



NTTA SYSTEM FINAL BUDGET FY2015



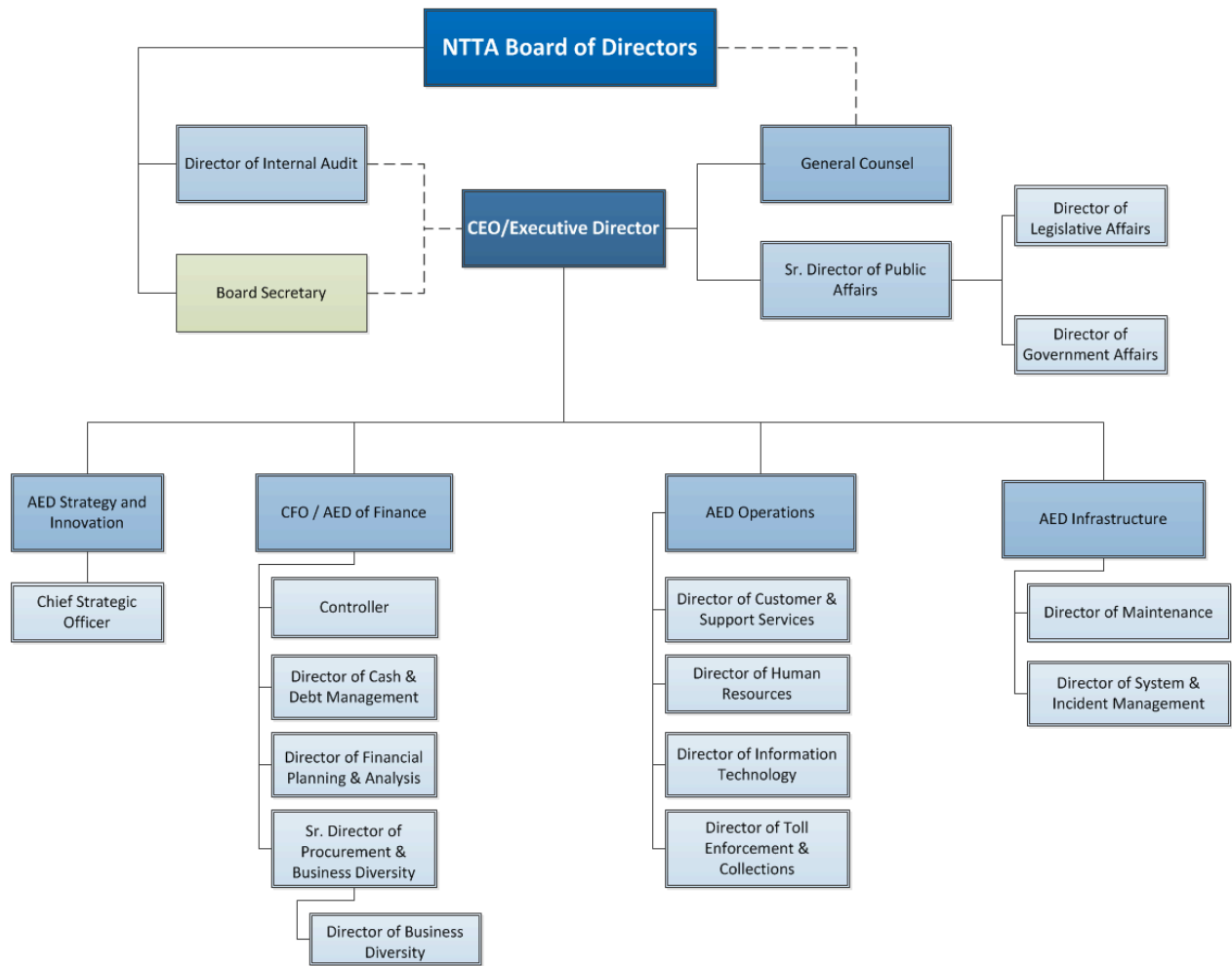
NTTA Mission

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

NTTA Board of Directors

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

Organizational Chart



NTTA Officials for FY2015

Gerald E. Carrigan	CEO/Executive Director
Lorelei Griffith	Board Secretary
VACANT	Assistant Executive Director, General Counsel
Thomas Bamonte	Assistant Executive Director, Strategy and Innovation
James Hofmann	Assistant Executive Director, Operations
Elizabeth Mow, P.E.	Assistant Executive Director, Infrastructure
Horatio Porter, CPA	CFO/Assistant Executive Director, Finance
Kimberly Jackson	Senior Director, Public Affairs
Clint Purtell	Senior Director, Procurement and Business Diversity
Magdalena Brady	Director, Internal Audit
John Bannerman	Director, Customer and Support Services
Anthony Coleman	Director, Business Diversity
Dana Gibson-Boone	Director, Cash and Debt Management
Pete Havel	Director, Legislative Affairs
Eric Hemphill	Director, System and Incident Management
Craig Lockett	Director, Human Resources
Robert Rangel Jr.	Director, Financial Planning & Analysis
Brian Reich, CPA	Controller
Yosvany Rodriguez	Director, Collections and Toll Enforcement
Carrie Rogers	Director, Government Affairs
Sabu Stephen	Director, Information Technology
Kimberly Tolbert	Chief Strategic Officer
VACANT	Director, Maintenance

Letter of Transmittal

We are pleased to submit for your review the FY2015 Budget of the North Texas Tollway Authority ("NTTA" or "Authority").

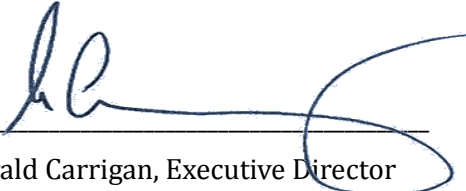
Section 505 of the Trust Agreement for the NTTA System, requires that the Board adopt a Preliminary Budget of current expenses (operating budget) and the deposit to the Reserve Maintenance Fund for the following year in October of the current year. The Final Budget must be adopted in December or the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

This chart provides an overview of the FY2015 Budget with a comparison to the FY2014 Final Budget.

North Texas Tollway Authority		
	FY2015 Budget	FY2014 Budget
Estimated Revenues	\$608,368,030	\$541,102,950
Operating Budget	\$137,513,520	\$122,700,000
Total Net Debt Service	\$359,946,028	\$340,823,045
Estimated Coverage First Tier	1.58	1.50
Estimated Coverage All Debt	1.22	1.14
Reserve Maintenance Deposit	\$0	\$0
Estimated Capital Improvement Fund Deposit	\$117,730,220	\$83,579,905

If you have any questions, or need additional information, please let us know.

Very truly yours,



Gerald Carrigan, Executive Director



Horatio Porter, Chief Financial Officer



NTTA will expand the Dallas North Tollway by adding a fourth lane in each direction from LBJ Freeway to Sam Rayburn Tollway.

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NTTA is developing innovative ways to improve the customer experience and the efficiency and effectiveness of toll collection.

TollTags are Now Ok to Use in OK!



One More Great Advantage of Having a TollTag!

Starting August 10, 2014 NTTA sticker TollTags work on all Oklahoma toll roads. TollTag customers always pay the lowest rates. Open an account today!

NTTA.org

NTTA
NORTH TEXAS TOLLWAY AUTHORITY

NTTA customers can use a sticker TollTag while driving on Oklahoma turnpikes and receive the same discounted rates as PikePass customers.

NTTA Overview

Founded in 1997, the North Texas Tollway Authority (NTTA) is authorized by the State of Texas to acquire, construct, maintain, repair and operate turnpike projects in the North Texas region. By law, a nine-member board oversees the work of NTTA. Two board members are selected by the commissioners' courts of the following counties: Collin, Dallas, Denton and Tarrant. The governor of the State of Texas appoints the ninth member.

NTTA is a non-appropriated (state) organization that uses all revenue generated on NTTA toll roads for projects within the North Texas region. NTTA advances projects in alignment with the North Central Texas Council of Governments'; 2035 Metropolitan Transportation Plan. The NTTA operates two separate enterprise systems. The NTTA System facilities are: Dallas North Tollway (DNT), the President George Bush Turnpike (PGBT), Sam Rayburn Tollway (SRT), Addison Airport Toll Tunnel (AATT), Lewisville Lake Toll Bridge (LLTB) and Mountain Creek Lake Bridge (MCLB). In 2011, the NTTA created the Special Projects System (SPS) that consists of the President George Bush Turnpike Western Extension (PGBT-WE) and the Chisholm Trail Parkway (CTP). The CTP is NTTA's first project in Tarrant and Johnson counties.

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

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

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

With a TollTag where electronic receptors at each tolling point scan vehicles, TollTags, and toll payment is automatically deducted from users' accounts. TollTag customers pay the lowest rates.

Through ZipCash where high-speed cameras photograph the license plates of vehicles passing under each tollway gantry, and NTTA sends ZipCash bills by mail to the registered vehicle owners. ZipCash customers pay a higher rate to offset the additional cost of collecting through this option.

Today NTTA continues to work to meet the demands for transportation in the North Texas region, a region with 4.9 million registered vehicles and an estimated FY2013 population of 6.0 million that has grown by 19.6 percent in the last 10 years.

Strategic Plan

FIVE-YEAR STRATEGIC GOALS

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

Customer-Driven organization

Financially sound and vibrant organization

Innovative transportation solutions

Highly qualified, energized and engaged team

Respected leader and partner

FY2015 STRATEGIC PRIORITIES

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

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

Strategic Priority	Related Strategic Goal(s)
Advance and implement toll enforcement remedies	Customer driven organization Financially sound & vibrant organization
Optimize customer service and collections strategies	Customer driven organization Financially sound and vibrant organization
Expand TollTag and convert ZipCash customers to TollTag customers	Customer driven organization Financially sound and vibrant organization
Develop comprehensive financing plan	Financially sound and vibrant organization Respected leader and partner in the region's transportation network
Streamline monthly financial reporting and improve budget-to-actual reporting	Financially sound and vibrant organization
Complete back office system enhancements	Financially sound and vibrant organization Delivering transportation solutions
Advance regional transportation and system improvement projects	Delivering transportation solutions Respected leader and partner in the region's transportation network
Implement strategies for Tolling Service Agreements (TSA)	Delivering transportation solutions
Leverage partnerships to expand D/M/WBEs in procurement opportunities	Respected leader and partner in the region's transportation network
Improve employee engagement and development strategies	Highly qualified, energized and engaged team



We've got your back! NTTA's free Roadway Customer Service is just a phone call away, and the number is listed on the back of every TollTag .



FY2015 Budget Executive Summary

INTRODUCTION

As the landscape for mobility solutions in North Texas becomes ever larger, more diverse and more complex, the North Texas Tollway Authority (NTTA or Authority) will continue providing safe and reliable toll road options for millions of customers across North Texas. The FY2015 budget enables the Authority to maintain the high standards of the NTTA System in alignment with the Authority's five strategic goals:

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

Forming the framework for the FY2015 Budget is the Authority's continued focus on customers, collections and construction. This budget allocates resources to improve operating results. Specifically, NTTA is investing in priorities aimed at bolstering customer satisfaction while increasing collections across all customer groups. The focus areas for FY2015 include:

- Expanding TollTag offerings and increasing TollTag promotions and marketing to create customer value through a new customer loyalty program.
- Replacing hard case TollTags and maximizing TollTag penetration resulting in the need for additional TollTags.
- Bolstering the ability to invoice more transactions by investing in "out of state" look up services and other programs.
- Reinforcing customer response time by augmenting staffing with the Flexible Capacity program.
- Strengthening early stage cash collections by restructuring collection agency contracts, providing more incentive designed to yield better results.

As NTTA continues to advance these efforts, there are critical assumptions about key business drivers and components that shape the FY2015 Budget:

1. Revenues are growing due to anticipated traffic growth and scheduled rate increase.
2. Debt service payments for NTTA System construction and expansion projects are escalating. The anticipated increase coincides with traffic growth on new and existing toll roads. Despite the higher debt obligations, NTTA expects to outperform the 1.50 first tier debt service coverage established by the Board.
3. The Operation and Maintenance Fund (OMF) will increase to fund the strategic priorities listed above. Additionally, there are other general cost increases fueled by transaction growth. These include postage, bank charges and credit card processing fees. Organizationally, there are budget increases for software infrastructure, police services and insurance coverage.
4. The Reserve Maintenance Fund (RMF) decreases slightly for scheduled maintenance of roads, facilities and equipment.

In addition to the current FY2015 Budget for the NTTA System, the annual budget for the Special Projects System and the Authority's Five-Year Capital Plan are available at:

Special Projects System:

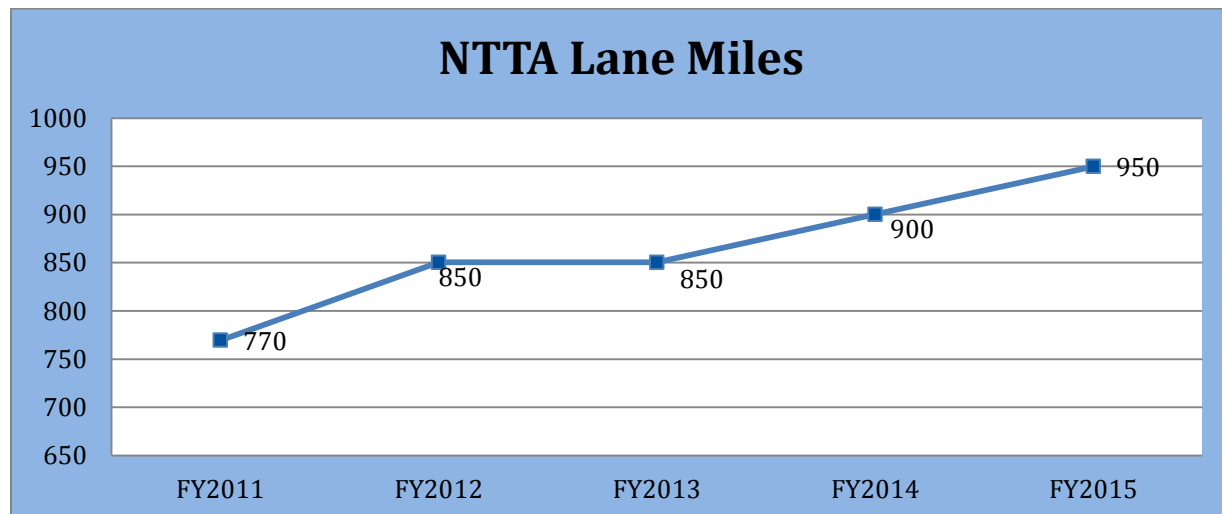
https://www.ntta.org/whatwedo/fin_invest_info/investorspeicalprojects/Documents/Financai_Reports_2014/2015_SPS_Budget.pdf

Five-Year Capital Plan:

https://www.ntta.org/whatwedo/fin_invest_info/financial_Info/Documents/Monthly_Financial_Reports_2014/NTTA_5year_Capital_Plan.pdf

The following pages offer details on the key components of the FY2015 Budget. Also provided is a summary of each department's strategic efforts and significant variance explanations (see pages 50-116).

The NTTA System and Special Projects System consist of revenue-producing toll roads and service roads. The combined roads represent the total lane miles NTTA must maintain. With the opening of the Chisholm Trail Parkway in FY2014, total lane miles have increased by 23.4% during the last five years, from 770 lane miles in FY2011 to 950 lane miles in FY2015.

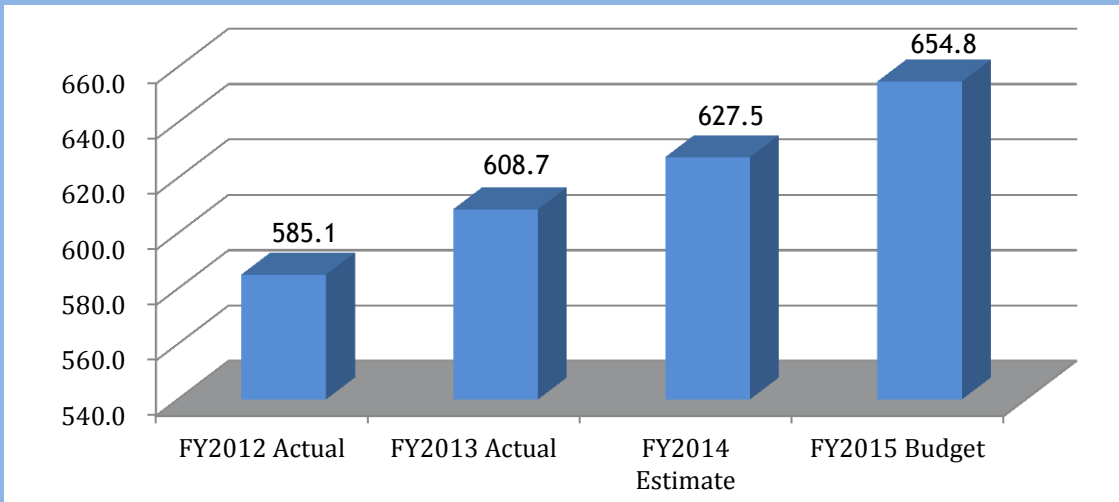


FY2015 TRANSACTIONS

The FY2015 Budget continues to focus on increasing the number of TollTag account customers and also efficiently processing, invoicing and collecting non-TollTag account (ZipCash) transactions. In FY2015 NTTA anticipates adding 350,000 new TollTag accounts. The growth in new accounts along with increased traffic on the toll roads will spur additional transactions.

Overall, the toll transactions for the NTTA System are estimated to increase to 654.8 million in FY2015. Separately, the Special Projects System has 62.4 million transactions. In addition, two toll services agreements (TSAs), discussed later, will add an estimated 66.7 million transactions in FY2015.

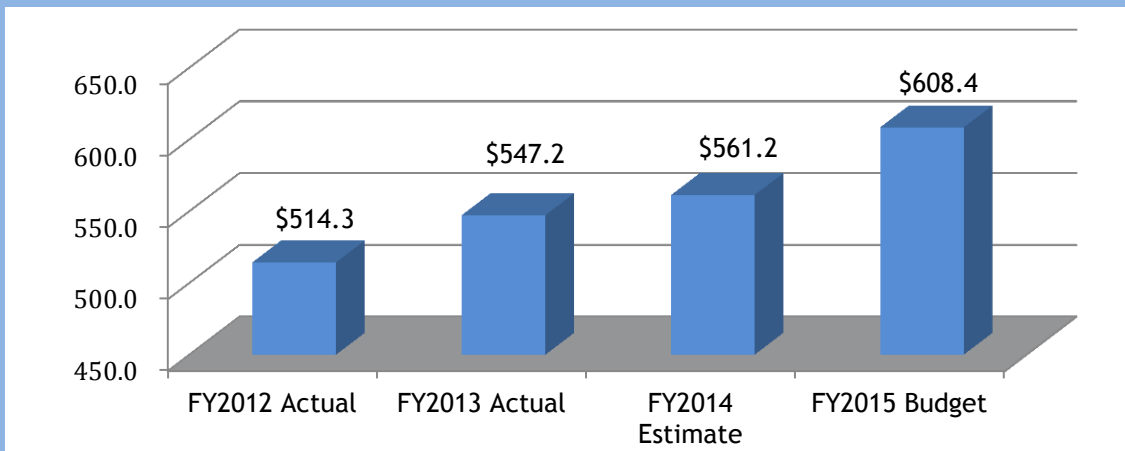
Transactions Trends (millions)



FY2015 REVENUES

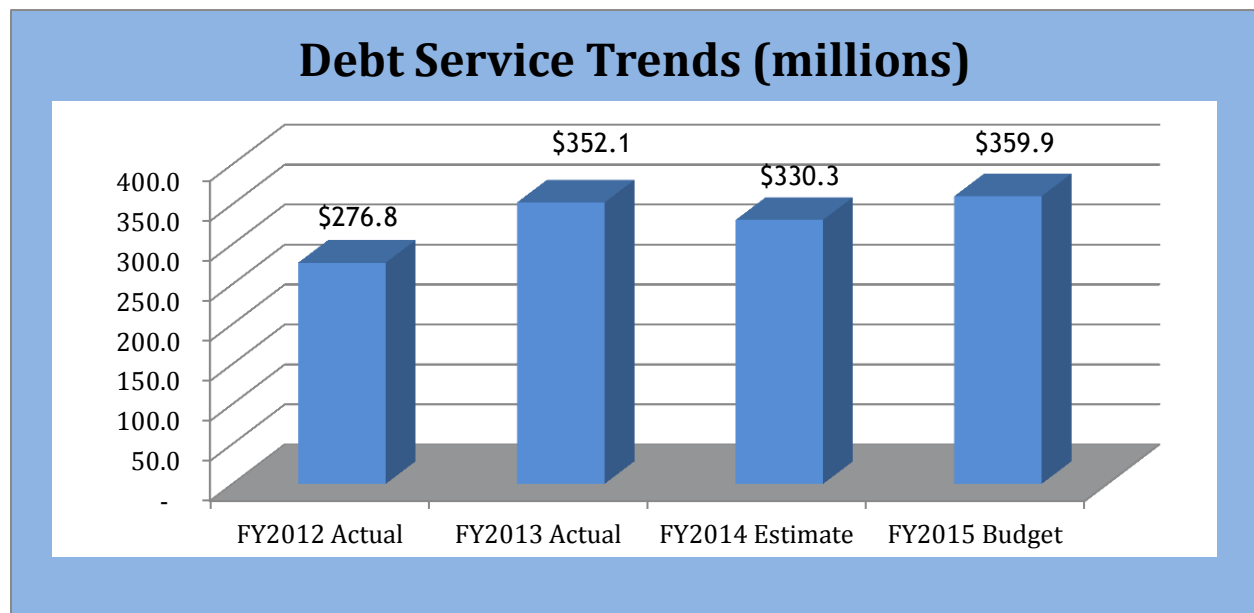
Uniquely positioned, NTTA brings a businesslike approach to a traditional government sector, providing transportation alternatives to customers for a reasonable fee. The business model approach of fee for service requires a keen focus on the customer to ensure they continue to use the roads. As a business entity, NTTA does not receive taxes to support its operations. Revenues are derived from tolls, service fees and interest income. As seen below, total FY2015 estimated revenues for the NTTA System are \$608.4 million. The primary source is toll revenues from TollTag account customers and ZipCash invoices. The toll revenue budget of \$588.5 million is split \$507.4 million TollTag account revenue and \$81.1 million ZipCash revenue. Estimated toll revenues increase by \$47.7 million from FY2014 (see CDM Smith projection on pages 168-188). Other income consists of administrative fees, miscellaneous fees and claims recovery for a combined estimate of \$13.3 million, or approximately 2.2% of total revenue. The administrative fees are based on business rules that assess a \$10 fee for the first notice of nonpayment and a \$25 fee for the second notice of nonpayment. Finally, projected interest income is \$6.5 million, or approximately 1.1% of total revenue.

Revenue Trends (millions)



FY2015 DEBT SERVICE AND LOAN REPAYMENT

Total net debt service will increase to \$359.9 million in FY2015 or 9.0% from \$330.3 million estimated for FY2014. This anticipated increase funds the Board's commitment to expand NTTA's network of toll roads. The debt service was structured to mirror the traffic and revenue growth of new and existing facilities. Additionally, the NTTA System helped finance the construction of the Chisholm Trail Parkway through subordinated debt. The subordinated debt payment for the loan is \$24.1 million. There is also an ISTEAs loan payment of \$8.0 million for the financing of President George Bush Turnpike (PGBT). While the subordinated debt payment and ISTEAs loan payments represent a portion of the NTTA System's indebtedness, they are not funded from the Debt Service Fund but instead from the Capital Improvement Fund. Estimated FY2015 total bond debt service coverage is 1.58 times first tier debt service, slightly above the requirements of the Trust Agreement. Coverage for all debt service including the CIF funded subordinated debt payment and ISTEAs loan is 1.22 times.



FY2015 EXPENDITURES (OPERATING AND CAPITAL RELATED FUNDS)

The overall anticipated expenditures total \$357.5 million for all funds. Those funds include Operations and Maintenance (OMF), Reserve Maintenance (RMF), Construction (CF), Capital Improvement (CIF) and Feasibility Study (FSF). The requirement of the Trust Agreement is the adoption of an annual OMF budget and deposits to RMF. The OMF and RMF annual budgets total \$160.1 million, and the capital related funds are \$197.5 million.

OPERATIONS AND MAINTENANCE FUND (OMF)

100% of labor costs are budgeted in the Operations and Maintenance Fund. Transfers are made from other funds (RMF, CF, CIF and FSF) for their share of salaries to OMF. This allows the Authority to present a complete view of salaries and benefits and to better track staffing-related costs. The FY2015 OMF budget is \$137.5 million. Detailed variance explanations as compared to current year estimated cost are on the department budget and information documents (see pages 50-116).

Operations and maintenance costs directly associated with operational services of the NTTA System (Customer and Support Services, Information Technology, Maintenance, Operations, System and Incident Management, and Project Delivery departments) are \$112.0 million or 81.4% of the total budget.

Costs directly associated with the administrative services of the NTTA System (Administration, Board, Finance, Human Resources, Internal Audit, Legal, Public Affairs, Strategy and Innovation and Shared Services departments), are \$25.5 million or 18.6% of the total budget.

As NTTA strategically manages its operations, major budget increases were limited to the three departments critical to customer initiatives: Customer and Support Services, Information Technology and System and Incident Management. Budgets for all other departments were held to a minor net increase.

The Customer and Support Services department is responsible for delivering high quality customer and toll collection services to more than 4 million customers. Customer contacts are expected to reach 3.9 million, an increase of 13.0% in FY2015. The FY2015 budget is increasing by approximately \$13.2 million: \$6.6 million for additional collection services capacity, \$2.4 million for the cost of additional Toll Tags, \$1.9 million for credit card processing fees and \$1.6 million in temporary contract labor. Again, the additional costs are necessary to accelerate early stage collections, pursue more transactions for invoicing and fund the growth in TollTag accounts and revenue transactions.

The Information Technology department budget is increasing by \$2.5 million for additional software maintenance and support associated with the development of the next generation toll collection system, new customer service enhancements and strengthening the all-electronic tolling environment.

The System and Incident Management department provides roadside assistance to motorists and ensures our facilities have timely clearance of incidents thereby reducing risk and congestion for our customers. The budget is increasing by \$1.2 million due to the increased cost of police services and slightly higher insurance.

Overall, the FY2015 OMF budget adequately addresses known business demands and needs.

RESERVE MAINTENANCE FUND (RMF)

Ongoing and preventive maintenance of the existing infrastructure, facilities and equipment ensures the assets operate at or above industry standards. Annual inspections and the asset management program guide NTTA's budgeted investment in RMF. Estimated project expenditures for FY2015 are \$22.6 million (see pages 124-127). The estimated expenditures include the Maintenance department's \$14.5 million for infrastructure maintenance requirements and the IT department's \$7.9 million primarily to replace outdated servers, computers and equipment. The remaining \$100,000 is budgeted for minor routine maintenance in other departments. The estimated starting balance in the RMF is \$30.5 million therefore no deposit is required to cover FY2015 expenditures (see calculation on page 126).

CAPITAL FUNDS

The following funds correspond directly to the adopted 2015-2019 Five-Year Capital Plan. Summary explanations are provided below.

Construction Funds (CF)

Estimated expenditures for FY2015 are \$9.5 million (see pages 120-123). This includes \$6.7 million for project construction cost for DNT and SRT, \$2.4 million for Letter of Credit (LOC) fees for Sam Rayburn Tollway (SRT), and \$400,000 for professional and legal fees.

CIF-Revolving Account/Feasibility Study Fund (FSF)

Estimated expenditures for FY2015 are \$3.1 million (see pages 133-136). This includes \$0.6 million for projects under study and \$2.5 million for professional fees, traffic and revenue studies, and legal fees. The primary focus is the completion of the environmental process for Trinity Parkway in Dallas County.

Capital Improvement Fund (CIF)

FY2015 estimated expenditures are \$184.8 million (see pages 128-132). The estimated project expenditures include the Maintenance department's \$36.6 million for infrastructure reconstruction and repairs; Information Technology's \$28.1 million for system upgrades, enhancements, and replacements; and the Operations department's \$3.3 million for various toll enforcement remedies. It also contains the Project Delivery department's \$112.5 million for project expansions; including \$47.2 million for expansion of Dallas North Tollway (DNT); and \$65.3 million for PGBT expansion and improvements. The remaining expenditures of \$4.3 million are from various departments, which include: \$2.0 million Letter of Credit (LOC) fees for commercial paper; \$2.3 million for professional fees, traffic and revenue studies and legal fees. The estimated deposit to the CIF is \$100.6 million.

PERSONNEL COMPARISON FY2015 TO FY2014 BUDGET

Total budgeted full-time employee (FTE) positions for FY2015 are 772 (see Staffing Summary page 44). The System and Incident Management department is adding 5 Command Center Service Specialists; 3 Roadway Customer Service Specialist and 1 Roadway Customer Service Supervisor to increase the safety of our customers particularly in the Special Projects System. The Information Technology department is adding 7 core competency positions to provide additional support in software maintenance. This investment in staffing will enable the department to reduce its dependency on consultants, lowering the cost to the organization. The Customer and Support Services department will address the increase in customer contacts through the Flex Capacity program, which allows the contracting-out or hiring of part-time employees for the additional call center services. This will allow the reallocation of current resources to address the increase in revenue transactions and invoicing. Continuing the pay-for-performance program, the proposed FY2015 Budget also includes \$1.1 million, equal to 3.5% of total base salaries, for compensation adjustments or increases.

HEALTHCARE AND RETIREMENT BENEFITS

NTTA offers a comprehensive healthcare plan for its employees. The Public Employees Benefit Cooperative (PEBC) manages the Authority's healthcare plan. NTTA and the employee jointly share in the cost of health insurance. Currently, NTTA pays approximately 80% of the cost and the employee, through payroll deductions pay the remaining 20%. Approximately 629 employees are covered by the NTTA plan. The cost of overall group insurance grows by \$200,000 to \$7.6 million in FY2015 due to historical claims experience and provisions of the Affordable Care Act.

Through Texas County and District Retirement System, NTTA provides pension retirement benefits to its retirees. Employees with 10 years of service are eligible to receive 250% of the amount they contribute to their retirement. As a condition of employment, employees must contribute 6% of their salary to the plan. NTTA contributes an amount equal to 7.96% of the employees' salary for this future benefit. In FY2015, NTTA is projected to allocate a total \$5.4 million for its portion of retirement benefits. This is a slight decrease of \$63,000 compared to last year.

In addition to healthcare insurance for active employees and the pension benefits, NTTA provides postemployment health care benefits. Employees retiring from NTTA with 10 years of service are eligible to participate in the company's insurance program. There are currently 11 individuals participating in the program at an annual cost to NTTA of less than \$40,000. The budget reflects the accounting for healthcare costs of all future retirees. Accounting standards require the Authority to recognize this long term potential obligation. The annual allocation of this obligation is \$3.9 million. While the annual obligation is an estimate of future claims, NTTA currently pays the cost of actual retiree health care claims. As claims are less than \$40,000 annually, no additional funding is recommended.

TOLL SERVICE AGREEMENTS

Last year, the region launched a new transportation option with the introduction of TEXpress Lanes. These TEXpress or managed lanes offer an alternative that helps relieve traffic congestion. Customers choosing this alternative pay a toll for this service. The Authority is responsible for the collection of tolls on all tolled projects in the North Texas Region. The Authority created the Enterprise Fund to account for the revenue and expenses associated with toll services agreements (TSAs). Currently, the Authority has TSAs with LBJ Express (on LBJ Freeway, or Interstate 635), NTE 1 & 2W, NTE 3A / 3B as well as the newly approved Regional TSA. The Enterprise Fund has a FY2015 budget of \$4.6 million (see pages 137-139). This includes \$2.4 million for software enhancements, \$1.2 million for professional and legal fees, and \$1.0 million for allocated salary and benefits.

SUMMARY

The FY2015 Budget empowers the Authority to deliver a safe and reliable toll road system to more than 4 million customers annually while operating as a financially sound and vibrant organization. It enables the Authority to continue its commitment to bond holders by maintaining a 1.50 debt service coverage ratio. The budget also allows for strategic investments in operating departments as NTTA enhances the customer experience and accelerates invoicing and collections. Spending is prioritized and managed appropriately striving for a seamless customer experience. Overall, it is a balanced budget, with estimated revenues exceeding the expenses for operations, debt service and asset maintenance. The FY2015 Budget ensures that NTTA can perform responsibly and responsively for the benefit of all its stakeholders.

Fund Account Descriptions

The NTTA System operates as an enterprise fund in accordance with United States generally accepted accounting principles (GAAP). The Trust Agreement also requires that certain funds and accounts be established and maintained. The Authority considers these funds to be major funds and creates a schedule of net assets reporting the funds and accounts as separate columns. This schedule is presented as supplementary information in the basic financial statements and is audited by the external independent auditors. The Authority is a non-appropriated political subdivision of the state so none of its funds are subject to appropriations.

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

REVENUE FUND (RF) - 1101

The Revenue Fund accounts for all revenues (all tolls, other revenues, and income) arising or derived by the Authority from the operation and ownership of the System. All revenues of this fund are distributed to other funds in accordance with the Trust Agreement. (See Revenue Distribution pages 164-167)

OPERATION AND MAINTENANCE FUND (OMF) - 1001

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

RESERVE MAINTENANCE FUND (RMF) - 1201

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

CAPITAL IMPROVEMENT FUND (CIF) - 1501

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

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

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

CONSTRUCTION FUND (CF) - 3700

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

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

The Interest and Sinking Funds are the debt service funds of the Authority and account for all the payments of debt obligations. The Amended and Restated Trust Agreement, dated April 1, 2008, re-

designated the funds as First, Second, or Third Tier Interest and Sinking Funds. The First Tier debt obligations have a security interest in the Net Revenues senior to that securing the Second Tier and the Third Tier debt obligations. The Second Tier debt obligations have a security interest in the Net Revenues senior to that securing the Third Tier debt obligations. Three accounts were created within each of these I&SF Tiers as follows:

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

The following fund is not part of the Trust Agreement, but was established by the Authority:

ENTERPRISE FUND (EF) - 7801

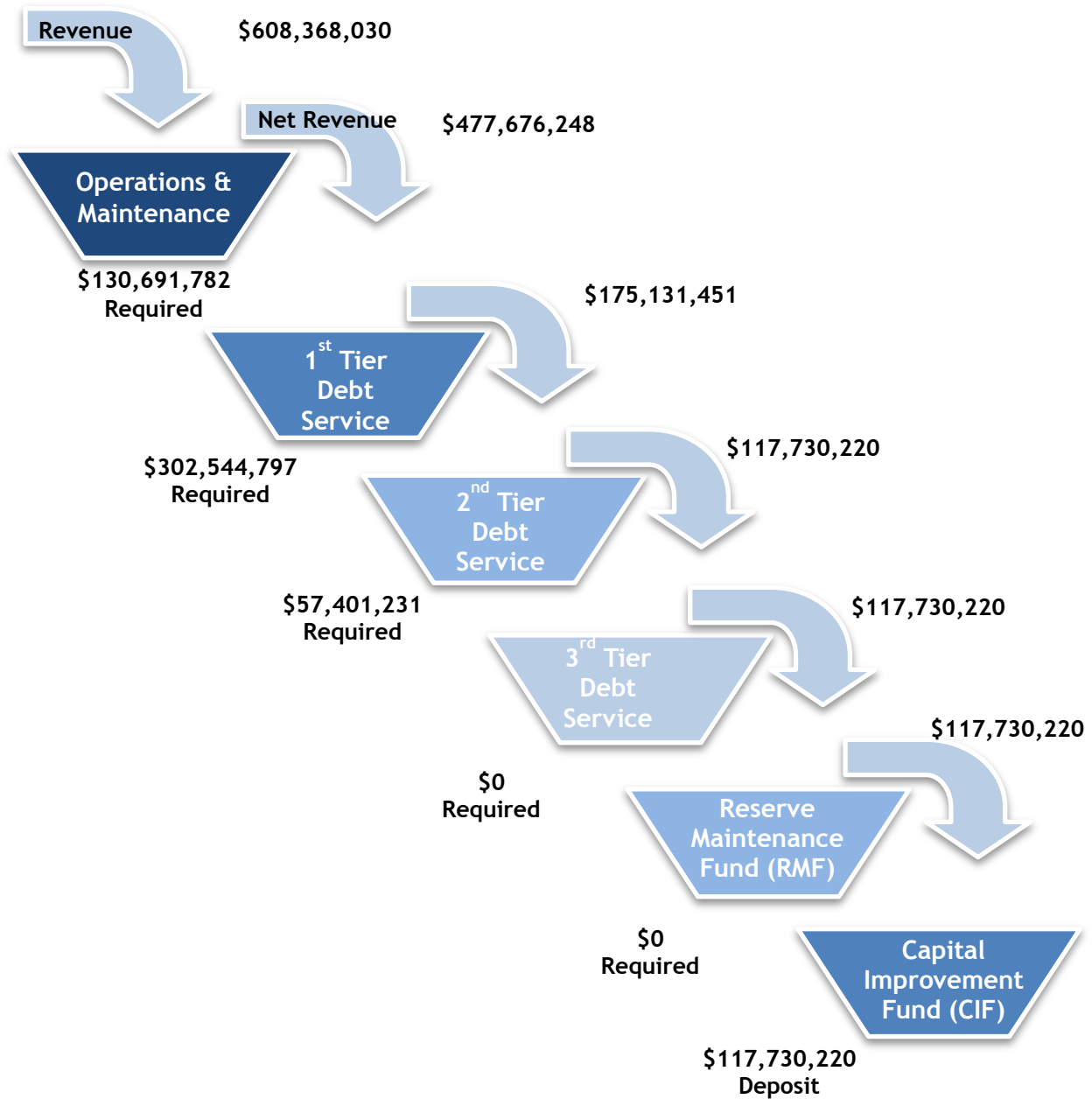
The Enterprise Fund was established by the Authority to account for the revenue and expenses associated with tolling services agreements (TSA). The Authority is responsible for the collection of tolls on all tolled projects in the North Texas region.

The relationship between the Authorities departments and the major funds is illustrated in a matrix format on page 206.



Flow of NTTA System FY2015 Revenue

The following graph shows the distribution of the FY2015 projected revenue to the various funds in accordance with the Amended and Restated Trust Agreement.



FY2012 - FY2015 Revenue Detail

	FY2012	FY2013	FY2014
	Actual	Actual	Budget
TOLL REVENUE			
Dallas North Tollway (DNT)	\$ 184,994,485	\$ 196,024,468	\$ 197,096,600
President George Bush Turnpike (PGBT)	191,457,029	207,855,487	200,189,300
Sam Rayburn Tollway (SRT)	103,087,501	115,498,365	116,544,300
Mountain Creek Lake Bridge (MCLB)	1,010,848	841,751	1,110,500
Addison Airport Tunnel Tollway (AATT)	998,229	1,093,476	1,046,900
Lewisville Lake Toll Bridge (LLTB)	3,915,516	4,145,177	4,331,000
Total Toll Revenues	485,463,608	525,458,723	520,318,600
INVESTMENT INCOME	8,103,314	6,173,619	6,674,500
OTHER INCOME			
Interoperability Fees(3)	3,205,779	(1,754,422)	-
Statement Fees and Lost TollTag Fees	2,021,085	4,657,976	1,583,397
Rents & Miscellaneous Revenues	2,336,997	2,319,530	1,242,644
Administrative and Late Fees (4)	13,165,331	10,324,803	11,283,809
	20,729,192	15,547,887	14,109,850
TOTAL REVENUES	\$ 514,296,114	\$ 547,180,229	\$ 541,102,950

(1) Projected FY2014 based on 7 months thru July 2014.

(2) Estimated FY2015 toll revenue per CDM Smith Traffic and Toll Revenue Study; investment and other revenue estimated by staff.

(3) Interoperability fees budgeted in the Enterprise Fund for FY2014 and FY2015. (See pages 138)

(4) Administrative fees reduced in FY2014 due to change in business rules.

FY2014		FY2014		FY2015		Variance	
Projection (1)		Variance Projection to Budget		Budget (2)		Increase/(Decrease) to FY2014 Projections % Change	
\$	199,844,500	\$	2,747,900	\$	214,358,800	\$	14,514,300 7.4%
	210,386,600		10,197,300		226,977,300		16,590,700 8.3%
	124,025,700		7,481,400		139,867,300		15,841,600 13.6%
	1,062,300		(48,200)		1,137,100		74,800 6.7%
	1,099,800		52,900		1,243,800		144,000 13.8%
	4,419,900		88,900		4,950,100		530,200 12.2%
	540,838,800		20,520,200		588,534,400		47,695,600 9.2%
	5,556,635		(1,117,865)		6,534,497		977,862 14.7%
	-		-		-		-
	1,465,662		(117,735)		1,794,173		328,511 20.7%
	1,986,381		743,737		-		(1,986,381) (159.9%)
	11,365,175		81,366		11,504,960		139,785 1.2%
	14,817,218		707,368		13,299,133		(1,518,085) (10.8%)
\$	561,212,653	\$	20,109,703	\$	608,368,030	\$	47,155,377 8.7%

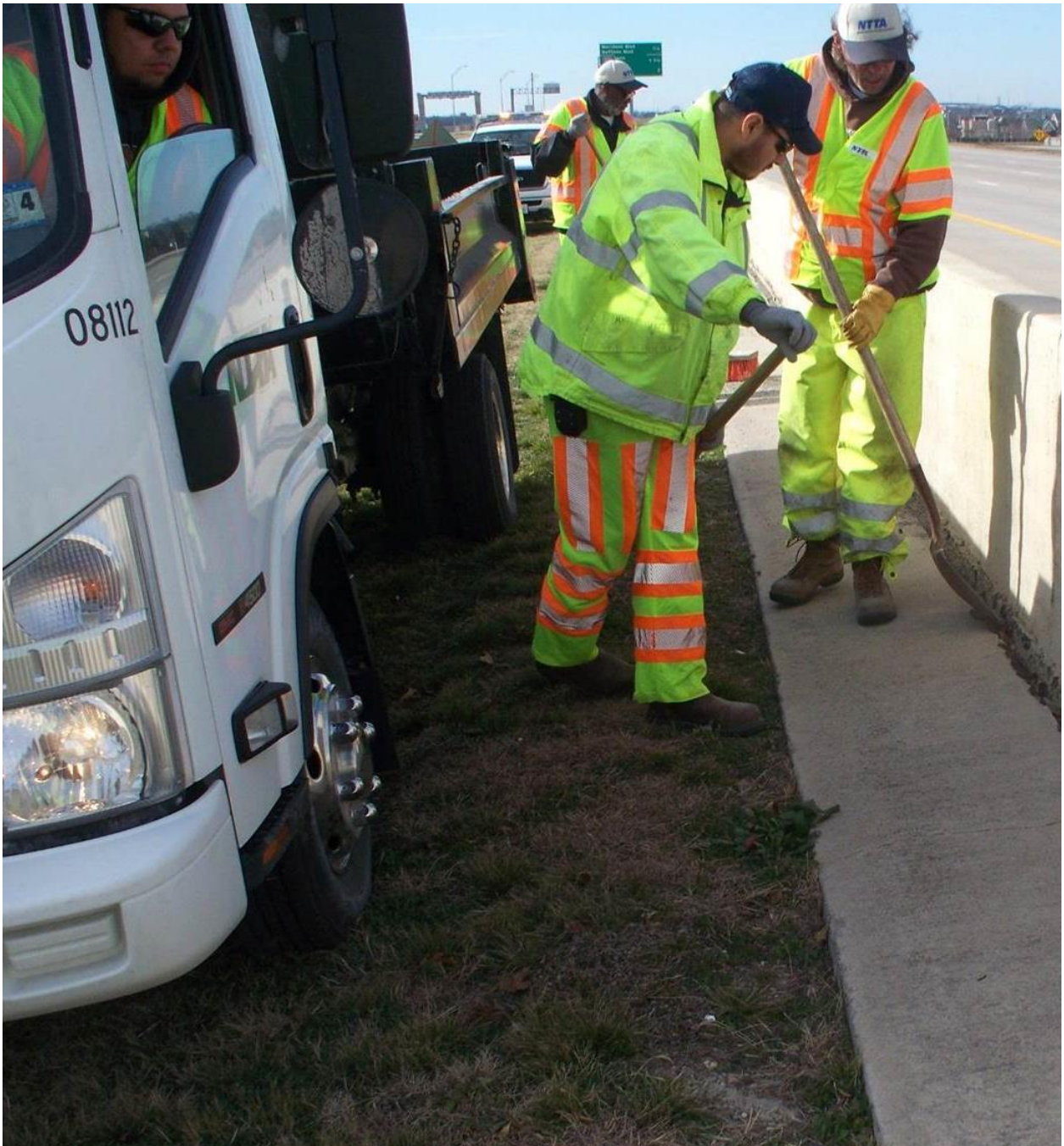
Revenue and Coverage Calculation FY2014 to FY2015

	FY2013	FY2014	FY2015	Variance	
	Actual	Budget	Budget	Amount	% Change
Gross Toll Revenue	\$ 571,592,204	\$ 573,178,600	\$ 651,156,400	\$ 77,977,800	13.6%
Bad Debt Expense	(46,133,481)	(52,860,000)	(62,622,000)	(9,762,000)	18.5%
Net Toll Revenue (1)	525,458,723	520,318,600	588,534,400	68,215,800	13.1%
Investment Income	6,173,619	6,674,500	6,534,497	(140,003)	(2.1%)
Other Income (2)	15,547,887	14,109,850	13,299,133	(810,717)	(5.7%)
Total Revenues	547,180,229	541,102,950	608,368,030	67,265,080	12.4%
REVENUE TRANSFERS TO OPERATION AND MAINTENANCE FUND					
Operating Expenses (3)	109,240,378	122,700,000	\$137,513,520	14,813,520	12.1%
Inter-Fund Transfers (3)	(4,652,921)	(6,000,000)	(6,821,738)	(821,738)	13.7%
Net Operating Expenses (3)	104,587,457	116,700,000	130,691,782	13,991,782	12.0%
Net Revenues for Debt Service	442,592,772	424,402,950	477,676,248	53,273,298	12.6%
DEBT SERVICE					
First Tier Debt Service	303,747,175	300,495,350	320,526,952	20,031,602	6.7%
First Tier Capitalized Interest and	(9,699,112)	(17,710,580)	(17,982,155)	(271,575)	1.5%
Second Tier Debt Service	58,038,275	58,038,275	57,401,231	(637,044)	(1.1%)
Total Net Debt Service	352,086,338	340,823,045	359,946,028	19,122,983	5.6%
Revenues Available after Debt Service	90,506,434	83,579,905	117,730,220	34,150,315	40.9%
Reserve Maintenance Fund	-	-	-	-	0.0%
Required Deposit	-	-	-	-	0.0%
Revenues Available for Capital Improvement Fund	90,506,434	83,579,905	117,730,220	34,150,315	40.9%
CIF Subordinated Debt	24,996,000	23,416,150	24,115,479	699,329	3.0%
ISTEA Payment	8,000,000	8,000,000	8,000,000	-	0.0%
Revenues Available for Capital Projects	57,510,434	52,163,755	85,614,741	33,450,986	64.1%
DEBT SERVICE COVERAGE				TRUST AGREEMENT REQUIREMENT	
First Tier Coverage	1.51	1.50	1.58	1.35	
First & Second Tier Coverage	1.26	1.25	1.33	1.20	
All Debt Coverage	1.15	1.14	1.22	1.00	

(1) FY2015 Toll Revenue Estimates are based on CDM Smith estimates. (see page 168)

(2) Other Income includes administrative fees and statement fees. Administrative fees reduced to reflect change in business rules.

(3) Budgeted Operating Expenses include 100% of the total salaries, retirement and healthcare costs. For FY2015, transfers from Construction Fund, Reserve Maintenance Fund and Capital Improvement Fund will be made to cover approximately \$6.8 million of these costs.



NTTA's Maintenance Department provides safe and clean facilities for our customers, employees and contractors.

Summary of Fund Budgets FY2012-FY2015

FUND	FY2012	FY2013
Operation and Maintenance Fund (1)(2)	\$ 117,389,388	\$ 116,268,908
NTTA System Construction Fund (2)	47,570,683	29,240,125
Reserve Maintenance Fund (2)	20,722,271	22,819,356
Capital Improvement Fund (2)	90,467,770	42,240,557
CIF/Feasibility Study Fund (2)	5,867,849	5,676,965
Total Budgets	\$ 282,017,961	\$ 216,245,911

(1) FY2015 detail by account on page 38-40.

(2) FY2015 detail by account for all funds combined on page 41-43.

(3) Change due mainly to \$13.2 million associated with increased collection efforts and increased transactions (see pg. 87).

(4) Change due to construction projects coming to completion. (see pg. 110)

(5) Change mainly due to projects being combined into the DNT Improvement project in CIF and the planned scheduling of projects (see pages 102 & 110).

(6) Change mainly due to capacity and safety improvement projects (see page 110).

(7) Change mainly due to the Trinity Parkway project (see page 110).

				Increase (Decrease)	
FY2014		FY2015		Variance	
\$	122,700,000	\$	137,513,520	14,813,520	(3)
	12,341,590		9,527,799	(2,813,791)	(4)
	27,394,112		22,572,948	(4,821,164)	(5)
	87,670,977		184,843,775	97,172,798	(6)
	8,194,000		3,091,000	(5,103,000)	(7)
\$	258,300,679	\$	357,549,042	99,248,363	

Actual, Projections, & Budget Information FY2012 to FY2015

	FY2012	FY2013	FY2014
	ACTUAL	ACTUAL	BUDGET
Toll Revenue	\$ 485,463,608	\$ 525,458,723	\$ 520,318,600
Investment Income	8,103,314	6,173,619	6,674,500
Other Income	20,729,192	15,547,887	14,109,850
Total Revenues	514,296,114	547,180,229	541,102,950
ADMINISTRATIVE SERVICES			
Administration	857,475	686,966	556,956
Board	316,239	169,485	152,873
Business Diversity (5)	449,815	-	-
Communications/Marketing (3)	2,199,511	-	-
Finance (5)	3,896,618	4,123,143	4,229,089
Shared Services	10,768,376	10,121,285	11,032,880
Government Affairs (3)	462,328	-	-
Human Resources	1,245,510	1,388,465	1,388,401
Internal Audit	694,685	788,687	828,471
Legal Services	2,092,244	2,333,219	2,437,130
Public Affairs (3)	-	2,669,271	2,846,945
Strategy and Innovation	-	-	-
Strategic & Innovative Solutions (4)	-	736,849	956,096
Sub-total	22,982,801	23,017,370	24,428,841
OPERATIONAL SERVICES			
Customer and Support Services	36,530,864	39,299,210	48,363,838
Information Technology	13,066,870	13,614,532	13,995,184
Maintenance	22,705,697	23,754,768	24,283,669
Operations	707,072	488,488	594,621
Project Delivery	1,062,506	211,210	164,528
System & Incident Management	9,180,514	8,854,800	10,869,319
Sub-total	83,253,523	86,223,008	98,271,159
Total Expenses	\$ 106,236,324	\$ 109,240,378	\$ 122,700,000

(1) Projections based on 7 months actuals. FY2014 estimated cost presented by account on Appendix G, pages 202-204.

(2) Estimated FY2015 toll revenue per CDM Smith Traffic and Toll Revenue Estimate. (see page 168)

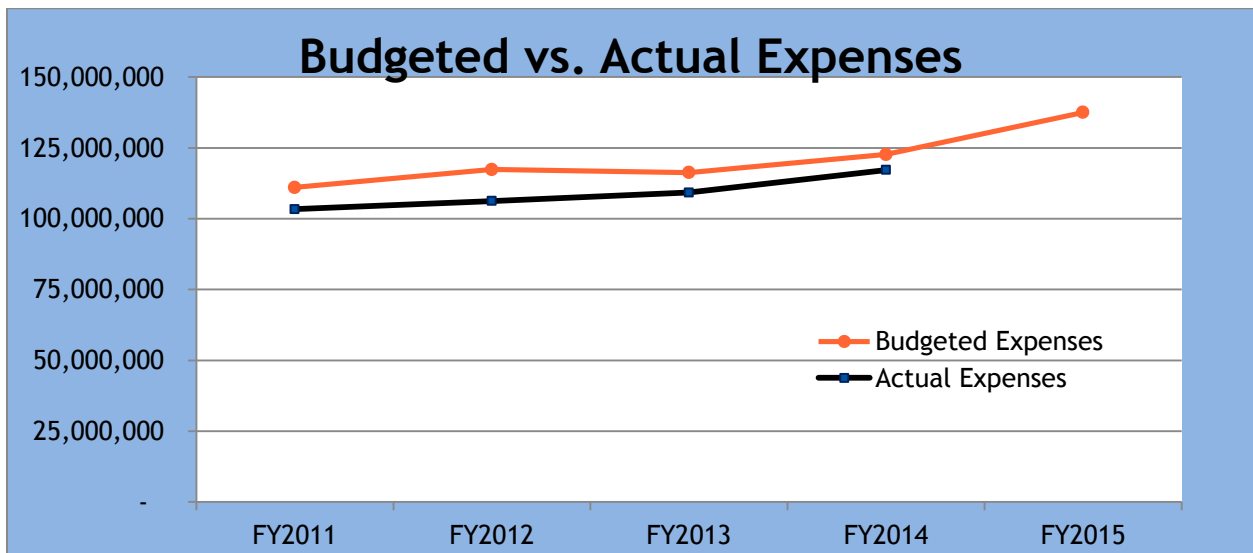
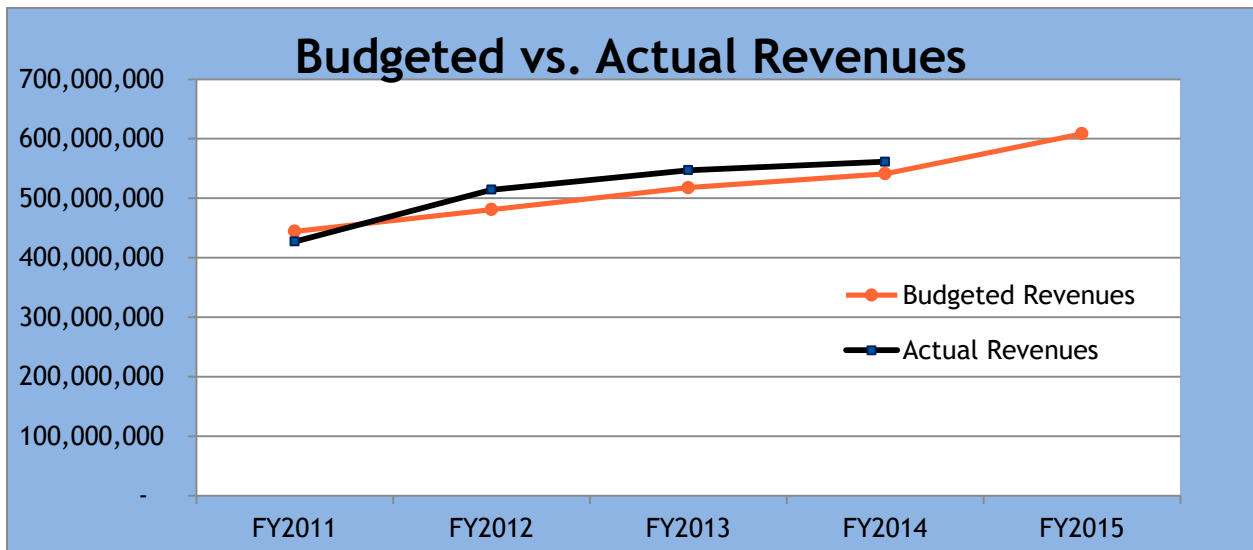
(3) The re-organization of the Authority combined Communication/Marketing and Government Affairs to create the Public Affairs Department for FY2013.

(4) The re-organization also created the Strategic & Innovative Solutions Department for FY2013. For FY2015 this department has been incorporated into the Finance Department.

(5) The re-organization of the Authority combined Business Diversity into the Finance Department for FY2013.

FY2014	FY2014	FY2015	Variance
PROJECTION (1)	VARIANCE PROJECTION to BUDGET	BUDGET (2)	Increase (Decrease) to FY2014 Projections
\$ 540,838,800	\$ 20,520,200	\$ 588,534,400	\$ 47,695,600
5,556,635	(1,117,865)	6,534,497	977,862
14,817,218	707,368	13,299,133	(1,518,085)
<u>561,212,653</u>	<u>20,109,703</u>	<u>608,368,030</u>	<u>47,155,377</u>
410,399	(146,557)	524,230	113,831
140,953	(11,920)	126,061	(14,892)
-	-	-	-
-	-	-	-
4,313,132	84,043	4,440,220	127,088
10,541,612	(491,268)	11,583,367	1,041,755
-	-	-	-
1,433,866	45,465	1,504,881	71,015
769,701	(58,770)	880,813	111,112
2,582,715	145,585	2,397,762	(184,953)
2,738,626	(108,319)	3,200,967	462,341
-	-	889,961	889,961
323,671	(632,425)	-	(323,671)
<u>23,254,675</u>	<u>(1,174,166)</u>	<u>25,548,262</u>	<u>2,293,587</u>
45,908,404	(2,455,434)	59,151,335	13,242,931
13,849,589	(145,596)	16,367,132	2,517,544
24,145,138	(138,531)	25,075,562	930,424
619,810	25,189	562,462	(57,348)
166,430	1,902	310,774	144,344
9,274,925	(1,594,395)	10,497,993	1,223,069
<u>93,964,295</u>	<u>(4,306,864)</u>	<u>111,965,258</u>	<u>18,000,963</u>
<u>\$ 117,218,970</u>	<u>\$ (5,481,030)</u>	<u>\$ 137,513,520</u>	<u>\$ 20,294,550</u>

Budget vs. Actual Revenues and Expenses Graphs



Operations and Maintenance Fund Budget by Account FY2015

Account	Administration	Board	Finance	Human Resources	Internal Audit	Legal Services	Public Affairs	Strategy and Innovation
Salaries and Wages-Direct - (511101)	\$259,035	\$54,187	\$2,121,502	\$701,606	\$624,788	\$549,416	\$1,068,890	\$529,811
Salaries and Wages-Comp Adj. - (511103)	0	0	0	0	0	0	0	0
Salaries and Wages-Internship - (511202)	0	0	0	23,917	0	0	0	0
Salaries and Wage-Overtime - (511301)	0	0	1,425	2,500	0	0	2,893	0
Group Insurance - (512101)	0	0	0	0	0	0	0	0
Retirement Contributions - (512401)	28,795	7,174	278,634	90,899	82,722	60,028	142,607	66,000
Retirement Contr.-Internship - (512402)	0	0	0	3,167	0	0	0	0
Retirement Contr.-Comp. Adj. - (512403)	0	0	0	0	0	0	0	0
Tuition Reimbursement - (512501)	0	0	0	32,000	0	0	0	0
Unemployment Insurance - (512601)	0	0	0	0	0	0	0	0
OPEB Annual Req'd Contribution - (512602)	0	0	0	0	0	0	0	0
Worker's Comp Ins - (512701)	0	0	0	0	0	0	0	0
Salaries & Benefits	287,830	61,361	2,401,561	854,089	707,510	609,444	1,214,390	595,811
Consulting/ Professional - (521201)	150,000	0	483,837	290,500	38,450	0	710,961	150,000
Legal Fees - (521202)	0	0	0	0	0	1,700,000	0	0
Auditing Fees - (521203)	0	0	0	0	100,891	0	0	0
Trustee Fees - (521204)	0	0	360,000	0	0	0	0	0
Traffic Engineering Fees - (521207)	0	0	870,000	0	0	0	0	0
Police Services (DPS) - (521208)	0	0	0	0	0	0	0	0
Armored Car Services - (521209)	0	0	0	0	0	0	0	0
Outside Maintenance Services - (521212)	0	0	0	0	0	0	0	0
Rentals - Land - (522301)	0	0	0	0	0	0	0	0
Insurance Expense - Other - (523101)	0	0	0	0	0	0	0	0
Telecommunications - (523202)	0	0	0	0	0	0	0	0
Public Information Fees - (523203)	0	0	0	0	0	0	0	0
Recruitment - (523301)	0	0	0	153,380	0	0	0	0
Magazine and Newspaper - (523302)	0	0	8,500	0	307	0	468,000	0
Television & Radio - (523303)	0	0	0	0	0	0	175,500	0
Promotional Expenses - (523304)	15,000	0	69,500	69,000	0	0	429,370	50,000
Freight and Express - (531105)	250	1,300	2,634	700	185	372	292	125
Temporary Contract Labor - (523851)	0	0	16,000	1,500	0	0	0	0
Water - (531211)	0	0	0	0	0	0	0	0
Gas - (531221)	0	0	0	0	0	0	0	0
Electricity - (531231)	0	0	0	0	0	0	0	0
Software - (531651)	0	0	0	0	0	0	0	50,000
Bank Charges - (573001)	0	0	70,000	0	0	0	0	0
Credit Card Fees - (573002)	0	0	0	0	0	0	0	0
Contingency-Restricted - (579002)	0	0	0	0	0	0	0	0
Services	165,250	1,300	1,880,471	515,080	139,833	1,700,372	1,784,123	250,125
Travel - (523501)	14,850	15,400	33,700	6,000	11,878	12,574	41,218	20,000
Dues & Subscriptions - (523601)	44,000	0	57,451	22,512	5,839	43,007	5,991	3,675
Education and Training - (523701)	9,000	0	40,700	90,000	11,150	1,978	2,310	10,350
Licenses - (523801)	0	0	5,200	0	763	0	0	0
Meeting Expense - (521101)	2,500	45,000	1,700	8,200	785	0	17,922	7,500
Liability Claims - (523902)	0	0	0	0	0	0	0	0
Office Supplies - (531101)	800	3,000	15,937	9,000	2,296	30,387	5,851	2,500
Other Materials and Supplies - (531102)	0	0	0	0	0	0	3,468	0
Landscaping - (522202)	0	0	0	0	0	0	0	0
Postage - (523201)	0	0	0	0	77	0	0	0
Maps & Pamphlets - (523402)	0	0	0	0	0	0	116,964	0
Printing and Photographic - (523401)	0	0	1,500	0	0	0	6,730	0
Books & Periodicals - (531401)	0	0	2,000	0	682	0	0	0
Inven for resale(toll tags) - (531501)	0	0	0	0	0	0	0	0
Small Tools and Shop Supplies - (531601)	0	0	0	0	0	0	0	0
Uniforms - (531701)	0	0	0	0	0	0	2,000	0
Materials & Supplies	71,150	63,400	158,188	135,712	33,470	87,946	202,454	44,025
Mobile Equipment Expense - (531103)	0	0	0	0	0	0	0	0
Rentals - Equipment - (522302)	0	0	0	0	0	0	0	0
Motor Fuel Expense - (531107)	0	0	0	0	0	0	0	0
Equipment Expense	0	0	0	0	0	0	0	0
Totals	\$524,230	\$126,061	\$4,440,220	\$1,504,881	\$880,813	\$2,397,762	\$3,200,967	\$889,961

Account	Shared Services	Strategic & Innovative Solutions	Customer and Support Services	Information Technology	Maintenance	Operations
Salaries and Wages-Direct - (511101)	\$0	\$0	\$9,166,761	\$4,964,926	\$8,271,313	\$451,933
Salaries and Wages-Comp Adj. - (511103)	779,957	0	0	0	0	0
Salaries and Wages-Internship - (511202)	0	0	0	0	0	0
Salaries and Wage-Overtime - (511301)	0	0	182,231	90,000	320,000	0
Group Insurance - (512101)	6,022,538	0	0	0	0	0
Retirement Contributions - (512401)	0	0	1,204,973	678,411	1,116,326	63,284
Retirement Contr.-Internship - (512402)	0	0	0	0	0	0
Retirement Contr.-Comp. Adj. - (512403)	148,080	0	0	0	0	0
Tuition Reimbursement - (512501)	0	0	0	0	0	0
Unemployment Insurance - (512601)	200,000	0	0	0	0	0
OPEB Annual Req'd Contribution - (512602)	3,933,001	0	0	0	0	0
Worker's Comp Ins - (512701)	323,960	0	0	0	0	0
Salaries & Benefits	11,407,537	0	10,553,966	5,733,337	9,707,639	515,217
Consulting/ Professional - (521201)	0	0	12,185,956	90,476	205,000	0
Legal Fees - (521202)	0	0	0	0	0	0
Auditing Fees - (521203)	0	0	0	0	0	0
Trustee Fees - (521204)	0	0	0	0	0	0
Traffic Engineering Fees - (521207)	0	0	0	0	0	0
Police Services (DPS) - (521208)	0	0	0	0	0	0
Armored Car Services - (521209)	0	0	19,592	0	0	0
Outside Maintenance Services - (521212)	0	0	0	4,533,256	7,347,317	0
Rentals - Land - (522301)	0	0	41,191	0	0	0
Insurance Expense - Other - (523101)	0	0	0	0	0	0
Telecommunications - (523202)	0	0	0	848,181	0	0
Public Information Fees - (523203)	0	0	0	0	0	0
Recruitment - (523301)	0	0	0	0	0	0
Magazine and Newspaper - (523302)	0	0	7,288	0	2,500	0
Television & Radio - (523303)	0	0	0	0	0	0
Promotional Expenses - (523304)	0	0	0	0	0	0
Freight and Express - (531105)	0	0	705	0	300	175
Temporary Contract Labor - (523851)	0	0	3,968,686	0	57,600	0
Water - (531211)	0	0	0	0	592,864	0
Gas - (531221)	0	0	0	0	70,560	0
Electricity - (531231)	0	0	0	0	2,092,577	0
Software - (531651)	0	0	0	4,816,746	0	0
Bank Charges - (573001)	0	0	787,301	0	0	0
Credit Card Fees - (573002)	0	0	13,321,925	0	0	0
Contingency-Restricted - (579002)	0	0	0	0	0	0
Services	0	0	30,332,644	10,288,659	10,368,718	175
Travel - (523501)	0	0	12,890	17,080	20,450	30,700
Dues & Subscriptions - (523601)	830	0	3,410	2,906	12,734	11,720
Education and Training - (523701)	0	0	47,356	98,189	71,400	3,000
Licenses - (523801)	0	0	0	0	15,006	0
Meeting Expense - (521101)	0	0	20,101	0	1,360	650
Liability Claims - (523902)	0	0	0	0	0	0
Office Supplies - (531101)	65,000	0	167,078	149,814	21,100	1,000
Other Materials and Supplies - (531102)	0	0	0	77,147	2,281,429	0
Landscaping - (522202)	0	0	0	0	35,000	0
Postage - (523201)	0	0	7,967,334	0	0	0
Maps & Pamphlets - (523402)	0	0	0	0	0	0
Printing and Photographic - (523401)	0	0	0	0	0	0
Books & Periodicals - (531401)	0	0	0	0	0	0
Inven for resale(toll tags) - (531501)	0	0	10,000,000	0	0	0
Small Tools and Shop Supplies - (531601)	0	0	0	0	70,640	0
Uniforms - (531701)	0	0	15,239	0	173,386	0
Materials & Supplies	65,830	0	18,233,408	345,136	2,702,505	47,070
Mobile Equipment Expense - (531103)	0	0	0	0	1,010,198	0
Rentals - Equipment - (522302)	110,000	0	31,316	0	11,600	0
Motor Fuel Expense - (531107)	0	0	0	0	1,274,902	0
Equipment Expense	110,000	0	31,316	0	2,296,700	0
Totals	\$11,583,367	\$0	\$59,151,335	\$16,367,132	\$25,075,562	\$562,462

Account	Project Delivery	System & Incident Mgmt.	FY15 Budget	FY14 Budget	Increase or (Decrease) Amount	Increase or (Decrease) Percent
Salaries and Wages-Direct - (511101)	\$246,471	\$3,654,632	\$32,665,273	\$33,864,393	(\$1,199,120)	(3.5%)
Salaries and Wages-Comp Adj. - (511103)	0	0	779,957	1,316,660	(536,703)	(40.8%)
Salaries and Wages-Internship - (511202)	0	0	23,917	0	23,917	100.0%
Salaries and Wage-Overtime - (511301)	0	12,237	611,286	417,328	193,958	46.5%
Group Insurance - (512101)	0	0	6,022,538	6,361,950	(339,412)	(5.3%)
Retirement Contributions - (512401)	32,803	478,689	4,331,346	4,473,956	(142,610)	(3.2%)
Retirement Contr.-Internship - (512402)	0	0	3,167	0	3,167	100.0%
Retirement Contr.-Comp. Adj. - (512403)	0	0	148,080	181,798	(33,718)	(18.5%)
Tuition Reimbursement - (512501)	0	0	32,000	31,989	11	0.0%
Unemployment Insurance - (512601)	0	0	200,000	337,091	(137,091)	(40.7%)
OPEB Annual Req'd Contribution - (512602)	0	0	3,933,001	0	3,933,001	100.0%
Worker's Comp Ins - (512701)	0	0	323,960	238,273	85,687	36.0%
Salaries & Benefits	279,274	4,145,559	49,074,525	47,223,438	1,851,088	3.9%
Consulting/ Professional - (521201)	10,000	32,055	14,347,235	8,541,533	5,805,702	68.0%
Legal Fees - (521202)	0	0	1,700,000	1,694,242	5,759	0.3%
Auditing Fees - (521203)	0	0	100,891	102,850	(1,959)	(1.9%)
Trustee Fees - (521204)	0	0	360,000	70,840	289,160	408.2%
Traffic Engineering Fees - (521207)	0	0	870,000	655,000	215,000	32.8%
Police Services (DPS) - (521208)	0	4,876,351	4,876,351	5,601,163	(724,812)	(12.9%)
Armored Car Services - (521209)	0	0	19,592	19,777	(185)	(0.9%)
Outside Maintenance Services - (521212)	0	4,946	11,885,519	11,119,807	765,712	6.9%
Rentals - Land - (522301)	0	0	41,191	76,500	(35,309)	(46.2%)
Insurance Expense - Other - (523101)	0	1,281,853	1,281,853	973,958	307,895	31.6%
Telecommunications - (523202)	0	0	848,181	684,886	163,295	23.8%
Public Information Fees - (523203)	0	0	0	47,400	(47,400)	(100.0%)
Recruitment - (523301)	0	0	153,380	20,015	133,365	666.3%
Magazine and Newspaper - (523302)	0	0	486,595	630,796	(144,201)	(22.9%)
Television & Radio - (523303)	0	0	175,500	124,318	51,182	41.2%
Promotional Expenses - (523304)	0	4,965	637,835	120,202	517,633	430.6%
Freight and Express - (531105)	500	266	7,804	7,592	212	2.8%
Temporary Contract Labor - (523851)	0	0	4,043,786	3,543,848	499,938	14.1%
Water - (531211)	0	0	592,864	592,864	0	0.0%
Gas - (531221)	0	0	70,560	70,560	0	0.0%
Electricity - (531231)	0	0	2,092,577	2,511,580	(419,003)	(16.7%)
Software - (531651)	0	0	4,866,746	3,434,621	1,432,125	41.7%
Bank Charges - (573001)	0	0	857,301	732,490	124,811	17.0%
Credit Card Fees - (573002)	0	0	13,321,925	11,175,835	2,146,090	19.2%
Contingency-Restricted - (579002)	0	0	0	2,420,961	(2,420,961)	(100.0%)
Services	10,500	6,200,436	63,637,686	54,973,638	8,664,049	15.8%
Travel - (523501)	11,000	3,727	251,467	178,045	73,422	41.2%
Dues & Subscriptions - (523601)	3,000	2,209	219,284	210,350	8,934	4.2%
Education and Training - (523701)	5,000	13,267	403,700	344,255	59,445	17.3%
Licenses - (523801)	0	0	20,969	17,330	3,639	21.0%
Meeting Expense - (521101)	0	0	105,718	101,334	4,384	4.3%
Liability Claims - (523902)	0	10,864	10,864	10,351	513	5.0%
Office Supplies - (531101)	2,000	8,831	484,594	451,260	33,334	7.4%
Other Materials and Supplies - (531102)	0	59,411	2,421,455	1,646,341	775,115	47.1%
Landscaping - (522202)	0	0	35,000	63,800	(28,800)	(45.1%)
Postage - (523201)	0	4,045	7,971,457	6,803,964	1,167,493	17.2%
Maps & Pamphlets - (523402)	0	0	116,964	51,486	65,478	127.2%
Printing and Photographic - (523401)	0	0	8,230	3,650	4,580	125.5%
Books & Periodicals - (531401)	0	0	2,682	456	2,226	488.2%
Inven for resale(toll tags) - (531501)	0	0	10,000,000	8,102,115	1,897,885	23.4%
Small Tools and Shop Supplies - (531601)	0	0	70,640	66,584	4,056	6.1%
Uniforms - (531701)	0	49,644	240,269	214,106	26,163	12.2%
Materials & Supplies	21,000	151,998	22,363,293	18,265,427	4,097,866	22.4%
Mobile Equipment Expense - (531103)	0	0	1,010,198	849,829	160,370	18.9%
Rentals - Equipment - (522302)	0	0	152,916	162,170	(9,254)	(5.7%)
Motor Fuel Expense - (531107)	0	0	1,274,902	1,225,500	49,402	4.0%
Equipment Expense	0	0	2,438,016	2,237,499	200,518	9.0%
Totals	\$310,774	\$10,497,993	\$137,513,520	\$122,700,000	\$14,813,520	12.1%

All Funds Budget by Account FY2015

Account	Administration	Board	Finance	Human Resources	Internal Audit	Legal Services	Public Affairs	Strategy and Innovation
Salaries and Wages-Direct - (511101)	\$259,035	\$54,187	\$2,121,502	\$701,606	\$624,788	\$549,416	\$1,068,890	\$529,811
Salaries and Wages-Comp Adj. - (511103)	0	0	0	0	0	0	0	0
Salaries and Wages-Internship - (511202)	0	0	0	23,917	0	0	0	0
Salaries and Wage-Overtime - (511301)	0	0	1,425	2,500	0	0	2,893	0
Group Insurance - (512101)	0	0	0	0	0	0	0	0
Retirement Contributions - (512401)	28,795	7,174	278,634	90,899	82,722	60,028	142,607	66,000
Retirement Contr.-Internship - (512402)	0	0	0	3,167	0	0	0	0
Retirement Contr.-Comp. Adj. - (512403)	0	0	0	0	0	0	0	0
Tuition Reimbursement - (512501)	0	0	0	32,000	0	0	0	0
Unemployment Insurance - (512601)	0	0	0	0	0	0	0	0
OPEB Annual Req'd Contribution - (512602)	0	0	0	0	0	0	0	0
Worker's Comp Ins - (512701)	0	0	0	0	0	0	0	0
Meeting Expense - (521101)	2,500	45,000	1,700	8,200	785	0	17,922	7,500
Consulting/ Professional - (521201)	550,000	0	2,072,842	290,500	38,450	0	710,961	150,000
Legal Fees - (521202)	0	0	0	0	0	2,850,000	0	0
Auditing Fees - (521203)	0	0	0	0	192,608	0	0	0
Trustee Fees - (521204)	0	0	503,250	0	0	0	0	0
Rating Agency Fees - (521205)	0	0	100,000	0	0	0	0	0
Remarketing/ Loc Provider Fees - (521206)	0	0	4,385,000	0	0	0	0	0
Traffic Engineering Fees - (521207)	0	0	2,620,000	0	0	0	0	0
Police Services (DPS) - (521208)	0	0	0	0	0	0	0	0
Armored Car Services - (521209)	0	0	0	0	0	0	0	0
Outside Maintenance Services - (521212)	0	0	0	0	0	0	0	0
General Engineering - (521213)	0	0	0	0	0	0	0	0
Consulting/ Profess Serv Tech - (521301)	0	0	0	0	0	0	0	0
Landscaping - (522202)	0	0	0	0	0	0	0	0
Signing Expense - (522203)	0	0	0	0	0	0	0	0
Pavement Markings - (522204)	0	0	0	0	0	0	0	0
Pavement & Shoulders - (522205)	0	0	0	0	0	0	0	0
Bridge Repairs - (522206)	0	0	0	0	0	0	0	0
Rentals - Land - (522301)	0	0	0	0	0	0	0	0
Rentals - Equipment - (522302)	0	0	0	0	0	0	0	0
Insurance Expense - Other - (523101)	0	0	0	0	0	0	0	0
Postage - (523201)	0	0	0	0	77	0	0	0
Telecommunications - (523202)	0	0	0	0	0	0	0	0
Public Information Fees - (523203)	0	0	0	0	0	0	0	0
Recruitment - (523301)	0	0	0	153,380	0	0	0	0
Magazine and Newspaper - (523302)	0	0	8,500	0	307	0	468,000	0
Television & Radio - (523303)	0	0	0	0	0	0	175,500	0
Promotional Expenses - (523304)	15,000	0	69,500	69,000	0	0	429,370	50,000
Printing and Photographic - (523401)	0	0	1,500	0	0	0	6,730	0
Maps & Pamphlets - (523402)	0	0	0	0	0	0	116,964	0
Travel - (523501)	14,850	15,400	33,700	6,000	11,878	12,574	41,218	20,000
Dues & Subscriptions - (523601)	44,000	0	57,451	22,512	5,839	43,007	5,991	3,675
Education and Training - (523701)	9,000	0	40,700	90,000	11,150	1,978	2,310	10,350
Licenses - (523801)	0	0	5,200	0	763	0	0	0
Temporary Contract Labor - (523851)	0	0	16,000	1,500	0	0	0	0
Liability Claims - (523902)	0	0	0	0	0	0	0	0
Office Supplies - (531101)	800	3,000	15,937	9,000	2,296	30,387	5,851	2,500
Other Materials and Supplies - (531102)	0	0	0	0	0	0	3,468	0
Mobile Equipment Expense - (531103)	0	0	0	0	0	0	0	0
Freight and Express - (531105)	250	1,300	2,634	700	185	372	292	125
Electronic Supplies - (531106)	0	0	0	0	0	0	0	0
Motor Fuel Expense - (531107)	0	0	0	0	0	0	0	0
Water - (531211)	0	0	0	0	0	0	0	0
Gas - (531221)	0	0	0	0	0	0	0	0
Electricity - (531231)	0	0	0	0	0	0	0	0
Books & Periodicals - (531401)	0	0	2,000	0	682	0	0	0
Inven for resale(toll tags) - (531501)	0	0	0	0	0	0	0	0
Small Tools and Shop Supplies - (531601)	0	0	0	0	0	0	0	0
Machinery - (531611)	0	0	0	0	0	0	0	0
Vehicles - (531621)	0	0	0	0	0	0	0	0
Computers - (531641)	0	0	0	0	0	0	0	0
Software - (531651)	0	0	0	0	0	0	0	50,000
Uniforms - (531701)	0	0	0	0	0	0	2,000	0
Building Improvements - (541302)	0	0	0	0	0	0	0	0
Infrastructure Rdway/ Hwy/ Bridg - (541401)	0	0	0	0	0	0	0	0
Infrastructure - Other - (541403)	0	0	0	0	0	0	0	0
Bank Charges - (573001)	0	0	70,000	0	0	0	0	0
Credit Card Fees - (573002)	0	0	0	0	0	0	0	0
Contingency-Restricted - (579002)	0	0	0	0	0	0	0	0
Deferred Charges (153001)	0	0	0	0	0	0	0	0
Right-of-Way (06)	0	0	0	0	0	0	0	0
Administration (01)	0	0	0	0	0	0	0	0
Planning (02)	0	0	0	0	0	0	0	0
Design (03)	0	0	0	0	0	0	0	0
Construction (04)	0	0	0	0	0	0	0	0
Software (05)	0	0	0	0	0	0	0	0
Equipment/ Hardware (05)	0	0	0	0	0	0	0	0
Other (176999)	0	0	0	0	0	0	0	0
Totals	\$924,230	\$126,061	\$12,407,475	\$1,504,881	\$972,530	\$3,547,762	\$3,200,967	\$889,961

Account	Shared Services	Strategic & Innovative Solutions	Customer and Support Services	Information Technology	Maintenance	Operations
Salaries and Wages-Direct - (511101)	\$0	\$0	\$9,166,761	\$4,964,926	\$8,271,313	\$451,933
Salaries and Wages-Comp Adj. - (511103)	779,957	0	0	0	0	0
Salaries and Wages-Internship - (511202)	0	0	0	0	0	0
Salaries and Wage-Overtime - (511301)	0	0	182,231	90,000	320,000	0
Group Insurance - (512101)	6,022,538	0	0	0	0	0
Retirement Contributions - (512401)	0	0	1,204,973	678,411	1,116,326	63,284
Retirement Contr.-Internship - (512402)	0	0	0	0	0	0
Retirement Contr.-Comp. Adj. - (512403)	148,080	0	0	0	0	0
Tuition Reimbursement - (512501)	0	0	0	0	0	0
Unemployment Insurance - (512601)	200,000	0	0	0	0	0
OPEB Annual Req'd Contribution - (512602)	3,933,001	0	0	0	0	0
Worker's Comp Ins - (512701)	323,960	0	0	0	0	0
Meeting Expense - (521101)	0	0	20,101	0	1,360	650
Consulting/ Professional - (521201)	0	0	12,185,956	2,015,476	205,000	3,240,000
Legal Fees - (521202)	0	0	0	0	0	0
Auditing Fees - (521203)	0	0	0	0	0	0
Trustee Fees - (521204)	0	0	0	0	0	0
Rating Agency Fees - (521205)	0	0	0	0	0	0
Remarketing/ Loc Provider Fees - (521206)	0	0	0	0	0	0
Traffic Engineering Fees - (521207)	0	0	0	0	560,000	0
Police Services (DPS) - (521208)	0	0	0	0	0	0
Armored Car Services - (521209)	0	0	19,592	0	0	0
Outside Maintenance Services - (521212)	0	0	0	4,533,256	7,347,317	0
General Engineering - (521213)	0	0	0	0	2,040,000	0
Consulting/ Profess Serv Tech - (521301)	0	0	0	6,156,828	1,712,274	0
Landscaping - (522202)	0	0	0	0	55,000	0
Signing Expense - (522203)	0	0	0	0	0	0
Pavement Markings - (522204)	0	0	0	0	4,085,000	0
Pavement & Shoulders - (522205)	0	0	0	0	2,160,000	0
Bridge Repairs - (522206)	0	0	0	0	0	0
Rentals - Land - (522301)	0	0	41,191	0	0	0
Rentals - Equipment - (522302)	110,000	0	31,316	0	11,600	0
Insurance Expense - Other - (523101)	0	0	0	0	0	0
Postage - (523201)	0	0	7,967,334	0	0	0
Telecommunications - (523202)	0	0	0	858,181	0	0
Public Information Fees - (523203)	0	0	0	0	0	0
Recruitment - (523301)	0	0	0	0	0	0
Magazine and Newspaper - (523302)	0	0	7,288	0	2,500	0
Television & Radio - (523303)	0	0	0	0	0	0
Promotional Expenses - (523304)	0	0	0	0	0	0
Printing and Photographic - (523401)	0	0	0	0	0	0
Maps & Pamphlets - (523402)	0	0	0	0	0	0
Travel - (523501)	0	0	12,890	17,080	20,450	30,700
Dues & Subscriptions - (523601)	830	0	3,410	2,906	12,734	11,720
Education and Training - (523701)	0	0	47,356	98,189	71,400	3,000
Licenses - (523801)	0	0	0	0	15,006	0
Temporary Contract Labor - (523851)	0	0	3,968,686	0	57,600	0
Liability Claims - (523902)	0	0	0	0	0	0
Office Supplies - (531101)	65,000	0	167,078	149,814	21,100	1,000
Other Materials and Supplies - (531102)	0	0	0	77,147	2,281,429	0
Mobile Equipment Expense - (531103)	0	0	0	0	1,010,198	0
Freight and Express - (531105)	0	0	705	0	300	175
Electronic Supplies - (531106)	0	0	0	1,808,500	0	0
Motor Fuel Expense - (531107)	0	0	0	0	1,274,902	0
Water - (531211)	0	0	0	0	592,864	0
Gas - (531221)	0	0	0	0	70,560	0
Electricity - (531231)	0	0	0	0	2,092,577	0
Books & Periodicals - (531401)	0	0	0	0	0	0
Inven for resale(toll tags) - (531501)	0	0	10,000,000	0	0	0
Small Tools and Shop Supplies - (531601)	0	0	0	0	70,640	0
Machinery - (531611)	0	0	0	0	214,700	0
Vehicles - (531621)	0	0	0	0	1,866,300	0
Computers - (531641)	0	0	0	9,189,600	0	0
Software - (531651)	0	0	0	17,348,561	0	0
Uniforms - (531701)	0	0	15,239	0	173,386	0
Building Improvements - (541302)	0	0	0	0	7,632,000	0
Infrastructure Rdway/Hwy/ Bridg - (541401)	0	0	0	620,000	30,845,000	0
Infrastructure - Other - (541403)	0	0	0	710,000	0	0
Bank Charges - (573001)	0	0	787,301	0	0	0
Credit Card Fees - (573002)	0	0	13,321,925	0	0	0
Contingency-Restricted - (579002)	0	0	0	0	0	0
Deferred Charges (153001)	0	0	0	0	0	0
Right-of-Way (06)	0	0	0	0	0	0
Administration (01)	0	0	0	0	0	0
Planning (02)	0	0	0	0	0	0
Design (03)	0	0	0	0	0	0
Construction (04)	0	0	0	0	0	0
Software (05)	0	0	0	3,000,000	0	0
Equipment/ Hardware (05)	0	0	0	200,000	0	0
Other (176999)	0	0	0	0	0	0
Totals	\$11,583,367	\$0	\$59,151,335	\$52,518,875	\$76,210,836	\$3,802,462

Account	Project Delivery	System & Incident Mgmt.	FY15 Budget	FY14 Budget	Increase or (Decrease) Amount	Increase or (Decrease) Percent
Salaries and Wages-Direct - (511101)	\$246,471	\$3,654,632	\$32,665,271	\$33,864,393	(\$1,199,123)	(3.5%)
Salaries and Wages-Comp Adj. - (511103)	0	0	\$779,957	1,316,660	(536,703)	(40.8%)
Salaries and Wages-Internship - (511202)	0	0	\$23,917	0	23,917	100.0%
Salaries and Wage-Overtime - (511301)	0	12,237	\$611,286	417,328	193,958	46.5%
Group Insurance - (512101)	0	0	\$6,022,538	6,361,950	(339,412)	(5.3%)
Retirement Contributions - (512401)	32,803	478,689	\$4,331,346	4,473,956	(142,610)	(3.2%)
Retirement Contr.-Internship - (512402)	0	0	\$3,167	0	3,167	100.0%
Retirement Contr.-Comp. Adj. - (512403)	0	0	\$148,080	181,798	(33,718)	(18.5%)
Tuition Reimbursement - (512501)	0	0	\$32,000	31,989	11	0.0%
Unemployment Insurance - (512601)	0	0	\$200,000	337,091	(137,091)	(40.7%)
OPEB Annual Req'd Contribution - (512602)	0	0	\$3,933,001	0	3,933,001	100.0%
Worker's Comp Ins - (512701)	0	0	\$323,960	238,273	85,687	36.0%
Meeting Expense - (521101)	0	0	\$105,718	101,334	4,384	4.3%
Consulting/ Professional - (521201)	85,000	32,055	\$21,576,240	15,675,833	5,900,407	37.6%
Legal Fees - (521202)	0	0	\$2,850,000	2,694,242	155,758	5.8%
Auditing Fees - (521203)	0	0	\$192,608	196,350	(3,742)	(1.9%)
Trustee Fees - (521204)	0	0	\$503,250	270,230	233,020	86.2%
Rating Agency Fees - (521205)	0	0	\$100,000	87,000	13,000	14.9%
Remarketing/ Loc Provider Fees - (521206)	0	0	\$4,385,000	5,150,000	(765,000)	(14.9%)
Traffic Engineering Fees - (521207)	0	0	\$3,180,000	2,890,000	290,000	10.0%
Police Services (DPS) - (521208)	0	4,876,351	\$4,876,351	5,601,163	(724,812)	(12.9%)
Armored Car Services - (521209)	0	0	\$19,592	19,777	(185)	(0.9%)
Outside Maintenance Services - (521212)	0	4,946	\$11,885,519	11,119,807	765,712	6.9%
General Engineering - (521213)	0	0	\$2,040,000	1,950,000	90,000	4.6%
Consulting/ Profess Serv Tech - (521301)	0	0	\$7,869,102	4,469,549	3,399,553	76.1%
Landscaping - (522202)	0	0	\$55,000	83,800	(28,800)	(34.4%)
Signing Expense - (522203)	0	0	\$0	260,000	(260,000)	(100.0%)
Pavement Markings - (522204)	0	0	\$4,085,000	0	4,085,000	100.0%
Pavement & Shoulders - (522205)	0	0	\$2,160,000	14,494,069	(12,334,069)	(85.1%)
Bridge Repairs - (522206)	0	0	\$0	710,000	(710,000)	(100.0%)
Rentals - Land - (522301)	0	0	\$41,191	76,500	(35,309)	(46.2%)
Rentals - Equipment - (522302)	0	0	\$152,916	162,170	(9,254)	(5.7%)
Insurance Expense - Other - (523101)	0	1,281,853	\$1,281,853	973,958	307,895	31.6%
Postage - (523201)	0	4,045	\$7,971,456	6,803,964	1,167,493	17.2%
Telecommunications - (523202)	0	0	\$858,181	754,886	103,295	13.7%
Public Information Fees - (523203)	0	0	\$0	47,400	(47,400)	(100.0%)
Recruitment - (523301)	0	0	\$153,380	20,015	133,365	666.3%
Magazine and Newspaper - (523302)	0	0	\$486,595	630,796	(144,201)	(22.9%)
Television & Radio - (523303)	0	0	\$175,500	124,318	51,182	41.2%
Promotional Expenses - (523304)	0	4,965	\$637,835	120,202	517,633	430.6%
Printing and Photographic - (523401)	0	0	\$8,230	3,650	4,580	125.5%
Maps & Pamphlets - (523402)	0	0	\$116,964	51,486	65,478	127.2%
Travel - (523501)	11,000	3,727	\$251,467	178,045	73,422	41.2%
Dues & Subscriptions - (523601)	3,000	2,209	\$219,284	210,350	8,934	4.2%
Education and Training - (523701)	5,000	13,267	\$403,700	344,255	59,445	17.3%
Licenses - (523801)	0	0	\$20,969	17,330	3,639	21.0%
Temporary Contract Labor - (523851)	0	0	\$4,043,786	3,543,848	499,938	14.1%
Liability Claims - (523902)	0	10,864	\$10,864	10,351	513	5.0%
Office Supplies - (531101)	2,000	8,831	\$484,594	451,260	33,334	7.4%
Other Materials and Supplies - (531102)	0	59,411	\$2,421,455	1,657,463	763,992	46.1%
Mobile Equipment Expense - (531103)	0	0	\$1,010,198	849,829	160,369	18.9%
Freight and Express - (531105)	500	266	\$7,804	7,592	212	2.8%
Electronic Supplies - (531106)	0	0	\$1,808,500	133,900	1,674,600	1250.6%
Motor Fuel Expense - (531107)	0	0	\$1,274,902	1,225,500	49,402	4.0%
Water - (531211)	0	0	\$592,864	592,864	0	0.0%
Gas - (531221)	0	0	\$70,560	70,560	0	0.0%
Electricity - (531231)	0	0	\$2,092,577	2,511,580	(419,003)	(16.7%)
Books & Periodicals - (531401)	0	0	\$2,682	456	2,226	488.2%
Inven for resale(toll tags) - (531501)	0	0	\$10,000,000	8,102,115	1,897,885	23.4%
Small Tools and Shop Supplies - (531601)	0	32,233	\$102,873	72,908	29,965	41.1%
Machinery - (531611)	0	0	\$214,700	551,500	(336,800)	(61.1%)
Vehicles - (531621)	0	0	\$1,866,300	2,157,000	(290,700)	(13.5%)
Computers - (531641)	0	0	\$9,189,600	11,596,784	(2,407,184)	(20.8%)
Software - (531651)	0	0	\$17,398,561	12,569,814	4,828,747	38.4%
Uniforms - (531701)	0	49,644	\$240,269	214,106	26,164	12.2%
Building Improvements - (541302)	0	0	\$7,632,000	4,903,196	2,728,804	55.7%
Infrastructure Rdway/Hwy/ Bridg - (541401)	0	0	\$31,465,000	27,936,652	3,528,348	12.6%
Infrastructure - Other - (541403)	0	0	\$710,000	2,031,000	(1,321,000)	(65.0%)
Bank Charges - (573001)	0	0	\$857,301	732,490	124,812	17.0%
Credit Card Fees - (573002)	0	0	\$13,321,925	11,175,835	2,146,091	19.2%
Contingency-Restricted - (579002)	0	0	\$0	2,420,961	(2,420,961)	(100.0%)
Deferred Charges (153001)	551,000	0	\$551,000	5,359,000	(4,808,000)	(89.7%)
Right-of-Way (06)	1,101,000	0	\$1,101,000	1,000,000	101,000	10.1%
Administration (01)	3,731,000	0	\$3,731,000	2,491,000	1,240,000	49.8%
Planning (02)	130,000	0	\$130,000	225,000	(95,000)	(42.2%)
Design (03)	6,743,500	0	\$6,743,500	11,800,000	(5,056,500)	(42.9%)
Construction (04)	92,225,800	0	\$92,225,800	12,465,200	79,760,600	639.9%
Software (05)	0	0	\$3,000,000	0	3,000,000	100.0%
Equipment/ Hardware (05)	2,600,000	0	\$2,800,000	325,000	2,475,000	761.5%
Other (176999)	12,710,000	0	\$12,710,000	5,600,000	7,110,000	127.0%
Totals	\$120,178,074	\$10,530,226	\$357,549,042	\$258,300,679	\$99,248,363	38.4%

FY2015 Staffing Summary

	FY2014 Budget			FY2015 Budget			
	Approved	Changes	Ending	Additions	Full Time	Part Time	On Call
ADMINISTRATIVE SERVICES							
Administration	2	-	2	-	2	-	-
Board	1	-	1	-	1	-	-
Finance	45	(1)	44	-	44	-	-
Human Resources	13	-	13	-	13	5	-
Internal Audit	7	1	8	1	9	-	-
Legal Services	5	-	5	-	5	3	-
Public Affairs	18	-	18	-	18	-	-
Strategy and Innovation	-	-	-	3	3	2	-
Strategic and Innovative Solutions	9	(9)	-	-	-	-	-
Total Administrative Services	100	(9)	91	4	95	10	-
OPERATIONAL SERVICES							
Customer and Support Services	289	(17)	272	-	272	35	4
Information Technology	81	-	81	9	90	-	-
Maintenance	194	(2)	192	3	195	-	-
Operations	3	2	5	-	5	-	-
Project Delivery	11	-	11	-	11	-	-
System & Incident Management	98	-	98	6	104	-	-
Total Operational Services	676	(17)	659	18	677	35	4
Total	776	(26)	750	22	772	45	4

Changes in FY2014

Finance: Re-organized by creating a Financial Planning and Analysis division; incorporating four (4) SIS positions and eliminating or transferring other positions for a zero net gain in staffing.

Internal Audit: The addition of one (1) Enterprise Risk Manager.

Strategic and Innovative Solutions: This department has been dissolved

Customer and Support Services: During the course of FY2015, more temporary contract labor will be used as opposed to FTE's

Operations: Addition of one (1) Project Manager and one (1) Management Analyst

Additions for FY2015

Internal Audit: Added one (1) Sr. Internal Auditor

Strategy and Innovation: Newly created department with three (3) positions

Information Technology: Added seven (9) new employees, four (4) will be staff augmentation, three (3) additional Administrators

Maintenance: Added one (1) Civil Engineer Tech, two (2) Landscape Maintenance Tech's

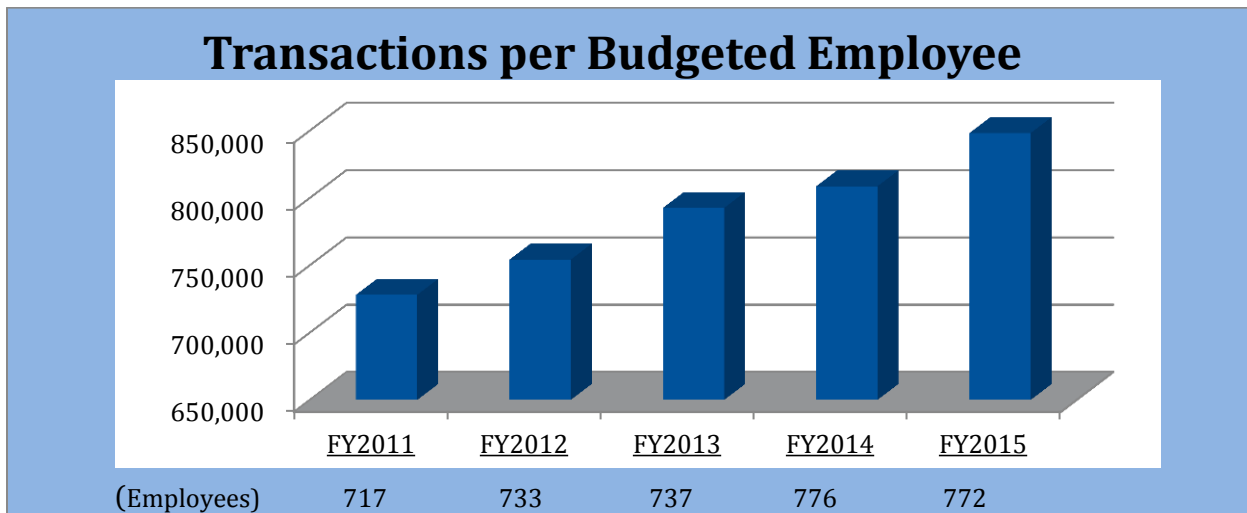
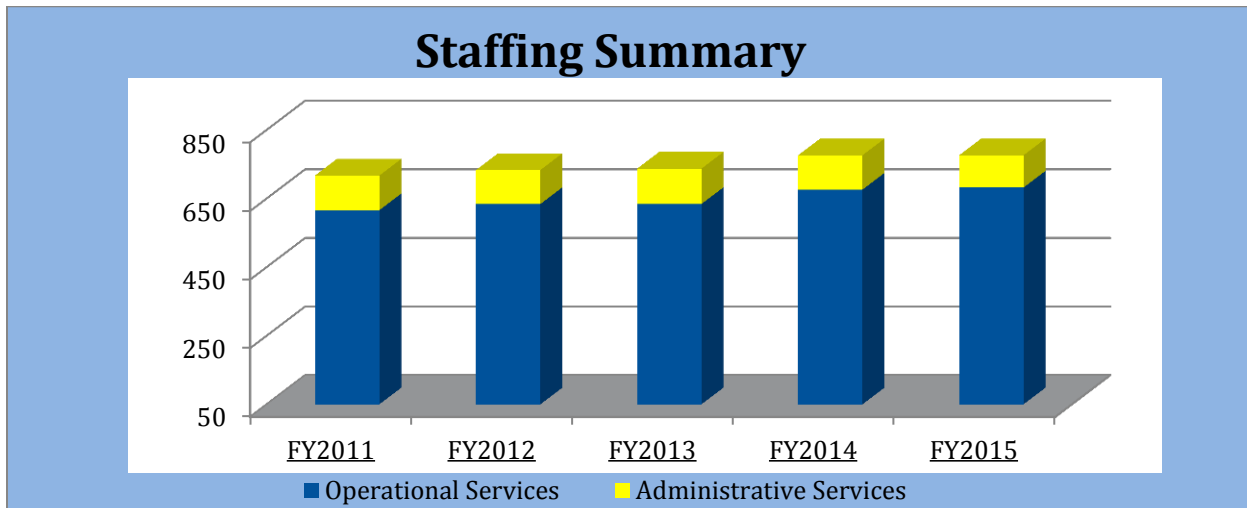
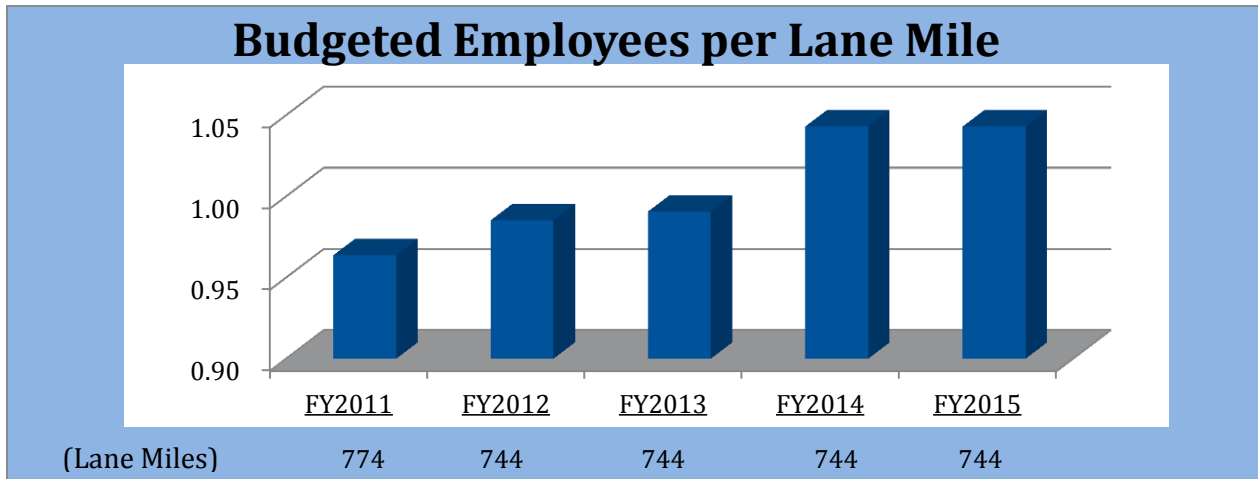
System & Incident Management: Added three (3) Roadway Customer Service Specialists, one (1) Roadway Customer Service Supervisor and five (5) Command Center Service Specialists

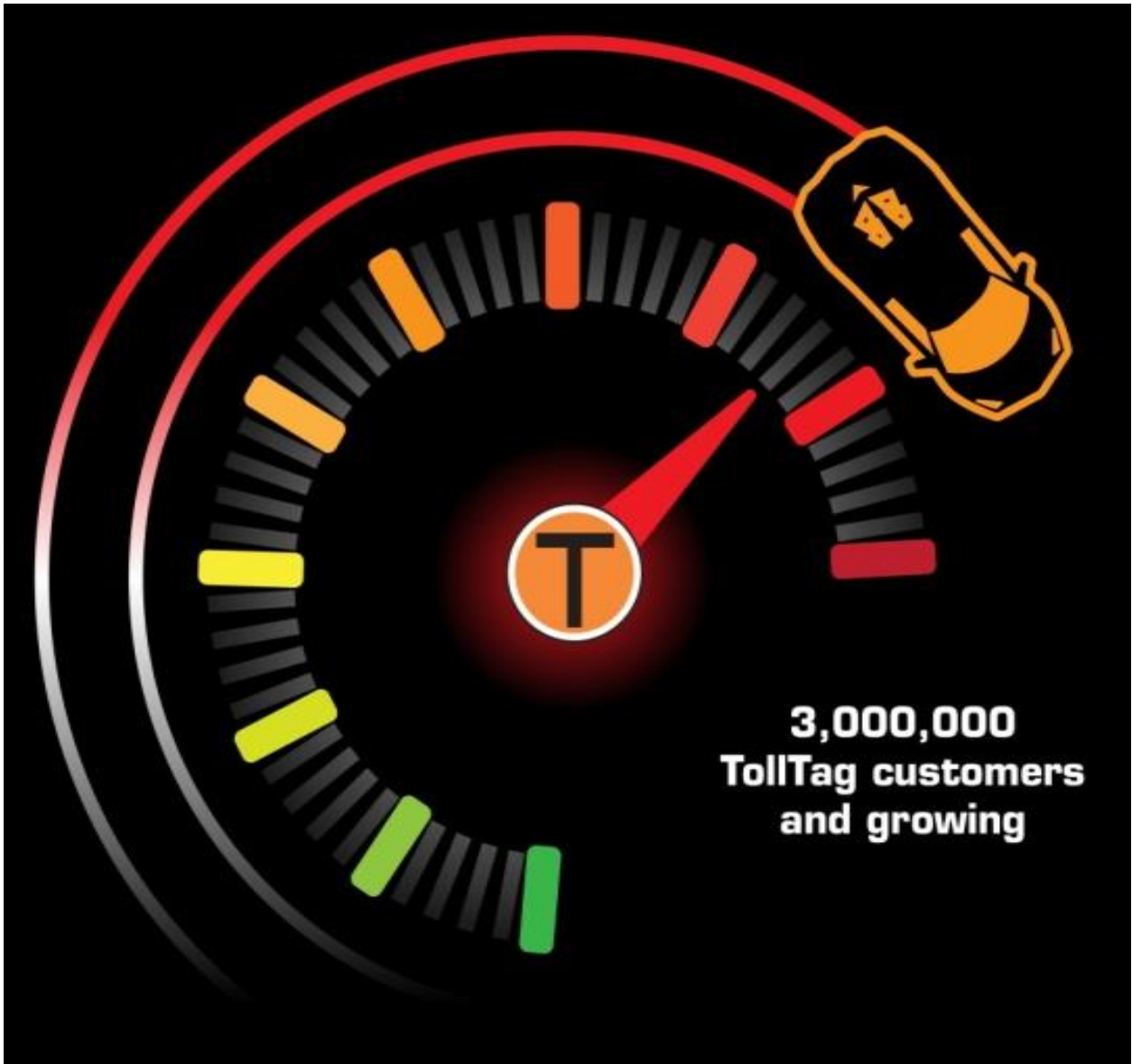
FY2011-FY2015 FTE Staffing Summary History

	FY2011 Budget	FY2012 Budget	FY2013 Budget	FY2014 Budget	FY2015 Budget	Change in Budgeted FTEs Variance
ADMINISTRATIVE SERVICES						
Administration	7	6	4	2	2	-
Board	2	2	2	1	1	-
Finance	48	47	44	45	44	(1)
Human Resources	13	13	13	13	13	-
Internal Audit	8	8	8	7	9	2
Legal Services	5	5	5	5	5	-
Public Affairs	18	18	18	18	18	-
Strategy and Innovation	-	-	-	-	3	3
Strategic and Innovative Solutions	-	-	9	9	-	(9)
Total Administrative Services	101	99	103	100	95	(5)
OPERATIONAL SERVICES						
Customer and Support Services	251	260	262	289	272	(17)
Information Technology	77	78	78	81	90	9
Maintenance	191	193	193	194	195	1
Operations	3	3	1	3	5	2
Project Delivery	14	13	13	11	11	-
System & Incident Management	80	87	87	98	104	6
Total Operational Services	616	634	634	676	677	1
Grand Total	717	733	737	776	772	(4)

FTEs - Full Time Employees

Informational Graphs FY2015





NTTA continues to expand TollTag distribution and access through new retail options, partnerships and other services.

DEPARTMENTAL BUDGETS AND INFORMATION

Introducing the



Starter TollTag

**The Convenient Way
to Travel our Roads.**

No bills, no due dates, no late fees

Your \$20 Starter TollTag opens up access to over 850 miles of toll roads, getting you to your destination quicker, easier and maybe even happier. As of October 2013, drivers who use the toll roads on an occasional basis will be able to open a TollTag account with \$20 in prepaid tolls with an auto-charge at a \$5 balance.

Check out the benefits of a \$20 Starter TollTag:

- The lowest toll rates – ZipCash customers pay 50% higher rates
- Tollmate – a FREE app to manage and update your account
- Discounted pass-through and terminal parking at DFW International Airport
- Convenient payment for parking at Dallas Love Field Airport
- FREE roadside services (972.444.HELP)
- Easy, automatic payment on any toll road in Texas

Sign up now at ntta.org, call 972.818.6882 or visit us at our Customer Service Center in Plano or Irving.

ntta.org



NTTA created the \$20 Starter TollTag in 2014 to offer the TollTag's lower rates and advantages to infrequent toll road drivers who used ZipCash

Operation and Maintenance Fund FY2015 Budget Comparisons to FY2014 Estimates

Department	FY2014	FY2015	Variance	
	Estimate	Budget	Amount	Percent
Administrative Services:				
Administration	\$410,399	\$524,230	\$113,831	27.7%
Board	140,953	126,061	(14,892)	(10.6%)
Finance ⁽¹⁾	4,636,803	4,440,220	(196,583)	(4.2%)
Human Resources	1,433,866	1,504,881	71,015	5.0%
Internal Audit	769,701	880,813	111,112	14.4%
Legal Services	2,582,715	2,397,762	(184,953)	(7.2%)
Public Affairs	2,738,626	3,200,967	462,341	16.9%
Strategy and Innovation	0	889,961	889,961	100.0%
Shared Services	10,541,612	11,583,367	1,041,755	9.9%
Total Administrative Services	23,254,675	25,548,262	2,293,587	9.9%
Operational Services:				
Customer and Support Services	45,908,404	59,151,335	13,242,931	28.8%
Information Technology	13,849,589	16,367,132	2,517,543	18.2%
Maintenance	24,145,138	25,075,562	930,424	3.9%
Operations	619,810	562,462	(57,348)	(9.3%)
Project Delivery	166,430	310,774	144,344	86.7%
System & Incident Mgmt.	9,274,925	10,497,993	1,223,069	13.2%
Total Operational Services	93,964,295	111,965,258	18,000,963	19.2%
Grand Totals	\$117,218,970	\$137,513,520	\$20,294,550	17.3%

(1) Finance includes Strategic and Innovative Solutions in FY2014 Estimate. In FY2015 Budget, SIS dissolved.

All variances that exceed \$50,000 are explained on the following individual department's budget and information documents. Additionally, variances that are greater than 15% and \$5,000 are further explained.

Estimated Operation and Maintenance Fund Requirements FY2015

Operation Maintenance Fund Estimated Balance as of 12/31/2014		\$23,320,000
Estimated Transfers:		
Revenue Distribution	130,691,782	
Other Funds - Salary Allocations	<u>6,821,738</u>	
Total Transfers		137,513,520
Estimated Expenditures FY2015 Operating Budget		<u>(137,513,520)</u>
Estimated Balance at 12/31/2015		\$23,320,000
Required Balance per Trust Agreement at 01/01/2015 (1/6 of FY2015 Operating Budget)		\$22,918,920

Administration Department

OVERVIEW

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

FY2015 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Customer Driven Organization

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

Financially Sound & Vibrant Organization

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

Delivering Transportation Solutions

- Oversee the delivery of regional transportation and system improvement projects including the execution of NTTA's five-year capital plan.

Respected Leader & Partner in Region's Transportation Network

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

Highly Qualified & Engaged Team

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

DEPARTMENTAL FY2015 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2014 Estimate	FY2015 Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$297,208	\$259,035	(\$38,173)	(12.8)%
Retirement Contributions - (512401)	36,166	28,795	(7,371)	(20.4)%
Meeting Expense - (521101)	2,187	2,500	313	14.3%
Consulting/Professional - (521201)	-	150,000	150,000	100%
Promotional Expenses - (523304)	20,232	15,000	(5,232)	(25.9)%
Travel - (523501)	14,789	14,850	61	0.4%
Dues & Subscriptions - (523601)	39,565	44,000	4,435	11.2%
Education and Training - (523701)	-	9,000	9,000	100.0%
Office Supplies - (531101)	61	800	739	1,220.6%
Freight and Express - (531105)	192	250	58	30.2%
Total Expenses	\$410,399	\$524,230	\$113,831	27.7%

MAJOR FY2015 OMF BUDGET ITEMS

The department's OMF budget increased by \$113,831; from FY2014 estimate of \$410,399 to \$524,230 in FY2015 budget. All variances that exceed \$50,000 are addressed below. Additionally, variances that are greater than 15% and \$5,000 are further explained.

- Consulting/Professional fees increased by \$150,000 due to historical spending trends. Funds allocated for consulting/professional fees will be used to provide consulting support for enhancing strategic measures and core operations, Authority-wide employee engagement strategies, and other initiatives as directed by the NTTA Board of Directors and Executive Director.
- Promotional Expenses decreased by (\$5,232) as employee engagement related expenses budgeted in Human Resources department in FY2015.
- Education and Training increased by \$9,000 primarily due to the organization's initiative for education and continual improvement.

ALL FUNDS

The following is a summary of the departmental total budget for OMF and all other funds in the NTTA System FY2015 Budget (see Other Funds section pages 120-139).

Account	OMF 1001	CF 3700	RMF 1201	CIF 1501	CIF/FSF 1601	Total Budget
Salaries and Wages-Direct - (511101)	\$259,035	\$0	\$0	\$0	\$0	\$259,035
Retirement Contributions - (512401)	28,795	0	0	0	0	28,795
Meeting Expense - (521101)	2,500	0	0	0	0	2,500
Consulting/Professional - (521201)	150,000	0	0	400,000	0	550,000
Promotional Expenses - (523304)	15,000	0	0	0	0	15,000
Travel - (523501)	14,850	0	0	0	0	14,850
Dues & Subscriptions - (523601)	44,000	0	0	0	0	44,000
Education and Training - (523701)	9,000	0	0	0	0	9,000
Office Supplies - (531101)	800	0	0	0	0	800
Freight and Express - (531105)	250	0	0	0	0	250
FY2015 Totals	\$524,230	\$0	\$0	\$400,000	\$0	\$924,230
FY2014 Totals	\$556,956	\$0	\$0	\$0	\$0	\$556,956
Increase/(Decrease)	(\$32,726)	\$0	\$0	\$400,000	\$0	\$367,274

OTHER FUNDS VARIANCE

- CF - \$0
- RMF - \$0
- CIF - \$400,000 – The Capital Improvement Fund consulting fees are for an Agency wide performance study.
- CIF/FSF - \$0

ENTERPRISE FUND

The fund was created to account for revenues and expenses associated with tolling services agreements (see Other Funds section pages 137-139).

- EF \$0

SPECIAL PROJECTS SYSTEM

The following amounts were budgeted in the FY2015 Special Projects System Budget (see page 19).

- OMF PGBT-WE \$75,080
- OMF CTP \$79,772
- CF PGBT-WE \$7,106
- CF CTP \$44,055

POSITION SUMMARY

Administration Department			
Full-Time Positions	FY2014	FY2015	Difference
Executive Assistant	1	1	0
Executive Director	1	1	0
Total Full-Time Positions	2	2	0

MAJOR BUSINESS FUNCTIONS

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

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

Board of Directors Department

OVERVIEW

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

FY2015 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Financially Sound & Vibrant Organization

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

Delivering Transportation Solutions

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

Respected Leader & Partner in Region's Transportation Network

- Engage and advocate regularly with elected officials and stakeholders in support of NTTA's legislative goals
- Continue to enhance relationships with local, regional, state and national transportation partners through projects and programs supporting NTTA's mission.
- Continue to support and guide NTTA's policy development and review process.
- Conduct approximately 35 Board, Special-Called Board, Committee and Workshop meetings.

DEPARTMENTAL FY2015 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2014	FY2015		
	Estimate	Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$60,034	\$54,187	(\$5,847)	(9.7)%
Retirement Contributions - (512401)	7,897	7,174	(723)	(9.2)%
Meeting Expense - (521101)	58,680	45,000	(13,680)	(23.3)%
Travel - (523501)	11,709	15,400	3,691	31.5%
Office Supplies - (531101)	1,788	3,000	1,212	67.8%
Freight and Express - (531105)	845	1,300	455	53.9%
Total Expenses	\$140,953	\$126,061	(\$14,892)	(10.6)%

MAJOR FY2015 OMF BUDGET ITEMS

The department's overall budget decreased by **(\$14,892)** from FY2014 estimate of \$140,953 to \$126,061 for FY2015 budget, due mainly to increased allocation to Special Projects System (SPS) to account for a full year of operating the Chisholm Trail Parkway. All variances that exceed \$50,000 are addressed below. Additionally, variances that are greater than 15% and \$5,000 are further explained.

- Meeting expenses decreased by **(\$13,680)** due to additional allocation to SPS of \$8,600 and \$5,080 adjustment based on historical spending.

ALL FUNDS

The following is a summary of the departmental total budget for OMF and all other funds in the NTTA System FY2015 Budget (see Other Funds section pages 120-139).

Account	OMF	CF	RMF	CIF	CIF/FSF	Total
	1001	3700	1201	1501	1601	Budget
Salaries and Wages-Direct - (511101)	\$54,187	\$0	\$0	\$0	\$0	\$54,187
Retirement Contributions - (512401)	7,174	0	0	0	0	7,174
Meeting Expense - (521101)	45,000	0	0	0	0	45,000
Travel - (523501)	15,400	0	0	0	0	15,400
Office Supplies - (531101)	3,000	0	0	0	0	3,000
Freight and Express - (531105)	1,300	0	0	0	0	1,300
FY2015 Totals	\$126,061	\$0	\$0	\$0	\$0	\$126,061
FY2014 Totals	\$152,873	\$0	\$0	\$0	\$0	\$152,873
Increase/(Decrease)	(\$26,812)	\$0	\$0	\$0	\$0	(\$26,812)

OTHER FUNDS VARIANCE

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

ENTERPRISE FUND

The fund was created to account for revenues and expenses associated with tolling services agreements (see Other Funds section pages 136-138).

- EF \$0

SPECIAL PROJECTS SYSTEM

The following amounts were budgeted in the FY2015 Special Projects System Budget (see page 19).

- OMF PGBT-WE \$20,117
- OMF CTP \$21,375
- CF CTP \$5,433

POSITION SUMMARY

Board Department			
Full-Time Positions	FY2014	FY2015	Difference
NTTA Secretary	1	1	0
Total Full-Time Positions	1	1	0

MAJOR BUSINESS FUNCTIONS

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

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

Finance Department

OVERVIEW

As the foundation for a fiscally sound organization, the Finance Department provides sound financial strategies and solution, maintains debt service covenants and ensures compliance with trust agreements. The department is responsible for measuring the Authority's profitability and financial performance with integrity, accuracy, timeliness and transparency. In partnership with its internal and external stakeholders, Finance will continue its focus in FY2015 on managing costs, performing rigorous financial analyses and delivering tangible results that maximize achievement of strategic business goals and objectives.

FY2015 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Customer Driven

- Collaborate with other departments to develop the necessary contracts for the retail store in Fort Worth and for collection providers.
- Ensure the inclusion of disadvantaged, minority, women-owned, and small business enterprises (D/M/W/B/SBEs) as part of NTTA's strategic sourcing and procurement process.

Financially Sound & Vibrant Organization

- Seek savings opportunities and improvements by negotiating better pricing as well as procuring goods and general services from alternative sources.
- Continuously improve the annual plan process for clarity and more transparency.
- Produce a five-year capital plan based on best estimates for purposes of future planning needs.
- Meet monthly/quarterly with all departments on budget variance reviews. Assign scorecards and metrics to measure departmental efficiencies and opportunities for improvement.
- Develop short-term and long-term forecasts to identify risks and determine future resource needs.
- Monitor and report progress toward achieving business diversity goals and objectives with emphasis on continuous improvement.
- Communicate business diversity metrics on a regularly scheduled basis. The defined metrics are: diversity spends compliance, prime performance, outreach, certification and organizational performance.
- Continue the complete and accurate reporting of the Authority's finances, including producing monthly financial statements, and focus on development of policies and procedure.
- Produce Comprehensive Annual Financial Report (CAFR) and expand on reporting of tolling services agreements (TSAs).
- Evaluate and implement electronic banking technology in the area of accounts payable and payment processing.

Delivering Transportation Solutions

- Collaborate with other departments to develop necessary contracts for the Chisholm Trail Parkway and other planned roadway improvements.
- Renegotiate the performance security provision in the LBJ TSA.

Respected Leader & Partner in the Region's Transportation Network

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

Highly Qualified & Engaged Team

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

DEPARTMENTAL FY2015 OPERATIONS AND MAINTENANCE FUND (OMF) BUDGET -FINANCE

Account	FY2014 Estimate	FY2015 Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$2,940,674	\$2,121,502	(\$819,172)	(27.9)%
Salaries and Wage-Overtime - (511301)	724	1,425	701	96.8%
Retirement Contributions - (512401)	401,166	278,634	(122,532)	(30.5)%
Meeting Expense - (521101)	6,859	1,700	(5,159)	(75.2)%
Consulting/Professional - (521201)	251,600	483,837	232,237	92.3%
Trustee Fees - (521204)	70,000	360,000	290,000	414.3%
Traffic Engineering Fees - (521207)	729,650	870,000	140,350	19.2%
Magazine and Newspaper - (523302)	982	8,500	7,518	765.6%
Promotional Expenses - (523304)	67,394	69,500	2,106	3.1%
Printing and Photographic - (523401)	222	1,500	1,278	575.7%
Travel - (523501)	14,782	33,700	18,918	128.0%
Dues & Subscriptions - (523601)	45,946	57,451	11,505	25.0%
Education and Training - (523701)	14,581	40,700	26,119	179.1%
Licenses - (523801)	2,519	5,200	2,681	106.4%
Temporary Contract Labor - (523851)	0	16,000	16,000	100.0%
Office Supplies - (531101)	11,857	15,937	4,080	34.4%
Freight and Express - (531105)	1,455	2,634	1,179	81.0%
Books & Periodicals - (531401)		2,000	2,000	100.0%
Bank Charges - (573001)	76,394	70,000	(6,394)	(8.4)%
Total Expenses	\$4,636,805	\$4,440,220	(196,585)	(4.2)%

MAJOR FY2015 OMF BUDGET ITEMS

Finance

The department's overall OMF budget decreased by **(\$196,585)** from FY2014 estimate of \$4,636,805 to \$4,440,220 in FY2015 budget. All variances that exceed \$50,000 are addressed below. Additionally, variances that are greater than 15% and \$5,000 are further explained.

- Salaries and Wages decreased by **(\$819,172)**. This net decrease is due to allocating an additional **(\$519,000)** to SPS; allocating **(\$123,550)** to the Enterprise Fund for TSA projects, and **(\$176,622)** in salary adjustments.
- Retirement Contributions decreased by **(\$122,532)** commensurate with salaries.
- Meeting Expenses decreased by **(\$5,159)** mainly due to expenses associated with the Cooperative Inclusion Plan being included in Promotional Expenses for FY2015.

- Consulting/Professional increased \$232,237 due mainly to planning analysis modeling services previously budgeted in SIS.
- Trustee Fees increased by \$290,000 due to an increase in new contract for master lockbox and custodial services. The previous contract was fulfilled not knowing the amount of work involved. The new contract accounts for this and is the primary reason for the higher cost.
- Traffic Engineering Fees increased by \$140,350 due to amounts previously budgeted in the SIS department.
- Magazine and Newspaper increased by \$7,518 due mainly for the publication of our diversity and industry specific goals.
- Travel increased by \$18,918 due to adding the Financial Planning and Analysis Division and adding an investor and PRISM (Contracts Tracking) conferences.
- Dues and subscriptions increased \$11,505 due mainly to the increase in annual fees for North Central Texas Regional Certification Association.
- Education and Training increased \$26,119 mainly for training and certification of Procurement personnel.
- Temporary Contract Labor increased \$16,000 for a contract cleanup project in PeopleSoft Contract module.

FY2015 OPERATION AND MAINTENANCE FUND (OMF) BUDGET - SHARED SERVICES

Account	FY2014 Estimate	FY2015 Budget	Variance	Variance %
Salaries and Wages-Comp Adj. - (511103)	\$0	\$779,957	\$779,957	100.0%
Group Insurance - (512101)	6,029,923	6,022,538	(7,385)	(0.1)%
Retirement Contr.-Comp. Adj. - (512403)	0	148,080	148,080	100.0%
Unemployment Insurance - (512601)	123,005	200,000	76,995	62.6%
OPEB Annual Req'd Contribution - (512602)	3,933,001	3,933,001	0	0.0%
Worker's Comp Ins - (512701)	290,656	323,960	33,304	11.5%
Rentals - Equipment - (522302)	103,139	110,000	6,861	6.7%
Dues & Subscriptions - (523601)	882	830	(52)	(5.9)%
Office Supplies - (531101)	61,006	65,000	3,994	6.5%
Contingency-Restricted - (579002)	0	0	0	100.0%
Total Expenses	\$10,541,612	\$11,583,367	\$1,041,755	9.9%

MAJOR FY2015 OMF BUDGET ITEMS

Shared Services

- A division within Finance where agency-wide expenditures are budgeted.
 - The division's overall OMF budget increased by \$1,041,755 due mainly to the anticipated 3.5% merit increase totaling \$779,957.
- The following agency-wide budget items reported in the Shared Services budget are the responsibility of the Human Resources department:
 - Group Insurance decreased by (\$7,385) due to an additional amount of (\$300,000) being allocated to SPS and (\$141,000) to the Enterprise Fund for TSA projects. The FY2015 Budget reflects \$59,000, or 0.9%, increase over FY2014 per PEBC for basic costs, plus \$84,000 expense for \$300 rewards per the wellness plan initiative.
 - Unemployment Compensation increased by \$76,995 based on historical utilization.

ALL FUNDS

The following is a summary of the departmental total budget for OMF and all other funds in the NTTA System FY2015 Budget. (See Other Funds section pages 120-139).

ALL FUNDS - FINANCE

Account	OMF	CF	RMF	CIF	CIF/FSF	Total Budget
	1001	3700	1201	1501	1601	
Salaries and Wages-Direct - (511101)	\$2,121,502	\$0	\$0	\$0	\$0	\$2,121,502
Salaries and Wage-Overtime - (511301)	1,425	0	0	0	0	1,425
Retirement Contributions - (512401)	278,634	0	0	0	0	278,634
Meeting Expense - (521101)	1,700	0	0	0	0	1,700
Consulting/Professional - (521201)	483,837	40,605	0	858,400	690,000	2,072,842
Trustee Fees - (521204)	360,000	140,250	0	3,000	0	503,250
Rating Agency Fees - (521205)	0	40,000	0	60,000	0	100,000
Remarketing/Loc Provider Fees - (521206)	0	2,385,000	0	2,000,000	0	4,385,000
Traffic Engineering Fees - (521207)	870,000	0	0	200,000	1,550,000	2,620,000
Magazine and Newspaper - (523302)	8,500	0	0	0	0	8,500
Promotional Expenses - (523304)	69,500	0	0	0	0	69,500
Printing and Photographic - (523401)	1,500	0	0	0	0	1,500
Travel - (523501)	33,700	0	0	0	0	33,700
Dues & Subscriptions - (523601)	57,451	0	0	0	0	57,451
Education and Training - (523701)	40,700	0	0	0	0	40,700
Licenses - (523801)	5,200	0	0	0	0	5,200
Temporary Contract Labor - (523851)	16,000	0	0	0	0	16,000
Office Supplies - (531101)	15,937	0	0	0	0	15,937
Freight and Express - (531105)	2,634	0	0	0	0	2,634
Books & Periodicals - (531401)	2,000	0	0	0	0	2,000
Bank Charges - (573001)	70,000	0	0	0	0	70,000
FY2015 Totals	\$4,440,220	\$2,605,855	\$0	\$3,121,400	\$2,240,000	\$12,407,475
FY2014 Totals	\$4,229,089	\$3,224,290	\$0	\$2,271,400	\$0	\$9,724,779
Increase/(Decrease)	\$211,131	(\$618,435)	\$0	\$850,000	\$2,240,000	\$2,682,696

OTHER FUNDS VARIANCE - FINANCE

- **CF - \$2,605,855** – The Construction Fund amount is a net decrease of **(\$618,435)** from FY2014, due mainly to the reduction in estimated fees related to the FY2011A variable rate bonds Letter of Credit.
- **RMF - \$0**
- **CIF - \$3,121,400** – The Capital Improvement Fund amount is a net increase of \$850,000 from FY2014, due mainly to \$740,000 for financial consulting and traffic engineering fees previously budgeted in the SIS department; \$300,000 being added for a diversity disparity study; and the reduction of **(\$200,000)** in estimated fees related to the Commercial Paper Letter of Credit.
- **CIF/FSF - \$2,240,000** – The Capital Improvement Fund/Feasibility Study Fund amount is a net increase of \$2,240,000 for financial consulting and traffic engineering fees previously budgeted in the SIS department.

ALL FUNDS - SHARED SERVICES

Account	OMF	CF	RMF	CIF	CIF/FSF	Total Budget
	1001	3700	1201	1501	1601	
Salaries and Wages-Comp Adj. - (511103)	\$779,957	\$0	\$0	\$0	\$0	\$779,957
Group Insurance - (512101)	6,022,538	0	0	0	0	6,022,538
Retirement Contr.-Comp. Adj. - (512403)	148,080	0	0	0	0	148,080
Unemployment Insurance - (512601)	200,000	0	0	0	0	200,000
OPEB Annual Req'd Contribution - (512602)	3,933,001	0	0	0	0	3,933,001
Worker's Comp Ins - (512701)	323,960	0	0	0	0	323,960
Rentals - Equipment - (522302)	110,000	0	0	0	0	110,000
Dues & Subscriptions - (523601)	830	0	0	0	0	830
Office Supplies - (531101)	65,000	0	0	0	0	65,000
FY2015 Totals	\$11,583,367	\$0	\$0	\$0	\$0	\$11,583,367
FY2014 Totals	\$11,032,880	\$0	\$0	\$0	\$0	\$11,032,880
Increase/(Decrease)	\$550,487	\$0	\$0	\$0	\$0	\$550,487

OTHER FUNDS VARIANCE - SHARED SERVICES

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

ENTERPRISE FUND

The fund was created to account for revenues and expenses associated with tolling services agreements. (See Other Funds section pages 137-139).

- EF - \$385,484 consists of \$242,367 in salaries allocated for the accounting and financial functions associated with the fund and \$143,117 from Shared Services for employee group insurance.

SPECIAL PROJECTS SYSTEM

The following amounts were budgeted in the FY2015 Special Projects System Budget. (See page 19)

- OMF PGBT-WE \$918,711
- OMF CTP \$792,410
- CF PGBT-WE \$174,299
- CF CTP \$218,285

POSITION SUMMARY

Finance Department			
Full-Time Positions	FY2014	FY2015	Difference
Finance			
Accountant	3	3	0
Accounting Manager	1	1	0
Accounting Specialists	2	0	(2)
Accounts Payable Manager	1	1	0
Accounts Payable Specialist	2	2	0
Administrative Support Coordinator	1	0	(1)
Budget & Compliance Manager	1	0	(1)
Budget Coordinator	2	0	(2)
Chief Financial Officer	1	1	0
Controller	1	1	0
Executive Assistant to CFO	1	1	0
Financial Analyst	1	0	(1)
Financial Services Analyst	1	0	(1)
Financial Services Manager	0	1	1
Financial Systems Analyst	1	1	0
Financial Technician	1	1	0
Payroll Coordinator	1	1	0
Payroll Manager	1	1	0
Senior Finance Analyst	0	3	3
Senior Finance Technician	2	0	(2)
Strategic and Innovative Solutions			
Assistant Executive Director of Strategic and Innovative Solutions	1	0	(1)
Chief Strategic Officer	1	0	(1)
Strategic and Innovative Solutions Manager	2	0	(2)
Senior Financial Analyst	1	0	(1)
Financial Analyst	2	0	(2)
Management Analyst	1	0	(1)
Executive Assistant	1	0	(1)
Finance Planning and Analysis			
Administrative Assistant	0	1	1
Budget & Compliance Manager	0	1	1
Director of Financial Planning and Analysis	0	1	1
Finance Analyst	0	1	1
Finance Planning Manager	0	1	1
Senior Finance Analyst	0	2	2
Procurement Services			
Assistant Director of Procurement	1	1	0
Buyer	3	3	0
Purchase Order Specialist	1	1	0
Purchasing Assistant	1	0	(1)
Senior Buyer	4	3	(1)
Senior Director Procurement and Business Diversity	1	1	0
Senior Purchase Order Specialist	1	1	0
Business Diversity Department			
Asst. Director B/D	1	1	0
Bus. Diversity Liaison	2	1	(1)
Business Diversity Manager	1	0	(1)
Director of Business Diversity	1	1	0
Outreach Coordinator	0	1	1
Senior Business Diversity Compliance Specialist	0	1	1
Cash and Debt Management			
Administrative Assistant	1	1	0
Debt Manager	0	1	1
Director of Cash & Debt Management	1	1	0
Financial Planning Manager	1	0	(1)
Treasury Investment Manager	1	1	0
Total Full-Time Positions	54	44	(10)

MAJOR BUSINESS FUNCTIONS

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

- **Accounting** – The division is responsible for maintaining the general ledger; producing monthly financial statements; and ensuring ethical and accurate accounting of the Authority's finances. Responsible for all areas of accounts payable and receivable. Accounting is also responsible for the completion of the annual external audit and the preparation of the Comprehensive Annual Financial Report (CAFR).
- **Cash and Debt Management** – The division administers all short-term and long-term financing for the Authority and coordinates post-issuance administrative functions. In addition, this division is responsible for all banking relationships, cash management and investment portfolio management, as well as the establishment and monitoring of all investment and debt policies and procedures.
- **Financial Planning and Analysis** – The division is responsible for the planning, developing and maintenance of the Authority's annual budgets and Five-Year-Capital Plan. Serves as the liaison with departments to help forecast and manage departmental operational and project budgets and to ensure continuing feedback on financial matters.
- **Payroll** – The division is responsible for preparing and processing the Authority's bi-weekly payroll and maintaining compliance with all applicable federal and state wage and hour laws and reporting requirements
- **Procurement Services** – The division is responsible for: the procurement of all supplies, services and construction needs of the Authority; providing for the fair and equitable treatment of all purchases; the inclusion and reporting of Disadvantaged, Minority, Women-Owned, and Small Business Enterprises (D/M/W/SBEs); and managing and maintaining requisitions, purchase orders and contracts. The division also coordinates and manages the formal bid process, including RFBs, RFPs and RFQs.

Human Resources Department

OVERVIEW

The Human Resources (HR) Department supports the mission of NTTA by administering comprehensive and high-quality employee programs and services to prospective, current and former employees. The FY2015 budget will enable the department to provide a greater level of service in employee and labor relations, compensation and benefits, recruiting (attracting and retaining top talent), training and development, organizational design and process improvement, and maintaining a high level of employee engagement and satisfaction.

FY2015 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Highly Qualified & Engaged Team

- Continue the rollout of the Human Resources Roadmap action plan to make the HR Department world-class and aligned with NTTA's strategic plan.
- Research, develop and identify a new automated, user-friendly performance review process that is beneficial to all departments.
- Conduct a detailed compensation study to assess NTTA's compensation against national, regional, and local averages and similar industries.
- Conduct a "Desk Audit" to ensure consistency between duties performed and the content of job descriptions for all positions at NTTA.
- Conduct a leadership training course to develop our management team and provide consistency in the interpretation and administration of policies and procedures.
- Improve employee engagement and retention strategies.
- Work in collaboration with all NTTA departments to identify skills gaps and improve "bench strength" through training, succession planning and other developmental strategies.

DEPARTMENTAL FY2015 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2014 Estimate	FY2015 Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$800,604	\$701,606	(\$98,998)	(12.4)%
Salaries and Wages-Internship - (511202)	23,917	23,917	0	0.0%
Salaries and Wage-Overtime - (511301)	234	2,500	2,266	968.4%
Retirement Contributions - (512401)	90,795	90,899	104	0.1%
Retirement Contr.-Internship - (512402)	3,167	3,167	0	0.0%
Tuition Reimbursement - (512501)	31,523	32,000	477	1.5%
Meeting Expense - (521101)	7,866	8,200	334	4.2%
Consulting/Professional - (521201)	140,000	290,500	150,500	107.5%
Recruitment - (523301)	150,015	153,380	3,365	2.2%
Magazine and Newspaper - (523302)	18,433	0	(18,433)	(100.0)%
Promotional Expenses - (523304)	38,470	69,000	30,530	79.4%
Printing and Photographic - (523401)	2,958	0	(2,958)	(100.0)%
Travel - (523501)	5,494	6,000	506	9.2%
Dues & Subscriptions - (523601)	23,206	22,512	(694)	(3.0)%
Education and Training - (523701)	91,738	90,000	(1,738)	(1.9)%
Temporary Contract Labor - (523851)	280	1,500	1,220	435.9%
Office Supplies - (531101)	5,023	9,000	3,977	79.2%
Freight and Express - (531105)	143	700	557	390.5%
Total Expenses	\$1,433,866	\$1,504,881	\$71,015	5.0%

MAJOR FY2015 BUDGET ITEMS

The department's overall OMF budget increased by \$71,015; from FY2014 Estimate of \$1,433,866 to \$1,504,881 for FY2015 budget. All variances that exceed \$50,000 are addressed below. Additionally, variances that are greater than 15% and \$5,000 are further explained.

- Salaries and Wages Direct decreased by (\$98,998) due to an additional (\$126,047) being allocated to SPS; (\$55,400) allocated to Enterprise Fund for TSA projects; and about \$82,449 for adjustments.
- Consulting/Professional Expenses increased by \$150,500 due to a company-wide compensation study that will be conducted in 2015.
- Magazines and Newspaper decreased (\$18,433) due to this budget being moved to the recruitment budget for 2015.
- Promotional Expenses increased \$30,530 due to adding a \$30,000 employee Reward & Recognition line item for managers to recognize employees on a monthly basis instead of just once per year.

ALL FUNDS

The following is a summary of the departmental total budget for OMF and all other funds in the NTTA System FY2015 Budget (see Other Funds section pages 120-139).

Account	OMF 1001	CF 3700	RMF 1201	CIF 1501	CIF/FSF 1601	Total Budget
Salaries and Wages-Direct - (511101)	\$701,606	\$0	\$0	\$0	\$0	\$701,606
Salaries and Wages-Internship - (511202)	23,917	0	0	0	0	23,917
Salaries and Wage-Overtime - (511301)	2,500	0	0	0	0	2,500
Retirement Contributions - (512401)	90,899	0	0	0	0	90,899
Retirement Contr.-Internship - (512402)	3,167	0	0	0	0	3,167
Tuition Reimbursement - (512501)	32,000	0	0	0	0	32,000
Meeting Expense - (521101)	8,200	0	0	0	0	8,200
Consulting/Professional - (521201)	290,500	0	0	0	0	290,500
Recruitment - (523301)	153,380	0	0	0	0	153,380
Promotional Expenses - (523304)	69,000	0	0	0	0	69,000
Travel - (523501)	6,000	0	0	0	0	6,000
Dues & Subscriptions - (523601)	22,512	0	0	0	0	22,512
Education and Training - (523701)	90,000	0	0	0	0	90,000
Temporary Contract Labor - (523851)	1,500	0	0	0	0	1,500
Office Supplies - (531101)	9,000	0	0	0	0	9,000
Freight and Express - (531105)	700	0	0	0	0	700
FY2015 Totals	\$1,504,881	\$0	\$0	\$0	\$0	\$1,504,881
FY2014 Totals	\$1,388,401	\$0	\$0	\$0	\$0	\$1,388,401
Increase/(Decrease)	\$116,480	\$0	\$0	\$0	\$0	\$116,480

OTHER FUNDS VARIANCE

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

ENTERPRISE FUND

The fund was created to account for revenues and expenses associated with tolling services agreements (see Other Funds section pages 137-139).

- **EF - \$63,820** - Salaries allocated for the employee and benefits functions associated with the fund.

SPECIAL SYSTEMS PROJECTS

The following amounts were budgeted in the FY2015 Special Projects System Budget (see page 19).

- OMF PGBT-WE \$174,482
- OMF CTP \$185,389

POSITION SUMMARY

Human Resources Department			
Full-Time Positions	FY2014	FY2015	Difference
Administrative Assistant	1	0	(1)
Assistant Director of Human Resources	1	1	0
Benefits Coordinator	1	1	0
Benefits Wellness Program Analyst	1	0	(1)
Compensation/Benefits Analyst	0	1	1
Compensation/Benefits Manager	1	1	0
Director of Human Resources	1	1	0
Human Resources Coordinator	1	1	0
Human Resources Generalist	1	2	1
HRIS Systems Analyst	1	1	0
Receptionist	0	1	1
Recruiting Manager	1	1	0
Recruiter	1	1	0
Senior HR Coordinator	1	0	(1)
Training Manager	1	1	0
Total Full-Time Positions	13	13	0
Temporary Positions	FY2014	FY2015	Difference
Interns	5	5	0
Total Part-Time Positions	5	5	0

MAJOR BUSINESS FUNCTIONS

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

- **Total Rewards - Compensation and Benefits Services** – Total Rewards is considered the total remuneration provided to employees and summarizes the value of both financial and non-financial elements in the employment package (i.e. salary, incentives, benefits, perquisites and job satisfaction).
- **Employee Development and Training Services** – The framework for helping employees develop their personal and organizational skills, knowledge and abilities. The focus of training is on developing a workforce where the organization and individual employee can accomplish their work goals in service to both internal and external customers.
- **Employment Sourcing and Recruitment Services** – Commitment to the continuous development of our employees and to the engagement strategies that enable the organization to build bench strength.
- **Employee Relations** – The outreach, plan and process of developing, implementing, administering and analyzing the employer-employee relationship, and providing management and employees with professional, discreet and timely counsel regarding the interpretation and consistent application of policy.
- **Performance Management** – A continuous process of communicating and clarifying job responsibilities, priorities and performance expectations in order to ensure mutual

understanding between supervisor and employee. A philosophy which values and encourages employee development and provides frequent feedback and fosters teamwork.

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

Internal Audit Department

OVERVIEW

The budget is required to accomplish the Internal Audit mission to provide independent and objective assurance and consulting activity that is guided by a philosophy of adding value to improve operations of the NTTA. The additional audit position will help provide appropriate audit coverage to the growing Authority and the Enterprise Risk Manager will manage enterprise risk exposure to the level desired by management. Internal Audit helps the Authority accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, internal control, and governance processes related to all areas of the Authority, including but not necessarily limited to operational, financial, compliance and information systems/technology.

FY2015 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Customer-Driven Organization

- Continue to perform the Ombudsman role and responsibilities related to the Customer and Support Services department.

Financially Sound and Vibrant Organization

- Complete assurance and consulting projects identified by a risk-based assessment and requests by management.
- Continue to monitor the Chase Paymentech instant alerts.
- Create the Enterprise Risk Management function.

Highly Qualified & Engaged Team

- Continue to monitor the NTTA's ethics hotline.

DEPARTMENTAL FY2015 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2014	FY2015		Variance %
	Estimate	Budget	Variance	
Salaries and Wages-Direct - (511101)	\$541,049	\$624,788	\$83,739	15.5%
Retirement Contributions - (512401)	67,898	82,722	14,824	21.8%
Meeting Expense - (521101)	138	785	647	468.8%
Consulting/Professional - (521201)	41,850	38,450	(3,400)	(8.1)%
Auditing Fees - (521203)	102,850	100,891	(1,959)	(1.9)%
Postage - (523201)	0	77	77	100.0%
Magazine and Newspaper - (523302)	0	307	307	100.0%
Travel - (523501)	10,311	11,878	1,567	15.2%
Dues & Subscriptions - (523601)	2,076	5,839	3,763	181.3%
Education and Training - (523701)	2,304	11,150	8,846	383.9%
Licenses - (523801)	0	763	763	100.0%
Office Supplies - (531101)	1,002	2,296	1,294	129.1%
Freight and Express - (531105)	0	185	185	100.0%
Books & Periodicals - (531401)	223	682	459	205.8%
Total Expenses	\$769,701	\$880,813	\$111,112	14.4%

MAJOR FY2015 OMF BUDGET ITEMS

The department's OMF budget increased by \$111,112; from FY2014 estimate of \$769,701 to \$880,813 in FY2015 budget. All variances that exceed \$50,000 are addressed below. Additionally, variances that are greater than 15% and \$5,000 are further explained.

- Salaries and Retirement Contributions increased by \$98,562. This net increase is due to the addition of two positions for \$201,606; allocating an additional **(\$76,000)** to SPS and **(\$27,044)** to the Enterprise Fund for TSA projects.
- Education and Training increased by \$8,846 due to the additional two positions.

ALL FUNDS

The following is a summary of the departmental total budget for OMF and all other funds in the NTTA System FY2015 Budget. (See Other Funds section pages 120-139)

Account	OMF	CF	RMF	CIF	CIF/FSF	Total
	1001	3700	1201	1501	1601	Budget
Salaries and Wages-Direct - (511101)	\$624,788	\$0	\$0	\$0	\$0	\$624,788
Retirement Contributions - (512401)	82,722	0	0	0	0	82,722
Meeting Expense - (521101)	785	0	0	0	0	785
Consulting/Professional - (521201)	38,450	0	0	0	0	38,450
Auditing Fees - (521203)	100,891	61,144	10,191	20,382	0	192,608
Postage - (523201)	77	0	0	0	0	77
Magazine and Newspaper - (523302)	307	0	0	0	0	307
Travel - (523501)	11,878	0	0	0	0	11,878
Dues & Subscriptions - (523601)	5,839	0	0	0	0	5,839
Education and Training - (523701)	11,150	0	0	0	0	11,150
Licenses - (523801)	763	0	0	0	0	763
Office Supplies - (531101)	2,296	0	0	0	0	2,296
Freight and Express - (531105)	185	0	0	0	0	185
Books & Periodicals - (531401)	682	0	0	0	0	682
FY2015 Totals	\$880,813	\$61,144	\$10,191	\$20,382	\$0	\$972,530
FY2014 Totals	\$828,471	\$56,100	\$18,700	\$18,700	\$0	\$921,971
Increase/(Decrease)	\$52,342	\$5,044	(\$8,509)	\$1,682	\$0	\$50,559

OTHER FUNDS VARIANCE

- **CF - \$61,144** – The Construction Fund outside auditor's fees increased by \$5,044 due to reallocation of work effort to the fund.
- **RMF- \$10,191** – The Reserve Maintenance Fund outside auditor's fees decreased by **(\$8,509)** due to reallocation of work effort to the fund.
- **CIF - \$20,382** – The Capital Improvement Fund outside auditor's fees increased by \$1,682 due to reallocation of work effort to the fund.
- **CIF/FSF - \$0**

ENTERPRISE FUND

The fund was created to account for revenues and expenses associated with tolling services agreements (see Other Funds section pages 137-139).

- EF \$38,254

SPECIAL PROJECT SYSTEM

The following amounts were budgeted in the FY2015 Special Projects System Budget (see page 19).

- OMF-PGBT-WE \$133,124
- OMF-CTP \$138,809

POSITION SUMMARY

Internal Audit Department			
Full-Time Positions	FY2014	FY2015	Difference
Administrative Assistant	1	1	0
Assistant Director of Internal Audit	1	1	0
Director of Internal Audit	1	1	0
Enterprise Risk Manager	0	1	1
Information Technology Auditor	2	2	0
Internal Audit Analyst	1	1	0
Senior Internal Auditor	1	2	1
Total Full-Time Positions	7	9	2

MAJOR BUSINESS FUNCTIONS

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

- **Annual risk assessment** – Performed to identify the higher risk areas.
- **Assurance audits** – Provide an objective examination of evidence to provide an independent assessment on governance, risk management and control processes.
- **Consulting services** – Intended to add value and improve NTTA's governance, risk assessment, and control processes without internal audit assuming management responsibilities.
- **Ombudsman function** – A component of the escalation process for the Customer and Support Services Department; the Ombudsman is responsible for determining compliance with Business Rules.
- **Ethics and Fraud Hotline** – Monitors to ensure items are resolved.
- **Enterprise Risk Management** – Function is being established; includes the methods and processes used to manage risks and achieve objectives.

Legal Services Department

OVERVIEW

The Legal Services Department supports NTTA's mission by providing an array of high-quality legal services at reasonable expense for the NTTA.

FY2015 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Customer-Driven Organization

- Deliver legal services in an efficient and cost-effective manner.
- Provide quality legal advice and counsel to NTTA management in a timely fashion.

Delivering Transportation Solutions

- Support efforts to deliver needed infrastructure for the region via timely and streamlined agreements with project partners.

Respected Leader & Partner in the Region's Transportation Network

- Strengthen relationships with legal counsel at other governmental entities.
- Participate in regional working groups focused on transportation issues.
- Demonstrate national leadership in issues pertaining to highway authorities and new vehicular technologies.

Highly Qualified & Engaged Team

- Implement legal agreement repository and legal agreement template ("boilerplate") projects.
- Develop additional in-house expertise.

DEPARTMENTAL FY2015 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2014	FY2015		
	Estimate	Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$523,556	\$549,416	\$25,860	4.9%
Retirement Contributions - (512401)	80,754	60,028	(20,726)	(25.7)%
Legal Fees - (521202)	1,903,382	1,700,000	(203,382)	(10.7)%
Travel - (523501)	10,613	12,574	1,961	18.5%
Dues & Subscriptions - (523601)	30,845	43,007	12,162	39.4%
Education and Training - (523701)	5,434	1,978	(3,456)	(63.6)%
Office Supplies - (531101)	27,884	30,387	2,503	9.0%
Freight and Express - (531105)	249	372	123	49.5%
Total Expenses	\$2,582,715	\$2,397,762	(184,953)	(7.2)%

MAJOR FY2015 BUDGET ITEMS

The department's overall OMF budget decreased by **(\$184,953)**; from FY2014 estimate of \$2,582,715 to \$2,397,762 in FY2015 budget. All variances that exceed \$50,000 are addressed below. Additionally, variances that are greater than 15% and \$5,000 are further explained.

- Retirement Contributions decreased **(\$20,726)** due to additional allocation to SPS.

- Legal Fees decreased **(\$203,382)** due to expected reduction in the cost of transactional legal work.
- Dues & Subscriptions increased by \$12,162 due to deployment of Serengeti Tracker legal matter management system.

ALL FUNDS

The following is a summary of the departmental total budget for OMF and all other funds in the NTTA System FY2015 Budget (see Other Funds section pages 120-139).

Account	OMF	CF	RMF	CIF	CIF/FSF	Total
	1001	3700	1201	1501	1601	Budget
Salaries and Wages-Direct - (511101)	\$549,416	\$0	\$0	\$0	\$0	\$549,416
Retirement Contributions - (512401)	60,028	0	0	0	0	60,028
Legal Fees - (521202)	1,700,000	100,000	50,000	700,000	300,000	2,850,000
Travel - (523501)	12,574	0	0	0	0	12,574
Dues & Subscriptions - (523601)	43,007	0	0	0	0	43,007
Education and Training - (523701)	1,978	0	0	0	0	1,978
Office Supplies - (531101)	30,387	0	0	0	0	30,387
Freight and Express - (531105)	372	0	0	0	0	372
FY2015 Totals	\$2,397,762	\$100,000	\$50,000	\$700,000	\$300,000	\$3,547,762
FY2014 Totals	\$2,437,130	\$150,000	\$150,000	\$700,000	\$300,000	\$3,737,130
Increase/(Decrease)	(\$39,368)	(\$50,000)	(\$100,000)	\$0	\$0	(\$189,368)

OTHER FUNDS VARIANCE

- **CF - \$100,000** – The Construction Fund estimated legal fees decreased by **(\$50,000)** due to System construction projects coming to completion.
- **RMF - \$50,000** – The Reserve Maintenance Fund estimated legal fees decreased by **(\$100,000)**, based on historical spending.
- **CIF - \$700,000** – The Capital Improvement Fund estimated legal fees remain the same, based on historical spending.
- **CIF/FSF- \$300,000** – The Feasibility Study Fund estimated legal fees remain the same, based on historical spending.

ENTERPRISE FUND

The fund was created to account for revenues and expenses associated with tolling services agreements (see Other Funds section pages 137-139).

- **EF - \$500,000** – This amount is for legal fees associated with TSAs.

SPECIAL SYSTEMS PROJECTS

The following amounts were budgeted in the FY2015 Special Projects System Budget (see page 19).

- OMF PGBT-WE \$ 306,291
- OMF CTP \$325,434
- CF PGBT-WE \$ 233,484
- CF CTP \$ 730,067

POSITION SUMMARY

Legal Services Department			
Full-Time Positions	FY2014	FY2015	Difference
Assist Executive Director General Counsel	1	1	0
Executive Assistant to AED	1	1	0
Asst. Director General Counsel	1	1	0
Paralegal	1	1	0
Records Retention Manager	1	1	0
Total Full-Time Positions	5	5	0
Part-Time & Temporary Positions	FY2014	FY2015	Difference
P/T Intern-Legal (Law Students)	3	3	0
Total Part-Time Positions	3	3	0

MAJOR BUSINESS FUNCTIONS

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

- Legal advice and counsel on a wide variety of issues from all departments.
- Assistance in negotiating and documenting agreements.
- Ethics training for all new employees.
- Response to Public Information Act open records requests.
- Support for toll violation enforcement efforts.
- Coordination of outside legal counsel services.

Public Affairs Department

OVERVIEW

The Public Affairs Department supports the Authority's strategic goals and objectives through quantifiable communications with customers, stakeholders, elected officials, bondholders, business leaders, media and employees.

The department's 2015 budget has been designed with these primary purposes in mind:

1. Cultivate a positive image of NTTA among customers and other key audiences;
2. Strengthen TollTag value for existing and new customers;
3. Increase TollTag distribution and TollTag penetration;
4. Support ongoing customer service enhancements and toll collection initiatives;
5. Inform area residents about construction and maintenance on NTTA toll roads; and
6. Drive employee engagement and connection to NTTA's strategic priorities.

FY2015 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Financially Sound & Vibrant Organization

- Increase TollTag penetration to 84% by executing marketing, advertising and PR campaigns that promote TollTags and toll road use.
- Develop and expand creative alliances with DFW Airport, Oklahoma Turnpike Authority and other partners.
- Drive customers to online/mobile services by offering incentives for self-help options.
- Promote customer service programs that improve TollTag account management and ZipCash payment rates.
- Focus marketing and promotions on high-potential and new markets with measurable outcomes and ROI.
- Generate additional revenue through the sale of advertising space on NTTA assets (e.g., newsletters, signage, and buildings) and other business partnerships.

Customer-Driven Organization

- Launch TollTag customer loyalty program in coordination with Customer and Support Services to strengthen TollTag account value among existing customers.
- Add Tollmate functionality to notify customers about account status and traffic.
- Expand TollTag distribution and access through new retail options, partnerships and other services, including those targeting unbanked, under-banked and never-banked customers.
- Increase online visibility through the web, blogs and social media posts.
- Create new vehicles to inform customers and drivers about construction and maintenance projects on NTTA roads.

Respected Leader & Partner in Region's Transportation Network

- Build and maintain elected official support for NTTA programs, issues and public policy.
- Support business diversity through ongoing multicultural advertising and outreach.
- Guide project communications for Trinity Parkway, SH 360, and capital plan and maintenance projects.
- Advocate the passage of NTTA's 2015 legislative priorities through outreach to member counties, the Texas Legislature and other stakeholders.
- Develop relationships with new legislators and local elected officials that result in positive outcomes for NTTA and its legislative priorities.

- Foster cooperative PR and communications efforts with TSA partners, DFW Airport, area public information officers and other key groups.

DEPARTMENTAL FY2015 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2014	FY2015		
	Estimate	Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$1,160,126	\$1,068,890	(\$91,236)	(7.9)%
Salaries and Wage-Overtime - (511301)	2,248	2,893	645	28.7%
Retirement Contributions - (512401)	147,737	142,607	(5,130)	(3.5)%
Meeting Expense - (521101)	2,842	17,922	15,080	530.6%
Consulting/Professional - (521201)	555,210	710,961	155,751	28.1%
Public Information Fees - (523203)	0	0	0	100.0%
Magazine and Newspaper - (523302)	296,737	468,000	171,263	57.7%
Television & Radio - (523303)	366,962	175,500	(191,462)	(52.2)%
Promotional Expenses - (523304)	120,326	429,370	309,044	256.8%
Printing and Photographic - (523401)	566	6,730	6,164	1,088.1%
Maps & Pamphlets - (523402)	23,114	116,964	93,850	406.0%
Travel - (523501)	20,345	41,218	20,873	102.6%
Dues & Subscriptions - (523601)	1,649	5,991	4,342	263.2%
Education and Training - (523701)	4,115	2,310	(1,805)	(43.9)%
Temporary Contract Labor - (523851)	30,755		(30,755)	(100.0)%
Office Supplies - (531101)	4,220	5,851	1,631	38.7%
Other Materials and Supplies - (531102)	1,555	3,468	1,913	123.0%
Freight and Express - (531105)	117	292	175	148.8%
Uniforms - (531701)	0	2,000	2,000	100.0%
Total Expenses	\$2,738,626	\$3,200,967	\$462,341	16.9%

MAJOR FY2015 OMF BUDGET ITEMS

The department's overall OMF budget increased by \$462,341 from FY2014 estimate of \$2,738,626 to \$3,200,967 for FY2015 budget. All variances that exceed \$50,000 are addressed below. Additionally, variances that are greater than 15% and \$5,000 are further explained.

- Salaries & Wages-Direct decreased by (\$91,236) due to additional allocation to SPS of (\$165,000); net salary adjustments of \$53,000; and adding an Intern position for \$21,000.
- Consulting/Professional increased \$155,751 for mobile-friendly website design, additional mobile app functionality, TollTag vending machine development, employee intranet redesign, video production services (customer and employee promotions), focus groups, and annual summary report creation. Focus groups and annual summary report were previously absorbed within creative/branding agency service fees.
- Meeting Expenses increased by \$15,080 for government affairs meetings related to the 2015 legislative session, for community meetings related to the DNT improvements and PGBT fourth lane, and hosting a Friends of NTTA meeting.
- Magazine/Newspaper increased by \$171,263 based on expanded online, mobile and outdoor advertising to drive TollTag distribution.

- TV/Radio decreased by **(\$191,462)** reflecting a continued shift away from general market. Radio expenses target urban and Latino radio stations to reach specific audiences.
- Promotional Expenses increased by \$309,044 to support a new customer rewards/loyalty program, additional co-branded TollTags, email marketing and ZipCash customer outreach as well as sponsorships for legislative, local and diversity outreach. Additional increases are related to promotional give-away items now that supplies are depleted.
- Printing and Photographic increased \$6,164 to update NTTA project and stock photos for publications, websites, promotions and other collateral.
- Maps and Pamphlets increased by \$93,850 to cover a quarterly update of point-of-purchase collateral and monthly ZipCash bill inserts.
- Travel increased by \$20,873 due to increased travel for two directors relating to the FY2015 legislative session.
- Temporary Contract Labor decreased **(\$30,755)** as full staffing is anticipated in FY2015. Funds for this account in FY2014 were transferred from Salary & Wages-Direct; the same practice will be used in 2015 if needed.

ALL FUNDS

The following is a summary of the departmental total budget for OMF and all other funds in the NTTA System FY2015 Budget (see Other Funds section pages 120-139).

Account	OMF	CF	RMF	CIF	CIF/FSF	Total
	1001	3700	1201	1501	1601	Budget
Salaries and Wages-Direct - (511101)	\$1,068,890	\$0	\$0	\$0	\$0	\$1,068,890
Salaries and Wage-Overtime - (511301)	2,893	0	0	0	0	2,893
Retirement Contributions - (512401)	142,607	0	0	0	0	142,607
Meeting Expense - (521101)	17,922	0	0	0	0	17,922
Consulting/Professional - (521201)	710,961	0	0	0	0	710,961
Magazine and Newspaper - (523302)	468,000	0	0	0	0	468,000
Television & Radio - (523303)	175,500	0	0	0	0	175,500
Promotional Expenses - (523304)	429,370	0	0	0	0	429,370
Printing and Photographic - (523401)	6,730	0	0	0	0	6,730
Maps & Pamphlets - (523402)	116,964	0	0	0	0	116,964
Travel - (523501)	41,218	0	0	0	0	41,218
Dues & Subscriptions - (523601)	5,991	0	0	0	0	5,991
Education and Training - (523701)	2,310	0	0	0	0	2,310
Office Supplies - (531101)	5,851	0	0	0	0	5,851
Other Materials and Supplies - (531102)	3,468	0	0	0	0	3,468
Freight and Express - (531105)	292	0	0	0	0	292
Uniforms - (531701)	2,000	0	0	0	0	2,000
FY2015 Totals	\$3,200,967	\$0	\$0	\$0	\$0	\$3,200,967
FY2014 Totals	\$2,846,945	\$0	\$0	\$0	\$0	\$2,846,945
Increase/(Decrease)	\$354,022	\$0	\$0	\$0	\$0	\$354,022

OTHER FUNDS VARIANCE

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

ENTERPRISE FUND

The fund was created to account for revenues and expenses associated with tolling services agreements (see Other Funds section pages 137-139).

- **EF - \$504,050** consists of \$4,050 of salaries allocated and \$500,000 for advertisement, customer outreach and marketing campaigns for managed lanes in cooperation with Cintra and TxDOT.

SPECIAL PROJECTS SYSTEM

The following amounts were budgeted in the FY2015 Special Projects System Budget (see page 19).

- OMF PGBT-WE \$545,330
- OMF CTP \$1,288,072
- CF PGBT-WE & CTP \$128,531

POSITION SUMMARY

Public Affairs Department			
Full-Time Positions	FY2014	FY2015	Difference
Administrative Assistant	1	1	0
Assistant Director Public Affairs	1	1	0
Business Development Specialist	1	1	0
Digital Communications Specialist	1	1	0
Graphic Communications Specialist	1	1	0
Internal Communications Manager	1	1	0
Marketing Manager	1	1	0
Media Relations Manager	2	2	0
Project Communications Manager	1	1	0
Project Communications Specialist	1	1	0
Senior Communications Specialist	1	1	0
Senior Director of Public Affairs	1	1	0
TollTag Marketing Specialist	1	1	0
Web Content Specialist	1	1	0
Government Affairs Department			
Director of Government Affairs	1	1	0
Administrative Assistant	1	1	0
Director of Legislative Affairs	1	1	0
Total Full-Time Positions	18	18	0

MAJOR BUSINESS FUNCTIONS - PUBLIC AFFAIRS

With the FY2015 budget, the Public Affairs Department will efficiently support the Authority's strategic goals and objectives through:

- **Strategy and planning** – Identify trends, new products and programs, and develop strategies to support operations.
- **Media relations** – Pitch positive stories and respond to media inquiries.
- **Marketing and advertising** – Develop and promote products and increase TollTag distribution.
- **Project communications** – Manage the National Environmental Policy Act (NEPA) process for new projects; notify customers of ongoing construction and maintenance activity.
- **Speaker's bureau** – Educate external audiences through grassroots community outreach.
- **Digital communications** – Engage customers through new media, including web, mobile, social media and email channels.
- **Internal communications** – Reinforce NTTA culture and business goals with employees.
- **Government/legislative affairs** – Cultivate relationships with elected officials and stakeholders to advance public policy that supports NTTA's mission.

Strategy and Innovation Department

OVERVIEW

The Strategy and Innovation Department (SI) supports NTTA's mission by providing cohesive and focused strategy and innovation efforts that drive organizational performance, create new value, and position NTTA as an industry leader.

FY2015 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Customer-Driven Organization

- Identify and facilitate the implementation of innovative technologies and business processes that provide NTTA customers with more useful information and value-added service on the roadways and in billing and collections.

Financially Sound and Vibrant Organization

- Identify and facilitate the implementation of cost-saving and revenue-generating technologies that result in greater efficiencies in current and new business processes.

Delivering Transportation Solutions

- Work in collaboration with internal stakeholders to identify and implement innovative technologies and business processes that enhance the customer experience, safety and roadway maintenance.
- Benchmark NTTA against toll industry and other appropriate comparison entities with respect to technologies, processes, equipment, and materials.

Respected Leader & Partner in the Region's Transportation Network

- Develop strategic partnerships with private and public sector entities to develop and implement creative solutions to regional mobility challenges.
- Participate in regional and state working groups dedicated to building innovation capabilities in the transportation industry.
- Demonstrate national leadership on issues pertaining to highway authorities and new vehicular and infrastructure technologies.

Highly Qualified & Engaged Team

- Advance strategic priorities and fully integrate NTTA's Strategic Plan across all departmental units and employee levels.
- Cultivate an internal innovation philosophy that encourages creative thinking and lead internal teams to drive innovative practices throughout the organization.
- Develop a comprehensive program that encourages innovation and rewards employee contributions as part of the overall performance of the organization.

DEPARTMENTAL FY2015 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2014	FY2015	Variance	Variance %
	Budget	Budget		
Salaries and Wages-Direct - (511101)	\$0	\$529,811	\$529,811	100.0%
Retirement Contributions - (512401)	0	66,000	66,000	100.0%
Meeting Expense - (521101)	0	7,500	7,500	100.0%
Consulting/Professional - (521201)	0	150,000	150,000	100.0%
Promotional Expenses - (523304)	0	50,000	50,000	100.0%
Travel - (523501)	0	20,000	20,000	100.0%
Dues & Subscriptions - (523601)	0	3,675	3,675	100.0%
Education and Training - (523701)	0	10,350	10,350	100.0%
Office Supplies - (531101)	0	2,500	2,500	100.0%
Freight and Express - (531105)	0	125	125	100.0%
Software - (531651)	0	50,000	50,000	100.0%
Total Expenses	\$0	\$889,961	\$889,961	0.0%

ALL FUNDS

The following is a summary of the departmental total budget for OMF and all other funds in the NTTA System FY2015 Budget (see Other Funds section pages 120-139).

Account	OMF	CF	RMF	CIF	CIF/FSF	Total
	1001	3700	1201	1501	1601	Budget
Salaries and Wages-Direct - (511101)	\$529,811	\$0	\$0	\$0	\$0	\$529,811
Retirement Contributions - (512401)	\$66,000	\$0	\$0	\$0	\$0	\$66,000
Meeting Expense - (521101)	7,500	0	0	0	0	7,500
Consulting/Professional - (521201)	150,000	0	0	0	0	150,000
Promotional Expenses - (523304)	50,000	0	0	0	0	50,000
Travel - (523501)	20,000	0	0	0	0	20,000
Dues & Subscriptions - (523601)	3,675	0	0	0	0	3,675
Education and Training - (523701)	10,350	0	0	0	0	10,350
Office Supplies - (531101)	2,500	0	0	0	0	2,500
Freight and Express - (531105)	125	0	0	0	0	125
Software - (531651)	50,000	0	0	0	0	50,000
FY2015 Totals	\$889,961	\$0	\$0	\$0	\$0	\$889,961
FY2014 Totals	\$0	\$0	\$0	\$0	\$0	\$0
Increase/(Decrease)	\$889,961	\$0	\$0	\$0	\$0	\$889,961

OTHER FUNDS VARIANCE

- CF \$0
- RMF \$0

- CIF \$0
- CIF/FSF \$0

ENTERPRISE FUND

The fund was created to account for revenues and expenses associated with tolling services agreements (see Other Funds section pages 137-139).

- EF \$0

SPECIAL SYSTEMS PROJECTS

The following amounts were budgeted in the FY2015 Special Projects System Budget (see page 19).

- OMF PGBT-WE \$ 0
- OMF CTP \$ 0
- CF PGBT-WE \$ 0
- CF CTP \$ 0

POSITION SUMMARY

Strategy and Innovation Department			
Full-Time Positions	FY2014	FY2015	Difference
AED-Strategy and Innovation	0	1	1
Chief Strategic Officer	0	1	1
Executive Assistant/Researcher	0	1	1
Total Full-Time Positions	0	3	3
Temporary Positions	FY2014	FY2015	Difference
Interns	0	2	2
Total Part-Time Positions	0	2	2

MAJOR BUSINESS FUNCTIONS

The SI Department leads strategic and innovation efforts with the goal of accelerating adoption of new technologies and improvements to business practices in a rapidly changing industry landscape through the following professional services:

- Innovation – Leverage internal and external creative thought to identify and implement innovative technologies and business processes that create short and long-term value for existing and new customers.
- Strategy – Update NTTA's five-year strategic plan and monitor progress against the plan; facilitate strategy execution, benchmark competitive performance, and build innovation into the organizational-wide strategy.
- Industry Research and Analysis – Provide research, trend analysis, and innovation best practices information to support departmental units.
- Collaboration – Build strategic partnerships with research institutions, non-profits, private entities and public agencies to foster technology and business process research and development efforts that result in tangible benefits to NTTA.

Customer and Support Services Department

OVERVIEW

The Customer and Support Services Department supports the mission of NTTA by delivering high-quality customer service and performing the vital functions of toll collection and processing. The department is actively developing innovative methods to improve the customer experience and the efficiency and effectiveness of toll collection.

To collect tolls from out-of-state drivers, the department will significantly increase vehicle registration record requests from other states in FY2015 to pursue payments from more drivers and enhance NTTA's financial position. Currently 1.7% of total transactions worth \$24 million per year are unpursued out-of-state transactions. The increase of 1.5 million in the FY2015 budget would allow for the pursuit of approximately 1.4 million additional accounts at 7 transactions per account or 9.8 million additional transactions. This would reduce our un-pursuables by 1.0% or make nearly a 14 million reduction.

The department is focusing on improving key drivers of customer satisfaction, including reducing wait times and increasing the number of full-service locations where customers may register for new TollTag accounts or pay ZipCash invoices. The increase of 1.6 million in flex capacity staffing will net NTTA an additional 30 Full time equivalent representatives that will be available to meet the needs of our customers and meet the necessary TSA obligations. NTTA is also adding efficiency into its operations by increasing customer access to self-service account management tools.

Beginning in FY2015, a new Collections and Toll Enforcement Department will focus on improving collections of ZipCash revenues. The department will oversee collection agencies, toll enforcement programs and the court process. Under the existing collections compensation plan the collection agency would make \$3.0 million if they continue to collect at the approximate 5% level. If the collection agency moves to the projected 15% under the new arrangement they would make about 4.0 million or a 1.0 million improvement from their current plan and NTTA would potentially see net revenue of about 14.0 million or \$8.0 million more than at the current 5% collection rate. The budget for this new department is included within the Customer and Support Services for FY2015, but it will be separated thereafter.

FY2015 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Customer-Driven Organization

- Implement an enhanced collection strategy through the establishment of a Collections and Toll Enforcement Department and the selection of two collection agencies to provide: General and specialized collection services for outstanding ZipCash invoices, past due accounts, unpaid fees and other charges, including court judgments; provide skip tracing for returned mail, chargebacks and bounced checks; and assist in early stage collections through outreach programs.
- Enhance Flex Capacity staff augmentation program to provide more immediate on-call staffing services during periods of high call volumes.
- Implement a new image review system to increase image auto pass rates, decrease manual image review, and ultimately reduce the percent of un-pursuable transactions.

- Continue proactive customer outreach via targeted outbound messaging to inform TollTag customers of account issues and provide due date reminders for ZipCash customers to increase collections, reduce additional fees for customers and decrease the number of statements generated.
- Research new contact channel opportunities to provide additional customer access and to leverage existing technology, such as the Tollmate mobile application, for ease of access.
- Implement programs to assist cash customers with access to payment locations and other payment options.

Highly Qualified & Engaged Team

- Collaborate with the Human Resources Department to develop staff, build core skills and provide career path development.
- Focus on training program designed to improve customer service representatives' skills and knowledge.
- Partner with the Human Resources Department to assess options for an incentive program designed to improve performance and job satisfaction, reward top performers and reduce staff turnover.

Financially Sound and Vibrant Organization

- Increase focus on out-of-state driver's pursuit of payments.
- Reduce the number of habitual violators, increase payments from scofflaws and enhance public perception of equity by deploying enforcement tools provided by the legislature, including vehicle registration blocks and roadway bans.
- Continue reducing un-pursuable transactions to the FY2015 goal of 4.3%.
- Continue to drive collectables to the FY2015 goal of 6.5% uncollectable.
- Continue to increase TollTag penetration to the FY2015 goal of 82%.

DEPARTMENTAL FY2015 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2014 Estimate	FY2015 Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$9,579,239	\$9,166,761	(\$412,477)	(4.3)%
Salaries and Wage-Overtime - (511301)	382,831	182,231	(200,600)	(52.4)%
Retirement Contributions - (512401)	1,271,345	1,204,973	(66,372)	(5.2)%
Meeting Expense - (521101)	20,058	20,101	43	0.2%
Consulting/Professional - (521201)	5,612,205	12,185,956	6,573,751	117.1%
Armored Car Services - (521209)	19,497	19,592	95	0.5%
Rentals - Land - (522301)	0	41,191	41,191	100.0%
Rentals - Equipment - (522302)	30,838	31,316	478	1.6%
Postage - (523201)	7,215,060	7,967,334	752,274	10.4%
Magazine and Newspaper - (523302)	0	7,288	7,288	100.0%
Promotional Expenses - (523304)	43		(43)	(100.0)%
Travel - (523501)	5,133	12,890	7,757	151.1%
Dues & Subscriptions - (523601)	1,135	3,410	2,275	200.3%
Education and Training - (523701)	20,668	47,356	26,688	129.1%
Temporary Contract Labor - (523851)	2,358,891	3,968,686	1,609,795	68.2%
Office Supplies - (531101)	107,328	167,078	59,750	55.7%
Freight and Express - (531105)	5,690	705	(4,985)	(87.6)%
Inven for resale(toll tags) - (531501)	7,555,234	10,000,000	2,444,766	32.4%
Uniforms - (531701)	0	15,239	15,239	100.0%
Bank Charges - (573001)	399,932	787,301	387,369	96.9%
Credit Card Fees - (573002)	11,323,274	13,321,925	1,998,651	17.7%
Total Expenses	\$45,908,404	\$59,151,335	\$13,242,931	28.8%

MAJOR FY2015 OMF BUDGET ITEMS

The department's overall OMF budget increased by \$13,242,931 from FY2014 estimate of \$45,908,404 to \$59,151,335 for FY2015 budget. All variances that exceed \$50,000 are addressed below. Additionally, variances that are greater than 15% and \$5,000 are further explained.

- **Salaries and Wages** decreased **(\$412,477)**. This net decrease is due mainly to **(\$475,000)** allocated to the Enterprise Fund for tolling service agreements (TSA) projects; an additional **(\$175,000)** allocated to SPS; offset by an increase of \$237,523 for salary adjustments.
- **Overtime** decreased **(\$200,600)** due to the optimal staffing through flex capacity and staffing models.
- **Retirement Contributions** decreased **(\$66,372)** commensurate with salaries.
- **Consulting/Professional Fees** increased by \$6,573,751. This increase is mainly due to the initiatives for toll enforcement remedies moving from the CIF to Customer Service OMF, an increase in skip tracing and out-of-state lookups to decrease unpursuables, and an increase in collection agency contracts for contingency fees to increase overall collections.
- **Rentals – Land** increased \$41,191 due to the rent for our Tolltag store in Fort Worth.
- **Postage** increased by \$752,274. Although there is a decrease in invoicing due to the adoption of monthly statements, postage spending will increase due to sending invoices with as few as three transactions and/or a \$2.50 balance, an increase in out-of-state pursuits, toll enforcement

remedies, excessive image-based v-toll campaigns, and an initial phase out of hard-case TollTags.

- **Magazine and Newspaper** increased by \$7,288 due to RFQ's and RFP's for image review, printing services, curriculum writing consultant and temporary staffing.
- **Travel Expenses** increased by \$7,757 for attending the International Bridge, Tunnel and Turnpike Association (IBTTA) annual conference.
- **Education and Training** increased \$26,688. This increase is due to an employee rewards program that will work in concert with Human Resources' two eLearning systems which will reduce the need of manuals and other paper-based materials and allow virtual training which is less disruptive to workforce planning.
- **Temporary Contract Labor** increased by \$1,609,795 due to service level expectations for all contact channels including TSA requirements, and the increased volumes from our unpursuable campaigns, toll enforcement remedies, and excessive v-toll projects.
- **Office Supplies** increased by \$59,750 due to the increase in headcount through flex capacity and a full year of supplies needed for the Fort Worth customer center storefront.
- **TollTags and Supplies** increased by \$2,444,766 in order to increase TollTag penetration through new and existing Regional TollTag Partners, customer service centers and on-line distribution channels, as well as the first step in a phase-out of existing hard-case TollTags.
- **Bank Charges** increased by \$387,369 due to the increased volume of lockbox payment processing based on T&R estimates and new TSA projects.
- **Credit Card Fees** increased by \$1,998,651 due to the increased volumes of payment processing based on T&R estimates and new TSA projects. Without the roughly 1.7M in credit card budget the NTTA would not be able to collect \$85M of the FY2015 revenues via credit card payments.

ALL FUNDS

The following is a summary of the departmental total budget for OMF and all other funds in the NTTA System FY2015 Budget (see Other Funds section pages 120-139).

Account	OMF 1001	CF 3700	RMF 1201	CIF 1501	CIF/FSF 1601	Total Budget
Salaries and Wages-Direct - (511101)	\$9,166,761	\$0	\$0	\$0	\$0	\$9,166,761
Salaries and Wage-Overtime - (511301)	182,231	0	0	0	0	182,231
Retirement Contributions - (512401)	1,204,973	0	0	0	0	1,204,973
Meeting Expense - (521101)	20,101	0	0	0	0	20,101
Consulting/Professional - (521201)	12,185,956	0	0	0	0	12,185,956
Armored Car Services - (521209)	19,592	0	0	0	0	19,592
Rentals - Land - (522301)	41,191	0	0	0	0	41,191
Rentals - Equipment - (522302)	31,316	0	0	0	0	31,316
Postage - (523201)	7,967,334	0	0	0	0	7,967,334
Magazine and Newspaper - (523302)	7,288	0	0	0	0	7,288
Travel - (523501)	12,890	0	0	0	0	12,890
Dues & Subscriptions - (523601)	3,410	0	0	0	0	3,410
Education and Training - (523701)	47,356	0	0	0	0	47,356
Temporary Contract Labor - (523851)	3,968,686	0	0	0	0	3,968,686
Office Supplies - (531101)	167,078	0	0	0	0	167,078
Freight and Express - (531105)	705	0	0	0	0	705
Inven for resale(toll tags) - (531501)	10,000,000	0	0	0	0	10,000,000
Uniforms - (531701)	15,239	0	0	0	0	15,239
Bank Charges - (573001)	787,301	0	0	0	0	787,301
Credit Card Fees - (573002)	13,321,925	0	0	0	0	13,321,925
FY2015 Totals	\$59,151,335	\$0	\$0	\$0	\$0	\$59,151,335
FY2014 Totals	\$48,363,838	\$0	\$0	\$0	\$0	\$48,363,838
Increase/(Decrease)	\$10,787,497	\$0	\$0	\$0	\$0	\$10,787,497

OTHER FUNDS VARIANCE

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

ENTERPRISE FUND

The fund was created to account for revenues and expenses associated with tolling services agreements (see Other Funds section pages 137-139).

- **EF - \$547,000** for salaries allocated to handle the increasing transactions for LBJ, NTE and DFW Connector TSA projects.

SPECIAL PROJECTS SYSTEM

The following amounts were budgeted in the FY2015 Special Projects System Budget. (See page 19)

- PGBT-WE OMF \$3,651,870
- CTP OMF \$925,825

POSITION SUMMARY

Customer and Support Services			
Full-Time Positions	FY2014	FY2015	Difference
Director of Collections	0	1	1
Director of Customer Service	1	1	0
Assistant Director of CSC	1	1	0
Assistant Director of Contact Center	0	1	1
Admin. Assistant	1	1	0
Call Center Manager	1	1	0
Customer Center Manager	1	1	0
Contact Center Manager	1	1	0
Support Services Manager	1	1	0
Workforce Manager	1	1	0
Performance & Quality Manager	1	0	(1)
QA/QC Manager	0	1	1
TER Manager	1	1	0
TER Specialist	0	8	8
TER Team Leader	0	1	1
Regional Toll Partners Manager	1	1	0
RTP Specialist	1	0	(1)
Contact Center Supervisors	13	14	1
Support Services Supervisors	0	2	2
Support Services Team Leader	4	3	(1)
Senior -CSS	13	11	(2)
Senior - CSS Bilingual	2	6	4
CSSII	103	101	(2)
CSSII Bilingual	42	32	(10)
CSSII - Temps	18	0	(18)
CSSII - Temps Bilingual	8	0	(8)
CSSI	61	62	1
Workforce Analyst	1	3	2
Senior Training Coordinator	1	1	0
Training Coordinator	1	1	0
QA/QC Coordinators	4	4	0
Mail Specialist	1	1	0
Court Coordinators	3	3	0
Admin. Technician	1	4	3
CC Lobby Coordinators	0	1	1
Receptionist	1	1	0
Total Full Time Positions	289	272	(17)
Part-Time and On-Call Position	FY2014	FY2015	Difference

Administrative Tech - P/T	1	1	0
CSSI P/T	8	18	10
CSSII - P/T	1	16	15
CSSII O/C	4	0	(4)
CSS O/C	0	4	4
Total Part-Time & On-Call Positions	14	39	25

MAJOR BUSINESS FUNCTIONS

The Customer and Support Services Department contributes to the financial position of NTTA by driving TollTag use and collecting tolls. The department is divided into five business units:

- **Customer Contact Center** – Serves more than 4 million customers each year through the TollTag distribution, TollTag account maintenance, ZipCash payments, and resolving customer concerns via multiple contact channels.
- **Support Services** – Provides back-office operations, including data entry, payment processing, TollTag fulfillment, image review, statement QA/QC, management of TollTag distribution centers and response to customer requests.
- **Collections** – Provides collections services for all NTTA statements through the third notice of non-payment, including initial ZipCash statements, and also manages the collection agencies.
- **Customer Service Training** – Provides in-depth training for new Customer Service Specialists and administers recurring training and continuing education to ensure the maintenance of a highly qualified and energized team of Customer Service Specialists.
- **Toll Enforcement Remedies** – Implements tools provided by the legislature to encourage payment from all drivers. Tracks and manages payments from habitual violators.

Information Technology Department

OVERVIEW

The Information Technology (IT) Department supports the mission of NTTA by advancing innovative technology solutions. The department installs, integrates, manages, maintains and supports hardware, software, telecommunications and network functions. In FY2015, the IT Department will focus on key initiatives related to improving customer experience and safety, collection efficiency and data security. Underscoring all of these initiatives is a program of continuous maintenance and improvement to IT infrastructure systems to ensure system stability and availability.

FY2015 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Customer Driven Organization

- Implement the IT strategic plan, ensuring IT projects are aligned with the needs of our internal customers and the strategic objectives of NTTA.
- Continue the 4-year Intelligent Transportation Systems (ITS) program to further customer safety by increasing camera and dynamic message sign coverage on NTTA facilities. This project includes the addition of 45 new cameras and six new dynamic message signs.
- Expand Tollmate (NTTA's mobile application) functionality, including push notifications, to offer additional value to customers.
- Identify and implement new methods for customer payment of TollTag accounts and ZipCash invoices, with particular focus on increasing the geographic distribution of payment locations and options for cash-based customers.
- Remain focused on security and compliance in order to ensure customer data is protected. Maintain payment card industry (PCI) compliance as a level-1 merchant.

Financially Sound & Vibrant Organization

- Implement a disaster recovery plan, including completion of the disaster recovery site and systems to support the plan, to minimize impact to the NTTA revenue stream and customer service in the event of a disaster. Periodically test the plan to ensure readiness.
- Complete implementation of the tracking and reporting application for toll enforcement remedies.
- Implement the Oracle Business Intelligence Suite to provide analytics for PeopleSoft financial and human resources data as well as ZipCash collections. Evaluate user adoption and user needs to continue to adapt and expand analytics to meet the needs of the organization.

Delivering Transportation Solutions

- Continue participating in National Interoperability Committees of the International Bridge, Tunnel and Turnpike Association (IBTTA) and leading Texas statewide interoperability programs. Begin system modifications to support national interoperability that will provide a seamless tolling experience for customers.
- Continue to position NTTA to provide the required levels of service for the LBJ, North Tarrant Express and regional toll service agreements.

Respected Leader & Partner in Region's Transportation Network

- Continue to participate in the regional Incident Corridor Management project, North Central Texas Council of Governments (NCTCOG) Managed Lanes Committee, and regional geographic information system (GIS) collaboration through the NCTCOG.
- Continue to partner with Dallas/Fort Worth International and Dallas Love Field airports for processing parking transactions.

- Support the data needs of NTTA's internal departments such as Public Affairs and System and Incident Management to ensure they can continue to be responsive to requests to assist and partner with peer agencies and government officials within the region.

Highly Qualified & Engaged Team

- Optimize the department's organizational structure to align with the revised IT strategic plan. Ensure that employees are working to their strengths and their skills are kept fresh through continued training. Reduce consulting cost due to seven (7) new employees, four (4) will be staff augmentation and three (3) additional Administrators.

DEPARTMENTAL FY2015 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2014	FY2015	Variance	Variance %
	Estimate	Budget		
Salaries and Wages-Direct - (511101)	\$4,397,024	\$4,964,926	\$567,902	12.9%
Salaries and Wage-Overtime - (511301)	96,000	90,000	(6,000)	(6.3)%
Retirement Contributions - (512401)	644,385	678,411	34,026	5.3%
Consulting/Professional - (521201)	97,000	90,476	(6,524)	(6.7)%
Outside Maintenance Services - (521212)	3,825,763	4,533,256	707,493	18.5%
Telecommunications - (523202)	666,689	848,181	181,492	27.2%
Travel - (523501)	8,128	17,080	8,952	110.1%
Dues & Subscriptions - (523601)	12,673	2,906	(9,767)	(77.1)%
Education and Training - (523701)	33,051	98,189	65,138	197.1%
Temporary Contract Labor - (523851)	32,001		(32,001)	(100.0)%
Office Supplies - (531101)	118,112	149,814	31,702	26.8%
Other Materials and Supplies - (531102)	42,293	77,147	34,854	82.4%
Software - (531651)	3,876,470	4,816,746	940,276	24.3%
Total Expenses	\$13,849,589	\$16,367,132	\$2,517,543	18.2%

MAJOR FY2015 OMF BUDGET ITEMS

The proposed OMF budget increased by \$2,517,543 from FY2014 estimate of \$13,849,589 to \$16,367,132 in FY2015 budget. All variances that exceed \$50,000 are addressed below. Additionally, variances that are greater than 15% and \$5,000 are further explained.

- **Salaries & Wages** – Direct increased by \$567,902 due to seven new full-time positions added for \$390,000; salary adjustments of about \$644,902; and decreases due to additional allocations to SPS of **(\$356,000)** and **(\$111,000)** to Enterprise Fund for TSA projects.
 - This includes conversion of four staff augmentation positions to full-time positions at a total cost of \$1,200,000. The department is adding three other positions and saving approximately \$600,000.
- **Outside Maintenance Services** increased by \$707,493 due to:
 - Fiber maintenance – costs are increasing annually due to fiber damage repairs not directly related to construction or accidents (example: rodents chewing fiber).
 - Radio communications – in FY2014 the department completed an RFP for the maintenance of radio communications equipment that supports DPS troopers on NTTA roadways. The annual maintenance costs increased as a result of the final selection.

- Application vulnerability scanning and penetration testing services increased to support the number of planned changes to internet-facing applications which require testing by a third party before and after releases to protect against increasing threats from the internet. In addition, the department is required to provide adequate test results to satisfy the newly expanded PCI Compliance requirements.
- Information security awareness training services increased to support the purchase of updated information security awareness training. This training is required to maintain security and compliance; with the rapidly changing threats, the training must be frequently updated.
- **Telecommunications** increased by \$181,492 due to:
 - Increases in standard telecom services due to additional services for the Call Center and the addition of internet connections with greater bandwidth to support increased traffic to customer-facing websites.
 - The project to install GPS tracking and monitoring devices in all fleet vehicles moves into maintenance mode in FY2015 and appears in the IT budget for the first time.
- **Travel** increased by \$8,952 due to increased involvement in IBTTA for the purpose of national interoperability.
- **Dues and Subscriptions** decreased by **(\$9,767)** due to the non-renewal of Helpdesk Institute and NOREX memberships that were not adding sufficient value.
- **Education and Training** increased by \$65,138 due to:
 - Increased enterprise applications training, including a focus on the Oracle Business Intelligence Suite of products to support the need for sophisticated business analytics.
 - An increase in computer-based Nugget Online Training to ensure training of all members of the Information Security Group.
- **Temporary Contract Labor** decreased by **(\$32,001)** due to temporary staffing used to complete the upgrade to Windows 7 for all NTTA workstations. The upgrade is complete and temporary staffing is not needed for FY2015.
- **Office Supplies** increased by \$31,702 over current FY2014 estimates. Although it is projected to be under budget for FY2014, the department is keeping the 2015 budget constant due to the unpredictable nature of the need for items covered by this account.
- **Other Materials and Supplies** increased by \$34,854 due to an increase in push-to-talk cases and supplies based on historical increases in repair and supply requests from the SIM Department to support the Roadway Customer Service.
- **Software** increased by \$940,276 due to:
 - eBid (Procurement) – Implemented in late FY2013 and enhanced in FY2014. Annual software maintenance and support not previously budgeted in OMF.
 - ESRI (Geographic Information System) – Licensing is based on hardware specifications, and a hardware upgrade is planned to be completed in late FY2014/early FY2015.
 - FASuite (Maintenance Management System) – 100 tablets are being implemented in FY2014 with the new system. Annual maintenance and support costs increase for each tablet in use.
 - McAfee Prime (Information Security) –Licensing increased due to the additional servers implemented for upgrades to existing and new applications.
 - Oracle Applications (PeopleSoft, Hyperion, Primavera, UPK) – In FY2014 the Board approved a five-year contract to lock in this pricing that included the initial routine increase reflected here.
 - Policy and Procedure Manager – Increase in maintenance reflects additional licenses procured in FY2014 to support additional usage.
 - Website Monitoring – Increased to support additional monitors to alert staff when external-facing systems are not meeting service levels. Also serves as an independent source for uptime tracking to support TSA compliance.

ALL FUNDS

The following is a summary of the departmental total budget for OMF and all other funds in the NTTA System FY2015 Budget (see Other Funds section pages 120-139).

Account	OMF	CF	RMF	CIF	CIF/FSF	Total Budget
	1001	3700	1201	1501	1601	
Salaries and Wages-Direct - (511101)	\$4,964,926	\$0	\$0	\$0	\$0	\$4,964,926
Salaries and Wage-Overtime - (511301)	90,000	0	0	0	0	90,000
Retirement Contributions - (512401)	678,411	0	0	0	0	678,411
Consulting/Professional - (521201)	90,476	0	0	1,925,000	0	2,015,476
Outside Maintenance Services - (521212)	4,533,256	0	0	0	0	4,533,256
Consulting/Profess Serv Tech - (521301)	0	0	350,000	5,806,828	0	6,156,828
Telecommunications - (523202)	848,181	0	0	10,000	0	858,181
Travel - (523501)	17,080	0	0	0	0	17,080
Dues & Subscriptions - (523601)	2,906	0	0	0	0	2,906
Education and Training - (523701)	98,189	0	0	0	0	98,189
Office Supplies - (531101)	149,814	0	0	0	0	149,814
Other Materials and Supplies - (531102)	77,147	0	0	0	0	77,147
Electronic Supplies - (531106)	0	0	1,808,500	0	0	1,808,500
Computers - (531641)	0	0	5,002,500	4,187,100	0	9,189,600
Software - (531651)	4,816,746	0	121,250	12,410,565	0	17,348,561
Infrastructure Rdway/Hwy/Bridg - (541401)	0	0	620,000	0	0	620,000
Infrastructure - Other - (541403)	0	0	0	710,000	0	710,000
Software (05)	0	0	0	3,000,000	0	3,000,000
Equipment/Hardware (05)	0	0	0	200,000	0	200,000
FY2015 Totals	\$16,367,132	\$0	\$7,902,250	\$28,249,493	\$0	\$52,518,875
FY2014 Totals	\$13,995,184	\$0	\$4,259,532	\$23,156,681	\$0	\$41,411,397
Increase/(Decrease)	\$2,371,949	\$0	\$3,642,718	\$5,092,812	\$0	\$11,107,479

OTHER FUNDS VARIANCE

- CF - \$0
- RMF - \$7,902,250 – The Reserve Maintenance Fund increased by \$3,642,718 due to an additional \$1,000,000 needed to replace aging cameras on the system and about \$2,600,000 to replace servers and computers at the end of useful life and out of warranty.
- CIF - \$28,249,493 – The Capital Improvement Fund increased by \$5,092,812, largely due to an additional \$4,500,000 needed for the disaster recovery project. All other CIF projects had a net increase of about \$500,000.
- CIF/FSF - \$0

ENTERPRISE FUND

The fund was created to account for revenues and expenses associated with tolling services agreements (see Other Funds section pages 137-139).

- EF - \$1,946,743 including \$1,800,000 for software development and \$146,000 of allocated salaries.

SPECIAL PROJECTS SYSTEM

The following amounts were budgeted in the FY2015 Special Projects System Budget. (See page 19)

- PGBT-WE OMF \$1,086,866
- PGBT-WE CF \$63,298
- CTP OMF \$1,539,183
- CTP CF \$446,434

POSITION SUMMARY

Information Technology			
Full-Time Positions	FY2014	FY2015	Difference
Administrative Assistant IT	1	1	0
Assistant Director Business Applications	1	1	0
Assistant Director of IT Enterprise Systems and Operations	1	1	0
Assistant Director of IT Roadway Systems	1	1	0
Communications Administrator	1	1	0
Desktop Support Engineer	1	1	0
Director of IT	1	1	0
Enterprise Applications Administrator	3	5	2
Enterprise Applications Manager	1	1	0
Enterprise Applications Report Administrator	1	1	0
Enterprise Applications Support Analyst II	1	1	0
Enterprise Applications Web Specialist	1	0	(1)
Enterprise Communications Manager	1	1	0
Enterprise Systems Manager	1	1	0
Enterprise Systems Linux Administrator	0	1	1
Enterprise Systems SharePoint Administrator	0	1	1
Enterprise Systems Storage Administrator	0	1	1
Enterprise Systems Sr. SQL Database Administrator	0	1	1
GIS Analyst	3	3	0
GIS Manager	1	1	0
Service Desk Manager	1	1	0
Information Security Admin.	1	1	0
Information Security Manager	1	1	0
Compliance Analyst	2	2	0
ITS Manager	1	1	0
ITS Support Specialist	1	1	0
Network Engineer	2	2	0
Parking Systems Manager	1	1	0
Parking Systems Lead	1	1	0
RITE Applications Manager	1	1	0
RITE Applications Project Manager	0	1	1

RITE Applications Data Analyst	1	0	(1)
RITE Applications Lead Support Analyst	1	1	0
RITE Apps DW/BI Analyst	1	1	0
RITE Systems Business Analyst	1	1	0
RITE Systems Support Analyst	1	2	1
RITE Systems Support Analyst II	1	1	0
RITE Systems Support Analyst III	1	0	(1)
Roadway Systems Lead	3	3	0
Roadway Systems Manager	1	1	0
Security Engineer	2	3	1
Server Administrator	1	1	0
Sr. Database Administrator	1	1	0
Sr. Ent. App. Business Analyst	1	1	0
Sr. Network Engineer	2	2	0
Sr. RITE Apps Bus Analyst	1	1	0
Sr. Server Administrator	2	2	0
Sr. Systems Engineer	2	2	0
Sr. Web Applications Developer	1	1	0
Systems Administrator	1	1	0
Systems Lead	2	2	0
Systems Support Tech II	10	4	(6)
Systems Support Tech II - HD	0	2	2
Systems Support Tech II - PS	3	2	(1)
Systems Support Tech III	2	3	1
Systems Support Tech III - PS	2	3	1
Systems Support Tech II RW	0	3	3
Systems Support Tech III RW	4	5	1
Technical Architect	0	1	1
Toll Collection Systems Administrator	0	1	1
Toll-Systems Business Analyst	1	1	0
Total Full-Time Positions	81	90	9

MAJOR BUSINESS FUNCTIONS

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

- Business Applications** – Focused on all tolling back-office systems; Toll Enforcement Remedies application; PeopleSoft HR and financials; the asset management system used by the Maintenance Department; enterprise project delivery system (EPDS); geographic information systems (GIS); and all other enterprise applications.

- **Roadway Systems Operations and Support** – Focused on the installation and support of the tolling system at the lane level, as well as the parking system at Dallas Love Field. The Intelligent Transportation System (ITS) group manages and supports the extensive closed circuit television camera and incident detection system utilized by SIM.
- **Enterprise Systems and Operations** – Focused on the deployment and support of user workstations and desktop applications; all aspects of the network including routers, switches, cabling, telephones and telephone service; and all servers, systems and storage devices. The IT Service Desk resides within this area.
- **Information Security** – Focused on information security and compliance. Implements and monitors security infrastructure and evaluates systems and processes for compliance. Also, leads IT efforts with Internal and External Audits.

Maintenance Department

OVERVIEW

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

FY2015 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Customer-Driven Organization

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

Delivering Transportation Solutions

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

Highly Qualified & Engaged Team

- Develop position-specific training programs to prepare employees for advancement in the Department.
- Utilize the in-field capabilities of the computerized maintenance management software to get crews more involved in the work order process.

Respected Leader and Partner in the Region’s Transportation Network

- Collaborate with the Texas Transportation Institute and other industry leaders to improve safety for our employees, contractors and traveling public.

Financially Sound and Vibrant Organization

- Install additional energy saving measures on facilities.

DEPARTMENTAL FY2015 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2014 Estimate	FY2015 Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$7,737,577	\$8,271,313	\$533,736	6.9%
Salaries and Wage-Overtime - (511301)	323,167	320,000	(3,167)	(1.0)%
Retirement Contributions - (512401)	1,041,293	1,116,326	75,033	7.2%
Meeting Expense - (521101)	587	1,360	773	131.7%
Consulting/Professional - (521201)	200,601	205,000	4,399	2.2%
Outside Maintenance Services - (521212)	7,031,906	7,347,317	315,411	4.5%
Landscaping - (522202)	39,822	35,000	(4,822)	(12.1)%
Rentals - Equipment - (522302)	18,621	11,600	(7,021)	(37.7)%
Insurance Expense - Other - (523101)	(25)		25	(100.0)%
Magazine and Newspaper - (523302)	466	2,500	2,034	436.2%
Travel - (523501)	9,477	20,450	10,973	115.8%
Dues & Subscriptions - (523601)	7,079	12,734	5,655	79.9%
Education and Training - (523701)	14,275	71,400	57,125	400.2%
Licenses - (523801)	4,750	15,006	10,256	215.9%
Temporary Contract Labor - (523851)	30,000	57,600	27,600	92.0%
Office Supplies - (531101)	15,172	21,100	5,928	39.1%
Other Materials and Supplies - (531102)	2,623,970	2,281,429	(342,541)	(13.1)%
Mobile Equipment Expense - (531103)	849,470	1,010,198	160,728	18.9%
Freight and Express - (531105)	76	300	224	293.9%
Motor Fuel Expense - (531107)	1,417,482	1,274,902	(142,580)	(10.1)%
Water - (531211)	542,150	592,864	50,714	9.4%
Gas - (531221)	51,513	70,560	19,047	37.0%
Electricity - (531231)	1,978,072	2,092,577	114,505	5.8%
Small Tools and Shop Supplies - (531601)	56,047	70,640	14,593	26.0%
Uniforms - (531701)	151,590	173,386	21,796	14.4%
Total Expenses	\$24,145,138	\$25,075,562	\$930,424	3.9%

MAJOR FY2015 OMF BUDGET ITEMS

The department's overall OMF budget increased by \$930,424 from FY2014 Estimate of \$24,145,138 to \$25,075,562 for FY2015 budget. All variances that exceed \$50,000 are addressed below. Additionally, variances that are greater than 15% and \$5,000 are further explained.

- Salaries and Wages increased by \$533,736 due to planned hiring of all budgeted positions as a result of completing the roadway division reorganization in FY2014.
- Retirement Contributions increased by \$75,033 commensurate with salaries.
- Outside Maintenance Services increased by \$315,411 in order to contract maintenance on specialized equipment and increase opportunities for contracted repairs of assets.
- Rentals – Equipment decreased by **(\$7,021)** due to the purchasing of regularly used equipment.
- Travel increased \$10,973 as a result of increased involvement in professional organizations.
- Dues and Subscriptions increased \$5,655 due to the increased involvement in professional organizations.
- Education and Training increased \$57,125 due to proposed additional training and involvement in professional organizations.

- Licenses increased \$10,256 due to additional licenses obtained by staff and required by new positions within the roadway division.
- Temporary Contract Labor increased by \$27,600 for the use of temporary mechanics to assist with commissioning and maintaining snow and ice equipment.
- Office Supplies increased by \$5,928 as a result of anticipated needs for office supplies including items for the Frisco Maintenance Center.
- Other Materials and Supplies decreased by **(\$342,541)** because the major item from this fund is snow and ice materials and the 2013-2014 seasons had more events than average.
- Mobile Equipment Expense increased by \$160,728 as a result of an increase in costs for materials to maintain equipment and an increase in the number of pieces of equipment maintained.
- Motor Fuel Expense decreased by **(\$142,580)** as a result of the full operation of the Frisco Maintenance Centers' fuel islands and the reduction in trips to Chisholm Trail Parkway by support staff.
- Water increased \$50,714 due to an increase in landscape area responsibility.
- Gas increased \$19,047 as a result of the full year usage of all equipment at the Frisco Maintenance Center.
- Electricity increased by \$114,504 as a result of anticipated electrical usage on the system.
- Small Tools and Shop Supplies increased \$14,593 due to restructuring of crews and a proposed increase in certain repairs performed in-house, which will require an investment in new tools.

ALL FUNDS

The following is a summary of the departmental total budget for OMF and all other funds in the NTTA System FY2015 Budget (see Other Funds section pages 120-139).

Account	OMF	CF	RMF	CIF	CIF/FSF	Total
	1001	3700	1201	1501	1601	Budget
Salaries and Wages-Direct - (511101)	\$8,271,313	\$0	\$0	\$0	\$0	\$8,271,313
Salaries and Wage-Overtime - (511301)	320,000	0	0	0	0	320,000
Retirement Contributions - (512401)	1,116,326	0	0	0	0	1,116,326
Meeting Expense - (521101)	1,360	0	0	0	0	1,360
Consulting/Professional - (521201)	205,000	0	0	0	0	205,000
Traffic Engineering Fees - (521207)	0	0	560,000	0	0	560,000
Outside Maintenance Services - (521212)	7,347,317	0	0	0	0	7,347,317
General Engineering - (521213)	0	0	1,830,000	210,000	0	2,040,000
Consulting/Profess Serv Tech - (521301)	0	0	1,712,274	0	0	1,712,274
Landscaping - (522202)	35,000	0	20,000	0	0	55,000
Pavement Markings - (522204)	0	0	4,085,000	0	0	4,085,000
Pavement & Shoulders - (522205)	0	0	2,160,000	0	0	2,160,000
Rentals - Equipment - (522302)	11,600	0	0	0	0	11,600
Magazine and Newspaper - (523302)	2,500	0	0	0	0	2,500
Travel - (523501)	20,450	0	0	0	0	20,450
Dues & Subscriptions - (523601)	12,734	0	0	0	0	12,734
Education and Training - (523701)	71,400	0	0	0	0	71,400
Licenses - (523801)	15,006	0	0	0	0	15,006
Temporary Contract Labor - (523851)	57,600	0	0	0	0	57,600
Office Supplies - (531101)	21,100	0	0	0	0	21,100
Other Materials and Supplies - (531102)	2,281,429	0	0	0	0	2,281,429
Mobile Equipment Expense - (531103)	1,010,198	0	0	0	0	1,010,198
Freight and Express - (531105)	300	0	0	0	0	300
Motor Fuel Expense - (531107)	1,274,902	0	0	0	0	1,274,902
Water - (531211)	592,864	0	0	0	0	592,864
Gas - (531221)	70,560	0	0	0	0	70,560
Electricity - (531231)	2,092,577	0	0	0	0	2,092,577
Small Tools and Shop Supplies - (531601)	70,640	0	0	0	0	70,640
Machinery - (531611)	0	0	214,700	0	0	214,700
Vehicles - (531621)	0	0	1,866,300	0	0	1,866,300
Uniforms - (531701)	173,386	0	0	0	0	173,386
Building Improvements - (541302)	0	0	1,585,000	6,047,000	0	7,632,000
Infrastructure Rdway/Hwy/Bridg - (541401)	0	0	545,000	30,300,000	0	30,845,000
FY2015 Totals	\$25,075,562	\$0	\$14,578,274	\$36,557,000	\$0	\$76,210,836
FY2014 Totals	\$24,283,669	\$0	\$22,928,434	\$29,878,196	\$0	\$77,090,299
Increase/(Decrease)	\$791,893	\$0	(\$8,350,160)	\$6,678,804	\$0	(\$879,463)

OTHER FUNDS VARIANCE

- **CF - \$0**
- **RMF - \$14,578,274** – The Reserve Maintenance Fund varies year by year based on projects identified in the five-year capital plan and as a result of the Annual Inspection. The **(\$8,350,160)** decrease is mainly due to overlay projects, pavement repair and lighting projects being combined into the Project Delivery DNT fourth lane CIF project.
- **CIF - \$36,557,000** – The Capital Improvement Fund varies by year and is based on projects identified in the five-year capital plan and as a result of the Annual Inspection. In FY2015 planned large projects include renovations of the Command Center, MLP 2 demolition/rebuild,

and wall stabilization projects. The majority of the \$6,678,804 net increase is for the wall stabilization program.

- **CIF/FSF - \$0**

ENTERPRISE FUND

The fund was created to account for revenues and expenses associated with tolling services agreements (see Other Funds section pages 137-139).

- EF \$0

SPECIAL PROJECTS SYSTEM

The following amounts were budgeted in the FY2015 Special Projects System Budget (see page19).

- OMF PGBT-WE \$3,794,038
- OMF CTP \$5,418,053
- RMF PGBT-WE \$583,818
- RMF CTP \$653,348

POSITION SUMMARY

Maintenance Department			
Full-Time Positions	FY2014	FY2015	Difference
Roadway			
CSR/Maintenance	2	2	0
Lead Roadway Maintenance	7	8	1
Laborer/Maintenance Technician	85	76	(9)
Roadway Maintenance Supervisor	7	8	1
Roadway Manager	2	2	0
Senior Maintenance Technician	14	19	5
Facilities			
Bldg. Maintenance Supervisor	1	1	0
CSR Maintenance	1	1	0
Custodian	3	2	(1)
Electrician	5	4	(1)
Electrician Maintenance Technician	4	4	0
Electrician Supervisor	2	1	(1)
Facilities Manager	1	1	0
GE Bldg. Maintenance Specialist	1	1	0
HVAC&R Technician	1	1	0
Lead Bldg. Maintenance	2	2	0
Lead Electrician	2	2	0
Maintenance Technician	5	5	0
Landscape			
Asst. Landscape Manager	1	1	0

Senior Landscape Maintenance Technician	1	1	0
Landscape Manager/Architect	1	1	0
Lead Landscape Maintenance Technician	1	1	0
Landscape Maintenance Technician	5	7	2
Irrigation Maintenance Specialist	1	1	0
Laborer	0	2	2
Support Services			
Fleet Manager	0	1	1
Fleet Supervisor	1	1	0
Lead Mechanic	2	2	0
Maintenance Support Manager	1	1	0
Maintenance Technician	1	1	0
Mechanic	6	7	1
Physical Assets Supervisor	1	1	0
Sign & Fabrication Supervisor	1	1	0
Sign Specialist	1	1	0
Signing Coordinator	1	1	0
Senior Sign Specialist	1	1	0
Lead Warehouse Technician	1	1	0
Warehouse Technician	4	4	0
Administration / Infrastructure			
Admin Asst. Maintenance	1	1	0
Asst. Director / Maintenance Ops	1	1	0
Asst. Director Infrastructure	1	1	0
Bldg. Project Manager	1	0	(1)
Bldg. Special Project Manager	1	0	(1)
Capital Improvement Manager	0	1	1
CMMS App Administrator	1	1	0
Director of Maintenance	1	1	0
Civil Engineering Technician	1	2	1
Maintenance Safety & Training Admin	1	1	0
Roadway Project Engineer	1	1	0
Project Coordinator	0	1	1
Project Engineer	2	2	0
Project Manager	2	1	(1)
Right of Way Manager	1	1	0
Roadway Special Project Manager	2	2	0
Traffic Operations Engineer	1	1	0
Total Full-Time Positions	194	195	1

MAJOR BUSINESS FUNCTIONS

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

- **Administration/Infrastructure** – Oversight of contracted maintenance of the PG&T, management of the department's RMF and CIF funds, and supervision of the maintenance management consultant.
- **Landscape Division** – Responsible for the maintenance of all landscape assets as well as project management of the contracted landscape maintenance.
- **Roadway Division** – Provides in-house maintenance of the SRT, DNT, LLTB, and AATT, including bridges, safety devices and associated appurtenances.
- **Maintenance Support Services** - Provides maintenance of the authority-owned fleet and equipment, oversight of the NTTA warehouse, maintenance and fabrication of signs.
- **Facilities Maintenance Division** – Responsible for the maintenance of NTTA facilities, electrical services and roadway lighting.

Operations Department

OVERVIEW

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

FY2015 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Customer-Driven Organization

- Reduce un-pursuable transactions to 4.3% of total transactions and uncollected rate to 6.5%.
- Implement alternative payment options, with a focus on expanding current options and locations to handle cash backed TollTag accounts and ZipCash payments.
- Working with Communications, implement the TollTag loyalty program.
- Implement interoperability with the Kansas Turnpike Authority and with the Alliance for Toll Interoperability (ATI) hub. ATI consists mostly of toll operators in the southeast.

Financially Sound & Vibrant Organization

- Complete the formation of the Collections and Toll Enforcement Department.
- Complete implementation of the Toll Enforcement Remedies.
- Develop the long term strategy for toll collection system.

Respected Leader & Partner in the Region's Transportation Network

- Implement toll services for the IH-30 Tom Landry and the final segment of LBJ Express Lanes managed lane projects.
- Participate on the NCTCOG managed lanes committee and in the selection process of a regional HOV occupancy technology.
- Actively participate in state, regional and national interoperability efforts.

Highly Qualified & Engaged Team

- Complete the HR roadmap.
- Work with HR to implement an employee recognition program.
- Implement succession planning and career path development program.

DEPARTMENTAL FY2015 OPERATIONS AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2014 Estimate	FY2015 Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$369,673	\$451,933	\$82,260	22.3%
Retirement Contributions - (512401)	48,322	63,284	14,962	31.0%
Meeting Expense - (521101)	1,498	650	(848)	(56.6)%
Consulting/Professional - (521201)	173,282	0	(173,282)	(100.0)%
Travel - (523501)	12,911	30,700	17,789	137.8%
Dues & Subscriptions - (523601)	11,214	11,720	506	4.5%
Education and Training - (523701)	2,500	3,000	500	20.0%
Office Supplies - (531101)	233	1,000	767	329.5%
Freight and Express - (531105)	178	175	(3)	(1.7)%
Total Expenses	\$619,810	\$562,462	(\$57,348)	(9.3)%

MAJOR FY2015 OMF BUDGET ITEMS

The department's OMF budget decrease **(\$57,348)** from FY2014 estimate of \$619,810 to FY2015 budget of \$562,462. All variances that exceed \$50,000 are addressed below. Additionally, variances that are greater than 15% and \$5,000 are further explained.

- Salaries and Wages increased by \$82,260 due to two positions being transferred from another department during FY2014.
- Retirement Contributions increased \$14,492 commensurate with salaries.
- Consulting and Professional Fees decreased by **(\$173,282)** due to transfer of customer experience management program to Customer Service in FY2015 and transfer of the ATA replacement program to the 2015 CIF.
- Travel increased by \$17,789 due to travel required as member of the OmniAir Board of Directors, TeamTx board, and member of the IBTTA national interoperability steering committee.

ALL FUNDS

The following is a summary of the departmental total budget for OMF and all other funds in the NTTA System FY2015 Budget. (See Other Funds section pages 120-139)

Account	OMF	CF	RMF	CIF	CIF/FSF	Total
	1001	3700	1201	1501	1601	Budget
Salaries and Wages-Direct - (511101)	\$451,933	\$0	\$0	\$0	\$0	\$451,933
Retirement Contributions - (512401)	63,284	0	0	0	0	63,284
Meeting Expense - (521101)	650	0	0	0	0	650
Consulting/Professional - (521201)	0	0	0	3,240,000	0	3,240,000
Travel - (523501)	30,700	0	0	0	0	30,700
Dues & Subscriptions - (523601)	11,720	0	0	0	0	11,720
Education and Training - (523701)	3,000	0	0	0	0	3,000
Office Supplies - (531101)	1,000	0	0	0	0	1,000
Freight and Express - (531105)	175	0	0	0	0	175
FY2015 Totals	\$562,462	\$0	\$0	\$3,240,000	\$0	\$3,802,462
FY2014 Totals	\$594,621	\$0	\$0	\$6,125,000	\$260,000	\$6,979,621
Increase/(Decrease)	(\$32,159)	\$0	\$0	(\$2,885,000)	(\$260,000)	(\$3,177,159)

OTHER FUNDS VARIANCE

- **CF - \$0**
- **RMF - \$0**
- **CIF - \$3,240,000** – The Capital Improvement Fund has a net decreased of **(\$2,885,000)** mostly due to **(\$3,500,000)** of the Toll Enforcement Remedies (TER) projects being implemented in the other departments OMF FY2015 budgets; and an increase of \$615,000 in consulting fees previously budgeted in other funds. The increase of \$615,000 includes anticipated expenditures for lane variance study / audit, cost model modifications and update, and continued work towards national interoperability.
- **CIF/FSF - \$0** – The Feasibility Study Fund decreased by **(\$260,000)** due to this amount being budgeted in CIF to reflect the change in the expenses.

ENTERPRISE FUND

The fund was created to account for revenues and expenses associated with tolling services agreements. (See Other Funds section pages 137-139)

- EF \$53,700

SPECIAL PROJECTS SYSTEM

The following amounts were budgeted in the FY2015 Special Projects System Budget. (See page 19)

- PGBT-WE OMF \$75,805
- PGBT-WE CF \$8,882
- CTP OMF \$80,545
- CTP CF \$16,362

POSITION SUMMARY

Operations			
Full-Time Positions	FY2014	FY2015	Difference
Exec. Asst. to AED Ops	1	1	0
Asst. Exec. Director Operations	1	1	0
Management Analyst	0	1	1
Project Manager	0	1	1
Sr. Project Mgr. / Business Analyst	1	1	0
Total Full-time Positions	3	5	2

MAJOR BUSINESS FUNCTIONS

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

Project Delivery Department

OVERVIEW

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

FY2015 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Respected Leader & Partner in the Region's Transportation Network

- Complete the construction for the Chisholm Trail Parkway.
- Complete the planning and environmental process for SH 170 and Trinity Parkway.
- Begin construction of the Dallas North Tollway improvements and the President George Bush Turnpike widening.

DEPARTMENTAL FY2014 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2014 Estimate	FY2015 Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$129,179	\$246,471	\$117,292	90.8%
Retirement Contributions - (512401)	17,026	32,803	15,777	92.7%
Consulting/Professional - (521201)	0	10,000	10,000	100.0%
Travel - (523501)	10,764	11,000	236	2.2%
Dues & Subscriptions - (523601)	3,000	3,000	0	0.0%
Education and Training - (523701)	4,000	5,000	1,000	25.0%
Office Supplies - (531101)	2,000	2,000	0	0.0%
Freight and Express - (531105)	461	500	39	8.5%
Total Expenses	\$166,430	\$310,774	\$144,344	86.7%

MAJOR FY2015 OMF BUDGET ITEMS

The department's overall OMF budget increased \$144,344 from FY2014 estimate of \$166,430 to \$310,774 for FY2015 budget. All variances that exceed \$50,000 are addressed below. Additionally, variances that are greater than 15% and \$5,000 are further explained.

- Salaries and Wages increased \$117,292 due to adjustment to the amounts allocated to the SPS Construction Fund as construction is coming to an end on these projects.
- Retirement Contributions increased \$15,777 commensurate with salaries.
- Consulting/Professional increased \$10,000 due to services needed for document archive organization.

ALL FUNDS

The following is a summary of the departmental total budget for OMF and all other funds in the NTTA System FY2015 Budget (see Other Funds section pages 120-139).

Account	OMF 1001	CF 3700	RMF 1201	CIF 1501	CIF/FSF 1601	Total Budget
Salaries and Wages-Direct - (511101)	\$246,471	\$0	\$0	\$0	\$0	\$246,471
Retirement Contributions - (512401)	32,803	0	0	0	0	32,803
Consulting/Professional - (521201)	10,000	0	0	75,000	0	85,000
Travel - (523501)	11,000	0	0	0	0	11,000
Dues & Subscriptions - (523601)	3,000	0	0	0	0	3,000
Education and Training - (523701)	5,000	0	0	0	0	5,000
Office Supplies - (531101)	2,000	0	0	0	0	2,000
Freight and Express - (531105)	500	0	0	0	0	500
Deferred Charges (153001)	0	0	0	0	551,000	551,000
Right-of-Way (06)	0	0	0	1,031,000	0	1,031,000
Administration (01)	0	1,115,000	0	2,316,000	0	3,431,000
Planning (02)	0	50,000	0	50,000	0	100,000
Design (03)	0	4,270,000	0	2,873,500	0	7,143,500
Construction (04)	0	1,075,800	0	91,150,000	0	92,225,800
Equipment/Hardware (05)	0	250,000	0	2,350,000	0	2,600,000
Other (176999)	0	0	0	12,710,000	0	12,710,000
FY2015 Totals	\$310,774	\$6,760,800	\$0	\$112,555,500	\$551,000	\$120,178,074
FY2014 Totals	\$164,528	\$8,911,200	\$0	\$25,521,000	\$5,059,000	\$39,655,728
Increase/(Decrease)	\$146,246	(\$2,150,400)	\$0	\$87,034,500	(\$4,508,000)	\$80,522,346

OTHER FUND VARIANCE

- **CF - \$6,760,800** – The Construction Fund net decrease of **(\$2,150,400)** is due mainly to PGBT Fourth Lane project being moved to CIF in FY2015.
- **RMF - \$0**
- **CIF - \$112,555,500** – The Capital Improvement Fund net increase of \$87,034,500 is due to the commencement of the following projects:
 - DNT Fourth lane - \$31,100,000
 - DNT Improvements - \$8,900,000
 - DNT/PGBT Interchange and Ramps Modification - \$39,000,000
 - PGBT Fourth Lane - \$8,000,000
- **CIF/FSF - \$551,000** – The Feasibility Study Fund net decrease of **(\$4,508,000)** is due mainly to the anticipated completion of the environmental planning process on Trinity Parkway.

ENTERPRISE FUND

The fund was created to account for revenues and expenses associated with tolling services agreements (see Other Funds section pages 137-139).

- EF \$0

SPECIAL PROJECT SYSTEM

The following amounts were budgeted in the FY2015 Special Projects System Budget (see page 19).

- CTP OMF \$24,832
- CTP CF \$42,458,724
- PGBT-WE OMF \$23,372
- PGBT-WE CF \$2,457,434

POSITION SUMMARY

Project Delivery			
Full-Time Positions	FY2014	FY2015	Difference
AED Infrastructure	1	1	0
Chief Engineer Construction	1	1	0
Construction Manager	1	1	0
Contracts Manager	1	1	0
Corridor Manager	1	1	0
Design Manager	1	1	0
Executive Assistant	1	1	0
Program Controls Manager	1	1	0
Project Manager	1	1	0
Roadway Project Manager	1	1	0
Senior Project Manager Design Guidelines	1	1	0
Total Full-Time Positions	11	11	0

MAJOR BUSINESS FUNCTIONS

With the carefully considered FY2015 budget, the Project Delivery Department will continue to benefit the Authority and the people of North Texas by performing a number of key functions.

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

System and Incident Management Department

OVERVIEW

The System and Incident Management (SIM) Department supports the mission of the North Texas Tollway Authority by reducing risk, enhancing safety and providing a reliable, expedient traveling environment free from harm and hazard. In FY2015, the SIM Department will seek to accomplish the following plans:

- Develop and implement strategies to support NTTA toll enforcement remedies initiatives;
- Complete a state-of-the-art Command Center to support the staffing and equipment needed to serve NTTA's growing coverage areas and personnel;
- Provide exceptional roadway assistance to our customers;
- Develop and implement safety and loss prevention strategies to ensure the safety of employees and customers; and
- Assess risks, develop mitigation strategies, and assess and purchase all lines of insurance required to protect NTTA interests.

FY2015 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Customer Driven Organization

- Develop new toll enforcement remedies (TER) strategies that bring the NTTA's top violators into compliance.

Financially Sound & Vibrant Organization

- Deliver insurance strategies that protect NTTA assets and stakeholders.

Delivering Transportation Solutions

- Deliver a state-of-the-art Command Center that enhances the staffing and equipment capabilities needed to support NTTA's expanded roadway systems and the personnel providing routine and emergency services to our customers.

Highly Qualified & Engaged Team

- Develop and deliver automatic license plate reader (ALPR) strategies to support NTTA's toll enforcement remedies initiatives.

DEPARTMENTAL FY2015 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2014 Estimate	FY2015 Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$3,389,890	\$3,654,632	\$264,742	7.8%
Salaries and Wage-Overtime - (511301)	6,521	12,237	5,716	87.6%
Retirement Contributions - (512401)	439,774	478,689	38,915	8.8%
Consulting/Professional - (521201)	62,043	32,055	(29,988)	(48.3)%
Police Services (DPS) - (521208)	4,310,965	4,876,351	565,386	13.1%
Outside Maintenance Services - (521212)	1,073	4,946	3,873	361.0%
Insurance Expense - Other - (523101)	940,025	1,281,853	341,828	36.4%
Postage - (523201)	1,835	4,045	2,210	120.4%
Promotional Expenses - (523304)	2,225	4,965	2,740	123.1%
Travel - (523501)	1,690	3,727	2,037	120.6%
Dues & Subscriptions - (523601)	2,731	2,209	(522)	(19.1)%
Education and Training - (523701)	2,280	13,267	10,987	481.9%
Liability Claims - (523902)	8,021	10,864	2,843	35.4%
Office Supplies - (531101)	7,528	8,831	1,303	17.3%
Other Materials and Supplies - (531102)	67,499	59,411	(8,088)	(12.0)%
Freight and Express - (531105)	25	266	241	964.0%
Uniforms - (531701)	30,800	49,644	18,844	61.2%
Total Expenses	\$9,274,925	\$10,497,992	\$1,223,067	13.2%

MAJOR FY2015 OMF BUDGET ITEMS

The department's overall OMF budget increased \$1,223,067 from FY2014 estimate of \$9,274,925 to \$10,497,992 for FY2015 budget. All variances that exceed \$50,000 are addressed below. Additionally, variances that are greater than 15% and \$5,000 are further explained.

- Salaries and Wages has an increase of \$264,742 due primarily to the net of salary adjustments and SPS allocations.
- Salaries and Wage-Overtime increased \$5,716 to reflect our overtime needs.
- Consulting and Professional Fees decreased **(\$29,988)** due to anticipated need in FY2015.
- Police Services increased by \$565,386 due to expenses related to contractual increases in DPS salaries, equipment and administrative costs.
- Insurance Expense increased by \$341,828 due to increases in roadway miles and associated assets, and an increase in market costs.
- Education and Training increased by \$10,987 due primarily to additional training needed for staff member's support of programs.
- Uniforms increased \$18,844 due to an increase in FTE's for FY2015 and the scheduled replacement of uniform articles.

ALL FUNDS

The following is a summary of the departmental total budget for OMF and all other funds in the NTTA System FY2015 Budget (see Other Funds section pages 120-139).

Account	OMF	CF	RMF	CIF	CIF/FSF	Total
	1001	3700	1201	1501	1601	
Salaries and Wages-Direct - (511101)	\$3,654,632	\$0	\$0	\$0	\$0	\$3,654,632
Salaries and Wage-Overtime - (511301)	12,237	0	0	0	0	12,237
Retirement Contributions - (512401)	478,689	0	0	0	0	478,689
Consulting/Professional - (521201)	32,055	0	0	0	0	32,055
Police Services (DPS) - (521208)	4,876,351	0	0	0	0	4,876,351
Outside Maintenance Services - (521212)	4,946	0	0	0	0	4,946
Insurance Expense - Other - (523101)	1,281,853	0	0	0	0	1,281,853
Postage - (523201)	4,045	0	0	0	0	4,045
Promotional Expenses - (523304)	4,965	0	0	0	0	4,965
Travel - (523501)	3,727	0	0	0	0	3,727
Dues & Subscriptions - (523601)	2,209	0	0	0	0	2,209
Education and Training - (523701)	13,267	0	0	0	0	13,267
Liability Claims - (523902)	10,864	0	0	0	0	10,864
Office Supplies - (531101)	8,831	0	0	0	0	8,831
Other Materials and Supplies - (531102)	59,411	0	0	0	0	59,411
Freight and Express - (531105)	266	0	0	0	0	266
Small Tools and Shop Supplies - (531601)	0	0	32,233	0	0	32,233
Uniforms - (531701)	49,644	0	0	0	0	49,644
FY2015 Totals	\$10,497,993	\$0	\$32,233	\$0	\$0	\$10,530,226
FY2014 Totals	\$10,869,319	\$0	\$37,446	\$0	\$0	\$10,906,765
Increase/(Decrease)	(\$371,326)	\$0	(\$5,213)	\$0	\$0	(\$376,539)

OTHER FUNDS VARIANCE

- CF - \$0
- RMF - \$32,233 budgeted for small tools and supplies to refurbish Roadway Customer Service trucks.
- CIF - \$0
- CIF/FSF - \$0

ENTERPRISE FUND

The fund was created to account for revenues and expenses associated with tolling services agreements (see Other Funds section pages 137-139).

- EF \$0

SPECIAL PROJECTS SYSTEM

The following amounts were budgeted in the FY2015 Special Projects System Budget (see page 19).

- PGBT-WE OMF \$1,013,102
- CTP OMF \$1,962,369
- PGBT-WE RMF \$79,450

POSITION SUMMARY

System & Incident Management			
Full-Time Positions	FY2014	FY2015	Difference
Administration			
Administrative Assistant	1	1	0
Assistant Director SIM	1	1	0
Assistant Director SIM Operations	1	1	0
Director SIM	1	1	0
Facility Security Administrator	1	1	0
Loss Prevention Manager	1	1	0
Enterprise Risk Manager	1	0	(1)
Safety Coordinator	1	1	0
Traffic & Emergency Management Coordinator	1	1	0
Safety Manager	1	1	0
Command Center			
Command Center Manager	1	1	0
Command Center Service Specialist	29	*27	(2)
Command Center Supervisor	5	5	0
Command Center (DPS) Administrative Assistant	1	1	0
Command Center Technicians	7	7	0
Insurance			
Claims Coordinator	1	1	0
Insurance Program Administrator	1	1	0
Roadway Customer Service			
Roadway Customer Service Manager	1	1	0
Roadway Customer Service Specialist	37	45	*8
Roadway Customer Service Supervisor	4	5	1
Roadway Customer Service Admin Technician	1	1	0
Total Full-Time Positions	98	104	6
Part-Time & On-Call Positions	FY2014	FY2015	Difference
Claims Coordinator P/T	1	0	(1)
Total Part-Time & On-Call Positions	1	0	(1)

*Nine (9) FTE's shown in FY2015, four (4) for Roadway Customer Service and five (5) Command Center are fully funded in the FY2015 Special Projects Budget approved in June. No funding for these positions is included in NTTA System FY2015 Budget.

MAJOR BUSINESS FUNCTIONS

To get customers safely and quickly to their destination, and to protect people and property, the SIM Department operates the following:

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



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Construction Fund

CONSOLIDATED NTTA SYSTEM CONSTRUCTION FUND (3700) BUDGET COMPARISONS FY2015 TO FY2014

Department	FY2014	FY2015	Variance	
	Budget	Budget	Amount	Percent
Administrative Services:				
Administration	\$0	\$0	\$0	0.0%
Board	0	0	0	0.0%
Finance	3,224,290	2,605,855	(618,435)	(19.2%)
Human Resources	0	0	0	0.0%
Internal Audit	56,100	61,144	5,044	9.0%
Legal Services	150,000	100,000	(50,000)	(33.3%)
Public Affairs	0	0	0	0.0%
Strategy and Innovation	0	0	0	0.0%
Shared Services	0	0	0	0.0%
Total Administrative Services	3,430,390	2,766,999	(663,391)	(19.3%)
Operational Services:				
Customer and Support Services	0	0	0	0.0%
Information Technology	0	0	0	0.0%
Maintenance	0	0	0	0.0%
Operations	0	0	0	0.0%
Project Delivery	8,911,200	6,760,800	(2,150,400)	(24.1%)
System & Incident Mgmt.	0	0	0	0.0%
Total Operational Services	8,911,200	6,760,800	(2,150,400)	(24.1%)
Grand Totals	\$12,341,590	\$9,527,799	(\$2,813,791)	(22.8%)

PRESIDENT GEORGE BUSH TURNPIKE EASTERN EXTENSION

The Eastern Extension is a portion of the outer loop around Dallas and its suburbs that connects Interstate Highway (IH) 30 to the existing President George Bush Turnpike (PGBT). It is part of the Loop 9/State Highway 190 corridor first envisioned in the 1960s. The project was completed in FY2012 with only minor cost in FY2014 through FY2016.

SAM RAYBURN TOLLWAY FOURTH LANE (WIDENING) PROJECT

Sam Rayburn Tollway (SRT) stretches approximately 26 miles southwest to northeast, linking the Dallas/Fort Worth International Airport and growing communities in Collin, Dallas and Denton counties. The SRT features six main lanes with all-electronic toll collection. The project was constructed in segments with Segment 1 and 2 opening to traffic in 2008; Segment 3 in FY2009; Segment 4 in FY2011; and Segment 5 (the SRT/Dallas North Tollway (DNT) interchange) was opened to traffic November FY2011. The FY2014 through FY2016 are estimated cost for additional lanes.

DALLAS NORTH TOLLWAY PHASE 3 EXTENSION

The Extension Phase 3 is the third major extension of the Dallas North Tollway (DNT). The six-lane, controlled-access toll way was constructed between northbound and southbound service roads designated as the Dallas Parkway. Beginning at the northern end of DNT Extension at SH 121 about 1,300 feet south of Gaylord Parkway, the Project extends approximately 9.2 miles north to US 380 in Collin County. Only minor construction items remain for FY2015.

DALLAS NORTH TOLLWAY PHASES 4B (SOUTHBOUND FRONTAGE ROAD)

The NTTA Board of Directors chose an alignment for the Phase 4B/5A extension that straddles the Collin-Denton county line and extends 11.9 miles from FM 423 in Collin County to FM 121 in Grayson County. The county alignment provides a greater economic development benefit for most of the region, requires less right-of-way, and follows an existing county road system.

ESTIMATED NTTA SYSTEM EXPENDITURES FOR FY2015	
PGBT Eastern Extension Construction	\$293,600
Sam Rayburn Tollway Construction	\$3,457,200
Dallas North Tollway Phase 3	\$1,410,000
Dallas North Tollway Phase 4B/5A	\$1,600,000
Professional Fees, Legal Fee	\$2,766,999
Estimated FY2015 Construction Project Cost ⁽¹⁾	\$9,527,799
Cash Transfer to OMF - Allocated cost: Salaries and Benefits	\$982,599
Total Estimated FY2015 Construction Cost	\$10,510,398

(1) For detail expenditures see pages 123

ESTIMATED CONSTRUCTION FUND REQUIREMENTS FY2015

NTTA System Construction Fund Available Balance as of 07/31/2014		\$75,103,516
Estimated Construction Cost (August through December 2014)		
DNT Phase 3 Construction		(133,673)
DNT Phase 4B		(400,000)
LLTB Construction		(29,528)
PGBT Eastern Extension Construction		(3,113,967)
Sam Rayburn Tollway Construction		(214,580)
Total Estimated FY2014 Construction Cost		(3,891,748)
Texas Department of Transportation Reimbursement		1,797,795
Estimated NTTA System Available Balance as of 12/31/14		73,009,563
Denton County ILA Reimbursement		1,600,000
Estimated Expenditures for FY2015		
PGBT Eastern Extension Construction	(293,600)	
Sam Rayburn Tollway Construction	(3,457,200)	
Dallas North Tollway Phase 3	(1,410,000)	
DNT Phase 4B	(1,600,000)	
Professional Fees, Audit Fees, Legal Fees	(2,766,999)	
Estimated FY2015 Construction Project Costs		(9,527,799)
Transfer to OMF for Allocated Salaries and Benefits		(982,599)
Total Estimated FY2015 Construction Cost		(10,510,398)
Estimated NTTA System Available Balance as of 12/31/15		\$64,099,165

CONSOLIDATED NTTA SYSTEM CONSTRUCTION FUNDS - (3700) ESTIMATE FY2015

Department	Account	
Finance	Consulting/Professional - (521201)	40,605
	Trustee Fees - (521204)	140,250
	Rating Agency Fees - (521205)	40,000
	Remarketing/Loc Provider Fees - (521206)	2,385,000
	Finance Total	2,605,855
Internal Audit	Auditing Fees - (521203)	61,144
	Internal Audit Total	61,144
Legal Services	Legal Fees - (521202)	100,000
	Legal Services Total	100,000
Project Delivery	Administration (01)	1,115,000
	Planning (02)	50,000
	Design (03)	4,270,000
	Construction (04)	1,075,800
	Equipment/Hardware (05)	250,000
	Project Delivery Total	6,760,800
Total		\$9,527,799

Reserve Maintenance Fund

RESERVE MAINTENANCE FUND - (1201) BUDGET COMPARISONS FY2015 TO FY2014

Department	FY2014	FY2015	Variance	
	Budget	Budget	Amount	Percent
Administrative Services:				
Administration	\$0	\$0	\$0	100.0%
Board	0	0	0	100.0%
Finance	0	0	0	100.0%
Human Resources	0	0	0	100.0%
Internal Audit	18,700	10,191	(8,509)	(45.5%)
Legal Services	150,000	50,000	(100,000)	(66.7%)
Public Affairs	0	0	0	100.0%
Strategy and Innovation	0	0	0	100.0%
Shared Services	0	0	0	100.0%
Total Administrative Services	168,700	60,191	(108,509)	(64.3%)
Operational Services:				
Customer and Support Services	0	0	0	100.0%
Information Technology	4,259,532	7,902,250	3,642,718	85.5%
Maintenance	22,928,434	14,578,274	(8,350,160)	(36.4%)
Operations	0	0	0	100.0%
Project Delivery	0	0	0	100.0%
System & Incident Mgmt.	37,446	32,233	(5,213)	(13.9%)
Total Operational Services	27,225,412	22,512,757	(4,712,655)	(17.3%)
Grand Totals	\$27,394,112	\$22,572,948	(\$4,821,164)	(17.6%)

RESERVE MAINTENANCE FUND MAJOR PROJECTS OR PURCHASES

The Reserve Maintenance Fund was created to account for maintenance expenditures that do not occur on an annual or more frequent basis. In other words, it is for the renewal and replacement of capital assets. The following are some of the major projects and purchases for FY2015.

FY2015 Projects	
Annual Inspection - Required by GASB 34 Modified Approach	\$1,712,274
General Engineering Fees	1,830,000
Systemwide Roadway Improvements	1,185,000
Pavement Restriping	4,085,000
Pavement Repairs	1,500,000
Trucks, Fleet & Equipment - New & Replacement	2,081,000
Facility Improvements	1,585,000
Computer, Servers and Equipment - New & Replacement, including software	7,282,250
Traffic Engineering Studies	560,000
Professional, Audit and Legal Fees	92,424
Total FY2015 RMF Projects	21,912,948
FY2014 Projects Carried Over to FY2015 (1)	
Pavement Repairs	660,000
Total FY2015 RMF Carried Over	660,000
Total FY2015 RMF Project Cost	22,572,948
Cash Transfer to OMF - Allocated Cost: Salaries and Benefits	1,842,034
Total FY2015 Reserve Maintenance Fund Cost	\$24,414,982
(1) Projects fully funded in FY2014, completed in FY2015	

CALCULATION OF DEPOSIT TO RESERVE MAINTENANCE FUND FY2015

Reserve Maintenance Fund Balance as of 07/31/2014		\$40,086,262
Outstanding Reserve Maintenance Fund Deposit for FY2014		-
Estimated Expenditures (Aug. through December FY2014)		(9,621,699)
Estimated Balance as of 12/31/14		30,464,563
Estimated FY2014 Project Costs (FY2014 Projects completed in FY2015)	(1)	(660,000)
Estimated FY2015 Project Costs		
Software / Licensing	(121,250)	
Computer /Servers/ Equipment	(7,161,000)	
Roadway Maintenance	(14,538,274)	
Professional Fees, Audit Fees, Legal Fees	(92,424)	
FY2015 Projects Cost		(21,912,948)
Total RMF Projects Cost		(22,572,948)
Cash Transfer to OMF for Allocated: Salaries and Benefits		(1,842,034)
Total Estimated FY2015 RMF Cost		(24,414,982)
Estimated FY2015 Balance before Deposit		6,049,581
Estimated FY2015 Deposit to Reserve Maintenance Fund		-
Reserve Maintenance Fund Balance as of 12/31/2015		\$6,049,581
FY2015 Required Deposit to Reserve Maintenance Fund Calculation		
Estimated Fund Balance at 12/31/15	6,049,581	
Required Trust Agreement Balance	5,000,000	
Over Funded no Deposit Required for FY2015	<u>1,049,581</u>	
(1) FY2014 Projects fully funded in FY2014.		

RESERVE MAINTENANCE FUND - (1201) ESTIMATE FY2015

Department	Account	
Internal Audit	Auditing Fees - (521203)	10,191
	Internal Audit Total	10,191
Legal Services	Legal Fees - (521202)	50,000
	Legal Services Total	50,000
Information Technology	Consulting/Profess Serv Tech - (521301)	350,000
	Electronic Supplies - (531106)	1,808,500
	Computers - (531641)	5,002,500
	Software - (531651)	121,250
	Infrastructure Rdway/Hwy/Bridg - (541401)	620,000
	Information Technology Total	7,902,250
Maintenance	Traffic Engineering Fees - (521207)	560,000
	General Engineering - (521213)	1,830,000
	Consulting/Profess Serv Tech - (521301)	1,712,274
	Landscaping - (522202)	20,000
	Pavement Markings - (522204)	4,085,000
	Pavement & Shoulders - (522205)	2,160,000
	Machinery - (531611)	214,700
	Vehicles - (531621)	1,866,300
	Building Improvements - (541302)	1,585,000
	Infrastructure Rdway/Hwy/Bridg - (541401)	545,000
	Maintenance Total	14,578,274
System & Incident Mgmt.	Small Tools and Shop Supplies - (531601)	32,233
	System & Incident Mgmt. Total	32,233
Total		\$22,572,948

Capital Improvement Fund

CAPITAL IMPROVEMENT FUND - (1501) BUDGET COMPARISONS FY2015 TO FY2014

Department	FY2014	FY2015	Variance	
	Budget	Budget	Amount	Percent
Administrative Services:				
Administration	\$0	\$400,000	\$400,000	100.0%
Board	0	0	0	100.0%
Finance	2,271,400	3,121,400	850,000	37.4%
Human Resources	0	0	0	100.0%
Internal Audit	18,700	20,382	1,682	9.0%
Legal Services	700,000	700,000	0	0.0%
Public Affairs	0	0	0	100.0%
Strategy and Innovation	0	0	0	100.0%
Shared Services	0	0	0	100.0%
Total Administrative Services	2,990,100	4,241,782	1,251,682	41.9%
Operational Services:				
Customer and Support Services	0	0	0	100.0%
Information Technology	23,156,681	28,249,493	5,092,812	22.0%
Maintenance	29,878,196	36,557,000	6,678,804	22.4%
Operations	6,125,000	3,240,000	(2,885,000)	(47.1%)
Project Delivery	25,521,000	112,555,500	87,034,500	341.0%
System & Incident Mgmt.	0	0	0	100.0%
Total Operational Services	84,680,877	180,601,993	95,921,116	113.3%
Grand Totals	\$87,670,977	\$184,843,775	\$97,172,798	110.8%

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

DALLAS NORTH TOLLWAY FOURTH LANE (PGBT TO SRT)

The NTTA has been coordinating with the City Of Plano to add a 4th lane to the DNT between President George Bush Turnpike and the Sam Rayburn Tollway. The project is planned to begin design in FY2013 and construction to go through FY2017.

DALLAS NORTH TOLLWAY FOURTH LANE (LBJ TO PGBT)

The NTTA will add a fourth lane in each direction of the DNT from LBJ/Belt Line Road to the PGBT within the existing right of way. The project also includes pavement surface overlay, restriping and relocation of existing light poles from the center median barrier to the outside shoulders. Design work will begin late in FY2014 and is scheduled for completion in early FY2017.

DALLAS NORTH TOLLWAY/PRESIDENT GEORGE BUSH TURNPIKE INTERCHANGE IMPROVEMENTS

The NTTA has been coordinating with the City Of Plano to modify the existing direct connectors of the DNT/PGBT interchange and the North and South bound ramps near the interchange. This will increase capacity and improve the flow of traffic through the interchange. The project is planned to begin design in FY2013 and construction to go through FY2016.

PRESIDENT GEORGE BUSH TURNPIKE/US 75 IMPROVEMENTS

This is a multi-agency project (NTTA, TxDOT, City of Plano) being managed, designed and constructed by TxDOT to relieve congestion for US 75 at PGBT. It includes modifications of the PGBT/US 75 interchange and modifications to the 15th Street ramps

PRESIDENT GEORGE BUSH TURNPIKE WIDENING BETWEEN INTERSTATE HIGHWAY 35 EAST AND STATE HIGHWAY 78

The project will add an inside lane to each East and West bound main lane. This will increase capacity and improve the flow of traffic between IH35 and US78. The project is planned to begin construction in FY2016.

The following is the list of projects and purchases for FY2015:

Capital Improvement Fund Projects	
Document Management and Imaging System	\$100,000
Intelligent Transportation Systems Retrofit	2,025,000
Business Analytics	660,000
PCI Compliance	1,698,300
Disaster Recovery	5,000,000
System Enhancements	471,000
EPDS Enhancements	160,728
Redesign of Internet and Intranet	100,000
GPS Navigation	20,000
PeopleSoft HR HCM Enhancements	557,000
Digital Aerial Photography	55,000
Toll Collection Sys Software Enhancemnts/Maint	10,000,000
Microsoft Enterprise Agreement	670,000
Oracle Unlimited License Agrmt	3,057,465
VoIP Upgrades	200,000
GIS Enhancement	150,000
Mobile App Enhancements	750,000
Application Testing Suite	500,000
Reconciliation Sys Enhancements	75,000
Service Desk Software Enhancements	1,100,000
Systemwide Roadway Improvements	9,210,000
Systemwide Facility Improvements	6,047,000
MSE Wall Stabilization and Maintenance Program	21,300,000
Dallas North Tollway 4th Lane	38,263,400
DNT/PGBT Interchange & Ramp Modifications	52,238,600
PGBT 4th Lane Widening	13,100,000
IH 35E	15,000
Dallas North Tollway Improvements	8,863,500
Toll Enforcement Remedies	3,300,000
Professional, Audit, Legal Fees	5,156,782
Total Project Costs	184,843,775
Cash Transfer to OMF - Allocated: Salaries and Benefits	2,941,621
Total Expenditures	\$187,785,396

ESTIMATED CAPITAL IMPROVEMENT FUND REQUIREMENTS FY2015

Capital Improvement Fund Uncommitted Balance as of 07/31/2014		\$56,204,297
FY2014 Cash Inflows (Aug.-Dec. 2014)		
Estimated Deposit from Revenue Fund	106,243,223	
Commercial Paper issued	0	
		106,243,223
FY2014 Cash Outflows (Aug.-Dec. 2014)		
ISTEA Payment	(8,000,000)	
CIF Subordinate Debt	0	
Estimated Expenditures CIF Projects	(37,051,956)	
		(45,051,956)
Estimated Available Balance as of 12/31/14		117,395,564
FY2015 Estimated Cash Inflows		
Estimated Deposit from Revenue Fund	117,730,220	
Commercial Paper	4,350,000	
Reimbursement Agreement - Denton County	0	
Total Cash Inflows		122,080,220
FY2015 Estimated Cash Outflows		
ISTEA Payment	(8,000,000)	
CIF Subordinate Debt	(24,115,479)	
Total Debt Service Payments		(32,115,479)
Estimated CIF Projects Cost	(179,686,992)	
LOC Professional Fees, Audit Fees, Legal Fees	(5,156,783)	
CIF Projects Cost		(184,843,775)
Cash Transfer to OMF for Allocated Salaries and Benefits		(2,941,620)
Total CIF Estimated Costs		(219,900,874)
Estimated Expenditures CIF/Revolving Acct. FSF Projects	(551,000)	
Professional Fees, Audit Fees, Legal Fees	(2,540,000)	
Total CIF/Revolving Account -FSF Projects Cost		(3,091,000)
Estimated Uncommitted Cash Account Balance at 12/31/15		\$16,483,910
FY2015 CIF Bond Payment Account balance		11,708,075
FY2015 CIF Rainy Day Fund Account balance		50,000,000
Estimated Total CIF Cash Balances at 12/31/2015		\$78,191,985

CAPITAL IMPROVEMENT FUND - (1501) ESTIMATE FY2015

Department	Account	
Administration	Consulting/Professional - (521201)	400,000
	Administration Total	400,000
Finance	Consulting/Professional - (521201)	858,400
	Trustee Fees - (521204)	3,000
	Rating Agency Fees - (521205)	60,000
	Remarketing/Loc Provider Fees - (521206)	2,000,000
	Traffic Engineering Fees - (521207)	200,000
	Finance Total	3,121,400
Internal Audit	Auditing Fees - (521203)	20,382
	Internal Audit Total	20,382
Legal Services	Legal Fees - (521202)	700,000
	Legal Services Total	700,000
Information Technology	Consulting/Professional - (521201)	1,925,000
	Consulting/Profess Serv Tech - (521301)	5,806,828
	Telecommunications - (523202)	10,000
	Computers - (531641)	4,187,100
	Software - (531651)	12,410,565
	Infrastructure - Other - (541403)	710,000
	Software (05)	3,000,000
	Equipment/Hardware (05)	200,000
Information Technology Total	28,249,493	
Maintenance	General Engineering - (521213)	210,000
	Building Improvements - (541302)	6,047,000
	Infrastructure Rdway/Hwy/Bridg - (541401)	30,300,000
	Maintenance Total	36,557,000
Operations	Consulting/Professional - (521201)	3,240,000
	Operations Total	3,240,000
Project Delivery	Consulting/Professional - (521201)	75,000
	Right-of-Way (06)	1,031,000
	Administration (01)	2,316,000
	Planning (02)	50,000
	Design (03)	2,873,500
	Construction (04)	91,150,000
	Equipment/Hardware (05)	2,350,000
	Other (176999)	12,710,000
Project Delivery Total	112,555,500	
Total		\$184,843,775

Feasibility Study Fund

FEASIBILITY STUDY FUND - (1601) BUDGET COMPARISONS FY2015 TO FY2014

Department	FY2014	FY2015	Variance	
	Budget	Budget	Amount	Percent
Administrative Services:				
Administration	\$0	\$0	\$0	100.0%
Board	0	0	0	100.0%
Finance	2,575,000	2,240,000	(335,000)	(13.0%)
Human Resources	0	0	0	100.0%
Internal Audit	0	0	0	100.0%
Legal Services	300,000	300,000	0	0.0%
Public Affairs	0	0	0	100.0%
Strategy and Innovation	0	0	0	100.0%
Shared Services	0	0	0	100.0%
Total Administrative Services	2,875,000	2,540,000	(335,000)	(11.7%)
Operational Services:				
Customer and Support Services	0	0	0	100.0%
Information Technology	0	0	0	100.0%
Maintenance	0	0	0	100.0%
Operations	260,000	0	(260,000)	(100.0%)
Project Delivery	5,059,000	551,000	(4,508,000)	(89.1%)
System & Incident Mgmt.	0	0	0	100.0%
Total Operational Services	5,319,000	551,000	(4,768,000)	(89.6%)
Grand Totals	\$8,194,000	\$3,091,000	(\$5,103,000)	(62.3%)

FY2015 CIF/REVOLVING ACCOUNT-FEASIBILITY STUDY FUND PROJECTS

Trinity Parkway

The proposed Trinity Parkway will connect Interstate 35E to U.S. 175, providing a new, approximately 9-mile relief route around the west and south sides of Dallas' central business district. Initially, six and four lanes will be constructed, with the ultimate facility being six lanes. When complete, the Trinity Parkway will be a tolled bypass around downtown Dallas, which will provide traffic relief for the I-30 and I-35E corridors. The NTTA is managing ongoing environmental clearance and preliminary engineering efforts to advance the project.

State Highway 170

TxDOT initiated the State Highway 170 corridor study, conducted preliminary studies, processed environmental reviews, obtained environmental clearance and right of way, and built the existing frontage roads. The NTTA is now conducting further studies of the corridor. Project partnering meetings are ongoing to advance the project, which could result in a 5.8-mile toll road in southwest Denton and northern Tarrant counties.

State Highway 360

TxDOT initiated the State Highway 360 corridor study, conducted preliminary studies, processed environmental reviews, obtained environmental clearance and right of way to U.S. 287, and built the existing frontage roads. Project partnering meetings are ongoing to advance the project. Section 1 is expected to result in a 9.7-mile extension of the SH 360 main lanes from Sublett Road/Camp Wisdom Road in southern Tarrant County to U.S. 287 in northwestern Ellis County and northeastern Johnson County.

State Highway 190 East Branch

TxDOT initiated the East Branch/State Highway 190 corridor study in May 1969 and is processing the project's Environmental Impact Statement (EIS). First, the Federal Highway Administration must review and approve a Draft EIS in order to conduct a public hearing. Following the public hearing, a Final EIS will be prepared to recommend a route alternative.

Dallas North Tollway Phases 4a & 4b And 5a

This project is a proposed 17.6-mile extension of the Dallas North Tollway northward from U.S. 380 to the Collin/Grayson county line (Phase 4A) and from Collin/Grayson county to Farm to Market 121 (Phase 5B). The extension will be a limited access toll road with six main lanes and four frontage road lanes. A scope of work is currently under development, which includes corridor analysis, initial toll feasibility and environmental analysis.

The NTTA Board of Directors chose an alignment for the Phase 4B/5A extension that straddles the Collin-Denton county line and extends 11.9 miles from FM 423 in Collin County to FM 121 in Grayson County. The county alignment provides a greater economic development benefit for most of the region, requires less right-of-way, and follows an existing county road system.

PROJECT COST	
DNT Phase 4A	\$10,000
SH 170	381,000
SH 360	100,000
Trinity Parkway	60,000
Professional Fees, Legal Fees	2,540,000
Total Estimated FY2015 Feasibility Cost(1)	\$3,091,000

(1) For detail list of expenditures see pages 136.

FUND 1601 - FEASIBILITY STUDY FUND - (1601) ESTIMATE FY2015

Department	Account	
Finance	Consulting/Professional - (521201)	690,000
	Traffic Engineering Fees - (521207)	1,550,000
	Finance Total	2,240,000
Legal Services	Legal Fees - (521202)	300,000
	Legal Services Total	300,000
Project Delivery	Deferred Charges (153001)	551,000
	Project Delivery Total	551,000
Total		\$3,091,000

Enterprise Fund

ENTERPRISE FUND - (7801) BUDGET COMPARISONS FY2015 TO FY2014

Department	FY2014	FY2015	Variance	
	Budget	Budget	Amount	Percent
Administrative Services:				
Administration	\$0	\$0	\$0	100.0%
Board	0	0	0	100.0%
Finance	242,367	242,367	0	0.0%
Human Resources	63,820	63,820	0	0.0%
Internal Audit	0	38,254	38,254	100.0%
Legal Services	500,000	500,000	0	0.0%
Public Affairs	504,050	504,050	0	0.0%
Strategy and Innovation	0	0	0	100.0%
Shared Services	143,117	143,117	0	0.0%
Total Administrative Services	1,453,354	1,491,608	38,254	2.6%
Operational Services:				
Customer and Support Services	547,000	547,000	0	0.0%
Information Technology	1,946,743	2,553,086	606,343	31.1%
Maintenance	0	0	0	100.0%
Operations	0	53,700	53,700	100.0%
Project Delivery	0	0	0	100.0%
System & Incident Mgmt.	0	0	0	100.0%
Total Operational Services	2,493,743	3,153,786	660,043	26.5%
Grand Totals	\$3,947,097	\$4,645,394	\$698,297	17.7%

FY2015 ENTERPRISE FUND

The Enterprise Fund was created by the Authority to account for the revenue and expenses associated with tolling services agreements (TSA). The Authority is responsible for the collection of tolls on all tolled projects in the North Texas region. Currently, the Authority has TSAs with the developers of two projects (TSA - IH635 and TSA NTE 1&2W, NTE 3A/3B).

Fund Costs	
Software Enhancements	\$2,425,000
Professional and Legal Fees	1,164,910
Allocated Cost - Salaries and Benefits	1,055,484
Total FY2015 EF Budget	\$4,645,394

ESTIMATED ENTERPRISE FUND REQUIREMENTS FY2015

	LBJ	NTE 1/2W	Total
Transactions			
TollTag	15,377,550	14,299,446	29,676,996
ZipCash	5,402,923	5,840,619	11,243,542
Total Transactions	20,780,473	20,140,065	40,920,538
Payments to TSA's			
Gross Payments	\$20,572,668	\$52,298,750	\$72,871,419
NTTA Fees	(1,706,596)	(2,867,506)	(4,574,102)
Net Payments to TSA's	\$18,866,072	\$49,431,244	\$68,297,316
Revenue Collected from TSA's			
TollTag Revenue	15,223,775	37,132,112	52,355,887
ZipCash Revenue	3,289,570	9,327,482	12,617,052
Net Revenue Collected	\$18,513,344	\$46,459,595	\$64,972,939
Collection Exposure	(\$352,728)	(\$2,971,650)	(\$3,324,377)
NTTA Expenses (Enterprise Fund)	(2,359,047)	(2,286,347)	(4,645,394)
IOP Revenue	2,539,125	2,460,875	5,000,000
Net TSA Cash Flow	(\$172,650)	(\$2,797,121)	(\$2,969,771)

ENTERPRISE FUND - (7801) ESTIMATE FY2015

Department	Account	
Finance	Salaries and Wages-Direct - (511101)	123,550
	Retirement Contributions - (512401)	18,817
	Consulting/Professional - (521201)	100,000
	Finance Total	242,367
Human Resources	Salaries and Wages-Direct - (511101)	55,380
	Retirement Contributions - (512401)	8,440
	Human Resources Total	63,820
Internal Audit	Salaries and Wages-Direct - (511101)	23,882
	Retirement Contributions - (512401)	3,162
	Auditing Fees - (521203)	11,210
	Internal Audit Total	38,254
Legal Services	Legal Fees - (521202)	500,000
	Legal Services Total	500,000
Public Affairs	Salaries and Wages-Direct - (511101)	3,515
	Retirement Contributions - (512401)	535
	Magazine and Newspaper - (523302)	250,000
	Television & Radio - (523303)	250,000
	Public Affairs Total	504,050
Shared Services	Group Insurance - (512101)	141,307
	Office Supplies - (531101)	1,810
	Shared Services Total	143,117
Customer and Support Services	Salaries and Wages-Direct - (511101)	474,700
	Retirement Contributions - (512401)	72,300
	Customer and Support Services Total	547,000
Information Technology	Salaries and Wages-Direct - (511101)	111,150
	Retirement Contributions - (512401)	16,936
	Computers - (531641)	125,000
	Software - (531651)	2,300,000
	Information Technology Total	2,553,086
Operations	Consulting/Professional - (521201)	53,700
	Operations Total	53,700
Total		\$4,645,394

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It could change your drive!

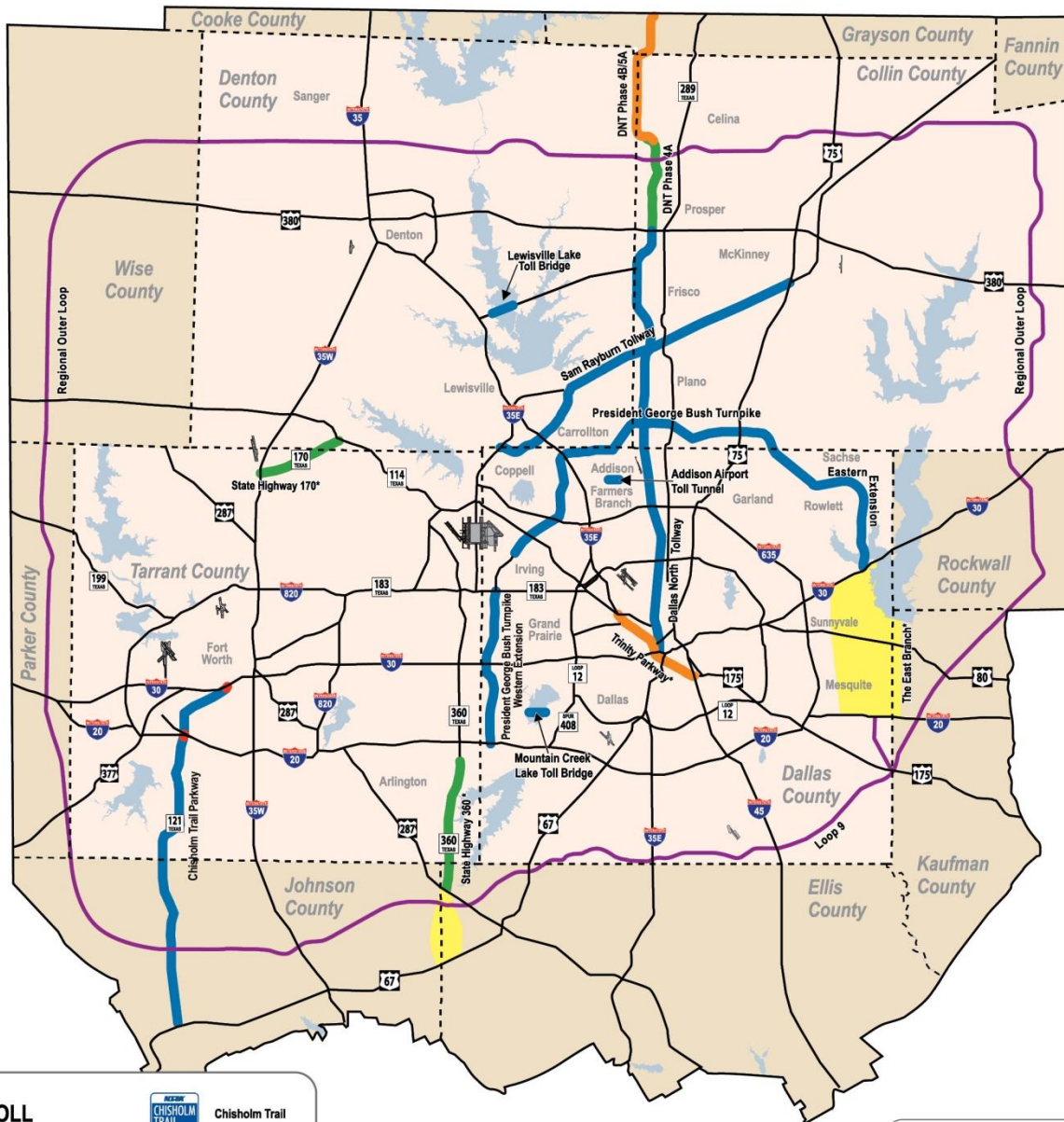
Tollmate, NTTA's FREE mobile app, is only a click away. Managing your TollTag account just got a little easier.

Tollmate is FREE and ready for download on iPhone®, iPad®, (iOS 4.1 and higher) and Android® (versions 2.2 and higher) devices. Just download the app and log into your account using the same username and password established for online account management.



New functionality coming to Tollmate in 2015, including account and traffic notifications. NTTA launched its free mobile app to help TollTag customers manage their accounts. The app also features a trip calculator to determine the total cost of tolls from entrance to exit.

Facility Map of the North Texas Region



TOLL FACILITIES

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

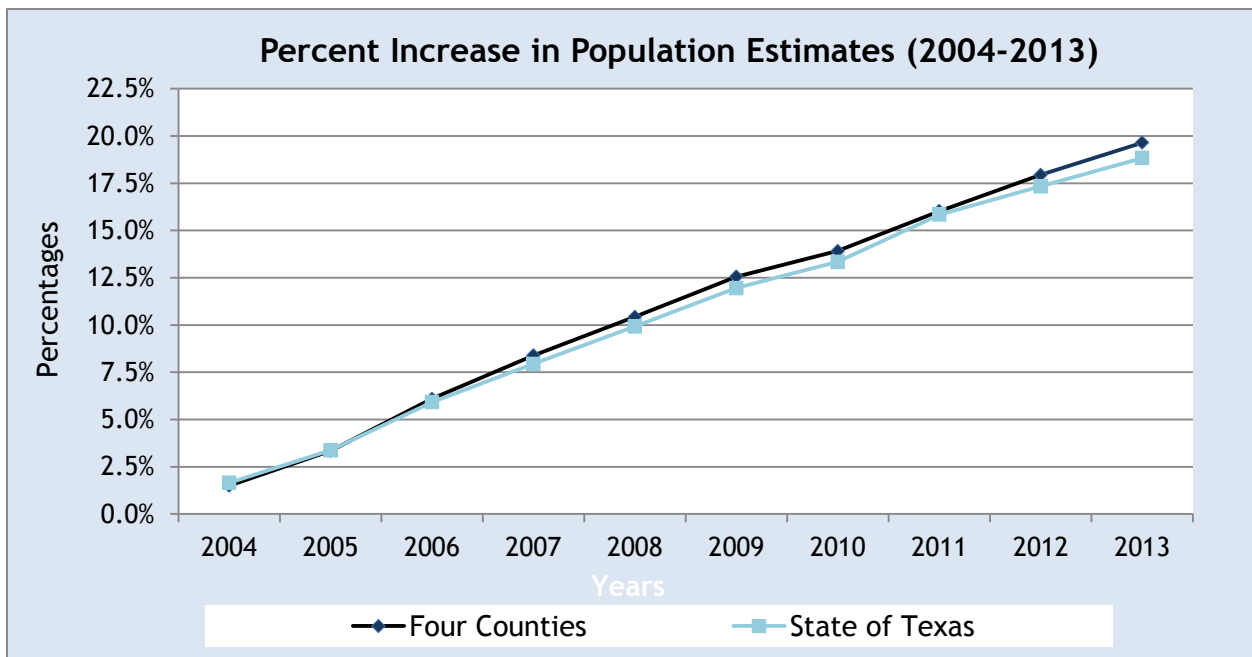
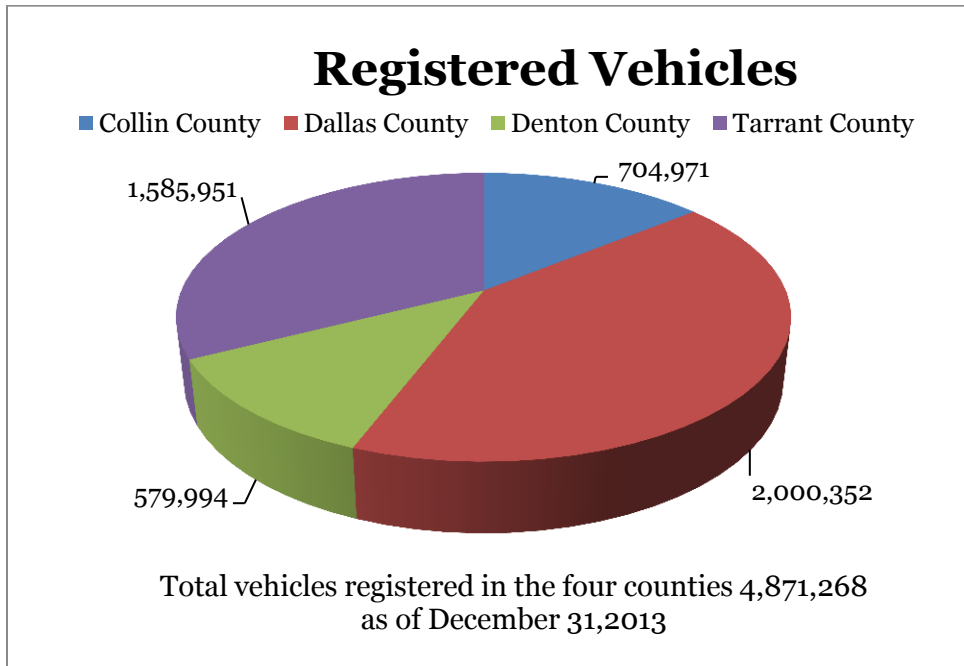
LEGEND

- Existing
- Under Construction
- In Development
- Corridor Study
- Study Area
- Regional Outer Loop
- County Line
- Airports

*Projects subject to primacy requirements pursuant to Senate Bill 19, passed by the 82nd Texas Legislature. May 2014

Statistical Data

The North Texas four county regions has 4.9 million registered vehicles. The region's population has grown by 19.6 percent since FY2004.



FY2014 Strategic Priorities & Accomplishments

Priorities to support the Authority's five-year strategic goals and objectives are established annually. Below is a summary of the FY2014 priorities and key accomplishments.

Customer Driven Organization

FY2014 Strategic Priorities	FY2014 Accomplishments
Execute customer service experience strategies and initiatives	<ul style="list-style-type: none"> • Customer service rating continues to exceed target of 90% • Implemented interoperability with the Oklahoma Turnpike Authority • Initiated toll services for the DFW Connector and North Tarrant Express segments 1 and 2W • Completed biennial customer survey in July with responses from more than 31,000 people, more than five times the number of responses in 2012 • Launched DrivingNorthTexas.com, a blog for sharing information about NTTA, the TollTag and transportation matters in the region
Convert Zip Cash Customers to TollTag customers	<ul style="list-style-type: none"> • TollTag penetration rates are trending upward at 78.08% (measured at 90 days) • 521,780 new TollTags issued / 17% growth YTD (through August 2014) • Procured vendor to provide TollTag loyalty program. Program to be rolled out in early 2015 • Continued promotion of the \$20 Starter TollTag. \$20 Starter TollTag marketing campaign recognized by the International Association of Business Communicators with the Gold Quill Award of Excellence • Rolled out new monthly ZipCash bill related communications • Refocused social media program on two primary strategies: use social mediums (1) to market NTTA & TollTag as a driving solution for North Texas drivers, and (2) to supplement to customer service by working alongside the CSC to answer inquiries • CTP advertising shifted from awareness to call-to-action in anticipation of the road's opening in May. Campaigns included Open Road Sweepstakes, TCU TollTag promotion, sponsorships with the Fort Worth Stock Show and Rodeo, Bass Hall, Colonial golf tournament and others • Opened and promoted TollTag kiosk at Hulen Mall, followed by major campaign to promote the permanent TollTag store in Fort Worth • Continued promotional campaign to increase TollTag penetration on PGBT-WE
Expand TollTag offering, branding and value	<ul style="list-style-type: none"> • Launched Fiesta Mart as a new Regional TollTag Partner with 24 locations throughout DFW Metroplex to open TollTag accounts • Launched TCU TollTag to target new customers in Tarrant County • Launching SMU TollTag in the fall • Executed marketing and PR campaign for TEXpress lanes (LBJ, NTE and DFW Connector), including billboards, radio, online and other advertising vehicles as well as web content and newsletter articles

Financially Sound & Vibrant Organization

FY2014 Strategic Priorities	FY2014 Accomplishments
Assess initial toll enforcement remedies	<ul style="list-style-type: none"> • Implemented vehicle registration blocks with 8 counties • Issued over 3,300 vehicle registration blocks and 10,900 vehicle bans (through August 2014) • To date, toll enforcement remedies have yielded \$6.8M in cash, \$3.6M in remaining payment plan agreements and \$11.9M in new TollTag transactions for habitual violators who have opened TollTag accounts.

	<ul style="list-style-type: none"> • Developed and implemented an application to administer, monitor and report on toll enforcement remedies • Received the FY2014 IBTTA award in Customer Service and Marketing for the toll enforcement remedies program
Continue back office system enhancements	<ul style="list-style-type: none"> • Completed the technology upgrade of the toll collection system • Implemented interoperability with the Oklahoma Turnpike Authority • Implemented the interim Toll Service Agreement for the DFW Connector managed lane project • Implemented the Toll Service Agreement for the North Tarrant Express Segments 1 and 2W managed lane project • Implemented the monthly consolidated ZipCash invoice
Advance strategies to increase collection rate	<ul style="list-style-type: none"> • Lowered the percent of un-pursuable transactions from 6.9% in December 2013 to 6.35% in May 2013, with steady progress towards the 5.8% goal for year-end 2014 • Created the new Collections and Toll Enforcement Department to focus on collections, toll enforcement remedies, court/citation program and collection agency performance • Created internal multi-disciplinary team to focus on collection strategies • Procured new collection agency contracts • Implemented out-of-state lookup automation resulting in significant operational efficiencies • Implemented excessive V-tolls letters which reduced the monthly number of V-tolls by an average of 340,000 • Invoiced dealer plates, which have resulted in the collection of \$1.6M in previously unvoiced and uncollected tolls (through August 2014) • Developed and executed communication plan to reach TollTag customers with excessive V-tolls. Included direct mail/email, web content and newsletter articles

Delivering Transportation Solutions

FY2014 Strategic Priorities	FY2014 Accomplishments
Advance regional transportation projects	<ul style="list-style-type: none"> • Commenced tolling on Chisholm Trail Parkway in May 2014 • Received environmental approval for SH 360 allowing the project to move to the construction phase • NTTA and TxDOT approved a public-public partnership approach to advance SH 360 that allows TxDOT to finance and build the project and NTTA will own and operate the project upon completion • Continued to advance SH 170 and Trinity Parkway through the environmental process

Respected Leader & Partner in the Region's Transportation Network

FY2014 Strategic Priorities	FY2014 Accomplishments
Execute Tolling Service Agreements (TSA) and manage to requirements	<ul style="list-style-type: none"> • Implemented processes, procedures, staffing, controls and technology to perform the NTE Segments 1 & 2W toll service agreements effective October 2014 • Negotiated and executed agreement with TxDOT for regional TSAs with implementation of such on the DFW Connector
Maximize local and regional partnerships to increase disadvantaged, minority and women-owned businesses contracting opportunities	<ul style="list-style-type: none"> • Expanded the Cooperative Inclusion Plan to include the Asian Contractors Association, to increase their membership's involvement in highway contracting • Increased the ROAD Program participants from eleven teams to fifteen teams

Highly Qualified, Energized and Engaged Team

FY2014 Strategic Priorities	FY2014 Accomplishments
Elevate employee engagement and increase development opportunities	<ul style="list-style-type: none">• Executed the biennial employee engagement survey and developed action plans to continue to improve the workplace and employee satisfaction• Developed a “Leadership Training Program” that focus on 5 key areas of managers: conduct, corrective action, recruiting & selection, performance management, and succession planning• Implementation underway for automated Performance Review System that will go-live in late October 2014• Developed in partnership with the Public Employee Benefits Cooperative a comprehensive wellness program to be phased in over a 3-year period• Continued employee-led committees and special events to promote diversity, teamwork, outstanding performance, corporate culture and community involvement

GFOA Distinguished Budget Award

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to North Texas Tollway Authority, Texas for its annual budget for the fiscal year beginning January 1, 2014. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

During FY2014 the Authority also received a Certificate of Achievement for Excellence in Financial Reporting from GFOA for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ending December 31, 2013. The certificate is presented to government units whose CAFRs achieve the highest standards in government accounting and financial reporting.

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





Got Frog Fever? Gear Up with a TCU TollTag. Drivers can head to their favorite Horned Frog events with a limited-edition TCU TollTag on their windshields. NTTA launched the co-branded TollTag in conjunction with the opening of the Chisholm Trail Parkway.

Appendix A: Budget Policy and Process

INTRODUCTION

The North Texas Tollway Authority's policy for the adoption of the budget of Current Expenses (sometimes referred to as Annual Budget, Operating Budget, or Operation and Maintenance Fund) and payments into the Reserve Maintenance Fund for the ensuing fiscal year is outlined by the Trust Agreement. In conjunction with developing the Operating Budget, staff prepares a five-year capital plan with estimates of expenditures for the Construction Funds, Capital Improvement Fund, Feasibility Study Fund, and the Reserve Maintenance Fund that is approved by Board resolution. The detailed reports of the FY2015–2019 Five-Year Capital Plan are included under the Other Funds section of the FY2015 Operating Budget.

BUDGETS OVERVIEW

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

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

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

CASH BALANCES

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

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

Management determined that it is prudent to retain funds within the Capital Improvement Fund as insurance against unanticipated needs. During FY2010, the Authority's executive management requested and the Board of Directors approved a Rainy Day Fund Account in the CIF, with the goal of

accumulating a balance of \$50,000,000 over the next three years, as funds are available. Use of this balance will require specific action by the Board. With the issuance of subordinated CIF debt, a reserve has been created with an amount equal to the next three interest payments.

BUDGET POLICY

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

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

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

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

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

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

The Authority covenants that all payments for maintenance, repair and operation in any Fiscal Year will not exceed the reasonable and necessary amount required therefore, and that it will not expend any amount or incur any obligations for maintenance, repair, and operation in excess of the amounts provided for Current Expenses in the Annual Budget, or amended or supplemental Annual Budget, except as provided in Section 506 of this Article and except amounts payable from the Reserve

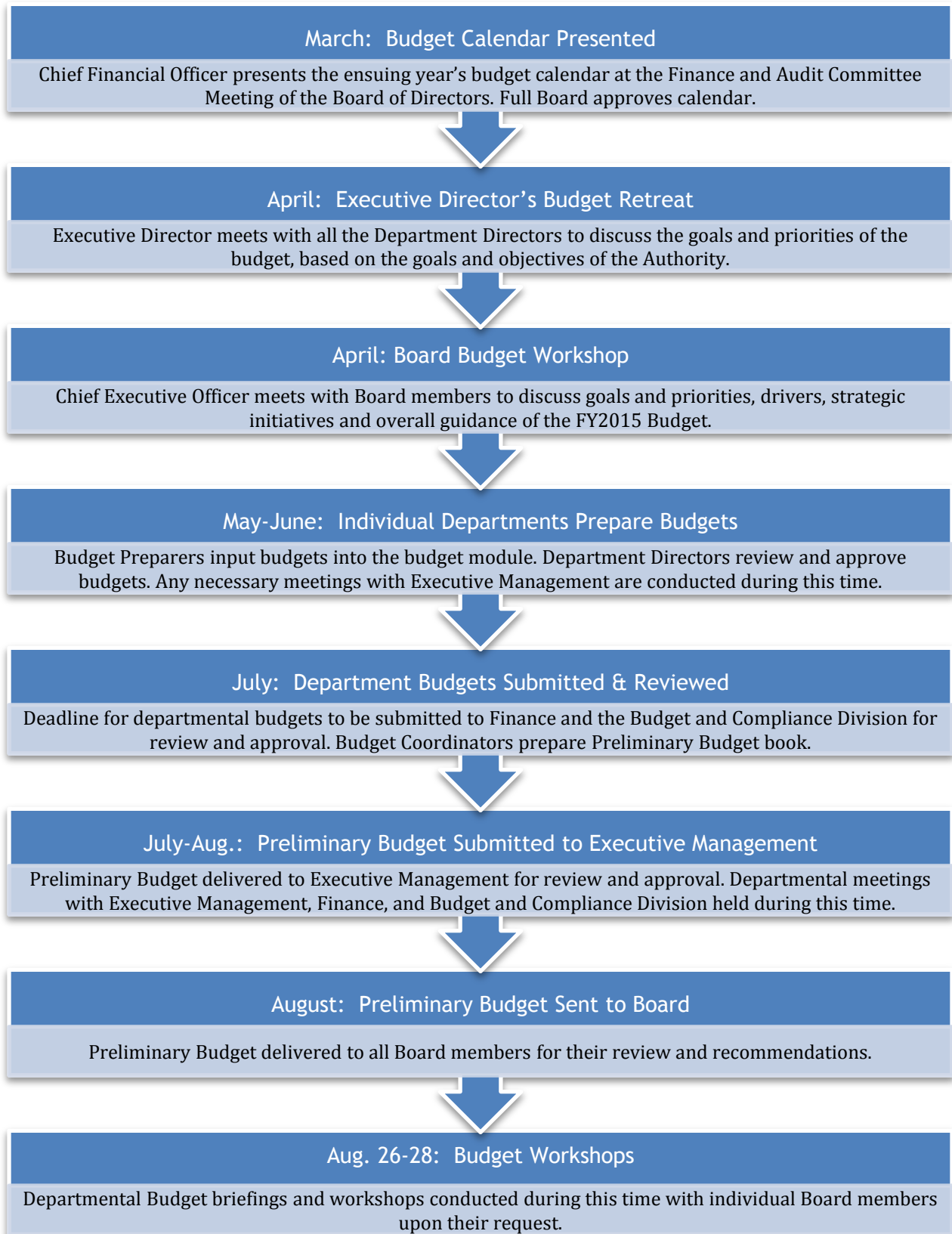
Maintenance Fund and Capital Improvement Fund. Nothing in this Section contained shall limit the amount which the Authority may expend for Current Expenses in any Fiscal Year provided any amounts expended therefore in excess of the Annual Budget shall be received by the Authority from some source other than the Net Revenues of the Tollway for such Fiscal Year.

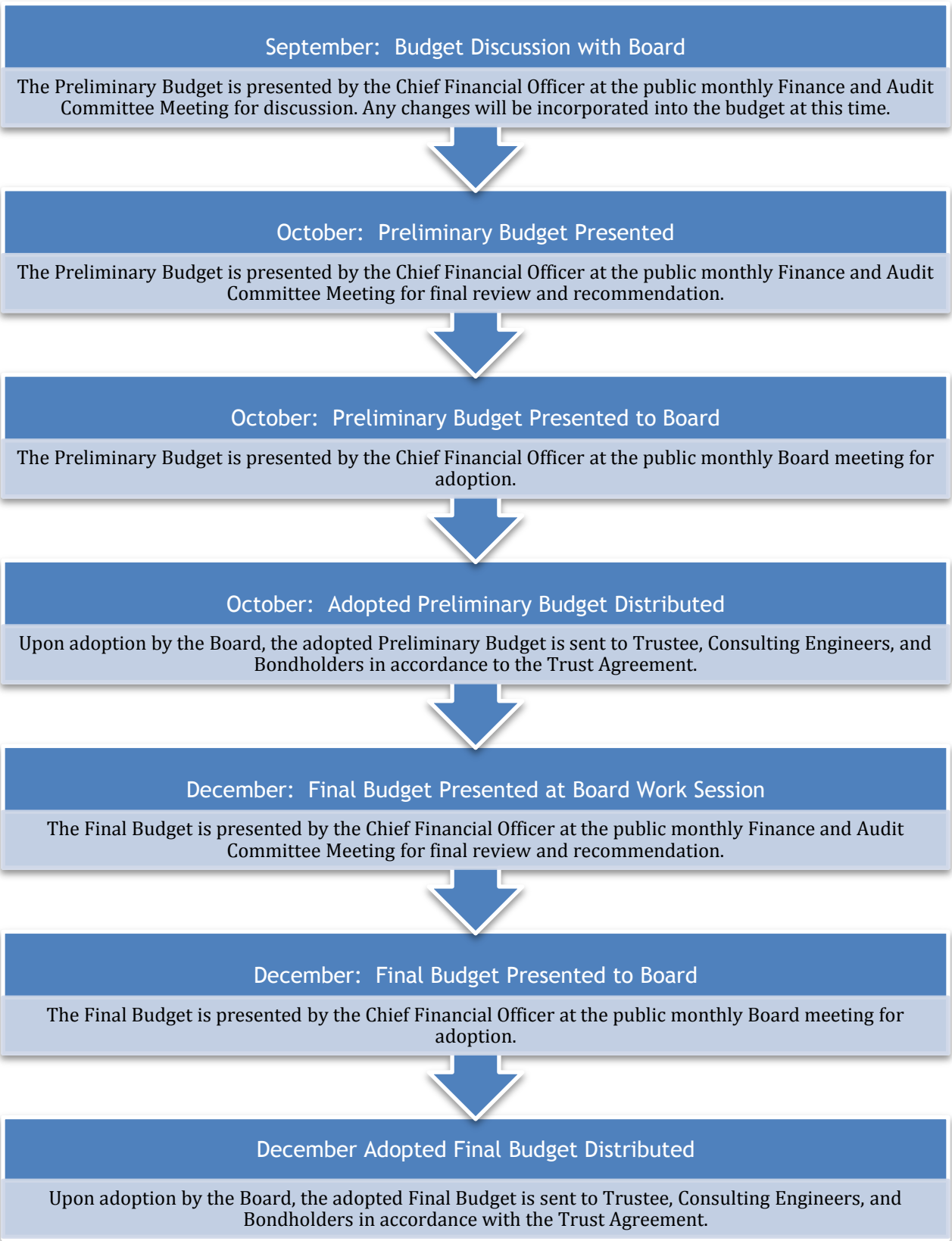
SECTION 506. PAYMENT OF CURRENT EXPENSES FROM OPERATION AND MAINTENANCE FUND.

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

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

BUDGET PROCESS





BUDGET CALENDAR

DATE	EVENT
March 3, 2014 (Monday)	Request updated revenues from Traffic and Revenue consultant
March 19 - March 28, 2014	Executive Director's 2015 Staff Budget Meeting to discuss budget priorities and overall direction, including compensation and benefits
March 19, 2014 (Monday)	Hyperion Budget module available for inputting Budget
March 19 - June 2, 2014	Individual departments prepare Budget
April 1, 2014 (Tuesday)	Updated revenues due from consultants
April 16, 2014 (Thursday)	Board Budget Workshop
June 2, 2014 (Monday)	Department budgets due to Finance Department, Budget and Compliance Division including organizational charts, overviews, new initiatives, detailed listing of projects and explanations for any budget items with a variance of plus or minus 5% from previous year.
June 9, 2014 (Monday)	Preliminary budget distributed to Executive Management
June 16 - June 27, 2014	Departmental meetings with Executive Management, Finance, and Budget and Compliance Division
July 11, 2014 (Friday)	Review by Executive Management completed
July 28, 2014 (Monday)	Preliminary Budget delivered to Board Members
August 11 - Aug. 22, 2014	Department Budget Briefings (If requested by Board Members)
September 4, 2014 (Thursday)	Finance and Audit Committee First Preliminary Budget Review
October 2, 2014 (Thursday)	Finance and Audit Committee Second Preliminary Budget Review
October 15, 2014 (Wednesday)	Board Meeting Preliminary Budget Approval
December 4, 2014 (Thursday)	Finance and Audit Committee Final Budget Review
December 17, 2014 (Wednesday)	Board Meeting Final Budget Approval

Assumes Thursday Committee Meetings and Wednesday Board Meetings

Appendix B: Financial Policies

INTRODUCTION

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

BASIS OF ACCOUNTING

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

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

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

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

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

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

(a) Restricted Assets

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

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

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

(b) Cash and Investments

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

(C) Capital Assets

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

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

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

(d) Compensated Absences

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

(e) Deferred Amount on Refunding of Revenue Bonds

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

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

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

(g) Arbitrage Rebate Payable

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

(h) Estimates

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

(i) Debt Service Requirements

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

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

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

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

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

(j) Financial Reporting Requirements

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

The Authority further covenants that once each month it will cause to be filed with the

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

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

- 6) the amounts of the proceeds received from any sales of property pursuant to the provisions of Section 712 of the Trust Agreement.

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

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

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

Appendix C: Debt Policy

PHILOSOPHY

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

PURPOSES FOR WHICH DEBT MAY BE ISSUED

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

LIMITATIONS ON LEVEL OF INDEBTEDNESS

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

CREDIT OBJECTIVES

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

PERMISSIBLE TYPES OF DEBT

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

ALLOWABLE DEBT STRUCTURES

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

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

Revenue Bonds Outstanding

As of December 31, 2014

Description of Issue	Beginning Balance	Additions	Matured or Retired	Ending Balance
Series 2005C	\$ 178,310,000	\$ -	\$ -	\$ 178,310,000
Series 2008A	1,733,205,000	-	-	1,733,205,000
Series 2008B	226,930,000	-	-	226,930,000
Series 2008D	560,239,885	33,478,299	-	593,718,184
Series 2008E	215,000,000	-	-	215,000,000
Series 2008F	1,000,000,000	-	-	1,000,000,000
Series 2008I	277,394,358	17,770,641	-	295,164,999
Series 2008K	205,000,000	-	-	205,000,000
Series 2009A	373,425,000	-	-	373,425,000
Series 2009B	825,000,000	-	-	825,000,000
Series 2009C	170,730,000	-	-	170,730,000
Series 2009D	178,400,000	-	-	178,400,000
Series 2010A*	90,000,000	-	-	90,000,000
Series 2010B*	310,000,000	-	-	310,000,000
Series 2010 Rev. Refund	332,225,000	-	-	332,225,000
Series 2011A	100,000,000	-	-	100,000,000
Series 2011B	268,625,000	-	-	268,625,000
Series 2012A	25,930,000	-	-	25,930,000
Series 2012B	383,625,000	-	-	383,625,000
Series 2012C	101,775,000	-	-	101,775,000
Series 2012D	32,815,000	-	-	32,815,000
	-	-	-	-
Totals	<u>\$ 7,588,629,243</u>	<u>\$ 51,248,940</u>	<u>\$ -</u>	<u>\$ 7,639,878,183</u>

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

Outstanding Debt Service

FY Ending 12/31	First Tier Net Debt Service	Second Tier Net Debt Service	Third Tier Net Debt Service	ISTEA Loan Debt Service	Subordinated Lien Bonds Debt Service	Total Net Debt Service
2014	273,294,653	57,036,984	-	8,000,000	24,105,899	362,437,536
2015	302,544,797	57,401,231	-	8,000,000	24,115,479	392,061,507
2016	319,883,008	56,567,450	-	8,000,000	24,115,479	408,565,937
2017	322,043,080	56,567,450	-	9,000,000	24,115,479	411,726,009
2018	370,077,206	56,567,450	-	10,500,000	24,115,479	461,260,135
2019	375,585,022	56,567,450	-	12,250,000	54,540,479	498,942,951
2020	389,175,998	56,567,450	-	15,322,396	54,538,917	515,604,761
2021	414,056,920	56,567,450	-	15,322,396	54,543,604	540,490,370
2022	413,913,411	56,567,450	-	15,322,396	54,521,987	540,325,244
2023	422,752,517	56,567,450	-	15,322,396	54,412,567	549,054,930
2024	433,079,513	56,567,450	-	15,322,396	54,299,966	559,269,325
2025	459,519,734	56,567,450	-	15,322,396	54,177,046	585,586,626
2026	470,042,317	56,567,450	-	15,322,396	54,046,650	595,978,813
2027	497,646,637	56,567,450	-	15,322,396	53,911,006	623,447,489
2028	522,416,143	57,567,450	-	15,322,396	53,771,771	649,077,760
2029	479,536,690	82,647,450	-	-	-	562,184,140
2030	417,190,742	174,500,950	-	-	-	591,691,692
2031	422,223,835	184,636,450	-	-	-	606,860,285
2032	462,332,805	173,621,525	-	-	-	635,954,330
2033	474,012,940	176,682,325	-	-	-	650,695,265
2034	532,516,898	135,435,175	-	-	-	667,952,073
2035	561,463,823	130,842,538	-	-	-	692,306,360
2036	579,840,680	123,821,000	-	-	-	703,661,680
2037	616,888,590	78,101,976	-	-	-	694,990,566
2038	352,788,123	-	-	-	-	352,788,123
2039	412,644,523	-	-	-	-	412,644,523
2040	441,046,606	-	-	-	-	441,046,606
2041	447,233,084	-	-	-	-	447,233,084
2042	460,977,721	-	-	-	-	460,977,721
2043	197,407,408	-	-	-	-	197,407,408
2044	197,585,680	-	-	-	-	197,585,680
2045	199,625,498	-	-	-	-	199,625,498
2046	201,350,074	-	-	-	-	201,350,074
2047	147,358,895	-	-	-	-	147,358,895
2048	-	-	-	-	-	-
2049	-	-	-	-	-	-
2050	-	-	-	-	-	-
2051	-	-	-	-	-	-
Total	13,590,055,573	2,111,104,454	-	193,651,564	663,331,808	16,558,143,398

Appendix D: Major Revenue Source

Toll revenue collected on the System is the Authority's major source of revenue. It accounted for \$588,534,400 of the FY2015 Operating Budget's total estimated revenues, or 96.7%.

TOLL REVENUE

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

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

The toll rates on the System depend on the method of collection. TollTag rates are 16.2 cents per mile on the Dallas North Tollway, the President George Bush Turnpike and the Sam Rayburn Tollway. They are aligned with the regional toll rate adopted by the Regional Transportation Council in April 2006. TollTag rates are 56.0 cents per one way trip on both Mountain Creek Lake Bridge and Addison Airport Toll Tunnel, and \$1.12 on Lewisville Lake Toll Bridge. ZipCash rates on all facilities are 50% more than the TollTag rates. Rates are adjusted on July 1 of every odd year by 5.6%.

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

The schedule below shows CDM Smith annual toll revenue estimates for the System, over the next five years.

Estimated NTTA System Annual Toll Revenue					
Roadway	FY2015	FY2016	FY2017	FY2018	FY2019
DNT	\$214,358,800	\$226,615,100	\$236,871,500	\$250,336,300	\$261,862,700
PGBT	199,430,600	208,084,700	215,234,900	221,944,100	232,443,800
AATT	1,243,800	1,307,400	1,361,700	1,413,600	1,450,400
MCLB	1,137,100	1,249,100	1,319,000	1,387,100	1,430,500
LLTB	4,950,100	5,384,800	5,772,000	6,166,300	6,538,100
PGBT EE	27,546,700	30,149,800	32,262,100	34,339,600	36,204,100
SRT	139,867,300	152,070,300	160,180,800	167,899,900	183,734,300
System Totals	\$588,534,400	\$624,861,200	\$653,002,000	\$683,486,900	\$723,663,900

The above estimated revenue numbers include the following assumptions.

NTTA SYSTEM TOLLING (EXCLUDING SRT AND PGBT EE)

- Toll rate for two-axle vehicles with TollTags is \$0.162 per mile for the DNT and PGBT (Segments I through V) starting July 1, 2013.
- Toll rate for two-axle vehicles with TollTags is \$0.56 for the MCLB and the AATT starting July 1, 2013.
- ZipCash toll for two-axle vehicles is equal to the sum of (i) the TollTag toll and (ii) the greater of (a) 50% of the TollTag toll or (b) 20 cents per transaction.
- Tolls charged to users at any tolling location are rounded to the next highest penny.
- Tolls for all vehicle classifications are calculated based on “N-1” weighting, where “N” denotes the number of axles. For example, the TollTag toll charged to a five-axle vehicle will be four times the TollTag toll charged to a two-axle vehicle and the total Video toll charged to a five-axle vehicle will be four times the total Video toll charged to a two-axle vehicle.

SRT TOLLING

- Toll rate for two-axle vehicles with TollTags is \$0.162 per mile starting July 1, 2013, and thereafter toll rates shall be determined in accordance with the SRT Project Agreement, as amended, and shall be the maximum rates allowed under the SRT Project Agreement, as amended.
- ZipCash toll for two-axle vehicles is equal to the sum of (i) the TollTag toll and (ii) the greater of (a) 50% of the TollTag toll or (b) 20 cents per transaction.
- Tolls charged to users at any tolling location are rounded to the next highest penny.
- Tolls for all vehicle classifications are calculated based on “N-1” weighting on the SRT, where “N” denotes the number of axles. For example, the TollTag toll charged to a five-axle vehicle will be four times the TollTag toll charged to a two-axle vehicle and the total Video toll charged to a five-axle vehicle will be four times the total Video toll charged to a two-axle vehicle.

PGBT EE TOLLING

- The Construction, Operation and Maintenance Agreement for the PGBT EE between the Authority and TxDOT dated December 5, 2007, (the "EE Project Agreement") provides for a supplemental toll on the PGBT EE (the "Regional Toll") to be collected by the Authority and held in trust for TxDOT for the benefit of the North Central Texas region. The Regional Toll and the toll charged by the NTTA (the "NTTA Toll") together constitute the publicly announced toll (the "Unified Toll"), but the Regional Toll will not constitute or be considered as the property or revenues of the Authority or the NTTA System.
- The Unified Toll rate for two-axle vehicles with TollTags is \$0.195 per mile as of July 1, 2013. The NTTA Toll rate for two-axle vehicles with TollTags is \$0.162 per mile for PGBT EE as of July 1, 2013. The Regional Toll rate for two-axle vehicles with TollTags is \$0.033 per mile for PGBT EE as of July 1, 2013. The Unified Toll rate for two-axle vehicles with TollTags is increased 3.0% per year thereafter, with toll adjustments made July 1 of every odd year thereafter. Unified TollTag tolls for two-axle vehicles with TollTags at any tolling location are rounded to the next highest nickel. The ratio between the NTTA Toll and the Unified Toll remains constant at 80 percent
- Toll rates shall be subject to the assumptions, qualifications and agreements set forth in Section 21 of the EE Project Agreement, as amended (as so amended, the "Amended EE Project Agreement").
- ZipCash toll for two-axle vehicles is equal to the sum of (i) the TollTag toll and (ii) the greater of (a) 50% of TollTag toll or (b) 20 cents per transaction, increased 3.0% per year and adjusted on each July 1 of odd years thereafter. The ZipCash toll for two-axle vehicles with TollTags at any tolling location is rounded to the next highest nickel.

- Tolls for all vehicle classifications are calculated based on “N-1” weighting on the PGBT EE, where “N” denotes the number of axles. For example, the TollTag toll charged to a five-axle vehicle will be four times the TollTag toll charged to a two-axle vehicle and the total Video toll charged to a five-axle vehicle will be four times the total Video toll charged to a two-axle vehicle.

REVENUE DISTRIBUTION

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

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

- 1) *First*, on or before the first day of each month, funds are deposited to the Operation and Maintenance Fund in an amount sufficient to make the balance of the Operation and Maintenance Fund equal to one-sixth (1/6) of the amount of the total Current Expenses in the current Annual Budget, plus all prior accruals for insurance and other periodic or regularly scheduled recurring expenses.
- 2) *Second*, on or before the last Business Day preceding each interest payment date or principal (or sinking fund redemption) payment date for the First Tier Bonds (including First Tier Payment Obligations) or such other day as set forth in a Supplemental Agreement, funds are deposited to the applicable account in the First Tier Sinking Fund (or to a fund or account created to pay or repay amounts owed under a Credit Agreement entered into in connection with a series of First Tier Bonds in lieu of either of the foregoing) in the amounts due on any First Tier Bond (including First Tier Payment Obligations).
- 3) *Third*, on or before the first day of each month, funds are deposited to the credit of the First Tier Reserve Account (1) in the amount, if any, required to restore any deficiency in the First Tier Reserve Account due to a withdrawal or change in value of Authorized Investments in order to make the amount on deposit in the First Tier Debt Reserve Account equal to the First Tier Reserve Requirement, which restoration is intended to occur within 12 months of the occurrence of any such deficiency in 12 substantially equal monthly installments, and (2) in the amount set forth in a Supplemental Agreement if an amount different from the First Tier Reserve Requirement is required.
- 4) *Fourth*, on or before the last Business Day preceding each interest payment date or principal (or sinking fund redemption) payment date for the Second Tier Bonds (including Second Tier Payment Obligations) or such other day as set forth in a Supplemental Agreement, funds are deposited to the applicable account in the Second Tier Sinking Fund (or to a fund or account created to pay or repay amounts owed under a Credit Agreement entered into in connection with a series of Second Tier Bonds in lieu of either of the foregoing) in the amounts due on any Second Tier Bond (including Second Tier Payment Obligations).
- 5) *Fifth*, on or before the first day of each month, funds are deposited to the credit of the Second Tier Reserve Account or subaccount therein, if one is provided for in a Supplemental Agreement, in the amounts set forth in the Supplemental Agreement establishing the Second Tier Reserve Requirement or authorizing Additional Second Tier Bonds.

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



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October 6, 2014

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Subject: NTTA System Traffic and Revenue Forecast Update

Dear Mr. Rangel:

Pursuant to your recent request, CDM Smith is pleased to provide you with a letter update of the traffic and revenue (T&R) forecasts for the North Texas Tollway Authority System (NTTA System). It is our understanding that this letter update is intended to support the upcoming refunding of the Series 2008A, 2008E-3 and 2008F bonds, scheduled for November and December 2014 (collectively referred to as the "Series 2014 Bonds"). Currently, the NTTA System consists of the Dallas North Tollway (DNT), the President George Bush Turnpike (PGBT), the President George Bush Turnpike Eastern Extension (PGBT EE), the Sam Rayburn Tollway (SRT), the Addison Airport Toll Tunnel (AATT), the Mountain Creek Lake Bridge (MCLB) and the Lewisville Lake Toll Bridge (LLTB).

Background

CDM Smith completed the NTTA System Comprehensive Traffic and Toll Revenue Study report in March 2014 (the "March 2014 Study"). The North Central Texas Council of Governments (NCTCOG) adopted a new Metropolitan Transportation Plan (MTP) in June 2013 called the Mobility 2035 – 2013 Update. The updated travel demand networks of the new MTP were incorporated into the March 2014 Study. It also included an assessment of current economic conditions and other key factors influencing forecasted traffic and revenue on NTTA System facilities. This effort included an independent economic review of the Mobility 2035 – 2013 Update demographics along NTTA System corridors as well as comprehensive traffic count and travel time data collection.

Since the completion of the March 2014 Study, the following new information has become available, which has warranted minor changes to the NTTA System T&R forecasts:

- The anticipated completion dates for several NTTA capital improvement projects and other regional projects have been changed since the completion of the March 2014 Study



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- TollTag/ZipCash transaction distribution and ZipCash revenue recovery assumptions have been updated based on recent trends
- Refinements to the traffic and revenue forecasting models were made by CDM Smith to reflect recent growth trends on the NTTA System

This letter incorporates the above new information and includes updates to the NTTA System T&R forecasts from years 2014 through 2063.

It should be noted that NCTCOG is currently working on an amendment to the current MTP (this new amendment will be referred to in this document as the Mobility 2035 – 2014 Amendment), which is expected to be adopted by the Regional Transportation Council (RTC) in November 2014. Our understanding is that this new amendment will not involve changes to the regional official demographics, but will include some changes to the background transportation project assumptions. A section is included at the end of this letter that talks about the Mobility 2035 – 2014 Amendment and the potential impacts to NTTA System T&R projections.

Our understanding is that once the Mobility 2035 – 2014 Amendment is adopted by the RTC, NCTCOG staff will begin work on a new MTP, the Mobility 2040 Plan, which will involve an update to the official regional demographics, the background transportation project assumptions and the regional travel demand models. This Mobility 2040 Plan will most likely be adopted by the RTC in late 2015 or early 2016.

The remainder of this letter covers the following topics:

- Underlying demographic forecasts and economic climate
- Comparison of year-to-date estimated and actual transactions
- Key assumptions
- Updated long-term traffic and revenue forecasts
- Sensitivity tests
- Conclusion and recommendations

Underlying Demographic Forecasts and Economic Climate

The underlying demographic forecasts remain the same as presented in the March 2014 Study. The March 2014 Study incorporated results of an independent economic review by Research and Demographic Solutions (RDS) of NCTCOG's latest official demographic forecasts. CDM Smith feels that no additional modifications are required to these revised set of demographics and thus they are deemed valid for continued use.

As can be seen in **Figure 1**, the national real Gross Domestic Product (GDP) has seen consistent positive growth since mid-2011, except for a drop in the first quarter of 2014 by 2.1 percent,



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which was partly attributed to the bad weather in early 2014. The second quarter GDP has bounced back, showing a 4.2 percent annualized increase. CDM Smith tracks the monthly Economic Forecasting Surveys published by The Wall Street Journal (WSJ). Also illustrated in **Figure 1** are the average GDP change monthly forecasts from July 2012 through September 2014. It is forecasted that the national GDP will continue to show positive growth through the end of 2015. The latest GDP forecasts made in September 2014 project slightly lower GDP growth rates than the forecasts made in March 2014.

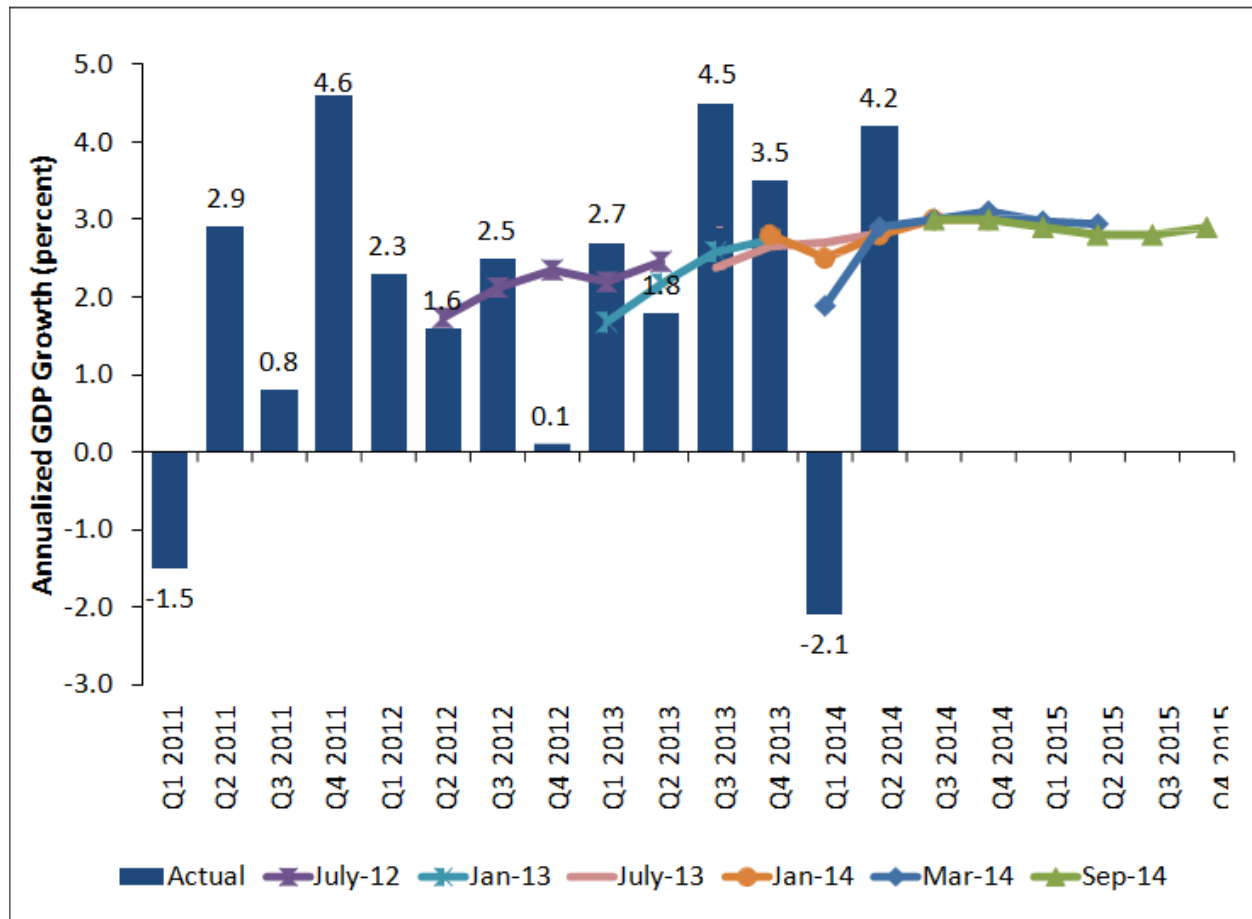


Figure 1. Historical and Forecasted GDP Growth Comparisons by Date of Forecast

Source: Wall Street Journal Economic Forecasting Survey, US Bureau of Economic Analysis (Accessed in September 2014)



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Texas continues to experience a stronger and faster recovery from the recession than the national average. Economists have referred to this as the “last in-first out” effect. **Figures 2 and 3** illustrate that the Dallas-Fort Worth (DFW) area has been performing better than the rest of the nation in terms of unemployment rates and employment growth. Unemployment in DFW has been below six percent since mid-2013, and the North Texas area has seen consistently strong employment growth since 2010. Recently, Toyota announced that it is establishing a new headquarters in Plano (near the DNT/SRT interchange) for its North American operations. In the next three years, around 4,000 Toyota employees are expected to work at this headquarters.

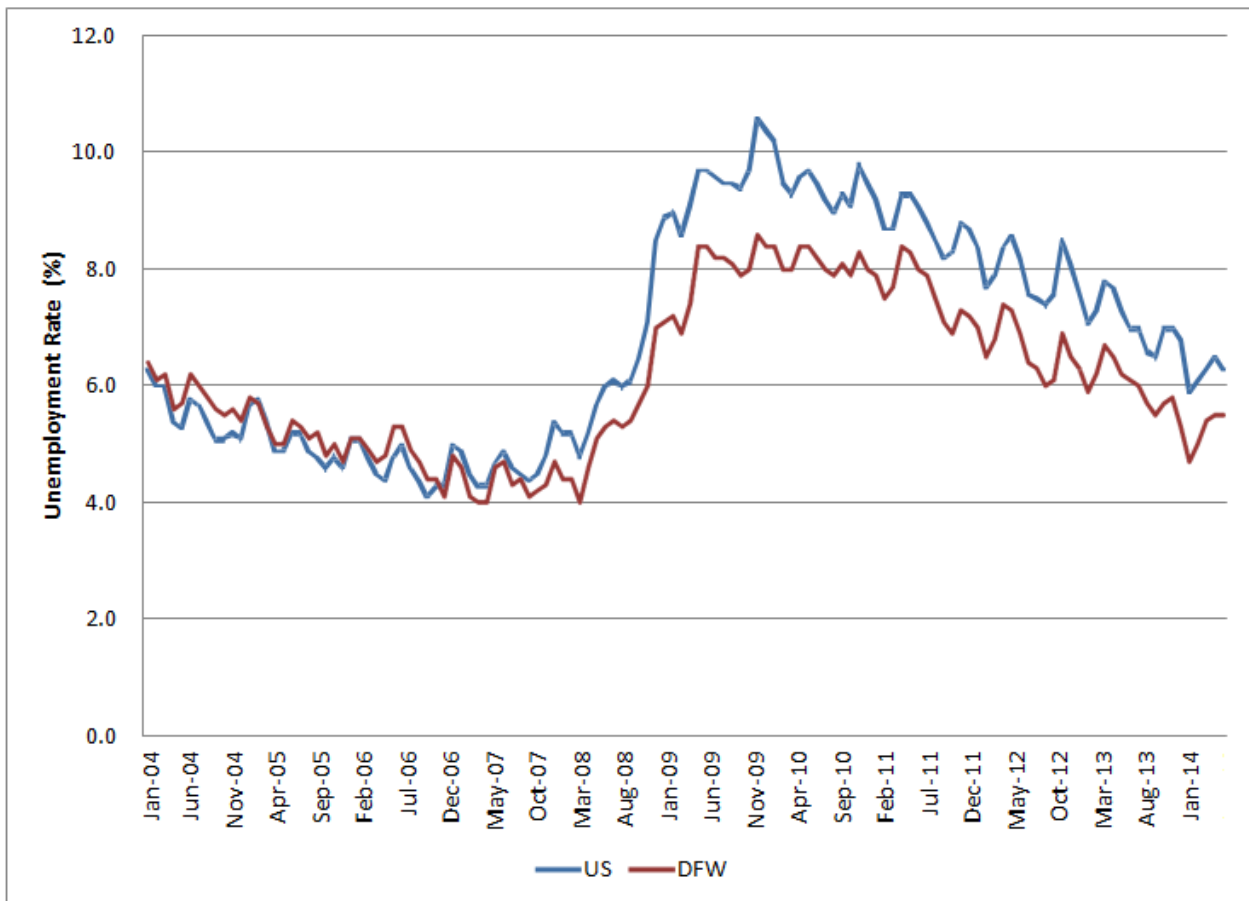


Figure 2. Unemployment Rate Comparisons

Source: Texas Workforce Commission (Accessed in September 2014)

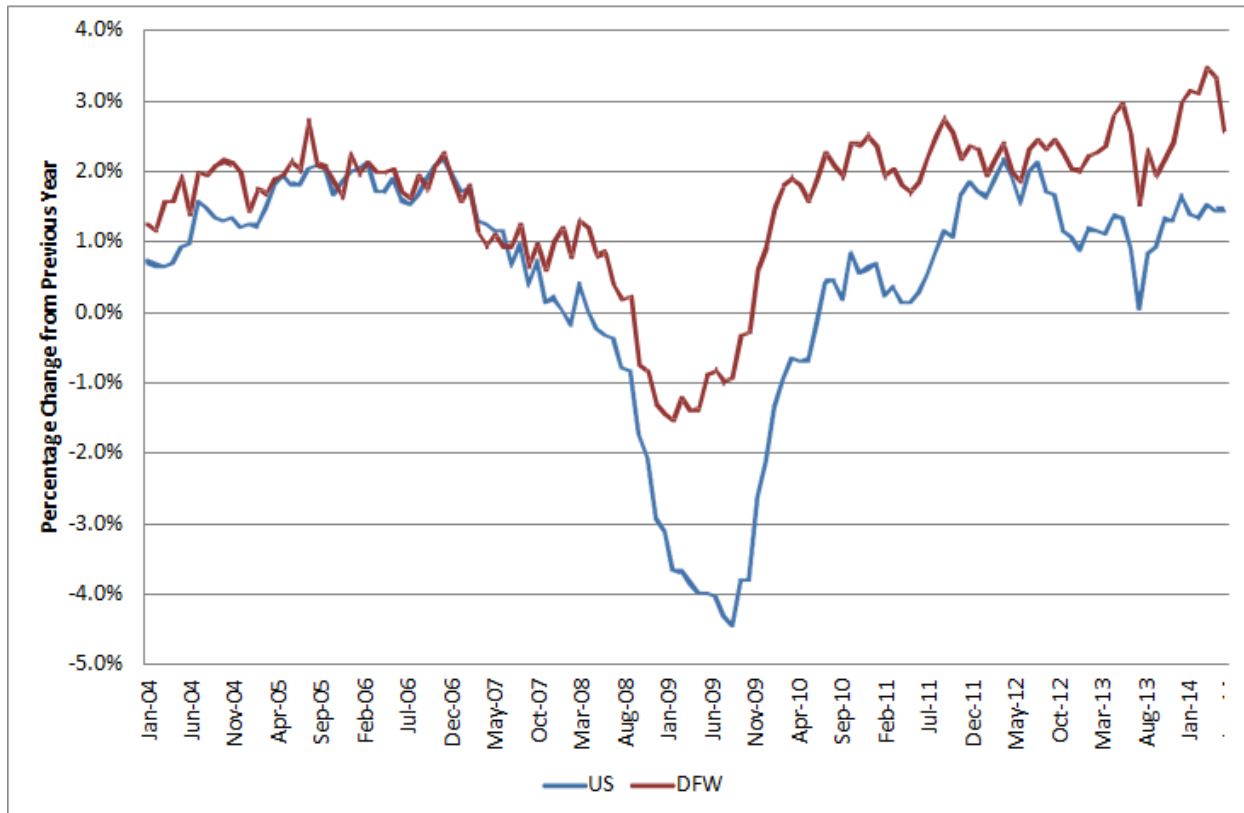


Figure 3. Employment Growth Comparisons

Source: Texas Workforce Commission (Accessed in September 2014)

Figure 4 shows the total number of residential building permits issued annually in the DFW area since 2000. After being severely impacted by the recession, new residential construction has seen significant growth since 2010, and the data through August 2014 suggests that the growth trend is continuing in 2014. **Figure 4** also includes the annual average months of inventory for the housing markets in four local areas (Dallas, Fort Worth, Collin County and Denton County). This metric indicates the average amount of supply (i.e., houses) available for purchase during the year. As shown in **Figure 4**, the average months of inventory in the DFW area has steadily declined since 2011, indicating an increase in demand and a strengthening housing market.

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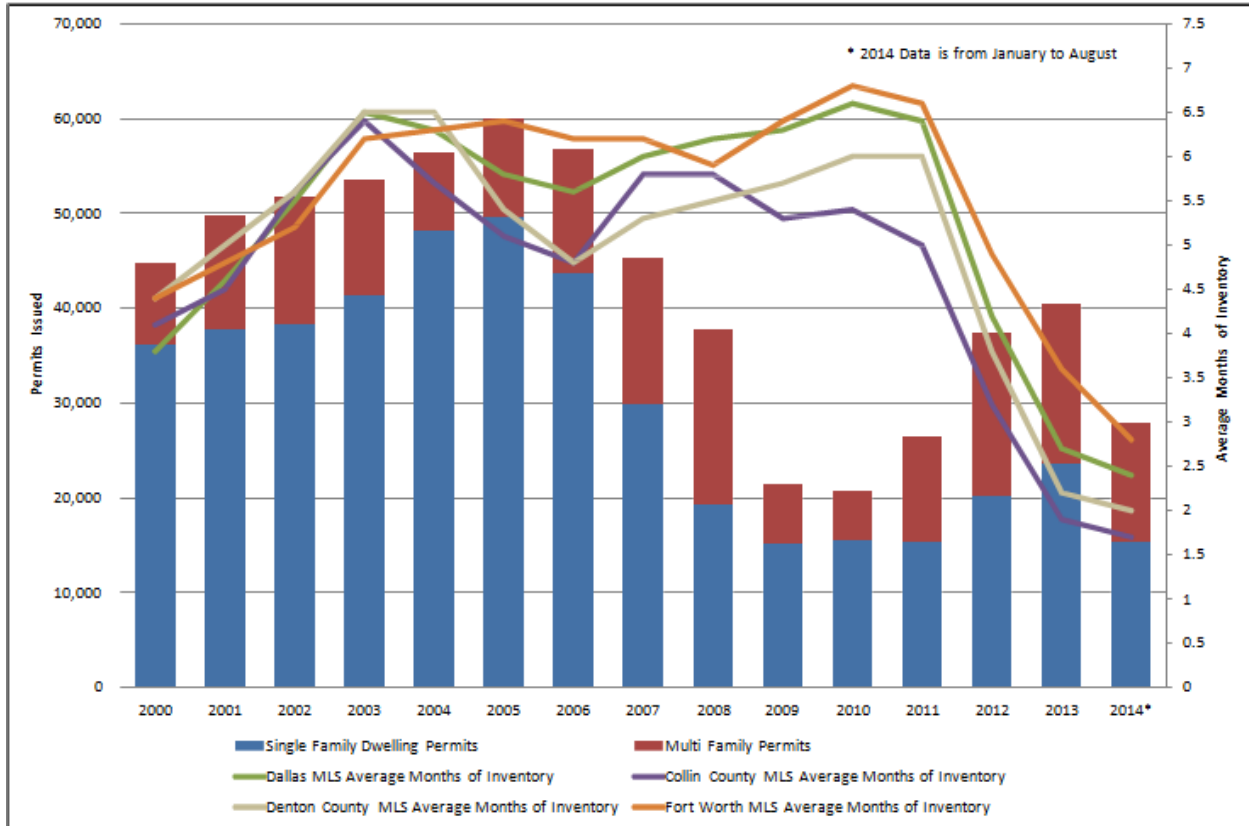


Figure 4. DFW Area Residential Building Permit Trends and Inventory

Source: Real Estate Center at Texas A&M University (Accessed in September 2014)

Year-to-Date Estimated versus Actual Transactions

Figure 5 shows the estimated 2014 monthly transactions for the NTTA System as included in the March 2014 Study as well as the actual transactions through August 2014. As shown in the figure, actual transactions on the system have greatly exceeded the March 2014 Study forecasts. The bulk of this difference is contributed by the continued strong growth in transactions on SRT, DNT north of SRT and PGBT Eastern Extension. Through August, actual transactions have exceeded projections by 2.3 percent. This recent trend has been incorporated into the current analysis to modify and update the total forecasted T&R for 2014 and subsequent years.

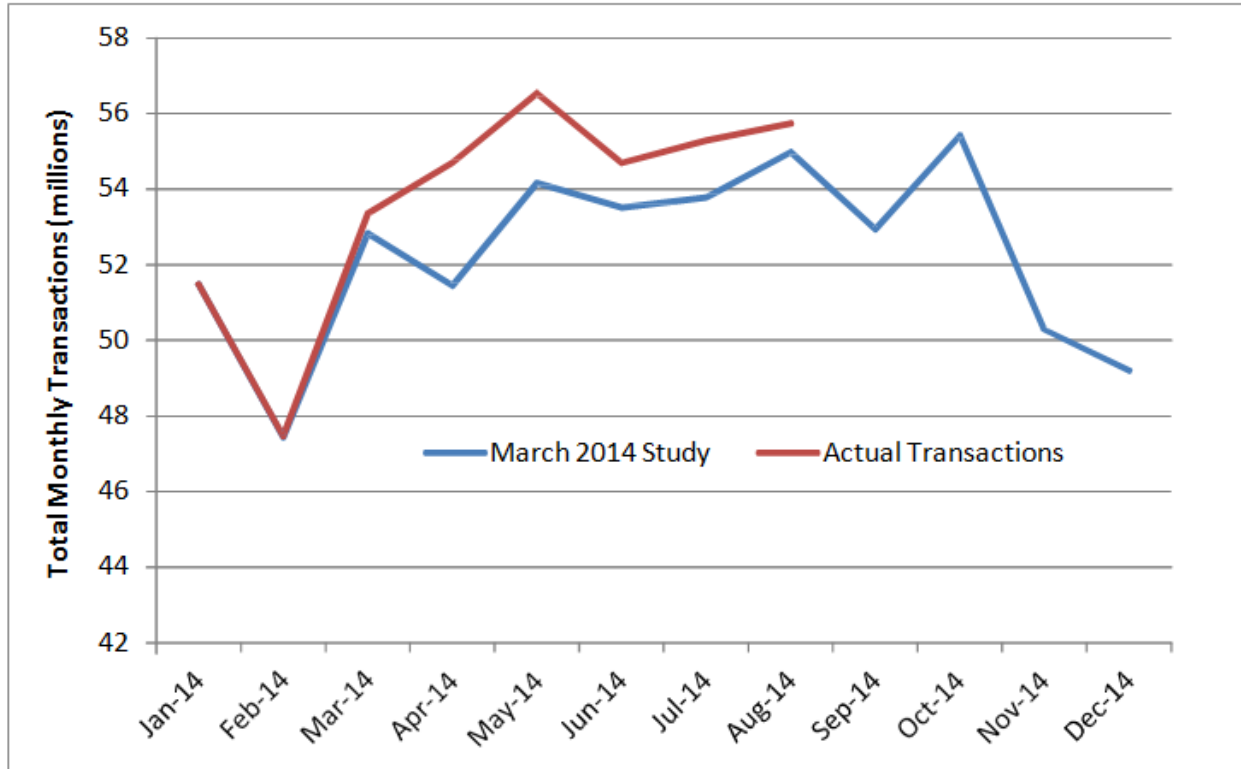


Figure 5. Actual vs. Estimated NTTA System 2014 Transactions

Key Assumptions

As part of the current study, the key input assumptions to the T&R forecasting process were reevaluated and updated as needed. Most of the assumptions either remained consistent with the March 2014 Study or were modified only slightly. However, some changes were made to the planned completion dates of certain capital improvement projects on and near the NTTA System. **Table 1** lists the planned completion dates for some of the key capacity improvement projects that were considered as part of the current study.



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Table 1. Planned Completion Dates for Key Improvement Projects

Facility	Limits/Location	Improvement	Planned Date		Change
			March 2014 Study	Current Study	
LLTB	Corridor Segments 4, 5 and 6	Corridor Expansion	August 2014	March 2015	Delayed 7 Months
SH 161	SH 183 to Belt Line Road	Expansion	January 2015	July 2015	Delayed 6 Months
DNT	Rockhill Parkway	Rockhill Toll Ramps	July 2015	January 2016	Delayed 6 Months
DNT	Keller Springs to PGBT	Lane Expansions	January 2017	April 2017	Delayed 3 Months
PGBT	IH 35E to DNT	Lane Expansions	January 2019	April 2019	Delayed 3 Months
PGBT	DNT to US 75 (Eastbound)	Lane Expansions	January 2019	July 2016	Advanced 30 Months
PGBT	US 75 to SH 78	Lane Expansions	January 2019	April 2019	Delayed 3 Months
DNT	US 380 to FM 428	Phase 4A	January 2020	January 2023	Delayed 3 Years

Based on a review of the recent TollTag shares and revenue recovery trends, CDM Smith has also updated the related assumptions in this forecast. A majority of the V-Toll transactions (transactions that are originally identified as ZipCash transactions but are subsequently determined to be TollTag transactions), pay the TollTag rate. Some V-Toll transactions are charged the ZipCash rate when they are deemed to be habitual V-Toll transactions. In this forecast, the share of V-Toll transactions that pay the ZipCash toll rate was decreased from 1.2 percent to 0.7 percent based on recent trends. In addition, a surprising dampening of the growth in the overall TollTag transaction share on the NTTA System facilities is being seen in recent months, in spite of several efforts over the past few months by the NTTA staff to improve the TollTag shares. We anticipate that this is a temporary phenomenon and that the TollTag share growth will revert back to the assumed growth in the March 2014 Study forecast. To account for this, a one-year lag was applied to the TollTag share growth rates in this new forecast compared to what was assumed in the March 2014 Study.

Below are the key assumptions used as part of this traffic and revenue update, including both those developed collaboratively with NTTA staff and those determined by CDM Smith:

Assumptions Developed Collaboratively with NTTA

- NTTA System-wide toll rate increases on July 1 of every odd year by applying an annual toll increase of 2.75 percent. This is in accordance with the NTTA Board’s adopted toll rate policy
- The SRT Project Agreement between NTTA and Texas Department of Transportation (TxDOT) permits the Authority to implement congestion pricing if certain capacity improvement triggers are met, which is anticipated to occur by January 1, 2019. Congestion pricing is assumed to begin on SRT on July 1, 2019. The following are toll rates assumed on SRT:



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- Peak periods (6:30 a.m. – 9:00 a.m. and 3:00 p.m. – 6:30 p.m.): 1.30 x Maximum Base Toll (MBT)
- Low-volume periods (weekdays from 11:00 p.m. – 5:00 a.m.): 0.80 x MBT
- Off-peak periods (all other times), including holidays and weekends: 1.00 x MBT
- Under the PGBT EE project agreement with TxDOT, NTTA retains 80 percent of the AVI transaction revenue generated by the PGBT EE, and the remaining 20 percent of the AVI transaction revenue is paid to TxDOT. NTTA retains 80 percent of the revenue collected from the ZipCash transactions at the AVI rate, but NTTA retains 100 percent of the toll surcharge collected on ZipCash transactions
- DNT's Rockhill (previously Virginia Parkway) Ramps – toll gantries added to accommodate City of Frisco building Rockhill Parkway; assumed to be complete by December 31, 2015
- DNT expansion to four lanes in each direction between Trinity Mills Road and PGBT (northbound) and between Frankford Road and south of Keller Springs Road (southbound) assumed to be completed by March 31, 2017. The project construction is assumed to begin on September 1, 2015
- Expansion of DNT to four lanes in each direction between Sam Rayburn Tollway and PGBT, including improvements to the DNT/PGBT interchange and opening of the new Windhaven Parkway toll ramps, assumed to be completed by April 1, 2018. There is a ramp reversal between Windhaven and Parker Road. Plano Parkway ramps are assumed to be tolled starting April 1, 2018. Project construction is assumed to begin in April 2015
- DNT Extension Phase 4A between US 380 and FM 428 opens by January 1, 2023
- Expansion of PGBT from three lanes to four lanes in each direction between DNT and US 75 assumed to be completed by July 1, 2016. This project's construction is assumed to begin from January 1, 2015. Expansion of PGBT from three lanes to four lanes in each direction from IH 35E to DNT, and US 75 to SH 78 is assumed to be completed by April 1, 2019. This project's construction is assumed to begin on October 1, 2016
- Capacity improvements on SRT from Denton Creek to DNT from three lanes to four lanes in each direction are assumed to be completed on January 1, 2019. This project's construction is assumed to begin on July 1, 2016. Capacity improvements on SRT from DNT to US 75 from three lanes to four lanes in each direction are assumed to be completed on January 1, 2022. This project's construction is assumed to begin on January 1, 2019
- SH 161 between SH 183 and Belt Line Road is assumed to operate with an additional lane in each direction during weekday peak periods (6:00-10:00 am and 2:00-7:00 pm)



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starting on July 1, 2015. This section is assumed to be expanded to eight lanes by January 1, 2018. From January 1, 2018 the two new lanes added in each direction on this facility are assumed to operate as tolled managed lanes

- SH 190/East Branch from IH 30/PGBT EE to IH 20/Loop 9 opens by January 1, 2028 (as recommended by NCTCOG's Mobility 2035 - 2013 Update)
- Automatic Vehicle Identification (AVI)/Video toll transactions splits are applied on a plaza by plaza basis. AVI (TollTag) shares assumed for T&R forecasting purposes include AVI shares at the lane and all types of V-Toll transaction shares with a three-month lag. Based on the actual data and recent trends, the average NTTA System TollTag share is assumed to be 78.6 percent in 2014. The following are the assumed AVI shares for 2014, shown separately for each facility:

DNT	79.4%
PGBT	78.7%
SRT	78.6%
PGBT EE	73.9%
AATT	79.0%
MCLB	47.7%
LLTB	75.4%
NTTA System	78.6%

- Due to the continued efforts by NTTA staff to improve the AVI transaction shares, it is anticipated that the average AVI transaction shares on all NTTA System facilities will ramp up based on a logistic function from 78.6 percent in 2014 to an average of 81.2 percent in 2020, 83.5 percent in 2030, 84.4 percent in 2040, 84.8 percent in 2050 and 84.9 percent in 2060 and thereafter
- The average NTTA System ZipCash effective revenue recovery rate at one year after the transaction occurred (includes invoiced and un-invoiced transactions and excludes all V-Toll transactions) to be 38 percent in 2014, based on the actual data and recent trends. This estimate is expected to grow to 43.2 percent in 2015, 48.8 percent in 2016 and 49.4 percent in 2017 and thereafter, reflecting the continued efforts by NTTA staff to increase the ZipCash revenue recovery. The effective revenue recovery from TollTag transactions is assumed to be 99.5 percent in all forecast years, based on historical observations
- Projected annual toll revenues included in this letter are revenues projected to be collected in each year (i.e., cash basis) after applying the above-described revenue recovery assumptions to the projected toll transactions for the year
- 2058 is the fiftieth year of operation of SRT as part of the NTTA System. SRT is expected to be returned to TxDOT at the end of August 2058



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CDM Smith Assumptions

- Background network for travel demand modeling is based on NCTCOG’s Mobility 2035 – 2013 Update
- Trip tables are based on NCTCOG's MTP 2035-2013 Update demographics, updated to reflect independent economic review by RDS in 2013
- Truck transaction shares are applied on a plaza by plaza basis and averages for each facility for 2014 are as shown below. It is assumed that these truck shares remain constant throughout the forecast period:

DNT	1.2%
PGBT	2.5%
SRT	3.2%
PGBT EE	2.4%
AATT	0.7%
MCLB	1.0%
LLTB	2.6%
NTTA System	2.1%

- NTTA will employ business rules to encourage increases in TollTag shares on its facilities and to increase the ZipCash toll revenue recovery
- In accordance with the existing practice of the Authority, all NTTA System facilities will be well-maintained, efficiently operated, and effectively signed to encourage maximum usage
- Growth in vehicle operating costs (which include fuel, maintenance, and tires) will not significantly deviate from the assumed inflation rate in the March 2014 Study
- Growth in traveler values of time will not significantly deviate from the assumed rates in the March 2014 Study
- No local, regional, or national emergency will arise which would abnormally restrict the use of motor vehicles

Updated Long-Term Traffic and Revenue Forecasts

The updated long-term traffic and revenue forecasts for each NTTA System facility from 2014 to 2063 are shown in **Table 2** and **Figure 6**. The transaction projections have been updated based on the information available for the March 2014 Study and the recent transaction data provided by NTTA since the completion of that study.

The projections extend from 2014 through 2063, and include the revenue forecasts for DNT, PGBT, AATT, MCLB, LLTB, PGBT EE and SRT. In each case, forecasts for each of the facilities are based on modeled traffic forecasts at each toll collection location, through the year 2035. The



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average toll at each location was based on the current mix of passenger car and commercial vehicle traffic, and the current average tolls, modified in future years to reflect changing assumptions in the proportion of TollTag and ZipCash transaction shares. Toll rates for ZipCash transactions are 50 percent higher than the rates for TollTag transactions (with a minimum differential of \$0.23 in 2013 dollars) in each case.

Forecasts beyond year 2035 are based on nominal assumptions regarding future traffic growth with assumed periodic toll rate increases. As shown in **Table 2**, the estimated annual revenue on the DNT is expected to increase from \$203.5 million in 2014 to \$337.4 million by 2025 and \$504.1 million by 2035. Revenue on the PGBT is expected to be \$187.9 million in 2014, increasing to \$307.2 million by 2025 and \$470.2 million by 2035. Revenue on the SRT is expected to be \$127.3 million in 2014, increasing to \$257.9 million by 2025 and \$421.1 million by 2035. As FY2058 is the end of the fifty-year operational agreement of the SRT between NTTA and TxDOT, revenue from SRT is estimated through August 31, 2058, while the other facilities are assumed to generate revenue for NTTA in perpetuity. The PGBT EE toll revenue included in **Table 2** is the NTTA's share of the toll revenue. Under the PGBT EE project agreement with TxDOT, NTTA retains 80 percent of the AVI transaction revenue generated by the PGBT EE, and the remaining 20 percent of the AVI transaction revenue is paid to TxDOT. NTTA retains 80 percent of the revenue collected from the ZipCash transactions at the AVI rate, but NTTA retains 100 percent of the toll surcharge collected on ZipCash transactions. NTTA's share of the revenue on the PGBT EE is expected to be \$24.7 million in 2014, increasing to \$50.0 million by 2025 and \$82.5 million by 2035. Together, the DNT, PGBT and SRT account for the majority of revenue generated by the NTTA System.

Revenue from the AATT, MCLB and LLTB combined is expected to be about \$6.7 million in 2014. By 2025, this is estimated to reach a combined \$12.8 million and increase in 2035 to \$21.7 million, still a very small share of total NTTA System revenue.



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Table 2. Updated NTTA System Annual Toll Revenue Forecasts by Facility

Year	DNT	PGBT	SRT*	PGBT EE**	AATT-MCLB-LLTB	NTTA System
2014	\$203,544,500	\$187,937,400	\$127,274,200	\$24,672,100	\$6,727,900	\$550,156,100
2015	\$214,358,800	\$199,430,600	\$139,867,300	\$27,546,700	\$7,331,000	\$588,534,400
2016	\$226,615,100	\$208,084,700	\$152,070,300	\$30,149,800	\$7,941,300	\$624,861,200
2017	\$236,871,500	\$215,234,900	\$160,180,800	\$32,262,100	\$8,452,700	\$653,002,000
2018	\$250,336,300	\$221,944,100	\$167,899,900	\$34,339,600	\$8,967,000	\$683,486,900
2019	\$261,862,700	\$232,443,800	\$183,734,300	\$36,204,100	\$9,419,000	\$723,663,900
2020	\$273,111,000	\$244,524,700	\$200,991,600	\$38,247,900	\$9,917,500	\$766,792,700
2021	\$284,633,300	\$255,957,400	\$210,277,200	\$40,359,200	\$10,425,000	\$801,652,100
2022	\$297,419,300	\$268,602,500	\$221,354,900	\$42,679,800	\$10,995,400	\$841,051,900
2023	\$310,666,900	\$280,500,600	\$232,925,700	\$44,942,000	\$11,570,500	\$880,605,700
2024	\$324,139,000	\$293,479,900	\$245,301,200	\$47,425,700	\$12,208,100	\$922,553,900
2025	\$337,439,500	\$307,158,900	\$257,854,500	\$50,024,100	\$12,831,100	\$965,308,100
2026	\$352,101,700	\$322,223,200	\$271,443,700	\$52,856,100	\$13,519,600	\$1,012,144,300
2027	\$366,804,100	\$336,532,000	\$285,058,200	\$55,666,000	\$14,194,900	\$1,058,255,200
2028	\$383,000,000	\$352,236,700	\$299,695,500	\$60,669,700	\$14,937,700	\$1,110,539,600
2029	\$397,861,700	\$367,031,300	\$314,324,400	\$63,692,900	\$15,769,300	\$1,158,679,600
2030	\$414,331,200	\$383,305,900	\$329,166,700	\$66,813,100	\$16,696,800	\$1,210,313,700
2031	\$430,794,400	\$399,241,700	\$345,421,800	\$70,033,500	\$17,552,900	\$1,263,044,300
2032	\$448,920,400	\$416,658,700	\$363,004,200	\$73,499,800	\$18,485,000	\$1,320,568,100
2033	\$466,225,800	\$434,283,100	\$381,162,900	\$76,937,000	\$19,476,100	\$1,378,084,900
2034	\$485,162,700	\$453,419,200	\$400,604,100	\$80,599,100	\$20,558,200	\$1,440,343,300
2035	\$504,123,200	\$470,228,900	\$421,053,000	\$82,505,000	\$21,697,500	\$1,499,607,600
2036	\$524,964,000	\$490,817,400	\$442,916,100	\$86,504,500	\$22,950,300	\$1,568,152,300
2037	\$545,615,800	\$510,678,100	\$464,783,700	\$90,615,300	\$24,170,900	\$1,635,863,800
2038	\$568,361,700	\$532,328,000	\$488,284,000	\$95,010,100	\$25,502,500	\$1,709,486,300
2039	\$591,418,300	\$554,282,500	\$512,337,100	\$99,539,100	\$26,906,200	\$1,784,483,200
2040	\$616,498,800	\$577,982,200	\$537,846,600	\$104,332,900	\$28,429,100	\$1,865,089,600
2041	\$637,512,200	\$598,942,300	\$560,943,900	\$108,579,200	\$29,683,900	\$1,935,661,500
2042	\$660,372,700	\$621,614,000	\$585,447,900	\$113,044,400	\$31,032,400	\$2,011,511,400
2043	\$683,300,900	\$644,321,200	\$611,087,800	\$117,633,500	\$32,316,700	\$2,088,660,100
2044	\$708,572,400	\$669,169,000	\$638,547,000	\$122,496,900	\$33,707,000	\$2,172,492,300
2045	\$732,482,500	\$693,839,800	\$665,035,100	\$127,547,700	\$35,128,100	\$2,254,033,200
2046	\$757,687,600	\$720,756,200	\$693,356,600	\$132,548,500	\$36,589,400	\$2,340,938,300
2047	\$782,060,400	\$747,383,000	\$722,939,500	\$137,487,300	\$38,078,100	\$2,427,948,300
2048	\$808,551,100	\$776,245,700	\$754,445,000	\$142,674,800	\$39,687,800	\$2,521,604,400
2049	\$834,140,800	\$805,194,000	\$786,223,600	\$148,005,600	\$41,216,700	\$2,614,780,700
2050	\$862,372,500	\$836,883,700	\$820,186,200	\$153,646,900	\$42,871,600	\$2,715,960,900
2051	\$889,628,800	\$866,500,300	\$852,886,300	\$159,394,600	\$44,457,300	\$2,812,867,300
2052	\$919,430,100	\$898,482,400	\$887,498,000	\$165,434,100	\$46,167,200	\$2,917,011,800
2053	\$949,000,100	\$929,821,700	\$923,486,400	\$171,631,700	\$47,775,300	\$3,021,715,200
2054	\$981,539,300	\$964,036,500	\$961,932,800	\$178,190,200	\$49,512,300	\$3,135,211,100
2055	\$1,012,659,300	\$998,108,700	\$1,000,707,600	\$184,964,000	\$51,343,400	\$3,247,783,000
2056	\$1,046,921,300	\$1,035,369,200	\$1,042,020,500	\$192,096,100	\$53,334,400	\$3,369,741,500
2057	\$1,079,933,400	\$1,071,580,900	\$1,082,988,200	\$199,256,000	\$55,181,500	\$3,488,940,000
2058	\$1,116,585,600	\$1,111,433,400	\$749,899,600	\$206,887,300	\$57,192,600	\$3,241,998,500
2059	\$1,152,669,800	\$1,150,800,800	\$0	\$214,555,600	\$59,290,400	\$2,577,316,600
2060	\$1,192,321,600	\$1,193,344,600	\$0	\$222,646,800	\$61,564,200	\$2,669,877,200
2061	\$1,230,339,300	\$1,233,886,800	\$0	\$231,022,200	\$63,712,200	\$2,758,960,500
2062	\$1,271,816,900	\$1,277,745,600	\$0	\$239,790,800	\$66,020,200	\$2,855,373,500
2063	\$1,312,585,800	\$1,320,777,300	\$0	\$248,762,700	\$68,400,900	\$2,950,526,700

* SRT revenue for year 2058 includes revenue from January to August only, because FY 2058 is the end of the fifty-year operational agreement of the SRT between NTTA and TxDOT

** NTTA's share of the revenue collected from PGBT EE.

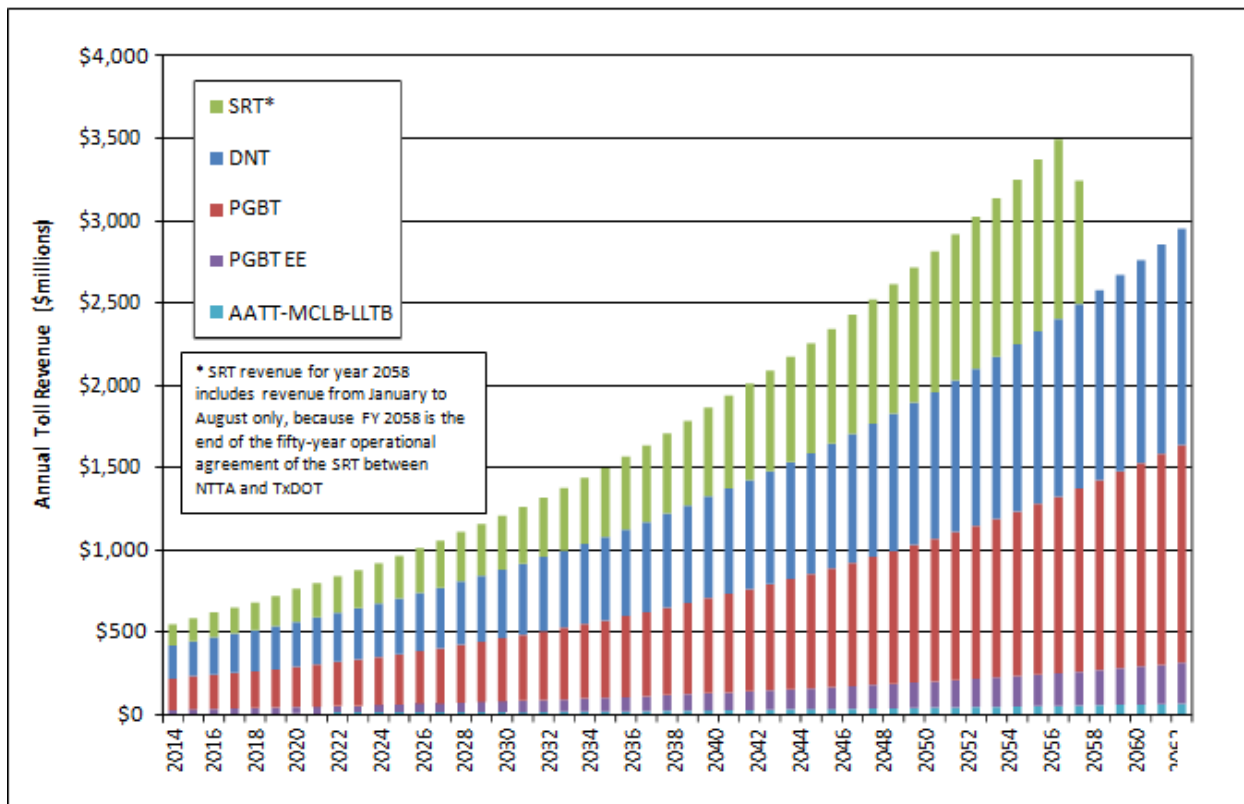


Figure 6. Updated NTTA System Toll Revenue Forecasts by Facility

The estimated annual transactions and toll revenue for the NTTA System are shown in **Table 3**. Total revenue on the existing NTTA System is expected to increase from about \$550.2 million in 2014 to \$965.3 million in 2025 and \$1.50 billion in 2035. Driven by nominal traffic growth and continued assumed modest inflationary adjustments in toll rates, annual revenue on the NTTA System is expected to reach more than \$2 billion per year by 2042.

Table 4 shows the projected annual transaction and revenue growth rates on the NTTA System. Annual transaction and revenue growth rates from 2014 through 2020 are equal to 1.8 percent and 5.7 percent, respectively. The transaction growth during this period captures the demographic growth, continued traffic ramp-up on the SRT and PGBT EE, and the impact of capacity improvements along sections of the DNT, PGBT and SRT that are expected to be implemented in the 2015-2019 timeframe. Revenue growth during this period includes traffic growth, toll rate growth and improvements to effective revenue recovery (due to improvement in AVI transaction shares and the ZipCash revenue recovery); also included are impacts of congestion pricing on SRT which is assumed to start from July 2019. Annual transaction and revenue growth rates from 2020 through 2030 are equal to 1.7 percent and 4.7 percent,



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respectively. The annual transaction growth rates progressively decrease to 1.5 percent between 2030 and 2040, and to 1.0 percent between 2040 and 2050. The corresponding annual growth rates in revenue are 4.4 percent and 3.8 percent respectively, which incorporate the traffic growth and the assumed toll rate increases.

Table 3. Updated NTTA System Annual Toll Transactions and Revenue Forecasts

Year	Toll Transactions	Toll Revenue	Year	Toll Transactions	Toll Revenue
2014	641,789,700	\$550,156,100	2040	979,826,500	\$1,865,089,600
2015	654,792,600	\$588,534,400	2041	989,916,800	\$1,935,661,500
2016	663,701,200	\$624,861,200	2042	1,000,151,200	\$2,011,511,400
2017	671,427,300	\$653,002,000	2043	1,010,617,300	\$2,088,660,100
2018	685,604,900	\$683,486,900	2044	1,021,270,600	\$2,172,492,300
2019	700,063,000	\$723,663,900	2045	1,031,782,400	\$2,254,033,200
2020	712,450,500	\$766,792,700	2046	1,041,554,300	\$2,340,938,300
2021	724,389,300	\$801,652,100	2047	1,051,388,100	\$2,427,948,300
2022	737,245,900	\$841,051,900	2048	1,061,212,500	\$2,521,604,400
2023	750,855,600	\$880,605,700	2049	1,071,473,900	\$2,614,780,700
2024	763,887,400	\$922,553,900	2050	1,081,794,500	\$2,715,960,900
2025	777,396,700	\$965,308,100	2051	1,091,068,300	\$2,812,867,300
2026	791,213,100	\$1,012,144,300	2052	1,100,106,500	\$2,917,011,800
2027	805,302,500	\$1,058,255,200	2053	1,109,557,000	\$3,021,715,200
2028	820,895,400	\$1,110,539,600	2054	1,119,137,400	\$3,135,211,100
2029	833,062,600	\$1,158,679,600	2055	1,128,836,900	\$3,247,783,000
2030	845,428,500	\$1,210,313,700	2056	1,138,714,200	\$3,369,741,500
2031	858,048,700	\$1,263,044,300	2057	1,148,324,400	\$3,488,940,000
2032	870,950,900	\$1,320,568,100	2058	1,060,072,800	\$3,241,998,500
2033	884,287,900	\$1,378,084,900	2059	872,832,500	\$2,577,316,600
2034	897,688,800	\$1,440,343,300	2060	879,008,000	\$2,669,877,200
2035	909,084,800	\$1,499,607,600	2061	884,964,500	\$2,758,960,500
2036	922,510,800	\$1,568,152,300	2062	890,810,500	\$2,855,373,500
2037	936,514,700	\$1,635,863,800	2063	896,588,000	\$2,950,526,700
2038	950,719,500	\$1,709,486,300	Total	45,435,559,400	\$92,147,238,700
2039	965,238,000	\$1,784,483,200			



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Table 4. NTTA System Transactions and Revenue Annual Growth

Period	Annual Transaction Growth (%)	Annual Revenue Growth (%)
2014-2020	1.8	5.7
2020-2030	1.7	4.7
2030-2040	1.5	4.4
2040-2050	1.0	3.8

Table 5 shows comparisons between the updated T&R forecasts included in this letter and the forecasts included in the March 2014 Study. The updated toll transaction forecasts for 2014 and 2015 are 2.3 percent and 2.4 percent greater than the March 2014 Study forecasts and 2.3 percent greater in 2016. Transactions are just 1.4 percent higher in 2017, and the difference drops to just 0.7 percent by 2020. The increase remains at less than 0.7 percent for the remainder of the forecast period. The updated toll revenue forecasts for 2014 and 2015 are 1.7 percent and 2.3 percent higher than the March 2014 Study forecasts and 2.3 percent higher in 2016. The updated toll revenue forecasts are 1.6 percent, 1.1 percent and 0.9 percent higher in 2017, 2018 and 2019, respectively. The new revenue forecasts are less than 0.8 percent greater than the previous forecasts each year from 2020 onward. Overall, from 2014 to 2063 the transactions are 0.6 percent greater and the toll revenue is 0.4 percent greater than the March 2014 Study forecasts.

Table 5. NTTA System Annual T&R Comparisons – Change from March 2014 Study T&R Forecasts

Year	Transactions	Toll Revenue
2014	2.3%	1.7%
2015	2.4%	2.3%
2016	2.3%	2.3%
2017	1.4%	1.6%
2018	0.9%	1.1%
2019	0.7%	0.9%
2020	0.7%	0.7%
2030	0.5%	0.3%
2040	0.4%	0.1%
2050	0.5%	0.3%
2060	0.4%	0.5%
2014-2020	1.5%	1.5%
2014-2063	0.6%	0.4%

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Sensitivity Tests

Several sensitivity test results were included as part of the March 2014 Study to provide the traffic and revenue impacts of changes to some key variables. Two sensitivity tests were conducted as part of the current effort to supplement the tests that were included in the March 2014 Study: (a) network changes related to the Mobility 2035 – 2014 Amendment, including the proposed Blacklands toll road in Dallas, Collin and Hunt Counties and (b) the future implementation of congestion pricing on the Sam Rayburn Tollway.

Mobility 2035 – 2014 Amendment

As mentioned previously, NCTCOG is currently working on an amendment to the current MTP (Mobility 2035 – 2014 Amendment), which is expected to be adopted by the RTC in November. NCTCOG has issued a draft list of changes in the new amendment, which CDM Smith has reviewed. **Figure 7** and **Figure 8** show snapshots of the transportation network related changes expected in the Mobility 2035 – 2014 Amendment in comparison to the Mobility 2035 – 2013 Update. The majority of the updates are minor changes to the background transportation network. However, the amendment also includes the proposed Blacklands toll road, which could potentially impact the NCTTA System’s traffic and revenue performance. This road provides an alternate travel route to IH 30 and US 380, and directly connects to PGBT EE near the Merritt Road mainlane gantry.

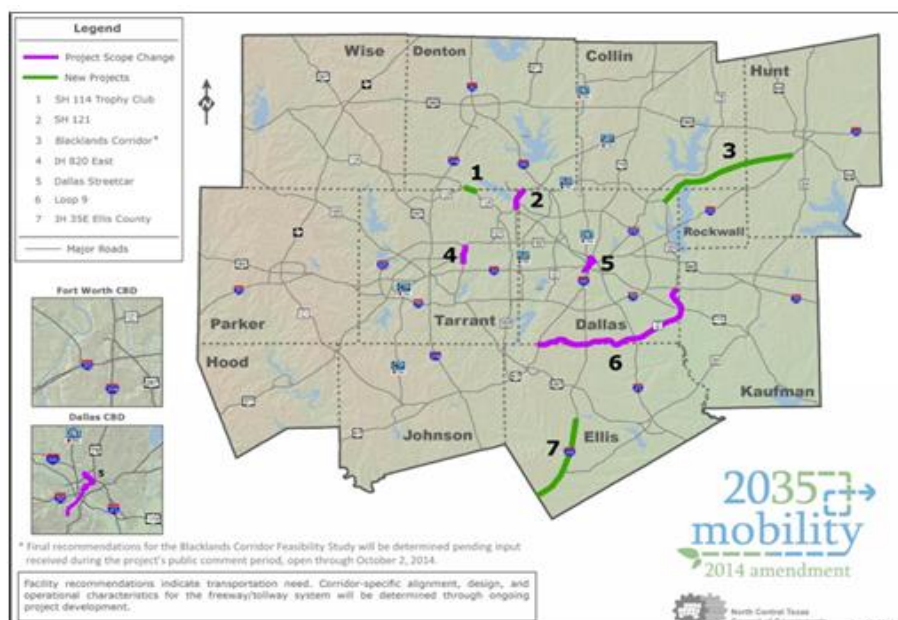


Figure 7. Mobility 2035 – 2014 Amendment Expected Transportation Network Related Scope Changes and New Projects

(Source: http://www.nctcog.org/TRANS/committees/sttc/documents/Item_3.sttc092614.pdf)

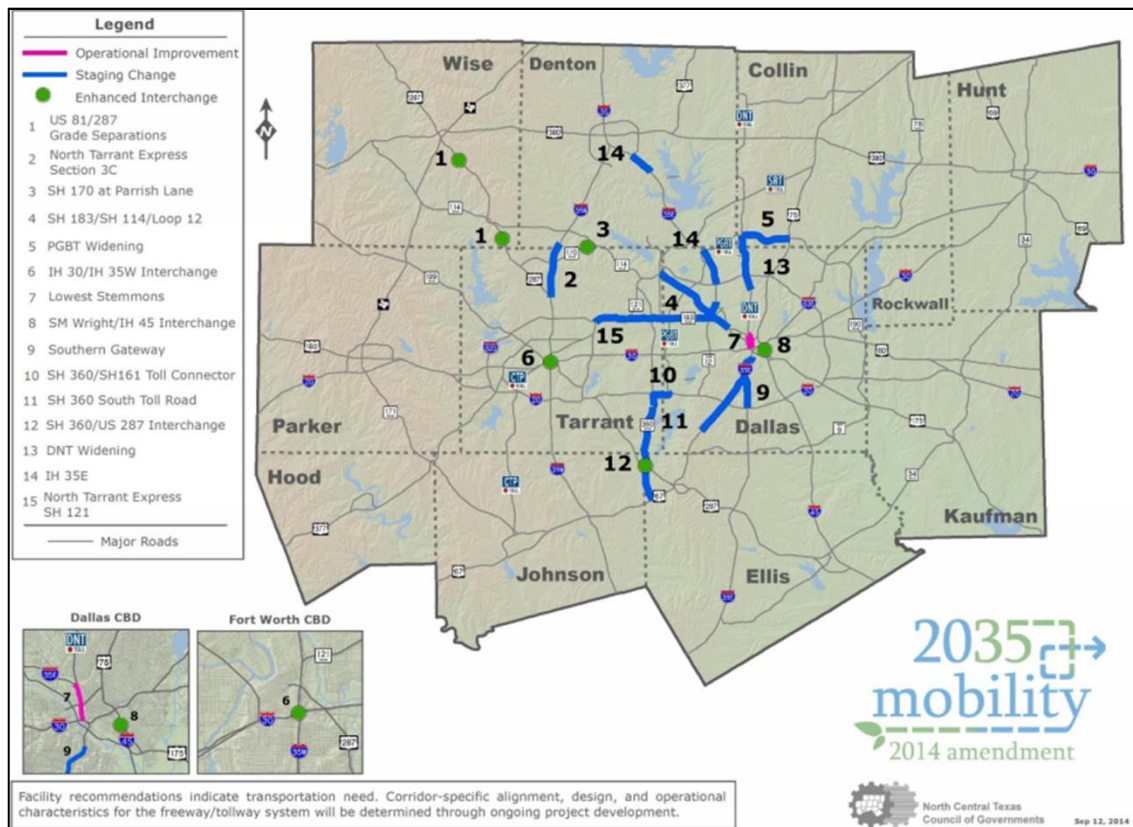


Figure 8. Mobility 2035 – 2014 Amendment Expected Transportation Network Related Staging Changes and Other Localized Improvements

(Source: http://www.nctcog.org/TRANS/committees/sttc/documents/Item_3.sttc092614.pdf)

To determine the potential impact of the proposed Blacklands toll road, a sensitivity test was completed for two years (2020 and 2035). The results of the sensitivity test are shown in **Table 6**. For this test, it is assumed that NTTA will be able to toll and collect revenue from some of the direct connectors to/from the Blacklands toll road so there is no toll-free access to/from the PGBT EE. The results of the test indicate that even though the Blacklands corridor could negatively impact traffic on the southern sections of the PGBT EE, it will increase traffic on the northern sections of the PGBT EE and PGBT, resulting in no material net negative impact to the baseline NTTA System T&R as included in this letter. Overall, impact to the NTTA System T&R is expected to be less than one percent in 2020 and 2035.



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Table 6. Estimated Impacts of Blacklands Toll Road

Year	Revenue		Revenue Index	
	Base	Blacklands Corridor	Base	Blacklands Corridor
2020	\$766,792,700	\$766,025,900	100.0	99.9
2035	\$1,499,607,600	\$1,496,608,400	100.0	99.8
Year	Transactions		Transactions Index	
	Base	Blacklands Corridor	Base	Blacklands Corridor
2020	712,450,500	716,725,200	100.0	100.6
2035	909,084,800	914,539,300	100.0	100.6

Sam Rayburn Tollway Congestion Pricing

One of the key assumptions in the current analysis is the implementation of congestion pricing on SRT in 2019. A sensitivity test was conducted to determine the magnitude of that impact and estimate the total SRT revenue that would be generated in 2020 and 2035 if congestion pricing is not implemented. **Table 7** shows the results of the sensitivity test. If congestion pricing is not used, toll revenue on SRT is expected to be 2.0 percent lower in 2020 and 2.3 percent lower in 2035. However, due to the lower toll rates charged without congestion pricing during peak periods, a small increase in transactions is expected.

Table 7. Estimated Impacts of SRT Congestion Pricing

Year	Revenue		Revenue Index	
	Base	No SRT Congestion Pricing	Base	No SRT Congestion Pricing
2020	\$766,792,700	\$751,456,800	100.0	98.0
2035	\$1,499,607,600	\$1,465,116,600	100.0	97.7
Year	Transactions		Transactions Index	
	Base	No SRT Congestion Pricing	Base	No SRT Congestion Pricing
2020	712,450,500	716,725,200	100.0	100.6
2035	909,084,800	914,539,300	100.0	100.6

Conclusion and Recommendations

While the state of the North Texas economy, population and employment growth, specifically along the NTTA System corridors, are critical to the transactions and revenue on NTTA System facilities, the following are other critical parameters that will continue to have a material impact on the NTTA System T&R:

- AVI transaction shares and ZipCash revenue recovery rates
- Growth in the NTTA System toll rates, including congestion pricing (assumed on the SRT from 2019 onwards in the March 2014 Study and this letter), and toll rates on the several non-NTTA managed lane facilities that will open in the next few years



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- Growth in the perceived NTTA System traveler values of time
- Gasoline prices
- Truck traffic usage on NTTA System facilities
- Regional air quality requirements and the regional MTP
- The timing of capacity improvements along sections of DNT, PGBT and SRT; impacts that the associated construction activities will have on the flow of NTTA System traffic during construction
- Improvements or openings of complementary and competing transportation facilities along the existing NTTA System corridors; impacts the associated construction activities will have on the NTTA System's traffic and revenue. The critical non-NTTA System roadway facilities/improvements that could materially impact NTTA System's traffic and toll revenue include the SH 161 Three-Mile-Section, PGBT Western Extension, DNT Extension Phase 4A/4B/5, IH 635 Project, DFW Connector Project, US 75, IH 35E Managed Lanes Project, SH 183 Managed Lane Project and State Highway 190/East Branch

In summary, based on the evaluation of the new information that has become available since the completion of the March 2014 Study, CDM Smith recommends that the NTTA System traffic and revenue forecasts included in **Table 3** in this letter be used to support the issuance of the upcoming Series 2014 Bonds.

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

Very truly yours,

Kamran Khan Senior
Vice President CDM
Smith, Inc.



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DISCLAIMER

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

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

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

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

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

Appendix E: Long Term Financial Plan

INTRODUCTION

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

Historically, the Authority has mainly concentrated on preparing budgets for the ensuing fiscal year. The process of developing a formal five-year capital plan was initiated in late FY2009 and was finalized in the third quarter of FY2010. The All Funds Long Term Financial Projections included in this section are summary pages from the 2015-2019 Five-Year Capital Plan. The five-year plan is adopted by the Board, and changes to the plan require Board approval.

REVENUE FUND LONG TERM PLAN

The majority, about 96.2%, of revenue in the long-term revenue plan is the toll revenue estimate provided by the Traffic and Revenue Engineers. The estimated other revenues, about 2.6%, are provided by the Authority and include video tolling fees and other charges, and estimated projected interest earnings at 1.2% on the First and Second Tier Debt Service Funds and an estimated balance of \$180.6 million in the Capital Improvement Fund. Total revenue growth is expected to average 5.8% per year between FY2014 and FY2018. All NTTA revenues on deposit in the Revenue Fund must be distributed to the other funds in accordance to the Trust Agreement.

OPERATIONS AND MAINTENANCE FUND LONG TERM PLAN

The operations and maintenance fund long-term plan encompasses all the day-to-day expenses of operating the Authority. The majority of these expenditures are related to employee compensation, retirement, and health and well-fare benefits; which account for about 40.5% of operating cost.

The estimated operating expenses for the year are prepared by the individual departments and are compared to the General Consultant Engineer's estimated amount. The operating expenses are expected to increase an average of 3% per year between FY2014 and FY2018.

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

DEBT SERVICE FUNDS LONG TERM PLAN

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

RESERVE MAINTENANCE FUND LONG TERM PLAN

This is the Authority's long-term plan for the renewal and replacement of capital assets. The Authority elected to use the Modified Approach to account for maintenance of the Authority's infrastructure assets. As required by the Trust Agreement, an annual inspection of the Authority's roadways is

conducted by the Authority's General Engineering Consultant. This inspection provides an overall rating, indicating the average condition of all of the Authority's infrastructure assets (roadways, bridges, and facilities). The assessment of conditions is made by visual and mechanical tests designed to reveal any condition that would reduce user benefits below the maximum level of service. The Authority's goal is to maintain the Authority's infrastructure assets at a rating of 8 or better (on a 1 to 10 scale), and has established a minimum level for GASB No. 34 purposes of a condition level of 6 or greater. These condition levels were adopted by the Board of Directors by Resolution No. 02-31 on June 19, 2002 and were further clarified by Resolution No. 07-169 on December 19, 2008.

About 85% of the Reserves Maintenance Fund expenditures are identified through the annual inspection of the systems assets. The replacement of information technology hardware and software accounts for another 8%. The FY2014 through FY2018 projected amounts will be adjusted based on the previous year's inspection report.

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

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

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

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

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

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

NTTA SYSTEM CONSTRUCTION FUNDS AND SPECIAL PROJECTS SYSTEM CONSTRUCTION FUNDS LONG TERM PLAN

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

LONG TERM FINANCIAL PLANS - OPERATING REVENUES

FISCAL YEARS	2014	2015	2016	2017	2018	2019	Five Year Totals 2015- 2019
REVENUE FUND							
Estimated Beginning Available Cash Balance	-	-	-	-	-	-	-
INFLOWS							
Estimated Toll Revenues	540,838,800	575,026,700	610,628,000	642,687,200	676,136,700	717,447,100	3,221,925,700
Estimated Other Revenues	20,373,853	19,833,630	27,629,720	29,251,220	30,731,249	30,836,318	138,282,137
TOTAL INFLOWS	561,212,653	594,860,330	638,257,720	671,938,420	706,867,949	748,283,418	3,360,207,837
OUTFLOWS							
Transfer to:	-	-	-	-	-	-	-
TOTAL OUTFLOWS	-	-	-	-	-	-	-
Total Revenues Available for Operations	561,212,653	594,860,330	638,257,720	671,938,420	706,867,949	748,283,418	3,360,207,837

LONG TERM FINANCIAL PLANS - OPERATING EXPENDITURES

FISCAL YEARS	2014	2015	2016	2017	2018	2019	Five Year Totals 2015-2019
Total Revenues Available for Operations	561,212,653	594,860,330	638,257,720	671,938,420	706,867,949	748,283,418	3,360,207,837
OPERATIONS AND MAINTENANCE FUND							
Estimated Beginning Available Cash Balance	13,016,648	23,320,000	23,320,000	23,327,000	24,000,400	24,384,900	23,320,000
INFLOWS							
Transfer from Revenue Fund	121,503,352	133,701,471	133,641,600	138,317,000	140,157,500	142,381,280	688,198,851
Inter-Fund Transfers	6,000,000	6,180,000	6,365,400	6,556,400	6,753,000	6,955,600	32,810,400
TOTAL INFLOWS	127,503,352	139,881,471	140,007,000	144,873,400	146,910,500	149,336,880	721,009,251
OUTFLOWS							
Estimated Operating Expenses	(117,200,000)	(139,881,471)	(140,000,000)	(144,200,000)	(146,526,000)	(148,921,780)	(719,529,251)
TOTAL OUTFLOWS	(117,200,000)	(139,881,471)	(140,000,000)	(144,200,000)	(146,526,000)	(148,921,780)	(719,529,251)
Estimated Ending Available Cash Balance	23,320,000	23,320,000	23,327,000	24,000,400	24,384,900	24,800,000	24,800,000
Ending Balances greater than 10% minimum		-	-	-	-	-	
Net Revenues Available for Debt Service	439,709,301	461,158,859	504,616,120	533,621,420	566,710,449	605,902,138	2,672,008,986

LONG TERM FINANCIAL PLANS - DEBT SERVICE

FISCAL YEARS	2014	2015	2016	2017	2018	2019	Five Year Totals 2015-2019
Net Revenues Available for Debt Service	439,709,301	461,158,859	504,616,120	533,621,420	566,710,449	605,902,138	2,672,008,986
DEBT SERVICE FUNDS							
Estimated Beginning Available Cash Balance	-	-	-	-	-	-	-
INFLOWS							
Transfer from Capital Improvement Fund	-						-
Capitalized interest transfer	-						-
Transfer from Revenue Fund	331,963,640	360,593,948	381,850,263	384,009,409	432,043,998	439,070,786	1,997,568,404
TOTAL INFLOWS	331,963,640	360,593,948	381,850,263	384,009,409	432,043,998	439,070,786	1,997,568,404
OUTFLOWS							
1st Tier Net Debt Service	(273,925,365)	(302,555,673)	(323,811,988)	(325,971,134)	(374,005,723)	(381,032,511)	(1,707,377,029)
2nd Tier Net Debt Service	(58,038,275)	(58,038,275)	(58,038,275)	(58,038,275)	(58,038,275)	(58,038,275)	(290,191,375)
3rd Tier Net Debt Service	-	-	-	-	-	-	-
TOTAL OUTFLOWS	(331,963,640)	(360,593,948)	(381,850,263)	(384,009,409)	(432,043,998)	(439,070,786)	(1,997,568,404)
Estimated Ending Available Cash Balance	-	-	-	-	-	-	-
Net Revenues Available for Major Maintenance Projects	107,745,661	100,564,911	122,765,857	149,612,011	134,666,451	166,831,352	674,440,582
First Tier Debt Service Coverage	1.61	1.52	1.56	1.64	1.52	1.59	1.56
First & Second Tier Debt Service Coverage	1.32	1.28	1.32	1.39	1.31	1.38	1.34
All Debt Service Coverage	1.21	1.18	1.22	1.28	1.22	1.28	1.29
CIF Subordinated Debt Coverage	1.21	1.18	1.17	1.23	1.16	1.20	1.25

LONG TERM FINANCIAL PLANS - RESERVE MAINTENANCE PROJECTS

FISCAL YEARS	2014	2015	2016	2017	2018	2019	Five Year Totals 2015-2019
Net Revenues Available for Reserve Maintenance Projects	107,745,661	100,564,911	122,765,857	149,612,011	134,666,451	166,831,352	674,440,582
RESERVE MAINTENANCE FUND							
Estimated Beginning Available Cash Balance	41,425,554	25,464,563	1,049,581	-	-	-	25,464,563
INFLOWS							
Transfer from Revenue Fund	-	-	18,833,312	15,913,309	20,511,134	28,116,655	83,374,410
TOTAL INFLOWS	-	-	18,833,312	15,913,309	20,511,134	28,116,655	83,374,410
OUTFLOWS							
RMF Project Expenses	(12,136,208)	(21,820,524)	(17,923,600)	(13,895,238)	(18,432,521)	(25,975,683)	(98,047,566)
RMF 2013 Carryover Expenses	(2,638,000)	-	-	-	-	-	-
RMF 2014 Carryover Expenses	660,000	(660,000)	-	-	-	-	(660,000)
RMF Professional Fees	(58,400)	(92,424)	(61,997)	(63,857)	(65,772)	(67,745)	(351,795)
RMF Salaries/Wages	(1,788,383)	(1,842,034)	(1,897,296)	(1,954,214)	(2,012,841)	(2,073,226)	(9,779,611)
TOTAL OUTFLOWS	(15,960,991)	(24,414,982)	(19,882,893)	(15,913,309)	(20,511,134)	(28,116,655)	(108,838,973)
Estimated Ending Available Cash Balance	25,464,563	1,049,581	-	-	-	-	-
Ending Balances greater than 10% minimum (1)		(24,414,982)	(1,049,581)				
RMF Reserve Account							
Estimated Ending Cash Balance/RMF Reserve	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Net Revenues Available for Capital Improvement Projects	107,745,661	100,564,911	103,932,545	133,698,702	114,155,317	138,714,697	591,066,172

(1) The greater than 10% change in 2015 and 2016 is due to the Authority's financial plan of pre-funding RMF to facilitate the issuance of subordinated debt.

LONG TERM FINANCIAL PLANS - CAPITAL IMPROVEMENT PROJECTS

FISCAL YEARS	2014	2015	2016	2017	2018	2019	Five Year Totals 2015-2019
Net Revenues Available for Capital Improvement Projects	107,745,661	100,564,911	103,932,545	133,698,702	114,155,317	138,714,697	591,066,172
CAPITAL IMPROVEMENT FUND							
Estimated Beginning CIF Uncommitted Cash Balance	130,272,811	117,395,564	17,930	29,992	2,455	51,010	117,395,564
INFLOWS							
Transfer from Revenue Fund	107,745,661	100,564,911	103,932,545	133,698,702	114,155,317	138,714,697	591,066,172
CIF Bond Payment Account Release	-	-	-	-	-	-	-
Commercial Paper Issue	-	4,350,000	98,150,000	3,500,000	-	-	106,000,000
Reimbursement from City of Plano ILA - DNT/PGBT for Expenditures	-	-	-	5,000,000	-	-	5,000,000
TOTAL INFLOWS	107,745,661	104,914,911	202,082,545	142,198,702	114,155,317	138,714,697	702,066,172
OUTFLOWS							
Transfer to Bond Payment Account	(23,832,071)	(23,416,150)	(23,416,150)	(23,416,150)	(23,416,150)	(23,416,150)	(117,080,750)
ISTEA Payment	(8,000,000)	(8,000,000)	(8,000,000)	(9,000,000)	(10,500,000)	(12,250,000)	(47,750,000)
LOC Fees	(2,200,000)	(2,000,000)	-	-	-	-	(2,000,000)
Commercial Paper	-	-	-	-	(18,900,000)	(37,600,000)	(56,500,000)
CIF Project Expenses	(55,190,877)	(179,686,993)	(163,639,400)	(103,880,525)	(53,001,101)	(32,843,256)	(533,051,275)
CIF Professional Fees	(662,291)	(3,156,782)	(1,963,673)	(1,246,566)	(636,013)	(394,119)	(7,397,153)
CIF Salaries/Wages	(2,633,164)	(2,941,621)	(3,029,870)	(3,120,766)	(3,214,389)	(3,310,820)	(15,617,465)
Transfer to NTTA System Construction Funds	-	-	-	-	(2,834,810)	(27,364,500)	(30,199,310)
Transfer to Corridors Under Study	(1,059,000)	(551,000)	(660,000)	(160,000)	(160,000)	(10,000)	(1,541,000)
Transfer to Feasibility Study Fund	(1,446,738)	(2,540,000)	(1,361,390)	(1,402,232)	(1,444,299)	(1,487,628)	(8,235,549)
TOTAL OUTFLOWS	(95,024,141)	(222,292,546)	(202,070,482)	(142,226,239)	(114,106,762)	(138,676,473)	(819,372,502)
Transfer to North Tarrant Express Escrow Account	(25,598,767)	-	-	-	-	-	-
Transfer to Bond Payment Account	-	-	-	-	-	-	-
Estimated Ending CIF Uncommitted Cash Balance	117,395,564	17,930	29,992	2,455	51,010	89,235	89,235
-							
CIF Bond Payment Account							
Estimated Beginning CIF Bond Payment Account Cash Balance	11,292,154	11,708,075	11,708,075	11,708,075	11,708,075	11,708,075	11,708,075
Transfers from CIF Cash Account	23,832,071	23,416,150	23,416,150	23,416,150	23,416,150	23,416,150	117,080,750
CIF Subordinated Debt Payment	(23,416,150)	(23,416,150)	(23,416,150)	(23,416,150)	(23,416,150)	(23,416,150)	(117,080,750)
Estimated Ending CIF Bond Payment Account Cash Balance	11,708,075	11,708,075	11,708,075	11,708,075	11,708,075	11,708,075	11,708,075
-							
CIF Rainy Day Fund Account							
Estimated Beginning CIF Rainy Day Fund Account Cash Balance	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000
Transfers from CIF Cash Account	-	-	-	-	-	-	-
Transfers to CIF Cash Account	-	-	-	-	-	-	-
Estimated Ending CIF Rainy Day Fund Account Cash Balance	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000
Estimated Ending Total CIF Cash Balances	179,103,639	61,726,005	61,738,067	61,710,530	61,759,085	61,797,310	61,797,310
Ending Balances greater than 10% minimum (1)		(117,377,635)	-	-	-	-	
(1) The greater than 10% change is due to the Authority's long term financial plan of paying for capital improvements without issuing long term debt.							

LONG TERM FINANCIAL PLANS - FEASIBILITY STUDIES

FISCAL YEARS	2014	2015	2016	2017	2018	2019	Five Year Totals 2015-2019
REVOLVING ACCOUNT - FEASIBILITY STUDY FUND							
Estimated Beginning Available Cash Balance	-	-	-	-	-	-	-
INFLOWS							
Bond Issues							-
Transfer from Capital Improvement Fund	1,446,738	2,540,000	1,361,390	1,402,232	1,444,299	1,487,628	8,235,549
TOTAL INFLOWS	1,446,738	2,540,000	1,361,390	1,402,232	1,444,299	1,487,628	8,235,549
OUTFLOWS							
Professional Fees	(390,619)	(690,000)	(367,575)	(378,603)	(389,961)	(401,659)	(2,227,798)
Legal fees	(173,609)	(300,000)	(163,367)	(168,268)	(173,316)	(178,515)	(983,466)
Traffic Engineering Fees	(882,510)	(1,550,000)	(830,448)	(855,361)	(881,022)	(907,453)	(5,024,285)
TOTAL OUTFLOWS	(1,446,738)	(2,540,000)	(1,361,390)	(1,402,232)	(1,444,299)	(1,487,628)	(8,235,549)
Estimated Ending Available Cash Balance	-	-	-	-	-	-	-

LONG TERM FINANCIAL PLANS - NTTA SYSTEM CONSTRUCTION PROJECTS

FISCAL YEARS	2014	2015	2016	2017	2018	2019	Five Year Totals 2015-2019
CONSTRUCTION FUNDS - NTTA SYSTEM							
Estimated Beginning Available Cash Balance	77,817,482	73,009,563	64,099,165	50,854,190	23,984,365	-	73,009,563
INFLOWS							
Reimbursement Agreements:							-
Denton County ILA - DNT Phase 4B	400,000	1,600,000	5,440,000	9,840,000	3,965,000	455,000	21,300,000
TxDOT - SRT	1,797,795	-	-	-	-	-	-
Transfer from Capital Improvement Fund		-		-	2,834,810	27,364,500	30,199,310
Bond Issues						40,000,000	40,000,000
TOTAL INFLOWS	2,197,795	1,600,000	5,440,000	9,840,000	6,799,810	67,819,500	91,499,310
OUTFLOWS							
Allocated Cost: Salaries, Professional Fees, Legal Fees	(744,514)	(1,364,598)	(169,975)	(344,825)	(344,175)	(864,500)	(3,088,073)
LOC Fees	(2,950,000)	(2,385,000)	-	-	-	-	(2,385,000)
LLTB Expenses	(50,000)	-	-	-	-	-	-
SRT Expenses	(486,200)	(3,457,200)	(13,075,000)	(26,525,000)	(26,475,000)	(26,500,000)	(96,032,200)
PGBT EE Expenses	(2,175,000)	(293,600)	-	-	-	-	(293,600)
Trinity Parkway Expenses	-	-	-	-	-	(40,000,000)	(40,000,000)
SH 170 Expenses	-	-	-	-	-	-	-
SH 190 Expenses	-	-	-	-	-	-	-
DNT Phase 4A Expenses	-	-	-	-	-	-	-
DNT Phase 4B/5A Expenses	(400,000)	(1,600,000)	(5,440,000)	(9,840,000)	(3,965,000)	(455,000)	(21,300,000)
DNT Phase 3 Expenses	(200,000)	(1,410,000)	-	-	-	-	(1,410,000)
TOTAL OUTFLOWS	(7,005,714)	(10,510,398)	(18,684,975)	(36,709,825)	(30,784,175)	(67,819,500)	(164,508,873)
Estimated Ending Available Cash Balance	73,009,563	64,099,165	50,854,190	23,984,365	-	-	-
Ending Balances greater than 10% minimum (1)		(8,910,398)	(13,244,975)	(26,869,825)	(23,984,365)	-	
(1) The greater than 10% change is due to the normal process of issuing debt and payments for construction projects.							

LONG TERM FINANCIAL PLANS - SPECIAL PROJECTS SYSTEM CONSTRUCTION PROJECTS

FISCAL YEARS	2014	2015	2016	2017	2018	2019	Five Year Totals 2015-2019
SPECIAL PROJECT SYSTEM - President George Bush Turnpike - Western Extension							
Estimated Beginning Available Cash Balance September 1	36,205,800	29,087,956	26,036,847	25,735,787	25,678,312	24,448,754	29,087,956
INFLOWS							
Regional Transportation Commission Contribution	-	-	-	-	-	-	-
Equity Contribution from NTTA System	-	-	-	-	-	-	-
PGBT-WE Revenue Distribution	-	-	-	-	-	-	-
Transfer from CTP Construction Fund	-	-	-	-	-	-	-
TIFIA Loan	-	-	-	-	-	-	-
Bond Issues	-	-	-	-	-	-	-
TOTAL INFLOWS	-	-	-	-	-	-	-
OUTFLOWS							
PGBT-WE Expenses	(3,780,000)	(2,229,600)	(220,000)	(42,000)	(898,500)	(6,269,790)	(9,659,890)
Payments to TxDOT	-	-	-	-	-	-	-
Transfer to CEF	(2,129,569)	-	-	-	-	-	-
Allocated Cost: Salaries, Professional Fees, Legal Fees	(1,208,275)	(821,509)	(81,060)	(15,475)	(331,058)	(2,310,140)	(3,559,242)
Bond Issuance Cost	-	-	-	-	-	-	-
TOTAL OUTFLOWS	(7,117,844)	(3,051,109)	(301,060)	(57,475)	(1,229,558)	(8,579,930)	(13,219,132)
Estimated Ending Available Cash Balance August 31	29,087,956	26,036,847	25,735,787	25,678,312	24,448,754	15,868,824	15,868,824
Ending Balances greater than 10% minimum (1)		(3,051,109)	-	-	-	(8,579,930)	
(1) The greater than 10% change is due to the normal process of issuing debt and payments for construction projects.							
SPECIAL PROJECT SYSTEM - Chisholm Trail Parkway							
Estimated Beginning Available Cash Balance September 1	338,037,941	89,041,734	50,450,915	48,482,093	48,297,573	48,297,573	89,041,734
INFLOWS							
Reimbursement Agreements							
TxDOT formal Agreement	-	-	-	-	-	-	-
Developer Improvement Reimbursement	-	658,900	-	-	-	-	658,900
Johnson County	-	-	-	-	-	-	-
City of Fort Worth	-	5,100,600	-	-	-	-	5,100,600
Transfer from Capital Improvement Fund	-	-	-	-	-	-	-
Bond Issues	-	-	-	-	-	-	-
TOTAL INFLOWS	-	5,759,500	-	-	-	-	5,759,500
OUTFLOWS							
CTP Expenses	(245,543,000)	(41,439,850)	(1,792,900)	(122,500)	-	-	(43,355,250)
Transfer to PGBT-WE Construction Fund	-	-	-	-	-	-	-
Allocated Cost: Salaries, Professional Fees, Legal Fees	(3,453,207)	(2,910,469)	(175,922)	(62,020)	-	-	(3,148,411)
TOTAL OUTFLOWS	(248,996,207)	(44,350,319)	(1,968,822)	(184,520)	-	-	(46,503,661)
Estimated Ending Available Cash Balance August 31	89,041,734	50,450,915	48,482,093	48,297,573	48,297,573	48,297,573	48,297,573
Ending Balances greater than 10% minimum (1)		(38,590,819)	-	-	-	-	
(1) The greater than 10% change is due to the normal process of issuing debt and payments for construction projects.							

LONG TERM FINANCIAL PLANS - CORRIDORS UNDER STUDY

FISCAL YEARS	2014	2015	2016	2017	2018	2019	Five Year Totals 2015-2019
Corridors Under Study Fund							
Estimated Beginning Available Cash Balance	-	-	-	-	-	-	-
INFLOWS							
Reimbursement Agreements:							
TxDOT - Trinity Parkway	2,600,000	-	-	-	-	-	-
TxDOT - SH360	-	-	-	-	-	-	-
Denton County	-	-	-	-	-	-	-
Transfer from Capital Improvement Fund	1,059,000	551,000	660,000	160,000	160,000	10,000	1,541,000
Bond Issues	-	-	-	-	-	-	-
TOTAL INFLOWS	3,659,000	551,000	660,000	160,000	160,000	10,000	1,541,000
OUTFLOWS							
SH 360	(50,000)	(100,000)	(100,000)	(100,000)	(100,000)	-	(400,000)
SH 170	(225,000)	(381,000)	-	-	-	-	(381,000)
SH 190/PGBT EE - East Branch	-	-	(250,000)	-	-	-	(250,000)
DNT Phase 4A	(19,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(50,000)
DNT Phase 4B-5A	-	-	-	-	-	-	-
Trinity Parkway	(3,365,000)	(60,000)	(50,000)	(50,000)	(50,000)	-	(210,000)
Outer Loop Southeast (Loop 9)	-	-	(250,000)	-	-	-	(250,000)
Collin County Outer Loop Southwest	-	-	-	-	-	-	-
TOTAL OUTFLOWS	(3,659,000)	(551,000)	(660,000)	(160,000)	(160,000)	(10,000)	(1,541,000)
Estimated Ending Available Cash Balance	-	-	-	-	-	-	-

Appendix F: Impact of Capital Expenditures on Operations

INTRODUCTION

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

NEW ROADWAY CONSTRUCTION/FACILITIES

As the NTTA grows, new road construction and existing road expansions are expected to occur. When additional lane miles are added, a significant increase in operations cost is also expected. NTTA budgets approximately \$155,000 for each lane mile. This cost represents the marginal increase for adding an additional lane mile and has remained relatively steady over the past three years.

As the number of lane miles grow, it is necessary to add additional facilities to sustain the new lane miles. At the end of FY2013, an operations facility was opened along the Sam Rayburn Tollway. This facility gives personnel assigned to the SRT a base of operations close to the project for more efficient operations and quicker response time to any safety issues.

Estimated Impact of Capital Improvements on Operating Budget					
Construction Project	Years				
	2011	2012	2013	2014	2015
President George Bush Turnpike - Eastern Extension	\$ 3,788,290	\$ 8,888,033	\$ 9,342,954	\$ 9,644,348	\$ 10,599,255
Sam Rayburn Tollway	\$ 595,000	\$ 1,026,363	\$ 1,042,450	\$ 4,489,175	\$ 7,544,200
Total	\$ 4,383,290	\$ 9,914,396	\$ 10,385,404	\$ 14,133,523	\$ 18,143,455

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

Beginning in FY2008, the NTTA began converting its existing toll collection system into a cashless tolling or all-electronic (all-ETC) system. The main conversion was completed in early FY2011, providing customers with improved traffic flow, improved air quality, reduced travel time and enhanced safety. This project had a major impact on the operations of the NTTA. The Toll Collection and Vault departments were eliminated, and some of the employees transitioned into new positions. The Customer and Support Services Department saw a significant increase in the number and type of customer contacts and was restructured to accommodate the changes.

The conversion to all-ETC is expected to result in net present value savings of \$350 to \$507 million in operations and infrastructure maintenance cost between FY2011 and FY2045.

EQUIPMENT/HARDWARE/SOFTWARE ENHANCEMENTS

The NTTA is in the process of enhancing its RITE System, which is a proprietary system that is the core of NTTA's revenue collection. The enhancement will allow the system to better handle the conversion to all-ETC.

PeopleSoft Financials is being re-implemented to take full advantage of the various modules of the software. Included is a move to new budgeting software that will allow for more efficient planning. Once complete, the Finance department should be able to automate many of the manual processes used today.

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

Estimated Impact of Software and Enhancement					
Capital Expenditures on Operating Budget					
Project	Years				
	2011	2012	2013	2014	2015
Annual Support and Maintenance	\$ 1,426,888	\$ 433,556	\$ 400,240	\$ 441,346	\$ 449,764
<p>2011 shows the initial impact of the purchase, with the subsequent years showing the estimated increases required.</p>					

Appendix G: Operation and Maintenance Fund FY2014 Estimated Costs

Account	Administration	Board	Shared Svcs	Customer and Support Services	Finance	Human Resources
Salaries and Wages-Direct - (511101)	\$297,208	\$60,034	\$0	\$9,579,239	\$2,656,071	\$821,704
Salaries and Wages-Comp Adj. - (511103)	0	0	0	0	0	0
Salaries and Wage-Overtime - (511301)	0	0	0	382,831	723	234
Group Insurance - (512101)	0	0	6,029,923	0	0	0
Retirement Contributions - (512401)	36,166	7,897	0	1,271,345	366,003	96,779
Retirement Contr.-Comp. Adj. - (512403)	0	0	0	0	0	0
OPEB Annual Req'd Contribution - (512602)	0	0	3,933,001	0	0	0
Tuition Reimbursement - (512501)	0	0	0	0	0	31,523
Unemployment Insurance - (512601)	0	0	123,005	0	0	0
Worker's Comp Ins - (512701)	0	0	290,656	0	0	0
Meeting Expense - (521101)	2,187	58,680	0	20,058	6,781	7,866
Consulting/Professional - (521201)	0	0	0	5,612,205	251,600	140,000
Legal Fees - (521202)	0	0	0	0	0	0
Auditing Fees - (521203)	0	0	0	0	0	0
Trustee Fees - (521204)	0	0	0	0	70,000	0
Traffic Engineering Fees - (521207)	0	0	0	0	729,650	0
Police Services (DPS) - (521208)	0	0	0	0	0	0
Armored Car Services - (521209)	0	0	0	19,497	0	0
Outside Maintenance Services - (521212)	0	0	0	0	0	0
Landscaping - (522202)	0	0	0	0	0	0
Rentals - Land - (522301)	0	0	0	0	0	0
Rentals - Equipment - (522302)	0	0	103,139	30,838	0	0
Insurance Expense - Other - (523101)	0	0	0	0	0	0
Postage - (523201)	0	0	0	7,215,060	0	0
Telecommunications - (523202)	0	0	0	0	0	0
Recruitment - (523301)	0	0	0	0	0	150,015
Magazine and Newspaper - (523302)	0	0	0	0	982	18,433
Television & Radio - (523303)	0	0	0	0	0	0
Promotional Expenses - (523304)	20,232	0	0	43	67,394	38,470
Printing and Photographic - (523401)	0	0	0	0	222	2,958
Maps & Pamphlets - (523402)	0	0	0	0	0	0
Travel - (523501)	14,789	11,709	0	5,133	14,782	5,494
Dues & Subscriptions - (523601)	39,565	0	882	1,135	45,172	23,206
Education and Training - (523701)	0	0	0	20,668	12,062	91,738
Licenses - (523801)	0	0	0	0	2,519	0
Temporary Contract Labor	0	0	0	2,358,891	0	280
Liability Claims - (523902)	0	0	0	0	0	0
Office Supplies - (531101)	61	1,788	61,006	107,328	11,323	5,023
Other Materials and Supplies - (531102)	0	0	0	0	0	0
Mobile Equipment Expense - (531103)	0	0	0	0	0	0
Freight and Express - (531105)	192	845	0	5,690	1,454	143
Motor Fuel Expense - (531107)	0	0	0	0	0	0
Water - (531211)	0	0	0	0	0	0
Gas - (531221)	0	0	0	0	0	0
Electricity - (531231)	0	0	0	0	0	0
Books & Periodicals - (531401)	0	0	0	0	0	0
Inven for resale(toll tags) - (531501)	0	0	0	7,555,234	0	0
Small Tools and Shop Supplies - (531601)	0	0	0	0	0	0
Software - (531651)	0	0	0	0	0	0
Uniforms - (531701)	0	0	0	0	0	0
Bank Charges - (573001)	0	0	0	399,932	76,394	0
Credit Card Fees - (573002)	0	0	0	11,323,274	0	0
Contingency-Restricted - (579002)	0	0	0	0	0	0
Totals	\$410,399	\$140,953	\$10,541,612	\$45,908,404	\$4,313,131	\$1,433,866

Appendix G: Operation and Maintenance Fund FY2014 Estimated Costs (continued)

Account	Internal Audit	Information Technology	Legal Services	Maintenance	Operations	Project Delivery
Salaries and Wages-Direct - (511101)	\$541,049	\$4,397,024	\$523,556	\$7,737,577	\$369,673	\$129,179
Salaries and Wages-Comp Adj. - (511103)	0	0	0	0	0	0
Salaries and Wage-Overtime - (511301)	0	96,000	0	323,167	0	0
Group Insurance - (512101)	0	0	0	0	0	0
Retirement Contributions - (512401)	67,898	644,385	80,754	1,041,293	48,322	17,026
Retirement Contr.-Comp. Adj. - (512403)	0	0	0	0	0	0
OPEB Annual Req'd Contribution - (512602)	0	0	0	0	0	0
Tuition Reimbursement - (512501)	0	0	0	0	0	0
Unemployment Insurance - (512601)	0	0	0	0	0	0
Worker's Comp Ins - (512701)	0	0	0	0	0	0
Meeting Expense - (521101)	138	0	0	587	1,498	0
Consulting/Professional - (521201)	41,850	97,000	0	200,601	173,282	0
Legal Fees - (521202)	0	0	1,903,382	0	0	0
Auditing Fees - (521203)	102,850	0	0	0	0	0
Trustee Fees - (521204)	0	0	0	0	0	0
Traffic Engineering Fees - (521207)	0	0	0	0	0	0
Police Services (DPS) - (521208)	0	0	0	0	0	0
Armored Car Services - (521209)	0	0	0	0	0	0
Outside Maintenance Services - (521212)	0	3,825,763	0	7,031,906	0	0
Landscaping - (522202)	0	0	0	39,822	0	0
Rentals - Land - (522301)	0	0	0	0	0	0
Rentals - Equipment - (522302)	0	0	0	18,621	0	0
Insurance Expense - Other - (523101)	0	0	0	(25)	0	0
Postage - (523201)	0	0	0	0	0	0
Telecommunications - (523202)	0	666,689	0	0	0	0
Recruitment - (523301)	0	0	0	0	0	0
Magazine and Newspaper - (523302)	0	0	0	466	0	0
Television & Radio - (523303)	0	0	0	0	0	0
Promotional Expenses - (523304)	0	0	0	0	0	0
Printing and Photographic - (523401)	0	0	0	0	0	0
Maps & Pamphlets - (523402)	0	0	0	0	0	0
Travel - (523501)	10,311	8,128	10,613	9,477	12,911	10,764
Dues & Subscriptions - (523601)	2,076	12,673	30,845	7,079	11,214	3,000
Education and Training - (523701)	2,304	33,051	5,434	14,275	2,500	4,000
Licenses - (523801)	0	0	0	4,750	0	0
Temporary Contract Labor	0	32,001	0	30,000	0	0
Liability Claims - (523902)	0	0	0	0	0	0
Office Supplies - (531101)	1,002	118,112	27,884	15,172	233	2,000
Other Materials and Supplies - (531102)	0	42,293	0	2,623,970	0	0
Mobile Equipment Expense - (531103)	0	0	0	849,470	0	0
Freight and Express - (531105)	0	0	249	76	178	461
Motor Fuel Expense - (531107)	0	0	0	1,417,482	0	0
Water - (531211)	0	0	0	542,150	0	0
Gas - (531221)	0	0	0	51,513	0	0
Electricity - (531231)	0	0	0	1,978,072	0	0
Books & Periodicals - (531401)	223	0	0	0	0	0
Inven for resale(toll tags) - (531501)	0	0	0	0	0	0
Small Tools and Shop Supplies - (531601)	0	0	0	56,047	0	0
Software - (531651)	0	3,876,470	0	0	0	0
Uniforms - (531701)	0	0	0	151,590	0	0
Bank Charges - (573001)	0	0	0	0	0	0
Credit Card Fees - (573002)	0	0	0	0	0	0
Contingency-Restricted - (579002)	0	0	0	0	0	0
Totals	\$769,701	\$13,849,589	\$2,582,715	\$24,145,138	\$619,810	\$166,430

Appendix G: Operation and Maintenance Fund FY2014 Estimated Costs (continued)

Account	Public Affairs	Strategic & Innovative Solutions	System & Incident Mgmt.	FY14 Estimated Costs	FY14 Budget	Increase (Decrease) to FY14 Budget	
						Amount	Percent
Salaries and Wages-Direct - (511101)	\$1,160,126	\$284,603	\$3,389,890	\$31,946,934	\$33,803,635	(\$1,856,701)	(5.8%)
Salaries and Wages-Comp Adj. - (511103)	0	0	0	0	1,316,660	(1,316,660)	(100.0%)
Salaries and Wage-Overtime - (511301)	2,248	0	6,521	811,725	417,328	394,397	48.6%
Group Insurance - (512101)	0	0	0	6,029,923	6,343,886	(313,963)	(5.2%)
Retirement Contributions - (512401)	147,737	35,163	439,774	4,300,542	4,473,957	(173,415)	(4.0%)
Retirement Contr.-Comp. Adj. - (512403)	0	0	0	0	181,798	(181,798)	(100.0%)
OPEB Annual Req'd Contribution - (512602)	0	0	0	3,933,001		3,933,001	100.0%
Tuition Reimbursement - (512501)	0	0	0	31,523	31,989	(466)	(1.5%)
Unemployment Insurance - (512601)	0	0	0	123,005	337,091	(214,086)	(174.0%)
Worker's Comp Ins - (512701)	0	0	0	290,656	290,656	(0)	(0.0%)
Meeting Expense - (521101)	2,842	78	0	100,715	102,044	(1,329)	(1.3%)
Consulting/Professional - (521201)	555,210	0	62,043	7,133,790	8,611,933	(1,478,143)	(20.7%)
Legal Fees - (521202)	0	0	0	1,903,382	1,694,242	209,140	11.0%
Auditing Fees - (521203)	0	0	0	102,850	102,850	0	0.0%
Trustee Fees - (521204)	0	0	0	70,000	70,840	(840)	(1.2%)
Traffic Engineering Fees - (521207)	0	0	0	729,650	655,000	74,650	10.2%
Police Services (DPS) - (521208)	0	0	4,310,965	4,310,965	5,556,163	(1,245,198)	(28.9%)
Armored Car Services - (521209)	0	0	0	19,497	19,777	(280)	(1.4%)
Outside Maintenance Services - (521212)	0	0	1,073	10,858,741	11,087,807	(229,066)	(2.1%)
Landscaping - (522202)	0	0	0	39,822	63,800	(23,978)	(60.2%)
Rentals - Land - (522301)	0	0	0	0	76,500	(76,500)	(100.0%)
Rentals - Equipment - (522302)	0	0	0	152,598	162,103	(9,505)	(6.2%)
Insurance Expense - Other - (523101)	0	0	940,025	940,000	939,639	361	0.0%
Postage - (523201)	0	0	1,835	7,216,895	6,803,964	412,931	5.7%
Telecommunications - (523202)	0	0	0	666,689	684,886	(18,197)	(2.7%)
Recruitment - (523301)	0	0	0	150,015	20,015	130,000	86.7%
Magazine and Newspaper - (523302)	296,737	0	0	316,619	318,152	(1,533)	(0.5%)
Television & Radio - (523303)	366,962	0	0	366,962	366,962	0	0.0%
Promotional Expenses - (523304)	120,326	0	2,225	248,691	230,183	18,508	7.4%
Printing and Photographic - (523401)	566	0	0	3,746	3,746	(0)	(0.0%)
Maps & Pamphlets - (523402)	23,114	0	0	23,114	37,129	(14,016)	(60.6%)
Travel - (523501)	20,345	0	1,690	136,145	182,942	(46,797)	(34.4%)
Dues & Subscriptions - (523601)	1,649	774	2,731	182,001	209,662	(27,660)	(15.2%)
Education and Training - (523701)	4,115	2,520	2,280	194,946	343,980	(149,034)	(76.4%)
Licenses - (523801)	0	0	0	7,268	17,812	(10,544)	(145.1%)
Temporary Contract Labor	30,755	0	0	2,451,928	3,636,603	(1,184,675)	(48.3%)
Liability Claims - (523902)	0	0	8,021	8,021	10,351	(2,330)	(29.0%)
Office Supplies - (531101)	4,220	533	7,528	363,212	448,660	(85,448)	(23.5%)
Other Materials and Supplies - (531102)	1,555	0	67,499	2,735,317	1,636,326	1,098,991	40.2%
Mobile Equipment Expense - (531103)	0	0	0	849,470	849,829	(359)	(0.0%)
Freight and Express - (531105)	117	0	25	9,430	9,692	(262)	(2.8%)
Motor Fuel Expense - (531107)	0	0	0	1,417,482	1,225,500	191,982	13.5%
Water - (531211)	0	0	0	542,150	592,864	(50,714)	(9.4%)
Gas - (531221)	0	0	0	51,513	70,560	(19,047)	(37.0%)
Electricity - (531231)	0	0	0	1,978,072	2,511,580	(533,508)	(27.0%)
Books & Periodicals - (531401)	0	0	0	223	456	(233)	(104.5%)
Inven for resale(toll tags) - (531501)	0	0	0	7,555,234	8,102,115	(546,881)	(7.2%)
Small Tools and Shop Supplies - (531601)	0	0	0	56,047	66,584	(10,537)	(18.8%)
Software - (531651)	0	0	0	3,876,470	3,434,621	441,849	11.4%
Uniforms - (531701)	0	0	30,800	182,390	215,842	(33,452)	(18.3%)
Bank Charges - (573001)	0	0	0	476,326	732,490	(256,164)	(53.8%)
Credit Card Fees - (573002)	0	0	0	11,323,274	11,175,835	147,439	1.3%
Contingency-Restricted - (579002)	0	0	0	0	2,420,961	(2,420,961)	(100.0%)
Totals	\$2,738,626	\$323,671	\$9,274,925	\$117,218,970	\$122,700,000	(\$5,481,030)	(4.7%)

Appendix H: Operation and Maintenance Fund by Account Category FY2015 Budget

Department	Salaries & Benefits	Services	Materials & Supplies	Equipment Expenses	Total
Administrative Services:					
Administration	287,830	165,250	71,150	0	524,230
Strategy and Innovation	595,811	250,125	44,025	0	889,961
Board	61,361	1,300	63,400	0	126,061
Finance	2,401,561	1,880,471	158,188	0	4,440,220
Human Resources	854,089	515,080	135,712	0	1,504,881
Internal Audit	707,510	139,833	33,470	0	880,813
Legal Services	609,444	1,700,372	87,946	0	2,397,762
Public Affairs	1,214,390	1,784,123	202,454	0	3,200,967
Shared Services	11,407,537	0	65,830	110,000	11,583,367
Total Administrative Services	18,139,533	6,436,554	862,175	110,000	25,548,262
Operational Services:					
Customer and Support Services	10,553,966	30,332,644	18,233,408	31,316	59,151,335
Information Technology	5,733,337	10,288,659	345,136	0	16,367,132
Maintenance	9,707,639	10,368,718	2,702,505	2,296,700	25,075,562
Operations	515,217	175	47,070	0	562,462
Project Delivery	279,274	10,500	21,000	0	310,774
System and Incident Mgmt.	4,145,559	6,200,436	151,998	0	10,497,993
Total Operational Services	30,934,992	57,201,132	21,501,118	2,328,016	111,965,258
Grand Totals	\$49,074,525	\$63,637,686	\$22,363,293	\$2,438,016	\$137,513,520

Appendix I: Departments and Funds Matrix

The relationship between the Authorities departments and the major funds is illustrated below in a matrix format. The utilization of a fund by the department is highlighted in green and the percent of the budget associated with the department is shown in the square. The dollar amounts are shown in detail on the Departmental Budget and Information documents in the Departmental Budget Section; starting with the Administration Department on page 52. The amounts for the Enterprise Fund are on page 137.

Department	Operation & Maintenance Fund	Construction Fund	Reserve Maintenance Fund	Capital Improvement Fund	Feasibility Study Fund	Interest and Sinking Funds	Enterprise Fund
Administrative Services:							
Administration	0.4%	0.0%	0.0%	0.2%	0.0%	0.0%	0.0%
Board	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Finance	3.2%	27.4%	0.0%	1.7%	72.5%	100.0%	5.2%
Human Resources	1.1%	0.0%	0.0%	0.0%	0.0%	0.0%	1.4%
Internal Audit	0.6%	0.6%	0.1%	0.0%	0.0%	0.0%	0.8%
Legal Services	1.7%	1.0%	0.2%	0.4%	9.7%	0.0%	10.8%
Public Affairs	2.3%	0.0%	0.0%	0.0%	0.0%	0.0%	10.9%
Strategy and Innovation	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Shared Services	8.4%	0.0%	0.0%	0.0%	0.0%	0.0%	3.1%
Total Administrative Services	18.6%	29.0%	0.3%	2.3%	82.2%	100.0%	32.1%
Operational Services:							
Customer and Support Services	43.0%	0.0%	0.0%	0.0%	0.0%	0.00%	11.8%
Information Technology	11.9%	0.0%	35.0%	15.3%	0.0%	0.00%	55.0%
Maintenance	18.2%	0.0%	64.6%	19.8%	0.0%	0.00%	0.0%
Operations	0.4%	0.0%	0.0%	1.8%	0.0%	0.00%	1.2%
Project Delivery	0.2%	71.0%	0.0%	60.9%	17.8%	0.00%	0.0%
System and Incident Mgmt.	7.6%	0.0%	0.1%	0.0%	0.0%	0.00%	0.0%
Total Operational Services	81.4%	71.0%	99.7%	97.7%	17.8%	0.0%	67.9%
FY2015 Totals	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Appendix J: Glossary of Terms and Acronyms

A

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

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

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

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

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

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

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

B

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

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

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

C

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

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

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

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

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

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

Covenants – To promise by covenant; pledge.

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

D

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

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

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

DMV – the Department of Motor Vehicles

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

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

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

E

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

F

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

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

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

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

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

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

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

G

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

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

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

I

IBTTA – International Bridge, Tunnel and Turnpike Association

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

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

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

L

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

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

M

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

N

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

O

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

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

P

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

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

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

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

R

Ramp-up – term used for potential traffic on new toll facilities to account for the time

needed for travelers to become aware of the new toll roads and the benefits of using them.

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

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

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

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

RTC – the Regional Transportation Council.

S

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

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

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

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

T

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

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

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

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

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

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

Toll Road – Road on which tolls are charged.

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

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

TSA – Toll Service Agreements, which are agreements between other agencies or companies and NTTA for the processing of toll transactions.

Turnpike – Expressway on which tolls are charged.

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

U

USDOT - United States Department of Transportation

Z

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

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