

**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 255 Greenwich Street, Room 6M4, New York, New York 10007 at 10:30 a.m. on October 10, 2013.

The following Directors were present:

Alan Anders (by designation of Authority Director Mark Page);

Richard Carroll (by designation of Authority Director Beth Goldman);

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

Steve Lawitts (by designation of Authority Director Carter Strickland);

Marc Shaw; and

Max Von Hollweg,

constituting a quorum of the Board of Directors. Mr. Anders chaired the meeting, and Deborah Cohen served as secretary of the meeting.

Approval of Minutes of the Meeting of September 30, 2013

The first item on the agenda was approval of the minutes of the meeting of September 30, 2013. 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 on September 30, 2013; it is therefore

RESOLVED, that the minutes of the meeting of September 30, 2013 be, and they hereby are, approved.

Acceptance of the independent auditors’ report on the audited financial statements for the fiscal years ended June 30, 2013 and June 30, 2012 and authorization to release such financial statements

The next item on the agenda was the acceptance of the independent auditors' report on the audited financial statements of the System for Fiscal Years 2013 and 2012 and the authorization to release such audited financial statements.

Mr. Anders explained that the Joint Audit Committee of the New York City Water Board (the "Water Board") and the Authority had reviewed the auditors' report and audited financial statements, met with the System's auditors, and recommended to the Water Board and the Authority's Directors that the auditors' report and financial statements be accepted by the Water Board and by the Authority. There being no discussion, upon motion duly made and seconded, the following resolution was unanimously adopted:

WHEREAS, the Joint Audit Committee of the New York City Municipal Water Finance Authority (the "Authority") and the New York City Water Board (the "Water Board") has met with the independent auditors of the water and sewer system of the City of New York (the "System") and has reviewed the independent auditors' report on the audited financial statements of the System for the fiscal years ended June 30, 2013 and June 30, 2012 and such financial statements; and

WHEREAS, the Joint Audit Committee believes the independent auditors' report and the financial statements are reasonable and appropriate and has recommended that the Board of Directors of the Authority and the Water Board accept the independent auditors' report and authorize the release of the financial statements; it is therefore

RESOLVED, that the Board of Directors of the Authority hereby accepts the independent auditors' report on the audited financial statements of the System for the fiscal years ended June 30, 2013 and June 30, 2012 and authorizes the release of such audited financial statements upon approval of the Water Board; provided that both the independent auditors' report and the audited financial statements may be amended to reflect non-material changes acceptable to the Comptroller of the Authority.

Approval of Investment Guidelines

The next item on the agenda was the annual approval of the Authority's Investment Guidelines as required by the Public Authorities Law. Mr. Anders explained that there was a minor amendment proposed to the Investment Guidelines, to change the word "accountant" to "auditor."

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

WHEREAS, the New York City Municipal Water Finance Authority (the "Authority"), adopted Investment Guidelines on April 10, 1986 to establish policies for the investment of its funds and subsequently amended the Investment Guidelines on August 10, 1993, February 18, 1998, April 17, 1998 and March 20, 2009; and

WHEREAS, the Authority is required annually to review its Investment Guidelines; and

WHEREAS, the Board of Directors has reviewed the attached Amended Investment Guidelines and has deemed them to be reasonable and appropriate; it is therefore

RESOLVED, that the Amended Investment Guidelines, a copy of which will be filed with the Minutes of the Meeting, are hereby approved.

Approval of Investment Report

The next item on the agenda was the annual approval of the Investment Report. Mr. Anders explained that the Investment Report is required to be prepared and approved annually pursuant to the Public Authorities Accountability Act. There being no 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 the Authority's Investment

Guidelines, is required to annually prepare and approve an Investment Report; and

WHEREAS, the Board has reviewed the attached Investment Report¹ and has deemed it to be reasonable and appropriate, it is therefore

RESOLVED, that the Investment Report is hereby approved.

Appointment of Secretary and Assistant Secretary

Mr. Anders noted the next item on the agenda was the appointment of the Authority's Secretary and an Assistant Secretary. Mr. Anders explained that the Authority's former Secretary, Marjorie Henning, had resigned and that the resolution before the Board would appoint Scott Ulrey, who previously served as the Authority's Assistant Secretary, as Secretary. He noted that the resolution would also appoint Albert Rodriguez as an Assistant Secretary to the Authority. There being no discussion, upon motion duly made and seconded, the following resolution was unanimously adopted:

WHEREAS, the Board is duly authorized pursuant to Section 1045-d(7) of the New York City Municipal Water Finance Authority Act to appoint such officers as it may require for the performance of its duties; and

WHEREAS, Marjorie Henning, who served as Secretary to the Authority, has resigned; and

WHEREAS, Staff of the Authority believe Scott Ulrey, who was appointed Assistant Secretary to the Authority in 1998 and serves as General Counsel to the New York City Office of Management and Budget, is highly qualified to assume the duties of Secretary; and

WHEREAS, Staff of the Authority believe Al Rodriguez, who serves as Chief of the New York City Law Departments Municipal Finance Division, to be highly qualified to assume the duties of Assistant Secretary; it is therefore

¹ Filed with Minutes of the meeting.

RESOLVED, that Scott Ulrey is hereby appointed Secretary to the Authority; and it is therefore

FURTHER RESOLVED, that Al Rodriguez is hereby appointed Assistant Secretary to the Authority.

Report of the Governance Committee Chair

Finally, Max Von Hollweg, Governance Committee Chair, reported on the Governance Committee's annual self-evaluation. Mr. Von Hollweg reported that the Governance Committee finds that the Committee's functioning has been satisfactory

Adjournment

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



ASSISTANT SECRETARY