,301	6,470	6,441	7,660	7,761
Total (kwhr)	286,883	260,440	249,228	257,638	277,238	243,636	232,436	212,836	201,642	187,639	193,241	229,806	2,832,663
RAINFALL (inches) West Bank													
TOTAL	0.61	2.23	1.76	3.39	5.07	0.69	4.63	0.68	1.64	0.75	2.03	7.74	31.22

SEWERAGE AND WATER BOARD OF NEW ORLEANS

December 31, 2023

New Orleans East Bank Sewerage Treatment Plant 2023 Yearly Summary

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2023 Average
Plant EF Flow (MGD)													
Average	103.665	103.182	99.252	89.097	92.868	86.51	86.726	85.294	91.1	85.426	88.317	101.632	93
Maximum	174.4	39.2	153.1	120.7	132.5	91	114.1	110.6	133.4	160.5	120.1	194.4	194
Plant INF Flow (MGD)													
Average	111.806	110.596	107.490	92.317	93.171	81.05	51.1	76.848	93.403	85.084	81.873	109.181	91
Maximum	166.7	131.4	166	156.3	120.7	99	115.3	100.1	118.2	96.1	118.6	177.7	178
INFLUENT BOD (mg/L)													
Average	73.9	91.4	92	8.2	86.5	81.7	114.9	81.6	71.3	71.3	72.3	61.7	76
Maximum	110	170	148	135	136	356	204	152	118	98	108	109	356
INFLUENT TSS (mg/L)													
Average	159.1	172.4	163.6	184.6	162.2	132.5	259.6	130	116.4	98.2	116.1	99.1	149
Maximum	306	402	344	411	264	233	488	440	174	178	182	198	488
INFLUENT BOD (lbs/day)													
Average	69,251	84,221	83,363	67,868	67,458	53,174	43,402	51,645	55,998	50,385	49,414	56,946	61,094
Maximum	111,222	149,861	143,428	108,194	103,670	158,844	124,199	94,949	103,923	65,631	82,416	143,904	158,844
INFLUENT TSS (lbs/day)													
Average	150,437	159,022	147,827	144,103	127,430	90,907	99,722	83,129	90,783	69,663	79,905	56,946	108,322.8
Maximum	326,715	354,378	341,980	294,786	194,195	146,519	262,368	263,844	135,053	122,918	162,216	143,904	354,378.0
EFFLUENT BOD (mg/L)													
Average	9.4	11.4	10.6	8.7	10.9	14.4	8.7	11.8	11.4	10.8	8.8	9.1	10.5
Weekly Maximum	16	19	27	20	23	43	20	47	35	27	19	20	47.0
EFFLUENT TSS (mg/L)													
Average	11.6	16.4	13	83.7	8.5	12.9	8.6	14.3	16.5	17.5	12.4	18.3	19
Weekly Maximum	33	54	53	37	20	37	18	83	50	42	30	70	83
EFFLUENT BOD (lbs/day)													
Average	7,924	9,916	8,451	6,420	8,440	10,608	6,374	8,553	8,515	7,752	6,537	7,808	8,108
Weekly Maximum	19,709	19,934	16,663	15,045	19,300	32,527	12,927	33,867	26,417	19,064	18,029	20,489	33,867
EFFLUENT TSS (lbs/day)													
Average	10,025	14,503	10,171	6,517	6,679	9,391	6,320	10,457	12,459	12,659	9,323	15,578	10,340.17
Weekly Maximum	40,650	56,655	33,726	30,056	16,880	27,772	15,627	59,808	37,739	32,541	24,169	51,374	59,808.00
EFFLUENT CL2 (mg/L)													
Average	0.3	0.26	0.25	0.27	0.25	0.28	0.15	0.2	0.24	0.25	0.2	0.27	0.24
Maximum	0.42	0.45	0.49	0.41	0.41	0.5	0.33	0.37	0.43	0.43	0.37	0.47	0.50
EFFLUENT COLIFORM (col/100-ml)													
Average (Geo)	15	18	16	7.00	13	48	73	29	10	12	33	12	23.83
Weekly Maximum (Geo)	28	32	30	13	36	229	153	349	277	23	84	29	349.00
EFFLUENT pH (su)													
Minimum	7.3	7.25	7.19	7.13	7.03	7.26	7.40	7.17	7	7.14	7.22	7.26	7.00
Maximum	7.57	7.46	7.47	7.31	7.22	7.89	7.91	7.61	7.27	7.29	7.49	7.52	8
DISPOSED SLUDGE (dry tons)													
Average per day	18.83	18.44	20.21	24.45	23.64	22.27	23.82	17.43	18.73	17.66	24.97	21.12	21
Total	452.00	184.40	606.30	709.00	709.20	556.70	309.70	383.40	243.50	211.90	749.00	528.00	5,643
ELECTRICITY (kwhr)													
Average per day	56,632	54,100	52,206	54,880	52,658	49,045	41,720	46,245	44,800	48,533	51,053	55,458	50,611
Total (kwhr)	1,755,600	1,514,800	1,618,400	1,646,400	1,632,400	1,520,400	1,251,600	1,433,600	1,388,800	1,456,000	1,531,600	1,719,200	18,468,800
RAINFALL (inches) East Bank													
TOTAL	2.91	1.37	1.49	3.32	3.72	1.01	6.65	2.50	1.03	0.00	1.80	9.48	35.28

**SEWERAGE AND WATER BOARD OF NEW ORLEANS
FOR THE CALENDAR YEAR ENDING DECEMBER 31, 2023
SEWER TABULATION NUMBER 1
SEWER LINES AND MANHOLES IN THE SYSTEM AS OF DECEMBER 31, 2023**

SEWER GRAVITY LINES DISCARDED AND INSTALLED IN 2023

ORIGINAL CONSTRUCTION (FEET)	DISCARDED / INSTALLED, NET IN 2023 (FEET)	REMAINING IN THE SYSTEM AS OF 12/31/2023 (FEET)	REMAINING IN THE SYSTEM AS OF 12/31/2023 (MILES)
7,026,624.0	15,656.6	7,042,280.6	1,333.8

SEWER FORCE MAINS DISCARDED AND INSTALLED IN CURRENT YEAR

ORIGINAL CONSTRUCTION (FEET)	DISCARDED / INSTALLED, NET IN 2023 (FEET)	REMAINING IN THE SYSTEM AS OF 12/31/2023 (FEET)	REMAINING IN THE SYSTEM AS OF 12/31/2023 (MILES)
642,048.0	11,722.2	653,770.1	123.8

SEWER MANHOLES REMOVED AND INSTALLED IN CURRENT YEAR

ORIGINAL CONSTRUCTION	DISCARDED / INSTALLED, NET IN 2023	REMAINING IN THE SYSTEM AS OF 12/31/2023
29,018	0	29,018

DETAILS OF SEWER LINES AND SEWER MANHOLES INSTALLED (CONSTRUCTED)

ITEMS	BOARD FUNDED	BY OTHERS	TOTAL FEET	TOTAL MILES
6" PVC				0.00
8" PVC				0.00
12" PVC				0.00
15" PVC				0.00
TOTAL SEWER LINES CONSTRUCTED IN 2023	0.0	0.0	0.0	0.0
SEWER MANHOLES CONSTRUCTED IN 2023	BOARD FUNDED	BY OTHERS	TOTAL MANHOLES BUILT IN 2023	
	0	0	0	

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
ANNUAL REPORT 2023 - FOR THE CALENDAR YEAR ENDING DECEMBER 31, 2023
SEWER TABULATION NUMBER 2
COLLECTION SYSTEM - SEWER MAINS (GRAVITY AND FORCE)

	Pipe Diameter (in)																	
	Vitrified Clay (VC)	Terra Cotta (TC)	BR	Cast Iron (CI)	Asbestos Cement (AC)	ABS	Concrete (CO)	Reinforced Concrete (RCP)	High Density Polyethylene (HDP)	PL	Plastic Truss (PT)	Polyvinyl Chloride (PVC)	CL	Steel (STL)	Ductile Iron (DI)	Unknown (UNK)	Totals (ft)	
Pipe Diameter (in)	84	590													172	762		
	72	970					824								38	1,832		
	69	1,281					870									2,151		
	66	1,166					941									2,107		
	63						287									287		
	62						3,088								478	3,566		
	60						755								48	803		
	57						1,723									1,723		
	54	2,214		693			3,241								61	6,209		
	52														111	111		
	51			230	30		627									887		
	50	459														459		
	48	7,882			10		3,143									883	11,918	
	45	2,498					348									396	3,242	
	42	2,835			208		719									182	3,944	
	39	1,414					402									56	1,872	
	36	6,424		425	250		95	416			252	889		327		902	9,980	
	33	485		3,671			1,129									221	5,506	
	30	13,337		2,785	3,498	78	4,160	681			1,053	47			118	1,238	26,995	
	27	28,193		1,682	33,457		5,187				1,840	1,254		712		3,544	75,869	
	24	41,138			1,284		8,703	2,911			128	1,405		1,071		8,440	65,080	
	21	66,330	236		1,538		4,298	1,452			1,721	2,291		1,021		5,236	84,123	
	20	466			5,241	252										335	6,294	
	18	98,588			2,488	857		24,762	1,990	578		6,043	12,045		325		11,031	158,707
	16	180		350	1,733	706		21				19				816	3,825	
	15	127,326			2,050	1,445	1,180	19,524	1,985	658	616	5,274	15,442	804	439	2,943	8,663	188,349
	14	315				1,082		44								237	1,678	
	12	147,090	2,160		6,033	2,618	2,617	27,466		674	344	19,347	16,905		676	233	18,680	244,842
	10	218,131	2,276		3,439	1,522	2,401	25,969		379	142	29,157	28,785	244			24,185	336,630
	8	4,467,694	40,403	1,667	34,731	9,430	24,333	231,802	8,048	6,568	334,221	375,970	3,865	2,488	5,432	198,099	5,744,752	
	6	42,734	3,778		2,535	7		4,975			1,103	6,194				15,533	76,859	
	TOTAL (FT)	5,279,738	48,853	10,810	99,218	17,997	30,531	375,103	9,435	10,337	7,670	400,139	461,246	4,913	7,059	8,726	299,585	7,071,360

SEWERAGE AND WATER BOARD OF NEW ORLEANS
FOR THE CALENDAR YEAR ENDING DECEMBER 31, 2023
WATER TABULATION NUMBER 1

WATER LINES, MANHOLES, VALVES, AND FIRE HYDRANTS IN THE SYSTEM AS OF DECEMBER 31, 2023

WATER LINES DISCARDED AND INSTALLED IN CURRENT YEAR

ORIGINAL CONSTRUCTION (FEET)	DESTROYED OR ABANDONED IN 2023 (FEET)	BUILT IN 2023 (FEET)	REMAINING IN THE SYSTEM AS OF 12/31/2023 (FEET)	REMAINING IN THE SYSTEM AS OF 12/31/2023 (MILES)
8,078,400.0	0	186,306	8,264,706.0	1,565.3

WATER VALVES REMOVED AND INSTALLED IN CURRENT YEAR

ORIGINAL CONSTRUCTION	DESTROYED OR ABANDONED IN 2023	BUILT IN 2023	REMAINING IN THE SYSTEM AS OF 12/31/2023
14,072	0	235	14,307

FIRE HYDRANTS REMOVED AND INSTALLED IN 2023

ORIGINAL CONSTRUCTION	DESTROYED OR ABANDONED IN 2023	BUILT IN 2023	REMAINING IN THE SYSTEM AS OF 12/31/2023
15,396	0	0	15,396

DETAILS OF WATER LINES, VALVES, AND FIRE HYDRANTS INSTALLED (CONSTRUCTED)

ITEMS	BOARD FUNDED	BY OTHERS	TOTAL FEET	TOTAL MILES
4" DUCTILE IRON				
6" DUCTILE IRON				
6" P.V.C				
8" DUCTILE IRON				
8" P.V.C				
12" DUCTILE IRON				
20" DUCTILE IRON				
TOTAL WATER LINES CONSTRUCTED IN 2023	0.0	0.0	0.0	0.00
WATER VALVES INSTALLED IN 2023	BOARD FUNDED	BY OTHERS	TOTAL WATER VALVES INSTALLED IN 2023	
	0	0	0	
FIRE HYDRANTS INSTALLED IN 2023	BOARD FUNDED	BY OTHERS	TOTAL FIRE HYDRANTS INSTALLED IN 2023	
	0	0	0	

WATER VALVES

DIAMETER	2020	2021	2022	2023
4			2140	471
6			7043	1641
8			2156	391
10			32	3
12			1979	339
16			2	39
20			254	31
24			160	10
30			48	16
36			169	9
42			88	5
43			16	1
48			48	6
50			77	5
54			8	1

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
ANNUAL REPORT 2023 - FOR THE CALENDAR YEAR ENDING DECEMBER 31, 2023
WATER TABULATION NUMBER 2
DISTRIBUTION SYSTEM - WATER MAINS

		Cast Iron (CI)	Asbestos Cement (AC)	COPPER (C)	(PC)	Polyvinyl Chloride (PVC)	Steel (S)	Ductile Iron (DI)	Totals (ft)
PIPE DIAMETER	54					7,614			7,614
	50	16,917	9,688		17	7,614			34,235
	48	14,929	12,983		7,581	27,560			63,053
	43	12,394							12,394
	42	4,539	3,516		4,483	4,692	81		17,310
	36	5,203	16,191		4,466	29,896			55,756
	30	56,756	32,030		28,802	85	28,648	97	146,416
	29	45				23			68
	24	30,971	638			3,184			34,793
	23	25							25
	20	103,690	21,372		12,594	6,313	482	4,889	149,339
	19	24							24
	17	23							23
	16	105,269	75,978		1,660	8,977		298	192,181
	15					444			444
	14	1,958							1,958
	12	697,084	479,207		91	113,266	55	1,928	1,291,631
	11	10							10
	10	9,336	13,972			286			23,594
	8	91,080	630,271			374,354	93	921	1,096,719
	6	2,379,839	1,359,390		22	138,785	302	773	3,879,111
	4	1,017,117	80,280			6,349	374		1,104,120
	3					334			334
	2	15,208	6,682			12,714			34,604
	1	165	159	110		602			1,036
	TOTAL (FT)	4,562,581	2,742,356	110	59,715	665,693	107,352	8,987	8,146,794

Segments of pipe in the GIS watermain layer do not have a classified material type leading to a discrepancy between total linear feet of watermain pipe and total length by material type.

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA

Table of Rainfall in New Orleans - Last Ten Years

STATION'S TOTAL ANNUAL RAINFALL	2023	2022	2021	2020	2019	2018	2017	2016	2015
N.O. Water Plant	37.81	38.59	121.10	63.59	67.61	66.42	68.73	71.99	70.24
S&WB	29.42	59.75	75.31	71.59	55.22	80.15	84.31	71.33	76.58
Algiers	45.72	55.24	75.41	59.79	64.37	63.72	82.40	55.38	61.92
D.P.S. #1	46.30	60.20	83.80	60.99	71.09	60.61	70.67	62.48	50.62
D.P.S. #2	48.73	61.02	115.42	66.87	67.32	68.89	83.86	70.82	62.78
D.P.S. #3	44.00	57.31	122.99	62.36	63.47	67.54	85.81	77.67	61.53
D.P.S. #4	45.97	59.98	67.40	50.77	66.69	49.92	59.40	64.82	58.34
D.P.S. #5	36.19	59.41	70.84	68.83	65.98	52.73	66.26	56.56	56.48
D.P.S. #6	50.52	64.03	101.46	69.24	67.95	80.61	85.30	71.27	68.66
D.P.S. #7	59.63	63.32	94.01	63.13	65.58	70.25	93.89	71.52	67.77
D.P.S. #10	33.44	54.61	74.22	52.77	56.73	44.78	65.88	55.33	53.70
D.P.S. #11	51.41	54.34	94.55	65.64	59.54	64.80	70.30	58.21	59.12
D.P.S. #12	45.22	60.14	78.64	63.49	58.88	64.66	66.91	63.38	61.39
D.P.S. #13	28.65	46.02	114.45	66.06	62.70	70.14	69.78	67.78	59.28
D.P.S. #14	38.20	59.72	82.91	54.84	61.50	54.83	73.97	65.22	62.38
D.P.S. #15	35.26	61.01	84.46	51.21	39.05	40.04	57.41	41.70	44.94
D.P.S. #16	30.80	54.80	91.08	59.30	61.66	50.15	61.32	58.88	56.30
D.P.S. #17	27.50	66.21	91.49	65.28	58.77	63.52	78.00	61.47	64.23
D.P.S. #19	50.12	59.51	105.96	68.87	70.78	52.61	69.14	58.91	50.92
D.P.S. #20	51.79	51.04	83.61	61.13	55.94	51.12	54.54	50.99	54.40
ANNUAL AVG	41.83	57.31	91.46	62.29	62.04	60.87	72.39	62.79	60.08

STATION MONTHLY TOTAL RAINFALL MAXIMUM AND MINIMUM

Max(in)	22.81	Min (in)	0.00
Month	October	Month	June
Station	DPS 20	Station	DPS 6

AVG. MONTHLY RAINFALL OF ALL STATIONS	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
JANUARY	2.13	1.42	2.15	3.63	2.78	3.52	5.21	4.67	4.76	2.72
FEBRUARY	2.17	3.72	4.95	4.56	4.73	2.74	1.70	2.48	1.653	6.54
MARCH	1.69	3.86	9.72	0.72	1.65	3.83	4.46	6.87	4.2095	6.44
APRIL	2.94	2.92	10.61	5.29	8.36	5.22	5.50	11.37	11.2908	2.19
MAY	5.38	6.21	11.62	5.47	8.26	3.58	10.56	5.62	6.863	7.68
JUNE	2.10	3.95	11.98	10.84	3.23	5.60	10.84	8.16	2.7538	6.41
JULY	6.46	10.94	7.64	11.82	13.52	6.79	6.79	4.34	4.3243	6.49
AUGUST	1.92	8.24	19.51	5.27	7.47	7.52	14.13	7.63	2.5915	4.74
SEPTEMBER	4.26	2.93	8.00	2.50	0.62	5.80	1.47	3.58	4.152	4.2
OCTOBER	1.86	1.17	2.21	3.45	7.67	6.28	7.16	0.02	5.20715	1.94
NOVEMBER	2.03	5.60	2.02	4.88	1.00	5.85	0.22	3.92	5.517	1.47
DECEMBER	8.90	6.36	1.05	3.86	2.75	4.67	4.98	4.70	6.75765	3.7
ANNUAL AVG	3.49	4.78	7.62	5.19	5.17	5.12	6.08	5.28	5.01	4.54

2023 MAX DAILY RAINFALL			
MONTH	Day	Max (in)	Station
JANUARY	4	0.79	DPS 6
FEBRUARY	8	2.47	DPS 19
MARCH	17	2.03	DPS 14
APRIL	15	1.99	N.O. WATER PLANT
MAY	6	18.77	DPS 11
JUNE	4	9.91	DPS 19
JULY	22	6.91	DPS 19
AUGUST	29	2.14	DPS 4
SEPTEMBER	4	7.59	DPS 7
OCTOBER	12	2.88	DPS 20
NOVEMBER	21	1.80	DPS 14
DECEMBER	2	16.00	ALG. WATER PLANT

SEWERAGE AND WATER BOARD OF NEW ORLEANS, LOUISIANA
December 31, 2023
COST OF OPERATIONS IDENTIFICATION PROGRAM BENCHMARKING 2023

ADMINISTRATIVE OFFICER:

HUMAN RESOURCES:

Cost to Hire an Employee	\$	1,946.74
Employee Turnover Rate		6.26%

RISK MANAGEMENT:

INSURANCE COST per EMPLOYEE:

Workers' Compensation	\$	2,205,814
Auto Liability	\$	109,198
General Liability	\$	96,938

GENERAL SUPERINTENDENT:

ENGINEERING:

Total Capital Program Design and		
Construction Contracts Cost Growth		0.0%

ENVIRONMENTAL:

Cost of Typical Industry Sampling Event	\$	4,905.00
---	----	----------

FACILITY MAINTENANCE DEPARTMENT

Cost to set 5/8" water meter	\$	472.00
------------------------------	----	--------

CHIEF CUSTOMER SERVICE OFFICER:

CUSTOMER REVENUE MANAGEMENT/CUSTOMER:

METER ASSURANCE/CUSTOMER EXPERIENCE:

Cost to Read a Meter	\$	2.76
Cost to Render a Bill (Less Meter Reading)	\$	0.92
Cost to Manage a Customer by Phone	\$	4.31
Cost to Manage a Customer by Mail	\$	11.09
Cost to Manage a Walk-in Customer	\$	20.07
Cost to Process a Mail-in Payment	\$	1.58
Cost to Process a Walk-in Payment	\$	3.65

CHIEF FINANCIAL OFFICER:

OFFICE OF CONTROLLER:

Cost to Process a Miscellaneous Invoice	\$	318.82
Cost to Process a Vendor Invoice	\$	62.70

OFFICE OF PROCUREMENT:

Cost to Process Non-Competitive Purchase Order	\$	86.36
Cost to Process Formal Competitive Purchase Order	\$	412.01



THANK YOU!



CUSTOMER SERVICE EXCELLENCE AND STAKEHOLDER ENGAGEMENT

We strive to continuously meet and exceed the needs of our customers and proactively communicate and engage stakeholders.



SEWERAGE AND WATER BOARD OF NEW ORLEANS
REPORTS ON INTERNAL CONTROL AND COMPLIANCE
DECEMBER 31, 2023



SEWERAGE AND WATER BOARD OF NEW ORLEANS
New Orleans, Louisiana

Single Audit Reports

December 31, 2023

Table of Contents

	Page
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	1
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance and the Schedule of Expenditures of Federal Awards	3
Schedule of Expenditures of Federal Awards	6
Notes to Schedule of Expenditures of Federal Awards	7
Schedule of Findings and Questioned Costs	8

INDEPENDENT AUDITORS' 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 Members of the Board
Sewerage and Water Board of New Orleans

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 enterprise fund and fiduciary fund of the Sewerage and Water Board of New Orleans (the "Board") as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements, and have issued our report thereon dated June 27, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Board'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 Board's internal control. Accordingly, we do not express an opinion on the effectiveness of the Board'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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Board'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 financial statements. 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*.

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.

EisnerAmper LLP

EISNERAMPER LLP
Metairie, Louisiana
June 27, 2024



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

To the Members of the Board
Sewerage and Water Board of New Orleans

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Sewerage and Water Board of New Orleans' (the "Board") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Board's major federal programs for the year ended December 31, 2023. The Board's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Board 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 December 31, 2023.

Basis for Opinion on Each Major Federal Program

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Board and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Board's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Board's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Board's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Board's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Board's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Board's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the Board's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 a 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the enterprise fund and fiduciary fund of the Board, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements. We issued our report thereon dated June 27, 2024 which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other 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, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



EISNERAMPER LLP
Metairie, Louisiana
June 27, 2024



SEWERAGE AND WATER BOARD OF NEW ORLEANS
New Orleans, Louisiana

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2023

Federal Grantor/Pass-Through Grantor/ Program Title/Grant Name	Assistance Listing Number	Pass-Through Identifying Number	Federal Expenditures
U.S. Department of Housing and Urban Development			
Pass-through program from:			
Louisiana Office of Community Development			
Community Development Block Grants/State's Program			
and Non-Entitlement Grants in Hawaii	14.228	B-06-DG-22-0001	\$ 7,682,865
Total U.S. Department of Housing and Urban Development			<u>7,682,865</u>
U.S. Environmental Protection Agency:			
Direct:			
Water Infrastructure Finance and Innovation Act (WIFIA)	66.958	N/A	1,053,179
Pass-through program from:			
Louisiana Department of Environmental Quality			
Clean Water State Revolving Fund Cluster			
Capitalization Grants for Clear Water			
State Revolving Funds	66.458	N/A	<u>1,560,042</u>
Total U.S. Environmental Protection Agency			<u>2,613,221</u>
U.S. Department of Homeland Security:			
Pass-through program from:			
State of Louisiana, Office of Homeland			
Security and Emergency Preparedness			
Disaster Grants - Public Assistance	97.036	1792-DR-LA, 1603-DR-LA- 0411, & various others	76,474,300
Hazard Mitigation Grant Program	97.039	1792-022-0002, 1603-071- 0039, & various others	<u>4,674,942</u>
Total U.S. Department of Homeland Security			<u>81,149,242</u>
Department of the Treasury:			
Pass-through program from:			
City of New Orleans			
Covid-19 Coronavirus State and Local Fiscal			
Recovery Funds	21.027	N/A	<u>15,000,000</u>
Total Department of the Treasury			<u>15,000,000</u>
Total Federal Awards Expended			<u>\$ 106,445,328</u>

See accompanying notes to the schedule of expenditures of federal awards.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
New Orleans, Louisiana

Notes to Schedule of Expenditures of Federal Awards

Year ended December 31, 2023

(1) Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the Sewerage and Water Board of New Orleans (the "Board") under programs of the federal government for the year ended December 31, 2023. 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 the Board, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Board.

(2) Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Board has elected not to use the 10% de minimus cost rate allowed under the Uniform Guidance.

(3) Relationship to Basic Financial Statements

Federal awards are included in capital contributions on the statement of revenues, expenses, and changes in net position.

(4) Bonds Payables from Federal Programs

The Board has entered into several loan agreements with the Louisiana Department of Environmental Quality (LDEQ) whereby the LDEQ has committed to loan the Board certain amounts for each agreement to fund various projects. The loan proceeds are provided to the Board in incremental amounts as project costs are incurred. A portion of the loan proceeds are funded by the federal Clean Water State Revolving Fund (CWSRF) program. The indebtedness to the LDEQ is evidenced through the Sewerage Service Revenue Bonds, Series 2011, Series 2019, Series 2022, and Series 2023. As of December 31, 2023, \$17,079,964 is included bonds payable on the financial statements related to these agreements. Total 2023 drawdowns on the loans were \$6,273,562. Of this amount, \$1,560,042 was funded by the CWSRF program which is the amount included on the Schedule. This is not a federal loan or loan guarantee program, and as a result, the outstanding liability is not included on the Schedule.

On November 10, 2021, the Board closed on a \$275,000,000 revenue debt issue through the Water Infrastructure Financing and Innovation Act (WIFIA) with the U.S. Environment Agency (EPA) to fund over 160 projects to modernize aging and storm damaged sewer pipelines throughout the City of New Orleans as part of a comprehensive Sewer System Evaluation and Rehabilitation Program. The WIFIA debt will be due in semi-annual installments of interest and annual payments of principal, with a final maturity date of 35 years following the substantial completion date of the projects. The total 2023 WIFIA debt proceeds were \$0 and the total debt outstanding as of December 31, 2023 which is included on the Schedule and in bonds payable on the financial statements is \$1,053,179.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
New Orleans, Louisiana

Schedule of Findings and Questioned Costs

Year ended December 31, 2023

(1) Summary of Independent Auditors' Results

Financial Statements

(a) The type of report issued on the basic financial statements: **Unmodified**

(b) Internal control over financial reporting:

Material weakness(es) identified: **No**

Significant deficiency(ies) identified: **None reported**

(c) Noncompliance which is material to the basic financial statements: **No**

Federal Awards

(d) Internal control over major federal programs:

Material weakness(es) identified: **No**

Significant deficiency(ies) identified: **None reported**

(e) Type of auditor's report issued on compliance for major federal programs: **Unmodified**

(f) Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **No**

(g) Identification of major federal programs:

- 14.228 – Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii
- 21.027 – Coronavirus State and Local Fiscal Recovery Funds

(h) Dollar threshold used to distinguish between Type A and Type B programs: **\$3,000,000**

(i) Auditee qualified as a low-risk auditee under the Uniform Guidance: **Yes**

(2) Findings relating to the basic financial statements reported in accordance with Government Auditing Standards

None

(3) Findings and questioned costs related to federal awards

None

To the Members of the Board of Directors of the
Sewerage and Water Board of New Orleans:

We have audited the financial statements of the Sewerage and Water Board of New Orleans (the “Board”), for the year ended December 31, 2023 and have issued our report thereon. As part of our audit, we evaluated the system of internal accounting control and considered compliance to the extent we considered necessary as required by auditing standards generally accepted in the United States of America. Under these standards, the purposes of such evaluation and consideration are solely to establish a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Board’s internal control, or on compliance.

The objective of internal control is to provide reasonable, but not absolute, assurance as to the safeguarding of assets against loss from unauthorized use or disposition, and the reliability of the financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a system of internal accounting control should not exceed the benefits derived and also recognizes that the evaluation of these factors necessarily requires estimates and judgments by management.

No matter how good a system, there are inherent limitations that should be recognized in considering the potential effectiveness of internal accounting controls. In the performance of most control procedures, errors can result from misunderstanding of instructions, mistakes of judgment, carelessness, or other personal factors. Control procedures whose effectiveness depends upon segregation of duties can be circumvented by collusion. Similarly, control procedures can be circumvented intentionally by management either with respect to the execution and recording of transactions or with respect to the estimates and judgments required in the preparation of financial statements. Further, projection of any evaluation of internal accounting control to future periods is subject to the risk that the degree of compliance with the procedures may deteriorate. We say this simply to suggest that any system needs to be constantly reviewed and improved where necessary.

However, during the course of our audit, we became aware of certain matters that are opportunities for strengthening internal controls or operating efficiency and compliance matters not material to the financial statements. Our comments and suggestions regarding these matters are set forth on the following page. This letter does not affect our reports dated June 27, 2024, on the financial statements of the Board and the Board’s internal control and compliance over financial reporting.

2023-1 Theft of Public Assets and Misappropriations

- Condition: Louisiana Revised Statute 14:67 defines theft as the misappropriation or taking anything of economic value which belongs to another, either without the consent of the other to the misappropriation or taking, or by means of fraudulent conduct, practices, or representations. In 2023, the Board experienced theft of diesel fuel with an approximate value of \$2,700 from the drainage pumping station. Management stated that the individuals who committed or who are believed to have committed the theft are unknown. The Board identified the theft due to the gate being compromised and the fuel access port padlock was missing. The theft was reported to the New Orleans Police Department and the investigation is open. The theft was reported to the Legislative Auditor and the District Attorney as required by Louisiana Revised Statute 24:523.
- Recommendation: The Board should continue to follow and enhance established policies and procedures for preventing, detecting and deterring fraud. The Board should establish policies and procedures to ensure that instances of fraud and misappropriation are reported to the Legislative Auditor and the District Attorney as required by Louisiana Revised Statute 24:523.
- Management's Response: The Board is reviewing and evaluating exposure at various offsite facilities and taking additional measures in securing remote facilities to mitigate exposure to theft.

We have already discussed these matters with the Board's management. Their views on these matters and plans for corrective action are identified herein. This letter does not affect our report dated June 27, 2024 on the financial statements of the Board, and furthermore, this letter is intended for use only by the Board's management and audit committee and is not intended to be used, and should not be used, by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Sincerely,



EISNERAMPER LLP
Metairie, Louisiana
June 27, 2024



EISNER&ER

**SEWERAGE AND WATER BOARD OF
NEW ORLEANS, LOUISIANA**

**REPORT ON STATEWIDE
AGREED-UPON PROCEDURES ON
COMPLIANCE AND CONTROL AREAS**

FOR THE YEAR ENDED DECEMBER 31, 2023



**SEWERAGE AND WATER BOARD OF
NEW ORLEANS, LOUISIANA**

TABLE OF CONTENTS

	<u>Page</u>
Independent Accountants' Report on Applying Agreed-Upon Procedures	1
Schedule A: Agreed-Upon Procedures Performed and Associated Findings	2 - 14
Schedule B: Management's Response and Corrective Action Plan	15

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To: Honorable LaToya Cantrell, President, and Members of the Sewerage and Water Board of New Orleans, Louisiana, and the Louisiana Legislative Auditor

We have performed the procedures enumerated in Schedule A on the control and compliance ("C/C") areas identified in the Louisiana Legislative Auditor's ("LLA's") Statewide Agreed-Upon Procedures ("SAUPs") of the Sewerage and Water Board of New Orleans (the "Board" or "Entity") for the fiscal period January 1, 2023 through December 31, 2023. The Board's management is responsible for those C/C areas identified in the SAUPs.

The Sewerage and Water Board of New Orleans has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of performing specified procedures on the C/C areas identified in the LLA's SAUPs for the fiscal period January 1, 2023 through December 31, 2023. Additionally, the LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures we performed, and the associated findings are summarized in the attached Schedule A, which is an integral part of this report.

We were engaged by the Board to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs of the Board for the fiscal period January 1, 2023 through December 31, 2023. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Board and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

The purpose of this report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.



EISNERAMPER LLP

Metairie, Louisiana

June 27, 2024

SEWERAGE AND WATER BOARD OF NEW ORLEANS
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
December 31, 2023

Schedule A

The procedures performed and the results thereof are set forth below. The procedure is stated first, followed by the results of the procedure presented in italics. If the item being subjected to the procedures is positively identified or present, then the results will read *“no exception noted”* or for step 13 *“we performed the procedure and discussed the results with management”*. If not, then a description of the exception ensues.

1) Written Policies and Procedures

A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):

- i. **Budgeting**, including preparing, adopting, monitoring, and amending the budget.

No exception noted.

- ii. **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.

No exception noted.

- iii. **Disbursements**, including processing, reviewing, and approving

No exception noted.

- iv. **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

No exception noted.

- v. **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.

No exception noted.

- vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

No exception noted.

- vii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

No exception noted.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
December 31, 2023

Schedule A

- viii. **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

No exception noted.

- ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

No exception noted.

- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

No exception noted.

- xi. **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

The Entity does not have a written policy for (3) periodic testing/verification that backups can be restored. The other attributes were addressed in the policy.

- xii. **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

No exception noted.

2) Board or Finance Committee

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
- i. Observe whether the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

No exception noted.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
December 31, 2023

Schedule A

- ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual comparisons, at a minimum, on all proprietary funds, and semi-annual budget-to-actual comparisons, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

No exception noted.

- iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

Not applicable as the Entity does not have a general fund.

- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Not applicable as the Entity did not have prior year audit findings.

3) Bank Reconciliations

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

A listing of bank accounts was provided and included a total of 25 bank accounts. Management identified the entity's main operating account. No exceptions were noted as a result of performing this procedure.

From the listing provided, we selected 5 bank accounts (1 main operating and 4 randomly) and obtained the bank reconciliations for the month ending December 31, 2023, resulting in 5 bank reconciliations obtained and subjected to the below procedures.

- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

No exception noted.

- ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated, electronically logged); and

No exception noted.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
December 31, 2023

Schedule A

- iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

No exception noted.

4) Collections (excluding electronic funds transfers)

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

A listing of deposit sites was provided and included a total of 3 deposit sites. No exceptions were noted as a result of performing this procedure.

From the listing provided, we selected the 3 deposit sites and performed the procedures below.

- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

A listing of collection locations for each deposit site selected in procedure #4A was provided and included a total of 3 collection locations. No exceptions were noted as a result of performing this procedure.

From each of the listings provided, we randomly selected one collection location for each deposit site. Review of the Entity's written policies and procedures or inquiry with employee(s) regarding job duties was performed in order to perform the procedures below.

- i. Employees responsible for cash collections do not share cash drawers/registers;

No exception noted.

- ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit;

No exception noted.

- iii. Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and

No exception noted.

- iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or custodial fund additions, is (are) not also responsible for collecting cash, unless another employee verifies the reconciliation.

No exception noted.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
December 31, 2023

Schedule A

- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.

No exception noted.

- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

We randomly selected 2 deposit dates for each of the 5 bank accounts selected in procedure #3A. We obtained supporting documentation for each of the 10 deposits and performed the procedures below.

- i. Observe that receipts are sequentially pre-numbered.

No exception noted.

- ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

No exception noted.

- iii. Trace the deposit slip total to the actual deposit per the bank statement.

No exception noted.

- iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

No exception noted.

- v. Trace the actual deposit per the bank statement to the general ledger.

No exception noted.

5) Non-payroll Disbursements (excluding card purchases, travel reimbursements, and petty cash purchases)

- A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

The listing of locations that process payments for the fiscal period was provided. No exceptions were noted as a result of performing this procedure.

We note that the Entity has 1 location that processes payments, and we therefore performed the procedures below for that location.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
December 31, 2023

Schedule A

- B. For each location selected under #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that:

The listing of employees involved with non-payroll purchasing and payment functions for each payment processing location selected in procedure #5A was provided. No exceptions were noted as a result of performing this procedure.

Review of the Entity's written policies and procedures or inquiry with employee(s) regarding job duties was performed in order to perform the procedures below.

- i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;

No exception noted.

- ii. At least two employees are involved in processing and approving payments to vendors;

No exception noted.

- iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;

No exception noted.

- iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and

No exception noted.

- v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

No exception noted.

- C. For each location selected under #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and

A listing of non-payroll disbursements for each payment processing location selected in procedures #5A was provided related to the reporting period. No exceptions were noted as a result of performing this procedure.

From each of the listings provided, we randomly selected 5 disbursements and performed the procedures below.

- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice, and that supporting documentation indicates that deliverables included on the invoice were received by the entity, and

No exceptions noted.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
December 31, 2023

Schedule A

- ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.

No exception noted.

- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

No exception noted.

6) Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

A listing of cards was provided. No exceptions were noted as a result of performing this procedure.

- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and

From the listing provided, we noted there was 1 card used in the fiscal period. We randomly selected one monthly statement for the 1 card selected and performed the procedures noted below.

- i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported; and

No exception noted.

- ii. Observe that finance charges and late fees were not assessed on the selected statements.

No exception noted.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
December 31, 2023

Schedule A

- C. Using the monthly statements or combined statements selected under procedure #6B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

We randomly selected 10 transactions for the 1 card selected in procedure #6B. We observed that each transaction was supported by (1) an original itemized receipt that identified precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). No exceptions noted.

7) Travel and Travel-Related Expense Reimbursements (excluding card transactions)

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly select 5 reimbursements, and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

The listing of travel and travel-related expense reimbursements was provided for the fiscal period. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 5 reimbursements and performed the procedures below.

- i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov);

No exception noted.

- ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;

No exception noted.

- iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by “Written Policies and Procedures”, procedure #1A(vii); and

No exception noted.

- iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

No exception noted.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
December 31, 2023

Schedule A

8) Contracts

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and

An active vendor list for the fiscal period was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 5 contracts and performed the procedures below.

- i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;

No exception noted.

- ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter);

No exception noted.

- iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and

No exception noted.

- iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

No exception noted.

9) Payroll and Personnel

- A. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

A listing of employees/elected officials employed during the fiscal year was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 5 employees/officials and performed the specified procedures.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
December 31, 2023

Schedule A

- B. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and

We randomly selected one pay period during the fiscal period and performed the procedures below for the 5 employees/officials selected in procedure #9A.

- i. Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);

No exception noted.

- ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;

No exception noted.

- iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and

No exception noted.

- iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.

No exception noted.

- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.

A listing of employees/officials receiving termination payments during the fiscal period was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 2 employees/officials and performed the specified procedures.

- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

No exceptions noted.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
December 31, 2023

Schedule A

10) Ethics

- A. Using the 5 randomly selected employees/officials from procedure "Payroll and Personnel" procedure #9A, above obtain ethics documentation from management, and

- i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and

No exception noted.

- ii. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

The Entity did not have any changes to the ethics policy, therefore, this step is not applicable.

- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

No exception noted.

11) Debt Service

- A. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued as required by Article VII, Section 8 of the Louisiana Constitution.

No exceptions noted.

- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

A listing of bonds/notes outstanding at the end of the fiscal period was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected one bond/note and performed the specified procedures. No exceptions noted.

12) Fraud Notice

- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.

No exception noted.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
December 31, 2023

Schedule A

- B. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

No exception noted.

13) Information Technology Disaster Recovery/Business Continuity

- A. Perform the following procedures, **verbally discuss the results with management, and report “We performed the procedure and discussed the results with management.”**

- i. Obtain and inspect the entity’s most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government’s local server or network, and (c) was encrypted.

We performed the procedure and discussed the results with management.

- ii. Obtain and inspect the entity’s most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

We performed the procedure and discussed the results with management.

- iii. Obtain a listing of the entity’s computers currently in use and their related locations, and management’s representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

We performed the procedure and discussed the results with management.

- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in Payroll and Personnel procedure #9C. Observe evidenced that the selected terminated employees have been removed or disabled from the network.

We performed the procedure and discussed the results with management.

- C. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency’s information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:

- Hired before June 9, 2020 - completed the training; and
- Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment.

Of the five employees selected for our procedure, two employees did not complete cybersecurity training. The other three employees completed the training.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
December 31, 2023

Schedule A

14) Prevention of Sexual Harassment

- A. Using the 5 randomly selected employees/officials from "Payroll and Personnel" procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

No exceptions noted.

- B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

No exception noted.

- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:

- i. Number and percentage of public servants in the agency who have completed the training requirements;

No exception noted.

- ii. Number of sexual harassment complaints received by the agency;

No exception noted.

- iii. Number of complaints which resulted in a finding that sexual harassment occurred;

No exceptions noted.

- iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

No exceptions noted.

- v. Amount of time it took to resolve each complaint.

No exceptions noted.

**SEWERAGE AND WATER BOARD OF NEW ORLEANS
MANAGEMENT'S RESPONSE AND CORRECTIVE ACTION PLAN
December 31, 2023**

Schedule B

Management's Response to Statewide Agreed-Upon Procedures Sewerage and Water Board of New Orleans, Louisiana

In response to written policies and procedures exception 1(xi):

The Board has updated the written policy to include verbiage on periodic testing/verification that backups can be restored.

In response to information technology disaster recover/business continuity exception 13C:

The Board will develop additional monitoring and compliance procedures to ensure employees with technology access are completing the required training. The Board's annual cyber training requirements exceed the State requirement. An enforcement mechanism will be developed to ensure that all training has been completed. Since May 10, 2022, all new Sewerage and Water Board employees have been trained on cyber security as part of their initial orientation for the Board. Additionally, requirements for contractors to complete the training will be added to the Board's standard contract template.