

**NEW YORK CITY MUNICIPAL WATER  
BOARD OF DIRECTORS  
October 11, 2023**

A meeting of the Board of Directors (the “Board”) of the New York City Municipal Water Finance Authority (the “Authority”) was held at 11:05 a.m. in Conference Room 6-M4, 255 Greenwich Street, New York, NY 10007, on October 11, 2023. The following Board members were present in person:

David Womack (by designation of Authority Director Jacques Jiha);

Joseph Murin (by designation of Authority Director Rohit Aggarwala);

Selvin Southwell (by designation of Authority Director Basil Seggos);

Max Von Hollweg; and

Marc Shaw;

constituting a quorum of the Board of Directors. Mr. Womack chaired the meeting, and Deborah Cohen served as Secretary of the meeting. Members of the public attended in person and via conference call.

**Approval of Minutes of Previous Meeting**

The next item on the agenda was approval of the minutes of the previous meeting of the Board. There being no discussion the following resolution was unanimously adopted by vote:

**WHEREAS**, the Board of Directors has reviewed the minutes of its meeting held on September 22, 2023; it is therefore

**RESOLVED**, that the minutes of the meeting of September 22, 2023 be and they hereby are, approved.

**Acceptance of Independent Auditors Report and Financial Statements**

The next item on the agenda was a resolution to accept the independent auditors report on the Water & Sewer System’s audited financial statements for the fiscal years ended June 30, 2023 and June 30, 2022 and authorization to release such financial statements. Mr. Womack

noted that the proposed resolution would allow non-material changes, acceptable to the Comptroller of the Authority, to be made. He also noted that the Joint Audit Committee of the Authority and the Water Board recommended the Board of Directors approve this resolution.

Then, upon motion duly made and seconded, the following resolution was 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, 2023 and June 30, 2022 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, 2023 and June 30, 2022 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**

Mr. Womack introduced the next item on the agenda, which was the approval of the Authority’s Investment Guidelines (the “Investment Guidelines”)<sup>1</sup>. He noted that a review of the Investment Guidelines was required annually by the Public Authorities Law, and that no changes were proposed at this time. Upon motion duly made and seconded, the following resolution was adopted:

**WHEREAS**, the New York City Municipal Water Finance Authority (the “Authority”), adopted Investment Guidelines on April 10, 1986 to establish policies

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

for the investment of its funds and subsequently amended the Investment Guidelines; and

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

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

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

**Approval of Investment Report**

Mr. Womack noted the next item on the agenda was the approval of the Authority's Investment Report<sup>2</sup>, which includes the Investment Guidelines, the independent auditors audit of the Authority's investments, and an investment income record of the Authority, including a list of fees commissions and other charges paid for investment services. Discussion ensued. Then, upon motion duly made and seconded, the following resolution was approved:

**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 Report and has deemed it to be reasonable and appropriate, it is therefore

**RESOLVED**, that the Investment Report is hereby approved.

**Approval of Mission Statement and Performance Measures and Authorization to Publish Measurement Report**

The next item on the agenda was the approval of the Authority's Mission Statement and Performance Measures, and a resolution which would authorize publishing the Authority's completed Measurement Report. Mr. Womack explained that, pursuant to the Public Authorities Law, the Authority previously adopted a mission statement and measurements by which it could

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

assess how well it is carrying out that mission. He noted that no changes are proposed to that document, and that the Authority's measurement report<sup>3</sup> had been completed, as required by the Public Authorities Law. There being no discussion, upon a motion duly made and seconded, the following resolution was approved:

**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 on October 1, 2007 and amended it on March 29, 2010 to add a list of measures by which performance of the Authority and the achievement of its goals may be evaluated; and

**WHEREAS**, the Authority is required to annually review and approve its Mission Statement and Performance Measures ("Mission Statement"); and

**WHEREAS**, the Authority is also required to issue an annual Measurement Report based on the Performance Measures; and

**WHEREAS**, the Board has reviewed its Mission Statement, and the completed Measurement Report, and finds them to be reasonable; it is hereby

**RESOLVED**, that Board accepts the Mission Statement and authorizes the completed Measurement Report to be published.

#### **Approval of Amended Accounting Software Agreement**

Mr. Womack introduced the next item on the agenda, which was a resolution which would authorize the Authority to amend an existing agreement with RSM US LLP, which currently provides the Authority accounting software support and implementation services pursuant to the agreement. Mr. Womack noted that the Board previously approved the agreement, and the Authority now seeks to amend the agreement to allow for additional licenses, required to meet New York City's cybersecurity standards. He noted such licenses are expected to cost approximately \$72 per license per year for the initial year of the amended agreement and may increase in cost in subsequent years of the amended agreement. He further noted that the

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<sup>3</sup> Filed with the meeting minutes.

Authority currently expects the need to purchase at least seven of such licenses. Discussion ensued. Then, upon motion duly made and seconded, the following resolution was approved:

**WHEREAS**, the New York City Municipal Water Finance Authority (the “Authority”) is authorized, pursuant to Section 1045-d(7) of the New York City Municipal Water Finance Authority Act, to retain or employ private consultants for rendering professional or technical services and advice; and

**WHEREAS**, the Board of Directors (the “Board”) previously approved the Authority entering into an agreement with RSM US LLP (“RSM”) to provide services related to the migration of the Authority’s accounting software to Microsoft Dynamics 365 Business Central, including the procurement of Microsoft Business Central Essential licenses for a fee of \$336 annually for each license; and

**WHEREAS**, Authority staff have now determined that, to meet the security level required by the Authority, the Authority needs to additionally purchase Microsoft Entra ID P1 licenses, of which the Authority expects to need to purchase at least seven (7) and which are currently \$72 per year per license; it is therefore

**RESOLVED**, that the Board of Directors hereby approves an amended agreement with RSM to allow for the fees related to the purchase of Microsoft Entra ID P1 licenses, with all other fees and terms as previously approved, and further provided said agreement shall contain such other terms and conditions not inconsistent with the foregoing which the Executive Director or such other officer of the Authority shall deem necessary.

### **Report of Governance Committee Chair**

Mr. Womack introduced the final item on the Board’s agenda, which was a presentation by the Governance Committee Chair, Max Von Hollweg. Mr. Von Hollweg noted that the Governance Committee had met earlier that day, and conducted a self-evaluation, where they concluded that they were acting in a satisfactory manner consistent with their charter. He explained that a report of the Committee’s actions in the previous fiscal year had been provided to the Board.

**Adjournment**

There being no further business to come before the Board, upon a unanimous vote by roll call of the members present, the Board of Directors meeting was adjourned.

A handwritten signature in blue ink, consisting of a large, stylized initial 'D' followed by a cursive name.

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ASSISTANT SECRETARY