



NORTH TEXAS TOLLWAY AUTHORITY

NORTH TEXAS TOLLWAY AUTHORITY

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended December 31, 2010

**Allen Clemson
Executive Director**

**Janice D. Davis
Chief Financial Officer**

**NORTH TEXAS TOLLWAY AUTHORITY
Comprehensive Annual Financial Report
For the Year Ended December 31, 2010**

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NORTH TEXAS TOLLWAY AUTHORITY

5900 West Plano Parkway, Suite 100 • Plano, Texas 75026 • (214) 461-2000 • Fax (214) 528-4826 • www.ntta.org

June 8, 2011

Chairman Victor Vandergriff,
And the Board of Directors
North Texas Tollway Authority

The Finance Department of the North Texas Tollway Authority (the Authority or NTTA) is pleased to submit the Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2010 in compliance with Section 711 of the Amended and Restated Trust Agreement. The CAFR is intended to provide detailed information on the Authority's financial condition at December 31, 2010, including the North Texas Tollway System (the System), the Feasibility Study Fund and DFW Turnpike Transition Trust Fund. The System consists of the Dallas North Tollway (DNT), the President George Bush Turnpike (PGBT), Sam Rayburn Tollway, Previously State Highway 121, (SRT), the Mountain Creek Lake Bridge (MCLB), the Addison Airport Toll Tunnel (AATT) and the Lewisville Lake Toll Bridge (LLTB).

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. Crowe Horwath LLP, Certified Public Accountants, has issued an unqualified opinion on the North Texas Tollway Authority's financial statements for the year ended December 31, 2010. This independent auditors' report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the North Texas Tollway Authority

The Turnpike Act of 1953 was passed by the legislature and signed into law by Governor Allan Shivers on June 9, 1953 creating the Texas Turnpike Authority for the purpose of building and managing an expressway between Dallas and Fort Worth. After the initial design was completed in December 1954, \$58,000,000 of bonds were sold to construct the expressway called the Dallas Fort Worth Turnpike. The turnpike was dedicated on September 5, 1957 and by November 8, 1957 had already served one million patrons.

In 1962, the Dallas Central Business District Association petitioned the Turnpike Authority to investigate the feasibility of a turnpike linking the central business district with north central Dallas. In June 1965 bonds were sold and the Dallas North Tollway was in business. The first segment of the tollway from downtown to Mockingbird Lane opened to traffic on February 11, 1968 and the final segment, to Royal Lane was opened to traffic on June 30, 1968.

Senate Bill 194 mandated cessation of tolls on the Dallas Fort Worth Turnpike no later than December 31, 1977 and created a Trust Fund known as the Feasibility Study Trust Fund.

In 1997, the Texas Legislature created regional tollway authorities and the current North Texas Tollway Authority was born.

Senate Bill 792, passed in 2007 had a dramatic effect on the Authority by giving it the right of first refusal on any proposed toll road project in the North Texas area.

The Board is required by Section 505 of the Amended and Restated Trust Agreement to adopt a preliminary budget of Current Expenses and payments into the Reserve Maintenance Fund on or

before the 60th day prior to the end of each Fiscal Year. Copies of the preliminary budget must be filed with the Trustee and mailed to the consulting engineers. A final budget must be adopted by the first day of the next fiscal year.

The Authority experienced continued growth and transformation during 2010 with the continued expansion of the Sam Rayburn Tollway (SRT), continued construction of the President George Bush Turnpike Eastern Extension (PGBT) and the completion of the Lewisville Lake Toll Bridge. A one third year of operations for the SRT contributed to an increase in traffic despite unprecedented economic pressures. Toll revenues in 2010 were \$366.6 million, representing an increase of 26.2% over 2009 revenues of \$290.4 million. This increased revenue will allow the Authority to preserve current assets, fund capital improvement projects and invest in safety and technology to provide to our patrons world-class service.

The operations of the Authority are accounted for as an enterprise fund in accordance with United States generally accepted accounting principles (GAAP). Management takes responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures. In keeping with that responsibility, these statements are presented on a consolidated basis and include the NTTA System, the Feasibility Study Fund, a revolving fund of the System, and the DFW Turnpike Transition Trust Fund. In prior years, separate, non-GAAP financial statements were prepared and audited for the Feasibility Study Fund and the DFW Turnpike Transition Trust Fund. Management confirms that the financial statements are presented fairly and in all material respects, represent the financial position of the NTTA as of December 31, 2010. Please refer to the Management's Discussion and Analysis (MD&A) on pages 9-18 of this report for a detailed discussion of the NTTA's financial performance.

Economic Development

While the current economic downturn has affected the Dallas Fort Worth area as it has the rest of the nation, the effects are not as deep as in many areas. The projected five year growth rate of 4.1% for this area will outpace the United States and many major metropolitan areas. Our region produces thirty percent of all the goods and services in Texas while encompassing over thirty percent of all the residents. The region is projected to capture thirty six percent of population and growth in Texas over the next five years. Dallas Fort Worth continues to shine as one of the best places to do business. The Fortune 500 list shows 23 firms headquartered in our region, with AT&T announcing the relocation of their headquarters to Dallas from San Antonio.

Relevant Financial Policies

Section 501 of the Amended and Restated Trust Agreement mandates the Authority will keep in effect a Toll Rate Schedule which will raise and produce Net Revenues (Gross Revenues less Operating and Maintenance Expenses) sufficient to satisfy the greater of (1), (2) or (3)

- (1) 1.35 times the scheduled Debt Service Requirements on all Outstanding First Tier Bonds for the Fiscal Year ; or
- (2) 1.20 times the scheduled Debt Service Requirements on all Outstanding First Tier Bonds and all Outstanding Second Tier Bonds for the Fiscal Year; or
- (3) 1.00 times the scheduled Debt Service Requirements on all Outstanding First Tier Bonds, all outstanding Second Tier Bonds, all Outstanding Third Tier Bonds and all other outstanding obligations of the Authority secured by Net Revenues for the Fiscal Year.

Coverage for all debt for 2010 was 1.83 times, well above the required levels.

Awards and Acknowledgments

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the North Texas Tollway Authority for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2009.

We wish to thank all members of the Finance Department and all NTTA staff for their contributions to the production of the report. We are thankful for our Board of Director's support, direction, and for guiding the NTTA into a position to greatly benefit the region.

Respectfully submitted,



Janice D. Davls
Chief Financial Officer

Certificate of Achievement for Excellence in Financial Reporting

Presented to

North Texas Tollway Authority

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2009

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

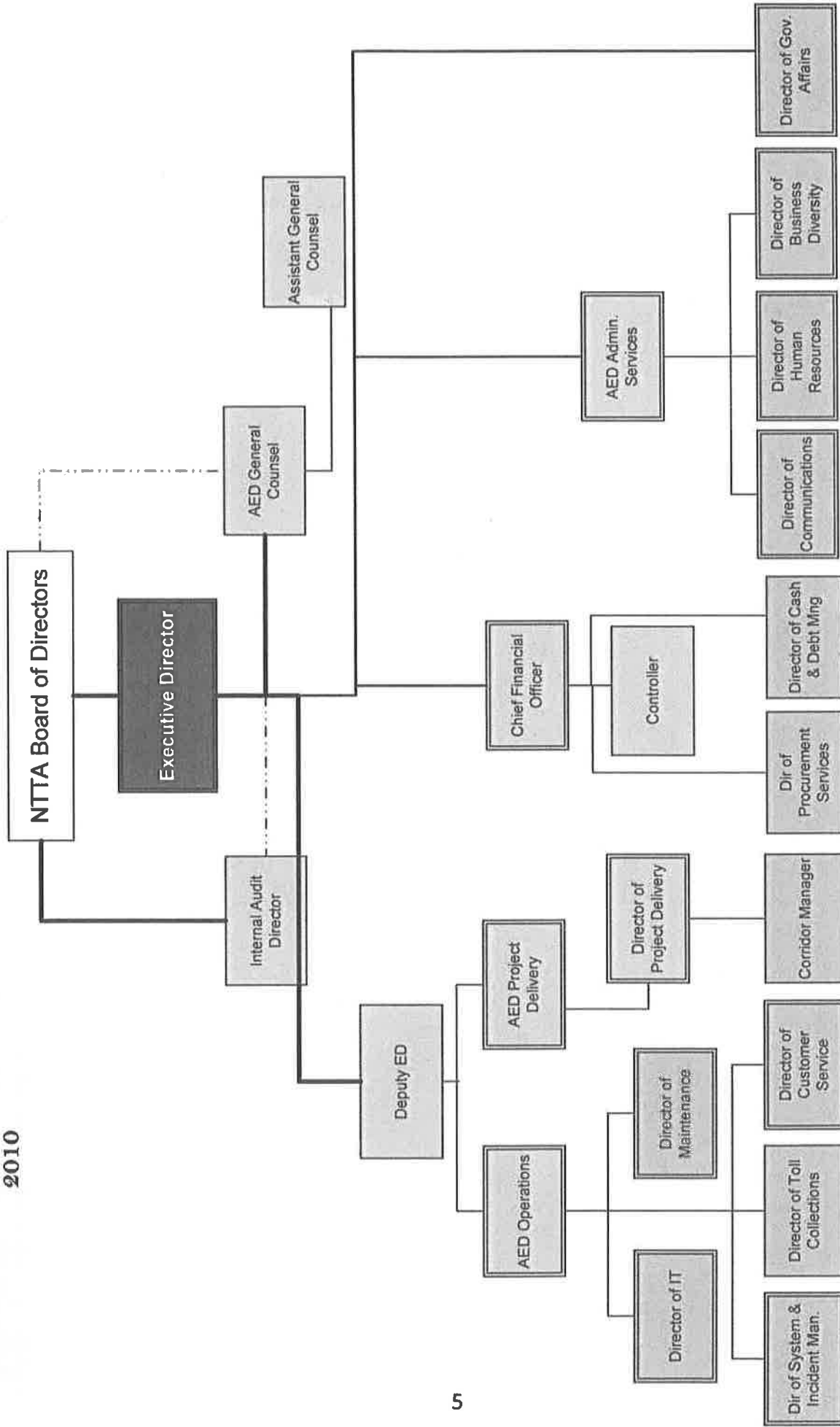


President

Executive Director

NTTA – Organizational Chart

2010



**North Texas Tollway Authority
List of Officials
December 31, 2010**

Board of Directors

**Victor Vandergriff
David R Denison
Kenneth Barr
Kent Cagle
Bob Day
Bill Moore
Michael R. Nowels
Robert K. Shepard
Jane Willard**

**Chair
Vice-Chair
Director
Director
Director
Director
Director
Director**

Officials

Allen Clemson
Magdalena Kovats
Bob Schell
Janice D. Davis
Gerry Carrigan

Clayton Howe

Kim Tolbert

Nina Arias
John Bannerman
Anthony Coleman
Kim Jackson
Marty Lege

Elizabeth Mow
Dave Pounds
Kiven Williams
J C Wood

Executive Director
Director, Internal Audit
Assistant Director General Counsel
Chief Financial Officer
Assistant Executive Director
Project Delivery
Assistant Executive Director
Operations
Assistant Executive Director
Administration
Director, Human Resources
Director, Customer Service
Director, Business Diversity
Director, Communications
Director, Systems and Incident
Management
Director, Project Delivery
Director, Information Technology
Director, Toll Collection and Vault
Director, Maintenance

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
North Texas Tollway Authority

We have audited the accompanying basic financial statements of the North Texas Tollway Authority (the Authority), as of and for the year ended December 31, 2010, as listed in the table of contents. These basic financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the North Texas Tollway Authority, as of December 31, 2010, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis, Modified Approach - Infrastructure Assets and schedules of funding progress are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and do not express an opinion on it.

Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as whole. The items listed in the introductory section, supplementary schedules 1 through 10 and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. Schedule 1 has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The items listed in the introductory section, schedules 2 through 10 and the statistical section have not been subjected to the audit procedures applied in the audit of the financial statements. Accordingly, we do not express an opinion on them.

Crowe Horwath LLP
Crowe Horwath LLP

Irving, Texas
June 8, 2011

NORTH TEXAS TOLLWAY AUTHORITY
Management's Discussion and Analysis
December 31, 2010

As Management of the North Texas Tollway Authority (Authority), we offer readers the statements for the Authority. These statements consist of the North Texas Tollway System (System), which consists of the Dallas North Tollway (DNT), the President George Bush Turnpike (PGBT), Sam Rayburn Tollway (SRT), the Mountain Creek Lake Bridge (MCLB), the Addison Airport Toll Tunnel (AATT), and the Lewisville Lake Toll Bridge (LLTB), which make up the enterprise fund of the Authority, as well as, the Feasibility Study Fund and the DFW Turnpike Transition Trust Fund.

We offer readers of these financial statements a narrative overview and analysis of the financial activities of the Authority for the year ended December 31, 2010. This discussion and analysis is designed to assist the reader in focusing on the significant financial issues and activities and to identify any significant changes in financial position. Please read it in conjunction with the financial statements, which immediately follow this section.

Using This Annual Report

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Authority's financial statements, notes to the financial statements, and required supplementary information. The financial statements of the Authority report information using accounting methods consistent with reporting for an enterprise activity similar to those used by private sector companies.

Statement of Net Assets: This statement presents information on all of the Authority's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets are useful indicators of whether the Authority's financial position is improving or deteriorating.

Statement of Revenues, Expenses and Changes in Net Assets: This statement presents information showing the Authority's revenues, expenses, and how the net assets changed during the year.

Statement of Cash Flows: This statement presents information about the Authority's cash receipts and cash payments, or, in other words, the sources and uses of the Authority's cash and the change in cash balance during the fiscal year.

Notes to the Financial Statements: The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

Other: Certain required supplementary information is presented to disclose trend data on the Authority's infrastructure condition. Additionally, certain financial schedules are presented by Trust Accounts and in accordance with the Authority's Trust Agreement.

Financial Results and Analysis

2010 Highlights

- The Authority's total net assets decreased by \$111.1 million over FY 2009, as a result of the issuance of \$400,000,000 of debt that was issued in May 2010, out of the Capital Improvement Fund, for the System's contribution to the Special Projects System (State Highway 161 and Southwest Parkway/Chisholm Trail). This decrease was offset by continued growth and expansion of the System.

NORTH TEXAS TOLLWAY AUTHORITY
Management's Discussion and Analysis
December 31, 2010

- Total transactions for FY 2010 were 484,070,101, an increase of 26,485,758 or 5.8% over FY 2009 transactions.
- Approximately 2,022,643 and 1,787,958 Toll Tags were active at the end of FY 2010 and FY 2009, respectively.
- The Authority received a toll equity grant in the amount of \$160.3 million from the Texas Department of Transportation (TxDOT) for Right of Way acquisition and other costs related to the PGBT Eastern Extension (PGBT EE) in 2007. An additional \$7.5 million of the grant has been recognized as grant revenue for FY 2010 with the remaining \$49.6 million shown as deferred revenue.
- \$200,000,000 was placed in escrow as part of the \$458,000,000 upfront payment that would be due to TxDOT from the Special Projects System when financing is complete for the PGBT Western Extension (State Highway 161). This escrow will be returned to the System upon financial close for the Special Projects System. The escrow is identified on the balance sheet as an accounts receivable in current restricted assets, restricted for construction.
- Toll revenues increased \$76.2 million or 26.2% over FY 2009 in part, as a result of a toll rate increase that went into effect in September 2009. In addition, traffic volumes of the Authority continue to increase with the continued expansion of Sam Rayburn Tollway and a full year of operations for the Lewisville Lake Toll Bridge.
- The Administration and Operations expenses of \$95.7 million were under budget by 6.3% in FY 2010.

NORTH TEXAS TOLLWAY AUTHORITY
Management's Discussion and Analysis
December 31, 2010

Summary of Operations

Table A-1
Net Assets (in millions of dollars)

	2010	2009
Current Assets	\$ 303.9	\$ 149.0
Current Restricted Assets	1,081.4	1,157.4
Noncurrent Assets		
Restricted Investments	412.6	524.0
Other Assets	391.4	239.0
Capital Assets	6,213.2	5,862.4
Total Assets	8,402.5	7,931.8
Current Liabilities	121.4	68.3
Liabilities Payable from Restricted Assets	409.5	314.2
Long-Term debt	7,612.1	7,178.6
Total Liabilities	8,143.0	7,561.1
Net Assets:		
Invested in Capital Assets, net of related debt	(831.8)	(633.3)
Restricted for Construction	179.3	2.7
Restricted for Debt Service	1,031.4	969.1
Restricted for Retiree Health Benefits	0.4	0.4
Unrestricted	(119.8)	31.8
Net assets	\$ 259.5	\$ 370.7

The Authority's net assets indicate an unrestricted current ratio of 2.5 and 2.2 for FY 2010 and FY 2009, respectively. Working capital was \$183.4 million and \$80.7 million in FY 2010 and FY 2009, respectively. Total unrestricted current assets were \$303.9 million in FY 2010, compared to \$149.0 million in FY 2009. Total unrestricted and restricted current assets were \$1,385.3 million at the end of FY 2010. Cash and investments of \$1,151.4 million represent the largest component of current assets. \$201.4 million of accounts receivable restricted for construction is comprised of the \$200.0 million in escrow noted the financial highlights and \$1.4 million due from other governments for their share of various construction projects. The remaining \$32.1 million is comprised of accrued interest receivable of \$1.7 million, accounts receivable of \$27.2 million (See Note 9), inventory of \$2.1 million, and prepaid expenses of \$1.1 million.

Total unrestricted current liabilities were \$121.1 million at the end of FY 2010, including \$16.4 million for accounts payable and retainage payable, \$31.2 million of deferred revenue and \$72.7 million for accrued liabilities, mainly accrued salaries and vacation liability and \$.8 million for Tolltag deposits.

NORTH TEXAS TOLLWAY AUTHORITY
Management's Discussion and Analysis
December 31, 2010

REVENUES	<u>2010</u>	<u>2009</u>
Tolls	\$ 366.6	\$ 290.4
Other Revenues	<u>17.3</u>	<u>17.2</u>
Operating Revenues	383.9	307.6
Operating Expenses before depreciation	<u>125.7</u>	<u>126.4</u>
Income from operations before depreciation	258.2	181.2
Depreciation	<u>(4.8)</u>	<u>(4.5)</u>
Operating Income	253.4	176.7
Net Nonoperating Revenue (Expenses):		
Interest Income	25.7	11.8
Interest Expense	(377.5)	(358.8)
Lease Amortization (Sam Rayburn Tollway)	(63.8)	(60.7)
SWAP Termination	-	(6.1)
Other	<u>(6.5)</u>	<u>(17.2)</u>
Net Nonoperating Revenue (Expenses):	(422.1)	(431.0)
Capital Contributions		
Capital Grant Contributions	31.5	59.6
Payments to Other Governments	(0.3)	-
BAB's Subsidy	<u>26.3</u>	<u>7.5</u>
Change in Net Assets	(111.2)	(187.2)
Net Assets - Beginning of Year	<u>370.7</u>	<u>557.9</u>
Net Assets - Ending	<u>\$ 259.5</u>	<u>\$ 370.7</u>

Total operating revenues were \$383.9 million for FY 2010 and \$307.6 million for FY 2009 (see Table A-2). Toll revenues were \$366.6 million, a 26.2% increase over FY 2009 toll revenues of \$290.4 million. Traffic on the System continues to grow, with average daily transactions of 1,326,220 and 1,253,653 in FY 2010 and FY 2009, respectively.

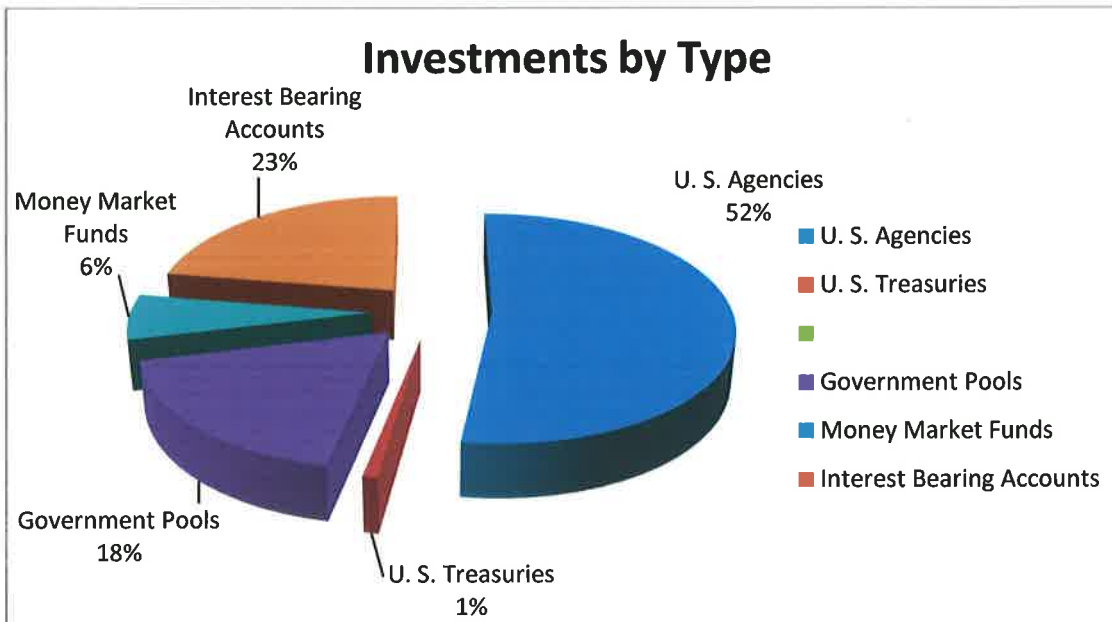
NORTH TEXAS TOLLWAY AUTHORITY
Management's Discussion and Analysis
December 31, 2010

Total operating expenses, including the Reserve Maintenance Fund and the Capital Improvement Fund, before depreciation for FY 2010 were \$125.7 million, representing an 0.7% decrease from FY 2009 operating expenses of \$126.4 million (See Table A-2). Interest expense, inclusive of capitalized interest, for 2010 was \$377.4 million, a 5.2% increase from FY 2009 interest expense of \$358.8 million. Debt service coverage for FY 2010 and FY 2009 were 1.83 and 1.56 times, respectively. The Trust Agreement and the Authority's Debt Policy both require bond principal and interest coverage of 1.35.

The Authority's overall financial position decreased in FY 2010, as indicated by the \$111.1 million decrease in net assets.

Investments: The Authority's investments at December 31, 2010 and 2009 were approximately \$1.55 billion and \$1.77 billion, respectively. Table A-3 chart below shows the types of authorized investments in the December 31, 2010 portfolio.

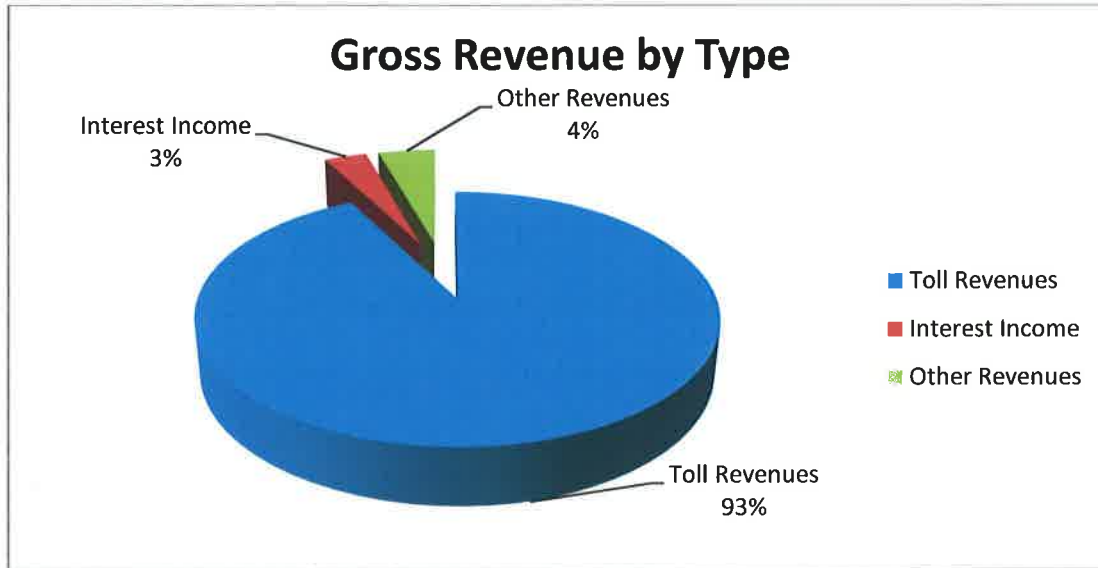
Table A-3



NORTH TEXAS TOLLWAY AUTHORITY
Management's Discussion and Analysis
December 31, 2010

Table A-4 below shows NTTA's revenue in FY 2010 by revenue source type.

Table A-4

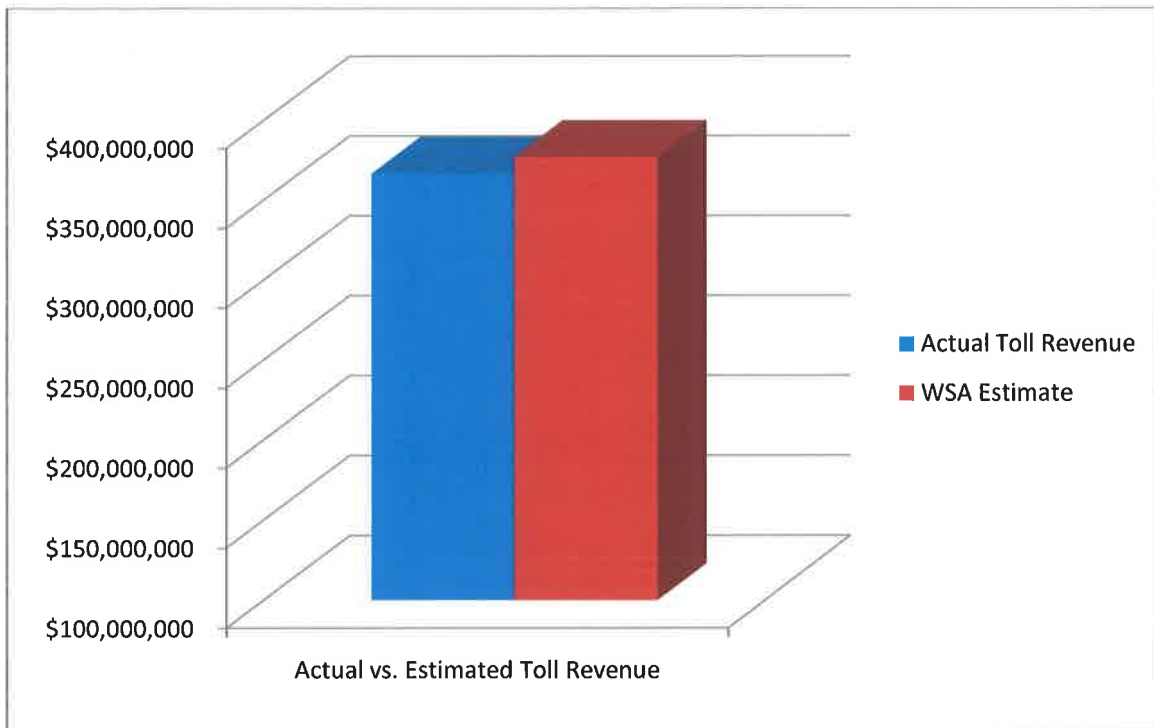


Gross revenues, excluding grant revenue of \$7.5 million for FY 2010 were \$396.6 million, an 18.9% increase over FY 2009 gross revenues of \$321.7 million. Toll revenues of \$366.6 million account for 93.0% of total revenue. Interest income (excluding Construction Fund interest) was \$12.8 million or 3.0%. Other revenue, mostly administrative and statement fees for collection of tolls from violators and interoperability fees, was \$17.2 million, representing 4.0% of the total.

NORTH TEXAS TOLLWAY AUTHORITY
Management's Discussion and Analysis
December 31, 2010

Table A-5 below shows the Authority's actual toll revenue for FY 2010 compared to the estimated toll revenue of the Authority's traffic and toll revenue engineer, Wilbur Smith Associates (WSA). Toll revenue was under WSA's estimates by 2.7%.

Table A-5



Traffic on the Authority continues to grow with approximately 1,326,220 average daily transactions in 2010, up 5.8% from the 1,253,653 daily averages in 2009.

The increases in the toll revenue were largely attributed to the:

- A toll rate increase implemented in September 2009.
- The increased growth of population in the North Texas counties (Dallas, Tarrant, Denton & Collin).
- Continued growth for the Sam Rayburn Tollway as new segments are completed and opened to traffic
- A full year of operations for the Lewisville Lake Toll Bridge

NORTH TEXAS TOLLWAY AUTHORITY
Management's Discussion and Analysis
December 31, 2010

Engineering Estimates

The annual estimates by the Authority's traffic and revenue engineer, Wilbur Smith & Associates (WSA), are displayed in comparison to the actual revenue for the years of 2001 through 2010 in Table A-6 below:

Table A-6
Actual vs. Estimated Revenue

Year	Actual	Estimate	Variance
2010	\$ 366,597,323	\$ 377,132,800	\$ (10,535,477)
2009	290,404,547	265,051,729	25,352,818
2008	240,776,791	262,346,900	(21,570,109)
2007	202,675,564	204,491,800	(1,816,236)
2006	191,434,120	197,052,500	(5,618,380)
2005	172,537,345	167,457,300	5,080,045
2004	160,695,030	151,482,500	9,212,530
2003	149,323,784	144,975,000	4,348,784
2002	137,945,439	126,955,000	10,990,439
2001	107,210,124	104,212,000	2,998,124

The FY 2010 toll revenue of \$ 366.6 million increased by 26.2% over FY 2009 actual toll revenue of \$290.4 million. The Authority's total revenues produced 1.61x debt coverage for 2010. Please see Table A-8 on page 18 on the Historical Debt Coverage.

Capital Assets – The Authority's investment in capital assets includes land, buildings, right-of-way, roadway, bridges, equipment, and computer systems. Capital assets at December 31, 2010 were \$6.2 billion, increasing from FY 2009 by approximately \$0.3 billion. This is due primarily to the construction of Sam Rayburn Tollway, the DNT Extension Phase 3, President George Bush Turnpike Eastern Extension, and Lewisville Lake Toll Bridge. For additional information on capital assets see Note (1) (g) and Note (4).

The Authority utilizes GASB No. 34, Modified Approach of reporting infrastructure assets. Each year a comprehensive assessment is conducted on all the Authority's infrastructure assets which affect the following fiscal year's maintenance budget. For fiscal year 2010, the Authority estimated it would need to spend \$36.3 million for infrastructure maintenance and preservation, but actually expended \$28.5 million. Fluctuations from year to year between the amount spent to preserve and maintain the Authority's infrastructure assets and the estimated amount result from the timing of work activities. For additional information and results of the 2009 assessment, please see the Required Supplementary Information on pages 59 and 60 of this report. The Authority's Condition Index for 2010 is 8.9 versus the 8.0 goal.

The Sam Rayburn Tollway (SRT) will revert to Texas Department of Transportation after the expiration of the 50 year period commencing when the Authority began collecting tolls on the Project on its own behalf (September 2008). The Authority will depreciate the cost of the acquisition and the construction costs of the SRT over the term of the project agreement pursuant to which the Authority acquired the Project utilizing the straight-line basis. The effect of depreciating the cost of the acquisition and the construction

NORTH TEXAS TOLLWAY AUTHORITY
Management's Discussion and Analysis
December 31, 2010

costs of the SRT will reduce the Authority's net revenues as reported on the general accepted accounting principles (GAAP) basis. Since the depreciation will be a non-cash item, it will not impact the Authority's calculation of net revenues available per the Trust Agreement.

Long-Term Debt – At the end of FY 2010, the Authority's total bonded debt outstanding was \$7.54 billion compared to approximately \$7.12 billion in 2009 (See Table A-7). This debt represents bonds secured solely by toll revenue. For detailed information see Note (5) and schedule of revenue bonds outstanding as of December 31, 2010, on page 43.

Table A-7
Revenue Bonds Outstanding
As of FY 2010 and FY 2009

Series	Amount Outstanding	
	2010	2009
Series 1997	-	10,495,000
Series 1997A	43,345,000	44,685,000
Series 1998	78,145,000	78,905,000
Series 2003A	225,000,000	225,000,000
Series 2005C	178,310,000	178,310,000
Series 2008A	1,759,705,000	1,765,335,000
Series 2008B	229,960,000	234,085,000
Series 2008C	-	9,820,000
Series 2008D	469,739,859	443,022,911
Series 2008E	390,000,000	390,000,000
Series 2008F	1,000,000,000	1,000,000,000
Series 2008H	209,040,000	409,040,000
Series 2008I	230,256,699	216,397,104
Series 2008J	100,000,000	100,000,000
Series 2008K	205,000,000	205,000,000
Series 2008L	100,000,000	220,000,000
Series 2009A	418,165,000	418,165,000
Series 2009B	825,000,000	825,000,000
Series 2009C	170,730,000	170,730,000
Series 2009D	178,400,000	178,400,000
Series 2010A *	90,000,000	-
Series 2010B *	310,000,000	-
Series 2010 Rev Refund	332,225,000	-
Revenue Bonds Outstanding	<u>7,543,021,558</u>	<u>7,122,390,015</u>

* Issued out of the Capital Improvement Fund. This debt is supported solely out of excess revenues flowing into the Capital Improvement Fund.

NORTH TEXAS TOLLWAY AUTHORITY
Management's Discussion and Analysis
December 31, 2010

Table A-8 sets forth debt service coverage for all Revenue Bonds outstanding for the years 2001 through 2010.

Table A-8
Historical Debt Coverage

Year	Coverage
2010	1.83x
2009	1.56x
2008	1.60x
2007	1.96x
2006	1.98x
2005	1.80x
2004	2.00x
2003	2.09x
2002	2.08x
2001	1.88x

Additionally, part of the construction of the PGBT was funded with the proceeds from a loan in the amount of \$135 million, made by the Texas Department of Transportation in 1995 pursuant to the Intermodal Surface Transportation Efficiency Act of 1991. Interest has been accruing since 2000 and annual payment began in FY2004. The FY 2010 payment was \$8.250 million with a due date of January 1, 2011. The amortization schedule for this loan can be found in Note (5) page 50.

On September 1, 2009, the Series 2005C bonds were converted to fixed rate bonds. The outstanding swaps remain legally tied to the Series 2005C Bonds, which have been remarketed to fixed rate. However, the Authority recognized the need for the swaps to be economically tied to variable rate bonds so that the swaps could function properly and generate a reasonable synthetic fixed rate. To that end, the Authority negotiated a letter of credit with JPMorgan and issued \$178,400,000 Series 2009D variable rate bonds on November 5, 2009.

Short-Term Debt -The Authority maintains an approximately \$200 million commercial paper program. \$217.7 million of commercial paper was issued in 2010 to finance the feasibility study, design, engineering costs and preliminary construction costs of Southwest Parkway/Chisholm Trail, SH 161, PGBT Eastern Extension, Phase 4 of the Dallas North Tollway, Lewisville Lake Toll Bridge and various other projects. Approximately \$103.7 million was retired during 2010. As of December 31, 2010 there was \$119.2 million of outstanding notes under the commercial paper program.

Contacting the NTTA's Financial Management

This financial report is designed to provide overview information to our bondholders, patrons, and other interested parties. Should you have questions about this report, please contact the North Texas Tollway Authority's Chief Financial Officer, 5900 W. Plano Parkway, Suite 100, Plano, Texas 75093.



NORTH TEXAS TOLLWAY AUTHORITY

Statement of Net Assets

December 31, 2010

Assets	
Current assets:	
Cash and cash equivalents (note 3)	\$ 14,451,002
Investments (note 3)	265,892,503
Accrued interest receivable	66,526
Accounts receivable (net of allowance for uncollectibles) (note 9)	20,244,429
Inventory, at average cost	2,148,580
Prepaid expenses	1,066,574
Total current unrestricted assets	303,869,614
Current restricted assets:	
Restricted assets:	
Restricted for construction:	
Cash and cash equivalents (notes 3 and 5)	216
Investments (notes 3 and 10)	438,720,097
Accrued interest receivable	588,395
Accounts receivable	201,359,195
Restricted for debt service:	
Investments (notes 3 and 5)	432,355,989
Accrued interest receivable	1,085,940
Accounts receivable	6,865,559
Restricted for pension benefits and other purposes:	
Investments (notes 3 and 5)	428,009
Accrued interest receivable	61
Total current restricted assets	1,081,403,461
Total current assets	1,385,273,075
Noncurrent assets:	
Investments restricted for debt service (note 3)	412,632,945
Deferred outflow-derivatives	25,100,155
Deferred financing costs	83,932,139
Deferred feasibility study costs	282,389,327
Capital assets (net of accumulated depreciation) (note 4)	6,213,136,561
Total noncurrent assets	7,017,191,127
Total assets	8,402,464,202

See accompanying notes to basic financial statements.

NORTH TEXAS TOLLWAY AUTHORITY

Statement of Net Assets

December 31, 2010

Liabilities		
Current liabilities:		
Accounts and retainage payable	\$	16,346,267
Accrued liabilities		73,032,550
Deferred revenue		31,202,410
Tolltag deposits		782,945
Total current unrestricted liabilities		121,364,172
Payable from restricted assets:		
Construction-related payables:		
Accounts payable (note 10)		107,082
Retainage payable (note 10)		16,302,507
Deferred grant revenue		49,568,768
Debt service-related payables:		
Accrued interest payable		193,986,397
Accrued arbitrage rebate payable		225,874
Commercial paper payable (note 5)		119,200,000
Revenue bonds payable (note 5)		29,685,000
Pension benefits and other related payables		
Accounts payable (note 10)		374,340
Total current liabilities payable from restricted assets		409,449,968
Total current liabilities		530,814,140
Noncurrent liabilities:		
Other post-employment benefits (note 8)		8,326,766
Derivative instrument		25,100,155
Texas Department of Transportation ISTEAL loan payable (note 5)		142,857,298
Dallas North Tollway System revenue bonds payable, net of unamortized net deferred debit on refundings of \$36,580,394 and bond discount (premium) costs of \$40,916,302 (note 5)		7,435,839,862
Total noncurrent liabilities		7,612,124,081
Total liabilities		8,142,938,221
Net Assets		
Invested in capital assets, net of related debt		(831,801,669)
Restricted:		
Restricted for construction		179,346,454
Restricted for debt service		1,031,396,057
Restricted for pension benefits and other purposes		419,418
Unrestricted		(119,834,279)
Total net assets	\$	259,525,981

See accompanying notes to basic financial statements.

NORTH TEXAS TOLLWAY AUTHORITY
Statement of Revenues, Expenses, and Changes in Net Assets
Year ended December 31, 2010

Operating revenues:	
Tolls	\$ 366,597,323
Other	17,268,589
Total operating revenues	<u>383,865,912</u>
Operating expenses:	
General	
Administration	21,105,565
Operations	74,604,274
Preservation	
Reserve maintenance	11,701,225
Capital improvement	18,259,590
Total operating expenses before depreciation	<u>125,670,654</u>
Operating income before depreciation	258,195,258
Depreciation	<u>4,794,093</u>
Operating income	<u>253,401,165</u>
Nonoperating revenues (expenses):	
Interest earned on investments	22,128,268
Net increase in the fair value of investments	3,588,196
Unallocated infrastructure depreciation	(63,801,840)
Interest expense on revenue bonds	(371,173,164)
Interest expense on short term notes (net of capitalized interest)	(178,550)
Interest expense on loan	(6,090,697)
Bond premium/discount amortization	6,330,306
Bond issuance cost amortization	(5,002,937)
Deferred amount on refunding amortization	(571,990)
Other	(7,346,832)
Net nonoperating revenues (expenses)	<u>(422,119,240)</u>
Income (loss) before capital contributions	(168,718,075)
Capital Grant Contributions	31,526,405
Payments to Other Governments	(217,866)
BAB's Subsidy	<u>26,263,784</u>
Change in net assets	(111,145,752)
Beginning net assets	<u>370,671,733</u>
Ending net assets	<u>\$ 259,525,981</u>

See accompanying notes to basic financial statements.

NORTH TEXAS TOLLWAY AUTHORITY

Statement of Cash Flows

Year ended December 31, 2010

Cash flows from operating activities:	
Receipts from customers and users	\$ 399,053,984
Payments to contractors and suppliers	(134,731,331)
Payments to employees	(36,938,988)
Net cash provided by (used in) operating activities	<u>227,383,665</u>
Cash flows from capital and related financing activities:	
Acquisition and construction of capital assets (including capitalized interest costs)	(314,029,390)
Issuance of revenue bonds	732,225,000
Issuance of commercial paper	217,700,000
Grant proceeds	7,542,346
Defeased commercial paper	(103,700,000)
Defeased revenue bonds	(320,000,000)
Principal paid on revenue bonds	(32,170,000)
Interest paid on revenue bonds and other debt	(356,364,515)
Net cash provided by (used in) capital and related financing activities	<u>(168,796,559)</u>
Cash flows from investing activities:	
Purchase of investments	(1,883,805,489)
Proceeds from sales and maturities of investments	1,794,645,949
Interest received	9,788,089
Net cash provided by (used in) investing activities	<u>(79,371,451)</u>
Net increase (decrease) in cash and cash equivalents	<u>(20,784,345)</u>
Cash and cash equivalents, beginning of the year	35,235,563
Cash and cash equivalents, end of the year	<u>\$ 14,451,218</u>
Classified as:	
Current assets	\$ 14,451,002
Restricted assets	216
Total	<u>\$ 14,451,218</u>
Noncash financing, capital, and investing activities:	
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 253,401,165
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	4,794,093
Changes in assets and liabilities:	
Increase in accounts receivable	(2,959,478)
Increase in inventories	(64,382)
Increase in prepaid expenses and other assets	(333,588)
Increase in deferred revenue	3,343,885
Decrease in accounts and retainage payable	(43,935,728)
Increase in accrued liabilities	13,137,698
Total adjustments	<u>(26,017,500)</u>
Net cash provided by operating activities	<u>\$ 227,383,665</u>
Noncash financing activities:	
Decrease in fair value of investments	\$ 3,588,196

See accompanying notes to basic financial statements.



NORTH TEXAS TOLLWAY AUTHORITY
 NOTES TO BASIC FINANCIAL STATEMENTS
 December 31, 2010

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NORTH TEXAS TOLLWAY AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2010

(1) Nature of the Organization and Summary of Significant Accounting Policies

(a) Reporting Entity

In June 1997, the Texas Legislature approved a bill to create the North Texas Tollway Authority (the Authority), a regional tollway authority under Chapter 366, Transportation Code. Effective September 1, 1997, the Authority became the successor agency to the Texas Turnpike Authority and succeeded to all assets, rights, liabilities, and other property of the Texas Turnpike Authority located in Collin, Dallas, Denton, and Tarrant Counties. The Authority also assumed and became liable for all duties and obligations related to the Texas Turnpike Authority at that time.

The Authority is a political subdivision of the State of Texas, authorized and empowered by the Regional Tollway Authority Act (the Act) to construct, maintain, repair, and operate turnpike projects at such locations within Collin, Dallas, Denton, and Tarrant Counties, as may be determined by the Authority. The Authority is further authorized to issue turnpike revenue bonds, payable solely from tolls and other revenue of the Authority, for the purpose of paying all or any part of the cost of a turnpike project. Under the provisions of the Act, these revenue bonds shall not be deemed to constitute a debt or a pledge of the faith and credit of the State of Texas or of any other political subdivision thereof.

The North Texas Tollway Authority System (the System) is the enterprise fund of the Authority. The System is a turnpike project of the Authority and consists of the Dallas North Tollway (the DNT), the Addison Airport Toll Tunnel (the AATT), the President George Bush Turnpike (the PGBT), the Mountain Creek Lake Bridge (the MCLB), Sam Rayburn Tollway (SRT), and the Lewisville Lake Toll Bridge (the LLTB).

In addition, Chapter 366 authorized the Feasibility Study Fund to be used only to pay the expenses of studying the cost and feasibility and any other expenses relating to:

- 1) The preparation and issuance of bonds for the acquisition and construction of a proposed turnpike project for the Authority;
- 2) The financing of the improvement, extension or expansion of an existing turnpike or Authority;
- 3) Private participation, as authorized by law, in the financing of a proposed turnpike project or Authority, the refinancing of an existing turnpike project or Authority or the improvement, extension or expansion of a turnpike project or Authority.

In addition, Senate Bill 194, which was subsequently replaced by Chapter 366, authorized the establishment of the Dallas-Fort Worth Turnpike Transition Trust Fund, a Fiduciary Fund, to account for the payment of transition costs and other obligations payable from funds of the Dallas-Fort Worth Turnpike at December 31, 1977, such as post-employment benefits.

While the Fiduciary Funds are normally presented separately in the financial statements, the DFW Turnpike Transition Trust Fund is shown as a part of the basic financial statements, since the Trust Fund is immaterial to the financial statements.

NORTH TEXAS TOLLWAY AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2010

(b) Basis of Accounting

The operations of the Authority, including the Feasibility Study Fund and the DFW Turnpike Transition Trust Fund, are accounted for as an enterprise fund on an accrual basis in order to recognize the flow of economic resources. Under this basis, revenues are recognized in the period in which they are earned, expenses are recognized in the period in which they are incurred, and all assets and liabilities associated with the operation of the Authority are included in the Statement of Net Assets. The assets of the Authority are stated at cost with the exception of certain investments and interest rate swap derivatives, which are stated at fair value.

The Authority applies all applicable GASB pronouncements to the Authority, as well as all FASB Statements and Interpretations, APB Opinions and Accounting Research Bulletins issued on or before November 30, 1989, unless those statements conflict with or contradict GASB pronouncements.

The principal revenues of the Authority are toll revenues received from patrons. Operating expenses for the Authority include the costs of operating and maintaining the Authority and administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The Trust Agreement also requires that certain funds and accounts be established and maintained. The Authority consolidates these Authority funds and accounts for the purpose of enterprise fund presentation in its external financial statements.

In accordance with House Bill 749, an act of the 72nd Legislature of Texas, the Authority may transfer an amount from a surplus fund (currently Capital Improvement Fund) established for a turnpike project to the North Texas Tollway Feasibility Study Fund (Feasibility Study Fund). However, the Authority may not transfer an amount that results in a balance in the surplus fund that is less than the minimum balance required in the trust agreement for that project, if any. Revenues are recognized when they are earned, expenses are recorded in the period in which they are incurred.

The costs of studies funded by the Feasibility Study Fund are deferred until such time as the feasibility of the project is determined. If the project is pursued, the Feasibility Study Fund is reimbursed for related study costs from the proceeds of the project's bond issue. However, the study costs associated with projects determined to be unfeasible are removed from the statement of assets and liabilities and written off to expense when approved by the Executive Director.

(c) Budget

Operating budgets are established in accordance with the practices set forth in the provisions of the Trust Agreement for the Dallas North Tollway Authority Revenue Bonds, as interpreted by the Authority. These practices are similar to accounting principles generally accepted in the United States (GAAP) for an enterprise fund on an accrual basis except that depreciation and amortization of certain non-infrastructure capital assets and related acquisition and revenue bond issuance costs are not included as an operating expense or otherwise provided, and interest accrued for certain periods after official completion on certain of the Authority's bond issues is capitalized as allowed by the Trust Agreement and bond resolution, rather than being reflected as an expense. Otherwise, revenues are recognized when they are earned, expenses are recognized in the period in which they are incurred, and all assets and liabilities associated with the operation of the Authority are included in the statement of net assets in accordance with the Trust Agreement as described above.

Each year the Authority completes a review of its financial condition for the purpose of estimating whether the net revenues of the Authority for the year will meet its debt covenants. See additional information regarding legal compliance for budgets in Note (2).

NORTH TEXAS TOLLWAY AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2010

(d) Restricted Assets

Certain proceeds of the Revenue Bonds are restricted by applicable bond covenants for construction or restricted as reserves to ensure repayment of the bonds. Also, certain other assets are accumulated and restricted on a monthly basis in accordance with the Trust Agreement for the purpose of paying interest and principal payments that are due on a semiannual and annual basis, respectively, and for the purpose of maintaining the reserve funds at the required levels. Payments from these restricted accounts are strictly governed by the Trust Agreement and can only be made in compliance with the Trust Agreement. Limited types of expenses may be funded from these accounts. Expenses that do not meet these requirements are funded from unrestricted accounts. The funds and accounts that have been established in accordance with the Trust Agreement are as follows:

- **Construction and Property Fund** – The Construction and Property Fund was created to account for that portion of the proceeds from the sale of the Authority Revenue Bonds, which were required to be deposited with the trustee in order to pay all costs of construction. There also may be deposited in the Construction and Property Fund any monies received from any other source for paying the cost of the Authority.
- **Revenue Fund** – The Revenue Fund was created to account for all revenues (all tolls, other revenues, and income) arising or derived by the Authority from the operation and ownership of the Authority. All revenues of this fund are distributed to other funds in accordance with the Trust Agreement.
- **Operation and Maintenance Fund** – The Operation and Maintenance Fund was created to account for and pay current operating expenses of the Authority.
- **Reserve Maintenance Fund** – The Reserve Maintenance Fund was created to account for those expenses of maintaining the Authority that do not recur on an annual or shorter basis. As defined in the Trust Agreement, such items include repairs, painting, renewals, and replacements necessary for safe or efficient operation of the Authority or to prevent loss of revenues, engineering expenses relating to the functions of the Authority, equipment, maintenance expenses, and operating expenses not occurring at annual or shorter periods.
- **Capital Improvement Fund** – The Capital Improvement Fund (CIF) was created to account for the cost of repairs, enlargements, extensions, resurfacing, additions, renewals, improvements, reconstruction and replacements, capital expenditures, engineering, and other expenses relating to the powers or functions of the Authority in connection with the Authority, or for any other purpose now or hereafter authorized by law. This CIF fund will also be combined with a revolving fund, called the Feasibility Study Fund to use only to pay the expenses of studying the cost and feasibility and any other expenses relating to; (1) the preparation and issuance of bonds for the acquisition and construction of a proposed turnpike project for the Authority; (2) the financing of the improvement, extension or expansion of an existing turnpike or Authority; (3) private participation, as authorized by law, in the financing of a proposed turnpike project or Authority, the refinancing of an existing turnpike project or Authority or the improvement, extension or expansion of a turnpike project or Authority.
- **Bond Interest Account** – The Bond Interest Account was created to account for the payment of the semiannual interest requirements of the revenue bonds.
- **Reserve Account** – The Reserve Account was created for the purpose of paying interest and principal of the bonds whenever and to the extent that the monies held for the credit of the Bond Interest Account and the Redemption Account shall be insufficient for such purpose. The required reserve is an amount equal to the average annual debt service requirements of all bonds outstanding. At December 31, 2010, according to staff calculations the Authority was in compliance with this requirement.
- **Redemption Account** – The Redemption Account was created to account for the payment of the annual principal requirements of the revenue bonds.

NORTH TEXAS TOLLWAY AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2010

- **DFW Turnpike Transition Trust Fund** – The Trust Fund is used to fund post-employment healthcare benefits for retire employees of the Dallas-Fort Worth Turnpike. Currently, there are two (2) employees that meet these requirements.

(e) Cash, Cash Equivalents and Investments

Cash includes amounts in demand deposits. Cash equivalents are amounts included in any overnight sweep from the demand deposit accounts. These deposits are fully collateralized or covered by federal deposit insurance. The Authority considers other money market funds along with State & Local Government Investment Pools to be investments. The carrying amount of the investments is fair value. The net change in fair value of investments is recorded on the Statement of Revenues, Expenses, and Changes in Net Assets and includes the unrealized and realized gains and losses on investments.

(f) Materials Inventory

Inventories of road maintenance materials and supplies are valued at the lower of cost or market using the average cost method.

(g) Capital Assets

All capital assets are stated at historical cost, except for donated assets, which are valued at the estimated fair value of the item at the date of its donation. This includes costs for infrastructure assets (right-of-way, highways, bridges, and highways and bridges substructures), toll equipment, buildings, land, toll facilities; other related costs, including property and equipment with a value greater than \$5,000 and software with a value greater than \$1,000,000. Highways and bridges substructure includes road sub-base, grading, land clearing, embankments, and other related costs. Also included in capital assets are the costs of certain real estate for right-of-way requirements and administrative and legal expenses incurred during the construction period.

The costs to acquire additional capital assets, which replace existing assets or improve the efficiency of the Authority, are capitalized. Under the Authority's policy of accounting for infrastructure assets pursuant to the "preservation method of accounting" or "modified approach," property costs represent an historical accumulation of costs expended to acquire rights-of-way and to construct, improve, and place in operation the various projects and related facilities. These infrastructure assets are considered to be "indefinite lived assets" that is, the assets themselves will last indefinitely and are, therefore, not depreciated. Costs related to renewing and maintaining these assets are not capitalized, but instead are considered to be period costs and are included in preservation expense classified as part of reserve maintenance and capital improvement expenses. Additional charges to preservation expense occur whenever the condition of the infrastructure assets is determined to be at a level that is below the standards adopted by the Board of Directors of the Authority.

Depreciation is computed using a straight-line method over the following estimated useful lives:

Machinery and Equipment	3-10 years
Buildings	20-50 years
Roadways	50-60 years
Infrastructure	25-50 years
Intangibles	5-15 years

(h) Compensated Absences

Vested or accumulated vacation leave is recorded as an expense and liability as the benefits accrue to employees. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

NORTH TEXAS TOLLWAY AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2010

(i) Retainage Payable

Retainage payable represents amounts billed to the Authority by contractors for which payment is not due pursuant to retained percentage provision in construction contracts until substantial completion of performance by contractor and acceptance by the Authority.

(j) Deferred Amount on Refunding of Revenue Bonds

Deferred amount on refunding of revenue bonds incurred on advance refunding of such bonds relates to the difference between the reacquisition price and the net carrying amount of the refunded bonds. The amount deferred is included as a reduction to revenue bonds payable and is amortized in a systematic and rational manner over the life of the refunded bonds or the life of the refunding bonds, whichever is shorter.

(k) Bond Discounts, Premiums, and Bond Issuance Costs

Costs incurred in connection with the offering and sale of bonds for construction purposes are deferred and amortized using the bonds outstanding method, over the life of the bonds. Revenue bonds payable are reported net of unamortized bond discount or premium.

(l) Arbitrage Rebate Payable

The Tax Reform Act of 1986 imposed additional restrictive regulations, reporting requirements, and arbitrage rebate liability on issuers of tax-exempt debt. This represents interest earnings on bond proceeds in excess of amounts allowed under the Act. This Act requires the remittance to the Internal Revenue Service (IRS) of 90% of the cumulative arbitrage rebate within 60 days of the end of each five-year reporting period following the issuance of governmental bonds. The Authority's cumulative arbitrage rebate liabilities for the year ended December 31, 2010 are \$225,874.

(m) Estimates

The preparation of financial statements in accordance with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(n) New Accounting Pronouncements

GASB Statement No. 58, Accounting and Financial Reporting for Chapter 9 Bankruptcy ("GASB 58") establishes accounting and financial reporting guidance for governments that have petitioned for protection from creditors by filing for Bankruptcy under Chapter 9 of the United States Bankruptcy Code. This will have no effect on the Authority.

GASB Statement No. 59, Financial Instruments Omnibus ("GASB 59") updates and improves existing standards regarding financial reporting and disclosure requirements of certain financial instruments and external investment pools. This statement is effective for financial statements for periods beginning after June 5, 2010.

GASB Statement No. 60, Accounting and Financial Reporting for Service Concession Arrangements ("GASB 60") improves financial reporting by addressing issues related to service concession arrangements, which are arrangements between a transferor (government) and an operator (governmental or non-governmental entity) in which (1) the transferor conveys to an operator the right and related obligation to provide services through the use of infrastructure in exchange for significant consideration and (2) the operator collects and is compensated by fees from third parties. This statement is effective for financial statements for periods beginning after December 31, 2011.

(2) Legal Compliance – Budgets

The Authority is required to prepare a preliminary budget of current expenses, deposits to the Reserve Maintenance Fund, and the purposes for which the monies held in the Reserve Maintenance Fund will be

NORTH TEXAS TOLLWAY AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2010

expended for the ensuing year. Copies of the preliminary budget must be filed with the bond trustee, and mailed to the consulting engineers, traffic engineers, principal underwriters, and all bondholders who have filed their names and addresses with the secretary and treasurer of the Authority 60 days prior to year-end. The Authority is required by the Trust Agreement to adopt a final budget for the Authority on or before December 31 prior to the beginning of the year. The budget is prepared at the Department level and is based upon the Trust Agreement.

The Authority may not expend any amount or incur any obligations for maintenance, repairs, and operations in excess of the total amount of the budgeted expenses in the Annual Budget unless the funding source is other than revenues received from the Authority. The Authority may expend additional monies from the Reserve Maintenance Fund in excess of the annual deposits. Budget amendments must be approved by the Board Members of the Authority in a manner similar to the adoption of the annual budget. There were no occurrences of budget noncompliance in 2010.

Pursuant to the Trust Agreement, the Authority has agreed that it will at all times keep in effect a plan for toll collecting facilities and a schedule of rates of tolls, which will raise and produce net revenues during each fiscal year sufficient to satisfy the greatest of (1), (2), or (3) below:

- 1) 1.35 times the scheduled debt service requirements on all outstanding First Tier Bonds for the fiscal year:
or
- 2) 1.20 times the scheduled debt service requirements on all outstanding First Tier Bonds and Second Tier Bonds for the fiscal year: or
- 3) 1.00 times the scheduled debt service requirements on all outstanding First Tier Bonds, Second Tier Bonds, Third Tier Bonds and all other obligations secured by net revenues for the fiscal year.

Coverage for 2010 debt was 1.61 times, well above the required levels.

2010	
GAAP basis operating income	\$ 253,401,165
Non-construction fund interest income	12,817,761
Gross Income	<u>266,218,926</u>
Add:	
Depreciation	4,794,093
Capital improvement fund expenses	18,259,590
Reserve maintenance fund expenses	11,701,225
Net revenues available for debt service	<u>300,973,834</u>
Bond interest expense, net of amounts capitalized	134,621,041
Scheduled principal amount due	<u>29,685,000</u>
Calculated debt service requirement	<u>\$ 164,306,041</u>
Coverage ratio	<u>1.83</u>

(3) Deposits and Investments

The Authority's investment policy is in accordance with the laws of the State of Texas. The Authority may purchase investments as authorized by the Trust Agreement and as further authorized by the revised investment policy and strategy approved by the Board of Directors in January 2010. These investments include obligations of

NORTH TEXAS TOLLWAY AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2010

the United States or its agencies and instrumentalities; direct obligations of the State of Texas or its agencies and instrumentalities; collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States; other obligations, the principal and interest of which are unconditionally guaranteed or insured by or backed by the full faith and credit of the State of Texas or the United States or their respective agencies and instrumentalities; obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent; certificates of deposit issued by a state or national bank; fully collateralized repurchase agreements; commercial paper with a stated maturity of 270 days or fewer from the date of its issuance; no load money market mutual funds that have a dollar-weighted average stated maturity of 90 days or fewer and includes in its investment objectives the maintenance of a stable net asset value of \$1 for each share; and State & Local Government Investment Pools.

The Authority does not invest in financial instruments other than those authorized by the investment policy.

The Authority reports all equity securities and debt instruments with readily determinable market values to be carried at fair value, with changes in fair value reflected in the Statements of Revenues, Expenses, and Changes in Net Assets.

(a) Deposits

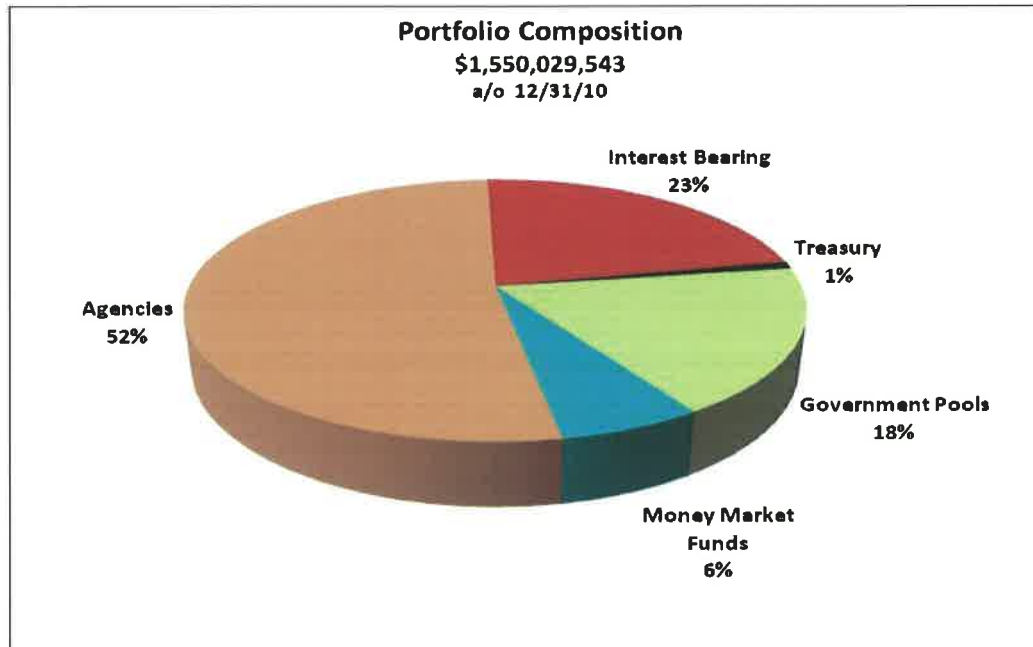
The Authority's deposits were fully insured or collateralized at December 31, 2010. The carrying amount of the Authority's deposits was \$14,451,218 and the respective bank balances totaled \$16,654,706. As of December 31, 2010 the total bank balances were covered under the Temporary Liquidity Guarantee Program created by the Federal Depository Insurance Corporation (FDIC). The program provides full coverage of non-interest bearing deposit transaction accounts regardless of dollar amount.

(b) Investments

As of December 31, 2010 the maturity values are as follows:

Description	2010		
	Maturity Value (in Yrs)		
	Fair Value	Less Than 1 Yr	1 Yr or More
U.S. Agencies:			
Federal Home Loan Bank	\$ 211,371,170	\$ 127,518,797	\$ 83,852,373
Federal National Mortgage Assn.	324,547,971	161,575,681	162,972,290
Federal Agricultural Mortgage Corporation	16,997,120	-	16,997,120
Federal Farm Credit Banks	53,085,382	16,449,210	36,636,172
Federal Home Loan Mortgage Corp	204,317,171	92,142,181	112,174,990
Total U.S. Agencies	810,318,814	397,685,869	412,632,945
Cash	871,298	871,298	-
Money Market Funds	97,949,605	97,949,605	-
U.S. Treasuries	13,146,157	13,146,157	-
Government Pool	280,833,241	280,833,241	-
Interest Bearing Account	346,910,428	346,910,428	-
Total Investments	\$ 1,550,029,543	\$ 1,137,396,598	\$ 412,632,945

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(c) Interest Rate Risk

The Authority does not have a formal policy on Interest Rate Risk. Investment portfolios are designed with the objective of attaining the best possible rate of return commensurate with the Authority's investment risk constraints and the cash flow characteristics of the portfolio. Return on investments, although important, is subordinate to the safety and liquidity objectives. In reflection with the Authority's investment report, the portfolio reflects the overall summary of the Authority's investment position. The weighted average yield-to-maturity of the portfolio for December 31, 2010 was 1.287%, in comparison to 1.488% in 2009. The weighted average maturity in days was 382 days for 2010, compared to 302 days in 2009. Market value fluctuation of the overall portfolio is minimized by keeping the weighted average maturity low. Approximately 73% of the investment are maturing within one year and 27% are maturing one year or greater.

(d) Credit Risk

Per the Investment Policy, the Authority may not enter into longer term investment agreements or other ongoing investment transactions with a final maturity or termination date of longer than six months with any financial institution that initially has a long term rating of less than "AA" by Standard & Poor's Ratings Group or "Aa2" by Moody's Investor Services. That means ratings of AA, AA+ for S&P and Aa2, Aa1 for Moody's are appropriate for the financial institution.

As of December 31, 2010, the Authority invested 6% in AAA rated money market funds, 18% in State and Local Government Pools, 23% in Interest Bearing Accounts, 52% in Agencies and 1% in United States Treasuries backed by the full faith and credit of the U.S. Government. Agencies are AAA rated by Moody's.

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(e) **Concentration of Credit Risk**

It is the policy of the Authority to diversify its investment portfolios. Assets held in the particular funds shall be diversified to minimize the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer or a specific class of securities. As of December 31, 2010 TexPool and Bank of America, exceeded 5% of the total portfolio. More than 5% of the Authority's investments are in Federal Home Loan Banking, Federal National Mortgage Association, and Federal Home Loan Mortgage Corporation.

Cash and investments either restricted in accordance with bond provisions or accounted for per the Trust Agreements budget requirements are as follows:

Construction and Property Account	\$ 585,897,692
Revenue Account	76,341,552
Operations and Maintenance Account	3,050
Reserve Maintenance Account	34,790,074
Consolidated Capital Improvement Account	251,856,916
Bond Interest Account	159,740,979
Bond Reserve Account	413,744,120
Bond Redemption Account	27,227,151
DFW Tumpike Transition Trust Fund	428,009
Total cash and investments	<u>\$ 1,550,029,543</u>

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(4) Capital Assets

Capital assets are summarized as follows:

Capital Assets

	<u>January 1, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>December 31, 2010</u>
Infrastructure network:				
<i>Non-depreciable</i>				
Right-of-way	\$ 247,195,646	\$ 4,813,100	\$ -	\$ 252,008,746
CIP	1,563,931,958	164,481,543	-	1,728,413,501
Infrastructure - Other *	440,241,808	55,213,005	-	495,454,813
Total non-depreciable infrastructure	2,251,369,412	224,507,648	-	2,475,877,060
<i>Depreciable</i>				
CIP *	467,033,017	180,194,363	-	647,227,380
Roadway	3,197,211,448	-	-	3,197,211,448
Less accumulated depreciation	(85,441,023)	(63,801,840)	-	(149,242,863)
Total depreciable infrastructure	3,578,803,442	116,392,523	-	3,695,195,965
Total Infrastructure network	5,830,172,854	340,900,171	-	6,171,073,025
Property and Equipment				
Land	7,360,255	-	(66,500)	7,293,755
Buildings	17,434,998	26,434	(26,434)	17,434,998
Machinery and Equipment	26,512,697	8,082,711	(141,142)	34,454,266
Less accumulated depreciation				
Buildings	(2,927,180)	(559,067)	-	(3,486,247)
Equipment	(16,138,047)	(4,235,026)	540,027	(19,833,046)
	(19,065,227)	(4,794,093)	540,027	(23,319,293)
Total property and equipment	32,242,723	3,315,052	305,951	35,863,726
Total Capital Assets	\$ 5,862,415,577	344,215,223	305,951	6,206,936,751
Intangibles				
Intangibles	\$ -	\$ 6,640,390	\$ -	\$ 6,640,390
Less Amortization	-	(440,580)	-	(440,580)
Total Intangible Assets	-	6,199,810	-	6,199,810
Total Capital & Intangible Assets	\$ 5,862,415,577	\$ 350,415,033	\$ 305,951	\$ 6,213,136,561

* Includes capitalized interest net of interest earnings.

Total bond interest cost incurred amounted to \$385,015,548 during the year ended December 31, 2010, of which \$54,377,555 was capitalized.

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(5) Revenue Bonds, Commercial Paper, and Loans Payable

Revenue Bonds

The Authority has issued and refunded various Revenue Bond Series to construct the Authority and to fund reserves and expenses associated with the bond issues. The Authority follows the provisions of GASB No. 23, Accounting and Financial Reporting for Refunding of Debt Reported by Proprietary Activities (Statement No. 23). Under the provisions of Statement No. 23, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized over the life of the new debt or the life of the old debt (had it not been refunded), whichever is shorter, as an adjustment to the bond interest expense.

The following are descriptions of Revenue Bond Series currently outstanding as of December 31, 2010.

Series 1997A:

The Authority issued \$129,005,000 in principal amount of Dallas North Tollway Authority Revenue Refunding bonds, Series 1997A insured by FGIC, on October 01, 1997, for the purpose of refunding a portion of the Dallas North Tollway Authority Revenue Bonds, Series 1989, dated July 1, 1989, and the outstanding Dallas North Tollway Authority Revenue Bonds, Series 1994, dated December 1, 1994. The amount of refunded principal related to the Series 1989 Bonds is \$98,040,000 and the amount related to the Series 1994 Bonds is \$22,575,000. Interest is payable on January 1 and July 1 of each year. Principal is payable on January 1. The issue included \$67,685,000 of serial bonds which began maturing on January 1, 1998 and bear interest rates ranging from 4.0% to 5.375%, \$56,655,000 of 5.0% term bonds due January 1, 2020, and \$4,665,000 of 5.0% term bonds due January 1, 2023. The Series 2009A Bonds refunded the maturities dated January 1, 2011 through January 1, 2018 of the Series 1997A Bonds.

The refunding resulted in a decrease of \$11,555,267 in the aggregate debt service between the refunding debt and the refunded debt. The difference between the reacquisition price and the net carrying amount of the Series 1989 Bonds and 1994 Bonds (\$9,217,525) was deferred and is being amortized over the stated term of the Series 1997A Bonds. Amortization of the deferred amount on the refunding was \$167,983 for the year ended December 31, 2010. The deferred amount ending balance for the year ended December 31, 2010 was \$1,307,475.

Series 1998:

The Authority issued \$100,660,000 North Texas Tollway Authority Dallas North Tollway Authority Revenue Bonds, Series 1998 on October 29, 1998. The bonds are insured by FGIC and were issued for the purpose of financing Segment V of the PGBT. Interest is payable on January 1 and July 1 of each year. Principal is payable on January 1 commencing January 1, 2008. The issue included \$22,515,000 of serial bonds maturing from 2008-2018 with interest rates ranging from 4.10%-4.75%, \$22,065,000 term bonds due January 1, 2022 with an interest rate of 4.75%, and \$56,080,000 term bonds due January 1, 2029 with an interest rate of 4.75%. The Series 2009A Bonds refunded the maturities dated January 1, 2011 through January 1, 2018 of the Series 1998 Bonds.

Series 2003A:

To fund a portion of the costs for Segments IV of the PGBT, finance improvements to the Authority and refund commercial paper notes, the Authority issued \$225,000,000 Series 2003A North Texas Tollway Authority Dallas North Tollway Authority Revenue Bonds, insured by Ambac Assurance Corporation ("Ambac"), on May 28, 2003. The \$54,405,000 of serial bonds and \$170,595,000 of term bonds will mature beginning January 1, 2021 and bear an interest rate of 5.00%. The term bonds are subject to mandatory sinking fund redemptions beginning January 1, 2027. Interest is payable on January 1 and July 1 of each year. The Series 2003A Bonds are subject to redemption prior to maturity at the option of the Authority on January 1, 2013 or on any date thereafter at a price of par plus accrued interest to the date of redemption.

Series 2005C:

The \$341,670,000 North Texas Tollway Authority Dallas North Tollway Authority Variable Rate Revenue Bonds, Series 2005C, insured by FGIC, were issued December 15, 2005 for the purpose of refunding \$332,425,000 Series 1995 Bonds. Interest initially accrues from the date of delivery at a Weekly Rate, but may be subsequently converted to bear interest at a Daily Rate, Flexible Rate, Monthly Rate, Quarterly Rate, Semi-Annual Rate, Multi-Annual Rate, or Fixed Rate. While bearing interest at a Weekly Rate, interest is payable on the first business day

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of each calendar month, and is calculated on the basis of actual days elapsed in a 365-day or 366-day year, as applicable. Upon a change to any of the other interest modes, the bonds will be subject to mandatory tender for purchase and remarketing with a maximum rate of twelve (12%) per annum. The bonds consisted of \$341,670,000 term bonds due January 1, 2025. The bonds are subject to mandatory sinking fund redemption prior to maturity on January 1 of the years 2008-2025. In 2008, FGIC was downgraded below investment grade and remarketing of the bonds was not completely successful.

The Series 2005C Bonds were remarketed on September 1, 2009 to a fixed rate series of bonds. \$161,110,000 of Series 2005C Bonds were refunded by Series 2009A Bonds. The remaining amount of Series 2005C Bonds is \$178,310,000 which consists of \$109,515,000 serial bonds maturing on January 1, 2019 through January 1, 2023 that bear interest rates ranging from 5% to 6.25% and \$68,795,000 term bonds due January 1, 2025 with an interest rate of 6%.

The refunding resulted in a decrease of \$85,851,214 in the aggregate debt service between the refunding debt and the refunded debt. The difference between the reacquisition price and the net carrying amount of the Series 1995 Bonds (\$14,207,535) was deferred and is being amortized over the stated term of the Series 2005C Refunding Bonds. This amount was adjusted due to the remarketing. The Authority obtained a present value loss of \$13,637,745 in conjunction with the remarketing. The new difference between the reacquisition price and the net carrying amount on the 2005C bonds that were remarketed is (\$8,025,086). This amount was deferred and is being amortized over the stated term of the Series 2005C Bonds. Amortization of the deferred amount on the refunding was \$581,259 for the year ended December 31, 2010. The deferred amount ending balance for the year ended December 31, 2010 was \$7,250,074. Outstanding principal on the Series 1995 Bonds in escrow is \$14,520,000 as of December 31, 2010.

Series 2008A:

The \$1,770,285,000 North Texas Tollway Authority Revenue Refunding Bonds, Series 2008A were issued on April 3, 2008 for the purpose of refunding \$58,760,000 of Series 2003C Tender Bonds, \$71,000,000 of Series 2005B Bonds and \$1,203,405,000 of the Bond Anticipation Notes that were issued in November 2007. Interest is payable January 1 and July 1, and principal is payable on January 1 of each year. The issue included \$483,665,000 of serial bonds, which began maturing January 1, 2009 and bear interest rates ranging from 4.0% to 6.0%; \$373,810,000 of 5.125% term bonds due January 1, 2028, which are insured by MBIA Insurance Corporation; \$207,910,000 of 5.625% term bonds due January 1, 2033; \$404,900,000 of 5.75% term bonds due January 1, 2040; and \$300,000,000 5.75% term bonds due January 1, 2048.

The aggregate difference in debt service between the refunding bonds and the refunded Bond Anticipation Notes is immeasurable due to the fact that the Bond Anticipation Notes were issued as temporary financing (1 year) and the refunding bonds were issued as long term financing (40 years). The difference between the reacquisition price and the net carrying amount of the Series 2003C Bonds and the Series 2005B (\$6,964,108) was deferred and is being amortized over the stated term of the Series 2003C Bonds. Amortization of the deferred amount on the refunding was \$990,050 for the year ended December 31, 2010. The deferred amount ending balance for the year ended December 31, 2010 was \$3,608,730.

Series 2008B:

The Authority issued \$237,395,000 in principal amount of North Texas Tollway Authority Revenue Refunding Bonds, Series 2008B on April 3, 2008 for the purpose of refunding \$215,185,000 of Series 2005A Bonds. The issue includes \$53,175,000 in serial bonds, which began maturing January 1, 2009 and bear interest rates ranging from 4.0% to 6.0%; \$62,290,000 of 5.625% term bonds due January 1, 2033 and \$121,930,000 of 5.75% term bonds due January 1, 2040. Interest is payable on January 1 and July 1.

The refunding resulted in an increase of \$105,552,916 in the aggregate debt service between the refunding debt and the refunded debt. This was not an economic refunding but rather a restructuring refunding. The difference between the reacquisition price and the net carrying amount of the Series 2005A Bonds (\$10,487,892) was deferred and is being amortized over the stated term of the Series 2005A Bonds. Amortization of the deferred amount on the refunding was \$416,432 for the year ended December 31, 2010. The deferred amount ending balance for the year ended December 31, 2010 was \$9,217,661. Outstanding principal on the Series 2005A Bonds in escrow is \$ 212,060,000 on December 31, 2010.

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Series 2008D:

The \$399,999,394 North Texas Tollway Authority Revenue Refunding Bonds, Series 2008D were issued on April 3, 2008 for the purpose of refunding \$353,730,000 of the Bond Anticipation Notes that were issued in November 2007. These bonds were issued as Capital Appreciation Bonds, and the sum of the principal and accreted/compounded interest is payable only at maturity. The approximate Yield to Maturity is 5.90% to 5.97%. The maturity dates of the 2008D bonds are January 1, 2028 through January 1, 2038. These bonds are insured by the Assured Guaranty Corp.

The aggregate difference in debt service between the refunding bonds and the refunded Bond Anticipation Notes is immeasurable due to the fact that the Bond Anticipation Notes were issued as temporary financing (1 year) and the refunding bonds were issued as long term financing (30 years).

Series 2008E:

The \$600,000,000 North Texas Tollway Authority Revenue Refunding Bonds, Series 2008E Put Bonds with an Initial Multiannual period, were issued on April 3, 2008 for the purpose of refunding \$12,970,000 of Series 1997 Bonds and \$465,755,000 of the Bond Anticipation Notes that were issued in November 2007. Interest accrues on the Series 2008E Bonds at the Initial Interest Rate, ranging from 5.0% to 5.75% and is payable January 1 and July 1. The Series 2008E Bonds were issued in subseries. These bonds are subject to mandatory tender on the following Mandatory Tender Dates: Subseries 2008E-1 on January 1, 2010, Subseries E-2 on January 1, 2012, and Subseries E-3 on January 1, 2016. On the Mandatory Tender Dates, the Series will be subject to mandatory tender for purchase. The Authority has agreed that the Bonds will be remarketed at the first date on or after the Mandatory Tender Date at which they can be sold in any interest rate mode and at a rate not exceeding 12.00% per annum. In the event they cannot be remarketed and purchased on the Mandatory Tender Date, the mandatory tender will be deemed to have been rescinded and the Series 2008E Bonds will bear interest at the rate of 12.00% per annum from the Mandatory Tender Date until purchased upon a subsequent remarketing. The Series 2009C and Series 2009D Bonds refunded the Subseries 2008E-1 prior to the Mandatory Tender Date.

The aggregate difference in debt service between the refunding bonds and the refunded Bond Anticipation Notes is immeasurable due to the fact that the Bond Anticipation Notes were issued as temporary financing (1 year) and the refunding bonds were issued as long term financing (30 years). The difference between the reacquisition price and the net carrying amount of the Series 1997 Bonds (\$1,214,490) was deferred and is being amortized over the stated term of the Series 1997 Bonds. Amortization of the deferred amount on the refunding was \$153,556 for the year ended December 31, 2010. The deferred amount ending balance for the year ended December 31, 2010 was \$287,150.

Series 2008F:

The Authority issued \$1,000,000,000 North Texas Tollway Authority Second Tier Revenue Refunding Bonds, Series 2008F on July 30, 2008 for the purpose of refunding \$739,150,000 of the Bond Anticipation Notes that were issued in November 2007. Interest is payable January 1 and July 1, and principal is payable on January 1. The issue consists of term bonds bearing interest from 5.75% to 6.125% with maturities on January 1, 2031, January 1, 2033 and January 1, 2038.

The aggregate difference in debt service between the refunding bonds and the refunded Bond Anticipation Notes is immeasurable due to the fact that the Bond Anticipation Notes were issued as temporary financing (1 year) and the refunding bonds were issued as long term financing (30 years).

Series 2008H:

On September 24, 2008, the Authority issued \$409,040,000 of North Texas Tollway Authority Revenue Refunding Bonds, Series 2008H Put Bonds with an Initial Multiannual period for the purpose of refunding \$324,870,000 of the Bond Anticipation Notes that were issued in November 2007. Interest accrues on the bonds at the Initial Interest Rate of 5% and is payable January 1 and July 1 of each year, commencing January 1, 2009. The Series 2008H Bonds were issued in subseries. Subseries 2008H-1 was subject to a mandatory tender on January 1, 2011. The Authority refunded the 2008H-1 Bonds on December 8, 2010 with proceeds from the 2010 Revenue Refunding Series. The remaining Subseries 2008H-2 are subject to mandatory tender on January 1, 2013. On the Mandatory Tender Date, the bonds will be subject to mandatory tender for purchase. The Authority has agreed that the Bonds will be remarketed at the first date on or after the Mandatory Tender Date at which they can be sold in any interest rate mode and at a rate not exceeding 12.00% per annum. In the event they cannot be

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remarketed and purchased on the Mandatory Tender Date, the mandatory tender will be deemed to have been rescinded and the Subseries 2008H-2 Bonds will bear interest at the rate of 12.00% per annum from the Mandatory Tender Date until purchased upon a subsequent remarketing.

The aggregate difference in debt service between the refunding bonds and the refunded Bond Anticipation Notes is immeasurable due to the fact that the Bond Anticipation Notes were issued as temporary financing (1 year) and the refunding bonds were issued as long term financing (35 years).

Series 2008I:

The Authority issued \$199,998,366 of North Texas Tollway Authority Convertible Capital Appreciation Bonds Series 2008I on September 24, 2008 for the purpose of refunding \$175,975,000 of the Bond Anticipation Notes that were issued in November 2007. The Approximate Yield to Maturity Date is 6.2% and 6.5%. Interest will accrete from the date of delivery and will compound semiannually on January 1 and July 1, commencing January 1, 2009. The Conversion Date is January 1, 2015; after this date, interest will accrue at a rate of 6.2% and 6.5% on the total amount of principal and the accreted/compounded interest thereon payable semiannually on January 1 and July 1, commencing July 1, 2015. Principal and accreted/compounded interest accreted prior to January 1, 2015 will come due on January 1, 2042 and January 1, 2043, or upon optional redemption. These bonds are insured by the Assured Guaranty Corp.

The aggregate difference in debt service between the refunding bonds and the refunded Bond Anticipation Notes is immeasurable due to the fact that the Bond Anticipation Notes were issued as temporary financing (1 year) and the refunding bonds were issued as long term financing (35 years).

Series 2008J:

The Authority issued \$100,000,000 of North Texas Tollway Authority First Tier Revenue Bonds, Series 2008J on November 4, 2008 for the purpose of funding development and construction of components of the Authority, including the 121 Tollway, LLTB, and the PGBT Eastern Extension. These index floating rate mode bonds were delivered pursuant to a private placement with Banc of America Securities LLC. Under such mode, interest is based on a fixed spread above the "Securities Industry and Financial Markets Association Municipal Swap Index" ("SIFMA") announced weekly by Municipal Market Data. The interest rate is reset every Thursday at the SIFMA index for that week plus the fixed spread. Interest is paid to bondholders on the first business day of each month. For the first three years, the rate is set at SIFMA plus 2.5%, provided the Authority's credit ratings remain the same. The bonds mature on January 1, 2039 and may be redeemed at the option of the Authority prior to that date.

Series 2008K:

The \$205,000,000 North Texas Tollway Authority Revenue Refunding Bonds, Series 2008K were issued on November 4, 2008 for the purpose of refunding \$56,135,000 of Bond Anticipation Notes that were issued in November 2007, and \$95,300,000 of Commercial Paper Notes. Interest is payable January 1 and July 1 commencing January 1, 2009. The total consists two subseries of Series 2008K Bonds: \$125,000,000 of 5.75% term bonds, Subseries 2008K-1, due January 1, 2038 and \$80,000,000 of 6.00% term bonds, Subseries 2008K-2, due January 1, 2038. The Subseries 2008K-1 bonds are insured by Assured Guaranty Corp.

The aggregate difference in debt service between the refunding bonds and the refunded Bond Anticipation Notes and Commercial Paper Notes is immeasurable due to the fact that the Bond Anticipation Notes were issued as temporary financing (1 year) and the refunding bonds were issued as long term financing (30 years).

Series 2008L:

On November 4, 2008 the Authority issued \$220,000,000 of North Texas Tollway Authority Revenue Refunding Bonds, Series L Put Bonds with an Initial Multiannual period, for the purpose of refunding \$168,225,000 of the Bond Anticipation Notes that were issued in November 2007. Interest accrues on the bonds at the Initial Interest Rate of 5.5% and 6.0% and is payable January 1 and July 1 of each year, commencing January 1, 2009. The bonds were issued in two subseries. Subseries 2008L-1 was subject to a mandatory tender on January 1, 2011. The Authority refunded the 2008L-1 Bonds on December 8, 2010 with proceeds from the 2010 Revenue Refunding Series. The remaining Subseries 2008L-2 are subject to mandatory tender on January 1, 2013. On the Mandatory Tender Date, the Series will be subject to mandatory tender for purchase. The Authority has agreed that the Bonds will be remarketed at the first date on or after the Mandatory Tender Date at which they can be

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sold in any interest rate mode and at a rate not exceeding 12.00% per annum. In the event they cannot be remarketed and purchased on the Mandatory Tender Date, the mandatory tender will be deemed to have been rescinded and the Subseries 2008L-2 Bonds will bear interest at the rate of 12.00% per annum from the Mandatory Tender Date until purchased upon a subsequent remarketing.

The aggregate difference in debt service between the refunding bonds and the refunded Bond Anticipation Notes is immeasurable due to the fact that the Bond Anticipation Notes were issued as temporary financing (1 year) and the refunding bonds were issued as long term financing (30 years).

Series 2009A:

The \$418,165,000 North Texas Tollway Authority System Revenue Bonds, Series 2009A were issued on August 12, 2009 for the purpose of refunding \$48,655,000 of Series 1997 bonds; refunding \$59,105,000 of Series 1997A Bonds; refunding \$21,210,000 of Series 1998 Bonds; refunding \$161,110,000 of Series 2005C Bonds; and refunding \$90,950,000 of Commercial Paper notes. Additionally, a deposit of \$18,500,000 was made for Capital Improvement Projects from the Series 2009A proceeds. Interest is payable on January 1 and July 1, commencing January 1, 2010. The total consists of \$44,740,000 Serial Bonds with maturities of January 1, 2011 through January 1, 2013 with interest rates ranging from 3% to 5%, and \$373,425,000 Term Bonds with maturities on January 1, 2024, January 1, 2028 and January 1, 2039 and interest rates ranging from 6% to 6.25%.

Net proceeds of \$292,507,177 were deposited into an irrevocable trust with an escrow agent to provide for future debt service payment on the refunded Series 1997 bonds, Series 1997A bonds, Series 1998 Bonds and Commercial Paper Notes. As a result, the Series 1997 bonds, a portion of the Series 1997A bonds, a portion of the Series 1998 Bonds, a portion of the Series 2005C bonds and the Commercial Paper notes then outstanding are considered to be defeased and the liability has been removed from the Statement of Net Assets. The Authority obtained a present value loss of \$16,920,933.

The refunding resulted in an increase of \$132,339,031 in the aggregate debt service between the refunding debt and the refunded debt. This was not an economic refunding but rather a restructuring refunding. The difference between the reacquisition price and the net carrying amount of the Bonds refunded by 2009A of (\$12,613,456) was deferred and is being amortized over the stated term of the Series 1997 Bonds. Amortization of the deferred amount on the refunding was \$3,837,759 for the year ended December 31, 2010. The deferred amount ending balance for the year ended December 31, 2010 was \$ 7,176,630.

Series 2009B:

The \$825,000,000 North Texas Tollway Authority System Revenue Bonds, Series 2009B were issued on August 12, 2009 as Taxable Build America Bonds, ("BABs") for the purpose of funding construction for the Sam Rayburn Tollway project, the Lewisville Lake Toll Bridge project and the President George Bush Turnpike Eastern Extension project. Interest is payable on January 1 and July 1, commencing January 1, 2010. These bonds are entitled to a direct payment subsidy from the United States Treasury in an amount equal to 35% of the interest due on each payment date. The Authority must request this subsidy prior to each interest payment date. The Series 2009B Bonds were issued as one term bond with a maturity of January 1, 2049 and an interest rate of 6.718%.

Series 2009C:

On November 5, 2009, the Authority issued \$170,730,000 of North Texas Tollway Authority Revenue Refunding Bonds, Series 2009C, for the purpose of refunding a portion of Series 2008E-1 and Series 2008G Bonds. Interest is payable on January 1 and July 1, commencing July 1, 2010. The bonds were issued as one Term Bond due January 1, 2044 at an interest rate of 5.25%.

Net proceeds of \$166,408,750 were deposited into an irrevocable trust with an escrow agent to provide for future debt service payment on the refunded Series 2008E-1 bonds and the Series 2008G bonds. As a result, a portion of the Series 2008E-1 bonds and the Series 2008G bonds are considered to be defeased and the liability has been removed from the Statement of Net Assets. The Authority obtained a present value gain of \$11,969,757.

The refunding resulted in an increase of \$37,268,508 in aggregate debt service between the refunding debt and the refunded debt. This was not an economic refunding but rather a restructuring refunding. The difference

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between the reacquisition price and the net carrying amount of the Bonds refunded by 2009C of \$3,984,364 was deferred and is being amortized over the stated term of the Series 2008E-1 and Series 2008G Bonds. Amortization of the deferred amount on the refunding was \$163,281 for the year ended December 31, 2010. The deferred amount ending balance for the year ended December 31, 2010 was (\$3,793,870). The outstanding principal on the portion of the Series 2008E-1 Bonds in escrow is \$0. Outstanding principal on the Series 2008G Bonds in escrow is \$0.

Series 2009D:

On November 5, 2009, the Authority issued \$178,400,000 of North Texas Tollway Authority Revenue Refunding Bonds, Series 2009D, for the purpose of refunding a portion of Series 2008E-1 Bonds. The bonds were issued in variable rate mode, with interest payable on the first Business Day of each month, commencing December 1, 2009, and interest rates are reset weekly. The remarketing agent is J.P. Morgan Securities Inc. The stated maturity for this bond is January 1, 2049.

Net proceeds of \$176,710,000 were deposited into an irrevocable trust with an escrow agent to provide for future debt service payment on the refunded Series 2008E-1 bonds. As a result, a portion of the Series 2008E-1 bonds are considered to be defeased and the liability has been removed from the Statement of Net Assets. The Authority obtained a present value gain of \$11,463,491.

The refunding resulted in an increase of \$94,234,282 in aggregate debt service between the refunding debt and the refunded debt. This was not an economic refunding but rather a restructuring refunding. The difference between the reacquisition price and the net carrying amount of the 2008E-1 Bonds refunded by 2009D of \$11,881,769 was deferred and is being amortized over the stated term of the Series 2008E-1 Bonds. Amortization of the deferred amount on the refunding was \$853,389 for the year ended December 31, 2010. The deferred amount ending balance for the year ended December 31, 2010 was \$ 10,666,831. Outstanding principal on the portion of the Series 2008E-1 Bonds in escrow is \$0.

Series 2010A:

On May 13, 2010, the Authority issued \$90,000,000 of North Texas Tollway Authority System Revenue Bonds, Series 2010A, for the purpose of being a contribution to the Special Project System for construction of the PGBT WE (SH 161) project and other projects deemed necessary by the Authority. The bonds were issued as Subordinate Lien Obligations and are to be repaid from net revenues available after the payment of First Tier Bonds, Second Tier Bonds and Third Tier Bonds, the deposit of funds in all reserve funds, to the extent necessary, the deposit of funds into the Reserve Maintenance Fund of the Authority, and the payment of the ISTEAL Loan. Interest is payable on February 1 and August 1, commencing Feb 1, 2010. The bonds were issued as one Term Bond due February 1, 2023 at an interest rate of 6.25%.

Series 2010B:

On May 13, 2010, the Authority issued \$310,000,000 of North Texas Tollway Authority System Revenue Bonds as Taxable Build America Bonds, ("BABs"), Series 2010B, for the purpose of being a contribution to the Special Project System for construction of the PGBT WE (SH161) project and other projects deemed necessary by the Authority. The bonds were issued as Subordinated Lien Obligations and are to be repaid from net revenues available after the payment of First Tier Bonds, Second Tier Bonds and Third Tier Bonds, the deposit of funds in all reserve funds, to the extent necessary, the deposit of funds into the Reserve Maintenance Fund of the Authority, and the payment of the ISTEAL Loan. Interest is payable on February 1 and August 1, commencing Feb 1, 2010.

These bonds were issued as Taxable Build America Bonds, ("BABs") and were issued in two Subseries, 2010B-1 and 2010B-2. These bonds are entitled to a direct payment subsidy from the United States Treasury in an amount equal to 35% of the interest due on each payment date. The Authority must request this subsidy prior to each interest payment date. The 2010B-1 Subseries consist of one Term Bond due February 1, 2030 at an interest rate of 8.41%. The 2010B-2 Subseries consist of one Term Bond due February 1, 2030 at an interest rate of 8.91%.

NORTH TEXAS TOLLWAY AUTHORITY
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Series 2010:

On December 8, 2010, the Authority issued \$332,225,000 of North Texas Tollway Authority Revenue Refunding Bonds, Series 2010 for the purpose of refunding the \$200,000,000 of 2008H-1 and \$120,000,000 of 2008L-1 bonds which had a mandatory tender of January 1, 2011. Interest is payable January 1 and July 1, commencing July 1, 2011. These bonds were issued as three Term Bonds due January 1, 2034, January 1, 2038 and January 1, 2043. All three term bonds have an interest rate of 6.00%.

The refunding resulted in a decrease of \$562,190,215 in the aggregate debt service between the refunding debt and the refunded debt. The difference between the reacquisition price and the net carrying amount of the Bonds refunded by 2010 Revenue Refunding Bonds of \$ 861,951 was deferred and is being amortized over the stated term of the Series 2008L-1 Bonds. Amortization of the deferred amount on the refunding was \$ 2,238 for the year ended December 31, 2010. The deferred amount ending balance for the year ended December 31, 2010 was \$ 859,713.

NORTH TEXAS TOLLWAY AUTHORITY
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The following schedule summarizes the revenue bonds outstanding as of December 31, 2010:

Description of Issue	Beginning Balance	Additions	Matured or Retired	Ending Balance	Due within one year
Series '97	\$ 10,495,000	\$ -	\$ (10,495,000)	\$ -	\$ -
Series '97A	44,685,000	-	(1,340,000)	43,345,000	-
Series '98	78,905,000	-	(760,000)	78,145,000	-
Series '03A	225,000,000	-	-	225,000,000	-
Series '05C	178,310,000	-	-	178,310,000	-
Series '08A	1,765,335,000	-	(5,630,000)	1,759,705,000	12,495,000
Series '08B	234,085,000	-	(4,125,000)	229,960,000	3,030,000
Series '08C	9,820,000	-	(9,820,000)	-	-
Series '08D	443,022,911	26,716,948	-	469,739,859	-
Series '08E	390,000,000	-	-	390,000,000	-
Series '08F	1,000,000,000	-	-	1,000,000,000	-
Series '08H	409,040,000	-	(200,000,000)	209,040,000	-
Series '08I	216,397,104	13,859,595	-	230,256,699	-
Series '08J	100,000,000	-	-	100,000,000	-
Series '08K	205,000,000	-	-	205,000,000	-
Series '08L	220,000,000	-	(120,000,000)	100,000,000	-
Series '09A	418,165,000	-	-	418,165,000	14,160,000
Series '09B	825,000,000	-	-	825,000,000	-
Series '09C	170,730,000	-	-	170,730,000	-
Series '09D	178,400,000	-	-	178,400,000	-
Series '10A	-	90,000,000	-	90,000,000	-
Series '10B	-	310,000,000	-	310,000,000	-
Series '10 Rev Refund	-	332,225,000	-	332,225,000	-
	<u>7,122,390,015</u>	<u>772,801,543</u>	<u>(352,170,000)</u>	<u>7,543,021,558</u>	<u>29,685,000</u>
Less:					
Unamortized deferred amount on refunding of revenue bonds	42,557,828	861,951	(6,839,385)	36,580,394	-
Bond discount/premium	25,450,092	9,135,903	6,330,306	40,916,302	-
Totals	<u>\$ 7,054,382,095</u>	<u>\$ 762,803,689</u>	<u>\$ (351,660,921)</u>	<u>\$ 7,465,524,862</u>	<u>\$ 29,685,000</u>

Deferred Amount on Refunding/Premium/Discounts

Expenses related to the issuance of the bonds and other loans are being amortized using the bonds outstanding method that factors in the maturities of the various serial bonds, over the term of the bonds and loan. The deferred amount of refunding for the year ended on December 31, 2010 was \$36,580,394. The discount (premium) costs for the year ended on December 31, 2010 was \$40,916,302.

NORTH TEXAS TOLLWAY AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
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The revenue bond debt service requirements below are prepared as of December 31, 2010:

Year	Total Revenue Bonds		Capitalized Interest	BAB Subsidy	Total
	Principal amount	Interest amount			
Due January 1					
2011	\$ 29,685,000	\$ 400,112,659	\$ (192,425,146)	\$ (28,978,075)	\$ 208,394,438
2012	28,980,000	398,878,856	(128,951,509)	(28,978,075)	269,929,272
2013	17,605,000	392,604,037	(39,001,383)	(28,978,075)	342,229,579
2014	1,500,000	388,801,321	-	(28,978,075)	361,323,246
2015	2,465,000	398,041,210	-	(28,978,075)	371,528,135
2016 - 2020	223,420,000	1,992,263,543	-	(144,890,375)	2,070,793,168
2021 - 2025	876,405,000	1,817,838,195	-	(142,056,823)	2,552,186,372
2026 - 2030	1,226,429,313	1,791,209,449	-	(115,375,234)	2,902,263,528
2031 - 2035	1,384,741,778	1,742,469,354	-	(96,991,125)	3,030,220,007
2036 - 2040	1,684,553,303	1,203,059,463	-	(96,196,680)	2,791,416,086
2041 - 2045	1,276,308,366	364,147,096	-	(67,202,740)	1,573,252,722
2046 - 2049	690,930,000	78,680,708	-	(17,993,617)	751,617,091
Interest Accretion	99,998,798	(99,998,798)		-	-
	<u>\$ 7,543,021,558</u>	<u>\$ 10,868,107,093</u>	<u>\$ (360,378,038)</u>	<u>\$ (825,596,969)</u>	<u>\$ 17,225,153,644</u>

The Interest and Sinking and Reserve Accounts required by the Trust Agreement have been established with the Trustee. The balances as of December 31, 2010 were:

	Cash and Investment Balance	Trust Requirement
Bond Interest account*	\$ 159,740,258	\$ 171,701,453
Debt service reserve account**	413,744,120	367,351,398
Redemption account***	27,227,151	29,685,000
Total	<u>\$ 600,712,250</u>	<u>\$ 568,831,695</u>

Bond interest account – Interest payment due at next due date

Debt service reserve account – Average annual debt service payment

Redemption account – Principal payment due at next due date

* Difference of \$11,961,195 – December transfer request of \$11,961,810 occurred on 1/3/2011 instead of 12/31/2010.

** Debt Service Reserve account per the trust agreement is not valued at market price, but amortized value. The amortized value at 12/31/10 was \$406,557,514.

*** Difference of \$2,457,849 - December transfer request of \$2,461,762.50 occurred on 1/3/2011 instead of 12/31/2010.

NORTH TEXAS TOLLWAY AUTHORITY
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SWAP Transactions

History. In 2004, the Authority entered into multiple interest rate swap transactions in the collective notional amount of \$202,720,000 pursuant to ISDA Master Agreements dated and effective as of August 20, 2004 (the "2004 ISDA Master Agreements") with Citibank N.A., New York, Bear Stearns Financial Products Inc. and Lehman Brothers Special Financing Inc. (the "Swap Providers") in connection with the then proposed refunding of a portion of the Dallas North Tollway System Revenue Bonds, Series 1995 (the "Series 1995 Bonds") and the issuance of the Variable Rate Revenue Bonds, Series 2005C (the "Series 2005C Bonds"), (the "2004 Swap Transactions").

Concurrently with the issuance of the Series 2005C Bonds in December 2005, the Authority and the Swap Providers also entered into multiple interest rate swap transactions in the collective nominal amount of \$138,950,000, effective as of December 15, 2005, pursuant to the 2004 ISDA Master Agreements relating to the portion of the Series 2005C Bonds issued to refund the remaining Series 1995 Bonds (the "2005 Swap Transactions" and together with the 2004 Swap Transactions, the "Swap Transactions").

On May 15, 2009, Bear Stearns Financial Products merged with JPMorgan Chase Bank N.A. and all derivative transactions were transferred from Bear Stearns Financial Products to JPMorgan Chase Bank N.A.

On August 14, 2009, \$5,375,000 for the 2004 Swap and \$706,700 for the 2005 Swap was paid to the swap counterparties to terminate a portion of each respective swap. Currently, the notional amount for the 2004 Swap and the 2005 Swap is \$84,060,000 and \$94,230,000 respectively. The swap counterparties are currently Citibank N.A. and JPMorgan Chase Bank N.A.

On September 1, 2009, the Series 2005C bonds were converted to fixed rate bonds. The outstanding swaps remain *legally* tied to the Series 2005C Bonds, which have been remarketed to fixed rate. However, the Authority recognized the need for the swaps to be *economically* tied to variable rate bonds so that the swaps could function properly and generate a reasonable synthetic fixed rate. To that end, the Authority negotiated a letter of credit with JPMorgan, and issued \$178,400,000 Series 2009D variable rate bonds on November 5, 2009.

Objective of the interest rate swap.

The intention of the Swap Transactions was to produce an overall fixed rate cost of funds related to refunding of the Series 1995 Bonds. The Swap Transactions were structured to lock in low rates, minimize the negative arbitrage in escrow, achieve higher present value savings than traditional fixed rate bond alternatives and increase future debt capacity. Total present value savings from these transactions were originally estimated at \$41.8 million.

Terms – 2004 Swap Transactions.

Under the 2004 Swap Transactions, the Authority is obligated to make payments to the Swap Providers calculated at a fixed rate of 3.673% per annum and the Swap Providers are obligated to make floating rate payments to the Authority calculated at a rate equal to 67% of the one-month London Interbank Offered Rate ("LIBOR") for U.S. deposits. The 2004 Swap Transactions have a stated final maturity date of January 1, 2023.

Terms – 2005 Swap Transactions.

Under the 2005 Swap Transactions, the Authority is obligated to make payments to the Swap Providers calculated at a fixed rate of 3.533% per annum and the Swap Providers are obligated to make floating rate payments to the Authority calculated at a rate equal to 67% of the one-month LIBOR for U.S. deposits. The Series 2005C Bonds and the 2005 Swap Transactions have a stated final maturity date of January 1, 2025.

NORTH TEXAS TOLLWAY AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
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As of December 31, 2010, rates were as follows: (see example in table below)

Interest rate swap:	Terms	2004 Swap Rates December 31, 2010	2005 Swap Rates December 31, 2010
Fixed payment to counterparties	Fixed	3.673%	3.533%
Variable payment from counterparties	67% of 1-Month LIBOR	0.174%	0.174%
Net interest rate swap payments		3.499%	3.359%
2009D Variable-rate bond coupon payments	SIFMA + 185*	2.150%	2.150%
Synthetic interest rate on bonds		5.649%	5.509%

*175bps LOC fee & 10bps remarketing fee

Period Ended December 31, 2010

<u>Derivative Instrument</u>	<u>Hedge Type</u>	<u>Effectiveness Test Method</u>	<u>Result</u>	<u>Classification</u>	<u>Amount</u>
Combined 2004 Swaps	Cash flow hedges	Regression Analysis	Effective	Deferred Outflow	\$ (12,267,841)
Combined 2005 Swaps	Cash flow hedges	Regression Analysis	Effective	Deferred Outflow	\$ (12,832,314)

Fair value. As of December 31, 2010, the 2004 Swap Transactions had a negative fair value of \$12,267,841 and the 2005 Swap Transactions had a negative fair value of \$12,832,313. The negative fair value signifies the amount that the Authority would owe to the Swap Providers upon the termination of all the Swap Transactions as of that date. The fair value was calculated by First Southwest, an independent third party provider of swap valuations.

Credit risk. As of December 31, 2010 the Authority was not exposed to counterparty credit risk because the Swap Transactions had a negative fair value. However, should interest rates change and the fair value of the Swap Transactions become positive, the Authority would be exposed to credit risk in the amount of the derivative's fair value.

If the respective Swap Provider's credit rating is reduced below A2 by Moody's or A by S&P, in the case of Citibank N.A., New York, or Aa3 by Moody's or AA- by S&P in the case of JPMorgan Chase Bank N.A., it is required to post collateral to the Authority's credit.

As of December 31, 2010, the Swap Providers' respective ratings by Moody's Investors Service ("Moody's") and by Standard and Poor's Corporation ("S&P") are as follows: Citibank N.A., New York A1/A+ and JPMorgan Chase Bank N.A. Aa1/AA-. Each party's portion of the 2004 Forward Swap and 2005 Current Swap agreement is 2/3 & 1/3 and 1/3 & 2/3 respectively.

Interest Rate Risk. Interest rate risk is the risk that changes in the interest rates will adversely affect the fair values of the Authority's hedging instruments or its cash flows. The Authority is exposed to interest rate risk on its derivatives.

The underlying Bonds (Series 2009D) have variable rate coupon payments which are tied to the SIFMA Index. The Swap Payments paid to the Authority by the Counterparties are also variable, tied to 2/3rds of one month Libor. A decrease in Libor Rates would increase the net swap payments for the Authority but would be offset by a likely decrease in SIFMA and a lower corresponding coupon payment. An increase in SIFMA Rates would increase the corresponding coupon payment but would be offset by a likely increase in Libor Rates and a lower corresponding net swap payment.

NORTH TEXAS TOLLWAY AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
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Rollover Risk. Rollover risk is the risk that a hedging instrument associated with hedgeable item does not extend to the maturity of that hedgeable item. The Authority is not exposed to rollover risks because the hedging derivative instruments associated with the hedgeable debt items extend beyond the maturity of the hedgeable debt items.

Basis risk. The Authority is exposed to basis risk under the swap agreements as the variable rate received from the counterparties will not perfectly match the rate paid on the bonds and the expected cost savings may not be realized.

Liquidity risk. Risk relating to the swap termination insured by FGIC, the Authority may be required to post collateral if FGIC is downgraded to below "A-" by S&P or "A3" by Moody's. If FGIC is so downgraded, and the Authority is downgraded to below A3 by Moody's or A- by S&P, the Authority will be obligated to post collateral in an amount equal to the swap termination payment amount owed by the Authority to JPMorgan Chase Bank N.A. FGIC was downgraded but the Authority has maintained its ratings above the referenced levels and no collateral is required to be posted. The Authority is currently rated A2 by Moody's and A- by S&P.

Market Access Risk. The Authority is not directly exposed to market access risk on the swaps. It is however indirectly exposed to market access risk through the underlying bond issue (Series 2009D) that the swaps are economically tied to. The 2009D bonds are a variable rate obligation that is backed by a letter of credit. Letters of credit typically have a 2 or 3 year term and at the end of the term the Authority would need to refinance the debt or secure either a new letter of credit. The risk is that the Authority may not be able to access the markets to obtain a new letter of credit.

Foreign Currency Risk. The Authority is not exposed to Foreign Currency Risk as both the fixed and variable payment portion are in the same currency. (US Dollars)

Counterparty Risk. Counterparty risk exists if the counterparty cannot make future payments or cannot make a termination payment due to NTTA. Risk is reduced by ISDA (International Swaps and Derivatives Association) contract terms addressing collateral limits and credit ratings. Additionally, selection of more than one highly-rated counterparty diversifies risk.

Termination risk. Termination risk exists if (i) the Authority opts to terminate the Swap Transactions prior to maturity and the Swap Providers do not have sufficient funds owed to the Authority, (ii) the Authority is downgraded to below A3 by Moody's or A- by S&P and the Authority is unable to post sufficient collateral, or (iii) the Authority's credit rating is reduced below investment grade by Moody's or S&P. If at the termination the swap has a negative fair value, the Authority would be liable to the Swap Providers for a payment equal to the Swap's fair value.

The Swap Transactions are subject to optional termination by the Authority at any time over the term of the Swap Transactions at the then prevailing market value. The Swap Providers do not have the elective right to optionally terminate the Swap Transactions. Each of the swap agreements may be terminated by the respective counterparty if the Authority does not maintain a credit rating of least Baa3 by Moody's or BBB- by S&P. The Authority's current ratings are A2 by Moody's and A- by S&P.

NORTH TEXAS TOLLWAY AUTHORITY
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Swap payments and associated debt. Using rates as of December 31, 2010, debt service requirements of the variable-rate and net swap payments, assuming current interest rates remain the same for the term, were as follows. As rates vary, variable-rate bond interest payments and net swap payments will vary.

**2009D Bonds Associated
with Swaps**

Fiscal Year	Principal amount	Interest amount*	Total
2011	\$ -	\$ 9,718,434	\$ 9,718,434
2012	-	9,745,060	9,745,060
2013	-	9,718,434	9,718,434
2014	-	9,718,434	9,718,434
2015	-	9,718,434	9,718,434
2016	-	9,745,060	9,745,060
2017	-	9,718,434	9,718,434
2018	-	9,718,434	9,718,434
2019	-	9,431,808	9,431,808
2020	-	9,154,975	9,154,975
2021	-	8,483,623	8,483,623
2022	-	7,793,512	7,793,512
2023	-	7,089,915	7,089,915
2024	-	6,341,091	6,341,091
2025	-	5,512,560	5,512,560
2026	-	5,512,560	5,512,560
2027	-	5,512,560	5,512,560
2028	-	5,527,663	5,527,663
2029	-	5,512,560	5,512,560
2030	-	5,512,560	5,512,560
2031	-	5,512,560	5,512,560
2032	-	5,527,663	5,527,663
2033	-	5,512,560	5,512,560
2034	-	5,512,560	5,512,560
2035	-	5,512,560	5,512,560
2036	-	5,527,663	5,527,663
2037	-	5,512,560	5,512,560
2038	-	5,512,560	5,512,560
2039	-	5,512,560	5,512,560
2040	-	5,527,663	5,527,663
2041	-	5,512,560	5,512,560
2042	-	5,512,560	5,512,560
2043	-	5,512,560	5,512,560
2044	32,000,000	5,527,663	37,527,663
2045	33,800,000	4,523,760	38,323,760
2046	35,600,000	3,479,340	39,079,340
2047	37,500,000	2,379,300	39,879,300
2048	39,500,000	1,223,894	40,723,894
TOTAL	\$ 178,400,000	\$ 248,028,654	\$ 426,428,654

*Includes interest rates for both swap payments, plus the assumed variable rate amount.

NORTH TEXAS TOLLWAY AUTHORITY
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Commercial Paper

On April 18, 2001, the Authority's Board of Directors authorized the \$200,000,000 Dallas North Tollway Authority Tax-Exempt Commercial Paper program. The commercial paper issued must mature not more than 270 days from date of issue. The Authority may retire commercial paper at any time.

Commercial paper notes are supported by a letter of credit with Bank of America in excess of \$200,000,000 and constitute a Third Tier obligation under the Amended and Restated Trust Agreement. Any advances for payments of commercial paper under the letter of credit are secured by a Third Tier lien on Authority revenues. No such advances have occurred. The credit agreement was renewed on October 16, 2009 and was scheduled to expire on January 2, 2011. On December 16, 2010 the Authority retired the Third Tier Commercial Paper Program and supporting letter of credit. In conjunction with the retirement of the old program the Authority established a new Commercial Paper Program supported by a new letter of credit with Bank of America in excess of \$200,000,000 constituting a Second Tier obligation under the Amended and Restated Trust Agreement. Any advances for payments of commercial paper under the new letter of credit are secured by a Second Tier lien on Authority revenues. No such advances have occurred. The credit agreement expires on December 16, 2013.

Commercial Paper may be issued to provide interim financing for new projects and other capital improvements and to finance equipment purchases for projects of the Authority. In fiscal year 2010, the Authority issued \$217,700,000 of commercial paper to: finance the design, engineering and other preliminary construction costs for the Southwest Parkway/Chisholm Trail project, Phase 4 of the Dallas North Tollway, the conversion of PGBT to all-electronic toll collection and other capital improvements and feasibility study costs of the NTTA System. As of December 31, 2010, \$119,200,000 was outstanding with an average interest rate of 0.33%.

Short-term debt activities for the year ended December 31, 2010 were as follows:

	Balance at December 31, 2009	Additions	Reductions	Balance at December 31, 2010
Commercial Paper Notes	\$ 5,200,000	\$ 217,700,000	\$ 103,700,000	\$ 119,200,000

Loans Payable

Additionally, the Authority funded, in part, costs of the construction of the PGBT with proceeds from a loan, which totaled \$135,000,000, made by TxDOT in 1995 pursuant to the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA). Interest at the rate of 4.2% began to accrue on October 1, 2000, compounding annually on January 1, with the first payment made in October 2004, and annual payments on January 1 thereafter until final payment in 2029, which resulted in a new loan amount at October 1, 2004 of \$154,338,133. Repayment of the loan to TxDOT is to be made from amounts on deposit in the Capital Improvement Fund with payments subordinate to bonds or other obligations of the Authority issued or entered into and secured by the tolls and revenues of the Authority. The ISTEA loan payment of \$8,250,000 was made on December 31, 2010 for the fiscal year of 2010. The loan payable was \$142,857,298 as of December 31, 2010.

As of December 31, 2009, the Authority had a liability of \$ 4,600,000, which were amounts incurred by TxDOT for costs for interchange improvements relating to the PGBT. The repayment of this amount was scheduled to be paid in annual payments, without interest, of \$ 500,000 beginning on October 1 of the year after the ISTEA loan is fully paid, which is currently 2029. The final payment was scheduled to be made in 2039. Because construction fund proceeds from the series 1990 Bonds were available to make the payment, the Authority opted to pay the \$4,600,000 on April 30, 2010. The loan payable was \$ 0 as of December 31, 2010.

NORTH TEXAS TOLLWAY AUTHORITY
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Debt service requirements on the TxDOT ISTE A loan payable subsequent to December 31, 2010 are as follows:

Fiscal years	TxDOT ISTE A Loan payable	
	Principal	Interest
2011	\$ -	\$ -
2012	2,249,993	6,000,007
2013	2,344,493	5,905,507
2014	2,192,962	5,807,038
2015	2,285,066	5,714,934
2016 - 2020	20,888,888	26,861,112
2021 - 2025	57,538,364	19,073,618
2026 - 2029	55,357,532	5,932,052
Total principal and interest	\$ 142,857,298	\$ 75,294,268

*2011 payment was due 1/1/2011, but was paid on 12/31/2010.

(6) Employees' Retirement Plan

As discussed in Note 1, effective September 1, 1997, the Authority, a regional tollway authority under Chapter 366, Transportation Code, became the successor agency to the Texas Turnpike Authority. In connection with this transition, the Authority changed from being a participant in the plans administered by the Employees Retirement System of Texas (ERS), which are considered single employer defined benefit pension plans, to being a participant in the Texas County and District Retirement System (TCDRS), which is a nonprofit public trust fund that provides pension, disability, and death benefits to eligible employees of the counties and districts that participate in TCDRS. Information related to the TCDRS, the Authority's 401(k) plan, and its refrain from participation in Social Security is included herein. A separate audited GAAP-basis pension plan report for ERS is available at www.ers.state.tx.us/Publications/FinancialReports.

Texas County and District Retirement System

TCDRS, an agent multiple-employer public employee retirement system, was established by legislative act in 1967 as a nontraditional, joint contributory, defined benefit plan. Individuals are required to become a TCDRS member at the time of their employment regardless of their age, unless the individual is ineligible for one of the reasons specified by the TCDRS (e.g., part time, temporary employee).

The governing body of the political subdivision determines the percentage of salary that both the individual and employer contribute toward retirement. The employee and employer contribution rate established was 6% and 8.99% of wages up to a maximum of \$245,000, respectively, at December 31, 2010.

Once an individual reaches vested status, he or she may end employment with a TCDRS subdivision and retain his or her right to future benefits as long as the individual does not die or withdraw personal contributions. Once a vested employee has satisfied both the service and age requirements for retirement, he or she is considered retirement eligible. Employees are eligible to receive lifetime monthly pension payments following the termination of their employment if the individual has 10 or more years of service credit at age 60 or older or the individual has 30 or more years of service credit at any age.

An individual is also eligible to receive lifetime monthly pension payments after his or her termination of employment if his or her political subdivision has authorized, and the individual has satisfied 10 years of service credit at age 60 or older or the individual's combined age and total service is 75 years or more.

NORTH TEXAS TOLLWAY AUTHORITY
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If an individual is eligible for service or disability retirement pension payments, the amount of the lifetime monthly pension to be received after retirement is determined by dividing the total dollars of accumulated retirement credit earned at retirement by the appropriate annuity purchase rate used to convert dollars of retirement credit to a lifetime monthly pension payment.

If an individual has at least ten years of service credit and becomes disabled for any reason, the individual may be approved for disability retirement benefits if the TCDRS Medical Board finds that the individual is mentally or physically incapacitated for any gainful occupation and the incapacity is considered permanent.

Total pension expense allocated to the System by the Authority for the year ended December 31, 2010, was \$3,246,692 based on a covered payroll of \$36,341,928. The Authority made the actuarially required contribution. Employee contributions to the plan for the year ended December 31, 2010 were \$2,130,642.

A separate audited GAAP-basis pension plan report for TCDRS is available at www.tcdrs.org/docs.

Actuarial valuation information (unaudited)

	December 31, 2007	December 31, 2008	December 31, 2009
Actuarial valuation date	Entry age	Entry age	Entry age
Actuarial cost method	Level % of payroll, closed	Level % of payroll, closed	Level % of payroll, closed
Amortization method	15.0	20.0	20.0
Amortization period	SAF: 10-yr smooth value	SAF: 10-yr smooth value	SAF: 10-yr smooth value
Asset valuation method	ESP: Fund value	ESP: Fund value	ESP: Fund value
Actuarial assumptions:			
Investment return**	8.0%	8.0%	8.0%
Projected salary increases	5.3%	5.3%	5.4%
Inflation	3.5%	3.5%	3.5%
Cost-of-living adjustments	0.0%	0.0%	0.0%

**Includes inflation at the stated rates.

Source reference: *Texas County and District Retirement System (GASB Compliance Data) For Employer's Accounting Year ending in 2010*

Funded Status and Funding Progress

As of December 31, 2009, the most recent actuarial valuation date, the plan was 94.65% funded. The actuarial accrued liability for benefits was \$43,020,466, and the actuarial value of assets was \$40,717,240, resulting in an unfunded actuarial accrued liability (UAAL) of \$2,303,226. The covered payroll was \$36,609,412, and the ratio of the UAAL to the covered payroll was 6.29%.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

NORTH TEXAS TOLLWAY AUTHORITY
 NOTES TO BASIC FINANCIAL STATEMENTS
 December 31, 2010

**Trend Information for the retirement plan for
 the employees of the Authority**

Accounting year ended	Annual pension cost (APC)	Percentage of APC contributed	Net Pension obligation
December 31, 2008	\$ 2,745,973	100%	\$ -
December 31, 2009	\$ 2,119,141	100%	\$ -
December 31, 2010	\$ 2,130,462	100%	\$ -

401(k) Plan

As a state agency of the State of Texas, the Texas Turnpike Authority was a participating employer in the State of Texas TexaSaver 401(k) Profit Sharing Plan sponsored by the Employees Retirement System of Texas. The Texas Turnpike Authority, as a state agency, was permitted to participate in the Employees Retirement System of Texas under Section 812.003 of the Texas Government Code.

Because the Act established the Authority as a political subdivision of the State of Texas instead of a state agency, it is no longer eligible to participate in the TexaSaver 401(k) Plan maintained by the Employees Retirement Authority of Texas. As a successor of the Texas Turnpike Authority, however, the Authority is eligible under current IRS rules and regulations to adopt the North Texas Tollway Authority 401(k) Plan as a successor qualified cash or deferred arrangement to the TexaSaver 401(k) Plan.

Prior to 1986, the IRC of 1986 permitted state or local governments and tax-exempt organizations to maintain qualified cash or deferred arrangement. The Tax Reform Act (TRA) of 1986 amended IRC to provide that a cash or deferred arrangement shall not be treated as a "qualified cash or deferred arrangement" if it is part of a retirement plan maintained by a governmental unit. However, TRA 1986 provides specific exception for cash or deferred arrangements adopted by a governmental unit prior to 1986 "Grandfather Employer". The Authority, a government entity is eligible to adopt the 401(k) plan because it is a successor entity to the Texas Turnpike Authority, a Grandfathered Employer, and is adopting a cash or deferred arrangement substantially similar to the Texas Turnpike Authority's cash or deferred arrangement.

Effective September 1, 1997, each Authority employee became eligible to participate in the North Texas Tollway Authority 401(k) plan, a defined contribution plan. The plan requires that each employee be required to make a mandatory employee contribution, deposited by the Authority towards the cost of the 401(k) plan, in an amount equal to 4% of total wages. All mandatory employee contributions to the 401(k) plan for payroll periods following September 1, 1997 shall be made on a pretax basis, provided they are subject to the Hospital Insurance portion of the Federal Insurance Contributions Act and the Federal Unemployment Tax Act and the withholding of those Acts. Employee contributions and plan earnings are vested at all times and a terminating employee shall be paid all mandatory contributions and plan earnings pursuant to the plan's terms. The Authority is authorized to make discretionary employer matching contributions in such amounts as may be determined by the board, and Authority employees are vested in employer contributions at 100% after five years services. Former Texas Turnpike Authority employees employed by the Authority on or before October 31, 1997 shall receive past service credit for service with the Texas Turnpike Authority for purposes of determining the vested percentage and the Authority's Board of Directors is allowed to further amend or terminate the plan at any time.

Total 401(k) contributions allocated to the System by the Authority for the year ended December 31, 2010 were \$1,197,411 based on a covered payroll of \$34,392,153.

Social Security

Effective September 1, 1997, the Authority elected to refrain from participation in Social Security and instead participated in both the TCDRS and the Authority 401(k) plan. The Authority requires mandatory employee participation in both of these plans.

NORTH TEXAS TOLLWAY AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2010

(7) Risk Management

In 1997, the Authority terminated its limited risk management program for workers' compensation. The remaining liability for claims is reported in the Operation and Maintenance Fund. As of December 31, 2010, \$407,842 is accrued to recognize actuarially determined claim liabilities. No claims have been filed in the years 2007- 2010.

The Texas Municipal League (TML) Intergovernmental Risk Pool insures the Authority for workers' compensation. The Authority purchases insurance policies for all major areas of operation including buildings and contents, bridges, general liability, commercial umbrella, crime, directors and officers liability, and boiler and machinery coverage. There have not been any settlements exceeding insurance coverage in the years 2006-2009. There has not been any significant reduction of coverage.

The Authority self-insures health benefits utilizing a third-party benefit administrator. The Authority pays claims based on actual claims reported. Funds are available to pay claims and administrative costs associated with the program. Reserves for these liabilities are included in current liabilities in the Statement of Net Assets.

(8) Post Employment Benefits

Other Post Employment Benefits

Beginning in fiscal year 2008, the Authority implemented Governmental Accounting Standards Board (GASB) Statement 45 for other post employment benefits provided to retirees on a prospective basis.

Plan Descriptions – The Authority provides post employment defined benefit health care to all eligible retired employees through contributions to either the Employee Retirement System of Texas (ERS) Group Benefit Program (GBP) or the Authority's Health Benefits plan. The Authority also has an OPEB trust, the Dallas-Fort Worth Transition Trust established in 1997 as part of the legislative action which created the Authority.

Employees Retirement System of Texas Group Benefit Program

The Authority contributes to the Employees Retirement System of Texas Group Benefits Program, a cost sharing multiple employer defined benefit OPEB plan. GBP provides health benefits to eligible retired employees of participating entities. Chapter 1551, Texas Insurance Code assigns authority to establish and amend benefit provisions to the ERS Board Trustees. The ERS issues a publically available GASB Statement 43 report. The report can be obtained from the ERS website.

Funding Policy – Chapter 1551, Texas Insurance Code provided that the contribution requirements under the GBP be established and amended by the ERS Board Trustees. Plan members receiving benefits and the Authority contribute \$413.3 per month for retiree only coverage \$649.6 for retiree and spouse, \$571.5 for retiree and children, and \$807.9 for family.

Contribution rates are determined annually by the trustees based on recommendations of the ERS staff and consulting actuary. The contribution rates are determined based on the benefit and administrative costs expected to be incurred and (i) the funds appropriated and (ii) the funding policy established by the Texas Legislature in connection with the benefits provided through GBP. The trustees revise benefits when necessary to match expected benefit and administrative costs with the revenue expected to be generated by the appropriated funds. There are no long-term contracts for contributions to the plan.

The Authority has 54 plan members receiving benefits from GBP. An additional 41 active employees have the option of retiring under the ERS GBP or the Authority's plan. The OPEB liability for these 41 employees is calculated under the Authority's plan. The Authority's contributions to the GBP for the fiscal year ended December 31, 2010 was \$293,509; which was 100% of the required contribution for that period.

NORTH TEXAS TOLLWAY AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2010

Authority Plan Administered through PEBC

The Authority's Benefits plan is affiliated with the Public Employees Benefits Cooperative (PEBC), an agent multiple-employer postemployment healthcare plan administrator. The plan does not issue a publicly available report. There are currently 3 individuals receiving benefits and 6 employees fully eligible to receive benefits under the Authority's Benefits plan. No separate financial statements are issued for the Authority's plan.

Funding Policy – The contribution requirements under the Authority's Benefits plan for the plan members and the Authority are established and may be amended by the Board of Directors. Authority members receiving benefits contribute the following amounts annually depending on plan, age and coverage:

Plan	Under Age 65		Age 65 and Older	
EPO	\$ 4,236	\$ 4,488	\$ -	\$ -
PPO	3,864	4,092	-	-
PSS	-	-	1,916	1,917
PMA	-	-	680	680

The required contribution is based on the projected pay-as-you-go financing requirements. For fiscal year 2010 expenses of \$ 19,541 were recognized for the post employment health care premiums paid. This represents 43.2% of the total premiums.

Annual OPEB Cost and Net OPEB Obligation – The Authority's annual other postemployment benefit (OPEB) cost is calculated on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The following table shows the elements of the Authority's OPEB cost for the year, the amount actually contributed on behalf of the Plan, and changes in the Authority's net OPEB obligation for the year ended December 31, 2010:

	2008	2009	2010
Annual Required Contribution	\$ 899,228	\$ 899,228	\$ 2,073,600
Interest on Net OPEB Obligation	-	223,511	211,923
Adjustment to Annual Required Contribution	248,001	248,001	640,753
Annual OPEB Cost (expense)	1,147,229	1,370,740	2,926,276
Payments Made	17,344	14,553	19,541
Increase in Net OPEB Obligation	1,129,885	1,356,187	2,906,735
Net OPEB Obligation - Beginning of Year	2,933,958	4,063,843	5,420,030
Net OPEB Obligation - End of Year	<u>\$ 4,063,843</u>	<u>\$ 5,420,030</u>	<u>\$ 8,326,766</u>

NORTH TEXAS TOLLWAY AUTHORITY
 NOTES TO BASIC FINANCIAL STATEMENTS
 December 31, 2010

The Authority's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for the years ended December 31, 2008-2010 were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Paid	Net OPEB Obligation
12/31/2008	\$ 1,147,229	1.51%	\$ 4,063,843
12/31/2009	\$ 1,370,740	1.06%	\$ 5,420,030
12/31/2010	\$ 2,926,276	0.67%	\$ 8,326,766

Funded Status and Funding Progress – The funded status of the plan as of January 1, 2010, the most recent actuarial valuation date, was as follows:

Actuarial accrued liability (AAL)	\$14,605,332
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	\$14,605,332
Funded ratio (actuarial value Of plan assets/AAL)	0%
Covered payroll (active plan members)	\$34,392,153
UAAL as a percentage of covered payroll	43%

Actuarial valuation of an ongoing plan involves estimates of the value of reported amounts and assumptions about and the probability of occurrence of events into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and the plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspectives of the calculations.

In the January 1, 2010, actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a discount rate of 3.91% and an annual healthcare cost trend rate of 9% for 2010, 8.5% for 2011 reduced by decrements of .5% percent to an ultimate rate in 2017 of 5.5%. The actuarial assumptions include an investment rate of return at 3.91% and projected salary increases at 2.0%. The Authority's unfunded actuarial accrued liability is being amortized as a level percentage of projected payrolls on an open basis. At January 1, 2010 the remaining amortization period was 28 years.

Dallas- Fort Worth Turnpike Transition Trust Fund

As part of the 1997 legislation creating the North Texas Tollway Authority under Chapter 366, Texas Transportation Code, the Dallas-Fort Worth Turnpike Transition Trust Fund was established to account for the payment of transition costs and other liabilities payable from funds of the Dallas-Fort Worth Turnpike at December 1977, such as post employment benefits. There are only two remaining retired employees receiving benefits from ERS GBP. Payments during fiscal year were \$9,472; which was 100% of the required contribution for the period. The trust currently has \$419,418 in net assets. Due the limited number of participants no valuation was done.

NORTH TEXAS TOLLWAY AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2010

(9) Disaggregation of Receivable Balances

The Authority has an unrestricted accounts receivable balance of \$20,244,429 and a restricted accounts receivable balance of \$208,224,754 as of December 31, 2010. The restricted balance of \$1,359,195 is due from TXDOT related to various construction agreements, \$200,000,000 is due from the North Central Texas Council of Governments related to the upfront payment for the SH161 project, and a \$6,865,559 tax credit due from the IRS; the unrestricted balance consist of \$11,421,679 for video tolls net of allowance for doubtful accounts of \$23,376,284, \$8,197,814 from TXDOT for several capital projects, \$608,936 from interoperable agencies.

(10) Commitments and Contingencies

The Authority currently has \$1,564,480,761 in cash and investments with approximately \$844,988,934 restricted for debt service and \$438,720,313 restricted for construction. The Authority has \$16,409,589 in current liabilities that are comprised primarily of construction-related payables at December 31, 2010. Additionally the Authority has contract and purchase order commitments at December 31, 2010 aggregating \$843.6 million. This amount includes \$842.9 million of construction contracts payable from restricted funds and the issuance of debt, \$96.7 million reimbursable from TxDOT; and \$143.4 payable from various other funds.

The Authority is currently evaluating several Authority maintenance, rehabilitation, and capital improvement projects with an estimated cost of approximately \$1.1 billion, which may be funded from the Authority's Reserve Maintenance Fund, the Construction Fund, or the Capital Improvement Fund over the next six years.

The Authority has an operating lease agreement for the rental of the TollTag Store. The term of the lease was extended through June 30, 2011. Lease expense for the year ended December 31, 2010 totaled \$93,550, under this lease. The following represents required remaining payments under the terms of the TollTag Store lease agreement:

	2011	\$	46,641
TollTag Store at Inwood location		\$	46,641

The Authority entered into a property management agreement on February 12, 2007 and ending February 28, 2011, to manage existing leases of the Gleneagles buildings. An operating account funded with operating lease payments was established for the Manager to handle all expenses. As of December 31, 2010 this account had a balance of \$197,087. The building complex encompasses 163,380 square feet of which 61,662 is occupied by the Authority, 52,887 is leased, and 48,831 is vacant. The leased space is divided into two leases; one for 22,369 sq. ft. beginning July 1, 2005 and expired March 31, 2010, one for 30,518 sq. ft. beginning July 1, 2005 and expiring December 31, 2010. The term of this lease was extended to June 30, 2013. The following represents minimum future rentals on non-cancelable operating lease agreements:

	2011	\$	564,293
	2012		564,293
	2013		296,259
Gleneagles Offices Complex		\$	1,424,845

NORTH TEXAS TOLLWAY AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2010

The Authority has entered into a building lease agreement for the rental of one of the Frisco Center Properties in the City of Frisco. The term of the lease was extended through December 15, 2013. The building complex encompasses 146,800 square feet of which 36,960 are occupied by the Authority. The lease agreement indicated that the Authority will pay \$19,250 per month for the first 18 months and \$20,020 the remaining 18 months of the lease. Lease expenses for the year ended on December 31, 2010 totaled \$304,476, under this lease. The following represents the required remaining payments under the terms of the building lease agreement:

2011	\$	301,476
2012		306,866
2013		<u>310,716</u>
Frisco Center Properties (lease)	\$	<u><u>919,058</u></u>

The Authority has an operating lease agreement for the rental of copy machines from January 1, 2011 through December 31, 2013. The following represents the required payments under the terms of the lease agreement:

2011	\$	68,436
2012		68,436
2013		<u>68,436</u>
Copy Machine (lease)	\$	<u><u>205,308</u></u>

(11) Subsequent Events

On April 28, 2011 the Authority closed Series 2011 A – C Special Projects System (SPS) Revenue Bonds in the aggregate principal amount of \$672,833,450 and Series 2011 A & B Taxable Bond Anticipation Notes (BANs) in the aggregate principal amount of \$418,405,000. The Bonds and BANs were issued for the purpose of providing funds to pay an upfront payment to the Texas Department of Transportation for the Authority's right to own and operate an 11.5-mile tolled portion of State Highway 161 in western Dallas County, designated the President George Bush Turnpike Western Extension (PGBT WE), and to finance a portion of the costs of the construction and development of PGBT WE.

On April 13, the 2011 SPS Revenue Bonds Series A - C were issued as follows: Series 2011A Bonds were issued as Current Interest Bonds in the amount of \$487,890,000. Interest is payable September 1 and March 1, commencing September 1, 2011. The Series 2011A Bonds were issued as three term bonds. The first term bond was issued in the amount of \$47,335,000 and has a maturity of September 1, 2036 and an interest rate of 5.50%. The second term bond was issued in the amount of \$280,545,000 and has a maturity of September 1, 2041 and an interest rate of 5.50%. The final term bond was issued in the amount of \$50,000,000 and has a maturity of September 1, 2041 and an interest rate of 6.00%

Series 2011B Bonds were issued as Capital Appreciation Bonds in the amount of \$55,103,673 and the sum of the principal and accreted/compounded interest is payable only at maturity. The approximate Yield to Maturity is 7.55% to 7.60%. The maturity dates of the 2011B bonds are September 1, 2037 through September 1, 2043.

NORTH TEXAS TOLLWAY AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2010

Series 2011C Bonds were issued as Convertible Capital Appreciation Bonds in the amount of \$129,839,776. Interest will accrete from the date of delivery and will compound semiannually on September 1 and March 1, commencing September 1, 2011. These bonds were issued in two Subseries. The first Subseries were issued in an amount of \$36,767,691 with an approximate Yield to Maturity of 7.00% and a conversion date of September 1, 2023. After conversion, interest will accrue at a rate of 7.00% on the total amount of principal and the accreted/compounded interest thereon payable semiannually on September 1 and March 1, commencing March 1, 2024. The second Subseries were issued in an amount of \$93,072,085 with an approximate Yield to Maturity of 6.75% and a conversion date of September 1, 2021. After conversion, interest will accrue at a rate of 6.75% on the total amount of principal and the accreted/compounded interest thereon payable semiannually on September 1 and March 1, commencing March 1, 2022.

The Series 2011 Taxable BANs were issued in the following series:

On March 31, Series 2011B Notes were issued as Taxable BANs in the amount of \$70,110,000. Interest is payable September 1 and March 1, commencing September 1, 2011. The Series 2011B Notes were issued as a term note maturing on September 1, 2013 with an interest rate of 2.306%

On April 14, Series 2011A Notes were issued as Taxable BANs in the amount of 348,295,000. Interest is payable September 1 and March 1, commencing September 1, 2011. The Series 2011A Notes were issued as a term note maturing on September 1, 2013 with an interest rate of 2.441%

On April 15, 2011, NTTA closed on its \$418,405,000 TIFIA loan through the TIGER program of the American Recovery and Reinvestment Act of 2009. TIFIA Loan interest rate is set at 4.51% and will be drawn on September 1, 2013 to retire the BANs.

In February 2011, the Authority extended its existing Letter of Credit and reimbursement agreement with JPMorgan Chase Bank, NA at a reduced fee from 1.75% per annum to 1.20% per annum. The letter of credit was originally set to expire November 4, 2011. The term of the letter of credit was extended until June 30, 2014. These changes were effective February 1, 2011.

On April 27, 2011 the Authority entered into an agreement with Morgan Stanley to provide a \$100,000,000 Letter of Credit to refund the 2008J Floating Rate Notes. The annual Letter of credit fee is set at 1.20% per annum for a 3-year term. The Authority will be issuing variable rate demand bonds at a later date.

The Authority recently discovered that certain employees in its information technology group may have undertaken a scheme to misappropriate funds by creating fraudulent refunds of toll revenues. While the Authority has not yet conducted a complete investigation of the matter, they have reported it to local police. In addition, the Authority is conducting its own internal investigation and hired a computer forensic firm to determine the full extent of the losses. After the initial investigation, the Authority believes that the maximum loss, assuming no recovery, is less than \$349,000.

NORTH TEXAS TOLLWAY AUTHORITY

Required Supplementary Information

December 31, 2010

Modified Approach - Infrastructure

The Authority has elected to use the Modified Approach to account for maintenance of the Authority's infrastructure assets. As required by the Trust Agreement, an annual inspection of the Authority's roadways has occurred, conducted by the Authority's General Engineering Consultant, HNTB Corporation. This inspection provides an overall rating, indicating the average condition of all of the Authority's infrastructure assets (roadways, bridges, and facilities). The assessment of conditions is made by visual and mechanical tests designed to reveal any condition that would reduce user benefits below the maximum level of service. The Authority's goal is to maintain the Authority's infrastructure assets at a rating of 8 or better (1 to 10 scale), and has established a minimum level for GASB No. 34 purposes of a condition level of 6 or greater. These condition levels were adopted by the Board of Directors for the North Texas Tollway Authority (NTTA) by Resolution No. 02-31 on June 19, 2002 and further clarified by Resolution No. 07-169 on December 19, 2008. In accordance with GASB 34 the Capital Assessment and Inspection Report is due every three years. The last Capital Assessment and Inspection Report for the North Texas Tollway Authority were complete in 2010.

The infrastructure assets include the President George Bush Turnpike (PGBT), the Dallas North Tollway (DNT), the Addison Airport Toll Tunnel (AATT), the Mountain Creek Lake Bridge (MCLB), Sam Rayburn Tollway (SRT), Lewisville Lake Toll Bridge (LLTB), Main Lane Plazas, Ramp Plazas, maintenance shops, administration buildings, and IT lane equipment. The roadways are a major transportation network consisting of 90.35 centerline miles of high-speed roadways, 89 interchanges, 15 main lane toll plazas, 99 ramp toll plazas, 374 bridges, one tunnel, and other structures and appurtenances. All assets combined totaled approximately \$1.76 billion in current replacement value for FYE 2008.

Condition Index

A Condition Index is a measure of the "intrinsic value" of the asset as opposed to the book value. A Condition Index with a value of 10.0 is considered "like new"; on the contrary, a Condition Index with a value of 0.0 is considered "unusable." Evaluations were performed on all of the assets under Authority jurisdiction. The evaluation resulted in an average Condition Index of 8.9 for all of the assets combined. The following table shows the Condition Index for the years 2005 through 2010.

<u>Fiscal Year</u>	<u>Current</u>	<u>Goal</u>
2010	8.9	8.0
2009	9.0	8.0
2008	9.0	8.0
2007	8.9	8.0
2006	8.9	8.0
2005	8.8	8.0

Condition Assessment and Inventory

A comprehensive condition assessment on all the Authority's assets was conducted from fall of 2007 to May 2008. The Authority's Maintenance Management Consultant performed condition assessments of the Authority's roadways including pavement, bridges, and facilities. Fleet, being the fourth major asset, was inspected and evaluated by the NTTA staff. Assessment procedures and representative work samples were reviewed by NTTA's General Engineering Consultants, HNTB Corporation.

Bridges

A condition assessment was performed on the Authority's bridges using the *Recording and Coding Guide for the Structure Inventory and Appraisal of the Nation's Bridges*, published by the Federal Highway Administration

NORTH TEXAS TOLLWAY AUTHORITY

Required Supplementary Information

December 31, 2010

(FHWA). To do this, a Sufficiency Rating was determined by totaling four separate factors using the sufficiency rating formula. The Sufficiency Rating Formula is a method of evaluating highway bridge data by calculating the four factors to obtain a numeric value, which is indicative of bridge sufficiency. The four factors are structural

adequacy and safety (55% of the total rating), serviceability and functional obsolescence (30% of the total rating), essentiality for public use (15% of the total rating), and special reductions (total can be reduced by up to 13%).

Roadways

A condition assessment was performed on the Authority's roadways using the *Highway Maintenance Condition Assessment Program* (HMCAP) developed by Roy Jorgensen Associates, Inc., the pavement Condition Rating Authority (CRS) developed by Applied Research Associates, Inc., and the Pavement Condition Index (PCI) procedure as outlined in ASTM D5340. To do this, a Maintenance Rating Program (MRP) Index was determined by visual inspection of the Authority's roadways, appurtenances, and edge conditions. Additionally, a baseline PCI and a baseline ride ability survey were conducted on the roadway surface and incorporated into the MRP Index. Although the PCI and ride ability survey were conducted on the entire Authority, it would have been impractical to perform a MRP evaluation over the same length; therefore, 10% of the Authority's total roadways were randomly selected for MRP evaluation. These values were then weighted and totaled to determine an overall MRP Index. Of this total MRP Index, travel lanes and shoulders account for 70% (of which the PCI accounts for 80%), roadside components accounted for 15%, and other items account for 15%.

The Roadway Index (RI) is a measure of the overall health of the roadway Authority that takes into account the current condition of the roadway, how well it is being maintained, and its projected future performance. It is calculated using the results of the annual MRP and pavement condition surveys. In 2006 the RI was revised to use CRS pavement condition ratings in place of the PCI ratings and incorporates remaining pavement service life (RSL). RI is equal to the values of 50% of CRS, 30% RSL, 10% MRP of travel lane element, 5% MRP of roadside element, and 5% MRP of other element.

Currently, the 90.35 centerline miles (approximately 761 lane miles) of main lane roadways have a Roadway Index of 8.9.

The budget-to-actual expenditures for preservation and other infrastructure maintenance costs were as follows for the years 2003 through 2010.

<u>Fiscal year</u>	<u>Budget</u>	<u>Actual</u>
2010	\$ 36,316,377	\$ 28,475,554
2009	40,239,320	30,745,545
2008	69,532,303	51,747,814
2007	51,283,652	31,818,863
2006	34,574,405	29,186,456
2005	20,552,627	13,704,971
2004	25,518,270	15,319,100
2003	15,005,598	12,422,078

NORTH TEXAS TOLLWAY AUTHORITY
 Required Supplementary Information
 December 31, 2010

Funding Progress

Schedule of Funding Progress
Texas County and District Retirement System
Employee Retirement Plan
 Last three calendar years
 (Unaudited)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
12/31/10	\$ 40,717,240	\$ 43,020,466	\$ 2,303,226	94.65%	\$ 36,609,412	6.29%
12/31/08	33,209,419	35,480,892	2,271,473	93.60%	32,589,789	6.97%
12/31/07	29,459,126	29,842,359	383,233	98.72%	30,611,880	1.25%

Schedule of Funding Progress
Other Post Employment Benefits
 Last two calendar years
 (Unaudited)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
1/1/2010	—	\$ 14,605,332	\$ 14,605,332	—	\$ 34,392,153	43.00%
01/01/08	—	6,004,945	6,004,945	—	28,746,776	20.89%

NORTH TEXAS TOLLWAY AUTHORITY
Schedule of Net Assets by Trust Accounts
December 31, 2010

Assets	Total	Interfund eliminations/ reclassifications	Construction and property account	Revenue account	Operation and maintenance account
Current assets:					
Cash and cash equivalents (note 3)	\$ 14,451,002	-	(932,106)	2,858,387	12,923,054
Investments (note 3)	265,892,503	-	-	78,341,552	3,050
Accrued interest receivable	66,528	-	-	52,762	-
Interfund receivable	-	(708,765,438)	19,595,247	-	1,714,832
Accounts receivable (net of allowance for uncollectibles) (note 9)	20,244,429	-	-	12,030,187	931,476
Inventory, at average cost	2,148,580	-	-	-	2,148,580
Prepaid expenses	1,066,574	-	-	-	1,066,574
Total current unrestricted assets	303,869,614	(708,765,438)	18,663,141	91,082,868	18,787,566
Current restricted assets:					
Restricted assets:					
Restricted for construction:					
Cash and cash equivalents (notes 3 and 10)	6,494	-	-	-	-
Investments (notes 3 and 10)	438,720,097	(244,276,684)	585,897,692	-	-
Accrued interest receivable	588,395	-	588,395	-	-
Accounts receivable	201,359,195	-	1,359,195	-	-
Restricted for debt service:					
Cash and cash equivalents (notes 3 and 5)	-	-	-	-	-
Investments (notes 3 and 5)	432,355,989	(168,356,261)	-	-	-
Accrued interest receivable	1,085,940	-	-	-	-
Accounts receivable	6,865,559	-	-	-	-
Restricted for pension benefits and other purposes:					
Cash and cash equivalents (notes 3 and 5)	(6,278)	-	-	-	-
Investments (notes 3 and 5)	428,009	-	-	-	-
Accrued interest receivable	61	-	-	-	-
Total current restricted assets	1,081,403,461	(412,632,945)	587,845,282	-	-
Total current assets	1,385,273,075	(1,121,398,383)	606,508,423	91,082,868	18,787,566
Noncurrent assets:					
Investments restricted for debt service (note 3)	412,632,945	412,632,945	-	-	-
Accounts receivable (note 9)	-	-	-	-	-
Deferred outflow of resources	25,100,155	-	25,100,155	-	-
Deferred improvement costs	-	-	-	-	-
Deferred financing costs	83,932,139	-	76,292,876	-	-
Deferred feasibility study costs	282,389,327	-	-	-	-
Deferred amount on refunding	-	(36,580,394)	36,580,394	-	-
Capital assets (net of accumulated depreciation) (note 4)	6,213,136,561	(40,916,302)	6,254,119,425	-	(62)
Total noncurrent assets	7,017,191,127	335,136,249	6,382,092,850	-	(62)
Total assets	8,402,464,202	(786,262,134)	6,998,601,273	91,082,868	18,787,504
Liabilities					
Current liabilities:					
Accounts and retainage payable	16,346,267	-	-	8,779,917	434,888
Accrued liabilities	73,032,550	-	49,080,175	-	10,004,194
Interfund payable	-	(708,765,438)	184,293,917	195,023,341	1,739,374
Other post-employment benefits	-	-	-	-	-
Deferred revenue	31,202,410	-	-	31,202,410	-
Tolltag deposits	782,945	-	-	782,945	-
Total current unrestricted liabilities	121,364,172	(708,765,438)	233,374,092	235,788,613	12,178,466
Payable from restricted assets:					
Construction-related payables:					
Accounts payable (note 10)	107,082	-	107,082	-	-
Retainage payable (note 10)	16,302,507	-	16,302,507	-	-
Deferred grant revenue	49,568,768	-	49,568,768	-	-
Debt service-related payables:					
Accrued interest payable	193,986,397	-	20	-	-
Accrued arbitrage rebate payable	225,874	-	225,874	-	-
Commercial paper payable (note 5)	119,200,000	-	-	-	-
Revenue bonds payable (note 5)	29,685,000	-	29,685,000	-	-
Pension benefits and other related payables					
Accounts payable (note 10)	374,340	-	-	-	371,966
Total current liabilities payable from restricted assets	409,449,968	-	95,889,251	-	371,966
Total current liabilities	530,814,140	(708,765,438)	329,263,343	235,788,613	12,550,422
Noncurrent liabilities:					
Other Post Employment Benefits	8,326,766	-	-	-	8,326,766
Deferred outflow of resources	25,100,155	-	25,100,155	-	-
Texas Department of Transportation loan payable (note 5)	-	-	-	-	-
Texas Department of Transportation ISTEPA loan payable (note 5)	142,857,298	-	142,857,298	-	-
Dallas North Tollway System revenue bonds payable, net of unamortized net deferred amount on refundings of \$36,580,394 and bond discount (premium) costs of \$40,916,302 (note 5)	7,435,839,862	(77,496,696)	7,110,211,787	-	-
Total noncurrent liabilities	7,612,124,081	(77,496,696)	7,278,169,240	-	8,326,766
Total liabilities	8,142,938,221	(786,262,134)	7,607,432,583	235,788,613	20,877,188
Not Assets					
Invested in capital assets, net of related debt	(831,801,669)	(789,449,144)	-	-	-
Restricted:					
Restricted for construction	179,346,454	588,177,764	(608,831,310)	-	-
Restricted for debt service	1,031,386,057	408,463,439	-	(144,705,745)	-
Restricted for pension benefit and other purposes	419,418	(31,264,279)	-	-	(2,089,684)
Unrestricted	(119,834,279)	(175,927,780)	-	-	-
Total net assets	\$ 259,525,981	-	(608,831,310)	(144,705,745)	(2,089,684)

See accompanying independent auditors' report.

Reserve maintenance account	Consolidated Capital Improvement Fund	DFW Turnpike Transition Trust Fund	Debt service accounts		
			Bond Interest account	Reserve account	Redemption account
(268,935)	70,602	-	-	-	-
34,790,074	154,757,827	-	-	-	-
5,095	8,669	-	-	-	-
155,979	335,955,851	-	340,286,412	11,057,117	-
-	7,282,766	-	-	-	-
-	-	-	-	-	-
34,682,213	498,075,735	-	340,286,412	11,057,117	-
-	6,494	-	-	-	-
-	97,099,089	-	-	-	-
-	200,000,000	-	-	-	-
-	-	-	-	-	-
-	-	-	159,740,979	413,744,120	27,227,151
-	-	-	7,360	1,074,701	3,879
-	-	-	6,865,559	-	-
-	-	-	-	-	-
-	-	(6,278)	-	-	-
-	-	428,009	-	-	-
-	-	61	-	-	-
-	297,105,583	421,792	166,613,898	414,818,821	27,231,030
34,682,213	795,181,318	421,792	506,900,310	425,875,938	27,231,030
-	-	-	-	-	-
-	-	-	-	-	-
-	7,639,263	-	-	-	-
-	282,389,327	-	-	-	-
-	-	-	-	-	-
-	(66,500)	-	-	-	-
-	289,982,060	-	-	-	-
34,682,213	1,065,143,408	421,792	506,900,310	425,875,938	27,231,030
-	-	-	-	-	-
361,956	6,789,506	-	-	-	-
850,790	13,097,391	-	-	-	-
115,504	292,950,937	-	-	-	34,642,365
-	-	-	-	-	-
-	-	-	-	-	-
1,328,250	312,817,834	-	-	-	34,642,365
-	-	-	-	-	-
-	-	-	-	-	-
-	21,098,492	-	172,887,885	-	-
-	119,200,000	-	-	-	-
-	-	-	-	-	-
-	-	2,374	-	-	-
-	140,298,492	2,374	172,887,885	-	-
1,328,250	453,116,328	2,374	172,887,885	-	34,642,365
-	-	-	-	-	-
-	-	-	-	-	-
-	403,124,771	-	-	-	-
-	403,124,771	-	-	-	-
1,328,250	856,241,097	2,374	172,887,885	-	34,642,365
-	(42,352,625)	-	-	-	-
-	200,000,000	-	-	-	-
-	7,750,000	-	334,012,425	425,875,938	-
33,353,963	-	419,418	-	-	-
-	63,504,836	-	-	-	(7,411,335)
33,353,963	228,902,311	419,418	334,012,425	425,875,938	(7,411,335)

NORTH TEXAS TOLLWAY AUTHORITY
 Consolidating Schedule for Capital Improvement Fund
 December 31, 2010
 (Unaudited)

Assets	Consolidated Capital Improvement Fund	Capital Improvement Fund	Feasibility Study Fund
Current assets:			
Cash and cash equivalents (note 3)	\$ 70,602	(1,195,259)	1,265,861
Investments (note 3)	154,757,827	154,757,827	-
Accrued interest receivable	8,669	8,669	-
Interfund receivable	335,955,851	335,955,851	270
Accounts receivable (note 9)	7,282,786	1,580,248	5,702,538
Inventory, at average cost	-	-	-
Prepaid expenses	-	-	-
Total current unrestricted assets	<u>498,075,735</u>	<u>491,107,066</u>	<u>6,968,669</u>
Current restricted assets:			
Restricted assets:			
Restricted for construction:			
Cash and cash equivalents (notes 3 and 10)	6,494	24,563,877	(24,557,383)
Investments (notes 3 and 10)	97,099,089	97,099,089	-
Accrued Interest receivable	-	-	-
Accounts receivable	200,000,000	-	200,000,000
Restricted for debt service:			
Cash and cash equivalents (notes 3 and 5)	-	-	-
Investments (notes 3 and 5)	-	-	-
Accrued Interest receivable	-	-	-
Restricted for pension benefits and other purposes:			
Cash and cash equivalents (notes 3 and 5)	-	-	-
Investments (notes 3 and 5)	-	-	-
Accrued Interest receivable	-	-	-
Total current restricted assets	<u>297,105,583</u>	<u>121,662,966</u>	<u>175,442,617</u>
Total current assets	<u>795,181,318</u>	<u>612,770,032</u>	<u>182,411,286</u>
Noncurrent assets:			
Investments for unrestricted assets (note 3)	-	-	-
Investments restricted for construction (note 3)	-	-	-
Investments restricted for debt service (note 3)	-	-	-
Accounts receivable (note 9)	-	-	-
Deferred improvement costs	-	-	-
Deferred financing costs	7,639,263	7,639,263	-
Deferred feasibility study costs	282,389,327	-	282,389,327
Deferred amount on refunding	-	-	-
Capital assets net of amortization and depreciation (note 4)	(66,500)	(66,500)	-
Total noncurrent assets	<u>289,962,090</u>	<u>7,572,763</u>	<u>282,389,327</u>
Total assets	<u>1,085,143,408</u>	<u>620,342,795</u>	<u>464,800,613</u>
Liabilities			
Current liabilities:			
Accounts and retainage payable	6,769,506	1,404,684	5,364,822
Accrued liabilities	13,097,391	4,188,360	8,909,031
Interfund payable	292,950,937	71,653	292,879,284
Other post-employment benefits	-	-	-
Deferred revenue	-	-	-
Tolltag deposits	-	-	-
Total current unrestricted liabilities	<u>312,817,834</u>	<u>5,664,697</u>	<u>307,153,137</u>
Payable from restricted assets:			
Construction-related payables:			
Accounts payable (note 10)	-	-	-
Retainage payable (note 10)	-	-	-
Deferred grant revenue	-	-	-
Debt service-related payables:			
Accrued interest payable	21,098,492	21,098,492	-
Accrued arbitrage rebate payable	-	-	-
Commercial paper payable (note 5)	119,200,000	119,200,000	-
Revenue bonds payable (note 5)	-	-	-
Pension benefits and other related payables	-	-	-
Accounts payable (note 10)	-	-	-
Total current liabilities payable from restricted assets	<u>140,298,492</u>	<u>140,298,492</u>	<u>-</u>
Total current liabilities	<u>453,116,326</u>	<u>145,963,189</u>	<u>307,153,137</u>
Noncurrent liabilities:			
Texas Department of Transportation loan payable (note 5)	-	-	-
Texas Department of Transportation ISTEA loan payable (note 5)	-	-	-
Dallas North Tollway System revenue bonds payable, net of unamortized net deferred amount on refundings of \$0 and bond discount (premium) costs of \$3,124,771 (note 5)	403,124,771	403,124,771	-
Total noncurrent liabilities	<u>403,124,771</u>	<u>403,124,771</u>	<u>-</u>
Total liabilities	<u>856,241,097</u>	<u>549,087,960</u>	<u>307,153,137</u>
Net Assets			
Invested in capital assets, net of related debt	(42,352,525)	-	(42,352,525)
Restricted:			
Restricted for construction	200,000,000	-	200,000,000
Restricted for debt service	7,750,000	7,750,000	-
Restricted for pension benefits and other purposes	-	-	-
Unrestricted	<u>63,504,836</u>	<u>63,504,836</u>	<u>-</u>
Total net assets	<u>\$ 228,902,311</u>	<u>71,254,836</u>	<u>157,647,475</u>

See accompanying independent auditors' report.

NORTH TEXAS TOLLWAY AUTHORITY
 Schedule of Budget and Actual Revenues and Expenses on Trust Agreement Basis
 Year ended December 31, 2010
(Unaudited)

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Toll revenues	\$ 377,132,800	366,597,323	(10,535,477)
Interest income	9,300,000	12,817,761	3,517,761
Other revenue	23,588,616	17,242,542	(6,346,074)
Gross revenues	<u>410,021,416</u>	<u>396,657,626</u>	<u>(13,363,790)</u>
Operating expenses:			
Administration:			
Administration	1,269,571	838,276	431,295
Board	303,460	165,589	137,871
Business diversity	207,277	190,600	16,677
Communications	2,556,369	1,983,456	572,913
Finance	3,841,677	3,887,271	(45,594)
Government affairs	555,229	429,235	125,994
Human resources	11,576,399	10,712,051	864,348
Internal audit	983,831	699,001	284,830
Legal	3,375,125	2,200,086	1,175,039
Total administration	<u>24,668,938</u>	<u>21,105,565</u>	<u>3,563,373</u>
Operations:			
Customer service center	27,246,233	29,854,541	(2,608,308)
Information technologies	11,540,166	10,540,591	999,575
Operations	1,076,517	652,418	424,099
Project delivery	135,863	141,111	(5,248)
Maintenance	21,668,988	20,309,114	1,359,874
System & incident management	8,285,623	6,900,844	1,384,779
Toll collection	6,684,162	5,557,257	1,126,905
Vault	913,714	648,398	265,316
Total operations	<u>77,551,266</u>	<u>74,604,274</u>	<u>2,946,992</u>
Total operating expenses	<u>102,220,204</u>	<u>95,709,839</u>	<u>6,510,365</u>
Net revenues available for debt service	<u>\$ 307,801,212</u>	<u>300,947,787</u>	<u>(6,853,425)</u>

See accompanying independent auditors' report.

NORTH TEXAS TOLLWAY AUTHORITY
Schedule of Changes in Net Assets by Trust Account
December 31, 2010
(Unaudited)

	<u>Total</u>	<u>Construction and property account</u>	<u>Revenue account</u>	<u>Operation and maintenance account</u>
Net assets, beginning of year	\$ 370,671,733	(310,492,730)	(6,692,012)	1,231,643
Gross revenues	396,683,673	26,047	383,174,041	338,681
Grant revenues	31,526,405	7,542,346	-	-
Net increase (decrease) in the fair value of investments	13,108,649	14,557,856	-	-
Gain (loss) on sale of investments	(209,946)	(73,350)	-	-
Administration and operations expenses	(95,720,032)	-	-	(95,709,839)
Depreciation on property and equipment	(4,794,093)	(4,794,093)	-	-
Bond interest expense	(371,173,164)	(155,599,048)	-	-
BAB's Subsidy	26,263,784	-	-	-
SWAP termination payment	-	-	-	-
Bond discount/premium amortization	6,330,306	6,151,178	-	-
Interest on short term notes (net of capitalized interest)	(178,550)	-	-	-
Interest on loan	(6,090,697)	(6,090,697)	-	-
Amortization of deferred amount on refunding (note 5)	(571,990)	(571,990)	-	-
Amortization of bond issuance costs	(5,002,937)	(4,450,855)	-	-
Unallocated infrastructure depreciation	(63,801,840)	(63,801,840)	-	-
Reserve maintenance fund expenses	(11,701,225)	-	-	-
Consolidated capital improvement fund expenses	(18,259,590)	-	-	-
Net revenues	(103,591,247)	(207,104,446)	383,174,041	(95,371,158)
Interfund transactions:				
Distribution from revenue fund	1	-	(521,187,774)	92,049,831
Revenue bonds retired	-	32,170,000	-	-
Transfer to/from debt service fund	-	(77,003,296)	-	-
Transfer to/from construction fund	-	-	-	-
Transfer of excess monies from other funds	-	-	-	-
Capitalized costs transferred to construction and property fund	(1,277,491)	716,222	-	-
Principal value retired	-	-	-	-
Transfer from/to escrow account	(6,267,396)	(6,267,396)	-	-
Transfer of interest accretion	-	(40,576,544)	-	-
Deferred amount on refunding	-	-	-	-
Payments to other agencies	(217,866)	(217,866)	-	-
Construction investment earnings capitalized	-	-	-	-
Transfer to feasibility study fund	-	-	-	-
Contributed capital	-	-	-	-
Cost of equipment retired	-	-	-	-
Depreciation on equipment retired	-	-	-	-
Equity realized from sale excess land	-	-	-	-
Equity realized from sale or trade-in of equipment	208,247	(55,254)	-	-
Net changes during the year	(111,145,752)	(298,338,580)	(138,013,733)	(3,321,327)
Net assets, end of year	\$ 259,525,981	(608,831,310)	(144,705,745)	(2,089,684)

See accompanying independent auditors' report.

Reserve maintenance account	Consolidated Capital Improvement account	DFW Turnpike Transition Trust fund	Debt service accounts		
			Bond interest account	Reserve account	Redemption account
<u>46,859,652</u>	<u>131,216,420</u>	<u>429,178</u>	<u>89,654,592</u>	<u>418,463,596</u>	<u>1,394</u>
189,249	685,602	433	29,926	12,219,923	19,771
-	23,984,059	-	-	-	-
-	-	-	-	(1,449,207)	-
-	-	-	-	(136,596)	-
-	-	(10,193)	-	-	-
-	(21,019,677)	-	(194,554,439)	-	-
-	-	-	26,263,784	-	-
-	-	-	-	-	-
-	179,128	-	-	-	-
-	-	-	(178,550)	-	-
-	-	-	-	-	-
-	(552,082)	-	-	-	-
-	-	-	-	-	-
(11,701,225)	-	-	-	-	-
-	(18,259,590)	-	-	-	-
<u>(11,511,976)</u>	<u>(14,982,560)</u>	<u>(9,760)</u>	<u>(168,439,279)</u>	<u>10,634,120</u>	<u>19,771</u>
-	135,519,642	-	268,880,802	-	24,737,500
-	-	-	-	-	(32,170,000)
-	(23,114,692)	-	103,339,766	(3,221,778)	-
-	-	-	-	-	-
-	-	-	-	-	-
(1,993,713)	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	40,576,544	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	263,501	-	-	-	-
<u>(13,505,689)</u>	<u>97,685,891</u>	<u>(9,760)</u>	<u>244,357,833</u>	<u>7,412,342</u>	<u>(7,412,729)</u>
<u>33,353,963</u>	<u>228,902,311</u>	<u>419,418</u>	<u>334,012,425</u>	<u>425,875,938</u>	<u>(7,411,335)</u>

NORTH TEXAS TOLLWAY AUTHORITY
Schedule of Cash Receipts and Disbursements by Trust Account
Year ended December 31, 2010
(Unaudited)

	Total (memorandum only)	Construction and property account	Revenue account	Operation and maintenance account
Balance of cash, December 31, 2010	\$ 35,235,583	22,605,233	2,754,083	12,091,113
Receipts:				
Toll revenues	335,912,919	—	336,131,917	(218,998)
Issuance of bonds	732,225,000	332,225,000	—	—
Bond premium	—	—	—	—
Issuance of commercial paper	217,700,000	—	—	—
Investments	1,794,645,949	214,125,379	805,945,606	—
Earnings received from investments	9,788,089	9,788,089	—	—
Gain/loss from sale of investments	—	—	—	—
Prepaid customers' accounts	373,302,355	—	373,665,094	—
Toll tag deposits	—	—	—	—
Damage claims collected	363,280	19,479	—	343,801
Lane violation fee	35,000,282	—	35,000,282	—
Miscellaneous revenue	983,907	26,047	35,026	493,631
Reimbursable receipts	30,972,723	4,680,200	26,246,306	392
Rental fee	104,472	—	104,472	—
Sale of excess land	—	—	—	—
Deferred grant income	7,542,346	7,542,346	—	—
Miscellaneous revenue – tag store	1,839,407	—	1,839,407	—
	<u>3,540,380,729</u>	<u>568,406,540</u>	<u>1,578,968,110</u>	<u>618,826</u>
Disbursements:				
Bond discount	—	—	—	—
Transfer to escrow for defeasance	(320,000,000)	(320,000,000)	—	—
Revenue bonds retired	(32,170,000)	—	—	—
Commercial paper retired	(103,700,000)	—	—	—
SWAP termination	—	—	—	—
Interest on bonded debt	(349,446,030)	—	—	—
Interest on other debt	(6,918,485)	—	—	—
Investments	(1,883,805,489)	(38,125,034)	(986,597,648)	—
Operating expenses	(107,242,071)	—	(9,236,777)	(97,995,933)
Reserve maintenance fund expenses	(13,164,123)	—	—	—
Capital improvement fund expenses	(23,043,279)	—	—	—
Deferred study cost	(91,961,081)	—	—	—
Capitalized costs	(267,765,677)	(267,765,677)	—	—
Equipment (net of trade-in)	(46,263,713)	—	—	—
Reimbursable costs	—	—	—	—
	<u>(3,245,479,948)</u>	<u>(625,890,711)</u>	<u>(995,834,425)</u>	<u>(97,995,933)</u>
Interfund and interproject transactions:				
Transfer of capitalized interest	—	—	—	—
Transfer of deferred revenue	(379,425,361)	—	(379,425,361)	—
Transfer of excess monies	—	—	—	—
Distribution from revenue fund	(111,137,085)	—	(216,063,924)	86,291,804
Interoperative Agencies Transfers	12,259,634	—	12,259,904	(270)
Other interfund transactions – net	162,617,686	33,946,832	—	10,298,356
Transition trust fund – net	—	—	—	—
Feasibility study fund – net	—	—	—	1,619,158
	<u>(315,685,126)</u>	<u>33,946,832</u>	<u>(583,229,381)</u>	<u>98,209,048</u>
Receipts over (under) disbursements and interfund and interproject transactions for the year ended December 31, 2010	(20,784,345)	(23,537,339)	(95,696)	831,941
Balance of cash, December 31, 2010	\$ 14,451,218	(932,106)	2,658,387	12,923,054

See accompanying independent auditors' report.

Reserve maintenance account	Consolidated Capital Improvement account	DFW Turnpike Transition Trust fund	Debt service accounts		
			Bond Interest account	Reserve account	Redemption account
1,307,883	(3,522,483)	(266)	—	—	—
—	—	—	—	—	—
—	400,000,000	—	—	—	—
—	—	—	—	—	—
—	217,700,000	—	—	—	—
23,660,585	362,382,499	3,349	356,358,531	—	32,170,000
—	—	—	—	—	—
(176,399)	(186,340)	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
—	429,203	—	—	—	—
—	45,825	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
23,484,186	980,371,187	3,349	356,358,531	—	32,170,000
—	—	—	—	—	—
—	—	—	—	—	(32,170,000)
—	(103,700,000)	—	—	—	—
—	—	—	—	—	—
—	—	—	(349,446,030)	—	—
—	—	—	(6,918,485)	—	—
(11,836,811)	(847,245,996)	—	—	—	—
—	—	(9,361)	—	—	—
(13,164,123)	—	—	—	—	—
—	(23,043,279)	—	—	—	—
—	(91,961,081)	—	—	—	—
—	—	—	—	—	—
(12,738,746)	(33,524,967)	—	—	—	—
—	—	—	—	—	—
(37,739,680)	(1,099,475,323)	(9,361)	(356,364,515)	—	(32,170,000)
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
12,947,533	5,687,502	—	—	—	—
—	—	—	—	—	—
(268,857)	118,635,371	—	5,984	—	—
—	—	—	—	—	—
—	(1,619,158)	—	—	—	—
12,678,676	122,703,715	—	5,984	—	—
—	—	—	—	—	—
(1,576,818)	3,599,579	(6,012)	—	—	—
(268,935)	77,096	(6,278)	—	—	—

NORTH TEXAS TOLLWAY AUTHORITY
 Schedule of Toll Revenue and Traffic Analysis
 Year ended December 31, 2010
 (Unaudited)

Toll revenue:	
Two-axle vehicles	\$ 416,417,929
Multi-axle vehicles	24,396,549
Revenue adjustments	(74,217,155)
Total	<u>\$ 366,597,323</u>
Vehicle transactions (unaudited):	
Two-axle vehicle transactions	474,437,066
Multi-axle vehicle transactions	7,476,272
Nonrevenue vehicle transactions	2,156,763
Total	<u>484,070,101</u>
Toll revenue – average per day:	
Two-axle vehicles	\$ 1,140,871
Multi-axle vehicles	66,840
Revenue adjustments	(203,335)
Average	<u>\$ 1,004,376</u>
Vehicle transactions – average per day (unaudited):	
Two-axle vehicle transactions	1,299,828
Multi-axle vehicle transactions	20,483
Nonrevenue vehicle transactions	5,909
Average	<u>1,326,220</u>

Toll Revenue and Traffic by Class of Vehicle
 Year ended December 31, 2010
 (Unaudited)

Class of vehicle	Revenue	Vehicle transactions
Two-axle vehicles	\$ 416,417,929	474,437,066
Three-axle vehicles and combinations	5,028,987	2,561,817
Four-axle vehicles and combinations	6,405,833	2,139,826
Five-axle vehicles and combinations	12,169,277	2,622,455
Six or more axle vehicles and special permits	792,452	152,174
	<u>24,396,549</u>	<u>7,476,272</u>
Toll revenue	440,814,478	481,913,338
Revenue adjustments	(74,217,155)	-
Nonrevenue vehicles	-	2,156,763
Toll revenue and traffic	<u>\$ 366,597,323</u>	<u>484,070,101</u>

See accompanying independent auditors' report.

NORTH TEXAS TOLLWAY AUTHORITY

Schedule of Toll Rates

Year ended December 31, 2010

(Unaudited)

	Two-axle passenger cars and trucks		Three-axle vehicles and vehicle combinations		Four-axle vehicles and vehicle combinations		Five-axle vehicles and vehicle combinations		Six or more axle vehicles and special permits	
	Cash	TollTag	Cash	TollTag	Cash	TollTag	Cash	TollTag	Cash	TollTag
Dallas North Tollway:										
Main Lane Plaza 1 (1)	\$ 1.89	\$ 1.26	\$ 3.78	\$ 2.52	\$ 5.67	\$ 3.78	\$ 7.56	\$ 5.04	\$ 9.45	\$ 6.30
Mockingbird	1.38	0.92	2.76	1.84	4.14	2.76	5.52	3.68	6.90	4.60
Northwest Highway	0.93	0.62	1.86	1.24	2.79	1.86	3.72	2.48	4.65	3.10
Royal Lane	0.53	0.33	1.06	0.66	1.59	0.99	2.12	1.32	2.65	1.65
Spring Valley	0.42	0.22	0.84	0.44	1.26	0.66	1.68	0.88	2.10	1.10
Belt Line	0.49	0.29	0.98	0.58	1.47	0.87	1.96	1.16	2.45	1.45
Main Lane Plaza 2	1.35	0.90	2.70	1.80	4.05	2.70	5.40	3.60	6.75	4.50
Keller Springs	0.66	0.44	1.32	0.88	1.98	1.32	2.64	1.76	3.30	2.20
Frankford	0.42	0.22	0.84	0.44	1.26	0.66	1.68	0.88	2.10	1.10
FM 544	0.42	0.22	0.84	0.44	1.26	0.66	1.68	0.88	2.10	1.10
Main Lane Plaza 3	1.20	0.80	2.40	1.60	3.60	2.40	4.80	3.20	6.00	4.00
Parker Road	0.72	0.48	1.44	0.96	2.16	1.44	2.88	1.92	3.60	2.40
Spring Creek	0.47	0.27	0.94	0.54	1.41	0.81	1.88	1.08	2.35	1.35
Gaylord Parkway	0.42	0.22	0.84	0.44	1.26	0.66	1.68	0.88	2.10	1.10
Lebanon Road	0.53	0.33	1.06	0.66	1.59	0.99	2.12	1.32	2.65	1.65
Stonebrook Parkway	0.63	0.42	1.26	0.84	1.89	1.26	2.52	1.68	3.15	2.10
Cotton Gin Road/Main St	1.02	0.68	2.04	1.36	3.06	2.04	4.08	2.72	5.10	3.40
Main Lane Plaza 4	2.12	1.41	4.24	2.82	6.36	4.23	8.48	5.64	10.60	7.05
Eldorado Parkway	0.77	0.51	1.54	1.02	2.31	1.53	3.08	2.04	3.85	2.55
Addison Airport Toll Tunnel:	Cash	TollTag	Cash	TollTag	Cash	TollTag	Cash	TollTag	Cash	TollTag
Mainlane Plaza	0.75	0.50	1.50	1.00	2.25	1.50	3.00	2.00	3.75	2.50
President George Bush Turnpike:	ZipCash	TollTag	ZipCash	TollTag	ZipCash	TollTag	ZipCash	TollTag	ZipCash	TollTag
N. Garland Avenue	0.46	0.26	0.92	0.52	1.38	0.78	1.84	1.04	2.30	1.30
Campbell Road	0.62	0.41	1.24	0.82	1.86	1.23	2.48	1.64	3.10	2.05
Renner Road (East of Plaza)	1.01	0.67	2.02	1.34	3.03	2.01	4.04	2.68	5.05	3.35
Renner Rd. Main Lane Plaza 6	1.50	1.00	3.00	2.00	4.50	3.00	6.00	4.00	7.50	5.00
Shiloh Road	0.77	0.51	1.54	1.02	2.31	1.53	3.08	2.04	3.85	2.55
Renner Road (West of Plaza)	0.54	0.34	1.08	0.68	1.62	1.02	2.16	1.36	2.70	1.70
Independence Parkway	0.54	0.34	1.08	0.68	1.62	1.02	2.16	1.36	2.70	1.70
Coit Road	0.78	0.52	1.56	1.04	2.34	1.56	3.12	2.08	3.90	2.60
Coit Road Main Lane Plaza 7	1.62	1.08	3.24	2.16	4.86	3.24	6.48	4.32	8.10	5.40
Preston Road	0.49	0.29	0.98	0.58	1.47	0.87	1.96	1.16	2.45	1.45
Midway Road	0.42	0.22	0.84	0.44	1.26	0.66	1.68	0.88	2.10	1.10
Marsh Lane	0.49	0.29	0.98	0.58	1.47	0.87	1.96	1.16	2.45	1.45
Frankford Main Lane Plaza 8	1.50	1.00	3.00	2.00	4.50	3.00	6.00	4.00	7.50	5.00
Kelly Boulevard	0.80	0.53	1.60	1.06	2.40	1.59	3.20	2.12	4.00	2.65
Josey Lane	0.55	0.35	1.10	0.70	1.65	1.05	2.20	1.40	2.75	1.75
Sandy Lake Main Lane Plaza 9	1.20	0.80	2.40	1.60	3.60	2.40	4.80	3.20	6.00	4.00
Belt Line Road (Coppell)	0.72	0.48	1.44	0.96	2.16	1.44	2.88	1.92	3.60	2.40
Royal Lane	0.44	0.24	0.88	0.48	1.32	0.72	1.76	0.96	2.20	1.20
Belt Line Road	0.69	0.46	1.38	0.92	2.07	1.38	2.76	1.84	3.45	2.30
Belt Line Main Lane Plaza 10	0.69	0.46	1.38	0.92	2.07	1.38	2.76	1.84	3.45	2.30
Mountain Creek Lake Bridge:	Cash	TollTag	Cash	TollTag	Cash	TollTag	Cash	TollTag	Cash	TollTag
Mainlane Plaza	0.75	0.50	1.50	1.00	2.25	1.50	3.00	2.00	3.75	2.50
Lewisville Lake Toll Bridge:	ZipCash	TollTag	ZipCash	TollTag	ZipCash	TollTag	ZipCash	TollTag	ZipCash	TollTag
Mainlane Plaza	1.50	1.00	3.00	2.00	4.50	3.00	6.00	4.00	7.50	5.00
Sam Rayburn Tollway (2)	ZipCash	TollTag	ZipCash	TollTag	ZipCash	TollTag	ZipCash	TollTag	ZipCash	TollTag
Denton Tap Main Lane Gantry 1	0.72	0.48	1.44	0.96	2.16	1.44	2.88	1.92	3.60	2.40
MacArthur Boulevard	0.42	0.22	0.84	0.44	1.26	0.66	1.68	0.88	2.10	1.10
Carrollton Parkway	0.42	0.22	0.84	0.44	1.26	0.66	1.68	0.88	2.10	1.10
FM 544	0.51	0.31	1.02	0.62	1.53	0.93	2.04	1.24	2.55	1.55
FM 2281	0.56	0.36	1.12	0.72	1.68	1.08	2.24	1.44	2.80	1.80
Standridge Drive (West of Plaza)	0.81	0.54	1.62	1.08	2.43	1.62	3.24	2.16	4.05	2.70
Josey Lane (West of Plaza)	0.99	0.66	1.98	1.32	2.97	1.98	3.96	2.64	4.95	3.30
Josey Lane Main Lane Gantry 2	1.86	1.24	3.72	2.48	5.58	3.72	7.44	4.96	9.30	6.20
Standridge Drive (East of Plaza)	1.05	0.70	2.10	1.40	3.15	2.10	4.20	2.80	5.25	3.50
Josey Lane (East of Plaza)	0.87	0.58	1.74	1.16	2.61	1.74	3.48	2.32	4.35	2.90
Plano Parkway	0.69	0.46	1.38	0.92	2.07	1.38	2.76	1.84	3.45	2.30
Spring Creek Parkway	0.43	0.23	0.86	0.46	1.29	0.69	1.72	0.92	2.15	1.15
Preston Road	0.42	0.22	0.84	0.44	1.26	0.66	1.68	0.88	2.10	1.10
Ohio Drive	0.43	0.23	0.86	0.46	1.29	0.69	1.72	0.92	2.15	1.15
Coit Road	0.75	0.50	1.50	1.00	2.25	1.50	3.00	2.00	3.75	2.50
Independence Parkway	0.99	0.66	1.98	1.32	2.97	1.98	3.96	2.64	4.95	3.30
Custer Road (West of Plaza)	1.25	0.83	2.50	1.66	3.75	2.49	5.00	3.32	6.25	4.15
Custer Road \ Mainlane Plaza	2.57	1.71	5.14	3.42	7.71	5.13	10.28	6.84	12.85	8.55
Custer Road (East of Plaza)	1.34	0.89	2.68	1.78	4.02	2.67	5.36	3.56	6.70	4.45
Alma Drive	0.98	0.65	1.96	1.30	2.94	1.95	3.92	2.60	4.90	3.25
Stacy Road	0.77	0.51	1.54	1.02	2.31	1.53	3.08	2.04	3.85	2.55
Lake Forest Drive	0.60	0.40	1.20	0.80	1.80	1.20	2.40	1.60	3.00	2.00
Hardin Boulevard	0.45	0.25	0.90	0.50	1.35	0.75	1.80	1.00	2.25	1.25

(1) ZipCash rates of \$1.89 (Two-axle) through \$9.45 (Six or more axle)

(2) NTTA began collecting revenues on Sam Rayburn Tollway on its own behalf on September 1, 2008

Footnote: The Authority converted to All Electronic Toll Collection (All ETC) in December 2010. All customers will either have a TollTag or they will be billed according to business rules currently in place. Cash will no longer be accepted.

See accompanying independent auditors' report.

NORTH TEXAS TOLLWAY AUTHORITY
 Schedule of Historical Traffic, Toll Revenues and Net Revenues
 Year ended December 31, 2010
 (Unaudited)

Historical Traffic and Toll Revenue

The table below sets forth the annual revenue vehicle transactions and gross toll revenue with respect to the Dallas North Tollway System for the ten calendar years 2001 through 2010:

Year	Annual revenue vehicle transactions (unaudited)	Annual toll revenue
2001 (1)	230,044,912	107,210,124
2002 (2)	285,494,321	137,945,439
2003	296,140,087	149,323,784
2004 (3)	315,031,754	160,695,030
2005 (4)	338,390,215	172,537,345
2006	370,696,171	191,434,120
2007 (5)	383,481,098	202,675,564
2008 (6)	412,272,003	240,776,791
2009 (7)	455,546,197	290,404,547
2010 (8)	481,913,338	366,597,323

- (1) Reflects the opening of Segment III of the President George Bush Turnpike from Midway Road to Frankford in March 2001 to IH 35 in July 2001 and Segment V on December 2001.
- (2) Toll rate increase for the President George Bush Turnpike went into effect in January 2002
- (3) Reflects the completion of DNT and State Highway 121 interchange on April 2004.
- (4) Reflects the opening of Segment IV of the President George Bush Turnpike in September 2005.
- (5) Reflects the opening of DNT Phase 3 and toll rate increase in late September 2007.
- (6) Reflects the opening of Sam Rayburn Tollway (121 Tollway) in September 2008.
- (7) Reflects the opening of Lake Lewisville August 2009.
- (8) Four major direct connectors at SRT/US75 interchange were opened during 2010.

Historical Net Revenues

The table set forth below shows the Net Revenues for debt service (as defined by Trust Agreement) of the Dallas North Tollway System for the ten calendar years 2001 through 2010:

Year	Toll revenue	Current expenses	Investment and other earnings	Net revenues	Coverage
2001	\$ 107,210,124	\$ 30,429,021	\$ 11,806,432	\$ 88,587,535	1.88
2002	137,945,439	37,964,567	8,732,847	108,713,719	2.08
2003	149,323,784	42,650,533	8,371,709	115,044,960	2.09
2004	160,695,030	47,680,750	10,046,907	123,061,187	2.00
2005	172,537,345	56,576,883	14,085,285	130,045,747	1.80
2006	191,434,120	61,421,158	18,259,576	148,272,538	1.98
2007	202,675,564	76,593,495	21,307,811	147,389,880	1.96
2008	240,776,791	80,668,732	20,958,496	181,066,555	1.60
2009	290,404,547	90,934,772	31,253,174	230,722,950	1.56
2010	366,597,323	95,709,839	30,086,350	300,973,834	1.83

See accompanying independent auditors' report.

NORTH TEXAS TOLLWAY AUTHORITY
Schedule of Capitalized Costs by Project
Year ended December 31, 2010
(Unaudited)

		Cumulative Total Through December 31, 2010
Dallas North Tollway		
Preliminary costs	\$	17,863,848
Construction		156,009,799
Right-of-way		49,536,424
Engineering		22,056,065
Administration		3,334,250
Buildings		5,580,002
Land		1,781,433
Equipment, net of accumulated depreciation		771,382
Subtotal		256,933,203
Financing costs		56,568,228
Total capitalized costs – dallas north tollway		313,501,431
Dallas North Tollway Extension		
Preliminary costs		6,619,071
Construction		208,257,599
Right-of-way		8,499,710
Engineering		22,252,104
Administration		1,413,506
Equipment, net of accumulated depreciation		35,684
Subtotal		247,077,674
Financing costs		(3,329,736)
Total capitalized costs – dallas north tollway extension		243,747,938
Addison Airport Toll Tunnel		
Preliminary costs		1,244,082
Construction		18,204,644
Right-of-way		617,278
Engineering		4,895,696
Administration		295,964
Equipment, net of accumulated depreciation		-
Subtotal		25,257,664
Financing costs		(1,015,147)
Total capitalized cost – addison airport toll tunnel		24,242,517
President George Bush Turnpike - Segments I - IV		
Preliminary costs		18,040,104
Construction		632,343,638
Right-of-way		76,906,305
Engineering		114,239,013
Administration		25,252,891
Buildings		11,854,994
Land		5,578,821
Equipment, net of accumulated depreciation		10,327,905
Subtotal		894,543,671
Financing costs		56,228,431
Total capitalized cost – president george bush turnpike - segments I - IV		950,772,102
President George Bush Turnpike - Segment V		
Preliminary costs		1,596,208
Construction		68,433,928
Right-of-way		16,460
Engineering		8,981,476
Administration		235,829
Equipment, net of accumulated depreciation		-
Subtotal		79,263,901
Financing costs		9,980,227
Total capitalized cost – president george bush turnpike - segment V		89,244,128
Dallas North Tollway Phase 3		
Preliminary costs	\$	5,118,815
Construction		229,563,409
Right-of-way		569,830
Engineering		33,061,961
Administration		2,688,283
Equipment, net of accumulated depreciation		-
Subtotal		271,002,298
Financing costs		(20,316,333)
Total capitalized cost – dallas north tollway phase 3		250,685,965

See accompanying independent auditors' report.

NORTH TEXAS TOLLWAY AUTHORITY
Schedule of Capitalized Costs by Project
Year ended December 31, 2010
(Unaudited)

Lewisville Lake Toll Bridge	
Preliminary costs	9,875
Construction	99,105,364
Right-of-way	13,177
Engineering	14,090,809
Administration	249,624
Equipment, net of accumulated depreciation	-
Subtotal	<u>113,468,849</u>
Financing costs	<u>(405,373)</u>
Total capitalized cost – lewisville lake toll bridge	<u>113,063,476</u>
Sam Rayburn Tollway (121 Tollway)	
Preliminary costs	1,142,465
Construction	426,345,851
Right-of-way	13,736,335
Engineering	83,182,296
Administration	22,154,601
Roadways	3,197,211,448
Equipment, net of accumulated depreciation	-
Accumulated depreciation on infrastructure	<u>(149,242,862)</u>
Subtotal	<u>3,594,530,134</u>
Financing costs	<u>152,688,158</u>
Total capitalized cost – sam rayburn tollway (121 tollway)	<u>3,747,218,292</u>
President George Bush Turnpike - Eastern extension	
Infrastructure (Other)	30,192
Preliminary costs	-
Construction	260,825,088
Right-of-way	102,113,225
Engineering	65,374,038
Administration	4,861,206
Equipment, net of accumulated depreciation	-
Subtotal	<u>433,203,749</u>
Financing costs	<u>25,249,363</u>
Total capitalized cost – president george bush turnpike - eastern extension	<u>458,453,112</u>
SH 161 Construction	
Preliminary costs	-
Construction	55,670,036
Right-of-way	-
Engineering	3,723,021
Administration	620,018
Equipment, net of accumulated depreciation	-
Subtotal	<u>60,013,075</u>
Financing costs	<u>(3,058,791)</u>
Total capitalized cost – president george bush turnpike - eastern extension	<u>56,954,284</u>
All Projects	
Infrastructure (Other)	30,192
Preliminary costs	51,634,468
Construction	2,154,759,356
Right-of-way	252,008,744
Engineering	371,856,479
Administration	61,106,172
Buildings	17,434,996
Land	7,360,254
Roadways	3,197,211,448
Equipment, net of accumulated depreciation	11,134,971
Accumulated depreciation on infrastructure	<u>(149,242,862)</u>
Subtotal	<u>5,975,264,026</u>
Financing costs	<u>272,589,027</u>
Total all projects	<u>6,247,853,053</u>
Bond Premium/Discount (1)	<u>(40,916,302)</u>
Total capitalized costs at December 31, 2010	<u>\$ 6,206,936,751</u>

(1) Total capitalized cost includes bond discount/(premiums), which have been capitalized in accordance with the Trust Agreement. These costs are netted against revenue bonds within the statement of net assets.

See accompanying independent auditors' report.

NORTH TEXAS TOLLWAY AUTHORITY
 Schedule of Deferred Study Costs - Feasibility Study Fund
 Year ended December 31, 2010
(Unaudited)

The table below sets forth the accumulated deferred study costs, by project, through December 31, 2010 that have not been transferred out of the Feasibility Study Fund into a construction project.

<u>Projects</u>	<u>Accumulated December 31, 2010</u>
Trinity Tollway	\$ 374,328
Dallas North Tollway:	
380 Interchange	285,767
Extension Phase 4	3,621,065
Extension Phase 5	2,843,617
President George Bush Turnpike - East Branch	117,156
State Highway 360	4,522,292
Southwest Parkway - TxDOT	128,323,559
Southwest Parkway - Chisolm Trail	1,993,780
Trinity Parkway	32,719,783
President George Bush Tollway - South (SH 161)	101,613,034
North Central Texas Council of Governments	848,892
State Highway 170 - Alliance Gateway	3,306,408
Capital Planning Model	364,329
Collin/Grayson Corridor	175,712
Future Bond Issue Planning	336,519
State Highway 183 Managed Lanes	901,486
Denton County Corridor	7,857
Loop 9	33,743
	<u>\$ 282,389,327</u>

See accompanying independent auditor's report



**NORTH TEXAS TOLLWAY AUTHORITY
STATISTICAL SECTION
(Unaudited)**

INTRODUCTION

Governmental Accounting Standards Board (GASB) Statement 44 "Economic Condition Reporting: The Statistical Section requires that certain detailed statistical information be presented in this section, typically in ten year trends, to assist users in utilizing the basic financial statements, notes to the financial statements and required supplementary information in order to assess the economic condition of the System.

FINANCIAL TRENDS

These tables contain information to help the reader understand how the Authority's financial performance and well being have changed over time.

REVENUE CAPACITY

These tables contain information to help the reader assess the Authority's most significant revenue sources.

DEBT CAPACITY

These tables present information to help the reader assess the affordability of the Authority's current current level of outstanding debt and the Authority's ability to issue additional debt in the future.

DEMOGRAPHIC AND ECONOMIC INFORMATION

These tables offer demographic and economic indicators to help the reader understand the environment within which the Authority's financial activities take place.

OPERATING INFORMATION

These tables contain service and infrastructure data to help the reader understand how the information in the Authority's financial report relates to the services the Authority provides and the activities it performs.

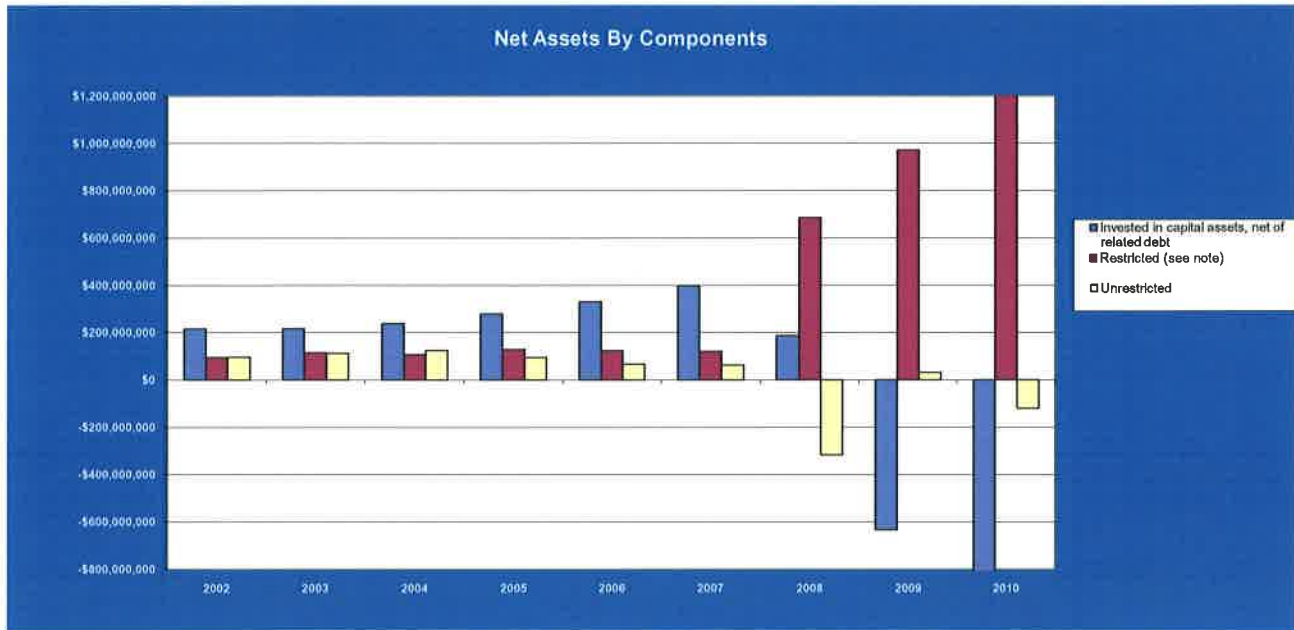
Sources: Unless other noted, the information in the following tables is derived from the annual financial reports for the relevant years.

NORTH TEXAS TOLLWAY AUTHORITY
 Net Assets by Components
 Last Ten Fiscal Years
 (Unaudited)

Business-Type Activities

Components	2002	2003	2004	2005	2006	2007	2008	2009	2010
Invested in capital assets, net of related debt	\$215,719,725	\$217,181,585	\$239,205,057	\$280,156,648	\$330,841,254	\$398,078,219	\$187,921,483	\$ (633,265,931)	\$ (831,801,669)
Restricted (see note)	\$95,605,206	114,952,691	108,079,819	129,195,493	123,194,488	120,495,644	686,236,650	972,154,312	1,211,161,929
Unrestricted	\$97,103,496	113,345,843	124,451,990	95,696,520	67,332,901	62,928,573	(316,228,982)	31,783,352	(119,834,279)
Total net assets	\$ 408,428,427	445,480,119	471,736,866	505,048,661	521,368,643	581,502,436	557,929,151	370,671,733	259,525,981

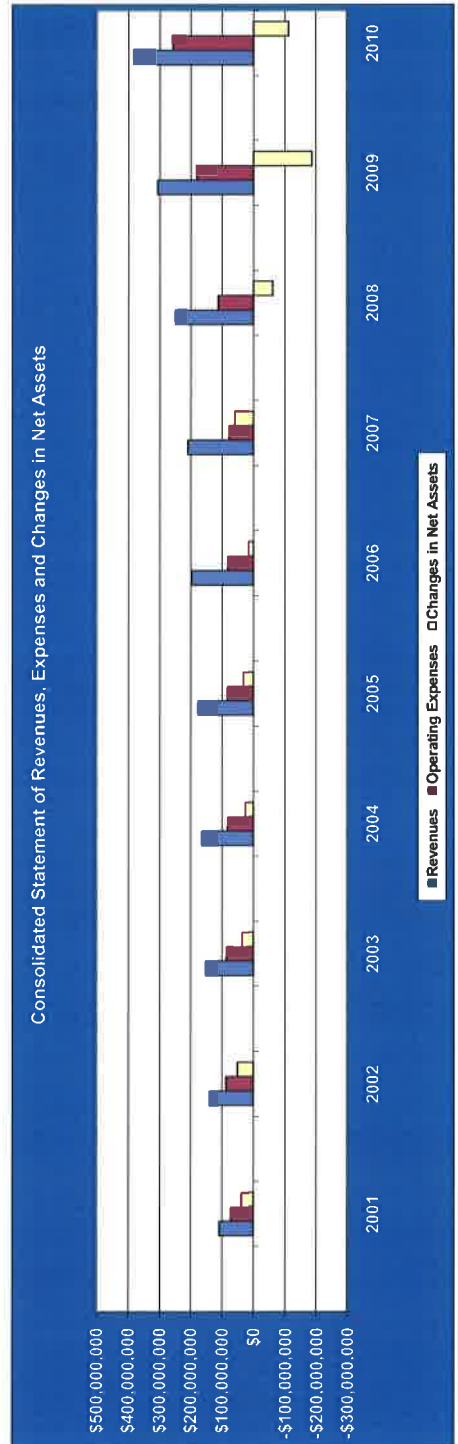
NOTE - Information prior to implementation of GASB 34 in FY 2002 is not available.



NORTH TEXAS TOLLWAY AUTHORITY
Statement of Revenues, Expenses, and Changes in Net Assets
Last Ten Fiscal Years
(Unaudited)

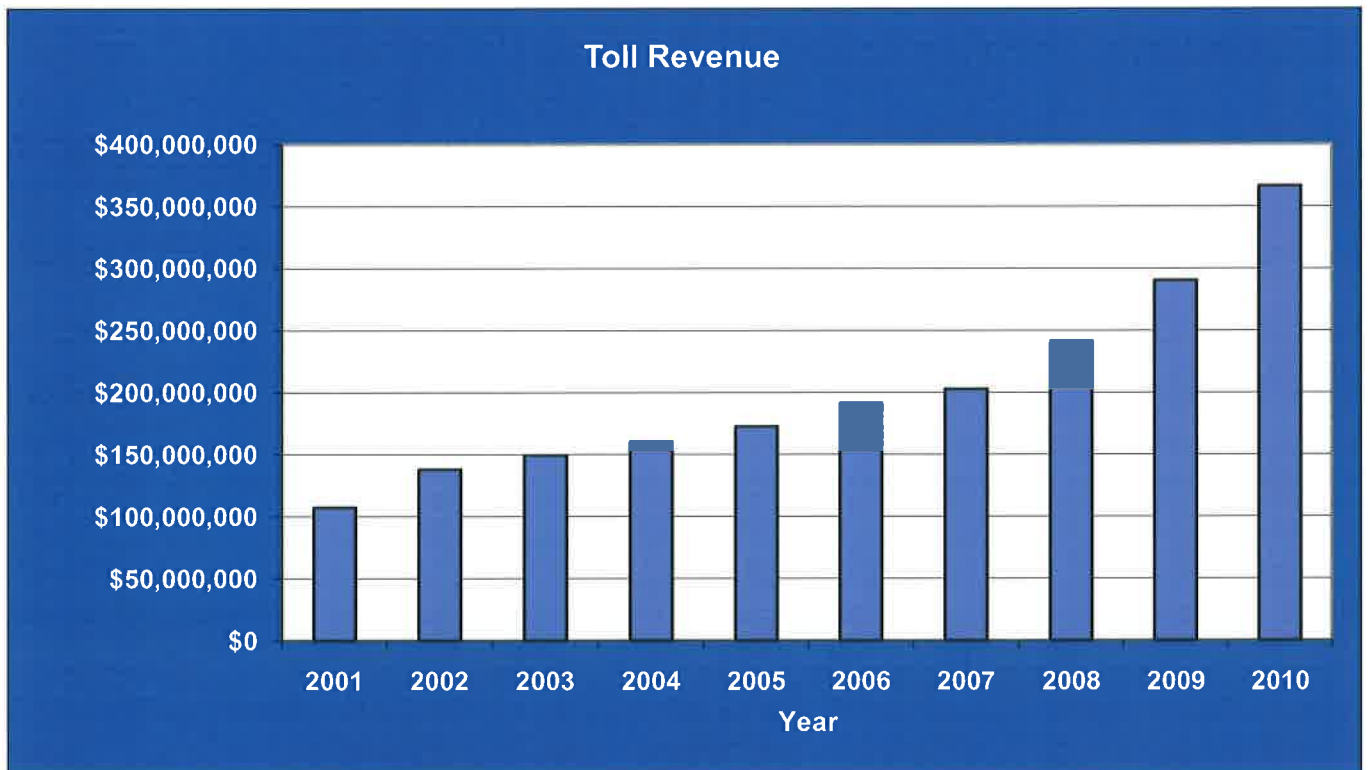
Business-Type Activities	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Revenues:										
Tolls	\$ 107,210,124	\$ 137,945,439	\$ 149,323,784	\$ 160,695,030	\$ 172,537,345	\$ 191,434,120	\$ 202,675,564	\$ 240,776,791	\$ 290,404,547	\$ 366,597,323
Other (1)	1,751,277	2,458,397	3,180,903	4,574,224	5,103,941	6,647,546	7,988,624	9,273,124	17,195,849	17,268,589
Total operating revenues	108,961,401	140,403,836	152,504,687	165,269,254	177,641,286	198,081,666	210,664,188	250,049,915	307,600,396	383,865,912
Operating expenses:										
Administration	11,901,154	8,261,114	5,977,858	7,592,581	8,381,359	8,899,052	10,910,385	12,604,559	22,501,450	21,105,565
Operations	18,527,867	29,703,453	36,672,675	40,088,169	48,195,524	52,522,106	64,660,897	68,064,173	68,433,322	74,604,274
Reserve maintenance	1,982,790	2,913,890	5,792,192	10,990,224	7,483,753	22,771,922	23,858,264	18,254,548	15,444,672	11,701,225
Capital improvement	5,010,782	12,586,540	18,320,162	24,268,247	30,117,098	31,975,003	33,381,445	38,541,652	20,039,108	18,259,590
Total operating expenses before depreciation	37,422,593	53,464,997	66,762,887	82,939,221	94,177,734	116,168,083	132,810,991	137,464,932	126,418,552	125,670,654
Operating income before depreciation	71,538,808	86,938,839	85,741,800	82,330,033	83,463,552	81,913,583	77,853,197	112,584,983	181,181,844	258,195,258
Depreciation	(951,369)	(1,598,423)	(1,598,423)	(1,662,808)	(2,092,825)	(2,126,037)	(1,800,225)	(3,481,013)	(4,529,323)	(4,794,099)
Operating income	71,538,808	85,987,470	84,143,377	80,667,225	81,370,727	79,787,546	76,052,972	109,103,970	176,652,521	253,401,165
Nonoperating revenues (expenses):										
Interest earned on investments	18,663,604	9,068,253	9,327,630	10,458,474	13,562,625	16,550,756	17,592,664	50,438,067	25,219,356	22,128,268
Net increase(decrease) in the fair value of investm	(87,080)	615,890	(1,454,787)	(1,676,391)	(1,087,827)	2,335,448	1,067,995	24,555,188	(13,371,674)	3,588,196
Grant Revenue	-	-	-	-	-	-	-	-	-	-
Unallocated infrastructure depreciation	-	-	-	-	-	-	-	-	-	-
Interest expense on revenue bonds	(47,878,171)	(42,837,283)	(41,408,356)	(46,017,953)	(55,184,859)	(53,414,350)	(52,420,707)	(227,034,684)	(352,464,434)	(63,801,840)
Interest expense on short term notes	(10,548)	(268,011)	(214,067)	-	(24,658)	(24,658)	(2,653,677)	(35,086,229)	(6,364,724)	(6,269,247)
Bond premium/discount amortization	(2,147,337)	(1,407,146)	(197,326)	1,305,815	1,285,475	1,618,562	1,386,510	(217,615)	(1,659,281)	6,330,306
Bond issuance cost amortization	-	-	-	-	-	-	-	(17,543,223)	(9,216,397)	(5,002,937)
Deferred amount on refunding amortization	(1,697,284)	(1,386,660)	(4,350,295)	(6,147,053)	(7,030,110)	(6,557,286)	(6,017,291)	(6,694,083)	(8,911,969)	(571,990)
SWAP termination payment	-	-	-	-	-	-	-	(4,511,011)	(6,081,700)	-
Net amount on refunded bonds	-	-	-	-	-	-	-	(3,167,688)	-	-
Contributed capital from Mountain Creek Lake Brld	10,766,232	-	-	-	-	-	-	-	-	-
Contributed capital to the Feasibility Study Fund	(10,000,000)	-	(8,487,500)	(11,990,800)	-	(25,000,000)	25,000,000	-	-	-
Payment to Other Government	-	-	-	-	-	-	-	-	-	-
Capital Grant Contributions	-	-	-	-	-	-	-	-	-	-
BAB's Subsidy	-	-	-	-	-	-	-	74,902,422	59,588,883	31,526,405
Other	(150,312)	233,312	(306,984)	(342,570)	395,564	1,013,964	135,327	(355,245)	2,565,331	(7,346,832)
Net nonoperating revenues (expenses)	(32,540,896)	(35,981,645)	(47,091,685)	(54,410,478)	(48,058,932)	(63,477,564)	(15,909,179)	(189,269,873)	(363,909,939)	(384,546,917)
Change in net assets	\$ 38,997,912	\$ 50,005,825	\$ 37,051,692	\$ 26,256,747	\$ 33,311,795	\$ 16,309,982	\$ 60,143,793	\$ (60,165,903)	\$ (187,257,418)	\$ (111,145,752)

(1) Administrative fees, parking transaction fees, statement fees and miscellaneous charges.



NORTH TEXAS TOLLWAY AUTHORITY
 Traffic and Toll Revenue
 Last Ten Fiscal Years
 (Unaudited)

Year	Annual Revenue Vehicle Transactions	Annual Toll Revenue	Average Toll Rate per Transaction
2001	230,044,912	\$ 107,210,124	\$ 0.47
2002	285,494,321	137,945,439	0.48
2003	296,140,087	149,323,784	0.50
2004	315,031,754	160,695,030	0.51
2005	338,390,215	172,537,345	0.51
2006	370,696,171	191,434,120	0.52
2007	383,481,098	202,675,564	0.53
2008	412,272,003	240,776,791	0.58
2009	455,546,197	290,404,547	0.64
2010	481,913,338	366,597,323	0.76



NORTH TEXAS TOLLWAY AUTHORITY
Schedule of Toll Rates
Last Ten Fiscal Years
(Unaudited)

		Years									
Two-axle passenger cars and trucks											
Roadway		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Dallas North Tollway:											
Main Lane Plaza 1	Cash	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	-	-	-	-
	TollTag	0.60	0.60	0.60	0.60	0.60	0.60	\$0.60	\$0.70	\$1.26	\$1.26
<i>(all ETC, effective in Jan., 2007)</i>											
	ZipCash	-	-	-	-	-	-	0.75	1.00	1.89	1.89
Main Lane Plaza 2	Cash	0.75	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.35	1.35
	TollTag	0.60	0.60	0.60	0.60	0.60	0.60	0.70	0.70	0.90	0.90
Main Lane Plaza 3	Cash	0.75	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.20	1.20
	TollTag	0.60	0.60	0.60	0.60	0.60	0.60	0.70	0.70	0.80	0.80
Main Lane Plaza 4 (1)	Cash	-	-	-	-	-	-	1.30	1.30	2.15	2.12
	TollTag	-	-	-	-	-	-	1.05	1.05	1.41	1.41
Addison Airport Toll Tunnel:											
Mainlane Plaza	Cash	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.75	0.75
	TollTag	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
President George Bush Turnpike:											
Main Lane Plaza 6	Cash	0.50	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.50	1.50
	TollTag	0.50	0.60	0.60	0.60	0.60	0.60	0.70	0.70	1.00	1.00
Main Lane Plaza 7	Cash	0.50	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.62	1.62
	TollTag	0.50	0.60	0.60	0.60	0.60	0.60	0.70	0.70	1.08	1.08
Main Lane Plaza 8 (2)	Cash	0.50	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.50	1.50
	TollTag	0.50	0.60	0.60	0.60	0.60	0.60	0.70	0.70	1.00	1.00
Main Lane Plaza 9 (3)	Cash	-	-	-	-	0.75	0.75	1.00	1.00	1.20	1.20
	TollTag	-	-	-	-	0.60	0.60	0.70	0.70	0.80	0.80
Main Lane Plaza 10 (4)	Cash	0.75	0.75	0.75	0.75	0.75	0.75	1.00	1.00	0.69	0.69
	TollTag	0.60	0.60	0.60	0.60	0.60	0.60	0.70	0.70	0.46	0.46
Mountain Creek Lake Bridge:											
Mainlane Plaza	Cash	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.75	0.75
	TollTag	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Sam Rayburn Tollway (SRT):											
Main Lane Gantry 1 (5)	Video	-	-	-	-	-	-	-	0.65	0.72	0.72
	TollTag	-	-	-	-	-	-	-	0.45	0.48	0.48
Main Lane Gantry 2 (5)	Video	-	-	-	-	-	-	-	1.71	1.86	1.86
	TollTag	-	-	-	-	-	-	-	1.18	1.24	1.24
Main Lane Gantry 3 (6) (8)	Video	-	-	-	-	-	-	-	-	2.04	2.57
	TollTag	-	-	-	-	-	-	-	-	1.36	1.71
Lewisville Lake Toll Bridge:											
Mainlane Plaza (7)	Video	-	-	-	-	-	-	-	-	1.50	1.50
	TollTag	-	-	-	-	-	-	-	-	1.00	1.00

(1) Main Lane Plaza 4 opened September 2007

(2) Main Lane Plaza 8 opened July 2001

(3) Main Lane Plaza 9 opened September 2005

(4) Main Lane Plaza 10 opened December 2001

(5) Main Lane Gantry 1 & 2 (ETC) on SRT; NTTA began collecting revenues on SRT on its own behalf on September 1, 2008

(6) Main Lane Plaza 3 on SRT opened September 2009

(7) Lewisville Lake Toll Bridge opened August 2009

(8) SRT mainlanes were extended to US 75 December 2010

Note - The Authority converted to All Electronic Toll Collection (All ETC) in December 2010. All customers will either have a TollTag or will be billed according to business rules currently in place. Cash will no longer be accepted.

NORTH TEXAS TOLLWAY AUTHORITY
Schedule of Toll Rates
Last Ten Fiscal Years
(Unaudited)

Three-axle vehicle and vehicle combination		Years									
		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Roadway											
Dallas North Tollway:											
Main Lane Plaza 1	Cash	\$1.20	\$1.20	\$1.20	\$1.20	\$1.20	\$1.20	-	-	-	-
	TollTag	0.95	0.95	0.95	0.95	0.95	0.95	\$0.95	\$1.40	\$2.52	\$2.52
(all ETC, effective in Jan., 2007)	ZipCash	-	-	-	-	-	-	1.20	\$2.00	\$3.78	\$3.78
Main Lane Plaza 2	Cash	1.20	1.20	1.20	1.20	1.20	1.20	2.00	2.00	2.70	2.70
	TollTag	0.95	0.95	0.95	0.95	0.95	0.95	1.40	1.40	1.80	1.80
Main Lane Plaza 3	Cash	1.20	1.20	1.20	1.20	1.20	1.20	2.00	2.00	2.40	2.40
	TollTag	0.95	0.95	0.95	0.95	0.95	0.95	1.40	1.40	1.60	1.60
Main Lane Plaza 4 (1)	Cash	-	-	-	-	-	-	2.60	2.60	4.30	4.24
	TollTag	-	-	-	-	-	-	2.10	2.10	2.82	2.82
Addison Airport Toll Tunnel:											
Mainlane Plaza	Cash	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	1.50	1.50
	TollTag	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	1.00	1.00
President George Bush Turnpike:											
Main Lane Plaza 6	Cash	1.00	1.50	1.50	1.50	1.50	1.50	2.00	2.00	3.00	3.00
	TollTag	1.00	1.20	1.20	1.20	1.20	1.20	1.40	1.40	2.00	2.00
Main Lane Plaza 7	Cash	1.00	1.50	1.50	1.50	1.50	1.50	2.00	2.00	3.24	3.24
	TollTag	1.00	1.20	1.20	1.20	1.20	1.20	1.40	1.40	2.16	2.16
Main Lane Plaza 8 (2)	Cash	1.00	1.50	1.50	1.50	1.50	1.50	2.00	2.00	3.00	3.00
	TollTag	1.00	1.20	1.20	1.20	1.20	1.20	1.40	1.40	2.00	2.00
Main Lane Plaza 9 (3)	Cash	-	-	-	-	1.50	1.50	2.00	2.00	2.40	2.40
	TollTag	-	-	-	-	1.20	1.20	1.40	1.40	1.60	1.60
Main Lane Plaza 10 (4)	Cash	1.50	1.50	1.50	1.50	1.50	1.50	2.00	2.00	1.38	1.38
	TollTag	1.20	1.20	1.20	1.20	1.20	1.20	1.40	1.40	0.92	0.92
Mountain Creek Lake Bridge:											
Main lane Plaza	Cash	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	1.50	1.50
	TollTag	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	1.00	1.00
Sam Rayburn Tollway (SRT):											
Main Lane Gantry 1 (5)	Video	-	-	-	-	-	-	-	1.30	1.44	1.44
	TollTag	-	-	-	-	-	-	-	0.90	0.96	0.96
Main Lane Gantry 2 (5)	Video	-	-	-	-	-	-	-	3.42	3.72	3.72
	TollTag	-	-	-	-	-	-	-	2.36	2.48	2.48
Main Lane Gantry 3 (6) (8)	Video	-	-	-	-	-	-	-	-	4.08	5.14
	TollTag	-	-	-	-	-	-	-	-	2.72	3.42
Lewisville Lake Toll Bridge:											
Mainlane Plaza (7)	Video	-	-	-	-	-	-	-	-	3.00	3.00
	TollTag	-	-	-	-	-	-	-	-	2.00	2.00

(1) Main Lane Plaza 4 opened September 2007

(2) Main Lane Plaza 8 opened July 2001

(3) Main Lane Plaza 9 opened September 2005

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(7) Lewisville Lake Toll Bridge opened August 2009

(8) SRT mainlanes were extended to US 75 December 2010

Note - The Authority converted to All Electronic Toll Collection (All ETC) in December 2010. All customers will either have a TollTag or will be billed according to business rules currently in place. Cash will no longer be accepted.

NORTH TEXAS TOLLWAY AUTHORITY
Schedule of Toll Rates
Last Ten Fiscal Years
(Unaudited)

Four-axle vehicle and vehicle combination	Roadway	Years									
		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Dallas North Tollway:											
Main Lane Plaza 1	Cash	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50	-	-	-	-
	TollTag	1.20	1.20	1.20	1.20	1.20	1.20	\$1.20	\$2.10	\$3.78	\$3.78
<i>(all ETC, effective in Jan., 2007)</i>		ZipCash -	-	-	-	-	-	1.50	3.00	5.67	5.67
Main Lane Plaza 2	Cash	1.50	1.50	1.50	1.50	1.50	1.50	3.00	3.00	4.05	4.05
	TollTag	1.20	1.20	1.20	1.20	1.20	1.20	2.10	2.10	2.70	2.70
Main Lane Plaza 3	Cash	1.50	1.50	1.50	1.50	1.50	1.50	3.00	3.00	3.60	3.60
	TollTag	1.20	1.20	1.20	1.20	1.20	1.20	2.10	2.10	2.40	2.40
Main Lane Plaza 4 (1)	Cash	-	-	-	-	-	-	3.90	3.90	6.45	6.36
	TollTag	-	-	-	-	-	-	3.15	3.15	4.23	4.23
Addison Airport Toll Tunnel:											
Mainlane Plaza	Cash	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	2.25	2.25
	TollTag	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	1.50	1.50
President George Bush Turnpike:											
Main Lane Plaza 6	Cash	1.50	2.25	2.25	2.25	2.25	2.25	3.00	3.00	4.50	4.50
	TollTag	1.50	1.80	1.80	1.80	1.80	1.80	2.10	2.10	3.00	3.00
Main Lane Plaza 7	Cash	1.50	2.25	2.25	2.25	2.25	2.25	3.00	3.00	4.86	4.86
	TollTag	1.50	1.80	1.80	1.80	1.80	1.80	2.10	2.10	3.24	3.24
Main Lane Plaza 8 (2)	Cash	1.50	2.25	2.25	2.25	2.25	2.25	3.00	3.00	4.50	4.50
	TollTag	1.50	1.80	1.80	1.80	1.80	1.80	2.10	2.10	3.00	3.00
Main Lane Plaza 9 (3)	Cash	-	-	-	-	2.25	2.25	3.00	3.00	3.60	3.60
	TollTag	-	-	-	-	1.80	1.80	2.10	2.10	2.40	2.40
Main Lane Plaza 10 (4)	Cash	2.25	2.25	2.25	2.25	2.25	2.25	3.00	3.00	2.07	2.07
	TollTag	1.80	1.80	1.80	1.80	1.80	1.80	2.10	2.10	1.38	1.38
Mountain Creek Lake Bridge:											
Main lane Plaza	Cash	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.25	2.25
	TollTag	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.50	1.50
Sam Rayburn Tollway (SRT):											
Main Lane Gantry 1 (5)	Video	-	-	-	-	-	-	-	1.95	2.16	2.16
	TollTag	-	-	-	-	-	-	-	1.35	1.44	1.44
Main Lane Gantry 2 (5)	Video	-	-	-	-	-	-	-	5.13	5.58	5.58
	TollTag	-	-	-	-	-	-	-	3.54	3.72	3.72
Main Lane Gantry 3 (6) (8)	Video	-	-	-	-	-	-	-	-	6.12	7.71
	TollTag	-	-	-	-	-	-	-	-	4.08	5.13
Lewisville Lake Toll Bridge:											
Mainlane Plaza (7)	Video	-	-	-	-	-	-	-	-	4.50	4.50
	TollTag	-	-	-	-	-	-	-	-	3.00	3.00

(1) Main Lane Plaza 4 opened September 2007

(2) Main Lane Plaza 8 opened July 2001

(3) Main Lane Plaza 9 opened September 2005

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(8) SRT mainlanes were extended to US 75 December 2010

Note - The Authority converted to All Electronic Toll Collection (All ETC) in December 2010. All customers will either have a TollTag or will be billed according to business rules currently in place. Cash will no longer be accepted.

NORTH TEXAS TOLLWAY AUTHORITY
Schedule of Toll Rates
Last Ten Fiscal Years
(Unaudited)

Five-axle vehicle and vehicle combination		Years									
		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Roadway											
Dallas North Tollway:											
Main Lane Plaza 1	Cash	\$1.80	\$1.80	\$1.80	\$1.80	\$1.80	\$1.80	-	-	-	-
	TollTag	1.45	1.45	1.45	1.45	1.45	1.45	\$1.45	\$2.80	\$5.04	\$5.04
	ZipCash -	-	-	-	-	-	-	1.80	4.00	7.56	7.56
<i>(all ETC, effective in Jan., 2007)</i>											
Main Lane Plaza 2	Cash	1.80	1.80	1.80	1.80	1.80	1.80	4.00	4.00	5.40	5.40
	TollTag	1.45	1.45	1.45	1.45	1.45	1.45	2.80	2.80	3.60	3.60
Main Lane Plaza 3	Cash	1.80	1.80	1.80	1.80	1.80	1.80	4.00	4.00	4.80	4.80
	TollTag	1.45	1.45	1.45	1.45	1.45	1.45	2.80	2.80	3.20	3.20
Main Lane Plaza 4 (1)	Cash	-	-	-	-	-	-	5.20	5.20	8.60	8.48
	TollTag	-	-	-	-	-	-	4.20	4.20	5.64	5.64
Addison Airport Toll Tunnel:											
Mainlane Plaza	Cash	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	3.00	3.00
	TollTag	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	2.00	2.00
President George Bush Turnpike:											
Main Lane Plaza 6	Cash	2.00	3.00	3.00	3.00	3.00	3.00	4.00	4.00	6.00	6.00
	TollTag	2.00	2.40	2.40	2.40	2.40	2.40	2.80	2.80	4.00	4.00
Main Lane Plaza 7	Cash	2.00	3.00	3.00	3.00	3.00	3.00	4.00	4.00	6.48	6.48
	TollTag	2.00	2.40	2.40	2.40	2.40	2.40	2.80	2.80	4.32	4.32
Main Lane Plaza 8 (2)	Cash	2.00	3.00	3.00	3.00	3.00	3.00	4.00	4.00	6.00	6.00
	TollTag	2.00	2.40	2.40	2.40	2.40	2.40	2.80	2.80	4.00	4.00
Main Lane Plaza 9 (3)	Cash	-	-	-	-	3.00	3.00	4.00	4.00	4.80	4.80
	TollTag	-	-	-	-	2.40	2.40	2.80	2.80	3.20	3.20
Main Lane Plaza 10 (4)	Cash	3.00	3.00	3.00	3.00	3.00	3.00	4.00	4.00	2.76	2.76
	TollTag	2.40	2.40	2.40	2.40	2.40	2.40	2.80	2.80	1.84	1.84
Mountain Creek Lake Bridge:											
Main lane Plaza	Cash	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	3.00	3.00
	TollTag	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	2.00	2.00
Sam Rayburn Tollway (SRT):											
Main Lane Gantry 1 (5)	Video	-	-	-	-	-	-	-	2.60	2.88	2.88
	TollTag	-	-	-	-	-	-	-	1.80	1.92	1.92
Main Lane Gantry 2 (5)	Video	-	-	-	-	-	-	-	6.84	7.44	7.44
	TollTag	-	-	-	-	-	-	-	4.72	4.96	4.96
Main Lane Gantry 3 (6) (8)	Video	-	-	-	-	-	-	-	-	8.16	10.28
	TollTag	-	-	-	-	-	-	-	-	5.44	6.84
Lewisville Lake Toll Bridge:											
Mainlane Plaza (7)	Video	-	-	-	-	-	-	-	-	6.00	6.00
	TollTag	-	-	-	-	-	-	-	-	4.00	4.00

(1) Main Lane Plaza 4 opened September 2007

(2) Main Lane Plaza 8 opened July 2001

(3) Main Lane Plaza 9 opened September 2005

(4) Main Lane Plaza 10 opened December 2001

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NORTH TEXAS TOLLWAY AUTHORITY
Schedule of Toll Rates
Last Ten Fiscal Years
(Unaudited)

Six or more-axle vehicle and vehicle combination Roadway		Years									
		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Dallas North Tollway:											
Main Lane Plaza 1	Cash	\$2.10	\$2.10	\$2.10	\$2.10	\$2.10	\$2.10	-	-	-	-
	TollTag	1.70	1.70	1.70	1.70	1.70	1.70	\$1.70	\$3.50	\$6.30	\$6.30
<i>(all ETC, effective in Jan., 2007)</i>								2.10	5.00	9.45	9.45
Main Lane Plaza 2	Cash	2.10	2.10	2.10	2.10	2.10	2.10	5.00	5.00	6.75	6.75
	TollTag	1.70	1.70	1.70	1.70	1.70	1.70	3.50	3.50	4.50	4.50
Main Lane Plaza 3	Cash	2.10	2.10	2.10	2.10	2.10	2.10	5.00	5.00	6.00	6.00
	TollTag	1.70	1.70	1.70	1.70	1.70	1.70	3.50	3.50	4.00	4.00
Main Lane Plaza 4 (1)	Cash	-	-	-	-	-	-	6.50	6.50	10.75	10.60
	TollTag	-	-	-	-	-	-	5.25	5.25	7.05	7.05
Addison Airport Toll Tunnel:											
Mainlane Plaza	Cash	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	3.75	3.75
	TollTag	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	2.50	2.50
President George Bush Turnpike:											
Main Lane Plaza 6	Cash	2.50	3.75	3.75	3.75	3.75	3.75	5.00	5.00	7.50	7.50
	TollTag	2.50	3.00	3.00	3.00	3.00	3.00	3.50	3.50	5.00	5.00
Main Lane Plaza 7	Cash	2.50	3.75	3.75	3.75	3.75	3.75	5.00	5.00	8.10	8.10
	TollTag	2.50	3.00	3.00	3.00	3.00	3.00	3.50	3.50	5.40	5.40
Main Lane Plaza 8 (2)	Cash	2.50	3.75	3.75	3.75	3.75	3.75	5.00	5.00	7.50	7.50
	TollTag	2.50	3.00	3.00	3.00	3.00	3.00	3.50	3.50	5.00	5.00
Main Lane Plaza 9 (3)	Cash	-	-	-	-	3.75	3.75	5.00	5.00	6.00	6.00
	TollTag	-	-	-	-	3.00	3.00	3.50	3.50	4.00	4.00
Main Lane Plaza 10 (4)	Cash	3.75	3.75	3.75	3.75	3.75	3.75	5.00	5.00	3.45	3.45
	TollTag	3.00	3.00	3.00	3.00	3.00	3.00	3.50	3.50	2.30	2.30
Mountain Creek Lake Bridge:											
Main lane Plaza	Cash	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	3.75	3.75
	TollTag	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	2.50	2.50
Sam Rayburn Tollway (SRT):											
Main Lane Gantry 1 (5)	Video	-	-	-	-	-	-	-	3.25	3.60	3.60
	TollTag	-	-	-	-	-	-	-	2.25	2.40	2.40
Main Lane Gantry 2 (5)	Video	-	-	-	-	-	-	-	8.55	9.30	9.30
	TollTag	-	-	-	-	-	-	-	5.90	6.20	6.20
Main Lane Gantry 3 (6) (8)	Video	-	-	-	-	-	-	-	-	10.20	12.85
	TollTag	-	-	-	-	-	-	-	-	6.80	8.55
Lewisville Lake Toll Bridge:											
Mainlane Plaza (7)	Video	-	-	-	-	-	-	-	-	7.50	7.50
	TollTag	-	-	-	-	-	-	-	-	5.00	5.00

(1) Main Lane Plaza 4 opened September 2007

(2) Main Lane Plaza 8 opened July 2001

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(4) Main Lane Plaza 10 opened December 2001

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NORTH TEXAS TOLLWAY AUTHORITY
Ratio of Outstanding Debt by Type
Business-Type Activities
Last Ten Fiscal Years
(Unaudited)

Year	Revenue	Bond Anticipation Notes	Commercial Paper Notes Payable	Texas Department of Transportation ISTEA Loan	Texas Department of Transportation Loan Payable	Total Debt Amount	Total Revenue Vehicle Toll Transactions(1)	Debt Per Transactions	Debt Per Capita(2)
2001	\$ 925,524,957	-	\$20,000,000	\$ 135,000,000	\$ 4,600,000	\$ 1,085,124,957	\$ 230,044,912	\$4.72	\$228
2002	921,430,778	-	20,000,000	135,000,000	4,600,000	1,081,030,778	285,494,321	3.79	222
2003	1,139,285,000	-	-	135,000,000	4,600,000	1,278,885,000	296,140,087	4.32	259
2004	1,125,735,000	-	-	135,000,000	4,600,000	1,265,335,000	315,031,754	4.02	251
2005	1,420,605,000	-	-	135,000,000	4,600,000	1,560,205,000	338,390,215	4.61	303
2006	1,390,130,000	-	25,000,000	135,000,000	4,600,000	1,554,730,000	370,696,171	4.19	293
2007	1,368,550,000	\$3,487,245,000	75,000,000	135,000,000	4,600,000	5,070,395,000	383,481,098	13.22	934
2008	6,150,814,166	-	89,700,000	135,000,000	4,600,000	6,380,114,166	412,272,003	15.48	1,147
2009	7,122,390,015	-	5,200,000	146,609,022	4,600,000	7,278,799,037	455,546,197	15.98	1,283
2010	7,543,021,558	-	119,200,000	142,857,298	-	7,805,078,856	481,913,338	16.20	1,358

Note - Details on the System's outstanding debt can be found in the notes to the financial statements.

(1) See table of Traffic and Toll Revenue on page 79.

(2) See table of Demographic Data on page 87.

NORTH TEXAS TOLLWAY AUTHORITY
Ratio of Revenue-backed Debt Outstanding
Business-Type Activities
Last Ten Fiscal Years
(Unaudited)

Year	Revenue Bonds	Bond Anticipation Notes	Less: amounts Available in		Texas Department of Transportation ISTE A Loan	Total Debt Amount	Annual Toll Revenues(1)	Debt Per Annual Toll Revenue	Debt Per Capita(2)
			Bond Redemption Account	Commercial Paper Notes Payable					
2001	\$925,524,957	-	(\$6,215,744)	\$20,000,000	\$135,000,000	\$1,074,309,213	\$107,210,124	10	\$226
2002	921,430,778	-	(11,645,000)	20,000,000	135,000,000	1,064,785,778	137,945,439	8	219
2003	1,139,285,000	-	(13,553,662)	-	135,000,000	1,260,731,338	149,323,784	8	255
2004	1,125,735,000	-	(15,447,037)	-	135,000,000	1,245,287,963	160,695,030	8	247
2005	1,420,605,000	-	(17,311,773)	-	135,000,000	1,538,293,227	172,537,345	9	299
2006	1,390,130,000	-	(22,008,278)	25,000,000	135,000,000	1,528,121,722	191,434,120	8	288
2007	1,368,550,000	\$3,487,245,000	(23,240,000)	75,000,000	135,000,000	5,042,555,000	202,675,564	25	929
2008	6,150,814,166	-	(34,110,000)	89,700,000	135,000,000	6,341,404,166	240,776,791	26	1140
2009	7,122,390,015	-	(32,170,000)	5,200,000	146,609,022	7,242,029,037	290,404,547	25	1277
2010	7,543,021,558	-	(29,685,000)	119,200,000	142,857,298	7,775,393,856	366,597,323	21	1353

Note - Details on the System's outstanding debt can be found in the notes to the financial statements.

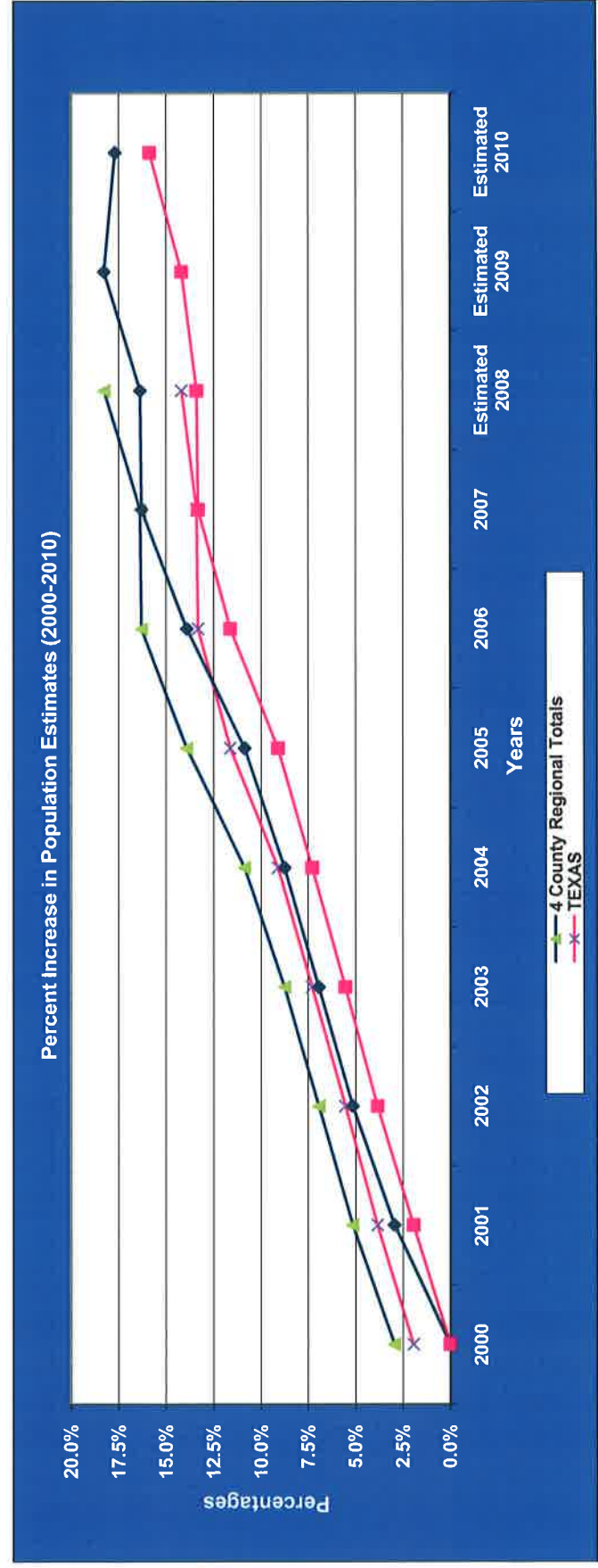
(1) See table of Traffic and Toll Revenue on page 79.

(2) See table of Demographic Data on page 87.

NORTH TEXAS TOLLWAY AUTHORITY
Demographic Data-Combined Four Region and State of Texas Population Estimated Data
For Years 2001-2010

Year	Est. Four County Regional Totals							Estimated Texas Totals	Percentage Change (From Prior Years)	
	COLLIN	DALLAS	DENTON	TARRANT	Regional Totals	County	Texas Totals		4 County	TEXAS
2001	538,200	2,264,243	463,681	1,489,516	4,755,640		21,357,926	2.94%	1.94%	
2002	569,438	2,276,489	488,311	1,526,307	4,860,545		21,762,430	2.21%	1.89%	
2003	597,536	2,282,284	510,292	1,556,747	4,946,859		22,134,047	1.78%	1.71%	
2004	628,757	2,290,710	531,054	1,586,277	5,036,798		22,517,901	1.82%	1.73%	
2005	660,926	2,308,527	554,994	1,619,666	5,144,113		22,928,508	2.13%	1.82%	
2006	698,851	2,345,815	584,238	1,671,295	5,300,199		23,507,783	3.03%	2.53%	
2007	730,690	2,366,511	612,357	1,717,435	5,426,993		23,904,380	2.39%	1.69%	
Estimated 2008	762,010	2,412,827	636,557	1,750,091	5,561,485		24,326,974	2.48%	1.77%	
Estimated 2009	764,500	2,471,000	628,300	1,807,750	5,671,550		24,538,335	1.98%	0.87%	
Estimated 2010	786,250	2,492,850	637,750	1,829,400	5,746,250		25,145,561	1.32%	2.47%	
Increase Total from Year 2001 to Year 2010	248,050	228,607	174,069	339,884	990,610		3,787,635			

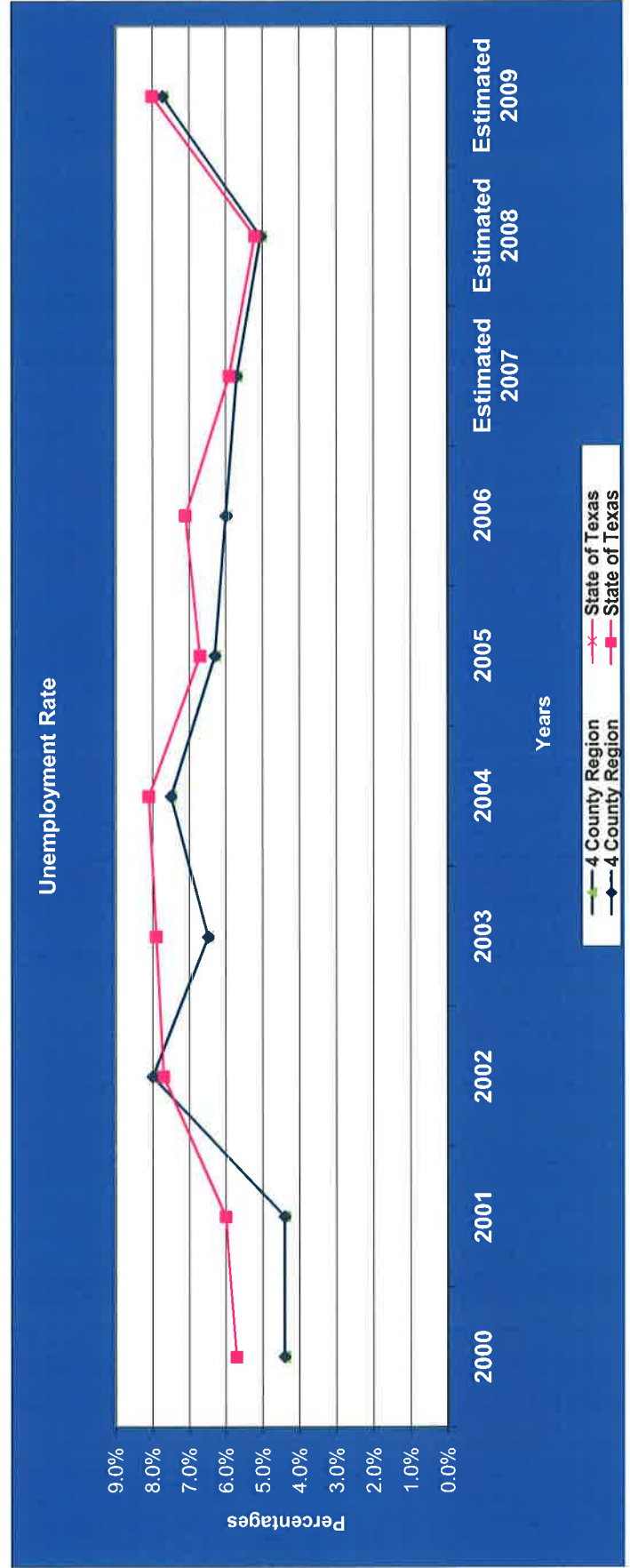
All information obtained from U.S. Census Bureau



NORTH TEXAS TOLLWAY AUTHORITY
 Demographic Data-Combined Four County Region and State of Texas Employment Status Estimates
 For Years 2000-2009

Year	COLLIN	DALLAS	DENTON	TARRANT	Combined Four County Regional		Texas		Unemployment Rate	
					Estimated Totals	Texas	Estimated Totals	4 County	4 County	Texas
2000	275,187	1,166,274	248,592	758,223	2,448,276	10,003,606	4.4%	4.4%	5.7%	
2001	298,648	1,171,386	249,260	775,930	2,495,224	10,125,306	4.4%	4.4%	6.0%	
2002	308,228	1,194,564	276,897	799,447	2,579,136	10,402,410	8.0%	8.0%	7.7%	
2003	325,039	1,176,107	287,142	814,196	2,602,484	10,556,464	6.5%	6.5%	7.9%	
2004	347,165	1,197,167	301,511	835,363	2,681,206	10,851,249	7.5%	7.5%	8.1%	
2005	367,651	1,177,947	312,530	840,440	2,698,568	11,024,191	6.3%	6.3%	6.7%	
2006	389,629	1,219,541	337,144	884,101	2,830,415	11,617,834	6.0%	6.0%	7.1%	
Estimated 2007	400,678	1,205,730	344,810	904,015	2,855,233	11,647,654	5.7%	5.7%	5.9%	
Estimated 2008	407,840	1,180,870	346,869	877,646	2,813,225	11,466,657	5.1%	5.1%	5.2%	
Estimated 2009	285,900	1,415,000	172,600	743,500	2,617,000	10,204,500	7.7%	7.7%	8.0%	
Increase Total from Year 2000 to Year 2009	10,713	248,726	(75,992)	(14,723)	168,724	200,894				

All information obtained from U.S. Census Bureau

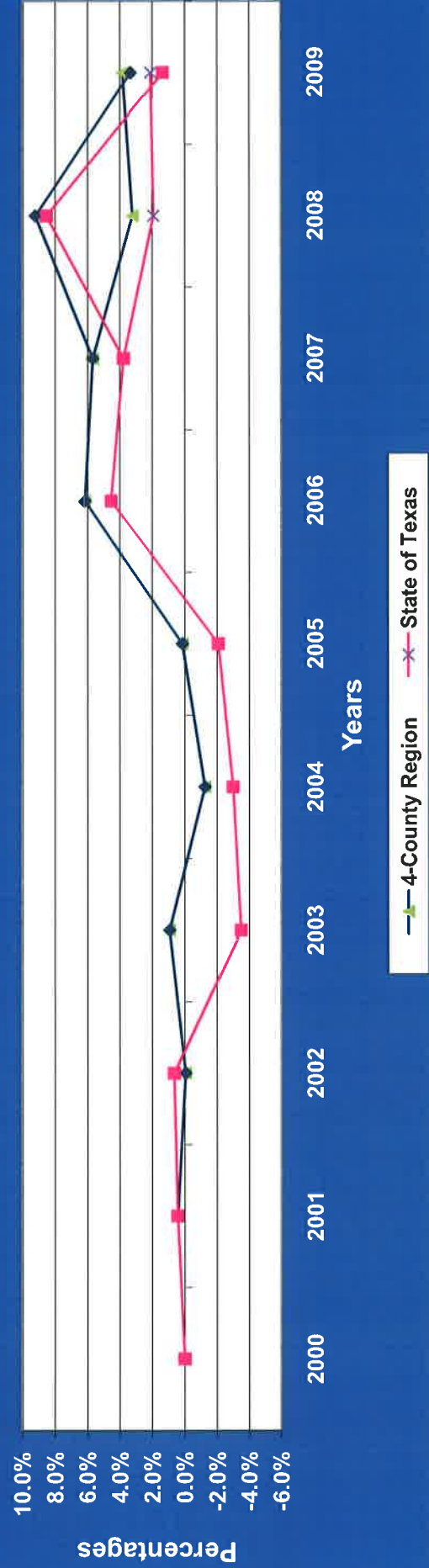


NORTH TEXAS TOLLWAY AUTHORITY
Demographic Data - Combined Four County Region and State of Texas Median Household Income Estimates
For Years 2000 - 2009

Year	COLLIN	DALLAS	DENTON	TARRANT	Four County Regional Totals		Texas		Percentage Change from Prior Years	
					Estimated Avg Median Income	Estimated Avg Median Income	Estimated Avg Median Income	Estimated Avg Median Income	4 County	Texas
2000	\$70,487	\$45,831	\$56,807	\$50,638	\$55,941	\$43,065	N/A	N/A		
2001	70,181	44,829	60,898	48,821	56,182	43,253	0.43%	0.44%		
2002	70,292	44,678	56,814	51,860	55,911	43,343	-0.48%	0.21%		
2003	71,458	44,189	62,013	48,185	56,461	41,548	0.98%	-4.14%		
2004	68,567	43,444	61,528	47,369	55,227	41,759	-2.19%	0.51%		
2005	70,784	42,598	61,520	49,104	56,002	42,139	1.40%	0.91%		
2006	74,051	44,815	66,792	51,813	59,368	44,922	6.01%	6.60%		
2007	79,657	46,372	71,109	53,459	62,649	47,548	5.53%	5.85%		
2008	81,395	47,085	73,544	56,251	64,569	49,453	3.06%	4.01%		
2009	80,545	47,059	70,002	54,647	63,063	48,259	-2.33%	-2.41%		
Averaged Yearly Totals	\$73,742	\$45,090	\$64,103	\$51,215	\$58,537	\$44,529				

All information obtained from U.S. Census Bureau

Percentage Change in Median Household Income Estimates



NORTH TEXAS TOLLWAY AUTHORITY
North Texas Four County Region's Top Ten Employers

2010				2001			
COLLIN COUNTY TOP TEN EMPLOYERS		DALLAS COUNTY TOP TEN EMPLOYERS		DENTON COUNTY TOP TEN EMPLOYERS		TARRANT COUNTY TOP TEN EMPLOYERS	
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	INDUSTRY	EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	INDUSTRY
JC PENNEY	7,300	1.91%	RETAIL	EDS	6,700	3.99%	RETAIL
HP ENTERPRISES SERVICES	6,000	1.57%	PROFITECH	JC PENNY CO INC	3,800	2.27%	PROFITECH
BANK OF AMERICA	5,400	1.41%	FINANCE	STONEBRIAR CENTRE	3,456	2.06%	RETAIL
RAYTHEON	3,700	0.97%	MANUFACTURING	SHOPS AT WILLOW BEND (THE)	3,240	1.93%	RETAIL
FRITO LAY	3,600	0.94%	MANUFACTURING	FRITOLAY INC	3,000	1.79%	MANAGEMENT
DELL SERVICES	2,950	0.77%	PROFITECH	COUNTRYWIDE HOME LOANS	3,000	1.79%	FINANCE
DR PEPPER SNAPPLE GROUP	2,200	0.56%	MANUFACTURING	PEROT SYSTEMS CORPORATION	2,811	1.68%	PROFITECH
ERICSSON INC	2,200	0.56%	PROFITECH	ALCATEL	2,800	1.67%	MANUFACTURING
ALCATEL USA	2,000	0.52%	PROFITECH	COLLIN CREEK MALL	2,418	1.44%	RETAIL
MEDICAL CENTER OF PLANO	1,300	0.34%	HEALTH CARE	SBC COMMUNICATIONS	2,140	1.28%	INFORMATION
Total	36,650	9.58%		Total	33,385	19.89%	
DALLAS COUNTY TOP TEN EMPLOYERS				DENTON COUNTY TOP TEN EMPLOYERS			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	INDUSTRY	EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	INDUSTRY
BAYLOR HEALTH CARE SYSTEM AT & T	18,000	1.58%	HEALTH CARE	AMERICAN AIRLINES/AMR	14,608	0.93%	TRANSPORTATION
TEXAS INSTRUMENTS	14,400	1.27%	PROFITECH	TEXAS INSTRUMENTS HQ	7,800	0.50%	MANUFACTURING
METHODIST HEALTH SYSTEM	9,600	0.84%	MANUFACTURING	PARKLAND MEMORIAL HOSPITAL	6,950	0.44%	HEALTH CARE
CHILDREN'S MEDICAL CENTER	5,999	0.53%	HEALTH CARE	UT SOUTHWESTERN MEDICAL CENTER	5,893	0.38%	EDUCATION
BRINKER INTERNATIONAL	5,365	0.47%	HEALTH CARE	BAYLOR UNIVERSITY MEDICAL CTR	5,751	0.37%	HEALTH CARE
SOUTHWEST AIRLINES	5,257	0.46%	SECURITY	COMPUCON CAMPUS	5,300	0.34%	REAL ESTATE/RENT
ENERGY FUTURE HOLDINGS CORP	4,200	0.37%	TRANSPORTATION	NORTEL NETWORKS	4,800	0.31%	INFORMATION
NEUMAN MARCUS GROUP	3,912	0.34%	PROFITECH	NORTH PARK CENTER	4,536	0.29%	RETAIL
COOK CHILDREN'S HEALTH CARE SYSTEM	3,812	0.33%	RETAIL	DELTA AIR LINES INC	4,300	0.27%	TRANSPORTATION
Total	74,357	6.53%	HEALTH CARE	GALLERIA MALL	4,104	0.26%	RETAIL
Total	74,357	6.53%		Total	64,042	4.09%	
DENTON COUNTY TOP TEN EMPLOYERS				TARRANT COUNTY TOP TEN EMPLOYERS			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	INDUSTRY	EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	INDUSTRY
UNIVERSITY OF NORTH TEXAS	7,762	2.38%	EDUCATION	AMERICAN AIRLINES ALLIANCE MAINTENANCE BA	7,719	6.45%	EDUCATION
LEWISVILLE INDEPENDENT SCHOOL DISTRICT	5,886	1.81%	EDUCATION	VISTA RIDGE MALL	2,381	1.99%	TRANSPORTATION
DENTON INDEPENDENT SCHOOL DISTRICT	2,948	0.90%	EDUCATION	PETERBILT MOTORS CO	2,288	1.91%	RETAIL
AMERICAN AIRLINES MAINTENANCE BASE	2,105	0.64%	TRANSPORTATION	GOLDEN TRIANGLE MALL	1,700	1.42%	MANUFACTURING
FRITO-LAY INC	2,000	0.61%	MANUFACTURING	DENTON STATE SCHOOL	1,676	1.40%	RETAIL
TEXAS WOMAN'S UNIVERSITY	1,586	0.49%	EDUCATION	CENTEX HOME EQUITY PHASE I & II	1,400	1.20%	EDUCATION
DENTON STATE SCHOOL	1,500	0.46%	EDUCATION	XEROX CORP	1,381	1.17%	REAL ESTATE/RENT
PETERBILT MOTORS DIESEL TRUCKS	1,500	0.46%	TRANSPORTATION	TEXAS WOMAN'S UNIVERSITY	1,129	0.94%	MANAGEMENT
WAL-MART	1,500	0.46%	MANUFACTURING	GRANDY'S INC.	850	0.71%	EDUCATION
DENTON COUNTY	1,478	0.45%	GOVERNMENT	Total	21,954	18.35%	RETAIL
Total	28,275	6.25%		Total	21,954	18.35%	
TARRANT COUNTY TOP TEN EMPLOYERS				DALLAS COUNTY TOP TEN EMPLOYERS			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	INDUSTRY	EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	INDUSTRY
AMR CORP	24,781	2.97%	TRANSPORTATION	LOCKHEED MARTIN CORP	16,800	2.39%	MANUFACTURING
TEXAS HEALTH RESOURCES	17,485	2.09%	HEALTH CARE	UNIVERSITY OF TEXAS AT ARLINGTON	5,079	0.72%	EDUCATION
LOCKHEED MARTIN AERONAUTICS	15,000	1.80%	MANUFACTURING	AMERICAN AIRLINES/AMR	5,011	0.71%	TRANSPORTATION
BELL HELICOPTER	6,400	0.77%	MANUFACTURING	TARRANT COUNTY ADMINISTRATIVE OFFICE	4,141	0.59%	PUBLIC
NAS FORT WORTH JOINT RESERVE BASE	5,361	0.64%	MILITARY	HARRIS METHODIST FORT WORTH	4,000	0.57%	HEALTH CARE
UNIVERSITY OF NORTH TEXAS	5,300	0.63%	EDUCATION	NAS FORT WORTH JOINT RESERVE BASE	3,906	0.56%	PUBLIC
ALCON INC	3,341	0.40%	PROFITECH	HARRIS METHODIST SOUTHWEST	3,789	0.54%	HEALTH CARE
BURLINGTON NORTHERN SANTA FE	2,500	0.30%	TRANSPORTATION	COOKS CHILDREN'S HEALTH CARE SYS	3,740	0.53%	HEALTH CARE
SABRE HOLDING	2,500	0.30%	PROFITECH	JOHN PETER SMITH HOSPITAL	3,473	0.49%	HEALTH CARE
GAME STOP	2,404	0.29%	MANUFACTURING	NORTHEAST MALL	3,450	0.49%	RETAIL
Total	85,072	10.19%		Total	53,399	7.60%	

Source: Dallas Major Employers-DFW and Bureau of Labor Statistics

NORTH TEXAS TOLLWAY AUTHORITY
Contribution to Infrastructure Assets
Last Ten Fiscal Years
(Unaudited)

Year	Additions	Beginning Balance	Deletions	Ending Balance
2001	\$ 151,520,819	\$ 873,133,413	-	\$ 1,024,654,232
2002	44,935,637	1,024,654,232	-	1,069,589,869
2003	161,829,348	1,069,589,869	-	1,231,419,217
2004	97,081,712	1,255,767,850 (2)	-	1,352,849,562
2005	203,757,845	1,352,849,562	-	1,556,607,407
2006	141,163,305	1,556,607,407	\$ (2,923,868)	1,694,846,844
2007	3,390,485,923 (1)	1,698,121,926	(983,452)	5,087,624,397
2008	452,204,613 (3)	5,087,624,397	(38,340,388)	5,501,488,622
2009	3,558,138,403 (4)	5,501,488,622	(3,197,211,448) (4)	5,862,415,577
2010	344,755,250	5,862,415,577	(234,076)	6,206,936,751

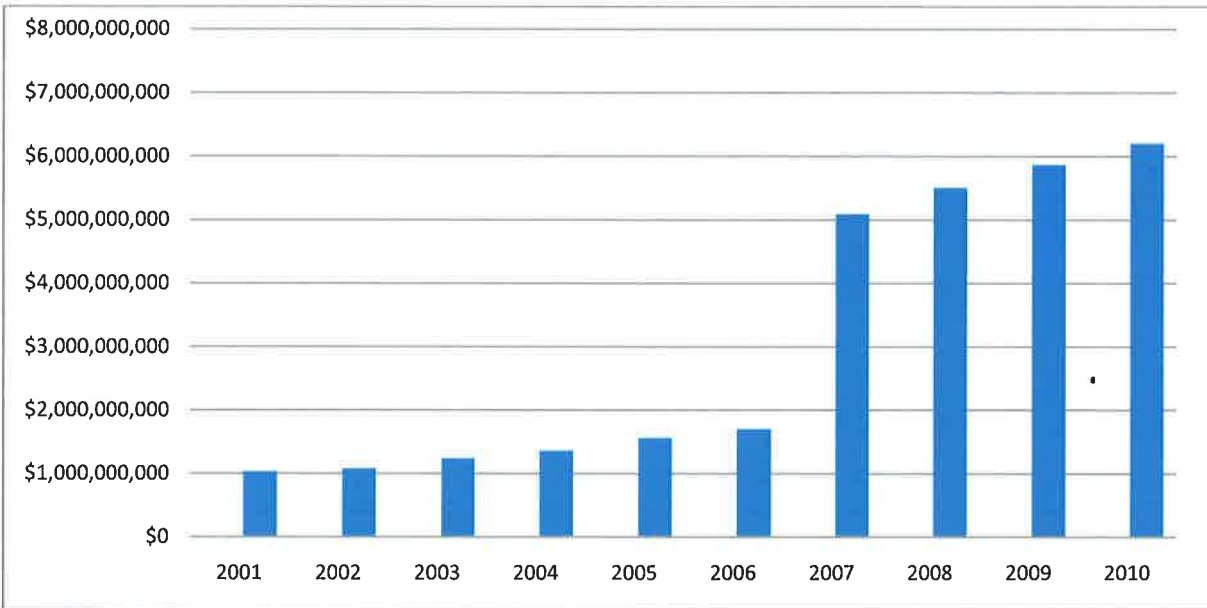
(1) Includes a \$3.2 billion payment to Texas Department of Transportation for the acquisition of State Highway 121 Project.

(2) Includes a \$24.3 million prior period adjustment for toll collection system.

(3) Deletions include property and equipment previously recorded as infrastructure.

Note - See Notes to Financial Statements number (4) Capital Assets page 35.

(4) Includes reclass from CIP to Roadway due to the completion of Sam Rayburn Tollway



NORTH TEXAS TOLLWAY AUTHORITY
Toll Revenue Analysis
Last Ten Fiscal Years
(Unaudited)

Toll Revenue					
Year		Two-Axle Vehicles	Multi-Axle Vehicles	Adjustments	Total
2001	(1)	107,284,640	1,972,867	(2,047,383)	107,210,124
2002	(2)	157,445,951	2,959,988	(22,460,500)	137,945,439
2003		161,376,894	4,040,344	(16,093,454)	149,323,784
2004	(3)	169,631,935	4,635,864	(13,572,769)	160,695,030
2005	(4)	180,444,481	5,424,704	(13,331,840)	172,537,345
2006		197,742,740	6,695,120	(13,003,740)	191,434,120
2007	(5)	214,283,866	8,189,103	(19,797,405)	202,675,564
2008	(6)	262,432,292	12,115,529	(33,771,030)	240,776,791
2009	(7)	333,428,667	16,308,187	(59,332,307)	290,404,547
2010	(8)	416,417,929	24,396,549	(74,217,155)	366,597,323
Toll Revenue - Average Per Day					
Year		Two-Axle Vehicles	Multi-Axle Vehicles	Adjustments	Average
2001	(1)	293,931	5,405	(5,609)	293,727
2002	(2)	431,359	8,110	(61,536)	377,933
2003		442,128	11,069	(44,092)	409,105
2004	(3)	463,475	12,666	(37,084)	439,057
2005	(4)	494,368	14,862	(36,526)	472,704
2006		541,761	18,343	(35,627)	524,477
2007	(5)	587,079	22,436	(54,239)	555,276
2008	(6)	717,028	33,103	(92,271)	657,860
2009	(7)	913,503	44,680	(162,554)	795,629
2010	(8)	1,140,871	66,840	(203,335)	1,004,376

- (1) Reflects the opening of Segment III of the President George Bush Turnpike from Midway Road to Frankford in March 2001 to IH 35 in July 2001 and Segment V on December 2001.
- (2) Toll rate increase for the President George Bush Turnpike went into effect in January 2002. High speed lanes installed (Open Lane Tolling)
- (3) Reflects the completion of DNT and State Highway 121 interchange on April 2004.
- (4) Reflects the opening of Segment IV of the President George Bush Turnpike in September 2005.
- (5) Reflects the opening of DNT Phase 3 and toll rate increase in late September 2007. Installation of ZipCash (Video Tolling) on Main Lane Plaza 1.
- (6) Reflects the opening of Sam Rayburn Tollway in September 2008 as the Authority's first all ETC facility. Adjustments includes transaction to be invoiced.
- (7) Reflects the opening of Lake Lewisville in October 2009.
- (8) Reflects the addition of southbound entrance ramp toll gantry and northbound exit ramp toll gantry from/to Keller Springs Rd. Also added Eastbound/northbound entrance ramp toll gantry and westbound/southbound exit ramp toll gantry from/to Lake Forest Drive and Hardin Boulevard. DNT all ETC December 2010

NORTH TEXAS TOLLWAY AUTHORITY
Total Lane Miles Operating and Number of Employees by Department
Last Ten Fiscal Years

Lane Miles										
	Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Total Lane Miles	272	297	306	315	315	308	365	618	669	685

Note - Lane miles are recorded during the year proportionate to the number of months they were operational.

Full-time Equivalent Employees										
Function	Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Administration	5	6	6	11	7	9	9	9	6	4
Board	0	0	0	0	0	0	0	0	1	1
Operations	0	0	0	0	0	0	0	0	2	3
Finance	4	4	4	4	5	5	6	6	10	22
Business Diversity	0	0	0	0	0	1	1	3	5	5
Communications	4	5	4	3	7	8	9	12	15	15
Internal Audit	0	0	0	0	0	0	0	2	5	6
Human Resources	9	10	8	8	8	12	12	13	14	12
Legal Services	3	3	4	4	4	3	3	3	3	5
System & Incident Management	25	23	22	20	26	26	25	51	57	73
Accounting	5	5	5	5	6	7	5	8	7	0
Information Technology	12	13	16	16	19	19	20	32	47	61
Vault	8	15	28	28	31	30	28	23	19	2
Audit - Revenue Reconciliation	3	2	0	0	6	5	7	6	5	0
Procurement Services	3	3	3	3	6	6	6	10	12	11
Community Affairs	0	0	0	0	1	1	1	3	3	3
Toll Collection	304	402	379	392	412	416	386	321	162	4
Maintenance	52	65	67	71	76	68	81	178	162	163
Customer Service Center	29	41	75	81	92	98	115	133	228	232
Project Delivery	7	7	9	11	12	11	9	6	9	10
Project Evaluation	0	0	0	0	0	0	3	4	0	0
Cash and Debt Management	0	0	0	0	0	0	0	0	5	5
Total	473	604	630	657	718	725	726	823	777	637

Note 1 - During 2003 & 2004, the Audit function was outsourced.

Note 2 - Project Evaluation is now Cash Debt and Management.

Note 3 - During 2010, Accounting and Audit Revenue merged with Finance.

