

NORTH TEXAS TOLLWAY AUTHORITY
Finance & Audit Committee Meeting Minutes
May 1, 2014

A public notice of this meeting containing all items was filed in the Office of the Secretary of State as required by Chapter 551 of the Texas Government Code, referred to as "The Open Meetings Act."

Minutes of the Finance & Audit Committee meeting held at the North Texas Tollway Authority, 5900 West Plano Parkway, Plano, Texas, on May 1, 2014 at 10:30 a.m.

CALL TO ORDER

Committee Chairman Moore called the meeting to order at 10:44 a.m.

1. ESTABLISHMENT OF QUORUM

Committee Chairman Moore established a quorum by calling the roll. The following committee members were in attendance:

William Moore	Committee Chairman
Michael Nowels	Member
William Elliott	Member
Jane Willard	Member

Chairman Barr and Directors Kloepper, Haddad and Quesada were also in attendance.

NTTA employees attending the Committee meeting were: Gerry Carrigan, CEO/Executive Director; Tom Bamonte, General Counsel; Lorelei Griffith, Secretary; Karen Madison Ponds, Assistant Secretary; Horatio Porter, CFO/Treasurer; Dana Gibson-Boone, Director of Cash and Debt Management/Assistant Treasurer; James Hofmann, Assistant Executive Director of Operations; Elizabeth Mow, Assistant Executive Director of Infrastructure; Kim Tolbert, Chief Strategic Officer; Magdalena Brady, Director of Internal Audit; Eric Hemphill, Director of Maintenance; John Bannerman, Interim Director of Customer Service Center; Anthony Coleman, Director of Business Diversity; Kim Jackson, Director of Public Affairs; Carrie Rogers, Director of Government Affairs; Pete Havel, Director of Legislative Affairs; Jeff English, Director of Procurement Services and Craig Lockett, Director of Human Resources; Marty Lege, Director of System Incident Management

Also present at the meeting representing the Authority were Greg Schaecher, McCall Parkhurst & Horton, Bond Counsel to the Authority; Bill Mahomes, Mahomes Bolden, PC, Bond Counsel to the Authority; Stephanie Halliday, HNTB, Project Management Consultant to the Authority; Keith Jackson, Atkins North America, Inc., General Engineering Consultant to the Authority; Michael Copeland, CDM Smith Associates, Traffic & Revenue Consultant to the Authority and Sam Bohluli, C&M Associates, Inc., Traffic & Revenue Consultant to the Authority.

2. General public comments not related to specific agenda items

No comments were made under this item.

3. Approval of the minutes from the March 6, 2014 Finance and Audit Committee meeting

Director Elliott made a motion to approve the minutes of the March 6, 2014 Finance and Audit Committee meeting, and Director Nowels seconded the motion. The minutes were approved unanimously. (Resolution No. 14-36)

4. Quality Assessment Review Report on the Internal Audit Department, updated Internal Audit Charter and Required Communication Checklist for the Internal Audit Department

Magdalena Brady, Director of Internal Audit, presented an overview of the Quality Assessment Review (QAR) report. The International Standards for the Professional Practice of Internal Auditing require an external assessment at least once every five years by a qualified, independent assessor or assessment team outside the organization.

Ms. Brady also addressed opportunities for improvement in addition to highlighting key components of the Internal Audit Charter and Communication Checklist.

5. Briefing on results of \$100,000,000 North Texas Tollway Authority System First Tier Variable Rate Revenue Refunding Bonds, Series 2011A

Dana Gibson-Boone, Director of Cash and Debt Management, provided a briefing of the remarketing transaction for the \$100,000,000 2011A bonds. She stated that during the RFP process RBC Capital Markets initially submitted a rate structure for the transaction at Securities Industry and Financial Markets Association (SIFMA) plus 89 basis points for a five year Floating Rate Note. This was the most competitive rate received during the RFP process. While the market fluctuated prior to pricing the NTTA was able to go out on the day of pricing at an even lower rate of SIFMA plus 85 basis points.

There was strong demand for the bonds, with fifteen investors submitting orders. Four large investors each placed orders for the entire \$100 million. Due to the strong orders, NTTA was able to reduce the spread an additional 5 basis points, resulting in a final pricing of SIFMA plus 80 basis points. The savings over the existing Direct Pay Letter of Credit (DPLOC) will average \$334,000 annually over the next five years.

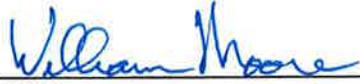
The transaction achieved 30% MWBE participation versus a goal of 25% business diversity.

6. EXECUTIVE SESSION

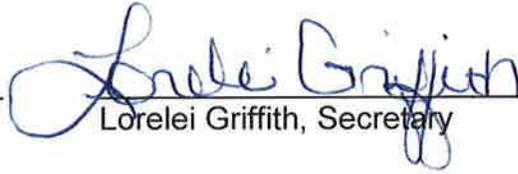
An Executive Session was not held.

ADJOURNMENT

The meeting adjourned at 11:01 a.m.



William Moore, Committee Chairman
NTTA Finance & Audit Committee



Lorelei Griffith, Secretary