

NTTA SYSTEM
PRELIMINARY BUDGET
FY2018





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DNT Improvement Projects:

An aerial view of the DNT approaching the Sam Rayburn Tollway interchange near the Headquarters Dr. intersection



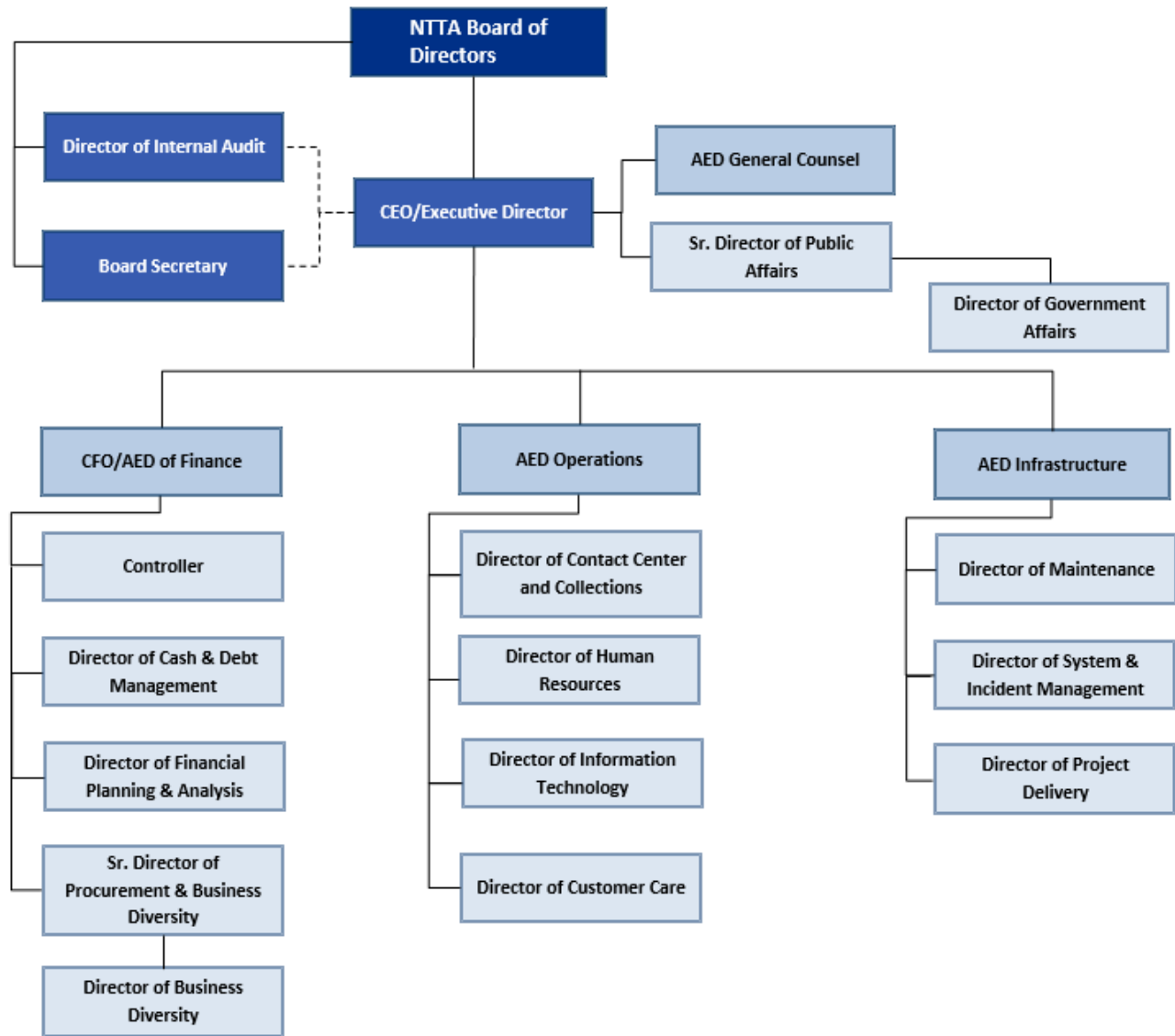
NTTA Mission

To provide a safe and reliable toll road system, increase value and mobility options for our customers, operate the Authority in a businesslike manner, protect our bondholders, and partner to meet our region's growing need for transportation infrastructure.

NTTA Board of Directors

Kenneth Barr Chairman	Bill Moore Vice Chairman	William D. Elliott Director
		
Tarrant County Appointee	Collin County Appointee	Gubernatorial Appointee
Carl O. Sherman Director	Mojo Haddad Director	John Mahalik Director
		
Dallas County Appointee	Tarrant County Appointee	Denton County Appointee
Michael R. Nowels Director	George "Tex" Quesada Director	Jane Willard Director
		
Denton County Appointee	Dallas County Appointee	Collin County Appointee

Organizational Chart



NTTA Officials for FY2018

Gerald E. Carrigan	CEO/Executive Director
Lorelei Griffith	Board Secretary
James Hofmann	Assistant Executive Director, Operations
Elizabeth Mow, P.E.	Assistant Executive Director, Infrastructure
Horatio Porter, CPA	CFO/Assistant Executive Director, Finance
Dena DeNooyer Stroh	Assistant Executive Director, General Counsel
David Evans	Senior Director, Procurement and Business Diversity
Nancy St. Pierre	Interim Senior Director, Public Affairs
Arturo Ballesteros	Director, Government Affairs
John Bannerman	Director, Customer Care
Dana Boone	Director, Cash and Debt Management
Magdalena Brady	Director, Internal Audit
Anthony Coleman	Director, Business Diversity
Eric Hemphill, P.E.	Director, System and Incident Management
Angela Hough	Director, Assistant General Counsel
Robert Hurmence	Director, Financial Planning & Analysis
Craig Lockett	Director, Human Resources
Mark Pavageau, P.E.	Director, Maintenance
Brian Reich, CPA	Director, Controller
Yosvany Rodriguez	Director, Contact Center & Collections
Sabu Stephen	Director, Information Technology
Vacant	Director, Project Delivery

Letter of Transmittal

We are pleased to submit for your review the FY2018 Budget of the North Texas Tollway Authority ("NTTA" or "Authority").


Section 505 of the Trust Agreement for the NTTA System, requires that the Board adopt a Preliminary Budget of current expenses (operating budget) and the deposit to the Reserve Maintenance Fund for the following year in October of the current year. The Final Budget must be adopted in December or the budget for the previous year will remain in force until the Board adopts a new budget.

This chart provides an overview of the FY2018 Budget with a comparison to the FY2017 Budget.

North Texas Tollway Authority		
	FY2018 Budget	FY2017 Budget
Estimated Revenues	\$909,837,100	\$735,088,415
Operating Budget	\$185,750,000	\$155,100,000
Total Net Debt Service	\$494,504,366	\$371,854,285
Estimated Coverage First Tier	1.76	1.87
Estimated Coverage All Debt	1.39	1.45
Reserve Maintenance Deposit	\$16,357,749	\$32,796,968
Estimated Capital Improvement Fund Deposit	\$223,176,904	\$183,855,825

If you have any questions, or need additional information, please let us know. We look forward to presenting and discussing the FY2018 Budget at the September Finance and Audit Committee meeting.

Very truly yours,



Gerald Carrigan, *Executive Director*



Horatio Porter, *Chief Financial Officer*



DNT/PGBT Interchange:

An aerial view of the
DNT near the Plano
Pkwy. intersection



NTTA Overview

Founded in FY1997, NTTA is authorized by the State of Texas to acquire, construct, maintain, repair and operate turnpike projects in the North Texas region. By law, a nine-member board of directors oversees the work of NTTA. Eight of the nine board members are selected by the commissioners' courts of Collin, Dallas, Denton and Tarrant counties. The ninth member is appointed from a county adjacent to the NTTA's four-county service area by the governor of the State of Texas.

NTTA is a non-appropriated (state) organization that operates with revenues generated from projects within the North Texas region. NTTA advances projects in alignment with the North Central Texas Council of Governments' 2040 Metropolitan Transportation Plan. The NTTA operates two separate enterprise systems. The original NTTA System facilities are the Dallas North Tollway (DNT), President George Bush Turnpike (PGBT), Sam Rayburn Tollway (SRT), Addison Airport Toll Tunnel (AATT), Lewisville Lake Toll Bridge (LLTB) and Mountain Creek Lake Bridge (MCLB). In FY2011, the NTTA created the Special Projects System (SPS) that consists of the President George Bush Turnpike Western Extension (PGBT WE) and Chisholm Trail Parkway (CTP). In the fourth quarter of FY2017, the SPS will be combined with the NTTA System to form one single System. The benefits of this combination will create one strong system, accelerate capacity improvements, achieve significant debt savings and create internal efficiencies by consolidating the budget process and audits.

Early in FY2018, NTTA will take ownership of State Highway 360 from Camp Wisdom Road to US 287, also referred in this document as 360 Tollway (360T) per an agreement with the Texas Department of Transportation (TxDOT). The project was funded, designed and built by TxDOT who upon completion will turn over the roadway for operations to NTTA. It is a stand-alone project so it will not be part of the NTTA System. Beginning in FY2022, NTTA will begin making debt service payments to TxDOT to reimburse them for cost incurred to build the project.

Additionally, NTTA is the tolling services provider on all toll projects in the region that are owned and operated by other entities. NTTA is paid for the services under tolling services agreements (TSAs) with these other entities.

The NTTA System trust agreement requires the Board of Directors to approve an annual operating budget in December of the preceding year and adopt a toll rate schedule that will produce net revenues to satisfy debt service requirements.

NTTA collects toll revenues through all-electronic toll collection or cashless tolling. Tollway drivers have two options to pay their tolls:

- With a TollTag: Electronic receptors at each tollway gantry scan vehicle TollTags and a toll payment is deducted from a customer's account. TollTag customers pay the lowest rates.
- Through ZipCash: High-speed cameras photograph the license plates of vehicles passing under each tollway gantry. NTTA then sends a ZipCash pay-by-mail invoice to the registered vehicle owner. ZipCash customers pay a higher rate to offset the additional cost of collecting through this option.

Today NTTA continues working to meet the demands for transportation in the North Texas region which boasts 5.2 million registered vehicles with a growing population of 7.3 million ranking the region as the 4th largest metropolitan area in the United States.

Strategic Plan

FIVE-YEAR STRATEGIC GOALS

GOALS

OBJECTIVES

Customer-Driven Organization	<ul style="list-style-type: none">• Provide a high quality customer service experience• Ensure equitable collection of tolls• Drive corporate branding and educate the public about using toll roads
Financially sound and vibrant organization	<ul style="list-style-type: none">• Maintain compliance with trust agreements• Maintain effective internal controls• Improve, maintain, and optimize financial processes• Align performance metrics to manage costs
Delivering transportation solutions	<ul style="list-style-type: none">• Plan and build quality, environmentally responsible toll facilities• Efficiently maintain and operate system assets• Drive internal and external safety improvements• Leverage assets to create new customer value
Respected leader and partner in the region's transportation network	<ul style="list-style-type: none">• Build strong, effective relationships with governments, partners and stakeholders• Develop strategies and collaborate on regional road planning• Foster management and business relationships that reflect the region's diversity
Highly qualified, energized and engaged team	<ul style="list-style-type: none">• Recruit, develop and retain high-quality people• Recognize and reward performance• Develop and optimize Human Resources processes• Advance employee communication and engagement strategies

FY2018 STRATEGIC PRIORITIES

Priorities to support the Authority's five-year strategic goals and objectives are established annually.

The chart below illustrates those priorities and their alignment with the strategic goals.

Strategic Priority	Related Strategic Goal(s)
Maintain primacy in region Process transactions for partners	Respected leader and partner in the region's transportation network
Elevate NTTA Brand	Customer driven organization Financially sound and vibrant organization
Continue to relieve congestion Launch 360 Tollway project	Delivering transportation solutions
Develop collections breakthrough Implement Back Office System	Financially sound and vibrant organization
Enhance safety	Customer driven organization Delivering transportation solutions
Continue to improve diversity	Respected leader and partner in the region's transportation network
Improve vendor quality	Respected leader and partner in the region's transportation network
Execute Capital Plan	Respected leader and partner in the region's transportation network Delivering transportation solutions
Continue to bolster staff development	Highly qualified, energized and engaged team





FY2018 Budget Executive Summary

INTRODUCTION

North Texas continues to experience strong economic growth driven by expanding and relocating businesses and a healthy housing market. The majority of this growth is occurring along most of the North Texas Tollway Authority's corridors. NTTA helps ease traffic flow by providing safe and reliable toll road options for millions of customers and future residents.

REGIONAL HIGHLIGHTS:

- Dallas/Fort Worth ("DFW") recently ranked first in the nation in job growth at 3.3% and second in number of jobs added at 116,000 since May 2016. North Texas is experiencing an unemployment rate below that of the nation at 3.8%.
- In the second quarter of FY2017 the DFW area topped the nation in net office space leasing with 1.4 million square feet.
- Two major corporations, JP Morgan Chase and Liberty Mutual, will soon open their headquarters within the new Legacy West development along the DNT and SRT and is expected to bring an estimated 10,000 new jobs to that area.
- Fort Worth recently opened the Clearfork development along the CTP and the region's second IKEA is scheduled to open in the fall of FY2017 along the President George Bush Turnpike in Grand Prairie.
- There are also thirteen large industrial real estate projects currently planned within ten different DFW area cities that will drive more traffic through NTTA corridors.

The FY2018 budget enables the Authority to increase customer service while maintaining high NTTA System standards in alignment with the Authority's five strategic goals:

- Customer-driven organization
- Financially sound and vibrant organization
- Delivering transportation solutions
- Highly qualified, energized and engaged team
- Respected leader and partner in the region's transportation network

The Authority's continued focus on customers, collections and construction collaboration forms the framework of the FY2018 Budget. This budget allocates resources to improve overall operating results and added system capacity. Specifically, NTTA is working to bolster customer satisfaction while increasing collections across all customer groups. The focal areas for FY2018 include:

- Expanding TollTag offerings, including interoperability options, increasing TollTag promotions and marketing to underrepresented demographics.
- Enhancing key customer satisfaction drivers, including congestion management, safety, ease of obtaining a TollTag and paying a ZipCash statement.
- Strengthening early stage cash collections.
- Opening the 360 Tollway project.
- Adding additional travel lanes to the system.
- Procuring and contracting for a replacement back office toll system.

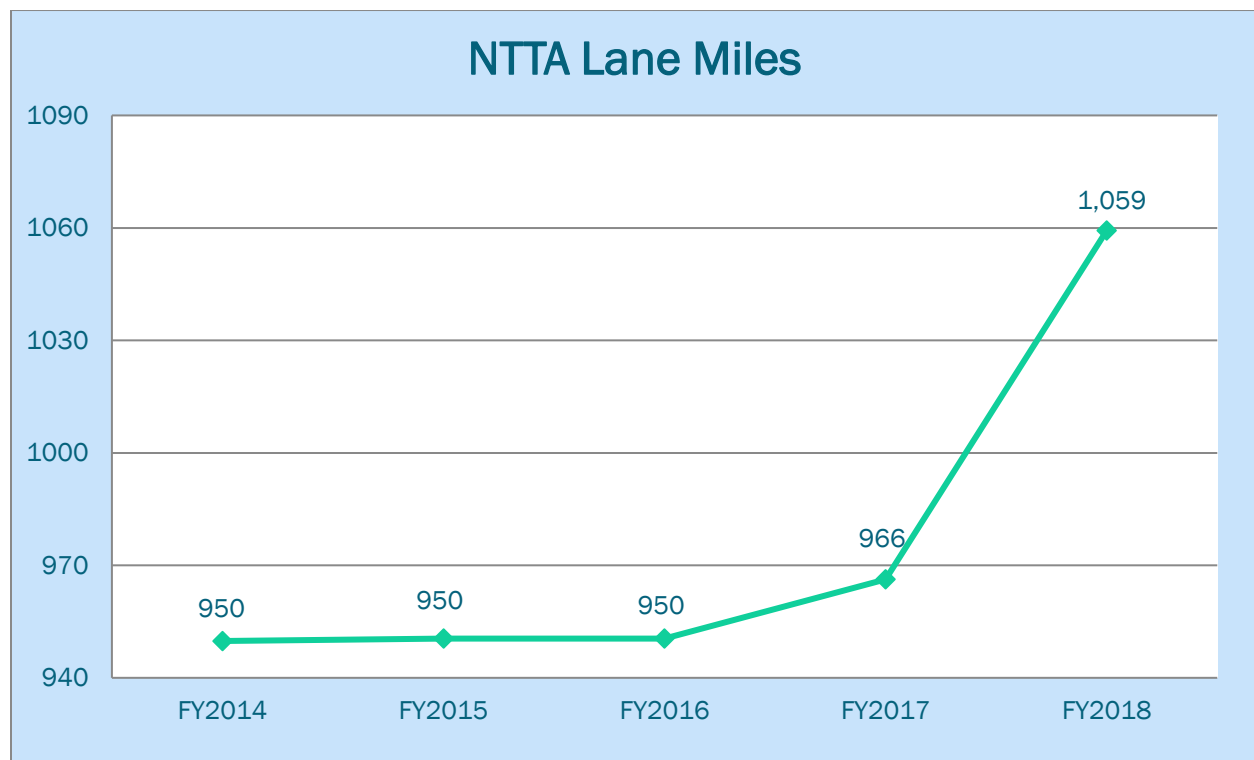
As NTTA continues to advance these efforts, there are critical assumptions about the drivers and components that shape the FY2018 Budget.

1. Revenues are growing due to anticipated traffic growth and a scheduled rate increase that occurred in July of FY2017.
2. Debt service payments are escalating and the anticipated increase coincides with traffic growth on new and existing toll roads. Despite the higher debt obligations, NTTA expects to exceed the 1.50 first tier debt service coverage requirement established by the Board.
3. The Operation and Maintenance Fund (OMF) continues to fund the strategic priorities listed above.
4. The Reserve Maintenance Fund (RMF) will increase for scheduled maintenance of roads, facilities and equipment.
5. The Construction (CF) and Capital Improvement (CIF) Funds are increasing primarily because of the ongoing construction to add a 4th lane to the DNT, PGBT and SRT. These additional lanes will increase capacity along the corridors.

The following pages offer details on the key components of the FY2018 Budget along with a summary of each department’s strategic efforts and significant variance explanations (see pages 53-120).

A major component of the FY2018 budget is the combining of the Special Projects System into the NTTA System that takes place late FY2017. The budget schedules are being presented as the combined total of the two systems. However, in some instances certain budget amounts will be presented separately to help illustrate and explain material variances.

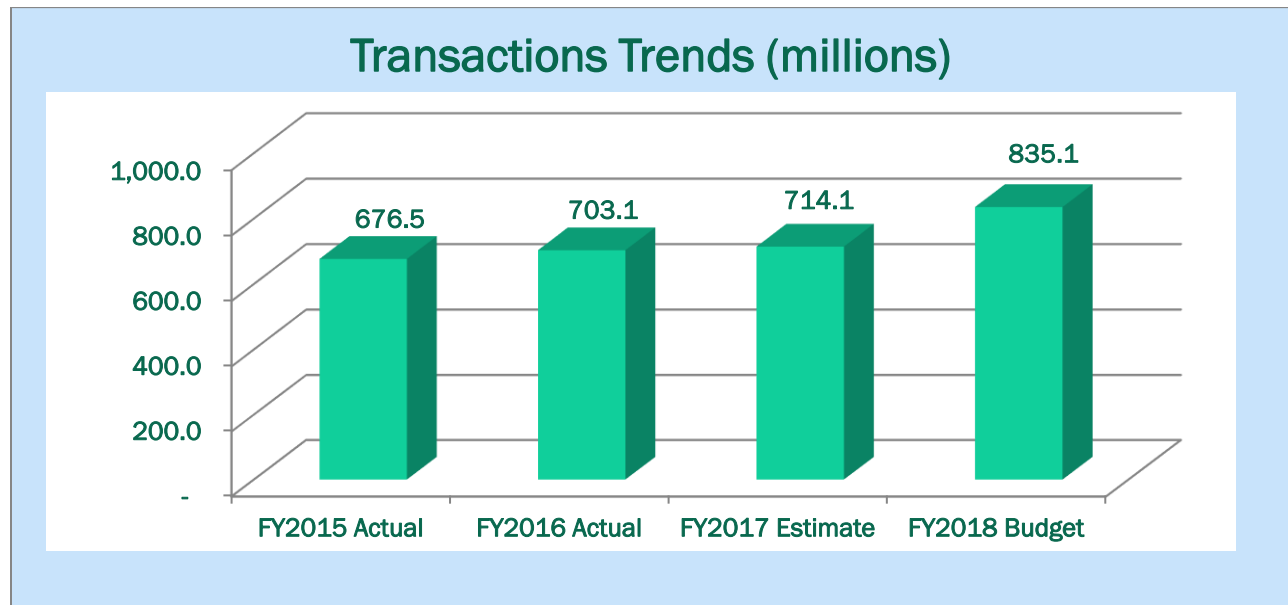
The NTTA System consists of revenue-producing toll roads as well as service roads. The combined roads represent the total lane miles NTTA maintains. In early FY2018, the 360T will add 78 lane miles. Also, 15 lane miles of capacity will be added to the DNT with the completion of the 4th lane widening project. Over the last five years, total lane miles have increased by 109 or 11.5% from 950 lane miles to 1,059 lane miles.



FY2018 TRANSACTIONS

The FY2018 Budget maintains a strong focus on increasing the number of TollTag customers while also efficiently processing, invoicing and collecting non-TollTag (ZipCash) transactions.

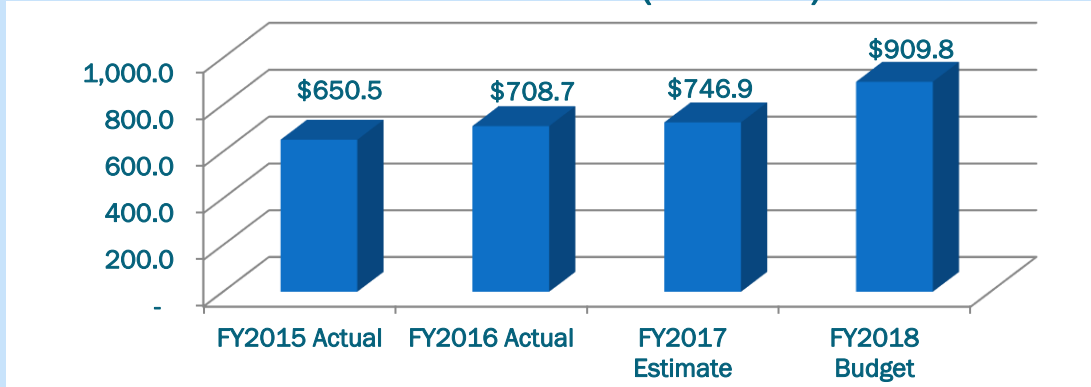
Overall, the toll transactions for the NTTA System are estimated to increase to 835.1 million in FY2018. This amount includes 104.3 million from the SPS that is now combined with the NTTA System. Separately the toll services agreements (TSAs) have a transaction estimate of 155.4 million and the new 360T will add an incremental 8.9 million transactions to FY2018.



FY2018 REVENUES

Uniquely positioned, NTTA brings a businesslike approach to a traditional government sector, providing transportation alternatives to customers for a reasonable fee. The business model approach of fee for service requires a keen focus on the customer to ensure they continue to enjoy a safe and reliable travel experience. As a business entity, NTTA does not collect taxes. Instead NTTA's revenues are derived from tolls, service fees and interest income to support its operations. Total FY2018 estimated revenues for the NTTA System are \$909.8 million. The primary source of revenue is from tolls totaling \$844.7 million. The tolls are broken out into TollTag revenue of \$720.2 million and ZipCash revenue of \$124.5 million (see T&R projection on pages 199-210). Budgeted toll revenues increased by \$162.9 million from FY2017 estimates including \$112.2 million from combining the SPS. Another component of revenue is other income which consists of administrative fees, miscellaneous fees and claims recovery for a combined budget of \$54.1 million. This amount is approximately 5.9% of total revenue. The administrative fees are based on business rules that assess a \$10 fee for the first notice of nonpayment and a \$25 fee for the second notice of nonpayment. The final revenue component is projected interest income budgeted at \$11.0 million or approximately 1.2% of total revenue.

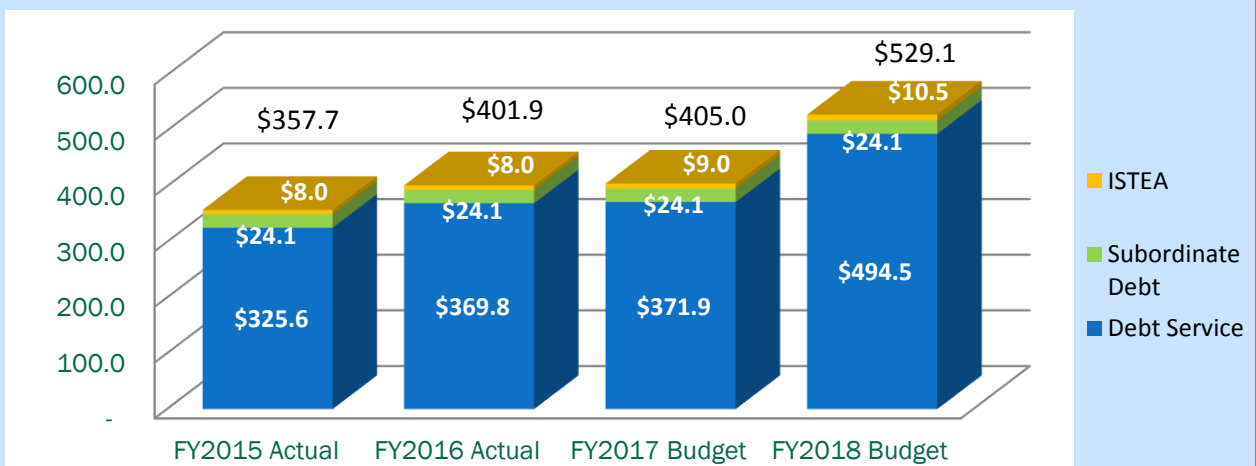
Revenue Trends (millions)



FY2018 DEBT SERVICE AND LOAN REPAYMENT

Total net debt service will increase \$124.1 million to \$529.1 million in FY2018; which includes \$74.6 million from combining the SPS. This anticipated increase funds the obligation to NTTA bondholders. The debt service was structured to mirror the traffic and revenue growth of new and existing facilities. Additionally, the NTTA System helped finance the construction of the CTP through subordinated debt. The subordinated debt payment for the loan is \$24.1 million. There is also an ISTEAL loan payment of \$10.5 million for the financing of PGBT. While the subordinated debt payment and ISTEAL loan payments represent a portion of the NTTA System’s indebtedness, they are not funded from the Debt Service Fund but instead from the Capital Improvement Fund. Estimated FY2018 total bond debt service coverage is 1.76 times first tier debt service which is significantly above the 1.35 times as required by the Trust Agreement. Estimated coverage for all debt service including the CIF funded subordinated debt payment and ISTEAL loan is 1.39 times versus the required 1.00 times.

Debt Service Trends (millions)



FY2018 EXPENDITURES (OPERATING AND CAPITAL RELATED FUNDS)

The overall anticipated expenditures total \$477.2 million for all funds. Those funds include Operation and Maintenance (OMF), Reserve Maintenance (RMF), Construction (CF), Capital Improvement (CIF), Feasibility Study (FSF), 360 Tollway (360T) and Enterprise Fund (EF). The requirement of the Trust Agreement is the adoption of an annual OMF budget and deposits to RMF. The OMF and RMF annual

budgets total \$233.9 million, the capital related funds are \$219.3 million, 360T is \$5.4million and the TSA budget is \$18.6 million.

OPERATION AND MAINTENANCE FUND (OMF)

The FY2018 OMF budget is \$185.7 million which includes \$30.7 million from combining the SPS. Material variance explanations as compared to FY2017 budget are located on each of the department's budget and information documents (see pages 53-120). All of the NTTA System labor costs are budgeted in the Operation and Maintenance Fund. Transfers are made to OMF from other funds (RMF, CF, CIF and FSF) for their portion of salaries. This allows the Authority to present a complete view of salaries and benefits and to better track staffing-related costs.

Operation and maintenance costs directly associated with operational services of the NTTA System (Customer Contact Center and Collections, Information Technology, Maintenance, Operations, System and Incident Management, and Project Delivery departments) are \$155.3 million or 83.6% of the total budget.

Costs directly associated with the administrative services of the NTTA System (Administration, Board, Cash and Debt Management, Accounting, Financial Planning and Analysis, Human Resources, Internal Audit, Legal, Procurement and Business Diversity, Public Affairs and Shared Services departments), are \$30.4 million or 16.4% of the total budget.

NTTA strategically manages its operations allocating resources to the departments critical to customer initiatives. These departments are mainly the Contact Center and Collections, Information Technology and System and Incident Management.

The Contact Center and Collections department is responsible for delivering high quality customer services to more than 7.5 million customers. The FY2018 budget is increasing by approximately \$7.4 million which includes \$5.9 million from combining the SPS along with \$0.7 million for additional contract staffing and \$0.8 million for credit card processing. Contract staffing is to handle anticipated increases in contacts from new roadways, both NTTA's and TSA's.

The Information Technology department budget is increasing by \$4.9 million which includes \$2.5 million from combining the SPS and \$2.4 million for software maintenance and support.

The System and Incident Management department provides roadside assistance to motorists and ensures our facilities have timely clearance of incidents thereby reducing risk and congestion for our customers. The budget is increasing by \$5.0 million mainly from combining the SPS.

Overall, the FY2018 OMF budget adequately addresses known business demands and needs.

RESERVE MAINTENANCE FUND (RMF)

Ongoing and preventive maintenance of the existing infrastructure, facilities and equipment ensures all assets operate at or above industry standards. Annual inspections and the asset management program guide NTTA's budgeted investment in RMF. Estimated project expenditures for FY2018 are \$48.1 million (see pages 134-139). The estimated expenditures include the Project Delivery and Maintenance department's \$32.4 million for infrastructure maintenance requirements and the IT department's \$15.2 million primarily to replace outdated cameras, servers, computers and equipment. The estimated starting balance in the RMF is \$40.0 million. Therefore a deposit of \$16.4 million is required to cover the \$48.1 million in project expenditures; the \$3.3 million transfers to OMF for overhead costs and maintain the \$5.0 million required reserve (see calculation on page 135).

CAPITAL FUNDS

The following funds correspond directly to the FY2018 - FY2022 Five-Year Capital Plan. Summary explanations are provided below.

Construction Funds (CF)

Estimated combined expenditures for FY2018 are \$42.9 million (see pages 124-133). This includes projected construction costs for DNT, PGBT EE, PGBT WE, SRT and CTP. NTTA will also be reimbursed \$6.6 million from Denton County for the construction of DNT Phase 4B service roads.

Capital Improvement Fund (CIF)

FY2018 estimated combined expenditures are \$175.6 million (see pages 140-151). It contains the Project Delivery department's \$87.2 million for project expansions and improvements which includes \$28.6 million for PGBT and \$39.5 million for DNT. It also includes the Information Technology department's \$77.1 million for system upgrades, enhancements, and replacements, the Maintenance department's \$3.2 million for infrastructure reconstruction and repairs and the System and Incident Management's \$3.3 million for safety improvement projects. The remaining expenditures of \$4.8 million are from various departments which include a \$2.2 million Letter of Credit (LOC) fees for commercial paper, \$2.6 million for professional and legal fees and traffic and revenue studies. Additionally \$4.6 million will be transferred to OMF to cover overhead costs. The estimated revenue deposit to CIF for FY2018 is \$223.2 million. The CIF will also receive a reimbursement of \$1.0 million from TxDOT for the installation of toll collection equipment on 360T.

During FY2018, an additional \$25.0 million will be transferred to the CIF Rainy Day Fund. This will increase the fund balance to \$75.0 million. The fund is for unanticipated needs and to insure subordinated debt payments are made (see page 181).

CIF-Revolving Account/Feasibility Study Fund (FSF)

Estimated expenditures for FY2018 are \$0.8 million (see pages 152-155). This includes \$0.2 million for projects under study and \$0.6 million for professional and legal fees and traffic and revenue studies. The primary focus is environmental studies of various projects.

360 TOLLWAY (360T)

Through an agreement with TxDOT, NTTA will take ownership of the 360T project in early FY2018. NTTA will own, operate and maintain the tollway. The FY2018 estimated expenditures are \$5.4 million (see pages 156-158). This includes \$3.2 million for operation and maintenance costs and \$2.2 for toll collection services. During FY2018, a transfer of \$0.7 million will be made to NTTA. The transfer is the first installment to reimburse \$2.2 million of pre-opening costs incurred by NTTA in FY2017. The remaining amount will be reimbursed in FY2019. All of the costs and transfers are in accordance with the TxDOT agreement.

ENTERPRISE FUND/TOLLING SERVICES AGREEMENTS (TSA)

As the regional toll provider, the Authority is responsible for the collection of tolls on all tolled projects in the North Texas Region. Therefore to account for the revenue and expenses associated with TSAs the Authority created the Enterprise Fund. Currently, the Authority has TSAs with LBJ Express (on LBJ Freeway/Interstate 635), North Tarrant Express (NTE) 1 & 2W, NTE 3A/3B as well as Regional TSAs that include the DFW-Connector, IH-30, IH-35E, SH 114, SH 183, Loop 12 and LBJ East. The Enterprise Fund has a FY2018 budget of \$18.6 million (see pages 159-161). This includes \$1.1 million for software maintenance, \$0.8 million for professional and legal fees, \$16.7 million for allocated salaries and benefits and costs related to transaction processing.

PERSONNEL

The FY2018 Budget includes \$46.9 million for direct salaries and wages, which includes a merit increase of \$1.6 million or 3.5% of total direct salaries and wages. Total budgeted full-time employees' (FTE's) positions for FY2018 are 823 (see Staffing Summary page 45) which is an increase of four positions over the prior year's budget. Two positions each were added by the System and Incident Management department and the Procurement & Business Diversity department. These additional employees give these departments the resources to address work demands and increase customer service.

HEALTHCARE AND RETIREMENT BENEFITS

NTTA offers a comprehensive healthcare plan for its employees managed by the Public Employees Benefit Cooperative (PEBC). NTTA and its employees jointly share in the cost of the healthcare plan with NTTA paying approximately 80% of the cost and employees paying the remaining 20% through payroll deduction. In addition, NTTA provides retiree health care benefits through the Authority's Benefits plan also administered by PEBC. Employees retiring from NTTA with a minimum 10 years of service are eligible to participate in the company's retiree healthcare plan. There are currently 18 individuals participating in this program. NTTA also participates in the Employees Retirement System of Texas Group Benefit Program for employees hired prior to FY1997 who remain eligible to retire under the State's plan. Currently 46 individuals participate in this plan. Insurance accrual rates are essentially flat compare to FY2017 due to fewer claims. The FY2018 Budget includes \$10.2 million to cover all of the group insurance costs mentioned above. Based on historical experience this amount is projected to cover claims as well as the provisions required within the Affordable Care Act.

Through Texas County and District Retirement System (TCDRS), the NTTA provides pension retirement benefits to its eligible retirees. To become eligible, employees must have a minimum 10 years of service. Eligible retirees receive 250% of the amount they contribute to their retirement account. Currently the retirement plan is overfunded at 100.4%. In FY1997, the NTTA made a decision to opt out of paying into social security and thus created a mandatory 401(K) program for all employees. However, this decision did not include the Hospital Insurance portion of the Federal Insurance Contribution Act, so NTTA and its employees still contribute to Medicare. As a condition of employment, each employee is required to contribute the following percentages of their base salary to fund these plans: 6.00% to TCDRS, 4.00% to 401(K) and 1.45% to Medicare. NTTA also contributes a percent of total base salary of each employee equal to 8.30% to TCDRS, 3.50% to 401(K) and 1.45% to Medicare to funds these plans. The FY2018 Budget includes \$6.2 million for overall retirement benefits.

The budget reflects the accounting for healthcare costs of all future retirees. Accounting standards require the Authority to recognize this long term potential obligation known as Other Post-Employment Benefits (OPEB). As of FY2017, the NTTA has already recorded the total required liability so no contribution is required for FY2018. While the annual obligation is an estimate of future claims, NTTA currently pays the cost of actual retiree health care claims.

SUMMARY

The FY2018 Budget enables the Authority to deliver a safe and reliable toll road system to more than 7.5 million customers annually while operating as a financially sound and vibrant organization. It enables the Authority to continue its commitment to bond holders by maintaining a 1.76 debt service coverage ratio. The budget also allows for strategic investments in operating departments as NTTA enhances the customer experience and accelerates invoicing and collections. Spending is prioritized and managed appropriately while striving for a seamless customer experience. Overall it is a balanced budget with estimated revenues exceeding the expenses for operations, debt service and asset maintenance. The FY2018 Budget ensures that NTTA can perform responsibly and responsively for the benefit of all its stakeholders.

Fund Account Descriptions

The NTTA System operates as an enterprise fund in accordance with United States generally accepted accounting principles (GAAP). The Trust Agreement also requires that certain funds and accounts be established and maintained. The Authority considers these funds to be major funds and creates a schedule of net assets reporting the funds and accounts as separate columns. This schedule is presented as supplementary information in the basic financial statements and is audited by external independent auditors. The Authority is a non-appropriated, political subdivision of the state of Texas with no Authority funds subject to appropriations.

The funds and accounts established by the Trust Agreement are as follows:

REVENUE FUND (RF) - 1101

The Revenue Fund accounts for all revenues (all tolls, other revenues, and income) arising or derived by the Authority from the operation and ownership of the System. All revenues of this fund are distributed to other funds in accordance with the Trust Agreement. (See Revenue Distribution pages 197-198)

OPERATION AND MAINTENANCE FUND (OMF) - 1001

The Operation and Maintenance Fund accounts for and pays current operating expenses of the System.

RESERVE MAINTENANCE FUND (RMF) - 1201

The Reserve Maintenance Fund accounts for those maintenance expenses that do not recur on an annual or more frequent basis.

CAPITAL IMPROVEMENT FUND (CIF) - 1501

The Capital Improvement Fund accounts for the costs of repairs, enlargements, extensions, additions, improvements, reconstruction and replacement and capital expenses.

CIF-REVOLVING ACCOUNT/FEASIBILITY STUDY FUND (FSF) - 1601

The Feasibility Study Fund accounts for the initial cost of determining if a project is viable. While the Feasibility Study Fund is being separately identified, it is defined as a revolving fund in Chapter 366 of the Texas Transportation Code and is funded from surplus of the Capital Improvement Fund. The estimates for this fund vary from year-to-year based on the number of projects that are under consideration. The majority of the costs are recorded as deferred charges until the feasibility of the projects are determined; at that time the costs will either be reimbursed or recorded as an expense.

CONSTRUCTION FUND (CF) - 3700

The Construction Fund accounts for that portion of the proceeds from the sale of revenue bonds or other financing sources and funds received from other entities to pay all costs of construction of new projects of the System. A separate Construction Fund is created and maintained for each project. The estimates for this fund vary from year-to-year based on the amount of construction estimated for that year.

INTEREST AND SINKING FUNDS (I&SF) - 4211, 4221, & 4231

The Interest and Sinking Funds are the debt service funds of the Authority and account for all the payments of debt obligations. The Amended and Restated Trust Agreement, dated April 1, 2008, re-designated the funds as First-, Second-, or Third-Tier Interest and Sinking Funds. The First-Tier debt obligations have a security interest in the Net Revenues senior to that securing the Second-Tier and the Third-Tier debt obligations. The Second-Tier debt obligations have a security interest in the Net Revenues senior to that securing the Third-Tier debt obligations. Three accounts were created within each of these I&SF Tiers as follows:

- First, Second, or Third Tier Bond Interest Account – This account was created to account for the interest payments for the debt obligation within each tier.
- First, Second, or Third Tier Reserve Account – This account was created to account for any required reserves provided for in the Supplemental Agreement associated with the issuance of debt within each tier.
- First, Second, or Third Tier Redemption Account – This account was created to account for the principal payments for the debt obligation within each tier.

The following funds are not part of the Trust Agreement but were established by the Authority:

360 TOLLWAY (360T) - 6000

The 360 Tollway Fund was established by the Authority to account for the revenue and expenses associated with the project in accordance to the Project Agreement.

ENTERPRISE FUND (EF) - 7800

The Enterprise Fund was established by the Authority to account for the revenue and expenses associated with tolling services agreements. The Authority is responsible for the collection of tolls on all tolled projects in the North Texas region.

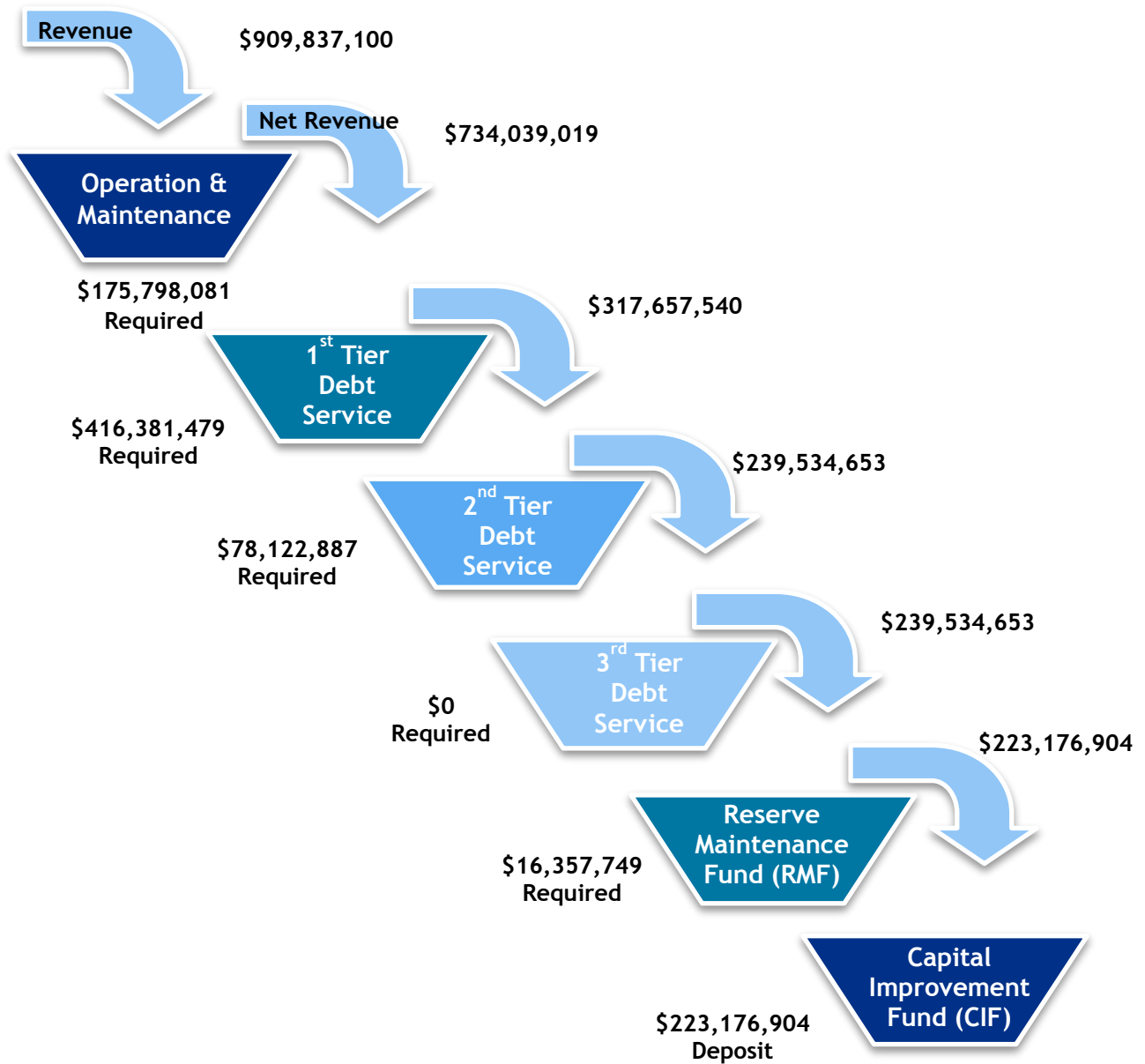
Departments and Funds Matrix

The relationship between the Authority's departments and the major funds is illustrated below in a matrix format. The use of a fund by the department is highlighted in blue, and the percent of the budget associated with the department is shown in the square. The dollar amounts are shown in detail on the Departmental Budget and Information documents in the Departmental Budget Section' starting with the Administration Department on page 53. The amounts for 360 Tollway and Enterprise Fund are on page 157 and 160, respectively.

Department	Operation & Maintenance Fund	Construction Fund	Reserve Maintenance Fund	Capital Improvement Fund	Feasibility Study Fund	Interest and Sinking Funds	360 Tollway Fund	Enterprise Fund
Administrative Services:								
Accounting	0.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.7%	1.8%
Administration	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%	0.4%
Board	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Cash and Debt Management	0.7%	0.0%	0.0%	1.4%	0.0%	100.0%	0.1%	0.3%
Financial Planning & Analysis	1.1%	0.0%	0.0%	0.2%	0.0%	0.0%	0.2%	0.6%
Human Resources	0.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.4%	1.1%
Internal Audit	0.6%	0.2%	0.0%	0.0%	0.0%	0.0%	1.3%	1.0%
Legal Services	1.7%	0.1%	0.1%	1.1%	18.8%	0.0%	0.3%	0.9%
Procurement and Business Diversity	1.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.4%	0.0%
Public Affairs	3.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.6%	5.4%
Shared Services	5.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	5.5%
Total Administrative Services	16.4%	0.3%	0.1%	2.8%	18.8%	100.0%	4.3%	17.1%
Operational Services:								
Contact Center and Collections	41.2%	0.0%	0.0%	0.0%	0.0%	0.0%	17.3%	68.2%
Customer Care	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Information Technology	12.5%	0.0%	31.6%	43.9%	0.0%	0.0%	3.8%	13.8%
Maintenance	18.6%	0.0%	11.8%	1.8%	0.0%	0.0%	57.2%	0.0%
Operations	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.3%	1.0%
Project Delivery	1.4%	99.7%	56.1%	49.7%	81.2%	0.0%	0.5%	0.0%
System and Incident Mgmt.	9.4%	0.0%	0.4%	1.9%	0.0%	0.0%	16.5%	0.0%
Total Operational Services	83.6%	99.7%	99.9%	97.2%	81.2%	0.0%	95.7%	82.9%
FY2018 Totals	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Flow of NTTA System FY2018 Revenue

The following graph shows the distribution of the FY2018 projected revenue to the various funds in accordance with the Amended and Restated Trust Agreement.



FY2015 to FY2018 Revenue Detail

	FY2015	FY2016	FY2017
	Actual	Actual	Budget
TOLL REVENUE			
President George Bush Turnpike (PGBT)	\$ 237,665,201	\$ 249,035,608	\$ 260,126,300
Dallas North Tollway (DNT)	226,314,157	240,235,981	257,260,400
Sam Rayburn Tollway (SRT)	145,850,305	166,761,368	177,003,200
PGBT Western Extension (PGBT WE)	-	-	-
Chisholm Trail Parkway (CTP)	-	-	-
Lewisville Lake Toll Bridge (LLTB)	5,155,300	6,451,683	6,598,700
Mountain Creek Lake Bridge (MCLB)	1,181,416	1,457,433	1,543,900
Addison Airport Tunnel Tollway (AATT)	1,321,665	1,270,243	1,332,800
Total Toll Revenues	617,488,044	665,212,316	703,865,300
INVESTMENT INCOME	7,606,661	9,594,946	8,190,500
OTHER INCOME			
Statement Fees	2,310,808	2,740,818	2,054,922
Rents & Miscellaneous Revenues	1,641,870	2,615,263	1,640,000
Administrative and Late Fees	21,460,344	28,516,874	19,337,693
Total Other Income	25,413,022	33,872,955	23,032,615
TOTAL REVENUES	\$ 650,507,727	\$ 708,680,217	\$ 735,088,415

(1) Projected FY2017 based on CDM Smith revised estimates as of May 15, 2017.

(2) Estimated FY2018 toll revenue per Traffic and Toll Revenue Study; investment and other revenue estimated by staff.

FY2017	FY2017	FY2018	Variance	
Projection (1)	Variance Projection to Budget	Budget (2)	Increase/(Decrease) to FY2017 Projections	% Change
\$ 256,271,700	\$ (3,854,600)	\$ 267,653,900	\$ 11,382,200	4.4%
249,612,800	(7,647,600)	264,838,200	15,225,400	6.1%
177,401,600	398,400	189,543,900	12,142,300	6.8%
-	-	61,952,500	61,952,500	100.0%
-	-	50,289,400	50,289,400	100.0%
7,128,700	530,000	7,636,000	507,300	7.1%
1,456,500	(87,400)	1,507,000	50,500	3.5%
1,267,900	(64,900)	1,318,200	50,300	4.0%
693,139,200	(10,726,100)	844,739,100	151,599,900	21.9%
10,270,000	2,079,500	11,000,000	730,000	7.1%
2,800,000	745,078	2,901,000	101,000	3.6%
1,800,000	160,000	1,800,000	-	0.0%
38,842,000	19,504,307	49,397,000	10,555,000	27.2%
43,442,000	20,409,385	54,098,000	10,656,000	24.5%
\$746,851,200	\$ 11,762,785	\$909,837,100	\$ 162,985,900	21.8%

Revenue and Coverage Calculation FY2016 to FY2018

	FY2016	FY2017	FY2018	FY2018 to FY2017 Variance	
	Actual	Budget	Budget	Amount	% Change
Gross Toll Revenue	\$ 724,623,715	\$ 774,055,300	\$ 923,028,100	\$148,972,800	19.2%
Bad Debt Expense	(59,411,399)	(70,190,000)	(78,289,000)	(8,099,000)	11.5%
Net Toll Revenue (1)	665,212,316	703,865,300	844,739,100	140,873,800	20.0%
Investment Income	9,594,946	8,190,500	11,000,000	2,809,500	34.3%
Other Income (2)	33,872,955	23,032,615	54,098,000	31,065,385	134.9%
Total Revenues	708,680,217	735,088,415	909,837,100	174,748,685	23.8%
REVENUE TRANSFERS TO OPERATION AND MAINTENANCE FUND					
Operating Expenses (3)	131,310,220	\$155,100,000	\$185,750,000	\$30,650,000	19.8%
Inter-Fund Transfers (3)	(7,706,555)	(8,518,663)	(9,951,919)	(1,433,256)	16.8%
Net Operating Expenses (3)	123,603,665	146,581,337	175,798,081	29,216,744	19.9%
Net Revenues for Debt Service	585,076,552	588,507,078	734,039,019	145,531,941	24.7%
DEBT SERVICE					
First Tier Debt Service	325,007,935	333,270,740	437,084,951	103,814,211	31.2%
First Tier Capitalized Interest and Credit	(17,982,155)	(17,982,155)	(20,703,472)	(2,721,317)	15.1%
Second Tier Debt Service	56,476,856	56,565,700	78,122,887	21,557,187	38.1%
Total Net Debt Service	363,502,636	371,854,285	494,504,366	122,650,081	33.0%
Revenues Available after Debt Service	221,573,916	216,652,793	239,534,653	22,881,860	10.6%
Reserve Maintenance Fund	33,519,360	32,796,968	16,357,749	(16,439,219)	(50.1%)
Required Deposit					
Revenues Available for Capital Improvement Fund	188,054,556	183,855,825	223,176,904	39,321,079	21.4%
CIF Subordinated Debt	24,066,796	24,067,580	24,077,180	9,600	0.0%
ISTEA Payment	8,000,000	9,000,000	10,500,000	1,500,000	16.7%
Revenues Available for Capital Projects	\$155,987,760	\$ 150,788,245	\$ 188,599,724	\$37,811,479	25.1%
DEBT SERVICE COVERAGE				TRUST AGREEMENT REQUIREMENT	
First Tier Coverage	1.91	1.87	1.76	1.35	
First & Second Tier Coverage	1.61	1.58	1.48	1.20	
All Debt Coverage	1.48	1.45	1.39	1.00	

(1) FY2018 Toll Revenue Estimates are based on T&R consultant estimates. (See pages 199-210)

(2) Other Income includes administrative and statement fees.

(3) Budgeted Operating Expenses include 100% of the total salaries, retirement and healthcare costs. For FY2018, transfers from Construction Fund, Reserve Maintenance Fund and Capital Improvement Fund will be made to cover approximately \$9.9 million of these costs.

FY2018 Estimated Revenue and Debt Service Fund Requirements

Revenue Fund Balance	
Estimated Available Balance as of 1/1/2018	\$ -
Estimated FY2018 Revenues	
Toll Revenue	844,739,100
Other Revenue	54,098,000
Interest Earnings	11,000,000
Total Estimated FY2018 Revenues	909,837,100
Required Transfers per Trust Agreement	
Operation and Maintenance Fund	(175,798,081)
Debt Service Fund	(494,504,366)
Reserve Maintenance Fund	(16,357,749)
Capital Improvement Fund	(223,176,904)
Total Estimated FY2018 Transfers	(909,837,100)
Estimated Available Balance as of 12/31/2018	\$ -

Debt Service Fund Balance	
Debt Service Fund Available Balance as of 1/1/2018	\$ -
Debt Service Payments	
First Tier Debt Service	(419,025,203)
Second Tier Debt Service	(78,122,887)
Third Tier Debt Service	-
Capital Improvement Fund Subordinated Debt	(24,077,180)
Capital Improvement Fund ISTEAL Loan	(10,500,000)
Total Debt Service FY2018 Payments	(531,725,270)
Required Transfers per Trust Agreement	
Revenue Fund	\$ 494,504,366
Capitalized Interest	\$ 2,643,724
Capital Improvement Fund	34,577,180
Total Estimated FY2018 Transfers	531,725,270
Estimated Available Balance as of 12/31/2018	\$ -

Bond Reserve Account Balance*	
Estimated Available Balance as of 1/1/2018	\$ 397,183,835
Estimated Interest Earnings	6,300,000
Required Transfers per Trust Agreement	
First Tier Debt Service	-
Total Estimated FY2018 Transfers	-
Estimated Available Balance as of 12/31/2018	\$ 403,483,835

* The Bond Reserve Account balance shall be used to retire the last of the Outstanding Bonds, and/or for paying interest and principal of the Bonds if the Debt Service Fund balance is insufficient for that purpose.

Summary of Fund Budgets FY2015 to FY2018

FUND	FY2015	FY2016
Operation and Maintenance Fund (1)(2)	\$ 137,513,520	\$ 142,640,000
NTTA System Construction Fund (2)	9,527,799	16,886,000
Reserve Maintenance Fund (2)	22,572,948	38,511,676
Capital Improvement Fund (2)	184,843,775	190,031,782
CIF/Feasibility Study Fund (2)	3,091,000	2,331,390
360 Tollway (2)	-	-
Enterprise Fund (TSA's) (2)	4,645,394	9,170,178
Total Budgets	\$ 362,194,436	\$ 399,571,026

(1) FY2018 detail by account on pages 39-41.

(2) FY2018 detail by account for all funds combined on pages 42-44.

(3) Change due to combining SPS into the NTTA System.

(4) Change due mainly to the design and construction of DNT Phase 4B (southbound frontage road) and SRT widening (see page 124-133).

(5) Change mainly due to normal cycle of projects and maintenance(see pages 134-151).

(6) Change mainly due to reduction in traffic and revenue studies (see pages 152-155).

(7) New tollway project to start April 2018 (see pages 156-158).

(8) Change mainly due to increase in transactions and adding Regional TSAs (see pages 159-161).

				Increase (Decrease)	
		FY2017	FY2018	Variance	
\$	155,100,000	\$	185,750,000	30,650,000	(3)
	20,605,205		42,908,410	22,303,205	(4)
	51,912,636		48,128,568	(3,784,068)	(5)
	200,888,879		175,555,821	(25,333,058)	(5)
	1,700,000		800,000	(900,000)	(6)
	-		5,446,521	5,446,521	(7)
	12,328,630		18,643,332	6,314,702	(8)
\$	442,535,350	\$	477,232,652	34,697,302	

Actual, Projections, & Budget For FY2015 to FY2018

	FY2015	FY2016	FY2017
	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>BUDGET</u>
Toll Revenue (1)	\$ 617,488,044	\$ 665,212,316	\$ 703,865,300
Investment Income	7,606,661	9,594,946	8,190,500
Other Income	25,413,022	33,872,955	23,032,615
Total Revenues	<u>650,507,727</u>	<u>708,680,217</u>	<u>735,088,415</u>
ADMINISTRATIVE SERVICES (2)			
Accounting (3)	-	-	1,310,817
Administration	376,749	433,433	676,188
Board	114,371	134,516	143,509
Cash and Debt	870,937	864,327	979,359
Finance (3)	1,000,044	1,449,909	-
Financial Planning and Analysis	858,753	1,114,995	1,161,334
Human Resources	1,283,348	1,167,578	1,397,167
Internal Audit	659,105	808,947	925,168
Legal Services	1,978,240	2,295,833	2,720,139
Procurement and Business Diversity	1,020,172	1,230,437	1,363,649
Public Affairs	3,146,518	2,997,928	3,575,521
Shared Services	8,939,609	10,232,242	10,962,970
Strategy and Innovation (4)	611,476	359,557	-
Sub-total	<u>20,859,322</u>	<u>23,089,702</u>	<u>25,215,821</u>
OPERATIONAL SERVICES (2)			
Collections and Toll Enforcement (5)	11,105,545	10,639,960	-
Contact Center and Collections (5)	-	-	69,210,601
Customer Care (5)	-	-	835,554
Customer Service Contact Center (5)	46,337,731	48,811,222	-
Information Technology	15,556,089	16,488,086	18,356,303
Maintenance	23,019,925	21,743,652	26,568,538
Operations	586,125	617,167	699,500
Project Delivery	798,993	1,454,966	1,841,766
System & Incident Management	9,843,625	8,465,465	12,371,917
Sub-total	<u>107,248,033</u>	<u>108,220,518</u>	<u>129,884,179</u>
Total Expenses	<u>\$128,107,355</u>	<u>\$131,310,220</u>	<u>\$155,100,000</u>

(1) FY2017 Budget, FY2017 Projection and FY2018 Budget toll revenue numbers per T&R consultants estimate. (See page 199-210 for FY2018 Budget toll revenue)

(2) FY2017 projections based on 7 months actuals. FY2017 projected cost presented by account on Appendix E, pages 211-214.

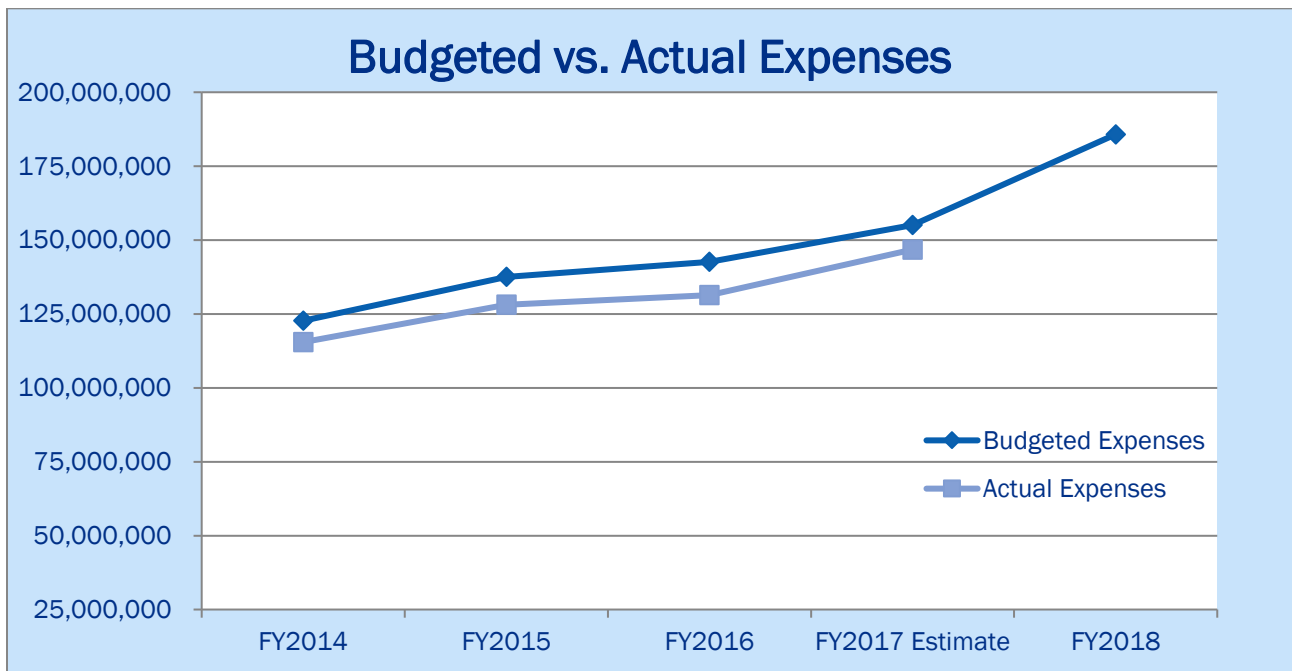
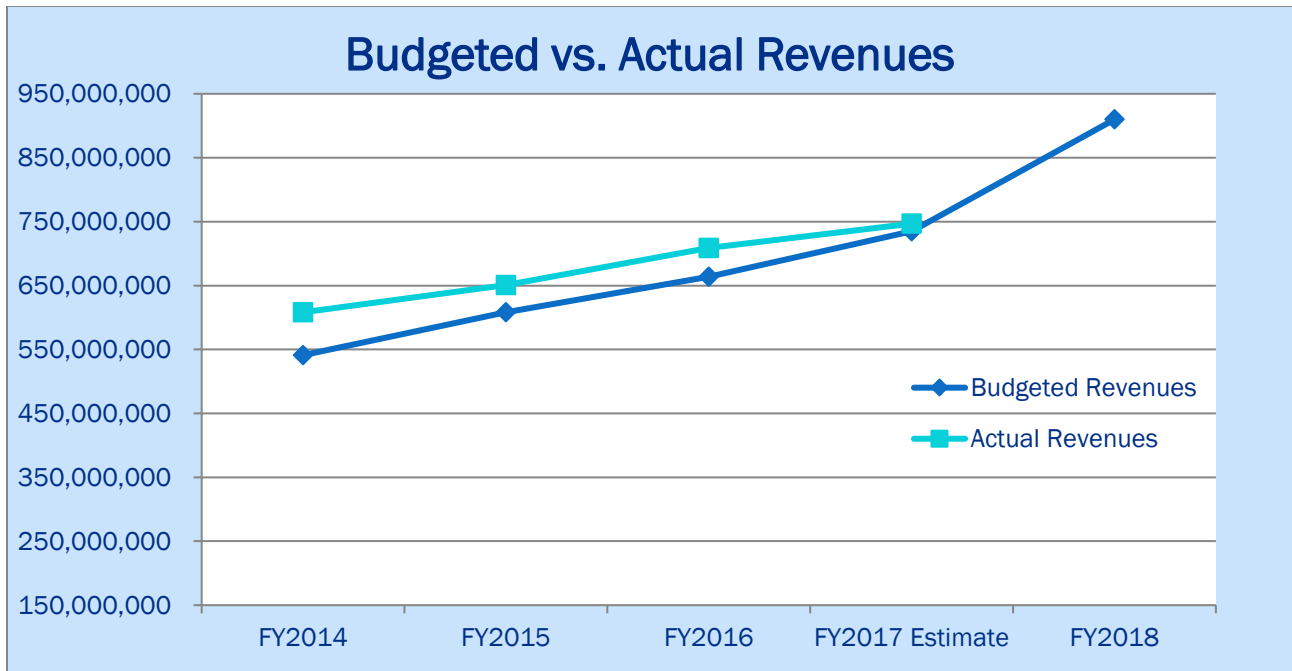
(3) The Finance department was renamed to Accounting in FY2017.

(4) Strategy and Innovations was dissolved for FY2017.

(5) The Collections & Toll Enforcement, Customer Service Contact Center and Customer Care departments were reorganized as the Contact Center and Collections department.

FY2017	FY2017	FY2018	Variance
PROJECTION	VARIANCE PROJECTION to BUDGET	BUDGET	Increase (Decrease) to FY2017 Projections
\$ 693,139,200	\$ (10,726,100)	\$ 844,739,100	\$ 151,599,900
10,270,000	2,079,500	11,000,000	730,000
43,442,000	20,409,385	54,098,000	10,656,000
<u>746,851,200</u>	<u>11,762,785</u>	<u>909,837,100</u>	<u>162,985,900</u>
1,299,123	(11,694)	1,601,822	302,699
567,998	(108,190)	739,081	171,083
135,080	(8,429)	183,630	48,550
862,995	(116,364)	1,227,605	364,610
-	-	-	-
1,152,258	(9,076)	1,966,098	813,840
1,155,392	(241,775)	1,640,270	484,878
874,349	(50,819)	1,188,011	313,662
2,538,139	(182,000)	3,118,721	580,582
1,292,859	(70,790)	1,812,675	519,816
3,575,521	-	6,991,386	3,415,865
10,368,680	(594,290)	9,959,079	(409,601)
-	-	-	-
<u>23,822,394</u>	<u>(1,393,427)</u>	<u>30,428,378</u>	<u>6,303,285</u>
-	-	-	-
69,325,282	114,681	76,585,841	7,260,559
-	-	-	-
-	-	-	-
17,786,148	(570,155)	23,210,398	5,424,250
23,449,662	(3,118,876)	34,536,584	11,086,922
691,355	(8,145)	905,029	213,674
1,818,838	(22,928)	2,669,147	850,309
9,883,170	(2,488,747)	17,414,623	7,531,453
<u>122,954,455</u>	<u>(6,094,170)</u>	<u>155,321,622</u>	<u>32,367,167</u>
<u>\$ 146,776,849</u>	<u>\$ (7,487,597)</u>	<u>\$185,750,000</u>	<u>\$ 38,670,452</u>

Budget vs. Actual Revenues and Expenses Graphs



Operation and Maintenance Fund Budget by Account FY2018

Account	Accounting	Administration	Board	Cash and Debt Management	Financial Planning & Analysis	Human Resources	Internal Audit
Salaries and Wages-Direct - (511101)	\$1,375,540	\$335,241	\$84,810	\$346,775	\$488,151	\$912,514	\$667,625
Salaries and Wages-Internship - (511202)	0	0	0	0	0	46,176	0
Salaries and Wage-Overtime - (511301)	456	0	0	0	0	2,396	0
Group Insurance - (512101)	0	0	0	0	0	0	0
Retirement Contributions - (512401)	184,000	37,381	11,252	46,642	66,476	116,753	89,943
Retirement Contr.-Internship - (512402)	0	0	0	0	0	6,119	0
Tuition Reimbursement - (512501)	0	0	0	0	0	31,575	0
Unemployment Insurance - (512601)	0	0	0	0	0	0	0
OPEB Annual Req'd Contribution - (512602)	0	0	0	0	0	0	0
Worker's Comp Ins - (512701)	0	0	0	0	0	0	0
Salaries & Benefits	1,559,996	372,622	96,062	393,417	554,627	1,115,533	757,568
Consulting/ Professional - (521201)	1,023	273,641	0	448,274	211,200	162,551	197,763
Legal Fees - (521202)	0	0	0	0	0	0	0
Auditing Fees - (521203)	0	0	0	0	0	0	198,029
Trustee Fees - (521204)	0	0	0	345,899	0	0	0
Rating Agency Fees - (521205)	0	0	0	25,000	0	0	0
Traffic Engineering Fees - (521207)	0	0	0	0	1,188,199	0	0
Police Services (DPS) - (521208)	0	0	0	0	0	0	0
Armored Car Services - (521209)	0	0	0	0	0	0	0
Outside Maintenance Services - (521212)	0	0	0	0	0	0	0
Rentals - Land - (522301)	0	0	0	0	0	0	0
Insurance Expense - Other - (523101)	0	0	0	0	0	0	0
Telecommunications - (523202)	0	0	0	0	0	0	0
Public Information Fees - (523203)	0	0	0	0	0	0	0
Recruitment - (523301)	0	0	0	0	0	157,820	0
Magazine and Newspaper - (523302)	0	0	0	0	0	0	0
Television & Radio - (523303)	0	0	0	0	0	0	0
Promotional Expenses - (523304)	280	15,246	0	0	0	81,057	0
Employee Appreciation - (523305)	0	0	0	0	0	0	0
Freight and Express - (531105)	537	274	1,099	443	192	752	19
Temporary Contract Labor - (523851)	0	0	0	0	0	6,594	0
Water - (531211)	0	0	0	0	0	0	0
Gas - (531221)	0	0	0	0	0	0	0
Electricity - (531231)	0	0	0	0	0	0	0
Software - (531651)	0	0	0	0	0	0	0
Bank Charges - (573001)	0	0	0	0	0	0	0
Credit Card Fees - (573002)	0	0	0	0	0	0	0
Services	1,840	289,161	1,099	819,616	1,399,591	408,774	395,811
Travel - (523501)	14,776	14,760	15,430	5,743	5,835	6,371	11,381
Dues & Subscriptions - (523601)	3,418	50,093	8,500	2,921	740	8,440	5,060
Education and Training - (523701)	10,505	9,187	0	5,228	2,816	87,669	12,216
Licenses - (523801)	644	0	0	0	0	0	801
Meeting Expense - (521101)	2,308	2,382	59,697	0	0	8,418	646
Liability Claims - (523902)	0	0	0	0	0	0	0
Office Supplies - (531101)	8,335	876	2,842	680	2,489	5,065	2,828
Other Materials and Supplies - (531102)	0	0	0	0	0	0	0
Landscaping - (522202)	0	0	0	0	0	0	0
Postage - (523201)	0	0	0	0	0	0	100
Maps & Pamphlets - (523402)	0	0	0	0	0	0	0
Printing and Photographic - (523401)	0	0	0	0	0	0	0
Books & Periodicals - (531401)	0	0	0	0	0	0	1,600
Inven for resale(toll tags) - (531501)	0	0	0	0	0	0	0
Small Tools and Shop Supplies - (531601)	0	0	0	0	0	0	0
Uniforms - (531701)	0	0	0	0	0	0	0
Materials & Supplies	39,986	77,298	86,469	14,572	11,880	115,963	34,632
Mobile Equipment Expense - (531103)	0	0	0	0	0	0	0
Rentals - Equipment - (522302)	0	0	0	0	0	0	0
Motor Fuel Expense - (531107)	0	0	0	0	0	0	0
Equipment Expense	0	0	0	0	0	0	0
Totals	\$1,601,822	\$739,081	\$183,630	\$1,227,605	\$1,966,098	\$1,640,270	\$1,188,011

Account	Legal Services	Procurement and Business Diversity	Public Affairs	Shared Services	Contact Center and Collections	Information Technology	Maintenance
Salaries and Wages-Direct - (511101)	\$661,640	\$1,396,928	\$1,393,214	\$0	\$10,365,417	\$6,337,306	\$8,644,678
Salaries and Wages-Internship - (511202)	128,584	0	0	0	0	0	0
Salaries and Wage-Overtime - (511301)	0	1,947	1,554	0	366,132	85,663	340,000
Group Insurance - (512101)	0	0	0	9,161,931	0	0	0
Retirement Contributions - (512401)	87,541	185,290	185,804	0	1,390,511	852,287	1,142,850
Retirement Contr.-Internship - (512402)	16,966	0	0	0	0	0	0
Tuition Reimbursement - (512501)	0	0	0	0	0	0	0
Unemployment Insurance - (512601)	0	0	0	227,386	0	0	0
OPEB Annual Req'd Contribution - (512602)	0	0	0	0	0	0	0
Worker's Comp Ins - (512701)	0	0	0	382,573	0	0	0
Salaries & Benefits	894,731	1,584,165	1,580,572	9,771,890	12,122,060	7,275,256	10,127,528
Consulting/ Professional - (521201)	0	2,030	1,747,752	0	10,491,036	104,280	299,999
Legal Fees - (521202)	2,086,669	0	0	0	0	0	0
Auditing Fees - (521203)	0	0	0	0	0	0	0
Trustee Fees - (521204)	0	0	0	0	0	0	0
Rating Agency Fees - (521205)	0	0	0	0	0	0	0
Traffic Engineering Fees - (521207)	0	0	0	0	0	0	0
Police Services (DPS) - (521208)	0	0	0	0	0	0	0
Armored Car Services - (521209)	0	0	0	0	39,827	0	0
Outside Maintenance Services - (521212)	0	0	0	0	0	6,849,342	13,526,418
Rentals - Land - (522301)	0	0	0	0	49,595	0	459,556
Insurance Expense - Other - (523101)	0	0	0	0	0	0	0
Telecommunications - (523202)	0	0	0	0	0	1,364,758	0
Public Information Fees - (523203)	0	22,416	0	0	0	0	0
Recruitment - (523301)	0	0	0	0	0	0	0
Magazine and Newspaper - (523302)	0	0	1,426,601	0	0	0	0
Television & Radio - (523303)	0	0	1,019,697	0	0	0	0
Promotional Expenses - (523304)	0	64,988	1,003,733	0	0	0	0
Employee Appreciation - (523305)	0	0	1,752	0	0	0	0
Freight and Express - (531105)	537	140	332	0	1,144	0	300
Temporary Contract Labor - (523851)	0	0	0	0	12,030,780	0	133,000
Water - (531211)	0	0	0	0	0	0	722,590
Gas - (531221)	0	0	0	0	0	0	70,600
Electricity - (531231)	0	0	0	0	0	0	2,464,256
Software - (531651)	0	0	0	0	0	7,195,086	0
Bank Charges - (573001)	0	0	0	0	781,355	0	0
Credit Card Fees - (573002)	0	0	0	0	19,939,979	0	0
Services	2,087,206	89,574	5,199,867	0	43,333,716	15,513,466	17,676,719
Travel - (523501)	12,869	14,670	55,010	0	19,916	25,853	38,050
Dues & Subscriptions - (523601)	77,763	87,452	28,155	1,120	104,469	6,062	22,915
Education and Training - (523701)	3,423	25,705	2,960	0	67,793	118,801	67,775
Licenses - (523801)	0	3,892	0	0	0	0	20,490
Meeting Expense - (521101)	600	1,571	12,941	0	30,556	0	6,100
Liability Claims - (523902)	0	0	0	0	0	0	0
Office Supplies - (531101)	42,129	4,524	6,967	61,091	181,065	191,839	21,100
Other Materials and Supplies - (531102)	0	0	2,798	0	0	79,121	3,937,862
Landscaping - (522202)	0	0	0	0	0	0	127,820
Postage - (523201)	0	0	0	0	10,380,854	0	0
Maps & Pamphlets - (523402)	0	0	91,960	0	0	0	0
Printing and Photographic - (523401)	0	1,122	8,177	0	0	0	0
Books & Periodicals - (531401)	0	0	0	0	0	0	0
Inven for resale(toll tags) - (531501)	0	0	0	0	10,261,333	0	0
Small Tools and Shop Supplies - (531601)	0	0	0	0	0	0	151,525
Uniforms - (531701)	0	0	1,979	0	28,257	0	189,600
Materials & Supplies	136,784	138,936	210,947	62,211	21,074,243	421,676	4,583,237
Mobile Equipment Expense - (531103)	0	0	0	0	0	0	1,057,250
Rentals - Equipment - (522302)	0	0	0	124,978	55,822	0	99,850
Motor Fuel Expense - (531107)	0	0	0	0	0	0	992,000
Equipment Expense	0	0	0	124,978	55,822	0	2,149,100
Totals	\$3,118,721	\$1,812,675	\$6,991,386	\$9,959,079	\$76,585,841	\$23,210,398	\$34,536,584

Account	Operations	Project Delivery	System & Incident Mgmt.	FY18 Budget	FY17 Budget	Increase or (Decrease) Amount	Increase or (Decrease) Percent
Salaries and Wages-Direct - (511101)	\$756,496	\$2,308,230	\$5,491,985	\$41,689,429	\$37,452,067	\$4,237,362	11.3%
Salaries and Wages-Internship - (511202)	0	0	0	174,760	179,568	(4,808)	(2.7%)
Salaries and Wage-Overtime - (511301)	0	0	23,028	821,176	717,831	103,345	14.4%
Group Insurance - (512101)	0	0	0	9,161,931	8,349,010	812,921	9.7%
Retirement Contributions - (512401)	100,384	303,142	729,568	5,546,124	4,966,450	579,674	11.7%
Retirement Contr.-Internship - (512402)	0	0	0	23,085	23,408	(323)	(1.4%)
Tuition Reimbursement - (512501)	0	0	0	31,575	27,913	3,662	13.1%
Unemployment Insurance - (512601)	0	0	0	227,386	200,000	27,386	13.7%
OPEB Annual Req'd Contribution - (512602)	0	0	0	0	1,920,000	(1,920,000)	(100.0%)
Worker's Comp Ins - (512701)	0	0	0	382,573	331,395	51,178	15.4%
Salaries & Benefits	856,880	2,611,372	6,244,581	58,058,039	54,167,642	3,890,397	7.2%
Consulting/ Professional - (521201)	0	33,080	82,852	14,055,481	11,271,418	2,784,063	24.7%
Legal Fees - (521202)	0	0	0	2,086,669	1,820,000	266,669	14.7%
Auditing Fees - (521203)	0	0	0	198,029	127,930	70,099	54.8%
Trustee Fees - (521204)	0	0	0	345,899	300,000	45,899	15.3%
Rating Agency Fees - (521205)	0	0	0	25,000	0	25,000	100.0%
Traffic Engineering Fees - (521207)	0	0	0	1,188,199	648,200	539,999	83.3%
Police Services (DPS) - (521208)	0	0	8,985,742	8,985,742	5,602,076	3,383,666	60.4%
Armored Car Services - (521209)	0	0	0	39,827	26,883	12,944	48.1%
Outside Maintenance Services - (521212)	0	0	55,136	20,291,716	12,115,703	8,176,013	67.5%
Rentals - Land - (522301)	0	0	0	509,151	37,664	471,487	1251.8%
Insurance Expense - Other - (523101)	0	0	1,774,172	1,774,172	1,389,562	384,610	27.7%
Telecommunications - (523202)	0	0	0	1,364,758	927,703	437,055	47.1%
Public Information Fees - (523203)	0	0	0	22,416	5,284	17,132	324.2%
Recruitment - (523301)	0	0	0	157,820	138,856	18,964	13.7%
Magazine and Newspaper - (523302)	0	0	0	1,426,601	527,601	899,000	170.4%
Television & Radio - (523303)	0	0	0	1,019,697	201,737	817,960	405.5%
Promotional Expenses - (523304)	0	0	7,636	1,172,940	487,453	685,487	140.6%
Employee Appreciation - (523305)	0	0	0	1,752	1,568	184	11.7%
Freight and Express - (531105)	215	456	171	6,611	5,954	657	11.0%
Temporary Contract Labor - (523851)	0	0	0	12,170,374	11,917,843	252,531	2.1%
Water - (531211)	0	0	0	722,590	600,000	122,590	20.4%
Gas - (531221)	0	0	0	70,600	70,600	0	0.0%
Electricity - (531231)	0	0	0	2,464,256	2,200,000	264,256	12.0%
Software - (531651)	0	0	0	7,195,086	5,481,608	1,713,478	31.3%
Bank Charges - (573001)	0	0	0	781,355	902,968	(121,613)	(13.5%)
Credit Card Fees - (573002)	0	0	0	19,939,979	17,257,181	2,682,798	15.5%
Services	215	33,536	10,905,709	98,016,720	74,065,792	23,950,928	32.3%
Travel - (523501)	31,579	11,711	18,449	302,403	264,981	37,422	14.1%
Dues & Subscriptions - (523601)	11,278	3,855	5,424	427,665	262,985	164,680	62.6%
Education and Training - (523701)	3,053	6,283	33,614	457,028	406,374	50,654	12.5%
Licenses - (523801)	0	600	0	26,427	32,699	(6,272)	(19.2%)
Meeting Expense - (521101)	1,013	0	0	126,232	97,287	28,945	29.8%
Liability Claims - (523902)	0	0	6,182	6,182	5,730	452	7.9%
Office Supplies - (531101)	1,011	1,790	14,394	549,025	528,919	20,106	3.8%
Other Materials and Supplies - (531102)	0	0	99,216	4,118,997	3,063,969	1,055,028	34.4%
Landscaping - (522202)	0	0	0	127,820	40,900	86,920	212.5%
Postage - (523201)	0	0	0	10,380,954	9,710,477	670,477	6.9%
Maps & Pamphlets - (523402)	0	0	0	91,960	55,936	36,024	64.4%
Printing and Photographic - (523401)	0	0	0	9,299	8,259	1,040	12.6%
Books & Periodicals - (531401)	0	0	0	1,600	1,430	170	11.9%
Inven for resale(toll tags) - (531501)	0	0	0	10,261,333	9,400,237	861,096	9.2%
Small Tools and Shop Supplies - (531601)	0	0	0	151,525	160,509	(8,984)	(5.6%)
Uniforms - (531701)	0	0	87,054	306,890	268,553	38,337	14.3%
Materials & Supplies	47,934	24,239	264,333	27,345,340	24,309,245	3,036,095	12.5%
Mobile Equipment Expense - (531103)	0	0	0	1,057,250	1,085,400	(28,150)	(2.6%)
Rentals - Equipment - (522302)	0	0	0	280,650	309,415	(28,765)	(9.3%)
Motor Fuel Expense - (531107)	0	0	0	992,000	1,162,505	(170,505)	(14.7%)
Equipment Expense	0	0	0	2,329,900	2,557,320	(227,420)	(8.9%)
Totals	\$905,029	\$2,669,147	\$17,414,623	\$185,750,000	\$155,100,000	\$30,650,000	19.8%

All Funds Budget by Account FY2018

Account	Accounting	Administration	Board	Cash and Debt Management	Financial Planning & Analysis	Human Resources	Internal Audit	Legal Services
Salaries and Wages-Direct - (511101)	\$1,711,422	\$418,117	\$86,384	\$407,589	\$596,120	\$1,113,465	\$822,969	\$781,654
Salaries and Wages-Internship - (511202)	0	0	0	0	0	46,176	0	128,584
Salaries and Wage-Overtime - (511301)	620	0	0	0	0	2,396	0	0
Group Insurance - (512101)	0	0	0	0	0	0	0	0
Retirement Contributions - (512401)	225,555	45,940	11,446	54,005	79,781	142,154	109,043	102,433
Retirement Contr.-Internship - (512402)	0	0	0	0	0	6,119	0	16,966
Tuition Reimbursement - (512501)	0	0	0	0	0	31,575	0	0
Unemployment Insurance - (512601)	0	0	0	0	0	0	0	0
OPEB Annual Req'd Contribution - (512602)	0	0	0	0	0	0	0	0
Worker's Comp Ins - (512701)	0	0	0	0	0	0	0	0
Meeting Expense - (521101)	2,308	2,382	59,697	0	0	8,418	646	600
Consulting/Professional - (521201)	1,023	273,641	0	516,174	211,200	162,551	197,763	0
Legal Fees - (521202)	0	0	0	0	0	0	0	4,386,669
Auditing Fees - (521203)	0	0	0	0	0	0	384,699	0
Trustee Fees - (521204)	0	0	0	535,399	0	0	0	0
Rating Agency Fees - (521205)	0	0	0	116,000	0	0	0	0
Remarketing/Loc Provider Fees - (521206)	0	0	0	2,180,167	0	0	0	0
Traffic Engineering Fees - (521207)	0	0	0	0	1,488,199	0	0	0
Police Services (DPS) - (521208)	0	0	0	0	0	0	0	0
Armored Car Services - (521209)	0	0	0	0	0	0	0	0
Outside Maintenance Services - (521212)	0	0	0	0	0	0	0	0
General Engineering - (521213)	0	0	0	0	0	0	0	0
Consulting/Profess Serv Tech - (521301)	0	0	0	0	0	0	0	0
Landscaping - (522202)	0	0	0	0	0	0	0	0
Signing Expense - (522203)	0	0	0	0	0	0	0	0
Pavement Markings - (522204)	0	0	0	0	0	0	0	0
Pavement & Shoulders - (522205)	0	0	0	0	0	0	0	0
Bridge Repairs - (522206)	0	0	0	0	0	0	0	0
Rentals - Land - (522301)	0	0	0	0	0	0	0	0
Rentals - Equipment - (522302)	0	0	0	0	0	0	0	0
Insurance Expense - Other - (523101)	0	0	0	0	0	0	0	0
Postage - (523201)	0	0	0	0	0	0	100	0
Telecommunications - (523202)	0	0	0	0	0	0	0	0
Public Information Fees - (523203)	0	0	0	0	0	0	0	0
Recruitment - (523301)	0	0	0	0	0	157,820	0	0
Magazine and Newspaper - (523302)	0	0	0	0	0	0	0	0
Television & Radio - (523303)	0	0	0	0	0	0	0	0
Promotional Expenses - (523304)	280	15,246	0	0	0	81,057	0	0
Employee Appreciation - (523305)	0	0	0	0	0	0	0	0
Printing and Photographic - (523401)	0	0	0	0	0	0	0	0
Maps & Pamphlets - (523402)	0	0	0	0	0	0	0	0
Travel - (523501)	14,776	14,760	15,430	5,743	5,835	6,371	11,381	12,869
Dues & Subscriptions - (523601)	3,418	50,093	8,500	2,921	740	8,440	5,060	77,763
Education and Training - (523701)	10,505	9,187	0	5,228	2,816	87,669	12,216	3,423
Licenses - (523801)	644	0	0	0	0	0	801	0
Temporary Contract Labor - (523851)	0	0	0	0	0	6,594	0	0
Liability Claims - (523902)	0	0	0	0	0	0	0	0
Office Supplies - (531101)	8,335	876	2,842	680	2,489	5,065	2,828	42,129
Other Materials and Supplies - (531102)	0	0	0	0	0	0	0	0
Mobile Equipment Expense - (531103)	0	0	0	0	0	0	0	0
Freight and Express - (531105)	537	274	1,099	443	192	752	19	537
Electronic Supplies - (531106)	0	0	0	0	0	0	0	0
Motor Fuel Expense - (531107)	0	0	0	0	0	0	0	0
Water - (531211)	0	0	0	0	0	0	0	0
Gas - (531221)	0	0	0	0	0	0	0	0
Electricity - (531231)	0	0	0	0	0	0	0	0
Books & Periodicals - (531401)	0	0	0	0	0	0	1,600	0
Inven for resale(toll tags) - (531501)	0	0	0	0	0	0	0	0
Small Tools and Shop Supplies - (531601)	0	0	0	0	0	0	0	0
Machinery - (531611)	0	0	0	0	0	0	0	0
Vehicles - (531621)	0	0	0	0	0	0	0	0
Computers - (531641)	0	0	0	0	0	0	0	0
Software - (531651)	0	0	0	0	0	0	0	0
Uniforms - (531701)	0	0	0	0	0	0	0	0
Building Improvements - (541302)	0	0	0	0	0	0	0	0
Infrastructure Rdway/Hwy/Bridg - (541401)	0	0	0	0	0	0	0	0
Infrastructure - Other - (541403)	0	0	0	0	0	0	0	0
Bank Charges - (573001)	0	0	0	0	0	0	0	0
Credit Card Fees - (573002)	0	0	0	0	0	0	0	0
Deferred Charges (153001)	0	0	0	0	0	0	0	0
Right-of-Way (06)	0	0	0	0	0	0	0	0
Administration (01)	0	0	0	0	0	0	0	0
Planning (02)	0	0	0	0	0	0	0	0
Design (03)	0	0	0	0	0	0	0	0
Construction (04)	0	0	0	0	0	0	0	0
Equipment/Hardware (05)	0	0	0	0	0	0	0	0
Other (176999)	0	0	0	0	0	0	0	0
Totals	\$1,979,423	\$830,516	\$185,398	\$3,824,349	\$2,387,372	\$1,866,622	\$1,549,125	\$5,553,627

Account	Procurement	Public	Shared	Contact	Information	Maintenance	Operations
	and Business	Affairs	Services	Center and	Technology		
	Diversity			Collections			
Salaries and Wages-Direct - (511101)	\$1,418,737	\$1,643,701	\$0	\$12,727,790	\$7,673,721	\$8,659,984	\$882,884
Salaries and Wages-Internship - (511202)	0	0	0	0	0	0	0
Salaries and Wage-Overtime - (511301)	1,947	1,730	0	424,557	102,650	340,000	0
Group Insurance - (512101)	0	0	10,171,587	0	0	0	0
Retirement Contributions - (512401)	187,982	217,234	0	1,686,411	1,017,244	1,144,743	115,774
Retirement Contr.-Internship - (512402)	0	0	0	0	0	0	0
Tuition Reimbursement - (512501)	0	0	0	0	0	0	0
Unemployment Insurance - (512601)	0	0	227,386	0	0	0	0
OPEB Annual Req'd Contribution - (512602)	0	0	0	0	0	0	0
Worker's Comp Ins - (512701)	0	0	382,573	0	0	0	0
Meeting Expense - (521101)	1,571	12,941	0	30,556	0	6,100	1,013
Consulting/Professional - (521201)	2,030	1,747,752	0	12,599,228	1,804,280	487,499	50,000
Legal Fees - (521202)	0	0	0	0	0	0	0
Auditing Fees - (521203)	0	0	0	0	0	0	0
Trustee Fees - (521204)	0	0	0	0	0	0	0
Rating Agency Fees - (521205)	0	0	0	0	0	0	0
Remarketing/Loc Provider Fees - (521206)	0	0	0	0	0	0	0
Traffic Engineering Fees - (521207)	0	0	0	0	0	0	0
Police Services (DPS) - (521208)	0	0	0	0	0	0	0
Armored Car Services - (521209)	0	0	0	39,827	0	0	0
Outside Maintenance Services - (521212)	0	0	0	0	6,909,931	16,310,793	0
General Engineering - (521213)	0	0	0	0	0	0	0
Consulting/Profess Serv Tech - (521301)	0	0	0	0	18,719,866	0	0
Landscaping - (522202)	0	0	0	0	0	427,820	0
Signing Expense - (522203)	0	0	0	0	0	0	0
Pavement Markings - (522204)	0	0	0	0	0	0	0
Pavement & Shoulders - (522205)	0	0	0	0	0	0	0
Bridge Repairs - (522206)	0	0	0	0	0	0	0
Rentals - Land - (522301)	0	0	0	49,595	0	459,556	0
Rentals - Equipment - (522302)	0	0	124,978	55,822	0	99,850	0
Insurance Expense - Other - (523101)	0	0	0	0	0	0	0
Postage - (523201)	0	0	0	12,473,778	0	0	0
Telecommunications - (523202)	0	0	0	0	1,364,758	0	0
Public Information Fees - (523203)	22,416	0	0	0	0	0	0
Recruitment - (523301)	0	0	0	0	0	0	0
Magazine and Newspaper - (523302)	0	1,676,601	0	0	0	0	0
Television & Radio - (523303)	0	1,269,697	0	0	0	0	0
Promotional Expenses - (523304)	64,988	1,266,270	0	0	0	0	0
Employee Appreciation - (523305)	0	1,752	0	0	0	0	0
Printing and Photographic - (523401)	1,122	8,177	0	0	0	0	0
Maps & Pamphlets - (523402)	0	91,960	0	0	0	0	0
Travel - (523501)	14,670	55,010	0	19,916	25,853	38,050	31,579
Dues & Subscriptions - (523601)	87,452	28,155	1,120	104,469	6,062	22,915	11,278
Education and Training - (523701)	25,705	2,960	0	67,793	118,801	67,775	3,053
Licenses - (523801)	3,892	0	0	0	0	20,490	0
Temporary Contract Labor - (523851)	0	0	0	13,199,808	0	133,000	0
Liability Claims - (523902)	0	0	0	0	0	0	0
Office Supplies - (531101)	4,524	6,967	74,562	181,065	191,839	21,100	1,011
Other Materials and Supplies - (531102)	0	2,798	0	0	79,121	3,937,862	0
Mobile Equipment Expense - (531103)	0	0	0	0	0	1,057,250	0
Freight and Express - (531105)	140	332	0	1,144	0	300	215
Electronic Supplies - (531106)	0	0	0	0	1,969,500	0	0
Motor Fuel Expense - (531107)	0	0	0	0	0	992,000	0
Water - (531211)	0	0	0	0	0	767,590	0
Gas - (531221)	0	0	0	0	0	70,600	0
Electricity - (531231)	0	0	0	0	0	2,546,756	0
Books & Periodicals - (531401)	0	0	0	0	0	0	0
Inven for resale(toll tags) - (531501)	0	0	0	12,325,733	0	0	0
Small Tools and Shop Supplies - (531601)	0	0	0	0	0	151,525	0
Machinery - (531611)	0	0	0	0	0	943,789	0
Vehicles - (531621)	0	0	0	0	0	2,098,293	0
Computers - (531641)	0	0	0	0	23,335,000	0	0
Software - (531651)	0	0	0	0	45,003,035	0	0
Uniforms - (531701)	0	1,979	0	28,257	0	189,600	0
Building Improvements - (541302)	0	0	0	0	0	5,280,000	0
Infrastructure Rdway/Hwy/Bridg - (541401)	0	0	0	0	6,276,896	200,000	0
Infrastructure - Other - (541403)	0	0	0	0	3,700,000	0	0
Bank Charges - (573001)	0	0	0	927,787	0	0	0
Credit Card Fees - (573002)	0	0	0	23,300,050	0	0	0
Deferred Charges (153001)	0	0	0	0	0	0	0
Right-of-Way (06)	0	0	0	0	0	0	0
Administration (01)	0	0	0	0	0	0	0
Planning (02)	0	0	0	0	0	0	0
Design (03)	0	0	0	0	0	0	0
Construction (04)	0	0	0	0	0	0	0
Equipment/Hardware (05)	0	0	0	0	0	0	0
Other (176999)	0	0	0	0	0	0	0
Totals	\$1,837,176	\$8,036,016	\$10,982,206	\$90,243,586	\$118,298,557	\$46,475,240	\$1,096,807

Account	Project Delivery	System & Incident Mgmt.	FY18 Budget	FY17 Budget	Increase or (Decrease) Amount	Increase or (Decrease) Percent
Salaries and Wages-Direct - (511101)	\$2,334,961	\$5,642,139	\$46,921,637	\$40,365,582	\$6,556,055	16.2%
Salaries and Wages-Internship - (511202)	0	0	174,760	179,568	(4,808)	(2.7%)
Salaries and Wage-Overtime - (511301)	0	23,028	896,928	797,021	99,907	12.5%
Group Insurance - (512101)	0	0	10,171,587	9,081,415	1,090,172	12.0%
Retirement Contributions - (512401)	306,361	748,100	6,194,206	5,312,241	881,965	16.6%
Retirement Contr.-Internship - (512402)	0	0	23,085	23,408	(323)	(1.4%)
Tuition Reimbursement - (512501)	0	0	31,575	27,913	3,662	13.1%
Unemployment Insurance - (512601)	0	0	227,386	200,000	27,386	13.7%
OPEB Annual Req'd Contribution - (512602)	0	0	0	1,920,000	(1,920,000)	(100.0%)
Worker's Comp Ins - (512701)	0	0	382,573	331,395	51,178	15.4%
Meeting Expense - (521101)	0	0	126,232	97,287	28,945	29.8%
Consulting/Professional - (521201)	33,080	82,852	18,169,073	16,029,250	2,139,823	13.3%
Legal Fees - (521202)	0	0	4,386,669	4,120,000	266,669	6.5%
Auditing Fees - (521203)	0	0	384,699	262,600	122,099	46.5%
Trustee Fees - (521204)	0	0	535,399	483,500	51,899	10.7%
Rating Agency Fees - (521205)	0	0	116,000	100,000	16,000	16.0%
Remarketing/Loc Provider Fees - (521206)	0	0	2,180,167	3,500,000	(1,319,833)	(37.7%)
Traffic Engineering Fees - (521207)	0	850,000	2,338,199	1,398,200	939,999	67.2%
Police Services (DPS) - (521208)	0	9,563,752	9,563,752	5,602,076	3,961,676	70.7%
Armored Car Services - (521209)	0	0	39,827	26,883	12,944	48.1%
Outside Maintenance Services - (521212)	0	55,136	23,275,860	12,115,703	11,160,157	92.1%
General Engineering - (521213)	2,467,810	0	2,467,810	2,252,200	215,610	9.6%
Consulting/Profess Serv Tech - (521301)	1,046,400	0	19,766,266	9,938,006	9,938,260	101.1%
Landscaping - (522202)	0	0	427,820	230,900	196,920	85.3%
Signing Expense - (522203)	2,331,000	0	2,331,000	2,907,000	(576,000)	(19.8%)
Pavement Markings - (522204)	970,000	0	970,000	2,921,754	(1,951,754)	(66.8%)
Pavement & Shoulders - (522205)	12,940,000	0	12,940,000	20,325,000	(7,385,000)	(36.3%)
Bridge Repairs - (522206)	3,115,000	0	3,115,000	4,330,000	(1,215,000)	(28.1%)
Rentals - Land - (522301)	0	0	509,151	37,664	471,487	1251.8%
Rentals - Equipment - (522302)	0	0	280,650	311,563	(30,913)	(9.9%)
Insurance Expense - Other - (523101)	0	1,924,172	1,924,172	1,389,562	534,610	38.5%
Postage - (523201)	0	0	12,473,878	10,781,135	1,692,743	15.7%
Telecommunications - (523202)	0	0	1,364,758	927,703	437,055	47.1%
Public Information Fees - (523203)	0	0	22,416	5,284	17,132	324.2%
Recruitment - (523301)	0	0	157,820	138,856	18,964	13.7%
Magazine and Newspaper - (523302)	0	0	1,676,601	1,328,743	347,858	26.2%
Television & Radio - (523303)	0	0	1,269,697	933,554	336,143	36.0%
Promotional Expenses - (523304)	0	7,636	1,435,477	1,237,453	198,024	16.0%
Employee Appreciation - (523305)	0	0	1,752	1,568	184	11.7%
Printing and Photographic - (523401)	0	0	9,299	8,259	1,040	12.6%
Maps & Pamphlets - (523402)	0	0	91,960	55,936	36,024	64.4%
Travel - (523501)	11,711	18,449	302,403	264,981	37,422	14.1%
Dues & Subscriptions - (523601)	3,855	5,424	427,665	262,985	164,680	62.6%
Education and Training - (523701)	6,283	33,614	457,028	406,374	50,654	12.5%
Licenses - (523801)	600	0	26,427	32,699	(6,272)	(19.2%)
Temporary Contract Labor - (523851)	0	0	13,339,402	12,193,800	1,145,602	9.4%
Liability Claims - (523902)	0	6,182	6,182	5,730	452	7.9%
Office Supplies - (531101)	1,790	14,394	562,496	538,333	24,163	4.5%
Other Materials and Supplies - (531102)	0	99,216	4,118,997	3,063,969	1,055,028	34.4%
Mobile Equipment Expense - (531103)	0	0	1,057,250	1,085,400	(28,150)	(2.6%)
Freight and Express - (531105)	456	171	6,611	5,965	646	10.8%
Electronic Supplies - (531106)	0	0	1,969,500	1,939,500	30,000	1.5%
Motor Fuel Expense - (531107)	0	0	992,000	1,162,505	(170,505)	(14.7%)
Water - (531211)	0	0	767,590	600,000	167,590	27.9%
Gas - (531221)	0	0	70,600	70,600	0	0.0%
Electricity - (531231)	0	0	2,546,756	2,200,000	346,756	15.8%
Books & Periodicals - (531401)	0	0	1,600	1,430	170	11.9%
Inven for resale(toll tags) - (531501)	0	0	12,325,733	10,620,815	1,704,918	16.1%
Small Tools and Shop Supplies - (531601)	0	75,000	226,525	235,509	(8,984)	(3.8%)
Machinery - (531611)	0	0	943,789	544,100	399,689	73.5%
Vehicles - (531621)	0	0	2,098,293	1,367,046	731,247	53.5%
Computers - (531641)	0	20,000	23,355,000	9,372,000	13,983,000	149.2%
Software - (531651)	0	0	45,003,035	32,220,814	12,782,221	39.7%
Uniforms - (531701)	0	87,054	306,890	268,553	38,337	14.3%
Building Improvements - (541302)	0	0	5,280,000	4,675,000	605,000	12.9%
Infrastructure Rdway/Hwy/Bridg - (541401)	32,480,250	2,400,000	41,357,146	38,612,800	2,744,346	7.1%
Infrastructure - Other - (541403)	0	100,000	3,800,000	4,400,000	(600,000)	(13.6%)
Bank Charges - (573001)	0	0	927,787	944,137	(16,350)	(1.7%)
Credit Card Fees - (573002)	0	0	23,300,050	19,150,762	4,149,288	21.7%
Deferred Charges (153001)	150,000	0	150,000	1,050,000	(900,000)	(85.7%)
Right-of-Way (06)	2,462,413	0	2,462,413	1,848,360	614,053	33.2%
Administration (01)	6,961,421	0	6,961,421	6,256,500	704,921	11.3%
Planning (02)	1,219,205	0	1,219,205	270,100	949,105	351.4%
Design (03)	13,777,908	0	13,777,908	10,122,100	3,655,808	36.1%
Construction (04)	75,282,094	0	75,282,094	108,725,300	(33,443,206)	(30.8%)
Equipment/Hardware (05)	1,159,010	0	1,159,010	3,091,000	(1,931,990)	(62.5%)
Other (176999)	1,268,707	0	1,268,707	3,000,000	(1,731,293)	(57.7%)
Totals	\$160,330,315	\$21,756,319	\$477,232,652	\$442,535,350	\$34,697,302	7.8%

FY2018 Staffing Summary

	FY2017 Budget			FY2018 Budget			
	Approved	Changes	Ending	Additions	Full Time	Part Time	Interns
ADMINISTRATIVE SERVICES							
Accounting	18	-	18	-	18	-	-
Administration	2	-	2	-	2	-	-
Board	1	-	1	-	1	-	-
Cash and Debt Management	4	-	4	-	4	-	-
Financial Planning and Analysis	6	-	6	-	6	-	-
Human Resources	13	-	13	-	13	-	8
Internal Audit	9	-	9	-	9	-	-
Legal Services	7	-	7	-	7	-	3
Procurement and Business Diversity	16	-	16	2	18	-	-
Public Affairs	18	-	18	-	18	-	-
Total Administrative Services	94	-	94	2	96	-	11
OPERATIONAL SERVICES							
Contact Center and Collections	298	10	308	-	308	29	-
Customer Care	11	(11)	-	-	-	-	-
Information Technology	93	-	93	-	93	-	-
Maintenance	187	-	187	-	187	-	-
Operations	5	1	6	-	6	-	-
Project Delivery	18	-	18	-	18	-	-
System & Incident Management	113	-	113	2	115	-	-
Total Operational Services	725	-	725	2	727	29	-
Total	819	-	819	4	823	29	11

No Changes

Accounting, Administration, Board, Cash and Debt, Human Resources, Financial Planning and Analysis, Human Resource, Internal Audit, Legal, Public Affairs, Information Technology, Maintenance, Project Delivery and System and Incident Management staffing remains the same.

Detail of changes are on the Executive Summaries of the following departments;

Procurement and Business Diversity: See Position Summary page 85.

Contact Center and Collections: See Position Summary page 95-96.

Operations: See Position Summary page 112.

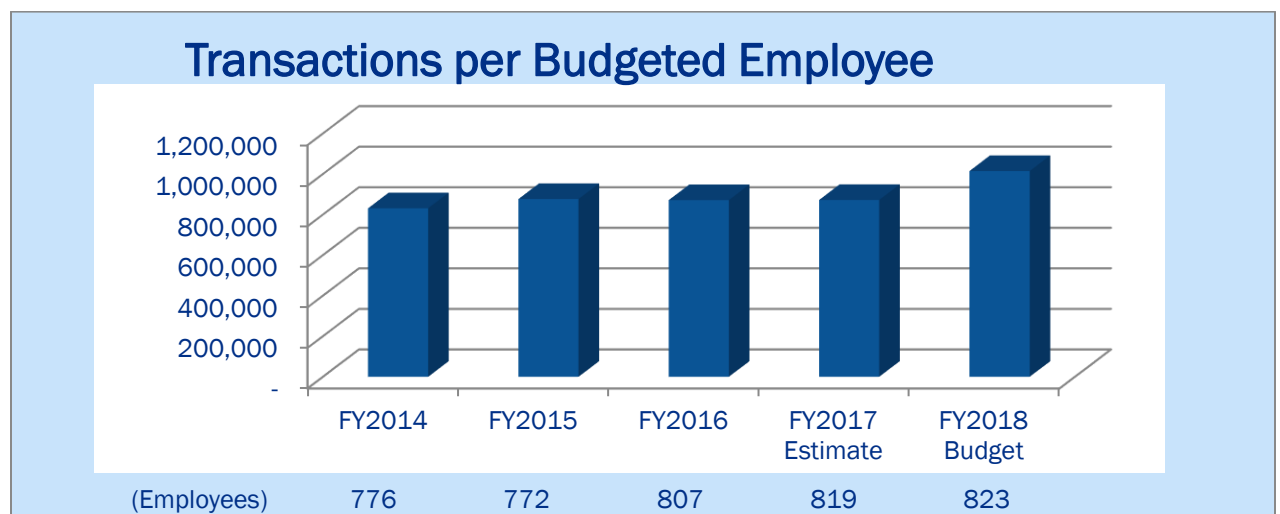
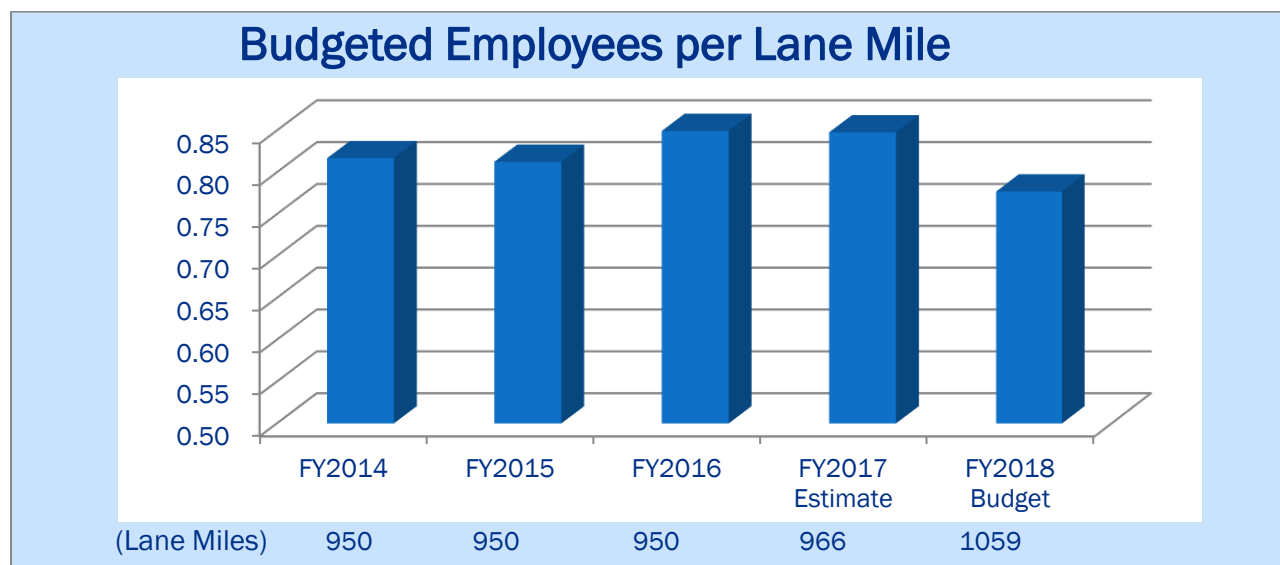
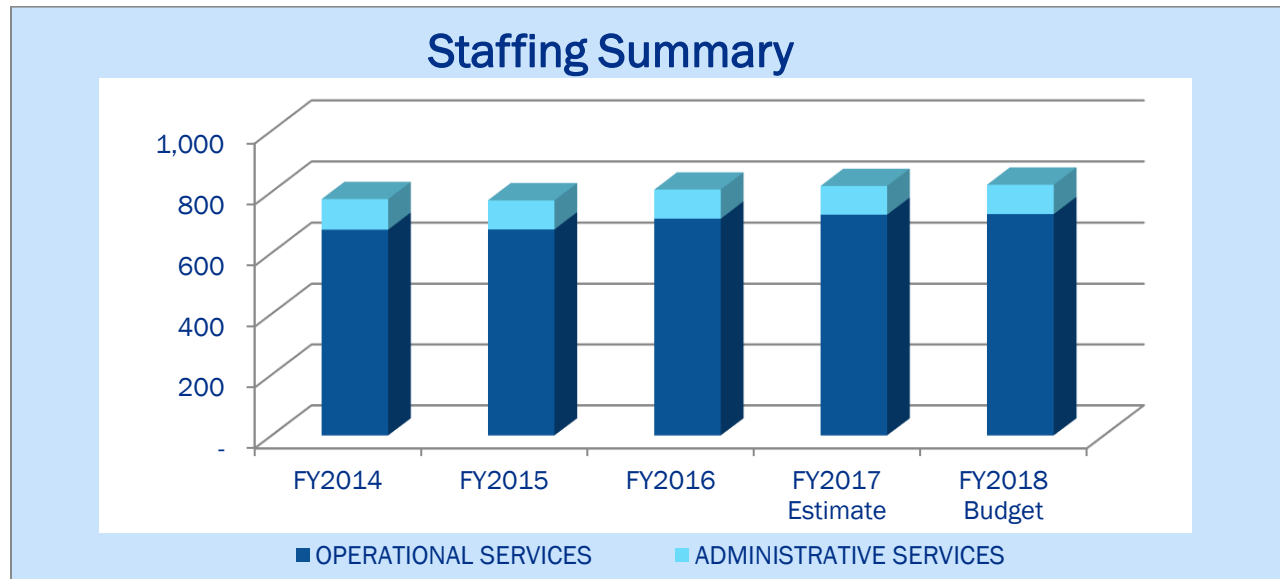
System & Incident Management: See Position Summary page 119.

FY2014 to FY2018 FTE Staffing Summary History

	FY2014 Budget	FY2015 Budget	FY2016 Budget	FY2017 Budget	FY2018 Budget	Change in Budgeted FTEs Variance
ADMINISTRATIVE SERVICES						
Accounting	-	-	-	18	18	-
Administration	2	2	2	2	2	-
Board	1	1	1	1	1	-
Cash and Debt Management	4	4	4	4	4	-
Finance	24	18	18	-	-	-
Financial Planning and Analysis	-	7	6	6	6	-
Human Resources	13	13	13	13	13	-
Internal Audit	7	9	9	9	9	-
Legal Services	5	5	5	7	7	-
Procurement and Business Diversity	17	15	16	16	18	2
Public Affairs	18	18	18	18	18	-
Strategic and Innovative Solutions	9	-	-	-	-	-
Strategy and Innovation	-	3	3	-	-	-
Total Administrative Services	100	95	95	94	96	2
OPERATIONAL SERVICES						
Collections and Toll Enforcement	-	95	103	-	-	-
Contact Center and Collections	-	-	-	298	308	10
Customer Care	-	-	-	11	-	(11)
Customer Service Contact Center	289	177	202	-	-	-
Information Technology	81	90	90	93	93	-
Maintenance	194	195	187	187	187	-
Operations	3	5	5	5	6	1
Project Delivery	11	11	17	18	18	-
System & Incident Management	98	104	108	113	115	2
Total Operational Services	676	677	712	725	727	2
Grand Total	776	772	807	819	823	4

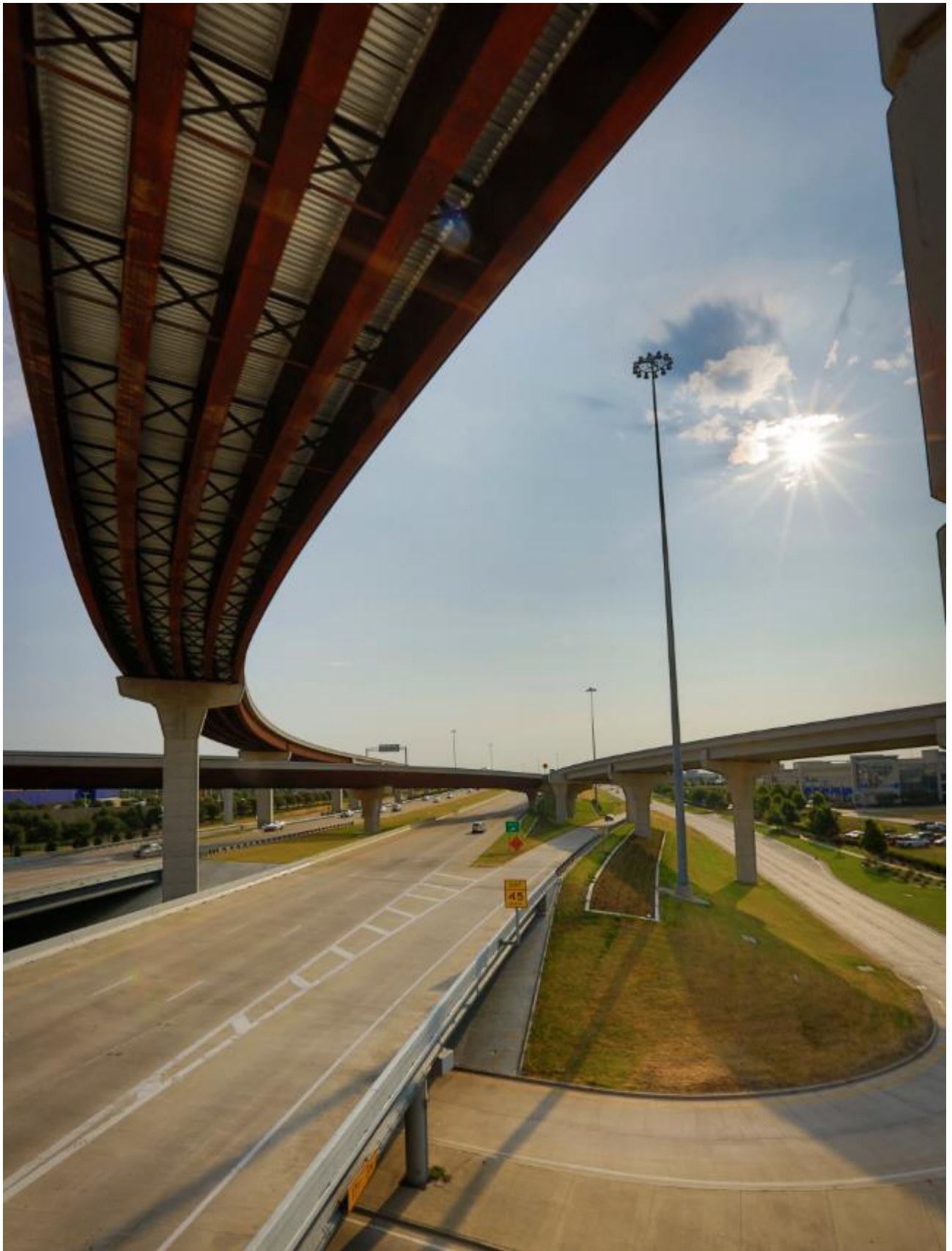
FTEs - Full Time Employees

Informational Graphs FY2018





DEPARTMENTAL BUDGETS AND INFORMATION



Operation and Maintenance Fund FY2018 Budget Comparisons to FY2017 Budget

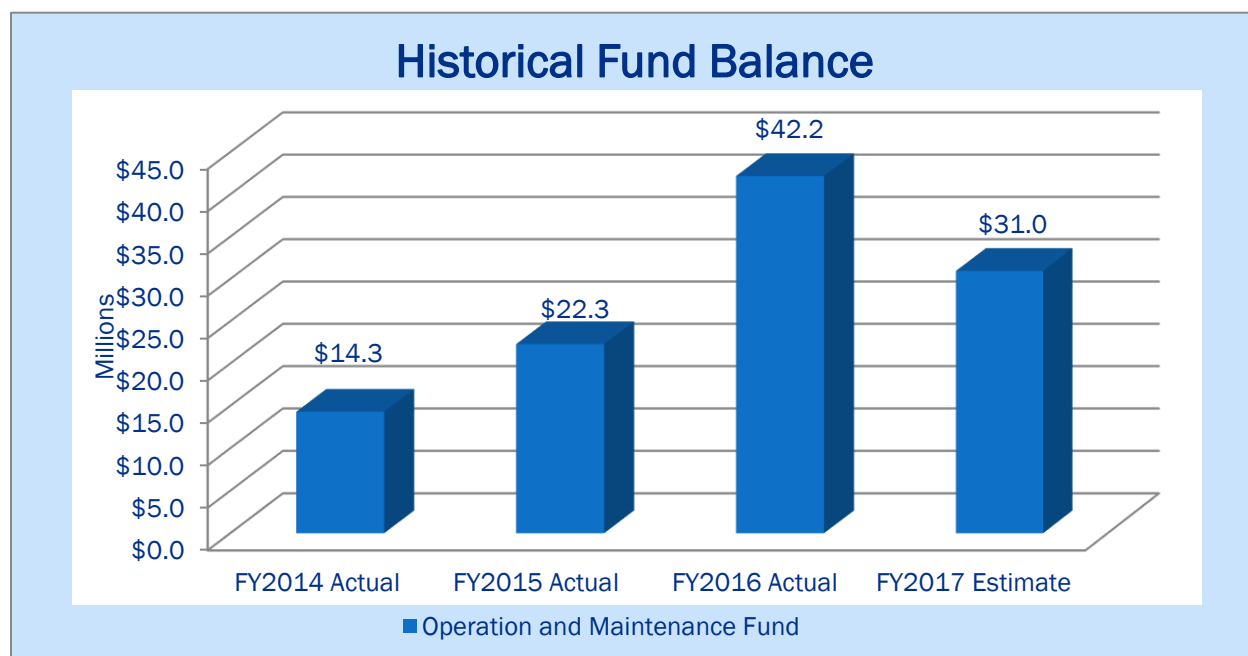
Department	FY2017 Budget	FY2018 Budget	Variance Amount	Percent
Administrative Services:				
Accounting	\$1,310,817	\$1,601,822	\$291,005	22.2%
Administration	676,188	739,081	62,893	9.3%
Board	143,509	183,630	40,121	28.0%
Cash and Debt Management	979,359	1,227,605	248,246	25.3%
Financial Planning & Analysis	1,161,334	1,966,098	804,764	69.3%
Human Resources	1,397,167	1,640,270	243,103	17.4%
Internal Audit	925,168	1,188,011	262,843	28.4%
Legal Services	2,720,139	3,118,721	398,582	14.7%
Procurement and Business Diversity	1,363,649	1,812,675	449,026	32.9%
Public Affairs	3,575,521	6,991,386	3,415,865	95.5%
Shared Services	10,962,970	9,959,079	(1,003,891)	(9.2%)
Total Administrative Services	25,215,821	30,428,378	5,212,557	20.7%
Operational Services:				
Contact Center and Collections	69,210,601	76,585,841	7,375,240	10.7%
Customer Care	835,554	0	(835,554)	100.0%
Information Technology	18,356,303	23,210,398	4,854,095	26.4%
Maintenance	26,568,538	34,536,584	7,968,046	30.0%
Operations	699,500	905,029	205,529	29.4%
Project Delivery	1,841,766	2,669,147	827,381	44.9%
System & Incident Mgmt.	12,371,917	17,414,623	5,042,706	40.8%
Total Operational Services	129,884,179	155,321,622	25,437,443	19.6%
Grand Totals	\$155,100,000	\$185,750,000	\$30,650,000	19.8%

The FY2018 budget of \$185.8 million represents \$155.1 from the NTTA System (same as FY2017 budget) and \$30.7 from combining SPS. All variances not associated with the combining of the systems, that exceed \$50,000, are explained on the following individual department budget and information documents. Additionally, variances that are greater than 15% and \$5,000 are further explained.

Senate Bill number 622 (S.B. 622) requires political subdivisions to include a line item indicating expenditures for notices required by law to be published in a newspaper. This expenditures previously budget in various departments are being consolidated into the line item account "Public Information Fees" with in the Procurement and Business Diversity Department in compliance with the bill and add transparency(see pages 83 and 84).

Estimated Operation and Maintenance Fund Requirements FY2018

Operation Maintenance Fund Estimated Balance as of 1/1/2018		\$30,958,333
Estimated Transfers:		
Revenue Distribution	175,798,081	
Other Funds - Salary Allocations	<u>9,951,919</u>	
Total Transfers		185,750,000
Estimated Expenditures FY2018 Operating Budget		<u>(185,750,000)</u>
Estimated Balance at 12/31/2018		\$30,958,333
Required Balance per Trust Agreement (1/6 of FY2018 Operating Budget)		\$30,958,333



The FY2016 balance was deposited to pay an unusual high number of year end accruals.

Accounting Department

OVERVIEW

As the foundation for a fiscally sound organization, the Accounting Department provides comprehensive financial strategies and solutions, oversight of debt service covenants and compliance with trust agreements. The department is responsible for measuring the Authority's profitability and financial performance with integrity, accuracy, timeliness and transparency. In partnership with its internal and external stakeholders, Accounting will continue in FY2018 its focus on managing costs, performing rigorous financial analyses and delivering tangible results that advance the strategic goal of being a financially sound and vibrant organization.

FY2018 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Financially Sound & Vibrant Organization

- Continuously improve the annual planning process for clarity and added transparency.
- Continue the complete and accurate reporting of the Authority's finances, including producing monthly financial statements, and focusing on development of policies and procedures.
- Produce Comprehensive Annual Financial Report (CAFR) and expand on reporting of TSAs.
- Evaluate and implement electronic banking technology in the area of accounts payable and payment processing.
- Submit new required reporting related to the Affordable Care Act

Delivering Transportation Solutions

- Begin back office processing of payments to TSA partners for new facilities opening in FY2018, which include the SH183 and Loop 12 projects.

Respected Leader & Partner in Region's Transportation Network

- Elevate outreach efforts through regional organizational participation.
- Promote best-in-class business relationships that reflect the diversity of the region.

Highly Qualified, Energized & Engaged Team

- Provide thorough analysis to ensure compliance, illustrate transparency, highlight opportunities, and forewarn of potential hazards.

DEPARTMENTAL FY2018 OPERATION AND MAINTENANCE FUND (OMF) BUDGET – ACCOUNTING

Account	FY2017 Budget	FY2018 Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$1,124,402	\$1,375,540	\$251,138	22.3%
Salaries and Wage-Overtime - (511301)	456	456	0	0.0%
Retirement Contributions - (512401)	150,480	184,000	33,520	22.3%
Meeting Expense - (521101)	2,017	2,308	291	14.4%
Consulting/Professional - (521201)	900	1,023	123	13.7%
Promotional Expenses - (523304)	247	280	33	13.4%
Travel - (523501)	13,264	14,776	1,512	11.4%
Dues & Subscriptions - (523601)	2,862	3,418	556	19.4%
Education and Training - (523701)	7,823	10,505	2,682	34.3%
Licenses - (523801)	566	644	78	13.8%
Office Supplies - (531101)	7,325	8,335	1,010	13.8%
Freight and Express - (531105)	475	537	62	13.1%
Total Expenses	\$1,310,817	\$1,601,822	\$291,005	22.2%

MAJOR FY2018 OMF BUDGET ITEMS

Accounting

The department’s FY2018 OMF budget has increased by \$291,005 from the FY2017 budget. The increase is due to SPS being combined into the NTTA System. All variances not associated with the combining of the systems that are greater than 15.0% and the amount greater than \$5,000 or greater than \$50,000, regardless of percent, are explained below.

- No additional variances.

FY2018 OPERATION AND MAINTENANCE FUND (OMF) BUDGET – SHARED SERVICES

Account	FY2017 Budget	FY2018 Budget	Variance	Variance %
Group Insurance - (512101)	\$8,349,010	\$9,161,931	\$812,921	9.7%
Unemployment Insurance - (512601)	200,000	227,386	27,386	13.7%
OPEB Annual Req'd Contribution - (512602)	1,920,000	0	(1,920,000)	(100.0)%
Worker's Comp Ins - (512701)	331,395	382,573	51,178	15.4%
Rentals - Equipment - (522302)	110,000	124,978	14,978	13.6%
Dues & Subscriptions - (523601)	980	1,120	140	14.3%
Office Supplies - (531101)	51,585	61,091	9,506	18.4%
Total Expenses	\$10,962,970	\$9,959,079	(\$1,003,891)	(9.2)%

MAJOR FY2018 OMF BUDGET ITEMS

Shared Services

Shared Services is a division within Finance where agency-wide expenditures are budgeted. The division’s FY2018 OMF budget has decreased by **(\$1,003,891)** from FY2017 budget. The net reduction is due to SPS being combined into the NTTA System and other post-employment contribution (OPEB) requirements for FY2018. All variances not associated with the combining of the systems that are greater than 15.0% and the amount greater than \$5,000 or greater than \$50,000, regardless of percent, are explained below.

- OPEB annual required contribution decreased by **(\$1,920,000)** due to the total OPEB liability amount already meeting the requirement for FY2018.

ALL FUNDS – ACCOUNTING

The following is a summary of the departmental total budget for OMF and all other funds in the NTTA System FY2018 Budget. (See Other Funds section pages 123-155).

Account	OMF 1001	CF 3700	RMF 1201	CIF 1501	CIF/FSF 1601	Total Budget
Salaries and Wages-Direct - (511101)	\$1,375,540	\$0	\$0	\$0	\$0	\$1,375,540
Salaries and Wage-Overtime - (511301)	456	0	0	0	0	456
Retirement Contributions - (512401)	184,000	0	0	0	0	184,000
Meeting Expense - (521101)	2,308	0	0	0	0	2,308
Consulting/Professional - (521201)	1,023	0	0	0	0	1,023
Promotional Expenses - (523304)	280	0	0	0	0	280
Travel - (523501)	14,776	0	0	0	0	14,776
Dues & Subscriptions - (523601)	3,418	0	0	0	0	3,418
Education and Training - (523701)	10,505	0	0	0	0	10,505
Licenses - (523801)	644	0	0	0	0	644
Office Supplies - (531101)	8,335	0	0	0	0	8,335
Freight and Express - (531105)	537	0	0	0	0	537
FY2018 Totals	\$1,601,822	\$0	\$0	\$0	\$0	\$1,601,822
FY2017 Totals	\$1,310,817	\$0	\$0	\$0	\$0	\$1,310,817
Increase/(Decrease)	\$291,005	\$0	\$0	\$0	\$0	\$291,005

OTHER FUNDS VARIANCE – ACCOUNTING

- CF – \$0
- RMF – \$0
- CIF – \$0
- CIF/FSF – \$0

ALL FUNDS – SHARED SERVICES

Account	OMF 1001	CF 3700	RMF 1201	CIF 1501	CIF/FSF 1601	Total Budget
Group Insurance - (512101)	\$9,161,931	\$0	\$0	\$0	\$0	\$9,161,931
Unemployment Insurance - (512601)	227,386	0	0	0	0	227,386
Worker's Comp Ins - (512701)	382,573	0	0	0	0	382,573
Rentals - Equipment - (522302)	124,978	0	0	0	0	124,978
Dues & Subscriptions - (523601)	1,120	0	0	0	0	1,120
Office Supplies - (531101)	61,091	0	0	0	0	61,091
FY2018 Totals	\$9,959,079	\$0	\$0	\$0	\$0	\$9,959,079
FY2017 Totals	\$10,962,970	\$0	\$0	\$0	\$0	\$10,962,970
Increase/(Decrease)	(\$1,003,891)	\$0	\$0	\$0	\$0	(\$1,003,891)

OTHER FUNDS VARIANCE – SHARED SERVICES

- CF \$0
- RMF \$0
- CIF \$0
- CIF/FSF \$0

360 TOLLWAY BUDGET

The fund was created to account for revenues and expenses in accordance with the project agreement. (See Other Funds section pages 156-158).

- **\$38,955** for allocated accounting and financial functions costs associated with the project.

ENTERPRISE FUND BUDGET

The fund was created to account for revenues and expenses associated with tolling services agreements. (See Other Funds section pages 159-161).

- **\$1,361,773** consisting of \$338,646 allocated costs for the accounting and financial functions associated with the fund and \$1,023,127 from Shared Services for allocated employee group insurance.

POSITION SUMMARY

Accounting Department			
Full-Time Positions	FY2017	FY2018	Difference
Accountant	3	3	0
Accounting Manager	1	1	0
Accounts Payable Manager	1	1	0
Accounts Payable Specialist	2	2	0
Chief Financial Officer	1	1	0
Controller	1	1	0
Executive Assistant to CFO	1	1	0
Financial Services Manager	1	1	0
Financial Systems Analyst	1	1	0
Finance Technician	1	1	0
Payroll Coordinator	1	1	0
Payroll Manager	1	1	0
Senior Finance Analyst	3	3	0
Total Full-Time Positions	18	18	0

- No changes in FTEs.

MAJOR BUSINESS FUNCTIONS

The Accounting Department directs, manages, oversees and measures the overall financial health of NTTA through:

- **Accounting** – The division is responsible for maintaining the general ledger; producing monthly financial statements and ensuring ethical and accurate accounting of the Authority's finances. Accounting is responsible for the completion of the annual external audit and the preparation of the Comprehensive Annual Financial Report (CAFR).
- **Payroll** – The division is responsible for preparing and processing the Authority's bi-weekly payroll and maintaining compliance with all applicable federal and state wage and hour laws and reporting requirements.
- **Accounts Payable** – The division is responsible for timely and accurate payments to NTTA's vendors and customer refunds via twice weekly check runs.
- **Financial Services** – The division is responsible for daily distribution of funds as per NTTA's Trust Agreement as well as processing of payments to TSA partners.

Administration Department

OVERVIEW

Serving as the executive office of the Authority, the Administration Department directs and oversees the strategic planning process and communicates and implements the policies of the NTTA Board of Directors. Through its allocation of resources, the department will continue to administer and oversee the delivery and quality of operational programs, products and services that support the mission.

FY2018 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Customer Driven Organization

- Orchestrate the delivery of NTTA's strategic directives to increase value and mobility options for NTTA customers.

Financially Sound & Vibrant Organization

- Execute performance reporting and trend analysis of organizational-wide metrics to drive the business and meet financial targets.

Delivering Transportation Solutions

- Oversee the delivery of regional transportation and system improvement projects including the execution of NTTA's Five-Year Capital Plan.

Respected Leader & Partner in Region's Transportation Network

- Ensure the organization and its mission, programs, products and services are consistently presented with a strong, positive image to relevant local, state and national transportation stakeholders.
- Develop and foster relationships with local, regional, state and national transportation partners through projects and programs that advance NTTA's mission to meet the region's growing need for transportation infrastructure.

Highly Qualified, Energized & Engaged Team

- Expand employee engagement opportunities to develop and recruit talent and maintain a preferred work environment.
- Set the tone, values and culture of the organization and manage internal communications.

DEPARTMENTAL FY2018 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2017	FY2018	Variance	Variance %
	Budget	Budget		
Salaries and Wages-Direct - (511101)	\$288,760	\$335,241	\$46,481	16.1%
Retirement Contributions - (512401)	32,123	37,381	5,258	16.4%
Meeting Expense - (521101)	2,081	2,382	301	14.5%
Consulting/Professional - (521201)	270,667	273,641	2,974	1.1%
Promotional Expenses - (523304)	14,956	15,246	290	1.9%
Travel - (523501)	13,812	14,760	948	6.9%
Dues & Subscriptions - (523601)	43,739	50,093	6,354	14.5%
Education and Training - (523701)	9,000	9,187	187	2.1%
Office Supplies - (531101)	800	876	76	9.5%
Freight and Express - (531105)	250	274	24	9.6%
Total Expenses	\$676,188	\$739,081	\$62,893	9.3%

MAJOR FY2018 OMF BUDGET ITEMS

The department's FY2018 OMF budget has increased by \$62,893 from FY2017 budget. The increase is due to SPS being combined into the NTTA System. All variances not associated with the combining of the systems that are greater than 15.0% and the amount greater than \$5,000 or greater than \$50,000, regardless of percent, are explained below.

- No additional variances.

ALL FUNDS

The following is a summary of the departmental total budget for OMF and all other funds in the NTTA System FY2018 Budget. (See Other Funds section pages 123-155).

Account	OMF 1001	CF 3700	RMF 1201	CIF 1501	CIF/FSF 1601	Total Budget
Salaries and Wages-Direct - (511101)	\$335,241	\$0	\$0	\$0	\$0	\$335,241
Retirement Contributions - (512401)	37,381	0	0	0	0	37,381
Meeting Expense - (521101)	2,382	0	0	0	0	2,382
Consulting/Professional - (521201)	273,641	0	0	0	0	273,641
Promotional Expenses - (523304)	15,246	0	0	0	0	15,246
Travel - (523501)	14,760	0	0	0	0	14,760
Dues & Subscriptions - (523601)	50,093	0	0	0	0	50,093
Education and Training - (523701)	9,187	0	0	0	0	9,187
Office Supplies - (531101)	876	0	0	0	0	876
Freight and Express - (531105)	274	0	0	0	0	274
FY2018 Totals	\$739,081	\$0	\$0	\$0	\$0	\$739,081
FY2017 Totals	\$676,188	\$0	\$0	\$0	\$0	\$676,188
Increase/(Decrease)	\$62,893	\$0	\$0	\$0	\$0	\$62,893

OTHER FUNDS VARIANCE

- CF - \$0
- RMF - \$0
- CIF - \$0
- CIF/FSF - \$0

360 TOLLWAY BUDGET

The fund was created to account for revenues and expenses in accordance with the project agreement. (See Other Funds section pages 156-158).

- **\$9,437** for allocated administrative costs of the project.

ENTERPRISE FUND BUDGET

The fund was created to account for revenues and expenses associated with tolling services agreements. (See Other Funds section pages 159-161).

- **\$81,998** for allocated administrative costs of the TSA projects.

POSITION SUMMARY

Administration Department			
Full-Time Positions	FY2017	FY2018	Difference
Executive Assistant	1	1	0
Executive Director	1	1	0
Total Full-Time Positions	2	2	0

- No changes in FTEs.

MAJOR BUSINESS FUNCTIONS

The Administration Department provides important direction and oversight as NTTA works to fulfill its mission. Interfacing with internal and external stakeholders, the department manages:

- Board relations and strategic planning
- Communications and planning with stakeholders
- Organizational performance reporting
- Employee engagement

Board of Directors Department

OVERVIEW

The Board of Directors ensures the fiscal integrity of the Authority, preserves and protects NTTA's assets and directs governance policies and practices. Through its allocation of resources, the Board will continue to advocate and monitor progress to achieve strategic goals and objectives and to position the Authority as a partner in meeting the region's growing transportation infrastructure needs.

FY2018 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Financially Sound & Vibrant Organization

- Work with executive leadership to update the strategic plan, promote a cohesive long-term strategy that ensures sustainability, drives performance and fuels Authority growth.

Delivering Transportation Solutions

- Promote regional transportation and system improvement projects aligned with NTTA's mission.

Respected Leader & Partner in Region's Transportation Network

- Engage and regularly advocate with elected officials and stakeholders in support of NTTA's goals.
- Continue to enhance relationships with local, regional, state and national transportation partners through projects and programs supporting NTTA's mission.
- Continue to support and guide NTTA's policy development and review process.
- Conduct Board, Special-Called Board and Committee and Workshop meetings, as necessary and appropriate.

DEPARTMENTAL FY2018 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2017	FY2018	Variance	Variance %
	Budget	Budget		
Salaries and Wages-Direct - (511101)	\$69,440	\$84,810	\$15,370	22.1%
Retirement Contributions - (512401)	9,229	11,252	2,023	21.9%
Meeting Expense - (521101)	47,723	59,697	11,974	25.1%
Travel - (523501)	13,711	15,430	1,719	12.5%
Dues & Subscriptions - (523601)	0	8,500	8,500	100.0%
Office Supplies - (531101)	2,481	2,842	361	14.6%
Freight and Express - (531105)	925	1,099	174	18.8%
Total Expenses	\$143,509	\$183,630	\$40,121	28.0%

MAJOR FY2018 OMF BUDGET ITEMS

The department's FY2018 OMF budget has increased by \$40,121 from FY2017 budget. The increase is mainly due to SPS being combined into the NTTA System. All variances not associated with the combining of the systems that are greater than 15.0% and the amount greater than \$5,000 or greater than \$50,000, regardless of percent, are explained below.

- Dues & Subscriptions increased by \$8,500 for new membership to National Association of Committee Directors.

ALL FUNDS

The following is a summary of the departmental total budget for OMF and all other funds in the NTTA System FY2018 Budget. (See Other Funds section pages 123-155).

Account	OMF	CF	RMF	CIF	CIF/FSF	Total
	1001	3700	1201	1501	1601	Budget
Salaries and Wages-Direct - (511101)	\$84,810	\$0	\$0	\$0	\$0	\$84,810
Retirement Contributions - (512401)	11,252	0	0	0	0	11,252
Meeting Expense - (521101)	59,697	0	0	0	0	59,697
Travel - (523501)	15,430	0	0	0	0	15,430
Dues & Subscriptions - (523601)	8,500	0	0	0	0	8,500
Office Supplies - (531101)	2,842	0	0	0	0	2,842
Freight and Express - (531105)	1,099	0	0	0	0	1,099
FY2018 Totals	\$183,630	\$0	\$0	\$0	\$0	\$183,630
FY2017 Totals	\$143,509	\$0	\$0	\$0	\$0	\$143,509
Increase/(Decrease)	\$40,121	\$0	\$0	\$0	\$0	\$40,121

OTHER FUNDS VARIANCE

- CF \$0
- RMF \$0
- CIF \$0
- CIF/FSF \$0

360 TOLLWAY BUDGET

The fund was created to account for revenues and expenses in accordance with the project agreement. (See Other Funds section pages 156-158).

- **\$1,768** for allocated costs associated with the project.

ENTERPRISE FUND BUDGET

The fund was created to account for revenues and expenses associated with tolling services agreements. (See Other Funds section pages 159-161).

- **\$0**

POSITION SUMMARY

Board Department			
Full-Time Positions	FY2017	FY2018	Difference
Secretary to the Board	1	1	0
Total Full-Time Positions	1	1	0

- No change in FTEs.

MAJOR BUSINESS FUNCTIONS

As the governing body and policy-making function of the North Texas Tollway Authority, the Board of Directors monitors and provides:

- Strategic insight and direction to achieve short and long term business goals and objectives.
- Approval and oversight of NTTA's annual budget process.
- Approval and oversight for the planning, design, construction and operation of NTTA projects, including final approval of contracts over \$300,000.
- Advocacy for NTTA's legislative agenda.
- Review and oversight of all activities related to project financing and internal audit functions.

Cash and Debt Management Department

OVERVIEW

The department manages all short- and long-term financing for the Authority and performs post-issuance administrative functions. In addition, the department is responsible for all banking relationships, cash management, investment portfolio management and continuing disclosure compliance, as well as the establishment and monitoring of all investment, debt, and continuing disclosure policies and procedures.

FY2018 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Financially Sound & Vibrant Organization

- Ensure that sufficient funds are available (liquid) to meet ongoing operation and capital improvement requirements.
- Work with consultants to capitalize on favorable market conditions to lower the cost of borrowing.

Highly Qualified, Energized & Engaged Team

- Provide analysis to ensure compliance with policies and federal/state laws, illustrate transparency and highlight opportunities.

DEPARTMENTAL FY2018 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2017 Budget	FY2018 Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$218,141	\$346,775	\$128,634	59.0%
Retirement Contributions - (512401)	29,984	46,642	16,658	55.6%
Consulting/Professional - (521201)	370,000	448,274	78,274	21.2%
Trustee Fees - (521204)	300,000	345,899	45,899	15.3%
Rating Agency Fees - (521205)	0	25,000	25,000	100.0%
Magazine and Newspaper - (523302)	1,000	0	(1,000)	(100.0)%
Travel - (523501)	5,122	5,743	621	12.1%
Dues & Subscriptions - (523601)	2,563	2,921	358	14.0%
Education and Training - (523701)	4,675	5,228	553	11.8%
Office Supplies - (531101)	594	680	86	14.5%
Freight and Express - (531105)	390	443	53	13.6%
Bank Charges - (573001)	46,890	0	(46,890)	(100.0)%
Total Expenses	\$979,359	\$1,227,605	\$248,246	25.3%

MAJOR FY2018 OMF BUDGET ITEMS

The department's FY2018 OMF budget has increased by \$248,246 from FY2017 budget. The net increase is mainly due to SPS being combined into the NTTA System. All variances not associated with the combining of the systems that are greater than 15.0% and the amount greater than \$5,000 or greater than \$50,000, regardless of percent, are explained below.

- Bank charges decreased by (\$46,890) due to fees being offset by account balances.

ALL FUNDS

The following is a summary of the departmental total budget for OMF and all other funds in the NTTA System FY2018 Budget. (See Other Funds section pages 123-155).

Account	OMF 1001	CF 3700	RMF 1201	CIF 1501	CIF/FSF 1601	Total Budget
Salaries and Wages-Direct - (511101)	\$346,775	\$0	\$0	\$0	\$0	\$346,775
Retirement Contributions - (512401)	46,642	0	0	0	0	46,642
Consulting/Professional - (521201)	448,274	0	0	67,900	0	516,174
Trustee Fees - (521204)	345,899	0	0	189,500	0	535,399
Rating Agency Fees - (521205)	25,000	0	0	91,000	0	116,000
Remarketing/Loc Provider Fees - (521206)	0	0	0	2,180,167	0	2,180,167
Magazine and Newspaper - (523302)	0	0	0	0	0	0
Travel - (523501)	5,743	0	0	0	0	5,743
Dues & Subscriptions - (523601)	2,921	0	0	0	0	2,921
Education and Training - (523701)	5,228	0	0	0	0	5,228
Office Supplies - (531101)	680	0	0	0	0	680
Freight and Express - (531105)	443	0	0	0	0	443
Bank Charges - (573001)	0	0	0	0	0	0
FY2018 Totals	\$1,227,605	\$0	\$0	\$2,528,567	\$0	\$3,756,172
FY2017 Totals	\$979,359	\$1,758,965	\$0	\$2,074,400	\$0	\$4,812,724
Increase/(Decrease)	\$248,246	(\$1,758,965)	\$0	\$454,167	\$0	(\$1,056,552)

OTHER FUNDS VARIANCE

- **CF - (\$1,758,965)** The Construction Fund decreased from FY2017 budget, due to closing the fund and migrating remaining financial costs to the Capital Improvement Fund.
- **RMF - \$0**
- **CIF - \$454,167** The Capital Improvement Fund increase from FY2017 budget, due to consolidating the Construction Fund financial costs.
- **CIF/FSF - \$0**

360 TOLLWAY BUDGET

The fund was created to account for revenues and expenses in accordance with the project agreement. (See Other Funds section pages 156-158).

- **\$7,036** for allocated costs associated with the cash and debt management of the project.

ENTERPRISE FUND BUDGET

The fund was created to account for revenues and expenses associated with tolling services agreements. (See Other Funds section pages 159-161).

- **\$61,141** for allocated costs associated with the cash management of the project.

POSITION SUMMARY

Cash and Debt Department			
Full-Time Positions	FY2017	FY2018	Difference
Administrative Assistant	1	1	0
Debt Manager	1	1	0
Director of Cash & Debt Management	1	1	0
Treasury Investment Manager	1	1	0
Total Full-Time Positions	4	4	0

- No change in FTEs.

MAJOR BUSINESS FUNCTIONS

- Manages all matters relating to short- and long-term financing.
- Performs all post-issuance administrative functions including continuing disclosure.
- Responsible for all banking relationships, cash management and investment portfolio management.
- Establish and monitor compliance with all investment, debt and continuing disclosure policies and procedures.

Financial Planning and Analysis Department

OVERVIEW

The department is responsible for the planning, development and maintenance of the annual budgets and Five-Year-Capital Plan. The department also provides internal monthly and quarterly financial reports, long range and metric analysis, board and committee presentation materials and any requested ad-hoc analysis. It serves as the liaison to all departments to help forecast and manage departmental operation and project budgets and to ensure continuing feedback on financial matters.

FY2018 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Financially Sound & Vibrant Organization

- Continuously improve the annual plan process for clarity and more transparency.
- Produce a Five-Year Capital Plan based on best estimates for future planning.
- Meet monthly/quarterly with all departments on budget variance reviews. Assign scorecards and metrics to measure departmental efficiencies and opportunities for improvement.
- Develop short-term and long-term forecasts to identify risks and determine future resource needs.
- Continue the complete and accurate reporting of the Authority's finances, including producing monthly financial statements, and focus on development of policies and procedures.

Highly Qualified, Energized & Engaged Team

- Provide thorough analysis to ensure compliance, illustrate transparency, highlight opportunities and forewarn of potential hazards.

DEPARTMENTAL FY2018 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2017 Budget	FY2018 Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$397,026	\$488,151	\$91,125	23.0%
Retirement Contributions - (512401)	54,688	66,476	11,788	21.6%
Consulting/Professional - (521201)	50,700	211,200	160,500	316.6%
Traffic Engineering Fees - (521207)	648,200	1,188,199	539,999	83.3%
Travel - (523501)	5,200	5,835	635	12.2%
Dues & Subscriptions - (523601)	650	740	90	13.8%
Education and Training - (523701)	2,500	2,816	316	12.6%
Office Supplies - (531101)	2,200	2,489	289	13.1%
Freight and Express - (531105)	170	192	22	12.9%
Total Expenses	\$1,161,334	\$1,966,098	\$804,764	69.3%

MAJOR FY2018 OMF BUDGET ITEMS

The department's FY2018 OMF budget has increased by \$804,764 from FY2017 budget. The increase is due to combining of the SPS and the NTTA into a single system. All variances that exceed \$50,000 but are not associated with the combining of the two systems are addressed below. Additionally variances that are both greater than 15.0% and \$5,000 are also explained.

- No additional variances.

ALL FUNDS

The following is a summary of the departmental total budget for OMF and all other funds in the NTTA System FY2018 Budget. (See Other Funds section pages 123-155).

Account	OMF 1001	CF 3700	RMF 1201	CIF 1501	CIF/FSF 1601	Total Budget
Salaries and Wages-Direct - (511101)	\$488,151	\$0	\$0	\$0	\$0	\$488,151
Retirement Contributions - (512401)	66,476	0	0	0	0	66,476
Consulting/Professional - (521201)	211,200	0	0	0	0	211,200
Traffic Engineering Fees - (521207)	1,188,199	0	0	300,000	0	1,488,199
Travel - (523501)	5,835	0	0	0	0	5,835
Dues & Subscriptions - (523601)	740	0	0	0	0	740
Education and Training - (523701)	2,816	0	0	0	0	2,816
Office Supplies - (531101)	2,489	0	0	0	0	2,489
Freight and Express - (531105)	192	0	0	0	0	192
FY2018 Totals	\$1,966,098	\$0	\$0	\$300,000	\$0	\$2,266,098
FY2017 Totals	\$1,161,334	\$0	\$0	\$0	\$0	\$1,161,334
Increase/(Decrease)	\$804,764	\$0	\$0	\$300,000	\$0	\$1,104,764

OTHER FUNDS VARIANCE

- **CF - \$0**
- **RMF - \$0**
- **CIF - \$300,000** The Capital Improvement Fund increased due to traffic and revenue study conducted every two years.
- **CIF/FSF - \$0**

360 TOLLWAY BUDGET

The fund was created to account for revenues and expenses in accordance with the project agreement. (See Other Funds section pages 156-158).

- **\$12,517** allocated costs for the financial planning and analysis functions associated with the project.

ENTERPRISE FUND BUDGET

The fund was created to account for revenues and expenses associated with tolling services agreements. (See Other Funds section pages 159-161).

- **\$108,767** allocated costs for the financial planning and analysis functions associated with the fund.

POSITION SUMMARY

Financial Planning and Analysis Department			
Full-Time Positions	FY2017	FY2018	Difference
Administrative Assistant	1	1	0
Budget & Compliance Manager	1	1	0
Director of Financial Planning and Analysis	1	1	0
Finance Planning Manager	1	1	0
Senior Finance Analyst	2	2	0
Total Full-Time Positions	6	6	0

- No changes in FTEs.

MAJOR BUSINESS FUNCTIONS

- Directs and oversees all aspects of preparing, integrating and presenting the annual budgeting process.
- Partners with external consultants to develop and maintain planning tools.
- Works with management to define performance metrics to measure organizational performance.
- Leads and develop the agency-wide planning process.
- Develops and maintain financial planning models.
- Develops and oversee a full range of financial analyses to support periodic reviews with Executive Director, CFO and Board of Directors.

Human Resources Department

OVERVIEW

The Human Resources Department supports the mission of NTTA by administering comprehensive and high-quality employee programs and services to prospective, current and former employees. The FY2018 budget will enable the department to provide a greater level of service in employee and labor relations, compensation and benefits, recruiting and retaining top talent, training and development, organizational design and process improvement and maintaining a high level of employee engagement and satisfaction.

FY2018 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Highly Qualified, Energized & Engaged Team

- Work with each department to develop, communicate and implement action plans based on the 2017 employee survey results. Work with the Executive Director and Assistant Executive Directors to create a “three-deep bench” succession plan for directors and above.
- Conduct the first performance review process based upon the switch in 2017 from a competency-based to a goals-based merit system.
- Continue to conduct desk audits to ensure consistency between duties performed and the job description content for all NTTA positions.
- Continue to conduct leadership training courses to develop our management team and provide consistency in the interpretation and administration of policies and procedures.
- Improve employee engagement and retention strategies.
- Work in collaboration with all NTTA departments to identify and remedy skills gaps and improve bench strength through training, succession planning and other developmental strategies.
- Rollout a new applicant tracking system to enhance NTTA’s ability to attract and retain highly-qualified staff and create bench strength for future roles. This system will integrate with other HR systems.

DEPARTMENTAL FY2018 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2017 Budget	FY2018 Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$748,854	\$912,514	\$163,660	21.9%
Salaries and Wages-Internship - (511202)	51,528	46,176	(5,352)	(10.4)%
Salaries and Wage-Overtime - (511301)	2,396	2,396	0	0.0%
Retirement Contributions - (512401)	101,158	116,753	15,595	15.4%
Retirement Contr.-Internship - (512402)	6,712	6,119	(593)	(8.8)%
Tuition Reimbursement - (512501)	27,913	31,575	3,662	13.1%
Meeting Expense - (521101)	7,525	8,418	893	11.9%
Consulting/Professional - (521201)	141,258	162,551	21,293	15.1%
Recruitment - (523301)	138,856	157,820	18,964	13.7%
Promotional Expenses - (523304)	72,180	81,057	8,877	12.3%
Travel - (523501)	5,740	6,371	631	11.0%
Dues & Subscriptions - (523601)	5,568	8,440	2,872	51.6%
Education and Training - (523701)	77,339	87,669	10,330	13.4%
Temporary Contract Labor - (523851)	5,000	6,594	1,594	31.9%
Office Supplies - (531101)	4,460	5,065	605	13.6%
Freight and Express - (531105)	679	752	73	10.8%
Total Expenses	\$1,397,167	\$1,640,270	\$243,103	17.4%

MAJOR FY2018 BUDGET ITEMS

The department's FY2018 OMF budget has increased by \$243,103 from FY2017 budget. The increase is due to SPS being combined into the NTTA System. All variances not associated with the combining of the systems that are greater than 15.0% and the amount greater than \$5,000 or greater than \$50,000, regardless of percent, are explained below.

- No additional variances.

ALL FUNDS

The following is a summary of the departmental total budget for OMF and all other funds in the NTTA System FY2018 Budget. (See Other Funds section pages 123-155).

Account	OMF 1001	CF 3700	RMF 1201	CIF 1501	CIF/FSF 1601	Total Budget
Salaries and Wages-Direct - (511101)	\$912,514	\$0	\$0	\$0	\$0	\$912,514
Salaries and Wages-Internship - (511202)	46,176	0	0	0	0	46,176
Salaries and Wage-Overtime - (511301)	2,396	0	0	0	0	2,396
Retirement Contributions - (512401)	116,753	0	0	0	0	116,753
Retirement Contr.-Internship - (512402)	6,119	0	0	0	0	6,119
Tuition Reimbursement - (512501)	31,575	0	0	0	0	31,575
Meeting Expense - (521101)	8,418	0	0	0	0	8,418
Consulting/Professional - (521201)	162,551	0	0	0	0	162,551
Recruitment - (523301)	157,820	0	0	0	0	157,820
Promotional Expenses - (523304)	81,057	0	0	0	0	81,057
Travel - (523501)	6,371	0	0	0	0	6,371
Dues & Subscriptions - (523601)	8,440	0	0	0	0	8,440
Education and Training - (523701)	87,669	0	0	0	0	87,669
Temporary Contract Labor - (523851)	6,594	0	0	0	0	6,594
Office Supplies - (531101)	5,065	0	0	0	0	5,065
Freight and Express - (531105)	752	0	0	0	0	752
FY2018 Totals	\$1,640,270	\$0	\$0	\$0	\$0	\$1,640,270
FY2017 Totals	\$1,397,167	\$0	\$0	\$0	\$0	\$1,397,167
Increase/(Decrease)	\$243,103	\$0	\$0	\$0	\$0	\$243,103

OTHER FUNDS VARIANCE

- CF \$0
- RMF \$0
- CIF \$0
- CIF/FSF \$0

360 TOLLWAY BUDGET

The fund was created to account for revenues and expenses in accordance with the project agreement. (See Other Funds section pages 156-158).

- **\$23,362** allocated costs for the employee and benefits functions associated with the project.

ENTERPRISE FUND BUDGET

The fund was created to account for revenues and expenses associated with tolling services agreements. (See Other Funds section pages 159-161).

- **\$202,990** allocated costs for the employee and benefits functions associated with the fund.

POSITION SUMMARY

Human Resources Department			
Full-Time Positions	FY2017	FY2018	Difference
Assistant Director of Human Resources	1	1	0
Benefits Support Analyst	1	1	0
Compensation/Benefits Analyst	1	1	0
Compensation/Benefits Manager	1	1	0
Director of Human Resources	1	1	0
HR Training Manager	1	1	0
HRIS Systems Analyst	1	1	0
Human Resources Coordinator	1	1	0
Human Resources Generalist I	1	1	0
Receptionist	1	1	0
Recruiter	1	1	0
Senior Human Resources Generalist	2	2	0
Total Full-Time Positions	13	13	0
Temporary Positions	FY2017	FY2018	Difference
Interns	8	8	0
Total Part-Time Positions	8	8	0

- No changes to FTEs.

MAJOR BUSINESS FUNCTIONS

The Human Resources Department trains and develops NTTA employees to augment skills necessary to drive the business and comply with local, state and federal laws and regulations. To achieve a highly qualified and engaged team and align human capital with organizational performance, the department manages the following programs:

- **Total Rewards - Compensation and Benefits Services** – Total Rewards is considered the total remuneration provided to employees and summarizes the value of both financial and non-financial elements in the employment package (i.e. salary, incentives, benefits and perquisites).
- **Employee Development and Training Services** – The framework for helping employees develop their personal and organizational skills, knowledge and abilities. Training focuses on developing a workforce where the organization and individual employee can accomplish their work goals in service to both internal and external customers.
- **Employment Sourcing and Recruitment Services** – Commitment to attract and retain top talent to increase productivity and help drive the business forward. Commitment to the continuous refinement of recruitment strategies that enable the organization to build bench strength.
- **Employee Relations** – The outreach, plan and process of developing, implementing, administering and analyzing the employer-employee relationship, and providing management and employees with professional, discreet and timely counsel regarding the interpretation and consistent application of policy.
- **Performance Management** – A continuous process of communicating and clarifying job responsibilities, priorities and performance expectations in order to ensure mutual understanding between supervisor and employee. A philosophy which values and encourages employee development provides frequent feedback and fosters teamwork.

- **HR Administration – Policies and Procedure** - The daily administration of all employee-related work activities for NTTA with policies and procedures that are intended to serve as guidelines to assist in the uniform and consistent administration of employee policies.

Internal Audit Department

OVERVIEW

The Internal Audit department provides independent and objective assurance and consulting services guided by a philosophy of adding value to improve NTTA operations. Internal Audit helps the Authority accomplish its objectives through a systematic, disciplined approach to evaluate risks, internal controls and governance. Audits encompass all areas including but not limited to operations, financial compliance and information systems/technology.

FY2018 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Customer Driven Organization

- Continue to participate on NTTA initiatives that have direct impact externally.

Financially Sound & Vibrant Organization

- Complete assurance and consulting projects identified by a risk-based assessment and through management requests.
- Continue to monitor the Chase Paymentech instant alerts.
- Continue developing and implementing the enterprise risk management function.
- Provide a review of TCDRS SOC1

Highly Qualified, Energized & Engaged Team

- Continue to monitor the NTTA's ethics hotline.

DEPARTMENTAL FY2018 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2017 Budget	FY2018 Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$638,835	\$667,625	\$28,790	4.5%
Retirement Contributions - (512401)	85,432	89,943	4,511	5.3%
Meeting Expense - (521101)	575	646	71	12.3%
Consulting/Professional - (521201)	42,177	197,763	155,586	368.9%
Auditing Fees - (521203)	127,930	198,029	70,099	54.8%
Postage - (523201)	89	100	11	12.4%
Magazine and Newspaper - (523302)	342	0	(342)	(100.0)%
Travel - (523501)	9,873	11,381	1,508	15.3%
Dues & Subscriptions - (523601)	4,508	5,060	552	12.2%
Education and Training - (523701)	10,766	12,216	1,450	13.5%
Licenses - (523801)	713	801	88	12.3%
Office Supplies - (531101)	2,498	2,828	330	13.2%
Freight and Express - (531105)	0	19	19	100.0%
Books & Periodicals - (531401)	1,430	1,600	170	11.9%
Total Expenses	\$925,168	\$1,188,011	\$262,843	28.4%

MAJOR FY2018 OMF BUDGET ITEMS

The department's FY2018 OMF budget has increased by \$263,227 from FY2017 budget. The increase is mainly due to SPS being combined into the NTTA System. All variances not associated with the combining of the systems that are greater than 15.0% and the amount greater than \$5,000 or greater than \$50,000, regardless of percent, are explained below.

- Consulting Professional Fees increased \$150,000 to augment internal resources when specialists are needed to perform assurance audits.

ALL FUNDS

The following is a summary of the departmental total budget for OMF and all other funds in the NTTA System FY2018 Budget. (See Other Funds section pages 123-155).

Account	OMF 1001	CF 3700	RMF 1201	CIF 1501	CIF/FSF 1601	Total Budget
Salaries and Wages-Direct - (511101)	\$667,625	\$0	\$0	\$0	\$0	\$667,625
Retirement Contributions - (512401)	89,943	0	0	0	0	89,943
Meeting Expense - (521101)	646	0	0	0	0	646
Consulting/Professional - (521201)	197,763	0	0	0	0	197,763
Auditing Fees - (521203)	198,029	69,780	11,630	23,260	0	302,699
Postage - (523201)	100	0	0	0	0	100
Magazine and Newspaper - (523302)	0	0	0	0	0	0
Travel - (523501)	11,381	0	0	0	0	11,381
Dues & Subscriptions - (523601)	5,060	0	0	0	0	5,060
Education and Training - (523701)	12,216	0	0	0	0	12,216
Licenses - (523801)	801	0	0	0	0	801
Office Supplies - (531101)	2,828	0	0	0	0	2,828
Freight and Express - (531105)	19	0	0	0	0	19
Books & Periodicals - (531401)	1,600	0	0	0	0	1,600
FY2018 Totals	\$1,188,011	\$69,780	\$11,630	\$23,260	\$0	\$1,292,681
FY2017 Totals	\$925,168	\$69,780	\$11,630	\$23,260	\$0	\$1,029,838
Increase/(Decrease)	\$262,843	\$0	\$0	\$0	\$0	\$262,843

OTHER FUNDS VARIANCE

- CF - \$0
- RMF- \$0
- CIF - \$0
- CIF/FSF - \$0

360 TOLLWAY BUDGET

The fund was created to account for revenues and expenses associated with the project agreement. (See Other Funds section pages 156-158).

- **\$70,004** allocated costs associated with audit requirements of the project.

ENTERPRISE FUND BUDGET

The fund was created to account for revenues and expenses associated with tolling services agreements. (See Other Funds section pages 159-161).

- **\$186,440** allocated costs associated with audit requirements of the TSA projects.

POSITION SUMMARY

Internal Audit Department			
Full-Time Positions	FY2017	FY2018	Difference
Administrative Assistant	1	1	0
Assistant Director of Internal Audit	1	1	0
Director of Internal Audit	1	1	0
Enterprise Risk Specialist	0	1	1
Information Technology Auditor	2	2	0
Internal Audit Analyst	1	1	0
Internal Audit Manager	1	0	(1)
Internal Auditor	1	1	0
Senior Internal Auditor	1	1	0
Total Full-Time Positions	9	9	0

- No changes to FTEs, only re-classification of positions.

MAJOR BUSINESS FUNCTIONS

The Internal Audit Department leverages its budget to evaluate and provide objective analysis of NTTA business functions and operations through:

- **Annual risk assessment** – Performed to identify the higher risk areas.
- **Assurance audits** – Provide an objective examination of evidence to provide an independent assessment on governance, risk management and control processes.
- **Consulting services** – Intended to add value and improve NTTA's governance, risk assessment and control processes without internal audit assuming management responsibilities.
- **Ethics and Fraud Hotline** – Monitors to ensure items are resolved.
- **Enterprise Risk Management** – Function is being established; includes the methods and processes used to identify and manage risks by management.

Legal Services Department

OVERVIEW

The Legal Services Department supports NTTA's mission by providing, through its own staff and the prudent and monitored use of highly skilled outside legal experts, an array of high-quality legal services at reasonable expense for NTTA.

FY2018 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Customer-Driven Organization

- Deliver legal services in an efficient and cost-effective manner.
- Provide timely and responsive legal advice and counsel to the Board and staff.

Financially Sound and Vibrant Organization

- Ensure that NTTA is receiving legal services commensurate with outside counsel expenditures.
- Working with staff, provide legal support for cybersecurity compliance and optimization.
- Work with internal finance managers and outside bond counsel on bond and refinancing documents, and support the Board's discharge of its resulting legal obligations.
- Protect NTTA's intellectual property from misuse, appropriation, or diminution.

Delivering Transportation Solutions

- Support efforts to deliver needed infrastructure for the region via timely and prudent agreements with project stakeholders.
- Working with staff, provide legal support for agreements necessary for the operation of system assets

Respected Leader & Partner in Region's Transportation Network

- Develop relationships in the regional transportation community to further NTTA's long-range legal and transportation goals.
- Stay current with emerging legal theories or challenges that may pose harm to NTTA and develop responsive strategies.
- Seek diversity in the retention of outside counsel and other providers.

Highly Qualified, Energized, and Engaged Team

- Evaluate and implement legal training as needed or requested.
- Develop a comprehensive and easily-accessible repository of legal research and forms.
- Oversee, evaluate, coordinate and manage existing and pending NTTA policies and procedures.
- Work with the Board and staff related to conflicts-of-interest and other ethics-related duties under NTTA's Ethics Policies, applicable statutes, and common law.

DEPARTMENTAL FY2018 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2017	FY2018	Variance	Variance %
	Budget	Budget		
Salaries and Wages-Direct - (511101)	\$572,018	\$661,640	\$89,622	15.7%
Salaries and Wages-Internship - (511202)	128,040	128,584	544	0.4%
Retirement Contributions - (512401)	77,511	87,541	10,030	12.9%
Retirement Contr.-Internship - (512402)	16,696	16,966	270	1.6%
Meeting Expense - (521101)	600	600	0	0.0%
Legal Fees - (521202)	1,820,000	2,086,669	266,669	14.7%
Travel - (523501)	11,652	12,869	1,217	10.4%
Dues & Subscriptions - (523601)	53,034	77,763	24,729	46.6%
Education and Training - (523701)	3,038	3,423	385	12.7%
Office Supplies - (531101)	37,066	42,129	5,063	13.7%
Freight and Express - (531105)	484	537	53	11.0%
Total Expenses	\$2,720,139	\$3,118,721	\$398,582	14.7%

MAJOR FY2018 BUDGET ITEMS

The department's FY2018 OMF budget has increased by \$398,582 from the FY2017 budget. The increase is due to SPS being combined into the NTTA System. All variances not associated with the combining of the systems that are greater than 15.0% and the amount greater than \$5,000 or greater than \$50,000, regardless of percent, are explained below.

- Dues and Subscriptions increased \$18,000 due to a new subscription to a bankruptcy software service.

ALL FUNDS

The following is a summary of the departmental total budget for OMF and all other funds in the NTTA System FY2018 Budget. (See Other Funds section pages 123-155).

Account	OMF	CF	RMF	CIF	CIF/FSF	Total
	1001	3700	1201	1501	1601	Budget
Salaries and Wages-Direct - (511101)	\$661,640	\$0	\$0	\$0	\$0	\$661,640
Salaries and Wages-Internship - (511202)	128,584	0	0	0	0	128,584
Retirement Contributions - (512401)	87,541	0	0	0	0	87,541
Retirement Contr.-Internship - (512402)	16,966	0	0	0	0	16,966
Meeting Expense - (521101)	600	0	0	0	0	600
Legal Fees - (521202)	2,086,669	48,000	41,000	1,993,000	150,000	4,318,669
Travel - (523501)	12,869	0	0	0	0	12,869
Dues & Subscriptions - (523601)	77,763	0	0	0	0	77,763
Education and Training - (523701)	3,423	0	0	0	0	3,423
Office Supplies - (531101)	42,129	0	0	0	0	42,129
Freight and Express - (531105)	537	0	0	0	0	537
FY2018 Totals	\$3,118,721	\$48,000	\$41,000	\$1,993,000	\$150,000	\$5,350,721
FY2017 Totals	\$2,720,139	\$50,000	\$50,000	\$2,000,000	\$150,000	\$4,970,139
Increase/(Decrease)	\$398,582	(\$2,000)	(\$9,000)	(\$7,000)	\$0	\$380,582

OTHER FUNDS VARIANCE

- **CF** – Decreased by **(\$2,000)** due to legal notices budgeted in Procurement and Business Diversity.
- **RMF** – Decreased by **(\$9,000)** due to legal notices budgeted in Procurement and Business Diversity.
- **CIF** – Decreased by **(\$7,000)** due to legal notices budgeted in Procurement and Business Diversity.
- **CIF/FSF** – **\$0**

360 TOLLWAY BUDGET

The fund was created to account for revenues and expenses associated with the project agreement. (See Other Funds section pages 156-158).

- **\$13,924** for allocated costs associated with legal services for the project.

ENTERPRISE FUND BUDGET

The fund was created to account for revenues and expenses associated with tolling services agreements. (See Other Funds section, pages 159-161).

- **\$170,982** for allocated and direct costs associated with legal services for TSAs.

POSITION SUMMARY

Legal Services Department			
Full-Time Positions	FY2017	FY2018	Difference
Assist Executive Director, General Counsel	1	1	0
Director, Assistant General Counsel	1	1	0
Bankruptcy Specialist	1	1	0
Executive Assistant	1	1	0
Executive Assistant to AED	1	1	0
Paralegal	1	1	0
Records Retention Coordinator	1	1	0
Total Full-Time Positions	7	7	0
Part-Time & Temporary Positions	FY2017	FY2018	Difference
P/T Intern-Legal (Law Students)	3	3	0
Total Part-Time Positions	3	3	0

- No changes to FTEs.

MAJOR BUSINESS FUNCTIONS

To provide high-quality, cost-effective support for NTTA's mission and to protect and advance NTTA's interests, the Legal Services Department provides the following professional services:

- Provide legal advice and counsel on a wide variety of issues for all departments
- Assist in negotiating and drafting agreements
- Conduct ethics training for new employees
- Respond to Public Information Act requests, subpoenas, search warrants, and court orders
- Support collections and toll-enforcement efforts
- Direct, coordinate, and oversee outside legal counsel's services
- Oversee policies and procedures
- Supervise litigation matters (including dispute resolution)

- Provide prompt and effective counsel upon identification of a significant legal issue
- Protect intellectual property
- Counsel Board and staff on open meetings, bylaws, and ethics policies
- Review Board documents and supervise Board Secretary
- Serve as Parliamentarian at Board meetings
- Administer document retention
- Manage legal risk

Procurement and Business Diversity Department

OVERVIEW

The department is responsible for: the procurement of all Authority supplies, services and construction purchases; ensuring fairness is maintained throughout the purchasing process; inclusion and reporting of Disadvantaged, Minority, Women-Owned, and Small Business Enterprises (D/M/W/SBEs); and managing and maintaining requisitions, purchase orders and contracts. The division also coordinates and manages the formal bid process including requests for bids, proposals and quotations.

FY2018 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Customer Driven Organization

- Collaborate with other departments to develop the necessary contracts and procurement strategies that best support operations while delivering a high quality level of customer service.
- Ensure the inclusion of disadvantaged, minority, women-owned, and small business enterprises (D/M/W/B/SBEs) as part of NTTA's strategic sourcing and procurement process.

Financially Sound & Vibrant Organization

- Seek savings opportunities and improvements by negotiating better pricing as well as procuring goods and general services from alternative sources.
- Evaluate procurements for cost savings and fiscal reasonability. This is accomplished by evaluating total spend of the authority and, analyzing the market analysis to determine the best procurement methods.
- Monitor and report progress toward achieving business diversity goals and objectives with an emphasis on continuous improvement.
- Communicate business diversity metrics on a regular basis. The defined metrics are: diversity spends compliance, prime performance, outreach, certification and organizational performance.

Delivering Transportation Solutions

- Collaborate with other departments to develop necessary contracts for supporting operations and planned roadway improvements.

Respected Leader & Partner in Region's Transportation Network

- Elevate outreach efforts through regional organizational participation.
- Promote best-in-class business relationships that reflect the diversity of the region.

Highly Qualified, Energized & Engaged Team

- Develop, train and increase certified purchasing professionals to achieve and maintain a high level of performance.
- Provide thorough analysis to ensure compliance, illustrate transparency, highlight opportunities and forewarn of potential hazards.

DEPARTMENTAL FY2018 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2017	FY2018	Variance	Variance %
	Budget	Budget		
Salaries and Wages-Direct - (511101)	\$1,036,959	\$1,396,928	\$359,969	34.7%
Salaries and Wage-Overtime - (511301)	1,947	1,947	0	0.0%
Retirement Contributions - (512401)	137,618	185,290	47,672	34.6%
Meeting Expense - (521101)	1,329	1,571	242	18.2%
Consulting/Professional - (521201)	1,809	2,030	221	12.2%
Public Information Fees - (523203)	5,284	22,416	17,132	324.2%
Promotional Expenses - (523304)	56,783	64,988	8,205	14.4%
Printing and Photographic - (523401)	1,000	1,122	122	12.2%
Travel - (523501)	13,052	14,670	1,618	12.4%
Dues & Subscriptions - (523601)	76,904	87,452	10,548	13.7%
Education and Training - (523701)	23,316	25,705	2,389	10.2%
Licenses - (523801)	3,540	3,892	352	9.9%
Office Supplies - (531101)	3,989	4,524	535	13.4%
Freight and Express - (531105)	119	140	21	17.6%
Total Expenses	\$1,363,649	\$1,812,675	\$449,026	32.9%

MAJOR FY2018 OMF BUDGET ITEMS

The department's FY2018 OMF budget has increased by \$432,568 from FY2017 budget. The increase is due to SPS being combined into the NTTA System and two new positions. All variances not associated with the combining of the systems that are greater than 15.0% and the amount greater than \$5,000 or greater than \$50,000, regardless of percent, are explained below.

- Salaries and Wages-Direct increased by \$359,969 due to two new positions adding \$160,000; the remaining is for the combining of the systems.
- Retirement Contributions increased by \$47,672 commensurate with salaries.
- Public Information Fees increased by \$17,132 due to consolidating legal notices previously budgeted in various departments. This is compliant with S.B. 622 requirements and gives better transparency.

ALL FUNDS

The following is a summary of the departmental total budget for OMF and all other funds in the NTTA System FY2018 Budget. (See Other Funds section pages 123-155).

Account	OMF 1001	CF 3700	RMF 1201	CIF 1501	CIF/FSF 1601	Total Budget
Salaries and Wages-Direct - (511101)	\$1,396,928	\$0	\$0	\$0	\$0	\$1,396,928
Salaries and Wage-Overtime - (511301)	1,947	0	0	0	0	1,947
Retirement Contributions - (512401)	185,290	0	0	0	0	185,290
Meeting Expense - (521101)	1,571	0	0	0	0	1,571
Consulting/Professional - (521201)	2,030	0	0	0	0	2,030
Public Information Fees - (523302)	22,416	2,000	9,000	7,000	0	40,416
Promotional Expenses - (523304)	64,988	0	0	0	0	64,988
Printing and Photographic - (523401)	1,122	0	0	0	0	1,122
Travel - (523501)	14,670	0	0	0	0	14,670
Dues & Subscriptions - (523601)	87,452	0	0	0	0	87,452
Education and Training - (523701)	25,705	0	0	0	0	25,705
Licenses - (523801)	3,892	0	0	0	0	3,892
Office Supplies - (531101)	4,524	0	0	0	0	4,524
Freight and Express - (531105)	140	0	0	0	0	140
FY2018 Totals	\$1,812,675	\$2,000	\$9,000	\$7,000	\$0	\$1,830,675
FY2017 Totals	\$1,363,649	\$0	\$0	\$150,000	\$0	\$1,513,649
Increase/(Decrease)	\$449,026	\$2,000	\$9,000	(\$143,000)	\$0	\$317,026

OTHER FUNDS VARIANCE

- **CF** - \$2,000 increase due to consolidating legal notices previously budgeted in various departments. This is compliant with S.B. 622 requirements and gives better transparency.
- **RMF** - \$9,000 increase due to consolidating legal notices previously budgeted in various departments. This is compliant with S.B. 622 requirements and gives better transparency.
- **CIF** - **(\$143,000)** net decrease due to no longer budgeting for a \$150,000 availability and disparity study on minority business conducted in FY2017 and consolidating legal notices previously budgeted in various departments. This is compliant with S.B. 622 requirements and gives better transparency..
- **CIF/FSF** - **\$0**

360 TOLLWAY BUDGET

The fund was created to account for revenues and expenses in accordance to the project agreement. (See Other Funds section pages 156-158).

- **\$24,501** for allocated costs associated with procurement process for the project.

ENTERPRISE FUND BUDGET

The fund was created to account for revenues and expenses associated with tolling services agreements. (See Other Funds section pages 159-161).

- **\$0**

POSITION SUMMARY

Procurement and Business Diversity Department			
Full-Time Positions	FY2017	FY2018	Difference
Procurement Services	11	13	2
Assistant Director of Procurement	1	1	0
Contract Manager	0	1	1
Procurement Analyst	1	1	0
Procurement Specialist	2	2	0
Purchase Order Specialist	1	1	0
Senior Contract Administrator	0	1	1
Senior Director Procurement and Business Diversity	1	1	0
Senior Procurement Specialist	4	4	0
Senior Purchase Order Specialist	1	1	0
Business Diversity Department	5	5	0
Asst. Director B/D	1	0	(1)
Bus. Diversity Liaison	1	1	0
Business Diversity Compliance Analyst	1	1	0
Director of Business Diversity	1	1	0
Manager of Business Diversity	0	1	1
Outreach Coordinator	1	1	0
Total Full-Time Positions	16	18	2

- The Procurement Services department added one Contract Manager and one Senior Contract Administrator to help improve efficiency; diminish risk and reduce “off contract” spending.
- The changes in Business Diversity are re-classification of positions.

MAJOR BUSINESS FUNCTIONS

- Procurement of all supplies, services and construction needs of the Authority.
- Ensuring fairness is maintained throughout the purchasing process.
- Inclusion and reporting of Disadvantaged, Minority, Women-Owned, and Small Business Enterprises (D/M/W/SBEs).
- Managing and maintaining requisitions, purchase orders and contracts.
- Coordinating and managing the formal bid process, including RFBs, RFPs and RFQs.
- Creating and maintaining procurement policies and procedures.

Public Affairs Department

OVERVIEW

The Public Affairs Department, NTTA's voice with internal and external audiences, executes the Authority's strategic goals and objectives through quantifiable communications and marketing to customers, stakeholders, elected officials, bondholders, business leaders, media and employees.

The department's FY2018 budget is tailored to meet a brand promise of "Connecting North Texas through safer, quicker and smoother roads" through the execution of three strategic communications goals (previously presented to the Board of Directors):

1. Get a TollTag on every windshield and a payment for every toll.
2. Elevate NTTA's brand as the top regional transportation provider.
3. Foster employee engagement while helping employees understand NTTA's business and community objectives and how they fit in to them.

FY2018 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Customer-Driven Organization

- Promote customer TollTag value through TollPerks, airport parking and other value-added products and services. Expand TollPerks to meet targets.
- Streamline the customer experience by completing a new website, which clearly communicates the TollTag value proposition and maximizes self-service options.
- Support customer service enhancements and toll collection initiatives to improve the customer journey.
- Publicize the opening of NTTA's Fourth Lane project on the Dallas North Tollway to further demonstrate toll road value.
- Increase in advertising/promotional spend in social media to amplify our messages.
- Produce visually engaging communications, including videos and infographics, to reach the increasing number of customers who rely on mobile technology. Share this content in new social media channels, via NTTA.org, with news media, customers and stakeholders via public relations.
- Position NTTA as the leader in safety, through ongoing promotion of Roadside Safety Services, the Red Thumb program and other safety initiatives.
- Conduct the Biennial Customer Survey to gather customer and stakeholder insights to drive the customer experience.
- Redefine travel information to assist customers in making an informed driving decision (in coordination with Infrastructure) especially as it relates to construction of Fourth Lane projects on the Sam Rayburn Tollway, Bush Turnpike and area managed lanes.

Financially Sound & Vibrant Organization

- As NTTA approaches the 82 percent TollTag penetration rate, the FY2018 emphasis will further shift to targeting the right product to the right group and tailoring messaging and product offerings to specific, underrepresented demographics. Mass market advertising will also continue to maintain TollTag penetration rates.
- Pursue non-toll revenue through business partnerships and asset sales (e.g., specialty TollTags, advertising in NTTA e-newsletters, mobile app and on website).
- Work with Operations to promote new services, including new payment methods and self-help options to further payments for every toll.

Respected Leader & Partner in Region's Transportation Network

- Humanize NTTA's brand as the preferred way to travel around North Texas and beyond (interoperability for Central, Southern and other regions).
- Focus on under-represented demographic groups in cooperation with transportation partners to increase TollTag use on managed lanes and others (airports, toll managed-lane developers, tolling entities, TxDOT, DMV and others).
- Build and maintain elected official support for NTTA programs, issues and public policy.
- Increase public relations efforts around community and business outreach to share NTTA's story and humanize the brand.
- Deliver increased public relations and promotions around NTTA's economic impact to the North Texas community including an aggressive external speaker's bureau outreach plan.

Highly Qualified & Engaged Team

- Execute communications plan guided by the employee engagement survey.
- Renew employee "HERO" series by combining it with compelling communications to sustain employee engagement and each individual employee's personal connection.
- Identify and execute visual communications to engage employees with NTTA and its value to the region.
- Foster understanding and alignment of strategic priorities through compelling executive communication and engage employees with creative programs and communications.
- Increase NTTA leadership team interaction and communications with employees.

DEPARTMENTAL FY2018 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2017	FY2018	Variance	Variance %
	Budget	Budget		
Salaries and Wages-Direct - (511101)	\$1,178,134	\$1,393,214	\$215,080	18.3%
Salaries and Wage-Overtime - (511301)	1,554	1,554	0	0.0%
Retirement Contributions - (512401)	159,299	185,804	26,505	16.6%
Meeting Expense - (521101)	11,364	12,941	1,577	13.9%
Consulting/Professional - (521201)	1,015,292	1,747,752	732,460	72.1%
Magazine and Newspaper - (523302)	511,841	1,426,601	914,760	178.7%
Television & Radio - (523303)	201,737	1,019,697	817,960	405.5%
Promotional Expenses - (523304)	335,842	1,003,733	667,891	198.9%
Employee Appreciation - (523305)	1,568	1,752	184	11.7%
Printing and Photographic - (523401)	7,259	8,177	918	12.6%
Maps & Pamphlets - (523402)	55,936	91,960	36,024	64.4%
Travel - (523501)	55,891	55,010	(881)	(1.6)%
Dues & Subscriptions - (523601)	26,538	28,155	1,617	6.1%
Education and Training - (523701)	2,584	2,960	376	14.6%
Office Supplies - (531101)	6,119	6,967	848	13.9%
Other Materials and Supplies - (531102)	2,500	2,798	298	11.9%
Freight and Express - (531105)	291	332	41	14.1%
Uniforms - (531701)	1,772	1,979	207	11.7%
Total Expenses	\$3,575,521	\$6,991,386	\$3,415,865	95.5%

MAJOR FY2018 OMF BUDGET ITEMS

The department's FY2018 OMF budget has increased by \$3,415,865 from FY2017 budget. The increase is due to SPS being combined into the NTTA System and multiple advertising and promotional initiatives. All variances not associated with the combining of the systems that are greater than 15.0% and the amount greater than \$5,000 or greater than \$50,000, regardless of percent, are explained below.

- Consulting/Professional increased by \$732,460 due to \$650,000 in marketing and advertising campaigns focused on the southern Dallas and Tarrant county markets. The remainder is due to combining the systems.
- Magazine and Newspaper increased by \$914,760 due to \$475,000 in marketing and advertising campaigns focused on the southern Dallas and Tarrant county markets. The remainder is due to combining the systems.
- Television & Radio increased by \$817,960 due to \$425,000 in marketing and advertising campaigns focused on the southern Dallas and Tarrant county markets. The remainder is due to combining the systems.
- Promotional Expenses increased by \$667,891 due to \$450,000 in marketing and advertising campaigns focused on the southern Dallas and Tarrant county markets. The remainder is due to combining the systems.

ALL FUNDS

The following is a summary of the departmental total budget for OMF and all other funds in the NTTA System FY2018 Budget. (See Other Funds section pages 123-155).

Account	OMF 1001	CF 3700	RMF 1201	CIF 1501	CIF/FSF 1601	Total Budget
Salaries and Wages-Direct - (511101)	\$1,393,214	\$0	\$0	\$0	\$0	\$1,393,214
Salaries and Wage-Overtime - (511301)	1,554	0	0	0	0	1,554
Retirement Contributions - (512401)	185,804	0	0	0	0	185,804
Meeting Expense - (521101)	12,941	0	0	0	0	12,941
Consulting/Professional - (521201)	1,747,752	0	0	0	0	1,747,752
Magazine and Newspaper - (523302)	1,426,601	0	0	0	0	1,426,601
Television & Radio - (523303)	1,019,697	0	0	0	0	1,019,697
Promotional Expenses - (523304)	1,003,733	0	0	0	0	1,003,733
Employee Appreciation - (523305)	1,752	0	0	0	0	1,752
Printing and Photographic - (523401)	8,177	0	0	0	0	8,177
Maps & Pamphlets - (523402)	91,960	0	0	0	0	91,960
Travel - (523501)	55,010	0	0	0	0	55,010
Dues & Subscriptions - (523601)	28,155	0	0	0	0	28,155
Education and Training - (523701)	2,960	0	0	0	0	2,960
Office Supplies - (531101)	6,967	0	0	0	0	6,967
Other Materials and Supplies - (531102)	2,798	0	0	0	0	2,798
Freight and Express - (531105)	332	0	0	0	0	332
Uniforms - (531701)	1,979	0	0	0	0	1,979
FY2018 Totals	\$6,991,386	\$0	\$0	\$0	\$0	\$6,991,386
FY2017 Totals	\$3,575,521	\$0	\$0	\$1,865,919	\$0	\$5,441,440
Increase/(Decrease)	\$3,415,865	\$0	\$0	(\$1,865,919)	\$0	\$1,549,946

OTHER FUNDS VARIANCE

- CF-\$0

- RMF-\$0
- CIF-(\$1,865,919) decrease due to pre-opening promotion and advertisement for TollTags on the 360 Tollway project budgeted in FY2017.
- CIF/FSF-\$0

360 TOLLWAY BUDGET

The fund was created to account for revenues and expenses accordance to the project agreement. (See Other Funds section pages 156-158).

- **\$35,300** for allocated costs associated with the promotion of the project.

ENTERPRISE FUND BUDGET

The fund was created to account for revenues and expenses associated with tolling services agreements. (See Other Funds section pages 159-161).

- **\$1,009,330** consists of \$246,793 of allocated costs and \$762,537 of direct costs for advertising, customer outreach and marketing campaigns for managed lanes in cooperation with Cintra and TxDOT.

POSITION SUMMARY

Public Affairs Department			
Full-Time Positions	FY2017	FY2018	Difference
Public Affairs	15	15	0
Administrative Assistant	1	1	0
Assistant Director Public Affairs	1	1	0
Copy Writer/ Mkt. Strategist	0	1	1
Corporate/Internal Communications Manager	1	1	0
Digital Communications Specialist	1	1	0
Graphic Communications Specialist	1	1	0
Media/Public Relations Manager	2	2	0
Project Communications Manager	1	1	0
Project Communications Specialist	1	1	0
Senior Communications Specialist	1	1	0
Senior Director of Public Affairs	1	1	0
Senior Marketing Manager	1	1	0
Strategic Marketing Specialist	1	0	(1)
TollTag Marketing Specialist	1	1	0
Web Content Specialist	1	1	0
Government Affairs	3	3	0
Asst. Dir. of Govt. Affairs	0	1	1
Director of Government Affairs	1	1	0
Director of Legislative Affairs	1	0	(1)
Government Affairs Analyst	1	1	0
Total Full-Time Positions	18	18	0

- No change to FTEs, only re-classification of positions.

MAJOR BUSINESS FUNCTIONS – PUBLIC AFFAIRS

With the FY2018 budget, the Public Affairs Department will successfully support the Authority's strategic goals and objectives through:

- **Strategy and Planning** – Develop innovative strategies to take NTTA to the next level by identifying trends, using data analytics and market research to craft new products and programs to support operations.
- **Media Relations** – Spread the NTTA story and value proposition throughout North Texas by developing strong relationships with reporters and influencers across all media outlets in the region. Create stories that lead to placement of positive news. Control and effectively communicate NTTA messaging. Leverage new tools to provide more depth and data around media placements and effectiveness of new media plan.
- **Marketing and Advertising** – Customer data and related analytics will serve as our roadmap for developing dynamic and clever advertising campaigns with an aggressive “Get a Tag” and savings messages. Imaginative promotions and events, including one-of-a-kind, branded experiences, will draw in new customers and help convert ZipCash customers.
- **Project Communications** – Create and widely disseminate communications using online and traditional communication channels to notify customers of ongoing construction and maintenance activity including the Fourth Lane and 360 Tollway projects. Communications will include toll road value and safety program messaging.
- **Speakers' Bureau** – Educate and expand external audiences through grassroots community outreach, including staff presentations and meetings with community leaders, businesses and industry groups. Further engage the business community to be advocates for transportation.
- **Public Relations** – Expansive public relations (branding) campaigns to share the NTTA story and value proposition across North Texas, including new markets. Develop new partnerships in communities NTTA serves, including safe-driving organizations.
- **Internal Communications** – Reinforce NTTA culture and business goals with employees. Create imaginative campaigns to help each employee understand their direct contribution to the organization's success and how they can take their performance to the next level.
- **Government Affairs** – Cultivate and maintain powerful relationships with elected officials and stakeholders to advance public policy that supports NTTA's mission and role in the region.

Contact Center and Collections Department

OVERVIEW

The Contact Center and Collections Department supports NTTA's mission by delivering high-quality customer service. The department is responsible for providing outstanding customer service and developing innovative methods to improve the customer experience. It is responsible for implementing toll collection strategies for the organization. Additionally, the department oversees back-office operations and ensures payments are properly posted to customer accounts. For customers who are designated habitual violators, the department ensures notification, collection and execution of toll enforcement remedies. The department uses a mix of staff and vendors to accomplish departmental goals.

The department's FY2018 objective continues the focus on the 5 C's of exceptional customer service; Connect, Collect, Convert, Continuous Improvement and Coach.

- **Connect:** Customers should expect an exceptional customer service experience with NTTA based on their preferred communication method.
- **Collect:** Customers will be treated with the upmost respect while being held responsible for their decisions.
- **Convert:** Every windshield has a TollTag.
- **Continuous Improvement:** Improve infrastructure and processes by leveraging appropriate technology.
- **Coach:** Staff and Leadership appropriate training and coaching to improve customer experience.

FY2018 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Customer-Driven Organization

- Focus on improving key drivers of customer satisfaction, which includes reducing wait times and redefining existing procedure and contact points to make working with NTTA easier.
- Enhance customer preferred communication channels through web and interactive voice response (IVR).
- Expand proactive customer outreach via targeted outbound messaging to inform TollTag customers of account issues.
- Expand contact channel opportunities to provide additional customer access and to leverage existing technology, such as the Tollmate mobile application and electronic statements, for ease of access.
- Sell and promote TollTag benefits at targeted events, such as corporate events, new or expanding local businesses, sporting events, and university events.
- Expand relationships with car dealerships to distribute TollTags and increase ability to collect transactions for car sales, fleet and loaner vehicles.
- Further enhance speech analytics to improve customer service and coaching to build efficiencies.

- Improve contact with customers through targeted customer outreach campaigns to include outbound dialing, text messaging, e-mails and other communication vehicles.
- Leverage emerging payment technologies to facilitate customers' ability to pay.
- Create an internal infrastructure that has the appropriate technology and analytical horsepower to fulfill core functions.
- Develop and deliver programs to assist cash and unbanked/underbanked customers with access to payment locations and options.
- Maximize every ZipCash customer interaction to provide benefits of TollTag membership.
- Leverage business intelligence tools for better volume forecasting to facilitate the conversion of unhappy customers to happy customers.
- Explore IVR enhancements, including Smart-IVR technology with alphanumeric capabilities.

Financially Sound & Vibrant Organization

- Continue to increase TollTag penetration to the goal of 82%.
- Implement appropriate actions to further reduce call talk time by an additional 5%, while maintaining high customer satisfaction scores.
- Continue focus on payments from out-of-state drivers.
- Improve pursuable transactions to achieve a goal of 95.7%.
- Drive collectables to the goal of 93% collected within 24 months.
- Reduce the percent of customers identified as habitual violators, increase payments from scofflaws and enhance public perception of equity by deploying enforcement tools provided by the Legislature, including vehicle registration blocks and roadway bans.
- Constantly evaluate and improve the Toll Enforcement Remedies program to maximize performance.
- Execute an enhanced collection strategy through management of two collection agencies to provide: (1) general and specialized collection services for outstanding ZipCash invoices, past due accounts, unpaid fees and other charges, including court judgments; (2) provide skip tracing for returned mail, chargebacks and bounced checks; (3) assist in the early stage of collections through customer outreach programs; (4) improve toll collection earlier within their process; (5) continue focus on collection efforts for unpaid invoices placed for longer than six months.
- Work with additional counties for vehicle registration blocks.
- Leverage the Business Intelligence environment in decision making.

Highly Qualified, Energized & Engaged Team

- Collaborate with the Human Resources Department to develop staff, build core skills and provide career path development.
- Focus on training programs designed to cross train staff to handle multiple departmental functions.
- Enhance analytical skills and business process management methodology for supervisors and management staff to drive efficiencies.
- Enhance the department succession plan for management strength and career path development.
- Staff and Leadership appropriate training and coaching to improve customer experience.

DEPARTMENTAL FY2018 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2017	FY2018	Variance	Variance %
	Budget	Budget		
Salaries and Wages-Direct - (511101)	\$9,298,677	\$10,365,417	\$1,066,740	11.5%
Salaries and Wage-Overtime - (511301)	262,841	366,132	103,291	39.3%
Retirement Contributions - (512401)	1,255,176	1,390,511	135,335	10.8%
Meeting Expense - (521101)	20,843	30,556	9,713	46.6%
Consulting/Professional - (521201)	8,833,292	10,491,036	1,657,744	18.8%
Armored Car Services - (521209)	26,883	39,827	12,944	48.1%
Rentals - Land - (522301)	37,664	49,595	11,931	31.7%
Rentals - Equipment - (522302)	55,065	55,822	757	1.4%
Postage - (523201)	9,710,388	10,380,854	670,466	6.9%
Magazine and Newspaper - (523302)	5,718	0	(5,718)	(100.0)%
Travel - (523501)	11,497	19,916	8,419	73.2%
Dues & Subscriptions - (523601)	3,023	104,469	101,446	3,355.8%
Education and Training - (523701)	52,969	67,793	14,824	28.0%
Temporary Contract Labor - (523851)	11,901,323	12,030,780	129,457	1.1%
Office Supplies - (531101)	204,044	181,065	(22,979)	(11.3)%
Freight and Express - (531105)	1,136	1,144	8	0.7%
Inven for resale(toll tags) - (531501)	9,400,237	10,261,333	861,096	9.2%
Uniforms - (531701)	16,566	28,257	11,691	70.6%
Bank Charges - (573001)	856,078	781,355	(74,723)	(8.7)%
Credit Card Fees - (573002)	17,257,181	19,939,979	2,682,798	15.5%
Total Expenses	\$69,210,601	\$76,585,841	\$7,375,240	10.7%

MAJOR FY2018 OMF BUDGET ITEMS

The department's FY2018 OMF budget has increased by \$7,381,300 from FY2017 budget. The net increase is mainly due to SPS being combined into the NTTA System. Also, the Customer Care department is being incorporated into the department. All variances not associated with the combining of the systems that are greater than 15.0% and the amount greater than \$5,000 or greater than \$50,000, regardless of percent, are explained below.

- Consulting/Professional Fees increased by \$1,657,744. Mainly due to \$1,000,000 from combining the systems and \$657,744 for the vehicle registration block initiative. The increase will allow the department to handle the projected increase in volume of blocks.
- Dues & Subscriptions increased by \$100,000 due to new membership into a call center research and consulting group.
- Bank charges decreased by (\$74,723) due to adjustment to historical costs for lockbox fees.
- Credit card fees increased by \$2,682,798. Mainly due to \$1,900,000 from combining the systems and \$782,798 for increased volumes of payment processing based on growth in invoices and T&R estimates.

ALL FUNDS

The following is a summary of the departmental total budget for OMF and all other funds in the NTTA System FY2018 Budget. (See Other Funds section pages 123-155).

Account	OMF 1001	CF 3700	RMF 1201	CIF 1501	CIF/FSF 1601	Total Budget
Salaries and Wages-Direct - (511101)	\$10,365,417	\$0	\$0	\$0	\$0	\$10,365,417
Salaries and Wage-Overtime - (511301)	366,132	0	0	0	0	366,132
Retirement Contributions - (512401)	1,390,511	0	0	0	0	1,390,511
Meeting Expense - (521101)	30,556	0	0	0	0	30,556
Consulting/Professional - (521201)	10,491,036	0	0	0	0	10,491,036
Armored Car Services - (521209)	39,827	0	0	0	0	39,827
Rentals - Land - (522301)	49,595	0	0	0	0	49,595
Rentals - Equipment - (522302)	55,822	0	0	0	0	55,822
Postage - (523201)	10,380,854	0	0	0	0	10,380,854
Magazine and Newspaper - (523302)	0	0	0	0	0	0
Travel - (523501)	19,916	0	0	0	0	19,916
Dues & Subscriptions - (523601)	104,469	0	0	0	0	104,469
Education and Training - (523701)	67,793	0	0	0	0	67,793
Temporary Contract Labor - (523851)	12,030,780	0	0	0	0	12,030,780
Office Supplies - (531101)	181,065	0	0	0	0	181,065
Freight and Express - (531105)	1,144	0	0	0	0	1,144
Inven for resale(toll tags) - (531501)	10,261,333	0	0	0	0	10,261,333
Uniforms - (531701)	28,257	0	0	0	0	28,257
Bank Charges - (573001)	781,355	0	0	0	0	781,355
Credit Card Fees - (573002)	19,939,979	0	0	0	0	19,939,979
FY2018 Totals	\$76,585,841	\$0	\$0	\$0	\$0	\$76,585,841
FY2017 Totals	\$69,210,601	\$0	\$0	\$0	\$0	\$69,210,601
Increase/(Decrease)	\$7,375,240	\$0	\$0	\$0	\$0	\$7,375,240

OTHER FUNDS VARIANCE

- CF \$0
- RMF \$0
- CIF \$0
- CIF/FSF \$0

360 TOLLWAY BUDGET

The fund was created to account for revenues and expenses in accordance with the project agreement. (See Other Funds section pages 156-158).

- **\$944,462** for allocated costs to handle the processing of revenue transactions.

ENTERPRISE FUND BUDGET

The fund was created to account for revenues and expenses associated with tolling services agreements. (See Other Funds section pages 159-161).

- **\$12,713,283** for allocated costs to handle the processing of increasing revenue transactions for TSA projects.

POSITION SUMMARY

Contact Center and Collections Department			
Full-Time Positions	FY2017	FY2018	Difference
Call Center	143	128	(15)
Admin. Assistant	1	1	0
Call Center Manager	1	0	(1)
Contact Center Supervisor	10	9	(1)
CSS II	87	83	(4)
CSS II Bilingual	23	24	1
CSS III	6	0	(6)
Director of Contact Center & Collections	1	1	0
Senior - CSS	9	6	(3)
Senior - CSS Bilingual	5	3	(2)
Sr. Call Center Manager	0	1	1
Contact Center	53	61	8
CC Lobby Coordinator	1	0	(1)
Contact Center Supervisor	7	8	1
CSS II	30	31	1
CSS II Bilingual	7	7	0
Customer Center Manager	1	0	(1)
Receptionist	1	1	0
Senior - CSS Bilingual	0	2	2
Senior Customer Service Specialist	6	11	5
Sr. Customer Center Manager	0	1	1
Workforce & Training	5	8	3
CSC Training Coordinator	0	1	1
Sr. Training Coordinator	0	1	1
Sr. Workforce Manager	1	1	0
Workforce Analyst	4	5	1
Regional Tolling Partners	2	4	2
CSS II	0	2	2
Manager - Key Accounts	1	1	0
Regional Toll Partners Supervisor	1	1	0
Collections	6	7	1
Analytics Manager	1	0	(1)
Assistant Director of Collections	1	1	0
Collections Manager	1	1	0
Contact Center Supervisor	2	2	0
Project Coordinator I	1	1	0
Sr. CustomerServiceSpecialist	0	2	2

POSITION SUMMARY (CONTINUED)

Contact Center and Collections Department			
Full-Time Positions	FY2017	FY2018	Difference
Toll Enforcement Remedies	22	23	1
Admin. Team Lead	1	1	0
Admin. Technician	3	3	0
Court Coordinator	3	3	0
Senior TER Manager	1	1	0
TER Specialist	8	6	(2)
TER Specialist - Bilingual	4	6	2
TER Supervisor	1	2	1
TER Team Leader	1	1	0
Support Services	58	65	7
CSSI	52	51	(1)
Inventory Control Specialist	0	0	0
Mail Specialist	1	1	0
QA/QC Coordinator I	0	5	5
QA/QC Coordinator I - Bilingual	0	1	1
Sr. CustomerServiceSpecialist	0	2	2
Support Services Process Manager	1	1	0
Support Services Supervisor	4	4	0
Customer Care	9	12	3
Customer Care Coordinator	0	1	1
Customer Care Manager	0	1	1
Director of Customer Care	0	1	1
QA/QC Coordinator I	5	0	(5)
QA/QC Coordinator I - Bilingual	1	0	(1)
QA/QC Coordinator II	0	5	5
QA/QC Coordinator II - Bilingual	0	2	2
QA/QC Supervisor	0	1	1
Senior Training Coordinator	1	0	(1)
Speech Analytics Analyst	0	1	1
Training Coordinator	2	0	(2)
Total Full Time Positions	298	308	10
Part-Time Positions	FY2017	FY2018	Difference
CSS P/T	0	0	0
CSSI P/T	20	20	0
CSSII - P/T	4	4	0
TER Specialist P/T	1	1	0
TollTag Event Specialist	4	4	0
Total Part-Time Positions	29	29	0

- For FY2018 the 11 positions in the Customer Care Department are being incorporated as a division of the Contact Center and Collections Department.
- The Collections Division transferred the Analytics Manager position to the Operations Department.
- All other changes are reclassification of positions with in the divisions.

MAJOR BUSINESS FUNCTIONS

The Contact Center and Collections Department contributes to NTTA's financial position by driving TollTag use and collection of unpaid tolls. The department is divided into eight divisions:

- **Call Center** – Serves more than 4 million customers each year through TollTag distribution, TollTag account maintenance, ZipCash monthly statement payments and resolving customer concerns via multiple contact channels.
- **Contact Center** – Serves as the “face of the NTTA” for more than 250,000 customers each year via four retail locations in Fort Worth, Irving, Plano and South Dallas.
- **Workforce & Training** – Serves as the command center for the Call Center, Contact Center and Toll Enforcement Remedies divisions. Their primary functions include scheduling work shift analysis, projecting contact volumes, and reassigning personnel throughout the day to ensure prompt service is available in all contact channels.
- **Regional Tolling Partners** – Local retailers such as Albertson's, Kroger, Tom Thumb and Minyards in addition to several municipalities in the DFW area who issue new TollTags on behalf of NTTA. These locations account for more than 15,000 TollTag activations per year. Breadth of the division has been expanded to focus on increasing TollTag awareness for large employers in proximity to NTTA roadways, increasing NTTA's fleet TollTag program and enhancing NTTA's car dealership relationships.
- **Collections** – Provides strategic direction for collections efforts for outstanding ZipCash invoices, from first notice of nonpayment through assignment to external collection agencies. Manages internal staff as well as collection agencies.
- **Toll Enforcement Remedies** – Implements tools provided under Texas law to encourage equitable payment from all drivers. Tracks and manages payments from habitual violators and ensures payment plan/TollTag account obligations are met. Works with the Department of Public Safety for the issuance of failure-to-pay toll citations and coordinates with Justice of the Peace offices in legal proceedings.
- **Support Services** – The team is made up of several smaller teams that provide back-office support, including posting of payments received, fulfillment and mail delivery for NTTA and responding to written customer correspondence.
- **Customer Care** – Partners with Contact Center and Collections leadership to:
 - Provide audits of all CSC processes and procedures
 - Report on all TSA related service levels
 - Develop and maintain all standard operating procedures
 - Develop and maintain Speech Analytics and reporting
 - Provide insight training for new hires – focusing on Quality Assurance
 - Complete all Board, Ombudsman, Legal, Communications, and Government Affairs escalations
 - Respond to all subpoenas and PIA's, testify as custodian of record for all NTTA and law enforcement trials

Information Technology Department

OVERVIEW

The Information Technology (IT) Department supports the mission of NTTA by advancing innovative technology solutions aligned with NTTA's Strategic Plan. The department installs, integrates, manages, maintains and supports hardware, software, telecommunications and network functions.

FY2018 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Customer Driven Organization

- Implement the IT strategic plan, ensuring IT projects are aligned with the needs of internal and external customers and the strategic objectives of NTTA.
- Continue the four-year Intelligent Transportation Systems(ITS) program to further customer safety and service by increasing camera and dynamic message sign coverage across NTTA facilities. This project includes the addition of an estimated 60 new cameras and six new dynamic message signs.
- Identify and implement new methods for customer payment of TollTag accounts and ZipCash invoices, with particular focus on increasing the geographic distribution of payment locations and options for cash-based customers.
- Remain focused on security and compliance in order to ensure customer data is protected. Maintain payment card industry (PCI) compliance as a level-1 merchant.
- Complete the new back office toll system procurement and begin implementation efforts.

Financially Sound & Vibrant Organization

- Maintain and enhance the IT business continuity plan to minimize impact to the NTTA revenue stream and service to customers in the event of a disaster. Periodically test the plan to ensure readiness.
- Complete implementation of the tracking and reporting application for toll enforcement remedies to ensure the equitable collection of tolls.
- Continue the expansion and adoption of Business Intelligence program to meet the analytical reporting needs of the organization, including Operations, Collections, Toll Enforcement, Public Affairs, Finance, System and Incident Management and the Call Center.

Delivering Transportation Solutions

- Continue participating in National Interoperability Committees of the International Bridge, Tunnel and Turnpike Association (IBTTA) and promote the expansion of regional interoperability throughout the country. Expand central states interoperability with the addition of Colorado and implement region-to-region interoperability with the western and southeastern states.
- Continue to provide the required levels of service for the LBJ Express, North Tarrant Express and regional TSAs.

Respected Leader & Partner in Region's Transportation Network

- Continue to participate in the regional Incident Corridor Management project, the North Central Texas Council of Governments (NCTCOG) Managed Lanes Committee, and regional geographic information systems (GIS) through the NCTCOG.
- Continue to partner with Dallas/Fort Worth International and Dallas Love Field airports for processing parking transactions. Complete modifications to the RITE System to support Dallas Love Field new parking system.
- Support the data needs of NTTA's internal departments such as Public Affairs and System and Incident Management to ensure they can continue to be responsive to requests to assist and partner with peer agencies and government officials within the region.

Highly Qualified, Energized & Engaged Team

- Optimize the department's organizational structure to align with the revised IT strategic plan. Ensure that employees are working to their strengths and that their skills are kept fresh through continued training.

DEPARTMENTAL FY2018 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2017	FY2018	Variance	Variance %
	Budget	Budget		
Salaries and Wages-Direct - (511101)	\$6,397,323	\$6,337,306	(\$60,017)	(0.9)%
Salaries and Wage-Overtime - (511301)	85,663	85,663	0	0.0%
Retirement Contributions - (512401)	854,741	852,287	(2,454)	(0.3)%
Consulting/Professional - (521201)	93,449	104,280	10,831	11.6%
Outside Maintenance Services - (521212)	4,185,823	6,849,342	2,663,519	63.6%
Telecommunications - (523202)	927,703	1,364,758	437,055	47.1%
Travel - (523501)	23,223	25,853	2,630	11.3%
Dues & Subscriptions - (523601)	5,421	6,062	641	11.8%
Education and Training - (523701)	107,112	118,801	11,689	10.9%
Office Supplies - (531101)	170,729	191,839	21,110	12.4%
Other Materials and Supplies - (531102)	68,508	79,121	10,613	15.5%
Software - (531651)	5,436,608	7,195,086	1,758,478	32.3%
Total Expenses	\$18,356,303	\$23,210,398	\$4,854,095	26.4%

MAJOR FY2018 OMF BUDGET ITEMS

The department's FY2018 OMF budget has increased by \$4,854,095 from FY2017 budget. The net increase is mainly due to SPS being combined into the NTTA System. All variances not associated with the combining of the systems that are greater than 15.0% and the amount greater than \$5,000 or greater than \$50,000, regardless of percent, are explained below.

- Salaries and Wages-Direct decreased by (\$60,017) due to additional allocations to Enterprise Fund TSAs and 360 Tollway.
- Retirement Contributions decreased by (\$2,454) commensurate with decrease in salaries.
- Outside Maintenance Services increased by \$2,663,519. The combining of the systems added \$1,362,940; the remaining \$1,300,579 is due to maintenance services for existing storage.
- Software maintenance increased by \$1,758,478. The combining of the systems added \$708,478; the remaining \$1,050,000 is for software maintenance previously paid from Capital Improvement Fund as part of each project's implementation.

ALL FUNDS

The following is a summary of the departmental total budget for OMF and all other funds in the NTTA System FY2018 Budget. (See Other Funds section pages 123-155).

Account	OMF 1001	CF 3700	RMF 1201	CIF 1501	CIF/FSF 1601	Total Budget
Salaries and Wages-Direct - (511101)	\$6,337,306	\$0	\$0	\$0	\$0	\$6,337,306
Salaries and Wage-Overtime - (511301)	85,663	0	0	0	0	85,663
Retirement Contributions - (512401)	852,287	0	0	0	0	852,287
Consulting/Professional - (521201)	104,280	0	0	1,700,000	0	1,804,280
Outside Maintenance Services - (521212)	6,849,342	0	0	0	0	6,849,342
Consulting/Profess Serv Tech - (521301)	0	0	0	18,719,866	0	18,719,866
Telecommunications - (523202)	1,364,758	0	0	0	0	1,364,758
Travel - (523501)	25,853	0	0	0	0	25,853
Dues & Subscriptions - (523601)	6,062	0	0	0	0	6,062
Education and Training - (523701)	118,801	0	0	0	0	118,801
Office Supplies - (531101)	191,839	0	0	0	0	191,839
Other Materials and Supplies - (531102)	79,121	0	0	0	0	79,121
Electronic Supplies - (531106)	0	0	1,969,500	0	0	1,969,500
Computers - (531641)	0	0	6,750,000	16,585,000	0	23,335,000
Software - (531651)	7,195,086	0	210,000	36,400,000	0	43,805,086
Infrastructure Rdway/Hwy/Bridg - (541401)	0	0	6,276,896	0	0	6,276,896
Infrastructure - Other - (541403)	0	0	0	3,700,000	0	3,700,000
FY2018 Totals	\$23,210,398	\$0	\$15,206,396	\$77,104,866	\$0	\$115,521,660
FY2017 Totals	\$18,356,303	\$0	\$10,816,500	\$44,639,400	\$0	\$73,812,203
Increase/(Decrease)	\$4,854,095	\$0	\$4,389,896	\$32,465,466	\$0	\$41,709,457

OTHER FUNDS VARIANCE

- CF - \$0
- RMF – \$4,389,896 The Reserve Maintenance Fund increased mainly due to the replacement of aging cameras.
- CIF – \$32,465,466 The Capital Improvement Fund increased mainly due to the replacement of the toll collections system and the need for additional storage capacity.
- CIF/FSF - \$0

360 TOLLWAY BUDGET

The fund was created to account for revenues and expenses in accordance with the project agreement. (See Other Funds section pages 156-158).

- **\$207,403** allocated costs associated with processing revenue transactions for the project.

ENTERPRISE FUND BUDGET

The fund was created to account for revenues and expenses associated with tolling services agreements. (See Other Funds section pages 159-161).

- **\$2,569,494** allocated costs associated with processing revenue transactions for the project.

POSITION SUMMARY

Information Technology			
Full-Time Positions	FY2017	FY2018	Difference
Administrative Assistant IT	1	1	0
Applications Administrator	4	4	0
Assistant Director Business Applications	1	1	0
Assistant Director of IT	1	1	0
Backup Engineer	1	1	0
Business Intelligence Analyst	1	1	0
Communications Administrator	1	1	0
Compliance Analyst	2	3	1
Data Integration Architect	1	0	(1)
Desktop Support Engineer	1	1	0
Director of IT	1	1	0
Enterprise Applications Administrator	1	1	0
Enterprise Applications Manager	1	1	0
Enterprise Communications Manager	1	1	0
Enterprise Systems Manager	1	0	(1)
GIS Analyst	3	3	0
GIS Manager	1	1	0
Information Security Manager	1	1	0
IT Manager - Business Intelligence	1	1	0
IT Operations and Service Manager	1	1	0
IT Program Manager	1	1	0
ITS Support Specialist	1	1	0
Lead Warehouse Technician	1	1	0
Network Engineer	2	1	(1)
Parking Systems Lead	1	0	(1)
Parking Systems Manager	1	0	(1)
RITE Applications Lead Support Analyst	1	1	0
RITE Systems Support Analyst	1	0	(1)
RITE Systems Support Analyst II	1	2	1
Roadway Systems Lead	1	3	2
Roadway Systems Manager	1	2	1
Roadway Systems Supervisor	2	3	1
Security Engineer	3	3	0
Server Administrator	1	1	0
Service Desk Manager	1	1	0
ServiceNow Developer	0	1	1
ServiceNow System Administrator	1	0	(1)

POSITION SUMMARY (CONTINUED)

Information Technology			
Full-Time Positions	FY2017	FY2018	Difference
Sr. Application Manager	1	1	0
Sr. BI Architect	1	0	(1)
Sr. BI Developer	0	2	2
Sr. Business Analyst	3	3	0
Sr. Business Intelligence Analyst	1	0	(1)
Sr. Communications Engineer	1	1	0
Sr. Database Administrator	2	2	0
Sr. Desktop Support Technician	3	3	0
Sr. ETL & Data Modeling Dev.	0	1	1
Sr. ITS Manager	1	1	0
Sr. Network Engineer	2	3	1
Sr. Oracle DBA	1	0	(1)
Sr. Project Manager	3	3	0
Sr. Server Administrator	2	2	0
Sr. Storage Architect	1	0	(1)
Sr. Storage Engineer	0	1	1
Sr. Systems Engineer	4	4	0
Sr. Technical Lead	0	1	1
Sr. Web Applications Developer	2	2	0
Systems Support Tech II	3	3	0
Systems Support Tech II - HD	2	2	0
Systems Support Tech II - PS	2	0	(2)
Systems Support Tech II RW	0	2	2
Systems Support Tech III	1	1	0
Systems Support Tech III - PS	3	1	(2)
Systems Support Tech III RW	7	7	0
Technical Architect	1	1	0
Total Full-Time Positions	93	93	0

- No change in FTEs, only re-classification of positions.

MAJOR BUSINESS FUNCTIONS

The IT Department supports the mission of NTTA by providing robust, relevant and increasingly sophisticated solutions in the mission-critical realm of technology. The department is divided into four business functions that partner with internal and external stakeholders.

- **Business Applications** – Focused on all tolling back-office systems: Toll Enforcement Remedies application; PeopleSoft HR and financials; the asset management system used by the Maintenance Department; enterprise project delivery system (EPDS); geographic information systems (GIS); and all other enterprise applications.
- **Roadway Systems Operations and Support** – Focused on the installation and support of the tolling system at the lane level. The Intelligent Transportation System (ITS) group manages and supports the extensive network of dynamic message signs, closed-circuit television cameras and incident detection system utilized by SIM.

- **Enterprise Systems/Communications** – Focused on the deployment and support of user workstations and desktop applications; all aspects of the network including, routers, switches, cabling, telephones and telephone service; and all servers, systems and storage devices. The IT Service Desk resides within this area.
- **Information Security** – Focused on information security and compliance. Implements and monitors security infrastructure and evaluates systems and processes for compliance. Also, leads IT efforts with Internal and External Audits.

Maintenance Department

OVERVIEW

The Maintenance Department is responsible for providing safe and clean roadways and facilities for our customers, employees and contractors. The driving factor of the department is to ensure assets are maintained in accordance with trust and project agreements. The department uses a balance of in-house and contracted maintenance to create a competitive environment in which the cost and quality of work being performed is measured.

FY2018 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Customer Driven Organization

- Measure and encourage quality, efficiency and customer service through the Maintenance Rating Program.
- Repair deficiencies and damage in accordance with established performance metrics.

Financially Sound & Vibrant Organization

- Minimize financial risk by limiting on-hand inventories and storage of items to support a lean yet responsive operation.

Delivering Transportation Solutions

- Integrate a “total cost” (life-cycle) approach to the development of new projects as well as the implementation of rehabilitation or modification projects.
- Conduct annual and specialized inspections, report on results and budget for deficiencies.

Respected Leader & Partner in the Region's Transportation Network

- Collaborate with the Texas Department of Transportation, Texas Transportation Institute and other industry leaders to improve safety for our employees, contractors and the traveling public.
- Collaborate with NCTCOG and area local governments to provide subject matter experts and develop specifications for new SHARE cooperative purchasing initiative.

Highly Qualified, Energized & Engaged Team

- Develop position-specific training programs to prepare employees for advancement in the department.
- Participate and actively get involved with in regional and national technical organization such as American Public Works Associate, International Bridge, Tunnel and Turnpike Association, Association for the Management and Operation of Transportation Infrastructure Assets, and American Production and Inventory Control Society.

DEPARTMENTAL FY2018 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2017	FY2018	Variance	Variance %
	Budget	Budget		
Salaries and Wages-Direct - (511101)	\$8,433,226	\$8,644,678	\$211,453	2.5%
Salaries and Wage-Overtime - (511301)	340,000	340,000	0	0.0%
Retirement Contributions - (512401)	1,102,311	1,142,850	40,540	3.7%
Meeting Expense - (521101)	2,100	6,100	4,000	190.5%
Consulting/Professional - (521201)	100,000	299,999	199,999	200.0%
Outside Maintenance Services - (521212)	7,835,333	13,526,418	5,691,085	72.6%
Landscaping - (522202)	40,900	127,820	86,920	212.5%
Rentals - Land - (522301)	0	459,556	459,556	100.0%
Rentals - Equipment - (522302)	144,350	99,850	(44,500)	(30.8)%
Magazine and Newspaper - (523302)	8,700	0	(8,700)	(100.0)%
Travel - (523501)	27,850	38,050	10,200	36.6%
Dues & Subscriptions - (523601)	20,355	22,915	2,560	12.6%
Education and Training - (523701)	71,010	67,775	(3,235)	(4.6)%
Licenses - (523801)	27,280	20,490	(6,790)	(24.9)%
Temporary Contract Labor - (523851)	11,520	133,000	121,480	1,054.5%
Office Supplies - (531101)	21,100	21,100	0	0.0%
Other Materials and Supplies - (531102)	2,913,580	3,937,862	1,024,282	35.2%
Mobile Equipment Expense - (531103)	1,085,400	1,057,250	(28,150)	(2.6)%
Freight and Express - (531105)	300	300	0	0.0%
Motor Fuel Expense - (531107)	1,162,505	992,000	(170,505)	(14.7)%
Water - (531211)	600,000	722,590	122,590	20.4%
Gas - (531221)	70,600	70,600	0	0.0%
Electricity - (531231)	2,200,000	2,464,256	264,256	12.0%
Small Tools and Shop Supplies - (531601)	160,509	151,525	(8,984)	(5.6)%
Uniforms - (531701)	189,610	189,600	(10)	(0.0)%
Total Expenses	\$26,568,538	\$34,536,584	\$7,968,046	30.0%

MAJOR FY2018 OMF BUDGET ITEMS

The department's FY2018 OMF budget has increased by \$7,976,746 from FY2017 budget. The increase is due to SPS being combined into the NTTA System. All variances not associated with the combining of the systems that are greater than 15.0% and the amount greater than \$5,000 or greater than \$50,000, regardless of percent, are explained below.

- Magazine and Newspaper decreased by **(\$8,700)** due to newspaper notices being budgeted in Procurement and Business Diversity Department.
- Travel increased by \$6,350 for specialty training and conferences to improve skills and knowledge as it relates to snow/ice response, concrete maintenance and asset management.
- Temporary Contract Labor increased \$121,120 to augment staff during times of vacant position, seasonal work load increases such as spring landscape pruning and planting.
- The total **(\$270,882)** of reductions is due to fuel price trends and historical expenditure.

ALL FUNDS

The following is a summary of the departmental total budget for OMF and all other funds in the NTTA System FY2018 Budget. (See Other Funds section pages 123-155).

Account	OMF	CF	RMF	CIF	CIF/FSF	Total
	1001	3700	1201	1501	1601	Budget
Salaries and Wages-Direct - (511101)	\$8,644,678	\$0	\$0	\$0	\$0	\$8,644,678
Salaries and Wage-Overtime - (511301)	340,000	0	0	0	0	340,000
Retirement Contributions - (512401)	1,142,850	0	0	0	0	1,142,850
Meeting Expense - (521101)	6,100	0	0	0	0	6,100
Consulting/Professional - (521201)	299,999	0	0	0	0	299,999
Outside Maintenance Services - (521212)	13,526,418	0	0	0	0	13,526,418
Landscaping - (522202)	127,820	0	300,000	0	0	427,820
Rentals - Land - (522301)	459,556	0	0	0	0	459,556
Rentals - Equipment - (522302)	99,850	0	0	0	0	99,850
Magazine and Newspaper - (523302)	0	0	0	0	0	0
Travel - (523501)	38,050	0	0	0	0	38,050
Dues & Subscriptions - (523601)	22,915	0	0	0	0	22,915
Education and Training - (523701)	67,775	0	0	0	0	67,775
Licenses - (523801)	20,490	0	0	0	0	20,490
Temporary Contract Labor - (523851)	133,000	0	0	0	0	133,000
Office Supplies - (531101)	21,100	0	0	0	0	21,100
Other Materials and Supplies - (531102)	3,937,862	0	0	0	0	3,937,862
Mobile Equipment Expense - (531103)	1,057,250	0	0	0	0	1,057,250
Freight and Express - (531105)	300	0	0	0	0	300
Motor Fuel Expense - (531107)	992,000	0	0	0	0	992,000
Water - (531211)	722,590	0	0	0	0	722,590
Gas - (531221)	70,600	0	0	0	0	70,600
Electricity - (531231)	2,464,256	0	0	0	0	2,464,256
Small Tools and Shop Supplies - (531601)	151,525	0	0	0	0	151,525
Machinery - (531611)	0	0	943,789	0	0	943,789
Vehicles - (531621)	0	0	2,098,293	0	0	2,098,293
Uniforms - (531701)	189,600	0	0	0	0	189,600
Building Improvements - (541302)	0	0	2,325,000	2,955,000	0	5,280,000
Infrastructure Rdway/Hwy/Bridg - (541401)	0	0	0	200,000	0	200,000
FY2018 Totals	\$34,536,584	\$0	\$5,667,082	\$3,155,000	\$0	\$43,358,666
FY2017 Totals	\$26,568,538	\$0	\$3,836,146	\$2,550,000	\$0	\$32,954,684
Increase/(Decrease)	\$7,968,046	\$0	\$1,830,936	\$605,000	\$0	\$10,403,982

OTHER FUNDS VARIANCE

- **CF - \$0**
- **RMF - \$1,830,936** The Reserve Maintenance Fund varies year by year based on projects identified in the five-year capital plan and as a result of the Annual Inspection.
- **CIF - \$605,000** The Capital Improvement Fund varies by year and is based on projects identified in the five-year capital plan and as a result of the annual inspection.
- **CIF/FSF - \$0**

360 TOLLWAY BUDGET

The fund was created to account for revenues and expenses in accordance with the project agreement. (See Other Funds section pages 156-158).

- **\$3,116,574** consists of allocated costs of \$17,199 and direct costs of \$3,099,375 associated with the maintenance and repair of the project's infrastructure.

ENTERPRISE FUND BUDGET

The fund was created to account for revenues and expenses associated with tolling services agreements. (See Other Funds section pages 159-161).

- **\$0**

POSITION SUMMARY

Maintenance Department			
Full-Time Positions	FY2017	FY2018	Difference
Roadway	115	115	0
CSR/Maintenance	2	2	0
Laborer/Maintenance Technician	77	77	0
Lead Roadway Maintenance Tech	8	8	0
Roadway Maintenance Supervisor	8	8	0
Roadway Manager	2	2	0
Senior Maintenance Technician	18	18	0
Facilities	24	23	(1)
Bldg. Maintenance Supervisor	1	1	0
CSR Maintenance	1	1	0
Custodian	2	1	(1)
Electrician	4	3	(1)
Electrician Maintenance Technician	2	2	0
Electrician Senior	2	2	0
Electrician Supervisor	1	1	0
Facilities Manager	1	1	0
GE Bldg. Maintenance Specialist	1	1	0
HVAC&R Technician	2	2	0
Lead Bldg. Maintenance Technician	1	0	(1)
Lead Electrician	1	1	0
Maintenance Specialist- Plumber	0	1	1
Maintenance Facility Lead	0	2	2
Maintenance Technician	5	4	(1)
Landscape	14	14	0
Asst. Landscape Manager	1	1	0
Irrigation Maintenance Specialist	1	1	0
Laborer	2	2	0
Laborer - Landscape	1	1	0
Landscape Maintenance Technician	6	6	0
Landscape Manager/Architect	1	1	0
Lead Landscape Maintenance Technician	1	1	0
Senior Landscape Maintenance Technician	1	1	0

POSITION SUMMARY (CONTINUED)

Maintenance Department			
Full-Time Positions	FY2017	FY2018	Difference
Support Services	24	25	1
Fleet Manager	1	1	0
Fleet Supervisor	2	2	0
Lead Mechanic	2	2	0
Lead Warehouse Technician	1	0	(1)
Maintenance Support Manager	1	1	0
Maintenance Technician	1	1	0
Mechanic	7	7	0
Physical Assets Supervisor	1	1	0
Senior Mechanic	0	1	1
Senior Sign Specialist	1	1	0
Senior Warehouse Technician	1	0	(1)
Sign & Fabrication Supervisor	1	1	0
Sign Specialist	1	1	0
Signing Coordinator	1	1	0
Warehouse Team Lead	0	2	2
Warehouse Technician	3	3	0
Administration	10	10	0
Admin Asst. Maintenance	1	1	0
Asst. Director / Maintenance Ops	1	1	0
Capital Improvement Manager	1	1	0
CMMS App Administrator	1	1	0
Director of Maintenance	1	1	0
Maintenance Safety & Training Admin	1	1	0
Project Coordinator	1	1	0
Roadway Project Engineer	1	1	0
Roadway Special Project Manager	2	2	0
Total Full-Time Positions	187	187	0

- No changes to FTEs, only re-classification of positions.

MAJOR BUSINESS FUNCTIONS

To maintain and operate the NTTA's toll facilities at or above industry standards, the Maintenance Department is divided into the following divisions:

- **Roadway Division** – Provides in-house maintenance of the SRT, DNT, LLTB, and AATT, including bridges, safety devices and associated appurtenances.
- **Facilities Division** – Responsible for the maintenance of NTTA facilities, electrical services and roadway lighting.
- **Landscape Division** – Responsible for the maintenance of all landscape assets as well as project management of the contracted landscape maintenance of the Gleneagles facilities, SRT, DNT, LLTB, and AATT.
- **Support Services Division** - Provides maintenance of the authority-owned fleet and equipment, oversight of the NTTA warehouse, maintenance and fabrication of signs.
- **Administration Division** – Oversight of contracted maintenance of the PGBT, MCLB, and CTP, management of the department's RMF and CIF funds, and building renovations.

Operations Department

OVERVIEW

The Operations group will continue to pursue and implement opportunities to enhance collections, increase the percentage of pursued transactions, streamline operational processes, advance interoperability both regionally and nationally, and manage NTTA's provision of toll services.

FY2018 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Customer-Driven Organization

- Implement programs to improve customers' experience through projects intended to reduce the need for customers to contact NTTA and improve first contact resolution (ease of doing business with NTTA).
- Continue involvement with the IBTTA steering committee for national interoperability and lead the efforts to achieve national interoperability through the connection of regional interoperability hubs.
- Increase pursuable transactions to 95.7% of total transactions and collection rate to 93% within 24 months.
- Implement alternative payment options, with a focus on expanding current options and locations to handle cash-backed TollTag accounts and ZipCash payments.
- Working with Public Affairs, expand the rewards program to ZipCash customers who register and pay their monthly statements in a timely fashion.
- Implement interoperability with Colorado, southern states and western United States.

Financially Sound & Vibrant Organization

- Complete procurement of a new toll collection system and execute contract.
- Implement an alternative payment option, which leverages mobile phones as a payment device and consolidates payment of toll charges with a customer's mobile phone bill.
- Implement modifications identified by collections consultant to improve collections.
- Continue using the Business Intelligence / Data Analytics environment to identify new areas to improve ZipCash to TollTag conversion, retain customers, enhance collections and define new projects.
- Convert TSA program into a financially positive program.

Respected Leader & Partner in Region's Transportation Network

- Implement toll services for NTE Segment 3A and new regional TSA projects.
- Participate in the implementation of a pilot project for regional HOV occupancy technology.
- Implement southern and western states interoperability programs thereby extending payment of tolls through a TollTag to include Gulf Coast states to Florida and North Carolina, and states west of the Rockies. Connect Colorado with the central U.S. hub.
- Actively participate in state, regional and national interoperability efforts.

Highly Qualified, Energized & Engaged Team

- Implement succession planning and a career path development program.
- Continue identifying and participating in agency-to-agency sharing of best practices and innovative ideas.

DEPARTMENTAL FY2018 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2017	FY2017	Variance	Variance %
	Budget	Budget		
Salaries and Wages-Direct - (511101)	\$578,350	\$756,496	\$178,146	30.8%
Retirement Contributions - (512401)	78,385	100,384	21,999	28.1%
Meeting Expense - (521101)	880	1,013	133	15.1%
Travel - (523501)	28,185	31,579	3,394	12.0%
Dues & Subscriptions - (523601)	9,890	11,278	1,388	14.0%
Education and Training - (523701)	2,718	3,053	335	12.3%
Office Supplies - (531101)	898	1,011	113	12.6%
Freight and Express - (531105)	194	215	21	10.8%
Total Expenses	\$699,500	\$905,029	\$205,529	29.4%

MAJOR FY2018 OMF BUDGET ITEMS

The department's FY2018 OMF budget has increased by \$205,529 from FY2017 budget. The increase is due to SPS being combined into the NTTA System. All variances not associated with the combining of the systems that are greater than 15.0% and the amount greater than \$5,000 or greater than \$50,000, regardless of percent, are explained below.

- Salaries and Wages-Direct increased by \$178,146. The combining of the systems added \$80,000; the remaining \$90,496 is due to transferring 1 position from the Contact Center and Collection Department.
- Retirement Contributions increased by \$21,999 commensurate with salaries.

ALL FUNDS

The following is a summary of the departmental total budget for OMF and all other funds in the NTTA System FY2018 Budget. (See Other Funds section pages 123-155).

Account	OMF 1001	CF 3700	RMF 1201	CIF 1501	CIF/FSF 1601	Total Budget
Salaries and Wages-Direct - (511101)	\$756,496	\$0	\$0	\$0	\$0	\$756,496
Retirement Contributions - (512401)	100,384	0	0	0	0	100,384
Meeting Expense - (521101)	1,013	0	0	0	0	1,013
Travel - (523501)	31,579	0	0	0	0	31,579
Dues & Subscriptions - (523601)	11,278	0	0	0	0	11,278
Education and Training - (523701)	3,053	0	0	0	0	3,053
Office Supplies - (531101)	1,011	0	0	0	0	1,011
Freight and Express - (531105)	215	0	0	0	0	215
FY2018 Totals	\$905,029	\$0	\$0	\$0	\$0	\$905,029
FY2017 Totals	\$699,500	\$0	\$0	\$0	\$0	\$699,500
Increase/(Decrease)	\$205,529	\$0	\$0	\$0	\$0	\$205,529

OTHER FUNDS VARIANCE

- CF - \$0
- RMF - \$0
- CIF - \$0
- CIF/FSF - \$0

360 TOLLWAY BUDGET

The fund was created to account for revenues and expenses in accordance with the project agreement. (See Other Funds section pages 156-158).

- **\$14,633** for allocated costs associated with the operations of the project.

ENTERPRISE FUND BUDGET

The fund was created to account for revenues and expenses associated with tolling services agreements. (See Other Funds section pages 159-161).

- **\$177,144** for allocated and direct costs associated with the operations of the TSAs.

POSITION SUMMARY

Operations			
Full-Time Positions	FY2017	FY2018	Difference
Asst. Exec. Director Operations	1	1	0
Analytics Manager	0	1	1
Business Ops Manager	1	1	0
Management Analyst	1	1	0
Project Manager	1	1	0
Sr. Project Mgr. / Business Analyst	1	1	0
Total Full-time Positions	5	6	1

- The Analytics Manager was added in FY2017 by transferring the position from the Contact Center and Collections Department.

MAJOR BUSINESS FUNCTIONS

By providing executive-level oversight, the department provides direction for continual improvements and strives to create an environment of accomplishment, accountability, partnership, trust and integrity within the Contact Center and Collections, Customer Care, Information Technology and Human Resources departments.

Project Delivery Department

OVERVIEW

The Project Delivery Department is responsible for the planning, design and construction of toll facilities in the region. Its goals are to improve mobility and quality of life in the North Texas area through the successful delivery of regional transportation projects and the continual improvement of the planning, design and construction process.

FY2018 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Delivering Transportation Solutions

- Continue planning and delivery of NTTA's 5-Year Capital Plan commitments.
- Complete construction of the Dallas North Tollway improvements from LBJ to the Sam Rayburn Tollway.
- Continue construction of President George Bush Turnpike widening projects.
- Integrate a "total cost" (life-cycle) approach to the development of new projects as well as the implementation of rehabilitation or modification projects.
- Conduct annual routine and specialized inspections, report on results, budget for deficiencies and implement improvement plans.

Respected Leader & Partner in the Region's Transportation Network

- Collaborate with the Texas Department of Transportation on the completion of the 360 Tollway.

DEPARTMENTAL FY2018 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2017 Budget	FY2018 Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$1,582,446	\$2,308,230	\$725,784	45.9%
Retirement Contributions - (512401)	208,193	303,142	94,949	45.6%
Consulting/Professional - (521201)	29,480	33,080	3,600	12.2%
Travel - (523501)	10,208	11,711	1,503	14.7%
Dues & Subscriptions - (523601)	3,324	3,855	531	16.0%
Education and Training - (523701)	5,537	6,283	746	13.5%
Licenses - (523801)	600	600	0	0.0%
Office Supplies - (531101)	1,574	1,790	216	13.7%
Freight and Express - (531105)	404	456	52	12.9%
Total Expenses	\$1,841,766	\$2,669,147	\$827,381	44.9%

MAJOR FY2018 OMF BUDGET ITEMS

The department's FY2018 OMF budget has increased \$827,381 from FY2017 budget. The increase is mainly due to SPS being combined into the NTTA System. All variances not associated with the combining of the systems that are greater than 15.0% and the amount greater than \$5,000 or greater than \$50,000, regardless of percent, are explained below.

- Salaries and Wages increased \$725,784; the combining of the systems added \$631,323 the remaining is due to salary adjustments.
- Retirement Contributions increased \$94,949 commensurate with salaries.

ALL FUNDS

The following is a summary of the departmental total budget for OMF and all other funds in the NTTA System FY2018 Budget. (See Other Funds section pages 123-155).

Account	OMF 1001	CF 3700	RMF 1201	CIF 1501	CIF/FSF 1601	Total Budget
Salaries and Wages-Direct - (511101)	\$2,308,230	\$0	\$0	\$0	\$0	\$2,308,230
Retirement Contributions - (512401)	303,142	0	0	0	0	303,142
Consulting/Professional - (521201)	33,080	0	0	0	0	33,080
General Engineering - (521213)	0	0	2,239,810	228,000	0	2,467,810
Consulting/Profess Serv Tech - (521301)	0	0	1,046,400	0	0	1,046,400
Landscaping - (522202)	0	0	0	0	0	0
Signing Expense - (522203)	0	0	2,331,000	0	0	2,331,000
Pavement Markings - (522204)	0	0	970,000	0	0	970,000
Pavement & Shoulders - (522205)	0	0	12,940,000	0	0	12,940,000
Bridge Repairs - (522206)	0	0	3,115,000	0	0	3,115,000
Travel - (523501)	11,711	0	0	0	0	11,711
Dues & Subscriptions - (523601)	3,855	0	0	0	0	3,855
Education and Training - (523701)	6,283	0	0	0	0	6,283
Licenses - (523801)	600	0	0	0	0	600
Office Supplies - (531101)	1,790	0	0	0	0	1,790
Freight and Express - (531105)	456	0	0	0	0	456
Infrastructure Rdway/Hwy/Bridg - (541401)	0	0	4,356,250	28,124,000	0	32,480,250
Deferred Charges (153001)	0	0	0	0	150,000	150,000
Right-of-Way (06)	0	2,288,000	0	174,413	0	2,462,413
Administration (01)	0	2,737,300	0	3,724,121	500,000	6,961,421
Planning (02)	0	249,711	0	969,494	0	1,219,205
Design (03)	0	4,720,456	0	9,057,452	0	13,777,908
Construction (04)	0	31,793,163	0	43,488,931	0	75,282,094
Equipment/Hardware (05)	0	0	0	1,159,010	0	1,159,010
Other (176999)	0	1,000,000	0	268,707	0	1,268,707
FY2018 Totals	\$2,669,147	\$42,788,630	\$26,998,460	\$87,194,128	\$650,000	\$160,300,365
FY2017 Totals	\$1,841,766	\$18,726,460	\$37,098,360	\$142,985,900	\$1,550,000	\$202,202,486
Increase/(Decrease)	\$827,381	\$24,062,170	(\$10,099,900)	(\$55,791,772)	(\$900,000)	(\$41,902,121)

OTHER FUND VARIANCE

- **CF - \$24,062,170** The Construction Fund increased due mainly to ramp up of construction on SRT Widening with the \$8.8M FY2017 budget amount increasing to \$30.2M for FY2018 Budget.
- **RMF - (\$10,099,900)** Reserve Maintenance Fund decreased due to the normal cycle of scheduling pavement repairs and overlays.
- **CIF - (\$55,791,772)** - The Capital Improvement Fund decrease is mainly due to the majority of the construction on the following project being done in FY2017.
 - DNT Fourth lane (PGBT to SRT) - FY2017 Budget \$36.4M; FY2018 Budget \$7.4M
 - DNT Improvements (LBJ to PGBT) - FY2017 Budget \$13.0M; FY2018 Budget \$3.0M
 - DNT/PGBT Interchange - FY2017 Budget \$28.2M; FY2018 Budget \$5.2M
- **CIF/FSF - (\$900,000)** The Feasibility Study Fund decreased to reflect the number of projects currently under study.

360 TOLLWAY BUDGET

The fund was created to account for revenues and expenses in accordance with the project agreement. (See Other Funds section pages 156-158).

- \$29,950 for allocated costs associated with the oversight of the projects maintenance.

ENTERPRISE FUND BUDGET

The fund was created to account for revenues and expenses associated with tolling services agreements. (See Other Funds section pages 159-161).

- \$0

POSITION SUMMARY

Project Delivery			
Full-Time Positions	FY2017	FY2018	Difference
AD Infrastructure Engineer	1	1	0
AED Infrastructure	1	1	0
Chief Engineer Construction	1	1	0
Civil Engineering Technician	1	0	(1)
Director of Project Delivery	1	1	0
Executive Assistant	1	1	0
Manager of Construction	1	1	0
Manager of Contracts	1	1	0
Manager of Program Controls	1	1	0
Project Engineer	2	2	0
Project Manager	2	2	0
Right of Way Manager	1	1	0
Roadway Project Manager	1	2	1
Senior Corridor Manager	1	1	0
Senior Manager of Project Delivery	1	1	0
Senior Project Manager Design Guidelines	1	1	0
Total Full-Time Positions	18	18	0

- No change in FTEs, only re-classification of positions.

MAJOR BUSINESS FUNCTIONS

With the carefully considered FY2018 budget, the Project Delivery Department will continue to benefit the Authority and the people of North Texas by performing a number of key functions:

- **Project Management** - Overall management of all planning, design and construction of NTTA projects, ensuring a consistent application of standards of project delivery across all corridors.
- **Planning** – Facilitate/manage decision-making to carry out project development with consideration given to the environmental, social, political, and economic and governance factors.
- **Design** – Provide requirements and guidance on current highway design methods and policies and ensure consistency between NTTA, TxDOT, and FHWA and AASHTO guidelines. Plan review through all phases of projects.
- **Construction** – Implement safe and efficient toll road systems within budget and schedule requirements without compromising quality, ensuring a consistent application of standards across all corridors.

System and Incident Management Department

OVERVIEW

The System and Incident Management Department supports the mission of the NTTA through enhanced traffic, safety and emergency operations.

FY2018 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Customer-Driven Organization

- Continue to implement Roadside Safety Services delivery strategies to remove vehicles and debris from NTTA roadways allowing for reduced congestion and lane closures.
- Implement a Traffic Safety Program that evaluates crash patterns and causes to identify ways to reduce the severity of or elimination of crashes.

Financially Sound & Vibrant Organization

- Continue to develop strategies that support NTTA's Toll Enforcement Remedies program to help bring NTTA's top violators into compliance.
- Continue to improve the process to recover the costs to repair assets damaged by third parties.

Delivering Transportation Solutions

- Develop new RSS delivery strategies to reduce congestion and lane closures by removing vehicles and debris from travel lanes.
- Increase the use of NTTA's traffic management software and share information regarding incidents and accidents on the System with the region.

Highly Qualified, Energized & Engaged Team

- Increase opportunities for employee advancement, as well as the ability for the employees to learn and develop additional skills.
- Increase employee involvement in NTTA Safety Committee activities and safety fairs.

DEPARTMENTAL FY2018 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2017	FY2018	Variance	Variance %
	Budget	Budget		
Salaries and Wages-Direct - (511101)	\$4,354,970	\$5,491,985	\$1,137,015	26.1%
Salaries and Wage-Overtime - (511301)	22,974	23,028	54	0.2%
Retirement Contributions - (512401)	576,965	729,568	152,603	26.4%
Consulting/Professional - (521201)	79,394	82,852	3,458	4.4%
Police Services (DPS) - (521208)	5,602,076	8,985,742	3,383,666	60.4%
Outside Maintenance Services - (521212)	94,547	55,136	(39,411)	(41.7)%
Insurance Expense - Other - (523101)	1,389,562	1,774,172	384,610	27.7%
Promotional Expenses - (523304)	7,445	7,636	191	2.6%
Travel - (523501)	14,080	18,449	4,369	31.0%
Dues & Subscriptions - (523601)	3,027	5,424	2,397	79.2%
Education and Training - (523701)	25,987	33,614	7,627	29.3%
Liability Claims - (523902)	5,730	6,182	452	7.9%
Office Supplies - (531101)	10,037	14,394	4,357	43.4%
Other Materials and Supplies - (531102)	79,381	99,216	19,835	25.0%
Freight and Express - (531105)	137	171	34	24.8%
Software - (531651)	45,000	0	(45,000)	(100.0)%
Uniforms - (531701)	60,605	87,054	26,449	43.6%
Total Expenses	\$12,371,917	\$17,414,623	\$5,042,706	40.8%

MAJOR FY2018 OMF BUDGET ITEMS

The department's FY2018 OMF budget has increased \$5,042,706 from FY2017 budget. The increase is due to SPS being combined into the NTTA System. All variances not associated with the combining of the systems that are greater than 15.0% and the amount greater than \$5,000 or greater than \$50,000, regardless of percent, are explained below.

- Salaries and Wages-Direct increased by \$1,137,015 due to adding two new Roadside Safety Service positions in the amount of \$117,542. The remainder is due to combining the systems.
- Retirement Contributions increased by \$156,603 commensurate with increase in salaries.
- Police Services (DPS) increased by \$3,383,666 as a result of combining the systems.
- Outside Maintenance Services decreased by **(\$39,411)** due to the maintenance of the facility's security system being transferred to IT Department.
- Insurance Expense increased \$384,610 due to \$51,000 Cyber insurance limit increased and the combining of the systems.
- Other Materials and Supplies increased by \$19,835 due to \$10,644 increase in materials based on call volumes of RSS. The remainder is due to combining the systems.
- Software decreased by **(\$45,000)** due to the transfer of security system to IT.

ALL FUNDS

The following is a summary of the departmental total budget for OMF and all other funds in the NTTA System FY2018 Budget. (See Other Funds section pages 123-155).

Account	OMF 1001	CF 3700	RMF 1201	CIF 1501	CIF/FSF 1601	Total Budget
Salaries and Wages-Direct - (511101)	\$5,491,985	\$0	\$0	\$0	\$0	\$5,491,985
Salaries and Wage-Overtime - (511301)	23,028	0	0	0	0	23,028
Retirement Contributions - (512401)	729,568	0	0	0	0	729,568
Consulting/Professional - (521201)	82,852	0	0	0	0	82,852
Traffic Engineering Fees - (521207)	0	0	100,000	750,000	0	850,000
Police Services (DPS) - (521208)	8,985,742	0	0	0	0	8,985,742
Outside Maintenance Services - (521212)	55,136	0	0	0	0	55,136
Insurance Expense - Other - (523101)	1,774,172	0	0	0	0	1,774,172
Promotional Expenses - (523304)	7,636	0	0	0	0	7,636
Travel - (523501)	18,449	0	0	0	0	18,449
Dues & Subscriptions - (523601)	5,424	0	0	0	0	5,424
Education and Training - (523701)	33,614	0	0	0	0	33,614
Liability Claims - (523902)	6,182	0	0	0	0	6,182
Office Supplies - (531101)	14,394	0	0	0	0	14,394
Other Materials and Supplies - (531102)	99,216	0	0	0	0	99,216
Freight and Express - (531105)	171	0	0	0	0	171
Small Tools and Shop Supplies - (531601)	0	0	75,000	0	0	75,000
Computers - (531641)	0	0	20,000	0	0	20,000
Uniforms - (531701)	87,054	0	0	0	0	87,054
Infrastructure Rdway/Hwy/Bridg - (541401)	0	0	0	2,400,000	0	2,400,000
Infrastructure - Other - (541403)	0	0	0	100,000	0	100,000
FY2018 Totals	\$17,414,623	\$0	\$195,000	\$3,250,000	\$0	\$20,859,623
FY2017 Totals	\$12,371,917	\$0	\$100,000	\$4,600,000	\$0	\$17,071,917
Increase/(Decrease)	\$5,042,706	\$0	\$95,000	(\$1,350,000)	\$0	\$3,787,706

OTHER FUNDS VARIANCE

- CF - \$0
- RMF - \$95,000 increased due to projects expected to be completed in 2018.
- CIF - **(\$1,350,000)** decrease is due to the normal scheduling of projects.
- CIF/FSF - \$0

360 TOLLWAY BUDGET

The fund was created to account for revenues and expenses in accordance to the project agreement. (See Other Funds section pages 156-158).

- **\$896,696** consists of allocated costs of \$168,686 and direct costs of \$728,010 for insurance and safety services on the project.

ENTERPRISE FUND BUDGET

The fund was created to account for revenues and expenses associated with tolling services agreements. (See Other Funds section pages 159-161).

- **\$0**

POSITION SUMMARY

System & Incident Management			
Full-Time Positions	FY2017	FY2018	Difference
Administration	10	10	0
Admin Specialist	0	1	1
Administrative Assistant	1	1	0
Assistant Director SIM Operations	1	1	0
Assistant Traffic Engineer	1	1	0
Director SIM	1	1	0
Facility Security Administrator	1	0	(1)
Loss Prevention Manager	1	1	0
Safety Coordinator	1	1	0
Safety Manager	1	1	0
Traffic & Emergency Management Coordinator	1	1	0
Traffic Operations Engineer	1	1	0
Safety Operations Center	43	43	0
Safety Ops Center Service Specialist II	16	16	0
Safety Ops Center (DPS) Administrative Assistant	1	1	0
Safety Ops Center Manager	1	1	0
Safety Ops Center Service Specialist I	5	6	1
Safety Ops Center Supervisor	5	5	0
Safety Ops Center Team Lead	7	7	0
Safety Ops Center Technician	8	7	(1)
Insurance	2	2	0
Claims Coordinator	1	1	0
Insurance Program Administrator	1	1	0
Roadway Safety Services	58	60	2
Roadway Safety Service Admin Technician	1	0	(1)
Roadway Safety Service Manager	1	1	0
Roadway Safety Service Specialist	41	42	1
Roadway Safety Service Specialist II	4	6	2
Roadway Safety Service Supervisor	6	6	0
Roadway Safety Service Team Lead	5	5	0
Total Full-Time Positions	113	115	2

- Roadside Safety Services has increased by two Roadside Safety Service Specialist II positions. The positions will allow the Safety Recovery Vehicle program to expand with the growing traffic and meet ongoing needs for roadside assistance.
- All other FTE changes are re-classification of positions.

MAJOR BUSINESS FUNCTIONS

To help get NTTA customers to their destination in a safe and timely manner, and to protect NTTA employees and property, the SIM Department operates the following:

- **Administration Division** – Includes Loss Prevention, Safety, Emergency Management, and Traffic Engineering. This group manages agency-wide programs to mitigate risk; recover lost revenue due to traffic interruptions; develop and manage emergency management and business continuity strategies; develop security strategies to safeguard NTTA customers, employees, facilities and property; and provide Traffic Engineering functions to the Authority.
- **Safety Operations Center Division** – Oversees the activities of Roadside Safety Services, police, fire, EMS, HAZMAT, wrecker service and security at NTTA facilities. The team uses Intelligent Transportation Systems and provides traveler notifications on dynamic message signs and on NTTA's website. They also handle emergency and non-emergency incidents.
- **Insurance Division** – Collects on NTTA property damage caused by third parties; assess insurance needs and manages NTTA's coverages.
- **Roadside Safety Services Division** – NTTA's 24/7 on-the-road customer touch-point providing safety and support to customers and employees in all types of hazardous situations including crashes, vehicle breakdowns, flat tires and debris calls.

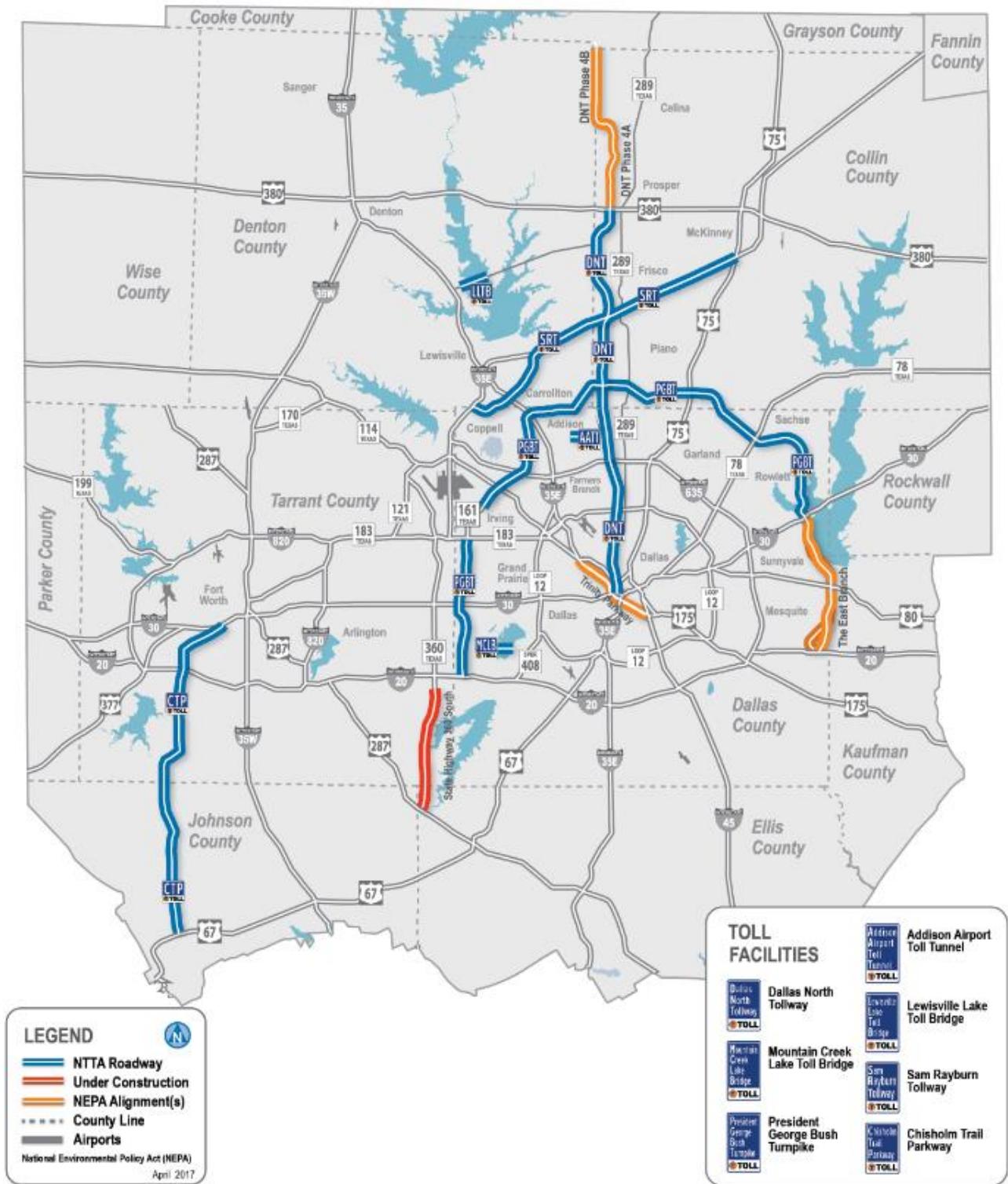
DNT Improvement Projects:

Placing concrete for the new
U-turn bridge support at
Legacy Dr.



Facility Map of the North Texas Region

The following map shows the toll facilities of the NTTA System along with other projects of the North Texas region. The projects being constructed, improved, developed or under study are further discussed in this section.



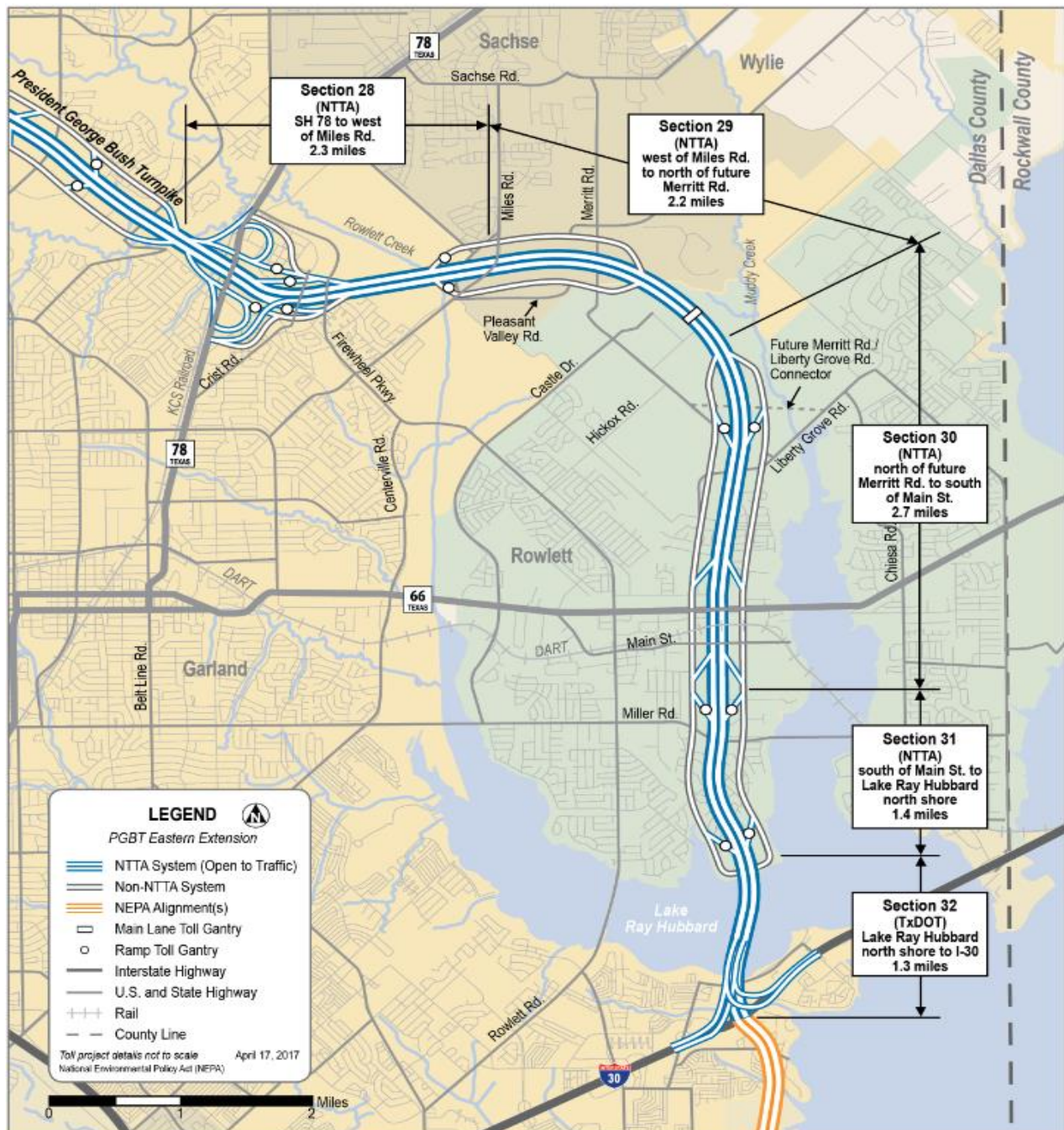
Construction Fund

FY2018 CONSTRUCTION FUND PROJECTS

The funds required to construct or acquire toll projects for the Authority are contained in the Construction Fund. The projects in this fund are typically funded with bond proceeds. The following are the FY2018 construction projects.

PRESIDENT GEORGE BUSH TURNPIKE EASTERN EXTENSION

The Eastern Extension is a portion of the outer loop around Dallas and its suburbs that connects Interstate Highway (IH) 30 to the existing PGBT. The project was completed in late FY2012 with only minor cost in FY2018 of \$1.9 million for right-of-way obligations.



SAM RAYBURN TOLLWAY FOURTH LANE (WIDENING) PROJECT

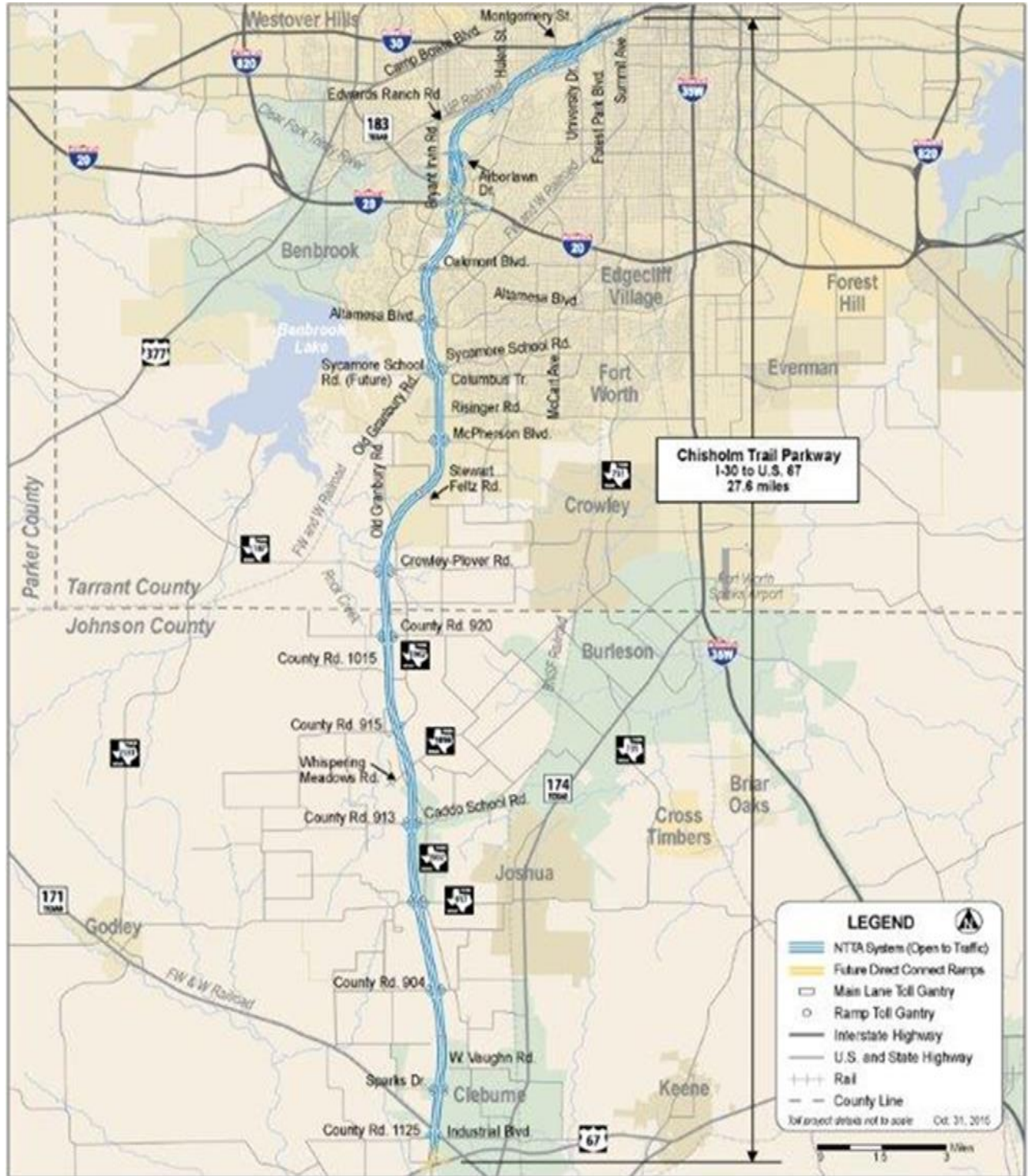
Sam Rayburn Tollway stretches approximately 26 miles southwest to northeast, linking the Dallas/Fort Worth International Airport and growing communities in Collin, Dallas and Denton counties. The SRT features six main lanes with all-electronic toll collection. The estimated costs for FY2018 are for the design services and construction costs for the addition of a fourth lane in each direction from Business 121 to U.S. 75. Construction is scheduled to begin in mid-FY2018 with an open to traffic in FY2021.

The FY2018 budget includes \$30.7 million for this project. The FY2018 - FY2022 Capital Plan includes \$189.3 million. The total project construction costs are estimated at \$198.0 million.



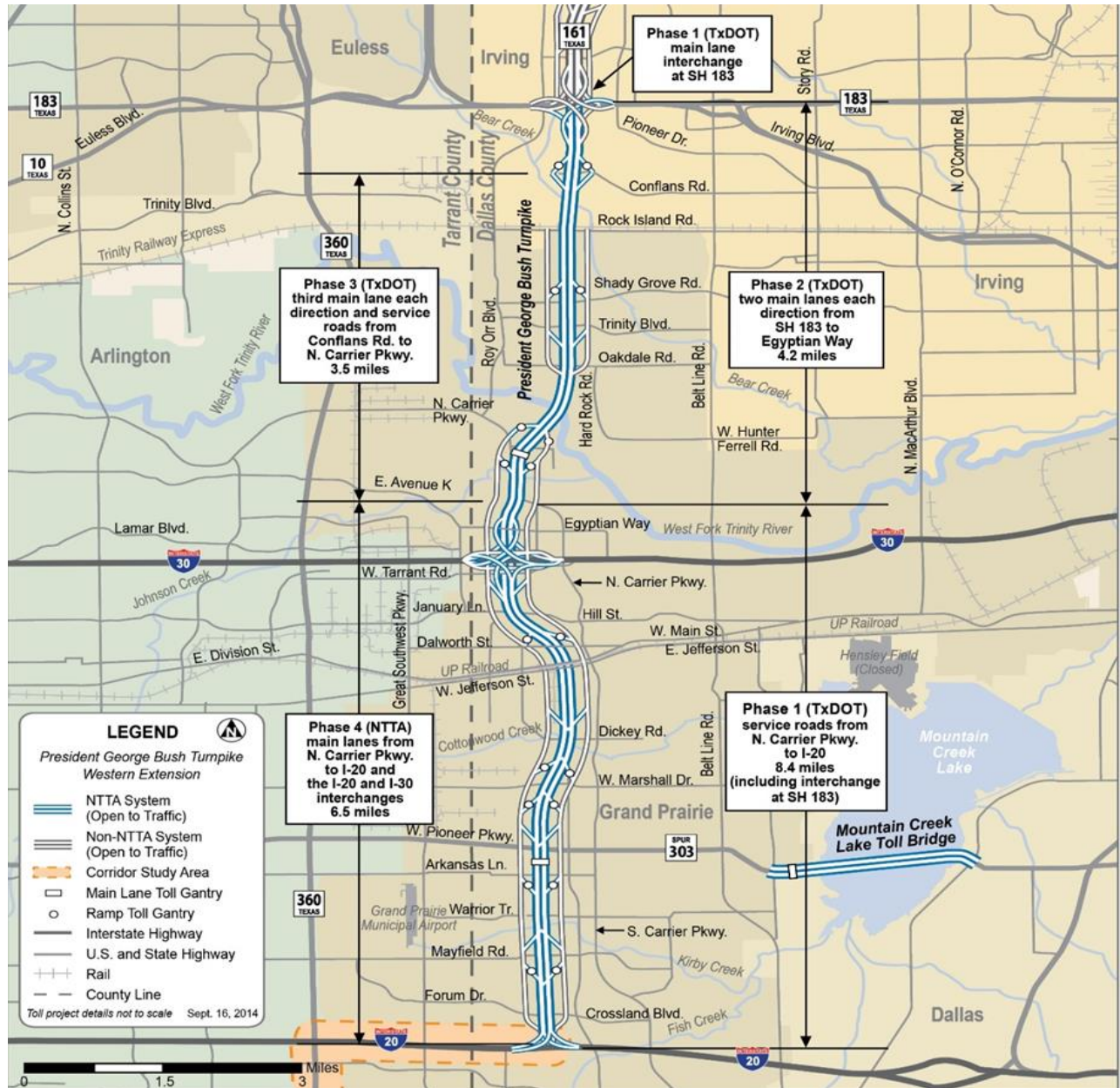
CHISHOLM TRAIL PARKWAY

The Chisholm Trail Parkway was incorporated into the NTTA System in late FY2017. It is a 28-mile limited-access toll road in southwest Tarrant and northwest Johnson counties. It extends from Fort Worth's Central Business District to southwest Fort Worth and south to Cleburne. CTP provides an alternate north-south route for I-35 W. It opened to traffic in FY2014. Only minor construction and landscaping items remain. The FY2018 budget contains \$3.5 million for these items.



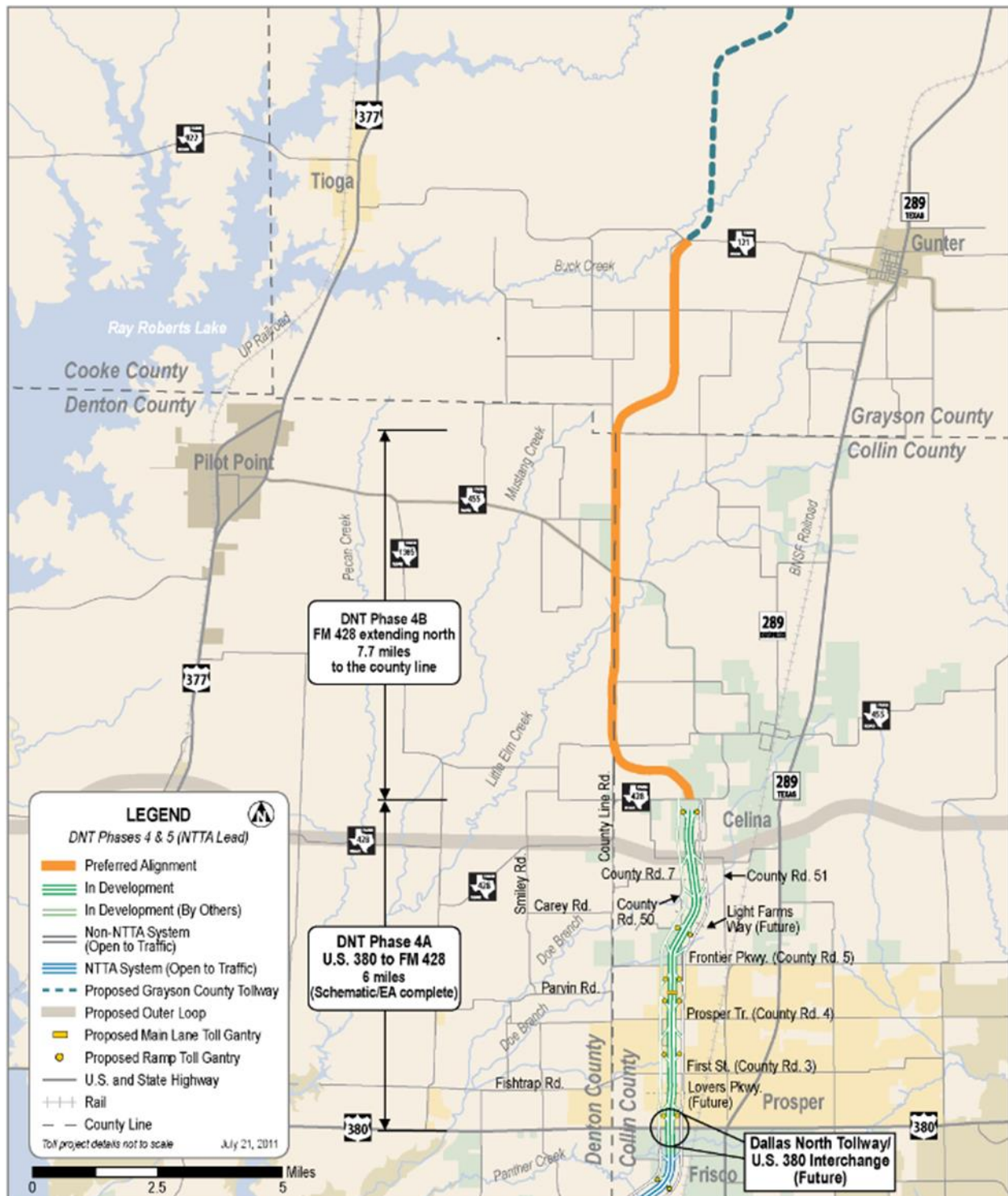
PRESIDENT GEORGE BUSH TURNPIKE WESTERN EXTENSION

The President George Bush Turnpike Western Extension was incorporated into the NTTA System in late FY2017. It is an approximately 11.5-mile extension of PGBT from SH 183 to I-20. TxDOT constructed SH 161 from SH 183 to I-30 and opened the roadway in phases from FY2009 through FY2010. NTTA constructed Phase 4 of the project, from I-30 to I-20, which was completed in Oct. 2012. The FY2018 budget includes \$0.2 million for minor landscaping items.



DALLAS NORTH TOLLWAY PHASE 4B (SOUTHBOUND FRONTAGE ROAD)

DNT Phase 4B extension straddles the Collin-Denton county line and extends from FM 428 in Collin County to the Grayson County line. Through an interlocal agreement with Denton County, NTTA is advancing the southbound frontage road through the design and construction phases. Costs for FY2018 of \$6.6 million associated with this project are reimbursed by Denton County.

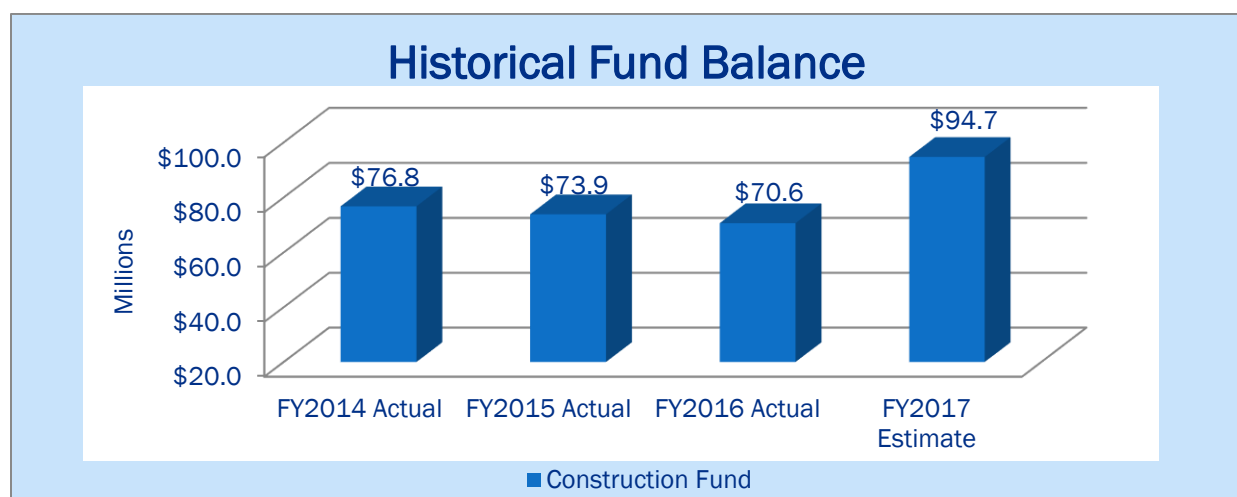


PROJECT COSTS FOR FY2018

Estimated NTTA System Expenditures for FY2018	
PGBT Eastern Extension Construction	\$1,850,090
Sam Rayburn Tollway Construction	30,688,225
Dallas North Tollway Phase 4B (Southbound Frontage Road)	6,608,015
PGBT Western Extension	162,300
Chisholm Trail Parkway	3,480,000
Professional Fees, Legal Fee	119,780
Estimated FY2018 Construction Project Cost	42,908,410
Cash Transfer to OMF – Overhead Cost	1,267,890
Total Estimated FY2018 Construction Cost	\$44,176,300

ESTIMATED CONSTRUCTION FUND REQUIREMENTS FY2018

NTTA System Construction Fund Estimated Balance as of 1/1/2018		\$94,689,810
Denton County ILA Reimbursement		6,608,015
Estimated Expenditures for FY2018		
PGBT Eastern Extension Construction	(1,850,090)	
Sam Rayburn Tollway Construction	(30,688,225)	
DNT Phase 4B (Southbound Frontage Road)	(6,608,015)	
PGBT Western Extension	(162,300)	
Chisholm Trail Parkway	(3,480,000)	
Professional Fees, Audit Fees, Legal Fees	(119,780)	
Estimated FY2018 Construction Project Costs		(42,908,410)
Transfer to OMF for Overhead Costs		(1,267,890)
Total Estimated FY2018 Construction Cost		(44,176,300)
Estimated NTTA System Available Balance as of 12/31/2018		\$57,121,526



**CONSOLIDATED NTTA SYSTEM CONSTRUCTION FUND (3700) BUDGET COMPARISONS
FY2018 TO FY2017**

Department	FY2017 Budget	FY2018 Budget	Variance	
			Amount	Percent
Administrative Services:				
Accounting	\$0	\$0	\$0	0.0%
Administration	0	0	0	0.0%
Board	0	0	0	0.0%
Cash and Debt Management	1,758,965	0	(1,758,965)	(100.0%)
Financial Planning & Analysis	0	0	0	0.0%
Human Resources	0	0	0	0.0%
Internal Audit	69,780	69,780	0	0.0%
Legal Services	50,000	48,000	(2,000)	(4.0%)
Procurement and Business Diversity	0	2,000	2,000	0.0%
Public Affairs	0	0	0	0.0%
Shared Services	0	0	0	0.0%
Total Administrative Services	1,878,745	119,780	(1,758,965)	(93.6%)
Operational Services:				
Contact Center and Collections	0	0	0	0.0%
Customer Care	0	0	0	0.0%
Information Technology	0	0	0	0.0%
Maintenance	0	0	0	0.0%
Operations	0	0	0	0.0%
Project Delivery	18,726,460	42,788,630	24,062,170	128.5%
System & Incident Mgmt.	0	0	0	0.0%
Total Operational Services	18,726,460	42,788,630	24,062,170	128.5%
Grand Totals	\$20,605,205	\$42,908,410	\$22,303,205	108.2%

CONSOLIDATED NTTA SYSTEM CONSTRUCTION FUNDS - (3700) ESTIMATE FY2018

Department	Account	
Procurement Services	Public Information Fees - (523203)	2,000
	Procurement Services Total	2,000
Internal Audit	Auditing Fees - (521203)	69,780
	Internal Audit Total	69,780
Legal Services	Legal Fees - (521202)	48,000
	Legal Services Total	48,000
Project Delivery	Right-of-Way (06)	2,288,000
	Administration (01)	2,737,300
	Planning (02)	249,711
	Design (03)	4,720,456
	Construction (04)	31,793,163
	Other (176999)	1,000,000
	Project Delivery Total	42,788,630
Total		\$42,908,410

CONSOLIDATED NTTA SYSTEM CONSTRUCTION FUND (3700) PROJECT LIST FY2018 - FY2022

Department	Project	Estimated FY2017	FY2018
Project Delivery - (20511)	2000410 - PGBTEE	\$1,855,060	\$0
Project Delivery - (20511)	2100008 - DNT PH4B (Southbound Frontage Road)	6,803,800	6,608,015
Project Delivery - (20511)	2110410 - DNT PH3	1,126,800	0
Project Delivery - (20511)	2500000 - SRT	113,200	150,000
Project Delivery - (20511)	2500003 - SRT Widening	8,827,600	30,538,225
Project Delivery - (20511)	2700000 - Trinity Pkwy	0	0
Project Delivery - (20511)	6100000 - PGBT WE	187,800	162,300
Project Delivery - (20511)	6200000 - CTP	3,335,000	3,480,000
	Project Delivery - (20511) Total	22,249,260	40,938,540
Totals		\$22,249,260	\$40,938,540

FY2017 Carryover Projects and Adjustments

Project Delivery - (20511)	2000410 - PGBTEE	(1,850,090)	1,850,090
Project Delivery - (20511)	2110410 - DNT PH3	(1,007,338)	0
Totals		(\$2,857,428)	\$1,850,090
Total FY2018 - FY2022 Construction Project Costs		\$19,391,832	\$42,788,630

Report contains only project costs.

Changes to projects are color coded. Amounts must be added for total project cost.

FY2019	FY2020	FY2021	FY2022	Five Year Total FY2018 - FY2022
\$0	\$0	\$0	\$0	\$0
9,662,204	6,843,497	750,000	0	23,863,716
0	0	0	0	0
0	0	0	0	150,000
58,767,358	49,221,484	48,984,741	1,634,995	189,146,803
40,000,000	49,000,000	100,000,000	100,000,000	289,000,000
30,300	0	0	0	192,600
45,400	0	0	0	3,525,400
108,505,262	105,064,981	149,734,741	101,634,995	505,878,519
\$108,505,262	\$105,064,981	\$149,734,741	\$101,634,995	\$505,878,519
0	0	0	0	1,850,090
0	0	0	0	0
\$0	\$0	\$0	\$0	\$1,850,090
\$108,505,262	\$105,064,981	\$149,734,741	\$101,634,995	\$507,728,609

Reserve Maintenance Fund

FY2018 RESERVE MAINTENANCE FUND MAJOR PROJECTS OR PURCHASES

The Reserve Maintenance Fund was created to account for maintenance expenditures that do not occur on an annual or more frequent basis. In other words, it is for the renewal and replacement of capital assets. The Authority elected to use the GASB 34 Modified Approach to account for maintenance of infrastructure assets. As required by the Trust Agreement, an annual inspection of the Authority's roadways is conducted by the general engineering consultant. This inspection provides an assessment of conditions of all Authority 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 set minimum level of service. The Authority's goal is to maintain the infrastructure assets at a rating of eight or better (1 through 10 scale) and has established a minimum level for GASB 34 purposes of a condition level of six or greater. The roads are maintained at the Authority's level in order to enhance the customers driving experience. The following are some of the major projects and purchases for FY2018.

SYSTEMWIDE MAINTENANCE PROJECTS (ROADWAY, BRIDGES, BUILDINGS, WALLS AND OTHER ASSETS)

Each year after the Annual Asset Condition Inspection is completed by the general engineering consultant; individual projects are prioritized and then selected for inclusion into the following fiscal year budget.

FLEET AND EQUIPMENT PURCHASES/ADDITIONAL & REPLACEMENTS

NTTA purchases additional fleet vehicles and equipment in proportion to any increases in lane miles. It also replaces fleet vehicles and equipment at specific intervals based on useful life and necessity.

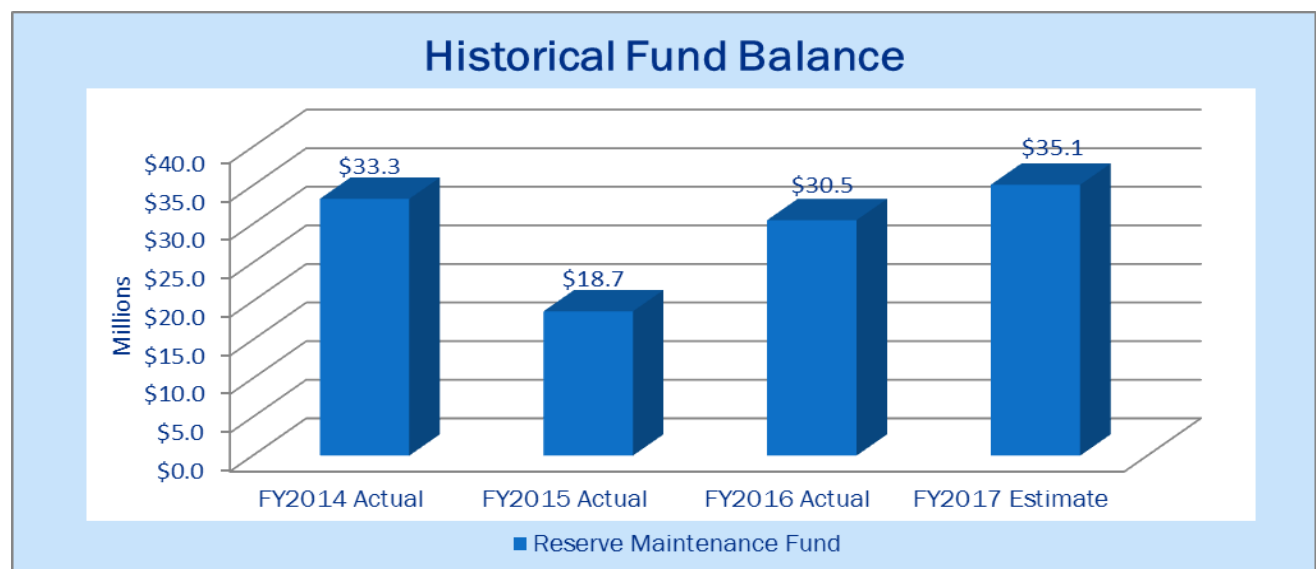
HARDWARE/SOFTWARE REPLACEMENTS AND UPGRADES

NTTA purchases and replaces hardware/software at specific intervals based on useful life and necessity. Once implemented the hardware/software are primarily used for ongoing operations and maintenance.

FY2018 Projects	
Annual Inspection - Required by GASB 34 Modified Approach	\$1,046,400
General Engineering Fees	2,339,810
Systemwide Roadway Improvements	16,079,146
Pavement Restriping	970,000
Pavement Repairs	12,940,000
Trucks, Fleet & Equipment - New & Replacement	3,117,082
Facility Improvements	2,625,000
Computers, Servers and Equipment - New & Replacement, including software	8,949,500
Professional, Audit and Legal Fees	61,630
Total FY2018 RMF Projects	48,128,568
Cash Transfer to OMF - Overhead Costs	3,322,440
Total FY2018 Reserve Maintenance Fund Cost	\$51,451,008

CALCULATION OF DEPOSIT TO RESERVE MAINTENANCE FUND FY2018

Reserve Maintenance Fund Uncommitted Balance 1/1/2018		\$35,093,259
Estimated FY2018 Project Costs		
Software / Licensing	(210,000)	
Computer / Servers / Equipment	(8,719,500)	
Facility Improvements / Fleet	(5,367,082)	
Roadway Maintenance	(33,770,356)	
Professional Fees, Audit Fees, Legal Fees	(61,630)	
FY2018 Projects Cost		(48,128,568)
Total RMF Projects Cost		(48,128,568)
Cash Transfer to OMF for Overhead Costs		(3,322,440)
Total Estimated FY2018 RMF Cost		(51,451,008)
Estimated FY2018 Balance before Deposit		(16,357,749)
Estimated FY2018 Deposit to Reserve Maintenance Fund		16,357,749
Estimated Uncommitted Cash Account Balance at 12/31/2018		-
RMF Required Reserve Balance at 12/31/2018		5,000,000
Reserve Maintenance Fund Balance as of 12/31/2018		\$ 5,000,000
FY2018 Required Deposit to Reserve Maintenance Fund Calculation		
Estimated Fund Balance at 12/31/18	\$5,000,000	
Required Trust Agreement Balance	5,000,000	
Fully Funded no additional Deposit Required for FY2018	\$ -	



The Reserve Maintenance Fund has \$30.1 million expected to be utilized in FY2018 and the required deposit balance of \$5.0 million.

RESERVE MAINTENANCE FUND – (1201) BUDGET COMPARISONS FY2018 TO FY2017

Department	FY2017 Budget	FY2018 Budget	Variance Amount	Percent
Administrative Services:				
Accounting	\$0	\$0	\$0	0.0%
Administration	0	0	0	0.0%
Board	0	0	0	0.0%
Cash and Debt Management	0	0	0	0.0%
Financial Planning & Analysis	0	0	0	0.0%
Human Resources	0	0	0	0.0%
Internal Audit	11,630	11,630	0	0.0%
Legal Services	50,000	41,000	(9,000)	(18.0%)
Procurement and Business Diversity	0	9,000	9,000	0.0%
Public Affairs	0	0	0	0.0%
Shared Services	0	0	0	0.0%
Total Administrative Services	61,630	61,630	0	0.0%
Operational Services:				
Contact Center and Collections	0	0	0	0.0%
Customer Care	0	0	0	0.0%
Information Technology	10,816,500	15,206,396	4,389,896	40.6%
Maintenance	3,836,146	5,667,082	1,830,936	47.7%
Operations	0	0	0	0.0%
Project Delivery	37,098,360	26,998,460	(10,099,900)	(27.2%)
System & Incident Mgmt.	100,000	195,000	95,000	95.0%
Total Operational Services	51,851,006	48,066,938	(3,784,068)	(7.3%)
Grand Totals	\$51,912,636	\$48,128,568	(\$3,784,068)	(7.3%)

RESERVE MAINTENANCE FUND – (1201) ESTIMATE FY2018

Department	Account	
Procurement Services	Public Information Fees - (523203)	9,000
	Procurement Services Total	9,000
Internal Audit	Auditing Fees - (521203)	11,630
	Internal Audit Total	11,630
Legal Services	Legal Fees - (521202)	41,000
	Legal Services Total	41,000
Information Technology	Electronic Supplies - (531106)	1,969,500
	Computers - (531641)	6,750,000
	Software - (531651)	210,000
	Infrastructure Rdway/Hwy/Bridg - (541401)	6,276,896
	Information Technology Total	15,206,396
Maintenance	Landscaping - (522202)	300,000
	Machinery - (531611)	943,789
	Vehicles - (531621)	2,098,293
	Building Improvements - (541302)	2,325,000
	Maintenance Total	5,667,082
Project Delivery	General Engineering - (521213)	2,239,810
	Consulting/Profess Serv Tech - (521301)	1,046,400
	Signing Expense - (522203)	2,331,000
	Pavement Markings - (522204)	970,000
	Pavement & Shoulders - (522205)	12,940,000
	Bridge Repairs - (522206)	3,115,000
	Infrastructure Rdway/Hwy/Bridg - (541401)	4,356,250
	Project Delivery Total	26,998,460
System & Incident Mgmt.	Traffic Engineering Fees - (521207)	100,000
	Small Tools and Shop Supplies - (531601)	75,000
	Computers - (531641)	20,000
	System & Incident Mgmt. Total	195,000
Total		\$48,128,568

RESERVE MAINTENANCE FUND – (1201) PROJECT LIST FY2018 - FY2022 CAPITAL PLAN

Department	Project	Estimated FY2017	FY2018
Information Technology - (20111)	1000431 - Systemwide Roadway Improvements	\$3,225,000	\$6,276,896
Information Technology - (20111)	1000825 - Server Hardware Upgrades and Replacements	3,032,000	4,600,000
Information Technology - (20111)	1000826 - Computer Hardware Upgrades and Replacements	2,135,000	1,950,000
Information Technology - (20111)	1000827 - Printer Hardware Upgrades and Replacements	200,000	200,000
Information Technology - (20111)	1000828 - Network Equip. & Comm. Systems Replacement	1,939,500	1,969,500
Information Technology - (20111)	1000829 - Software and Licensing	285,000	210,000
	Information Technology - (20111) Total	10,816,500	15,206,396
Admin Infrastructure - (20221)	1000431 - Systemwide Roadway Improvements	190,000	300,000
Admin Infrastructure - (20221)	1000835 - Systemwide Facility Improvements	1,925,000	2,075,000
Admin Infrastructure - (20221)	1000840 - RMF - Fleet	1,911,146	3,042,082
	Admin Infrastructure - (20221) Total	4,026,146	5,417,082
Project Delivery - (20511)	1000431 - Systemwide Roadway Improvements	29,784,754	10,223,907
Project Delivery - (20511)	1000831 - Systemwide Wall Repair	1,950,000	350,000
Project Delivery - (20511)	1000833 - Systemwide Bridge Repair	4,330,000	1,375,000
Project Delivery - (20511)	1000836 - Annual Inspection Program	1,033,606	1,046,400
	Project Delivery - (20511) Total	37,098,360	12,995,307
System & Incdnt Mgmt. - (20611)	1000431 - Systemwide Roadway Improvements	100,000	195,000
	System & Incdnt Mgmt. - (20611) Total	100,000	195,000
Totals		\$52,041,006	\$33,813,785
FY2017 Carryover Projects and Adjustments			
Information Technology - (20111)	1000431 - Systemwide Roadway Improvements	385,821	0
Admin Infrastructure - (20221)	1000835 - Systemwide Facility Improvements	(250,000)	250,000
Project Delivery - (20511)	1000431 - Systemwide Roadway Improvements	(10,863,153)	10,863,153
Project Delivery - (20511)	1000831 - Systemwide Wall Repair	(1,400,000)	1,400,000
Project Delivery - (20511)	1000833 - Systemwide Bridge Repair	(1,740,000)	1,740,000
Totals		(\$13,867,332)	\$14,253,153
Total FY2018 - FY2022 Reserve Maintenance Project Costs		\$38,173,674	\$48,066,938

Report contains only project costs.

Changes to projects are color coded. Amounts must be added for total project cost.

FY2019	FY2020	FY2021	FY2022	Five Year Total FY2018 - FY2022
\$6,298,816	\$3,640,857	\$4,919,130	\$2,511,410	\$23,647,109
3,320,000	1,000,000	2,000,000	1,000,000	11,920,000
763,000	765,000	495,000	495,000	4,468,000
150,000	150,000	150,000	150,000	800,000
719,500	769,500	719,500	719,500	4,897,500
210,000	210,000	210,000	210,000	1,050,000
11,461,316	6,535,357	8,493,630	5,085,910	46,782,609
330,000	290,000	310,000	300,000	1,530,000
1,261,000	880,000	1,130,000	1,505,000	6,851,000
1,973,948	2,127,154	2,024,794	2,215,389	11,383,367
3,564,948	3,297,154	3,464,794	4,020,389	19,764,367
13,625,172	14,582,015	22,318,558	9,159,029	69,662,834
375,000	425,000	375,000	350,000	1,875,000
2,800,000	4,555,000	1,700,000	1,730,746	12,160,746
1,108,653	1,366,708	1,166,411	1,105,471	5,793,643
17,908,825	20,928,723	25,559,969	12,345,246	89,492,223
190,000	175,000	175,000	175,000	910,000
190,000	175,000	175,000	175,000	910,000
\$33,125,089	\$30,936,234	\$37,693,393	\$21,626,545	\$156,949,199
0	0	0	0	250,000
0	0	0	0	11,109,000
0	0	0	0	1,400,000
0	0	0	0	1,740,000
\$0	\$0	\$0	\$0	\$14,499,000
\$33,125,089	\$30,936,234	\$37,693,393	\$21,626,545	\$171,448,199

Capital Improvement Fund

FY2018 CAPITAL IMPROVEMENT FUND PROJECTS

The Capital Improvement Fund accounts for the cost of repairs, enlargements, extensions, additions, improvements, reconstruction and replacement of capital assets. It also includes the purchase or enhancement of information technology hardware and software.

DALLAS NORTH TOLLWAY FOURTH LANE (PGBT TO SRT)

The DNT fourth lane project will add a fourth lane to the DNT in each direction between President George Bush Turnpike and the Sam Rayburn Tollway. Construction is underway and is anticipated to be complete in early FY2018. The estimated FY2018 costs for this project are \$7.4 million. The FY2018 - FY2022 Capital Plan includes \$9.9 million. Total project costs are estimated at \$113.9 million. (See map below).

DALLAS NORTH TOLLWAY FOURTH LANE (I-635 TO PGBT)

The NTTA will add a fourth lane in each direction of the DNT from Belt Line Road to the PGBT within the existing right of way. Construction is underway and scheduled for completion in early FY2018. The estimated FY2018 costs are \$3.0 million for this project. The FY2018 - FY2022 Capital Plan includes \$3.0 million. Total project costs are estimated at \$25.0 million.

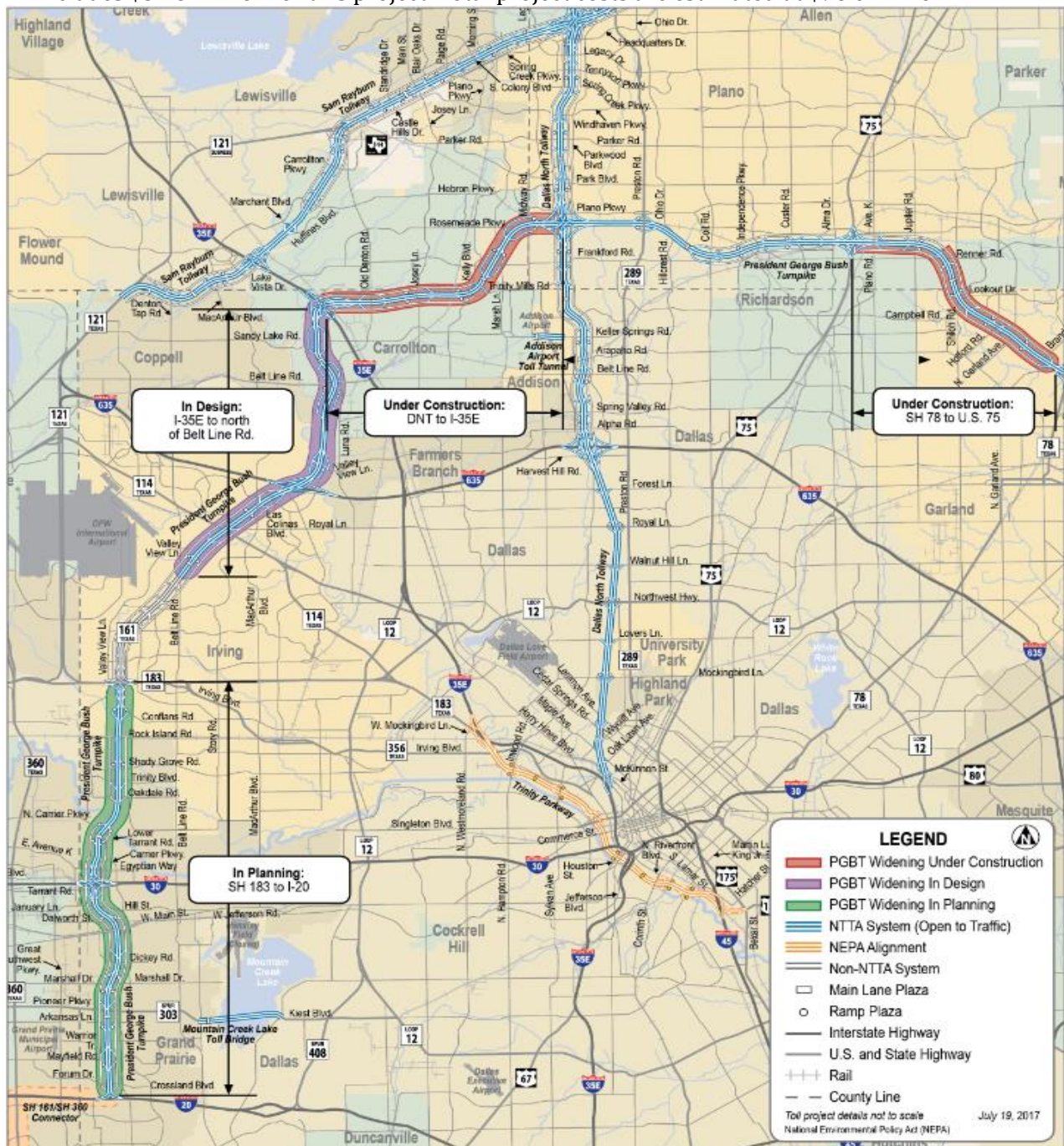


PRESIDENT GEORGE BUSH TURNPIKE WIDENING BETWEEN I-30 AND STATE HIGHWAY 78

The PGBT fourth lane project will add a fourth lane in each direction between Belt Line Road and SH 78. Construction is underway and is anticipated to be complete by FY2020.

- Phase 1 [between U.S. 75 and DNT]: Construction began May 2015 and was opened to traffic in November 2016.
- Phase 2 [from SH 78 to U.S. 75]: Construction began in June 2017; anticipated completion, early FY2019.
- Phase 3 [from DNT to I-35E]: Construction anticipated to begin in mid-FY2017 and done by late FY2019.
- Phase 4 [from I-35E to north of Belt Line Road (Irving)]: Currently in design phase.
- Phase 5 [from SH 183 to I-30]: Currently in planning phase.

The estimated FY2018 costs are \$28.6 million for this project. The FY2018 - FY2022 Capital Plan includes \$57.6 million for this project. Total project costs are estimated at \$96.0 million.



360 TOLLWAY

The 360 Tollway project will extend the roadway 9.7-miles between the existing frontage roads from its current terminus of Camp Wisdom Road in southern Tarrant County to U.S. 287 in northwestern Ellis County and northeastern Johnson County. TxDOT developed the project through an agreement with NTTA; TxDOT will fund, design and build the project and turn it over to NTTA upon construction completion to own, operate and maintain. Construction on the project began in November FY2015 and is anticipated to be substantially completed in early FY2018. The FY2018 budget includes \$1.0 million for implementation of toll collection equipment. The cost will be completely reimbursed by TxDOT.



DALLAS NORTH TOLLWAY/PRESIDENT GEORGE BUSH TURNPIKE INTERCHANGE IMPROVEMENTS

The DNT/ PGBT interchange improvement project increases capacity and improve the flow of traffic on the north side direct connectors and through the interchange. Construction is underway and is anticipated to be complete in early FY2018. The estimated FY2018 costs are \$5.2 for this project. The FY2018 - FY2022 Capital Plan includes \$9.0 million. Total project construction costs are estimated at \$101.4 million. (See project map on page 140).

PRESIDENT GEORGE BUSH TURNPIKE WESTERN EXTENSION WIDENING

The PGBT WE is being widened by adding two main lanes in each direction from I-30 to I-20. The project is scheduled for completion in early FY2021. The FY2018 budget includes \$2.2 million for the project. The FY2018 - FY2022 Capital Plan includes \$49.2 million. The total estimated project construction cost is \$49.7 million. (See map on page 127).

DALLAS NORTH TOLLWAY WIDENING (SRT TO U.S. 380)

NTTA is planning to add an additional lane in each direction to DNT from SRT to U.S. 380, including bridges over U.S. 380. Environmental and schematic work scheduled to begin in FY2018 and design in FY2020. Construction on the bridges is anticipated to begin in FY2019 and on the lanes on FY2021. The project is scheduled for completion in FY2024. The FY2018 budget contains \$6.1 million for this project. The FY2018 - FY2022 Capital Plan includes \$147.4 million. The total estimated project cost is \$177.4 million. (See map on page 128).

EQUIPMENT/HARDWARE/SOFTWARE

As NTTA grows, it is important to upgrade infrastructure to maintain satisfactory services to customers, both internal and external. This includes upgrading equipment, hardware, and software. Some of the major upgrades included: network upgrades, disaster recovery, enterprise storage upgrades, toll collection system enhancements, intelligent transportation systems, and items related to information security and compliance. The estimated FY2018 costs are \$77.1 million. The FY2018 - FY2022 Capital Plan includes \$194.4 million for this category.

REPAIR OF RETAINING WALLS

Several retaining wall projects are being developed to address identified issues. The estimated FY2018 costs are \$15.4 million for this project. The FY2018 - FY2022 Capital Plan includes \$50.8 million.

ROADWAYS

Various improvement projects are planned across the NTTA System including but not limited to repairs, resurfacing, reconstruction and replacements. The estimated FY2018 costs are \$21.6 million. The FY2018 - FY2022 Capital Plan includes \$68.7 million for this category.

BUILDINGS

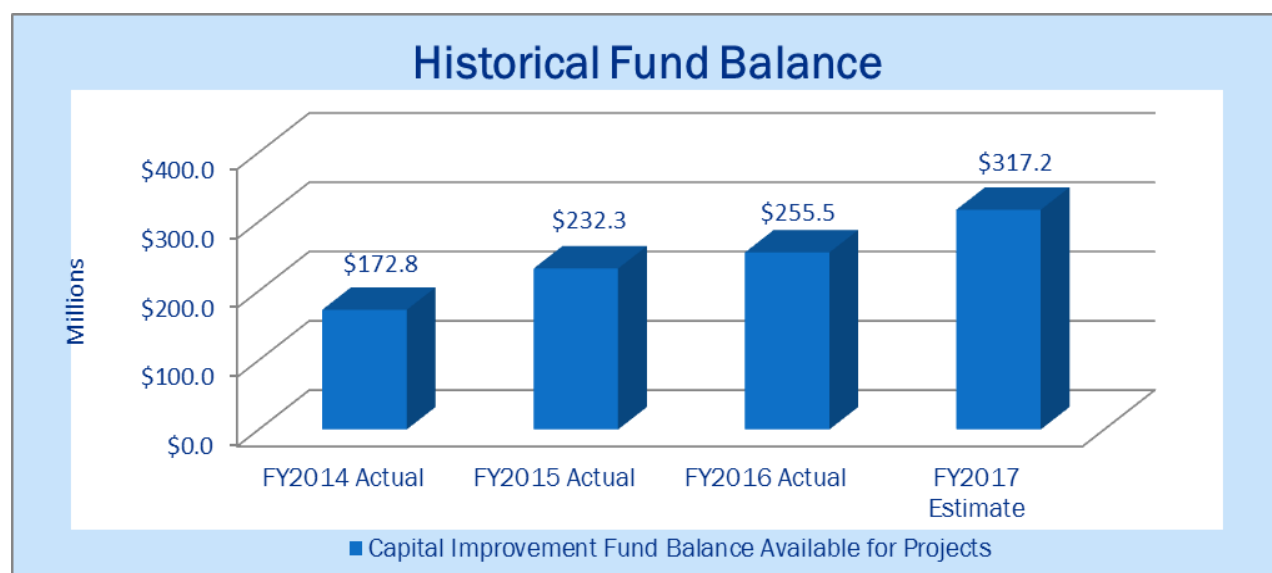
Buildings are being constructed, modified, improved or expanded as the NTTA System expands. Annual reviews are conducted to identify any required improvements. The estimated FY2018 costs are \$3.2 million. The FY2018 - FY2022 Capital Plan includes \$7.4 million for this category.

THE FOLLOWING IS THE LIST OF PROJECTS AND PURCHASES FOR FY2018:

Capital Improvement Fund Projects	
Toll Collection System Software Enhancements/Replacement	\$36,350,002
PCI Compliance	7,589,864
System Enhancements	5,710,000
Data Storage	5,600,000
Intelligent Transportation Systems	5,400,000
Disaster Recovery	4,600,000
Multi-Channel Communications	3,000,000
Windows Server Upgrade	2,000,000
Document Management and Imaging System	950,000
GIS Enhancement	910,000
EPDS Enhancements	810,000
National Interoperability.	800,000
Business Analytics	720,000
Safety Center Radio Upgrade	650,000
Redesign of Internet and Intranet	500,000
Managed Print	490,000
Service Desk Software Enhancements	400,000
PeopleSoft HR HCM Enhancements	325,000
Application Testing Suite	300,000
PGBT 4th Lane Widening	28,623,923
Systemwide Roadway Improvements	21,573,870
MSE Wall Stabilization and Maintenance Program	15,400,000
Dallas North Tollway 4th Lane	7,374,000
Dallas North Tollway Phase 4A Bridges over U.S. 380	5,592,830
DNT/PGBT Interchange & Ramp Modifications	5,155,591
Systemwide Facility Improvements	3,155,000
Dallas North Tollway Improvements	3,031,727
PGBT WE Widening	2,214,096
360 Tollway	976,400
Dallas North Tollway Widening (SRT to U.S. 380)	501,691
Professional, Audit, Legal Fees	4,851,827
Total Project Costs	175,555,821
Cash transfer to CIF Bond Payment Account	34,577,180
Cash transfer to Rainy Day Fund	25,000,000
Cash transfer to CIF/Revolving Account	800,000
Cash Transfer to OMF – Overhead Costs	4,579,151
Total Expenditures	\$240,512,152

ESTIMATED CAPITAL IMPROVEMENT FUND REQUIREMENTS FY2018

Capital Improvement Fund Balance Available for Projects 1/1/2018		\$317,203,007
FY2018 Estimated Cash Inflows		
Estimated Deposit from Revenue Fund	223,176,904	
Reimbursement Agreement - TxDOT	976,400	
Total Cash Inflows		224,153,304
FY2018 Estimated Cash Outflows		
ISTEA Payment	(10,500,000)	
CIF Subordinate Debt	(24,077,180)	
Total Debt Service Payments		(34,577,180)
Estimated CIF Projects Cost	(170,703,994)	
LOC Professional Fees, Audit Fees, Legal Fees	(4,851,827)	
Total CIF Projects Cost		(175,555,821)
Estimated Expenditures CIF/Revolving Acct. FSF Projects	(150,000)	
Professional Fees, Audit Fees, Legal Fees	(650,000)	
Total CIF/Revolving Account - FSF Projects Cost		(800,000)
Cash Transfer to Rainy Day Fund		(25,000,000)
Cash Transfer to OMF for Overhead Costs		(4,579,151)
Total Cash Outflows		(240,512,152)
Estimated Balance Available for Projects at 12/31/2018		300,844,159
FY2018 CIF Bond Payment Account balance		12,038,580
FY2018 CIF Rainy Day Fund Account balance		75,000,000
Estimated Total CIF Cash Balances at 12/31/2018		\$387,882,739



The Capital Improvement Fund balance is funds available for FY2018 projects.

CAPITAL IMPROVEMENT FUND - (1501) BUDGET COMPARISONS FY2018 TO FY2017

Department	FY2017 Budget	FY2018 Budget	Variance Amount	Percent
Administrative Services:				
Accounting	\$0	\$0	\$0	0.0%
Administration	0	0	0	0.0%
Board	0	0	0	0.0%
Cash and Debt Management	2,074,400	2,528,567	454,167	21.9%
Financial Planning & Analysis	0	300,000	300,000	0.0%
Human Resources	0	0	0	0.0%
Internal Audit	23,260	23,260	0	0.0%
Legal Services	2,000,000	1,993,000	(7,000)	(0.4%)
Procurement and Business Diversity	150,000	7,000	(143,000)	(95.3%)
Public Affairs	1,865,919	0	(1,865,919)	(100.0%)
Shared Services	0	0	0	0.0%
Total Administrative Services	6,113,579	4,851,827	(1,261,752)	(20.6%)
Operational Services:				
Contact Center and Collections	0	0	0	0.0%
Customer Care	0	0	0	0.0%
Information Technology	44,639,400	77,104,866	32,465,466	72.7%
Maintenance	2,550,000	3,155,000	605,000	23.7%
Operations	0	0	0	0.0%
Project Delivery	142,985,900	87,194,128	(55,791,772)	(39.0%)
System & Incident Mgmt.	4,600,000	3,250,000	(1,350,000)	(29.3%)
Total Operational Services	194,775,300	170,703,994	(24,071,306)	(12.4%)
Grand Totals	\$200,888,879	\$175,555,821	(\$25,333,058)	(12.6%)

CAPITAL IMPROVEMENT FUND – (1501) ESTIMATE FY2018

Department	Account	
Procurement Services	Public Information Fees - (523203)	7,000
	Procurement Services Total	7,000
Cash and Debt Management	Consulting/Professional - (521201)	67,900
	Trustee Fees - (521204)	189,500
	Rating Agency Fees - (521205)	91,000
	Remarketing/Loc Provider Fees - (521206)	2,180,167
	Cash and Debt Management Total	2,528,567
Financial Planning & Analysis	Traffic Engineering Fees - (521207)	300,000
	Financial Planning & Analysis Total	300,000
Internal Audit	Auditing Fees - (521203)	23,260
	Internal Audit Total	23,260
Legal Services	Legal Fees - (521202)	1,993,000
	Legal Services Total	1,993,000
Information Technology	Consulting/Professional - (521201)	1,700,000
	Consulting/Profess Serv Tech - (521301)	18,719,866
	Computers - (531641)	16,585,000
	Software - (531651)	36,400,000
	Infrastructure - Other - (541403)	3,700,000
	Information Technology Total	77,104,866
Maintenance	Building Improvements - (541302)	2,955,000
	Infrastructure Rdway/Hwy/Bridg - (541401)	200,000
	Maintenance Total	3,155,000
Project Delivery	General Engineering - (521213)	228,000
	Infrastructure Rdway/Hwy/Bridg - (541401)	28,124,000
	Right-of-Way (06)	174,413
	Administration (01)	3,724,121
	Planning (02)	969,494
	Design (03)	9,057,452
	Construction (04)	43,488,931
	Equipment/Hardware (05)	1,159,010
	Other (176999)	268,707
	Project Delivery Total	87,194,128
System & Incident Mgmt.	Traffic Engineering Fees - (521207)	750,000
	Infrastructure Rdway/Hwy/Bridg - (541401)	2,400,000
	Infrastructure - Other - (541403)	100,000
	System & Incident Mgmt. Total	3,250,000
Total		\$175,555,821

CAPITAL IMPROVEMENT FUND - (1501) PROJECT LIST FY2018 - FY2021 CAPITAL PLAN

Department	Project	Estimated FY2017	FY2018
Information Technology - (20111)	1000030 - Facility Improvements	0	400,000
Information Technology - (20111)	7000002 - Document Management and Imaging System	850,000	500,000
Information Technology - (20111)	7000005 - Business Analytics	400,000	400,000
Information Technology - (20111)	7000006 - PCI Compliance	1,928,000	7,589,864
Information Technology - (20111)	7000008 - Disaster Recovery	2,000,000	4,600,000
Information Technology - (20111)	7000011 - Intelligent Transportation Systems Retrofit	4,150,000	3,400,000
Information Technology - (20111)	7000013 - Syst. Enhancements-PS-FIN	0	250,000
Information Technology - (20111)	7000016 - Data Storage	0	5,600,000
Information Technology - (20111)	7000017 - EPDS Enhancements	1,090,000	300,000
Information Technology - (20111)	7000018 - Redesign of Internet and Intranet	850,000	200,000
Information Technology - (20111)	7000021 - PeopleSoft HR HCM Enhancements	530,000	0
Information Technology - (20111)	7000022 - Digital Aerial Photography	148,200	0
Information Technology - (20111)	7000024 - Toll Collection Sys Software Enhancements/Maint	6,000,000	6,100,000
Information Technology - (20111)	7000026 - Workload Automation	200,000	0
Information Technology - (20111)	7000033 - Microsoft Enterprise Agreement	1,800,000	0
Information Technology - (20111)	7000034 - Oracle Unlimited License Agreement	3,600,000	0
Information Technology - (20111)	7000040 - Virtualization/Hardware Reduction	300,000	695,000
Information Technology - (20111)	7000042 - Computer Hardware Upgrade	0	685,000
Information Technology - (20111)	7000047 - Toll Enforcement Remedies	500,000	200,000
Information Technology - (20111)	7000050 - GIS Enhancement	258,200	910,000
Information Technology - (20111)	7000051 - Mobile App Enhancements	150,000	500,000
Information Technology - (20111)	7000052 - Application Testing Suite	500,000	300,000
Information Technology - (20111)	7000053 - Reconciliation Sys Enhancements	50,000	0
Information Technology - (20111)	7000054 - Service Desk Software Enhancements	250,000	400,000
Information Technology - (20111)	7000056 - Toll Collection System Implementation	10,000,000	23,500,002
Information Technology - (20111)	7000058 - Infrastructure Professional Service	600,000	900,000
Information Technology - (20111)	7000059 - Monitoring 24x7	280,000	0
Information Technology - (20111)	7000062 - Conf Rooms Display Enhancement	250,000	0
Information Technology - (20111)	7000064 - Board Room Video/Presentation Enhancement	0	100,000
Information Technology - (20111)	7000066 - Customer Correspondence	310,000	0
Information Technology - (20111)	7000067 - DataLogger	0	225,000
Information Technology - (20111)	7000068 - National IOP	2,500,000	200,000
Information Technology - (20111)	7000069 - PMIS Development	150,000	0
Information Technology - (20111)	7000070 - Multi-Channel Communications - CSC	2,000,000	2,000,000
Information Technology - (20111)	7000071 - LoneStar Module Expansion	200,000	0
Information Technology - (20111)	7000073 - Policy Procedure Manual Replacement	275,000	0
Information Technology - (20111)	7000074 - PCM Application Upgrade	330,000	0
Information Technology - (20111)	7000075 - Procurement Project Workflow Manager	350,000	0
Information Technology - (20111)	7000076 - Hyperion Upgrade/Forecasting Tool	470,000	525,000
Information Technology - (20111)	7000078 - Interface PS to PRISM	0	30,000
Information Technology - (20111)	7000081 - eProcurement Project Workflow Tracker	0	450,000
Information Technology - (20111)	7000086 - NTTA Employee Portal	0	400,000
Information Technology - (20111)	7000088 - LoneStar Enhancement Center-to-Center	0	250,000
Information Technology - (20111)	7000105 - Matter Management	0	250,000
Information Technology - (20111)	7000106 - Succession Planning	0	0
Information Technology - (20111)	7000107 - Managed Print	0	490,000
Information Technology - (20111)	7000150 - Business Diversity Tracking	320,000	0
Information Technology - (20111)	7001252 - Windows Server Upgrade	0	2,000,000
Information Technology - (20111)	7001253 - Command Center Radio Upgrade	850,000	650,000
Information Technology - (20111) Total		44,439,400	64,999,866

FY2019	FY2020	FY2021	FY2022	Five Year Total FY2018 - FY2022
175,000	0	0	0	575,000
350,000	0	0	0	850,000
700,000	250,000	250,000	250,000	1,850,000
1,618,000	5,418,000	5,100,000	5,400,000	25,125,864
3,430,000	2,600,000	4,600,000	3,600,000	18,830,000
1,400,000	1,900,000	600,000	900,000	8,200,000
200,000	0	0	0	450,000
5,600,000	3,166,700	0	0	14,366,700
800,000	500,000	0	0	1,600,000
250,000	0	0	0	450,000
825,000	300,000	300,000	300,000	1,725,000
48,200	0	48,200	0	96,400
5,000,000	2,000,000	0	0	13,100,000
0	0	0	0	0
2,000,000	2,000,000	1,500,000	0	5,500,000
4,477,488	4,811,343	0	0	9,288,831
100,000	0	0	0	795,000
0	0	0	0	685,000
100,000	0	0	0	300,000
0	0	0	0	910,000
500,000	0	0	0	1,000,000
700,000	0	0	0	1,000,000
0	0	0	0	0
0	0	0	0	400,000
15,950,002	13,550,002	0	0	53,000,006
0	0	0	0	900,000
0	0	0	0	0
0	0	0	0	0
0	0	0	0	100,000
0	0	0	0	0
0	0	0	0	225,000
100,000	100,000	100,000	0	500,000
0	150,000	0	0	150,000
3,000,000	4,500,000	2,500,000	0	12,000,000
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
100,000	0	0	0	625,000
10,000	0	0	0	40,000
175,000	0	0	0	625,000
150,000	0	0	0	550,000
100,000	0	0	0	350,000
25,000	0	0	0	275,000
325,000	0	0	0	325,000
490,000	180,000	0	0	1,160,000
0	0	0	0	0
0	0	0	0	2,000,000
475,000	650,000	475,000	650,000	2,900,000
49,173,690	42,076,045	15,473,200	11,100,000	182,822,801

**CAPITAL IMPROVEMENT FUND - (1501) PROJECT LIST FY2018 - FY2022 CAPITAL PLAN
(CONTINUED)**

Department	Project	Estimated FY2017	FY2018
Admin Infrastructure - (20221)	1000835 - Systemwide Facility Improvements	2,350,000	2,035,000
	Admin Infrastructure - (20221) Total	2,350,000	2,035,000
Project Delivery - (20511)	1000431 - Systemwide Roadway Improvements	15,899,000	6,179,000
Project Delivery - (20511)	2000417 - PGBT 4th Lane Widening	33,887,900	28,623,923
Project Delivery - (20511)	2000430 - MSE Wall Stabilization and Maintenance Program	13,200,000	13,200,000
Project Delivery - (20511)	2000434 - IH 35E	15,000	0
Project Delivery - (20511)	2100003 - DNT 4th Lane	36,416,000	5,972,000
Project Delivery - (20511)	2100004 - DNT/PGBT IC & Ramp Mods	28,202,000	5,155,591
Project Delivery - (20511)	2100007 - DNT PH4A Bridges over U.S. 380	350,000	5,592,830
Project Delivery - (20511)	2100011 - DNT Widening (SRT to U.S. 380)	0	501,691
Project Delivery - (20511)	2100310 - DNT Segment 1 SWDG Implementation	0	5,371,870
Project Delivery - (20511)	7000055 - DNT Improvements	12,986,000	1,000,000
Project Delivery - (20511)	2900000 - 360 Tollway	2,230,000	100,000
Project Delivery - (20511)	6100003 - PGBT WE Widening	693,876	2,214,096
	Project Delivery - (20511) Total	143,879,776	73,911,001
System & Incdnt Mgmt. - (20611)	1000431 - Systemwide Roadway Improvements	4,600,000	3,250,000
	System & Incdnt Mgmt. - (20611) Total	4,600,000	3,250,000
Totals		\$195,269,176	\$144,195,867

FY2017 Carryover Projects and Adjustments

Information Technology - (20111)	7000002 - Document Management and Imaging System	(200,000)	200,000
Information Technology - (20111)	7000005 - Business Analytics	(320,000)	320,000
Information Technology - (20111)	7000011 - Intelligent Transportation Systems Retrofit	(2,000,000)	2,000,000
Information Technology - (20111)	7000017 - EPDS Enhancements	(510,000)	510,000
Information Technology - (20111)	7000018 - Redesign of Internet and Intranet	(300,000)	300,000
Information Technology - (20111)	7000021 - PeopleSoft HR HCM Enhancements	(325,000)	325,000
Information Technology - (20111)	7000056 - Toll Collection System Implementation	(6,750,000)	6,750,000
Information Technology - (20111)	7000062 - Conf Rooms Display Enhancement	(100,000)	100,000
Information Technology - (20111)	7000068 - National IOP	(600,000)	600,000
Information Technology - (20111)	7000070 - Multi-Channel Communications - CSC	(1,000,000)	1,000,000
Admin Infrastructure - (20221)	1000835 - Systemwide Facility Improvements	(1,120,000)	1,120,000
Project Delivery - (20511)	1000431 - Systemwide Roadway Improvements	(6,773,000)	6,773,000
Project Delivery - (20511)	2000417 - PGBT 4th Lane Widening	(5,637,806)	0
Project Delivery - (20511)	2000430 - MSE Wall Stabilization and Maintenance Program	(2,200,000)	2,200,000
Project Delivery - (20511)	2100003 - DNT 4th Lane	(2,377,000)	1,402,000
Project Delivery - (20511)	2100004 - DNT/PGBT IC & Ramp Mods	(1,277,000)	0
Project Delivery - (20511)	2900000 - 360 Tollway	(876,400)	876,400
Project Delivery - (20511)	7000055 - DNT Improvements	(2,031,727)	2,031,727
System & Incdnt Mgmt. - (20611)	1000431 - Systemwide Roadway Improvements	(700,000)	0
Totals		(\$35,097,933)	\$26,508,127
Total FY2018 - FY2022 Capital Improvement Project Costs		\$160,171,243	\$170,703,994

Report contains only project costs.

Changes to projects are color coded. Amounts must be added for total project cost.

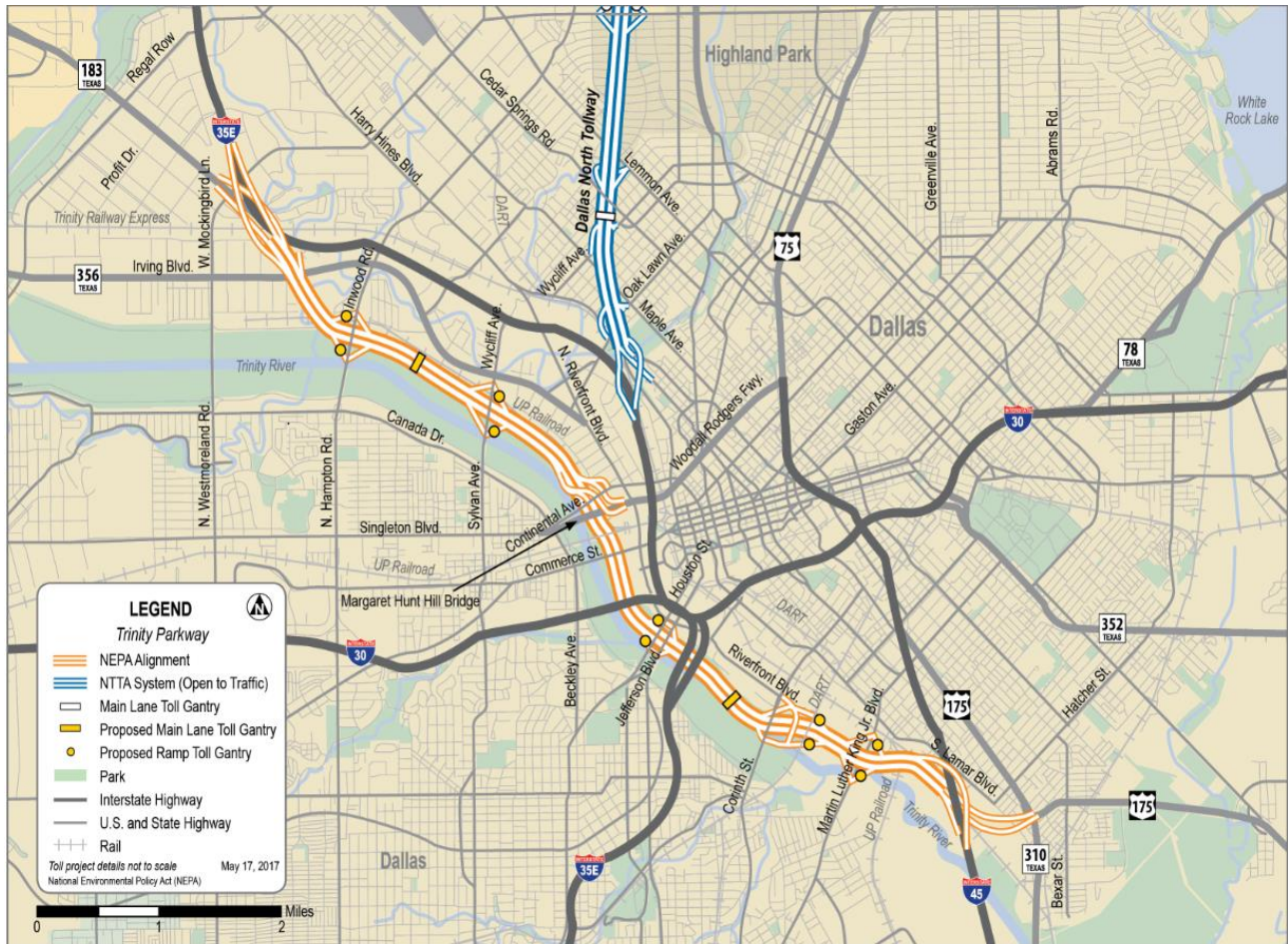
FY2019	FY2020	FY2021	FY2022	Five Year Total FY2018 - FY2022
1,010,000	1,010,000	1,010,000	650,000	5,715,000
1,010,000	1,010,000	1,010,000	650,000	5,715,000
228,000	2,978,000	778,000	253,000	10,416,000
23,260,761	5,676,232	0	0	57,560,916
15,800,000	9,800,000	7,300,000	2,500,000	48,600,000
0	0	0	0	0
1,675,000	0	0	0	7,647,000
1,735,000	0	0	0	6,890,591
39,810,329	39,513,821	18,292,072	0	103,209,052
1,488,016	5,192,425	10,085,950	26,935,300	44,203,382
16,922,516	6,274,034	207,000	0	28,775,420
0	0	0	0	1,000,000
0	0	0	0	100,000
3,724,290	26,770,912	16,296,094	180,044	49,185,436
104,643,912	96,205,424	52,959,116	29,868,344	357,587,797
3,975,000	5,075,000	4,075,000	6,375,000	22,750,000
3,975,000	5,075,000	4,075,000	6,375,000	22,750,000
\$158,802,602	\$144,366,469	\$73,517,316	\$47,993,344	\$568,875,598
0	0	0	0	200,000
0	0	0	0	320,000
0	0	0	0	2,000,000
0	0	0	0	510,000
0	0	0	0	300,000
0	0	0	0	325,000
0	0	0	0	6,750,000
0	0	0	0	100,000
0	0	0	0	600,000
0	0	0	0	1,000,000
0	0	0	0	1,120,000
0	0	0	0	6,773,000
0	0	0	0	0
0	0	0	0	2,200,000
0	0	0	0	1,402,000
0	0	0	0	0
0	0	0	0	876,400
0	0	0	0	2,031,727
0	0	0	0	0
\$0	\$0	\$0	\$0	\$26,508,127
\$158,802,602	\$144,366,469	\$73,517,316	\$47,993,344	\$595,383,725

Feasibility Study Fund

FY2018 CIF/REVOLVING ACCOUNT-FEASIBILITY STUDY FUND PROJECTS

Trinity Parkway

The proposed Trinity Parkway will connect Interstate 35E to U.S. 175, providing a new, approximately 9-mile relief route around the west and south sides of Dallas' central business district. Trinity Parkway is a planned tolled bypass around downtown Dallas, which will provide traffic relief for the I-30 and I-35E corridors. The NTTA is managing preliminary engineering efforts for the City of Dallas to advance the project. The FY2018 budget includes \$0.2 million for this project.



PROJECT COST	
Trinity Parkway	\$150,000
Professional Fees, Legal Fees	650,000
Total Estimated FY2018 Feasibility Cost	\$800,000

FEASIBILITY STUDY FUND – (1601) BUDGET COMPARISONS FY2018 TO FY2017

Department	FY2017 Budget	FY2018 Budget	Variance Amount	Percent
Administrative Services:				
Accounting	\$0	\$0	\$0	0.0%
Administration	0	0	0	0.0%
Board	0	0	0	0.0%
Cash and Debt Management	0	0	0	0.0%
Financial Planning & Analysis	0	0	0	0.0%
Human Resources	0	0	0	0.0%
Internal Audit	0	0	0	0.0%
Legal Services	150,000	150,000	0	0.0%
Procurement and Business Diversity	0	0	0	0.0%
Public Affairs	0	0	0	0.0%
Shared Services	0	0	0	0.0%
Total Administrative Services	150,000	150,000	0	0.0%
Operational Services:				
Contact Center and Collections	0	0	0	0.0%
Customer Care	0	0	0	0.0%
Information Technology	0	0	0	0.0%
Maintenance	0	0	0	0.0%
Operations	0	0	0	0.0%
Project Delivery	1,550,000	650,000	(900,000)	(58.1%)
System & Incident Mgmt.	0	0	0	0.0%
Total Operational Services	1,550,000	650,000	(900,000)	(58.1%)
Grand Totals	\$1,700,000	\$800,000	(900,000)	(52.9%)

FUND 1601 - FEASIBILITY STUDY FUND - (1601) ESTIMATE FY2018

Department	Account	
Legal Services	Legal Fees - (521202)	150,000
	Legal Services Total	150,000
Project Delivery	Deferred Charges (153001)	150,000
	Administration (01)	500,000
	Project Delivery Total	650,000
Total		\$800,000

FEASIBILITY STUDY FUND - (1601) PROJECT COSTS FY2018 - FY2022

Department	Project	Estimated FY2017	FY2018
Project Delivery - (20511)	2700000 - Trinity Pkwy	1,050,000	150,000
Project Delivery - (20511)	3000000 - SH 190	0	0
	Project Delivery - (20511) Total	1,050,000	150,000
Totals		\$1,050,000	\$150,000

Report contains only project costs.

FY2019	FY2020	FY2021	FY2022	Five Year Total FY2018 - FY2022
0	0	0	0	150,000
250,000	0	0	0	250,000
250,000	0	0	0	400,000
\$250,000	\$0	\$0	\$0	\$400,000

360 Tollway Fund

In early FY2018 NTTA will take ownership of the State Highway 360 South renaming it 360 Tollway. In accordance to the project agreement with TxDOT, NTTA will own, operate and maintain the project. The FY2018 budget includes \$5.4 million for the maintenance and tolling services of the project. NTTA will pay TxDOT or a designated contractor, selected by TxDOT, for the maintenance on the project for the first five years. The FY2018 budget contains \$2.8 million for maintenance costs. All costs are completely aligned with the project agreement.

360 TOLLWAY FY2018 BUDGET

360 Tollway FY2018 Budget		
Total Estimated Toll Revenue Transactions		8,872,600
Projected Gross Revenues	\$ 6,848,077	
Projected Bad Debt	<u>(690,000)</u>	
Projected Net Revenues		6,158,077
Estimated Expenditures FY2018 Operating Budget		<u>(5,446,521)</u>
Net Revenues		711,556
Debt Service Obligation*		-
Reimbursement to NTTA**		<u>(711,556)</u>
Estimated Balance Available for Capital Costs at 12/31/2018		<u><u>\$0</u></u>

* No debt service obligation until FY2022.

**Reimbursement to NTTA CIF for pre-opening costs incurred in FY2017.

360 TOLLWAY - (6000) BUDGET COMPARISONS FY2018 TO FY2017

Department	FY2017	FY2018	Variance	
	Budget	Budget	Amount	Percent
Administrative Services:				
Accounting	\$0	\$38,955	\$38,955	0.0%
Administration	0	9,437	9,437	0.0%
Board	0	1,768	1,768	0.0%
Cash and Debt Management	0	7,036	7,036	0.0%
Financial Planning & Analysis	0	12,517	12,517	0.0%
Human Resources	0	23,362	23,362	0.0%
Internal Audit	0	70,004	70,004	0.0%
Legal Services	0	13,924	13,924	0.0%
Procurement and Business Diversity	0	24,501	24,501	0.0%
Public Affairs	0	35,300	35,300	0.0%
Shared Services	0	0	0	0.0%
Total Administrative Services	0	236,803	236,803	0.0%
Operational Services:				
Contact Center and Collections	0	944,462	944,462	0.0%
Customer Care	0	0	0	0.0%
Information Technology	0	207,403	207,403	0.0%
Maintenance *	0	3,116,574	3,116,574	0.0%
Operations	0	14,633	14,633	0.0%
Project Delivery	0	29,950	29,950	0.0%
System & Incident Mgmt.	0	896,696	896,696	0.0%
Total Operational Services	0	5,209,718	5,209,718	0.0%
Grand Totals	\$0	\$5,446,521	\$5,446,521	0.0%

* Contains \$2.8 million to be paid to TxDOT or designated maintenance contractor.

360 TOLLWAY - (6000) ESTIMATE FY2018

Department	Account	
Accounting	Salaries and Wages-Direct - (511101)	34,666
	Retirement Contributions - (512401)	4,289
	Accounting Total	38,955
Administration	Salaries and Wages-Direct - (511101)	8,554
	Retirement Contributions - (512401)	883
	Administration Total	9,437
Board	Salaries and Wages-Direct - (511101)	1,574
	Retirement Contributions - (512401)	194
	Board Total	1,768
Cash and Debt Management	Salaries and Wages-Direct - (511101)	6,276
	Retirement Contributions - (512401)	760
	Cash and Debt Management Total	7,036
Financial Planning & Analysis	Salaries and Wages-Direct - (511101)	11,144
	Retirement Contributions - (512401)	1,373
	Financial Planning & Analysis Total	12,517
Human Resources	Salaries and Wages-Direct - (511101)	20,740
	Retirement Contributions - (512401)	2,622
	Human Resources Total	23,362
Internal Audit	Salaries and Wages-Direct - (511101)	16,033
	Retirement Contributions - (512401)	1,971
	Auditing Fees - (521203)	52,000
	Internal Audit Total	70,004
Legal Services	Salaries and Wages-Direct - (511101)	12,387
	Retirement Contributions - (512401)	1,537
	Legal Services Total	13,924
Procurement and Business Diversity	Salaries and Wages-Direct - (511101)	21,809
	Retirement Contributions - (512401)	2,692
	Procurement and Business Diversity Total	24,501
Public Affairs	Salaries and Wages-Direct - (511101)	31,383
	Retirement Contributions - (512401)	3,917
	Public Affairs Total	35,300
Contact Center and Collections	Salaries and Wages-Direct - (511101)	119,103
	Retirement Contributions - (512401)	14,917
	Consulting/Professional - (521201)	294,010
	Postage - (523201)	124,430
	Temporary Contract Labor - (523851)	69,502
	Inven for resale(toll tags) - (531501)	122,734
	Credit Card Fees - (573002)	199,766
	Contact Center and Collections Total	944,462
Information Technology	Salaries and Wages-Direct - (511101)	67,376
	Retirement Contributions - (512401)	8,316
	Outside Maintenance Services - (521212)	60,589
	Software - (531651)	71,122
	Information Technology Total	207,403
Maintenance	Salaries and Wages-Direct - (511101)	15,306
	Retirement Contributions - (512401)	1,893
	Consulting/Professional - (521201)	187,500
	Outside Maintenance Services - (521212)	2,784,375
	Water - (531211)	45,000
	Electricity - (531231)	82,500
	Maintenance Total	3,116,574
Operations	Salaries and Wages-Direct - (511101)	13,045
	Retirement Contributions - (512401)	1,589
	Operations Total	14,633
Project Delivery	Salaries and Wages-Direct - (511101)	26,731
	Retirement Contributions - (512401)	3,219
	Project Delivery Total	29,950
System & Incident Mgmt.	Salaries and Wages-Direct - (511101)	150,154
	Retirement Contributions - (512401)	18,532
	Police Services (DPS) - (521208)	578,010
	Insurance Expense - Other - (523101)	150,000
	System & Incident Mgmt. Total	896,696
Total		\$5,446,521

Enterprise Fund

FY2018 ENTERPRISE FUND

The Enterprise Fund was created by the Authority to account for the revenue and expenses associated with tolling services agreements. The Authority is responsible for the collection of tolls on all tolled projects in the North Texas region. Currently, the Authority has TSAs with the developers of two projects (TSAs - IH635 (LBJ) and TSAs NTE 1/2W, NTE 3A/3B). In addition, regional TSAs with TxDOT (DFW-Connector, I-30, LBJ East, I-35E, SH114) and two are being added for FY2018 (SH183, Loop 12).

Fund Costs	
Software Maintenance and Enhancements	\$1,126,827
Professional and Legal Fees	892,537
Allocated Cost – Salaries, Benefits and Transaction Processing Cost	16,623,968
Total FY2018 EF Budget	\$18,643,332

ESTIMATED FY2018 DEVELOPER TSA REQUIREMENTS

Developer TSAs Projects	LBJ	NTE 1/2W	NTE 3A/3B	Total
Transactions				
TollTag	40,617,579	21,385,069	13,640,000	75,642,648
ZipCash	15,382,421	8,614,931	6,360,000	30,357,352
Total Transactions	56,000,000	30,000,000	20,000,000	106,000,000
Payments to TSAs				
Gross Payments	\$126,339,699	\$104,819,154	\$18,659,005	\$249,817,858
NTTA Fees	(7,308,139)	(5,307,718)	(2,984,644)	(15,600,501)
Net Payments to TSAs	\$119,031,560	\$99,511,436	\$15,674,361	\$234,217,357
Revenues Collected from TSAs				
TollTag Revenue	93,455,327	75,331,286	14,469,312	183,255,924
ZipCash Revenue	24,629,442	25,201,828	4,189,693	54,020,963
Administrative Fees	7,612,500	5,485,804	1,272,000	14,370,304
Net Revenue Collected	125,697,268	106,018,917	19,931,005	251,647,191
Collection (Exposure) Profit	\$6,665,708	\$6,507,482	\$4,256,644	\$17,429,833
NTTA Expenses	(6,720,000)	(3,600,000)	(2,400,000)	(12,720,000)
IOP Revenue	4,021,698	2,154,481	1,436,321	7,612,500
Net TSAs Cash Flow	\$3,967,406	\$5,061,963	\$3,292,965	\$12,322,333

ESTIMATED FY2018 REGIONAL TSA REQUIREMENTS

Regional TSAs Projects	DFWC	I-30	LBJ East	I-35E	SH114	SH183	LP12	Total
Transactions								
TollTag	2,125,000	8,631,070	6,149,400	9,035,000	2,395,400	4,405,100	466,900	33,207,870
ZipCash	375,000	3,699,030	4,099,600	4,865,000	1,026,600	1,887,900	200,100	16,153,230
Total Transactions	2,500,000	12,330,100	10,249,000	13,900,000	3,422,000	6,293,000	667,000	49,361,100
Collection Exposure (Pay When Paid)	\$0	\$0	\$0	\$0	\$0	\$1	\$2	\$0
NTTA Expenses	(300,000)	(1,479,612)	(1,229,880)	(1,668,000)	(410,640)	(755,160)	(80,040)	(5,923,332)
NTTA Expense Reimbursement	300,000	1,479,612	1,229,880	1,668,000	410,640	755,160	80,040	5,923,332
Net TSAs Cash Flow	\$0	\$0	\$0	\$0	\$0	\$1	\$2	\$0

ENTERPRISE FUND - (7800) BUDGET COMPARISONS FY2018 TO FY2017

Department	FY2017 Budget	FY2018 Budget	Variance Amount	Percent
Administrative Services:				
Accounting	\$204,455	\$338,646	\$134,191	65.6%
Administration	51,071	81,998	30,927	60.6%
Board	0	0	0	0.0%
Cash and Debt Management	37,786	61,141	23,355	61.8%
Financial Planning & Analysis	68,346	108,757	40,411	59.1%
Human Resources	123,078	202,990	79,912	64.9%
Internal Audit	113,576	186,440	72,864	64.2%
Legal Services	130,904	170,982	40,078	30.6%
Procurement and Business Diversity	0	0	0	0.0%
Public Affairs	1,535,690	1,009,330	(526,360)	(34.3%)
Shared Services	739,127	1,023,127	284,000	38.4%
Total Administrative Services	3,004,033	3,183,411	179,378	6.0%
Operational Services:				
Contact Center and Collections	7,467,915	12,713,283	5,245,368	70.2%
Customer Care	90,257	0	(90,257)	(100.0%)
Information Technology	1,684,921	2,569,494	884,573	52.5%
Maintenance	0	0	0	0.0%
Operations	81,504	177,144	95,640	117.3%
Project Delivery	0	0	0	0.0%
System & Incident Mgmt.	0	0	0	0.0%
Total Operational Services	9,324,597	15,459,921	6,135,324	65.8%
Grand Totals	\$12,328,630	\$18,643,332	\$6,314,702	51.2%

The Enterprise Fund FY2018 budget increased by \$6,314,702 from FY2017 budget. The budget continues to increase as projects mature and more projects are added to the fund.

TSA Transaction	FY2017	FY2018	Variance
Developer TSA's	80,000,000	106,000,000	26,000,000
Regional TSA's	29,960,202	49,361,100	19,400,898
Total Transactions	109,960,202	155,361,100	45,400,898

The FY2018 transactions have been adjusted to reflect the latest revenue and transaction projections.

ENTERPRISE FUND - (7800) ESTIMATE FY2018

Department	Account	
Accounting	Salaries and Wages-Direct - (511101)	301,216
	Salaries and Wage-Overtime - (511301)	164
	Retirement Contributions - (512401)	37,266
	Accounting Total	338,646
Administration	Salaries and Wages-Direct - (511101)	74,322
	Retirement Contributions - (512401)	7,676
	Administration Total	81,998
Cash and Debt Management	Salaries and Wages-Direct - (511101)	54,538
	Retirement Contributions - (512401)	6,603
	Cash and Debt Management Total	61,141
Financial Planning & Analysis	Salaries and Wages-Direct - (511101)	96,825
	Retirement Contributions - (512401)	11,932
	Financial Planning & Analysis Total	108,757
Human Resources	Salaries and Wages-Direct - (511101)	180,211
	Retirement Contributions - (512401)	22,779
	Human Resources Total	202,990
Internal Audit	Salaries and Wages-Direct - (511101)	139,311
	Retirement Contributions - (512401)	17,129
	Auditing Fees - (521203)	30,000
	Internal Audit Total	186,440
Legal Services	Salaries and Wages-Direct - (511101)	107,627
	Retirement Contributions - (512401)	13,355
	Legal Fees - (521202)	50,000
	Legal Services Total	170,982
Public Affairs	Salaries and Wages-Direct - (511101)	219,104
	Salaries and Wage-Overtime - (511301)	176
	Retirement Contributions - (512401)	27,513
	Magazine and Newspaper - (523302)	250,000
	Television & Radio - (523303)	250,000
	Promotional Expenses - (523304)	262,537
	Public Affairs Total	1,009,330
Shared Services	Group Insurance - (512101)	1,009,656
	Office Supplies - (531101)	13,471
	Shared Services Total	1,023,127
Contact Center and Collections	Salaries and Wages-Direct - (511101)	2,243,270
	Salaries and Wage-Overtime - (511301)	58,425
	Retirement Contributions - (512401)	280,983
	Consulting/Professional - (521201)	1,814,182
	Postage - (523201)	1,968,494
	Temporary Contract Labor - (523851)	1,099,526
	Inven for resale(toll tags) - (531501)	1,941,666
	Bank Charges - (573001)	146,432
	Credit Card Fees - (573002)	3,160,305
	Contact Center and Collections Total	12,713,283
Information Technology	Salaries and Wages-Direct - (511101)	1,269,039
	Salaries and Wage-Overtime - (511301)	16,987
	Retirement Contributions - (512401)	156,641
	Software - (531651)	1,126,827
	Information Technology Total	2,569,494
Operations	Salaries and Wages-Direct - (511101)	113,343
	Retirement Contributions - (512401)	13,801
	Consulting/Professional - (521201)	50,000
	Operations Total	177,144
Total		\$18,643,332

Long-Term Financial Plan

INTRODUCTION

The three major factors in developing the Authority's long-term financial plans are the traffic and revenue estimates provided by the Traffic and Revenue Engineers, the estimated operating expenses provided by the General Engineer Consultants, and the estimated net debt service provided by the Financial Advisors. These estimates are generated during the initial feasibility study phase of tollway projects and are prepared for a total of 50 years. They are updated during the investment-grade phase and at the time of preparing the official statements for the issuance of bond debt.

The All Funds Long-Term Financial Projections included in this section are summary pages from the FY2018 - FY2022 Five-Year Capital Plan. The five-year plan is adopted by the Board on an annual basis.

REVENUE FUND LONG-TERM PLAN

The majority, about 93.3%, of revenue in the long-term revenue plan is the toll revenue estimate provided by the Traffic and Revenue Engineers. The estimated other revenues, about 4.7%, are provided by the Authority and include video tolling fees and other charges, and estimated projected interest earnings. Total revenue growth is expected to average 5.2% per year between FY2018 and FY2022. All NTTA revenues on deposit in the Revenue Fund must be distributed to the other funds in accordance to the Trust Agreement.

	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	Five Year Totals FY2018 - FY2022
REVENUE FUND							
Estimated Beginning Available Cash Balance	-	-	-	-	-	-	-
INFLOWS							
Estimated Toll Revenues	779,595,600	844,739,100	892,764,300	939,410,600	984,490,400	1,036,195,900	4,697,600,300
Estimated Other Revenues	61,624,120	65,098,000	65,272,840	67,778,160	69,280,880	72,049,240	339,479,120
TOTAL INFLOWS	841,219,720	909,837,100	958,037,140	1,007,188,760	1,053,771,280	1,108,245,140	5,037,079,420
Estimated Ending Available Cash Balance	-	-	-	-	-	-	-
Total Revenues Available for Operations	841,219,720	909,837,100	958,037,140	1,007,188,760	1,053,771,280	1,108,245,140	5,037,079,420

OPERATION AND MAINTENANCE FUND LONG-TERM PLAN

The Operation and Maintenance Fund long-term plan encompasses all the day-to-day expenses of operating the Authority. The majority of these expenditures are related to employee compensation, retirement, and health and welfare benefits; which account for about 35.0% of operating cost.

The estimated operating expenses for the year are prepared by the individual departments and are compared to the General Consultant Engineer's estimated amount. The operating expenses are expected to increase an average of 3.0% per year between FY2018 and FY2022.

The Operation and Maintenance Fund is funded from the Revenue Fund. This means that the required revenues to match expenditures and maintain the required balance will be transferred to the fund.

	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	Five Year Totals FY2018 - FY2022
Total Revenues Available for Operations	841,219,720	909,837,100	958,037,140	1,007,188,760	1,053,771,280	1,108,245,140	5,037,079,420
OPERATION AND MAINTENANCE FUND							
Estimated Beginning Available Cash Balance	42,171,237	30,958,333	30,958,333	31,887,083	32,843,696	33,829,007	30,958,333
INFLOWS							
Transfer from Revenue Fund	148,273,695	175,798,081	182,000,773	187,460,796	193,084,620	198,877,158	937,221,427
Transfer from SPS	4,251,343						
Inter-Fund Transfers	9,662,058	9,951,920	10,250,477	10,557,992	10,874,731	11,200,973	52,836,093
TOTAL INFLOWS	162,187,096	185,750,000	192,251,250	198,018,788	203,959,351	210,078,132	990,057,521
OUTFLOWS							
Estimated Operating Expenses	(173,400,000)	(185,750,000)	(191,322,500)	(197,062,175)	(202,974,040)	(209,063,261)	(986,171,977)
TOTAL OUTFLOWS	(173,400,000)	(185,750,000)	(191,322,500)	(197,062,175)	(202,974,040)	(209,063,261)	(986,171,977)
Estimated Ending Available Cash Balance	30,958,333	30,958,333	31,887,083	32,843,696	33,829,007	34,843,877	34,843,877
Net Revenues Available for Debt Service	692,946,025	734,039,019	776,036,367	819,727,964	860,686,660	909,367,982	4,099,857,993

DEBT SERVICE FUNDS LONG-TERM PLAN

The 1st, 2nd, and 3rd Tier Bond Interest and Redemption Funds are used to accumulate the amounts necessary to pay the principal and interest on debt as they become due. The long-term plan estimates are provided by the Financial Advisor. The funds are funded from the Revenue Fund; which means that the revenues are expected to match the required debt service and will be transferred from the Revenue Fund.

	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	Five Year Totals FY2018 - FY2022
Net Revenues Available for Debt Service	692,946,025	734,039,019	776,036,367	819,727,964	860,686,660	909,367,982	4,099,857,993
DEBT SERVICE FUNDS							
Estimated Beginning Available Cash Balance	-	-	-	-	-	-	-
INFLOWS							
Transfer from Capital Improvement Fund	37,545,376	34,577,180	36,327,160	69,824,556	69,822,994	69,827,680	280,379,570
Capitalized interest transfer	7,208,968	2,643,724					2,643,724
Transfer from Revenue Fund	434,715,644	494,504,366	504,557,506	544,277,056	572,396,442	586,179,223	2,701,914,593
TOTAL INFLOWS	479,469,988	531,725,270	540,884,666	614,101,612	642,219,436	656,006,903	2,984,937,887
OUTFLOWS							
1st Tier Debt Service	(384,358,912)	(419,025,203)	(426,432,369)	(466,153,419)	(494,273,805)	(508,053,085)	(2,313,937,881)
2nd Tier Debt Service	(57,565,700)	(78,122,887)	(78,125,137)	(78,123,637)	(78,122,637)	(78,126,138)	(390,620,436)
3rd Tier Debt Service	-	-	-	-	-	-	-
Total Debt Service	(441,924,612)	(497,148,090)	(504,557,506)	(544,277,056)	(572,396,442)	(586,179,223)	(2,704,558,317)
Capital Improvement Fund - Subordinate Debt	(28,545,376)	(24,077,180)	(24,077,160)	(54,502,160)	(54,500,598)	(54,505,284)	(211,662,382)
Capital Improvement Fund - ISTEAL Loan	(9,000,000)	(10,500,000)	(12,250,000)	(15,322,396)	(15,322,396)	(15,322,396)	(68,717,188)
TOTAL OUTFLOWS	(479,469,988)	(531,725,270)	(540,884,666)	(614,101,612)	(642,219,436)	(656,006,903)	(2,984,937,887)
Estimated Ending Available Cash Balance	-	-	-	-	-	-	-
Net Revenues Available for Major Maintenance Projects	258,230,381	239,534,653	271,478,861	275,450,908	288,290,218	323,188,759	1,397,943,400
First Tier Debt Service Coverage	1.80	1.76	1.82	1.76	1.74	1.79	1.77
First & Second Tier Debt Service Coverage	1.58	1.48	1.54	1.51	1.50	1.55	1.52
All Debt Service Coverage	1.45	1.39	1.43	1.33	1.34	1.39	1.37
ClF Subordinated Debt Coverage	1.38	1.37	1.37	1.29	1.29	1.37	1.38

RESERVE MAINTENANCE FUND LONG-TERM PLAN

This is the Authority's long-term plan for the renewal and replacement of capital assets. The Authority 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 is conducted by the Authority's General Engineering Consultant. 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 (on a 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 by Resolution No. 02-31 on June 19, 2002 and were further clarified by Resolution No. 07-169 on December 19, 2007.

About 80% of the Reserve Maintenance Fund expenditures are identified through the annual inspection of the systems assets. The replacement of information technology hardware and software accounts for another 20%. The FY2018 through FY2022 projected amounts will be adjusted based on the previous year's inspection report.

The Reserve Maintenance Fund is funded from the Revenue Fund. This means that the required revenues to match expenditures and maintain the required balance will be transferred to the fund.

	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	Five Year Totals FY2018 - FY2022
Net Revenues Available for Reserve Maintenance Projects	258,230,381	239,534,653	271,478,861	275,450,908	288,290,218	323,188,759	1,397,943,400
RESERVE MAINTENANCE FUND							
Estimated Beginning Available Cash Balance	25,514,172	35,093,259	-	-	-	-	35,093,259
INFLOWS							
Transfer SPS Major Maintenance Reserve Fund	18,838,056						
Transfer from Revenue Fund	32,796,968	16,357,749	36,610,681	34,526,394	41,391,258	25,435,346	154,321,429
TOTAL INFLOWS	51,635,024	16,357,749	36,610,681	34,526,394	41,391,258	25,435,346	154,321,429
OUTFLOWS							
RMF Project Expenses	(38,173,674)	(48,066,938)	(33,125,089)	(30,936,234)	(37,693,393)	(21,626,545)	(171,448,199)
RMF Professional Fees and Other Expenses	(626,005)	(61,630)	(63,479)	(65,383)	(67,345)	(69,365)	(327,202)
RMF Salaries/Wages	(3,256,258)	(3,322,440)	(3,422,114)	(3,524,777)	(3,630,520)	(3,739,436)	(17,639,287)
TOTAL OUTFLOWS	(42,055,937)	(51,451,008)	(36,610,681)	(34,526,394)	(41,391,258)	(25,435,346)	(189,414,688)
Estimated Ending Available Cash Balance	35,093,259	-	-	-	-	-	-
RMF Reserve Account							
Estimated Ending Cash Balance/RMF Reserve	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Net Revenues Available for Capital Improvement Projects	225,433,413	223,176,904	234,868,180	240,924,514	246,898,960	297,753,413	1,243,621,971

CAPITAL IMPROVEMENT FUND AND CIF - REVOLVING ACCOUNT/FSF LONG-TERM PLAN

The Capital Improvement Fund accounts for the Authority's long-term plan for the enlargements, extensions, additions, improvements, reconstruction and replacement, and certain cost of repairs to the System. This fund receives a transfer from the Revenue Fund to the extent of any available excess revenues. In addition, the Authority may issue bonds to finance these costs of the Capital Improvement Fund.

The Authority issued \$400 million of bonds in May 2010 secured by revenues deposited into the Capital Improvement Fund. These bonds are subordinate to the Authority's Third Tier Bonds. The proceeds of the bonds were used to finance a portion of the cost of developing the PGBT Western Extension (previously SH 161) and Chisholm Trail Parkway (CTP).

The Capital Improvement Fund revolving account, or the Feasibility Study Fund, is to be used only to pay the expenses of studying the cost and feasibility and any other expenses relating to the preparation and issuance of bonds for the acquisition and construction of a proposed turnpike project for the Authority; the financing of the improvement, extension or expansion of an existing turnpike for the Authority; for private participation, as authorized by law, in the financing of a proposed turnpike project for the Authority, or the refinancing of an existing turnpike project for the Authority or the improvement, extension or expansion of a turnpike project for the Authority.

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 Feasibility Study Fund. However, the Authority may not transfer an amount that results in a balance in the surplus fund that is less than the minimum balance required in the trust agreement for that project, if any. The current Trust Agreement does not have a required minimum balance for the Capital Improvement Fund.

	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	Five Year Totals FY2018 - FY2022
Net Revenues Available for Capital Improvement Projects	225,433,413	223,176,904	234,868,180	240,924,514	246,898,960	297,753,413	1,243,621,971
CAPITAL IMPROVEMENT FUND							
Estimated Beginning CIF Cash Balance Available for Projects	255,539,140	317,203,007	300,844,159	285,123,673	170,111,923	111,099,444	317,203,007
INFLOWS							
Transfer from Revenue Fund	225,433,413	223,176,904	234,868,180	240,924,514	246,898,960	297,753,413	1,243,621,971
Transfer SPS Capital Expenditure Reserve Fund	18,222,255						
Transfer SPS General Fund	26,644,871						
Reimbursement from TxDOT - SH 360	1,353,600	976,400	-	-	-	-	976,400
NET INFLOWS AVAILABLE FOR CIF EXPENSES	271,654,139	224,153,304	234,868,180	240,924,514	246,898,960	297,753,413	1,244,598,371
OUTFLOWS							
CIF Project Expenses	(160,171,243)	(170,703,994)	(158,802,602)	(144,366,469)	(73,517,316)	(47,993,344)	(595,383,725)
CIF Professional/LOC Fees	(6,113,580)	(4,851,827)	(4,605,275)	(4,186,628)	(2,132,002)	(1,391,807)	(17,167,539)
CIF Salaries/Wages	(4,456,067)	(4,579,151)	(4,716,526)	(4,858,021)	(5,003,762)	(5,153,875)	(24,311,335)
Transfer to NTTA System Construction Funds	-	-	(45,237,103)	(101,625,590)	(153,836,146)	(104,927,969)	(405,626,808)
Transfer to CIF Bond Payment Account	(28,549,382)	(24,077,180)	(24,077,160)	(84,927,160)	(55,449,817)	(55,520,127)	(244,051,444)
Transfer to Debt Service Fund for ISTEPA Payment	(9,000,000)	(10,500,000)	(12,250,000)	(15,322,396)	(15,322,396)	(15,322,396)	(68,717,188)
Transfer to CIF Rainy Day Fund Account	(25,000,000)	(25,000,000)	-	-	-	-	(25,000,000)
Transfer to Feasibility Study Fund	(1,700,000)	(800,000)	(900,000)	(650,000)	(650,000)	(650,000)	(3,650,000)
TOTAL OUTFLOWS	(209,990,272)	(240,512,152)	(250,588,666)	(355,936,264)	(305,911,439)	(230,959,518)	(1,383,908,039)
Estimated Ending CIF Cash Balance Available for Projects	317,203,007	300,844,159	285,123,673	170,111,923	111,099,444	177,893,339	177,893,339
CIF Bond Payment Account							
Estimated Beginning CIF Bond Payment Account Cash Balance	12,034,574	12,038,580	12,038,580	12,038,580	42,463,580	43,412,799	12,038,580
Transfers from CIF Cash Account	28,549,382	24,077,180	24,077,160	84,927,160	55,449,817	55,520,127	244,051,444
Transfer to Debt Service Fund for CIF Subordinated Debt Payment	(28,545,376)	(24,077,180)	(24,077,160)	(54,502,160)	(54,500,598)	(54,505,284)	(211,662,382)
Estimated Ending CIF Bond Payment Account Cash Balance	12,038,580	12,038,580	12,038,580	42,463,580	43,412,799	44,427,642	44,427,642
CIF Rainy Day Fund Account							
Estimated Beginning CIF Rainy Day Fund Account Cash Balance	50,000,000	50,000,000	75,000,000	75,000,000	75,000,000	75,000,000	50,000,000
Transfers from CIF Cash Account	-	25,000,000	-	-	-	-	25,000,000
Estimated Ending CIF Rainy Day Fund Account Cash Balance	50,000,000	75,000,000	75,000,000	75,000,000	75,000,000	75,000,000	75,000,000
Estimated Ending Total CIF Cash Balances	379,241,587	387,882,739	372,162,253	287,575,503	229,512,243	297,320,981	297,320,981

	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	Five Year Totals FY2018 - FY2022
FEASIBILITY STUDY FUND							
Estimated Beginning Available Cash Balance	-	-	-	-	-	-	-
INFLOWS							
Transfer from Capital Improvement Fund	1,700,000	800,000	900,000	650,000	650,000	650,000	3,650,000
TOTAL INFLOWS	1,700,000	800,000	900,000	650,000	650,000	650,000	3,650,000
OUTFLOWS							
Legal fees	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(750,000)
Professional Fees	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	(2,500,000)
SH 190/PGBT EE - East Branch	-	-	(250,000)	-	-	-	(250,000)
Trinity Parkway	(1,050,000)	(150,000)	-	-	-	-	(1,500,000)
TOTAL OUTFLOWS	(1,700,000)	(800,000)	(900,000)	(650,000)	(650,000)	(650,000)	(3,650,000)
Estimated Ending Available Cash Balance	-	-	-	-	-	-	-

NTTA SYSTEM CONSTRUCTION FUNDS LONG-TERM PLAN

The long-term plans for constructing or acquiring toll projects for the Authority are contained in the Construction Funds. These funds are funded with bond proceeds and amounts from other sources that are specific for the project.

	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	Five Year Totals FY2018 - FY2022
CONSTRUCTION FUNDS - NTTA SYSTEM							
Estimated Beginning Available Cash Balance	70,626,327	94,689,810	57,121,525	(0)	0	(0)	94,689,810
INFLOWS							
Reimbursement Agreements:							-
Denton County ILA - DNT Phase 4B	6,803,800	6,608,015	9,662,204	6,843,497	750,000	-	23,863,716
Transfer from Capital Improvement Fund			45,237,103	101,625,590	153,836,146	104,927,969	405,626,808
Special Projects System Construction Balance	40,588,385			-	-	-	-
TOTAL INFLOWS	47,392,185	6,608,015	54,899,307	108,469,087	154,586,146	104,927,969	429,490,524
OUTFLOWS							
Transfer to Capital Improvement Fund							
Allocated Cost: Salaries, Professional Fees, Legal Fees	(2,436,780)	(1,387,670)	(3,515,570)	(3,404,105)	(4,851,406)	(3,292,974)	(16,451,725)
LOC Fees	(1,500,000)	-	-	-	-	-	-
CTP Expenses	(3,335,000)	(3,480,000)	(45,400)	-	-	-	(3,525,400)
SRT Expenses	(8,940,800)	(30,688,225)	(58,767,358)	(49,221,484)	(48,984,741)	(1,634,995)	(189,296,803)
PGBT EE Expenses	(5,060)	(1,850,090)	-	-	-	-	(1,850,090)
PGBT WE Expenses	(187,800)	(162,300)	(30,300)	-	-	-	(192,600)
Trinity Parkway Expenses	-	-	(40,000,000)	(49,000,000)	(100,000,000)	(100,000,000)	(289,000,000)
DNT Phase 4B/5A Expenses	(6,803,800)	(6,608,015)	(9,662,204)	(6,843,497)	(750,000)	-	(23,863,716)
DNT Phase 3 Expenses	(119,462)	-	-	-	-	-	-
TOTAL OUTFLOWS	(23,328,702)	(44,176,300)	(112,020,832)	(108,469,086)	(154,586,147)	(104,927,969)	(524,180,334)
Estimated Ending Available Cash Balance	94,689,810	57,121,525	(0)	0	(0)	(0)	(0)

Impact of Capital Expenditures on Operations

INTRODUCTION

Capital expenditures can have a major impact on both the cost of operations and the operations themselves. The North Texas Tollway Authority (NTTA) is active in investing in capital projects that allow NTTA to operate efficiently while providing customers with the needed transportation solutions.

NEW ROAD CONSTRUCTION/FACILITIES

As NTTA grows, new road construction and existing road expansions are expected to occur. When additional lane miles are added, a significant increase in operational costs is expected. NTTA budgets approximately \$63,000 for each lane mile. This cost represents the marginal increase for adding an additional lane mile which has remained relatively steady.

NTTA currently has four major widening projects in various stages of planning and construction. The DNT widening adds a fourth lane in each direction from I-635 to SRT. A fourth lane will be added in five phases to PGBT in each direction from I-20 to SH 78. The fourth widening adds a fourth lane in each direction to SRT from Business 121 to U.S. 75.

Estimated Impact of Capital Improvements on Operating Budget					
Construction Project	Years				
	FY2018	FY2019	FY2020	FY2021	FY2022
DNT Fourth Lane	\$ 849,240	\$ -	\$ -	\$ -	\$ -
PGBT Fourth Lane	\$ -	\$ 1,151,640	\$ -	\$ -	\$ -
PGBT WE Widening	\$ -	\$ -	\$ -	\$ 2,898,000	\$ -
SRT Fourth Lane	\$ -	\$ -	\$ 1,614,690	\$ -	\$ -
Total	<u>\$ 849,240</u>	<u>\$ 1,151,640</u>	<u>\$ 1,614,690</u>	<u>\$ 2,898,000</u>	<u>\$ -</u>

CONVERSION TO ALL-ELECTRONIC TOLL COLLECTION (ALL-ETC)

Beginning in FY2008, NTTA began converting its existing toll collection system into a cashless tolling or all-electronic (all-ETC) system. The main conversion was completed in early FY2011, providing customers with improved traffic flow, improved air quality, reduced travel time and enhanced safety. This project had a major impact on NTTA operations. The Toll Collection and Vault departments were eliminated, with some of the employees transitioned into new positions. The Contact Center and Collections Department currently handles all the duties and processes associated with cashless tolling.

It's estimated the conversion to all-ETC resulted in a net present value savings of \$350.0 to \$507.0 million in operations and infrastructure maintenance cost between FY2011 and FY2045.

EQUIPMENT/HARDWARE/SOFTWARE ENHANCEMENTS

The NTTA continues to invest in network and enterprise systems upgrades, disaster recovery, and Payment Card Industry (PCI) information security and compliance software. The investment in new software and enhancement of current software has an impact on the Operating Budget in terms of annual support and maintenance fees as follows:

Project	Estimated Impact of Software and Enhancement Capital Expenditures on Operating Budget Years				
	FY2018	FY2018	FY2020	FY2021	FY2022
Annual Support and Maintenance	\$ 2,472,500	\$ 2,496,125	\$2,520,931	\$2,546,978	\$ 2,574,400



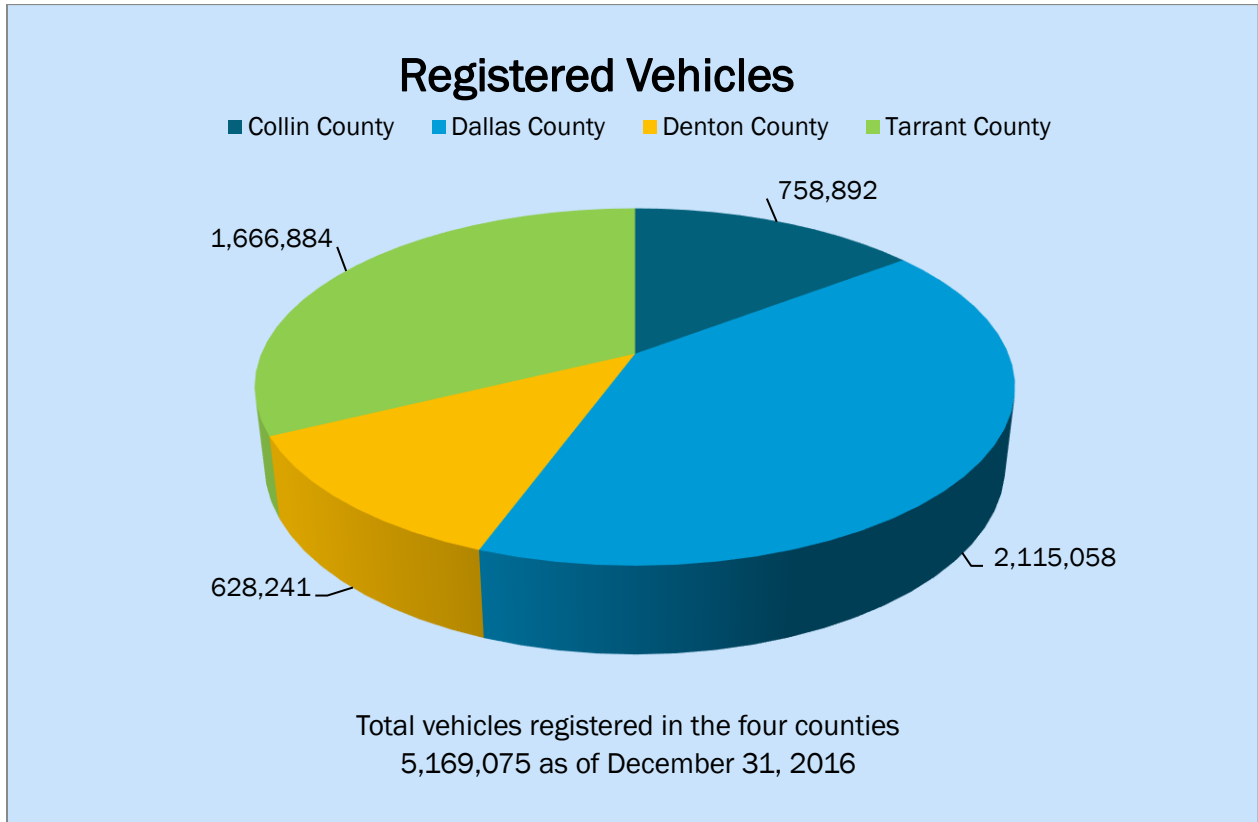
DNT Improvement Projects:

Reinforcing steel tied
for the expansion of the
northbound main lanes
approaching Trinity Mills Rd.



Statistical Data

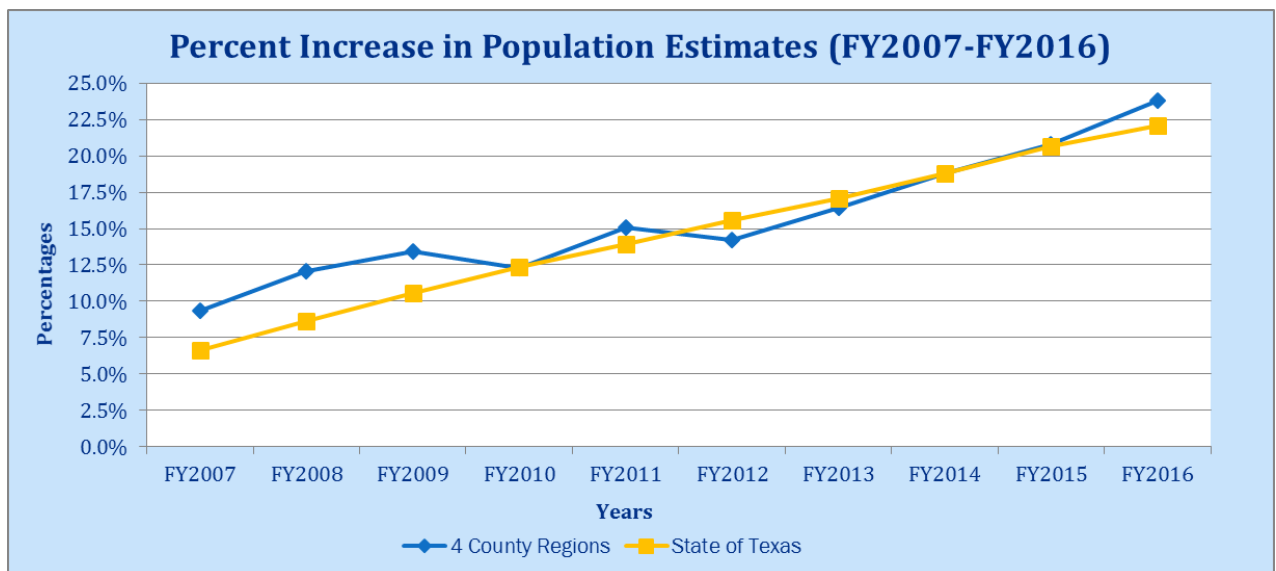
The North Texas four county region has 5.2 million registered vehicles as of FY2016. The region's population has grown by 23.8 percent since FY2007. The average household income has grown by 22.7 percent with an average unemployment rate of 5.8%.



Source: [Texas Department of Motor Vehicles](#)

Ten Year Demographic Data-Combined Four County Region and State of Texas Estimated Population Data

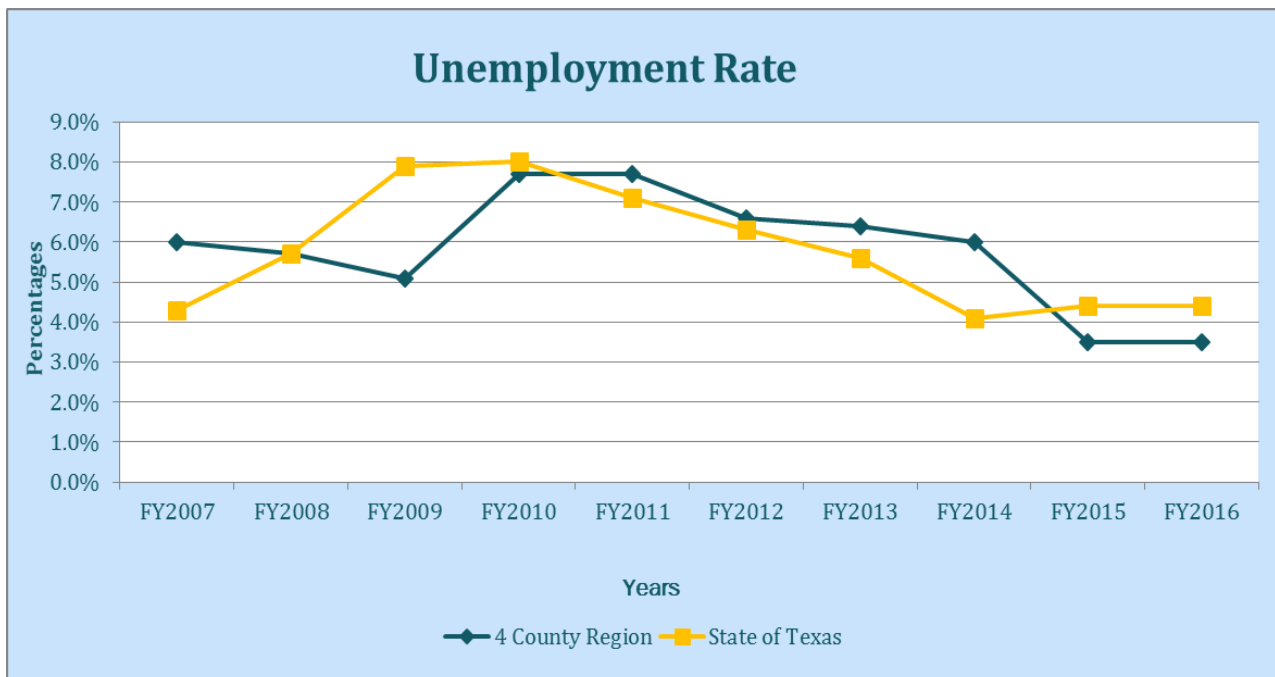
Year	COLLIN	DALLAS	DENTON	TARRANT	Est. Four County Regional Totals	Estimated Texas Totals	Percentage Change (From Prior Year)	
							4 County	TEXAS
FY2007	724,900	2,417,650	559,350	1,745,050	5,446,950	23,891,000	4.69%	1.98%
FY2008	748,050	2,451,800	614,650	1,780,150	5,594,650	24,371,000	2.71%	2.01%
FY2009	764,500	2,471,000	628,300	1,807,750	5,671,550	24,857,000	1.37%	1.99%
FY2010	791,631	2,368,139	637,750	1,809,034	5,606,554	25,294,000	-1.15%	1.76%
FY2011	801,740	2,373,870	662,614	1,817,840	5,764,461	25,695,000	2.82%	1.59%
FY2012	813,133	2,385,990	683,010	1,831,230	5,713,363	26,107,000	-0.89%	1.60%
FY2013	834,642	2,453,843	694,050	1,858,921	5,841,456	26,505,637	2.24%	1.53%
FY2014	854,778	2,480,331	713,200	1,931,335	5,979,644	26,956,958	2.37%	1.70%
FY2015	885,241	2,519,000	734,940	1,959,449	6,098,630	27,469,114	1.99%	1.90%
FY2016	939,585	2,553,385	806,180	1,982,498	6,281,648	27,862,596	3.00%	1.43%
Increase/Decrease Total from FY2006 to FY2015	214,685	135,735	246,830	237,448	834,698	3,971,596	23.8%	22.1%



Source: [US Census Bureau](#)

Ten Year Demographic Data-Combined Four County Region and State of Texas Employment Status Estimates

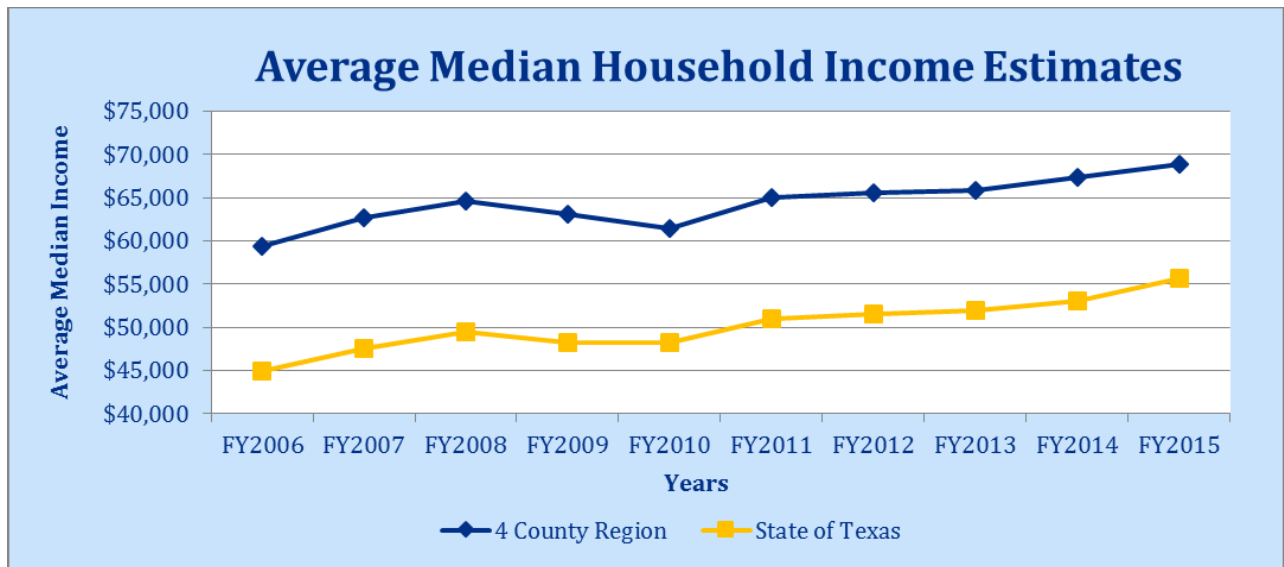
Year	COLLIN	DALLAS	DENTON	TARRANT	Combined Four	Texas	Unemployment Rate			
					County Regional	Estimated Totals	4 County	Texas		
FY2007	400,678	1,205,730	344,810	904,015	2,855,233	11,647,654	6.0%	4.3%		
FY2008	407,840	1,180,870	346,869	877,646	2,813,225	11,466,657	5.7%	5.7%		
FY2009	285,900	1,415,000	172,600	743,500	2,617,000	10,204,500	5.1%	7.9%		
FY2010	390,106	1,063,304	330,122	833,527	2,617,059	10,204,500	7.7%	8.0%		
FY2011	397,033	1,082,185	335,984	845,263	2,660,465	10,204,500	7.7%	7.1%		
FY2012	413,783	1,102,322	356,467	883,503	2,756,075	11,742,600	6.6%	6.3%		
FY2013	330,300	1,509,000	195,500	812,600	2,847,400	11,091,900	6.4%	5.6%		
FY2014	346,400	1,558,500	205,800	825,600	2,936,300	11,433,600	6.0%	4.1%		
FY2015	366,900	1,616,800	221,400	844,900	3,050,000	11,681,000	3.5%	4.4%		
FY2016	381,500	1,662,300	228,800	860,400	3,133,000	11,830,700	3.5%	4.4%		
Increase Total from Year FY2007 to Year FY2016					(19,178)	456,570	(116,010)	(43,615)	277,767	183,046



Source: [U.S. Bureau of Labor Statistics](http://www.bls.gov)

Ten Year Demographic Data-Combined Four County Region and State of Texas Average Median Household Income

Year	COLLIN	DALLAS	DENTON	TARRANT	4 County Regional Totals	Texas	Percentage Change from Prior Years	
					Estimated Avg Median Income	Estimated Avg Median Income	4 County	Texas
FY2006	\$74,051	\$44,815	\$66,792	\$51,813	\$59,368	\$44,922	7.50%	7.57%
FY2007	\$79,657	\$46,372	\$71,109	\$53,459	\$62,649	\$47,548	5.53%	5.85%
FY2008	\$81,395	\$47,085	\$73,544	\$56,251	\$64,569	\$49,453	3.06%	4.01%
FY2009	\$80,545	\$47,059	\$70,002	\$54,647	\$63,063	\$48,259	-2.33%	-2.41%
FY2010	\$77,862	\$46,909	\$68,671	\$52,482	\$61,481	\$48,259	-2.51%	0.00%
FY2011	\$82,758	\$48,942	\$72,305	\$56,178	\$65,046	\$50,920	5.80%	5.51%
FY2012	\$83,238	\$49,159	\$72,939	\$56,859	\$65,549	\$51,563	0.77%	1.26%
FY2013	\$82,762	\$49,481	\$74,155	\$56,853	\$65,813	\$51,900	0.40%	0.65%
FY2014	\$86,634	\$50,118	\$74,569	\$58,127	\$67,362	\$53,035	2.35%	2.19%
FY2015	\$86,823	\$51,824	\$75,898	\$60,735	\$68,820	\$55,653	2.16%	4.94%
Averaged Yearly Totals	\$81,573	\$48,176	\$71,998	\$55,740	\$64,372	\$50,151	2.53%	3.29%



Source: [US Census Bureau](#)

Top Ten Employers in Four County Region

2016			
COLLIN COUNTY TOP TEN EMPLOYERS			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	INDUSTRY
HP ENTERPRISE SERVICES Llc	10,000	2.06%	PROF/TECH
JP MORGAN CHASE & CO.	6,000	1.24%	FINANCIAL SERVICES
BANK OF AMERICA HOME LOANS	4,646	0.96%	FINANCIAL SERVICES
LIBERTY MUTUAL INSURANCE	4,000	0.82%	INSURANCE
TOYOTA	4,000	0.82%	MANUFACTURING
JC PENNY CORPORATE	3,800	0.78%	RETAIL
CAPITAL ONE	3,683	0.76%	FINANCIAL SERVICES
UNIVERSITY OF TEXAS AT DALLAS	3,500	0.72%	EDUCATION
BLUE CROSS BLUE SHEILD OF TEXAS	3,100	0.64%	INSURANCE
MEDICAL CENTER OF PLANO	3,000	0.62%	HEALTH CARE PROVIDER
Total	45,729	9.42%	
DALLAS COUNTY TOP TEN EMPLOYERS			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	INDUSTRY
WAL-MART	25,534	1.00%	RETAIL
AMERICAN AIRLINES GROUP	25,000	0.98%	AIRLINE TRANSPORTATION
TEXAS HEALTH RESOURCES	19,131	0.90%	NON-PROFIT HEALTH CARE
BAYLOR SCOTT & WHITE HEALTH	16,860	0.66%	HEALTH CARE PROVIDER
BANK OF AMERICA	14,465	0.57%	FINANCIAL SERVICES
LOCKHEED MARTIN AERONAUTICS CO.	13,700	0.57%	MANUFACTURING
TEXAS INSTRUMENTS	13,000	0.54%	SEMICONDUCTORS
JP MORGAN CHASE	12,600	0.51%	FINANCIAL SERVICES
HCA NORTH TEXAS DIVISION	11,612	0.49%	HEALTH CARE PROVIDER
SOUTHWEST AIRLINES	9,500	0.37%	AIRLINE TRANSPORTATION
Total	161,402	6.59%	
DENTON COUNTY TOP TEN EMPLOYERS			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	INDUSTRY
UNIVERSITY OF NORTH TEXAS	8,738	12.27%	EDUCATION
DENTON ISD	4,417	6.20%	EDUCATION
PETERBILT MOTORS	2,314	3.25%	MANUFACTURING
DENTON STATE SUPPORTED LIVING CENTER	1,700	2.39%	STATE AGENCY
TEXAS WOMAN'S UNIVERSITY	1,672	2.35%	EDUCATION
DENTON COUNTY	1,581	2.22%	COUNTY GOVERNMENT
CITY OF DENTON	1,383	1.94%	MUNICIPAL GOVERNMENT
TEXAS HEALTH PRESBYTERIAN OF DENTON	1,076	1.51%	HEALTH CARE PROVIDER
DENTON REGIONAL MEDICAL CENTER	950	1.33%	HEALTH CARE PROVIDER
SALLY BEAUTY COMPANY, INC.	950	1.33%	COSMETICS
Total	24,781	34.79%	
TARRANT COUNTY TOP TEN EMPLOYERS			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	INDUSTRY
AMRCORP./AMERICAN AIRLINES	25,000	2.47%	AIRLINE
LOCKHEED MARTIN AERONAUTICS CO	13,690	1.35%	MANUFACTURING
FORT WORTH INDEPENDENT SCHOOL DISTRICT	12,000	1.18%	EDUCATION
TEXAS HEALTH RESOURCES	12,000	1.18%	HEALTH CARE PROVIDER
NAS- FORT WORTH JOINT RESERVE BASE	10,000	0.99%	MILITARY
ARLINGTON ISD	8,500	0.84%	EDUCATION
UNIVERSITY OF TEXAS AT ARLINGTON	7,311	0.72%	EDUCATION
JPS HEALTH NETWORK	6,500	0.64%	HEALTH CARE PROVIDER
CITY OF FORTH WORTH	6,161	0.61%	MUNICIPALITY
COOK'S CHILDREN HEALTH CARE SYSTEM	6,042	0.60%	HEALTH CARE PROVIDER
Total	107,204	10.58%	

Source: Local Counties CAFR's (Collin, Dallas, Denton and Tarrant)

GFOA Distinguished Budget Award

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to North Texas Tollway Authority, for its annual budget for the fiscal year beginning Jan. 1, 2016. This is the seventh consecutive year of receiving this award. To be eligible for the award, a government entity must publish a budget document that meets program criteria as a policy document, an operations guide, a financial plan and communications device.

The award is valid for a period of one year. We believe our FY2017 budget continues to conform to program requirements, and we have submitted it to GFOA to determine its eligibility for another award.

During FY2016 the Authority also received a Certificate of Achievement for Excellence in Financial Reporting from GFOA for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ending Dec. 31, 2015. This is the eleventh consecutive year of receiving this certificate. The certificate is presented to government entities whose CAFRs achieve the highest standards in government accounting and financial reporting.

One of the goals in the Authority's Five-Year Strategic Plan is to maintain a financially sound and vibrant financial system. One of the objectives to accomplish this is to continuously improve and maintain financial processes. Receiving these awards are evidence of the Authority's commitment and dedication to accomplishing its goal and to supply documents that clearly and openly communicate the Authority's financial condition to the board, bondholders, elected officials and the general public.





Appendix A: Budget Policy and Process

INTRODUCTION

The North Texas Tollway Authority's policy for the adoption of the budget of Current Expenses (sometimes referred to as Annual Budget, Operating Budget, or Operation and Maintenance Fund) and payments into the Reserve Maintenance Fund for the ensuing fiscal year is outlined by the Trust Agreement. In conjunction with developing the Operating Budget, staff prepares a five-year capital plan with estimates of expenditures for the Construction Funds, Capital Improvement Fund, Feasibility Study Fund, and the Reserve Maintenance Fund that is approved by Board resolution. The detailed reports of the FY2018–2022 Five-Year Capital Plan are included under the Other Funds section of the FY2018 Operating Budget.

BUDGETS OVERVIEW

The Authority uses accrual accounting for its budgets and financial information reports. The budget is established in accordance with the practices set forth in the provisions of the Trust Agreement for the North Texas Tollway Authority Revenue Bonds, as interpreted by the Authority. These practices are similar to U.S. generally accepted accounting principles (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, and interest accrued for certain periods during and after official construction completion on certain of the Authority's bond issues is capitalized as allowed by the Trust Agreement and bond resolution, rather than being reflected as an expense. Otherwise, revenues are recognized when they are earned, expenses are recognized in the period in which they are incurred, and all assets and liabilities associated with the operation of the Authority are included in the statement of net assets in accordance with the Trust Agreement as described above. This means that operating budgets are adopted on a non-GAAP basis.

Line-item budgeting and control was adopted for the Authority's Operation and Maintenance Fund. A carefully itemized list of proposed expenses by line items is prepared for each department and compared to same line items for the previous fiscal year. The summation of all departments will be the Authority's annual budget. The Board of Directors approves the annual budget in total, in other words, the bottom line. The budget control is at the department level and is maintained through the purchase requisition approval process.

The Reserve Maintenance Fund, Capital Improvement Fund/Feasibility Study Fund-Revolving Account, and Construction Funds use a program budgeting and control approach, concentrated on programs and projects.

CASH BALANCES

The Trust Agreement requires that some funds maintain a cash balance. These cash balances contain both cash on deposit and investments held in the fund.

- Operation and Maintenance Fund is required to maintain a cash balance equal to one-sixth (1/6) of the total operating budget for the current fiscal year, plus all prior accruals for insurance and other periodic or regularly recurring expenses.
- Reserve Maintenance Fund is required to maintain a reserve balance of \$5,000,000.

Management determined that it is prudent to retain funds within the Capital Improvement Fund as insurance against unanticipated needs. During FY2010, the Authority's executive management requested and the Board of Directors approved a Rainy Day Fund Account in the CIF. The FY2018 budget has a \$25.0 million transfer to RDF. This will increase the fund balance to \$75.0 million. Use of

this balance will require specific action by the Board. With the issuance of subordinated debt, a CIF Bond Payment Account has been created with a reserve amount equal to the next three interest payments.

BUDGET POLICY

The Authority's budget policy outlined in Section 505 and 506 of the Trust Agreement is stated below.

Section 505. Preliminary Budget of Current Expenses, and Payments into Reserve Maintenance Fund; Hearing on Budget; Annual Budget; Failure to Adopt Annual Budget; Amended or Supplemental Annual Budget; Payments for Maintenance, Repair, and Operations.

The Authority covenants that on or before the 60th day prior to the end of each Fiscal Year it will adopt a preliminary budget of Current Expenses and payments into the Reserve Maintenance Fund for the ensuing Fiscal Year. Copies of each such preliminary budget shall be filed with the Trustee and mailed to the Consulting Engineers and each bondholder who shall have filed his name and address with the Board representative designated for such purpose, which shall initially be the Chief Financial Officer of the Authority.

If the holders of at least five percent (5%) in aggregate principal amount of the bonds then outstanding shall so request in writing on or before the 60th day prior to the end of any Fiscal Year, the Authority shall hold a public hearing on or before the 30th day prior to the end of such Fiscal Year at which any bondholder may appear in person or by agent or attorney and present any objections he may have to the final adoption of such budget. Notice of the time and place of such hearing shall be mailed, at least ten (10) days before the date fixed by the Authority for the hearing, to the Trustee, the Consulting Engineers, and each bondholder who shall have filed his name and address with the Board representative designated for such purpose, which shall initially be the Chief Financial Officer of the Authority. The Authority further covenants that on or before the first day of each Fiscal Year it will finally adopt the budget of Current Expenses and payments into the Reserve Maintenance Fund for such Fiscal Year (hereinafter sometimes called the "Annual Budget"). Copies of the Annual Budget shall be filed with the Trustee and mailed to the Consulting Engineers and each bondholder who shall have filed his name with the Board representative designated for such purpose, which shall initially be the Chief Financial Officer of the Authority.

If for any reason the Authority shall not have adopted the Annual Budget before the first day of any Fiscal Year, the preliminary budget for such Fiscal Year or, if there is none prepared, the budget for the preceding Fiscal Year, shall, until the adoption of the Annual Budget, be deemed to be in force and shall be treated as the Annual Budget under the provisions of this Article.

The Authority may at any time adopt an amended or supplemental Annual Budget for the remainder of the then current Fiscal Year, and, when so adopted, the Annual Budget as so amended or supplemented shall be treated as the Annual Budget under the provisions of this Agreement; provided, however, that before the adoption of any such amended or supplemental Annual Budget, the Authority shall have obtained and filed with the Trustee the recommendations of the Consulting Engineers in connection therewith. Copies of any such amended or supplemental Annual Budget shall be filed with the Trustee and mailed to the Consulting Engineers and each bondholder who shall have filed his name with the Board representative designated for such purpose, which shall initially be the Chief Financial Officer of the Authority.

The Authority covenants that all payments for maintenance, repair and operation in any Fiscal Year will not exceed the reasonable and necessary amount required therefore, and that it will not expend any amount or incur any obligations for maintenance, repair, and operation in excess of the amounts provided for Current Expenses in the Annual Budget, or amended or supplemental Annual Budget, except as provided in Section 506 of this Article and except amounts payable from the Reserve Maintenance Fund and Capital Improvement Fund. Nothing in this Section contained shall limit the

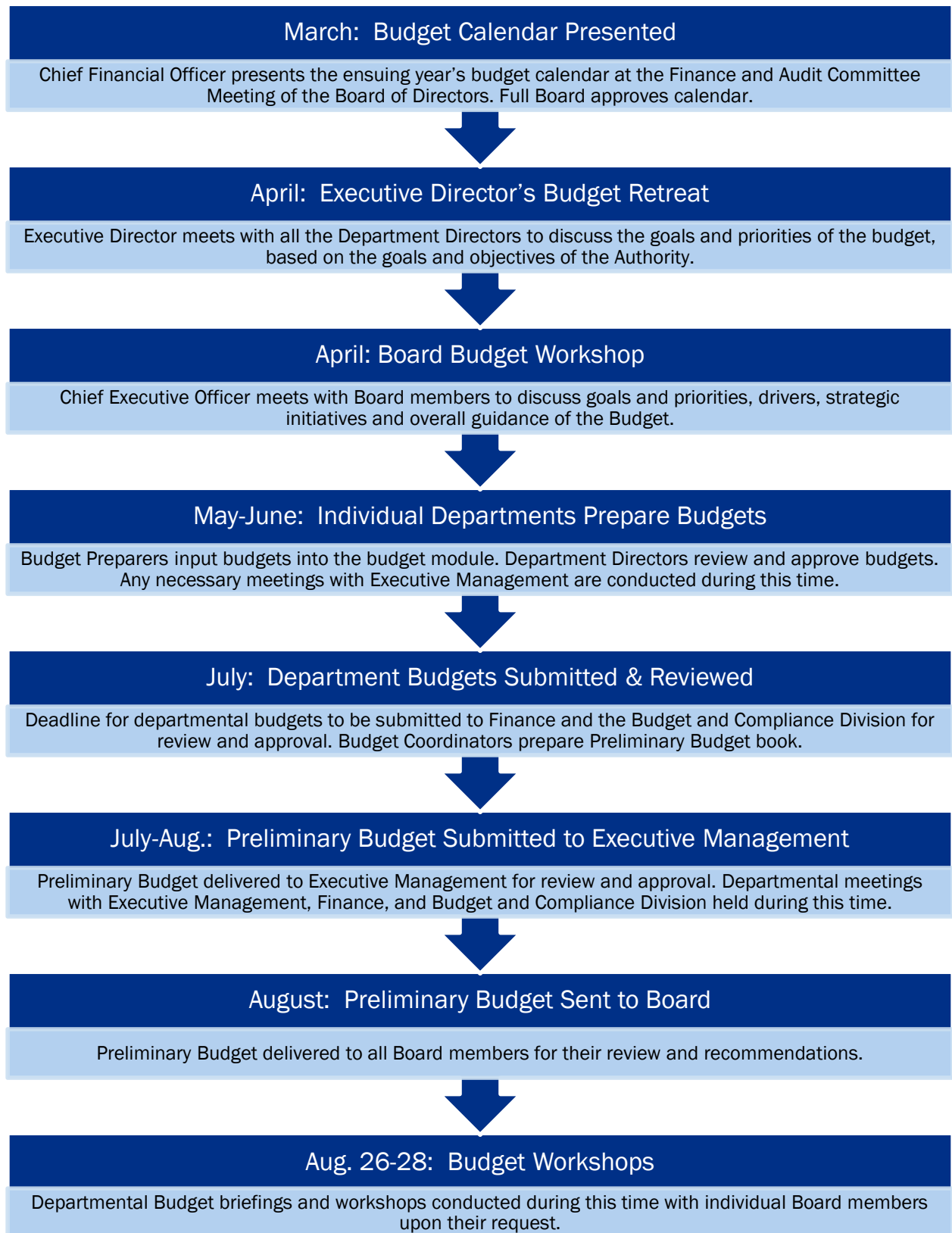
amount which the Authority may expend for Current Expenses in any Fiscal Year provided any amounts expended therefore in excess of the Annual Budget shall be received by the Authority from some source other than the Net Revenues of the Tollway for such Fiscal Year.

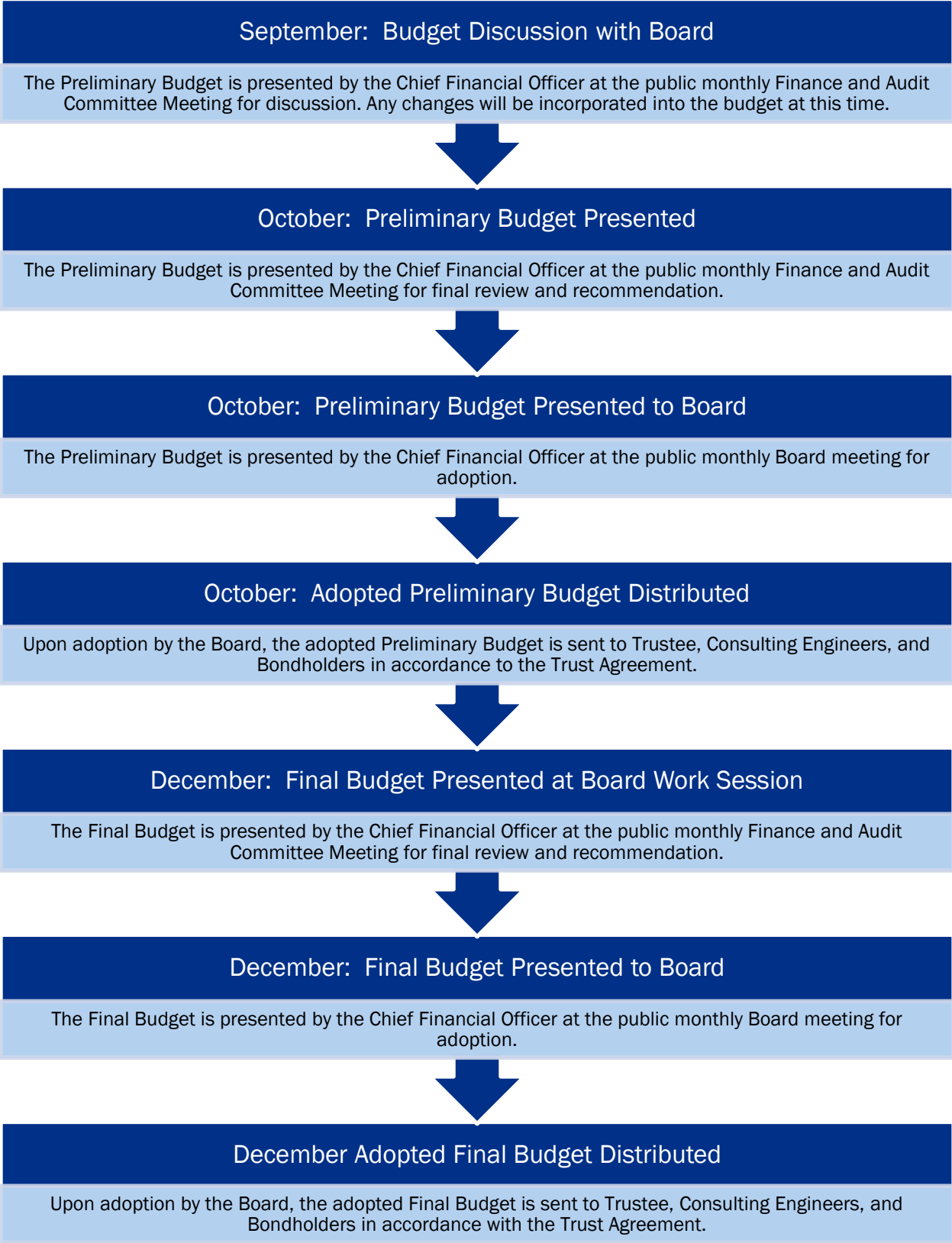
SECTION 506. PAYMENT OF CURRENT EXPENSES FROM OPERATION AND MAINTENANCE FUND.

The special fund held by the Authority and created and designated "Tollway Operation and Maintenance Fund" (hereinafter sometimes called the "Operation and Maintenance Fund") under the Original Agreement is hereby reaffirmed. On or before the first day of each month, the Trustee shall withdraw from the Revenue Fund and deposit to the credit of the Authority in the Operation and Maintenance Fund, on written request of the Authority, an amount which the Chairman or Vice Chairman and the Chief Financial Officer shall certify to be required to make the total amount in the Operation and Maintenance Fund equal to one-sixth (1/6) of the amount of the total Current Expenses scheduled for the then current Fiscal Year in the then current Annual Budget, plus all prior accruals for insurance and other periodic or regularly recurring expenses. All Current Expenses shall be paid directly by the Authority by drawing checks or drafts on the Operation and Maintenance Fund in such manner as may be determined by the Authority and such Fund shall be used for no other purpose.

The complete Amended and Restated Trust Agreement is available at www.NTTA.org

BUDGET PROCESS





BUDGET CALENDAR

DATE	EVENT
March 1, 2017 (Wednesday)	Request updated revenues from Traffic and Revenue consultant
March 1, 2017 (Wednesday)	Executive Director's FY2018 Staff Budget Meeting to discuss budget priorities and overall direction, including compensation and benefits
March 1, 2017 (Wednesday)	Hyperion Budget module available for inputting Budget
March 2 - June 1, 2017	Individual departments prepare Budget
April 3, 2017 (Monday)	Updated revenues due from consultants
April 6, 2017 (Thursday)	Board Budget Workshop
June 1, 2017 (Thursday)	Department budgets due to Financial Planning And Analysis (FP&A) including FY2018 department objectives supporting the 5-Year Strategic Goals.
June 7, 2017 (Wednesday)	Preliminary budget distributed to Executive Management
June 14 - June 23, 2017	Departmental meetings with Executive Management and FP&A
July 7, 2017 (Friday)	Review by Executive Management completed
August 11, 2017 (Friday)	Preliminary Budget delivered to Board Members
August 16 - Aug. 31, 2017	Department Budget Briefings (If requested by Board Members)
September 7, 2017 (Thursday)	Board Meeting First Preliminary Budget Review
October 5, 2017 (Thursday)	Finance and Audit Committee Second Preliminary Budget Review
October 18, 2017 (Wednesday)	Board Meeting Preliminary Budget Approval
December 7, 2017 (Thursday)	Finance and Audit Committee Final Budget Review
December 20, 2017 (Wednesday)	Board Meeting Final Budget Approval

Assumes Thursday Committee Meetings and Wednesday Board Meetings

Appendix B: Financial Policies

INTRODUCTION

The North Texas Tollway Authority's financial policies are mainly guided by the Trust Agreement and are developed to conform to accounting principles generally accepted in the United States of America.

BASIS OF ACCOUNTING

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

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

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

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

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

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

(a) Restricted Assets

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

The funds and accounts that have been established in accordance with the Trust Agreement are as follows:

- **Construction and Property Fund** – The Construction and Property Fund was created to account for that portion of the proceeds from the sale of the Authority Revenue Bonds, which were required to be deposited with the trustee in order to pay all costs of construction. There also may be deposited in the Construction and Property Fund any monies received from any other source for paying the cost of the Authority.
- **Revenue Fund** – The Revenue Fund was created to account for all revenues (all tolls, other revenues, and income) arising or derived by the Authority from the operation and ownership of the Authority. All revenues of this fund are distributed to other funds in accordance with the Trust Agreement.
- **Operation and Maintenance Fund** – The Operation and Maintenance Fund (OMF) was created to account for and pay current operating expenses of the Authority.
- **Reserve Maintenance Fund** – The Reserve Maintenance Fund (RMF) 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, renewal, 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 (FSF) to use exclusively for payment 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 for the Authority; (3) private participation, as authorized by law, in the financing of a proposed turnpike project for the Authority, the refinancing of an existing turnpike project for the Authority or the improvement, extension or expansion of a turnpike project for the Authority.
- **First, Second and Third Tier; Bond Interest Accounts** – The Bond Interest Accounts were created to account for the payment of the interest requirements of the revenue bonds.
- **First, Second and Third Tier; Reserve Accounts** – The Reserve Accounts were 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 Accounts and the Redemption Accounts shall be insufficient for such purpose. The required reserve is an amount equal to the average annual debt service requirements of all bonds outstanding.
- **First, Second and Third Tier; Redemption Accounts** – The Redemption Accounts were created to account for the payment of the annual principal requirements of the revenue bonds.
- **DFW Turnpike Transition Trust Fund** – The Trust Fund is used to fund post-employment healthcare benefits for retired employees of the Dallas-Fort Worth Turnpike.

(b) Cash and Investments

Cash balances include amounts in demand deposits and overnight sweeps of the commercial account. These deposits are fully collateralized or covered by federal deposit insurance. The Authority considers other money market funds to be investments. The carrying amount of the investments is fair value. The net change in fair value of investments is recorded on the Statement of Revenues, Expenses, and Changes in Net Assets and includes the unrealized and realized gains and losses on investments.

(C) 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 software and property and equipment with a value greater than \$5,000.

Highways and bridges substructure includes road sub-base, grading, land clearing, embankments, and other related costs. Also included in capital assets are the costs of certain real estate for right-of-way requirements and administrative and legal expenses incurred during the construction period.

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

(d) 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.

(e) Deferred Amount on Refunding of Revenue Bonds

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

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

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

(g) 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.

(h) 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.

(i) Debt Service Requirements

Each year, the Authority completes a review of its financial condition for the purpose of estimating whether the net revenues of the Authority for the year will meet its debt covenants.

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.

The Authority covenants that it will promptly pay the principal of and the interest on every bond, including Payment Obligations, at the places, on the dates and in the manner provided herein and in said bonds, and any premium required for the retirement of said bonds by redemption, according to the true intent and meaning thereof. The principal, interest (except interest paid from proceeds of the bonds) and premiums are payable solely in the priorities and from the sources herein described, including the tolls and other revenues derived from the ownership and operation of the Tollway, which sources, tolls, and other revenues are hereby pledged to the payment thereof in the manner and to the extent hereinabove particularly specified, and nothing in the bonds or in this Agreement shall be construed as pledging any other funds or assets of the Authority for their payment.

The Authority also covenants that, until the bonds and the interest thereon shall have been paid or provision for such payment shall have been made, none of the revenues of the Authority will be used for any purpose other than as provided in the Trust Agreement, and no contract or contracts will be entered into or any action taken by which the rights of the Trustee or of the bondholders will be impaired or diminished, except as provided in the Trust Agreement.

(j) Financial Reporting Requirements

In accordance to the Trust Agreement, the Authority covenants that it will keep an accurate record of the daily tolls and other revenues collected, of the number and class of vehicles using its toll roads and of the application of such tolls. Such record shall be open to the inspection of the bondholders and their agents and representatives.

The Authority further covenants that once each month it will cause to be filed with the Trustee and mailed to the Consulting Engineers, the Traffic Engineers, and each bondholder who shall have filed his name with the Board Representative designated for such purpose, which shall initially be the Chief Financial Officer of the Authority, copies of any revision of the Toll Rate Schedule during the preceding calendar month and a report setting forth in respect of the preceding calendar month:

- 1) the income and expense account of the Authority,
- 2) the number of vehicles in each class using the Authority,
- 3) all payments, deposits and credits to and any payments, transfers and withdrawals from each Fund and Account created under the provisions of the Trust Agreement,
- 4) all bonds issued, paid, purchased or redeemed,
- 5) the amounts at the end of such month to the credit of each Fund and Account, showing the respective amounts to the credit of each such Fund and Account, and any security held therefore, and showing the details of any investments thereof, and
- 6) the amounts of the proceeds received from any sales of property pursuant to the provisions of Section 712 of the Trust Agreement.

At the conclusion of each quarter, the Controller presents the quarterly financial reports, based on the above requirements, to the Authority's Board of Directors.

The Authority further covenants that during the month following the end of each Fiscal Year, it will cause an audit to be made of its books and accounts relating to the Authority for the previous Fiscal Year by an independent certified public accountant of recognized ability and standing. Promptly thereafter reports of each audit shall be filed with the Authority and the Trustee, and copies of such report shall be mailed by the Authority to the Consulting Engineers, the Traffic Engineers, and each bondholder who shall have filed his name with the Board Representative designated for such purpose, which shall initially be the Chief Financial Officer of the Authority. Each such audit shall set forth in respect to the preceding Fiscal Year the same matters as are hereinabove required for the monthly reports, and also the findings of such certified public accountants whether the moneys received by the Authority under the provisions of the Trust Agreement have been applied in accordance with the provisions of the Trust Agreement. Such monthly reports and annual audit reports shall be open to the inspection of the bondholders and their agents and representatives.

At the conclusion of the Authority's fiscal year, the Finance Department assembles the above reports into a Comprehensive Annual Financial Report (CAFR) in accordance with generally accepted accounting principles established by GASB. The statement is prepared to meet the criteria of the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting Program.

Appendix C: Debt Policy

PHILOSOPHY

The North Texas Tollway Authority intends to use debt wisely to maximize expansion within acceptable levels of risk. Because of the wide range of projects being considered for bond funding, this policy sets parameters within which flexibility is retained to respond to specific circumstances.

PURPOSES FOR WHICH DEBT MAY BE ISSUED

- Construction and acquisition costs of projects approved by the NTTA Board of Directors (including feasibility and engineering studies)
- Major capital improvements or repairs to existing facilities
- Refunding of outstanding debt to:
 - Realize net present value savings (with a goal of four percent (4%)),
 - Increase debt capacity,
 - Improve efficiency of debt structure, or
- Achieve such other reasonable result.
- Shall not be used to fund routine operations or maintenance or for the purpose of investing

LIMITATIONS ON LEVEL OF INDEBTEDNESS

- Level of indebtedness is governed by estimated net revenue stream.
- Toll rates necessary to meet coverage requirement should be reasonable according to toll sensitivity analysis prepared by the Traffic Engineer.
- Goal is to maintain 1.5X coverage on system senior-lien bond debt. Trust Agreement requires a 1.35X coverage.
- Must comply with all Trust Agreement and loan agreement requirements for issuance of additional debt.

CREDIT OBJECTIVES

- Maintain “A” rating or better.
- Continue required disclosure and periodic communication with rating agencies.
- Use bond insurance or other types of credit enhancement when cost effective.

PERMISSIBLE TYPES OF DEBT

- Short-term
 - Variable Rate Bonds
 - Commercial Paper may be issued to minimize capitalized interest during the design phase or construction period of an eligible project or for certain equipment purchase or capital improvements.
 - Total short-term debt should not exceed twenty percent (20%) of all outstanding debt.
 - Long-term fixed-rate bonds may only be used for funding projects approved by the NTTA Board of Directors for refunding outstanding debt or to replace/take out short-term debt.

ALLOWABLE DEBT STRUCTURES

- Term of debt may not exceed expected useful life of the project or equipment financed, and in no case may exceed 40 years.
- Debt service structure shall correspond to estimated net revenue stream.

- Use of specific structural elements (zero-coupon bonds, capital appreciation bonds, subordinate lien bonds, swaps, forward delivery, derivatives, etc.) will be based on analysis and recommendation of staff, financial advisor, senior underwriter and bond counsel.

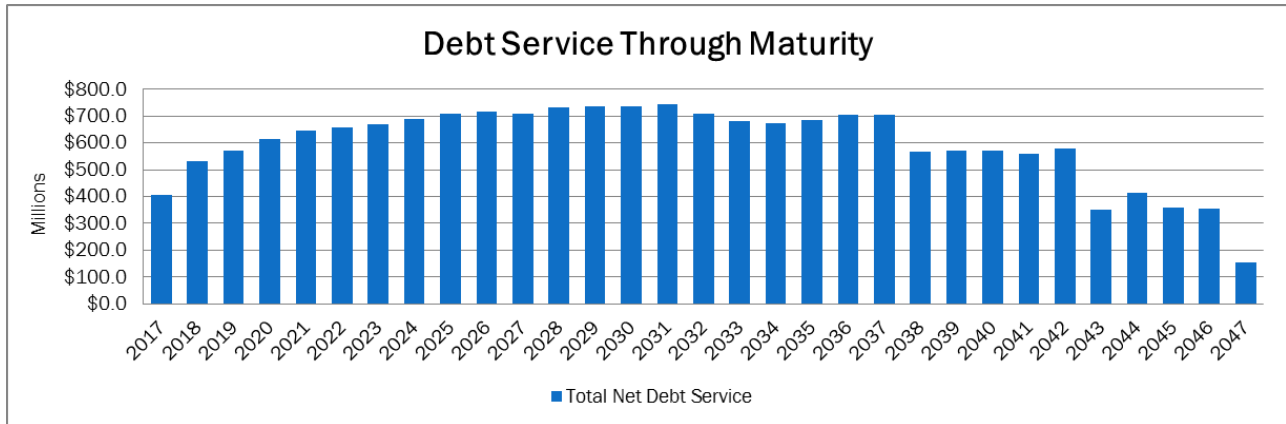
**Revenue Bonds Outstanding
As of June 30, 2017**

Description of Issue	Beginning Balance	Additions	Matured or Retired	Ending Balance
Series 2005C	\$ 178,310,000	\$ -	\$ -	\$ 178,310,000
Series 2008A	288,995,000	-	(21,770,000)	267,225,000
Series 2008B	29,720,000	-	(380,000)	29,340,000
Series 2008D	667,485,794	20,656,752	-	688,142,546
Series 2008I	295,165,000	-	-	295,165,000
Series 2009A	69,865,000	-	-	69,865,000
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 2011A SPS	454,980,000	-	(15,030,000)	439,950,000
Series 2011B	268,625,000	-	-	268,625,000
Series 2011B SPS	81,924,137	5,239,875	-	87,164,012
Series 2011C SPS	185,783,839	10,705,074	-	196,488,913
Series 2011D SPS	566,870,000	-	-	566,870,000
Series 2011E SPS	73,665,000	-	-	73,665,000
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	-	-	310,415,000
Series 2014B	146,420,000	-	-	146,420,000
Series 2014C VAR	223,895,000	-	-	223,895,000
Series 2015A	858,150,000	-	(6,960,000)	851,190,000
Series 2015B	762,830,000	-	(4,750,000)	758,080,000
Series 2016A	987,790,000	-	(7,575,000)	980,215,000
Totals	\$ 9,001,388,770	\$ 36,601,701	\$ (56,465,000)	\$ 8,981,525,471

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

Outstanding Debt Service

FY Ending 12/31	First Tier Net Debt Service	Second Tier Net Debt Service	Third Tier Net Debt Service	ISTEA Loan Debt Service	USDOT TIFIA Loan	Subordinated Lien Bonds Debt Service	Total Net Debt Service
2017	315,288,585	56,565,700	-	9,000,000	-	24,067,580	404,921,865
2018	416,381,478	56,563,900	-	10,500,000	21,558,988	24,077,180	529,081,546
2019	426,379,987	56,566,150	-	12,250,000	21,588,681	54,492,580	571,277,399
2020	465,614,972	56,564,650	-	15,322,396	21,529,293	54,491,017	613,522,328
2021	499,881,209	56,563,650	-	15,322,396	21,558,987	54,495,705	647,821,947
2022	507,419,346	56,567,150	-	15,322,396	22,058,987	54,475,185	655,843,064
2023	518,920,958	56,563,900	-	15,322,396	22,554,887	54,371,397	667,733,538
2024	539,876,591	56,563,150	-	15,322,396	22,450,554	54,264,748	688,477,438
2025	560,060,872	56,563,650	-	15,322,396	22,435,055	54,148,117	708,530,090
2026	566,609,108	56,564,150	-	15,322,396	22,389,955	54,024,368	714,909,977
2027	560,179,019	55,148,400	-	15,322,396	22,374,239	53,895,746	706,919,800
2028	596,955,958	45,490,900	-	15,322,396	22,270,402	53,763,930	733,803,586
2029	572,191,161	140,925,900	-	-	22,254,655	-	735,371,716
2030	520,497,075	195,109,588	-	-	22,209,555	-	737,816,218
2031	524,628,357	198,238,900	-	-	22,193,590	-	745,060,847
2032	529,953,248	158,133,650	-	-	22,090,251	-	710,177,148
2033	510,957,904	146,541,650	-	-	22,074,255	-	679,573,808
2034	562,267,175	88,366,650	-	-	22,029,155	-	672,662,979
2035	603,261,425	59,669,900	-	-	22,012,942	-	684,944,267
2036	641,775,750	41,333,200	-	-	21,910,099	-	705,019,049
2037	681,981,451	1,574,224	-	-	21,893,855	-	705,449,530
2038	543,540,482	-	-	-	21,848,755	-	565,389,237
2039	549,862,070	-	-	-	21,832,293	-	571,694,363
2040	548,988,557	-	-	-	21,729,948	-	570,718,505
2041	539,553,655	-	-	-	21,713,455	-	561,267,110
2042	556,557,697	-	-	-	21,668,355	-	578,226,052
2043	330,789,653	-	-	-	21,651,645	-	352,441,297
2044	343,046,153	-	-	-	70,683,950	-	413,730,103
2045	199,779,416	-	-	-	160,110,849	-	359,890,265
2046	157,690,333	-	-	-	198,724,949	-	356,415,282
2047	77,417,909	-	-	-	76,268,186	-	153,686,095
Total	14,968,307,552	1,696,179,012	-	169,651,564	1,077,670,768	590,567,553	18,502,376,449



Appendix D: Major Revenue Source

Toll revenue collected on the System is the Authority's major source of revenue. It accounted for \$844,739,100 of the FY2018 Operating Budget's total estimated revenues, or 92.8%.

TOLL REVENUE

The Authority Act authorizes the Authority to fix, revise, charge, and collect tolls for the use of the NTTA System, and provides that such tolls will be so fixed and adjusted as to provide funds sufficient with other revenues, if any, to pay the cost of maintaining, repairing and operating the NTTA System and the principal of and the interest on bonds issued in connection with the NTTA System as the same become due and payable, and to create reserves for such purposes. The Authority Act states that such tolls will not be subject to supervision or regulation by any agency of the State or any local governmental entity.

The Authority has adopted a toll rate schedule for the NTTA System in substantial conformity with the recommendations of the Traffic Engineers. The Authority covenants in the Trust Agreement that it will keep in effect a toll rate schedule that will raise and produce Net Revenues (Total Revenue less Operating Expenses) sufficient to satisfy its debt service requirements.

The toll rates on the System depend on the method of collection. TollTag rates are 18.0 cents per mile on the Dallas North Tollway, the President George Bush Turnpike, the Chisholm Trail Parkway and the Sam Rayburn Tollway. They are aligned with the regional toll rate adopted by the Regional Transportation Council in April 2006. TollTag rates are 62.3 cents per one way trip on both Mountain Creek Lake Bridge and Addison Airport Toll Tunnel, and \$1.25 on Lewisville Lake Toll Bridge. ZipCash rates on all facilities are 50% more than the TollTag rates. Rates are adjusted on July 1 of every odd year by 5.6%.

The Authority's traffic and toll revenue estimates are provided by its outside Traffic Engineers, currently CDM Smith and C&M Associates, Inc. They conducted a toll sensitivity analysis of the System that shows the current and planned toll charges on the System are below the theoretical revenue maximization points. This demonstrates that, if needed, there is expected to be potential for revenue enhancement through toll increases above those assumed for traffic and revenue forecasting purposes.

The schedule below shows CDM Smith and C&M Associates, Inc. toll revenue estimates for the System, over the next five years.

Roadway	Estimated NTTA System Annual Toll Revenue				
	FY2018	FY2019	FY2020	FY2021	FY2022
DNT	\$264,838,200	\$325,255,300	\$340,104,800	\$355,365,900	\$371,788,100
PGBT	267,653,900	243,197,000	254,500,400	266,415,100	279,216,100
AATT	1,318,200	1,406,100	1,447,900	1,498,600	1,553,300
MCLB	1,507,000	1,694,700	1,749,800	1,808,000	1,879,400
LLTB	7,636,000	7,965,100	8,427,100	8,893,400	9,398,300
SRT	189,543,900	196,709,100	206,159,600	218,738,400	230,456,700
PGBT WE	61,952,500	64,379,000	69,688,000	72,190,000	77,634,000
CTP	50,289,400	52,158,000	57,333,000	59,581,000	64,270,000
System Totals	\$844,739,100	\$892,764,300	\$939,410,600	\$984,490,400	\$1,036,195,900

The above estimated revenue numbers include the following assumptions.

NTTA SYSTEM TOLLING (EXCLUDING SRT AND PGBT EE)

- Toll rate for two-axle vehicles with TollTags is \$0.18 per mile for the DNT and PGBT starting July 1, 2017.
- Toll rate for two-axle vehicles with TollTags is \$0.623 for the MCLB and the AATT starting July 1, 2017.
- ZipCash toll for two-axle vehicles is equal to the sum of (i) the TollTag toll and (ii) the greater of (a) 50% of the TollTag toll or (b) 20 cents per transaction.
- Tolls charged to users at any tolling location are rounded to the next highest penny.
- Tolls for all vehicle classifications are calculated based on “N-1” weighting, where “N” denotes the number of axles. For example, the TollTag toll charged to a five-axle vehicle will be four times the TollTag toll charged to a two-axle vehicle and the total Video toll charged to a five-axle vehicle will be four times the total Video toll charged to a two-axle vehicle.

SRT TOLLING

- Toll rate for two-axle vehicles with TollTags is \$0.180 per mile starting July 1, 2017, and thereafter toll rates shall be determined in accordance with the SRT Project Agreement, as amended, and shall be the maximum rates allowed under the SRT Project Agreement, as amended.
- ZipCash toll for two-axle vehicles is equal to the sum of (i) the TollTag toll and (ii) the greater of (a) 50% of the TollTag toll or (b) 20 cents per transaction.
- Tolls charged to users at any tolling location are rounded to the next highest penny.
- Tolls for all vehicle classifications are calculated based on “N-1” weighting on the SRT, where “N” denotes the number of axles. For example, the TollTag toll charged to a five-axle vehicle will be four times the TollTag toll charged to a two-axle vehicle and the total Video toll charged to a five-axle vehicle will be four times the total Video toll charged to a two-axle vehicle.

PGBT EE TOLLING

- The Construction, Operation and Maintenance Agreement for the PGBT EE between the Authority and TxDOT dated December 5, 2007, (the “EE Project Agreement”) provides for a supplemental toll on the PGBT EE (the “Regional Toll”) to be collected by the Authority and held in trust for TxDOT for the benefit of the North Central Texas region. The Regional Toll and the toll charged by the NTTA (the “NTTA Toll”) together constitute the publicly announced toll (the “Unified Toll”), but the Regional Toll will not constitute or be considered as the property or revenues of the Authority or the NTTA System.
- The Unified Toll rate for two-axle vehicles with TollTags is \$0.218 per mile as of July 1, 2017. The NTTA Toll rate for two-axle vehicles with TollTags is \$0.180 per mile for PGBT EE as of July 1, 2017. The Regional Toll rate for two-axle vehicles with TollTags is \$0.037 per mile for PGBT EE as of July 1, 2017. The Unified Toll rate for two-axle vehicles with TollTags is increased 3.0% per year thereafter, with toll adjustments made July 1 of every odd year thereafter. Unified TollTag tolls for two-axle vehicles with TollTags at any tolling location are rounded to the next highest nickel. The ratio between the NTTA Toll and the Unified Toll remains constant at 80 percent
- Toll rates shall be subject to the assumptions, qualifications and agreements set forth in Section 21 of the EE Project Agreement, as amended (as so amended, the “Amended EE Project Agreement”).
- ZipCash toll for two-axle vehicles is equal to the sum of (i) the TollTag toll and (ii) the greater of (a) 50% of TollTag toll or (b) 20 cents per transaction, increased 3.0% per year and adjusted on each July 1 of odd years thereafter. The ZipCash toll for two-axle vehicles with TollTags at any tolling location is rounded to the next highest nickel.
- Tolls for all vehicle classifications are calculated based on “N-1” weighting on the PGBT EE, where “N” denotes the number of axles. For example, the TollTag toll charged to a five-axle

vehicle will be four times the TollTag toll charged to a two-axle vehicle and the total Video toll charged to a five-axle vehicle will be four times the total Video toll charged to a two-axle vehicle.

360 TOLLWAY TOLLING

- Toll rate for two-axle vehicles with TollTags is \$0.18 per mile for the DNT and PGBT starting April 2018.
- Toll rate for two-axle vehicles with TollTags is \$0.623 for the MCLB and the AATT starting April 2018.
- ZipCash toll for two-axle vehicles is equal to the sum of (i) the TollTag toll and (ii) the greater of (a) 50% of the TollTag toll or (b) 20 cents per transaction.
- Tolls charged to users at any tolling location are rounded to the next highest penny.
- Tolls for all vehicle classifications are calculated based on “N-1” weighting, where “N” denotes the number of axles. For example, the TollTag toll charged to a five-axle vehicle will be four times the TollTag toll charged to a two-axle vehicle and the total Video toll charged to a five-axle vehicle will be four times the total Video toll charged to a two-axle vehicle.
- After (i) the completion of any Capacity Improvements authorized by the Leadership Team, (ii) payment in full of the outstanding balance of the Project Loan, (iii) payment in full of the outstanding balance of any Additional Project Debt, (iv) payment in full of any amounts owed to RTC under the Financial Backstop Agreement, and (v) payment in full of any amounts owed to the Authority, the Authority and TxDOT will equally share (50%/50%) all Available Remaining Revenue.

REVENUE DISTRIBUTION

The Authority covenants that all gross revenues (all tolls, other revenue, and income) arising or derived by the Authority from the operation and ownership of the Tollway (excepting investment income from all Funds and Accounts other than the Revenue Fund) will be collected by the Authority and deposited daily, as far as practicable, with the Trustee for the credit of the Revenue Fund. Notwithstanding the foregoing, tolls collected on behalf of TxDOT pursuant to a project agreement that provides for revenue sharing with TxDOT are required to be collected by the Authority and to be held and transferred to or upon the order of TxDOT as set forth in such project agreement. The Trustee is required to disburse amounts which are required to be on deposit in the various funds and accounts described below from the Revenue Fund on the required dates.

Under the Trust Agreement, the tolls and other revenues of the System on deposit in the Revenue Fund are applied in the following manner with each deposit being made as specified below in the sequence noted:

- 1) *First*, on or before the first day of each month, funds are deposited to the Operation and Maintenance Fund in an amount sufficient to make the balance of the Operation and Maintenance Fund equal to one-sixth (1/6) of the amount of the total Current Expenses in the current Annual Budget, plus all prior accruals for insurance and other periodic or regularly scheduled recurring expenses.
- 2) *Second*, on or before the last Business Day preceding each interest payment date or principal (or sinking fund redemption) payment date for the First Tier Bonds (including First Tier Payment Obligations) or such other day as set forth in a Supplemental Agreement, funds are deposited to the applicable account in the First Tier Sinking Fund (or to a fund or account created to pay or repay amounts owed under a Credit Agreement entered into in connection with a series of First Tier Bonds in lieu of either of the foregoing) in the amounts due on any First Tier Bond (including First Tier Payment Obligations).

- 3) *Third*, on or before the first day of each month, funds are deposited to the credit of the First Tier Reserve Account (1) in the amount, if any, required to restore any deficiency in the First Tier Reserve Account due to a withdrawal or change in value of Authorized Investments in order to make the amount on deposit in the First Tier Debt Reserve Account equal to the First Tier Reserve Requirement, which restoration is intended to occur within 12 months of the occurrence of any such deficiency in 12 substantially equal monthly installments, and (2) in the amount set forth in a Supplemental Agreement if an amount different from the First Tier Reserve Requirement is required.
- 4) *Fourth*, on or before the last Business Day preceding each interest payment date or principal (or sinking fund redemption) payment date for the Second Tier Bonds (including Second Tier Payment Obligations) or such other day as set forth in a Supplemental Agreement, funds are deposited to the applicable account in the Second Tier Sinking Fund (or to a fund or account created to pay or repay amounts owed under a Credit Agreement entered into in connection with a series of Second Tier Bonds in lieu of either of the foregoing) in the amounts due on any Second Tier Bond (including Second Tier Payment Obligations).
- 5) *Fifth*, on or before the first day of each month, funds are deposited to the credit of the Second Tier Reserve Account or subaccount therein, if one is provided for in a Supplemental Agreement, in the amounts set forth in the Supplemental Agreement establishing the Second Tier Reserve Requirement or authorizing Additional Second Tier Bonds.
- 6) *Sixth*, on or before the last Business Day preceding each interest payment date or principal (or sinking fund redemption) payment date for the Third Tier Bonds (including Third Tier Payment Obligations) or such other day as set forth in a Supplemental Agreement, funds are deposited to the applicable account in the Third Tier Sinking Fund (or to a fund or account created to pay or repay amounts owed under a Credit Agreement entered into in connection with a series of Third Tier Bonds in lieu of either of the foregoing) in the amounts due on any Third Tier Bond (including Third Tier Payment Obligations).
- 7) *Seventh*, on or before the first day of each month, funds are deposited to the credit of the Third Tier Reserve Account or subaccount therein, if one is provided for in a Supplemental Agreement, in the amounts set forth in the Supplemental Agreement establishing the Third Tier Reserve Requirement or authorizing Additional Third Tier Bonds.
- 8) *Eighth*, on or before the first day of each month, funds are required to be deposited in the Reserve Maintenance Fund in an amount equal to one-twelfth of the amount necessary in such fiscal year to accumulate in the Reserve Maintenance Fund an amount equal to the greater of (1) \$5,000,000, and (2) the amount as may be required in the then current Annual Budget to be deposited to the credit of the Reserve Maintenance Fund during the then current fiscal year; provided, however, that if the amount so deposited to the credit of the Reserve Maintenance Fund in any fiscal year is less than the budgeted amount, the requirement therefore will nevertheless be cumulative and the amount of any deficiency in any fiscal year is required to be added to the amount otherwise required to be deposited in each fiscal year thereafter until such time as such deficiency has been made up, unless such budget requirement has been modified by the Authority.
- 9) *Ninth*, at the end of each fiscal year any remaining funds on deposit in the Revenue Fund may be transferred to the Capital Improvement Fund.



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May 25, 2017

Horatio Porter
Chief Financial Officer
North Texas Tollway Authority 5900
W. Plano Parkway, Suite 100
Plano TX 75093

Subject: NTTA System – FY 2018 Traffic and Revenue Estimates

Dear Mr. Porter:

To assist with NTTA’s annual budgeting process, CDM Smith is pleased to submit monthly transaction and revenue (T&R) estimates for the NTTA System for fiscal year 2018. The NTTA System includes the Dallas North Tollway (DNT), President George Bush Turnpike (PGBT), Sam Rayburn Tollway (SRT), President George Bush Turnpike Eastern Extension (PGBT-EE), Addison Airport Toll Tunnel (AATT), Mountain Creek Lake Bridge (MCLB), and Lewisville Lake Toll Bridge (LLTB). Additionally, T&R estimates for SH 360, which is anticipated to open to traffic in April 2018, have also been developed as part of this analysis.

While we have seen tremendous growth across the NTTA System over the past few years, recent growth trends have begun to taper off somewhat and are being impacted due to ongoing construction, particularly along the DNT. However, while growth on the system is showing some signs of leveling off, we feel that the next wave of economic development would have a positive impact on traffic growth on the NTTA System in 2018 as several new major employment centers open and DNT fourth lane construction draws to a close.

NTTA System Transaction and Revenue Estimates

The T&R estimates for 2018, separated into TollTag and ZipCash, are shown for the NTTA System in Table 1 and separately for each facility in Tables 2 through 8. It should be noted that the T&R estimates categorized as “TollTag” in these tables also include V-toll transactions (transactions that are first identified as ZipCash but are subsequently determined to be valid TollTag transactions). The V-toll transactions that are included in the “TollTag” category in this letter are those that are identified in the first 90 days after a transaction has occurred. The ZipCash toll revenue estimates shown also include the ZipCash toll surcharge collected from ZipCash transactions, but they do not include the fees and fines that are collected through the ZipCash invoicing process (“fee revenue”).

It should be noted that fee revenue is estimated by NTTA.

The NTTA System T&R estimates for 2018 are 730.8 million and \$732.5 million, respectively. It is assumed that 79.9 percent of the transactions on the NTTA System in 2018 will be TollTag transactions, and the corresponding toll revenue contribution from TollTags will be 85.7 percent. The expected transactions in 2018 are about 2.3 percent greater than the estimated annual transactions of 714.1 million in 2017. The toll revenue in 2018 is expected to be 5.7 percent greater than the estimated annual revenue of \$693.1 million in 2017.

The T&R growth in 2018 is driven by the following:

- Increase in toll transactions due to continued population/employment growth
 - SRT, DNT (north of SRT), PGBT (east of US 75 and west of IH 35E) and PGBT-EE are big contributors to NTTA System-wide transaction growth
 - Development continues to progress rapidly along NTTA facilities particularly SRT and the northern portion of DNT
- Toll rate increase of 5.6 percent that will go into effect on July 1, 2017 on all NTTA facilities

Table 1. Estimated 2018 NTTA System Traffic and Revenue

Month	Monthly Transactions			Monthly Toll Revenue		
	Total	TollTag	ZipCash	Total	TollTag	ZipCash
January	57,850,800	46,208,800	11,642,000	\$58,100,900	\$49,524,800	\$8,576,100
February	55,177,100	44,072,000	11,105,100	\$55,329,300	\$47,251,300	\$8,078,000
March	62,325,500	49,776,400	12,549,100	\$62,035,100	\$53,514,200	\$8,520,900
April	60,183,700	48,072,300	12,111,400	\$59,998,400	\$51,619,500	\$8,378,900
May	63,579,700	50,782,900	12,796,800	\$62,955,300	\$54,585,100	\$8,370,200
June	62,052,000	49,555,100	12,496,900	\$62,322,100	\$53,409,000	\$8,913,100
July	62,719,800	50,085,700	12,634,100	\$62,800,800	\$53,917,500	\$8,883,300
August	64,109,100	51,196,200	12,912,900	\$64,320,700	\$55,029,600	\$9,291,100
September	60,054,100	47,958,000	12,096,100	\$60,532,300	\$51,567,200	\$8,965,100
October	64,654,100	51,633,400	13,020,700	\$64,806,500	\$55,572,700	\$9,233,800
November	59,490,700	47,508,000	11,982,700	\$60,248,100	\$51,202,900	\$9,045,200
December	58,553,900	46,772,600	11,781,300	\$59,047,700	\$50,373,500	\$8,674,200
Total	730,750,500	583,621,400	147,129,100	\$732,497,200	\$627,567,300	\$104,929,900

As seen in Tables 2 and 3, the DNT and PGBT are expected to generate \$264.8 million and \$229.0 million in toll revenue, respectively. Transactions on the DNT in 2018 are expected to be 268.4 million, which represents a growth of 2.6 percent from the forecasted 2017 transactions. Overall, transactions on the PGBT in 2018 are expected to be 248.2 million, representing a growth of 1.1 percent between 2017 and 2018. As shown in Table 4, the PGBT-EE is expected to continue growing and generate \$38.7 million in toll revenue (NTTA's share of the PGBT-EE toll revenue) from 38.3 million transactions in 2018. The transaction growth on PGBT-EE is expected to be 3.1 percent between 2017 and 2018. The SRT (see Table 5) is expected to generate \$189.5 million in toll revenue and 164.9 million transactions in 2018, representing a transaction growth of 3.7 percent from 2017. The AATT, MCLB and LLTB (Tables 6 through 8) are anticipated to produce \$1.3 million, \$1.5 million and \$7.6 million in toll revenue, respectively. These three facilities are expected to generate a combined total of \$10.5 million in toll revenue from 11.0 million transactions in 2018.

Table 2. Estimated 2018 DNT Traffic and Revenue

Month	Monthly Transactions			Monthly Toll Revenue		
	Total	TollTag	ZipCash	Total	TollTag	ZipCash
January	21,536,000	17,407,300	4,128,700	\$21,267,400	\$18,344,900	\$2,922,500
February	20,496,400	16,569,700	3,926,700	\$20,208,800	\$17,469,500	\$2,739,300
March	22,966,100	18,566,400	4,399,700	\$22,543,100	\$19,646,000	\$2,897,100
April	21,798,700	17,631,200	4,167,500	\$21,489,100	\$18,644,400	\$2,844,700
May	23,235,800	18,788,500	4,447,300	\$22,705,600	\$19,864,500	\$2,841,100
June	22,310,200	18,034,200	4,276,000	\$22,106,100	\$19,115,600	\$2,990,500
July	22,902,100	18,505,600	4,396,500	\$22,499,400	\$19,536,200	\$2,963,200
August	23,576,000	19,051,000	4,525,000	\$23,233,000	\$20,110,700	\$3,122,300
September	22,096,000	17,858,900	4,237,100	\$21,886,300	\$18,899,300	\$2,987,000
October	23,804,400	19,238,500	4,565,900	\$23,518,600	\$20,411,100	\$3,107,500
November	21,863,100	17,670,000	4,193,100	\$21,785,300	\$18,733,100	\$3,052,200
December	21,810,900	17,624,500	4,186,400	\$21,595,500	\$18,650,100	\$2,945,400
Total	268,395,700	216,945,800	51,449,900	\$264,838,200	\$229,425,400	\$35,412,800

Table 3. Estimated 2018 PGBT Traffic and Revenue

Month	Monthly Transactions			Monthly Toll Revenue		
	Total	TollTag	ZipCash	Total	TollTag	ZipCash
January	19,748,500	15,520,600	4,227,900	\$18,303,200	\$15,472,600	\$2,830,600
February	18,813,200	14,783,600	4,029,600	\$17,398,500	\$14,731,100	\$2,667,400
March	21,267,800	16,709,500	4,558,300	\$19,449,700	\$16,661,300	\$2,788,400
April	20,642,600	16,216,000	4,426,600	\$18,947,600	\$16,178,100	\$2,769,500
May	21,628,400	16,991,700	4,636,700	\$19,712,300	\$16,954,300	\$2,758,000
June	21,231,500	16,679,500	4,552,000	\$19,613,100	\$16,669,900	\$2,943,200
July	21,245,300	16,686,600	4,558,700	\$19,611,600	\$16,677,700	\$2,933,900
August	21,778,500	17,107,000	4,671,500	\$20,113,700	\$17,054,800	\$3,058,900
September	20,409,400	16,032,200	4,377,200	\$18,922,400	\$15,963,600	\$2,958,800
October	21,930,100	17,228,100	4,702,000	\$20,159,700	\$17,135,800	\$3,023,900
November	20,110,900	15,798,200	4,312,700	\$18,717,000	\$15,753,300	\$2,963,700
December	19,353,000	15,203,100	4,149,900	\$18,001,300	\$15,183,600	\$2,817,700
Total	248,159,200	194,956,100	53,203,100	\$228,950,100	\$194,436,100	\$34,514,000

Table 4. Estimated 2018 PGBT-EE Traffic and Revenue

Month	Monthly Transactions			Monthly Toll Revenue		
	Total	TollTag	ZipCash	Total	TollTag	ZipCash
January	2,986,900	2,333,100	653,800	\$3,026,900	\$2,469,400	\$557,500
February	2,859,400	2,233,200	626,200	\$2,892,700	\$2,363,700	\$529,000
March	3,255,700	2,541,800	713,900	\$3,267,400	\$2,705,000	\$562,400
April	3,153,800	2,462,800	691,000	\$3,161,500	\$2,615,700	\$545,800
May	3,372,700	2,633,900	738,800	\$3,354,100	\$2,804,000	\$550,100
June	3,295,600	2,573,900	721,700	\$3,328,000	\$2,739,400	\$588,600
July	3,261,500	2,546,700	714,800	\$3,307,300	\$2,722,700	\$584,600
August	3,332,000	2,602,200	729,800	\$3,389,000	\$2,773,500	\$615,500
September	3,134,500	2,447,500	687,000	\$3,198,400	\$2,604,200	\$594,200
October	3,378,800	2,638,400	740,400	\$3,414,800	\$2,808,400	\$606,400
November	3,135,300	2,448,700	686,600	\$3,206,200	\$2,610,500	\$595,700
December	3,134,300	2,450,000	684,300	\$3,157,500	\$2,583,800	\$573,700
Total	38,300,500	29,912,200	8,388,300	\$38,703,800	\$31,800,300	\$6,903,500

Table 5. Estimated 2018 SRT Traffic and Revenue

Month	Monthly Transactions			Monthly Toll Revenue		
	Total	TollTag	ZipCash	Total	TollTag	ZipCash
January	12,703,300	10,296,900	2,406,400	\$14,671,900	\$12,555,100	\$2,116,800
February	12,163,400	9,858,500	2,304,900	\$14,031,600	\$12,029,100	\$2,002,500
March	13,880,500	11,249,800	2,630,700	\$15,883,500	\$13,755,300	\$2,128,200
April	13,636,500	11,055,300	2,581,200	\$15,503,800	\$13,432,100	\$2,071,700
May	14,364,000	11,641,200	2,722,800	\$16,261,500	\$14,186,900	\$2,074,600
June	14,303,200	11,588,700	2,714,500	\$16,407,900	\$14,169,000	\$2,238,900
July	14,384,500	11,654,900	2,729,600	\$16,497,300	\$14,251,400	\$2,245,900
August	14,478,600	11,733,400	2,745,200	\$16,681,500	\$14,348,000	\$2,333,500
September	13,504,700	10,944,900	2,559,800	\$15,662,000	\$13,389,000	\$2,273,000
October	14,557,700	11,797,800	2,759,900	\$16,781,400	\$14,442,800	\$2,338,600
November	13,485,400	10,927,200	2,558,200	\$15,686,300	\$13,406,400	\$2,279,900
December	13,408,800	10,865,400	2,543,400	\$15,475,200	\$13,285,600	\$2,189,600
Total	164,870,600	133,614,000	31,256,600	\$189,543,900	\$163,250,700	\$26,293,200

Table 6. Estimated 2018 AATT Traffic and Revenue

Month	Monthly Transactions			Monthly Toll Revenue		
	Total	TollTag	ZipCash	Total	TollTag	ZipCash
January	184,200	145,000	39,200	\$109,700	\$93,300	\$16,400
February	172,900	136,200	36,700	\$102,900	\$87,600	\$15,300
March	189,300	149,100	40,200	\$111,600	\$96,000	\$15,600
April	183,600	144,600	39,000	\$109,300	\$93,100	\$16,200
May	184,900	145,600	39,300	\$109,500	\$93,700	\$15,800
June	192,800	151,800	41,000	\$114,800	\$97,700	\$17,100
July	204,300	160,900	43,400	\$121,000	\$103,500	\$17,500
August	193,200	152,200	41,000	\$115,200	\$97,900	\$17,300
September	177,600	139,900	37,700	\$107,200	\$90,000	\$17,200
October	191,200	150,600	40,600	\$114,900	\$96,900	\$18,000
November	173,100	136,300	36,800	\$104,600	\$87,700	\$16,900
December	161,400	127,100	34,300	\$97,500	\$81,800	\$15,700
Total	2,208,500	1,739,300	469,200	\$1,318,200	\$1,119,200	\$199,000

Table 7. Estimated 2018 MCLB Traffic and Revenue

Month	Monthly Transactions			Monthly Toll Revenue		
	Total	TollTag	ZipCash	Total	TollTag	ZipCash
January	208,800	127,400	81,400	\$121,600	\$84,200	\$37,400
February	206,200	125,900	80,300	\$119,700	\$83,200	\$36,500
March	234,700	143,300	91,400	\$131,200	\$94,700	\$36,500
April	229,900	140,300	89,600	\$129,500	\$92,700	\$36,800
May	231,500	141,300	90,200	\$129,900	\$93,400	\$36,500
June	209,200	127,700	81,500	\$122,100	\$84,400	\$37,700
July	201,200	122,800	78,400	\$118,600	\$81,100	\$37,500
August	218,900	133,600	85,300	\$127,400	\$88,300	\$39,100
September	224,900	137,300	87,600	\$128,400	\$90,700	\$37,700
October	234,500	143,200	91,300	\$132,000	\$94,600	\$37,400
November	224,500	137,000	87,500	\$128,900	\$90,500	\$38,400
December	199,900	122,000	77,900	\$117,700	\$80,600	\$37,100
Total	2,624,200	1,601,800	1,022,400	\$1,507,000	\$1,058,400	\$448,600

Table 8. Estimated 2018 LLTB Traffic and Revenue

Month	Monthly Transactions			Monthly Toll Revenue		
	Total	TollTag	ZipCash	Total	TollTag	ZipCash
January	483,100	378,500	104,600	\$600,200	\$505,300	\$94,900
February	465,600	364,900	100,700	\$575,100	\$487,100	\$88,000
March	531,400	416,500	114,900	\$648,600	\$555,900	\$92,700
April	538,600	422,100	116,500	\$657,600	\$563,400	\$94,200
May	562,400	440,700	121,700	\$682,400	\$588,300	\$94,100
June	509,500	399,300	110,200	\$630,100	\$533,000	\$97,100
July	520,900	408,200	112,700	\$645,600	\$544,900	\$100,700
August	531,900	416,800	115,100	\$660,900	\$556,400	\$104,500
September	507,000	397,300	109,700	\$627,600	\$530,400	\$97,200
October	557,400	436,800	120,600	\$685,100	\$583,100	\$102,000
November	498,400	390,600	107,800	\$619,800	\$521,400	\$98,400
December	485,600	380,500	105,100	\$603,000	\$508,000	\$95,000
Total	6,191,800	4,852,200	1,339,600	\$7,636,000	\$6,477,200	\$1,158,800

CDM Smith has also estimated the amount of ZipCash revenue that is expected to be invoiced, the expected amount of unrecovered revenue and the resulting recovered ZipCash revenue. This information is shown in Table 9. The total ZipCash revenue invoiced is expected to be \$178.9 million and the net ZipCash revenue recovered is expected to be \$104.9 million.

Table 9. Estimated 2018 NTTA System ZipCash Revenue Invoiced and Recovered (thousands)

Month	Total ZipCash Revenue in Process (Invoiced)	Total ZipCash Unrecovered Revenue	Total ZipCash Revenue Recovered
January	\$14,109	\$5,533	\$8,576
February	\$13,464	\$5,387	\$8,078
March	\$15,256	\$6,735	\$8,521
April	\$14,709	\$6,330	\$8,379
May	\$15,559	\$7,189	\$8,371
June	\$15,234	\$6,321	\$8,913
July	\$15,380	\$6,496	\$8,883
August	\$15,696	\$6,405	\$9,291
September	\$14,704	\$5,739	\$8,965
October	\$15,843	\$6,609	\$9,234
November	\$14,601	\$5,556	\$9,045
December	\$14,350	\$5,676	\$8,674
Total	\$178,904	\$73,975	\$104,930

SH 360 Transaction and Revenue Estimates

The T&R estimates for 2018, separated into TollTag and ZipCash, are shown for SH 360 in Table 10. The total SH 360 T&R estimates for 2018 are 8.9 million transactions and \$5.8 million in toll revenue. It is assumed that about 65 percent of the transactions on SH 360 in 2018 will be TollTag transactions, and the corresponding toll revenue contribution from TollTags will be 88 percent in 2018. The facility is anticipated to open to traffic on April 2, 2018, and it would be expected to be in its ramp-up phase for the revenue period included in Table 10. Additionally, please note that SH 360 is not considered part of the NTTA System, and its forecasted transactions and revenue are not included in the NTTA System totals shown in Table 1 of this report.

Table 10. Estimated 2018 SH 360 Traffic and Revenue

Month	Monthly Transactions			Monthly Toll Revenue		
	Total	TollTag	ZipCash	Total	TollTag	ZipCash
January	0	0	0	\$0	\$0	\$0
February	0	0	0	\$0	\$0	\$0
March	0	0	0	\$0	\$0	\$0
April	955,900	621,300	334,600	\$550,200	\$550,200	\$0
May	1,012,200	657,900	354,300	\$582,600	\$582,600	\$0
June	975,400	634,000	341,400	\$561,400	\$561,400	\$0
July	998,000	648,700	349,300	\$684,800	\$574,500	\$110,300
August	1,026,300	667,100	359,200	\$707,500	\$590,700	\$116,800
September	947,200	615,700	331,500	\$657,800	\$545,200	\$112,600
October	1,026,300	667,100	359,200	\$705,900	\$590,700	\$115,200
November	961,400	624,900	336,500	\$671,800	\$553,300	\$118,500
December	969,900	630,400	339,500	\$667,500	\$558,200	\$109,300
Total	8,872,600	5,767,100	3,105,500	\$5,789,500	\$5,106,800	\$682,700

I trust that this information addresses your current needs. In the meantime, should any questions arise, please do not hesitate to contact me.

Sincerely,



Justin R. Winn, P.E.
Project Manager
CDM Smith, Inc.

DISCLAIMER

CDM Smith used currently accepted professional practices and procedures in the development of these traffic and revenue estimates. However, as with any forecast, it should be understood that differences between forecasted and actual results may occur, as caused by events and circumstances beyond the control of the forecasters. In formulating the estimates, CDM Smith reasonably relied upon the accuracy and completeness of information provided (both written and oral) by the North Texas Tollway Authority (NTTA). CDM Smith also relied upon the reasonable assurances of independent parties and is not aware of any material facts that would make such information misleading.

CDM Smith made qualitative judgments related to several key variables in the development and analysis of the traffic and revenue estimates that must be considered as a whole; therefore, selecting portions of any individual result without consideration of the intent of the whole may create a misleading or incomplete view of the results and the underlying methodologies used to obtain the results. CDM Smith gives no opinion as to the value or merit of partial information extracted from this report.

All estimates and projections reported herein are based on CDM Smith's experience and judgment and on a review of information obtained from multiple agencies, including NTTA. These estimates and projections may not be indicative of actual or future values, and are therefore subject to substantial uncertainty. Future developments cannot be predicted with certainty, and may affect the estimates or projections expressed in this report, such that CDM Smith does not specifically guarantee or warrant any estimate or projection contained within this report.

While CDM Smith believes that the projections or other forward-looking statements contained within the report are based on reasonable assumptions as of May 2016, such forward-looking statements involve risks and uncertainties that may cause actual results to differ materially from the results predicted. Therefore, following the date of that study, CDM Smith will take no responsibility or assume any obligation to advise of changes that may affect its assumptions contained within the report, as they pertain to socioeconomic and demographic forecasts, proposed residential or commercial land use development projects and/or potential improvements to the regional transportation network.

CDM Smith is not, and has not been, a municipal advisor as defined in federal law (the Dodd Frank Bill) to NTTA and does not owe a fiduciary duty pursuant to Section 15B of the Exchange Act to NTTA with respect to the information and material contained in this report. CDM Smith is not recommending and has not recommended any action to NTTA. NTTA should discuss the information and material contained in this report with any and all internal and external advisors that it deems appropriate before acting on this information.



C&M Associates, Inc.

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Memorandum

Shahram Bohluli, Ph.D., P.E.

Vice President / Project Manager
sbohluli@candm-associates.com

Date: April 10, 2017

To: Mr. Rob Hurmence
Director, Financial Planning and Analysis
North Texas Tollway Authority
5900 W. Plano Parkway, Suite 100
Plano, TX 75093

Subject: NTTA Special Projects System – Fiscal Year 2018 Traffic and Revenue Forecast

Dear Mr. Hurmence,

As part of the North Texas Tollway Authority's (NTTA) annual budget process, C&M Associates Inc. (C&M) is pleased to submit the Special Project System's (SPS) monthly toll transaction and revenue forecasts for Fiscal Year (FY) 2018, which is from September 1, 2017 to August 31, 2018.

The SPS consists of the President George Bush Turnpike Western Extension (PGBT WE) and the Chisholm Trail Parkway (CTP). The PGBT WE is an 11.5-mile extension of the PGBT and was the first project of the SPS, with Phases 1 through 3 opened to traffic in 2009 and 2010, while the final phase (Phase 4) opened on October 13, 2012. The CTP is a 27.6-mile toll road that was added to the SPS in December 2011. It opened to traffic on May 11, 2014, with tolling operations beginning the same day.

The traffic and revenue (T&R) forecasts, which are separated into AVI (TollTag) and ZipCash transactions, are shown for the total SPS in Table 1 and for the PGBT WE and CTP in Table 2 and Table 3, respectively. The forecasts categorized as AVI in these tables also include V-tolls—transactions that are first identified as ZipCash but are subsequently determined to be AVI transactions.

The SPS forecast for FY 2018 comprises 102.64 million transactions and \$109.71 million in revenue, as shown in Table 1. It is assumed that about 76 percent of FY 2018 transactions on the SPS will be AVI (TollTag) transactions, and the corresponding toll revenue contribution from AVI will be 83 percent.

Table 1. Forecasted Monthly Transactions and Revenue for the SPS – FY 2018

Month	Transactions			Revenue		
	Total	AVI (TollTag)	ZipCash	Total	AVI (TollTag)	ZipCash
Sep	8,260,100	6,209,600	2,050,500	\$8,761,000	\$7,281,600	\$1,479,400
Oct	8,676,000	6,522,100	2,153,900	\$9,187,600	\$7,647,200	\$1,540,400
Nov	8,269,700	6,217,300	2,052,400	\$8,838,000	\$7,291,400	\$1,546,600
Dec	7,712,000	5,811,100	1,900,900	\$8,365,100	\$6,858,000	\$1,507,100
Jan	8,324,400	6,267,300	2,057,100	\$8,882,500	\$7,378,600	\$1,503,900
Feb	7,848,300	5,904,700	1,943,600	\$8,424,100	\$6,938,800	\$1,485,300
Mar	8,852,200	6,722,000	2,130,200	\$9,422,100	\$7,892,200	\$1,529,900
Apr	8,746,100	6,645,000	2,101,100	\$9,356,600	\$7,807,400	\$1,549,200
May	9,239,200	7,015,200	2,224,000	\$9,844,600	\$8,237,200	\$1,607,400
Jun	8,688,500	6,595,500	2,093,000	\$9,342,100	\$7,742,300	\$1,599,800
Jul	8,789,400	6,673,800	2,115,600	\$9,432,700	\$7,832,500	\$1,600,200
Aug	9,229,100	7,008,600	2,220,500	\$9,852,600	\$8,238,500	\$1,614,100
Total	102,635,000	77,592,200	25,042,800	\$109,709,000	\$91,145,700	\$18,563,300

The PGBT WE forecast for FY 2018 comprises 65.72 million transactions and \$60.62 million in revenue, as shown in Table 2. It is assumed that about 73 percent of FY 2018 transactions on the PGBT WE will be AVI (TollTag) transactions, and the corresponding toll revenue contribution from AVI will be 81 percent. The PGBT WE represents 64 percent of the total transactions and 55 percent of the total revenue of the SPS.

Table 2. Forecasted Monthly Transactions and Revenue for the PGBT WE – FY 2018

Month	Transactions			Revenue		
	Total	AVI (TollTag)	ZipCash	Total	AVI (TollTag)	ZipCash
Sep	5,331,900	3,844,000	1,487,900	\$4,918,200	\$3,954,100	\$964,100
Oct	5,606,900	4,042,700	1,564,200	\$5,140,100	\$4,154,900	\$985,200
Nov	5,346,400	3,855,700	1,490,700	\$4,932,400	\$3,955,000	\$977,400
Dec	4,813,700	3,469,700	1,344,000	\$4,513,000	\$3,573,300	\$939,700
Jan	5,282,700	3,810,000	1,472,700	\$4,834,400	\$3,903,000	\$931,400
Feb	5,018,900	3,618,900	1,400,000	\$4,635,900	\$3,716,300	\$919,600
Mar	5,677,500	4,138,300	1,539,200	\$5,204,800	\$4,251,600	\$953,200
Apr	5,586,600	4,073,100	1,513,500	\$5,154,200	\$4,187,500	\$966,700
May	5,934,200	4,325,800	1,608,400	\$5,444,300	\$4,439,700	\$1,004,600
Jun	5,575,100	4,061,600	1,513,500	\$5,182,900	\$4,182,600	\$1,000,300
Jul	5,649,300	4,117,700	1,531,600	\$5,238,400	\$4,236,700	\$1,001,700
Aug	5,897,400	4,297,800	1,599,600	\$5,417,800	\$4,410,300	\$1,007,500
Total	65,720,600	47,655,300	18,065,300	\$60,616,400	\$48,965,000	\$11,651,400

The CTP forecast for FY 2018 comprises 36.91 million transactions and \$49.09 million in revenue, as shown in Table 3. It is assumed that about 81 percent of FY 2018 transactions on the CTP will be AVI (TollTag) transactions, and the corresponding toll revenue contribution from AVI will be 86 percent. The CTP represents 36 percent of the total transactions and 45 percent of the total revenue of the SPS.

Table 3. Forecasted Monthly Transactions and Revenue for the CTP – FY 2018

Month	Transactions			Revenue		
	Total	AVI (TollTag)	ZipCash	Total	AVI (TollTag)	ZipCash
Sep	2,928,200	2,365,600	562,600	\$3,842,800	\$3,327,500	\$515,300
Oct	3,069,100	2,479,400	589,700	\$4,047,500	\$3,492,300	\$555,200
Nov	2,923,300	2,361,600	561,700	\$3,905,600	\$3,336,400	\$569,200
Dec	2,898,300	2,341,400	556,900	\$3,852,100	\$3,284,700	\$567,400
Jan	3,041,700	2,457,300	584,400	\$4,048,100	\$3,475,600	\$572,500
Feb	2,829,400	2,285,800	543,600	\$3,788,200	\$3,222,500	\$565,700
Mar	3,174,700	2,583,700	591,000	\$4,217,300	\$3,640,600	\$576,700
Apr	3,159,500	2,571,900	587,600	\$4,202,400	\$3,619,900	\$582,500
May	3,305,000	2,689,400	615,600	\$4,400,300	\$3,797,500	\$602,800
Jun	3,113,400	2,533,900	579,500	\$4,159,200	\$3,559,700	\$599,500
Jul	3,140,100	2,556,100	584,000	\$4,194,300	\$3,595,800	\$598,500
Aug	3,331,700	2,710,800	620,900	\$4,434,800	\$3,828,200	\$606,600
Total	36,914,400	29,936,900	6,977,500	\$49,092,600	\$42,180,700	\$6,911,900

C&M also estimated the ZipCash revenue of the SPS, taking into consideration revenue in the process of being invoiced and unrecovered revenue. As shown in Table 4, the total SPS ZipCash revenue invoiced is estimated to be \$28.74 million, and the net ZipCash revenue recovered is estimated to be \$18.56 million.

Table 4. Estimated SPS ZipCash Revenue Invoiced and Recovered – FY 2018

Month	ZipCash Revenue in Process (Invoiced)	ZipCash Unrecovered Revenue	ZipCash Revenue Recovered
Sep	\$2,350,900	\$871,500	\$1,479,400
Oct	\$2,468,400	\$928,000	\$1,540,400
Nov	\$2,350,300	\$803,700	\$1,546,600
Dec	\$2,191,200	\$684,100	\$1,507,100
Jan	\$2,361,100	\$857,200	\$1,503,900
Feb	\$2,230,500	\$745,200	\$1,485,300
Mar	\$2,443,900	\$914,000	\$1,529,900
Apr	\$2,412,700	\$863,500	\$1,549,200
May	\$2,551,700	\$944,300	\$1,607,400
Jun	\$2,404,500	\$804,700	\$1,599,800
Jul	\$2,429,500	\$829,300	\$1,600,200
Aug	\$2,549,900	\$935,800	\$1,614,100
Total	\$28,744,600	\$10,181,300	\$18,563,300

I trust that this information addresses your current needs. In the meantime, if you have any questions, please do not hesitate to contact me.

Best Regards,



Shahram Bohluli, Ph.D., P.E.
 Vice President / Project Manager

DISCLAIMER

The results presented in this memorandum constitute the opinion of C&M with respect to the future traffic and revenue for the tolled facility. This opinion is based on standard professional efforts and the information available to C&M at the time the forecast was executed, subject to the time and budget constraints of the T&R forecast's scope of work. Publicly available and obtained information has not been independently verified, and C&M does not assume responsibility for verifying such information. C&M cannot guarantee or ensure future events in connection with this T&R forecast.

Appendix E: Operation and Maintenance Fund FY2017 Estimated Costs

Account	Accounting	Administration	Board	Cash and Debt Management	Financial Planning & Analysis	Human Resources
Salaries and Wages-Direct - (511101)	\$1,114,371	\$242,558	\$65,361	\$192,222	\$393,923	\$619,267
Salaries and Wages-Internship - (511202)	0	0	0	0	0	42,611
Salaries and Wage-Overtime - (511301)	452	0	0	0	0	1,981
Group Insurance - (512101)	0	0	0	0	0	0
Retirement Contributions - (512401)	149,138	26,983	8,687	26,421	54,261	83,653
Retirement Contr.-Internship - (512402)	0	0	0	0	0	5,551
Tuition Reimbursement - (512501)	0	0	0	0	0	23,083
Unemployment Insurance - (512601)	0	0	0	0	0	0
OPEB Annual Req'd Contribution - (512602)	0	0	0	0	0	0
Worker's Comp Ins - (512701)	0	0	0	0	0	0
Meeting Expense - (521101)	1,999	1,748	44,920	0	0	6,223
Consulting/Professional - (521201)	892	227,360	0	326,038	50,304	116,814
Legal Fees - (521202)	0	0	0	0	0	0
Auditing Fees - (521203)	0	0	0	0	0	0
Trustee Fees - (521204)	0	0	0	264,355	0	0
Traffic Engineering Fees - (521207)	0	0	0	0	643,134	0
Police Services (DPS) - (521208)	0	0	0	0	0	0
Armored Car Services - (521209)	0	0	0	0	0	0
Outside Maintenance Services - (521212)	0	0	0	0	0	0
Landscaping - (522202)	0	0	0	0	0	0
Rentals - Land - (522301)	0	0	0	0	0	0
Rentals - Equipment - (522302)	0	0	0	0	0	0
Insurance Expense - Other - (523101)	0	0	0	0	0	0
Postage - (523201)	0	0	0	0	0	0
Telecommunications - (523202)	0	0	0	0	0	0
Recruitment - (523301)	0	0	0	0	0	114,827
Magazine and Newspaper - (523302)	0	0	0	881	0	0
Television & Radio - (523303)	0	0	0	0	0	0
Promotional Expenses - (523304)	245	12,563	0	0	0	59,689
Employee Appreciation - (523305)	0	0	0	0	0	0
Printing and Photographic - (523401)	0	0	0	0	0	0
Maps & Pamphlets - (523402)	0	0	0	0	0	0
Travel - (523501)	13,146	11,602	12,906	4,513	5,159	4,747
Dues & Subscriptions - (523601)	2,836	36,741	0	2,258	645	4,604
Education and Training - (523701)	7,753	7,560	0	4,120	2,480	63,956
Licenses - (523801)	561	0	0	0	0	0
Temporary Contract Labor - (523851)	0	0	0	0	0	4,135
Liability Claims - (523902)	0	0	0	0	0	0
Office Supplies - (531101)	7,260	672	2,335	523	2,183	3,688
Other Materials and Supplies - (531102)	0	0	0	0	0	0
Mobile Equipment Expense - (531103)	0	0	0	0	0	0
Freight and Express - (531105)	471	210	871	344	169	562
Motor Fuel Expense - (531107)	0	0	0	0	0	0
Water - (531211)	0	0	0	0	0	0
Gas - (531221)	0	0	0	0	0	0
Electricity - (531231)	0	0	0	0	0	0
Books & Periodicals - (531401)	0	0	0	0	0	0
Inven for resale(toll tags) - (531501)	0	0	0	0	0	0
Small Tools and Shop Supplies - (531601)	0	0	0	0	0	0
Software - (531651)	0	0	0	0	0	0
Uniforms - (531701)	0	0	0	0	0	0
Bank Charges - (573001)	0	0	0	41,319	0	0
Credit Card Fees - (573002)	0	0	0	0	0	0
Totals	\$1,299,123	\$567,998	\$135,080	\$862,995	\$1,152,258	\$1,155,391

Appendix E: Operation and Maintenance Fund FY2017 Estimated Costs (continued)

Account	Internal Audit	Legal Services	Procurement and Business Diversity	Public Affairs	Shared Services	Contact Center and Collections
Salaries and Wages-Direct - (511101)	\$603,744	\$533,745	\$983,128	\$1,178,134	\$0	\$9,314,085
Salaries and Wages-Internship - (511202)	0	119,473	0	0	0	0
Salaries and Wage-Overtime - (511301)	0	0	1,846	1,554	0	263,277
Group Insurance - (512101)	0	0	0	0	7,896,420	0
Retirement Contributions - (512401)	80,739	72,325	130,474	159,299	0	1,257,255
Retirement Contr.-Internship - (512402)	0	15,579	0	0	0	0
Tuition Reimbursement - (512501)	0	0	0	0	0	0
Unemployment Insurance - (512601)	0	0	0	0	189,158	0
OPEB Annual Req'd Contribution - (512602)	0	0	0	0	1,815,919	0
Worker's Comp Ins - (512701)	0	0	0	0	313,430	0
Meeting Expense - (521101)	543	560	1,260	11,364	0	20,878
Consulting/Professional - (521201)	39,860	0	1,715	1,015,292	0	8,847,929
Legal Fees - (521202)	0	1,698,227	0	0	0	0
Auditing Fees - (521203)	120,903	0	0	0	0	0
Trustee Fees - (521204)	0	0	0	0	0	0
Traffic Engineering Fees - (521207)	0	0	0	0	0	0
Police Services (DPS) - (521208)	0	0	0	0	0	0
Armored Car Services - (521209)	0	0	0	0	0	26,928
Outside Maintenance Services - (521212)	0	0	0	0	0	0
Landscaping - (522202)	0	0	0	0	0	0
Rentals - Land - (522301)	0	0	0	0	0	37,726
Rentals - Equipment - (522302)	0	0	0	0	104,037	55,156
Insurance Expense - Other - (523101)	0	0	0	0	0	0
Postage - (523201)	84	0	0	0	0	9,726,478
Telecommunications - (523202)	0	0	0	0	0	0
Recruitment - (523301)	0	0	0	0	0	0
Magazine and Newspaper - (523302)	323	0	5,010	511,841	0	5,727
Television & Radio - (523303)	0	0	0	201,737	0	0
Promotional Expenses - (523304)	0	0	53,835	335,842	0	0
Employee Appreciation - (523305)	0	0	0	1,568	0	0
Printing and Photographic - (523401)	0	0	948	7,259	0	0
Maps & Pamphlets - (523402)	0	0	0	55,936	0	0
Travel - (523501)	9,331	10,872	12,374	55,891	0	11,516
Dues & Subscriptions - (523601)	4,260	49,486	72,912	26,538	927	3,028
Education and Training - (523701)	10,175	2,835	22,106	2,584	0	53,057
Licenses - (523801)	674	0	3,356	0	0	0
Temporary Contract Labor - (523851)	0	0	0	0	0	11,921,043
Liability Claims - (523902)	0	0	0	0	0	0
Office Supplies - (531101)	2,361	34,586	3,782	6,119	48,789	204,382
Other Materials and Supplies - (531102)	0	0	0	2,500	0	0
Mobile Equipment Expense - (531103)	0	0	0	0	0	0
Freight and Express - (531105)	0	452	113	291	0	1,138
Motor Fuel Expense - (531107)	0	0	0	0	0	0
Water - (531211)	0	0	0	0	0	0
Gas - (531221)	0	0	0	0	0	0
Electricity - (531231)	0	0	0	0	0	0
Books & Periodicals - (531401)	1,351	0	0	0	0	0
Inven for resale(toll tags) - (531501)	0	0	0	0	0	9,415,813
Small Tools and Shop Supplies - (531601)	0	0	0	0	0	0
Software - (531651)	0	0	0	0	0	0
Uniforms - (531701)	0	0	0	1,772	0	16,593
Bank Charges - (573001)	0	0	0	0	0	857,497
Credit Card Fees - (573002)	0	0	0	0	0	17,285,776
Totals	\$874,349	\$2,538,139	\$1,292,859	\$3,575,521	\$10,368,680	\$69,325,282

Appendix E: Operation and Maintenance Fund FY2017 Estimated Costs (continued)

Account	Information Technology	Maintenance	Operations	Project Delivery	System & Incident Mgmt.
Salaries and Wages-Direct - (511101)	\$6,198,619	\$7,443,251	\$571,616	\$1,562,746	\$3,478,920
Salaries and Wages-Internship - (511202)	0	0	0	0	0
Salaries and Wage-Overtime - (511301)	83,002	300,087	0	0	18,353
Group Insurance - (512101)	0	0	0	0	0
Retirement Contributions - (512401)	828,192	972,911	77,472	205,601	460,902
Retirement Contr.-Internship - (512402)	0	0	0	0	0
Tuition Reimbursement - (512501)	0	0	0	0	0
Unemployment Insurance - (512601)	0	0	0	0	0
OPEB Annual Req'd Contribution - (512602)	0	0	0	0	0
Worker's Comp Ins - (512701)	0	0	0	0	0
Meeting Expense - (521101)	0	1,853	870	0	0
Consulting/Professional - (521201)	90,546	88,261	0	29,113	63,423
Legal Fees - (521202)	0	0	0	0	0
Auditing Fees - (521203)	0	0	0	0	0
Trustee Fees - (521204)	0	0	0	0	0
Traffic Engineering Fees - (521207)	0	0	0	0	0
Police Services (DPS) - (521208)	0	0	0	0	4,475,157
Armored Car Services - (521209)	0	0	0	0	0
Outside Maintenance Services - (521212)	4,055,809	6,915,545	0	0	75,528
Landscaping - (522202)	0	36,099	0	0	0
Rentals - Land - (522301)	0	0	0	0	0
Rentals - Equipment - (522302)	0	127,405	0	0	0
Insurance Expense - Other - (523101)	0	0	0	0	1,110,036
Postage - (523201)	0	0	0	0	0
Telecommunications - (523202)	898,888	0	0	0	0
Recruitment - (523301)	0	0	0	0	0
Magazine and Newspaper - (523302)	0	7,679	0	0	0
Television & Radio - (523303)	0	0	0	0	0
Promotional Expenses - (523304)	0	0	0	0	5,947
Employee Appreciation - (523305)	0	0	0	0	0
Printing and Photographic - (523401)	0	0	0	0	0
Maps & Pamphlets - (523402)	0	0	0	0	0
Travel - (523501)	22,502	24,581	27,857	10,081	11,248
Dues & Subscriptions - (523601)	5,253	17,966	9,775	3,283	2,418
Education and Training - (523701)	103,785	62,674	2,686	5,468	20,759
Licenses - (523801)	0	24,078	0	593	0
Temporary Contract Labor - (523851)	0	10,168	0	0	0
Liability Claims - (523902)	0	0	0	0	4,577
Office Supplies - (531101)	165,426	18,623	888	1,554	8,018
Other Materials and Supplies - (531102)	66,380	2,571,555	0	0	63,413
Mobile Equipment Expense - (531103)	0	957,985	0	0	0
Freight and Express - (531105)	0	265	192	399	109
Motor Fuel Expense - (531107)	0	1,026,039	0	0	0
Water - (531211)	0	529,566	0	0	0
Gas - (531221)	0	62,312	0	0	0
Electricity - (531231)	0	1,941,742	0	0	0
Books & Periodicals - (531401)	0	0	0	0	0
Inven for resale(toll tags) - (531501)	0	0	0	0	0
Small Tools and Shop Supplies - (531601)	0	141,667	0	0	0
Software - (531651)	5,267,745	0	0	0	35,948
Uniforms - (531701)	0	167,352	0	0	48,414
Bank Charges - (573001)	0	0	0	0	0
Credit Card Fees - (573002)	0	0	0	0	0
Totals	\$17,786,148	\$23,449,663	\$691,355	\$1,818,838	\$9,883,170

Appendix E: Operation and Maintenance Fund FY2017 Estimated Costs (continued)

Account	FY17 Estimated Costs	FY17 Budget	Increase (Decrease) to FY17 Budget	
			Amount	Percent
Salaries and Wages-Direct - (511101)	\$34,495,692	\$37,452,067	(\$2,956,375)	(8.6%)
Salaries and Wages-Internship - (511202)	162,084	179,568	(17,484)	(10.8%)
Salaries and Wage-Overtime - (511301)	670,552	717,831	(47,279)	(7.1%)
Group Insurance - (512101)	7,896,420	8,349,010	(452,590)	(5.7%)
Retirement Contributions - (512401)	4,594,314	4,966,450	(372,136)	(8.1%)
Retirement Contr.-Internship - (512402)	21,129	23,408	(2,279)	(10.8%)
Tuition Reimbursement - (512501)	23,083	27,913	(4,830)	(20.9%)
Unemployment Insurance - (512601)	189,158	200,000	(10,842)	(5.7%)
OPEB Annual Req'd Contribution - (512602)	1,815,919	1,920,000	(104,081)	(5.7%)
Worker's Comp Ins - (512701)	313,430	331,395	(17,965)	(5.7%)
Meeting Expense - (521101)	92,218	97,287	(5,069)	(5.5%)
Consulting/Professional - (521201)	10,897,547	11,271,418	(373,871)	(3.4%)
Legal Fees - (521202)	1,698,227	1,820,000	(121,773)	(7.2%)
Auditing Fees - (521203)	120,903	127,930	(7,027)	(5.8%)
Trustee Fees - (521204)	264,355	300,000	(35,645)	(13.5%)
Traffic Engineering Fees - (521207)	643,134	648,200	(5,066)	(0.8%)
Police Services (DPS) - (521208)	4,475,157	5,602,076	(1,126,919)	(25.2%)
Armored Car Services - (521209)	26,928	26,883	45	0.2%
Outside Maintenance Services - (521212)	11,046,882	12,115,703	(1,068,821)	(9.7%)
Landscaping - (522202)	36,099	40,900	(4,801)	(13.3%)
Rentals - Land - (522301)	37,726	37,664	62	0.2%
Rentals - Equipment - (522302)	286,598	309,415	(22,817)	(8.0%)
Insurance Expense - Other - (523101)	1,110,036	1,389,562	(279,526)	(25.2%)
Postage - (523201)	9,726,562	9,710,477	16,085	0.2%
Telecommunications - (523202)	898,888	927,703	(28,815)	(3.2%)
Recruitment - (523301)	114,827	138,856	(24,029)	(20.9%)
Magazine and Newspaper - (523302)	531,461	532,885	(1,424)	(0.3%)
Television & Radio - (523303)	201,737	201,737	0	0.0%
Promotional Expenses - (523304)	468,122	487,453	(19,331)	(4.1%)
Employee Appreciation - (523305)	1,568	1,568	0	0.0%
Printing and Photographic - (523401)	8,207	8,259	(52)	(0.6%)
Maps & Pamphlets - (523402)	55,936	55,936	0	0.0%
Travel - (523501)	248,325	264,981	(16,656)	(6.7%)
Dues & Subscriptions - (523601)	242,929	262,985	(20,056)	(8.3%)
Education and Training - (523701)	371,998	406,374	(34,376)	(9.2%)
Licenses - (523801)	29,261	32,699	(3,438)	(11.7%)
Temporary Contract Labor - (523851)	11,935,346	11,917,843	17,503	0.1%
Liability Claims - (523902)	4,577	5,730	(1,153)	(25.2%)
Office Supplies - (531101)	511,189	528,919	(17,730)	(3.5%)
Other Materials and Supplies - (531102)	2,703,848	3,063,969	(360,121)	(13.3%)
Mobile Equipment Expense - (531103)	957,985	1,085,400	(127,415)	(13.3%)
Freight and Express - (531105)	5,584	5,954	(370)	(6.6%)
Motor Fuel Expense - (531107)	1,026,039	1,162,505	(136,466)	(13.3%)
Water - (531211)	529,566	600,000	(70,434)	(13.3%)
Gas - (531221)	62,312	70,600	(8,288)	(13.3%)
Electricity - (531231)	1,941,742	2,200,000	(258,258)	(13.3%)
Books & Periodicals - (531401)	1,351	1,430	(79)	(5.8%)
Inven for resale(toll tags) - (531501)	9,415,813	9,400,237	15,576	0.2%
Small Tools and Shop Supplies - (531601)	141,667	160,509	(18,842)	(13.3%)
Software - (531651)	5,303,692	5,481,608	(177,916)	(3.4%)
Uniforms - (531701)	234,131	268,553	(34,422)	(14.7%)
Bank Charges - (573001)	898,815	902,968	(4,153)	(0.5%)
Credit Card Fees - (573002)	17,285,776	17,257,181	28,595	0.2%
Totals	\$146,776,849	\$155,100,000	(\$8,323,151)	(5.7%)

Appendix F: Glossary of Terms and Acronyms

A

AATT – Addison Airport Toll Tunnel, an approximately 1 mile long tunnel and road that is part of the System.

Advanced Refunding – Transaction in which new debt is issued to refinance existing debt (old debt), but the proceeds must be placed in escrow pending call date or maturity.

All-ETC – all-electronic toll collection, the cashless system of collecting tolls that the Authority has implemented.

Annual Budget – The budget of Current Expenses (or Operating Budget) and payments to the Reserve Maintenance Fund for such Fiscal Year that the Authority adopts on or before the first day of each Fiscal Year. This is the only budget required by the Trust Agreement.

Annual Revenue Days – A factor used by NTTA's Traffic and Revenue Engineers to convert the daily revenue to annual revenue estimates.

APB – Accounting Principles Board, the authoritative private sector standard-setting body that preceded the FASB. The APB issued guidance in the form of *Opinions*.

Arbitrage – In government finance, the reinvestment of the proceeds of tax-exempt securities in materially higher yielding taxable securities.

B

Balanced Budget – The recurring revenues meet or exceed the recurring expenses of operations, debt service and asset maintenance. Per the Trust Agreement, all payments for maintenance, repair and operations will not exceed the reasonable and necessary amount required, and it will not exceed amounts in the Annual Budget.

Bonds – A written guarantee to pay a principal amount and /or interest at a specified date or dates known as the maturity date(s).

Budget – Plan of coordinating estimated expenses and income for a given period of time.

C

C&M – Acronym for C&M Associates, Inc., the firm the Authority currently uses for traffic and revenue estimations on SPS.

Capital Assets – Land and improvements, easements, buildings and improvements, vehicles, machinery, equipment, infrastructure, and all other tangible and intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period.

Capital Improvement Fund (CIF) – Fund created by the Trust Agreement for the purpose of paying the cost of repairs, enlargements, extensions, resurfacing, additions, renewals, improvements, acquisition of rights of way, reconstruction and replacements, capital expenditures, engineering, studies, and other expenses relating to the powers or functions of the Authority in connection with the Tollway, or for any other purpose authorized by law.

Capital Outlays – Costs which result in the acquisition of fixed assets with an individual value of \$5,000 or greater and a useful life of at least two years.

CDM – Acronym for CDM Smith, the firm the Authority currently uses for traffic and revenue estimations.

Construction Fund (CF) – Fund created by the Trust Agreement for the purpose of paying all costs of acquiring or constructing new projects or extensions of the System.

Core Competency – The essential duties and responsibilities of a position or department.

Covenants – To promise by covenant; pledge.

CTP – Chisholm Trail Parkway, an approximately 27.6-mile toll road that is being constructed as part of the Special Projects System.

D

Debt Coverage Ratio – The ratio of Net Debt Service (Debt Service less Capitalized Interest) to Net Revenues (Total Revenues less Operating Expenses) for the System.

Debt Service Funds – Funds created by the Trust Agreement for the purpose of paying principal and interest on 1st, 2nd, and 3rd Tier debt obligations.

DFW Airport – the Dallas/Fort Worth International Airport, an interoperable agency.

DMV – the Department of Motor Vehicles

D/M/W/SBEs – Disadvantaged/Minority-owned/Woman-owned/Small-Business Enterprises.

DNT – the Dallas North Tollway, an approximately 31-mile portion of the System.

DPS – Department of Public Safety, which is in charge of providing police services on the System.

E

Enterprise Fund – Proprietary fund type used to report an activity for which a fee is charged to external users for goods or services.

F

FASB – Federal Accounting Standards Board, the authoritative standard-setting body responsible for establishing GAAP for the federal government.

Feasibility Study Fund (FSF) – The revolving account of the CIF created to account for the initial cost of determining if a project is viable.

Fiduciary Funds – Funds used to report assets held in a trustee or agency capacity for others and which therefore cannot be used to support the government's own programs.

First Tier Debt Service – Debt of the Authority that is secured by and payable from a lien on and the pledge of the Net Revenues of the Authority.

Fiscal Year – A 12-month period used for the annual operating budget and the reporting of financial position and results of operations of the Authority. The Authority's fiscal year begins January 1st and ends December 31st.

FTEs – full-time equivalent, a measurement of staffing. One FTE is a 40-hour week position. A part-time position working 20 hours per week or a temporary full-time position working six months would be ½ FTE.

Fund – Fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, that are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

G

GAAP – generally accepted accounting principles, the conventions, rules and procedures that serve as the norm for the fair presentation of financial statements.

GASB – Governmental Accounting Standards Board, the authoritative accounting and financial reporting standard-setting body for state and local governments.

GIS – Geographic Information System, which is used for mapping infrastructure assets and location of various aspects of the assets.

I

IBTTA – International Bridge, Tunnel and Turnpike Association

Interoperability – Term used to identify agencies with compatible systems that have agreed to honor each other's transponder transactions.

ITS – Intelligent Transportation System used by NTTA to monitor the System and communicate with System users.

ISTEA – Intermodal Surface Transportation Efficiency Act of 1991 that supplied a loan to assist with the construction of the PGBT.

L

Lane Miles – The total length of a road multiplied by the number of lanes. For example a 4-lane road that is 10 miles long has a total of 40 lane miles.

LLTB – the Lewisville Lake Toll Bridge, an approximately 2-mile long bridge and road that is part of the System.

M

MCLB – the Mountain Creek Lake Bridge, an approximately 2-mile long bridge that is part of the System.

N

NTTA – the North Texas Tollway Authority, a political subdivision of the State created by and operating pursuant to Chapter 366 of the Texas Transportation Code.

O

OPEB – other post-employment benefits liability for health care and life insurance required by GASB Statement 45.

Operation & Maintenance Fund (OMF) – Fund created by the Trust Agreement for the purpose of accounting for and paying current operating expenses of the North Texas Tollway Authority.

P

PEBC – Public Employees Benefits Cooperative that manages the Authority's health and welfare benefit plans.

PGBT – the President George Bush Turnpike, an approximately 30-mile long portion of the System.

PGBT-EE – the President George Bush Turnpike Eastern Extension, an approximately 9.9-mile portion of the System.

PGBT-WE – the President George Bush Turnpike Western Extension, an approximately 11.5-mile portion of PGBT that is a portion of the Special Projects System.

R

Ramp-up – term used for potential traffic on new toll facilities to account for the time needed for travelers to become aware of the new toll roads and the benefits of using them.

RDF – Rainy Day Fund created with in CIF to maintain reserves as insurance against unanticipated needs.

Reserve Maintenance Fund (RMF) – Fund created by the Trust Agreement for the purpose of paying the cost of repairs, painting, renewals, replacements, improvements, and other costs and expenses necessary for safe or efficient operation of the NTTA's toll roads or to prevent loss of revenues, for engineering expenses relating to the functions of the Authority, for equipment, expenses of maintenance, and operating expenses not occurring at annual or shorter periods.

Revenue Fund – Fund created by the Trust Agreement for the purpose of depositing all gross revenues (all tolls, other revenues, and income) arising or derived by the Authority from the operation and ownership of its toll roads (excepting investment income from all Funds and Accounts other than the Revenue Fund) collected by the Authority and deposited daily, as far as practicable.

Revenue Lane Miles – Lane miles on which tolls are collected.

RITE – Regional Integrated Toll Enhancements. This is an electronic toll collection system designed specifically for the NTTA.

RTC – the Regional Transportation Council.

S

Second Tier Debt Service – Debt of the Authority that is secured by and payable from a lien on and the pledge of the Net Revenues subordinate to the First Tier Debt.

Service Roads – Non-tolled roads running parallel to the tolled lanes.

SPS – the Special Projects System created by NTTA to account for the Chisholm Trail Parkway and President George Bush Turnpike Western Extension projects.

SRT – the Sam Rayburn Tollway, an approximately 26-mile portion of the System.

SWP - Southwest Parkway, the former name for Chisholm Trail Parkway, an approximately 27.2-mile tollway being built as part of the Special Projects System.

T

360T – the 360 Tollway, an approximately 9.7-mile tollroad owned and operated by NTTA.

TCDRS – Texas County & District Retirement System that NTTA employees belong to.

TELA – Toll Equity Loan Agreement between NTTA and TxDOT to construct PGBT-WE and CTP.

TER – Toll Enforcement Remedies which are tools the Authority is using to collect ZipCash transactions.

Third Tier Debt Service – Debt of the Authority that is secured by and payable from a lien on and the pledge of the Net Revenues subordinate to the First and Second Tier Debt.

TIFIA – the Transportation Infrastructure Finance and Innovation Act of 1998, which secured loan agreement between NTTA and United States Department of Transportation to construct PGBT-WE and CTP.

Toll Revenue – The revenue from the tolls collected by the Authority and established by the Board pursuant to the Trust Agreement. It is the main source of revenue for the Authority.

Toll Road – Road on which tolls are charged.

TollTag® – Trademark name for the transponders used by NTTA to electronically collect toll transactions.

Trust Agreement - The Amended and Restated Trust Agreement with Supplements. It is the document that governs all matters relating to the bonds and the operation of the North Texas Tollway Authority's roads, and their improvement, extension, additions enlargements, and other matters relating to the Authority and its road.

TSAs – Tolling services agreements, which are agreements between other agencies or companies and NTTA for the processing of toll transactions.

Turnpike – Expressway on which tolls are charged.

TxDOT – Texas Department of Transportation, a state agency responsible for the state's highway system.

U

USDOT - United States Department of Transportation

V

VRB – Vehicle registration block program utilized by NTTA that keeps a habitual toll violator from registering a vehicle until outstanding tolls are paid.

Z

ZipCash® – Trademark name for NTTA's toll transaction invoicing system based on electronic reading of vehicle license plate numbers.

