



2021 ANNUAL COMPREHENSIVE FINANCIAL REPORT

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

Fiscal Year Ended December 31, 2021

NTTA reaffirmed its commitment to expand its roads to help meet the mobility challenges of North Texas.

INTRODUCTION



Northbound Dallas North Tollway and President George Bush Turnpike interchange

In 2021, North Texas continued its recovery from the economic challenges of the COVID-19 pandemic.

Many professionals returned to the office as growth in the region resumed its upward trajectory. NTTA reaffirmed its commitment to expand its roads to reduce congestion to help meet the mobility challenges of North Texas. We brought some road expansion projects to completion and planned

additional ones as part of North Texas' robust future. Transportation mobility and connectivity for work and leisure are the crucial combination that will allow North Texas to thrive and prosper. We are proud that residents, businesses and communities increasingly recognize the value of choosing to locate along our roads, helping to contribute to a prosperous future as we continue to serve the region.

Connecting North Texas through reliable, convenient and smoother roads

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LETTER TO CHAIRMAN JOHN MAHALIK, AND THE BOARD OF DIRECTORS

The North Texas Tollway Authority (the Authority or NTTA) is pleased to submit the Annual Comprehensive Financial Report (ACFR or Report) for the year ended December 31, 2021 in compliance with Section 711 of the Amended and Restated Trust Agreement. The Report is intended to provide detailed information on the financial condition of the North Texas Tollway System (the System), an enterprise fund of the Authority, at December 31, 2021, including the System and the Non-Major Enterprise Fund.

The operations of the System are accounted for as an enterprise fund in accordance with United States Generally Accepted Accounting Principles (GAAP). Management confirms that the financial statements are presented fairly and, in all material respects, represent the financial position of the System as of December 31, 2021. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that it has established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. In keeping with that responsibility, these statements are presented on a consolidated basis and include the NTTA System and the Non-Major Enterprise Fund for Tolling Services Agreements (TSAs). Crowe LLP, an independent audit firm, has issued an unmodified ("clean") opinion on the North Texas Tollway System's financial statements for the year ended December 31, 2021. This independent auditors' report is located at the front of the financial section of this report.

Management's Discussion and Analysis (MD&A) (pages 5-14) provides an introduction to and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE NORTH TEXAS TOLLWAY AUTHORITY

In 1997, the Texas Legislature created the North Texas Tollway Authority and charged NTTA with improving mobility in the North Texas region. The Authority is committed to being a careful steward of all resources placed in its care – financial, physical, and environmental.

On May 25, 2021, in conjunction with the issuance of the Series 2021B Revenue Refunding Bonds and

applications of the proceeds thereof, the 360 Tollway was transferred to and became part of the NTTA System.

The NTTA System consists of the Dallas North Tollway (DNT), President George Bush Turnpike (PGBT), Sam Rayburn Tollway (SRT), previously known as State Highway 121, Mountain Creek Lake Bridge (MCLB), Addison Airport Toll Tunnel (AATT), Lewisville Lake Toll Bridge (LLTB), Chisholm Trail Parkway (CTP) and the 360 Tollway (360T).

The Non-Major Enterprise Fund is a Tolling Services Agreements (TSAs) fund. The following represents the three types of TSAs: (1) Developer TSAs where NTTA has collection exposure and is paid a fee to process each transaction (2) Developer TSAs where NTTA remits only amounts collected and is paid a fee to process each transaction and (3) Regional TSAs facilities where NTTA remits only amounts collected and is reimbursed for operating expenses from the Texas Department of Transportation (TxDOT). Developer TSA (type1) facilities presently consist of Interstate Highway 635 (LBJ) and North Tarrant Express 1&2 (NTE 1&2). Developer TSA (type 2) facilities presently consist of North Tarrant Express 3A/3B (NTE 3A/3B). Regional TSA (type 3) facilities presently consist of DFW Connector (DFWC), I-30, I-35E, SH-114, I-635 (LBJ East), Loop 12 and SH-183.

RELEVANT FINANCIAL POLICIES

Toll revenues, in 2021, net of bad debt expense, were \$916,944,616, representing an increase of 26.8% over the 2020 pandemic impacted toll revenues of \$723,227,962, net of bad debt expense. These revenues allow the Authority to maintain its commitment to preserve current assets, fund capital improvement projects, satisfy debt-service obligations and invest in safety and technology to provide our customers best-in-class service.

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

- (1) 1.35 times the scheduled debt service requirements on all outstanding First Tier Bonds for the fiscal year; or
- (2) 1.20 times the scheduled debt service

requirements on all outstanding First Tier Bonds and all outstanding Second Tier Bonds for the fiscal year; or

- (3) 1.00 times the scheduled debt service requirements on all outstanding First Tier Bonds, all outstanding Second Tier Bonds, all outstanding Third Tier Bonds and all other outstanding obligations of the Authority secured by net revenues for the fiscal year.

NTTA met all coverage requirements in 2021.

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the North Texas Tollway Authority for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2020.

We appreciate our Board of Directors for providing leadership as NTTA delivers transportation solutions for customers in the region. We also wish to thank NTTA staff and the Finance team for their contributions to the production of this report.

Respectfully submitted,



Horatio Porter
Chief Financial Officer



Horatio Porter,
Chief Financial Officer

STRATEGIC GOALS

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

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 transportation infrastructure.

NTTA SYSTEM

Connecting North Texas through reliable, convenient and smoother roads



Addison Airport Tunnel

SNAPSHOT OF 2021

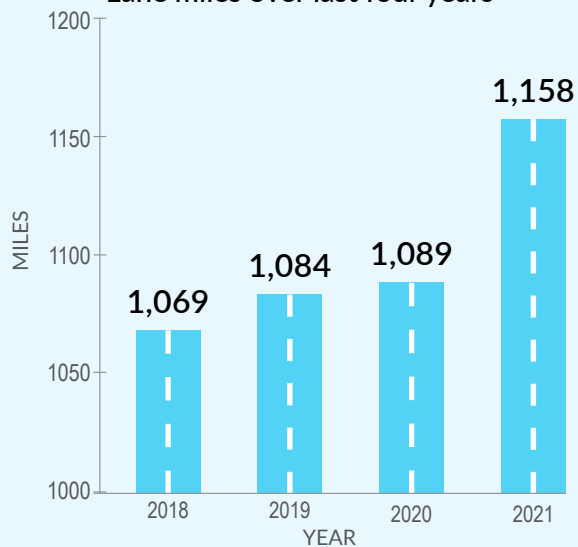
NTTA Manages

1,158

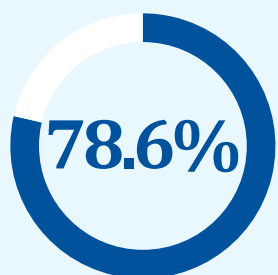
Lane Miles

includes 69 new lane miles

Lane miles over last four years



Transactions paid with TollTag



6.1M Active TollTags

14M Unique Customers*

2.8M Daily Transactions*

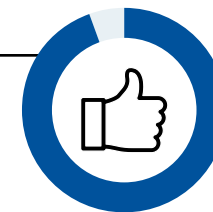
*Numbers for all transactions processed by NTTA (including Interoperable, TSAs)



Customer Satisfaction Rating

94.5%

Third-party verified



TollPerks

96,312

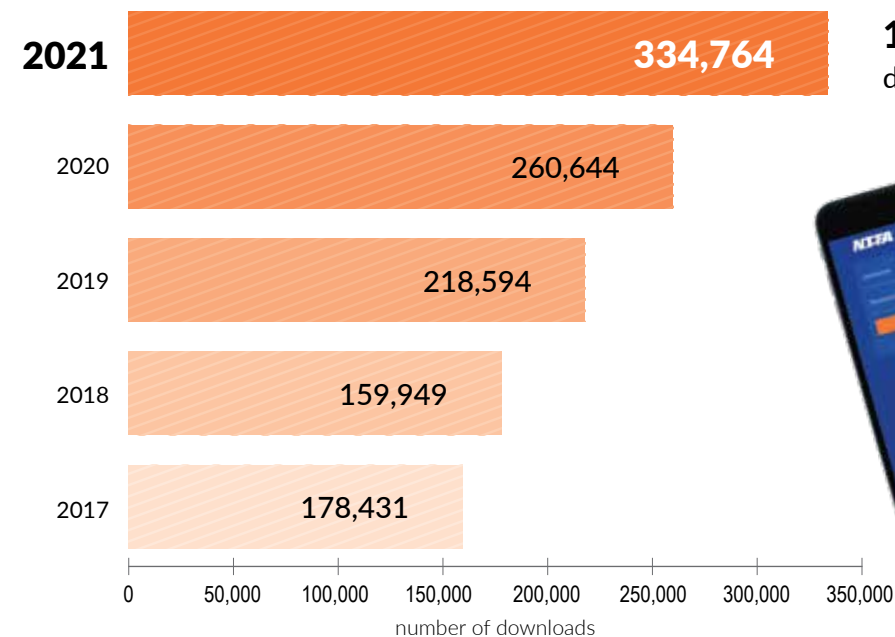
new members



bringing the total to **623,236** members

Tollmate

334,764 customers downloaded the new TollMate app



1,694,481 total downloads as of 2021



New Back-Office System

Data migrated:

17 million customer accounts

2.3 billion trips

500 million payments

In its first year:

- Processed over one billion transactions
- 12 million customer logins
- Processed nearly 47 million customer communications
- 3.4 million customer calls

CAPACITY AND IMPROVEMENTS

Sam Rayburn Tollway

The additional lanes along the Sam Rayburn Tollway added capacity to the road that serves one of the region's most rapidly growing corridors in Denton and Collin counties. The project opened to traffic in December 2021, adding one lane in both directions along with other operational and ramp improvements.

President George Bush Turnpike

Additional lanes added along the turnpike to expand capacity and keep pace with increasing traffic demand. The 2021 progress for the remaining two segments included:

- I-35E to N. Beltline Rd.: Opened to traffic in October 2021
- SH 183 to I-20: Construction began in December 2019. Anticipate opening to traffic early 2022

Dallas North Tollway

Work continued along the Dallas North Tollway to improve and maintain existing facilities, while working to meet the needs of one of the fastest growing areas in the US. The 2021 updates for expansion-related projects are as follows:

- DNT extension over US 380: Extension of the DNT will be built over US 380. On schedule; design work is complete; construction started late 2019; anticipate opening to traffic in 2023
- SRT to US 380: DNT fourth lane expansion planning work in progress. On schedule; anticipate construction to start mid-2022
- Phase 4A: Extension of DNT from US 380 to FM 428: Three lanes in each direction from US 380 to FM 428 in Celina. On schedule; design work underway; anticipate construction to start in 2024
- Phase 4B Frontage Road: Frontage road extension along DNT from FM 428 to the Grayson County line: On schedule; construction started late 2020; anticipate opening to traffic in late 2022



President George Bush Turnpike



Sam Rayburn Tollway



President George Bush Turnpike



Dallas North Tollway

BUSINESS DIVERSITY AND VENDOR OUTREACH

Driving Diversity

In 2021, NTTA's Business Diversity Department (BDD) participated in and hosted more than 20 outreach events for disadvantaged, minority- and woman-owned business enterprises (D/M/WBE). Our efforts helped result in the registration of more than 500 new vendors seeking to do business with NTTA.

Pandemic restrictions did not deter our D/M/WBE capacity-building efforts. NTTA's Relationships and Opportunities Advancing Diversity (ROAD) program networking events transitioned to a virtual environment to maintain comradery, information sharing and personal connections. The ROAD program has paved the way for business collaboration in pursuit of local, national, and global projects.



Vendor Outreach Events

Hosted more than 20 virtual vendor outreach events, including:

- Second-Wednesday Business Chat sessions – D/M/WBEs promote their businesses to NTTA staff, contractors, and contractor associations and learn about upcoming projects and business opportunities
- Cooperative Inclusion Plan workshops – Partnership with the Texas Department of Transportation and regional contractors' associations to expand vendor outreach
- 2022-24 ROAD class recruitment

Relationship and Opportunities Advancing Diversity (ROAD) Program Events

- Virtual graduation of 18 high-achieving contractors and consultants who completed the 2018-2020 ROAD program
- Accepted 30 qualified contractors and consultants into the 2022-24 ROAD program class – the seventh class of the program
- ROAD program quarterly networking mixers

Advocacy Trade Association Participation

- Staff participated in 68 in-person and virtual external outreach events hosted by advocacy groups and trade associations



Chairman Mahalik accepting the inaugural IBTTA Diversity, Equity and Inclusion Award

Industry-Specific Procurement Events

- Highway striping and pavement marking workshop – in collaboration with DFW Airport, Dallas Love Field Airport, Texas Department of Transportation, US Department of Transportation Gulf Region, prime contractors, advocacy groups and trade associations
- Focus group and community engagement events with University of North Texas, City of Denton, Fort Worth Independent School District bond project and Design-Build Institute of America-Southwest

Awards and Recognitions

- Regional Hispanic Contractors Association – 2021 Business Advocate of the Year
- Dallas/Fort Worth Minority Supplier Development Council – 2021 Public Sector Agency of the Year
- International Bridge, Tunnel and Turnpike Association – Inaugural 2021 Diversity, Equity & Inclusion Award

Diversity Contracts

In 2020, 31% or 31 cents per dollar was spent with D/M/WBEs*

*2021 data available August 2022

ROADSIDE SAFETY SERVICES

Emphasis on Safety

The men and women of NTTA's Roadside Safety Services (RSS) patrol our roads 24/7/365 to help keep customers safe and moving to their destination.



In addition to fixing flat tires and helping with empty gas tanks, RSS staff coordinate with local first responders to keep incident scenes safer for customers and first responders. To equip personnel with these important skills, NTTA offers extensive training to new hires and continuing education for existing employees.

New RSS employees must complete two weeks of in-class courses plus 10 weeks of field training.

Yearly ongoing training for all RSS staff consists of 23 courses (51 hours) and includes:

- Blocking procedures at roadway incidents
- Safe operations for vehicle fires
- Vehicle roll-over training
- Quick clearance techniques
- Motorist assistance training



In 2021
43,386
 customers called the
 Safety Operation Center



Our average response time was
14 minutes 41 seconds

NTTA's RSS team cleared
9,697 pieces of
 debris from NTTA roads



LAST YEAR 29,370 NTTA MOTORISTS WERE ASSISTED BY ROADSIDE SAFETY SERVICES



Vehicle roll-over training exercise

GFOA AWARD



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

North Texas Tollway Authority

For its Comprehensive Annual Financial Report
For the Fiscal Year Ended

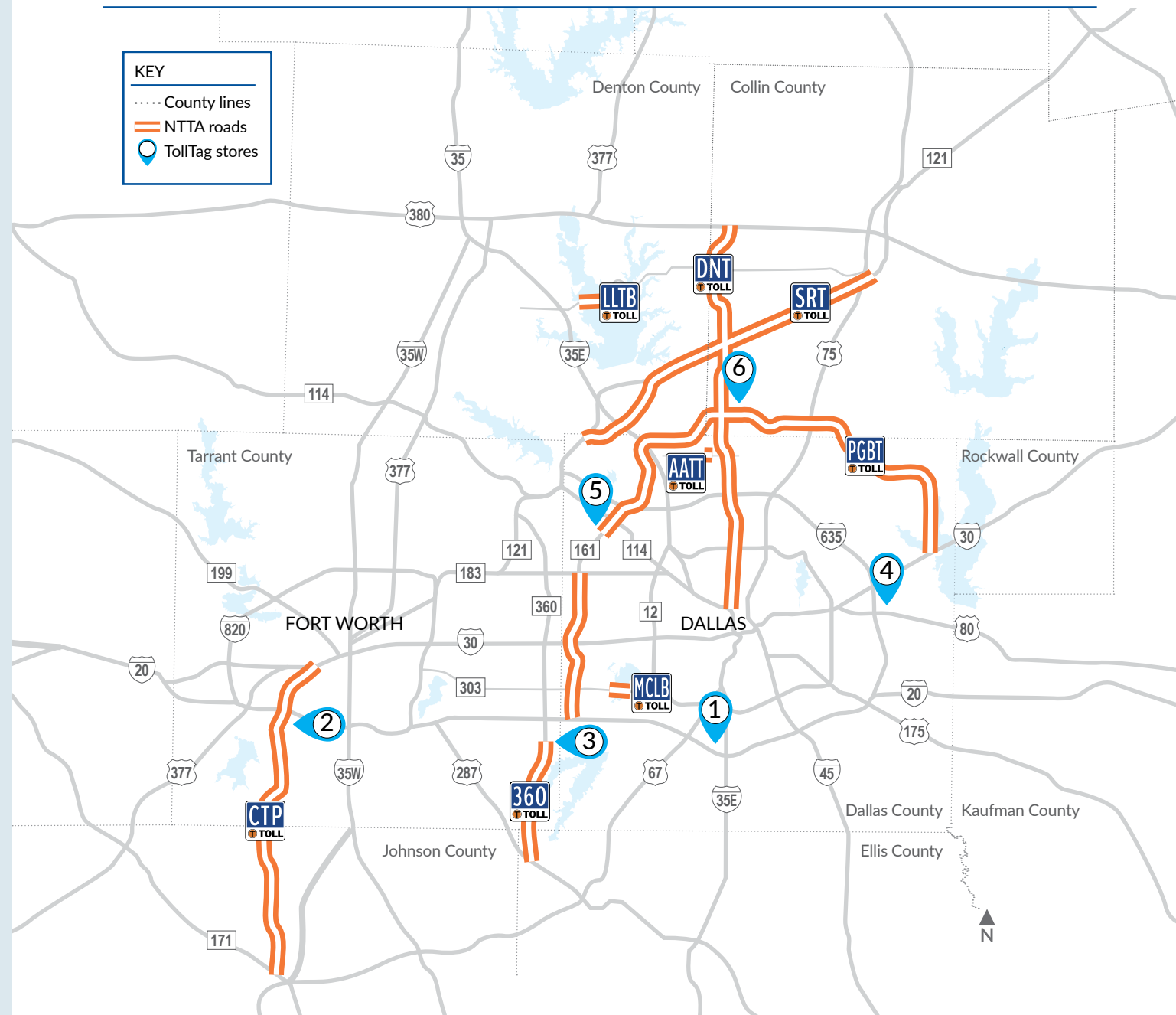
December 31, 2020

Christopher P. Morill

Executive Director/CEO

NTTA ROADS

- 360 Tollway
- Addison Airport Toll Tunnel
- Chisholm Trail Parkway
- Dallas North Tollway
- Lewisville Lake Toll Bridge
- Mountain Creek Lake Bridge
- President George Bush Turnpike
- Sam Rayburn Tollway



Customer Service Centers

- 1 39025 LBJ Service Road
Dallas, 75232
- 2 4825 Overton Ridge Blvd., Suite 304
Fort Worth, 76132
- 3 5244 S State Highway 360, Suite 384
Grand Prairie, 75052
- 4 2110 N Galloway Ave., Suite 120
Mesquite, 75150
- 5 5555 President George Bush Turnpike
Irving, 75038
- 6 5900 W Plano Pkwy.
Plano, 75093 (NTTA Headquarters)



BOARD OF DIRECTORS

as of December 31, 2021



John Mahalik
Chairman
Denton County



Jane Willard
Vice Chairwoman
Collin County



Pete Kamp
Denton County



Scott Levine
Collin County



Marcus Knight
Dallas County



George "Tex" Quesada
Dallas County



Mojoy Haddad
Tarrant County



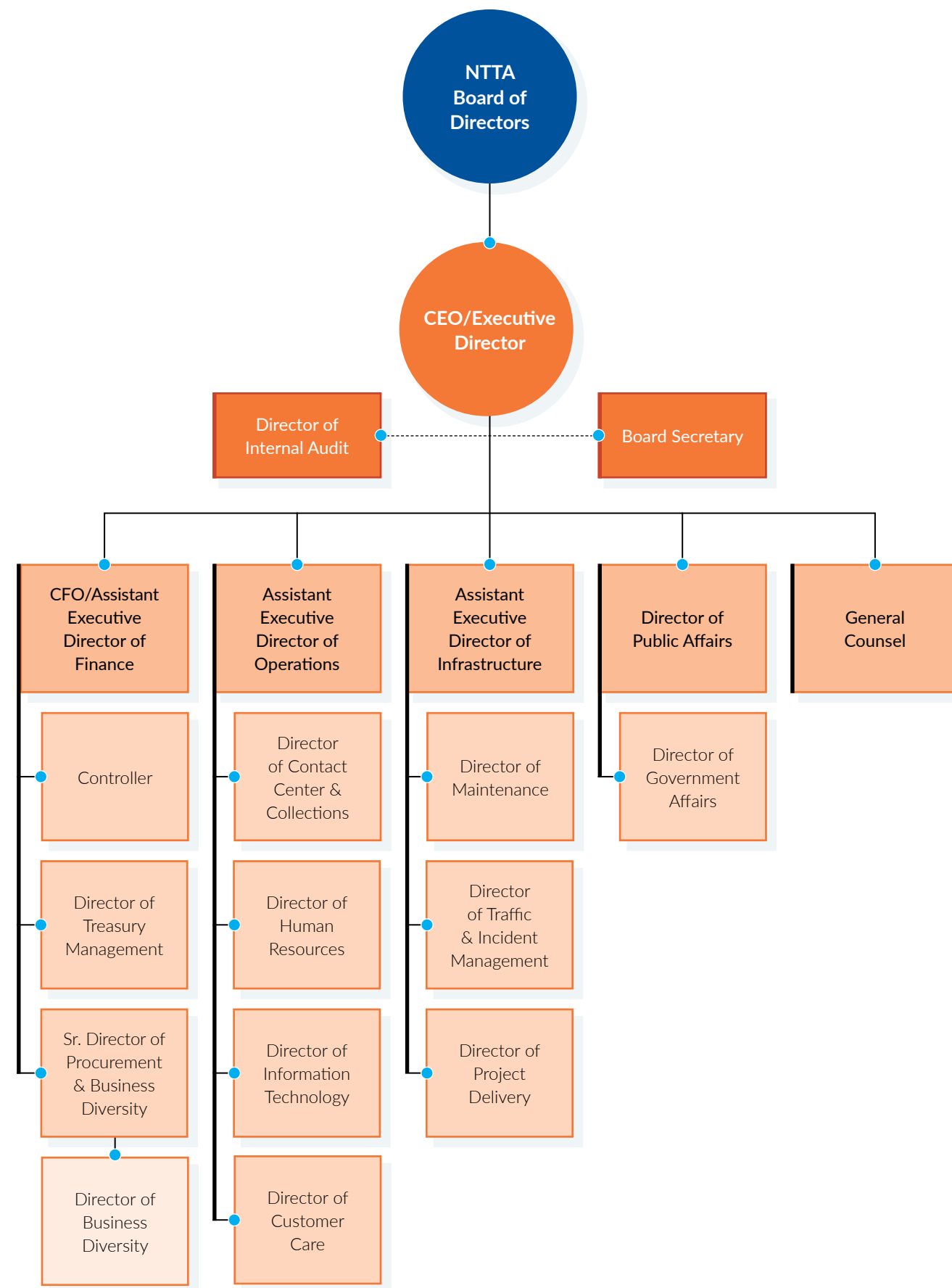
Tim Carter
Tarrant County



Lynn Gravley
Gubernatorial Appointee

James Hofmann, CEO/Executive Director | Horatio Porter, Chief Financial Officer

NTTA ORGANIZATION



Financial Section





Crowe LLP
Independent Member Crowe Global

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
North Texas Tollway Authority

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the major fund and the aggregate remaining fund information of the North Texas Tollway System (the System), an enterprise fund of the North Texas Tollway Authority (the Authority), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the System's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the major fund and the aggregate remaining fund information of the System, as of December 31, 2021 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the System, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in note 1(a), the financial statements present only the System, an enterprise fund of the Authority and do not purport to, and do not, present fairly the financial position of the Authority as of December 31, 2021, and the changes in its financial position and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the System's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the System's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the System's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 5-14, Modified Approach – Infrastructure Assets on pages 53-54, Schedule of Changes in Net Pension Liability/(Asset) and Related Ratios on page 55, Schedule of Employer Pension Contributions, on page 56, Schedule of Changes in PEBC Total OPEB Liability and Related Ratios on page 57, Schedule of Authority's Share in ERS Net OPEB Liability, on page 58, and Schedule of Authority's Contributions to ERS OPEB on page 58, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management's Discussion and Analysis

December 31, 2021

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the System's basic financial statements. The Schedule 1 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule 1 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

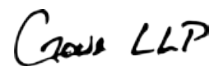
Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section, the supplementary schedules 2 through 7, and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 10, 2022 on our consideration of the System's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the System's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the System's internal control over financial reporting and compliance.



Crowe LLP

Dallas, Texas
June 10, 2022

As Management of North Texas Tollway Authority (Authority), we offer readers the financial statements for the System, which consists of DNT, PGBT, CTP, SRT, MCLB, AATT, LLTB, and the 360T. These toll roads make up the major enterprise fund of the System. The Non-Major Enterprise Fund is a fund for TSAs. The following represent the three types of TSAs: (1) Developer TSAs where NTTA has collection exposure and is paid a fee to process each transaction (2) Developer TSAs where NTTA remits only amounts collected and is paid a fee to process each transaction and (3) Regional TSAs facilities where NTTA remits only amounts collected and is reimbursed for operating expenses from TxDOT. Developer TSA (type 1) facilities presently consist of LBJ and NTE 1&2. Developer TSA (type 2) facilities presently consist of NTE 3A/3B. Regional TSA (type 3) facilities presently consist of DFWC, I-30, I-35E, SH-114, LBJ East, Loop 12, and SH-183.

We have included an overview and analysis of the financial activities of the System for the year ended December 31, 2021. This discussion and analysis is designed to assist the reader in focusing on the financial issues and activities and to identify any significant changes in financial position. Please read it in conjunction with the financial statements, which immediately follow this section.

Using This Annual Report

Overview of the Financial Statements

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

Statement of Net Position: This statement presents information on the System and the Non-Major Enterprise fund assets and liabilities. The difference between the assets and liabilities is reported as net position. Over time, changes in the net position are useful indicators of how the System is performing.

Statement of Revenues, Expenses and Changes in Net Position: This statement presents information showing the System and the Non-Major Enterprise fund revenues, expenses, and how the net position changed during the year.

Statement of Cash Flows: This statement presents information about the System and the Non-Major Enterprise fund cash receipts and cash payments, or, the sources and uses of the System and the Non-Major Enterprise fund cash. It also presents the change in cash balance during the fiscal year.

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

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

Management's Discussion and Analysis

December 31, 2021

Financial Results and Analysis

2021 Highlights

- The total net position increased by \$190,065,312 over fiscal year 2020, mainly due to a 24.7% increase in total operating revenues.
- The System's total traffic transactions (excluding non-revenue transactions) for fiscal year 2021 were 810,083,028 an increase of 159,863,679 or 24.6% over fiscal year 2020 transactions.
- The Non-Major Enterprise Fund total traffic transactions for fiscal year 2021 were 154,776,168, an increase of 29,470,412 or 23.5% over fiscal year 2020 transactions.
- Approximately 6,098,972 toll tags were active at the end of fiscal year 2021, an increase of 145,453 or 2.4% over fiscal year 2020 active toll tags.
- In 2007, the System received a toll equity grant in the amount of \$160,270,000 from TxDOT for Right of Way acquisition and other costs related to the PGBT Eastern Extension (PGBT EE). In return for the grant, the Authority agreed to share 20% of the tolls received on the PGBT EE with TxDOT over the life of PGBT EE. The extension opened in late December 2011. In fiscal year 2021 TxDOT received \$9,899,162 on 38,943,153 transactions in comparison to \$8,342,949 on 31,568,263 transactions in 2020.
- The System's toll revenues of \$898,653,592, net of bad debt expense, increased by \$184,617,709 or 25.9% over fiscal year 2020, due to a 24.6% increase in traffic transactions and the acquisition and consolidation of the 360T into the System in June 2021.
- The Non-Major Enterprise Fund total operating revenues of \$54,336,594 increased by \$17,242,963 or 46.5% over fiscal year 2020, due to a 23.5 % increase in developer TSA transactions.
- The System's Administration and Operations expenses of \$179,108,106 increased by \$11,795,693 or 7.1% over fiscal year 2020. (See Budget to Actual Schedule – page 85)
- The Non-Major Enterprise Fund administration and operations expenses of \$47,051,414 increased by \$12,545,757 or 36.4% over fiscal year 2020, due to the increase of developer TSA transactions.

Management's Discussion and Analysis

December 31, 2021

Summary of Operations

Table A-1
Net Position

	2021	2020
Current unrestricted assets	\$ 789,994,612	\$ 913,108,512
Current restricted assets	377,522,945	459,792,732
Noncurrent assets		
Investments	266,956,640	135,871,580
Restricted investments	420,290,147	408,280,355
Other assets	1,140,938	6,978,451
Intangible assets	2,366,129,222	2,430,585,423
Capital assets:		
Nondepreciable	6,285,472,707	5,887,586,823
Depreciable (net)	112,173,630	97,138,459
Total assets	10,619,680,841	10,339,342,335
Deferred outflow of resources	541,704,827	544,892,488
Current unrestricted liabilities	159,858,991	143,811,682
Current liabilities payable from restricted assets	344,256,604	711,138,132
Noncurrent liabilities	23,948,556	28,494,727
Long-term debt	10,088,432,351	9,649,513,992
Total liabilities	10,616,496,502	10,532,958,533
Deferred inflow of resources	57,624,399	54,076,835
Net position:		
Investment in capital assets	(3,339,239,957)	(3,364,163,416)
Restricted for debt service	1,479,740,796	1,254,480,902
Restricted for SCA intangible	2,366,129,222	2,430,585,423
Unrestricted	(19,365,294)	(23,703,454)
Total net position	\$ 487,264,767	\$ 297,199,455

The net position indicates an unrestricted current ratio of 4.94 and 6.35 for fiscal year 2021 and fiscal year 2020, respectively. Working capital was \$630,135,621 and \$769,296,828 in fiscal year 2021 and fiscal year 2020, respectively. Total unrestricted current assets were \$789,994,612 in fiscal year 2021, compared to \$913,108,512 in fiscal year 2020. Total unrestricted and restricted current assets were \$1,167,517,557 at the end of fiscal year 2021. Cash and investments of \$1,040,450,486 represent the largest component of current assets. The remaining \$127,067,071 is comprised of accrued interest receivable of \$1,347,714, accounts receivable of \$103,648,351, inter-project/interagency receivables of \$21,256,203, and prepaid expenses of \$814,803. Please see the Statement of Net Position on page 15 for detailed information.

Total unrestricted current liabilities were \$159,858,991 at the end of fiscal year 2021, consisting of \$217,735 of accounts payable, \$101,296,282 of deferred revenue, \$41,096,718 of accrued liabilities (mainly accrued salaries and vacation liability), and interagency payables of \$17,248,256. Please see the Statement of Net Position on page 16 for detailed information.

Management's Discussion and Analysis

December 31, 2021

Summary of Operations

Table A-2
Changes in Net Position

	2021	2020
Revenues		
Tolls	\$ 916,944,616	\$ 723,227,962
Other revenues	62,675,006	62,445,123
Operating revenues	979,619,622	785,673,085
Operating expenses before depreciation	277,565,495	272,009,163
Income from operations before depreciation	702,054,127	513,663,922
Amortization of intangibles	(66,194,256)	(64,788,513)
Depreciation	(7,177,019)	(8,703,870)
Operating income	628,682,852	440,171,539
Nonoperating revenue (expenses):		
Increase in fair value of investments	(9,933,865)	1,525,356
Interest expense	(462,722,391)	(478,702,783)
Other	(4,104,250)	15,916,592
Net nonoperating revenue (expenses):	(476,760,506)	(461,260,835)
Capital contributions	18,462,580	
BAB's subsidy	19,680,386	19,659,516
Change in net position	190,065,312	(1,429,780)
Net position - beginning	297,199,455	298,629,235
Net position - ending	\$ 487,264,767	\$ 297,199,455

Total operating revenues were \$979,619,622 for fiscal year 2021 and \$785,673,085 for fiscal year 2020. Toll revenues in fiscal year 2021 were \$916,944,616 (net of bad debt expense of \$132,096,722), a 26.8% increase in comparison to fiscal year 2020 toll revenues of \$723,227,962 (net of bad debt expense of \$73,069,955). Traffic on the System and the Non-Major Enterprise Fund increased with average daily transactions of 2,219,406 and 424,044 in fiscal year 2021 as compared to 1,776,556 and 342,365 in fiscal year 2020, respectively.

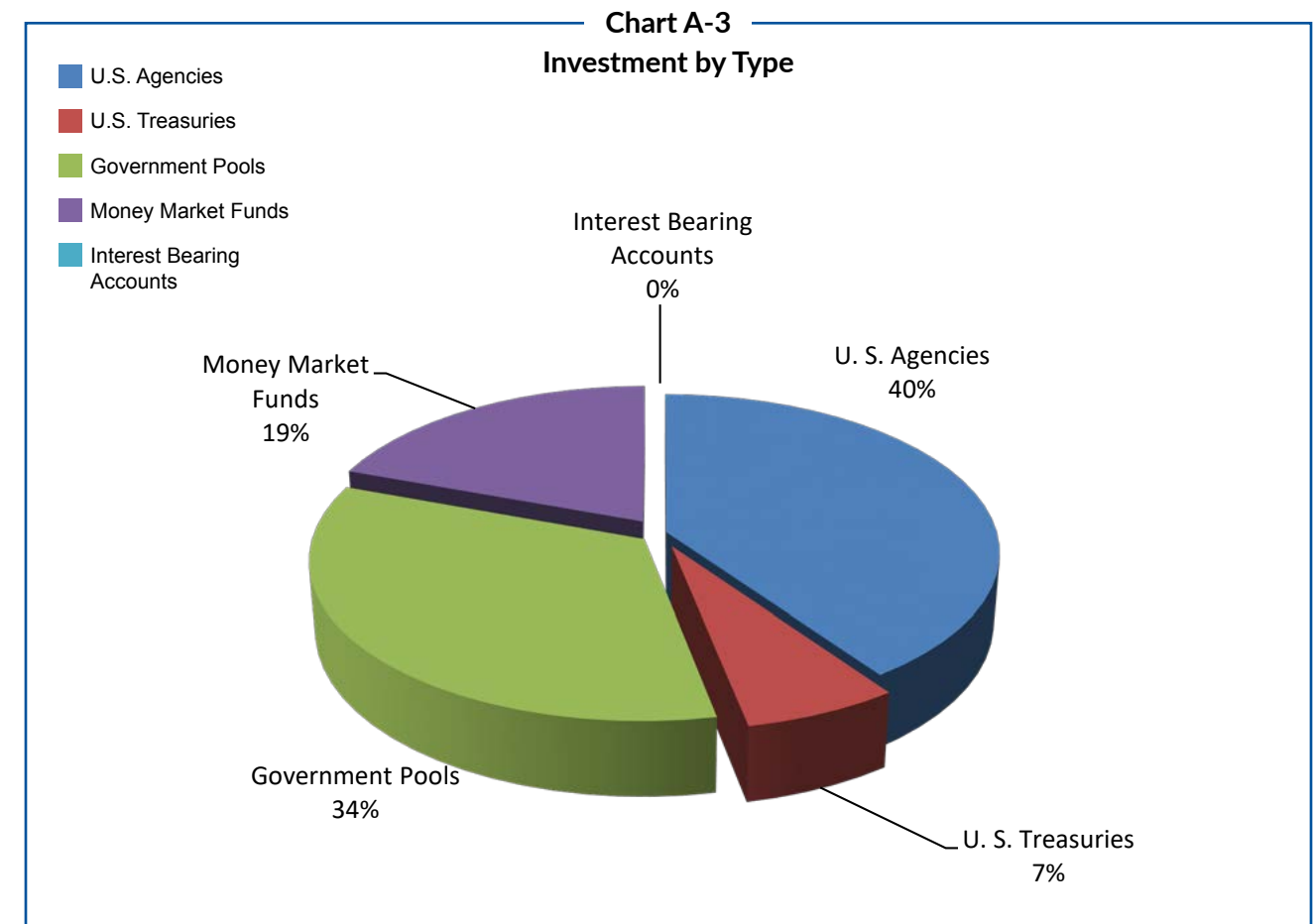
Total operating expenses, including the Operation and Maintenance Fund, Reserve Maintenance Fund, Capital Improvement Fund, and Construction Improvement expenses before depreciation for fiscal year 2021 were \$277,565,495 representing a 2% increase over fiscal year 2020 operating expenses of \$272,009,163. Interest expense, inclusive of capitalized interest, for fiscal year 2021 was \$462,722,391 a 3.3% decrease from fiscal year 2020 interest expense of \$478,702,783. The System's debt service coverage for all debt for fiscal year 2021 and fiscal year 2020 were 1.43 and 1.28 times, respectively. The Trust Agreement and the Authority's Debt Policy both require bond principal and interest coverage of 1.35 for first tier debt. For fiscal year 2021, the debt service coverage for first tier debt was 2.09. Please see Footnote 2 on page 26 and 27.

The overall financial position in fiscal year 2021 increased by \$190,065,312 from fiscal year 2020.

Management's Discussion and Analysis

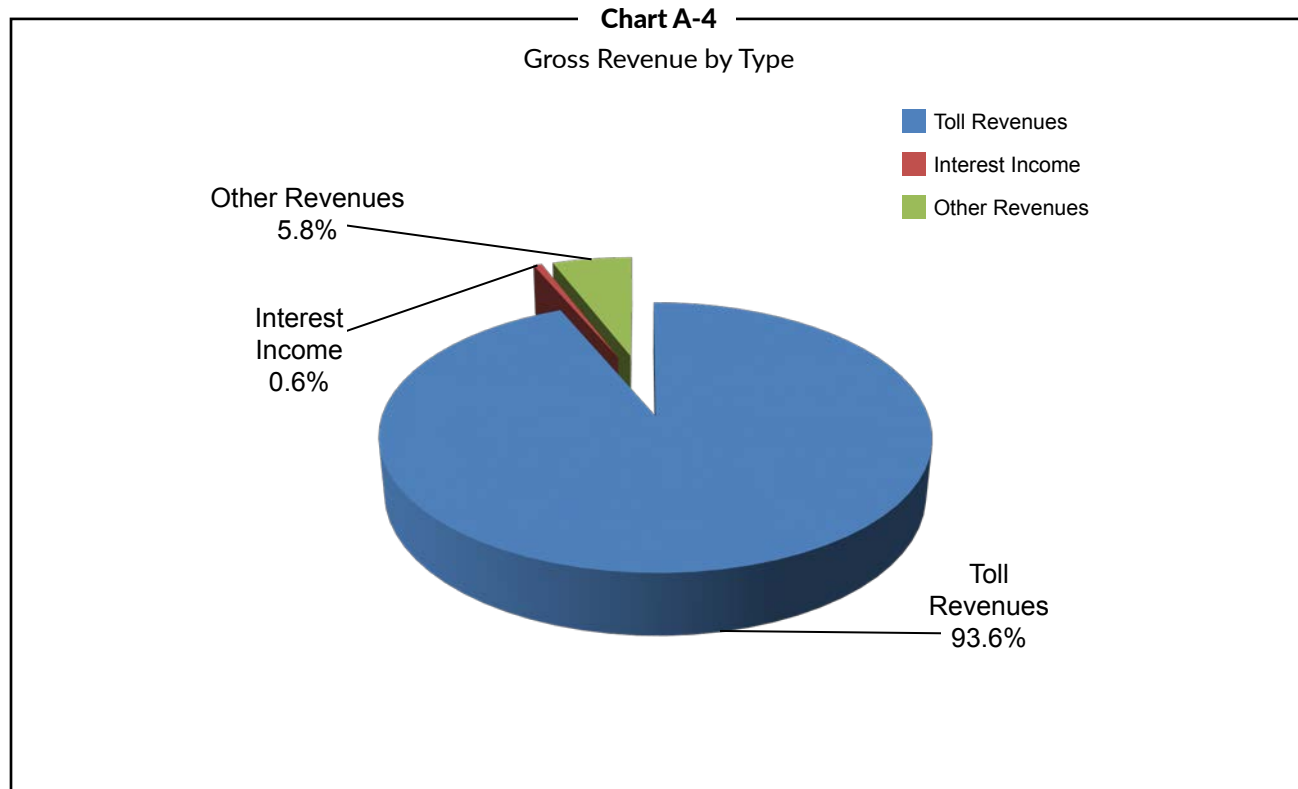
December 31, 2021

Investments: Investments at December 31, 2021 and 2020 were approximately \$1,681,046,658 and \$1,764,905,649 respectively. Chart A-3 below shows the types of authorized investments in the December 31, 2021 portfolio.



Management's Discussion and Analysis December 31, 2021

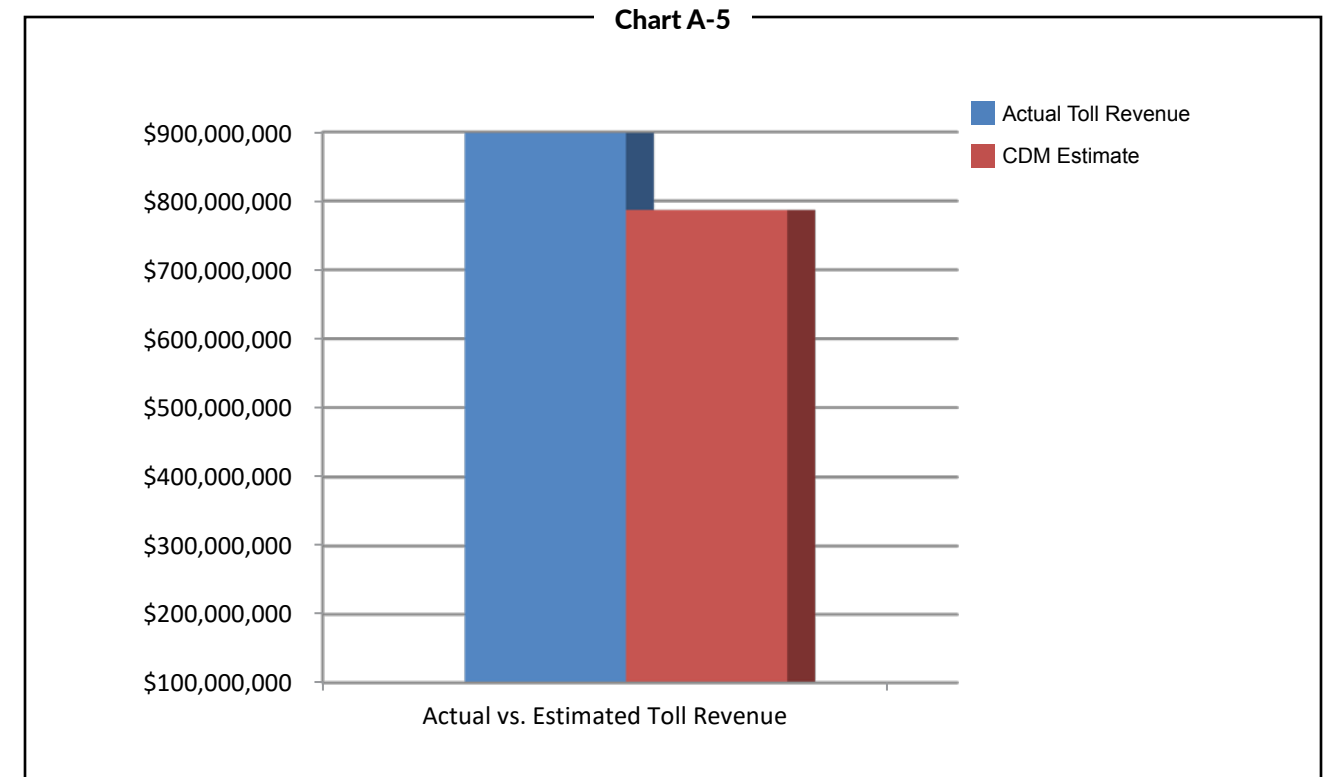
Chart A-4 below shows revenue in fiscal year 2021 by revenue source type.



Net revenues for fiscal year 2021 were \$979,619,622, a 24.7% increase from fiscal year 2020 net revenues of \$785,673,085. Toll revenues of \$916,944,616 (net of bad debt expenses of \$132,096,722) account for 93.6% of total revenue. The remaining 6.4% of total revenue consisted of: Interest income (excluding Construction Fund interest) of \$6,085,623 or 0.6% and Other Revenue of \$56,589,383 or 5.8% (which was mostly administrative and statement fees for collection of tolls from violators and interoperability fees).

Management's Discussion and Analysis December 31, 2021

Chart A-5 below shows the System's actual toll revenue for fiscal year 2021 compared to the estimated toll revenue of the Authority's traffic and toll revenue engineer, CDM Smith Inc. (CDM). Toll revenue is more than CDM's estimates by 12.4%.



Traffic on the System increased to approximately 2,219,406 average daily transactions in fiscal year 2021, up 24.9% from the 1,776,556 daily averages in fiscal year 2020.

Management's Discussion and Analysis

December 31, 2021

Engineering Estimates

The annual estimates by CDM for the System are displayed in comparison to the actual revenue of the System for the years of 2012 through 2021 in Table A-6 below:

Table A-6
 Actual vs Estimated Revenue

Year	Actual	Estimate	Variance
2021	\$ 898,653,592	\$ 786,903,700	\$ 111,749,892
2020	714,035,883	928,342,600	(214,306,717)
2019	886,843,141	886,656,101	187,040
2018	841,491,016	843,189,300	(1,698,284)
2017	712,551,456	721,068,400	(8,516,945)
2016	665,212,316	636,987,300	28,225,016
2015	617,488,044	588,534,400	28,953,644
2014	580,045,215	520,318,600	59,726,615
2013	525,458,723	483,799,800	41,658,923
2012	485,463,608	442,688,000	42,775,608

The System's fiscal year 2021 toll revenues of \$898,653,592 (net of bad debt expense of \$114,359,122) increased by 25.9% from fiscal year 2020 toll revenue of \$714,035,883 (net of bad debt expense of \$61,176,781). The System's total revenues produced a debt coverage ratio of 1.43 for all debt. Please see the Historical Debt Coverage Table (A-8) on page 14.

Capital Assets – The System's investment in capital assets includes land, buildings, right-of-way, roadway, bridges, equipment, and computer systems. Capital assets at December 31, 2021 were \$6,397,646,337, increasing from December 31, 2020 by \$412,921,053. For additional information on capital assets see Note (1) (f) and Note (4).

The Authority utilizes GASB No. 34, Modified Approach of reporting infrastructure assets. Each year a comprehensive assessment is conducted on all the Authority's infrastructure assets which affect the following fiscal year's maintenance budget. For fiscal year 2021, the Authority estimated it would need to spend \$51,147,202 for infrastructure maintenance and preservation, but actually expensed \$23,576,241. Fluctuations from year to year between the amount spent to preserve and maintain the Authority's infrastructure assets and the estimated amount result from the timing of work activities. For additional information and results of the 2021 assessment, please see the Required Supplementary Information on pages 53 and 54 of this report. The Authority's Condition Index for 2021 is 8.9 versus the 8.0 goal.

The Sam Rayburn Tollway (SRT) is projected to revert to TxDOT in 2058 according to the project agreement.

Management's Discussion and Analysis

December 31, 2021

The Authority uses the straight-line to amortize the cost of the acquisition and the construction costs of the SRT over the term of the project. The effect of such amortization reduces the Authority's net revenues as reported on the Generally Accepted Accounting Principles (GAAP) basis. Since the amortization is a non-cash item, it does not impact the Authority's calculation of net revenues available per the Trust Agreement.

Long-Term Debt – At the end of fiscal year 2021, the Authority's total bonded debt outstanding was \$9,482,104,129 compared to \$9,098,901,465 in fiscal year 2020 (See Table A-7). This debt represents bonds secured solely by toll revenue. For detailed information see Note (5) and the schedule of revenue bonds outstanding as of December 31, 2021, on page 33.

Table A-7
 Revenue Bonds Outstanding

Series	2021	2020
Series 2008D	\$ 894,534,129	\$ 843,656,465
Series 2008I	-	295,165,000
Series 2009B	825,000,000	825,000,000
Series 2010B *	50,000,000	50,000,000
Series 2011B	-	6,345,000
Series 2012B	-	7,615,000
Series 2014A	137,320,000	225,780,000
Series 2014B	146,420,000	146,420,000
Series 2015A	820,555,000	828,775,000
Series 2015B	736,595,000	742,365,000
Series 2016A	922,620,000	938,090,000
Series 2017A	1,631,875,000	1,673,050,000
Series 2017B	750,165,000	757,910,000
Series 2018A	356,085,000	356,085,000
Series 2019A	405,815,000	418,180,000
Series 2019B	222,510,000	222,510,000
Series 2020A	192,105,000	192,105,000
Series 2020B	517,145,000	517,145,000
Series 2020C	25,205,000	52,705,000
Series 2021A	402,110,000	-
Series 2021B	446,045,000	-
Revenue Bonds Outstanding	<u>\$ 9,482,104,129</u>	<u>\$ 9,098,901,465</u>

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

Management's Discussion and Analysis

December 31, 2021

Table A-8 sets forth debt service coverage for all debt outstanding for the years 2012 through 2021.

Table A-8
Historical Debt Coverage

Year	Coverage
2021	1.43x
2020	1.28x
2019	1.42x
2018	1.37x
2017	1.49x
2016	1.48x
2015	1.48x
2014	1.41x
2013	1.26x
2012	1.47x

Additionally, the Authority funded, in part, costs of the construction of the PGBT with proceeds from a loan, which totaled \$135,000,000, made by TxDOT in 1995 pursuant to the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA). Interest at the rate of 4.2% began to accrue on October 1, 2000, compounding annually on January 1, with the first payment made in October 2004, and annual payments on January 1 thereafter until final payment in 2029, which resulted in a new loan amount at October 1, 2004 of \$154,338,133. Repayment of the loan to TxDOT is to be made from amounts on deposit in the Capital Improvement Fund with payments subordinate to bonds or other obligations of the Authority issued or entered into and secured by the tolls and revenues of the Authority. The ISTEA loan payment of \$15,322,396 was made on December 29, 2021 for the fiscal year of 2022. The amortization schedule for this loan can be found in Note (5) page 37.

Short-Term Debt - The Authority maintains a \$200,000,000 commercial paper program. Commercial paper notes of \$200,000,000 were fully refunded in May 2021 leaving a current balance of zero. See Note (5) page 36. The Authority maintains a \$100,000,000 Revolving Note Program. In August 2021, the \$100,000,000 draw from the previous year was fully paid off. See Note (5) page 38.

Contacting the NTTA's Financial Management

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

Basic Financial Statements

Statement of Net Position

December 31, 2021

Assets	North Texas Tollway System	Non-Major Enterprise Fund	Total
Current assets:			
Cash and cash equivalents (note 3)	\$ 39,588,031	\$ 5,718,414	\$ 45,306,445
Investments (note 3)	595,939,035	32,098,431	628,037,466
Accounts receivable (net of allowance for uncollectibles) (note 9)	69,506,300	24,301,858	93,808,158
Other assets	17,715,563	5,126,980	22,842,543
Total current unrestricted assets	722,748,929	67,245,683	789,994,612
Current restricted assets:			
Restricted for construction:			
Cash and cash equivalents (notes 3 and 5)	1,344,170	-	1,344,170
Investments (notes 3 and 10)	14,291,776	-	14,291,776
Restricted for debt service:			
Investments (notes 3 and 5)	350,954,183	-	350,954,183
Accrued interest receivable	576,177	-	576,177
Accounts receivable	9,840,193	-	9,840,193
Restricted for NTE 3A/3B:			
Investments (notes 3 and 10)	-	516,446	516,446
Total current restricted assets	377,006,499	516,446	377,522,945
Total current assets	1,099,755,428	67,762,129	1,167,517,557
Noncurrent assets:			
Investments (note 3)	266,956,640	-	266,956,640
Investments restricted for debt service (notes 3 and 5)	420,290,147	-	420,290,147
Net pension asset (note 6)	1,140,938	-	1,140,938
Service Concession Arrangement - Intangible asset (note 1(o)) (net of accumulated amortization)	2,366,129,222	-	2,366,129,222
Capital assets:			
Nondepreciable (note 4)	6,285,472,707	-	6,285,472,707
Depreciable (net) (note 4)	112,173,630	-	112,173,630
Total noncurrent assets	9,452,163,284	-	9,452,163,284
Total assets	10,551,918,712	67,762,129	10,619,680,841
Deferred outflow of resources			
Loss on refunding	522,844,599	-	522,844,599
ERS OPEB contributions after measurement date	319,996	-	319,996
Changes in actuarial assumptions used to determine PEBC OPEB liability	7,026,304	-	7,026,304
PEBC OPEB contributions after measurement date	181,211	-	181,211
Changes in actuarial assumptions used to determine ERS OPEB liability	224,061	-	224,061
Changes in actuarial assumptions used to determine pension liability	7,501,621	-	7,501,621
Difference in projected and actual earnings on ERS OPEB liability	1,155	-	1,155
Pension contributions after measurement date	3,457,120	-	3,457,120
Difference in expected and actual pension experience	148,760	-	148,760
Total deferred outflow of resources	541,704,827	-	541,704,827

Basic Financial Statements
Statement of Net Position
December 31, 2021

Liabilities	North Texas Tollway System	Non-Major Enterprise Fund	Total
Current liabilities:			
Accounts payable	\$ 217,735	\$ -	\$ 217,735
Accrued liabilities	41,086,641	10,077	41,096,718
Unearned revenue	101,296,282	-	101,296,282
Other liabilities	16,164,889	1,083,367	17,248,256
Total current unrestricted liabilities	<u>158,765,547</u>	<u>1,093,444</u>	<u>159,858,991</u>
Payable from restricted assets:			
Construction-related payables:			
Accounts Payable	7,164,884	-	7,164,884
Retainage payable	13,239,369	-	13,239,369
Debt service-related payables:			
Accrued interest payable	204,040,905	-	204,040,905
Revenue bonds payable, current portion (note 5)	119,295,000	-	119,295,000
Other liabilities-NTE 3A/3B	-	516,446	516,446
Total current liabilities payable from restricted assets	<u>343,740,158</u>	<u>516,446</u>	<u>344,256,604</u>
Total current liabilities	<u>502,505,705</u>	<u>1,609,890</u>	<u>504,115,595</u>
Noncurrent liabilities:			
Total other post-employment benefits liability - PEBC plan (note 8)	20,078,303	-	20,078,303
Net other post-employment benefit liability - ERS plan (note 8)	3,870,253	-	3,870,253
Loans payable (note 5)	91,289,967	-	91,289,967
Dallas North Tollway System revenue bonds payable, net of bond discount (premium) costs of \$634,333,255 (note 5)	9,997,142,384	-	9,997,142,384
Total noncurrent liabilities	<u>10,112,380,907</u>	<u>-</u>	<u>10,112,380,907</u>
Total liabilities	<u>10,614,886,612</u>	<u>1,609,890</u>	<u>10,616,496,502</u>
Deferred inflow of resources			
Gain on refunding	25,777,229	-	25,777,229
Difference in expected and actual ERS OPEB experience	151,368	-	151,368
Change in actuarial assumptions used to determine ERS OPEB liability	833,880	-	833,880
Change in proportionate share on ERS OPEB liability	5,951,471	-	5,951,471
Change in actuarial assumptions used to determine PEBC OPEB liability	3,457,322	-	3,457,322
Difference in expected and actual PEBC OPEB experience	16,057,996	-	16,057,996
Difference in projected and actual earnings on pension assets	4,864,054	-	4,864,054
Difference in expected and actual pension experience	531,079	-	531,079
Total deferred inflow of resources	<u>57,624,399</u>	<u>-</u>	<u>57,624,399</u>
Net Position			
Net investment in capital assets	(3,339,239,957)	-	(3,339,239,957)
Restricted for:			
Debt service	1,479,740,796	-	1,479,740,796
SCA Intangible	2,366,129,222	-	2,366,129,222
Unrestricted	(85,517,533)	66,152,239	(19,365,294)
Total net position	<u>\$ 421,112,528</u>	<u>\$ 66,152,239</u>	<u>\$ 487,264,767</u>

See accompanying notes to basic financial statements.

Basic Financial Statements
Statement of Revenues, Expenses and Changes in Net Position
Year Ended December 31, 2021

	North Texas Tollway System	Non-Major Enterprise Fund	Total
Operating revenues:			
Tolls	\$ 898,653,592	\$ 18,291,024	\$ 916,944,616
Other	26,629,436	36,045,570	62,675,006
Total operating revenues	<u>925,283,028</u>	<u>54,336,594</u>	<u>979,619,622</u>
Operating expenses:			
General			
Administration	24,938,275	263,256	25,201,531
Operations	154,169,831	46,788,158	200,957,989
Preservation			
Reserve maintenance	30,565,525	-	30,565,525
Capital improvement	18,947,405	-	18,947,405
Construction improvement	1,893,045	-	1,893,045
Amortization of intangibles	66,194,256	-	66,194,256
Depreciation	7,177,019	-	7,177,019
Operating expenses	<u>303,885,356</u>	<u>47,051,414</u>	<u>350,936,770</u>
Operating income	<u>621,397,672</u>	<u>7,285,180</u>	<u>628,682,852</u>
Nonoperating expenses:			
Net decrease in fair value of investments	(9,933,864)	-	(9,933,864)
Interest expense	(462,722,390)	-	(462,722,390)
Other	(4,104,252)	-	(4,104,252)
Net nonoperating expenses	<u>(476,760,506)</u>	<u>-</u>	<u>(476,760,506)</u>
Income before capital contributions, subsidies, and transfers	144,637,166	7,285,180	151,922,346
Build America Bonds Subsidy (BAB's)			
Capital contribution	19,680,386	-	19,680,386
Change in net position	<u>182,780,132</u>	<u>7,285,180</u>	<u>190,065,312</u>
Beginning net position	238,332,396	58,867,059	297,199,455
Ending net position	<u>\$ 421,112,528</u>	<u>\$ 66,152,239</u>	<u>\$ 487,264,767</u>

See accompanying notes to basic financial statements.

Basic Financial Statements
Statement of Cash Flows
 Year Ended December 31, 2021

	North Texas Tollway System	Non-Major Enterprise Fund	Total
Cash flows from operating activities:			
Receipts from customers and users	\$ 930,362,296	\$ 47,818,810	\$ 978,181,106
Receipts from other sources	1,956,852	-	1,956,852
Payments to contractors and suppliers	(182,380,810)	(46,909,923)	(229,290,733)
Payments to employees	(56,682,833)	-	(56,682,833)
Net cash provided by operating activities	693,255,505	908,887	694,164,392
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(106,694,722)	-	(106,694,722)
Refunding of revenue bonds	12,871,605	-	12,871,605
Payment of revolving note	(100,000,000)	-	(100,000,000)
Principal paid on revenue bonds	(180,665,000)	-	(180,665,000)
Principal paid on ISTEAL loan - current	(11,025,161)	-	(11,025,161)
Capital contributions - BAB's Subsidy	19,680,386	-	19,680,386
Deferred financing costs	2,636,640	-	2,636,640
Interest paid on ISTEAL loan	(4,297,235)	-	(4,297,235)
Interest paid on revenue bonds	(406,051,210)	-	(406,051,210)
Net cash used by capital and related financing activities	(773,544,697)	-	(773,544,697)
Cash flows from investing activities:			
Purchase of investments	(7,678,006,090)	(15,022,746)	(7,693,028,836)
Proceeds from sales and maturities of investments	7,768,156,345	11,071,893	7,779,228,238
Interest received	106,656	-	106,656
Net cash provided (used) by investing activities	90,256,911	(3,950,853)	86,306,058
Net increase (decrease) in cash and cash equivalents	9,967,719	(3,041,966)	6,925,753
Cash and cash equivalents, beginning of the year	30,964,482	8,760,380	39,724,862
Cash and cash equivalents, end of the year	40,932,201	5,718,414	46,650,615
Classified as:			
Current assets	39,588,031	5,718,414	45,306,445
Restricted assets	1,344,170	-	1,344,170
Total	40,932,201	5,718,414	46,650,615
Noncash financing, capital, and investing activities:			
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	621,397,672	7,285,180	628,682,852
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	7,177,019	-	7,177,019
Amortization of intangible assets	66,194,256	-	66,194,256
Bad debt expense	114,359,122	17,737,600	132,096,722
Miscellaneous nonoperating income	1,956,852	-	1,956,852
Changes in assets and liabilities:			
Increase in accounts receivable	(127,498,710)	(24,255,384)	(151,754,094)
Decrease in inventory	5,004,470	-	5,004,470
Increase (decrease) in accounts and retainage payable	(5,437,175)	141,491	(5,295,684)
Decrease in net pension asset	5,837,513	-	5,837,513
Increase in OPEB related deferred outflows	(1,515,225)	-	(1,515,225)
Increase in OPEB related deferred inflows	5,882,539	-	5,882,539
Increase in pension related deferred outflows	(6,865,242)	-	(6,865,242)
Increase in pension related deferred inflows	1,025,680	-	1,025,680
Decrease in accrued liabilities	(10,137,076)	-	(10,137,076)
Decrease in prepaid expenses	2,201,124	-	2,201,124
Increase in accrued interest receivable	(226,931)	-	(226,931)
Decrease in other post-employment benefits liability	(4,546,171)	-	(4,546,171)
Increase in unearned revenue	18,445,788	-	18,445,788
Total adjustments	71,857,833	(6,376,293)	65,481,540
Net cash provided by operating activities	\$ 693,255,505	\$ 908,887	\$ 694,164,392
Noncash financing activities:			
Increase in the fair value of investments	(9,933,864)	-	(9,933,864)
Interest accretion on CABS	(50,877,664)	-	(50,877,664)

On May 25, 2021, the Authority issued \$402,110,000 of North Texas Tollway Authority First Tier Revenue Refunding Bonds, Series 2021A, for the purpose of refunding the Series 2008I Refunded Bonds and the Series 2014A Refunded Bonds.

On May 25, 2021, the Authority issued \$446,045,000 of North Texas Tollway Authority Second Tier Revenue Refunding Bonds, Series 2021B, for the purpose of refunding: all of the outstanding \$200,000,000 Commercial Paper Notes, the \$319,521,038 360 Tollway Project Loan and making a deposit to the Shared Second Tier Debt Service Reserve Fund.

On May 25, 2021, in conjunction with the issuance of the Series 2021B Refunding Bonds, \$330,159,975 of capital and other assets and \$311,697,395 of loans and other liabilities were transferred from the 360 Tollway System to the System resulting in an overall net capital contribution of \$18,462,580.

Notes to Basic Financial Statements
 December 31, 2021

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

(a) Reporting Entity

In June 1997, the Texas Legislature approved a bill to create the North Texas Tollway Authority (the Authority), a regional tollway authority under Chapter 366, Transportation Code. Effective September 1, 1997, the Authority became the successor entity to the Texas Turnpike Authority (TTA) and assumed ownership of the system of toll roads then owned and operated by the TTA and all obligations of the TTA related to such system of toll roads.

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

In February 2014, the Authority entered into the Project Agreement State Highway 360 with the Texas Department of Transportation (TxDOT) who designed and constructed the 360 Tollway and, upon its substantial completion on August 1, 2018, TxDOT transferred ownership to NTTA. In exchange, NTTA agreed to reimburse TxDOT for its costs to design and construct the 360 Tollway in the amount of \$294 million (the "360 Tollway Project Loan") payable from net revenues of the 360 Tollway. Under the terms of the 360 Tollway Project Agreement on May 25, 2021 in conjunction with the issuance of the Series 2021B revenue refunding bonds and application of the proceeds thereof to refinance the 360 Tollway Project Loan, all liabilities of the 360 Tollway were paid or provided for and the 360 Tollway was transferred to and became part of the NTTA System. For additional details on the refunding transactions see Note (5).

The North Texas Tollway System is an enterprise fund and does not purport to be the entire activity of the Authority. The DNT, AATT, PGBT, MCLB, SRT, LLTB, CTP, and 360T currently constitute and are collectively referred to as the System. The Non-Major Enterprise Fund is a fund for TSAs. The following represent the three types of TSAs: (1) Developer TSAs where NTTA has collection exposure and is paid a fee to process each transaction, (2) Developer TSAs where NTTA remits only amounts collected and is paid a fee to process each transaction and (3) Regional TSAs facilities where NTTA remits only amounts collected and is reimbursed for operating expenses from TxDOT. Developer TSA (type 1) facilities presently consist of LBJ and NTE 1&2. Developer TSA (type 2) facilities presently consist of NTE 3A/3B. Regional TSA (type 3) facilities presently consist of DFWC, I-30, I-35E, SH-114, LBJ East, Loop 12, and SH-183.

(b) Basis of Accounting

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

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

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

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

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

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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 North Texas Tollway Feasibility Study Fund (Feasibility Study Fund), each a sub-fund included in the System. However, the Authority may not transfer an amount that results in a balance in the surplus fund that is less than the minimum balance required in the Trust Agreement for that project, if any.

When the feasibility of a project is determined, pursued project costs are capitalized, and the related study costs are reimbursed to the sub-fund Feasibility Study Fund from the proceeds of the project's bond issue. Unfeasible projects are written off to expense when approved by the Executive Director.

(c) Budget

Operating budgets are established in accordance with the practices set forth in the provisions of the Trust Agreement for the North Texas Tollway Authority System Revenue Bonds, as interpreted by the Authority. These practices follow the Generally Accepted Accounting Principles (GAAP) for an enterprise fund on an accrual basis. Exceptions are:

- Depreciation and amortization of certain non-infrastructure capital assets and related acquisition and revenue bond issuance costs that are not included as an operating expense or otherwise provided.
- Capitalized interest accrued on certain bond issues as allowed by the Trust Agreement and bond resolutions.

Revenues are recognized when they are earned, expenses are recognized in the period in which they are incurred, and all assets and liabilities associated with the operation of the System are included in the Statement of Net Position in accordance with the Trust Agreement as described above.

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

(d) Restricted Assets

Certain proceeds of the Revenue Bonds are restricted by applicable bond covenants for construction or restricted as reserves to ensure repayment of the bonds. Also, certain other assets are accumulated and restricted on a monthly basis in accordance with the Trust Agreement for the purpose of paying interest and principal payments that are due on a semiannual and annual basis, respectively, and for the purpose of maintaining the reserve funds at the required levels. Payments from these restricted accounts are strictly governed by the Trust Agreement and can only be made in compliance with the Trust Agreement. When both restricted and unrestricted amounts are available for use, the Authority's policy is to use restricted amounts first, with unrestricted resources utilized as needed.

Limited types of expenses may be funded from these accounts. Expenses that do not meet these requirements are funded from unrestricted accounts. The sub-funds and accounts that have been established in accordance with the Trust Agreement are as follows:

- **Construction and Property Fund** – The Construction and Property Fund was created to account for that portion of the proceeds from the sale of the Authority Revenue Bonds, which is 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 System. All revenues of this fund are distributed to other funds in accordance with the Trust Agreement.
- **Operation and Maintenance Fund** – The Operation and Maintenance Fund was created to account for and pay current operating expenses of the System.
- **Reserve Maintenance Fund** – The Reserve Maintenance Fund was created to account for those expenses of maintaining the Authority that do not recur on an annual or shorter basis. As defined in the Trust Agreement, such items include repairs, painting, renewals, and replacements

Notes to Basic Financial Statements

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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 System, or for any other purpose now or hereafter authorized by law. This CIF fund will also be combined with a revolving fund, called the Feasibility Study Fund, to use only for the expenses of studying the cost and feasibility and any other expenses relating to: (1) the preparation and issuance of bonds for the acquisition and construction of a proposed turnpike project for the System; (2) the financing of the improvement, extension or expansion of an existing turnpike project; (3) private participation, as authorized by law, in the financing of a proposed turnpike project, the refinancing of an existing turnpike project or the improvement, extension or expansion of a turnpike project.
- **Bond Interest Accounts** – The Bond Interest Accounts were created to account for the payment of the semiannual interest requirements of the revenue bonds.
- **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 Account and the Redemption Account shall be insufficient for such purpose. The required reserve is an amount equal to the average annual debt service requirements of all bonds outstanding. At December 31, 2021, according to staff calculations the Authority was in compliance with this requirement.
- **Redemption Accounts** – The Redemption Accounts were created to account for the payment of the annual principal requirements of the revenue bonds.

(e) **Cash, Cash Equivalents and Investments**

Cash includes amounts in demand deposits. Cash equivalents are amounts included in any overnight sweep from the demand deposit accounts. These deposits are fully collateralized or covered by federal deposit insurance.

The Authority considers other money market funds along with State & Local Government Investment Pools (“Pool”) to be investments. The carrying amount of the investments is fair value. The carrying amount of the Pool is amortized cost. The net change in fair value of investments is recorded on the Statement of Revenues, Expenses and Changes in Net Position and includes the unrealized and realized gains and losses on investments.

(f) **Capital Assets**

All capital assets are stated at historical cost, except for donated assets, which are valued at the estimated acquisition cost at the date of donation. This includes costs for infrastructure assets (rights-of-way, highways, bridges, and highway and bridge substructures), toll equipment, buildings, land, toll facilities and other related costs, including property and equipment with a value greater than \$5,000 and software with a value greater than \$1,000,000. Highway and bridge 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

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infrastructure assets is determined to be at a level that is below the standards adopted by the Board of Directors of the Authority.

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

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

(g) **Compensated Absences**

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

(h) **Pension**

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Texas County and District Retirement System (TCDRS) and additions to/deductions from TCDRS’s fiduciary net position have been determined on the same basis as they are reported by TCDRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

(i) **Other Post-Employment Benefits (OPEB)**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Authority’s Postemployment Benefit Fund (ERS OPEB Plan) and additions to/deductions from ERS OPEB Plan fiduciary net position have been determined on the same basis as they are reported by ERS OPEB Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

(j) **Retainage Payable**

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

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

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources “represents a consumption of net assets that applies to future periods” and so will not be recognized as an outflow of resources (expenses) until then. The Authority has the following five items that qualify for reporting in this category in the statement of net position.

- Loss on refunding – The loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Pension/OPEB contributions after measurement date – These contributions are deferred and recognized in the following fiscal year.
- Difference in projected and actual earnings on pension or OPEB assets – This difference is deferred and amortized over a closed five year period.
- Difference in expected and actual pension or OPEB experience – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.

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- Changes in actuarial assumptions used to determine pension or OPEB liability – This difference is deferred and amortized over the estimated average remaining lives of all members determined as of the measurement date.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources “represents an acquisition of net assets that applies to future periods” and so will not be recognized as an inflow of resources (revenue) until that time. The Authority has the following five items that qualify for reporting in this category.

- Gain on refunding – A gain on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Difference in expected and actual pension or OPEB experience – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- Difference in projected and actual earnings on pension or OPEB assets – This difference is deferred and amortized over a closed five year period.
- Changes in actuarial assumptions used to determine OPEB liability – This difference is deferred and amortized over the estimated average remaining lives of all members determined as of the measurement date.
- Change in proportionate share used to determine ERS OPEB liability – This difference is deferred and amortized over the estimated average remaining lives of all members determined as of the measurement date.

(l) Bond Discounts and Premiums

Revenue bonds payable are reported net of unamortized bond discount or premium.

(m) Arbitrage Rebate Payable

The Tax Reform Act of 1986 imposed additional restrictive regulations, reporting requirements, and arbitrage rebate liability on issuers of tax-exempt debt. This represents interest earnings on bond proceeds in excess of amounts allowed under the Act. This Act requires the remittance to the Internal Revenue Service (IRS) of 90% of the cumulative arbitrage rebate within 60 days of the end of each five-year reporting period following the issuance of governmental bonds. The System’s cumulative arbitrage rebate liabilities for the year ended December 31, 2021 is \$0.00.

(n) Estimates

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

(o) Service Concession Arrangement for Sam Rayburn Tollway (SRT)

In October 2007, the Authority entered in an agreement with the Texas Department of Transportation (TxDOT) to construct a continuous main lane and service roads within the State Highway 121 corridor extending between Business SH 121 in Denton County to US 75 in Collin County consisting of 26 miles. Under the agreement, the Authority provided an upfront payment to TxDOT in the amount of \$3.2 billion. An intangible asset has been recorded and is being amortized over 50 years. At the end of the intangible asset’s life, the roadway will be returned to TxDOT subject to the handback requirements in the agreement. The revenue generated from the operation of the toll road will be shared between TxDOT and the Authority in accordance with the limits and calculations in the agreement. In the current year, the amount of revenue given to TxDOT was \$0.

	January 1, 2021	Additions	Disposal	Amortization	December 31, 2021
Roadway	\$ 3,222,810,215	-	-	-	\$ 3,222,810,215
Less accumulated amortization	(792,224,792)	-	-	(64,456,201)	(856,680,993)
Total	\$ 2,430,585,423	-	-	(64,456,201)	\$ 2,366,129,222

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(p) New Accounting Pronouncements

The System has implemented the following new accounting pronouncements:

GASB Statement No. 98, *The Annual Comprehensive Financial Report* This Statement establishes the term *annual comprehensive financial report* and its acronym *ACFR*. That new term and acronym replace instances of *comprehensive annual financial report* and its acronym in generally accepted accounting principles for state and local governments.

The GASB has issued the following statements which will be effective in future years as described below. The impact on the System’s financial statements of implementation has not yet been determined for the following:

GASB Statement No. 87, *Leases* is now effective for periods beginning after June 15, 2021. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments’ leasing activities.

GASB Statement No. 92, *Omnibus* paragraphs 6, 7, 8, and 12 is now effective for periods beginning after June 15, 2021. The primary objective is to address implementation issues which have been identified related to GASB 87, *Leases*, reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan; the applicability of Statements No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68*, and *Amendments to Certain Provisions of GASB Statements 67 and 68, as amended*, and No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, as amended*, to reporting assets accumulated for postemployment benefits; the applicability of certain requirements of Statement No. 84, *Fiduciary Activities*, to postemployment benefit arrangements; measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs); reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers; reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature and terminology used to refer to derivative instruments.

GASB Statement No. 93, *Replacement of Interbank Offered Rates*. The objective of this Statement is to address accounting and financial reporting implications that result from the replacement of an IBOR. The requirements of paragraphs 13 and 14 are now effective for fiscal years beginning after June 15, 2021. The requirement in paragraph 11b is effective for reporting periods ending after December 31, 2021.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. This statement is effective for fiscal years beginning after June 15, 2022.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This statement is effective for fiscal years beginning after June 15, 2022.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting For Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in

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circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this Statement are effective for fiscal years beginning after June 15, 2021.

GASB Statement No. 99, *Omnibus 2022* – The requirements of this Statement are effective as follows:

- The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance. This portion of the Statement had no material effect on the financial statements of the System.
- The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.
- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

(2) Legal Compliance - Budgets

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

Copies of the preliminary budget must be filed with the bond trustee, and mailed to the consulting engineers, traffic engineers, principal underwriters, and all bondholders who have filed their names and addresses with the secretary and treasurer of the Authority 60 days prior to year-end. The Authority is required by the Trust Agreement to adopt a final budget for the Authority on or before December 31 prior to the beginning of the year. The budget is prepared at the Department level and is based upon the Trust Agreement. The Authority may not expend any amount or incur any obligations for maintenance, repairs, and operations in excess of the total amount of the budgeted expenses in the Annual Budget unless the funding source is other than revenues received from the Authority.

The Authority may expend additional monies from the Reserve Maintenance Fund in excess of the annual deposits. Budget amendments must be approved by the Board Members of the Authority in a manner similar to the adoption of the annual budget. There were no occurrences of budget noncompliance in 2021.

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

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

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The Authority was in compliance in 2021.

	2021 (unaudited)
GAAP basis operating income	\$ 621,397,672
Gross Income	621,397,672
Add:	
Depreciation	7,177,019
Amortization of intangible	66,194,256
Capital and construction improvement funds expenses	20,840,450
Reserve maintenance fund expenses	<u>30,565,525</u>
Net revenues available for debt service	<u>746,174,922</u>
Bond interest expense	391,815,341
Scheduled principal amount due	<u>130,320,161</u>
Calculated debt service requirement	<u>\$ 522,135,502</u>
Coverage ratio (for 1st tier debt)	<u>2.09</u>
Coverage ratio (for 1st and 2nd tier debt)	<u>1.48</u>
Coverage ratio (for all debt)	<u>1.43</u>

(*) Debt service requirement for 1st tier-\$357,764,440 2nd tier-\$146,231,526 and other-\$18,139,536

(3) Deposits and Investments

The Authority's investment policy conforms with the laws of the State of Texas. The Authority may purchase investments as authorized by the Trust Agreement and as further authorized by the investment policy and strategy approved by the Board of Directors in March 2021. These investments include:

- Government Obligations - shall mean (i) direct obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America, (ii) obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date of the purchase thereof, are rated as to investment quality by two nationally recognized credit rating agencies not less than "A" or its equivalent, and (iii) obligations of a state, agency, county, municipality, or other political subdivision of a state that have been refunded and that, on the date purchased, are rated as to investment quality by two nationally recognized credit rating agencies not less than "A" or its equivalent, with a stated maturity not to exceed 5 years.
- Certificates of deposit, including certificates of deposit of the Trustee, where the certificates are collaterally secured by Government Obligations and held by a third party as escrow agent or custodian, of a fair value not less than the amount of the certificates of deposit so secured, including interest, but this collateral is not required to the extent the certificates of deposit are insured by an agency of the United States with a stated maturity not to exceed one year.
- Direct and reverse repurchase agreements as defined by the Public Funds Investment Act (PFIA) under the terms of a Securities Industry and Financial Markets Association Master Repurchase Agreement and collateralized in accordance with this investment policy.
- Banker's acceptances with a stated maturity of 180 days or less and whose endorsing banks are constantly monitored as to financial solvency by the Investment Officers.
- Commercial paper rated not less than "A1"/"P1" (or an equivalent rating) by at least two nationally recognized credit rating agencies with a stated maturity of 180 days or less.

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- Money market funds, including money market funds affiliated with the Trustee, that invest solely in obligations of the United States, its agencies and instrumentalities, and have an S&P rating of AAAM-G or AAA-m, or a Moody's rating of Aaa.
- AAA-rated, SEC registered, no-load mutual funds with an average weighted maturity of less than two years and invested exclusively in obligations authorized in the Authority's investment policy, continuously rated as to investment quality by at least one nationally recognized credit rating agency. Such no-load mutual funds are not authorized for bond proceeds, reserves and funds held for debt service in accordance with the PFIA.
- Investments may be made in Permitted Investments through an eligible investment pool as permitted by Texas Government Code, Chapter 2256, as amended. An eligible investment pool is a constant dollar, Texas local government investment pool as described by the PFIA and authorized by the Board.
- Collateralized guaranteed investment contracts (GICs), with a defined termination date and secured by direct obligations of the United States or its agencies and instrumentalities and pledged to the Authority. GICs are restricted to use for investment of bond proceeds.
- Interest bearing bank savings deposits issued by state and national banks, a savings bank, or a state or federal credit union (having their main or branch office in Texas) that are guaranteed or insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund (or their successor organizations). Also included are collateralized interest bearing savings deposits that have secured the uninsured portion of deposits with obligations of the United States Treasury and/or federal agencies and instrumentalities.

The Authority does not invest in financial instruments other than those authorized by the Authority's Trust Agreement and the investment policy. The Authority reports all securities and debt instruments with readily determinable fair values to be carried at fair value, with changes in fair value reflected in the Statements of Revenues, Expenses and Changes in Net Position.

(a) Deposits

The Authority's deposits were fully insured or collateralized at December 31, 2021. The carrying amount of the Authority's deposits was \$46,637,415 (which does not include \$13,200 of petty cash) and the respective bank balances totaled \$43,561,402. As of December 31, 2021, Federal Depository Insurance Corporation (FDIC) provided \$250,000 of coverage for deposits. All balances in excess of the \$250,000 were fully collateralized in accordance with the Authority's investment policy and the Public Funds Investment Act.

(b) Investments

As of December 31, 2021 the maturity values are as follows:

Description	Maturity Value (in Yrs)			WAM(*)
	Fair Value	Less Than 1 Yr	1 Yr or More	
Government Sponsored Entities (GSE):				
Federal Home Loan Bank	\$ 329,413,907	\$ -	\$ 329,413,907	
Federal National Mortgage Association	128,639,655	15,139,000	113,500,655	
Federal Farm Credit Bank	130,194,435	25,004,261	105,190,174	
Federal Home Loan Mortgage Corporation	87,805,720	-	87,805,720	
Total GSE	676,053,717	40,143,261	635,910,456	1227
Money Market Funds	326,380,608	326,380,608	-	1
U.S. Treasuries	111,704,513	60,368,181	51,336,332	487
Government Pool	566,907,120	566,907,120	-	1
Cash(**)	700	700	-	-
Total Investments	\$ 1,681,046,658	\$ 993,799,870	\$ 687,246,788	530

*WAM = Weighted Average Maturity (in days)

**Cash held in Trust Accounts for next business day transfers.

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Investments are as follows:

Construction and Property Account	\$	14,291,776
Revenue Account		99,921,648
Operations and Maintenance Account		41,289,237
Reserve Maintenance Account		31,083,213
Consolidated Capital Improvement Account		692,010,147
Bond Interest Account		202,289,096
Bond Reserve Account		448,251,507
Bond Redemption Account		119,295,158
Enterprise Account		32,098,422
NTE 3A/3B Account		516,454
Total Investments	\$	1,681,046,658

(c) Interest Rate Risk

Investment portfolios are designed with the objective of attaining the best possible rate of return commensurate with the Authority's investment risk constraints and the cash flow characteristics of the portfolio. Return on investments, although important, is subordinate to the safety and liquidity objectives. The weighted average yield-to-maturity of the portfolio for December 31, 2021 was 0.43% in comparison to 0.37% in 2020. The weighted average maturity in days was 530 days for 2021, compared to 394 days for 2020. Approximately 59% of the investments are maturing within one year and 41% are maturing one year or greater. The Authority does not have a formal policy on interest rate risk.

(d) Credit Risk

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

As of December 31, 2021, the Authority invested 19% in AAA rated money market funds, 33% in AAAM rated State and Local Government Pools, 41% in Government Sponsored Entities (GSE) and 7% in U.S. Treasuries backed by the full faith and credit of the U.S. Government. U.S. Treasuries and GSE are Aaa rated by Moody's.

The Authority participates in three local government investment pools, each of which carry investments at amortized cost: TexPool Prime, TexasCLASS and LOGIC. The State Comptroller oversees TexPool Prime, with federated investors managing the daily operations of the pool under a contract with the State Comptroller. Public Trust Advisors, LLC serve as administrators for TexasCLASS, with Wells Fargo Bank, N.A. as Custodian, under an agreement with the TexasCLASS board of directors. JPMorgan Investment Management, Inc. and Hilltop Securities, Inc. serve as co-administrators for LOGIC under an agreement with the LOGIC Board of Directors.

TexPool Prime and LOGIC were established in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code and pursuant to Section 2256 of the Public Funds Investment Act, Texas Government Code (PFIA). Texas CLASS was created as an LGIP pursuant to Section 2256 of the PFIA. These pools allow shareholders the ability to deposit or withdraw funds on a daily basis. Interest rates are also adjusted on a daily basis. These pools seek to maintain a constant net asset value of \$1.00, although this cannot be fully guaranteed. TexPool Prime, TexasCLASS and LOGIC are rated AAAM and must maintain a dollar weighted average maturity not to exceed a 60-day limit.

(e) Concentration of Credit Risk

The Authority policy is to diversify its investment portfolios. Assets held in the particular funds shall be diversified to minimize the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer or a specific class of securities. As of December 31, 2021, investments in Wells Fargo Bank Government Money Market Fund, TexPoolPrime and LOGIC exceeded 5% of the total portfolio.

Notes to Basic Financial Statements

December 31, 2021

More than 5% of the Authority's investments are invested in each of the following institutions: Federal Farm Credit Bank (FFCB), Federal Home Loan Bank (FHLB), Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corporation (FHLMC) and US Treasury.

The Authority categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs and Level 3 inputs are significant unobservable inputs. The Authority has the following recurring fair value measurements as of December 31, 2021 using a matrix pricing model:

	Fair Value Measurements Using			
	December 31, 2021	Level 1	Level 2	Level 3
Investments by fair value level:				
Debt securities				
Federal Home Loan Bank	\$ 329,413,907	\$ -	\$ 329,413,907	\$ -
Federal National Mortgage Assn.	128,639,655	-	128,639,655	-
Federal Farm Credit Bank	130,194,435	-	130,194,435	-
Federal Home Loan Mortgage Corp.	87,805,720	-	87,805,720	-
US Treasury Note	111,704,513	-	111,704,513	-
Total debt securities	<u>787,758,230</u>	<u>-</u>	<u>787,758,230</u>	<u>-</u>
Total investments measured at fair value level:	<u>\$ 787,758,230</u>	<u>\$ -</u>	<u>\$ 787,758,230</u>	<u>\$ -</u>

Notes to Basic Financial Statements

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(4) Capital Assets

Capital assets are summarized as follows:

	January 1, 2021	Additions	Disposals	Depreciation	Adjustments (transfers, etc.)	December 31, 2021
Non-depreciable						
Land	\$ 7,293,755	\$ -	\$ -	\$ -	\$ -	\$ 7,293,755
Right-of-way	301,435,339	-	-	-	(1,638)	301,433,701
CIP	450,972,421	85,077,964	-	-	(23,049,079)	513,001,306
Roadway *	4,567,061,991	-	-	-	338,857,728	4,905,919,719
Infrastructure - Other	560,823,317	-	-	-	(2,999,091)	557,824,226
Total non-depreciable assets	5,887,586,823	85,077,964	-	-	312,807,920	6,285,472,707
Depreciable						
Buildings	29,596,959	779,200	-	-	-	30,376,159
Machinery and Equipment	59,123,012	6,777,111	(12,316,961)	-	(79,090)	53,504,072
Intangibles	71,864,079	17,062,439	-	-	-	88,926,518
Less accumulated depreciation:						
Buildings	(12,259,222)	-	-	(991,370)	-	(13,250,592)
Machinery and Equipment	(46,936,760)	-	10,860,609	(5,338,414)	19,701	(41,394,864)
Less amortization:						
Intangibles	(4,249,609)	-	-	(1,738,054)	-	(5,987,663)
Total depreciable assets (net)	97,138,459	24,618,750	(1,456,352)	(8,067,838)	(59,389)	112,173,630
Total capital assets	\$ 5,984,725,282	\$ 109,696,714	\$ (1,456,352)	\$ (8,067,838)	\$ 312,748,531	\$ 6,397,646,337

* Includes the addition of the 360T road (\$315M) in June 2021. (See adjustments column)

Notes to Basic Financial Statements

December 31, 2021

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

Revenue Bonds

Upon the happening of any event of default as specified in the Amended and Restated NTTA System Trust Agreement dated April 1, 2008, Section 802, the Trustee may take actions and upon the written request of the holders of not less than twenty percent (20%) in principal amount of the bonds then outstanding shall proceed to:

- (i) protect and enforce its rights and the rights of the bondholders under the Turnpike Act and under the Trust Agreement by such suits actions or special proceedings in equity or at law or by proceedings in the office of any board or officer having jurisdiction, either for mandamus or the specific performance, of any covenant or agreement contained in the Trust Agreement or in aid or execution of any power herein granted or for the enforcement of any proper legal or equitable remedy, as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights.
- (ii) In the enforcement of any remedy under the Trust Agreement, the Trustee shall be entitled to sue for, enforce payment of and receive any and all amounts then or during any default becoming, and at any time remaining, due from the Authority for principal, interest or otherwise under any of the provisions of the Trust Agreement or of the bonds.

The full Amended and Restated NTTA System Trust Agreement can be found at:
https://www.ntta.org/whatwedo/fin_invest_info/NTTASystem/Documents/NTTAAmdRestdTrustagtwthFirstSupplement.pdf

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

Revenue bonds are used to finance the acquisition and construction of major capital improvements for the North Texas Tollway System toll roads and related facilities. These revenue bonds constitute special obligations of the Authority solely secured by a lien on and pledge of the net revenues of the toll road system. The revenue bonds are collateralized by the revenue of the toll roads and the various special funds established by the bond ordinances. The ordinances provide that the revenue of the System is to be used, first, to pay operating and maintenance expenses of the system, and second, to establish and maintain the revenue bond funds. Remaining revenues may then be used for any lawful purpose.

Notes to Basic Financial Statements

December 31, 2021

The following schedule summarizes the revenue bonds outstanding as of December 31, 2021:

Description of Issue	Beginning Balance	Additions	Matured or Retired	Ending Balance	Due within one year
Series 2008D	\$ 843,656,465	\$ 50,877,664	\$ -	\$ 894,534,129	\$ -
Series 2008I	295,165,000	-	(295,165,000)	-	-
Series 2009B	825,000,000	-	-	825,000,000	-
Series 2010B	50,000,000	-	-	50,000,000	-
Series 2011B	6,345,000	-	(6,345,000)	-	-
Series 2012B	7,615,000	-	(7,615,000)	-	-
Series 2014A	225,780,000	-	(88,460,000)	137,320,000	-
Series 2014B	146,420,000	-	-	146,420,000	-
Series 2015A	828,775,000	-	(8,220,000)	820,555,000	8,630,000
Series 2015B	742,365,000	-	(5,770,000)	736,595,000	6,060,000
Series 2016A	938,090,000	-	(15,470,000)	922,620,000	39,015,000
Series 2017A	1,673,050,000	-	(41,175,000)	1,631,875,000	42,705,000
Series 2017B	757,910,000	-	(7,745,000)	750,165,000	9,960,000
Series 2018	356,085,000	-	-	356,085,000	-
Series 2019A	418,180,000	-	(12,365,000)	405,815,000	12,925,000
Series 2019B	222,510,000	-	-	222,510,000	-
Series 2020A	192,105,000	-	-	192,105,000	-
Series 2020B	517,145,000	-	-	517,145,000	-
Series 2020C	52,705,000	-	(27,500,000)	25,205,000	-
Series 2021A	-	402,110,000	-	402,110,000	-
Series 2021B	-	446,045,000	-	446,045,000	-
Total Bond Principal	9,098,901,465	899,032,664	(515,830,000)	9,482,104,129	119,295,000
Unamortized Premium	(628,962,399)	(92,412,568)	87,041,712	(634,333,255)	-
Total Bonds Payable	\$ 9,727,863,864	\$ 991,445,232	\$ (602,871,712)	\$ 10,116,437,384	\$ 119,295,000

Amortization of Premium/Discounts

Premiums and discounts related to the issuance of the bonds and other loans are being amortized using the bonds outstanding method, which is materially consistent with the effective interest method. The unamortized premium cost for the year ended on December 31, 2021 was \$634,333,255.

Notes to Basic Financial Statements

December 31, 2021

Outstanding Bonded Debt – Pertinent Information by Issue

Issue	Original Issue Amount	Rate Range %	Term Issue	Maturity Range	Balance December 31, 2021
Series 2008D	\$ 399,999,394	5.90 - 5.97	2008	2028-2038	\$ 894,534,129
Series 2008I	199,998,366	6.20 - 6.50	2008	2042-2043	-
Series 2009B	825,000,000	6.718	2009	2049	825,000,000
Series 2010B	310,000,000	8.41	2010	2030	50,000,000
Series 2011B	268,625,000	5.00	2011	2019-2038	-
Series 2012B	383,625,000	5.00 - 5.25	2012	2021-2052	-
Series 2014A	310,415,000	5.00	2014	2020-2025	137,320,000
Series 2014B	146,420,000	5.00	2014	2029-2031	146,420,000
Series 2015A	862,920,000	2.00 - 5.00	2015	2016-2038	820,555,000
Series 2015B	764,090,000	4.00 - 5.00	2015	2040-2045	736,595,000
Series 2016A	987,790,000	4.00 - 5.00	2016	2017-2039	922,620,000
Series 2017A	1,743,320,000	2.00 - 5.00	2017	2019-2048	1,631,875,000
Series 2017B	765,995,000	2.00 - 5.00	2017	2019-2048	750,165,000
Series 2018	356,085,000	4.00 - 5.00	2018	2030-2050	356,085,000
Series 2019A	429,870,000	4.00 - 5.00	2019	2020-2044	405,815,000
Series 2019B	222,510,000	4.00 - 5.00	2019	2022-2029	222,510,000
Series 2020A	192,105,000	3.00 - 5.00	2020	2025-2038	192,105,000
Series 2020B	517,145,000	.92 - 3.334	2020	2024-2035	517,145,000
Series 2020C	52,705,000	5.00	2020	2021-2027	25,205,000
Series 2021A	402,110,000	1.83 - 3.01	2021	2029-2043	402,110,000
Series 2021B	446,045,000	2.25 - 5.00	2021	2025-2051	446,045,000
Total Principal Revenue Bonds					9,482,104,129
Unamortized Premiums and Discounts					(634,333,255)
					<u>\$ 10,116,437,384</u>

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December 31, 2021

The revenue bond debt service requirements below are prepared as of December 31, 2021:

Year	Total Revenue Bonds		BAB Subsidy *	Total
	Principal amount	Interest amount		
Due January 1				
2022	\$ 119,295,000	\$ 405,816,618	\$ (19,680,386)	\$ 505,431,231
2023	209,395,000	397,635,371	(19,664,495)	587,365,876
2024	267,550,000	385,994,979	(19,566,998)	633,977,980
2025	323,420,000	371,605,885	(19,399,206)	675,626,679
2026	339,185,000	355,263,178	(19,221,907)	675,226,271
2027-2031	1,603,366,437	1,951,152,866	(93,196,762)	3,461,322,540
2032-2036	1,767,118,719	1,853,317,924	(91,462,631)	3,528,974,012
2037-2041	2,115,724,239	1,080,228,286	(88,433,278)	3,107,519,247
2042-2046	1,537,635,000	353,493,765	(54,655,740)	1,836,473,025
2047-2051	703,880,000	58,868,680	(9,672,090)	753,076,590
2052	1,000,000	16,670	-	1,016,670
Interest Accretion	494,534,735	(494,534,735)	-	-
	<u>\$ 9,482,104,129</u>	<u>\$ 6,718,859,487</u>	<u>\$ (434,953,494)</u>	<u>\$ 15,766,010,122</u>

(*) Note: Due to Sequestration, BAB's Subsidy is reduced by 5.7%.

The Interest and Sinking and Reserve Accounts required by the Trust Agreement have been established with the Trustee. The balances as of December 31, 2021 were:

	Cash and Investment Balance	Trust Requirement
Bond Interest Account	\$ 202,289,096	\$ 202,288,822
Debt Service Reserve Account (*)	448,251,507	449,935,067
Redemption Account	119,295,158	119,295,000
Total	<u>\$ 769,835,761</u>	<u>\$ 771,518,889</u>

(*) The Debt Service Reserve account per the trust agreement is not valued at market price but amortized value. The amortized value at 12/31/2021 was \$454,575,263.

Defeasance of Debt

The Authority has defeased various revenue bonds issues by placing funds and securities in irrevocable trusts with external financial institutions to provide for all future debt service payments on the bonds through the earlier of the maturity date or the first call date. As of December 31, 2021, the amounts of defeased bonds, at par, that remain outstanding was \$1,011,145,000.

Notes to Basic Financial Statements

December 31, 2021

Debt Issuances

On May 25, 2021, the Authority issued \$402,110,000 of North Texas Tollway Authority First Tier Taxable Revenue Refunding Bonds, Series 2021A, for the purpose of refunding all of \$295,165,000 of Series 2008I CABS Bonds and \$40,000,000 of Series 2014A Bonds. The Series 2021A Bonds were issued as serial bonds and term bonds maturing January 1, 2029 through January 1, 2043. The bonds have an interest rate of 1.83%-3.01%.

The refunding results for 2008I and 2014A resulted in a decrease the aggregate debt service between the refunding debt and refunded debt. The difference between the reacquisition price and the net carrying amount of the 2008I and 2014A Bonds refunded by 2021A Taxable Revenue Refunding Bonds of (\$65,580,159) was deferred and is being amortized over the stated term of the Series 2008I Bonds. Amortization of the deferred outflow in resources on the refunding was \$1,667,292 for the year ended December 31, 2021. The deferred outflow in resources ending balance for the year ended December 31, 2021 was (\$63,912,867). The refunding reduced total debt service payments over the next 23 years by nearly \$87.7 million. This results in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$86.2 million.

On May 25, 2021, the Authority issued \$446,045,000 of North Texas Tollway Authority Second Tier Revenue Refunding Bonds, Series 2021B, for the purpose of refunding all of \$200,000,000 of the Commercial Paper Notes and all of \$319,521,038 of the State Highway 360 Project Loan. The Series 2021B Bonds were issued as serial bonds and term bonds maturing January 1, 2025 through January 1, 2051. The bonds have an interest rate of 2.25%-5.00%. The refunding reduced total debt service payments over the next 34 years by nearly \$113.2 million. This results in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$105.2 million.

Commercial Paper

On April 18, 2001, the Authority's Board of Directors authorized the \$200,000,000 Dallas North Tollway Authority Tax-Exempt Commercial Paper program. On August 19, 2015, the Authority amended the commercial paper resolution providing for the ability to have commercial paper notes (Notes) purchased directly by a bank under the revolving note purchase agreement, or have public sales of Notes supported by a direct pay letter of credit.

On December 21, 2016, the Authority approved JPMorgan as provider of a note purchase facility of \$200,000,000 plus required interest coverage with a term of three years. On December 18, 2019, the Authority approved the extension and amendment of the existing Note Purchase Agreement with a term of three years. Any advances for payments of Notes under the Note Purchase Agreement are secured by a Second Tier Lien on the Authority's revenues and constituted a Second Tier Obligation under the Amended and Restated Trust Agreement.

On May 20, 2020, the Authority approved an amendment to the Note Purchase Agreement with JPMorgan and J.P. Morgan Securities LLC. On May 26, 2020, J.P. Morgan Securities purchased the full \$200,000,000 amount of notes with a 364-day maturity. The Authority will need to execute a new note purchase agreement or otherwise establish the ability to sell the Notes to the open market in order to continue to issue Notes under the Commercial Paper Program. On May 25, 2021 the Commercial Paper Program was fully refunded.

Short-term debt activities for the year ended December 31, 2021, were as follows:

	Balance at December 31, 2020	Additions	Reductions	Balance at December 31, 2021
Commercial Paper Notes	\$ 200,000,000	\$ -	\$ (200,000,000)	\$ -

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Upon the occurrence and during the continuance of an event of default or a non-investment grade event under the Advised Line Note Purchase Agreement with JP Morgan, the Bank may take one or more of the following actions at any time and from time to time:

- give notice to the Trustee of an event of default or a non-investment grade event;
- by written notice to the Issuer declare the Committed Facility to be terminated and thereafter the Bank will have no further obligation to purchase Notes;
- by written notice to the Issuer, declare the Obligations under the agreement to be immediately due and payable;
- subject to any restrictions in the Amended and Restated Trust Agreement, either personally or by attorney or agent without bringing any action or proceeding, or by a receiver to be appointed by a court in any appropriate action or proceeding, take whatever action at law or in equity may appear necessary or desirable to collect the amounts due and payable under the program documents or to enforce performance or observance of any obligation, agreement or covenant of the Issuer under the program documents, whether for specific performance of any program documents or covenant of the Issuer or in aid of the execution of any power granted to the Bank in the program documents;
- cure any default, event of default or event of nonperformance under any program document; provided, however, that the Bank shall have no obligation to effect such a cure;
- exercise, or cause to be exercised, any and all remedies as it may have under the program documents and as otherwise available at law and at equity.

Loans Payable

Additionally, the Authority funded, in part, costs of the construction of the PGBT with proceeds from a loan, which totaled \$135,000,000, made by TxDOT in 1995 pursuant to the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA). Interest at the rate of 4.2% began to accrue on October 1, 2000, compounding annually on January 1, with the first payment made in October 2004, and annual payments on January 1 thereafter until final payment in 2029, which resulted in a new loan amount at October 1, 2004 of \$154,338,133. Repayment of the loan to TxDOT is to be made from amounts on deposit in the Capital Improvement Fund with payments subordinate to bonds or other obligations of the Authority issued or entered into and secured by the tolls and revenues of the Authority. The loan's principal payable is \$91,289,967 as of December 31, 2021.

The following schedule summarizes the debt service requirements of the TxDOT ISTEA loan payable subsequent to December 31, 2021:

Fiscal years	TxDOT ISTEA Loan payable		Total
	Principal	Interest	
2022 (*)	\$ -	\$ -	\$ -
2023	11,488,218	3,834,179	15,322,397
2024	11,970,723	3,351,673	15,322,396
2025	12,473,493	2,848,903	15,322,396
2026	12,997,380	2,325,016	15,322,396
2027 - 2029	42,360,153	3,607,037	45,967,190
Total principal and interest	\$ 91,289,967	\$ 15,966,808	\$ 107,256,775

(*) ISTEA payment for 1/1/2022 of \$15,322,396 (principal = \$11,025,161 and interest = \$4,297,235) was made on 12/30/2021.

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December 31, 2021

Revolving Note Program

In order to provide additional funding for capital improvement projects of the System, the Authority secured a Credit Facility with RBC Capital Markets with an issuance of up to \$100,000,000 aggregate principal amount of revolving notes (*Revolving Notes*). The Revolving Notes are secured as First Tier Bonds. Pursuant to the Note Purchase Agreement executed under the program, RBC Capital Markets is obligated to purchase Revolving Notes upon request by the Authority that allow periodic draws and repayments in an amount up to \$100,000,000. On September 9, 2020, the North Texas Tollway Authority drew down \$100,000,000 of the Revolving Notes. On August 26, 2021, the \$100,000,000 draw from the previous year was fully paid off. This agreement expires on June 19, 2022.

Short-term debt activities for the revolving notes at year ended December 31, 2021, were as follows:

	Balance at December 31, 2020		Additions	Reductions	Balance at December 31, 2021	
Revolving Notes	\$	100,000,000	\$	-	\$	(100,000,000)
					\$	-

Upon the occurrence of a Noteholder Agreement Event of Default or a Step Up Rate Event, the following may occur:

- The Notes shall bear interest at the Default Rate immediately.
- The obligation of the Underwriter and the Purchaser to make additional advances shall terminate.
- Additionally, the Purchaser shall have all other remedies available under the Trust Agreement, the other Related Documents and such other remedies available at law or in equity.

Moreover, the Purchaser shall have the right to (i) direct the Trustee to take such remedial action as provided for in the Trust Agreement, including, without limitation, accelerating the Notes but only to the extent permitted by and in accordance with the Trust Agreement; (ii) take whatever action at law or in equity as may appear necessary or desirable to collect the amounts due or to enforce performance; and (iii) cure any Event of Default, provided, however, that the Purchaser shall have no obligation to effect such a cure.

In addition, all remedies will be cumulative and for the sole benefit of the Underwriter and the Purchaser. No delay or omission will be considered a waiver of any remedy. If the Purchaser discontinues or abandons a proceeding, the Purchaser has the right to do so and the Authority and the Purchaser will be restored to their former positions.

- To the extent any other debt secured by Pledged Revenues accelerates, or includes acceleration, then the Purchaser shall be provided acceleration as an additional remedy.

(6) Employees' Retirement Plan

Defined Benefit Pension Plan

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

Plan Description

The Authority participates as one of more than 830 plans in the joint contributory, defined benefit plan administered by TCDRS. TCDRS acts as an agent multiple-employer retirement system for county and district employees in the State of Texas. The TCDRS Act is the basis for administration of the pension system. The pension system is governed by a nine-member Board of Trustees and is managed by an administrative staff in Austin.

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Although the Governor, with the advice and consent of the Senate, appoints the Board, TCDRS is not fiscally dependent on the State of Texas. TCDRS's defined benefit pension plan is a tax-qualified plan under Section 401(a) of the Internal Revenue Code. TCDRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.tcdrs.org.

All eligible employees of the Authority are required to participate in TCDRS.

Benefits Provided

TCDRS provides retirement, disability and death benefits. Benefit provisions are adopted by the governing body of the Authority, within the options available in the state statutes governing TCDRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the Authority-financed monetary credits, with interest, were used to purchase an annuity. Members may choose to receive their retirement benefit in one of three actuarially equivalent payments options. A summary of plan provisions for the Authority are as follows:

Employee deposit rate	6% of Earnings
Authority matching rate	250%
Vesting period	10 Years
Retirement years (age/years of service)	60/10, Any/30, Rule of 75, age+service
Prior Service Credit	0%
Annuity Increase to retirees:	0%

Employees covered by benefit terms

At the December 31, 2020 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	249
Inactive employees entitled to but not yet receiving benefits	982
Active employees	721
Total	<u>1,952</u>

Contributions

Under the state law governing TCDRS, the contribution rate is determined annually by the consulting actuary, using the Replacement Life Entry Age (RLEA) cost method, a conservative cost method and an industry standard.

Employees for the Authority contributed 6% of their annual gross earnings during each fiscal year. The contribution rates for the Authority were 8.02% and 7.96% in fiscal years 2020 and 2021, respectively. The Authority's contributions to TCDRS for the year ended December 31, 2021, were \$3,457,120 and were equal to the required contributions.

Net Pension Asset

The Authority's Net Pension Asset (NPA) was measured as of December 31, 2020, and the Total Pension Liability (TPL) used to calculate the Net Pension Asset was determined by an actuarial valuation as of that date.

Actuarial assumptions

The Total Pension Liability in the December 31, 2020 actuarial valuation was determined using the following assumptions:

Inflation	2.50%
Overall Payroll Growth	2.00%
Investment Rate of Return	7.60%, long-term rate of return 7.50%, plus 0.10% administrative expenses

Salary increases were based on a service-related table. Mortality rates for active members were based on 90% of the RP-2014 Active Employee Mortality Table for males and 90% of the RP-2014 Active Employee Mortality Table for females, projected with 110% of the MP-2014 Ultimate scale after 2014.

Notes to Basic Financial Statements

December 31, 2021

Mortality rates for retirees, beneficiaries and non-depositing members were based on 130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.

Mortality rates for disabled retirees were based on 130% of the RP-2014 Disabled Annuitant Mortality Table for males and 115% of the RP-2014 Disabled Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.

The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant, Cliffwater LLC. The numbers shown are based on January 2021 information for a 10-year time horizon.

Note that the valuation assumption for long-term expected return is re-assessed at a minimum of every four years, and is set based on a long-term time horizon. The TCDRS Board of Trustee adopted the current assumption at their March 2021 meeting. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation ⁽¹⁾	Geometric Real Rate of Return ⁽²⁾ (Expected minus Inflation)
US Equities	11.50%	4.25%
Private Equity	25.00%	7.25%
Global Equities	2.50%	4.55%
International Equities - Developed Markets	5.00%	4.25%
International Equities - Emerging Markets	6.00%	4.75%
Investment-Grade Bonds	3.00%	-0.85%
Strategic Credit	9.00%	2.11%
Direct Lending	16.00%	6.70%
Distressed Debt	4.00%	5.70%
REIT Equities	2.00%	3.45%
Master Limited Partnerships (MLPs)	2.00%	5.10%
Private Real Estate Partnerships	6.00%	4.90%
Hedge Funds	6.00%	1.85%
Cash Equivalents	2.00%	-0.70%
Total	100.00%	

⁽¹⁾ Target asset allocation adopted at the March 2021 TCDRS Board meeting.

⁽²⁾ Geometric real rates of return equal the expected return minus the assumed inflation rate of 2.0%, per Cliffwater's 2021 capital market assumptions.

Discount Rate

The discount rate used to measure the Total Pension Liability was 7.60%. The projection of cash flows used to determine the discount rate assumed that employee contributions will remain at the current 6% and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Notes to Basic Financial Statements

December 31, 2021

Changes in the Net Pension Liability / (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability / (Asset) (a)-(b)
Balances as of January 01, 2020	\$135,684,925	\$142,663,376	(\$6,978,451)
Changes for the year:			
Service cost	6,255,644	-	6,255,644
Interest	11,329,196	-	11,329,196
Effect of plan changes	-	-	-
Effect of economic/demographic gains or losses	(227,544)	-	(227,544)
Effect of assumptions changes or inputs	9,898,160	-	9,898,160
Refund of contributions	(663,915)	(663,915)	-
Benefit payments	(3,566,308)	(3,566,308)	-
Administrative expenses	-	(116,966)	116,966
Member contributions	-	2,869,224	(2,869,224)
Net investment income	-	14,743,140	(14,743,140)
Employer contributions	-	3,835,196	(3,835,196)
Other changes	-	87,349	(87,349)
Balances as of December 31, 2020	<u>\$158,710,158</u>	<u>\$159,851,096</u>	<u>(\$1,140,938)</u>

Sensitivity Analysis

The following presents the net pension liability of the Authority, calculated using the discount rate of 7.60%, as well as what the Authority's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.60%) or 1 percentage point higher (8.60%) than the current rate.

	1% Decrease 6.60%	Current Discount Rate 7.60%	1% Increase 8.60%
Total pension liability	\$181,705,356	\$158,710,158	\$139,625,430
Fiduciary net position	159,851,096	159,851,096	159,851,096
Net pension liability / (asset)	<u>\$21,854,260</u>	<u>(\$1,140,938)</u>	<u>(\$20,225,666)</u>

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately issued TCDRS financial report. That report may be obtained on the Internet at www.tcdrs.org.

Notes to Basic Financial Statements

December 31, 2021

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources:

For the year ended December 31, 2021, the Authority recognized pension expense of \$3,578,390.

At December 31, 2021, the Authority reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions made subsequent to the measurement date	\$ 3,457,120	\$ -
Net difference between projected and actual earnings	-	4,864,054
Differences between expected and actual experience	148,760	531,079
Changes of assumptions	7,501,621	-
Total	\$ 11,107,501	\$ 5,395,133

\$3,457,120 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2022. The remainder of the total deferred outflows/inflows, \$2,255,248 related to pensions will be recognized in pension expense as follows:

Year ended December 31:	
2022	\$ 724,983
2023	2,300,943
2024	(152,614)
2025	(618,064)
Thereafter ⁽¹⁾	-
Total	\$ 2,255,248

⁽¹⁾ Total remaining balance to be recognized in future years, if any. Note that additional future deferred inflows and outflows of resources may impact these numbers.

401(k) Plan

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

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

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

Notes to Basic Financial Statements

December 31, 2021

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

Total 401(k) contributions allocated to the System by the Authority for the year ended December 31, 2021 were \$1,474,680 based on a covered payroll of \$41,365,113.

Social Security

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

(7) Risk Management

The Texas Municipal League (TML) Intergovernmental Risk Pool insures the Authority for workers' compensation. The Authority purchases insurance policies for all major areas of operation including buildings and contents, bridges, general liability, commercial umbrella, crime, directors and officers liability, and boiler and machinery coverage. There have not been any settlements exceeding insurance coverage in the years 2011-2021. There has not been any significant reduction of coverage.

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

Fiscal Year	Beginning Balance	Current year claim and changes in estimates	Claim Payments	Ending Balance
2015	\$ 876,665	\$ 10,903,339	\$ 11,780,004	\$ -
2016	-	12,393,455	11,354,397	1,039,058
2017	1,039,058	12,294,775	10,587,347	2,746,486
2018	2,746,486	11,331,252	10,937,466	3,140,272
2019	3,140,272	12,846,380	11,303,573	4,683,079
2020	4,683,079	14,059,984	11,456,537	7,286,526
2021	7,286,526	12,902,542	11,343,430	8,845,638

(8) Post-Employment Benefits Other Than Pensions (OPEB)

General Information PEBC OPEB Plan

Plan description. The Authority's group medical plans ("Plan") are administered through the Public Employees Benefits Cooperative (PEBC). The plan is a single-employer defined healthcare plan funded on a pay-as-you-go basis. Other post-employment benefits (OPEB) include health insurance and Medicare supplements.

Benefits provided. The Authority annually adopts a premium structure for retirees and their eligible dependents who participate in the various plans offered. An employee must be eligible for retirement with the Authority for insurance eligibility. The Authority currently supplements premiums between 60% to 71% for employees eligible for retirement with the Authority with 10 years or more service credit with the Authority. Those eligible for retirement with less than 10 years service credit with the Authority contribute 100% of the total premium.

Notes to Basic Financial Statements

December 31, 2021

The Authority does not maintain a trust to pay for future OPEB expenses. The Authority is not required by Texas law or by contractual agreement to provide funding for OPEB other than the pay-as-you-go amount necessary to provide current budget year benefits to retirees and their eligible dependents. Contributions, adjustment or elimination of the contributions, and adjustments to eligibility are subject to the Board of Directors annual budgetary discretion.

Employees covered by benefit terms. At December 31, 2020, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	28
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>695</u>
Total	<u>723</u>

Total OPEB Liability

The Authority's Total OPEB liability of \$20,078,303 was measured as of December 31, 2020, and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs. The Total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods including the measurement, unless otherwise indicated:

Actuarial Cost Method	Entry Age Normal based on level percentage of projected salary
Salary increases	3.50%
Discount Rate	2.12%
Healthcare cost trend rates	7.25% for 2021 decreasing 0.25% per year to an ultimate rate of 4.0% for later years. (pre-65retirees) 7.25% for 2021 decreasing .25% per year to an ultimate rate of 4.0% for later years. (post-65 retirees)
Retirees' share of benefit related costs	45.00% of projected health insurance premiums for pre and post-65 retirees

The discount rate for post-retirement welfare cost purposes is a single rate reflecting the yield or index rate for 20-year, tax exempt general obligation bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). This rate was obtained based on the Bond Buyer 20-Bond GO Index as reported in the Bond Buyer.

Mortality rates were based on the PUB-2010 generational table scaled using MP-20 and applied on a gender-specific basis.

The actuarial assumptions employed in the development of the other post-retirement benefit cost and other financial reporting have been selected by NTTA and in accordance with the Actuarial Standards of Practice. The Actuarial Standards of Practice require that each significant assumption is appropriate for the purpose of the measurement; takes into account historical and current economic data that is relevant as of the measurement date; reflects expected future experience and has no significant bias (i.e., it is not significantly optimistic or pessimistic).

Notes to Basic Financial Statements

December 31, 2021

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at December 31, 2019	\$ 24,178,808
Changes for the year:	
Service cost	2,878,051
Interest	739,440
Differences between expected and actual experience	(9,902,635)
Change of assumptions	2,324,617
Benefit payments	(139,978)
Net changes	<u>(4,100,505)</u>
Balance at December 31, 2020	<u>\$ 20,078,303</u>
Covered employee payroll	<u>\$ 41,945,063</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>48.00%</u>

Changes of assumptions: Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period:

The following are the discount rates used in each period:

2020	2.12%
2019	2.74%
2018	4.09%
2017	3.44%

The discount rate was based on 20-year tax exempt general obligation bonds with an average rating of AA/Aa or higher or equivalent quality on another rating scale. This rate was obtained on the Bond Buyer 20-Bond GO Index as reported in the Bond Buyer.

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.12%) or 1-percentage-point higher (3.12%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB liability	<u>\$ 24,764,000</u>	<u>\$ 20,078,303</u>	<u>\$ 16,495,000</u>

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rate. The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using the healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	<u>\$ 15,813,000</u>	<u>\$ 20,078,303</u>	<u>\$ 25,897,000</u>

Notes to Basic Financial Statements

December 31, 2021

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2020, the Authority recognized OPEB expense of \$2,308,980.

OPEB Expense

Service cost	\$ 2,878,051
Interest cost	739,440
Difference between expected and actual experience	(1,629,182)
Changes of assumptions ¹	320,671
	\$ 2,308,980

¹Changes of assumptions and other inputs reflect a change in the discount rate of 2.74% in 2019 to 2.12% in 2020.

At December 31, 2021, the Authority recognized deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions after measurement date	\$ 181,211	\$ -
Differences between expected and actual experience	-	(16,057,996)
Changes of assumptions/inputs	7,026,304	(3,457,322)
Total	\$ 7,207,515	\$ (19,515,318)

Amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal year ended December 31,	
2022	\$ (1,308,511)
2023	(1,308,511)
2024	(1,308,511)
2025	(1,308,511)
2026	(1,308,511)
Thereafter	(5,946,459)
Total	\$ (12,489,014)

Deferred outflows of resources totaling \$181,211 related to OPEB contributions after the measurement date will be recognized as a reduction of the Total OPEB liability in the year ended December 31, 2022.

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Authority's ERS OPEB Plan

Plan description. The Authority's Other Post-Employment Benefits under the Texas Employees Group Benefits Program (GBP) are administered by the Employees Retirement System of Texas (ERS). This plan is a cost sharing multiple-employer plan with a special funding situation (which applies to certain other employers, but does not apply to the Authority). The Authority reports its allocated proportional share of the GBP in the Authority's annual financial report. The GBP plan covers retired employees of the state, and other entities (including the prior Texas Turnpike Authority, now the North Texas Tollway Authority) as specified by the State Legislature. The benefit and contribution provisions of the GBP are authorized by state law and may be amended by the Legislature.

Benefits provided. The GBP provides self-funded group health (medical and prescription drug) benefits for eligible retirees under HealthSelect. The GBP also provides a fully insured medical benefit option for Medicare-primary participants under the HealthSelect Medicare Advantage Plan. An eligible retiree who has retired from full-time employment does not contribute toward the cost of coverage for himself/herself, but he/she pays a portion of the cost if he/she covers an eligible spouse or dependent child. An eligible retiree who has retired from part-time employment contributes toward the cost of coverage for himself/herself, as well as paying a portion of the cost if he/she covers an eligible spouse or dependent child. The GBP also provides life insurance benefits to eligible retirees via a premium funding arrangement. The authority under which the obligations of the Plan Members and Employer are established and/or may be amended is Chapter 1551, Texas Insurance Code. The Authority's GBP plan is closed to new entrants. The plan does not provide automatic cost of living adjustments (COLAs).

The Employer and member contribution rates are determined annually by the ERS Board Trustees based on the recommendations of the ERS staff and consulting actuary. The contribution rates are determined based on (i) the benefit and administrative costs expected to be incurred, (ii) the funds appropriated and (iii) the funding policy established by the Texas Legislature in connection with benefits provided through the GBP. The Trustees revise benefits when necessary to match expected benefit and administrative costs with the revenue expected to be generated by the appropriated funds.

During the measurement period of 2020 for fiscal year 2021 reporting, the amount of the Authority's contributions recognized by the ERS OPEB plan was \$319,996. The following table summarizes the monthly employer and plan member contributions toward eligible retiree's health and basic life premium.

	Employer	Plan Member
Retiree Only	\$ 624.82	\$ -
Retiree and Spouse	\$ 982.82	\$ 358.00
Retiree and Children	\$ 864.52	\$ 239.70
Retiree and Family	\$ 1,222.52	\$ 597.70

Employees covered by benefit terms. At December 31, 2020 the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	39
Inactive employees entitled but not yet receiving benefits	0
Active employees	0
Total members	39

Detailed information about the GBP's fiduciary net position is available in a separately issued ERS Comprehensive Annual Financial Report (CAFR) that includes financial statements, notes to the financial statements, and required supplementary information. That report may be obtained on the internet at <https://www.ers.texas.gov/About-ERS/GASB-Requirements>; or by writing to ERS at: 200 East 18th Street, Austin Texas 78701.

Net ERS OPEB Liability

The Authority's Net ERS OPEB Liability of \$3,870,253 was measured as of August 31, 2020, and was determined by an actuarial valuation as of August 31, 2020. No actuarial valuation is available for December 31, 2020 and the Authority's management deems any difference in the net ERS OPEB liability between these two dates are too immaterial to be consider.

Notes to Basic Financial Statements

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Actuarial assumptions and other inputs. The total OPEB liability in the August 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.30%
Salary increases	2.30% to 9.05% (including inflation)
Discount rate	2.20%
Healthcare cost trend rates	8.80% for FY2022, 5.25% for FY2023, 5.00% for FY2024, 4.75% for FY2025, 4.60% for FY26, decreasing 10 basis points per year to an ultimate rate of 4.30% for FY29 and later years

The discount rate used to measure the total ERS OPEB liability was the municipal bond rate of 2.20%. The source of the municipal bond rate is the Bond Buyer Index of general obligation bonds with 20 years to maturity and mixed credit quality. In describing their index, the Bond Buyer notes that the bonds' average credit quality is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA.

Mortality rates for service retirees, survivors and other inactive members were based on the 2020 State Retirees of Texas mortality table with a 1 year set forward for male CPO/CO members and Ultimate MP Projection Scale projected from year 2020.

Mortality rates for disabled retirees were based on the 2020 State Retirees of Texas mortality table with a 3 year set forward for males and females with Ultimate MP Projection Scale projected from year 2020.

Mortality rates for active members were based on the PUB-2010 General Employees Active Member Mortality table for non-CPO/CO members with Ultimate MP Projection Scale from the year 2010.

The actuarial assumptions used in this valuation were based on the results of actuarial experience studies performed by the ERS retirement plan actuary as of August 31, 2019 and the TRS retirement plan actuary as of August 31, 2017.

At December 31 2021, the Authority reported a liability of \$3,870,253 for its proportionate share of the collective ERS net OPEB liability. The collective OPEB liability was measured as of August 31, 2020, and the total OPEB liability used to calculate the net liability was determined by an actuarial valuation as of that date. At August 31, 2020, the Authority's proportional percentage was 0.01171220% which was an decrease of 0.00077503% from its proportional percentage measured as of August 31, 2019. The Authority's proportion of the collective ERS net OPEB liability was based on its contributions to the OPEB plan relative to the contributions of all the employers and non-employer contributing entities to the plan for the period September 1, 2019 through August 31, 2020.

Change of Assumptions. Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period.

2017	3.51%
2018	3.96%
2019	2.97%
2020	2.20%

Sensitivity of the Authority's Proportionate Share of the ERS Net OPEB Liability to Changes in the Discount Rate. The following presents the ERS Net OPEB liability of the Authority, as well as what the Authority's ERS Net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.20%) or 1-percentage-point higher (3.20%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
	1.20%	2.20%	3.20%
ERS Net OPEB Liability	\$ 4,600,069	\$ 3,870,253	\$ 3,298,508

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Sensitivity of the Authority's Proportionate Share of the ERS Net OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents the ERS Net OPEB liability of the Authority, as well as what the Authority's ERS Net OPEB liability would be if it were calculated using the healthcare cost trend rates that are 1-percentage-point lower (7.80 percent decreasing to 3.30 percent) or 1-percentage-point higher (9.80 percent decreasing to 5.30 percent) than the current healthcare cost trend rates:

	1% Decrease (7.80% decreasing to 3.30%)	Current Healthcare Cost Trend Rates (8.80% decreasing to 4.30%)	1% Increase (9.80% decreasing to 5.30%)
ERS Net OPEB Liability	\$ 3,239,147	\$ 3,870,253	\$ 4,697,567

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2021, the Authority recognized ERS OPEB expense of \$(45,664).

Service cost	\$ 180,365
Interest cost	124,519
Amortization of differences between expected and actual experience	(49,822)
Amortization of changes of assumptions	(301,875)
Employee contributions	(26,956)
Other	(12,808)
Benefit payments	39,761
Projected earnings	(284)
Amortization of differences between projected and actual earnings	637
Administrative expense	798
ERS OPEB Expense	\$ (45,664)

At December 31, 2021, the Authority reported deferred outflows and inflows of resources related to ERS OPEB from the following sources:

Outstanding Deferred Outflows and Deferred Inflows Related to ERS OPEB at December 31, 2021		
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 151,368
Changes in assumptions	224,061	833,880
Change in proportionate share on ERS OPEB liability	-	5,951,471
Net difference between projected and actual earnings on ERS OPEB plan investments	1,155	-
Contributions subsequent to the measurement date	319,996	-
Total	\$ 545,212	\$ 6,936,719

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The \$319,996 reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net OPEB liability for the year ending December 31, 2022.

Amounts reported as deferred outflows of resources related to ERS OPEB will be recognized in OPEB expense as follows:

Fiscal Year ending:	
2022	\$ (2,587,220)
2023	(2,476,226)
2024	(1,472,226)
2025	(116,303)
2026	(59,528)
Thereafter	-
Total	\$ (6,711,503)

Transactions for the year ended December 31, 2021 are summarized as follows:

	Balance January 1	Additions	Reductions	Balance December 31	Due within one year
Other Postemployment Benefits Liability - PEBC	\$ 24,178,806	\$ 6,641,562	\$ (10,742,065)	\$ 20,078,303	\$ -
Other Postemployment Benefits Liability - ERS	4,315,921	415,841	(861,509)	3,870,253	-
Total	\$ 28,494,727	\$ 7,057,403	\$ (11,603,574)	\$ 23,948,556	\$ -

Notes to Basic Financial Statements

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(9) Disaggregation of Receivable Balances

The unrestricted accounts receivable balance is \$93,808,158, and the restricted accounts receivable balance is \$9,840,193. The unrestricted balance consists of \$77,227,481 for billed video tolls (net of the allowance for doubtful accounts of \$293,166,613); \$16,466,204 for unbilled video tolls (net of the allowance for doubtful accounts of \$44,128,901), and \$114,473 for miscellaneous other receivables. The restricted balance consists of BAB's subsidy receivable of \$9,840,193.

Based upon the payment history for each 30 day bucket of aged billed toll receivables, an allowance is calculated for the expected percentage that will remain unpaid based upon these historical trends. The allowance for uncollectible receivables currently ranges from a minimum of 20% on invoices that are current (age of 0-30 days) to a maximum of 100% for invoices that have met the business rules for write-off with an overall average of 79.2% reserved for all invoices.

NTTA books as an account receivable the value of uninvoiced Zip Cash transactions that are matched with the Department of Motor Vehicles (DMV) with an overall historical average of 54.0% reserved.

NTTA books as an accounts receivable the value of unidentified ZipCash transactions that are not yet matched with DMV with a 100% reservation.

Video Toll Transactions	Allowance Method	North Texas Tollway System	Non-Major Enterprise Fund	Total
Recorded Billed Video Tolls:				
Gross Billed Video Tolls		\$ 281,390,174	\$ 89,003,920	\$ 370,394,094
Allowance for Uncollectible	age based	(223,686,411)	(69,480,202)	(293,166,613)
Net Billed Video Tolls		<u>\$ 57,703,763</u>	<u>\$ 19,523,718</u>	<u>\$ 77,227,481</u>
Recorded Unbilled Video Tolls:				
Matched with DMV	historical avg	\$ 22,820,342	\$ 7,798,661	\$ 30,619,003
Unmatched with DMV	100%	15,345,266	14,630,836	29,976,102
Total Gross Unbilled Video Tolls		<u>38,165,608</u>	<u>22,429,497</u>	<u>60,595,105</u>
Allowance for Uncollectible		<u>(26,477,544)</u>	<u>(17,651,357)</u>	<u>(44,128,901)</u>
Net Recorded Unbilled Video Tolls		<u>\$ 11,688,064</u>	<u>\$ 4,778,140</u>	<u>\$ 16,466,204</u>

Notes to Basic Financial Statements

December 31, 2021

(10) Commitments and Contingencies

At the end of fiscal year 2021, there was \$1,727,697,273 in cash and investments with \$771,244,330 restricted for debt service, \$15,635,946 restricted for construction, \$516,446 restricted for NTE 3A/3B and \$940,300,551 available for operation. The System has \$20,621,988 in account and retainage payable that are comprised primarily of construction-related payables at December 31, 2021. Additionally, the System has contract and purchase order commitments at December 31, 2021 aggregating \$4,609,077.

Required Supplementary Information

December 31, 2021

Modified Approach - Infrastructure

The Authority has elected to use the Modified Approach to account for maintenance of the Authority's infrastructure assets. As required by the Trust Agreement, an annual inspection of the Authority's roadways has occurred, conducted by the Authority's General Engineering Consultant, Atkins North America, Inc. This inspection was supplemented with specialized inspections by the Authority's Maintenance Management Consultant, VRX, Inc., and the Texas Department of Transportation. The results of the various inspections are utilized to calculate an overall rating, indicating the average condition of the Authority's infrastructure assets (roadways and bridges). The assessment of conditions is made by visual and mechanical tests designed to reveal any condition that would reduce user benefits below the maximum level of service. The Authority's goal is to maintain the Authority's infrastructure assets at a rating of 8 or better (1 to 10 scale), and has established a minimum level for GASB No. 34 purposes of a condition level of 6 or greater. These condition levels were adopted by the Board of Directors for the North Texas Tollway Authority (NTTA) by Resolution No. 02-31 on June 19, 2002 and further clarified by Resolution No. 07-169 on December 19, 2007. In accordance with GASB 34, the Capital Assessment and Inspection Report is due every three years. The last Capital Assessment and Inspection Report for the North Texas Tollway Authority was completed in 2021.

The infrastructure assets include PGBT, DNT, AATT, MCLB, SRT, LLTB, CTP and 360T main lane plazas, ramp plazas, maintenance shops, administration buildings, and IT lane equipment. The roadways are a major transportation network consisting of 149 centerline miles of high-speed roadways, 15 major interchanges, 44 main lane toll plazas/gantries, 162 ramp toll plazas/gantries, 603 bridges, one tunnel, and other structures and appurtenances. All assets combined totaled approximately \$5.46 billion in current replacement value for FYE 2021.

Condition Index

A Condition Index is a measure of the "intrinsic value" of the asset as opposed to the book value. A Condition Index with a value of 10.0 is considered "like new"; conversely, a Condition Index with a value of 0.0 is considered "unusable." Evaluations were performed on all of the infrastructure assets under Authority jurisdiction. The evaluation resulted in an average Condition Index of 8.9 for all of the assets combined. The following table shows the Condition Index for the years 2012 through 2021.

Condition Index Table		
Condition Index		
Fiscal Year	Current	Goal
2021	8.9	8.0
2020	8.9	8.0
2019	8.8	8.0
2018	8.8	8.0
2017	8.9	8.0
2016	8.7	8.0
2015	8.8	8.0
2014	8.9	8.0
2013	8.9	8.0
2012	8.9	8.0

Condition Assessment and Inventory

A comprehensive condition assessment on all the Authority's infrastructure assets was conducted in July 2021. The Authority's Maintenance Management Consultant performed condition assessments of the Authority's roadway pavement and the Texas Department of Transportation provided condition assessments for bridges as part of the National Bridge Inspection Program. Assessment procedures and representative work samples were reviewed by NTTA's General Engineering Consultants, Atkins North America, Inc.

Required Supplementary Information

December 31, 20201

A condition assessment was performed on the Authority's bridges using the *Recording and Coding Guide for the Structure Inventory and Appraisal of the Nation's Bridges*, published by the Federal Highway Administration (FHWA). A Sufficiency Rating was determined using the Sufficiency Rating Formula, a method of evaluating highway bridge data by calculating the four factors to obtain a numeric value, which is indicative of bridge sufficiency.

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

Roadways

The Authority's Maintenance Management Consultant assessed pavement conditions on all of the Authority's roadways using the Condition Rating System (CRS) developed by Applied Research Associates (ARA). The CRS methodology assessed conditions based on both surface distress (e.g., cracking) and ride quality. The CRS data was utilized to update models that project future pavement conditions and repair needs based on roadway type, age, current condition, and level of traffic.

Additionally, a monthly condition assessment, consisting of visual inspection of the Authority's roadways, appurtenances, and edge conditions, was performed on sections of the Authority's roadways. This assessment is based on methodology from the Highway Maintenance Condition Assessment Program (HMCAP), as developed by Roy Jorgensen Associates, Inc. A Maintenance Rating Program (MRP) Index was determined from the monthly assessment. It would have been impractical to perform a MRP evaluation over the entire length; therefore, 10% of the Authority's total roadways were randomly selected for MRP evaluation. These values were then weighted and totaled to determine an overall MRP Index. Of this total MRP Index, travel lanes and shoulders account for 70%, roadside components accounted for 15%, and other items account for 15%.

Currently, the 149 centerline miles (approximately 1,158 main lane miles) of main lane roadways have a Roadway Index of 8.9.

The budget-to-actual expenditures for preservation and other infrastructure maintenance costs were as follows for the years 2012 through 2021.

Fiscal Year	Budget	Actual
2021	\$ 51,147,702	\$ 23,576,241
2020	61,391,775	28,906,955
2019	58,126,144	20,627,996
2018	48,128,568	22,311,736
2017	52,299,280	23,308,416
2016	38,511,676	19,890,127
2015	22,572,948	12,041,778
2014	27,394,112	11,144,585
2013	21,231,300	15,568,942
2012	23,464,926	10,240,825

Required Supplementary Information

December 31, 2021

Schedule of Changes in Net Pension Liability / (Asset) and Related Ratios

Last Ten Fiscal Years
(Unaudited)

	Year Ended December 31						
	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability:							
Service cost	\$ 6,255,644	\$ 5,731,204	\$ 5,797,476	\$ 6,013,434	\$ 6,194,580	\$ 5,982,873	\$ 5,624,416
Interest on total pension liability	11,329,196	10,201,243	9,342,784	8,456,928	7,402,223	6,720,140	6,043,983
Effect of plan changes	-	1,118,722	-	-	-	(1,136,084)	-
Effect of assumption changes or inputs	9,898,160	-	-	390,009	-	907,438	-
Effect of economic/demographic (gains) or losses	(227,544)	297,520	(935,269)	(633,015)	(1,073,578)	(1,956,006)	(1,153,799)
Benefit payments/refunds of contributions	(4,230,223)	(3,676,093)	(3,410,005)	(2,752,605)	(2,215,107)	(2,408,086)	(2,059,927)
Net change in total pension liability	23,025,233	13,672,596	10,794,986	11,474,751	10,308,118	8,110,275	8,454,673
Total pension liability, beginning	135,684,925	122,012,329	111,217,343	99,742,592	89,434,474	81,324,199	72,869,526
Total pension liability, ending (a)	158,710,158	135,684,925	122,012,329	111,217,343	99,742,592	89,434,474	81,324,199
Plan Fiduciary Net Position:							
Employer contributions	3,835,196	4,792,134	3,586,802	3,416,686	3,148,616	3,304,846	3,197,933
Member contributions	2,869,224	2,736,148	2,592,872	2,534,007	2,475,976	2,491,090	2,320,145
Investment income net of investment expenses	14,743,140	19,570,700	(2,178,710)	14,749,679	6,711,695	(2,151,146)	5,330,438
Benefit payments/refunds of contributions	(4,230,223)	(3,676,093)	(3,410,005)	(2,752,605)	(2,215,107)	(2,408,086)	(2,059,927)
Administrative expenses	(116,966)	(108,715)	(95,740)	(78,878)	(72,943)	(64,794)	(65,461)
Other	87,349	151,653	94,381	42,116	267,541	78,087	(32,293)
Net change in fiduciary net position	17,187,720	23,465,827	589,599	17,911,005	10,315,778	1,249,997	8,690,835
Fiduciary net position, beginning	142,663,376	119,197,549	118,607,949	100,696,945	90,381,167	89,131,170	80,440,335
Fiduciary net position, ending (b)	159,851,096	142,663,376	119,197,549	118,607,949	100,696,945	90,381,167	89,131,170
Net pension liability / (asset), ending = (a) - (b)	\$ (1,140,938)	\$ (6,978,451)	\$ 2,814,780	\$ (7,390,607)	\$ (954,353)	\$ (946,693)	\$ (7,806,971)
Fiduciary net position as a % of total pension liability	100.72%	105.14%	97.69%	106.65%	100.96%	101.06%	109.60%
Pensionable covered payroll	\$ 47,820,383	\$ 45,602,463	\$ 43,214,528	\$ 42,233,445	\$ 41,266,268	\$ 41,518,172	\$ 38,669,085
Net pension liability / (asset) as % of covered payroll	-2.39%	-15.30%	6.51%	-17.50%	-2.31%	-2.28%	-20.19%

*FNP may be off a dollar due to rounding

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the standards of GASB 68, they should not be shown here. The Authority implemented GASB 68 in fiscal year 2015, therefore the required information for this schedule will be built over the next three years. The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.

Required Supplementary Information

December 31, 2021

Schedule of Employer Pension Contributions

Last Ten Fiscal Years
(Unaudited)

Year Ending December 31	Actuarially Determined Contribution ⁽¹⁾	Actual Employer Contribution ⁽¹⁾	Contribution Deficiency (Excess) ⁽³⁾	Pensionable Covered Payroll ⁽²⁾	Actual Contribution as a % of Covered Payroll
2012	\$ 3,174,859	\$ 3,174,859	\$ -	\$ 34,888,560	9.1%
2013	3,060,429	3,060,429	-	36,917,119	8.3%
2014	3,197,933	3,197,933	-	38,669,085	8.3%
2015	3,304,846	3,304,846	-	41,518,172	8.0%
2016	3,148,616	3,148,616	-	41,266,265	7.6%
2017	3,416,686	3,416,686	-	42,233,445	8.1%
2018	3,586,802	3,586,802	-	43,214,528	8.3%
2019	3,525,070	4,792,134	(1,267,064)	45,602,463	10.5%
2020	3,711,877	3,711,877	-	47,340,902	7.8%
2021	3,457,120	3,457,120	-	44,334,264	7.8%

- ⁽¹⁾ TCDRS calculates actuarially determined contributions on a calendar year basis. GASB Statement No. 68 indicates the employer should report employer contribution amounts on a fiscal year basis.
- ⁽²⁾ Payroll is calculated based on contributions as reported to TCDRS
- ⁽³⁾ 2019 Contribution Excess relates to 2020 COLA retirees that was fully prepaid in 2019

Notes to Schedule:

Valuation Date: Actuarially determined contribution rates are calculated each December 31, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age	
Asset Valuation Method	5-year smoothed market	
Inflation	2.50%	
Salary Increases	Varies by age and service. 4.6% avg. over career including inflation	n
Investment Rate of Return	7.50%, net of investment expenses, including inflation	
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.	3
Mortality	130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale	1
Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions*	2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected. 2019: New inflation, mortality and other assumptions were reflected.	3d, ioi

* Only changes that affect the benefit amount and that are effective 2015 and later are shown in the Notes to Schedule.

Required Supplementary Information

December 31, 2021

Schedule of Changes in PEBC Total OPEB Liability and Related Ratios

Last 10 Calendar Years
(Unaudited)

	2018	2019	2020	2021
Total PEBC OPEB Liability - Beginning	\$ 22,215,020	\$ 27,310,086	\$ 17,134,836	\$ 24,178,808
Changes for the year:				
Service cost	2,342,914	2,892,226	2,194,343	2,878,051
Interest	926,699	1,035,731	786,170	739,440
Differences between expected and actual experience	-	(9,321,849)	-	(9,902,635)
Changes of assumptions	1,909,633	(4,593,662)	4,278,289	2,324,617
Benefit payments	(84,180)	(187,696)	(214,830)	(139,978)
Net changes	5,095,066	(10,175,250)	7,043,972	(4,100,505)
Total PEBC OPEB Liability - Ending	\$ 27,310,086	\$ 17,134,836	\$ 24,178,808	\$ 20,078,303
Covered employee payroll	\$ 38,100,336	\$ 39,991,740	\$ 44,045,562	\$ 41,945,063
Total PEBC OPEB liability as a percentage of covered-employee payroll	71.68%	42.85%	55.00%	48.00%

Note: This schedule is presented to illustrate the requirement to show information for ten years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the standards of GASB 75, they should not be shown here. The Authority implemented GASB 75 in fiscal year 2018, therefore the required information for this schedule will be built over the next six years. The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.

The Authority has no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the pension/OPEB plan.

Required Supplementary Information

December 31, 2021

Schedule of Authority's Share of ERS Net OPEB Liability

Last 10 Calendar Years
(Unaudited)

Fiscal Year Ending December 31,	2018	2019	2020	2021
Authority's proportional share of collective net ERS OPEB liability (%)	0.04181875%	0.01289561%	0.01248723%	0.01171220%
Authority's proportional share of collective net ERS OPEB liability (\$)	\$ 14,248,907	\$ 3,821,968	\$ 4,315,921	\$ 3,870,253
Covered Payroll	\$ 4,911,742	\$ 1,553,556	\$ 1,538,430	1,482,208
ERS Net OPEB Liability as a Percentage of Covered Payroll	290.10%	246.01%	280.54%	261.11%
ERS Plan Fiduciary Net Position as a Percentage of Total ERS OPEB Liability	2.04%	1.27%	0.17%	0.32%

Schedule of Authority's Contributions to ERS OPEB

Last 10 Calendar Years
(Unaudited)

Fiscal Year Ending December 31,	2018	2019	2020	2021
Actuarially determined contributions	N/A (*)	N/A (*)	N/A (*)	N/A (*)
Actual contributions	\$ 369,614	\$ 369,401	\$ 342,271	\$ 319,996
Contribution deficiency (excess)	N/A (*)	N/A (*)	N/A (*)	N/A (*)
Covered Payroll	\$ 4,911,742	\$ 1,553,556	\$ 1,538,430	\$ 1,482,208
Ratio of actual contributions/employer covered payroll amount	7.53%	23.78%	22.25%	21.59%

(*) N/A – Not Available

Note: This schedule is presented to illustrate the requirement to show information for ten years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the standards of GASB 75, they should not be shown here. The Authority implemented GASB 75 in fiscal year 2018, therefore the required information for this schedule will be built over the next six years. The amounts presented for each fiscal year in the top table were determined as of the year-end that occurred one year prior.

The Authority has no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the pension/OPEB plan.



NTTA's Roadside Safety Services assisted over 29,000 motorists in 2021

Schedule of Net Position by Trust Account

December 31, 2021

Schedule of Net Position by Trust Account

December 31, 2021

Schedule 1

	Total	Non-Major Enterprise Fund	North Texas Tollway System	Interfund Eliminations/Reclassifications	Construction and Property Account	Revenue Account	Operations and Maintenance Account	Reserve Maintenance Account	Capital Improvement Fund	Debt Service Accounts		
										Bond Interest Account	Reserve Account	Redemption Account
Assets												
Current assets:												
Cash and cash equivalents	\$ 45,306,445	\$ 5,718,414	\$ 39,588,031	\$ -	\$ -	\$ 25,624,130	\$ 14,499,447	\$ 76,138	\$ (611,684)	\$ -	\$ -	\$ -
Investments	628,037,466	32,098,431	595,939,035	-	-	61,958,698	41,289,237	31,083,213	461,607,887	-	-	-
Accrued interest receivable	771,537	-	771,537	-	-	225,061	-	-	546,476	-	-	-
Interproject/agency receivables	21,256,203	5,126,980	16,129,223	-	-	16,129,223	-	-	-	-	-	-
Accounts receivable (net of allowance for uncollectibles)	77,341,954	19,523,718	57,818,236	-	-	57,703,763	114,473	-	-	-	-	-
Unbilled accounts receivable (net of allowance for uncollectibles)	16,466,204	4,778,140	11,688,064	-	-	11,688,064	-	-	-	-	-	-
Prepaid expenses	814,803	-	814,803	-	-	-	814,803	-	-	-	-	-
Total current unrestricted assets	789,994,612	67,245,683	722,748,929	-	-	173,328,939	56,717,960	31,159,351	461,542,679	-	-	-
Current restricted assets:												
Restricted assets:												
Restricted for construction:												
Cash and cash equivalents	1,344,170	-	1,344,170	-	-	1,344,170	-	-	-	-	-	-
Investments	14,291,776	-	14,291,776	-	-	14,291,776	-	-	-	-	-	-
Restricted for debt service:												
Investments	350,954,183	-	350,954,183	-	-	-	-	-	1,408,570	202,289,096	27,961,359	119,295,158
Accrued interest receivable	576,177	-	576,177	-	-	-	-	-	-	8,999	558,742	8,436
Accounts receivable	9,840,193	-	9,840,193	-	-	-	-	-	-	9,840,193	-	-
Restricted for NTE 3A/3B:												
Investments	516,446	516,446	-	-	-	-	-	-	-	-	-	-
Total current restricted assets	377,522,945	516,446	377,006,499	-	-	15,635,946	-	-	1,408,570	212,138,288	28,520,101	119,303,594
Total current assets	1,167,517,557	67,762,129	1,099,755,428	-	-	15,635,946	56,717,960	31,159,351	462,951,249	212,138,288	28,520,101	119,303,594
Noncurrent assets:												
Investments	266,956,640	-	266,956,640	-	-	37,962,950	-	-	228,993,690	-	-	-
Investments restricted for debt service	420,290,147	-	420,290,147	-	-	-	-	-	-	-	420,290,147	-
Net pension asset	1,140,938	-	1,140,938	-	-	-	1,140,938	-	-	-	-	-
Service Concession Arrangement - Intangible asset (net of accumulated amortization)	2,366,129,222	-	2,366,129,222	-	-	-	-	-	-	-	-	-
Capital assets:												
Nondepreciable	6,285,472,707	-	6,285,472,707	634,333,255	5,651,139,451	-	-	-	-	-	-	-
Depreciable (net)	112,173,630	-	112,173,630	-	112,173,630	-	-	-	-	-	-	-
Total noncurrent assets	9,452,163,284	-	9,452,163,284	634,333,255	8,129,442,303	37,962,950	1,140,938	-	228,993,690	-	420,290,147	-
Total assets	10,619,680,841	67,762,129	10,551,918,712	634,333,255	8,145,078,249	211,291,889	57,858,898	31,159,351	691,944,939	212,138,288	448,810,248	119,303,594
Deferred outflow of resources												
Loss on refunding	522,844,599	-	522,844,599	-	-	522,844,599	-	-	-	-	-	-
ERS OPEB contributions after measurement date	319,996	-	319,996	-	-	-	319,996	-	-	-	-	-
Changes in actuarial assumptions used to determine PEBC OPEB liability	7,026,304	-	7,026,304	-	-	-	7,026,304	-	-	-	-	-
PEBC OPEB contributions after measurement date	181,211	-	181,211	-	-	-	181,211	-	-	-	-	-
Changes in actuarial assumptions used to determine ERS OPEB liability	224,061	-	224,061	-	-	-	224,061	-	-	-	-	-
Changes in actuarial assumptions used to determine pension liability	7,501,621	-	7,501,621	-	-	-	7,501,621	-	-	-	-	-
Difference in projected and actual earnings on ERS OPEB liability	1,155	-	1,155	-	-	-	1,155	-	-	-	-	-
Pension contributions after measurement date	3,457,120	-	3,457,120	-	-	-	3,457,120	-	-	-	-	-
Difference in expected and actual pension experience	148,760	-	148,760	-	-	-	148,760	-	-	-	-	-
Total deferred outflow of resources	541,704,827	-	541,704,827	-	-	522,844,599	18,860,228	-	-	-	-	-
Liabilities												
Current liabilities:												
Accounts payable	217,735	-	217,735	-	-	203,077	14,658	-	-	-	-	-
Accrued liabilities	41,096,718	10,077	41,086,641	-	-	1,377,815	26,175,001	2,142,419	9,003,065	-	-	-
Interproject/agency payables	17,248,256	1,083,367	16,164,889	-	-	-	-	-	-	-	-	-
Deferred revenue	101,296,282	-	101,296,282	-	-	101,296,282	-	-	-	-	-	-
Total current unrestricted liabilities	159,858,991	1,093,444	158,765,547	-	-	1,377,815	26,189,659	2,142,419	9,003,065	-	-	-
Payable from restricted assets:												
Construction-related payables:												
Accounts Payable	7,164,884	-	7,164,884	-	-	7,164,884	-	-	-	-	-	-
Retainage payable	13,239,369	-	13,239,369	-	-	6,078,633	-	430,113	6,730,623	-	-	-
Debt service-related payables:												
Accrued interest payable	204,040,905	-	204,040,905	-	-	-	-	-	1,752,083	202,288,822	-	-
Revenue bonds payable, current portion	119,295,000	-	119,295,000	-	-	119,295,000	-	-	-	-	-	-
Restricted for NTE 3A/3B:												
Intergovernmental payable	516,446	516,446	-	-	-	-	-	-	-	-	-	-
Total current liabilities payable from restricted assets	344,256,604	516,446	343,740,158	-	-	132,538,517	-	430,113	8,482,706	202,288,822	-	-
Total current liabilities	504,115,595	1,609,890	502,505,705	-	-	133,916,332	26,189,659	2,572,532	17,485,771	202,288,822	-	-
Noncurrent liabilities:												
Total other post-employment benefits liability - PEBC plan	20,078,305	-	20,078,305	-	-	-	20,078,305	-	-	-	-	-
Net other post-employment benefit liability - ERS plan	3,870,251	-	3,870,251	-	-	-	3,870,251	-	-	-	-	-
Texas Department of Transportation ISTEPA loan payable	91,289,967	-	91,289,967	-	-	91,289,967	-	-	-	-	-	-
Dallas North Tollway System revenue bonds payable, net of bond discount (premium) costs of \$634,333,255	9,997,142,384	-	9,997,142,384	634,333,255	9,309,781,845	-	-	-	50,000,000	3,027,283	-	-
Total noncurrent liabilities	10,112,380,907	-	10,112,380,907	634,333,255	9,401,071,812	-	23,948,556	-	50,000,000	3,027,283	-	-
Total liabilities	10,616,496,502	1,609,890	10,614,886,612	634,333,255	9,534,988,144	120,052,589	50,138,215	2,572,532	67,485,771	205,316,105	-	-
Deferred inflow of resources												
Gain on refunding	25,777,229	-	25,777,229	-	-	25,777,229	-	-	-	-	-	-
Difference in expected and actual ERS OPEB experience	151,368	-	151,368	-	-	-	151,368	-	-	-	-	-
Change in actuarial assumptions used to determine ERS OPEB liability	833,880	-	833,880	-	-	-	833,880	-	-	-	-	-
Change in proportionate share on ERS OPEB liability	5,951,471	-	5,951,471	-	-	-	5,951,471	-	-	-	-	-
Change in actuarial assumptions used to determine PEBC OPEB liability	3,457,322	-	3,457,322	-	-	-	3,457,322	-	-	-	-	-
Difference in expected and actual PEBC OPEB experience	16,057,996	-	16,057,996	-	-	-	16,057,996	-	-	-	-	-
Difference in projected and actual earnings on pension assets	4,864,054	-	4,864,054	-	-	-	4,864,054	-	-	-	-	-
Difference in expected and actual pension experience	531,079	-	531,079	-	-	-	531,079	-	-	-	-	-
Total deferred inflow of resources	57,624,399	-	57,624,399	-	-	25,777,229	31,847,170	-	-	-	-	-
Net Position												
Net investment in capital assets	(3,339,239,957)	-	(3,339,239,957)	(2,440,664,578)	(898,575,379)	-	-	-	-	-	-	-
Restricted for:												
Debt service	1,479,740,796	-	1,479,740,796	925,119,065	-	91,239,300	-	-	7,750,000	6,822,183	448,810,248	-
SCA Intangible	2,366,129,222	-	2,366,129,222	-	2,366,129,222	-	-	-	-	-	-	-
Unrestricted	(19,365,294)	66,152,239	(85,517,533)	1,515,545,513	(2,360,396,368)	-	(5,266,259)	28,586,819	616,709,168	-	-	119,303,594
Total net position	\$ 487,264,767	\$ 66,152,239	\$ 421,112,528	\$ -	\$ (892,842,525)	\$ 91,239,300	\$ (5,266,259)	\$ 28,586,819	\$ 624,459,168	\$ 6,822,183	\$ 448,810,248	\$ 119,303,594

Statistics

(unaudited)



Introduction to Statistical Section

(unaudited)

INTRODUCTION

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

FINANCIAL TRENDS

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

REVENUE CAPACITY

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

DEBT CAPACITY

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

DEMOGRAPHIC AND ECONOMIC INFORMATION

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

OPERATING INFORMATION

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

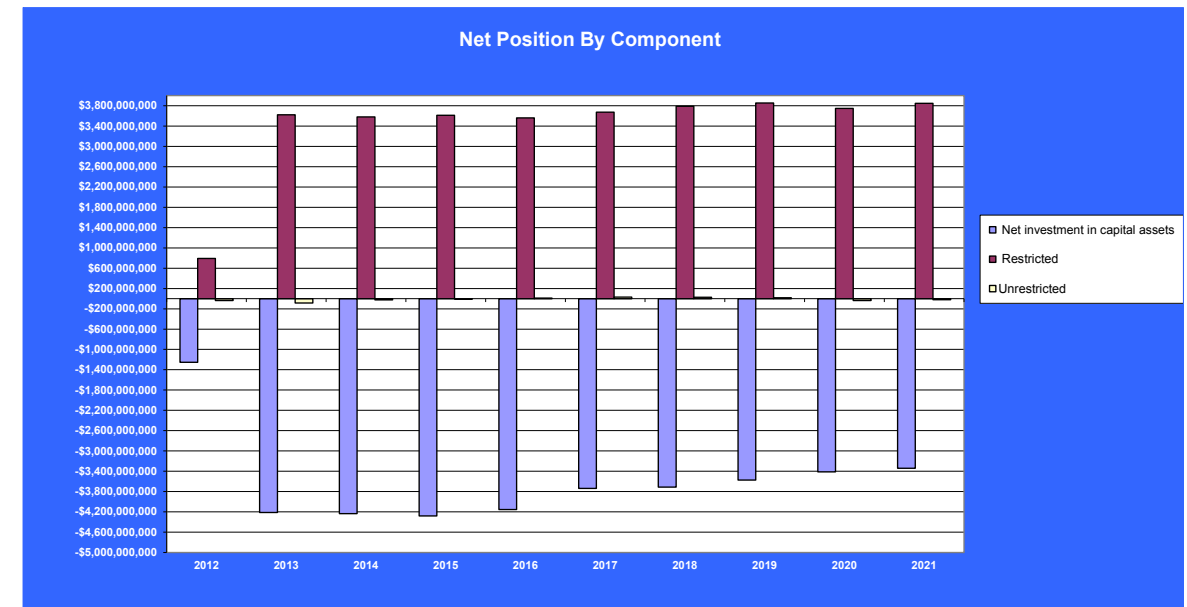
Sources: Unless other noted, the information in the following tables is derived from the annual financial reports for the relevant years.

Net Position by Component

Last Ten Fiscal Years
(unaudited)

Business-Type Activities

Component	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Net investment in capital assets	\$ (1,254,068,836)	\$ (4,212,230,014)	\$ (4,234,262,561)	\$ (4,277,956,501)	\$ (4,154,462,248)	\$ (3,737,708,369)	\$ (3,710,464,076)	\$ (3,573,033,890)	\$ (3,412,862,784)	\$ (3,339,239,957)
Restricted	792,586,995	3,621,400,342	3,580,531,205	3,612,159,144	3,561,843,338	3,674,470,077	3,790,162,535	3,854,775,424	3,748,224,884	3,845,870,018
Unrestricted	(38,289,706)	(83,847,212)	(23,192,391)	(7,176,940)	12,928,827	30,609,769	26,776,383	16,887,701	(38,162,645)	(19,365,294)
Total net position	\$ (499,771,547)	\$ (674,676,884)	\$ (676,923,747)	\$ (672,974,297)	\$ (579,690,083)	\$ (32,628,523)	\$ 106,474,842	\$ 298,629,235	\$ 297,199,455	\$ 487,264,767



Statement of Revenues, Expenses and Changes in Net Position by Net Component

Last Ten Fiscal Years (unaudited)

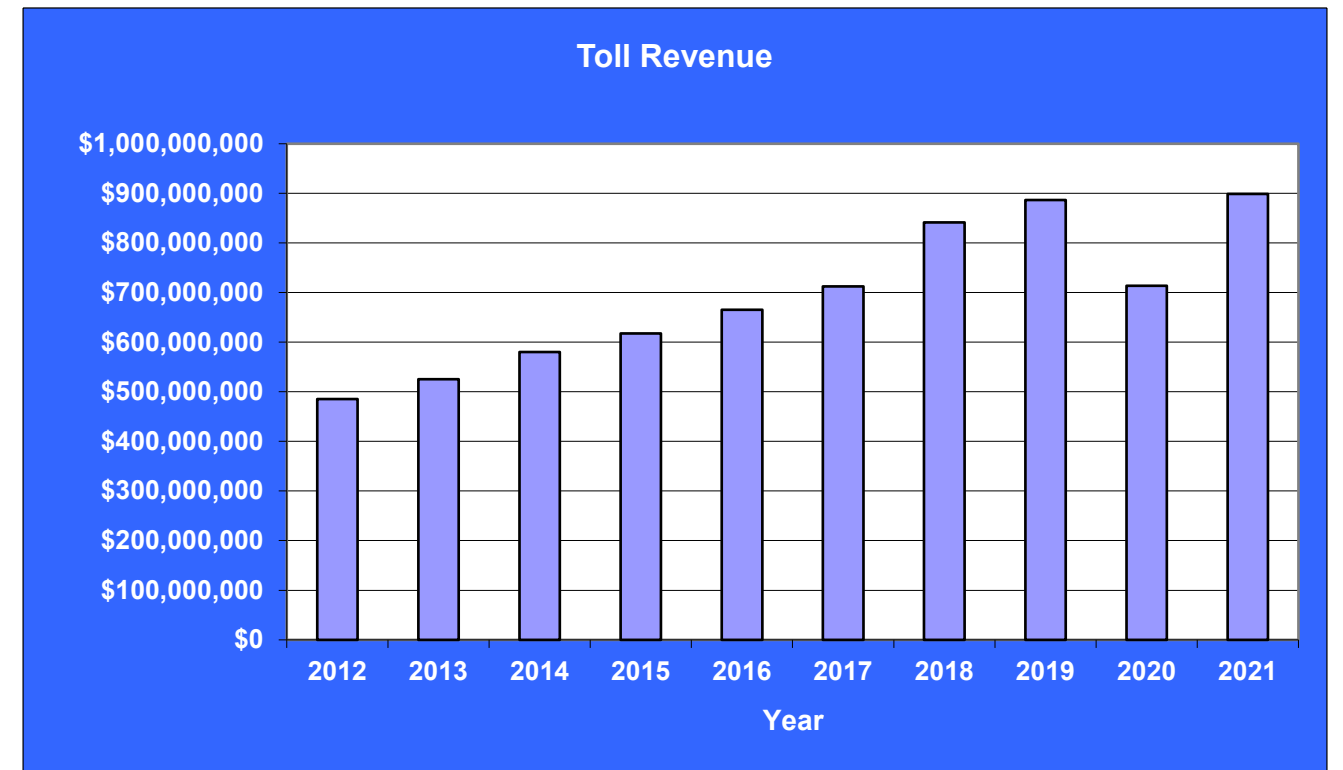
Business-Type Activities	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues:										
Tolls	\$ 485,463,608	\$ 525,458,723	\$ 580,524,810	\$ 621,424,682	\$ 675,005,210	\$ 722,357,187	\$ 850,437,774	\$ 899,647,241	\$ 723,227,962	\$ 916,944,616
Other (1)	20,729,193	26,138,924	34,526,543	46,390,402	66,126,285	75,709,488	99,516,486	111,615,382	62,445,123	62,675,006
Total operating revenues	506,192,801	551,597,647	615,051,353	667,815,084	741,131,495	798,066,675	949,954,260	1,011,262,623	785,673,085	979,619,622
Operating expenses:										
Administration	22,982,801	23,298,130	22,206,400	21,736,431	24,293,402	26,451,640	30,702,404	30,327,124	27,666,875	25,201,531
Operations	83,253,523	88,469,679	97,917,442	120,046,594	129,445,952	145,235,964	172,403,902	188,145,331	174,151,195	200,957,989
Reserve maintenance	11,446,757	10,915,105	11,144,585	12,041,778	19,890,127	23,308,416	22,311,612	20,627,996	28,906,955	30,565,525
Capital improvement	35,691,517	27,541,687	38,848,449	33,127,787	23,182,888	46,178,658	20,018,305	43,977,371	41,284,138	20,840,450
Total operating expenses before depreciation	153,374,598	150,224,601	170,116,876	186,952,590	196,812,269	241,174,278	245,436,237	283,077,822	272,009,163	277,565,495
Operating income before amortization/depreciation	352,818,203	401,373,046	444,934,477	480,862,494	544,319,226	556,892,397	704,518,037	728,184,801	513,663,922	702,054,127
Amortization of intangible (SRT)	(6,032,350)	(63,943,350)	(64,403,243)	(65,385,114)	(64,916,168)	(64,841,672)	(64,788,513)	(64,788,513)	(64,788,513)	(66,194,256)
Depreciation	(6,038,360)	(6,203,704)	(6,159,420)	(6,889,660)	(8,716,326)	(10,412,946)	(10,059,970)	(9,372,351)	(8,703,870)	(7,177,019)
Operating income	282,836,493	331,225,992	374,371,814	408,587,720	470,686,732	481,637,779	629,669,564	654,023,937	440,171,539	628,682,852
Nonoperating revenues (expenses):										
Interest earned on investments	10,112,695	419,671	348,383	421,910	441,289	721,020	1,843,976	1,769,637	180,937	-
Gain (loss) on sale of investments	-	(133,910,000)	-	-	(707,009)	(489,356)	(161,717)	27,133	22,672	4,710
Net increase(decrease) in the fair value of investments	(4,962,380)	(6,573,172)	2,118,111	(967,545)	(2,528,460)	(732,342)	(1,061,515)	6,539,882	1,525,356	(9,933,866)
Loss on disposal of assets	-	-	-	-	(582,400)	(51,644,820)	(12,641,833)	(1,441,660)	(136,492)	(667,244)
Interest expense on revenue bonds	(444,746,741)	(436,811,504)	(432,986,781)	(417,678,947)	(411,882,552)	(420,979,364)	(454,787,857)	(462,355,738)	(473,961,155)	(458,425,156)
Interest expense on loan	(6,032,854)	(5,814,320)	(5,714,934)	(5,618,961)	(5,518,957)	(5,531,495)	(5,264,173)	(5,044,268)	(4,741,628)	(4,297,235)
Bond premium/discount amortization	892,614	1,822,095	4,343,844	14,914,793	32,736,459	47,207,780	71,840,236	74,231,553	79,216,458	80,113,344
Bond issuance cost amortization	(4,147,186)	-	(5,728,236)	(12,125,235)	(6,313,133)	(13,556,163)	(3,192,510)	(4,437,637)	(5,083,444)	(6,025,009)
Deferred amount on refunding amortization	(4,701,591)	(3,550,291)	(4,013,052)	(12,471,595)	(19,868,965)	(30,800,504)	(87,427,695)	(85,897,949)	(70,183,396)	(79,486,903)
Gain on refunding	-	-	-	-	-	-	-	900,900	-	-
SWAP termination payment	-	-	-	-	-	-	(11,212,000)	-	-	-
Interest expense on other debt-CIF fund	-	-	32,166,870	-	63,291	512,742,812	(32,996,000)	(24,244,400)	-	-
Capital contribution	-	-	-	-	-	-	-	-	-	-
Transfer to SPS & Enterprise	911,870	919,608	-	-	-	-	-	-	-	-
Payments from (to) other governments	8,523,679	8,389,180	1,790,774	5,074,087	379,642	83,912	(2,000,000)	-	-	-
BAB's Subsidy	28,878,075	26,674,318	26,877,164	26,935,120	26,993,077	27,022,055	27,123,478	23,706,752	19,659,516	19,680,386
Arbitrage rebate	-	-	-	-	-	-	100,868	(45,275)	-	-
Other (reimbursement of damaged claims)	6,069,273	(16,163,752)	4,179,180	(13,890,635)	9,184,900	1,380,247	31,075,832	14,221,526	11,899,857	1,956,852
Net nonoperating revenues (expenses)	(409,102,546)	(430,822,077)	(376,618,677)	(415,407,008)	(377,402,516)	65,423,782	(478,760,910)	(461,869,544)	(441,601,319)	(438,617,540)
Changes in net position	\$ (126,266,053)	\$ (99,596,085)	\$ (2,246,863)	\$ (6,819,288)	\$ 93,284,213	\$ 547,061,560	\$ 150,908,644	\$ 192,154,393	\$ (1,429,780)	\$ 190,065,312

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

Traffic and Toll Revenue

Last Ten Fiscal Years
(unaudited)

Year	Annual Revenue Vehicle Transactions (*)	Annual Toll Revenue (*)	Average Toll Rate per Transaction
2012	585,051,845	\$ 485,463,608	0.83
2013	610,129,737	525,458,723	0.86
2014	644,669,523	580,045,215	0.90
2015	676,484,779	617,488,044	0.91
2016	703,094,602	665,212,316	0.95
2017	723,247,591	712,551,456	0.99
2018	827,610,415	841,491,016	1.02
2019	847,392,583	886,843,140	1.05
2020	650,219,349	714,035,883	1.10
2021	810,083,028	898,653,592	1.11



(*) System only, excludes Non-major Enterprise Fund

Toll Rates

Last Ten Fiscal Years
(unaudited)

Six or more-axle vehicle and vehicle combination Roadway		Years									
		2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Dallas North Tollway:											
Main Lane Plaza 1	ZipCash	\$10.00	\$10.50	\$10.50	\$11.10	\$11.10	\$11.70	\$11.70	\$12.40	\$12.40	\$13.05
	TollTag	6.65	7.00	7.00	7.40	7.40	7.80	7.80	8.25	8.25	8.70
Main Lane Plaza 2	ZipCash	7.15	7.60	7.60	7.95	7.95	8.40	8.40	8.85	8.85	9.40
	TollTag	4.75	5.05	5.05	5.30	5.30	5.60	5.60	5.90	5.90	6.25
Main Lane Plaza 3	ZipCash	6.40	6.75	6.75	7.15	7.15	7.50	7.50	7.90	7.90	8.35
	TollTag	4.25	4.50	4.50	4.75	4.75	5.00	5.00	5.25	5.25	5.55
Main Lane Plaza 4	ZipCash	11.20	11.85	11.85	12.45	12.45	13.20	13.20	13.90	13.90	14.70
	TollTag	7.45	7.90	8.20	8.80	8.80	8.80	8.80	9.25	9.25	9.80
Addison Airport Toll Tunnel:											
Mainlane Plaza	ZipCash	4.00	4.20	4.20	4.45	4.45	4.75	4.75	4.95	4.95	5.25
	TollTag	2.65	2.80	2.80	2.95	2.95	3.15	3.15	3.30	3.30	3.50
Chisholm Trail Parkway (1):											
Main Lane Plaza 1	ZipCash	-	-	-	-	-	10.75	10.75	11.35	11.35	11.95
	TollTag	-	-	-	-	-	7.15	7.15	7.55	7.55	7.95
Main Lane Plaza 2	ZipCash	-	-	-	-	-	17.40	17.40	18.40	18.40	19.35
	TollTag	-	-	-	-	-	11.60	11.60	12.25	12.25	12.90
Main Lane Plaza 3	ZipCash	-	-	-	-	-	13.00	13.00	13.75	13.75	14.50
	TollTag	-	-	-	-	-	8.65	8.65	9.15	9.15	9.65
President George Bush Turnpike:											
Main Lane Plaza 5	ZipCash	11.40	12.10	12.10	12.75	12.75	13.45	13.45	14.20	14.20	15.00
	TollTag	7.60	8.05	8.05	8.50	8.50	8.95	8.95	9.45	9.45	10.00
Main Lane Plaza 6	ZipCash	7.90	8.35	8.35	8.80	8.80	9.30	9.30	9.85	9.85	10.35
	TollTag	5.25	5.55	5.55	5.85	5.85	6.20	6.20	6.55	6.55	6.90
Main Lane Plaza 7	ZipCash	8.55	9.00	9.00	9.55	9.55	10.05	10.05	10.60	10.60	11.20
	TollTag	5.70	6.00	6.00	6.35	6.35	6.70	6.70	7.05	7.05	7.45
Main Lane Plaza 8	ZipCash	7.95	8.40	8.40	8.85	8.85	9.30	9.30	9.85	9.85	10.45
	TollTag	5.30	5.60	5.60	5.90	5.90	6.20	6.20	6.55	6.55	6.95
Main Lane Plaza 9	ZipCash	6.30	6.70	6.70	7.05	7.05	7.45	7.45	7.80	7.80	8.25
	TollTag	4.20	4.45	4.45	4.70	4.70	4.95	4.95	5.20	5.20	5.50
Main Lane Plaza 10	ZipCash	3.70	3.85	3.85	4.05	4.05	4.30	4.30	4.50	4.50	4.80
	TollTag	2.45	2.55	2.55	2.70	2.70	2.85	2.85	3.00	3.00	3.20
Main Lane Plaza 11 (2)	ZipCash	-	-	-	-	-	7.80	7.80	8.25	8.25	8.70
	TollTag	-	-	-	-	-	5.20	5.20	5.50	5.50	5.80
Main Lane Plaza 12 (2)	ZipCash	-	-	-	-	-	8.25	8.25	8.70	8.70	9.25
	TollTag	-	-	-	-	-	5.50	5.50	5.80	5.80	6.15
Mountain Creek Lake Bridge:											
Mainlane Plaza	ZipCash	4.00	4.20	4.20	4.45	4.45	4.75	4.75	4.95	4.95	5.25
	TollTag	2.65	2.80	2.80	2.95	2.95	3.15	3.15	3.30	3.30	3.50
Sam Rayburn Tollway (SRT):											
Main Lane Gantry 1	ZipCash	3.75	4.00	4.00	4.20	4.20	4.45	4.45	4.75	4.75	4.95
	TollTag	2.50	2.65	2.65	2.80	2.80	2.95	2.95	3.15	3.15	3.30
Main Lane Gantry 2	ZipCash	9.75	10.35	10.35	10.95	10.95	11.50	11.50	12.15	12.15	12.85
	TollTag	6.50	6.90	6.90	7.30	7.30	7.65	7.65	8.10	8.10	8.55
Main Lane Gantry 3	ZipCash	13.50	14.35	14.35	15.15	15.15	15.90	15.90	16.80	16.80	17.80
	TollTag	9.00	9.55	9.55	10.10	10.10	10.60	10.60	11.20	11.20	11.85
Lewisville Lake Toll Bridge:											
Mainlane Plaza	ZipCash	7.95	8.40	8.40	8.85	8.85	9.40	9.40	9.90	9.90	10.45
	TollTag	5.30	5.60	5.60	5.90	5.90	6.25	6.25	6.60	6.60	6.95
360 Tollway (3):											
Main Lane Gantry 14	ZipCash	-	-	-	-	-	-	-	-	-	9.25
	TollTag	-	-	-	-	-	-	-	-	-	6.15
Main Lane Gantry 15	ZipCash	-	-	-	-	-	-	-	-	-	4.30
	TollTag	-	-	-	-	-	-	-	-	-	2.85

(1) Chisholm Trail Parkway (CTP) joined the System in November 2017
 (2) President George Bush Western Extension (PGBT-WE) joined the System in November 2017
 (3) 360 Tollway joined the System in June 2021
 Toll rates are 20.08 cents per mile effective July 1, 2021

Ratio of Outstanding Debt by Type Business-Type Activities

Last Ten Fiscal Years (unaudited)

Year	Revenue Bonds	Bond Discount / (Premium)	Commercial Paper Notes Payable	Revolving Loan Payable	Texas Department of Transportation ISTEAL Loan	Total Debt Amount	Total Revenue Vehicle Toll Transactions(1)	Debt Per Transactions	Debt Per Capita(2)
2013	7,572,842,084	15,787,159	-	-	136,069,850	7,724,699,093	610,129,737	12.66	1,322
2014	7,682,216,206	(34,028,024)	-	-	133,784,783	7,781,972,965	644,669,523	12.07	1,301
2015	7,930,785,355	(221,868,904)	-	-	131,403,745	7,840,320,196	676,484,779	11.59	1,286
2016	8,034,666,868	(396,461,074)	-	-	128,922,702	7,767,128,496	703,094,602	11.05	1,244
2017	10,123,709,102	(715,991,211)	-	-	125,337,455	9,533,055,346	723,247,591	13.18	1,490
2018	10,036,671,621	(661,405,281)	-	-	120,101,628	9,495,367,968	827,610,415	11.47	1,465
2019	9,897,258,875	(695,260,165)	-	-	112,895,896	9,314,894,606	847,392,583	10.99	1,413
2020	9,727,863,864	(628,962,399)	200,000,000	100,000,000	102,315,128	9,501,216,593	650,219,349	14.61	1,419
2021	10,116,437,384	(634,333,255)	-	-	91,289,967	9,573,394,096	810,083,028	11.82	1,415

Note----Details on the System's outstanding debt can be found in the notes to the financial statements.
 (1) See Traffic and Toll Revenue Table on page 67.
 (2) See Demographic Data Table on page 77.

Ratio of Revenue-Backed Debt Outstanding Business-Type Activities Last Ten Fiscal Years (unaudited)

Year	Revenue Bonds	Bond (Discount) / Premium	Less: amounts Available in			Texas Department of Transportation ISTEALoan	Total Debt Amount	Annual Toll Revenues(1)	Debt Per Annual Toll Revenue	Debt Per Capita(2)
			Bond Redemption Account	Commercial Paper Notes Payable	Revolving Loan Payable					
2012	\$ 7,515,613,026	\$ 40,786,983	\$ (16,605,000)	\$ 38,300,000	\$ -	\$ 138,262,812	\$ 7,716,357,821	\$ 485,463,608	\$ 16	\$ 1,351
2013	7,572,842,084	15,787,159	-	-	-	136,069,850	7,724,699,093	525,458,723	15	1,322
2014	7,682,216,206	(34,028,024)	-	-	-	133,784,783	7,781,972,965	580,045,215	13	1,301
2015	7,930,785,355	(221,868,904)	-	-	-	131,403,745	7,840,320,196	617,488,044	13	1,286
2016	8,034,666,868	(396,461,074)	-	-	-	128,922,702	7,767,128,496	665,212,316	12	1,244
2017	10,123,709,102	(715,991,211)	-	-	-	125,337,455	9,533,055,346	712,551,456	13	1,490
2018	10,036,671,621	(661,405,281)	-	-	-	120,101,628	9,495,367,968	841,491,016	11	1,465
2019	9,897,258,875	(695,260,165)	-	-	-	112,895,896	9,314,894,606	886,843,140	11	1,413
2020	9,727,863,864	(628,962,399)	-	200,000,000	100,000,000	102,315,128	9,501,216,593	714,035,883	13	1,419
2021	10,116,437,384	(634,333,255)	-	-	-	91,289,967	9,573,394,096	898,653,592	11	1,415

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

- (1) See Traffic and Toll Revenue Table on page 67.
- (2) See Demographic Data Table on page 77.

Schedule of Pro Forma Debt Service Requirements For the years 2021-2051 (unaudited)

FYE (12/31)(1)(2)	Outstanding First Tier Net Debt Service(3)(4)(5)(6)	Outstanding Second Tier Net Debt Service(7)(8)	Outstanding ISTEALoan Debt Service	Outstanding Subordinate Lien Debt Service(9)(10)	Total Net Debt Service
2021	\$ 357,764,440	\$ 146,231,526	\$ 15,322,396	\$ 2,817,140	\$ 522,135,502
2022	391,275,405	202,327,663	15,322,396	8,632,627	617,558,091
2023	426,250,905	212,268,013	15,322,396	8,631,332	662,472,645
2024	447,551,323	234,150,263	15,322,396	8,636,443	705,660,424
2025	478,351,737	203,353,263	15,322,396	8,641,552	705,668,948
2026	484,103,285	197,595,513	15,322,396	8,640,533	705,661,727
2027	487,428,003	194,273,013	15,322,396	8,642,541	705,665,953
2028	502,378,733	182,092,513	15,322,396	8,646,166	708,439,808
2029	480,949,660	238,244,513	-	-	719,194,173
2030	417,613,074	302,136,869	-	-	719,749,943
2031	413,765,447	305,989,763	-	-	719,755,210
2032	456,323,880	263,431,413	-	-	719,755,293
2033	471,381,943	248,371,713	-	-	719,753,656
2034	535,092,166	184,672,513	-	-	719,764,679
2035	558,711,881	161,049,463	-	-	719,761,344
2036	584,561,811	135,202,563	-	-	719,764,374
2037	634,475,397	85,292,370	-	-	719,767,767
2038	487,732,454	83,037,363	-	-	570,769,817
2039	488,669,644	82,100,413	-	-	570,770,057
2040	490,607,882	80,176,813	-	-	570,784,695
2041	492,647,852	64,553,463	-	-	557,201,315
2042	497,358,186	60,329,763	-	-	557,687,949
2043	206,023,145	48,346,513	-	-	254,369,658
2044	191,311,799	76,068,763	-	-	267,380,562
2045	149,275,354	118,147,863	-	-	267,423,217
2046	41,588,191	114,379,863	-	-	155,968,054
2047	-	115,371,563	-	-	115,371,563
2048	-	107,643,313	-	-	107,643,313
2049	-	6,610,802	-	-	6,610,802
2050	-	-	-	-	-
2051	-	-	-	-	-
	\$ 11,173,193,597	\$ 4,453,449,430	\$ 122,579,168	\$ 63,288,334	\$ 15,812,510,529

Notes:

- (1) Excludes any payments to be made into the Reserve Maintenance Fund ("RMF") under the Trust Agreement. Payments made into the RMF are made after debt service on the First, Second, and Third Tier Bonds but prior to debt service on the ISTEALoan and the Subordinate Lien Bonds.
- (2) For all Bonds other than the Subordinate Lien Bonds, Fiscal Year debt service includes debt service on the following January 1 (i.e. Fiscal Year 2021 includes debt service on January 1, 2022). With respect to the Subordinate Lien Bonds, Fiscal Year debt service in each year includes the required deposit to the CIF Bond Payment Account on January 1 of the following year for the Subordinate Lien Bonds debt service due on August 1 of that year and February 1 of the next succeeding year (e.g. Fiscal Year 2021 includes debt service on August 1, 2022, and February 1, 2023).
- (3) Net of direct federal subsidy related to the Series 2009B Bonds issued as Build America Bonds. The federal subsidy for each year through final maturity is assumed to be reduced by 5.7% due to automatic federal deficit reduction spending cuts known as "sequestration" which took effect on March 1, 2013. Sequestration affects certain federally funded programs, including the federal subsidy payable to NTTA with respect to the Series 2009B Bonds. It is assumed that this reduction in Federal Subsidy Payments continues at the same rate through the final maturity.
- (4) Excludes debt service on the Defeased Bonds after the date of defeasance.
- (5) Debt service in Fiscal Years 2046-2051 is net of the cash balance in the First Tier Debt Service Reserve Fund, which is required by the terms of the Trust Agreement to be used to retire the last maturities of the outstanding bonds.
- (6) NTTA has \$100,000,000 of Revolving Notes outstanding. Assumes the Revolving Notes are refunded with First Tier Bonds bearing interest at 5.00% through a final maturity date of January 1, 2050, including annual amortization from January 1, 2024 through January 1, 2050.
- (7) Debt service in Fiscal Year 2030 is net of cash balance in the 2014 Second Tier Debt Service Reserve Subaccount that is required by the terms of the Trust Agreement to be used to retire the last maturities of the North Texas Tollway Authority System Second Tier Revenue Refunding Bonds, Series 2014B. Debt Service in Fiscal Year 2037 is net of the cash balance in the 2015 Second Tier Debt Service Reserve Subaccount that is permitted by the terms of the Trust Agreement to be used to retire the last maturities of the North Texas Tollway authority System Second Tier Revenue Refunding Bonds, Series 2015A.
- (8) Debt service in Fiscal Years 2049-2050 is net of the cash balance in the Shared Second Tier Debt Service Reserve Fund that is required by the terms of the Trust Agreement to be used to retire the last maturities of the outstanding North Texas Tollway Authority System Revenue and Refunding Bonds, Series 2017B, the North Texas Tollway Authority System Second Tier Revenue Refunding Bonds, Series 2018, the North Texas Tollway Authority System Second Tier Revenue Refunding Bonds, Series 2019B, the Series 2020C Bonds and the Series 2021B Bonds.
- (9) Net of direct federal subsidy related to the Series 2010B Subordinate Lien Bonds issued as Build America Bonds. The Federal Subsidy Payment is reduced by 5.7% due to automatic federal deficit reduction spending cuts known as "sequestration" which took effect on March 1, 2013. Sequestration affects certain federally funded programs, including the Federal Subsidy Payments payable to NTTA with respect to the Series 2010B Subordinate Lien Bonds. It is assumed that this reduction in Federal Subsidy Payments continues at the same rate through the final maturity.

Schedule of Estimated Toll Revenues, Expenses, Other Income and Estimated Debt Service Coverage Ratio

For the years 2021-2051 (unaudited)

FYE (12/31) ⁽¹⁾	Estimated Toll Revenues ⁽²⁾	Estimated Other Revenues ⁽³⁾	Estimated Expenses ⁽⁴⁾	Estimated Net Revenue	Estimated Deposit to RMF ⁽⁵⁾	Estimated Debt Service on all Debt	Estimated Coverage on 1st Tier Debt	Estimated Coverage on 1st & 2nd Tier Debt	Estimated Coverage on all Debt and RMF Deposits
2021	\$ 898,653,592	\$ 26,629,436	\$ 179,108,106	\$ 746,174,922	\$ 30,565,525	\$ 522,135,502	2.09x	1.48x	1.43x
2022	910,127,400	67,923,750	189,765,140	788,286,010	46,585,829	617,558,090	2.01x	1.33x	1.19x
2023	994,356,600	72,032,507	195,450,594	870,938,513	43,713,265	662,472,645	2.04x	1.36x	1.23x
2024	1,060,613,200	75,418,140	201,306,612	934,724,728	49,478,468	705,660,424	2.09x	1.37x	1.24x
2025	1,115,259,500	77,195,589	207,338,310	985,116,779	49,726,971	705,668,947	2.06x	1.45x	1.30x
2026	1,173,169,200	79,748,014	213,550,960	1,039,366,254	23,394,134	705,661,727	2.15x	1.52x	1.43x
2027	1,227,491,500	81,236,318	219,949,988	1,088,777,830	153,521,702	705,665,952	2.23x	1.60x	1.27x
2028	1,285,179,200	83,793,184	226,540,988	1,142,431,396	118,315,983	708,439,807	2.27x	1.67x	1.38x
2029	1,347,603,700	85,359,772	233,329,718	1,199,633,754	155,085,230	719,194,172	2.49x	1.67x	1.37x
2030	1,417,159,300	88,475,331	240,322,109	1,265,312,522	112,522,416	719,749,944	3.03x	1.76x	1.52x
2031	1,486,549,000	90,494,351	247,524,273	1,329,519,078	134,126,971	719,755,210	3.21x	1.85x	1.56x
2032	1,557,027,400	93,690,997	254,942,501	1,395,775,896	217,851,750	719,755,293	3.06x	1.94x	1.49x
2033	1,631,937,000	95,750,360	262,583,276	1,465,104,084	52,015,614	719,753,655	3.11x	2.04x	1.90x
2034	1,707,198,400	99,230,048	270,453,274	1,535,975,174	331,480,114	719,764,678	2.87x	2.13x	1.46x
2035	1,784,059,300	101,346,918	278,559,372	1,606,846,846	156,944,776	719,761,344	2.88x	2.23x	1.83x
2036	1,866,536,100	105,095,471	286,908,653	1,684,722,918	244,838,620	719,764,374	2.88x	2.34x	1.75x
2037	1,948,472,900	107,384,219	295,508,413	1,760,348,705	153,094,644	719,767,768	2.77x	2.45x	2.02x
2038	2,030,358,200	111,209,120	304,366,165	1,837,201,154	74,459,871	707,769,816	3.77x	3.22x	2.85x
2039	2,114,300,700	113,609,141	313,489,650	1,914,420,190	280,982,509	570,770,057	3.92x	3.35x	2.25x
2040	2,203,167,200	117,626,249	322,886,840	1,997,906,609	83,055,276	570,784,695	4.07x	3.50x	3.06x
2041	2,292,925,300	120,193,487	332,565,945	2,080,552,842	400,311,707	557,201,315	4.22x	3.73x	2.17x
2042	2,388,314,500	124,514,594	342,535,423	2,170,293,671	131,243,692	557,687,948	4.36x	3.89x	3.15x
2043	2,488,204,700	127,359,335	352,803,986	2,262,760,049	336,505,015	254,369,657	10.98x	8.90x	3.83x
2044	2,594,747,600	132,294,456	363,380,606	2,363,661,450	194,854,664	267,380,562	12.36x	8.84x	5.11x
2045	2,706,618,000	135,381,977	374,274,524	2,467,725,453	155,756,994	267,423,216	16.53x	9.23x	5.83x
2046	2,814,141,200	140,519,642	385,495,260	2,569,165,582	387,953,657	155,968,053	61.78x	16.47x	4.72x
2047	2,923,780,600	143,712,389	397,052,617	2,670,440,373	117,510,098	115,371,563	N/A	23.15x	11.47x
2048	3,039,716,700	149,079,759	408,956,696	2,779,839,763	481,353,695	107,643,313	N/A	25.82x	4.72x
2049	3,157,323,200	152,366,330	421,217,897	2,888,471,633	144,337,042	6,610,802	N/A	N/A	19.14x
2050	3,282,192,000	158,179,060	433,846,934	3,006,524,126	323,441,196	-	N/A	N/A	9.30x
2051	3,402,515,900	161,663,945	446,854,842	3,117,325,003	245,467,587	-	N/A	N/A	12.70x
	\$ 60,849,699,092	\$ 3,318,513,889	\$ 9,202,869,674	\$ 54,965,343,305	\$ 5,430,495,014	\$ 15,812,510,528			

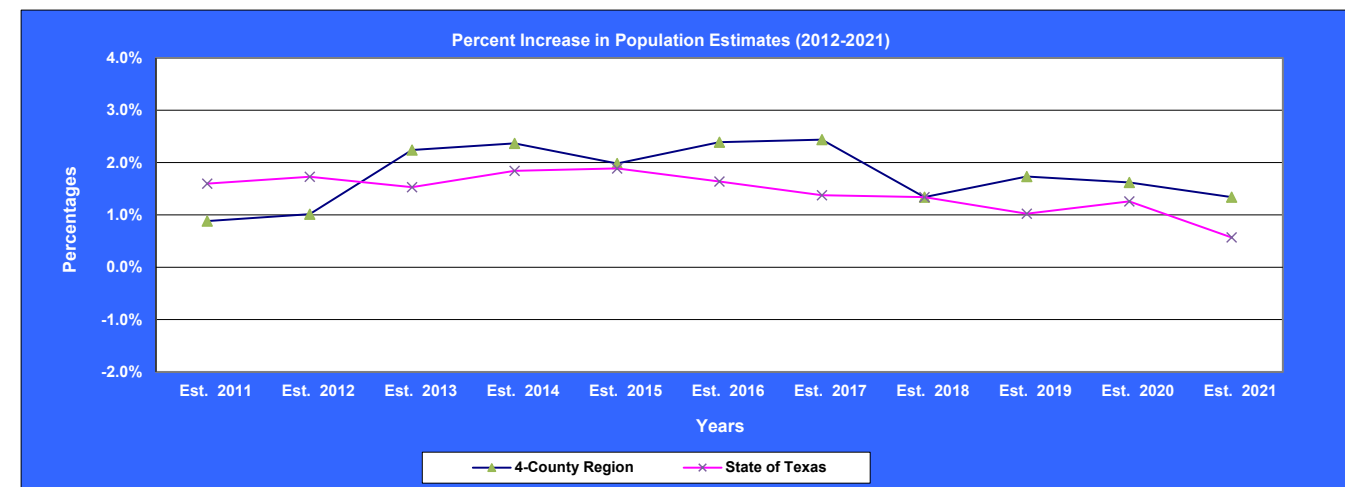
Notes:
⁽¹⁾ For all Bonds other than the Subordinate Lien Bonds, Fiscal Year debt service includes debt service on the following January 1 (i.e. Fiscal Year 2021 includes debt service on January 1, 2022). With respect to the Subordinate Lien Bonds, Fiscal Year debt service in each year for purposes of the table is assumed to be the required deposit to the CIF Bond Payment Account on January 1 of the following year for the Subordinate Lien Bonds debt service due on August 1 of that year and February 1 of the next succeeding year (e.g. Fiscal Year 2021 includes debt service on August 1, 2022, and February 1, 2023).
⁽²⁾ Estimated toll revenues are provided by CDM Smith, the Traffic Engineers for the NTTA System. Estimated revenues are projected at levels to be actually collected in each year (i.e. cash basis). Historical toll revenues and historical debt service coverage are reported by the Authority on accrual based revenues as recognized under Generally Accepted Accounting Principles.
⁽³⁾ Estimated other revenues are provided by NTTA and include interest earnings, video tolling administrative fees and other charges.
⁽⁴⁾ Estimated expenses are net of inter-fund transfers and are provided by Atkins North America, the Consulting Engineers for the NTTA System.
⁽⁵⁾ Deposits to the RMF are estimated by NTTA based on the current cash balance in the RMF and expenses to be paid out of the RMF are estimated by Atkins North America, the Consulting Engineers for the NTTA System.

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

Last Ten Fiscal Years (unaudited)

Fiscal Year	COLLIN	DALLAS	DENTON	TARRANT	Est. Four County Regional Totals	Estimated Texas Totals	Four County Percentage Change (From Prior Years)	Texas Percentage Change (From Prior Years)
Est. 2012	813,133	2,385,990	683,010	1,831,230	5,713,363	26,089,620	1.01%	1.73%
Est. 2013	834,642	2,453,843	694,050	1,858,921	5,841,456	26,489,464	2.24%	1.53%
Est. 2014	854,778	2,480,331	713,200	1,931,335	5,979,644	26,977,142	2.37%	1.84%
Est. 2015	885,241	2,518,638	734,940	1,959,449	6,098,268	27,486,814	1.98%	1.89%
Est. 2016	914,127	2,553,385	784,840	1,991,639	6,243,991	27,937,492	2.39%	1.64%
Est. 2017	939,585	2,618,148	814,560	2,023,985	6,396,278	28,322,717	2.44%	1.38%
Est. 2018	969,603	2,618,148	836,210	2,057,926	6,481,887	28,701,845	1.34%	1.34%
Est. 2019	1,005,146	2,637,772	859,064	2,092,419	6,594,401	28,995,881	1.74%	1.02%
Est. 2020	1,034,730	2,635,516	915,673	2,110,640	6,696,559	29,360,759	1.55%	1.26%
Est. 2021	1,064,465	2,613,539 (a)	941,647	2,144,653	6,764,304	29,527,941	1.01%	0.57%
Increase Total from Year 2012 to Year 2021	251,332	227,549	258,637	313,423	1,050,941	3,438,321		

Source: Collin, Dallas, Denton and Tarrant Counties, US Census Bureau



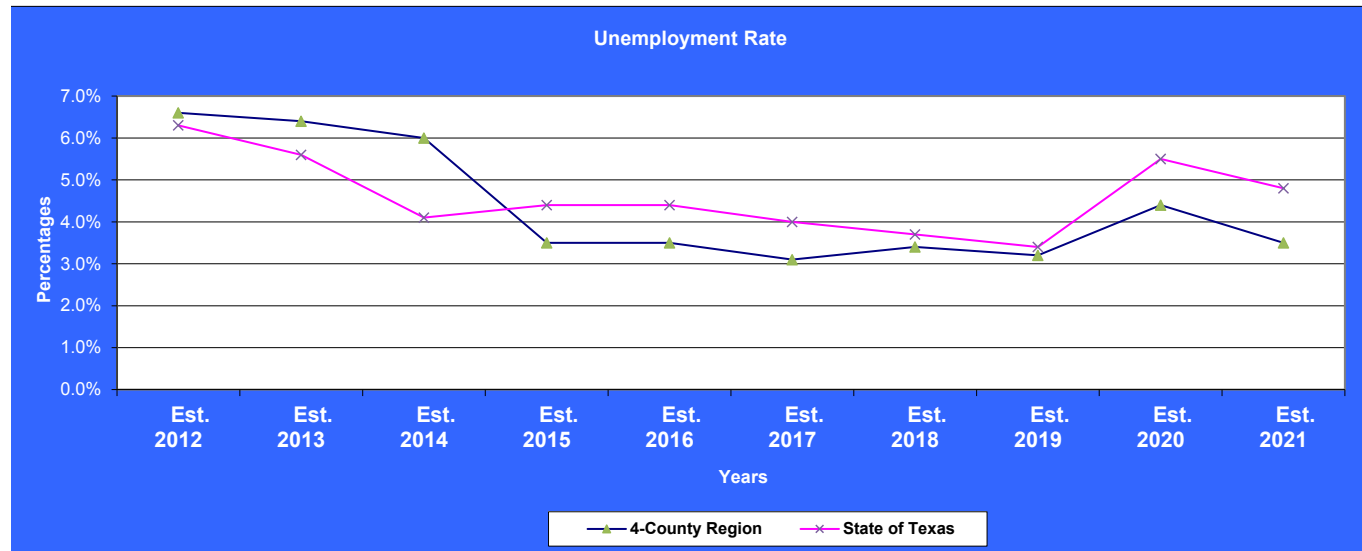
(a) 2021 US Census Bureau population estimate not available, 2020 US Census Bureau population used. (<http://quickfacts.census.gov>)

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

Last Ten Fiscal Years (unaudited)

Year	COLLIN	DALLAS	DENTON	TARRANT	Combined Four County Regional		Unemployment Rate	
					Estimated Totals	Estimated Totals	Four County	Texas
Est. 2012	413,783	1,102,322	356,467	883,503	2,756,075	11,742,600	6.6%	6.3%
Est. 2013	330,300	1,509,000	195,500	812,600	2,847,400	11,091,900	6.4%	5.6%
Est. 2014	346,400	1,558,500	205,800	825,600	2,936,300	11,433,600	6.0%	4.1%
Est. 2015	366,900	1,616,800	221,400	844,900	3,050,000	11,681,000	3.5%	4.4%
Est. 2016	381,500	1,662,300	228,800	860,400	3,133,000	11,830,700	3.5%	4.4%
Est. 2017	398,000	1,691,100	239,600	877,800	3,206,500	12,008,941	3.1%	4.0%
Est. 2018	416,100	1,711,900	246,500	900,500	3,275,000	12,326,967	3.4%	3.7%
Est. 2019	431,973	1,750,722	260,926	926,263	3,369,884	12,603,200	3.2%	3.4%
Est. 2020	423,000	1,653,800	257,300	877,100	3,211,200	11,926,800	4.4%	5.5%
Est. 2021	462,900	1,747,400	277,100	922,700	3,410,100	12,613,100	3.5%	4.8%
Increase Total from Year 2012 to Year 2021	49,117	645,078	(79,367)	39,197	654,025	870,500		

Source: U.S. Bureau of Labor Statistics

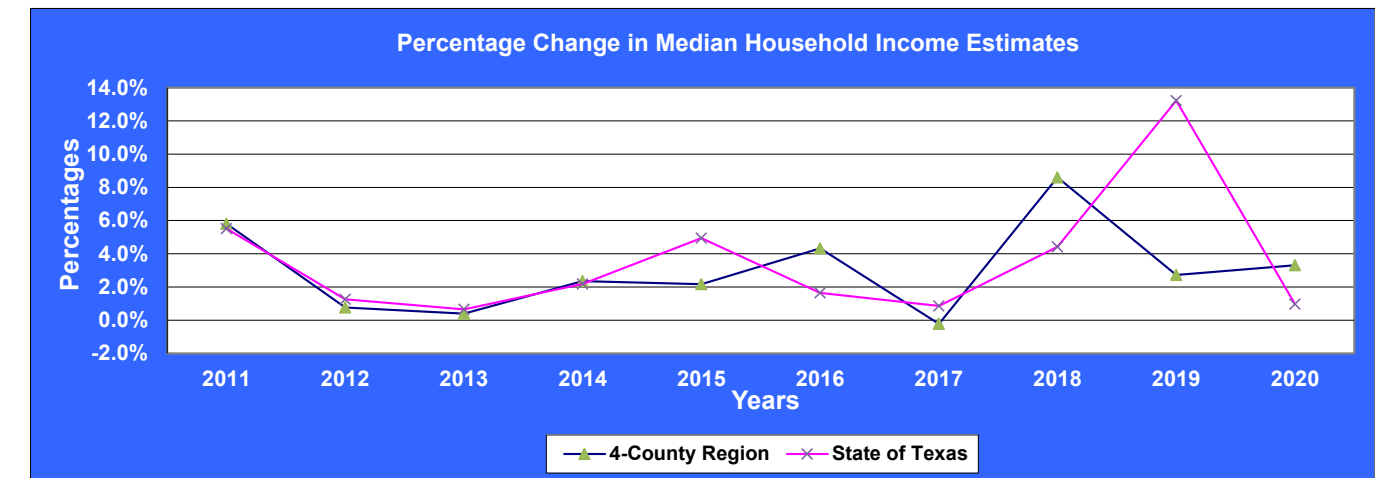


Demographic Data-Combined Four County Region and State of Texas Median Household Income Estimates

For the years 2011-2020 (unaudited)

Year	COLLIN	DALLAS	DENTON	TARRANT	Four County Regional		Percentage Change from Prior Years	
					Estimated Avg Median Income	Estimated Avg Median Income	Four County	Texas
2011	\$ 82,758	\$ 48,942	\$ 72,305	\$ 56,178	\$ 65,046	\$ 50,920	5.80%	5.51%
2012	83,238	49,159	72,939	56,859	65,549	51,563	0.77%	1.26%
2013	82,762	49,481	74,155	56,853	65,813	51,900	0.40%	0.65%
2014	86,634	50,118	74,569	58,127	67,362	53,035	2.35%	2.19%
2015	86,823	51,824	75,898	60,735	68,820	55,653	2.16%	4.94%
2016	90,382	54,429	80,841	61,553	71,801	56,565	4.33%	1.64%
2017	90,124	53,626	80,290	62,532	71,643	57,051	-0.22%	0.86%
2018	96,936	59,838	88,384	66,059	77,804	59,570	8.60%	4.42%
2019	96,847	61,807	90,910	70,130	79,924	67,444	2.72%	13.22%
2020	101,560	65,770	90,880	72,064	82,569	68,093	3.31%	0.96%
Averaged Yearly Totals	\$ 89,806	\$ 54,499	\$ 80,117	\$ 62,109	\$ 71,633	\$ 57,179		

Source: U.S. Census Bureau



North Texas Four County Region's Top Ten Employers

(unaudited)

2021			
COLLIN COUNTY TOP TEN EMPLOYERS			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT	INDUSTRY
STATE FARM INSURANCE CORPORATE OFFICE	9,000	1.61%	INSURANCE
FRISCO INDEPENDENT SCHOOL DISTRICT	7,048	1.26%	EDUCATION
CAPITAL ONE FINANCE	5,023	0.90%	FINANCIAL SERVICES
JP MORGAN CHASE	4,988	0.89%	FINANCIAL SERVICES
UNIVERSITY OF TEXAS AT DALLAS	3,911	0.70%	HIGHER EDUCATION
TOYOTA NORTH AMERICA HQ	3,815	0.68%	AUTOMOTIVE
RAYTHEON INTELLIGENCE & SPACE	3,658	0.65%	TECHNOLOGY
BLUE CROSS BLUE SHIELD OF TEXAS	3,100	0.55%	INSURANCE
MCKINNEY INDEPENDENT SCHOOL DISTRICT	2,814	0.50%	EDUCATION
LIBERTY MUTUAL INSURANCE	2,652	0.47%	INSURANCE
Total	46,009	8.21%	
DALLAS COUNTY TOP TEN EMPLOYERS			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT	INDUSTRY
TEXAS HEALTH RESOURCES	26,000	0.99%	NON-PROFIT HEALTHCARE
LOCKHEED MARTIN AERONAUTICS COMPANY	22,950	0.88%	MILITARY AIRCRAFT DESIGN & PRODUCTION
UT SOUTHWESTERN MEDICAL CENTER	20,167	0.77%	HEALTH CARE PROVIDER
BAYLOR SCOTT & WHITE HEALTHCARE SYSTEM	18,195	0.69%	HEALTH CARE PROVIDER
MEDICAL CITY HEALTHCARE	17,000	0.65%	HEALTH CARE PROVIDER
UNIVERSITY OF NORTH TEXAS SYSTEMS	14,730	0.56%	HIGHER EDUCATION
BANK OF AMERICA	13,650	0.52%	FINANCIAL SERVICES
PARKLAND HEALTH & HOSPITAL SYSTEMS	13,095	0.50%	HEALTH CARE PROVIDER
JP MORGAN CHASE	13,050	0.50%	FINANCIAL SERVICES
CITY OF DALLAS	12,695	0.48%	MUNICIPALITY
Total	171,532	5.89%	
DENTON COUNTY TOP TEN EMPLOYERS			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT	INDUSTRY
UNIVERSITY OF NORTH TEXAS	10,894	2.31%	HIGHER EDUCATION
LEWISVILLE INDEPENDENT SCHOOL DISTRICT	6,500	1.38%	EDUCATION
DENTON ISD	4,417	0.94%	EDUCATION
WALMART (DISTRIBUTION CENTER & STORES)	3,722	0.79%	RETAIL
PETERBILT MOTORS	3,075	0.65%	MANUFACTURING
FRITO LAY CO	2,500	0.53%	RETAIL
NORTHWEST ISD	2,246	0.48%	EDUCATION
NEBRASKA FURNITURE MART	2,000	0.42%	RETAIL
TEXAS WOMAN'S UNIVERSITY	1,875	0.40%	HIGHER EDUCATION
DENTON COUNTY	1,823	0.39%	COUNTY GOVERNMENT
Total	39,052	8.29%	
TARRANT COUNTY TOP TEN EMPLOYERS			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT	INDUSTRY
AMRCORP./AMERICAN AIRLINES	33,000	3.14%	AIRLINE
LOCKHEED MARTIN AERONAUTICS COMPANY	18,079	1.72%	MANUFACTURING
TEXAS HEALTH RESOURCES	12,266	1.17%	HEALTH CARE PROVIDER
FORT WORTH INDEPENDENT SCHOOL DISTRICT	11,477	1.09%	EDUCATION
NAS- FORT WORTH JOINT RESERVE BASE	10,000	0.95%	MILITARY
ARLINGTON INDEPENDENT SCHOOL DISTRICT	8,500	0.81%	EDUCATION
COOK'S CHILDREN HEALTH CARE SYSTEM	7,975	0.76%	HEALTH CARE PROVIDER
UNIVERSITY OF TEXAS AT ARLINGTON	7,460	0.71%	HIGHER EDUCATION
JPS HEALTH NETWORK	7,253	0.69%	HEALTH CARE PROVIDER
CITY OF FORTH WORTH	7,170	0.68%	MUNICIPALITY
Total	123,180	11.72%	

Source: Local Counties Annual Report (Collin, Dallas, Denton and Tarrant)

Contribution to Infrastructure Assets

Last Ten Fiscal Years

(unaudited)

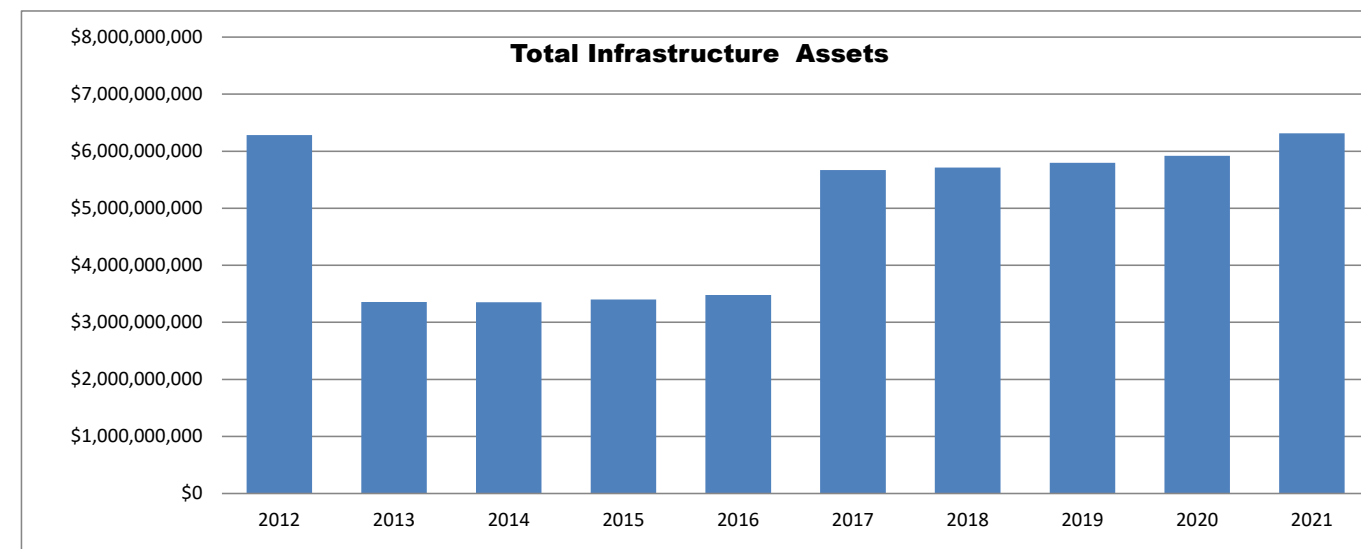
Year	Beginning Balance	Additions	Deletions/Depreciation	Adjustments	Ending Balance
2012	\$ 6,252,620,545	\$ 98,294,093	\$ (69,521,816)	\$ -	\$ 6,281,392,822
2013	6,281,392,822	25,112,483	(2,949,815,326) ⁽¹⁾	-	3,356,689,979
2014	3,356,689,979	11,585,674	(6,159,420)	(8,597,539)	3,353,518,694
2015	3,353,518,694 *	53,581,166	(6,889,660)	136,897	3,400,347,097
2016	3,400,347,097 *	89,901,489	(8,903,986)	(394,739)	3,480,949,861
2017	3,480,949,861 *	132,744,330	(20,559,186)	2,078,500,474 ⁽²⁾	5,671,635,479
2018	5,671,635,479 *	58,751,927	(16,987,728)	854,827	5,714,254,505
2019	5,714,254,505 *	98,705,222	(10,834,049)	(6,992,667)	5,795,133,011
2020	5,795,133,011 *	134,491,633	(12,442,509)	(71,323)	5,917,110,812
2021	5,917,110,812 *	92,634,275	(7,786,136)	312,748,531 ⁽³⁾	6,314,707,482

* does not include intangible assets and amortization of intangible assets

(1) Includes reclass of Sam Rayburn Tollway to an intangible asset

(2) Includes transfer of assets from Special Projects System to NTTA System

(3) Includes transfer of assets from 360 Tollway to NTTA System



Toll Collection Variance

Last Ten Fiscal Years

(unaudited)

	Calendar Year 2012	Calendar Year 2013	Calendar Year 2014	Calendar Year 2015	Calendar Year 2016	Calendar Year 2017	Calendar Year 2018	Calendar Year 2019	Calendar Year 2020	Calendar Year 2021
Value of invoiced ZipCash transactions uncollected	\$ 80,413,340	\$ 81,701,089	\$ 81,508,283	\$ 102,767,093	\$ 113,455,688	\$ 112,820,414	\$ 115,432,293	\$ 119,792,083	\$ 99,853,082	\$ 146,603,737
Value of uninvoiced ZipCash transactions	52,451,196	61,518,201	80,989,673	81,035,240	71,002,940	67,811,698	70,619,752	69,223,428	52,513,319	65,849,367
Total	\$ 132,864,536	\$ 143,219,290	\$ 162,497,956	\$ 183,802,333	\$ 184,458,628	\$ 180,632,111	\$ 186,052,045	\$ 189,015,511	\$ 152,366,401	\$ 212,453,103
Value of all AVI and ZipCash transactions adjusted for Vtoll transactions	\$ 591,226,667	\$ 676,584,037	\$ 795,784,407	\$ 894,514,347	\$ 967,410,315	\$ 1,003,853,246	\$ 1,067,934,551	\$ 1,116,552,191	\$ 907,943,247	\$ 1,181,296,614
Toll collection variance	22.47%	21.17%	20.42%	20.55%	19.07%	17.99%	17.42%	16.93%	16.78%	17.98%

Notes:
 (1) These calculations use aggregate transaction information from the NTTA System and exclude the Non-Major Enterprise Fund.

	Calendar Year 2012	Calendar Year 2013	Calendar Year 2014	Calendar Year 2015	Calendar Year 2016	Calendar Year 2017	Calendar Year 2018	Calendar Year 2019	Calendar Year 2020	Calendar Year 2021
Percentage of ZipCash transactions (by value) out of all NTTA transactions during period	29.43%	28.83%	30.40%	30.42%	28.90%	26.79%	25.28%	24.13%	26.22%	27.03%
Percentage of ZipCash transactions (by value) that were invoiced during period	62.94%	61.92%	64.61%	68.26%	72.68%	72.93%	71.94%	72.40%	67.19%	68.38%
Percentage of ZipCash transactions (by value) that were collected as of period end	41.29%	48.75%	45.03%	41.40%	41.30%	39.64%	36.57%	34.17%	33.19%	34.28%

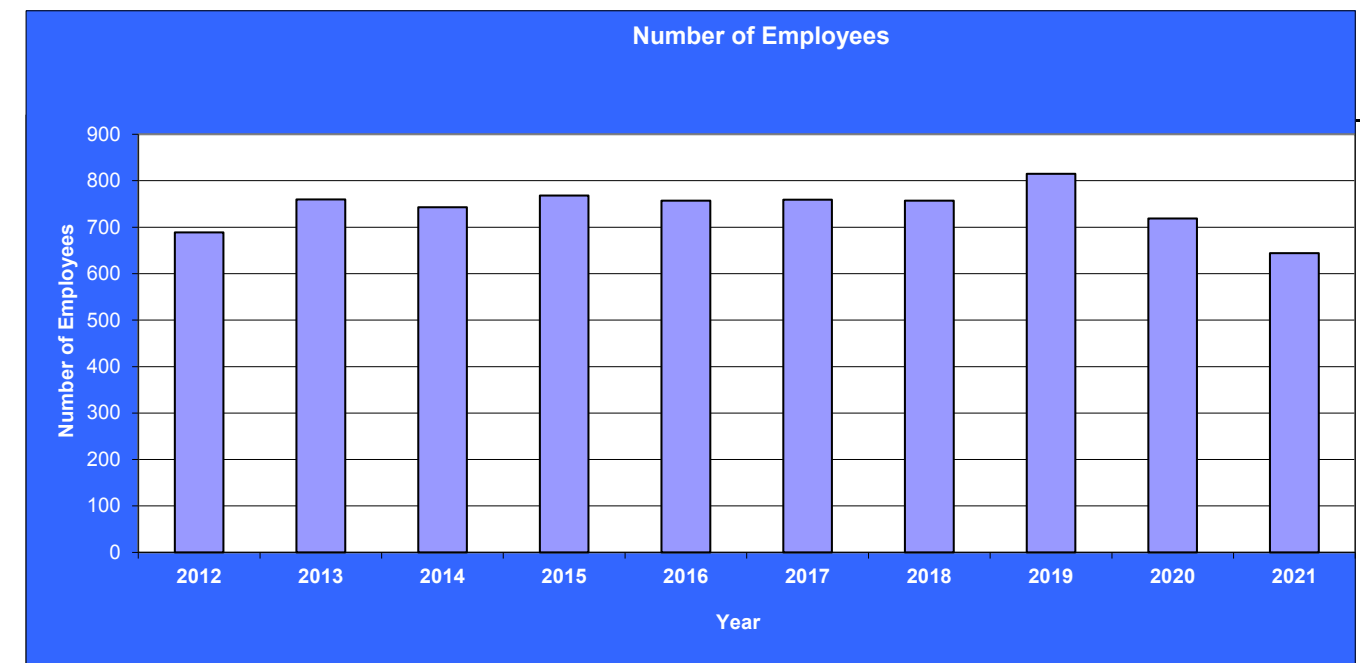
Notes:
 (1) These calculations use aggregate transaction information from the NTTA System and exclude the Non-Major Enterprise Fund.
 (2) Uninvoiced ZipCash transactions that are paid in the reporting period are deemed to be invoiced and are reflected in the percentages in the preceding table. Uninvoiced ZipCash transactions that are invoiced in subsequent reporting periods, and uncollected invoiced ZipCash transactions that are collected in subsequent reporting periods, are not reflected in the percentages in the preceding table. Furthermore, the percentages in the table do not take into account adjustments for VToll transactions and unassigned ZipCash invoices occurring after such reporting period. ZipCash transactions are not invoiced if the transaction (i) does not meet NTTA's business rules regarding invoicing, or (ii) is not pursuable because a readable license plate image was not captured or because the license plate information could not be matched to the vehicle owner information.
 (3) The calculation does not include ZipCash transactions collected after the end of the calendar year in which the transaction occurred, therefore NTTA reports total ZipCash collections, including invoiced and uninvoiced payments, for the calendar year. This amount includes all ZipCash transactions collected regardless of the date the transactions occurred. Total unaudited ZipCash collections for the NTTA System were approximately \$41.3 million for 2011, \$67.4 million for 2012, \$68.3 million for 2013, \$78.0 million for 2014, \$81.4 million for 2015, \$92.0 million for 2016, \$88.1 million for 2017, \$92.3 million for 2018, \$93.6 million for 2019, \$78.4 million for 2020, and \$113.9 million for 2021.

Total Lane Miles Operating and Number of Employees by Department

Last Ten Fiscal Years (unaudited)

Lane Miles										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Total Lane Miles	744	744	744	744	745	950	995	1084	1089	1158

Full-time Equivalent Employees										
Function	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Administration	7	3	2	2	2	2	3	2	2	2
Administration/Infrastructure	0	0	0	0	0	0	0	0	0	7
Board	2	1	1	1	1	1	1	1	1	1
Operations	1	3	5	5	6	7	5	8	8	8
Financial Planning and Analysis	0	0	0	0	6	6	0	0	0	0
Strategic & Innovative Solutions	0	9	6	3	0	0	0	0	0	0
Finance	23	25	19	23	18	18	15	14	14	14
Business Diversity	5	5	5	5	5	5	4	5	5	4
Communications/Public Affairs	14	15	14	15	15	12	12	14	11	10
Internal Audit	8	8	7	7	8	9	8	8	6	4
Human Resources	11	13	12	11	11	11	13	13	12	11
Legal Services	5	5	5	5	7	6	7	6	6	6
System & Incident Management	84	91	94	98	103	112	132	132	124	119
Information Technology	71	77	76	78	83	84	81	86	88	82
Procurement Services	11	11	9	10	10	11	10	11	11	6
Government Affairs	3	3	3	1	2	2	2	3	1	3
Maintenance	181	195	167	160	165	132	127	137	159	113
Customer Service Center	248	279	298	325	295	321	312	349	248	232
Project Delivery	11	13	16	16	16	17	16	17	15	15
Treasury Management	4	4	4	3	4	3	9	9	8	7
Total	689	760	743	768	757	759	757	815	719	644



Continuing Financial Disclosure Schedules (unaudited)

The Continuing Financial Disclosure Schedules present various financial data in support of the Management's Discussion and Analysis and Financial Statements in the Financial Section of the Annual Comprehensive Financial Report for the fiscal year ended December 31, 2021.

Schedule of Budget and Actual Revenues and Expenses on Trust Agreement Basis

Year ended December 31, 2021 (unaudited)

Schedule 2

	Budget	Actual	Variance Over (Under)
Revenues:			
Toll revenues	\$ 786,903,700	\$ 898,653,592	\$ 111,749,892
Interest income	15,000,000	6,062,877	(8,937,123)
Other revenue	27,300,000	20,566,559	(6,733,441)
Gross revenues	<u>829,203,700</u>	<u>925,283,028</u>	<u>96,079,328</u>
Operating expenses:			
Administration:			
Accounting	1,692,462	1,728,718	36,256
Administration	530,356	535,148	4,792
Board	167,823	166,813	(1,010)
Human resources	1,422,987	1,489,863	66,876
Internal audit	960,160	694,344	(265,816)
Legal services	2,714,767	2,501,012	(213,755)
Procurement and business diversity	1,733,512	1,442,455	(291,057)
Public affairs	5,696,949	5,158,841	(538,108)
Shared services	9,908,589	9,067,866	(840,723)
Treasury management	2,256,342	2,153,215	(103,127)
Total administration	<u>27,083,947</u>	<u>24,938,275</u>	<u>(2,145,672)</u>
Operations:			
Contact center and collections	58,833,590	62,050,112	3,216,522
Information technology	24,562,122	24,777,431	215,309
Maintenance	48,250,984	44,126,036	(4,124,948)
Operations	1,232,652	1,182,679	(49,973)
Project delivery	2,427,380	2,311,092	(116,288)
Traffic & incident management	21,265,984	19,722,481	(1,543,503)
Total operations	<u>156,572,711</u>	<u>154,169,831</u>	<u>(2,402,880)</u>
Total operating expenses	<u>183,656,658</u>	<u>179,108,106</u>	<u>(4,548,552)</u>
Net revenues available for debt service	\$ <u>645,547,042</u>	\$ <u>746,174,922</u>	\$ <u>100,627,880</u>

Schedule of Changes in Net Position by Trust Account

December 31, 2021

(unaudited)

Schedule of Changes in Net Position by Trust Account

December 31, 2021

(unaudited)

Schedule 3

	Total	Non-Major Enterprise Fund	North Texas Tollway System	Construction and Property Account	Revenue Account	Operations and Maintenance Account	Reserve Maintenance Account	Capital Improvement Fund	Debt Service Accounts		
									Bond Interest Account	Reserve Account	Redemption Account
Net positions, beginning of year	\$ 297,199,455	\$ 58,867,059	\$ 238,332,396	\$ (863,975,990)	\$ 86,423,377	\$ (2,497,524)	\$ 53,283,608	\$ 320,692,576	\$ 13,850,305	\$ 449,872,188	\$ 180,683,856
Gross revenues	979,619,622	54,336,594	925,283,028	-	919,594,249	13,464	37,397	1,832,125	140,573	3,628,840	36,380
Net increase (decrease) in the fair value of investments	(9,933,865)	-	(9,933,865)	-	(63,126)	-	-	(3,077,491)	-	(6,793,248)	-
Gain (loss) on sale of investments	4,710	-	4,710	-	-	-	-	-	-	4,710	-
Administration and operations expenses	(226,159,520)	(47,051,414)	(179,108,106)	-	-	(179,108,106)	-	-	-	-	-
Depreciation on property and equipment	(7,177,019)	-	(7,177,019)	(7,177,019)	-	-	-	-	-	-	-
Bond interest expense	(458,425,155)	-	(458,425,155)	-	-	-	-	(4,205,000)	(454,220,155)	-	-
BAB's Subsidy	19,680,386	-	19,680,386	-	-	-	-	-	19,680,386	-	-
Other nonoperating expenses/ revenue	1,956,852	-	1,956,852	-	-	395,539	371	1,560,942	-	-	-
Bond discount/premium amortization	80,113,344	-	80,113,344	80,113,344	-	-	-	-	-	-	-
Bond issuance cost amortization	(6,025,009)	-	(6,025,009)	(5,643,569)	-	-	-	(381,440)	-	-	-
Loss on disposal of assets	(667,244)	-	(667,244)	(667,244)	-	-	-	-	-	-	-
Interest on loan	(4,297,235)	-	(4,297,235)	(4,297,235)	-	-	-	-	-	-	-
Amortization of deferred amount on refunding (note 5)	(79,486,903)	-	(79,486,903)	(79,486,903)	-	-	-	-	-	-	-
Amortization of intangibles	(64,788,513)	-	(64,788,513)	(64,788,513)	-	-	-	-	-	-	-
Reserve maintenance account expenses	(30,565,525)	-	(30,565,525)	-	-	-	(30,565,525)	-	-	-	-
Consolidated capital improvement fund expenses	(20,840,450)	-	(20,840,450)	111,746,931	-	-	-	(132,587,381)	-	-	-
Net revenues	173,008,475	7,285,180	165,723,295	29,799,792	919,531,123	(178,699,103)	(30,527,757)	(136,858,245)	(434,399,196)	(3,159,698)	36,380
Interfund transactions:											
Distribution from revenue fund	-	-	-	-	(897,227,818)	163,047,500	5,873,204	241,024,298	367,987,816	-	119,295,000
Operating transfers (other funds)	-	-	-	(61,382,709)	(19,861,681)	13,197,386	(42,236)	187,319,865	59,383,258	2,097,759	(180,711,642)
Contributed Capital from 360 Tollway	18,462,580	-	18,462,580	4,122,126	2,374,299	(314,519)	-	12,280,674	-	-	-
Net changes during the year	191,471,055	7,285,180	184,185,875	(27,460,791)	4,815,923	(2,768,736)	(24,696,789)	303,766,592	(7,028,122)	(1,061,939)	(61,380,262)
	\$ 488,670,510	\$ 66,152,239	\$ 422,518,271	\$ (891,436,781)	\$ 91,239,300	\$ (5,266,260)	\$ 28,586,819	\$ 624,459,168	\$ 6,822,183	\$ 448,810,248	\$ 119,303,594

Schedule of Historical Traffic, Toll Revenues and Net Revenues

Year Ended December 31, 2021
 (unaudited)

Schedule 6

Historical Traffic and Toll Revenue

The table below sets forth the annual revenue vehicle transactions and gross toll revenue with respect to the Dallas North Tollway System for the ten calendar years 2012 through 2021:

Year	Annual revenue vehicle transactions (unaudited)	Annual toll revenue
2012	585,051,845	\$ 485,463,608
2013	610,129,737	525,458,723
2014	644,669,523	580,045,215
2015	676,484,779	617,488,044
2016	703,094,602	665,212,316
2017	723,247,591	712,551,456
2018	827,610,415	841,491,016
2019	847,392,583	886,843,140
2020	650,219,349	714,035,883
2021	810,083,028	898,653,592

Historical Net Revenues

The table set forth below shows the Net Revenues for debt service (as defined by Trust Agreement) of the Dallas North Tollway System for the ten calendar years 2012 through 2021:

Year	Toll revenue	Current expenses	Investment and other earnings	Net revenues	Coverage
2012	\$ 485,463,608	\$ 106,236,324	\$ 28,832,506	\$ 408,059,790	1.47
2013	525,458,723	109,240,378	21,721,506	437,939,851	1.26
2014	580,045,215	115,465,976	28,170,791	492,750,030	1.41
2015	617,488,044	128,107,355	33,019,683	522,400,372	1.48
2016	665,212,316	131,310,220	43,467,901	577,369,997	1.48
2017	712,551,456	145,516,809	49,612,968	616,647,615	1.49
2018	841,491,016	165,549,908	67,692,654	743,633,762	1.37
2019	886,843,140	174,227,341	72,188,818	784,804,617	1.42
2020	714,035,883	167,312,413	34,543,571	581,267,041	1.28
2021	898,653,592	179,108,106	26,629,436	746,174,922	1.43

Schedule of Capitalized Costs by Project

As of December 31, 2020
 (unaudited)

Schedule 7

	Cumulative Total Through December 31, 2021
Dallas North Tollway - 3711	
Preliminary costs	\$ 17,379,879
Right-of-way	49,485,646
Engineering	21,439,097
Administration	2,953,499
Buildings	5,580,003
Land	1,714,934
Roadways	203,765,224
Equipment	771,382
Accumulated depreciation - equipment	(771,382)
Total capitalized costs – Dallas North Tollway	302,318,282
Dallas North Tollway Extension - 3712	
Preliminary costs	6,619,071
Right-of-way	8,557,830
Engineering	25,116,391
Administration	1,413,506
Roadways	231,085,280
Total capitalized costs – Dallas North Tollway Extension	272,792,078
Addison Airport Toll Tunnel - 3741	
Preliminary costs	1,244,082
Right-of-way	617,278
Engineering	4,895,697
Administration	295,203
Roadways	16,853,636
Total capitalized cost – Addison Airport Toll Tunnel	23,905,896
President George Bush Turnpike - Segments I - IV - 3721	
Preliminary costs	18,040,104
Right-of-way	73,459,678
Engineering	114,239,012
Construction in Progress	122,507,009
Administration	25,252,891
Buildings	24,796,157
Land	5,578,821
Roadways	973,854,950
Intangibles	82,938,855
Equipment	52,732,690
Accumulated depreciation for buildings	(13,250,593)
Accumulated depreciation - equipment	(40,623,481)
Total capitalized cost – President George Bush Turnpike - Segments I - IV	1,439,526,093
President George Bush Turnpike - Segment V - 3723	
Preliminary costs	1,596,208
Right-of-way	16,459
Engineering	8,981,476
Administration	235,829
Roadways	75,190,982
Total capitalized cost – President George Bush Turnpike - Segment V	86,020,954
Dallas North Tollway Phase 3 - 3713	
Preliminary costs	5,118,815
Infrastructure - Other	434
Right-of-way	569,830
Engineering	33,329,767
Administration	2,690,663
Construction In Progress	238,503,565
Roadways	200,921,609
Total capitalized cost – Dallas North Tollway Phase 3	481,134,683
Lewisville Lake Toll Bridge - 3761	
Preliminary costs	9,875
Right-of-way	13,177
Engineering	14,360,278
Administration	249,620
Roadways	99,475,304
Total capitalized cost – Lewisville Lake Toll Bridge	114,108,254

Schedule of Capitalized Costs by Project

As of December 31, 2021
 (unaudited)

Schedule 7

	Cumulative Total Through December 31, 2020
Sam Rayburn Tollway (121 Tollway) - 3751	
Preliminary costs	\$ 1,142,464
Right-of-way	15,103,568
Engineering	106,732,877
Administration	21,194,398
Construction in Progress	145,820,611
Roadways	636,958,077
Total capitalized cost – Sam Rayburn Tollway (121 Tollway)	<u>926,951,995</u>
President George Bush Turnpike - Eastern Extension - 3722	
Infrastructure (Other)	30,192
Right-of-way	104,963,158
Engineering	73,198,510
Administration	4,861,209
Roadways	445,503,010
Total capitalized cost – President George Bush Turnpike - Eastern Extension	<u>628,556,079</u>
PGBT Western Ext Constr Fund - 3771	
Right-of-way	69,934
Engineering	11,751,580
Administration	868,289
Roadways	1,039,030,873
Total capitalized cost – PGBT Western Ext Constr Fund - 3771	<u>1,051,720,676</u>
CTP Construction Fund - 3781	
Right-of-way	48,526,366
Engineering	30,966,283
Administration	122,357
Construction in Progress	6,170,121
Roadways	975,907,792
Total capitalized cost - Chisholm Trail Parkway	<u>1,061,692,919</u>
MCLB 1977 Construction Fund - 3731	
Preliminary costs	483,969
Right-of-way	50,778
Engineering	616,968
Administration	379,131
Roadways	7,370,431
Total capitalized cost – MCLB 1977 Construction Fund	<u>8,901,277</u>
2009 A Revenue Bonds Fund - 3601	
Roadways	2,550
Administration	14,601
Total capitalized cost - 2009 A Revenue Bonds	<u>17,151</u>
Totals by Asset Type	
Infrastructure	30,626
Preliminary costs	51,634,467
Right-of-way	301,433,702
Engineering	445,627,936
Construction in Progress	513,001,306
Administration	60,531,196
Buildings	30,376,160
Land	7,293,755
Roadways	4,905,919,718
Intangibles	82,938,855
Machinery and Equipment	53,504,072
Accumulated depreciation - equipment	(41,394,863)
Accumulated depreciation - buildings	(13,250,593)
Total capitalized cost as of December 31, 2021	<u>\$ 6,397,646,337</u>

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

(concluded)



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