

NEW JERSEY TRANSPORTATION TRUST FUND AUTHORITY

Minutes of the meeting of the New Jersey Transportation Trust Fund Authority (“Authority” or “NJTTFA”) held via GoToMeeting from the Office of the Commissioner in the Main Office Building of the New Jersey Department of Transportation, 1035 Parkway Avenue, Trenton, New Jersey on November 19, 2020 at 11:00 AM (EST).

The following Authority members were present:

- Diane Gutierrez-Scaccetti, NJTTFA Chairperson, Commissioner, New Jersey Department of Transportation
- Michael Kanef, NJTTFA Treasurer (Director, Office of Public Finance, New Jersey Department of the Treasury / Designee for the Honorable Elizabeth Maher Muoio, New Jersey State Treasurer)
- Robert A. Briant, Jr., NJTTFA Public Member
- Gregory Lalevee, NJTTFA Public Member
- John J. Duthie, NJTTFA Public Member

Constituting a quorum of the Members of the Authority.

There were also present:

- Lewis Daidone, NJTTFA Executive Director; Assistant Commissioner Finance and Administration, NJDOT
- Samuel Braun, NJTTFA Comptroller; Office of the Assistant Commissioner, Finance and Administration, NJDOT
- Jackie Brown, NJTTFA Secretary; NJDOT
- Naileen Rodriguez, NJTTFA Assistant Secretary; NJDOT

- Aimee Manocchio Nason, Deputy Attorney General, NJ Attorney General's Office
- Victoria Nilsson, Deputy Attorney General, NJ Attorney General's Office
- Joy Johnson, Governor's Authorities Unit
- David Moore, Deputy Director, Office of Public Finance, NJ Department of Treasury
- Joseph Bertoni, Deputy Commissioner, NJDOT
- Andrew Tunnard, Assistant Commissioner, Transportation Operations Systems & Support, NJDOT
- Michael Russo, Assistant Commissioner, Planning, Multimodal, & Grants Administration, NJDOT
- Snehal Patel, Assistant Commissioner, Capital Program Management, NJDOT
- Andrew Coen, Member of the Public

Other members from the public were also present via phone at this meeting but did not identify themselves to the Board.

Chairperson Gutierrez-Scaccetti presided at the meeting and Jackie Brown, Authority Secretary, kept the minutes.

Chairperson Gutierrez-Scaccetti convened the meeting at 11:04 AM. She made the following statement: *"I wish to announce that adequate notice of today's meeting of the New Jersey Transportation Trust Fund Authority has been provided in accordance with the Open Public Meetings Act. Notice was filed with the Secretary of State. This notice was e-mailed and mailed to five [5] newspapers of general distribution (The Trentonian, Trenton Times, Courier*

Post, Star Ledger, and the Atlantic City Press); posted on the Authority's website and posted in the main entrance of the New Jersey Department of Transportation's Headquarters."

Secretary Jackie Brown called the roll. The following acknowledged their presence: Diane Gutierrez-Scaccetti, Robert Briant, Jr., John Duthie, Gregory Lavee, and Michael Kanef.

Chairperson Gutierrez-Scaccetti acknowledged that a quorum was present. She stated that because this is a virtual meeting, members of the Board should identify themselves before making or seconding any motions.

Chairperson Gutierrez-Scaccetti called the first order of business by requesting a motion to approve the minutes of the Authority's Board meeting held on October 15, 2020.

Gregory Lavee moved to approve the following resolution approving the Authority's October 15, 2020 meeting minutes:

WHEREAS, Article II, Section 2 of the By-laws of the New Jersey Transportation Trust Fund Authority (the "Authority") provides that the minutes of actions taken at the meetings of the Authority be approved by the Authority.

NOW, THEREFORE, BE IT RESOLVED, that the minutes taken at the meeting of October 15, 2020 of the New Jersey Transportation Trust Fund Authority are hereby approved.

The motion was seconded by John Duthie and adopted on a call of roll as follows:

AYE: 5

NAY: 0

ABSTAIN: 0

ABSENT: 1

Chairperson Gutierrez-Scaccetti declared said motion carried and the resolution was adopted.

For the next order of business, Chairperson Gutierrez-Scaccetti requested that Lewis Daidone discuss the audit.

Mr. Daidone stated that the Audit Committee met on November 9, 2020 with Mercadien, the NJTTFA auditors, and the NJTTFA's Comptroller and Executive Director to review the 2020 fiscal year-end audit results. He stated that at this meeting, the auditors explained the audit process to the Committee and provided a brief overview of the Financial Statements. The auditors provided the Committee with the required communications under Generally Accepted Auditing Standards and Government Auditing Standards. They indicated that an unqualified opinion would be issued, which represents the highest level of assurance. The auditors also indicated there were no internal control issues or non-compliance with laws, regulations or contracts. Mr. Daidone stated that after a general discussion, there was a private session between Mercadien and the Audit Committee. The Audit Committee meeting was concluded with the Committee recommending the approval of the Financial Statements to the Board.

Mr. Daidone continued his discussion by giving a brief overview of the Financial Statements to the Board Members and went over highlights of the Management Discussion and Analysis. He began by discussing the NJTTFA's Net position. He also noted that Capital Expenditures decreased slightly from \$1.82B in state fiscal year (SFY) 2019 to \$1.76B in SFY 2020. He stated this slight decrease of 3% reflected the impact of COVID-19 on the program and that most of the decrease was attributable to NJ Transit. He noted that the DOT actually spent \$100 million more in SFY 20 than in SFY 19; \$1.1 billion versus \$1 billion, remarkable since the State was effectively shut down mid-March, which means that more than a quarter of the fiscal

year was impacted by this closure. The fact that processes and workflows are largely manual, and paperwork needs to be physically signed and delivered, created many challenges. As a result, efforts to automate workflows were accelerated, staggered work schedules were implemented and new ways of paperwork delivery and execution were implemented – all within the strict guidelines of laws and regulations – in order to keep projects running and on schedule.

He continued with a review of the debt activity and Pay As You Go capital funding. At the conclusion of Mr. Daidone’s discussion, he asked if any of the Board Members had any questions or further discussion on this matter. Hearing none, Chairperson Diane Gutierrez-Scaccetti requested a motion to accept the resolution accepting the Authority’s Fiscal Year 2020 audited financial statements. Robert Briant Jr. moved to accept the following resolution:

**RESOLUTION AUTHORIZING THE ACCEPTANCE OF THE AUDIT
REPORT FOR THE NEW JERSEY TRANSPORTATION TRUST FUND
AUTHORITY**

WHEREAS, pursuant to Section 17 of the New Jersey Transportation Trust Fund Authority Act of 1984, as amended (the “Act”), N.J.S.A. 27:1B-1 et seq., the New Jersey Transportation Trust Fund Authority (the “Authority”) is required to conduct an annual audit of its affairs and deliver a written report with respect to such audit to the Governor and the Legislature; and

WHEREAS, the Authority requires the services of a professional accounting firm with respect to the preparation of such audit; and

WHEREAS, the Authority selected the firm of The Mercadien Group (“Mercadien”) to perform the audit of the Authority for Fiscal Year 2020; and

WHEREAS, Mercadien has prepared the audit for Fiscal Year 2020 a copy of which is attached to this Resolution as Exhibit “A”; and

WHEREAS, the Authority’s Audit Committee has reviewed the audit report for Fiscal Year 2020 and recommended its adoption by the Authority.

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority hereby accepts the audit report of Mercadien attached hereto as Exhibit “A”.
2. This Resolution shall take effect upon adoption in accordance with the Act

The motion was seconded by Gregory Lalevee and adopted on a call of roll as follows:

AYE: 5

NAY: 0

ABSTAIN: 0

ABSENT: 1

Chairperson Gutierrez-Scaccetti declared said motion carried and the resolution was adopted.

Chairperson Diane Gutierrez-Scaccetti stated that the next order of business is the resolution to approve the 2021 New Jersey Transportation Trust Fund Authority Board meeting schedule as noted below:

January 21 @ 11:00 AM

February 18 @ 11:00 AM

March 18 @ 11:00 AM

April 15 @ 11:00 AM

May 20 @ 11:00 AM

June 17 @ 11:00 AM

July 15 @ 11:00 AM

August 19 @ 11:00 AM

September 16 @ 11:00 AM

October 21 @ 11:00 AM

November 18 @ 11:00 AM

December 16 @ 11:00 AM

Chairperson Diane Gutierrez-Scaccetti asked the Board Members if there were any questions or further discussion on this matter. Hearing none, Chairperson Diane Gutierrez-Scaccetti requested a motion to approve the resolution accepting the NJTTFA 2021 Board Meeting Schedule. Gregory Lalevee moved to approve the resolution.

The motion was seconded by John Duthie and adopted on a call of roll as follows:

AYE: 5

NAY: 0

ABSTAIN: 0

ABSENT: 1

Chairperson Diane Gutierrez-Scaccetti declared said motion carried and said resolution adopted.

Chairperson Diane Gutierrez-Scaccetti stated she does not expect any activity in mid-December and suggested that the December 17th meeting be canceled. Hearing no objections from the Board, the December meeting will be canceled. Chairperson Gutierrez-Scaccetti stated the

next Board meeting will be held in January 2021 and requested the NJTTFA staff be prepared to provide a six-month update on the Capital Plan.

There being no further business coming from the Authority, Chairperson Gutierrez-Scaccetti requested a motion to adjourn the meeting. Robert Briant, Jr. moved that the November 19, 2020 meeting of the New Jersey Transportation Trust Fund Authority be adjourned. John Duthie seconded the motion and adopted on a call of roll as follows:

AYE: 5

NAY: 0

ABSTAIN: 0

ABSENT: 1

Chairperson Gutierrez-Scaccetti asked whether any member of the public wished to address the board, but no one indicated that they wished to do so.

The November 19, 2020 meeting of the New Jersey Transportation Trust Fund Authority ended at approximately 11:14 AM.

Respectfully Submitted,

Jackie Brown
Secretary of the Authority