



Atkins North America, Inc.
18383 Preston Road, Suite 500
Dallas, Texas 75252

Telephone: +1.972.818.7275
Fax: +1.972.380.2609

www.atkinglobal.com/northamerica

December 18, 2013

Gerald Carrigan
Executive Director
North Texas Tollway Authority
5900 W. Plano Parkway
Plano, Texas 75093

**Re: North Texas Tollway Authority
2014 Final Annual Operating Budget for the System**

Dear Mr. Carrigan:

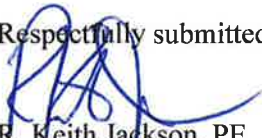
Atkins North America, Inc. (Atkins), as the Authority's General Engineering Consultant (GEC), hereby acknowledges it has received a copy of the 2014 System Final Annual Operating Budget provided by the North Texas Tollway Authority (Authority). The 2014 System Final Annual Operating Budget was presented to the Authority's Finance and Audit committee at the December 5, 2013 meeting and was adopted at the December 18, 2013 Board of Directors' meeting. Projects included in the Authority's System are the Dallas North Tollway (DNT), President George Bush Turnpike (PGBT) including the Eastern Extension, Sam Rayburn Tollway (SRT), Mountain Creek Lake Bridge (MCLB), Lake Lewisville Toll Bridge (LLTB) and Addison Airport Toll Tunnel (AATT).

The 2014 Final Annual Operating Budget is \$122,700,000 which is approximately 5.5% more than the 2013 Annual Budget (see attached). The Final Operating Budget numbers were not changed from the Preliminary Annual Operating Budget numbers adopted at the October 16, 2013 Board of Directors' meeting.

As GEC, Atkins has reviewed the budget and has concluded it has been developed in accordance with previously established general practices. In our opinion, it will adequately provide for toll collection, operations and maintenance, major maintenance and capital improvements for the NTTA's System for next fiscal year.

As mentioned in the approval letter for the Preliminary Annual Operating Budget, a deposit to the Reserve Maintenance Fund (RMF) is calculated each year in accordance with Section 504 of the Amended and Restated Trust Agreement to assure that adequate funds are available to defray maintenance and replacement costs and other expenses that occur due to normal aging of the System. From our review, it is our understanding that the RMF account will end 2013 with a surplus of almost \$46 million. It is our opinion that the carry-over balance from 2013 in the RMF is sufficient to meet the expected expenses for projects planned in 2014 and exceed the recommended balance of \$5,000,000 stipulated by the Trust Agreement. The RMF balance at the end of 2014 is estimated at over \$16 million, therefore, no additional funds are recommended for deposit into the RMF account for 2014.

Respectfully submitted,



R. Keith Jackson, PE
General Engineering Consultant Project Director

Enclosure

cc: Horatio Porter (w/ enc.)
Ray Zies (w/ enc.)

Elizabeth Mow, PE (w/ enc.)
Armando Garza (w/ enc.)

Operation and Maintenance Fund Budget Comparisons FY2014 to FY2013

Department	2013	2014	2014 Budget to 2013 Budget	
	Budget	Budget	Amount	Percent
Administrative Services:				
Administration	\$922,225	\$556,956	\$(365,269)	(39.6%)
Board	235,003	152,873	(82,130)	(34.9%)
Finance	4,246,847	4,229,089	(17,758)	(0.4%)
Human Resources	1,470,626	1,388,401	(82,225)	(5.6%)
Internal Audit	875,746	828,471	(47,275)	(5.4%)
Legal Services	2,504,759	2,437,130	(67,629)	(2.7%)
Public Affairs	2,773,697	2,846,945	73,248	2.6%
Shared Services	8,474,022	11,032,880	2,558,858	30.2%
Strategic & Innovative Solutions	1,267,881	956,096	(311,785)	(24.6%)
Total Administrative Services	22,770,805	24,428,841	1,658,036	7.3%
Operational Services:				
Customer and Support Services	44,387,815	48,363,838	3,976,023	9.0%
Information Technology	12,949,116	13,995,184	1,046,068	8.1%
Maintenance	26,046,348	24,283,669	(1,762,680)	(6.8%)
Operations	356,845	594,621	237,776	66.6%
Project Delivery	285,051	164,528	(120,523)	(42.3%)
System & Incident Mgmt.	9,472,926	10,869,319	1,396,393	14.7%
Total Operational Services	93,498,102	98,271,159	4,773,056	5.1%
Grand Totals	\$116,268,908	\$122,700,000	\$6,431,092	5.5%

All variances that exceed \$50,000 are explained on the following individual department's budget and information documents. Additionally, variances that are greater than 15% and \$2,000 are further explained.

CALCULATION OF DEPOSIT TO RESERVE MAINTENANCE FUND FY2014

Reserve Maintenance Fund Balance as of 07/31/2013		\$ 53,155,355
Outstanding Reserve Maintenance Fund Deposit for FY2013		0
Estimated Expenditures (Aug. through December 2013)		(7,200,003)
Estimated Balance as of 12/31/13		45,955,352
Estimated 2013 Project Costs (2013 Projects completed in 2014)	(1)	(2,638,000)
Estimated 2014 Project Costs		
Software / Licensing	(425,632)	
Computer / Equipment	(3,833,900)	
Roadway Maintenance	(20,327,880)	
Professional Fees, Audit Fees, Legal Fees	(168,700)	
2014 Projects Cost		(24,756,112)
Total RMF Projects Cost		(27,394,112)
Cash Transfer to OMF for Allocated: Salaries and Benefits		(1,858,179)
Total Estimated 2014 RMF Cost		(29,252,291)
Estimated 2014 Balance before Deposit		16,703,061
Estimated 2014 Deposit to Reserve Maintenance Fund		0
Reserve Maintenance Fund Balance as of 12/31/2014		\$ 16,703,061
2014 Required Deposit to Reserve Maintenance Fund Calculation		
Estimated Fund Balance at 12/31/14	16,703,061	
Required Trust Agreement Balance	5,000,000	
Over Funded no Deposit Required for 2014	11,703,061	
 (1) 2013 Projects fully funded in 2012.		