



Board of Directors

Finance Committee

April 15, 2020

Opening Comments



J.J. Eden

Executive Director

February Statistics

Triangle Expressway

- Transactions – 4.5 million
 - 5.3% year-over-year increase
- Revenue - \$5.1 million
 - 17.7% year-over-year increase

Monroe Expressway

- Transactions – 2.7 million
- Revenue - \$1.8 million

Transponders

- Over 18,500 distributed
- Nearly 808,000 distributed program-to-date as of February 29, 2020

Underwriter Pool Selection



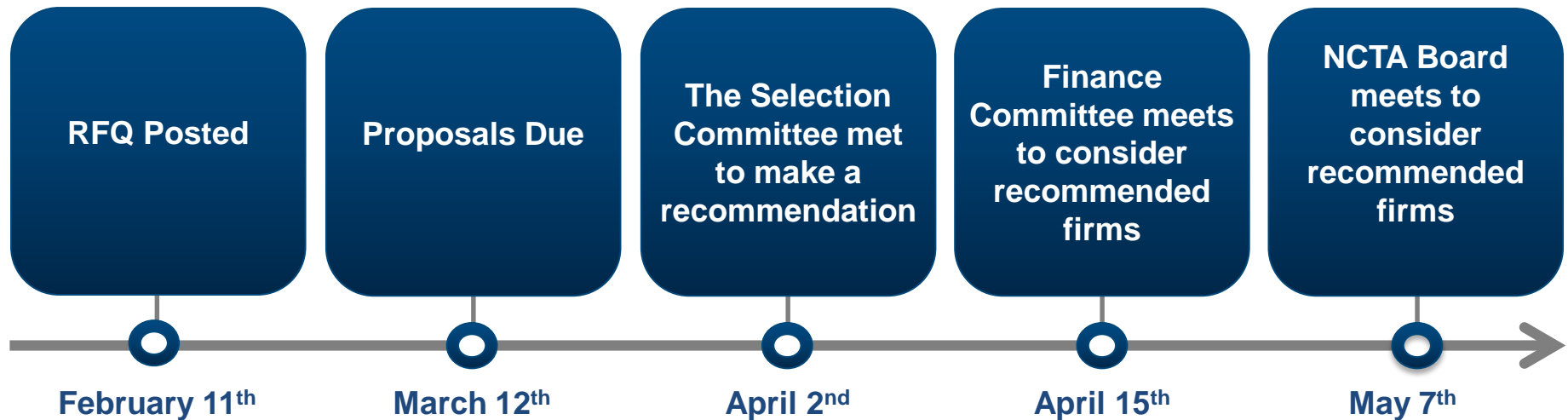
David Roy

Director of Finance & Budget

Request for Qualifications

- Select a pool of underwriters to serve as senior and/or co-manager to assist the Authority in one or more bond issues
- The pool of underwriters can be selected to serve on new bond issues for future projects and/or the refinancing of existing debt

Selection Process



Underwriter Pool Recommendation

Senior Managers

- Bank of America
Merrill Lynch
- Citi
- J.P. Morgan
- Wells Fargo

Co-Managers*

- Drexel Hamilton
- Loop Capital
- PNC
- Ramirez
- Siebert
- TD Securities
- UBS

*All firms that proposed are available for the co-manager pool

Complete 540 Construction Update



Dennis Jernigan, P.E.
Director of Highway Operations

Complete 540 Design

R-2828

- 8.6 miles
- 323 design submittals, including final roadway design plans, hydraulics design plans, MOT plans, structure design plans
- Construction plans roughly 85% complete

R-2721B

- 4.9 miles
- 129 design submittals, including final roadway design plans, hydraulics design plans, structure design plans
- Construction plans roughly 70% complete

R-2721A

- 4.3 miles
- 167 design submittals, including final roadway plans, hydraulics design plans, culvert survey reports
- Construction plans roughly 60% complete

Complete 540 Right of Way

R-2721A

- 211 parcels
- 187 parcels settled
- 24 parcels remaining

R-2721B

- 221 parcels
- 186 parcels settled
- 35 parcels remaining

R-2828

- 210 parcels
- 105 parcels settled
- 105 parcels remaining

















First Virtual Neighborhood Meeting
April 22nd

COVID-19 Responses

Resident Communications

Complete 540 Plan of Finance



David Roy

Director of Finance & Budget



Complete 540 TIFIA Loan Bond Anticipation Note Overview

- ◆ NCTA is considering TIFIA BANs to be issued when all 2019 Bond proceeds have been expended (estimated to be Summer 2020), instead of drawing on TIFIA at that time
- ◆ TIFIA Bond Anticipation Notes are frequently used for the following reasons:
 - To avoid complications with multiple TIFIA Loan draws – TIFIA draws are limited to 33% of total costs, pro-rata with actual expenditures
 - To realize interest cost savings – The interest rate on short term BANs will likely be less than the TIFIA Loan rate of 2.27% which was set based on the 30-Year Treasury SLGS
 - Allowable arbitrage earnings – In today's yield curve environment NCTA could earn more on the BANs proceeds until spent on construction than the interest cost of the BANs



Benefits TIFIA Bond Anticipation Notes

◆ Potential interest savings

- Depending on market conditions, for the same amount of funded project costs, the Interim Funding/TIFIA BAN option and the TIFIA Loan option can incur different total interest payments due to the following factors:

	Benchmark Rate	Credit Spreads	Interest Due
TIFIA BAN	Short-term tax exempt	Yes	Accrue on the entire issuance
TIFIA Loan	Long-term taxable	No	Accrue only on drawn amounts

◆ Investment earnings

- Once the BAN is sold, its proceeds can be invested at or above the arbitrage yield to generate earnings during the spenddown period to pay construction
- The TIFIA loan option will not generate earnings as it is on a draw-as-you-go basis.

◆ Administrative procedure

- The TIFIA BAN option reduces NCTA's administrative burdens by drawing the loan once at BAN maturity vs. monthly as construction progresses.



Financing Assumptions and Scenarios

- Below is a table of assumptions for the BANs Analysis
- Markets have been volatile and are subject to change on a daily basis

	1.5 Year BAN	2.5 Year BAN	3.5 Year BAN	No BAN
BAN Dated Date	8/1/2020	8/1/2020	8/1/2020	-
BAN Maturity Date	1/15/2022	1/1/2023	1/1/2024	-
TIFIA Draw Date	1/15/2022	1/1/2023	1/1/2024	7/15/2020
BAN Interest Rate Benchmark	AAA MMD	AAA MMD	AAA MMD	-
Spread	0.35%	0.40%	0.45%	-
BAN Rate	1.28%	1.34%	1.39%	-
Fund Earnings Rate	1.40%	1.34%	1.39%	-
Capitalize Interest Through	1/15/2022	1/1/2023	1/1/2024	-
Final Project Draw Date	1/15/2022	1/15/2022	1/15/2022	1/15/2022
Substantial Completion	7/1/2023	7/1/2023	7/1/2023	7/1/2023



TIFIA BANs Analysis Results – 3.5 Years

- The table to the right shows that issuing BANs maturing in 3.5 years results in a PV benefit of \$9.8 million
- The BAN interest rate is less than the locked in TIFIA Rate, resulting in reduced net debt service payments by approximately \$47.8 million
- The TIFIA BANs will be limited by the par amount of the TIFA Loan - \$499.4 million. Based on current rates, the premium from utilizing 5% coupons will not cover both the capitalized interest and issuance costs.
- NCTA will have to come up with the difference - \$20.1 million.
- Potential sources include reduced fuel reserve amount, project contingency, general reserve funds

FY	3.5 Year BAN			No BAN		Benefit	
	TIFIA DS	PAYGO	PV	TIFIA DS	PV	Gross \$	PV \$
2021	-	-	-	-	-		
2022	-	20,095,591	19,448,780	-	-	(20,095,591)	(19,448,780)
2023	-	-	-	-	-		
2024	-	-	-	-	-		
2025	-	-	-	-	-		
2026	5,880,396	-	5,177,916	6,251,649	5,504,818	371,253	326,902
2027	6,933,427	-	5,964,889	7,370,952	6,341,297	437,525	376,408
2028	9,093,450	-	7,650,135	9,667,348	8,132,942	573,898	482,807
2029	12,536,702	-	10,319,696	13,296,814	10,945,389	760,112	625,693
2030	12,525,352	-	10,081,503	13,285,464	10,693,308	760,112	611,805
2031	12,514,002	-	9,848,800	13,274,114	10,447,025	760,112	598,225
2032	12,502,644	-	9,621,020	13,262,756	10,205,940	760,112	584,920
2033	12,491,302	-	9,398,782	13,251,414	9,970,710	760,112	571,928
2034	12,479,952	-	9,181,815	13,240,064	9,741,049	760,112	559,234
2035	12,468,602	-	8,969,849	13,228,714	9,516,670	760,112	546,821
2036	12,954,422	-	9,112,081	13,714,534	9,646,740	760,112	534,659
2037	12,931,738	-	8,894,075	13,691,850	9,416,859	760,112	522,784
2038	12,909,038	-	8,681,395	13,669,150	9,192,575	760,112	511,180
2039	12,886,338	-	8,473,775	13,646,450	8,973,608	760,112	499,834
2040	12,863,622	-	8,270,715	13,623,734	8,759,432	760,112	488,717
2041	30,974,983	-	19,409,154	33,535,019	21,012,229	2,560,035	1,603,075
2042	49,006,031	-	30,123,544	53,359,743	32,799,729	4,353,711	2,676,185
2043	49,006,031	-	29,454,917	53,359,743	32,071,701	4,353,711	2,616,784
2044	49,006,031	-	28,800,251	53,359,743	31,358,874	4,353,711	2,558,623
2045	49,006,031	-	28,160,125	53,359,743	30,661,880	4,353,711	2,501,754
2046	49,006,031	-	27,535,079	53,359,743	29,981,304	4,353,711	2,446,225
2047	49,006,031	-	26,923,906	53,359,743	29,315,835	4,353,711	2,391,928
2048	49,006,031	-	26,325,494	53,359,743	28,664,260	4,353,711	2,338,765
2049	49,006,031	-	25,740,374	53,359,743	28,027,157	4,353,711	2,286,783
2050	22,755,607	-	11,687,066	22,755,607	11,687,066		
2051	22,755,607	-	11,427,658	22,755,607	11,427,658		
2052	22,755,607	-	11,173,666	22,755,607	11,173,666		
2053	22,755,607	-	10,925,316	22,755,607	10,925,316		
2054	22,755,607	-	10,682,816	22,755,607	10,682,816		
2055	22,755,607	-	10,445,699	22,755,607	10,445,699		
2056	22,755,607	-	10,213,532	22,755,607	10,213,532		
2057	22,755,607	-	9,986,523	22,755,607	9,986,523		
2058	11,377,804	-	4,909,603	11,377,804	4,909,603		
Total	790,416,888	20,095,591	483,019,949	838,310,632	492,833,211	27,798,153	9,813,261



Full Scenario Analysis Results

	1.5 Year BAN			2.5 Year			3.5 Year BAN			No BAN	
FY	TIFIA DS	PAYGO	PV	TIFIA DS	PAYGO	PV	TIFIA DS	PAYGO	PV	TIFIA DS	PV
2021							-	-	-	-	-
2022		5,834,951	5,647,143		12,892,392	12,477,428	-	20,095,591	19,448,780	-	-
2023							-	-	-	-	-
2024							-	-	-	-	-
2025							-	-	-	-	-
2026	6,146,459		5,412,194	6,014,453		5,295,958	5,880,396	-	5,177,916	6,251,649	5,504,818
2027	7,247,135		6,234,775	7,091,490		6,100,872	6,933,427	-	5,964,889	7,370,952	6,341,297
2028	9,504,890		7,996,270	9,300,755		7,824,536	9,093,450	-	7,650,135	9,667,348	8,132,942
2029	13,081,439		10,768,101	12,811,169		10,545,626	12,536,702	-	10,319,696	13,296,814	10,945,389
2030	13,070,089		10,519,955	12,799,819		10,302,418	12,525,352	-	10,081,503	13,285,464	10,693,308
2031	13,058,739		10,277,520	12,788,469		10,064,812	12,514,002	-	9,848,800	13,274,114	10,447,025
2032	13,047,381		10,040,205	12,777,112		9,832,227	12,502,644	-	9,621,020	13,262,756	10,205,940
2033	13,036,039		9,808,656	12,765,769		9,605,298	12,491,302	-	9,398,782	13,251,414	9,970,710
2034	13,024,689		9,582,591	12,754,419		9,383,747	12,479,952	-	9,181,815	13,240,064	9,741,049
2035	13,013,339		9,361,730	12,743,069		9,167,299	12,468,602	-	8,969,849	13,228,714	9,516,670
2036	13,499,159		9,495,246	13,228,890		9,305,140	12,954,422	-	9,112,081	13,714,534	9,646,740
2037	13,476,475		9,268,730	13,206,205		9,082,846	12,931,738	-	8,894,075	13,691,850	9,416,859
2038	13,453,775		9,047,734	13,183,505		8,865,976	12,909,038	-	8,681,395	13,669,150	9,192,575
2039	13,431,075		8,831,982	13,160,805		8,654,258	12,886,338	-	8,473,775	13,646,450	8,973,608
2040	13,408,359		8,620,956	13,138,090		8,447,185	12,863,622	-	8,270,715	13,623,734	8,759,432
2041	32,809,641		20,558,003	31,899,381		19,988,005	30,974,983	-	19,409,154	33,535,019	21,012,229
2042	52,126,132		32,041,440	50,578,104		31,089,882	49,006,031	-	30,123,544	53,359,743	32,799,729
2043	52,126,132		31,330,244	50,578,104		30,399,806	49,006,031	-	29,454,917	53,359,743	32,071,701
2044	52,126,132		30,633,896	50,578,104		29,724,139	49,006,031	-	28,800,251	53,359,743	31,358,874
2045	52,126,132		29,953,016	50,578,104		29,063,479	49,006,031	-	28,160,125	53,359,743	30,661,880
2046	52,126,132		29,288,174	50,578,104		28,418,381	49,006,031	-	27,535,079	53,359,743	29,981,304
2047	52,126,132		28,638,089	50,578,104		27,787,603	49,006,031	-	26,923,906	53,359,743	29,315,835
2048	52,126,132		28,001,578	50,578,104		27,169,994	49,006,031	-	26,325,494	53,359,743	28,664,260
2049	52,126,132		27,379,204	50,578,104		26,566,104	49,006,031	-	25,740,374	53,359,743	28,027,157
2050	22,755,607		11,687,066	22,755,607		11,687,066	22,755,607	-	11,687,066	22,755,607	11,687,066
2051	22,755,607		11,427,658	22,755,607		11,427,658	22,755,607	-	11,427,658	22,755,607	11,427,658
2052	22,755,607		11,173,666	22,755,607		11,173,666	22,755,607	-	11,173,666	22,755,607	11,173,666
2053	22,755,607		10,925,316	22,755,607		10,925,316	22,755,607	-	10,925,316	22,755,607	10,925,316
2054	22,755,607		10,682,816	22,755,607		10,682,816	22,755,607	-	10,682,816	22,755,607	10,682,816
2055	22,755,607		10,445,699	22,755,607		10,445,699	22,755,607	-	10,445,699	22,755,607	10,445,699
2056	22,755,607		10,213,532	22,755,607		10,213,532	22,755,607	-	10,213,532	22,755,607	10,213,532
2057	22,755,607		9,986,523	22,755,607		9,986,523	22,755,607	-	9,986,523	22,755,607	9,986,523
2058	11,377,804		4,909,603	11,377,804		4,909,603	11,377,804	-	4,909,603	11,377,804	4,909,603
Total	824,740,402	5,834,951	490,189,312	807,710,898	12,892,392	486,614,901	790,416,888	20,095,591	483,019,949	838,310,632	492,833,211

Benefit/(Cost) of BANs:	2,643,899	6,218,310	9,813,261
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Senior Underwriter Recommendation

The Selection Committee recommends naming a Senior Managing Underwriter for the potential TIFIA BANs transaction so they are available to help with ideas given volatile markets

Senior Manager

- Wells Fargo

Monroe Expressway Refunding



David Roy

Director of Finance & Budget



Monroe Connector System State Appropriation Revenue Bonds, Series 2011

- ◆ \$95,005,000 of the Monroe Connector System State Appropriation Revenue Bonds, Series 2011 (the “Series 2011 Bonds”) are callable on 7/1/2021.
- ◆ When H.R.1 (the “Tax Cuts and Jobs Act”) was signed on December 22, 2017, tax-exempt advance refundings were eliminated as of December 31, 2017.
- ◆ Although traditional tax-exempt advance refunding bonds are no longer allowed, alternative* options remain:
 - **Tax-Exempt Current Refunding:** Wait out the call protection period and, if market conditions permit, execute a current refunding not more than 90 days before the bonds become subject to optional redemption. This alternative has interest rate risk.
 - **Taxable Advance Refunding:** If market conditions permit, execute an advance refunding using taxable bonds. Taxable interest rates are higher than tax-exempt, but spreads have narrowed.
 - **Forward Current Refunding:** Price the bonds before the call period, but wait until the call period to deliver the bonds. A forward settlement premium would be added to the tax-exempt interest rates, although forward premiums have been reduced by the flat yield curve.

**Additional alternatives not discussed include Forward-Starting Swaps, Hybrid Conversion Bonds, and Cash Optimization. These alternatives introduce additional risk and/or are not applicable to NCTA's 2011 Bonds at this time.*



General Assumptions

- Market has been volatile and assumptions are subject to change on a daily basis

General Assumptions	
Date Assumptions:	
<i>Assumed Dated and Delivery Date of Refunding/Defeasance:</i>	7/1/2020; 4/2/2021
<i>First Maturity Date:</i>	7/1/2022
<i>First Call date:</i>	7/1/2031
Escrow Securities Assumptions:	
<i>Escrow Security Yields Based on:</i>	SLGS
<i>Escrow Security Yields as of:</i>	4/13/2020
Taxable and Tax-Exempt Issuance Assumptions:	
<i>Taxable Yields Based on:</i>	US Treasury Rates
<i>Tax-Exempt Yields Based on:</i>	AAA MMD GO Rates
<i>Taxable and Tax-Exempt Yields as of:</i>	4/9/2020
<i>Tax-Exempt Yield Spread:</i>	29 bps - 95 bps
<i>Taxable Yield Spread</i>	80 bps - 170 bps
<i>Forward Premium</i>	45 bps



Refunding Analysis of Series 2011 Bonds

- The results of the refunding scenarios are summarized in the table below.
- Based on preliminary analysis, a Taxable Advance Refunding executed now produces higher savings than a Current Tax-Exempt Refunding executed within 90 days of the call date.
- Relative results between a Taxable Advance Refunding and a Forward Current Refunding have been changing with market volatility. We'd recommend keeping both alternatives open as long as possible.

	Taxable Advance Refunding	Forward Tax-Exempt Current Refunding	Future Tax-Exempt Current Refunding
Rates Locked as of	7/1/2020	7/1/2020	3/15/2021
Delivery Date	7/1/2020	4/2/2021	4/2/2021
Refunding Par Amount	\$100,050,000	\$89,740,000	\$86,560,000
Escrow Yield	0.24%	0.28%	0.28%
Negative Escrow Arbitrage	\$2,091,857	\$572,785	\$460,417
Forward Premium	0 bps	45 bps	0 bps
All-In TIC	2.46%	2.76%	2.39%
Arbitrage yield	2.41%	2.69%	2.21%
Gross Savings (\$)	\$27,795,727	\$26,663,105	\$31,158,956
NPV Savings (\$)	\$21,760,530	\$20,611,743*	\$24,066,766*
NPV Savings (%)	22.90%	21.70%	25.33%
Breakeven to Future Current Refunding	32 bps	45 bps	-

* Net Present Value Calculated as of July 1, 2020 at 2.41%



Estimated Cost of Issuance and Underwriters' Discount

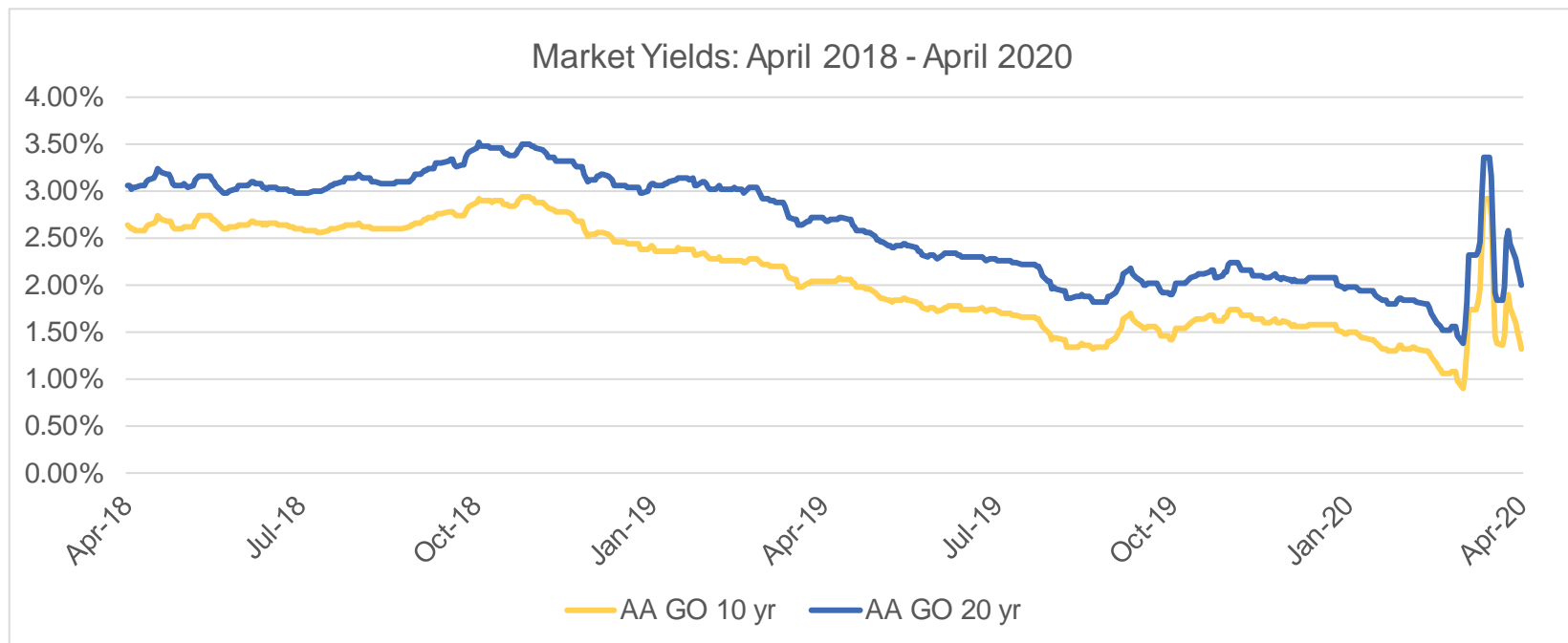
- Estimated transaction fees are accounted for in all savings numbers presented
- Estimates are provided below but will vary depending upon final transaction structure and terms

Cost of Issuance		Underwriters' Discount	
Bond Counsel Fee	100,000	Average Takedown	275,000
Underwriters' Counsel Fee	75,000	Expenses	25,000
Financial Advisor Fee	65,625	Total	300,000
Financial Advisor Expenses	5,000		
Ratings/S&P	50,000		
Ratings/Fitch	50,000		
Ratings/Moody's	50,000		
Trustee/Registrar/Paying Agent	7,500		
Trustee Counsel	5,500		
Escrow Agent	2,000		
Escrow Structuring Fee	2,500		
Printing/Mailing/Shipping	3,500		
Investor Roadshow	3,750		
LGC Fee	12,500		
Miscellaneous	5,000		
Total	437,875		



Refunding Analysis of Series 2011 Bonds

- The graphic below shows the volatility in 10-year and 20-year tax-exempt interest rates over the past two years.

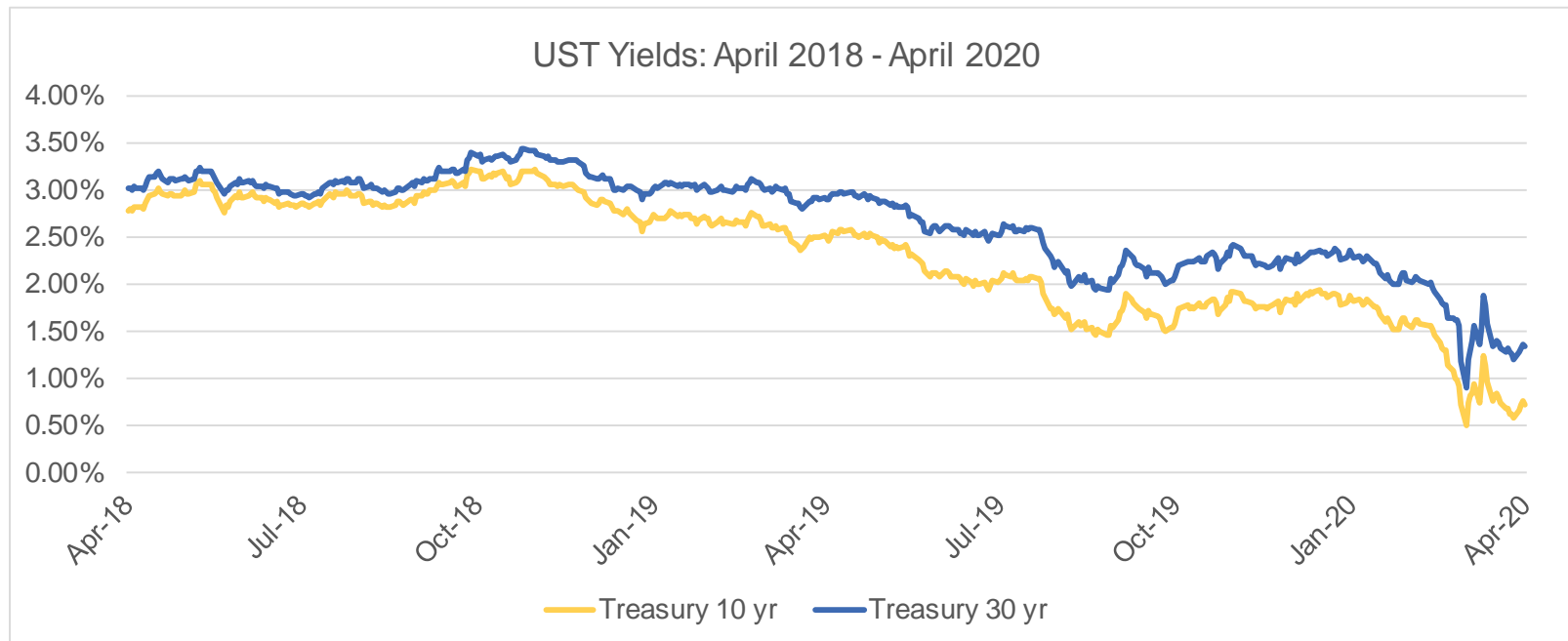


	10 Year AA GO	20 Year AA GO
Average (4/9/2018 - Current)	2.09%	2.63%
Current (4/9/2020)	1.33%	2.01%
Difference	76 bps	62 bps



Refunding Analysis of Series 2011 Bonds

- The graphic below shows the volatility in 10-year and 30-year US Treasury rates over the past two years.



	Treasury 10 Year	Treasury 30 Year
Average (4/9/2018 - Current)	2.32%	2.68%
Current (4/9/2020)	0.72%	1.34%
Difference	160 bps	134 bps

Draft Bond Documents & Resolutions



Mary Nash Rusher

McGuireWoods LLP

Lisa Medina Williams

McGuireWoods LLP

Proposed Issuance of State Appropriation Revenue Bonds

- Monroe Expressway System State Appropriation Revenue Refunding Bonds, Series 2020, may be issued, as
 - Taxable advance refunding bonds,
 - Tax-exempt refunding bonds issued on a forward delivery basis, or
 - Tax-exempt advance refunding bonds (if tax laws change)
- Issued under and secured by the Authority's Trust Agreement dated as of October 1, 2010, as amended, which pledges State Appropriated Revenues to bonds issued pursuant to the Trust Agreement
- State Appropriation Revenue Bonds currently secured by the Trust Agreement: Series 2010 Bonds and Series 2011 Bonds
- Series 2020 Bonds will refund nearly all of the Series 2011 Bonds

State Appropriation Revenue Refunding Bonds, Series 2020

Second Supplemental Trust Agreement

- Second Supplemental Trust Agreement will extend the lien on the State Appropriated Revenues to the Series 2020 Bonds
- Sets forth the terms for the Series 2020 Bonds
 - Maturity schedule
 - Redemption provisions
 - Defeasance provisions
- Includes continuing disclosure obligations to provide investors with ongoing financial and operational information in compliance the Securities and Exchange Commission's Rule 15c2-12
- Includes miscellaneous provisions for supplementing the Second Supplemental Trust Agreement, updated notices, etc.

State Appropriation Revenue Refunding Bonds, Series 2020

Preliminary Official Statement

- Describes key terms of Series 2020 Bonds
- Describes the Plan of Refunding – refunding of the Series 2011 Bonds maturing July 1, 2022 – 2031 and describes the original purpose of the Series 2011 Bonds
- Describes Monroe Expressway System briefly
- Includes disclosure about the annual \$24 million appropriation that supports the Bonds and the Highway Trust Fund as the source from which the appropriation is expected to be made
 - Officers and staff of the Authority will work with the State and DOT to provide updated State and HTF disclosure consistent with disclosure for Build NC Bonds of the State
- Includes risk factors associated with the purchase of the Series 2020 Bonds
 - To be updated and expanded in light of recent events prior to posting
- Describes Authority's continuing disclosure undertaking

State Appropriation Revenue Refunding Bonds, Series 2020

Bond Purchase Agreement

- Executed after the Bonds are priced
- Commits the Underwriters to purchase the Bonds
- Sets forth final terms of Bonds, including maturities, interest rates, yields and prices
- Sets forth the conditions to closing, including
 - Receipt of ratings
 - Closing certifications
 - Opinions of bond counsel, attorney general for NCDOT, and underwriters' counsel

Monroe Expressway

Board Resolution

- Adopts Bond Order – Subject to Local Government Commission (LGC) approval
- Approves issuance of the Series 2020 Bonds, subject to LGC approval
- Approves execution and delivery of Second Supplemental Trust Agreement, Preliminary Official Statement, the Bond Purchase Agreement and other documents related to the Series 2020 Bonds
- Approves the sale of the Series 2020 Bonds to Underwriters
- Approves use of the Preliminary Official Statement and Final Official Statement by the Underwriters for the marketing of the Series 2020 Bonds
- Covenants that the “Bond Documents” shall be in the forms presented, which are hereby approved

Monroe Expressway

Board Resolution Parameters

- Authorizes the Series 2020 Bonds to be issued as:
 - Taxable Advance Refunding Bonds
 - Tax-Exempt Bonds issued on a forward delivery basis or
 - Tax-Exempt Advance Refunding Bonds (if there is a change in federal legislation)
- Imposes limits as follows:
 - Final maturity date: No later than July 1, 2041
 - Maximum aggregate principal amount of: \$101,000,000
 - Minimum Net Debt Service Savings: 5.0%
 - Maximum percentage of aggregate discount to Underwriters: 0.30%

Monroe Expressway

Board Resolution

- Authorizes officers and employees of the Authority to coordinate with the State and DOT to update the disclosures in the Preliminary Official Statement regarding State Appropriated Revenues
- Authorizes and directs the Chairman and other officers and employees of the Authority to take such actions deemed necessary and appropriate to accomplish the issuance of the Series 2020 Bonds
- Designates the Director of Finance and Budget as the officer charged with compliance with the Authority's continuing disclosure obligations with respect to the Series 2020 Bonds
- Requests the LGC to approve the issuance of the Series 2020 Bonds and any other action requiring its approval in connection therewith.

Underwriting Syndicate Recommendation

Senior Manager

- Citigroup

Co-Managers

- Loop Capital
- PNC
- Ramirez

NCTA Audit Overview



Eddie Burke, CPA

Cherry Bekaert LLP

Planning Agenda

Client Service Team

About Cherry Bekaert

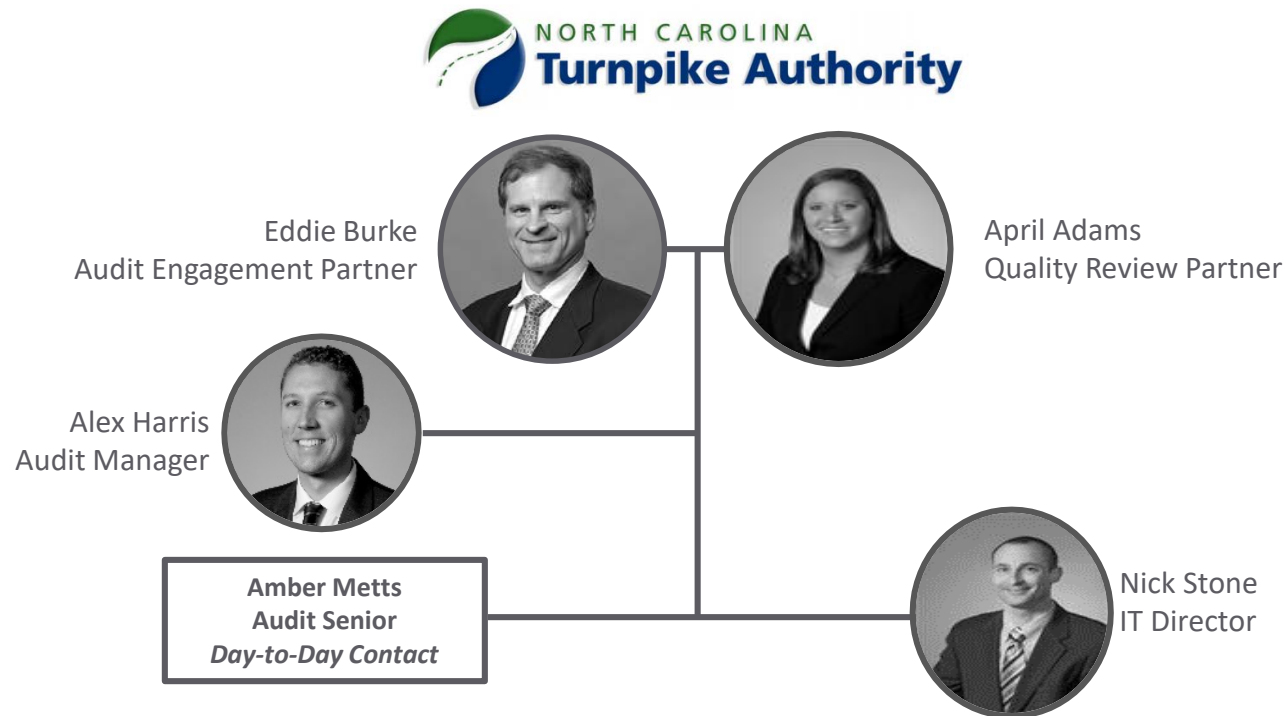
Internal Controls

Significant Audit Areas

Proposed Audit Timeline

Client Service Goals

Client Service Team



About Cherry Bekaert LLP

Local and National Depth of Resources

National Resources

- ▶ **1,250+** professionals firm-wide
- ▶ Access to specialists and industry experts who foster a collaborative working environment
- ▶ National Top 25 CPA & Consulting Firm

Mid Carolina Practice

- ▶ More than **135** professionals across our offices in Raleigh, Durham, and Fayetteville
- ▶ Serving more than **70** cities, counties, towns, school boards, authorities, commissions and other governmental entities throughout North Carolina
- ▶ Full service assurance, tax and advisory

1250+

Associates Firmwide

140+

Partners
& Principals



70+

 Years in
Business

Ranked as a Top
Accounting Firm
Across the U.S.

25



2018 BEST PLACES TO WORK



Our History and Track Record with Government Auditing at Work For You

- ▶ Over 45 NC Professionals
Concentrated in Public Sector
- ▶ Bench Strength with 3 Governmental
Partners and 6 Managers
- ▶ NC Risk Advisory Specialists Available
for NCTA
- ▶ Currently Audit Several Entities Similar
to the Authority

45

 **150+**
Government Clients

200+ 
Employees
Dedicated to Serving
Our Government Clients

110,000+
Hours Annually
of Audit Service to Our Government Clients

Billions of Dollars
of Federal Grants Audited Annually

 **30+** Supports
Local
Non-Profits

Experience You Can Trust

- ▶ A **dedicated, knowledgeable team that primarily serves government clients** and is well versed in the accounting and tax issues and challenges facing governmental entities today.
- ▶ Access to experienced professionals and **continuity of staff and familiarity of engagement** requirements.
- ▶ A dedicated audit team that is able to provide support and governmental **expertise beyond accounting issues and financial transparency.**
- ▶ Offer **live, online and on-demand training** on emerging public sector issues and e-mail blasts of new developments.



Dedicated Team
Focused On You

Live & Online
Training Available

Government
Industry Experts &
Resources

On-going
Communication

Internal Controls

Significant Cycles

- Accounts Receivable
- Revenues
- Accounts Payable
- Disbursements
- Financial Statement Close
- Debt
- Investment proceeds

Test of Controls

- Capital outlay and capital assets

Manual JEs

- Active Data

Information Technology Controls

- Cybersecurity
- IT Entity Level
- Backup & Recovery
- Access & Security
- Network Security
- Program Change Management
- System Development Life Cycle

Significant Audit Areas

Assets

- Cash and investments
- Accounts receivable and revenue
- Capital assets and expenditures

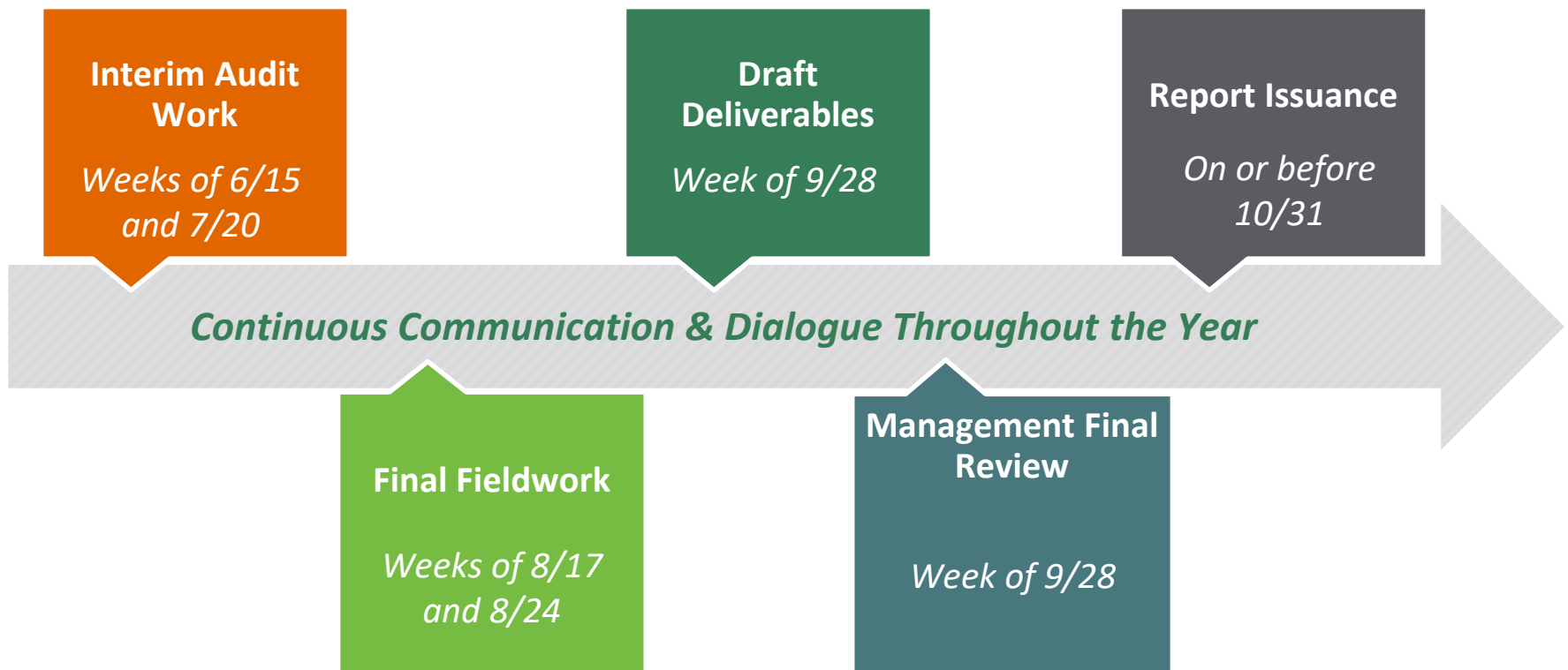
Liabilities and Net Position

- Accounts payable and expenditures
- Debt and debt service expenditures
- Net Position

Other Items

- Payroll
- OPEB
- Pension
- Legal

Audit Timeline



Client Service Goals



Questions & Comments?

Eddie Burke, CPA

Partner

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Thank You!

