

# DRIVEN TO SERVE



## NORTH TEXAS TOLLWAY SYSTEM

(An Enterprise Fund of the North Texas Tollway Authority)

2011 COMPREHENSIVE ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED DECEMBER 31, 2011



**NORTH TEXAS TOLLWAY AUTHORITY**

**NORTH TEXAS TOLLWAY SYSTEM**

**(An Enterprise Fund of the North Texas Tollway Authority)**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**For the Fiscal Year Ended December 31, 2011**

**Gerald Carrigan  
Executive Director**

**Janice D. Davis  
Chief Financial Officer**

**NORTH TEXAS TOLLWAY SYSTEM**  
**(An Enterprise Fund of the North Texas Tollway Authority)**  
**Comprehensive Annual Financial Report**  
**For the Year Ended December 31, 2011**

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# INTRODUCTORY SECTION

June 4, 2012

Chairman Kenneth Barr,  
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, 2011 in compliance with Section 711 of the Amended and Restated Trust Agreement. The CAFR is intended to provide detailed information on the financial condition of the North Texas Tollway System (the System), an enterprise fund of the Authority, at December 31, 2011, including the North Texas Tollway 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 System financial statements for the year ended December 31, 2011. 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 next 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 60<sup>th</sup> 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 2011 with the completion of the President George Bush Turnpike Eastern Extension (PGBT-EE) and two multi-level interchanges on the Sam Rayburn Tollway (SRT) - one with the Dallas North Tollway and the other with U.S. 75. The interchanges completed the 26.2-mile corridor through fast-growing communities in Collin, Dallas and Denton counties. Toll revenues in 2011 were \$402.5 million, representing an increase of 9.8% over 2010 revenues of \$366.6 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 System 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, 2011. 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**

The Dallas-Fort Worth area ranks among the top 3 U.S. metropolitan areas for business expansions, relocations and employment growth. 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 20 firms headquartered in our region. The region's diverse base of employers drives the region's economic strength, pulling from a variety of industries so that growth is possible even during the current economic conditions.

### **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) 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 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.

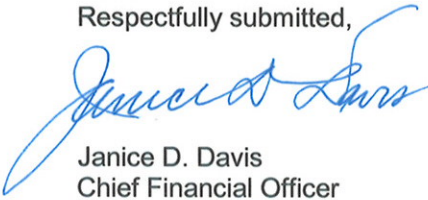
Coverage for all debt for 2011 was 1.77 times, well above the required levels.

**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, 2010.

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. Davis  
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, 2010

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.



*Linda C. Danison*

President

*Jeffrey R. Emer*

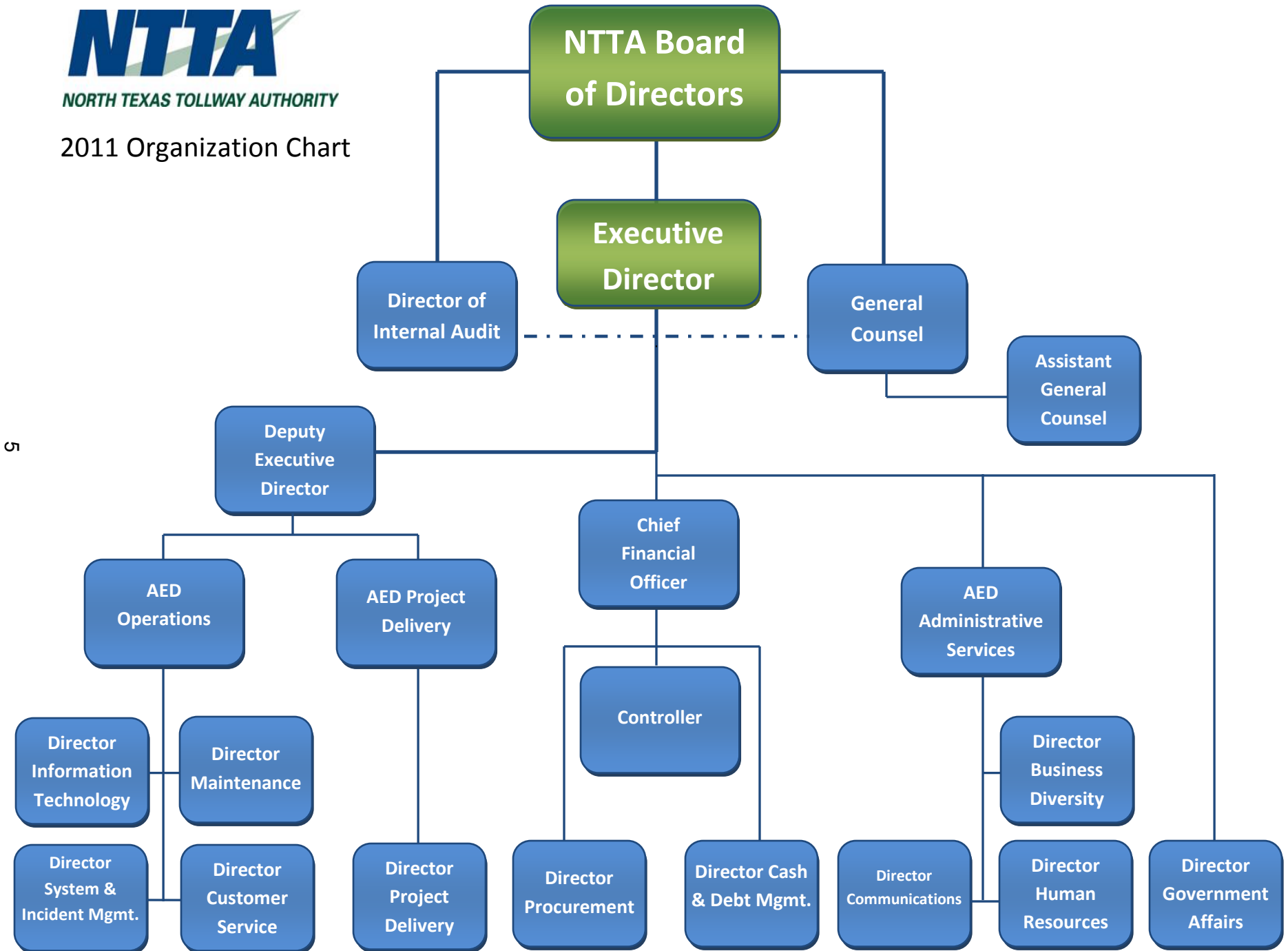
Executive Director





NORTH TEXAS TOLLWAY AUTHORITY

### 2011 Organization Chart



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**North Texas Tollway Authority  
List of Officials  
December 31, 2011**

**Board of Directors**

Kenneth Barr	Chair
William Moore	Vice-Chair
Matrice Ellis-Kirk	Director
David R. Denison	Director
Michael R. Nowels	Director
George Quesada	Director
William D. Elliott	Director
Victor Vandergriff	Director
Jane Willard	Director

**Officials**

Gerald Carrigan	Executive Director
Magdalena Kovats	Director, Internal Audit
Thomas Bamonte	Assistant Executive Director General Counsel
Janice D. Davis	Chief Financial Officer
Elizabeth Mow	Interim, Assistant Executive Director Project Delivery
Clayton Howe	Assistant Executive Director Operations
Kim Tolbert	Assistant Executive Director Administration
Nina Arias	Director, Human Resources
Kiven Williams	Director, Customer Service
Anthony Coleman	Director, Business Diversity
Kim Jackson	Director, Communications
Marty Lege	Director, Systems and Incident Management
Dave Pounds	Director, Information Technology
Carrie Rogers	Director, Government Affairs
Eric Hemphill	Interim Director, Maintenance

**FINANCIAL  
SECTION**

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
North Texas Tollway Authority

We have audited the accompanying financial statements of the North Texas Tollway System (the System), an enterprise fund of the North Texas Tollway Authority (the Authority), as of and for the year ended December 31, 2011, as listed in the table of contents. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the 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.

As discussed in note 1(a), the financial statements present only the System, an enterprise fund of the Authority and do not purport to, and do not, present fairly the financial position of the Authority as of December 31, 2011, and the changes in its financial position and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the North Texas Tollway System, an enterprise fund of the Authority, as of December 31, 2011, and the changes in financial position and cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on page 9, Modified Approach – Infrastructure on page 59 and schedules of funding progress on page 61, be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information

in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the North Texas Tollway System's financial statements. 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 financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Schedule 1 has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, Schedule 1 is fairly stated in all material respects in relation to the financial statements 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 and accordingly, we express no opinion on them.



Crowe Horwath LLP

Irving, Texas  
June 4, 2012

**NORTH TEXAS TOLLWAY SYSTEM**  
**(An Enterprise Fund of the North Texas Tollway Authority)**  
Management's Discussion and Analysis  
December 31, 2011

As Management of the North Texas Tollway Authority (Authority), we offer readers the statements for 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 an enterprise fund of the Authority, as well as, the Feasibility Study Fund and the DFW Turnpike Transition Trust Fund. The Authority also includes the Special Projects System (SPS), another enterprise fund of the Authority, that is not included in these financial statements.

We offer readers of these financial statements a narrative overview and analysis of the financial activities of the System for the year ended December 31, 2011. 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 System financial statements, notes to the financial statements, and required supplementary information. The financial statements of the System 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 System'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 System's revenues, expenses, and how the net assets changed during the year.

**Statement of Cash Flows:** This statement presents information about the System's cash receipts and cash payments, or, in other words, the sources and uses of the System'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 System'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**

#### **2011 Highlights**

- The System's total net assets decreased by \$633 million over FY 2010, mainly due to the System contributing \$508 million from the Capital Improvement Fund to the Special Projects System and an increase in debt service.

**NORTH TEXAS TOLLWAY SYSTEM**  
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Management's Discussion and Analysis  
December 31, 2011

- Total traffic transactions for FY 2011 were 515,373,594, an increase of 31,303,493 or 6.5% over FY 2010 transactions.
- Approximately 2,250,888 and 2,022,643 Toll Tags were active at the end of FY 2011 and FY 2010, respectively.
- The System 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 \$5.7 million of the grant has been recognized as grant revenue for FY 2011 with the remaining \$43.9 million shown as deferred revenue.
- Toll revenues, net of bad debt expense of \$12.5 million, increased \$35.9 million or 9.8% over FY 2010 in part, as a result of a toll rate increase that went into effect in July 2011. In addition, traffic volumes of the Authority continue to increase with the expansion of President George Bush Eastern Extension and ten months of full operations for the Sam Rayburn Tollway.
- The Administration and Operations expenses of \$99.3 million were under budget by 10.6% in FY 2011.

**NORTH TEXAS TOLLWAY SYSTEM**  
**(An Enterprise Fund of the North Texas Tollway Authority)**  
Management's Discussion and Analysis  
December 31, 2011

**Summary of Operations**

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

	2011	2010
Current assets	\$ 286.4	\$ 303.9
Current restricted assets	582.4	1,081.4
Noncurrent assets		
Restricted investments	326.9	412.6
Other assets	177.1	391.4
Capital assets	<u>6,328.3</u>	<u>6,213.2</u>
Total assets	<u>7,701.1</u>	<u>8,402.5</u>
Current liabilities	93.3	121.4
Liabilities payable from restricted assets	327.5	409.5
Long-term liabilities	<u>7,653.8</u>	<u>7,612.1</u>
Total liabilities	<u>8,074.6</u>	<u>8,143.0</u>
Net assets:		
Invested in capital assets, net of related debt	(1,178.5)	(831.8)
Restricted for construction	-	179.3
Restricted for debt service	916.9	1,031.4
Restricted for retiree health benefits	0.4	0.4
Unrestricted	<u>(112.3)</u>	<u>(119.8)</u>
Net assets	<u>\$ (373.5)</u>	<u>\$ 259.5</u>

The System's net assets indicate an unrestricted current ratio of 3.06 and 2.5 for FY 2011 and FY 2010, respectively. Working capital was \$193.1 million and \$182.5 million in FY 2011 and FY 2010, respectively. Total unrestricted current assets were \$286.4 million in FY 2011, compared to \$303.9 million in FY 2010. Total unrestricted and restricted current assets were \$868.8 million at the end of FY 2011. Cash and investments of \$822.9 million represent the largest component of current assets. The remaining \$45.9 million is comprised of accrued interest receivable of \$1.1 million, accounts receivable of \$28.4 million, interproject/interagency receivables of \$14.9, inventory and prepaid expenses of \$1.4 million.

Total unrestricted current liabilities were \$93.3 million at the end of FY 2011, including \$2.9 million for accounts payable and retainage payable, \$32.6 million of deferred revenue and \$46.0 million for accrued liabilities, mainly accrued salaries and vacation liability, \$11.2 million of interfund payables and \$.6 million for Tolltag deposits.



**NORTH TEXAS TOLLWAY SYSTEM**  
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Management's Discussion and Analysis  
December 31, 2011

**Table A-2**  
Changes in Net Assets  
(in millions of dollars)

	2011	2010
Revenues		
Tolls	\$ 415.0	\$ 366.6
Other revenues	28.4	17.3
Operating Revenues	443.4	383.9
Operating expenses before depreciation	152.4	125.7
Income from operations before depreciation	291.0	258.2
Bad debt expense	(12.5)	-
Unallocated infrastructure depreciation	(63.9)	(63.8)
Depreciation	(5.7)	(4.8)
Operating income	208.9	189.6
Net nonoperating revenue (expenses):		
Interest income	14.1	25.7
Interest expense	(402.9)	(377.5)
Other	1.2	(6.5)
Net nonoperating revenue (expenses):	(387.6)	(358.3)
Capital grant contributions	25.7	31.5
Contributions to Special Project System	(508.9)	(0.3)
BAB's subsidy	28.9	26.3
Change in net assets	(633.0)	(111.2)
Net assets - beginning of year	259.5	370.7
Net assets - ending	\$ (373.5)	\$ 259.5

Total operating revenues were \$443.4 million for FY 2011 and \$383.9 million for FY 2010 (see Table A-2). Toll revenues were \$402.5 million (net of bad debt expense), a 9.8% increase over FY 2010 toll revenues of \$366.6 million. Traffic on the System continues to grow, with average daily transactions of 1,411,982 and 1,326,220 in FY 2011 and FY 2010, respectively.

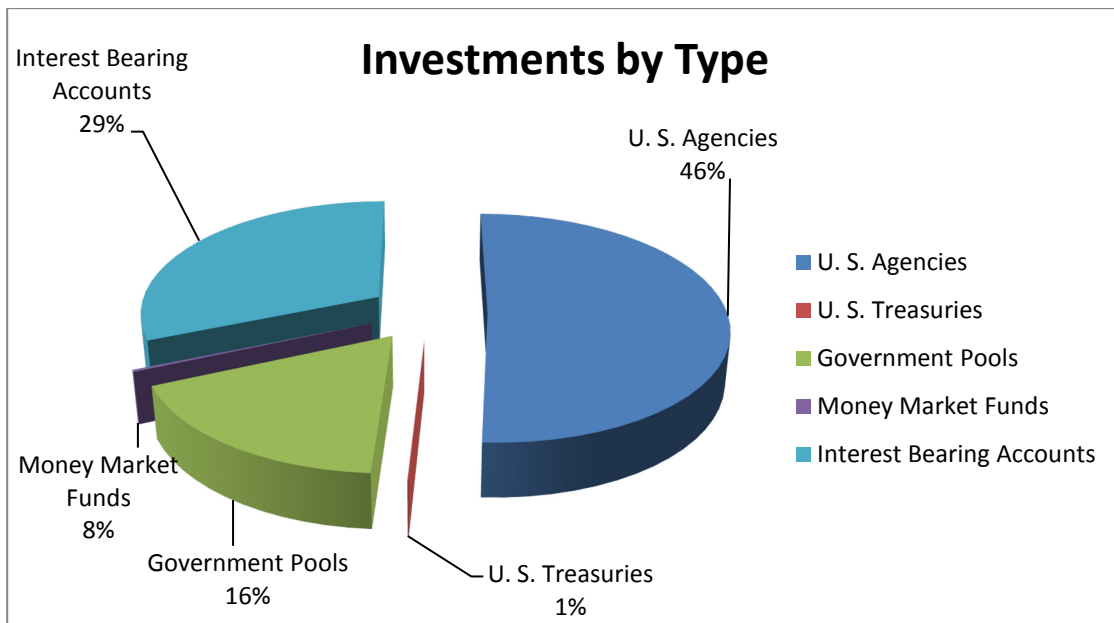
**NORTH TEXAS TOLLWAY SYSTEM**  
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 Management's Discussion and Analysis  
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Total operating expenses, including the Reserve Maintenance Fund and the Capital Improvement Fund, before depreciation for FY 2011 were \$152.4 million, representing an 21.2% increase from FY 2010 operating expenses of \$125.7 million (See Table A-2). Interest expense, inclusive of capitalized interest, for 2011 was \$402.9 million, a 6.7% increase from FY 2010 interest expense of \$377.4 million. Debt service coverage for FY 2011 and FY 2010 were 1.77 and 1.83 times, respectively. The Trust Agreement and the Authority's Debt Policy both require bond principal and interest coverage of 1.35.

The System's overall financial position decreased in FY 2011, as indicated by the \$633 million decrease in net assets.

**Investments:** The System's investments at December 31, 2011 and 2010 were approximately \$1.13 billion and \$1.55 billion, respectively. Table A-3 chart below shows the types of authorized investments in the December 31, 2011 portfolio.

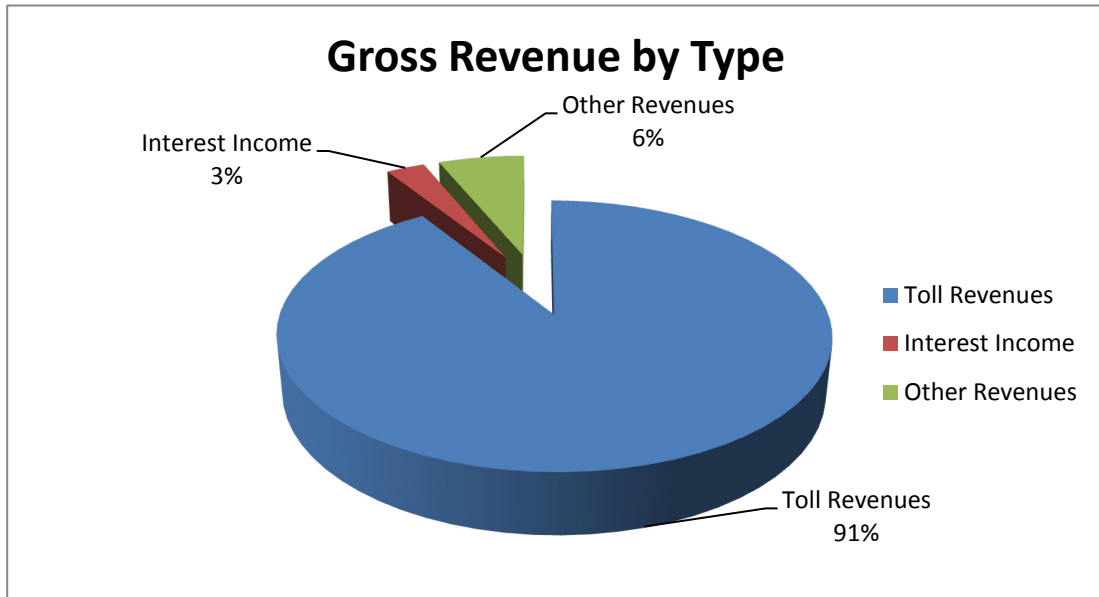
**Table A-3**



**NORTH TEXAS TOLLWAY SYSTEM**  
**(An Enterprise Fund of the North Texas Tollway Authority)**  
Management's Discussion and Analysis  
December 31, 2011

Table A-4 below shows the System's revenue in FY 2011 by revenue source type.

**Table A-4**

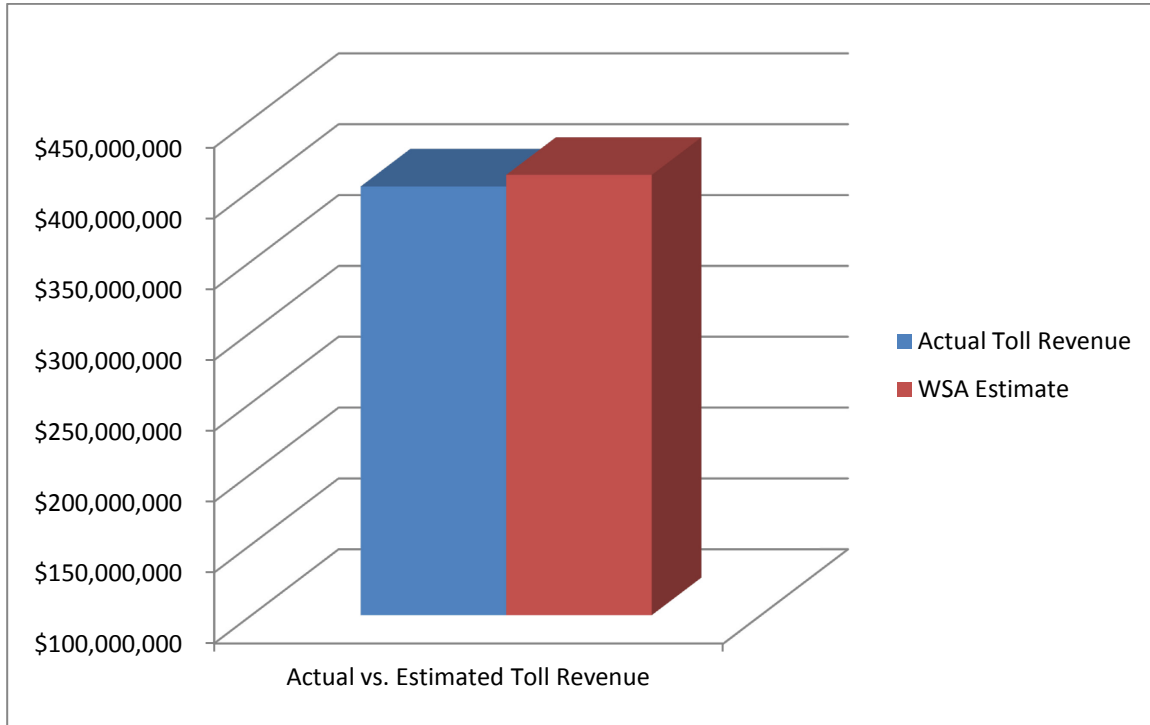


Gross revenues, excluding grant revenue of \$25.7 million for FY 2011 were \$443.7 million, an 11.7% increase over FY 2010 gross revenues of \$396.6 million. Toll revenues of \$402.5 million (net of bad debt expenses) account for 91.0% of total revenue. Interest income (excluding Construction Fund interest) was \$12.8 million or 3%. Other revenue, mostly administrative and statement fees for collection of tolls from violators and interoperability fees, was \$28.4 million, representing 6.0% of the total.

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Management's Discussion and Analysis  
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Table A-5 below shows the System's actual toll revenue for FY 2011 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 2.0%.

**Table A-5**



Traffic on the System continues to grow with approximately 1,411,982 average daily transactions in 2011, up 6.4% from the 1,326,220 daily averages in 2010.

The increases in the toll revenue were largely attributed to:

- A toll rate increase of 0.8 cents (cent per mile) implemented in July 2011.
- The increased growth of population in the North Texas counties (Dallas, Tarrant, Denton & Collin).
- Completion of the President George Bush Turnpike Eastern Extension (PGBT-EE) and two multi-level interchanges on the Sam Rayburn Tollway (SRT) - one with the Dallas North Tollway and the other with U.S. 75.

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December 31, 2011

**Engineering Estimates**

The annual estimates by the System's traffic and revenue engineer, Wilbur Smith & Associates (WSA), are displayed in comparison to the actual revenue for the years of 2002 through 2011 in Table A-6 below:

**Table A-6**  
Actual vs. Estimated Revenue

Year	Actual	Estimate	Variance
2011	\$ 402,569,534(*)	\$ 410,749,700	\$ (8,180,166)
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

\* For consistency with prior years, 2011 Actual Revenues are shown net of bad debt expense

The FY 2011 toll revenue of \$402.5 million increased by 9.8% over FY 2010 actual toll revenue of \$366.6 million. The System total revenues produced 1.77x debt coverage for 2011. 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, 2011 were \$6.3 billion, increasing from FY 2010 by approximately \$0.1 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) (f) 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 2011, the Authority estimated it would need to spend \$59.5 million for infrastructure maintenance and preservation, but actually expended \$38.5 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 2010 assessment, please see the Required Supplementary Information on pages 59 and 60 of this report. The Authority's Condition Index for 2011 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).

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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 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 2011, the Authority's total bonded debt outstanding was \$7.55 billion compared to approximately \$7.54 billion in 2010 (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, 2011, on page 43.

**Table A-7**  
Revenue Bonds Outstanding  
As of FY 2011 and FY 2010

Series	Amount Outstanding	
	2011	2010
Series 1997A	\$ -	\$ 43,345,000
Series 1998	26,855,000	78,145,000
Series 2003A	225,000,000	225,000,000
Series 2005C	178,310,000	178,310,000
Series 2008A	1,747,210,000	1,759,705,000
Series 2008B	226,930,000	229,960,000
Series 2008D	498,066,589	469,739,859
Series 2008E	215,000,000	390,000,000
Series 2008F	1,000,000,000	1,000,000,000
Series 2008H	209,040,000	209,040,000
Series 2008I	245,005,325	230,256,699
Series 2008J	-	100,000,000
Series 2008K	205,000,000	205,000,000
Series 2008L	100,000,000	100,000,000
Series 2009A	404,005,000	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	90,000,000
Series 2010B *	310,000,000	310,000,000
Series 2010 Rev Refund	332,225,000	332,225,000
Series 2011A	100,000,000	-
Series 2011B	268,625,000	-
Revenue Bonds Outstanding	<u>\$ 7,555,401,914</u>	<u>\$ 7,543,021,558</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 SYSTEM**  
**(An Enterprise Fund of the North Texas Tollway Authority)**  
Management's Discussion and Analysis  
December 31, 2011

Table A-8 sets forth debt service coverage for all Revenue Bonds outstanding for the years 2002 through 2011.

**Table A-8**  
Historical Debt Coverage

Year	Coverage
2011	1.77x
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

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 2011 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. \$20 million of commercial paper was issued in 2011 to finance the design, engineering and other preliminary construction costs of Southwest Parkway/Chisholm Trail, 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. Approximately \$82.9 million was retired during 2011. As of December 31, 2011 there was \$56.3 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 SYSTEM**  
**(An Enterprise Fund of the North Texas Tollway Authority)**

Statement of Net Assets

December 31, 2011

**Assets**

Current assets:

Cash and cash equivalents (note 3)	\$	18,936,322
Investments (note 3)		227,469,674
Accrued interest receivable		62,510
Interproject/agency receivables (note 4)		14,887,361
Accounts receivable (net of allowance for uncollectibles) (note 9)		21,277,571
Unbilled Accounts receivable (net of allowance for uncollectibles) (note 9)		2,349,788
Prepaid expenses		1,391,601
Total current unrestricted assets		286,374,827

Current restricted assets:

Restricted assets:

Restricted for construction:

Cash and cash equivalents (notes 3 and 5)		1,093,787
Investments (notes 3 and 10)		150,043,943
Accrued interest receivable		167,927

Restricted for debt service:

Investments (notes 3 and 5)		425,032,709
Accrued interest receivable		905,548
Accounts receivable		4,789,925

Restricted for pension benefits and other purposes:

Investments (notes 3 and 5)		412,180
Accrued interest receivable		29

Total current restricted assets 582,446,048

Total current assets 868,820,875

Noncurrent assets:

Investments restricted for operations (note 3)		5,500,000
Investments restricted for debt service (note 3)		321,450,673
Deferred outflow of resources		41,678,925
Deferred financing costs		81,706,412
Deferred feasibility study costs		53,640,281
Capital assets (net of accumulated depreciation) (note 4)		6,328,295,476
Total noncurrent assets		6,832,271,767

**Total assets** **7,701,092,642**

See accompanying notes to basic financial statements.

**NORTH TEXAS TOLLWAY SYSTEM**  
**(An Enterprise Fund of the North Texas Tollway Authority)**

Statement of Net Assets  
December 31, 2011

<b>Liabilities</b>	
Current liabilities:	
Accounts and retainage payable	\$ 2,866,649
Accrued liabilities	45,953,277
Interproject/agency payables	11,230,757
Deferred revenue	32,669,403
Tolltag deposits	614,483
Total current unrestricted liabilities	93,334,569
Payable from restricted assets:	
Construction-related payables:	
Accounts payable (note 10)	70,047
Retainage payable (note 10)	9,875,936
Deferred grant revenue	43,895,491
Debt service-related payables:	
Accrued interest payable	188,902,046
Accrued arbitrage rebate payable	432,470
Commercial paper payable (note 5)	56,300,000
Revenue bonds payable (note 5)	27,980,000
Pension benefits and other related payables	
Accounts payable (note 10)	1,598
Total current liabilities payable from restricted assets	327,457,588
Total current liabilities	420,792,157
Noncurrent liabilities:	
Other post-employment benefits (note 8)	11,413,085
Deferred inflow of resources	41,678,925
Texas Department of Transportation ISTEPA loan payable (note 5)	140,607,305
Dallas North Tollway System revenue bonds payable, net of unamortized net deferred debit on refundings of \$30,803,105 and bond discount (premium) costs of \$36,512,143 (note 5)	7,460,106,666
Total noncurrent liabilities	7,653,805,981
<b>Total liabilities</b>	<b>8,074,598,138</b>
<b>Net Assets</b>	
Invested in capital assets, net of related debt	(1,178,473,954)
Restricted:	
Restricted for debt service	916,915,549
Restricted for pension benefits and other purposes	409,734
Unrestricted	(112,356,823)
<b>Total net assets</b>	<b>\$ (373,505,494)</b>

See accompanying notes to basic financial statements.

**NORTH TEXAS TOLLWAY SYSTEM**  
**(An Enterprise Fund of the North Texas Tollway Authority)**  
Statement of Revenues, Expenses, and Changes in Net Assets  
Year ended December 31, 2011

Operating revenues:		
Tolls	\$	415,033,242
Other		28,372,616
Total operating revenues		<u>443,405,858</u>
Operating expenses:		
General		
Administration		22,159,182
Operations		77,165,408
Preservation		
Reserve maintenance		16,540,873
Capital improvement		36,535,270
Total operating expenses before depreciation		<u>152,400,733</u>
Operating income before depreciation		291,005,125
Bad debt expense		(12,463,708)
Unallocated infrastructure depreciation		(63,947,216)
Depreciation		<u>(5,690,160)</u>
<b>Operating income</b>		<u>208,904,041</u>
Nonoperating revenues (expenses):		
Interest earned on investments		17,672,334
Net decrease in the fair value of investments		(3,659,548)
Interest expense on revenue bonds		(343,422,746)
Interest expense on short term notes (net of capitalized interest)		(269,399)
Interest expense on loan		(6,000,006)
Bond premium/discount amortization		(43,237,386)
Bond issuance cost amortization		(4,173,546)
Deferred amount on refunding amortization		(5,829,048)
Contributions to Special Projects System		(508,991,349)
Other		1,284,373
Net nonoperating revenues (expenses)		<u>(896,626,321)</u>
Income (loss) before capital contributions		(687,722,280)
Capital Grant Contributions		25,712,730
Build America Bonds Subsidy (BAB's)		28,978,075
Change in net assets		<u>(633,031,475)</u>
Beginning net assets		259,525,981
<b>Ending net assets</b>	<b>\$</b>	<b><u>(373,505,494)</u></b>

See accompanying notes to basic financial statements.

**NORTH TEXAS TOLLWAY SYSTEM**  
**(An Enterprise Fund of the North Texas Tollway Authority)**

Statement of Cash Flows  
Year ended December 31, 2011

Cash flows from operating activities:	
Receipts from customers and users	\$ 445,079,043
Payments to contractors and suppliers	(163,609,461)
Payments to employees	(31,519,668)
Net cash provided by (used in) operating activities	<u>249,949,914</u>
Cash flows from capital and related financing activities:	
Acquisition and construction of capital assets (including capitalized interest costs)	(217,888,540)
Issuance of revenue bonds	100,000,000
Grant proceeds	5,673,277
Purchase of commercial paper	20,000,000
Defeased commercial paper	(82,900,000)
Principal paid on revenue bonds	(100,000,000)
Interest paid on revenue bonds and other debt	(362,905,041)
Net cash provided by (used in) capital and related financing activities	<u>(638,020,304)</u>
Cash flows from investing activities:	
Purchase of investments	(614,128,226)
Proceeds from sales and maturities of investments	964,181,743
BABS Subsidy	28,978,075
Interest received	14,617,689
Net cash provided by (used in) investing activities	<u>393,649,281</u>
Net increase (decrease) in cash and cash equivalents	5,578,891
Cash and cash equivalents, beginning of the year	14,451,218
Cash and cash equivalents, end of the year	<u>\$ 20,030,109</u>
Classified as:	
Current assets	\$ 18,936,322
Restricted assets	1,093,787
Total	<u>\$ 20,030,109</u>
Noncash financing, capital, and investing activities:	
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 208,904,041
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	5,690,160
Unallocated Depreciation	63,947,216
Bad Debt Expense	12,463,708
Changes in assets and liabilities:	
Increase in accounts receivable	(3,382,930)
Decrease in inventories	2,148,580
Increase in prepaid expenses and other assets	(325,027)
Increase in deferred revenue	1,298,531
Decrease in accounts, retainage payable & unalloc Receipts	(22,248,543)
Increase in accrued liabilities	(18,545,822)
Total adjustments	<u>41,045,873</u>
Net cash provided by operating activities	<u>\$ 249,949,914</u>
Noncash financing activities:	
Decrease in fair value of investments	(3,659,548)
Capital Grant Contributions	25,712,730
Build America Bonds Subsidy (BAB's)	28,978,075

See accompanying notes to basic financial statements.



**NORTH TEXAS TOLLWAY SYSTEM**  
 (An Enterprise Fund of the North Texas Tollway Authority)  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
 December 31, 2011

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**NORTH TEXAS TOLLWAY SYSTEM**  
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**(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 an enterprise fund and does not purport to be the entire activities 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 April 2011, the Authority entered into a trust agreement authorizing the Authority to own, design, construct, operate, maintain and finance a turnpike project known as the Special Projects System (SPS). The SPS consists of the President George Bush Turnpike-Western Extension (the PGBT-WE) and the Southwest Parkway/Chisholm Trail Project (CTP). The SPS is a separate enterprise fund of the Authority and are not included in the financial statements herein.

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.

**(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,

**NORTH TEXAS TOLLWAY SYSTEM**  
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**NOTES TO BASIC FINANCIAL STATEMENTS**  
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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).

**(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. In 2011, the System made an equity contribution from the Capital Improvement Fund of \$508 million (\$400 million in subordinate debt and \$108 million for preliminary costs) to the Special Projects System. 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



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**NOTES TO BASIC FINANCIAL STATEMENTS**  
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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, 2011, 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.
- **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.

**NORTH TEXAS TOLLWAY SYSTEM**  
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**(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) 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

**(g) 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.

**(h) 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.

**NORTH TEXAS TOLLWAY SYSTEM**  
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**NOTES TO BASIC FINANCIAL STATEMENTS**  
December 31, 2011

**(i) *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.

**(j) *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.

**(k) *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, 2011 are \$432,470.

**(l) *Estimates***

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

**(m) *New Accounting Pronouncements***

GASB Statement No. 61, The Financial Reporting Entity Omnibus ("GASB 61") modifies certain requirements for inclusion of component units in the financial reporting entity. This statement is effective for financial statements for periods beginning after June 15, 2012. This statement will have no effect on the Authority.

GASB Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements ("GASB 62") incorporates into the GASB's authoritative literature certain accounting and financial reporting guidance included in various pronouncements issued on or before November 30, 1989. The purpose of this statement is to codify all sources of GAAP for state and local governments so that they derive from a single source. This statement is effective for financial statements for periods beginning after December 15, 2011. This statement has been adopted as of January 1, 2012.

GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources Deferred Inflows of Resources, and Net Position standardizes the presentation of deferred outflows and deferred inflows of resources and their effects on a government's net position. This statement is effective for financial statements beginning after December 15, 2011. This statement has been adopted and will be reflected in the financial statements for the year ending December 31, 2012.

GASB Statement No. 64, Derivative Instruments: Application of Hedge Accounting Termination Provisions ("GASB 64") clarifies the circumstances in which hedge accounting should continue when a swap counterparty or a swap counterparty's credit support provider is replaced. This statement is effective for financial statements for periods beginning after June 15, 2011. This statement has been adopted as of January 1, 2012.

GASB Statement No. 65, Items Previously Reported as Assets and Liabilities ("GASB 65") establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as

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outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. This Statement also provides other financial reporting guidance related to the impact of the financial statement elements deferred outflows of resources and deferred inflows of resources, such as changes in the determination of the major fund calculations and limiting the use of the term *deferred* in financial statement presentations. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2012. The impact of this statement on the financial statements has not yet been determined.

GASB Statement No. 66, Technical Corrections -2012- an amendment of GASB Statements No. 10 and No. 62 is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This Statement also amends Statement 62 by modifying the specific guidance on accounting for (1) operating lease payments that vary from a straight-line basis, (2) the difference between the initial investment (purchase price) and the principal amount of a purchased loan or group of loans, and (3) servicing fees related to mortgage loans that are sold when the stated service fee rate differs significantly from a current (normal) servicing fee rate. These changes clarify how to apply Statement No. 13, *Accounting for Operating Leases with Scheduled Rent Increases*, and result in guidance that is consistent with the requirements in Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*, respectively. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2012. The impact of this statement on the financial statements has not yet been determined.

**(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 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 2011.

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.

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The Authority was in compliance in 2011.

	<b>2011</b> <b>(unaudited)</b>
GAAP basis operating income	\$ 208,904,041
Non-construction fund interest income	12,788,898
	221,692,939
Add:	
Depreciation	5,690,160
Unallocated infrastructure depreciation	63,947,216
Capital improvement fund expenses	36,535,270
Reserve maintenance fund expenses	16,540,873
	344,406,458
Net revenues available for debt service	344,406,458
Bond interest expense, net of amounts capitalized	167,041,599
Scheduled principal amount due	27,980,000
	\$ 195,021,599
Coverage ratio	1.77

**(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 December 2011. These investments include obligations of 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 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, 2011. The carrying amount of the Authority's deposits was \$20,030,109 and the respective bank balances totaled \$22,695,950. As of December 31, 2011 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.

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**(b) Investments**

As of December 31, 2011 the maturity values are as follows:

Description	2011			
	Maturity Value (in Yrs)			WAM(*)
	Fair Value	Less Than 1		
		Yr	1 Yr or More	
Government Sponsored Entities (GSE):				
Federal Home Loan Bank	\$ 95,400,754	\$ 51,921,769	\$ 43,478,985	
Federal National Mortgage Association	223,989,197	133,998,075	89,991,122	
Federal Agricultural Mortgage Corporation	26,016,070	-	26,016,070	
Federal Farm Credit Bank	91,491,475	6,849,398	84,642,077	
Federal Home Loan Mortgage Corporation	85,893,016	3,070,597	82,822,419	
<b>Total GSE</b>	<b>522,790,512</b>	<b>195,839,839</b>	<b>326,950,673</b>	<b>394</b>
Cash	101,796,570	101,796,570	-	-
Money Market Funds	2,881,217	2,881,217	-	-
U.S. Treasuries	545,000	545,000	-	-
Government Pool	180,549,246	180,549,246	-	-
Interest Bearing Account	321,346,634	321,346,634	-	-
<b>Total Investments</b>	<b>\$ 1,129,909,179</b>	<b>\$ 802,958,506</b>	<b>\$ 326,950,673</b>	<b>394</b>

\*WAM = Weighted Average Maturity (in days)

**(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, 2011 was 1.149%, in comparison to 1.287% in 2010. The weighted average maturity in days was 394 days for 2011, compared to 382 days in 2010. Market value fluctuation of the overall portfolio is minimized by keeping the weighted average maturity low. Approximately 71% of the investment are maturing within one year and 29% 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, 2011, the Authority holdings allocation was: 9% in cash, 16% in State and Local Government Pools, 29% in Interest Bearing Accounts and 46% in Agencies 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, 2011, TexPool, Regions Bank, 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.

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

Construction and Property Account	\$ 221,937,340
Revenue Account	97,381,119
Operations and Maintenance Account	3,053
Reserve Maintenance Account	36,327,301
Consolidated Capital Improvement Account	139,584,840
Bond Interest Account	191,554,314
Bond Reserve Account	414,727,009
Bond Redemption Account	27,982,023
DFW Turnpike Transition Trust Fund	412,180
Total investments	<u>\$ 1,129,909,179</u>

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**(4) Capital Assets**

Capital assets are summarized as follows:

	<u>January 1, 2011</u>	<u>Additions</u>	<u>Disposal /Transfers</u>	<u>December 31, 2011</u>
<b>Infrastructure network:</b>				
<i><b>Non-depreciable</b></i>				
Right-of-way	\$ 252,008,746	\$ -	\$ -	\$ 252,008,746
CIP	1,728,413,501	106,430,444	(58,596,982)	1,776,246,963
Infrastructure - Other *	495,454,813	34,130,139	(4,278,340)	525,306,612
<b>Total non-depreciable infrastructure</b>	<b>2,475,877,060</b>	<b>140,560,583</b>	<b>(62,875,322)</b>	<b>2,553,562,321</b>
<i><b>Depreciable</b></i>				
CIP *	647,227,380	94,132,575	-	741,359,955
Roadway	3,197,211,448	-	-	3,197,211,448
Less accumulated depreciation	(149,242,863)	(63,945,581)	-	(213,188,444)
<b>Total depreciable infrastructure</b>	<b>3,695,195,965</b>	<b>30,186,994</b>	<b>-</b>	<b>3,725,382,959</b>
<b>Total Infrastructure network</b>	<b>6,171,073,025</b>	<b>170,747,577</b>	<b>(62,875,322)</b>	<b>6,278,945,280</b>
<b>Property and Equipment</b>				
Land	7,293,755	-	-	7,293,755
Buildings	17,434,998	-	-	17,434,998
Machinery and Equipment	34,454,266	6,251,501	-	40,705,767
Less accumulated depreciation				
Buildings	(3,486,247)	(581,161)	-	(4,067,408)
Equipment	(19,833,046)	(4,983,479)	-	(24,816,525)
	(23,319,293)	(5,564,640)	-	(28,883,933)
<b>Total property and equipment</b>	<b>35,863,726</b>	<b>686,861</b>	<b>-</b>	<b>36,550,587</b>
<b>Total Capital Assets</b>	<b>6,206,936,751</b>	<b>171,434,438</b>	<b>(62,875,322)</b>	<b>6,315,495,867</b>
<b>Intangibles</b>				
Intangibles	6,640,390	6,726,953	-	13,367,343
Less Amortization	(440,580)	(127,154)	-	(567,734)
<b>Total Intangible Assets</b>	<b>6,199,810</b>	<b>6,599,799</b>	<b>-</b>	<b>12,799,609</b>
<b>Total Capital &amp; Intangible Assets</b>	<b>\$6,213,136,561</b>	<b>\$ 178,034,237</b>	<b>\$ (62,875,322)</b>	<b>\$ 6,328,295,476</b>

\*Includes capitalized interest net of interest earnings. Total bond interest cost incurred amounted to \$397,957,245 during the year ended December 31, 2011, of which \$54,142,889 was capitalized. The \$62,875,322 relates to transfers from the System enterprise fund to the Special Projects System enterprise fund.



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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, 2011.

**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. The Series 2011B Bonds refunded the maturities dated January 1, 2019 through January 1, 2026 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 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%.

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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, 2011. The deferred amount ending balance for the year ended December 31, 2011 was (\$6,668,815).

**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 \$873,586 for the year ended December 31, 2011. The deferred amount ending balance for the year ended December 31, 2011 was (\$2,735,144).

**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 \$410,945 for the year ended December 31, 2011. The deferred amount ending balance for the year ended December 31, 2011 was (\$8,806,716). Outstanding principal on the Series 2005A Bonds in escrow is \$210,060,000 on December 31, 2011.

**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.

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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 \$118,777 for the year ended December 31, 2011. The deferred amount ending balance for the year ended December 31, 2011 was (\$168,374).

**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 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.

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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 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 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).

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**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 \$2,968,537 for the year ended December 31, 2011. The deferred amount ending balance for the year ended December 31, 2011 was (\$4,208,094).

**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 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, 2011. The deferred amount ending balance for the year ended December 31, 2011 was (\$3,630,589).

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**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 \$826,526 for the year ended December 31, 2011. The deferred amount ending balance for the year ended December 31, 2011 was (\$9,840,303).

**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%.

**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%.

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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 \$35,023 for the year ended December 31, 2011. The deferred amount ending balance for the year ended December 31, 2011 was (\$824,690).

**Series 2011A:**

On July 7, 2011, the Authority issued \$100,000,000 of North Texas Tollway Authority Revenue Refunding Bonds, Series 2011A for the purpose of refunding the \$100,000,000 of 2008J. The 2008J bonds were a direct placement with Bank of America and had a Bank Mandatory Tender date of November 1, 2011. The 2011A bonds were issued in variable rate mode, with interest payable on the first Business Day of each month, commencing August 1, 2011, and interest rates are reset weekly. The remarketing agent is Morgan Stanley Bank, N.A. The stated maturity for this bond is January 1, 2050.

The aggregate difference in debt service between the refunding bonds and the refunded bonds is immeasurable due to the fact that both series were issued in a variable rate mode. The difference between the reacquisition price and the net carrying amount of the Bonds refunded by 2011A Revenue Refunding Bonds of (\$452,540) was deferred and is being amortized over the stated term of the Series 2008J Bonds. Amortization of the deferred amount on the refunding was \$14,218 for the year ended December 31, 2011. The deferred amount ending balance for the year ended December 31, 2011 was (\$438,321).

**Series 2011B:**

On November 29, 2011, the Authority issued \$268,625,000 of North Texas Tollway Authority Revenue Refunding Bonds, Series 2011B for the purpose of refunding \$43,345,000 of Series 1997A Bonds; refunding \$51,290,000 of Series 1998 Bonds; and refunding \$175,000,000 of Series 2008E-2 Bonds. The 1997A and 1998 Bonds were refunded for economic savings. The 2008E-2 Bonds had a mandatory tender date of January 1, 2012. Interest is payable January 1 and July 1, commencing January 1, 2012. These bonds were issued as serial bonds maturing January 1, 2019 through January 1, 2026 and one Term Bonds due January 1, 2038. The bonds have an interest rate of 5.00%

The refunding resulted in a decrease of \$45,413,311 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 2011B Revenue Refunding Bonds of \$400,780 was deferred and is being amortized over the stated term of the Series 1997A Bonds. Amortization of the deferred amount on the refunding was (\$4,525) for the year ended December 31, 2011. The deferred amount ending balance for the year ended December 31, 2011 was \$396,255.

The 1997A Bonds previously refunded the 1989 and 1994 Bonds and the difference between the reacquisition price and the net carrying amount of the Bonds refunded by the 1997A Bonds was deferred and was being amortized over the term of the 1997A Bonds. The remaining deferred amount from the 1989 and 1994 Bonds refunding will be combined with the amounts deferred from the 2011B Revenue Refunding and amortized over the original life of the 1997A Bonds, which had the shortest remaining term. Amortization of the deferred amount on the prior refunding was \$167,983 for the year ended December 31, 2011. The deferred amount ending balance for the year ended December 31, 2011 was (\$1,139,492). The total deferred amount ending balance is (\$743,237).

Outstanding principal on the portion of the Series 1997A Bonds in escrow is \$43,345,000 at December 31, 2011. Outstanding Principal on the portion of the Series 1998 Bonds in escrow is \$51,290,000 at December 31, 2011. Outstanding Principal on the portion of the Series 2008E-2 Bonds in escrow is \$175,000,000 at December 31, 2011.

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The following schedule summarizes the revenue bonds outstanding as of December 31, 2011:

<u>Description of Issue</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Matured or Retired</u>	<u>Ending Balance</u>	<u>Due within one year</u>
Series '97A	\$ 43,345,000	\$ -	\$ (43,345,000)	\$ -	\$ -
Series '98	78,145,000	-	(51,290,000)	26,855,000	-
Series '03A	225,000,000	-	-	225,000,000	-
Series '05C	178,310,000	-	-	178,310,000	-
Series '08A	1,759,705,000	-	(12,495,000)	1,747,210,000	13,080,000
Series '08B	229,960,000	-	(3,030,000)	226,930,000	-
Series '08D	469,739,859	28,326,730	-	498,066,589	-
Series '08E	390,000,000	-	(175,000,000)	215,000,000	-
Series '08F	1,000,000,000	-	-	1,000,000,000	-
Series '08H	209,040,000	-	-	209,040,000	-
Series '08I	230,256,699	14,748,626	-	245,005,325	-
Series '08J	100,000,000	-	(100,000,000)	-	-
Series '08K	205,000,000	-	-	205,000,000	-
Series '08L	100,000,000	-	-	100,000,000	-
Series '09A	418,165,000	-	(14,160,000)	404,005,000	14,900,000
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	332,225,000	-	-	332,225,000	-
Series '11A	-	100,000,000	-	100,000,000	-
Series '11B	-	268,625,000	-	268,625,000	-
	<u>7,543,021,558</u>	<u>411,700,356</u>	<u>(399,320,000)</u>	<u>7,555,401,914</u>	<u>27,980,000</u>
Less:					
Unamortized deferred amount on refunding of revenue bonds	36,580,394	51,759	(5,829,048)	30,803,105	-
Bond discount/premium	40,916,302	(5,733,849)	1,329,690	36,512,143	-
<b>Totals</b>	<b><u>\$ 7,465,524,862</u></b>	<b><u>\$ 417,382,446</u></b>	<b><u>\$ (394,820,642)</u></b>	<b><u>\$ 7,488,086,666</u></b>	<b><u>\$ 27,980,000</u></b>

***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, 2011 was \$30,803,105. The discount (premium) costs for the year ended on December 31, 2011 was \$36,512,143.



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The revenue bond debt service requirements below are prepared as of December 31, 2011:

Year	Total Revenue Bonds		Capitalized Interest	BAB Subsidy	Total
	Principal amount	Interest amount			
Due January 1					
2012	\$ 27,980,000	\$ 396,225,395	\$ (129,407,315)	\$ (28,978,075)	\$ 265,820,005
2013	16,605,000	401,924,796	(39,791,383)	(28,978,075)	349,760,339
2014	-	402,652,961	-	(28,978,075)	373,674,886
2015	965,000	411,939,200	-	(28,978,075)	383,926,125
2016	1,370,000	421,463,364	-	(28,978,075)	393,855,289
2017 - 2021	327,465,000	2,077,577,556	-	(144,890,375)	2,260,152,181
2022 - 2026	972,195,000	1,879,079,881	-	(138,891,527)	2,712,383,354
2027 - 2031	1,199,981,437	1,551,755,845	-	(108,960,680)	2,642,776,602
2032 - 2036	1,472,083,719	1,220,180,825	-	(96,991,125)	2,595,273,419
2037 - 2041	1,632,634,660	783,888,081	-	(93,778,661)	2,322,744,080
2042 - 2046	1,129,262,944	333,078,089	-	(57,959,427)	1,404,381,606
2047 - 2049	631,785,000	60,979,717	-	(10,256,723)	682,507,994
Interest Accretion	143,074,154	(143,074,154)		-	-
	<u>\$ 7,555,401,914</u>	<u>\$ 9,797,671,557</u>	<u>\$ (169,198,697)</u>	<u>\$ (796,618,893)</u>	<u>\$ 16,387,255,880</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, 2011 were:

	Cash and Investment Balance	Trust Requirement
Bond Interest account*	\$ 191,554,314	\$ 175,145,677
Debt service reserve account**	414,727,009	406,082,262
Redemption account***	27,982,023	27,980,000
Total	<u>\$ 634,263,346</u>	<u>\$ 609,207,939</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 \$16,408,637 – NTTA Prefunded \$16,400,000 of 2013 Debt Service from the Capital Improvement Fund during 2011

\*\* Debt Service Reserve account per the trust agreement is not valued at market price, but amortized value. The amortized value at 12/31/11 was \$408,366,840.

\*\*\* Difference of \$2,023 – Trustee transfer error reversed in January 2012.

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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.

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As of December 31, 2011, rates were as follows: (see example in table below)

Interest rate swap:	Terms	2004 Swap Rates December 31, 2011	2005 Swap Rates December 31, 2011
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, 2011

<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	<b>Effective</b>	Deferred Outflow	\$ (18,733,975)
Combined 2005 Swaps	Cash flow hedges	Regression Analysis	<b>Effective</b>	Deferred Outflow	\$ (22,944,950)

**Fair value.** As of December 31, 2011, the 2004 Swap Transactions had a negative fair value of \$18,733,975 and the 2005 Swap Transactions had a negative fair value of \$22,944,951. 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 were calculated using FAIRVALUE ADVISOR, First Southwest's online swap valuation system. The system is Statement on Standards for Attestation Engagements No.16 ("SSAE 16") certified. First Southwest is an independent third party provider of swap valuations.

**Credit risk.** As of December 31, 2011 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, 2011, 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.

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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 extends 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. In March 2011, the LOC was extended to June 30, 2014. 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.

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**Swap payments and associated debt.** Using rates as of December 31, 2011, 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. \*Includes interest rates for both swap payments, plus the assumed variable rate amount.

<b>2009D Bonds Associated with Swaps</b>				
<b>Fiscal Year</b>	<b>Principal amount</b>	<b>Interest amount*</b>	<b>Total</b>	
2012	\$ -	\$ 8,762,561	\$	8,762,561
2013	-	8,738,620		8,738,620
2014	-	8,738,620		8,738,620
2015	-	8,738,620		8,738,620
2016	-	8,762,561		8,762,561
2017	-	8,738,620		8,738,620
2018	-	8,738,620		8,738,620
2019	-	8,600,690		8,600,690
2020	-	8,478,595		8,478,595
2021	-	8,144,094		8,144,094
2022	-	7,811,665		7,811,665
2023	-	7,489,801		7,489,801
2024	-	7,164,224		7,164,224
2025	-	6,779,200		6,779,200
2026	-	6,779,200		6,779,200
2027	-	6,779,200		6,779,200
2028	-	6,797,773		6,797,773
2029	-	6,779,200		6,779,200
2030	-	6,779,200		6,779,200
2031	-	6,779,200		6,779,200
2032	-	6,797,773		6,797,773
2033	-	6,779,200		6,779,200
2034	-	6,779,200		6,779,200
2035	-	6,779,200		6,779,200
2036	-	6,797,773		6,797,773
2037	-	6,779,200		6,779,200
2038	-	6,779,200		6,779,200
2039	-	6,779,200		6,779,200
2040	-	6,797,773		6,797,773
2041	-	6,779,200		6,779,200
2042	-	6,779,200		6,779,200
2043	-	6,779,200		6,779,200
2044	32,000,000	6,797,773		38,797,773
2045	33,800,000	5,563,200		39,363,200
2046	35,600,000	4,278,800		39,878,800
2047	37,500,000	2,926,000		40,426,000
2048	39,500,000	1,505,112		41,005,112
<b>TOTAL</b>	<b>\$ 178,400,000</b>	<b>\$ 258,857,267</b>	<b>\$</b>	<b>437,257,267</b>

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

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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 January and March 2011, prior to the establishment of the Special Projects System, the Authority issued \$20,000,000 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, 2011, \$56,300,000 was outstanding with an average interest rate of 0.22%.

Short-term debt activities for the year ended December 31, 2011 were as follows:

	Balance at December 31, 2010	Additions	Reductions	Balance at December 31, 2011
Commercial Paper Notes	\$ 119,200,000	\$ 20,000,000	\$ 82,900,000	\$ 56,300,000

**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, 2011 for the fiscal year of 2011. The loan payable was \$140,607,305 as of December 31, 2011.

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Debt service requirements on the TxDOT ISTE A loan payable subsequent to December 31, 2011 are as follows:

Fiscal years	TxDOT ISTE A Loan payable	
	Principal	Interest
2012(*)	\$ -	\$ -
2013	2,344,493	5,905,507
2014	2,192,962	5,807,038
2015	2,285,066	5,714,934
2016	2,381,039	5,618,961
2017 - 2021	29,088,617	25,983,780
2022 - 2026	59,954,975	16,657,007
2027 - 2029	42,360,152	3,607,037
Total principal and interest	\$ 140,607,305	\$ 69,294,263

\*Note 1/1/2012 payment was made December 2011.

**(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](http://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 9.04% of wages up to a maximum of \$245,000, respectively, at December 31, 2011.

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.

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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, 2011, was \$2,899,763 based on a covered payroll of \$32,276,976. The Authority made the actuarially required contribution. Employee contributions to the plan for the year ended December 31, 2011 were \$1,923,878.

A separate audited GAAP-basis pension plan report for TCDRS is available at [www.tcdrs.org/docs](http://www.tcdrs.org/docs).

**Actuarial valuation information (unaudited)**

	December 31, 2008	December 31, 2009	December 31, 2010
Actuarial valuation date	December 31, 2008	December 31, 2009	December 31, 2010
Actuarial cost method	Entry age	Entry age	Entry age
Amortization method	Level % of payroll, closed	Level % of payroll, closed	Level % of payroll, closed
Amortization period	15.0	20.0	20.0
Asset valuation method	SAF: 10-yr smooth value ESP: Fund value	SAF: 10-yr smooth value ESP: Fund value	SAF: 10-yr smooth value ESP: Fund value
Actuarial assumptions:			
Investment return**	8.0%	8.0%	8.0%
Projected salary increases	5.3%	5.4%	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 2011*

**Funded Status and Funding Progress**

As of December 31, 2010, the most recent actuarial valuation date, the plan was 94.91% funded. The actuarial accrued liability for benefits was \$49,418,747, and the actuarial value of assets was \$46,901,374, resulting in an unfunded actuarial accrued liability (UAAL) of \$2,517,373. The covered payroll was \$36,065,565, and the ratio of the UAAL to the covered payroll was 6.98%.

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



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

<u>Accounting year ended</u>	<u>Annual pension cost (APC)</u>	<u>Percentage of APC contributed</u>	<u>Net Pension obligation</u>
December 31, 2009	\$ 2,119,141	100%	\$ -
December 31, 2010	\$ 2,130,462	100%	\$ -
December 31, 2011	\$ 1,923,878	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, 2011 were \$1,067,730 based on a covered payroll of \$30,668,028.

**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.

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**(7) Risk Management**

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 2006-2011. 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.

		Balance at Beginning of Fiscal Year	Current-year claims and changes in estimates	Claim payments	Balance at End of Fiscal Year
2010	\$	3,186,807	\$ 8,910,947	\$11,573,214	\$ 524,540
2011	\$	524,540	\$ 8,291,582	\$ 8,190,223	\$ 625,899

**(8) Other Post Employment Benefits**

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 years ended December 31, 2011, 2010 and 2009 was \$312,673, \$293,509 and \$279,226, respectively; which was 100% of the required contribution for those periods.

**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.

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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:

	<b>Under Age 65</b>		<b>Age 65 and Older</b>	
<b>Plan</b>				
<b>EPO</b>	\$ 4,236	\$ 4,488	\$ -	\$ -
<b>PPO</b>	3,864	4,092	-	-
<b>PSS</b>	-	-	1,992	1,992
<b>PMA</b>	-	-	744	744

The required contribution is based on the projected pay-as-you-go financing requirements. For fiscal year 2011 expenses of \$ 24,529 were recognized for the post employment health care premiums paid. This represents 45.4% 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, 2011:

	<b>2009</b>	<b>2010</b>	<b>2011</b>
Annual Required Contribution	\$ 899,228	\$ 2,073,600	\$ 2,073,600
Interest on Net OPEB Obligation	223,511	211,923	325,577
Adjustment to Annual Required Contribution	248,001	640,753	711,672
Annual OPEB Cost (expense)	1,370,740	2,926,276	3,110,849
Payments Made	14,553	19,541	24,529
Increase in Net OPEB Obligation	1,356,187	2,906,735	3,086,320
Net OPEB Obligation - Beginning of Year	4,063,843	5,420,030	8,326,765
Net OPEB Obligation - End of Year	\$ 5,420,030	\$ 8,326,765	\$ 11,413,085

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, 2009-2011 were as follows:

<b>Fiscal Year Ended</b>	<b>Annual OPEB Cost</b>	<b>Percentage of Annual OPEB Cost Paid</b>	<b>Net OPEB Obligation</b>
12/31/2009	\$ 1,370,740	1.06%	\$ 5,420,030
12/31/2010	\$ 2,926,276	0.67%	\$ 8,326,765
12/31/2011	\$ 3,110,849	0.79%	\$ 11,413,085

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**Funded Status and Funding Progress** – The actuarial information presented in the notes and in the Required Supplementary Information represents the January 1, 2010 actuarial date. 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 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, 2011, 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 8.5% for 2011, 8.0% for 2012 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%. Both rates include a 3% inflation assumption. The Authority's unfunded actuarial accrued liability is being amortized as a level percentage of projected payrolls on an open basis. At January 1, 2011 the remaining amortization period was 27 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 \$10,068; 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.

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**(9) Disaggregation of Receivable Balances**

The Authority has unrestricted accounts receivable balances of \$21,277,571, unbilled accounts receivable of \$2,349,788 and a restricted accounts receivable balance of \$4,789,925. The restricted balance of \$4,789,925 is due from Series 2010B bond rebates; the unrestricted balance consists of \$21,141,112 for billed video tolls (net of the allowance for doubtful accounts of \$35,839,991), \$136,459 for fees related to maintenance of equipment and \$2,349,788 for unbilled video tolls (net of the allowance for doubtful accounts of \$13,315,468). Additionally, the System has unrecorded video toll transactions of \$5,617,891 (\*\*)(matched no current address) and \$50,457,169 of unmatched video toll transactions as of December 31, 2011.

The System's allowance for doubtful accounts for invoices less than 70 days old is 25% and 85% for invoices older than 70 days. The unbilled video tolls-matched with current address that have not met the System's business rule, which is that a customer has to drive through five gantries to generate an invoice, has an allowance rate of 85%.

Recorded Video Toll Transactions	2011
Billed video tolls	\$ 56,981,103
Net of allowance for uncollectibles	<u>(35,839,991)</u>
	<u>\$ 21,141,112</u>
Unbilled video tolls (Matched current address) (*)	\$ 15,665,256
Net of allowance for uncollectibles	<u>(13,315,468)</u>
	<u>\$ 2,349,788</u>
Unrecorded Video Toll Transactions	
Matched no current address video toll transactions (**)	\$ 5,617,891
Unmatched video toll transactions (***)	\$ 50,457,169

- (\*) Matched current address video toll transactions-ready to bill once the Authority's business rules are met.
- (\*\*) Matched no current address video toll transactions – Vehicle located in Texas Department of Motor Vehicle (DMV) database with no current address on file. (Example: Vehicle has been sold but the transfer of the title has not been updated in the DMV database)
- (\*\*\*) Unmatched video toll transactions– Unable to locate in DMV database, possibly due to temporary tags or out-of-state license plates.

**(10) Commitments and Contingencies**

The Authority currently has \$1,149,939,288 in cash and investments with approximately \$746,483,382 restricted for debt service, \$5,500,000 restricted for operations and \$151,137,730 restricted for construction. The Authority has \$2,866,649 in current liabilities that are comprised primarily of construction-related payables at December 31, 2011. Additionally the Authority has contract and purchase order commitments at December 31, 2011 aggregating \$862.6 million. This amount mainly consists of \$861.9 million of construction contracts payable from restricted funds and the issuance of debt.

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 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.

**NORTH TEXAS TOLLWAY SYSTEM**  
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As of December 31, 2011 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 both leases was extended to June 30, 2013. The following represents minimum future rentals on non-cancelable operating lease agreements:

	2012		\$	564,293
	2013			<u>296,259</u>
Gleneagles Offices Complex			\$	<u><u>860,552</u></u>

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, 2011 totaled \$301,476, under this lease. The following represents the required remaining payments under the terms of the building lease agreement:

	2012		\$	306,866
	2013			<u>310,716</u>
Frisco Center Properties (lease)			\$	<u><u>617,582</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:

	2012		\$	68,436
	2013			<u>68,436</u>
Copy Machine (lease)			\$	<u><u>136,872</u></u>

**(11) Subsequent Events**

- In November 2011, Standard and Poors (S&P) downgraded the long term ratings of all 3 of NTTA's credit providers. S&P also downgraded the short term ratings of one of NTTA's credit providers. Per the terms of the Remarketing Agreements the Authority sent written notice of the rating change to the remarketing agents.
- In February 2012, Moody's Investors Service announced its intentions to review 17 banks and securities firms with global market operations. Included in the list of firms under review are all 3 of NTTA's credit providers. Indicative guidance provided by Moody's implies downgrades of the long term ratings on all 3 of NTTA's credit providers. Several of the short term ratings are also under review.

The impact to the NTTA as a result of any downgrades will depend on the severity of the downgrades.

**NORTH TEXAS TOLLWAY SYSTEM**  
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**2012 Revenue Refunding Bonds**

- On April 18, 2012, the Board of Directors approved a Bond refunding in an aggregate amount not to exceed \$600 million. In the current market, certain 1998 and 2003A bonds can be refunded for savings while the 2008H-2 and L-2 Put bonds have a mandatory tender date of January 1, 2013. The current plan of finance consists of the following product mix, subject to market conditions:
  - Current Refunding of Series 1998 Bonds
  - Advance Refunding of Series 2003A Bonds
  - Advance or Forward Refunding of Series 2008H-2 Bonds
  - Remarketing of 2008L-2 in new 5-year Put Period

The Authority anticipates pricing the transaction in May 2012 with a financial close in June 2012.

**\$178,400,000 NTTA Variable Rate Revenue Refunding Bonds, Series 2009D**

- On May 16, 2012 the Board of Directors approved an amendment to the JPMorgan Letter of Credit (LOC) which supports the Series 2009D bonds. The amendment converts the LOC to a callable commercial paper mode, reduces the facility fee from 1.20% per annum to .90% per annum, and extends the term from June 30, 2014 to June 30, 2015. The amendment will be effective July 2, 2012.
- In April 2012, Gerald Carrigan was named Executive Director of the North Texas Tollway Authority.

**REQUIRED  
SUPPLEMENTARY  
INFORMATION**





**NORTH TEXAS TOLLWAY SYSTEM**  
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 December 31, 2011

**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 was completed 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 100.52 centerline miles of high-speed roadways, 104 interchanges, 15 main lane toll plazas, 108 ramp toll plazas, 400 bridges, one tunnel, and other structures and appurtenances. All assets combined totaled approximately \$1.76 billion in current replacement value for FYE 2011.

**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 infrastructure 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 2006 through 2011.

<b>Condition Index Table</b>		
<b><u>Condition Index</u></b>		
<b><u>Fiscal Year</u></b>	<b><u>Current</u></b>	<b><u>Goal</u></b>
2011	8.9	8.0
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

**Condition Assessment and Inventory**

A comprehensive condition assessment on all the Authority's infrastructure assets was conducted from spring of 2007 to May 2011. The Authority's Maintenance Management Consultant performed condition assessments of the Authority's roadways including pavement, bridges, and facilities. 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 (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.

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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 100.52 centerline miles (approximately 744.36 main 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 2004 through 2011.

<u>Fiscal year</u>	<u>Budget</u>	<u>Actual</u>
2011	\$ 59,503,102	\$ 37,557,688
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 SYSTEM**  
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 Required Supplementary Information  
 December 31, 2011

**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]
12/31/11	\$ 46,901,374	\$ 49,418,747	\$ 2,517,373	94.91%	\$ 36,065,565	6.98%
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%

**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	0%	\$ 34,392,153	43.00%
01/01/08	—	6,004,945	6,004,945	0%	28,746,776	20.89%

An actuarial valuation was not performed as of 1/01/2011.



**OTHER  
SUPPLEMENTARY  
INFORMATION**

**NORTH TEXAS TOLLWAY SYSTEM**  
**(An Enterprise Fund of the North Texas Tollway Authority)**  
Schedule of Net Assets by Trust Accounts  
December 31, 2011

Assets	Total	Interfund eliminations/ reclassifications	Construction and property account	Revenue account
<b>Current assets:</b>				
Cash and cash equivalents (note 3)	\$ 18,936,322	-	-	6,258,732
Investments (note 3)	227,469,674	-	-	97,381,119
Accrued interest receivable	62,510	-	-	19,010
Interfund receivable	-	(824,306,238)	(12,820,786)	18,156,377
Interproject/agency receivables (Note 4)	14,887,361	-	638,391	2,421,353
Accounts receivable (net of allowance for uncollectibles) (note 9)	21,277,571	-	-	21,141,112
Unbilled Accounts receivable (net of allowance for uncollectibles) (note 9)	2,349,788	-	-	2,349,788
Prepaid expenses	1,391,601	-	-	-
Total current unrestricted assets	<u>286,374,827</u>	<u>(824,306,238)</u>	<u>(12,182,395)</u>	<u>147,727,491</u>
<b>Current restricted assets:</b>				
<b>Restricted assets:</b>				
<b>Restricted for construction:</b>				
Cash and cash equivalents (notes 3 and 10)	1,094,664	-	1,067,376	-
Investments (notes 3 and 10)	150,043,943	(94,303,886)	221,937,340	-
Accrued interest receivable	167,927	-	167,927	-
<b>Restricted for debt service:</b>				
Investments (notes 3 and 5)	425,032,709	(232,646,787)	-	-
Accrued interest receivable	905,548	-	-	-
Accounts receivable	4,789,925	-	-	-
<b>Restricted for pension benefits and other purposes:</b>				
Cash and cash equivalents (notes 3 and 5)	(877)	-	-	-
Investments (notes 3 and 5)	412,180	-	-	-
Accrued interest receivable	29	-	-	-
Total current restricted assets	<u>582,446,048</u>	<u>(326,950,673)</u>	<u>223,172,643</u>	<u>-</u>
Total current assets	<u>868,820,875</u>	<u>(1,151,256,911)</u>	<u>210,990,248</u>	<u>147,727,491</u>
<b>Noncurrent assets:</b>				
Investments restricted for debt service (note 3)	326,950,673	326,950,673	-	-
Deferred outflow of resources	41,678,925	-	41,678,925	-
Deferred financing costs	81,706,412	-	74,587,067	-
Deferred feasibility study costs	53,640,281	-	-	-
Deferred amount on refunding	-	(30,803,106)	30,803,106	-
Capital assets (net of accumulated depreciation) (note 4)	6,328,295,476	(36,512,142)	6,367,711,167	-
Total noncurrent assets	<u>6,832,271,767</u>	<u>259,635,425</u>	<u>6,514,780,265</u>	<u>-</u>
<b>Total assets</b>	<b><u>7,701,092,642</u></b>	<b><u>(891,621,486)</u></b>	<b><u>6,725,770,513</u></b>	<b><u>147,727,491</u></b>
<b>Liabilities</b>				
<b>Current liabilities:</b>				
Accounts and retainage payable	2,866,649	-	-	-
Accrued liabilities	45,953,277	-	25,546,089	(3,506,341)
Interfund payable	77	(824,306,236)	192,839,981	283,588,092
Interproject/agency payables	11,230,680	-	532,669	9,376,808
Deferred revenue	32,669,403	-	-	32,669,403
Tolltag deposits	614,483	-	-	614,483
Total current unrestricted liabilities	<u>93,334,569</u>	<u>(824,306,236)</u>	<u>218,918,739</u>	<u>322,742,445</u>
<b>Payable from restricted assets:</b>				
<b>Construction-related payables:</b>				
Accounts payable (note 10)	70,047	-	70,047	-
Retainage payable (note 10)	9,875,936	-	9,875,936	-
Deferred grant revenue	43,895,491	-	43,895,491	-
<b>Debt service-related payables:</b>				
Accrued interest payable	188,902,046	-	-	-
Accrued arbitrage rebate payable	432,470	-	432,470	-
Commercial paper payable (note 5)	56,300,000	-	-	-
Revenue bonds payable (note 5)	27,980,000	-	27,980,000	-
<b>Pension benefits and other related payables</b>				
Accounts payable (note 10)	1,598	-	-	-
Total current liabilities payable from restricted assets	<u>327,457,588</u>	<u>-</u>	<u>82,253,944</u>	<u>-</u>
Total current liabilities	<u>420,792,157</u>	<u>(824,306,236)</u>	<u>301,172,683</u>	<u>322,742,445</u>
<b>Noncurrent liabilities:</b>				
Other Post Employment Benefits	11,413,085	-	-	-
Deferred outflow of resources	41,678,925	-	41,678,925	-
Texas Department of Transportation ISTEA loan payable (note 5)	140,607,305	-	140,607,305	-
Dallas North Tollway System revenue bonds payable, net of unamortized net deferred amount on refundings of \$30,803,105 and bond discount (premium) costs of \$36,512,143 (note 5)	7,460,106,666	(67,315,248)	7,127,421,914	-
Total noncurrent liabilities	<u>7,653,805,981</u>	<u>(67,315,248)</u>	<u>7,309,708,144</u>	<u>-</u>
<b>Total liabilities</b>	<b><u>8,074,598,138</u></b>	<b><u>(891,621,484)</u></b>	<b><u>7,610,880,827</u></b>	<b><u>322,742,445</u></b>
<b>Net Assets</b>				
Invested in capital assets, net of related debt	(1,178,473,954)	(27,356,651)	(885,110,314)	-
<b>Restricted:</b>				
Restricted for debt service	916,915,549	296,015,495	-	(175,014,954)
Restricted for pension benefits and other purposes	409,734	-	-	-
Unrestricted	(112,356,823)	(268,658,844)	-	-
<b>Total net assets</b>	<b><u>\$ (373,505,494)</u></b>	<b><u>-</u></b>	<b><u>(885,110,314)</u></b>	<b><u>(175,014,954)</u></b>

See accompanying independent auditors' report.

Operation and maintenance account	Reserve maintenance account	Consolidated		DFW Turnpike Transition Trust Fund	Debt service accounts		
		Capital improvement Fund			Bond interest account	Reserve account	Redemption account
13,056,428	13,041	(391,879)		-	-	-	-
3,053	36,327,301	93,758,201		-	-	-	-
-	-	43,500		-	-	-	-
43,899,277	25,535,945	398,191,896		-	340,286,411	11,057,118	-
6,185,846	-	5,641,771		-	-	-	-
1,972	18,967	115,520		-	-	-	-
-	-	-		-	-	-	-
1,391,601	-	-		-	-	-	-
<u>64,538,177</u>	<u>61,895,254</u>	<u>497,359,009</u>		<u>-</u>	<u>340,286,411</u>	<u>11,057,118</u>	<u>-</u>
-	-	27,288		-	-	-	-
-	-	22,410,489		-	-	-	-
-	-	-		-	-	-	-
-	-	23,416,150		-	191,554,314	414,727,009	27,982,023
-	-	-		-	7,221	896,723	1,604
-	-	-		-	4,789,925	-	-
-	-	-		(877)	-	-	-
-	-	-		412,180	-	-	-
-	-	-		29	-	-	-
-	-	45,853,927		411,332	196,351,460	415,623,732	27,983,627
<u>64,538,177</u>	<u>61,895,254</u>	<u>543,212,936</u>		<u>411,332</u>	<u>536,637,871</u>	<u>426,680,850</u>	<u>27,983,627</u>
-	-	-		-	-	-	-
-	-	-		-	-	-	-
-	-	7,119,345		-	-	-	-
113	-	53,640,168		-	-	-	-
-	-	-		-	-	-	-
(62)	4,950	(2,908,437)		-	-	-	-
51	4,950	57,851,076		-	-	-	-
<u>64,538,228</u>	<u>61,900,204</u>	<u>601,064,012</u>		<u>411,332</u>	<u>536,637,871</u>	<u>426,680,850</u>	<u>27,983,627</u>
60,569	305,166	2,500,914		-	-	-	-
8,440,151	2,051,099	13,422,279		-	-	-	-
26,888,425	1,935,032	284,412,419		-	-	-	34,642,364
873,067	-	448,136		-	-	-	-
-	-	-		-	-	-	-
-	-	-		-	-	-	-
<u>36,262,212</u>	<u>4,291,297</u>	<u>300,783,748</u>		<u>-</u>	<u>-</u>	<u>-</u>	<u>34,642,364</u>
-	-	-		-	-	-	-
-	-	-		-	-	-	-
-	-	-		-	-	-	-
-	-	13,748,333		-	175,153,713	-	-
-	-	-		-	-	-	-
-	-	56,300,000		-	-	-	-
-	-	-		-	-	-	-
-	-	-		1,598	-	-	-
-	-	70,048,333		1,598	175,153,713	-	-
<u>36,262,212</u>	<u>4,291,297</u>	<u>370,832,081</u>		<u>1,598</u>	<u>175,153,713</u>	<u>-</u>	<u>34,642,364</u>
11,413,085	-	-		-	-	-	-
-	-	-		-	-	-	-
-	-	-		-	-	-	-
-	-	400,000,000		-	-	-	-
<u>11,413,085</u>	<u>-</u>	<u>400,000,000</u>		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>47,675,297</u>	<u>4,291,297</u>	<u>770,832,081</u>		<u>1,598</u>	<u>175,153,713</u>	<u>-</u>	<u>34,642,364</u>
-	-	(266,006,989)		-	-	-	-
-	-	7,750,000		-	361,484,158	426,680,850	-
-	-	-		409,734	-	-	-
16,862,931	57,608,907	88,488,920		-	-	-	(6,658,737)
<u>16,862,931</u>	<u>57,608,907</u>	<u>(169,768,069)</u>		<u>409,734</u>	<u>361,484,158</u>	<u>426,680,850</u>	<u>(6,658,737)</u>



**NORTH TEXAS TOLLWAY SYSTEM**  
**(An Enterprise Fund of the North Texas Tollway Authority)**  
Consolidating Schedule for Capital Improvement Fund  
December 31, 2011  
*(Unaudited)*

	<b>Consolidated Capital Improvement Fund</b>	<b>Capital Improvement Fund</b>	<b>Feasibility Study Fund</b>
<b>Assets</b>			
Current assets:			
Cash and cash equivalents (note 3)	\$ (391,879)	38,890	(430,769)
Investments (note 3)	93,758,201	93,758,201	-
Accrued interest receivable	43,500	43,500	-
Interfund receivable	398,191,896	379,988,511	18,203,385
Interproject/agency receivables (Note 4)	5,641,771	5,616,132	25,639
Accounts receivable (note 9)	115,520	115,520	-
Total current unrestricted assets	<u>497,359,009</u>	<u>479,560,754</u>	<u>17,798,255</u>
Current restricted assets:			
Restricted assets:			
Restricted for construction:			
Cash and cash equivalents (notes 3 and 10)	27,288	33,443,770	(33,416,482)
Investments (notes 3 and 10)	22,410,489	22,410,489	-
Restricted for debt service:			
Investments (notes 3 and 5)	23,416,150	23,416,150	-
Total current restricted assets	<u>45,853,927</u>	<u>79,270,409</u>	<u>(33,416,482)</u>
Total current assets	<u>543,212,936</u>	<u>558,831,163</u>	<u>(15,618,227)</u>
Noncurrent assets:			
Deferred financing costs	7,119,345	7,119,345	-
Deferred feasibility study costs	53,640,168	-	53,640,168
Capital assets net of amortization and depreciation (note 4)	(2,908,437)	(2,908,437)	-
Total noncurrent assets	<u>57,851,076</u>	<u>4,210,908</u>	<u>53,640,168</u>
<b>Total assets</b>	<b><u>601,064,012</u></b>	<b><u>563,042,071</u></b>	<b><u>38,021,941</u></b>
<b>Liabilities</b>			
Current liabilities:			
Accounts and retainage payable	2,500,914	1,272,716	1,228,198
Accrued liabilities	13,422,279	6,348,655	7,073,624
Interfund payable	284,412,419	(10,866,553)	295,278,972
Interproject/agency payables	448,136	-	448,136
Total current unrestricted liabilities	<u>300,783,748</u>	<u>(3,245,182)</u>	<u>304,028,930</u>
Payable from restricted assets:			
Debt service-related payables:			
Accrued interest payable	13,748,333	13,748,333	-
Commercial paper payable (note 5)	56,300,000	56,300,000	-
Total current liabilities payable from restricted assets	<u>70,048,333</u>	<u>70,048,333</u>	<u>-</u>
Total current liabilities	<u>370,832,081</u>	<u>66,803,151</u>	<u>304,028,930</u>
Noncurrent liabilities:			
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)	400,000,000	400,000,000	-
Total noncurrent liabilities	<u>400,000,000</u>	<u>400,000,000</u>	<u>-</u>
<b>Total liabilities</b>	<b><u>770,832,081</u></b>	<b><u>466,803,151</u></b>	<b><u>304,028,930</u></b>
<b>Net Assets</b>			
Invested in capital assets, net of related debt	(266,006,989)	-	(266,006,989)
Restricted:			
Restricted for debt service	7,750,000	7,750,000	-
Unrestricted	88,488,920	88,488,920	-
<b>Total net assets</b>	<b><u>\$ (169,768,069)</u></b>	<b><u>96,238,920</u></b>	<b><u>(266,006,989)</u></b>

See accompanying independent auditors' report.

**NORTH TEXAS TOLLWAY SYSTEM**  
**(An Enterprise Fund of the North Texas Tollway Authority)**  
Schedule of Budget and Actual Revenues and Expenses on Trust Agreement Basis  
Year ended December 31, 2011  
*(Unaudited)*

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Toll revenues	\$ 410,749,700	415,033,242	4,283,542
Interest income	9,753,600	12,788,898	3,035,298
Other revenue	23,764,000	28,372,616	4,608,616
Gross revenues	<u>444,267,300</u>	<u>456,194,756</u>	<u>11,927,456</u>
Operating expenses:			
Administration:			
Administration	1,490,194	852,568	637,626
Board	303,454	267,574	35,880
Business diversity	545,097	438,012	107,085
Communications	3,330,459	2,567,636	762,823
Finance	16,736,133	13,251,305	3,484,828
Government affairs	498,671	427,469	71,202
Human resources	1,586,315	1,359,505	226,810
Internal audit	912,639	584,811	327,828
Legal	3,720,514	2,410,302	1,310,212
Total administration	<u>29,123,476</u>	<u>22,159,182</u>	<u>6,964,294</u>
Operations:			
Customer service center	31,835,048	31,281,972	553,076
Information technologies	13,822,894	12,095,346	1,727,548
Operations	1,027,086	921,466	105,620
Project delivery	1,956,011	1,570,825	385,186
Maintenance	25,251,000	24,252,346	998,654
System & incident management	8,041,187	7,043,453	997,734
Total operations	<u>81,933,226</u>	<u>77,165,408</u>	<u>4,767,818</u>
Total operating expenses	<u>111,056,702</u>	<u>99,324,590</u>	<u>11,732,112</u>
Non-Departmental expenses:			
Bad Debt	-	12,463,708	(12,463,708)
Total Non-Departmental expenses	<u>-</u>	<u>12,463,708</u>	<u>(12,463,708)</u>
Net revenues available for debt service	<u>\$ 333,210,598</u>	<u>344,406,458</u>	<u>11,195,860</u>

See accompanying independent auditors' report.

**NORTH TEXAS TOLLWAY SYSTEM**  
**(An Enterprise Fund of the North Texas Tollway Authority)**  
Schedule of Changes in Net Assets by Trust Account  
December 31, 2011  
**(Unaudited)**

	<u>Total</u>	<u>Construction and property account</u>	<u>Revenue account</u>
<b>Net assets, beginning of year</b>	<b>\$ 259,525,981</b>	<b>(608,831,310)</b>	<b>(144,705,745)</b>
Gross revenues	456,194,756	9,653,197	431,811,972
Grant revenues	25,712,730	5,673,277	-
Net increase (decrease) in the fair value of investments	(3,659,548)	(2,854,993)	-
Interest earned on investments	4,864,117	4,864,117	-
Gain (loss) on sale of investments	19,319	-	-
Administration and operations expenses	(99,334,709)	-	-
Depreciation on property and equipment	(5,690,160)	(5,690,160)	-
Bond interest expense	(343,422,746)	(178,521,420)	-
BAB's Subsidy	28,978,075	-	-
Other nonoperating costs	(11,169,216)	1,510,807	(12,463,709)
Bond discount/premium amortization	(43,237,386)	(444,865)	-
Interest on short term notes (net of capitalized interest)	(269,399)	-	-
Interest on loan	(6,000,006)	(6,000,006)	-
Amortization of deferred amount on refunding (note 5)	(5,829,048)	(5,829,048)	-
Amortization of bond issuance costs	(4,173,546)	(3,653,627)	-
Unallocated infrastructure depreciation	(63,947,216)	(63,947,216)	-
Reserve maintenance fund expenses	(16,540,873)	-	-
Consolidated capital improvement fund expenses	(36,535,270)	-	-
Net revenues	(124,040,126)	(245,239,937)	419,348,263
Interfund transactions:			
Distribution from revenue fund	-	-	(315,952,576)
Revenue bonds retired	-	29,685,000	-
Transfer to/from debt service fund	-	(17,677,718)	(123,638,591)
Transfer of interest accretion	-	(43,075,356)	-
Contribution to Special Projects System	(508,991,349)	29,007	(10,066,305)
Net changes during the year	(633,031,475)	(276,279,004)	(30,309,209)
<b>Net assets, end of year</b>	<b>\$ (373,505,494)</b>	<b>(885,110,314)</b>	<b>(175,014,954)</b>

See accompanying independent auditors' report.

Operation and maintenance account	Reserve maintenance account	Consolidated Capital Improvement account	DFW Turnpike Transition Trust fund	Debt service accounts		
				Bond interest account	Reserve account	Redemption account
<b>(2,089,684)</b>	<b>33,353,963</b>	<b>228,902,311</b>	<b>419,418</b>	<b>334,012,425</b>	<b>425,875,938</b>	<b>(7,411,335)</b>
459,633	91,805	3,582,162	434	554,855	10,029,556	11,142
-	-	20,039,453	-	-	-	-
-	-	32,148	-	(10,265)	(826,438)	-
-	-	-	-	-	-	-
-	-	-	-	(41,437)	60,756	-
(99,324,591)	-	-	(10,118)	-	-	-
-	-	-	-	-	-	-
-	-	(32,873,789)	-	(132,027,537)	-	-
-	-	-	-	28,978,075	-	-
(221,264)	4,950	-	-	-	-	-
-	-	282,835	-	(43,075,356)	-	-
-	-	-	-	(269,399)	-	-
-	-	-	-	-	-	-
-	-	(519,919)	-	-	-	-
-	-	-	-	-	-	-
-	(16,540,873)	-	-	-	-	-
-	-	(36,535,270)	-	-	-	-
(99,086,222)	(16,444,118)	(45,992,380)	(9,684)	(145,891,064)	9,263,874	11,142
90,772,667	17,087,195	44,585,389	-	140,190,659	-	23,316,666
-	-	-	-	-	-	(29,685,000)
26,617,603	23,611,867	102,339,229	-	(9,903,218)	(8,458,962)	7,109,790
-	-	-	-	43,075,356	-	-
648,567	-	(499,602,618)	-	-	-	-
18,952,615	24,254,944	(398,670,380)	(9,684)	27,471,733	804,912	752,598
<b>16,862,931</b>	<b>57,608,907</b>	<b>(169,768,069)</b>	<b>409,734</b>	<b>361,484,158</b>	<b>426,680,850</b>	<b>(6,658,737)</b>

**NORTH TEXAS TOLLWAY SYSTEM**  
**(An Enterprise Fund of the North Texas Tollway Authority)**  
Schedule of Cash Receipts and Disbursements by Trust Account  
Year ended December 31, 2011  
*(Unaudited)*

	Total (memorandum only)	Construction and property account	Revenue account
<b>Balance of cash, December 31, 2010</b>	<b>\$ 14,451,218</b>	<b>(932,106)</b>	<b>2,658,387</b>
Receipts:			
Toll revenues	87,412,347	-	87,412,347
Issuance of bonds	100,000,000	-	-
Investments	988,208,204	-	23,897,287
Earnings received from investments	14,074,841	4,818,065	207,675
Gain/loss from sale of investments	5,809,310	2,079,389	-
Prepaid customers' accounts	375,989,178	-	376,145,120
Miscellaneous revenue	2,630,159	348,157	653,525
Reimbursable receipts	65,080,149	9,321,661	23,674,270
Rental fee	200,478	-	200,478
	<u>1,639,404,666</u>	<u>16,567,272</u>	<u>512,190,702</u>
Disbursements:			
Revenue bonds retired	(100,000,000)	-	-
Commercial paper retired	(34,300,000)	-	-
Interest on bonded debt	(359,431,068)	-	(3,065,394)
Interest on other debt	(233,063)	-	-
Investments	(614,128,226)	(6,897,456)	(21,039,568)
Operating expenses	(203,341,716)	(27,218,591)	(3,250,018)
Reserve maintenance fund expenses	(15,340,529)	-	-
Capital improvement fund expenses	(36,605,738)	-	-
	<u>(1,363,380,341)</u>	<u>(34,116,047)</u>	<u>(27,354,980)</u>
Interfund and interproject transactions:			
Transfer of deferred revenue	(315,573,097)	-	(315,573,097)
Distribution from revenue fund	(73,271,304)	-	(174,824,296)
Other interfund transactions – net	118,382,671	19,548,257	9,162,017
Feasibility study fund – net	16,296	-	-
	<u>(270,445,434)</u>	<u>19,548,257</u>	<u>(481,235,376)</u>
Receipts over (under) disbursements and interfund and interproject transactions for the year ended December 31, 2010	5,578,891	1,999,482	3,600,345
<b>Balance of cash, December 31, 2011</b>	<b>\$ <u>20,030,109</u></b>	<b><u>1,067,376</u></b>	<b><u>6,258,732</u></b>

See accompanying independent auditors' report.

Operation and maintenance account	Reserve maintenance account	Consolidated Capital Improvement account	DFW Turnpike Transition Trust fund	Debt service accounts		
				Bond interest account	Reserve account	Redemption account
12,923,054	(268,935)	77,096	(6,278)	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	100,000,000
8,367,319	18,400,175	533,016,734	-	374,100,233	-	30,426,457
4	43,455	771,715	466	123,017	8,097,321	13,123
-	-	32,148	-	(10,660)	3,708,433	-
(155,942)	-	-	-	-	-	-
1,571,481	16,384	40,612	-	-	-	-
21,556,379	-	10,527,839	-	-	-	-
-	-	-	-	-	-	-
31,339,240	18,460,014	544,389,048	466	374,212,590	11,805,754	130,439,580
-	-	-	-	-	-	(100,000,000)
-	-	(34,300,000)	-	-	-	-
(6,961,409)	-	-	-	(349,404,265)	-	-
-	-	-	-	(233,063)	-	-
(1,405,913)	(18,443,630)	(499,520,597)	(466)	(24,575,262)	(11,805,754)	(30,439,580)
(124,391,536)	-	(48,470,676)	(10,895)	-	-	-
-	(15,340,529)	-	-	-	-	-
-	-	(36,605,738)	-	-	-	-
(132,758,858)	(33,784,159)	(618,897,011)	(11,361)	(374,212,590)	(11,805,754)	(130,439,580)
-	-	-	-	-	-	-
101,552,992	-	-	-	-	-	-
-	15,606,121	74,066,276	-	-	-	-
-	-	-	16,296	-	-	-
101,552,992	15,606,121	74,066,276	16,296	-	-	-
-	-	-	-	-	-	-
133,374	281,976	(441,687)	5,401	-	-	-
13,056,428	13,041	(364,591)	(877)	-	-	-

**NORTH TEXAS TOLLWAY SYSTEM**  
**(An Enterprise Fund of the North Texas Tollway Authority)**  
Schedule of Toll Revenue and Traffic Analysis  
Year ended December 31, 2011  
**(Unaudited)**

Toll revenue:	
Two-axle vehicles	\$ 490,399,454
Multi-axle vehicles	29,528,914
Revenue adjustments	(104,895,126)
Total	<u>\$ 415,033,242</u>
Vehicle transactions (unaudited):	
Two-axle vehicle transactions	505,107,743
Multi-axle vehicle transactions	8,346,601
Nonrevenue vehicle transactions	1,909,250
Total	<u>515,363,594</u>
Toll revenue – average per day:	
Two-axle vehicles	\$ 1,343,560
Multi-axle vehicles	80,901
Revenue adjustments	(287,384)
Average	<u>\$ 1,137,077</u>
Vehicle transactions – average per day (unaudited):	
Two-axle vehicle transactions	1,383,857
Multi-axle vehicle transactions	22,867
Nonrevenue vehicle transactions	5,231
Average	<u>1,411,955</u>

**Toll Revenue and Traffic by Class of Vehicle**

Year ended December 31, 2011

(Unaudited)

Class of vehicle	Revenue	Vehicle transactions
Two-axle vehicles	\$ 490,399,454	505,107,743
Three-axle vehicles and combinations	6,040,073	2,899,143
Four-axle vehicles and combinations	7,331,030	2,281,792
Five-axle vehicles and combinations	15,226,034	3,005,626
Six or more axle vehicles and special permits	931,777	170,040
	<u>29,528,914</u>	<u>8,356,601</u>
Toll revenue	519,928,368	513,464,344
Revenue adjustments	(104,895,126)	-
Nonrevenue vehicles	-	1,909,250
Toll revenue and traffic	<u>\$ 415,033,242</u>	<u>515,373,594</u>

See accompanying independent auditors' report.

**NORTH TEXAS TOLLWAY SYSTEM**  
 (An Enterprise Fund of the North Texas Tollway Authority)  
**Schedule of Toll Rates**  
 As of December 31, 2011  
 (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	
	Zip Cash	TollTag	Zip Cash	TollTag	Zip Cash	TollTag	Zip Cash	TollTag	Zip Cash	TollTag
<b>Dallas North Tollway:</b>										
Wycliff Main Lane Gantry (MLP1)	\$ 2.00	\$ 1.33	\$ 4.00	\$ 2.66	\$ 6.00	\$ 3.99	\$ 8.00	\$ 5.32	\$ 10.00	\$ 6.65
Mockingbird Lane (MOCLN)	1.46	0.97	2.92	1.94	4.38	2.91	5.84	3.88	7.30	4.85
Northwest Highway (NORHY)	0.99	0.66	1.98	1.32	2.97	1.98	3.96	2.64	4.95	3.30
Royal Lane (ROYLN)	0.57	0.35	1.14	0.70	1.71	1.05	2.28	1.40	2.85	1.75
Spring Valley Road (SPVRD)	0.45	0.23	0.90	0.46	1.35	0.69	1.80	0.92	2.25	1.15
Belt Line Road (BELRD)	0.53	0.31	1.06	0.62	1.59	0.93	2.12	1.24	2.65	1.55
Keller Springs Road (KESRD)	0.69	0.46	1.38	0.92	2.07	1.38	2.76	1.84	3.45	2.30
Trinity Mills Main Lane Gantry (MLP2)	1.43	0.95	2.86	1.90	4.29	2.85	5.72	3.80	7.15	4.75
Frankford Road (FRARD)	0.45	0.23	0.90	0.46	1.35	0.69	1.80	0.92	2.25	1.15
Park Boulevard (PARBD)	0.45	0.23	0.90	0.46	1.35	0.69	1.80	0.92	2.25	1.15
Parker Main Lane Gantry (MLP3)	1.28	0.85	2.56	1.70	3.84	2.55	5.12	3.40	6.40	4.25
Parker Road (PARRD)	0.77	0.51	1.54	1.02	2.31	1.53	3.08	2.04	3.85	2.55
Spring Creek Parkway (SPCPY)	0.50	0.28	1.00	0.56	1.50	0.84	2.00	1.12	2.50	1.40
Legacy Drive (LEGDR)	0.45	0.23	0.90	0.46	1.35	0.69	1.80	0.92	2.25	1.15
Headquarters Drive (HEADR)	0.45	0.23	0.90	0.46	1.35	0.69	1.80	0.92	2.25	1.15
Gaylord Parkway (GAYPY)	0.45	0.23	0.90	0.46	1.35	0.69	1.80	0.92	2.25	1.15
Lebanon Road (LEBRD)	0.57	0.35	1.14	0.70	1.71	1.05	2.28	1.40	2.85	1.75
Stone Brook Parkway (STOPY)	0.66	0.44	1.32	0.88	1.98	1.32	2.64	1.76	3.30	2.20
Main Street (MAIST)	1.08	0.72	2.16	1.44	3.24	2.16	4.32	2.88	5.40	3.60
Eldorado Main Lane Gantry (MLP4)	2.24	1.49	4.48	2.98	6.72	4.47	8.96	5.96	11.20	7.45
Eldorado Parkway (ELDPY)	0.81	0.54	1.62	1.08	2.43	1.62	3.24	2.16	4.05	2.70
<b>Addison Airport Toll Tunnel:</b>										
Mainlane Gantry (AATT)	0.80	0.53	1.60	1.06	2.40	1.59	3.20	2.12	4.00	2.65
<b>President George Bush Turnpike:</b>										
North Garland Avenue (GARRD)	0.49	0.27	0.98	0.54	1.47	0.81	1.96	1.08	2.45	1.35
Campbell Road (CAMRD)	0.65	0.43	1.30	0.86	1.95	1.29	2.60	1.72	3.25	2.15
East Renner Road (ERERD)	1.05	0.70	2.10	1.40	3.15	2.10	4.20	2.80	5.25	3.50
Shiloh Main Lane Gantry (MLP6)	1.58	1.05	3.16	2.10	4.74	3.15	6.32	4.20	7.90	5.25
Shiloh Road (SHIRD)	0.81	0.54	1.62	1.08	2.43	1.62	3.24	2.16	4.05	2.70
West Renner Road (WRERD)	0.58	0.36	1.16	0.72	1.74	1.08	2.32	1.44	2.90	1.80
Independence Parkway (INDPY)	0.58	0.36	1.16	0.72	1.74	1.08	2.32	1.44	2.90	1.80
Coit Road (COIRD)	0.81	0.54	1.62	1.08	2.43	1.62	3.24	2.16	4.05	2.70
Coit Main Lane Gantry (MLP7)	1.71	1.14	3.42	2.28	5.13	3.42	6.84	4.56	8.55	5.70
Preston Road (PRERD)	0.52	0.30	1.04	0.60	1.56	0.90	2.08	1.20	2.60	1.50
Midway Road (MIDRD)	0.45	0.23	0.90	0.46	1.35	0.69	1.80	0.92	2.25	1.15
Marsh Lane (MARLN)	0.53	0.31	1.06	0.62	1.59	0.93	2.12	1.24	2.65	1.55
Frankford Main Lane Gantry (MLP8)	1.59	1.06	3.18	2.12	4.77	3.18	6.36	4.24	7.95	5.30
Kelly Boulevard (KELBD)	0.84	0.56	1.68	1.12	2.52	1.68	3.36	2.24	4.20	2.80
Josey Lane (JOSLN)	0.58	0.36	1.16	0.72	1.74	1.08	2.32	1.44	2.90	1.80
Sandy Lake Main Lane Gantry (MLP9)	1.26	0.84	2.52	1.68	3.78	2.52	5.04	3.36	6.30	4.20
Belt Line - Luna Road (NBERD)	0.75	0.50	1.50	1.00	2.25	1.50	3.00	2.00	3.75	2.50
Royal Lane (ROYLN)	0.47	0.25	0.94	0.50	1.41	0.75	1.88	1.00	2.35	1.25
Belt Line Road (SBERD)	0.74	0.49	1.48	0.98	2.22	1.47	2.96	1.96	3.70	2.45
Belt Line Main Lane Gantry (MLP10)	0.74	0.49	1.48	0.98	2.22	1.47	2.96	1.96	3.70	2.45
<b>Mountain Creek Lake Bridge:</b>										
Mainlane Gantry (MCLB)	0.80	0.53	1.60	1.06	2.40	1.59	3.20	2.12	4.00	2.65
<b>Lewisville Lake Toll Bridge:</b>										
Mainlane Gantry (LLTB)	1.59	1.06	3.18	2.12	4.77	3.18	6.36	4.24	7.95	5.30
<b>Sam Rayburn Tollway (1)</b>										
Denton Tap Main Lane Gantry (MLG1)	0.75	0.50	1.50	1.00	2.25	1.50	3.00	2.00	3.75	2.50
MacArthur Blvd (MACBD)	0.45	0.23	0.90	0.46	1.35	0.69	1.80	0.92	2.25	1.15
Carrollton Parkway (CARPY)	0.45	0.23	0.90	0.46	1.35	0.69	1.80	0.92	2.25	1.15
Parker Road (PARRD)	0.55	0.33	1.10	0.66	1.65	0.99	2.20	1.32	2.75	1.65
Old Denton Road (OLDRD)	0.60	0.38	1.20	0.76	1.80	1.14	2.40	1.52	3.00	1.90
Standridge Drive - South (SSTDR)	0.86	0.57	1.72	1.14	2.58	1.71	3.44	2.28	4.30	2.85
Josey Lane - South (SJOLN)	1.05	0.70	2.10	1.40	3.15	2.10	4.20	2.80	5.25	3.50
Josey Main Lane Gantry (MLG2)	1.95	1.30	3.90	2.60	5.85	3.90	7.80	5.20	9.75	6.50
Standridge Drive - North (NSTDR)	1.11	0.74	2.22	1.48	3.33	2.22	4.44	2.96	5.55	3.70
Josey Lane - North (NJOLN)	0.92	0.61	1.84	1.22	2.76	1.83	3.68	2.44	4.60	3.05
Plano Parkway (PLAPY)	0.72	0.48	1.44	0.96	2.16	1.44	2.88	1.92	3.60	2.40
Spring Creek Parkway (SPCPY)	0.46	0.24	0.92	0.48	1.38	0.72	1.84	0.96	2.30	1.20
Preston Road (PRERD)	0.45	0.23	0.90	0.46	1.35	0.69	1.80	0.92	2.25	1.15
Hillcrest Road (HILRD)	0.46	0.24	0.92	0.48	1.38	0.72	1.84	0.96	2.30	1.20
Coit Road (COIRD)	0.80	0.53	1.60	1.06	2.40	1.59	3.20	2.12	4.00	2.65
Independence Parkway (INDPY)	1.05	0.70	2.10	1.40	3.15	2.10	4.20	2.80	5.25	3.50
Custer Road - South (CUSRD)	1.31	0.87	2.62	1.74	3.93	2.61	5.24	3.48	6.55	4.35
Custer Main Lane Gantry (MLG3)	2.70	1.80	5.40	3.60	8.10	5.40	10.80	7.20	13.50	9.00
Exchange Parkway (SALDR)	1.41	0.94	2.82	1.88	4.23	2.82	5.64	3.76	7.05	4.70
Alma Drive (NALDR)	1.04	0.69	2.08	1.38	3.12	2.07	4.16	2.76	5.20	3.45
Stacy Road (STARDD)	0.81	0.54	1.62	1.08	2.43	1.62	3.24	2.16	4.05	2.70
Lake Forest Drive (LAFDR)	0.64	0.42	1.28	0.84	1.92	1.26	2.56	1.68	3.20	2.10
Hardin Boulevard (HARBD)	0.49	0.27	0.98	0.54	1.47	0.81	1.96	1.08	2.45	1.35
<b>PGBT WE (2)</b>										
Conflans Road (CONRD)	0.45	0.23	0.90	0.46	1.35	0.69	1.80	0.92	2.25	1.15
Shady Grove Road (SHGRD)	0.62	0.40	1.24	0.80	1.86	1.20	2.48	1.60	3.10	2.00
Lower Tarrant Road - North (NLTRD)	0.63	0.41	1.26	0.82	1.89	1.23	2.52	1.64	3.15	2.05
Lower Tarrant Main Lane Gantry (MLG11)	1.25	0.83	2.50	1.66	3.75	2.49	5.00	3.32	6.25	4.15
Lower Tarrant Road - South (SLTRD)	0.45	0.23	0.90	0.46	1.35	0.69	1.80	0.92	2.25	1.15
<b>PGBT EE (3)</b>										
Miller Road (MLRRD)	0.60	0.38	1.20	0.76	1.80	1.14	2.40	1.52	3.00	1.90
Main Street/Lakeview Parkway (LAKPY)	0.77	0.51	1.54	1.02	2.31	1.53	3.08	2.04	3.85	2.55
Merritt - Liberty Grove Road (MERLG)	1.22	0.81	2.44	1.62	3.66	2.43	4.88	3.24	6.10	4.05
Merritt Main Lane Gantry (MLG5)	2.28	1.52	4.56	3.04	6.84	4.56	9.12	6.08	11.40	7.60
Miles Road (MLSRD)	0.55	0.33	1.10	0.66	1.65	0.99	2.20	1.32	2.75	1.65
Firewheel Parkway (FIRPY)	0.45	0.23	0.90	0.46	1.35	0.69	1.80	0.92	2.25	1.15
Crist Road (CRIRD)	0.45	0.23	0.90	0.46	1.35	0.69	1.80	0.92	2.25	1.15

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

(2) PGBT WE Phase 2 from SH 183 to Egyptian Way opened in August 2009. PGBT WE Phase 3 opened in April 2010

(3) PGBT EE mainlanes from SH 78 to IH 30 opened in December 2011

**Footnote:** The Authority has converted all the facilities in the system to All Electronic Toll Collection (All ETC). All customers will either have a TollTag or they will be billed according to business rules currently in place. Cash will not be accepted.

See accompanying independent auditors' report.



**NORTH TEXAS TOLLWAY SYSTEM**  
**(An Enterprise Fund of the North Texas Tollway Authority)**  
Schedule of Historical Traffic, Toll Revenues and Net Revenues  
Year Ended December 31, 2011  
*(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 2002 through 2011:

<u>Year</u>	<u>Annual revenue vehicle transactions (unaudited)</u>	<u>Annual toll revenue</u>
2002 (1)	285,494,321	\$ 137,945,439
2003	296,140,087	149,323,784
2004 (2)	315,031,754	160,695,030
2005 (3)	338,390,215	172,537,345
2006	370,696,171	191,434,120
2007 (4)	383,481,098	202,675,564
2008 (5)	412,272,003	240,776,791
2009 (6)	455,546,197	290,404,547
2010 (7)	481,913,338	366,597,323
2011 (8)	513,454,344	402,569,534

- (1) Toll rate increase for the President George Bush Turnpike went into effect in January 2002
- (2) Reflects the completion of DNT and State Highway 121 interchange on April 2004.
- (3) Reflects the opening of Segment IV of the President George Bush Turnpike in September 2005.
- (4) Reflects the opening of DNT Phase 3 and toll rate increase in late September 2007.
- (5) Reflects the opening of Sam Rayburn Tollway (121 Tollway) in September 2008.
- (6) Reflects the opening of Lake Lewisville August 2009.
- (7) Four major direct connectors at SRT/US75 interchange were opened during 2010.
- (8) PGBT-EE opened during 2011.

**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 2002 through 2011:

<u>Year</u>	<u>Toll revenue</u>	<u>Current expenses</u>	<u>Investment and other earnings</u>	<u>Net revenues</u>	<u>Coverage</u>
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	1.61
2011	402,569,534	99,324,590	41,161,515	344,406,459	1.77

See accompanying independent auditors' report.

**NORTH TEXAS TOLLWAY SYSTEM**  
**(An Enterprise Fund of the North Texas Tollway Authority)**  
**Schedule of Capitalized Costs by Project**  
**As of December 31, 2011**  
**(Unaudited)**

	<u>Cumulative Total Through December 31, 2011</u>
<b>Dallas North Tollway - 3711</b>	
Preliminary costs	\$ 17,863,848
Construction	156,009,815
Right-of-way	49,536,424
Engineering	22,056,064
Administration	3,334,250
Buildings	5,580,003
Land	1,781,434
Equipment	771,382
Subtotal	<u>256,933,220</u>
Financing costs	<u>56,568,228</u>
Total capitalized costs – Dallas North Tollway	<u>313,501,448</u>
<b>Dallas North Tollway Extension - 3712</b>	
Preliminary costs	6,619,071
Construction	208,257,599
Right-of-way	8,499,710
Engineering	22,252,104
Administration	1,413,506
Equipment	35,684
Subtotal	<u>247,077,673</u>
Financing costs	<u>(3,329,736)</u>
Total capitalized costs – Dallas North Tollway Extension	<u>243,747,938</u>
<b>Addison Airport Toll Tunnel - 3741</b>	
Preliminary costs	1,244,081
Construction	18,204,644
Right-of-way	617,278
Engineering	4,895,696
Administration	295,964
Subtotal	<u>25,257,663</u>
Financing costs	<u>(1,015,147)</u>
Total capitalized cost – Addison Airport Toll Tunnel	<u>24,242,516</u>
<b>President George Bush Turnpike - Segments I - IV - 3721</b>	
Preliminary costs	18,040,104
Construction	632,343,639
Right-of-way	76,906,305
Engineering	114,239,013
Administration	25,252,891
Buildings	11,854,994
Land	5,512,321
Equipment	39,898,701
Accumulated Depreciation on Equipment	<u>(28,883,934)</u>
Subtotal	<u>895,164,032</u>
Financing costs	<u>56,228,431</u>
Total capitalized cost – President George Bush Turnpike - Segments I - IV	<u>951,392,463</u>
<b>President George Bush Turnpike - Segment V - 3723</b>	
Preliminary costs	1,596,208
Construction	68,433,928
Right-of-way	16,460
Engineering	8,981,476
Administration	235,829
Subtotal	<u>79,263,901</u>
Financing costs	<u>9,980,227</u>
Total capitalized cost – President George Bush Turnpike - Segment V	<u>89,244,128</u>

(continued)

**NORTH TEXAS TOLLWAY SYSTEM**  
**(An Enterprise Fund of the North Texas Tollway Authority)**  
**Schedule of Capitalized Costs by Project**  
**As of December 31, 2011**  
**(Unaudited)**

	<u>Cumulative Total Through December 31, 2011</u>
<b>Dallas North Tollway Phase 3 - 3713</b>	
Preliminary costs	\$ 5,118,815
Construction	229,837,506
Right-of-way	569,830
Engineering	33,061,961
Administration	2,688,283
Subtotal	<u>271,276,395</u>
Financing costs	(20,316,333)
Total capitalized cost – Dallas North Tollway Phase 3	<u>250,960,062</u>
<b>Lewisville Lake Toll Bridge - 3761</b>	
Preliminary costs	9,875
Construction	99,115,372
Right-of-way	13,177
Engineering	14,195,510
Administration	249,624
Subtotal	<u>113,583,558</u>
Financing costs	(405,373)
Total capitalized cost – Lewisville Lake Toll Bridge	<u>113,178,185</u>
<b>Sam Rayburn Tollway (121 Tollway) - 3751</b>	
Preliminary costs	1,142,464
Construction	489,711,969
Right-of-way	15,103,568
Engineering	86,740,606
Administration	21,219,782
Roadways	3,197,211,448
Accumulated depreciation on infrastructure	(213,188,443)
Subtotal	<u>3,597,941,395</u>
Financing costs	180,928,463
Total capitalized cost – Sam Rayburn Tollway (121 Tollway)	<u>3,778,869,858</u>
<b>President George Bush Turnpike - Eastern Extension - 3722</b>	
Infrastructure (Other)	30,192
Construction	364,049,431
Right-of-way	104,950,310
Engineering	69,509,790
Administration	4,850,424
Subtotal	<u>543,390,147</u>
Financing costs	51,010,193
Total capitalized cost – President George Bush Turnpike - Eastern Extension	<u>594,400,340</u>
<b>Totals by Category</b>	
Infrastructure (Other)	30,192
Preliminary costs	51,634,466
Construction	2,265,963,903
Right-of-way	256,213,062
Engineering	375,932,219
Administration	59,540,553
Buildings	17,434,997
Land	7,293,755
Roadways	3,197,211,448
Equipment	40,705,767
Accumulated depreciation Equipment	(28,883,934)
Accumulated depreciation on infrastructure	(213,188,443)
Subtotal	<u>6,029,887,985</u>
Financing costs	285,607,883
Total Capitalized Cost as of December 31, 2011	<u>\$ 6,315,495,867</u>

(concluded)

(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 SYSTEM**  
**(An Enterprise Fund of the North Texas Tollway Authority)**  
 Schedule of Deferred Study Costs - Feasibility Study Fund  
 Year ended December 31, 2011  
*(Unaudited)*

The table below sets forth the accumulated deferred study costs, by project, through December 31, 2011 that have not been transferred out of the Feasibility Study Fund into a construction project.

<u>Projects</u>	<u>Accumulated December 31, 2011</u>
Trinity Tollway	\$ 374,328
Dallas North Tollway:	
380 Interchange	285,767
Extension Phase 4	3,674,285
Extension Phase 4B/5A	3,484,790
President George Bush Turnpike - East Branch	121,178
State Highway 360	5,546,573
Trinity Parkway	33,154,169
North Central Texas Council of Governments	848,892
State Highway 170 - Alliance Gateway	4,267,990
Capital Planning Model	364,329
Collin/Grayson Corridor	175,712
Future Bond Issue Planning	336,519
State Highway 183 Managed Lanes	901,486
Collin County Outer Loop	3,152
Denton County Corridor	7,857
Loop 9	32,649
IH35 E Managed Lanes	60,494
	<u>\$ 53,640,170</u>

See accompanying independent auditor's report



**STATISTICAL  
SECTION**

**NORTH TEXAS TOLLWAY SYSTEM**  
**(An Enterprise Fund of the North Texas Tollway Authority)**  
**INTRODUCTION TO 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.

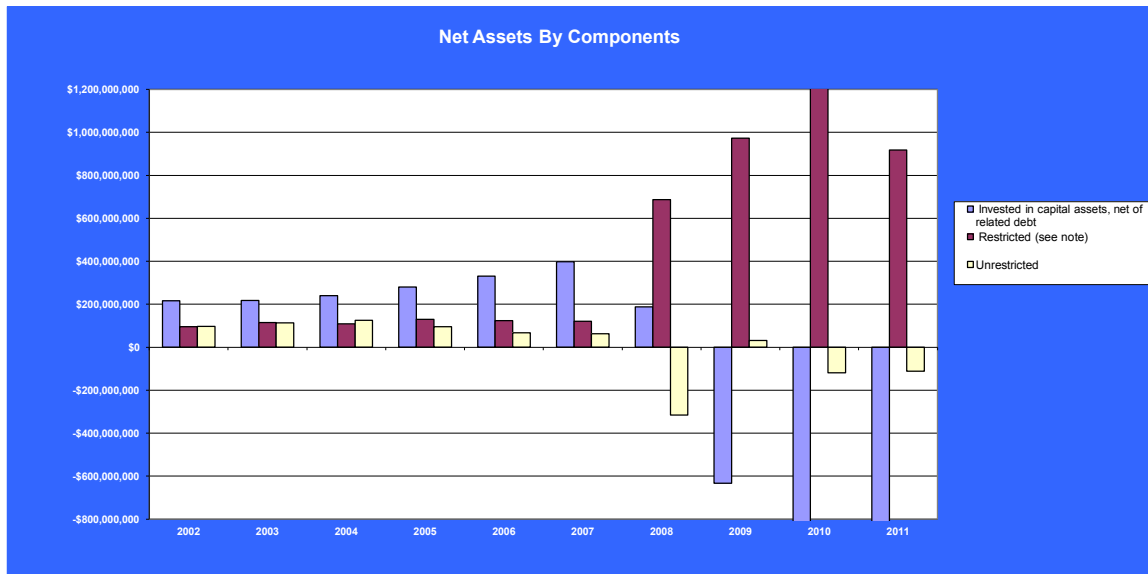
Sources: Unless other noted, the information in the following tables is derived from the annual financial reports for the relevant years.

NORTH TEXAS TOLLWAY SYSTEM  
 (An Enterprise Fund of the 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	2011
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)	\$(1,178,473,954)
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	917,325,283
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)	(112,356,823)
<b>Total net assets</b>	<b>\$ 408,428,427</b>	<b>445,480,119</b>	<b>471,736,866</b>	<b>505,048,661</b>	<b>521,368,643</b>	<b>581,502,436</b>	<b>557,929,151</b>	<b>370,671,733</b>	<b>259,525,981</b>	<b>-373,505,494</b>

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



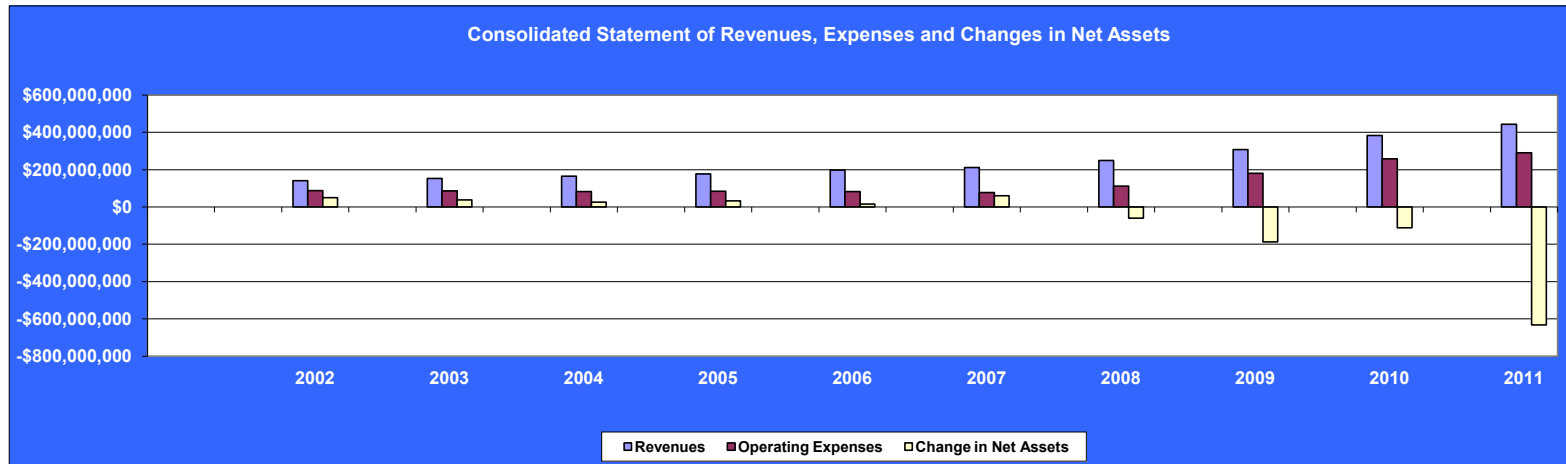


NORTH TEXAS TOLLWAY SYSTEM  
(An Enterprise Fund of the North Texas Tollway Authority)  
Statements of Revenues, Expenses, and Changes in Net Assets  
Last Ten Fiscal Years  
(Unaudited)

<b>Business-Type Activities</b>										
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues:										
Tolls	\$ 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	\$ 415,033,242
Other (1)	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	28,372,616
Total operating revenues	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	443,405,858
Operating expenses:										
Administration	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	22,159,182
Operations	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	77,165,408
Reserve maintenance	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	16,540,873
Capital improvement	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	36,535,270
Total operating expenses before depreciation	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	152,400,733
Operating income before depreciation	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	291,005,125
Bad debt expense	-	-	-	-	-	-	-	-	-	(12,463,708)
Unallocated infrastructure depreciation	-	-	-	-	-	-	-	-	-	(63,947,216)
Depreciation	(951,369)	(1,598,423)	(1,662,808)	(2,092,825)	(2,126,037)	(1,800,225)	(3,481,013)	(4,529,323)	(4,794,093)	(5,690,160)
<b>Operating income</b>	<b>85,987,470</b>	<b>84,143,377</b>	<b>80,667,225</b>	<b>81,370,727</b>	<b>79,787,546</b>	<b>76,052,972</b>	<b>109,103,970</b>	<b>176,652,521</b>	<b>253,401,165</b>	<b>208,904,041</b>
Nonoperating revenues (expenses):										
Interest earned on investments	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	17,672,334
Net increase(decrease) in the fair value of investments	615,890	(1,454,787)	(1,676,391)	(1,087,627)	2,335,448	1,067,995	24,555,188	(13,371,674)	3,588,196	(3,659,548)
Unallocated infrastructure depreciation	-	-	-	-	-	-	(24,555,772)	(60,703,200)	(63,801,840)	-
Interest expense on revenue bonds	(42,837,283)	(41,408,356)	(46,017,953)	(55,184,859)	(53,414,350)	(52,420,707)	(227,034,684)	(352,464,434)	(371,173,164)	(343,422,746)
Interest expense on short term notes	(268,011)	(214,067)	-	-	(24,658)	(2,653,677)	(35,086,229)	(6,364,724)	(6,269,247)	(6,269,405)
Bond premium/discount amortization	(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	(43,237,386)
Bond issuance cost amortization	-	-	-	-	-	-	(17,543,223)	(9,216,397)	(5,002,937)	(4,173,546)
Deferred amount on refunding amortization	(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)	(5,829,048)
SWAP termination payment	-	-	-	-	-	-	(4,511,011)	(6,081,700)	-	-
Net amount on refunded bonds	-	-	-	-	-	-	(3,167,688)	-	-	-
Contributed capital to the Feasibility Study Fund	-	(8,487,500)	(11,990,800)	-	(25,000,000)	25,000,000	-	-	-	-
Transfer to SPS	-	-	-	-	-	-	-	-	(217,866)	(508,991,349)
Capital Grant Contributions	-	-	-	-	-	-	74,902,422	59,588,883	31,526,405	25,712,730
BAB's Subsidy	-	-	-	-	-	-	-	7,489,870	26,263,784	28,978,075
Other	233,312	(306,984)	(342,570)	395,564	1,013,964	135,327	(355,245)	2,565,331	(7,346,832)	1,284,373
Net nonoperating revenues (expenses)	(35,981,645)	(47,091,685)	(54,410,478)	(48,058,932)	(63,477,564)	(15,909,179)	(169,269,873)	(363,909,939)	(364,546,917)	(841,935,516)
<b>Change in net assets</b>	<b>\$ 50,005,825</b>	<b>\$ 37,051,692</b>	<b>\$ 26,256,747</b>	<b>\$ 33,311,795</b>	<b>\$ 16,309,982</b>	<b>\$ 60,143,793</b>	<b>\$ (60,165,903)</b>	<b>\$ (187,257,418)</b>	<b>\$ (111,145,752)</b>	<b>\$ (633,031,475)</b>

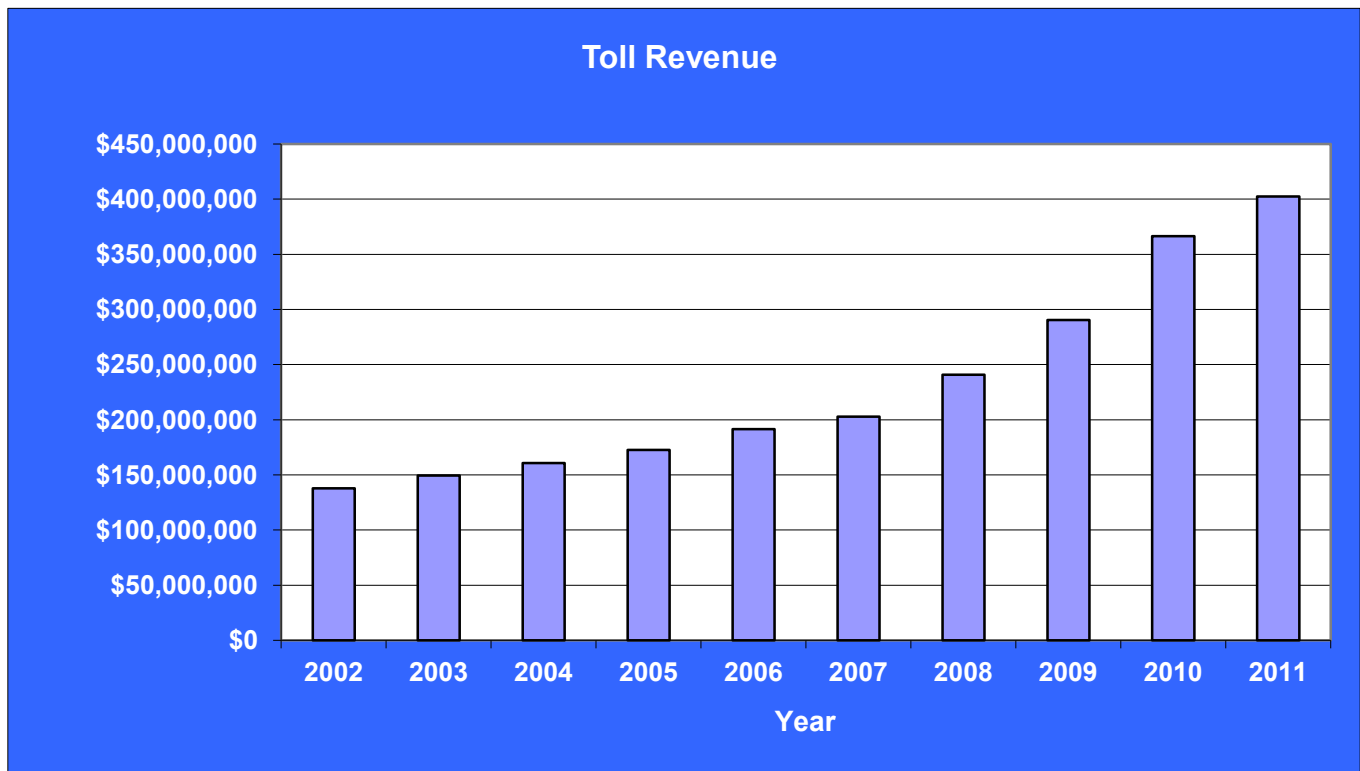
(1) Administrative fees, parking transaction fees, statement fees and miscellaneous charges.

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NORTH TEXAS TOLLWAY SYSTEM  
 (An Enterprise Fund of the 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
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
2011	513,454,344	402,569,534	0.78



NORTH TEXAS TOLLWAY SYSTEM  
(An Enterprise Fund of the North Texas Tollway Authority)  
Toll Rates  
Last Ten Fiscal Years  
(Unaudited)

		Years									
Two-axle passenger cars and trucks											
Roadway		2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Dallas North Tollway:</b>											
Main Lane Plaza 1	Cash	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	-	-	-	-	-
	TollTag	0.60	0.60	0.60	0.60	0.60	\$0.60	\$0.70	\$1.26	\$1.26	\$1.33
<i>(all ETC effective in Jan. 2007)</i>											
Main Lane Plaza 2	ZipCash	-	-	-	-	-	0.75	1.00	1.89	1.89	2.00
	Cash	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.35	1.35	1.43
Main Lane Plaza 3	TollTag	0.60	0.60	0.60	0.60	0.60	0.70	0.70	0.90	0.90	0.95
	Cash	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.20	1.20	1.28
Main Lane Plaza 4 (1)	TollTag	0.60	0.60	0.60	0.60	0.60	0.70	0.70	0.80	0.80	0.85
	Cash	-	-	-	-	-	1.30	1.30	2.15	2.12	2.24
	TollTag	-	-	-	-	-	1.05	1.05	1.41	1.41	1.49
<b>Addison Airport Toll Tunnel:</b>											
Main Lane Plaza	Cash	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.75	0.75	0.80
	TollTag	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.53
<b>President George Bush Turnpike:</b>											
Main Lane Plaza 6	Cash	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.50	1.50	1.58
	TollTag	0.60	0.60	0.60	0.60	0.60	0.70	0.70	1.00	1.00	1.05
Main Lane Plaza 7	Cash	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.62	1.62	1.71
	TollTag	0.60	0.60	0.60	0.60	0.60	0.70	0.70	1.08	1.08	1.14
Main Lane Plaza 8	Cash	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.50	1.50	1.59
	TollTag	0.60	0.60	0.60	0.60	0.60	0.70	0.70	1.00	1.00	1.06
Main Lane Plaza 9 (2)	Cash	-	-	-	0.75	0.75	1.00	1.00	1.20	1.20	1.26
	TollTag	-	-	-	0.60	0.60	0.70	0.70	0.80	0.80	0.84
Main Lane Plaza 10	Cash	0.75	0.75	0.75	0.75	0.75	1.00	1.00	0.69	0.69	0.74
	TollTag	0.60	0.60	0.60	0.60	0.60	0.70	0.70	0.46	0.46	0.49
<b>Mountain Creek Lake Bridge:</b>											
Main Lane Plaza	Cash	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.75	0.75	0.80
	TollTag	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.53
<b>Sam Rayburn Tollway (SRT):</b>											
Main Lane Gantry 1 (3)	ZipCash	-	-	-	-	-	-	0.65	0.72	0.72	0.75
	TollTag	-	-	-	-	-	-	0.45	0.48	0.48	0.50
Main Lane Gantry 2 (3)	ZipCash	-	-	-	-	-	-	1.71	1.86	1.86	1.95
	TollTag	-	-	-	-	-	-	1.18	1.24	1.24	1.30
Main Lane Gantry 3 (4) (7)	ZipCash	-	-	-	-	-	-	-	2.04	2.57	2.70
	TollTag	-	-	-	-	-	-	-	1.36	1.71	1.80
<b>Lewisville Lake Toll Bridge:</b>											
Main Lane Plaza (5)	ZipCash	-	-	-	-	-	-	-	1.50	1.50	1.59
	TollTag	-	-	-	-	-	-	-	1.00	1.00	1.06
<b>PGBT WE:</b>											
Main Lane Plaza 11 (6)	ZipCash	-	-	-	-	-	-	-	-	1.17	1.25
	TollTag	-	-	-	-	-	-	-	-	0.78	0.83
<b>PGBT EE:</b>											
Main Lane Plaza 5 (8)	ZipCash	-	-	-	-	-	-	-	-	-	2.28
	TollTag	-	-	-	-	-	-	-	-	-	1.52

(continued)

(1) Main Lane Plaza 4 opened September 2007

(2) Main Lane Plaza 9 opened September 2005

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

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NORTH TEXAS TOLLWAY SYSTEM  
(An Enterprise Fund of the North Texas Tollway Authority)  
Toll Rates  
Last Ten Fiscal Years  
(Unaudited)

Three-axle vehicle and vehicle combination			Years								
Roadway		2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Dallas North Tollway:</b>											
Main Lane Plaza 1	Cash	\$1.20	\$1.20	\$1.20	\$1.20	\$1.20	-	-	-	-	-
	TollTag	0.95	0.95	0.95	0.95	0.95	\$0.95	\$1.40	\$2.52	\$2.52	\$2.66
<i>(all ETC effective in Jan. 2007)</i>											
Main Lane Plaza 2	ZipCash	-	-	-	-	-	1.20	\$2.00	\$3.78	\$3.78	\$4.00
	Cash	1.20	1.20	1.20	1.20	1.20	2.00	2.00	2.70	2.70	2.86
Main Lane Plaza 3	TollTag	0.95	0.95	0.95	0.95	0.95	1.40	1.40	1.80	1.80	1.90
	Cash	1.20	1.20	1.20	1.20	1.20	2.00	2.00	2.40	2.40	2.56
Main Lane Plaza 4 (1)	TollTag	0.95	0.95	0.95	0.95	0.95	1.40	1.40	1.60	1.60	1.70
	Cash	-	-	-	-	-	2.60	2.60	4.30	4.24	4.48
	TollTag	-	-	-	-	-	2.10	2.10	2.82	2.82	2.98
<b>Addison Airport Toll Tunnel:</b>											
Main Lane Plaza	Cash	0.50	0.50	0.50	0.50	0.50	0.50	0.50	1.50	1.50	1.60
	TollTag	0.50	0.50	0.50	0.50	0.50	0.50	0.50	1.00	1.00	1.06
<b>President George Bush Turnpike:</b>											
Main Lane Plaza 6	Cash	1.50	1.50	1.50	1.50	1.50	2.00	2.00	3.00	3.00	3.16
	TollTag	1.20	1.20	1.20	1.20	1.20	1.40	1.40	2.00	2.00	2.10
Main Lane Plaza 7	Cash	1.50	1.50	1.50	1.50	1.50	2.00	2.00	3.24	3.24	3.42
	TollTag	1.20	1.20	1.20	1.20	1.20	1.40	1.40	2.16	2.16	2.28
Main Lane Plaza 8	Cash	1.50	1.50	1.50	1.50	1.50	2.00	2.00	3.00	3.00	3.18
	TollTag	1.20	1.20	1.20	1.20	1.20	1.40	1.40	2.00	2.00	2.12
Main Lane Plaza 9 (2)	Cash	-	-	-	1.50	1.50	2.00	2.00	2.40	2.40	2.52
	TollTag	-	-	-	1.20	1.20	1.40	1.40	1.60	1.60	1.68
Main Lane Plaza 10	Cash	1.50	1.50	1.50	1.50	1.50	2.00	2.00	1.38	1.38	1.48
	TollTag	1.20	1.20	1.20	1.20	1.20	1.40	1.40	0.92	0.92	0.98
<b>Mountain Creek Lake Bridge:</b>											
Main Lane Plaza	Cash	0.75	0.75	0.75	0.75	0.75	0.75	0.75	1.50	1.50	1.60
	TollTag	0.75	0.75	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.06
<b>Sam Rayburn Tollway (SRT):</b>											
Main Lane Gantry 1 (3)	ZipCash	-	-	-	-	-	-	1.30	1.44	1.44	1.50
	TollTag	-	-	-	-	-	-	0.90	0.96	0.96	1.00
Main Lane Gantry 2 (3)	ZipCash	-	-	-	-	-	-	3.42	3.72	3.72	3.90
	TollTag	-	-	-	-	-	-	2.36	2.48	2.48	2.60
Main Lane Gantry 3 (4) (7)	ZipCash	-	-	-	-	-	-	-	4.08	5.14	5.40
	TollTag	-	-	-	-	-	-	-	2.72	3.42	3.60
<b>Lewisville Lake Toll Bridge:</b>											
Main Lane Plaza (5)	ZipCash	-	-	-	-	-	-	-	3.00	3.00	0.00
	TollTag	-	-	-	-	-	-	-	2.00	2.00	2.12
<b>PGBT WE:</b>											
Main Lane Plaza 11 (6)	ZipCash	-	-	-	-	-	-	-	-	2.34	2.50
	TollTag	-	-	-	-	-	-	-	-	1.56	1.66
<b>PGBT EE:</b>											
Main Lane Plaza 5 (8)	ZipCash	-	-	-	-	-	-	-	-	-	4.56
	TollTag	-	-	-	-	-	-	-	-	-	3.04

(continued)

(1) Main Lane Plaza 4 opened September 2007

(2) Main Lane Plaza 9 opened September 2005

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NORTH TEXAS TOLLWAY SYSTEM  
 (An Enterprise Fund of the North Texas Tollway Authority)  
 Toll Rates  
 Last Ten Fiscal Years  
 (Unaudited)

Four-axle vehicle and vehicle combination			Years								
Roadway		2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Dallas North Tollway:</b>											
Main Lane Plaza 1	Cash	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50	-	-	-	-	-
	TollTag	1.20	1.20	1.20	1.20	1.20	\$1.20	\$2.10	\$3.78	\$3.78	\$3.99
<i>(all ETC effective in Jan. 2007)</i>											
Main Lane Plaza 2	ZipCash	-	-	-	-	-	1.50	3.00	5.67	5.67	6.00
	Cash	1.50	1.50	1.50	1.50	1.50	3.00	3.00	4.05	4.05	4.29
Main Lane Plaza 3	TollTag	1.20	1.20	1.20	1.20	1.20	2.10	2.10	2.70	2.70	2.85
	Cash	1.50	1.50	1.50	1.50	1.50	3.00	3.00	3.60	3.60	3.84
Main Lane Plaza 4 (1)	TollTag	1.20	1.20	1.20	1.20	1.20	2.10	2.10	2.40	2.40	2.55
	Cash	-	-	-	-	-	3.90	3.90	6.45	6.36	6.72
	TollTag	-	-	-	-	-	3.15	3.15	4.23	4.23	4.47
<b>Addison Airport Toll Tunnel:</b>											
Main Lane Plaza	Cash	0.50	0.50	0.50	0.50	0.50	0.50	0.50	2.25	2.25	2.40
	TollTag	0.50	0.50	0.50	0.50	0.50	0.50	0.50	1.50	1.50	1.59
<b>President George Bush Turnpike:</b>											
Main Lane Plaza 6	Cash	2.25	2.25	2.25	2.25	2.25	3.00	3.00	4.50	4.50	4.74
	TollTag	1.80	1.80	1.80	1.80	1.80	2.10	2.10	3.00	3.00	3.15
Main Lane Plaza 7	Cash	2.25	2.25	2.25	2.25	2.25	3.00	3.00	4.86	4.86	5.13
	TollTag	1.80	1.80	1.80	1.80	1.80	2.10	2.10	3.24	3.24	3.42
Main Lane Plaza 8	Cash	2.25	2.25	2.25	2.25	2.25	3.00	3.00	4.50	4.50	4.77
	TollTag	1.80	1.80	1.80	1.80	1.80	2.10	2.10	3.00	3.00	3.18
Main Lane Plaza 9 (2)	Cash	-	-	-	2.25	2.25	3.00	3.00	3.60	3.60	3.78
	TollTag	-	-	-	1.80	1.80	2.10	2.10	2.40	2.40	2.52
Main Lane Plaza 10	Cash	2.25	2.25	2.25	2.25	2.25	3.00	3.00	2.07	2.07	2.22
	TollTag	1.80	1.80	1.80	1.80	1.80	2.10	2.10	1.38	1.38	1.47
<b>Mountain Creek Lake Bridge:</b>											
Main Lane Plaza	Cash	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.25	2.25	2.40
	TollTag	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.50	1.50	1.59
<b>Sam Rayburn Tollway (SRT):</b>											
Main Lane Gantry 1 (3)	ZipCash	-	-	-	-	-	-	1.95	2.16	2.16	2.25
	TollTag	-	-	-	-	-	-	1.35	1.44	1.44	1.50
Main Lane Gantry 2 (3)	ZipCash	-	-	-	-	-	-	5.13	5.58	5.58	5.85
	TollTag	-	-	-	-	-	-	3.54	3.72	3.72	3.90
Main Lane Gantry 3 (4) (7)	ZipCash	-	-	-	-	-	-	-	6.12	7.71	8.10
	TollTag	-	-	-	-	-	-	-	4.08	5.13	5.40
<b>Lewisville Lake Toll Bridge:</b>											
Main Lane Plaza (5)	ZipCash	-	-	-	-	-	-	-	4.50	4.50	4.77
	TollTag	-	-	-	-	-	-	-	3.00	3.00	3.18
<b>PGBT WE:</b>											
Main Lane Plaza 11 (6)	ZipCash	-	-	-	-	-	-	-	-	3.51	3.75
	TollTag	-	-	-	-	-	-	-	-	2.34	2.49
<b>PGBT EE:</b>											
Main Lane Plaza 5 (8)	ZipCash	-	-	-	-	-	-	-	-	-	6.84
	TollTag	-	-	-	-	-	-	-	-	-	4.56

(continued)

- (1) Main Lane Plaza 4 opened September 2007
- (2) Main Lane Plaza 9 opened September 2005
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- (4) Main Lane Plaza 3 on SRT opened September 2009
- (5) Lewisville Lake Toll Bridge opened August 2009
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NORTH TEXAS TOLLWAY SYSTEM  
(An Enterprise Fund of the North Texas Tollway Authority)  
Toll Rates  
Last Ten Fiscal Years  
(Unaudited)

Five-axis vehicle and vehicle combination			Years								
Roadway		2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Dallas North Tollway:</b>											
Main Lane Plaza 1	Cash	\$1.80	\$1.80	\$1.80	\$1.80	\$1.80	-	-	-	-	-
	TollTag	1.45	1.45	1.45	1.45	1.45	\$1.45	\$2.80	\$5.04	\$5.04	\$5.32
<i>(all ETC effective in Jan. 2007)</i>											
Main Lane Plaza 2	ZipCash	-	-	-	-	-	1.80	4.00	7.56	7.56	8.00
	Cash	1.80	1.80	1.80	1.80	1.80	4.00	4.00	5.40	5.40	5.72
Main Lane Plaza 3	TollTag	1.45	1.45	1.45	1.45	1.45	2.80	2.80	3.60	3.60	3.80
	Cash	1.80	1.80	1.80	1.80	1.80	4.00	4.00	4.80	4.80	5.12
Main Lane Plaza 4 (1)	TollTag	1.45	1.45	1.45	1.45	1.45	2.80	2.80	3.20	3.20	3.40
	Cash	-	-	-	-	-	5.20	5.20	8.60	8.48	8.96
	TollTag	-	-	-	-	-	4.20	4.20	5.64	5.64	5.96
<b>Addison Airport Toll Tunnel:</b>											
Main Lane Plaza	Cash	0.50	0.50	0.50	0.50	0.50	0.50	0.50	3.00	3.00	3.00
	TollTag	0.50	0.50	0.50	0.50	0.50	0.50	0.50	2.00	2.00	2.12
<b>President George Bush Turnpike:</b>											
Main Lane Plaza 6	Cash	3.00	3.00	3.00	3.00	3.00	4.00	4.00	6.00	6.00	6.32
	TollTag	2.40	2.40	2.40	2.40	2.40	2.80	2.80	4.00	4.00	4.20
Main Lane Plaza 7	Cash	3.00	3.00	3.00	3.00	3.00	4.00	4.00	6.48	6.48	6.84
	TollTag	2.40	2.40	2.40	2.40	2.40	2.80	2.80	4.32	4.32	4.56
Main Lane Plaza 8	Cash	3.00	3.00	3.00	3.00	3.00	4.00	4.00	6.00	6.00	6.36
	TollTag	2.40	2.40	2.40	2.40	2.40	2.80	2.80	4.00	4.00	4.24
Main Lane Plaza 9 (2)	Cash	-	-	-	3.00	3.00	4.00	4.00	4.80	4.80	5.04
	TollTag	-	-	-	2.40	2.40	2.80	2.80	3.20	3.20	3.36
Main Lane Plaza 10	Cash	3.00	3.00	3.00	3.00	3.00	4.00	4.00	2.76	2.76	2.96
	TollTag	2.40	2.40	2.40	2.40	2.40	2.80	2.80	1.84	1.84	1.96
<b>Mountain Creek Lake Bridge:</b>											
Main Lane Plaza	Cash	1.25	1.25	1.25	1.25	1.25	1.25	1.25	3.00	3.00	3.20
	TollTag	1.25	1.25	1.25	1.25	1.25	1.25	1.25	2.00	2.00	2.12
<b>Sam Rayburn Tollway (SRT):</b>											
Main Lane Gantry 1 (3)	ZipCash	-	-	-	-	-	-	2.60	2.88	2.88	3.00
	TollTag	-	-	-	-	-	-	1.80	1.92	1.92	2.00
Main Lane Gantry 2 (3)	ZipCash	-	-	-	-	-	-	6.84	7.44	7.44	7.80
	TollTag	-	-	-	-	-	-	4.72	4.96	4.96	5.20
Main Lane Gantry 3 (4) (7)	ZipCash	-	-	-	-	-	-	-	8.16	10.28	10.80
	TollTag	-	-	-	-	-	-	-	5.44	6.84	7.20
<b>Lewisville Lake Toll Bridge:</b>											
Main Lane Plaza (5)	ZipCash	-	-	-	-	-	-	-	6.00	6.00	6.36
	TollTag	-	-	-	-	-	-	-	4.00	4.00	4.24
<b>PGBT WE:</b>											
Main Lane 11 (6)	ZipCash	-	-	-	-	-	-	-	-	4.68	5.00
	TollTag	-	-	-	-	-	-	-	-	3.12	3.32
<b>PGBT EE:</b>											
Main Lane Plaza 5 (8)	ZipCash	-	-	-	-	-	-	-	-	-	9.12
	TollTag	-	-	-	-	-	-	-	-	-	6.08

(continued)

(1) Main Lane Plaza 4 opened September 2007

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NORTH TEXAS TOLLWAY SYSTEM  
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Toll Rates  
Last Ten Fiscal Years  
(Unaudited)

Six or more-axle vehicle and vehicle combination			Years								
Roadway		2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Dallas North Tollway:</b>											
Main Lane Plaza 1	Cash	\$2.10	\$2.10	\$2.10	\$2.10	\$2.10	-	-	-	-	-
	TollTag	1.70	1.70	1.70	1.70	1.70	\$1.70	\$3.50	\$6.30	\$6.30	\$6.65
<i>(all ETC effective in Jan. 2007)</i>											
Main Lane Plaza 2	ZipCash	-	-	-	-	-	2.10	5.00	9.45	9.45	10.00
	Cash	2.10	2.10	2.10	2.10	2.10	5.00	5.00	6.75	6.75	7.15
Main Lane Plaza 3	TollTag	1.70	1.70	1.70	1.70	1.70	3.50	3.50	4.50	4.50	4.75
	Cash	2.10	2.10	2.10	2.10	2.10	5.00	5.00	6.00	6.00	6.40
Main Lane Plaza 4 (1)	TollTag	1.70	1.70	1.70	1.70	1.70	3.50	3.50	4.00	4.00	4.25
	Cash	-	-	-	-	-	6.50	6.50	10.75	10.60	11.20
	TollTag	-	-	-	-	-	5.25	5.25	7.05	7.05	7.45
<b>Addison Airport Toll Tunnel:</b>											
Main Lane Plaza	Cash	0.50	0.50	0.50	0.50	0.50	0.50	0.50	3.75	3.75	4.00
	TollTag	0.50	0.50	0.50	0.50	0.50	0.50	0.50	2.50	2.50	2.65
<b>President George Bush Turnpike:</b>											
Main Lane Plaza 6	Cash	3.75	3.75	3.75	3.75	3.75	5.00	5.00	7.50	7.50	7.90
	TollTag	3.00	3.00	3.00	3.00	3.00	3.50	3.50	5.00	5.00	5.25
Main Lane Plaza 7	Cash	3.75	3.75	3.75	3.75	3.75	5.00	5.00	8.10	8.10	8.55
	TollTag	3.00	3.00	3.00	3.00	3.00	3.50	3.50	5.40	5.40	5.70
Main Lane Plaza 8	Cash	3.75	3.75	3.75	3.75	3.75	5.00	5.00	7.50	7.50	7.95
	TollTag	3.00	3.00	3.00	3.00	3.00	3.50	3.50	5.00	5.00	5.30
Main Lane Plaza 9 (2)	Cash	-	-	-	3.75	3.75	5.00	5.00	6.00	6.00	6.30
	TollTag	-	-	-	3.00	3.00	3.50	3.50	4.00	4.00	4.20
Main Lane Plaza 10	Cash	3.75	3.75	3.75	3.75	3.75	5.00	5.00	3.45	3.45	3.70
	TollTag	3.00	3.00	3.00	3.00	3.00	3.50	3.50	2.30	2.30	2.45
<b>Mountain Creek Lake Bridge:</b>											
Main Lane Plaza	Cash	1.50	1.50	1.50	1.50	1.50	1.50	1.50	3.75	3.75	4.00
	TollTag	1.50	1.50	1.50	1.50	1.50	1.50	1.50	2.50	2.50	2.65
<b>Sam Rayburn Tollway (SRT):</b>											
Main Lane Gantry 1 (3)	ZipCash	-	-	-	-	-	-	3.25	3.60	3.60	3.75
	TollTag	-	-	-	-	-	-	2.25	2.40	2.40	2.50
Main Lane Gantry 2 (3)	ZipCash	-	-	-	-	-	-	8.55	9.30	9.30	9.75
	TollTag	-	-	-	-	-	-	5.90	6.20	6.20	6.50
Main Lane Gantry 3 (4) (7)	ZipCash	-	-	-	-	-	-	-	10.20	12.85	13.50
	TollTag	-	-	-	-	-	-	-	6.80	8.55	9.00
<b>Lewisville Lake Toll Bridge:</b>											
Main Lane Plaza (5)	ZipCash	-	-	-	-	-	-	-	7.50	7.50	6.25
	TollTag	-	-	-	-	-	-	-	5.00	5.00	5.30
<b>PGBT WE:</b>											
Main Lane Plaza 11 (6)	ZipCash	-	-	-	-	-	-	-	-	5.85	6.25
	TollTag	-	-	-	-	-	-	-	-	3.90	4.15
<b>PGBT WE:</b>											
Main Lane Plaza 5 (8)	ZipCash	-	-	-	-	-	-	-	-	-	11.40
	TollTag	-	-	-	-	-	-	-	-	-	7.60

(concluded)

- (1) Main Lane Plaza 4 opened September 2007
- (2) Main Lane Plaza 9 opened September 2005
- (3) Main Lane Gantry 1 & 2 (ETC) on SRT; NTTA began collecting revenues on SRT on its own behalf on September 1, 2008
- (4) Main Lane Plaza 3 on SRT opened September 2009
- (5) Lewisville Lake Toll Bridge opened August 2009
- (6) PGBT WE Phase 2 from SH 183 to Egyptian Way opened in August 2009
- (7) SRT mainlanes were extended to US 75 December 2010
- (8) PGBT EE mainlanes from SH 78 to IH 30 opened in December 2011

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 is no longer accepted.

NORTH TEXAS TOLLWAY SYSTEM  
 (An Enterprise Fund of the North Texas Tollway Authority)  
 Ratio of Outstanding Debt by Type  
 Business-Type Activities  
 Last Ten Fiscal Years  
 (Unaudited)

Year	Revenue Bonds	Bond Anticipation Notes	Commercial Paper Notes Payable	Texas Department of Transportation ISTEALoan	Texas Department of Transportation Loan Payable	Total Debt Amount	Total Revenue Vehicle Toll Transactions(1)	Debt Per Transactions	Debt Per Capita(2)
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
2011	7,555,401,914	-	56,300,000	140,607,304	-	7,752,309,218	513,454,344	15.10	1,370

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 80.

(2) See table of Demographic Data on page 88.



NORTH TEXAS TOLLWAY SYSTEM  
 (An Enterprise Fund of the 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					
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	1,140
2009	7,122,390,015	-	(32,170,000)	5,200,000	146,609,022	7,242,029,037	290,404,547	25	1,277
2010	7,543,021,558	-	(29,685,000)	119,200,000	142,857,298	7,775,393,856	366,597,323	19	1,353
2011	7,555,401,914	-	(27,980,000)	56,300,000	140,607,304	7,724,329,218	402,569,534	19	1,365

Note----Details on the System's outstanding debt can be found in the Notes to the Financial Statements.

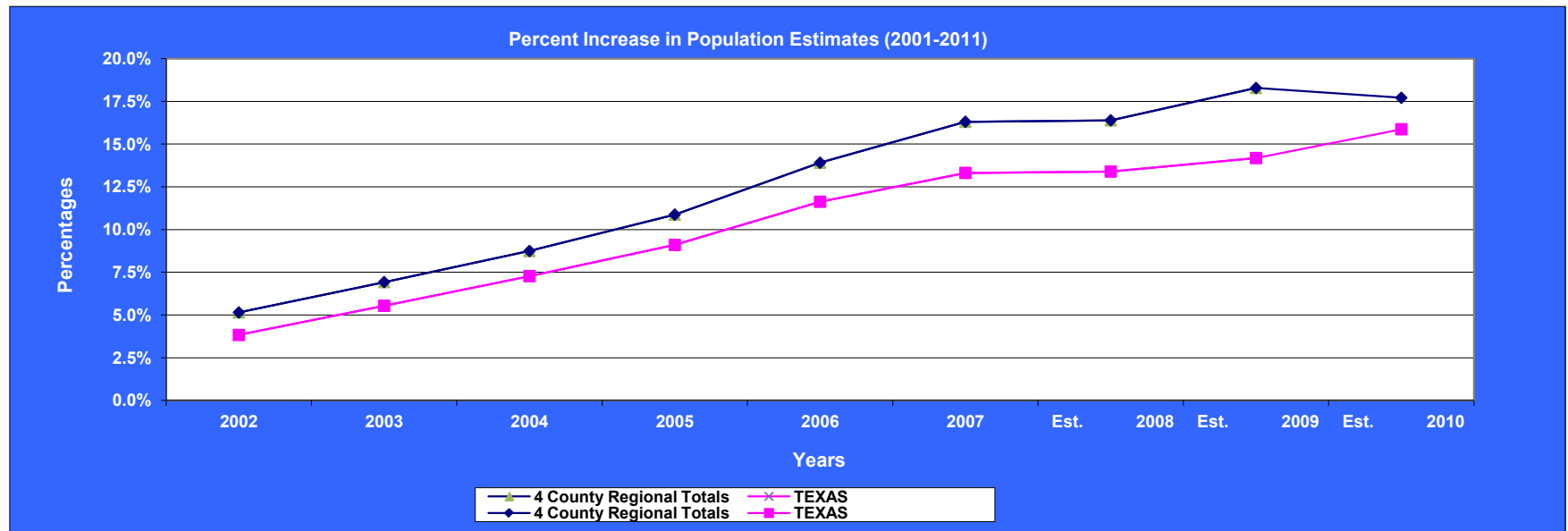
(1) See table of Traffic and Toll Revenue on page 80.

(2) See table of Demographic Data on page 88.

NORTH TEXAS TOLLWAY SYSTEM  
 (An Enterprise Fund of the North Texas Tollway Authority)  
 Demographic Data-Combined Four County Region and State of Texas Population Estimated Data  
 For Years 2002-2011  
 (Unaudited)

Year	COLLIN	DALLAS	DENTON	TARRANT	Est. Four County Regional Totals	Estimated Texas Totals	Percentage Change (From Prior Years)	
							4 County	TEXAS
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%
Est. 2008	762,010	2,412,827	636,557	1,750,091	5,561,485	24,326,974	2.48%	1.77%
Est. 2009	764,500	2,471,000	628,300	1,807,750	5,671,550	24,538,335	1.98%	0.87%
Est. 2010	786,250	2,492,850	637,750	1,829,400	5,746,250	25,145,561	1.32%	2.47%
Est. 2011	791,470	2,374,175	673,780	1,817,840	5,657,265	25,145,561	-1.55%	0.00%
<b>Increase Total from Year 2002 to Year 2011</b>	<b>222,032</b>	<b>97,686</b>	<b>185,469</b>	<b>291,533</b>	<b>796,720</b>	<b>3,383,131</b>		

Source: North Central Texas Council of Governments



NORTH TEXAS TOLLWAY SYSTEM  
 (An Enterprise Fund of the North Texas Tollway Authority)  
 Demographic Data-Combined Four County Region and State of Texas Employment Status Estimates  
 For Years 2002-2011  
 (Unaudited)

Year	COLLIN	DALLAS	DENTON	TARRANT	Combined Four	Texas	Unemployment Rate		
					County Regional	Estimated Totals	4 County	Texas	
2002	308,228	1,194,564	276,897	799,447	2,579,136	10,402,410	8.0%	7.7%	
2003	325,039	1,176,107	287,142	814,196	2,602,484	10,556,464	6.5%	7.9%	
2004	347,165	1,197,167	301,511	835,363	2,681,206	10,851,249	7.5%	8.1%	
2005	367,651	1,177,947	312,530	840,440	2,698,568	11,024,191	6.3%	6.7%	
2006	389,629	1,219,541	337,144	884,101	2,830,415	11,617,834	6.0%	7.1%	
2007	400,678	1,205,730	344,810	904,015	2,855,233	11,647,654	5.7%	5.9%	
Est. 2008	407,840	1,180,870	346,869	877,646	2,813,225	11,466,657	5.1%	5.2%	
Est. 2009	285,900	1,415,000	172,600	743,500	2,617,000	10,204,500	7.7%	8.0%	
Est. 2010	390,106	1,063,304	330,122	833,527	2,617,059	10,204,500	7.7%	8.0%	
Est. 2011	397,033	1,082,185	335,984	845,263	2,660,465	10,204,500	7.7%	8.0%	
<b>Increase Total from Year 2002 to Year 2011</b>		<b>10,713</b>	<b>248,726</b>	<b>(75,992)</b>	<b>(14,723)</b>	<b>168,724</b>	<b>200,894</b>		

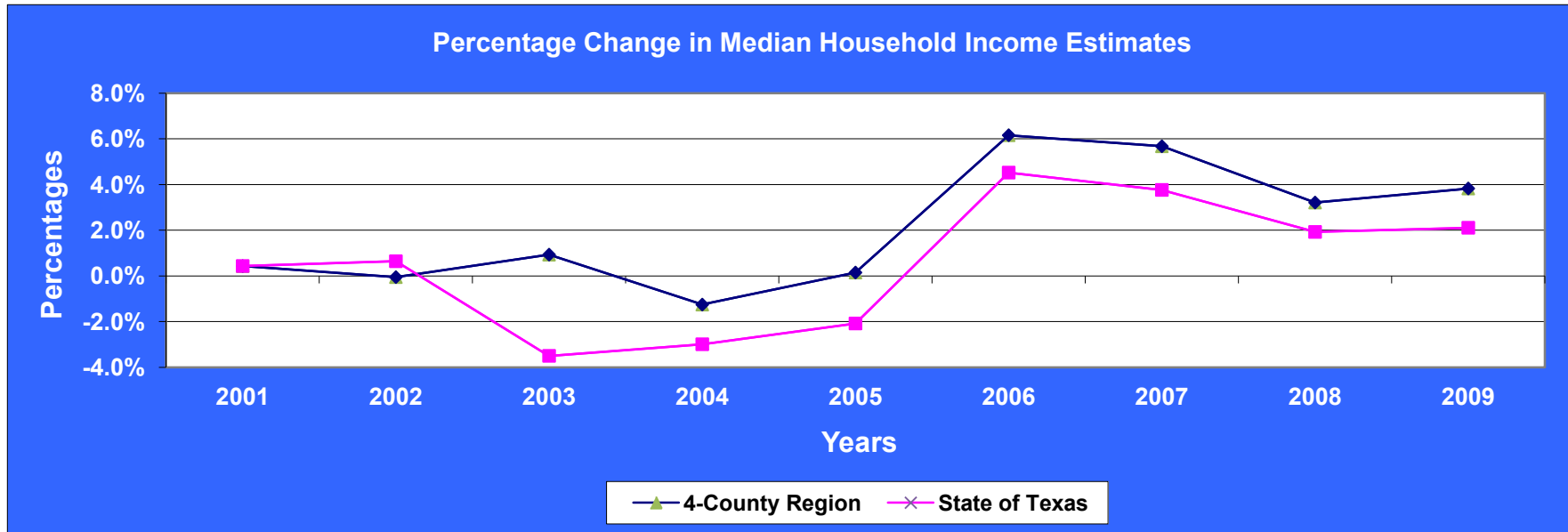
Source: U.S. Bureau of Labor Statistics and Real Estate Center at Texas A&M University



NORTH TEXAS TOLLWAY SYSTEM  
 (An Enterprise Fund of the North Texas Tollway Authority)  
 Demographic Data - Combined Four County Region and State of Texas Median Household Income Estimates  
 For Years 2001 - 2010  
 (Unaudited)

Year	COLLIN	DALLAS	DENTON	TARRANT	Regional Totals	Texas	Percentage Change from Prior Years	
					Estimated Avg Median Income	Estimated Avg Median Income	4 County	Texas
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%
2010	77,862	46,909	68,671	52,482	61,481	48,259	-2.51%	0.00%
<b>Averaged Yearly Totals</b>	<b>\$73,742</b>	<b>\$45,090</b>	<b>\$64,103</b>	<b>\$51,215</b>	<b>\$58,537</b>	<b>\$44,529</b>		

Source: U.S. Census Bureau



**NORTH TEXAS TOLLWAY SYSTEM**  
 (An Enterprise Fund of the North Texas Tollway Authority)  
 North Texas Four County Region's Top Ten Employers  
 (Unaudited)

2011				2002			
<b>COLLIN COUNTY TOP TEN EMPLOYERS</b>				<b>COLLIN COUNTY TOP TEN EMPLOYERS</b>			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	INDUSTRY	EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	INDUSTRY
RAYTHEON CO.	9,000	2.35%	TECHNOLOGY	EDS	6,700	3.99%	PROF/TECH
JC PENNEY	8,500	2.22%	RETAIL	PLANO ISD	6,100	3.64%	EDUCATION
PLANO ISD	6,762	1.77%	SCHOOL DISTRICT	JC PENNEY	5,200	3.10%	RETAIL
BANK OF AMERICA HOME LOANS	5,400	1.41%	FINANCIAL SERVICES	ALCATEL	4,900	2.92%	MANUFACTURING
FRITO LAY	4,300	1.12%	SNACK FOOD COMPANY	COUNTRYWIDE HOME LOANS	3,500	2.09%	FINANCE
HP ENTERPRISE SERVICES	4,800	1.26%	PROF/TECH	RAYTHEON	3,200	1.91%	TECHNOLOGY
CAPITAL ONE	3,500	0.92%	FINANCIAL SERVICES	CITY OF PLANO	2,400	1.43%	MUNICIPAL GOVERNMENT
DELL	3,000	0.78%	PROF/TECH	MEDICAL CENTER OF PLANO	1,950	1.16%	HEALTH CARE
ERICSSON	2,200	0.58%	PROF/TECH	UNIVERSITY OF NORTH TEXAS AT DALLAS	1,870	1.11%	EDUCATION
ALCATEL-LUCENT	1,830	0.48%	PROF/TECH	COLLIN COUNTY COMMUNITY COLLEGE	1,410	0.84%	EDUCATION
Total	49,292	12.89%		Total	37,230	22.19%	
<b>DALLAS COUNTY TOP TEN EMPLOYERS</b>				<b>DALLAS COUNTY TOP TEN EMPLOYERS</b>			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	INDUSTRY	EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	INDUSTRY
BANK OF AMERICA	20,000	1.76%	FINANCIAL SERVICES	AMR CORPORATION (AMERICAN AIRLINES)	35,000	2.23%	TRANSPORTATION
DALLAS ISD	18,868	1.66%	SCHOOL DISTRICT	RAYTHEON COMPANY	18,500	1.18%	DEFENSE SYSTEMS & ELECTRONICS
BAYLOR HEALTH CARE SYSTEMS	17,097	1.50%	HEALTH CARE	SBC TELEPHONE CO	18,000	1.15%	TELEPHONE UTILITY
JPMORGAN CHASE	13,500	1.19%	FINANCIAL SERVICES	DALLAS PBLIC SCHOOLS	17,169	1.10%	PUBLIC INDEPENDENT SCHOOL
CITY OF DALLAS	13,369	1.17%	CITY GOVERNMENT	TEXAS HEALTH RESOURCE	15,500	0.99%	HEALTH CARE
UT-SOUTHWESTERN MEDICAL CENTER	13,053	1.15%	HEALTH SVCS UNIV/ MEDICAL CNTR	U.S. POSTAL SERVICES-DALLAS	13,463	0.86%	FEDERAL AGENCY
HCA NORTH TEXAS DIVISION	11,400	1.00%	HEALTH CARE	CITY OF DALLAS	13,000	0.83%	MUNICIPALITY
VERIZON COMMUNICATIONS INC	10,500	0.92%	BROADBAND WIRELESS	VISITING NURSE ASSOCIATION OF TEXAS	12,897	0.82%	NON-PROFIT HEALTH RELATED SERVICES
U.S. POSTAL SERVICE	10,439	0.92%	FEDERAL GOVERNMENT	BAYLOR HEALTH CARE SYSTEM	12,800	0.82%	HEALTH CARE
TOM THUMB FOOD AND PHARMACY	10,044	0.88%	RETAIL	VERIZON COMMUNICATIONS	12,000	0.77%	TELECOMMUNICATIONS
Total	138,270	12.15%		Total	168,329	10.74%	
<b>DENTON COUNTY TOP TEN EMPLOYERS</b>				<b>DENTON COUNTY TOP TEN EMPLOYERS</b>			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	INDUSTRY	EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	INDUSTRY
UNIVERSITY OF NORTH TEXAS	7,000	2.14%	EDUCATION	UNIVERSITY OF NORTH TEXAS	6,995	5.85%	EDUCATION
LEWISVILLE ISD	6,404	1.96%	EDUCATION	DENTON ISD	2,000	1.67%	EDUCATION
FRISCO ISD	5,005	1.53%	EDUCATION	BOEING-CORINTH	1,700	1.42%	MILITARY AND COMMERCIAL ELECTRONICS
DENTON ISD	3,500	1.07%	EDUCATION	DENTON STATE SCHOOL	1,380	1.15%	STATE AGENCY
TEXAS WOMAN'S UNIVERSITY	1,586	0.49%	EDUCATION	DENTON COUNTY	1,225	1.02%	COUNTY GOVERNMENT
DENTON COUNTY	1,523	0.47%	GOVERNMENT	PETERBILT MOTORS	1,200	1.00%	DIESEL TRUCKS
DENTON STATE SUPPORTED LIVING CENTER	1,500	0.46%	STATE AGENCY	CITY OF DENTON	1,200	1.00%	MUNICIPAL GOVERNMENT
PETERBILT MOTORS	1,500	0.46%	TRANSPORTATION	TEXAS WOMAN'S UNIVERSITY	900	0.75%	EDUCATION
DENTON REGIONAL MEDICAL CENTER	800	0.24%	HEALTH CARE	DENTON REGIONAL MEDICAL CENTER	850	0.71%	HEALTH CARE
PRESBYTERIAN HOSPITAL OF DENTON	750	0.23%	HEALTH CARE	FEMA (CALL CENTER)	750	0.63%	U.S. DEPT OF HOMELAND SECURITY
Total	29,568	6.25%		Total	18,200	15.22%	
<b>TARRANT COUNTY TOP TEN EMPLOYERS</b>				<b>TARRANT COUNTY TOP TEN EMPLOYERS</b>			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	INDUSTRY	EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	INDUSTRY
AMERICAN AIRLINES	24,888	2.98%	TRANSPORTATION	AMRCORP/AMERICAN AIRLINES	28,500	4.05%	TRANSPORTATION
TEXAS HEALTH RESOURCES	24,189	2.90%	HEALTH CARE	LOCKHEED FORT WORTH DIVISION	16,800	2.39%	MANUFACTURING
LOCKHEED MARTIN AERONAUTICS CO	15,000	1.80%	MANUFACTURING	TEXAS HEALTH RESOURCE	13,100	1.86%	HEALTH CARE
FORT WORTH ISD	10,953	1.31%	SCHOOL DISTRICT	FORT WORTH ISD	9,930	1.41%	EDUCATION
BELL HELICOPTER	6,700	0.80%	MANUFACTURING	ARLINGTON IDS	8,000	1.14%	EDUCATION
CITY OF FORT WORTH	6,247	0.75%	MUNICIPAL GOVERNMENT	BELL HELICOPTER-TEXTRON	5,749	0.82%	MANUFACTURING
ALBERTSONS LLC	6,100	0.73%	RETAIL	CITY OF FORT WORTH	5,740	0.82%	MUNICIPAL GOVERNMENT
UNIVERSITY OF TEXAS AT ARLINGTON	5,956	0.71%	EDUCATION	TARRANT COUNTY GOVERNMENT	4,197	0.60%	COUNTY GOVERNMENT
JPS HEALTH NETWORK	4,918	0.59%	HEALTH CARE	HARRIS HOSPITAL	3,900	0.55%	HEALTH CARE
TARRANT COUNTY	4,600	0.55%	MANUFACTURING	RADIO SHACK CORP	3,545	0.50%	RETAIL
Total	109,551	13.12%	COUNTY GOVERNMENT	Total	99,461	14.15%	
<b>Source: Dallas Major Employers-DFW and Bureau of Labor Statistics</b>				<b>Source: Fort Worth Business Press, Texas Workforce Commission, individual firms and Fort Worth Chamber of Commerce North Central Texas Council of Governments and Local University and School District web sites Dallas Business Journal and Ft Worth Business Press Book of Lists 2011, City of Dallas and Dallas County, Texas Financial Records Denton Economic Development</b>			

NORTH TEXAS TOLLWAY SYSTEM  
 (An Enterprise Fund of the North Texas Tollway Authority)  
 Contribution to Infrastructure Assets  
 Last Ten Fiscal Years  
 (Unaudited)

Year	Additions	Beginning Balance	Disposals/Transfers	Ending Balance
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
2011	171,434,438	6,206,936,751	(62,875,322)	6,315,495,867

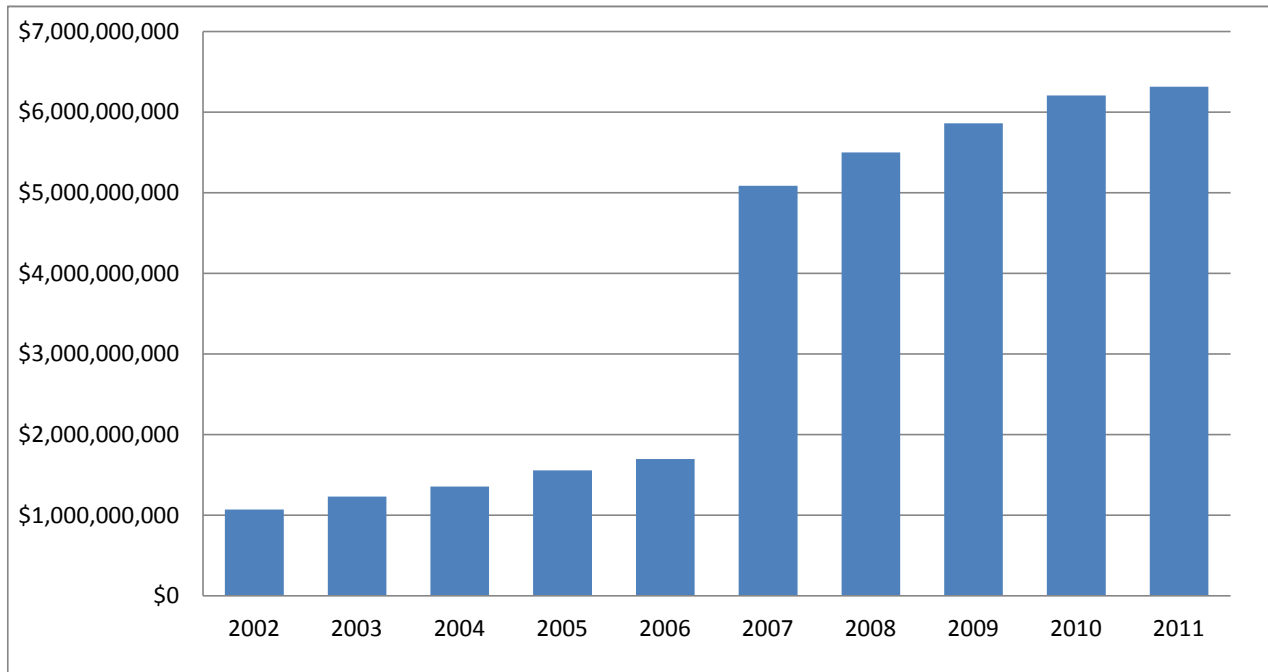
(1) Includes a \$3.2 billion payment to Texas Department of Transportation for the acquisition of State Highway 121 Project.

(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 SYSTEM  
 (An Enterprise Fund of the North Texas Tollway Authority)  
 Toll Revenue Analysis  
 Last Ten Fiscal Years  
 (Unaudited)

Toll Revenue							
Year		Two-Axle Vehicles	Multi-Axle Vehicles	Adjustments		Total	
2002	(1)	\$ 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	(2)	169,631,935	4,635,864	(13,572,769)		160,695,030	
2005	(3)	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	(4)	214,283,866	8,189,103	(19,797,405)		202,675,564	
2008	(5)	262,432,292	12,115,529	(33,771,030)		240,776,791	
2009	(6)	333,428,667	16,308,187	(59,332,307)		290,404,547	
2010	(7)	416,417,929	24,396,549	(74,217,155)		366,597,323	
2011		490,399,454	29,528,914	(104,895,126)		415,033,242	
Toll Revenue - Average Per Day							
Year		Two-Axle Vehicles	Multi-Axle Vehicles	Adjustments		Average	
2002	(1)	\$ 431,359	\$ 8,110	\$ (61,536)		\$ 377,933	
2003		442,128	11,069	(44,092)		409,105	
2004	(2)	463,475	12,666	(37,084)		439,057	
2005	(3)	494,368	14,862	(36,526)		472,704	
2006		541,761	18,343	(35,627)		524,477	
2007	(4)	587,079	22,436	(54,239)		555,276	
2008	(5)	717,028	33,103	(92,271)		657,860	
2009	(6)	913,503	44,680	(162,554)		795,629	
2010	(7)	1,140,871	66,840	(203,335)		1,004,376	
2011	(8)	1,343,560	80,901	(287,384)		1,137,077	

- (1) Toll rate increase for the President George Bush Turnpike went into effect in January 2002. High speed lanes installed (Open Lane Tolling).
- (2) Reflects the completion of DNT and State Highway 121 interchange on April 2004.
- (3) Reflects the opening of Segment IV of the President George Bush Turnpike in September 2005.
- (4) 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.
- (5) Reflects the opening of Sam Rayburn Tollway in September 2008 as the Authority's first all ETC facility. Adjustments includes transaction to be invoiced.
- (6) Reflects the opening of Lake Lewisville in October 2009.
- (7) 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
- (8) Reflects the opening of PGBT-EE in December 2011.

NORTH TEXAS TOLLWAY SYSTEM  
 (An Enterprise Fund of the North Texas Tollway Authority)  
 Total Lane Miles Operating and Number of Employees by Department  
 Last Ten Fiscal Years  
 (Unaudited)

Lane Miles										
	Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Total Lane Miles	297	306	315	319	319	365	618	669	685	744

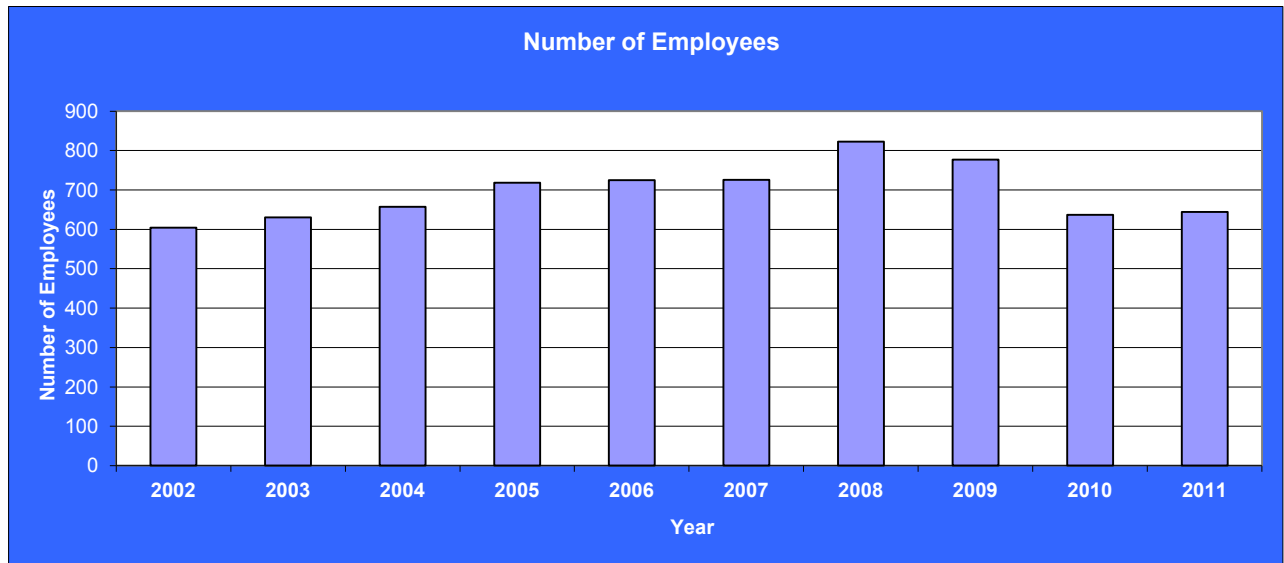
Note----Lane miles are recorded during the year proportionate to the number of months they were operational.

Full-time Equivalent Employees										
Function	Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Administration	6	6	11	7	9	9	9	6	4	6
Board	0	0	0	0	0	0	0	1	1	1
Operations	0	0	0	0	0	0	0	2	3	3
Finance	4	4	4	5	5	6	6	10	22	24
Business Diversity	0	0	0	0	1	1	3	5	5	5
Communications	5	4	3	7	8	9	12	15	15	15
Internal Audit	0	0	0	0	0	0	2	5	6	5
Human Resources	10	8	8	8	12	12	13	14	12	12
Legal Services	3	4	4	4	3	3	3	3	5	6
System & Incident Management	23	22	20	26	26	25	51	57	73	79
Accounting	5	5	5	6	7	5	8	7	0	0
Information Technology	13	16	16	19	19	20	32	47	61	64
Vault	15	28	28	31	30	28	23	19	2	0
Audit - Revenue Reconciliation	2	0	0	6	5	7	6	5	0	0
Procurement Services	3	3	3	6	6	6	10	12	11	11
Government Affairs	0	0	0	1	1	1	3	3	3	2
Toll Collection	402	379	392	412	416	386	321	162	4	0
Maintenance	65	67	71	76	68	81	178	162	163	160
Customer Service Center	41	75	81	92	98	115	133	228	232	236
Project Delivery	7	9	11	12	11	9	6	9	10	10
Project Evaluation	0	0	0	0	0	3	4	0	0	0
Cash and Debt Management	0	0	0	0	0	0	0	5	5	5
<b>Total</b>	<b>604</b>	<b>630</b>	<b>657</b>	<b>718</b>	<b>725</b>	<b>726</b>	<b>823</b>	<b>777</b>	<b>637</b>	<b>644</b>

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.







5900 West Plano Parkway  
Plano, Texas 75093

P.O. Box 260729  
Plano, Texas 75026

214-461-2000

[www.NTTA.org](http://www.NTTA.org)