MINUTES

Business Meeting of the Niagara Falls Water Board July 20, 2026 at 5:00 p.m.

Water Treatment Plant Conference Room
5815 Buffalo Avenue, Niagara Falls New York 14304

Meeting could be attended in person or via videoconference. Minutes do not represent a complete summary of all matters discussed. Complete video recordings of meetings are posted online at: https://tinyurl.com/nfwbMedia**.**

1. **Preliminary Matters**

   a. **Call To Order**

Chairman Sirianni called the meeting to order at 5:00 p.m.

   b. **Pledge of Allegiance to the Flag of the United States of America**

   c. **Attendance:** **Cole** ***Present via Zoom,*** **Dean** ***Present,*** **Kimble** ***Present via Zoom,*** **Sirianni** ***Present,*** **Weiss** ***Present.***

   d. **Public Comments:** Speakers must register with the Secretary by 5:00 p.m. and are limited to three minutes per person – total time for all speakers may not exceed one hour.

Matteo Anello questioned why the Board's water and sewer adjustment bill policy is limited to one and two-family residences. He experienced a pipe break in his commercial building on Pine Avenue, and his adjustment request was denied. He feels it is discriminatory to allow an adjustment for one and two-family residential buildings but not commercial buildings.
Mr. Anello also questioned by a third-party firm is involved in bill payments, and why a backflow prevention device, which has an annual inspection cost, is required for his commercial building.

   e. **Correspondence**

f. **Presentation:**

i. **Brian Sawama, CPA, regarding 2025 Independent Audit Report by EFPR**

Mr. Sawama provided an overview of the EFPR audit engagement team and quality control procedures. The auditors issued an unmodified audit opinion, which is the highest rating possible. There was great cooperation with management, and just one finding related to the failure to file the audit report with the Comptroller's Office within 90 days of the fiscal year end. He reviewed the information contained on the slides that are attached to these minutes and offered to answer any questions from the Board.

g. **Prior Meeting Minutes**

i. **Draft June 15, 2026 Business Meeting Minutes**

Motion by Board Member Dean and seconded by Board Member Weiss to accept the June 15, 2026 business meeting minutes.

Cole __Y__ Dean __Y__ Kimble __Y__ Sirianni __Y__ Weiss __Y__

Motion carried, 5-0.

2. **Executive Director & General Counsel – Sean Costello**

Mr. Costello noted that the WWTP's new SPDES permit was received last week. The permit has many changes and new requirements and is closely tied to the 2024 Order on Consent. The permit takes effect on September 1, 2026, and staff will be meeting with relevant consultants to review the new permit next week.

3. **Finance – Deborah Ziolkowski**

a. **Bank Account Balance Report**
b. **Invested Funds Balance Report**
c. **Wilmington Trust Account Report**
d. **Budget Performance Reports**
    i. **Revenue**
    ii. **Sewer**
    iii. **Water**
    iv. **Board**

Ms. Ziolkowski noted that the finance team is preparing for next year's audit already and working to improve efficiency. The reports in the Board's packet reflect financial

performance through the end of six months, and revenue and expenses are generally where expected, with interest earnings and SIU revenue trending below budget.

4. Administrative Services – Caleb Holman

a. July 20, 2026 Personnel Actions

Mr. Holman noted that this month's safety training will be fire extinguisher training, and chlorine safety training sessions for WTP Operations and Maintenance staff are also scheduled. He is working on estimates of personnel costs for the 2027 budget.

Motion by Board Member Dean and seconded by Board Member Weiss to approve Line Items 1, 2, and 3 on the July 20, 2026 Personnel Actions, authorization to hire a WWTP Operator Trainee.

Cole __Y__ Dean __Y__ Kimble __Y__ Sirianni __Y__ Weiss __Y__

Motion carried, 5-0.

5. Engineering – Douglas Williamson

Mr. Williamson advised the Board that a pre-construction meeting is scheduled with engineers LaBella and contractor Mark Cerrone, Inc., for the Laughlin Drive, Witkop, and 85th Street water main replacement project. Final completion for that project currently is scheduled for July 9, 2027. Additionally, work on the Beach Avenue water storage tank recoating is ongoing, with scaffolding erection continuing. Daily inspection reports are received. A pre-construction meeting with contractor Laubacker Enterprises and engineer CPL is scheduled to discuss details of the 20" water main replacement on 18th Street and the pump station that will be added to the Beech Avenue water tank site. The booster pump station has a seven-month lead time. Last, the dry-weather flow monitoring period for Town of Niagara will commence with installation of meters by Tec-Smith on or about July 30, with meters in place for four weeks.

6. Outside Infrastructure Updates – Michael Eagler, Sr.

Mr. Eagler noted that the new water main on West Rivershore has been approved by the DOH, and as of the Board meeting 10 services are connected to that main. Despite delays related to developing soil sampling procedures and getting DOH approval for the new main, the project still is on schedule.

Additionally, the City has approved use of its parcel for the construction sign and material storage in connection with the Laughlin/Witkop water main replacement project, and he is

working with the City to try to identify an appropriate site to use in connection with the 18th Street water main replacement project.

As happens every year, there has been an uptick in water main breaks associated with dry and hot conditions in July. The CDT crews are working to get caught up on concreting over street cuts.

Board Member Dean commended Water Board staff for the timely responses to community concerns in connection with the West Rivershore water main replacement project. He noted that Mr. Costello had received positive comments online.

7. **Information & Operational Technology (IT & OT) – Jonathan Joyce or Elton Mensah-Selby**

Mr. Joyce is working on the disaster recovery plan and additional requirements for the new cybersecurity regulation requirements that must be met in 2027. WWTP Operations staff have been very cooperative with new access control requirements that are in force there, despite them adding some steps that must be taken before accessing systems.

8. **June 2026 Operations and Maintenance Report**

    a. **2026-07-14 - E3communications Government Affairs Activity Report**

9. **Resolutions**

2026-07-001 - APPROVE AND ACCEPT 2025 AUDIT AND INVESTMENT REPORTS

a. **Independent Audit - Draft 2025 Financial Statements**

Motion by Board Member Kimble and seconded by Board Member Weiss to approve.

Cole __Y__ Dean __Y__ Kimble __Y__ Sirianni __Y__ Weiss __Y__

Motion carried, 5-0.

2026-07-002 - AUTHORIZING COST TO INCLUDE REPLACEMENT IMPELLER IN PREVIOUSLY AUTHORIZED REBUILDING OF WWTP INTERMEDIATE PUMP

a. **2026-07-09 - Siewert Equipment - Service Proposal 42455 for Intermediate Pump Rebuild Adding Impeller Replacement**

Motion by Board Member Dean and seconded by Chairman Sirianni to approve.

Cole __Y__ Dean __Y__ Kimble __Y__ Sirianni __Y__ Weiss __Y__

Motion carried, 5-0.

2026-07-003 - DECLARING CERTAIN PROPERTY SURPLUS AND AUTHORIZING DISPOSAL THROUGH AUCTION

Motion by Board Member Dean and seconded by Board Member Kimble to approve.

Cole __Y__ Dean __Y__ Kimble __Y__ Sirianni __Y__ Weiss __Y__

Motion carried, 5-0.

2026-07-004 - PAYMENT TO MARK CERRONE INC FOR JUNE AND JULY 2026 COSTS RELATED TO REPAIR OF JOHN AVENUE TRUNK SEWER FROM FUNDS RESTRICTED FOR CAPITAL PROJECTS

a. **2026-07-15 - Cerrone Cover Letter for Cost Documentation, May and June 2026 Emergency Repair Work on John Avenue Sewer**

Board Member Dean asked for clarification as to whether the project is complete, or just the work that is the subject of the billing from May and June. Mr. Costello stated that the repair is not complete, but the work in May and June was performed on a time-and-material basis and is complete, further invoices are expected for the September Board meeting.

Motion by Board Member Dean and seconded by Chairman Sirianni to approve.

Cole __Y__ Dean __Y__ Kimble __Y__ Sirianni __Y__ Weiss __Y__

Motion carried, 5-0.

2026-07-005 - 2026 DRINKING WATER PROJECT GRANT APPLICATION, SEQR

Motion by Chairman Sirianni and seconded by Board Member Dean to approve.

Cole __Y__ Dean __Y__ Kimble __Y__ Sirianni __Y__ Weiss __Y__

Motion carried, 5-0.

2026-07-006 - SEQR FOR WWTP BIOLOGICAL CONVERSION PROJECT

a. WWTP Conversion Full Environmental Assessment Form Part 1, 2, & 3

Motion by Board Member Dean and seconded by Board Member Weiss to approve.

Cole __Y__ Dean __Y__ Kimble __Y__ Sirianni __Y__ Weiss __Y__

Motion carried, 5-0.

2026-07-007 - WIIA GRANT APPLICATION FOR WWTP BIOLOGICAL CONVERSION PROJECT

Motion by Board Member Kimble and seconded by Board Member Dean to approve.

Cole __Y__ Dean __Y__ Kimble __Y__ Sirianni __Y__ Weiss __Y__

Motion carried, 5-0.

2026-07-008 - SEQR FOR WWTP SAM GRANT PHASE 2 PROJECTS

Motion by Board Member Weiss and seconded by Board Member Kimble to approve.

Cole __Y__ Dean __Y__ Kimble __Y__ Sirianni __Y__ Weiss __Y__

Motion carried, 5-0.

10. Unfinished/Old Business

11. New Business & Additional Items for Discussion

Chairman Sirianni expressed appreciation to Ms. Ziolkowski and her staff for their work on the audit.

12. Executive Session (if needed)

13. Adjournment of Meeting

Motion by Board Member Kimble and seconded by Board Member Weiss to adjourn the meeting at 5:48 p.m.

Cole __Y__ Dean __Y__ Kimble __Y__ Sirianni __Y__ Weiss __Y__

Motion carried, 5-0.

Niagara Falls Water Board

Audit Presentation

Year ended December 31, 2025

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EFPR Engagement Team

Thomas Smith, CPA
Engagement Partner

Douglas Zimmerman, CPA
Technical Review Partner

Ethan Yotter
Engagement Senior

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Timing of Procedures

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Audit Results

- We expect to issue an unmodified opinion on the following report:
  - Basic Financial Statements
  - Investment Audit
- All records and information requested by EFPR Group were freely available for our inspection.
- The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under Government Auditing Standards.
  - Finding (2025-001) Annual Reporting to the New York State Authority Budget Office
    - The Board did not comply with the New York State Authority Budget Office's Public Authorities Reporting Information System (PARIS) reporting requirements, which requires the annual submission 90 days following the fiscal year end for the audited financial statements and investment report.

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Financial Results

- Total assets decreased $1,468,744 to a balance of $191,865,299, mainly as a result of:
  - Accounts receivable, net of allowance decreased $1,559,094 to a balance of $9,976,386.
  - Unrestricted investments decreased $3,875,089 to a balance of $16,440,827.
  - Capital assets, net of depreciation, decreased $2,969,548 to a balance of $128,875,796.
- Deferred outflows of resources decreased $2,127,801 to a balance of $6,861,850 mainly as a result of changes in actuarial assumptions related to the net pension liability and the total other postemployment benefits (OPEB) liability.

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Financial Results

- Total liabilities decreased $6,778,650 to a balance of $162,978,282, mainly as a result of:
  - Accounts payable decreased $402,749 to a balance of $1,172,776 primarily related to timing of expenses in relation to year-end.
  - Total OPEB liability decreased $516,083 to a balance of $79,176,508 from changes in actuarial assumptions.
  - Bonds payable decreased by $5,898,406 to as balance of $63,582,992 from scheduled principal payments.
- Deferred inflows of resources decreased $2,776,843 to a balance of $17,415,295 due to changes in actuarial assumptions related to the net pension liability and the total OPEB liability.

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Financial Results

- Total net position increased $5,958,948 to a balance of $18,333,572. The change in each classification was as follows:
  - Net investment in capital assets increased $3,902,274 to a balance of $52,721,626 as a result of principal payments made on bonds payable.
  - Restricted net position increased $538,703 to a balance of $17,717,640 primarily as a result of an increase in amounts reserved for debt service.
  - Unrestricted net position (deficit) decreased $1,517,971 to a deficit balance of $52,105,694. This deficit is a direct result of reporting OPEB as required by Governmental Accounting Standards Board (GASB) Statement No. 75.

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Financial Results

- Total operating revenue was $38,934,792, which was an increase of $2,419,226 from the prior year. The change was due to an increase in sewer rents and charges of $2,433,553.
- Total operating expenses were $32,078,930, which was a decrease of $3,295,553 over the prior year. This was primarily due to a decrease in contractual expenses of $1,946,096, and a decrease in employee benefits of $1,076,846.
- Total nonoperating expenses were $896,914, which was an increase of $328,395 over the prior year. This was primarily due to decreased interest income.

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Upcoming Accounting Pronouncements

- GASB has issued Statement No. 103 – Financial Reporting Model Improvements. Effective for fiscal years beginning after June 15, 2025.
- GASB has issued Statement No. 104 – Disclosure of Certain Capital Assets. Effective for fiscal years beginning after June 15, 2025.
- GASB has issued Statement No. 105 – Subsequent Events. Effective for fiscal years beginning after June 15, 2026.

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Report to the Board

- Significant accounting practices are described in note 1 to the financial statements.
- Accounting estimates were reasonable and supported.
- The financial statement disclosures are neutral, consistent and clear.
- There were no disagreements with management over any accounting, reporting or auditing matters.

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Report to the Board, Continued

- We will obtain a management representation letter.
- There were no significant changes to the planned audit strategy or significant risks initially identified.
- There were no matters noted relevant to the audit, including, but not limited to: violations or possible violations of laws or regulations; risk of material misstatements, including fraud risks; or tips or complaints regarding the Board's financial reporting that we were made aware of as a result of our inquiries.

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Report to the Board, Continued

- We are not aware of any consultations about accounting or auditing matters between management and other independent public accountants. Nor are we aware of opinions obtained by management from other independent public accountants on the application of generally accepted accounting principles.
- There were no disagreements with management about matters, whether or not satisfactorily resolved, that individually or in aggregate could be significant to the Board's financial statements or to our auditors' report.
- There are no other matters that we consider significant to the oversight of the Board's financial reporting process that have not been previously communicated.

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Conclusion/Questions?

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