

**HOUSTON FIRST CORPORATION**  
**MINUTES OF THE**  
**AUDIT AND FINANCE COMMITTEE**

**March 8, 2013**

The Audit and Finance Committee of the 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 committee meeting in the 3<sup>rd</sup> Floor Executive Conference Room, 1001 Avenida de las Americas, Houston, Harris County, Texas 77010, on Friday, March 8, 2013 commencing at 3:00 P.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, David Arpin and Dawn Ullrich.

Chairperson Caldwell called the meeting to order at approximately 3:05 p.m. and a quorum was established.

1. No Public Comments
2. Review and Approval of Minutes from Prior Meeting. After a motion duly seconded, the minutes from the October 22, 2012 meeting were approved.
3. 2013 Budget – Lessons Learned. Brenda Bazan gave a brief explanation of the previous budget process and discussion followed concerning the process going forward. Ms. Caldwell asked that the previous process of each department presenting their budget continue. It was agreed that this would be the process going forward. Ms. Caldwell also advised the group that the Audit and Finance Committee would need to partner with the Compensation and Benefits Committee since benefits and wages were the bulk of the budget.

4. Procurement Practices, Policies and Procedure. Mr. Arpin and Ms Caldwell asked question about the policy that was presented in the committee packet. Discussion followed and Mr. Arpin requested that he receive a list of all contracts over \$250,000. Ms. Bazan agreed to send those for his review. Mr. Jacobs reminded the committee that originally the Board of Directors had granted Ms. Ullrich the authority to approve new contracts based on a certain monetary parameter to work within without additional Board approval.
5. Financial and Other Information on HFC Website. Ms. Bazan explained that the Corporation was in the process of updating its website and adding additional information, including all approved minutes, financials, monthly dashboard, etc.
6. 2012 Audit by Deloitte. Ms. Bazan advised the group the Deloitte is scheduled to begin the audit on April 8, 2013 and complete by the middle of May, for the May 23, 2013 Board of Directors meeting.
7. Investment Reports – 4<sup>th</sup> quarter 2012. Peter McStravick advised the group that the current investment reports only pertained to the Hotel Administration and that in the future would include all of HFC.
8. HEMPS Pension. Dawn Ullrich gave a brief update on the recent meeting the City Attorney had with HMEPS.

After motion duly seconded, the meeting was adjourned at approximately 4:12 p.m.



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Dolores Kerr, Secretary