

**NEW YORK CITY MUNICIPAL WATER  
FINANCE AUTHORITY**

A meeting of the Board of Directors (the “Board”) of the New York City Municipal Water Finance Authority (the “Authority”) was held at 75 Park Place, Room 6M4, New York, N.Y. 10007 at 2:30 p.m. on March 29, 2012.

The following Directors were present:

Mark Page;

Richard Carroll (by designation of Authority Director David M. Frankel);

Robert Elburn (by designation of Authority Director Joseph Martens);

Steven Lawitts (by designation of Authority Director Carter Strickland); and

Marc Shaw,

constituting a quorum of the Board of Directors. Mr. Page chaired the meeting, and Albert F. Moncure, Jr., served as Secretary of the meeting.

**Approval of Minutes of the Meeting of March 2, 2012.**

The first item on the agenda was approval of the minutes of the meeting of March 2, 2012. There being no discussion, upon motion duly made and seconded, the following resolution was unanimously adopted:

**WHEREAS**, the Board of Directors has reviewed the minutes of its meeting held March 2, 2012; it is therefore

**RESOLVED**, that the **minutes** of the meeting of March 2, 2012, be, and they hereby are, approved.

## **Approval of Amended KPMG Contract**

The next item on the agenda was the amendment of a joint New York City/Water Authority funded contract with KPMG LLP (“KPMG”) to assist in the valuation of construction in process for the Water and Sewer System. The amendment would increase the aggregate compensation to KPMG by \$20,000. The City and the Authority would each pay an additional \$10,000. Mr. Page explained that the increased fees would compensate KPMG for additional services. There being no discussion, upon motion duly made and seconded, the following resolution was unanimously adopted:

**WHEREAS**, the City of New York’s Office of Management and Budget (“The City”), had previously entered into a contract with KPMG LLP (“KPMG”) for as-needed consulting services, and, under that contract, had signed an engagement letter for the first phase of a project in which KPMG assisted in assessing and improving the reconciliation and tracking process for Construction in Process of the Water and Sewer System; and

**WHEREAS**, the Authority previously authorized reimbursement to the City for 50% of the cost of services associated with that **project** under the KPMG contract, in an amount not to exceed \$50,000; and

**WHEREAS**, due to an increase in the scope of work requested of KPMG, the total fees have increased by \$20,000; and

**WHEREAS**, the Authority Staff **have** determined that the increase in total fees is reasonable and acceptable; it is therefore

**RESOLVED**, that the Authority will **reimburse** the City for 50% of the cost of services associated with additional fees described herein under the KPMG contract, in an amount not to exceed \$10,000.

## **Approval of Budget Information**

The next item on the agenda was the approval of the Authority’s annual budget information as required by the Public Authorities Accountability Act. Executive Director,

Thomas Paolicelli, briefly described the budget information. Responding to a question from Mr. Elburn, Mr. Paolicelli explained that the Fiscal Year 2013 Budget reflects higher fees for liquidity facility providers. There being no further discussion, upon motion duly made and seconded, the following resolution was unanimously adopted:

**WHEREAS**, the New York City Municipal Water Finance Authority (the “Authority”), pursuant to Section 2801(1) of the Public Authorities Law (the “PAL”), is required to submit to the Governor, the Chair and Ranking Minority Member of the Senate Finance Committee, the Chair and Ranking Minority Member of the Assembly Ways and Means Committee and the Authorities Budget Office, within ninety days before the commencement of its fiscal year, budget information on operations and capital construction setting forth the estimated receipts and expenditures for the next fiscal year and the current fiscal year, and the actual receipts and expenditures for the last completed fiscal year; and

**WHEREAS**, the Authority is also required, pursuant to the PAL, Section 2800(1)(a)(14) to submit to the Governor, the Chair and Ranking Minority Member of the Senate Finance Committee, the Chair and Ranking Minority Member of the Assembly Ways and Means Committee, the State Comptroller, and the Authorities Budget Office, within ninety days after the end of its fiscal year, together with other reports, at a minimum a four-year financial plan, including (i) a current and projected capital budget, and (ii) an operating budget report, including an actual versus estimated budget, with an analysis and measurement of financial and operating performance;

**WHEREAS**, the Board has reviewed the budget information and financial plan attached hereto<sup>1</sup> and found it to be satisfactory; it is therefore

**RESOLVED**, that the Board approves the budget information and financial plan as attached hereto.

### **Approval of Mission Statement and Measurement Report**

The next item on the agenda was the annual approval of the Authority’s Mission Statement and Measurement Report, as required by the Public Authorities Accountability Act.

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<sup>1</sup> Filed with minutes of the meeting.

Mr. Page explained that the Mission Statement and Measurement Report are unchanged from last year.

There being no discussion, upon motion duly made and seconded, the following resolution was unanimously adopted:

**WHEREAS**, pursuant to Section 2800 of the Public Authorities Law (the “PAL”), the Board of Directors (the “Board”) of the New York City Municipal Water Finance Authority (the “Authority”) previously adopted a mission statement and a list of measurements by which performance of the Authority and the achievement of its goals may be evaluated on October 1, 2007 and amended it on March 29, 2010; and

**WHEREAS**, the Authority is required to annually review and approve its Mission Statement; and

**WHEREAS**, the Authority is also required to issue an annual Measurement Report based on its mission statement and list of measurements; and

**WHEREAS**, the Board has reviewed its mission statement, as attached, and finds it to be reasonable; and

**WHEREAS**, the Board has reviewed the attached Measurement Report and finds it to be reasonable; it is hereby

**RESOLVED**, that the Mission Statement and Measurement Report as attached hereto<sup>2</sup> are hereby approved and adopted.

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<sup>2</sup> Filed with minutes of the meeting.

## **Adjournment**

There being no further business to come before the Board, upon motion duly made and seconded, the meeting was duly adjourned.

  
Assistant Secretary