

**JOINT AUDIT COMMITTEE OF  
THE NEW YORK CITY MUNICIPAL WATER FINANCE AUTHORITY  
AND  
NEW YORK CITY WATER BOARD**

A meeting of the Joint Audit Committee (the “Committee”) of the New York City Municipal Water Finance Authority (the “Authority”) and the New York City Water Board (the “Water Board”) was held at via teleconference on October 14, 2020 at 1:07 p.m. The following members of the Committee were present:

Max Von Hollweg

Alfonso Carney, Jr;<sup>1</sup>

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

Marc Shaw;

Jonathan Goldin; and

Adam Freed

constituting a quorum of the Committee. Mr. Von Hollweg served as Chair of the meeting, and Deborah Cohen served as Secretary of the meeting.

**Approval of Minutes of Previous Committee Meeting**

The first item on the agenda was approval of the minutes of the meeting of May 19, 2020.

There being no discussion, the following resolution was adopted by majority Committee vote:

**WHEREAS**, The Audit Committee has reviewed the minutes of its meeting held on May 19, 2020; it is therefore

**RESOLVED**, that the minutes of the meeting of May 19, 2020 be, and they hereby are, approved.

**Presentation by Management and Independent Auditors Regarding the Annual Audited Financial Statements of the System**

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<sup>1</sup> Mr. Carney, Jr. joined at 1:15 p.m., after the minutes of the previous meeting had been approved

The next item on the agenda was a presentation by the Authority's management and independent auditors relating to the New York City Water and Sewer System's (the "System") Fiscal Year 2020 and 2019 financial statements, which had been distributed to the Committee. The Authority's Comptroller, Robert Balducci, presented an overview of the financial statements and introduced the Authority's independent auditors, Nicholas Lazzaruolo from Grant Thornton. Mr. Lazzaruolo proceeded to discuss the required communications with the Committee, and Grant Thornton's plan for the upcoming audit. Members of the Committee and the auditors discussed how the audited financials addressed the System's cybersecurity and segregation of duties.

**Recommendation to the Authority Board of Directors and Water Board of the acceptance of the independent auditors' report on the audited financial statements of the System for the Fiscal Years ended June 30, 2020 and June 30, 2019, and the issuance of such financial statements**

Following the presentation by management and independent auditors regarding the annual audited financial statements of the System, upon motion duly made and seconded, the following resolution was unanimously adopted by the Committee:

**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 Authority for the fiscal years ended June 30, 2020 and June 30, 2019 and such financial statements, as submitted to the Committee; and

**WHEREAS**, the Joint Audit Committee believes the independent auditors' report and the financial statements are reasonable and appropriate; it is therefore

**RESOLVED**, that the Joint Audit Committee recommends to the Board of Directors of the Authority and the Water Board the acceptance of the independent auditors' report and the authorization of the release of the audited financial statements of

the System for the fiscal years ended June 30, 2020 and June 30, 2019; 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.

### **Review and Approval of the Audit Committee Charter**

The next item on the agenda was the review and approval of the Audit Committee Charter. Mr. Von Hollweg explained that no changes to the existing Charter are proposed at this time. Brief discussion ensued regarding specific duties of the Audit Committee as enumerated in the Committee Charter. Then, upon motion duly made and seconded, the following resolution was unanimously adopted:

**WHEREAS**, the Joint Audit Committee Charter was adopted by the New York City Water Board (the "Water Board") on January 28, 2008 and by the Board of Directors of the New York City Municipal Water Finance Authority (the "Authority") on February 4, 2008 and amended on October 7, 2009 by the Authority and October 30, 2009 by the Water Board; and

**WHEREAS**, pursuant to the Joint Audit Committee Charter, section III(s), the Joint Audit Committee of the Water Board and the Authority is required annually to review the Audit Committee Charter, reassess its adequacy, and recommend any proposed changes to the Authority and the Water Board; and

**WHEREAS**, the Audit Committee has reviewed the Audit Committee Charter, as attached hereto, and finds it to be reasonable and appropriate; it is hereby

**RESOLVED**, that the Audit Committee hereby approves the Audit Committee Charter as adopted and attached hereto.<sup>2</sup>

### **Review of Audit Committee's Schedule of Dates**

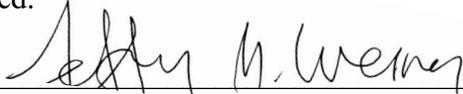
The next item on the agenda was a review of the Audit Committee's Schedule of Dates. Mr. Von Hollweg noted that there were changes proposed to reflect updated practices in place. There was no discussion from the Committee.

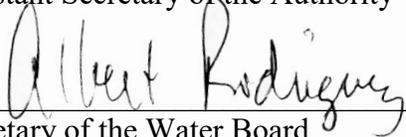
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<sup>2</sup> Filed with Minutes of the meeting.

## Adjournment

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

  
Assistant Secretary of the Authority

  
Secretary of the Water Board