

MINUTES OF THE  
TEXAS WATER DEVELOPMENT BOARD  
AUDIT COMMITTEE MEETING  
January 31, 2013

Chairman Lewis H. McMahan called to order the meeting of the Audit Committee of the Texas Water Development Board at 8:30 a.m. in the Stephen F. Austin Building, Room 170, Austin, Texas. Members Joe M. Crutcher and Billy R. Bradford, Jr. were in attendance, and a quorum was present.

All Board members were also present.

Members of the Texas Water Development Board staff attending included: Chris Adams, Renita Bankhead, Stacy Barna, Jo Dawn Bomar, Joyce Bourenane, Carolyn Brittin, Kelly Burton, Melanie Callahan, David Carter, Mark Ellison, Scot Foltz, Lisa Glenn, Ruben Hernandez, Amanda Jenami, Sandy Kaiser, Merry Klonower, Randy Lara, Dain Larsen, LeeRoy Lopez Ryan Long, Robert Mace, David Meesey, Dave Mitamura, Piper Montemayor, Brenda O'Neill, Javier Pena, Ken Petersen, Lisa Petoskey, Jonathan Pi, Samantha Pollard, Debbie Ramirez, Steve Rodriguez, Sunny Sadler, Robert Sahm, Mike Segner, Rebecca Trevino, Comer Tuck, Jeff Walker, and Carlton Wilkes.

1. CONSIDER APPROVAL OF THE MINUTES OF THE OCTOBER 17, 2012 MEETING.

Mr. Crutcher moved to approve the minutes as submitted. Mr. Bradford seconded the motion; it passed unanimously.

REPORTS

2. REPORT ON FISCAL YEAR 2013 FIRST QUARTER BUDGET REPORTS.

This item was not posted for discussion or action by the Board.

3. REPORT ON FISCAL YEAR 2013 FIRST QUARTER FINANCIAL STATEMENTS.

This item was not posted for discussion or action by the Board.

REGULAR

4. BRIEFING AND DISCUSSION ON THE ACTIVITIES OF INTERNAL AUDIT, INCLUDING THE STATUS OF OUTSTANDING AUDIT ISSUES AND CURRENT EXTERNAL AUDITS. Amanda Jenami, Internal Audit, presented this item.

No action was taken on this item.

5. BRIEFING AND DISCUSSION ON INTERNAL AUDIT'S REVIEW OF THE OUTLAY AND ESCROW RELEASE PROCESSES. Amanda Jenami, Internal Audit, presented this item.

No action was taken on this item.

Amanda Jenami, Director, Internal Audit, then introduced her two new staff members, Robert Sahn and Sunny Sadler.

6. BRIEFING AND DISCUSSION ON INTERNAL AUDIT'S REVIEW OF TEXAS WATER DEVELOPMENT BOARD'S QUARTERLY INVESTMENT REPORTS FOR FY 2012. Amanda Jenami, Internal Audit, presented this item.

No action was taken on this item.

7. BRIEFING AND DISCUSSION ON FISCAL YEAR 2013 FIRST QUARTER FINANCIAL MONITORING. Carleton Wilkes, Financial Monitoring, presented this item. Piper Montemayor, Director, Debt & Portfolio Management, and Rebecca Trevino, Chief Financial Officer, also addressed the Committee.

No action was taken on this item.

8. BRIEFING AND DISCUSSION ON FISCAL YEAR 2012 ANNUAL FINANCIAL REPORT. Rebecca Trevino, Chief Financial Officer, presented this item.

Rebecca Trevino then introduced the new Director of Accounting, LeeRoy Lopez.

The Chairman announced that the Audit Committee will recess at this time and will reconvene in this room following the conclusion of the Board Meeting to take up Item #9 (the evaluation of the Internal Audit Director).

At 9:17 a.m. the Audit Committee stood in recess.

At the conclusion of the Board Meeting, at 10:34 a.m. the Audit Committee reconvened to take up Audit Committee Item #9:

9. The Audit Committee will recess into Executive Session, pursuant to Government Code §551.074, to evaluate the performance and duties of the Internal Audit Director and reconvene in open meeting for any additional discussion or to take any appropriate action.

The Committee adjourned to Executive Session at 10:35 a.m.

The Audit Committee reconvened in open meeting at 10:48 a.m. following Executive Session.

There was no further discussion or action.

The meeting adjourned at 10:49 a.m.

APPROVED and ordered of record this, the 18<sup>th</sup> day of April, 2013.

TEXAS WATER DEVELOPMENT BOARD  
AUDIT COMMITTEE

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Lewis McMahan, Chairman

ATTEST:

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Melanie Callahan  
Executive Administrator