

**SEWERAGE & WATER BOARD
OF NEW ORLEANS**

2008

ADOPTED OPERATING BUDGET

12/19/07

**Statement of Budgeted
Revenues and Expenses
By Funds For 2008**

	Water	Sewerage	Drainage	Enterprise Fund					
Operations:									
Net Revenues from Charges	\$55,780,620	\$66,888,910	\$0	\$122,669,530					
Water Sales	3,000,000	0	0	3,000,000					
FEMA Assistance Fee	32,756	65,513	10,919	109,188					
Tax Revenues	0	0	35,629,253	35,629,253					
Interest and Other Income	2,154,800	1,078,100	981,500	4,214,400					
Three Mill Revenue Sharing	344,500	428,900	0	773,400					
Total Operating Revenues	61,312,676	68,461,423	36,621,672	166,395,771					
Less O & M Expenses	56,364,810	39,175,405	24,546,124	120,086,339					
Less Depreciation	12,715,000 *	11,500,000 *	12,300,000 *	36,515,000 *					
Net Operating Revenues (Loss)	(7,767,134)	17,786,018	(224,452)	9,794,432					
Non-Operating Revenue Expenses:									
Hurricane Recovery Bonds**	6,000,000	12,000,000	2,000,000	20,000,000 **					
Participation By Others	2,000,000	200,000	132,130,000	134,330,000					
Net Balance from 2007*	0	2,300,000	29,600,000	31,900,000					
Interest Expense on Bonds	(1,917,130)	(9,771,281)	(1,069,776)	(12,758,187)					
Interest Expense Paid by GO Zone	252,034	3,748,349	534,888	4,535,271					
Total Non-Operating Revenue Expenses	6,334,904	8,477,068	163,195,112	178,007,084					
Net Income (Loss)	(1,432,230)	26,263,086	162,970,660	187,801,516					
Bonds Principal Payable	(1,920,000)	(9,590,000)	(1,125,000)	(12,635,000)	0	0	0	0	
Bonds Prin. Payable Paid by GO Zone	0	8,270,000	0	8,270,000					
Total Net Income (Loss) After Bonds Principal Payable	(3,352,230)	24,943,086	161,845,660	183,436,516					
Depreciation	12,715,000 *	11,500,000 *	12,300,000 *	36,515,000 *					
Net Income Allocated To Capital	\$9,362,770	\$36,443,086	\$174,145,660	\$219,951,516					

* Estimated

** The balance of the \$100 million (\$80 million) will be used in 2009 thru 2011.

04-Apr-08

\$7,362,770	\$36,243,086	\$42,015,660	\$85,621,516
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**Comparison of 2006 - 2008 Operating Budgets
By Department**

Department	2006 Adopted Budget	2007 Adopted Budget	2008 Adopted Budget
Executive Director	\$3,801,973	\$4,514,911	\$4,602,006
Gen Administrative	2,317,801	2,351,345	2,409,553
Management Services Director	94,438	53,508	61,026
Personnel	577,449	722,406	612,000
Finance	1,162,910	1,470,117	1,377,054
Information Systems	4,271,899	4,520,188	5,554,965
Revenue	4,659,643	6,691,692	5,252,877
Purchasing	564,482	645,650	771,976
Support Services	7,347,818	7,374,986	9,366,229
Misc. Expenses	(1,130,927)	(2,080,200)	675,000
General Supt.	368,101	399,082	509,187
Operations	37,477,196	42,310,301	44,352,888
Facility Maintenance	6,697,253	8,602,602	8,315,658
Networks	16,535,623	19,729,797	21,313,123
Engineering	3,003,907	2,571,358	2,946,648
Plumbing	779,009	814,041	845,711
Payroll Related	7,941,212	11,800,438	11,120,438
Grand Total	<u><u>\$96,469,787</u></u>	<u><u>\$112,492,222</u></u>	<u><u>\$120,086,339</u></u>

**2008 Adopted Operating Budget
By Expenditure Category**

Operating Divisions	Personal Services	Services & Utilities	Materials & Supplies	Special Current Charges	Furniture & Equipment	Division Total
Executive Director	\$3,314,511	\$3,219,203	\$131,125	\$260,000	\$86,720	\$7,011,559
Management Services	6,370,659	6,782,123	402,296	0	74,820	13,629,898
Support Services	3,724,756	3,286,298	2,321,075	0	34,100	9,366,229
Misc. Expenses	(4,536,000)	4,237,000	(924,000)	1,982,000	(84,000)	675,000
General Supt.	32,760,824	34,948,367	10,121,766	64,998	387,260	78,283,215
Payroll Related	8,221,438	1,262,000	0	1,637,000	0	11,120,438
Grand Total	\$49,856,188	\$53,734,991	\$12,052,262	\$3,943,998	\$498,900	\$120,086,339

Five Year Comparison of Operating Budgets

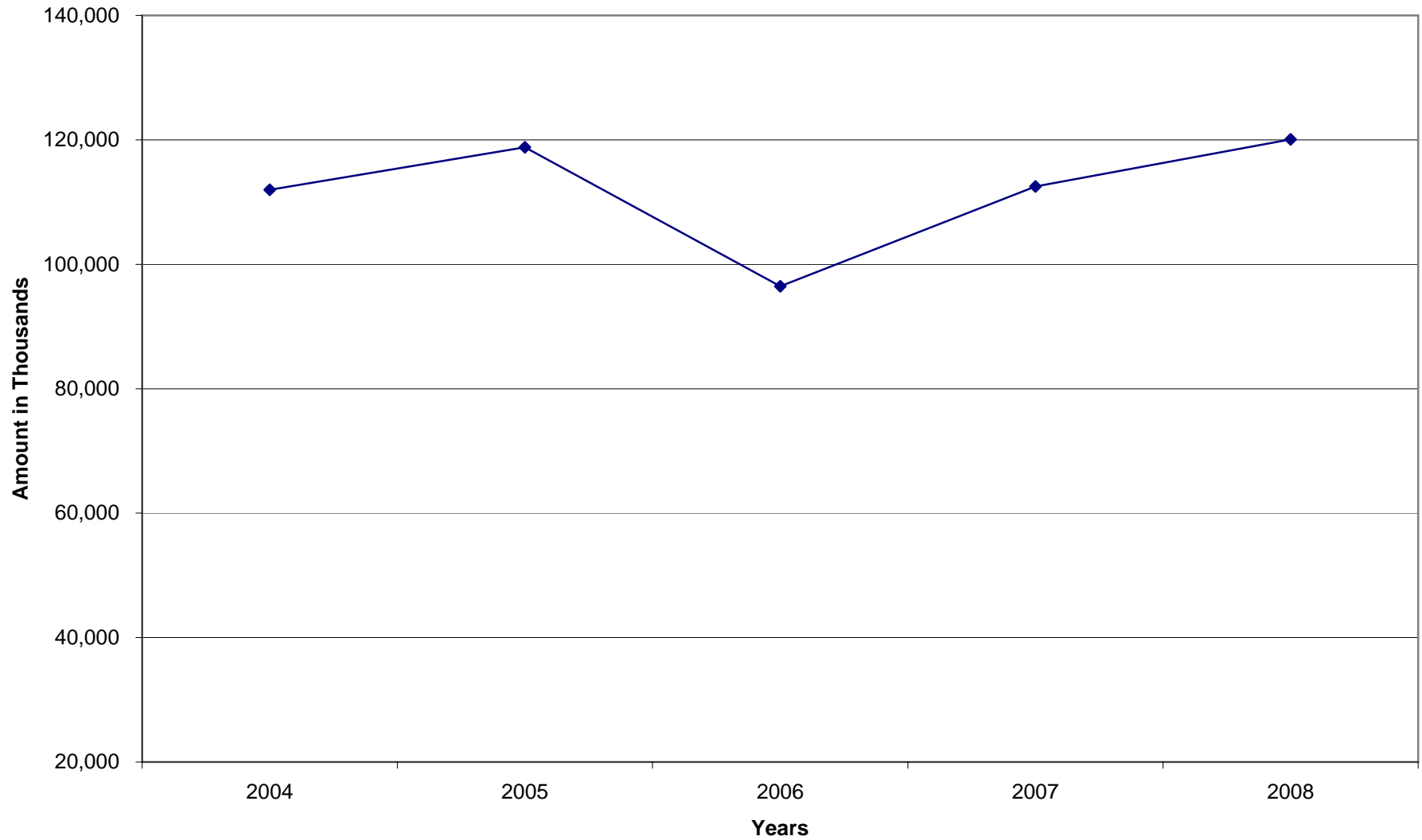


Chart Figures

2004	111,964
2005	118,821
2006	96,470
2007	112,492
2008	120,086

**COMPARISON OF 2007 & 2008 OPERATING BUDGETS
BY EXPENDITURE CATEGORY
(IN THOUSANDS)**

	2007 Adopted Budget	2008 Adopted Budget	Change	% Change
Personal Services	\$46,921,361	\$49,856,188	\$2,934,827	6.25
Services and Utilities	50,607,497	53,736,791	\$3,129,294	6.18
Materials and Supplies	8,954,114	12,051,662	\$3,097,548	34.59
Special Current Charges	5,543,998	3,943,998	(\$1,600,000)	(28.86)
Furniture and Equipment	465,252	497,700	\$32,448	6.97
TOTALS	\$112,492,222	\$120,086,339	\$7,594,117	6.75

**Sewerage and Water Board of New Orleans
Statement of Total Outstanding Indebtedness
2008 - 2012**

Year	Drainage System Bonds 9.71 Mills		Water Revenue Bonds		Sewerage Revenue Bonds and Bans		Total Requirement		
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Total
2008	\$1,125,000	\$1,069,776	\$1,920,000	\$1,917,130	\$9,590,000	\$9,771,281	\$12,635,000	\$12,758,187	\$25,393,187
2009	1,185,000	1,010,589	2,020,000	1,848,852	34,095,000	9,299,702	37,300,000	12,159,143	49,459,143
2010	1,235,000	947,739	2,115,000	1,771,267	10,575,000	7,628,040	13,925,000	10,347,046	24,272,046
2011	1,300,000	896,893	2,220,000	1,685,618	11,110,000	7,131,309	14,630,000	9,713,820	24,343,820
2012	1,360,000	846,048	2,325,000	1,592,393	11,670,000	6,587,200	15,355,000	9,025,641	24,380,641
Total	\$6,205,000	\$4,771,045	\$10,600,000	\$8,815,260	\$77,040,000	\$40,417,532	\$93,845,000	\$54,003,837	\$147,848,837

As of 12/31/07 Debt Service Reserves were \$3,928,380 for Water Revenue Bonds and \$21,629,851 for Sewerage Service Revenue Bonds. There are no Debt Service Reserves for the 9.71 mills Drainage System Bonds.

For year 2008, Golf Opportunity Zone is paying a total of \$12,805,270.64 in principal and interest for all bonds. The payments will be made through June 1, 2008.

Sewerage Bonds Anticipation Notes in the amount of \$27,618,760.35 are included in years 2008-2009.

drainage	Issue	2007		2008		2009		2010		2011		Total prin	Total Int	Total Prin & Int
		prin	int	prin	int	prin	int	prin	int	prin	int			
	1998	450,000.00	166,780.00	475,000.00	157,330.00	500,000.00	147,236.25	520,000.00	147,236.25	136,361.25	545,000.00	124,791.25	2,490,000.00	3,222,498.75
	2002	620,000.00	396,158.13	650,000.00	377,558.13	685,000.00	358,058.13	715,000.00	337,508.13	755,000.00	323,655.00	3,425,000.00	1,792,937.52	5,217,937.52
Total		1,070,000.00	562,938.13	1,125,000.00	534,888.13	1,185,000.00	505,294.38	1,235,000.00	484,744.38	1,510,000.00	868,655.00	6,845,000.00	3,585,875.02	8,437,875.52
Sewer														
	1997	1,415,000.00	550,553.75	1,490,000.00	506,335.00	1,570,000.00	469,085.00	1,655,000.00	429,050.00	1,745,000.00	396,020.00	7,875,000.00	2,241,843.75	10,216,843.75
	1998	1,135,000.00	418,901.89	1,200,000.00	395,066.89	1,265,000.00	369,566.89	1,320,000.00	341,895.01	1,380,000.00	312,855.01	6,300,000.00	1,838,285.69	8,138,285.69
	2000	1,035,000.00	599,543.78	1,095,000.00	595,906.28	1,160,000.00	537,162.53	1,230,000.00	499,462.53	1,305,000.00	467,175.03	5,825,000.00	2,669,250.15	8,494,250.15
	2000B	800,000.00	437,733.75	850,000.00	417,733.75	895,000.00	396,483.75	950,000.00	372,990.00	1,005,000.00	348,052.50	4,500,000.00	1,872,993.75	6,472,993.75
	2001	1,305,000.00	673,327.51	1,380,000.00	643,965.01	1,420,000.00	598,405.01	1,485,000.00	566,455.01	1,545,000.00	533,785.01	7,115,000.00	3,015,837.55	10,130,837.55
	2002	2,025,000.00	1,203,525.00	2,135,000.00	1,163,025.00	2,255,000.00	1,120,325.00	2,380,000.00	1,075,225.00	2,510,000.00	1,027,625.00	11,305,000.00	5,589,725.00	16,894,725.00
	2003	220,000.00	93,123.14	225,000.00	90,923.14	230,000.00	88,448.14	235,000.00	85,573.14	245,000.00	82,283.14	1,155,000.00	440,350.70	1,595,350.70
	2004	1,195,000.00	655,646.88	1,235,000.00	619,796.88	1,270,000.00	582,746.88	1,320,000.00	560,521.88	1,375,000.00	539,071.88	6,395,000.00	2,957,784.40	9,352,784.40
	Bans					24,030,000.00	603,153.00				519,009.38	0.00	2,817,146.90	2,817,146.90
Total		9,130,000.00	10,211,256.00	9,590,000.00	9,771,281.15	34,095,000.00	12,599,701.77	10,575,000.00	7,628,046.14	11,110,000.00	7,131,309.51	74,500,000.00	44,041,588.57	118,541,588.57
Water														
	1998	725,000.00	267,077.50	770,000.00	252,033.75	810,000.00	235,863.75	845,000.00	218,246.25	885,000.00	199,233.75	4,035,000.00	1,172,455.00	5,207,455.00
	2002	1,095,000.00	722,856.25	1,150,000.00	706,531.25	1,210,000.00	688,562.50	1,270,000.00	667,387.50	1,335,000.00	643,575.00	6,060,000.00	3,429,012.50	9,489,012.50
Total		1,820,000.00	989,933.75	1,920,000.00	958,565.00	2,020,000.00	924,426.25	2,115,000.00	885,633.75	2,220,000.00	842,808.75	10,095,000.00	4,601,467.50	14,696,467.50
12,020,000.00		13,317,199.76	12,635,000.00	12,758,187.41	37,300,000.00	12,159,143.03	13,925,000.00	10,347,046.40	14,630,000.00	9,713,819.51	90,510,000.00	58,295,396.11	148,805,396.11	