

HOUSTON FIRST CORPORATION
MINUTES OF THE
GOVERNANCE, AUDIT & FINANCE COMMITTEE
MARCH 25, 2015 – 10:00 A.M.

The Governance, Audit & Finance Committee of Houston First Corporation (the "Corporation"), a Texas non-profit corporation created and organized by the City of Houston as a local government corporation pursuant to TEX.TRANSP.CODE ANN. §431.101 et seq. and TEX.LOC.GOV'T.CODE ANN §394.001 et seq., held a meeting in the George R. Brown Convention Center, 3rd Floor Executive Boardroom, 1001 Avenida de las Americas, Houston, Harris County, Texas 77010, on Wednesday, March 25, 2015, commencing at 10:00 a.m. Written notice of the meeting including the date, hour, place and agenda for the meeting, was posted in accordance with the Texas Open Meetings Act. The following members participated in the meeting: Katy Caldwell, Alex Brennan Martin and Winslow Jeffries. Lisa Anderson, John Johnson and Dawn Ullrich were absent.

Chairperson Caldwell called the meeting to order at approximately 9:59 p.m. without a quorum.

1. **Public Comments.** None
2. **Review and Approval of Minutes.** As a quorum was not present, the minutes of the January 20, 2015 meeting could not be approved.
3. **Presentations.** Gene Locke, Andrews Kurth, provided the Committee with background and the legal reasons for the City's race-based program versus the race-neutral program of Houston First Corporation. Mr. Locke made the following recommendations to be implemented prospectively:
 - A. Quarterly reporting to the Board by all major contractors;
 - B. Focus on local presence and participation;
 - C. Monitor minority participation to the extent that we can; and,
 - D. Involve the Board in the annual review of the diversity program.

In addition, it was suggested that Houston First document and monitor the costs of its outreach efforts. Following discussion on this item, Chairperson Caldwell mentioned that the Committee should adopt Mr. Locke's recommendations.

4. **Updates.** Brenda Bazan briefed the Committee on the long-term financial model. It was determined that the Committee would take a deeper dive into the stress tests at the next Committee meeting. In addition, Ms. Bazan provided an update on the 2015 bond issue, the Monthly Financial & Accountability Report and the 2014 Deloitte audit, which is scheduled to begin on April 6. Lastly, Ms. Bazan suggested that this Committee oversee the development of financial policies which will ultimately be adopted by the Board. The Committee agreed to make this a 2015 project.

The meeting adjourned at approximately 11:13 a.m.



Pamela Walko, Secretary