

## **New York City Water Board**

### Activities, Operations, and Accomplishments – Fiscal Year 2022

The New York City Water Board (the “Board”) is responsible for setting water and sewer rates at a level sufficient to fund the capital, operating, and financing needs of the New York City water and sewer system (the “System”). The Board is obligated by an Agreement of Lease with the City of New York (the “City”) and a Financing Agreement among the Board, the City, and the New York City Municipal Water Finance Authority (the “Authority”) to establish rates and charges in each year at a level that will provide the required revenue. The Board collects all System revenue and disburses it as follows: 1) to fund debt service on bonds issued to finance capital improvements to the System, 2) to reimburse the City for operating and maintenance costs, 3) to pay a rental fee to the City for the lease of the System (as requested), and 4) to fund required reserves and any other required payments. Daily operations of the Board are carried out by officers and staff of the New York City Department of Environmental Protection (“DEP”) utilizing the office space of DEP.

The Board monitors billings and collections throughout the year, and Board members receive between four and six financial updates annually. In addition, the Board periodically enters into contracts to support its revenue and collection activities. Presented below are highlights of the Board’s activities, operations and accomplishments for the period of July 1, 2021 through June 30, 2022:

On October 14, 2021, the Board:

- Accepted the independent auditor’s report on the audited financial statements for the fiscal years ended June 30, 2021 and June 30, 2020 and authorized the release of the financial statements.
- Reviewed the annual fiscal year 2021 investment report and approved the ongoing adoption of the existing investment guidelines.
- Received agency update presentations from the Department of Environmental Protection addressing the agency’s recovery activities following Tropical Storm Ida and the implementation and rollout of the UMAX billing software as the agency’s active customer billing platform.
- Voted to authorize the transfer of a lot no longer used for water and sewer purposes located on Hart Island, Bronx to the City’s Parks Department, to support public access and parkland development at the site.

On December 16, 2021, the Board convened a meeting of its governance committee:

- The committee reviewed the role and scope of responsibilities of the committee.

- The committee reviewed and provided comments on the self-evaluation forms completed by the Board's membership.
- Held a discussion concerning the roles and responsibilities of the Board's contracting officer.

The Board also held a regular meeting on December 16, 2021, following the meeting of the governance committee, at which the Board:

- Received a year-end update from the DEP senior leadership team.
- Received a report from the Board's governance committee.
- Appointed the Board's secretary, Law Department attorney Albert Rodriguez, as the Board's ethics officer.
- Received a financial update report from the Board's staff.
- Received an update presentation from the Department of Environmental Protection on the work performed under the sustainable rate structure study the Department is leading.
- Received a briefing and financial update on customer benefits available under the Federal Low Income Home Water Assistance Program being administered by New York State OTDA.

On April 29, 2022, the Board:

- Received DEP's proposed approach to water rates for FY 2023, including a proposed increase of 4.9%, and agreed to take the proposal under consideration and to hold public hearings.

On May 24, 2022, the Board held a public hearing by teleconference on wholesale water rates charged north of the City.

On May 25 and 25, 2022, the Board held two public hearings by teleconference on the proposed increase to water and wastewater rates charged to customers located in the City.

On June 6, 2022, the Board:

- Adopted the Board's annual budget for FY 2023.
- Adopted the Board's rate schedule effective July 1, 2022, including an increase to water and wastewater rates of 4.9%, and a reauthorization of the Board's \$30 million package of customer affordability programs.