



Sewerage and Water Board

OF NEW ORLEANS, LA.



**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**
FOR THE YEAR ENDED
DECEMBER 31, 2004

About the Cover:

The Sewerage and Water Board's Drainage Pumping Station No. 6, one of the world's largest drainage pumping stations, can drain over six billion gallons of water in a 24-hour period. It is located on the Seventeenth Street Canal near Metairie Road and spans Orleans and Jefferson Parishes. This aerial view shows the intake basin, the pumping station and the discharge basin. The S&WB operates 22 major drainage pumping stations with a combined capacity of 30 billion gallons per day.

**SEWERAGE AND WATER BOARD
OF NEW ORLEANS**

**Comprehensive Annual Financial Report
For the Year Ended
December 31, 2004**

**Prepared by:
Finance Administration
Ethel H. Williams
Utility Financial Administrator**

MISSION STATEMENT

To be one of the best and most respected suppliers of sewer, water, and drainage services in the south-central United States by providing quality, reliable, and cost effective services to our Customers while maintaining fair and ethical treatment of our well-trained and highly motivated employees.

OUR VALUES

Open, honest communication

Trust and respect for each other

Offering and encouraging education and opportunity to employees

*Fostering enthusiasm among employees through example of the
managers/supervisors*

*Providing direction and planning and encouraging
interdepartmental team work*

Assuring reliability in providing services to customers

KEY RESULT AREAS

Customer Satisfaction

Cost Effectiveness

Employee Satisfaction

Capabilities Improvement through Training

SEWERAGE AND WATER BOARD OF NEW ORLEANS

Comprehensive Annual Financial Report

Year ended December 31, 2004

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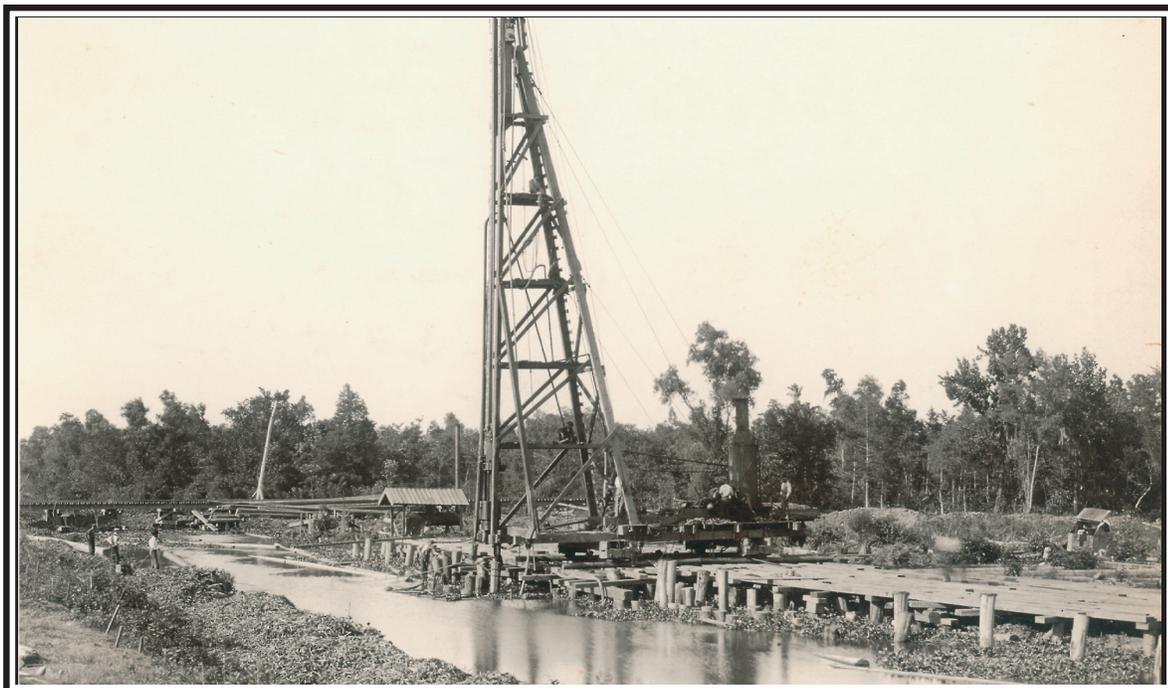
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In 2004, the Sewerage and Water Board conducted demonstrations of a modern construction technique which allows for the installation of fiber optic conduit at the same time new sewer pipe is installed via a method called pipe bursting. A pilot program in the Central Business District is planned for 2005.



This is quite a contrast from the photo on the cover of this Annual Report. This photo, taken in May of 1898, shows the start of construction of that same station, Drainage Pumping Station No. 6. The A. Baldwin Wood Screw Pumps installed at the station in the early 1900s are still in operation today.



INTRODUCTORY SECTION



“RE-BUILDING THE CITY’S WATER SYSTEMS FOR THE 21ST CENTURY”

Sewerage & Water Board OF NEW ORLEANS

C. RAY NAGIN, President
SIDNEY H. EVANS, JR., President Pro-Tem

625 ST. JOSEPH STREET
NEW ORLEANS, LA 70165 • 529-2837 OR 52W-ATER
www.swbnola.org

April 28, 2005

TO: THE HONORABLE PRESIDENT AND MEMBERS OF THE SEWERAGE AND WATER BOARD OF NEW ORLEANS

We are pleased to present the Comprehensive Annual Financial Report of the Sewerage and Water Board of New Orleans for the year ended December 31, 2004. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rest solely with the Sewerage and Water Board. It is our belief that the data, as presented, is accurate in all material aspects and is presented in a manner designed to fairly set forth the financial position, results of operations, and cash flows of the Board’s Enterprise and Pension Trust Funds. All disclosures necessary to enable the reader to gain an understanding of the Sewerage and Water Board’s financial activities have been included.

The Comprehensive Annual Financial Report is presented in four (4) major sections: Introductory, Financial, Statistical and Supplemental. The Introductory Section includes the transmittal letter and listings of the officers, members and committees of the Board of Directors. This section also includes the Board’s organizational chart and a reproduction of the 2003 Certificate of Achievement for Excellence in Financial Reporting awarded by the Government Finance Officers Association. The Financial Section includes the independent auditors’ report, along with the basic financial statements, required supplementary information, accompanying notes and other supplementary information. The individual fund statements for the Enterprise and Pension Trust Funds are included. Required supplementary includes management’s discussion and analysis and a schedule of pension funding progress and contributions. The Statistical Section includes selected financial and demographic information, generally in a multi-year presentation. Additional information relative to the Sewerage and Water Board’s operations is included in a Supplemental Section.

The independent audit of the financial statements of the Sewerage and Water Board was part of a broader, federally mandated “Single Audit” designed to meet the special needs of federal grantor agencies. The standards governing single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the Sewerage and Water Board’s separately issued Single Audit Report.

The Sewerage and Water Board meets the criteria for classification as an “other stand-alone government” as described in Governmental Accounting Standards Board Statement No. 14. The reporting entity includes the Enterprise Fund and the Pension Trust Fund. The Enterprise Fund is composed of three (3) independent systems: Water, Sewerage and Drainage. The Board adopted Governmental Accounting Standards Board Statement No. 34 – Basic Financial Statements – Management’s Discussion and Analysis – for State and Local Government in 2002.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Sewerage and Water Board’s MD&A can be found immediately following the report of the independent auditors.

Sewerage and Water Board of New Orleans is a political subdivision created in 1899 by Louisiana State Statutes. The Board is charged with construction, operation, and maintenance of Water, Sewerage and Drainage Systems for the City of New Orleans. By agreement, approximately 2,550 acres of adjoining Jefferson Parish is served by the Board’s drainage facilities for which Jefferson Parish pays its pro rata share of expenses. In addition, the Board provides sewerage services to Jefferson Parish businesses the majority of which are restaurants located in the West End neighborhood near the Lakefront. Additionally, the Board provides water and sewerage services to the Plaquemines Parish Industrial Park. The Sewerage and Water Board was established as a “special board” operating independently of city government. The Mayor of New Orleans serves as the President of the Board of Directors which is composed of three (3) representatives of the City Council, two (2) representatives of the Board of Liquidation, City Debt and seven (7) appointees as designated by the State statutes.

ECONOMIC CONDITION AND OUTLOOK

The Board’s service area includes the Civil Parish of Orleans in the state of Louisiana and covers 364 square miles. Based on the 2000 census, the population of Orleans Parish was 484,674. Major industries include tourism, oil and gas, transportation, health and other services, such as legal, education and entertainment.

According to the January 2005 Metropolitan Report: Economic Indicators for the New Orleans Area prepared by the Division of Business and Economic Research, University of New Orleans reflected that the unemployment rate is down from 6.2% to 5.2% which was an improvement over last year’s rate.

The sectors with the largest employment gain over the year were education, state and local government, and information. The sectors losing the most jobs were administrative support and waste management; professional, scientific and technical; and arts, entertainment and recreation. A normal seasonal low in tourism for the third quarter was lowered even more by disruption caused by hurricane activity. Hotel occupancy and rates as well as convention room bookings were low compared to the third quarter in the previous year. Higher tourist

volume and an increase in business travelers balanced the drop in convention business and shorter stays amongst all visitors.

The price paid for natural gas at the wellhead continued to rise as well, reflecting that it is no longer a surplus commodity on the North American continent. At \$5.34 per thousand cubic feet, the average wellhead price was 12.8% above third quarter 2003 amount of \$4.74 per thousand cubic feet.

The flow of goods into and out of the Port of New Orleans outpaced previous year levels by 15.4%. Goods flowing into the port increased 14.8% (545,900 short tons) while goods flowing out of the port increased 16.1% (503,700 short tons).

Total metropolitan area gambling revenues rose a collective 7.4% above third quarter 2003 to reach \$152.4 million. The majority of this increase was attributable to Harrah's casino.

MAJOR INITIATIVES

For the year: The Board budgeted approximately \$333 million for capital improvements in 2004. Highlights of this program included:

Water: The water system model has been completed and a draft report issued. The model predicts capital improvements needed over the next 40 years at 3.4 billion dollars. Implementation of these capital improvements identified by the model are dependent upon future funding. Work continues on modifications to Carrollton Treatment Basins to enhance coagulation. New intake piping over the Mississippi River Levee replaced the century old pipe under the levee. The painting of the six steel water tanks at the Carrollton Water Purification Plant was completed. A new on-site chlorine gas generator was purchased for the Algiers Water Purification Plant.

Sewerage: Work continues on the city-wide sewer rehabilitation program. The Sewerage and Water Board of New Orleans (S&WB) has undertaken a multi-year program, the Sewer System Evaluation and Rehabilitation Program (SSERP), to identify and address structural and mechanical deficiencies in the wastewater collection system and to ensure that the system has adequate capacity. These improvements are required to comply with Section XV Clean Water Act Remedial Measures: Comprehensive Collection System Remedial Program of the Consent Decree between the S&WB, the City of New Orleans, the State of Louisiana, plaintiff intervenors, and the United States of America, entered into in June 1998. The sewer system is divided into 10 basins for study, design and construction. Nearly \$50 million was expended for sewer collection and transmission system improvements in 2004, including inspecting 2,100 sewer manholes and rehabilitated or renovated 400 manholes; rehabilitated 232,000 feet of sanitary sewer pipelines; and inspected 500,000 feet of sanitary sewer pipelines. Continued construction in the Central Business District/French Quarter, Uptown, and Mid-City areas; completed construction in the Gentilly Area; and started construction in the Lower Ninth Ward area. Completed investigation of the New Orleans East area, and started investigation in the South Shore area.

Congress approved federal grant funding for 2004, the eighth in an anticipated series of grants from the Environmental Protection Agency (EPA) for planning, designing, construction, and rehabilitation of the sanitary sewer system. This grant award was \$701,273, with a Federal share of \$385,273 and must be matched by approximately \$315,573 of Board funds.

Drainage: The Southeast Louisiana Flood Control Projects (SELA), 75% funded by the Corps of Engineers is completed as follows: \$19.6 million addition of two new pumps at Drainage Pumping Station No. 1 at the South Broad Avenue and Martin Luther King, Jr. Boulevard; \$22.8 million construction of two new large drainage canals beneath Napoleon Avenue from South Claiborne Avenue to Fontainebleau Drive; \$10.8 million construction of a large new canal beneath South Claiborne Avenue from Nashville Avenue to Jena Street; \$15.4 million construction of a large new canal beneath South Claiborne Avenue from Jena Street to Louisiana Avenue; \$16.0 million construction of canals in the Hollygrove area beneath Forshey and Dublin Streets; and \$20.1 million construction of canals in the Hollygrove area beneath Eagle Street and the rail line. The following (SELA) projects now underway and projected for completion in 2005: Pritchard Street Pumping Station \$6.2 million with a projected completion date of May 2005; and the Dwyer Road Drainage Pumping Station \$25.0 million with a projected completion date of October 2005. The design phase has been completed for the following (SELA) Projects and are expected to begin in 2005 if Federal funding is available: Dwyer Road Intake Canal, from Lafon to Dwyer Road Pumping Station \$18.5 million; and Florida Avenue Canal Phase One, from Mazant to Pumping Station 19 on the Industrial Canal \$10.5 million.

A five-year Capital Program budget of \$1,976,522 was approved by Sewerage and Water board in December 2004. The approved amount for Drainage projects was \$614,856,000, of that amount, \$318,464,000 is participation by others.

FINANCIAL INFORMATION

Management of the Sewerage and Water Board is responsible for designing and maintaining an internal control structure sufficient to safeguard the Board's assets against loss, theft or misuse and to ensure the reliability of financial records for preparing financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute assurance that these goals are met. The concept of reasonable assurance recognizes that: (1) the cost of internal controls should not exceed the benefits expected to be derived and (2) the valuation of costs and benefits require the exercise of judgement by management.

The Enterprise Fund's water and sewerage systems are financed by user fees multi rate increase adopted in 2003, list 15%, 2003, 15% in 2004, 14% in 2005 and 14% in 2006. The Board commissioned a water rate study in 2005. The unique characteristics of the services provided by the drainage System of New Orleans requires the use of Enterprise Fund accounting in order to obtain a meaningful measure of the cost of providing the services and capital maintenance.

Revenues from the three- (3) mill, six- (6) mill and nine- (9) mill ad valorem taxes, which are restricted exclusively for drainage services, finance the Drainage System. These ad valorem taxes are the operating revenues of the drainage system.

Budgetary Control: The Sewerage and Water Board maintains an internal budgetary control through the preparation and monitoring of an annual operating and capital budget for the Water, Sewerage, and Drainage funds. Monthly budget reports are provided to department level managers to assist them in their fiscal responsibilities.

General Operations: Provisions for claims decreased by \$0.8 million or 21.4% in 2004 as compared to 2003. Claims Expense varies due to the number and severity of the claims during any period. The decrease is due primarily to several large structured settlement payments made during 2004 as compared to 2003. Operating revenues increased primarily as a result of an increase in charges for services due to sewerage rate increases effective July, 2004 and August, 2003. The Board's total operating revenues increased by 9.9% to approximately \$119.6 million, and total operating expenses increased 6.1% to approximately \$145.5 million.

Pension Trust Fund Operations: The contributions to the Pension Trust Funds are based on actuarial valuations.

Debt Administration: The Board of Liquidation, City Debt has responsibility for the administration of the Board's debt. Drainage debt services payments are supported by ad valorem tax collections, while user fees are used to provide debt services for the Water and Sewerage System bonds. The Board's Sewerage and Water and Drainage bonds outstanding as of December 31, 2004 totaled \$416,200,000.

Cash Management: Cash temporarily idle in the Enterprise Fund during the year was invested in commercial bank certificates of deposit, repurchase agreements, and U.S. Treasury Bills. Effective, January 1998, investments were recorded at fair value. Investment income on these idle funds was \$5,022,586.05.

Risk Management: The Sewerage and Water Board uses both insured and retained risk programs to manage exposures to loss. The Board administers self-insured programs for property and automobile liability exposures. Also, retained risk programs for general liability and workers' compensation losses and claims are administered by the Board.

Other Information: State Statutes and covenants governing outstanding bond issues require an annual audit of the Board's financial records by independent certified public accountants. The accounting firms of Postlethwaite & Netterville and Bruno & Trevalon were selected by the Board to perform this audit. The independent auditors' report on the basic financial statements is included in the Financial Section of the report. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Sewerage and Water Board of New Orleans for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2003. The Certificate of Achievement is a prestigious national award -recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one (1) year only. The Sewerage and Water Board of New Orleans has received a Certificate of Achievement for the last twenty-two (22) consecutive years. We believe our current report continues to conform to the Certification of Achievement Program requirements and we are submitting it to GFOA.

Acknowledgments: The Comprehensive Annual Financial Report was prepared by the dedicated staff of the Board's Management Services Administration, particularly the Accounting, Printing and Information Systems Departments. Additionally, we realize that the cooperation of each Department of the Sewerage & Water Board of New Orleans is essential, and we appreciate the willingness to work together toward this endeavor.

We also wish to thank the members of the Board for their interest and support in our efforts to achieve greater fiscal efficiency and accountability.

Yours very truly,

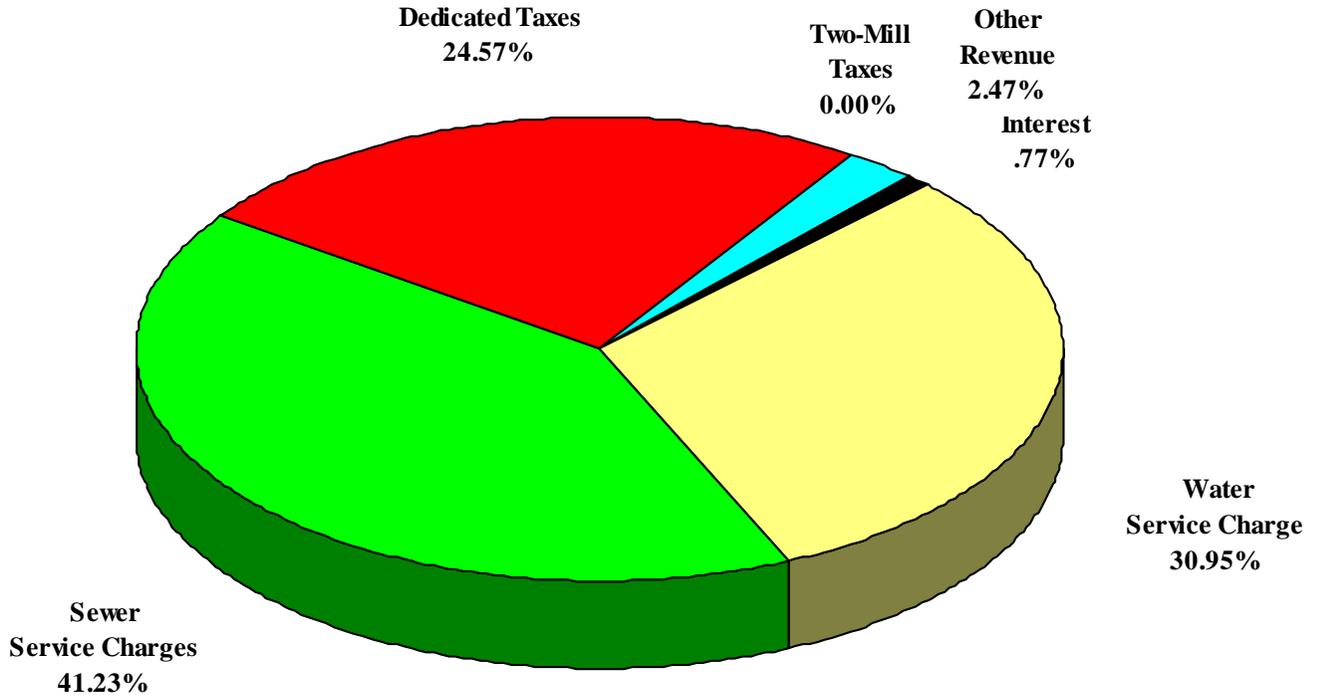


Marcia A. St. Martin
Executive Director

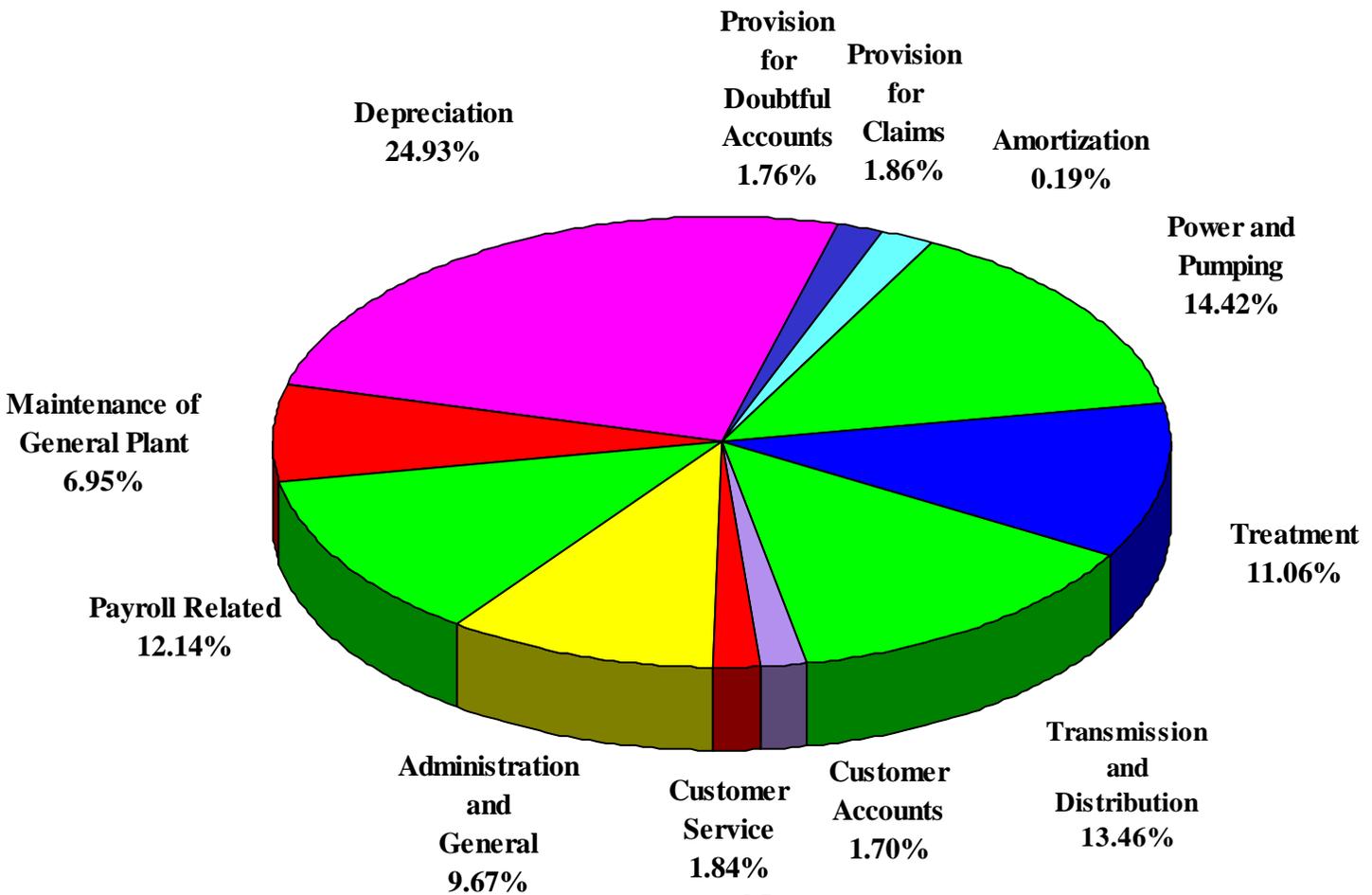


Ethel H. Williams
Utility Financial Administrator

2004 Revenues



2004 Expenses



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Certificate of Achievement for Excellence in Financial Reporting

Presented to
Sewerage and Water Board
of New Orleans,
Louisiana

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2003

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Nancy L. Zielke

President

Jeffrey R. Egan

Executive Director

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OFFICERS
of the
SEWERAGE AND WATER BOARD
OF NEW ORLEANS

December 31, 2004

C. RAY NAGIN President
Mayor, City of New Orleans

SIDNEY H. EVANS, JR President Pro Tem

MARCIA A. ST. MARTIN Executive Director

VACANT Deputy Director

G. JOSEPH SULLIVAN General Superintendent

VACANT Deputy General Superintendent

JOHN D. LAMBERT, JR Special Counsel

**MEMBERS OF
SEWERAGE AND WATER BOARD OF NEW ORLEANS**

December 31, 2004

C. RAY NAGIN Mayor

EDDIE L. SAPIR..... Councilmember-at-Large

OLIVER M. THOMAS..... Councilmember-at-Large

JOHN A. BATT, JR Councilman District A

SIDNEY H. EVANS, JR. Member - Board of Liquidation, City Debt

NORMA E. GRACE Member - Board of Liquidation, City Debt

PENELOPE RANDOLPH..... Councilmanic District A

WILLIAM F. GRACE JR..... Councilmanic District B

TOMMIE A. VASSEL Councilmanic District C

GARY N. SOLOMON..... Councilmanic District D

HENRY A. DILLON, JR..... Councilmanic District E

BENJAMIN L. EDWARDS, SR..... At-Large Member

BARBARA LAMONT At-Large Member

**COMMITTEES OF
SEWERAGE AND WATER BOARD OF NEW ORLEANS**

December 31, 2004

EXECUTIVE COMMITTEE

SIDNEY H. EVANS, JR. - Chairperson

| | |
|----------------|------------------|
| BARBARA LAMONT | GARY N. SOLOMON |
| EDDIE L. SAPIR | OLIVER M. THOMAS |

FINANCE AND OPERATIONS COMMITTEE

GARY N. SOLOMON - Chairperson

| | |
|----------------------|------------------|
| SIDNEY H. EVANS, JR. | OLIVER M. THOMAS |
| PENELOPE RANDOLPH | TOMMIE A. VASSEL |

INFRASTRUCTURE COMMITTEE

BARBARA LAMONT - Chairperson

| | |
|----------------|-----------------|
| NORMA E. GRACE | EDDIE L. SAPIR |
| | GARY N. SOLOMON |

INSURANCE (AD HOC) COMMITTEE

PENELOPE RANDOLPH - Chairperson

| | |
|--------------------------|------------------|
| BENJAMIN L. EDWARDS, SR. | BARBARA LAMONT |
| | TOMMIE A. VASSEL |

PENSION COMMITTEE

SIDNEY H. EVANS, JR. - Chairperson

| | |
|----------------------|------------------------|
| HENRY A. DILLON, JR. | PATRICIA W. CAMPBELL |
| NORMA E. GRACE | WARREN J. LAWRENCE |
| TOMMIE A. VASSEL | HOWARD E. NOLAN |
| | MARVIN R. RUSSELL, JR. |

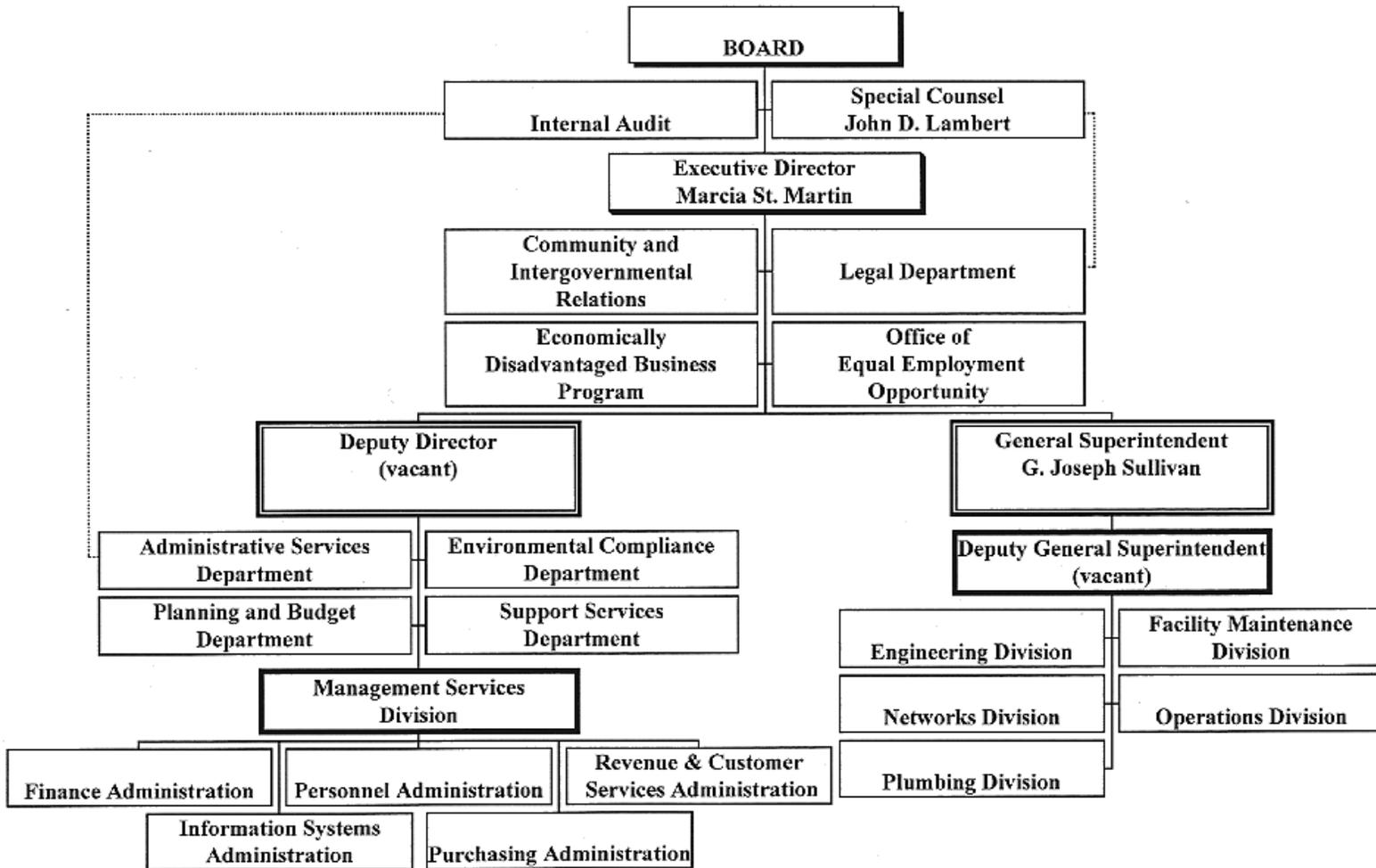
MICHAEL CONEFRY & COMPANY, ACTUARY

PLUMBING CONFERENCE COMMITTEE

WILLIAM F. GRACE - Chairperson

| | |
|--------------------------|--------------------|
| JAMES J. ARNOLD | JAMES C. FINLEY |
| RONNIE CROSBY | NORMA E. GRACE |
| BENJAMIN L. EDWARDS, SR. | BARBARA LAMONT |
| | G. JOSEPH SULLIVAN |

SEWERAGE AND WATER BOARD OF NEW ORLEANS 2004 ORGANIZATION CHART



THE SEWERAGE AND WATER BOARD OF NEW ORLEANS

DIVISION HEADS OF DEPUTY DIRECTOR

December 31, 2004

VACANT
DEPUTY DIRECTOR

ADMINISTRATIVE SERVICES DIVISION

Vacant

ENVIRONMENTAL AFFAIRS DIVISION

Gordon C. Austin

MANAGEMENT SERVICES DIVISION

Martin F. Comer, Jr.

PLANNING AND BUDGET DIVISION

Lawrence J. Federico, Jr.

SUPPORT SERVICES DIVISION

Howard E. Noland

THE SEWERAGE AND WATER BOARD OF NEW ORLEANS

DIVISION HEADS OF GENERAL SUPERINTENDENT

December 31, 2004

G. JOSEPH SULLIVAN
GENERAL SUPERINTENDENT

VACANT
DEPUTY GENERAL SUPERINTENDENT

ENGINEERING DIVISION

Rudolph S. St. Germain

FACILITY MAINTENANCE DIVISION

Glenn M. Semel

NETWORKS DIVISION

VACANT

OPERATIONS DIVISION

John R. Huerkamp

PLUMBING DIVISION

James J. Arnold

THE SEWERAGE AND WATER BOARD OF NEW ORLEANS
DEPARTMENT HEADS OF MANAGEMENT SERVICES DIRECTOR

December 31, 2004

MARTIN F. COMER, JR.
MANAGEMENT SERVICES DIRECTOR

FINANCE ADMINISTRATION

Ethel H. Williams

INFORMATION SYSTEMS ADMINISTRATION

Sue D. Mitchell

PERSONNEL ADMINISTRATION

Kevin F. Walsh

PURCHASING ADMINISTRATION

Willie M. Mingo Jr.

REVENUE AND CUSTOMER SERVICES ADMINISTRATION

Jacqueline K. Shine

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Staff from the Algiers Water Plant participated in a Performance Based Training initiative which included “jar testing,” a technique for calculating the dosage of chemicals for the most efficient and thorough treatment of water. The Board constantly seeks modern methods and technology to meet the challenge of treating water from the Mississippi River.



The Water Wheel, a creation of the Community and Intergovernmental Relations Department, is a fun way for students to learn about water quality by answering questions posed by a spin of the wheel. S&WB staff members participate in numerous educational and environmental events like this one, Earth Fest at Audubon Zoo.



FINANCIAL SECTION



Postlethwaite & Netterville

A Professional Accounting Corporation
Associated Offices in Principal Cities of the United States
www.pncpa.com

INDEPENDENT AUDITORS' REPORT

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

We have audited the basic financial statements of the Sewerage and Water Board of New Orleans as of and for the years ended December 31, 2004 and 2003, as listed in the table of contents. These basic financial statements are the responsibility of the Board's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Sewerage and Water Board of New Orleans as of December 31, 2004 and 2003, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis and the Schedules of Funding Progress and Employer Contributions as listed on the accompanying table of contents, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued a report, dated April 28, 2005, on our consideration of the Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audits.

Our audits were made for the purpose of forming an opinion on the 2004 and 2003 basic financial statements of the Board taken as a whole. The accompanying information included in Schedules 1 through 6 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The Statistical Information and Supplemental Information sections as listed in the table of contents are also presented for purposes of additional analysis and are not a required part of the basic financial statements of the Board. Such additional information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on it.

A handwritten signature in cursive script that reads "Postlethwaite & Netterville".

New Orleans, Louisiana
April 28, 2005

**Sewerage & Water Board of New Orleans
Management's Discussion and Analysis
Year Ended December 31, 2004**

This section of the Sewerage & Water Board of New Orleans' (the Board) annual financial report presents a discussion and analysis of the Board's financial performance during the fiscal year that ended December 31, 2004. Please read it in conjunction with the Board's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

Enterprise Fund

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

2004

- The Board's additions to its major systems approximated \$121 million.
- The SELA project which is a major upgrade to the drainage system by the Corps of Engineers continued during 2004; \$17.9 million of additions to work in progress were recorded during the year.
- The Board refunded during July 2004 the \$111,800,000 in short term bond anticipation notes originally issued in November 2003.
- The Board issued bond issues in December 2004 totaling \$58,200,000 including \$25,200,000 in short term bond anticipation notes; the proceeds of the issue are to be used to fund capital projects in the sewerage department.
- Capital contributions by others to finance construction of the Board's capital assets totaled \$22.1 million.

2003

- The Board's additions to its major systems approximated \$128 million.
- The SELA project which is a major upgrade to the drainage system by the Corps of Engineers continued during 2003; \$43.4 million of additions to work in progress were recorded during the year.
- The Board issued bond issues in November 2003 totaling \$117,300,000 including \$111,800,000 in short term bond anticipation notes; the proceeds of the issue are to be used to fund capital projects in the sewerage department.
- Capital contributions by others to finance construction of the Board's capital assets totaled \$53.1 million.

Pension Trust Fund

2004

The major highlight in the Board's pension trust fund was the continued improved financial performance in the public securities market and the resulting appreciation of \$14.1 million in the market value of the investments held by the plan during 2004. The plan net assets available of benefits increased to \$198 million.

2003

The major highlight in the Board's pension trust fund was the improved financial performance in the public securities market and the resulting appreciation of \$31.1 million in the market value of the investments held by the plan during 2003. The plan net assets available for benefits increased to \$184 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements – Enterprise Fund

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

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

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

The Statement of Net Assets reports the Board's net assets. Net assets-the difference between the Board's assets and liabilities-are one way to measure the Board's financial health or position. The overall increase in the Board's net assets during 2004 and 2003 is an indicator of its positive financial health.

Fund Financial Statements – Pension Trust Fund

The Board's fund financial statements consist of its pension trust fund. As a fiduciary fund, the pension trust fund is held for the benefit of employees and retirees of the Board. The pension trust fund is not reflected in the government wide financials because the resources are not available to the Board for its activities. The accounting for the pension trust fund is much like that used by the enterprise fund.

FINANCIAL ANALYSIS OF THE BOARD'S

ENTERPRISE FUND

2004 Net Assets

The Board's total assets at December 31, 2004 reached approximately \$1.7 billion, a 6.0% increase over December 31, 2003 (see Table A-1).

| Table A-1 | | | | |
|---|-------------------------|-------------------------|------------------------|------------------------|
| Sewerage & Water Board of New Orleans | | | | |
| Net Assets | | | | |
| | 2004 | 2003 | Increase (Decrease) | Increase (Decrease) |
| Current assets | \$ 33,106,264 | \$ 30,779,898 | \$ 2,326,366 | 7.6% |
| Restricted assets | 357,112,767 | 350,711,343 | 6,401,424 | 1.8% |
| Property, plant and equipment - net | 1,279,442,913 | 1,192,582,354 | 86,860,559 | 7.3% |
| Other assets | 6,944,092 | 8,517,724 | (1,573,632) | -18.5% |
| Total assets | \$ 1,676,606,036 | \$ 1,582,591,319 | \$ 94,014,717 | 5.9% |
| Current liabilities | \$ 216,972,936 | \$ 184,377,170 | \$ 32,595,766 | 17.7% |
| Long-term liabilities | 279,560,334 | 260,657,353 | 18,902,981 | 7.3% |
| Total liabilities | 496,533,270 | 445,034,523 | 51,498,747 | 11.6% |
| Net assets: | | | | |
| Invested in capital assets, net of related debt | 1,085,354,440 | 1,041,213,409 | 44,141,031 | 4.2% |
| Restricted | 94,718,326 | 96,343,387 | (1,625,061) | -1.7% |
| Total net assets | 1,180,072,766 | 1,137,556,796 | 42,515,970 | 3.7% |
| Total liabilities and net assets | \$ 1,676,606,036 | \$ 1,582,591,319 | \$ 94,014,717 | 5.9% |

The increase in total assets of \$95.5 million resulted primarily from an increase in property, plant and equipment of \$86.9 million in 2004 due to \$107.6 million in construction funds expended less the annual provision for depreciation of \$38.6 million. Current liabilities increased by \$32.6 million and long-term liabilities increased by \$18.9 million in 2004 as compared to 2003 due primarily to the issuance of \$170 million in new bonds payable including \$111,800,000 of refunding bond anticipation notes less normal payments of bonds payable existing at the beginning of the year.

2003 Net Assets

The Board's total assets at December 31, 2003 reached approximately \$1.6 billion, a 12.8% increase over December 31, 2002 (see Table A-2).

| Table A-2 | | | | |
|---|-------------------------|-------------------------|------------------------|------------------------|
| Sewerage & Water Board of New Orleans | | | | |
| Net Assets | | | | |
| | 2003 | 2002 | Increase (Decrease) | Increase (Decrease) |
| Current assets | \$ 30,779,898 | \$ 28,650,463 | \$ 2,129,435 | 7.4% |
| Restricted assets | 350,711,343 | 268,643,569 | 82,067,774 | 30.5% |
| Property, plant and equipment - net | 1,192,582,354 | 1,097,145,242 | 95,437,112 | 8.7% |
| Other assets | 8,517,724 | 8,766,332 | (248,608) | -2.8% |
| Total assets | \$ 1,582,591,319 | \$ 1,403,205,606 | \$ 179,385,713 | 12.8% |
| Current liabilities | \$ 184,377,170 | \$ 71,643,566 | \$ 112,733,604 | 157.4% |
| Long-term liabilities | 260,657,353 | 264,347,671 | (3,690,318) | -1.4% |
| Total liabilities | 445,034,523 | 335,991,237 | 109,043,286 | 32.5% |
| Net assets: | | | | |
| Invested in capital assets, net of related debt | 1,041,213,409 | 967,763,496 | 73,449,913 | 7.6% |
| Restricted | 96,343,387 | 99,450,873 | (3,107,486) | -3.1% |
| Total net assets | 1,137,556,796 | 1,067,214,369 | 70,342,427 | 6.6% |
| Total liabilities and net assets | \$ 1,582,591,319 | \$ 1,403,205,606 | \$ 179,385,713 | 12.8% |

The increase in total assets of \$179.4 million resulted primarily from an \$82.1 million increase in restricted assets at December 31, 2003, including an \$86.3 million increase in construction funds on hand from bond issues during 2003, a \$6.3 million decrease in capital projects funds on hand at 2003. Property plant and equipment increased in 2003 by \$95 million due to \$130 million in construction funds expended less the annual provision for depreciation of \$35.5 million. Long-term liabilities increased by \$109.0 million in 2003 as compared to 2002 due primarily to the issuance of \$117.3 million in new bonds payable less normal payments of bonds payable existing at the beginning of the year.

2004 Changes in Net Assets

The change in net assets for the year ended December 31, 2004 was approximately \$44.0 million or 37.5% less than the change in net assets for the year ended December 31, 2003. The Board's total operating revenues increased by 8.7% to approximately \$130.1 million, and total operating expenses increased 7.2% to approximately \$153.4 million. The changes in net assets are detailed in Table A-3; operating expenses are detailed in Table A-4.

| | 2004 | 2003 | Increase (Decrease) | Increase (Decrease) |
|-------------------------------------|------------------|------------------|------------------------|------------------------|
| Operating revenues: | | | | |
| Charges for services | \$ 126,719,406 | \$ 117,542,168 | \$ 9,177,238 | 7.8% |
| Other | 3,343,867 | 2,095,805 | 1,248,062 | 59.6% |
| Total operating revenues | 130,063,273 | 119,637,973 | 10,425,300 | 8.7% |
| Operating expenses (Table A-3) | 154,833,957 | 143,095,962 | 11,737,995 | 8.2% |
| Operating loss | (24,770,684) | (23,457,989) | (1,312,695) | 5.6% |
| Non-operating revenues: | | | | |
| Property taxes | 43,064,947 | 38,943,504 | 4,121,443 | 10.6% |
| Other taxes | 744,322 | 770,663 | (26,341) | -4.0% |
| Investment income | 1,352,425 | 1,031,593 | 320,832 | 31.1% |
| Total non-operating revenues | 45,161,694 | 40,745,760 | 4,415,934 | 10.8% |
| Income before capital contributions | 20,391,010 | 17,287,771 | 3,103,239 | 18.0% |
| Capital contributions | 22,124,960 | 53,054,656 | (30,929,696) | -58.3% |
| Change in net assets | 42,515,970 | 70,342,427 | (27,826,457) | -39.6% |
| Net assets, beginning of year | 1,137,556,796 | 1,067,214,369 | 70,342,427 | 6.6% |
| Net assets, end of year | \$ 1,180,072,766 | \$ 1,137,556,796 | \$ 42,515,970 | 3.7% |

Operating revenues increased primarily as a result of an increase in charges for services due to sewerage rate increases effective July, 2004 and August, 2003. The increases in revenue due to rates in sewerage and water revenues were partially offset by a decline in volume. Property taxes increased by \$4.1 million in 2004 due to an increase in assessed value.

Capital revenue from federal grants and construction of Board property by other agencies decreased by 58.3% to \$22.1 million. Principal capital contributions relate to the U.S. Corps of Engineers' construction of major drainage system improvements.

| | 2004 | 2003 | Increase (Decrease) | Increase (Decrease) |
|---------------------------------|-----------------------|-----------------------|------------------------|------------------------|
| Power and pumping | \$ 22,334,434 | \$ 19,339,095 | \$ 2,995,339 | 15.5% |
| Treatment | 17,131,922 | 17,075,547 | 56,375 | 0.3% |
| Transmission and distribution | 20,846,681 | 20,324,308 | 522,373 | 2.6% |
| Customer accounts | 2,625,751 | 2,513,486 | 112,265 | 4.5% |
| Customer service | 2,855,631 | 2,821,025 | 34,606 | 1.2% |
| Administration and general | 14,978,964 | 12,534,252 | 2,444,712 | 19.5% |
| Payroll related | 18,794,864 | 16,697,287 | 2,097,577 | 12.6% |
| Maintenance of general plant | 10,764,556 | 10,563,936 | 200,620 | 1.9% |
| Depreciation | 38,600,928 | 35,480,955 | 3,119,973 | 8.8% |
| Amortization | 295,156 | 188,128 | 107,028 | 56.9% |
| Provision for doubtful accounts | 2,718,176 | 1,884,751 | 833,425 | 44.2% |
| Provision for claims | 2,886,894 | 3,673,192 | (786,298) | -21.4% |
| Total operating expenses | \$ 154,833,957 | \$ 143,095,962 | \$ 11,737,995 | 8.2% |

The increase of \$3.0 million or 15.5% in 2004 in power and pumping is primarily due to an increase in the price of natural gas purchased by the Board and in the price per kilowatt hour of purchased electricity as compared to 2003. The increase in administration and general expenses in 2004 of \$2.4 million or 19.5% resulted primarily from increases in non-operating, computer center, fleet and general insurance, and general superintendent expenses. Provisions for doubtful accounts increased by \$0.8 million or 44.2% in 2004 as compared to 2003 as a result of an increase in closed accounts which are fully reserved. Provisions for claims decreased by \$0.8 million or 21.4% in 2004 as compared to 2003. Claims expense varies due to the number and severity of the claims during any period. The decrease is due primarily to a several large structured settlement payments made during 2004 as compared to 2003.

2003 Changes in Net Assets

The change in net assets for the year ended December 31, 2003 was approximately \$67.9 million or 45.1% more than the change in net assets for the year ended December 31, 2002. The Board's total operating revenues increased by 9.9% to approximately \$119.6 million, and total operating expenses increased 6.1% to approximately \$145.5 million. The changes in net assets are detailed in Table A-5; operating expenses are detailed in Table A-6.

| | 2003 | 2002 | Increase (Decrease) | Increase (Decrease) |
|-------------------------------------|-------------------------|-------------------------|------------------------|------------------------|
| Operating revenues: | | | | |
| Charges for services | \$ 117,542,168 | \$ 107,087,709 | \$ 10,454,459 | 9.8% |
| Other | 2,095,805 | 1,814,951 | 280,854 | 15.5% |
| Total operating revenues | 119,637,973 | 108,902,660 | 10,735,313 | 9.9% |
| Operating expenses (Table A-3) | 143,095,962 | 137,137,210 | 5,958,752 | 4.3% |
| Operating loss | (23,457,989) | (28,234,550) | 4,776,561 | -16.9% |
| Non-operating revenues: | | | | |
| Property taxes | 38,943,504 | 36,831,327 | 2,112,177 | 5.7% |
| Other taxes | 770,663 | 792,883 | (22,220) | -4.0% |
| Investment income | 1,031,593 | 1,616,307 | (584,714) | -36.2% |
| Total non-operating revenues | 40,745,760 | 39,240,517 | 1,505,243 | 3.8% |
| Income before capital contributions | 17,287,771 | 11,005,967 | 6,281,804 | 57.1% |
| Capital contributions | 53,054,656 | 35,785,907 | 17,268,749 | 48.3% |
| Change in net assets | 70,342,427 | 46,791,874 | 23,550,553 | 50.3% |
| Net assets, beginning of year | 1,067,214,369 | 1,020,422,495 | 46,791,874 | 4.6% |
| Net assets, end of year | \$ 1,137,556,796 | \$ 1,067,214,369 | \$ 70,342,427 | 6.6% |

Operating revenues increased primarily as a result of an increase in charges for services due to a sewerage rate increase effective August, 2003 and water rate increase effective in July, 2002. The increases in revenue due to rates in sewerage and water revenues were partially offset by a decline in volume. Property taxes increased by \$2.1 million in 2003 due to an increase in assessed value.

Capital revenue from federal grants and construction of Board property by other agencies increased by 8.3% to \$53 million. Principal capital contributions relate to the U.S. Corps of Engineers' construction of major drainage system improvements.

| | 2003 | 2002 | Increase (Decrease) | Increase (Decrease) |
|---------------------------------|-----------------------|-----------------------|------------------------|------------------------|
| Power and pumping | \$ 19,339,095 | \$ 16,255,368 | \$ 3,083,727 | 19.0% |
| Treatment | 17,075,547 | 15,515,582 | 1,559,965 | 10.1% |
| Transmission and distribution | 20,324,308 | 18,233,083 | 2,091,225 | 11.5% |
| Customer accounts | 2,513,486 | 2,384,744 | 128,742 | 5.4% |
| Customer service | 2,821,025 | 2,731,763 | 89,262 | 3.3% |
| Administration and general | 12,534,252 | 14,463,064 | (1,928,812) | -13.3% |
| Payroll related | 16,697,287 | 16,073,673 | 623,614 | 3.9% |
| Maintenance of general plant | 10,563,936 | 10,020,846 | 543,090 | 5.4% |
| Depreciation | 35,480,955 | 34,551,459 | 929,496 | 2.7% |
| Amortization | 188,128 | 130,304 | 57,824 | 44.4% |
| Provision for doubtful accounts | 1,884,751 | 1,842,958 | 41,793 | 2.3% |
| Provision for claims | 3,673,192 | 4,934,366 | (1,261,174) | -25.6% |
| Total operating expenses | \$ 143,095,962 | \$ 137,137,210 | \$ 5,958,752 | 4.3% |

The increase of \$3.1 million or 19.0% in 2003 in power and pumping is primarily due to an increase in the price of natural gas purchased by the Board and in the price per kilowatt hour of purchased electricity as compared to 2002. The increase in 2003 of \$1.6 million in treatment expense as compared to 2002 is primarily a result of the increase in of the costs of treatment charged by the outsourced vendor of the East and West Bank facilities and the settlement of charges from the vendor which were in dispute. The increase of \$2.1 million in 2003 over 2002 in transmission and distribution expenses related to a \$1.0 increase in paving costs as well as other increase in network expenses. The decrease in general and administrative in 2003 resulted primarily from a refund of energy costs.

Provisions for claims decreased by \$1.3 million or 25.6% in 2003 as compared to 2002. Claims expense varies due to the number and severity of the claims during any period. The decrease is due primarily to a decrease in the number of large dollar claims in 2003 as compared to 2002.

PENSION TRUST FUND

2004 Plan Net Assets

The Board's total plan net assets of its pension trust fund at December 31, 2004 was approximately \$198 million, a 7.7% increase over December 31, 2003 (see table A-7). Total assets increased 8.2% to \$202.9 million.

| Table A-7 | | | | |
|--|-----------------------|-----------------------|--------------------------------|--------------------------------|
| Sewerage & Water Board of New Orleans | | | | |
| Plan Net Assets | | | | |
| | 2004 | 2003 | Increase (Decrease) | Increase (Decrease) |
| Cash | \$ 242,764 | \$ 237,431 | \$ 5,333 | 2.2% |
| Investments | 201,549,735 | 186,283,692 | 15,266,043 | 8.2% |
| Other assets | 1,062,674 | 874,735 | 187,939 | 21.5% |
| Total assets | 202,855,173 | 187,395,858 | 15,459,315 | 8.2% |
| DROP participant payable | 4,571,050 | 3,279,115 | 1,291,935 | 39.4% |
| Total liabilities | 4,571,050 | 3,279,115 | 1,291,935 | 39.4% |
| Plan net assets | \$ 198,284,123 | \$ 184,116,743 | \$ 14,167,380 | 7.7% |

Plan net assets increased by \$14.2 million in 2004 primarily due to realized and unrealized gains on investments recognized in 2004.

2003 Plan Net Assets

The Board's total plan net assets of its pension trust fund at December 31, 2003 was approximately \$184 million, a 19.7% increase over December 31, 2002 (see table A-8). Total assets increased 20.0% to \$187.4 million.

| Table A-8 | | | | |
|--|-----------------------|-----------------------|--------------------------------|--------------------------------|
| Sewerage & Water Board of New Orleans | | | | |
| Plan Net Assets | | | | |
| | 2003 | 2002 | Increase (Decrease) | Increase (Decrease) |
| Cash | \$ 237,431 | \$ 552,943 | \$ (315,512) | -57.1% |
| Investments | 186,283,692 | 154,481,539 | 31,802,153 | 20.6% |
| Other assets | 874,735 | 1,114,019 | (239,284) | -21.5% |
| Total assets | 187,395,858 | 156,148,501 | 31,247,357 | 20.0% |
| Due to funds | - | 200,000 | (200,000) | 100.0% |
| DROP participant payable | 3,279,115 | 2,131,025 | 1,148,090 | 53.9% |
| Total liabilities | 3,279,115 | 2,331,025 | 948,090 | 40.7% |
| Plan net assets | \$ 184,116,743 | \$ 153,817,476 | \$ 30,299,267 | 19.7% |

Plan net assets increased by \$30 million in 2003 primarily due to realized and unrealized gains on investments recognized in 2003.

2004 Changes in Plan Net Assets

| Table A-9 | | | | |
|---------------------------------------|---------------------|---------------------|------------------------|------------------------|
| Sewerage & Water Board of New Orleans | | | | |
| Change in Plan Net Assets | | | | |
| | 2004 | 2003 | Increase (Decrease) | Increase (Decrease) |
| Additions: | | | | |
| Contributions | \$ 4,841,810 | \$ 4,488,720 | \$ 353,090 | 7.9% |
| Net income on investments | 19,415,652 | 36,078,814 | (16,663,162) | -46.2% |
| Total additions | 24,257,462 | 40,567,534 | (16,310,072) | -40.2% |
| Deductions: | | | | |
| Benefits | (7,946,658) | (8,590,242) | 643,584 | -7.5% |
| Employee refunds | (116,254) | (202,565) | 86,311 | -42.6% |
| Employee DROP contributions | (2,027,170) | (1,475,460) | (551,710) | 37.4% |
| Total deductions | (10,090,082) | (10,268,267) | 178,185 | -1.7% |
| Change in net assets | 14,167,380 | 30,299,267 | (16,131,887) | -53.2% |
| Plan net assets, beginning of year | 184,116,743 | 153,817,476 | 30,299,267 | 19.7% |
| Plan net assets, end of year | \$ 198,284,123 | \$ 184,116,743 | \$ 14,167,380 | 7.7% |

Contributions to the pension plan increased in 2004 as compared to 2003 primarily due to increased employer contributions.

The decrease in the change in plan net assets of \$16.1 million resulted primarily from a decrease in unrealized gains on investments in 2004.

2003 Changes in Plan Net Assets

| Table A-10 | | | | |
|---------------------------------------|---------------------|---------------------|------------------------|------------------------|
| Sewerage & Water Board of New Orleans | | | | |
| Change in Plan Net Assets | | | | |
| | 2003 | 2002 | Increase (Decrease) | Increase (Decrease) |
| Additions: | | | | |
| Contributions | \$ 4,488,720 | \$ 4,020,608 | \$ 468,112 | 11.6% |
| Net income (loss) on investments | 36,078,814 | (15,496,265) | 51,575,079 | -332.8% |
| Total additions | 40,567,534 | (11,475,657) | 52,043,191 | -453.5% |
| Deductions: | | | | |
| Benefits | (8,590,242) | (6,827,949) | (1,762,293) | 25.8% |
| Employee refunds | (202,565) | (220,932) | 18,367 | -8.3% |
| Employee DROP contributions | (1,475,460) | (1,016,944) | (458,516) | 45.1% |
| Total deductions | (10,268,267) | (8,065,825) | (2,202,442) | 27.3% |
| Change in net assets | 30,299,267 | (19,541,482) | 49,840,749 | -255.1% |
| Plan net assets, beginning of year | 153,817,476 | 173,358,958 | (19,541,482) | -11.3% |
| Plan net assets, end of year | \$ 184,116,743 | \$ 153,817,476 | \$ 30,299,267 | 19.7% |

Contributions to the pension plan increased in 2003 as compared to 2002 primarily due to increased transfers from employees and City of New Orleans.

The increase in the change in plan net assets of \$30.3 million resulted from an a recovery of previous years' unrealized losses on investments as well as realized gains in 2003 of \$36.1 million, reduced by an increase in benefit expenses of \$2.3 million in 2003 as compared to 2002.

CAPITAL ASSET AND DEBT ADMINISTRATION

2004 Capital Assets

As of December 31, 2004, the Board had invested approximately \$1.8 billion in capital assets. Net of accumulated depreciation, the Board's net capital assets at December 31, 2004 totaled approximately \$1.3 billion. This amount represents a net increase (including additions and disposals, net of depreciation) of approximately \$86.9 million or 7.3% over December 31, 2003.

At December 31, 2004, the Board's budget for its five year capital improvements program totaled \$1.9 billion including \$510,610,000 for water, \$851,056,000 for sewerage and \$614,856,000 for drainage. Due to certain regulatory and legislative changes, additional capital improvements will probably be required. Future capital improvement program expenditures may require the issuance of additional debt depending on the amount and timing of expenditures. As of December 31, 2004, the Board has committed or appropriated \$85,776,891 in investments for use in future capital projects and has \$225,529,144 of bond proceeds remaining for construction. The capital project investments are included in restricted assets.

The capital improvements budget for 2005 is \$297,777,000, including \$42,280,000 for projects, which are expected to be funded by federal grants and programs. Significant projects included in property, plant and equipment in progress as of December 31, 2004 include the following:

Southeast Louisiana Flood Control Program
Sewer System Sanitation Evaluation and Rehabilitation Program
Drainage Pumping Station #1
Eastbank Sewer Treatment Plant
Westbank Sewer Treatment Plant

2003 Capital Assets

As of December 31, 2003, the Board had invested approximately \$1.7 billion in capital assets. Net of accumulated depreciation, the Board's net capital assets at December 31, 2003 totaled approximately \$1.2 billion. This amount represents a net increase (including additions and disposals, net of depreciation) of approximately \$95.4 million or 8.7% over December 31, 2002.

At December 31, 2003, the Board's budget for its five-year capital improvements program totaled \$1.6 billion including \$484,608,000 for water, \$528,756,000 for sewerage and \$586,568,000 for drainage. Due to certain regulatory and legislative changes, additional capital improvements will probably be required. Future capital improvement program expenditures may require the issuance of additional debt depending on the amount and timing of expenditures. As of December 31, 2003, the Board has committed or appropriated \$90,480,565 in investments for use in future capital projects and has \$229,267,999 of bond proceeds remaining for construction. The capital project investments are included in restricted assets.

The capital improvements budget for 2004 is \$332,881,000, including \$97,606,000 in projects, which is to fund the federal grants and programs. The Board continues significant construction projects in its water, sewerage, and drainage systems as follows:

Southeast Louisiana Flood Control Program
Sewer System Sanitation Evaluation and Rehabilitation Program
Drainage Pumping Station #1
Eastbank Sewer Treatment Plant
Westbank Sewer Treatment Plant

2004 Debt Administration

The Board continues to make its regularly scheduled payments on its bonds. During 2004, \$170,000,000 in new bonds were issued by the Board. Net proceeds of the bond issues are to be used for sewerage construction and to refund \$111,800,000 of bond anticipation notes from 2003. During 2004, \$121,015,000 in principal payments were made.

All bond debt covenants have been met.

Additional detailed information relating to capital assets and debt is presented in the financial statements and related notes.

2003 Debt Administration

The Board continues to make its regularly scheduled payments on its bonds. During 2003, \$117,300,000 in new bonds were issued by the Board. Net proceeds of the bond issues are to be used for sewerage construction. During 2003, \$9,370,000 in principal payments were made.

All bond debt covenants have been met.

Additional detailed information relating to capital assets and debt is presented in the financial statements and related notes.

2004 ECONOMIC FACTORS AND RATES

The Board's authority to implement multiple year annual rate increases of 15% for 2004 and 14% in 2005 and 2006 continued.

2003 ECONOMIC FACTORS AND RATES

The Board received authority to implement multiple year annual rate increases of 15% for 2003 and 2004 and 14% in 2005 and 2006.

CONTACTING THE BOARD'S FINANCIAL MANAGEMENT

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

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BASIC FINANCIAL STATEMENTS

SEWERAGE AND WATER BOARD OF NEW ORLEANS

STATEMENTS OF NET ASSETS

December 31, 2004 and 2003

| ASSETS | 2004 | 2003 |
|--|------------------|------------------|
| Property, plant and equipment | \$ 1,826,416,136 | \$ 1,704,811,274 |
| Less: accumulated depreciation | 546,973,223 | 512,228,920 |
| Property, plant and equipment, net | 1,279,442,913 | 1,192,582,354 |
| Restricted assets: | | |
| Capital projects | 85,776,891 | 90,480,565 |
| Construction funds | 225,529,144 | 219,267,999 |
| Debt service reserve | 22,254,068 | 19,824,037 |
| Customer deposits | 5,336,338 | 5,186,628 |
| Health insurance reserve | 9,000,000 | 9,000,000 |
| Debt service | 9,004,326 | 6,740,114 |
| Other | 212,000 | 212,000 |
| Total restricted assets | 357,112,767 | 350,711,343 |
| Current assets: | | |
| Cash | 3,043,854 | 1,405,154 |
| Accounts receivable: | | |
| Customers (net of allowance for doubtful accounts) | 13,188,408 | 12,285,642 |
| Taxes | 4,737,807 | 4,831,236 |
| Interest | 418,576 | 193,415 |
| Grants | 235,091 | 1,005,845 |
| Miscellaneous | 1,542,155 | 2,343,678 |
| Due from City of New Orleans, current | 200,000 | 200,000 |
| Due from other fund | - | - |
| Inventory of supplies | 9,109,830 | 7,901,406 |
| Prepaid expenses | 630,543 | 613,522 |
| Total current assets | 33,106,264 | 30,779,898 |
| Due from City of New Orleans, less current portion | 546,229 | 673,228 |
| Other assets: | | |
| Bond issue costs | 1,666,907 | 1,662,463 |
| Deposits | 51,315 | 51,315 |
| Net pension asset | 4,679,641 | 6,130,718 |
| Total other assets | 6,397,863 | 7,844,496 |
| Total assets | \$ 1,676,606,036 | \$ 1,582,591,319 |

(Continued)

SEWERAGE AND WATER BOARD OF NEW ORLEANS

STATEMENTS OF NET ASSETS
(Continued)

| NET ASSETS AND LIABILITIES | 2004 | 2003 |
|---|------------------|------------------|
| Net Assets: | | |
| Invested in capital assets - net of related debt | \$ 1,085,354,440 | \$ 1,041,213,409 |
| Restricted For: | | |
| Debt service | 28,817,876 | 25,349,292 |
| Capital projects | 65,900,450 | 70,994,095 |
| Total restricted for net assets | 94,718,326 | 96,343,387 |
| Total net assets | 1,180,072,766 | 1,137,556,796 |
| Liabilities: | | |
| Long-term liabilities: | | |
| Claims payable | 8,660,268 | 11,628,462 |
| Bonds payable (net of current maturities) | 270,900,066 | 249,028,891 |
| | 279,560,334 | 260,657,353 |
| Current liabilities (payable from current assets): | | |
| Accounts payable | 20,760,229 | 18,322,885 |
| Due to City of New Orleans | 259,462 | 205,928 |
| Retainers and estimates payable | 1,474,713 | 458,465 |
| Due to pension trust fund | 60,994 | 34,458 |
| Accrued salaries | 674,661 | 378,954 |
| Accrued vacation and sick pay | 9,869,659 | 9,829,380 |
| Claims payable | 22,940,327 | 23,233,111 |
| Other liabilities | 13,158 | 11,570 |
| | 56,053,203 | 52,474,751 |
| Current liabilities (payable from restricted assets): | | |
| Accrued interest | 2,440,517 | 1,214,859 |
| Bonds payable | 148,717,551 | 121,608,053 |
| Retainers and estimates payable | 4,425,327 | 3,892,879 |
| Customer deposits | 5,336,338 | 5,186,628 |
| | 160,919,733 | 131,902,419 |
| Total current liabilities | 216,972,936 | 184,377,170 |
| Total liabilities | 496,533,270 | 445,034,523 |
| Total net assets and liabilities | \$ 1,676,606,036 | \$ 1,582,591,319 |

See accompanying notes to financial statements.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

For the years ended December 31, 2004 and 2003

| | 2004 | 2003 |
|--------------------------------------|------------------|------------------|
| Operating revenues: | | |
| Sales of water and delinquent fees | \$ 54,234,144 | \$ 54,997,831 |
| Sewerage service charges | 72,252,114 | 62,328,695 |
| Plumbing inspection and license fees | 233,147 | 215,642 |
| Other revenue | 3,343,868 | 2,095,805 |
| | 130,063,273 | 119,637,973 |
| Operating Expenses: | | |
| Power and pumping | 22,334,434 | 19,339,095 |
| Treatment | 17,131,922 | 17,075,547 |
| Transmission and distribution | 20,846,681 | 20,324,308 |
| Customer accounts | 2,625,751 | 2,513,486 |
| Customer service | 2,855,631 | 2,821,025 |
| Administration and general | 14,978,964 | 12,534,252 |
| Payroll related | 18,794,864 | 16,697,287 |
| Maintenance of general plant | 10,764,556 | 10,563,936 |
| Depreciation | 38,600,928 | 35,480,955 |
| Amortization | 295,156 | 188,128 |
| Provision for doubtful accounts | 2,718,176 | 1,884,751 |
| Provision for claims | 2,886,894 | 3,673,192 |
| | 154,833,957 | 143,095,962 |
| Operating loss | (24,770,684) | (23,457,989) |
| Non-operating revenues: | | |
| Two-mill tax | 5,192 | 7,423 |
| Three-mill tax | 12,199,559 | 11,031,057 |
| Six-mill tax | 12,352,092 | 11,169,139 |
| Nine-mill tax | 18,508,104 | 16,735,885 |
| Other taxes | 744,322 | 770,663 |
| Investment income | 1,352,425 | 1,031,593 |
| | 45,161,694 | 40,745,760 |
| Income before capital contributions | 20,391,010 | 17,287,771 |
| Capital contributions | 22,124,960 | 53,054,656 |
| Change in net assets | 42,515,970 | 70,342,427 |
| Net assets: | | |
| Beginning of year | 1,137,556,796 | 1,067,214,369 |
| End of year | \$ 1,180,072,766 | \$ 1,137,556,796 |

See accompanying notes to financial statements.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

STATEMENTS OF CASH FLOWS

ENTERPRISE FUND

For the years ended December 31, 2004 and 2003

| | 2004 | 2003 |
|--|-----------------|----------------|
| Cash flows from operating activities | | |
| Cash received from customers | \$ 122,918,850 | \$ 114,132,080 |
| Cash payments to suppliers for goods and services | (57,763,832) | (53,684,252) |
| Cash payments to employees for services | (55,562,758) | (52,509,304) |
| Other revenue | 4,378,538 | 783,213 |
| Net cash provided by operating activities | 13,970,798 | 8,721,737 |
| Cash flows from noncapital financing activities - proceeds from property taxes | 43,902,698 | 38,826,523 |
| Cash flows from capital and related financing activities | | |
| Acquisition and construction of capital assets | (112,845,073) | (119,965,622) |
| Proceeds of bond issue | 171,402,786 | 117,977,602 |
| Bond issuance costs | (299,600) | (257,557) |
| Principal payments on bonds payable | (121,015,000) | (9,370,000) |
| Interest paid on bonds payable | (14,491,864) | (13,047,991) |
| Capital contributed by developers and federal grants | 22,895,714 | 53,014,362 |
| Net cash provided by capital and related financing activities | (54,353,037) | 28,350,794 |
| Cash flows from investing activities | | |
| Payments for purchase of investments | (1,714,722,567) | (762,346,797) |
| Proceeds from maturities of investments | 1,712,625,222 | 738,653,576 |
| Investment income | 4,369,955 | 3,136,592 |
| Net cash used in investing activities | 2,272,610 | (20,556,629) |
| Net increase in cash | 5,793,069 | 55,342,425 |
| Cash at the beginning of the year | 113,270,776 | 57,928,351 |
| Cash at the end of the year | \$ 119,063,845 | \$ 113,270,776 |
| Reconciliation of cash and restricted cash (note 2) | | |
| Current assets - cash | \$ 3,043,854 | \$ 1,405,154 |
| Restricted assets -cash | 116,019,991 | 111,865,622 |
| Total cash | \$ 119,063,845 | \$ 113,270,776 |

(Continued)

SEWERAGE AND WATER BOARD OF NEW ORLEANS

STATEMENTS OF CASH FLOWS

(Continued)

ENTERPRISE FUND

For the years ended December 31, 2004 and 2003

| | <u>2004</u> | <u>2003</u> |
|--|----------------------|---------------------|
| Reconciliation of operating loss to net cash provided by operating activities is as follows: | | |
| Operating loss | \$ (24,770,684) | \$ (23,457,989) |
| Adjustments to reconcile net operating loss to net cash provided by operating activities: | | |
| Depreciation | 38,600,928 | 35,480,955 |
| Provision for claims | 2,886,894 | 3,673,192 |
| Provision for doubtful accounts | 2,718,176 | 1,884,751 |
| Amortization | 295,156 | 188,128 |
| Change in operating assets and liabilities: | | |
| Increase in customer and other receivable | (3,620,942) | (3,374,716) |
| (Increase) decrease in inventory | (1,208,424) | (1,331,213) |
| Increase (decrease) in prepaid expenses and other receivables | 911,501 | (1,294,525) |
| Decrease in net pension asset | 1,451,077 | 200,837 |
| Increase (decrease) in accounts payable | 2,437,344 | 3,836,903 |
| Decrease in accrued salaries, due to pension and accrued vacation and sick pay | 362,522 | (800,746) |
| Decrease in other liabilities | (6,092,750) | (6,283,840) |
| Net cash provided by operating activities | <u>\$ 13,970,798</u> | <u>\$ 8,721,737</u> |

Noncash investing, capital and financing activities:

The acquisition and construction of capital assets and capital contributed by developers and federal grants do not include non-cash amounts resulting from the construction by the U.S. Corps of Engineers of \$17,872,855 and \$43,409,115 in drainage projects during the years ended December 31, 2004 and 2003, respectively.

See accompanying notes to financial statements.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

STATEMENTS OF PLAN NET ASSETS

PENSION TRUST FUND

December 31, 2004 and 2003

| | <u>2004</u> | <u>2003</u> |
|--|-----------------------|-----------------------|
| Assets: | | |
| Cash | \$ 242,764 | \$ 237,431 |
| Receivables: | | |
| Investment income | 979,923 | 827,861 |
| Employee contributions receivable | 21,757 | 12,417 |
| Due from other fund | 60,994 | 34,458 |
| Investments | <u>201,549,735</u> | <u>186,283,691</u> |
| Total assets | <u>202,855,173</u> | <u>187,395,858</u> |
| Liabilities: | | |
| DROP participants payable | <u>4,571,050</u> | <u>3,279,115</u> |
| Total liabilities | <u>4,571,050</u> | <u>3,279,115</u> |
| Plan net assets available for pension benefits | <u>\$ 198,284,123</u> | <u>\$ 184,116,743</u> |

See accompanying notes to financial statements.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

STATEMENTS OF CHANGES IN PLAN NET ASSETS

PENSION TRUST FUND

For the years ended December 31, 2004 and 2003

| | <u>2004</u> | <u>2003</u> |
|--------------------------------------|-----------------------|-----------------------|
| Additions: | | |
| Contributions: | | |
| Employee contributions | \$ 1,120,776 | \$ 1,097,183 |
| Employer contributions | 3,103,146 | 2,694,633 |
| City annuity and other transfers in | 617,888 | 696,904 |
| Total contributions | <u>4,841,810</u> | <u>4,488,720</u> |
| Investment income: | | |
| Interest income | 3,461,162 | 3,406,466 |
| Dividend income | 1,886,416 | 1,691,132 |
| Net appreciation | 14,133,537 | 31,211,175 |
| | <u>19,481,115</u> | <u>36,308,773</u> |
| Less investment expense | <u>(65,463)</u> | <u>(229,959)</u> |
| Net investment income | <u>19,415,652</u> | <u>36,078,814</u> |
| Total additions | <u>24,257,462</u> | <u>40,567,534</u> |
| Deductions: | | |
| Benefits | (7,946,658) | (8,590,242) |
| Employee refunds | (116,254) | (202,565) |
| Employee contributions to DROP | (2,027,170) | (1,475,460) |
| Total deductions | <u>(10,090,082)</u> | <u>(10,268,267)</u> |
| Change in plan net assets | 14,167,380 | 30,299,267 |
| Plan net assets at beginning of year | <u>184,116,743</u> | <u>153,817,476</u> |
| Plan net assets at end of year | <u>\$ 198,284,123</u> | <u>\$ 184,116,743</u> |

See accompanying notes to financial statements.

NOTES TO BASIC
FINANCIAL STATEMENTS

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SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(1) Summary of Significant Accounting Policies

History and Organization

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

In accordance with the Louisiana Revised Statutes (LRS) 33:4096 and 4121, the Board has the authority to establish the water and sewerage rates to charge to its customers. The rates are based on the actual water consumed and on the costs of maintenance and operation of the water and sewerage systems, including the costs of improvements and replacements. The collections of water and sewerage revenues are to be used by the Board for the maintenance and operation of the systems, the cost of improvements, betterments, and replacements, and to provide for the payments of interest and principal on the bonds payable. The Board has also been given the authority to levy and collect various tax millages which are used for the operation and maintenance of the drainage operations. All excess revenues collected are made available for capital development of the system. The proceeds of the rate collections and tax millages are invested in such investments as authorized by the LRS. These investments are reflected in the combined statement of net assets, as "restricted assets," as they are restricted to the purposes as described above.

The Board is composed of thirteen members, including the Mayor of the City, the two Councilmembers-at-Large, and one District Councilmember selected by the City Council, two members of the Board of Liquidation and seven citizens appointed by the Mayor. The appointed members of the Board serve staggered nine year terms.

The Board's accounting policies conform to accounting principles generally accepted in the United States of America as applicable to utilities and to governmental units. The following is a summary of the more significant policies.

(A) Reporting Entity

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

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

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(1) Summary of Significant Accounting Policies (continued)

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

The Board is a stand-alone entity as defined by Governmental Accounting Standards Board Statement 14, *The Financial Reporting Entity*. The Board is a legally-separate governmental organization that does not have a separately elected governing body and does not meet the definition of a component unit. As a result of a Louisiana Supreme Court decision on March 21, 1994, the Board was declared to be an autonomous or self-governing legal entity, legally independent of the city, state and other governments, created and organized pursuant to Louisiana Revised Statutes 33:4071 as a board, separate and independent of the governing authorities of the City and vested with autonomous or self governing authority. No other government can mandate actions of the Board nor impose specific financial burdens. The Board is fiscally independent to operate under its bond covenant and the provisions of Louisiana Revised Statute provisions.

The City of New Orleans includes the Board as a component unit in the City's financial statements.

(B) Basis of Financial Statement Presentation

The Board's basic financial statements consist of the government-wide statements which include the proprietary fund (the enterprise fund) and the fund financial statements which includes the fiduciary fund (the pension trust fund). The operations of the Board are accounted for in the following fund types:

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(1) Summary of Significant Accounting Policies (continued)

Proprietary Fund Type

The proprietary fund is used to account for the Board's ongoing operations and activities which are similar to those often found in the private sector. The proprietary fund is accounted for using a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net assets. Net assets are segregated into amounts invested in capital assets (net of related debt), restricted for debt service, restricted for capital projects and unrestricted. The Board's restricted assets are expandable for their purposes. The Board utilizes available restricted assets before utilizing unrestricted assets. The operating statements present increases (revenues) and decreases (expenses) in net assets. The Board maintains one proprietary fund type – the enterprise fund. The enterprise fund is used to account for operations (a) that are financed and operated in a manner similar to private business enterprises--where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance. The presentation of the financial statements of the enterprise fund follows the format recommended by the National Association of Regulatory Utility Commissioners (NARUC).

The statement of net assets arrangement for a utility reflects the relative importance of the various accounts. "Property, plant and equipment" is the first major category on the asset side, and long-term capitalization categories of net assets are listed first on the liability side. Current assets and current liabilities are assigned a relatively less important position in the center of the statement of net assets, rather than being placed first as in the statement of net assets of commercial and industrial enterprises.

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

The enterprise fund is presented in the government-wide financial statements.

Fiduciary Fund Type

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

The pension trust fund is presented in the fund financial statements.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(1) Summary of Significant Accounting Policies (continued)

The Board applies all applicable FASB pronouncements issued on or before November 30, 1989 in accounting for its enterprise fund and pension trust fund operations unless those pronouncements conflict with or contradict GASB pronouncements.

(C) Basis of Accounting

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

(D) Investments

Investments are reported at fair value, except for short-term investments (maturity of one year or less) which are reported at amortized cost, which approximates fair value. Securities traded in a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value.

(E) Inventory of Supplies

Inventory of supplies is stated at the lower of cost or market. Cost is determined by the average-weighted method.

(F) Property, Plant and Equipment

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

Interest is capitalized on property, plant, and equipment acquired and/or constructed with tax exempt debt. Depreciation is computed using the straight-line method over the estimated useful life of the asset. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is recognized in revenue for the period. The cost of maintenance and repairs is charged to operations as incurred and significant renewals and betterments are capitalized. Deduction is made for retirements resulting from renewals or betterments.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(1) Summary of Significant Accounting Policies (continued)

(G) Vacation and Sick Pay

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

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

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

Upon separation from the Board, an employee can elect to convert unused sick leave for retirement credits or cash. The conversion to cash is determined by a rate ranging from one day of pay for five days of leave for the 1st through 100th leave day to one day of pay for one day of leave for all days in excess of the 400th leave day. The total liability for unconverted sick leave as December 31, 2004 and 2003 is approximately \$12,739,000 and \$12,625,000, respectively. The amount included in the statements of net assets as of December 31, 2004 and 2003 is \$9,869,659 and \$9,829,380, respectively, which represents the annual leave and the converted sick leave since virtually all employees convert their sick leave to cash. The amounts for compensated absences include the salary cost as well as certain salary related costs, such as the Board's share of social security expense.

(H) Pension

The Board funds the accrued pension cost for its contributory pension plan which covers substantially all employees. Annual costs are actuarially computed using the entry age normal cost method.

(I) Drainage System

In 1903, the Legislature gave the Board control of and responsibility for the City's drainage system. The Drainage System was established as a department of the enterprise fund to account for the revenues from three-mill, six-mill and nine-mill ad valorem taxes designated exclusively for drainage services. These revenues have been supplemented by inspection and license fees

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(1) Summary of Significant Accounting Policies (continued)

collected by the Board. There exists a potential for additional financing by additional user service charges. Expenditures from the system are for the debt service of three-mill, six-mill and nine-mill tax bonds and drainage related operation, maintenance and construction.

(J) Self-Insurance/Risk Management

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

(K) Capital Contributions

Contributions from developers and others, and receipts of Federal, State and City grants for acquisition of property, plant and equipment are recorded as a capital contributions in the statement of revenues, expenses and changes in net assets.

(L) Bond Issue Cost and Refinancing Gains (Losses)

Costs related to issuing bonds are capitalized and amortized based upon the methods used to approximate the interest method over the life of the bonds. Beginning with fiscal years in 1994 and thereafter, gains and losses associated with refundings and advance refundings are being deferred and amortized based upon the methods used to approximate the interest method over the life of the new bonds or the remaining term on any refunded bond, whichever is shorter. Premiums associated with bond issues are amortized over the interest yield method.

(M) Cash Flows

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

(2) Cash and Investments

The following are the components of the Board's cash and investments as of December 31:

| | <u>Unrestricted</u> | <u>Restricted</u> | <u>Total</u> |
|-----------------------------|---------------------|-------------------|----------------|
| <u>2004</u> | | | |
| Enterprise Fund: | | | |
| Cash and money market funds | \$ 3,043,854 | \$ 116,019,991 | \$ 119,063,845 |
| Certificates of deposit | - | 143,135,306 | 143,135,306 |
| | 3,043,854 | 259,155,295 | 262,199,151 |
| Investments | - | 97,957,470 | 97,957,470 |
| | \$ 3,043,854 | \$ 357,112,767 | \$ 360,156,621 |

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(2) Cash and Investments (continued)

2003

Enterprise Fund:

| | | | |
|-----------------------------|--------------|----------------|----------------|
| Cash and money market funds | \$ 1,405,154 | \$ 111,865,622 | \$ 113,270,776 |
| Certificates of deposit | - | 121,330,119 | 121,330,119 |
| | 1,405,154 | 233,195,741 | 234,600,895 |
| Investments | - | 117,515,602 | 117,515,602 |
| | \$ 1,405,154 | \$ 350,711,343 | \$ 352,116,497 |

The composition and carrying value of investments is as follows:

| | 2004 | 2003 | Category |
|--|----------------|----------------|-----------------|
| Enterprise Fund: | | | |
| LAMP | \$ 8,250,000 | \$ 8,250,000 | - |
| U.S. Government Securities and Instrumentalities | 89,707,469 | 109,265,602 | 2 |
| | \$ 97,957,469 | \$ 117,515,602 | 2 |
| Pension Trust Fund: | | | |
| Money Market | \$ 3,885,962 | \$ 3,391,597 | - |
| Corporate Bonds | 46,720,139 | 43,689,666 | 2 |
| U.S. Government Securities and Instrumentalities | 23,936,655 | 22,913,536 | 2 |
| Foreign Obligations | 2,095,104 | 1,834,497 | 2 |
| Equities | 124,911,875 | 114,454,395 | 2 |
| | \$ 201,549,735 | \$ 186,283,691 | |

Cash and Certificates of Deposit - At December 31, 2004, the bank balances of the Board's cash totaled \$6,631,965, money market funds held by an agent totaled \$115,239,664, and certificates of deposit totaled \$91,720,000. Statutes require that the Board's cash and certificates of deposit be covered by federal depository insurance or collateral. Of the cash bank balance at December 31, 2004, \$1,142,230 is covered by federal depository insurance. At December 31, 2003, the bank balances of the Board's cash totaled \$6,078,562, money market funds held by an agent totaled \$111,865,622, and certificates of deposit totaled \$121,330,119. Of the cash bank balance at December 31, 2003, \$800,000 is covered by federal depository insurance. The remaining amount of the Board's cash bank balances and all certificates of deposit for 2004 and 2003 were covered by collateral held by custodial agents of the financial institutions in the name of the Board. Money market funds held by the Board's agent were covered by collateral held by custodial agents of the financial institution in the name of the Board's agent as of December 31, 2004 or 2003.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(2) Cash and Investments (continued)

Investments - Statutes authorize the Board to invest in obligations of the U.S. Treasury, agencies, and instrumentalities, commercial paper rated A-1 by Standard & Poors Corporation or P-1 by Moody's Commercial Paper Record, bankers' acceptances and repurchase agreements. In addition, the pension trust fund is authorized to invest in corporate bonds rated A or better by Standard & Poors Corporation or AAA or better by Moody's Investors Service, and equity securities.

The Board's investments at December 31, 2004 and 2003 are categorized above to give an indication of the level of risk assumed by the Board at year-end. Category 1 includes investments that are insured or registered or securities which are held by the Board or its agents in the Board's name. Category 2 includes uninsured and unregistered investments with the securities held by the counterparty's trust department or agent in the Board's name. Category 3 includes uninsured and unregistered investments where the securities are held by the counterparty or by its trust department or agent but not in the Board's name.

LAMP represents those assets held in the Louisiana Asset Management Pool (LAMP), a local government investment pool which is not categorized under GASB Codification Section I50.164 because the investment is in a pooled fund and thereby not evidenced by securities that exist in physical or book entry form. LAMP, a local government investment pool, is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1993. While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2-a7, which governs registered money market funds. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. The fair market value of investments is determined on a weekly basis to monitor any variances between amortized cost and market value. For purposes of determining participants' shares, investments are valued at amortized cost. LAMP is designed to be highly liquid to provide immediate access to participants.

Under the provisions of its benefit plan and state law, the Board's pension benefit trust engages in securities lending to broker dealers and other entities for cash collateral that will be returned for the same securities in the future. The cash collateral cannot be liquidated by the Board unless the borrower defaults. Cash collateral is initially pledged at 102% of the market value of securities lent and additional collateral is provided by the next business day if the value falls to less than 100% of the market value of the securities lent. No collateral exposure existed as of December 31, 2004 and 2003. The value of securities lent at December 31, 2004 and 2003 was \$48,335,539 and \$37,580,000. The market value of the cash collateral at December 31, 2004 and 2003 was \$49,814,090 and \$38,308,000. All securities lent were classified as Category 2 custodial risk.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(3) Defined Benefit Pension Plan

The Board has a single-employer contributory retirement plan covering all full-time employees, the Pension Trust Fund (PTF). The Board's payroll for current employees covered by PTF for the years ended December 31, 2004 and 2003 was \$30,165,927 and \$28,443,387, respectively; such amounts exclude overtime and standby payroll. Total payroll, including overtime and standby payroll, was \$39,051,715 and \$37,464,206 for the years ended December 31, 2004 and 2003, respectively. At December 31, the PTF membership consisted of:

| | 2004 | 2003 |
|--|-------|-------|
| Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them | 671 | 648 |
| Current employees: | | |
| Vested | 895 | 932 |
| Nonvested | 223 | 177 |
| | 1,118 | 1,109 |
| Total | 1,789 | 1,757 |

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

The plan provides for retirement benefits as well as death and disability benefits. All benefits vest after ten years of service. Employees who retire at or after age sixty-five with ten years of credited service are entitled to an annual retirement benefit, payable biweekly for life, in an amount equal to two percent of their average compensation for each year of credited service up to ten years, increasing by (1) one-half percent per year for service years over ten years, (2) an additional one-half percent per year for service years over twenty years and (3) an additional one percent per year for service years over thirty years, for a maximum of four percent for each year of credited service. Average compensation is the average annual earned compensation (prior to 2002, less \$1,200) for the period of thirty-six successive months of service during which the employee's compensation was the highest. Employees with thirty years or more of credited service may retire without a reduction in benefits. Employees may retire prior to age sixty-two without thirty years of service with a reduction in benefits of three percent for each year of age below the age of sixty-two. If an employee leaves covered employment or dies before three years of credited service, the accumulated employee contributions plus related investment earnings are refunded to the employee or designated beneficiary.

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

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(3) Defined Benefit Pension Plan (continued)

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

The Board had attained full funding of the actuarially computed pension liability in 2000. Effective June 19, 2002, however, as a result of the adoption of several plan changes in accordance with the Board's reciprocity agreement with the City of New Orleans, the plan became unfunded. These changes impacted the plan's funding requirements by \$20,333,835, which is being amortized over a 10 year period. Key changes adopted included: (a) amendment to benefit formula; (b) adoption of a "Rule of 80" retirement; (c) change in the years of service required for a terminating employee to qualify for a later separation benefit from 10 years to 5 years; and (d) elimination of the exclusion of the first \$1,200 of earnings from benefits and contributions.

The annual required contribution for the current year was determined as part of the December 31, 2004 actuarial valuation using the entry age normal cost method. The actuarial assumptions included (a) 7.0% investment rate of return (net of administrative expenses) and (b) projected salary increase of 5.0% per year. Both (a) and (b) included an inflation component of 2.0%. The actuarial value of assets was determined using a seven-year weighted market average.

The Board's net pension asset for the years ended December 31 was as follows:

| | <u>2004</u> | <u>2003</u> |
|---|---------------------|---------------------|
| Annual required contribution | \$ 4,271,797 | \$ 3,193,339 |
| Interest on net pension obligation | (429,150) | (469,757) |
| Adjustments to annual required contribution | <u>995,160</u> | <u>998,381</u> |
| Annual pension cost | 4,837,807 | 3,721,963 |
| Contributions made | <u>3,386,729</u> | <u>3,141,857</u> |
| Decrease in net pension asset | 1,451,078 | 580,106 |
| Change in estimate | <u>-</u> | <u>(780,943)</u> |
| Net pension asset, beginning of year | <u>6,130,718</u> | <u>6,331,555</u> |
| Net pension asset, end of year | <u>\$ 4,679,641</u> | <u>\$ 6,130,718</u> |

The net pension asset is being amortized over 8 years as of December 31, 2004, using the level dollar closed method and using the same interest, salary increase and inflation factors as the plan.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(3) Defined Benefit Pension Plan (continued)

Trend information for Board and employee contributions is as follows:

| | Annual Pension Cost (APC) | Percentage of APC Contributed | Net Pension Asset |
|---------------------|--|--|----------------------------------|
| Fiscal year ending: | | | |
| December 31, 2004 | \$ 4,837,806 | 77% | \$ 4,679,641 |
| December 31, 2003 | \$ 3,721,963 | 91% | \$ 6,130,718 |
| December 31, 2002 | \$ 3,730,747 | 78% | \$ 6,331,555 |

The actuarially determined contribution requirement for the Board was 16.85 percent through 2001, 8 percent for 2002, 11.046 percent for 2003, and 11.227 percent for 2004; the requirement for employees is 4.0 percent. The actual Board's and employees' contributions (including contributions for transferred employees from other pension plans) for years ended December 31 were as follows:

| | 2004 | 2003 |
|------------------------------|---------------------|---------------------|
| Employer and other transfers | \$ 3,721,034 | \$ 3,391,537 |
| Employee | 1,120,776 | 1,097,183 |
| Total Contributions | <u>\$ 4,841,810</u> | <u>\$ 4,488,720</u> |

DROP

Beginning in 1996, the Board offered employees a "Deferred Retirement Option Plan" (DROP), an optional retirement program which allows an employee to elect to freeze his or her retirement benefits, but continue to work and draw a salary for a minimum period of one year to a maximum period of five years. While continuing employment, the retirement benefits are segregated from overall plan assets available to other participants. As of December 31, 2004 and 2003, 82 and 75 employees, respectively, participated in the plan. The amount of plan assets segregated for these individuals was \$4,571,050 and \$3,279,115 as of December 31, 2004 and 2003, respectively.

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

(4) Property, Plant and Equipment

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

| | |
|------------------------------|-----------------|
| Pumping station buildings | 57 years |
| Pumping station machinery | 40 years |
| Canals and subsurface drains | 75 to 100 years |
| Power transmission | 50 years |
| General plan items | 12 years |
| General buildings | 25 years |

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS
(Continued)

(4) Property, Plant and Equipment (continued)

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

| | 2004 | | | |
|--|----------------------|----------------|------------------|-------------------|
| | Beginning Balance | Additions | Deletions | Ending Balance |
| Real estate rights, non depreciable | \$ 8,572,900 | \$ 59,097 | \$ - | \$ 8,631,997 |
| Power and pumping stations - buildings | 249,698,773 | 3,083,527 | - | 252,782,300 |
| Power and pumping stations - machinery | 228,930,292 | 1,303,707 | - | 230,233,999 |
| Distribution systems | 118,796,243 | 184,988 | (211,840) | 118,769,391 |
| Sewerage collection | 162,526,854 | 32,522,918 | (3,066,467) | 191,983,305 |
| Canals and subsurface drainage | 211,459,311 | 65,580,062 | - | 277,039,373 |
| Treatment plants | 112,975,457 | 4,239,506 | - | 117,214,963 |
| Connections and meters | 41,468,442 | 863,881 | (357,856) | 41,974,467 |
| Power transmission | 25,584,083 | 254,250 | - | 25,838,333 |
| General plant | 189,570,680 | 17,735,741 | (152,173) | 207,154,248 |
| General buildings | 9,277,426 | - | - | 9,277,426 |
| Total property, plant and equipment in service | 1,358,860,461 | 125,827,677 | (3,788,336) | 1,480,899,802 |
| Construction in progress | 345,950,813 | 125,393,198 | (125,827,677) | 345,516,334 |
| Total property, plant and equipment | 1,704,811,274 | 251,220,875 | (129,616,013) | 1,826,416,136 |
| Accumulated depreciation | 512,228,920 | 38,532,651 | (3,788,348) | 546,973,223 |
| Net | \$ 1,192,582,354 | \$ 212,688,224 | \$ (125,827,665) | \$ 1,279,442,913 |

| | 2003 | | | |
|--|----------------------|----------------|-----------------|-------------------|
| | Beginning Balance | Additions | Deletions | Ending Balance |
| Real estate rights, non depreciable | \$ 8,572,900 | \$ - | \$ - | \$ 8,572,900 |
| Power and pumping stations - buildings | 198,880,455 | 50,818,318 | - | 249,698,773 |
| Power and pumping stations - machinery | 228,906,430 | 23,862 | - | 228,930,292 |
| Distribution systems | 118,959,822 | 60,404 | (223,983) | 118,796,243 |
| Sewerage collection | 164,577,652 | 122,002 | (2,172,800) | 162,526,854 |
| Canals and subsurface drainage | 211,454,648 | 4,663 | - | 211,459,311 |
| Treatment plants | 112,975,457 | - | - | 112,975,457 |
| Connections and meters | 41,527,407 | 161,210 | (220,175) | 41,468,442 |
| Power transmission | 25,584,083 | - | - | 25,584,083 |
| General plant | 188,695,501 | 1,069,967 | (194,788) | 189,570,680 |
| General buildings | 9,277,437 | - | (11) | 9,277,426 |
| Total property, plant and equipment in service | 1,309,411,792 | 52,260,426 | (2,811,757) | 1,358,860,461 |
| Construction in progress | 267,293,159 | 130,918,080 | (52,260,426) | 345,950,813 |
| Total property, plant and equipment | 1,576,704,951 | 183,178,506 | (55,072,183) | 1,704,811,274 |
| Accumulated depreciation | 479,559,709 | 35,480,955 | (2,811,744) | 512,228,920 |
| Net | \$ 1,097,145,242 | \$ 147,697,551 | \$ (52,260,439) | \$ 1,192,582,354 |

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(4) Property, Plant and Equipment (continued)

Interest capitalized was as follows for the years ended December 31:

| | | <u>2004</u> | | <u>2003</u> |
|--------------------------|----|---------------------|----|---------------------|
| Interest income | \$ | 3,242,691 | \$ | 2,056,189 |
| Interest expense | | <u>(14,310,409)</u> | | <u>(12,632,721)</u> |
| Net interest capitalized | \$ | <u>(11,067,718)</u> | \$ | <u>(10,576,532)</u> |

(5) Customer Receivables

Customer receivables as of December 31 consist of the following:

| | | | <u>Customer</u> | | <u>Allowance</u> | | <u>for Doubtful</u> | | <u>Net</u> |
|------|-------|----|-------------------|----|------------------|----|---------------------|-------------------|------------|
| | | | <u>Accounts</u> | | <u>Accounts</u> | | <u>Accounts</u> | | <u>Net</u> |
| 2004 | Water | \$ | 9,678,325 | \$ | 3,358,148 | \$ | | 6,320,177 | |
| | Sewer | | <u>9,789,797</u> | | <u>2,921,566</u> | | | <u>6,868,231</u> | |
| | | \$ | <u>19,468,122</u> | \$ | <u>6,279,714</u> | \$ | | <u>13,188,408</u> | |
| 2003 | Water | \$ | 9,332,967 | \$ | 2,940,999 | \$ | | 6,391,968 | |
| | Sewer | | <u>8,241,557</u> | | <u>2,347,883</u> | | | <u>5,893,674</u> | |
| | | \$ | <u>17,574,524</u> | \$ | <u>5,288,882</u> | \$ | | <u>12,285,642</u> | |

(6) Due from the City of New Orleans

In accordance with the terms of an agreement with the City of New Orleans, the Board and the City agreed to offset \$2,098,687 (net of unearned discount \$285,696) owed by the City to the Board at the rate of \$200,000 annually in lieu of civil service charges through 2009. As of December 31, 2004 and 2003, \$746,229 and \$873,228, respectively, was due from the City of New Orleans.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(7) Bonds Payable

Bonds payable consisted of the following as of December 31:

| | <u>Principal Balances</u> | |
|---|---------------------------|---------------|
| | <u>2004</u> | <u>2003</u> |
| 5.00% to 6.25% sewerage revenue bonds, series 1997 (initial average interest cost 5.36%), due in annual principal installments ranging from \$1,100,000 to \$2,425,000; final payment due June 1, 2017 | \$ 23,165,000 | \$ 24,335,000 |
| 4.125% to 6.125% water revenue bonds, series 1998 (initial average interest cost 4.82%), due in annual principal final payment due final payment due \$625,000 to \$1,220,000; final payment due December 1, 2018 | 12,845,000 | 13,475,000 |
| 4.125% to 6.000% sewer revenue bonds, series 1998 (initial average interest cost 4.82%), due in annual principal installments ranging from \$950,000 to \$1,910,000; final payment due June 1, 2018 | 20,065,000 | 21,050,000 |
| 4.10% to 6.10% drainage system bonds, series 1998 (initial average interest cost 4.84%), due in annual principal installments ranging from \$370,000 to \$760,000; final payment due December 1, 2018 | 7,930,000 | 8,320,000 |
| 5.25% to 6.50% sewer revenue bonds, series 2000 (initial average interest cost 5.48%), due in annual principal installments ranging from \$820,000 to \$2,205,000; final payment due June 1, 2020 | 23,610,000 | 24,480,000 |
| 5.00% to 7.00% sewer revenue bonds, series 2000B (initial average interest cost 5.43%), due in annual principal installments ranging from \$640,000 to \$1,660,000; final payment due June 1, 2020 | 18,030,000 | 18,710,000 |
| 4.40% to 6.70% sewer revenue bonds, series 2001 (initial average interest cost 5.02%), due in annual principal installments ranging from \$1,100,000 to \$2,455,000; final payment due December 1, 2021 | 29,545,000 | 30,690,000 |
| 3.00% to 5.00% sewerage service revenue bonds, series 2002 (initial average interest cost 4.36%); due in annual principal installments ranging from \$1,635,000 to \$4,520,000; final payment due June 1, 2022. | \$ 53,640,000 | \$ 55,365,000 |

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(7) Bonds Payable (continued)

| | Principal Balances | |
|---|---------------------------|-----------------------|
| | 2004 | 2003 |
| 3.00% to 5.00% water revenue bonds, series 2002 (initial average interest cost 4.57%, due in annual principal installments ranging from \$945,000 to \$3,658,000; final payment due December 1, 2022. | \$ 33,055,000 | \$ 34,000,000 |
| 3.45% to 6.00% drainage system bonds, series 2002 (initial average interest cost 4.46%), due in annual principal installments ranging from \$510,000 to \$2,155,000; final payment due December 1, 2022. | 18,955,000 | 19,490,000 |
| 2.20% to 5.00% sewerage service revenue bonds, series 2003 (initial average interest cost 4.45%); due in annual principal installments ranging from \$140,000 to \$395,000; final payment due June 1, 2023. | 5,360,000 | 5,500,000 |
| 2.00% sewerage service bond anticipation notes, series 2003 (initial average interest cost 1.077%); due in one principal installment of \$111,800,000 due July 29, 2004. | - | 111,800,000 |
| 3.25% to 6.00% sewerage service revenue bonds, series 2004 (initial average interest cost 4.62%); due in annual principal installments ranging from \$945,000 to \$3,685,000; final payment due June 1, 2024. | 33,000,000 | - |
| 2.50% sewerage service bond anticipation notes, series 2004 (initial average interest cost 2.02%); due in one principal installment of \$25,200,000 due July 29, 2005. | 25,200,000 | - |
| 2.75% sewerage service refunding bond anticipation notes, series 2004 (initial average interest cost 1.50%); due in one principal installment of \$111,800,000 due July 29, 2005. | <u>111,800,000</u> | <u>-</u> |
| | 416,200,000 | 367,215,000 |
| Plus bond premiums | <u>3,417,617</u> | <u>3,421,944</u> |
| Total | 419,617,617 | 370,636,944 |
| Less current maturities | <u>148,717,551</u> | <u>121,608,053</u> |
| Bond payable, long-term | <u>\$ 270,900,066</u> | <u>\$ 249,028,891</u> |

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(7) Bonds Payable (continued)

The changes in long-term debt were as follows:

| | | <u>2004</u> | | <u>2003</u> |
|----------------------------|----|----------------------|----|--------------------|
| Balance, beginning of year | \$ | 367,215,000 | \$ | 259,285,000 |
| Issuances | | 170,000,000 | | 117,300,000 |
| Payments | | <u>(121,015,000)</u> | | <u>(9,370,000)</u> |
| Balance, end of year | \$ | <u>416,200,000</u> | \$ | <u>367,215,000</u> |

The annual requirements to amortize all bonds payable as of December 31, 2004, are as follows:

| <u>Year</u> | | <u>Principal</u> | | <u>Interest</u> | | <u>Total</u> |
|-------------|----|--------------------|----|--------------------|----|--------------------|
| 2005 | \$ | 147,885,000 | \$ | 14,588,121 | \$ | 162,473,121 |
| 2006 | | 11,435,000 | | 12,817,492 | | 24,252,492 |
| 2007 | | 12,020,000 | | 12,247,452 | | 24,267,452 |
| 2008 | | 12,635,000 | | 11,656,764 | | 24,291,764 |
| 2009 | | 13,270,000 | | 11,056,512 | | 24,326,512 |
| 2010-2014 | | 76,955,000 | | 45,281,315 | | 122,236,315 |
| 2015-2019 | | 91,225,000 | | 23,853,117 | | 115,078,117 |
| 2020-2024 | | <u>50,775,000</u> | | <u>4,411,326</u> | | <u>55,186,326</u> |
| Total | \$ | <u>416,200,000</u> | \$ | <u>135,912,100</u> | \$ | <u>552,112,100</u> |

The amount of revenue bonds and tax bonds payable as of December 31, 2004, are as follows:

| <u>Year</u> | | <u>Revenue Bonds</u> | | <u>Tax Bonds</u> | | <u>Total</u> |
|-------------|----|----------------------|----|-------------------|----|--------------------|
| 2005 | \$ | 146,920,000 | \$ | 965,000 | \$ | 147,885,000 |
| 2006 | | 10,420,000 | | 1,015,000 | | 11,435,000 |
| 2007 | | 10,950,000 | | 1,070,000 | | 12,020,000 |
| 2008 | | 11,510,000 | | 1,125,000 | | 12,635,000 |
| 2009 | | 12,085,000 | | 1,185,000 | | 13,270,000 |
| 2010-2014 | | 70,145,000 | | 6,810,000 | | 76,955,000 |
| 2015-2019 | | 82,680,000 | | 8,545,000 | | 91,225,000 |
| 2020-2024 | | <u>44,605,000</u> | | <u>6,170,000</u> | | <u>50,775,000</u> |
| Total | \$ | <u>389,315,000</u> | \$ | <u>26,885,000</u> | \$ | <u>416,200,000</u> |

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

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(7) Bonds Payable (continued)

1. Debt service funds are required for the payment of interest and principal on the revenue and tax bonds. Monthly deposits on revenue bonds, excluding bond anticipation notes, are required to be made into this fund from operations in an amount equal to 1/6 of the interest falling due on the next interest payment date, and an amount equal to 1/12 of the principal falling due on the next principal payment date. All debt service funds are administered by the Board of Liquidation. The required amount to be accumulated in this fund was \$5,958,884 and \$5,165,778 at December 31, 2004 and 2003, respectively; the accumulated balance at December 31, 2004 and 2003 was \$9,004,326 and \$6,740,114, respectively.
2. A debt service reserve is required for an amount equal to but not less than fifty percent of the amount required to be credited in said month to the debt service fund until there shall be accumulated in the debt service reserve account the largest amount required in any future calendar year to pay the principal and interest on outstanding bonds, except for the water and sewer bonds. The water and sewer bonds require an amount equal to the largest amount required in any future calendar year to pay the principal of and interest on outstanding bonds. There is no debt service reserve required for the 1998 and 2002 drainage 9 mill tax bonds. The required amount to be accumulated in this fund was \$22,289,918 and \$19,824,037 at December 31, 2004 and 2003, respectively; the accumulated balance at December 31, 2004 and 2003 was \$22,254,068 and \$19,824,037, respectively.

The net operating revenues of the Water Department and the Sewerage Department of the Board for the year ended December 31, 2004 were adequate to meet the bond indenture required debt service coverage of 130 percent. The Board is in compliance with the requirements of its long-term debt agreements at December 31, 2004.

In 2003, the statutes were revised and there is no longer a statutory limit on tax bonds.

(8) Due to City of New Orleans

The Board bills and collects sanitation charges on behalf of the City of New Orleans (City). The Board is not liable for any uncollected sanitation charges. The amount due the City for sanitation fees collected was \$342,172 and \$205,928 at December 31, 2004 and 2003, respectively.

(9) Property Taxes

Property taxes are levied by the City of New Orleans. Taxes on real and personal property attach as an enforceable lien on the property as of January 1. Taxes are levied on January 1, are payable on January 1, and are delinquent on February 1.

The assessed value of the property is determined by an elected Board of Assessors. The assessed value for 2004 was \$2,059,134,177. The combined tax rate dedicated for the Board for the years ended December 31, 2004 and 2003 was \$22.59 per \$1,000 of assessed valuation. These dedicated funds are available for operations, maintenance, construction and extension of the drainage system (except for subsurface systems).

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(10) Commitments

a. Capital Improvements

At December 31, 2004, the Board's budget for its five year capital improvements program totaled \$1,976,522,000 including \$510,610,000 for water, \$851,056,000 for sewerage and \$614,856,000 for drainage. Due to certain regulatory and legislative changes, additional capital improvements will probably be required. Future capital improvement program expenditures may require the issuance of additional debt depending on the amount and timing of expenditures. As of December 31, 2004, the Board has committed or appropriated \$85,776,891 in investments for use in future capital projects and has \$225,529,144 of bond proceeds remaining for construction. The capital project investments are included in restricted assets.

The capital improvements budget for 2005 is \$297,777,000, including \$42,280,000 for projects, which are expected to be funded by federal grants and programs. Significant projects included in property, plant and equipment in progress as of December 31, 2004 include the following:

Southeast Louisiana Flood Control Program
Sewer System Sanitation Evaluation and Rehabilitation Program
 Drainage Pumping Station #1
 Eastbank Sewer Treatment Plant
 Westbank Sewer Treatment Plant

b. Self-insurance

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

General liability claims are segregated internally by "claims" and "suits" depending on the scope and type of claim, and are handled by the Office of the Special Counsel and Administrative Services. Individual general liability losses have ranged from \$100 to \$7,500,000, illustrating the volatility of this exposure. The provision for claims expense for 2004 and 2003 amounted to \$733,436 and \$1,058,580, respectively.

Worker's compensation expense provision for 2004 and 2003 amounted to \$2,153,461 and \$2,614,612, respectively.

The hospitalization self-insurance benefits are administered by Blue Cross of Louisiana. The Board's expense provision in excess of employee contributions for 2004 and 2003 was approximately \$10,200,000 and \$9,700,000, respectively, and is included in payroll related expenses.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS
(Continued)

(10) Commitments (continued)

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

| <u>Fiscal Year</u> | <u>Beginning of Year</u> | <u>Current Year Claims and Estimate Change</u> | <u>Claim Payments</u> | <u>End of Year</u> |
|--------------------|--------------------------|--|-----------------------|--------------------|
| 2004 | \$ 34,851,573 | 13,096,753 | 16,357,731 | 31,600,595 |
| 2003 | \$ 37,658,305 | 13,418,233 | 16,214,965 | 34,861,573 |

The composition of claims payable is as follows:

| | <u>2004</u> | <u>2003</u> |
|-----------------------|----------------------|----------------------|
| Short-term: | | |
| Workers' Compensation | \$ 1,120,393 | \$ 1,045,874 |
| Health Insurance | 2,137,838 | 2,156,737 |
| General Liability | 19,682,096 | 20,030,500 |
| Total short-term | <u>22,940,327</u> | <u>23,233,111</u> |
| Long-term: | | |
| Workers' Compensation | 6,260,268 | 6,678,462 |
| General Liability | 2,400,000 | 4,950,000 |
| Total long-term | <u>8,660,268</u> | <u>11,628,462</u> |
| Total | <u>\$ 31,600,595</u> | <u>\$ 34,861,573</u> |

c. Regulatory Matters

The Board, as well as other utilities, is subject to environmental standards imposed by federal, state and local environmental laws and regulations. The Board has entered into a consent decree with the United States which allows the Board to go forward with its major program to repair and rehabilitate the sewerage system while drawing on a \$100 million commitment from the United States Environmental Protection Agency. The Board expended \$39,029,335 and \$36,448,099 of the commitment at December 31, 2004 and 2003, respectively. The overall costs of the program are estimated at \$604 million over a period ending December 31, 2010. The Board is in complete compliance with the consent decree.

The Board is also participating in Federal financial award programs which are subject to financial and compliance audits by various agencies. No disallowed costs have been identified. As part of Federal and other governmental agency funding, the Board is required to match a portion of funding received. The Board believes it has sufficient funds to meet its matching requirements.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(10) Commitments (continued)

d. Postemployment Healthcare Benefits

In addition to providing pension benefits, the Board provides certain health care benefits for retired employees in accordance with its pension plan provisions. All of the Board's employees may become eligible for those benefits if they reach normal retirement age while working for the Board. The cost of retiree health care is recognized when incurred including an estimate for the amount incurred but not yet reported. For 2004 and 2003, the costs incurred by the Board for those benefits were approximately \$3,959,071 and \$3,360,688, respectively, net of retiree contributions of \$226,641 and \$193,007, respectively. The number of participants eligible to receive health care benefits was 744 and 694 as of December 31, 2004 and 2003, respectively.

(11) Deferred Compensation Plan

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

(12) Budgets

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

(13) Segment Information

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

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS
(Continued)

(13) Segment Information (continued)

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

| | <u>Condensed Statements of Net Assets</u> | | | |
|---|---|-------------------|-------------------|-------------------|
| | <u>Water</u> | | <u>Sewer</u> | |
| | <u>2004</u> | <u>2003</u> | <u>2004</u> | <u>2003</u> |
| | (amounts in thousands) | | | |
| Assets: | | | | |
| Property, plant and equipment | \$ 240,020 | \$ 237,626 | \$ 477,253 | \$ 418,379 |
| Restricted assets | 39,939 | 52,618 | 232,567 | 217,855 |
| Current | 13,052 | 13,135 | 13,799 | 10,250 |
| Other assets | 2,821 | 3,637 | 2,910 | 3,271 |
| Total assets | <u>\$ 295,832</u> | <u>\$ 307,016</u> | <u>\$ 726,529</u> | <u>\$ 649,755</u> |
| Net assets: | | | | |
| Invested in capital assets, net of related debt | \$ 203,857 | \$ 196,297 | \$ 323,756 | \$ 311,265 |
| Restricted | 17,246 | 33,842 | 28,697 | 18,001 |
| Total net assets | <u>221,103</u> | <u>230,139</u> | <u>352,453</u> | <u>329,266</u> |
| Liabilities: | | | | |
| Current | 19,334 | 18,995 | 19,709 | 19,033 |
| Current liabilities payable from restricted assets | 7,663 | 7,259 | 152,045 | 123,532 |
| Noncurrent liabilities | 47,732 | 50,623 | 202,322 | 177,924 |
| Total liabilities | <u>74,729</u> | <u>76,877</u> | <u>374,076</u> | <u>320,489</u> |
| Total liabilities and net assets | <u>\$ 295,832</u> | <u>\$ 307,016</u> | <u>\$ 726,529</u> | <u>\$ 649,755</u> |

| | <u>Condensed Statements of Revenues, Expenses and Changes in Net Assets</u> | | | |
|---|---|-------------------|-------------------|-------------------|
| | <u>Water</u> | | <u>Sewer</u> | |
| | <u>2004</u> | <u>2003</u> | <u>2004</u> | <u>2003</u> |
| | (amounts in thousands) | | | |
| Service charges, pledged against bonds | \$ 56,438 | \$ 56,288 | \$ 72,654 | \$ 62,493 |
| Depreciation expense | (13,762) | (13,087) | (11,870) | (10,827) |
| Other operating expenses | (53,299) | (48,997) | (40,910) | (39,514) |
| Operating income | <u>(10,623)</u> | <u>(5,796)</u> | <u>19,874</u> | <u>12,152</u> |
| Nonoperating revenues: | | | | |
| Investment earnings | - | - | 47 | 275 |
| Other | 331 | 343 | 413 | 428 |
| Capital contributions | 1,256 | 1,376 | 2,853 | 6,707 |
| Change in net assets | (9,036) | (4,077) | 23,187 | 19,562 |
| Beginning net assets | 230,139 | 234,216 | 329,266 | 309,704 |
| Ending net assets | <u>\$ 221,103</u> | <u>\$ 230,139</u> | <u>\$ 352,453</u> | <u>\$ 329,266</u> |

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(13) Segment Information (continued)

| | <u>Condensed Statements of Cash Flows</u> | | | |
|--|---|---------------|-------------------|-------------------|
| | <u>Water</u> | | <u>Sewer</u> | |
| | <u>2004</u> | <u>2003</u> | <u>2004</u> | <u>2003</u> |
| | (amounts in thousands) | | | |
| Net cash provided by (used in): | | | | |
| Operating activities | \$ 2,022 | \$ 7,761 | \$ 30,464 | \$ 23,113 |
| Noncapital financing activities | 331 | 343 | 376 | 416 |
| Capital and related financing activities | (16,628) | (15,170) | (17,726) | (31,822) |
| Investing activities | <u>13,329</u> | <u>6,028</u> | <u>(7,281)</u> | <u>66,254</u> |
| Net increase (decrease) | (946) | (1,038) | 5,833 | 57,961 |
| Cash and cash equivalents: | | | | |
| Beginning of year | <u>795</u> | <u>1,833</u> | <u>112,685</u> | <u>54,724</u> |
| End of year | <u>\$ (151)</u> | <u>\$ 795</u> | <u>\$ 118,518</u> | <u>\$ 112,685</u> |

REQUIRED SUPPLEMENTARY INFORMATION
(GASB STATEMENT NO. 25)

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SEWERAGE AND WATER BOARD OF NEW ORLEANS

Required Supplementary Information Under GASB Statement No. 25

SCHEDULE OF FUNDING PROGRESS

| Actuarial Valuation Date December 31 | Actuarial Value of Assets | Actuarial Accrued Liability (AAL) | (Overfunded) Unfunded AAL | Funded Ratio | Covered Payroll (millions) | Unfunded AAL as a Percentage of payroll |
|---|---------------------------------|--|---------------------------------|-----------------|----------------------------------|--|
| 2004 | \$ 204,706,452 | \$ 218,155,395 | \$ 13,448,943 | 93.84% | \$ 30 | 44.58% |
| 2003 | 196,697,432 | 205,362,089 | 8,664,657 | 95.78% | 28 | 30.46% |
| 2002 | 187,892,716 | 197,323,094 | 9,430,378 | 95.22% | 29 | 32.65% |
| 2001 | 180,737,126 | 167,062,451 | (13,674,675) | 108.19% | 29 | (47.39%) |
| 2000 | 164,845,672 | 160,568,317 | (4,277,355) | 102.66% | 30 | (14.15%) |
| 1999 | 149,976,441 | 156,520,350 | 6,543,909 | 95.82% | 31 | 20.92% |

SCHEDULE OF EMPLOYER CONTRIBUTIONS

| Year Ended | Annual Required Contribution | Actual Contribution | Percentage Contribution |
|---------------|------------------------------------|------------------------|----------------------------|
| 2004 | \$ 4,271,797 | \$ 3,721,034 | 87.11% |
| 2003 | 3,193,339 | 3,391,537 | 106.21% |
| 2002 | 3,190,707 | 2,931,065 | 91.86% |
| 2001 | - | 5,417,852 | - |
| 2000 | 891,032 | 5,444,048 | 610.98% |
| 1999 | 3,304,992 | 5,270,098 | 159.46% |

See accompanying notes to financial statements.

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SUPPLEMENTARY INFORMATION

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SEWERAGE AND WATER BOARD OF NEW ORLEANS

SCHEDULE OF NET ASSETS BY DEPARTMENT

ENTERPRISE FUND

As of December 31, 2004 and 2003

| ASSETS | Water System | | Sewerage System | | Drainage System | | Total | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 |
| Property, plant and equipment | \$ 455,222,488 | \$ 439,450,270 | \$ 638,280,095 | \$ 570,855,340 | \$ 732,913,553 | \$ 694,505,664 | \$ 1,826,416,136 | \$ 1,704,811,274 |
| Less accumulated depreciation | 215,202,924 | 201,824,424 | 161,027,243 | 152,476,460 | 170,743,056 | 157,928,036 | 546,973,223 | 512,228,920 |
| | <u>240,019,564</u> | <u>237,625,846</u> | <u>477,252,852</u> | <u>418,378,880</u> | <u>562,170,497</u> | <u>536,577,628</u> | <u>1,279,442,913</u> | <u>1,192,582,354</u> |
| Restricted assets: | | | | | | | | |
| Capital projects | 16,713,662 | 33,089,765 | 9,950,000 | 5,075,000 | 59,113,229 | 52,315,800 | 85,776,891 | 90,480,565 |
| Construction funds | 10,237,870 | 6,692,930 | 192,835,944 | 187,691,060 | 22,455,330 | 24,884,009 | 225,529,144 | 219,267,999 |
| Debt service reserve | 3,928,380 | 3,928,380 | 18,325,688 | 15,895,657 | | | 22,254,068 | 19,824,037 |
| Customer deposits | 5,336,338 | 5,186,628 | | | | | 5,336,338 | 5,186,628 |
| Health insurance reserve | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | 9,000,000 | 9,000,000 |
| Debt service | 628,276 | 626,099 | 8,376,050 | 6,114,015 | | | 9,004,326 | 6,740,114 |
| Other | 94,000 | 94,000 | 79,000 | 79,000 | 39,000 | 39,000 | 212,000 | 212,000 |
| | <u>39,938,526</u> | <u>52,617,802</u> | <u>232,566,682</u> | <u>217,854,732</u> | <u>84,607,559</u> | <u>80,238,809</u> | <u>357,112,767</u> | <u>350,711,343</u> |
| Current assets: | | | | | | | | |
| Cash | (349,164) | 693,488 | 2,723,613 | 1,005,501 | 669,405 | (293,835) | 3,043,854 | 1,405,154 |
| Accounts receivable: | | | | | | | | |
| Customers, net of allowance | 6,320,177 | 6,391,968 | 6,868,231 | 5,893,674 | | | 13,188,408 | 12,285,642 |
| Taxes | | | | | 4,737,807 | 4,831,236 | 4,737,807 | 4,831,236 |
| Interest | 24,731 | 18,315 | 48,366 | 11,575 | 345,479 | 163,525 | 418,576 | 193,415 |
| Grants | | | 235,091 | 1,005,845 | | | 235,091 | 1,005,845 |
| Miscellaneous | 574,406 | 186,989 | 425,283 | 397,688 | 542,466 | 1,759,001 | 1,542,155 | 2,343,678 |
| Due from City of New Orleans, current | 96,000 | 96,000 | 70,000 | 70,000 | 34,000 | 34,000 | 200,000 | 200,000 |
| Due from (to) other internal departments/other fund | (1,106,190) | (475,175) | 1,480,342 | (111,946) | (374,152) | 587,121 | - | - |
| Inventory of supplies | 7,208,649 | 5,947,077 | 1,728,069 | 1,762,615 | 173,112 | 191,714 | 9,109,830 | 7,901,406 |
| Prepaid expenses | 283,744 | 276,085 | 220,690 | 214,733 | 126,109 | 122,704 | 630,543 | 613,522 |
| | <u>13,052,353</u> | <u>13,134,747</u> | <u>13,799,685</u> | <u>10,249,685</u> | <u>6,254,226</u> | <u>7,395,466</u> | <u>33,106,264</u> | <u>30,779,898</u> |
| Due from City of New Orleans, less current portion | <u>262,190</u> | <u>323,149</u> | <u>191,180</u> | <u>235,630</u> | <u>92,859</u> | <u>114,449</u> | <u>546,229</u> | <u>673,228</u> |
| Other assets: | | | | | | | | |
| Bond issue costs | 243,297 | 287,569 | 1,296,956 | 1,178,493 | 126,654 | 196,401 | 1,666,907 | 1,662,463 |
| Deposits | 22,950 | 22,950 | 17,965 | 17,965 | 10,400 | 10,400 | 51,315 | 51,315 |
| Pension Asset | 2,293,024 | 3,004,051 | 1,403,892 | 1,839,216 | 982,725 | 1,287,451 | 4,679,641 | 6,130,718 |
| | <u>2,559,271</u> | <u>3,314,570</u> | <u>2,718,813</u> | <u>3,035,674</u> | <u>1,119,779</u> | <u>1,494,252</u> | <u>6,397,863</u> | <u>7,844,496</u> |
| | <u>\$ 295,831,904</u> | <u>\$ 307,016,114</u> | <u>\$ 726,529,212</u> | <u>\$ 649,754,601</u> | <u>\$ 654,244,920</u> | <u>\$ 625,820,604</u> | <u>\$ 1,676,606,036</u> | <u>\$ 1,582,591,319</u> |

(Continued)

SEWERAGE AND WATER BOARD OF NEW ORLEANS

SCHEDULE OF NET ASSETS BY DEPARTMENT, CONTINUED

ENTERPRISE FUND

As of December 31, 2004 and 2003

| | Water System | | Sewerage System | | Drainage System | | Total | |
|---|----------------|----------------|-----------------|----------------|-----------------|----------------|------------------|------------------|
| | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 |
| NET ASSETS AND LIABILITIES | | | | | | | | |
| Net assets: | | | | | | | | |
| Invested in capital assets - net of related debt | \$ 203,857,459 | \$ 196,297,080 | \$ 323,756,153 | \$ 311,264,692 | \$ 557,740,828 | \$ 533,651,637 | \$ 1,085,354,440 | \$ 1,041,213,409 |
| Restricted for: | | | | | | | | |
| Debt service | 4,380,810 | 4,373,054 | 24,539,821 | 21,083,651 | (102,755) | - | 28,817,876 | 25,456,705 |
| Capital Projects | 12,864,599 | 29,469,088 | 4,156,734 | (3,081,883) | 48,879,117 | 44,499,477 | 65,900,450 | 70,886,682 |
| Total net assets | 221,102,868 | 230,139,222 | 352,452,708 | 329,266,460 | 606,517,190 | 578,151,114 | 1,180,072,766 | 1,137,556,796 |
| Long-term liabilities: | | | | | | | | |
| Claims payable | 2,986,756 | 4,176,154 | 2,086,756 | 2,226,154 | 3,586,756 | 5,226,154 | 8,660,268 | 11,628,462 |
| Bonds payable (net of current maturities) | 44,744,975 | 46,446,696 | 200,235,091 | 175,697,195 | 25,920,000 | 26,885,000 | 270,900,066 | 249,028,891 |
| | 47,731,731 | 50,622,850 | 202,321,847 | 177,923,349 | 29,506,756 | 32,111,154 | 279,560,334 | 260,657,353 |
| Current liabilities (payable from current assets): | | | | | | | | |
| Accounts payable | 7,657,103 | 6,674,070 | 8,753,656 | 8,223,392 | 4,349,470 | 3,425,423 | 20,760,229 | 18,322,885 |
| Due to City of New Orleans | 259,462 | 205,928 | - | - | - | - | 259,462 | 205,928 |
| Retainers and estimates payable | 211,260 | 110,105 | 183,391 | 159,509 | 1,080,062 | 188,851 | 1,474,713 | 458,465 |
| Due to other fund | 29,887 | 16,885 | 14,029 | 7,925 | 17,078 | 9,648 | 60,994 | 34,458 |
| Accrued salaries | 320,144 | 171,410 | 226,141 | 134,515 | 128,376 | 73,029 | 674,661 | 378,954 |
| Accrued vacation and sick pay | 4,876,265 | 4,845,081 | 2,962,058 | 2,932,977 | 2,031,336 | 2,051,322 | 9,869,659 | 9,829,380 |
| Claims payable | 5,966,398 | 6,961,369 | 7,570,177 | 7,573,027 | 9,403,752 | 8,698,715 | 22,940,327 | 23,233,111 |
| Other liabilities | 13,158 | 9,854 | - | 1,716 | - | - | 13,158 | 11,570 |
| | 19,333,677 | 18,994,702 | 19,709,452 | 19,033,061 | 17,010,074 | 14,446,988 | 56,053,203 | 52,474,751 |
| Current liabilities (payable from restricted assets): | | | | | | | | |
| Accrued interest | 175,845 | 181,425 | 2,161,917 | 926,021 | 102,755 | 107,413 | 2,440,517 | 1,214,859 |
| Bonds payable | 1,655,000 | 1,575,000 | 146,097,551 | 119,108,053 | 965,000 | 925,000 | 148,717,551 | 121,608,053 |
| Retainers and estimates payable | 496,445 | 316,287 | 3,785,737 | 3,497,657 | 143,145 | 78,935 | 4,425,327 | 3,892,879 |
| Customer deposits | 5,336,338 | 5,186,628 | - | - | - | - | 5,336,338 | 5,186,628 |
| | 7,663,628 | 7,259,340 | 152,045,205 | 123,531,731 | 1,210,900 | 1,111,348 | 160,919,733 | 131,902,419 |
| Total current liabilities | 26,997,305 | 26,254,042 | 171,754,657 | 142,564,792 | 18,220,974 | 15,558,336 | 216,972,936 | 184,377,170 |
| Total liabilities | 74,729,036 | 76,876,892 | 374,076,504 | 320,488,141 | 47,727,730 | 47,669,490 | 496,533,270 | 445,034,523 |
| Total fund equity and liabilities | \$ 295,831,904 | \$ 307,016,114 | \$ 726,529,212 | \$ 649,754,601 | \$ 654,244,920 | \$ 625,820,604 | \$ 1,676,606,036 | \$ 1,582,591,319 |

See independent auditors' report.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS BY DEPARTMENT

ENTERPRISE FUND

For the years ended December 31, 2004 and 2003

| | Water System | | Sewerage System | | Drainage System | | Total | |
|--------------------------------------|----------------|----------------|-----------------|----------------|-----------------|----------------|------------------|------------------|
| | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 |
| Operating revenues: | | | | | | | | |
| Sales of water and delinquent fees | \$ 54,234,144 | \$ 54,997,831 | | \$ - | \$ - | \$ - | \$ 54,234,144 | 54,997,831 |
| Sewerage service charges | | - | 72,252,114 | 62,328,695 | - | - | 72,252,114 | 62,328,695 |
| Plumbing inspection and license fees | 116,574 | 107,821 | 116,573 | 107,821 | - | - | 233,147 | 215,642 |
| Other revenues | 2,087,717 | 1,182,015 | 284,927 | 56,689 | 971,224 | 857,101 | 3,343,868 | 2,095,805 |
| Total revenues | 56,438,435 | 56,287,667 | 72,653,614 | 62,493,205 | 971,224 | 857,101 | 130,063,273 | 119,637,973 |
| Operating Expenses: | | | | | | | | |
| Power and pumping | 11,826,156 | 10,028,943 | 2,440,968 | 2,354,570 | 8,067,310 | 6,955,582 | 22,334,434 | 19,339,095 |
| Treatment | 4,606,400 | 4,758,174 | 12,525,522 | 12,317,373 | - | - | 17,131,922 | 17,075,547 |
| Transmission and distribution | 12,096,326 | 11,769,736 | 6,665,576 | 6,459,148 | 2,084,779 | 2,095,424 | 20,846,681 | 20,324,308 |
| Customer accounts | 1,312,879 | 1,256,745 | 1,312,872 | 1,256,741 | - | - | 2,625,751 | 2,513,486 |
| Customer service | 1,427,818 | 1,410,515 | 1,427,813 | 1,410,510 | - | - | 2,855,631 | 2,821,025 |
| Administration and general | 6,152,906 | 5,375,625 | 5,783,280 | 4,986,324 | 3,042,778 | 2,172,303 | 14,978,964 | 12,534,252 |
| Payroll related | 9,200,225 | 8,278,123 | 5,688,557 | 5,109,709 | 3,906,082 | 3,309,455 | 18,794,864 | 16,697,287 |
| Maintenance of general plant | 5,071,780 | 4,927,602 | 2,535,024 | 2,525,788 | 3,157,752 | 3,110,546 | 10,764,556 | 10,563,936 |
| Depreciation | 13,761,902 | 13,086,767 | 11,869,932 | 10,827,088 | 12,969,094 | 11,567,100 | 38,600,928 | 35,480,955 |
| Amortization | 17,038 | 62,529 | 266,500 | 97,464 | 11,618 | 28,135 | 295,156 | 188,128 |
| Provision for doubtful accounts | 1,533,473 | 1,047,585 | 1,184,703 | 837,166 | - | - | 2,718,176 | 1,884,751 |
| Provision for claims | 54,648 | 81,248 | 1,079,493 | 2,159,310 | 1,752,753 | 1,432,634 | 2,886,894 | 3,673,192 |
| Total operating expenses | 67,061,551 | 62,083,592 | 52,780,240 | 50,341,191 | 34,992,166 | 30,671,179 | 154,833,957 | 143,095,962 |
| Operating income (loss) | (10,623,116) | (5,795,925) | 19,873,374 | 12,152,014 | (34,020,942) | (29,814,078) | (24,770,684) | (23,457,989) |
| Non-operating revenues: | | | | | | | | |
| Two-mill tax | - | - | - | - | 5,192 | 7,423 | 5,192 | 7,423 |
| Three-mill tax | - | - | - | - | 12,199,559 | 11,031,057 | 12,199,559 | 11,031,057 |
| Six-mill tax | - | - | - | - | 12,352,092 | 11,169,139 | 12,352,092 | 11,169,139 |
| Nine-mill tax | - | - | - | - | 18,508,104 | 16,735,885 | 18,508,104 | 16,735,885 |
| Other taxes | 331,223 | 342,945 | 413,099 | 427,718 | - | - | 744,322 | 770,663 |
| Interest income | - | - | 46,551 | 275,061 | 1,305,874 | 756,532 | 1,352,425 | 1,031,593 |
| Total non-operating revenues | 331,223 | 342,945 | 459,650 | 702,779 | 44,370,821 | 39,700,036 | 45,161,694 | 40,745,760 |
| Income before capital contributions | (10,291,893) | (5,452,980) | 20,333,024 | 12,854,793 | 10,349,879 | 9,885,958 | 20,391,010 | 17,287,771 |
| Capital contributions | 1,255,539 | 1,376,390 | 2,853,224 | 6,707,963 | 18,016,197 | 44,970,303 | 22,124,960 | 53,054,656 |
| Change in net assets | (9,036,354) | (4,076,590) | 23,186,248 | 19,562,756 | 28,366,076 | 54,856,261 | 42,515,970 | 70,342,427 |
| Net assets, beginning of year | 230,139,222 | 234,215,812 | 329,266,460 | 309,703,704 | 578,151,114 | 523,294,853 | 1,137,556,796 | 1,067,214,369 |
| Net assets, end of year | \$ 221,102,868 | \$ 230,139,222 | \$ 352,452,708 | \$ 329,266,460 | \$ 606,517,190 | \$ 578,151,114 | \$ 1,180,072,766 | \$ 1,137,556,796 |

See independent auditors' report.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

SCHEDULE OF PROPERTY, PLANT, AND EQUIPMENT BY DEPARTMENT

DECEMBER 31, 2004 AND 2003

| | 2004 | | | |
|---|-----------------------|--------------------|--------------------|----------------------|
| | Water | Sewer | Drainage | Total |
| Real estate rights, non depreciable | \$ 2,898,138 | \$ 922,911 | \$ 4,810,948 | \$ 8,631,997 |
| Power and pumping stations - buildings | 52,769,709 | 25,650,685 | 174,361,906 | 252,782,300 |
| Power and pumping stations - machinery | 110,516,493 | 28,922,194 | 90,795,312 | 230,233,999 |
| Distribution systems | 118,769,391 | - | - | 118,769,391 |
| Sewerage collection | - | 191,983,305 | - | 191,983,305 |
| Canals and subsurface drainage | - | - | 277,039,373 | 277,039,373 |
| Treatment plants | - | 117,214,963 | - | 117,214,963 |
| Connections and meters | 29,224,493 | 12,749,974 | - | 41,974,467 |
| Power transmission | 8,817,200 | 5,358,903 | 11,662,230 | 25,838,333 |
| General plant | 93,028,170 | 65,803,768 | 48,322,310 | 207,154,248 |
| General buildings | 3,088,445 | 1,336,972 | 4,852,009 | 9,277,426 |
| Total property, plant and equipment in service | 419,112,039 | 449,943,675 | 611,844,088 | 1,480,899,802 |
| Construction in progress | 36,110,449 | 188,336,420 | 121,069,465 | 345,516,334 |
| Total property, plant and equipment | 455,222,488 | 638,280,095 | 732,913,553 | 1,826,416,136 |
| Accumulated depreciation | 215,202,924 | 161,027,243 | 170,743,056 | 546,973,223 |
| Net property, plant and equipment | \$ 240,019,564 | 477,252,852 | 562,170,497 | 1,279,442,913 |
| | 2003 | | | |
| | Water | Sewer | Drainage | Total |
| Real estate rights, non depreciable | \$ 2,898,138 | \$ 905,876 | \$ 4,768,886 | \$ 8,572,900 |
| Power and pumping stations - buildings | 52,384,607 | 25,561,288 | 171,752,878 | 249,698,773 |
| Power and pumping stations - machinery | 109,565,504 | 28,925,136 | 90,439,652 | 228,930,292 |
| Distribution systems | 118,796,243 | - | - | 118,796,243 |
| Sewerage collection | - | 162,526,854 | - | 162,526,854 |
| Canals and subsurface drainage | - | - | 211,459,311 | 211,459,311 |
| Treatment plants | - | 112,975,457 | - | 112,975,457 |
| Connections and meters | 28,612,472 | 12,855,970 | - | 41,468,442 |
| Power transmission | 8,817,200 | 5,358,903 | 11,407,980 | 25,584,083 |
| General plant | 85,295,730 | 58,875,757 | 45,399,193 | 189,570,680 |
| General buildings | 3,088,445 | 1,336,972 | 4,852,009 | 9,277,426 |
| Total property, plant and equipment in service | 409,458,339 | 409,322,213 | 540,079,909 | 1,358,860,461 |
| Construction in progress | 29,991,931 | 161,533,127 | 154,425,755 | 345,950,813 |
| Total property, plant and equipment | 439,450,270 | 570,855,340 | 694,505,664 | 1,704,811,274 |
| Accumulated depreciation | 201,824,424 | 152,476,460 | 157,928,036 | 512,228,920 |
| Net property, plant and equipment | \$ 237,625,846 | 418,378,880 | 536,577,628 | 1,192,582,354 |

See independent auditors' report.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
SCHEDULE OF BONDS PAYABLE
December 31, 2004

| | Average Annual Interest Rates | Interest Payment Dates | Issue Date | Final Maturity Date | Outstanding as of 12/31/2003 | New Debt in 2004 | Payments in 2004 | Outstanding as of 12/31/2004 |
|---|--|------------------------------|---------------|---------------------------|------------------------------------|---------------------|---------------------|------------------------------------|
| Drainage System Bonds Series 1998 (9-Mills) | 4.84% | (6/1;12/1) | 12/01/98 | 12/01/18 | 8,320,000 | - | 390,000 | 7,930,000 |
| Drainage System Bonds Series 2002 (9-Mills) | 4.46% | (6/1;12/1) | 10/01/02 | 12/01/22 | 19,490,000 | - | 535,000 | 18,955,000 |
| | | | | | <u>27,810,000</u> | <u>-</u> | <u>925,000</u> | <u>26,885,000</u> |
| Sewer Revenue Bonds, 1997 | 5.36% | (6/1;12/1) | 06/01/97 | 06/01/17 | 24,335,000 | - | 1,170,000 | 23,165,000 |
| Sewer Revenue Bonds, 1998 | 4.82% | (6/1;12/1) | 12/01/98 | 06/01/18 | 21,050,000 | - | 985,000 | 20,065,000 |
| Sewer Revenue Bonds, 2000 | 5.48% | (6/1;12/1) | 05/01/00 | 06/01/20 | 24,480,000 | - | 870,000 | 23,610,000 |
| Sewer Revenue Bonds, 2000-B | 5.43% | (6/1;12/1) | 11/01/00 | 06/01/20 | 18,710,000 | - | 680,000 | 18,030,000 |
| Sewer Revenue Bonds, 2001 | 5.02% | (6/1;12/1) | 12/01/01 | 06/01/21 | 30,690,000 | - | 1,145,000 | 29,545,000 |
| Sewer Revenue Bonds, 2002 | 4.36% | (6/1;12/1) | 12/01/02 | 06/01/22 | 55,365,000 | - | 1,725,000 | 53,640,000 |
| Sewer Revenue Bonds, 2003 | 3.94% | (6/1;12/1) | 12/03/03 | 06/01/23 | 5,500,000 | - | 140,000 | 5,360,000 |
| Sewer Revenue Bond Anticipation Notes, 2003 | 2.00% | (8/1) | 12/03/03 | 08/01/04 | 111,800,000 | - | 111,800,000 | - |
| Sewer Revenue Bonds, 2004 | 4.26% | (6/1;12/1) | 12/01/04 | 06/01/24 | - | 33,000,000 | - | 33,000,000 |
| Sewer Revenue Refunding Bond Anticipation Notes, 2004 | 2.75% | (7/29) | 07/30/04 | 07/29/05 | - | 111,800,000 | - | 111,800,000 |
| Sewer Revenue Bond Anticipation Notes, 2004 | 2.50% | (7/29) | 12/16/04 | 07/29/05 | - | 25,200,000 | - | 25,200,000 |
| | | | | | <u>291,930,000</u> | <u>170,000,000</u> | <u>118,515,000</u> | <u>343,415,000</u> |
| Water Revenue Bonds, 1998 | 4.82% | (6/1;12/1) | 12/01/98 | 12/01/18 | 13,475,000 | - | 630,000 | 12,845,000 |
| Water Revenue Bonds, 2002 | 4.57% | (6/1;12/1) | 10/01/02 | 12/01/22 | 34,000,000 | - | 945,000 | 33,055,000 |
| | | | | | <u>47,475,000</u> | <u>-</u> | <u>1,575,000</u> | <u>45,900,000</u> |
| TOTAL | | | | | <u>367,215,000</u> | <u>170,000,000</u> | <u>121,015,000</u> | <u>416,200,000</u> |

See independent auditors' report.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
DEBT SERVICE AND DEBT SERVICE RESERVE
REQUIRED BY BOND RESOLUTION

For the year ended December 31, 2004

| | Debt Service Account | | | Debt Service Reserve Accounts | | |
|---|---------------------------|---------------------------|--------------|-------------------------------|---------------------------|---------------|
| | Water Revenue Bonds | Sewer Revenue Bonds | Total | Water Revenue Bonds | Sewer Revenue Bonds | Total |
| Cash and investments at beginning of year | \$ 626,099 | \$ 6,114,015 | \$ 6,740,114 | \$ 3,928,380 | \$ 15,895,657 | \$ 19,824,037 |
| Cash receipts: | | | | | | |
| Bond proceeds and accrued interest | - | 112,011,000 | 112,011,000 | - | 2,430,031 | 2,430,031 |
| Transfers from operating cash and debt service reserve | 3,754,270 | 19,320,913 | 23,075,183 | - | - | - |
| Total cash and investments | 4,380,369 | 137,445,928 | 141,826,297 | 3,928,380 | 18,325,688 | 22,254,068 |
| Cash disbursements: | | | | | | |
| Principal and interest payments, cost of issuance and transfers | 3,752,093 | 129,069,878 | 132,821,971 | - | - | - |
| Total cash disbursements | 3,752,093 | 129,069,878 | 132,821,971 | - | - | - |
| Cash and investments at end of year | \$ 628,276 | \$ 8,376,050 | \$ 9,004,326 | \$ 3,928,380 | \$ 18,325,688 | \$ 22,254,068 |

See independent auditors' report.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
 Changes in Self-Insurance Liabilities By Department
 For the Year ended December 31, 2004

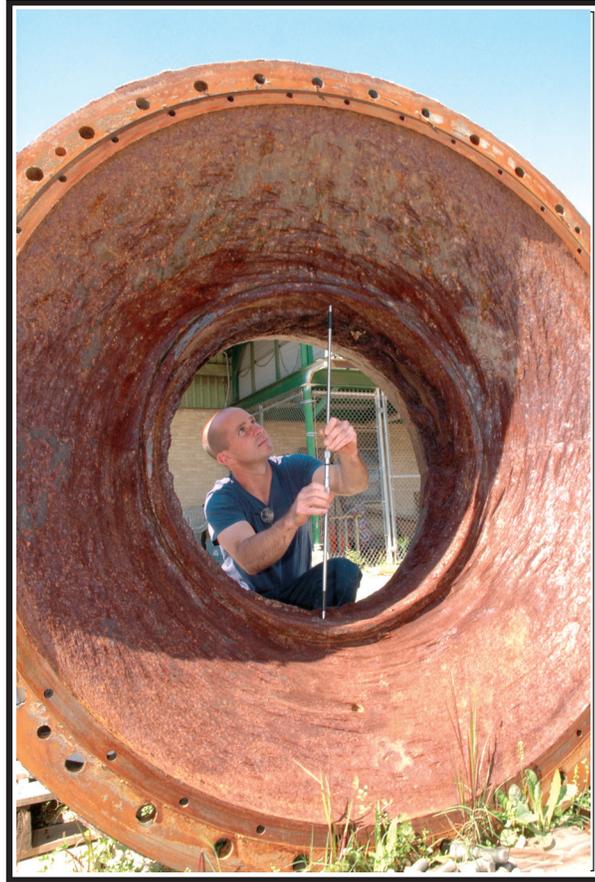
| | <u>Beginning of Year</u> | <u>Current Year Claims and Estimate Change</u> | <u>Payments</u> | <u>End of Year</u> |
|------------------------|----------------------------------|--|----------------------|------------------------|
| <u>WATER</u> | | | | |
| Short-term: | | | | |
| Workers' compensation | \$ 348,625 | \$ 857,218 | \$ 832,378 | \$ 373,465 |
| Health insurance | 1,056,801 | 4,969,499 | 4,978,759 | 1,047,541 |
| General liability | 5,555,943 | (663,171) | 347,380 | 4,545,392 |
| Total short-term | <u>6,961,369</u> | <u>5,163,546</u> | <u>6,158,517</u> | <u>5,966,398</u> |
| Long-term: | | | | |
| Workers' compensation | 2,226,154 | (139,398) | - | 2,086,756 |
| General liability | 1,950,000 | - | 1,050,000 | 900,000 |
| Total long-term | <u>4,176,154</u> | <u>(139,398)</u> | <u>1,050,000</u> | <u>2,986,756</u> |
| Total | <u>\$ 11,137,523</u> | <u>\$ 5,024,148</u> | <u>\$ 7,208,517</u> | <u>\$ 8,953,154</u> |
| <u>SEWERAGE</u> | | | | |
| Short-term: | | | | |
| Workers' compensation | \$ 348,625 | \$ 857,220 | \$ 832,381 | \$ 373,464 |
| Health insurance | 625,454 | 3,064,968 | 3,070,449 | 619,973 |
| General liability | 6,598,948 | 361,672 | 383,880 | 6,576,740 |
| Total short-term | <u>7,573,027</u> | <u>4,283,860</u> | <u>4,286,710</u> | <u>7,570,177</u> |
| Long-term: | | | | |
| Workers' compensation | 2,226,154 | (139,398) | - | 2,086,756 |
| General liability | - | - | - | - |
| Total long-term | <u>2,226,154</u> | <u>(139,398)</u> | <u>-</u> | <u>2,086,756</u> |
| Total | <u>\$ 9,799,181</u> | <u>\$ 4,144,462</u> | <u>\$ 4,286,710</u> | <u>\$ 9,656,933</u> |
| <u>DRAINAGE</u> | | | | |
| Short-term: | | | | |
| Workers' compensation | \$ 348,624 | \$ 857,217 | \$ 832,377 | \$ 373,464 |
| Health insurance | 474,482 | 2,175,389 | 2,179,547 | 470,324 |
| General liability | 7,875,609 | 1,034,935 | 350,580 | 8,559,964 |
| Total short-term | <u>8,698,715</u> | <u>4,067,541</u> | <u>3,362,504</u> | <u>9,403,752</u> |
| Long-term: | | | | |
| Workers' compensation | 2,226,154 | (139,398) | - | 2,086,756 |
| General liability | 3,000,000 | - | 1,500,000 | 1,500,000 |
| Total long-term | <u>5,226,154</u> | <u>(139,398)</u> | <u>1,500,000</u> | <u>3,586,756</u> |
| Total | <u>\$ 13,924,869</u> | <u>\$ 3,928,143</u> | <u>\$ 4,862,504</u> | <u>\$ 12,990,508</u> |
| <u>TOTAL</u> | | | | |
| Short-term: | | | | |
| Workers' compensation | \$ 1,045,874 | \$ 2,571,655 | \$ 2,497,136 | \$ 1,120,393 |
| Health insurance | 2,156,737 | 10,209,856 | 10,228,755 | 2,137,838 |
| General liability | 20,030,500 | 733,436 | 1,081,840 | 19,682,096 |
| Total short-term | <u>23,233,111</u> | <u>13,514,947</u> | <u>13,807,731</u> | <u>22,940,327</u> |
| Long-term: | | | | |
| Workers' compensation | 6,678,462 | (418,194) | - | 6,260,268 |
| General liability | 4,950,000 | - | 2,550,000 | 2,400,000 |
| Total long-term | <u>11,628,462</u> | <u>(418,194)</u> | <u>2,550,000</u> | <u>8,660,268</u> |
| Total | <u>\$ 34,861,573</u> | <u>\$ 13,096,753</u> | <u>\$ 16,357,731</u> | <u>\$ 31,600,595</u> |

See independent auditors' report.

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The Sewerage and Water Board's Welding and Fabrication and Machine Shops manufacture replacement parts for the sewer, water and drainage systems. A rusted and failing suction eye from a drainage pump will be replaced by a newly fabricated one being built to exact specifications. The suction eye is attached to the intake side of the pump volute which houses the pump's impeller(upper left) and is connected to the intake or suction pipe. The rotating impeller draws drainage water and propels it through the discharge port of the volute.



STATISTICAL SECTION

UNAUDITED

SEWERAGE AND WATER BOARD OF NEW ORLEANS

CAPITAL EXPENDITURES BY DEPARTMENT

ENTERPRISE FUND

Last Ten Fiscal Years
(Unaudited)

| Year | Water | Sewer | Drainage | Total |
|------|---------------|------------|-------------------------|-------------|
| 1995 | \$ 11,783,818 | 14,238,109 | 9,014,933 | 35,036,860 |
| 1996 | 16,800,825 | 13,987,572 | 6,891,995 | 37,680,392 |
| 1997 | 17,123,523 | 20,385,974 | 10,339,467 | 47,848,964 |
| 1998 | 16,150,082 | 22,236,831 | 9,162,998 | 47,549,911 |
| 1999 | 15,396,620 | 29,211,401 | 8,758,788 | 53,366,809 |
| 2000 | 13,001,122 | 21,609,266 | 12,976,071 | 47,586,459 |
| 2001 | 12,586,744 | 51,226,639 | 52,859,310 ¹ | 116,672,693 |
| 2002 | 11,540,814 | 43,269,622 | 57,048,889 | 111,859,325 |
| 2003 | 14,531,801 | 49,419,442 | 64,155,080 | 128,106,323 |
| 2004 | 15,772,218 | 67,424,755 | 38,407,889 | 121,604,862 |

¹ Includes contributed assets

SEWERAGE AND WATER BOARD OF NEW ORLEANS

REVENUE AND EXPENSES BY SOURCE ENTERPRISE FUND Last Ten Years (Unaudited)

| Revenues | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 |
|---------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Charges for service | \$ 93,746,543 | \$ 93,288,660 | \$ 91,931,554 | \$ 93,640,920 | \$ 94,838,488 | \$ 104,136,436 | \$ 101,387,729 | \$ 107,087,709 | \$ 117,542,168 | \$ 126,719,405 |
| Dedicated taxes | 28,144,310 | 28,939,562 | 30,216,975 | 32,120,157 | 32,857,027 | 36,294,103 | 38,021,882 | 36,826,269 | 38,936,081 | 43,059,755 |
| Two-mill tax | 94,551 | 17,676 | 17,366 | 20,017 | 11,811 | 6,348 | 10,726 | 5,058 | 7,423 | 5,192 |
| Interest on investments | 7,813,226 | 6,729,404 | 7,949,404 | 5,877,860 | 3,468,929 | 6,087,145 | 3,956,010 | 1,616,307 | 1,031,593 | 1,352,425 |
| Other taxes and revenue | 2,091,070 | 1,930,732 | 2,051,846 | 2,709,878 | 1,975,775 | 2,508,502 | 3,134,686 | 2,607,834 | 2,866,468 | 4,088,190 |
| | <u>\$ 131,889,700</u> | <u>\$ 130,906,034</u> | <u>\$ 132,167,145</u> | <u>\$ 134,368,832</u> | <u>\$ 133,152,030</u> | <u>\$ 149,032,534</u> | <u>\$ 146,511,033</u> | <u>\$ 148,143,177</u> | <u>\$ 160,383,733</u> | <u>\$ 175,224,967</u> |
| Expenses | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 |
| Personnel services* | \$ 45,053,530 | \$ 47,873,886 | \$ 51,540,718 | \$ 48,316,625 | \$ 46,924,868 | \$ 45,955,695 | \$ 45,544,701 | \$ 47,719,045 | \$ 49,759,541 | \$ 52,956,446 |
| Services and utilities | 29,956,993 | 32,732,388 | 32,518,005 | 31,368,417 | 33,564,383 | 40,576,321 | 43,554,817 | 40,228,571 | 46,120,890 | 48,738,878 |
| Materials and supplies | 8,301,900 | 9,423,809 | 9,714,832 | 8,711,943 | 9,562,704 | 8,098,236 | 8,299,514 | 7,730,507 | 5,988,505 | 8,637,479 |
| Miscellaneous | - | - | - | - | - | - | - | - | - | - |
| Depreciation and amortization | 23,651,539 | 25,098,375 | 26,058,333 | 26,898,861 | 27,628,934 | 28,581,624 | 34,503,058 | 34,681,763 | 35,669,083 | 38,896,084 |
| Provision for doubtful accounts | 1,024,383 | 1,185,345 | 995,435 | 837,177 | 1,002,267 | 1,071,194 | 1,661,267 | 1,842,958 | 1,884,751 | 2,718,176 |
| Provision for claims | 3,862,241 | 5,265,081 | 7,154,016 | 7,199,793 | 7,165,150 | 11,379,397 | 7,452,510 | 4,934,366 | 3,673,192 | 2,886,894 |
| Interest | 2,834,930 | 2,244,315 | 2,599,896 | 2,858,224 | - | - | - | - | - | - |
| | <u>\$ 114,685,516</u> | <u>\$ 123,823,199</u> | <u>\$ 130,581,235</u> | <u>\$ 126,191,040</u> | <u>\$ 125,848,306</u> | <u>\$ 135,662,467</u> | <u>\$ 141,015,867</u> | <u>\$ 137,137,210</u> | <u>\$ 143,095,962</u> | <u>\$ 154,833,957</u> |

Note: Years prior to 2001 have not been restated for impact of GASB 33.

* - 1995 to 1997 restated for the adoption of GASB Statement No. 27.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

Property Tax Levies and Collections by the City of New Orleans

Last Ten Fiscal Years
(Unaudited - Amounts in Thousands)

| Fiscal Year | Total Levied | Collected Through December 31, 2003 (2) | | Balance Outstanding at December 31, 2003 (2) | | Collected during 2003 (2) |
|--------------------------|--------------|--|---------|---|---------|------------------------------|
| | | Amount | Percent | Amount | Percent | Amount |
| Real Estate Taxes: | | | | | | |
| 1994 | \$ 146,451 | 144,671 | 98.78 % | \$ 1,834 | 1.25 % | \$ 110 |
| 1995 | 145,005 | 142,944 | 98.58 | 2,061 | 1.42 | 242 |
| 1996 | 155,297 | 153,082 | 98.57 | 2,215 | 1.43 | 216 |
| 1997 | 157,517 | 155,047 | 98.43 | 2,470 | 1.57 | 421 |
| 1998 | 163,715 | 160,686 | 98.15 | 3,029 | 1.85 | 551 |
| 1999 | 172,016 | 169,255 | 98.39 | 2,761 | 1.61 | 1,005 |
| 2000 | 199,666 | 195,630 | 97.98 | 4,036 | 2.02 | 1,706 |
| 2001 | 209,441 | 205,464 | 98.10 | 3,977 | 1.90 | 1,782 |
| 2002 | 214,088 | 208,261 | 97.28 | 58,274 | 2.72 | 7,543 |
| 2003 | 217,039 | 205,934 | 94.88 | 11,105 | 5.12 | 205,934 |
| Personal Property Taxes: | | | | | | |
| 1994 | \$ 74,955 | 71,142 | 94.91 | \$ 3,813 | 5.09 | \$ - |
| 1995 | 79,258 | 75,418 | 95.16 | 3,840 | 4.84 | |
| 1996 | 85,470 | 78,329 | 91.65 | 7,141 | 8.35 | 38 |
| 1997 | 88,126 | 83,449 | 94.69 | 4,677 | 5.31 | 68 |
| 1998 | 94,777 | 88,587 | 93.48 | 6,190 | 6.53 | 76 |
| 1999 | 98,467 | 93,222 | 94.67 | 5,245 | 5.33 | 142 |
| 2000 | 105,951 | 98,824 | 93.27 | 7,127 | 6.73 | 272 |
| 2001 | 110,058 | 99,082 | 90.03 | 10,976 | 9.97 | 1,363 |
| 2002 | 105,378 | 93,913 | 89.12 | 11,465 | 10.88 | 2,883 |
| 2003 | 110,691 | 99,402 | 89.80 | 11,289 | 10.20 | 99,402 |

(2) The latest date available for Property Tax Levies and Collections by the City of New Orleans is the year ended December 31, 2003

SEWERAGE AND WATER BOARD OF NEW ORLEANS

Assessed and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years
(Unaudited)

(Amount in thousands)

| Fiscal Year | Net Assessed Value | | Total Net Assessed Value | Total Estimated Actual Value(1) | Ratio of Total Net Assessed to Total Estimated Actual Value |
|----------------|--------------------|-------------------|-----------------------------|------------------------------------|---|
| | Real Estate | Personal Property | | | Estimated Actual Value |
| 1994 | 894,733 | 467,805 | 1,362,538 | 10,787,818 | 12.6 % |
| 1995 | 885,899 | 467,699 | 1,353,598 | 10,711,391 | 12.6 % |
| 1996 | 948,777 | 533,300 | 1,482,077 | 11,687,684 | 12.7 % |
| 1997 | 960,554 | 548,893 | 1,509,447 | 11,892,583 | 12.7 % |
| 1998 | 977,783 | 578,256 | 1,556,039 | 12,236,013 | 12.7 % |
| 1999 | 1,013,240 | 592,741 | 1,605,981 | 12,636,496 | 12.7 % |
| 2000 | 1,159,821 | 628,860 | 1,788,681 | 14,133,694 | 12.7 % |
| 2001 | 1,214,098 | 651,744 | 1,865,842 | 14,751,485 | 12.6 % |
| 2002 | 1,231,764 | 619,368 | 1,851,132 | 14,687,067 | 12.6 % |
| 2003 | 1,211,212 | 664,531 | 1,875,742 | 14,654,238 | 12.8 % |

Source: City of New Orleans Annual Financial Report

2003 - Latest year for which information is available.

(1) Amounts are net of the homestead exemption.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

Property Tax Rates - Direct and Overlapping Governments

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

Last Ten Fiscal Years
(Unaudited)

| <u>Fiscal Year</u> | <u>City of New Orleans</u> | <u>Orleans Levee Board</u> | <u>Sewerage & Water Board of New Orleans</u> | <u>Orleans Parish School Board</u> | <u>Audubon Park & Zoo</u> | <u>Total</u> |
|--------------------|----------------------------|----------------------------|--|------------------------------------|-------------------------------|--------------|
| 1995 | 75.90 | 12.01 | 22.59 | 45.10 | 4.55 | 161.34 |
| 1996 | 77.09 | 12.01 | 22.59 | 45.40 | 4.55 | 161.64 |
| 1997 | 77.09 | 12.01 | 22.59 | 45.40 | 4.55 | 161.64 |
| 1998 | 77.09 | 12.01 | 22.59*** | 45.40 | 4.55 | 161.64 |
| 1999 | 77.09 | 12.01 | 22.59*** | 51.10 | 4.55 | 167.26 |
| 2000 | 77.09 | 12.76 | 22.59*** | 52.70 | 4.55 | 172.69 |
| 2001 | 77.09 | 12.76 | 22.59*** | 53.05* | 4.55 | 170.04 |
| 2002 | 77.09 | 12.01 | 22.59*** | 52.98 | 4.55 | 146.63 |
| 2003 | 77.09 | 12.01 | 22.59*** | 52.70 | 4.55 | 168.94 |
| 2004 | 78.59 | 12.76 | 22.59 | 52.80 | 4.55 | 171.29 |

Source: City of New Orleans

*The Homestead Exemption is not allowed for the new 9-Mill Police and Fire Tax.

**Millage rates were adjusted upward to compensate for a decrease in assessment values.

***3 mills adopted in 1967 Expires in 2017

***6 mills adopted in 1978 Expires in 2027

***9 mills adopted in 1982 expires in 2032

SEWERAGE AND WATER BOARD OF NEW ORLEANS

Computation of Direct and Overlapping Debt

December 31, 2004
(Unaudited)

| | Net Outstanding Debt | Percentage Overlapping | Overlapping Debt |
|--|-------------------------------|---------------------------|-------------------------------|
| Direct debt: | | | |
| Sewerage and Water Board, net of debt service funds (tax bonds only) | <u>\$26,885,000</u> | 100% | <u>\$26,885,000</u> |
| Overlapping debt: | | | |
| City of New Orleans | 650,761,000 | 100% | 650,761,000 |
| Audubon Park Commission | 54,149,000 | 100% | 54,149,000 |
| Orleans Parish School Board (1) | 287,318,000 | 100% | 287,318,000 |
| Orleans Levee District (1) | <u>78,360,000</u> | <u>100%</u> | <u>78,360,000</u> |
| Total overlapping debt | <u>1,070,588,000</u> | <u>100%</u> | <u>1,070,588,000</u> |
| Total direct and overlapping debt | <u><u>\$1,097,473,000</u></u> | <u><u>100%</u></u> | <u><u>\$1,097,473,000</u></u> |

- (1) The fiscal year of the Orleans Parish School Board and Orleans Levee District ends on June 30th; overlapping debt is based on June 30, 2003 financial information.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

REVENUE BONDS DEBT SERVICE COVERAGE

WATER BONDS

Last Ten Fiscal Years
(Unaudited)

| Fiscal Year | Operating Revenue | Direct Operating Expenses* | Net Revenue Available for Debt Services | Debt Service Requirement* | | | Coverage |
|-------------|-------------------|----------------------------|---|---------------------------|------------|--------------|----------|
| | | | | Principal | Interest | Total | |
| 1995 | \$ 58,722,644 | \$ 41,011,216 | \$ 17,711,428 | \$ 2,385,000 | \$ 989,625 | \$ 3,374,625 | 5.25 |
| 1996 | 58,585,014 | 45,625,080 | 12,959,934 | 2,405,000 | 827,445 | 3,232,445 | 4.01 |
| 1997 | 57,147,602 | 47,868,432 | 9,279,170 | 2,335,000 | 661,500 | 2,996,500 | 3.10 |
| 1998 | 57,884,614 | 44,254,625 | 13,629,989 | 1,760,000 | 498,050 | 2,258,050 | 6.04 |
| 1999 | 58,504,855 | 46,370,835 | 12,134,020 | 2,140,000 | 1,168,436 | 3,308,436 | 3.67 |
| 2000 | 59,374,827 | 49,712,488 | 9,662,339 | 2,590,000 | 1,023,436 | 3,613,436 | 2.67 |
| 2001 | 54,444,486 | 47,962,301 | 6,482,185 | 995,000 | 846,818 | 1,841,818 | 3.52 |
| 2002 | 55,870,142 | 45,801,952 | 10,068,190 | 1,050,000 | 782,068 | 1,832,068 | 5.50 |
| 2003 | 57,550,818 | 47,886,711 | 9,664,107 | 2,020,000 | 2,490,059 | 4,510,059 | 2.14 |
| 2004 | 57,955,617 | 51,749,138 | 6,206,479 | 925,000 | 1,288,948 | 2,213,948 | 2.80 |

* Current year annual debt service payment

SEWERAGE AND WATER BOARD OF NEW ORLEANS

REVENUE BONDS DEBT SERVICE COVERAGE

SEWER BONDS

Last Ten Fiscal Years
(Unaudited)

| Fiscal Year | Operating Revenue | Direct Operating Expenses | Net Revenue Available for Debt Services | Debt Services Requirements* | | | Coverage |
|-------------|--------------------------------------|---------------------------|---|-----------------------------|--------------|--------------|----------|
| | | | | Principal | Interest | Total | |
| 1995 | No outstanding bonds; not applicable | | | | | | |
| 1996 | No outstanding bonds; not applicable | | | | | | |
| 1997 | No outstanding bonds; not applicable | | | | | | |
| 1998 | \$ 40,034,619 | \$ 31,703,857 | \$ 8,330,762 | \$ 800,000 | \$ 1,574,550 | \$ 2,374,550 | 3.51 |
| 1999 | 41,082,524 | 32,359,817 | 8,722,707 | 1,230,000 | 2,761,973 | 3,991,973 | 2.19 |
| 2000 | 49,677,971 | 35,549,015 | 14,128,956 | 1,745,000 | 2,682,686 | 4,427,686 | 3.19 |
| 2001 | 51,902,479 | 35,866,277 | 16,036,202 | 2,920,000 | 5,254,696 | 8,174,696 | 1.96 |
| 2002 | 54,195,717 | 31,418,205 | 22,777,512 | 4,250,000 | 6,766,471 | 11,016,471 | 2.07 |
| 2003 | 60,837,820 | 38,579,473 | 22,258,347 | 6,245,000 | 8,988,665 | 15,233,665 | 1.46 |
| 2004 | 72,434,733 | 39,459,105 | 32,975,628 | 6,715,000 | 10,343,878 | 17,058,878 | 1.93 |

* Current year annual debt service payment

SEWERAGE AND WATER BOARD OF NEW ORLEANS

SCHEDULE OF FUTURE DEBT PAYMENTS DECEMBER 31, 2004 (Unaudited)

| | | Water Revenue Bonds | | |
|-----------------|-----------|---------------------|----------------|--------------------|
| | | Series 1998 | Series 2002 | All Bond Issues |
| 2005 | Principal | 660,000 | 995,000 | 1,655,000 |
| | Interest | 603,043 | 1,507,113 | 2,110,156 |
| 2006 | Principal | 690,000 | 1,045,000 | 1,735,000 |
| | Interest | 562,618 | 1,477,263 | 2,039,881 |
| 2007 | Principal | 725,000 | 1,095,000 | 1,820,000 |
| | Interest | 534,155 | 1,445,913 | 1,980,068 |
| 2008 | Principal | 770,000 | 1,150,000 | 1,920,000 |
| | Interest | 504,068 | 1,413,063 | 1,917,131 |
| 2009 | Principal | 810,000 | 1,210,000 | 2,020,000 |
| | Interest | 471,728 | 1,377,125 | 1,848,853 |
| 2010 | Principal | 845,000 | 1,270,000 | 2,115,000 |
| | Interest | 436,493 | 1,334,775 | 1,771,268 |
| 2011 | Principal | 885,000 | 1,335,000 | 2,220,000 |
| | Interest | 398,468 | 1,287,150 | 1,685,618 |
| 2012 | Principal | 925,000 | 1,400,000 | 2,325,000 |
| | Interest | 358,643 | 1,233,750 | 1,592,393 |
| 2013 | Principal | 965,000 | 1,470,000 | 2,435,000 |
| | Interest | 315,630 | 1,177,750 | 1,493,380 |
| 2014 | Principal | 1,015,000 | 1,530,000 | 2,545,000 |
| | Interest | 269,793 | 1,104,250 | 1,374,043 |
| 2015 | Principal | 1,060,000 | 1,595,000 | 2,655,000 |
| | Interest | 221,580 | 1,027,750 | 1,249,330 |
| 2016 | Principal | 1,110,000 | 1,665,000 | 2,775,000 |
| | Interest | 170,700 | 948,000 | 1,118,700 |
| 2017 | Principal | 1,165,000 | 1,740,000 | 2,905,000 |
| | Interest | 116,865 | 864,750 | 981,615 |
| 2018 | Principal | 1,220,000 | 1,820,000 | 3,040,000 |
| | Interest | 59,780 | 777,750 | 837,530 |
| 2019 | Principal | | 3,195,000 | 3,195,000 |
| | Interest | | 686,750 | 686,750 |
| 2020 | Principal | | 3,345,000 | 3,345,000 |
| | Interest | | 527,000 | 527,000 |
| 2021 | Principal | | 3,510,000 | 3,510,000 |
| | Interest | | 359,750 | 359,750 |
| 2022 | Principal | | 3,685,000 | 3,685,000 |
| | Interest | | 184,250 | 184,250 |
| Total Principal | | 12,845,000 | 33,055,000 | 45,900,000 |
| Total Interest | | 5,023,564 | 18,734,152 | 23,757,716 |
| | | \$ 17,868,564 | \$ 51,789,152 | \$ 69,657,716 |

SEWERAGE AND WATER BOARD OF NEW ORLEANS

SCHEDULE OF FUTURE DEBT PAYMENTS DECEMBER 31, 2004 (Unaudited)

Sewer Revenue Bonds

| | | Series 1997 | Series 1998 | Series 2000A | Series 2000B | Series 2001 | Series 2002 | Series bonds 2003 | Series bonds 2004 | Series bans 2004 | All Bond Issues |
|-------|-----------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|-----------------------|
| 2005 | Principal | 1,245,000 | 1,030,000 | 920,000 | 715,000 | 1,195,000 | 1,820,000 | 210,000 | 1,130,000 | 137,000,000 | 145,265,000 |
| | Interest | 1,223,139 | 913,048 | 1,389,000 | 953,692 | 1,448,267 | 2,511,150 | 195,846 | 1,354,432 | 1,256,334 | 11,244,907 |
| 2006 | Principal | 1,330,000 | 1,075,000 | 975,000 | 760,000 | 1,250,000 | 1,920,000 | 215,000 | 1,160,000 | | 8,685,000 |
| | Interest | 1,142,670 | 859,976 | 1,332,150 | 902,068 | 1,381,030 | 2,445,450 | 189,471 | 1,346,094 | | 9,598,909 |
| 2007 | Principal | 1,415,000 | 1,135,000 | 1,035,000 | 800,000 | 1,305,000 | 2,025,000 | 220,000 | 1,195,000 | | 9,130,000 |
| | Interest | 1,056,889 | 813,969 | 1,271,850 | 855,467 | 1,317,293 | 2,366,550 | 184,046 | 1,275,444 | | 9,141,508 |
| 2008 | Principal | 1,490,000 | 1,200,000 | 1,095,000 | 850,000 | 1,360,000 | 2,135,000 | 225,000 | 1,235,000 | | 9,590,000 |
| | Interest | 975,420 | 764,634 | 1,207,950 | 814,218 | 1,242,370 | 2,283,350 | 179,371 | 1,202,544 | | 8,669,857 |
| 2009 | Principal | 1,570,000 | 1,265,000 | 1,160,000 | 895,000 | 1,420,000 | 2,255,000 | 230,000 | 1,270,000 | | 10,065,000 |
| | Interest | 898,135 | 711,462 | 1,140,300 | 769,474 | 1,164,860 | 2,195,550 | 174,021 | 1,143,269 | | 8,197,071 |
| 2010 | Principal | 1,655,000 | 1,320,000 | 1,230,000 | 950,000 | 1,485,000 | 2,380,000 | 235,000 | 1,320,000 | | 10,575,000 |
| | Interest | 815,070 | 654,750 | 1,068,600 | 721,042 | 1,100,240 | 2,102,850 | 167,856 | 1,099,594 | | 7,730,002 |
| 2011 | Principal | 1,745,000 | 1,380,000 | 1,305,000 | 1,005,000 | 1,545,000 | 2,510,000 | 245,000 | 1,375,000 | | 11,110,000 |
| | Interest | 726,234 | 594,660 | 992,550 | 670,980 | 1,032,808 | 1,992,500 | 160,769 | 1,054,081 | | 7,224,582 |
| 2012 | Principal | 1,840,000 | 1,445,000 | 1,385,000 | 1,060,000 | 1,615,000 | 2,645,000 | 250,000 | 1,430,000 | | 11,670,000 |
| | Interest | 632,128 | 530,194 | 911,850 | 619,355 | 960,092 | 1,863,625 | 150,721 | 1,004,100 | | 6,672,065 |
| 2013 | Principal | 1,940,000 | 1,510,000 | 1,465,000 | 1,120,000 | 1,685,000 | 2,790,000 | 260,000 | 1,485,000 | | 12,255,000 |
| | Interest | 532,903 | 461,294 | 826,350 | 564,295 | 881,700 | 1,727,750 | 137,971 | 948,481 | | 6,080,745 |
| 2014 | Principal | 2,050,000 | 1,585,000 | 1,555,000 | 1,185,000 | 1,760,000 | 2,945,000 | 270,000 | 1,545,000 | | 12,895,000 |
| | Interest | 426,884 | 388,165 | 735,750 | 504,925 | 798,140 | 1,584,375 | 126,611 | 880,156 | | 5,445,007 |
| 2015 | Principal | 2,170,000 | 1,655,000 | 1,645,000 | 1,255,000 | 1,840,000 | 3,110,000 | 280,000 | 1,605,000 | | 13,560,000 |
| | Interest | 313,200 | 310,801 | 639,750 | 440,858 | 709,940 | 1,433,000 | 116,676 | 809,431 | | 4,773,657 |
| 2016 | Principal | 2,290,000 | 1,735,000 | 1,745,000 | 1,325,000 | 1,930,000 | 3,280,000 | 290,000 | 1,680,000 | | 14,275,000 |
| | Interest | 192,780 | 228,791 | 538,050 | 371,825 | 616,610 | 1,273,250 | 106,091 | 743,731 | | 4,071,129 |
| 2017 | Principal | 2,425,000 | 1,820,000 | 1,850,000 | 1,400,000 | 2,020,000 | 3,460,000 | 305,000 | 1,755,000 | | 15,035,000 |
| | Interest | 65,475 | 141,000 | 430,200 | 297,550 | 517,860 | 1,104,750 | 94,672 | 675,031 | | 3,326,538 |
| 2018 | Principal | | 1,910,000 | 1,960,000 | 1,480,000 | 2,120,000 | 3,650,000 | 315,000 | 1,835,000 | | 13,270,000 |
| | Interest | | 47,750 | 315,900 | 218,350 | 414,360 | 927,000 | 82,463 | 603,231 | | 2,609,054 |
| 2019 | Principal | | | 2,080,000 | 1,570,000 | 2,225,000 | 3,850,000 | 330,000 | 1,915,000 | | 11,970,000 |
| | Interest | | | 194,700 | 134,475 | 304,344 | 739,500 | 69,563 | 527,034 | | 1,969,616 |
| 2020 | Principal | | | 2,205,000 | 1,660,000 | 2,335,000 | 4,060,000 | 345,000 | 2,000,000 | | 12,605,000 |
| | Interest | | | 66,150 | 45,650 | 187,494 | 541,750 | 55,847 | 445,038 | | 1,341,928 |
| 2021 | Principal | | | | | 2,455,000 | 4,285,000 | 360,000 | 2,100,000 | | 9,200,000 |
| | Interest | | | | | 63,830 | 333,125 | 41,081 | 356,600 | | 794,636 |
| 2022 | Principal | | | | | | 4,520,000 | 380,000 | 2,210,000 | | 7,110,000 |
| | Interest | | | | | | 113,000 | 25,356 | 262,319 | | 400,675 |
| 2023 | Principal | | | | | | | 395,000 | 2,320,000 | | 2,715,000 |
| | Interest | | | | | | | 8,641 | 161,775 | | 170,416 |
| 2024 | Principal | | | | | | | | 2,435,000 | | 2,435,000 |
| | Interest | | | | | | | | 54,788 | | 54,788 |
| Total | Principal | 23,165,000 | 20,065,000 | 23,610,000 | 18,030,000 | 29,545,000 | 53,640,000 | 5,360,000 | 33,000,000 | 137,000,000 | 343,415,000 |
| Total | Interest | 9,000,927 | 7,420,494 | 13,061,100 | 8,884,224 | 14,141,238 | 27,538,525 | 2,267,074 | 15,947,172 | 1,256,334 | 99,517,088 |
| | | <u>\$ 32,165,927</u> | <u>\$ 27,485,494</u> | <u>\$ 36,671,100</u> | <u>\$ 26,914,224</u> | <u>\$ 43,686,238</u> | <u>\$ 81,178,525</u> | <u>\$ 7,627,074</u> | <u>\$ 48,947,172</u> | <u>\$ 138,256,334</u> | <u>\$ 442,932,088</u> |

SEWERAGE AND WATER BOARD OF NEW ORLEANS

SCHEDULE OF FUTURE DEBT PAYMENTS
 DECEMBER 31, 2004
 (Unaudited)

| | | Drainage Revenue Bonds | | |
|-----------------|-----------|------------------------|----------------------|----------------------|
| | | Series 1998 | Series 2002 | All Bond Issues |
| 2005 | Principal | 405,000 | 560,000 | 965,000 |
| | Interest | 371,742 | 861,316 | 1,233,058 |
| 2006 | Principal | 425,000 | 590,000 | 1,015,000 |
| | Interest | 350,986 | 827,716 | 1,178,702 |
| 2007 | Principal | 450,000 | 620,000 | 1,070,000 |
| | Interest | 333,560 | 792,316 | 1,125,876 |
| 2008 | Principal | 475,000 | 650,000 | 1,125,000 |
| | Interest | 314,660 | 755,116 | 1,069,776 |
| 2009 | Principal | 500,000 | 685,000 | 1,185,000 |
| | Interest | 294,472 | 716,116 | 1,010,588 |
| 2010 | Principal | 520,000 | 715,000 | 1,235,000 |
| | Interest | 272,722 | 675,016 | 947,738 |
| 2011 | Principal | 545,000 | 755,000 | 1,300,000 |
| | Interest | 249,582 | 647,310 | 896,892 |
| 2012 | Principal | 570,000 | 790,000 | 1,360,000 |
| | Interest | 224,786 | 621,263 | 846,049 |
| 2013 | Principal | 595,000 | 830,000 | 1,425,000 |
| | Interest | 198,280 | 593,218 | 791,498 |
| 2014 | Principal | 625,000 | 865,000 | 1,490,000 |
| | Interest | 170,018 | 560,018 | 730,036 |
| 2015 | Principal | 655,000 | 900,000 | 1,555,000 |
| | Interest | 140,018 | 525,418 | 665,436 |
| 2016 | Principal | 685,000 | 940,000 | 1,625,000 |
| | Interest | 108,250 | 489,418 | 597,668 |
| 2017 | Principal | 720,000 | 985,000 | 1,705,000 |
| | Interest | 74,000 | 450,878 | 524,878 |
| 2018 | Principal | 760,000 | 1,030,000 | 1,790,000 |
| | Interest | 38,000 | 38,000 | 76,000 |
| 2019 | Principal | | 1,870,000 | 1,870,000 |
| | Interest | | 365,218 | 365,218 |
| 2020 | Principal | | 1,960,000 | 1,960,000 |
| | Interest | | 282,938 | 282,938 |
| 2021 | Principal | | 2,055,000 | 2,055,000 |
| | Interest | | 194,738 | 194,738 |
| 2022 | Principal | | 2,155,000 | 2,155,000 |
| | Interest | | 100,208 | 100,208 |
| Total Principal | | 7,930,000 | 18,955,000 | 26,885,000 |
| Total Interest | | 3,141,076 | 9,496,218 | 12,637,294 |
| | | <u>\$ 11,071,076</u> | <u>\$ 28,451,218</u> | <u>\$ 39,522,294</u> |

SEWERAGE AND WATER BOARD OF NEW ORLEANS

SCHEDULE OF FUTURE DEBT PAYMENTS DECEMBER 31, 2004 (Unaudited)

| | | All Departments | | | |
|-----------------|-----------|----------------------|-----------------------|----------------------|-----------------------|
| | | Water | Sewer | Drainage | Total |
| 2005 | Principal | 1,655,000 | 145,265,000 | 965,000 | 147,885,000 |
| | Interest | 2,110,156 | 11,244,907 | 1,233,058 | 14,588,121 |
| 2006 | Principal | 1,735,000 | 8,685,000 | 1,015,000 | 11,435,000 |
| | Interest | 2,039,881 | 9,598,909 | 1,178,702 | 12,817,492 |
| 2007 | Principal | 1,820,000 | 9,130,000 | 1,070,000 | 12,020,000 |
| | Interest | 1,980,068 | 9,141,508 | 1,125,876 | 12,247,452 |
| 2008 | Principal | 1,920,000 | 9,590,000 | 1,125,000 | 12,635,000 |
| | Interest | 1,917,131 | 8,669,857 | 1,069,776 | 11,656,764 |
| 2009 | Principal | 2,020,000 | 10,065,000 | 1,185,000 | 13,270,000 |
| | Interest | 1,848,853 | 8,197,071 | 1,010,588 | 11,056,512 |
| 2010 | Principal | 2,115,000 | 10,575,000 | 1,235,000 | 13,925,000 |
| | Interest | 1,771,268 | 7,730,002 | 947,738 | 10,449,008 |
| 2011 | Principal | 2,220,000 | 11,110,000 | 1,300,000 | 14,630,000 |
| | Interest | 1,685,618 | 7,224,582 | 896,892 | 9,807,092 |
| 2012 | Principal | 2,325,000 | 11,670,000 | 1,360,000 | 15,355,000 |
| | Interest | 1,592,393 | 6,672,065 | 846,049 | 9,110,507 |
| 2013 | Principal | 2,435,000 | 12,255,000 | 1,425,000 | 16,115,000 |
| | Interest | 1,493,380 | 6,080,745 | 791,498 | 8,365,623 |
| 2014 | Principal | 2,545,000 | 12,895,000 | 1,490,000 | 16,930,000 |
| | Interest | 1,374,043 | 5,445,007 | 730,036 | 7,549,086 |
| 2015 | Principal | 2,655,000 | 13,560,000 | 1,555,000 | 17,770,000 |
| | Interest | 1,249,330 | 4,773,657 | 665,436 | 6,688,423 |
| 2016 | Principal | 2,775,000 | 14,275,000 | 1,625,000 | 18,675,000 |
| | Interest | 1,118,700 | 4,071,129 | 597,668 | 5,787,497 |
| 2017 | Principal | 2,905,000 | 15,035,000 | 1,705,000 | 19,645,000 |
| | Interest | 981,615 | 3,326,538 | 524,878 | 4,833,031 |
| 2018 | Principal | 3,040,000 | 13,270,000 | 1,790,000 | 18,100,000 |
| | Interest | 837,530 | 2,609,054 | 76,000 | 3,522,584 |
| 2019 | Principal | 3,195,000 | 11,970,000 | 1,870,000 | 17,035,000 |
| | Interest | 686,750 | 1,969,616 | 365,218 | 3,021,584 |
| 2020 | Principal | 3,345,000 | 12,605,000 | 1,960,000 | 17,910,000 |
| | Interest | 527,000 | 1,341,928 | 282,938 | 2,151,866 |
| 2021 | Principal | 3,510,000 | 9,200,000 | 2,055,000 | 14,765,000 |
| | Interest | 359,750 | 794,636 | 194,738 | 1,349,124 |
| 2022 | Principal | 3,685,000 | 7,110,000 | 2,155,000 | 12,950,000 |
| | Interest | 184,250 | 400,675 | 100,208 | 685,133 |
| 2023 | Principal | | 2,715,000 | | 2,715,000 |
| | Interest | | 170,416 | | 170,416 |
| 2024 | Principal | | 2,435,000 | | 2,435,000 |
| | Interest | | 54,788 | | 54,788 |
| Total Principal | | 45,900,000 | 343,415,000 | 26,885,000 | 416,200,000 |
| Total Interest | | 23,757,716 | 99,517,090 | 12,637,294 | 135,912,100 |
| | | <u>\$ 69,657,716</u> | <u>\$ 442,932,090</u> | <u>\$ 39,522,294</u> | <u>\$ 552,112,100</u> |

SEWERAGE AND WATER BOARD OF NEW ORLEANS

Property Value, New Construction and Bank Deposits

Last Ten Fiscal Years
(Unaudited)

| Fiscal Year | New Commercial Construction | | New Residential Construction | | Bank deposits (2) (in thousands) | Estimated actual Property value (1) |
|----------------|--------------------------------|-------------------------|---------------------------------|-------------------------|--|--|
| | Number of units | Value (in thousands) | Number of units | Value (in thousands) | | |
| 1994 | 904 | 77,500 | 2,993 | 98,675 | 6,068,343 | 10,787,818 |
| 1995 | 627 | 219,679 | 2,595 | 105,590 | 6,267,311 | 10,711,391 |
| 1996 | 160 | 28,921 | 2,163 | 79,469 | 7,011,280 | 11,688,518 |
| 1997 | 900 | 97,325 | 2,131 | 62,761 | 7,642,589 | 11,892,583 |
| 1998 | 184 | 49,028 | 1,962 | 104,227 | 7,965,886 | 12,237,720 |
| 1999 | 294 | 78,293 | 2,089 | 122,342 | 7,977,504 | 12,636,496 |
| 2000 | 325 | 135,665 | 2,223 | 136,686 | 7,984,473 | 14,133,694 |
| 2001 | 333 | 52,103 | 2,170 | 11,804 | 8,225,073 | 14,751,485 |
| 2002 | 305 | 76,057 | 2,371 | 133,259 | 7,858,864 | 15,426,274 |
| 2003 | 304 | 66,458 | 2,902 | 153,649 | 8,256,119 | 15,040,871 |
| 2004 | 478 | 211,395 | 1,097 | 115,758 | 9,416,433 | |

(1) City of New Orleans (2003 latest year for which information is available).

(2) Summary of Deposits (as of June 30, 2004) - bank branches located in New Orleans, Federal Depository Insurance Corporation.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

Ten Largest Taxpayers

December 31, 2004 *
(Unaudited)

| <u>Name of Taxpayer</u> | <u>Type of Business</u> | <u>2,004 Assessed Value</u> | <u>Percentage of Total Assessed Value</u> |
|------------------------------|----------------------------|-----------------------------|---|
| Entergy Service | Electric and gas utilities | \$75,365,530 | 4.17% |
| BellSouth Telecommunications | Telephone utilities | 60,994,780 | 3.37% |
| Hibernia National Bank | Banking | 42,610,750 | 2.36% |
| Bank One | Banking | 32,623,813 | 1.32% |
| Whitney National Bank | Banking | 24,145,763 | 1.80% |
| Harrah's Entertainment | Casino | 23,945,540 | 1.34% |
| Tenet | Health & Hospital | 18,318,865 | 1.01% |
| International River Center | Shopping Mall; Hotel | 14,241,180 | 0.76% |
| Marriott Hotel Properties | Hotel | 13,727,520 | 0.79% |
| C S & M Associates | Commerical Real Estate | 11,462,858 | 0.63% |
| Total | | <u>\$317,436,599</u> | <u>17.55%</u> |

*Source: City of New Orleans



A major element of the Board's Sewer System Evaluation and Rehabilitation Program (SSERP) is the replacement of damaged, leaking or sinking manholes. Since 1998, approximately 4,800 sewer manholes have been repaired or replaced. Above, a manhole is under construction, and below, the completed structure is ready to be sealed into a new section of roadway.



S U P P L E M E N T A L S E C T I O N

SEWERAGE AND WATER BOARD OF NEW ORLEANS

2004 ACTUAL CAPITAL EXPENDITURES

| <u>WATER DEPARTMENT</u> | | |
|-------------------------|--|-------------------------|
| <u>C.P.#</u> | <u>WATERWORKS</u> | |
| 110 | Normal Extension & Replacement | \$ 1,892,287.39 |
| 122 | Filter Rehabilitation | 370,640.00 |
| 135 | Improvement of Chemical System | 9,250.00 |
| 156 | Advanced Carrollton Water Treatment | 343,771.13 |
| 157 | Advanced Water Treatment | 26,164.80 |
| 159 | Water Plant Security Improvements | <u>379,974.87</u> |
| | TOTAL WATERWORKS | \$ 3,022,088.19 |
| | <u>WATER DISTRIBUTION</u> | |
| 214 | Normal Extensions & Replacements | \$ 2,187,619.79 |
| 216 | Water System Replacement Program | 2,100.00 |
| 239 | Mains in Street Department Contracts | <u>3,244,861.96</u> |
| | TOTAL WATER DISTRIBUTION | \$ 5,434,581.75 |
| | <u>POWER PROJECTS EMERGENCY AND GENERAL BUDGET</u> | |
| 600 | Water Share of Power Projects | \$ 110,349.73 |
| 800 | Water Share of General Budget Items | <u>5,890,270.58</u> |
| | TOTAL POWER PROJECTS, EMERGENCY AND GENERAL BUDGET | \$ 6,000,620.31 |
| | TOTAL WATER DEPARTMENT | <u>\$ 14,457,290.25</u> |

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

SEWERAGE AND WATER BOARD OF NEW ORLEANS

2004 ACTUAL CAPITAL EXPENDITURES

| <u>SEWERAGE DEPARTMENT</u> | | |
|--|--|--------------------------------|
| <u>C.P.#</u> | <u>SEWERAGE SYSTEM</u> | |
| 308 | Sewer Rehab - "DPR Solutions" | \$ 719,539.93 |
| 313 | Force Mains | 618,024.99 |
| 317 | Normal Extensions & Replacement of Gravity Mains | 39,024,520.20 |
| 318 | Rehabilitation Gravity Sewer System | 863,702.90 |
| 326 | Extensions & Replacement to Sewer Pumping Stations | 1,425,025.22 |
| 339 | Main in Streets Dept. Contracts | 2,380,044.44 |
| 348 | Normal Extensions & Replacement | 7,809,270.99 |
| 358 | EBSTP Extensions | 1,298,300.00 |
| 367 | Collection System Eval/Survey Uptown | <u>3,649,503.88</u> |
| | TOTAL SEWERAGE SYSTEM | \$ 57,787,932.55 |
| <u>SEWAGE TREATMENT</u> | | |
| 381 | Modification & Expansion of WBSTP to MGD | <u>\$ 89,101.76</u> |
| | TOTAL SEWAGE TREATMENT | \$ 89,101.76 |
| <u>POWER PROJECTS AND GENERAL BUDGET</u> | | |
| 600 | Sewerage Share of Power Projects | \$ 31,534.18 |
| 800 | Sewerage Share of General Budget Items | <u>5,165,538.11</u> |
| | TOTAL POWER PROJECTS AND GENERAL BUDGET | \$ 5,197,072.29 |
| | TOTAL SEWERAGE DEPARTMENT | <u><u>\$ 63,074,106.60</u></u> |

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

SEWERAGE AND WATER BOARD OF NEW ORLEANS

2004 ACTUAL CAPITAL EXPENDITURES

| <u>DRAINAGE DEPARTMENT</u> | | |
|----------------------------|---|------------------|
| <u>C.P.#</u> | <u>CANALS</u> | |
| 403 | Improvements to Vehicular Bridges | \$ 140,716.18 |
| 404 | Washington Ave. Canal Improvements | 32,600.00 |
| 418 | Normal Extension & Replacements | 64,807.65 |
| 439 | SWB Part Drng Tchoupitoulas Paving Project | 1,091,275.02 |
| 471 | C.O.E. Drainage Study | 2,119,681.79 |
| 474 | Terpsichore Canal | 1,699,325.25 |
| 476 | Hollygrove Canals | 1,896,101.88 |
| 477 | Eng. Design-Claiborne Manifold | 1,838,675.55 |
| 478 | S. Claiborne - Lowerline to Monticello Street | 402,190.76 |
| 486 | Napoleon Canal Improvements | 963,202.27 |
| 496 | General DeGaulle Canal | 247,036.85 |
| 497 | Florida Ave. Canal - Mazant to Peoples | 245,503.88 |
| 498 | Dwyer Canal (St. Charles to Dwyer DPS) | 1,300.32 |
| 499 | Jefferson Avenue Canal | 59,844.06 |
| | TOTAL DRAINAGE CANALS | \$ 10,802,261.46 |
| | <u>PUMPING STATIONS</u> | |
| 511 | Normal Extension & Rep./Stations | \$ 574,528.35 |
| 546 | DPS#4 West-Build A 1000 CFS Station | 77,468.05 |
| 550 | Additions to Drainage Pumping Station #1 | 795,746.47 |
| 554 | Expansion of Dwyer DPS | 916,377.12 |
| 570 | Pritchard DPS | 200,628.77 |
| | TOTAL DRAINAGE PUMPING STATIONS | \$ 2,564,748.76 |
| | <u>POWER PROJECTS AND GENERAL BUDGET</u> | |
| 600 | Drainage Share of Power Projects | \$ 3,712,543.21 |
| 703 | Drainage Reserve for Emergency | 142,514.77 |
| 800 | Drainage Share of General Budget Items | 2,517,814.45 |
| | TOTAL POWER PROJECTS AND GENERAL BUDGET | 6,372,872.43 |
| | TOTAL DRAINAGE DEPARTMENT | \$ 19,739,882.65 |

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

SEWERAGE AND WATER BOARD OF NEW ORLEANS

2004 ACTUAL CAPITAL EXPENDITURES

| <u>POWER PROJECTS</u> | | | | | |
|-----------------------|--|---------------------|--------------------|-----------------------|-----------------------|
| <u>C.P.#</u> | <u>POWER PROJECTS</u> | <u>Water</u> | <u>Sewerage</u> | <u>Drainage</u> | <u>Total</u> |
| 609 | Normal Extensions & Replacements | | | | |
| | Radio Equipment | 1,660.50 | 4,342.80 | 6,769.69 | 12,772.99 |
| 610 | Underground Power Feeders | | | 2,248,456.93 | 2,248,456.93 |
| 613 | Modification of Steam System | 106,902.78 | 26,725.66 | 400,885.41 | 534,513.85 |
| 614 | Replacement of Broiler No. 2 | 126.00 | 31.50 | 472.50 | 630.00 |
| 624 | Normal Extensions & Replacements | 1,660.45 | 434.22 | 5,910.62 | 8,005.29 |
| 696 | Switchgear and Motor Control - OPS #12 | | | 1,050,048.06 | 1,050,048.06 |
| 703 | Drainage Reserve For Emergencies | | | 142,514.77 | 142,514.77 |
| | TOTAL POWER PROJECTS | <u>\$110,349.73</u> | <u>\$31,534.18</u> | <u>\$3,855,057.98</u> | <u>\$3,996,941.89</u> |

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

SEWERAGE AND WATER BOARD OF NEW ORLEANS

2004 ACTUAL CAPITAL EXPENDITURES

| <u>GENERAL BUDGET ITEMS</u> | | | | | |
|-----------------------------|--|-------------------------------|-------------------------------|-------------------------------|--------------------------------|
| <u>C.P.#</u> | <u>General Budget Items</u> | <u>Water</u> | <u>Sewerage</u> | <u>Drainage</u> | <u>Total</u> |
| 803 | Property Acquisition | | \$ 2,155.50 | \$ 8,025.00 | \$ 10,180.50 |
| 807 | Central Yard Improvement | 39,973.95 | 39,973.95 | 8,883.10 | 88,831.00 |
| 810 | Major Equipment Purchases | 1,271,784.00 | 1,271,784.00 | 635,892.00 | 3,179,460.00 |
| 811 | Plant Stationery Equipment | 23,128.00 | 23,128.00 | 11,564.00 | 57,820.00 |
| 812 | Computer Systems Development | 213,379.43 | 207,389.77 | 207,389.69 | 628,158.89 |
| 820 | Department, Yard and Administrative Expense Charge to Capital | 3,942,123.80 | 3,222,883.44 | 1,484,150.16 | 8,649,157.40 |
| 823 | Purchase of Water Meters | 235,967.23 | 235,967.18 | | 471,934.41 |
| 843 | Minor Equipment Purchases | 163,914.17 | 161,910.34 | 161,910.50 | 487,735.01 |
| 860 | Supplemental Enviromental Projects | | 345.93 | | 345.93 |
| | TOTAL GENERAL BUDGET ITEMS | <u><u>\$ 5,890,270.58</u></u> | <u><u>\$ 5,165,538.11</u></u> | <u><u>\$ 2,517,814.45</u></u> | <u><u>\$ 13,573,623.14</u></u> |

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

SEWERAGE AND WATER BOARD OF NEW ORLEANS

**ANALYSIS OF PUMPING AND POWER DEPARTMENT
POWER PURCHASED AND PRODUCED
NATURAL GAS AND FUEL OIL CONSUMED
TEN YEARS 1995 THROUGH 2004**

| YEAR | ELECTRIC POWER PURCHASED | | ELECTRIC & STEAM POWER GENERATED BY THE S&WB | | NATURAL GAS & FUEL OIL USED TO GENERATE ELECTRIC & STEAM POWER | | | |
|--------|--------------------------|--------------|--|--------------|--|------------|----------|-----------|
| | KW-HRS | \$ AMOUNT | KW-HRS | \$ AMOUNT | NATURAL GAS | | FUEL OIL | |
| | | | | | MCF | \$ AMOUNT | GALLONS | \$ AMOUNT |
| 1995 | 55,977,302 | \$3,775,458 | 53,028,000 | \$7,537,164 | 1,284,761 | 5,569,915 | 4,614 | \$3,922 |
| 1996 | 56,941,034 | \$4,397,111 | 48,751,200 | \$9,540,981 | 1,392,980 | 7,721,145 | 2,169 | \$1,844 |
| 1997 | 54,669,463 | \$4,299,727 | 52,999,200 | \$8,289,555 | 1,288,540 | 6,463,536 | 2,652 | \$2,254 |
| 1998 | 67,067,145 | \$4,765,576 | 57,715,200 | \$8,731,839 | 1,487,450 | 6,925,346 | 27,043 | \$22,987 |
| 1999 | 64,070,706 | \$4,576,866 | 36,511,704 | \$8,860,755 | 1,487,610 | 6,836,117 | 9,550 | \$8,118 |
| 2000 | 66,150,146 | \$5,278,313 | 33,126,311 | \$11,535,367 | 1,331,330 | 9,646,417 | 1,239 | \$1,053 |
| 2001 | 71,250,220 | \$6,290,661 | 36,569,748 | \$10,699,776 | 1,547,560 | 8,738,028 | 1,739 | \$1,478 |
| 2002 | 67,060,158 | \$5,057,629 | 37,576,656 | \$8,175,530 | 1,455,440 | 6,370,341 | 17,481 | \$14,859 |
| 2003 | 58,271,819 | \$4,213,376 | 37,952,434 | \$10,701,490 | 1,322,240 | 9,214,066 | 1,149 | \$977 |
| 2004 | 75,514,008 | \$6,048,983 | 37,845,120 | \$12,509,191 | 1,346,750 | 11,850,932 | 2,630 | \$2,236 |
| TOTALS | 636,972,001 | \$27,093,050 | 282,131,615 | \$54,495,661 | 8,272,671 | 43,162,476 | 47,267 | \$40,177 |

SEWERAGE AND WATER BOARD OF NEW ORLEANS

POWER PURCHASED AND PRODUCED
NATURAL GAS AND FUEL OIL CONSUMED - 2004

| | KW-HOURS | COST |
|--|-------------|-----------------|
| ELECTRIC POWER PURCHASED | 75,514,008 | \$6,048,982.61 |
| ELECTRIC AND STEAM POWER GENERATED BY THE S.& W.B.* | 37,845,120 | \$12,509,190.85 |
| TOTAL | 113,359,128 | \$18,558,173.46 |

NOTE: *NATURAL GAS CONSUMED IN OPERATION WAS 1,346,750 MCF
AT A COST OF \$11,850,932 FUEL OIL CONSUMED WAS 17,481 GALLONS
AT A COST OF \$14,859.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

Gallons Metered - Pay Water Consumption - 2004

| <u>Month</u> | <u>Monthly Consumption</u> |
|--------------|--------------------------------|
| January | 1,699,620,900 |
| February | 1,633,094,100 |
| March | 1,585,626,400 |
| April | 1,555,144,700 |
| May | 1,750,925,900 |
| June | 1,648,032,000 |
| July | 1,822,248,100 |
| August | 1,796,134,400 |
| September | 1,853,150,400 |
| October | 1,813,754,100 |
| November | 1,763,180,400 |
| December | <u>1,824,015,300</u> |
| Gross Total | <u><u>20,744,926,700</u></u> |

SEWERAGE AND WATER BOARD OF NEW ORLEANS

MONTHLY WATER CHARGES COLLECTED - 2004

| Months | Water Service Charges & Fees | Delinquent Fees | Total |
|-----------|---------------------------------|--------------------|----------------|
| January | \$4,448,402.46 | \$100,572.09 | \$4,548,974.55 |
| February | 4,466,926.72 | 100,733.75 | 4,567,660.47 |
| March | 4,956,465.54 | 106,017.05 | 5,062,482.59 |
| April | 4,050,275.94 | 90,211.41 | 4,140,487.35 |
| May | 4,150,923.24 | 78,937.33 | 4,229,860.57 |
| June | 4,729,807.95 | 99,634.50 | 4,829,442.45 |
| July | 4,289,290.82 | 93,693.73 | 4,382,984.55 |
| August | 4,936,684.83 | 85,982.98 | 5,022,667.81 |
| September | 4,217,995.38 | 89,168.06 | 4,307,163.44 |
| October | 4,658,110.11 | 97,514.18 | 4,755,624.29 |
| November | 4,544,359.51 | 106,725.06 | 4,651,084.57 |
| December | 4,746,334.36 | 97,361.40 | 4,843,695.76 |
| | \$54,195,576.86 | \$1,146,551.54 | 55,342,128.40 |

MONTHLY SEWERAGE CHARGES COLLECTED - 2004

| Months | Sewerage Service Charges | Delinquent Fees | Total |
|-----------|-----------------------------|--------------------|-----------------|
| January | \$5,361,997.51 | \$67,177.16 | \$5,429,174.67 |
| February | 5,330,740.00 | 67,288.96 | 5,398,028.96 |
| March | 6,025,589.12 | 70,827.11 | 6,096,416.23 |
| April | 4,811,183.67 | 60,263.64 | 4,871,447.31 |
| May | 5,011,149.63 | 52,742.82 | 5,063,892.45 |
| June | 5,701,675.49 | 66,558.53 | 5,768,234.02 |
| July | 5,169,839.27 | 62,598.88 | 5,232,438.15 |
| August | 6,473,506.83 | 57,456.60 | 6,530,963.43 |
| September | 5,757,338.83 | 59,583.33 | 5,816,922.16 |
| October | 6,377,928.28 | 65,150.34 | 6,443,078.62 |
| November | 6,319,906.16 | 71,295.75 | 6,391,201.91 |
| December | 6,502,992.23 | 65,035.56 | 6,568,027.79 |
| | \$68,843,847.02 | \$765,978.68 | \$69,609,825.70 |

SEWERAGE AND WATER BOARD OF NEW ORLEANS

**TABLE I
CARROLLTON TURBIDITIES**

| | River (NTU) | | | | | Effluent Settling Reservoirs (NTU) | | | | | Filters (NTU) | | | | |
|---------|-------------|------|------|------|------|------------------------------------|------|------|------|------|---------------|------|------|------|------|
| | 2000 | 2001 | 2002 | 2003 | 2004 | 2000 | 2001 | 2002 | 2003 | 2004 | 2000 | 2001 | 2002 | 2003 | 2004 |
| Maximum | 261 | 294 | 312 | 394 | 155 | 10 | 16 | 9 | 8.4 | 11 | 0.28 | 0.88 | 0.49 | 0.60 | 0.33 |
| Minimum | 5 | 5 | 8 | 7 | 9 | 1.1 | 2.0 | 0.4 | 0.4 | 1.2 | 0.08 | 0.07 | 0.07 | 0.08 | 0.05 |
| Average | 52 | 91 | 62 | 52 | 64 | 3.5 | 5.0 | 1.8 | 1.4 | 3.1 | 0.13 | 0.15 | 0.16 | 0.15 | 0.12 |

**TABLE II
CARROLLTON ALKALINITIES
PARTS PER MILLION**

| | River | | | | | Effluent Settling Reservoirs | | | | | Filters | | | | |
|---------|-------|------|------|------|------|------------------------------|------|------|------|------|---------|------|------|------|------|
| | 2000 | 2001 | 2002 | 2003 | 2004 | 2000 | 2001 | 2002 | 2003 | 2004 | 2000 | 2001 | 2002 | 2003 | 2004 |
| Maximum | 159 | 158 | 155 | 140 | 136 | 154 | 150 | 144 | 118 | 148 | 129 | 125 | 141 | 115 | 147 |
| Minimum | 82 | 78 | 79 | 70 | 74 | 65 | 70 | 61 | 60 | 67 | 61 | 55 | 55 | 58 | 62 |
| Average | 120 | 116 | 111 | 103 | 105 | 111 | 109 | 86 | 85 | 110 | 93 | 91 | 85 | 84 | 110 |

**TABLE II A
CARROLLTON HARDNESS
PARTS PER MILLION**

| | NON-CARBONATE HARDNESS | | | | | | | | | | TOTAL HARDNESS | | | | | | | | | |
|---------|------------------------|------|------|------|------|---------|------|------|------|------|----------------|------|------|------|------|---------|------|------|------|------|
| | RIVER | | | | | FILTERS | | | | | RIVER | | | | | FILTERS | | | | |
| | 2000 | 2001 | 2002 | 2003 | 2004 | 2000 | 2001 | 2002 | 2003 | 2004 | 2000 | 2001 | 2002 | 2003 | 2004 | 2000 | 2001 | 2002 | 2003 | 2004 |
| Maximum | 72 | 59 | 66 | 64 | 61 | 79 | 75 | 68 | 77 | 74 | 203 | 202 | 187 | 177 | 182 | 184 | 173 | 190 | 171 | 200 |
| Minimum | 21 | 15 | 11 | 12 | 20 | 37 | 31 | 24 | 36 | 34 | 118 | 103 | 108 | 98 | 107 | 115 | 107 | 105 | 106 | 121 |
| Average | 43 | 38 | 34 | 38 | 38 | 56 | 51 | 48 | 55 | 54 | 164 | 155 | 144 | 142 | 143 | 149 | 142 | 133 | 139 | 164 |

**TABLE III
CARROLLTON BACTERIAL CHARACTERISTICS
Total Coliform Analysis**

| 2004 | River | Plant Tap | Distribution System |
|-----------------------------|-------|-----------|---------------------|
| Maximum (Colonies / 100 ml) | 9,800 | 10 | 2 |
| Minimum (Colonies / 100 ml) | 23 | 0 | 0 |
| Average (colonies / 100 ml) | 965 | 0 | 0 |
| Number of Samples | 342 | 361 | 2,215 |
| Number of Samples Negative | 0 | 359 | 2,209 |
| Number of Samples Positive | 342 | 2 | 6* |

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

SEWERAGE AND WATER BOARD OF NEW ORLEANS

TABLE IV-A

**PRINCIPLE RESULTS OF OPERATION OF THE G3 CONVENTIONAL UNIT AT THE CARROLLTON WATER PURIFICATION PLANT FOR THE YEAR ENDING
December 31, 2004**

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
|-----------|------|---|--|--|-------------------------------------|---------------------------------------|------------------------------------|--|----------------------------------|--|------------------------|------------------------------|-------------------------------|--------------------------------|
| Month | | Total Million Gallons of Water Treated During Month | Amount of Water Treated Million Gallons Per 24 Hours | Total Pounds of Polymer used at Intake | Polymer at Intake Parts Per Million | Total Pounds of Polymer used in Plant | Polymer in Plant Parts Per Million | Total Pounds of Pure Iron (Fe) used During Month | Pure Iron (Fe) Parts Per Million | Total Pounds of Lime used During Month | Lime Parts Per Million | NTU Turbidity of River Water | PPM Alkalinity of River Water | NTU Turbidity of Unit Effluent |
| January | Max. | 0.00 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 149 | 118 | |
| | Min. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 47 | 87 | |
| | Avg. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 84 | 102 | |
| February | Max. | 0.00 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 146 | 109 | |
| | Min. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 73 | 74 | |
| | Avg. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 96 | 92 | |
| March | Max. | 0.00 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 155 | 111 | |
| | Min. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 55 | 81 | |
| | Avg. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 82 | 98 | |
| April | Max. | 0.00 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 91 | 116 | |
| | Min. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 40 | 100 | |
| | Avg. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 59 | 110 | |
| May | Max. | 1,939.00 | 96.79 | 14,246 | 0.94 | 71,767 | 4.55 | 81,212 | 5.16 | 0 | 0.00 | 85 | 111 | 7.6 |
| | Min. | | 52.79 | | 0.74 | | 3.99 | | 4.51 | | 0.00 | 35 | 77 | 1.0 |
| | Avg. | | 88.14 | | 0.88 | | 4.44 | | 5.02 | | 0.00 | 56 | 94 | 2.4 |
| June | Max. | 2,832.75 | 105.50 | 18,793 | 1.29 | 105,601 | 4.65 | 119,376 | 5.24 | 0 | 0.00 | 152 | 118 | 3.9 |
| | Min. | | 85.46 | | 0.70 | | 4.21 | | 4.79 | | 0.00 | 27 | 95 | 1.0 |
| | Avg. | | 94.43 | | 0.80 | | 4.47 | | 5.05 | | 0.00 | 86 | 108 | 2.3 |
| July | Max. | 2,644.71 | 92.79 | 15,298 | 0.97 | 98,990 | 4.88 | 111,953 | 5.60 | 0 | 0.00 | 94 | 129 | 7.5 |
| | Min. | | 84.71 | | 0.46 | | 4.41 | | 4.97 | | 0.00 | 35 | 105 | 1.4 |
| | Avg. | | 89.21 | | 0.83 | | 4.49 | | 5.07 | | 0.00 | 59 | 115 | 2.3 |
| August | Max. | 2,595.42 | 91.71 | 10,151 | 0.58 | 88,135 | 4.55 | 99,728 | 5.13 | 0 | 0.00 | 50 | 136 | 3.3 |
| | Min. | | 70.83 | | 0.43 | | 2.92 | | 3.33 | | 0.00 | 9 | 114 | 0.7 |
| | Avg. | | 83.72 | | 0.47 | | 4.07 | | 4.61 | | 0.00 | 28 | 127 | 2.1 |
| September | Max. | 2,543.92 | 91.58 | 9,395 | 0.52 | 63,513 | 3.13 | 72,045 | 3.54 | 0 | 0.00 | 115 | 135 | 5.1 |
| | Min. | | 71.08 | | 0.41 | | 2.89 | | 3.28 | | 0.00 | 10 | 93 | 1.4 |
| | Avg. | | 84.80 | | 0.44 | | 2.99 | | 3.40 | | 0.00 | 41 | 115 | 2.7 |
| October | Max. | 2,566.04 | 94.38 | 10,814 | 0.72 | 76,781 | 4.50 | 86,355 | 5.03 | 0 | 0.00 | 88 | 131 | 8.0 |
| | Min. | | 73.21 | | 0.43 | | 2.91 | | 3.30 | | 0.00 | 14 | 86 | 1.2 |
| | Avg. | | 82.78 | | 0.51 | | 3.58 | | 4.03 | | 0.00 | 42 | 105 | 2.5 |
| November | Max. | 2,423.83 | 88.67 | 9,519 | 0.57 | 80,584 | 4.10 | 90,792 | 4.64 | 0 | 0.00 | 132 | 123 | 5.6 |
| | Min. | | 71.08 | | 0.40 | | 3.84 | | 4.35 | | 0.00 | 16 | 94 | 1.4 |
| | Avg. | | 80.79 | | 0.47 | | 3.99 | | 4.49 | | 0.00 | 53 | 104 | 3.5 |
| December | Max. | 2,571.58 | 91.42 | 9,410 | 0.48 | 85,887 | 4.19 | 96,656 | 4.69 | 0 | 0.00 | 99 | 103 | 11.9 |
| | Min. | | 76.75 | | 0.39 | | 3.67 | | 4.37 | | 0.00 | 44 | 87 | 2.4 |
| | Avg. | | 82.95 | | 0.44 | | 4.00 | | 4.51 | | 0.00 | 77 | 96 | 4.1 |
| Total | | 20,117.25 | | 97,626 | | 671,258 | | 758,117 | | 0 | | | | |
| General | Max. | 2,832.75 | 105.50 | 18,793 | 1.29 | 105,601 | 4.88 | 119,376 | 5.60 | 0 | 0.00 | 155 | 136 | 11.9 |
| | Min. | 1,939.00 | 52.79 | 9,395 | 0.40 | 63,513 | 2.89 | 72,045 | 3.28 | 0 | 0.00 | 9 | 74 | 0.7 |
| | Avg. | 2,514.66 | 85.85 | 12,203 | 0.61 | 83,907 | 4.00 | 94,765 | 4.52 | 0 | 0.00 | 64 | 105 | 2.7 |

SEWERAGE AND WATER BOARD OF NEW ORLEANS

TABLE IV-B

**PRINCIPLE RESULTS OF OPERATION OF THE G4 CONVENTIONAL UNIT AT THE CARROLLTON WATER PURIFICATION PLANT FOR THE YEAR ENDING
December 31, 2004**

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
|-----------|------|---|--|--|-------------------------------------|---------------------------------------|------------------------------------|--|----------------------------------|--|------------------------|------------------------------|-------------------------------|--------------------------------|
| Month | | Total Million Gallons of Water Treated During Month | Amount of Water Treated Million Gallons Per 24 Hours | Total Pounds of Polymer used at Intake | Polymer at Intake Parts Per Million | Total Pounds of Polymer used in Plant | Polymer in Plant Parts Per Million | Total Pounds of Pure Iron (Fe) used During Month | Pure Iron (Fe) Parts Per Million | Total Pounds of Lime used During Month | Lime Parts Per Million | NTU Turbidity of River Water | PPM Alkalinity of River Water | NTU Turbidity of Unit Effluent |
| January | Max. | 2,616.33 | 91.92 | 12,524 | 1.66 | 78,838 | 4.08 | 89,669 | 4.59 | 0 | 0.00 | 149 | 118 | 7.8 |
| | Min. | | 67.75 | | 0.36 | | 2.61 | | 3.85 | | 0.00 | 47 | 87 | 3.3 |
| | Avg. | | 84.40 | | 0.62 | | 3.63 | | 4.13 | | 0.00 | 84 | 102 | 4.9 |
| February | Max. | 2,573.83 | 97.71 | 19,978 | 1.27 | 90,199 | 4.62 | 101,704 | 5.14 | 0 | 0.00 | 146 | 109 | 6.7 |
| | Min. | | 77.75 | | 0.56 | | 3.83 | | 4.32 | | 0.00 | 73 | 74 | 3.0 |
| | Avg. | | 88.75 | | 0.93 | | 4.21 | | 4.75 | | 0.00 | 96 | 92 | 4.5 |
| March | Max. | 2,777.42 | 100.63 | 19,664 | 1.05 | 104,064 | 4.74 | 117,529 | 5.43 | 0 | 0.00 | 155 | 111 | 5.8 |
| | Min. | | 76.33 | | 0.46 | | 4.37 | | 4.93 | | 0.00 | 55 | 81 | 2.0 |
| | Avg. | | 89.59 | | 0.86 | | 4.49 | | 5.08 | | 0.00 | 82 | 98 | 3.4 |
| April | Max. | 2,641.00 | 99.58 | 19,083 | 1.01 | 98,925 | 5.01 | 111,763 | 5.64 | 0 | 0.00 | 91 | 116 | 7.8 |
| | Min. | | 77.54 | | 0.66 | | 4.32 | | 4.95 | | 0.00 | 40 | 100 | 2.2 |
| | Avg. | | 88.03 | | 0.88 | | 4.49 | | 5.08 | | 0.00 | 59 | 110 | 3.6 |
| May | Max. | 817.21 | 92.75 | 6,134 | 1.41 | 30,605 | 4.60 | 34,649 | 5.23 | 0 | 0.00 | 85 | 111 | 7.6 |
| | Min. | | 30.29 | | 0.79 | | 4.24 | | 4.95 | | 0.00 | 35 | 77 | 3.1 |
| | Avg. | | 81.72 | | 0.93 | | 4.47 | | 5.08 | | 0.00 | 56 | 94 | 4.4 |
| June | Max. | 0.00 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 152 | 118 | |
| | Min. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 27 | 95 | |
| | Avg. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 86 | 108 | |
| July | Max. | 0.00 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 94 | 129 | |
| | Min. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 35 | 105 | |
| | Avg. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 59 | 115 | |
| August | Max. | 0.00 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 50 | 136 | |
| | Min. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 9 | 114 | |
| | Avg. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 28 | 127 | |
| September | Max. | 0.00 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 115 | 135 | |
| | Min. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 10 | 93 | |
| | Avg. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 41 | 115 | |
| October | Max. | 0.00 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 88 | 131 | |
| | Min. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 14 | 86 | |
| | Avg. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 42 | 105 | |
| November | Max. | 0.00 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 132 | 123 | |
| | Min. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 16 | 94 | |
| | Avg. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 53 | 104 | |
| December | Max. | 0.00 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 99 | 103 | |
| | Min. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 44 | 87 | |
| | Avg. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 77 | 96 | |
| Total | | 11,425.79 | | 77,383 | | 402,632 | | 455,314 | | 0 | | | | |
| General | Max. | 2,777.42 | 100.63 | 19,978 | 1.66 | 104,064 | 5.01 | 117,529 | 5.64 | 0 | 0.00 | 155 | 136 | 7.8 |
| | Min. | 817.21 | 30.29 | 6,134 | 0.36 | 60,605 | 2.61 | 34,649 | 3.85 | 0 | 0.00 | 9 | 74 | 2.0 |
| | Avg. | 2,269.61 | 48.41 | 15,477 | 0.84 | 79,937 | 4.26 | 91,063 | 4.82 | 0 | 0.00 | 64 | 105 | 4.1 |

SEWERAGE AND WATER BOARD OF NEW ORLEANS

TABLE IV-C

PRINCIPLE RESULTS OF OPERATION OF THE L3 CONVENTIONAL UNIT AT THE CARROLLTON WATER PURIFICATION PLANT FOR THE YEAR ENDING December 31, 2004

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
|-----------|------|---|--|--|-------------------------------------|---------------------------------------|------------------------------------|--|----------------------------------|--|------------------------|------------------------------|-------------------------------|--------------------------------|
| Month | | Total Million Gallons of Water Treated During Month | Amount of Water Treated Million Gallons Per 24 Hours | Total Pounds of Polymer used at Intake | Polymer at Intake Parts Per Million | Total Pounds of Polymer used in Plant | Polymer in Plant Parts Per Million | Total Pounds of Pure Iron (Fe) used During Month | Pure Iron (Fe) Parts Per Million | Total Pounds of Lime used During Month | Lime Parts Per Million | NTU Turbidity of River Water | PPM Alkalinity of River Water | NTU Turbidity of Unit Effluent |
| January | Max. | 0.00 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 149 | 118 | |
| | Min. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 47 | 87 | |
| | Avg. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 84 | 102 | |
| February | Max. | 0.00 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 146 | 109 | |
| | Min. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 73 | 74 | |
| | Avg. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 96 | 92 | |
| March | Max. | 0.00 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 155 | 111 | |
| | Min. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 55 | 81 | |
| | Avg. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 82 | 98 | |
| April | Max. | 0.00 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 91 | 116 | |
| | Min. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 40 | 100 | |
| | Avg. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 59 | 110 | |
| May | Max. | 0.00 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 85 | 111 | |
| | Min. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 35 | 77 | |
| | Avg. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 56 | 94 | |
| June | Max. | 0.00 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 152 | 118 | |
| | Min. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 27 | 95 | |
| | Avg. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 86 | 108 | |
| July | Max. | 0.00 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 94 | 129 | |
| | Min. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 35 | 105 | |
| | Avg. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 59 | 115 | |
| August | Max. | 0.00 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 50 | 136 | |
| | Min. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 9 | 114 | |
| | Avg. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 28 | 127 | |
| September | Max. | 0.00 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 115 | 135 | |
| | Min. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 10 | 93 | |
| | Avg. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 41 | 115 | |
| October | Max. | 0.00 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 88 | 131 | |
| | Min. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 14 | 86 | |
| | Avg. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 42 | 105 | |
| November | Max. | 0.00 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 132 | 123 | |
| | Min. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 16 | 94 | |
| | Avg. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 53 | 104 | |
| December | Max. | 0.00 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 99 | 103 | |
| | Min. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 44 | 87 | |
| | Avg. | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | 77 | 96 | |
| Total | | 0.00 | | 0 | | 0 | | 0 | | 0 | | | | |
| General | Max. | 0.00 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 155 | 136 | 0.0 |
| | Min. | 0.00 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 9 | 74 | 0.0 |
| | Avg. | 0.00 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 64 | 105 | 0.0 |

SEWERAGE AND WATER BOARD OF NEW ORLEANS

TABLE IV-D

**PRINCIPLE RESULTS OF OPERATION OF THE L4 CONVENTIONAL UNIT AT THE CARROLLTON WATER PURIFICATION PLANT FOR THE YEAR ENDING
December 31, 2004**

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
|-----------|------|---|--|--|-------------------------------------|---------------------------------------|------------------------------------|--|----------------------------------|-----------------------------------|------------------------|------------------------------|-------------------------------|--------------------------------|
| Month | | Total Million Gallons of Water Treated During Month | Amount of Water Treated Million Gallons Per 24 Hours | Total pounds of Polymer used at Intake | Polymer at Intake Parts Per Million | Total Pounds of Polymer used in Plant | Polymer in Plant Parts Per Million | Total Pounds of Pure Iron (Fe) used During Month | Pure Iron (Fe) Parts Per Million | Total Pounds of Lime During Month | Lime Parts Per Million | NTU Turbidity of River Water | PPM Alkalinity of River Water | NTU Turbidity of Unit Effluent |
| January | Max. | 1,123.58 | 43.00 | 7,047 | 0.77 | 0 | 0.00 | 47,182 | 5.29 | 1,029,651 | 155.05 | 149 | 118 | 29.5 |
| | Min. | | 31.00 | | 0.00 | | 0.00 | | 4.86 | | 82.96 | 47 | 87 | 3.4 |
| | Avg. | | 36.24 | | 0.02 | | 0.00 | | 5.04 | | 112.33 | 84 | 102 | 11.1 |
| February | Max. | 1,012.25 | 44.96 | 8,267 | 1.40 | 33,644 | 4.65 | 42,097 | 5.21 | 0 | 0.00 | 146 | 109 | 18.2 |
| | Min. | | 26.21 | | 0.54 | | 0.00 | | 4.39 | | 0.00 | 73 | 74 | 3.1 |
| | Avg. | | 34.91 | | 1.00 | | 4.09 | | 4.98 | | 0.00 | 96 | 92 | 6.1 |
| March | Max. | 987.79 | 43.04 | 9,356 | 1.68 | 37,270 | 4.80 | 41,880 | 5.39 | 0 | 0.00 | 155 | 111 | 6.7 |
| | Min. | | 23.54 | | 0.76 | | 3.91 | | 4.42 | | 0.00 | 55 | 81 | 2.5 |
| | Avg. | | 31.86 | | 1.15 | | 4.52 | | 5.08 | | 0.00 | 82 | 98 | 4.1 |
| April | Max. | 954.63 | 38.92 | 8,978 | 1.75 | 36,170 | 5.03 | 40,736 | 5.65 | 0 | 0.00 | 91 | 116 | 3.6 |
| | Min. | | 21.46 | | 0.87 | | 4.02 | | 4.53 | | 0.00 | 40 | 100 | 1.4 |
| | Avg. | | 31.82 | | 1.19 | | 4.54 | | 5.11 | | 0.00 | 59 | 110 | 2.2 |
| May | Max. | 1,084.75 | 42.38 | 10,186 | 2.09 | 40,860 | 4.66 | 45,895 | 5.22 | 0 | 0.00 | 85 | 111 | 4.0 |
| | Min. | | 26.67 | | 0.86 | | 4.37 | | 4.91 | | 0.00 | 35 | 77 | 1.4 |
| | Avg. | | 34.99 | | 1.14 | | 4.51 | | 5.07 | | 0.00 | 56 | 94 | 2.3 |
| June | Max. | 1,135.58 | 48.50 | 8,701 | 1.22 | 42,271 | 4.79 | 47,563 | 5.42 | 0 | 0.00 | 152 | 118 | 3.2 |
| | Min. | | 26.79 | | 0.73 | | 4.20 | | 4.75 | | 0.00 | 27 | 95 | 1.1 |
| | Avg. | | 37.85 | | 0.94 | | 4.46 | | 5.02 | | 0.00 | 86 | 108 | 2.1 |
| July | Max. | 1,130.04 | 44.04 | 6,740 | 1.40 | 42,150 | 4.95 | 47,449 | 5.64 | 0 | 0.00 | 94 | 129 | 7.2 |
| | Min. | | 38.46 | | 0.37 | | 3.86 | | 4.88 | | 0.00 | 35 | 105 | 0.9 |
| | Avg. | | 41.03 | | 0.39 | | 4.47 | | 5.06 | | 0.00 | 59 | 115 | 2.0 |
| August | Max. | 1,267.96 | 48.92 | 3,949 | 0.48 | 42,482 | 4.59 | 47,819 | 5.19 | 0 | 0.00 | 50 | 136 | 4.3 |
| | Min. | | 32.63 | | 0.32 | | 2.87 | | 3.27 | | 0.00 | 9 | 114 | 1.5 |
| | Avg. | | 40.90 | | 0.38 | | 4.00 | | 4.50 | | 0.00 | 28 | 127 | 2.3 |
| September | Max. | 1,053.92 | 42.75 | 3,652 | 0.53 | 26,759 | 3.29 | 29,844 | 3.66 | 0 | 0.00 | 115 | 135 | 6.9 |
| | Min. | | 27.38 | | 0.34 | | 2.86 | | 3.04 | | 0.00 | 10 | 93 | 1.7 |
| | Avg. | | 35.13 | | 0.42 | | 3.05 | | 3.39 | | 0.00 | 41 | 115 | 3.7 |
| October | Max. | 1,225.92 | 48.54 | 4,155 | 0.55 | 36,441 | 4.45 | 40,980 | 5.04 | 0 | 0.00 | 88 | 131 | 5.0 |
| | Min. | | 29.63 | | 0.33 | | 2.80 | | 3.15 | | 0.00 | 14 | 86 | 1.6 |
| | Avg. | | 39.55 | | 0.41 | | 3.54 | | 3.98 | | 0.00 | 42 | 105 | 2.9 |
| November | Max. | 1,150.04 | 46.08 | 3,702 | 0.50 | 38,677 | 4.39 | 43,332 | 4.69 | 0 | 0.00 | 132 | 123 | 5.7 |
| | Min. | | 28.71 | | 0.28 | | 3.79 | | 4.36 | | 0.00 | 16 | 94 | 1.1 |
| | Avg. | | 38.33 | | 0.39 | | 4.04 | | 4.52 | | 0.00 | 53 | 104 | 3.4 |
| December | Max. | 1,182.54 | 44.63 | 3,665 | 0.54 | 39,579 | 4.51 | 44,627 | 5.10 | 0 | 0.00 | 99 | 103 | 6.9 |
| | Min. | | 28.29 | | 0.31 | | 3.73 | | 4.33 | | 0.00 | 44 | 87 | 3.2 |
| | Avg. | | 38.15 | | 0.38 | | 4.00 | | 4.53 | | 0.00 | 77 | 96 | 4.8 |
| Total | | 13,309.00 | | 78,398 | | 416,303 | | 519,404 | | 1,029,651 | | | | |
| General | Max. | 1,267.96 | 48.92 | 10,186 | 2.09 | 42,482 | 5.03 | 47,819 | 5.65 | ***** | ***** | 155 | 136 | 29.5 |
| | Min. | 1,053.92 | 21.46 | 3,652 | 0.00 | 0 | 0.00 | 29,844 | 3.04 | ***** | ***** | 9 | 74 | 0.9 |
| | Avg. | 1,109.08 | 36.36 | 6,533 | 0.71 | 34,692 | 3.75 | 43,284 | 4.68 | ***** | ***** | 64 | 105 | 3.9 |

***** Maximum, minimum, and averages for columns 11 and 12 were not calculated since lime was only fed into this basin for the month of January 2004.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

TABLE IV-E

**MONTHLY SUMMARY OF COMBINED OPERATION OF CONVENTIONAL UNITS AT THE CARROLLTON WATER PURIFICATION PLANT FOR THE YEAR ENDING
December 31, 2004**

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | |
|-----------|------|---|--|--|---------------------------------------|---|----------------------------|--|--|--|----------------------------|---|-------------------------------------|---|---------------------------------|--|-----------------------------|--------|
| | | | | | | | | | | | | | | | | | Total M.G. | M.G.D. |
| Month | | Total Million Gallons of Water Treated During Month | Amount of Water Treated Million Gallons Per 24 Hours | Total pounds of Polymer used at Intake | Total Pounds of Polymer used in Plant | Total Pounds of Fluoride (100%) used During Month | Fluoride Parts Per Million | Total Pounds of Pure Iron (Fe) used During Month | Total Pounds of Lime Used During Month | Total Pounds of Chlorine Used During Month | Chlorine Parts Per Million | Total Pounds of Anhydrous Ammonia Used During Month | Anhydrous Ammonia Parts Per Million | Total Pounds of Polyphosphate Used During Month | Polyphosphate Parts Per Million | Alkalinity of Filtered Water Parts Per Million | Estimated High Lift Pumpage | |
| January | Max. | 3,739.96 | 124.25 | 19,571 | 78,838 | 24,075 | 0.91 | 136,851 | 1,029,651 | 178,057 | 5.93 | 35,698 | 1.19 | 16,578 | 0.56 | 96 | 3,544.12 | 127.64 |
| | Min. | | 110.75 | | | | 0.73 | | | | 5.61 | | 1.09 | | 0.52 | 62 | | 102.36 |
| | Avg. | | 120.64 | | | | 0.81 | | | | 5.71 | | 1.14 | | 0.53 | 84 | | 114.33 |
| February | Max. | 3,586.09 | 131.33 | 28,245 | 123,843 | 23,901 | 0.97 | 143,801 | 431,274 | 169,780 | 5.77 | 34,038 | 1.16 | 15,763 | 0.54 | 112 | 3,539.16 | 130.52 |
| | Min. | | 114.58 | | | | 0.65 | | | | 5.22 | | 1.11 | | 0.51 | 78 | | 110.04 |
| | Avg. | | 123.66 | | | | 0.81 | | | | 5.68 | | 1.14 | | 0.53 | 95 | | 122.04 |
| March | Max. | 3,765.24 | 132.17 | 29,020 | 141,334 | 24,117 | 0.88 | 159,409 | 433,014 | 187,925 | 6.11 | 37,599 | 1.22 | 16,621 | 0.57 | 121 | 3,668.08 | 125.96 |
| | Min. | | 110.96 | | | | 0.69 | | | | 5.67 | | 1.13 | | 0.51 | 88 | | 108.88 |
| | Avg. | | 121.46 | | | | 0.79 | | | | 5.98 | | 1.20 | | 0.53 | 106 | | 118.33 |
| April | Max. | 3,595.64 | 126.25 | 28,061 | 135,096 | 22,659 | 0.83 | 152,499 | 400,442 | 191,070 | 6.83 | 38,187 | 1.37 | 15,850 | 0.59 | 128 | 3,576.84 | 123.68 |
| | Min. | | 108.75 | | | | 0.70 | | | | 5.94 | | 1.17 | | 0.52 | 105 | | 114.04 |
| | Avg. | | 119.85 | | | | 0.76 | | | | 6.37 | | 1.27 | | 0.53 | 118 | | 119.23 |
| May | Max. | 3,840.97 | 132.29 | 30,566 | 143,233 | 22,819 | 0.83 | 161,756 | 414,765 | 224,313 | 7.35 | 44,862 | 1.47 | 15,883 | 0.53 | 125 | 3,644.40 | 123.72 |
| | Min. | | 117.71 | | | | 0.33 | | | | 6.66 | | 1.33 | | 0.45 | 86 | | 104.72 |
| | Avg. | | 123.90 | | | | 0.75 | | | | 7.00 | | 1.40 | | 0.50 | 102 | | 117.56 |
| June | Max. | 3,968.36 | 145.83 | 27,494 | 147,872 | 22,372 | 0.83 | 166,939 | 469,737 | 233,023 | 7.53 | 46,536 | 1.51 | 16,995 | 0.54 | 132 | 3,500.24 | 123.68 |
| | Min. | | 121.42 | | | | 0.69 | | | | 6.68 | | 1.35 | | 0.49 | 107 | | 106.20 |
| | Avg. | | 132.28 | | | | 0.77 | | | | 7.04 | | 1.41 | | 0.51 | 119 | | 116.67 |
| July | Max. | 3,774.78 | 125.96 | 22,038 | 141,139 | 24,582 | 0.94 | 159,402 | 515,614 | 242,351 | 8.63 | 48,439 | 1.69 | 13,935 | 0.58 | 145 | 3,659.44 | 131.20 |
| | Min. | | 108.83 | | | | 0.71 | | | | 7.18 | | 1.46 | | 0.22 | 111 | | 105.68 |
| | Avg. | | 121.77 | | | | 0.81 | | | | 7.70 | | 1.54 | | 0.44 | 123 | | 118.05 |
| August | Max. | 3,860.78 | 131.08 | 14,100 | 130,617 | 23,194 | 0.87 | 147,546 | 508,325 | 229,402 | 8.25 | 45,977 | 1.61 | 8,468 | 0.28 | 147 | 3,613.72 | 131.68 |
| | Min. | | 113.38 | | | | 0.40 | | | | 6.67 | | 1.38 | | 0.25 | 120 | | 108.52 |
| | Avg. | | 124.54 | | | | 0.77 | | | | 7.12 | | 1.43 | | 0.26 | 128 | | 116.57 |
| September | Max. | 3,597.85 | 125.42 | 13,047 | 90,272 | 24,039 | 0.89 | 101,890 | 636,943 | 211,405 | 8.12 | 42,441 | 1.62 | 7,917 | 0.27 | 143 | 3,649.96 | 131.40 |
| | Min. | | 111.71 | | | | 0.71 | | | | 6.82 | | 1.36 | | 0.25 | 98 | | 113.64 |
| | Avg. | | 119.93 | | | | 0.79 | | | | 7.05 | | 1.41 | | 0.26 | 120 | | 121.67 |
| October | Max. | 3,793.95 | 137.58 | 14,969 | 113,221 | 21,944 | 0.86 | 127,335 | 436,903 | 234,978 | 8.25 | 47,241 | 1.75 | 8,421 | 0.29 | 138 | 3,643.48 | 125.76 |
| | Min. | | 105.33 | | | | 0.00 | | | | 6.95 | | 1.39 | | 0.26 | 94 | | 105.80 |
| | Avg. | | 122.39 | | | | 0.72 | | | | 7.45 | | 1.50 | | 0.27 | 112 | | 117.53 |
| November | Max. | 3,573.90 | 129.75 | 13,221 | 119,260 | 23,431 | 1.04 | 134,124 | 451,239 | 207,984 | 7.29 | 41,730 | 1.47 | 7,814 | 0.27 | 134 | 3,532.56 | 129.04 |
| | Min. | | 102.92 | | | | 0.71 | | | | 6.54 | | 1.36 | | 0.25 | 99 | | 105.08 |
| | Avg. | | 119.13 | | | | 0.80 | | | | 6.98 | | 1.40 | | 0.26 | 113 | | 117.75 |
| December | Max. | 3,764.39 | 133.79 | 13,075 | 125,467 | 24,659 | 0.95 | 141,283 | 496,688 | 190,193 | 6.85 | 38,087 | 1.39 | 8,222 | 0.28 | 113 | 3,665.52 | 124.76 |
| | Min. | | 113.17 | | | | 0.49 | | | | 5.39 | | 1.08 | | 0.23 | 83 | | 110.36 |
| | Avg. | | 121.43 | | | | 0.81 | | | | 6.06 | | 1.21 | | 0.26 | 102 | | 118.24 |
| Total | | 44,861.91 | | 253,407 | 1,490,193 | 281,792 | | 1,732,835 | 6,224,595 | 2,500,481 | | 500,836 | | 152,468 | | | 43,237.5 | |
| General | Max. | 3,968.36 | 145.83 | 30,566 | 147,872 | 24,659 | 1.04 | 166,939 | 1,029,651 | 242,351 | 8.63 | 48,439 | 1.75 | 16,995 | 0.59 | 147 | 3,668.08 | 131.68 |
| | Min. | 3,573.90 | 102.92 | 13,047 | 78,838 | 21,944 | 0.00 | 101,890 | 400,442 | 169,780 | 5.22 | 34,038 | 1.08 | 7,814 | 0.22 | 62 | 3,500.24 | 102.36 |
| | Avg. | 3,738.49 | 122.57 | 21,117 | 124,183 | 23,483 | 0.75 | 144,403 | 518,716 | 208,373 | 6.68 | 41,736 | 1.34 | 12,706 | 0.41 | 110 | 3,603.13 | 118.46 |

SEWERAGE AND WATER BOARD OF NEW ORLEANS

TABLE V

PRINCIPLE RESULTS OF OPERATION OF THE ALGIERS WATER PURIFICATION PLANT FOR THE YEAR ENDING: December 31, 2004

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | |
|-----------|----------------------|--|--|---|-----------------------------------|---|----------------------------|--|----------------------------------|--|--------------------------|---|---|---|----------------------------|---|--|-------------------------------------|--|----------------------------|-------------------------|
| | | | | | | | | | | | | | | | | | | | | Total M.G.D. | M.G.D. |
| Month | | Low Lift Total Million Gallons of Water Treated During Month | Amount of Water Treated Million Gallons Per 24 Hours | Total Pounds of Polyelectrolyte Used During Month | Polyelectrolyte Parts Per Million | Total Pounds of Fluoride (100%) Used During Month | Fluoride Parts Per Million | Total Pounds of Pure Iron (Fe) used During Month | Pure Iron (Fe) Parts Per Million | Total Pounds of Lime Used During Month | Lime Parts Per Million | Total Pounds of Anhydrous Ammonia Used During Month | Total Pounds of Anhydrous Ammonia Parts Per Million | Total Pounds Chlorine Used During Month | Chlorine Parts Per Million | Calgon Total Pounds Polyphosphate Used During Month | Calgon Polyphosphate Parts Per Million | NTU Turbidity of Clarifier Effluent | PPM Clear Well Alkalinity of Filter Effluent | High Lift Pumpage | |
| January | Max. Min. Avg. | 292.76 | 14.00 8.00 9.44 | 9,251 | 3.86 3.72 3.79 | 1,192 | 0.58 0.33 0.49 | 17,506 | 8.56 4.88 7.26 | 123,772 | 74.14 39.96 50.49 | 2,672 | 1.27 0.98 1.10 | 16,064 | 5.92 6.60 6.60 | 1,334 | 0.80 0.34 0.55 | 1.7 0.6 1.0 | 74 55 65 | 306.70 | 12.45 8.69 9.89 |
| February | Max. Min. Avg. | 264.52 | 10.76 8.00 9.12 | 8,360 | 3.89 3.74 3.79 | 1,069 | 0.58 0.40 0.49 | 16,584 | 8.59 6.37 7.57 | 94,983 | 53.36 35.11 43.23 | 2,476 | 1.29 0.96 1.13 | 14,883 | 5.81 6.76 6.76 | 1,186 | 0.83 0.30 0.54 | 1.7 0.6 1.0 | 78 61 67 | 276.77 | 10.51 8.83 9.54 |
| March | Max. Min. Avg. | 327.68 | 13.00 10.00 10.57 | 10,421 | 3.85 3.8 3.81 | 1,306 | 0.55 0.38 0.48 | 16,639 | 7.11 4.95 6.13 | 166,413 | 80.02 42.65 60.60 | 2,990 | 1.14 0.98 1.10 | 17,926 | 6.88 5.83 6.57 | 1,480 | 0.80 0.40 0.54 | 2.7 0.5 1.1 | 71 45 58 | 337.93 | 11.90 9.74 10.90 |
| April | Max. Min. Avg. | 290.68 | 12.00 8.00 9.69 | 9,201 | 3.83 3.76 3.79 | 1,235 | 0.66 0.41 0.51 | 14,973 | 8.44 4.66 6.24 | 181,098 | 84.93 65.24 73.77 | 2,927 | 1.53 1.14 1.21 | 17,383 | 7.91 6.83 7.18 | 1,400 | 0.75 0.44 0.61 | 1.7 0.4 0.8 | 54 39 50 | 302.47 | 11.68 8.60 10.08 |
| May | Max. Min. Avg. | 300.08 | 11.50 8.42 9.68 | 9,680 | 3.85 3.75 3.79 | 1,231 | 0.56 0.41 0.50 | 12,776 | 6.09 4.29 5.13 | 116,517 | 63.21 26.98 46.44 | 3,091 | 1.45 1.16 1.24 | 18,638 | 8.73 6.64 7.45 | 1,350 | 0.71 0.40 0.54 | 1.6 0.5 1.0 | 88 40 61 | 303.15 | 10.63 8.96 9.78 |
| June | Max. Min. Avg. | 295.06 | 12.00 8.50 9.84 | 9,338 | 3.85 3.76 3.8 | 1,272 | 0.62 0.38 0.52 | 13,749 | 7.57 4.27 5.67 | 97,542 | 48.99 33.64 39.86 | 3,088 | 1.41 1.10 1.26 | 18,548 | 8.44 6.55 7.58 | 1,350 | 0.75 0.38 0.56 | 1.6 0.8 1.2 | 92 66 79 | 302.36 | 12.08 8.87 10.10 |
| July | Max. Min. Avg. | 337.42 | 14.00 9.00 10.88 | 10,778 | 4.61 3.24 3.8 | 1,422 | 0.57 0.43 0.51 | 14,045 | 5.93 3.78 5.05 | 146,512 | 69.96 31.12 51.78 | 3,487 | 1.39 1.09 1.25 | 20,804 | 8.31 6.34 7.43 | 1,350 | 0.67 0.32 0.48 | 1.9 0.8 1.3 | 80 63 72 | 357.76 | 12.53 10.92 11.54 |
| August | Max. Min. Avg. | 344.30 | 12.66 9.26 11.11 | 10,906 | 3.89 3.64 3.8 | 1,734 | 0.74 0.47 0.61 | 13,268 | 6.16 3.78 4.66 | 208,867 | 109.63 45.53 73.30 | 3,397 | 1.34 1.02 1.19 | 20,319 | 7.82 6.61 7.10 | 1,650 | 0.80 0.43 0.59 | 4.6 1.0 1.9 | 87 56 69 | 432.45 | 15.97 11.19 13.95 |
| September | Max. Min. Avg. | 337.86 | 14.00 8.58 11.26 | 11,022 | 3.8 3.8 3.8 | 1,671 | 0.74 0.45 0.61 | 13,787 | 6.29 3.85 4.97 | 164,309 | 106.06 35.00 58.09 | 3,310 | 1.34 1.01 1.18 | 19,988 | 8.47 6.06 7.14 | 1,650 | 1.07 0.36 0.59 | 4.2 1.1 1.9 | 91 63 73 | 380.86 | 15.55 10.36 12.70 |
| October | Max. Min. Avg. | 310.00 | 10.00 10.00 10.00 | 9,827 | 3.85 3.75 3.8 | 1,347 | 0.58 0.49 0.52 | 13,157 | 5.37 3.81 5.09 | 113,651 | 63.16 25.32 43.96 | 3,184 | 1.35 1.14 1.23 | 19,114 | 8.15 6.83 7.63 | 1,483 | 0.80 0.40 0.61 | 4.1 0.7 1.8 | 95 66 79 | 345.70 | 13.98 8.78 11.15 |
| November | Max. Min. Avg. | 286.52 | 11.50 8.00 9.55 | 9,076 | 3.85 3.75 3.8 | 1,197 | 0.61 0.41 0.50 | 11,674 | 5.93 4.10 4.92 | 134,011 | 84.83 32.16 54.93 | 2,982 | 1.37 1.13 1.25 | 17,999 | 8.36 6.92 7.55 | 1,327 | 0.85 0.40 0.56 | 4.5 1.4 2.1 | 97 63 79 | 292.97 | 11.76 8.31 9.77 |
| December | Max. Min. Avg. | 319.10 | 14.00 8.00 10.29 | 10,134 | 3.85 3.78 3.81 | 1,297 | 0.61 0.35 0.49 | 15,344 | 7.39 3.81 5.82 | 131,735 | 71.51 39.39 49.44 | 2,959 | 1.32 1.03 1.12 | 17,748 | 7.94 6.21 6.67 | 1,440 | 1.00 0.40 0.55 | 4.4 0.6 2.4 | 80 53 72 | 316.04 | 12.53 9.05 10.19 |
| Total | | 3,705.98 | | 117,994 | | 15,973 | | 173,502 | | 1,679,410 | | 36,563 | | 219,414 | | 17,000 | | | | 3955.16 | |
| General | Max. Min. Avg. | 344.30 264.52 308.83 | 14.00 8.00 10.15 | 11,022 8,360 9,833 | 4.61 3.24 3.82 | 1,734 1,069 1,331 | 0.74 0.33 0.52 | 17,506 11,674 14,459 | 8.59 3.78 5.61 | 208,867 94,983 139,951 | 109.63 25.32 54.34 | 3,487 2,476 3,047 | 1.53 0.96 1.18 | 20,804 14,883 18,285 | 8.73 5.81 7.10 | 1,650 1,186 1,417 | 1.07 0.30 0.55 | 4.6 0.4 1.5 | 97 39 68.7 | 432.45 276.77 329.60 | 15.97 8.31 10.80 |

SEWERAGE AND WATER BOARD OF NEW ORLEANS

TABLE VI-A

MONTHLY SUMMARY OF CARROLLTON WATER PURIFICATION PLANT FILTER OPERATIONS FOR THE YEAR ENDING: December 31, 2004

| 1 | 2 | 3 | | 4 | | 5 | | 6 | | 7 | | 8 | | 9 | | 10 | | 11 | |
|-----------|------|---|------------|----------------------|-----|-------------------------|-------|---|-----------|------------------------------------|--------|--|---------|--|-------|---------------------------------------|--------|---|---------|
| | | Total Million Gallons Water Filtered During Month | | Total Number of Runs | | Length of Runs in Hours | | Million Gallons of Water Filtered Per Run | | Million Gallons Per Day Per Filter | | Total Amount in Million Gallons of Wash Water Used | | Million Gallons of Wash Water Used Per Run | | Percentage of wash Water Used Per Run | | Million Gallons Filtered Per Acre Per Day | |
| | | Old | New | Old | New | Old | New | Old | New | Old | New | Old | New | Old | New | Old | New | Old | New |
| January | Max. | | | | | 211 | 233 | 26.365 | 37.638 | | | | | | | 5.95 | 12.45 | | |
| | Min. | 1,770.432 | 1,812.274 | 125 | 72 | 97 | 37 | 6.218 | 5.534 | 2.085 | 3.617 | 46.224 | 49.600 | 0.370 | 0.689 | 1.40 | 1.83 | 63.467 | 60.020 |
| | Avg. | | | | | 163 | 167 | 14.163 | 25.170 | | | | | | | 2.61 | 2.74 | | |
| February | Max. | | | | | 239 | 282 | 26.175 | 48.017 | | | | | | | 6.02 | 5.47 | | |
| | Min. | 1,640.835 | 1,915.297 | 107 | 58 | 95 | 98 | 5.966 | 15.504 | 2.056 | 4.161 | 38.453 | 49.200 | 0.359 | 0.848 | 1.34 | 1.77 | 62.585 | 69.048 |
| | Avg. | | | | | 179 | 176 | 15.335 | 30.516 | | | | | | | 2.34 | 2.78 | | |
| March | Max. | | | | | 218 | 260 | 24.625 | 49.976 | | | | | | | 6.00 | 2.80 | | |
| | Min. | 1,541.018 | 2,135.055 | 117 | 60 | 49 | 127 | 5.792 | 23.583 | 2.040 | 4.402 | 40.746 | 39.600 | 0.349 | 0.660 | 2.00 | 1.32 | 62.098 | 73.047 |
| | Avg. | | | | | 155 | 194 | 13.171 | 35.584 | | | | | | | 3.00 | 1.85 | | |
| April | Max. | | | | | 215 | 285 | 19.500 | 57.599 | | | | | | | 4.47 | 2.61 | | |
| | Min. | 1,451.428 | 2,119.100 | 117 | 58 | 95 | 136 | 5.836 | 27.166 | 2.082 | 4.497 | 30.584 | 41.200 | 0.261 | 0.710 | 1.34 | 1.94 | 63.376 | 74.623 |
| | Avg. | | | | | 143 | 195 | 12.405 | 36.536 | | | | | | | 2.10 | 2.57 | | |
| May | Max. | | | | | 216 | 263 | 22.000 | 51.417 | | | | | | | 8.59 | 3.30 | | |
| | Min. | 1,505.897 | 2,123.400 | 118 | 56 | 45 | 120 | 3.750 | 20.879 | 2.069 | 4.550 | 37.985 | 41.400 | 0.322 | 0.690 | 1.19 | 1.34 | 62.980 | 75.503 |
| | Avg. | | | | | 148 | 200 | 12.762 | 37.918 | | | | | | | 2.53 | 1.82 | | |
| June | Max. | | | | | 176 | 214 | 21.550 | 51.743 | | | | | | | 4.42 | 2.91 | | |
| | Min. | 1,442.300 | 2,120.262 | 117 | 64 | 106 | 125 | 5.836 | 24.525 | 2.069 | 4.570 | 30.162 | 45.600 | 0.258 | 0.713 | 1.20 | 1.38 | 62.980 | 75.835 |
| | Avg. | | | | | 143 | 174 | 12.327 | 33.129 | | | | | | | 2.09 | 2.15 | | |
| July | Max. | | | | | 201 | 309 | 22.125 | 54.165 | | | | | | | 6.34 | 3.40 | | |
| | Min. | 1,313.135 | 1,994.780 | 115 | 58 | 111 | 141 | 5.130 | 21.596 | 1.779 | 4.391 | 37.354 | 43.020 | 0.325 | 0.742 | 1.47 | 1.40 | 54.153 | 72.864 |
| | Avg. | | | | | 154 | 188 | 11.419 | 34.393 | | | | | | | 2.85 | 2.20 | | |
| August | Max. | | | | | 192 | 287 | 24.000 | 69.480 | | | | | | | 7.27 | 37.45 | | |
| | Min. | 1,471.877 | 2,101.887 | 122 | 58 | 54 | 13 | 4.500 | 2.104 | 2.114 | 4.460 | 39.890 | 45.700 | 0.327 | 0.788 | 1.36 | 1.13 | 64.350 | 74.009 |
| | Avg. | | | | | 137 | 195 | 12.064 | 36.239 | | | | | | | 2.71 | 2.17 | | |
| September | Max. | | | | | 215 | 259 | 26.875 | 56.065 | | | | | | | 5.18 | 4.27 | | |
| | Min. | 1,468.304 | 2,185.256 | 110 | 59 | 115 | 95 | 5.966 | 19.346 | 2.108 | 4.582 | 34.042 | 49.600 | 0.309 | 0.827 | 1.15 | 1.48 | 64.168 | 76.034 |
| | Avg. | | | | | 152 | 194 | 13.348 | 37.038 | | | | | | | 2.31 | 2.23 | | |
| October | Max. | | | | | 260 | 279 | 21.750 | 55.664 | | | | | | | 9.07 | 3.99 | | |
| | Min. | 1,491.905 | 2,249.983 | 116 | 58 | 43 | 142 | 3.583 | 20.365 | 2.130 | 5.033 | 37.694 | 47.190 | 0.325 | 0.814 | 1.49 | 1.50 | 64.837 | 83.518 |
| | Avg. | | | | | 142 | 185 | 12.603 | 38.793 | | | | | | | 2.58 | 2.10 | | |
| November | Max. | | | | | 193 | 244 | 20.875 | 51.368 | | | | | | | 5.24 | 4.41 | | |
| | Min. | 1,463.515 | 2,042.011 | 119 | 60 | 112 | 117 | 5.924 | 18.604 | 2.027 | 4.589 | 37.051 | 49.200 | 0.311 | 0.820 | 1.48 | 1.60 | 61.702 | 76.150 |
| | Avg. | | | | | 145 | 178 | 12.248 | 34.034 | | | | | | | 2.54 | 2.41 | | |
| December | Max. | | | | | 181 | 263 | 21.125 | 55.431 | | | | | | | 4.79 | 4.23 | | |
| | Min. | 1,562.574 | 2,094.264 | 129 | 64 | 107 | 122 | 5.924 | 20.129 | 2.077 | 4.090 | 36.682 | 54.500 | 0.284 | 0.852 | 1.34 | 1.54 | 63.224 | 67.869 |
| | Avg. | | | | | 140 | 192 | 12.113 | 32.723 | | | | | | | 1.19 | 2.60 | | |
| Total | | 18,123.220 | 24,893.569 | 1,412 | 725 | 5,347 | 6,689 | 495.348 | 1,269.971 | 24.636 | 52.942 | 446.867 | 555.810 | 3.800 | 9.153 | 118.95 | 133.14 | 749.920 | 878.520 |
| General | Max. | 1,770.432 | 2,249.983 | 129 | 72 | 260 | 309 | 26.875 | 69.480 | 2.130 | 5.033 | 46.224 | 54.500 | 0.370 | 0.852 | 9.07 | 37.45 | 64.837 | 83.518 |
| | Min. | 1,313.135 | 1,812.274 | 107 | 56 | 43 | 13 | 3.583 | 2.104 | 1.779 | 3.617 | 30.162 | 39.600 | 0.258 | 0.660 | 1.15 | 1.13 | 54.153 | 60.020 |
| | Avg. | 1,510.268 | 2,074.464 | 118 | 60 | 150 | 187 | 12.830 | 34.339 | 2.053 | 4.412 | 37.239 | 46.318 | 0.317 | 0.763 | 2.40 | 2.30 | 62.493 | 73.210 |

SEWERAGE AND WATER BOARD OF NEW ORLEANS

TABLE VI-B

MONTHLY SUMMARY OF ALGIERS FILTER OPERATIONS FOR THE YEAR ENDING: December 31, 2004

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|-----------|------|---|----------------------|-------------------------|---|------------------------------------|--|--|---------------------------------------|
| Month | | Total Million Gallons Water Filtered During Month of Runs | Total Number of Runs | Length of Runs in Hours | Million Gallons of Water Filtered Per Run | Million Gallons Per Day Per Filter | Total Amount in Million Gallons of Wash Water Used | Million Gallons of Wash Water Used Per Run | Percentage of wash Water Used Per Run |
| January | Max. | 277.45 | 51 | 170 | 7.000 | 0.75 | 9.01 | 0.177 | 5.10 |
| | Min. | | | 139 | 3.459 | | | | 2.52 |
| | Avg. | | | 166 | 5.440 | | | | 3.25 |
| February | Max. | 257.74 | 48 | 171 | 7.135 | 0.74 | 8.17 | 0.171 | 5.56 |
| | Min. | | | 143 | 3.062 | | | | 2.39 |
| | Avg. | | | 167 | 5.396 | | | | 3.15 |
| March | Max. | 331.63 | 57 | 191 | 7.958 | 0.82 | 9.97 | 0.174 | 5.60 |
| | Min. | | | 141 | 3.125 | | | | 2.20 |
| | Avg. | | | 167 | 5.818 | | | | 3.01 |
| April | Max. | 289.62 | 51 | 168 | 7.000 | 0.81 | 8.70 | 0.177 | 5.54 |
| | Min. | | | 166 | 3.208 | | | | 2.54 |
| | Avg. | | | 167 | 5.671 | | | | 3.13 |
| May | Max. | 286.23 | 51 | 171 | 7.000 | 0.77 | 9.10 | 0.178 | 4.97 |
| | Min. | | | 143 | 3.590 | | | | 2.55 |
| | Avg. | | | 167 | 5.612 | | | | 3.18 |
| June | Max. | 310.61 | 54 | 168 | 7.125 | 0.86 | 8.99 | 0.167 | 5.09 |
| | Min. | | | 164 | 3.271 | | | | 2.34 |
| | Avg. | | | 166 | 5.752 | | | | 2.89 |
| July | Max. | 302.97 | 48 | 177 | 8.395 | 0.81 | 8.47 | 0.176 | 3.54 |
| | Min. | | | 164 | 4.980 | | | | 2.10 |
| | Avg. | | | 167 | 6.311 | | | | 2.80 |
| August | Max. | 361.39 | 54 | 177 | 8.000 | 0.97 | 9.44 | 0.174 | 3.28 |
| | Min. | | | 164 | 5.333 | | | | 2.19 |
| | Avg. | | | 167 | 6.692 | | | | 2.61 |
| September | Max. | 346.52 | 54 | 195 | 7.746 | 0.96 | 9.35 | 0.173 | 3.74 |
| | Min. | | | 134 | 4.624 | | | | 2.23 |
| | Avg. | | | 167 | 6.416 | | | | 2.70 |
| October | Max. | 283.25 | 49 | 190 | 7.208 | 0.76 | 8.52 | 0.174 | 4.99 |
| | Min. | | | 142 | 3.480 | | | | 2.41 |
| | Avg. | | | 166 | 5.780 | | | | 3.01 |
| November | Max. | 307.61 | 54 | 171 | 7.000 | 0.85 | 9.29 | 0.172 | 5.82 |
| | Min. | | | 142 | 2.959 | | | | 2.46 |
| | Avg. | | | 166 | 5.697 | | | | 3.02 |
| December | Max. | 315.98 | 54 | 190 | 7.417 | 0.85 | 8.22 | 0.152 | 4.84 |
| | Min. | | | 146 | 3.145 | | | | 2.05 |
| | Avg. | | | 168 | 5.851 | | | | 2.60 |
| Total | | 3671.00 | 625 | | | 9.95 | 107.23 | 2.065 | |
| General | Max. | 361.39 | 57 | 195 | 8.395 | 0.97 | 9.97 | 0.178 | 5.82 |
| | Min. | 257.74 | 48 | 134 | 2.959 | 0.74 | 8.17 | 0.152 | 2.05 |
| | Avg. | 305.92 | 52 | 167 | 5.870 | 0.83 | 8.94 | 0.172 | 2.95 |

SEWERAGE AND WATER BOARD OF NEW ORLEANS

TABLE VII

FIVE YEAR ANALYSIS COMPOSITE DATA (2000-2004) FOR NEW ORLEANS
DRINKING WATER PURIFICATION SYSTEM

| PARAMETER | MISSISSIPPI RIVER (Before Purification) | | | FINISHED WATER (After Purification) | | |
|--------------------------------------|--|-------|-------|--|-------|-------|
| | MAX | MIN | AVG | MAX | MIN | AVG |
| Total Alkalinity (ppm as CaCO3) | 159 | 70 | 111 | 143 | 60 | 93 |
| Total Hardness (ppm as CaCO3) | 203 | 98 | 149 | 196 | 107 | 147 |
| Noncarbonate Hardness (ppm as CaCO3) | 72 | 11 | 38 | 84 | 20 | 54 |
| Calcium Hardness (ppm as CaCO3) | 149 | 69 | 105 | 156 | 73 | 110 |
| Magnesium Hardness (ppm as CaCO3) | 83 | 2 | 45 | 68 | 10 | 37 |
| Nephelometric Turbidity (N.T.U.) | 394 | 5 | 64 | 0.54 | 0.06 | 0.15 |
| Jackson Turbidity (J.T.U.) | 480 | 25 | 100.8 | ----- | ----- | ----- |
| pH | 8.48 | 7.01 | 7.89 | 9.81 | 7.81 | 8.90 |
| Chloride (ppm) | 62 | 16 | 34 | 65 | 21 | 35 |
| Fluoride (ppm) | 0.49 | 0.11 | 0.23 | 1.32 | 0.26 | 0.94 |
| Total Dissolved Solids (ppm) | 401 | 114 | 240 | 351 | 105 | 234 |
| Total Suspended Solids (ppm) | 312 | 23 | 122 | ----- | ----- | ----- |
| Free Chlorine Residual (ppm as CL2) | ----- | ----- | ----- | 0.68 | 0.00 | 0.11 |
| Total Chlorine Residual (ppm as CL2) | ----- | ----- | ----- | 4.64 | 0.03 | 3.05 |
| Ammonia (ppm as N) | ----- | ----- | ----- | 1.20 | 0.02 | 0.17 |
| Ortho Phosphate (ppm as PO4) | 0.46 | 0.08 | 0.27 | 0.39 | 0.06 | 0.23 |
| Total Phosphate (ppm as PO4) | 0.48 | 0.2 | 0.31 | 0.54 | 0.2 | 0.34 |
| Sulfate (ppm as SO4) | 48.2 | 26.5 | 34.8 | 48.8 | 16.7 | 34.6 |
| Nitrate (ppm as N) * | 3.76 | 0.62 | 1.48 | 2.87 | 0.30 | 1.44 |
| Color (Scale Units) | 25 | 10 | 17 | 20 | 10 | 12 |
| Conductivity (umhos/cm) | 524 | 85 | 340 | 531 | 191 | 333 |
| Temperature (Deg. F.) | 87 | 36 | 66 | 92 | 50 | 73 |
| Aluminum (ppb) * | ----- | ----- | ----- | 110 | 0 | 27 |
| Antimony (ppb) * | ----- | ----- | ----- | 0.3 | 0 | 0.1 |
| Arsenic (ppb) * | ----- | ----- | ----- | 2.6 | 0 | 0.4 |
| Barium (ppb) * | ----- | ----- | ----- | 126 | 0 | 27 |
| Beryllium (ppb) * | ----- | ----- | ----- | 0 | 0 | 0 |
| Cadmium (ppb) * | ----- | ----- | ----- | 0.3 | 0 | 0 |
| Chromium (ppb) * | ----- | ----- | ----- | 8.0 | 0 | 0.5 |
| Copper (ppb) * | ----- | ----- | ----- | 200 | 0 | 10 |
| Iron (ppb) * | ----- | ----- | ----- | 130 | 0 | 23 |
| Lead (ppb) * | ----- | ----- | ----- | 3 | 0 | 0.1 |
| Manganese (ppb) * | ----- | ----- | ----- | 15 | 0 | 2 |
| Mercury (ppb) * | ----- | ----- | ----- | 0.6 | 0.0 | 0.0 |
| Nickel (ppb) * | ----- | ----- | ----- | 5.8 | 0.1 | 2.1 |
| Selenium (ppb) * | ----- | ----- | ----- | 3.1 | 0 | 0.4 |
| Silver (ppb) * | ----- | ----- | ----- | 0.2 | 0 | 0 |
| Zinc (ppb) * | ----- | ----- | ----- | 28 | 0 | 1.9 |
| Potassium (ppm) * | ----- | ----- | ----- | 7.1 | 2.5 | 4.2 |
| Sodium (ppm) * | ----- | ----- | ----- | 45 | 13 | 28 |
| Thallium (ppb) * | ----- | ----- | ----- | 0.2 | 0 | 0 |
| Total Trihalomethanes (ppb) | 0.3 | 0 | 0 | 54.3 | 8.3 | 23.2 |
| Total Organic Carbon (ppm) | 8.33 | 2.72 | 4.976 | 4.8 | 2.0 | 2.9 |
| 1, 2-Dichlorethane (ppb) | 38 | 0 | 0.08 | 0.8 | 0.0 | 0.0 |
| Chloroform (ppb) | 0.2 | 0 | 0 | 43.2 | 5.7 | 15.6 |
| Carbon Tetrachloride (ppb) | 0.1 | 0 | 0 | 0.8 | 0.0 | 0.0 |
| Bromodichloromethane (ppb) | 0.1 | 0 | 0 | 12.0 | 1.5 | 6.0 |
| Tetrachloroethene (ppb) | 1.1 | 0 | 0 | 0.2 | 0.0 | 0.0 |
| BTEX | 160 | 0 | 0.3 | 2.4 | 0 | 0.1 |
| Total Coliforms (colonies/100 ml) | 13600 | 23 | 1313 | 6 | 0 | 0 |
| Fecal coliforms (colonies/100 ml) | 1630 | 0 | 109 | 0 | 0 | 0 |

Note: The 2004 results for nitrates and for the metal constituents (parameters indicated with asterisks) are from Louisiana Department of Health and Hospitals testing. Results for these constituents in the other four years and for the other constituents in all five years are from testing by the Sewerage and Water Board Water Quality Laboratory. Concerning the chemical results, the Sewerage and Water Board Water Quality Laboratory does not meet the higher criteria required by DHH-OPH to be classified as a "DHH-OPH Certified Chemical Laboratory/Drinking Water"; therefore, any results reported from this laboratory for chemical drinking water parameters which are required to be analyzed in a certified laboratory are officially deemed invalid. This laboratory is certified for Total Coliform and Fecal Coliform bacteriological testing.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

TABLE VIII

**CARROLLTON OPERATION
CHEMICAL COST PER MILLION GALLONS**

| CHEMICAL | CHEMICAL COST | CHEMICAL COST PER MILLION GALLONS |
|------------------------|-----------------------|-----------------------------------|
| Lime | \$211,529.13 | \$4.72 |
| Ferric Coagulant | \$601,739.27 | \$13.41 |
| Chlorine | \$462,570.67 | \$10.31 |
| Sodium Polyphosphate | \$72,324.47 | \$1.61 |
| Polyelectrolyte | \$252,838.06 | \$5.64 |
| Fluoride (100%) | \$82,707.49 | \$1.84 |
| Ammonia | \$97,660.05 | \$2.18 |
| Carbon | \$0.00 | \$0.00 |
| TOTAL CHEMICALS | \$1,781,369.14 | \$39.71 |

Purification Plant Operating Cost: \$4,868,326.00
 Total Water Treated in 2004: 44,861,910,000 Gallons

**TOTAL COST
PER MILLION GALLONS**

| YEAR | TOTAL WATER TREATED IN MILLION GALLONS | OPERATING COST | TOTAL COST PER MILLION GALLONS |
|------|--|----------------|--------------------------------|
| 2004 | 44,861.91 | \$4,868,326.00 | \$108.52 |
| 2003 | 42,101.93 | \$5,021,474.00 | \$119.27 |
| 2002 | 38,921.50 | \$4,793,704.00 | \$123.16 |
| 2001 | 41,493.67 | \$4,727,852.00 | \$113.94 |
| 2000 | 46,758.31 | \$4,627,313.00 | \$98.96 |

SEWERAGE AND WATER BOARD OF NEW ORLEANS

TABLE IX

**ALGIERS OPERATION
CHEMICAL COST PER MILLION GALLONS**

| CHEMICAL | CHEMICAL COST | CHEMICAL COST PER MILLION GALLONS |
|------------------------|---------------------|-----------------------------------|
| Lime | \$74,587.25 | \$20.13 |
| Ferric Coagulant | \$60,344.16 | \$16.28 |
| Chlorine | \$31,588.42 | \$8.52 |
| Sodium Polyphosphate | \$9,134.00 | \$2.46 |
| Polyelectrolyte | \$22,778.83 | \$6.15 |
| Fluoride (100%) | \$4,192.93 | \$1.13 |
| Ammonia | \$8,996.96 | \$2.43 |
| Carbon | \$1,124.24 | \$0.30 |
| TOTAL CHEMICALS | \$212,746.79 | \$57.41 |

Purification Plant Operating Cost: \$1,312,385.00
 Total Water Treated in 2004: 3,705,980,000 Gallons

**TOTAL COST
PER MILLION GALLONS**

| YEAR | TOTAL WATER TREATED IN MILLION GALLONS | OPERATING COST | TOTAL COST PER MILLION GALLONS |
|------|--|----------------|--------------------------------|
| 2004 | 3,705.98 | \$1,312,385.00 | \$354.13 |
| 2003 | 3,673.39 | \$1,274,335.00 | \$346.91 |
| 2002 | 3,577.44 | \$1,189,556.00 | \$332.52 |
| 2001 | 3,839.54 | \$1,284,487.00 | \$334.54 |
| 2000 | 4,425.96 | \$1,362,279.00 | \$307.79 |
| 1999 | 5,971.82 | \$1,373,072.00 | \$229.93 |

- NOTE: (1) Operating costs since 1996 include Pension, FICA and FICA-MED which were charged in previous years to payroll related groups.
 (2) Beginning with the 2002 report, operating costs include the costs of the Purification Superintendent's office and the costs of the Laboratory. These costs are prorated between the Carrollton and Algiers Water Plants.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

TABLE X

**SLUDGE REMOVED FROM THE "G" BASINS PRIMARY TREATMENT UNITS
DOOR MONORAKE CONVENTIONAL SYSTEM
2004**

| | |
|---|-----------|
| Total Million Gallons Water Treated | 31,543.04 |
| Total Tons Dry Sludge Deposited in Basins Including suspended and Dissolved Solids Removed and Reacting Chemicals | 14,168 |
| Total Million Gallons Wet Sludge Withdrawn from Basins | 890.46 |
| Average Percent solids in Wet Sludge | 0.38 |
| Total Million Gallons Water Used in withdrawing Sludge | 889.05 |
| Percent of Total Water Treated Used in Withdrawing Wet Sludge | 2.82 |

TABLE X-A

**SLUDGE REMOVED FROM THE "L" BASINS PRIMARY TREATMENT UNITS
DOOR MONORAKE CONVENTIONAL SYSTEM
2004**

| | |
|---|-----------|
| Total Million Gallons Water Treated | 13,309.00 |
| Total Tons Dry Sludge Deposited in Basins Including suspended and Dissolved Solids Removed and Reacting Chemicals | 6,901 |
| Total Million Gallons Wet Sludge Withdrawn from Basins | 343.16 |
| Average Percent solids in Wet Sludge | 0.48 |
| Total Million Gallons Water Used in withdrawing Sludge | 342.47 |
| Percent of Total Water Treated Used in Withdrawing Wet Sludge | 2.58 |

SEWERAGE AND WATER BOARD OF NEW ORLEANS

TABLE XI

2004 ANALYSIS DATA FOR NEW ORLEANS
DRINKING WATER PURIFICATION SYSTEM

| PARAMETER | MISSISSIPPI RIVER (Before Purification) | | | FINISHED WATER (After Purification) | | |
|--|--|-------|-------|--|-------|-------|
| | MAX | MIN | AVG | MAX | MIN | AVG |
| Total Alkalinity (ppm as CaCO3) | 136 | 74 | 105 | 143 | 70 | 111 |
| Total Hardness (ppm as CaCO3) | 182 | 107 | 143 | 196 | 127 | 165 |
| Noncarbonate Hardness (ppm as CaCO3) | 61 | 20 | 38 | 74 | 20 | 54 |
| Calcium Hardness (ppm as CaCO3) | 145 | 79 | 104 | 156 | 94 | 125 |
| Magnesium Hardness (ppm as CaCO3) | 68 | 14 | 39 | 68 | 13 | 40 |
| Nephelometric Turbidity (N.T.U.) | 155 | 9 | 64 | 0.32 | 0.06 | 0.12 |
| Jackson Turbidity (J.T.U.) | 198 | 25 | 103 | ----- | ----- | ----- |
| pH | 8.15 | 7.01 | 7.86 | 9.34 | 8.19 | 8.88 |
| Chloride (ppm) | 62 | 23 | 37 | 65 | 26 | 37 |
| Fluoride (ppm) | 0.39 | 0.12 | 0.21 | 1.28 | 0.31 | 0.94 |
| Total Dissolved Solids (ppm) | 303 | 179 | 228 | 291 | 212 | 239 |
| Total Suspended Solids (ppm) | 223 | 23 | 108 | ----- | ----- | ----- |
| Free Chlorine Residual (ppm as CL2) | ----- | ----- | ----- | 0.60 | 0.02 | 0.10 |
| Total Chlorine Residual (ppm as CL2) | ----- | ----- | ----- | 4.30 | 0.90 | 2.85 |
| Ammonia (ppm as N) | ----- | ----- | ----- | 0.30 | 0.03 | 0.12 |
| Ortho Phosphate (ppm as PO4) | 0.32 | 0.18 | 0.26 | 0.28 | 0.14 | 0.23 |
| Total Phosphate (ppm as PO4) | 0.33 | 0.20 | 0.27 | 0.36 | 0.20 | 0.30 |
| Sulfate (ppm as SO4) | 38.2 | 26.8 | 33.3 | 37.7 | 27.8 | 33.6 |
| Nitrate (ppm as N) * | ----- | ----- | ----- | 2 | 2 | 2 |
| Color (Scale Units) | 25 | 10 | 17 | 15 | 10 | 12 |
| Conductivity (umhos/cm) | 488 | 204 | 342 | 531 | 280 | 394 |
| Temperature (Deg. F.) | 87 | 45 | 67 | 86 | 56 | 73 |
| Aluminum (ppb) * | ----- | ----- | ----- | 110 | 110 | 110 |
| Antimony (ppb) * | ----- | ----- | ----- | 0 | 0 | 0 |
| Arsenic (ppb) * | ----- | ----- | ----- | 0 | 0 | 0 |
| Barium (ppb) * | ----- | ----- | ----- | 0 | 0 | 0 |
| Beryllium (ppb) * | ----- | ----- | ----- | 0 | 0 | 0 |
| Cadmium (ppb) * | ----- | ----- | ----- | 0 | 0 | 0 |
| Chromium (ppb) * | ----- | ----- | ----- | 0 | 0 | 0 |
| Copper (ppb) * | ----- | ----- | ----- | 200 | 0 | 0 |
| Iron (ppb) * | ----- | ----- | ----- | 130 | 0 | 40 |
| Lead (ppb) * | ----- | ----- | ----- | 3 | 0 | 0 |
| Manganese (ppb) * | ----- | ----- | ----- | 10 | 0 | 0 |
| Mercury (ppb) * | ----- | ----- | ----- | 0 | 0 | 0 |
| Nickel (ppb) * | ----- | ----- | ----- | 0 | 0 | 0 |
| Selenium (ppb) * | ----- | ----- | ----- | 0 | 0 | 0 |
| Silver (ppb) * | ----- | ----- | ----- | 0 | 0 | 0 |
| Zinc (ppb) * | ----- | ----- | ----- | 0 | 0 | 0 |
| Potassium (ppm) * | ----- | ----- | ----- | 6.0 | 2.5 | 3.8 |
| Sodium (ppm) * | ----- | ----- | ----- | 24.7 | 19.6 | 24.4 |
| Thallium (ppb) * | ----- | ----- | ----- | 0 | 0 | 0 |
| Total Trihalomethanes (ppb) | 0.0 | 0.0 | 0.0 | 54.3 | 14.7 | 26.6 |
| Total Organic Carbon (ppm) | 6.8 | 3.6 | 5.1 | 4.8 | 2.4 | 3.3 |
| 1, 2-Dichloroethane (ppb) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Chloroform (ppb) | 0.0 | 0.0 | 0.0 | 43.2 | 10.5 | 18.0 |
| Carbon Tetrachloride (ppb) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Bromodichloromethane (ppb) | 0.0 | 0.0 | 0.0 | 10.5 | 3.7 | 7.1 |
| Tetrachloroethene (ppb) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| BTX (Benzene, Toluene & Xylenes) (ppb) | 1.7 | 0.0 | 0.0 | 2.0 | 0.0 | 0.1 |
| Total Coliforms (colonies/100 ml) | 9800 | 23 | 965 | 2 | 0 | 0 |
| Fecal Coliforms (colonies/100 ml) | 1475 | 6 | 96 | 0 | 0 | 0 |

Note: The results for nitrates and for the metal constituents (indicated with asterisks) are from Louisiana Department of Health and Hospitals testing. All other results are from testing by the Sewerage and Water Board Water Quality Laboratory. Concerning the chemical results, the Sewerage and Water Board Water Quality Laboratory does not meet the higher criteria required by DHH-OPH to be classified as a "DHH-OPH Certified Chemical Laboratory/Drinking Water", therefore, any results reported from this laboratory for chemical drinking water parameters which are required to be analyzed in a certified laboratory are officially deemed invalid. This laboratory is certified for Total Coliform and Fecal Coliform bacteriological testing.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

TABLE XII

**EXTRACTS FROM TABLES IV-E AND V
20 Year Period, 1985 to 2004 Inclusive
Maximum, Minimum, and Average Amount of
Water Treated Per Day
(M.G. per 24 Hours)**

| YEAR | CARROLLTON | | | ALGIERS | | |
|------|------------|--------|--------|---------|-------|-------|
| | MAX. | MIN. | AVG. | MAX. | MIN. | AVG. |
| 1985 | 210.04 | 99.75 | 124.08 | 14.96 | 8.54 | 10.49 |
| 1986 | 175.77 | 89.12 | 121.50 | 13.71 | 8.04 | 10.29 |
| 1987 | 137.63 | 95.08 | 116.42 | 13.46 | 7.45 | 10.42 |
| 1988 | 146.38 | 94.71 | 118.38 | 13.71 | 8.34 | 10.19 |
| 1989 | 240.00 | 93.83 | 119.54 | 18.75 | 7.00 | 9.80 |
| 1990 | 162.50 | 100.46 | 119.61 | 14.78 | 8.00 | 10.46 |
| 1991 | 133.29 | 98.92 | 114.79 | 12.50 | 8.00 | 9.60 |
| 1992 | 139.00 | 97.00 | 115.22 | 13.88 | 8.00 | 9.88 |
| 1993 | 140.38 | 103.25 | 117.41 | 15.42 | 7.62 | 10.18 |
| 1994 | 128.88 | 103.88 | 113.71 | 17.00 | 8.00 | 11.47 |
| 1995 | 142.83 | 104.67 | 121.40 | 18.14 | 9.00 | 11.55 |
| 1996 | 198.42 | 91.59 | 128.97 | 18.27 | 9.00 | 11.47 |
| 1997 | 156.53 | 112.70 | 128.73 | 18.83 | 9.58 | 12.06 |
| 1998 | 152.96 | 98.48 | 126.86 | 22.96 | 12.00 | 12.36 |
| 1999 | 168.25 | 122.55 | 140.26 | 22.00 | 8.90 | 15.19 |
| 2000 | 152.50 | 126.71 | 128.10 | 18.83 | 7.58 | 12.13 |
| 2001 | 153.93 | 107.75 | 126.70 | 15.76 | 6.00 | 10.90 |
| 2002 | 128.67 | 87.00 | 106.63 | 14.00 | 6.66 | 9.80 |
| 2003 | 144.26 | 90.75 | 115.35 | 13.16 | 8.00 | 10.06 |
| 2004 | 145.83 | 102.92 | 122.57 | 13.16 | 8.00 | 10.15 |

SEWERAGE AND WATER BOARD OF NEW ORLEANS

TABLE XIII

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

| MONTHLY | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 |
|-----------|------|------|------|------|------|------|------|------|------|------|
| January | 40 | 45 | 46 | 64 | 45 | 50 | 39 | 45 | 48 | 49 |
| February | 38 | 48 | 50 | 50 | 50 | 49 | 44 | 46 | 48 | 47 |
| March | 43 | 52 | 57 | 52 | 50 | 55 | 49 | 49 | 51 | 54 |
| April | 55 | 57 | 61 | 61 | 60 | 60 | 57 | 56 | 60 | 62 |
| May | 62 | 68 | 63 | 70 | 67 | 69 | 69 | 67 | 70 | 71 |
| June | 77 | 76 | 75 | 80 | 77 | 78 | 75 | 74 | 73 | 79 |
| July | 82 | 83 | 83 | 85 | 82 | 83 | 82 | 82 | 79 | 83 |
| August | 85 | 83 | 87 | 85 | 87 | 86 | 84 | 84 | 81 | 84 |
| September | 84 | 82 | 83 | 83 | 83 | 84 | 83 | 82 | 80 | 81 |
| October | 73 | 72 | 77 | 76 | 74 | 72 | 73 | 73 | 73 | 74 |
| November | 60 | 62 | 67 | 65 | 66 | 63 | 63 | 62 | 65 | 65 |
| December | 50 | 51 | 59 | 57 | 56 | 47 | 56 | 53 | 53 | 53 |
| Maximum | 88 | 84 | 90 | 87 | 89 | 87 | 87 | 85 | 83 | 87 |
| Minimum | 36 | 40 | 39 | 47 | 42 | 39 | 36 | 42 | 46 | 45 |
| Average | 62 | 65 | 67 | 68 | 66 | 66 | 65 | 64 | 64 | 67 |

| | |
|------------------------|----|
| <u>Ten Year Period</u> | |
| Maximum: | 90 |
| Minimum: | 36 |
| Average: | 65 |

SEWERAGE AND WATER BOARD OF NEW ORLEANS

TABLE XIV

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

| | 2000 | 2001 | 2002 | 2003 | 2004 |
|--|-------------|-------------|-------------|-------------|-------------|
| January | 60 | 54 | 61 | 60 | 65 |
| February | 60 | 63 | 63 | 62 | 62 |
| March | 67 | 68 | 65 | 66 | 65 |
| April | 70 | 74 | 72 | 71 | 73 |
| May | 76 | 78 | 77 | 78 | 78 |
| June | 80 | 79 | 82 | 80 | 84 |
| July | 85 | 82 | 83 | 81 | 83 |
| August | 85 | 84 | 83 | 83 | 85 |
| September | 83 | 82 | 84 | 83 | 82 |
| October | 78 | 77 | 79 | 81 | 80 |
| November | 72 | 71 | 72 | 77 | 75 |
| December | 60 | 64 | 64 | 68 | 69 |
| Maxiumum | 92 | 89 | 87 | 86 | 88 |
| Minimum | 50 | 49 | 52 | 52 | 58 |
| Average | 72 | 73 | 74 | 74 | 75 |
| <p><u>Five Year Period</u></p> <p>Maximum 92</p> <p>Minimum 49</p> <p>Average 74</p> | | | | | |

SEWERAGE AND WATER BOARD OF NEW ORLEANS

New Orleans East Bank Sewage Treatment Plant

Yearly Summary

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | 2004 |
|---------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|
| PLANT FLOW (MGD) | | | | | | | | | | | | | |
| Average | 99 | 132 | 86 | 102 | 122 | 125 | 109 | 89 | 80 | 103 | 99 | 102 | 104 |
| Maximum | 190 | 180 | 123 | 193 | 179 | 179 | 163 | 121 | 95 | 181 | 145 | 165 | 193 |
| INFLUENT BOD (mg/l) | | | | | | | | | | | | | |
| Average | 204 | 139 | 227 | 296 | 182 | 100 | 102 | 120 | 231 | 270 | 222 | 175 | 189 |
| Maximum | 477 | 262 | 528 | 645 | 541 | 417 | 334 | 274 | 464 | 406 | 583 | 362 | 645 |
| INFLUENT TSS (mg/l) | | | | | | | | | | | | | |
| Average | 320 | 174 | 259 | 311 | 336 | 145 | 148 | 183 | 385 | 415 | 307 | 299 | 274 |
| Maximum | 832 | 306 | 575 | 561 | 799 | 479 | 511 | 441 | 816 | 655 | 647 | 936 | 832 |
| INFLUENT BOD (lbs/day) | | | | | | | | | | | | | |
| Average | 177,744 | 113,348 | 219,827 | 257,985 | 139,032 | 107,964 | 119,643 | 116,182 | 174,386 | 185,231 | 172,125 | 140,514 | 160,332 |
| Maximum | 518,574 | 378,422 | 634,067 | 582,550 | 443,659 | 463,911 | 459,469 | 559,587 | 372,650 | 412,671 | 395,407 | 339,967 | 634,067 |
| INFLUENT TSS (lbs/day) | | | | | | | | | | | | | |
| Average | 270,872 | 144,873 | 256,901 | 276,605 | 260,840 | 159,067 | 178,011 | 170,520 | 299,352 | 310,666 | 235,948 | 238,172 | 233,486 |
| Maximum | 621,030 | 46,882 | 843,040 | 617,083 | 676,263 | 560,282 | 756,970 | 618,987 | 839,791 | 677,955 | 487,894 | 849,553 | 849,553 |
| EFFLUENT BOD (mg/l) | | | | | | | | | | | | | |
| Average | 20 | 18 | 21 | 27 | 17 | 16 | 14 | 13 | 17 | 19 | 20 | 18 | 18 |
| Weekly Maximum | 34 | 23 | 26 | 41 | 21 | 22 | 17 | 14 | 20 | 27 | 22 | 20 | 41 |
| EFFLUENT TSS (mg/l) | | | | | | | | | | | | | |
| Average | 29 | 27 | 29 | 45 | 30 | 22 | 16 | 18 | 15 | 25 | 31 | 17 | 25 |
| Weekly Maximum | 44 | 33 | 31 | 71 | 43 | 25 | 17 | 20 | 16 | 43 | 45 | 30 | 71 |
| EFFLUENT BOD (lbs/day) | | | | | | | | | | | | | |
| Average | 17,689 | 19,458 | 15,159 | 26,599 | 17,345 | 16,546 | 13,062 | 9,867 | 11,414 | 17,024 | 17,239 | 15,692 | 16,425 |
| Weekly Maximum | 93,512 | 36,321 | 25,995 | 227,932 | 35,060 | 32,978 | 22,238 | 30,534 | 20,780 | 65,409 | 71,875 | 43,991 | 227,932 |
| EFFLUENT TSS (lbs/day) | | | | | | | | | | | | | |
| Average | 26,003 | 30,471 | 20,616 | 44,495 | 33,693 | 23,531 | 14,311 | 12,988 | 10,034 | 23,559 | 27,621 | 15,610 | 23,573 |
| Weekly Maximum | 187,972 | 67,554 | 37,290 | 290,416 | 117,149 | 49,382 | 31,207 | 31,702 | 16,756 | 210,801 | 235,163 | 127,732 | 290,416 |
| EFFLUENT CL2 (mg/l) | | | | | | | | | | | | | |
| Average | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 |
| Maximum | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 |
| EFFLUENT COLIFORM (col/100 ml) | | | | | | | | | | | | | |
| Average (Geo) | 5 | 13 | 24 | 16 | 11 | 4 | 39 | 16 | 9 | 21 | 7 | 14 | 15 |
| Wkly Maximum (Geo) | 6 | 121 | 95 | 64 | 123 | 7 | 242 | 78 | 14 | 86 | 20 | 54 | 242 |
| EFFLUENT pH (SU) | | | | | | | | | | | | | |
| Minimum | 6.30 | 6.30 | 6.20 | 6.20 | 6.10 | 6.20 | 6.30 | 6.10 | 6.20 | 6.20 | 6.20 | 6.20 | 6.10 |
| Maximum | 6.70 | 6.80 | 6.60 | 6.50 | 6.50 | 6.80 | 7.00 | 6.50 | 6.60 | 6.80 | 6.40 | 7.20 | 7.00 |
| BURNED SLUDGE (tons) | | | | | | | | | | | | | |
| Average per day | 30 | 29 | 32 | 36 | 40 | 39 | 43 | 31 | 30 | 30 | 37 | 32 | 34 |
| Total | 927 | 753 | 929 | 1,039 | 1,232 | 1,168 | 1,321 | 972 | 809 | 867 | 1,117 | 986 | 12,120 |
| ELECTRICITY (kwhr) | | | | | | | | | | | | | |
| Average per day | 57,987 | 78,786 | 55,819 | 63,948 | 85,960 | 92,120 | 79,520 | 68,013 | 63,000 | 60,697 | 72,520 | 76,684 | 71,255 |
| Total - East Bank only | 1,797,600 | 2,284,800 | 1,730,400 | 1,982,400 | 2,578,800 | 2,763,600 | 2,385,600 | 2,108,400 | 1,890,000 | 1,881,600 | 2,175,600 | 2,377,200 | 25,956,000 |
| RAINFALL (inches) | | | | | | | | | | | | | |
| Total | 3.3 | 8.1 | 1.0 | 8.3 | 7.4 | 10.3 | 4.8 | 4.2 | 1.1 | 5.6 | 6.1 | 2.8 | 63.0 |

SEWERAGE AND WATER BOARD OF NEW ORLEANS

New Orleans West Bank Sewage Treatment Plant Yearly Summary

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | 2004 |
|---------------------------------------|---------|---------|---------|---------|---------|--------|---------|---------|---------|---------|---------|---------|-----------|
| PLANT FLOW (MGD) | | | | | | | | | | | | | |
| Average | 9.1 | 13.9 | 7.2 | 9.6 | 11.7 | 9.6 | 8.3 | 6.8 | 6.6 | 8.1 | 8.4 | 10.4 | 9.1 |
| Maximum | 26.9 | 27.8 | 13.0 | 26.3 | 24.8 | 17.0 | 13.4 | 14.2 | 8.1 | 30.0 | 17.3 | 27.4 | 30.0 |
| INFLUENT BOD (mg/l) | | | | | | | | | | | | | |
| Average | 88 | 54 | 91 | 80 | 73 | 74 | 95 | 82 | 97 | 74 | 79 | 75 | 80 |
| Maximum | 161 | 85 | 133 | 120 | 160 | 147 | 196 | 239 | 191 | 133 | 129 | 132 | 239 |
| INFLUENT TSS (mg/l) | | | | | | | | | | | | | |
| Average | 102 | 80 | 95 | 84 | 89 | 95 | 105 | 142 | 86 | 94 | 74 | 64 | 93 |
| Maximum | 190 | 506 | 251 | 162 | 147 | 230 | 186 | 368 | 200 | 463 | 213 | 227 | 506 |
| INFLUENT BOD (lbs/day) | | | | | | | | | | | | | |
| Average | 7,653 | 6,746 | 7,671 | 7,565 | 7,511 | 6,346 | 6,730 | 5,398 | 5,365 | 4,908 | 5,595 | 6,556 | 6,504 |
| Maximum | 12,866 | 13,235 | 11,958 | 12,449 | 13,028 | 13,271 | 12,285 | 13,531 | 9,856 | 7,816 | 9,798 | 12,235 | 13,531 |
| INFLUENT TSS (lbs/day) | | | | | | | | | | | | | |
| Average | 8,768 | 10,453 | 8,351 | 8,159 | 10,061 | 8,881 | 7,475 | 9,690 | 4,768 | 6,915 | 5,768 | 5,999 | 7,941 |
| Maximum | 14,817 | 70,897 | 30,711 | 16,971 | 20,976 | 26,855 | 13,267 | 24,246 | 11,176 | 25,099 | 26,291 | 20,316 | 70,897 |
| EFFLUENT BOD (mg/l) | | | | | | | | | | | | | |
| Average | 23 | 22 | 21 | 19 | 19 | 12 | 11 | 14 | 12 | 13 | 16 | 16 | 17 |
| Wkly Maximum | 29 | 26 | 21 | 22 | 26 | 14 | 13 | 21 | 18 | 14 | 18 | 21 | 29 |
| EFFLUENT TSS (mg/l) | | | | | | | | | | | | | |
| Average | 28 | 30 | 29 | 22 | 21 | 15 | 11 | 14 | 14 | 15 | 17 | 16 | 19 |
| Wkly Maximum | 34 | 33 | 31 | 25 | 25 | 19 | 14 | 22 | 18 | 22 | 23 | 17 | 34 |
| EFFLUENT BOD (lbs/day) | | | | | | | | | | | | | |
| Average | 1,632 | 2,578 | 1,293 | 1,673 | 1,722 | 920 | 786 | 795 | 683 | 961 | 1,164 | 1,277 | 1,290 |
| Maximum | 3,261 | 6,770 | 3,209 | 5,530 | 3,990 | 2,999 | 2,280 | 2,060 | 1,271 | 6,067 | 3,874 | 2,362 | 6,770 |
| EFFLUENT TSS (lbs/day) | | | | | | | | | | | | | |
| Average | 2,015 | 3,551 | 1,805 | 1,934 | 2,003 | 1,224 | 708 | 837 | 765 | 1,399 | 1,242 | 1,352 | 1,570 |
| Maximum | 5,359 | 9,232 | 4,120 | 5,885 | 4,297 | 3,383 | 1,832 | 2,333 | 2,581 | 13,361 | 2,807 | 4,119 | 13,361 |
| EFFLUENT CL2 (mg/l) | | | | | | | | | | | | | |
| Maximum | 1.4 | 1.4 | 1.4 | 1.4 | 1.4 | 1.4 | 1.3 | 1.4 | 1.4 | 1.3 | 1.4 | 1.4 | 1.4 |
| EFFLUENT COLIFORM (col/100 ml) | | | | | | | | | | | | | |
| Average (Geo) | 17 | 48 | 12 | 19 | 81 | 40 | 21 | 9 | 4 | 5 | 17 | 36 | 26 |
| Wkly Maximum | 34 | 220 | 15 | 93 | 344 | 392 | 44 | 24 | 5 | 12 | 45 | 81 | 344 |
| EFFLUENT pH (SU) | | | | | | | | | | | | | |
| Minimum | 7.20 | 6.90 | 7.00 | 7.20 | 7.05 | 7.10 | 6.40 | 7.00 | 6.80 | 6.90 | 6.91 | 7.20 | 6.40 |
| Maximum | 7.70 | 7.70 | 7.50 | 7.60 | 7.42 | 7.60 | 7.60 | 7.40 | 7.20 | 7.50 | 7.90 | 7.81 | 7.90 |
| DISPOSED SLUDGE (tons) | | | | | | | | | | | | | |
| Total | 208 | 330 | 283 | 221 | 202 | 220 | 262 | 207 | 154 | 193 | 147 | 115 | 2,542 |
| ELECTRICITY (kwhr) | | | | | | | | | | | | | |
| Average per day | 11,426 | 12,600 | 10,206 | 11,389 | 11,247 | 13,440 | 11,652 | 11,200 | 10,080 | 9,981 | 10,920 | 9,439 | 11,047 |
| Total | 354,200 | 352,800 | 316,400 | 341,600 | 337,400 | 12,973 | 361,200 | 347,200 | 302,400 | 309,400 | 327,600 | 292,600 | 4,032,000 |
| RAINFALL (inches) | | | | | | | | | | | | | |
| Total | 3.3 | 8.1 | 1.0 | 8.3 | 7.4 | 10.3 | 4.8 | 4.2 | 1.1 | 5.6 | 6.1 | 2.8 | 63.0 |

SEWERAGE AND WATER BOARD OF NEW ORLEANS

Annual Report 2004

SEWER TABULATION NO. 1

Sewer Lines Laid During 2004

QUANTITIES OF PIPE MEASURED IN FEET

| ITEMS | BY CONTRACT | BY OTHERS | TOTAL FEET | TOTAL MILES |
|------------------|-------------|-----------|--|-------------|
| 6" P.V.C. | 29,781.30 | 13,219.40 | 43,000.70 | 8.14 |
| 8" P.V.C. | 60,333.06 | 28,112.60 | 88,446.20 | 16.75 |
| 8" D.I. | 59.30 | 0.00 | 59.30 | 0.01 |
| 10" P.V.C. | 2,223.80 | 745.00 | 2,968.80 | 0.56 |
| 12" P.V.C. | 607.00 | 1,106.00 | 1,713.00 | 0.32 |
| 15" P.V.C. | 934.50 | 0.00 | 934.50 | 0.35 |
| 18" P.V.C. | 1,651.00 | 0.00 | 1,651.00 | 0.31 |
| 21" P.V.C. | 0.00 | 572.00 | 572.00 | 0.10 |
| 4" P.V.C./S.F.M. | 0.00 | 4,935.70 | 4,935.70 | 0.93 |
| TOTALS | 95,590.50 | 48,690.70 | 144,281.20 | 27.33 |
| M.H.'S | 23 | 325 | 348 Total Manholes Constructed in 2004 | |

Sewer Lines Laid in 2004

| ORIGINAL CONSTRUCTION (IN FEET) | Running Total Removed as of 2004 | Running Total Replaced as of 2004 | Total Existing in Feet | Total Existing in Miles |
|---------------------------------|----------------------------------|-----------------------------------|------------------------|-------------------------|
| 8,287,302.10 | 3,802,889.50 | 4,484,412.60 | 8,968,825.20 | 1,698.64 |

Original Miles Original Miles Original Miles
 1569.56 720.24 849.32

Sewer Manholes Laid in 2004

| BUILT IN 2004 | REMOVED IN 2004 | Total Modifications in 2004 |
|---------------|-----------------|-----------------------------|
| 348 | 101 | 247 |

SEWERAGE AND WATER BOARD OF NEW ORLEANS

ANNUAL REPORT 2004

SEWER TABULATION NO. 2

SEWER MANHOLES BUILT BY EACH CONTRACT FOR 2004

THE QUANTITIES DESTROYED OR ABANDONED AND THE EXTENT OF THE SEWERAGE AT THE END OF 2004

| | SEWER PIPE | | | ALL SEWERS | | | MANHOLES | | |
|---------------------------------|----------------|--------------------|--------------|----------------|------------|--------------|----------------|-----------|-----------|
| | ORIGINAL BUILT | REMOVED & REPLACED | REMAIN | ORIGINAL BUILT | ABANDONED | REMAINING | ORIGINAL BUILT | ABANDONED | REMAINING |
| Bought from N.O. Sewer Co. | 21,307.50 | 14,498.30 | 6,809.20 | 24,908.20 | 18,099.00 | 6,809.20 | 73.00 | 15.00 | 58.00 |
| Built Under Ordinary Contracts | 3,612,594.20 | 42,489.90 | 3,570,104.30 | 3,654,233.20 | 135,197.30 | 3,551,654.20 | 9,875.00 | 264.00 | 9,611.00 |
| Built by S&WB Forces | 7,353,426.20 | 315,188.40 | 7,038,237.80 | 1,357,727.70 | 63,968.40 | 3,519,040.90 | 3,998.00 | 142.00 | 3,856.00 |
| Built by Dock Board | 5,839.70 | 0.00 | 5,839.70 | 6,874.30 | 0.00 | 1,293,758.90 | 19.00 | 0.00 | 19.00 |
| Built Under CWA & ERA Contracts | 25,662.60 | 0.00 | 25,662.60 | 25,662.60 | 360.00 | 25,302.60 | 76.00 | 3.00 | 73.00 |
| Built Under WPA Contracts | 138,903.60 | 28,288.70 | 110,614.90 | 112,735.20 | 26,168.40 | 112,735.20 | 504.00 | 3.00 | 501.00 |
| Built Under PWA Contracts | 177,599.30 | 18,042.30 | 159,577.00 | 163,503.90 | 14,095.40 | 163,503.90 | 474.00 | 5.00 | 469.00 |
| Built Under FWA Contracts | 9,120.80 | 0.00 | 9,120.80 | 9,120.80 | 0.00 | 9,120.80 | 32.00 | 0.00 | 32.00 |
| Built by Orleans Levee Board | 126,348.70 | 0.00 | 118,845.70 | 126,348.70 | 7,503.00 | 118,845.70 | 675.00 | 6.00 | 669.00 |
| Built by FPHA | 4,253.10 | 4,253.10 | 0.00 | 4,253.10 | 4,253.10 | 0.00 | 17.00 | 17.00 | 0.00 |
| Built Under L.M.P. Contracts | 733,963.50 | 16,352.40 | 717,611.10 | 743,801.80 | 22,809.40 | 720,992.40 | 2,192.00 | 60.00 | 2,132.00 |
| Built by Others | 1,958,576.30 | 19,869.00 | 1,938,707.30 | 1,937,292.30 | 40,206.40 | 1,897,085.90 | 5,508.00 | 194.00 | 5,427.00 |
| | 8,167,595.50 | 458,981.80 | 6,805,057.36 | 8,166,467.30 | 332,660.40 | 1,875,069.80 | 23,443.00 | 709.00 | 22,847.00 |
| TOTAL MILES | 1,546.89 | 86.93 | 1,288.84 | 1,546.88 | 63.00 | 1,491.49 | | | |

SEWERAGE AND WATER BOARD OF NEW ORLEANS

ANNUAL REPORT 2004 SEWER TABULATION NO. 3

LENGTH OF SEWER OF EACH SIZE AND MATERIAL BUILT, DISCARDED AND NOW REMAINING IN THE SYSTEM

| SIZE & MATERIAL OF SEWER | TOTAL LENGTH BUILT INCLUDING SUBSTITUTES | DESTROYED OR ABANDONED | ADDED | NOW REMAINING IN THE SYSTEMS |
|--------------------------|--|------------------------|----------|------------------------------|
| 72" Steel | 29,182.40 | | | 29,182.40 |
| 68" Steel | 9,061.90 | | | 9,061.90 |
| 66" Concrete | 13,740.70 | | | 13,740.70 |
| 66" Steel | 28,979.70 | | | 28,979.70 |
| 60" Steel | 2,577.70 | | | 2,577.70 |
| 60" Concrete | 748.90 | | | 748.90 |
| 57" Concrete | 1,766.80 | | | 1,766.80 |
| 54" Concrete | 7,030.40 | | | 7,030.40 |
| 54" Steel | 44,014.50 | | | 44,014.50 |
| 51" Concrete | 928.30 | | | 928.30 |
| 50" Steel | 135.00 | | | 135.00 |
| 48" Concrete | 13,791.00 | | | 13,791.00 |
| 48" FRP | 10,900.20 | | | 10,900.20 |
| 48" Steel | 21,147.20 | | | 21,147.20 |
| 45" Concrete | 3,048.40 | | | 3,048.40 |
| 42" Concrete | 20,170.10 | | | 20,170.10 |
| 42" Steel | 3,580.20 | | | 3,580.20 |
| 39" Brick | 884.80 | | | 884.80 |
| 39" Concrete | 3,871.80 | | | 3,871.80 |
| 36" Vitrified Clay | 2,433.70 | | | 2,433.70 |
| 36" Prestressed Concrete | 11,617.20 | | | 11,617.20 |
| 36" Reinforced Concrete | 9,392.70 | | | 9,392.70 |
| 36" Steel | 150.00 | | | 150.00 |
| 36" Cast Iron | 10,674.00 | | | 10,674.00 |
| 36" P.V.C. | 10,604.00 | | | 10,604.00 |
| 33" Brick | 3,150.40 | | | 3,150.40 |
| 33" Reinforced Concrete | 1,450.90 | | | 1,450.90 |
| 30" Vitrified Clay | 1,672.20 | | | 1,672.20 |
| 30" Brick | 3,006.60 | | | 3,006.60 |
| 30" Prestressed Concrete | 484.00 | | | 484.00 |
| 30" Reinforced Concrete | 34,449.70 | | | 34,449.70 |
| 30" Vitrified Clay | 11,732.20 | | | 11,732.20 |
| 30" Cast Iron | 4,305.90 | | | 4,305.90 |
| 30" Steel | 3,255.20 | | | 3,255.20 |
| 30" ERP | 16,400.00 | | | 16,400.00 |
| 29" P.V.C. | 887.00 | | | 887.00 |
| 28" P.V.C. | 541.00 | | | 541.00 |
| 27" Vitrified Clay | 29,134.80 | 2,698.70 | 0.00 | 26,436.10 |
| 27" Terra Cotta | 11.00 | 11.00 | 0.00 | 0.00 |
| 27" P.V.C. | 11.00 | 0.00 | 1,736.00 | 1,747.00 |
| 27" Reinforced Concrete | 13,738.40 | | | 13,738.40 |
| Subtotal Linear Feet | 384,661.90 | 2,709.70 | 1,736.00 | 378,077.40 |
| Total Miles | 72.85 | 0.51 | 0.33 | 71.60 |

| SIZE & MATERIAL OF SEWER | TOTAL LENGTH BUILT INCLUDING SUBSTITUTES | DESTROYED OR ABANDONED | ADDED | NOW REMAINING IN THE SYSTEMS |
|--------------------------|--|------------------------|------------|------------------------------|
| 26" P.C.V. | 2,277.00 | | | 2,277.00 |
| 24" Vitrified Clay | 31,911.40 | 139.80 | 0.00 | 31,771.60 |
| 24" Cast Iron | 17,638.10 | | | 17,638.10 |
| 24" Asbestos Cement | 4,942.20 | | | 4,942.20 |
| 24" Reinforced Concrete | 28,377.00 | | | 28,377.00 |
| 24" P.V.C. | 162.00 | | 140.00 | 302.00 |
| 24" Steel | 110.00 | | | 110.00 |
| 21" P.V.C. | 702.60 | | 572.00 | 1,274.60 |
| 21" Reinforced Concrete | 14,615.50 | | | 14,615.50 |
| 20" Ductile Iron Pipe | 143.80 | | | 143.80 |
| 18" P.V.C. | 6,771.50 | | 1,651.00 | 8,422.50 |
| 16" Steel | 120.00 | | | 120.00 |
| 16" Asbestos Cement | 28,894.90 | | | 28,894.90 |
| 16" Plastic | 1,913.10 | | | 1,913.70 |
| 15" P.V.C. | 7,465.00 | | 934.50 | 8,399.50 |
| 15" Plastic Truss | 1,766.80 | | | 1,766.80 |
| 15" Vitrified Clay | 116,391.00 | 1,226.50 | | 115,164.50 |
| 10" Vitrified Clay | 194,748.80 | 7,910.40 | | 186,838.40 |
| 10" Concrete | 54,095.80 | | | 54,095.80 |
| 10" Steel | 130.00 | | | 130.00 |
| 10" Asbestos Cement | 27,660.40 | | | 27,660.40 |
| 10" P.V.C. | 103,618.50 | | 2,968.00 | 106,586.50 |
| 10" Plastic Truss | 6,072.50 | | | 6,102.50 |
| 8" Plastic | 706,265.50 | | | 706,265.50 |
| 8" Concrete | 363,969.60 | 1,887.40 | | 362,082.20 |
| 8" Terra Cotta | 375,838.30 | 412.00 | | 375,426.30 |
| 8" Cast Iron | 32,887.40 | 42.00 | | 32,845.40 |
| 8" Vitrified Clay | 4,475,843.40 | 51,523.60 | | 4,424,319.80 |
| 8" Asbestos Cement | 3,895.90 | | | 3,895.90 |
| 8" Plastic Truss | 75,134.10 | | | 78,885.90 |
| 8" P.V.C. | 122,808.20 | | 88,446.20 | 211,313.50 |
| 6" Concrete | 2,224.60 | 540.00 | | 1,684.60 |
| 6" Asbestos Cement | 4,493.90 | | | 4,493.90 |
| 6" Cast Iron | 4,204.40 | | | 4,204.40 |
| 6" Vitrified Clay | 127,949.10 | 18,132.00 | | 109,817.10 |
| 6" Plastic | 371,272.70 | | | 371,272.70 |
| 6" Plastic Truss | 7,099.60 | | | 7,099.60 |
| 6" Terra Cotta | 10,024.20 | | | 10,024.20 |
| 6" P.V.C. | 64,507.50 | | 43,000.00 | 107,507.50 |
| 4" Cast Iron | 874.20 | | | 874.20 |
| 4" Ductile Iron | 180.40 | | | 180.40 |
| 4" Plastic | 126.00 | | | 126.00 |
| 4" P.V.C. | 1,389.00 | | 3,546.70 | 4,935.70 |
| Total Linear Feet | 384,661.90 | 2,709.10 | 1,736.00 | 378,077.40 |
| Total Linear Feet | 7,789,959.60 | 81,813.70 | 142,994.40 | 3,376,206.40 |
| Total Miles | 1,475.03 | 15.5 | 27.08 | 639.40 |

SEWERAGE AND WATER BOARD OF NEW ORLEANS

TABLE OF RAINFALL IN NEW ORLEANS SINCE ESTABLISHMENT OF RAIN GAGES IN 1894
RAINFALL AND AVERAGES FOR "YEAR 1894 TO DATE"

| YEAR No. | YEAR | JANUARY | | | FEBRUARY | | | MARCH | | | APRIL | | | MAY | | | JUNE | | | JULY | | | AUGUST | | | SEPTEMBER | | | OCTOBER | | | NOVEMBER | | | DECEMBER | | | ANNUAL MONTHLY AVERAGE | EXCESS OR DEFICIT |
|----------|-------|---------|--------|---------------|----------|----------|---------------|----------|--------|---------------|--------|----------|---------------|----------|--------|---------------|--------|----------|---------------|----------|--------|---------------|--------|----------|---------------|-----------|--------|---------------|---------|--------|---------------|----------|--------|---------------|----------|--|--|------------------------|-------------------|
| | | AMOUNT | AMOUNT | TOTAL TO DATE | AMOUNT | AMOUNT | TOTAL TO DATE | AMOUNT | AMOUNT | TOTAL TO DATE | AMOUNT | AMOUNT | TOTAL TO DATE | AMOUNT | AMOUNT | TOTAL TO DATE | AMOUNT | AMOUNT | TOTAL TO DATE | AMOUNT | AMOUNT | TOTAL TO DATE | AMOUNT | AMOUNT | TOTAL TO DATE | AMOUNT | AMOUNT | TOTAL TO DATE | AMOUNT | AMOUNT | TOTAL TO DATE | AMOUNT | AMOUNT | TOTAL TO DATE | | | | | |
| 101 | 1994 | 3.22 | 0.43 | 3.65 | 5.14 | 8.79 | 1.44 | 10.23 | 6.21 | 16.44 | 7.88 | 24.32 | 9.14 | 33.46 | 4.00 | 37.46 | 7.00 | 44.46 | 3.27 | 47.73 | 2.40 | 50.13 | 3.75 | 53.88 | 4.49 | 58.37 | 3.27 | 47.73 | 2.40 | 50.13 | 3.75 | 53.88 | 4.49 | 58.37 | | | | | |
| | total | 462.86 | 477.95 | 940.81 | 517.80 | 1,458.61 | 506.52 | 1,965.13 | 484.90 | 2,450.03 | 550.42 | 3,000.45 | 660.78 | 3,661.23 | 601.82 | 4,263.05 | 556.24 | 4,819.29 | 319.51 | 5,138.80 | 368.34 | 5,507.14 | 481.50 | 5,988.64 | | | | | | | | | | | | | | | |
| | avg. | 4.58 | 4.73 | 9.31 | 5.13 | 14.44 | 5.02 | 19.46 | 4.80 | 24.26 | 5.45 | 29.71 | 6.54 | 36.25 | 5.96 | 42.21 | 5.51 | 47.72 | 3.16 | 50.88 | 3.65 | 54.53 | 4.77 | 59.29 | | | | | | | | | | | | | | | |
| 102 | 1995 | 3.53 | 4.96 | 8.49 | 9.79 | 18.28 | 5.17 | 23.45 | 20.91 | 44.36 | 1.98 | 46.34 | 7.67 | 54.01 | 2.99 | 57.00 | 1.20 | 58.20 | 2.05 | 60.25 | 2.99 | 63.24 | 3.60 | 66.84 | 5.57 | 74.47 | 3.60 | 63.24 | 3.60 | 66.84 | 5.57 | 74.47 | | | | | | | |
| | total | 466.39 | 482.91 | 949.30 | 527.59 | 1,476.89 | 511.69 | 1,988.58 | 505.81 | 2,494.39 | 552.40 | 3,046.79 | 668.45 | 3,715.24 | 604.81 | 4,320.05 | 557.44 | 4,877.49 | 321.56 | 5,199.05 | 371.33 | 5,570.38 | 485.10 | 6,055.48 | | | | | | | | | | | | | | | |
| | avg. | 4.57 | 4.73 | 9.31 | 5.17 | 14.48 | 5.02 | 19.50 | 4.96 | 24.45 | 5.42 | 29.87 | 6.55 | 36.42 | 5.93 | 42.35 | 5.47 | 47.82 | 3.15 | 50.97 | 3.64 | 54.61 | 4.76 | 59.37 | | | | | | | | | | | | | | | |
| 103 | 1996 | 3.52 | 2.55 | 6.07 | 4.47 | 10.54 | 4.92 | 15.46 | 2.41 | 17.87 | 5.90 | 23.77 | 7.27 | 31.04 | 5.82 | 36.86 | 3.11 | 39.97 | 0.97 | 40.94 | 3.42 | 44.36 | 4.66 | 49.02 | 4.09 | 53.11 | 3.42 | 44.36 | 4.66 | 49.02 | 4.09 | 53.11 | | | | | | | |
| | total | 469.91 | 485.46 | 955.37 | 532.06 | 1,487.43 | 516.61 | 2,004.04 | 508.22 | 2,512.26 | 558.30 | 3,070.56 | 675.72 | 3,746.28 | 610.63 | 4,356.91 | 560.55 | 4,917.46 | 322.53 | 5,239.99 | 374.75 | 5,614.74 | 489.76 | 6,104.50 | | | | | | | | | | | | | | | |
| | avg. | 4.56 | 4.71 | 9.28 | 5.17 | 14.44 | 5.02 | 19.46 | 4.93 | 24.39 | 5.42 | 29.81 | 6.56 | 36.37 | 5.93 | 42.30 | 5.44 | 47.74 | 3.13 | 50.87 | 3.64 | 54.51 | 4.75 | 59.27 | | | | | | | | | | | | | | | |
| 104 | 1997 | 5.04 | 3.76 | 8.80 | 3.50 | 12.30 | 5.43 | 17.73 | 5.48 | 23.21 | 4.84 | 28.05 | 4.30 | 32.35 | 1.92 | 34.27 | 0.52 | 34.79 | 1.21 | 36.00 | 7.26 | 43.26 | 1.90 | 45.16 | 3.76 | 53.92 | 7.26 | 43.26 | 1.90 | 45.16 | 3.76 | 53.92 | | | | | | | |
| | total | 474.95 | 489.22 | 964.17 | 535.56 | 1,499.73 | 522.04 | 2,021.77 | 513.70 | 2,535.47 | 563.14 | 3,098.61 | 680.02 | 3,778.63 | 612.55 | 4,391.18 | 561.07 | 4,952.25 | 323.74 | 5,275.99 | 382.01 | 5,658.00 | 491.66 | 6,149.66 | | | | | | | | | | | | | | | |
| | avg. | 4.57 | 4.70 | 9.27 | 5.15 | 14.42 | 5.02 | 19.44 | 4.94 | 24.38 | 5.41 | 29.79 | 6.54 | 36.33 | 5.89 | 42.22 | 5.39 | 47.62 | 3.11 | 50.73 | 3.67 | 54.40 | 4.73 | 59.13 | | | | | | | | | | | | | | | |
| 105 | 1998 | 10.70 | 5.03 | 15.73 | 9.28 | 25.01 | 4.12 | 29.13 | 0.74 | 29.87 | 3.28 | 33.15 | 5.02 | 38.17 | 7.59 | 45.76 | 26.90 | 72.66 | 0.99 | 73.65 | 3.65 | 77.30 | 1.74 | 79.04 | 6.59 | 85.63 | 3.65 | 77.30 | 1.74 | 79.04 | 6.59 | 85.63 | | | | | | | |
| | total | 485.65 | 494.25 | 979.90 | 544.84 | 1,524.74 | 526.16 | 2,050.90 | 514.44 | 2,565.34 | 566.42 | 3,131.76 | 685.04 | 3,816.80 | 620.14 | 4,436.94 | 587.97 | 5,024.91 | 324.73 | 5,349.64 | 385.66 | 5,735.30 | 493.40 | 6,228.70 | | | | | | | | | | | | | | | |
| | avg. | 4.63 | 4.71 | 9.33 | 5.19 | 14.52 | 5.01 | 19.53 | 4.90 | 24.43 | 5.39 | 29.83 | 6.52 | 36.35 | 5.91 | 42.26 | 5.60 | 47.86 | 3.09 | 50.95 | 3.67 | 54.62 | 4.70 | 59.32 | | | | | | | | | | | | | | | |
| 106 | 1999 | 3.06 | 0.45 | 3.51 | 4.18 | 7.69 | 0.03 | 7.72 | 4.86 | 12.58 | 10.37 | 22.95 | 2.84 | 25.79 | 3.97 | 29.76 | 4.00 | 33.76 | 4.07 | 37.83 | 0.16 | 37.99 | 2.76 | 40.75 | 3.40 | 44.15 | 3.76 | 40.75 | 3.40 | 44.15 | | | | | | | | | |
| | total | 488.71 | 494.70 | 983.41 | 549.02 | 1,532.43 | 526.19 | 2,058.62 | 519.30 | 2,577.92 | 576.79 | 3,154.71 | 687.88 | 3,842.59 | 624.11 | 4,466.70 | 591.97 | 5,058.67 | 328.80 | 5,387.47 | 385.82 | 5,773.29 | 496.16 | 6,269.45 | | | | | | | | | | | | | | | |
| | avg. | 4.61 | 4.67 | 9.28 | 5.18 | 14.46 | 4.96 | 19.42 | 4.90 | 24.32 | 5.44 | 29.76 | 6.49 | 36.25 | 5.89 | 42.14 | 5.58 | 47.72 | 3.10 | 50.83 | 3.64 | 54.47 | 4.68 | 59.15 | | | | | | | | | | | | | | | |
| 107 | 2000 | 2.60 | 0.86 | 3.46 | 1.75 | 5.21 | 1.36 | 6.57 | 0.37 | 6.94 | 6.69 | 13.63 | 1.71 | 15.34 | 3.27 | 18.61 | 6.39 | 25.00 | 2.53 | 27.53 | 13.43 | 40.96 | 3.27 | 44.23 | 3.69 | 47.92 | 3.27 | 44.23 | 3.69 | 47.92 | | | | | | | | | |
| | total | 491.31 | 495.56 | 986.87 | 550.77 | 1,537.64 | 527.55 | 2,065.19 | 519.67 | 2,584.86 | 583.48 | 3,168.34 | 689.59 | 3,857.93 | 627.38 | 4,485.31 | 598.36 | 5,083.67 | 331.33 | 5,415.00 | 399.25 | 5,814.25 | 499.43 | 6,313.68 | | | | | | | | | | | | | | | |
| | avg. | 4.59 | 4.63 | 9.22 | 5.15 | 14.37 | 4.93 | 19.30 | 4.86 | 24.16 | 5.45 | 29.61 | 6.44 | 36.06 | 5.86 | 41.92 | 5.59 | 47.51 | 3.10 | 50.61 | 3.73 | 54.34 | 4.67 | 59.01 | | | | | | | | | | | | | | | |
| 108 | 2001 | 3.02 | 1.04 | 4.06 | 11.44 | 15.50 | 0.53 | 16.03 | 2.02 | 18.05 | 19.08 | 37.13 | 7.47 | 44.60 | 7.04 | 51.64 | 5.62 | 57.26 | 4.35 | 61.61 | 3.29 | 64.90 | 3.02 | 67.92 | 5.66 | 73.58 | 3.02 | 64.90 | 3.02 | 67.92 | 5.66 | 73.58 | | | | | | | |
| | total | 494.33 | 496.60 | 990.93 | 562.21 | 1,553.14 | 528.08 | 2,081.22 | 521.69 | 2,602.91 | 602.56 | 3,205.47 | 697.06 | 3,902.53 | 634.42 | 4,536.95 | 603.98 | 5,140.93 | 335.68 | 5,476.61 | 402.54 | 5,879.15 | 502.45 | 6,381.60 | | | | | | | | | | | | | | | |
| | avg. | 4.58 | 4.60 | 9.18 | 5.21 | 14.38 | 4.89 | 19.27 | 4.83 | 24.10 | 5.58 | 29.68 | 6.45 | 36.13 | 5.87 | 42.01 | 5.59 | 47.60 | 3.11 | 50.71 | 3.73 | 54.44 | 4.65 | 59.09 | | | | | | | | | | | | | | | |
| 109 | 2002 | 3.97 | 2.23 | 6.20 | 4.77 | 10.97 | 3.50 | 14.47 | 2.27 | 16.74 | 5.49 | 22.23 | 5.83 | 28.06 | 5.63 | 33.69 | 22.42 | 56.11 | 9.78 | 65.89 | 3.99 | 69.88 | 4.98 | 74.86 | 6.24 | 81.10 | 4.98 | 69.88 | 4.98 | 74.86 | 6.24 | 81.10 | | | | | | | |
| | total | 498.30 | 498.83 | 997.13 | 566.98 | 1,564.11 | 531.58 | 2,095.69 | 523.96 | 2,619.65 | 608.05 | 3,227.70 | 702.89 | 3,930.59 | 640.05 | 4,570.64 | 626.40 | 5,197.04 | 345.46 | 5,542.50 | 406.53 | 5,949.03 | 507.43 | 6,456.46 | | | | | | | | | | | | | | | |
| | avg. | 4.57 | 4.58 | 9.15 | 5.20 | 14.35 | 4.88 | 19.23 | 4.81 | 24.03 | 5.58 | 29.61 | 6.45 | 36.06 | 5.87 | 41.93 | 5.75 | 47.68 | 3.17 | 50.85 | 3.73 | 54.58 | 4.66 | 59.23 | | | | | | | | | | | | | | | |
| 110 | 2003 | 0.12 | 6.08 | 6.20 | 4.65 | 10.85 | 5.39 | 16.24 | 2.32 | 18.56 | 17.79 | 36.35 | 9.17 | 45.52 | 3.53 | 49.05 | 2.50 | 51.55 | 3.24 | 54.79 | 5.01 | 59.80 | 2.11 | 61.91 | 5.16 | 67.07 | 5.01 | 59.80 | 2.11 | 61.91 | 5.16 | 67.07 | | | | | | | |
| | total | 498.42 | 504.91 | 1,003.33 | 571.63 | 1,574.96 | 536.97 | 2,111.93 | 526.28 | 2,638.21 | 625.84 | 3,264.05 | 712.06 | 3,976.11 | 643.58 | 4,619.69 | 628.90 | 5,248.59 | 348.70 | 5,597.29 | 411.54 | 6,008.83 | 509.54 | 6,518.37 | | | | | | | | | | | | | | | |
| | avg. | 4.53 | 4.59 | 9.12 | 5.20 | 14.32 | 4.88 | 19.20 | 4.78 | 23.98 | 5.69 | 29.67 | 6.47 | 36.15 | 5.85 | 42.00 | 5.72 | 47.71 | 3.17 | 50.88 | 3.74 | 54.63 | 4.63 | 59.26 | | | | | | | | | | | | | | | |
| 111 | 2004 | 3.34 | 8.10 | 11.44 | 0.99 | 12.43 | 8.30 | 20.73 | 7.38 | 28.11 | 10.31 | 38.42 | 4.78 | 43.20 | 4.18 | 47.38 | 1.07 | 48.45 | 5.55 | 54.00 | 6.08 | 60.08 | 2.76 | 62.84 | 5.24 | 68.08 | 6.08 | 60.08 | 2.76 | 62.84 | 5.24 | 68.08 | | | | | | | |
| | total | 501.76 | 513.01 | 1,014.77 | 572.62 | 1,587.39 | 545.27 | 2,132.66 | 533.66 | 2,666.32 | 636.15 | 3,302.47 | 716.84 | 4,019.31 | 647.76 | 4,667.07 | 629.97 | 5,297.04 | 354.25 | 5,651.29 | 417.62 | 6,068.91 | 512.30 | 6,581.21 | | | | | | | | | | | | | | | |
| | avg. | 4.52 | 4.62 | 9.14 | 5.16 | 14.30 | 4.91 | 19.21 | 4.81 | 24.02 | 5.73 | 29.75 | 6.46 | 36.21 | 5.84 | 42.05 | 5.68 | 47.72 | 3.19 | 50.91 | 3.76 | 54.67 | 4.62 | 59.29 | | | | | | | | | | | | | | | |

SEWERAGE AND WATER BOARD OF NEW ORLEANS

COST OF OPERATIONS IDENTIFICATION PROGRAM BENCHMARKING 2004

ADMINISTRATIVE SERVICES DEPARTMENT

| | |
|------------------------------|-------------|
| Insurance Cost per Employee: | |
| Workers' Compensation | \$ 1,902.00 |
| Auto Liability | \$ 537.00 |
| General Liability | \$ 102.00 |

ENGINEERING DEPARTMENT

| | |
|--------------------------|------|
| Cost to Design a Project | 5.8% |
|--------------------------|------|

ENVIRONMENTAL DEPARTMENT

| | |
|--|-----------|
| Cost of Typical Industry Sampling Event | \$ 346.17 |
|--|-----------|

FACILITY MAINTENANCE DEPARTMENT

| | |
|------------------------------|----------|
| Cost to set 5/8" water meter | \$ 62.31 |
|------------------------------|----------|

MANAGEMENT SERVICES DEPARTMENT

FINANCE:

| | |
|---|---------|
| Cost to Process a Miscellaneous Invoice | \$ 7.94 |
| Cost to process a Vendor Invoice | \$ 6.76 |
| Cost to process a Paycheck | \$ 4.39 |

INFORMATION SYSTEMS:

| | |
|--|----------|
| Cost to Image a Document | \$ 0.38 |
| Cost to Retrieve a Document From the Imaging System | \$ 3.03 |
| Cost to Retrieve a Document From the Microfiche Files/Storage | \$ 23.85 |

PERSONNEL:

| | |
|--|-----------|
| Cost to Hire an Employee | \$ 510.83 |
| Cost to complete a Voluntary Employee Termination | \$ 15.73 |
| Employee Turnover Rate | 13% |
| Cost to Train an Employee: | \$ 311.81 |

PURCHASING:

| | |
|---|----------|
| Cost to Process a Sundry Purchase Order | \$ 22.75 |
|---|----------|

REVENUE:

| | |
|---|---------|
| Cost to Read a Meter | \$ 0.46 |
| Cost to Render a Bill (Less Meter Reading) | \$ 0.55 |
| Cost to Manage a Customer by Phone | \$ 2.15 |
| Cost to Manage a Customer by Mail | \$ 3.36 |
| Cost to Manage a Walk-in Customer | \$ 8.71 |
| Cost to Process a Mail-in Payment | \$ 0.33 |
| Cost to Process a Walk-in Payment | \$ 1.13 |

SUPPORT SERVICES DEPARTMENT

| | |
|---|-----------|
| Average Annual Maintenance Cost per Piece of Equipment | \$ 914.98 |
| Average Percent of Fleet Down for 2004 | 20% |