

NYW

NEW YORK CITY MUNICIPAL WATER FINANCE AUTHORITY

Measurement Report May 2013

Measurements:

- Has the Authority issued sufficient debt to support the capital needs of the System and has the Authority reimbursed the City for capital costs incurred related to the System?

Yes. To date, in fiscal year 2013 the Authority has issued \$2.0 billion of bonds, including \$1.1 billion of new money bonds. Additionally, the Authority issued a \$217 million bond anticipation note to the New York State Environmental Facilities Corporation. The Authority has reimbursed \$1.6 billion to the City for capital costs related to the System.

- Has the Authority paid debt service and fulfilled its other obligations related to its outstanding debt in a timely manner?

Yes. The Authority is current in the payment and fulfillment of all of its obligations.

- Has the Authority issued debt at fair and reasonable rates relative to market conditions at the time of issuance?

Yes. The rates on the Authority's debt issuance were reasonable relative to market conditions at the time of issuance and relative to municipal market interest rate benchmarks.

Additional questions:

1. Have the board members acknowledged that they have read and understood the mission of the public authority?

Yes.

2. Who has the power to appoint the management of the public authority?

The Board of Directors of the Authority appoints the Officers of the Authority.

3. If the Board appoints management, do you have a policy you follow when appointing the management of the public authority?

It is the practice of the Authority that management presents proposed appointments to the Board of Directors for review and approval.

4. Briefly describe the role of the Board and the role of management in the implementation of the mission.

Management handles the day-to-day operation of the Authority and presents recommendations with respect to the issuance of debt, the setting of management policies, procurements of services, financial statements and the adoption of the Authority's budget to the Board of Directors. The Board of Directors reviews and approves these items.

5. Has the Board acknowledged that they have read and understood the responses to each of these questions?

Yes.