

NEW YORK CITY WATER BOARD MEETING

AGENDA

Friday, September 18, 2015 - 8:30 A.M.

**Location: New York City Department of City Planning
22 Reade Street, 1st Floor, Spector Hall
New York, New York 10007**

1. Roll Call
2. Resolution: Approval of Minutes of June 12, 2015 Meeting
3. Resolution: Appointment of Members to and Designation of Chair for Governance Committee
4. Presentation: Financial Update

NEW YORK CITY WATER BOARD

September 18, 2015

RESOLUTION

WHEREAS, the New York City Water Board (the “Board”) has established a Governance Committee and adopted a Governance Committee Charter (the “Charter”); and,

WHEREAS, pursuant to Section II.a of the Charter, the Governance Committee is to be comprised of three Board members appointed by the Chair of the Board, and due to the expiration of prior Board members’ terms, there are currently three vacancies on the Governance Committee; and,

WHEREAS, pursuant to Section II.b of the Charter, the Chair of the Board may designate one member of the committee as the Chair of the Governance Committee; it is therefore

RESOLVED, that Joseph Finnerty, Jonathan Goldin, and Arlene Shaw are hereby appointed as members of the Governance Committee, and Jonathan Goldin is hereby designated as Chair of the Governance Committee.



Water Board Update

September 18, 2015

Revenue Collections - FY 2015



- FY 2016 collections are currently \$27 million or 2.1% ahead of plan
- For FY 2015, revenue collections were \$190 million or 5.3% ahead of plan and \$108 million greater than the revenue projection from March 2015

Revenue Collections vs. Plan (\$M)

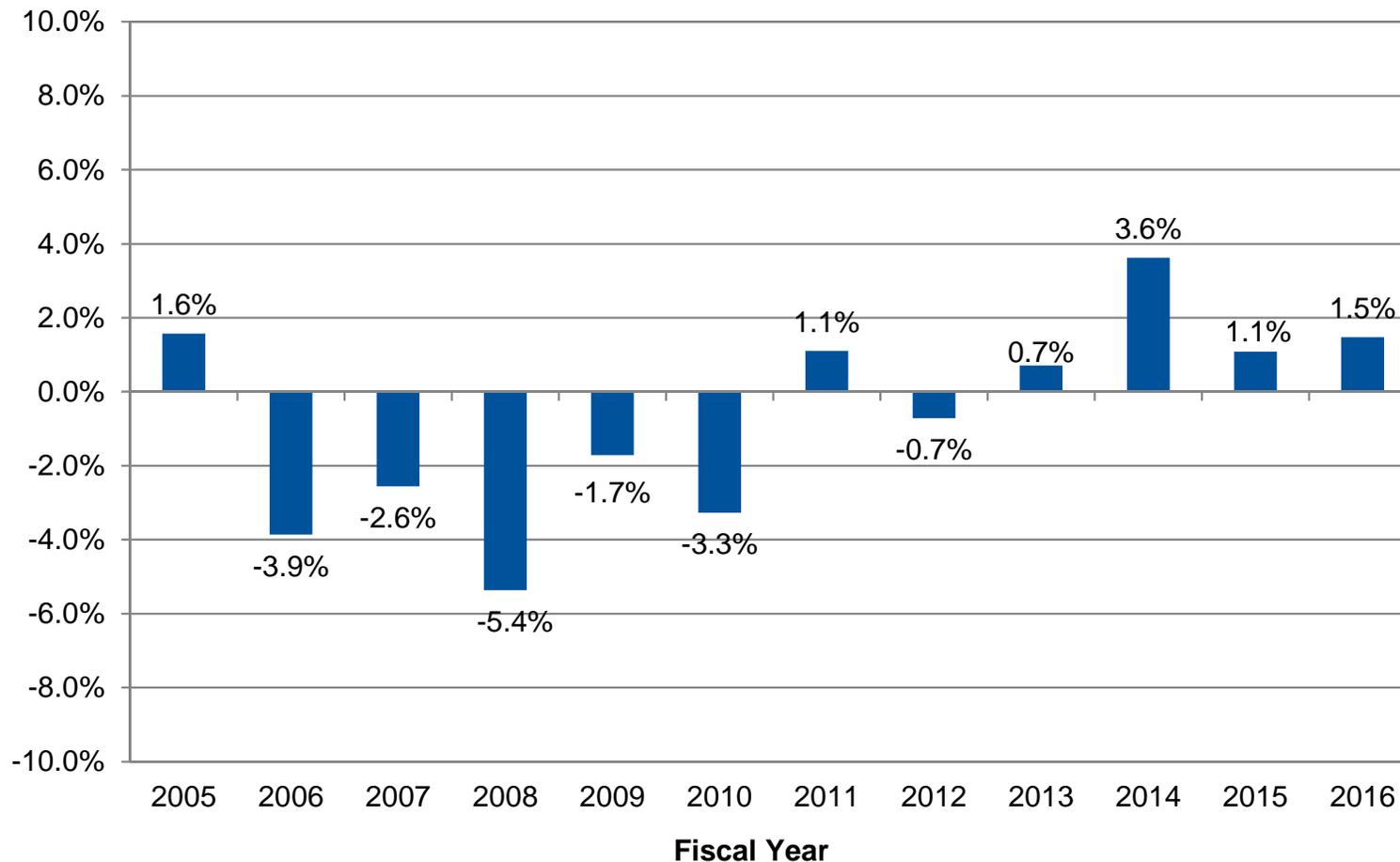
	FY 2016 Collections	Prorated FY 2016 Plan	Difference in Amount	Percentage Difference
July	\$870	\$855	\$15	1.7%
August	\$322	\$319	\$3	0.8%
September (11 collection days)	\$137	\$127	\$10	7.9%
Total	\$1,328	\$1,301	\$27	2.1%

	FY 2016 Plan through September	Amount Uncollected (YTD)	September Plan	Amount Uncollected (September)	Percentage Uncollected (September)	Per Day Collections to Make Plan
Total	\$1,417	\$88	\$242	\$105	44%	\$11

Year-to-date Revenue – Historical Comparison



- Through August, year-to-date revenues were 1.5% ahead of plan

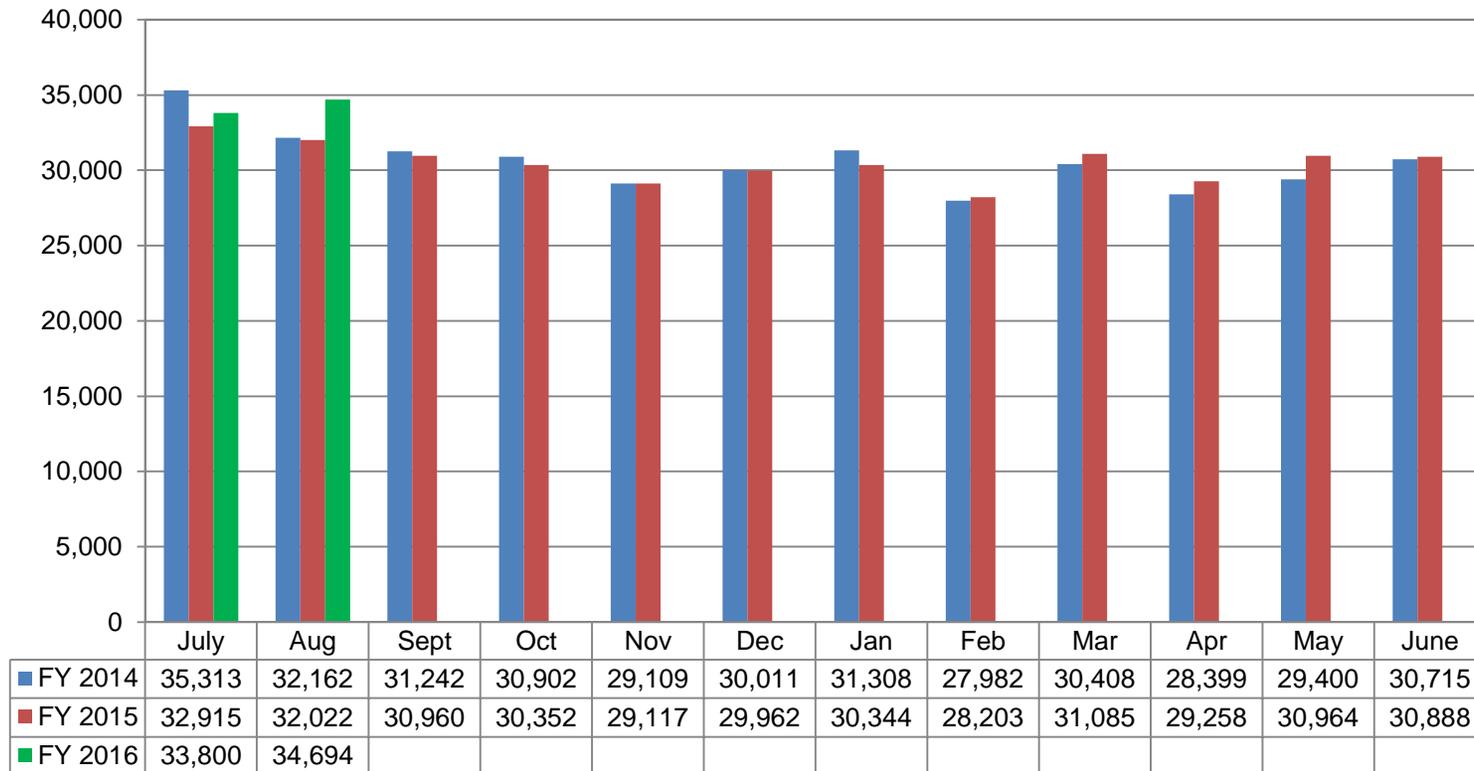


Data as of August 31 each year

In-City Distribution

- In the first two months of FY 2016, DEP distributed 5.5% more water than during the same period in FY 2015 and 1.5% more water than in FY 2014
- For FY 2016 vs. FY 2015, July distribution increased by 2.7%, and August distribution increased by 8.3%

Millions of Gallons of Water Distributed – Year-Over-Year Comparison



Change in Metered Consumption

- Water consumed by accounts billed on actual readings in both of the past two years decreased by 2.1% year-over-year for the first two months of FY 2016

“Same-Customer Sales” – Year-Over-Year Average Daily Flow Comparison (MG)*

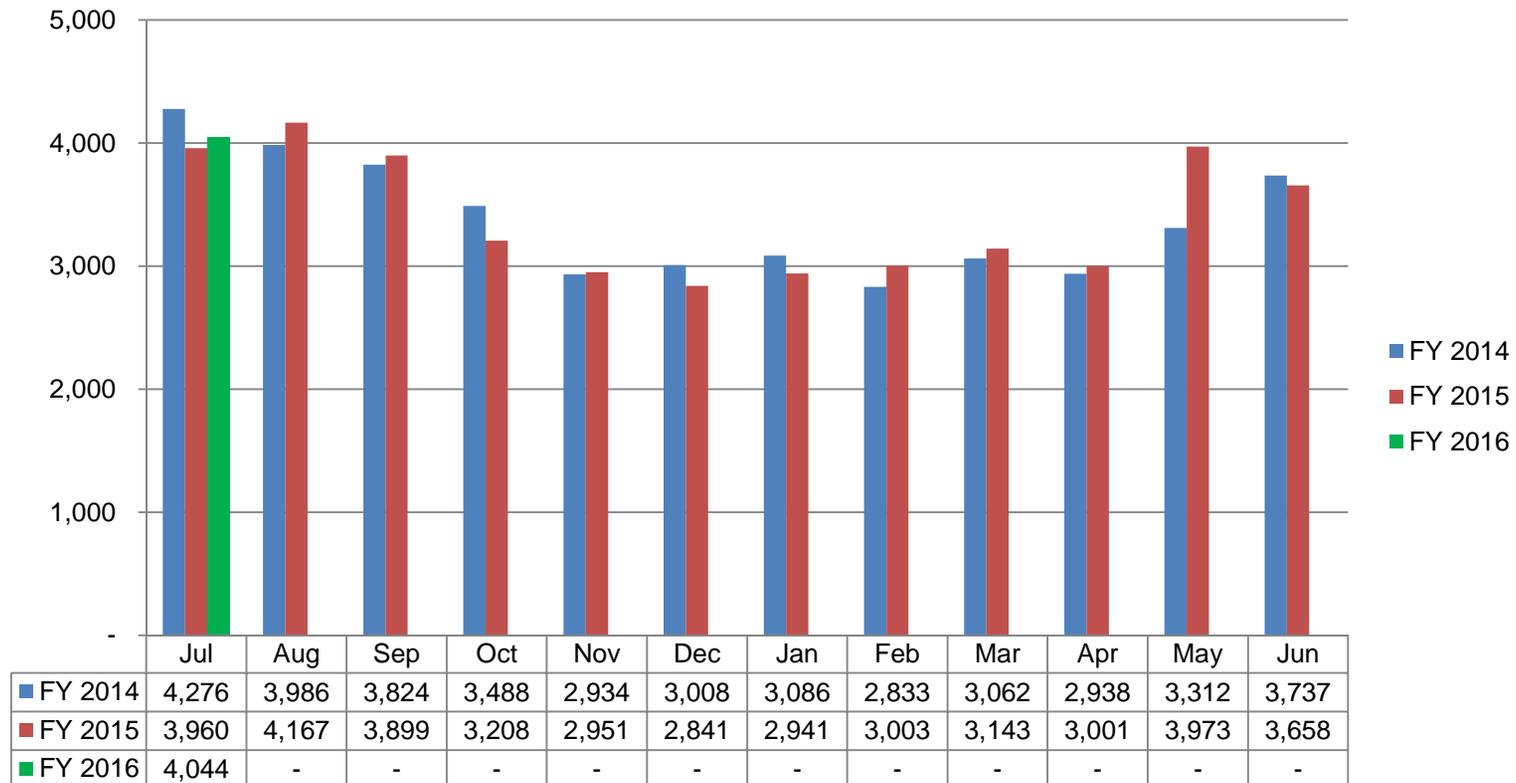
Billed Month	FY 2015	FY 2016	Year-over-Year Change	% Change	# of Accounts
July	174.3	168.4	-5.9	-3.4%	222,969
August	197.5	195.6	-1.9	-0.9%	263,235
July-August ADF	185.9	182.0	-3.9	-2.1%	243,102

* Compares average daily flow in million gallons for customers billed on actual readings in the same month of both years
Data as of September 1, 2015

Upstate Distribution

- North of the City, in the first month of FY 2016, DEP distributed 2.1% more water than FY 2015, and upstate distribution was 11% of total system demand
- In FY 2015, upstate distribution represented about 10% of total system distribution
- FY 2015 upstate billings included \$64.0 million for entitlement water (82% of total), \$14.3 million for “excess” water (18% of total), and \$0.1 million of water sold at the in-City rate

Millions of Gallons of Water Distributed – Year-to-Date Consumption

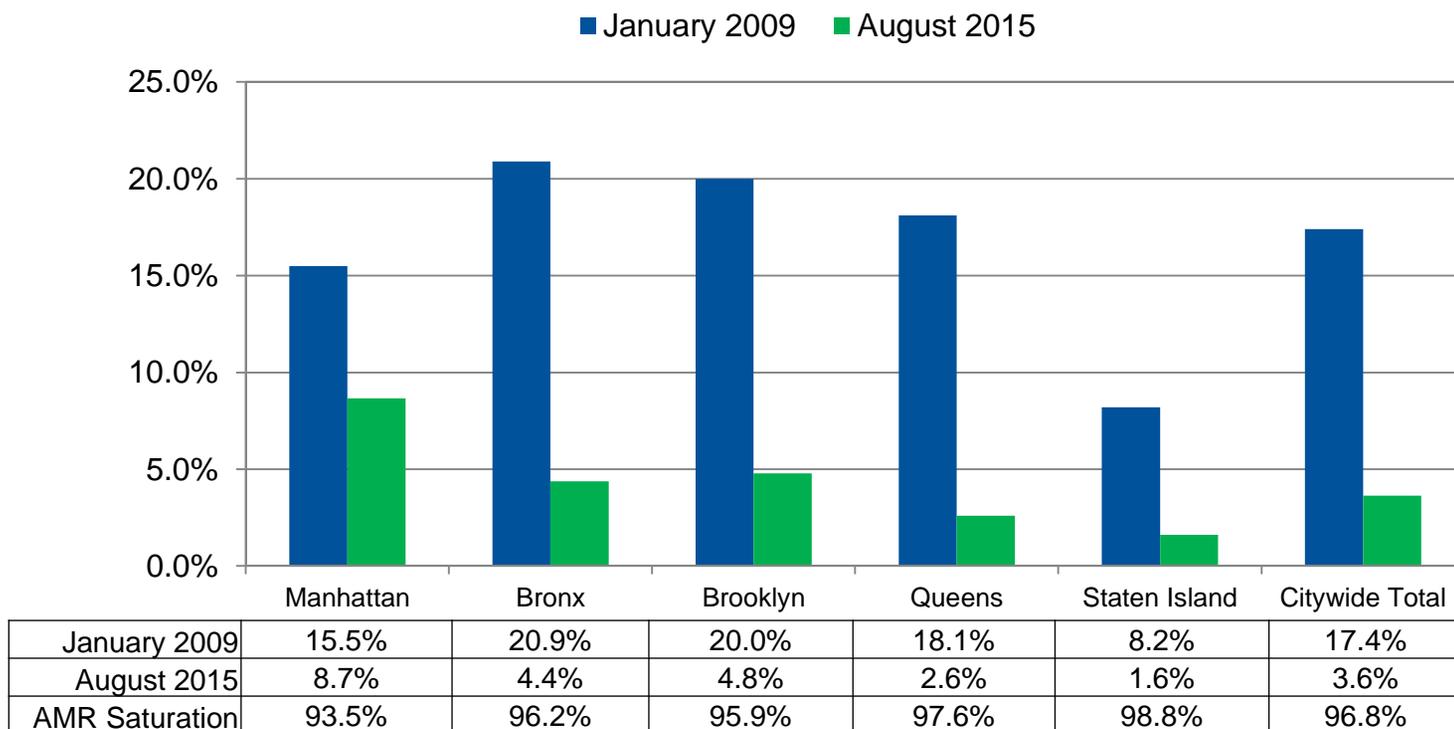


Data as of July 31, 2015. Upstate consumption is calculated and billed monthly, approximately one month later

Estimated Bills

- The percentage of estimated bills was 3.6% in August 2015, which is a 79% decrease since the implementation of automated meter reading began

Estimated Bills: January 2009 vs. August 2015



Payment Agreements



- In FY 2015, 5,222 customers entered into payment agreements
- In the first two months of FY 2016, 566 customers have signed payment agreements
 - 55% of these (or 50% of the agreement amounts) have been for the maximum term of 10 years with only a 3% down payment (or \$207k in total)
- At the end of August 2015, 34,572 payment agreements were outstanding, of which 73% were in good standing

FY 2015: July 2014-June 2015

Duration (Years)	Number of Agreements	% of Total Agreements	Agreement Amount (M)	% of Total Value	Average Down Payment
0 through 4	1,087	21%	\$7.5	12%	6%
5	683	13%	\$5.1	8%	5%
6 through 9	800	15%	\$8.4	14%	1%
10	2,652	51%	\$39.5	65%	3%
Total	5,222	100%	\$60.6	100%	3%

FY 2016 YTD: July 2015-August 2015

Duration (Years)	Number of Agreements	% of Total Agreements	Agreement Amount (M)	% of Total Value	Average Down Payment
0 through 4	118	21%	\$1.9	38%	6%
5	120	21%	\$0.6	11%	3%
6 through 9	19	3%	\$0.0	1%	5%
10	309	55%	\$2.5	50%	3%
Total	566	100%	\$5.0	100%	4%

Lien Sale



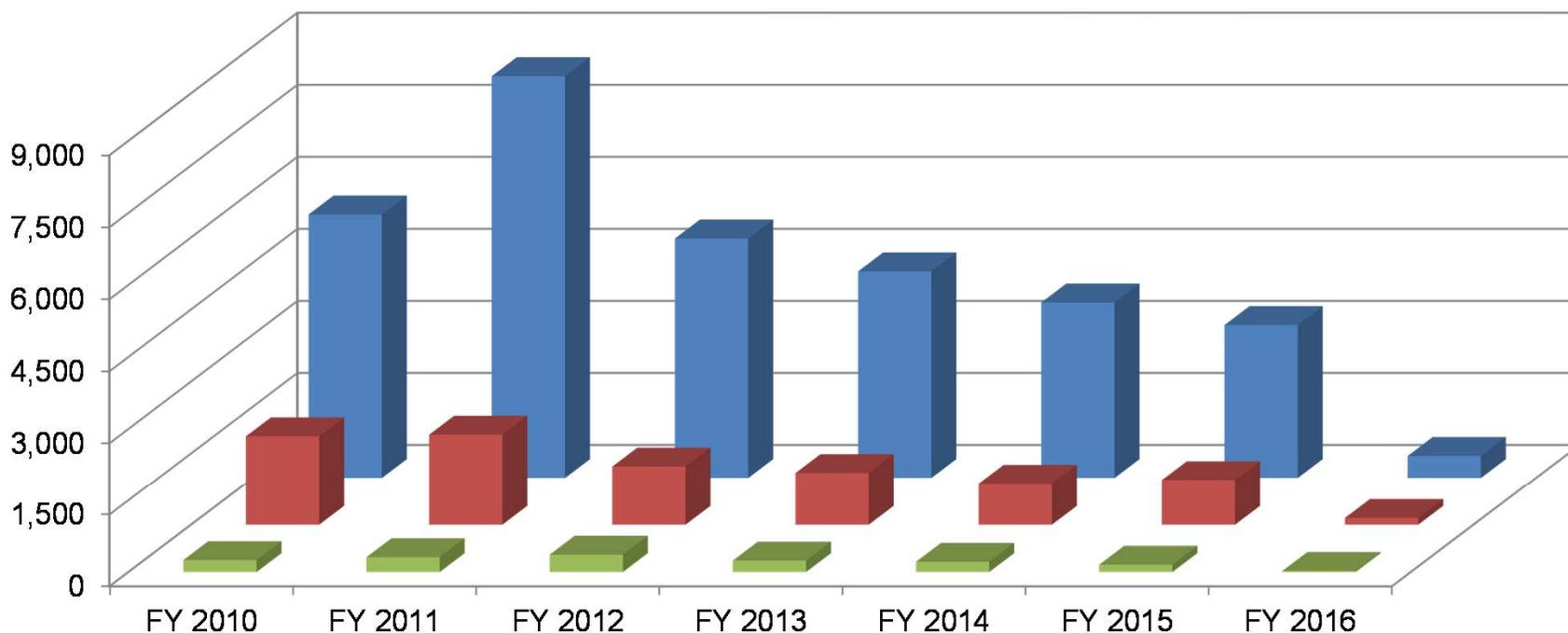
- 1,070 BBLs with \$13.8 million in overdue charges were sold in the regular FY 2015 lien sale
- The subsequent lien sale was held July 27th; 416 liens were sold with \$4.5 million in overdue charges

	FY 2014 Lien Sale		FY 2015 Lien Sale		% Change	
	BBL Count	Lien Amount	BBL Count	Lien Amount	BBL Count	Lien Amount
90-Day Notice	16,267	\$192,950,425	18,709	\$220,333,811	15%	14%
60-Day Notice	13,551	\$149,237,360	16,582	\$195,199,094	22%	31%
30-Day Notice	10,156	\$122,297,451	12,305	\$141,481,381	21%	16%
10-Day Notice	8,086	\$100,844,334	9,172	\$115,193,531	13%	14%
Regular Sale	1,453	\$14,832,824	1,070	\$13,758,948	-26%	-7%
Subsequent Sale	814	\$7,620,684	416	\$4,542,252	-49%	-40%
Total Sold	2,267	\$22,453,509	1,486	\$18,301,201		
Percentage Sold	14%	12%	8%	8%		

Billing Dispute Summary

- In FY 2015, DEP set a new eight-year low for Initial Disputes and Water Board Appeals
- In FY 2015, 12% of total Initial Disputes and Program Requests were escalated to a BCS DC Appeal, down from 19% that were escalated in FY 2013 and 17% in FY 2014

■ Water Board Appeal ■ BCS DC Appeal ■ Initial Dispute



	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Initial Dispute	5,491	8,372	4,991	4,306	3,658	3,189	462
Program Requests	N/A	N/A	N/A	1,493	1,572	4,424	831
BCS DC Appeal	1,860	1,894	1,229	1,094	869	944	143
Water Board Appeal	250	312	363	240	215	154	24

Leak Forgiveness Program



- As a result of the Board's expansion of the leak forgiveness program in FY 2015 to include maintainable plumbing fixtures, such as toilets, 2,558 adjustments were granted for \$2.6 million in FY 2015
- Projecting the cost of the revised program, we estimated that \$4.1 million of forgiveness would be granted in FY 2015
- The program has caught on, and 496 more requests for leak forgiveness were received in the first two months of FY 2016 than were received in the same period of FY 2015

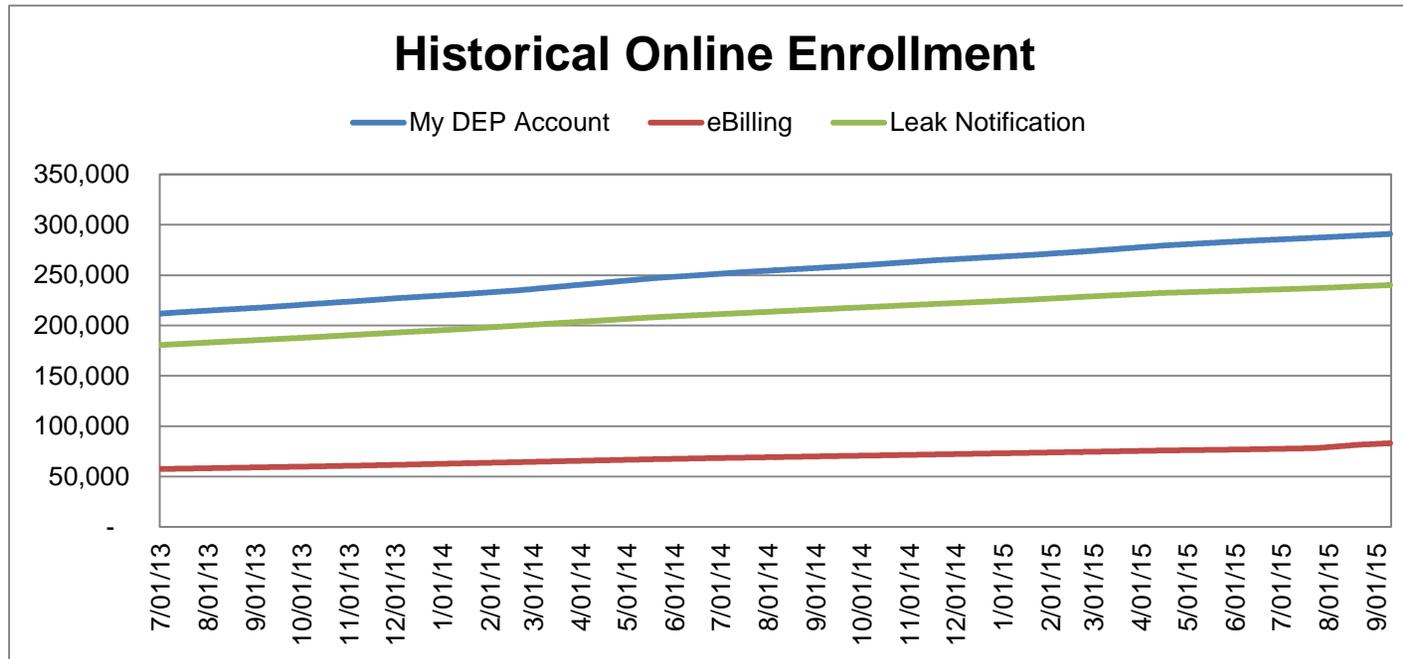
Month	FY 2015		FY 2016		% Change	
	Number of Adjustments	Value of Adjustments	Number of Adjustments	Value of Adjustments	Number of Adjustments	Value of Adjustments
July	72	\$66,443	509	\$605,894	607%	812%
August	218	205,544	277	263,797	27%	28%
September	131	162,231				
October	295	307,525				
November	299	303,789				
December	215	228,035				
January	150	140,003				
February	159	125,746				
March	163	154,280				
April	276	276,008				
May	341	408,673				
June	239	207,323				
July-Aug Total	290	\$271,988	786	\$869,691	171%	220%

DEP Online Initiatives - My DEP Account



- More than 92,000 customers have saved a total of \$79 million dollars since 2011 as the result of DEP's Leak Notification Program

DEP Online Services	My DEP Account		Leak Notification	
	Total Users	Total Accounts	eBilling Users	Users
Current Enrollees	284,541	325,193	68,848	237,922
% of Enrolled Users			24%	84%



Monthly eBilling



- To encourage customers to enroll in monthly eBills, the Water Board adopted a one-time \$10 credit for all customers after the issuance of their third consecutive monthly eBill
- As of September 10, 2015, \$39,300 has been awarded through the \$10 credit
- DEP emailed 233,000 customers on August 13, and that evening more than 1,300 customers enrolled in monthly eBilling

Total Billing				
Date	Total # of Accounts	Monthly		% Billed Monthly
		# of Accounts	% change	
6/30/2015	827,571	67,593		8.17%
7/23/2015	828,092	68,652	1.57%	8.29%
8/21/2015	828,468	75,532	10.02%	9.12%
9/10/2015	828,671	77,965	3.22%	9.41%

eBilling					Monthly eBilling as % of Total	\$10 Credit Paid
Date	Quarterly # of Accounts	Monthly # of Accounts	% change	% of Total		
6/30/2015	59,443	3,919		7.66%	0.47%	
7/23/2015	59,328	4,797	22.40%	7.74%	0.58%	\$ 37,700
8/21/2015	56,338	11,235	134.21%	8.16%	1.36%	\$ 38,520
9/10/2015	55,733	13,353	18.85%	8.34%	1.61%	\$ 39,300

Data as of September 10, 2015

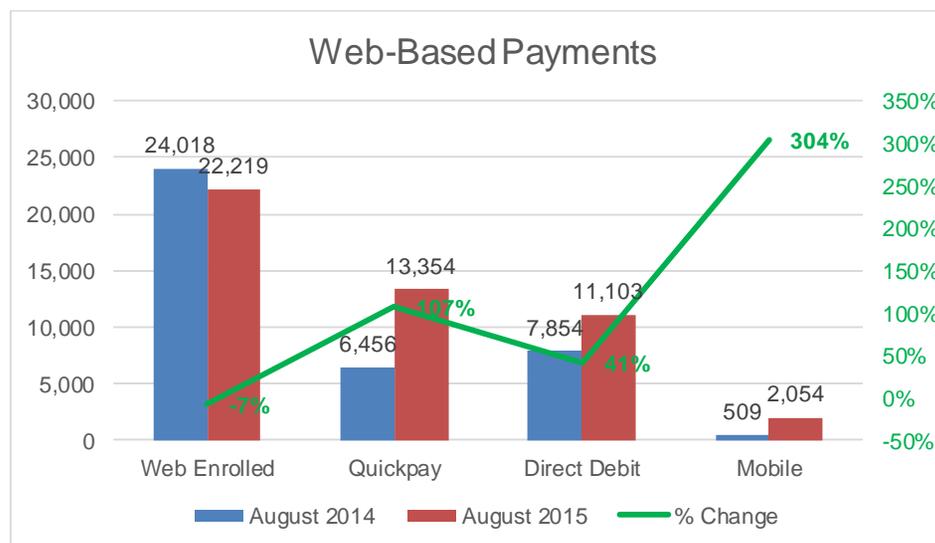
Customer Collections

- \$2.8 million (or 1%) more was collected in August 2015 than in August 2014
- Overall payment volume increased by 14,193 payments (or 6%)

	Year-over-Year			August 2015
	Change	August 2014	August 2015	% of Total
Lockbox	0%	132,956	132,893	50%
Customer Bank Payments	8%	51,057	54,901	21%
Web	25%	38,837	48,730	18%
Telephone (IVR)	8%	17,639	19,013	7%
Remittance & Borough Office	-10%	9,441	8,502	3%
NYCServ & Western Union	-2%	1,655	1,630	1%
EFT/ACH	N/A	N/A	109	0%
Total	6%	251,585	265,778	100%

Payment Method of Web and IVR Payments

ACH from Bank Account	21%	51,447	62,076	23%
Credit Card	13%	5,029	5,667	2%



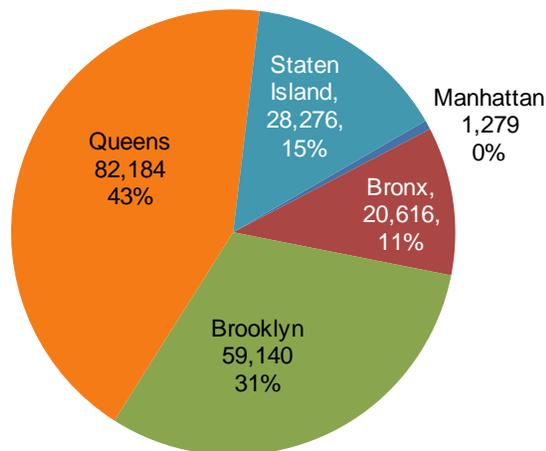
Service Line Protection Programs (SLPP)



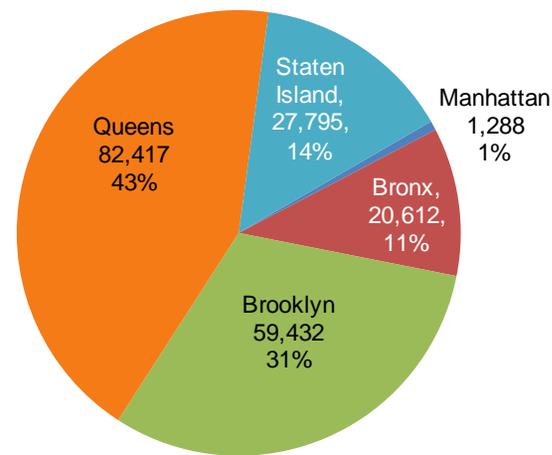
- Since it was first offered two years ago, approximately 194,500 or 29% of eligible customers have enrolled in at least one of the Service Line Protection Programs

Borough	Total Eligible Customers	Water Program		Sewer Program	
		Number Enrolled	% of Eligible Enrolled	Number Enrolled	% of Eligible Enrolled
Manhattan	18,647	1,279	7%	1,288	7%
Bronx	64,533	20,616	32%	20,612	32%
Brooklyn	214,299	59,140	28%	59,432	28%
Queens	266,781	82,184	31%	82,417	31%
Staten Island	103,595	28,276	27%	27,795	27%
Citywide Total	667,855	191,495	29%	191,544	29%
Single Program		2,963		3,012	
Both Programs		188,532		188,532	

Water SLP

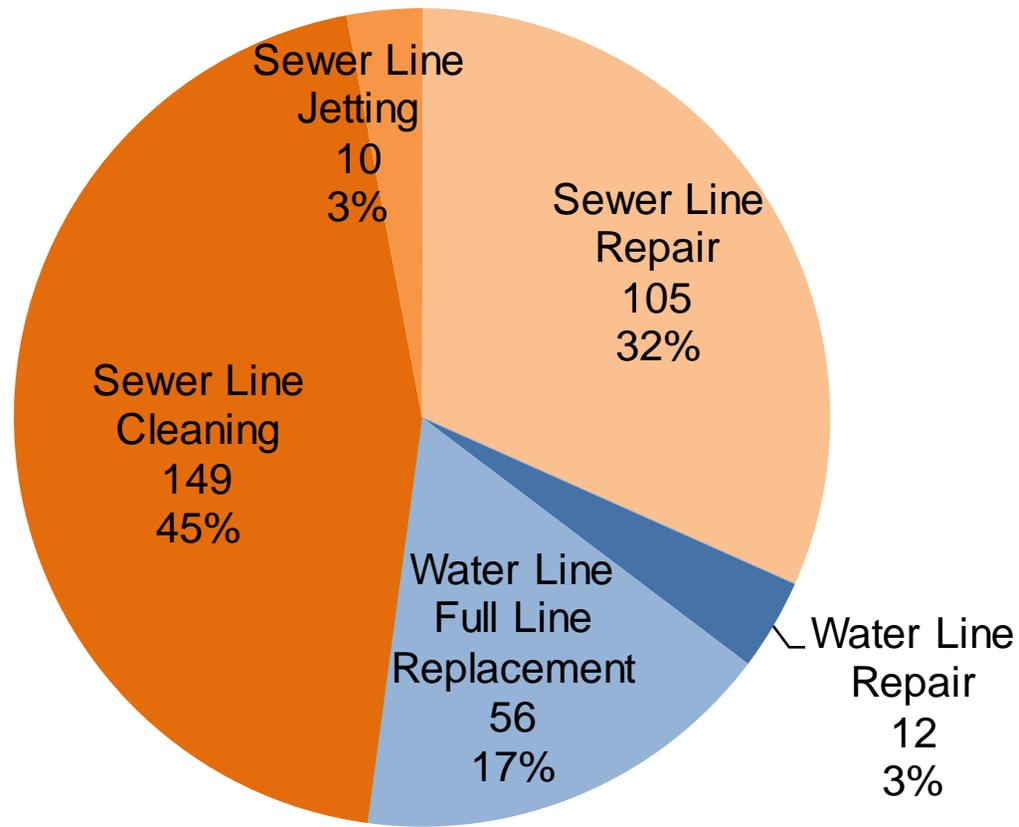


Sewer SLP



SLPP Claims Initiated

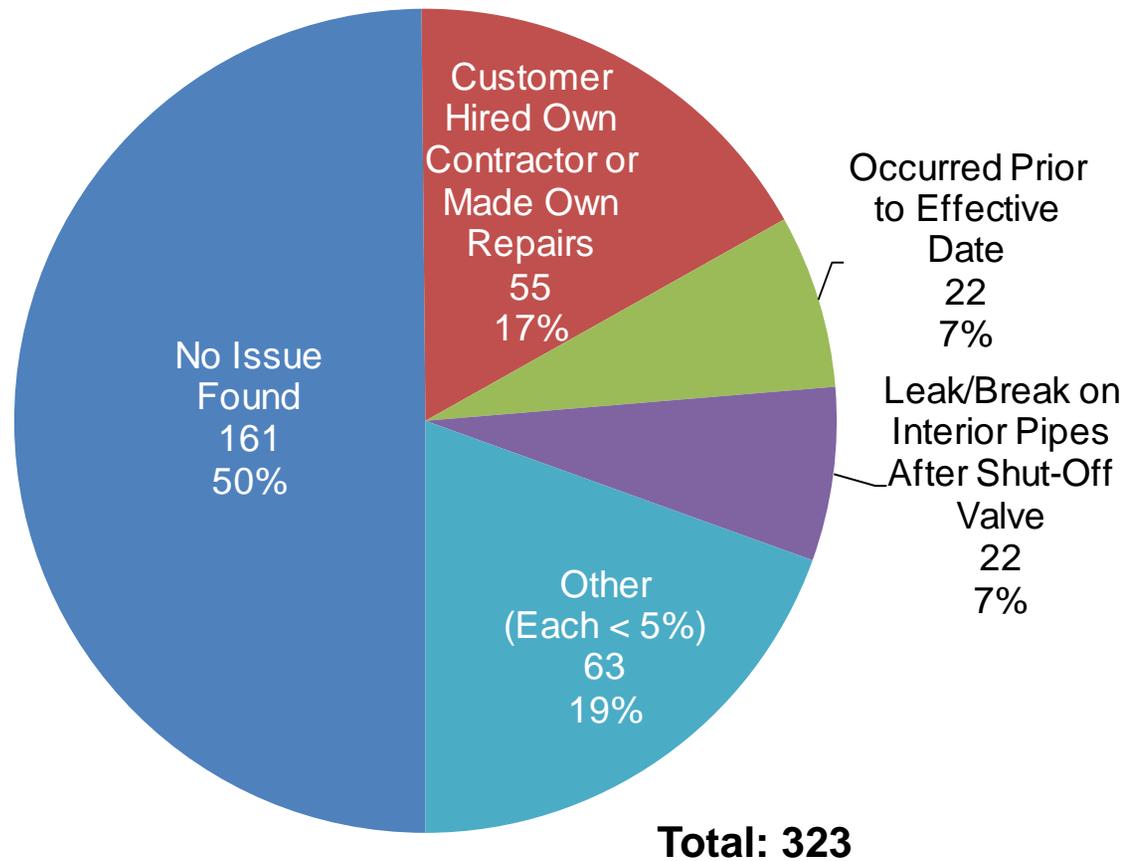
- 332 initial claims were responded to during the month of August



Total: 332

SLPP Claims Denied

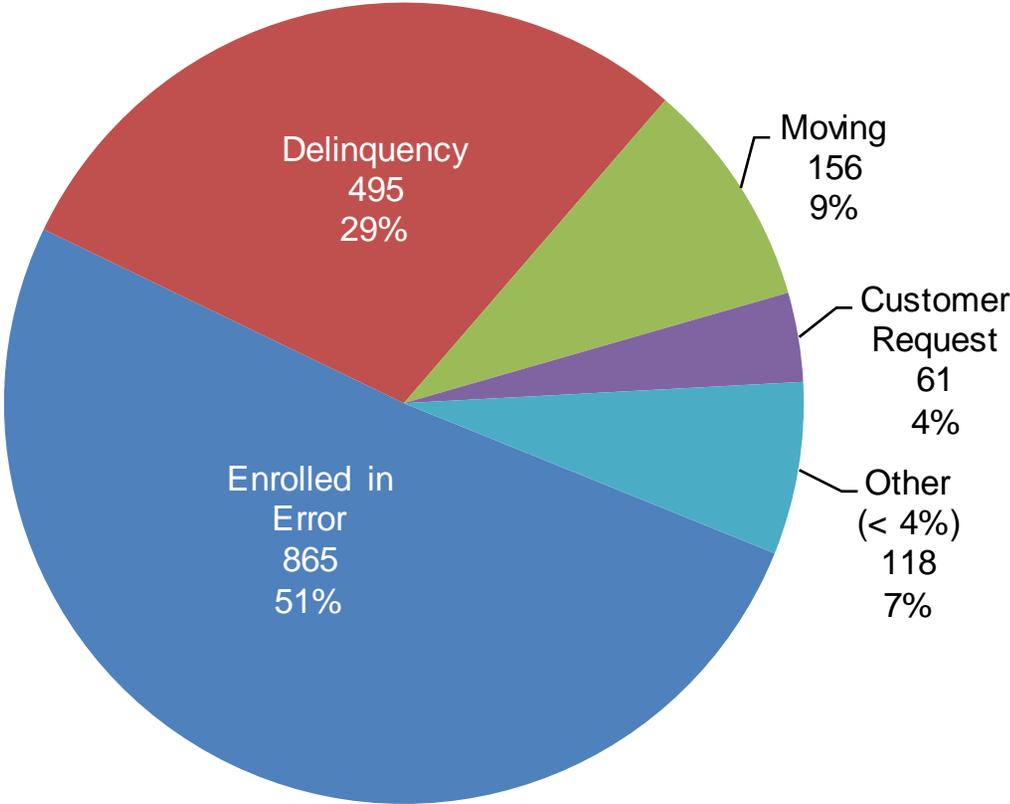
- 323 claims were denied during the month of August



SLPP Policies Cancelled



- 1,695 policies were cancelled during August; this was 0.9% of approximately 191,686 policies that were effective in August



Total: 1,695