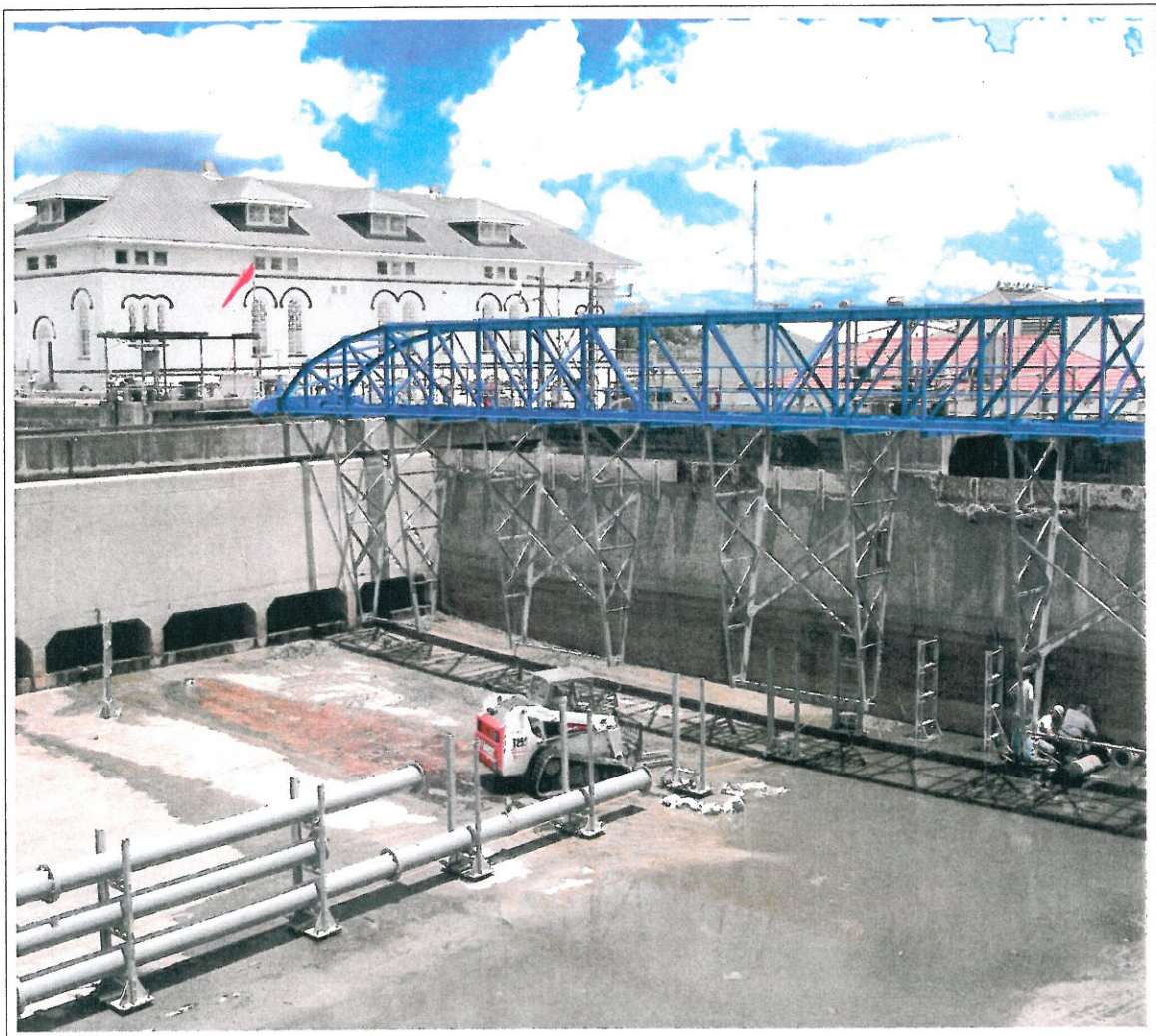




Sewerage and Water Board OF NEW ORLEANS, LA.



COMPREHENSIVE ANNUAL
FINANCIAL REPORT
FOR THE YEAR ENDED
DECEMBER 31, 2007

About The Cover:

In November of 2007, a contract was initiated to make improvements to the sludge removal system for the G3 Basin at the East Bank Water Treatment Plant. The work includes all new mechanical drive systems and associated equipment, new valves, improvements to the monorake, new sludge piping and painting of existing equipment. The improvements will increase the mechanical integrity of the basin and afford the Board many more years of operation of the basin. The improvements, expected to be completed in 2008, will increase sludge removal efficiency and reduce manpower requirements.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

Comprehensive Annual Financial Report
For The Year Ended
December 31, 2007

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 service in the south-central United States by providing quality, reliable, and cost effective service to our Customers while maintaining fair and ethical treatment of our well-trained and highly motivated employees.

OUR VALUE

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 interdepartment
teamwork
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, 2007

TABLE OF CONTENTS

I.	<u>INTRODUCTORY SECTION</u>	<u>PAGE(S)</u>
	Transmittal Letter	I-1
	Graph	I-8
	Certificate of Achievement for Excellence in Financial Reporting	I-10
	Officers of the Sewerage and Water Board of New Orleans	I-12
	Members of the Sewerage and Water Board of New Orleans	I-13
	Committees of the Sewerage and Water Board of New Orleans	I-14
	Organizational Chart	I-15
	Division Heads of Deputy Director	I-16
	Division Heads of General Superintendent	I-17
	Division Head of Management Services Director	I-18
II.	<u>FINANCIAL SECTION</u>	
	Independent Auditor's Report	II-1
	Management's Discussion and Analysis (Required Supplementary Information)	II-3
	Basic Financial Statements	
	Government-Wide Financial Statements (Enterprise Fund)	
	Statements of Net Assets	II-17
	Statements of Revenues, Expenses and Changes In Net Assets	II-19
	Statements of Cash Flows	II-20
	Fund Financial Statements - Fiduciary Fund	
	Statements of Net Assets - Pension Trust	II-22
	Statements of Changes in Plan Net Assets Pension Trust Fund	II-23
	Notes to Financial Statements	II-27
	Required Supplementary Information under GASB	
	Statements No. 25	II-55

SEWERAGE AND WATER BOARD OF NEW ORLEANS

Comprehensive Annual Financial Report

Year ended December 31, 2007

TABLE OF CONTENTS

II.	<u>FINANCIAL SECTION (Continued)</u>	<u>PAGE(S)</u>
	Supplementary Information:	
	Net assets by Department	
	Enterprise Fund - Schedule 1	II-59
	Revenues, Expenses and Changes in Net Assets by Department	II-61
	Enterprise Fund - Schedule 2	
	Schedule of Property, Plant, and Equipment	
	Service by Department - Schedule 3	II-62
	Schedule of Bonds Payable - Schedule 4	II-63
	Schedule of Cash Receipts and Disbursements	
	Debt Service and Debt Service Reserve Required by Bond Resolution - Schedule 5	II-64
	Schedule of Changes in Claims Payable by Schedule 6	II-65
III.	<u>STATISTICAL INFORMATION (UNAUDITED)</u>	

This part of the Board's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Board's overall financial health.

Financial Trends

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

Net Assets by Component - Last Seven Fiscal Years	III-1
Changes in Net Assets by Component - Last Seven Fiscal Years	III-2
Revenue and Expenses by Source - Enterprise Fund Last Ten Fiscal Years	III-3

Revenue Capacity

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

Assessed and Estimated Actual Value of Taxable Property - Last Ten Fiscal Years	III-4
Property Tax Rates - Direct and Overlapping Governments Number of Mills - Last Ten Fiscal Years	III-5
Ten Largest Taxpayers - December 31, 2007 and Nine Years Ago	III-6

SEWERAGE AND WATER BOARD OF NEW ORLEANS

Comprehensive Annual Financial Report

Year ended December 31, 2007

TABLE OF CONTENTS

Property Tax Levies and Collections by the City of New Orleans - Last Ten Fiscal Years	III-7
Water and Sewer Rates - Last Two Fiscal Years	III-8
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the Board's current levels of outstanding debt and the Board's ability to issue additional debt in the future.</i>	
Ratios of Outstanding Debt by Type - Last Two Fiscal Years	III-9
Computation of Direct and Overlapping Debt- December 31, 2007	III-10
Revenue Bonds Debt Service Coverage	
Water Bonds - Last Ten Fiscal Years	III-11
Sewer Bonds - Last Ten Fiscal Years	III-12
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the Board's financial activities take place.</i>	
Demographic Statistics - Last Two Fiscal Years	III-13
Operating Information <i>These schedules contain service and infrastructure data to help the reader understand how the information in the Board's financial report relates to the services the Board provides and the activities it performs.</i>	
Capital Asset Statistics by Function - Last Two Fiscal Years	III-14
Capital Expenditures by Department - Enterprise Fund	
Last Ten Fiscal Years	III-15
Schedule of Future Debt Payments	
Water	III-16
Sewer	III-17
Drainage	III-18
Total	III-19
Property Value, New Construction and Bank Last Ten Fiscal Years	III-20

SEWERAGE AND WATER BOARD OF NEW ORLEANS

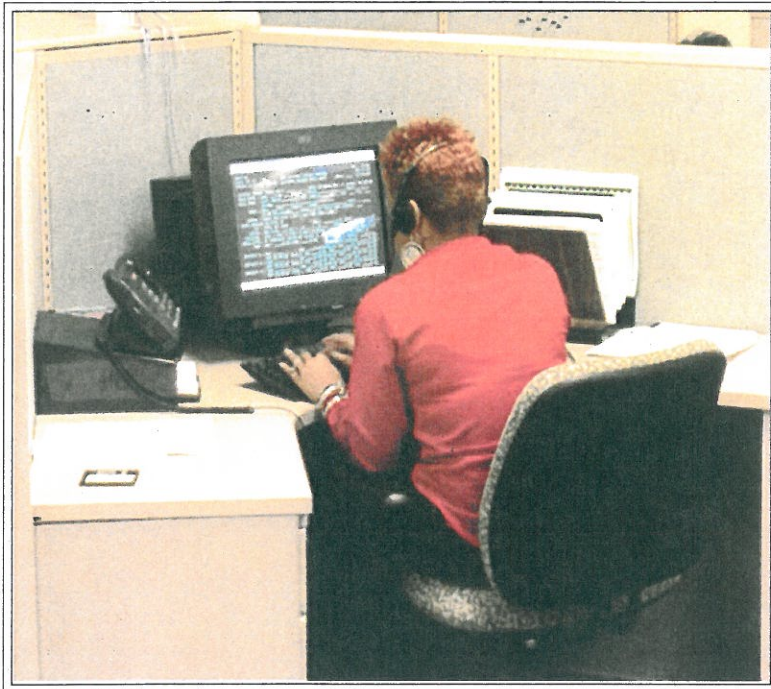
Comprehensive Annual Financial Report

Year ended December 31, 2007

TABLE OF CONTENTS

IV. SUPPLEMENTAL INFORMATION (UNAUDITED)

2007 Actual Capital Expenditures - Water Department	IV-1
2007 Actual Capital Expenditures - Sewerage Department	IV-2
2007 Actual Capital Expenditures - Drainage Department	IV-3
2007 Actual Capital Expenditures - Power Projects	IV-4
2007 Actual Capital Expenditures - General Budget Items	IV-5
Analysis of Pumping and Power Department	
Power Purchased and Produced - 1998 - 2007	IV-6
Pumping and Power Department	
Power Purchased and Produced - 2007	IV-7
Water Pumped and Consumed - 2007	IV-8
Gallons Metered - Pay Water Consumption 2007	IV-9
Monthly Water and Sewerage Rate Collection - 2007	IV-10
Table of Water Purification Operations and	
Table of Water and Sewerage Distribution System	IV-11
	thru
	IV-35
Table of Rainfall in New Orleans - 1894 thru 2007	IV-36
	thru
	IV-41
Benchmarking	IV-42



The Sewerage & Water Board took a major step to improve customer service in May of 2007 when it consolidated its Central Yard and Main Office Telephone Centers. The new 24-hour a day phone center is located at the Main Office on St. Joseph Street. It has spacious, independent workstations for each representative. Customer Service is still open for walk-in customers Monday through Friday. The new center receives over 1,500 calls a day.



I N T R O D U C T O R Y S E C T I O N



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

Sewerage & Water Board OF NEW ORLEANS

C. RAY NAGIN, President
TOMMIE VASSEL, President Pro-Tem

June 25, 2008

625 ST. JOSEPH STREET
NEW ORLEANS, LA 70165 • 504-529-2837 OR 52W-ATER
www.swbnola.org

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, 2007. 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 2006 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. The Board has adopted Governmental Accounting Standards Board Statement No. 45 - Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions in 2007.

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

According to the April 2008 Metropolitan Report: Economic Indicators for the New Orleans Area prepared by the Division of Business and Economic Research, University of New Orleans both population and employment are at about 86% of pre-Katrina values. It is very interesting that population and jobs are recovering at the same rate. In classic supply and demand response, wages jumped about 26% right after the storm. The movement was particularly noticeable in Orleans and St. Bernard Parishes. The rise in wages has just started to ease slightly as denoted by the 0.1% decline in 2007 so far.

With the higher wages and the addition of more skilled jobs such as construction jobs, 85% of the people are earning more than the whole metropolitan area did before the storm. Total earnings exceed pre-Katrina values by about 4%. That is, each person earns enough to more than compensate for the loss of about 15% of our metro population.

Construction is a chief force behind the activity in the New Orleans economy at this time. The residential rate has slowed somewhat in 2008 so far. However, the value of residential is dwarfed by other types of construction. In 2007, it was non-residential that dominated the local market. This category includes construction of commercial buildings. An enormous construction project is the expansion of a refinery in St. John Parish. In 2008, non-building-that is roads and bridges – are seemingly going to play a big part.

Improvements are continuing in the tourism sector. With 7.1 million visitors to New Orleans in 2007, tourism has seen a stronger than expected recovery. Most tourism indicators have an upward trend. Partially fueling this trend is improvement in the leisure market. During the first half of 2007, the typical New Orleans visitor stayed longer on average than prior to Katrina. This fact, together with higher expenditures in all categories except lodging, also contributed to the spending estimate for 2007 from \$3.9 billion to \$4.5 billion.

It is interesting to note that casino attendance is about 89% of pre-Katrina levels but the average win per head has gone up enough to keep total casino revenue in the areas at above pre-Katrina levels.

Professional, scientific, and technical services show some growth due to the recovery efforts requirement for engineering and architectural service. However, recent growth in that segment has been in the legal field. Retail, grocery stores are finally experiencing levels of employment close to the overall employment level post-Katrina. Grocery stores were one of the segments that were the slowest to recovery.

Taxable sales have continued to be above pre-Katrina levels. Damaged parishes such as Orleans and St. Bernard continue to climb while some of the recovery booms seen in sales in Jefferson Parish have started to come down.

MAJOR INITIATIVES

The Board facilities sustained cataclysmic damage from the flooding that followed Hurricane Katrina as a result of floodwall and levee breaches. Damage to infrastructure facilities included loss of electrical power, flooding of treatment facilities, and damage to water distribution systems, sewer collection systems and Power Plants. For the first time in the Board's history, there was significant damage to a large portion of the systems. There has been a shift in philosophy from setting priorities based on available budget to setting priorities based on needs. Almost three years have past since hurricane Katrina for the year-end of December 31, 2007.

Water:

The Carrollton Plant, which has a design capacity of 220 MGD, was purifying approximately 115 MGD of water for the East Bank of Orleans Parish prior to the levee failure in the wake of hurricane Katrina. As a result of the leaks in the water distribution system, the Carrollton plant is currently purifying approximately 132 MGD of water in spite of serving only about 60 percent of the pre-Katrina population. The Hurricane Katrina-related damages and the damages from floodwaters at the Carrollton water purification plant have been repaired and facilities are returning to pre-Katrina condition.

- Maintenance and/or improvement projects that the Board has planned on existing facilities include:
- Overhaul of sedimentation basin G3 is currently under way. A new flocculation drive system is to be installed. Also, improvements to the mono-rake system will increase the efficiency of sludge removal.
- A second sludge line to the river is currently in the design phase and should be completed in 2009.
- Currently, the anhydrous ammonia storage system is under contract to be rehabilitated.

The Algiers Plant has a design capacity of 15 MGD. Currently, the plant is purifying approximately 10 to 12 MGD of water and is serving the West Bank portion of the Parish. The plant suffered only minimal damage during the storm.

Other improvements ongoing at the plant include the following:

- The SCADA system is being upgraded and should be repaired in the near future.
- Improvements to the ferric chemical feed system are in progress and should be completed soon.
- All valves have been changed on the chlorine system and upgrades have been completed on the chlorine system.
- All hurricane related damage at the plant has been repaired and the equipment is operating effectively.

Water Pumping & Power: The primary function of the Water Pumping and Power department is steam production and the generation of 25-Hertz power. The facilities at the Carrollton power plant include three steam turbines and one gas turbine for a total theoretical capacity of 61 megawatts (MW). The steam required for the turbines is generated in five boilers (boiler 2 is out of service) with a total capacity of 650,000 pounds of steam per hour. The generating station at the Algiers facility is capable of generating 60-cycle power using diesel generators. The facility can generate enough power to support operations at the Algiers plant and one drainage pumping station. The station is also capable of performing a frequency change to the 25-cycle power supplied from the Carrollton power plant.

At present, total capacity of the plant is 41 MWs as Turbine 4 (20 MW) is undergoing repairs. A new Boiler No. 2 is currently being installed. Once turbine 4 and the new boiler are in service the plant will be at the original potential capacity of 61 MW. Other systems repaired since the hurricane include the condenser leaks, turbine No. 5 oil system, and the motor control center. Additional work at the power plant includes a new distribution pipe installation at the power plant, and currently the local power company is designing a new high-pressure natural gas line that will allow the power plant to eliminate the need for the gas compressors located at the power plant. Of the two steam driven distribution pumps located at the power plant, one is in the process of being reconditioned, and the final one is scheduled to be reconditioned. All roof damage has been repaired at the East Bank Power Plant although some damage is still noted at the West Bank Power Control building and River Station No. 1. The No. 1 raw water pump at the New River Station has been returned to service and the other two pumps at this facility will receive maintenance in the near future. In the aftermath, of Hurricane Katrina, the diesel generators at the Algiers generating station were able to provide backup power for the operation of the Algiers purification plant during occasional failure of Entergy power. The generating station lost part of the roof during the hurricane, causing water to seep through to the high voltage wires. The damaged section of the roof has been temporarily patched. One of the generators that were taken offline for repairs prior to the hurricane is still being worked on. Contracts have also been issued for roof repairs. All intake and effluent pumping stations are currently operational. Typically, the Claiborne pumping station and the two steam driven turbine pumps are adequate for pumping, with the Panola Station serving as a backup. However, due to a pump out of service at the Claiborne station system, the Panola pumping station is currently in operation. The intake pumps suffered damage from the floodwaters, but have been repaired.

Sewerage: **The East Bank Wastewater Treatment Plant:** The East Bank facility has a treatment capacity of 122 MGD (dry weather). The pre-Katrina flows to the plant averaged 100 to 110 MGD. Currently, the plant is receiving approximately 100 MGD flow. The Board had planned to augment the treatment capacity of the existing plant by 65 MGD prior to the hurricane. The treatment facilities at the plant include bar screens, grit removal, pure oxygen activated sludge system, final clarification, and disinfection. The solids generated during sewage treatment are thickened, dewatered in belt filter presses, and incinerated. At this time, the incinerators are out of service, and therefore the belt presses are processing solids and the dewatered solids are trucked to the landfill. The plant suffered extensive damage from the strong winds and floodwaters.

The following is a list of damage from the hurricane that has been repaired.

- All buildings have been repaired except a new control room is under construction, which is expected to be completed in six months. The administration building containing the laboratory was destroyed by floodwaters and demolished. The lab functions are being done off site and the staff is occupying trailers.
- Damage to structures and equipment from salt water. Most equipment has been repaired and is operational. Final clarifier No. 4 is currently under repair and will be finished within six months. Cracks in the deck of the activated sludge tanks are in the process of repair, which will be reimbursed by FEMA.
- At present an RFP has been released to purchase and install a oxygen production facility at the plant. Oxygen is currently trucked in at significant cost and the new oxygen plant will reduce the cost of oxygen to the plant. The plant uses approximately 20 tons of oxygen a day.

The West Bank Wastewater Treatment Plant: The West Bank facility has a treatment capacity of 20 MGD (dry weather). Currently, the plant is receiving approximately 10 MGD flow. The West Bank treatment facility consists of bar screens, primary clarifiers, trickling filters, final clarifiers, and disinfection. Primary and secondary solids are co-thickened in a gravity thickener and hauled to the East Bank facility for further dewatering at the belt filter presses. The West Bank facility suffered only wind damage from the hurricane. The following items were damaged, but have been repaired and are back in service.

- The fiberglass cover of the solids thickener was damaged by the winds and has been repaired. The mechanical components of the thickener also sustained some damage and have been repaired. Solids are pumped to the gravity thickener for thickening and then trucked off site.
- The launder covers on the final clarifiers were blown off by the winds. The covers prevent algae growth in the effluent channels. The covers have been replaced and are functioning as intended.
- All damage to buildings has been repaired.
- The lost media in the trickling filters due to the storm has been replaced and the trickling filters are operating as intended and meeting current loads to the plant.

The Sewage Pumping and Lift Stations The sewage pumping and lift stations convey sewage through the gravity and force main systems to the East Bank and the West Bank wastewater treatment plants. A vast majority of the eastbank and several of the westbank pumps sustained mechanical and electrical damage from the floodwaters and require complete overhauls. Initially, the Board's rehabilitation of the pumps included checking and greasing bearings, cleaning motors with steam, and then baking them. This method was unsuccessful and resulted in many pump motor and bearing failures. As a result, the board changed the rehabilitation process to a three-step process that includes electrical repair, bearing repair, and flood proofing of stations. About 40% of the electrical work has been completed. Bearing repair work has not been initiated at most stations. The final phase of flood proofing has not started to date. FEMA funding will pay for the repairs to the sewerage stations. In order to receive these funds, the stations have to be repaired to pre-Katrina conditions. Most stations are located below ground and the rehabilitated stations will be vulnerable to flooding. The Board wishes to elevate most of the stations so that this does not occur again. The Board is currently in negotiations with FEMA to elevate the stations with the funds that will be provided by this agency. This would ensure continuous operations of all stations during flooding events. Some of the buildings also suffered structural damage. Repair work on buildings is almost complete. The Board has issued emergency bids for generators, portable pumps, automation and SCADA panels for the damaged stations, the costs of which will be reimbursed by FEMA. Maintenance personnel estimate about 5 years will be required to have all the pumping stations back online. The estimated cost for all sewage pumping station repairs is approximately \$80 million, which is paid for by FEMA. It is important to note that FEMA will only be paying for damage that was due to Katrina. As contractors are repairing mechanical equipment at the stations, more problems are being uncovered that are potentially due to the Board's ability to maintain the stations before the storm. The Board and FEMA are having ongoing discussions to determine if the mechanical issues are storm related and who will be responsible for paying for any repairs that are not a result of Katrina flooding.

Drainage Pump Stations: The Board also has responsibility for operating and maintaining the 234 drainage and 12 underpass pumping stations in New Orleans. The drainage stations suffered significant damage from the floodwaters. Most motors have been rewound and are in service within the drainage stations. The Corps is providing 100 percent funding, valued at \$40 million, for electrical, mechanical and structural upgrades to the drainage stations. This does not include needed work at the underpass drainage stations. The Board has also received a commitment from the Corps to move drainage stations 3, 6, and 7 to Lake Pontchartrain, which would allow easier and more efficient pumping of water to the Lake. The estimated cost for relocating the stations is \$150 to \$200 million per station and is to be paid by the Corps of Engineers.

Construction of the Dwyer Road 1,050 CSF Pumping Station is on going.

A five-year Capital Program budget of \$2,275,278,000 was approved by Sewerage and Water Board in December 2007. The approved amount for Drainage projects was \$956,050,000 of that amount; \$517,921,000 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 Sewerage rate increase adopted in 2003, list 15%, 2003, 15% in 2004, 14% in 2005 and 14% in 2006. 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. On March 21, 2007, the Board approved a series of five annual water rate increases beginning with the first increase on November 1, 2007 followed by four additional increases to be implemented on July 1 of each year, 2008 through 2011. The New Orleans City Council approved the annual water rate increases on October 4, 2007.

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: The change in net assets for the year ended December 31, 2007 was approximately \$6.0 million or 10.3% less than the change in net assets for the year ended December 31, 2006. The Board's total operating revenues increased by 9.8% to approximately \$110.2 million, and total operating expenses increased 7.5% to approximately \$171.9 million. Operating revenues increased primarily as a result of an increase in sewerage rates offset by a decline in volume due to decreases in the customer base following Hurricane Katrina. Property taxes increased by \$3.5 million in 2007 due to an increase in assessed value.

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, 2007 totaled \$268,890,000.

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 \$8,479,727.

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 was 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 Sewerage and Water Board of New Orleans for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2006. 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 twenty-four (24) years. We believe our current report continues to conform to the Certification of Achievement Program requirements and we are submitting it to GFOA.

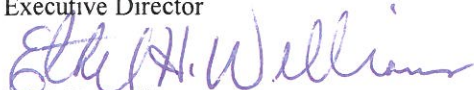
Acknowledgments: The Comprehensive Annual Financial Report was prepared by the dedicated staff of the Director's Office, particularly the Finance Administration and Printing Department. Additionally, we realize that the cooperation of each Department of the Sewerage & Water Board of New Orleans is essential, 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,



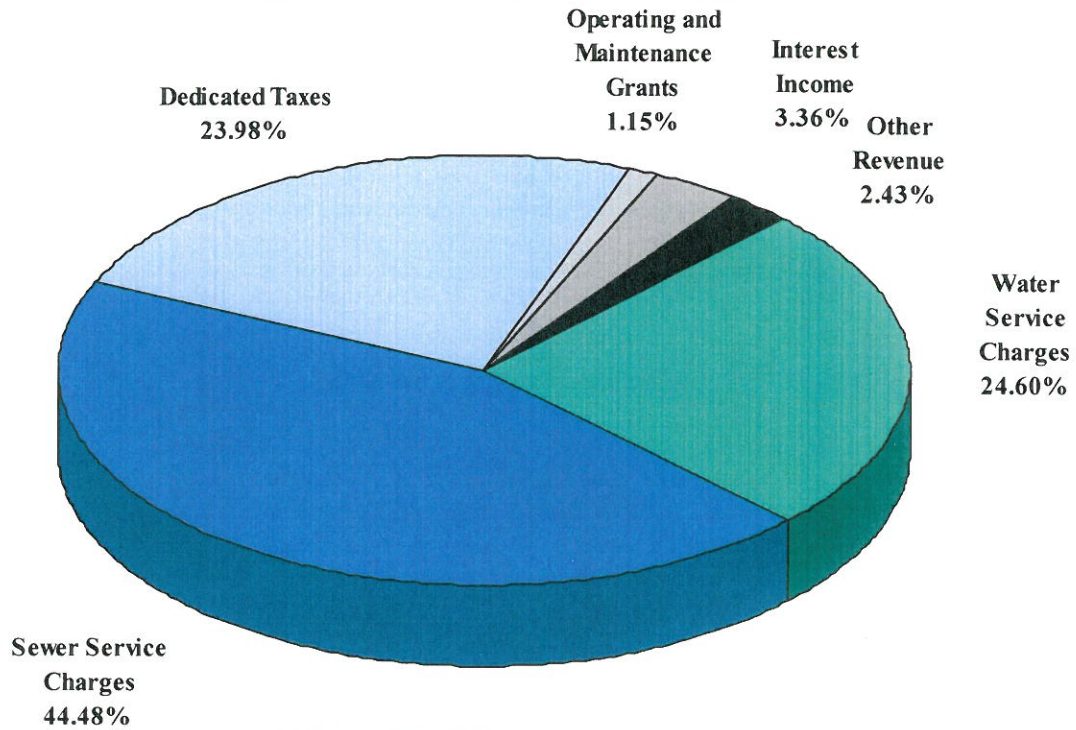
Marcia A. St. Martin
Executive Director



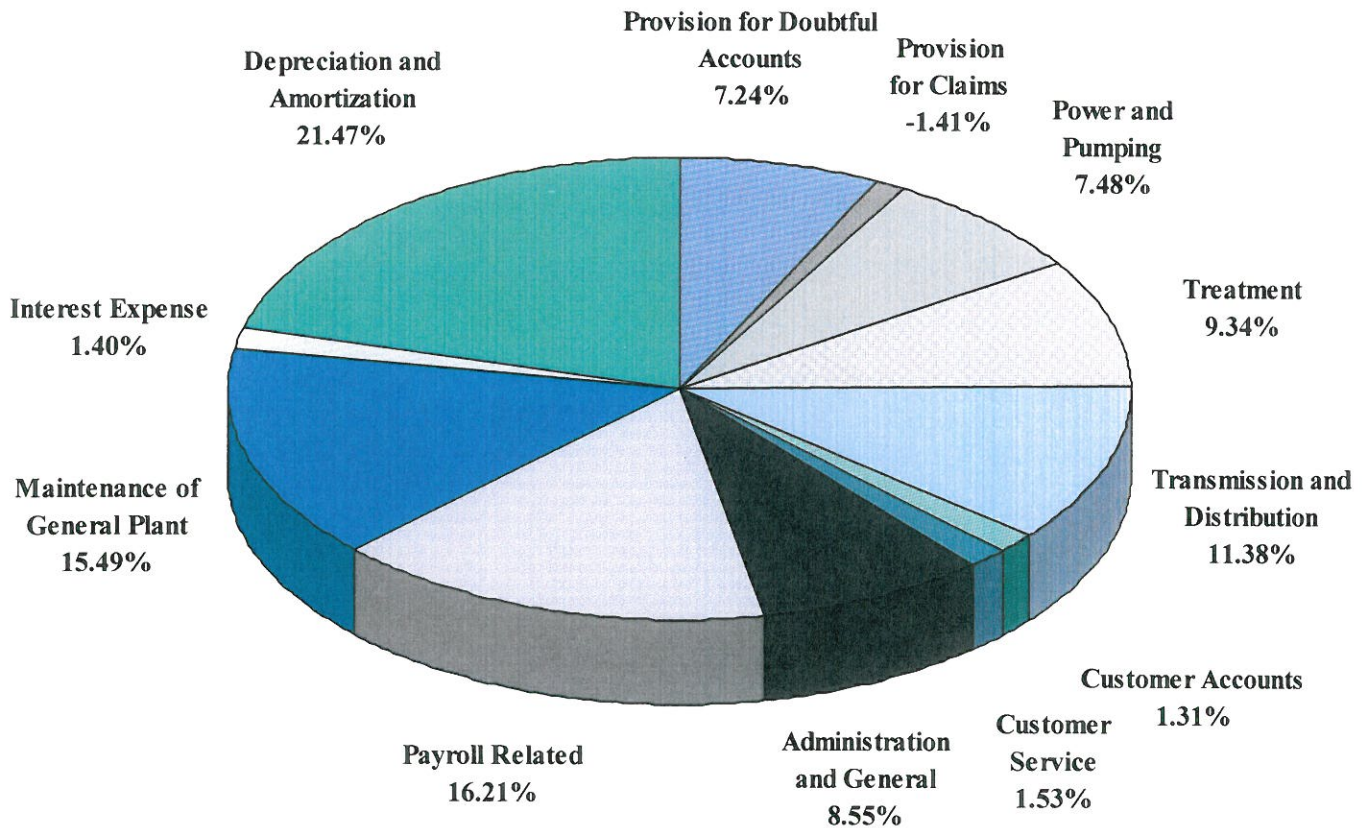
Ethel H. Williams
Financial Administrator

(This page intentionally left blank)

2007 Revenues



2007 Expenses



(This page intentionally left blank)

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, 2006

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.



Oliver S. Cox

President

Jeffrey R. Emer

Executive Director

(This page intentionally left blank)

OFFICERS
of the
SEWERAGE AND WATER BOARD
OF NEW ORLEANS

December 31, 2007

C. RAY NAGIN President
Mayor, City of New Orleans

TOMMIE A. VASSEL..... President Pro Tem

MARCIA A. ST. MARTIN Executive Director

VACANT Deputy Director

G. JOSEPH SULLIVAN General Superintendent

JOSEPH BECKER Deputy General Superintendent

GERARD A. VICTOR.... Special Counsel

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

December 31, 2007

C. RAY NAGIN Mayor

ARNIE FIELKOW Councilmember-at-Large

JACQUELINE CLARKSON.....Councilwoman At-Large

NORMA E. GRACEMember - Board of Liquidation, City Debt

PIERRE E. CONNER, III Councilmanic District A

FLORENCE W. SCHORNSTEIN..... Councilmanic District B

TOMMIE A. VASSEL Councilmanic District C

GARY SOLOMON.....Councilmanic District D

BARBARA LAMONT.....At-Large Member

CYNTHIA WILLARD-LEWIS..... Councilman District E

ALEX LEWIS, III..... Councilmanic District E

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

**COMMITTEES
OF THE
SEWERAGE AND WATER BOARD
OF
NEW ORLEANS
December 31, 2007**

EXECUTIVE COMMITTEE

TOMMIE VASSEL - Chairperson

NORMA GRACE	GARY N. SOLOMON
BARBARA LAMONT	FLORENCE W. SCHORNSTEIN

FINANCE AND OPERATIONS COMMITTEE

GARY N. SOLOMON - Chairperson

FLORENCE W. SCHORNSTEIN	NORMA GRACE
PIERRE E. CONNER, III	TOMMIE A. VASSEL
JACQUELINE CLARKSON	

INFRASTRUCTURE COMMITTEE

BARBARA LAMONT - Chairperson

PIERRE E. CONNER, III	FLORENCE W. SCHORNSTIEN
BENJAMIN EDWRDS	CYNTHIA WILLARD-LEWIS

INSURANCE (AD HOC) COMMITTEE

PENELOPE RANDOLPH - Chairperson

BENJAMIN L. EDWARDS, SR.	NORMA E. GRACE
	TOMMIE A. VASSEL

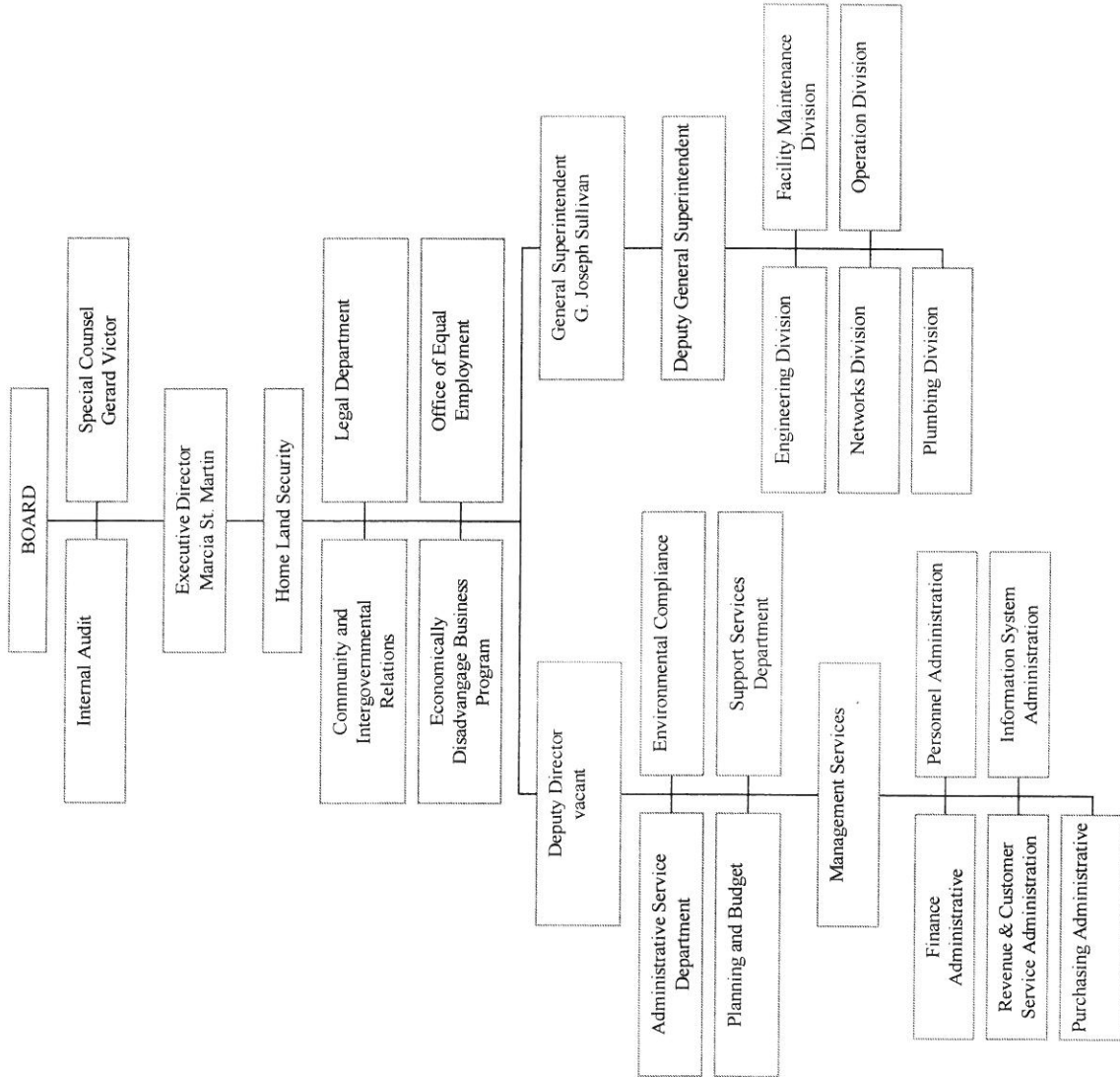
PENSION COMMITTEE

TOMMIE A. VASSEL - Chairperson

JACQUELINE CLARKSON	PATRICIA W. CAMPBELL
NORMA E. GRACE	WARREN J. LAWRENCE
CYNTHIA WILLARD-LEWIS	DEXTER JOSEPH
ARNIE FIELKOW	J. WILSON
ALEX LEWIS	

MICHAEL CONEFRY & COMPANY, ACTUARY

SEWERAGE AND WATER BOARD OF NEW ORLEANS 2007
 ORGANIZATIONAL CHART



THE SEWERAGE AND WATER BOARD OF NEW ORLEANS

DIVISION HEADS OF DEPUTY DIRECTOR

DECEMBER 31, 2007

VACANT
DEPUTY DIRECTOR

ADMINISTRATIVE SERVICES DIVISION

VACANT

ENVIRONMENTAL AFFAIRS DIVISION

Gordon C. Austin

MANAGEMENT SERVICES DIVISION

VACANT

PLANNING AND BUDGET DIVISION

DEXTER JOSEPH

SUPPORT SERVICES DIVISION

LINDA PAISANT

THE SEWERAGE AND WATER BOARD OF NEW ORLEANS

DIVISION HEADS OF GENERAL SUPERINTENDENT

December 31, 2007

G. JOSEPH SULLIVAN
GENERAL SUPERINTENDENT

JOSEPH BECKER
DEPUTY GENERAL SUPERINTENDENT

ENGINEERING DIVISION
JOHN HUERKAMP

FACILITY MAINTENANCE DIVISION
GABE SIGNORELLI

NETWORKS DIVISION
RUDY AUGUST

OPERATIONS DIVISION
BAHARAM (BOB) MOEINIAN

PLUMBING DIVISION
JAMES J. ARNOLD

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

December 31, 2007

VACANT
MANAGEMENT SERVICES DIRECTOR

FINANCE ADMINISTRATION

ETHEL H. WILLIAMS

INFORMATION SYSTEMS ADMINISTRATION

MELINDA NELSON

PERSONNEL ADMINISTRATION

KEVIN F. WALSH

PURCHASING ADMINISTRATION

WILLIE M. MINGO JR.

REVENUE AND CUSTOMER SERVICES ADMINISTRATION

JACQUELINE K. SHINE

(This page intentionally left blank)



Drainage Pumping Station No. 5, located on the east side of the Industrial Canal at Florida Avenue, was inundated with flood waters in 2005. It is back in operation after much hard work and dedication to refurbish and repair the pumps, electrical systems and buildings.



FINANCIAL SECTION

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, 2007 and 2006, 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sewerage and Water Board's internal control over financial reporting. Accordingly, we express no such opinion. 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, 2007 and 2006, 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 June 24, 2008, 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. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. 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 2007 and 2006 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.

Postlethwaite & Netterville

New Orleans, Louisiana
June 24, 2008

SEWERAGE & WATER BOARD OF NEW ORLEANS

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED DECEMBER 31, 2007

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, 2007. Please read it in conjunction with the Board's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

Recovery from Hurricane Katrina and the resulting flooding continued to be the most significant event to occur during 2007. Repairs to water, sewerage, and drainage systems, building repairs, and vehicle and equipment repairs continued throughout 2007. During 2007, the Board adopted Governmental Accounting Standards Board Statement No. 45 - Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, which resulted in the recognition of a liability on the financial statements and additional disclosures in the footnotes to the financial statements.

Enterprise Fund

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

2007

- The Board's additions to its major systems approximated \$91.4 million.
- The SELA project which is a major upgrade to the drainage system by the Corps of Engineers continued to be postponed during 2007 with no additions to work in progress recorded during the year.
- Federal Emergency Management Agency (FEMA) Disaster Public Assistance grants expended totaled \$69.2 million, of which \$67.4 million were capital contributions and \$1.8 million were for operating and maintenance expenses.

2006

- The Board's additions to its major systems approximated \$105.9 million.
- The SELA project which is a major upgrade to the drainage system by the Corps of Engineers was postponed during 2006 with no additions to work in progress recorded during the year.
- The Board refunded during July 2006 \$24 million of the \$137 million in short term bond anticipation notes originally issued in July 2005.
- Federal Emergency Management Agency (FEMA) Disaster Public Assistance grants expended totaled \$74.2 million, of which \$39.2 million were capital contributions and \$35.0 million were for operating, maintenance and debris removal expenses.

Pension Trust Fund

2007

The major highlight in the Board's pension trust fund was the weakening financial performance in the stock market as compared to 2006 and the resulting appreciation of \$5.2 million in the market value of the investments held by the plan during 2007, 78.6% less than the appreciation during 2006. The plan net assets available of benefits increased to \$227.8 million.

2006

The major highlight in the Board's pension trust fund was the continued improved financial performance in the convertible securities market, continued interest rate increases, and the resulting appreciation of \$24.4 million in the market value of the investments held by the plan during 2006. The plan net assets available of benefits increased to \$225.9 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 section of required supplementary information and other supplementary information that further explain and support the information in the financial statements.

The Board's financial statements are prepared on an accrual basis in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. Under this basis of accounting, revenues are recognized in the period in which they are earned, 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 Board 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.

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

2007 Net Assets

The Board's total assets at December 31, 2007 were approximately \$1.8 billion, a 5.4% increase over December 31, 2006 (see Table A-1).

	2007	2006	Increase (Decrease)	Increase (Decrease)
Current assets	\$ 130,654,155	\$ 97,310,544	\$ 33,343,611	34.3%
Restricted assets	191,182,517	189,820,167	1,362,350	0.7%
Property, plant and equipment - net	1,445,498,226	1,389,245,880	56,252,346	4.0%
Other assets	4,185,361	5,168,276	(982,915)	-19.0%
Total assets	\$ 1,771,520,259	\$ 1,681,544,867	\$ 89,975,392	5.4%
Current liabilities	\$ 115,274,616	\$ 104,679,864	\$ 10,594,752	10.1%
Long-term liabilities	390,323,513	363,092,090	27,231,423	7.5%
Total liabilities	505,598,129	467,771,954	37,826,175	8.1%
Net assets:				
Invested in capital assets, net of related debt	1,245,350,533	1,183,354,778	61,995,755	5.2%
Restricted	20,571,597	30,418,135	(9,846,538)	-32.4%
Total net assets	1,265,922,130	1,213,772,913	52,149,217	4.3%
Total liabilities and net assets	\$ 1,771,520,259	\$ 1,681,544,867	\$ 89,975,392	5.4%

The increase in total assets of \$90.0 million resulted primarily from an increase in property, plant and equipment of \$56.3 million in 2007 due to \$9.1 million in construction funds expended and \$72.0 million of capital contributions less the annual provision for depreciation of \$37.3 million, payments made on revenue bonds of \$12.0 million offset by new loans of \$40.1 million borrowed through the Special Community Disaster Loan program and the Debt Service Assistance Fund program. Current liabilities increased by \$10.6 million and long-term liabilities increased by \$27.2 million in 2007 as compared to 2006 due primarily to debt service payments made on revenue bonds offset by additional debt from the Special Community Disaster loan and the Debt Service Assistance Fund loan.

2006 Net Assets

The Board's total assets at December 31, 2006 reached approximately \$1.7 billion, a 0.8% decrease over December 31, 2005 (see Table A-2).

	2006	2005	Increase (Decrease)	Increase (Decrease)
Current assets	\$ 97,310,544	\$ 73,067,066	\$ 24,243,478	33.2%
Restricted assets	189,820,167	298,455,080	(108,634,913)	-36.4%
Property, plant and equipment - net	1,389,245,880	1,317,298,829	71,947,051	5.5%
Other assets	5,168,276	5,625,101	(456,825)	-8.1%
Total assets	\$ 1,681,544,867	\$ 1,694,446,076	\$ (12,901,209)	-0.8%
Current liabilities	\$ 104,679,864	\$ 273,184,938	\$ (168,505,074)	-61.7%
Long-term liabilities	363,092,090	265,600,587	97,491,503	36.7%
Total liabilities	467,771,954	538,785,525	(71,013,571)	-13.2%
Net assets:				
Invested in capital assets, net of related debt	1,183,354,778	1,092,139,700	91,215,078	8.4%
Restricted	30,418,135	63,520,851	(33,102,716)	-52.1%
Total net assets	1,213,772,913	1,155,660,551	58,112,362	5.0%
Total liabilities and net assets	\$ 1,681,544,867	\$ 1,694,446,076	\$ (12,901,209)	-0.8%

The decrease in total assets of \$12.9 million resulted primarily from an increase in property, plant and equipment of \$71.9 million in 2006 due to \$14.6 million in construction funds expended and \$42.6 million of capital contributions less the annual provision for depreciation of \$36.5 million, payments made on bond anticipation notes of \$113.0 million offset by new loans of \$86.5 million borrowed through the Special Community Disaster Loan program and the Debt Service Assistance Fund program. Current liabilities decreased by \$168.5 million and long-term liabilities increased by \$97.5 million in 2006 as compared to 2005 due primarily to debt service payments made on revenue bonds offset by additional debt from the Special Community Disaster loan and the Debt Service Assistance Fund loan.

2007 Changes in Net Assets

The change in net assets for the year ended December 31, 2007 was approximately \$6.0 million or 10.3% less than the change in net assets for the year ended December 31, 2006. The Board's total operating revenues increased by 9.8% to approximately \$110.2 million, and total operating expenses increased 7.5% to approximately \$171.9 million. The changes in net assets are detailed in Table A-3; operating expenses are detailed in Table A-4.

	2007	2006	Increase (Decrease)	Increase (Decrease)
Operating revenues:				
Charges for services	\$ 106,642,409	\$ 97,047,638	\$ 9,594,771	9.9%
Other	3,559,801	3,290,683	269,118	8.2%
Total operating revenues	110,202,210	100,338,321	9,863,889	9.8%
Operating expenses (Table A-3)	171,852,734	159,860,151	11,992,583	7.5%
Operating loss	(61,650,524)	(59,521,830)	(2,128,694)	-3.6%
Non-operating revenues:				
Property taxes	36,667,904	33,175,028	3,492,876	10.5%
Other taxes	443,122	634,321	(191,199)	-30.1%
Operating and maintenance grants	1,777,188	35,013,143	(33,235,955)	-94.9%
Hurricane gain	205,995	2,303,397	(2,097,402)	-91.1%
Investment income (expense)	2,750,426	3,862,568	(1,112,142)	-28.8%
Total non-operating revenues	41,844,635	74,988,457	(33,143,822)	-44.2%
Income before capital contributions	(19,805,889)	15,466,627	(35,272,516)	-228.1%
Capital contributions	71,955,106	42,645,735	29,309,371	68.7%
Change in net assets	52,149,217	58,112,362	(5,963,145)	-10.3%
Net assets, beginning of year	1,213,772,913	1,155,660,551	58,112,362	5.0%
Net assets, end of year	\$ 1,265,922,130	\$ 1,213,772,913	\$ 52,149,217	4.3%

Operating revenues increased primarily as a result of an increase in sewerage rates offset by a decline in volume due to decreases in the customer base following Hurricane Katrina. Property taxes increased by \$3.5 million in 2007 due to an increase in assessed value.

Capital revenue from federal grants and construction of Board property by other agencies increased by 68.7% to \$72.0 million. Operating and maintenance grants decreased by 94.9% to \$1.8 million. Capital contributions and operating and maintenance grants are primarily related to FEMA Disaster Public Assistance grants. Hurricane gain consisted of \$0.2 million in proceeds from the sale of scrapped equipment damaged during Hurricane Katrina in 2007 and insurance recoveries of \$2.3 million in 2006.

	2007	2006	Increase (Decrease)	Increase (Decrease)
Power and pumping	\$ 13,041,954	\$ 11,576,640	\$ 1,465,314	12.7%
Treatment	16,280,975	13,518,870	2,762,105	20.4%
Transmission and distribution	19,832,226	13,845,793	5,986,433	43.2%
Customer accounts	2,290,092	1,910,612	379,480	19.9%
Customer service	2,670,145	2,265,250	404,895	17.9%
Administration and general	14,899,028	13,714,644	1,184,384	8.6%
Payroll related	28,259,815	17,914,694	10,345,121	57.7%
Maintenance of general plant	26,993,626	23,344,667	3,648,959	15.6%
Depreciation	37,262,536	36,546,373	716,163	2.0%
Amortization	158,019	208,045	(50,026)	-24.0%
Provision for doubtful accounts	12,613,283	22,355,906	(9,742,623)	-43.6%
Provision for claims	(2,448,965)	2,658,657	(5,107,622)	-192.1%
Total operating expenses	\$ 171,852,734	\$ 159,860,151	\$ 11,992,583	7.5%

The increase in power and pumping expenses in 2007 of \$1.5 million or 12.7% is primarily due to increases in the cost of natural gas and increased fuel consumption. The increase in treatment expenses in 2007 of \$2.8 million or 20.4% is primarily due to an increase in the costs of chemicals and continued leaks in the system, which result in the treatment of more water than under normal circumstances. The increase in transmission and distribution expenses in 2007 of \$6.0 million or 43.2% is primarily due to additional costs related to repairs of leaks in the system and increases in contractor and material costs. The increase in payroll related expenses in 2007 of \$10.3 million or 57.7% is primarily due to \$6.6 million recognized for other postretirement benefits liability in connection with the implementation of GASB 4, as well as salary increases in accordance with City of New Orleans Civil Service, individual pay plan increases for certain departments, and increases in hospitalization expense. The increase in maintenance of general plant in 2007 of \$3.6 million or 15.6% resulted primarily from increases in the cost of high pressure gas, materials, supplies, contracts, fuel and electricity for all facilities and increases in payroll related costs, professional services, and consulting costs. Provisions for doubtful accounts decreased by \$9.7 million or 43.6% in 2007 as a result of a smaller increase in closed accounts which are fully reserved than in 2006 and additional reserves for amounts not expected to be collected following Hurricane Katrina recognized during 2006. Provisions for claims decreased by \$5.1 million or 192.1% in 2007 as compared to 2006. Claims expense varies due to the number and severity of the claims during any period. The decrease is due primarily to several large decreases in reserves recognized during 2007.

2006 Changes in Net Assets

The change in net assets for the year ended December 31, 2006 was approximately \$58.1 million or 338.0% more than the change in net assets for the year ended December 31, 2005. The Board's total operating revenues increased by 0.9% to approximately \$100.3 million, and total operating expenses decreased 1.5% to approximately \$159.9 million. The changes in net assets are detailed in Table A-5; operating expenses are detailed in Table A-6.

	2006	2005	Increase (Decrease)	Increase (Decrease)
Operating revenues:				
Charges for services	\$ 97,047,638	\$ 96,232,489	\$ 815,149	0.8%
Other	3,290,683	3,171,703	118,980	3.8%
Total operating revenues	100,338,321	99,404,192	934,129	0.9%
Operating expenses (Table A-3)	159,860,151	162,369,426	(2,509,275)	-1.5%
Operating loss	(59,521,830)	(62,965,234)	3,443,404	-5.5%
Non-operating revenues:				
Property taxes	33,175,028	45,851,877	(12,676,849)	-27.6%
Other taxes	634,321	631,818	2,503	0.4%
Operating and maintenance grants	35,013,143	9,338,528	25,674,615	274.9%
Hurricane loss	2,303,397	(55,909,262)	58,212,659	-104.1%
Investment income (expense)	3,862,568	3,288,497	574,071	17.5%
Total non-operating revenues	74,988,457	3,201,458	71,786,999	2242.3%
Income before capital contributions	15,466,627	(59,763,776)	75,230,403	-125.9%
Capital contributions	42,645,735	35,351,561	7,294,174	20.6%
Change in net assets	58,112,362	(24,412,215)	82,524,577	-338.0%
Net assets, beginning of year	1,155,660,551	1,180,072,766	(24,412,215)	-2.1%
Net assets, end of year	\$ 1,213,772,913	\$ 1,155,660,551	\$ 58,112,362	5.0%

Operating revenues increased primarily as a result of an increase in sewerage rates offset by a decline in volume due to decreases in the customer base following Hurricane Katrina. Property taxes decreased by \$12.7 million in 2006 due to a decrease in assessed value.

Capital revenue from federal grants and construction of Board property by other agencies increased by 20.6% to \$42.6 million. Operating and maintenance grants increased by 274.9% to \$35.0 million. Capital contributions and operating and maintenance grants related to FEMA Disaster Public Assistance grants. Hurricane gain (loss) consisted of insurance recoveries of \$2.3 million in 2006 and \$55.9 million of property and inventory losses in 2005.

	2006	2005	Increase (Decrease)	Increase (Decrease)
Power and pumping	\$ 11,576,640	\$ 11,818,104	\$ (241,464)	-2.0%
Treatment	13,518,870	13,736,515	(217,645)	-1.6%
Transmission and distribution	13,845,793	18,432,531	(4,586,738)	-24.9%
Customer accounts	1,910,612	2,413,631	(503,019)	-20.8%
Customer service	2,265,250	2,645,604	(380,354)	-14.4%
Administration and general	13,714,644	12,130,773	1,583,871	13.1%
Payroll related	17,914,694	19,780,248	(1,865,554)	-9.4%
Maintenance of general plant	23,344,667	27,991,450	(4,646,783)	-16.6%
Depreciation	36,546,373	39,187,670	(2,641,297)	-6.7%
Amortization	208,045	360,445	(152,400)	-42.3%
Provision for doubtful accounts	22,355,906	6,582,465	15,773,441	239.6%
Provision for claims	2,658,657	7,289,990	(4,631,333)	-63.5%
Total operating expenses	\$ 159,860,151	\$ 162,369,426	\$ (2,509,275)	-1.5%

The decrease in transmission and distribution expenses in 2006 of \$4.6 million or 24.9% is primarily due to a reduction in the volume of water service demands on the east bank of New Orleans and a decrease in salaries and payroll related services due to a reduction in staff, all caused by Hurricane Katrina. The decrease in maintenance of general plant in 2006 of \$4.6 million or 16.6% resulted primarily from decreases over 2005 in salaries and payroll related expenses, professional services, consulting, and equipment repairs to restore systems following Hurricane Katrina. Depreciation expense decreased by \$2.6 million or 6.7% due to less depreciation expense in 2006 as a result of losses recognized as a result of Hurricane Katrina in 2005. Provisions for doubtful accounts increased by \$15.8 million or 239.6% in 2006 as compared to 2005 as a result of an increase in closed accounts which are fully reserved and additional reserves for amounts not expected to be collected following Hurricane Katrina. Provisions for claims decreased by \$4.6 million or 63.5% in 2006 as compared to 2005. Claims expense varies due to the number and severity of the claims during any period. The decrease is due primarily to several large judgments rendered in 2005.

PENSION TRUST FUND

2007 Plan Net Assets

The Board's total plan net assets of its pension trust fund at December 31, 2007 was approximately \$227.8 million, a 0.8% increase over December 31, 2006 (see table A-7). Total assets increased 1.1% to \$231.8 million.

Table A-7				
Sewerage & Water Board of New Orleans				
Plan Net Assets				
	2007	2006	Increase (Decrease)	Increase (Decrease)
Cash	\$ 102,653	\$ 1,104,112	\$ (1,001,459)	-90.7%
Investments	231,011,414	227,419,270	3,592,144	1.6%
Receivables	420,795	547,587	(126,792)	-23.2%
Other assets	257,562	113,203	144,359	100.0%
Total assets	231,792,424	229,184,172	2,608,252	1.1%
DROP participant payable	\$ 3,966,600	\$ 3,247,090	\$ 719,510	22.2%
Due to other fund	-	-	-	-100.0%
Total liabilities	3,966,600	3,247,090	719,510	22.2%
Plan net assets	\$ 227,825,824	\$ 225,937,082	\$ 1,888,742	0.8%

Plan net assets increased by \$1.9 million in 2007 primarily due to realized and unrealized gains on investments recognized in 2007.

2006 Plan Net Assets

The Board's total plan net assets of its pension trust fund at December 31, 2006 was approximately \$225.9 million, a 11.6% increase over December 31, 2005 (see table A-8). Total assets increased 11.1% to \$229.2 million.

Table A-8				
Sewerage & Water Board of New Orleans				
Plan Net Assets				
	2006	2005	Increase (Decrease)	Increase (Decrease)
Cash	\$ 1,104,112	\$ 207,806	\$ 896,306	431.3%
Investments	227,419,270	205,248,652	22,170,618	10.8%
Receivables	547,587	773,796	(226,209)	-29.2%
Other assets	113,203	-	113,203	100.0%
Total assets	229,184,172	206,230,254	22,953,918	11.1%
DROP participant payable	\$ 3,247,090	\$ 3,593,654	\$ (346,564)	-9.6%
Due to other fund	-	231,509	(231,509)	100.0%
Total liabilities	3,247,090	3,825,163	(578,073)	-15.1%
Plan net assets	\$ 225,937,082	\$ 202,405,091	\$ 23,531,991	11.6%

Plan net assets increased by \$23.5 million in 2006 primarily due to realized and unrealized gains on investments recognized in 2006.

2007 Changes in Plan Net Assets

Table A-9				
Sewerage & Water Board of New Orleans				
Change in Plan Net Assets				
	2007	2006	Increase (Decrease)	Increase (Decrease)
Additions:				
Contributions	\$ 6,753,824	\$ 6,683,136	\$ 70,688	1.1%
Net income on investments	7,947,645	29,080,710	(21,133,065)	-72.7%
Total additions	14,701,469	35,763,846	(21,062,377)	-58.9%
Deductions:				
Benefits	(10,625,533)	(9,905,119)	(720,414)	7.3%
Employee refunds	(215,746)	(680,769)	465,023	-68.3%
Employee DROP contributions	(1,971,448)	(1,645,967)	(325,481)	19.8%
Total deductions	(12,812,727)	(12,231,855)	(580,872)	4.7%
Change in net assets	1,888,742	23,531,991	(21,643,249)	-92.0%
Plan net assets, beginning of year	225,937,082	202,405,091	23,531,991	11.6%
Plan net assets, end of year	\$ 227,825,824	\$ 225,937,082	\$ 1,888,742	0.8%

Net income on investments decreased by \$21.1 million or 72.7% during 2007 due to declining performance in the stock market as compared to 2006. The decrease in the change in plan net assets of \$21.6 million resulted primarily from a decrease in unrealized gains on investments in 2007.

2006 Changes in Plan Net Assets

Table A-10				
Sewerage & Water Board of New Orleans				
Change in Plan Net Assets				
	2006	2005	Increase (Decrease)	Increase (Decrease)
Additions:				
Contributions	\$ 6,683,136	\$ 5,607,361	\$ 1,075,775	19.2%
Net income on investments	29,080,710	8,890,315	20,190,395	227.1%
Total additions	35,763,846	14,497,676	21,266,170	146.7%
Deductions:				
Benefits	(9,905,119)	(8,494,829)	(1,410,290)	16.6%
Employee refunds	(680,769)	(149,147)	(531,622)	356.4%
Employee DROP contributions	(1,645,967)	(1,732,732)	86,765	-5.0%
Total deductions	(12,231,855)	(10,376,708)	(1,855,147)	17.9%
Change in net assets	23,531,991	4,120,968	19,411,023	471.0%
Plan net assets, beginning of year	202,405,091	198,284,123	4,120,968	2.1%
Plan net assets, end of year	\$ 225,937,082	\$ 202,405,091	\$ 23,531,991	11.6%

Contributions to the pension plan increased in 2006 as compared to 2005 primarily due to increased transfers in from the City of New Orleans and buy back of service.

The increase in the change in plan net assets of \$19.4 million resulted primarily from an increase in unrealized gains on investments in 2006.

CAPITAL ASSET AND DEBT ADMINISTRATION

2007 Capital Assets

As of December 31, 2007, the Board had invested approximately \$2.0 billion in capital assets. Net of accumulated depreciation, the Board's net capital assets at December 31, 2007 totaled approximately \$1.4 billion. This amount represents a net increase (including additions and disposals, net of depreciation) of approximately \$56.3 million or 4.0% over December 31, 2006.

At December 31, 2007, the Board's budget for its five year capital improvements program totaled \$2.3 billion including \$430.2 million for water, \$889.1 million for sewerage and \$956.1 million 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, 2007, the Board has committed or appropriated \$82.5 million in investments for use in future capital projects and has \$70.7 million of bond proceeds remaining for construction. The capital project investments are included in restricted assets.

The capital improvements budget for 2007 is \$427.9 million, including \$132.0 million 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, 2007 include the following:

Hurricane Katrina related Repairs and Replacement
Southeast Louisiana Flood Control Program
Sewer System Sanitation Evaluation and Rehabilitation Program
Drainage Pumping Stations and Canals
Eastbank Sewer Treatment Plant
Westbank Sewer Treatment Plant

2006 Capital Assets

As of December 31, 2006, the Board had invested approximately \$1.9 billion in capital assets. Net of accumulated depreciation, the Board's net capital assets at December 31, 2006 totaled approximately \$1.4 billion. This amount represents a net increase (including additions and disposals, net of depreciation) of approximately \$71.9 million or 5.5% over December 31, 2005.

At December 31, 2006, the Board's budget for its five year capital improvements program totaled \$2.0 billion including \$404.0 million for water, \$825.2 million for sewerage and \$802.3 million 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, 2006, the Board has committed or appropriated \$73.4 million in investments for use in future capital projects and has \$79.8 million of bond proceeds remaining for construction. The capital project investments are included in restricted assets.

The capital improvements budget for 2007 is \$454.8 million, including \$135.4 million for projects, which are expected to be funded by federal grants and programs.

2007 Debt Administration

The Board continues to make its regularly scheduled payments on its bonds. During 2007, \$12.0 million in principal payments were made.

During 2007, the Board made additional draw downs from the Federal Emergency Management Agency under the Community Disaster Loan Act of 2005 totaling \$15.9 million.

The Board entered into a Cooperative Endeavor Agreement with the State of Louisiana in July 2006 to borrow up to \$77.5 million from the Debt Service Assistance Fund. During 2007, the Board made additional draw downs of \$24.2 million on the loan program.

All bond debt covenants have been met.

2006 Debt Administration

The Board continues to make its regularly scheduled payments on its bonds. During 2006, \$24.0 million in new bonds were issued by the Board. Net proceeds of the bond issues were used to refund \$24.0 million of the \$137.0 million of bond anticipation notes from 2005. During 2006, \$148.4 million in principal payments were made.

The Board entered into a loan agreement in January 2006 with the Federal Emergency Management Agency under the Community Disaster Loan Act of 2005. During 2006, the Board made draw downs totaling \$46.0 million on the loan.

The Board entered into a Cooperative Endeavor Agreement with the State of Louisiana in July 2006 to borrow up to \$77.5 million from the Debt Service Assistance Fund. During 2006, the Board made draw downs of \$40.5 million on the loan program.

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 4 and 7.

ECONOMIC FACTORS AND RATES

In post Katrina, there are significant other revenues and expenses, which impact the Board. State and federal grants related to the disaster are expected to have a significant impact on 2008. Total FEMA debris removal, mitigation, and capital replacement grants are expected to exceed \$209.0 million. Of these approximately \$184.3 million has been recognized through 2007. FEMA revenues will continue to be recognized as buildings, systems, and other reimbursable assets are repaired or replaced. In 2008, the Board will recognize additional portions of these revenues but much of the construction and replacement will not have been completed and the revenues although measurable may not be available due to the slowness of actual receipts of FEMA funds.

On March 21, 2007, the Board approved a series of five annual water rate increases beginning with the first increase on November 1, 2007 followed by four additional increases to be implemented on July 1 of each year, 2008 through 2011. The New Orleans City Council approved the annual water rate increases on October 4, 2007.

The number of open accounts has decreased from approximately 121,000 at the end of 2005 to approximately 110,000 currently, a decrease of 9.1%.

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.

BASIC FINANCIAL STATEMENTS

(This page intentionally left blank)

SEWERAGE AND WATER BOARD OF NEW ORLEANS
STATEMENTS OF NET ASSETS
December 31, 2007 and 2006

ASSETS	2007	2006
Property, plant and equipment	\$ 2,048,433,759	\$ 1,957,036,563
Less: accumulated depreciation	602,935,533	567,790,683
Property, plant and equipment, net	1,445,498,226	1,389,245,880
Restricted assets:		
Capital projects	82,479,722	73,439,873
Construction funds	70,699,720	79,822,438
Debt service reserve	22,254,068	22,254,068
Customer deposits	4,964,522	4,923,373
Health insurance reserve	4,840,389	4,618,572
Debt service	5,732,096	4,549,843
Other	212,000	212,000
Total restricted assets	191,182,517	189,820,167
Current assets:		
Cash	17,933,399	15,043,720
Accounts receivable:		
Customers (net of allowance for doubtful accounts)	16,106,497	13,713,753
Taxes	4,549,506	9,076,530
Interest	1,141,315	1,211,945
Grants	72,283,123	40,800,812
Miscellaneous	4,650,290	6,887,221
Due from City of New Orleans, current	200,000	200,000
Due from other fund	290,778	290,778
Inventory of supplies	12,176,730	9,598,614
Prepaid expenses	1,322,517	487,171
Total current assets	130,654,155	97,310,544
Due from City of New Orleans, less current portion	97,908	259,494
Other assets:		
Bond issue costs	1,249,443	1,407,462
Deposits	51,315	51,315
Net pension asset	2,786,695	3,450,005
Total other assets	4,087,453	4,908,782
Total assets	\$ 1,771,520,259	\$ 1,681,544,867

SEWERAGE AND WATER BOARD OF NEW ORLEANS
STATEMENTS OF NET ASSETS
(Continued)

NET ASSETS AND LIABILITIES	2007	2006
Net Assets:		
Invested in capital assets - net of related debt	\$ 1,245,350,533	\$ 1,183,354,778
Restricted For:		
Debt service	27,986,164	26,803,911
Capital projects	(7,414,567)	3,614,224
Total restricted for net assets	20,571,597	30,418,135
Total net assets	1,265,922,130	1,213,772,913
Liabilities:		
Long-term liabilities:		
Claims payable	5,556,117	5,471,541
Bonds payable (net of current maturities)	258,155,527	271,010,465
Special Community Disaster loan payable	61,956,747	46,011,566
Debt Service Assistance Fund loan payable	64,655,122	40,494,073
Capital leases payable (net of current maturities)	-	104,445
Total long-term liabilities	390,323,513	363,092,090
Current liabilities (payable from current assets):		
Accounts payable	50,142,494	41,442,070
Due to City of New Orleans	26,933	146,037
Retainers and estimates payable	2,473,429	2,906,260
Due to pension trust fund	95,804	85,290
Accrued salaries	855,615	722,459
Accrued vacation and sick pay	8,982,354	9,436,585
Claims payable	23,424,687	27,337,513
Capital lease payable	104,445	2,656,227
Other postretirement benefits liability	6,674,710	-
Other liabilities	2,444,165	31,522
	95,224,636	84,763,963
Current liabilities (payable from restricted assets):		
Accrued interest	1,535,591	1,445,671
Bonds payable	12,587,441	11,942,403
Retainers and estimates payable	962,426	1,604,454
Customer deposits	4,964,522	4,923,373
	20,049,980	19,915,901
Total current liabilities	115,274,616	104,679,864
Total liabilities	505,598,129	467,771,954
Total net assets and liabilities	\$ 1,771,520,259	\$ 1,681,544,867

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, 2007 and 2006

	<u>2007</u>	<u>2006</u>
Operating revenues:		
Sales of water and delinquent fees	\$ 37,795,522	\$ 33,799,760
Sewerage service charges	68,304,547	62,657,636
Plumbing inspection and license fees	542,340	590,242
Other revenue	3,559,801	3,290,683
	<u>110,202,210</u>	<u>100,338,321</u>
Operating Expenses:		
Power and pumping	13,041,954	11,576,640
Treatment	16,280,975	13,518,870
Transmission and distribution	19,832,226	13,845,793
Customer accounts	2,290,092	1,910,612
Customer service	2,670,145	2,265,250
Administration and general	14,899,028	13,714,644
Payroll related	28,259,815	17,914,694
Maintenance of general plant	26,993,626	23,344,667
Depreciation	37,262,536	36,546,373
Amortization	158,019	208,045
Provision for doubtful accounts	12,613,283	22,355,906
Provision for claims	(2,448,965)	2,658,657
	<u>171,852,734</u>	<u>159,860,151</u>
Total operating expenses		
Operating loss	<u>(61,650,524)</u>	<u>(59,521,830)</u>
Non-operating revenues (expenses):		
Two-mill tax	120	3,699
Three-mill tax	10,381,155	9,682,028
Six-mill tax	10,513,559	9,803,052
Nine-mill tax	15,773,070	13,686,249
Other taxes	443,122	634,321
Operating and maintenance grants	1,777,188	35,013,143
Investment income	5,194,038	4,115,003
Hurricane gain	205,995	2,303,397
Interest expense	(2,443,612)	(252,435)
	<u>41,844,635</u>	<u>74,988,457</u>
Total non-operating revenues (expenses)		
Income (loss) before capital contributions	(19,805,889)	15,466,627
Capital contributions	71,955,106	42,645,735
Change in net assets	52,149,217	58,112,362
Net assets:		
Beginning of year	<u>1,213,772,913</u>	<u>1,155,660,551</u>
End of year	<u>\$ 1,265,922,130</u>	<u>\$ 1,213,772,913</u>

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, 2007 and 2006

	2007	2006
Cash flows from operating activities		
Cash received from customers	\$ 90,872,549	\$ 71,771,463
Cash payments to suppliers for goods and services	(89,872,636)	(111,667,859)
Cash payments to employees for services	(54,394,472)	(49,076,748)
Other revenue	6,545,067	2,610,487
Net cash used in operating activities	(46,849,492)	(86,362,657)
Cash flows from noncapital financing activities		
Proceeds from property taxes	41,638,050	32,142,013
Proceeds from federal operating and maintenance grants	1,083,116	7,956,631
Net cash provided by noncapital financing activities	42,721,166	40,098,644
Cash flows from capital and related financing activities		
Acquisition and construction of capital assets	(54,136,105)	(64,347,356)
Proceeds of bond issue	-	24,030,000
Proceeds from Special Community Disaster loan	15,945,181	46,011,566
Proceeds from Debt Service Assistance Fund loan	24,161,049	40,494,073
Bond issuance costs	-	(169,044)
Principal payments on bonds payable	(12,020,000)	(148,435,000)
Interest paid on bonds payable	(13,322,332)	(17,491,816)
Principal payments on capital lease	(2,656,227)	(7,465,953)
Interest paid on capital lease	(43,612)	(252,435)
Capital contributed by developers and federal grants	41,166,867	67,497,986
Net cash used in capital and related financing activities	(905,179)	(60,127,979)
Cash flows from investing activities		
Payments for purchase of investments	(470,107,390)	(276,305,092)
Proceeds from maturities of investments	468,795,632	301,491,457
Investment income	9,244,385	8,798,878
Net cash provided by investing activities	7,932,627	33,985,243
Net decrease in cash	2,899,122	(72,406,749)
Cash at the beginning of the year	15,478,771	87,885,520
Cash at the end of the year	\$ 18,377,893	\$ 15,478,771
Reconciliation of cash and restricted cash (note 2)		
Current assets - cash	\$ 17,933,399	\$ 15,043,720
Restricted assets -cash	444,494	435,051
Total cash	\$ 18,377,893	\$ 15,478,771

(Continued)

SEWERAGE AND WATER BOARD OF NEW ORLEANS

STATEMENTS OF CASH FLOWS

(Continued)

ENTERPRISE FUND

For the years ended December 31, 2007 and 2006

	<u>2007</u>	<u>2006</u>
Reconciliation of operating loss to net cash used in operating activities is as follows:		
Operating loss	\$ (61,650,524)	\$ (59,521,830)
Adjustments to reconcile net operating loss to net cash used in operating activities:		
Depreciation	37,262,536	36,546,373
Provision for claims	(2,448,965)	2,658,657
Provision for doubtful accounts	12,613,283	22,355,906
Amortization	158,019	208,045
Change in operating assets and liabilities:		
Increase in customer and other receivable	(15,006,027)	(23,724,513)
Increase in inventory	(2,578,116)	(4,714,984)
Increase (decrease) in prepaid expenses and other receivables	1,769,166	(970,239)
Decrease in net pension asset	663,310	268,704
Increase in accounts payable	(22,408,188)	(54,918,688)
Decrease in accrued salaries, due to pension and accrued vacation and sick pay	(310,561)	(226,706)
Increase in net other postretirement benefits liability	6,674,710	-
Decrease in other liabilities	(1,588,135)	(4,323,382)
	<u>\$ (46,849,492)</u>	<u>\$ (86,362,657)</u>

Noncash investing, capital and financing activities:

See accompanying notes to financial statements.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
STATEMENTS OF PLAN NET ASSETS
PENSION TRUST FUND
December 31, 2007 and 2006

	2007	2006
Assets:		
Cash	\$ 102,653	\$ 1,104,112
Receivables:		
Investment income	401,192	528,700
Employee contributions receivable	19,603	18,887
Due from other fund	257,562	113,203
Investments	231,011,414	227,419,270
Total assets	231,792,424	229,184,172
Liabilities:		
DROP participants payable	3,966,600	3,247,090
Total liabilities	3,966,600	3,247,090
Plan net assets available for pension benefits	\$ 227,825,824	\$ 225,937,082

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, 2007 and 2006

	2007	2006
Additions:		
Contributions:		
Employee contributions	\$ 1,014,461	\$ 982,418
Employer contributions	3,885,124	3,343,713
City annuity and other transfers in	1,854,239	2,357,005
Total contributions	6,753,824	6,683,136
Investment income:		
Interest income	1,036,269	2,619,209
Dividend income	2,041,471	2,231,004
Net appreciation	5,242,261	24,449,373
	8,320,001	29,299,586
Less investment expense	(372,356)	(218,876)
Net investment income	7,947,645	29,080,710
Total additions	14,701,469	35,763,846
Deductions:		
Benefits	(10,625,533)	(9,905,119)
Employee refunds	(215,746)	(680,769)
Employee contributions to DROP	(1,971,448)	(1,645,967)
Total deductions	(12,812,727)	(12,231,855)
Change in plan net assets	1,888,742	23,531,991
Plan net assets at beginning of year	225,937,082	202,405,091
Plan net assets at end of year	\$ 227,825,824	\$ 225,937,082

See accompanying notes to financial statements.

(This page intentionally left blank)

**NOTES TO
BASIC FINANCIAL STATEMENTS**

(This page intentionally left blank)

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. On March 21, 2007, the Board approved a series of five annual water rate increases beginning with the first increase on November 1, 2007 followed by four additional increases to be implemented on July 1 of each year, 2008 through 2011. The New Orleans City Council approved the annual water rate increases on October 4, 2007.

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 Council Members-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:

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(1) Summary of Significant Accounting Policies (continued)

- (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.
- (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.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(1) Summary of Significant Accounting Policies (continued)

(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:

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.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(1) Summary of Significant Accounting Policies (continued)

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.

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 first-in, first-out 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 capital assets are recorded at their estimated fair value at the date of donation.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(1) Summary of Significant Accounting Policies (continued)

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.

(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, 2007 and 2006 is \$12,259,000 and \$12,132,000, respectively. The amount included in the statements of net assets as of December 31, 2007 and 2006 is \$8,982,354 and \$9,436,585, 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.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS
(Continued)

(1) Summary of Significant Accounting Policies (continued)

(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 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.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

**NOTES TO FINANCIAL STATEMENTS
(Continued)**

(2) Cash and Investments

The Board's investments and cash consist primarily of investments in direct obligations of the United States Treasury or agencies thereof and deposits with financial institutions.

Custodial Credit Risk – Deposits - Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Statutes require that the Board's cash and certificates of deposit be covered by federal depository insurance or collateral. At December 31, 2007, the Board's deposits with banks consisted of cash totaling \$22,882,391 and certificates of deposit of \$117,329,767. Of the cash bank balance at December 31, 2007, \$760,331 is covered by federal depository insurance. At December 31, 2006, the bank balances of the Board totaled \$24,649,830 and certificates of deposit of \$103,878,781. The remaining amount of the Board's cash bank balances and all certificates of deposit for 2007 and 2006 were covered by collateral held by custodial agents of the financial institutions in the name of the Board, except for cash bank balances at one institution of \$66,192 as of December 31, 2006.

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

<u>2007</u>	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Enterprise Fund:			
Cash and money market funds	\$ 17,933,399	\$ 444,494	\$ 18,377,893
Certificates of deposit		<u>116,329,710</u>	<u>116,329,710</u>
	<u>17,933,399</u>	<u>116,774,204</u>	<u>134,707,603</u>
Investments		<u>74,408,313</u>	<u>74,408,313</u>
	<u>\$ 17,933,399</u>	<u>\$ 191,182,517</u>	<u>\$ 209,115,916</u>

<u>2006</u>	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Enterprise Fund:			
Cash and money market funds	\$ 15,043,72	\$ 435,051	\$ 15,478,771
Certificates of deposit		<u>103,878,781</u>	<u>103,878,781</u>
	<u>15,043,72</u>	<u>104,313,832</u>	<u>119,357,552</u>
Investments		<u>85,506,335</u>	<u>85,506,335</u>
	<u>\$ 15,043,72</u>	<u>\$ 189,820,167</u>	<u>\$ 204,863,887</u>

The composition and carrying value of investments is as follows:

	<u>2007</u>	<u>2006</u>
Enterprise Fund:		
LAMP	\$ 7,807,000	\$ 6,050,000
U.S. Government Securities and Instrumentalities		<u>79,456,335</u>
	<u>66,601,313</u>	<u>79,456,335</u>
	<u>\$ 74,408,313</u>	<u>\$ 85,506,335</u>

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(2) Cash and Investments (continued)

	2007	2006
Pension Trust Fund:		
Money Market	\$ 1,637,157	\$ 1,746,802
Corporate Bonds	80,714,328	37,116,933
U.S. Government Securities and Instrumentalities	-	16,920,908
Foreign Obligations	-	350,191
Equities	148,659,929	149,448,099
Pooled Fixed Income Fund	-	21,836,336
	\$ 231,011,414	\$ 227,419,270

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, repurchase agreements, and the Louisiana Asset Management Pool (LAMP). 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.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with Louisiana R.S. 33:2955. 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. LAMP is designed to be highly liquid to provide immediate access to participants. 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.

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 104% 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, 2007 and 2006. The value of securities lent at December 31, 2007 and 2006 was \$52,141,791 and \$53,953,367. The market value of the cash collateral at December 31, 2007 and 2006 was \$54,107,811 and \$55,898,006.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(2) Cash and Investments (continued)

Interest Rate Risk - Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. In general, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Board has a formal investment policy that states that *the investment portfolio shall remain sufficiently liquid to meet all operating and capital requirements that may be reasonably anticipated and that maturities of investments are to be structured in concurrent with cash needs to meet anticipated demand.* As of December 31, 2007, the Board's Enterprise Fund investments in U.S. Government Securities and Instrumentalities included U.S. Treasury Bills and Strips totaling \$66,601,313, all of which have a remaining maturity of less than one year.

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

(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, 2007 and 2006 was \$26,544,603 and \$25,931,584, respectively; such amounts exclude overtime and standby payroll. Total payroll, including overtime and standby payroll, was \$38,438,336 and \$34,027,902 for the years ended December 31, 2007 and 2006, respectively. At December 31, the PTF membership consisted of:

	2007	2006
Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	737	741
Current employees:		
Vested	558	680
Non-vested	247	137
	805	817
Total	1,542	1,558

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.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(3) Defined Benefit Pension Plan (continued)

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.

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, 2007 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.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(3) Defined Benefit Pension Plan (continued)

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

	2007	2006
Annual required contribution	\$ 4,598,587	\$ 4,073,593
Interest on net pension obligation	(241,500)	(260,310)
Adjustments to annual required contribution	476,115	513,197
Annual pension cost	4,833,202	4,326,480
Contributions made	4,169,892	4,057,774
Decrease in net pension asset	663,310	268,706
Net pension asset, beginning of year	3,450,005	3,718,709
Net pension asset, end of year	\$ 2,786,695	\$ 3,450,005

The net pension asset is being amortized over 6 years as of December 31, 2007, using the level dollar closed method and using the same interest, salary increase and inflation factors as the plan.

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, 2007	\$ 4,833,202	86%	\$ 2,786,695
December 31, 2006	\$ 4,326,480	94%	\$ 3,450,005
December 31, 2005	\$ 5,216,428	82%	\$ 3,718,709
December 31, 2004	\$ 4,837,806	70%	\$ 4,679,641

The actuarially determined contribution requirement for the Board was 17.324% for 2007 and 15.709% for 2006. 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:

	2007	2006
Employer and other transfers	\$ 5,739,363	\$ 5,700,718
Employee	1,014,461	982,418
Total Contributions	\$ 6,753,824	\$ 6,683,136

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(3) Defined Benefit Pension Plan (continued)

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, 2007 and 2006, 81 and 62 employees, respectively, participated in the plan. The amount of plan assets segregated for these individuals was \$3,966,600 and \$3,247,090 as of December 31, 2007 and 2006, 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 plant items	12 years
General buildings	25 years

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

	2007			
	Beginning Balance	Additions	Deletions	Ending Balance
Real estate rights, non depreciable	\$ 8,639,525	\$ -	\$ -	\$ 8,639,525
Power and pumping stations - buildings	278,823,495	9,038,882	-	287,862,377
Power and pumping stations - machinery	222,504,768	1,985,000	-	224,489,768
Distribution systems	119,077,196	3,516,334	(781,227)	121,812,303
Sewerage collection	228,195,494	7,669,343	(1,076,593)	234,788,244
Canals and subsurface drainage	280,879,403	923,940	-	281,803,343
Treatment plants	113,375,473	3,371,117	-	116,746,590
Connections and meters	38,527,630	106,561	(112,478)	38,521,713
Power transmission	23,607,668	-	-	23,607,668
General plant	177,252,452	2,936,061	(147,386)	180,041,127
General buildings	7,586,547	-	-	7,586,547
Total property, plant and equipment in service	1,498,469,651	29,547,238	(2,117,684)	1,525,899,205
Construction in progress	458,566,912	94,192,714	(30,225,072)	522,534,554
Total property, plant and equipment	1,957,036,563	123,739,952	(32,342,756)	2,048,433,759
Accumulated depreciation	567,790,683	37,262,535	(2,117,685)	602,935,533
Net	\$ 1,389,245,880	\$ 86,477,417	\$ (30,225,071)	\$ 1,445,498,226

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(4) Property, Plant and Equipment (continued)

	2006			
	Beginning Balance	Additions	Deletions	Ending Balance
Real estate rights, non depreciable	\$ 8,637,623	\$ 1,902	\$ -	\$ 8,639,525
Power and pumping stations - buildings	272,440,061	6,383,434	-	278,823,495
Power and pumping stations - machinery	222,309,357	195,411	-	222,504,768
Distribution systems	119,781,310	476,145	(1,180,259)	119,077,196
Sewerage collection	221,151,432	7,961,848	(917,786)	228,195,494
Canals and subsurface drainage	280,333,767	545,636	-	280,879,403
Treatment plants	109,084,206	4,291,267	-	113,375,473
Connections and meters	37,944,578	754,391	(171,339)	38,527,630
Power transmission	23,683,427	-	(75,759)	23,607,668
General plant	175,806,760	1,705,306	(259,614)	177,252,452
General buildings	7,586,547	-	-	7,586,547
Total property, plant and equipment in service	1,478,759,068	22,315,340	(2,604,757)	1,498,469,651
Construction in progress	372,388,828	124,473,112	(38,295,028)	458,566,912
Total property, plant and equipment	1,851,147,896	146,788,452	(40,899,785)	1,957,036,563
Accumulated depreciation	533,849,067	36,546,373	(2,604,757)	567,790,683
Net	\$ 1,317,298,829	\$ 110,242,079	\$ (38,295,028)	\$ 1,389,245,880

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

	2007	2006
Interest income	\$ 3,979,717	\$ 5,001,485
Interest expense	(13,222,352)	(15,838,645)
Net interest capitalized	\$ (9,242,635)	\$ (10,837,160)

(5) Customer Receivables

Customer receivables as of December 31 consist of the following:

		Customer Accounts	Allowance for Doubtful Accounts	Net
2007	Water	\$ 24,065,882	\$ 16,721,384	\$ 7,344,498
	Sewer	34,237,243	25,475,244	8,761,999
		\$ 58,303,125	\$ 42,196,628	\$ 16,106,497
2006	Water	\$ 19,229,415	\$ 13,494,623	\$ 5,734,792
	Sewer	26,597,640	18,618,679	7,978,961
		\$ 45,827,055	\$ 32,113,302	\$ 13,713,753

(6) Due from the City of New Orleans

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(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, 2007 and 2006, \$297,908 and \$459,494, respectively, was due from the City of New Orleans.

(7) Changes in Long-term Obligations

a. Bonds Payable

Bonds payable consisted of the following as of December 31:

	<u>Principal Balances</u>	
	<u>2007</u>	<u>2006</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	\$ 19,175,000	\$ 20,590,000
4.125% to 6.125% water revenue bonds, series 1998 (initial average interest cost 4.82%), due in annual principal installments ranging from \$625,000 to \$1,220,000; final payment due December 1, 2018	10,770,000	11,495,000
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	16,825,000	17,960,000
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	6,650,000	7,100,000
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	20,680,000	21,715,000
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	15,755,000	16,555,000
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	\$ 25,795,000	\$ 27,100,000

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(7) Changes in Long-term Obligations

a. Bonds Payable (continued)

	<u>Principal Balances</u>	
	<u>2007</u>	<u>2006</u>
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.	\$ 47,875,000	\$ 49,900,000
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.	29,920,000	31,015,000
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.	17,185,000	17,805,000
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.	4,715,000	4,935,000
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.	29,515,000	30,710,000
5.02% sewerage service refunding bond anticipation notes, series 2006; due in one principal installment of \$24,030,000 on July 15, 2009.	24,030,000	24,030,000
	<u>268,890,000</u>	<u>280,910,000</u>
Plus bond premiums	1,852,968	2,042,868
Total	270,742,968	282,952,868
Less current maturities	<u>12,587,441</u>	<u>11,942,403</u>
Bond payable, long-term	<u>\$ 258,155,527</u>	<u>\$ 271,010,465</u>

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(7) Changes in Long-term Obligations

a. Bonds Payable (continued)

The changes in long-term debt were as follows:

	<u>2007</u>	<u>2006</u>
Balance, beginning of year	\$ 280,910,000	\$ 405,315,000
Issuances	-	24,030,000
Payments	<u>(12,020,000)</u>	<u>(148,435,000)</u>
Balance, end of year	\$ <u>268,890,000</u>	\$ <u>280,910,000</u>

The annual requirements to amortize all bonds payable as of December 31, 2007, are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	36,665,000	12,863,070	49,528,070
2009	13,270,000	11,056,512	24,326,512
2010	13,925,000	10,449,008	24,374,008
2011	14,630,000	9,807,092	24,437,092
2012	15,355,000	9,110,507	24,465,507
2013-2017	89,135,000	33,223,658	122,358,658
2018-2022	80,760,000	10,730,289	91,490,289
2023-2024	<u>5,150,000</u>	<u>225,204</u>	<u>5,375,204</u>
Total	\$ <u>268,890,000</u>	\$ <u>97,465,340</u>	\$ <u>365,355,340</u>

The amount of revenue bonds and tax bonds payable as of December 31, 2007, are as follows:

<u>Year</u>	<u>Revenue Bonds</u>	<u>Tax Bonds</u>	<u>Total</u>
2008	35,540,000	1,125,000	36,665,000
2009	12,085,000	1,185,000	13,270,000
2010	12,690,000	1,235,000	13,925,000
2011	13,330,000	1,300,000	14,630,000
2012	13,995,000	1,360,000	15,355,000
2013-2017	81,335,000	7,800,000	89,135,000
2018-2022	70,930,000	9,830,000	80,760,000
2023-2024	<u>5,150,000</u>	-	<u>5,150,000</u>
Total	\$ <u>245,055,000</u>	\$ <u>23,835,000</u>	\$ <u>268,890,000</u>

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(7) Changes in Long-term Obligations

a. Bonds Payable (continued)

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

1. Debt service funds are required for the payment of interest and principal on the revenue and tax bonds. Monthly deposits on revenue bonds, excluding bond anticipation notes, are required to be made into this fund from operations in an amount equal to 1/6 of the interest falling due on the next interest payment date, and an amount equal to 1/12 of the principal falling due on the next principal payment date. All debt service funds are administered by the Board of Liquidation. The required amount to be accumulated in this fund was \$6,647,720 and \$5,446,578 at December 31, 2007 and 2006, respectively; the accumulated balance at December 31, 2007 and 2006 was \$4,127,745 and \$2,943,232 respectively. Monthly deposits to the debt service funds are temporarily suspended due to debt service payments being paid directly by the State of Louisiana through a Cooperative Endeavor Agreement. See note (7) c. for additional information.
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 at December 31, 2007 and 2006; the accumulated balance at December 31, 2007 and 2006 was \$22,254,068.

The net operating revenues of both the Sewerage Department and the Water Department of the Board for the year ended December 31, 2007 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 for the Sewerage Department at December 31, 2007.

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

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(7) Changes in Long-term Obligations

b. Special Community Disaster Loan Payable

During January 2006, the Board entered into a long-term agreement with the Federal Emergency Management Agency under the Community Disaster Loan Act of 2005 as a result of the major disaster declaration of August 29, 2005 for Hurricane Katrina. The Board made draw downs totaling \$61,956,747 as of December 31, 2007. The loan is for a term of five years, which may be extended, and shall bear interest at the latest five-year Treasury rate at the time of the closing date of the loan, plus one percent. Simple interest accrues from the date of each disbursement. Payments of principal and interest are deferred until the end of the five year period. As of December 31, 2007, approximately \$2.4 million of interest was accrued.

Interest rates and maturity dates for the draw downs are as follows:

<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Principal</u>
January 23, 2011	2.66%	\$ 22,298,689
June 21, 2011	3.12%	6,013,905
August 27, 2011	2.93%	33,644,153
		<u>\$ 61,956,747</u>

Operating revenues are pledged as security for the loan. Debt service requirements relating to the loan due in 2011 include \$61,956,747 of principal and \$8,475,957 of interest.

c. Loan Program

In July 2006, the Board and the State of Louisiana (the State) entered into a Cooperative Endeavor Agreement whereby the State agreed to lend up to \$77,465,247 from State funds on deposit in the Debt Service Assistance Fund, authorized by the Gulf Opportunity Zone Act of 2005 and Act 41 of the First Extraordinary Session of the Louisiana Legislature of 2006, to assist in payment of debt service requirements from 2006 through 2008 due to disruption of tax bases and revenue streams caused by Hurricanes Katrina and Rita. Draw downs on the loan will be made as debt service payments become due. No principal or interest shall be payable during the initial five year period of the loan. After the expiration of the initial five year period, the loan shall bear interest at a fixed rate of 4.64 percent. Principal payments on the bonds begin in July 2012 and the loan will mature in July 2026. Interest is payable semi-annually on January 15 and July 15 beginning January 2012. The loan may be prepaid without penalty or premium. The Board has the right to request one extension of its obligation to begin payments under the loan not to exceed five years. As of December 31, 2007, the Board has drawn down \$64,655,122 on this agreement.

Debt service requirements relating to the bond are as follows:

<u>Years Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 3,078,373	\$ 2,999,998	\$ 6,078,371
2013-2017	17,671,662	12,720,190	30,391,852
2018-2022	22,170,018	8,221,834	30,391,852
2023-2027	21,735,069	2,578,411	24,313,480
	<u>\$ 64,655,122</u>	<u>\$ 26,520,433</u>	<u>\$ 91,175,555</u>

(7) Changes in Long-term Obligations

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

d. Capital Lease

During October 2005, the Board entered into a capital lease for the replacement of vehicles damaged during Hurricane Katrina totaling \$943,373. Additional vehicles totaling \$8,762,253 were purchased during 2006 under the same terms. Payments on these capital leases under separate payment schedules were based on the date of delivery beginning in October 2005 and ending March 2007. Lease terms include monthly payments of principal and interest at an interest rate of 2.68%. This capital lease was secured by a security interest in the vehicles.

During August 2006, the Board entered into a capital lease for the replacement of vehicles damaged during Hurricane Katrina totaling \$658,200 with payments beginning in August 2006 and ending March 2008. Lease terms include monthly payments of principal and interest at an interest rate of 8.08%. This capital lease is secured by a security interest in the vehicles. As of December 31, 2007, future minimum lease payments for the capital lease of \$105,854 are scheduled to be paid during 2008.

The vehicles subject to the capital lease are included in property plant and equipment - general plant with a net book value of \$8,590,508.

(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.

Additionally, amounts included in accounts payable due to the city were \$500,959 and \$65,722 at December 31, 2007 and December 31, 2006, 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 2007 was \$2,134,989,576. The combined tax rate dedicated for the Board for the years ended December 31, 2007 and 2006 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, 2007, the Board's budget for its five year capital improvements program totaled \$2,275,287,000 including \$430,167,000 for water, \$889,070,000 for sewerage and \$956,050,000 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, 2007, the Board has committed or appropriated \$82,479,722 in investments for use in future capital projects and has \$70,699,720 of bond proceeds remaining for construction. The capital project investments are included in restricted assets.

The capital improvements budget for 2008 is \$427,870,000, including \$132,030,000 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, 2007 include the following:

Hurricane Katrina related Repairs and Replacement
Southeast Louisiana Flood Control Program
Sewer System Sanitation Evaluation and Rehabilitation Program
Drainage Pumping Stations and Canals
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 2007 and 2006 amounted to (\$4,168,677) and \$1,187,809, respectively.

Worker's compensation expense provision for 2007 and 2006 amounted to \$1,719,712 and \$1,470,850, respectively.

The hospitalization self-insurance benefits are administered by Blue Cross of Louisiana. The Board's expense provision in excess of employee contributions for 2007 and 2006 was approximately \$13,015,000 and \$10,600,000, respectively, and is included in payroll related expenses.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(10) Commitments (continued)

b. Self-insurance (continued)

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

Fiscal Year	Beginning of Year	Current Year Claims and Estimate Change	Claim Payments	End of Year
2007	\$ 32,809,054	10,840,357	(14,668,607)	28,980,804
2006	\$ 33,542,147	13,601,729	(14,334,822)	32,809,054

The composition of claims payable is as follows:

	2007	2006
Short-term:		
Workers' Compensation	\$ 901,949	\$ 815,123
Health Insurance	3,047,836	2,691,023
General Liability	19,474,902	23,831,367
Total short-term	23,424,687	27,337,513
Long-term:		
Workers' Compensation	5,256,117	5,171,541
General Liability	300,000	300,000
Total long-term	5,556,117	5,471,541
Total	\$ 28,980,804	\$ 32,809,054

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 \$39,347,784 of the commitment at December 31, 2007 and 2006. The overall costs of the program are estimated at \$604.8 million over a period ending in 2010. The Board is in compliance with the 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.

(10) Commitments (continued)

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

d. Postemployment Healthcare Benefits

Plan Description - The Sewerage and Water Board of New Orleans participates in a partially self-funded health insurance program.

The Board extends post employment medical insurance benefits to qualifying employees. Eligibility of retirement is achieved upon completion of thirty (30) years with the Board (any age), ten (10) years of service (if 62 or older), five (5) years of service (if age 65 or older), age seventy (70) regardless of service, or, if age plus service equals at least 80. Currently, the Board provides post employment medical benefits to 582 retired employees.

Contribution Rates - Employees do not contribute to their post employment benefits costs until they become retirees and begin receiving those benefits.

Fund Policy - Until 2007, the Board recognized the cost of providing post-employment medical benefits (the Board's portion of the retiree medical benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. In 2007, The Board's portion of health care funding cost for retired employees totaled \$6,143,654.

Effective with the Fiscal Year beginning January 1, 2007, the Board implemented Government Accounting Standards Board Statement Number 45, *Accounting and Financial Reporting by Employers for Post employment Benefits Other than Pensions* (GASB 45).

Annual Required Contribution - The Board's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The ARC is equal to the normal cost plus an amount necessary to amortize the Unfunded Actuarial Liability (UAL) over a period of thirty (30) years. A level dollar, closed amortization period has been used. The total ARC for the fiscal year beginning January 1, 2007 is \$12,818,364, as set forth below:

Normal Cost	\$	3,191,001
30-year UAL amortization amount		9,627,363
Annual required contribution (ARC)	\$	12,818,364

Net Post-employment Benefit Obligation (Asset) - The table below shows the Board's Net Other Post-employment Benefit (OPEB) Obligation (Asset) for fiscal year ending December 31, 2007:

Beginning Net OPEB Obligation (Asset) 1/1/2007		-
Annual required contribution		12,818,364
Interest on Net OPEB Obligation (Asset)		
ARC Adjustment		
OPEB Cost		12,818,364
Contribution		
Current year retiree premium		(6,143,654)
Change in Net OPEB Obligation		6,674,710
Ending Net OPEB Obligation (Asset) 12/31/2007		6,674,710

(10) Commitments (continued)

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

e. Postemployment Healthcare Benefits (continued)

The following table shows the Board's annual post employment benefits (PEB) cost, percentage of the cost contributed, and the net unfunded post employment benefits (PEB) liability (asset):

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual Cost Contributed	Net PEB Liability (Asset)
December 31, 2007	\$12,818,364	47.93%	\$6,674,710

Funded Status and Funding Progress - In the fiscal year ending December 31, 2007, The Board made no contributions to its post employment benefits plan. The plan was not funded at all, has no assets, and hence has a funded ratio of zero. As of January 1, 2007, the first and most recent actuarial valuation, the Actuarial Accrued Liability (AAL) was \$147,995,856, which is defined as that portion, as determined by a particular actuarial cost method (the Board uses the Unit Credit Cost Method), of the actuarial present value of post employment plan benefits and expenses which is not provided by normal cost. Since the plan was not funded in fiscal year 2007, the entire actuarial accrued liability of \$147,995,856 was unfunded.

Actuarial Methods and Assumptions - Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current, or future years of service by employees). Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by the Board and its employee plan members) at the time of the valuation and on the pattern of sharing costs between the Board and its plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the Board and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets.

Actuarial Cost Method - The ARC is determined using the Unit Credit Cost Method. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality, and turnover.

Actuarial Value of Plan Assets - Since this is the first actuarial valuation, there are not any assets. It is anticipated that in future valuations a smoothed market value consistent with Actuarial Standards Board ASOP 6, as provided in paragraph number 125 of GASB Statement 45.

(10) Commitments (continued)

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

f. Postemployment Healthcare Benefits (continued)

Turnover Rate - An age-related turnover scale based on actual experience has been used. The rates, when applied to the active employee census, produce a composite average annual turnover of approximately 7%. In addition to age related turnover, it has additionally been assumed that 10% of future eligible retirees will decline coverage upon retirement.

Post employment Benefit Plan Eligibility Requirements - It is assumed that entitlement to benefits will commence five (5) years after earliest eligibility for retirement. Eligibility for retirement has been assumed to be the any of: (1), attainment of age 70 regardless of service, (2), attainment of age 62 with at least ten (10) years of service, (3), attainment of age 65 with at least five (5) years of service, (4), completion of thirty (30) years of service at any age, or (5) if age plus service equals at least 80.

Investment Return Assumption (Discount Rate) - GASB Statement 45 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Based on the assumption that the ARC will not be funded, a 5% annual investment return has been used in this valuation. This is a conservative estimate of the return on the sponsoring employer's general investments as provided is paragraph 121 of GASB Statement No. 45.

Health Care Cost Trend Rate - In the absence of readily available cost trend data from the Office of Group Benefits, the expected rate of increase in health care insurance premiums is based on projections of the Office of the Actuary at the Centers for Medicare and Medicaid Services as published in *National Health Care Expenditures Projections: 2003 to 2013*, Table 3: National Health Expenditures Aggregate and Per Capita Amounts, Percent Distribution and Average Annual Percent Change by Source of Funds: Selected Calendar Years 1990-2013, released in January 2004, by the Health Care Financial Administration. "State and Local" rates for 2007 through 2013 from this report we used, with rates beyond 2013 graduating down to an ultimate annual rate of 5.0% for 2018 and later, as set forth below:

2008	8.0%
2009	8.0%
2010	8.0%
2011	8.0%
2012	7.9%
2013	7.8%
2014	7.7%
2015	7.6%
2016	6.7%
2017	6.0%
2018 and later	5.0%

(10) Commitments (continued)

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

g. Postemployment Healthcare Benefits (continued)

Mortality Rate - The 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rate and 50% of the unloaded female mortality rates, was used. This is the mortality table which the Internal Revenue Service requires to be used in determining the value of accrued benefits in defined benefit pension plans.

Method of Determining Value of Benefits - The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The current premium schedules for active and retired are "unblended" rates, as required by GASB 45.

(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>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
	(amounts in thousands)			
Assets:				
Property, plant and equipment	\$ 273,885	\$ 266,754	\$ 593,496	\$ 548,015
Restricted assets	26,567	25,179	74,841	83,077
Current	21,302	33,566	77,678	34,465
Other assets	1,627	2,047	1,854	2,239
Total assets	<u>\$ 323,381</u>	<u>\$ 327,546</u>	<u>\$ 747,869</u>	<u>\$ 667,796</u>
Net assets:				
Invested in capital assets, net of related debt	\$ 239,784	\$ 227,822	\$ 437,248	\$ 390,682
Restricted	(61,603)	(22,741)	6,833	(9,071)
Total net assets	<u>178,181</u>	<u>205,081</u>	<u>444,081</u>	<u>381,611</u>
Liabilities:				
Current	28,401	23,343	39,858	31,051
Current liabilities payable from restricted assets	7,247	7,189	11,421	11,159
Noncurrent liabilities	109,552	91,933	252,509	243,975
Total liabilities	<u>145,200</u>	<u>122,465</u>	<u>303,788</u>	<u>286,185</u>
Total liabilities and net assets	<u>\$ 323,381</u>	<u>\$ 327,546</u>	<u>\$ 747,869</u>	<u>\$ 667,796</u>

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(13) Segment Information (continued)

Condensed Statements of Revenues, Expenses and Changes in Net Assets

	Water		Sewer	
	2007	2006	2007	2006
	(amounts in thousands)			
Service charges, pledged				
against bonds	\$ 39,981	\$ 36,378	\$ 68,843	\$ 63,011
Depreciation expense	(12,781)	(12,715)	(11,725)	(11,519)
Other operating expenses	(63,375)	(51,000)	(46,992)	(46,956)
Operating income	(36,175)	(27,337)	10,126	4,536
Nonoperating revenues (expenses):				
Investment earnings	-	-	1,133	896
Other	(1,389)	7,107	942	26,046
Capital contributions	10,665	33,194	50,269	2,660
Change in net assets	(26,899)	12,964	62,470	34,138
Beginning net assets	205,080	192,116	381,611	347,473
Ending net assets	\$ 178,181	\$ 205,080	\$ 444,081	\$ 381,611

Condensed Statements of Cash Flows

	Water		Sewer	
	2007	2006	2007	2006
	(amounts in thousands)			
Net cash provided by (used in):				
Operating activities	\$ (23,157)	\$ (39,154)	\$ 1,027	\$ (5,470)
Noncapital financing activities	197	282	246	352
Capital and related financing activities	8,854	39,842	(2,894)	(94,180)
Investing activities	(543)	3,038	12,113	20,022
Net increase (decrease)	(14,649)	4,008	10,492	(79,276)
Cash and cash equivalents:				
Beginning of year	2,740	(1,268)	9,680	88,956
End of year	\$ (11,909)	\$ 2,740	\$ 20,172	\$ 9,680

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(14) Natural Disaster

On August 29, 2005, the New Orleans region suffered significant damage to property and lives when Hurricane Katrina struck the Gulf Coast area. The Board sustained significant damage to Board-owned facilities, service vehicles, and inventory, which were flooded and/or wind damaged.

For the year ended December 31, 2005, losses totaling \$55,909,262 were provided as follows. The net book value of damaged property was \$49,238,527 and lost inventory amounted to \$6,670,735. Insurance proceeds of \$2,346,397 were received in 2007 and are included in miscellaneous accounts receivable as of December 31, 2006. No additional insurance proceeds are expected to be recovered.

As of December 31, 2007 and 2006, the Board has received \$113,635,454 and \$71,969,709, respectively, of cash reimbursements from the Federal Emergency Management Agency (FEMA). Included in accounts receivable as of December 31, 2007 and 2006 are \$72,165,526 and 40,789,643, respectively, of reimbursements due from FEMA. Eligible FEMA grants totaling in excess of \$209 million are in various stages of the approval process and include amounts for system repairs, building repairs, vehicle and equipment repairs and replacements, temporary power, supplies and other costs.

**REQUIRED SUPPLEMENTARY INFORMATION
(GASB STATEMENT NO. 25)**

(This page intentionally left blank)

SEWERAGE AND WATER BOARD OF NEW ORLEANS
Required Supplementary Information Under GASB Statement No. 25
SCHEDULE OF FUNDING PROGRESS
For the years ended December 31, 2007 and 2006

Actuarial Valuation Date <u>December 31</u>	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	(Overfunded) Unfunded AAL	Funded Ratio	Covered Payroll (millions)	Unfunded AAL as a Percentage of payroll
2007	\$ 223,583,589	245,202,189	\$ 21,618,600	91.18%	27	81.44%
2006	217,274,416	235,664,407	18,389,991	92.20%	26	70.92%
2005	209,829,340	225,544,886	15,715,546	93.03%	30	52.30%
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%

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Year Ended	Annual Required Contribution	Actual Contribution	Percentage Contribution
2007	\$ 4,598,587	\$ 3,885,124	84.49%
2006	4,073,502	3,343,713	82.08%
2005	4,702,354	3,716,381	79.03%
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%

See accompanying notes to financial statements.

(This page intentionally left blank)

SUPPLEMENTARY INFORMATION

(This page intentionally left blank)

SEWERAGE AND WATER BOARD OF NEW ORLEANS
SCHEDULE OF NET ASSETS BY DEPARTMENT
ENTERPRISE FUND
As of December 31, 2007 and 2006

	Water System		Sewerage System		Drainage System		Total	
	2007	2006	2007	2006	2007	2006	2007	2006
ASSETS								
Property, plant and equipment	\$ 509,991,021	\$ 490,937,879	\$ 760,862,739	\$ 704,769,681	\$ 777,579,999	\$ 761,329,003	\$ 2,048,433,759	\$ 1,957,036,563
Less accumulated depreciation	236,106,494	224,183,761	167,367,160	156,754,092	199,461,879	186,852,830	602,935,533	567,790,683
	273,884,527	266,754,118	593,495,579	548,015,589	578,118,120	574,476,173	1,445,498,226	1,389,245,880
Restricted assets:								
Capital projects	7,910,478	8,851,627	2,107,676	2,038,581	72,461,568	62,549,665	82,479,722	73,439,873
Construction funds	6,999,912	5,092,717	49,643,615	58,897,441	14,056,193	15,832,280	70,699,720	79,822,438
Debt service reserve	3,928,380	3,928,380	18,325,688	18,325,688	-	-	22,254,068	22,254,068
Customer deposits	4,964,522	4,923,373	-	-	-	-	4,964,522	4,923,373
Health insurance reserve	1,613,463	1,539,524	1,613,463	1,539,524	1,613,463	1,539,524	4,618,572	4,618,572
Debt service	1,056,056	749,065	3,071,689	2,196,427	1,604,351	1,604,351	5,732,096	4,549,843
Other	94,000	94,000	79,000	79,000	39,000	39,000	212,000	212,000
	26,566,811	25,178,686	74,841,131	83,076,661	89,174,575	81,564,820	191,182,517	189,820,167
Current assets:								
Cash	(12,152,551)	2,590,476	19,840,485	9,430,622	10,245,465	3,022,622	17,933,399	15,043,720
Accounts receivable:								
Customers, net of allowance	7,344,498	5,734,792	8,761,999	7,978,961	4,549,506	9,076,530	16,106,497	13,713,753
Taxes	-	-	-	-	966,179	1,019,847	4,549,506	9,076,530
Interest	106,977	116,049	68,159	76,049	11,031,595	7,409,493	1,141,315	1,211,945
Grants	32,421,003	27,594,210	28,830,525	5,797,109	1,340,063	2,069,190	72,283,123	40,800,812
Miscellaneous	3,024,899	3,743,441	285,328	1,074,590	34,000	34,000	4,650,290	6,887,221
Due from City of New Orleans, current	96,000	96,000	70,000	70,000	2,370,405	5,906,713	200,000	200,000
Due from (to) other internal departments/other fu	(19,047,488)	(13,518,204)	16,967,861	7,902,269	872,541	643,416	290,778	290,778
Inventory of supplies	8,913,274	6,989,800	2,390,915	1,965,398	264,503	97,434	12,176,730	9,598,614
Prepaid expenses	595,133	219,227	462,881	170,510	31,674,257	29,279,245	1,322,517	487,171
Total current assets	21,301,745	33,565,791	77,678,153	34,465,508	16,644	44,114	130,654,155	97,310,544
Due from City of New Orleans, less current portion	46,996	124,557	34,268	90,823	97,908	259,494	97,908	259,494
Other assets:								
Bond issue costs	192,185	209,223	965,459	1,094,822	91,799	103,417	1,249,443	1,407,462
Deposits	22,950	22,950	17,965	17,965	10,400	10,400	51,315	51,315
Pension Asset	1,365,480	1,690,502	836,009	1,035,002	585,206	724,501	2,786,695	3,450,005
	1,580,615	1,922,675	1,819,433	2,147,789	687,405	838,318	4,087,453	4,908,782
	\$ 323,380,694	\$ 327,545,827	\$ 747,868,564	\$ 667,796,370	\$ 700,271,001	\$ 686,202,670	\$ 1,771,520,259	\$ 1,681,544,867

(Continued)

SEWERAGE AND WATER BOARD OF NEW ORLEANS
SCHEDULE OF NET ASSETS BY DEPARTMENT, CONTINUED
ENTERPRISE FUND
As of December 31, 2007 and 2006

	Water System		Sewerage System		Drainage System		Total	
	2007	2006	2007	2006	2007	2006	2007	2006
NET ASSETS AND LIABILITIES								
Net assets:								
Invested in capital assets - net of related debt	\$ 239,784,130	\$ 227,821,745	\$ 437,247,979	\$ 390,681,714	\$ 568,318,424	\$ 564,851,319	\$ 1,245,350,533	\$ 1,183,354,778
Restricted for:								
Debt service	4,984,436	4,677,445	21,397,377	20,522,115	1,604,351	1,604,351	27,986,164	26,803,911
Capital Projects	(66,587,207)	(27,418,855)	(14,564,387)	(29,592,755)	73,737,027	60,625,834	(7,414,567)	3,614,224
Total net assets	178,181,359	205,080,335	444,080,969	381,611,074	643,659,802	627,081,504	1,265,922,130	1,213,772,913
Long-term liabilities:								
Claims payable	1,902,039	2,023,847	1,902,039	1,723,847	1,752,039	1,723,847	5,556,117	5,471,541
Bonds payable (net of current maturities)	39,138,531	41,100,821	196,306,996	206,074,644	22,710,000	23,835,000	258,155,527	271,010,465
Special Community Disaster loan payable	61,956,747	46,011,566	-	-	-	-	61,956,747	46,011,566
Debt Service Assistance Fund loan payable	6,555,007	2,754,940	54,299,888	36,134,782	3,800,227	1,604,351	64,655,122	40,494,073
Capital leases payable (net of current maturities)	109,552,324	91,932,952	252,508,923	243,975,051	28,262,266	20,889	390,323,513	363,092,090
Current liabilities (payable from current assets):								
Accounts payable	11,411,477	10,388,898	28,983,758	20,715,754	9,747,259	10,337,418	50,142,494	41,442,070
Due to City of New Orleans	26,933	146,037	1,151,119	1,086,098	385,179	900,099	26,933	146,037
Retainers and estimates payable	937,131	920,063	1,151,119	1,086,098	385,179	900,099	2,473,429	2,906,260
Due to other fund	46,944	41,792	22,035	19,617	26,825	23,881	95,804	85,290
Accrued salaries	424,163	355,272	245,936	208,136	185,516	159,051	855,615	722,459
Accrued vacation and sick pay	4,502,793	4,845,479	2,842,011	2,890,152	1,637,550	1,700,954	8,982,354	9,436,585
Claims payable	5,279,986	5,548,497	4,583,788	5,072,162	13,560,913	16,716,854	23,424,687	27,337,513
Capital lease payable	41,778	1,062,491	41,778	1,062,491	20,889	531,245	104,445	2,656,227
Other postretirement benefits liability	3,270,608	-	2,002,413	-	1,401,689	-	6,674,710	-
Other liabilities	2,459,353	35,212	(14,712)	(3,214)	(476)	(476)	2,444,165	31,522
Total current liabilities	28,401,166	23,343,741	39,858,126	31,051,196	26,965,344	30,369,026	95,224,636	84,763,963
Current liabilities (payable from restricted assets):								
Accrued interest	159,761	216,875	1,286,682	1,130,571	89,148	98,225	1,535,591	1,445,671
Bonds payable	1,920,000	1,820,000	9,542,441	9,052,403	1,125,000	1,070,000	12,587,441	11,942,403
Retainers and estimates payable	201,562	228,551	591,423	976,075	169,441	399,828	962,426	1,604,454
Customer deposits	4,964,522	4,923,373	-	-	-	-	4,964,522	4,923,373
Total current liabilities	7,245,845	7,188,799	11,420,546	11,159,049	1,383,589	1,568,053	20,049,980	19,915,901
Total current liabilities	35,647,011	30,532,540	51,278,672	42,210,245	28,348,933	31,937,079	115,274,616	104,679,864
Total liabilities	145,199,335	122,465,492	303,787,595	286,185,296	56,611,199	59,121,166	505,598,129	467,771,954
Total fund equity and liabilities	\$ 323,380,694	\$ 327,545,827	\$ 747,868,564	\$ 667,796,370	\$ 700,271,001	\$ 686,202,670	\$ 1,771,520,259	\$ 1,681,544,867

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, 2007 and 2006

	Water System		Sewerage System		Drainage System		Total	
	2007	2006	2007	2006	2007	2006	2007	2006
Operating revenues:								
Sales of water and delinquent fees	\$ 37,795,522	\$ 33,799,760	\$ -	\$ -	\$ -	\$ -	\$ 37,795,522	\$ 33,799,760
Sewerage service charges	-	-	68,304,547	62,657,636	-	-	68,304,547	62,657,636
Plumbing inspection and license fees	271,170	295,121	271,170	295,121	-	-	542,340	590,242
Other revenues	1,914,550	2,283,384	266,798	58,556	1,378,453	948,743	3,559,801	3,290,683
Total revenues	39,981,242	36,378,265	68,842,515	63,011,313	1,378,453	948,743	110,202,210	100,338,321
Operating Expenses:								
Power and pumping	4,425,750	4,890,021	2,930,284	1,880,042	5,685,920	4,806,577	13,041,954	11,576,640
Treatment	6,353,820	5,449,074	9,927,155	8,069,796	-	-	16,280,975	13,518,870
Transmission and distribution	10,964,882	7,560,770	6,671,617	4,764,561	2,195,727	1,520,462	19,832,226	13,845,793
Customer accounts	1,145,048	955,307	1,145,044	955,305	-	-	2,290,092	1,910,612
Customer service	1,335,074	1,132,626	1,145,044	1,132,624	-	-	2,670,145	2,265,250
Administration and general	6,141,119	5,206,201	5,145,038	5,404,288	3,612,871	3,104,155	14,899,028	13,714,644
Payroll related	13,821,762	8,978,284	8,560,785	5,399,618	5,877,268	3,556,792	28,259,815	17,914,694
Maintenance of general plant	14,569,374	7,612,754	3,054,010	5,431,645	9,370,242	10,300,268	26,993,626	23,344,667
Depreciation	12,780,829	12,714,661	11,725,271	11,518,562	12,756,436	12,313,150	37,262,536	36,546,373
Amortization	17,038	17,038	129,362	179,388	11,619	11,619	158,019	208,045
Provision for doubtful accounts	4,650,017	9,013,429	7,963,266	13,342,477	-	-	12,613,283	22,355,906
Provision for claims	(48,055)	185,283	130,020	397,189	(2,530,930)	2,076,185	(2,448,965)	2,658,657
Total operating expenses	76,156,658	63,715,448	58,716,923	58,475,495	36,979,153	37,669,208	171,852,734	159,860,151
Operating income (loss)	(36,175,416)	(27,337,183)	10,125,592	4,535,818	(35,600,700)	(36,720,465)	(61,650,524)	(59,521,830)
Non-operating revenues (expenses):								
Two-mill tax	-	-	-	-	120	3,699	120	3,699
Three-mill tax	-	-	-	-	10,381,155	9,682,028	10,381,155	9,682,028
Six-mill tax	-	-	-	-	10,513,559	9,803,052	10,513,559	9,803,052
Nine-mill tax	-	-	-	-	15,773,070	13,686,249	15,773,070	13,686,249
Other taxes	197,189	282,273	245,933	352,048	-	-	443,122	634,321
Operating and maintenance grants	762,885	5,756,194	644,562	25,044,125	369,741	4,212,824	1,777,188	35,013,143
Interest income	-	-	1,133,320	896,075	4,060,718	3,218,928	5,194,038	4,115,003
Hurricane gain	68,665	1,169,679	68,665	750,489	68,665	383,229	205,995	2,303,397
Interest expense	(2,417,445)	(100,974)	(17,445)	(100,974)	(8,722)	(50,487)	(2,443,612)	(252,435)
Total non-operating revenues (expenses)	(1,388,706)	7,107,172	2,075,035	26,941,763	41,158,306	40,939,522	41,844,635	74,988,457
Income before capital contributions	(37,564,122)	(20,230,011)	12,200,627	31,477,581	5,557,606	4,219,057	(19,805,889)	15,466,627
Capital contributions	10,665,146	33,193,913	50,269,268	2,660,297	11,020,692	6,791,525	71,955,106	42,645,735
Change in net assets	(26,898,976)	12,963,902	62,469,895	34,137,878	16,578,298	11,010,582	52,149,217	58,112,362
Net assets, beginning of year	205,080,335	192,116,433	381,611,074	347,473,196	627,081,504	616,070,922	1,213,772,913	1,155,660,551
Net assets, end of year	\$ 178,181,359	\$ 205,080,335	\$ 444,080,969	\$ 381,611,074	\$ 643,659,802	\$ 627,081,504	\$ 1,265,922,130	\$ 1,213,772,913

See independent auditors' report.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
SCHEDULE OF PROPERTY, PLANT, AND EQUIPMENT BY DEPARTMENT
For Year Ended December 31, 2007

	Water	Sewer	Drainage	Total
Real estate rights, non depreciable	\$ 2,898,138	\$ 930,439	\$ 4,810,948	\$ 8,639,525
Power and pumping stations - buildings	56,724,971	29,023,434	202,113,972	287,862,377
Power and pumping stations - machinery	111,306,128	28,330,218	84,853,422	224,489,768
Distribution systems	121,812,303	-	-	121,812,303
Sewerage collection	-	234,788,244	-	234,788,244
Canals and subsurface drainage	-	-	281,803,343	281,803,343
Treatment plants	-	116,746,590	-	116,746,590
Connections and meters	28,251,490	10,270,223	-	38,521,713
Power transmission	7,479,863	5,006,170	11,121,635	23,607,668
General plant	80,185,099	56,619,873	43,236,155	180,041,127
General buildings	2,525,548	1,093,325	3,967,674	7,586,547
Total property, plant and equipment in service	411,183,540	482,808,516	631,907,149	1,525,899,205
Construction in progress	98,807,481	278,054,223	145,672,850	522,534,554
Total property, plant and equipment	509,991,021	760,862,739	777,579,999	2,048,433,759
Accumulated depreciation	236,106,494	167,367,160	199,461,879	602,935,533
Net property, plant and equipment	\$ 273,884,527	\$ 593,495,579	\$ 578,118,120	\$ 1,445,498,226

	2006			
	Water	Sewer	Drainage	Total
Real estate rights, non depreciable	\$ 2,898,138	\$ 930,439	\$ 4,810,948	\$ 8,639,525
Power and pumping stations - buildings	55,902,946	28,782,664	194,137,885	278,823,495
Power and pumping stations - machinery	111,306,128	28,330,218	82,868,422	222,504,768
Distribution systems	119,077,196	-	-	119,077,196
Sewerage collection	-	228,195,494	-	228,195,494
Canals and subsurface drainage	-	-	280,879,403	280,879,403
Treatment plants	-	113,375,473	-	113,375,473
Connections and meters	28,221,798	10,305,832	-	38,527,630
Power transmission	7,479,863	5,006,170	11,121,635	23,607,668
General plant	80,115,985	56,876,266	40,260,201	177,252,452
General buildings	2,525,548	1,093,325	3,967,674	7,586,547
Total property, plant and equipment in service	407,527,602	472,895,881	618,046,168	1,498,469,651
Construction in progress	83,410,277	231,873,800	143,282,835	458,566,912
Total property, plant and equipment	490,937,879	704,769,681	761,329,003	1,957,036,563
Accumulated depreciation	224,183,761	156,754,092	186,852,830	567,790,683
Net property, plant and equipment	\$ 266,754,118	\$ 548,015,589	\$ 574,476,173	\$ 1,389,245,880

See independent auditors' report.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
SCHEDULE OF BONDS PAYABLE
DECEMBER 31, 2007

	Annual Interest Rates	Interest Payment Dates	Issue Date	Final Maturity Date	Outstanding as of December 31, 2006	New Debt in 2007	Payments in 2007	Outstanding as of December 31, 2007
Drainage System Bonds, 1998 (9-Mills)	4.84%	(6/1;12/1)	12/01/98	12/01/18	\$ 7,100,000	\$ -	\$ 450,000	\$ 6,650,000
Drainage System Bonds, 2002 (9-Mills)	4.46%	(6/1;12/1)	10/01/02	12/01/22	17,805,000	-	620,000	17,185,000
					24,905,000	-	1,070,000	23,835,000
Sewer Revenue Bonds, 1997	5.36%	(6/1;12/1)	06/01/97	06/01/17	20,590,000	-	1,415,000	19,175,000
Sewer Revenue Bonds, 1998	4.82%	(6/1;12/1)	12/01/98	06/01/18	17,960,000	-	1,135,000	16,825,000
Sewer Revenue Bonds, 2000	5.48%	(6/1;12/1)	05/01/00	06/01/20	21,715,000	-	1,035,000	20,680,000
Sewer Revenue Bonds, 2000-B	5.43%	(6/1;12/1)	11/01/00	06/01/20	16,555,000	-	800,000	15,755,000
Sewer Revenue Bonds, 2001	5.02%	(6/1;12/1)	12/01/01	06/01/21	27,100,000	-	1,305,000	25,795,000
Sewer Revenue Bonds, 2002	4.36%	(6/1;12/1)	12/01/02	06/01/22	49,900,000	-	2,025,000	47,875,000
Sewer Revenue Bonds, 2003	3.94%	(6/1;12/1)	12/03/03	06/01/23	4,935,000	-	220,000	4,715,000
Sewer Revenue Bonds, 2004	4.26%	(6/1;12/1)	12/01/04	06/01/24	30,710,000	-	1,195,000	29,515,000
Sewer Revenue Bond Anticipation Notes, 2006	5.15%	(6/1;12/1)	07/24/06	07/15/09	24,030,000	-	-	24,030,000
					213,495,000	-	9,130,000	204,365,000
Water Revenue Bonds, 1998	4.82%	(6/1;12/1)	12/01/98	12/01/18	11,495,000	-	725,000	10,770,000
Water Revenue Bonds, 2002	4.57%	(6/1;12/1)	10/01/02	12/01/22	31,015,000	-	1,095,000	29,920,000
					42,510,000	-	1,820,000	40,690,000
TOTAL					\$ 280,910,000	\$ -	\$ 12,020,000	\$ 268,890,000

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, 2007

	Debt Service Account				Debt Service Reserve Accounts			
	Water Revenue Bonds	Sewer Revenue Bonds	Drainage Revenue Bonds	Total	Water Revenue Bonds	Sewer Revenue Bonds	Total	Total
Cash and investments at beginning of year	\$ 749,065	\$ 2,196,427	\$ 1,604,351	\$ 4,549,843	\$ 3,928,380	\$ 18,325,688	\$ 22,254,068	
Cash receipts:								
Bond proceeds and accrued interest	-	3,121,619	-	3,121,619	-	-	-	
Transfers from operating cash and debt service reserve	578,542	-	-	578,542	-	-	-	
Total cash and investments	1,327,607	5,318,046	1,604,351	8,250,004	3,928,380	18,325,688	22,254,068	
Cash disbursements:								
Principal and interest payments, cost of issuance and transfers	271,551	2,246,357	-	2,517,908	-	-	-	
Total cash disbursements	271,551	2,246,357	-	2,517,908	-	-	-	
Cash and investments at end of year	\$ 1,056,056	\$ 3,071,689	\$ 1,604,351	\$ 5,732,096	\$ 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, 2007

	<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	\$ 271,709	\$ 545,043	\$ 516,102	\$ 300,650
Health insurance	1,318,602	6,452,684	6,277,846	1,493,440
General liability	3,958,187	(321,291)	151,000	3,485,896
Total short-term	<u>5,548,498</u>	<u>6,676,436</u>	<u>6,944,948</u>	<u>5,279,986</u>
Long-term:				
Workers' compensation	1,723,846	28,193	-	1,752,039
General liability	300,000	(150,000)	-	150,000
Total long-term	<u>2,023,846</u>	<u>(121,807)</u>	<u>-</u>	<u>1,902,039</u>
Total	<u>\$ 7,572,344</u>	<u>\$ 6,554,629</u>	<u>\$ 6,944,948</u>	<u>\$ 7,182,025</u>
<u>SEWERAGE</u>				
Short-term:				
Workers' compensation	\$ 271,708	\$ 545,044	\$ 516,102	\$ 300,650
Health insurance	780,397	3,846,301	3,742,826	883,872
General liability	4,020,057	(443,221)	177,570	3,399,266
Total short-term	<u>5,072,162</u>	<u>3,948,124</u>	<u>4,436,498</u>	<u>4,583,788</u>
Long-term:				
Workers' compensation	1,723,847	28,192	-	1,752,039
General liability	-	150,000	-	150,000
Total long-term	<u>1,723,847</u>	<u>178,192</u>	<u>-</u>	<u>1,902,039</u>
Total	<u>\$ 6,796,009</u>	<u>\$ 4,126,316</u>	<u>\$ 4,436,498</u>	<u>\$ 6,485,827</u>
<u>DRAINAGE</u>				
Short-term:				
Workers' compensation	\$ 271,708	\$ 545,048	\$ 516,107	\$ 300,649
Health insurance	592,025	2,690,337	2,611,838	670,524
General liability	15,853,122	(3,104,166)	159,216	12,589,740
Total short-term	<u>16,716,855</u>	<u>131,219</u>	<u>3,287,161</u>	<u>13,560,913</u>
Long-term:				
Workers' compensation	1,723,847	28,192	-	1,752,039
General liability	-	-	-	-
Total long-term	<u>1,723,847</u>	<u>28,192</u>	<u>-</u>	<u>1,752,039</u>
Total	<u>\$ 18,440,702</u>	<u>\$ 159,411</u>	<u>\$ 3,287,161</u>	<u>\$ 15,312,952</u>
<u>TOTAL</u>				
Short-term:				
Workers' compensation	\$ 815,125	\$ 1,635,135	\$ 1,548,311	\$ 901,949
Health insurance	2,691,024	12,989,322	12,632,510	3,047,836
General liability	23,831,366	(3,868,678)	487,786	19,474,902
Total short-term	<u>27,337,515</u>	<u>10,755,779</u>	<u>14,668,607</u>	<u>23,424,687</u>
Long-term:				
Workers' compensation	5,171,540	84,577	-	5,256,117
General liability	300,000	-	-	300,000
Total long-term	<u>5,471,540</u>	<u>84,577</u>	<u>-</u>	<u>5,556,117</u>
Total	<u>\$ 32,809,055</u>	<u>\$ 10,840,356</u>	<u>\$ 14,668,607</u>	<u>\$ 28,980,804</u>

See independent auditors' report.

(This page intentionally left blank)



A contract was issued in 2007 for renovation of the support columns for chemical mixing paddles in a basin key to the purification process at the East Bank Water Treatment Plant. When the work is completed, the contractor will have installed shafts, bearings and the mixing paddles onto the supports. Dry wells containing the gears, and chain drives that power the shafts and move the paddles will also be installed.



This photo offers a rare opportunity to see the interior of one of the famous Wood Screw Pumps. Its casing is open, showing the main component of the pump--the impeller. This pump, at Draining Pumping Station No. 6 on the 17th Street Canal, was refurbished in 2007 and is now back in operation.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
NET ASSETS BY COMPONENT
Last Seven Fiscal Years
(Unaudited - accrual basis of accounting)

	Year						
	2007	2006	2005	2004	2003	2002	2001
Business-type activities							
Invested in capital assets -							
net of related debt	\$ 1,245,350,533	\$ 1,183,354,778	\$ 1,092,139,700	\$ 1,085,354,440	\$ 1,041,213,409	\$ 967,763,496	\$ 948,808,901
Restricted For:							
Debt service	27,986,164	26,803,911	21,768,747	28,817,876	25,349,292	23,291,960	17,405,879
Capital projects	(7,414,567)	3,614,224	41,752,104	65,900,450	70,994,095	76,158,913	54,207,715
Total restricted for net assets	20,571,597	30,418,135	63,520,851	94,718,326	96,343,387	99,450,873	71,613,594
Total business-type activities net assets	\$ 1,265,922,130	\$ 1,213,772,913	\$ 1,155,660,551	\$ 1,180,072,766	\$ 1,137,556,796	\$ 1,067,214,369	\$ 1,020,422,495

Source: Audited Comprehensive Annual Financial Reports - Information available for seven years

**SEWERAGE AND WATER BOARD OF NEW ORLEANS
CHANGES IN NET ASSETS BY COMPONENT**

Last Seven Fiscal Years

(Unaudited - accrual basis of accounting)

	2007	2006	2005	2004	2003	2002	2001
Operating revenues:							
Sales of water and delinquent fees	\$ 37,795,522	\$ 33,799,760	\$ 38,727,266	\$ 54,234,144	\$ 54,997,831	\$ 53,413,048	\$ 51,871,210
Sewerage service charges	68,304,547	62,657,636	57,329,963	72,252,114	62,328,695	53,455,291	49,302,683
Plumbing inspection and license fees	542,340	590,242	175,260	233,147	215,642	219,370	213,836
Other revenue	3,559,801	3,290,683	3,171,703	3,343,868	2,095,805	1,814,951	2,349,046
Total operating revenues	110,202,210	100,338,321	99,404,192	130,063,273	119,637,973	108,902,660	103,736,775
Operating Expenses:							
Power and pumping	13,041,954	11,576,640	11,818,104	22,334,434	19,339,095	16,255,368	19,886,007
Treatment	16,280,975	13,518,870	13,736,515	17,131,922	17,075,547	15,515,582	15,749,585
Transmission and distribution	19,832,226	13,845,793	18,432,531	20,846,681	20,324,308	18,233,083	17,517,122
Customer accounts	2,290,092	1,910,612	2,413,631	2,625,751	2,513,486	2,384,744	2,771,609
Customer service	2,670,145	2,265,250	2,645,604	2,855,631	2,821,025	2,731,763	2,687,794
Administration and general	14,899,028	13,714,644	12,130,773	14,978,964	12,534,252	14,463,064	14,593,405
Payroll related	28,259,815	17,914,694	19,780,248	18,794,864	16,697,287	16,073,673	14,368,516
Maintenance of general plant	26,993,626	23,344,667	27,991,450	10,764,556	10,563,936	10,020,846	9,824,994
Depreciation	37,262,536	36,546,373	39,187,670	38,600,928	35,480,955	34,551,459	34,378,585
Amortization	158,019	208,045	360,445	295,156	188,128	130,304	124,473
Provision for doubtful accounts	12,613,283	22,355,906	6,582,465	2,718,176	1,884,751	1,842,958	1,661,267
Provision for claims	(2,448,965)	2,658,657	7,289,990	2,886,894	3,673,192	4,934,366	7,452,510
Total operating expenses	171,852,734	159,860,151	162,369,426	154,833,957	143,095,962	137,137,210	141,015,867
Operating loss	(61,650,524)	(59,521,830)	(62,965,234)	(24,770,684)	(23,457,989)	(28,234,550)	(37,279,092)
Non-operating revenues (expenses):							
Two-mill tax	120	3,699	1,407	5,192	7,423	5,058	10,726
Three-mill tax	10,381,155	9,682,028	12,990,040	12,199,559	11,031,057	10,312,636	10,772,176
Six-mill tax	10,513,559	9,803,052	13,152,643	12,352,092	11,169,139	10,567,048	10,906,914
Nine-mill tax	15,773,070	13,686,249	19,707,787	18,508,104	16,735,885	15,946,585	16,342,792
Other taxes	443,122	634,321	631,818	744,322	770,663	792,883	785,640
Operating and maintenance grants	1,777,188	35,013,143	9,338,528	-	-	-	-
Investment income	5,194,038	4,115,003	3,291,489	1,352,425	1,031,593	1,616,307	3,956,010
Hurricane gain	205,995	2,303,397	(55,909,262)	-	-	-	-
Interest expense	(2,443,612)	(252,435)	(2,992)	-	-	-	-
Total non-operating revenues (expenses)	41,844,635	74,988,457	3,201,458	45,161,694	40,745,760	39,240,517	42,774,258
Income (loss) before capital contributions	(19,805,889)	15,466,627	(59,763,776)	20,391,010	17,287,771	11,005,967	5,495,166
Capital contributions	71,955,106	42,645,735	35,351,561	22,124,960	53,054,656	35,785,907	47,291,828
Change in net assets	52,149,217	58,112,362	(24,412,215)	42,515,970	70,342,427	46,791,874	52,786,994
Net assets:							
Beginning of year	1,213,772,913	1,155,660,551	1,180,072,766	1,137,556,796	1,067,214,369	1,020,422,495	967,635,501
End of year	\$ 1,265,922,130	\$ 1,213,772,913	\$ 1,155,660,551	\$ 1,180,072,766	\$ 1,137,556,796	\$ 1,067,214,369	\$ 1,020,422,495

Source: Audited Comprehensive Annual Financial Reports - Information available for seven years

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

Revenues	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Charges for service	\$ 93,640,920	\$ 94,838,488	\$ 104,136,436	\$ 101,387,729	\$ 107,087,709	\$ 117,542,168	\$ 126,719,405	\$ 96,232,489	\$ 97,047,638	\$ 106,642,409
Dedicated taxes	32,120,157	32,857,027	36,294,103	38,021,882	36,826,269	38,936,081	43,059,755	45,850,470	33,171,329	36,667,784
Two-mill tax	20,017	11,811	6,348	10,726	5,058	7,423	5,192	1,407	3,699	120
Interest on investments	5,877,860	3,468,929	6,087,145	3,956,010	1,616,307	1,031,593	1,352,425	3,291,489	4,115,003	5,194,038
Other taxes and revenue	2,709,878	1,975,775	2,508,502	3,134,686	2,607,834	2,866,468	4,088,190	13,142,049	38,938,147	5,780,111
	<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>	<u>\$ 158,517,904</u>	<u>\$ 173,275,816</u>	<u>\$ 154,284,462</u>
Expenses	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Personnel services*	\$ 48,316,625	\$ 46,924,868	\$ 45,955,695	\$ 45,544,701	\$ 47,719,045	\$ 49,759,541	\$ 52,956,446	\$ 58,322,684	\$ 49,118,747	\$ 61,421,931
Services and utilities	31,368,417	33,564,383	40,576,321	43,554,817	40,228,571	46,120,890	48,738,878	45,606,037	43,170,196	52,966,504
Materials and supplies	8,711,943	9,562,704	8,098,236	8,299,514	7,730,507	5,988,505	8,637,479	5,020,134	5,649,827	9,879,426
Depreciation and amortization	26,898,861	27,628,934	28,581,624	34,503,058	34,681,763	35,669,083	38,896,084	39,548,115	36,906,818	37,420,555
Provision for doubtful accounts	837,177	1,002,267	1,071,194	1,661,267	1,842,958	1,884,751	2,718,176	6,582,465	22,355,906	12,613,283
Provision for claims	7,199,793	7,165,150	11,379,397	7,452,510	4,934,366	3,673,192	2,886,894	7,289,990	2,658,657	(2,448,965)
Hurricane Loss	-	-	-	-	-	-	-	55,909,262	(2,303,397)	(205,995)
Interest	2,858,224	-	-	-	-	-	-	2,993	252,435	2,443,612
	<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>	<u>\$ 218,281,680</u>	<u>\$ 157,809,189</u>	<u>\$ 174,090,351</u>

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

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

Fiscal Year	Net Assessed Value		Total Net Assessed Value	Total Estimated Actual Value(1)	Ratio of Total Net Assessed to Total Estimated Actual Value
	Real Estate	Personal Property			
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	1,248,743	650,595	1,899,338	15,040,781	12.6%
2004	1,423,261	679,826	2,103,087	16,731,518	12.6%
2005	1,492,750	620,797	2,113,547	16,774,183	12.6%
2006	1,103,604	565,287	1,668,891	13,245,167	12.6%
2007	1,362,097	483,200	1,845,297	14,645,214	12.6%

Source: City of New Orleans

(1) Amounts are net of the homestead exemption.

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

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

Fiscal Year	City of New Orleans	Orleans Levee Board	Sewerage & Water Board of New Orleans	Orleans Parish School Board	Audubon Park & Zoo	Total
1998	77.09	12.01	22.59**	45.40	4.55	161.64
1999	77.09	12.01	22.59**	51.10	4.55	167.34
2000	77.09	12.76	22.59**	52.70	4.55	169.69
2001	77.09	12.76	22.59**	53.05*	4.55	170.04
2002	77.09	12.01	22.59**	52.98	4.55	169.22
2003	77.09	12.01	22.59**	52.83	4.55	169.07
2004	78.59	12.76	22.59**	52.80	4.55	171.29
2005	71.90	12.76	22.59**	52.80	4.55	164.60
2006	85.39	12.76	22.59**	58.55	4.55	183.84
2007	78.89	12.76	22.59**	52.90	4.55	171.69

Source: City of New Orleans

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

**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
TEN LARGEST TAXPAYERS
December 31, 2007 and Nine Years Ago
(Unaudited)

Name of Taxpayer	Type of Business	2007 Assessed Value	Percentage of Total Assessed Value
Entergy Service	Electric and gas utilities	\$ 62,460,830	3.39%
BellSouth Telecommunications	Telephone utilities	54,205,510	2.95%
Capital One/Hibernia Bank	Financial institution	42,458,690	2.31%
Whitney National Bank	Financial institution	30,240,050	1.64%
Harrah's	Financial institution	28,510,070	1.55%
J P Morgan Chase Bank	Hospitality and gaming	20,459,310	1.11%
CS&M Association	Managed Care	19,196,820	1.04%
International River center	Real Estate	18,464,270	1.00%
Marriott Hotel Properties	Hospitality	14,544,540	0.79%
Hertz Properties	Real Estate	11,736,990	0.64%
		<u>\$ 302,277,080</u>	16.43%

Name of Taxpayer	Type of Business	1998 Assessed Value	Percentage of Total Assessed Value
BellSouth Telecommunications	Telephone utilities	\$ 67,511,000	3.60%
Entergy Service	Electric and gas utilities	78,571,000	4.19%
Hibernia National Bank	Financial institution	23,794,000	1.27%
First NBC	Financial institution	29,679,000	1.58%
Whitney National Bank	Financial institution	22,377,000	1.19%
A T & T Communications	Telecommunications	16,725,000	0.89%
Metropolitan Life Insurance	Insurance	16,195,000	0.86%
Tenetsub (Mercy & Baptist Hospital)	Medical complex	12,603,000	0.67%
Marriott Hotel Properties	Hospitality	13,343,000	0.71%
University Health Care System	Medical complex	12,409,000	0.66%
		<u>\$ 293,207,000</u>	15.62%

Source: City of New Orleans

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, 2007		Balance Outstanding December 31, 2007		Collected during 2007
		Amount	Percent	Amount	Percent	Amount
Real Estate Taxes:						
1998	\$ 163,715	161,947	98.92	\$ 1,768	1.08	\$ 445
1999	172,016	170,178	98.93	1,838	1.07	286
2000	199,666	197,299	98.81	2,367	1.19	529
2001	209,441	206,896	98.78	2,545	1.22	580
2002	214,088	211,089	98.60	2,999	1.40	697
2003	217,039	214,101	98.65	2,938	1.35	848
2004	247,328	243,106	98.29	4,222	1.71	4,224
2005	267,327	261,996	98.01	5,331	1.99	8,002
2006	219,991	208,148	94.62	11,843	5.38	13,811
2007	250,462	225,743	90.13	24,719	9.87	225,743
Personal Property Taxes:						
1998	\$ 94,777	88,693	93.58	6,084	6.42	76
1999	98,467	93,444	94.90	5,023	5.10	142
2000	105,951	99,616	94.02	6,335	5.98	272
2001	110,058	100,609	91.41	9,449	8.59	1,363
2002	105,378	96,560	91.63	8,818	8.37	2,883
2003	110,691	103,745	93.72	6,946	6.28	99,402
2004	115,676	108,943	94.18	6,733	5.82	106,473
2005	106,354	100,331	94.34	6,023	5.66	8,002
2006	99,477	90,277	90.75	9,200	9.25	13,811
2007	82,046	74,258	90.51	7,788	9.49	225,743

Source: City of New Orleans

SEWERAGE AND WATER BOARD OF NEW ORLEANS
WATER AND SEWER RATES
Last Two Fiscal Years
(Unaudited)

Year	Water					Sewer	
	Monthly Base Rate	Rate per 1,000 Gallons				Monthly Base Rate	Rate per 1,000 Gallons
		First 3,000 Gallons	Next 17,000 Gallons	Next 980,000 Gallons	All Gallons Over 1,000,000		
2006	\$ 3.50	\$ 2.31	\$ 2.31	\$ 2.07	\$ 1.59	\$ 11.60	\$ 4.04
2007	\$ 3.50	\$ 1.94	\$ 3.31	\$ 2.60	\$ 2.19	\$ 11.60	\$ 4.04

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

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

Fiscal Year	Personal Income(1) (in thousands)	Population (2)	Revenue		Special Community		Debt Service Assistance		Capital Leases Payable		Total Debt	Percentage of Personal Income	Debt per Capita
			Bonds	Disaster Payable	Loan	Fund	Payable	Leases Payable					
2006	\$ 5,804,391	223,388	\$ 282,952,868	\$ 46,011,566	\$ 40,494,073	\$ 2,760,672	\$ 372,219,179	6.41%	\$ 1,666				
2007	\$ 12,496,048	239,124	\$ 270,742,968	\$ 61,956,747	\$ 64,655,122	\$ 104,445	\$ 397,459,282	3.18%	\$ 1,662				

(1) Source: Bureau of Economic Analysis

(2) Source: www.census.gov/popest/counties/tables/CO-EST2007-01-22.xls

**SEWERAGE AND WATER BOARD OF NEW ORLEANS
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
December 31, 2007
(Unaudited)**

	<u>Net Outstanding Debt</u>	<u>Percentage Overlapping</u>	<u>Overlapping Debt</u>
Direct debt:			
Sewerage and Water Board, net of debt service funds (tax bonds only)	<u>\$ 23,835,000</u>	<u>100%</u>	<u>\$ 23,835,000</u>
Overlapping debt:			
City of New Orleans	595,564,462	100%	595,564,462
Audubon Park Commission	36,843,572	100%	36,843,572
Orleans Parish School Board (1)	144,880,000	100%	144,880,000
Orleans Levee District (1)	<u>60,005,000</u>	<u>100%</u>	<u>60,005,000</u>
Total overlapping debt	<u>837,293,034</u>	<u>100%</u>	<u>837,293,034</u>
Total direct and overlapping debt	<u><u>\$ 861,128,034</u></u>	<u><u>100%</u></u>	<u><u>\$ 861,128,034</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, 2007 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	
1998	\$ 57,884,614	\$ 44,254,625	\$ 13,629,989	\$ 1,760,000	\$ 498,050	6.04
1999	58,504,855	46,370,835	12,134,020	2,140,000	1,168,436	3.67
2000	59,374,827	49,712,488	9,662,339	2,590,000	1,023,436	2.67
2001	54,444,486	47,962,301	6,482,185	995,000	846,818	3.52
2002	55,870,142	45,801,952	10,068,190	1,050,000	782,068	5.50
2003	57,550,818	47,886,711	9,664,107	2,020,000	2,490,059	2.14
2004	57,955,617	51,749,138	6,206,479	1,575,000	2,177,094	1.65
2005	40,716,893	53,450,918	(12,734,025)	1,655,000	2,110,155	-3.38
2006	36,378,265	41,970,320	(5,592,055)	1,735,000	2,032,524	-1.48
2007	39,981,242	58,524,375	(18,543,133)	1,820,000	1,980,068	-4.88

* 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	
1998	\$ 40,034,619	\$ 31,703,857	\$ 8,330,762	\$ 800,000	\$ 1,574,550	3.51
1999	41,082,524	32,359,817	8,722,707	1,230,000	2,761,973	2.19
2000	49,677,971	35,549,015	14,128,956	1,745,000	2,682,686	3.19
2001	51,902,479	35,866,277	16,036,202	2,920,000	5,254,696	1.96
2002	54,195,717	31,418,205	22,777,512	4,250,000	6,766,471	2.07
2003	60,837,820	38,579,473	22,258,347	6,245,000	8,988,665	1.46
2004	72,434,733	39,459,105	32,975,628	6,715,000	10,343,878	1.93
2005	58,494,963	33,072,494	25,422,469	8,265,000	9,873,999	1.40
2006	63,907,388	33,435,068	30,472,320	8,685,000	9,453,651	1.68
2007	69,975,835	38,786,127	31,189,708	9,130,000	10,211,257	1.61

* Current year annual debt service payment

SEWERAGE AND WATER BOARD OF NEW ORLEANS
DEMOGRAPHIC STATISTICS
Last Fiscal Year
(Unaudited)

Fiscal Year	Population(1)	Personal Income(2) (in thousands)	Per Capita Personal Income	Unemployment Rate (3)
2006	223,388	\$ 5,804,391 (4)	\$ 25,983	5.70%
2007	239,124	\$ 12,496,048 (4)	\$ 52,258	4.30%

(1) www.census.gov/popest/counties/tables/CO-EST2007-01-22.xls

(2) Estimates- Bureau of Economic Analysis

(3) Louisiana Department of Labor

(4) Most recent available is 2006

SEWERAGE AND WATER BOARD OF NEW ORLEANS
CAPITAL ASSET STATISTICS BY FUNCTION
Last Two Fiscal Years
(Unaudited)

		Year	
		2006	2007
Water:			
	Water mains (miles)	1,723.45	1,789.20
	Water lines in system (miles)	1,807.20	1,783.74
	Water valves	29,219	29,420
	Fire hydrants	22,771	22,780
	Water manholes	29,576	29,632
Sewer:			
	Sewer pipe (miles)	2,259.24	2,574.92
	Sewers (miles)	1,486.40	1,460.10
	Sewer manholes	22,829	22,922

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

Year	Water	Sewer	Drainage	Total
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
2005	10,380,889	46,550,580	23,709,553	80,641,022
2006	36,481,683	49,891,752	19,515,232	105,888,667
2007	19,053,142	56,093,058	16,250,996	91,397,196

¹ Includes contributed assets

SEWERAGE & WATER BOARD OF NEW ORLEANS
SCHEDULE OF FUTURE DEBT PAYMENTS
DECEMBER 31, 2007
(Unaudited)

		Water Revenue Bonds		
		Series	Series	All Bond
		1998	2002	Issues
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		10,770,000	29,920,000	40,690,000
Total Interest		3,323,748	14,303,863	17,627,611
		<u>\$ 14,093,748</u>	<u>\$ 44,223,863</u>	<u>\$ 58,317,611</u>

SEWERAGE & WATER BOARD OF NEW ORLEANS
 SCHEDULE OF FUTURE DEBT PAYMENTS
 DECEMBER 31, 2007
 (Unaudited)

	Sewer Revenue Bonds											All Bond Issues
	Series 1997	Series 1998	Series 2000A	Series 2000B	Series 2001	Series 2002	Series 2003	Series 2004	Series 2006	Series 2006	Series 2006	
2008 Principal	1,490,000	1,200,000	1,095,000	850,000	1,360,000	2,135,000	225,000	1,235,000	24,030,000	1,235,000	33,620,000	
Interest	975,420	764,634	1,207,950	814,218	1,242,370	2,283,350	179,371	1,202,544	1,206,306	1,202,544	9,876,163	
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	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	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	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	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	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	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	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	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	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	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	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	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	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	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	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	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	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	675,031	3,326,538	
2018 Principal	1,910,000	1,960,000	1,960,000	1,480,000	2,120,000	3,650,000	315,000	1,835,000	13,270,000	1,835,000	13,270,000	
Interest	47,750	47,750	315,900	218,350	414,360	927,000	82,463	603,231	2,609,054	603,231	2,609,054	
2019 Principal	1,940,000	2,080,000	2,080,000	1,570,000	2,225,000	3,850,000	330,000	1,915,000	11,970,000	1,915,000	11,970,000	
Interest	194,700	194,700	194,700	134,475	304,344	739,500	69,563	527,034	1,969,616	527,034	1,969,616	
2020 Principal	2,205,000	2,205,000	2,205,000	1,660,000	2,335,000	4,060,000	345,000	2,000,000	12,605,000	2,000,000	12,605,000	
Interest	66,150	66,150	66,150	45,650	187,494	541,750	55,847	445,038	1,341,928	445,038	1,341,928	
2021 Principal	1,940,000	1,940,000	1,940,000	1,480,000	2,455,000	4,285,000	360,000	2,100,000	9,200,000	2,100,000	9,200,000	
Interest	47,750	47,750	47,750	63,830	63,830	333,125	41,081	356,600	794,636	356,600	794,636	
2022 Principal	1,940,000	1,940,000	1,940,000	1,480,000	2,455,000	4,285,000	360,000	2,100,000	9,200,000	2,100,000	9,200,000	
Interest	47,750	47,750	47,750	63,830	63,830	333,125	41,081	356,600	794,636	356,600	794,636	
2023 Principal	1,940,000	1,940,000	1,940,000	1,480,000	2,455,000	4,285,000	360,000	2,100,000	9,200,000	2,100,000	9,200,000	
Interest	47,750	47,750	47,750	63,830	63,830	333,125	41,081	356,600	794,636	356,600	794,636	
2024 Principal	1,940,000	1,940,000	1,940,000	1,480,000	2,455,000	4,285,000	360,000	2,100,000	9,200,000	2,100,000	9,200,000	
Interest	47,750	47,750	47,750	63,830	63,830	333,125	41,081	356,600	794,636	356,600	794,636	
Total Principal	19,175,000	16,825,000	20,680,000	15,755,000	25,795,000	47,875,000	4,715,000	29,515,000	24,030,000	29,515,000	204,365,000	
Total Interest	5,578,229	4,833,501	9,068,100	6,172,997	9,994,648	20,215,375	1,697,711	11,971,203	1,206,306	11,971,203	70,738,070	
	<u>\$ 24,753,229</u>	<u>\$ 21,658,501</u>	<u>\$ 29,748,100</u>	<u>\$ 21,927,997</u>	<u>\$ 35,789,648</u>	<u>\$ 68,090,375</u>	<u>\$ 6,412,711</u>	<u>\$ 41,486,203</u>	<u>\$ 2,523,630</u>	<u>\$ 41,486,203</u>	<u>\$ 275,103,070</u>	

SEWERAGE & WATER BOARD OF NEW ORLEANS
SCHEDULE OF FUTURE DEBT PAYMENTS
DECEMBER 31, 2007
(Unaudited)

Drainage Revenue Bonds				
		Series	Series	All Bond
		1998	2002	Issues
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	6,650,000	17,185,000	23,835,000
Total	Interest	2,084,788	7,014,869	9,099,657
		<u>\$ 8,734,788</u>	<u>\$ 24,199,869</u>	<u>\$ 32,934,657</u>

SEWERAGE & WATER BOARD OF NEW ORLEANS
SCHEDULE OF FUTURE DEBT PAYMENTS
DECEMBER 31, 2007
(Unaudited)

All Departments				
	Water	Sewer	Drainage	Total
2008 Principal	1,920,000	33,620,000	1,125,000	36,665,000
Interest	1,917,131	9,876,163	1,069,776	12,863,070
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	40,690,000	204,365,000	23,835,000	268,890,000
Total Interest	17,627,611	70,738,072	9,099,657	97,465,340
	<u>\$58,317,611</u>	<u>\$ 275,103,072</u>	<u>\$ 32,934,657</u>	<u>\$366,355,340</u>

SEWERAGE AND WATER BOARD OF NEW ORLEANS

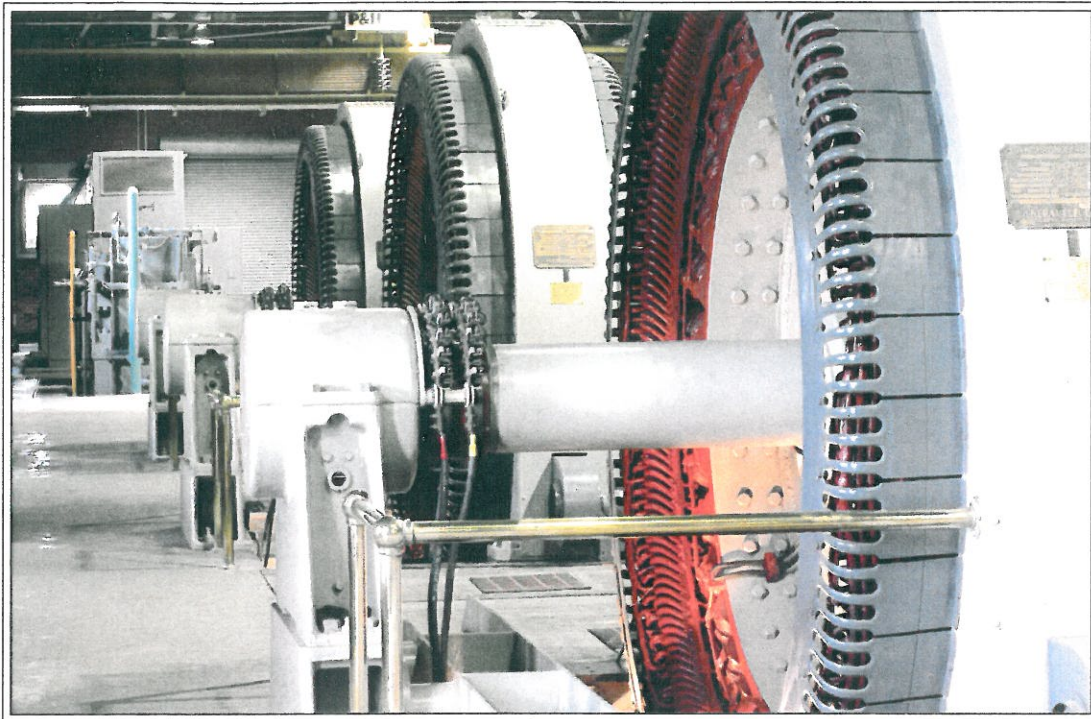
Property Value, New Construction and Bank Deposits

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)		
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	111,804	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	1397	354,716	2,576	167,353	9,416,433	16,731,518
2005					8,951,961	
2006					11,252,684	
2007					10,062,454	

(1) City of New Orleans (2004 latest year for which information is available).

(2) Summary of Deposits (as of June 30, 2007) - bank branches located in New Orleans, Federal Depository Insurance Corporation.



Powerful motors, built to strict Sewerage & Water Board specifications, turn the shafts of the giant pumps which drain the City during rainfall events. The motors can operate with power from the Board's own power plant, generators or from power from commercial sources.



Employees of the S&WB Networks Division are on duty 24 hours a day for emergencies and scheduled repairs. Here, two members of a crew repair a sewer line deep below the street. In 2007: 1,784 broken sewer mains and sewer house connections were repaired and 1.3 million feet of sewer lines and 9,486 sewer manholes were inspected. Also, smoke inspection of 800,000 feet of sewer lines and television inspection of 173,000 feet were completed. 789 new sewer service connections were installed for homes and businesses.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

2007 ACTUAL CAPITAL EXPENDITURES

WATER DEPARTMENT

<u>C.P.#</u>	<u>WATERWORKS</u>		
110	Normal Extension & Replacement	\$	261,963.20
135	Improvement of Chemical System		120,309.50
160	Hurricane Katrina Expense for Water		8,547,538.50
175	Water Hurricane Recovery Bonds		167,609.87
	TOTAL WATERWORKS	\$	<u>9,097,421.07</u>
	<u>WATER DISTRIBUTION</u>		
214	Normal Extensions & Replacements	\$	1,499,737.75
215	Rehabilitation-Mains, Hydrants and Services		763,650.00
216	Water System Replacement Program		1,528.35
239	Mains in Street Department Contracts		942,501.05
	TOTAL WATER DISTRIBUTION	\$	<u>3,207,417.15</u>
	<u>POWER PROJECTS EMERGENCY AND GENERAL BUDGET</u>		
600	Water Share of Power Projects	\$	576,726.42
800	Water Share of General Budget Items		5,345,606.75
	TOTAL POWER PROJECTS, EMERGENCY AND GENERAL BUDGET	\$	<u>5,922,333.17</u>
	TOTAL WATER DEPARTMENT	\$	<u><u>18,227,171.39</u></u>

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

SEWERAGE AND WATER BOARD OF NEW ORLEANS

2007 ACTUAL CAPITAL EXPENDITURES

SEWERAGE DEPARTMENT

C.P.# SEWERAGE SYSTEM

313	Extensions & Replacements- Sewer Force Mains EPA Consent Decree	\$	3,849,066.87
317	Normal Extensions & Replacement of Gravity Mains		5,609,592.20
318	Rehabilitation Gravity Sewer System		249,998.20
326	Extensions & Replacement to Sewer Pumping Stations		115,056.93
339	Main in Streets Dept. Contracts		881,757.13
348	Normal Extensions & Replacement		1,316,361.99
367	Collection System Eval/Survey Uptown		997,293.39
368	Wetlands Assimilation Project		117,597.00
369	Hurricane Katrina Expenses for Sewer System		32,924,982.62

TOTAL SEWERAGE SYSTEM		\$	<u>46,061,706.33</u>
-----------------------	--	----	----------------------

SEWAGE TREATMENT

POWER PROJECTS AND GENERAL BUDGET

600	Sewerage Share of Power Projects	\$	134,792.45
800	Sewerage Share of General Budget Items		<u>4,253,535.27</u>
	TOTAL POWER PROJECTS AND GENERAL BUDGET	\$	<u>4,388,327.72</u>

TOTAL SEWERAGE DEPARTMENT		\$	<u><u>50,450,034.05</u></u>
---------------------------	--	----	-----------------------------

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

SEWERAGE AND WATER BOARD OF NEW ORLEANS

2007 ACTUAL CAPITAL EXPENDITURES

DRAINAGE DEPARTMENT

<u>C.P.#</u>	<u>CANALS</u>		
403	Improvements to Vehicular Bridges	\$	113,203.08
418	Normal Extension & Replacements		701,585.00
439	SWB Part Drng Tchoupitoulas Paving Project		33,950.65
471	C.O.E. Drainage Study		1,020,243.96
474	Melpomene St. Canal Improvements		434,153.99
476	Hollygrove Canals		427,077.93
477	S. Claibone Manifold-La Ave. to Nashville		111,285.80
486	Napoleon Canal Improvements		955,217.25
496	General DeGaulle Canal		2,947.04
497	Florida Avenue Canal - DPS#19 to Peoples Avenue		236,139.98
	TOTAL DRAINAGE CANALS	\$	<u>4,035,804.68</u>
	<u>PUMPING STATIONS</u>		
511	Normal Extension & Rep./Stations	\$	1,965,610.95
574	Hurricane Katrina Expenses for Drainage System		5,989,438.11
	TOTAL DRAINAGE PUMPING STATIONS	\$	<u>7,955,049.06</u>
	<u>POWER PROJECTS AND GENERAL BUDGET</u>		
600	Drainage Share of Power Projects	\$	2,431,812.85
800	Drainage Share of General Budget Items		1,905,960.52
	TOTAL POWER PROJECTS AND GENERAL BUDGET	\$	<u>4,337,773.37</u>
	TOTAL DRAINAGE DEPARTMENT	\$	<u><u>16,328,627.11</u></u>

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

SEWERAGE AND WATER BOARD OF NEW ORLEANS

2007 ACTUAL CAPITAL EXPENDITURES

POWER PROJECTS

<u>C.P.#</u>	<u>POWER PROJECTS</u>	<u>Water</u>	<u>Sewerage</u>	<u>Drainage</u>	<u>Total</u>
607	Hurricane Katrina Expenses For Power System	9,198.50	2,299.62	34,494.38	45,992.50
609	Normal Extensions & Replacements				
	Radio Equipment	1,315.18	3,439.72	5,361.89	10,116.79
610	Underground Power Feeders			361,733.54	361,733.54
611	Monitoring Rainfall Drainage Operations			94,425.25	94,425.25
613	Modification of Steam System	101,970.30	12,992.58	194,888.63	309,851.51
614	Replacement of Broiler No. 2	423,346.54	105,836.61	1,587,549.51	2,116,732.66
624	Normal Extensions & Replacements	40,895.90	10,223.92	153,359.65	204,479.47
	TOTAL POWER PROJECTS	<u>\$ 576,726.42</u>	<u>\$ 134,792.45</u>	<u>\$ 2,431,812.85</u>	<u>\$ 3,143,331.72</u>

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

SEWERAGE AND WATER BOARD OF NEW ORLEANS

2007 ACTUAL CAPITAL EXPENDITURES

GENERAL BUDGET ITEMS

<u>C.P.#</u>	<u>General Budget Items</u>	<u>Water</u>	<u>Sewerage</u>	<u>Drainage</u>	<u>Total</u>
803	Property Acquisition	\$	\$	\$	\$
807	Central Yard Improvement	147,967.77	147,967.73	4,850.00	4,850.00
810	Major Equipment Purchases	378.60	378.60	28,596.31	324,531.81
812	Computer Systems Development	32,112.14	31,426.31	189.30	946.50
820	Department, Yard and Administrative			31,426.31	94,964.76
	Expense Charge to Capital	4,271,669.52	3,492,315.97	1,617,118.04	9,381,103.53
823	Purchase of Water Meters	108,149.92	108,149.92		216,299.84
843	Minor Equipment Purchases	50,268.55	50,268.49	197,464.53	298,001.57
862	Fire Hydrant & Related Parts	312,032.00			312,032.00
863	Temporary Housing Hurricane Katrina	(396,162.31)	(396,162.29)	(396,162.30)	(1,188,486.90)
864	Long Term Lease/Purchase				
	Equipment-Hurricane Katrina	793,424.44	793,424.33	396,712.21	1,983,560.98
865	Hurricane Katrina - General Budget Items	2,542.79	2,542.87	2,542.79	7,628.45
866	Hurricane Katrina Damage at Central Yard	23,223.33	23,223.34	23,223.33	69,670.00
867	Hurricane Katrina Damage at St. Joseph St.				0.00
TOTAL GENERAL BUDGET ITEMS		\$ 5,345,606.75	\$ 4,253,535.27	\$ 1,905,960.52	\$ 11,505,102.54

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

**ANALYSIS OF PUMPING AND POWER DEPARTMENT
POWER PURCHASED AND PRODUCED
NATURAL GAS AND FUEL OIL CONSUMED
TEN YEARS 1998 THROUGH 2007**

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
1998	67,067,145	\$4,765,576	57,715,200	\$8,731,839	1,487,450	\$6,925,346	2,652	\$2,254
1999	64,070,706	\$4,576,866	36,511,704	\$8,860,755	1,487,610	\$6,836,117	27,043	\$22,987
2000	66,150,146	\$5,278,313	33,126,311	\$11,535,367	1,331,330	\$9,646,417	9,550	\$8,118
2001	71,250,220	\$6,290,661	36,569,748	\$10,699,776	1,547,560	\$8,738,028	1,239	\$1,053
2002	67,060,158	\$5,057,629	37,576,656	\$8,175,530	1,455,440	\$6,370,341	1,739	\$1,478
2003	58,271,819	\$4,213,376	37,952,434	\$10,701,490	1,322,240	\$9,214,066	17,481	\$14,859
2004	75,514,008	\$6,048,983	37,845,120	\$12,509,191	1,346,750	\$11,850,932	1,149	\$977
2005	69,492,789	\$10,606,997	32,232,480	\$13,914,933	1,442,440	\$15,834,817	27,168	\$23,093
2006	79,041,420	\$15,605,974	37,464,720	\$12,754,639	1,285,200	\$14,587,701	211	\$179
2007	81,758,305	\$11,490,292	39,421,440	\$12,165,307	1,464,900	\$15,131,635	1,464	\$7,018
TOTALS	699,676,716	73,934,665	386,415,813	110,048,826	14,170,920	105,135,400	89,696	82,016

**POWER PURCHASED AND PRODUCED
NATURAL GAS AND FUEL OIL CONSUMED - 2007**

	KW-HOURS	COST
ELECTRIC POWER PURCHASED	81,758,305	\$11,490,292.08
ELECTRIC AND STEAM POWER GENERATED BY THE S. & W.B. *	39,421,440	\$12,165,307.05
TOTAL	121,179,745	\$23,655,599.13

NOTE: *NATURAL GAS CONSUMED IN OPERATION WAS 1,464,900 MCF
AT A COST OF \$15,131,635. FUEL OIL CONSUMED WAS 1464 GALLONS
AT A COST OF \$7018.45.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

Gallons Metered - Pay Water Consumption - 2007

<u>Month</u>	<u>Monthly Consumption</u>
January	827,564,700
February	767,317,500
March	1,238,754,900
April	1,152,403,500
May	1,389,467,300
June	998,301,000
July	1,143,542,700
August	1,135,325,500
September	1,270,306,600
October	980,176,500
November	1,102,340,600
December	<u>1,576,798,300</u>
Gross Total	<u><u>13,582,299,100</u></u>

**SEWERAGE AND WATER BOARD OF NEW ORLEANS
MONTHLY WATER CHARGES COLLECTED - 2007**

<u>Months</u>	<u>Water Service Charges & Fees</u>	<u>Delinquent Fees</u>	<u>Total</u>
January	\$2,165,419.10	\$10,435.18	\$2,175,854.28
February	\$2,152,524.83	\$7,350.99	\$2,159,875.82
March	\$2,476,018.35	\$32,153.68	\$2,508,172.03
April	\$2,469,081.73	\$41,122.50	\$2,510,204.23
May	\$3,029,473.54	\$58,501.00	\$3,087,974.54
June	\$2,536,975.30	\$61,636.59	\$2,598,611.89
July	\$2,726,907.61	\$86,313.26	\$2,813,220.87
August	\$2,946,020.19	\$78,597.07	\$3,024,617.26
September	\$2,598,765.45	\$79,984.50	\$2,678,749.95
October	\$3,048,101.90	\$87,955.57	\$3,136,057.47
November	\$2,389,848.12	\$106,041.94	\$2,495,890.06
December	\$2,770,687.69	\$115,643.05	\$2,886,330.74
	<u>\$31,309,823.81</u>	<u>\$765,735.33</u>	<u>\$32,075,559.14</u>

**SEWERAGE AND WATER BOARD OF NEW ORLEANS
MONTHLY SEWERAGE CHARGES COLLECTED - 2007**

<u>Months</u>	<u>Sewerage Service Charges</u>	<u>Delinquent Fees</u>	<u>Total</u>
January	\$4,369,509.48	\$6,979.55	\$4,376,489.03
February	\$3,922,358.04	\$4,923.33	\$3,927,281.37
March	\$4,528,349.19	\$21,513.24	\$4,549,862.43
April	\$4,419,855.12	\$27,495.12	\$4,447,350.24
May	\$5,840,545.83	\$39,093.75	\$5,879,639.58
June	\$4,709,239.05	\$41,182.71	\$4,750,421.76
July	\$5,323,810.82	\$57,642.44	\$5,381,453.26
August	\$5,044,851.71	\$52,491.03	\$5,097,342.74
September	\$4,514,054.53	\$53,413.36	\$4,567,467.89
October	\$5,433,018.64	\$58,734.01	\$5,491,752.65
November	\$4,632,789.32	\$70,800.48	\$4,703,589.80
December	\$5,021,713.25	\$77,193.50	\$5,098,906.75
	<u>\$57,760,094.98</u>	<u>\$511,462.52</u>	<u>\$58,271,557.50</u>

SEWERAGE AND WATER BOARD OF NEW ORLEANS

**TABLE I
CARROLLTON TURBIDITIES**

	River (NTU)					Effluent Setting Reservoirs (NTU)					Filters (NTU)				
	2003	2004	2005	2006	2007	2003	2004	2005	2006	2007	2003	2004	2005	2006	2007
Maximum	394	155	142	187	248	8.4	11	17	24	13	0.60	0.33	0.80	0.66	0.39
Minimum	7	9	2	2	3	0.4	1.2	0.9	0.8	1.0	0.08	0.05	0.07	0.06	0.09
Average	52	64	38	40	66	1.4	3.1	2.8	3.1	4.1	0.15	0.12	0.15	0.12	0.14

**TABLE II
CARROLLTON ALKALINITIES
PARTS PER MILLION**

	River					Effluent Setting Reservoirs					Filters				
	2003	2004	2005	2006	2007	2003	2004	2005	2006	2007	2003	2004	2005	2006	2007
Maximum	140	136	154	177	173	118	148	163	146	167	115	147	157	158	182
Minimum	70	74	84	83	86	60	67	80	66	66	58	62	81	75	78
Average	103	105	120	116	124	85	110	121	106	114	84	110	120	114	131

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

	NON-CARBONATE HARDNESS										TOTAL HARDNESS									
	RIVER					FILTERS					RIVER					Filters				
	2003	2004	2005	2006	2007	2003	2004	2005	2006	2007	2003	2004	2005	2006	2007	2003	2004	2005	2006	2007
Maximum	64	61	77	70	86	77	74	84	79	90	177	182	207	200	230	171	200	210	198	240
Minimum	12	20	11	11	10	36	34	20	14	12	98	107	91	108	113	106	121	132	120	120
Average	38	38	40	38	47	55	54	52	46	54	142	143	159	154	171	139	164	172	161	186

SEWERAGE AND WATER BOARD OF NEW ORLEANS

TABLE III

**CARROLLTON BACTERIAL CHARACTERISTICS
Total Coliform Analysis**

2007	River	Plant Tap	Distribution System
Maximum (Colonies / 100 ml)	11,200	0	10
Minimum (Colonies / 100 ml)	86	0	0
Average (colonies / 100 ml)	879	0	0
Number of Samples	301	319	2,408
Number of Samples Negative	0	319	2,406
Number of Samples Positive	301	0	2

* Neither of these total coliform positive samples were fecal coliform positive, and neither 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, 2007

1	2	3	4	5	6	7	8	9	10	11	12	13
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	NTU Turbidity of River Water	PPM Alkalinity of River Water	NTU Turbidity of Unit Effluent
January	Max. Min. Avg.	0.00	0.00 0.00 0.00	0	0.00 0.00 0.00	0	0.00 0.00 0.00	0	0.00 0.00 0.00	158 26 86	130 86 104	
February	Max. Min. Avg.	0.00	0.00 0.00 0.00	0	0.00 0.00 0.00	0	0.00 0.00 0.00	0	0.00 0.00 0.00	123 26 86	136 86 105	
March	Max. Min. Avg.	0.00	0.00 0.00 0.00	0	0.00 0.00 0.00	0	0.00 0.00 0.00	0	0.00 0.00 0.00	210 39 91	133 111 111	
April	Max. Min. Avg.	0.00	0.00 0.00 0.00	0	0.00 0.00 0.00	0	0.00 0.00 0.00	0	0.00 0.00 0.00	121 60 84	136 106 118	
May	Max. Min. Avg.	0.00	0.00 0.00 0.00	0	0.00 0.00 0.00	0	0.00 0.00 0.00	0	0.00 0.00 0.00	248 32 107	133 107 118	
June	Max. Min. Avg.	0.00	0.00 0.00 0.00	0	0.00 0.00 0.00	0	0.00 0.00 0.00	0	0.00 0.00 0.00	202 31 111	145 129 140	
July	Max. Min. Avg.	0.00	0.00 0.00 0.00	0	0.00 0.00 0.00	0	0.00 0.00 0.00	0	0.00 0.00 0.00	100 107 130	122 130 111	
August	Max. Min. Avg.	0.00	0.00 0.00 0.00	0	0.00 0.00 0.00	0	0.00 0.00 0.00	0	0.00 0.00 0.00	42 85 140	118 140 116	
September	Max. Min. Avg.	0.00	0.00 0.00 0.00	0	0.00 0.00 0.00	0	0.00 0.00 0.00	0	0.00 0.00 0.00	3 11 173	124 135 155	
October	Max. Min. Avg.	0.00	0.00 0.00 0.00	0	0.00 0.00 0.00	0	0.00 0.00 0.00	0	0.00 0.00 0.00	11 73 166	166 119 144	
November	Max. Min. Avg.	0.00	0.00 0.00 0.00	0	0.00 0.00 0.00	0	0.00 0.00 0.00	0	0.00 0.00 0.00	30 124 161	144 161 100	
December	Max. Min. Avg.	0.00	0.00 0.00 0.00	0	0.00 0.00 0.00	0	0.00 0.00 0.00	0	0.00 0.00 0.00	7 31 140	100 140 140	
Total	Max. Min. Avg.	0.00	0.00 0.00 0.00	0	0.00 0.00 0.00	0	0.00 0.00 0.00	0	0.00 0.00 0.00	248 3 86	173 86 124	
General	Max. Min. Avg.	0.00	0.00 0.00 0.00	0	0.00 0.00 0.00	0	0.00 0.00 0.00	0	0.00 0.00 0.00	66	124	

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, 2007

1	2	3	4	5	6	7	8	9	10	11	12	13
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	NTU Turbidity of River Water	PPM Alkalinity of River Water	NTU Turbidity of Unit Effluent
January	Max.		79.17		0.00		5.34		5.95	158	130	13.1
	Min.	2,338.29	68.33	0	0.00	87,035	3.49	99,244	3.95	26	86	2.8
	Avg.		75.43		0.00		4.47		5.10	99	104	4.8
February	Max.		79.92		0.00		5.18		5.84	123	136	7.6
	Min.	2,052.83	68.50	0	0.00	82,552	3.53	92,734	3.98	26	86	2.3
	Avg.		73.32		0.00		4.82		5.42	63	105	4.1
March	Max.		80.08		0.00		4.88		5.53	210	133	6.2
	Min.	1,095.50	27.13	0	0.00	39,879	3.76	45,543	4.24	39	91	2.9
	Avg.		73.03		0.00		4.37		4.99	107	111	4.0
April	Max.		0.00		0.00		0.00		0.00	121	136	
	Min.	0.00	0.00	0	0.00	0	0.00	0	0.00	60	106	
	Avg.		0.00		0.00		0.00		0.00	84	118	
May	Max.		0.00		0.00		0.00		0.00	248	133	
	Min.	0.00	0.00	0	0.00	0	0.00	0	0.00	32	107	
	Avg.		0.00		0.00		0.00		0.00	104	118	
June	Max.		0.00		0.00		0.00		0.00	202	145	
	Min.	0.00	0.00	0	0.00	0	0.00	0	0.00	31	111	
	Avg.		0.00		0.00		0.00		0.00	95	129	
July	Max.		0.00		0.00		0.00		0.00	136	140	
	Min.	0.00	0.00	0	0.00	0	0.00	0	0.00	12	102	
	Avg.		0.00		0.00		0.00		0.00	100	122	
August	Max.		69.88		0.00		3.69		4.13	107	130	
	Min.	203.13	30.00	0	0.00	6,000	3.11	6,078	3.01	3	111	
	Avg.		50.78		0.00		3.51		3.59	42	118	
September	Max.		0.00		0.00		0.00		0.00	85	140	
	Min.	0.00	0.00	0	0.00	0	0.00	0	0.00	3	116	
	Avg.		0.00		0.00		0.00		0.00	32	124	
October	Max.		0.00		0.00		0.00		0.00	19	173	
	Min.	0.00	0.00	0	0.00	0	0.00	0	0.00	6	135	
	Avg.		0.00		0.00		0.00		0.00	11	155	
November	Max.		0.00		0.00		0.00		0.00	73	166	
	Min.	0.00	0.00	0	0.00	0	0.00	0	0.00	11	119	
	Avg.		0.00		0.00		0.00		0.00	30	144	
December	Max.		0.00		0.00		0.00		0.00	124	161	
	Min.	0.00	0.00	0	0.00	0	0.00	0	0.00	7	100	
	Avg.		0.00		0.00		0.00		0.00	31	140	
Total		5,689.75		0		215,466		243,599				
General	Max.	2,338.29	80.08	0	0.00	87,035	5.34	99,244	5.95	248	173	13.1
	Min.	203.13	27.13	0	0.00	6,000	3.11	6,078	3.01	3	86	2.3
	Avg.	2,247.57	73.89	0	0.00	84,001	4.54	95,367	5.13	66	124	4.4

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, 2007

1	2	3	4	5	6	7	8	9	10	11	12	13
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	NTU Turbidity of River Water	PPM Alkalinity of River Water	NTU Turbidity of Unit Effluent
January	Max.		66.54		0.00		5.14		5.77	158	130	5.2
	Min.	2,007.83	59.08	0	0.00	73,823	3.49	82,630	3.95	26	86	2.1
	Avg.		64.77		0.00		4.41		4.94	99	104	3.5
February	Max.		66.17		0.00		5.07		5.68	123	136	8.8
	Min.	753.75	38.04	0	0.00	31,254	4.64	34,618	4.46	26	86	2.1
	Avg.		62.81		0.00		4.97		5.47	63	105	4.5
March	Max.		72.00		0.00		5.91		6.77	210	133	10.0
	Min.	1,152.33	43.75	0	0.00	46,936	3.93	52,887	4.48	39	91	1.7
	Avg.		67.78		0.00		4.92		5.54	107	111	5.1
April	Max.		75.00		0.00		4.31		4.89	121	136	6.4
	Min.	2,138.25	63.13	0	0.00	68,008	3.26	76,955	3.91	60	106	2.0
	Avg.		71.28		0.00		3.81		4.31	84	118	3.0
May	Max.		68.00		0.00		4.10		4.67	248	133	8.8
	Min.	2,015.79	57.71	0	0.00	61,689	3.46	70,063	3.58	32	107	1.3
	Avg.		65.03		0.00		3.67		4.16	104	118	3.2
June	Max.		67.88		0.00		4.18		4.75	202	145	6.4
	Min.	1,780.67	56.63	0	0.00	48,574	2.49	54,508	2.84	31	111	1.0
	Avg.		59.36		0.00		3.27		3.66	95	129	2.3
July	Max.		61.88		0.00		3.58		4.04	136	140	9.9
	Min.	1,860.50	57.71	0	0.00	50,228	2.43	55,325	2.34	12	102	1.9
	Avg.		60.02		0.00		3.23		3.56	100	122	3.5
August	Max.		67.92		0.00		4.64		5.19	107	130	5.9
	Min.	2,031.33	62.25	0	0.00	57,662	2.97	65,545	3.31	3	111	1.5
	Avg.		65.53		0.00		3.40		3.87	42	118	2.9
September	Max.		66.17		0.00		5.14		5.77	85	140	7.3
	Min.	1,911.83	59.08	0	0.00	56,918	1.97	64,896	3.26	3	116	1.6
	Avg.		63.73		0.00		3.57		4.07	32	124	3.3
October	Max.		65.38		0.00		3.30		3.66	19	173	6.2
	Min.	1,971.00	59.58	0	0.00	49,799	2.76	55,587	3.23	6	135	1.6
	Avg.		63.98		0.00		3.03		3.38	11	155	2.9
November	Max.		72.88		0.00		3.26		3.63	73	166	5.2
	Min.	2,066.96	60.46	0	0.00	51,731	2.88	57,718	3.00	11	119	2.1
	Avg.		68.90		0.00		3.00		3.35	30	144	3.5
December	Max.		73.63		0.00		4.66		5.15	124	161	5.1
	Min.	2,236.46	69.79	0	0.00	61,669	2.90	69,183	3.31	7	100	1.4
	Avg.		72.14		0.00		3.31		3.71	31	140	3.2
Total		21,926.71		0	0.00	658,301		739,915				
General	Max.		75.00		0.00		5.91		6.77	248	173	10.0
	Min.	753.75	38.04	0	0.00	31,254	1.97	34,618	2.34	3	86	1.0
	Avg.		65.26		0.00	54,239	3.60	60,976	4.05	66	124	3.4

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, 2007

1	2	3	4	5	6	7	8	9	10	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	NTU Turbidity of River Water	PPM Alkalinity of River Water	NTU Turbidity of Unit Effluent
January	Max. Min. Avg.	0.00	0.00 0.00 0.00	0	0.00 0.00 0.00	0	0.00 0.00 0.00	0	0.00 0.00 0.00	158 26 99	130 86 104	
February	Max. Min. Avg.	1,043.71	69.13 24.96 61.39	0	0.00 0.00 0.00	41,137	5.32 3.42 4.71	46,243	5.99 3.78 5.33	123 26 63	136 86 105	
March	Max. Min. Avg.	2,002.63	72.00 54.38 64.60	0	0.00 0.00 0.00	76,506	5.31 3.71 4.57	85,850	5.97 3.79 5.13	210 39 107	133 91 111	9.0 2.6 6.2
April	Max. Min. Avg.	1,881.79	71.46 53.17 62.73	0	0.00 0.00 0.00	59,926	4.22 3.26 3.82	67,024	4.84 3.59 4.27	121 60 84	136 106 118	9.5 2.5 5.3
May	Max. Min. Avg.	2,075.08	75.92 60.67 66.94	0	0.00 0.00 0.00	63,069	4.23 3.33 3.65	71,035	4.80 3.79 4.11	248 32 104	133 107 118	9.8 1.3 5.3
June	Max. Min. Avg.	2,092.92	75.29 56.42 69.76	0	0.00 0.00 0.00	57,800	3.99 2.89 3.31	64,887	4.55 3.30 3.72	202 31 95	145 111 129	7.5 1.2 4.3
July	Max. Min. Avg.	2,147.54	74.38 65.71 69.28	0	0.00 0.00 0.00	61,353	3.77 2.79 3.43	68,716	4.20 3.14 3.84	136 12 100	140 102 122	10.9 2.0 7.7
August	Max. Min. Avg.	1,941.08	72.96 34.17 66.93	0	0.00 0.00 0.00	53,566	3.71 2.85 3.31	60,579	4.56 3.23 3.75	107 3 42	130 111 118	10.1 1.6 3.4
September	Max. Min. Avg.	2,108.92	72.88 65.71 70.30	0	0.00 0.00 0.00	46,496	3.19 1.93 2.57	60,637	3.71 3.15 3.45	85 3 32	140 116 124	8.7 1.4 4.5
October	Max. Min. Avg.	2,181.67	76.46 66.88 70.38	0	0.00 0.00 0.00	55,848	3.26 2.90 3.07	63,164	3.66 3.29 3.47	19 6 11	173 135 155	6.2 2.0 3.2
November	Max. Min. Avg.	1,915.22	72.17 60.88 63.84	0	0.00 0.00 0.00	49,816	3.43 2.90 3.12	56,218	2.19 3.52 5.12	11 30 124	166 144 161	8.6 5.4 7.7
December	Max. Min. Avg.	1,934.29	64.63 60.08 62.40	0	0.00 0.00 0.00	54,727	4.54 2.97 3.39	61,681	3.33 3.82	7 31	100 140	2.2 4.3
Total	Max. Min. Avg.	21,324.85 2,181.67 1,043.71	76.46 24.96 66.23	0 0 0	0.00 0.00 0.00	620,242 76,506 41,137	3.49 5.32 1.93	706,034 85,850 46,243	3.97 5.99 2.19	66 248 3	124 173 86	4.9 10.9 1.2
General	Max. Min. Avg.	1,938.62	66.23	0	0.00	51,687	3.49	58,836	3.97	66	124	4.9

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, 2007

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
Month	Max. Min. Avg.	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	Lime Parts per Million	Total Pounds of Chlorine Used During Month	Chlorine Parts Per Million	Total Pounds of Anhydrous Ammonia Used During Month	Ammonia Parts Per Million	Total Pounds of Polyphos phate Used During Month	Polyphos phate Parts Per Million	Alkalinity of Filtered Water Parts Per Million (OFE)	Estimated High Lift Pumpage
																		Total M.G. M.G.D.
January	Max. Min. Avg.	4,346.13	144.75 133.08 140.20	0	160,858	0	0.00 0.00 0.00	181,874	504,487	15.91 11.26 13.97	170,146	3.93 4.69	43,253	1.30 1.08 1.19	9,026	0.27 0.21 0.25	136 89 109	143.04 4,107.96 132.51
February	Max. Min. Avg.	3,850.30	144.58 132.00 137.51	0	154,943	0	0.00 0.00 0.00	173,595	362,021	15.77 11.25 13.55	141,741	3.05 4.41	36,145	0.89 1.13 1.15	8,520	0.27 0.25 0.27	150 111	384.56 3,911.92 139.71
March	Max. Min. Avg.	4,250.51	143.63 128.92 137.11	0	163,321	0	0.00 0.00 0.00	184,280	419,087	13.55 8.80 11.84	159,150	3.53 4.49	39,737	1.01 1.12	9,515	0.28 0.26 0.27	145 117	138.28 4,091.44 131.98
April	Max. Min. Avg.	4,020.06	140.17 126.17 134.00	0	127,934	0	0.00 0.00 0.00	143,979	452,706	14.80 8.66 13.50	151,511	4.67 4.52	33,882	1.04 1.00	9,034	0.28 0.26 0.27	155 108 127	140.56 3,884.24 121.72
May	Max. Min. Avg.	4,080.92	140.38 125.79 131.97	0	124,768	0	0.00 0.00 0.00	141,097	466,536	15.09 10.09 13.68	160,528	5.06 4.42	35,864	1.12 0.95 1.05	9,279	0.29 0.26 0.27	145 114 128	138.60 3,916.44 126.34
June	Max. Min. Avg.	3,873.65	134.17 124.00 129.12	0	106,373	0	0.00 0.00 0.00	119,395	396,124	14.79 6.41 12.26	165,290	5.79 4.78	36,722	1.20 1.06	8,799	0.28 0.27 0.27	150 118 135	132.76 3,729.40 124.31
July	Max. Min. Avg.	4,008.06	135.13 124.33 129.29	0	111,581	1,250	0.62 0.00 0.04	124,042	378,944	13.81 8.98 11.34	188,124	5.26 5.63	41,782	1.29 1.16 1.25	9,162	0.36 0.18 0.21	144 105 127	135.44 3,885.84 125.35
August	Max. Min. Avg.	4,178.12	140.67 128.17 134.78	0	117,228	22,501	0.73 0.57 0.66	132,202	419,881	14.84 12.01	196,700	5.83 5.65	44,072	1.30 1.27	8,726	0.29 0.24 0.27	136 112 122	138.64 4,068.80 131.25
September	Max. Min. Avg.	4,008.41	136.96 130.75 133.61	0	103,413	20,169	0.80 0.16 0.64	125,533	485,146	15.65 8.23 14.52	182,124	5.88 5.61 5.75	42,722	1.31 1.25 1.28	9,352	0.29 0.26 0.28	142 115 130	137.36 3,776.60 125.89
October	Max. Min. Avg.	4,152.68	138.88 130.38 133.96	0	105,647	17,489	0.76 0.00 0.52	118,752	472,826	17.20 7.65 13.64	199,358	6.13 5.76	44,463	1.36 1.24 1.28	9,491	0.29 0.26 0.27	173 130 156	148.52 4,028.92 121.40
November	Max. Min. Avg.	3,982.20	136.58 125.75 132.74	0	101,546	18,350	0.70 0.23 0.56	113,936	558,100	19.31 12.82 16.81	191,788	6.11 5.54 5.78	42,881	1.36 1.25 1.29	8,856	0.29 0.26 0.27	180 124 151	154.28 3,919.68 130.66
December	Max. Min. Avg.	4,170.75	138.04 130.13 134.54	0	116,397	16,552	0.73 0.11 0.52	130,864	610,612	19.79 10.06 17.57	197,776	5.99 5.04 5.69	44,116	1.33 1.12 1.27	9,308	0.28 0.24 0.27	182 115 151	133.76 3,817.76 123.15
Total	Max. Min. Avg.	48,931.79	1,494.009 1,444.75 1,447.41	0	1,494,009	96,311	1,689,548 1,610,612 1,653,321	5,526,480 610,612 3,620,211	17,577	17.57 19.79 13.55	2,114,236 199,358 141,741	5.69 6.13 5.06	485,238 44,463 35,882	47,139.0 1.36 0.89	109,168 9,515 8,520	0.27 0.36 0.18	151 182 78	47,139.0 4,107.96 3,729.40
General	Max. Min. Avg.	3,850.30	124.00 134.06	0	101,546	8,026	0.24	140,795	460,540	13.54	176,186	5.18	40,437	1.19	9,097	0.27	131	3,928.25 129.15

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, 2007

1 Month	2		3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	
	Max.	Min.	Low Lift, Total Million Gallons of Water Treated During Month	Amount of Water Treated, Million Gallons Per 24 Hours	Total Pounds of Polyethylene Glycol Used During Month	Polyethylene Glycol 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 of Chlorine Used During Month	Chlorine Parts Per Million	Total Pounds of Polyphosphate Used During Month	Polyphosphate Parts Per Million	NTU Turbidity of Clarifier Effluent	Clear Well Alkalinity of Effluent	High Lift Pumpage	Total M.G.D.
January	13.42	10.00	366.90	14.571	4.02	5.08	0.00	9.778	4.19	0	0.00	2.853	0.98	17.106	5.89	0	0.00	0.00	4.7	118	13.53	13.53
February	11.84	10.50	340.90	12.543	4.76	4.58	0.00	10.895	3.22	0	0.00	2.454	0.93	14.719	5.60	0	0.00	0.00	2.3	99	388.81	12.04
March	13.42	12.18	372.88	13.410	3.74	4.42	0.00	13.628	4.70	0	0.00	2.869	0.90	17.208	5.40	0	0.00	0.00	1.4	121	354.99	13.16
April	13.50	12.02	367.77	13.391	4.57	4.31	0.00	14.482	3.85	0	0.00	2.967	0.86	17.794	5.18	0	0.00	0.00	0.6	92	388.35	11.97
May	15.00	12.56	378.74	14.384	4.63	4.95	0.00	14.069	5.21	0	0.00	3.348	0.93	20.810	5.85	0	0.00	0.00	1.1	121	375.59	13.43
June	15.00	12.22	380.83	14.360	4.85	4.57	0.00	12.674	4.26	0	0.00	3.655	1.04	21.824	6.12	0	0.00	0.00	0.9	106	401.71	12.70
July	18.00	13.12	406.78	15.085	4.56	4.44	50	14.537	5.05	0	0.00	4.183	1.25	24.418	7.25	0	0.00	0.00	0.3	102	421.84	12.06
August	13.05	10.00	404.60	11.950	3.73	3.54	1.497	15.452	4.06	86.713	29.18	4.183	1.15	24.418	6.89	400	0.71	3.9	121	120	421.84	12.70
September	15.00	13.05	355.58	10.473	3.47	3.53	1.275	12.107	3.39	337.517	79.92	3.942	1.17	19.905	9.21	1,700	0.52	1.3	100	94	382.02	14.77
October	14.26	11.85	349.26	10.309	3.58	3.30	1.058	14.050	4.61	330.07	100.79	3.313	1.21	16.942	6.29	1,400	1.17	4.4	48	59	391.38	12.48
November	14.00	11.71	351.20	9.899	3.30	3.38	0.48	14.273	5.72	265.699	89.43	3.322	1.21	16.880	7.22	1,900	0.43	2.4	128	67	391.38	13.56
December	14.50	12.34	351.92	9.420	3.01	3.02	1.123	10.640	4.84	257.188	62.18	3.221	1.14	16.414	5.37	1,700	0.50	1.6	113	93	470.17	12.63
Total	11.35	11.35	4,427.16	149.795	6.274	3.21	6.274	156.585	3.65	1,270.062	54.61	39.518	1.10	221.411	8.700	8,700	0.58	3.3	110	110	4,701.17	12.63
General	16.00	10.00	406.78	15.085	5.08	4.95	1.497	15.452	7.25	337.517	140.14	4.183	1.55	24.418	9.21	1,900	1.20	1.20	8.1	131	426.21	15.35
	12.13	12.13	340.90	12.483	2.02	4.06	0.00	9.778	1.77	0	0.00	2.454	0.93	14.719	4.84	0	0.00	0.00	0.3	48	364.99	11.03
			368.93	12.13	1.245	4.06	1.245	13.049	4.24	211.677	77.93	3.293	1.07	18.451	6.00	1,660	0.53	1.7	101	101	391.75	12.88

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, 2007

1 Month	2 Total Million Gallons Water Filtered During Month		3 Total Number of Runs		4 Length of Runs in Hours		5 Million Gallons of Water Filtered Per Run		6 Million Gallons Per Day Per Filter		7 Total Amount in Million Gallons of Wash Water Used		8 Million Gallons of Wash Water Used Per Run		9 Percentage of Wash Water Used Per Run		10 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. 1,911.199	2,296.048	113	54	225	314	28.125	59.967	2.553	4.556	33.725	49.600	0.298	0.807	5.42	2.46	77.713	72.602
	Min. 159				159	224	16.913	42.519							1.76	1.90		
	Avg.																	
February	Max. 1,579.230	1,992.080	107	58	193	219	24.125	44.409	2.410	4.628	31.900	53.500	0.298	0.922	3.76	7.18	73.360	76.803
	Min. 147				147	178	14.759	34.346							2.02	2.69		
	Avg.																	
March	Max. 1,818.488	2,270.981	120	70	192	191	20.875	38.915	2.495	4.580	35.400	63.600	0.295	0.909	3.69	3.41	75.948	76.001
	Min. 145				96	144	8.000	26.667							1.41	2.34		
	Avg.														1.96	2.80		
April	Max. 1,771.945	2,081.843	116	62	191	260	23.875	43.334	1.493	4.394	35.200	58.200	0.303	0.938	3.83	3.60	75.887	72.907
	Min. 147				95	145	7.917	26.095							1.27	2.17		
	Avg.														1.98	2.80		
May	Max. 1,829.335	2,097.404	136	60	147	239	18.325	42.275	2.483	4.259	36.700	53.620	0.270	0.894	2.75	3.19	75.583	70.669
	Min. 130				118	168	9.834	28.000							1.47	2.11		
	Avg.														2.01	2.56		
June	Max. 1,737.631	2,021.890	119	68	191	238	23.750	40.075	2.434	4.182	32.285	61.270	0.271	0.901	3.39	4.32	74.091	69.391
	Min. 144				96	115	8.000	20.766							1.14	2.25		
	Avg.														1.86	3.03		
July	Max. 1,704.229	2,152.096	119	72	147	217	20.750	40.346	2.438	4.321	32.200	68.300	0.271	0.949	2.54	25.17	74.213	71.703
	Min. 141				117	23	10.666	3.771							1.31	2.35		
	Avg.														1.89	3.17		
August	Max. 1,716.825	2,299.376	119	76	192	190	18.875	39.666	2.421	4.746	35.750	71.100	0.300	0.936	3.76	4.54	73.695	78.755
	Min. 143				95	100	7.917	20.629							1.59	2.36		
	Avg.														2.08	3.09		
September	Max. 1,577.604	2,213.509	108	66	190	215	23.750	42.305	2.401	5.227	31.400	67.000	0.291	0.931	3.68	4.56	73.086	86.737
	Min. 146				94	116	7.917	20.413							1.23	2.20		
	Avg.														1.99	2.78		
October	Max. 1,624.149	2,266.365	113	66	192	227	24.000	46.739	2.412	4.865	33.400	66.060	0.296	0.918	2.96	5.11	73.421	80.735
	Min. 143				89	100	10.000	17.958							1.23	1.96		
	Avg.														2.06	2.67		
November	Max. 1,586.637	2,305.284	110	68	154	231	18.125	52.985	2.438	4.931	32.100	68.300	0.292	0.949	3.43	3.53	74.213	81.825
	Min. 142				119	22	8.503	26.916							1.61	1.79		
	Avg.														2.02	2.80		
December	Max. 1,634.260	2,028.336	109	72	191	194	21.000	39.551	2.516	4.334	31.800	71.800	0.292	0.997	4.93	8.37	76.587	71.918
	Min. 143				71	66	5.917	11.909							1.39	2.52		
	Avg.														1.95	3.54		
Total	20,491,532	26,025,212	1,389	792	5,092	6,069	540.883	1,177.016	28.494	55.023	401.860	746.350	3.477	11.051	83.67	134.75	897.797	910.046
General	Max. 1,911.199	2,305.284	136	76	225	314	28.125	59.967	2.553	5.227	36.700	71.800	0.303	0.997	5.42	25.17	77.713	86.737
	Min. 143				89	100	10.000	17.958							1.23	1.96		
	Avg.														2.06	2.67		
	1,577.604	1,992.080	107	54	41	22	5.500	3.771	1.493	4.182	31.400	43.600	0.270	0.807	1.06	1.35	73.086	69.391
	1,707.628	2,168.768	116	66	144	174	14.768	33.139	2.375	4.585	33.488	62.196	0.290	0.921	1.97	2.82	74.816	75.837

SEWERAGE AND WATER BOARD OF NEW ORLEANS

TABLE VI-B

MONTHLY SUMMARY OF ALGIERS FILTER OPERATIONS FOR THE YEAR ENDING: December 31, 2007

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.			173	8,187				2.80
	Min.	403.74	60	137	5,250	1.08	8.82	0.147	1.80
	Avg.			162	6,712				2.19
February	Max.			173	7,583				3.76
	Min.	318.98	51	92	3,833	0.95	7.35	0.144	1.90
	Avg.			147	6,255				2.30
March	Max.			172	7,958				2.90
	Min.	372.09	54	143	5,438	1.00	8.52	0.158	1.98
	Avg.			165	6,891				2.29
April	Max.			173	7,729				2.22
	Min.	357.92	51	166	6,500	0.99	7.37	0.145	1.87
	Avg.			167	7,018				2.06
May	Max.			168	7,606				2.49
	Min.	396.45	57	135	5,709	1.07	8.09	0.142	1.87
	Avg.			163	6,955				2.04
June	Max.			173	8,147				2.13
	Min.	353.89	48	159	6,708	0.98	6.87	0.143	1.76
	Avg.			168	7,373				1.94
July	Max.			170	8,376				2.01
	Min.	404.31	54	164	6,959	1.09	7.56	0.140	1.67
	Avg.			167	7,487				1.87
August	Max.			170	9,167				2.17
	Min.	413.67	54	162	6,439	1.11	7.53	0.139	1.52
	Avg.			167	7,661				1.82
September	Max.			177	9,144				6.66
	Min.	332.37	48	135	0,833	0.92	6.66	0.139	1.52
	Avg.			163	6,924				2.00
October	Max.			175	7,585				3.62
	Min.	370.6	57	163	3,896	1.00	8.05	0.141	1.86
	Avg.			167	6,502				2.17
November	Max.			171	7,125				2.40
	Min.	339.88	51	158	5,855	0.94	7.17	0.140	1.97
	Avg.			167	6,664				2.11
December	Max.			191	8,522				2.48
	Min.	382.42	51	142	5,542	1.03	7.01	0.137	1.61
	Avg.			185	7,499				1.83
Total		4445.32	636			12.16	91.00	1.715	
General	Max.	413.67	60	191	9,167	1.11	8.82	0.158	6.66
	Min.	318.98	48	92	0,833	0.92	6.66	0.137	1.52
	Avg.	370.53	53	166	6,995	1.01	7.58	0.143	2.05

TABLE VII

FIVE YEAR ANALYSIS DATA (2003-2007) 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 CaCO ₃)	177	70	114	180	61	112
Total Hardness (ppm as CaCO ₃)	230	91	154	238	108	166
Noncarbonate Hardness (ppm as CaCO ₃)	86	10	40	91	18	53
Calcium Hardness (ppm as CaCO ₃)	186	69	111	168	82	123
Magnesium Hardness (ppm as CaCO ₃)	90	2	43	88	3	43
Nephelometric Turbidity (N.T.U.)	394	2	52	0.54	0.06	0.13
pH	8.53	7.01	7.89	9.81	7.02	8.62
Chloride (ppm)	86	19	43	98	23	42
Fluoride (ppm)	0.58	0.10	0.24	1.30	0.12	0.68
Free Chlorine Residual (ppm as Cl ₂)	-----	-----	-----	3.4	0	0.3
Total Chlorine Residual (ppm as Cl ₂)	-----	-----	-----	4.8	0.03	2.7
Ammonia (ppm as N)	-----	-----	-----	0.99	0.00	0.13
Nitrate (ppm as N)	-----	-----	-----	2	1	1.4
Conductivity (umhos/cm)	592	85	365	595	80	383
Temperature (Deg. F.)	90	40	68	90	54	74
Antimony (ppb)	-----	-----	-----	0	0	0
Arsenic (ppb)	-----	-----	-----	0	0	0
Barium (ppb)	-----	-----	-----	68	0	27
Beryllium (ppb)	-----	-----	-----	0	0	0
Cadmium (ppb)	-----	-----	-----	0	0	0
Chromium (ppb)	-----	-----	-----	0	0	0
Copper (ppb)	-----	-----	-----	200	0	25
Lead (ppb)	-----	-----	-----	3	0	0
Mercury (ppb)	-----	-----	-----	0	0	0
Selenium (ppb)	-----	-----	-----	0	0	0
Thallium (ppb)	-----	-----	-----	0	0	0
Total Trihalomethanes (ppb)	0.0	0.0	0.0	154.4	11.9	30.4
Total Organic Carbon (ppm)	6.8	2.9	4.3	4.8	1.8	2.7
1, 2-Dichlorethane (ppb)	5.2	0.0	0.0	6.4	0.0	0.0
Chloroform (ppb)	0.0	0.0	0.0	102.7	6.7	16.8
Carbon Tetrachloride (ppb)	0.0	0.0	0.0	0.3	0.0	0.0
Bromodichloromethane (ppb)	0.0	0.0	0.0	43.4	3.4	8.8
Tetrachloroethene (ppb)	0.0	0.0	0.0	0.0	0.0	0.0
BTX (Benzene, Toluene & Xylenes) (ppb)	160.0	0.0	0.4	7.8	0.0	0.1
Total Coliforms (colonies/100 ml)	15800	0	1110	139	0	0
Fecal coliforms (colonies/100 ml)	4100	0	122	0	0	0

* Note: The results for nitrate and 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.

** Note: Lead and Copper testing on finished water is only required every three years.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

TABLE VIII

CARROLLTON OPERATION

CHEMICAL	CHEMICAL COST	CHEMICAL COST PER MILLION GALLONS
Lime	\$312,912.64	\$6.39
Ferric Coagulant	\$1,196,823.97	\$24.46
Chlorine	\$810,509.83	\$16.56
Sodium Polyphosphate	\$69,848.69	\$1.43
Polyelectrolyte	\$418,334.13	\$8.55
Fluoride (100%)	\$102,151.06	\$2.09
Ammonia	\$143,150.23	\$2.93
Carbon	\$0.00	\$0.00
TOTAL CHEMICALS	\$3,053,730.54	\$62.41

Purification Plant Operating Cost:

Total Water Treated in 2007:

48,931,790,000 Gallons

**TOTAL COST
PER MILLION GALLONS**

YEAR	TOTAL WATER TREATED IN MILLION GALLONS	OPERATING COST	TOTAL COST PER MILLION GALLONS
2007	48,931.79		\$0.00
2006	51,000.17		\$0.00
2005	47,574.62		\$0.00
2004	44,861.90	\$4,868,326.00	\$108.52
2003	42,101.93	\$5,021,474.00	\$119.27

SEWERAGE AND WATER BOARD OF NEW ORLEANS

TABLE IX

ALGIERS OPERATION

CHEMICAL	CHEMICAL COST	CHEMICAL COST PER MILLION GALLONS
Lime	\$91,150.36	\$20.59
Ferric Coagulant	\$110,869.52	\$25.04
Chlorine	\$54,415.54	\$12.29
Sodium Polyphosphate	\$6,059.55	\$1.37
Polyelectrolyte	\$42,642.76	\$9.63
Fluoride (100%)	\$1,646.58	\$0.37
Ammonia	\$16,810.85	\$3.80
Carbon	\$0.00	\$0.00
TOTAL CHEMICALS	\$323,595.16	\$73.09

Purification Plant Operating Cost:

Total Water Treated in 2007:

4,427,160,000 Gallons

**TOTAL COST
PER MILLION GALLONS**

YEAR	TOTAL WATER TREATED IN MILLION GALLONS	OPERATING COST	TOTAL COST PER MILLION GALLONS
2007	4,427.16		\$0.00
2006	4,261.05		\$0.00
2005	3,723.03		\$0.00
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

- 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
2007**

Total Million Gallons Water Treated	5,689.75
Total Tons Dry Sludge Deposited in Basins Including suspended and Dissolved Solids Removed and Reacting Chemicals *	253
Total Million Gallons Wet Sludge Withdrawn from Basins	187.95
Average Percent solids in Wet Sludge	ND
Total Million Gallons Water Used in withdrawing Sludge	187.92
Percent of Total Water Treated Used in Withdrawing Wet Sludge	3.30

TABLE X-A

**SLUDGE REMOVED FROM THE "L" BASINS PRIMARY TREATMENT UNITS
DOOR MONORAKE CONVENTIONAL SYSTEM
2007**

Total Million Gallons Water Treated	43,251.55
Total Tons Dry Sludge Deposited in Basins Including suspended and Dissolved Solids Removed and Reacting Chemicals *	1,502
Total Million Gallons Wet Sludge Withdrawn from Basins	686.32
Average Percent solids in Wet Sludge	ND
Total Million Gallons Water Used in withdrawing Sludge	686.17
Percent of Total Water Treated Used in Withdrawing Wet Sludge	1.59

* Note: Calculation for total tons of dry sludge deposited in basins does not include suspended and dissolved solids removed. Laboratory analysis of solids was not performed in 2007.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

TABLE XI
2007 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 CaCO ₃)	173	86	124	180	86	130
Total Hardness (ppm as CaCO ₃)	230	113	171	238	128	186
Noncarbonate Hardness (ppm as CaCO ₃)	86	10	47	91	21	55
Calcium Hardness (ppm as CaCO ₃)	179	85	120	168	88	133
Magnesium Hardness (ppm as CaCO ₃)	90	5	51	88	3	53
Nephelometric Turbidity (N.T.U.)	248	2.5	66	0.32	0.08	0.13
pH	8.4	7.2	7.9	9.34	7.40	8.77
Chloride (ppm)	82	36	61	83	36	60
Fluoride (ppm)	0.58	0.15	0.26	1.07	0.16	0.48
Free Chlorine Residual (ppm as Cl ₂)	-----	-----	-----	0.4	0.1	0.2
Total Chlorine Residual (ppm as Cl ₂)	-----	-----	-----	4.6	1.5	2.9
Ammonia (ppm as N)	-----	-----	-----	0.48	0.03	0.16
Nitrate + Nitrite (ppm as N) *	-----	-----	-----	1.1	1.1	1.1
Conductivity (umhos/cm)	480	177	344	516	214	390
Temperature (Deg. F.)	89	40	68	85	58	73
Antimony (ppb) *	-----	-----	-----	0	0	0
Arsenic (ppb) *	-----	-----	-----	0	0	0
Barium (ppb) *	-----	-----	-----	68	68	68
Beryllium (ppb) *	-----	-----	-----	0	0	0
Cadmium (ppb) *	-----	-----	-----	0	0	0
Chromium (ppb) *	-----	-----	-----	0	0	0
Copper (ppb) *	-----	-----	-----	47	47	47
Lead (ppb) *	-----	-----	-----	3	3	3
Mercury (ppb) *	-----	-----	-----	0	0	0
Selenium (ppb) *	-----	-----	-----	0	0	0
Thallium (ppb) *	-----	-----	-----	0	0	0
Total Trihalomethanes (ppb)	0.0	0.0	0.0	42.5	17.8	29.7
Total Organic Carbon (ppm)	5.0	3.2	4.1	3.4	2.5	3.0
1, 2-Dichloroethane (ppb)	0.0	0.0	0.0	0.0	0.0	0.0
Chloroform (ppb)	0.0	0.0	0.0	28.8	11.0	20.1
Carbon Tetrachloride (ppb)	0.0	0.0	0.0	0.0	0.0	0.0
Bromodichloromethane (ppb)	0.0	0.0	0.0	12.3	5.2	8.7
Tetrachloroethene (ppb)	0.0	0.0	0.0	0.0	0.0	0.0
BTX (Benzene, Toluene & Xylenes) (ppb)	0.0	0.0	0.0	0.0	0.0	0.0
Total Coliforms (colonies/100 ml)	11200	86	879	0	0	0
Fecal coliforms (colonies/100 ml)	4100	7	194	0	0	0

* Note: The results for nitrates + nitrites and 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.

** Note: Lead and Copper testing on finished water is only required every three years.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

TABLE XII

**EXTRACTS FROM TABLES IV-E AND V
20 Year Period, 1988 to 2007 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.
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
2005	144.00	0.00	115.47	22.67	7.00	10.20
2006	165.63	115.33	139.73	18.34	8.00	11.67
2007	144.75	124.00	134.06	16.00	10.00	12.13

SEWERAGE AND WATER BOARD OF NEW ORLEANS

TABLE XIII

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

MONTHLY	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
January	64	45	50	39	45	48	49	49	50	52
February	50	50	49	44	46	48	47	48	51	47
March	52	50	55	49	49	51	54	51	55	56
April	61	60	60	57	56	60	62	62	63	63
May	70	67	69	69	67	70	71	71	74	71
June	80	77	78	75	74	73	79	81	83	79
July	85	82	83	82	82	79	83	85	86	82
August	85	87	86	84	84	81	84	88	88	85
September	83	83	84	83	82	80	81	---	86	82
October	76	74	72	73	73	73	74	76	78	75
November	65	66	63	63	62	65	65	66	63	63
December	57	56	47	56	53	53	53	51	54	58
Maximum	87	89	87	87	85	83	87	90	90	89
Minimum	47	42	39	36	42	46	45	42	46	40
Average	68	66	66	65	64	64	67	66	69	68

Ten Year Period

Maximum: 90
 Minimum: 36
 Average: 66

* Data not available for
 September 2005 due
 to hurricane Katrina.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

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

	2003	2004	2005	2006	2007
January	60	65	67	66	65
February	62	62	66	64	64
March	66	65	68	71	70
April	71	73	75	77	72
May	78	78	79	79	76
June	80	84	82	84	76
July	81	83	84	84	79
August	83	85	87	86	78
September	83	82	---*	84	77
October	81	80	77	81	77
November	77	75	75	72	74
December	68	69	68	67	71
Maxiumum	86	88	90	90	85
Minimum	52	58	61	54	58
Average	74	75	75	76	73

<u>Five Year Period</u>		* Data not available
Maximum	90	for September of
Minimum	52	2005 due to
Average	75	hurricane Katrina

SEWERAGE AND WATER BOARD OF NEW ORLEANS

New Orleans West Bank Sewerage Treatment Plant
2007 Yearly Summary

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2007
Plant Flow (MGD)													
Average	13.8	10.7	9.8	8.5	10.96	11.2	13.3	11.1	10.5	12.6	8.2	10.0	10.9
Maximum	24.7	20.8	21.5	13.4	23.6	21.1	22.1	20.0	14.7	33.7	13.7	29.8	33.7
INFLUENT BOD (mg/L)													
Average	63	96	93	98	80	60	64	75	70	71	80	76	77
Maximum	129	168	151	128	131	88	102	126	122	131	181	134	181
INFLUENT TSS (mg/L)													
Average	105	114	132	112	111	83	102	80	100	108	101	112	105
Maximum	314	196	272	225	211	256	236	134	288	214	202	268	314
INFLUENT BOD (lbs/day)													
Average	6,411	8,247	6,810	7,162	7,318	5,392	6,716	6,919	5,852	7,278	5,056	5,906	6,599
Maximum	12,448	28,723	14,205	10,062	18,758	9,297	12,008	17,018	13,339	30,389	10,325	11,884	30,399
INFLUENT TSS (lbs/day)													
Average	11,123	9,337	9,590	8,216	10,438	7,265	10,817	7,028	8,619	12,284	6,374	9,368	9,261
Maximum	35,039	16,761	20,031	16,439	36,207	18,981	22,506	13,523	24,286	39,604	14,859	23,517	39,604
EFFLUENT BOD (mg/L)													
Average	20	29	21	28	15	12	12	11	8	9	16	14	16
Weekly Maximum	26	32	29	33	34	13	14	12	10	10	19	19	34
EFFLUENT TSS (mg/L)													
Average	17	19	15	19	12	10	10	9	8	8	9	12	12
Weekly Maximum	19	21	24	20	20	15	14	13	10	10	11	15	24
EFFLUENT BOD (lbs/day)													
Average	2,131	2,703	1,736	2,012	1,287	1,151	1,324	1,005	697	964	1,162	1,169	1,440
Weekly Maximum	4,142	4,097	2,958	2,449	3,488	1,553	1,729	1,482	995	1,528	1,439	1,946	4,142
EFFLUENT TSS (lbs/day)													
Average	1,879	1,805	1,199	1,336	1,124	926	1,171	822	776	923	637	1,097	1,145
Weekly Maximum	3,026	2,688	2,448	1,484	2,052	1,791	1,685	1,606	1,006	1,222	1,050	1,536	3,026
EFFLUENT CL2 (mg/L)													
Average	1.17	1.16	1.13	1.17	1.07	1.09	1.04	1.08	1.12	1.01	1.28	1.26	1.13
Maximum	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.3	1.4	1.4	1.4
EFFLUENT COLIFORM (col/100-ml)													
Average (Geo)	7	2	2	4	2	2	7	4	4	13	5	7	4
Weekly Maximum (Geo)	18	2	2	5	2	4	45	30	14	95	8	15	95
EFFLUENT pH (su)													
Minimum	6.84	6.95	6.52	6.54	6.62	6.9	7.02	6.51	6.92	7.08	6.88	6.91	6.51
Maximum	7.48	7.44	7.14	6.98	7.43	7.66	7.89	7.69	7.64	7.83	7.47	7.83	7.89
DISPOSED SLUDGE (dry tons)													
Average per day	3.3	3.9	3.6	4.5	4	3.5	3.3	4.9	2.9	4.1	2	4.4	3.8
Total	102	110	113	135	124	104	104	152	86	127	61	135	1,353
ELECTRICITY (kwhr)													
Average per day	9,136	10,217	8,957	8,698	9,416	10,767	11,229	8,432	9,449	11,121	7,851	8,140	9,417
Total (kwhr)	283,221	286,078	277,669	260,945	291,906	323,016	336,867	261,383	283,478	344,738	235,514	252,335	3,437,150
RAINFALL (inches)													
TOTAL	4.56	2.69	1.64	0.8	12.65	3.89	10.89	1.72	5.51	17.06	1.65	5.15	68.21

Annual Report 2007
SEWER TABULATION NO. 1
Sewer Lines Laid During 2007
QUANTITIES OF PIPE MEASURED IN FEET

ITEMS	BY CONTRACT	BY OTHERS	TOTAL FEET	TOTAL MILES
6" P.V.C.	407.00	1,122.00	1,529.00	0.29
8" P.V.C.	2,451.50	26,491.10	28,942.60	5.48
8" D.I.	0.00	0.00	0.00	0.00
10" P.V.C.	398.10	1,970.00	2,368.10	0.44
12" P.V.C.	0.00	1,250.50	1,250.50	0.24
15" P.V.C.	0.00	680.50	680.50	0.13
18" P.V.C.	0.00	360.00	360.00	0.07
21" P.V.C.	0.00	0.00	0.00	0.00
4" P.V.C./S.F.M.	0.00	465.00	465.00	0.08
TOTALS	• 3,256.60	32,339.10	35,595.70	6.73
M.H.'S	10	73	Total Manholes Constructed in 2007 - 83	

Sewer Lines Laid in 2007

ORIGINAL CONSTRUCTION (IN FEET)	Removed and Replaced	Total Remaining in Feet	Total Remaining in Miles
8,968,825.20	5,274.60	8,963,550.60	1,697.64

Sewer Manholes in 2007

BUILT IN 2007	Removed in 2007	Total Modifications in 2007
134	44	90

Sewer Valves as of 2007

SIZE AND TYPE	EXISTING	INSTALLED IN 2007	REMOVED IN 2007	TOTAL VALVES INSTALLED AS OF 2007
48" Gate Valve	~	1	0	1
36" Gate Valve	~	1	0	1
24" Gate Valve	~	2	0	2
12" Gate Valve	~	1	0	1

ANNUAL REPORT 2007
SEWER TABULATION NO. 2

SEWER MANHOLES BUILT BY EACH CONTRACT FOR 2007

THE QUANTITIES DESTROYED OR ABANDONED AND THE EXTENT OF THE SEWERAGE AT THE END OF 2007

	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	15	58
Built Under Ordinary Contracts	3,565,029.70	38,609.30	3,526,420.40	3,519,035.90	138,891.80	3,380,144.10	9,539	13	9,526.00
Built by S&WB Forces	7,353,426.20	315,188.40	7,038,237.80	1,357,727.70	0.00	1,293,758.40	3,998	4	3,994
Built by Dock Board	5,839.70	0.00	5,839.70	6,874.30	0.00	6,874.30	19	0	19
Built Under CWA & ERA Contracts	25,662.60	0.00	25,662.60	25,662.60	0.00	25,662.60	76	0	76
Built Under WPA Contracts	138,903.60	28,288.70	110,614.90	112,735.20	26,168.40	86,566.80	504	0	504
Built Under PWA Contracts	177,599.30	14,095.40	163,503.90	163,503.90	0.00	163,503.90	474	5	469
Built Under FWA Contracts	9,120.80	0.00	9,120.80	9,120.80	0.00	9,120.80	32	0	32
Built by Orleans Levee Board	126,348.70	7,503.00	118,845.70	126,348.70	0.00	118,845.70	675	6	669
Built by FPHA	4,253.10	4,253.10	0.00	4,253.10	7,503.00	0.00	17	1	16
Built Under L.M.P. Contracts	733,963.50	16,352.40	717,611.00	743,801.80	22,809.40	720,992.40	2,192	60	2,132
Built by Others	1,897,085.90	24,142.50	1,872,943.40	1,897,085.90	22,809.40	1,897,085.90	5,508	81	5,427
TOTAL LINEAR FEET	14,058,540.60	462,931.10	13,595,609.40	7,991,058.10	236,281.00	7,709,364.10	23,107	185	22,922
TOTAL MILES	2,662.60	87.68	2,574.92	1,513.46	44.75	1,460.10			

ANNUAL REPORT 2007
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	0.00	0.00	29,182.40
68" Steel	9,061.90	0.00	0.00	9,061.90
66" Concrete	13,740.70	0.00	0.00	13,740.70
66" Steel	28,979.70	0.00	0.00	28,979.70
60" Steel	2,577.70	0.00	0.00	2,577.70
60" Concrete	748.90	0.00	0.00	748.90
57" Concrete	1,766.80	0.00	0.00	1,766.80
54" Concrete	7,030.40	0.00	0.00	7,030.40
54" Steel	44,014.50	0.00	0.00	44,014.50
51" Concrete	928.30	0.00	0.00	928.30
50" Steel	135.00	0.00	0.00	135.00
48" Concrete	13,791.00	0.00	0.00	13,791.00
48" FRP	10,900.20	0.00	0.00	10,900.20
48" Steel	21,147.20	293.60	0.00	20,853.60
45" Concrete	3,048.40	0.00	0.00	3,048.40
42" Concrete	20,170.10	0.00	0.00	20,170.10
42" Steel	3,580.20	0.00	0.00	3,580.20
39" Brick	884.80	0.00	0.00	884.80
39" Concrete	3,871.80	0.00	0.00	3,871.80
36" Vitrified Clay	2,777.90	0.00	0.00	2,777.90
36" Prestressed Concrete	11,617.20	0.00	0.00	11,617.20
36" Reinforced Concrete	9,392.70	0.00	0.00	9,392.70
36" Steel	150.00	150.00	0.00	0.00
36" Cast Iron	10,674.00	0.00	347.60	11,021.60
36" P.V.C.	10,604.00	0.00	0.00	10,604.00
33" Brick	3,150.40	0.00	0.00	3,150.40
33" Reinforced Concrete	1,450.90	0.00	0.00	1,450.90
30" Vitrified Clay	1,672.20	0.00	0.00	1,672.20
30" Brick	3,006.60	0.00	0.00	3,006.60
30" Prestressed Concrete	484.00	0.00	0.00	484.00
30" Reinforced Concrete	34,449.70	0.00	0.00	34,449.70
30" Vitrified Clay	11,732.20	0.00	0.00	11,732.20
30" Cast Iron	4,305.90	0.00	0.00	4,305.90
30" Steel	3,255.20	0.00	0.00	3,255.20
30" ERP	16,400.00	0.00	0.00	16,400.00
29" P.V.C.	887.00	0.00	0.00	887.00
28" P.V.C.	541.00	0.00	0.00	541.00
27" Vitrified Clay	29,134.80	0.00	0.00	29,134.80
27" Terra Cotta	11.00	0.00	0.00	11.00
27" P.V.C.	11.00	0.00	0.00	11.00
27" Reinforced Concrete	13,738.40	0.00	0.00	13,738.40
Subtotal Linear Feet	385,006.10	443.60	347.60	384,910.10
Subtotal Miles	72.91	0.17	0.06	72.89

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	0.00	0.00	2,277.00
24" Vitrified Clay	31,911.40	0.00	0.00	31,911.40
24" Ductile Iron	29.00	0.00	0.00	29.00
24" Cast Iron	17,638.10	0.00	0.00	17,638.10
24" Asbestos Cement	4,942.20	19.00	0.00	4,923.20
24" Reinforced Concrete	28,377.00	0.00	0.00	28,377.00
24" P.V.C.	162.00	0.00	23.00	185.00
24" Steel	110.00	23.00	0.00	87.00
21" P.V.C.	302.00	0.00	0.00	302.00
21" Reinforced Concrete	14,615.50	0.00	0.00	14,615.50
20" Ductile Iron Pipe	143.80	0.00	0.00	143.80
18" P.V.C.	3,481.50	0.00	0.00	3,481.50
18" Vitrified Clay	0.00	0.00	0.00	0.00
16" Steel	120.00	0.00	0.00	120.00
16" Asbestos Cement	28,894.90	0.00	0.00	28,894.90
16" Plastic	1,913.10	0.00	0.00	1,913.10
15" P.V.C.	8,399.50	0.00	0.00	8,399.50
15" Plastic Truss	1,766.80	0.00	0.00	1,766.80
15" Vitrified Clay	115,165.50	0.00	0.00	115,165.50
12" Vitrified Clay	1,000.00	0.00	0.00	1,000.00
12" P.V.C.	3,867.90	0.00	5,194.00	9,061.90
10" Vitrified Clay	186,408.40	51.50	0.00	186,356.90
10" Concrete	53,732.20	0.00	0.00	53,732.20
10" Steel	130.00	0.00	0.00	130.00
10" Asbestos Cement	27,660.40	0.00	0.00	27,660.40
10" P.V.C.	110,107.60	0.00	1,826.50	111,934.10
10" Plastic Truss	6,072.50	0.00	0.00	6,072.50
8" Plastic	706,265.50	2,027.50	0.00	704,238.00
8" Concrete	357,202.40	0.00	0.00	357,202.40
8" Terra Cotta	357,395.20	824.00	0.00	356,571.20
8" Ductile Iron	45.00	0.00	0.00	45.00
8" Cast Iron	32,845.40	0.00	0.00	32,845.40
8" Vitrified Clay	435,550.80	11,201.10	0.00	424,349.70
8" Asbestos Cement	3,895.90	0.00	0.00	3,895.90
8" Plastic Truss	75,134.10	0.00	0.00	75,134.10
8" P.V.C.	285,062.60	0.00	24,166.60	309,229.20
6" Concrete	669.90	0.00	0.00	669.90
6" Asbestos Cement	4,493.90	0.00	0.00	4,493.90
6" Cast Iron	4,204.40	0.00	0.00	4,204.40
6" Vitrified Clay	104,200.10	2,999.50	0.00	101,200.60
6" Plastic	371,272.70	0.00	0.00	371,272.70
6" Plastic Truss	7,099.60	270.00	0.00	6,829.60
6" P.V.C.	162,986.40	0.00	7,349.20	170,335.60
6" Terra Cotta	2,703.00	0.00	0.00	2,703.00
4" Cast Iron	874.20	0.00	0.00	874.20
4" Ductile Iron	180.40	0.00	0.00	180.40
4" Plastic	126.00	0.00	0.00	126.00
4" P.V.C.	6,711.90	0.00	125.00	6,836.90
Total Linear Feet	3,953,154.00	17,859.20	17,763.20	3,974,326.50
Total Miles	748.70	3.38	3.36	752.71

Annual Report 2007
WATER TABULATION NO. 1
Water Lines Laid During 2007
QUANTITIES OF PIPE MEASURED IN FEET

ITEMS	BY CONTRACT	BY OTHERS	TOTAL FEET	TOTAL MILES
2" P.V.C.	275	5978	6253	1.18
4" P.V.C.	144	0	144	0.02
6" P.V.C.	597.00	24.00	621.00	0.12
8" P.V.C.	17,565.00	3,947.00	21,512.00	4.07
6" D.I.	95.00	0.00	95.00	0.02
8" D.I.	503.00	70.00	573.00	0.11
12" D.I.	180.00	0.00	180.00	0.03
10" P.V.C.	0.00	0.00	0.00	0.00
10" IRON	0.00	0.00	0.00	0.00
12" P.V.C.	3,695.00	0.00	3,695.00	0.70
16" P.V.C.	0.00	0.00	0.00	0.00
20" P.V.C.	0.00	0.00	0.00	0.00
21" P.V.C.	0.00	0.00	0.00	0.00
TOTALS	23,054.00	10,019.00	33,073.00	6.26
FIRE HYDRANTS	44.00	8.00	52 Total Fire Hydrants	
VALVES	71.00	26.00	97 Total Valves in 2007	
M.H.'S	71	27	98 Total New Manholes	

Removed or Abandoned 16453.1 ft.

Water Valves as of 2007

Installed	Removed	Total Valves Remaining
97	46	29,420

Fire Hydrants as of 2007

Instaled	Removed	Total Hydrants Remaing
52	43	22,780

Water Manholes as of 2007

BUILT	Removed	Total Modifications
70	14	29,632

Water Lines In System as of 2007

Instaled	Abandoned	Total Feet	TOTAL MILES
32,734.00	17,838.60	9,418,167.90	1,783.74

WATER TABULATION NO. 2
WATER MAINS, VALVES, AND HYDRANTS INSTALLED BY EACH AGENCY AND
THE QUANTITIES REMOVED OR ABANDONED AND THE EXISTING WATER DISTRIBUTION SYSTEM

	WATER MAINS			VALVES			HYDRANTS				
	EXISTING	INSTALLED	REMOVED	REMAINING	EXISTING	INSTALLED	REMOVED	EXISTING	INSTALLED	REMOVED	REMAINING
Algiers Water Works	48830	0	0	48830	72	0	0	72	0	0	0
Under Ordinary Contracts	4636188	23054	13204	4646038	20887	97	43	20,887	1,995	44	37
S&WB Forces	723346.8	0	0	723346.8	1927	0	0	1,927	1,731	0	0
Built Under L.M.P. Contracts	1120030	0	0	1120029.8	2013	0	0	2,013	9,617	0	0
Built Under PWA Contracts	64917.3	0	0	64917.3	36	0	0	36	52	0	52
C-W-A & E-R-A Contracts	32154.5	0	0	32154.5	44	0	0	44	86	0	86
W-P-A Contracts	249199.7	0	0	249199.7	401	0	0	401	441	0	441
FWA Contracts	52649.6	0	0	52649.6	31	0	0	31	19	0	19
Various War Agencies	3158	0	0	3158	0	0	0	0	0	0	0
HANO	0	0	0	0	0	0	0	0	0	0	0
Under FPFA	0	0	0	0	0	0	0	0	0	0	0
By Orleans Levee Board	147667.8	0	0	147667.8	0	0	0	0	863	8	863
By Others	2340929	10019	3249.1	2347698.9	3389	26	8	3,407	9,932	117	6
By Dock Board	9508.2	0	0	9508.2	121	6	0	121	0	52	0
TOTAL LINEAR FEET	9428578	33073	16453.1	9445198.6	24446	123	51	28,939	11,927	104	43
TOTAL MILES	1785.72	8.16	3.12	1789.2							

Annual Report 2007
WATER TABULATION NO.3

LENGTH OF WATER MAINS OF EACH SIZE AND MATERIAL, NUMBER OF VALVES OF EACH SIZE, BOTH GATE AND CHECK, ORIGINALLY INSTALLED, THE QUANTITIES REMOVED OR ABANDONED, AND THE QUANTITIES REMAINING IN THE DISTRIBUTION SYSTEM AND HYDRANTS, AS OF THE CLOSE OF 2007

WATER MAINS					
Size	Material	Existing	Linear Feet Installed	Linear Feet Removed	Linear Feet Remaining
54"	Concrete Pipe	7,535.10	0.00	0.00	7,535.10
50"	Steel Pipe	88,484.80	0.00	0.00	88,484.80
48"	Steel Pipe	36,835.10	0.00	0.00	36,835.10
48"	Concrete Pipe	4,982.90	0.00	0.00	4,982.90
48"	Cast Iron Pipe	12,759.30	0.00	0.00	12,759.30
43"	Cast Iron Pipe	11,170.10	0.00	0.00	11,170.10
42"	Concrete Pipe	9,361.90	0.00	0.00	9,361.90
42"	Cast Iron Pipe	4,349.60	0.00	0.00	4,349.60
36"	Cast Iron Pipe	4,523.30	0.00	0.00	4,523.30
36"	Steel Pipe	16,761.20	0.00	0.00	16,761.20
36"	Concrete Pipe	37,374.70	0.00	0.00	37,374.70
36"	Prestressed Concrete	675.00	0.00	0.00	675.00
30"	Cast Iron Pipe	60,840.10	0.00	0.00	60,840.10
30"	Prestressed Concrete	36,654.40	0.00	0.00	36,654.40
30"	Ductile Iron Pipe	35.00	0.00	0.00	35.00
30"	Steel Pipe	19,748.60	0.00	0.00	19,748.60
30"	Concrete Pipe	72,724.20	0.00	0.00	72,724.20
30"	P.V.C. Pipe	1,483.10	0.00	0.00	1,483.10
24"	Concrete Pipe	4,062.50	0.00	0.00	4,062.50
24"	Cast Iron Pipe	30,480.20	0.00	0.00	30,480.20
21"	P.V.C. Pipe	10,270.50	0.00	0.00	0.00
20"	P.V.C. Pipe	131.00	0.00	0.00	131.00
20"	Cast Iron Pipe	91,999.10	0.00	0.00	91,999.10
20"	Asbestos Cement	12,688.00	0.00	0.00	12,688.00
20"	Concrete Pipe	18,755.90	0.00	0.00	18,755.90
20"	Ductile Iron Pipe	13,212.10	0.00	0.00	13,212.10
20"	Prestressed Concrete	212.50	0.00	0.00	212.50
20"	Steel Casing Pipe	131.00	0.00	0.00	0.00
16"	Cast Iron Pipe	117,498.10	0.00	0.00	117,498.10
16"	Concrete Pipe	5,681.60	0.00	0.00	5,681.60
16"	Ductile Iron Pipe	3,212.30	0.00	0.00	3,212.30
16"	P.V.C. Pipe	7,098.30	0.00	0.00	7,098.30
16"	Asbestos Cement	66,344.20	0.00	0.00	66,344.20
15"	R. C. P. Pipe	1,069.30	0.00	0.00	1,069.30
12"	Cast Iron Pipe	816,662.00	0.00	1,504.00	815,158.00
12"	Ductile Iron Pipe	15,494.00	190.00	0.00	15,684.00
12"	Steel Pipe	1,272.90	0.00	0.00	1,272.90
12"	Asbestos Cement	365,405.60	0.00	1,662.50	363,743.10
12"	Ductile Iron Pipe	15,684.00	273	0.00	15957.1
12"	P.V.C. Pipe	153,552.30	3695	0.00	157,247.30
10"	Cast Iron Pipe	10,356.70	0.00	0.00	10,356.70
10"	Ductile Iron Pipe	610.00	0.00	0.00	610.00
10"	Asbestos Cement	12,763.60	0.00	0.00	12,763.60
10"	P.V.C. Pipe	3,534.00	0.00	0.00	3,534.00
8"	Plastic Pipe	320,449.30	0.00	0.00	320,449.30
8"	Cast Iron Pipe	151,563.90	0.00	6,373.00	145,190.90
8"	Asbestos Cement	723,126.40	0.00	1,671.50	721,454.90
8"	Ductile Iron Pipe	20,305.90	190	0.00	20,495.80
8"	P.V.C. Pipe	320,300.20	21512	0.00	320,300.20
6"	P.V.C. Pipe	376,387.60	621	0.00	377,008.60
6"	Cast Iron Pipe	2,794,610.70	0.00	3,413.60	2,791,197.10
6"	Asbestos Cement	1,104,255.00	0.00	2,589.00	1,101,666.00
6"	Plastic Pipe	121,385.50	0.00	0.00	121,385.50
6"	Ductile Iron Pipe	19,239.20	0.00	95.00	19,399.20
4"	Ductile Iron Pipe	712.20	0.00	0.00	712.20
2"	Cast Iron Pipe	20,592.10	0.00	0.00	20,592.10
4"	Cast Iron Pipe	1,143,917.00	0.00	386.00	1,143,531.00
2"	Galvanize Pipe	9,620.00	0.00	0.00	9,620.00
3"	Galvanize Pipe	3,361.70	0.00	0.00	3,361.70
4"	Asbestos Cement	29,455.30	0.00	0.00	29,455.30
4"	Plastic Pipe	3,237.10	0.00	0.00	3,237.10
4"	P.V.C. Pipe	8,482.30	0	144.00	8626.3
2"	P.V.C. Pipe	53,814.90	6,253.00	0.00	60067.9
1"	Steel Pipe	5,346.60	0.00	0.00	5,346.60
Linear Feet Total		9,382,566.90	32,734.00	17,838.60	9,418,167.90
Total Miles		1,777.00	6.19	3.37	1,783.74

VALVES				
Size	Existing	Installed	Removed	Remaining
48"	16	0	0	16
42"	4	0	0	4
36"	18	0	0	18
30"	65	0	0	65
24"	39	0	0	39
20"	133	0	0	133
16"	190	0	0	190
14"	3	0	0	3
12"	2,271	20	9	2,282
10"	63	2	0	65
8"	6,163	59	33	6,189
6"	13,105	0	8	13,113
4"	7,149	0	4	7,145
Total	29,219	81	54	29,262

FIRE HYDRANTS as of 2007				
	Existing	Installed	Removed	Remaining
TOTALS	22,771	52	43	22,780

Water Manholes as of 2007			
Existing	Installed	Removed	Modifications in 2007
29,576	97	46	29627

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	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	ANNUAL MONTHLY AVERAGE	EXCESS OR DEFICIT													
1	1894	2.11	13.27	15.38	4.48	19.86	4.27	24.13	2.36	26.40	4.10	30.89	8.15	38.74	7.46	46.20	1.37	47.57	0.76	48.33	1.19	49.52	1.94	51.46	4.29		
2	1895	7.65	3.76	11.41	3.63	15.04	4.28	17.52	10.38	27.90	10.48	38.38	6.97	45.30	7.32	52.67	2.16	54.83	1.32	56.15	0.88	57.03	0.88	57.03	4.80	61.83	5.15
3	1896	4.88	8.52	13.40	3.40	34.90	6.75	41.65	12.74	54.39	14.58	68.97	15.12	84.09	14.78	96.87	3.53	102.40	2.08	104.48	2.07	106.55	2.07	106.55	6.74	113.29	
4	1897	2.52	3.07	5.59	3.27	10.96	3.25	14.11	3.11	17.22	7.29	34.48	7.56	40.39	4.39	49.44	1.77	50.24	1.04	52.24	1.04	53.28	3.37	56.65	4.52	61.60	
5	1898	4.09	6.70	10.79	4.46	13.38	4.57	10.00	5.78	15.85	7.61	24.19	9.80	18.68	11.48	18.83	13.31	14.26	6.69	46.93	3.73	50.66	3.59	54.25	4.52	61.60	
6	1899	2.02	5.10	7.12	5.38	12.50	3.33	18.59	5.28	23.87	8.06	31.93	6.23	38.46	6.28	44.44	3.11	47.55	2.92	50.47	1.93	52.40	3.44	55.85	4.10	61.60	
7	1900	3.58	6.30	9.88	4.69	14.57	3.89	18.07	15.57	23.87	6.21	24.86	4.90	29.76	3.56	33.32	3.85	37.17	3.76	40.93	3.02	44.15	5.09	49.24	4.10	55.85	
8	1901	2.00	7.30	9.30	1.23	10.30	3.20	13.73	0.10	13.83	3.56	17.39	5.70	23.09	5.48	28.57	16.01	44.58	1.50	48.08	6.32	52.40	3.06	55.46	4.62	61.60	
9	1902	3.26	6.50	9.76	4.00	13.76	3.75	17.51	3.31	20.92	6.79	27.61	5.86	33.47	5.57	39.04	5.84	44.88	2.81	47.68	3.07	50.75	3.70	54.45	3.05	61.60	
10	1903	3.15	5.99	8.14	3.61	12.95	3.41	16.36	2.78	19.14	7.26	26.41	5.83	32.24	5.15	37.38	4.93	42.31	2.62	44.93	2.89	47.83	3.65	51.48	5.34	61.60	
11	1904	2.29	4.19	6.47	4.50	14.37	12.29	26.66	3.38	30.04	6.78	36.82	8.42	45.24	4.98	50.22	3.63	53.85	2.53	56.38	1.28	57.66	6.44	64.10	10.82		
12	1905	3.26	5.99	9.24	3.91	13.16	4.68	17.83	2.87	20.40	7.19	25.89	6.42	35.38	4.99	40.37	3.74	43.96	2.61	46.57	2.66	48.23	4.05	53.28	4.49	61.60	
13	1906	2.99	5.68	8.67	3.90	12.57	4.88	17.45	2.65	20.10	6.13	26.23	6.15	32.37	4.90	37.21	4.71	41.98	2.65	44.63	2.71	47.34	4.30	51.65	4.23	61.60	
14	1907	3.08	6.10	9.18	4.89	13.86	4.46	18.52	2.53	20.85	5.91	26.75	6.19	32.84	4.59	37.93	4.49	42.41	2.45	44.86	2.60	47.32	4.23	51.53	4.23	61.60	
15	1908	3.09	6.25	9.52	5.09	14.71	4.63	19.74	2.99	22.83	6.29	28.57	6.50	35.47	3.52	40.69	4.25	45.74	2.62	48.56	2.63	50.79	4.48	56.47	3.25	61.60	
16	1909	3.33	5.49	8.82	4.45	13.27	4.46	17.56	3.54	21.10	5.15	26.25	6.19	32.44	4.89	37.33	5.55	42.88	2.35	45.23	2.43	47.66	4.69	52.36	4.26	61.60	
17	1910	3.26	5.24	8.50	4.59	13.09	4.67	17.76	3.60	21.35	5.41	26.77	6.11	32.88	5.06	37.99	6.52	43.55	2.44	45.99	2.96	48.37	4.86	53.21	4.09	61.60	
18	1911	54.75	87.94	142.69	76.31	219.00	75.75	294.75	62.46	357.21	94.14	451.35	104.61	555.96	86.00	641.96	94.95	735.91	41.42	778.33	41.42	819.35	81.08	900.43	5.50	12.80	
19	1912	56.80	89.23	146.03	81.45	227.48	88.09	315.57	65.24	380.81	100.60	481.41	110.34	591.75	84.50	686.25	99.25	785.50	43.69	829.19	50.85	874.22	88.64	963.16	5.23	9.22	
20	1913	3.16	4.96	8.11	4.53	12.64	4.89	17.53	3.22	21.16	5.29	26.75	7.81	32.88	5.25	38.13	3.89	43.94	2.43	46.07	2.50	48.57	4.94	53.51	4.26	61.60	
21	1914	61.48	92.84	154.32	90.82	245.14	96.55	341.69	78.22	419.91	103.87	523.78	118.15	641.93	100.30	742.23	103.14	845.37	45.58	890.95	45.58	938.48	99.36	1,037.84	6.22	20.06	
22	1915	3.24	4.41	7.98	4.12	12.90	5.08	17.98	4.12	22.70	5.47	27.57	6.22	33.79	5.28	39.06	5.43	44.49	2.40	46.89	2.60	49.39	5.23	54.62	4.95	61.60	
23	1916	66.89	94.82	161.71	95.30	257.01	101.85	357.17	65.56	443.64	106.91	550.55	124.67	675.22	105.85	781.07	115.24	896.31	49.80	945.11	50.15	995.26	100.96	1,097.24	4.54	4.54	
24	1917	3.34	4.74	8.09	4.77	12.85	5.09	17.94	4.24	22.18	5.35	27.53	6.23	33.76	5.29	39.05	5.78	44.82	2.49	47.31	2.51	49.81	5.05	54.86	4.26	61.60	

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"

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

YEA	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	ANNUAL	EXCESS OR
R	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	DEFICIT
No.	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL	MONTHLY	AVERAGE
1914	1.06	6.00	7.06	3.93	4.93	15.92	16.51	20.27	6.88	26.95	9.21	36.16	41.03	4.87
21	total	67.95	100.92	168.77	99.23	268.00	106.78	374.78	83.37	460.15	110.87	570.82	131.35	702.17
1915	3.24	4.80	8.04	4.73	12.76	5.08	17.95	27.18	6.25	33.44	5.48	38.92	54.64	5.00
1916	7.42	4.16	11.58	13.69	13.75	17.29	22.56	6.49	29.05	7.91	36.96	9.94	46.90	6.98
22	total	75.37	104.98	180.35	101.34	291.69	106.54	388.53	88.91	477.44	115.94	593.38	137.84	731.22
1917	3.43	4.77	8.20	4.61	12.80	8.86	17.66	26.97	6.27	33.24	5.59	38.82	50.17	4.98
1918	4.23	2.01	6.24	0.67	6.91	21.70	5.27	26.97	6.27	33.24	5.59	38.82	50.17	4.98
23	total	79.60	106.99	186.59	102.01	288.60	109.50	398.10	96.80	494.90	122.87	617.77	143.14	760.91
1919	3.46	4.65	8.11	4.44	12.55	4.76	17.31	21.52	5.34	26.86	6.22	33.08	44.45	5.28
24	total	83.27	109.66	193.13	104.95	298.08	113.16	411.24	98.10	509.34	124.56	633.90	148.68	762.88
1920	3.47	4.58	8.05	4.37	12.42	4.72	17.14	20.48	5.19	26.41	6.21	32.62	43.88	5.28
25	total	87.41	111.51	198.92	106.57	305.49	123.44	428.93	100.18	529.11	127.05	696.16	151.32	807.48
1921	3.50	4.46	7.96	4.26	12.22	4.94	17.36	23.38	5.78	31.25	6.05	32.30	43.88	5.28
26	total	94.19	117.62	211.91	109.81	321.62	130.69	452.31	108.05	560.36	132.32	692.68	158.28	850.96
1922	3.62	4.52	8.15	4.22	12.37	5.03	17.40	21.55	5.09	26.64	6.09	32.73	43.88	5.28
27	total	99.53	121.35	220.88	112.66	333.54	137.00	470.54	113.29	583.83	139.83	723.65	163.75	887.41
1923	3.69	4.49	8.18	4.17	12.35	5.07	17.43	21.62	5.18	26.80	6.06	32.87	43.88	5.28
28	total	100.70	123.32	224.02	117.16	341.18	141.28	482.46	115.09	597.55	148.39	745.94	170.92	916.66
1924	3.70	4.33	8.04	4.26	12.29	4.91	17.21	21.62	5.24	26.87	6.03	32.90	43.88	5.28
29	total	105.24	126.87	232.11	125.38	357.49	145.45	502.94	121.29	624.23	152.84	777.07	175.60	952.67
1925	3.63	4.37	8.00	4.32	12.33	5.02	17.34	21.55	5.27	26.80	6.06	32.85	43.88	5.28
30	total	109.23	129.13	235.36	129.94	368.20	149.58	517.78	131.00	648.78	159.01	807.79	185.43	993.22
1926	3.59	4.20	7.95	4.33	12.27	4.99	17.26	21.63	5.30	26.93	6.11	33.57	43.88	5.28
31	total	114.82	134.37	249.19	131.95	381.14	152.25	533.39	136.89	670.28	162.57	832.95	186.94	1,019.79
1927	3.71	4.33	8.04	4.26	12.29	4.91	17.21	21.62	5.24	26.87	6.03	32.90	43.88	5.28
32	total	120.29	136.04	256.33	132.86	389.19	153.06	542.25	141.01	683.26	166.25	849.51	193.92	1,043.43
1928	3.76	4.25	8.01	4.15	12.16	4.78	16.95	21.35	5.20	26.59	6.06	32.61	43.88	5.28
33	total	125.79	138.88	264.67	147.24	411.91	158.98	570.89	152.32	723.21	169.51	892.72	198.88	1,091.60
1929	3.81	4.21	8.02	4.46	12.48	4.82	17.30	21.92	5.14	27.05	6.03	33.08	43.88	5.28
34	total	126.35	150.04	276.39	153.98	430.37	173.63	604.00	155.16	759.16	176.51	935.67	203.49	1,139.16
1930	3.72	4.41	8.13	4.53	12.66	5.11	17.76	22.33	5.19	27.52	5.99	33.50	43.88	5.28
35	total	128.03	157.27	285.30	157.20	442.50	180.30	622.80	160.57	783.37	189.89	973.26	208.87	1,182.13
1931	3.66	4.49	8.15	4.49	12.64	5.15	17.79	22.38	5.23	27.34	5.97	33.78	43.88	5.28
36	total	138.00	163.49	301.49	163.30	464.79	182.18	646.97	168.74	815.71	193.15	1,008.96	218.86	1,228.72
1932	3.63	4.54	8.37	4.54	12.91	5.06	17.97	22.66	5.37	28.02	5.11	34.13	43.88	5.28
37	total	144.54	166.32	310.86	168.37	479.23	185.10	664.33	177.44	835.77	194.66	1,030.43	227.64	1,258.07
1933	3.44	3.63	7.97	5.14	13.11	3.21	16.32	22.99	5.26	27.85	6.15	34.00	43.88	5.28
38	total	148.88	169.95	318.83	173.51	492.34	188.31	690.65	173.90	854.55	197.46	1,052.01	234.60	1,286.61
1934	3.92	4.47	8.39	4.57	12.96	5.03	17.93	22.96	5.37	28.63	5.14	34.13	43.88	5.28
39	total	153.55	172.08	325.63	175.74	501.37	194.46	695.83	186.68	884.51	200.83	1,085.34	239.10	1,324.44
1935	3.94	4.41	8.35	4.51	12.86	4.99	17.84	22.68	5.15	27.83	6.13	33.96	43.88	5.28
40	total	156.88	177.50	334.36	181.47	515.85	201.21	717.06	192.26	909.32	202.24	1,111.56	245.77	1,357.93
avg.	3.92	4.44	8.36	4.54	12.80	5.03	17.93	22.73	5.06	27.79	6.14	33.93	43.88	5.28
30 Yrs	3.92	4.44	8.36	4.54	12.80	5.03	17.93	22.73	5.06	27.79	6.14	33.93	43.88	5.28
30 Yrs	3.92	4.44	8.36	4.54	12.80	5.03	17.93	22.73	5.06	27.79	6.14	33.93	43.88	5.28

**SEWERAGE AND WATER BOARD OF NEW ORLEANS
 COST OF OPERATINGS IDENTIFICATION PROGRAM
 BENCHMARKING 2008**

ADMINISTRATIVE SERVICES DEPARTMENT

Insurance Cost per Employee:	
Workers' Compensation	\$ 1,478.00
Aut Auto Liability	\$ 231.00
General Liabilities	\$ 49.00

ENGINEERING DEPARTMENT

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

ENVIRONMENTAL DEPARTMENT

Cost of Typical Industry	\$ 379.02
Sampling Event	

FACILITY MAINTENANCE DEPARTMENT

Cost to set 5/8" water meter	\$ 68.54
------------------------------	----------

MANAGEMENT SERVICES DEPARTMENT

FINANCE:

Cost to Process a Miscellaneous Invoice	\$ 24.73
Cost to process a Vendor Invoice	\$ 9.78
Cost to process a Paycheck	\$ 4.62

PERSONNEL:

Cost to Hire an Employee	\$ 112.64
Cost to complete a Voluntary	
Employee Termination	\$ 12.69
Employee Turnover Rate	2.13%
Cost to Train an Employee:	\$ 262.44

PURCHASING:

Cost to Process a Sundry Purchase Order	\$ 29.05
---	----------

REVENUE:

Cost to Read a Meter	\$ 0.82
Cost to Render a Bill	
(Less Meter Reading)	\$ 0.73
Cost to Manage a Customer by Phone	\$ 2.46
Cost to Manage a Customer by Mail	\$ 0.90
Cost to Process a Mail-in Payment	\$ 0.41
Cost to Manage a Walk-in Customer	\$ 6.34
Cost to Process a Walk-in Payment	\$ 1.70

SUPPORT SERVICES DEPARTMENT

Average Annual Maintenance Cost	
Per Piece of Equipment	\$ 1,095.00
Average Percent of Fleet Down for 2007	20%

