

NORTH TEXAS TOLLWAY AUTHORITY  
Finance & Audit Committee Meeting Minutes  
August 7, 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 August 7, 2014 at 10:15 a.m.

**CALL TO ORDER**

Committee Chairman Moore called the meeting to order at 10:41 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
Matrice Ellis-Kirk	Member

Chairman Barr and Directors Willard, 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; 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; Craig Lockett, Director of Human Resources; Brian Reich, Controller; Robert Rangel, Director of Financial Analysis and Planning

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 June 5, 2014 Finance and Audit Committee meeting

Director Elliott made a motion to approve the minutes of the June 5, 2014 Finance and Audit Committee meeting, and Director Ellis-Kirk seconded the motion. The minutes were approved unanimously. (Resolution No. 14-66)

4. Three-year contract with options for two one-year extensions with Wells Fargo Bank, N.A. for master lockbox and custodial services

Items 4 and 5 were presented together

5. Three-year contract with two one-year extensions with Wells Fargo Bank, N.A. for bank depository services

Dana Gibson-Boone, Director of Cash and Debt Management, presented an overview of bank depository services and master lockbox & custodial services. The bank depository services provides for all necessary commercial banking services, including vault services, wire and ACH transfers, positive pay, disbursement services, account reporting/analysis and purchasing card services. The current bank depository services contract expires December 31, 2014.

The master lockbox & custodial services provide for custodial collection and distribution of all toll revenue collected by NTTA, including revenues collected on behalf of third parties. The current master lockbox & custodial services contract expires on November 30, 2014.

The associated fees are budgeted in the 2015 Operations and Maintenance Fund (OMF). Approval of a three year contract with two one-year options to renew with Wells Fargo Bank, N.A. was unanimously accepted for recommendation to the Board.

6. Strategic Refinancing Plan presentation

Dana Gibson-Boone, Director of Cash and Debt Management, presented an overview of NTTA System 2014 Strategic Refinancing Plan (SRP) in relation to NTTA's callable bonds and plans to execute multiple transactions over the next three to five years. The SRP's objective is to identify refunding savings while maintaining financial integrity.

The debt is callable between years 2016-2022 and could be refunded as either advance or current bonds. The current historic low interest rate environment provides for potential refunding savings.

7. Five-Year Capital Plan review

Horatio Porter, Chief Financial Officer (CFO), presented an overview of the Five-Year Capital Plan (2015-2019) highlights. Current revenue projections, existing cash balances and remaining bond proceeds are incorporated in the plan. In addition, the Capital Plan identifies capital expenditures for the next five years and is revised annually as estimates and scopes are refined.

Departments contribute in developing the Capital Plan and aligning it with the strategic and long term goals of the NTTA. Department heads for Project Delivery, Maintenance and Information Technology provided additional details for their respective projects.

8. Internal Audit planning process and discussion on open management action plans

Magdalena Brady, Director of Internal Audit, presented an overview of the Internal Audit planning process. The Internal Audit department maintains an auditable list which includes anything that could potentially be audited within NTTA. Ms. Brady also provided an update on the tracking of management action plans provided monthly in the Board Communique.

EXECUTIVE SESSION

An Executive Session was not held.

**ADJOURNMENT**

The meeting adjourned at 11:44 a.m.



William Moore, Committee Chairman  
NTTA Finance & Audit Committee



Lorelei Griffith, Secretary