

**GENERAL SUPERINTENDENT RECOMMENDATIONS  
FOR THE MAY 17, 2017 MEETING**

- A. BIDS.** A listing of the bids received during the month of April is included in the following report. A brief summary is attached for your review.

Item 1 - R-039-2017 - CONTRACT 2126 - WATER MAIN POINT  
REPAIR, WATER SERVICE CONNECTION,  
WATER VALVE AND FIRE HYDRANT  
REPLACEMENT AT VARIOUS SITES  
THROUGHOUT ORLEANS PARISH

**B. CONTRACT FINAL ACCEPTANCE**

Item 2 - R-040-2017 - CONTRACT 3666 - 404 HAZARD MITIGATION  
GRANT PROGRAM REPLACEMENT OF LAKE  
FOREST SEWAGE PUMPING STATION

**GENERAL SUPERINTENDENT RECOMMENDATIONS  
REPORT OF FINAL ACCEPTANCE TO BE  
CONSIDERED BY THE FINANCE AND ADMINISTRATION COMMITTEE  
AND THE BOARD'S MEETING OF MAY 17, 2017**

During April 2017 bids were received and evaluated as per attached tabulations) on various items as follows:

1. **CONTRACT 2126 - WATER MAIN POINT REPAIR, WATER SERVICE CONNECTION, WATER VALVE AND FIRE HYDRANT REPLACEMENT AT VARIOUS SITES THROUGHOUT ORLEANS PARISH**

Two (2) bids were received on March 17, 2017 for performing work under Contract 2126. It is recommended that the low bid of **Wallace C. Drennan, LLC** in the total amount of **\$2,944,440.00**, be accepted based upon the technical review of the proposals.

**The two (2) bidders are as follows:**

1. <b>Wallace C. Drennan, LLC</b>	<b>\$2,944,440.00</b>
2. Fleming Construction Co., LLC	3,630,116.00

The estimated amount for this project is \$4,000,000.00.

The DBE participation is 36%.

Funds for this project are budgeted under Capital Program 110 (Normal Extensions & Replacements).

2.

**REPORT OF FINAL ACCEPTANCE**

**PROPOSAL:**

Contract 3666 be considered for acceptance.

**EVALUATION:**

Contract 3666 - **Lou-Con, Inc.** - 404 Hazard Mitigation Grant Program Replacement of Lake Forest Sewage Pumping Station. Total Contract Bid \$1,416,500.00. Total Contract Expenditure \$1,494,420.43. Date Work Order Issued February 18, 2014. Date Work Accepted May 9 2016. The DBE Participation is 36%. The DBE Participation Achieved is 35.4%.

**RECOMMENDATION:**

The above contract is recommended for acceptance.

**CONTRACT 2126 - WATER MAIN POINT REPAIR, WATER SERVICE CONNECTION, WATER VALVE AND FIRE HYDRANT REPLACEMENT AT VARIOUS SITES THROUGHOUT ORLEANS PARISH**

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**BE IT RESOLVED** by the Sewerage and Water Board of New Orleans that two (2) bids were received on March 17, 2017 after advertising according to the Public Bid Law, for performing work under Contract 2126. The low bid was hereby accepted and contract awarded therefore to Wallace C. Drennan, LLC for the total amount of \$2,944,440.00.

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I, Cedric S. Grant, Executive Director, Sewerage and Water Board of New Orleans, do hereby certify that the above and foregoing is a true and correct copy of a resolution adopted at the Regular Meeting of the said Board, duly called and held, according to law, on May 17, 2017.

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CEDRIC S. GRANT  
EXECUTIVE DIRECTOR  
SEWERAGE AND WATER BOARD OF NEW ORLEANS

**FINAL ACCEPTANCE AND CLOSE OUT TO CONTRACT 3666 - 404 HAZARD  
MITIGATION GRANT PROGRAM REPLACEMENT OF LAKE FOREST SEWAGE  
PUMPING STATION**

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**WHEREAS, Contract 3666 - 404 Hazard Mitigation Grant Program Replacement of Lake Forest Sewage Pumping Station** is ready for Final Acceptance by the Sewerage & Water Board of New Orleans; and

**WHEREAS,** the General Superintendent in his report has recommended that this contract receive final acceptance and be closed out.

**NOW, THEREFORE, BE IT RESOLVED,** by the Sewerage and Water Board of New Orleans that the recommendation of the General Superintendent to authorize final acceptance and to close out Contract by **Lou-Con, Inc. for Contract 3666 - 404 Hazard Mitigation Grant Program Replacement of Lake forest Sewage Pumping Station,** is hereby approved.

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I, Cedric S. Grant, Executive Director, Sewerage and Water Board of New Orleans, do hereby certify that the above and foregoing is a true and correct copy of a resolution adopted at the Regular Meeting of the said Board, duly called and held, according to law, on May 17, 2017.

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CEDRIC S. GRANT  
EXECUTIVE DIRECTOR  
SEWERAGE AND WATER BOARD OF NEW ORLEANS

**RATIFICATION OF CHANGE ORDER NO. 1 FOR CONTRACT 1395-- WATER HAMMER  
HAZARD MITIGATION-- ELVATED STORAGE TANKS**

**WHEREAS**, the Sewerage and Water Board entered into Contract 1395 with B&K Construction Co. for the FEMA funded construction of Water Hammer Hazard Mitigation Elevated Storage Tanks in the bid amount of \$33,570,152.00, and

**WHEREAS**, additional work was removed from a future construction contract and added to this contract to allow the Panola Water Tower to be fully operational at the end of Contract 1395 and stay in operation during future contracts; and

**WHEREAS**, the contractor was required to do additional work due to unforeseen conditions and feeder outages; and

**WHEREAS**, this Change Order, in the amount of \$2,873.564.38 is 8.6% of the original Contract value, and

**NOW THEREFORE BE IT RESOLVED**, that approval of Change Order No. 1 for Contract 1395 is ratified by the Sewerage and Water Board of New Orleans.

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I, Cedric S. Grant, Executive Director,  
Sewerage and Water Board of New Orleans, do hereby  
certify that the above and foregoing is a true  
and correct copy of a Resolution adopted at the Regular  
Monthly Meeting of said Board, duly called and held,  
according to law, on May 17, 2017.

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CEDRIC S. GRANT, EXECUTIVE DIRECTOR  
SEWERAGE AND WATER BOARD OF NEW ORLEANS



## Sewerage & Water Board

### Inter-Office Memorandum

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**Date:** May 4, 2017

**From:** Joseph R. Becker, P.E.  
General Superintendent

**To:** Cedric S. Grant  
Executive Director

**Re:** Contract Number 1395 - Water Hammer Elevated Storage Tanks

Enclosed please find a recommendation from the Chief of Engineering for approval of Change Order No. 1 for the above contract.

Some of this additional work is required due to unforeseen conditions and delays associated with the SWBNO unable to provide feeder outages. However, the large change involved consists of a modification to the plans that will allow the Panola Water Tower to stay in operation during future projects. An upcoming Water Hammer Project had the scope of work of routing the distribution piping around Panola Pumping Station and adding valves to the system. By moving that scope of work into this existing construction contract, the Panola Water Tower would not be required to be taken out of service for that construction, as it can be completed concurrently with the Water Tower construction.

This Change Order will extend the length of the Contract by 185 days. The required DBE participation on this Contract is 5% and the current participation is 0.6%. The Contractor is forecasting to reach 7.15% DBE participation.

This Change Order is in the amount of \$2,873,564.38 which represents 8.6% of the original bid amount.

I would appreciate you forwarding this to the attention of the appropriate committees of the Board for consideration and approval.

  
Joseph R. Becker, P.E.  
General Superintendent

**CC:** Bruce Adams, Deputy Director – Engineering & Construction  
Ron Spooner, Chief of Engineering  
Christopher Bergeron, Mechanical Engineering  
Camille Hazeur, EDBP  
Dexter Joseph, Budget  
Nolan Lambert, Legal  
Willie Mingo, Purchasing  
Rosita Thomas, Finance



# Sewerage & Water Board

## Inter-Office Memorandum

**Date:** May 4, 2017

**From:** Melvin R. Spooner, P.E.  
Chief of Engineering

**To:** Bruce Adams, P.E.  
Deputy General Superintendent

**Re:** Contract Number 1395 - Water Hammer Elevated Storage Tanks

### CHANGE ORDER NO. 1

This change order consists of changes to the contract due to unforeseen conditions, including repairing a crack in a clear water conduit, re-routing of fiberoptic and electrical lines, exploratory excavations, changing the size of tapping sleeves and valves, and other changes due to feeder relocation work. Also included in this change order is a scope of work that has been removed from a future Water Hammer Construction Project, Contract 1376, and moved into this one. This modification includes additional piping, valves, a new valve vault, and associated electrical work for an alternative piping route from Panola Pumping Station. All of this construction would have been included in the future Contract 1376, but has been added to this contract to allow the Panola Water Tower to be operational during the construction of Contract 1376.

Original Contract Bid Price:	\$33,570,152.00
Previously Approved Change Orders:	\$0.00
This Change Order Amount:	\$2,873,564.38
Total Change Orders (% of Original Contract)	8.6%
Total Dollar Change Order Amount:	\$2,873,564.38
Days Added by this CO	185
Contract DBE Participation	5%
Forecasted DBE Participation	7%

The Engineering Department has reviewed this proposal and is recommending it for approval.

I concur:

Bruce Adams, P.E.  
Deputy Director - Engineering & Construction

Date:

05/04/2017

cc: Alvin Porter, EDBP  
Dexter Joseph, Budget  
Nolan Lambert, Special Council  
Christopher Bergeron, Mechanical Engineering

Vincent Fouchi, Chief of Operations  
Rosita Thomas, Finance  
Joseph R. Becker, General Superintendent

**SCOPE OF CHANGES**  
Contract 1395  
(Change Order No. 1)

**ADDITIONAL ITEMS TO BE ADDED TO CONTRACT**

Item #	PCO#	Detailed Description	Units	Unit Price	Quantity	Amount	Days	Comments
1	1	Baseline vibration monitoring study prior to construction	1	\$3,074.43	1	\$3,074.43	0	FEMA Eligible
2	2	Repair to a crack in the 8x8 clear water conduit impacting B&K's construction of a power manhole	1	\$5,325.55	1	\$5,325.55	1	FEMA Eligible
3	3	Additional days due to SWB unable to provide feeder outages to B&K	1	\$0.00	1	\$0.00	7	N/A
4	4	Installation of a pile install action recorder for Panola sugar cast piles	1	\$12,328.45	1	\$12,328.45	1	FEMA Eligible
5	5	Credit to remove static pile load tests from contract and replace with dynamic pile test	1	-\$18,830.62	1	-\$18,830.62	0	FEMA Eligible
6	6	Re-route of fiberoptic, intercom, and electrical lines into Chaiborne Pumping Station	1	\$44,208.62	1	\$44,208.62	17	FEMA Eligible
7	7	Exploratory excavation and installation of two electrical manholes due to an unknown condition impacting feeders 130B and CPA.	1	\$21,575.75	1	\$21,575.75	7	FEMA Eligible
8	8	Change of two tapping sleeves and valves from 12" to 14"	1	\$37,124.75	1	\$37,124.75	2	FEMA Eligible
9	9	Credit to remove the stairs and widen the ramp for the doors at the water tower pedestals	1	-\$3,145.49	1	-\$3,145.49	0	FEMA Eligible
10	10	Re-roots of existing drain line around new manhole at the Panola site	1	\$1,429.41	1	\$1,429.41	0	FEMA Eligible
11	11	Additional work to perform a field investigation for the future installation a line stop and associated work to remove a 36" water line.	1	\$6,252.42	1	\$6,252.42	1	FEMA Eligible
12	12	Remobilization of the pile driving equipment due to the delays associated with feeder relocation work and feeder outages at the Panola site	1	\$27,983.43	1	\$27,983.43	4	FEMA Eligible
13	13	Additional work to remove 1000MCM cable for the Sycamore feeder for reuse at the Panola site	1	\$13,097.37	1	\$13,097.37	3	FEMA Eligible
14	14	Piping modifications and additional valve vaults to be moved from the future contract 1376 to this contract. This additional work allows the Panola Water Tower to be operational prior to the completion of 1376	1	\$2,723,140.31	1	\$2,723,140.31	142	FEMA Eligible
						<b>\$ 2,873,564.38</b>	<b>185</b>	

Contract DBE %	5.00%
Current DBE %	0.06%
Forecasted DBE %	7.15%

CONTRACT AMOUNT	
Original	\$ 33,570,152.00
Amount of previous Change Orders	\$ -
Amount this Change Order	\$ 2,873,564.38
Change Orders to date	\$ 2,873,564.38

REVISED CONTRACT AMOUNT **\$ 36,443,716.38**

CONTRACT DAYS	
BASE	730
Original Contract Days	
Days Previously Added	
Days this Change Order	185
Days Added to date	185

REVISED CONTRACT DAYS **915**

**% OF ORIGINAL CONTRACT AMOUNT**

This Change Order	1.5%
Previous Change Order	0.0%
<b>TOTAL TO DATE</b>	<b>1.5%</b>

**FINAL COMPLETION**

Work Order Date	11/9/2016
Original Completion Date	11/9/2018
Revised Date w/ days added	5/13/2019
Forecasted Completion Milestone	

It is mutually agreed to perform and accept the above revisions in accordance with the original contract and applicable specifications for the above price. This Change Order includes all O&E and Profit fees associated with the work. No additional fees shall be awarded after acceptance of this Change Order.

**Proposed By:**

*W. B. Andrews*  
 Blake Andrews  
 B&K Construction Co.

5/14/17  
 Date

**Recommended By:**

*Chris Bergeron*  
 Chris Bergeron  
 Mechanical Engineering

5/14/17  
 Date

**Approved By:**

*Melvin R. Spooner*  
 Melvin R. Spooner  
 Chief of Engineering

5/14/17  
 Date

**RATIFICATION OF CHANGE ORDER NO. 3 FOR CONTRACT 3795 – Modifications to the Return Activated PS and Pipeline at the East Bank Sewer Treatment Plant**

**WHEREAS**, the Sewerage and Water Board entered into Contract 3795 with Industrial and Mechanical Contractors, Inc. for modifications to the Return Activated Pump Station and Pipeline at the East Bank Wastewater Treatment Plant, and

**WHEREAS**, the removal of a stump at a pile cap location, additional expenses for a 30 inch valve installation, roadway paving additions, modifications to the storm drain catch basins, and the installation of a French drain system are required at a cost of \$59,124.66, and

**WHEREAS**, the time associated with the performance of this work requires 105 days to be added to the contract period, and

**WHEREAS**, this Change Order, in the amount of \$59,124.66, brings the accumulated Contract change order total to \$155,645.39, or 9.3% of the original Contract value, and

**NOW THEREFORE BE IT RESOLVED**, that approval of Change Order No. 3 for Contract 3795 is ratified by the Sewerage and Water Board of New Orleans.

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I, Cedric S. Grant, Executive Director,  
Sewerage and Water Board of New Orleans, do hereby  
certify that the above and foregoing is a true  
and correct copy of a Resolution adopted at the Regular  
Monthly Meeting of said Board, duly called and held,  
according to law, on May 15, 2017.

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CEDRIC GRANT, EXECUTIVE DIRECTOR  
SEWERAGE AND WATER BOARD OF NEW ORLEANS



# Sewerage & Water Board

## Inter-Office Memorandum

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**Date:** May 5, 2017

**From:** Joseph Becker, P.E.  
General Superintendent

**To:** Cedric Grant  
Executive Director

**Re:** Contract Number 3795 – Modifications to the Return Activated Sludge PS and Pipeline at the East Bank Sewer Treatment Plant  
Change Order 3

Enclosed please find a recommendation from the Chief of Engineering for approval of Change Order No. 3 for the above contract.

This additional work is to remove a stump at a pile cap location and pay additional expenses for a 30 inch valve installation and roadway paving additions. It also includes modifications to the storm drain catch basins and the installation of a French drain system by Bio-Reactor Train #1. This Change Order does extend the length of the Contract by 105 days. The required DBE participation on this Contract is 5% and the current participation is 5%.

This Change Order is in the amount of \$59,124.66 represents 3.5% of the original bid amount, and brings the cumulative total Change Orders to \$155,645.39 which is 9.3% of the original bid amount.

I would appreciate you forwarding this to the attention of the appropriate committees of the Board for consideration and approval.

  
Joseph Becker, P.E.  
General Superintendent

**cc:** Ron Spooner, Bruce Adams, Felicia Bergeron, Vincent Fouchi, Hadi Amini,  
Alvin Porter, Nolan Lambert, Willie Mingo, Dexter Joseph, Rosita Thomas



# Sewerage & Water Board

## Inter-Office Memorandum

**Date:** May 5, 2017

**From:** M. Ron Spooner, P.E.  
Chief of Engineering

**To:** Joseph Becker, P.E.  
General Superintendent

**Re:** Contract Number 3795 – Modifications to the Return Activated Sludge PS and Pipeline at the East Bank Sewer Treatment Plant

### CHANGE ORDER NO. 3

Description of Change Order: Removal of a stump at a pile cap location. Additional expenses for the 30 in valve installation and roadway paving additions. Modifications to the storm drain catch basins and install of a French drain system by Bio-Reactor Train #1.

Original Contract Bid Price:	\$1,677,000.00
Previously Approved Change Orders:	\$96,520.73
This Change Order Amount:	\$59,124.66
Total Change Orders (% of Original Contract)	9.3%
Total Dollar Change Order Amount:	\$155,645.39
Days Added by this CO	105
Contract DBE Participation	5%
Current DBE Participation (Invoiced To Date)	5%
Forecasted DBE Participation	5%

The Engineering Department has reviewed this proposal and is recommending it for approval.

I concur:

  
Bruce Adams, P.E.

Deputy General Superintendent

Date:

05/05/2017

cc: Felicia Bergeron, Project Engineer  
Willie Mingo, Purchasing Dept.  
Vincent Fouchi, Chief of Operations  
Rosita Thomas, Finance  
Bruce Adams, Deputy General Superintendent

M. Ron Spooner, Chief of Engineering  
Alvin Porter, EDB Director  
Dexter Joseph, Budget  
Nolan Lambert, Special Counsel  
Hadi Amini, CA&I

**SCOPE OF CHANGES No. 1**  
**CONTRACT 3795 - Modifications to the Return Activated PS and Pipeline at the EBWWTP**  
**(Change Order No. 3)**

**ADDITIONAL ITEMS TO BE ADDED TO CONTRACT**

Item #	FCOM#	Detailed Description	Units	Unit Price	Quantity	Amount	Days	Comments
1	1	Stump removal at pile cap location. Additional expenses for 30 in valve installation. Roadway paving additions. Modifications to the storm drain catch basins. Install of the french drain system.	Lump Sum	\$ 59,124.66	1	\$ 59,124.66	18	

Contract DBE%	5.0%
Current DBE%	5.0%
Forecasted DBE%	5.0%

Original	\$ 1,677,000.00
Amount of previous Change Orders	\$ 96,520.73
Amount this Change Order	\$ 59,124.66
Change Orders to date	\$ 155,645.39

BASE	
Original Contract Days	180
Days Previously Added	33
Days this Change Order	105
Days Added to date	138

**REVISED CONTRACT DAYS**

**REVISED CONTRACT AMOUNT \$ 1,832,645.39**

**% OF ORIGINAL CONTRACT AMOUNT**

This Change Order	3.53%
Previous Change Order	5.76%
<b>TOTAL TO DATE</b>	<b>9.28%</b>

Work Order Date	9/1/2015
Work Completion Milestone Date	7/15/2016

It is mutually agreed to perform and accept the above revisions in accordance with the original contract and applicable specifications for the above price.

Recommended By:

  
 Thomas Moore  
 S&WB Project Manager

4-21-16  
 Date

Approved By:

  
 Melvin R. Spooner  
 Chief of Engineering

Proposed By:

  
 Industrial and Mechanical Contractors  
 Contractor Representative

9-21-16  
 Date

10/12/16  
 Date

**RATIFICATION OF AMENDMENT NO. 9 TO THE AGREEMENT BETWEEN THE  
SEWERAGE AND WATER BOARD OF NEW ORLEANS AND WALDEMAR S. NELSON AND  
COMPANY FOR HURRICANE KATRINA RELATED WATER RESTORATION PROJECTS**

**WHEREAS**, on January 14, 2009 the Sewerage and Water Board of New Orleans (Board) awarded a contract to Waldemar S. Nelson and Company in the amount of \$2,377,665.20 to perform design services for Hurricane Katrina Related Water Restoration Project Repairs at the Power Plant – Carrollton Plant (R-013-2009); and

**WHEREAS**, the scope of Amendment No. 9 in the amount of \$3,821,985.00 is for additional design and construction inspection services to interface with on-going construction contractor and their vendors to obtain data required to complete detailed design and systems alignment prior to start-up and testing, including commissioning, start-up, and operations manuals necessary for the Steam Turbine/Generator No. 4 at the Carrollton Water plant, which brings the total authorized contract amount for design services to \$8,337,305.88; and,

**NOW THEREFORE BE IT RESOLVED**, that approval of Amendment No. 9 for Waldemar S. Nelson and Company is hereby ratified by the Sewerage and Water Board of New Orleans.

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I, Cedric S. Grant, Executive Director,  
Sewerage and Water Board of New Orleans, do hereby  
certify that the above and foregoing is a true  
and correct copy of a Resolution adopted at the Regular  
Monthly Meeting of said Board, duly called and held,  
according to law, on May 17, 2017.

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CEDRIC S. GRANT, EXECUTIVE DIRECTOR  
SEWERAGE AND WATER BOARD OF NEW ORLEANS



# SEWERAGE AND WATER BOARD OF NEW ORLEANS

## Inter-Office Memorandum

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**Date:** May 4, 2017

**From:** Joseph R. Becker, P.E.  
General Superintendent

**To:** Cedric S. Grant  
Executive Director


**Re:** **Contract Amendment No. 9 - Hurricane Katrina Related Repairs for Water Restoration Project Additional Engineering Services for W.S. Nelson and Company In Support of SWBNO Construction Contract Nos. 1350, 1351, 1352, and 1378 Hurricane Related Water Restoration Program**

Attached please find a memorandum from the Deputy Director of Engineering and Construction recommending approval of the ninth Contract Amendment for Additional Engineering Services performed by W.S. Nelson and Company.

The scope of services of this Amendment No. 9 includes additional design and construction inspection services to interface with on-going construction contractor and their vendors to obtain data required to complete detailed design and systems alignment prior to start-up and testing, including commissioning, start-up, and operations manuals necessary for the Steam Turbine/Generator No. 4 at the Carrollton Water plant. Scope of services also includes additional testing, design and construction support of the Boiler Blowdown Grey Water Treatment System and additional testing and design associated with the Emergency Boiler Feed Water Pumps.

This request in the amount of \$3,998,069.31 for design services to complete repairs for Contracts at our Carrollton Water Treatment Plant (see attached Scope of Change spreadsheet). This cost is presumed eligible for FEMA reimbursement. The current DBE % on this contract is 11.338%, the required DBE participation goal is 36% percent, and will remain unchanged through this approved AES request. Previous amendments to this contract totaled \$1,961,571.37. This Contract Amendment request brings the cumulative total of Contract Amendments to \$8,337,305.88, which is 270.5% of the original bid amount of the Design Contract.

I would appreciate you forwarding this request to the attention of the appropriate committees of the Board for their consideration and approval.

  
Joseph R. Becker, P.E.  
General Superintendent

**Cc:** M. Ron Spooner  
Randi Jones  
Reid L. Dennis  
Phil Kutz, CH2M  
Dexter Joseph  
Rosita Thomas  
Alvin Porter  
Willie Mingo  
Nolan Lambert



# Sewerage & Water Board

## Inter-Office Memorandum

**Date:** May 4, 2017

**From:** Melvin R. Spooner, P.E.  
Chief of Engineering

**To:** Bruce Adams, P.E.  
Deputy General Superintendent

**Re:** AMENDMENT NO. 9 to the Agreement Between  
Waldmar S. Nelson and the Sewerage and Water Board of New Orleans  
Hurricane Related Water Restoration Program  
In Support of SWBNO Construction Contract Nos. 1350, 1351, 1352, and 1378

The scope of services of this Amendment No. 9 includes additional design and construction inspection services to interface with on-going construction contractor and their vendors to obtain data required to complete detailed design and systems alignment prior to start-up and testing, including commissioning, start-up, and operations manuals necessary for the Steam Turbine/Generator No. 4 at the Carrollton Water plant. Scope of services also includes additional testing, design and construction support of the Boiler Blowdown Grey Water treatment System and additional testing and design associated with the Emergency Boiler Feed Water Pumps.

Original Contract Award Amount:	\$2,377,665.20
Previously Approved Design Change Orders:	\$1,961,571.37
This Design Change Order Amount:	\$3,998,069.31
Total Dollar Design Change Order Amount:	\$5,959,640.68

Contract DBE Participation	36%
Current DBE Participation	11.39%

The Engineering Department has reviewed this proposal and is recommending it for approval.

I concur: Bruce Adams, P.E.  
Bruce Adams, P.E.  
Deputy General Superintendent

Date: 05/04/2017

cc: Joseph Becker, General Superintendant  
Dexter Joseph, Budget  
Nolan Lambert, Special Counsel  
Phil Kutz, CH2M  
Willie Mingo, Purchasing

Vincent Fouchi, Chief of Operations  
Rosita Thomas, Finance  
Randi Jones, FEMA Project Delivery  
Alvin Porter, EDB

AMENDMENT NO. 9  
HURRICANE RELATED WATER RESTORATION PROGRAM  
IN SUPPORT OF CONSTRUCTION CONTRACTS 1350, 1351, 1352, 1378  
WALDEMAR S. NELSON AND COMPANY  
AMENDMENT No. 9

ADDITIONAL ITEMS TO BE ADDED TO CONTRACT

AES #	CN	Detailed Description	Fee	Funding Source
45	1378	Additional testing, design, and construction support associated with the Boiler Blowdown Grey Water Treatment System. (Reference Part C on WSN Letter)	\$ 82,818.56	FEMA
46	1352	Additional testing and design associated with the Emergency Boiler Feed Water Pumps.	\$ 37,636.14	FEMA
47	1350, 1351, and 1352	Additional engineering construction support beyond original construction contract completion date of December 12, 2012. Period from June 1, 2016 through December 31, 2017.	\$ 55,629.61	FEMA
48	1350	Additional design and construction inspection services to interface with construction contractor and their vendors to obtain data required to complete detailed design and alignment of all systems prior to startup and testing, including all commissioning, startup, and operations manuals required for the operation of Steam Turbine No. 4 at the Power Plant - Carrollton Plant	\$ 3,821,985.00	FEMA

TOTAL \$ 3,998,069.31

CONTRACT DBE %	
Contract DBE%	36%
Current DBE%	11.39%

% OF ORIGINAL CONTRACT AMOUNT	
This Contract Amendment	168.2%
Previous Contract Amendments	82.5%
TOTAL TO DATE	250.7%

CONTRACT AMOUNT	
Original Contract Amount	\$ 2,377,665.20
Amount of Previous Amendments	\$ 1,961,571.37
Amount of this Amendment	\$ 3,998,069.31
Amendments to date	\$ 5,959,640.68

REVISED CONTRACT AMOUNT	\$ 8,337,305.88
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It is mutually agreed to perform and accept the above revisions in accordance with the currently amended contract and the applicable specifications for the above price.

Proposed By:

Steve Pumilia  
Steve Pumilia  
Waldemar S. Nelson and Company

Approved By:

Waldemar S. Nelson  
Waldemar S. Nelson  
Chief of Engineering

Recommended By:

Reid Dennis  
Reid Dennis  
S&WB Project Manager

Date

5-1-17

Date

5/1/17

**AMENDMENT TO AGREEMENT WITH VOLKERT, INC. FOR DESIGN AND ENGINEERING SERVICES FOR THE DEMOLITION OF ABANDONED C7 AND C8 BASINS AND OTHER SITE IMPROVEMENTS PROJECT**

**WHEREAS**, by action of the Sewerage and Water Board of New Orleans (Board), through the adoption of Resolution R-056-2016, Volkert, Inc. was awarded the agreement for Phase I design and engineering services for the Demolition of Abandoned C7 and C8 Basins Project for \$84,996.00 ; and

**WHEREAS**, the Phase I has been completed and the Board requires Phase II of the existing contract with Volkert, Inc. begin, and Volkert, Inc. is now ready to perform Phase II Design and Engineering Services, including preparation of the design and bidding documents of the contract documents, permitting services, bidding phase services, and supplementary services necessary to complete their design, and construction engineering and inspection; and

**WHEREAS**, Volkert, Inc. has provided a proposal for these Phase II services in the amount of \$1,105, 611.76 and has committed to maintaining their DBE goal.

**NOW THEREFORE, BE IT RESOLVED**, that the President and/or President Pro Tem shall be authorized to execute the amendment to this agreement with Volkert, Inc. for the Demolition of Abandoned C7 and C8 Basins and other Site Improvements Project increasing the fee authorized to be paid to Stanley Consultants, Inc. by \$1,105,611.76 to a total fee of \$1,190,607.76.

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I, Cedric S. Grant, Executive Director,  
Sewerage and Water Board of New Orleans, do hereby  
certify that the above and foregoing is a true and  
correct copy of a Resolution adopted at the Regular  
Monthly Meeting of said Board, duly called and held,  
according to law, on May 17, 2017.

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CEDRIC S. GRANT, EXECUTIVE DIRECTOR  
SEWERAGE AND WATER BOARD OF NEW ORLEANS



# SEWERAGE AND WATER BOARD OF NEW ORLEANS

## Inter-Office Memorandum

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**Date:** May 4, 2017

**From:** Joseph R. Becker, P.E.  
General Superintendent

**To:** Cedric S. Grant  
Executive Director

**Re:** **Demolition of Abandoned C7 and C8 Basins and Other Site Improvements  
Phase II Engineering Design Services for Volkert, Inc.**

Attached please find a letter from the Chief of Engineering, recommending authorization for Additional Engineering Services performed by Volkert, Inc.

This request in the amount of \$1,105,611.76 is for the design services associated with additional investigation in the phase I portion of the design and the Phase II portions of the project. This is a continuation of the Phase I services, and the scope for additional phases through construction has now been established. A design report proposal has been completed which consisted of evaluating the existing C7 and C8 basins for demolition and evaluating any seepage issues from other nearby basins. The additional work is to do some testing around these basins for seepage and to dig in one area to investigate the condition of the pilings underneath these basins. Phase II will consist of the design phase associated with the demolition of these basins, and also includes bidding, construction inspection and administration services. The proposed design consists of demolition of these two basins (C7 and C8), addressing drainage and seepage issues around this area and anything else necessary to make this area suitable for future construction in the same location. The required DBE participation goal on this contract is 35% percent and will remain unchanged through this approved AES request. This authorization request brings the cumulative total of the contract to \$1,190,607.76.

I would appreciate you forwarding this request to the attention of the appropriate committees of the Board for their consideration and approval.

Joseph R. Becker, P.E.  
General Superintendent

**Cc:** Bruce Adams, Deputy General Superintendent  
M. Ron Spooner, Chief of Engineering  
Alvin Porter, EDBP Department  
Leonard Hirsch, PM

Dexter Joseph, Budget Director  
Rosita Thomas, Finance  
Willie Mingo, Purchasing  
Nolan Lambert, Special Counsel

**AUTHORIZATION TO PROCEED TO PHASE II DESIGN SERVICES IN THE AGREEMENT  
BETWEEN THE SEWERAGE AND WATER BOARD OF NEW ORLEANS AND N-Y  
ASSOCIATES, INC. FOR DESIGN AND ENGINEERING SERVICES FOR THE SWBNO  
RESILIENCY COMPLEX**

**WHEREAS**, by action of the Sewerage and Water Board of New Orleans (Board), through the adoption of Resolution R-057-2016, N-Y Associates, Inc. was awarded the agreement for Phase I Design and Engineering Services for the SWBNO Resiliency Complex for \$240,697.52; and

**WHEREAS**, the Phase I has been completed and the Board is now ready to perform Phase II Design and Engineering Services, including preparation of the design and bidding documents of the contract documents, permitting services, bidding phase services, supplementary services necessary to complete their design, construction administration and inspection; and

**WHEREAS**, N-Y has provided a proposal for these Phase II services in the amount of \$2,930,666.15 and has committed to maintaining their DBE goal of 35%.

**NOW THEREFORE, BE IT RESOLVED**, that the President and/or President Pro Tem shall be authorized to execute the amendment to this agreement with N-Y Associates, Inc. for SWBNO Resiliency Complex increasing the fee authorized to be paid to N-Y Associates, Inc. by \$2,930,666.15 to a total fee of \$3,171,363.67.

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I, Cedric S. Grant, Executive Director,  
Sewerage and Water Board of New Orleans, do hereby  
certify that the above and foregoing is a true  
and correct copy of a Resolution adopted at the Regular  
Monthly Meeting of said Board, duly called and held,  
according to law, on May 17, 2017.

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CEDRIC S. GRANT  
EXECUTIVE DIRECTOR  
SEWERAGE AND WATER BOARD OF NEW ORLEANS



# Sewerage & Water Board

## Inter-Office Memorandum

**Date:** 5/4/2017

**From:** M. Ron Spooner, P.E.  
Chief of Engineering

**To:** Bruce Adams, P.E.  
Deputy General Superintendent

**Re:** Volkert, Inc.  
Demolition of Abandoned C7 and C8 Basins and Other Site Improvements  
Authorization for Phase II

This authorization will authorize Volkert, Inc. to complete additional items to Phase I design and perform Phase II Design Services for the demolition of abandoned C7 and C8 basins and other site improvements. The proposed additional work is a continuation of the Phase I services. The overall project was previously authorized, and the scope for additional phases through the Construction Phase of the C7 and C8 basin demolition has now been established.

Original Contract Award Amount:	\$84,996.00
Previously Approved Contract Amendments:	\$0.00
Phase II and Phase III Design Fee Amendment Amount:	\$1,105,611.76
Total Dollar Contract Amount (Phase I, Phase II, & Phase III):	\$1,190,607.76
Contract DBE Participation	35%
DBE% Forecast	35%

The Engineering Department has reviewed this proposal and is recommending it for approval.

I concur:

  
Bruce Adams, P.E.  
Deputy General Superintendent

Date:

05/04/2017

cc: Alvin Porter, EDB Director  
Dexter Joseph, Budget  
Nolan Lambert, Special Council  
Leonard Hirsch, PM  
Joe Becker, General Superintendent

Vincent Fouchi, Chief of Operations  
Rosita Thomas, Finance  
Joseph R. Becker, General Superintendent  
Willie Mingo, Purchasing Dept

**SCOPE OF CHANGE No. 1**  
**Demolition of C7 and C8 Basins and Other Site Improvements**  
**Volkert, Inc.**  
**CONTRACT AMENDMENT No. 1**

**ADDITIONAL ITEMS TO BE ADDED TO CONTRACT**

AES #	CN	Detailed Description	Fee	Pending Source
1	1403	Phase II Design Services- Demolition of C7 and C8 Basins and Other Site Improvements	\$ 1,105,611.76	

**TOTAL \$ 1,105,611.76**

CONTRACT DBE %	
Contract DBE%	35%
Current DBE%	35%

CONTRACT AMOUNT	
Original Contract Amount	\$ 84,996.00
Amount of Previous Contract Amendments	\$ -
Amount of this Contract Amendment	\$ 1,105,611.76
Contract Amendments to date	\$ 1,105,611.76

% OF ORIGINAL CONTRACT AMOUNT	
This Contract Amendment	N/A
Previous Contract Amendments	N/A
TOTAL TO DATE	N/A

<b>REVISED CONTRACT AMOUNT \$ 1,190,607.76</b>
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It is mutually agreed to perform and accept the above revisions for AES # 1 in accordance with the currently amended contract and the applicable specifications for the above price.

Proposed By: *Janet Evans*  
 Janet Evans, PE  
 Volkert, Inc.

5/1/2017  
 Date

Recommended By: *Leonard Hirsch*  
 Leonard Hirsch  
 S&WB Project Manager

5/1/17  
 Date

Approved By: *Melvin R. Spooner*  
 M. Ron Spooner  
 Chief of Engineering

5/2/17  
 Date



# SEWERAGE AND WATER BOARD OF NEW ORLEANS

## Inter-Office Memorandum

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**Date:** April 25, 2017

**From:** Joseph R. Becker, P.E.  
General Superintendent

**To:** Cedric S. Grant  
Executive Director

**Re:** SWBNO Resiliency Complex  
Engineering Design Services for N-Y Associates, INC.  
Authorization to Proceed to Phase II

Attached please find a letter from the Chief of Engineering, recommending approval of additional Engineering Services performed by N-Y Associates, INC.

This request in the amount of \$2,930,666.15 is for the design services associated with the phase II portion of the project. Phase I has been completed which consisted of evaluating the existing Head House building for its suitability to be used as a Safe House and meet FEMA P-361 criteria, evaluating hardening of the adjacent Engineering Complex as it pertains to windows, doors and roof, and connecting the two buildings with a new Infill Building. The results and recommendations of the study phase were submitted in a Preliminary Design Report. Phase II will consist of the design phase associated with this facility, bidding and construction administration services. The proposed design consists of retrofitting the current Engineering Complex to meet IBC 2015 and ASCE 7-10 standards for wind resistance. This requires the windows, doors and roof to be replaced. The proposed design also includes the complete renovation of the Head House building, which will meet FEMA P-361 criteria, and construction of a New Infill Building joining the two facilities producing 40,097 square feet of useable space. The required DBE participation goal on this contract is 35% percent and will remain unchanged through this approved AES request. This authorization brings the cumulative total of Contract Amendments to \$3,171,363.67.

I would appreciate you forwarding this request to the attention of the appropriate committees of the Board for their consideration and approval.

  
Joseph R. Becker, P.E.  
General Superintendent

**cc:** Bruce Adams, Deputy General Superintendent  
M. Ron Spooner, Chief of Engineering  
Alvin Porter, EDB Director  
Dexter Joseph, Budget  
Willie Mingo, Purchasing\  
Rosita Thomas, Finance  
Nolan Lambert, Special Counsel



# Sewerage & Water Board

## Inter-Office Memorandum

**Date:** 5/4/2017

**From:** M. Ron Spooner, P.E.  
Chief of Engineering

**To:** Bruce Adams, P.E.  
Deputy General Superintendent

**Re:** N-Y Associates, INC.  
SWBNO Resiliency Complex  
Authorization for Phase II

This authorization will authorize N-Y Associates, INC. to perform Phase II Design Services for Contract 30109. The proposed work consists of retrofitting the current Engineering Complex to meet IBC 2015 and ASCE 7-10 standards for wind resistance. This requires the windows, doors and roof to be replaced. Furthermore the proposed design will include a complete renovation of the Head House facility and construction of a New Infill Building joining the two facilities producing 40,097 square feet of new useable space. The Head House will be designed to be used as a Safe House and meet FEMA P-361 criteria.

Original Contract Award Amount:	\$240,697.52
Previously Approved Contract Amendments:	\$0.00
Phase II Design Fee Amendment Amount:	\$2,930,666.15
Total Dollar Contract Amount (Phase I & Phase II):	\$3,171,363.67

Contract DBE Participation	35%
DBE % Contract since inception:	15%
DBE % Forecast:	35%

The Engineering Department has reviewed this proposal and is recommending it for approval.

I concur: Bruce Adams, P.E.  
Bruce Adams, P.E.  
Deputy General Superintendent

Date: 05/04/2017

cc: Vickie Rivers, EDB Director  
Dexter Joseph, Budget  
Nolan Lambert, Special Council  
Daniel Avalos, PM  
Wille Mingo, Purchasing Dept

Vincent Fouchi, Chief of Operations  
Rosita Thomas, Finance  
Jason Higginbotham, EM Director  
Joseph R. Becker, General Superintendent

SCOPE OF CHANGE No. 1  
 SWENO Resiliency Complex  
 N.Y. Associates, INC.  
 CONTRACT AMENDMENT No. 1

ADDITIONAL ITEMS TO BE ADDED TO CONTRACT

AES #	CN	Detailed Description	Fee	Funding Source
1	8154	Phase II Design Services- SWENO Resiliency Complex	\$ 2,930,666.15	

TOTAL \$ 2,930,666.15

CONTRACT DBE %	
Contract DBE %	35%
Current DBE %	35%

CONTRACT AMOUNT	
Original Contract Amount	\$ 2,930,666.15
Amount of Previous Contract Amendments	\$ -
Amount of this Contract Amendment	\$ 2,930,666.15
Contract Amendments to date	\$ 2,930,666.15

% OF ORIGINAL CONTRACT AMOUNT	
This Contract Amendment	N/A
Previous Contract Amendments	N/A
TOTAL TO DATE	N/A


REVISED CONTRACT AMOUNT	\$ 3,171,363.67
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It is mutually agreed to perform and accept the above revisions for AES # 1 in accordance with the currently amended contract and the applicable specifications for the above price.

Proposed By:

  
 James E. Simmons, P.E.  
 N.Y. Associates, INC.

Recommended By:

  
 Daniel Avalos  
 S&WB Project Manager

4/28/17  
 Date

4/28/17  
 Date

Approved By:

  
 M. Ron Spooner  
 Chief of Engineering

5/4/17  
 Date

**AUTHORIZATION TO PROCEED TO PHASE II DESIGN SERVICES AGREEMENT BETWEEN THE SEWERAGE AND WATER BOARD OF NEW ORLEANS AND BLACK & VEATCH FOR DESIGN AND ENGINEERING SERVICES FOR SEWER PUMPING STATION A STRUCTURAL REHABILITATION**

**WHEREAS**, on March 25, 2015 the Sewerage and Water Board of New Orleans (Board) awarded a contract in the amount of \$83,101.00 to Black & Veatch Corporation to perform Phase I design services, which consisted of a site assessment study, soil boring test and a Preliminary Design Report for the structural rehabilitation of Sewer Pumping Station A; and

**WHEREAS**, the Phase I design has been completed and the Board requires Phase II of the existing contract with Black & Veatch Corporation to begin, and Black and Veatch is now ready to perform Phase II design services, which will include retrofitting the suction chamber room to mitigate the major settlement issues and strengthen the wind force resisting system of the facility; and

**WHEREAS**, Black & Veatch has provided a proposal for these Phase II services in the amount of \$234,143.00 and has committed to maintaining their DBE goal of 35%,

**NOW THEREFORE BE IT RESOLVED**, that the President and/or President pro Tem shall be authorized to execute the authorization to this agreement with Black & Veatch for Sewer Pumping Station A Structural Rehabilitation by \$234,143.00 to a total fee of \$317,244.00.

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I, Cedric S. Grant, Executive Director,  
Sewerage and Water Board of New Orleans, do hereby  
certify that the above and foregoing is a true  
and correct copy of a Resolution adopted at the Regular  
Monthly Meeting of said Board, duly called and held,  
according to law, on May 17, 2017.

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CEDRIC S. GRANT  
EXECUTIVE DIRECTOR  
SEWERAGE AND WATER BOARD OF NEW ORLEANS



# SEWERAGE AND WATER BOARD OF NEW ORLEANS

## Inter-Office Memorandum

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**Date:** May 4, 2017

**From:** Joseph R. Becker, P.E.  
General Superintendent

**To:** Cedric S. Grant  
Executive Director

**Re:** **Black & Veatch Corporation**  
**SPS A Structural Rehabilitation**  
**Authorization for Phase II**

Attached please find a letter from the Chief of Engineering, recommending authorization for Additional Engineering Services performed by Black and Veatch Corporation.

This request in the amount of \$234,143.00 is for the design services associated with the Phase II portion of the project. Phase I has been completed which consisted of a site assessment study, soil boring test and the submittal of a Preliminary Design Report. Phase II will consist of the design phase associated with this facility, bidding and construction administration services. The proposed design consists of retrofitting the suction chamber room by installing micropiles and a new interior concrete wall adjacent to the existing wall. This will mitigate the major settlement issues and strengthen the wind force resisting system. The required DBE participation goal on this contract is 35% percent and will remain unchanged through this approved AES request. This authorization request brings the cumulative total of the contract to \$317,244.00.

I would appreciate you forwarding this request to the attention of the appropriate committees of the Board for their consideration and approval.

Joseph R. Becker, P.E.  
General Superintendent

**Cc:** Bruce Adams, Deputy General Superintendent  
M. Ron Spooner, Chief of Engineering  
Jason P. Higginbotham, Emergency Management  
Alvin Porter, EDBP Dept

Dexter Joseph, Budget Director  
Willie Mingo, Purchasing  
Rosita Thomas, Finance  
Nolan Lambert, Special Counsel



# Sewerage & Water Board

## Inter-Office Memorandum

**Date:** 5/4/2017

**From:** M. Ron Spooner, P.E.  
Chief of Engineering

**To:** Bruce Adams, P.E.  
Deputy General Superintendent

**Re:** Black & Veatch Corporation  
Sewer Pumping Station A Rehabilitation  
Authorization for Phase II

This authorization will authorize Black & Veatch Corporation to perform Phase II Design Services for Sewer Pumping Station A Rehabilitation. Phase I has been completed which consisted of a site assessment study, soil boring test and the submittal of a Preliminary Design Report. Phase II will consist of the design phase associated with this facility, bidding and construction administration services. The proposed design consists of retrofitting the suction chamber room by installing micropiles and a new interior concrete wall adjacent to the existing wall. This will mitigate the major settlement issues and strengthen the wind force resisting system. The required DBE participation goal on this contract is 35% percent and will remain unchanged through this approved AES request.

Original Contract Award Amount:	\$83,101.00
Previously Approved Contract Amendments:	\$0.00
Phase II Design Fee Amendment Amount:	\$234,143.00
Total Dollar Contract Amount (Phase I & Phase II):	\$317,244.00

Forecasted DBE Participation	35%
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The Engineering Department has reviewed this proposal and is recommending it for approval.

I concur: Bruce A Adams  
Bruce Adams, P.E.  
Deputy General Superintendent

Date: 05/04/2017

cc: Alvin Porter, EDBP Dept  
Dexter Joseph, Budget  
Nolan Lambert, Special Council  
Daniel Avalos, PM

Vincent Fouchi, Chief of Operations  
Rosita Thomas, Finance  
Jason Higginbotham, EM Director  
Joseph R. Becker, General Superintendent  
Willie Mingo, Purchasing

**SCOPE OF CHANGE No. 1**  
**SPS A Structural Rehabilitation**  
**Black & Veatch Corporation**  
**CONTRACT AMENDMENT No. 1**

**ADDITIONAL ITEMS TO BE ADDED TO CONTRACT**

AE#	CN	Detailed Description	Fee	Pending Source
1	20109	Phase II Design Services- Structural Rehabilitation for SPS A	\$ 234,143.00	

**TOTAL \$ 234,143.00**

CONTRACT DISE %	
Contract DISE %	35%
Current DISE %	35%

CONTRACT AMOUNT	
Original Contract Amount \$	83,101.00
Amount of Previous Contract Amendments \$	-
Amount of this Contract Amendment \$	234,143.00
Contract Amendments to date \$	234,143.00

% OF ORIGINAL CONTRACT AMOUNT	
This Contract Amendment	N/A
Previous Contract Amendments	N/A
TOTAL TO DATE	N/A

<b>REVISED CONTRACT AMOUNT \$ 317,244.00</b>
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It is mutually agreed to perform and accept the above revisions for AES # 1 in accordance with the currently amended contract and the applicable specifications for the above price.

Proposed By:

  
Chris Dornier  
Black & Veatch Corporation

Recommended By:

  
Daniel Avalos  
S&WB Project Manager

1/4/2017

Date

12/27/16

Date

Approved By:

  
M. Ron Spooner  
Chief of Engineering

4/7/17

Date



## SEWERAGE AND WATER BOARD

### Inter-Office Memorandum

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**DATE:** May 10, 2017  
**FROM:** Rosita P. Thomas, Financial Administrator  
**TO:** Cedric S. Grant, Executive Director  
**RE:** 2016 Louisiana Compliance Questionnaire and Resolution  
**Attn:** Lawrence Williams

Attached are the Louisiana Compliance Questionnaire and Resolution for your review. This is needed in conjunction with the Sewerage & Water Board's 2016 external audit.

The Louisiana State Legislative Auditor requires a completed Compliance Questionnaire as part of the financial & compliance audits of Louisiana governmental agencies. The resolution must be presented and adopted by the Board.

Please place the above referenced Louisiana Compliance Questionnaire and its resolution on the Audit Committee agenda and full Board as an action item.

Thank you.

cc: Robert Miller, Deputy Director

**LOUISIANA SYSTEMS SURVEY AND COMPLIANCE QUESTIONNAIRE**

WHEREAS, the Louisiana State Legislative Auditor has oversight authority over Louisiana governmental units and quasi-public corporations; and

WHEREAS, the Louisiana State Legislative Auditor requires a completed systems survey and compliance questionnaire as part of the financial and compliance audits of Louisiana governmental units and quasi-public corporations; and

WHEREAS, upon completion, the Louisiana State Legislative Auditor requires the questionnaire to be presented to and adopted by the governing body of the organization by means of a formal resolution in an open meeting.

NOW, THEREFORE, BE IT RESOLVED that the Sewerage and Water Board of New Orleans does adopt this resolution, attesting to the completion of the Systems Survey and Compliance Questionnaire.

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I, Cedric S. Grant, Executive Director,  
Sewerage and Water Board of New Orleans, do  
hereby certify that the above and foregoing  
is a true and correct copy of a resolution  
adopted at the Regular Monthly Meeting of said  
Board, duly called and held, according to law  
on May 17, 2017

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**CEDRIC S. GRANT  
EXECUTIVE DIRECTOR  
SEWERAGE AND WATER BOARD OF NEW ORLEANS**

**LOUISIANA COMPLIANCE QUESTIONNAIRE**  
**(For Audit Engagements of Governments)**

Dear Chief Executive Officer:

Attached is the Louisiana Compliance Questionnaire that is to be completed by you or your staff. This questionnaire is a required part of a financial audit of Louisiana state and local government and quasi-public agencies. Upon completion, the questionnaire must be presented to and adopted by the governing body, if any, of your organization by means of a formal resolution in an open meeting. Independently elected officials should sign the document, in lieu of such a resolution.

The completed questionnaire and a copy of the adoption instrument, if appropriate, must be given to the auditor at the beginning of the audit. The auditor will, during the course of his regular audit, test the accuracy of the responses in the questionnaire. It is not necessary to return the questionnaire to my office.

Certain portions of the questionnaire may not be applicable to your organization, especially those related to federal financial assistance, the requirements of the Single Audit Act, and OMB Circular A-133. In such cases, it is appropriate to mark the representation "not applicable." However, you must respond to each applicable representation. A 'yes' answer indicates that you have complied with the applicable law or regulation. A 'no' answer to any representation indicates a possible violation of law or regulation and, as such, should be fully explained. These matters will be reviewed by the auditor during the course of his examination. Please feel free to attach a further explanation of any representation.

Your cooperation in this matter will be greatly appreciated.

Sincerely,

Daryl G. Purpera, CPA, CFE  
Louisiana Legislative Auditor

Enclosure

**LOUISIANA COMPLIANCE QUESTIONNAIRE  
(For Audit Engagements of Government Agencies)**

May 17, 2017

Postlethwaite & Netterville  
One Galleria Blvd – Suite 2100  
New Orleans, La. 70001

In connection with your audit of our financial statements as of December 31, 2016 and for January 1, 2017 through March 31, 2017 (period of audit) for the purpose of expressing an opinion as to the fair presentation of our financial statements in accordance with accounting principles generally accepted in the United States of America, to assess our system of internal control as a part of your audit, and to review our compliance with applicable laws and regulations, we confirm, to the best of our knowledge and belief, the following representations. These representations are based on the information available to us as of March 15, 2017.

**PART I. AGENCY PROFILE**

1. Name and address of the organization.

Sewerage & Water Board of New Orleans  
625 St. Joseph Street – Room 331  
New Orleans, La. 70165

2. List the population of the municipality or parish based upon the last official United States Census or most recent official census (municipalities and police juries only). Include the source of the information.

**Not Applicable**

3. List names, addresses, and telephone numbers of entity officials. Include elected/appointed members of the governing board, chief executive and fiscal officer, and legal counsel.

**See Attached List A**

4. Period of time covered by this questionnaire.  
**January 1, 2016 through March 31, 2017**

5. The entity has been organized under the following provisions of the Louisiana Revised Statute(s) (R.S.) and, if applicable, local resolutions/ordinances.  
**Act. 6 of the Louisiana Legislature of 1899**

6. Briefly describe the public services provided.

**Construct, control, maintain and operate the Public Water System, the**

## **Sewerage System and Drainage System for the City of New Orleans.**

7. Expiration date of current elected/appointed officials' terms.  
**See Attached List B**

### **LEGAL COMPLIANCE**

#### **PART II. PUBLIC BID LAW**

8. The provisions of the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration, State Purchasing Office have been complied with.
- A) All public works purchases exceeding \$150,000 have been publicly bid.
- B) All material and supply purchases exceeding \$30,000 have been publicly bid.  
Yes [ ☒ ] No [ ☐ ]

#### **PART III. CODE OF ETHICS LAW FOR PUBLIC OFFICIALS AND PUBLIC EMPLOYEES**

9. It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42:1101-1124.  
Yes [ ☐ ] No [ ☐ ]
10. It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of R.S. 42:1119.  
Yes [ ☐ ] No [ ☐ ]

#### **PART IV. LAWS AFFECTING BUDGETING**

11. We have complied with the budgeting requirements of the Local Government Budget Act (R.S. 39:1301-15) R.S. 39:33, or R.S. 39:1331-1342, as applicable:

##### **A. Local Budget Act**

1. We have adopted a budget for the general fund and all special revenue funds (R.S. 39:1305).
2. The chief executive officer, or equivalent, has prepared a proposed budget that included a budget message, a proposed budget for the general fund and each special revenue fund, and a budget adoption instrument that specified the chief executive's authority to make budgetary amendments without approval of the governing authority. Furthermore, the proposed expenditures did not exceed estimated funds to be available during the period (R.S. 39:1305).
3. The proposed budget was submitted to the governing authority and made available for public inspection at least 15 days prior to the beginning of the budget year (R.S. 39:1306).
4. To the extent that proposed expenditures were greater than \$500,000, we have made the budget available for public inspection and have advertised its availability in our official journal. The advertisement included the date, time, and place of the public hearing on the budget. Notice has also been published certifying that all actions required by the Local Government Budget Act have been completed (R.S. 39:1307).
5. If required, the proposed budget was made available for public inspection at the location required by R.S. 39:1308.
6. All action necessary to adopt and finalize the budget was completed prior to the date required by state law. The adopted budget contained the same information as that required for the proposed budget (R.S.

39:1309).

7. After adoption, a certified copy of the budget has been retained by the chief executive officer or equivalent officer (R.S. 39:1309).

8. To the extent that proposed expenditures were greater than \$500,000, the chief executive officer or equivalent notified the governing authority in writing during the year when actual receipts plus projected revenue collections for the year failed to meet budgeted revenues by five percent or more, or when actual expenditures plus projected expenditures to year end exceeded budgeted expenditures by five percent or more (R.S. 39:1311).

9. The governing authority has amended its budget when notified, as provided by R.S. 39:1311. (Note, general and special revenue fund budgets should be amended, regardless of the amount of expenditures in the fund, when actual receipts plus projected revenue collections for the year fail to meet budgeted revenues by five percent or more; or when actual expenditures plus projected expenditures to year end exceed budgeted expenditures by five percent or more. State law exempts from the amendment requirements special revenue funds with anticipated expenditures of \$500,000 or less, and exempts special revenue funds whose revenues are expenditure-driven - primarily federal funds-from the requirement to amend revenues.)

**Not Applicable** Yes [ ] No [ ]

#### B. State Budget Requirements

1. The state agency has complied with the budgetary requirements of R.S. 39:33.

**Not Applicable** Yes [ ] No [ ]

#### C. Licensing Boards

1. The licensing board has complied with the budgetary requirements of R.S. 39:1331-1342.

**Not Applicable** Yes [ ] No [ ]

### **PART V. ACCOUNTING, AUDITING, AND FINANCIAL REPORTING LAWS**

12. We have maintained our accounting records in such a manner as to provide evidence of legal compliance and the preparation of annual financial statements to comply with R.S. 24:513 and 515, and/or 33:463.

Yes [ x ] No [ ]

13. All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.

Yes [ x ] No [ ]

14. We have filed our annual financial statements in accordance with R.S. 24:514, and 33:463 where applicable.

Yes [ x ] No [ ]

15. We have had our financial statements audited in a timely manner in accordance with R.S. 24:513.

Yes [ x ] No [ ]

16. We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes [ x ] No [ ]

### **PART VI. MEETINGS**

17. We have complied with the provisions of the Open Meetings Law, provided in R. S. 42:11 through 42:28.

Yes [ x ] No [ ]

**PART VII. ASSET MANAGEMENT LAWS**

18. We have maintained records of our fixed assets and movable property records, as required by R.S. 24:515 and/or 39:321-332, as applicable.

Yes ☒ No ☐

**PART VIII. FISCAL AGENCY AND CASH MANAGEMENT LAWS**

19. We have complied with the fiscal agency and cash management requirements of R.S. 39:1211-45 and 49:301-327, as applicable.

Not Applicable Yes ☐ No ☐

**PART IX. DEBT RESTRICTION LAWS**

20. It is true we have not incurred any long-term indebtedness without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.

Yes ☒ No ☐

21. We have complied with the debt limitation requirements of state law (R.S. 39:562).

Not Applicable Yes ☐ No ☐

22. We have complied with the reporting requirements relating to the Fiscal Review Committee of the State Bond Commission (R.S. 39:1410.62).

Yes ☒ No ☐

**PART X. REVENUE AND EXPENDITURE RESTRICTION LAWS**

23. We have restricted the collections and expenditures of revenues to those amounts authorized by Louisiana statutes, tax propositions, and budget ordinances.

Not Applicable Yes ☐ No ☐

24. It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.

Yes ☒ No ☐

25. It is true that no property or things of value have been loaned, pledged, or granted to anyone in violation of Article VII, Section 14 of the 1974 Louisiana Constitution.

Yes ☒ No ☐

**PART XI. ISSUERS OF MUNICIPAL SECURITIES**

26. It is true that we have complied with the requirements of R.S. 39:1438.C.

Not Applicable Yes ☐ No ☐

**PART XII. QUESTIONS FOR SPECIFIC GOVERNMENTAL UNITS**

Parish Governments

27. We have adopted a system of road administration that provides as follows:

- A. Approval of the governing authority of all expenditures, R.S. 48:755(A).
- B. Development of a capital improvement program on a selective basis, R.S. 48:755.
- C. Centralized purchasing of equipment and supplies, R.S. 48:755.
- D. Centralized accounting, R.S. 48:755.
- E. A construction program based on engineering plans and inspections, R.S. 48:755.
- F. Selective maintenance program, R.S. 48:755.
- G. Annual certification of compliance to the auditor, R.S. 48:758.

Not Applicable Yes ☐ No ☐

#### School Boards

28. We have complied with the general statutory, constitutional, and regulatory provisions of the Louisiana Department of Education, R.S. 17:51-401.

**Not Applicable** Yes [ ] No [ ]

29. We have complied with the regulatory circulars issued by the Louisiana Department of Education that govern the Minimum Foundation Program.

**Not Applicable** Yes [ ] No [ ]

30. We have, to the best of our knowledge, accurately compiled the performance measurement data contained in the following schedules and recognize that your agreed-upon procedures will be applied to such schedules and performance measurement data:

Parish school boards are required to report, as part of their annual financial statements, measures of performance. These performance indicators are found in the supplemental schedules:

- Schedule 1, General Fund Instructional and Support Expenditures and Certain Local Revenue Sources
- Schedule 2, Education Levels of Public School Staff
- Schedule 3, Number and Type of Public Schools
- Schedule 4, Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers
- Schedule 5, Public School Staff Data: Average Salaries
- Schedule 6, Class Size Characteristics
- Schedule 7, Louisiana Educational Assessment Program (LEAP)
- Schedule 8, Graduation Exit Examination (GEE) (Note: this schedule is no longer applicable.)
- Schedule 9, iLEAP Tests

**Not Applicable** Yes [ ] No [ ]

#### Tax Collectors

31. We have complied with the general statutory requirements of R.S. 47.

**Not Applicable** Yes [ ] No [ ]

#### Sheriffs

32. We have complied with the state supplemental pay regulations of R.S. 40:1667.7.

**Not Applicable** Yes [ ] No [ ]

33. We have complied with R.S. 13:5535 relating to the feeding and keeping of prisoners.

Yes [ ] No [ ]

#### District Attorneys

34. We have complied with the regulations of the DCFS that relate to the Title IV-D Program.

**Not Applicable** Yes [ ] No [ ]

#### Assessors

35. We have complied with the regulatory requirements found in R.S. Title 47.

**Not Applicable** Yes [ ] No [ ]

36. We have complied with the regulations of the Louisiana Tax Commission relating to the reassessment of property.

**Not Applicable** Yes [ ] No [ ]

#### Clerks of Court

37. We have complied with R.S. 13:751-917 and applicable sections of R.S. 11:1501-1562.

**Not Applicable** Yes [ ] No [ ]

#### Libraries

38. We have complied with the regulations of the Louisiana State Library.

**Not Applicable** Yes [ ] No [ ]

## Municipalities

39. Minutes are taken at all meetings of the governing authority (R.S. 42:7.1).

**Not Applicable** Yes [ ] No [ ]

40. Minutes, ordinances, resolutions, budgets, and other official proceedings of the municipalities are published in the official journal (R.S. 43:141-146 and A.G. 86-528).

**Not Applicable** Yes [ ] No [ ]

41. All official action taken by the municipality is conducted at public meetings (R.S. 42:11 to 42:28).

**Not Applicable** Yes [ ] No [ ]

## Airports

42. We have submitted our applications for funding airport construction or development to the Department of Transportation and Development as required by R.S. 2:802.

**Not Applicable** Yes [ ] No [ ]

43. We have adopted a system of administration that provides for approval by the department for any expenditures of funds appropriated from the Transportation Trust Fund, and no funds have been expended without department approval (R.S. 2:810).

**Not Applicable** Yes [ ] No [ ]

44. All project funds have been expended on the project and for no other purpose (R.S. 2:810).

**Not Applicable** Yes [ ] No [ ]

45. We have certified to the auditor, on an annual basis, that we have expended project funds in accordance with the standards established by law (R.S. 2:811).

**Not Applicable** Yes [ ] No [ ]

## Ports

46. We have submitted our applications for funding port construction or development to the Department of Transportation and Development as required by R.S. 34:3452.

**Not Applicable** Yes [ ] No [ ]

47. We have adopted a system of administration that provides for approval by the department for any expenditures of funds made out of state and local matching funds, and no funds have been expended without department approval (R.S. 34:3460).

**Not Applicable** Yes [ ] No [ ]

48. All project funds have been expended on the project and for no other purpose (R.S. 34:3460).

**Not Applicable** Yes [ ] No [ ]

49. We have established a system of administration that provides for the development of a capital improvement program on a selective basis, centralized purchasing of equipment and supplies, centralized accounting, and the selective maintenance and construction of port facilities based upon engineering plans and inspections (R.S. 34:3460).

**Not Applicable** Yes [ ] No [ ]

50. We have certified to the auditor, on an annual basis, that we have expended project funds in accordance with the standards established by law (R.S. 34:3461).

**Not Applicable** Yes [ ] No [ ]

## Sewerage Districts

51. We have complied with the statutory requirements of R.S. 33:3881-4159.10.

Yes [ x ] No [ ]

## Waterworks Districts

52. We have complied with the statutory requirements of R.S. 33:3811-3837.

Yes [ x ] No [ ]

**Utility Districts**

53. We have complied with the statutory requirements of R.S. 33:4161-4546.21.

Yes [ ☒ ] No [ ☐ ]

**Drainage and Irrigation Districts**

54. We have complied with the statutory requirements of R.S. 38:1601-1707 (Drainage Districts); R.S. 38:1751-1921 (Gravity Drainage Districts); R.S. 38:1991-2048 (Levee and Drainage Districts); or R.S. 38:2101-2123 (Irrigation Districts), as appropriate.

Yes [ ☒ ] No [ ☐ ]

**Fire Protection Districts**

55. We have complied with the statutory requirements of R.S. 40:1491-1509.

**Not Applicable**

Yes [ ☐ ] No [ ☐ ]

**Other Special Districts**

56. We have complied with those specific statutory requirements of state law applicable to our district.

**Not Applicable** Yes [ ☐ ] No [ ☐ ]

The previous responses have been made to the best of my belief and knowledge.

The previous responses have been made to the best of our belief and knowledge.

\_\_\_\_\_  
Secretary \_\_\_\_\_ Date

\_\_\_\_\_  
Treasurer \_\_\_\_\_ Date

\_\_\_\_\_  
President \_\_\_\_\_ Date



## SEWERAGE AND WATER BOARD OF NEW ORLEANS

May 17, 2017

Finance and Administration Committee  
Sewerage and Water Board of New Orleans  
New Orleans, Louisiana

Dear Directors:

Subject: Actuarial Valuation Report for Employees' Retirement System as of December 31, 2016  
and Recommended Resolution for Employer Contribution Rate for 2017

Please find attached the Actuarial Valuation Report for Employees' Retirement System for the year ending December 31, 2016.

The valuation report shows that the Funded Ratio has remained at 80.7% and the Employer 30-Year Amortization Minimum Contribution has decreased from 20.690% to 20.067%. However, staff recommends that the contribution rate not be reduced below the current employer contribution rate of 22.573%.

Based upon that recommendation, please find attached the recommended resolution to maintain the employer contribution rate for 2017 at 22.573%.

Robert K. Miller  
Deputy Director / Chief Financial Officer

**SEWERAGE AND WATER BOARD'S 2017 CONTRIBUTION TO THE EMPLOYEES'  
RETIREMENT SYSTEM OF SEWERAGE AND WATER BOARD OF NEW ORLEANS**

**WHEREAS**, the Employees' Retirement System of the Sewerage and Water Board of New Orleans ("Plan") is an actuarially funded qualified government defined benefit plan under the Internal Revenue Code; and

**WHEREAS**, an annual actuarial valuation report of the Plan was presented as of December 31, 2016; and

**WHEREAS**, the aforementioned actuarial report reflects an actuarial valuation using the Entry Age Normal Cost Method; and

**WHEREAS**, the adopted "minimum contribution" for a plan year equals the normal cost plus the amount necessary to amortize the Unfunded Actuarial Liability; and

**WHEREAS**, the normal cost for plan year beginning January 1, 2017 is \$3,878,600; and

**WHEREAS**, the net annual charge required for amortization of the Unfunded Actuarial Liability over a thirty year period beginning January 1, 2016 is \$4,985,943; and

**WHEREAS**, the total plan contribution as of January 1, 2017 is \$8,864,543 (\$3,878,600 plus \$4,985,943), which percentage contribution 25.067% of the annual participant active payroll of \$35,363,156; and

**WHEREAS**, the annual employee plan contribution as of January 1, 2017 is \$1,768,158, which percentage contribution for the purpose of computing the employer contribution is 5.000% of the active payroll; and

**WHEREAS**, the minimum employer contribution as of January 1, 2017 is \$7,096,385 which percentage contribution is 20.067% of the active payroll; and

**WHEREAS**, the actuarial report includes the required "amortization" contribution for the Plan to amortize the Unfunded Actuarial Liability of \$63,831,550 over the thirty (30) year amortization period, effective on each valuation date at 7% percent annual interest; and

**WHEREAS**, Sewerage and Water Board is not currently seeking to reduce its contribution rate below the current employer contribution rate of 22.573%; and

**WHEREAS**, the current employer contribution of active payroll of 22.573% for the 2017 plan year over a thirty year period, is hereby recommended to continue for 2017; and

**NOW, THEREFORE, BE IT RESOLVED** by Sewerage and Water Board of New Orleans that the Employer Contribution of the active payroll shall remain at 22.573% for the Plan Year beginning January 1, 2017.

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I, Cedric S. Grant, Executive Director,  
Sewerage and Water Board of New Orleans, do hereby  
certify that the above and foregoing is a true and  
correct copy of a Resolution adopted at the Regular  
Monthly Meeting of said Board, duly called and held,  
according to law, on May 17, 2017.

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**CEDRIC S. GRANT, EXECUTIVE DIRECTOR  
SEWERAGE AND WATER BOARD OF NEW ORLEANS**

# CONEFRY & COMPANY, L.L.C.

160 Pleasant Ridge Drive

Belle Chasse, LA 70037-4502

Tel. 504.392.8853 ■ Facsimile 504.392.4430

April 30, 2017

Mr. Cedric S. Grant  
Executive Director  
Sewerage and Water Board of New Orleans  
625 St. Joseph Street  
New Orleans, LA 70165

Re: January 1, 2017 Actuarial Valuation

Dear Mr. Grant:

Enclosed is the actuarial valuation report of the Employees' Retirement System of the Sewerage and Water Board of New Orleans as of December 31, 2016.

This actuarial valuation has been performed on a basis consistent with that which was performed as of December 31, 2015.

It should be noted that Exhibit III contains the Schedule of Funding Progress according to the requirements formerly mandated by Statement No. 25 (as modified by Statement No. 50) of the Governmental Accounting Standards Board (GASB #25 and #50). As described in that Exhibit III, these statements have been replaced by GASB Statements #67 and #68 and are addressed in a separate report.

Summarized below are the principal results of the actuarial valuation.

## Summary of Valuation Results

	<u>12/31/2015</u>	<u>12/31/2016</u>
1. Number of Active Participants	971	998
2. Total Active Annual Payroll	\$ 33,672,902	\$ 35,363,156
3. Plan 10 Year "Amortization" Contribution as a Percentage of Active Payroll	37.073%	35.878%
4. Expected Employee Contribution as a Percentage of Active Payroll (See p. 12 of report)	5.000%	5.000%
5. Employer 10 Year "Amortization" Contribution as a Percentage of Active Payroll	32.073%	30.878%

Mr. Cedric S. Grant  
April 30, 2017  
Page 2

	<u>12/31/2015</u>	<u>12/31/2016</u>
6. Plan 30 Year Amortization (Minimum) Contribution as a Percentage of Active Payroll	25.690%	25.067%
7. Expected Employee Contribution as a Percentage of Active Payroll (See p. 12 of report)	5.000%	5.000%
8. Employer 30 Year Amortization (Minimum) Contribution as a Percentage of Active Payroll	20.690%	20.067%
9. Market Value of Plan Assets	\$ 222,427,527	\$ 225,093,869
10. Actuarial Value of Plan Assets (Adjusted Market Value Basis)	\$ 233,572,291	\$ 239,476,385
11. Valuation Unfunded Actuarial Liability	\$ 63,996,458	\$ 63,831,550
12. Ratio of UAL to Valuation Payroll	190.1%	180.5%
13. Funded Ratio	80.7%	81.5%

There have not been plan amendments or any changes to the actuarial assumptions or method since the immediately preceding valuation. The plan amendments adopted on November 19, 2014 involving definition of "average compensation" and employee contributions are the most recent substantive amendments to the plan's provisions which would have a material effect on the actuarial valuation results (see page 12, Exhibit I of the report).

Yours truly,



Michael A. Conefry, FCA, ASA, MAAA\*  
Actuary

\* Member of the American Academy of Actuaries and qualified to render the Statements of Actuarial Opinion contained herein.

MAC:wp  
Enclosures

**ACTUARIAL VALUATION REPORT**

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**EMPLOYEES' RETIREMENT SYSTEM  
OF THE SEWERAGE AND WATER BOARD  
OF NEW ORLEANS**

Annual Actuarial Valuation  
as of January 1, 2017

**CONEFRY & COMPANY, LLC**

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ACTUARIAL AND EMPLOYEE BENEFIT CONSULTING  
NEW ORLEANS, LOUISIANA

## INTRODUCTION

We present in this report the results of our actuarial valuation of the Employees' Retirement System of the Sewerage and Water Board of New Orleans as of January 1, 2017. The plan is an actuarially funded qualified governmental defined benefit pension under the Internal Revenue Code, and we have performed this actuarial valuation using conventional and generally accepted actuarial methods, assumptions, and principles applicable to qualified defined benefit pension plans. We have performed the actuarial valuation using the Entry Age Normal Cost Method. A full description of the funding method is contained in Section II of the report.

The Summary of Plan Provisions presented in the Appendix is intended to describe the principal benefits provided by the plan, particularly from the perspective of their significance in affecting the actuarial liability and cost of the plan. The summary is not, of course, intended to be a comprehensive or complete description of all benefits payable under all circumstances under the pension plan.

EMPLOYEES' RETIREMENT SYSTEM  
OF THE SEWERAGE AND WATER BOARD OF NEW ORLEANS

SUMMARY

I. FINANCIAL AND ACTUARIAL STATUS  
As of January 1, 2017

Market Value of Assets	\$ 225,093,869	Page 1
Actuarial Value of Assets	\$ 239,476,385	Page 2

II. EMPLOYER AND EMPLOYEE CONTRIBUTIONS  
For the Plan Year Beginning January 1, 2017

Total "Amortization" Contribution (As % of Payroll)	\$ 12,687,607 (35.878%)	Page 8
Expected Total Employee Contributions (As % of Payroll)	\$ 1,768,158 (5.000%)	Page 8
Employer "Amortization" Contribution (As % of Payroll)	\$ 10,919,449 (30.878%)	Page 8
Total "Minimum" Contribution (As % of Payroll)	\$ 8,864,543 (25.067%)	Page 9
Expected Total Employee Contributions (As % of Payroll)	\$ 1,768,158 (5.000%)	Page 9
Employer "Minimum" Contribution (As % of Payroll)	\$ 7,096,385 (20.067%)	Page 9
Net Actuarial Experience		Page 10

APPENDIX

Summary of Plan Provisions	Exhibit I - P. 12
Statement of Actuarial Basis for Funding Purposes	Exhibit II - P. 20
Statement of Accounting Information for Financial Statements	Exhibit III - P. 24
Active and Inactive Participant Profiles	Exhibit IV - P. 25
Market Value and Actuarial Value Investment Performance	Exhibit V - P. 32

CERTIFICATION

Page 36

I. FINANCIAL AND ACTUARIAL STATUS as of January 1, 2017

We have conducted this actuarial valuation using employee data and asset information furnished by the administrative office of the System. This section of the report presents a summary of the assets of the plan at Market Value, as well as the development of the Actuarial Value of Assets used in the funding method. The funding method used to determine the actuarial liabilities is described in Section II and the actuarial assumptions upon which the liabilities are based are summarized in Exhibit II of the report.

ASSETS

The following table showing the composition of the assets as of December 31, 2016 is based on information supplied by the administrative office and the auditors of the System.

Table 1  
Statement of Assets  
as of December 31, 2016

<u>Assets</u>	<u>Market Value</u>
Cash	\$ 40,495
Investments	<u>224,250,456</u>
Total Invested Assets	224,290,951
Plus accounts receivable	+802,918
Less accounts payable	<u>0</u>
Total Assets	\$ 225,093,869 *

- \* The actuarial value of assets used in this valuation is Adjusted Market Value as determined in Table 2. D.R.O.P. account balances are included in the foregoing Assets and shown as an actuarial liability in Table 4, item (2)f.

## ACTUARIAL VALUE OF ASSETS

Beginning with the January 1, 1998 actuarial valuation, the method of determining the actuarial value of assets was changed to adjusted market value from the former adjusted book value basis. The change had been necessitated because the former method, in our opinion and that of the auditors, was not "market value related" within the meaning of Statement No. 25 of the Government Accounting Standards Board (GASB #25) and its successor GASB Statements.

This revised method reflects actual market value performance over a seven year period ending on the valuation date. The market value performance is averaged over the seven year period by reflecting the actual external cash flow and adjusting each prior year's market value to the current valuation date using the actuarial interest assumption.

The following table develops the Adjusted Market Value of Assets to be used as the Actuarial Value of Assets in the actuarial valuation.

Table 2  
Actuarial Value of Assets  
As of December 31, 2016

Plan Year Ending	Beginning Market Value	Net External Cash Flow For Year	Market Value Inv. Income For Year	Ending Market Value	Market Value Performance For Year	Adj. Market Value Component
2010	191,024,143	-8,223,289	22,439,431	205,240,285	12.0053%	240,540,415
2011	205,240,285	-8,114,890	8,968,361	206,093,756	4.4578%	233,360,414
2012	206,093,756	-8,472,301	23,082,600	220,704,055	11.4351%	245,088,830
2013	220,704,055	-9,525,020	23,179,014	234,358,049	10.7339%	254,959,574
2014	234,358,049	-9,143,898	11,342,520	236,556,671	4.9416%	249,538,155
2015	236,556,671	-9,985,003	-4,144,141	222,427,527	-1.7891%	227,753,443
2016	222,427,527	-9,903,259	12,569,601	225,093,869	5.7798%	225,093,869
Years Included: 7		-63,379,882	97,449,608	Average Adj. MV: \$239,476,385		

## II.

### EMPLOYER AND EMPLOYEE CONTRIBUTIONS

for the Plan Year Beginning January 1, 2017

#### DESCRIPTION OF ACTUARIAL COST METHOD

Under the Entry Age Normal Cost Method, the normal cost of the plan is designed to be a level percentage of payroll, calculated on an aggregate basis, spread over the entire working lifetime of the participants. The future working lifetime is determined from each participant's hypothetical entry age into the plan assuming the plan had always been in existence, to his expected retirement date. The actuarial accrued liability is the amount of total liability not covered by future entry age normal costs. This amount is composed of the actuarial value of benefits already funded (assets) and those not yet funded (unfunded actuarial liability).

The plan's funding cost for the year is the sum of the Entry Age Normal Cost and the amount necessary to amortize the remaining unfunded actuarial liability as of the valuation date over the adopted amortization period.

Beginning with the January 1, 2007 actuarial valuation, a new amortization basis was established. The former amortization basis used a level dollar amortization for a ten (10) year "closed" (that is, with the remaining period reducing by one each year) amortization period from January 1, 2003 through December 31, 2012. This has been replaced by a level dollar amortization for an "open" (that is, a constant number of years) ten (10) year amortization period effective on each valuation date. This open ten (10) year amortization amount is developed later in this section and presented in Table 5.

Table 3  
Entry Age Normal Cost for Plan Year  
Beginning January 1, 2017

(1)	Actuarial Present Value at Entry Age of Expected Benefits to Plan Participants	\$ 16,915,000
(2)	Actuarial Present Value at Entry Age of Future Payroll of Active Participants	159,107,959
(3)	Normal Cost as a Percentage of Payroll: (1) divided by (2)	10.631%
(4)	Current Payroll of Active Participants *	35,363,156
(5)	Normal Cost: (3) x (4) (Assumed payable January 1, 2017)	\$ 3,759,457
(6)	Normal Cost, adjusted for monthly payments	\$ 3,878,600

\* There are 998 active participants: 513-fully vested; 0-partially vested; 485-not vested.

Table 4  
Unfunded Actuarial Liability  
as of January 1, 2017

(1)	Actuarial Present Value of Expected Benefits to Active Plan Participants		
(a)	Basic and Supplemental Retirement Benefit	\$ 96,397,447	
(b)	Death and Survivor Benefit	7,232,607	
(c)	Disability Benefit (Inc. suppl & surv.)	6,994,526	
(d)	Vesting Benefit	7,122,155	
(e)	Refund of Employee Contributions	<u>1,848,314</u>	
	Total Active		\$ 119,595,049
(2)	Actuarial Present Value of Expected Benefits to Inactive Plan Participants		
(a)	Regular Retirees	\$ 129,379,206	
(b)	Disability Retirement	7,324,044	
(c)	Survivors	7,382,961	
(d)	Terminated Vested	1,122,569	
(e)	D.R.O.P. Retirees (Future Benefits)	47,405,127	
(f)	D.R.O.P. Retirees (Account Balances)	<u>11,328,708</u>	
	Total Inactive		\$ 203,942,615
(3)	Total Actuarial Present Value of Expected Benefits to All Plan Participants (1) + (2)		323,537,664
(4)	Actuarial Present Value of Future Payroll of Active Participants		190,289,991
(5)	Normal Cost as a Percentage of Payroll: (From Table 3)		10.631%
(6)	Actuarial Present Value of Future Normal Cost Contributions: (4) x (5)		20,229,729
(7)	Actuarial Value of Assets (from Table 2)		239,476,385
(8)	Unfunded Actuarial Liability: (3) - (6) - (7)		63,831,550

TOTAL CONTRIBUTION FOR PLAN YEAR BEGINNING January 1, 2017

CONTRIBUTION TO AMORTIZE UNFUNDED ACTUARIAL LIABILITY

The adopted "amortization" contribution for a plan year equals the normal cost plus the level dollar amount necessary to amortize the Unfunded Actuarial Liability over ten (10) years. The annual amount required to amortize the Unfunded Actuarial Liability of \$63,831,550 over 10 years at 7% annual interest (assuming monthly payments) is \$8,809,007.

Table 5  
Total Required "Amortization" Contribution for the  
Plan Year Beginning January 1, 2017

(1)	Normal Cost (From Table 3; assumed payable monthly)	\$ 3,878,600	
(2)	Net Annual charge Required for Amortization of Unfunded Actuarial Liability Over 10 year period beginning January 1, 2017 (See Above; Assumed payable monthly)	8,809,007	
(3)	Total Plan Contribution as of January 1, 2017: (1) + (2)	\$ 12,687,607 (35.878%)	*
(4)	Annual Employee Plan Contributions as of January 1, 2017 (See note below)	\$ 1,768,158 ( 5.000%)	*
(5)	Employer Contribution as of January 1, 2017: (3) - (4) (Assumed payable monthly)	\$ 10,919,449 (30.878%)	*

\* Expressed as a percentage of annual participant payroll of \$35,363,156.

Note: Current actual employee contribution is 6% of payroll effective January 1, 2015. By Board Resolution R-248-2014, as long as the Retirement System is not 100% funded, the Employer Contribution percentage shall be calculated as if the Employee Contribution percentage has remained at 5% of payroll.

### "MINIMUM" CONTRIBUTION

GASB Statements 25 and 27 required that the Unfunded Actuarial Liability be amortized over a period not longer than 30 years. Although those statements are not any longer applicable, we present the contribution on that basis for historical continuity. The contribution for a plan year equals the normal cost plus the amount necessary to amortize the Unfunded Actuarial Liability over the thirty (30) year period which begins on the valuation date. Using a level dollar, open period amortization method, the annual amount required to amortize the Unfunded Actuarial Liability of \$63,831,550 over the 30 year period beginning January 1, 2017 at 7% annual interest (assuming monthly payments) is \$4,985,943.

Table 6  
Total Required "Minimum" Contribution for the  
Plan Year Beginning January 1, 2017

(1)	Normal Cost (From Table 3; assumed payable monthly)	\$ 3,878,600	
(2)	Net Annual Charge Required for Amortization of Unfunded Actuarial Liability Over 30 year period beginning January 1, 2017 (see above) (Assumed payable monthly)	4,985,943	
(3)	Total Plan Contribution as of January 1, 2017: (1) + (2)	\$ 8,864,543 (25.067%)	*
(4)	Annual Employee Plan Contributions as of January 1, 2017 (See note below)	\$ 1,768,158 ( 5.000%)	*
(5)	Employer Contribution as of January 1, 2017: (3) - (4) (Assumed payable monthly)	\$ 7,096,385 (20.067%)	*

\* Expressed as a percentage of annual participant payroll of \$35,363,156.

Note: Current actual employee contribution is 6% of payroll effective January 1, 2015. By Board Resolution R-248-2014, as long as the Retirement System is not 100% funded, the Employer Contribution percentage shall be calculated as if the Employee Contribution percentage has remained at 5% of payroll.

NET ACTUARIAL EXPERIENCE  
for the Plan Year Beginning January 1, 2016

Actuarial experience refers to the comparison of actuarial results of each valuation with those expected from the previous valuation according to the actuarial assumptions. A decrease or increase in the Total Plan Contribution as a percentage of payroll is indicative of favorable (gains) or unfavorable (losses) experience, respectively. If the overall experience follows the general pattern indicated by the assumptions presented in the Appendix, the Total Plan Contribution (on a given amortization basis) as a percentage of payroll will remain relatively stable, except for routine fluctuations.

The Total "Amortization" Contribution as a percentage of payroll decreased from 37.073% for the plan year beginning January 1, 2016 to 35.878% for the plan year beginning January 1, 2017. The Total "Minimum" Contribution as a percentage of payroll decreased from 25.690% for the plan year beginning January 1, 2016 to 25.067% for the plan year beginning January 1, 2017. These decreases of 1.195% and 0.623% of payroll, respectively, are indicative of an overall actuarial gain for the most recent plan year. This gain represents the net decrease in the total plan contribution as the combined result of actuarial experience and the change in total plan contribution attributable to plan amendments, as shown in the following table.

Table 7  
Effect on Total "Amortization" and "Minimum"  
Contributions by Component  
for the Plan Year Ending December 31, 2016

<u>Component</u>	<u>"Amortization"</u>	<u>"Minimum"</u>
	<u>Gain (-) or Loss (+)</u>	<u>Gain (-) or Loss (+)</u>
Interest	+0.076%	+0.043%
Salary Scale	-0.211%	-0.116%
New retirements	+0.385%	+0.213%
Net from All Other Sources	<u>-1.445%</u>	<u>-0.763%</u>
Net change from actuarial experience	-1.195%	-0.623%
Net change from Plan Amendments	<u>0.000%</u>	<u>0.000%</u>
Overall Total Gain(-)/Loss(+)	<u>-1.195%</u>	<u>-0.623%</u>

**A P P E N D I X**

EXHIBIT I

EMPLOYEES' RETIREMENT SYSTEM OF THE  
SEWERAGE AND WATER BOARD OF NEW ORLEANS

SUMMARY OF PLAN PROVISIONS

EFFECTIVE DATE:

Authorized by Act Number 551, effective January 1, 1957; Last Restatement for Plan Qualification, January 27, 2011; Latest Restatement, April 17, 2013; last amendment date as of the date of performance of this valuation, November 19, 2014.

MEMBERSHIP:

Employees who become members as a condition of employment.

CREDITABLE SERVICE:

Prior service plus membership service for which credit is allowable. Also, one year service credit given for every 250 days of unused sick and annual leave. Credit for prior military service may be purchased (maximum 4 years) by active contributing member who is vested; lump sum payment required based on 4% of excess over first \$100 monthly average for each month claimed plus 7% compound interest. Military service available only to those who will not receive a benefit from another retirement system (except Social Security). There are also provisions for restoring service on behalf of certain leaves without pay such as for Katrina Disaster Leave and Workers' Compensation.

EARNABLE COMPENSATION:

Annual compensation paid to an employee; excluding on-call and stand-by pay or over-time.

AVERAGE COMPENSATION:

Average annual earned compensation of a member for highest thirty-six successive months of service as a member, minus \$1,200. For employees hired after December 31, 1995, the \$1,200 reduction was not applicable. Effective June 19, 2002, the \$1,200 reduction was eliminated for all employees. Periods without compensation are not used in determining the average compensation. For employees not yet eligible to retire as of December 31, 2014, the thirty-six month period was changed to forty-eight months effective January 1, 2017 and sixty months effective January 1, 2018.

EMPLOYEE CONTRIBUTIONS:

4% of earnable compensation through December 31, 2012; effective January 1, 2013, 5% of earnable compensation; effective January 1, 2015, 6% of earnable compensation. By Board Resolution R-248-2014, as long as the Retirement System is not 100% funded, the Employer Contribution percentage shall be calculated as if the Employee Contribution percentage has remained at 5% of payroll.

EXHIBIT I (Continued)

EMPLOYER CONTRIBUTIONS:

Certain percentage of earnable compensation of each member, determined on basis of regular interest and mortality tables adopted by the Board, and additional percentage of earnable compensation, determined by actuary.

RETIREMENT BENEFITS:

Eligibility:

Any age with 30 years of Service; age 60 and 10 years of Service; effective January 1, 1996, age 65 and 5 years of Service; age 70 with any Service. Effective June 19, 2002, age 60 and vested (with actuarial reduction) and any member whose age and service total 80 or more years may retire without reduction for age.

Benefits:

Retirement allowance, consisting of (1) and (2) below:

1) An annuity, which is the actuarial equivalent of employee's accumulated contribution; plus

2) An annual pension, which, together with above annuity, provides total retirement allowance equal to 2% of average compensation times first 10 years, plus 2 1/2% of average compensation times next 10 years, plus 3% of average compensation times next 10 years, plus 4% of average compensation times creditable service over 30 years. Effective June 19, 2002, the above percentages were changed to 2.5% for the first 25 years plus 4% for years over 25 years.

3) An additional annual pension equal to 2% of \$1,200 times first 10 years, plus 2 1/2% of \$1,200 times next 10 years, plus 3% of \$1,200 times next 10 years, plus 4% of \$1,200 times service over 30 years; if the employee was hired prior to 1996 and retires prior to age 65 on retirement allowance. Ceases at age 65 or receipt of first Social Security check, whichever comes first. Effective June 19, 2002, this additional benefit no longer applies except to those who retired prior to that date.

4) For service retirement prior to age 62 with less than 30 years of Service, (2) and (3) above are reduced by 3% for each year rounded to nearest day below the age of 62.

5) Effective January 1, 1997, a member may retire after 30 years of service, regardless of age, with no reduction in his benefit.

6) Maximum Benefit: Benefit no greater than 100% of average compensation, unless member has already accrued a larger benefit as of April 13, 1977.

## EXHIBIT I (Continued)

7) Form of Benefit: Modified cash refund annuity. If a member dies after retirement and before receiving the amount of his accumulated contributions in annuity and pension payments, then lump sum balance of his contributions is paid to beneficiary.

8) Cost-of-Living: Effective July 1, 1992, for members that retired prior to January 1, 1984, if funds are available, each July 1st a 2% increase times the number of years retired will be given to members over age 65.

For members that retired on or after January 1, 1984, and are over age 65, each January 1st, increases in benefits based on the increase in the CPI, not to exceed 2%.

Spouses receiving a Joint and Survivor Annuity that have reached the age of 65 shall also receive an increase, based on the increase in the CPI, not to exceed 2%.

## DISABILITY BENEFITS:

### Eligibility:

10 years of credited service. (certified by physician nominated by Board).

### Benefits:

1) A retirement allowance equal to the greater of: An annuity, which is the actuarial equivalent of the member's accumulated contributions at retirement; or

2) An annual pension equal to 75% of the accrued benefit based on service credits to the member had he continued in service until age 62.

3) Benefit offset by Workmen's Compensation benefits.

4) Effective 1/1/84, disability allowance is subject to the same COLA after age 65 as regular retirement.

## DEATH BENEFITS:

### Eligibility:

Death of member in active service.

### Benefits:

Employee's accumulated contributions paid to beneficiary.

1) If member has 3 years Creditable Service, but less than 10 years, a lump sum benefit equal to the Member's accumulated contributions and 25% of the member's prior year earned compensation is payable to the designated beneficiary or estate.

EXHIBIT I (Continued)

2) If member dies in active service with less than three years Creditable Service, a Lump Sum Benefit equal to the Member's accumulated contributions is payable to the designated beneficiary or estate.

3) If, at date of death, member was eligible for retirement and leaves Surviving Spouse, Surviving Spouse shall be eligible for a Joint and 100% benefit or a lump sum refund of Employee's contributions.

4) If, at date of death, member was ineligible for retirement, but had at least 10 or more years of creditable service, then surviving spouse shall receive benefit equal to 80% of the former member's accrued benefit at death, payable at the later of the member's death or spouse's attainment of age 62.

5) If, at date of death, member was receiving a disability benefit and dies, his spouse shall receive 80% of the former member's disability retirement allowance payable at the later of the retiree's death or spouse's attainment of age 62. Eligible children shall receive 65% of the disability benefit payable until they reach age 18, age 25 if the child attends school full time or is mentally or physically disabled or until the spouse attains age 62.

6) The spouse's benefit shall be subject to the COLA after attaining age 65 as for a regular retiree.

SEPARATION BENEFITS:

1) A member that withdraws from service before age 60 with 10 years of Creditable Service may allow his accumulated contributions to remain on deposit until he is eligible to receive a separation retirement allowance. Effective June 19, 2002, only 5 years of Creditable Service is required.

2) Upon withdrawal without 10 years Creditable Service (or, after June 19, 2002, 5 years) Employee is entitled to a refund of his accumulated contributions or may allow contributions to remain on deposit for maximum of five years. In case of employee's death, accumulated contribution are paid to designated beneficiary.

Note:

If employee re-enters after receipt of refund and continues service thereafter for 18 months, he may repay amount of refund plus the amount of employee contributions, with interest at a rate of 4% for service prior to 1970 and 7% compounded annually to date of payment for service after January 1, 1970, to receive prior creditable service again.

EXHIBIT I (Continued)

OPTIONAL FORMS OF BENEFIT:

1) A member shall receive a retirement allowance payable for life. If he dies before receiving, in annuity payments, the value of his annuity at the time of his retirement, the balance is payable to his beneficiary.

2) A reduced benefit payable for the life of the member and continued to beneficiary after member's death. A specific percentage is chosen by the member at the time of retirement. Such percentage shall be an integral multiple of 5%, to a maximum of 100%.

3) A reduced benefit payable for the life of the member and 100% of that amount is paid to the spouse after member's death.

RECIPROCITY:

Effective July 16, 1974, provisions made for reciprocal transfers of service and funds between this System and Employees' Retirement System of the City of New Orleans, in the event an employee transfers from one employing agency to the other; service credits were transferred from sending system to receiving system provided all employee contributions plus earned interest and all employer contributions plus agreed-upon interest were transferred; effective September 23, 1993 (retroactive for transfers on and after October 17, 1988), agreement was amended to provide for a transfer from the sending system to the receiving system equal to the GASB #5 liability of the sending system at 7% interest, 5% salary scale, the remaining GASB #5 actuarial assumptions and the salary and benefit structure in effect for the sending system at time of transfer.

DROP ACCOUNT:

Effective January 1, 1996, any member who is eligible for a service retirement under Section 6(1) can participate in the DROP program:

1) A member can only participant once, and only up to three years. Effective June 19, 2002, the allowable period was increased to 5 years.

2) When a member joins the DROP, he stops contributing to and earning benefits in the system. Employer contributions also stop. His retirement benefit begins being paid into his DROP account.

EXHIBIT I (Continued)

3) Interest is credited to the separately invested DROP accounts at the actually earned rate at the end of each month (not including the month of withdrawal unless on the last day of the month), but not below zero. Members of the DROP receive no cost-of-living increases.

4) Upon termination of employment at the end of the specified period of DROP participation, the DROP account is paid out in a lump sum.

5) Continued employment after the end of the DROP period is possible only by reapplication to the Board by the employee. If rehired, that employee shall receive a lump sum of his DROP account balance as if he had retired. For DROP participants rehired after April 20, 2005, the retirement allowance that had been paid into the participant's DROP account shall be suspended while re-employed and the participant shall be treated in the same manner as a re-employed retiree.

EXHIBIT I (Continued)

SUMMARY OF SUBSTANTIVE PLAN CHANGES IN RECENT YEARS  
HAVING AN IMPACT ON ACTUARIAL VALUATION RESULTS

September 23, 1993:

Reciprocity agreement with City of New Orleans amended, retroactive for transfers on and after October 17, 1988.

January 8, 1994:

Allows for purchase of credit for prior military service.

December 13, 1995:

Plan amended for qualification under Internal Revenue Code for Governmental Plans.

January 1, 1996:

The Deferred Retirement Option Plan was adopted to allow members terminating employment and accepting a service retirement allowance under plan section 6(1) to participate in this program.

Average Compensation amended to remove the \$1,200 reduction for employees hired after December 31, 1995.

Any member with 5 years of Creditable Service and attainment of age 65 may retire.

January 1, 1997:

For members retiring on or after January 1, 1997 and choose a Joint and Survivor option, if the beneficiary predeceases the retiree, the reduced benefit reverts back to the maximum amount upon the death of the spouse.

A member with 30 years of creditable service may retire, regardless of age, with no reduction in benefits.

Death benefit payable to the spouse of a deceased disabled retiree is now available immediately upon the retiree's death, on an actuarially equivalent basis.

June 21, 2000:

Disability benefit equal to 75% of the member's accrued benefit based on service credits to the member had he continued in service until age 62.

Eligible Dependent amended to add age 25 if the child attends school full-time or if the child is mentally or physically disabled.

EXHIBIT I (Continued)

SUMMARY OF SUBSTANTIVE PLAN CHANGES IN RECENT YEARS  
HAVING AN IMPACT ON ACTUARIAL VALUATION RESULTS

June 21, 2000:

Death benefit payable to designated beneficiary or estate when there is no spouse or eligible dependents equal to the member's accumulated contributions at death plus 25% of the member's prior year's earnable compensation payable from the Trust fund.

January 1, 2001:

Any retiree with less than 30 years of Credited Service and under age 62, the benefit is reduced by 3% for each year of age rounded to the nearest day below age 62.

February 25, 2001:

Plan amended for the Uruguay Round Agreements Act, the Small Business Job Protection Act of 1996, Uniformed Services Employment & Reemployment Rights Act of 1994, the Taxpayer Relief Act of 1997, the Internal Revenue Service Restructuring and Reform Act of 1998 and the Community Renewal Tax Relief Act of 2000, (GUST).

June 19, 2002:

Benefit formula amended to 2.5% of first 25 years of service, plus 4.0% for each year of service in excess of 25 years, up to a maximum of 100% of pay. A Rule of 80 retirement eligibility (age plus years of service greater than or equal to 80) without age reduction was added. Eligibility to leave employee accumulated contributions on deposit for Separation Retirement was changed from 10 years to 5 years; the exclusion of the first \$1,200 of annual pay was eliminated; D.R.O.P. period was extended from 3 to 5 years.

January 31, 2011:

Interest on DROP accounts changed from "Credited Interest" to that actually earned on the separately invested DROP accounts, but not below zero.

January 1, 2013:

Employee contribution formula amended from 4% to 5% of earnable compensation.

November 19, 2014:

Employee contribution formula amended from 5% to 6% of earnable compensation effective January 1, 2015 (but see explanation on page 12). Period used in determining average compensation changed for employees not yet eligible to retire as of December 31, 2014, was changed to forty-eight months effective January 1, 2017 and sixty months effective January 1, 2018.

EXHIBIT II  
EMPLOYEES' RETIREMENT SYSTEM  
OF THE SEWERAGE AND WATER BOARD OF NEW ORLEANS  
STATEMENT OF ACTUARIAL BASIS FOR FUNDING PURPOSES

Actuarial Funding Method:

Cost Method:	Entry Age Normal Cost Method.
Asset Valuation Method:	Adjusted Market Value. Refer to the explanation on page 2 of the report and development in Table 2.

Actuarial Assumptions

Interest:	7% compounded annually.
Mortality:	1971 Group Annuity Mortality Table for males and females. (See chart in the following pages for specific rates by age and sex).
Turnover:	Table developed from the 1977-1980 Actuarial Experience Study, as used by the prior actuary. (See chart in the following pages for specific rates by age).
Salary Increases:	5.0% compounded annually.
Cost of Living Increases:	Actuarial liabilities for future cost of living increases were included for both active and inactive participants as per the appropriate sections of the plan.

## STATEMENT OF ACTUARIAL BASIS FOR FUNDING PURPOSES

### Actuarial Assumptions (Continued)

**Retirement:**

It has been assumed that employees retire at a variation of the earliest age at which they would be eligible to retire (with reduced benefits, if applicable) as follows; if the earliest age of retirement eligibility is less than or equal to age 55, the assumed age at retirement is the earliest age plus one year, but not beyond age 55; if the earliest age of retirement eligibility is greater than age 55, the assumed age at retirement is the earliest age of retirement eligibility.

**Disability Incidence:**

The rates utilized in the 14th actuarial valuation of the U.S. Railroad Retirement System. (See chart in the following pages for specific rates by age).

**Survivor Benefits:**

85% of active participants are assumed to be married to spouses of equal age. Children's survivor benefits and spouse's disability benefits (in the event of the death of a member on disability) were estimated to be 10% of the related benefits giving rise to the secondary benefits being valued.

**Other assumptions:**

20% of participants terminating with a vested right were assumed to withdraw their accumulated contributions upon termination, while 80% were assumed to retain their vested deferred benefits by leaving contributions on deposit.

Accumulated employee contributions are credited with 2% interest compounded annually.

SEWERAGE AND WATER BOARD OF NEW ORLEANS RETIREMENT SYSTEM  
JANUARY 1, 2017 ACTUARIAL VALUATION  
ASSUMED RATES OF MORTALITY, WITHDRAWAL AND DISABILITY INCIDENCE BY AGE AND GENDER

AGE	MORTALITY		WITHDRAWAL	DISABILITY INCIDENCE
	MALE	FEMALE		
15	.000433	.000193	.368600	.001100
16	.000444	.000205	.368600	.001100
17	.000457	.000218	.368600	.001100
18	.000471	.000231	.358700	.001100
19	.000486	.000245	.346600	.001100
20	.000503	.000260	.332900	.001100
21	.000522	.000275	.317800	.001100
22	.000544	.000292	.301800	.001100
23	.000566	.000309	.285100	.001100
24	.000591	.000327	.268000	.001100
25	.000619	.000347	.250700	.001100
26	.000650	.000368	.233600	.001100
27	.000684	.000390	.216700	.001100
28	.000722	.000414	.200200	.001100
29	.000763	.000440	.184300	.001100
30	.000809	.000469	.169100	.001100
31	.000860	.000499	.154700	.001100
32	.000916	.000533	.141200	.001100
33	.000978	.000569	.128500	.001100
34	.001046	.000608	.116800	.001100
35	.001122	.000651	.106100	.001300
36	.001204	.000698	.096300	.001500
37	.001295	.000750	.087600	.001800
38	.001397	.000807	.079800	.002100
39	.001509	.000869	.072800	.002400
40	.001633	.000938	.066800	.003000
41	.001789	.001013	.061600	.003600
42	.002000	.001094	.057200	.004200
43	.002260	.001186	.053500	.004800
44	.002569	.001286	.050400	.005500
45	.002922	.001397	.047800	.006400
46	.003318	.001519	.045800	.007400
47	.003754	.001654	.044200	.008200
48	.004228	.001802	.042900	.009000
49	.004740	.001967	.041900	.009700
50	.005285	.002151	.041200	.011100
51	.005867	.002324	.040500	.012600
52	.006480	.002520	.040000	.014000
53	.007127	.002738	.040000	.015800
54	.007806	.002982	.040000	.017600
55	.008519	.003256	.040000	.019000
56	.009262	.003574	.040000	.020000
57	.010039	.003948	.040000	.021500
58	.010889	.004388	.040000	.025000
59	.011924	.004901	.040000	.029500
60	.013119	.005489	.040000	.034500
61	.014440	.006156	.040000	.039000
62	.015863	.006898	.040000	.051000
63	.017413	.007712	.040000	.051000
64	.019185	.008608	.040000	.051000
65	.021260	.009563	.040000	.051000

SEWERAGE AND WATER BOARD OF NEW ORLEANS RETIREMENT SYSTEM  
JANUARY 1, 2017 ACTUARIAL VALUATION  
ASSUMED RATES OF MORTALITY, WITHDRAWAL AND DISABILITY INCIDENCE BY AGE AND GENDER

AGE	MORTALITY		WITHDRAWAL	DISABILITY INCIDENCE
	MALE	FEMALE		
66	.023643	.010565	.040000	.051000
67	.026316	.011621	.040000	.051000
68	.029188	.012877	.040000	.051000
69	.032435	.014461	.040000	.051000
70	.036106	.016477	.040000	.051000
71	.040008	.019000	0.000000	.051000
72	.043827	.021911	0.000000	.051000
73	.047489	.025112	0.000000	.051000
74	.051221	.028632	0.000000	.051000
75	.055293	.032385	0.000000	.051000
76	.060068	.036408	0.000000	.051000
77	.065924	.040769	0.000000	.051000
78	.072595	.045472	0.000000	.051000
79	.079692	.050616	0.000000	.051000
80	.087431	.056085	0.000000	.051000
81	.095445	.061853	0.000000	.051000
82	.103691	.067936	0.000000	.051000
83	.112303	.074351	0.000000	.051000
84	.121116	.081501	0.000000	.051000
85	.130102	.089179	0.000000	.051000
86	.139315	.097468	0.000000	.051000
87	.148714	.106452	0.000000	.051000
88	.158486	.116226	0.000000	.051000
89	.168709	.126893	0.000000	.051000
90	.179452	.138577	0.000000	.051000
91	.190489	.151192	0.000000	.051000
92	.201681	.165077	0.000000	.051000
93	.212986	.180401	0.000000	.051000
94	.226535	.197349	0.000000	.051000
95	.241164	.216129	0.000000	.051000
96	.256204	.236970	0.000000	.051000
97	.272480	.258059	0.000000	.051000
98	.290163	.280237	0.000000	.051000
99	.309125	.304679	0.000000	.051000
100	.329825	.331630	0.000000	.051000

### EXHIBIT III

#### December 31, 2016 DISCLOSURE INFORMATION ON FUNDING PROGRESS

This section is included to provide information which had been historically required by the Governmental Accounting Standards Board Statements Number 25 and 27 and is provided for historical continuity and consistency. GASB Statements 25 and 27 have been replaced by GASB Statements 67 and 68. These two statements have made extensive and fundamental changes in the nature of the financial disclosure requirements and have effectively removed the actual funding aspects of the plan from any direct involvement. The effective date of GASB 67 (with respect to the plan itself) is the first Plan Year beginning after June 15, 2013 (namely, the Plan Year beginning January 1, 2014). The effective date of GASB 68 (with respect to the Sewerage & Water Board as sponsoring employer) is the first Fiscal Year beginning after June 15, 2014 (namely, the Fiscal Year beginning January 1, 2015). The actuarial information for financial disclosure as required by these GASB Statements is presented in a separate report.

The Projected Benefit Obligation (PBO) as of December 31, 2016 is based on all of the assumptions outlined in Exhibit II including future salary growth. The Unfunded Accrued Liability (UAL) is that used in funding the plan and is developed in Table 4.

#### SCHEDULE OF FUNDING PROGRESS

	<u>12/31/2015</u>	<u>12/31/2016</u>
Interest Assumption	7.00%	7.00%

#### RATIO OF UAL TO VALUATION PAYROLL:

[1] Unfunded Accrued Liability (UAL)	\$ 63,996,458	\$ 63,831,550
[2] Valuation Annual Payroll	33,672,902	35,363,156
[3] Ratio: [1] divided by [2]	190.1%	180.5%

#### FUNDED RATIO:

[1] Projected Benefit Obligation (PBO)		
Inactive Plan Participants	\$ 197,041,228	\$ 203,942,615
Active Plan Participants	<u>92,267,868</u>	<u>89,744,429</u>
Total PBO	\$ 289,309,096	\$ 293,687,044
[2] Actuarial Value of Assets	233,572,291	239,476,385
[3] Funded Ratio: [2] divided by [1]	80.7%	81.5%

EXHIBIT IV

ACTIVE AND INACTIVE PARTICIPANT PROFILES

EMPLOYEES RETIREMENT SYSTEM OF THE SEWERAGE AND WATER BOARD OF NEW ORLEANS  
01/1/2017 ACTIVE PARTICIPANT AGE VS SERVICE GRID  
JANUARY 1, 2017 ACTUARIAL VALUATION

----- ALL ACTIVE PARTICIPANTS -----

AGE	YEARS OF SERVICE									TOTAL	TOTAL ANNUAL SALARIES	AVERAGE SALARY
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+			
20-24	52	0	0	0	0	0	0	0	0	52	1,242,651.30	23,897.14
25-29	109	25	0	0	0	0	0	0	0	134	3,906,967.89	29,156.48
30-34	96	49	8	0	0	0	0	0	0	153	5,008,833.75	32,737.48
35-39	52	20	10	4	1	0	0	0	0	87	2,883,209.12	33,140.33
40-44	46	22	8	4	15	0	0	0	0	95	3,074,323.23	32,361.30
45-49	33	21	11	11	25	10	0	0	0	111	4,016,984.37	36,189.05
50-54	52	22	15	8	25	19	19	0	0	160	6,255,237.02	39,095.23
55-59	29	28	11	6	15	24	12	3	0	128	5,307,429.14	41,464.29
60-64	21	14	6	3	7	7	2	0	0	60	2,697,481.76	44,958.03
65-69	5	1	1	4	1	1	1	0	1	15	778,039.16	51,869.28
70-74	0	1	1	1	0	0	0	0	0	3	192,004.79	64,001.60
	495	203	71	41	89	61	34	3	1	998	35,363,161.53	35,434.03

EMPLOYEES RETIREMENT SYSTEM OF THE SEWERAGE AND WATER BOARD OF NEW ORLEANS  
01/1/2017 INACTIVE PARTICIPANT PROFILE  
JANUARY 1, 2017 ACTUARIAL VALUATION

----- REGULAR RETIREES -----

AGE	YEARS SINCE RETIREMENT										TOTAL	TOTAL ANNUAL BENEFIT	AVERAGE ANNUAL BENEFIT
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+				
45-49	1	0	0	0	0	0	0	0	0	1	34,720.68	34,720.68	
50-54	5	2	0	0	0	0	0	0	0	7	243,741.24	34,820.18	
55-59	13	33	3	0	0	0	0	0	0	49	1,577,729.16	32,198.55	
60-64	24	66	42	3	0	0	0	0	0	135	3,578,845.08	26,509.96	
65-69	7	70	52	20	0	1	0	0	0	150	4,124,015.16	27,493.43	
70-74	2	20	64	20	6	1	0	0	0	113	2,506,729.20	22,183.44	
75-79	1	1	18	22	12	0	0	0	1	55	1,163,552.52	21,155.50	
80-84	0	0	1	19	14	8	0	0	0	42	687,599.64	16,371.42	
85-89	0	0	1	4	6	9	4	0	0	24	439,644.60	18,318.53	
90+	0	1	0	0	0	2	6	1	0	10	126,372.96	12,637.30	
	53	193	181	88	38	21	10	1	1	586	14,482,950.24	24,714.93	

EMPLOYEES RETIREMENT SYSTEM OF THE SEWERAGE AND WATER BOARD OF NEW ORLEANS  
01/1/2017 INACTIVE PARTICIPANT PROFILE  
JANUARY 1, 2017 ACTUARIAL VALUATION

----- DISABLED RETIREES -----

AGE	YEARS SINCE RETIREMENT								TOTAL	TOTAL ANNUAL BENEFIT	AVERAGE ANNUAL BENEFIT
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+		
40-44	0	1	0	0	0	0	0	0	0	1	21,581.52
45-49	0	1	2	0	0	0	0	0	0	3	58,004.88
50-54	0	3	0	0	0	0	0	0	0	3	51,594.48
55-59	0	5	4	2	0	0	0	0	0	11	185,182.56
60-64	0	5	5	3	2	1	0	0	0	16	190,986.84
65-69	0	0	6	3	3	0	0	0	0	12	129,360.96
70-74	0	0	1	2	4	0	0	0	0	7	67,994.76
	0	15	18	10	9	1	0	0	0	53	704,706.00
											13,296.34

EMPLOYEES RETIREMENT SYSTEM OF THE SEWERAGE AND WATER BOARD OF NEW ORLEANS  
01/1/2017 INACTIVE PARTICIPANT PROFILE  
JANUARY 1, 2017 ACTUARIAL VALUATION

----- SURVIVORS -----

AGE	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	TOTAL	TOTAL ANNUAL BENEFIT	AVERAGE ANNUAL BENEFIT
0-19	0	1	0	1	0	0	0	0	0	2	16,377.84	8,188.92
45-49	1	0	0	0	0	0	0	0	0	1	2,527.20	2,527.20
50-54	1	2	0	0	0	0	0	0	0	3	12,596.16	4,198.72
55-59	6	3	2	0	0	0	0	0	0	11	95,659.80	8,696.35
60-64	11	7	1	1	0	0	0	0	0	20	182,192.76	9,109.64
65-69	9	3	4	0	1	0	0	0	0	17	118,081.20	6,945.95
70-74	1	6	1	3	0	0	0	0	0	11	68,378.04	6,216.19
75-79	4	5	1	0	0	2	0	0	0	12	133,960.44	11,163.37
80-84	3	2	4	1	0	0	0	0	0	10	50,762.04	5,076.20
85-89	2	3	0	0	1	2	0	0	0	8	106,468.80	13,308.60
90+	0	2	4	0	0	0	0	1	1	8	64,339.20	8,042.40
	38	34	17	6	2	4	0	1	1	103	851,343.48	8,265.47

## Page 30

**Conefry & Company, LLC**

SEWERAGE AND WATER BOARD OF NEW ORLEANS RETIREMENT SYSTEM  
12/31/2016 TERMINATED VESTED EMPLOYEES WITH DEFERRED BENEFITS

Page 31

NAME	EMPLOYEE ID NUMBER	S E X	DATE OF BIRTH	DATE OF TERMINATION	(BASIC) INIT. MO. BENEFIT	(BASIC) CURR. MO. BENEFIT	SUPPL. MONTHLY BENEFIT	ACCUMULATED EMPLOYEE CONTRIBS.
743	M	11/05/59	3/24/2001	1,812.12	1,812.14	36.96	31,447.13	
744	M	8/19/71	5/04/2006	0.00	435.87	0.00	7,004.63	
745	M	4/14/58	1/11/1994	250.44	250.44	26.25	7,540.24	
746	M	2/24/67	11/08/2004	0.00	1,110.29	0.00	21,156.73	
747	M	3/29/62	8/08/2007	0.00	2,133.13	0.00	23,833.94	
748	M	8/29/62	1/13/1999	337.93	337.93	21.25	7,605.62	
749	M	2/25/58	1/13/2007	0.00	1,306.16	0.00	25,960.64	
750	M	2/06/61	3/16/2011	0.00	0.00	0.00	10,376.09	
751	F	10/17/76	5/29/2009	0.00	301.10	0.00	4,196.67	
752	M	11/30/55	4/11/2007	0.00	507.35	0.00	7,034.37	
753	F	6/25/61	7/08/1995	555.81	555.81	22.50	14,099.34	
754	F	11/22/58	10/24/1999	930.15	930.15	28.75	16,496.91	
755	M	1/13/69	4/21/2006	0.00	1,550.40	0.00	24,767.31	
756	M	7/27/61	6/21/1996	1,099.34	1,099.34	23.75	19,182.41	
757	M	11/22/53	12/04/2000	1,086.60	1,086.61	31.81	32,383.78	
758	M	11/14/69	7/10/2012	0.00	1,155.34	0.00	14,593.58	
759	M	9/24/60	9/07/2000	688.67	688.68	40.37	21,895.91	
760	M	12/17/62	3/31/2006	0.00	1,324.56	0.00	289,575.30	
TOTAL COUNT: 18	TOTALS:			6,761.06	16,585.30	231.64		

EXHIBIT V

MARKET VALUE AND ACTUARIAL VALUE ASSET INVESTMENT PERFORMANCE

EMPLOYEES' RETIREMENT SYSTEM OF THE SEWERAGE AND WATER BOARD OF NEW ORLEANS  
ESTIMATED MARKET VALUE INVESTMENT PERFORMANCE  
BY CALENDAR YEAR

PLAN YEAR ENDING	BEGINNING MARKET VALUE	EMPLOYER CONTRIBUTIONS FOR YEAR	EMPLOYEE CONTRIBUTIONS FOR YEAR	TRANSFERS IN FOR YEAR	TOTAL BENEFIT PAYMENTS FOR YEAR	TRANSFERS OUT FOR YEAR	NET EXTERNAL CASH FLOW FOR YEAR	MARKET VALUE INV. INCOME FOR YEAR	ENDING MARKET VALUE	MARKET VALUE INV. PERFORMANCE FOR YEAR
12/31/91	56,348,353	4,524,382	1,001,436		4,460,555	0	1,065,263	11,331,152	68,744,768	19.9208%
12/31/92	68,699,004	4,980,959	1,113,066		4,988,329	0	1,105,696	5,789,535	75,594,235	8.3601%
12/31/93	75,594,235	4,873,366	1,092,713		4,678,593	0	1,287,486	8,471,584	85,353,305	11.1120%
12/31/94	85,353,305	5,102,920	1,298,780		5,220,801	0	1,180,899	-2,682,882	83,851,322	-3.1217%
12/31/95	83,851,322	5,188,055	1,395,149		5,733,411	0	849,793	22,390,520	107,091,635	26.5680%
12/31/96	107,091,635	5,678,507	1,463,218		5,704,458	0	1,437,267	12,894,655	121,423,557	11.9605%
12/31/97	121,423,557	5,933,289	1,202,021		6,410,573	0	724,737	21,841,187	143,989,481	17.9341%
12/31/98	143,989,481	5,448,823	1,138,063		6,573,992	0	12,894	13,756,662	157,759,037	9.5535%
12/31/99	157,759,037	5,151,389	1,028,094		6,928,999	0	-749,516	16,013,013	173,022,534	10.1745%
12/31/00	173,022,534	5,444,048	1,053,495		7,317,215	0	-819,672	5,658,247	177,861,109	3.2780%
12/31/01	177,861,109	5,417,854	1,040,680		7,632,745	0	-1,174,211	-1,677,973	175,008,925	-0.9465%
12/31/02	175,008,925	2,931,065	1,089,543		7,625,705	0	-3,605,097	-15,455,327	155,948,501	-8.9231%
12/31/03	155,948,501	3,391,535	1,097,183		9,184,249	0	-4,695,531	36,142,887	187,395,857	23.5304%
12/31/04	187,395,857	3,721,034	1,120,776		8,894,614	0	-4,042,804	19,502,120	202,855,173	10.5204%
12/31/05	202,855,173	3,716,381	1,176,637	714,343	10,177,467	0	-4,570,106	7,713,678	205,998,745	3.8459%
12/31/06	205,998,745	3,343,713	982,418	2,357,005	12,231,855	0	-5,548,719	28,734,146	229,184,172	14.1391%
12/31/07	229,184,172	3,885,124	1,014,461	1,854,239	12,812,727	0	-6,058,903	8,667,155	231,792,424	3.8324%
12/31/08	231,792,424	4,915,512	1,143,858	958,605	13,269,799	0	-6,251,824	-59,122,504	166,418,096	-25.8553%
12/31/09	166,418,096	5,247,031	1,161,744	516,393	14,231,876	0	-7,306,708	31,912,755	191,024,143	19.6067%
12/31/10	191,024,143	5,146,081	1,190,714	849,540	15,409,624	0	-8,223,289	22,439,431	205,240,285	12.0053%
12/31/11	205,240,285	5,436,700	1,161,996	1,233,504	15,947,090	0	-8,114,890	8,968,361	206,093,756	4.4578%
12/31/12	206,093,756	6,114,997	1,128,257	1,690,683	17,406,238	0	-8,472,301	23,082,600	220,704,055	11.4351%
12/31/13	220,704,055	5,946,614	1,465,774	1,065,165	18,002,573	0	-9,525,020	23,179,014	234,358,049	10.7339%
12/31/14	234,358,049	6,055,890	1,535,723	2,001,222	18,748,955	0	-9,156,120	11,354,742	236,556,671	4.9416%
12/31/15	236,556,671	6,506,652	1,905,689	1,847,259	20,244,603	0	-9,985,003	-4,144,141	222,427,527	-1.7896%
12/31/16	222,427,527	6,407,201	2,063,122	2,368,629	20,742,211	0	-9,903,259	12,569,601	225,093,869	5.7798%
Number of Years Included: 26								269,330,218		
								-100,538,938		

EMPLOYEES' RETIREMENT SYSTEM OF THE SEWERAGE AND WATER BOARD OF NEW ORLEANS  
ESTIMATED INVESTMENT PERFORMANCE BY MARKET VALUE AND ACTUARIAL VALUE OF ASSETS  
BY CALENDAR YEAR

YEAR ENDING	ENDING MARKET VALUE	MARKET VALUE INV. PERF. FOR YEAR	MARKET VALUE MEAN FUND	ACTUARIAL VALUE MEAN FUND	ENDING ACTUARIAL VALUE OF ASSETS	ACTUARIAL ASSETS INV. PERF. FOR YR
12/31/1991	68,744,768	19.9208%	56,880,985	58,063,594	64,921,832	10.8943%
12/31/1992	75,594,235	8.3601%	69,251,852	65,474,680	72,541,969	9.9496%
12/31/1993	85,353,305	11.1120%	76,237,978	73,185,712	81,932,422	11.0718%
12/31/1994	83,851,322	-3.1217%	85,943,755	82,522,872	87,957,901	5.8706%
12/31/1995	107,091,635	26.5680%	84,276,219	88,382,798	100,059,569	12.7308%
12/31/1996	121,423,557	11.9605%	107,810,269	100,778,203	114,805,212	13.2056%
12/31/1997	143,989,481	17.9341%	121,785,926	115,167,581	120,911,255	4.6726%
12/31/1998	157,759,037	9.5535%	143,995,928	120,917,702	134,901,231	11.5592%
12/31/1999	173,022,534	10.1745%	157,384,279	134,526,473	149,976,441	11.7633%
12/31/2000	177,861,109	3.2780%	172,612,698	149,566,605	164,845,672	10.4896%
12/31/2001	175,008,925	-9.465%	177,274,004	164,258,567	180,737,128	10.3895%
12/31/2002	155,948,501	-8.9231%	173,206,377	178,934,580	187,892,718	6.0138%
12/31/2003	187,395,857	23.5304%	153,600,736	185,544,953	196,697,432	7.2760%
12/31/2004	202,855,173	10.5204%	185,374,455	194,676,030	204,706,452	6.1907%
12/31/2005	205,998,745	3.8459%	200,570,120	202,421,399	209,829,340	4.7885%
12/31/2006	229,184,172	14.1391%	203,224,386	207,054,981	217,143,723	6.2124%
12/31/2007	231,792,424	3.8324%	226,154,721	214,114,272	223,583,589	5.8374%
12/31/2008	166,418,096	-25.8553%	228,666,512	220,457,677	222,598,640	2.3891%
12/31/2009	191,024,143	19.6067%	162,764,742	218,945,286	228,999,660	6.2608%
12/31/2010	205,240,285	12.0053%	186,912,499	224,888,016	230,298,898	4.2343%
12/31/2011	206,093,756	4.4578%	201,182,840	226,241,453	229,137,699	3.0736%
12/31/2012	220,704,055	11.4351%	201,857,606	224,901,549	229,633,410	3.9875%
12/31/2013	234,358,049	10.7339%	215,941,545	224,870,900	226,423,894	2.8085%
12/31/2014	236,556,671	4.9416%	229,779,989	221,845,834	223,689,647	2.8947%
12/31/2015	222,427,527	-1.7896%	231,564,170	218,697,146	233,572,291	9.0845%
12/31/2016	225,093,869	5.7798%	217,475,898	228,620,662	239,476,385	6.9142%

EMPLOYEES' RETIREMENT SYSTEM OF THE SEWERAGE AND WATER BOARD OF NEW ORLEANS  
ESTIMATED INVESTMENT PERFORMANCE  
BY CALENDAR YEAR

PLAN YEAR ENDING	BEGINNING MARKET VALUE	NET EXTERNAL CASH FLOW FOR YEAR	MARKET VALUE INV. INCOME		ENDING MARKET VALUE	MARKET VALUE INVESTMENT PERFORMANCE			ACTUARIAL ASSET VALUE INVESTMENT PERFORMANCE			YEAR
			FOR YEAR	AVERAGE		FOR YEAR	CUMULATIVE	AVERAGE	FOR YEAR	CUMULATIVE	AVERAGE	
12/31/91	56,348,353	1,065,263	11,331,152	68,744,768	19.9208%	19.92%	10.89%	10.89%	10.89%	10.89%	1	
12/31/92	68,699,004	1,105,696	5,789,535	75,594,235	8.3601%	29.95%	13.99%	9.95%	21.93%	10.42%	2	
12/31/93	75,594,235	1,287,486	8,471,584	85,353,305	11.1200%	44.39%	13.03%	11.07%	35.43%	10.64%	3	
12/31/94	85,353,305	1,180,899	-2,682,882	83,851,322	-3.1217%	39.88%	8.75%	5.87%	43.38%	9.43%	4	
12/31/95	83,851,322	849,793	22,590,520	107,091,635	26.5680%	77.04%	12.10%	12.73%	61.63%	10.08%	5	
12/31/96	107,091,635	1,437,267	12,894,655	121,423,557	11.9605%	98.22%	12.08%	13.21%	82.98%	10.59%	6	
12/31/97	121,423,557	724,737	21,841,187	143,989,481	17.9341%	133.77%	12.90%	4.67%	91.52%	9.73%	7	
12/31/98	143,989,481	12,894	13,756,662	157,759,037	9.5335%	156.10%	12.47%	11.56%	113.66%	9.96%	8	
12/31/99	157,759,037	-749,516	16,013,013	173,022,534	10.1745%	182.15%	12.22%	11.76%	138.80%	10.15%	9	
12/31/00	173,022,534	-819,672	5,658,247	177,861,109	3.2780%	191.40%	11.29%	10.49%	163.85%	10.19%	10	
12/31/01	177,861,109	-1,174,211	-1,677,973	175,008,925	-0.9465%	188.65%	10.12%	10.39%	191.26%	10.21%	11	
12/31/02	175,008,925	-3,605,097	-15,455,327	155,948,501	-8.9231%	162.89%	8.39%	6.01%	208.77%	9.85%	12	
12/31/03	155,948,501	-4,695,531	36,142,887	187,395,857	23.5304%	224.75%	9.48%	7.28%	231.24%	9.65%	13	
12/31/04	187,395,857	-4,042,804	19,502,120	202,855,173	10.5204%	258.91%	9.56%	6.19%	251.75%	9.40%	14	
12/31/05	202,855,173	-4,570,106	7,713,678	205,998,745	3.8459%	272.72%	9.17%	4.79%	268.59%	9.09%	15	
12/31/06	205,998,745	-5,548,719	28,734,146	229,184,172	14.1391%	325.42%	9.47%	6.21%	291.49%	8.90%	16	
12/31/07	229,184,172	-6,058,903	8,667,155	231,792,424	3.8324%	341.72%	9.13%	5.84%	314.34%	8.72%	17	
12/31/08	231,792,424	-6,251,824	-59,122,504	166,418,096	-25.8553%	227.51%	6.81%	2.39%	324.24%	8.36%	18	
12/31/09	166,418,096	-7,306,708	31,912,755	191,024,143	19.6067%	291.72%	7.45%	6.26%	350.80%	8.25%	19	
12/31/10	191,024,143	-8,223,289	22,439,431	205,240,285	12.0053%	338.75%	7.67%	4.23%	369.89%	8.04%	20	
12/31/11	205,240,285	-8,114,890	8,968,361	206,093,756	4.4578%	358.31%	7.52%	3.07%	384.33%	7.80%	21	
12/31/12	206,093,756	-8,472,301	23,082,600	220,704,055	11.4351%	410.72%	7.69%	3.99%	403.64%	7.63%	22	
12/31/13	220,704,055	-9,525,020	23,179,014	234,358,049	10.7339%	465.54%	7.82%	2.81%	417.79%	7.41%	23	
12/31/14	234,358,049	-9,156,120	11,354,742	236,556,671	4.9416%	493.49%	7.70%	2.89%	432.78%	7.22%	24	
12/31/15	236,556,671	-9,985,003	-4,144,141	222,427,527	-1.7896%	482.87%	7.31%	9.08%	481.18%	7.29%	25	
12/31/16	222,427,527	-9,903,259	12,569,601	225,093,869	5.7798%	516.55%	7.25%	6.91%	521.36%	7.28%	26	

Number of Years Included: 26

### CERTIFICATION

The foregoing report presents fairly the actuarial position of the Employees' Retirement System of the Sewerage and Water Board of New Orleans as of January 1, 2017 in accordance with generally accepted actuarial principles applied on a basis consistent with the preceding valuation, except where noted. In our opinion, the assumptions used in preparing the liabilities and estimated costs are reasonably related to the experience of the plan and to reasonable expectations and represent our best estimate of anticipated experience under the plan.

CONEFRY & COMPANY, L.L.C.



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Michael A. Conefry, FCA, ASA, MAAA, MSPA  
Enrollment Number 17-1235

New Orleans, Louisiana  
April, 2017  
V201612

# Sewerage and Water Board of New Orleans

## Summary of Preliminary Financial Results

### Through March 31, 2017

Prior Year Variances	Water	Sewer	Drainage
Revenues	3,750,858	4,927,638	417,134
Operating Expenses	552,156	1,264,014	365,827
Non-Operating Revenues and Expenses	(117,823)	(101,794)	28,108,628
Income before Capital Contributions	3,080,879	3,561,830	28,159,935

Budget Variances	Water	Sewer	Drainage
Revenues	(540,876)	751,281	433,991
Operating Expenses	(8,579,356)	(5,657,110)	(3,309,379)
Non-Operating Revenues and Expenses	(7,951)	293,634	19,758,378
Income before Capital Contributions	8,030,529	6,702,025	23,501,748

Days of Cash	Water	Sewer	Drainage
	190.9	291.3	432.7

Projected Debt Service Coverage Times	Water	Sewer	Drainage
	2.05	2.04	Not Applicable



## SEWERAGE AND WATER BOARD OF NEW ORLEANS

May 15, 2017

Finance and Administration Committee  
Sewerage and Water Board of New Orleans  
New Orleans, Louisiana

### Re: Financial Results through March 2017

Attached are the *Statement of Revenues, Expenses, and Changes in Net Position* with budget and prior year comparisons for the water, sewer, drainage, and total systems through March 2017. The Variance Indicators for Financial Results through March 2017 is also attached. The *Statement of Net Assets* and the *Statement of Cash Flows* will be provided after the completion of the 2016 audit.

### Operating Revenues:

Water and sewer revenues continued strong in March 2017 following lower than expected revenues in January 2017. Additional analysis of revenues and consumption by customer class will be provided next month.

**Water System Fund** (pages 7 and 8, line 5) for March of \$8,705,606 is \$445,765 or 5.4% more than budgeted and \$1,672,987 or 23.8% more than March 2016. March YTD operating revenues of \$24,238,649 is \$540,876 or 2.2% less than budgeted and \$3,750,858 or 18.3% more than March YTD 2016.

**Sewer System Fund** (pages 13 and 14, line 5) for March of \$10,553,541 is \$993,816 or 10.4% more than budgeted and \$1,842,365 or 21.1% more than March 2016. March YTD operating revenues of \$29,430,456 is \$751,281 or 2.6% more than budgeted and \$4,927,638 or 20.1% more than March YTD 2016.

**Drainage System Fund** (pages 19 and 20, line 5) for March of \$266,721 is \$266,721 or 100.0% more than budgeted and 256,834 or 2597.7% more than for March 2016. March YTD operating revenues of \$433,991 is \$433,991 or 100.0% more than budgeted and \$417,134 or 2474.5% more than March YTD 2016.

**Total System Funds** (pages 1 and 2, line 5) for March of \$19,525,868 are \$1,706,301 or 9.6% more than budgeted and \$3,772,186 or 23.9% more than March 2016. March YTD operating revenues of \$54,103,095 are \$644,395 or 1.2% more than budgeted and \$9,095,629 or 20.2% more than March YTD 2016.

### Operating Expenses:

Operating expenses lag the budgeted levels in nearly all departments. Additional analysis of expenses by department will be provided next month.

**Water System Fund** (pages 7 and 8, line 18) for March of \$6,563,896 is \$3,393,830 or 34.1% less than budgeted and \$634,923 or 8.8% less than March 2016. March YTD operating expenses of \$21,293,823 is \$8,579,356 or 28.7% less than budgeted and \$552,156



## SEWERAGE AND WATER BOARD OF NEW ORLEANS

or 2.7% more than March YTD 2016.

**Sewer System Fund** (pages 13 and 14, line 18) for March of \$5,407,498 is \$2,372,117 or 30.5% less than budgeted and \$242,317 or 4.7% more than March 2016. March YTD operating expenses of \$17,681,735 is \$5,657,110 or 24.2% less than budgeted and \$1,264,014 or 7.7% more than March YTD 2016.

**Drainage System Fund** (pages 19 and 20, line 18) for March of \$3,848,979 is \$1,176,033 or 23.4% less than budgeted and \$36,458 or 0.9% less than March 2016. March YTD operating expenses of \$11,765,658 is \$3,309,379 or 22.0% less than budgeted and \$365,827 or 3.2% more than March YTD 2016.

**Total System Funds** (pages 1 and 2, line 18) for March of \$15,820,373 are \$6,941,980 or 30.5% less than budgeted and \$429,064 or 2.6% less than March 2016. March YTD operating expenses of \$50,741,216 is \$17,545,844 or 25.7% less than budgeted and \$2,181,997 or 4.5% more than March YTD 2016.

### Net Non-Operating Revenues:

Property tax collections for the 6 mill and 9 mill taxes were collected and distributed earlier in 2017 than they were in 2016. The 3 mill tax was billed in the second quarter of 2017 following renewal of the millage in December 2016.

**Water System Fund** (pages 7 and 8, line 28) for March of \$122,773 is \$78,098 or 174.8% more than budgeted and \$37,933 or 44.7% more than March 2016. March YTD net non-operating revenues of \$126,072 are \$7,951 or 5.9% less than budgeted and \$177,823 or 48.3% less than March YTD 2016.

**Sewer System Fund** (pages 13 and 14, line 28) for March of \$54,317 is \$134,078 or 168.1% more than budgeted and \$7,755 or 16.7% more than March 2016. March YTD net non-operating revenues of \$54,349 are 293,634 or 122.7% more than budgeted and \$101,794 or 65.2% less than March YTD 2016.

**Drainage System Fund** (pages 19 and 20, line 28) for March of \$15,155,506 is \$10,557,087 or 229.6% more than budgeted and \$11,885,526 or 363.5% more March 2016. March YTD net non-operating revenues of \$33,553,638 are \$19,758,378 or 143.2% more than budgeted and \$28,108,628 are 516.2% more than March YTD 2016.

**Total System Funds** (pages 1 and 2, line 28) for March of \$15,332,595 is \$10,769,263 or 236.0% more than budgeted and \$11,931,214 or 350.8% more than March 2016. March YTD net non-operating revenues of \$33,734,058 are \$20,044,061 or 146.4% more than budgeted and \$27,889,011 or 477.1% more than March YTD 2016.

### Income Before Contributions in Aid of Construction:

**Water System Fund** (pages 7 and 8, line 29) for March of \$2,264,483 is \$3,917,693 or 237.0% more than budgeted and \$2,345,842 or 2883.3% more than March 2016. March YTD income before capital contributions of \$3,070,898 is \$8,030,529 or 161.9% more than



## SEWERAGE AND WATER BOARD OF NEW ORLEANS

budgeted and \$3,080,880 or 30864.4% more than March YTD 2016.

**Sewer System Fund** (pages 13 and 14, line 29) for March of \$5,200,359 is \$3,500,011 or 205.8% more than budgeted and \$1,607,804 or 44.8% more than March 2016. March YTD income before capital contributions of \$11,803,069 is \$6,702,024 or 131.4% more than budgeted and \$3,561,829 or 43.2% more than March YTD 2016.

**Drainage System Fund** (pages 19 and 20, line 29) for March of \$11,573,248 is \$11,999,841 or 2813.0% more than budgeted and \$12,178,817 or 2011.1% more than March 2016. March YTD income before capital contributions of \$22,221,970 is \$23,501,747 or 1836.4% more than budgeted and \$28,159,935 or 474.2% more than March YTD 2016.

**Total System Funds** (pages 1 and 2, line 29) for March of \$19,038,090 is \$19,417,545 or 5117.2% more than budgeted and \$16,132,464 or 555.2% more than March 2016. March YTD income before capital contributions of \$37,095,937 is \$38,234,300 or 3358.7% more than budgeted and \$34,802,644 or 1517.6% more than March YTD 2016.

The balances of funds from the Series 2014 bond proceeds available for capital construction as of March 31, 2017 are:

	Water	Sewer	Total
<b>Original Balance</b>	\$1,709,536.76	-	\$1,709,536.76
<b>Less Disbursements</b>	0	-	0
<b>Plus Reimbursements</b>	0	-	0
<b>Plus Income</b>	1,393.86	-	1,393.86
<b>Ending Balance</b>	\$1,710,930.62	-	\$1,710,930.62

The balances of funds from the Series 2015 bond proceeds available for capital construction as of March 31, 2016 are:

	Water	Sewer	Total
<b>Original Balance</b>	\$89,393,837.89	\$47,446,714.51	\$136,840,552.40
<b>Less Disbursements</b>	(3,000,000.00)	(1,500,000.00)	(4,500,000.00)
<b>Plus Reimbursements</b>	0	0	0
<b>Plus Income</b>	56,520.40	23,611.20	80,131.60
<b>Ending Balance</b>	\$86,450,358.29	\$45,970,325.71	\$132,420,684.00

The days-of-cash at March 31, 2017 were 190.95 for the water system, 291.26 for the sewer system,



## SEWERAGE AND WATER BOARD OF NEW ORLEANS

and 432.67 for the drainage system. These results are well ahead of their minimum policy target of 180 days for the water, sewerage and drainage systems.

The projected coverage for the year ending December 31, 2017, based upon financial results through March 31, 2016, remains at the budgeted levels of 2.05 times for the water system and 2.04 times for the sewer system. The results are ahead of the policy target of 1.50 times and the bond covenant minimum of 1.25.

**Certification.** In connection with the accompanying monthly financial report of the Sewerage and Water Board of New Orleans for the period ended March 31, 2017, I hereby certify that, to my knowledge, the information contained in the report fairly presents, in all material respects, the financial condition and results of the Board.

Robert K. Miller  
Deputy Director / Chief Financial Officer









**SEWERAGE AND WATER BOARD OF NEW ORLEANS**  
**ALL SYSTEM FUNDS**  
**STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION**  
**WITH PRIOR YEAR COMPARISONS**  
**March 2017**

	A	B	C	D	E	F	G	H
	MTD	MTD	MTD	%	YTD	YTD	YTD	%
	Actual	Prior Year	Variance		Actual	Prior Year	Variance	
<b>Operating revenues:</b>								
1 Sales of water and delinquent fees	8,626,648	6,735,949	1,890,699	28.1%	23,999,185	19,634,476	4,364,709	22.2%
2 Sewerage service charges and del fees	10,509,117	8,631,646	1,877,471	21.8%	29,279,870	24,269,435	5,010,435	20.6%
3 Plumbing inspection and license fees	52,900	99,980	(47,080)	-47.1%	159,490	190,620	(31,130)	-16.3%
4 Other revenues	337,203	286,107	51,096	17.9%	664,550	912,934	(248,384)	-27.2%
5 Total operating revenues	19,525,868	15,753,682	3,772,186	23.9%	54,103,095	45,007,466	9,095,629	20.2%
<b>Operating Expenses:</b>								
6 Executive Director	122,118	170,412	(48,295)	-28.3%	339,199	531,668	(192,469)	-36.2%
7 Special Counsel	402,237	122,745	279,492	227.7%	603,814	349,845	253,969	72.6%
8 Security	332,048	321,660	10,387	3.2%	2,062,902	847,847	1,215,055	143.3%
9 Operations	5,465,221	6,839,349	(1,374,128)	-20.1%	21,708,721	21,464,813	243,908	1.1%
10 Engineering	1,072,716	415,956	656,759	157.9%	1,945,769	1,214,459	731,309	60.2%
11 Logistics	681,095	991,864	(310,769)	-31.3%	2,328,299	3,119,727	(791,428)	-25.4%
12 Communications	27,154	-	27,154	0.0%	74,493	-	74,493	0.0%
13 Administration	1,979,576	1,361,440	618,136	45.4%	3,434,869	3,149,687	285,182	9.1%
14 Chief Financial Officer	1,477,428	1,451,184	26,243	1.8%	4,703,438	4,111,369	592,069	14.4%
15 Continuous Improvement	12,674	12	12,662	105513.0%	35,444	12	35,432	295266.6%
16 Allocation for Overhead	(1,270,899)	(944,119)	(326,781)	34.6%	(3,052,754)	(2,785,030)	(267,725)	9.6%
17 Non-Cash Operating Expenses	5,519,007	5,518,932	75	0.0%	16,557,022	16,554,821	2,201	0.0%
18 Total operating expenses	15,820,373	16,249,437	(429,064)	-2.6%	50,741,216	48,559,219	2,181,997	4.5%
19 Operating income (loss)	3,705,495	(495,755)	4,201,250	-847.4%	3,361,879	(3,551,753)	6,913,633	-194.7%
<b>Non-operating revenues (expense):</b>								
20 Two-mill tax	-	266	(266)	-100.0%	39	6,604	(6,565)	-99.4%
21 Three-mill tax	89,380	926,486	(837,106)	-90.4%	138,837	1,539,330	(1,400,493)	-91.0%
22 Six-mill tax	6,018,518	936,420	5,082,097	542.7%	13,360,998	1,555,906	11,805,092	758.7%
23 Nine-mill tax	9,021,450	1,403,660	7,617,790	542.7%	20,027,605	2,332,178	17,695,427	758.8%
24 Interest income	203,243	134,549	68,694	51.1%	206,575	411,029	(204,454)	-49.7%
25 Other Income	-	-	-	0.0%	-	-	-	0.0%
26 Interest expense	-	-	-	0.0%	-	-	-	0.0%
27 Operating and maintenance grants	4	-	4	0.0%	4	-	4	0.0%
28 Total non-operating revenues	15,332,595	3,401,382	11,931,214	350.8%	33,734,058	5,845,046	27,889,011	477.1%
29 Income before capital contributions	19,038,090	2,905,627	16,132,464	555.2%	37,095,937	2,293,293	34,802,644	1517.6%
30 Capital contributions	3,647,790	2,135,913	1,511,877	70.8%	5,473,361	3,220,158	2,253,204	70.0%
31 Change in net position	22,685,881	5,041,540	17,644,341	350.0%	42,569,298	5,513,451	37,055,848	672.1%
32 Net position, beginning of year					2,082,688,315	1,968,799,361	113,888,954	5.8%
33 Net position, end of year					2,125,257,613	1,974,312,812	150,944,802	7.6%

**SEWERAGE AND WATER BOARD OF NEW ORLEANS**  
**ALL SYSTEM FUNDS**  
**STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION**  
**WITH BUDGET COMPARISONS**  
**March 2017**

	A	B	C	D	E	F	G	H
	MTD	MTD	MTD	%	YTD	YTD	YTD	%
	Actual	Budget	Variance		Actual	Budget	Variance	
<b>Operating revenues:</b>								
1 Sales of water and delinquent fees	8,626,648	7,872,192	754,456	9.6%	23,999,185	23,616,575	382,610	1.6%
2 Sewerage service charges and del fees	10,509,117	9,482,775	1,026,342	10.8%	29,279,870	28,448,325	831,545	2.9%
3 Plumbing inspection and license fees	52,900	52,150	750	1.4%	159,490	156,450	3,040	1.9%
4 Other revenues	337,203	412,450	(75,247)	-18.2%	664,550	1,237,350	(572,800)	-46.3%
5 Total operating revenues	19,525,868	17,819,567	1,706,301	9.6%	54,103,095	53,458,700	644,395	1.2%
<b>Operating Expenses:</b>								
6 Executive Director	122,118	107,970	14,148	13.1%	339,199	323,910	15,289	4.7%
7 Special Counsel	402,237	197,952	204,285	103.2%	603,814	593,855	9,959	1.7%
8 Security	332,048	906,381	(574,333)	-63.4%	2,062,902	2,719,142	(656,240)	-24.1%
9 Operations	5,465,221	8,308,491	(2,843,270)	-34.2%	21,708,721	24,925,473	(3,216,752)	-12.9%
10 Engineering	1,072,716	857,048	215,668	25.2%	1,945,769	2,571,145	(625,376)	-24.3%
11 Logistics	681,095	1,182,834	(501,739)	-42.4%	2,328,299	3,548,501	(1,220,201)	-34.4%
12 Communications	27,154	85,908	(58,753)	-68.4%	74,493	257,723	(183,230)	-71.1%
13 Administration	1,979,576	3,601,441	(1,621,865)	-45.0%	3,434,869	10,804,323	(7,369,453)	-68.2%
14 Chief Financial Officer	1,477,428	1,917,265	(439,838)	-22.9%	4,703,438	5,751,796	(1,048,358)	-18.2%
15 Continuous Improvement	12,674	35,892	(23,218)	-64.7%	35,444	107,675	(72,231)	-67.1%
16 Allocation for Overhead	(1,270,899)	(1,112,810)	(158,089)	14.2%	(3,052,754)	(3,338,431)	285,677	-8.6%
17 Non-Cash Operating Expenses	5,519,007	6,673,983	(1,154,975)	-17.3%	16,557,022	20,021,948	(3,464,926)	-17.3%
18 Total operating expenses	15,820,373	22,762,353	(6,941,980)	-30.5%	50,741,216	68,287,060	(17,545,844)	-25.7%
19 Operating income (loss)	3,705,495	(4,942,787)	8,648,282	-175.0%	3,361,879	(14,828,360)	18,190,239	-122.7%
<b>Non-operating revenues (expense):</b>								
20 Two-mill tax	-	-	-	0.0%	39	-	39	0.0%
21 Three-mill tax	89,380	1,235,828	(1,146,448)	-92.8%	138,837	3,707,484	(3,568,647)	-96.3%
22 Six-mill tax	6,018,518	1,305,101	4,713,417	361.2%	13,360,998	3,915,303	9,445,695	241.3%
23 Nine-mill tax	9,021,450	1,956,266	7,065,184	361.2%	20,027,605	5,868,798	14,158,807	241.3%
24 Interest income	203,243	112,517	90,727	80.6%	206,575	337,550	(130,975)	-38.8%
25 Other Income	-	153,467	(153,467)	-100.0%	-	460,400	(460,400)	-100.0%
26 Interest expense	-	(199,846)	199,846	-100.0%	-	(599,538)	599,538	-100.0%
27 Operating and maintenance grants	4	-	4	0.0%	4	-	4	0.0%
28 Total non-operating revenues	15,332,595	4,563,332	10,769,263	236.0%	33,734,058	13,689,997	20,044,061	146.4%
29 Income before capital contributions	19,038,090	(379,454)	19,417,545	-5117.2%	37,095,937	(1,138,363)	38,234,300	-3338.7%
30 Capital contributions	3,647,790	365,845	3,281,946	897.1%	5,473,361	1,097,534	4,375,828	398.7%
31 Change in net position	22,685,881	(13,610)	22,699,491	#####	42,569,298	(40,830)	42,610,128	#####
32 Net position, beginning of year					2,082,688,315	1,968,799,361	113,888,954	5.8%
33 Net position, end of year					2,125,257,613	1,967,519,584	157,738,030	8.0%

**SEWERAGE AND WATER BOARD OF NEW ORLEANS**  
**WATER SYSTEM FUND**  
**STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION**  
**WITH PRIOR YEAR COMPARISONS**  
**March 2017**

	A	B	C	D	E	F	G	H
	MTD	MTD	MTD	%	YTD	YTD	YTD	%
	Actual	Prior Year	Variance		Actual	Prior Year	Variance	
<b>Operating revenues:</b>								
1 Sales of water and delinquent fees	8,626,648	6,735,949	1,890,699	28.1%	23,999,185	19,634,476	4,364,709	22.2%
2 Sewerage service charges and del fees	-	-	-	0.0%	-	-	-	0.0%
3 Plumbing inspection and license fees	52,900	49,990	2,910	5.8%	159,490	95,310	64,180	67.3%
4 Other revenues	26,058	246,680	(220,622)	-89.4%	79,974	758,005	(678,031)	-89.4%
5 <b>Total operating revenues</b>	<b>8,705,606</b>	<b>7,032,620</b>	<b>1,672,987</b>	<b>23.8%</b>	<b>24,238,649</b>	<b>20,487,791</b>	<b>3,750,858</b>	<b>18.3%</b>
<b>Operating Expenses:</b>								
6 Executive Director	43,595	59,467	(15,872)	-26.7%	121,495	184,311	(62,816)	-34.1%
7 Special Counsel	134,687	41,979	92,709	220.8%	202,307	119,525	82,783	69.3%
8 Security	136,343	136,688	(344)	-0.3%	766,346	362,247	404,099	111.6%
9 Operations	2,441,935	3,527,317	(1,085,382)	-30.8%	10,066,655	10,265,544	(198,889)	-1.9%
10 Engineering	434,423	132,350	302,073	228.2%	741,069	406,851	334,218	82.1%
11 Logistics	215,551	345,602	(130,051)	-37.6%	747,652	1,064,591	(316,939)	-29.8%
12 Communications	9,052	-	9,052	0.0%	24,831	-	24,831	0.0%
13 Administration	918,998	634,402	284,596	44.9%	1,587,619	1,463,767	123,852	8.5%
14 Chief Financial Officer	674,119	626,667	47,452	7.6%	2,039,448	1,768,011	271,436	15.4%
15 Continuous Improvement	4,225	4	4,221	105513.0%	11,815	4	11,811	295266.5%
16 Allocation for Overhead	(492,183)	(348,783)	(143,400)	41.1%	(1,144,869)	(1,021,808)	(123,060)	12.0%
17 Non-Cash Operating Expenses	2,043,152	2,043,127	25	0.0%	6,129,455	6,128,625	830	0.0%
18 <b>Total operating expenses</b>	<b>6,563,896</b>	<b>7,198,819</b>	<b>(634,923)</b>	<b>-8.8%</b>	<b>21,293,823</b>	<b>20,741,667</b>	<b>552,156</b>	<b>2.7%</b>
19 <b>Operating income (loss)</b>	<b>2,141,710</b>	<b>(166,200)</b>	<b>2,307,910</b>	<b>-1388.6%</b>	<b>2,944,826</b>	<b>(253,876)</b>	<b>3,198,703</b>	<b>-1259.9%</b>
<b>Non-operating revenues (expense):</b>								
20 Two-mill tax	-	-	-	0.0%	-	-	-	0.0%
21 Three-mill tax	-	-	-	0.0%	-	-	-	0.0%
22 Six-mill tax	-	-	-	0.0%	-	-	-	0.0%
23 Nine-mill tax	-	-	-	0.0%	-	-	-	0.0%
24 Interest income	122,768	84,840	37,928	44.7%	126,067	243,894	(117,827)	-48.3%
25 Other Income	-	-	-	0.0%	-	-	-	0.0%
26 Interest expense	-	-	-	0.0%	-	-	-	0.0%
27 Operating and maintenance grants	4	-	4	0.0%	4	-	4	0.0%
28 <b>Total non-operating revenues</b>	<b>122,773</b>	<b>84,840</b>	<b>37,933</b>	<b>44.7%</b>	<b>126,072</b>	<b>243,894</b>	<b>(117,823)</b>	<b>-48.3%</b>
29 <b>Income before capital contributions</b>	<b>2,264,483</b>	<b>(81,360)</b>	<b>2,345,842</b>	<b>-2883.3%</b>	<b>3,070,898</b>	<b>(9,982)</b>	<b>3,080,880</b>	<b>-30864.4%</b>
30 <b>Capital contributions</b>	<b>2,464,605</b>	<b>879,801</b>	<b>1,584,804</b>	<b>180.1%</b>	<b>2,663,576</b>	<b>1,096,285</b>	<b>1,567,291</b>	<b>143.0%</b>
31 <b>Change in net position</b>	<b>4,729,088</b>	<b>798,441</b>	<b>3,930,647</b>	<b>492.3%</b>	<b>5,734,474</b>	<b>1,086,303</b>	<b>4,648,171</b>	<b>427.9%</b>
32 <b>Net position, beginning of year</b>					<b>318,792,375</b>	<b>317,835,814</b>	<b>956,561</b>	<b>0.3%</b>
33 <b>Net position, end of year</b>					<b>324,526,849</b>	<b>318,922,117</b>	<b>5,604,732</b>	<b>1.8%</b>

**SEWERAGE AND WATER BOARD OF NEW ORLEANS**  
**WATER SYSTEM FUND**  
**STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION**  
**WITH BUDGET COMPARISONS**  
**March 2017**

	A	B	C	D	E	F	G	H
	MTD Actual	MTD Budget	MTD Variance	%	YTD Actual	YTD Budget	YTD Variance	%
<b>Operating revenues:</b>								
1 Sales of water and delinquent fees	8,626,648	7,872,192	754,456	9.6%	23,999,185	23,616,575	382,610	1.6%
2 Sewerage service charges and del fees	-	-	-	0.0%	-	-	-	0.0%
3 Plumbing inspection and license fees	52,900	24,975	27,925	111.8%	159,490	74,925	84,565	112.9%
4 Other revenues	26,058	362,675	(336,617)	-92.8%	79,974	1,088,025	(1,008,051)	-92.6%
5 Total operating revenues	8,705,606	8,259,842	445,765	5.4%	24,238,649	24,779,525	(540,876)	-2.2%
<b>Operating Expenses:</b>								
6 Executive Director	43,595	39,795	3,800	9.5%	121,495	119,386	2,108	1.8%
7 Special Counsel	134,687	62,563	72,124	115.3%	202,307	187,689	14,619	7.8%
8 Security	136,343	334,742	(198,398)	-59.3%	766,346	1,004,225	(237,879)	-23.7%
9 Operations	2,441,935	3,996,904	(1,554,969)	-38.9%	10,066,655	11,990,712	(1,924,058)	-16.0%
10 Engineering	434,423	270,980	163,443	60.3%	741,069	812,941	(71,872)	-8.8%
11 Logistics	215,551	398,061	(182,510)	-45.8%	747,652	1,194,183	(446,531)	-37.4%
12 Communications	9,052	28,633	(19,582)	-68.4%	24,831	85,899	(61,068)	-71.1%
13 Administration	918,998	1,611,592	(692,594)	-43.0%	1,587,619	4,834,776	(3,247,157)	-67.2%
14 Chief Financial Officer	674,119	820,990	(146,871)	-17.9%	2,039,448	2,462,969	(423,521)	-17.2%
15 Continuous Improvement	4,225	11,963	(7,738)	-64.7%	11,815	35,888	(24,073)	-67.1%
16 Allocation for Overhead	(492,183)	(412,653)	(79,531)	19.3%	(1,144,869)	(1,237,958)	93,089	-7.5%
17 Non-Cash Operating Expenses	2,043,152	2,794,156	(751,004)	-26.9%	6,129,455	8,382,468	(2,253,013)	-26.9%
18 Total operating expenses	6,563,896	9,957,726	(3,393,830)	-34.1%	21,293,823	29,873,178	(8,579,356)	-28.7%
19 Operating income (loss)	2,141,710	(1,697,884)	3,839,595	-226.1%	2,944,826	(5,093,653)	8,038,480	-157.8%
<b>Non-operating revenues (expense):</b>								
20 Two-mill tax	-	-	-	0.0%	-	-	-	0.0%
21 Three-mill tax	-	-	-	0.0%	-	-	-	0.0%
22 Six-mill tax	-	-	-	0.0%	-	-	-	0.0%
23 Nine-mill tax	-	-	-	0.0%	-	-	-	0.0%
24 Interest income	122,768	28,350	94,418	333.0%	126,067	85,050	41,017	48.2%
25 Other Income	-	33,375	(33,375)	-100.0%	-	100,125	(100,125)	-100.0%
26 Interest expense	-	(17,051)	17,051	-100.0%	-	(51,153)	51,153	-100.0%
27 Operating and maintenance grants	4	-	4	0.0%	4	-	4	0.0%
28 Total non-operating revenues	122,773	44,674	78,098	174.8%	126,072	134,023	(7,951)	-5.9%
29 Income before capital contributions	2,264,483	(1,653,210)	3,917,693	-237.0%	3,070,898	(4,959,631)	8,030,529	-161.9%
30 Capital contributions	2,464,605	182,922	2,281,683	1247.4%	2,663,576	548,767	2,114,809	385.4%
31 Change in net position	4,729,088	(1,470,288)	6,199,376	-421.6%	5,734,474			
32 Net position, beginning of year					318,792,375	317,835,814	956,561	0.3%
33 Net position, end of year					324,526,849	317,835,814	6,691,035	2.1%

**SEWERAGE AND WATER BOARD OF NEW ORLEANS**  
**SEWER SYSTEM FUND**  
**STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION**  
**WITH PRIOR YEAR COMPARISONS**  
**March 2017**

	A	B	C	D	E	F	G	H
	MTD	MTD	MTD	%	YTD	YTD	YTD	%
	Actual	Prior Year	Variance		Actual	Prior Year	Variance	
<b>Operating revenues:</b>								
1 Sales of water and delinquent fees	-	-	-	0.0%	-	-	-	0.0%
2 Sewerage service charges and del fees	10,509,117	8,631,646	1,877,471	21.8%	29,279,870	24,269,435	5,010,435	20.6%
3 Plumbing inspection and license fees	-	49,990	(49,990)	-100.0%	-	95,310	(95,310)	-100.0%
4 Other revenues	44,424	29,539	14,885	50.4%	150,586	138,073	12,513	9.1%
5 Total operating revenues	10,553,541	8,711,175	1,842,365	21.1%	29,430,456	24,502,818	4,927,638	20.1%
<b>Operating Expenses:</b>								
6 Executive Director	40,463	56,580	(16,117)	-28.5%	112,357	176,626	(64,269)	-36.4%
7 Special Counsel	134,687	41,979	92,709	220.8%	199,319	119,425	79,895	66.9%
8 Security	105,260	102,494	2,766	2.7%	672,623	270,103	402,519	149.0%
9 Operations	2,001,417	2,072,980	(71,563)	-3.5%	8,115,532	7,512,522	603,009	8.0%
10 Engineering	358,932	158,733	200,200	126.1%	671,099	448,396	222,703	49.7%
11 Logistics	212,098	340,716	(128,618)	-37.7%	735,202	1,052,300	(317,098)	-30.1%
12 Communications	9,051	-	9,051	0.0%	24,831	-	24,831	0.0%
13 Administration	590,440	405,417	185,023	45.6%	1,026,376	938,984	87,392	9.3%
14 Chief Financial Officer	653,393	585,379	68,014	11.6%	1,964,801	1,682,755	282,046	16.8%
15 Continuous Improvement	4,225	4	4,221	105513.0%	11,815	4	11,811	295266.8%
16 Allocation for Overhead	(442,027)	(338,635)	(103,393)	30.5%	(1,070,896)	(1,001,044)	(69,853)	7.0%
17 Non-Cash Operating Expenses	1,739,559	1,739,534	25	0.0%	5,218,678	5,217,650	1,028	0.0%
18 Total operating expenses	5,407,498	5,165,181	242,317	4.7%	17,681,735	16,417,721	1,264,014	7.7%
19 Operating income (loss)	5,146,043	3,545,994	1,600,049	45.1%	11,748,720	8,085,097	3,663,623	45.3%
<b>Non-operating revenues (expense):</b>								
20 Two-mill tax	-	-	-	0.0%	-	-	-	0.0%
21 Three-mill tax	-	-	-	0.0%	-	-	-	0.0%
22 Six-mill tax	-	-	-	0.0%	-	-	-	0.0%
23 Nine-mill tax	-	-	-	0.0%	-	-	-	0.0%
24 Interest income	54,317	46,561	7,755	16.7%	54,349	156,143	(101,794)	-65.2%
25 Other Income	-	-	-	0.0%	-	-	-	0.0%
26 Interest expense	-	-	-	0.0%	-	-	-	0.0%
27 Operating and maintenance grants	-	-	-	0.0%	-	-	-	0.0%
28 Total non-operating revenues	54,317	46,561	7,755	16.7%	54,349	156,143	(101,794)	-65.2%
29 Income before capital contributions	5,200,359	3,592,555	1,607,804	44.8%	11,803,069	8,241,240	3,561,829	43.2%
30 Capital contributions	285,786	475,464	(189,678)	-39.9%	1,903,215	1,329,067	574,148	43.2%
31 Change in net position	5,486,146	4,068,019	1,418,126	34.9%	13,706,284	9,570,307	4,135,977	43.2%
32 Net position, beginning of year					763,119,641	732,566,915	30,552,726	4.2%
33 Net position, end of year					776,825,925	742,137,222	34,688,703	4.7%

SEWERAGE AND WATER BOARD OF NEW ORLEANS  
SEWER SYSTEM FUND  
STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION  
WITH BUDGET COMPARISONS  
March 2017

	A	B	C	D	E	F	G	H
	MTD	MTD	MTD	%	YTD	YTD	YTD	%
	Actual	Budget	Variance		Actual	Budget	Variance	
<b>Operating revenues:</b>								
1 Sales of water and delinquent fees	-	-	-	0.0%	-	-	-	0.0%
2 Sewerage service charges and del fees	10,509,117	9,482,775	1,026,342	10.8%	29,279,870	28,448,325	831,545	2.9%
3 Plumbing inspection and license fees	-	27,175	(27,175)	-100.0%	-	81,525	(81,525)	-100.0%
4 Other revenues	44,424	49,775	(5,351)	-10.8%	150,586	149,325	1,261	0.8%
5 Total operating revenues	10,553,541	9,559,725	993,816	10.4%	29,430,456	28,679,175	751,281	2.6%
<b>Operating Expenses:</b>								
6 Executive Director	40,463	35,674	4,789	13.4%	112,357	107,021	5,335	5.0%
7 Special Counsel	134,687	50,659	84,028	165.9%	199,319	151,977	47,342	31.2%
8 Security	105,260	296,311	(191,051)	-64.5%	672,623	888,933	(216,310)	-24.3%
9 Operations	2,001,417	2,781,157	(779,741)	-28.0%	8,115,532	8,343,472	(227,940)	-2.7%
10 Engineering	358,932	331,276	27,656	8.3%	671,099	993,828	(322,729)	-32.5%
11 Logistics	212,098	387,211	(175,114)	-45.2%	735,202	1,161,634	(426,432)	-36.7%
12 Communications	9,051	28,642	(19,590)	-68.4%	24,831	85,925	(61,094)	-71.1%
13 Administration	590,440	1,149,201	(558,761)	-48.6%	1,026,376	3,447,604	(2,421,228)	-70.2%
14 Chief Financial Officer	653,393	789,310	(135,917)	-17.2%	1,964,801	2,367,929	(403,127)	-17.0%
15 Continuous Improvement	4,225	11,966	(7,742)	-64.7%	11,815	35,899	(24,084)	-67.1%
16 Allocation for Overhead	(442,027)	(397,453)	(44,574)	11.2%	(1,070,896)	(1,192,359)	121,462	-10.2%
17 Non-Cash Operating Expenses	1,739,559	2,315,660	(576,101)	-24.9%	5,218,678	6,946,981	(1,728,303)	-24.9%
18 Total operating expenses	5,407,498	7,779,615	(2,372,117)	-30.5%	17,681,735	23,338,845	(5,657,110)	-24.2%
19 Operating income (loss)	5,146,043	1,780,110	3,365,933	189.1%	11,748,720	5,340,330	6,408,390	120.0%
<b>Non-operating revenues (expense):</b>								
20 Two-mill tax	-	-	-	0.0%	-	-	-	0.0%
21 Three-mill tax	-	-	-	0.0%	-	-	-	0.0%
22 Six-mill tax	-	-	-	0.0%	-	-	-	0.0%
23 Nine-mill tax	-	-	-	0.0%	-	-	-	0.0%
24 Interest income	54,317	53,667	650	1.2%	54,349	161,000	(106,651)	-66.2%
25 Other Income	-	38,508	(38,508)	-100.0%	-	115,525	(115,525)	-100.0%
26 Interest expense	-	(171,937)	171,937	-100.0%	-	(515,810)	515,810	-100.0%
27 Operating and maintenance grants	-	-	-	0.0%	-	-	-	0.0%
28 Total non-operating revenues	54,317	(79,762)	134,078	-168.1%	54,349	(239,285)	293,634	-122.7%
29 Income before capital contributions	5,200,359	1,700,348	3,500,011	205.8%	11,803,069	5,101,045	6,702,024	131.4%
30 Capital contributions	285,786	182,922	102,864	56.2%	1,903,215	548,767	1,354,449	246.8%
31 Change in net position	5,486,146	1,883,271	3,602,875	191.3%	13,706,284			
32 Net position, beginning of year					763,119,641	732,566,915	30,552,726	4.2%
33 Net position, end of year					776,825,925	732,566,915	44,259,010	6.0%

**SEWERAGE AND WATER BOARD OF NEW ORLEANS**  
**DRAINAGE SYSTEM FUND**  
**STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION**  
**WITH PRIOR YEAR COMPARISONS**  
**March 2017**

	A	B	C	D	E	F	G	H
	MTD	MTD	MTD	%	YTD	YTD	YTD	%
	Actual	Prior Year	Variance		Actual	Prior Year	Variance	
<b>Operating revenues:</b>								
1 Sales of water and delinquent fees	-	-	-	0.0%	-	-	-	0.0%
2 Sewerage service charges and del fees	-	-	-	0.0%	-	-	-	0.0%
3 Plumbing inspection and license fees	-	-	-	0.0%	-	-	-	0.0%
4 Other revenues	266,721	9,887	256,834	2597.7%	433,991	16,857	417,134	2474.5%
5 Total operating revenues	266,721	9,887	256,834	2597.7%	433,991	16,857	417,134	2474.5%
<b>Operating Expenses:</b>								
6 Executive Director	38,060	54,366	(16,306)	-30.0%	105,348	170,732	(65,383)	-38.3%
7 Special Counsel	132,862	38,787	94,075	242.5%	202,187	110,895	91,291	82.3%
8 Security	90,444	82,478	7,966	9.7%	623,933	215,497	408,436	189.5%
9 Operations	1,021,869	1,239,052	(217,183)	-17.5%	3,526,534	3,686,747	(160,213)	-4.3%
10 Engineering	279,361	124,874	154,487	123.7%	533,601	359,212	174,388	48.5%
11 Logistics	253,446	305,546	(52,100)	-17.1%	845,446	1,002,836	(157,390)	-15.7%
12 Communications	9,052	-	9,052	0.0%	24,831	-	24,831	0.0%
13 Administration	470,137	321,621	148,517	46.2%	820,874	746,936	73,937	9.9%
14 Chief Financial Officer	149,916	239,138	(89,222)	-37.3%	699,189	660,603	38,586	5.8%
15 Continuous Improvement	4,225	4	4,221	105513.0%	11,815	4	11,811	295266.5%
16 Allocation for Overhead	(336,689)	(256,701)	(79,988)	31.2%	(836,989)	(762,178)	(74,811)	9.8%
17 Non-Cash Operating Expenses	1,736,297	1,736,272	25	0.0%	5,208,890	5,208,547	343	0.0%
18 Total operating expenses	3,848,979	3,885,436	(36,458)	-0.9%	11,765,658	11,399,831	365,827	3.2%
19 Operating income (loss)	(3,582,258)	(3,875,549)	293,291	-7.6%	(11,331,667)	(11,382,974)	51,307	-0.5%
<b>Non-operating revenues (expense):</b>								
20 Two-mill tax	-	266	(266)	-100.0%	39	6,604	(6,565)	-99.4%
21 Three-mill tax	89,380	926,486	(837,106)	-90.4%	138,837	1,539,330	(1,400,493)	-91.0%
22 Six-mill tax	6,018,518	936,420	5,082,097	542.7%	13,360,998	1,555,906	11,805,092	758.7%
23 Nine-mill tax	9,021,450	1,403,660	7,617,790	542.7%	20,027,605	2,332,178	17,695,427	758.8%
24 Interest income	26,159	3,148	23,010	730.8%	26,159	10,991	15,167	138.0%
25 Other Income	-	-	-	0.0%	-	-	-	0.0%
26 Interest expense	-	-	-	0.0%	-	-	-	0.0%
27 Operating and maintenance grants	-	-	-	0.0%	-	-	-	0.0%
28 Total non-operating revenues	15,155,506	3,269,981	11,885,526	363.5%	33,553,638	5,445,009	28,108,628	516.2%
29 Income before capital contributions	11,573,248	(605,569)	12,178,817	-2011.1%	22,221,970	(5,937,965)	28,159,935	-474.2%
30 Capital contributions	897,399	780,648	116,751	15.0%	906,570	794,806	111,764	14.1%
31 Change in net position	12,470,647	175,079	12,295,568	7022.9%	23,128,540	(5,143,159)	28,271,700	-549.7%
32 Net position, beginning of year					1,000,776,299	918,396,632	82,379,667	9.0%
33 Net position, end of year					1,023,904,839	913,253,473	110,651,367	12.1%

**SEWERAGE AND WATER BOARD OF NEW ORLEANS**  
**DRAINAGE SYSTEM FUND**  
**STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION**  
**WITH BUDGET COMPARISONS**  
**March 2017**

	A	B	C	D	E	F	G	H
	MTD	MTD	MTD	%	YTD	YTD	YTD	%
	Actual	Budget	Variance		Actual	Budget	Variance	
<b>Operating revenues:</b>								
1 Sales of water and delinquent fees	-	-	-	0.0%	-	-	-	0.0%
2 Sewerage service charges and del fees	-	-	-	0.0%	-	-	-	0.0%
3 Plumbing inspection and license fees	-	-	-	0.0%	-	-	-	0.0%
4 Other revenues	266,721	-	266,721	0.0%	433,991	-	433,991	0.0%
5 Total operating revenues	266,721	-	266,721	0.0%	433,991	-	433,991	0.0%
<b>Operating Expenses:</b>								
6 Executive Director	38,060	32,501	5,559	17.1%	105,348	97,503	7,846	8.0%
7 Special Counsel	132,862	84,730	48,133	56.8%	202,187	254,189	(52,002)	-20.5%
8 Security	90,444	275,328	(184,884)	-67.2%	623,933	825,984	(202,050)	-24.5%
9 Operations	1,021,869	1,530,430	(508,561)	-33.2%	3,526,534	4,591,289	(1,064,754)	-23.2%
10 Engineering	279,361	254,792	24,569	9.6%	533,601	764,376	(230,775)	-30.2%
11 Logistics	253,446	397,561	(144,115)	-36.2%	845,446	1,192,684	(347,238)	-29.1%
12 Communications	9,052	28,633	(19,582)	-68.4%	24,831	85,899	(61,068)	-71.1%
13 Administration	470,137	840,647	(370,510)	-44.1%	820,874	2,521,942	(1,701,068)	-67.5%
14 Chief Financial Officer	149,916	306,966	(157,051)	-51.2%	699,189	920,899	(221,710)	-24.1%
15 Continuous Improvement	4,225	11,963	(7,738)	-64.7%	11,815	35,888	(24,073)	-67.1%
16 Allocation for Overhead	(336,689)	(302,705)	(33,984)	11.2%	(836,989)	(908,115)	71,125	-7.8%
17 Non-Cash Operating Expenses	1,736,297	1,564,167	172,130	11.0%	5,208,890	4,692,500	516,390	11.0%
18 Total operating expenses	3,848,979	5,025,012	(1,176,033)	-23.4%	11,765,658	15,075,036	(3,309,379)	-22.0%
19 Operating income (loss)	(3,582,258)	(5,025,012)	1,442,754	-28.7%	(11,331,667)	(15,075,036)	3,743,369	-24.8%
<b>Non-operating revenues (expense):</b>								
20 Two-mill tax	-	-	-	0.0%	39	-	39	0.0%
21 Three-mill tax	89,380	1,235,828	(1,146,448)	-92.8%	138,837	3,707,484	(3,568,647)	-96.3%
22 Six-mill tax	6,018,518	1,305,101	4,713,417	361.2%	13,360,998	3,915,303	9,445,695	241.3%
23 Nine-mill tax	9,021,450	1,956,266	7,065,184	361.2%	20,027,605	5,868,798	14,158,807	241.3%
24 Interest income	26,159	30,500	(4,341)	-14.2%	26,159	91,500	(65,341)	-71.4%
25 Other Income	-	81,583	(81,583)	-100.0%	-	244,750	(244,750)	-100.0%
26 Interest expense	-	(10,858)	10,858	-100.0%	-	(32,575)	32,575	-100.0%
27 Operating and maintenance grants	-	-	-	0.0%	-	-	-	0.0%
28 Total non-operating revenues	15,155,506	4,598,420	10,557,087	229.6%	33,553,638	13,795,259	19,758,378	143.2%
29 Income before capital contributions	11,573,248	(426,592)	11,999,841	-2813.0%	22,221,970	(1,279,777)	23,501,747	-1836.4%
30 Capital contributions	897,399	-	897,399	0.0%	906,570	-	906,570	0.0%
31 Change in net position	12,470,647	(426,592)	12,897,239	-3023.3%	23,128,540	(1,279,777)	24,408,318	-1907.2%
32 Net position, beginning of year					1,000,776,299	918,396,632	82,379,667	9.0%
33 Net position, end of year					1,023,904,839	917,116,855	106,787,985	11.6%



## SEWERAGE AND WATER BOARD OF NEW ORLEANS

May 15, 2017

Finance and Administration Committee  
Sewerage and Water Board of New Orleans  
New Orleans, Louisiana

Dear Directors:

Subject: Helping Customers Understand Their Water Bill

Sewerage and Water Board customers receive a bill for water and sewer services on a monthly basis, typically at about the same time each month. The format of the bill is intended to provide detailed information to support the amount of the bill presented in a clear and understandable format.

There is an interactive image available at [www.swbno.org](http://www.swbno.org) > Account Services > Customer Information > Understanding Your Bill and at [http://www.swbno.org/custserv\\_information\\_about\\_bill.asp](http://www.swbno.org/custserv_information_about_bill.asp). Following is a summary of the information provided at that image when the customer places their cursor over the question marks on the web page (see attached printed image) reading from top to bottom and right to left:

<b>Account Number</b>	The first six digits of the Account Number is the location number that is unique to that service address. The second six digits is the customer number which should be the same across all accounts owned by the same customer.
<b>Reading</b>	Reading is the numbers read off the dial of your water meter.
<b>Read Type</b>	Read Type indicates if your meter reading was an Actual reading of your meter or if it was an Estimate of your water usage since your last bill because we were not able to read your meter this month.
<b>Usage</b>	Usage is your water usage for this billing period. To determine how many gallons of water has passed through your meter since the last reading, multiply your current month's usage by 1,000.
<b>Water Usage Graph</b>	This graph to monitor your water usage from month to month. The current month is on the far left.
<b>Late Fees</b>	Sewerage and Water Board charges a 10% Late Fee for the unpaid water and sewer balance remaining after the bill due date and 15% of the unpaid sanitation charges remaining after the bill due date.
<b>Ready to Serve - Water</b>	Ready to Serve - Water is the Monthly Water Service Charge that covers the water portion of the fixed costs

of billing, collecting, and servicing the account based upon the meter size. These charges are billed even if no water is used.

Meter Size (Inches)	Jan 2017
5/8	\$6.53
3/4	\$7.99
1	\$10.14
1 1/2	\$16.74
2	\$22.07
3	\$49.93
4	\$86.97
6	\$170.72
8	\$252.86
10	\$343.04
12	\$402.63
16	\$536.29

#### **Water Usage**

Water Usage is the Water Quantity Charge calculated as the Usage multiplied by the Rates.

Usage	Jan 2017
First 3,000 gallons	\$4.35
Next 17,000 gallons	\$7.41
Next 980,000 gallons	\$5.83
Over 1,000,000 gallons	\$4.88

Note that the rate increases significantly as the usage increases beyond the first 3,000 gallons.

#### **Safe Drinking Water Fee**

A \$1.00 per month Safe Drinking Water Fee is assessed for every meter servicing drinking water in the State of Louisiana. The Louisiana Legislature authorized the Safe Drinking Water Fee for the benefit of the Department of Health to perform all inspections, tests, or procedures of public water supplies to comply with the federal Safe Drinking Water Act.

#### **Ready to Serve - Sewer**

Ready to Serve - Sewer is the Monthly Sewer Service Charge that covers the sewer portion of the fixed costs of billing, collecting, and servicing the account based upon the meter size. These charges are billed even if no water is used.

Meter Size (Inches)	Jan 2017
5/8	\$18.68
3/4	\$26.59
1	\$37.85
1 1/2	\$69.66
2	\$101.87
3	\$241.58

4	\$402.63
6	\$805.26
8	\$1,207.89
10	\$1,610.51
12	\$1,852.09
16	\$2,496.30

### **Sewer Volume Charge**

All Residential Class volume charges are applied to 85% of the metered consumption, allowing 15% of water use for lawn watering and other uses which contribute no flow to the sanitary sewer. Quantity charges for Commercial and Industrial Classes of Customers are based on 100% of metered water consumption.

Volume	Jan 2017
Per 1,000 Gallons	\$6.50

### **Sanitation Charges**

Sanitation Charges are collected on behalf of the City of New Orleans for garbage and recycling pickup. The sanitation rate is multiplied times the number of living units served by each water meter.

City Sanitation Fees	Amount
Residential Units	\$ 24.00 per unit
Commercial Units	\$ 48.00 per unit

### **City Sales Tax**

City Sales Tax is 2 1/2% of water charges.

### **Important Information**

Look here for important messages specific to your account, your street, or your community.

### **Change of Mailing Address**

To change your mailing address or contact information, check here and fill out the Change of Mailing Address Form on the back of your bill.

### **Pay by Internet, Phone, or Mail**

You may pay your Sewerage and Water Board bill using any of these convenient methods, or you may visit one of our customer service centers.

Customers may experience higher bills for three reasons: higher rates, higher consumption, and erroneous readings.

- ✓ Rates have increased by ten percent each year in 2013, 2014, 2015, 2016, and 2017 across the board for everyone. As a result of the compounding effect of the rate increases, a bill that was \$100 in 2012 would now be \$161.
- ✓ Higher consumption occurs from seasonal outdoor water use; known leaks; unknown leaks; and normal variation. **Again, note that the rate increases significantly as the usage increases beyond the first 3,000 gallons.** Also, Sewerage and Water Board has adopted a more expansive leak adjustment policy.

- ✓ Erroneous readings are detected by billing edits, customer questions, or at next reading.

Because we bill about every 28 to 30 calendar days, there are occasions when accounts may be billed in the first week of the month for several months in a row, then may be billed on the first day of the month and the last day of the month, and then followed by several months when they will continue to be billed on the last day of the month. Be assured that customers are only billed for the water that passes through the meter on the way to usage at their home.

We want our customers to be able to trust that their bill is correct and to have confidence that they are paying only for the water that they used as measured by a water meter. Customers with concerns about their bill are encouraged to contact Sewerage and Water Board at 52-WATER or [http://www.swbno.org/form\\_contactdepartment.asp?s=contact&d=custserv](http://www.swbno.org/form_contactdepartment.asp?s=contact&d=custserv).



Robert K. Miller  
Deputy Director / Chief Financial Officer

This interactive image will help you to understand many parts of your bill. Simply hover over the parts of your bill that you wish to learn more about and information will be displayed near your cursor.

[Click Here for the contact information for the City of New Orleans Treasury Bureau](#)



# SEWERAGE AND WATER BOARD

## Inter-Office Memorandum

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Date: May 3, 2017

From: Willie Mingo, Director of Procurement  
Purchasing Department

Thru: Vicki Rivers, Deputy Director  
Sewerage and Water Board New Orleans - Logistics

To: Sharon Judkins, Deputy Director  
Sewerage and Water Board New Orleans- Administration

Re: **Executive Director's Approval of Contracts of \$1,000,000.00 or less**

1. Associated Pump and Supply.  
9074 Park Avenue  
Houma, LA. 70363

- Rental of (9) Portable Pumps for Hurricane Season
- Start date June 1, 2017 – November 30, 2017
- \$185,004.00

2. United Rentals (North America) Inc.  
12 Dufresne Loop  
Luling, LA. 70070

- Rental of (3) Generators for Hurricane Season
- Start date June 1, 2017 – November 30, 2017
- \$238,660.00

3. Pencco, Inc  
Po Box 600  
San Felipe, TX. 77473

- Furnishing Fluorosilicic Acid for Carrollton & Algiers Water Plant
- 1<sup>st</sup> and Final Renewal Start Date 6/1/17 – 5/31/18
- \$400,000.00

4. Roedel Parsons Koch Blache Balhoff & McCollister  
1515 Poydras St.  
New Orleans, LA. 70122

- Legal representation and advice regarding civil service reform endeavors contemplated by the Board ,other legislative matters affecting the operation and administration of the Board ,and other related matters
- Start date May 2,2017 thru May 1, 2018
- Not to exceed \$15,000.00

5.

- Upon request, complete contract available for review in Procurement office.

Cc: Lawrence Williams



## SEWERAGE AND WATER BOARD

### Inter-Office Memorandum

**Date:** May 4, 2017

**To:** Valerie Rivers, Deputy Director - Logistics  
Sharon Judkins, Deputy Director - Human Resources

**From:** Veronica Johnson-Christmas, EDBP

**Re:** EDBP Contract/Certification Summary - April 2017

**Analyses conducted by EDBP**

For the month of April 2017, there were no contracts for the EDBP Department to review.

**Construction Review Committee Recommendations**

**CRC Members:**

**Present:** Angela Latino-Geier, Associated Builders & Contractors, Inc.  
George White, National Association of Minority Contractors  
Andre Kelly, Associated General Contractors

**S&WB Staff Present:**

Camille Hazeur, Interim EDBP Director; Legal, Harold Marchand, Mary Beth Arceneaux; Engineering, Kevin Braxton, Kyle Breaux, Leonard Hirsch, and Kenneth Kleinschmidt, EDO.

**The Construction Review Committee met on April 12, 2017 and made the following recommendations:**

**OPEN MARKET CONTRACTS**

**1. Installation of Permanent Generators at five Underpass Drainage Pumping Stations  
Contract #6259**

One year contract, no renewal option, thirty six percent (36%) SLDBE Participation

Estimated Cost:	\$1,184,455.00
Potential Areas for Participation:	Potential areas of participation to include, but not limited to, are pile driving, concrete work, earthwork and raising structures.
Presented By:	Kevin Braxton, S&WB Engineering Dept.

**2. Skilled and Unskilled Labor - Contract #8151**

One year contract, with five (5) one-year renewal options, thirty percent (30%) SLDBE Participation

Estimated Cost: \$5,200,000.00

Potential Areas for Participation: Potential areas of participation to include, but not limited to, are various skilled and unskilled\* labor positions.

Presented By: Leonard Hirsch, S&WB Engineering Dept.

**Staff Contract Review Committee Recommendations**

**SCRC Members:**

**Present:** Willie Mingo, Procurement Dept.  
Kenneth Kleinschmidt, EDO Dept.  
Leonard Hirsch, Civil Engineering Dept.  
Harold Marchand, Legal Dept.

**Absent:** John Wilson, Support Services

**S&WB Staff Present:**

Vicki Rivers, Deputy Director/Logistics; Janell Jones, Warehouse; EDBP, David Strong, Veronica Christmas, and Alvin Porter.

**The Staff Contract Review Committee met on April 12, 2017 and made the following recommendations:**

**OPEN MARKET CONTRACTS**

- 1. Agreement for Professional Legal Services for Worker's Compensation Cases**  
(0%) SLDBE Participation; two (2) years, with five (5), one (1) year renewal options

Estimated cost: \$100,000.00 [two (2) lawyers - \$50,000 each, per year]  
Percentage Goal Justification: Does not lend itself to SLDBE participation due to case-by-case litigation assignments.  
Presented By: Harold Marchand, Legal

- 2. Furnishing Air Conditioning and Heating Services for the Carrollton And Algiers Water Purification Plants**  
(0%) SLDBE Participation, one (1) year with two (2), one (1) year renewal options

Budget Amount: \$90,000.00  
Percentage Goal Justification: Does not lend itself to SLDBE participation because the services cannot subdivide into any line items per commercially useful functions that would not void warranty issues of the work performed.  
Presented By: Leonard Hirsch, Civil Engineering

- 3. Furnishing and Delivering Automotive Batteries**  
(0%) SLDBE Participation, one (1) year with a one (1) year renewal option

Budget Amount: \$70,000.00  
Percentage Goal Justification: Does not lend itself to SLDBE participation because products cannot be subdivided.  
Presented By: Janell Jones, Warehouse

- 4. Furnishing 4" and 5" Fire Hydrant repair parts - Sewerage & Water Board  
Drawing Numbers 11824-W-62 and 11825-W-62  
One Time Purchase Only, (0%) SLDBE Participation, no renewal options**

Budget Amount: \$70,000.00  
Percentage Goal Justification: Does not lend itself to SLDBE participation because the product is drop-shipped to the S&WB warehouse directly from the manufacturer.  
Presented By: Janell Jones, Warehouse

#### **RENEWAL CONTRACTS**

- 5. Furnishing Fluorosilicic Acid to the Carrollton and Algiers Water Plants -  
Requisition Numbers AL160005 and CM160009  
First and Final Renewal, 0% SLDBE Participation**

Renewal Cost: \$248,950.00  
Prime Contractor: Pencco, Inc. of Texas  
Percentage Goal Justification: Does not lend itself to SLDBE participation because the product is sold as a single item that is shipped in specially designed transporter vehicles directly from the manufacturer.  
Presented By: Leonard Hirsch, Civil Engineering

**Sewerage & Water Board of New Orleans Contracts with DBE Participation January through April 2017.**

# Sewerage & Water Board Contracts with DBE Participation January 2017 - April 2017

## Construction Contracts

Contract Description	Contract Dollar Amount	Prime Contractor	DBE Sub-Contractor	Awarded DBE %	Awarded DBE Dollar Value	Award Date
#1368 - HMGP Oak Street Pump Station Upgrade and Rehabilitation Project	\$23,492,500.00	M.R. Pittmann Group, LLC	The Beta Group JEI Solutions Landrieu Concrete & Cement Inc. C. Watson Group	0.21% 9.70% 0.64% 1.43%	\$50,000.00 \$2,279,000.00 \$150,000.00 \$336,000.00	1/18/17
			Total	11.96%	\$2,815,000.00	
#6260 - Rewind of Constant Duty Motors #1 and #2 at the DPS #6 and Ammortisseur Winding Replacement and Cleaning of Motor "C" at DPS #6 and DPS #7	\$595,000.00	LLC	Bollinger Armature Services, LLC	5.07%	\$30,166.00	3/15/17
#6261 - 2017 Rewind of the Sewage Pump Motor at Sewage Pump Station #21	\$93,610.00	Supply, LLC	Houma Armature Works & JEI Solutions	5.02%	\$4,700.00	3/15/17
#2126 - 2017 Water Main Point Repair, Water Service Connection, Water Valve, and Fire Hydrant Point Replacement at Various Sites throughout Orleans Parish	\$2,844,440.00	Wallace C. Drennan, Inc.	Prince Dump Truck Service C&M Construction Group, Inc.	7.68% 28.53%	\$228,000.00 \$840,000.00	3/15/17
			Total	36.20%	\$1,066,000.00	
#2127 - Algiers Lock Forebay Waterline Replacement	\$271,375.00	BLD Services, LLC	Choice Supply Solutions	12.25%	\$33,250.00	3/15/17
Total Construction Contracts	\$27,396,925.00			14.41%	\$3,949,116.00	

**Sewerage & Water Board of New Orleans Contracts with DBE Participation January 2017 - April 2017**

**Goods & Services Contracts**

Contract Description	Contract Dollar Amount	Prime Contractor	DBE Subcontractor	DBE %	DBE Dollar Value	Award Date
YW 17-0005; Furnishing Rubber PVC Hip Boots and Knee Boots	\$199,986.00	Southeast Safety and Supply	Assorted Products	31.00%	\$62,000.00	2/15/2017
			Total	31.00%		
YW 17-0010;Furnishing Riversand and Mason Sand to the SWBNO	\$295,540.00	Trucking Innovations, LLC	Blakely AA Trucking LLC	30.00%	\$88,662.00	3/15/2017
			Total	30.00%		
<b>Total Goods &amp; Services Contracts</b>	<b>\$495,536.00</b>			<b>30.40%</b>	<b>\$150,662.00</b>	

Project Delivery Unit Monthly Snapshot

Hurricane Katrina	# of PWs	Obligations	FEMA Revenue Received	% Financially Complete	Total # PWs Submitted for Closeout	Total \$ Value Submitted for Closeout	# PWs Officially Closed
St. Joseph Headquarters	20	\$ 1,419,212.36	\$ 549,146.47	39%	18	\$ 969,485.85	13
Central Yard	42	\$ 28,564,777.93	\$ 21,637,005.61	76%	21	\$ 6,856,975.67	19
Wastewater Treatment Plant	128	\$ 90,692,001.74	\$ 75,245,863.77	83%	126	\$ 51,572,348.04	118
Carrollton Water Plant	54	\$ 74,805,425.87	\$ 56,811,748.79	76%	41	\$ 6,865,549.09	35
Distribution Network	82	\$ 525,105,294.56	\$ 182,094,018.80	35%	12	\$ 14,353,028.00	11
Pump Stations	167	\$ 82,771,539.73	\$ 67,025,013.54	81%	131	\$ 46,110,804.06	122
<b>Total</b>	<b>493</b>	<b>\$ 803,358,252.19</b>	<b>\$ 403,362,796.98</b>	<b>50%</b>	<b>349</b>	<b>\$ 126,728,190.71</b>	<b>318</b>

Hurricane Gustav	# of PWs	Obligations	FEMA Revenue Received	% Financially Complete	Total # PWs Submitted for Closeout	Total \$ Value Submitted for Closeout	# PWs Officially Closed
<b>Total</b>	<b>9</b>	<b>\$ 673,838.62</b>	<b>\$ 668,689.06</b>	<b>99%</b>	<b>9</b>	<b>\$ 673,838.62</b>	<b>7</b>

Hurricane Isaac	# of PWs	Obligations	FEMA Revenue Received	% Financially Complete	Total # PWs Submitted for Closeout	Total \$ Value Submitted for Closeout	# PWs Officially Closed
<b>Total</b>	<b>8</b>	<b>\$ 1,554,775.01</b>	<b>\$ 922,831.53</b>	<b>59%</b>	<b>1</b>	<b>\$ 4,540.20</b>	<b>1</b>

Hurricane Katrina Hazard Mitigation	HMGF No.	of Projects	Obligations	FEMA Revenue	% Financially Complete	Total # of contracts completed	Total \$ Value Submitted
Retrofit of Power House	39	9	\$ 91,510,697.00	\$ 43,574,482.24	48%	0	\$ -
Flood Mitigation of 9 SPS	6	9	\$ 19,987,722.00	\$ 12,079,399.35	60%	0	\$ -
<b>Total</b>		<b>18</b>	<b>\$ 111,498,419.00</b>	<b>\$ 55,653,881.59</b>	<b>50%</b>	<b>0</b>	<b>\$ -</b>

Hurricane Ike Hazard Mitigation	Contract	# of PWs	Obligations	FEMA Revenue Received	% Financially Complete	Total # PWs Submitted for Closeout	Total \$ Value Submitted
<b>Total</b>		<b>1</b>	<b>\$ 988,659.00</b>	<b>\$ 42,000.00</b>	<b>4%</b>	<b>0</b>	<b>\$ -</b>

Project Delivery Unit Monthly Snapshot

Hurricane Katrina High-Level Projects	PWs No.	Obligations	FEMA Revenue Received	Estimated Version Request	Reason PW is High-Level	PW Scope	Status
St. Joseph Street Office Building	4116	\$ 96,879.98	\$ 4,221.04	\$ 1,619,234.13	This PW is a High-Level project because the a version request is over \$1 million	The work on this PW will restore the damaged office building to pre-disaster condition. St. Joseph Central Office was flooded and damaged during the Hurricane Katrina.	3/28/2017 The cost analysis was submitted to FEMA for review
Management of Interim Housing New Orleans Sewer & Water	14650	\$ 194,466.00	\$ 171,064.91	\$ 1,700,000.00	This PW is a High-Level project because the a version request is over \$1 million	This PW covers the estimated cost of Site Management Services, New Orleans Sewerage and Water Board purchased a total of 247 trailer homes located at three sites in Orleans Parish to house essential employees working in the Parish.	Project was submitted for closeout 6/18/2016 currently in step 4
<b>Total</b>	<b>2</b>	<b>\$ 291,345.98</b>	<b>\$ 175,285.95</b>	<b>\$ 3,319,234.13</b>			

% Submitted	% Closed	# PWs Submitted but Not Closed	Total \$ Value Submitted but Not Closed
90%	65%	5	\$ 593,378.70
50%	45%	2	\$ 257,762.23
98%	92%	8	\$ 4,900,644.46
76%	65%	6	\$ 6,318,144.70
15%	13%	1	\$ 139,057.99
78%	73%	9	\$ 7,770,597.22
71%	65%	31	\$ 19,979,585.30

% Submitted	% Closed	# PWs Submitted but Not Closed	Total \$ Value Submitted but Not Closed
100%	78%	2	\$ 265,537.84

% Submitted	% Closed	# PWs Submitted but Not Closed	Total \$ Value Submitted but Not Closed
13%	13%	0	\$ -

# PWs Officially Closed	% Submitted	% Closed	# PWs Submitted	Total \$ Value Submitted
0	0%	0%	0	\$ -
0	0%	0%	0	\$ -
0	0%	0%	0	\$ -

# PWs Officially Closed	% Submitted	% Closed	# PWs Submitted	Total \$ Value Submitted
0	0%	0%	0	\$ -