

NORTH TEXAS TOLLWAY AUTHORITY  
Finance & Audit Committee Meeting Minutes  
October 2, 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 October 2, 2014 at 10:30 a.m.

**CALL TO ORDER**

Committee Chairwoman Ellis-Kirk called the meeting to order at 11:05 a.m.

**1. ESTABLISHMENT OF QUORUM**

Committee Chairwoman Ellis-Kirk established a quorum by calling the roll. The following committee members were in attendance:

Matrice Ellis-Kirk	Committee Chairwoman
Michael Nowels	Member
William Elliott	Member

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

NTTA employees attending the Committee meeting were: Gerry Carrigan, CEO/Executive Director; Lorelei Griffith, Secretary; Karen Madison Ponds, Assistant Secretary; Horatio Porter, CFO/Treasurer; Dana Gibson-Boone, Director of Cash and Debt Management/Assistant Treasurer; Tom Bamonte, General Counsel; Elizabeth Mow, Assistant Executive Director of Infrastructure; James Hofmann, Assistant Executive Director of Operations; Kim Tolbert, Chief Strategic Officer; Magdalena Brady, Director of Internal Audit; Eric Hemphill, Director of Maintenance; John Bannerman, Director of Customer Service; Kim Jackson, Director of Public Affairs; Craig Lockett, Director of Human Resources; Anthony Coleman, Director of Business Diversity; Carrie Rogers, Director of Government Affairs; Pete Havel, Director of Legislative Affairs; Brian Reich, Controller; Robert Rangel, Director of Financial Planning and Analysis; Gio Rodriguez, Director of Collections and Toll Enforcement; Sabu Stephen, Director of Information Technology

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 September 4, 2014 Finance and Audit Committee meeting

Director Elliott made a motion to approve the minutes of the September 4, 2014 Finance and Audit Committee meeting, and Director Nowels seconded the motion. The minutes were approved unanimously. (Resolution No. 14-101)

4. Second review of 2015 NTTA System Preliminary Budget

Horatio Porter, Chief Financial Officer (CFO), provided an overview of the FY2015 NTTA System Budget. Mr. Porter presented the following key points: reviewing the outcomes, identifying the critical drivers, highlighting the details, and providing an overall summary.

The FY 2015 Preliminary Budget is \$137,400,000, or 17.2% above FY 2014's estimate. Included in the increase from the 2014 estimate are \$12 Million related to maintaining a base service level as well as \$8 Million in targeted investments. The targeted investments are broken down into two categories, impact on cash and impact on customers. The targeted investments with an impact on cash include additional expenses for collection agencies, out of state lookups and a rewards / retention program. The targeted investment is expected to be \$6 Million with an expected return of \$26.4 million. The targeted investment with an impact on customers will be \$2 Million in the form of additional staff and flex capacity with an expected return of improved response time and IT and Maintenance support. The NTTA FY2015 System Preliminary Budget was unanimously passed on to the Board for approval.

5. Refunding of Series 2008A, 2008E-3 and 2008F bonds and finance plan

Dana Gibson-Boone, Director of Cash and Debt Management, presented an overview of the 5-Year Strategic Refinancing Plan. The 2008A, 2008E-3, and 2008F high coupon bonds have been identified as possible refunding candidates. Ms. Boone presented the Preliminary Official Statement that includes the August 2014 Monthly Financial Report. The Revenue Refunding Bonds, Series 2014A, B&C and the form of the Preliminary Official Statement was unanimously passed on to the Board.

6. Internal Audit FY2015 proposed work plan

Magdalena Brady, Director of Internal Audit, presented an overview of the proposed 2015 Internal Audit Focus Work Plan. A detailed draft was provided in the Committee Board packet that highlights key functions of the Work Plan. The Work Plan focuses on topics such as management requests, monitoring, and assurance projects.

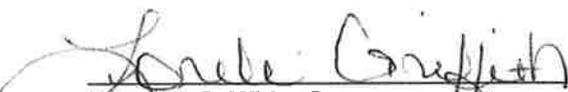
**EXECUTIVE SESSION**

An Executive Session was not held.

**ADJOURNMENT**

The meeting adjourned at 11:59 a.m.

  
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Matrice Elli-Kirk, Committee Chairwoman  
NTTA Finance & Audit Committee

  
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Lorelei Griffith, Secretary