

NORTH TEXAS TOLLWAY AUTHORITY  
Finance & Audit Committee Meeting Minutes  
October 3, 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 October 3, 2013 at 10:00 a.m.

**CALL TO ORDER**

Committee Chairman Moore called the meeting to order at 10:00 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
William Elliott	Member
Matrice Ellis-Kirk	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; 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 September 5, 2013 Finance and Audit Committee meeting

Director Elliott made a motion to approve the minutes of the September 5, 2013 Finance and Audit Committee meeting, and Director Ellis-Kirk seconded the motion. The minutes were approved unanimously. (Resolution No. 13-135)

4. Five -Year Capital Plan Review

Horatio Porter, Chief Financial Officer (CFO), presented the budget and plan overviews, key funding commitments, and capital fund sources. He provided details regarding revenues after debt service, total available resources, and estimated capital project requirements.

Elizabeth Mow, Assistant Executive Director of Infrastructure, presented the Plan for Project Delivery. She discussed projects funded by the Capital Improvement Fund (CIF); including anticipated completion dates. Ms. Mow also discussed Construction Fund projects for both the NTTA's and SPS, potential corridors included in the Feasibility Study Fund, and entities NTTA is collaborating with when assessing related feasibilities.

Eric Hemphill, Director of Maintenance, presented the Plan for the Maintenance Department. He conveyed details related to major project repairs and projected expenditures included in the Reserve Maintenance and CIF's.

Dave Pounds, Director of Information Technology, presented the Plan for IT. He summarized project groups for Reserve Maintenance and CIF's. Mr. Pounds also communicated the methodology and underlying drivers.

Staff responded to questions from the Committee. Recommended changes will be incorporated and the Plan will be presented at the November Finance and Audit Committee meeting for review and recommendation.

5. FY2014 Preliminary NTTA System Budget Review

Horatio Porter, CFO, presented the preliminary NTTA budget for FY2014. He provided an overview of the budget calendar, identified key stakeholders and debt service obligations, explained departmental variances, and communicated next steps.

Staff responded to questions from the Committee. The item was moved to the Board for consideration with a caveat that the feedback will be incorporated.

6. Toll Receivable Write-off Policy

Horatio Porter, CFO, presented the Toll Receivable Write-Off Policy. He discussed the background – including write-off policies from comparable organizations within the industry. Mr. Porter also noted that writing the debt off does not cancel the debtor's legal obligation to pay. He concluded with write-off qualifications, financial impact, and next steps.

Staff responded to questions from the Committee. The Policy was unanimously approved for Board consideration.

7. Selection of Letter of Credit Provider and Commercial Paper Dealers for Commercial Paper Program

Dana Gibson-Boone, Director of Cash and Debt Management, presented the Letter of Credit and Commercial Paper dealers for the Commercial Paper program. Ms. Gibson-Boone discussed the background, backing (Direct Pay Letter of Credit), tier position, funding, and fee structure. Ms. Gibson-Boone reviewed the procurement process and disclosed staff's recommendations for the underwriting pool (Bank of America Merrill Lynch with an M/WBE firm, Loop Capital Markets). She also stated the diversity goal. She closed with next steps and responded to questions from the Committee.

The item was forwarded for consideration with the caveat that additional information requested by the Committee will be provided for Board consideration.

8. EXECUTIVE SESSION

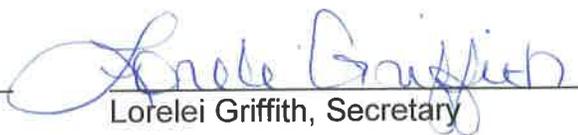
An Executive Session was not held.

**ADJOURNMENT**

The meeting adjourned at 11:35 a.m.



William Moore, Committee Chairman  
NTTA Finance & Audit Committee



Lorelei Griffith, Secretary