NORTH TEXAS TOLLWAY AUTHORITY
Finance & Audit Committee Meeting Minutes
December 5, 2013

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 December 5, 2013 at 11:30 a.m.

## CALL TO ORDER

Committee Chairman Moore called the meeting to order at 12:27 p.m.

## 1. UESTABLISHMENT OF QUORUM

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

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| William Moore | Committee Chairman |
| William Elliott | Member |
| Matrice Ellis-Kirk | 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; 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; Janice Davis, Assistant Executive Director of Strategic & Innovative Solutions; Kim Tolbert, Chief Strategic Officer; Elizabeth Mow, Assistant Executive Director of Infrastructure; James Hofmann, Assistant Executive Director of Operations; Ray Zies, Controller; Magdalena Kovats, 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; Marty Lege, Director of System and Incident Management; Dave Pounds, Director of Information Technology; Felix Alvarez, Director of Procurement Services

Also present at the meeting representing the Authority were Frank Stevenson, Locke Lord LLC, Board Counsel; 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 October 3, 2013 Finance and Audit Committee meeting

Director Nowels made a motion to approve the minutes of the October 3, 2013 Finance and Audit Committee meeting, and Director Ellis-Kirk seconded the motion. The minutes were approved unanimously. (Resolution No. 13-152)

4. Internal Audit FY 2014 proposed work plan

Magdalena Brady, Director of Internal Audit, presented Internal Audit's 2014 Work Plan. She proposed a work plan that would monitor potential risks such as fraud, management, political and environmental. She also provided insight into various internal control measures to better mitigate risks and responded to questions from the Committee.

5. Approval of Five-Year Capital Plan

Horatio Porter, Chief Financial Officer (CFO), presented the Five-Year Capital Plan. He recapped the budget and plan overviews, key funding commitments, and funding sources. He provided additional details regarding revenues after debt service, total available resources, and estimated capital project requirements. Mr. Porter responded to questions from the Committee and the Five-Year Capital Plan was unanimously approved for recommendation to the Board.

6. Selection of Bank of America, NA, as letter of credit provider for the Commercial Paper Program (the "program"), and designation of Merrill Lynch, Pierce, Fenner & Smith Incorporated (known as "Bank of America Merrill Lynch") and Loop Capital Markets, LLC, as dealers for the program

Dana Gibson-Boone, Director of Cash and Debt Management, presented and recapped the abovementioned LOC and dealers for the program. She also discussed various lending rates involved for the "Direct Pay Letter of Credit", "Flexible Drawdown Bond", and Direct Purchase Agreement. She discussed each product's structure and flexibility costs. The Committee unanimously approved the debt selection proposal for recommendation to the Board.

7. EXECUTIVE SESSION

An Executive Session was not held.

**ADJOURNMENT**

The meeting adjourned at 12:05 p.m.

William Moore, Committee Chairman
NTTA Finance & Audit Committee

Lorelei Griffith, Secretary