

# NORTH TEXAS TOLLWAY SYSTEM

(An Enterprise Fund of the North Texas Tollway Authority)

2014 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FISCAL YEAR ENDED DECEMBER 31, 2014





**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, 2014**

**Gerald Carrigan  
Executive Director**

**Horatio Porter  
Chief Financial Officer**



**NORTH TEXAS TOLLWAY SYSTEM**  
**(An Enterprise Fund of the North Texas Tollway Authority)**  
**Comprehensive Annual Financial Report**  
**For the Fiscal Year Ended December 31, 2014**

**TABLE OF CONTENTS**

	<b>Page</b>
<b>INTRODUCTORY SECTION</b>	
Letter of Transmittal .....	1
GFOA Certificate of Achievement.....	4
Organization Chart .....	5
List of Officials.....	6
<b>FINANCIAL SECTION</b>	
Independent Auditors' Report.....	7
Management's Discussion and Analysis (MD&A).....	10
Basic Financial Statements:	
Statement of Net Positions.....	20
Statement of Revenues, Expenses and Changes in Net Positions.....	22
Statement of Cash Flows.....	23
Notes to Basic Financial Statements.....	25
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
Modified Approach-Infrastructure.....	59
Funding Progress Employee Retirement Plan .....	61
Funding Progress Other Post-Employment Benefits.....	61
Schedule 1 – Schedule of Net Positions by Trust Accounts.....	62
<b>STATISTICAL SECTION (Unaudited)</b>	
Introduction to Statistical Section.....	65
Net Positions by Components.....	66
Statements of Revenues & Expenses and Changes in Net Positions.....	67
Traffic and Toll Revenue.....	68
Toll Rates (by Toll Plazas and Class of Vehicle) ... ..	69
Ratio of Outstanding Debt by Type.....	74
Ratio of Revenue-backed Debt Outstanding.....	75
Pro Forma Debt Service Requirements .....	76
Estimated Toll Revenues, Expenses, Other Income and Estimated Debt Service Coverage Ratio's.....	77
Demographic and Economic Statistical Data.....	78
North Texas Four County Region's Top Ten Employers.....	81
Contribution to Infrastructure Assets.....	82
Toll Collection Variance.....	83
Total Lane Miles Operating and Number of Employees by Department.....	84
<b>CONTINUING FINANCIAL DISCLOSURES SCHEDULES (Unaudited)</b>	
Schedule 2 – Consolidating Schedule for Capital Improvement Fund.....	86
Schedule 3 – Schedule of Budget and Actual Revenues and Expenses on Trust Agreement Basis .....	87
Schedule 4 – Schedule of Changes in Net Positions by Trust Account .....	88
Schedule 5 – Schedule of Cash Receipts and Disbursements by Trust Account .....	90
Schedule 6 – Schedule of Toll Revenue and Traffic Analysis .....	92
Schedule 7 – Schedule of Toll Rates.....	93
Schedule 8 – Schedule of Historic Traffic, Toll Revenues and Net Revenues .....	94
Schedule 9 – Schedule of Capitalized Costs by Project.....	95
Schedule 10 – Schedule of Deferred Study Costs – Feasibility Study Fund.....	97





June 15, 2015

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, 2014 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, 2014, including the North Texas Tollway System, and the Non-major Enterprise Fund. The System consists of the Dallas North Tollway (DNT), the President George Bush Turnpike (PGBT) including the Eastern Extension, 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). The Non-major Enterprise Fund is a fund for Toll Service Agreements (TSA) for managed lanes which presently consist of the managed toll lanes for Interstate Highway 635 (LBJ-635), North Tarrant Express 1&2W (NTE-1&2W) and the DFW Connector.

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 unmodified ("clean") opinion on the North Texas Tollway Authority's System financial statements for the year ended December 31, 2014. 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 is committed to being a careful steward of all resources placed in its care – financial, physical and environmental. Because the Authority is a public organization chartered by the state of Texas, every toll collected is reinvested in the region. Toll revenues, in 2014, net of bad debt expense were \$580,524,810, representing an increase of 10.5% over 2013 revenues of \$525,458,723. This increased revenue will allow the Authority to preserve current assets, fund capital improvement projects, satisfy debt service obligations 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 and the Feasibility Study Fund, a revolving fund of the System. In prior years, separate, non-GAAP financial statements were prepared and audited for the Feasibility Study 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, 2014. Please refer to the Management's Discussion and Analysis (MD&A) on pages 10-19 of this report for a detailed discussion of the NTTA's financial performance.

### **Economic Development**

According to the Dallas Regional Chamber, our region ranks among the top three U.S. metropolitan areas for business expansions, relocations and employment growth. The Dallas-Fort Worth (DFW) region is an innovation hub with a wealth of resources that make it an ideal business climate. The DFW region's attractive quality of life, strong regional and state economy, low cost of living, young and skilled labor force, pro-business mind-set and absence of corporate and personal income taxes all contribute to the thriving DFW location. DFW's young, highly educated workforce of over three million people is growing quickly, providing companies with the abundance of talent they need to make their business a success. Forward-looking companies seeking a friendly and profitable place to do business are discovering our numerous benefits.

Texas' business climate, combined with the attributes and functionality that Dallas currently holds as a major corporate headquarters destination, sends a simple yet compelling message. There is no better region from which to operate a national or global firm today, next year, or even 10 to 20 years from now.

### **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 2014 was 1.41 times, well above the required levels of 1.00.

### **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, 2013.

We wish to thank all members of the Finance Department and all NTTA staff for their contributions to the production of the report. We appreciate our Board of Director's for providing leadership as NTTA delivers transportation solutions for customers in the region.

Respectfully submitted,



Horatio Porter  
Chief Financial Officer





Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

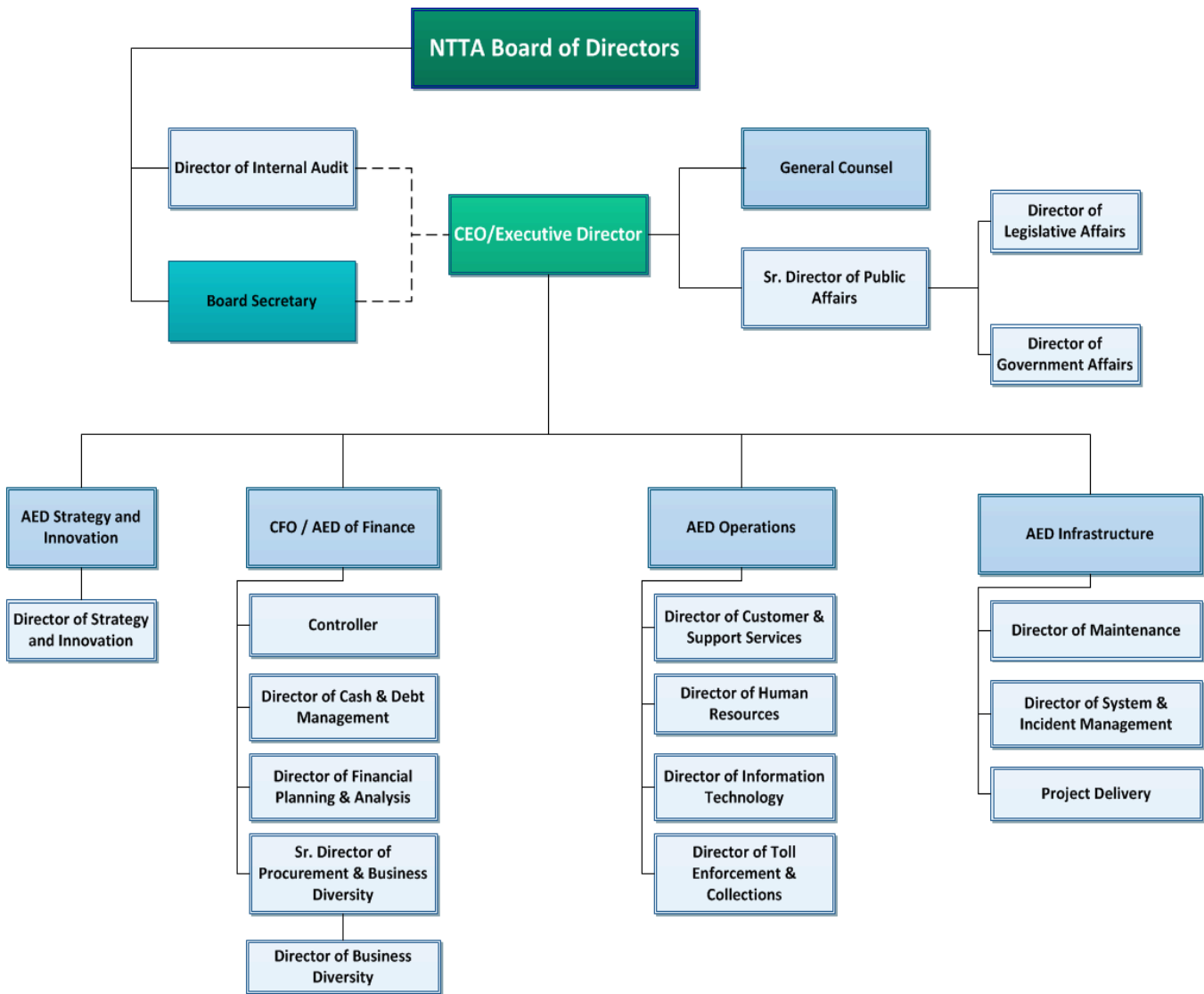
**North Texas Tollway Authority**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2013**

Executive Director/CEO

# Organizational Chart



North Texas Tollway Authority  
List of Officials  
December 31, 2014

<b>Kenneth Barr</b> Chairman	<b>Bill Moore</b> Vice Chairman	<b>William D. Elliott</b> Director
		
Tarrant County Appointee	Collin County Appointee	Gubernatorial Appointee
<b>Matrice Ellis-Kirk</b> Director	<b>Mojoy Haddad</b> Director	<b>Gary Kloepper</b> Director
		
Dallas County Appointee	Tarrant County Appointee	Denton County Appointee
<b>Michael R. Nowels</b> Director	<b>George "Tex" Quesada</b> Director	<b>Jane Willard</b> Director
		
Denton County Appointee	Dallas County Appointee	Collin County Appointee

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
North Texas Tollway Authority

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the major fund and the aggregate remaining fund information 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, 2014, and the related notes to the financial statements, which collectively comprise the System's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express opinions 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the major fund and the aggregate remaining fund information of the System as of December 31, 2014, and the respective changes in financial position, and, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Emphasis of a Matter**

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, 2014, 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. Our opinions are not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 10-19, Modified Approach – Infrastructure on pages 59-60, and schedules of funding progress on page 61, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an 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 basic financial statements, and other knowledge we obtained during our audit of the basic 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.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the System's basic financial statements. The items listed in the introductory section, and the supplementary schedules 1 through 10, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Schedule 1 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule 1 is fairly stated, in all material respects, in relation to the basic 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 auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

*Crowe Horwath LLP*

Crowe Horwath LLP

Dallas, Texas  
June 15, 2015

**NORTH TEXAS TOLLWAY SYSTEM**  
**(An Enterprise Fund of the North Texas Tollway Authority)**  
Management's Discussion and Analysis  
December 31, 2014

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) including the Eastern Extension, Sam Rayburn Tollway (SRT), the Mountain Creek Lake Bridge (MCLB), the Addison Airport Toll Tunnel (AATT), and the Lewisville Lake Toll Bridge (LLTB), which make up the major enterprise fund of the Authority. The Non-major Enterprise Fund is a fund for Toll Service Agreements (TSA) for managed lanes which presently consist of the managed toll lanes for Interstate Highway 635 (LBJ-635), DFW Connector and North Tarrant Express (NTE). The Non-major Enterprise fund is accounted for and presented separately. The Authority also includes the Special Projects System (SPS), another enterprise fund of the System which is reported separately and 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, 2014. 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 Position:** This statement presents information on all of the System's and the Non-major Enterprise fund assets and liabilities, with the difference between the two reported as net position. 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 Positions:** This statement presents information showing the System's and the Non-major Enterprise fund revenues, expenses, and how the net assets changed during the year.

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

#### **2014 Highlights**

- The System's total net position decreased by \$2,246,863 over FY 2013, mainly due to an increase in long-term debt liabilities.

**NORTH TEXAS TOLLWAY SYSTEM**  
**(An Enterprise Fund of the North Texas Tollway Authority)**  
Management's Discussion and Analysis  
December 31, 2014

- Total traffic transactions for FY 2014 were 644,669,523 an increase of 34,539,786 or 5.7% over FY 2013 transactions.
- Approximately 3,189,359 toll tags were active at the end of FY 2014, an increase of 378,192 or 13.4% over FY 2013 active toll tags.
- The System received a toll equity grant in the amount of \$160,270,000 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. The remaining \$33,050,863 of the toll equity grant has been recognized as revenue for FY 2014. In return for the grant, the Authority agreed to share 20% of the tolls received on the PGBT Eastern Extension with TxDOT over the life of PGBT Eastern Extension. The extension opened in late December 2011. TxDOT received \$6,801,686 on 29,580,956 transactions in 2014 and \$4,805,564 on 27,849,577 transactions in 2013.
- Toll revenues of \$580,524,810, net of bad debt expense, increased \$55,066,087 or 10.5% over FY 2013, due to a 5.7% increase in traffic transactions and a full year benefit of the price increase implemented July 1, 2013.
- The System's Administration and Operations expenses of \$115,465,976 were under budget by 5.9% in FY 2014. (see System's Budget to Actual Schedule - page 87)



**NORTH TEXAS TOLLWAY SYSTEM**  
**(An Enterprise Fund of the North Texas Tollway Authority)**  
Management's Discussion and Analysis  
December 31, 2014

**Summary of Operations**

**Table A-1**

Net Position (in millions of dollars)

	2014	2013
Current unrestricted assets	\$ 400,442,436	\$ 372,198,048
Current restricted assets	296,987,635	244,900,523
Noncurrent assets		
Restricted investments	410,326,873	424,352,853
Other assets	62,757,505	59,634,693
Intangible assets	2,817,791,721	2,856,136,304
Capital assets	3,369,437,050	3,372,954,141
Total assets	7,357,743,220	7,330,176,562
Deferred outflow of resources	109,324,238	55,569,135
Current unrestricted liabilities	80,409,110	74,762,461
Current liabilities payable from restricted assets	190,962,470	225,221,589
Noncurrent liabilities	52,953,118	46,602,992
Long-term debt	7,815,035,989	7,708,911,934
Total liabilities	8,139,360,687	8,055,498,976
Deferred inflow of resources	4,630,518	4,923,605
Net position:		
Investment in capital assets	(4,234,262,561)	(4,212,230,014)
Restricted for debt service	763,704,484	763,566,930
Restricted for SCA Intangible	2,816,826,721	2,856,136,304
Restricted for TSA's	-	1,697,108
Unrestricted	(23,192,391)	(83,847,212)
Total net position	\$ (676,923,747)	\$ (674,676,884)

The net position indicates an unrestricted current ratio of 4.98 and 4.98 for FY 2014 and FY 2013, respectively. Working capital was \$320,033,326 and \$297,435,587 in FY 2014 and FY 2013, respectively. Total unrestricted current assets were \$400,442,436 in FY 2014, compared to \$372,198,048 in FY 2013. Total unrestricted and restricted current assets were \$697,430,071 at the end of FY 2014. Cash and investments of \$620,093,785 represent the largest component of current assets. The remaining \$77,336,286 is comprised of accrued interest receivable of \$1,478,569, accounts receivable of \$56,815,990, inter-project/interagency receivables of \$17,585,545 and prepaid expenses of \$1,456,182.

Total unrestricted current liabilities were \$80,409,110 million at the end of FY 2014, including \$109,571 for accounts payable, \$45,666,746 of deferred revenue and \$20,973,115 for accrued liabilities, mainly accrued salaries and vacation liability and \$13,659,678 of interfund payables.

**NORTH TEXAS TOLLWAY SYSTEM**  
**(An Enterprise Fund of the North Texas Tollway Authority)**  
Management's Discussion and Analysis  
December 31, 2014

**Table A-2**  
Change in Net Position  
(in millions of dollars)

Revenues	2014	2013
Tolls	\$ 580,524,810	\$ 525,458,723
Other revenues	34,526,543	26,138,924
Operating revenues	615,051,353	551,597,647
Operating expenses before depreciation	170,116,876	150,224,601
Income from operations before depreciation	444,934,477	401,373,046
Amortization of intangible (Sam Rayburn Tollway)	(64,403,243)	(63,943,350)
Depreciation	(6,159,420)	(6,203,704)
Operating income	374,371,814	331,225,992
Nonoperating revenue (expenses):		
Gain (Loss) on fair value of investments	2,466,494	(6,287,411)
Interest expense	(438,701,716)	(442,625,824)
Other	(1,218,263)	(17,891,948)
Net nonoperating revenue (expenses):	(437,453,485)	(466,805,183)
Capital contributions		
Payments from other governments	1,790,774	8,389,180
Operating Transfers	-	919,608
BAB's subsidy	26,877,164	26,674,318
Capital contribution	32,166,870	-
Change in net position	(2,246,863)	(99,596,085)
Net position- beginning	(674,676,884)	(575,080,799)
Net position - ending	\$ (676,923,747)	\$ (674,676,884)

Total operating revenues were \$615,051,353 for FY 2014 and \$551,597,647 for FY 2013 (see Table A-2). Toll revenues in FY 2014 were \$580,524,810 (net of bad debt expense of \$48,574,497), a 10.5% increase over FY 2013 toll revenues of \$525,458,723 (net of bad debt expense of \$46,133,481). Traffic on the System continues to grow, with average daily transactions of 1,766,218 and 1,677,930 in FY 2014 and FY 2013, respectively.

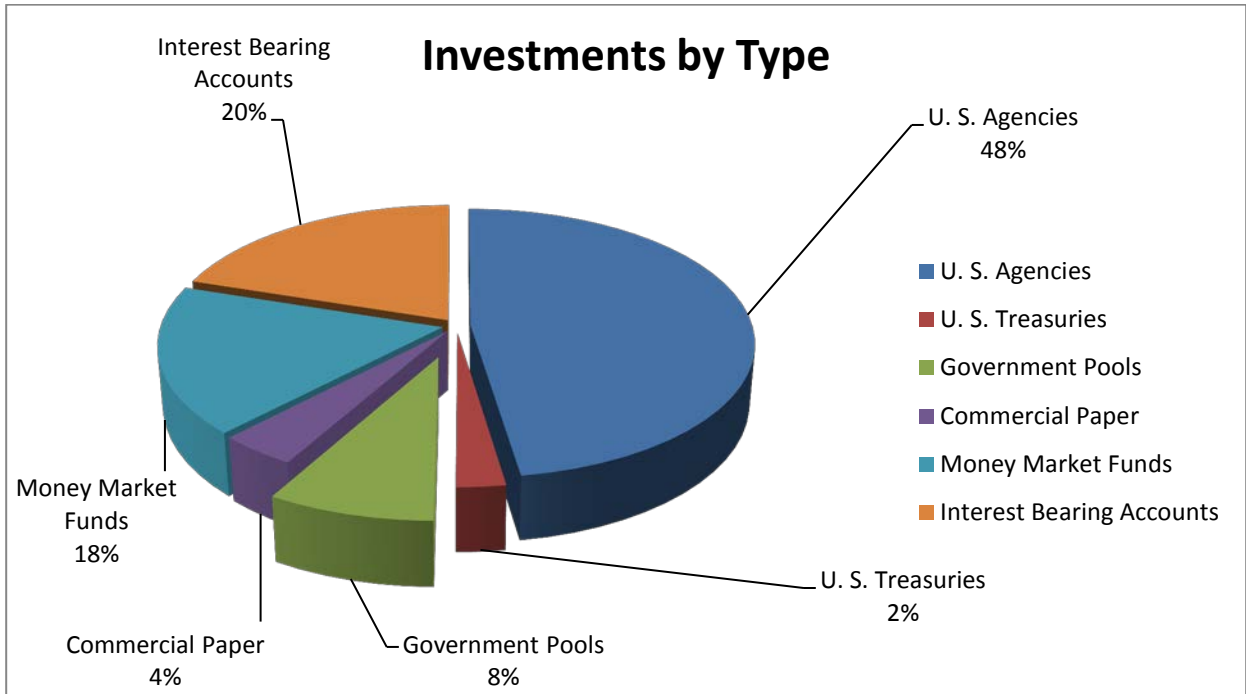
Total operating expenses, including the Reserve Maintenance Fund and the Capital Improvement Fund, before depreciation for FY 2014 were \$170,116,876, representing an 13.2% increase from FY 2013 operating expenses of \$150,224,601 (See Table A-2). Interest expense, inclusive of capitalized interest, for 2014 was \$438,701,716, a 0.9% decrease from FY 2013 interest expense of \$442,625,824. Debt service coverage for all debt for FY 2014 and FY 2013 were 1.41 and 1.26 times, respectively. The Trust Agreement and the Authority's Debt Policy both require bond principal and interest coverage of 1.35 for first tier debt. For FY 2014, the debt service coverage for first tier debt was 1.89.

The System's overall financial position decreased in FY 2014, as indicated by the (\$2,246,863) decrease in net position.

**NORTH TEXAS TOLLWAY SYSTEM**  
**(An Enterprise Fund of the North Texas Tollway Authority)**  
Management's Discussion and Analysis  
December 31, 2014

**Investments:** Investments at December 31, 2014 and 2013 were approximately \$1,011,913,924 and \$957,049,956 respectively. Table A-3 chart below shows the types of authorized investments in the December 31, 2014 portfolio.

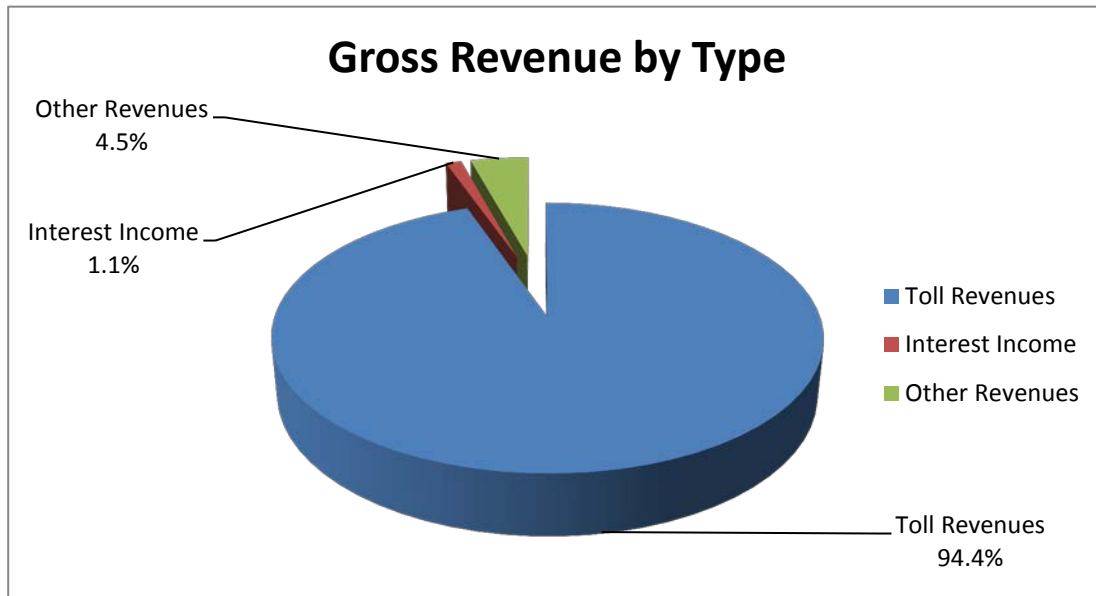
**Table A-3**



**NORTH TEXAS TOLLWAY SYSTEM**  
**(An Enterprise Fund of the North Texas Tollway Authority)**  
Management's Discussion and Analysis  
December 31, 2014

Table A-4 below shows revenue in FY 2014 by revenue source type.

**Table A-4**

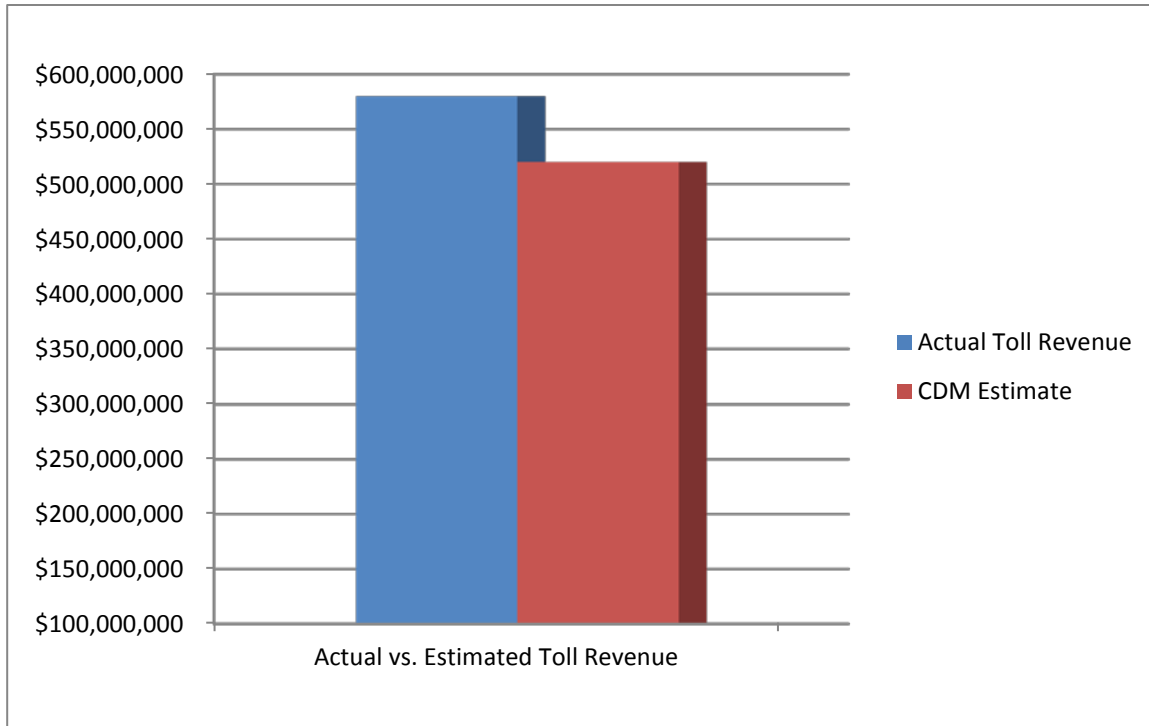


Revenues for FY 2014 were \$615,051,353, an 11.5% increase over FY 2013 gross revenues of \$551,597,647. Toll revenues of \$580,524,810 (net of bad debt expenses of \$48,574,497) account for 94.4% of total revenue. Interest income (excluding Construction Fund interest) was \$6,980,433 or 1.1%. Other revenue, mostly administrative and statement fees for collection of tolls from violators and interoperability fees, was \$27,546,110, representing 4.5% of the total.

**NORTH TEXAS TOLLWAY SYSTEM**  
**(An Enterprise Fund of the North Texas Tollway Authority)**  
Management's Discussion and Analysis  
December 31, 2014

Table A-5 below shows the System's actual toll revenue for FY 2014 compared to the estimated toll revenue of the Authority's traffic and toll revenue engineer, CDM Smith Inc. (CDM). Toll revenue was over CDM's estimates by 11.5%.

**Table A-5**



Traffic on the System continues to grow with approximately 1,766,218 average daily transactions in 2014, up 5.3% from the 1,677,930 daily averages in 2013.

The increases in the toll revenue were largely attributed to:

- The increased growth of population in the North Texas counties (Dallas, Tarrant, Denton & Collin).
- Toll Rate increase in July 2013.

**NORTH TEXAS TOLLWAY SYSTEM**  
**(An Enterprise Fund of the North Texas Tollway Authority)**  
Management's Discussion and Analysis  
December 31, 2014

**Engineering Estimates**

The annual estimates by the System's traffic and revenue engineer, CDM Smith Inc. (CDM), are displayed in comparison to the actual revenue for the years of 2005 through 2014 in Table A-6 below:

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

Year	Actual	Estimate	Variance
2014	\$ 580,045,215(*)	\$ 520,318,600	\$ 59,726,615
2013	525,458,723	483,799,800	41,658,774
2012	485,463,608	442,688,000	39,263,359
2011	402,569,354	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

\* Net of bad debt expenses (\$47,803,631)

The System's FY 2014 toll revenue of \$580,045,215 increased by 10.4% over FY 2013 actual toll revenue of \$525,458,723. The System's total revenues produced a debt coverage ratio of 1.41 for all debt. Please see the Historical Debt Coverage Table (A-8) on page 19.

**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, 2014 were \$3,369,437,050, decreasing from FY 2013 by \$3,517,091. 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 2014, the Authority estimated it would need to spend \$27,394,112 for infrastructure maintenance and preservation, but actually expended \$11,144,585. 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 2014 assessment, please see the Required Supplementary Information on pages 59 and 60 of this report. The Authority's Condition Index for 2014 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).

**NORTH TEXAS TOLLWAY SYSTEM**  
**(An Enterprise Fund of the North Texas Tollway Authority)**  
Management's Discussion and Analysis  
December 31, 2014

The Authority will amortize 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 amortizing 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 amortization 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 2014, the Authority's total bonded debt outstanding was \$7,648,188,182 compared to \$7,588,629,243 in 2013 (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, 2014, on page 44.

**Table A-7**  
Revenue Bonds Outstanding  
As of FY 2014 and FY 2013

Series	2014	2013
Series 2005C	\$ 178,310,000	\$ 178,310,000
Series 2008A	1,419,325,000	1,733,205,000
Series 2008B	226,930,000	226,930,000
Series 2008D	593,718,182	560,239,885
Series 2008E	-	215,000,000
Series 2008F	856,460,000	1,000,000,000
Series 2008I	295,165,000	277,394,358
Series 2008K	205,000,000	205,000,000
Series 2009A	373,425,000	373,425,000
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	100,000,000
Series 2011B	268,625,000	268,625,000
Series 2012A	25,930,000	25,930,000
Series 2012B	383,625,000	383,625,000
Series 2012C	101,775,000	101,775,000
Series 2012D	32,815,000	32,815,000
Series 2014A	310,415,000	-
Series 2014B	146,420,000	-
Series 2014C	223,895,000	-
Revenue Bonds Outstanding	<u>\$ 7,648,188,182</u>	<u>\$ 7,588,629,243</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, 2014

Table A-8 sets forth debt service coverage for all Revenue Bonds outstanding for the years 2005 through 2014.

**Table A-8**  
Historical Debt Coverage

Year	Coverage
2014	1.41x
2013	1.26x
2012	1.47x
2011	1.77x
2010	1.83x
2009	1.56x
2008	1.60x
2007	1.96x
2006	1.98x
2005	1.80x

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 \$8,000,000 was made on December 31, 2014 for the fiscal year of 2015. 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 Swap Transactions remain legally tied to the Series 2005C Bonds, which have been remarketed to fixed rate. However, the Authority recognized the need for the Swap Transactions to be economically tied to variable rate bonds so that the Swap Transactions 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 a \$200,000,000 commercial paper program. No commercial paper was issued in 2014. As of December 31, 2014 there was no outstanding note under the commercial paper program. (Note 5 page 50)

**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 Position  
December 31, 2014

<b>Assets</b>	<b>North Texas Tollway System</b>	<b>Non-Major Enterprise Fund</b>	<b>Total</b>
<b>Current assets:</b>			
Cash and cash equivalents (note 3)	\$ 18,325,616	\$ 174,124	\$ 18,499,740
Investments (note 3)	291,902,330	18,404,420	310,306,750
Accounts receivable (net of allowance for uncollectibles) (note 9)	50,699,193	1,676,537	52,375,730
Other assets	17,720,381	1,539,835	19,260,216
Total current unrestricted assets	<u>378,647,520</u>	<u>21,794,916</u>	<u>400,442,436</u>
<b>Current restricted assets:</b>			
Restricted for construction:			
Cash and cash equivalents (notes 3 and 5)	6,993	-	6,993
Investments (notes 3 and 10)	76,604,404	-	76,604,404
Accrued interest receivable	95,860	-	95,860
Restricted for debt service:			
Investments (notes 3 and 5)	214,675,898	-	214,675,898
Accrued interest receivable	1,164,220	-	1,164,220
Accounts receivable	4,440,260	-	4,440,260
Total current restricted assets	<u>296,987,635</u>	<u>-</u>	<u>296,987,635</u>
Total current assets	<u>675,635,155</u>	<u>21,794,916</u>	<u>697,430,071</u>
<b>Noncurrent assets:</b>			
Investments restricted for debt service (notes 3 and 5)	410,326,873	-	410,326,873
Unavailable feasibility study costs	62,757,505	-	62,757,505
Service Concession Arrangement - Intangible asset (note 1(m) (net of accumulated amortization)	2,817,791,721	-	2,817,791,721
Capital assets (note 4) (net of accumulated depreciation)	3,369,437,050	-	3,369,437,050
Total noncurrent assets	<u>6,660,313,149</u>	<u>-</u>	<u>6,660,313,149</u>
<b>Total assets</b>	<b><u>7,335,948,304</u></b>	<b><u>21,794,916</u></b>	<b><u>7,357,743,220</u></b>
<b>Deferred outflow of resources</b>			
Accumulated decrease in fair value of hedging derivatives	31,754,251	-	31,754,251
Loss on refunding	77,569,987	-	77,569,987
<b>Total deferred outflow of resources</b>	<b><u>109,324,238</u></b>	<b><u>-</u></b>	<b><u>109,324,238</u></b>

See accompanying notes to basic financial statements

**NORTH TEXAS TOLLWAY SYSTEM**  
**(An Enterprise Fund of the North Texas Tollway Authority)**  
Statement of Net Position  
December 31, 2014

<b>Liabilities</b>	<b>North Texas Tollway System</b>	<b>Non-Major Enterprise Fund</b>	<b>Total</b>
Current liabilities:			
Accounts payable	\$ 109,571	\$ -	\$ 109,571
Accrued liabilities	20,871,778	101,337	20,973,115
Unearned revenue	45,666,746	-	45,666,746
Other	13,659,654	24	13,659,678
Total current unrestricted liabilities	80,307,749	101,361	80,409,110
Payable from restricted assets:			
Construction-related payables:			
Retainage payable	2,161,313	-	2,161,313
Debt service-related payables:			
Accrued interest payable	187,649,422	-	187,649,422
Accrued arbitrage rebate payable	186,735	-	186,735
Revenue bonds payable, current portion (note 5)	965,000	-	965,000
Total current liabilities payable from restricted assets	190,962,470	-	190,962,470
Total current liabilities	271,270,219	101,361	271,371,580
Noncurrent liabilities:			
Other post-employment benefits (note 8)	21,198,867	-	21,198,867
Accumulated increase in fair value of hedging derivatives	31,754,251	-	31,754,251
Loans payable	133,784,783	-	133,784,783
Dallas North Tollway System revenue bonds payable, net of bond discount (premium) costs of \$34,028,024 (note 5)	7,681,251,206	-	7,681,251,206
Total noncurrent liabilities	7,867,989,107	-	7,867,989,107
<b>Total liabilities</b>	<b>8,139,259,326</b>	<b>101,361</b>	<b>8,139,360,687</b>
<b>Deferred inflow of resources</b>			
Gain on refunding	4,630,518	-	4,630,518
<b>Net Position</b>			
Net investment in capital assets	(4,234,262,561)	-	(4,234,262,561)
Restricted for:			
Debt service	763,704,484	-	763,704,484
SCA Intangible	2,816,826,721	-	2,816,826,721
Unrestricted	(44,885,946)	21,693,555	(23,192,391)
<b>Total net position</b>	<b>\$ (698,617,302)</b>	<b>\$ 21,693,555</b>	<b>\$ (676,923,747)</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 Position  
Year ended December 31, 2014

	<b>North Texas Tollway System</b>	<b>Non-Major Enterprise Fund</b>	<b>Total</b>
Operating revenues:			
Tolls	\$ 580,045,215	\$ 479,595	\$ 580,524,810
Other	28,170,791	6,355,752	34,526,543
Total operating revenues	<u>608,216,006</u>	<u>6,835,347</u>	<u>615,051,353</u>
Operating expenses:			
General			
Administration	21,292,271	914,129	22,206,400
Operations	94,173,705	3,743,737	97,917,442
Preservation			
Reserve maintenance	11,144,585	-	11,144,585
Capital improvement	38,848,449	-	38,848,449
Amortization of intangibles	64,403,243	-	64,403,243
Depreciation	6,159,420	-	6,159,420
Operating expenses	<u>236,021,673</u>	<u>4,657,866</u>	<u>240,679,539</u>
<b>Operating income</b>	<b><u>372,194,333</u></b>	<b><u>2,177,481</u></b>	<b><u>374,371,814</u></b>
Nonoperating revenues (expenses):			
Gain (loss) on fair value of investments	2,466,494	-	2,466,494
Interest expense	(438,701,716)	-	(438,701,716)
Other	(1,218,263)	-	(1,218,263)
Net nonoperating revenues (expenses)	<u>(437,453,485)</u>	<u>-</u>	<u>(437,453,485)</u>
Income (loss) before capital contributions, subsidies, and transfers	(65,259,152)	2,177,481	(63,081,671)
Payments from other governments	1,790,774	-	1,790,774
Build America Bonds Subsidy (BAB's)	26,877,164	-	26,877,164
Capital contribution	32,166,870	-	32,166,870
Change in net position	<u>(4,424,344)</u>	<u>2,177,481</u>	<u>(2,246,863)</u>
Beginning net position	(694,192,958)	19,516,074	(674,676,884)
<b>Ending net position</b>	<b><u>\$ (698,617,302)</u></b>	<b><u>\$ 21,693,555</u></b>	<b><u>\$ (676,923,747)</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, 2014

	<b>North Texas Tollway System</b>	<b>Non-Major Enterprise Fund</b>	<b>Total</b>
<b>Cash flows from operating activities:</b>			
Receipts from customers and users	\$ 594,745,022	\$ 3,740,788	\$ 598,485,810
Payments to contractors and suppliers	(185,965,332)	(3,703,027)	(189,668,359)
Payments to employees	(46,152,142)	(914,129)	(47,066,271)
<b>Net cash provided by operating activities</b>	<b>362,627,548</b>	<b>(876,368)</b>	<b>361,751,180</b>
<b>Cash flows from capital and related financing activities:</b>			
Acquisition and construction of capital assets	(13,581,447)	-	(13,581,447)
Capital contributions	1,790,774	-	1,790,774
Capital contribution-BABS subsidy	35,884,100	-	35,884,100
Deferred financing costs	1,426,519	-	1,426,519
Issuance of revenue bonds	680,730,000	-	680,730,000
Refunding of revenue bonds	(667,675,000)	-	(667,675,000)
Defeased revenue bonds	(4,745,000)	-	(4,745,000)
Principal paid on revenue bonds	(965,000)	-	(965,000)
Principal paid on ISTEAL loan	(2,285,066)	-	(2,285,066)
SWAP interest expense	(6,228,530)	-	(6,228,530)
Interest paid on ISTEAL loan	(5,714,934)	-	(5,714,934)
Interest paid on revenue bonds and other debt	(329,054,987)	-	(329,054,987)
<b>Net cash used in capital and related financing activities</b>	<b>(310,418,571)</b>	<b>-</b>	<b>(310,418,571)</b>
<b>Cash flows from investing activities:</b>			
Purchase of investments	(4,455,419,000)	(857,333)	(4,456,276,333)
Proceeds from sales and maturities of investments	4,401,622,652	1,907,825	4,403,530,477
Interest	206,198	-	206,198
<b>Net cash provided by (used in) investing activities</b>	<b>(53,590,150)</b>	<b>1,050,492</b>	<b>(52,539,658)</b>
Net increase (decrease) in cash and cash equivalents	(1,381,173)	174,124	(1,207,049)
Cash and cash equivalents, beginning of the year	19,713,782	-	19,713,782
<b>Cash and cash equivalents, end of the year</b>	<b>18,332,609</b>	<b>174,124</b>	<b>18,506,733</b>
Classified as:			
Current assets	18,325,616	174,124	18,499,740
Restricted assets	6,993	-	6,993
<b>Total</b>	<b>18,332,609</b>	<b>174,124</b>	<b>18,506,733</b>
<b>Noncash financing, capital, and investing activities:</b>			
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	372,194,333	2,177,481	374,371,814
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	6,159,420	-	6,159,420
Amortization of intangible	64,403,243	-	64,403,243
Bad debt expense	47,803,631	770,866	48,574,497
Changes in assets and liabilities:			
Increase in accounts receivable	(65,937,982)	(3,865,475)	(69,803,457)
Increase in prepaid expenses and other assets	(283,020)	-	(283,020)
Increase in unearned revenue	4,663,417	-	4,663,417
Increase in accrued liabilities	237,789	101,337	339,126
(Increase) decrease in accrued interest receivable	(50)	50	-
Decrease in accounts and retainage payable	(66,613,233)	(60,627)	(66,673,860)
Total adjustments	(9,566,785)	(3,053,849)	(12,620,634)
<b>Net cash provided by operating activities</b>	<b>\$ 362,627,548</b>	<b>\$ (876,368)</b>	<b>\$ 361,751,180</b>
<b>Noncash financing activities:</b>			
Increase in fair value of investments	2,360,407	-	2,360,407
Interest accretion on bonds	(51,248,940)	-	(51,248,940)
Capital contributions	1,790,774	-	1,790,774

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, 2014

**NOTE CONTENTS**

<b>Note 1. Nature of the Organization and Summary of Significant Accounting Policies</b>	
<b>(a) Reporting Entity</b> .....	<b>26</b>
<b>(b) Basis of Accounting</b> .....	<b>26</b>
<b>(c) Budget</b> .....	<b>27</b>
<b>(d) Restricted Assets</b> .....	<b>27</b>
<b>(e) Cash, Cash Equivalents and Investments</b> .....	<b>28</b>
<b>(f) Capital Assets</b> .....	<b>28</b>
<b>(g) Compensated Absences</b> .....	<b>29</b>
<b>(h) Retainage Payable</b> .....	<b>29</b>
<b>(i) Deferred Outflows/Inflows of Resources</b> .....	<b>29</b>
<b>(j) Bond Discounts and Premiums</b> .....	<b>29</b>
<b>(k) Arbitrage Rebate Payable</b> .....	<b>29</b>
<b>(l) Estimates</b> .....	<b>29</b>
<b>(m) Service Concession Arrangement</b> .....	<b>30</b>
<b>(n) New Accounting Pronouncements</b> .....	<b>30</b>
<b>Note 2. Legal Compliance - Budgets</b> .....	<b>31</b>
<b>Note 3. Deposits and Investments</b> .....	<b>32</b>
<b>Note 4. Capital Assets</b> .....	<b>35</b>
<b>Note 5. Revenue Bonds, Commercial Paper, and Loans Payable</b>	
Revenue Bonds .....	36
SWAP Transactions .....	46
Commercial Paper .....	50
Loans Payable .....	50
<b>Note 6. Employees' Retirement Plan</b> .....	<b>51</b>
Texas County and District Retirement System .....	51
401(k) Plan.....	52
<b>Note 7. Risk Management</b> .....	<b>53</b>
<b>Note 8. Other Post Employment Benefits</b> .....	<b>53</b>
<b>Note 9. Disaggregation of Receivable Balances</b> .....	<b>56</b>
<b>Note 10. Commitments and Contingencies</b> .....	<b>56</b>
<b>Note 11. Subsequent Events</b> .....	<b>57</b>

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

December 31, 2014

**(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). The Non-Major Enterprise Fund is a fund for Toll Service Agreements (TSA) for managed toll lanes which presently consist of the lanes for Interstate Highway 635 (LBJ-635), DFW Connector and North Tarrant Express (NTE).

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 an enterprise fund of the Authority and does not purport to be the entire activities of the Authority and are not included in the financial statements herein.

**(b) Basis of Accounting**

The operations of the System are accounted for as enterprise funds on an accrual basis in order to recognize the flow of economic resources.

Under this basis, revenues are recognized in the period in which they are earned, expenses are recognized in the period in which they are incurred, and all assets and liabilities associated with the operation of the System are included in the Statement of Net Position. The assets of the System are stated at cost with the exception of certain investments and interest rate swap derivatives, which are stated at fair value.

The principal revenues of the System are toll revenues received from patrons. Operating expenses for the System 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 principal revenues of the Non-Major Enterprise Fund are fees from processing of interoperability payments, and fees charged for billing services on managed lanes for the Toll Service Agreements. Operating expenses for the Non-Major Enterprise Fund include the costs of billing and collections of managed lane transactions.

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

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

December 31, 2014

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) each a sub-fund included in the System. 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.

When the feasibility of a project is determined, pursued project costs are capitalized, and the related project study costs are reimbursed to the sub-fund Feasibility Study Fund from the proceeds of the project's bond issue. Unfeasible projects are 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 System'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 System 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 System 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. Also, certain other assets are accumulated and restricted on a monthly basis in accordance with the Trust Agreement for the purpose of paying interest and principal payments that are due on a semiannual and annual basis, respectively, and for the purpose of maintaining the reserve funds at the required levels. Payments from these restricted accounts are strictly governed by the Trust Agreement and can only be made in compliance with the Trust Agreement.

Limited types of expenses may be funded from these accounts. Expenses that do not meet these requirements are funded from unrestricted accounts. The sub-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.
- **Non-Major Enterprise Fund** – The Non-Major Enterprise Fund was created to account for toll service agreements (TSA) revenues separately from revenues that are devoted to the repayment of bonds.
- **Operation and Maintenance Fund** – The Operation and Maintenance Fund was created to account for and pay current operating expenses of the Authority.



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

**NOTES TO BASIC FINANCIAL STATEMENTS**

December 31, 2014

- **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, 2014, 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.

**(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 Position 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.

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

December 31, 2014

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.

**(i) *Deferred Outflows/Inflows of Resources***

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses) until then. The Authority has two items that qualifies for reporting in this category in the statement of net position. One is the loss on refunding and the second one is the accumulated decrease in fair value of hedging derivatives. The loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Authority only has one type of item that qualifies for reporting in this category. It is the deferred gain on refunding reported in the statement of net position. A deferred gain on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

**(j) *Bond Discounts and Premiums***

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 System's cumulative arbitrage rebate liabilities for the year ended December 31, 2014 are \$186,735.

**(l) *Estimates***

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

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

December 31, 2014

**(m) Service Concession Arrangement for Sam Rayburn Tollway (SRT)**

In October 2007, the Authority entered into an agreement with Texas Department of Transportation (“TXDOT”) to construct a continuous express lane within the State Highway 121 corridor extending between Business SH 121 in Denton County to US 75 in Collin County consisting of 26 miles in five designated segments. Under the agreement, the Authority provided an upfront payment to TXDOT in the amount of \$3.2 billion. An intangible asset has been recorded and is being amortized over 50 years. At the end of the intangible asset's life, the roadway will be returned to TXDOT subject to the Handback Requirements in the agreement.

The revenue generated from the operation of the toll road will be shared between TXDOT and the Authority in accordance with the limits and calculations in the agreement. In the current year the amount of revenue given to TXDOT was \$0.

	January 1, 2014	Additions	Disposal	Amortization	December 31, 2014
Roadway	\$ 3,197,211,448	25,598,767	-	-	3,222,810,215
Less accumulated amortization	(341,075,144)	-	-	(63,943,350)	(405,018,494)
<b>Total</b>	<b>\$ 2,856,136,304</b>	<b>25,598,767</b>	<b>-</b>	<b>(63,943,350)</b>	<b>2,817,791,721</b>

**(n) New Accounting Pronouncements**

In the current year the System implemented the following statements:

GASB Statement No. 67, Financial Reporting for Pension Plans—an amendment of GASB Statement No. 25. This Statement replaces the requirements of Statements No. 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans, and No. 50, Pension Disclosures, as they relate to pension plans that are administered through trusts or equivalent arrangements that meet certain criteria. This standard becomes effective for financial statements for periods beginning after June 15, 2013. There was no impact of this statement on the System’s financial statements.

GASB Statement No. 69, Government Combinations and Disposals of Government Operations, which is effective for fiscal years beginning after December 15, 2013, establishes accounting and financial reporting standards related to government combinations and disposals of government operations. There was no impact of this statement on the System’s financial statements.

GASB Statement No. 70, Accounting and Financial Reporting for Non-exchange Financial Guarantees which is effective for fiscal years beginning after June 15, 2013, establishes guidance for governments that extend financial guarantees for the obligations of another government, a not-for-profit entity or a private entity without directly receiving equal or approximately equal value in exchange (a non-exchange transaction). As part of this non-exchange financial guarantee, a government commits to indemnify the holder of the obligation if the entity that issued the obligation does not fulfill its payment requirements. Also, some governments issue obligations that are guaranteed by other entities in a non-exchange transaction. The objective of this Statement is to improve accounting and financial reporting by state and local governments that extend and receive non-exchange financial guarantees. There was no impact of this statement on the System’s financial statements.

The GASB has issued the following statements which will be effective in future years as described below:

GASB Statement No. 68, Accounting and Financial Reporting for Pension Plans—an amendment of GASB Statement No. 27. This Statement replaces the requirements of Statement No. 27, Accounting for Pensions by State and Local Governmental Employers, as well as the requirements of Statement No. 50, Pension Disclosures, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. This standard becomes effective for financial statements for periods beginning after June 15, 2014. The impact on the System’s financial statements has not yet been determined.

GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68, and should be applied simultaneously with the provisions of GASB No. 68, which is effective for periods beginning after June 15, 2014.

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

December 31, 2014

The objective of this statement is to address an issue regarding application of the transition provisions of Statement No. 68, Accounting and Financial Reporting for Pensions.

The requirements of this Statement will eliminate the source of a potential significant understatement of restated beginning net position and expense in the first year of implementation of Statement 68 in the accrual-basis financial statements of employers and nonemployer contributing entities. The impact of this statement on the System's financial statements has not yet been determined.

GASB Statement No. 72, Fair Value Measurement and Valuation. This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. This statement is effective for periods beginning after June 15, 2015. The effect of implementation of this statement 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 2014.

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.

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

December 31, 2014

The Authority was in compliance in 2014.

	<b>2014</b> <b>(unaudited)</b>
GAAP basis operating income	\$ 372,194,333
Non-construction fund interest income	<u>6,954,822</u>
Gross Income	379,149,155
Add:	
Depreciation	6,159,420
Amortization of intangible	64,403,243
Capital improvement fund expenses	38,848,449
Reserve maintenance fund expenses	<u>11,144,585</u>
Net revenues available for debt service	499,704,852
Bond interest expense, net of capitalized interest	351,568,310
Scheduled principal amount due	<u>3,250,066</u>
Calculated debt service requirement	<u><u>\$ 354,818,376</u></u> *
Coverage ratio (for 1st tier debt)	<u>1.89</u>
Coverage ratio (for 1st and 2nd tier debt)	<u>1.55</u>
Coverage ratio (for all debt)	<u>1.41</u>

\*Debt service requirement for 1st tier-\$264,842,227, 2nd tier-\$57,870,701 and other-\$32,105,448

**(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 March 2014. 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 Position.

**(a) Deposits**

The Authority's deposits were fully insured or collateralized at December 31, 2014. The carrying amount of the Authority's deposits was \$18,506,733 and the respective bank balances totaled \$20,284,977. As of December 31, 2014 Federal Depository Insurance Corporation (FDIC) provided \$250,000 of coverage for deposits. All balances in excess of the \$250,000 were fully collateralized in accordance with the Authority's investment policy and the Public Funds Investment Act.

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

December 31, 2014

**(b) Investments**

As of December 31, 2014 the maturity values are as follows:

Description	2014			WAM(*)
	Maturity Value (in Yrs)			
	Fair Value	Less Than 1 Yr	1 Yr or More	
Government Sponsored Entities (GSE):				
Federal Home Loan Bank	\$ 134,920,269	\$ 6,768,037	\$ 128,152,232	
Federal National Mortgage Association	124,556,153	15,139,000	109,417,153	
Federal Agricultural Mortgage Corporation	9,105,300	-	9,105,300	
Federal Farm Credit Bank	104,952,612	20,010,000	84,942,612	
Federal Home Loan Mortgage Corporation	108,296,593	-	108,296,593	
<b>Total GSE</b>	<b>481,830,927</b>	<b>41,917,037</b>	<b>439,913,890</b>	<b>522</b>
Money Market Funds	180,517,652	180,517,652	-	-
U.S. Treasuries	25,001,150	15,106,650	9,894,500	15
Commercial Paper	39,967,686	39,967,686	-	5
Government Pool	82,423,843	82,423,843	-	4 (**)
Interest Bearing Account	202,172,667	202,172,667	-	-
<b>Total Investments</b>	<b>\$ 1,011,913,925</b>	<b>\$ 562,105,535</b>	<b>\$ 449,808,390</b>	<b>546</b>

\*WAM = Weighted Average Maturity (in days)

\*\*WAM of Government Pools reflects the actual Weighted Average Maturity as reported by the Government Pools.

**(c) 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. The weighted average yield-to-maturity of the portfolio for December 31, 2014 was 0.72%. The weighted average maturity in days was 546 days for 2014. Approximately 56% of the investments are maturing within one year and 44% are maturing one year or greater. The Authority does not have a formal policy on Interest Rate Risk.

**(d) Credit Risk**

Per the Investment Policy, on the date of the purchase of any Government Obligation purchased by the Authority, the obligation must have a rating as to investment quality by a nationally recognized investment firm of not less than "AAA" or its equivalent.

As of December 31, 2014, the Authority invested 18% in AAA rated money market funds, 20% in Interest Bearing Accounts, 8% in AAAM rated State and Local Government Pools, 4% in A1/P1 Commercial Paper, 48% in Government Sponsored Entities (GSE) and 2% in U.S. Treasuries backed by the full faith and credit of the U.S. Government. U.S. Treasuries and GSE are Aaa rated by Moody's.

The Authority participates in two local government investment pools operating as SEC 2a-7 like pools: TexPool and TexStar. The State Comptroller oversees TexPool, with Federated Investors managing the daily operations of the pool under a contract with the State Comptroller. JPMorgan Investment Management, Inc. and First Southwest Asset Management, Inc serve as co-administrators for TexStar under an agreement with the TexStar board of directors.

The local government investment pools in which the Authority invests are structured similarly to money market mutual funds, to provide its liquidity needs. TexPool and TexStar were established in conformity with the interlocal Cooperation Act, Chapter 791 of the Texas Government Code and the Public Funds Investment Act, Chapter 2256 of the Code. These funds allow shareholders the ability to deposit or withdraw funds on a daily basis. Interest rates are also adjusted on a daily basis. These funds seek to maintain a constant net asset value of \$1.00, although this cannot be fully guaranteed. TexPool and TexStar are rated AAAM and must maintain a dollar weighted average maturity not to exceed a 60 day limit.

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

December 31, 2014

**(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, 2014 investments in Wells Fargo Bank Government Money Market Fund, Regions Bank and BB&T Bank, exceeded 5% of the total portfolio. More than 5% of the Authority's investments are invested in Federal Home Loan Bank (FHLB), Federal Farm Credit Bank (FFCB), Federal National Mortgage Association (FNMA), and Federal Home Loan Mortgage Corporation (FHLMC).

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

Construction and Property Account	\$ 76,604,404
Revenue Account	59,512,427
Operations and Maintenance Account	3,059
Reserve Maintenance Account	33,444,151
Consolidated Capital Improvement Account	234,932,309
Bond Interest Account	178,302,457
Bond Reserve Account	410,709,022
Bond Redemption Account	1,676
Non-Major Enterprise Account	<u>18,404,420</u>
Total investments	\$ <u><u>1,011,913,925</u></u>

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

December 31, 2014

**(4) Capital Assets**

Capital assets are summarized as follows:

	January 1, 2014	Additions	Disposal	Depreciation	Adjustments	December 31, 2014
<b>Infrastructure network:</b>						
<i>Non-depreciable</i>						
Right-of-way	\$ 256,283,956	\$ -	\$ -	\$ -	\$ -	\$ 256,283,956
Roadway	2,527,849,878	3,274,400	-	-	(8,600,000)	2,522,524,278
Infrastructure - Other *	523,918,337	1,072,747	-	-	-	524,991,084
<b>Total infrastructure network</b>	<b>3,308,052,171</b>	<b>4,347,147</b>	<b>-</b>	<b>-</b>	<b>(8,600,000)</b>	<b>3,303,799,318</b>
<b>Property and Equipment</b>						
Land	7,293,755	-	-	-	-	7,293,755
Buildings	29,596,959	-	-	-	-	29,596,959
Machinery and Equipment	50,748,723	7,238,527	(67,985)	-	2,461	57,921,726
Less accumulated depreciation						
Buildings	(5,353,300)	-	-	(986,560)	-	(6,339,860)
Equipment	(33,648,329)	-	67,985	(5,172,860)	-	(38,753,204)
	(39,001,629)	-	67,985	(6,159,420)	-	(45,093,064)
<b>Total property and equipment</b>	<b>48,637,808</b>	<b>7,238,527</b>	<b>-</b>	<b>(6,159,420)</b>	<b>2,461</b>	<b>49,719,376</b>
<b>Total Capital Assets</b>	<b>3,356,689,979</b>	<b>11,585,674</b>	<b>-</b>	<b>(6,159,420)</b>	<b>(8,597,539)</b>	<b>3,353,518,694</b>
<b>Intangibles</b>						
Intangibles	17,751,682	114,088	-	-	-	17,865,770
Less Amortization	(1,487,520)	-	-	(459,894)	-	(1,947,414)
<b>Total Intangible Assets</b>	<b>16,264,162</b>	<b>114,088</b>	<b>-</b>	<b>(459,894)</b>	<b>-</b>	<b>15,918,356</b>
<b>Total Capital &amp; Intangible Assets</b>	<b>\$3,372,954,141</b>	<b>\$ 11,699,762</b>	<b>\$ -</b>	<b>\$ (6,619,314)</b>	<b>\$ (8,597,539)</b>	<b>\$ 3,369,437,050</b>

\* Includes capitalized interest net of interest earnings. Total bond interest costs incurred amounted to \$381,737,476 during the year ended December 31, 2014.



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

**NOTES TO BASIC FINANCIAL STATEMENTS**

December 31, 2014

**(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 recorded as deferred outflow 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, 2014.

**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%.

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 outflow in resources on the refunding was \$581,259 for the year ended December 31, 2014. The deferred outflow in resources ending balance for the year ended December 31, 2014 was (\$4,925,038).

**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.

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

December 31, 2014

Amortization of the deferred outflow in resources on the refunding was \$499,590 for the year ended December 31, 2014. The deferred outflow in resources ending balance for the year ended December 31, 2014 was (\$853,780).

**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 outflow in resources on the refunding was \$410,945 for the year ended December 31, 2014. The deferred outflow in resources ending balance for the year ended December 31, 2014 was (\$7,573,880). Outstanding principal on the Series 2005A Bonds in escrow is \$205,485,000 on December 31, 2014.

**Series 2008D:**

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

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

**Series 2008E:**

The \$600,000,000 North Texas Tollway Authority Revenue Refunding Bonds, Series 2008E Put Bonds with an Initial Multiannual period, were issued on April 3, 2008 for the purpose of refunding \$12,970,000 of Series 1997 Bonds and \$465,755,000 of the Bond Anticipation Notes that were issued in November 2007. Interest accrues on the Series 2008E Bonds at the Initial Interest Rate, ranging from 5.0% to 5.75% and is payable January 1 and July 1. The Series 2008E Bonds were issued in subseries. These bonds are subject to mandatory tender on the following Mandatory Tender Dates: Subseries 2008E-1 on January 1, 2010, Subseries E-2 on January 1, 2012, and Subseries E-3 on January 1, 2016. On the Mandatory Tender Dates, the Series will be subject to mandatory tender for purchase. The Authority has agreed that the Bonds will be remarketed at the first date on or after the Mandatory Tender Date at which they can be sold in any interest rate mode and at a rate not exceeding 12.00% per annum. In the event they cannot be remarketed and purchased on the Mandatory Tender Date, the mandatory tender will be deemed to have been rescinded and the Series 2008E Bonds will bear interest at the rate of 12.00% per annum from the Mandatory Tender Date until purchased upon a subsequent remarketing. The Series 2009C and Series 2009D Bonds refunded the Subseries 2008E-1 prior to the Mandatory Tender Date. On December 18, 2014, Subseries E-3 was refunded and defeased by the issuance of North Texas Tollway Authority First Tier Revenue Refunding Bonds, Series 2014C SIFMA Index Floating Rate Bonds. Outstanding principal on the Series 2008E-3 Bonds in escrow is \$215,000,000 on December 31, 2014.

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 outflow in resources on the refunding was \$43,191 for the year ended December 31, 2014. The deferred outflow in resources ending balance for the year ended December 31, 2014 was (\$0.00).

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

December 31, 2014

**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. On November 20, 2014, the Authority issued North Texas Tollway Authority Second Tier Revenue Refunding Bonds, Series 2014B and thereby refunded \$143,540,000 of 2008F term bonds bearing interest of 6.125% with maturities on January 1, 2031. The remaining 2008F bonds bear interest of 5.75% with maturities on January 1, 2033 and January 1, 2038.

The aggregate difference in debt service between the 2008F 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 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 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 Position. The Authority obtained a present value loss of \$16,920,933.

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

December 31, 2014

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 outflow in resources on the refunding was \$1,079,437 for the year ended December 31, 2014. The deferred outflow in resources ending balance for the year ended December 31, 2014 was (\$0.00).

**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%. *(The Federal Subsidy Payment is reduced by 7.2% due to automatic federal deficit reduction spending cuts known as "sequestration" which took effect on March 1, 2013. Sequestration affects certain federally funded programs, including the Federal Subsidy Payments payable to the Authority with respect to the Series 2009B.)*

**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 inflow in resources on the refunding was (\$163,281) for the year ended December 31, 2014. The deferred inflow in resources ending balance for the year ended December 31, 2014 was \$3,140,747.

**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 Position. 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 outflow in resources on the refunding was \$725,263 for the year ended December 31, 2014. The deferred outflow in resources ending balance for the year ended December 31, 2014 was (\$7,557,512).

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

December 31, 2014

On August 1, 2012 the 2009D Bonds changed interest rate modes from the weekly reset with interest due monthly into a Callable Commercial Paper Mode. The Commercial Paper is marketed with a minimum 25 day call at which they are remarketed into a new period. The interest rate is fixed for the period at the time of remarketing. Interest is payable at each call date.

**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 ISTEALoan. 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 ISTEALoan. 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%. *(The Federal Subsidy Payment is reduced by 7.2% due to automatic federal deficit reduction spending cuts known as "sequestration" which took effect on March 1, 2013. Sequestration affects certain federally funded programs, including the Federal Subsidy Payments payable to the Authority with respect to the Series 2010B.)*

**Series 2010:**

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

The refunding resulted in a decrease of \$562,190,215 in the aggregate debt service between the refunding debt and the refunded debt. The difference between the reacquisition price and the net carrying amount of the Bonds refunded by 2010 Revenue Refunding Bonds of (\$861,951) was deferred and is being amortized over the stated term of the Series 2008L-1 Bonds. Amortization of the deferred outflow in resources on the refunding was \$35,023 for the year ended December 31, 2014. The deferred outflow in resources ending balance for the year ended December 31, 2014 was (\$719,622).

**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.

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

December 31, 2014

On April 9, 2014, the Authority converted the bonds from a variable rate mode to a SIFMA Index floating rate mode. The interest rate is reset weekly at SIFMA plus 80 basis points. The initial placement agent was Royal Bank of Canada and Loop Capital Markets.

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 outflow in resources on the refunding was \$28,552 for the year ended December 31, 2014. The deferred outflow in resources ending balance for the year ended December 31, 2014 was (\$351,484).

**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 inflow in resources on the refunding was (\$50,911) for the year ended December 31, 2014. The deferred inflow in resources ending balance for the year ended December 31, 2014 was \$243,523.

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 outflow in resources on the prior refunding was \$167,983 for the year ended December 31, 2014. The deferred outflow in resources ending balance for the year ended December 31, 2014 was (\$635,543).

**Series 2012A:**

On June 6, 2012, the Authority issued \$25,930,000 of North Texas Tollway Authority Revenue Refunding Bonds, Series 2012A, for the purpose of refunding \$26,855,000 of the Series 1998 Bonds for economic savings. Interest is payable January 1 and July 1 of each year, commencing January 1, 2014. These bonds were issued as serial bonds maturing January 1, 2027 through January 1, 2029. The bonds have interest rates between 3.75% and 5.00%

The refunding resulted in a decrease of \$2,859,265 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 2012A Revenue Refunding Bonds of (\$501,766) was deferred and is being amortized over the stated term of the Series 1998 Bonds. Amortization of the deferred outflow in resources on the refunding was \$32,189 for the year ended December 31, 2014. The deferred outflow in resources ending balance for the year ended December 31, 2014 was (\$419,594).

**Series 2012B:**

On October 4, 2012, the Authority issued \$383,625,000 of North Texas Tollway Authority Revenue Refunding Bonds, Series 2012B, for the purpose of refunding \$189,210,000 of Series 2003A Bonds and refunding \$209,040,000 of Series 2008H-2 Bonds. The 2003A Bonds were refunded for economic savings. The 2008H-2 Bonds had a mandatory tender date of January 1, 2013. Interest is payable January 1 and July 1 of each year, commencing January 1, 2013. These bonds were issued as serial bonds maturing January 1, 2021 through January 1, 2034 and three Term Bonds due January 1, 2036, January 1, 2042 and January 1, 2052. The bonds have an interest rate between 5.00% and 5.25%.

The refunding of this portion of the Series 2003A resulted in a decrease of \$19,163,860 in the aggregate debt service between the refunding debt and the refunded debt. The difference between the reacquisition price and the

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

December 31, 2014

net carrying amount of the 2003A Bonds refunded by 2012B Revenue Refunding Bonds of \$150,689 was deferred and is being amortized over the stated term of the Series 2003A Bonds. Amortization of the deferred inflow in resources on the refunding was (\$8,354) for the year ended December 31, 2014. The deferred inflow in resources ending balance for the year ended December 31, 2014 was \$131,962.

The refunding of the Series 2008H-2 resulted in a decrease of \$71,672,879 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 2008H-2 Bonds refunded by 2012B Revenue Refunding Bonds of \$1,272,414 was deferred and is being amortized over the stated term of the Series 2008H-2 Bonds. Amortization of the deferred inflow in resources on the refunding was (\$70,541) for the year ended December 31, 2014. The deferred inflow in resources ending balance for the year ended December 31, 2014 was \$1,114,286.

**Series 2012C:**

On November 1, 2012, the Authority issued \$101,775,000 of North Texas Tollway Authority Revenue Refunding Bonds, Series 2012C, for the purpose of refunding \$100,000,000 of Series 2008L-2 Bonds which had a mandatory tender date of January 1, 2014. The 2012C Bonds have an initial interest rate of 1.95% payable January 1 and July 1 of each year, commencing January 1, 2014. These bonds are subject to a mandatory tender on January 1, 2019. 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 10.00% per annum. In the event that they cannot be remarketed and purchased on the Mandatory Tender Date, the mandatory tender will be deemed to have been rescinded and the Series 2012C Bonds will bear interest at the rate of 10% per annum from the Mandatory Tender Date until purchased upon a subsequent remarketing.

The refunding of the Series 2008L-2 resulted in a decrease of \$21,349,156 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 2012C Revenue Refunding Bonds of (\$1,569,618) was deferred and is being amortized over the stated term of the Series 2008L-2 Bonds. Amortization of the deferred outflow in resources on the refunding was \$69,103 for the year ended December 31, 2014. The deferred outflow in resources ending balance for the year ended December 31, 2014 was (\$1,419,894).

**Series 2012D:**

On November 1, 2012, the Authority issued \$32,815,000 of North Texas Tollway Authority Revenue Refunding Bonds, Series 2012D, for the purpose of refunding \$35,790,000 of Series 2003A Bonds. These bonds were issued as a Term Bond due January 1, 2038. The bonds have an interest rate of 5.00% payable January 1 and July 1 of each year, commencing January 1, 2013.

The refunding of this portion of the Series 2003A resulted in a decrease of \$6,646,042 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 2003A Bonds refunded by 2012D Revenue Refunding Bonds of (\$122,121) was deferred and is being amortized over the stated term of the Series 2003A Bonds. Amortization of the deferred outflow in resources on the refunding was \$4,949 for the year ended December 31, 2014. The deferred outflow in resources ending balance for the year ended December 31, 2014 was (\$111,399).

**Series 2014A:**

On November 20, 2014, the Authority issued \$310,415,000 of North Texas Tollway Authority First Tier Revenue Refunding Bonds, Series 2014A, for the purpose of refunding \$313,880,000 of Series 2008A Bonds. The Series 2014A Bonds were issued as serial bonds maturing on January 1, 2020 through January 1, 2025. The bonds have an interest rate of 5.00%.

The refunding of this portion of the Series 2008A resulted in a decrease in the aggregate debt service between the refunding debt and refunded debt. The difference between the reacquisition price and the net carrying amount of the 2008A Bonds refunded by 2014A Revenue Refunding Bonds of (\$40,871,959) was deferred and is being amortized over the stated term of the Series 2008A Bonds. Amortization of the deferred outflow in resources on the refunding was \$586,210 for the year ended December 31, 2014. The deferred outflow in resources ending balance for the year ended December 31, 2014 was (\$40,285,749).

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

December 31, 2014

**Series 2014B:**

On November 20, 2014, the Authority issued \$146,420,000 of North Texas Tollway Authority Second Tier Revenue Refunding Bonds, Series 2014B, for the purpose of refunding \$143,540,000 of Series 2008F Bonds. The Series 2014B Bonds were issued as serial bonds maturing on January 1, 2029 through January 1, 2031. The bonds have an interest rate of 5.00%.

The refunding of this portion of the Series 2008F resulted in a decrease in the aggregate debt service between the refunding debt and refunded debt. The difference between the reacquisition price and the net carrying amount of the 2008A Bonds refunded by 2014A Revenue Refunding Bonds of (\$7,426,971) was deferred and is being amortized over the stated term of the Series 2008F Bonds. Amortization of the deferred outflow in resources on the refunding was \$33,680 for the year ended December 31, 2014. The deferred outflow in resources ending balance for the year ended December 31, 2014 was (\$7,393,291).

**Series 2014C:**

On December 18 2014, the Authority issued \$223,895,000 of North Texas Tollway Authority First Tier Variable Rate Revenue Refunding Bonds, Series 2014C, for the purpose of refunding \$210,255,000 of the Series 2008E-3 Bonds. The Series 2014C Bonds were issued as a term bond due January 1, 2038. The bonds are SIFMA Index Floating Rate bonds. The interest rate is reset weekly at SIFMA plus 67 basis points. The initial placement agents were Morgan Stanley and Loop Capital Markets.

The refunding of this portion of the Series 2008E-3 resulted in a decrease in the aggregate debt service between the refunding debt and refunded debt. The difference between the reacquisition price and the net carrying amount of the 2008E-3 Bonds refunded by 2014C Revenue Refunding Bonds of (\$5,331,965) was deferred and is being amortized over the stated term of the Series 2008F Bonds. Amortization of the deferred outflow in resources on the refunding was \$8,764 for the year ended December 31, 2014. The deferred outflow in resources ending balance for the year ended December 31, 2014 was (\$5,323,201).



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

**NOTES TO BASIC FINANCIAL STATEMENTS**

December 31, 2014

The following schedule summarizes the revenue bonds outstanding as of December 31, 2014:

<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 '05C	\$ 178,310,000	\$ -	\$ -	\$ 178,310,000	\$ -
Series '08A	1,733,205,000	-	(313,880,000)	1,419,325,000	965,000
Series '08B	226,930,000	-	-	226,930,000	-
Series '08D	560,239,884	33,478,298	-	593,718,182	-
Series '08E	215,000,000	-	(215,000,000)	-	-
Series '08F	1,000,000,000	-	(143,540,000)	856,460,000	-
Series '08I	277,394,359	17,770,641	-	295,165,000	-
Series '08K	205,000,000	-	-	205,000,000	-
Series '09A	373,425,000	-	-	373,425,000	-
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	-
Series '12A	25,930,000	-	-	25,930,000	-
Series '12B	383,625,000	-	-	383,625,000	-
Series '12C	101,775,000	-	-	101,775,000	-
Series '12D	32,815,000	-	-	32,815,000	-
Series '14A	-	310,415,000	-	310,415,000	-
Series '14B	-	146,420,000	-	146,420,000	-
Series '14C	-	223,895,000	-	223,895,000	-
	<u>7,588,629,243</u>	<u>731,978,939</u>	<u>(672,420,000)</u>	<u>7,648,188,182</u>	<u>965,000</u>
Less:					
Bond discount (premium)	15,787,159	(54,159,025)	4,343,842	(34,028,024)	-
<b>Totals</b>	<b><u>\$ 7,572,842,084</u></b>	<b><u>\$ 786,137,964</u></b>	<b><u>\$ (676,763,842)</u></b>	<b><u>\$ 7,682,216,206</u></b>	<b><u>\$ 965,000</u></b>

***Amortization of 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 unamortized discount (premium) costs for the year ended on December 31, 2014 was \$(34,028,024).

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

December 31, 2014

The revenue bond debt service requirements below are prepared as of December 31, 2014:

Year	Total Revenue Bonds			Total
	Principal amount	Interest amount	BAB Subsidy *	
Due January 1				
2015	\$ 965,000	387,992,249	(26,862,676)	\$ 362,094,573
2016	1,370,000	396,499,174	(27,007,566)	370,861,608
2017	22,150,000	396,372,698	(27,007,566)	391,515,132
2018	25,525,000	395,931,392	(27,007,566)	394,448,826
2019	74,960,000	395,704,349	(27,007,566)	443,656,783
2020 - 2024	717,530,000	1,909,858,132	(134,206,118)	2,493,182,014
2025 - 2029	1,171,531,254	1,626,950,323	(113,918,217)	2,684,563,360
2030 - 2034	1,317,995,715	1,301,849,787	(91,126,491)	2,528,719,011
2035 - 2039	1,681,132,427	923,899,638	(90,395,729)	2,514,636,336
2040 - 2044	1,397,518,365	484,003,423	(70,887,837)	1,810,633,951
2045 - 2049	895,625,000	146,139,413	(25,853,891)	1,015,910,522
2050 - 2053	53,000,000	1,041,250		54,041,250
Interest Accretion	288,885,422	(288,885,422)		
	<u>\$ 7,648,188,182</u>	<u>\$ 8,077,356,407</u>	<u>\$ (661,281,223)</u>	<u>\$ 15,064,263,366</u>

\* Note: Due to sequestration, BAB'S Subsidy is reduced by 7.3% in FY 2015 and 6.8% in FY 2016 and forward.

The Interest and Sinking and Reserve Accounts required by the Trust Agreement have been established with the Trustee. The balances as of December 31, 2014 were:

	Cash and Investment Balance	Trust Requirement
Bond Interest account*	\$ 178,302,457	\$ 163,525,145
Debt service reserve account**	410,709,022	406,279,206
Redemption account***	1,676	965,000.00
Total	<u>\$ 589,013,155</u>	<u>\$ 570,769,351</u>

(\*) The Trustee transferred funds from Escrow Accounts; (\$9,416,400 from #398 and \$4,395,912.50 from #399) to Bond Interest Account in error.

(\*\*) The Debt Service Reserve account per the trust agreement is not valued at market price but amortized value. The amortized value at 12/31/2014 was \$411,990,025.

(\*\*\*) The principal payment in the amount of \$965,000 was transferred to the Bond Interest Account instead of the Redemption Account in error. The Bond Redemption Account had interest earnings from the prior year in the amount of \$1,676.

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

December 31, 2014

**SWAP Transactions**

**History.** Pursuant to the ISDA Master Agreements dated and effective as of August 20, 2004 (the “2004 ISDA Master Agreements”) and the schedules, annexes there to, the North Texas Tollway Authority (the “Authority”) entered into multiple interest rate swap transactions in the cumulative notional amount of \$202,720,000 with Citibank N.A., New York, Bear Stearns Financial Products Inc. and Lehman Brothers Special Financing Inc. (the “Swap Providers”) The 2004 Swap Transactions were executed 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”).

Pursuant to the 2004 ISDA Master Agreements and concurrent 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, 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”).

In September 2008 Lehman Brothers declared bankruptcy and their portion of the Swap Transactions were terminated. On October 1, 2008, a swap termination payment of \$4,511,011 was made by the Authority.

After the collapse of Bear Stearns on May 15, 2009, JPMorgan Chase Bank N.A. acquired some of the assets of Bear Stearns and some derivative transactions, including transactions with the Authority, were transferred from Bear Stearns Financial Products to JPMorgan Chase Bank N.A.

On August 14, 2009, \$5,375,000 for the 2004 Swap Transaction and \$706,700 for the 2005 Swap Transaction was paid to the Swap Providers to terminate a portion of each respective swap. Currently, the notional amount for the 2004 Swap Transaction and the 2005 Swap Transaction is \$84,060,000 and \$94,230,000 respectively. The Swap Providers 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 Swap Transactions remain *legally* tied to the Series 2005C Bonds, which have been remarketed to fixed rate. However, the Authority recognized the need for the Swap Transactions to be *economically* tied to variable rate bonds so that the Swap Transactions 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 was originally estimated at \$41.8 million.

**Terms – 2004 Swap Transactions**

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

**Terms – 2005 Swap Transactions**

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

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

December 31, 2014

As of December 31, 2014, rates were as follows: (see example in table below)

Interest rate swap:	Terms	2004 Swap Rates December 31, 2014	2005 Swap Rates December 31, 2014
Fixed payment to counterparties	Fixed	3.673%	3.533%
Minus Variable payment from counterparties	67% of 1-Month LIBOR	0.109%	0.109%
Net interest rate swap payments		3.564%	3.424%
Plus 2009D Variable-rate bond coupon payments	Avg. Coupon + 100 bps*	1.080%	1.080%
Synthetic interest rate on bonds including LOC & Remarketing		4.644%	4.504%

\*90bps LOC fee & 10bps remarketing fee

Period Ended December 31, 2014

<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	\$ (13,457,468)
Combined 2005 Swaps	Cash flow hedges	Regression Analysis	<b>Effective</b>	Deferred Outflow	\$ (18,296,782)

**Fair value.** As of December 31, 2014, the 2004 Swap Transactions had a negative fair value of \$13,457,468 and the 2005 Swap Transactions had a negative fair value of \$18,296,782. 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 values were calculated using **FAIRVALUE ADVISOR**, First Southwest's online swap valuation system. First Southwest is an independent third party provider of swap valuations.

**Credit risk.** As of December 31, 2014 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 fair value of the Swap Transactions.

If the Swap Providers' 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., the provider is required to post collateral to the Authority's credit.

As of December 31, 2014, 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 A2/A and JPMorgan Chase Bank N.A. Aa3/A+. 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 interest rates will adversely affect the fair values of the Authority's hedging instruments or their cash flows. The Authority is exposed to interest rate risk on its derivatives.

The underlying Bonds (Series 2009D) are issued as a callable CP product and have variable rate coupon payments which are reset with each remarketing. The Swap Payments paid to the Authority by the Swap Providers are also variable, tied to 67% of one month Libor.

A decrease in Libor rates would increase the net swap payments for the Authority but it might be offset by a likely decrease in the variable coupon rate and a lower corresponding coupon payment.

Any increase in the variable coupon rate would increase the corresponding coupon payment, but it might be offset by a likely increase in Libor rates and a lower corresponding net swap payment.

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

December 31, 2014

**Rollover Risk.** Rollover risk is the risk that a hedging instrument associated with hedgeable item does not extend to the maturity of that hedgeable item. The Authority is not exposed to rollover risks because the hedging derivative instruments associated with the hedgeable debt items extend beyond the maturity of the hedgeable debt items.

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

**Collateral risk.** On September 30, 2008 MBIA and FGIC completed a reinsurance transaction related to the insurance on the Swap Transactions. The Swap Transactions are now insured by MBIA. The Authority is not required to post collateral on the portion of the Swap Transactions that are counterparty to Citibank. With regard to the portion of the Swap Transactions that are counterparty to JPMorgan, the Authority may be required to post collateral, if MBIA is rated below "A-" by S&P or "A3" by Moody's. If MBIA is rated below "A-" by S&P or "A3" by Moody's *and* the Authority is downgraded to below A3 by Moody's or A- by S&P, the Authority may be required to post collateral in an amount equal to the swap termination amount owed by the Authority to JPMorgan less the \$5,000,000 threshold amount. If MBIA is rated below "A-" by S&P or "A3" by Moody's *and* the Authority is downgraded to below Baa1 by Moody's or BBB+ by S&P, the Authority will be obligated to post collateral in an amount equal to the swap termination amount owed by the Authority to JPMorgan. MBIA's rating is below the referenced levels, but the Authority has maintained its ratings above the referenced levels and no collateral is currently required to be posted. As of December 31, 2014, the Authority was 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) to which the swaps are economically tied. The 2009D bonds are variable rate obligations that are backed by a letter of credit. Letters of credit typically have a two or three year term, and at the end of the initial term the Authority might need to refinance the debt or secure a new letter of credit. The risk is that the Authority may not be able to access the markets to obtain a new letter of credit.

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

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

**Termination risk.** Termination risk exists if: (i) the Authority opts to terminate the Swap Transactions prior to maturity and the Swap Providers do not have sufficient funds to pay 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 upon termination, the swap has a negative fair value, then the Authority would be liable to the Swap Providers for a payment equal to the Swap's fair value.

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

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

December 31, 2014

**Swap payments and associated debt.** Using rates as of December 31, 2014, 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.

<b>2009D Bonds Associated with Swaps</b>					
<b>Fiscal Year</b>	<b>Principal amount</b>		<b>Interest amount*</b>		<b>Total</b>
2015	\$	-	\$	8,025,020	\$ 8,025,020
2016		-		8,047,006	8,047,006
2017		-		8,025,020	8,025,020
2018		-		8,025,020	8,025,020
2019		-		7,887,090	7,887,090
2020		-		7,763,040	7,763,040
2021		-		7,430,494	7,430,494
2022		-		7,098,065	7,098,065
2023		-		6,776,201	6,776,201
2024		-		6,448,669	6,448,669
2025		-		6,065,600	6,065,600
2026		-		6,065,600	6,065,600
2027		-		6,065,600	6,065,600
2028		-		6,082,218	6,082,218
2029		-		6,065,600	6,065,600
2030		-		6,065,600	6,065,600
2031		-		6,065,600	6,065,600
2032		-		6,082,218	6,082,218
2033		-		6,065,600	6,065,600
2034		-		6,065,600	6,065,600
2035		-		6,065,600	6,065,600
2036		-		6,082,218	6,082,218
2037		-		6,065,600	6,065,600
2038		-		6,065,600	6,065,600
2039		-		6,065,600	6,065,600
2040		-		6,082,218	6,082,218
2041		-		6,065,600	6,065,600
2042		-		6,065,600	6,065,600
2043		-		6,065,600	6,065,600
2044		32,000,000		6,082,218	38,082,218
2045		33,800,000		4,977,600	38,777,600
2046		35,600,000		3,828,400	39,428,400
2047		37,500,000		2,618,000	40,118,000
2048		39,500,000		1,346,679	40,846,679
<b>TOTAL</b>	<b>\$</b>	<b>178,400,000</b>	<b>\$</b>	<b>209,691,394</b>	<b>\$ 388,091,394</b>

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

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

December 31, 2014

**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 agreement with Bank of America Merrill Lynch in excess of \$200,000,000 and constitute a Second 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 Second Tier lien on Authority revenues. No such advances have occurred. The credit agreement was scheduled to expire on December, 16, 2013. On December 16, 2013 the Authority renewed the letter of credit agreement with Bank of America Merrill Lynch. The letter of credit will now expire on December 16, 2016.

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. As of December 31, 2014, there was no Commercial Paper outstanding.

**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 \$8,000,000 was made on December 31, 2014 for the fiscal year of 2014. The loan payable was \$133,784,783 as of December 31, 2014.

Debt service requirements on the TxDOT ISTEA loan payable subsequent to December 31, 2014 are as follows:

Fiscal years	TxDOT ISTEA Loan payable	
	Principal	Interest
2015 (*)	\$	\$
2016	2,381,039	5,618,961
2017	2,481,043	5,518,957
2018	3,585,247	5,414,753
2019	5,235,827	5,264,173
2020 - 2024	52,270,602	21,268,983
2025 - 2029	67,831,025	8,780,957
Total principal and interest	\$ 133,784,783	\$ 51,866,784

(\*) ISTEA payment for 1/1/2015 was made in December 2014.

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

December 31, 2014

**(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 TCERS. Information related to the TCERS, 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***

TCERS, 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 TCERS member at the time of their employment regardless of their age, unless the individual is ineligible for one of the reasons specified by the TCERS (e.g., part time, temporary employee).

The governing body of the political subdivision determines the percentage of salary that both the individual and employer contribute toward retirement. The employee and employer contribution rate established was 6% and 8.27% of wages up to a maximum of \$260,000, respectively, at December 31, 2014.

Once an individual reaches vested status, he or she may end employment with a TCERS 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.

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 TCERS 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, 2014, was \$3,206,279 based on a covered payroll of \$40,555,664. The Authority made the actuarially required contribution. Employee contributions to the plan for the year ended December 31, 2014 were \$2,328,608.



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

**NOTES TO BASIC FINANCIAL STATEMENTS**

December 31, 2014

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)**

Actuarial valuation date	December 31, 2011	December 31, 2012	December 31, 2013
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	30.0	30.0	30.0
Asset valuation method	SAF: 10-yr smoothed value	SAF: 10-yr smoothed value	SAF: 5-yr smoothed value
Actuarial assumptions:	ESF: Fund value	ESF: Fund value	ESF: Fund value
Investment return**	8.0%	8.0%	8.0%
Projected salary increases**	5.4%	5.4%	4.9%
Inflation	3.5%	3.5%	3.0%
Cost-of-living adjustments	0.0%	0.0%	0.0%

\*\*Includes inflation at the stated rate.

*Source reference: Texas County and District Retirement System (GASB Compliance Data) For Employer's Accounting Year ending in 2014*

**Funded Status and Funding Progress**

As of December 31, 2013, the most recent actuarial valuation date, the plan was 103.80% funded. The actuarial accrued liability for benefits was \$64,758,265, and the actuarial value of assets was \$67,217,393, resulting in an overfunded actuarial accrued liability (OAAL) of \$(2,459,128). The covered payroll (annual payroll of active employees covered by the plan) was \$36,917,119, and the ratio of the OAAL to the covered payroll was (6.66) %.

The schedule of funding progress, presented as Required Supplementary Information (RSI) 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.

**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, 2012	\$ 2,112,085	100%	\$ -
December 31, 2013	\$ 2,221,728	100%	\$ -
December 31, 2014	\$ 2,328,608	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.

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

December 31, 2014

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, 2014 were \$1,317,756 based on a covered payroll of \$37,955,418.

***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.

**(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 2006-2014. 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 Position.

		Balance at Beginning of Fiscal Year	Current-year claims and changes in estimates	Claim payments	Balance at End of Fiscal Year
2013	\$	687,710	\$ 9,428,924	\$ 9,405,514	\$ 711,120
2014	\$	711,120	\$ 10,246,833	\$ 10,081,288	\$ 876,665

**(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.

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

December 31, 2014

**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 \$537.7 per month for retiree only coverage, \$845.5 for retiree and spouse and \$1,051.68 for retiree and 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 50 plan members receiving benefits from GBP. An additional 19 active employees have the option of retiring under the ERS GBP or the Authority's plan. The OPEB liability for these 19 employees is calculated under the Authority's plan. The Authority's contributions to the GBP for the fiscal years ended December 31, 2014, 2013 and 2012 was \$363,716, \$357,923 and \$332,669 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.

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>HDHP</b>	\$ 3,684	\$ 3,912	\$ -	\$ -
<b>PPO</b>	4,860	5,172	-	-
<b>PSS</b>	-	-	2,256	2,268
<b>PMA</b>	-	-	936	924

The required contribution is based on the projected pay-as-you-go financing requirements. For fiscal year 2014 expenses of \$38,562 were recognized for the post-employment health care premiums paid. This represents 56.0% 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.

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

December 31, 2014

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, 2014:

	2012	2013	2014
Annual Required Contribution	\$ 3,183,888	\$ 3,183,888	\$ 1,441,286
Interest on Net OPEB Obligation	267,066	359,098	771,163
Adjustment to Annual Required Contribution	511,663	421,410	(254,107)
Annual OPEB Cost (expense)	3,962,617	3,964,396	1,958,342
Payments Made	29,616	31,395	38,562
Increase in Net OPEB Obligation	3,933,001	3,933,001	1,919,780
Net OPEB Obligation - Beginning of Year	11,413,085	15,346,086	19,279,087
Net OPEB Obligation - End of Year	\$ 15,346,086	\$ 19,279,087	\$ 21,198,867

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, 2012-2014 were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Paid	Net OPEB Obligation
12/31/2012	\$ 3,962,617	0.75%	\$ 15,346,086
12/31/2013	\$ 3,964,396	0.79%	\$ 19,279,087
12/31/2014	\$ 1,958,342	1.97%	\$ 21,198,867

**Funded Status and Funding Progress** – The funded status of the plan as of January 1, 2014, the most recent actuarial valuation date, was as follows:

Actuarial accrued liability (AAL)	\$10,774,597
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	\$10,774,597
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	\$36,917,119
UAAL as a percentage of covered payroll	29%

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

**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, 2014, actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a discount rate of 4.00% and an annual healthcare cost trend rate of 7.0% for 2014, 6.5% for 2015 reduced by decrements of .5% percent to an ultimate rate in 2018 of 5.0%. The actuarial assumptions include an investment rate of return at 4.00% and projected salary increases at 2.0%. The Authority's unfunded actuarial accrued liability is being amortized as a level percentage of projected payrolls on an open basis. At January 1, 2014 the remaining amortization period was 30 years.

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

December 31, 2014

**(9) Disaggregation of Receivable Balances**

The unrestricted accounts receivable balance is \$52,375,730 and the restricted accounts receivable balance is \$4,440,260. The unrestricted balance consists of \$42,518,436 for billed video tolls (net of the allowance for doubtful accounts of \$103,114,398); \$9,857,294 for unbilled video tolls (net of the allowance for doubtful accounts of \$4,557,869) and the restricted balance of \$4,440,260 is due from Series 2009B and 2010B bond rebates. Additionally, there are unrecorded video toll transactions of \$22,079,790 (\*\*) (matched no current address) and \$14,057,663 (\*\*\*) of unmatched video toll transactions as of December 31, 2014.

Based upon the payment history for each 30 day bucket of aged toll receivables, an allowance is calculated for the expected percentage that will remain unpaid based upon these historical trends. The allowance for uncollectible receivables currently ranges from a minimum of 20% on invoices that are current (age of 0-30 days) to a maximum of 100% for invoices that have met the business rules for write-off with an overall average of 69.6% reserved for all invoices.

The System books as an account receivable the value of uninvoiced Zip Cash transactions that are categorized as "matched, current address," with an allowance for uncollectible receivables of 20%. These transactions will be invoiced on the customer's next monthly invoice as all business rules have been met. The allowance of 20% is a reduction from the 85% reserved for the years 2011-2013. The change reflects the high probability of revenue recognition and ultimately collection for these uninvoiced transactions that have met all business rules for invoicing. The Non-Major Enterprise Fund maintains an allowance of 85% for "matched, current address" uninvoiced transactions and 100% for all other uninvoiced transactions.

Recorded Video Toll Transactions	North Texas Tollway System	Non-Major Enterprise Fund	Total
Billed video tolls	\$ 143,171,428	\$ 2,461,406	\$145,632,834
Net of allowance for uncollectible	(102,146,536)	(967,862)	(103,114,398)
	<u>\$ 41,024,892</u>	<u>\$ 1,493,544</u>	<u>\$ 42,518,436</u>
Unbilled video tolls	\$ 12,144,491	* \$ 2,270,672	**** \$ 14,415,163
Net of allowance for uncollectible	(2,470,190)	(2,087,679)	(4,557,869)
	<u>\$ 9,674,301</u>	<u>\$ 182,993</u>	<u>\$ 9,857,294</u>
Unrecorded Video Toll Transactions:			
Matched no current address video toll transactions	\$ 22,079,790	** \$ -	**** \$ 22,079,790
Unmatched video toll transactions	\$ 14,057,663	*** \$ -	**** \$ 14,057,663

(\*) 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.

(\*\*\*\*) Balances do not include the Non-Major Enterprise Fund activity.

**(10) Commitments and Contingencies**

At the end of fiscal year 2014, there was \$1,030,420,658 in cash and investments with \$625,002,771 restricted for debt service, \$76,611,397 restricted for construction and \$328,806,490 available for operation. The System has \$2,270,884 in account and retainage payable that are comprised primarily of construction-related payables at December 31, 2014. Additionally the System has contract and purchase order commitments at December 31, 2014 aggregating \$4.2 million.

The Authority manages existing leases of the Gleneagles buildings. The building complex encompasses 163,380 square feet of which 72,765 is occupied by the Authority, 19,415 is leased, and 71,200 is vacant.

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

December 31, 2014

The term of the lease for 19,415 sq. ft. was extended to June 30, 2020. The following represents minimum future rental income on a non-cancelable operating lease agreement:

2015	\$ 449,737
2016	449,737
2017	449,737
2018	449,737
2019	449,737
2020	<u>449,737</u>
Gleneagles Offices Complex	<u>\$2,698,422</u>

The Authority has an operating lease agreement for the rental of copy machines from January 1, 2011 expiring December 31, 2016. The following represents the required payments under the terms of the lease agreement:

2015	\$ 47,400
2016	<u>47,400</u>
Copy Machine (lease)	<u>\$ 94,800</u>

**(11) Subsequent Events**

On April 1, 2015, the Authority remarketed \$178,400,000 of North Texas Tollway Authority System First Tier Variable Rate Revenue Refunding Bonds, Series 2009D for the purpose of converting existing Series 2009D bonds to the weekly interest rate mode and substituting the Letter of Credit Provider. The bonds were remarketed and converted August 1, 2012 to a flexible interest rate mode. The Series 2009D bonds are backed by a Direct Pay Letter of Credit with Royal Bank of Canada that expires on April 1, 2020. The bonds mature on January 1, 2049.

On April 23, 2015, the Authority issued \$862,920,000 of North Texas Tollway Authority System Second Tier Revenue Refunding Bonds, Series 2015A for the purpose of (i) refunding the remainder of North Texas Tollway Authority System Second Tier Revenue Refunding Bonds, Series 2008F, (ii) funding a debt service reserve fund for the Bonds and (iii) paying costs of issuance of the Bonds. The Series 2015A Bonds mature on January 1, 2038.



**REQUIRED  
SUPPLEMENTARY  
INFORMATION**





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

Required Supplementary Information  
December 31, 2014

**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 Maintenance Management Consultant, VRX Inc. 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 2014.

The infrastructure assets include the President George Bush Turnpike (PGBT) including the Eastern Extension, 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 111 centerline miles of high-speed roadways, 104 interchanges, 15 main lane toll plazas, 108 ramp toll plazas, 461 bridges, one tunnel, and other structures and appurtenances. All assets combined totaled approximately \$3.09 billion in current replacement value for FYE 2014.

**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 2005 through 2014.

<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>
2014	8.9	8.0
2013	8.9	8.0
2012	8.9	8.0
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
2005	8.9	8.0

**Condition Assessment and Inventory**

A comprehensive condition assessment on all the Authority's infrastructure assets was conducted in July 2014. 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, Atkins North America, Inc.

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

Required Supplementary Information  
December 31, 2014

**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.

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 111 centerline miles (744 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 2005 through 2014.

<u>Fiscal year</u>	<u>Budget</u>	<u>Actual</u>
2014	\$ 27,394,112	\$ 11,144,585
2013	21,231,300	15,568,942
2012	23,464,926	10,240,825
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

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

Required Supplementary Information  
December 31, 2014

**Funding Progress**

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

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) Entry Age (b)</b>	<b>Overfunded AAL (OAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>OAAL as a Percentage of Covered Payroll [(b-a)/c]</b>
12/31/13	\$ 67,217,393	\$ 64,758,265	\$ (2,459,128)	103.80%	\$ 36,917,119	-6.66%
12/31/12	58,887,344	57,701,464	(1,185,880)	102.06%	34,888,560	-3.40%
12/31/11	52,564,706	51,969,647	(595,059)	101.15%	31,976,241	-1.86%

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

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) Entry Age (b)</b>	<b>Overfunded AAL (OAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>OAAL as a Percentage of Covered Payroll [(b-a)/c]</b>
1/1/2014	—	\$ 10,774,597	\$ 10,774,597	0%	\$ 36,917,119	29%
1/1/2013	—	21,352,403	21,352,403	0%	34,888,560	61%

An actuarial valuation was performed as of 1/1/2014.

**NORTH TEXAS TOLLWAY SYSTEM**  
**(An Enterprise Fund of the North Texas Tollway Authority)**  
Schedule of Net Position by Trust Accounts  
December 31, 2014

Assets	Total	Non-Major Enterprise Fund	North Texas Tollway System	Interfund eliminations/ reclassifications	Construction and property account	Revenue account
<b>Current assets:</b>						
Cash and cash equivalents (note 3)	\$ 18,499,740	174,124	18,325,616	-	-	4,613,849
Investments (note 3)	310,306,750	18,404,420	291,902,330	(23,936,215)	-	59,512,427
Accrued interest receivable	218,489	-	218,489	-	-	72,700
Interfund receivable	-	-	-	(780,673,364)	(12,820,788)	18,156,377
Interproject/agency receivables (note 4)	17,585,545	1,539,835	16,045,710	-	840,789	2,354,399
Accounts receivable (note 9) (net of allowance for uncollectibles)	42,518,435	1,493,544	41,024,891	-	-	41,024,891
Unbilled accounts receivable (note 9) (net of allowance for uncollectibles)	9,857,295	182,993	9,674,302	-	-	9,674,302
Prepaid expenses	1,456,182	-	1,456,182	-	-	-
Total current unrestricted assets	<u>400,442,436</u>	<u>21,794,916</u>	<u>378,647,520</u>	<u>(804,609,579)</u>	<u>(11,979,999)</u>	<u>135,408,945</u>
<b>Current restricted assets:</b>						
Restricted assets:						
Restricted for construction:						
Cash and cash equivalents (notes 3 and 10)	6,993	-	6,993	-	(20,295)	-
Investments (notes 3 and 10)	76,604,404	-	76,604,404	-	76,604,404	-
Accrued interest receivable	95,860	-	95,860	-	95,860	-
Restricted for debt service:						
Investments (notes 3 and 5)	214,675,898	-	214,675,898	(386,390,658)	-	-
Accrued interest receivable	1,164,220	-	1,164,220	-	-	-
Accounts receivable	4,440,260	-	4,440,260	-	-	-
Total current restricted assets	<u>296,987,635</u>	<u>-</u>	<u>296,987,635</u>	<u>(386,390,658)</u>	<u>76,679,969</u>	<u>-</u>
Total current assets	<u>697,430,071</u>	<u>21,794,916</u>	<u>675,635,155</u>	<u>(1,191,000,237)</u>	<u>64,699,970</u>	<u>135,408,945</u>
<b>Noncurrent assets:</b>						
Investments restricted for debt service (note 3)	410,326,873	-	410,326,873	410,326,873	-	-
Unavailable feasibility study costs	62,757,505	-	62,757,505	-	-	-
Service Concession Arrangement - Intangible asset (note 1-m) (net of accumulated amortization)	2,817,791,721	-	2,817,791,721	-	2,817,791,721	-
Capital assets (note 4) (net of accumulated depreciation)	3,369,437,050	-	3,369,437,050	34,028,023	3,337,402,460	-
Total noncurrent assets	<u>6,660,313,149</u>	<u>-</u>	<u>6,660,313,149</u>	<u>444,354,896</u>	<u>6,155,194,181</u>	<u>-</u>
<b>Total assets</b>	<u><b>7,357,743,219</b></u>	<u><b>21,794,916</b></u>	<u><b>7,335,948,304</b></u>	<u><b>(746,645,341)</b></u>	<u><b>6,219,894,151</b></u>	<u><b>135,408,945</b></u>
<b>Deferred outflow of resources</b>						
Accumulated decrease in fair value of hedging derivatives	31,754,251	-	31,754,251	-	31,754,251	-
Loss on refunding	77,569,987	-	77,569,987	-	77,569,987	-
Total deferred outflow of resources	<u>109,324,238</u>	<u>-</u>	<u>109,324,238</u>	<u>-</u>	<u>109,324,238</u>	<u>-</u>
<b>Liabilities</b>						
<b>Current liabilities:</b>						
Accounts payable	109,571	-	109,571	-	-	9,759
Accrued liabilities	20,973,115	101,337	20,871,778	-	1,147,633	3,052,901
Interfund payable	478	-	478	(780,673,364)	193,039,391	233,591,551
Interproject/agency payables	13,659,200	24	13,659,176	-	3,459,616	10,039,026
Deferred revenue	45,449,579	-	45,449,579	-	-	45,449,579
Tolltag deposits	217,167	-	217,167	-	-	217,167
Total current unrestricted liabilities	<u>80,409,110</u>	<u>101,361</u>	<u>80,307,749</u>	<u>(780,673,364)</u>	<u>197,646,640</u>	<u>292,359,983</u>
Payable from restricted assets:						
Construction-related payables:						
Retainage payable (note 10)	2,161,313	-	2,161,313	-	973,472	-
Debt service-related payables:						
Accrued interest payable	187,649,422	-	187,649,422	-	-	-
Accrued arbitrage rebate payable (note 1-k)	186,735	-	186,735	-	186,735	-
Revenue bonds payable, current portion	965,000	-	965,000	-	965,000	-
Total current liabilities payable from restricted assets	<u>190,962,470</u>	<u>-</u>	<u>190,962,470</u>	<u>-</u>	<u>2,125,207</u>	<u>-</u>
Total current liabilities	<u>271,371,580</u>	<u>101,361</u>	<u>271,270,219</u>	<u>(780,673,364)</u>	<u>199,771,847</u>	<u>292,359,983</u>
<b>Noncurrent liabilities:</b>						
Other Post Employment Benefits	21,198,867	-	21,198,867	-	-	-
Accumulated increase in fair value of hedging derivatives	31,754,251	-	31,754,251	-	31,754,251	-
Texas Department of Transportation ISTEA loan payable (note 5)	133,784,783	-	133,784,783	-	133,784,783	-
Dallas North Tollway System revenue bonds payable, (note 5) net of unamortized net deferred amount on refundings of \$72,939,469 and bond discount (premium) costs of \$34,028,024	7,681,251,206	-	7,681,251,206	34,028,023	7,247,223,183	-
Total noncurrent liabilities	<u>7,867,989,107</u>	<u>-</u>	<u>7,867,989,107</u>	<u>34,028,023</u>	<u>7,412,762,217</u>	<u>-</u>
<b>Total liabilities</b>	<u><b>8,139,360,687</b></u>	<u><b>101,361</b></u>	<u><b>8,139,259,326</b></u>	<u><b>(746,645,341)</b></u>	<u><b>7,612,534,064</b></u>	<u><b>292,359,983</b></u>
<b>Deferred inflow of resources</b>						
Gain on refunding	4,630,518	-	4,630,518	-	4,630,518	-
<b>Net Position</b>						
Net investment in capital assets	(4,234,262,561)	-	(4,234,262,561)	86,973,659	(4,105,737,914)	-
Restricted for:						
Debt service	763,704,484	-	763,704,484	133,700,870	965,000	(156,951,038)
SCA Intangible	2,816,826,721	-	2,816,826,721	-	2,816,826,721	-
Unrestricted	(23,192,391)	21,693,555	(44,885,946)	(220,674,529)	-	-
<b>Total net position</b>	<u><b>\$ (676,923,747)</b></u>	<u><b>21,693,555</b></u>	<u><b>(698,617,302)</b></u>	<u><b>-</b></u>	<u><b>(1,287,946,193)</b></u>	<u><b>(156,951,038)</b></u>

See accompanying independent auditors' report.

Operation and maintenance account	Reserve maintenance account	Consolidated	Debt service accounts		
		Capital Improvement Fund	Bond interest account	Reserve account	Redemption account
14,293,975	(166,251)	(415,957)	-	-	-
3,059	33,444,151	222,878,908	-	-	-
-	1,028	144,761	-	-	-
50,265,394	334,081	373,394,771	340,286,412	11,057,117	-
4,988,759	-	1,680,513	6,181,250	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,456,182	-	-	-	-	-
<b>71,007,369</b>	<b>33,613,009</b>	<b>597,682,996</b>	<b>346,467,662</b>	<b>11,057,117</b>	<b>-</b>
-	-	27,288	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	12,053,401	178,302,457	410,709,022	1,676
-	-	-	98	1,164,122	-
-	-	-	4,440,260	-	-
-	-	12,080,689	182,742,815	411,873,144	1,676
<b>71,007,369</b>	<b>33,613,009</b>	<b>609,763,685</b>	<b>529,210,477</b>	<b>422,930,261</b>	<b>1,676</b>
-	-	-	-	-	-
-	-	62,757,505	-	-	-
-	-	-	-	-	-
-	-	(1,993,433)	-	-	-
-	-	60,764,072	-	-	-
<b>71,007,369</b>	<b>33,613,009</b>	<b>670,527,757</b>	<b>529,210,477</b>	<b>422,930,261</b>	<b>1,676</b>
-	-	-	-	-	-
-	-	-	-	-	-
90,009	9,234	569	-	-	-
10,763,148	1,292,444	4,615,652	-	-	-
26,888,425	3,034,644	289,477,466	-	-	34,642,365
-	-	160,534	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<b>37,741,582</b>	<b>4,336,322</b>	<b>294,254,221</b>	<b>-</b>	<b>-</b>	<b>34,642,365</b>
-	14,646	1,173,195	-	-	-
-	-	13,748,334	173,901,088	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	14,646	14,921,529	173,901,088	-	-
<b>37,741,582</b>	<b>4,350,968</b>	<b>309,175,750</b>	<b>173,901,088</b>	<b>-</b>	<b>34,642,365</b>
21,198,867	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	400,000,000	-	-	-
21,198,867	-	400,000,000	-	-	-
<b>58,940,449</b>	<b>4,350,968</b>	<b>709,175,750</b>	<b>173,901,088</b>	<b>-</b>	<b>34,642,365</b>
-	-	-	-	-	-
-	-	(215,498,306)	-	-	-
-	-	7,750,002	355,309,389	422,930,261	-
-	-	-	-	-	-
12,066,920	29,262,041	169,100,311	-	-	(34,640,689)
<b>12,066,920</b>	<b>29,262,041</b>	<b>(38,647,993)</b>	<b>355,309,389</b>	<b>422,930,261</b>	<b>(34,640,689)</b>



**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.

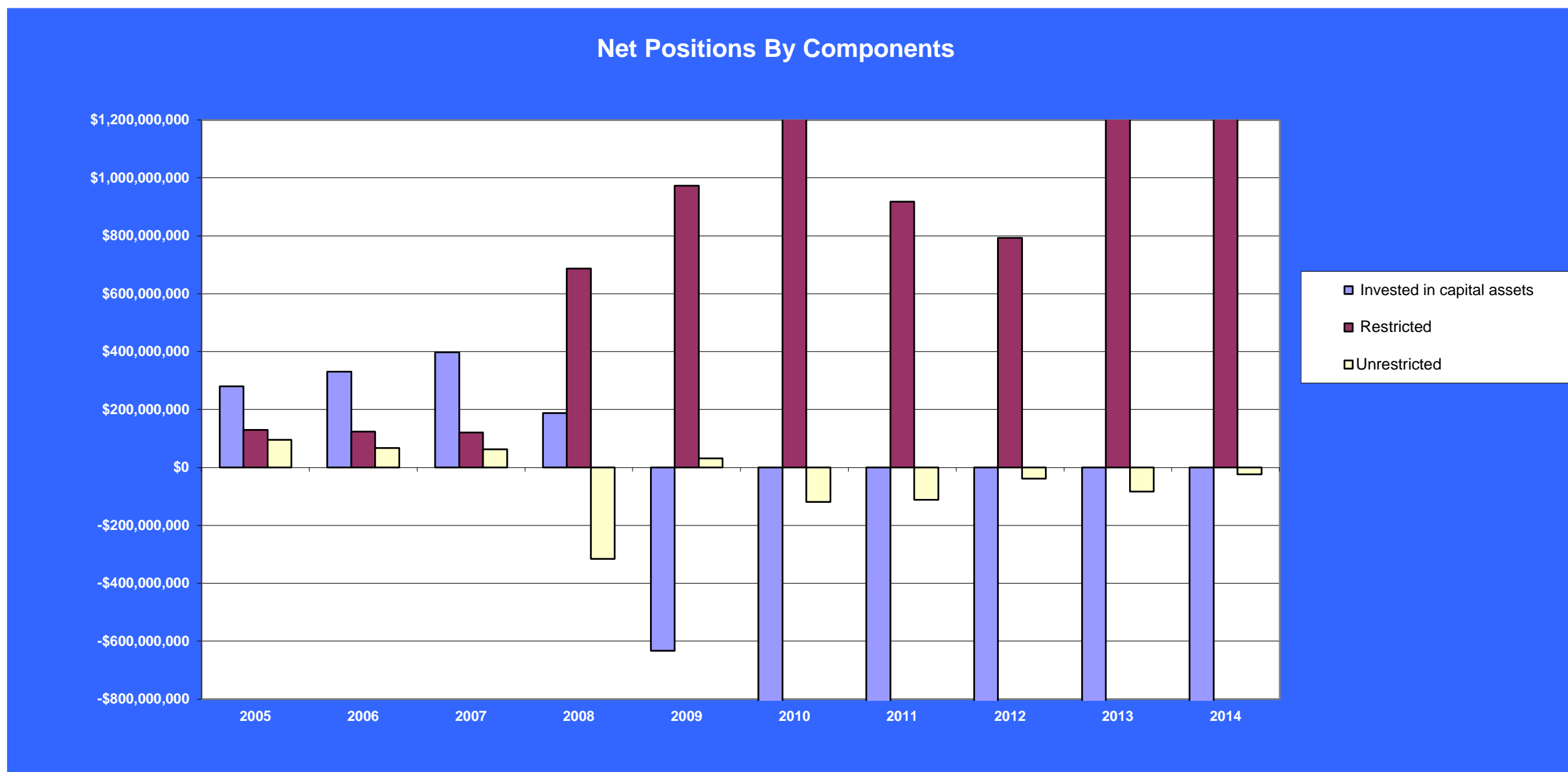
Sources: Unless other noted, the information in the following tables is derived from the annual financial reports for the relevant years.



**NORTH TEXAS TOLLWAY SYSTEM**  
 (An Enterprise Fund of the North Texas Tollway Authority)  
 Net Positions by Components  
 Last Ten Fiscal Years  
 (Unaudited)

**Business-Type Activities**

Components	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Invested in capital assets	\$280,156,648	\$330,841,254	\$398,078,219	\$187,921,483	\$ (633,265,931)	\$ (831,801,669)	\$ (1,178,473,954)	\$ (1,254,068,836)	\$ (4,212,230,014)	\$ (4,234,262,561)
Restricted	129,195,493	123,194,488	120,495,644	686,236,650	972,154,312	1,211,161,929	917,325,283	792,586,995	3,621,400,342	3,580,531,205
Unrestricted	95,696,520	67,332,901	62,928,573	(316,228,982)	31,783,352	(119,834,279)	(112,356,823)	(38,289,706)	(83,847,212)	(23,192,391)
<b>Total net positions</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>	<b>-499,771,547</b>	<b>-674,676,884</b>	<b>-676,923,747</b>

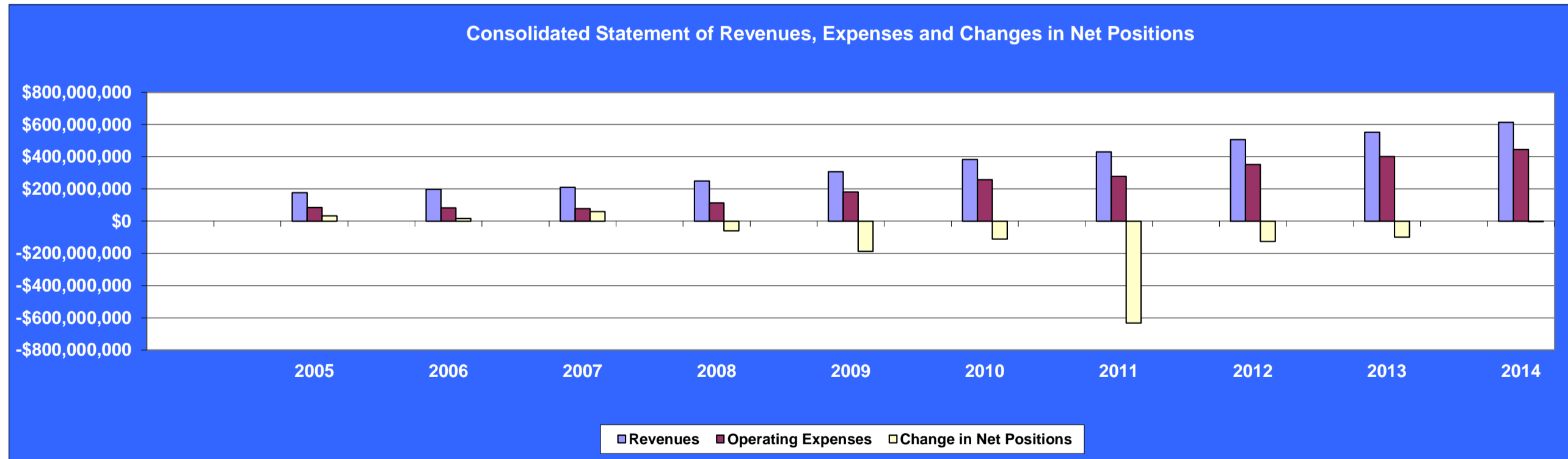


**NORTH TEXAS TOLLWAY SYSTEM**  
 (An Enterprise Fund of the North Texas Tollway Authority)  
**Statements of Revenues, Expenses, and Changes in Net Positions**  
 Last Ten Fiscal Years  
 (Unaudited)

<b>Business-Type Activities</b>										
Revenues:	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Tolls	\$ 172,537,345	\$ 191,434,120	\$ 202,675,564	\$ 240,776,791	\$ 290,404,547	\$ 366,597,323	\$ 402,569,534	\$ 485,463,608	\$ 525,458,723	\$ 580,524,810
Other (1)	5,103,941	6,647,546	7,988,624	9,273,124	17,195,849	17,268,589	28,372,616	20,729,193	26,138,924	34,526,543
Total operating revenues	177,641,286	198,081,666	210,664,188	250,049,915	307,600,396	383,865,912	430,942,150	506,192,801	551,597,647	615,051,353
Operating expenses:										
Administration	8,381,359	8,899,052	10,910,385	12,604,559	22,501,450	21,105,565	22,159,182	22,982,801	23,298,130	22,206,400
Operations	48,195,524	52,522,106	64,660,897	68,064,173	68,433,322	74,604,274	77,165,408	83,253,523	88,469,679	97,917,442
Reserve maintenance	7,483,753	22,771,922	23,858,264	18,254,548	15,444,672	11,701,225	16,540,873	11,446,757	10,915,105	11,144,585
Capital improvement	30,117,098	31,975,003	33,381,445	38,541,652	20,039,108	18,259,590	36,535,270	35,691,517	27,541,687	38,848,449
Total operating expenses before depreciation	94,177,734	116,168,083	132,810,991	137,464,932	126,418,552	125,670,654	152,400,733	153,374,598	150,224,601	170,116,876
Operating income before depreciation	83,463,552	81,913,583	77,853,197	112,584,983	181,181,844	258,195,258	278,541,417	352,818,203	401,373,046	444,934,477
Amortization of intangible (SRT)	-	-	-	-	-	-	(63,947,216)	(63,943,350)	(63,943,350)	(64,403,243)
Depreciation	(2,092,825)	(2,126,037)	(1,800,225)	(3,481,013)	(4,529,323)	(4,794,093)	(5,690,160)	(6,038,360)	(6,203,704)	(6,159,420)
<b>Operating income</b>	81,370,727	79,787,546	76,052,972	109,103,970	176,652,521	253,401,165	208,904,041	282,836,493	331,225,992	374,371,814
Nonoperating revenues (expenses):										
Interest earned on investments	13,562,625	16,550,756	17,592,664	50,438,067	25,219,356	22,128,268	17,672,334	10,112,695	419,671	348,383
Net increase(decrease) in the fair value of investments	(1,087,627)	2,335,448	1,067,995	24,555,188	(13,371,674)	3,588,196	(3,659,548)	(4,962,380)	(6,707,082)	2,118,111
Unallocated infrastructure depreciation	-	-	-	(24,555,772)	(60,703,200)	(63,801,840)	-	-	-	-
Interest expense on revenue bonds	(55,184,859)	(53,414,350)	(52,420,707)	(227,034,684)	(352,464,434)	(371,173,164)	(343,422,746)	(444,746,741)	(442,625,824)	(432,986,781)
Interest expense on short term notes	-	(24,658)	(2,653,677)	(35,086,229)	(6,364,724)	(6,269,247)	(6,269,405)	(6,032,854)	(5,814,320)	(5,714,934)
Bond premium/discount amortization	1,285,475	1,618,562	1,386,510	(217,615)	(1,659,281)	6,330,306	(43,237,386)	892,614	1,822,095	4,343,844
Bond issuance cost amortization	-	-	-	(17,543,223)	(9,216,397)	(5,002,937)	(4,173,546)	(4,147,186)	-	(5,728,236)
Deferred amount on refunding amortization	(7,030,110)	(6,557,286)	(6,017,291)	(6,694,083)	(8,911,969)	(571,990)	(5,829,048)	(4,701,591)	2,264,029	(4,013,052)
SWAP termination payment	-	-	-	(4,511,011)	(6,081,700)	-	-	-	-	-
Net amount on refunded bonds	-	-	-	(3,167,688)	-	-	-	-	-	-
Capital contribution	-	(25,000,000)	25,000,000	-	-	-	-	-	-	32,166,870
Transfer to SPS & Enterprise	-	-	-	-	-	(217,866)	(508,991,349)	911,870	919,608	-
Payments from other governments	-	-	-	74,902,422	59,588,883	31,526,405	25,712,730	8,523,679	8,389,180	1,790,774
BAB's Subsidy	-	-	-	-	7,489,870	26,263,784	28,978,075	28,978,075	26,674,318	26,877,164
Other	395,564	1,013,964	135,327	(355,245)	2,565,331	(7,346,832)	1,284,373	6,069,273	(16,163,752)	4,179,180
Net nonoperating revenues (expenses)	(48,058,932)	(63,477,564)	(15,909,179)	(169,269,873)	(363,909,939)	(364,546,917)	(841,935,516)	(409,102,546)	(430,822,077)	(376,618,677)
<b>Change in net positions</b>	\$ 33,311,795	\$ 16,309,982	\$ 60,143,793	\$ (60,165,903)	\$ (187,257,418)	\$ (111,145,752)	\$ (633,031,475)	\$ (126,266,053)	\$ (99,596,085)	\$ (2,246,863)

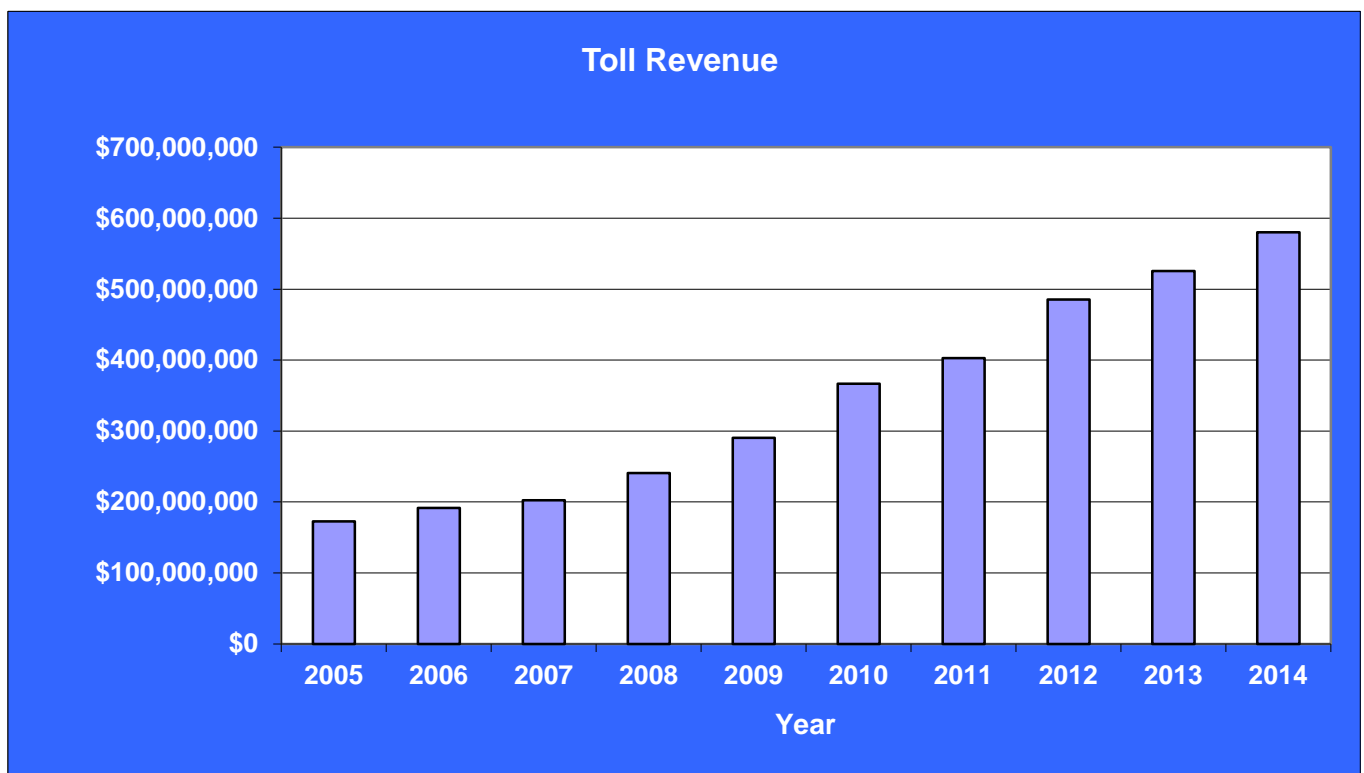
67

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



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
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
2012	585,051,845	485,463,608	0.83
2013	610,129,737	525,458,723	0.86
2014	644,669,523	580,045,215 (*)	0.90



(\*) System only

**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		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Dallas North Tollway:</b>											
Main Lane Plaza 1	Cash	\$0.75	\$0.75	-	-	-	-	-	-	-	-
	TollTag	0.60	0.60	\$0.60	\$0.70	\$1.26	\$1.26	\$1.33	\$1.33	1.40	1.40
<i>(all ETC, effective in Jan., 2007)</i>											
Main Lane Plaza 2	ZipCash	-	-	0.75	1.00	1.89	1.89	2.00	2.00	2.10	2.10
	Cash/ZipCash	0.75	0.75	1.00	1.00	1.35	1.35	1.43	1.43	1.52	1.52
	TollTag	0.60	0.60	0.70	0.70	0.90	0.90	0.95	0.95	1.01	1.01
Main Lane Plaza 3	Cash/ZipCash	0.75	0.75	1.00	1.00	1.20	1.20	1.28	1.28	1.35	1.35
	TollTag	0.60	0.60	0.70	0.70	0.80	0.80	0.85	0.85	0.90	0.90
Main Lane Plaza 4 (1)	Cash/ZipCash	-	-	1.30	1.30	2.15	2.12	2.24	2.24	2.37	2.37
	TollTag	-	-	1.05	1.05	1.41	1.41	1.49	1.49	1.58	1.58
<b>Addison Airport Toll Tunnel:</b>											
Mainlane Plaza	Cash/ZipCash	0.50	0.50	0.50	0.50	0.75	0.75	0.80	0.80	0.84	0.84
	TollTag	0.50	0.50	0.50	0.50	0.50	0.50	0.53	0.53	0.56	0.56
<b>President George Bush Turnpike:</b>											
Main Lane Plaza 5 (7)	ZipCash	-	-	-	-	-	-	2.28	2.28	2.42	2.42
	TollTag	-	-	-	-	-	-	1.52	1.52	1.61	1.61
Main Lane Plaza 6	Cash/ZipCash	0.75	0.75	1.00	1.00	1.50	1.50	1.58	1.58	1.67	1.67
	TollTag	0.60	0.60	0.70	0.70	1.00	1.00	1.05	1.05	1.11	1.11
Main Lane Plaza 7	Cash/ZipCash	0.75	0.75	1.00	1.00	1.62	1.62	1.71	1.71	1.80	1.80
	TollTag	0.60	0.60	0.70	0.70	1.08	1.08	1.14	1.14	1.20	1.20
Main Lane Plaza 8	Cash/ZipCash	0.75	0.75	1.00	1.00	1.50	1.50	1.59	1.59	1.68	1.68
	TollTag	0.60	0.60	0.70	0.70	1.00	1.00	1.06	1.06	1.12	1.12
Main Lane Plaza 9 (2)	Cash/ZipCash	0.75	0.75	1.00	1.00	1.20	1.20	1.26	1.26	1.34	1.34
	TollTag	0.60	0.60	0.70	0.70	0.80	0.80	0.84	0.84	0.89	0.89
Main Lane Plaza 10	Cash/ZipCash	0.75	0.75	1.00	1.00	0.69	0.69	0.74	0.74	0.77	0.77
	TollTag	0.60	0.60	0.70	0.70	0.46	0.46	0.49	0.49	0.51	0.51
<b>Mountain Creek Lake Bridge:</b>											
Mainlane Plaza	Cash/ZipCash	0.50	0.50	0.50	0.50	0.75	0.75	0.80	0.80	0.84	0.84
	TollTag	0.50	0.50	0.50	0.50	0.50	0.50	0.53	0.53	0.56	0.56
<b>Sam Rayburn Tollway (SRT):</b>											
Main Lane Gantry 1 (3) (6)	ZipCash	-	-	-	0.65	0.72	0.72	0.75	0.75	0.80	0.80
	TollTag	-	-	-	0.45	0.48	0.48	0.50	0.50	0.53	0.53
Main Lane Gantry 2 (3) (6)	ZipCash	-	-	-	1.71	1.86	1.86	1.95	1.95	2.07	2.07
	TollTag	-	-	-	1.18	1.24	1.24	1.30	1.30	1.38	1.38
Main Lane Gantry 3 (4) (6)	ZipCash	-	-	-	-	2.04	2.57	2.70	2.70	2.87	2.87
	TollTag	-	-	-	-	1.36	1.71	1.80	1.80	1.91	1.91
<b>Lewisville Lake Toll Bridge:</b>											
Mainlane Plaza (5)	ZipCash	-	-	-	-	1.50	1.50	1.59	1.59	1.68	1.68
	TollTag	-	-	-	-	1.00	1.00	1.06	1.06	1.12	1.12

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

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

Note: The Authority has converted all the facilities in the system to All Electronic Toll Collection (All ETC).

Cash will no longer be accepted on NTTA facilities. Vehicles with no transponders will be billed through video tolling.

Toll rates are 16.16 cents per mile effective July 1, 2013

**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	Roadway	Years										
		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
<b>Dallas North Tollway:</b>												
	Main Lane Plaza 1	Cash	\$1.20	\$1.20	\$1.20	-	-	-	-	-	-	-
		TollTag	0.95	0.95	0.95	\$0.95	\$1.40	\$2.52	\$2.66	\$2.66	\$2.80	2.80
		ZipCash	-	-	-	1.20	2.00	3.78	4.00	4.00	4.20	4.20
<i>(all ETC, effective in Jan., 2007)</i>												
	Main Lane Plaza 2	Cash/ZipCash	1.20	1.20	1.20	2.00	2.00	2.70	2.86	2.86	3.04	3.04
		TollTag	0.95	0.95	0.95	1.40	1.40	1.80	1.90	1.90	2.02	2.02
	Main Lane Plaza 3	Cash/ZipCash	1.20	1.20	1.20	2.00	2.00	2.40	2.56	2.56	2.70	2.70
		TollTag	0.95	0.95	0.95	1.40	1.40	1.60	1.70	1.70	1.80	1.80
	Main Lane Plaza 4 (1)	Cash/ZipCash	-	-	-	2.60	2.60	4.30	4.48	4.48	4.74	4.74
		TollTag	-	-	-	2.10	2.10	2.82	2.98	2.98	3.16	3.16
<b>Addison Airport Toll Tunnel:</b>												
	Mainlane Plaza	Cash/ZipCash	0.50	0.50	0.50	0.50	0.50	1.50	1.60	1.60	1.68	1.68
		TollTag	0.50	0.50	0.50	0.50	0.50	1.00	1.06	1.06	1.12	1.12
<b>President George Bush Turnpike:</b>												
	Main Lane Plaza 5 (7)	ZipCash	-	-	-	-	-	-	-	4.56	4.84	4.84
		TollTag	-	-	-	-	-	-	-	3.04	3.22	3.22
	Main Lane Plaza 6	Cash/ZipCash	1.50	1.50	1.50	2.00	2.00	3.00	3.16	3.16	3.34	3.34
		TollTag	1.20	1.20	1.20	1.40	1.40	2.00	2.10	2.10	2.22	2.22
	Main Lane Plaza 7	Cash/ZipCash	1.50	1.50	1.50	2.00	2.00	3.24	3.42	3.42	3.60	3.60
		TollTag	1.20	1.20	1.20	1.40	1.40	2.16	2.28	2.28	2.40	2.40
	Main Lane Plaza 8	Cash/ZipCash	1.50	1.50	1.50	2.00	2.00	3.00	3.18	3.18	3.36	3.36
		TollTag	1.20	1.20	1.20	1.40	1.40	2.00	2.12	2.12	2.24	2.24
	Main Lane Plaza 9 (2)	Cash/ZipCash	-	1.50	1.50	2.00	2.00	2.40	2.52	2.52	2.68	2.68
		TollTag	-	1.20	1.20	1.40	1.40	1.60	1.68	1.68	1.78	1.78
	Main Lane Plaza 10	Cash/ZipCash	1.50	1.50	1.50	2.00	2.00	1.38	1.48	1.48	1.54	1.54
		TollTag	1.20	1.20	1.20	1.40	1.40	0.92	0.98	0.98	1.02	1.02
<b>Mountain Creek Lake Bridge:</b>												
	Mainlane Plaza	Cash/ZipCash	0.75	0.75	0.75	0.75	0.75	1.50	1.60	1.60	1.68	1.68
		TollTag	0.75	0.75	0.75	0.75	0.75	1.00	1.06	1.06	1.12	1.12
<b>Sam Rayburn Tollway (SRT):</b>												
	Main Lane Gantry 1 (3) (6)	ZipCash	-	-	-	-	1.30	1.44	1.50	1.50	1.60	1.60
		TollTag	-	-	-	-	0.90	0.96	1.00	1.00	1.06	1.06
	Main Lane Gantry 2 (3) (6)	ZipCash	-	-	-	-	3.42	3.72	3.90	3.90	4.14	4.14
		TollTag	-	-	-	-	2.36	2.48	2.60	2.60	2.76	2.76
	Main Lane Gantry 3 (4) (6)	ZipCash	-	-	-	-	-	4.08	5.40	5.40	5.74	5.74
		TollTag	-	-	-	-	-	2.72	3.60	3.60	3.82	3.82
<b>Lewisville Lake Toll Bridge:</b>												
	Mainlane Plaza (5)	ZipCash	-	-	-	-	-	3.00	3.18	3.18	3.36	3.36
		TollTag	-	-	-	-	-	2.00	2.12	2.12	2.24	2.24

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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	Roadway	Years										
		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
Dallas North Tollway:												
	Main Lane Plaza 1	Cash	\$1.50	\$1.50	\$1.50	-	-	-	-	-	-	-
		TollTag	1.20	1.20	1.20	\$1.20	\$2.10	\$3.78	\$3.78	\$3.99	\$4.20	4.20
		ZipCash	-	-	-	1.50	3.00	5.67	6.00	6.00	6.30	6.30
<i>(all ETC, effective in Jan., 2007)</i>												
	Main Lane Plaza 2	Cash/ZipCash	1.50	1.50	1.50	3.00	3.00	4.05	4.05	4.29	4.56	4.56
		TollTag	1.20	1.20	1.20	2.10	2.10	2.70	2.70	2.85	3.03	3.03
	Main Lane Plaza 3	Cash/ZipCash	1.50	1.50	1.50	3.00	3.00	3.60	3.60	3.84	4.05	4.05
		TollTag	1.20	1.20	1.20	2.10	2.10	2.40	2.40	2.55	2.70	2.70
	Main Lane Plaza 4 (1)	Cash/ZipCash	-	-	-	3.90	3.90	6.45	6.72	6.72	7.11	7.11
		TollTag	-	-	-	3.15	3.15	4.23	4.23	4.47	4.74	4.74
Addison Airport Toll Tunnel:												
	Mainlane Plaza	Cash/ZipCash	0.50	0.50	0.50	0.50	0.50	2.25	2.25	2.40	2.52	2.52
		TollTag	0.50	0.50	0.50	0.50	0.50	1.50	1.50	1.59	1.68	1.68
President George Bush Turnpike:												
	Main Lane Plaza 5 (7)	ZipCash	-	-	-	-	-	-	-	6.84	7.26	7.26
		TollTag	-	-	-	-	-	-	-	4.56	4.83	4.83
	Main Lane Plaza 6	Cash/ZipCash	2.25	2.25	2.25	3.00	3.00	4.50	4.50	4.74	5.01	5.01
		TollTag	1.80	1.80	1.80	2.10	2.10	3.00	3.00	3.15	3.33	3.33
	Main Lane Plaza 7	Cash/ZipCash	2.25	2.25	2.25	3.00	3.00	4.86	4.86	5.13	5.40	5.40
		TollTag	1.80	1.80	1.80	2.10	2.10	3.24	3.24	3.42	3.60	3.60
	Main Lane Plaza 8	Cash/ZipCash	2.25	2.25	2.25	3.00	3.00	4.50	4.50	4.77	5.04	5.04
		TollTag	1.80	1.80	1.80	2.10	2.10	3.00	3.00	3.18	3.36	3.36
	Main Lane Plaza 9 (2)	Cash/ZipCash	-	2.25	2.25	3.00	3.00	3.60	3.60	3.78	4.02	4.02
		TollTag	-	1.80	1.80	2.10	2.10	2.40	2.40	2.52	2.67	2.67
	Main Lane Plaza 10	Cash/ZipCash	2.25	2.25	2.25	3.00	3.00	2.07	2.22	2.22	2.31	2.31
		TollTag	1.80	1.80	1.80	2.10	2.10	1.38	1.47	1.47	1.53	1.53
Mountain Creek Lake Bridge:												
	Mainlane Plaza	Cash/ZipCash	1.00	1.00	1.00	1.00	1.00	2.25	2.25	2.40	2.52	2.52
		TollTag	1.00	1.00	1.00	1.00	1.00	1.50	1.50	1.59	1.68	1.68
Sam Rayburn Tollway (SRT):												
	Main Lane Gantry 1 (3) (6)	ZipCash	-	-	-	-	1.95	2.16	2.25	2.25	2.40	2.40
		TollTag	-	-	-	-	1.35	1.44	1.50	1.50	1.59	1.29
	Main Lane Gantry 2 (3) (6)	ZipCash	-	-	-	-	5.13	5.58	5.85	5.85	6.21	6.21
		TollTag	-	-	-	-	3.54	3.72	3.90	3.90	4.14	4.14
	Main Lane Gantry 3 (4) (6)	ZipCash	-	-	-	-	-	6.12	8.10	8.10	8.61	8.61
		TollTag	-	-	-	-	-	4.08	5.40	5.40	5.73	5.73
Lewisville Lake Toll Bridge:												
	Mainlane Plaza (5)	ZipCash	-	-	-	-	-	4.50	4.77	4.77	5.04	5.04
		TollTag	-	-	-	-	-	3.00	3.18	3.18	3.36	3.36

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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-axle vehicle and vehicle combination	Roadway	Years										
		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
Dallas North Tollway:												
	Main Lane Plaza 1	Cash	\$1.80	\$1.80	\$1.80	-	-	-	-	-	-	-
		TollTag	1.45	1.45	1.45	\$1.45	\$2.80	\$5.04	\$5.04	\$5.32	\$5.60	5.60
		ZipCash	-	-	-	1.80	4.00	7.56	8.00	8.00	8.40	8.40
<i>(all ETC, effective in Jan., 2007)</i>												
	Main Lane Plaza 2	Cash/ZipCash	1.80	1.80	1.80	4.00	4.00	5.40	5.40	5.72	6.08	6.08
		TollTag	1.45	1.45	1.45	2.80	2.80	3.60	3.60	3.80	4.04	4.04
	Main Lane Plaza 3	Cash/ZipCash	1.80	1.80	1.80	4.00	4.00	4.80	4.80	5.12	5.40	5.40
		TollTag	1.45	1.45	1.45	2.80	2.80	3.20	3.20	3.40	3.60	3.60
	Main Lane Plaza 4 (1)	Cash/ZipCash	-	-	-	5.20	5.20	8.60	8.96	8.96	9.48	9.48
		TollTag	-	-	-	4.20	4.20	5.64	5.96	5.96	6.32	6.32
Addison Airport Toll Tunnel:												
	Mainlane Plaza	Cash/ZipCash	0.50	0.50	0.50	0.50	0.50	3.00	3.00	3.20	3.36	3.36
		TollTag	0.50	0.50	0.50	0.50	0.50	2.00	2.00	2.12	2.24	2.24
President George Bush Turnpike:												
	Main Lane Plaza 5 (7)	ZipCash	-	-	-	-	-	-	-	9.12	9.68	9.68
		TollTag	-	-	-	-	-	-	-	6.08	6.44	6.44
	Main Lane Plaza 6	Cash/ZipCash	3.00	3.00	3.00	4.00	4.00	6.00	6.00	6.32	6.68	6.68
		TollTag	2.40	2.40	2.40	2.80	2.80	4.00	4.00	4.20	4.44	4.44
	Main Lane Plaza 7	Cash/ZipCash	3.00	3.00	3.00	4.00	4.00	6.48	6.48	6.84	7.20	7.20
		TollTag	2.40	2.40	2.40	2.80	2.80	4.32	4.32	4.56	4.80	4.80
	Main Lane Plaza 8	Cash/ZipCash	3.00	3.00	3.00	4.00	4.00	6.00	6.00	6.36	6.72	6.72
		TollTag	2.40	2.40	2.40	2.80	2.80	4.00	4.00	4.24	4.48	4.48
	Main Lane Plaza 9 (2)	Cash/ZipCash	-	3.00	3.00	4.00	4.00	4.80	4.80	5.04	5.36	5.36
		TollTag	-	2.40	2.40	2.80	2.80	3.20	3.20	3.36	3.56	3.56
	Main Lane Plaza 10	Cash/ZipCash	3.00	3.00	3.00	4.00	4.00	2.76	2.96	2.96	3.08	3.08
		TollTag	2.40	2.40	2.40	2.80	2.80	1.84	1.96	1.96	2.04	2.04
Mountain Creek Lake Bridge:												
	Mainlane Plaza	Cash/ZipCash	1.25	1.25	1.25	1.25	1.25	3.00	3.00	3.20	3.36	3.36
		TollTag	1.25	1.25	1.25	1.25	1.25	2.00	2.00	2.12	2.24	2.24
Sam Rayburn Tollway (SRT):												
	Main Lane Gantry 1 (3) (6)	ZipCash	-	-	-	-	2.60	2.88	3.00	3.00	3.20	3.20
		TollTag	-	-	-	-	1.80	1.92	2.00	2.00	2.12	2.12
	Main Lane Gantry 2 (3) (6)	ZipCash	-	-	-	-	6.84	7.44	7.80	7.80	8.28	8.28
		TollTag	-	-	-	-	4.72	4.96	5.20	5.20	5.52	5.52
	Main Lane Gantry 3 (4) (6)	ZipCash	-	-	-	-	-	8.16	10.80	10.80	11.48	11.48
		TollTag	-	-	-	-	-	5.44	7.20	7.20	7.64	7.64
Lewisville Lake Toll Bridge:												
	Mainlane Plaza (5)	ZipCash	-	-	-	-	-	6.00	6.36	6.36	6.72	6.72
		TollTag	-	-	-	-	-	4.00	4.24	4.24	4.48	4.48

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

Six or more-axle vehicle and vehicle combination	Roadway	Years										
		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
<b>Dallas North Tollway:</b>												
	Main Lane Plaza 1	Cash	\$2.10	\$2.10	\$2.10	-	-	-	-	-	-	-
		TollTag	1.70	1.70	1.70	\$1.70	\$3.50	\$6.30	\$6.30	\$6.65	\$7.00	7.00
		ZipCash	-	-	-	2.10	5.00	9.45	10.00	10.00	10.50	10.50
<i>(all ETC, effective in Jan., 2007)</i>												
	Main Lane Plaza 2	Cash/ZipCash	2.10	2.10	2.10	5.00	5.00	6.75	6.75	7.15	7.60	7.60
		TollTag	1.70	1.70	1.70	3.50	3.50	4.50	4.50	4.75	5.05	5.05
	Main Lane Plaza 3	Cash/ZipCash	2.10	2.10	2.10	5.00	5.00	6.00	6.00	6.40	6.75	6.75
		TollTag	1.70	1.70	1.70	3.50	3.50	4.00	4.00	4.25	4.50	4.50
	Main Lane Plaza 4 (1)	Cash/ZipCash	-	-	-	6.50	6.50	10.75	11.20	11.20	11.85	11.85
		TollTag	-	-	-	5.25	5.25	7.05	7.05	7.45	7.90	4.30
<b>Addison Airport Toll Tunnel:</b>												
	Mainlane Plaza	Cash/ZipCash	0.50	0.50	0.50	0.50	0.50	3.75	3.75	4.00	4.20	4.20
		TollTag	0.50	0.50	0.50	0.50	0.50	2.50	2.50	2.65	2.80	2.80
<b>President George Bush Turnpike:</b>												
	Main Lane Plaza 5 (7)	ZipCash	-	-	-	-	-	-	-	11.40	12.10	12.10
		TollTag	-	-	-	-	-	-	-	7.60	8.05	8.05
	Main Lane Plaza 6	Cash/ZipCash	3.75	3.75	3.75	5.00	5.00	7.50	7.50	7.90	8.35	8.35
		TollTag	3.00	3.00	3.00	3.50	3.50	5.00	5.00	5.25	5.55	5.55
	Main Lane Plaza 7	Cash/ZipCash	3.75	3.75	3.75	5.00	5.00	8.10	8.10	8.55	9.00	9.00
		TollTag	3.00	3.00	3.00	3.50	3.50	5.40	5.40	5.70	6.00	6.00
	Main Lane Plaza 8	Cash/ZipCash	3.75	3.75	3.75	5.00	5.00	7.50	7.50	7.95	8.40	8.40
		TollTag	3.00	3.00	3.00	3.50	3.50	5.00	5.00	5.30	5.60	5.60
	Main Lane Plaza 9 (2)	Cash/ZipCash	-	3.75	3.75	5.00	5.00	6.00	6.00	6.30	6.70	6.70
		TollTag	-	3.00	3.00	3.50	3.50	4.00	4.00	4.20	4.45	4.45
	Main Lane Plaza 10	Cash/ZipCash	3.75	3.75	3.75	5.00	5.00	3.45	3.70	3.70	3.85	3.85
		TollTag	3.00	3.00	3.00	3.50	3.50	2.30	2.45	2.45	2.55	2.55
<b>Mountain Creek Lake Bridge:</b>												
	Mainlane Plaza	Cash/ZipCash	1.50	1.50	1.50	1.50	1.50	3.75	3.75	4.00	4.20	4.20
		TollTag	1.50	1.50	1.50	1.50	1.50	2.50	2.50	2.65	2.80	2.80
<b>Sam Rayburn Tollway (SRT):</b>												
	Main Lane Gantry 1 (3) (6)	ZipCash	-	-	-	-	3.25	3.60	3.75	3.75	4.00	4.00
		TollTag	-	-	-	-	2.25	2.40	2.50	2.50	2.65	2.65
	Main Lane Gantry 2 (3) (6)	ZipCash	-	-	-	-	8.55	9.30	9.75	9.75	10.35	10.35
		TollTag	-	-	-	-	5.90	6.20	6.50	6.50	6.90	6.90
	Main Lane Gantry 3 (4) (6)	ZipCash	-	-	-	-	-	10.20	13.50	13.50	14.35	14.35
		TollTag	-	-	-	-	-	6.80	9.00	9.00	9.55	9.55
<b>Lewisville Lake Toll Bridge:</b>												
	Mainlane Plaza (5)	ZipCash	-	-	-	-	-	7.50	7.95	7.95	8.40	8.40
		TollTag	-	-	-	-	-	5.00	5.30	5.30	5.60	5.60

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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)
2005	1,420,605,000	-	-	135,000,000	4,600,000	1,560,205,000	338,390,215	4.61	301
2006	1,390,130,000	-	25,000,000	135,000,000	4,600,000	1,554,730,000	370,696,171	4.19	290
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	931
2008	6,150,814,166	-	89,700,000	135,000,000	4,600,000	6,380,114,166	412,272,003	15.48	1,140
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	1,392
2011	7,555,401,914	-	56,300,000	140,607,304	-	7,752,309,218	513,454,344	15.10	1,371
2012	7,556,400,009	-	38,300,000	138,262,812	-	7,732,962,821	585,051,845	13.22	1,353
2013	7,588,629,243	-	-	136,069,850	-	7,724,699,093	610,129,737	12.66	1,322
2014	7,648,188,182	-	-	133,784,783	-	7,781,972,965	644,669,523	12.07	1,301

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 68.

(2) See table of Demographic Data on page 78.

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	
			Bond Redemption Account	Commercial Paper Notes Payable				Toll Revenue	Debt Per Capita(2)
2005	1,420,605,000	-	(17,311,773)	-	135,000,000	1,538,293,227	172,537,345	9	297
2006	1,390,130,000	-	(22,008,278)	25,000,000	135,000,000	1,528,121,722	191,434,120	8	285
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	926
2008	6,150,814,166	-	(34,110,000)	89,700,000	135,000,000	6,341,404,166	240,776,791	26	1133
2009	7,122,390,015	-	(32,170,000)	5,200,000	146,609,022	7,242,029,037	290,404,547	25	1277
2010	7,543,021,558	-	(29,685,000)	119,200,000	142,857,298	7,775,393,856	366,597,323	21	1387
2011	7,555,401,914	-	(27,980,000)	56,300,000	140,607,304	7,724,329,218	402,569,534	19	1366
2012	7,556,400,009	-	(16,605,000)	38,300,000	138,262,812	7,716,357,821	485,463,608	16	1351
2013	7,588,629,243	-	-	-	136,069,850	7,724,699,093	525,458,723	15	1322
2014	7,648,188,182	-	-	-	133,784,783	7,781,972,965	580,045,215	13	1301

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 68.

(2) See table of Demographic Data on page 78.

NORTH TEXAS TOLLWAY SYSTEM  
(An Enterprise Fund of the North Texas Tollway Authority)  
Schedule of Pro Forma Debt Service Requirements  
For the years 2014-2047  
(Unaudited)

	A	B	C	D	E
FYE (12/31) <sup>(1)(2)</sup>	Outstanding First Tier Net Debt Service <sup>(3)(4)(5)</sup>	Outstanding Second Tier Net Debt Service <sup>(6)(7)</sup>	Outstanding ISTEAL Loan Debt Service	Outstanding Subordinate Lien Debt Service <sup>(8)</sup>	Total Net Debt Service
2014	\$ 272,878,819	\$ 57,036,984	\$ 8,000,000	\$ 24,105,899	\$ 362,021,702
2015	294,279,576	57,401,231	8,000,000	24,115,479	383,796,286
2016	313,231,237	56,567,450	8,000,000	24,115,479	401,914,166
2017	315,389,408	56,567,450	9,000,000	24,115,479	405,072,337
2018	363,424,485	56,567,450	10,500,000	24,115,479	454,607,414
2019	368,932,301	56,567,450	12,250,000	54,540,479	492,290,230
2020	385,144,407	56,567,450	15,322,396	54,538,917	511,573,169
2021	410,022,212	56,567,450	15,322,396	54,543,604	536,455,662
2022	409,880,261	56,567,450	15,322,396	54,521,987	536,292,094
2023	418,719,367	56,567,450	15,322,396	54,412,567	545,021,780
2024	429,047,922	56,567,450	15,322,396	54,299,966	555,237,734
2025	455,485,026	56,567,450	15,322,396	54,177,046	581,551,917
2026	466,009,167	56,567,450	15,322,396	54,046,650	591,945,663
2027	493,613,487	56,567,450	15,322,396	53,911,006	619,414,339
2028	518,384,552	57,567,450	15,322,396	53,771,771	645,046,169
2029	477,071,982	82,647,450	-	-	559,719,432
2030	414,725,492	166,340,807	-	-	581,066,299
2031	419,760,135	184,636,450	-	-	604,396,585
2032	459,865,680	173,621,525	-	-	633,487,205
2033	471,456,477	176,682,325	-	-	648,138,802
2034	529,631,598	135,435,175	-	-	665,066,773
2035	558,326,473	130,842,538	-	-	689,169,011
2036	576,664,898	123,821,000	-	-	700,485,898
2037	614,057,277	78,101,976	-	-	692,159,253
2038	352,788,123	-	-	-	352,788,123
2039	412,644,523	-	-	-	412,644,523
2040	441,046,606	-	-	-	441,046,606
2041	447,233,084	-	-	-	447,233,084
2042	460,977,721	-	-	-	460,977,721
2043	197,407,408	-	-	-	197,407,408
2044	197,585,680	-	-	-	197,585,680
2045	199,625,498	-	-	-	199,625,498
2046	201,350,074	-	-	-	201,350,074
2047	147,358,895	-	-	-	147,358,895
	<b>\$ 13,494,019,849</b>	<b>\$ 2,102,944,309</b>	<b>\$ 193,651,564</b>	<b>\$ 663,331,808</b>	<b>\$ 16,453,947,530</b>

<sup>(1)</sup>Excludes any payments to be made into the Reserve Maintenance Fund ("RMF") under the Trust Agreement. Payments made into the RMF are made after debt service on the First, Second, and Third Tier Bonds but prior to debt service on the ISTEAL Loan and the Subordinate Lien Bonds. See "SCHEDULE OF ESTIMATED TOLL REVENUES, EXPENSES, OTHER INCOME AND ESTIMATED DEBT SERVICE COVERAGE" for estimated deposits to the RMF. Additionally, excludes debt that has been or is expected to be incurred under the SPS Trust Agreement payable from revenues of the Special Projects System.

<sup>(2)</sup>For all Bonds other than the Series 2010A & B Subordinate Lien Bonds, Fiscal Year debt service includes debt service on the following January 1 (i.e. Fiscal Year 2014 includes debt service on January 1, 2015). With respect to the Subordinate Lien Bonds, Fiscal Year debt service in each year included the required deposit to the CIF Bond Payment Account on January 1 of the following year for the Series 2010A & B Subordinate Lien Bonds debt service due on August 1 of that year and February 1 of the next succeeding year (e.g. Fiscal Year 2014 includes debt service on August 1, 2015, and February 1, 2016).

<sup>(3)</sup>Net of direct subsidy related to the Series 2009B Bonds issued as Build America Bonds. The Federal Subsidy Payment is reduced by 7.3% due to automatic federal deficit reduction spending cuts known as "sequestration" which took effect on March 1, 2013. Sequestration affects certain federally funded programs, including the Federal Subsidy Payments payable to NTTA with respect to the Series 2009B Bonds. It is assumed that this reduction in Federal Subsidy Payments continues at the same rate through the final maturity. The January 1, 2014 Federal Subsidy Payment was received late and will be applied to the July 1, 2014 interest payment along with the July 1, 2014 Federal Subsidy Payment.

<sup>(4)</sup>Assumes the Series 2012C Bonds are remarketed to a fixed rate of 5.00% on the January 1, 2019, mandatory tender date. Assumes the 2009D Bonds are associated with existing interest rate exchange agreements and the interest rate thereon is synthetically fixed with two interest rate exchange agreements, one with a notional amount of approximately \$84.06 million with a swap rate of 3.673% and one with a notional amount of approximately \$96.23 million with a swap rate of 3.533%. The interest rate exchange agreements amortize in 2019 to 2025. Any unhedged variable rate Series 2009D Bonds are assumed to bear interest at a rate of 5.00% inclusive of liquidity and remarketing costs. Assumes the Series 2011A Bonds bear interest at a rate of 2.00% and are remarketed to a fixed rate of 5.00% on the January 1, 2019 mandatory tender date. Assumes the Series 2014C Bonds bear interest at 1.83% to the January 1, 2020 mandatory tender date and are remarketed into variable rate mode and bear interest at 3.00% thereafter.

<sup>(5)</sup>Debt Service in Fiscal Years 2047-2051 is net of cash balances in the First Tier Debt Service Reserve Fund which is required by the terms of the Trust Agreement to be used to retire the last maturities of the outstanding bonds.

<sup>(6)</sup>Debt service in Fiscal Year 2030 is net of cash balances in the 2014 Second Tier Debt Service Reserve Subaccount which is required by the terms of the Trust Agreement to be used to retire the last maturities of the outstanding Series 2014B Second Tier Bonds.

<sup>(7)</sup>Debt service in Fiscal Year 2037 is net of cash balances in the 2008F Second Tier Debt Service Reserve Subaccount which is required by the terms of the Trust Agreement to be used to retire the last maturities of the outstanding Series 2008F Second Tier Bonds.

<sup>(8)</sup>Net of direct subsidy related to the Series 2010B Subordinate Lien Bonds issued as Build America Bonds. The Federal Subsidy Payment is reduced by 7.2% due to automatic federal deficit reduction spending cuts known as "sequestration" which took effect on March 1, 2013. Sequestration affects certain federally funded programs, including the Federal Subsidy Payments payable to the Authority with respect to the Series 2010B Subordinate Lien Bonds. It is assumed that this reduction in Federal Subsidy Payments continues at the same rate through the final maturity.

**NORTH TEXAS TOLLWAY SYSTEM**  
 (An Enterprise Fund of the North Texas Tollway Authority)  
 Schedule of Estimated Toll Revenues, Other Revenues, Expenses and Estimated Debt Service Coverage Ratio's  
 For the years 2014-2051  
 (Unaudited)

FYE (12/31) <sup>(1)</sup>	Estimated Toll Revenues <sup>(2)</sup>	Estimated Other Revenues <sup>(3)</sup>	Estimated Expenses <sup>(4)</sup>	Estimated Net Revenue	Estimated Deposit to RMF <sup>(5)</sup>	Estimated Debt Service on all Debt <sup>(6)(7)</sup>	Estimated Coverage on 1st Tier Debt <sup>(7)(8)</sup>	Estimated Coverage on 1st & 2nd Tier Debt <sup>(7)(9)</sup>	Estimated Coverage on all Debt and RMF Deposits
2014	\$ 550,156,100	\$ 24,347,281	\$ 111,218,970	\$ 463,284,411	\$ -	\$ 362,021,702	1.70x	1.40x	1.28x
2015	588,534,400	25,295,163	131,220,000	482,609,563	-	383,796,285	1.64x	1.37x	1.26x
2016	624,861,200	26,769,309	135,156,600	516,473,909	18,833,312	401,914,166	1.65x	1.40x	1.23x
2017	653,002,000	28,253,581	139,211,298	542,044,283	15,913,309	405,072,337	1.72x	1.46x	1.29x
2018	683,486,900	29,667,028	143,387,637	569,766,291	20,511,134	454,607,414	1.57x	1.36x	1.20x
2019	723,663,900	29,754,080	147,689,266	605,728,714	28,116,655	492,290,230	1.64x	1.42x	1.16x
2020	766,792,700	32,890,821	152,119,944	647,563,577	70,067,531	511,573,169	1.68x	1.47x	1.11x
2021	801,652,100	32,957,923	156,683,542	677,926,481	21,167,564	536,455,662	1.65x	1.45x	1.22x
2022	841,051,900	33,042,873	161,384,049	712,710,725	51,753,716	536,292,094	1.74x	1.53x	1.21x
2023	880,605,700	33,159,423	166,225,570	747,539,553	45,205,354	545,021,780	1.79x	1.57x	1.27x
2024	922,553,900	33,268,587	171,212,337	784,610,150	69,587,744	555,237,734	1.83x	1.62x	1.26x
2025	965,308,100	36,079,094	176,348,707	825,038,487	38,200,610	581,551,917	1.81x	1.61x	1.33x
2026	1,012,144,300	36,201,208	181,639,169	866,706,340	49,598,704	591,945,663	1.86x	1.66x	1.35x
2027	1,058,255,200	36,326,522	187,088,344	907,493,378	234,149,195	619,414,339	1.84x	1.65x	1.06x
2028	1,110,539,600	36,458,544	192,700,994	954,297,150	58,175,055	645,046,169	1.84x	1.66x	1.36x
2029	1,158,679,600	36,472,407	198,482,024	996,669,984	105,171,765	559,719,432	2.09x	1.78x	1.50x
2030	1,210,313,700	44,873,983	204,436,484	1,050,751,199	96,103,497	581,066,298	2.53x	1.81x	1.55x
2031	1,263,044,300	45,049,796	210,569,579	1,097,524,517	118,920,994	604,396,585	2.61x	1.82x	1.52x
2032	1,320,568,100	45,229,511	216,886,666	1,148,910,945	156,878,022	633,487,205	2.50x	1.81x	1.45x
2033	1,378,084,900	45,353,420	223,393,266	1,200,045,054	42,170,715	648,138,802	2.55x	1.85x	1.74x
2034	1,440,343,300	45,452,626	230,095,064	1,255,700,861	310,138,431	665,066,773	2.37x	1.89x	1.29x
2035	1,499,607,600	45,376,923	236,997,916	1,307,986,607	65,809,253	689,169,010	2.34x	1.90x	1.73x
2036	1,568,152,300	45,250,320	244,107,854	1,369,294,767	186,727,369	700,485,898	2.37x	1.95x	1.54x
2037	1,635,863,800	45,032,616	251,431,089	1,429,465,327	139,575,006	692,159,253	2.33x	2.07x	1.72x
2038	1,709,486,300	41,742,485	258,974,022	1,492,254,763	65,317,515	352,788,123	4.23x	4.23x	3.57x
2039	1,784,483,200	41,823,244	266,743,243	1,559,563,201	211,894,078	412,644,523	3.78x	3.78x	2.50x
2040	1,865,089,600	54,190,284	274,745,540	1,644,534,344	63,671,811	441,046,606	3.73x	3.73x	3.26x
2041	1,935,661,500	53,776,920	282,987,906	1,706,450,514	383,055,896	447,233,084	3.82x	3.82x	2.06x
2042	2,011,511,400	53,189,926	291,477,543	1,773,223,782	116,666,187	460,977,721	3.85x	3.85x	3.07x
2043	2,088,660,100	52,373,379	300,221,870	1,840,811,610	181,510,583	197,407,408	9.32x	9.32x	4.86x
2044	2,172,492,300	52,512,814	309,228,526	1,915,776,588	174,863,607	197,585,680	9.70x	9.70x	5.14x
2045	2,254,033,200	52,632,442	318,505,381	1,988,160,261	81,239,851	199,625,498	9.96x	9.96x	7.08x
2046	2,340,938,300	52,684,956	328,060,543	2,065,562,713	296,443,463	201,350,074	10.26x	10.26x	4.15x
2047	2,427,948,300	52,635,839	337,902,359	2,142,681,780	337,902,359	147,358,895	14.54x	14.54x	8.51x
2048	2,521,604,400	51,661,532	348,039,430	2,225,226,502	466,293,181	-	-	-	-
2049	2,614,780,700	49,732,932	358,480,613	2,306,033,019	130,975,762	-	-	-	-
2050	2,715,960,900	48,431,033	369,235,031	2,395,156,902	238,975,268	-	-	-	-
2051	2,812,867,300	48,606,095	380,312,082	2,481,161,313	204,947,223	-	-	-	-
	<b>\$ 55,912,783,100</b>	<b>\$ 1,578,556,921</b>	<b>\$ 8,794,600,459</b>	<b>\$ 48,696,739,562</b>	<b>\$ 4,662,928,846</b>	<b>\$16,453,947,530</b>			

<sup>(1)</sup>For all Bonds other than the Series 2010A & B Subordinate Lien Bonds, Fiscal Year debt service includes debt service on the following January 1 (i.e. Fiscal Year 2014 includes debt service on January 1, 2015). With respect to the Series 2010A & B Subordinate Lien Bonds, Fiscal Year debt service in each year included the required deposit to the CIF Bond Payment Account on January 1 of the following year for the Subordinate Lien Bonds debt service due on August 1 of that year and February 1 of the next succeeding year (e.g. Fiscal Year 2014 includes debt service on August 1, 2015, and February 1, 2016).

<sup>(2)</sup>Estimated toll revenues are provided by CDM Smith, the Traffic Engineers for the NTTA System. Estimated revenues are projected at levels to be actually collected in each year (i.e. cash basis). Historical toll revenues and historical debt service coverage are reported by NTTA on accrual based revenues as recognized under Generally Accepted Accounting Principles.

<sup>(3)</sup>Estimated "Other Revenues" are provided by NTTA and include interest earnings, video tolling administrative fees and other charges.

<sup>(4)</sup>Estimated expenses are net of inter-fund transfers and are provided by Atkins North America, the Consulting Engineers for the NTTA System.

<sup>(5)</sup>Deposits to the RMF are estimated by NTTA based on the current cash balance in the RMF and expenses to be paid out of the RMF are estimated by Atkins North America, the Consulting Engineers for the NTTA System.

<sup>(6)</sup> See column E under the table heading "SCHEDULE OF PRO FORMA DEBT SERVICE REQUIREMENTS".

<sup>(7)</sup> See "SCHEDULE OF PRO FORMA DEBT SERVICE REQUIREMENTS" and related notes for information regarding assumptions included in the estimates.

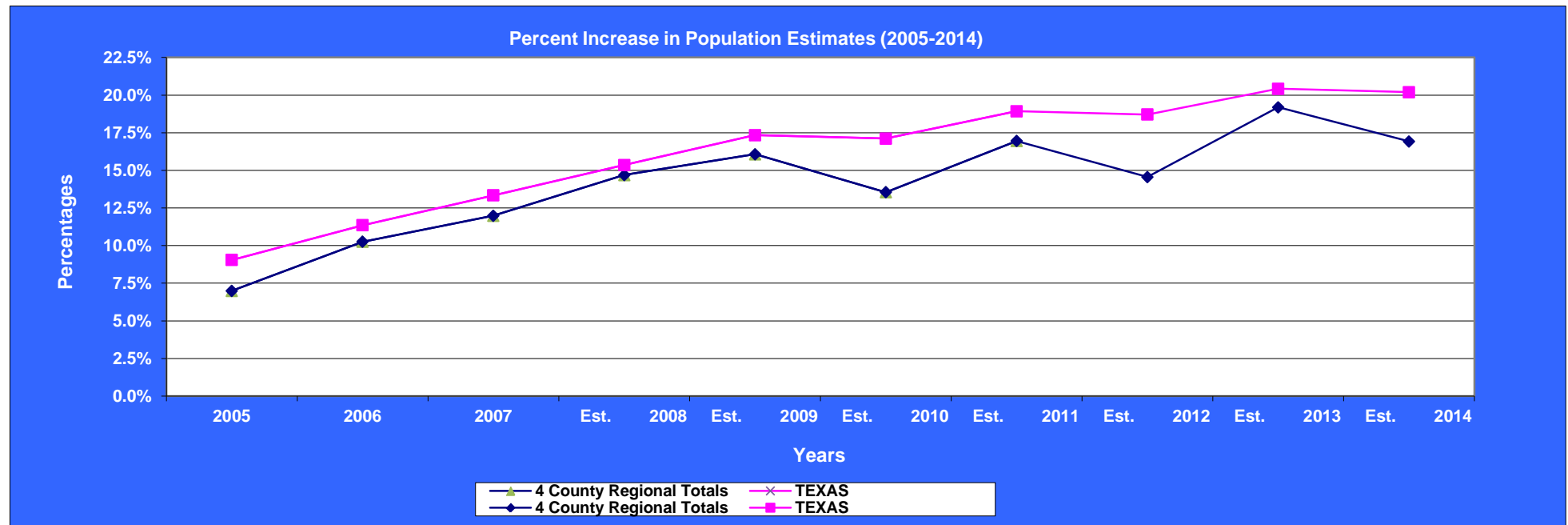
<sup>(8)</sup> See column A of the table under the heading "SCHEDULE OF PRO FORMA DEBT SERVICE REQUIREMENTS" for totals of debt service for all First Tier Debt.

<sup>(9)</sup> See columns A-B of the table under the heading "SCHEDULE OF PRO FORMA DEBT SERVICE REQUIREMENTS" for totals of debt service for all First Tier and Second Tier Debt.

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 2005-2014  
 (Unaudited)

Year	COLLIN	DALLAS	DENTON	TARRANT	Est. Four County Regional Totals	Estimated Texas Totals	Percentage Change (From Prior Years)	
2005	659,457	2,330,050	552,600	1,642,950	5,185,057	22,897,000	1.84%	5.21%
2006	690,500	2,383,300	578,500	1,702,250	5,354,550	23,426,000	3.27%	2.31%
2007	724,900	2,417,650	559,350	1,745,050	5,446,950	23,891,000	1.73%	1.98%
Est. 2008	748,050	2,451,800	614,650	1,780,150	5,594,650	24,371,000	2.71%	2.01%
Est. 2009	764,500	2,471,000	628,300	1,807,750	5,671,550	24,857,000	1.37%	1.99%
Est. 2010	791,631	2,368,139	637,750	1,809,034	5,606,554	25,294,000	-1.15%	1.76%
Est. 2011	801,740	2,373,870	662,614	1,817,840	5,656,064	25,695,000	0.88%	1.59%
Est. 2012	813,133	2,385,990	683,010	1,831,230	5,713,363	26,107,000	1.01%	1.60%
Est. 2013	834,642	2,453,843	694,050	1,858,921	5,841,456	26,497,000	2.24%	1.49%
Est. 2014	854,778	2,480,331	713,200	1,931,335	5,979,644	26,889,000	2.37%	1.48%
<b>Increase Total from Year 2005 to Year 2014</b>	<b>195,321</b>	<b>150,281</b>	<b>160,600</b>	<b>288,385</b>	<b>794,587</b>	<b>3,992,000</b>		

Source: US Census Bureau



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 2005-2014  
 (Unaudited)

Year	COLLIN	DALLAS	DENTON	TARRANT	Combined Four	Texas	Unemployment Rate		
					County Regional	Estimated Totals	4 County	Texas	
2005	367,651	1,177,947	312,530	840,440	2,698,568	11,024,191	7.5%	8.1%	
2006	389,629	1,219,541	337,144	884,101	2,830,415	11,617,834	6.3%	6.7%	
2007	400,678	1,205,730	344,810	904,015	2,855,233	11,647,654	6.0%	7.1%	
Est. 2008	407,840	1,180,870	346,869	877,646	2,813,225	11,466,657	5.7%	5.9%	
Est. 2009	285,900	1,415,000	172,600	743,500	2,617,000	10,204,500	5.1%	5.2%	
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%	
Est. 2012	413,783	1,102,322	356,467	883,503	2,756,075	11,742,600	6.6%	8.0%	
Est. 2013	330,300	1,509,000	195,500	812,600	2,847,400	11,091,900	6.4%	6.3%	
Est. 2014	346,400	1,558,500	205,800	825,600	2,936,300	11,433,600	6.0%	6.1%	
Increase Total from Year 2005 to Year 2014		(21,251)	380,553	(106,730)	(14,840)	237,732	409,409		

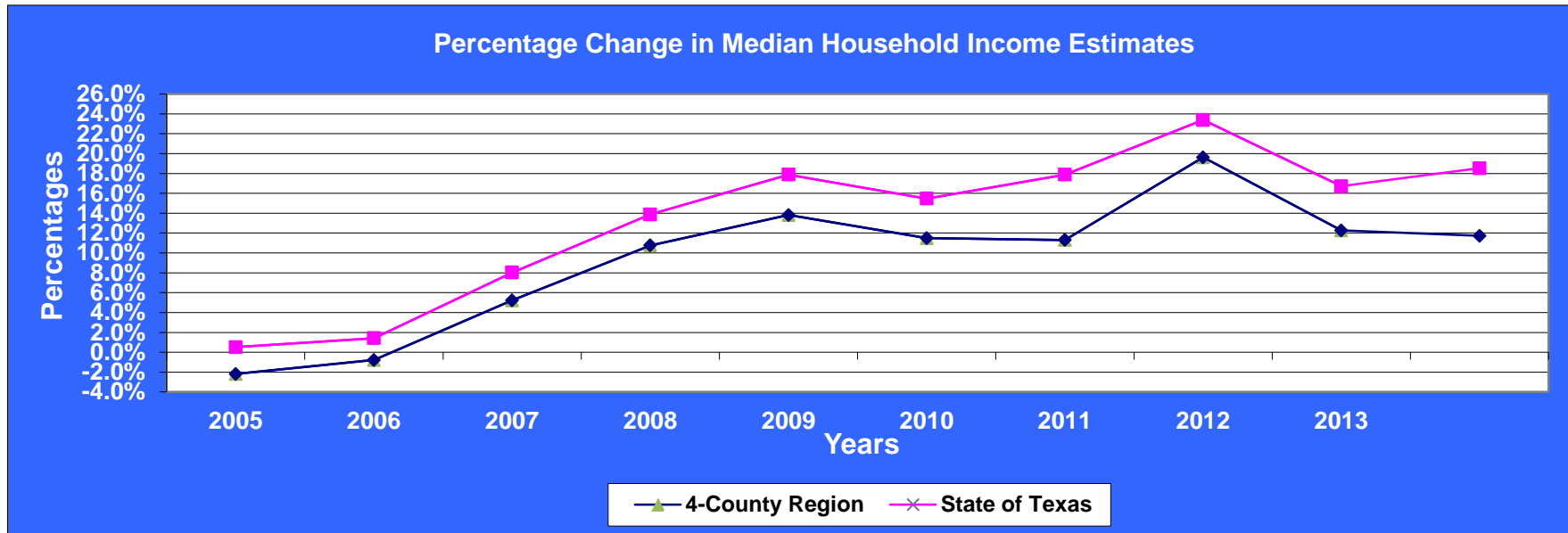
Source: U.S. Bureau of Labor Statistics



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 2004 - 2013  
 (Unaudited)

Year	COLLIN	DALLAS	DENTON	TARRANT	Regional Totals		Percentage Change from Prior Years	
					Estimated Avg Median Income	Estimated Avg Median Income	4 County	Texas
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%
2011	82,758	48,942	72,305	56,178	65,046	50,920	5.80%	5.51%
2012	83,238	49,159	72,939	56,859	65,549	51,563	0.77%	1.26%
2013	82,762	49,481	74,155	56,853	65,813	51,900	0.40%	0.65%
<b>Averaged Yearly Totals</b>	<b>\$78,162</b>	<b>\$46,586</b>	<b>\$69,257</b>	<b>\$53,502</b>	<b>\$61,877</b>	<b>\$47,672</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)

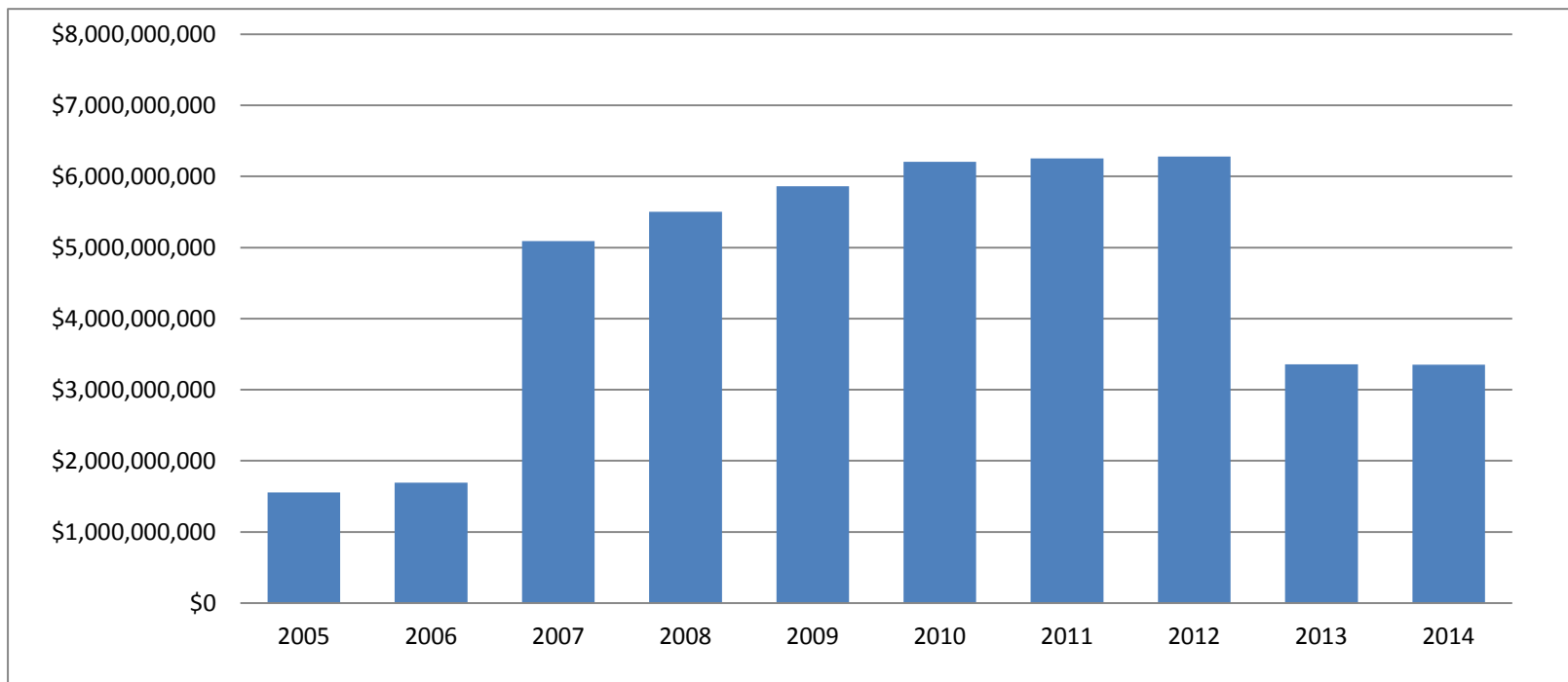
2014				2005			
<b>COLLIN COUNTY TOP TEN EMPLOYERS</b>				<b>COLLIN COUNTY TOP TEN EMPLOYERS</b>			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT	INDUSTRY	EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT	INDUSTRY
HP ENTERPRISE SERVICES Lic	10,000	2.22%	PROF/TECH	EDSCIRP/HP ENTERPRISE SERVICES	6,700	1.86%	PROF/TECH
PLANO ISD	6,538	1.03%	EDUCATION	PLANO ISD	6,528	1.86%	EDUCATION
BANK OF AMERICA HOME LOANS	4,646	0.89%	FINANCIAL SERVICES	ALCATEL	5,080	1.32%	PROF/TECH
TOYOTA	4,000	0.84%	AUTO-MAKER	JC PENNEY	3,800	1.08%	RETAIL
J.C. PENNY (Corporate HQ)	3,800	0.78%	RETAIL	STONEBRIAR CENTER	3,456	0.78%	RETAIL
CAPITAL ONE	3,500	0.78%	FINANCIAL SERVICES	THE SHOPS AT WILLOW BEND	3,240	0.66%	RETAIL
UNIVERSITY OF TEXAS AT DALLAS	3,500	0.69%	EDUCATION	RAYTHEON	3,200	0.66%	TECHNOLOGY
BLUE CROSS and BLUE SHIELD OF TEXAS	3,100	0.66%	INSURANCE	FRITO-LAY, INC.	3,000	0.51%	RETAIL
MEDICAL CENTER OF PLANO (HCA Inc)	3,000	0.51%	HEALTH CARE PROVIDER	COUNTRYWIDE HOME LOANS	3,000	0.51%	FINANCIAL SERVICES
GE ENERGY	2,300	0.51%	ENERGY	PEROT SYSTEMS CORPORATION/DELL	2,811	0.51%	TECHNOLOGY
Total	44,384	8.91%		Total	40,815	9.75%	
<b>DALLAS COUNTY TOP TEN EMPLOYERS</b>				<b>DALLAS COUNTY TOP TEN EMPLOYERS</b>			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT	INDUSTRY	EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT	INDUSTRY
TEXAS HEALTH RESOURCES	21,100	0.85%	HEALTH CARE	AMR CORPORATION (AMERICAN AIRLINES)	22,000	0.94%	TRANSPORTATION
BANK OF AMERICA	20,000	0.81%	FINANCIAL SERVICES	WALMART STORES	21,300	0.91%	RETAIL
DALLAS PUBLIC SCHOOLS	19,800	0.80%	EDUCATION	DALLAS INDEPENDENT SCHOOL DISTRICT	19,244	0.83%	EDUCATION
AMR COPORATION (AMERICAN AIRLINES)	19,219	0.77%	TRANSPORTATION	LOCKHEED MARTIN AERONAUTICS CO.	16,700	0.72%	MANUFACTURING
BAYLOR HEALTH CARE SYSTEM	16,850	0.68%	HEALTH CARE PROVIDER	BAYLOR HEALTH CARE SYSTEM	15,000	0.64%	HEALTH CARE
JPMORGAN CHASE	14,500	0.58%	FINANCIAL SERVICES	AT&T/SBC COMMUNICATIONS INC.	14,000	0.60%	TELECOMMUNICATIONS
TEXAS INSTRUMENTS INCORPORATED	14,000	0.58%	ELECTRONICS AND SEMI-CONDUCTOR	U.S. POSTAL SERVICES	13,225	0.57%	MAIL DELIVERY
CITY OF DALLAS	13,000	0.56%	MUNICIPAL GOVERNMENT	THE VISITING NURSE ASSOC OF TEXAS	12,897	0.55%	HEALTH RELATED SERVICES
UT-SOUTHWESTERN MEDICAL CENTER	12,100	0.52%	HEALTH CARE PROVIDER	VERIZON COMMUNICATIONS INC.	12,500	0.54%	TELECOMMUNICATIONS
PARKLAND HEALTH & HOSPITAL	13,000	0.49%	HEALTH CARE PROVIDER	TEXAS HEALTH RESOURCE	12,304	0.53%	HEALTH CARE PROVIDER
Total	163,569	6.64%		Total	159,170	6.83%	
<b>DENTON COUNTY TOP TEN EMPLOYERS</b>				<b>DENTON COUNTY TOP TEN EMPLOYERS</b>			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT	INDUSTRY	EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT	INDUSTRY
UNIVERSITY OF NORTH TEXAS	8,738	1.23%	EDUCATION	UNIVERSITY OF NORTH TEXAS	5,900	1.07%	EDUCATION
LEWISVILLE ISD	6,325	0.89%	EDUCATION	LEWISVILLE ISD	4,500	0.81%	EDUCATION
WALMART	3,900	0.55%	RETAIL	FRITO LAY	2,436	0.44%	RETAIL
DENTON ISD	3,800	0.53%	EDUCATION	AMERICAN AIRLINES	2,350	0.43%	TRANSPORTATION
CENTEX HOME EQUITY	2,600	0.36%	FINANCIAL SERVICES	DENTON ISD	2,000	0.36%	EDUCATION
FRITO-LAY, INC.	2,500	0.35%	RETAIL	HORIZON HEALTH	1,500	0.27%	HEALTH CARE
AMERICAN AIRLINES	2,154	0.30%	TRANSPORTATION	DENTON COUNTY	1,365	0.25%	MUNICIPAL GOVERNMENT
PETERBILT MOTORS	2,100	0.29%	TRANSPORTATION	DENTON STATE SCHOOL	1,350	0.24%	EDUCATION
NORTHWEST ISD	2,050	0.29%	EDUCATION	PETERBILT MOTORS	1,200	0.22%	TRANSPORTATION
DENTON STATE SCHOOL	1,700	0.24%	EDUCATION	CITY OF DENTON	1,200	0.22%	MUNICIPAL GOVERNMENT
Total	35,867	5.03%		Total	23,801	4.31%	
<b>TARRANT COUNTY TOP TEN EMPLOYERS</b>				<b>TARRANT COUNTY TOP TEN EMPLOYERS</b>			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT	INDUSTRY	EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT	INDUSTRY
AMRCORP./AMERICAN AIRLINES	24,000	2.56%	TRANSPORTATION	LOCKHEED FORT WORTH DIVISION	16,800	2.08%	MANUFACTURING
LOCKHEED MARTIN AERONAUTICS CO	12,600	1.34%	MANUFACTURING	AMRCORP./AMERICAN AIRLINES	14,608	1.81%	TRANSPORTATION
TEXAS HEALTH RESOURCES	12,207	1.30%	HEALTH CARE PROVIDER	FORT WORTH INDEPENDENT SCHOOL DISTRICT	10,366	1.29%	EDUCATION
FORT WORTH INDEPENDENT SCHOOL DISTRICT	12,000	1.28%	EDUCATION	ARINGTON INDEPENDENT SCHOOL DISTRICT	7,831	0.97%	EDUCATION
NASA FORT WORTH JOINT RESERVE BASE	11,000	1.17%	MILITARY	TEXAS HEALTH RESOURCE	7,422	0.92%	HEALTH CARE
ARLINGTON INDEPENDENT SCHOOL DISTRICT	8,500	0.91%	EDUCATION	D.R. HORTON INC.	5,770	0.72%	HOME BUILDER
JOHN PETER SMITH HOSPITAL	6,000	0.64%	HEALTH CARE PROVIDER	CITY OF FORT WORTH	5,606	0.70%	MUNICIPAL GOVERNMENT
COOK CHILDREN'S HEALTH CARE SYSTEM	5,611	0.60%	HEALTH CARE PROVIDER	BELL HELICOPTER - TEXTRON	4,900	0.61%	TRANSPORTATION
Alcon Laboratories Inc.	5,451	0.58%	MANUFACTURING	SBC SOUTHWESTERN BELL	4,443	0.55%	COMMUNICATION
Bell Helicopter	5,400	0.58%	TRANSPORTATION	TARRANT COUNTY GOVERNMENT	4,213	0.52%	MUNICIPAL GOVERNMENT
Total	102,769	10.96%		Total	81,959	10.17%	
<b>Source: Local Counties CAFR's (Collin, Dallas, Denton and Tarrant)</b>				<b>Source: Local Counties CAFR's (Collin, Dallas, Denton and Tarrant)</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	Deletions/Depreciation	Adjustments	Ending Balance
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 (2)	5,087,624,397	(38,340,388)	-	5,501,488,622
2009	3,558,138,403 (3)	5,501,488,622	(3,197,211,448) (3)	-	5,862,415,577
2010	344,755,250	5,862,415,577	(234,076)	-	6,206,936,751
2011	108,559,116	6,206,936,751	(62,875,322)	-	6,252,620,545
2012	35,418,771	6,315,495,868	(69,521,816)	-	6,281,392,822
2013	25,112,483	6,281,392,822	(2,949,815,326) (4)	-	3,356,689,979
2014	11,585,674	3,356,689,979	(6,159,420)	(8,597,539)	3,353,518,694

- (1) Includes a \$3.2 billion payment to Texas Department of Transportation for the acquisition of State Highway 121 project.
- (2) Deletions include property and equipment previously recorded as infrastructure.  
(See the Notes to Financial Statements - Note 4 Capital Assets)
- (3) Includes reclass from CIP to Roadway due to the completion of Sam Rayburn Tollway
- (4) Includes reclass of Sam Rayburn Tollway to an intangible asset



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

TABLE I				
	Calendar Year 2011	Calendar Year 2012	Calendar Year 2013	Calendar Year 2014
Value of invoiced ZipCash transactions uncollected	\$ 44,675,438	\$ 80,413,340	\$ 81,701,089	\$ 81,508,283
Value of uninvoiced ZipCash transactions	<u>38,069,555</u>	<u>52,451,196</u>	<u>61,518,201</u>	<u>80,989,673</u>
<b>Total</b>	<b>\$ 82,744,993</b>	<b>\$ 132,864,536</b>	<b>\$ 143,219,290</b>	<b>\$ 162,497,956</b>
	÷	÷	÷	÷
Value of all AVI and ZipCash transactions adjusted for Vtoll transactions	<u>\$493,585,247</u>	<u>\$591,226,667</u>	<u>\$ 676,584,037</u>	<u>\$ 795,784,407</u>
<b>Toll collection variance</b>	<b>16.75%</b>	<b>22.47%</b>	<b>21.17%</b>	<b>20.42%</b>

**Notes:**

- (1) These calculations use aggregate transaction information from the NTTA System and the Special Projects System (and thus do not reflect only the NTTA System) and are unaudited.
- (2) The toll collection variance calculation (the "All-ETC Methodology") is as follows:  

$$\frac{\text{value of invoiced ZipCash transactions for the reporting period uncollected as of end of reporting period} + \text{value of uninvoiced ZipCash transactions for the reporting period as of end of reporting period}}{\text{value of all AVI and ZipCash transactions that have occurred during the reporting period as adjusted for Vtoll transactions}}$$

TABLE II				
	Calendar Year 2011	Calendar Year 2012	Calendar Year 2013	Calendar Year 2014
Percentage of ZipCash transactions (by value) out of all NTTA transactions during period	29.28%	29.43%	28.83%	30.40%
Percentage of ZipCash transactions (by value) that were invoiced during period	54.70%	62.94%	61.92%	64.61%
Percentage of ZipCash transactions (by value) that were collected as of period end	41.29%	41.29%	48.75%	45.03%

**Notes:**

- (1) These calculations use aggregate transaction information from the NTTA System and the Special Projects System (and thus do not reflect only the NTTA System) and are unaudited.
- (2) Uninvoiced ZipCash transactions that are paid in the reporting period are deemed to be invoiced and are reflected in the percentages in the preceding table. Uninvoiced ZipCash transactions that are invoiced in subsequent reporting periods, and uncollected invoiced ZipCash transactions that are collected in subsequent reporting periods, are not reflected in the percentages in the preceding table. Furthermore, the percentages in the table do not take into account adjustments for VToll transactions and unassigned ZipCash invoices occurring after such reporting period. ZipCash transactions are not invoiced if the transaction (i) does not meet NTTA's business rules regarding invoicing, or (ii) is not pursuable because a readable license plate image was not captured or because the license plate information could not be matched to the vehicle owner information.
- (3) The All-ETC Methodology does not include ZipCash transactions collected after the end of the calendar (or other reporting period) in which the transaction occurred, therefore NTTA also reports total ZipCash collections, including invoiced and uninvoiced payments, for the calendar year (or other reporting period). This amount includes all ZipCash transactions collected regardless of the date the transactions occurred. Total ZipCash collections were approximately \$41.3 million for 2011, \$67.4 million for 2012, \$68.3 million for 2013 and \$76.6 million for 2014.

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)

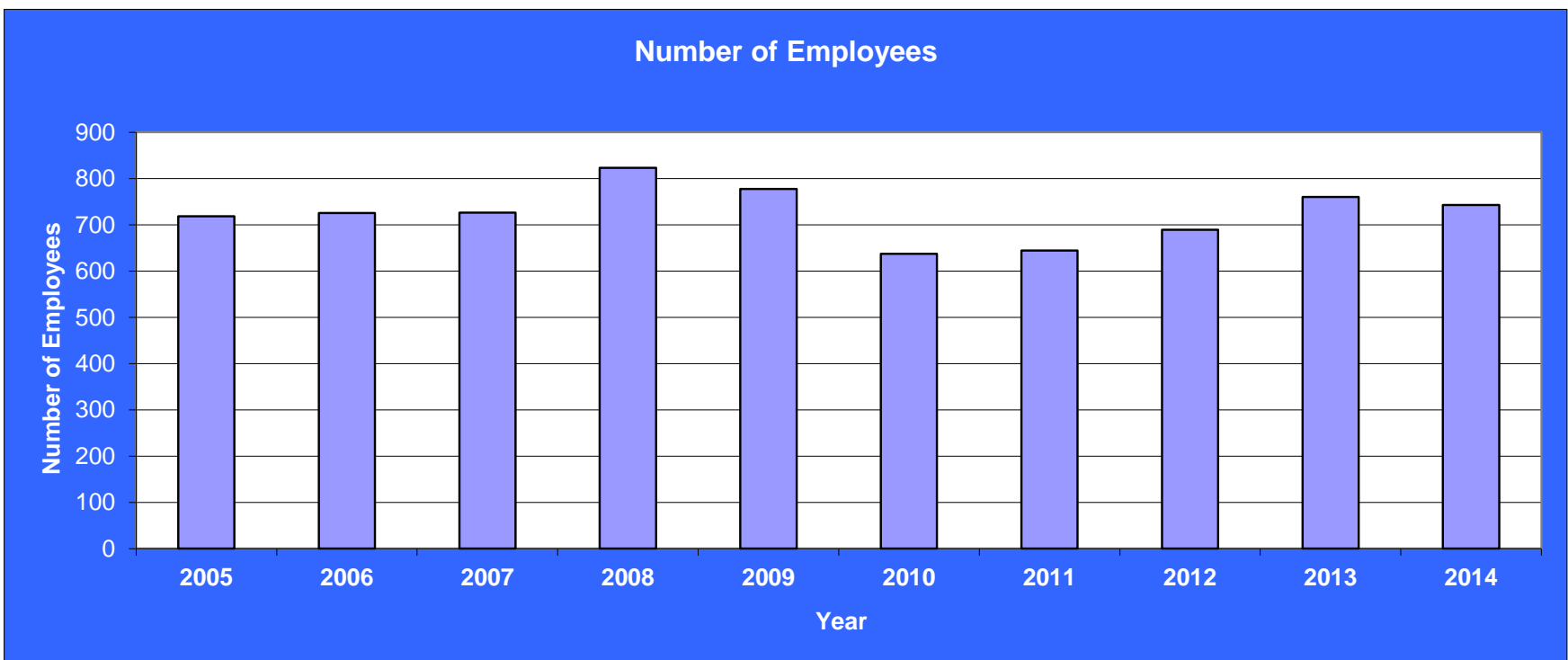
Lane Miles										
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Total Lane Miles	319	319	365	618	669	685	744	744	744	744

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

Full-time Equivalent Employees										
Function	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Administration	7	9	9	9	6	4	6	7	3	2
Board	0	0	0	0	1	1	1	2	1	1
Operations	0	0	0	0	2	3	3	1	3	5
Strategic & Innovative Solutions	0	0	0	0	0	0	0	0	9	6
Finance	5	5	6	6	10	22	24	23	25	19
Business Diversity	0	1	1	3	5	5	5	5	5	5
Communications	7	8	9	12	15	15	15	14	15	14
Internal Audit	0	0	0	2	5	6	5	8	8	7
Human Resources	8	12	12	13	14	12	12	11	13	12
Legal Services	4	3	3	3	3	5	6	5	5	5
System & Incident Management	26	26	25	51	57	73	79	84	91	94
Accounting	6	7	5	8	7	0	0	0	0	0
Information Technology	19	19	20	32	47	61	64	71	77	76
Vault	31	30	28	23	19	2	0	0	0	0
Audit - Revenue Reconciliation	6	5	7	6	5	0	0	0	0	0
Procurement Services	6	6	6	10	12	11	11	11	11	9
Government Affairs	1	1	1	3	3	3	2	3	3	3
Toll Collection	412	416	386	321	162	4	0	0	0	0
Maintenance	76	68	81	178	162	163	160	181	195	167
Customer Service Center	92	98	115	133	228	232	236	248	279	298
Project Delivery	12	11	9	6	9	10	10	11	13	16
Project Evaluation	0	0	3	4	0	0	0	0	0	0
Cash and Debt Management	0	0	0	0	5	5	5	4	4	4
<b>Total</b>	<b>718</b>	<b>725</b>	<b>726</b>	<b>823</b>	<b>777</b>	<b>637</b>	<b>644</b>	<b>689</b>	<b>760</b>	<b>743</b>

Note 1----Project Evaluation is now Cash Debt and Management.

Note 2----During 2010, Accounting and Audit Revenue merged with Finance.



## **CONTINUING FINANCIAL DISCLOSURE SCHEDULES**

### **(Unaudited)**

The Continuing Financial Disclosure Schedules present various financial data in support of the Management's Discussion and Analysis and Financial Statements in the Financial Section of the Comprehensive Annual Financial Report for the fiscal year ended December 31, 2014.

**NORTH TEXAS TOLLWAY SYSTEM**  
**(An Enterprise Fund of the North Texas Tollway Authority)**  
Consolidating Schedule for Capital Improvement Fund  
December 31, 2014  
**(Unaudited)**

Schedule 2

	<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)	\$ (415,957)	(424,060)	8,103
Investments (note 3)	222,878,908	222,878,908	-
Accrued interest receivable	144,761	144,761	-
Interfund receivable	373,394,771	355,191,386	18,203,385
Interproject/agency receivables (Note 4)	1,680,513	1,638,365	42,148
Total current unrestricted assets	597,682,996	579,429,360	18,253,636
Current restricted assets:			
Restricted assets:			
Restricted for construction:			
Cash and cash equivalents (notes 3 and 10)	27,288	27,288	-
Restricted for debt service:			
Investments (notes 3 and 5)	12,053,401	12,053,401	-
Total current restricted assets	12,080,689	12,080,689	-
Total current assets	609,763,685	591,510,049	18,253,636
Noncurrent assets:			
Unavailable feasibility study costs	62,757,505	-	62,757,505
Capital assets net of amortization and depreciation (note 4)	(1,993,433)	(1,993,433)	-
Total noncurrent assets	60,764,072	(1,993,433)	62,757,505
<b>Total assets</b>	<b>670,527,757</b>	<b>589,516,616</b>	<b>81,011,141</b>
<b>Liabilities</b>			
Current liabilities:			
Accounts and retainage payable	569	569	-
Accrued liabilities	4,615,652	4,364,119	251,533
Interfund payable	289,477,466	(5,801,506)	295,278,972
Interagency payable	160,534	160,534	-
Total current unrestricted liabilities	294,254,221	(1,276,284)	295,530,505
Payable from restricted assets:			
Construction-related payables:			
Retainage payable (note 10)	1,173,195	194,253	978,942
Debt service-related payables:			
Accrued interest payable	13,748,334	13,748,334	-
Total current liabilities payable from restricted assets	14,921,529	13,942,587	978,942
Total current liabilities	309,175,750	12,666,303	296,509,447
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 \$282,835 (note 5)	400,000,000	400,000,000	-
Total noncurrent liabilities	400,000,000	400,000,000	-
<b>Total liabilities</b>	<b>709,175,750</b>	<b>412,666,303</b>	<b>296,509,447</b>
<b>Net Position</b>			
Net investment in capital assets	(215,498,306)	-	(215,498,306)
Restricted for:			
Debt service	7,750,002	7,750,002	-
Unrestricted	169,100,311	169,100,311	-
<b>Total net position</b>	<b>\$ (38,647,993)</b>	<b>176,850,313</b>	<b>(215,498,306)</b>

See accompanying independent auditors' report.

**NORTH TEXAS TOLLWAY SYSTEM**

**Schedule 3**

**(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, 2014

*(Unaudited)*

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Revenues:			
Toll revenues	\$ 520,318,600	580,045,215	59,726,615
Interest income	6,674,500	6,954,822	280,322
Other revenue	14,109,850	21,215,969	7,106,119
Gross revenues	<u>541,102,950</u>	<u>608,216,006</u>	<u>67,113,056</u>
Operating expenses:			
Administration:			
Administration	556,956	431,711	(125,245)
Board	152,873	137,258	(15,615)
Finance	15,261,969	13,187,370	(2,074,599)
Human resources	1,388,401	1,321,718	(66,683)
Internal audit	828,471	723,194	(105,277)
Legal	2,437,130	2,498,417	61,287
Public Affairs	2,846,945	2,747,259	(99,686)
Strategic & Innovative Solutions	956,096	245,344	(710,752)
Total administration	<u>24,428,841</u>	<u>21,292,271</u>	<u>(3,136,570)</u>
Operations:			
Customer service center	48,363,838	47,091,453	(1,272,385)
Information technologies	13,995,184	13,438,966	(556,218)
Maintenance	24,283,669	23,153,564	(1,130,105)
Operations	594,621	718,324	123,703
Project delivery	164,528	239,869	75,341
System & incident management	10,869,319	9,531,529	(1,337,790)
Total operations	<u>98,271,159</u>	<u>94,173,705</u>	<u>(4,097,454)</u>
Total operating expenses	<u>122,700,000</u>	<u>115,465,976</u>	<u>(7,234,024)</u>
 Net revenues available for debt service	 <u>\$ 418,402,950</u>	 <u>492,750,030</u>	 <u>74,347,080</u>

See accompanying independent auditors' report.

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

Schedule of Changes in Net Position by Trust Account

December 31, 2014

**(Unaudited)**

	<u>Total</u>	<u>Non-Major Enterprise Fund</u>	<u>North Texas Tollway System</u>	<u>Construction and property account</u>	<u>Revenue account</u>
<b>Net positions, beginning of year</b>	<b>\$ (674,676,884)</b>	<b>19,516,074</b>	<b>(694,192,958)</b>	<b>(1,224,827,598)</b>	<b>(161,349,443)</b>
Gross revenues	615,051,353	6,835,347	608,216,006	-	600,285,593
Grant revenues	1,790,774	-	1,790,774	883,993	-
Net increase (decrease) in the fair value of investments	2,360,407	-	2,360,407	134,981	(66,568)
Interest earned on investments	348,383	-	348,383	348,383	-
Gain (loss) on sale of investments	(242,296)	-	(242,296)	(59,381)	-
Administration and operations expenses	(120,123,842)	(4,657,866)	(115,465,976)	-	-
Depreciation on property and equipment	(6,159,420)	-	(6,159,420)	(6,159,420)	-
Bond interest expense	(432,986,782)	-	(432,986,782)	-	-
BAB's Subsidy	26,877,164	-	26,877,164	-	-
Other nonoperating costs	4,179,181	-	4,179,181	4,735,889	284,679
Bond discount/premium amortization	(1,384,392)	-	(1,384,392)	(1,667,227)	-
Interest on loan	(5,714,934)	-	(5,714,934)	(5,714,934)	-
Amortization of deferred amount on refunding (note 5)	(4,013,052)	-	(4,013,052)	(4,013,052)	-
Unallocated infrastructure depreciation	(64,403,243)	-	(64,403,243)	(64,403,243)	-
Reserve maintenance account expenses	(11,144,585)	-	(11,144,585)	-	-
Consolidated capital improvement fund expenses	(38,848,449)	-	(38,848,449)	-	-
Net revenues	(34,413,733)	2,177,481	(36,591,214)	(75,914,011)	600,503,704
Interfund transactions:					
Distribution from revenue fund	-	-	-	-	(242,672,674)
Operating transfers (other funds)	-	-	-	(19,371,453)	(353,432,623)
Capital contribution	32,166,870	-	32,166,870	32,166,870	-
Net changes during the year	(2,246,863)	2,177,481	(4,424,344)	(63,118,594)	4,398,407
<b>Net positions, end of year</b>	<b>\$ (676,923,747)</b>	<b>21,693,555</b>	<b>(698,617,302)</b>	<b>(1,287,946,192)</b>	<b>(156,951,036)</b>

See accompanying independent auditors' report.

Operation and maintenance account	Reserve maintenance account	Consolidated Capital Improvement Fund	Debt service accounts		
			Bond interest account	Reserve account	Redemption account
<b>16,336,240</b>	<b>42,029,525</b>	<b>(84,014,093)</b>	<b>344,716,334</b>	<b>407,556,766</b>	<b>(34,640,689)</b>
551,638	150,543	1,489,166	1,561	5,737,505	-
-	-	906,781	-	-	-
-	59,462	573,770	-	1,658,762	-
-	-	-	-	-	-
-	-	-	-	(182,915)	-
(115,465,976)	-	-	-	-	-
-	-	-	-	-	-
-	-	(32,996,000)	(399,990,782)	-	-
-	-	-	26,877,164	-	-
(314,473)	-	(526,914)	-	-	-
-	-	282,835	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	(11,144,585)	-	-	-	-
-	-	(38,848,449)	-	-	-
(115,228,811)	(10,934,580)	(69,118,811)	(373,112,057)	7,213,352	-
92,487,674	-	150,185,000	-	-	-
18,471,817	(1,832,905)	(35,700,091)	383,705,112	8,160,143	-
-	-	-	-	-	-
(4,269,320)	(12,767,485)	45,366,098	10,593,055	15,373,495	-
<b>12,066,920</b>	<b>29,262,040</b>	<b>(38,647,995)</b>	<b>355,309,389</b>	<b>422,930,261</b>	<b>(34,640,689)</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, 2014  
*(Unaudited)*

	Total (memorandum only)	Non-Major Enterprise Fund	North Texas Tollway System	Construction and property account	Revenue account
<b>Balance of cash, December 31, 2013</b>	<b>\$ 19,672,813</b>	<b>(40,969)</b>	<b>19,713,782</b>	<b>(26,772)</b>	<b>6,477,574</b>
Receipts:					
Toll revenues	52,848,378	-	52,848,378	-	52,848,378
Enterprise IOP Revenue	28,453,057	5,209,600	23,243,457	-	23,243,457
2010 B BABS rebate	35,882,734	-	35,882,734	-	-
Investments	389,016,591	488,419	388,528,171	-	-
Earnings received from investments	4,847,728	27,221	4,820,506	414,173	369,873
Gain/loss from sale of investments	2,703,564	-	2,703,564	119,559	-
Prepaid customers' accounts	673,623,294	-	673,623,294	-	673,623,294
Miscellaneous revenue	10,246,148	-	10,246,148	3,406,779	1,909,287
	<u>1,197,621,491</u>	<u>5,725,240</u>	<u>1,191,896,252</u>	<u>3,940,511</u>	<u>751,994,289</u>
Disbursements:					
SWAP Payment	(6,212,649)	-	(6,212,649)	-	-
Interest on bonded debt	(525,949,026)	-	(525,949,026)	-	(159,334,971)
Investments	(84,917,862)	-	(84,917,862)	-	(50,771,433)
Operating expenses	(385,883,283)	(6,560,640)	(379,322,643)	-	(293,629,030)
Reserve maintenance fund expenses	(13,291,704)	-	(13,291,704)	-	-
Capital improvement fund expenses	(89,419,606)	-	(89,419,606)	-	-
Deferred study cost	(4,395,230)	-	(4,395,230)	-	-
Capitalized costs	(6,563,847)	-	(6,563,847)	(6,563,847)	-
	<u>(1,116,633,206)</u>	<u>(6,560,640)</u>	<u>(1,110,072,567)</u>	<u>(6,563,847)</u>	<u>(503,735,434)</u>
Interfund and interproject transactions:					
Distribution from revenue fund	-	-	-	-	(244,083,703)
Other interfund transactions – net	(82,154,365)	1,050,493	(83,204,858)	2,629,813	(6,038,877)
	<u>(82,154,365)</u>	<u>1,050,493</u>	<u>(83,204,858)</u>	<u>2,629,813</u>	<u>(250,122,580)</u>
Receipts over (under) disbursements and interfund and interproject transactions for the year ended December 31, 2014	(1,166,080)	215,093	(1,381,173)	6,477	(1,863,725)
<b>Balance of cash, December 31, 2014</b>	<b>\$ 18,506,733</b>	<b>174,124</b>	<b>18,332,609</b>	<b>(20,295)</b>	<b>4,613,849</b>

See accompanying independent auditors' report.

Operation and maintenance account	Reserve maintenance account	Consolidated Capital Improvement account	Debt service accounts		
			Bond interest account	Reserve account	Redemption account
13,823,666	(127,032)	(433,654)	-	-	-
-	-	-	-	-	-
-	-	-	35,882,734	-	-
-	-	50,609,655	337,918,516	-	-
-	146,404	-	1,704	3,888,352	-
-	-	-	-	2,584,005	-
-	-	-	-	-	-
1,265,995	-	3,664,087	-	-	-
1,265,995	146,404	54,273,742	373,802,954	6,472,357	-
-	-	-	(6,212,649)	-	-
-	-	-	(366,614,055)	-	-
-	-	(42,655,335)	-	8,508,906	-
(85,693,613)	-	-	-	-	-
-	(13,291,704)	-	-	-	-
-	-	(89,419,606)	-	-	-
-	-	(4,395,230)	-	-	-
-	-	-	-	-	-
(85,693,613)	(13,291,704)	(136,470,171)	(372,826,704)	8,508,906	-
84,897,927	-	150,185,000	9,000,776	-	-
-	13,106,081	(67,943,586)	(9,977,026)	(14,981,263)	-
84,897,927	13,106,081	82,241,414	(976,250)	(14,981,263)	-
470,309	(39,219)	44,985	-	-	-
<b>14,293,975</b>	<b>(166,251)</b>	<b>(388,669)</b>	<b>-</b>	<b>-</b>	<b>-</b>

**NORTH TEXAS TOLLWAY SYSTEM**  
**(An Enterprise Fund of the North Texas Tollway Authority)**  
Schedule of Toll Revenue and Traffic Analysis  
Year Ended December 31, 2014  
*(Unaudited)*

**Schedule 6**

Toll revenue (*):	
AVI	\$ 486,328,903
ZipCash	141,519,943
Less bad debt expense	(47,803,631)
Total	<u>\$ 580,045,215</u>
Vehicle transactions (*):	
Two-axle vehicle transactions	629,355,344
Multi-axle vehicle transactions	15,314,179
Nonrevenue vehicle transactions	2,549,354
Total	<u>647,218,877</u>
Toll revenue – average per day (*):	
AVI	1,332,407
Zipcash	256,757
Average	<u>\$ 1,589,164</u>
Vehicle transactions – average per day (*):	
Two-axle vehicle transactions	1,724,261
Multi-axle vehicle transactions	41,957
Nonrevenue vehicle transactions	6,985
Average	<u>1,773,203</u>

**(\*) System only**

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, 2014  
 (Unaudited)

Schedule 7

	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	
	TollTag	ZipCash	TollTag	ZipCash	TollTag	ZipCash	TollTag	ZipCash	TollTag	ZipCash
<b>Dallas North Tollway</b>										
Wycliff Main Lane Gantry (MLP1)	\$1.40	\$2.10	\$2.80	\$4.20	\$4.20	\$6.30	\$5.60	\$8.40	\$7.00	\$10.50
Mockingbird Lane (MOCLN)	\$1.02	\$1.53	\$2.04	\$3.06	\$3.06	\$4.59	\$4.08	\$6.12	\$5.10	\$7.65
Northwest Highway (NORHY)	\$0.70	\$1.05	\$1.40	\$2.10	\$2.10	\$3.15	\$2.80	\$4.20	\$3.50	\$5.25
Royal Lane (ROYLN)	\$0.37	\$0.60	\$0.74	\$1.20	\$1.11	\$1.80	\$1.48	\$2.40	\$1.85	\$3.00
Spring Valley Road (SPVRD)	\$0.25	\$0.48	\$0.50	\$0.96	\$0.75	\$1.44	\$1.00	\$1.92	\$1.25	\$2.40
Belt Line Road (BELRD)	\$0.32	\$0.55	\$0.64	\$1.10	\$0.96	\$1.65	\$1.28	\$2.20	\$1.60	\$2.70
Keller Springs Road (KESRD)	\$0.49	\$0.74	\$0.98	\$1.48	\$1.47	\$2.22	\$1.96	\$2.96	\$2.45	\$3.75
Trinity Mills Main Lane Gantry (MLP2)	\$1.01	\$1.52	\$2.02	\$3.04	\$3.03	\$4.56	\$4.04	\$6.08	\$5.05	\$7.60
Frankford Road (FRARD)	\$0.25	\$0.48	\$0.50	\$0.96	\$0.75	\$1.44	\$1.00	\$1.92	\$1.25	\$2.40
Park Boulevard (PARBD)	\$0.25	\$0.48	\$0.50	\$0.96	\$0.75	\$1.44	\$1.00	\$1.92	\$1.25	\$2.40
Parker Main Lane Gantry (MLP3)	\$0.90	\$1.35	\$1.80	\$2.70	\$2.70	\$4.05	\$3.60	\$5.40	\$4.50	\$6.75
Parker Road (PARRD)	\$0.53	\$0.80	\$1.06	\$1.60	\$1.59	\$2.40	\$2.12	\$3.20	\$2.65	\$4.00
Spring Creek Parkway (SPCPY)	\$0.30	\$0.53	\$0.60	\$1.06	\$0.90	\$1.59	\$1.20	\$2.12	\$1.50	\$2.65
Legacy Drive (LEGDR)	\$0.25	\$0.48	\$0.50	\$0.96	\$0.75	\$1.44	\$1.00	\$1.92	\$1.25	\$2.40
Headquarters Drive (HEADR)	\$0.25	\$0.48	\$0.50	\$0.96	\$0.75	\$1.44	\$1.00	\$1.92	\$1.25	\$2.40
Gaylord Parkway (GAYPY)	\$0.25	\$0.48	\$0.50	\$0.96	\$0.75	\$1.44	\$1.00	\$1.92	\$1.25	\$2.40
Lebanon Road (LEBRD)	\$0.36	\$0.59	\$0.72	\$1.18	\$1.08	\$1.77	\$1.44	\$2.36	\$1.80	\$2.95
Stone Brook Parkway (STOPY)	\$0.47	\$0.71	\$0.94	\$1.42	\$1.41	\$2.13	\$1.88	\$2.84	\$2.35	\$3.55
Main Street (MAIST)	\$0.76	\$1.14	\$1.52	\$2.28	\$2.28	\$3.42	\$3.04	\$4.56	\$3.80	\$5.70
Eldorado Main Lane Gantry (MLP4)	\$1.58	\$2.37	\$3.16	\$4.74	\$4.74	\$7.11	\$6.32	\$9.48	\$7.90	\$11.85
Eldorado Parkway (ELDPY)	\$0.57	\$0.86	\$1.14	\$1.72	\$1.71	\$2.58	\$2.28	\$3.44	\$2.85	\$4.30
<b>Toll Rates Effective July 1, 2013</b>										
<b>PGBT EE</b>										
Miller Road (MLRRD)	\$0.40	\$0.63	\$0.80	\$1.26	\$1.20	\$1.89	\$1.60	\$2.52	\$2.00	\$3.15
Main Street (MAIST)	\$0.53	\$0.80	\$1.06	\$1.60	\$1.59	\$2.40	\$2.12	\$3.20	\$2.65	\$4.00
Merritt Road (MERRD)	\$0.85	\$1.28	\$1.70	\$2.56	\$2.55	\$3.84	\$3.40	\$5.12	\$4.25	\$6.40
Merritt Main Lane Gantry (MLG5)	\$1.61	\$2.42	\$3.22	\$4.84	\$4.83	\$7.26	\$6.44	\$9.68	\$8.05	\$12.10
Miles Road (MILRD)	\$0.34	\$0.57	\$0.68	\$1.14	\$1.02	\$1.71	\$1.36	\$2.28	\$1.70	\$2.85
Firewheel Parkway (FIRPY)	\$0.25	\$0.48	\$0.50	\$0.96	\$0.75	\$1.44	\$1.00	\$1.92	\$1.25	\$2.40
Crist Road (CRIRD)	\$0.25	\$0.48	\$0.50	\$0.96	\$0.75	\$1.44	\$1.00	\$1.92	\$1.25	\$2.40
<b>President George Bush Turnpike</b>										
North Garland Avenue (GARRD)	\$0.29	\$0.52	\$0.58	\$1.04	\$0.87	\$1.56	\$1.16	\$2.08	\$1.45	\$2.60
Campbell Road (CAMRD)	\$0.46	\$0.69	\$0.92	\$1.38	\$1.38	\$2.07	\$1.84	\$2.76	\$2.30	\$3.45
East Renner Road (ERERD)	\$0.74	\$1.11	\$1.48	\$2.22	\$2.22	\$3.33	\$2.96	\$4.44	\$3.70	\$5.55
Shiloh Main Lane Gantry (MLP6)	\$1.11	\$1.67	\$2.22	\$3.34	\$3.33	\$5.01	\$4.44	\$6.68	\$5.55	\$8.35
Shiloh Road (SHIRD)	\$0.57	\$0.86	\$1.14	\$1.72	\$1.71	\$2.58	\$2.28	\$3.44	\$2.85	\$4.30
West Renner Road (WRERD)	\$0.37	\$0.60	\$0.74	\$1.20	\$1.11	\$1.80	\$1.48	\$2.40	\$1.85	\$3.00
Independence Parkway (INDPY)	\$0.38	\$0.61	\$0.76	\$1.22	\$1.14	\$1.83	\$1.52	\$2.44	\$1.90	\$3.05
Coit Road (COIRD)	\$0.57	\$0.86	\$1.14	\$1.72	\$1.71	\$2.58	\$2.28	\$3.44	\$2.85	\$4.30
Coit Main Lane Gantry (MLP7)	\$1.20	\$1.80	\$2.40	\$3.60	\$3.60	\$5.40	\$4.80	\$7.20	\$6.00	\$9.00
Preston Road (PRERD)	\$0.32	\$0.55	\$0.64	\$1.10	\$0.96	\$1.65	\$1.28	\$2.20	\$1.60	\$2.70
Midway Road (MIDRD)	\$0.25	\$0.48	\$0.50	\$0.96	\$0.75	\$1.44	\$1.00	\$1.92	\$1.25	\$2.40
Marsh Lane (MARLN)	\$0.33	\$0.56	\$0.66	\$1.12	\$0.99	\$1.68	\$1.32	\$2.24	\$1.65	\$2.80
Frankford Main Lane Gantry (MLP8)	\$1.12	\$1.68	\$2.24	\$3.36	\$3.36	\$5.04	\$4.48	\$6.72	\$5.60	\$8.40
Kelly Boulevard (KELBD)	\$0.59	\$0.89	\$1.18	\$1.78	\$1.77	\$2.67	\$2.36	\$3.56	\$2.95	\$4.45
Josey Lane (JOSLN)	\$0.38	\$0.61	\$0.76	\$1.22	\$1.14	\$1.83	\$1.52	\$2.44	\$1.90	\$3.05
Sandy Lake Main Lane Gantry (MLP9)	\$0.89	\$1.34	\$1.78	\$2.68	\$2.67	\$4.02	\$3.56	\$5.36	\$4.45	\$6.70
Belt Line - Luna Road (NBERD)	\$0.53	\$0.80	\$1.06	\$1.60	\$1.59	\$2.40	\$2.12	\$3.20	\$2.65	\$4.00
Royal Lane (ROYLN)	\$0.27	\$0.50	\$0.54	\$1.00	\$0.81	\$1.50	\$1.08	\$2.00	\$1.35	\$2.50
Belt Line Road (SBERD)	\$0.51	\$0.77	\$1.02	\$1.54	\$1.53	\$2.31	\$2.04	\$3.08	\$2.55	\$3.85
Belt Line Main Lane Gantry (MLP10)	\$0.51	\$0.77	\$1.02	\$1.54	\$1.53	\$2.31	\$2.04	\$3.08	\$2.55	\$3.85
Confians Road	\$0.25	\$0.48	\$0.50	\$0.96	\$0.75	\$1.44	\$1.00	\$1.92	\$1.25	\$2.40
Shady Grove Road	\$0.42	\$0.65	\$0.84	\$1.30	\$1.26	\$1.95	\$1.68	\$2.60	\$2.10	\$3.25
Lower Tarrant (North of Gantry)	\$0.43	\$0.66	\$0.86	\$1.32	\$1.29	\$1.98	\$1.72	\$2.64	\$2.15	\$3.30
Lower Tarrant Mainlane Gantry	\$0.94	\$1.41	\$1.88	\$2.82	\$2.82	\$4.23	\$3.76	\$5.64	\$4.70	\$7.05
Lower Tarrant (South of Gantry)	\$0.25	\$0.48	\$0.50	\$0.96	\$0.75	\$1.44	\$1.00	\$1.92	\$1.25	\$2.40
Dalworth Street	\$0.25	\$0.48	\$0.50	\$0.96	\$0.75	\$1.44	\$1.00	\$1.92	\$1.25	\$2.40
Marshall Drive	\$0.47	\$0.71	\$0.94	\$1.42	\$1.41	\$2.13	\$1.88	\$2.84	\$2.35	\$3.55
Pioneer Parkway	\$0.60	\$0.90	\$1.20	\$1.80	\$1.80	\$2.70	\$2.40	\$3.60	\$3.00	\$4.50
Arkansas Mainlane Gantry	\$0.99	\$1.49	\$1.98	\$2.98	\$2.97	\$4.47	\$3.96	\$5.96	\$4.95	\$7.45
Arkansas Lane (South of Gantry)	\$0.35	\$0.58	\$0.70	\$1.16	\$1.05	\$1.74	\$1.40	\$2.32	\$1.75	\$2.90
Mayfield Road	\$0.25	\$0.48	\$0.50	\$0.96	\$0.75	\$1.44	\$1.00	\$1.92	\$1.25	\$2.40
<b>Sam Rayburn Tollway</b>										
Denton Tap Main Lane Gantry (MLG1)	\$0.53	\$0.80	\$1.06	\$1.60	\$1.59	\$2.40	\$2.12	\$3.20	\$2.65	\$4.00
MacArthur Blvd (MACBD)	\$0.25	\$0.48	\$0.50	\$0.96	\$0.75	\$1.44	\$1.00	\$1.92	\$1.25	\$2.40
Carrollton Parkway (CARPY)	\$0.25	\$0.48	\$0.50	\$0.96	\$0.75	\$1.44	\$1.00	\$1.92	\$1.25	\$2.40
Parker Road (PARRD)	\$0.35	\$0.58	\$0.70	\$1.16	\$1.05	\$1.74	\$1.40	\$2.32	\$1.75	\$2.90
Old Denton Road (OLDRD)	\$0.40	\$0.63	\$0.80	\$1.26	\$1.20	\$1.89	\$1.60	\$2.52	\$2.00	\$3.15
Standridge Drive - South (SSTDR)	\$0.61	\$0.92	\$1.22	\$1.84	\$1.83	\$2.76	\$2.44	\$3.68	\$3.05	\$4.60
Josey Lane - South (SJOLN)	\$0.74	\$1.11	\$1.48	\$2.22	\$2.22	\$3.33	\$2.96	\$4.44	\$3.70	\$5.55
Josey Main Lane Gantry (MLG2)	\$1.38	\$2.07	\$2.76	\$4.14	\$4.14	\$6.21	\$5.52	\$8.28	\$6.90	\$10.35
Standridge Drive - North (NSTDR)	\$0.78	\$1.17	\$1.56	\$2.34	\$2.34	\$3.51	\$3.12	\$4.68	\$3.90	\$5.85
Josey Lane - North (NJOLN)	\$0.65	\$0.98	\$1.30	\$1.96	\$1.95	\$2.94	\$2.60	\$3.92	\$3.25	\$4.90
Plano Parkway (PLAPY)	\$0.51	\$0.77	\$1.02	\$1.54	\$1.53	\$2.31	\$2.04	\$3.08	\$2.55	\$3.85
Spring Creek Parkway (SPCPY)	\$0.26	\$0.49	\$0.52	\$0.98	\$0.78	\$1.47	\$1.04	\$1.96	\$1.30	\$2.45
Preston Road (PRERD)	\$0.25	\$0.48	\$0.50	\$0.96	\$0.75	\$1.44	\$1.00	\$1.92	\$1.25	\$2.40
Hillcrest Road (HILRD)	\$0.25	\$0.48	\$0.50	\$0.96	\$0.75	\$1.44	\$1.00	\$1.92	\$1.25	\$2.40
Coit Road (COIRD)	\$0.56	\$0.84	\$1.12	\$1.68	\$1.68	\$2.52	\$2.24	\$3.36	\$2.80	\$4.20
Independence Parkway (INDPY)	\$0.74	\$1.11	\$1.48	\$2.22	\$2.22	\$3.33	\$2.96	\$4.44	\$3.70	\$5.55
Custer Road - South (CUSRD)	\$0.92	\$1.38	\$1.84	\$2.76	\$2.76	\$4.14	\$3.68	\$5.52	\$4.60	\$6.90
Custer Main Lane Gantry (MLG3)	\$1.91	\$2.87	\$3.82	\$5.74	\$5.73	\$8.61	\$7.64	\$11.48	\$9.55	\$14.35
Exchange Parkway (SALDR)	\$0.99	\$1.49	\$1.98	\$2.98	\$2.97	\$4.47	\$3.96	\$5.96	\$4.95	\$7.45
Alma Drive (NALDR)	\$0.73	\$1.10	\$1.46	\$2.20	\$2.19	\$3.30	\$2.92	\$4.40	\$3.65	\$5.50
Stacy Road (STARD)	\$0.57	\$0.86	\$1.14	\$1.72	\$1.71	\$2.58	\$2.28	\$3.44	\$2.85	\$4.30
Lake Forest Drive (LAFDR)	\$0.44	\$0.67	\$0.88	\$1.34	\$1.32	\$2.01	\$1.76	\$2.68	\$2.20	\$3.35
Hardin Boulevard (HARBD)	\$0.28	\$0.51	\$0.56	\$1.02	\$0.84	\$1.53	\$1.12	\$2.04	\$1.40	\$2.55
<b>Addison Airport Toll Tunnel (AATT)</b>										
Addison Airport Toll Tunnel (AATT)	\$0.56	\$0.84	\$1.12	\$1.68	\$1.68	\$2.52	\$2.24	\$3.36	\$2.80	\$4.20
<b>Mountain Creel Lake Toll Bridge</b>										
Mountain Creel Lake Toll Bridge (MCLB)	\$0.56	\$0.84	\$1.12	\$1.68	\$1.68	\$2.52	\$2.24	\$3.36	\$2.80	\$4.20
<b>Lewisville Lake Toll Bridge</b>										
Lewisville Lake Toll Bridge (LLTB)	\$1.12	\$1.68	\$2.24	\$3.36	\$3.36	\$5.04	\$4.48	\$6.72	\$5.60	\$8.40

Footnote: The Authority has converted all the facilities in the system to All Electronic Toll Collection (All ETC). Cash will no longer be accepted on NTTA Facilities. Vehicles with no transponders will be billed through video tolling. Toll rates are 16.16 cents per mile effective July 1, 2013.

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, 2014  
*(Unaudited)*

Schedule 8

**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 2005 through 2014:

<u>Year</u>	<u>Annual revenue vehicle transactions (unaudited)</u>	<u>Annual toll revenue</u>
2005 (1)	338,390,215	172,537,345
2006	370,696,171	191,434,120
2007 (2)	383,481,098	202,675,564
2008 (3)	412,272,003	240,776,791
2009 (4)	455,546,197	290,404,547
2010 (5)	481,913,338	366,597,323
2011 (6)	513,454,344	402,569,534
2012	585,051,845	485,463,608
2013	610,129,737	525,458,723
2014	644,669,523	580,045,215

- (1) Reflects the opening of Segment IV of the President George Bush Turnpike in September 2005.
- (2) Reflects the opening of DNT Phase 3 and toll rate increase in late September 2007.
- (3) Reflects the opening of Sam Rayburn Tollway (121 Tollway) in September 2008.
- (4) Reflects the opening of Lake Lewisville August 2009.
- (5) Four major direct connectors at SRT/US75 interchange were opened during 2010
- (6) PGBT EE mainlanes from SH 78 to IH 30 opened in December 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 2005 through 2014:

<u>Year</u>	<u>Toll revenue</u>	<u>Current expenses</u>	<u>Investment and other earnings</u>	<u>Net revenues</u>	<u>Coverage</u>
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
2012	485,463,608	151,466,804	28,832,506	362,829,310	1.47
2013	525,458,723	109,240,378	21,721,506	437,939,851	1.26
2014	580,045,215	115,465,976	28,170,791	492,750,030	1.41

See accompanying independent auditors' report.

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

Schedule 9

Schedule of Capitalized Costs by Project  
As of December 31, 2014  
*(Unaudited)*

	<b>Cumulative Total Through December 31, 2014</b>
<b>Dallas North Tollway - 3711</b>	
Preliminary costs	17,379,877
Right-of-way	49,485,647
Engineering	21,439,097
Administration	2,953,499
Buildings	5,580,003
Land	1,714,934
Roadways	150,043,598
Equipment	771,382
Accumulated Depreciation	(1,467,542)
Subtotal	247,900,495
Financing costs	53,721,626
Total capitalized costs – Dallas North Tollway	301,622,121
<b>Dallas North Tollway Extension - 3712</b>	
Preliminary costs	6,619,070
Right-of-way	8,557,830
Engineering	25,393,882
Administration	1,413,506
Roadways	211,325,099
Equipment	35,684
Subtotal	253,345,071
Financing costs	(3,330,254)
Total capitalized costs – Dallas North Tollway Extension	250,014,817
<b>Addison Airport Toll Tunnel - 3741</b>	
Preliminary costs	1,244,082
Right-of-way	617,278
Engineering	4,895,697
Administration	295,203
Roadways	18,204,644
Subtotal	25,256,904
Financing costs	(1,351,007)
Total capitalized cost – Addison Airport Toll Tunnel	23,905,897
<b>President George Bush Turnpike - Segments I - IV - 3721</b>	
Preliminary costs	18,040,104
Right-of-way	76,906,305
Engineering	114,239,012
Administration	25,252,891
Buildings	24,016,957
Land	5,578,821
Roadways	602,608,024
Equipment	57,114,656
Accumulated Depreciation on Buildings	(6,339,861)
Accumulated Depreciation on Equipment	(37,284,574)
Subtotal	880,132,335
Financing costs	55,562,993
Total capitalized cost – President George Bush Turnpike - Segments I - IV	935,695,328
<b>President George Bush Turnpike - Segment V - 3723</b>	
Preliminary costs	1,596,208
Right-of-way	16,459
Engineering	8,981,476
Administration	235,829
Roadways	68,433,928
Subtotal	79,263,900
Financing costs	6,757,054
Total capitalized cost – President George Bush Turnpike - Segment V	86,020,954

(continued)

**NORTH TEXAS TOLLWAY SYSTEM**  
**(An Enterprise Fund of the North Texas Tollway Authority)**  
Schedule of Capitalized Costs by Project  
As of December 31, 2014  
*(Unaudited)*

Schedule 9

	<b>Cumulative Total Through December 31, 2014</b>
<b>Dallas North Tollway Phase 3 - 3713</b>	
Preliminary costs	5,118,815
Right-of-way	569,830
Engineering	33,249,534
Administration	2,690,663
Roadways	221,237,505
Subtotal	262,866,347
Financing costs	(20,316,333)
Total capitalized cost – Dallas North Tollway Phase 3	242,550,014
<b>Lewisville Lake Toll Bridge - 3761</b>	
Preliminary costs	9,876
Right-of-way	13,177
Engineering	14,360,183
Administration	249,620
Roadways	99,165,049
Subtotal	113,797,905
Financing costs	310,255
Total capitalized cost – Lewisville Lake Toll Bridge	114,108,160
<b>President George Bush Turnpike - Eastern Extension - 3722</b>	
Infrastructure (Other)	30,192
Right-of-way	104,963,086
Engineering	72,545,358
Administration	4,861,209
Roadways	384,205,292
Accumulated Depreciation Equipment	(1,088)
Subtotal	566,604,049
Financing costs	60,917,072
Total capitalized cost – President George Bush Turnpike - Eastern Extension	627,521,121
<b>MCLB 1977 Construction Fund - 3731</b>	
Preliminary Cost	483,969
Right-of-way	50,777
Engineering	616,968
Administration	379,131
Roadways	5,955,649
Subtotal	7,486,494
Financing costs	1,414,783
Total capitalized cost – MCLB 1977 Construction Fund	8,901,277
<b>Totals by Category</b>	
Infrastructure (Other)	30,192
Preliminary costs	51,634,469
Right-of-way	256,283,956
Engineering	384,439,225
Administration	59,540,551
Buildings	29,596,959
Land	7,293,755
Roadways	2,266,263,047
Equipment	57,921,722
Accumulated depreciation Equipment	(38,753,204)
Accumulated depreciation on Buildings	(6,339,861)
Subtotal	3,067,910,811
Financing costs	301,526,239
Total Capitalized Cost as of December 31, 2014	3,369,437,050
	(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 position.

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, 2014  
*(Unaudited)*

Schedule 10

The table below sets forth the accumulated unavailable feasibility study costs, by project, through December 31, 2014 that have not been transferred out of the Feasibility Study Fund into a construction project.

<b>Projects</b>	<b>Accumulated December 31, 2014</b>
Trinity Tollway	\$ 374,328
SH 161 FSF (FREE)	133,015
Dallas North Tollway:	
380 Interchange	285,767
Extension Phase 4	3,738,109
Extension Phase 4B/5A	3,652,801
Phase 3	8,282
President George Bush Turnpike - East Branch	121,176
State Highway 360	6,584,163
Trinity Parkway	39,981,135
North Central Texas Council of Governments	848,892
State Highway 170 - Alliance Gateway	5,147,639
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
	\$ 62,757,505

See accompanying independent auditor's report









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North Texas Tollway Authority • 5900 West Plano Parkway, Plano, Texas 75093 • [www.NTTA.org](http://www.NTTA.org)