

NORTH TEXAS TOLLWAY AUTHORITY  
Finance & Audit Committee Meeting Minutes  
June 5, 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 June 5, 2014 at 10:30 a.m.

**CALL TO ORDER**

Committee Chairman Moore called the meeting to order at 11:18 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

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; Magdalena Brady, Director of Internal Audit; Eric Hemphill, Director of Maintenance; John Bannerman, 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; Brian Reich, Controller

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 May 1, 2014 Finance and Audit Committee meeting

Director Nowels made a motion to approve the minutes of the May 1, 2014 Finance and Audit Committee meeting, and Director Elliott seconded the motion. The minutes were approved unanimously. (Resolution No. 14-43)

4. FY2015 Special Projects System second budget review

Horatio Porter, Chief Financial Officer (CFO), presented an overview of the Fiscal Year 2015 (FY2015) Special Project System (SPS) Budget draft. The Annual Operating Budget is composed of the Operating Fund, Major Maintenance Fund and Capital Expenditure Fund costs. Mr. Porter also discussed details for the SPS Budget preparation guidelines, the various Budget drivers and assumptions including the forecasted 2015 Budget numbers.

The SPS FY2015 Annual Budget numbers remain the same as those presented at the May budget workshop and the draft of FY2015 SPS Budget book dated May 9, 2014. The second FY2015 Budget review was unanimously approved to be forwarded on to the Board.

5. Approval of NTTA Disclosure Policy regarding policies and procedures to ensure compliance with federal and state securities laws and regulations

Dana Gibson-Boone, Director of Cash and Debt Management, presented an overview of the Disclosure Policy. The disclosure policy ("Disclosure Policy") is established to ensure that NTTA maintains adequate policies and procedures for gathering, analyzing and disclosing all information that is provided in NTTA's official statements, continuing disclosure reports and other statements reasonably expected to reach the public markets. The policy is also to ensure NTTA is complying with federal and state securities laws and regulations.

The Disclosure Policy was unanimously approved to forward on to the Board.

6. Receipt of the North Texas Tollway Authority System FY2013 audited financial statement and reports

Michelle Buss, presenter on behalf of Crowe Horwath LLP (Crowe), provided an overview of the completed System FY2013 external audit. The audit results conform to accounting principles generally accepted in the United States of America. In addition, the current year review yielded no material weaknesses or significant deficiencies in Internal Control reported.

The Finance and Audit Committee unanimously acknowledged receipt of the Crowe System FY2013 Audited Financial Statements and Audit Report. The same receipt was also unanimously approved to be forwarded to the Board for acknowledgement.

7. Internal Audit Report

- A. Approval of Internal Audit Charter
- B. Briefing on updated Internal Audit FY2014 proposed work plan

Magdalena Brady, Director of Internal Audit, presented an overview of the updated Internal Audit (IA) Charter, issued reports, approved 2014 Work-plan and the updated 2014 Work-plan. The IA Charter establishes the purpose, authority and responsibility for the IA Department. Ms. Brady indicated that the IA Charter should be periodically reviewed and updated as needed.

The IA Charter was unanimously approved to forward on to the Board.

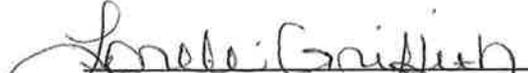
**EXECUTIVE SESSION**

An Executive Session was not held.

**ADJOURNMENT**

The meeting adjourned at 11:49 a.m.

  
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William Moore, Committee Chairman  
NTTA Finance & Audit Committee

  
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Lorelei Griffith, Secretary