

NORTH TEXAS TOLLWAY AUTHORITY

2012
FINAL
BUDGET





READERS ROADMAP TO THIS DOCUMENT

This Readers Roadmap is a guide to help the reader navigate through the North Texas Tollway Authority's Fiscal Year 2012 Budget. This document is prepared in compliance with the Trust Agreement ⁽¹⁾ and is designed to give the board, bond holders, elected officials, the public, and staff a detailed understanding of the Authority's approach to its operations for FY2012. The Authority's fiscal year begins on January 1, 2012 and ends December 31, 2012.

BUDGET DESIGN

The budget is divided into six major sections. Footnotes and page references are used to direct the reader to other sections of the document for more detail. The sections are as follows:

Introductory – This section contains the transmittal letter addressed to the Board of Directors with an overview chart showing the 2012 Budget compared to 2011. The section also contains a map of the System; a document showing the history of the Authority; an organizational chart and list of officials; the assumptions, goals, and accomplishments of the budget; and an Executive Summary which verbally and graphically conveys the major initiatives and issues impacting the 2012 Budget; the Five-Year Strategic Plan showing the goals, objectives, and accomplishments for 2011 through 2015; and the Government Finance Officers Association (GFOA) Distinguished Budget Award for FY2011. (See pages 9-32)

Budget Overview – This section contains a description of the funds addressed in the budget document. The Authority uses fund accounting to track its various activities. The funds and their corresponding activities are outlined by the Trust Agreement. Most of the reports in this section are presented by department and then fund; with the Authority grouping the departments into Administrative Services and Operational Services. The reports show comparisons to prior year or years, actual, budget, or estimate amounts. The reports included in this section are: the Revenue Detail showing toll revenues by project and detailed other revenue; the Revenue and Coverage Calculation showing the distribution of revenue to the various funds and the debt service coverage amounts; Summary of Funds for 2012 and 2011 showing all the departments estimated expenditures for all the funds; Operation and Maintenance Fund (OMF) showing actual to budget expenditure by department; OMF report showing budget amounts by account; a 2012 Staffing Summary showing the changes between the 2012 and 2011 budgeted position; a Staffing Summary History showing full time employee budgeted positions over a number of years; and informational graphs. (See pages 35-56)

(1) See Appendices Section, page 185

Departmental Budget – This section starts with the Operation and Maintenance Fund Budget showing comparisons of 2012 and 2011 budgets by departments as well as an estimated Fund Requirements report showing the beginning balance, funding sources, estimated expenditures, and estimated ending balance or requirement. It also contains an Executive Summary, a detailed account Operation and Maintenance Fund (OMF), and a detailed account Summary of All Funds; for each individual department. The Executive Summary has the department description, the departments 2011 accomplishments and 2012 initiatives and a position summary. The OMF Budget Summary shows the account variance from 2012 to 2011 budgets. The Summary of All Funds shows a comparison of 2012 to 2011 budgets. (See pages 59-152)

Other Funds – This section contains reports for the Construction Funds, the Reserve Maintenance Fund, the Capital Improvement Fund, and the CIF/Revolving Account-Feasibility Study Fund. Each fund will have the following reports: an Estimated Comparison report showing the 2012 estimated expenditures compared to 2011, summarized by department; a Fund Project report listing the major projects or purchases; an Estimated Fund Requirements report showing the estimated beginning balance, funding sources, estimated expenditures, and estimated ending balance or requirement; and a Fund Estimate report showing detailed account expenditures by department. (See pages 155-174)

Special Project System – This section contains reports for projects that are not part of the NTTA System. These are stand-alone projects that will not rely on System revenues to maintain their operating and maintenance cost. The section contains a description of the projects; the 2012 Annual Operating Budget for the special project currently being operated by NTTA, President George Bush Turnpike – Western Extension, compared to the Toll Equity Loan Agreement 2012 Project Budget; an estimate of the funding required for the construction funds; and the 2012 Construction Fund Budgets. (See pages 177-182)

Appendices – The last section contains documents showing the complete budget policies and process; the Authority's financial and debt policies including a debt service schedule; and documents describing and supporting the major revenue source and the distribution of revenue. Also included, is a document discussing the long term financial plans; a schedule showing long term financial projections; a document showing the impact of capital expenditures on the operating budget; and a glossary of terms and acronyms. (See pages 185-240)

North Texas Tollway Authority

FY 2012 Budget

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INTRODUCTORY SECTION



President George Bush Turnpike Landscape at Josey Lane

December 1, 2011

NORTH TEXAS TOLLWAY AUTHORITY

Board of Directors

We are pleased to submit for your review the 2012 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 2012 Budget with a comparison to the 2011 Final Budget.

	North Texas Tollway Authority	
	2012 Budget	2011 Budget
Estimated Revenues	\$480,812,433	\$444,267,300
Operating Budget	\$117,389,388	\$111,056,702
Total Net Debt Service	\$287,203,944	\$204,478,994
Estimated Coverage First Tier	1.50	1.85
Estimated Coverage All Debt	1.17	1.44
Reserve Maintenance Deposit	8,815,969	\$42,289,060
Estimated Capital Improvement Fund Deposit	\$77,005,797	\$94,878,021

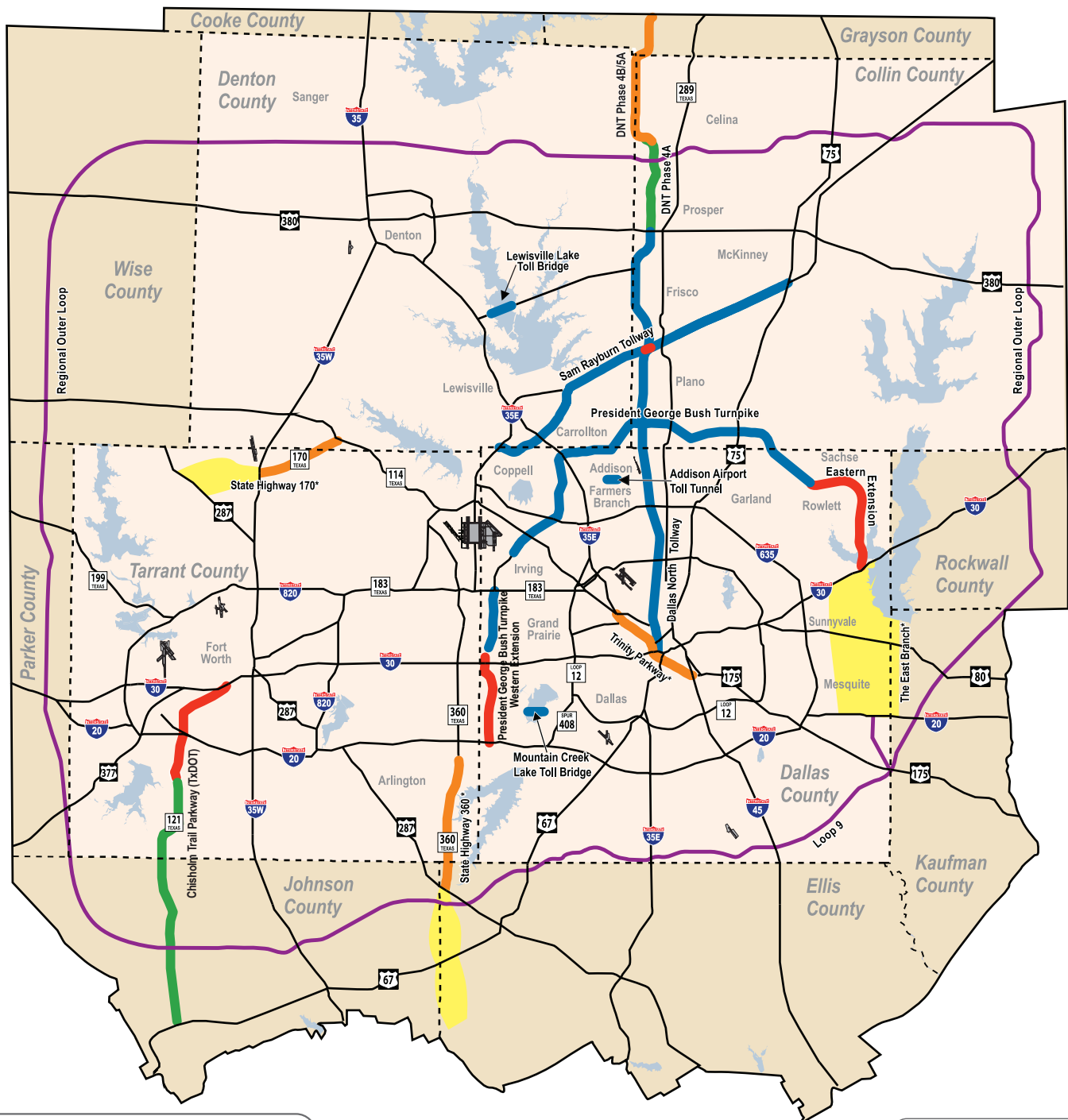
Section 711 of the Trust Agreement for the Special Project System requires that the Authority adopt an Annual Operating Budget prior to the beginning of each Fiscal Year. The budgets for the special projects are presented as a separate section of the 2012 Budget Book.

If you have any questions, or need additional information, please let us know. We look forward to presenting and discussing the 2012 Budget at the December 1, 2011 meeting.

Very truly yours,


Gerry Carrigan, *Interim Executive Director*


Janice D. Davis, *Chief Financial Officer*



TOLL FACILITIES



President George Bush Turnpike



Addison Airport Toll Tunnel



Dallas North Tollway



Lewisville Lake Toll Bridge



Sam Rayburn Tollway



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. August 2011

HISTORY OF THE NORTH TEXAS TOLLWAY AUTHORITY

The Turnpike Act of 1953 passed by the Texas Legislature and signed into law on June 9, 1953, created the Texas Turnpike Authority. The Authority issued its first bonds in June 1955 to construct the first project, a 30-mile strip of asphalt and concrete called the Dallas-Fort Worth Turnpike. On December 31, 1977, this project was declared toll-free and was turned over to the Highway Department (currently the Texas Department of Transportation).

In June 1997, the Texas Legislature approved a bill to create the North Texas Tollway Authority (the Authority), a regional tollway authority under Chapter 366, Transportation Code. Effective September 1, 1997, the Authority became the successor agency to the Texas Turnpike Authority and succeeded to all assets, rights, liabilities, and other property of the Texas Turnpike Authority located in Collin, Dallas, Denton, and Tarrant Counties. The Authority also assumed and became liable for all duties and obligations related to the Texas Turnpike Authority at that time.

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

The North Texas Tollway Authority System (the System) is the enterprise fund of the Authority. The System is a turnpike project of the Authority and consists of the Dallas North Tollway (DNT), the Addison Airport Toll Tunnel (AATT), the President George Bush Turnpike (PGBT), the Mountain Creek Lake Bridge (MCLB), Sam Rayburn Tollway (SRT), and the Lewisville Lake Toll Bridge (LLTB). Currently, the System is approximately 100 miles long and has a total of 744 lane miles.

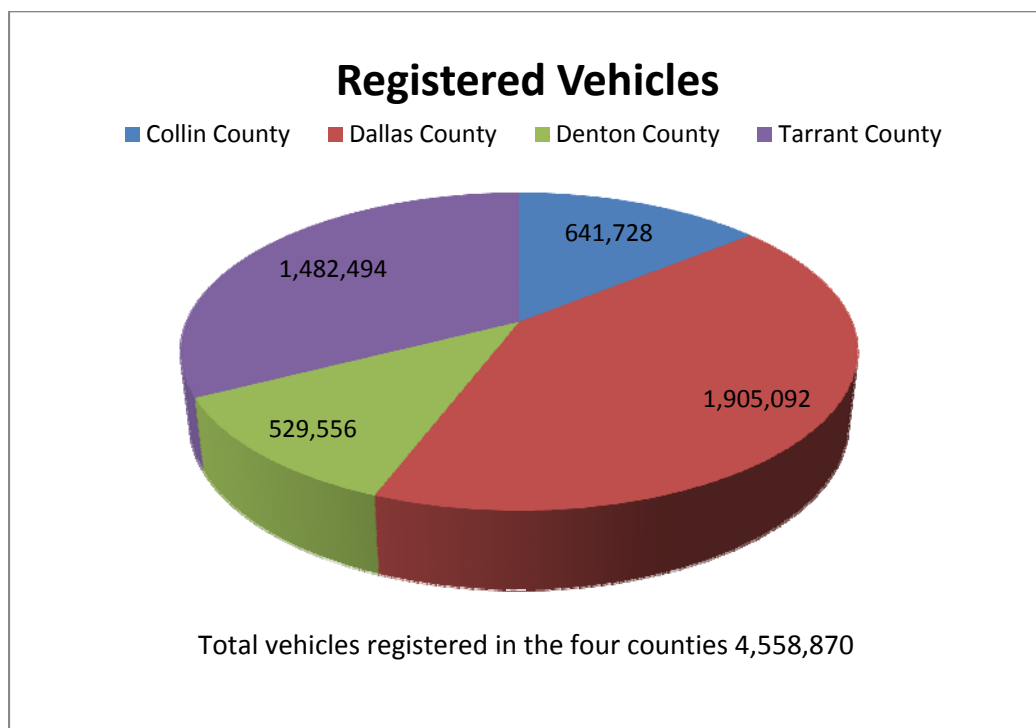
In April 2011, the Authority created the Special Projects System to account for two stand-alone projects. These two projects of the Authority are the President George Bush Turnpike – Western Extension (PGBT-WE), and the Chisholm Trail Parkway (CTP).

In addition, Chapter 366 authorized the Feasibility Study Fund to be used only to pay the expenses of studying the cost and feasibility and any other expenses relating to:

- 1) The preparation and issuance of bonds for the acquisition and construction of a proposed turnpike project for the Authority;
- 2) The financing of the improvement, extension or expansion of an existing turnpike or Authority;
- 3) Private participation, as authorized by law, in the financing of a proposed turnpike project or Authority, the refinancing of an existing turnpike project or Authority or the improvement, extension or expansion of a turnpike project or Authority.

Senate Bill 194, which was subsequently replaced by Chapter 366, authorized the establishment of the Dallas-Fort Worth Turnpike Transition Trust Fund, a Fiduciary Fund, to account for the payment of transition costs and other obligations payable from funds of the Dallas-Fort Worth Turnpike at December 31, 1977, such as post-employment benefits.

Today the NTTA continues working to meet the demands of traffic in the North Texas four county regions. A region with 4.6 million registered vehicles and a population that has grown by 17.5 percent in the last 10 years.



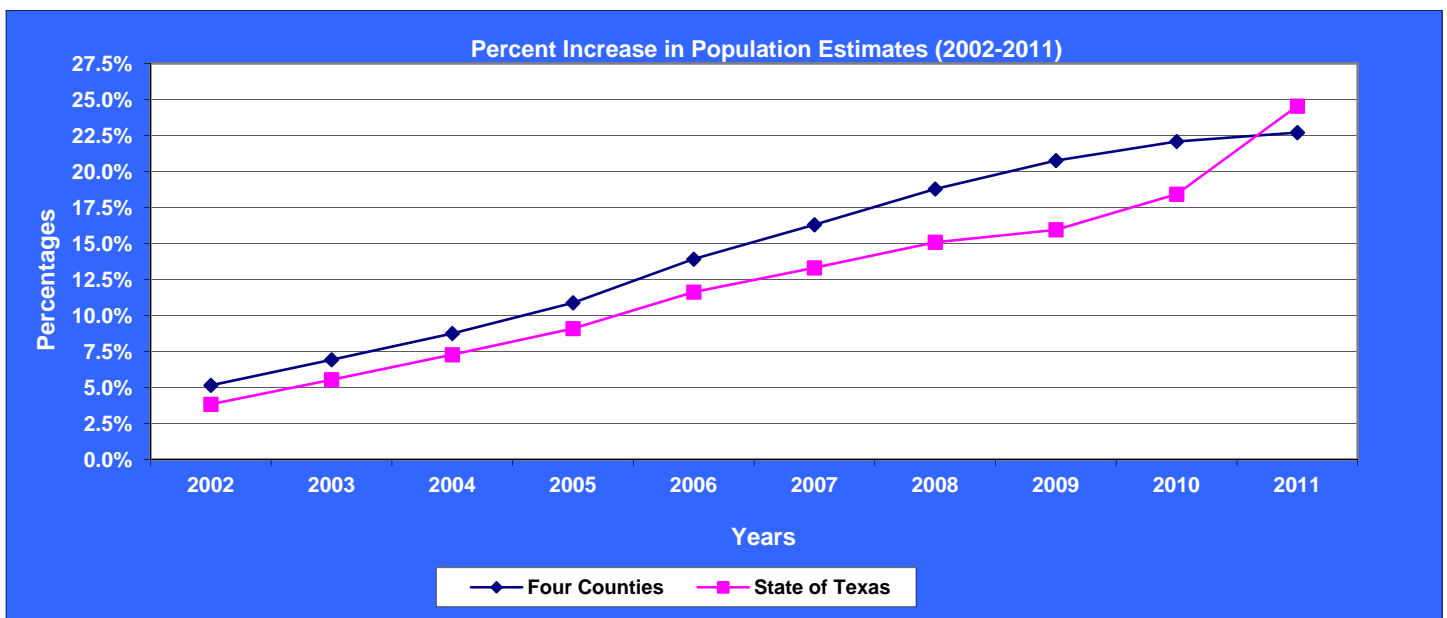
NORTH TEXAS TOLLWAY AUTHORITY

For years 2002-2011

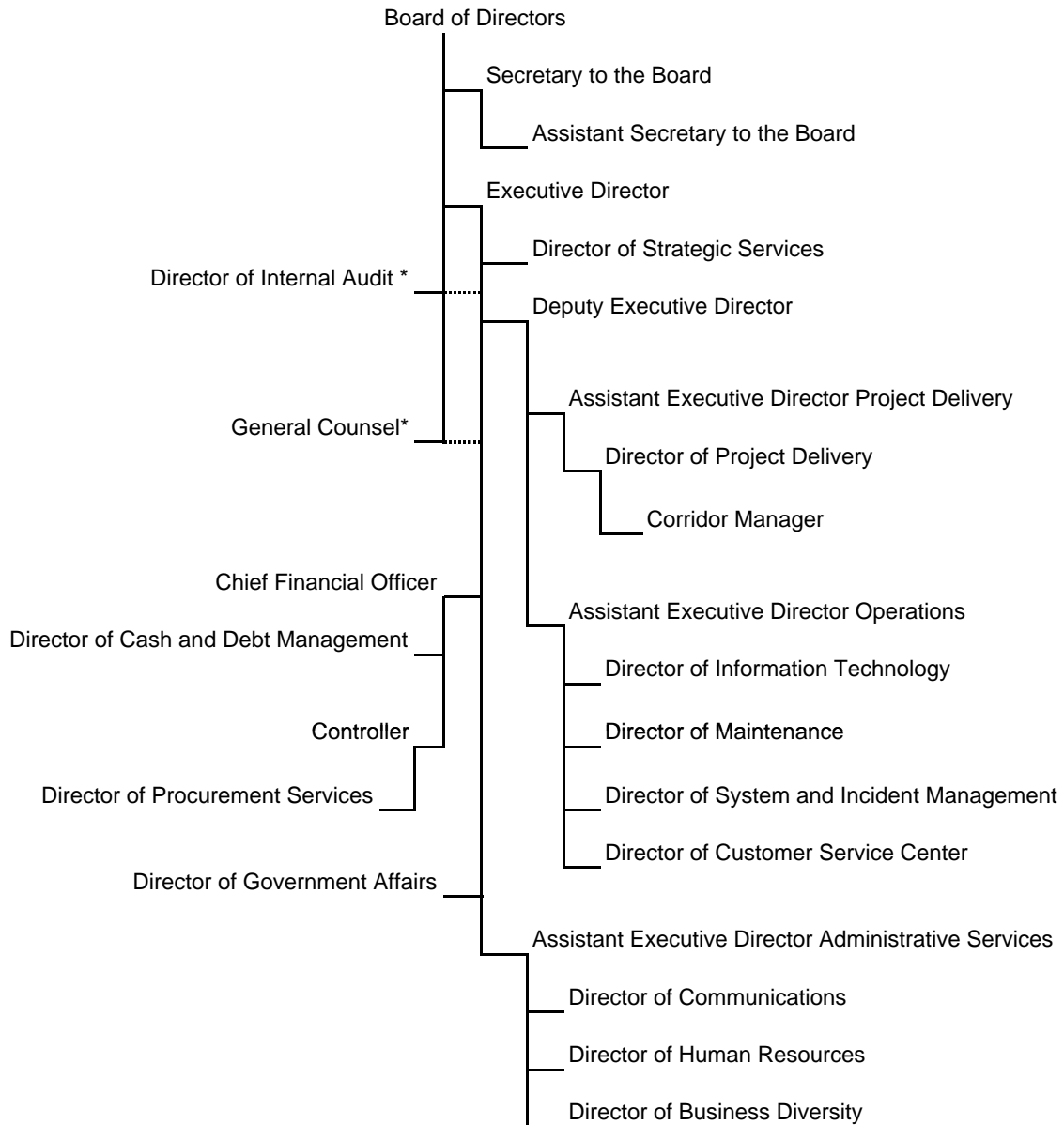
Demographic Data-Combined Four Region and State of Texas Estimated Population Data

Year	COLLIN	DALLAS	DENTON	TARRANT	Est. Four County Regional Totals	Estimated Texas Totals	Percentage Change (From Prior Years)	
							4 County	TEXAS
2002	563,565	2,250,326	487,617	1,524,249	4,825,757	21,690,325	1.47%	1.89%
2003	589,394	2,246,432	509,732	1,553,086	4,898,644	22,030,931	1.51%	1.57%
2004	617,802	2,244,020	529,811	1,580,595	4,972,228	22,394,023	1.50%	1.65%
2005	647,187	2,250,830	553,669	1,612,048	5,063,734	22,778,123	1.84%	1.72%
2006	683,935	2,275,434	581,561	1,662,005	5,202,935	23,359,580	2.75%	2.55%
2007	714,330	2,291,891	609,001	1,707,157	5,322,379	23,831,983	2.30%	2.02%
2008	741,264	2,314,018	630,104	1,745,602	5,430,988	24,309,039	2.04%	1.98%
2009	765,791	2,346,378	649,702	1,784,078	5,545,949	24,801,761	2.12%	2.03%
2010	782,341	2,368,139	662,614	1,809,034	5,622,128	25,145,561	1.37%	1.39%
2011	791,470	2,374,175	673,780	1,817,840	5,657,265	25,883,999	0.62%	2.94%
Increase/ Decrease Total from Year 2002 to Year 2011								
	227,905	123,849	186,163	293,591	831,508	4,193,674		

All information obtained from US Census Bureau and North Central Texas Council of Governments



**NTTA
Organization Chart
2011 - 2012**



*Internal Audit and General Counsel report directly to the Board and indirectly to the Executive Director.

**North Texas Tollway Authority
List of Officials
For 2011**

Board of Directors

**Kenneth Barr
Bill Moore
Vacant
David R Denison
Michael R. Nowels
Robert K. Shepard
George “Tex” Quesada
Victor Vandergriff
Jane Willard**

**Chairman, Tarrant County Appointee
Vice-Chair, Collin County Appointee
Director, Dallas County Appointee
Director, Denton County Appointee
Director, Denton County Appointee
Director, Governor Appointee
Director, Dallas County Appointee
Director, Tarrant County Appointee
Director, Collin County Appointee**

Officials

**Gerry Carrigan
Vacant
Ruby Franklin
Magdalena Kovats
Thomas Bamonte
Janice D. Davis
E. Ray Zies
Dana Gibson-Boone
Felix Alvarez
Elizabeth Mow**

**Clayton Howe
Kim Tolbert
Nina Arias
Kiven Williams
Anthony Coleman
Kim Jackson
Marty Legé
Vacant
Dave Pounds
Carrie Rogers
Eric Hemphill**

**Interim Executive Director
Deputy Executive Director
Board Secretary
Director, Internal Audit
General Counsel
Chief Financial Officer
Controller
Director, Cash and Debt Management
Director, Procurement Services
Interim Assistant Executive Director, Project
Delivery
Assistant Executive Director, Operations
Assistant Executive Director, Administration
Director, Human Resources
Director, Customer Service Center
Director, Business Diversity
Director, Communications
Director, System and Incident Management
Director, Project Delivery
Director, Information Technology
Director, Government Affairs
Interim Director, Maintenance**

2012 BUDGET ASSUMPTIONS, GOALS, AND ACCOMPLISHMENTS

NTTA System Assumptions

Revenue Assumptions:

- Toll transactions are assumed to increase by 30,803,200, from 521,992,000 to 552,795,200, or 5.9% over FY2011 estimate.
- Toll revenue is assumed to increase by \$39,822,900, from \$410,749,700 to \$450,572,600, or 9.7% over FY2011 estimate.
- Toll Tag accounts are expected to increase by 130,070 from approximately 1,255,180 to 1,393,250 an increase of 11.0%.
- Active Toll tags are expected to increase by 259,870 from approximately 2,362,454 to 2,622,324 an increase of 11.0%.
- 2012 traffic and revenue (T&R) estimation assumptions are based on the toll rates adopted by the Board of Directors on July 16, 2009 and take into consideration the current economy.(1)

Expense Assumptions:

- Increased maintenance cost for additional 59.0 lane miles of President George Bush Turnpike - Eastern Extension to open December 2011 and a major multi-level interchange at Sam Rayburn Tollway and the Dallas North Tollway.
- New TollTag accounts will add an estimated 129,300 contacts annually to the 2011 estimated total of 884,700, for a total FY2012 of 1,014,000.
- The additional transactions will increase invoice processing by an estimated 2,100,000 from 7,190,100 in 2011 to 9,290,100 or 29.2%, based on an average of 30 transactions per invoice.
- An anticipated increase of \$1,100,000 or 23.6% on health insurance. Assumptions as to what insurance plan employees will elect for FY2012. (2)
- Possible renegotiation of Department of Public Safety ("DPS") contract in late 2011.

Special Project System Assumptions:

Revenue Assumptions:

- Toll transactions are assumed to increase by 1,526,700, from 11,372,700 to 12,899,400, or 13.4% over FY2011 estimate.
- Toll revenue is assumed to increase by \$2,314,285, from \$6,861,500 to \$9,175,785, or 33.7% over FY2011 estimate.(1)

(1)For complete T&R estimation assumptions see WSA reports in the Appendices Section pages 210-224.

(2)See Executive Summary-Staffing and Personnel Issues page 20.

Expense Assumptions:

- The collecting of tolls and operations of special projects are done with the resources of the NTTA System, so the costs of the System are proportionately allocated to the projects.
- The maintenance of the roadway is outsourced.

Goals

- Create a budget that efficiently handles a 5.9% increase in toll transactions, a 29.2% increase in invoice processing volume, and an overall increase of 59.0 lane miles or 7.9% from FY2011.
- Maintain a 1.50 times debt coverage ratio on first tier debt.
- Create a budget that contributes to the replenishment of reserve balances.
 - (1) The Reserve Maintenance Fund is required to maintain a \$5,000,000 reserve by the Trust Agreement.
 - (2) The Rainy Day Fund Account in the Capital Improvement Fund, with the ultimate goal of creating a balance of \$50,000,000 by FY2013.

Accomplishments

- The 2012 Operating Budget handles the increase in toll transaction, invoice volume, and lane miles with an overall increase of \$6.3 million or 5.7% of the 2011 budget amount; (See page 47)
- The debt coverage ratio is estimated at 1.50 times on first tier debt and an estimated 1.17 times on all debt including the Intermodal Surface Transportation Efficiency Act of 1991 ("ISTEA") loan and the Subordinated Debt of the Capital Improvement Fund. (See page 40)
- The FY2012 estimated revenue transfer of \$8.8 million to the Reserve Maintenance Fund will maintain the \$5 million required reserve and will accomplish all the maintenance projects identified to maintain the System at the adopted condition level of six or greater. (See page 165)
- The estimated \$77.0 million revenue distribution to the Capital Improvement Fund will allow for the transfer of \$2.7 million to the Rainy Day Fund and funding for the capital improvement projects identified in the 2012-2016 Five-Year Capital Plan. (See page 172)

Executive Summary

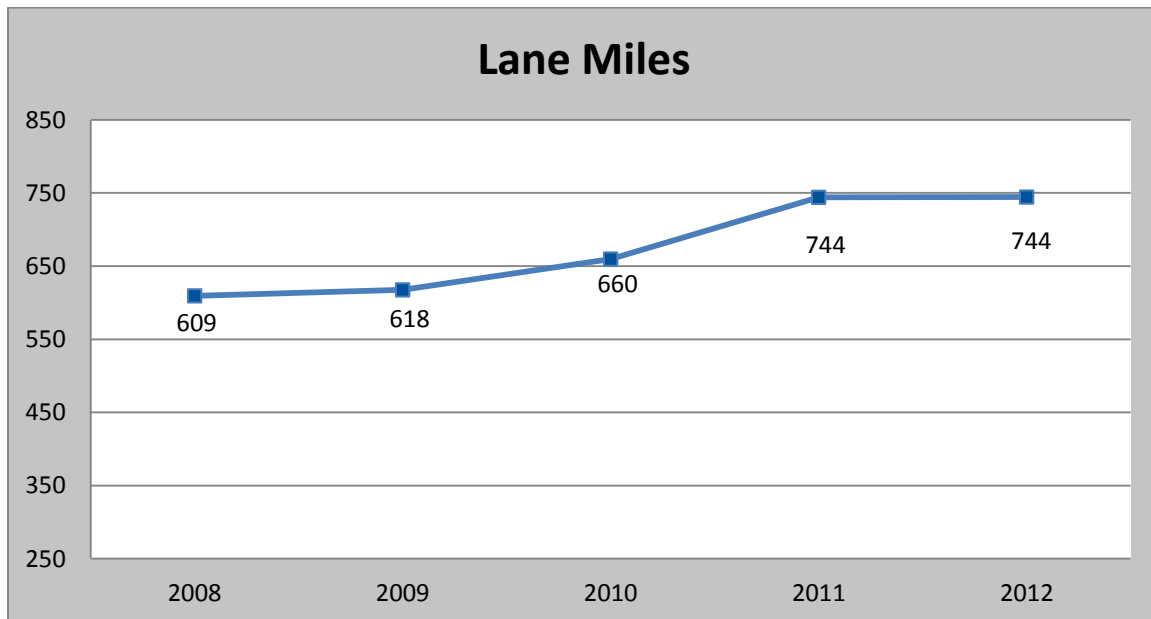
2012 Operating Budget Overview

Introduction

The lack of available funding for roadway infrastructure continues to be an issue for the Nation and the States. Construction of toll roads is one of the solutions currently used to address the issue. The mission of the North Texas Tollway Authority (“NTTA” or “Authority”) to enhance mobility through responsible and innovative tolling solutions puts the Authority at the forefront of solving the transportation issues of the North Texas region.

In 2011, the Authority in partnership with the United States Department of Transportation (“USDOT”) and the Texas Department of Transportation (“TxDOT”) completed the financing for the President George Bush Turnpike – Western Extension (“PGBT-WE”). Construction of this project will be substantially completed by December 2012. The 11.5-mile project will not be part of the NTTA System, but the Authority will operate it under the Special Project System.

The facilities that make up the NTTA System consist 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). The System consists of revenue producing lanes (Revenue Lane Miles) and the service roads on the SRT and PGBT, which the Authority must maintain, but are not tolled (Lane Miles). Total Lane Miles has increased by 22.2% in the last five years, from 609 miles in 2008 to 744 miles in 2012. The opening of the 59.0 lane miles of PGBT-EE in late 2011, will add one full year of maintenance expenses to the 2012 budget.



	FY 2012 Lane Miles		
	Revenue Lane Miles	Service Roads	Lane Miles
DNT	179.3	-	179.3
PGBT	239.9	3.8	243.7
SRT	153.8	153.8	307.6
MCLB	3.9	-	3.9
AATT	1.4	-	1.4
LLTB	8.2		8.2
Total	<u>586.5</u>	<u>157.6</u>	<u>744.1</u>

Overall, the estimated toll revenue transactions for the System will increase by 30.8 million, from 522.0 million in 2011 to 552.8 million in 2012, a 5.9% increase.

The Customer Service Center's budget increased by \$4.6 million; consisting of \$0.5 for additional staffing, \$2.2 million for additional postage, \$0.8 million for additional TollTags, \$1.3 million for invoicing ZipCash transactions and image review, and \$0.2 million net decrease for all other expenses. The increases are due to the increase in TollTag accounts and the estimated increase in ZipCash transactions, which went from 90.3 million in 2011 to 111.5 million in 2012. ZipCash is the Authority's trademark name for the process used to collect tolls from non-TollTag account customers, by recording license plate numbers and sending an invoice to the registered owner.

Operating expenses increased by \$4.4 million due to one full year of operating PGBT-EE and the completion of two major multi-levels SRT interchanges at DNT and US75. All other operating expenses decreased by a net amount of \$2.7 million; this includes \$2.1 million allocated to the operating of PGBT-WE (Special Project System). Overall, the Authority's operating cost will increase by \$6.3 million in 2012. The 2012 Operating Budget is currently at \$117.4 million.

Personnel comparison 2012 to 2011 budget:

The departments most affected by the increase in lane miles, and transactions are Customer Service Center (CSC), Information Technology (IT), Maintenance, and System and Incident Management (SIM). The 2012 budget includes a net increase of 18 FTEs (see pg 50-51).

CSC is requesting 9 FTEs and 1 Part Time; 7 additional FTEs to handle the increase in TollTag accounts and transactions; 3 (including 1 Part Time) to more efficiently manage the department. IT is requesting 1 additional FTE to better support the security of the systems. SIM is requesting 7 additional FTEs, 4 to supply roadway assistance on both PGBT-EE and PGBT-WE; 2 to more efficiently manage the department; and 1 dedicated to loss prevention. The Maintenance Department is requesting 2 additional FTEs to have in-house core competency for construction management.

Staffing and Personnel Issues

The proposed 2012 Budget includes \$1.4 million, equal to 3.5% of total base salaries, for compensation adjustments or increases.

Health care expenses continue to be a significant factor in personnel costs. The Public Employees Benefit Cooperative (PEBC) manages the Authority's health plan. Based on the insurance claim history, the insurance premiums for 2012 are increasing by about \$1.1 million or 23.6%. Additional factors that contributed to this increase include; the overall increases in health care costs; increases in the number of employees and dependents covered; the impact of health care reform, which increased the age of eligible dependents; and an expected increase in claims larger than \$100,000.

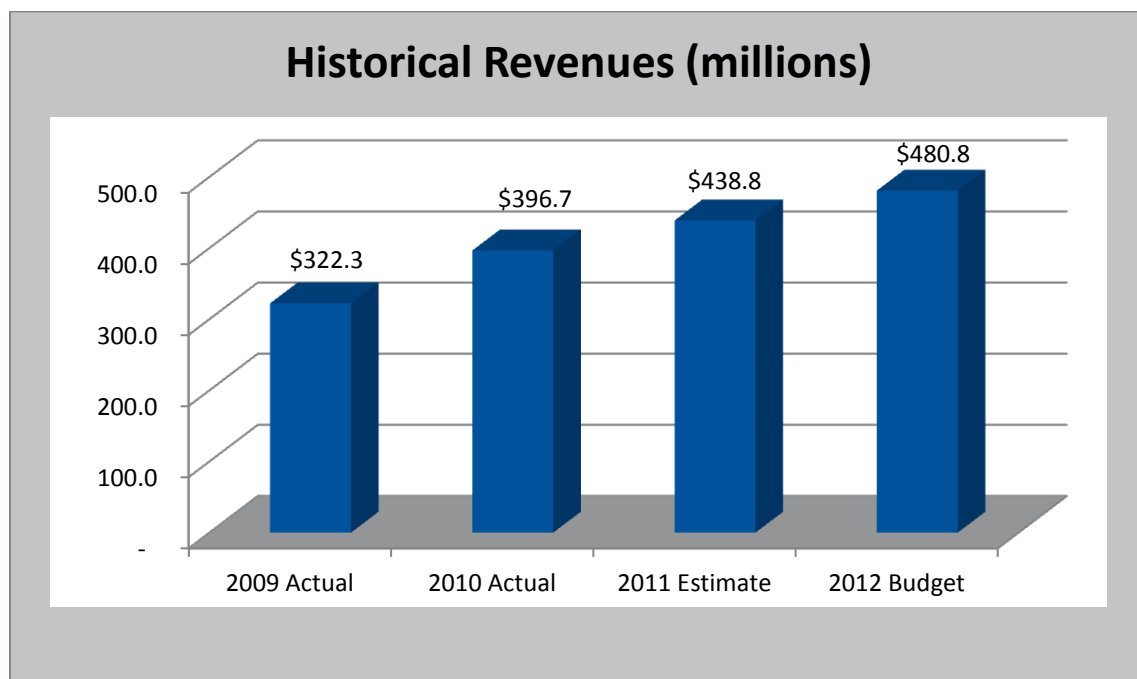
For FY2012 the insurance plan has two options, EPO and PPO. The premium cost share for both plans are as follows: 88.0% employer and 12.0% employee for the employee only coverage; 75.0% employer and 25.0% employee for the employee and spouse, child, or family coverage. The cost share on the two dental plans offered are, 25.0% employer and 75.0% employee. The 2012 Budgets include \$7.5 million for health care premiums and \$1.7 million for other post employment benefits (OPEB) for a total of \$9.2 million. This is an overall increase of \$1.7 million or 23.4% from the FY2011 Budget.

The budget provides for retiree benefits at the employer/employee ratio of 9.10%/6.00%, respectfully. The budget reflects an increase in the 2012 Texas County & District Retirement System (TCDRS) employer contribution rate from 9.04% to 9.10%, about \$22,000.

The compensation and benefits costs are budgeted 100.0% in the Operating Budgets, with transfers made from the other funds for any amounts allocated. This will allow the Authority to present a clear view of salaries and benefits and to better deal with any funding issues. The 2012 Operating Budgets (including PGBT-WE 2012 Operating Budget) have compensation and benefit costs of \$53.6 million representing 43.2% of the total budgets.

2012 Revenues

Total 2012 estimated revenues for the NTTA System are \$480.8 million. These revenues are comprised primarily of \$450.6 million of toll revenues, or 93.7% of total revenues. The estimated toll revenues increase by \$39.8 million from Fiscal Year 2011 (See Wilbur Smith projection on Pages 210-213). Other income consists of administrative fees, miscellaneous fees, and claims recovery for a combined estimate of \$21.2 million, or approximately 4.4% of total revenue. The projected Interest earned on investments is \$9.0 million, or approximately 1.9% of total revenue.



2012 Debt Service and Loan Repayment

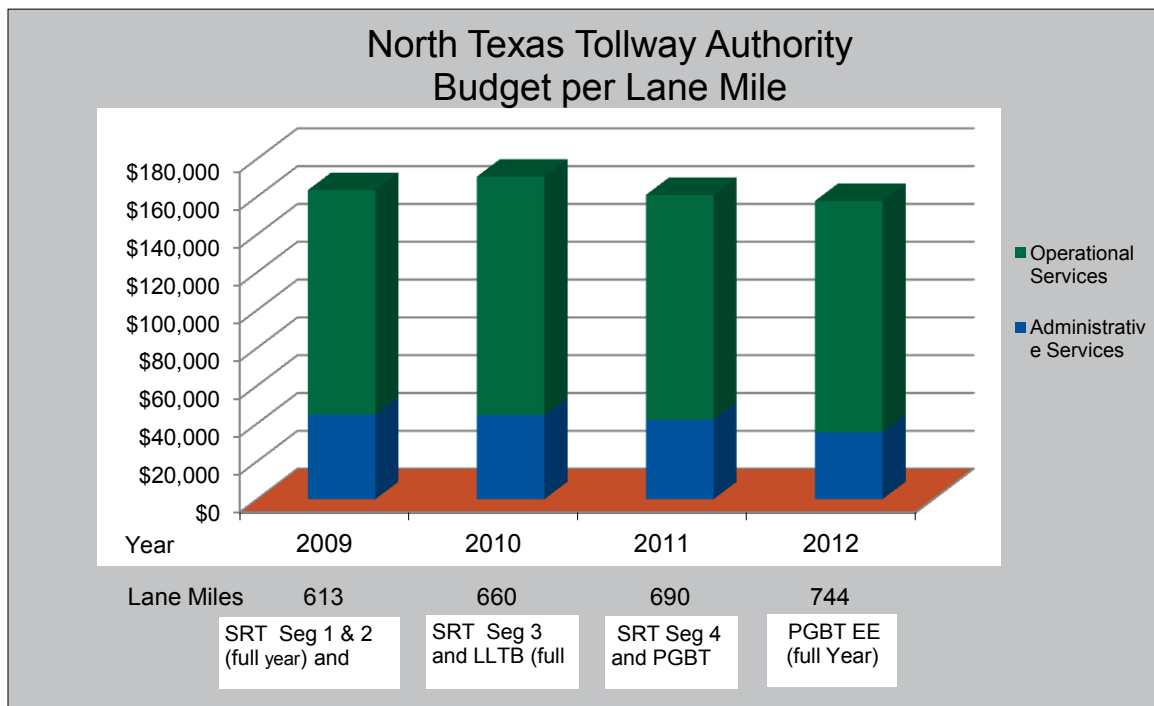
Total Net Debt Service will increase to \$287.2 million in 2012 or 40.5% from \$204.5 million in 2011. Estimated 2012 total bond debt service coverage is 1.50 times first tier debt service. The Capital Improvement Fund subordinated debt interest payment for 2012 is \$23.4 million (\$11.7 million due August 1, 2012 and \$11.7 million due February 1, 2013). The \$8,250,000 ISTEPA payment is due January 1, 2013. Coverage for all debt including CIF subordinated debt and ISTEPA is 1.17 times.

2012 Expenditures

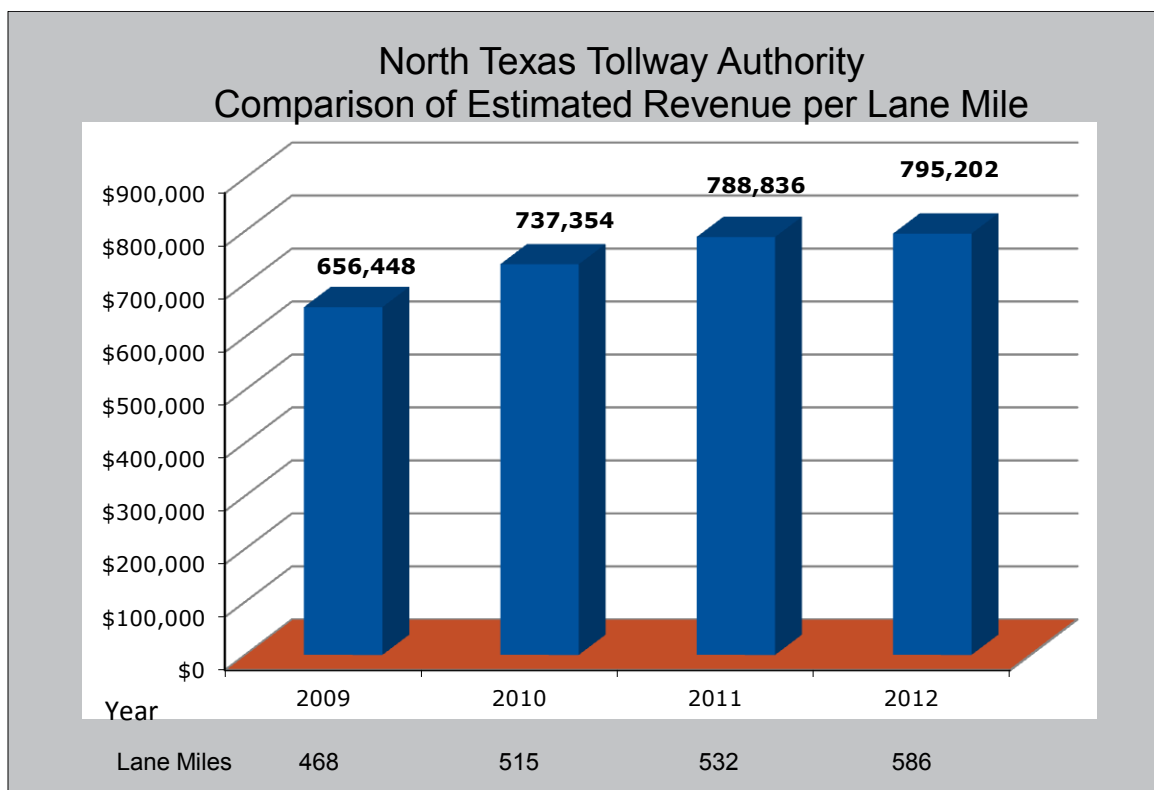
The 2012 budget for operating expenses is presently \$117.4 million. This represents an increase of \$6.3 million, or 5.7% over the 2011 budget of \$111.1 million. The primary factors driving the 2012 increase are the addition of the 59.0 lane miles of PG&T-EE; the two multi-levels SRT interchanges, and the increase in ZipCash transactions.

Costs directly associated with operational services of the NCTD System (Customer Service Center, Information Technology, Maintenance, Operations, System & Incident Management, and Project Delivery, departments) are proposed at \$90.9 million or 77.4% of the total budget.

Costs directly associated with the administrative services of the NCTD System (Administration, Business Diversity, Communications/Marketing, Finance, Government Affairs, Human Resources, Internal Audit, and Legal departments), are proposed at \$26.4 million or 22.5% of the total budget.



The 2012 per lane mile budget of \$157,781 decreased by \$3,171 or 2.0% from 2011 budget of \$160,952; this decrease is attributed to the departments' efforts to achieve greater efficiency. The 2012 lane miles of 744.4 include 153.8 miles of service roads for SRT and 3.8 for PGBT.



Revenues per lane mile increased in 2012 to \$795,202 from \$788,836, approximately \$6,366 or 0.8%. The increase is due to a 5.9% increase in toll transactions and the opening of PGBT-EE. The 586 lane miles for revenue represent revenue-producing lanes only.

Reserve Maintenance Fund

Ongoing maintenance of the existing infrastructure is essential. FY 2012 estimated expenditures of \$20.7 million and prefunding of 2013 projects will require a deposit of \$8.8 million to the Reserve Maintenance Fund (RMF) for FY2012. (See calculation on page 165) The estimated expenditures include Maintenance expenditures of \$18.3 million for infrastructure maintenance requirements, IT expenditures of \$1.8 million mostly to replace outdated servers, computer and equipment. The \$27.1 million identified in the Major Maintenance Projects section of the 2012-2016 Five Year Capital Plan (see page 229) includes \$5.2 million of 2010 and 2011 projects being completed in 2012 and \$1.2 of allocated cost.

Other Funds

FY 2012 estimated expenditures of the Capital Improvement Fund (CIF) and its Revolving Account-Feasibility Study Fund (see pages 167-174) are \$96.3 million. The estimated expenditures include Maintenance expenditures of \$56.9 million for infrastructure reconstruction/repair, \$7.0 million for new Frisco Maintenance Facility, and \$2.9 million for Command Center expansion at MLP 7; IT expenditures of \$13.5 million for system upgrades, enhancements, and replacements. It also contains Project Delivery expenditures of \$3.9 million to complete the ALL-ETC conversion, \$2.3 million for roadway improvements, and \$3.4 million for projects under study. The remaining expenditures of \$6.4 million are from various departments; which include \$3.0 million Letter of Credit ("LOC") for commercial paper, \$1.3 million for traffic and revenue studies, and \$1.5 million for legal fees. The \$95.8 million identified in the Capital Improvement Projects section of the 2012-2016 Five Year Capital Plan (see page 230) is \$0.5 million less due to allocated costs estimates. The estimated deposit to the CIF is \$77.0 million, which would allow a \$2.8 million transfer to the CIF Rainy Day Fund Account (RDFA). The RDFA funding is still on schedule to have a \$50 million balance by the end of FY 2013.

The Construction Funds (see page 155) of \$47.6 million is \$5.2 million increase from the \$42.3 million identified in the NTTA System Construction Projects section of the 2012-2016 Five Year Capital Plan (see page 231). The increase is the result of allocated costs estimates, mainly \$3.8 million for LOC and \$1.3 million for legal fees.

Special Projects System

These projects are stand-alone projects governed by a separate Trust Agreement. They will be operated by NTTA, but will not be part of the NTTA System.

The 11.5-mile President George Bush Turnpike – Western Extension ("PGBT-WE") is the very first project of the Special Project System. The Authority completed the project financing in April 2011 and is now responsible for the construction of Phase 4 of the project, which is schedule for completion by December 2012. The Authority is currently operating Phases 1, 2 (opened 2009) and Phase 3 (opened 2010) that were constructed by TxDOT.

The first Annual Operating Budget required by the Transportation Infrastructure Finance and Innovation Act of 1998 ("TIFIA") Secured Loan Agreement with the USDOT is for the

FY 2013. The Fiscal Year per the agreement is September 1 through August 31, so the required budget will be for September 1, 2012 to August 31, 2013. However, since the Authority is currently operating the open phases, an operating budget is being presented for FY 2012 (see page 178).

The PGBT-WE estimated total revenue for FY 2012 is \$9.2 million. The 2012 Annual Operating Budget expenses are at \$6.8 million. This is \$0.5 million under the Toll Equity Loan Agreement (“TELA”) 2012 Project Budget of \$7.3 million. Major Maintenance Fund expenditures of \$0.4 million are budgeted for the annual inspection of the project.

The FY 2012 PGBT-WE Construction Fund (see page 181) budget of \$209.1 million increased from the \$121.7 million identified in the Special Projects System Construction Funds section of the 2012-2016 Five Year Capital Plan (see page 231) to reflect the flow of funds for a FY 2012 of September to August. This increase in no way affects the total cost of the project.

The Chisholm Trail Parkway (“CTP”) is a 27.6-mile toll road that will extend from Fort Worth central business district south to Cleburne. On October 2011, the NTTA Board of Directors voted to add CTP to the Special Projects System and approved the issuing of bonds to finance the project. The Series 2011 Bonds, for \$640,535,000, marketed in October with financial close on November 10, 2011.

The Construction Fund budget for CTP of \$346.6 million is a \$4.5 million decrease from the \$351.1 million identified in the Special System Construction Projects section of the 2012-2016 Five Year Capital Plan (see page 231). The \$4.5 million decrease is allocated costs estimates budgeted under the NTTA System Capital Improvement Fund. The entire project is expected to be open to traffic by mid-2014.

FIVE-YEAR STRATEGIC PLAN GOALS AND OBJECTIVES

2011 – 2015

North Texas Tollway Authority Mission

The mission of the North Texas Tollway Authority is to enhance mobility through responsible and innovative tolling solutions.

North Texas Tollway Authority Values

The values of the North Texas Tollway are Integrity, Leadership, Excellence, Teamwork, and Accountability.

The five-year strategic plan with its goals and objectives developed in 2009, in a collaborative effort of NTTA's Executive Management and Board of Directors, was updated and adopted by the Board on December 2010 as the 2011 - 2015 Five Year Strategic Plan. The six goals remain the same; however the objectives have been updated. These goals and objectives drove the development of the fiscal year 2012 budget. They are the roadmap of the organization, with individual employee's goals being linked to the departmental goals and objectives, which are completely aligned with the following NTTA goals and objectives.

Goals and Objectives for the North Texas Tollway Authority

Goal 1: Financially sound and vibrant organization

- Maintain compliance with Trust Agreements
- Maintain effective internal controls
- Improve and maintain financial processes

Goal 2: Highly qualified, energized and engaged team

- Recruit, develop and retain high quality people
- Recognize and reward performance
- Develop and optimize HR processes

Goal 3: Customer-driven organization

- Reinforce the customer service culture
- Provide a high quality customer experience
- Ensure equitable collection of tolls
- Educate the public about using toll roads

Goal 4: Innovative transportation solutions

- Plan and build quality, environmentally responsible toll facilities
- Efficiently maintain and operate system assets
- Drive internal and external safety improvements
- Leverage assets to create new customer value

Goal 5: Respected leader and partner in the region's transportation network

- Build strong relationships with governments, partners and stakeholders
- Collaborate on regional road planning
- Ensure business relationships that reflects the diversity of the region

Goal 6: Open and honest communications

- Develop timely and accurate internal and external communications
- Optimize use of communications channels and technology
- Maintain and improve an effective governance model

FIVE-YEAR STRATEGIC PLAN ACCOMPLISHMENTS and DEPARTMENT MATRIX

2011 – 2015

Goals and Objectives Accomplished by the North Texas Tollway Authority during 2011.

The 2011 - 2015 Strategic Plan went into effect on January 1, 2011. Since that time, staff has completed the following actions to successfully execute the strategic plan across the organization.

- Updated the strategic communications plan to support the strategy
- Completed and implemented balanced scorecards identifying executive owners
- Developed key performance indicators (KPIs) and initiatives to support each objective
- Established targets to measure progress against the plan on an ongoing basis
- Developed a progress reporting format for quarterly reporting to the Board to provide a consistent format that highlights the key trends and issues for Board input and feedback

Goal 1: Financially sound and vibrant organization

- Maintain compliance with Trust Agreement.
 - Maintained First Tier debt ratio above 1.5x target
 - Maintained Debt Service Reserves at appropriate levels
- Maintain effective internal controls
 - No material weaknesses reported on 2010 audit
 - Implemented and maintained PCI compliance
- Improve and maintain financial processes
 - Financial reports delivered within target timeframes
 - Maintained investment returns above benchmark
 - The 2011 enhanced budget report was submitted and received the GFOA Distinguished Budget Presentation Award

Goal 2: Highly qualified, energized and engaged team

- Recruit, develop and retain high quality people
- Recognize and reward performance
- Develop and optimize HR Processes
 - Percent of recruitment process completed within a week of job position closing in line with the 50% target

Goal 3: Customer-driven organization

- Reinforce the customer service culture
 - Complain escalation rate below target rate
 - Customer satisfaction results – agent contacts above target levels
- Provide a high quality customer experience
 - Customers migrated to self-help channels above target of 35%
 - Customer satisfaction survey results at the target 90% of top box score
 - Implemented monitoring of complaint escalation rates
- Educate the public about using toll roads
- Ensure equitable collection of tolls

Goal 4: Innovative transportation solutions

- Plan and build quality, environmentally responsible toll facilities
 - All projects/milestones completed on time and within budget
- Efficiently maintain and operate system assets
 - Maintenance Rating Program above the 90% target
 - GASB 34 asset rating at 8.9, target 8.0
- Drive internal and external safety improvements
 - Safety training compliance at 100%
 - Response time to incidents below target of 15:00 minutes
- Leverage assets to create new customer value
 - RITE solution leveraged – value estimated at \$15 million
 - DFW/Love Field partnership and services enhanced
 - Non-toll revenue increased by 1.5%

Goal 5: Respected leader and partner in the region's transportation network

- Build strong relationships with governments, partners and stakeholders
- Collaborate on regional road planning
 - 100% participation/attendance with targeted groups and organizations
- Ensure business relationships reflect the diversity of the region
 - Increased the number of subcontractors able to compete as prime contractors
 - Increased number of certified vendors in database

Goal 6: Open, honest communication

- Develop timely and accurate internal and external communications
- Optimize use of communication channels and technology
- Maintain and improve an effective governance model

The NTTA's goals are presented in the following matrix. The green highlighted areas indicate that the department's primary objectives are directly aligned with the agency goal. The department objectives are outlined in the department description section of the individual department's Executive Summary.

Strategic Plan Goals Matrix

Departments	Goal 1: Financially Sound & Vibrant Financial System	Goal 2: Highly Qualified, Energized & Focused Team	Goal 3: Customer Driven Organization	Goal 4: Innovative Tolling & Toll Road Solutions	Goal 5: Respected Leader & Partner in the Region	Goal 6: Open Honest Communication
Administrative Services:						
Administration	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Board	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Business Diversity	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Communications/Marketing	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Finance	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Shared Services	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Government Affairs	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Human Resources	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Internal Audit	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Legal Services	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Operational Services:						
Customer Service Center	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Information Technology	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Maintenance	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Operations	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Project Delivery	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
System & Incident Management	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>

Distinguished Budget Presentation 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, 2011. 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 2011 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, 2010. 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 organization. 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.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

North Texas Tollway Authority

For the Fiscal Year Beginning

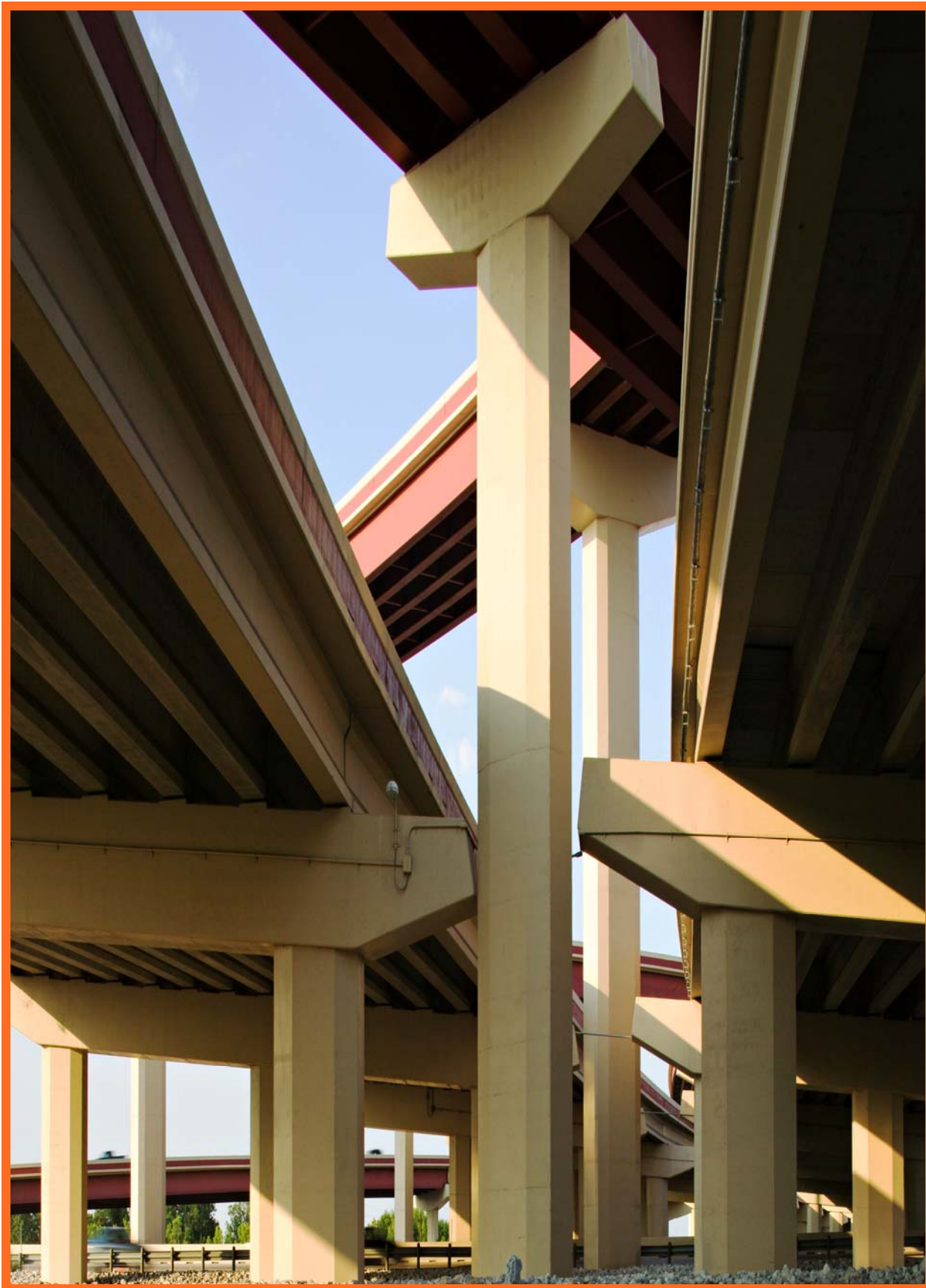
January 1, 2011

Linda C. Dandson Jeffrey R. Egan

President

Executive Director

BUDGET OVERVIEW SECTION



North Texas Tollway Authority

Fund and Account Descriptions

The operations of the System are accounted for 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 funds and accounts created by the Trust Agreement are as follows:

Revenue Fund (RF) – 1101 - The Revenue Fund was created to account for all revenues (all tolls, other revenues, and income) arising or derived by the Authority from the operation and ownership of the System. All revenues of this fund are distributed to other funds in accordance with the Trust Agreement. (See Revenue Distribution pages 205 and 206)

Operation and Maintenance Fund (OMF) – 1001 - The Operation and Maintenance Fund was created to account for and pay current operating expenses of the North Texas Tollway Authority System.

Reserve Maintenance Fund (RMF) – 1201 - The Reserve Maintenance Fund was created to account for those maintenance expenses that do not recur on an annual or more frequent basis.

Capital Improvement Fund (CIF) – 1501 - The Capital Improvement Fund was created to account 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 was created to account 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.

Construction Fund (CF) – 3700s -

The Construction Fund was created to account 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 were created to 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 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 yellow and the percent of the budget associated

with the department is shown in the square. The dollar amounts are shown on the Summary of Funds FY 2012 on page 42-43 and in detail on the Departmental Budget Summary Report – Summary of Funds after the department Executive Summary in the Departmental Budget Section; starting with the Administration Department on page 61.

Departments	Operation and Maintenance Fund	Construction Fund	Reserve Maintenance Fund	Capital Improvement Fund	CIF-Revolving Account/FSF	Interest and Sinking Funds
Administrative Services:						
Administration	1.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Board	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%
Business Diversity	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%
Communications/Marketing	2.2%	0.0%	0.0%	0.0%	0.1%	0.0%
Finance	4.1%	9.5%	0.0%	3.6%	19.2%	100.0%
Shared Services	9.9%	0.0%	0.0%	0.0%	0.0%	0.0%
Government Affairs	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%
Human Resources	1.2%	0.0%	0.0%	0.0%	0.0%	0.0%
Internal Audit	0.7%	0.1%	0.1%	0.0%	0.0%	0.0%
Legal Services	2.5%	2.6%	2.9%	0.2%	21.9%	0.0%
Total Administrative Services	22.5%	12.3%	2.9%	3.8%	41.2%	100.0%
Operational Services:						
Customer Service Center	31.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Information Technology	12.2%	0.1%	8.7%	14.9%	0.0%	0.0%
Maintenance	23.7%	0.0%	88.4%	74.5%	0.0%	0.0%
Operations	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%
Project Delivery	1.7%	87.7%	0.0%	6.8%	58.8%	0.0%
System & Incident Management	8.3%	.0%	0.0%	0.0%	0.0%	0.0%
Total Operational Services	77.5%	87.7%	97.1%	96.2%	58.8%	0.0%
2012 Totals	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

**North Texas Tollway Authority
FY 2012 Revenue Detail**

	2009		2010	
	Actual	Amended Budget	Actual	Budget
Toll Revenue				
Dallas North Tollway (DNT)	\$ 130,685,003	\$ 120,880,802	\$ 164,722,090	\$ 168,535,000
President George Bush Turnpike (PGBT)	111,443,813	101,013,311	129,173,904	135,324,000
PGBT Eastern Extension (PGBTEE)	-	-	-	-
Sam Rayburn Tollway (SRT)	44,884,602	38,888,244	67,612,526	65,352,100
Mountain Creek Lake Bridge (MCLB)	1,655,841	1,419,917	1,630,894	1,876,400
Addison Airport Tunnel Tollway (AATT)	878,801	868,055	894,019	876,000
Lewisville Lake Toll Bridge (LLTB)	856,487	1,981,400	2,563,890	5,169,300
Total Toll Revenues	290,404,547	265,051,729	366,597,323	377,132,800
Investment Income	14,057,326	9,000,000	12,817,761	9,300,000
Other Income				
Interoperability Fees	1,400,247	2,425,000	2,640,321	2,120,000
Statement Fees	1,272,885	1,140,000	1,399,495	1,200,000
Administrative and Late Fees	16,813,168	20,664,342	13,139,828	19,898,616
Rents & Miscellaneous Revenues	(1,641,841)	370,000	62,898	370,000
	17,844,459	24,599,342	17,242,542	23,588,616
Total Revenues	\$ 322,306,332	\$ 298,651,071	\$ 396,657,626	\$ 410,021,416

(1) Estimated actual FY 2011 based on July 2011 actual.

(2) Estimated FY 2012 toll revenue per Wilbur Smith & Associates Traffic and Toll Revenue Study, investment and other revenue estimated by staff.

2011		2012		
Estimated Actual (1)	Budget	Preliminary Budget (2)	Increase or (Decrease)	% Change
\$ 174,412,830	\$ 167,952,000	\$ 177,809,200	\$ 9,857,200	5.9%
143,722,633	146,129,500	153,296,300	7,166,800	4.9%
8,100	8,700	12,899,200	12,890,500	148166.7%
84,220,711	91,325,900	100,602,400	9,276,500	10.2%
961,298	971,300	1,075,000	103,700	10.7%
848,533	853,500	970,300	116,800	13.7%
3,098,095	3,508,800	3,920,200	411,400	11.7%
407,272,200	410,749,700	450,572,600	39,822,900	9.7%
13,022,300	9,753,600	9,000,000	(753,600)	(7.7%)
3,141,550	1,501,700	3,137,112	1,635,412	108.9%
1,181,246	1,534,500	1,492,503	(41,997)	(2.7%)
13,209,361	19,763,300	15,415,828	(4,347,472)	(22.0%)
960,443	964,500	1,194,390	229,890	23.8%
18,492,600	23,764,000	21,239,833	(2,524,167)	(10.6%)
\$ 438,787,100	\$ 444,267,300	\$ 480,812,433	\$ 36,545,133	8.2%

North Texas Tollway Authority
Revenue and Coverage Calculation
FY 2012 to 2011

	(A)	(B)	(C)	2012 Budget to 2011 Budget	
	2010	2011	2012	Amount	Percent Increase
	Actual	Budget	Budget		
Toll Revenue (1)	\$ 366,597,323	\$ 410,749,700	\$ 450,572,600	\$ 39,822,900	9.7%
Investment Income	12,817,761	9,753,600	9,000,000	(753,600)	(7.7%)
Other Income (2)	17,242,542	23,764,000	21,239,833	(2,524,167)	(10.6%)
Total Revenues	396,657,626	444,267,300	480,812,433	36,545,133	8.2%
Revenue Transfers to Operation and Maintenance Fund					
Operating Expenses (3)	95,709,839	111,056,702	117,389,388	6,332,686	5.7%
Inter-Fund Transfers (3)	-	(8,435,477)	(9,602,665)	(1,167,188)	13.8%
Net Operating Expenses (3)	95,709,839	102,621,225	107,786,723	5,165,498	5.0%
Net Revenues for Debt Service	300,947,787	341,646,075	373,025,710	31,379,635	9.2%
Debt Service					
First Tier Debt Service	335,464,044	321,124,869	331,597,581	10,472,712	3.3%
First Tier Capitalized Interest and Credit	(182,944,309)	(137,290,771)	(82,118,516)	55,172,255	(40.2%)
Second Tier Debt Service	58,038,275	58,038,275	58,038,275	-	0.0%
Second Tier Capitalized Interest	(46,430,620)	(37,724,879)	(20,313,396)	17,411,483	(46.2%)
Second Tier Commercial Paper Debt Service	178,551	331,500	-	(331,500)	(100.0%)
Third Tier Debt Service	-	-	-	-	0.0%
Total Net Debt Service	164,305,941	204,478,994	287,203,944	82,724,950	40.5%
Revenues Available after Debt Service	136,641,846	137,167,081	85,821,766	(51,345,315)	(37.4%)
Reserve Maintenance Fund Required Deposit	-	42,289,060	8,815,969	(33,473,091)	100.0%
Revenues Available for Capital Improvement Fund	136,641,846	94,878,021	77,005,797	(17,872,224)	(18.8%)
CIF Subordinated Debt	14,916,958	23,416,150	23,416,150	-	0.0%
ISTEA Payment	8,250,000	8,250,000	8,250,000	-	0.0%
Revenues Available for Capital Projects	113,474,888	63,211,871	45,339,647	(17,872,224)	(28.3%)
Debt Service Coverage					
First Tier Coverage	1.97	1.86	1.50		
First & Second Tier Coverage	1.83	1.67	1.30		
All Debt Coverage	1.74	1.45	1.17		

Trust Agreement All Debt Coverage

First Tier	1.35
First & Second Tier	1.20
All Debt	1.00

(A) 2010 Actual from 2010 Financial Statements.

(B) 2011 Budget as approved in December 2010.

(C) 2012 Budget as proposed.

(1) 2012 Toll Revenue Estimates are based on WSA estimates.

(2) Other Income includes Violation Fees, ZipCash Fees, Interoperability Fees, and Statement Fees, & Net Rental Income from Property.

(3) 2012 Budgeted Operating Expenses include 100% of the Total Salaries/Wages/Retirement/Healthcare costs. Approximately \$9.6 of these costs will be allocated to other funds.



North Texas Tollway Authority
Summary of Funds
FY 2012

Department	Operation and Maintenance Fund - (1001)	NTTA System Construction Fund - (3700)	Reserve Maintenance Fund - (1201)
Administrative Services:			
Administrative	1,112,881	0	0
Board	255,875	0	0
Business Diversity	457,660	0	0
Communications/Mkting	2,603,135	7,500	0
Finance	4,760,243	4,507,950	0
Government Affairs	450,515	0	0
Human Resource	1,431,990	0	0
Internal Audit	879,785	65,520	10,920
Legal Services	2,903,761	1,250,000	600,000
Shared Services	11,584,006	0	0
Total Administrative Services	\$26,439,851	\$5,830,970	\$610,920
Operational Services:			
Customer Service Center	36,459,525	0	0
Information Technology	14,322,096	27,000	1,792,825
Maintenance	27,763,922	0	18,309,426
Operations	862,682	0	0
Project Delivery	1,834,997	41,712,713	0
System & Incident Mgmt.	9,706,315	0	9,100
Total Operational Services	\$90,949,537	\$41,739,713	\$20,111,351
2012 Grand Totals	\$117,389,388	\$47,570,683	\$20,722,271
2012 Compared to 2011			
2011 Grand Totals	\$111,056,702	\$547,901,500	\$30,491,503
Increase / (Decrease)	6,332,686	(500,330,817)	(9,769,232)

Capital Improvement Fund - (1501)	CIF/Revolving Acct. - (1601)	Total
0	0	\$1,112,881
0	0	255,875
0	0	457,660
0	7,500	2,618,135
3,232,455	1,125,000	13,625,648
0	0	450,515
0	0	1,431,990
21,840	0	978,065
225,000	1,284,000	6,262,761
0	0	11,584,006
\$3,479,295	\$2,416,500	\$38,777,536
0	0	\$36,459,525
13,471,626	0	29,613,547
67,379,128	0	113,452,476
0	0	862,682
6,137,721	3,451,349	53,136,780
0	0	9,715,415
\$86,988,475	\$3,451,349	\$243,240,425
\$90,467,770	\$5,867,849	\$282,017,961
\$67,360,801	\$8,975,000	\$765,785,506
23,106,969	(3,107,151)	(483,767,545)

North Texas Tollway Authority
Summary of Funds
FY 2011

Departments	Operation and Maintenance Fund	Construction Fund
Administrative Services:		
Administration	\$ 1,490,194	\$ -
Board	303,454	-
Business Diversity	545,097	-
Communications/Marketing	3,330,459	22,500
Finance	5,031,019	2,244,500
Shared Services	11,705,114	-
Government Affairs	498,671	-
Human Resources	1,586,315	-
Internal Audit	912,639	63,000
Legal Services	3,720,514	1,695,000
Total Administrative Services	29,123,476	4,025,000
Operational Services:		
Customer Service Center	31,835,048	-
Information Technology	13,822,894	256,500
Maintenance	25,251,000	-
Operations	1,027,086	-
Project Delivery	1,956,011	543,620,000
System & Incident Management	8,041,187	-
Total Operational Services	81,933,226	543,876,500
FY 2011 Grand Totals	111,056,702	547,901,500
FY 2011 compared to FY 2010		
FY 2010 Grand Totals	112,618,802	826,343,000
Increase/(Decrease)	(1,562,100)	(278,441,500)

Reserve Maintenance Fund	Capital Improvement Fund/Revolving Account	Total
\$ -	\$ -	\$ 1,490,194
-	-	303,454
-	-	545,097
-	-	3,352,959
-	2,352,700	9,628,219
1,404,950	700,000	13,810,064
-	-	498,671
2,163	-	1,588,478
10,500	21,000	1,007,139
100,000	1,800,000	7,315,514
1,517,613	4,873,700	39,539,789
-	-	31,835,048
1,633,912	17,292,618	33,005,924
27,339,978	5,609,483	58,200,461
-	120,000	1,147,086
-	48,440,000	594,016,011
-	-	8,041,187
28,973,890	71,462,101	726,245,717
30,491,503	76,335,801	765,785,506
25,999,299	163,242,042	1,128,203,143
4,492,204	(86,906,241)	(362,417,637)

**NORTH TEXAS TOLLWAY AUTHORITY
OPERATIONS AND MAINTENANCE FUND
ACTUAL VS BUDGET LISTED BY DEPARTMENTS
FY 2010 TO 2012**

	2010	
	BUDGET	ACTUAL
Toll Revenue	\$ 377,132,800	\$ 366,597,323
Investment Income	9,300,000	12,817,761
Other Income	23,588,616	17,242,542
Total Revenues	410,021,416	396,657,626
Increase from Previous Year	37.3%	
Percent of Actual to Budget		96.7%
ADMINISTRATIVE SERVICES (3)		
Administration	1,269,571	838,276
Board	303,460	165,589
Business Diversity	207,277	190,600
Communications/Marketing	2,556,369	1,983,456
Finance	3,581,927	3,428,997
Shared Services	259,750	458,274
Government Affairs	555,229	429,235
Human Resources	11,576,399	10,712,051
Internal Audit	983,831	699,001
Legal Services	3,375,125	2,200,086
Sub-total	24,668,938	21,105,565
OPERATIONAL SERVICES (3)		
Customer Service Center	27,246,233	29,854,541
Information Technology	11,540,166	10,540,591
Maintenance	21,668,988	20,309,114
Operations	1,076,517	652,418
Project Delivery	135,863	141,111
System & Incident Management	8,285,623	6,900,844
Toll Collection	6,684,162	5,557,257
Vault	913,714	648,398
Sub-total	77,551,266	74,604,274
TOTAL	102,220,204	95,709,839
Increase from Previous Year	1.2%	
Percent of Actual to Budget		93.6%

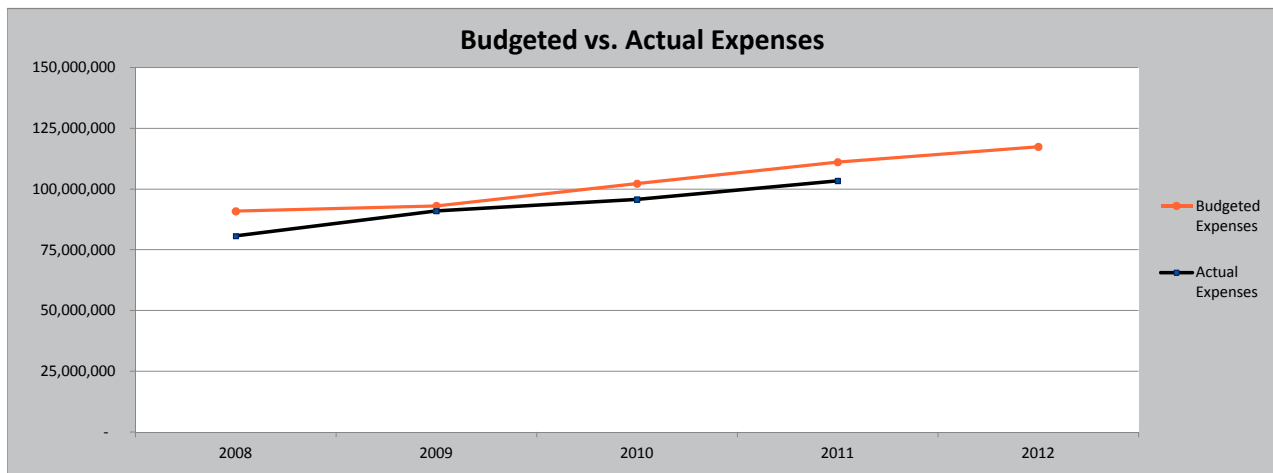
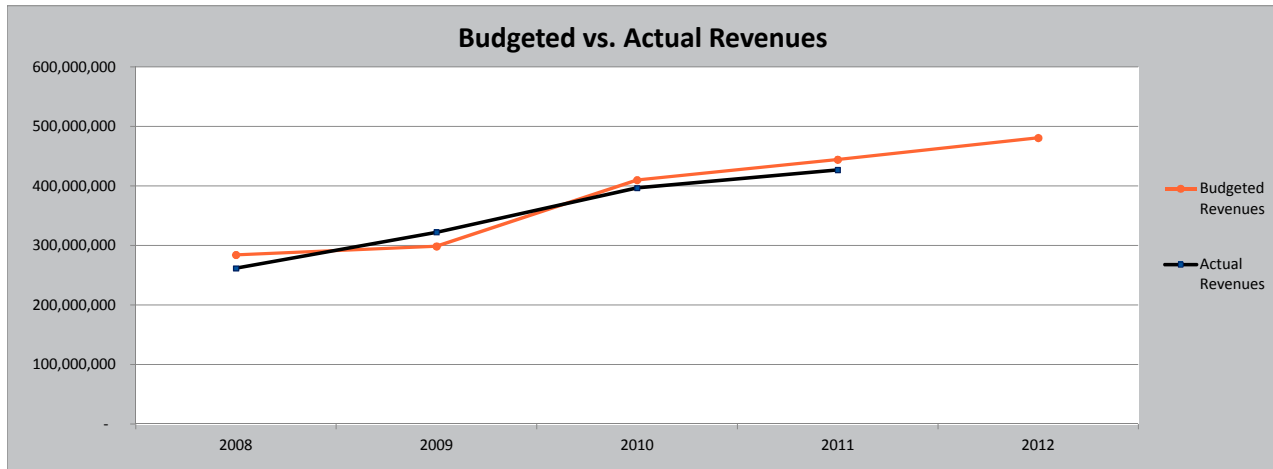
(1) Actual through August 2011

(2) Estimated FY 2012 toll revenue per Wilbur Smith & Associates Traffic and Toll Revenue Estimate.

(3) For FY 2012 and 2011 employees salaries and benefits budgeted 100% in the Operation and Maintenance Fund. 2010 Budget updated to reflect this percentage would be \$112,618,802; the 2011 Budget would show a 1.4% decrease from previous year.

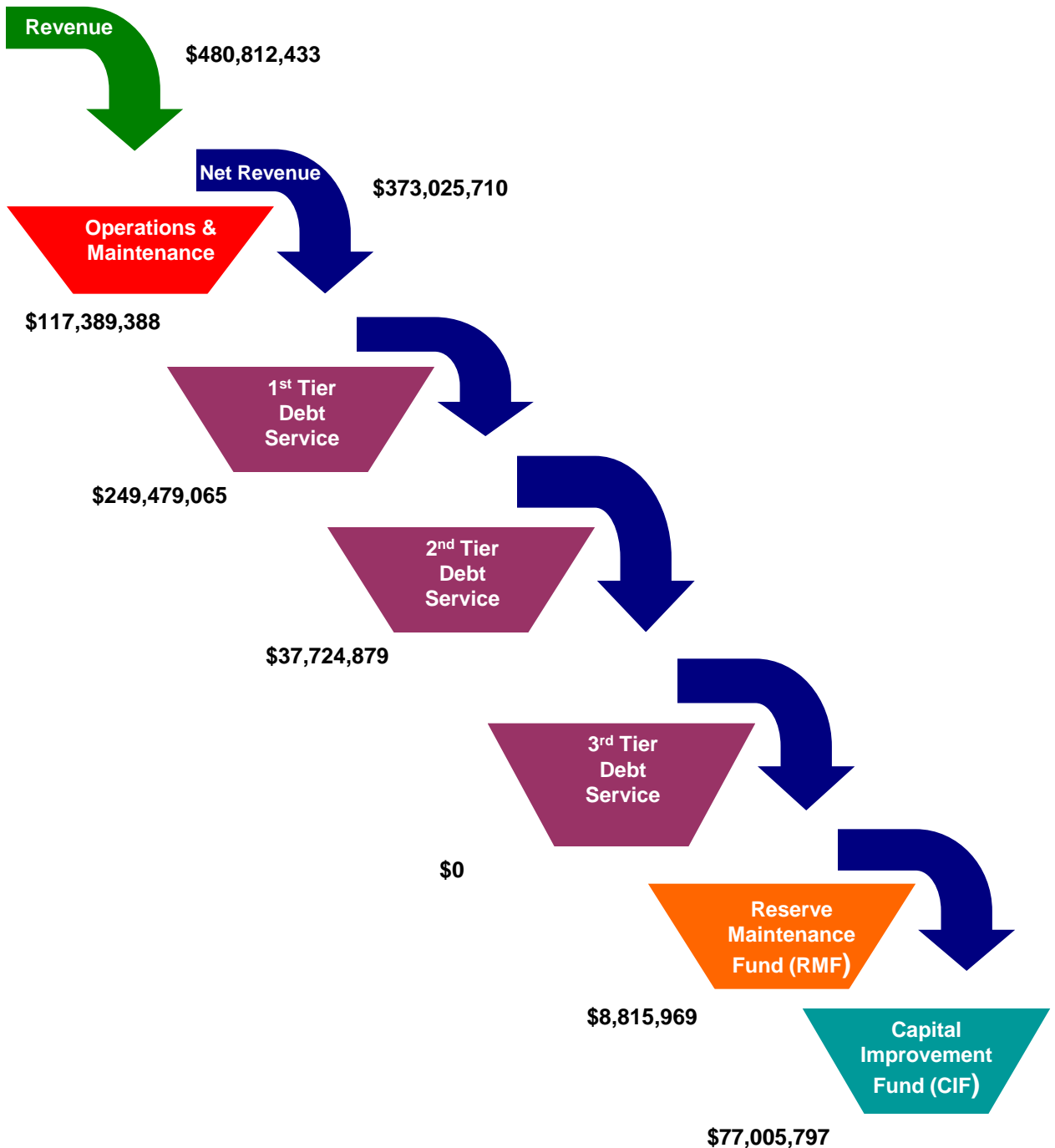
2011			2012
BUDGET	Actual (1)	ESTIMATED	BUDGET
\$ 410,749,700	\$ 241,297,917	\$ 407,272,200 (2)	\$ 450,572,600
9,753,600	8,125,044	13,022,300	9,000,000
23,764,000	10,186,805	18,492,600	21,239,833
444,267,300	259,609,766	438,787,100	480,812,433
8.4%		98.8%	8.2%
1,490,194	441,449	780,342	1,112,881
303,454	86,032	136,309	255,875
545,097	283,637	466,182	457,660
3,330,459	1,207,892	1,976,771	2,603,135
5,031,019	2,844,625	4,653,066	4,760,243
11,705,114	4,396,824	11,677,095	11,584,006
498,671	282,335	458,993	450,515
1,586,315	808,391	1,197,015	1,431,990
912,639	372,451	669,298	879,785
3,720,514	959,454	2,073,340	2,903,761
29,123,476	11,683,090	24,088,411	26,439,851
31,835,048	21,409,011	32,970,754	36,459,525
13,822,894	6,861,196	12,133,818	14,322,096
25,251,000	14,046,470	24,532,706	27,763,922
1,027,086	398,464	717,290	862,682
1,956,011	1,021,843	1,653,392	1,834,997
8,041,187	4,354,846	7,547,625	9,706,315
-		0	
-		0	
81,933,226	48,091,830	79,555,585	90,949,537
111,056,702	59,774,920	103,643,996	117,389,388
8.6% (3)		93.3%	5.7%

Budget vs. Actual Revenues and Expenses



NTTA System Flow of Funds

Cash Flow Waterfall – FY2012



North Texas Tollway Authority
Operation and Maintenance Fund Budget by Account FY 2012

Account	Administrative	Board	Business Diversity	Communications/ Marketing	Finance
Salaries and Wages-Direct - (511101)	776,616	\$137,286	\$325,079	\$940,854	2,684,580
Salaries and Wages-Comp Adj. - (511103)	0	0	0	0	0
Salaries and Wages-Internship - (511202)	0	0	0	0	0
Salaries and Wage-Overtime - (511301)	138	0	1,345	0	0
Group Insurance - (512101)	0	0	0	0	0
Retirement Contributions - (512401)	102,083	19,289	45,709	132,250	376,073
Retirement Contr.-Internship - (512402)	0	0	0	0	0
Retirement Contr.-Comp. Adj. - (512403)	0	0	0	0	0
Tuition Reimbursement - (512501)	0	0	0	0	0
Unemployment Insurance - (512601)	0	0	0	0	0
Worker's Comp Ins - (512701)	0	0	0	0	0
Relocation Expenses - (512901)	0	0	0	0	0
Meeting Expense - (521101)	1,150	57,400	1,733	789	0
Consulting/Professional - (521201)	159,483	0	2,280	429,110	275,590
Legal Fees - (521202)	0	0	0	0	0
Auditing Fees - (521203)	0	0	0	0	0
Trustee Fees - (521204)	0	0	0	0	64,410
Traffic Engineering Fees - (521207)	0	0	0	0	1,120,000
Police Services (DPS) - (521208)	0	0	0	0	0
Armored Car Services - (521209)	0	0	0	0	0
Outside Maintenance Services - (521212)	0	0	0	0	0
Special Legal Fees - (521214)	0	0	0	0	0
Landscaping - (522202)	0	0	0	0	0
Rentals - Land - (522301)	0	0	0	0	0
Rentals - Equipment - (522302)	0	0	0	0	0
Insurance Expense - Other - (523101)	0	0	0	0	0
Postage - (523201)	0	0	0	0	0
Telecommunications - (523202)	0	0	0	0	0
Public Information Fees - (523203)	0	0	0	111,420	0
Recruitment - (523301)	0	0	0	0	0
Magazine and Newspaper - (523302)	0	0	11,856	218,197	21,919
Television & Radio - (523303)	0	0	0	501,390	0
Promotional Expenses - (523304)	2,024	0	15,686	157,149	0
Printing and Photographic - (523401)	0	0	0	7,846	0
Maps & Pamphlets - (523402)	0	0	0	75,208	0
Travel - (523501)	11,963	29,900	7,159	2,785	12,174
Dues & Subscriptions - (523601)	31,572	0	40,657	4,085	7,278
Education and Training - (523701)	25,460	0	1,824	9,518	11,623
Licenses - (523801)	0	0	0	0	1,513
Temporary Contract Labor - (523851)	0	0	0	0	0
Liability Claims - (523902)	0	0	0	0	0
Office Supplies - (531101)	1,932	7,000	4,104	9,285	9,534
Other Materials and Supplies - (531102)	0	0	0	2,785	0
Mobile Equipment Expense - (531103)	0	0	0	0	0
Repairs & Maintenance - (531104)	0	0	0	0	0
Freight and Express - (531105)	460	5,000	228	464	2,022
Motor Fuel Expense - (531107)	0	0	0	0	0
Water - (531211)	0	0	0	0	0
Gas - (531221)	0	0	0	0	0
Electricity - (531231)	0	0	0	0	0
Books & Periodicals - (531401)	0	0	0	0	0
Inven for resale(toll tags) - (531501)	0	0	0	0	0
Small Tools and Shop Supplies - (531601)	0	0	0	0	0
Software (Under \$5,000) - (531651)	0	0	0	0	0
Uniforms - (531701)	0	0	0	0	0
Bank Charges - (573001)	0	0	0	0	173,527
Credit Card Fees - (573002)	0	0	0	0	0
Totals	\$1,257,657	\$255,875	\$457,660	\$2,603,135	\$4,612,316

North Texas Tollway Authority
OMF Budget by Account FY 2012 (Cont.)

Account	Government				
	Shared Services	Affairs	Human Resource	Internal Audit	Legal Services
Salaries and Wages-Direct - (511101)	\$0	\$185,834	\$835,990	\$611,076	\$587,624
Salaries and Wages-Comp Adj. - (511103)	1,242,983	0	0	0	0
Salaries and Wages-Internship - (511202)	0	0	0	0	0
Salaries and Wage-Overtime - (511301)	0	0	1,272	0	0
Group Insurance - (512101)	8,576,807	0	0	0	0
Retirement Contributions - (512401)	0	26,153	117,698	85,998	76,599
Retirement Contr.-Internship - (512402)	0	0	0	0	0
Retirement Contr.-Comp. Adj. - (512403)	174,639	0	0	0	0
Tuition Reimbursement - (512501)	0	0	29,383	0	0
Unemployment Insurance - (512601)	1,113,986	0	0	0	0
Worker's Comp Ins - (512701)	295,996	0	0	0	0
Relocation Expenses - (512901)	0	0	9,111	0	0
Meeting Expense - (521101)	0	2,050	5,558	1,011	0
Consulting/Professional - (521201)	0	192,242	226,393	0	0
Legal Fees - (521202)	0	0	0	0	2,146,160
Auditing Fees - (521203)	0	0	0	120,120	0
Trustee Fees - (521204)	0	0	0	0	0
Traffic Engineering Fees - (521207)	0	0	0	0	0
Police Services (DPS) - (521208)	0	0	0	0	0
Armored Car Services - (521209)	0	0	0	0	0
Outside Maintenance Services - (521212)	0	0	0	0	0
Special Legal Fees - (521214)	0	0	0	0	0
Landscaping - (522202)	0	0	0	0	0
Rentals - Land - (522301)	0	0	0	0	0
Rentals - Equipment - (522302)	113,875	0	0	0	0
Insurance Expense - Other - (523101)	0	0	0	0	0
Postage - (523201)	0	0	0	91	0
Telecommunications - (523202)	0	0	0	0	0
Public Information Fees - (523203)	0	0	0	0	0
Recruitment - (523301)	0	0	22,609	18,224	0
Magazine and Newspaper - (523302)	0	0	21,210	0	0
Television & Radio - (523303)	0	0	0	0	0
Promotional Expenses - (523304)	0	866	4,064	0	0
Printing and Photographic - (523401)	0	0	3,043	0	0
Maps & Pamphlets - (523402)	0	911	0	0	0
Travel - (523501)	0	34,851	3,838	13,258	12,600
Dues & Subscriptions - (523601)	720	5,011	26,283	4,255	42,711
Education and Training - (523701)	0	0	110,150	21,076	8,000
Licenses - (523801)	0	0	0	1,030	0
Temporary Contract Labor - (523851)	0	0	4,555	0	0
Liability Claims - (523902)	0	0	0	0	0
Office Supplies - (531101)	65,000	2,506	10,560	2,734	29,611
Other Materials and Supplies - (531102)	0	0	0	0	0
Mobile Equipment Expense - (531103)	0	0	0	0	0
Repairs & Maintenance - (531104)	0	0	0	0	0
Freight and Express - (531105)	0	91	273	456	456
Motor Fuel Expense - (531107)	0	0	0	0	0
Water - (531211)	0	0	0	0	0
Gas - (531221)	0	0	0	0	0
Electricity - (531231)	0	0	0	0	0
Books & Periodicals - (531401)	0	0	0	456	0
Inven for resale(toll tags) - (531501)	0	0	0	0	0
Small Tools and Shop Supplies - (531601)	0	0	0	0	0
Software (Under \$5,000) - (531651)	0	0	0	0	0
Uniforms - (531701)	0	0	0	0	0
Bank Charges - (573001)	0	0	0	0	0
Credit Card Fees - (573002)	0	0	0	0	0
Totals	\$11,437,157	\$450,515	\$1,431,990	\$879,785	\$2,903,761

North Texas Tollway Authority
OMF Budget by Account FY 2012 (Cont.)

Account	Customer Service Center	Information Technology	Maintenance	Operations	Project Delivery
Salaries and Wages-Direct - (511101)	\$9,074,630	\$4,574,301	\$8,348,062	\$281,999	\$1,581,917
Salaries and Wages-Comp Adj. - (511103)	0	0	0	0	0
Salaries and Wages-Internship - (511202)	0	0	0	0	0
Salaries and Wage-Overtime - (511301)	121,295	36,715	292,300	0	0
Group Insurance - (512101)	0	0	0	0	0
Retirement Contributions - (512401)	1,272,500	643,448	1,172,762	39,793	218,280
Retirement Contr.-Internship - (512402)	0	0	0	0	0
Retirement Contr.-Comp. Adj. - (512403)	0	0	0	0	0
Tuition Reimbursement - (512501)	0	0	0	0	0
Unemployment Insurance - (512601)	0	0	0	0	0
Worker's Comp Ins - (512701)	0	0	0	0	0
Relocation Expenses - (512901)	0	0	0	0	0
Meeting Expense - (521101)	16,559	0	3,270	550	0
Consulting/Professional - (521201)	4,799,704	96,941	424,199	491,202	0
Legal Fees - (521202)	0	0	0	0	0
Auditing Fees - (521203)	0	0	0	0	0
Trustee Fees - (521204)	0	0	0	0	0
Traffic Engineering Fees - (521207)	0	0	0	0	0
Police Services (DPS) - (521208)	0	0	0	0	0
Armored Car Services - (521209)	9,606	0	0	0	0
Outside Maintenance Services - (521212)	0	4,520,926	7,427,735	0	0
Special Legal Fees - (521214)	0	0	0	0	0
Landscaping - (522202)	0	0	43,398	0	0
Rentals - Land - (522301)	0	0	366,000	0	0
Rentals - Equipment - (522302)	38,122	0	103,912	0	0
Insurance Expense - Other - (523101)	0	0	0	0	0
Postage - (523201)	5,508,971	0	0	0	0
Telecommunications - (523202)	0	581,596	0	0	0
Public Information Fees - (523203)	0	0	0	0	0
Recruitment - (523301)	0	0	0	0	0
Magazine and Newspaper - (523302)	0	0	15,000	0	0
Television & Radio - (523303)	0	0	0	0	0
Promotional Expenses - (523304)	0	0	0	0	0
Printing and Photographic - (523401)	0	0	0	0	0
Maps & Pamphlets - (523402)	0	0	0	0	0
Travel - (523501)	5,603	11,342	13,650	36,809	15,500
Dues & Subscriptions - (523601)	1,165	14,415	10,489	11,000	4,800
Education and Training - (523701)	21,948	50,504	98,956	0	7,500
Licenses - (523801)	0	0	11,908	0	0
Temporary Contract Labor - (523851)	0	0	0	0	0
Liability Claims - (523902)	0	0	0	0	0
Office Supplies - (531101)	138,084	147,786	16,460	504	5,000
Other Materials and Supplies - (531102)	486	65,726	3,572,270	0	0
Mobile Equipment Expense - (531103)	0	0	722,630	0	0
Repairs & Maintenance - (531104)	0	0	15,000	0	0
Freight and Express - (531105)	486	0	1,000	825	2,000
Motor Fuel Expense - (531107)	0	0	1,377,500	0	0
Water - (531211)	0	0	566,000	0	0
Gas - (531221)	0	0	98,000	0	0
Electricity - (531231)	0	0	2,830,900	0	0
Books & Periodicals - (531401)	0	0	0	0	0
Inven for resale(toll tags) - (531501)	5,416,418	0	0	0	0
Small Tools and Shop Supplies - (531601)	0	0	70,650	0	0
Software (Under \$5,000) - (531651)	0	3,578,396	0	0	0
Uniforms - (531701)	10,887	0	161,871	0	0
Bank Charges - (573001)	531,894	0	0	0	0
Credit Card Fees - (573002)	9,491,168	0	0	0	0
Totals	\$36,609,525	\$14,322,096	\$27,763,922	\$862,682	\$1,834,997

North Texas Tollway Authority
OMF Budget by Account FY 2012 (Cont.)

Account	System & Incident Mgmt.	FY12 Budget	FY11 Budget	Increase or (Decrease) Amount	Increase or (Decrease) Percent
Salaries and Wages-Direct - (511101)	\$3,815,090	\$34,760,938	\$34,987,895	(\$226,957)	(0.6%)
Salaries and Wages-Comp Adj. - (511103)	0	1,242,983	912,098	330,885	36.3%
Salaries and Wages-Internship - (511202)	0	0	35,040	(35,040)	(100.0%)
Salaries and Wage-Overtime - (511301)	10,057	463,122	511,104	(47,982)	(9.4%)
Group Insurance - (512101)	0	8,576,807	7,436,793	1,140,014	15.3%
Retirement Contributions - (512401)	537,686	4,866,321	4,894,850	(28,529)	(0.6%)
Retirement Contr.-Internship - (512402)	0	0	1,402	(1,402)	(100.0%)
Retirement Contr.-Comp. Adj. - (512403)	0	174,639	127,602	47,037	36.9%
Tuition Reimbursement - (512501)	0	29,383	32,400	(3,017)	(9.3%)
Unemployment Insurance - (512601)	0	1,113,986	2,393,106	(1,279,120)	(53.5%)
Worker's Comp Ins - (512701)	0	295,996	285,780	10,216	3.6%
Relocation Expenses - (512901)	0	9,111	10,000	(889)	(8.9%)
Meeting Expense - (521101)	0	90,070	120,445	(30,375)	(25.2%)
Consulting/Professional - (521201)	105,696	7,202,840	6,478,802	724,038	11.2%
Legal Fees - (521202)	0	2,146,160	3,000,000	(853,840)	(28.5%)
Auditing Fees - (521203)	0	120,120	115,500	4,620	4.0%
Trustee Fees - (521204)	0	64,410	70,525	(6,115)	(8.7%)
Traffic Engineering Fees - (521207)	0	1,120,000	1,135,000	(15,000)	(1.3%)
Police Services (DPS) - (521208)	4,254,852	4,254,852	3,242,295	1,012,557	31.2%
Armored Car Services - (521209)	0	9,606	13,455	(3,849)	(28.6%)
Outside Maintenance Services - (521212)	15,139	11,963,800	11,057,886	905,914	8.2%
Special Legal Fees - (521214)	0	0	2,476	(2,476)	(100.0%)
Landscaping - (522202)	0	43,398	0	43,398	100.0%
Rentals - Land - (522301)	0	366,000	391,204	(25,204)	(6.4%)
Rentals - Equipment - (522302)	0	255,909	382,277	(126,368)	(33.1%)
Insurance Expense - Other - (523101)	822,929	822,929	760,300	62,629	8.2%
Postage - (523201)	9,210	5,518,272	3,383,686	2,134,586	63.1%
Telecommunications - (523202)	0	581,596	682,927	(101,331)	(14.8%)
Public Information Fees - (523203)	0	111,420	175,000	(63,580)	(36.3%)
Recruitment - (523301)	0	40,833	20,000	20,833	104.2%
Magazine and Newspaper - (523302)	0	288,182	303,700	(15,518)	(5.1%)
Television & Radio - (523303)	0	501,390	540,000	(38,610)	(7.2%)
Promotional Expenses - (523304)	663	180,452	299,795	(119,343)	(39.8%)
Printing and Photographic - (523401)	0	10,889	15,650	(4,761)	(30.4%)
Maps & Pamphlets - (523402)	0	76,119	194,000	(117,881)	(60.8%)
Travel - (523501)	640	212,072	211,954	118	0.1%
Dues & Subscriptions - (523601)	1,955	206,396	238,865	(32,469)	(13.6%)
Education and Training - (523701)	6,665	373,224	396,037	(22,813)	(5.8%)
Licenses - (523801)	0	14,451	0	14,451	100.0%
Temporary Contract Labor - (523851)	0	4,555	421,100	(416,545)	(98.9%)
Liability Claims - (523902)	17,356	17,356	19,022	(1,666)	(8.8%)
Office Supplies - (531101)	9,613	459,713	504,518	(44,805)	(8.9%)
Other Materials and Supplies - (531102)	61,851	3,703,118	2,577,101	1,126,017	43.7%
Mobile Equipment Expense - (531103)	0	722,630	1,485,900	(763,270)	(51.4%)
Repairs & Maintenance - (531104)	0	15,000	15,000	0	0.0%
Freight and Express - (531105)	598	14,359	29,008	(14,649)	(50.5%)
Motor Fuel Expense - (531107)	0	1,377,500	0	1,377,500	100.0%
Water - (531211)	0	566,000	483,000	83,000	17.2%
Gas - (531221)	0	98,000	95,000	3,000	3.2%
Electricity - (531231)	0	2,830,900	2,606,500	224,400	8.6%
Books & Periodicals - (531401)	0	456	0	456	100.0%
Inven for resale(toll tags) - (531501)	0	5,416,418	4,662,839	753,579	16.2%
Small Tools and Shop Supplies - (531601)	0	70,650	102,658	(32,008)	(31.2%)
Software (Under \$5,000) - (531651)	0	3,578,396	3,268,168	310,228	9.5%
Uniforms - (531701)	36,314	209,072	172,712	36,360	21.1%
Bank Charges - (573001)	0	705,421	370,682	334,739	90.3%
Credit Card Fees - (573002)	0	9,491,168	9,383,645	107,523	1.1%
Totals	\$9,706,314	\$117,389,388	\$111,056,702	\$6,332,686	5.7%

North Texas Tollway Authority
FY 2012 Staffing Summary

	Approved in 2011 Budget	Change in 2011	Requested for 2012 *	Projected 2012 Budget		
				Full Time	Part Time	On Call
Administrative Services						
Administration	7	(1)	-	6	-	-
Board	2	-	-	2	-	-
Business Diversity	6	(1)	-	5	-	-
Communications/Marketing	15	-	-	15	-	-
Finance	42	(2)	2	42	-	-
Government Affairs	3	-	-	3	-	-
Human Resources	13	-	-	13	-	-
Internal Audit	8	-	-	8	-	-
Legal Services	5	-	-	5	2	-
Total Administrative Services	101	(4)	2	99	2	0
Operational Services						
Customer Service Center	251	-	9	260	4	11
Information Technology	77	-	1	78	-	-
Maintenance	191	-	2	193	-	-
Operations	3	-	-	3	-	-
Project Delivery	14	(1)	-	13	-	-
System & Incident Management	80	-	7	87	1	-
Total Operational Services	616	(1)	19	634	5	11
Total	717	(5)	21	733	7	11

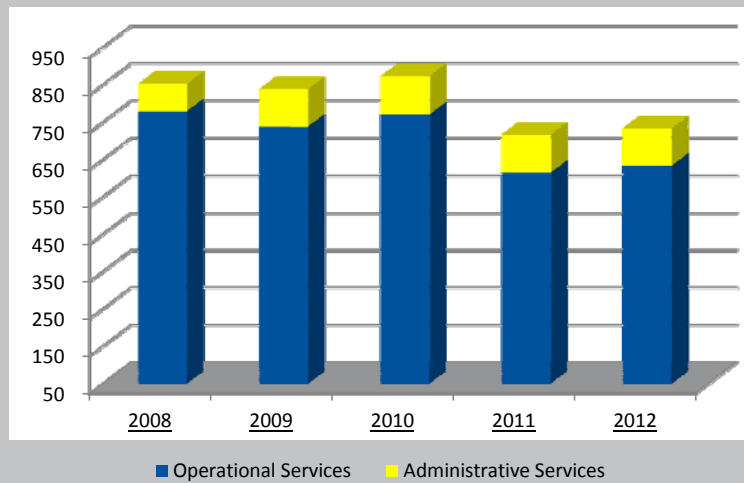
North Texas Tollway Authority
FY 2008 - 2012 FTE Staffing Summary History

	2008 Budget	2009 Budget	2010 Budget	2011 Budget	Proposed 2012 Budget	Change in Budgeted FTEs 2011 to 2012
<u>Administrative Services</u>						
Administration	9	8	7	7	6	(1)
Board	-	1	2	2	2	-
Business Diversity	2	5	6	6	5	(1)
Communications/Marketing	12	15	14	15	15	-
Finance	29	38	43	42	42	-
Government Affairs	3	3	3	3	3	-
Human Resources	13	15	13	13	13	-
Internal Audit	2	12	8	8	8	-
Legal Services	3	3	5	5	5	-
Total Administrative Services	73	100	101	101	99	(2)
<u>Operational Services</u>						
Customer Service Center	144	224	251	251	260	9
Information Technology	32	51	67	77	78	1
Maintenance	197	193	187	191	193	2
Operations	-	3	3	3	3	-
Planning	2	-	-	-	-	-
Project Delivery	6	13	15	14	13	(1)
Project Evaluation	4	6	-	-	-	-
System & Incident Management	51	63	73	80	87	7
Toll Collection	321	173	156	-	-	-
Vault	23	13	20	-	-	-
Total Operational Services	780	739	772	616	634	18
Grand Total	853	839	873	717	733	16

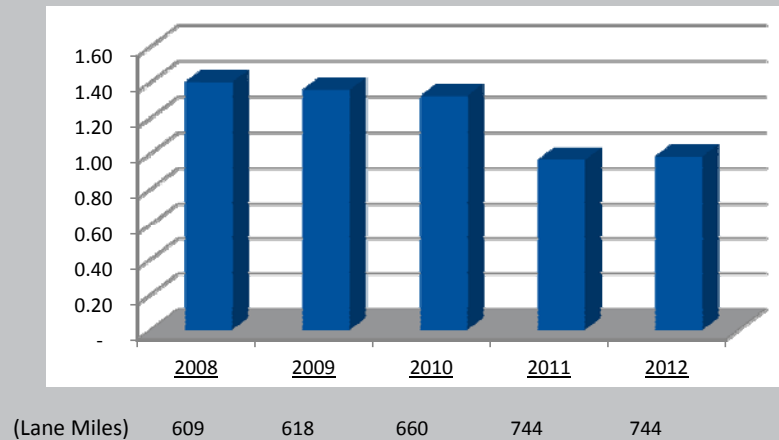
FTEs - Full Time Employees

North Texas Tollway Authority
FY 2012 Informaional Graphs

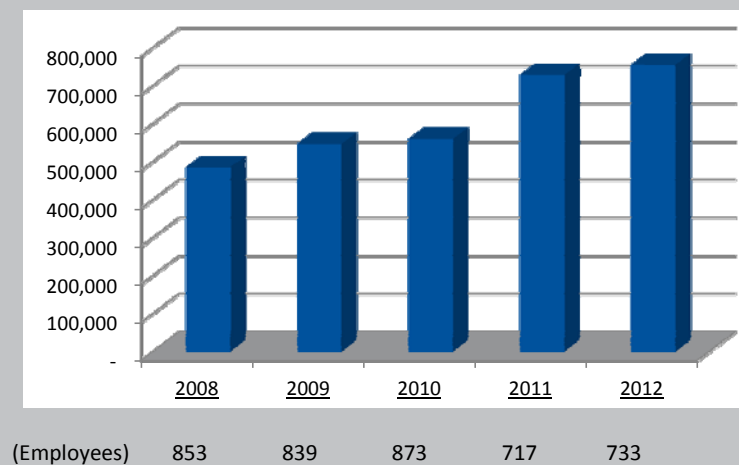
Staffing Summary



Budgeted Employees per Lane Mile



Transactions per Budgeted Employee



DEPARTMENTAL BUDGETS SECTION



North Texas Tollway Authority
Operation and Maintenance Fund - (1001) Budget Comparisons
FY 2012 to 2011

Department	2011 Budget	2012 Budget	2012 Budget to 2011 Budget Amount	Percent
Administrative Services:				
Administrative	\$1,490,194	1,112,881	\$(377,313)	(25.3%)
Board	303,454	255,875	(47,579)	(15.7%)
Business Diversity	545,097	457,660	(87,437)	(16.0%)
Communications/Mkting	3,330,459	2,603,135	(727,324)	(21.8%)
Finance	5,031,019	4,760,243	(270,776)	(5.4%)
Government Affairs	498,671	450,515	(48,156)	(9.7%)
Human Resource	1,586,315	1,431,990	(154,325)	(9.7%)
Internal Audit	912,639	879,785	(32,854)	(3.6%)
Legal Services	3,720,514	2,903,761	(816,753)	(22.0%)
Shared Services	11,705,114	11,584,006	(121,108)	(1.0%)
Total Administrative Services	29,123,476	26,439,851	(2,683,625)	(9.2%)
Operational Services:				
Customer Service Center	31,835,048	36,459,525	4,624,477	14.5%
Information Technology	13,822,894	14,322,096	499,202	3.6%
Maintenance	25,251,000	27,763,922	2,512,922	10.0%
Operations	1,027,086	862,682	(164,404)	(16.0%)
Project Delivery	1,956,011	1,834,997	(121,014)	(6.2%)
System & Incident Mgmt.	8,041,187	9,706,315	1,665,128	20.7%
Total Operational Services	81,933,226	90,949,537	9,016,311	11.0%
Grand Totals	111,056,702	117,389,388	6,332,686	5.7%

**North Texas Tollway Authority
Calculation of Deposit to Operation Maintenance Fund
FY 2012**

Operation Maintenance Fund Balance as of 12/31/2011	\$ 18,509,450
Estimated Expenditures from 2012 Operating Budget	<u>(117,389,388)</u>
Estimated Balance at 12/31/2012	(98,879,938)
Required Balance per Trust Agreement at 12/31/2012 (1/6 of 2012 Operating Budget)	19,564,898
Deposit to Operations and Maintenance Fund for FY 2012	<u><u>\$ 118,444,836</u></u>

EXECUTIVE SUMMARY

Administration Department

2012 Budget

Executive Staff

Gerry Carrigan, Interim Executive Director
Deputy Executive Director – Vacant
Kimberly Tolbert, Assistant Executive Director, Administrative Services

Department Description

The Administration Department directs and oversees the strategic planning process; communication and implementation of directives and policies of the NTTA Board of Directors; oversees all aspects of NTTA's operations; sets the tone, values and culture of the organization; and manages communications with local, regional, state and national transportation partners.

Accomplishments for 2011

- **Change Management** – An Authority-wide change management strategy was developed and implemented to manage the people side of change for projects that impact the entire organization or initiatives that impact internal and external audiences, affect or impact finances, involve multiple departments and/or all employees, relate to a Board or administrative policy and/or require Board involvement. Executive/Senior staff, managers and supervisors were invited to attend the training. The change management documents are available for staff use.
- **Employee Engagement** – The four employee-led committees, originally formed and implemented in 2010, continued in 2011. In 2010, staff from all NTTA departments volunteered to serve on committees for one year. In order to ensure a smooth transition to sustain ongoing initiatives, beginning in 2011, employees committed to two-year rolling terms. New employee engagement initiatives implemented in 2011 included an education fair, employee discount program and participation in the American Heart Association Heart Walk. Additionally, Committee members provided feedback on organization-wide initiatives such as the Human Resources Policies and Procedures Handbook, biennial employee engagement survey and the staff appreciation days series.
- **Organizational Assessment** – The organizational assessment was completed and presented to the Board in fourth quarter 2010.
- **Peer Review** – At the direction of the Board, staff initiated the peer review project to address the scope and direction of future professional services procurements to ensure the best approach for arriving at the most fair, open, understandable, transparent and acceptable decision. A peer review survey was sent via e-mail to nine tolling agencies outside the state, two tolling agencies within the state, nine local government and transportation agencies within the region, and one private sector organization to gain insight into best practices regarding the procurement process and the business/operational models that sustain our peer agencies.
- **Policies and Procedures** – The Policy and Procedure Manager software was implemented to streamline the policy, procedure and business rule review, approval, management and distribution process. The Administration Department worked in collaboration with the Information Technology Department to upgrade the software to increase functionality and provide a more user-friendly process in third quarter 2011.
- **Strategic Plan** – In order to increase awareness of the Board-adopted 2011-2015 strategic plan, the strategic plan was discussed at the February Plug-In! Town Hall session, brochures were distributed to internal and external stakeholders, articles regarding the strategic plan were

included in the *Mainlane, Driving Forward* e-newsletter and *Shaping the Road Ahead* e-newsletter. Additionally, staff received updated badge cards with the strategic goals. The strategic plan will be reiterated throughout the year using a variety of means including postings on the intranet, during the budget process, the annual employee goal setting process and discussions in department meetings.

Goals and Objectives for 2012

- The Administration Department will:
 - Modify the change management process to use for department-wide initiatives or projects.
 - Execute the 2012 employee engagement survey by continuing to create opportunities for employees to provide input on employee-related issues and implement feasible suggestions to foster engagement.
 - Continue to guide and coordinate the transition of the NTTA to its desired future state outlined in County Review.

Major Budget Items for 2012

- The department's overall 2012 budget has decreased (25.3%) or (\$377,313) from \$1,490,194 in FY 2011 to \$1,112,881 in FY 2012 due to a decrease in expenses for personnel, meetings, consulting, travel, supplies, and freight & express expenditures, as well as an allocation of \$109,483 for the President George Bush Turnpike Western Extension (PGBT-WE). Details about budget variances are addressed below.
 - Salaries and Retirement decreased by (22.2 %) or (\$250,090) from \$1,128,789 to \$878,699 due to allocation to PGBT-WE and reduction of vacant Senior Project Manager Position.
 - Meeting expenses decreased (54.0%) or (\$1,350) from \$2,500 to \$1,150, due to the historically low expenditures in this account.
 - Consulting/Professional fees decreased (46.8%) or (\$140,517) from \$300,000 to \$159,483, due to the nature of the projects anticipated to require consulting services. Funds allocated for consulting/professional fees will be used to provide any revisions or updates to the strategic plan, consulting support to the Executive Accountability Model implementation, ongoing support for the change management program, design and execution of the biennial employee engagement survey, and other unanticipated initiatives led by the NTTA Board of Directors and Executive Director.
 - Travel expenses decreased (26.8%) or (\$4,387) from \$16,350 to \$11,963, due to the historically low expenditures in this account.
 - Education and training expenses increased 2,446% or \$24,460 from \$1,000 to \$25,460, to allocate funds for a governance retreat.
 - Office supplies expense decreased (67.8%) or (\$4,068) from \$6,000 to \$1,932, due to the fact that the cost of copy paper will be absorbed in shared services.
 - Freight & express expenses decreased (69.3%) or (\$1,040) from \$1,500 to \$460, due to the historically low expenditures in this account.

- Promotional Expenses increased 34.9% or \$524 from \$1,500 to \$2,024, to provide incentives for employee participation in the 2012 employee engagement survey and engraving the names of the new class of Drive to Excellence Award honorees.

Other Funds

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

Position Summary

Administration Department			
Full-Time Positions	2011	2012	Difference
Administrative Specialist	1	1	-
AED Administrative Services	1	1	-
Deputy Executive Director	1	1	-
Executive Assistant	1	1	-
Executive Director	1	1	-
Management Analyst	1	1	-
Senior Project Manager	1	0	(1)
Total Full-Time Positions	7	6	0

Organization Chart

Administration Department



**North Texas Tollway Authority
Departmental Budget Summary
OMF Budget Fund**

Department: Administration - (10011)
Budget Year: 2012

Account	2010 Actual	2011 Budget	2012 Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$417,924	\$990,253	\$776,616	(\$213,637)	(21.6)%
Salaries and Wage-Overtime - (511301)	117	0	138	138	0.0%
Retirement Contributions - (512401)	54,728	138,536	102,083	(36,453)	(26.3)%
Meeting Expense - (521101)	11,426	2,500	1,150	(1,350)	(54.0)%
Consulting/Professional - (521201)	294,615	300,000	159,483	(140,517)	(46.8)%
Promotional Expenses - (523304)	0	1,500	2,024	524	34.9%
Travel - (523501)	5,620	16,350	11,963	(4,387)	(26.8)%
Dues & Subscriptions - (523601)	50,063	32,555	31,572	(983)	(3.0)%
Education and Training - (523701)	0	1,000	25,460	24,460	2,446.0%
Office Supplies - (531101)	3,749	6,000	1,932	(4,068)	(67.8)%
Freight and Express - (531105)	33	1,500	460	(1,040)	(69.3)%
Total Expenses	\$838,276	\$1,490,194	\$1,112,881	(377,313)	(25.3)%

**North Texas Tollway Authority
Departmental Budget Summary
Summary of Funds**

Department: Administration - (10011)
Budget Year: 2012

Account	OMF 1001	CF 3700	RMF 1201	CIF 1501	CIF/FSF 1601	Total Budget
Salaries and Wages-Direct - (511101)	\$776,616	\$0	\$0	\$0	\$0	\$776,616
Salaries and Wage-Overtime - (511301)	138	0	0	0	0	138
Retirement Contributions - (512401)	102,083	0	0	0	0	102,083
Meeting Expense - (521101)	1,150	0	0	0	0	1,150
Consulting/Professional - (521201)	159,483	0	0	0	0	159,483
Promotional Expenses - (523304)	2,024	0	0	0	0	2,024
Travel - (523501)	11,963	0	0	0	0	11,963
Dues & Subscriptions - (523601)	31,572	0	0	0	0	31,572
Education and Training - (523701)	25,460	0	0	0	0	25,460
Office Supplies - (531101)	1,932	0	0	0	0	1,932
Freight and Express - (531105)	460	0	0	0	0	460
2012 Totals	\$1,112,881	\$0	\$0	\$0	\$0	\$1,112,881
2011 Totals	\$1,490,194	\$0	\$0	\$0	\$0	\$1,490,194

EXECUTIVE SUMMARY

Board Department

2012 Budget

Executive Staff

Board of Directors
Ruby Franklin, NTTA Secretary
Lorelei Griffith, NTTA Assistant Secretary

Department Description

The Board of Directors monitors and provides oversight of the NTTA's annual budget process; advocates the agency's legislative agenda; reviews and monitors all activities related to the financing of projects and internal audit functions. The Board of Directors also monitors and provides oversight for the planning, design, construction and operation of NTTA projects, including final approval of contracts over \$300,000.

Accomplishments for 2011:

- Innovative Financing (TIGER Grant, TIFIA Loan)
- Completed Conversion to All-Electronic Toll Collection
- Advancement of Chisholm Trail Parkway
- Sam Rayburn Tollway construction
- Continued President George Bush Turnpike - Eastern Extension (PGBT-EE)
- State Highway 360 studies underway
- State Highway 170 studies underway
- Bond refinancing
- Internal Compensation study
- County Review underway

Goals and Objectives for 2012

- Continue to support and guide the NTTA's policy development and review process
- Continue to participate in initiatives to NTTA's stakeholders
- Attend approximately 35 Board/Special Called Board/Committee/Workshop meetings
- Participate in International Bridge Tunnel and Turnpike Association (IBTTA) meetings
- Participate in political outreach

Major Budget Items for 2012

- The department's overall budget decreased (15.7%) or (\$47,579) from \$303,454 in FY2011 to \$ 255,875 in FY2012 due to the use of iPads and less travel.
- Meeting expenses have decreased (42.5%) or (\$42,400) from \$99,800 in 2011 to \$57,400 in 2012 based on historical costs.
- Travel expenses have decreased (28.6%) or (\$12,000) from \$41,900 in 2011 to \$29,900 in 2012 due to a decrease in Legislative travel.

- Freight and Express expenses have decreased (55.8%) or (\$6,300) from \$11,300 in 2011 to \$5,000 in 2012 based on reduction of packets being delivered.
- Printing/Office Supply expenses have decreased (57.6%) or (\$9,500) from \$16,500 in 2011 to \$7,000 in 2012 due to use of iPads by Board members.

Other Funds

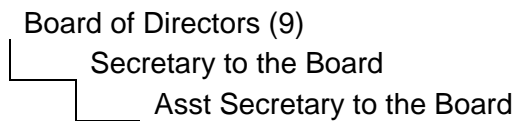
- **CF** **\$0**
- **RMF** **\$0**
- **CIF** **\$0**
- **CIF/FSF** **\$0**

Position Summary

Board Department			
Full-Time Positions	2011	2012	Difference
NTTA Secretary	1	1	-
Agenda Coordinator	1	0	(1)
NTTA Assistant Secretary	0	1	1
Total Full-Time Positions	2	2	0

Organization Chart

Board Department



**North Texas Tollway Authority
Departmental Budget Summary
OMF Budget Fund**

Department: Board - (10111)
Budget Year: 2012

Account	2010 Actual	2011 Budget	2012 Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$83,324	\$117,514	\$137,286	\$19,772	16.8%
Retirement Contributions - (512401)	11,388	16,440	19,289	2,849	17.3%
Meeting Expense - (521101)	39,121	99,800	57,400	(42,400)	(42.5)%
Travel - (523501)	16,947	41,900	29,900	(12,000)	(28.6)%
Education and Training - (523701)	0	0	0	0	0.0%
Office Supplies - (531101)	4,873	16,500	7,000	(9,500)	(57.6)%
Freight and Express - (531105)	9,936	11,300	5,000	(6,300)	(55.8)%
Total Expenses	\$165,589	\$303,454	\$255,875	(47,579)	(15.7)%

**North Texas Tollway Authority
Departmental Budget Summary
Summary of Funds**

Department: Board - (10111)
Budget Year: 2012

Account	OMF 1001	CF 3700	RMF 1201	CIF 1501	CIF/FSF 1601	Total Budget
Salaries and Wages-Direct - (511101)	\$137,286	\$0	\$0	\$0	\$0	\$137,286
Retirement Contributions - (512401)	19,289	0	0	0	0	19,289
Meeting Expense - (521101)	57,400	0	0	0	0	57,400
Travel - (523501)	29,900	0	0	0	0	29,900
Office Supplies - (531101)	7,000	0	0	0	0	7,000
Freight and Express - (531105)	5,000	0	0	0	0	5,000
2012 Totals	\$255,875	\$0	\$0	\$0	\$0	\$255,875
2011 Totals	\$303,454	\$0	\$0	\$0	\$0	\$303,454

EXECUTIVE SUMMARY

Business Diversity Department

2012 Budget

Executive Staff

Anthony Coleman, Director of Business Diversity

Dennis Gakunga, Assistant Director of Business Diversity

Department Description

The purpose of the Business Diversity Department (BDD) is to strengthen the North Texas Tollway Authority (NTTA) through the inclusion of Disadvantaged, Minority, Women-Owned, and Small Business Enterprises (D/M/W/SBEs) in the procurement of goods and services. A continuing goal of the BDD is to maximize the participation of D/M/W/SBEs in all phases of the Authority's purchasing and contracting opportunities. The BDD initiatives are centered around the four focus areas of the Action Plan:

- 1) Expand outreach and marketing
- 2) Align policies and procedures
- 3) Streamline compliance and reporting
- 4) Build capacity of qualified disadvantaged, minority, women-owned and small business firms

Accomplishments for 2011

- Expand Outreach & Marketing
 - Developed a Business Diversity Department e-Newsletter to spotlight NTTA M/WBE contractors, provide updates on BDD events, and highlight upcoming procurement opportunities for potential vendors.
 - Continued the monthly NTTA 'Business Chat Sessions' and the quarterly Vendor Outreach Symposiums.
- Align Policies & Procedures
 - Developed the M/WBE industry-specific subcontracting goals for the construction and professional services procurement categories. The consulting services and goods and services procurement category goals are established on a contract-by-contract basis.
 - Revised the NTTA's Disadvantaged, Minority, Women-Owned, and Small Business Enterprises (Diversity) Policy.
- Streamline Compliance & Reporting
 - Implemented an automated contract compliance tracking software for more effective monitoring, and tracking of contract commitments.
 - Continued monthly business diversity updates reports to the NTTA Board of Directors.
 - Conducted internal and external contract compliance workshops and training for NTTA primes and subconsultants.
 - Implemented a business diversity department performance metrics reporting process.

- Build Capacity
 - Initiated and expanded the Relationships and Opportunities Advancing Diversity (ROAD) Program from six teams to eleven teams.

Goals and Objectives for 2012

- Expand Outreach & Marketing
 - Increase the number of D/M/W/SBEs registered in the NTTA database through increased outreach efforts and initiatives business community, advocacy groups, D/M/WBE firms and NTTA departments.
- Align Policies & Procedures
 - Review the Diversity Policy and the business diversity department's Contracting and Compliance Manual to ensure compliance and incorporate best practices.
- Streamline Compliance & Reporting
 - Enhance and augment the business diversity department performance metrics reporting process.
 - Facilitate compliance training sessions for both prime contractors and subcontractors on the new compliance tracking system and reporting requirements.
- Build Capacity
 - Increase the number of D/M/W/SBE firms serving in prime contractor roles through expanded capacity building initiatives and increased outreach with the business community, advocacy groups, regional partners, D/M/WBE firms and NTTA departments.

Major Budget Items for 2012

The overall FY2012 BDD budget of \$457,660 has decreased (16.0%) or (\$87,437) from the previous FY2011 budget of \$545,097. An allocation to PGBT-WE of \$48,511 is part of the decrease in the OMF budget.

- Salaries and Retirement expenses decreased (21.8%) or (\$80,954) from \$451,742 to \$370,788 as a result of eliminating one position.
- Professional expenses decreased (8.8%) or (\$220), from \$2,500 to \$2,280 as a result of the department's level of required professional services has been reduced.
- Magazine and Newspaper expenses decreased (8.8%) or (\$1,144) from \$13,000 to \$11,856 as a result of the department's e-Newsletter outreach efforts.
- Travel expenses increased 21.3% or \$1,259 in FY 2012, from \$5,900 to \$7,159 to attend required DBE and contract compliance training to gain additional knowledge and best practices.
- Printing and office supplies decreased (36.9%) or (\$2,396), from \$6,500 to \$4,104 as a result of the reduction in printing costs.

- Freight expenses decreased (8.8%) or (\$22), from \$250 to \$228 as a result of the reduction of mailing costs.

Other Funds

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

Position Summary

Business Diversity Department			
Full-Time Positions	2011	2012	Difference
Admin. Asst. Bus. Diversity	1	-	(1)
Asst. Director B/D	1	1	-
Bus. Diversity Liaison	2	2	-
Business Diversity Manager	1	1	-
Director of Business Diversity	1	1	-
Total Full-time Positions	6	5	(1)

Organization Chart

Business Diversity Department



**North Texas Tollway Authority
Departmental Budget Summary
OMF Budget Fund**

Department: Business Diversity - (10211)
Budget Year: 2012

Account	2010 Actual	2011 Budget	2012 Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$117,547	\$396,300	\$325,079	(\$71,221)	(18.0)%
Salaries and Wage-Overtime - (511301)	157	1,475	1,345	(130)	(8.8)%
Retirement Contributions - (512401)	16,148	55,442	45,709	(9,733)	(17.6)%
Meeting Expense - (521101)	262	1,650	1,733	83	5.0%
Consulting/Professional - (521201)	0	2,500	2,280	(220)	(8.8)%
Magazine and Newspaper - (523302)	0	13,000	11,856	(1,144)	(8.8)%
Promotional Expenses - (523304)	11,103	17,200	15,686	(1,514)	(8.8)%
Travel - (523501)	2,591	5,900	7,159	1,259	21.3%
Dues & Subscriptions - (523601)	39,680	42,880	40,657	(2,223)	(5.2)%
Education and Training - (523701)	505	2,000	1,824	(176)	(8.8)%
Office Supplies - (531101)	2,577	6,500	4,104	(2,396)	(36.9)%
Freight and Express - (531105)	31	250	228	(22)	(8.8)%
Total Expenses	\$190,600	\$545,097	\$457,660	(87,437)	(16.0)%

**North Texas Tollway Authority
Departmental Budget Summary
Summary of Funds**

Department: Business Diversity - (10211)
Budget Year: 2012

Account	OMF 1001	CF 3700	RMF 1201	CIF 1501	CIF/FSF 1601	Total Budget
Salaries and Wages-Direct - (511101)	\$325,079	\$0	\$0	\$0	\$0	\$325,079
Salaries and Wage-Overtime - (511301)	1,345	0	0	0	0	1,345
Retirement Contributions - (512401)	45,709	0	0	0	0	45,709
Meeting Expense - (521101)	1,733	0	0	0	0	1,733
Consulting/Professional - (521201)	2,280	0	0	0	0	2,280
Magazine and Newspaper - (523302)	11,856	0	0	0	0	11,856
Promotional Expenses - (523304)	15,686	0	0	0	0	15,686
Travel - (523501)	7,159	0	0	0	0	7,159
Dues & Subscriptions - (523601)	40,657	0	0	0	0	40,657
Education and Training - (523701)	1,824	0	0	0	0	1,824
Office Supplies - (531101)	4,104	0	0	0	0	4,104
Freight and Express - (531105)	228	0	0	0	0	228
2012 Totals	\$457,660	\$0	\$0	\$0	\$0	\$457,660
2011 Totals	\$545,097	\$0	\$0	\$0	\$0	\$545,097

EXECUTIVE SUMMARY

Communications and Marketing Department

2012 Budget

Executive Staff

Kim Jackson, Director of Communications and Marketing
Christine Connelly, Assistant Director of Communications and Marketing

Department Description

The NTTA Communications and Marketing Department supports the Authority's strategic goals and objectives through quantifiable communications with internal and external audiences. The department includes five areas of focus to reach key audiences including customers, stakeholders, bondholders, elected officials, business leaders and employees as follows:

- (1) Strategy and planning – to drive organizational metrics and objectives
- (2) Media relations – to manage NTTA's image and reputation and to proactively tell the NTTA story
- (3) Marketing and advertising – to promote TollTag distribution, increase travel on NTTA toll roads and generate revenue through strategic partnerships/sponsorships
- (4) Project communications – to manage the NEPA communications process and inform customers of activities and actions relating to existing and future NTTA projects
- (5) Internal communications – to reinforce the organizational culture and communicate with employees so that they can deliver on NTTA's strategic goals and mission.

The department focuses on the four objectives outlined in the Strategic Communications Plan through quantifiable communications. (Elevate transparency, educate the customer/employee, speak with one voice, and focus on core business.)

Accomplishments for 2011

The Communications and Marketing Department has the following business objectives for 2011.

- Support major organizational initiatives including the conversion to all-ETC, launch of a new NTTA website, and communication of the biennial toll rate increase.
 - Twelve percent increase in outreach, which will expand our e-newsletter and news release distribution to proactively communicate NTTA business.
 - Launch new website and implement web traffic metrics on key pages and establish traffic benchmarks.
- Inform customers and stakeholders of projects under construction to drive interest in using toll roads and improve TollTag distribution.
 - Increase outreach regarding project development, construction progress, maintenance efforts, and other project-related events by a 20% annual increase in subscribers.
- Expand outreach in Eastern Dallas, Rockwall, Denton and Tarrant counties to increase TollTag penetration.
 - Eighty-two percent overall TollTag penetration on existing toll roads rate to generate additional revenue and corresponding operational savings.
- Educate the customer to ensure payment for all customer groups including ZipCash.
 - Three percent reduction of ZipCash transactions reaching violation phase.
 - Five percent channel migration to self-help option on the NTTA website to decrease operational expenses in the call center in coordination with CSC.
 - Two percent increase in on-time ZipCash payments and reduction in customers reaching violation phase.
- Develop business programs to increase TollTag distribution and drive revenue.

- Twenty percent increase in social media outreach to generate interest and action in NTTA activities and projects.
- Facilitate two-way communication between executives and staff to enhance ongoing feedback and promote the desired culture
 - Establish benchmarks for response to employee communications surveys and promotions through annual goals and biennial survey improvements.

Goals and Objectives for 2012

- Increase outreach and proactive responses to generate traditional and social media coverage that is 75% positive or neutral in tone.
- Launch NTTA mobile site and applications for travel times, lane closures, toll rates and project information in coordination with the IT Department.
- Develop key informational Spanish language web pages to support multicultural outreach.
- Maintain 82% TollTag penetration rate across the NTTA and Special Projects System. Increase TollTag distribution through all channels by 10% and through marketing specific channels by 12%.
- The marketing team will focus on TollTag distribution, new business development to generate revenue and expanded outreach to areas with new or future toll roads including managed lane projects. The Tag Wagon and Chamber of Commerce programs are being eliminated to focus on grassroots outreach through office visits and free events to increase ROI and maximize the use of staff time.
- Generate an estimated \$200,000 in non-TollTag revenue through sponsorships and strategic partnerships.
- Launch an NTTA Corporate Social Responsibility program and communicate it to customers and key stakeholder groups.
- Improve internal communications efforts with a redesign of the NTTA Intranet in cooperation with the IT Department and develop a communications plan in response to the biennial employee engagement survey.
- Educate customers through a variety of tactics including *eTa* publications, online advertising and e-newsletters that provide information and drive revenue.
- Develop, in cooperation with NTTA operations departments, new products/solutions for ZipCash customer segments including infrequent users and rental car and out-of-state drivers.
- Outreach and promotions will be emphasized in Tarrant, Johnson, Rockwall, and eastern Dallas counties to increase TollTag accounts in these geographic areas and increase TollTag penetration as new projects come online.
- Increase visibility and outreach in Tarrant and Johnson counties to inform customers of Chisholm Trail Parkway activities through speaking engagements, storefronts, mobile displays, e-newsletters and stakeholder/business outreach.
- Work with project partners to provide information on key transportation issues such as managed lanes, congestion pricing and environmental/safety initiatives.

Major Budget Items for 2012

- The department's FY 2012 NTTA System Operations and Maintenance budget decreased by (21.8%) or (\$727,324) from \$3,330,459 in FY 2011 to \$2,603,135 in FY 2012, which includes a \$79,782 allocation of to PGBT-WE. All reductions listed below include this allocation. Categories that were reduced only by the allocation are not listed below.

- Expenses were reduced in several categories (outlined below) to focus on areas directly tied to NTTA goals and objectives and customer initiatives, such as increasing TollTag penetration, increasing on-time ZipCash payment, informing customers and stakeholders about progress on NTTA construction projects.
- Salaries and Wages and related Retirement Contributions: decreased by combined total of (15.8%) or (\$201,455) from \$1,274,559 to \$1,073,104. These categories were decreased by eliminating four positions: one part-time and two on-call marketing positions who worked on the Tag Wagon and Chamber programs and one temporary part-time communications position that helped maintain service levels during a staffing shortage in 2011.
- Meeting expenses: decreased by (66.4%) or (\$1,561) from \$2,350 to \$789 by reducing participation in chambers of commerce meetings.
- Consulting/Professional Fees: decreased by (23.1%) or (\$128,890) from \$558,000 to \$429,110 primarily by cutting biennial stakeholder surveys, which are conducted in odd years, and reducing creative services/branding. Much of the branding has been completed in 2011.
- Rental of equipment: decreased by (100%) or (\$5,000) from \$5,000 to \$0 by moving the annual rental fees for the color copier to the Shared Services Department.
- Public Information Fees: decreased by (36.3%) or (\$63,580) from \$175,000 to \$111,420 primarily by eliminating Tag Wagon sponsorships for events. Increased payouts to Regional TollTag Partners based on projected growth of 14%.
- Promotional Expense: decreased by (43.2%) or (\$119,351) from \$276,500 to \$157,149 by reducing expenses for community sponsorships, customer rewards program, and employee award and engagement activities.
- Printing & Photographic: decreased by (49.9%) or (\$7,804) from \$15,650 to \$7,846 by reducing stock photo shoots and Board and staff headshots.
- Maps & Pamphlets: decreased by (61.0%) or (\$117,792) from \$193,000 to \$75,208 by reducing or eliminating collateral printing expenses for multi-cultural outreach, Regional TollTag Partners, community sponsorships, toll rate brochures, *eTa* newsletter, employee communications, project communications, and general marketing collateral.
- Dues & Subscriptions: decreased by (79.5%) or (\$15,815) from \$19,900 to \$4,085 by eliminating memberships in area chambers of commerce. New e-newsletter format will reach members directly, creating a more cost-effective ROI.
- Education & Training: decreased by (51.8%) or (\$10,232) from \$19,750 to \$9,518 by decreasing expense for strategic media and presentation training.

OTHER FUNDS

- **CF** **\$7,500**
- **RMF** **\$0**
- **CIF/FSF** **\$7,500**

Position Summary

Communications and Marketing Department			
Full-Time Positions	2011	2012	Difference
Administrative Assistant	1	1	-
Assistant Director Communications	1	1	-
Marketing Specialist	1	1	-
Director of Communications	1	1	-
Graphic Communications Specialist	1	1	-
Internal Communications Manager	1	1	-
Marketing Coordinator	1	1	-
Marketing Manager	1	1	-
Media Relations Manager	2	2	-
Project Communications Manager	1	1	-
Project Communications Specialist	1	1	-
Sr. Communications Specialist	1	1	-
Toll Tag Marketing Specialist	1	1	-
Web Content Specialist	1	1	-
Total Full-Time Positions	15	15	0
Part-Time & On-Call Positions	2011	2012	Difference
Marketing Assistant P/T	1	0	(1)
Promotions Assistant O/C	2	0	(2)
Communications Specialist Temp P/T	1	0	(1)
Total Part-Time & On-Call Positions	4	0	(4)

Organization Chart

Communication and Marketing Department



*Position shared with Assistant Director

**North Texas Tollway Authority
Departmental Budget Summary
OMF Budget Fund**

Department: Communications/Marketing - (10411)
Budget Year: 2012

Account	2010 Actual	2011 Budget	2012 Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$413,077	\$1,118,132	\$940,854	(\$177,278)	(15.9)%
Salaries and Wage-Overtime - (511301)	365	0	0	0	0.0%
Retirement Contributions - (512401)	57,028	156,427	132,250	(24,177)	(15.5)%
Meeting Expense - (521101)	132	2,350	789	(1,561)	(66.4)%
Consulting/Professional - (521201)	370,790	558,000	429,110	(128,890)	(23.1)%
Rentals - Equipment - (522302)	0	5,000	0	(5,000)	(100.0)%
Public Information Fees - (523203)	244,195	175,000	111,420	(63,580)	(36.3)%
Magazine and Newspaper - (523302)	249,235	235,000	218,197	(16,803)	(7.2)%
Television & Radio - (523303)	444,414	540,000	501,390	(38,610)	(7.1)%
Promotional Expenses - (523304)	92,289	276,500	157,149	(119,351)	(43.2)%
Printing and Photographic - (523401)	4,359	15,650	7,846	(7,804)	(49.9)%
Maps & Pamphlets - (523402)	41,795	193,000	75,208	(117,792)	(61.0)%
Travel - (523501)	3,419	3,700	2,785	(915)	(24.7)%
Dues & Subscriptions - (523601)	17,572	19,900	4,085	(15,815)	(79.5)%
Education and Training - (523701)	19,101	19,750	9,518	(10,232)	(51.8)%
Temporary Contract Labor - (523851)	11,917	0	0	0	0.0%
Office Supplies - (531101)	11,972	8,550	9,285	735	8.6%
Other Materials and Supplies - (531102)	1,766	3,000	2,785	(215)	(7.2)%
Freight and Express - (531105)	33	500	464	(36)	(7.2)%
Total Expenses	\$1,983,456	\$3,330,459	\$2,603,135	(727,324)	(21.8)%

**North Texas Tollway Authority
Departmental Budget Summary
Summary of Funds**

Department: Communications/Marketing - (10411)
Budget Year: 2012

Account	OMF 1001	CF 3700	RMF 1201	CIF 1501	CIF/FSF 1601	Total Budget
Salaries and Wages-Direct - (511101)	\$940,854	\$0	\$0	\$0	\$0	\$940,854
Retirement Contributions - (512401)	132,250	0	0	0	0	132,250
Meeting Expense - (521101)	789	0	0	0	0	789
Consulting/Professional - (521201)	429,110	0	0	0	0	429,110
Public Information Fees - (523203)	111,420	0	0	0	0	111,420
Magazine and Newspaper - (523302)	218,197	0	0	0	0	218,197
Television & Radio - (523303)	501,390	0	0	0	0	501,390
Promotional Expenses - (523304)	157,149	7,500	0	0	7,500	172,149
Printing and Photographic - (523401)	7,846	0	0	0	0	7,846
Maps & Pamphlets - (523402)	75,208	0	0	0	0	75,208
Travel - (523501)	2,785	0	0	0	0	2,785
Dues & Subscriptions - (523601)	4,085	0	0	0	0	4,085
Education and Training - (523701)	9,518	0	0	0	0	9,518
Office Supplies - (531101)	9,285	0	0	0	0	9,285
Other Materials and Supplies - (531102)	2,785	0	0	0	0	2,785
Freight and Express - (531105)	464	0	0	0	0	464
2012 Totals	\$2,603,135	\$7,500	\$0	\$0	\$7,500	\$2,618,135
2011 Totals	\$3,330,459	\$15,000	\$0	\$0	\$7,500	\$3,352,959

EXECUTIVE SUMMARY

Finance Department

2012 Budget

Executive Staff

Janice D. Davis, Chief Financial Officer
E. Ray Zies, Controller

Department Description

The purpose of the Finance Department is to contribute to the overall mission of the North Texas Tollway Authority of providing fiscally sound toll facilities by managing all financial functions of the Authority including Cash and Debt Management, Accounting, Budgeting, Procurement Services, Revenue Reconciliation and Shared Services.

Accomplishments for 2011

- Successfully completed financing for President George Bush Turnpike – Western Extension
 1. Issued \$674 million in First Tier Bonds – both Current Interest and Convertible CABS
 2. Issued \$418,405,000 in Bond Anticipation Notes to be taken out by a Second Tier TIFIA loan from the United States Department of Transportation
 3. Includes a Toll Equity Loan Agreement with the Texas Department of Transportation which serves as a credit enhancement
- Successfully completed Phases 2 and 3 of the PeopleSoft reimplementation. Phase 2 included the implementation of a new chart of accounts, implementation of commitment control, asset management, purchasing, accounts payable, e-supplier. Phase 3 included the stabilization of the modules implemented in Phase 2 and the implementation of Hyperion to serve as the budgeting tool for the Authority. The 2012 Budget was compiled using the Hyperion module.
- Began implementation of Phase 4 of the PeopleSoft reimplementation. This phase includes Project Costing, which will enhance reporting of the various projects undertaken by the Authority, Supplier Contract Management, which will standardize the development of contracts and enhancements to the Time and Labor module, which will begin the process of automating time reporting for the Authority
- Successfully developed a 50 year capacity model, using internal resources, which greatly enhances the ability of the Authority to plan for future projects
- Completed reorganization of the Procurement Department based on best practices
- Update Procurement Policy
- Initiated negotiations with TxDOT and US DOT on financing of Chisholm Trail Parkway

Goals and Objectives for 2012

- Complete financing of Chisholm Trail Parkway
- Develop procurement procedures to implement procurement best practices based on the County Review and the Peer Review
- Continue to develop financial/accounting policies as needed and begin preparing a comprehensive accounting procedures and guidelines manual used to identify and clarify roles, procedures, and policies of the accounting/finance function within the Authority
- Continue exploring financing alternatives to allow the Authority to maintain its role as a regional partner in the development and implementation of the region's mobility needs
- Develop and Train Finance Department personnel to achieve and maintain a high level of professionalism within the Department to allow us to better serve our internal and external customers

Major Budget Items for 2012

Finance

- The department's overall 2012 budget has decreased (5.4%) or (\$270,776) from \$5,031,019 in FY 2011 to \$4,760,243 in FY 2012 due to the allocation of \$283,855 to PGBT-WE
- Salaries decreased (3.5%) or (\$97,256) from \$2,781,836 to \$2,684,580 mainly due to allocation to PGBT-WE.
- Consulting and Professional fees decreased (41.6%) or (\$196,690) from \$472,280 to \$275,590
- Bank charges increased by 114.2% or \$92,527 from \$81,000 to \$173,527 based on current usage

Shared Services

- Shared Services is a division within Finance, where agency wide expenditures and contingency amounts are budgeted. The contingency budgets are amounts from all departments that require additional Executive Director sign-off to utilize. Once these expenses are approved, a budget transfer will be made to the authorized department. No amounts are currently identified for 2012.
- The division's overall 2012 budget has decreased (1.0%) or (\$121,108) from \$11,705,114 in FY 2011 to \$11,584,006 in FY 2012. The net decrease includes an allocation of \$731,846 to PGBT-WE.
- Salaries decreased (100.0%) or (\$289,985) due to two contingent positions budgeted in the corresponding department in 2012.
- The following agency-wide budget items reported in the Shared Services budget are the responsibility of the Human Resources department.
 - Compensation adjustments – increased by \$330,885 or 36.3%.
 - Unemployment Compensation – decreased by (\$1,279,120) or (53.5%) due to benefits ending for 2010 reduction in force.
 - Group Hospitalization – increased by \$1,140,014 or 15.2% mostly due to increase in premiums for 2012.
 - Worker's Compensation – increased by \$10,216 or 3.6%.
- All other expenses decreased (\$80,155) or (30.9%) to reflect historical spending.

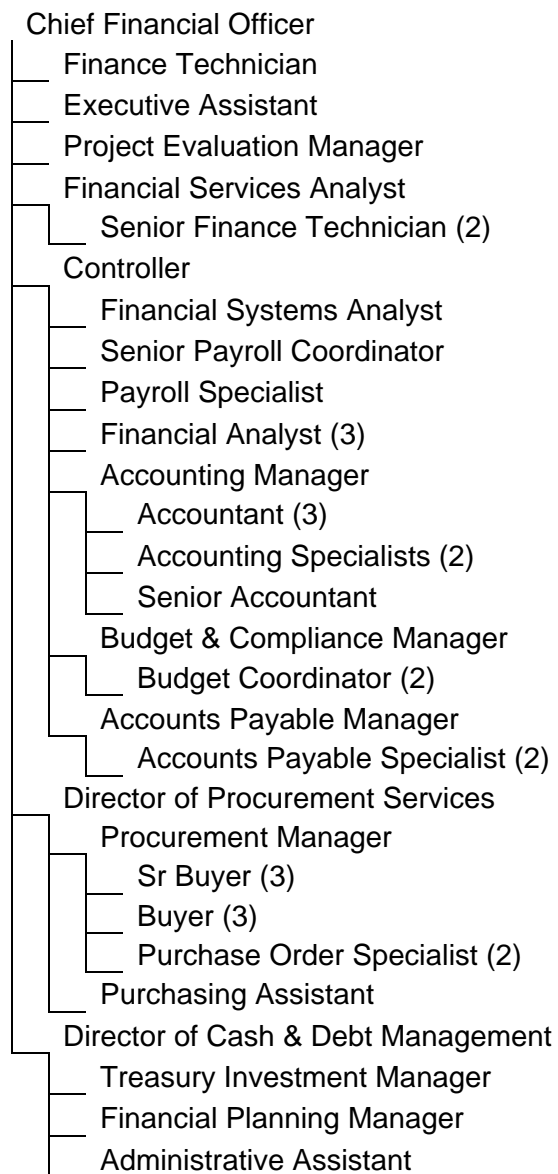
Other Funds	Finance	Shared Services
• CF	\$ 4,511,966	\$0
• RMF	\$ 0	\$0
• CIF	\$ 3,232,455	\$0
• CIF/FSF	\$ 1,125,000	\$0

Position Summary

Finance			
Full-Time Positions	2011	2012	Difference
Finance			
Accountant	3	3	
Accounting Manager	1	1	-
Accounting Specialists	4	2	(2)
Accounts Payable Manager	1	1	-
Accounts Payable Specialist	2	2	-
Budget & Compliance Manager	1	1	-
Budget Coordinator	2	2	-
Chief Financial Officer	1	1	-
Controller	1	1	-
Executive Administrative Assistant	1	1	-
Financial Analyst	1	3	2
Financial Services Analyst	1	1	-
Financial Systems Analyst	1	1	-
Financial Technician	1	1	-
Payroll Specialist	1	1	-
Senior Finance Technician	0	2	2
Senior Accountant	1	1	-
Senior Payroll Coordinator	1	1	-
Procurement Services			
Buyer	4	3	(1)
Director of Procurement Services	1	1	-
Procurement Manager	1	1	-
Purchase Order Specialist	3	2	(1)
Purchasing Supervisor	1	0	(1)
Purchasing Assistant	1	1	-
Senior Buyer	2	3	1
Cash & Debt Management			
Administrative Assistant	1	1	-
Director of Cash & Debt Management	1	1	-
Financial Planning Manager	1	1	-
Project Evaluation Manager	1	1	-
Treasury Investment Manager	1	1	-
Total Full-Time Positions	42	42	(0)

Organization Chart

Finance Department



**North Texas Tollway Authority
Departmental Budget Summary
OMF Budget Fund**

Department: Finance Department - (10500)
Budget Year: 2012

Account	2010 Actual	2011 Budget	2012 Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$1,618,386	\$2,781,836	\$2,684,580	(\$97,256)	(3.5)%
Salaries and Wage-Overtime - (511301)	2,896	0	0	0	0.0%
Retirement Contributions - (512401)	221,078	389,221	376,073	(13,148)	(3.4)%
Consulting/Professional - (521201)	543,315	472,280	275,590	(196,690)	(41.6)%
Trustee Fees - (521204)	151,893	70,525	64,410	(6,115)	(8.7)%
Traffic Engineering Fees - (521207)	821,711	1,135,000	1,120,000	(15,000)	(1.3)%
Magazine and Newspaper - (523302)	5,677	24,000	21,919	(2,081)	(8.7)%
Travel - (523501)	10,495	13,325	12,174	(1,151)	(8.6)%
Dues & Subscriptions - (523601)	6,878	8,460	7,278	(1,182)	(14.0)%
Education and Training - (523701)	8,301	17,825	11,623	(6,202)	(34.8)%
Licenses - (523801)	0	0	1,513	1,513	100.0%
Temporary Contract Labor - (523851)	21,608	13,632	0	(13,632)	(100.0)%
Office Supplies - (531101)	13,721	20,700	9,534	(11,166)	(53.9)%
Freight and Express - (531105)	2,988	3,215	2,022	(1,193)	(37.1)%
Bank Charges - (573001)	49	81,000	173,527	92,527	114.2%
Total Expenses	\$3,428,996	\$5,031,019	\$4,760,243	(270,776)	(5.4)%

North Texas Tollway Authority
Departmental Budget Summary
Summary of Funds

Department: Finance Department - (10500)
Budget Year: 2012

Account	OMF 1001	CF 3700	RMF 1201	CIF 1501	CIF/FSF 1601	Total Budget
Salaries and Wages-Direct - (511101)	\$2,684,580	\$0	\$0	\$0	\$0	\$2,684,580
Retirement Contributions - (512401)	376,073	0	0	0	0	376,073
Consulting/Professional - (521201)	275,590	638,595	0	50,455	0	964,640
Trustee Fees - (521204)	64,410	73,371	0	2,000	0	139,781
Remarketing/Loc Provider Fees - (521206)	0	3,800,000	0	3,000,000	0	6,800,000
Traffic Engineering Fees - (521207)	1,120,000	0	0	180,000	450,000	1,750,000
Consulting/Profess Serv Tech - (521301)	0	0	0	0	0	0
Magazine and Newspaper - (523302)	21,919	0	0	0	0	21,919
Travel - (523501)	12,174	0	0	0	0	12,174
Dues & Subscriptions - (523601)	7,278	0	0	0	0	7,278
Education and Training - (523701)	11,623	0	0	0	0	11,623
Licenses - (523801)	1,513	0	0	0	0	1,513
Office Supplies - (531101)	9,534	0	0	0	0	9,534
Freight and Express - (531105)	2,022	0	0	0	0	2,022
Bank Charges - (573001)	173,527	0	0	0	0	173,527
Deferred Charges (153001)	0	0	0	0	675,000	675,000
2012 Totals	\$4,760,243	\$4,511,966	\$0	\$3,232,455	\$1,125,000	\$13,629,664
2011 Totals	\$5,031,019	\$2,244,500	\$0	\$477,700	\$1,875,000	\$9,628,219

**North Texas Tollway Authority
Departmental Budget Summary
OMF Budget Fund**

Department: Shared Services - (10571)
Budget Year: 2012

Account	2010 Actual	2011 Budget	2012 Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$0	\$254,395	\$0	(\$254,395)	(100.0)%
Salaries and Wages-Comp Adj. - (511103)	0	912,098	1,242,983	330,885	36.3%
Group Insurance - (512101)	234,524	7,436,793	8,576,807	1,140,014	15.3%
Retirement Contributions - (512401)	0	35,590	0	(35,590)	(100.0)%
Retirement Contr.-Comp. Adj. - (512403)	0	127,602	174,639	47,037	36.9%
Unemployment Insurance - (512601)	77,493	2,393,106	1,113,986	(1,279,120)	(53.5)%
Worker's Comp Ins - (512701)	50	285,780	295,996	10,216	3.6%
Meeting Expense - (521101)	0	0	0	0	0.0%
Rentals - Equipment - (522302)	119,012	144,000	113,875	(30,125)	(20.9)%
Postage - (523201)	3,148	30,000	0	(30,000)	(100.0)%
Magazine and Newspaper - (523302)	209	0	0	0	0.0%
Travel - (523501)	53	100	0	(100)	(100.0)%
Dues & Subscriptions - (523601)	720	650	720	70	10.8%
Office Supplies - (531101)	23,066	85,000	65,000	(20,000)	(23.5)%
Total Expenses	\$458,274	\$11,705,114	\$11,584,006	(121,108)	(1.0)%

**North Texas Tollway Authority
Departmental Budget Summary
Summary of Funds**

Department: Shared Services - (10571)
Budget Year: 2012

Account	OMF 1001	CF 3700	RMF 1201	CIF 1501	CIF/FSF 1601	Total Budget
Salaries and Wages-Comp Adj. - (511103)	\$1,242,983	\$0	\$0	\$0	\$0	\$1,242,983
Group Insurance - (512101)	8,576,807	0	0	0	0	8,576,807
Retirement Contr.-Comp. Adj. - (512403)	174,639	0	0	0	0	174,639
Unemployment Insurance - (512601)	1,113,986	0	0	0	0	1,113,986
Worker's Comp Ins - (512701)	295,996	0	0	0	0	295,996
Meeting Expense - (521101)	0	0	0	0	0	0
Rentals - Equipment - (522302)	113,875	0	0	0	0	113,875
Postage - (523201)	0	0	0	0	0	0
Travel - (523501)	0	0	0	0	0	0
Dues & Subscriptions - (523601)	720	0	0	0	0	720
Office Supplies - (531101)	65,000	0	0	0	0	65,000
2012 Totals	\$11,584,006	\$0	\$0	\$0	\$0	\$11,584,006
2011 Totals	\$11,705,114	\$0	\$1,404,950	\$700,000	\$0	\$13,810,064

EXECUTIVE SUMMARY

Government Affairs Department

2012 Budget

Executive Staff

Carrie Rogers, Director

Department Description

- The purpose of the Government Affairs Department is to oversee governmental relations activities and develop and execute strategy, objectives and initiatives which support the mission of the NTTA; assist in managing the image of the agency, monitor public policy, and maintain positive relationships with local, state and federal elected and community officials. This is accomplished by managing the legislative process; working with staff, legislative consultants and elected officials; analyzing legislation; attending meetings and updating staff and the Board on issues, reviewing government notices and communications; developing and distributing newsletters, executive summaries and reports. The Government Affairs Department is also responsible for advocating for and supporting the Board-approved legislative goals throughout the legislative session, working with other departments and representing the agency to elected officials and other external stakeholders to promote policy changes which impact the NTTA.

Accomplishments for 2011

- Successfully completed legislative research materials prior to the 82nd Texas Legislature to provide a comprehensive resource on legislative issues to the NTTA team during the session.
- Successfully monitored and addressed legislation impacting the NTTA during the 82nd Texas Legislature.
- Successfully assisted in the new implementation process and communication plan of SB 469 as approved during the 82nd Texas Legislature
- Supported the NTTA team in its successful application for a \$400 million loan from the Transportation Infrastructure Finance & Innovation Act Program for State Highway (SH) 161.
- Increased the NTTA's role at the federal level in federal legislation reauthorization during the 112th Congress by advocating for policies which would support the mission of local tolling authorities similar to the NTTA.
- Increased legislative outreach to all Dallas-Fort Worth legislators, NTTA member counties and regional leadership by 8,000 points over 2010 from 45,000 to 53,000 points of contact through consistent and targeted communication by issue and/or project, including the NTTA's award of the TIFIA Loan/TIGER Grant for the SH 161 project, progress on the PGBT Eastern Extension and Southwest Parkway/Chisholm Trail, the conversion/completion of the All-ETC Conversion; the regularly scheduled toll rate increase in July 2011; Business Diversity initiatives communications regarding the NTTA's billing process, and completion of the SRT/US 75 interchange. These points of contact are in addition to regular communication of the NTTA Board's monthly meeting agendas and the NTTA's monthly project delivery reports.
- Provided legislative training for DFW Legislators' staff members in Austin and North Texas to expand their role and knowledge of the NTTA's legislative goals.

Goals and Objectives for 2012

- The proposed 2012 Government Affairs budget supports the Department's strategic planning goals of:
 - Enhance consistent and target outreach to local, state and federal officials to reach 60,000 points of contact for elected officials on targeted issues important to the NTTA's mission.
 - Prepare and advocate for the NTTA's legislative goals for the 83rd Texas Legislature.

- Continue expanded role at the federal level in anticipated federal legislation reauthorization during the 112th Congress by advocating for policies which support the mission of local tolling authorities similar to the NTTA.

Major Budget Items for 2012

- The department's proposed FY2012 budget is a decrease of (9.7%) or (\$48,156) from \$498,671 to \$450,515. Part of the decrease is due to an allocation of \$43,788 to PGBT-WE.
- The reduction is largely attributed to a decrease in travel expenses in a non-legislative session year.

Other Funds

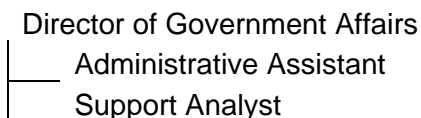
- **FSF** **\$0**
- **CF** **\$0**
- **RMF** **\$0**
- **CIF** **\$0**

Position Summary

Government Affairs Department			
Position	2011	2012	Difference
Director of Government Affairs	1	1	-
Administrative Assistant	1	1	-
Support Analyst	1	1	-
Total Full-Time Positions	3	3	0

Organization Chart

Government Affairs Department



**North Texas Tollway Authority
Departmental Budget Summary
OMF Budget Fund**

Department: Government Affairs - (10611)
Budget Year: 2012

Account	2010 Actual	2011 Budget	2012 Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$165,605	\$211,879	\$185,834	(\$26,045)	(12.3)%
Salaries and Wage-Overtime - (511301)	150	0	0	0	0.0%
Retirement Contributions - (512401)	23,009	29,642	26,153	(3,489)	(11.8)%
Meeting Expense - (521101)	439	1,500	2,050	550	36.7%
Consulting/Professional - (521201)	216,000	211,000	192,242	(18,758)	(8.9)%
Promotional Expenses - (523304)	0	750	866	116	15.5%
Maps & Pamphlets - (523402)	0	1,000	911	(89)	(8.9)%
Travel - (523501)	22,700	35,500	34,851	(649)	(1.8)%
Dues & Subscriptions - (523601)	609	4,800	5,011	211	4.4%
Education and Training - (523701)	75	0	0	0	0.0%
Office Supplies - (531101)	503	2,400	2,506	106	4.4%
Freight and Express - (531105)	147	200	91	(109)	(54.5)%
Electronic Supplies - (531106)	0	0	0	0	0.0%
Total Expenses	\$429,236	\$498,671	\$450,515	(48,156)	(9.7)%

**North Texas Tollway Authority
Departmental Budget Summary
Summary of Funds**

Department: Government Affairs - (10611)
Budget Year: 2012

Account	OMF 1001	CF 3700	RMF 1201	CIF 1501	CIF/FSF 1601	Total Budget
Salaries and Wages-Direct - (511101)	\$185,834	\$0	\$0	\$0	\$0	\$185,834
Retirement Contributions - (512401)	26,153	0	0	0	0	26,153
Meeting Expense - (521101)	2,050	0	0	0	0	2,050
Consulting/Professional - (521201)	192,242	0	0	0	0	192,242
Promotional Expenses - (523304)	866	0	0	0	0	866
Maps & Pamphlets - (523402)	911	0	0	0	0	911
Travel - (523501)	34,851	0	0	0	0	34,851
Dues & Subscriptions - (523601)	5,011	0	0	0	0	5,011
Office Supplies - (531101)	2,506	0	0	0	0	2,506
Freight and Express - (531105)	91	0	0	0	0	91
Electronic Supplies - (531106)	0	0	0	0	0	0
2012 Totals	\$450,515	\$0	\$0	\$0	\$0	\$450,515
2011 Totals	\$498,671	\$0	\$0	\$0	\$0	\$498,671

EXECUTIVE SUMMARY

Human Resources Department

2012 Budget

Executive Staff

Nina Arias, Director of Human Resources

Joni Lee, Assistant Director of Human Resources

Department Description

- The mission of the NTTA's Human Resources Department is to foster a dynamic organization and motivated workforce to accomplish the NTTA's strategic goals and support the organization in achieving its mission.
- The department is responsible for planning and implementing a comprehensive human resources program, including: recruitment of qualified applicants into a diverse workforce; employment and orientation services; retirement processing; administration of employee benefits; pre-payroll administration and processes; policy development and administration; job classification, compensation and labor market research; employee relations; employee assistance programs; maintenance of personnel records; maintenance of the Authority's personnel database; and the administration of performance evaluation programs and the employee grievance process. In addition, the department is responsible for ensuring compliance with federal, state and local laws and regulations as well as the NTTA's policies and procedures.
- The NTTA's Human Resources Department staff works in partnership with managers and their teams, and with individual employees to provide programs and services that create a work environment of employee empowerment and involvement in the organization. Our values of integrity, leadership, excellence, teamwork and accountability are rooted into every aspect of human resources management.
- The Office of Human Resources is committed to providing high quality service to all prospective, current and past employees and to treating such individuals with respect, good care, and individual attention from their first inquiries about position vacancies, services and programs, through retirement. By making this commitment to the Authority and its customers, the NTTA's Human Resources staff will be able to maintain its high level of mutual trust and respect.
- The Human Resources Department is divided into functional units that partner with both internal and external customers.
 - Total Rewards - Compensation and Benefits Services
 - Employee Development and Training Services
 - Employment Sourcing and Recruitment Services
 - Employee Relations and Wellness
 - Performance Management
 - HR Administration - Policies and Procedures

Accomplishments for 2011

- Implemented the NTTA's Human Capital Performance Measurements and Metrics Program. The metrics are linked to the values of the NTTA including Integrity, Leadership, Excellence, Teamwork, and Accountability in support of the NTTA's mission and strategic goals.
- Developed a leadership development program and NTTA executive accountability model.
- Partnered with the Information Technology Department's staff in the enhancement of the PeopleSoft Electronic Learning Management Phase II, to streamline recordkeeping and administration of training for the Authority.

- Revised and updated the Human Resources Policies and Procedures Handbook designed to be the primary reference document for communicating and interpreting human resources policies, programs and procedures to the NTTA's employees. The last update to Human Resources Handbook took place in 2006.
- A Compensation Study RFP was issued which included the following components: Internal and External Equity Analysis, FLSA compliance analysis for non exempt and exempt employees, Job Description Consolidation, Compensation and Salary Administrative training, review of selected Information Technology selected positions, review of consultant positions and analysis of pay scale midpoint differentiations. The selected firm will complete the work by the end of FY2011.
- Implemented and facilitated an Education and Book Fair featuring the NTTA Educational Assistance Program; an overview of the new online training site: Lynda.com; and librarian tips: What and How to read to your child.
- Enhanced the NTTA's Recruitment and Selection Process to ensure fairness and consistency in all hiring decisions made by the NTTA and scheduled training for all supervisors to be conducted by the end of FY2011.
- In partnership with the Finance and Information Technology Departments, HR is working on implementing a Time and Labor Absence Management solution in order for supervisors to remain compliant with labor laws and provide consistency, accountability and automation in how employees report time and absences.
- Enhance the Employee Relations Program to include a NTTA Mentoring Program aligning its best practices and goals with the imperatives of the NTTA's strategic plan.
- Worked in conjunction with the Information Technology staff to develop a "Hidden Paycheck" report. All NTTA employees received a "hidden paycheck" statement with individualized data, including salary and the amount of insurance, retirement benefits and taxes paid by the Authority on each employee's behalf. By communicating to employees the value of benefits they receive in addition to their take-home pay, Human Resources staff will aid the organization in improving overall staff retention and reducing voluntary turnover.
- Implemented activities to enhance diversity awareness at the NTTA and provided training for the purpose of increasing cultural competence. The initiatives focused on increasing awareness of each employee's own cultural worldview, exploring attitudes towards cultural differences, increasing knowledge of different cultural practices and worldviews, and learning cross-cultural skills; developing cultural competence results in an ability to understand, communicate with, and effectively interact with people across cultures, thus creating a more productive work place.
- Offered Project Management Training to refresh management's knowledge of project management's best practices and aid in the consistent application of standard methodology in this area.
- Assisted Executive Management in the development of a change management process that will assist in communicating change at all levels of the organization.

Goals and Objectives for 2012

- Implement the Performance and Accountability Model developed in 2011 and facilitate the establishment of Core Competencies for all position in preparation for the completion of a comprehensive Succession Plan.
- Provide support to the Administration Department's 360 Degree Assessment Project for senior staff and the implementation of the executive accountability model.
- In 2012, the Human Resources Department will oversee the implementation of the leadership development program completed in 2011.
- Enhance the current performance management process to include assessment of rating categories and timing for the annual review process.

Major Budget Items for 2012

- The department's overall 2012 budget has decreased by (9.7%) or (\$154,325) from \$1,586,315 in FY2011 to \$1,431,990 in FY2012. Part of the decrease in the OMF is due to an allocation of \$139,589 to PGBT-WE.
- Meeting Expenses increased 23.5% or \$1,058 from \$4,500 to \$5,558 as the Benefits and Wellness Fair is scheduled to be a two day event in 2012 versus a one day event held in 2011. Expenditures were also added for the Diversity Committee for the total amount of \$600 for the cost of speakers, exhibits and presentations.
- Overtime increased 31.3% or \$303 from \$969 to \$1,272 Hourly rates were adjusted to reflect overtime being paid at time and one-half; previous budgets included hourly rate only; a minimum of overtime was calculated.
- Magazine and Newspaper Ads increased by 54.8% or \$7,510 from \$13,700 to \$21,210. \$5,400 of the increase is for the cost of advertisement for three RFQ/RFPs planned for 2012. HR is increasing the quality of our candidate pools by utilizing specialized job boards, and taking advantage of online postings, as opposed to newspaper ads to target specific employee groups and associations for specialized positions. The line item was significantly under budgeted in 2011 and \$5,500 was transferred from the Recruitment account to this account.
- Travel budget decreased (26.7%) or (\$1,397) from \$5,235 to \$3,838
- Temporary Contract Labor decreased (81.8%) or (\$20,445) from \$25,000 to \$4,555 All Human Resources positions are filled at this time and we are not leveraging contract labor.
- Office Supplies increased 11.2% or \$1,060 from \$9,500 to \$10,560 The variance is due to the project of renovating HR files to ensure compliance with standards and an ability to respond to audits in a more expeditious manner.
- Education and Training decreased (34.9%) or (\$58,934) from \$169,084 to \$110,150 as budgeted resources will provide in-house training.
- Consulting/Professional Expenses increased 42.8% or \$67,889 from \$158,504 to \$226,393 partially due to the pre-employment drug screening amount for 2012 includes increased fees which are effective July 1, 2011 and costs for DOT testing. Background checks cost vary from \$56 per person to over \$190 per person depending on the position's grade and locations to be checked; post accident drug/alcohol testing includes on-site after hours and fit for duty exams. This account also includes a \$75,000 allotment for the development and implementation of a Performance Leadership and Accountability Model. An amount of \$50,000 has been added for a Total Compensation/External Market Compensation Study. The scope for the 2012 study is expected to include most of the items reviewed in 2009, and may also include other areas as requested by executive management.
- Freight and Express decreased (61.0%) or (\$427) from \$700 to \$273 due to less fed ex charges and use of freight and express anticipated based on actual for this line item in FY2010.

Other Funds

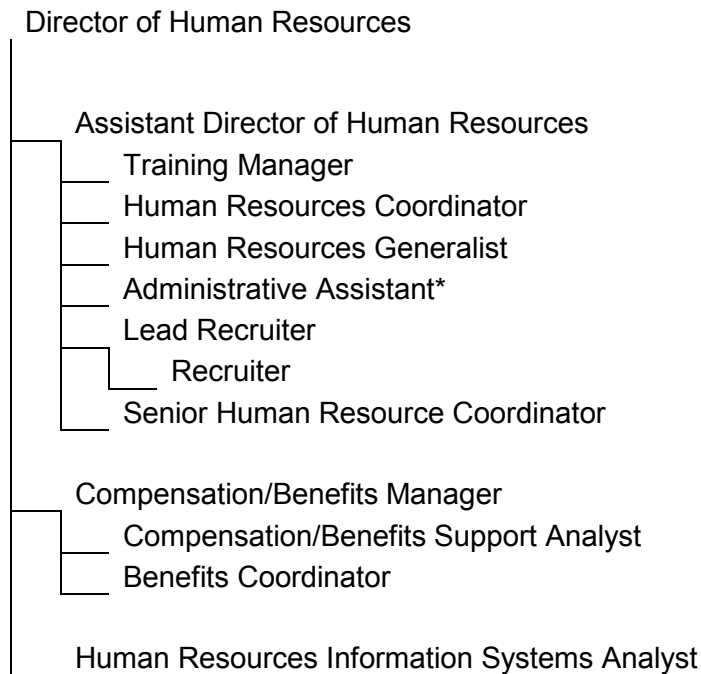
- CF \$0
- RMF \$0
- CIF/FSF \$0

Position Summary

Human Resources Department			
Full-Time Positions	2011	2012	Difference
Administrative Assistant	1	1	-
Assistant Director of Human Resources	1	1	-
Benefits Coordinator	1	1	-
Compensation/Benefits Manager	1	1	-
Director of Human Resources	1	1	-
Human Resources Coordinator	1	1	-
Human Resources Generalist	1	1	-
HRIS Systems Analyst	1	1	-
Lead Recruiter	1	1	-
Recruiter	1	1	-
Senior HR Coordinator	1	1	-
Compensation/Benefits Support Analyst	1	1	-
Training Manager	1	1	-
Total Full-Time Positions	13	13	-

Organization Chart

Human Resources Department



* Position shared with Director of Human Resources

**North Texas Tollway Authority
Departmental Budget Summary
OMF Budget Fund**

Department: Human Resources - (10711)
Budget Year: 2012

Account	2010 Actual	2011 Budget	2012 Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$822,935	\$937,906	\$835,990	(\$101,916)	(10.9)%
Salaries and Wages-Internship - (511202)	28,176	35,040	0	(35,040)	(100.0)%
Salaries and Wage-Overtime - (511301)	673	969	1,272	303	31.3%
Group Insurance - (512101)	8,976,482	0	0	0	0.0%
Retirement Contributions - (512401)	110,561	131,213	117,698	(13,515)	(10.3)%
Retirement Contr.-Internship - (512402)	1,395	1,402	0	(1,402)	(100.0)%
Tuition Reimbursement - (512501)	23,995	32,400	29,383	(3,017)	(9.3)%
Unemployment Insurance - (512601)	118,009	0	0	0	0.0%
Worker's Comp Ins - (512701)	279,663	0	0	0	0.0%
Relocation Expenses - (512901)	0	10,000	9,111	(889)	(8.9)%
Meeting Expense - (521101)	1,212	4,500	5,558	1,058	23.5%
Consulting/Professional - (521201)	86,510	158,504	226,393	67,889	42.8%
Recruitment - (523301)	24,589	20,000	22,609	2,609	13.0%
Magazine and Newspaper - (523302)	8,171	13,700	21,210	7,510	54.8%
Promotional Expenses - (523304)	5,312	3,845	4,064	219	5.7%
Printing and Photographic - (523401)	0	0	3,043	3,043	100.0%
Travel - (523501)	2,287	5,235	3,838	(1,397)	(26.7)%
Dues & Subscriptions - (523601)	19,850	27,317	26,283	(1,034)	(3.8)%
Education and Training - (523701)	129,652	169,084	110,150	(58,934)	(34.9)%
Temporary Contract Labor - (523851)	61,083	25,000	4,555	(20,445)	(81.8)%
Office Supplies - (531101)	11,346	9,500	10,560	1,060	11.2%
Freight and Express - (531105)	148	700	273	(427)	(61.0)%
Total Expenses	\$10,712,051	\$1,586,315	\$1,431,990	(154,325)	(9.7)%

**North Texas Tollway Authority
Departmental Budget Summary
Summary of Funds**

Department: Human Resources - (10711)
Budget Year: 2012

Account	OMF 1001	CF 3700	RMF 1201	CIF 1501	CIF/FSF 1601	Total Budget
Salaries and Wages-Direct - (511101)	\$835,990	\$0	\$0	\$0	\$0	\$835,990
Salaries and Wages-Internship - (511202)	0	0	0	0	0	0
Salaries and Wage-Overtime - (511301)	1,272	0	0	0	0	1,272
Retirement Contributions - (512401)	117,698	0	0	0	0	117,698
Retirement Contr.-Internship - (512402)	0	0	0	0	0	0
Tuition Reimbursement - (512501)	29,383	0	0	0	0	29,383
Relocation Expenses - (512901)	9,111	0	0	0	0	9,111
Meeting Expense - (521101)	5,558	0	0	0	0	5,558
Consulting/Professional - (521201)	226,393	0	0	0	0	226,393
Recruitment - (523301)	22,609	0	0	0	0	22,609
Magazine and Newspaper - (523302)	21,210	0	0	0	0	21,210
Promotional Expenses - (523304)	4,064	0	0	0	0	4,064
Printing and Photographic - (523401)	3,043	0	0	0	0	3,043
Travel - (523501)	3,838	0	0	0	0	3,838
Dues & Subscriptions - (523601)	26,283	0	0	0	0	26,283
Education and Training - (523701)	110,150	0	0	0	0	110,150
Temporary Contract Labor - (523851)	4,555	0	0	0	0	4,555
Office Supplies - (531101)	10,560	0	0	0	0	10,560
Freight and Express - (531105)	273	0	0	0	0	273
2012 Totals	\$1,431,990	\$0	\$0	\$0	\$0	\$1,431,990
2011 Totals	\$1,586,315	\$0	\$2,163	\$0	\$0	\$1,588,478

EXECUTIVE SUMMARY

Internal Audit Department

2012 Budget

Executive Staff

- Magdalena Kovats, Director of Internal Audit

Department Description

- The Internal Audit Department is an independent, objective, assurance, and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve effectiveness of risk management, control, and governance processes.

Accomplishments for 2011

- The Internal Audit Department continued to complete assurance and consulting projects identified by a risk based assessment and requests by management. Additionally, the work plan was reviewed midyear and the work plan adjusted accordingly.
- The Internal Audit Department monitored the NTTA ethics hotline and performed the Ombudsman role/responsibilities.
- The Internal Audit Department assisted with the special investigation.

Goals and Objectives for 2012

- The Internal Audit Department will continue to complete assurance and consulting projects identified by a risk based assessment, management requests, and County Review. Additionally, the work plan will be reviewed during the year to determine whether risks have changed and adjust the work plan accordingly.
- The Internal Audit Department will continue to monitor the NTTA ethics hotline and perform the Ombudsman role/responsibilities. There has been an increase in the volume of items needing to be researched related to the Fraud and Ethics Hotline. Internal Audit will monitor the requirements of both of these functions and determine whether a reorganization of the department is warranted.
- The Internal Audit Department will continue direct and open communication with members of the Board of Directors related to opportunities identified or other relevant information. On an as needed basis, Audit will communicate directly with members of the Board.
- Assess department structure to ensure proper alignment with needs and requirements of the Authority; recommend adjustments accordingly.

Major Budget Items for 2012

- The department's OMF 2012 budget has decreased (3.6%) or (\$32,854) from \$912,639 in FY 2011 to \$879,785 in FY 2012. Part of the net decrease in the OMF is due to an allocation of \$75,757 to PGBT-WE.
- Salaries and Wages decreased (6.8%) or (\$44,270) from \$655,346 to 611,076
- Meeting Expense increased 100% or \$1,011 from \$0 to \$1,011
- Auditing Fees increased 4.0% or \$4,620 from \$115,500 to \$120,120

- Recruitment increased 100.0% or \$18,224 from \$0 to \$18,224
- Dues and Subscriptions decreased (27.0%) or (\$1,575) or \$5,830 to \$4,255
- Education and Training decreased (10.0%) or (\$2,354) or \$23,430 to 21,076
- Office supplies decreased (52.5%) or (\$3,016) from \$5,750 to \$2,734

Other Funds

- CF \$65,520
- RMF \$10,920
- CIF \$21,840
- CIF/FSF \$0

Position Summary

Internal Audit Department			
Full-Time Positions	2011	2012	Difference
Administrative Assistant	1	1	-
Assistant Director of Internal Audit	1	1	-
Director of Internal Audit	1	1	-
Information Technology Auditor	2	2	-
Internal Auditor	2	2	-
Senior Internal Auditor	1	1	-
Total Full-Time Positions	8	8	0

Organization Chart

Internal Audit Department

Director of Internal Audit

____ Assistant Director of Internal Audit

____ Senior Internal Auditor

____ Internal Auditor (2)

____ Information Technology Auditor (2)

____ Administrative Assistant

**North Texas Tollway Authority
Departmental Budget Summary
OMF Budget Fund**

Department: Internal Audit - (10811)
Budget Year: 2012

Account	2010 Actual	2011 Budget	2012 Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$502,285	\$655,346	\$611,076	(\$44,270)	(6.8)%
Salaries and Wage-Overtime - (511301)	0	0	0	0	0.0%
Retirement Contributions - (512401)	69,608	91,683	85,998	(5,685)	(6.2)%
Meeting Expense - (521101)	0	0	1,011	1,011	100.0%
Consulting/Professional - (521201)	0	0	0	0	0.0%
Auditing Fees - (521203)	109,594	115,500	120,120	4,620	4.0%
Postage - (523201)	0	0	91	91	100.0%
Recruitment - (523301)	0	0	18,224	18,224	100.0%
Travel - (523501)	4,332	14,600	13,258	(1,342)	(9.2)%
Dues & Subscriptions - (523601)	850	5,830	4,255	(1,575)	(27.0)%
Education and Training - (523701)	5,470	23,430	21,076	(2,354)	(10.0)%
Licenses - (523801)	0	0	1,030	1,030	100.0%
Temporary Contract Labor - (523851)	5,419	0	0	0	0.0%
Office Supplies - (531101)	1,442	5,750	2,734	(3,016)	(52.5)%
Freight and Express - (531105)	0	500	456	(44)	(8.8)%
Books & Periodicals - (531401)	0	0	456	456	100.0%
Total Expenses	\$699,001	\$912,639	\$879,785	(32,854)	(3.6)%

**North Texas Tollway Authority
Departmental Budget Summary
Summary of Funds**

Department: Internal Audit - (10811)
Budget Year: 2012

Account	OMF 1001	CF 3700	RMF 1201	CIF 1501	CIF/FSF 1601	Total Budget
Salaries and Wages-Direct - (511101)	\$611,076	\$0	\$0	\$0	\$0	\$611,076
Retirement Contributions - (512401)	85,998	0	0	0	0	85,998
Meeting Expense - (521101)	1,011	0	0	0	0	1,011
Auditing Fees - (521203)	120,120	65,520	10,920	21,840	0	218,400
Postage - (523201)	91	0	0	0	0	91
Recruitment - (523301)	18,224	0	0	0	0	18,224
Travel - (523501)	13,258	0	0	0	0	13,258
Dues & Subscriptions - (523601)	4,255	0	0	0	0	4,255
Education and Training - (523701)	21,076	0	0	0	0	21,076
Licenses - (523801)	1,030	0	0	0	0	1,030
Office Supplies - (531101)	2,734	0	0	0	0	2,734
Freight and Express - (531105)	456	0	0	0	0	456
Books & Periodicals - (531401)	456	0	0	0	0	456
2012 Totals	\$879,785	\$65,520	\$10,920	\$21,840	\$0	\$978,065
2011 Totals	\$912,639	\$63,000	\$10,500	\$21,000	\$0	\$1,007,139

EXECUTIVE SUMMARY

Legal Services Department

2012 Budget

Executive Staff

Thomas Bamonte, General Counsel
Bob Schell, Assistant General Counsel

Department Description

The purpose of the Legal Services Department is to support the North Texas Tollway Authority mission of providing fiscally sound toll facilities by effectively and efficiently providing and managing the highest quality legal services required by the Authority.

Accomplishments for 2011

- The Legal Services Department has begun implementing legal matter management software, ECaseTrack, which will facilitate the management of in-house and outside counsel matters, reporting to executive staff and the Board of Directors, and better oversight and management of legal fees.
- The Legal Services Department has begun implementing the Legal Services Framework adopted by the Board of Directors on February 16, 2011.
- The Legal Services Department has begun working with the Board's Legal Services Committee to implement the Protocols for Identifying, Selecting and Engaging Outside Counsel adopted by the Board on August 1, 2011.
- Handled over 500 Public Information Act requests and subpoenas.
- Cooperated in PCI compliance effort and reduction in off-site document storage initiative.

Goals and Objectives for 2012

- Provide the NTTA with quality legal services on a timelier basis.
- Support the NTTA's implementation of recommendations in the County Review, including development of an NTTA-specific ethics policy.
- Implement County Review recommendations directed at Legal Services Department (e.g., improve in-house capabilities).
- Provide support to Board's Legal Services Committee.
- Implement Protocols for Identifying, Selecting and Engaging Outside Counsel.
- Help ensure compliance with applicable laws.
- Engage in innovative legal problem solving consistent with the Authority's overall organizational goals and objectives.
- Implement law student intern program.

Major Budget Items for 2012

- The department's overall 2012 budget has decreased (22.0%) or (\$816,753) from \$3,720,514 in FY 2011 to \$2,903,761 in FY 2012 due to an anticipated reduction in operating costs. Part of the decrease in the OMF is due to an allocation of \$329,633 to PGBT-WE.
- Salaries increased 6.0% or \$33,187 from \$554,437 to \$587,624.
- Legal fees decreased 28.5% or (\$853,840) from \$3,000,000 to \$2,146,160.

- Office supplies have increased 19.9% or \$4,911 from \$24,700 to \$29,611. The cost of records storage and retrieval has increased with demand from litigation matters, PCI compliance and the conversion to ETC.
- Two part-time law student interns funded. Interns provide basic legal research at approximately \$20/hour.

Other Funds

- CF \$1,250,000
- RMF \$ 600,000
- CIF \$ 225,000
- CIF/FSF \$1,284,000

Position Summary

Legal Services Department			
Full-Time Positions	2011	2012	Difference
Assistant General Counsel	1	1	-
Executive Administrative Assistant	1	1	-
General Counsel	1	1	-
Paralegal	1	1	-
Records Retention Manager	1	1	-
Total Full-Time Positions	5	5	-
P/T Intern-Legal (Law Students)	-	2	2
Total Part-Time Positions	-	2	2

Organization Chart

Legal Services Department

General Counsel

Assistant General Counsel

Paralegal

Records Retention Coordinator

Executive Assistant

P/T Interns – Law Students (2)

**North Texas Tollway Authority
Departmental Budget Summary
OMF Budget Fund**

Department: Legal Services - (10911)
Budget Year: 2012

Account	2010 Actual	2011 Budget	2012 Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$258,532	\$554,437	\$587,624	\$33,187	6.0%
Salaries and Wage-Overtime - (511301)	0	0	0	0	0.0%
Retirement Contributions - (512401)	35,650	77,566	76,599	(967)	(1.2)%
Legal Fees - (521202)	1,845,463	3,000,000	2,146,160	(853,840)	(28.5)%
Travel - (523501)	4,593	12,600	12,600	0	0.0%
Dues & Subscriptions - (523601)	33,215	42,711	42,711	0	0.0%
Education and Training - (523701)	706	8,000	8,000	0	0.0%
Office Supplies - (531101)	21,790	24,700	29,611	4,911	19.9%
Freight and Express - (531105)	137	500	456	(44)	(8.8)%
Total Expenses	\$2,200,086	\$3,720,514	\$2,903,761	(816,753)	(22.0)%

**North Texas Tollway Authority
Departmental Budget Summary
Summary of Funds**

Department: Legal Services - (10911)
Budget Year: 2012

Account	OMF 1001	CF 3700	RMF 1201	CIF 1501	CIF/FSF 1601	Total Budget
Salaries and Wages-Direct - (511101)	\$587,624	\$0	\$0	\$0	\$0	\$587,624
Retirement Contributions - (512401)	76,599	0	0	0	0	76,599
Legal Fees - (521202)	2,146,160	1,250,000	600,000	225,000	1,284,000	5,505,160
Travel - (523501)	12,600	0	0	0	0	12,600
Dues & Subscriptions - (523601)	42,711	0	0	0	0	42,711
Education and Training - (523701)	8,000	0	0	0	0	8,000
Office Supplies - (531101)	29,611	0	0	0	0	29,611
Freight and Express - (531105)	456	0	0	0	0	456
2012 Totals	\$2,903,761	\$1,250,000	\$600,000	\$225,000	\$1,284,000	\$6,262,761
2011 Totals	\$3,720,514	\$1,695,000	\$100,000	\$300,000	\$1,500,000	\$7,315,514

EXECUTIVE SUMMARY

Customer and Support Services

2012 Budget

Executive Staff

Kiven Williams, Director of Customer and Support Services
John Bannerman, Assistant Director of Contact Center
Clarence Moore, Assistant Director of Support Services

Department Description

Mission: The purpose of the NTTA Customer and Support Services is to deliver effective and friendly world-class customer and toll collection services in an exceptionally fun environment.

Accomplishments for 2011

- Decommissioned the Inwood TollTag location in June 2011. With this move, we were able to leverage our 153 ACE Cash Express locations moving our customers from a higher cost contact channel to a lower cost channel. Staff was relocated back to the Gleneagles complex.
- Received the International Bridge, Tunnel & Turnpike Association "President's Award" for Toll Excellence.
- We have successfully migrated 56% of our total contacts from higher cost contact channels to lower cost contact channels through our channel migration strategy. We have 4.8 million contacts utilizing self help IVR and Web applications from a total of 8.7 million contacts.
- Active TollTag accounts are trending to increase by 122,824 for a total of 1,255,180 by EOY 2011 for an increased growth of 10%.
- Active TollTags are trending to increase by 244,400 for a total of 2,362,454 by EOY 2011 for an increased growth of 11%.
- Customer Satisfaction rating of 4.85 (on a 5-point scale with 5 being the highest) and a Top Box satisfaction score of 89%.
- Customer Loyalty rating of 4.80 (on a 5-point scale with 5 being the highest) and a Top Box satisfaction score of 89%.
- Customer Contacts are trending to increase by 388,863 for a total of 3,807,330 by EOY 2011 for an increased growth of 11%.
- Of the total 8.7 million contacts for EOY 2011 we are projected to receive .0001% of those in total escalations.
- Partnered with Communications to increase 3rd party self help channels, increasing NTTA visibility while creating alternate customer channels.

Goals and Objectives for 2012

- Continue to promote TollTags as the preferred toll payment method.
- Streamline and re-engineer the Court and Citation process in order to provide a more precise and clear line of direction in processing court agreements and payments and documenting the outcome of cases administered by the CSC court and administrative staff.
- Document and implement Standard Operating Procedures SOP's to include primary duties, functions and responsibilities for key positions within the CSC.

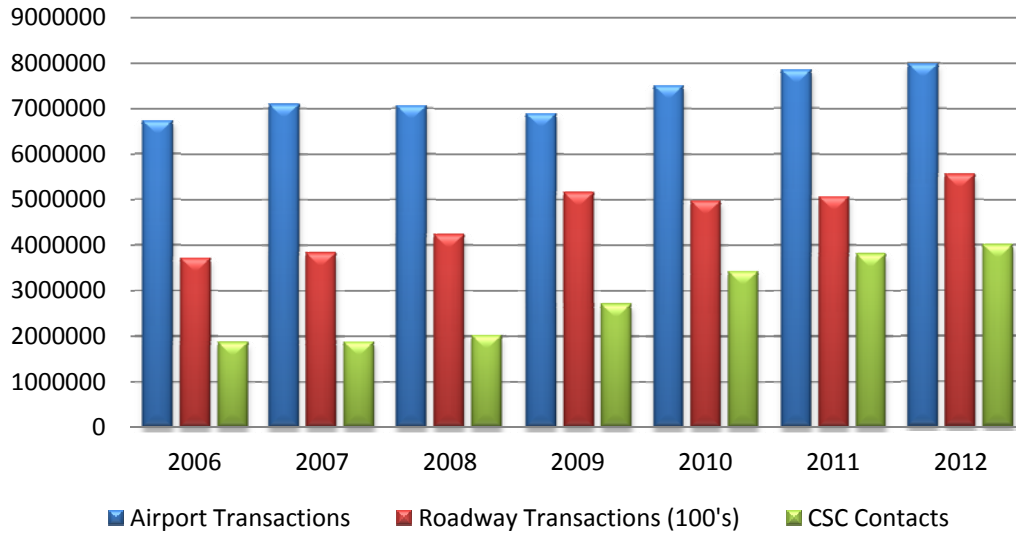
- Continue to manage all processes in the Support Services area to improve efficiencies and to stay current in the areas of payments, fulfillments, emails, correspondence and image review.
- Develop and implement a career tracking initiative and Cross Training program to enhance knowledge, skills and abilities for advancement within the Customer and Support Services.
- The Customer and Support Services department will continue to focus on customer satisfaction by educating customers on the All-Electronic Toll Collection transition and the advantages of establishing a TollTag account for the convenience, reliability and benefits of using our services.
- Continue to improve the monitoring of outside collection agency practices to ensure the quality and responsibility meets or exceeds the CSS mission statement.
- Lockbox services were established in order to make payments timelier and lower internal costs. These services brought the costs from \$0.77 per transaction to \$0.36 per transaction totaling approximately \$521,606.00 in annual savings.
- Implement the CSS System Upgrade to improve business operations and increase efficiencies.
- Continue to utilize the Customer Driven Management Employee Satisfaction Survey tool to gauge employee and customer feedback of customer services provided by the Customer and Support Services department.
- Increase quality of the Image Review Process by insuring that training and monitoring of staff is meeting established efficiency goals in addition to reducing backlog of images.
- Continue the hiring process to improve the citation process, QA/QC process and workforce utilization.
- Continue to deliver effective training through the use of on-line training tools such as Total Training Network (TTN), NTTA-U and external training providers like STAR-12 to train and develop staff at their own pace, both during and after hours.
- Develop Career Path initiatives for continued development of skills for long-term career success. Emphasize leadership and management training and the benefits of higher education and utilizing tuition reimbursement.
- Decrease employee turnover by 3%.

Major Budget Items for 2012

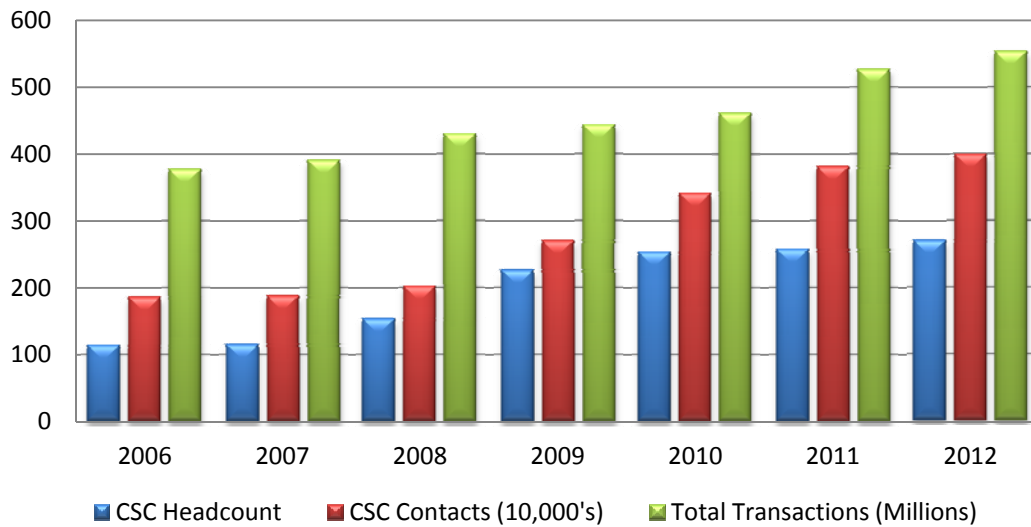
- The department's overall 2012 budget increased from \$31,835,048 million in FY 2011 to \$36,459,525 million in FY 2012. The increase of 14.5% or \$4,624,477 is due to an increase in transaction and invoice processing, due mainly to the opening of PGBT-EE.
- Travel Expenses increased 139.4% or \$3,263 from \$5,603 to \$3,263 for mileage, parking for court appearances, and conference travel.
- Meeting Expenses increased 330.0% or \$12,708 from \$3,851 to \$16,559 due to staff and career path development through workshops, conferences and seminars for all the CSS management staff and support personnel. The Semi-Annual Boost Events were also integrated for the 2012 budget.
- Employees Training increased 34.6% or \$5,646 from \$16,302 to 21,948 due to additional required training by current and new members of management and senior staff.
- Uniforms increased 100.0% or \$10,887 from \$0 to 10,887 due to the addition of employee uniforms as part of the 2012 recognition and rewards program.

- Armored Carrier Services decreased (28.6%) or (\$3,849) from \$13,455 to \$9,606 due to eliminating the services at the Inwood TollTag Store.
- Professional Fees increased 39.4% or \$1,356,950 from \$3,442,754 to \$4,799,704 due to the outsourcing of image reviews \$1,236,949, and out of state lookups \$50,400.00.
- Outside Maintenance Services decreased (100.0%) or (\$11,575) from \$11,575 to \$0 due to no longer carrying the maintenance agreement on the invoice folders and the ZipCash envelope stuffer in this account. The agreement is now included in the Rental of Equipment account.
- Rental of Equipment decreased (56.9%) or (\$50,233) from \$88,355 to \$38,122 due to new contract negotiations.
- Rent decreased (100.0%) or (\$31,204) from \$31,204 to \$0 due to closing of the Inwood TollTag Store location in June of 2011.
- Postage increased 64.6% or \$2,162,252 from \$3,346,719 to \$5,508,971 due to ZipCash and Violation invoicing.
- Dues & Subscriptions increased 250.8% or \$833 from \$332 to \$1,165 budget due to increase in International Bridge, Tunnel & Turnpike Association registration dues and American Society for Training Development dues for Trainer and Managers and including Assistant Directors' dues.
- Freight and Express decreased (91.6%) or (\$5,268) from \$5,753 to \$486 due to deletion of line item for TollTag shipments, now included as part of the TollTag and Supplies budget.
- Bank Charges increased 83.6% or \$242,213 from 289,682 to \$531,894 due to the addition of enhancements to the lockbox process and adding the Automated Clearing House (ARC) services for the lockbox that will allow a faster transfer of funds to NTTA eliminating payment delays.

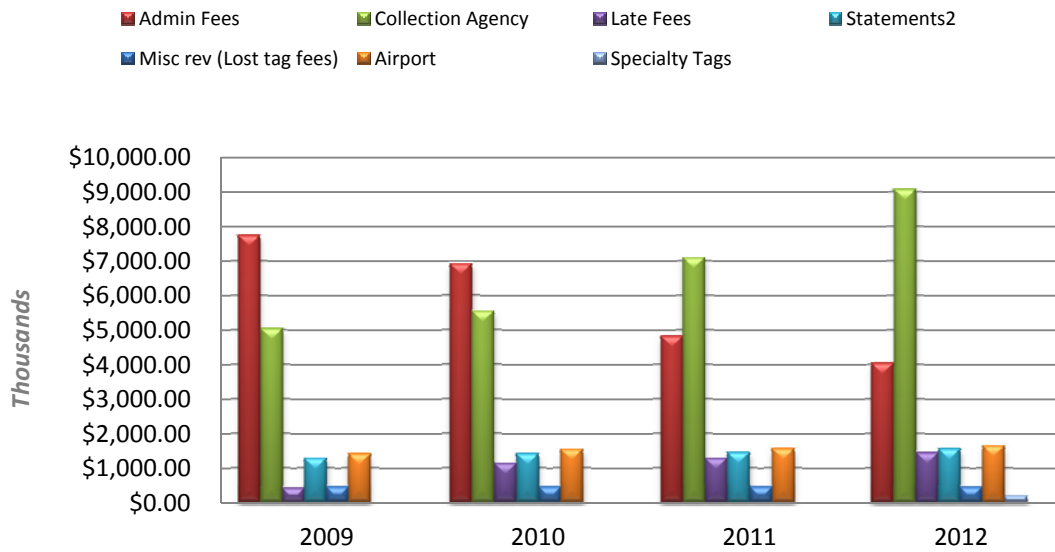
Contacts vs. Transactions



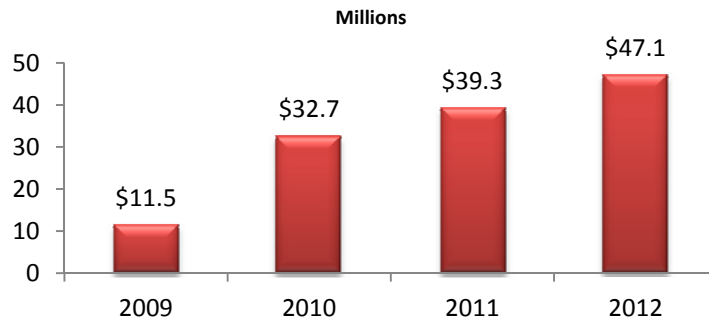
Contacts vs. Headcount



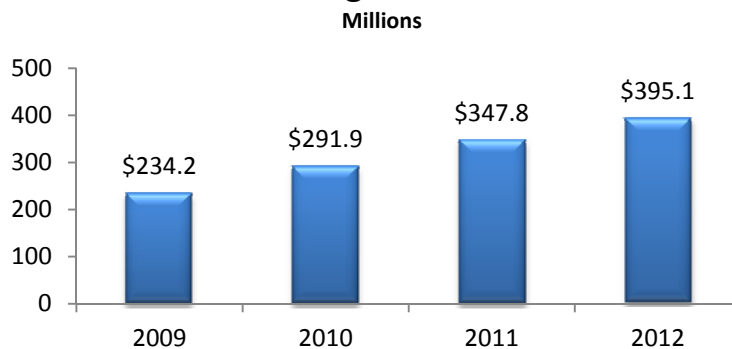
Non Toll Revenue



ZipCash Revenue



TollTag Revenue



Other Funds

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

Position Summary

Customer and Support Services	2011	2012	Variance
Director	1	1	-
Assistant Director	2	2	-
Call Center Manager	1	1	-
Customer Center Manager	1	1	-
Support Services Manager	1	1	-
Contact Center Manager	1	1	-
Performance and Quality Manger	1	1	-
Workforce Manager	1	1	-
Training Coordinator	1	1	-
Customer Service Trainer	0	1	1
Court Coordinator	2	2	-
Administrative Assistant	1	1	-
Administrative Technician	1	1	-
Receptionist	1	1	-
Mail Specialist	1	1	-
Team Leader	4	4	-
Senior CSS	15	15	-
Customer Center Supervisors	12	12	-
Workforce Analyst	0	1	1
CSS II – Regular	98	102	4
CSS II – Bilingual	38	41	3
CSS I	68	65	(3)
QA/QC CSS	0	3	3
Total Full-time Positions	251	260	9
Administrative Technician P/T	0	1	1
CSS-II - Part-Time	3	3	-
CSS-II – On/Call	11	11	-
Total Part-Time and On-Call Positions	14	15	1

Organization Chart

Customer and Support Services Department

Director of Customer and Support Services

Administrative Assistant

Customer Center Manager

Customer Service Center Supervisor (4)

Customer Service Specialist II (15)

Receptionist

Support Services Manager

Customer Service Center Team Leader (4)

Customer Service Specialist I (50)

Mail Specialist

Quality Assurance/Quality Control Manager

Customer Service Trainer

Training Coordinator

QA/QC CSS (3)

Assistant Director of Contact Center

Alternate Contact Center Manager

Workforce Manager

Workforce Analyst

Assistant Director of Support Services

Court Coordinator (2)

Administrative Technician

Administrative Technician P/T

Call Center Manager

Customer Service Center Supervisor (8)

Senior Customer Service Specialist (15)

Customer Service Specialist II (102)

Customer Service Specialist II Bilingual (41)

Customer Service Specialist II On-call (11)

Customer Service Specialist II Part-time (3 @ 0.5)

**North Texas Tollway Authority
Departmental Budget Summary
OMF Budget Fund**

Department: Customer Service Center - (20011)
Budget Year: 2012

Account	2010 Actual	2011 Budget	2012 Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$7,908,427	\$8,611,883	\$9,074,630	\$462,747	5.4%
Salaries and Wage-Overtime - (511301)	341,815	194,820	121,295	(73,525)	(37.7)%
Retirement Contributions - (512401)	1,126,428	1,204,803	1,272,500	67,697	5.6%
Meeting Expense - (521101)	(218)	3,851	16,559	12,708	330.0%
Consulting/Professional - (521201)	3,271,717	3,442,754	4,799,704	1,356,949	39.4%
Armored Car Services - (521209)	1,161	13,455	9,606	(3,849)	(28.6)%
Outside Maintenance Services - (521212)	(153,923)	11,575	0	(11,575)	(100.0)%
Rentals - Land - (522301)	93,550	31,204	0	(31,204)	(100.0)%
Rentals - Equipment - (522302)	73,053	88,355	38,122	(50,233)	(56.9)%
Postage - (523201)	3,882,690	3,346,719	5,508,971	2,162,252	64.6%
Travel - (523501)	1,769	2,340	5,603	3,263	139.4%
Dues & Subscriptions - (523601)	1,630	332	1,165	833	250.8%
Education and Training - (523701)	15,269	16,302	21,948	5,646	34.6%
Temporary Contract Labor - (523851)	160,966	382,468	0	(382,468)	(100.0)%
Office Supplies - (531101)	23,771	142,268	138,084	(4,184)	(2.9)%
Other Materials and Supplies - (531102)	11,327	0	486	486	0.0%
Freight and Express - (531105)	11	5,753	486	(5,268)	(91.6)%
Inven for resale(toll tags) - (531501)	3,848,124	4,662,839	5,416,418	753,579	16.2%
Uniforms - (531701)	5,922	0	10,887	10,887	100.0%
Bank Charges - (573001)	0	289,682	531,894	242,213	83.6%
Credit Card Fees - (573002)	9,236,777	9,383,645	9,491,168	107,523	1.1%
Refunds - (573004)	4,276	0	0	0	0.0%
Total Expenses	\$29,854,541	\$31,835,048	\$36,459,525	\$4,624,477	14.5%

**North Texas Tollway Authority
Departmental Budget Summary
Summary of Funds**

Department: Customer Service Center - (20011)
Budget Year: 2012

Account	OMF 1001	CF 3700	RMF 1201	CIF 1501	CIF/FSF 1601	Total Budget
Salaries and Wages-Direct - (511101)	\$9,074,630	\$0	\$0	\$0	\$0	\$9,074,630
Salaries and Wage-Overtime - (511301)	121,295	0	0	0	0	121,295
Retirement Contributions - (512401)	1,272,500	0	0	0	0	1,272,500
Meeting Expense - (521101)	16,559	0	0	0	0	16,559
Consulting/Professional - (521201)	4,799,704	0	0	0	0	4,799,704
Armored Car Services - (521209)	9,606	0	0	0	0	9,606
Outside Maintenance Services - (521212)	0	0	0	0	0	0
Rentals - Land - (522301)	0	0	0	0	0	0
Rentals - Equipment - (522302)	38,122	0	0	0	0	38,122
Postage - (523201)	5,508,971	0	0	0	0	5,508,971
Travel - (523501)	5,603	0	0	0	0	5,603
Dues & Subscriptions - (523601)	1,165	0	0	0	0	1,165
Education and Training - (523701)	21,948	0	0	0	0	21,948
Temporary Contract Labor - (523851)	0	0	0	0	0	0
Office Supplies - (531101)	138,084	0	0	0	0	138,084
Other Materials and Supplies - (531102)	486	0	0	0	0	486
Freight and Express - (531105)	486	0	0	0	0	486
Inven for resale(toll tags) - (531501)	5,416,418	0	0	0	0	5,416,418
Uniforms - (531701)	10,887	0	0	0	0	10,887
Bank Charges - (573001)	531,894	0	0	0	0	531,894
Credit Card Fees - (573002)	9,491,168	0	0	0	0	9,491,168
2012 Totals	\$36,459,525	\$0	\$0	\$0	\$0	\$36,459,525
2011 Totals	\$31,835,048	\$0	\$0	\$0	\$0	\$31,835,048

EXECUTIVE SUMMARY

Information Technology Department

2012 Budget

Executive Staff

- Dave Pounds, Director of Information Technology
- Barry Weems, Assistant Director of IT for Roadway Systems
- Vacant, Assistant Director of IT for Enterprise Systems and Operations

Department Description

- The mission statement of the Information Technology (IT) Department is to “advance innovative reliable solutions.” Operationally, to support that mission statement, the IT Department installs, integrates, manages, maintains and supports hardware, software, telecommunications, and network functions for the NTTA.
- The IT Department organization is focused on three major areas of operations:
 - **Business Applications.** The Business Applications area is divided into three groups: *RITE Applications* is focused on all tolling back office systems; *Enterprise Applications* is focused on all other applications, with primary attention to PeopleSoft HR and Financials, Hansen Asset Management, Enterprise Project Delivery System (EPDS); and, the *Geographic Information Systems (GIS)* group develops and maintains the GIS information vital to the NTTA, with specific emphasis on the Project Delivery Department and the Maintenance Department.
 - **Roadway Systems Operations and Support.** Currently, the Roadway Systems group is divided into three groups. First, *Roadway Systems* is focused on the installation and support of the tolling system at the lane level. Currently, they maintain all installed equipment on President George Bush Turnpike (PGBT), Dallas North Tollway (DNT), Sam Rayburn Tollway (SRT), Mountain Creek Lake Bridge (MCLB), Addison Airport Toll Tunnel (AATT), Lewisville Lake Toll Bridge (LLTB), and Phases 2 and 3 of PGBT Western Extension. In addition, this group has played a major role in the conversion of PGBT, DNT, MCLB and AATT to All Electronic Toll Collection (All-ETC). Second, the *Parking Projects* group supports Dallas/Fort Worth International Airport and Dallas Love Field parking operations where NTTA TollTags are interoperable with the airports’ parking systems. Third, the *Intelligent Transportation System (ITS)* group has been established to manage and support the extensive closed circuit television (CCTV) and incident detection system (IDS) deployed on all NTTA roadways.
 - **Enterprise Systems and Operations.** This area includes three groups: the *Help Desk* is primarily focused on the deployment and support of user workstations and the associated desktop applications; *Enterprise Communications* is focused on all aspects of the network to include routers, switches, cabling, telephones and telephone service; and, *Enterprise Systems* which is responsible for all servers, software systems, and storage devices that provide enterprise services such as email, printing, individual and group network file storage. The Enterprise Systems group is also responsible for all backups and patching.

- Underpinning and over-watching all of these groups is the Information Security group which assists by ensuring that information security is a consideration in every aspect of our operations. This group is responsible for conducting risk and vulnerability assessments, payment card industry (PCI) compliance reviews, network monitoring, and security awareness training.
- Over the last four years, core competency positions were identified that represented vulnerabilities for the IT Department because those areas were being performed in part or solely by consultants.
 - In 2009, four consultant positions were converted to NTTA employee positions. In 2010, we continued the process with the identification of ten additional core competency positions – database management, GIS analysis, reports administration, and roadway technical support – for conversion to NTTA staff positions. In 2011, we identified and converted an additional seven positions – network support, GIS analysis, ITS support, report writing, and enterprise application support (specifically support of the Enterprise Project Delivery System (EPDS)).
 - For 2012, we have not identified any additional core competency position conversions.
- With continued emphasis on lane performance and revenue assurance, we gained approval to replace our legacy violation enforcement system (VES). Installation of this new video tolling system began in 2010 and has continued through 2011. With the conversion of DNT to All-ETC in 2010 and 2011, the new cameras installation has extended into 2012, with the addition of rear redundant cameras as the last task to complete.

Major Budget Items for 2012

- The proposed FY 2012 OMF budget is \$14,322,096, which reflects an increase of \$499,202 or 3.6 percent over the final FY 2011 budget. This increase is due in large part to the increase in Computer Software, where we have added the Hyperion Planning and Budgeting software and new modules in PeopleSoft Financials, thereby raising the costs for Oracle software support. Additional increases in this category are due to new software implemented in 2010 that will require software support payments beginning in 2012, including PRISM for Business Diversity, CS Stars for SIM, CRIMES for SIM, Passage Point for CSC, and Webtrends for Communications. Lastly, additional licensing and expanded deployment of various applications have raised the cost of annual software support, such as McAfee Prime for IT, COGNOS reporting for Project Delivery, Proliance for Project Delivery, and Impact 360 for Customer Service.
- Assumptions for 2012. The following assumptions provided the framework for preparation of this budget:
 - All-ETC final construction was completed in 2011.
 - Performance of tolling equipment on PGBT, DNT, SRT, MCLB, AATT, and LLTB will continue to receive intense scrutiny because of All-ETC and the revenue assurance requirements at the lane.
 - VES system replacement will be completed in 2012.
 - PGBT Eastern Extension opened to traffic in late 2011.
 - Segment 5 of Sam Rayburn Tollway will open to traffic in January 2012.
 - Estimated transactions will increase 9.6%, from 5.0M to 5.5M.
- **Organizational Changes.** The IT Department has gone through rapid growth and reorganization for the last four years. In 2012, the emphasis will be on ensuring we have arrived at the correct organizational structure with the proper

balance of NTTA staff and outside consulting resources. We will look closely at each of the three operational areas to determine what, if any, changes will need to be made in 2013 and what additional core competency position conversions should be considered in 2013 and beyond; and, what additional NTTA staff positions should be added going forward. The following personnel actions are included in the 2011 Budget:

- **Core competency conversions:** No new core competency position conversions have been identified for 2012.
 - **Strengthen other core areas with the addition of new positions.** With the continued emphasis on PCI compliance and information security, we are requesting to add **one (1)** additional **Information Security Engineer**. The NTTA is classified as a Level II Merchant for PCI Compliance purposes. The requirements to attain and maintain Level II PCI Compliance are significant, particularly in the areas of network monitoring, security monitoring, log file monitoring, intrusion detection system monitoring, vulnerability and risk management, incident management, just to name a few. The current number of authorized information security personnel is not adequate to ensure all security monitoring and enforcement tasks can be completed in a timely and efficient manner.
- **Key Projects for 2012:**
 - **Information Security and PCI Compliance** – To maintain our PCI compliance, we must continue to conduct assessments both internally and with outside experts to identify any areas of weakness in our network and applications infrastructure where we can improve our use of existing tools and technology, apply additional technology, or dedicate resources to ensure our networks, applications and databases remain secure. Our credit card transaction counts will continue to rise, with projections indicating they could triple to around 19 million over the next five years. Protecting the credit card information through continuous vigilance and comprehensive defenses will remain the highest priority of the NTTA's information security efforts.
 - **Revenue Assurance** – With the conversion of all facilities to All-ETC, the continuous and aggressive maintenance of our electronic toll collection systems will be critical to the minimization of revenue leakage at the lane level, which is critical to the success of the NTTA.
 - **Deployment of the new Video Tolling System** – In 2010, the Board approved a project to replace the legacy violation enforcement system (VES) that is currently deployed on all NTTA roadways. The new system involves the installation of new video tolling cameras that are tightly integrated with our lane controller, eliminating the need for additional control devices (and points of failure) characteristic of the current VES.
 - **Intelligent Transportation Systems** – The ITS team will continue the planning and coordination process for Chisholm Trail Parkway and PGBT Western Extension. ITS Set C project, which began design in 2010, was under construction in 2011, with some work expected to extend into 2012. An additional project for 2012, if approved by the Board, will continue to close the video coverage gaps on DNT and PGBT; get dynamic message signs installed where necessary; add supplemental travel time sensors; and, deal with some fiber infrastructure issues.

- **Disaster Recovery (DR)** – Disaster recovery remains high on the priority list, but we still need to establish a true disaster recovery site. While we have redundancy established for email and Call Center phone service at one of our main lane tolling plazas, and we continue our backup strategy with tapes rotating off site to two separate locations, we are considering another of the main lane plazas that is farther away from the headquarters location to build out and equip as a suitable DR site. However, it is essential to protect our operations with a disaster recovery site.
- **Customer Service Center software upgrade** – This project represents a major milestone in the evolution of the NTTA's back office systems. The major upgrade provides the software and hardware platforms necessary to support the projected customer and traffic demands for the next five years, and positions the NTTA to provide the required levels of service for the tolling service agreements for North Tarrant Express and IH 635 Managed Lanes. While the target date for completion of the upgrade is the end of 3rd quarter, 2011, there are a number of enhancements and integration projects that need to be completed in 2012.

Other Funds

- CF \$27,000
- RMF \$1,792,825
- CIF \$13,471,626
- CIF/FSF \$0

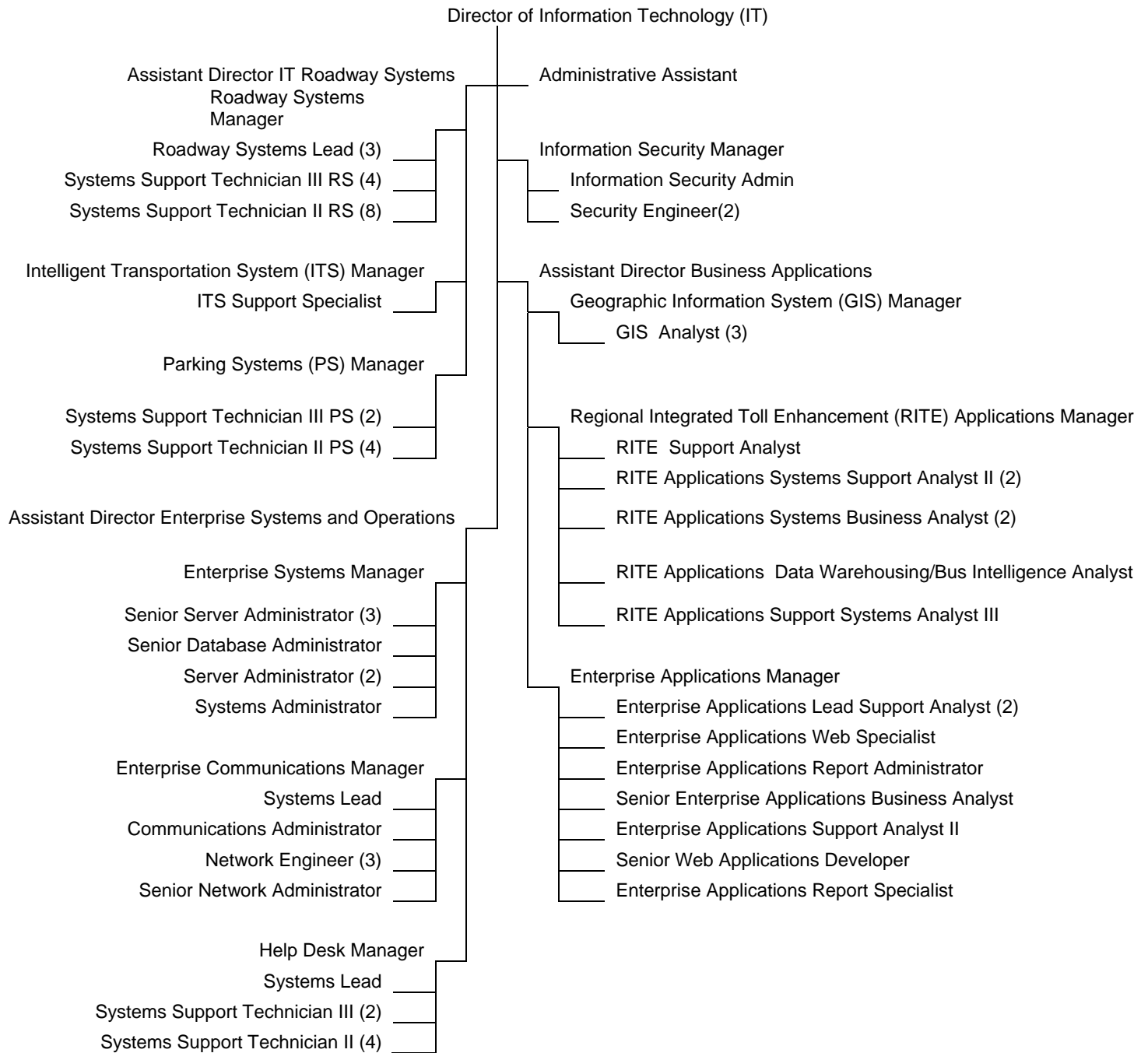
Position Summary

Information Technology			
Full-Time Positions	2011	2012	Difference
Admin. Asst IT	1	1	-
Assistant Director Business Applications	1	1	-
Assistant Director of IT	1	1	-
Assistant Director of IT Roadway Systems	1	1	-
Communications Administrator	1	1	-
Director of IT	1	1	-
Enterprise Applications Lead Support Analyst	2	2	-
Enterprise Applications Manager	1	1	-
Enterprise Applications Report Administrator	1	1	-
Enterprise Applications Support Analyst II	1	1	-
Enterprise Applications Web Specialist	1	1	-
Enterprise Comm Manager	1	1	-
Enterprise Systems Manager	1	1	-
GIS Analyst	3	3	-
GIS Manager	1	1	-
Help Desk Manager	1	1	-

Information Security Admin.	1	1	-
Information Security Manager	1	1	-
ITS Manager	1	1	-
ITS Support Specialist	1	1	-
Network Engineer	3	3	-
Parking Systems Manager	1	1	-
Enterprise Applications Report Specialist	1	1	-
RITE Applications Manager	1	1	-
RITE Apps DW/BI Analyst	1	1	-
RITE Systems Business Analyst	2	2	-
RITE Systems Support Analyst	1	1	-
RITE Systems Support Analyst II	2	2	-
RITE Systems Support Analyst III	1	1	-
Roadway Systems Lead	3	3	-
Roadway Systems Manager	1	1	-
Security Engineer	1	2	1
Server Administrator	2	2	-
Sr. Database Administrator	1	1	-
Sr. Ent. App. Business Analyst	1	1	-
Sr. Network Administrator	1	1	-
Sr. Server Administrator	3	3	-
Sr. Web Applications Developer	1	1	-
Systems Administrator	1	1	-
Systems Lead	2	2	-
Systems Support Tech II	12	12	-
Systems Support Tech II - PS	4	4	
Systems Support Tech III	2	2	
Systems Support Tech III - PS	2	2	
Systems Support Tech III RW	4	3	
Total Full-Time Positions	77	78	1

Organization Chart

Information Technology Department



**North Texas Tollway Authority
Departmental Budget Summary
OMF Budget Fund**

Department: Information Technology - (20111)
Budget Year: 2012

Account	2010 Actual	2011 Budget	2012 Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$2,203,492	\$4,390,049	\$4,574,301	\$184,252	4.2%
Salaries and Wage-Overtime - (511301)	45,110	36,700	36,715	15	0.0%
Retirement Contributions - (512401)	308,712	614,168	643,448	29,280	4.8%
Meeting Expense - (521101)	0	0	0	0	0.0%
Consulting/Professional - (521201)	62,781	97,490	96,941	(549)	(0.6)%
Outside Maintenance Services - (521212)	3,933,838	4,477,594	4,520,926	43,332	1.0%
Telecommunications - (523202)	549,380	682,927	581,596	(101,331)	(14.8)%
Travel - (523501)	4,897	10,431	11,342	911	8.7%
Dues & Subscriptions - (523601)	6,608	14,584	14,415	(169)	(1.2)%
Education and Training - (523701)	22,284	34,097	50,504	16,407	48.1%
Temporary Contract Labor - (523851)	11,301	0	0	0	0.0%
Office Supplies - (531101)	111,448	146,186	147,786	1,600	1.1%
Other Materials and Supplies - (531102)	78,697	50,500	65,726	15,226	30.2%
Freight and Express - (531105)	792	0	0	0	0.0%
Furniture (under \$5,000) - (531631)	0	0	0	0	0.0%
Computers (under \$5,000) - (531641)	0	0	0	0	0.0%
Software (Under \$5,000) - (531651)	3,200,773	3,268,168	3,578,396	310,228	9.5%
Software (\$5,000+) - (542402)	479	0	0	0	0.0%
Total Expenses	\$10,540,591	\$13,822,894	\$14,322,096	\$499,202	3.6%

**North Texas Tollway Authority
Departmental Budget Summary
Summary of Funds**

Department: Information Technology - (20111)

Budget Year: 2012

Account	OMF 1001	CF 3700	RMF 1201	CIF 1501	CIF/FSF 1601	Total Budget
Salaries and Wages-Direct - (511101)	\$4,574,301	\$0	\$0	\$0	\$0	\$4,574,301
Salaries and Wage-Overtime - (511301)	36,715	0	0	0	0	36,715
Retirement Contributions - (512401)	643,448	0	0	0	0	643,448
Consulting/Professional - (521201)	96,941	0	0	0	0	96,941
Outside Maintenance Services - (521212)	4,520,926	0	0	0	0	4,520,926
Consulting/Profess Serv Tech - (521301)	0	0	0	7,559,900	0	7,559,900
Telecommunications - (523202)	581,596	27,000	0	100,800	0	709,396
Travel - (523501)	11,342	0	0	0	0	11,342
Dues & Subscriptions - (523601)	14,415	0	0	0	0	14,415
Education and Training - (523701)	50,504	0	0	0	0	50,504
Other Miscellaneous Costs - (523991)	0	0	0	0	0	0
Office Supplies - (531101)	147,786	0	0	0	0	147,786
Other Materials and Supplies - (531102)	65,726	0	0	0	0	65,726
Computers (under \$5,000) - (531641)	0	0	88,500	0	0	88,500
Software (Under \$5,000) - (531651)	3,578,396	0	202,560	0	0	3,780,956
Infrastructure Rdway/Hwy/Bridg - (541401)	0	0	235,000	500,000	0	735,000
Infrastructure - Other - (541403)	0	0	182,065	1,666,300	0	1,848,365
Computers (\$5,000+) - (542401)	0	0	1,084,700	950,000	0	2,034,700
Software (\$5,000+) - (542402)	0	0	0	2,694,626	0	2,694,626
Property and Equ (\$5,000+) - (542501)	0	0	0	0	0	0
Software (176003)	0	0	0	0	0	0
Equipment/Hardware (176004)	0	0	0	0	0	0
2012 Totals	\$14,322,096	\$27,000	\$1,792,825	\$13,471,626	\$0	\$29,613,547
2011 Totals	\$13,822,894	\$256,500	\$1,633,912	\$17,292,618	\$0	\$33,005,924

EXECUTIVE SUMMARY

Maintenance Department

2012 Budget

Executive Staff

Eric Hemphill, P.E., Interim Director of Maintenance
Vacant, Assistant Director of Maintenance Operations
Victor Pavloff, P.E., Assistant Director of Maintenance Infrastructure

Department Description

The purpose of the Maintenance Department is to contribute to the overall mission of the North Texas Tollway Authority of enhancing mobility through responsible and innovative tolling solutions. This is accomplished by managing resources and creating business processes to continuously develop and implement asset management practices in the areas of Infrastructure engineering, roadway and facility maintenance, support services, and landscape.

The Department is responsible for asset management of the Dallas North Tollway, Mountain Creek Lake Toll Bridge, Addison Airport Toll Tunnel, President George Bush Turnpike, Sam Rayburn Tollway, President George Bush Turnpike Western Extension (SH 161), and Lewisville Lake Toll Bridge including roadways, structures, buildings, roadway illumination, signing, fencing, traffic signals, safety devices, rights-of-way and authority wide responsibility for fleet and warehousing.

Accomplishments for 2011

- June 1, 2011 marked the official launch of the first dedicated full time night crew; improving internal support, reducing overtime, and minimizing traffic impacts to customers.
- The Maintenance Department assumed in-house maintenance responsibility for the Gleneagles Complex, reducing the need for the property management consultant.
- The Maintenance Department assumed maintenance responsibility of Sam Rayburn Tollway (SRT) Segment 4 (25.45 lane miles) and the President George Bush Turnpike (PGBT) Eastern Extension (58.98 lane miles/1 month only)
- The Maintenance Department added a performance metric to the monthly rating program that tracks productivity.
- The Maintenance Department procured a design-build team to deliver the Frisco Operations Center by mid-2013.
- The Maintenance Department Infrastructure Division has reduced the need for outsourcing construction management services by using in-house staff to provide these services on small projects.
- Procured a new Total Routine Maintenance contract for the PGBT for an eight year duration.

Goals and Objectives for 2012

- The Maintenance Department will continue to lead efforts to integrate a “total cost” (life-cycle) approach to the development of new projects as well as the implementation of rehabilitation or modification projects.
- The Maintenance Department will provide roadway maintenance service for the SRT Segment 5 direct connector ramps.
- The Maintenance Department will assume the administration of utilities (gas, water and electric) including the processing of invoices for payment, procuring a periodic utility use audit, and

implementation of procedures related to the administration of utilities including initiation and termination of service.

- The Maintenance Department will continue to expand the use of in-house staff to handle construction management responsibilities for Maintenance Department construction projects further reducing the reliance on outside firms to provide these services resulting in a projected savings of \$300,000 per year. Two new FTEs have been requested to help meet this goal.
- The Maintenance Department will continue to use the Government Accounting Standards Board Statement 34 Modified Approach to assess the condition and budget for maintenance of the Authority's assets by conducting annual and special inspections, reporting on results, and budgeting for deficiencies.
- The Maintenance Department will continue to use and train our staff on our computer maintenance management work order system to validate and improve the Department's continuous improvement processes and recognition programs.
- The Maintenance Department will continue to utilize the Maintenance Rating and Supporting Success Programs to measure and encourage quality, efficiency, and customer service in the operations of the Maintenance Department.
- The Maintenance Department will continue collaboration with the Texas Transportation Institute and other industry leaders to improve the safety of our employees, contractors, and traveling public.
- The Maintenance Department will continue to provide appropriate training opportunities for all employees including the promotion of technical and professional certifications, continuing education and training for crews and managers.

Major Budget Items for 2012

- The department's overall 2012 OMF budget has increased 10.0% or \$2,512,922 from \$25,251,000 in FY 2011 to \$27,763,922 in FY 2012 primarily due to the increased costs associated with a full fiscal year of maintenance on PGBT-EE the SRT/75 interchange, and the SRT/DNT interchange. The increase is net of an allocation of \$200,582 to PGBT-WE.
- Consulting/Professional services have decreased by (23.1%) or (\$127,270) from \$551,469 to \$424,199 in response to anticipated reduction in operation and maintenance funded professional services (52 year O&M cost estimates for example).
- Outside Maintenance Services have increased 13.3% or \$871,957 from \$6,555,778 to \$7,427,735
 - The PGBT Total Routine Maintenance (TRM) expenses are increasing by 7.5% or \$420,086 from \$5,576,914 to \$5,997,000 due to the addition of maintaining the PGBT Eastern Extension for a full year. In 2012 there are several new initiatives resulting in the creation of new accounts which have no 2011 comparison and therefore reflect a 100% increase. These initiatives include:
 - The PGBT Eastern Extension was only budgeted for one month in 2011 (December). Increasing the maintenance responsibility for the full year resulted in a budget increase for the materials and supplies, outside maintenance services, and electricity associated with maintaining the roadway.
 - In addition to the PGBT EE, the interchanges at SRT/ DNT and SRT/75 will be operational for the entire 2012 budget year and will require additional materials and supplies for snow and ice response not included in the 2011 budget.

- The maintenance of the PGBT Eastern Extension frontage roads 21.19 lane miles at an annual cost of \$211,900. Per the Eastern Extension Agreement, the NTTA is to pay TxDOT \$10,000 per lane mile for the frontage road maintenance.
- Additionally, the maintenance of the Mountain Creek Lake Toll Bridge (MCLB) at an annual cost of \$349,485 has been added to Outside Maintenance Services to cover the cost of outsourcing the maintenance of this facility. The maintenance of the MCLB, which historically has been provided by in-house forces, was separated from the traditional TRM contract rebid to create an opportunity for smaller firms to compete and gain experience with routine maintenance of NTTA facilities.
- Landscaping shows a 100.0% increase because it is a new account, formerly part of Outside Maintenance Services.
- Dues & Subscriptions have decreased by (48.9%) or (\$10,021) from \$20,510 to \$10,489 due to the creation of a new account for Licenses.
- Licenses shows a 100.0% increase because it is a new account, formerly part of Dues & Subscriptions.
- Other Materials and Supplies have increased 46.4% or \$1,131,925 from \$2,440,345 to \$3,572,270
 - Magnesium Chloride (MD-20) expenses are increasing by 114% or \$1,199,040 from 1,050,000 in 2011 to \$2,249,040 in 2012 as a result of maintaining the PGBT Eastern Extension for a full year and the additional direct connector ramps at SRT Segments 4 and 5. Additionally we have been informed that anticipated fuel price increases will likely cause an increase in the material price in 2012 over the price received in 2011.
 - Liquid Magnesium Chloride at a cost of \$72,000. The Department will experiment with the use of liquid magnesium chloride and track the benefits over the currently used dry bulk product. It is expected that in some areas the liquid will work faster and can be put out earlier than the current dry material.
- Mobile Equipment Expense has decreased by (51.4%) or (\$763,270) due to the creation of a new account for Motor Fuel Expense.
- Motor Fuel Expense shows a 100.0% increase because it is a new account, formerly part of Mobile Equipment Expense
 - Fuel expenses are increasing by 68.0% or \$567,600 from \$834,900 to \$1,402,500 as a result of both increased fuel prices and the expansion of the NTTA fleet.
- Small Tools and Shop Supplies have decreased by (31.2%) or (\$32,008) in an effort to reduce the initial budget request. Due to this decrease the department may delay purchasing of small tools or supplies that are determined not to be time critical.

Other Funds

- CF \$0
- RMF \$18,309,426
- CIF \$67,379,128
- CIF/FSF \$0

Position Summary

Maintenance Department			
Full-Time Positions	2011	2012	Difference
Roadway			
CSR/Maintenance	2	2	-
Lead Roadway Maintenance	7	7	-
Maintenance Technician	88	86	(2)
Roadway Maintenance Supervisor	7	7	-
Roadway Manager	2	2	-
Senior Maintenance Technician	15	14	(1)
Facilities			
Bldg Maintenance Supervisor	1	1	-
CSR Maintenance	1	1	-
Custodian	0	2	2
Electrician	5	5	-
Electrician Maintenance Technician	5	5	-
Electrician Supervisor	2	2	-
Facilities Manager	1	1	-
Bldg Maintenance Specialist	1	1	-
Lead Bldg Maintenance	2	2	-
Lead Electrician	2	2	-
Maintenance Technician	8	6	(2)
Mechanical Maintenance	1	1	-
Landscape			
Asst Landscape Manager /Architect	1	1	-
Landscape Coordinator	1	0	(1)
Asst Landscape Manager	1	1	-
Senior Landscape Maintenance Technician	0	1	1
Lead Landscape Maintenance Technician	0	2	2
Landscape Maintenance Technician	0	1	1
Support Services			
Fleet Maintenance Technician	1	0	(1)
Fleet Supervisor	1	1	-
Lead Mechanic	2	2	-
Maintenance Support Manager	1	1	-
Maintenance Technician	0	1	
Mechanic	6	6	-
Physical Assets Supervisor	1	1	-
Sign & Fabrication Supervisor	1	1	-
Sign Specialist	1	1	-
Signing Coordinator	1	1	-
Senior Sign Specialist	1	1	-
Warehouse Technician	5	5	-
Adminstration / Infastructure			

Admin Asst Maintenance	1	1	-
Asst Director / Maintenance Ops	1	1	-
Asst Director Infrastructure	1	1	-
Bldg Project Manager	1	1	-
Bldg Special Project Manager	1	1	-
CMMS App Administrator	1	1	-
Design Project Manager	1	0	(1)
Director of Maintenance	1	1	-
Engineering Technician	1	2	1
Maintenance Safety & Training Admin	0	1	1
Roadway Project Engineer	1	1	-
Project Engineer	1	2	1
Project Manager	1	2	1
Right of Way Manager	1	1	-
Roadway Special Project Manager	1	1	-
Traffic Engineering EIT	1	1	-
Traffic Operations Engineer	1	1	-
Training Manager	1	0	(1)
Total Full-Time Positions	191	193	2

Organization Chart

Maintenance Department



**North Texas Tollway Authority
Departmental Budget Summary
OMF Budget Fund**

Department: Maintenance Department - (20200)
Budget Year: 2012

Account	2010 Actual	2011 Budget	2012 Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$5,939,750	\$8,629,056	\$8,348,062	(\$280,994)	(3.3)%
Salaries and Wage-Overtime - (511301)	301,158	265,187	292,300	27,113	10.2%
Retirement Contributions - (512401)	848,767	1,207,205	1,172,762	(34,443)	(2.9)%
Meeting Expense - (521101)	482	3,694	3,270	(424)	(11.5)%
Consulting/Professional - (521201)	894,246	551,469	424,199	(127,270)	(23.1)%
Outside Maintenance Services - (521212)	5,595,892	6,555,778	7,427,735	871,957	13.3%
Landscaping - (522202)	0	0	43,398	43,398	100.0%
Rentals - Land - (522301)	304,476	360,000	366,000	6,000	1.7%
Rentals - Equipment - (522302)	14,822	144,922	103,912	(41,010)	(28.3)%
Magazine and Newspaper - (523302)	11,200	18,000	15,000	(3,000)	(16.7)%
Travel - (523501)	6,169	13,900	13,650	(250)	(1.8)%
Dues & Subscriptions - (523601)	6,633	20,510	10,489	(10,021)	(48.9)%
Education and Training - (523701)	27,566	93,815	98,956	5,141	5.5%
Licenses - (523801)	0	0	11,908	11,908	100.0%
Other Miscellaneous Costs - (523991)	(1)	0	0	0	0.0%
Office Supplies - (531101)	9,064	14,900	16,460	1,560	10.5%
Other Materials and Supplies - (531102)	2,544,767	2,440,345	3,572,270	1,131,925	46.4%
Mobile Equipment Expense - (531103)	1,039,144	1,485,900	722,630	(763,270)	(51.4)%
Repairs & Maintenance - (531104)	6,795	15,000	15,000	0	0.0%
Freight and Express - (531105)	373	1,000	1,000	0	0.0%
Electronic Supplies - (531106)	0	0	0	0	0.0%
Motor Fuel Expense - (531107)	0	0	1,377,500	1,377,500	100.0%
Water - (531211)	413,851	483,000	566,000	83,000	17.2%
Gas - (531221)	72,127	95,000	98,000	3,000	3.2%
Electricity - (531231)	2,098,408	2,606,500	2,830,900	224,400	8.6%
Small Tools and Shop Supplies - (531601)	67,370	102,658	70,650	(32,008)	(31.2)%
Machinery (under \$5,000) - (531611)	0	0	0	0	0.0%
Uniforms - (531701)	106,053	143,161	161,871	18,710	13.1%
Total Expenses	\$20,309,114	\$25,251,000	\$27,763,922	\$2,512,922	10.0%

**North Texas Tollway Authority
Departmental Budget Summary
Summary of Funds**

Department: Maintenance Department - (20200)
Budget Year: 2012

Account	OMF 1001	CF 3700	RMF 1201	CIF 1501	CIF/FSF 1601	Total Budget
Salaries and Wages-Direct - (511101)	\$8,348,062	\$0	\$0	\$0	\$0	\$8,348,062
Salaries and Wage-Overtime - (511301)	292,300	0	0	0	0	292,300
Retirement Contributions - (512401)	1,172,762	0	0	0	0	1,172,762
Meeting Expense - (521101)	3,270	0	0	0	0	3,270
Consulting/Professional - (521201)	424,199	0	0	586,168	0	1,010,367
Traffic Engineering Fees - (521207)	0	0	120,000	0	0	120,000
Outside Maintenance Services - (521212)	7,427,735	0	0	0	0	7,427,735
General Engineering - (521213)	0	0	1,150,626	0	0	1,150,626
Consulting/Profess Serv Tech - (521301)	0	0	2,245,000	0	0	2,245,000
Landscaping - (522202)	43,398	0	0	0	0	43,398
Signing Expense - (522203)	0	0	1,900,000	0	0	1,900,000
Pavement Markings - (522204)	0	0	2,600,000	0	0	2,600,000
Pavement & Shoulders - (522205)	0	0	2,475,000	0	0	2,475,000
Bridge Repairs - (522206)	0	0	2,125,000	0	0	2,125,000
Rentals - Land - (522301)	366,000	0	0	0	0	366,000
Rentals - Equipment - (522302)	103,912	0	0	0	0	103,912
Magazine and Newspaper - (523302)	15,000	0	0	0	0	15,000
Travel - (523501)	13,650	0	0	0	0	13,650
Dues & Subscriptions - (523601)	10,489	0	0	0	0	10,489
Education and Training - (523701)	98,956	0	0	0	0	98,956
Licenses - (523801)	11,908	0	0	0	0	11,908
Office Supplies - (531101)	16,460	0	0	0	0	16,460
Other Materials and Supplies - (531102)	3,572,270	0	0	0	0	3,572,270
Mobile Equipment Expense - (531103)	722,630	0	0	0	0	722,630
Repairs & Maintenance - (531104)	15,000	0	0	0	0	15,000
Freight and Express - (531105)	1,000	0	0	0	0	1,000
Motor Fuel Expense - (531107)	1,377,500	0	0	0	0	1,377,500
Water - (531211)	566,000	0	0	0	0	566,000
Gas - (531221)	98,000	0	0	0	0	98,000
Electricity - (531231)	2,830,900	0	0	0	0	2,830,900
Small Tools and Shop Supplies - (531601)	70,650	0	0	0	0	70,650
Machinery (under \$5,000) - (531611)	0	0	38,000	0	0	38,000
Uniforms - (531701)	161,871	0	0	0	0	161,871
Buildings - (541301)	0	0	0	7,000,000	0	7,000,000
Building Improvements - (541302)	0	0	556,500	2,858,000	0	3,414,500
Infrastructure Rdway/Hwy/Bridg - (541401)	0	0	3,700,000	56,934,960	0	60,634,960
Machinery (Over \$5,000+) - (542101)	0	0	680,300	0	0	680,300
Vehicles (Over \$5,000+) - (542201)	0	0	719,000	0	0	719,000
Construction (176001)	0	0	0	0	0	0
Other (176999)	0	0	0	0	0	0
2012 Totals	\$27,763,922	\$0	\$18,309,426	\$67,379,128	\$0	\$113,452,476
2011 Totals	\$25,251,000	\$0	\$27,339,978	\$5,609,483	\$0	\$58,200,461

EXECUTIVE SUMMARY

Operations Department

2012 Budget

Executive Staff

Clayton Howe, Assistant Executive Director Operations

Department Description

- The purpose of the Operations Administration group is to implement directions and policies of the Board of Directors and the Executive Management Team in the operational service areas; set the tone, values and culture; oversee all aspects of the operations departments (Customer Service Center, Maintenance, Information Technology, and System & Incident Management); and create an environment of accomplishment, accountability, partnership, trust and integrity.

Accomplishments for 2011

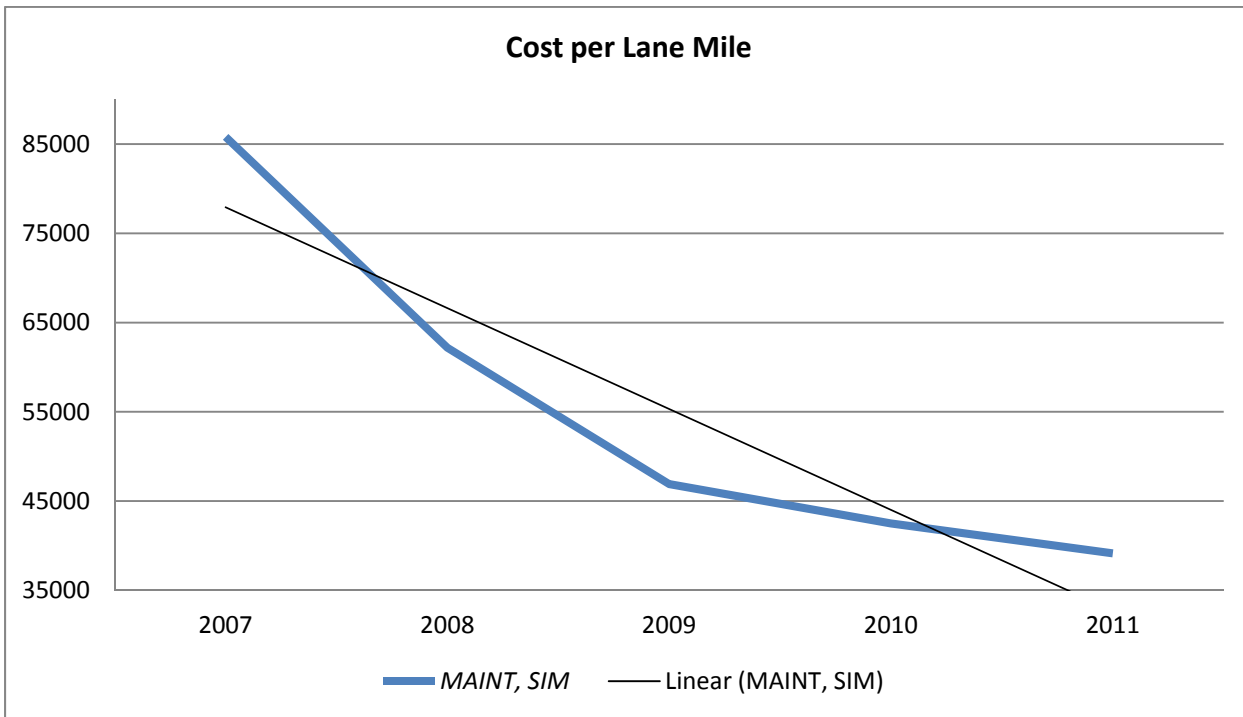
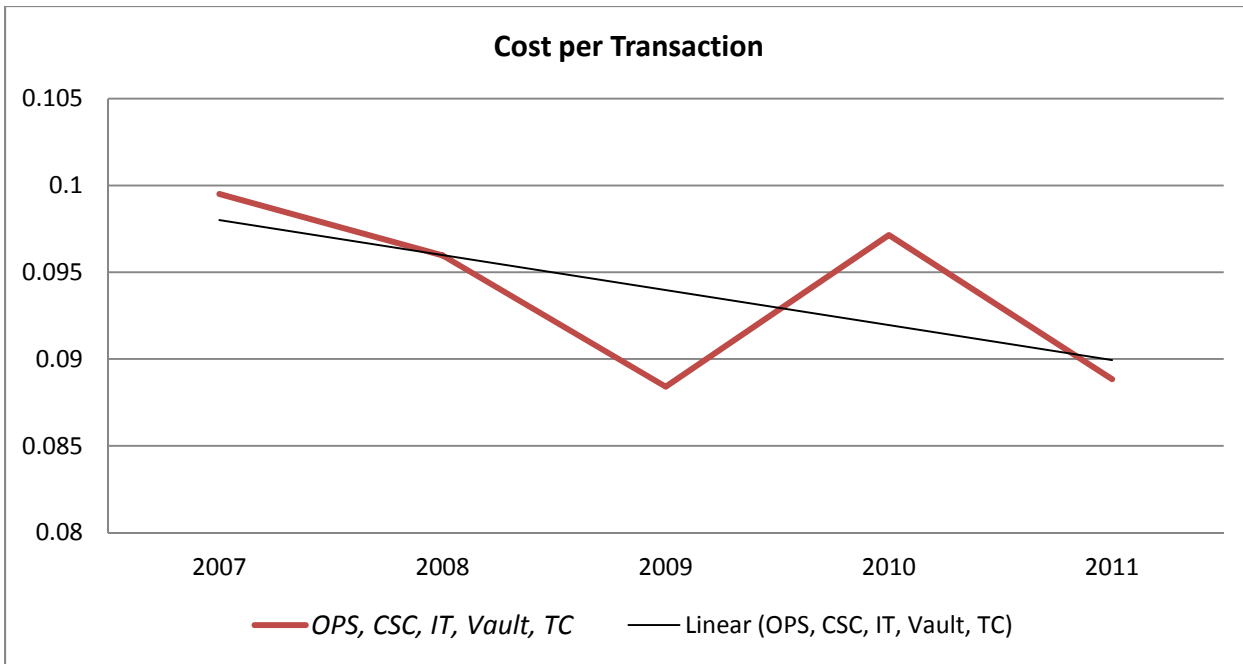
- The All Electronic Toll Collection conversion of NTTA facilities, reducing the per transaction cost of collection and increasing the safety on our system
- Monthly management report for operational performance implemented, resulting in a higher level of transparency
- Revenue Assurance plan reporting and initiatives completed, resulting in a reduction of leakage
- Increased customer service satisfaction levels from 4.88 to 4.90, on a 1-5 scale
- Revenue collected increased, while cost to collect was reduced
- Awards
 - Maintenance Department
 - APWA Emergency Project of the Year
 - Customer Service Center
 - IBTTA Toll Excellence for Operations

Goals and Objectives for 2012

- Complete upgrade of toll collection system (RITE) to enhance customer experience and transaction reporting
- Complete update and of Comprehensive Disaster Recovery Plan and Business Continuity Plan
- Develop and implement Tolling Service Agreement cost allocation and tracking financial model to measure and report compliance and profitability of agreements.
- Enhance Revenue Assurance reporting and mitigation strategies.
- Expand enterprise Safety Awareness programs.
- Enhance national interoperability options for the collection of tolls.

Major Budget Items for 2012

- The department's proposed O&M budget for 2012 is \$862,682, a decrease of (\$164,404) or (16.0%) from the 2011 budget of \$1,027,086.
- Consulting and Professional Fees decreased (27.1%) or (\$182,798) from \$674,000 to \$491,202'
- Travel increased 88.8% or \$17,309 from \$ 19,500 to \$36,809 in order to participate in OmniAir conferences and discussions.



Other Funds

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

Position Summary

OPERATIONS	2011	2012	Difference
Exec. Asst. to AED Ops	1	1	-
Asst. Exec. Director Operation	1	1	-
Sr. Bus Ops & Stats Analyst	1	1	-
Total Full-time Positions	3	3	-

Organization Chart**Operations Department**

Assistant Executive Director Operations

Executive Assistant
Senior Business Operations & Statistics Analyst

**North Texas Tollway Authority
Departmental Budget Summary
OMF Budget Fund**

Department: Operations - (20311)
Budget Year: 2012

Account	2010 Actual	2011 Budget	2012 Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$144,211	\$280,316	\$281,999	\$1,683	0.6%
Salaries and Wage-Overtime - (511301)	(874)	0	0	0	0.0%
Retirement Contributions - (512401)	20,574	39,216	39,793	577	1.5%
Meeting Expense - (521101)	0	600	550	(50)	(8.3)%
Consulting/Professional - (521201)	464,954	674,000	491,202	(182,798)	(27.1)%
Travel - (523501)	16,006	19,500	36,809	17,309	88.8%
Dues & Subscriptions - (523601)	7,000	12,000	11,000	(1,000)	(8.3)%
Office Supplies - (531101)	548	554	504	(50)	(9.0)%
Freight and Express - (531105)	0	900	825	(75)	(8.3)%
Total Expenses	\$652,419	\$1,027,086	\$862,682	(164,404)	(16.0)%

**North Texas Tollway Authority
Departmental Budget Summary
Summary of Funds**

Department: Operations - (20311)
Budget Year: 2012

Account	OMF 1001	CF 3700	RMF 1201	CIF 1501	CIF/FSF 1601	Total Budget
Salaries and Wages-Direct - (511101)	\$281,999	\$0	\$0	\$0	\$0	\$281,999
Retirement Contributions - (512401)	39,793	0	0	0	0	39,793
Meeting Expense - (521101)	550	0	0	0	0	550
Consulting/Professional - (521201)	491,202	0	0	0	0	491,202
Travel - (523501)	36,809	0	0	0	0	36,809
Dues & Subscriptions - (523601)	11,000	0	0	0	0	11,000
Office Supplies - (531101)	504	0	0	0	0	504
Freight and Express - (531105)	825	0	0	0	0	825
2012 Totals	\$862,682	\$0	\$0	\$0	\$0	\$862,682
2011 Totals	\$1,027,086	\$0	\$0	\$120,000	\$0	\$1,147,086

EXECUTIVE SUMMARY

Project Delivery Department

2012 Budget

Executive Staff

Elizabeth Mow, Interim Assistant Executive Director of Project Delivery
Vacant, Director of Project Delivery

Department Description

The project delivery department is responsible for planning, design and construction of toll facilities in the region. Our 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.

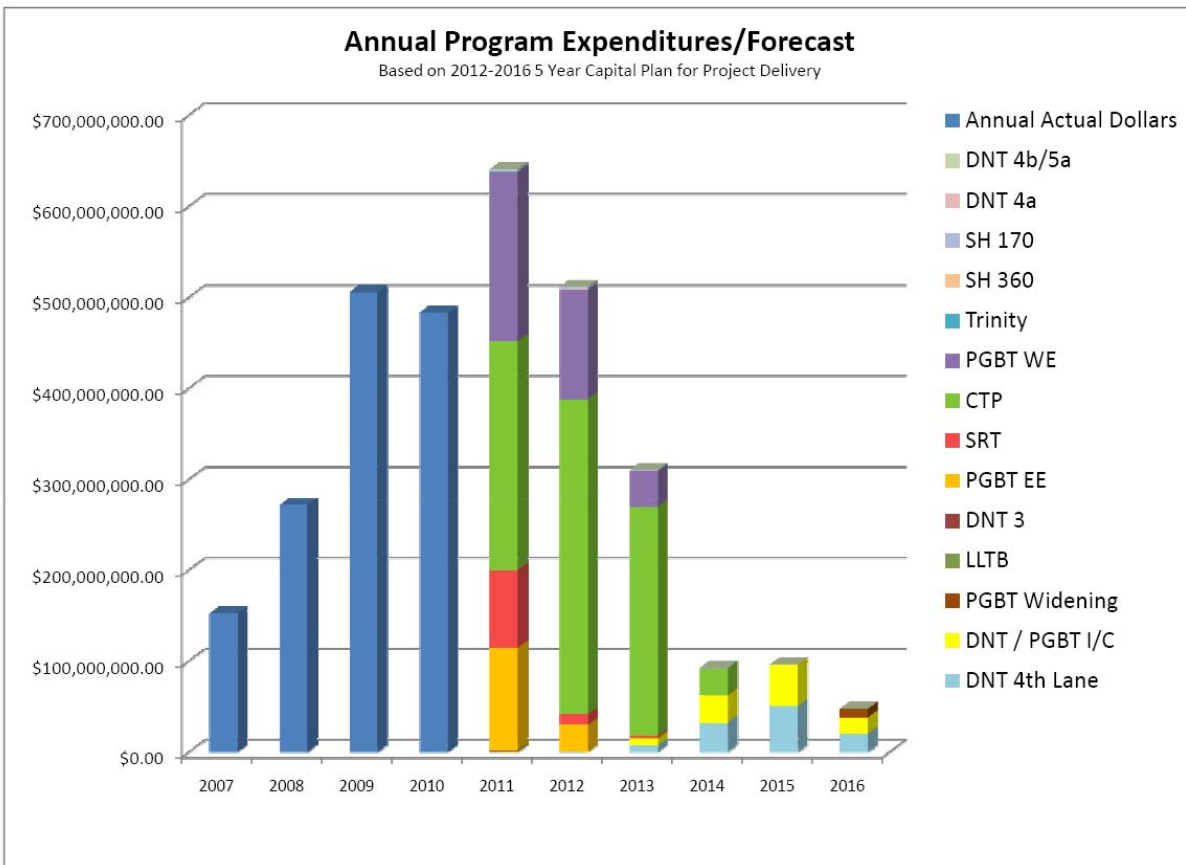
Accomplishments for 2011

- The Project Delivery Department continued construction of the Sam Rayburn Tollway, President George Bush Turnpike Eastern and Western Extensions as well as the Chisholm Trail Parkway construction in the UPRR Davidson Yard. Construction is continuing on the Dallas North Tollway as we convert to all electronic toll collection (All-ETC).
- Also in 2011, we advanced the DNT Phase 4/5, SH 360, SH 170 and Trinity Parkway projects through the planning and environmental process.

Goals and Objectives for 2012

- The Project Delivery department will continue construction on the following projects:
 - Chisholm Trail Parkway
 - President George Bush Turnpike Western Extension
 - Landscape on the Sam Rayburn Tollway and President George Bush Turnpike Eastern Extension
- The Project Delivery department will continue to advance the following projects through the planning/ environmental phase:
 - SH 360
 - SH 170
 - Trinity Parkway
- The Project Delivery department will continue the operation of the Program Management Office; initiatives include Quality Systems, a web-based program management system, program controls, and centralized document control.

- The department's overall OMF budget for FY 2012 decreased (6.2%) or (\$126,014) from \$1,956,011 in 2011 to \$1,834,997 in 2012 due to the deletion of one vacant position.



Other Funds

- CF \$ 41,708,697
- RMF \$ 0
- CIF \$ 6,137,721
- CIF/FSF \$ 3,451,349

Special Project System

- CF - CTP \$ 346,572,419

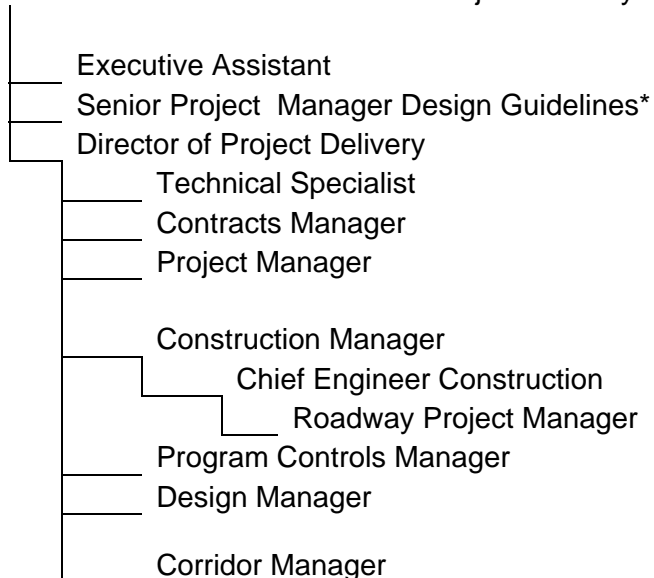
Position Summary

Project Delivery Department			
Full-Time Positions	2011	2012	Difference
Technical Specialist	1	1	-
AED Project Delivery	1	1	-
Chief Engineer Construction	1	1	-
Construction Manager	1	1	-
Contracts Manager	1	1	-
Corridor Manager	1	1	-
Design Manager	1	1	-
Director Project Delivery	1	1	-
Executive Assistant	1	1	-
Planning Manager	1	0	(1)
Program Controls Manager	1	1	-
Project Manager	1	1	-
Roadway Project Manager	1	1	-
Senior Project Manager Design Guidelines	1	1	-
Total Full-Time Positions	14	13	(1)

Organization Chart

Project Delivery Department

Assistant Executive Director of Project Delivery



*Position shared with Director of Project Delivery

**North Texas Tollway Authority
Departmental Budget Summary
OMF Budget Fund**

Department: Project Delivery - (20511)
Budget Year: 2012

Account	2010 Actual	2011 Budget	2012 Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$101,177	\$1,686,912	\$1,581,917	(\$104,995)	(6.2)%
Salaries and Wage-Overtime - (511301)	0	0	0	0	0.0%
Retirement Contributions - (512401)	14,165	235,999	218,280	(17,719)	(7.5)%
Travel - (523501)	10,211	13,800	15,500	1,700	12.3%
Dues & Subscriptions - (523601)	1,845	4,800	4,800	0	0.0%
Education and Training - (523701)	3,225	7,500	7,500	0	0.0%
Office Supplies - (531101)	9,048	5,000	5,000	0	0.0%
Freight and Express - (531105)	1,441	2,000	2,000	0	0.0%
Total Expenses	\$141,111	\$1,956,011	\$1,834,997	(121,014)	(6.2)%

North Texas Tollway Authority
Departmental Budget Summary
Summary of Funds

Department: Project Delivery - (20511)
Budget Year: 2012

Account	OMF 1001	CF 3700	RMF 1201	CIF 1501	CIF/FSF 1601	Total Budget
Salaries and Wages-Direct - (511101)	\$1,581,917	\$0	\$0	\$0	\$0	\$1,581,917
Retirement Contributions - (512401)	218,280	0	0	0	0	218,280
Consulting/Professional - (521201)	0	0	0	0	0	0
Trustee Fees - (521204)	0	0	0	0	0	0
Consulting/Profess Serv Tech - (521301)	0	0	0	216,471	0	216,471
Travel - (523501)	15,500	0	0	0	0	15,500
Dues & Subscriptions - (523601)	4,800	0	0	0	0	4,800
Education and Training - (523701)	7,500	0	0	0	0	7,500
Office Supplies - (531101)	5,000	0	0	0	0	5,000
Freight and Express - (531105)	2,000	0	0	0	0	2,000
Infrastructure Rdway/Hwy/Bridg - (541401)	0	0	0	5,921,250	0	5,921,250
Deferred Charges (153001)	0	0	0	0	3,451,349	3,451,349
Right-of-Way (173003)	0	0	0	0	0	0
Engineering & Maint (173005)	0	3,221,227	0	0	0	3,221,227
Planning (173007)	0	50,000	0	0	0	50,000
Design (173008)	0	99,290	0	0	0	99,290
Construction (176001)	0	34,588,795	0	0	0	34,588,795
Construction Management (176002)	0	3,749,385	0	0	0	3,749,385
Equipment/Hardware (176004)	0	0	0	0	0	0
Other (176999)	0	0	0	0	0	0
2012 Totals	\$1,834,997	\$41,708,697	\$0	\$6,137,721	\$3,451,349	\$53,132,764
2011 Totals	\$1,956,011	\$543,620,000	\$0	\$42,840,000	\$5,600,000	\$594,016,011

EXECUTIVE SUMMARY

System & Incident Management Department

2012 Budget

Executive Staff

Marty Legé, Director

David Bryson, Assistant Director

Department Description:

The purpose of the Department is to support the mission of the North Texas Tollway Authority (NTTA) by providing a work and expedient traveling environment free from harm and hazard. The Department uses advanced technology and a highly skilled work force to improve mobility and safety. The Department takes real-time 24-hour system knowledge of current conditions that impact customers, and relays it to them in dynamic means to improve the customer's satisfaction with the NTTA travel experience. The Department provides industry leading dispatch and incident response to lessen the negative impact of incidents and to make the system safer. The Department focuses on NTTA fiscal soundness through effective Risk and Safety Management Programs which strive to provide accountability and safety for everyone traveling and working on the system.

Accomplishments YTD in 2011

- The NTTA's Roadway Customer Service (RCS) Program saw an overall increase in activity of 9% from 2009 to 2010, and in the first four months of 2011 volume is 27% higher than the same period in 2010. We've received over 4,500 hand-written customer commendations since the program began in 2008. RCS Units have an astounding 10 minute response time average and an even more amazing 10 minute clearance time average. When you consider that 1 minute of incident equals 4 minutes of delay during peak hours, we are getting great value from these units.
- The SIM and IT Departments completed initial implementation of a long-awaited incident management tool; computer-aided dispatch (CAD) and report management systems. The CAD/RMS provides a computerized format for comprehensive management of communications and dispatch functions and data. It simplifies and standardizes data entry, recommends appropriate response units to speed up dispatching, automatically runs license plates on traffic stops, and it allows enhanced reporting which has never been available at NTTA except through exhaustive manual record-keeping and data manipulation, etc. The system includes core and support modules, a mobile component, analytic components, and performance graphs and management tools. Sam Houston State University developed CRIMES (Criminal Research, Information Management and Evaluation System), a state of the art comprehensive computerized information management system. CRIMES is designed to serve as a complete information management system and is a partnership with participating agencies. Agencies are consulted routinely regarding system characteristics and enhancements, and enhancements are shared among all. In a professional government partnership, SHSU and the CRIMES partner agencies are working together to enhance the use of dispatch information technology, test emergent technology, and link technological capability to strategy. In previous attempts at deploying a CAD/RMS System at NTTA, we expected to spend in excess of \$4MM. Unlike other CAD Systems, this CAD was developed from a state-funded project to create a tool governmental agencies could deploy for low cost. The NTTA doesn't have to buy this CAD System. Rather we and the other partner agencies pay an annual fee based on agency size merely to maintain it and to help deliver future enhancements. The NTTA IT Department facilitated the installation in concert with university and SIM staff.
- In 2011, the IT and SIM departments completed the SET C project; a sub-project of the Intelligent Transportation System (ITS) Program. This project included the installation of 9 additional ITS cameras sites and 3 Dynamic Message Signs to fill gaps around the system. The additional ITS cameras enhance the Command Center's ability to detect and manage incidents involving

stranded motorists, hazardous roadway debris, accidents on the system, and other hazards – all further enhancing the mobility of our customers and a more expeditious and efficient use and response of NTTA and regional first responder resources.

- SIM's Safety Division continues to develop the NTTA Defensive Driving initiative aimed at assisting NTTA employees in becoming safer drivers and reducing the number of NTTA at-fault crashes. We utilize the acclaimed Smith Systems Defensive Driving Course taught by the NTTA Safety Coordinator; this in-house resource saves money and speeds delivery of the training to newly hired employees. To date, 152 high risk drivers have taken the course including Maintenance, Roadway Customer Service, and IT Roadway. Trained employees state that they feel much better prepared to handle high risk vehicles and driving situations required for their work.
- The SIM's Insurance Division assumed the 3rd party claims process from the Maintenance Department and hired a full time FTE in 2011 dedicated to this process. The total recovery goal for 2011 was \$220,000. Since its implementation, the Insurance Division has been enhancing the process to ensure the complete, accurate and timely processing of claims, and to ensure that NTTA recaptures all losses possible due to customer-caused damage. To date, the new Claims Coordinator processed 483 incidents in 2011. This represents 100% of all viable claim opportunities; a commitment we made when we began the program. Total claims collected as of 10-26-11 is \$337,798. One claim from 2009 represents \$132,110.13 of this total amount. The total number of workable claim opportunities for 2011 has decreased from previous years as a result of the all-ETC conversion. We have less property on the roadway system which can be damaged by vehicle crashes. There are 63 claims pending for 2011 and if current trend continues, we estimate we will process 645 incidents this year. Also part of the new program is the processing of liability claims where the NTTA has damaged the property of others. It is anticipated that there will be an increase in this type of claim as we operate more fleet vehicles and maintain more roadway miles. The Claims Coordinator has processed 140 of these liability claims and 33 fleet accident claims YTD for 2011. If current the trend continues, the Claims Coordinator is estimated to process nearly 200 liability and 50 fleet claims in 2011.

KEY NTTA SYSTEM STATISTICS:

Activity Type	2011 Weekly Average
Motorist Assists	232
Road Hazards/Debris	56
Accidents	46
Resource Protection Monitoring Sessions	208
Traffic Safety Monitoring Sessions	246
DPS Traffic Stops	469
9-1-1 & Non-Emergency Customer Calls	1526
RCS Unit Response Time Average	11 Min.
RCS Unit Clearance Time Average	10 Min.
RCS Customer Commendations	33

Incident Type	2010 Actuals	2011 Projected	2012 Projected
Accidents	1,969	2,038	2,281
Motorist Assists	13,670	14,161	15,850
Road Hazards/Debris	3,837	3,974	4,444
Abandoned Vehicles	677	701	780
Traffic & Security Alarms	137,583	142,523	159,523
Criminal Offenses	15	16	18
Totals	157,751	163,413	182,896

-- SIM BUDGETS FOR NTTA SYSTEM--

2012 System & Incident Management Total Budget - \$9,706,314

SIM Department teams provide diverse service offerings and support many of the NTTA Strategic Plan Goals and Objectives. Listed below are each division's budget and the goals that Division supports.

- 2012 increase from total SIM Department 2011 budget \$1,665,127 or 20.7% from \$8,041,187 to \$9,706,314
- The SIM Department is comprised of four divisions; SIM Administration, the NTTA Insurance Program, Roadway Customer Service (RCS), and Command Center (CC).
- The biggest contributor to the 2012 SIM budget increase is a 31.2% increase in police service costs. DPS has recently proposed a \$1,012,557 increase in the DPS budget over 2011 from \$3,242,295 to \$4,254,852. This increase is due to a newly increased cost per mile from .75 cents to .88 cents, a new state-mandated program involving overtime pay, and the passing on to the NTTA of indirect costs for all 34 assigned FTE's (something we've never paid before). These cost assumptions are still being negotiated with DPS; this is **not** a final budget estimate for DPS 2012 costs.
- There is also an 8.2% or \$62,629 increase in insurance premium costs from \$760,300 to \$822,929 due to the addition of real and personal property, system miles, and assets that will be added in 2012.
- Total budgeted position increases across all SIM Divisions are seven.
 - The staffing level assumptions for these positions are explained in the individual division summaries by budget impacted.
- Staff estimates an overall 11.9% increase in system incidents in 2012 over 2011 levels. We use a combination of lane miles, transactions, and historical to make projections.

2011/2012 SIM Comparison	2011 Budget	2012 Budget	% of Change
Operations Costs w/o DPS and Insurance	\$3,901,981	\$4,438,404	13.74% Increase
Operations Costs with DPS	\$7,146,752	\$8,693,260	21.64% Increase
Operations Costs with DPS and Insurance	\$8,041,187	\$9,706,314	20.70% Increase

Roadway Customer Service Budget #20621 - \$1,917,723

The Roadway Customer Service Division is the Authority's only on-the-road customer touch-point now that we've transitioned to all-ETC. This team supports Strategic Plan Goals 2, 3, 4 and 6.

- 2012 increase from RCS Division 2011 budget is \$95,741 or 5.3% from \$1,821,982 to \$1,917,723
- Customer feedback to the NTTA RCS Program has been astounding. We've received over 4,450 hand-written Customer Commendations since inception in September 2008.
- Utilization of RCS as First Responders on calls which don't require a police response has increased Trooper lane miles by 38.8% from 18 lane miles per Trooper to 25 lane miles per Trooper.
- 2011 RCS Average Response Time = 11 minutes
- 2011 YTD RCS Clearance Time Average = 10 minutes

RCS 2012 STAFFING PROJECTIONS & ASSUMPTIONS –

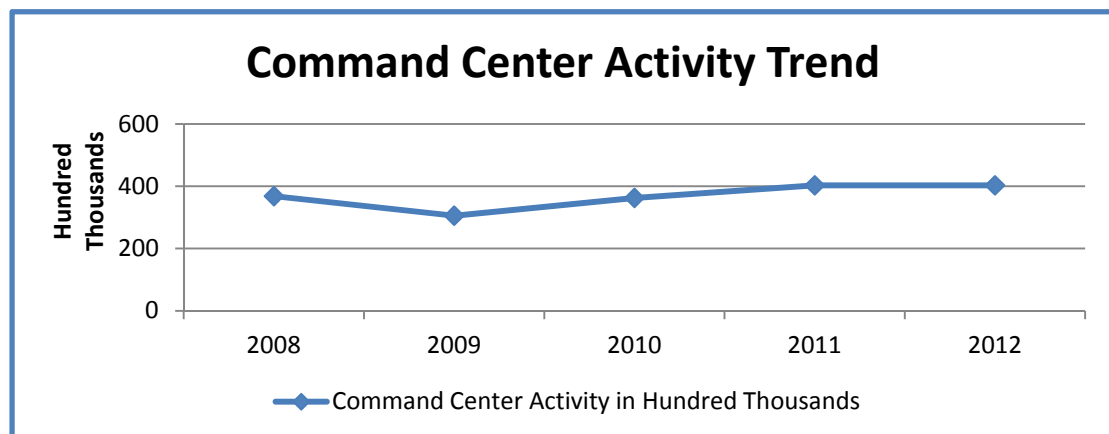
PROJECT	MILEAGE	# NEW FTE'S	EFFECTIVE HIRE DATE
Eastern Extension & Portion of PGBT	9.9	2	2 in January 2012
Remainder of the NTTA System	108.3	2	2 in January 2012
TOTAL	118.2	4	4 Hired in January 2012

- In 2010, RCS handled over 23,700 calls for service; a 9% increase over 2009. And in the first 4 months of 2011, call volume is 27% higher than the same period in 2010.
- Staff estimates an 18% increase in 2012 total RCS activity levels over 2011. Activity levels are established by assessing historical actual, transactions, and system miles to make incident projections.
- The proposed increase of 4 FTE's will support the overall increase in RCS activity and the addition of the PGBT Eastern Extension in 2012. There is a resulting increase in Salaries and Retirement of 5.7% or \$99,823. Call volumes for the entire PGBT corridor is estimated to increase by 24% when the Eastern Extension opens.
- Currently, the PGBT/161T corridor contributes to over 45% of all RCS activity.
- These are typically 1-Man Units, but this is dependent on roadway geometry and shoulder availability for the zone assigned.

Command Center Budget #20641 - \$5,791,947

The Command Center Division oversees the activities of all RCS, police, fire, EMS, HAZMAT, wrecker service, work crew traffic impacts, security, traffic, Intelligent Transportation Systems (ITS), and traveler notifications on Dynamic Message Signs and the NTTA website; all during emergency and non-emergency incidents on the NTTA system and at NTTA buildings. They also oversee safety and security of NTTA resources, employees, and customers through the use of advanced CCTV and access control technology. They support Strategic Plan Goals 1, 2, 3, 4, and 6.

- 2012 increase from CC Division 2011 budget \$1,143,119 or 24.6% from \$4,648,828 to \$5,791,947
 - Salaries and retirement costs increased by \$132,408 or 9.6% over 2011 Budget due to adjustment of allocation to PGBT-WE in 2012, and adding an Administrative Assistant for the DPS Lieutenant (required by contract).
 - The DPS Contract is assigned to the CC Budget. DPS has recently proposed a \$1,012,557 or 31.2% increase in the DPS budget over 2011 from \$3,242,295 to \$4,254,852. This increase is due to a newly increased cost per mile from .75 cents to .88 cents, a new state-mandated program involving overtime pay, and the passing on to the NTTA of indirect costs for all 34 assigned FTE's (something we've never paid before). These cost assumptions are still being negotiated with DPS; this is **not** a final budget estimate for DPS 2012 costs. This increase also includes an additional \$5,250 for the purchase of a "First View Digital Camera System". The small light weight cameras associated with this system are mounted in the patrol car while on patrol and are removed and worn on the uniform when exiting the patrol car and interacting with the public. These cameras go wherever the officer goes recording what the officer sees and hears, enhancing officer safety and community relations through transparency of operations.
- CC Activity - In 2012, CC Staff will handle approximately 211,573 calls for service/incidents and will complete another 217,581 incident management support tasks; a 6.5% increase over 2011.



COMMAND CENTER/DPS COSTS	2011	2012	% OF CHANGE
Command Center Budget	\$ 4,648,828	\$5,791,947	24.59% Increase
Command Center Budget <u>w/o DPS</u>	\$1,404,057	\$1,537,095	9.48% Increase

CC 2012 STAFFING PROJECTIONS & ASSUMPTIONS –

- Staff estimates a 6.5% increase in 2012 CC activity levels over 2011, and will add no FTE's to the call center. However, one (1) FTE will be added in 2012 dedicated to support DPS. We hope to gain efficiencies in late 2011 when we deploy Computer-Aided Dispatch. Activity levels are established by assessing historical actual, transactions, and system miles to make incident projections.
- The Set C ITS project will be completed by the fourth quarter of 2011. Adding ITS sites increases our chance of finding hazards quickly, but also increases alarm rates (both false and positive alarms) to which CC staff must respond.

SIM Administration Budget #20611 - \$983,590

The SIM Administration Division consists of 10 FTE's who support NTTA-wide programs and the other SIM Divisions in managing emergencies and disasters, safety, risk, loss prevention, traffic, security/resource protection, and insurance/claims management. They support Strategic Plan Goals 1, 3, 5 and 6.

- 2012 increase in SIM Administration from 2011 budget \$307,648 or 45.5% from \$675,942 to \$983,590
 - Professional fees increased by \$48,907 or 1087.3% for contracting with outside consultants to evaluate the business processes/risk of the Information Technology Department as a follow up to the 2011 theft; a process we will facilitate every 2-3 years.
 - Salaries and retirement costs increased by \$265,664 or 43.1% over 2011 budget due to adjustment of allocation to PGBT-WE in 2012, and the addition of 2 new FTE's (please see below).
 - NTTA Security Guard Service costs increased by \$2,200 or 17.0% over 2011.
- This budget includes the risk and safety programs, facility security and access control, loss prevention, traffic and emergency management programs, and administrative staff for the department.
- SIM Assistant Director - There have been substantial changes and growth within the SIM Department since its formation in 2007. SIM staffing in 2007 was 43; 2012 staffing will be 87.5. We've been growing the operational teams, which work 24/7 to support the roadway system, but have not increased the executive or management teams by even one FTE. We operate teams from three locations along the NTTA system. We remain the only NTTA department running a full 24/7 operation. And of the large departments, we're the only one operating with just one Assistant Director (AD). The strain is now detrimental on our leadership team's capacity. There are significant program development opportunities ahead in the SIM Administration areas including loss prevention, risk and safety management, and emergency management; some of which were identified by the recent organizational assessment as needing more focus. We'll retool the current SIM AD job description for 2012 (AD of SIM Administration) to allow more focus on development of NTTA-wide programs. These administrative programs have suffered most from understaffing at the SIM executive and management levels. For 2012 we seek one additional AD to oversee the operations side of SIM. This position will own traffic and incident management, will coordinate with contractors all major closures, and will oversee scene management during major incidents.
- Loss Prevention Manager - The NTTA previously had both a Loss Prevention (LP) Manager and LP Coordinator; however, the program was underutilized and the positions under-

challenged. Therefore when the SIM Department was formed in 2007, the positions were abandoned until such time as the need for services warranted them. The NTTA has seen an 87% increase since 2008 in investigations across all areas of performance from vehicle crashes and operation, through to internal theft and equipment misuse/loss; much of this due to an increase in FTE counts and expanded work hours at NTTA. The SIM Dept, which owns loss prevention as a function, managed by utilizing the law enforcement skills of management staff in RCS and Risk Management, as well as that of the Director. However, the volume of work has increased to the point that a dedicated resource is needed. The part-time efforts of the current resources cannot manage the increasing LP workload. Part of the increase is due to the fact that knowledge of this service offering has reached the masses at NTTA and now SIM is frequently called upon to provide internal investigatory and loss prevention help. We're pleased by this but must now dedicate at least one full-time resource with a high skill level that can develop from the ground up this badly needed program at NTTA. We seek one Manager for 2012.

NTTA Insurance Program Budget #20631 - \$1,013,054

The Insurance Division manages the NTTA's insurance program, provides contract insurance support and review of all NTTA contracts, monitors all contractor/consultant insurance coverages throughout the life of the contract to ensure continued compliance, and manages all property claims made against or by the NTTA. This division supports Strategic Plan Goals 1, 4, and 5.

- 2012 increase from Insurance division 2011 budget is \$118,619 or 13.3% from \$894,435 to \$1,013,054
- 2012 Insurance Premiums increased \$62,629 or 8.2% from \$760,300 to \$822,929
 - Estimated risk pool deposit for coverage through TML Risk Pool = \$736,542
 - Estimated premiums for coverage placed with other carriers = \$86,387
 - *NOTE: Staff estimates premiums because it is too early for TML to predict rates*
- Insurance costs increased due to increases in NTTA System Assets:
 - Increases in Real and Personal Property (including fleet) of 17.03% over 2011
 - Addition of the following assets in 2012:
 - DNT/SRT Interchange
 - SRT/US75 Interchange
 - PGBT Eastern Extension
 - PGBT Western Extension
 - Gantries an Ops building added and updated resulting in estimated 6.95% increase
 - Sand stockpiles and bridge class culverts
- Professional fees increased by \$45,984, or 729.1%, from \$6,307 to \$52,291 due to an increase in fees associated with our use of the *Ebix Insurance Certificate Management System*, and to provide an external assessment (\$50,000) of NTTA insurance coverages, a process we facilitate every three years to compare our program to industry best practices and validate appropriateness of coverage.
- We decreased the budget for our payout of liability claims by (\$1,666) or (8.8%) from \$19,022 to \$17,356. As we open and maintain more roadway, we inevitably damage more customer vehicles through routine tasks such as mowing and weed-eating. We have not seen an increase in damage per mile and are reducing the budget this year because we overestimated claims in 2011.

Other Funds

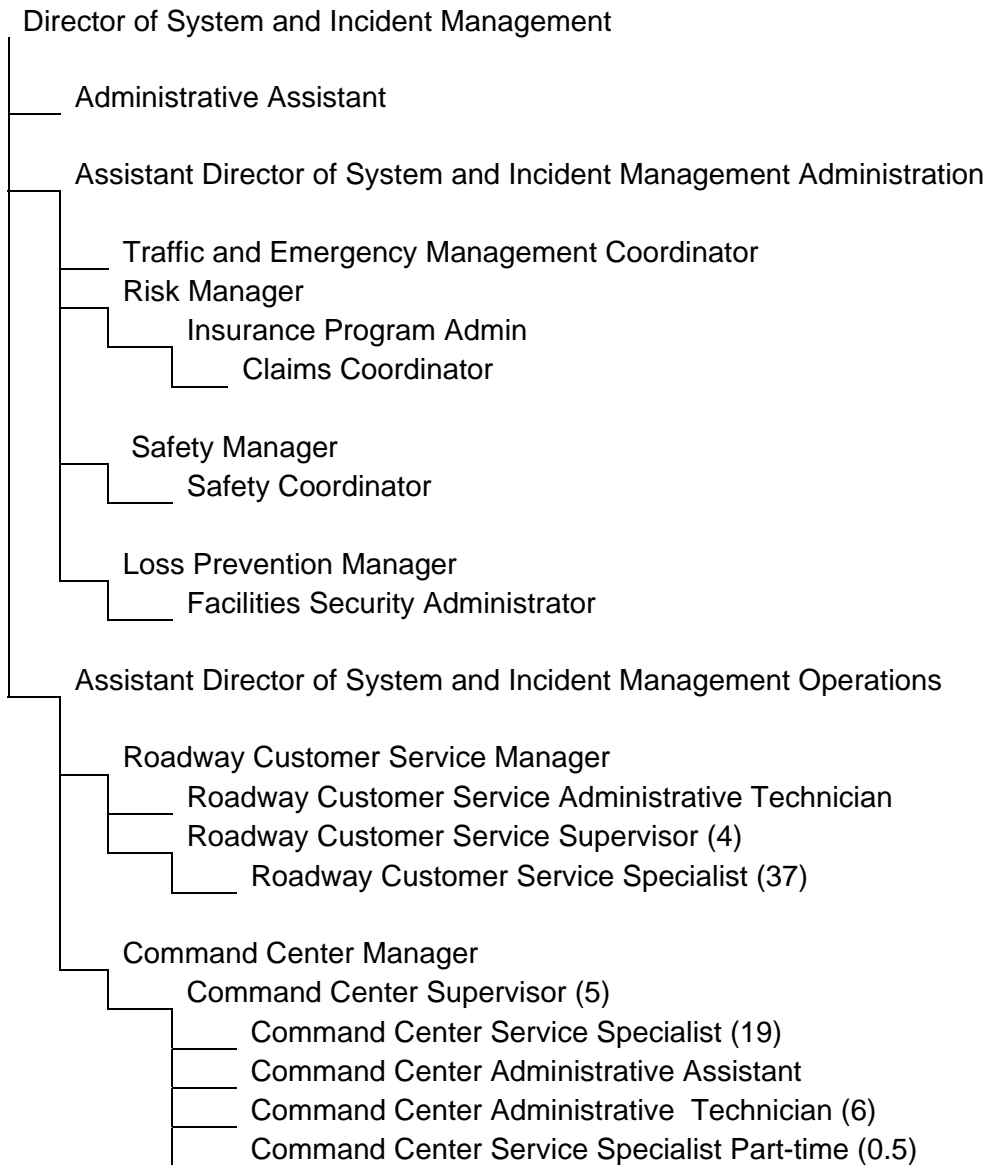
- CF \$0
- RMF \$9,100
- CIF \$0
- CIF/FSF \$0

Position Summary

System & Incident Management Department			
Full-Time Positions	2011	2012	Difference
Administration			
Administrative Assistant	1	1	-
Assistant Director SIM	1	2	1
Director SIM	1	1	-
Facility Security Administrator	1	1	-
Loss Prevention Manager	0	1	1
Risk Manager	1	1	-
Safety Coordinator	1	1	-
Traffic & Emergency Management Coordinator	1	1	-
Workforce Safety Manager	1	1	-
Command Center			
Command Center Manager	1	1	-
Command Center Service Specialist	19	19	-
Command Center Supervisor	5	5	-
Command Center (DPS) Administrative Assistant	0	1	1
Command Center Technicians	6	6	-
Insurance			
Claims Coordinator	1	1	-
Insurance Program Administrator	1	1	-
Roadway Customer Service			
Roadway Customer Service Manager	1	1	-
Roadway Customer Service Specialist	33	37	4
Roadway Customer Service Supervisor	4	4	-
Roadway Customer Service Admin Technician	1	1	-
Total Full-Time Positions	80	87	7
Part-Time & On-Call Positions			
Command Center Specialist P/T	1	1	-
Total Part-Time & On-Call Positions	1	1	-

Organization Chart

System and Incident Management Department



**North Texas Tollway Authority
Departmental Budget Summary
OMF Budget Fund**

Department: System & Incident Mgmt. Dept. - (20600)
Budget Year: 2012

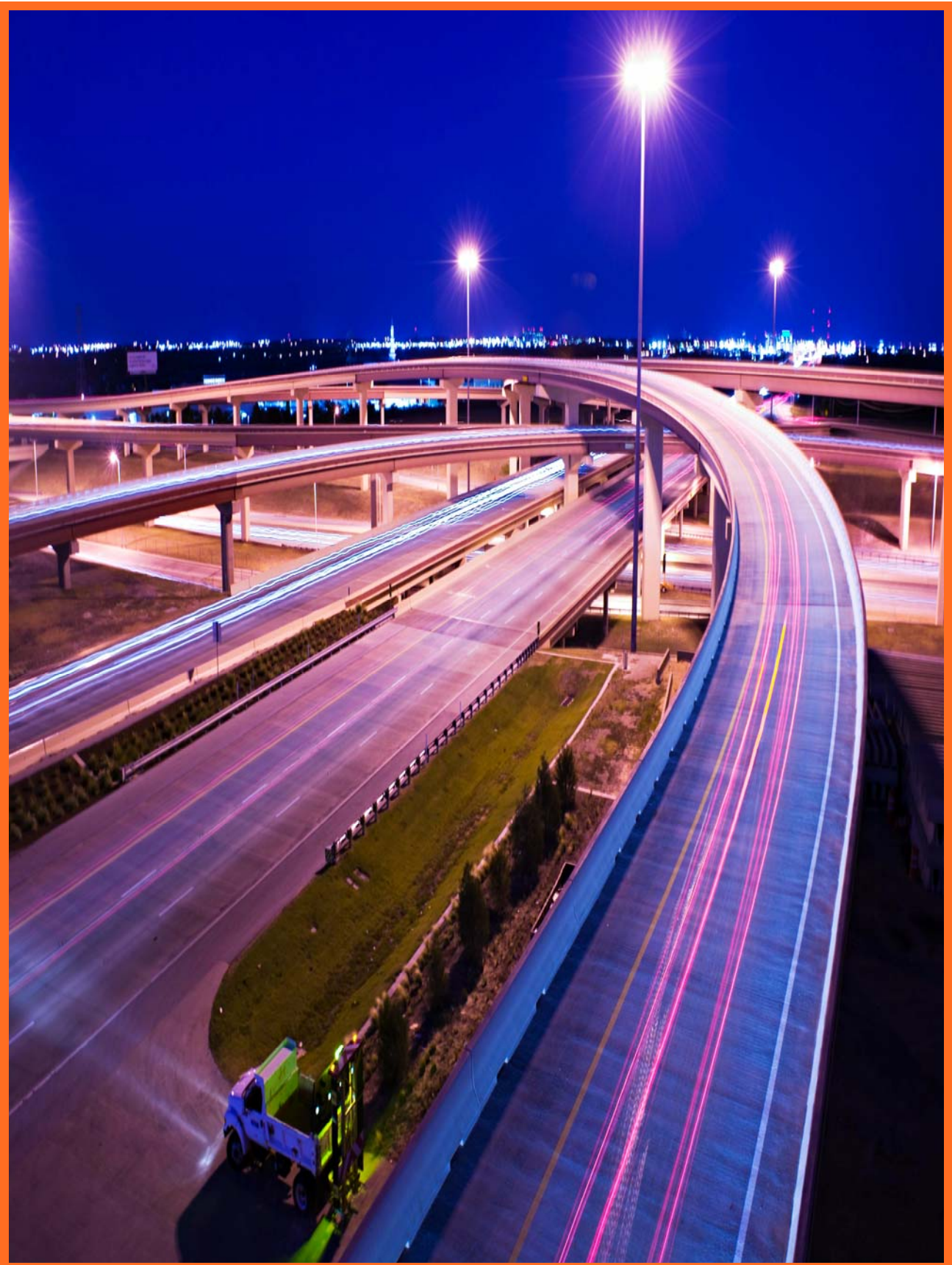
Account	2010 Actual	2011 Budget	2012 Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$3,259,528	\$3,371,681	\$3,815,090	\$443,409	13.2%
Salaries and Wage-Overtime - (511301)	8,118	11,953	10,057	(1,896)	(15.9)%
Group Insurance - (512101)	0	0	0	0	0.0%
Retirement Contributions - (512401)	446,699	471,699	537,686	65,987	14.0%
Consulting/Professional - (521201)	155,534	10,805	105,696	94,891	878.2%
Police Services (DPS) - (521208)	2,200,851	3,242,295	4,254,852	1,012,557	31.2%
Other Security Services - (521211)	27,729	0	0	0	0.0%
Outside Maintenance Services - (521212)	(11,769)	12,939	15,139	2,200	17.0%
Special Legal Fees - (521214)	5,202	2,476	0	(2,476)	(100.0)%
Insurance Expense - Other - (523101)	670,638	760,300	822,929	62,629	8.2%
Postage - (523201)	0	6,967	9,210	2,243	32.2%
Promotional Expenses - (523304)	0	0	663	663	100.0%
Travel - (523501)	1,463	2,773	640	(2,133)	(76.9)%
Dues & Subscriptions - (523601)	739	1,536	1,955	419	27.3%
Education and Training - (523701)	2,268	3,234	6,665	3,431	106.1%
Liability Claims - (523902)	5,500	19,022	17,356	(1,666)	(8.8)%
Office Supplies - (531101)	10,994	10,010	9,613	(397)	(4.0)%
Other Materials and Supplies - (531102)	70,282	83,256	61,851	(21,405)	(25.7)%
Freight and Express - (531105)	9	690	598	(92)	(13.3)%
Uniforms - (531701)	47,059	29,551	36,314	6,763	22.9%
Total Expenses	\$6,900,844	\$8,041,187	\$9,706,314	\$1,665,127	20.7%

**North Texas Tollway Authority
Departmental Budget Summary
Summary of Funds**

Department: System & Incident Mgmt. Dept. - (20600)
Budget Year: 2012

Account	OMF 1001	CF 3700	RMF 1201	CIF 1501	CIF/FSF 1601	Total Budget
Salaries and Wages-Direct - (511101)	\$3,815,090	\$0	\$0	\$0	\$0	\$3,815,090
Salaries and Wage-Overtime - (511301)	10,057	0	0	0	0	10,057
Retirement Contributions - (512401)	537,686	0	0	0	0	537,686
Consulting/Professional - (521201)	105,696	0	0	0	0	105,696
Police Services (DPS) - (521208)	4,254,852	0	0	0	0	4,254,852
Outside Maintenance Services - (521212)	15,139	0	0	0	0	15,139
Insurance Expense - Other - (523101)	822,929	0	0	0	0	822,929
Postage - (523201)	9,210	0	0	0	0	9,210
Promotional Expenses - (523304)	663	0	0	0	0	663
Travel - (523501)	640	0	0	0	0	640
Dues & Subscriptions - (523601)	1,955	0	0	0	0	1,955
Education and Training - (523701)	6,665	0	0	0	0	6,665
Liability Claims - (523902)	17,356	0	0	0	0	17,356
Office Supplies - (531101)	9,613	0	0	0	0	9,613
Other Materials and Supplies - (531102)	61,851	0	9,100	0	0	70,951
Freight and Express - (531105)	598	0	0	0	0	598
Uniforms - (531701)	36,314	0	0	0	0	36,314
2012 Totals	\$9,706,314	\$0	\$9,100	\$0	\$0	\$9,715,414
2011 Totals	\$8,041,187	\$0	\$0	\$0	\$0	\$8,041,187

OTHER FUNDS SECTION



North Texas Tollway Authority
NTTA System Construction Fund - (3700) Budget Comparisons
FY 2012 to 2011

Department	2011 Budget	2012 Budget	2012 Budget to 2011 Budget Amount	Percent
Administrative Services:				
Administrative	\$0	\$0	\$0	0.0%
Board	0	0	0	0.0%
Business Diversity	0	0	0	0.0%
Communications/Mkting	22,500	7,500	(15,000)	(66.7%)
Finance	2,244,500	4,511,966	2,267,466	101.0%
Government Affairs	0	0	0	0.0%
Human Resource	0	0	0	0.0%
Internal Audit	63,000	65,520	2,520	4.0%
Legal Services	1,695,000	1,250,000	(445,000)	(26.3%)
Shared Services	0	0	0	0.0%
Total Administrative Services	4,025,000	5,834,986	1,809,986	45.0%
Operational Services:				
Customer Service Center	0	0	0	0.0%
Information Technology	256,500	27,000	(229,500)	(89.5%)
Maintenance	0	0	0	0.0%
Operations	0	0	0	0.0%
Project Delivery	543,620,000	41,708,697	(501,911,303)	(92.3%)
System & Incident Mgmt.	0	0	0	0.0%
Total Operational Services	543,876,500	41,735,697	(502,140,803)	(92.3%)
Grand Totals	547,901,500	47,570,683	(500,330,817)	(91.3%)

NTTA 2012 Construction Fund Projects

Lake Lewisville Toll Bridge

The NTTA worked cooperatively with the Texas Department of Transportation (TxDOT), Denton County and the cities of Little Elm, Frisco and Lake Dallas to construct the Lewisville Lake Toll Bridge (LLTB) corridor. The NTTA is responsible for the design, construction and operation of the approximately two-mile section that includes a 1.7-mile toll bridge and a 0.3-mile flowage easement bridge.

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. Construction on the approximately 9.9-mile corridor began in October 2008. The project is expected to open to traffic in fourth quarter 2011.

Sam Rayburn Tollway

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. When complete, the SRT will feature six main lanes and all-electronic toll collection.

Estimated NTTA System Expenditures for 2012

DNT Phase 3 Construction	\$ 41,000
LLTB Construction	\$ 150,000
PGBT Eastern Extension Construction	\$ 29,510,667
Sam Rayburn Tollway Construction	\$ 11,907,030
Allocated cost: Professional Fees, Legal Fees	<u>\$ 5,961,986</u>
Total Estimated 2011 Construction Cost ⁽¹⁾	\$ 47,570,683

(1) For detail expenditures see pages 158-162

North Texas Tollway Authority
Estimated Construction Fund Requirements
FY 2012

NTTA System Construction Fund Available Balance as of 06/30/2011	\$ 259,126,452
Estimated Construction Cost (July through December 2011)	
DNT Phase 3 Construction	(313,181)
LLTB Construction	(294,828)
PGBT Eastern Extension Construction	(67,522,310)
Sam Rayburn Tollway Construction	(52,346,096)
Total Estimated 2011 Construction Cost	<u>(120,476,415)</u>
Proceeds from Bond Issuance	<u>-</u>
Estimated NTTA System Available Balance as of 12/31/11	138,650,037
Estimated Expenditures for 2012	
DNT Phase 3 Construction	(41,000)
LLTB Construction	(150,000)
PGBT Eastern Extension Construction	(29,510,667)
Sam Rayburn Tollway Construction	(11,907,030)
System Improvements	(100,000)
Allocated cost: Professional Fees, Audit Fees, Legal Fees	(5,315,757)
Transfer for Allocated Salaries and Benefits	(542,213)
Total Estimated 2012 Construction Cost	<u>(47,566,667)</u>
Estimated NTTA System Available Balance as of 12/31/12	<u><u>\$ 91,083,370</u></u>

North Texas Tollway Authority
Fund 3712 - DNT 1990 Construction Fund - (3712) Estimate
FY 2012

Department	Account	
Project Delivery	Engineering & Maint (173005)	50,000
	Planning (173007)	50,000
	Project Delivery Total	100,000
<hr/> Total		\$100,000

North Texas Tollway Authority
Fund 3713 - DNT-PH3-2005 Construction Fund - (3713) Estimate
FY 2012

Department	Account	
Finance	Consulting/Professional - (521201)	4,032
	Trustee Fees - (521204)	4,000
	Finance Total	8,032
Internal Audit	Auditing Fees - (521203)	16,380
	Internal Audit Total	16,380
Project Delivery	Construction (176001)	40,000
	Construction Management (176002)	1,000
	Project Delivery Total	41,000
Total		\$65,412

North Texas Tollway Authority
Fund 3722 - PGBT EE Construction Fund - (3722) Estimate
FY 2012

Department	Account	
Finance	Consulting/Professional - (521201)	4,908
	Trustee Fees - (521204)	27,407
	Finance Total	32,315
Internal Audit	Auditing Fees - (521203)	16,380
	Internal Audit Total	16,380
Legal Services	Legal Fees - (521202)	1,250,000
	Legal Services Total	1,250,000
Information Technology	Telecommunications - (523202)	27,000
	Information Technology Total	27,000
Project Delivery	Engineering & Maint (173005)	1,650,000
	Design (173008)	82,107
	Construction (176001)	25,296,984
	Construction Management (176002)	2,481,576
	Project Delivery Total	29,510,667
Total		\$30,836,362

North Texas Tollway Authority
Fund 3751 - Sam Ray Toll Const Fund(SH121) - (3751) Estimate
FY 2012

Department	Account	
Communications/Mkting	Promotional Expenses - (523304)	7,500
	Communications/Mkting Total	7,500
Finance	Consulting/Professional - (521201)	629,655
	Trustee Fees - (521204)	35,750
	Consulting/Profess Serv Tech - (521301)	3,800,000
	Finance Total	4,465,405
Internal Audit	Auditing Fees - (521203)	16,380
	Internal Audit Total	16,380
Project Delivery	Engineering & Maint (173005)	1,521,227
	Design (173008)	17,183
	Construction (176001)	9,101,811
	Construction Management (176002)	1,266,809
	Project Delivery Total	11,907,030
Total		\$16,396,315

North Texas Tollway Authority
Fund 3761 - LLTB Construction Fund - (3761) Estimate
FY 2012

Department	Account	
Finance	Trustee Fees - (521204)	6,214
	Finance Total	6,214
Internal Audit	Auditing Fees - (521203)	16,380
	Internal Audit Total	16,380
Project Delivery	Construction (176001)	150,000
	Project Delivery Total	150,000
Total		\$172,594

North Texas Tollway Authority
Reserve Maintenance Fund - (1201) Budget Comparisons
FY 2012 to 2011

Department	2011 Budget	2012 Budget	2012 Budget to 2011 Budget Amount	Budget Percent
Administrative Services:				
Administrative	\$0	\$0	\$0	0.0%
Board	0	0	0	0.0%
Business Diversity	0	0	0	0.0%
Communications/Mkting	0	0	0	0.0%
Finance	0	0	0	0.0%
Government Affairs	0	0	0	0.0%
Human Resource	5,163	0	(5,163)	(100.0%)
Internal Audit	10,500	10,920	420	4.0%
Legal Services	100,000	600,000	500,000	500.0%
Shared Services	1,401,950	0	(1,401,950)	(100.0%)
Total Administrative Services	1,517,613	610,920	(906,693)	(59.7%)
Operational Services:				
Customer Service Center	0	0	0	0.0%
Information Technology	1,633,912	1,792,825	158,913	9.7%
Maintenance	27,339,978	18,309,426	(9,030,552)	(33.0%)
Operations	0	0	0	0.0%
Project Delivery	0	0	0	0.0%
System & Incident Mgmt.	0	9,100	9,100	100.0%
Total Operational Services	28,973,890	20,111,351	(8,862,539)	(30.6%)
Grand Totals	30,491,503	20,722,271	(9,769,232)	(32.0%)

NTTA 2012 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 FY2012.

Annual Inspection - Required by GASB 34 Modified Approach	\$ 1,400,000
High Mast Light Inspection	120,000
Overhead Sigh Structure Inspection	425,000
Systemwide Safety Improvements	900,000
SRT Corridor Restriping	2,600,000
PGBT Pavement Repairs IH 35 to Kelly Blvd	1,500,000
SRT Pavement Repair	975,000
Systemwide Box Culvert Cleaning	300,000
PGBT Erosion Repair	500,000
SRT Channel Erosion	500,000
DNT Storm Drainage Assessment	300,000
Guide Sign Replacement with NTTA Route Shield	1,900,000
DNT Median Barrier Replacement/Repair	1,500,000
Systemwide Bridge Approach Slab Settlement	375,000
Systemwide Bridge Repairs	1,750,000
Trucks, Fleet & Equipment - New & Replacement	1,437,300
Facility Improvements	556,500
Computer and Equipment - New & Replacement, including software	1,792,825
Other various projects and purchases	9,100
Traffic Engineering Studies	120,000
Allocated Cost - Professional, Audit and Legal Fees	1,761,546

Total 2012 RMF Budget

\$ 20,722,271

2011 Projects Carried Over to 2012 ⁽¹⁾	
SRT Pavement Repair	\$ 1,870,000
PGBT Restriping	1,473,000
Systemwide Bridge Erosion Repairs	375,000
Systemwide Bridge Repairs	250,000
SRT Segment 1 Restriping	440,000
SRT Trailblazer Replacement	247,500
DNT Pavement Full-depth Repairs	500,000
	<u>\$ 5,155,500</u>

(1) Projects fully funded in 2011, completed in 2012

North Texas Tollway Authority
Calculation of Deposit to Reserve Maintenance Fund
FY 2012

Reserve Maintenance Fund Balance as of 06/30/2011		\$ 35,339,757
Outstanding Reserve Maintenance Fund Deposit for FY 2011		35,963,671
Estimated Expenditures (July through December 2011)		<u>(19,749,823)</u>
Estimated Balance as of 12/31/11		51,553,605
Estimated 2011 Expenditures (2011 Projects completed in 2012)	(1)	(5,155,500)
Estimated Expenditures for 2012		
Software / Licensing	(202,560)	
Computer / Equipment	(1,590,265)	
Roadway Maintenance	<u>(17,047,900)</u>	
Total RMF Projects		(18,840,725)
Allocated Cost: Professional Fees, Audit Fees, Legal Fees		(1,881,546)
Transfer for Allocated Salaries and Benefits		<u>(1,276,457)</u>
Total Estimated 2012 RMF Cost		(21,998,728)
Estimated Prefunding Required for 2013 Projects		<u>(28,215,346)</u>
Estimated 2012 Balance before Deposit		(3,815,969)
Estimated 2012 Deposit to Reserve Maintenance Fund		8,815,969
Reserve Maintenance Fund Balance as of 12/31/2012		<u><u>\$ 5,000,000</u></u>

2012 Required Deposit to Reserve Maintenance Fund Calculation

Amount Required to Balance 2012	3,815,969
Required Trust Agreement Balance	<u>5,000,000</u>
	<u><u>8,815,969</u></u>

(1) 2011 Projects fully funded in 2011.

North Texas Tollway Authority
Fund 1201 - Reserve Maintenance Fund - (1201) Estimate
FY 2012

Department	Account	
Internal Audit	Auditing Fees - (521203)	10,920
	Internal Audit Total	10,920
Legal Services	Legal Fees - (521202)	600,000
	Legal Services Total	600,000
Information Technology	Computers (under \$5,000) - (531641)	88,500
	Software (Under \$5,000) - (531651)	202,560
	Infrastructure Rdway/Hwy/Bridg - (541401)	235,000
	Infrastructure - Other - (541403)	182,065
	Computers (\$5,000+) - (542401)	1,084,700
	Information Technology Total	1,792,825
Maintenance	Traffic Engineering Fees - (521207)	120,000
	General Engineering - (521213)	1,150,626
	Consulting/Profess Serv Tech - (521301)	2,245,000
	Signing Expense - (522203)	1,900,000
	Pavement Markings - (522204)	2,600,000
	Pavement & Shoulders - (522205)	2,475,000
	Bridge Repairs - (522206)	2,125,000
	Machinery (under \$5,000) - (531611)	38,000
	Building Improvements - (541302)	556,500
	Infrastructure Rdway/Hwy/Bridg - (541401)	3,700,000
	Machinery (Over \$5,000+) - (542101)	680,300
	Vehicles (Over \$5,000+) - (542201)	719,000
	Maintenance Total	18,309,426
System & Incident Mgmt.	Other Materials and Supplies - (531102)	9,100
	System & Incident Mgmt. Total	9,100
Total		\$20,722,271

North Texas Tollway Authority
Capital Improvement Fund - (1501) Budget Comparisons
FY 2012 to 2011

477,700	2011	2012	2012 Budget to 2011 Budget	
Department	Budget	Budget	Amount	Percent
Administrative Services:				
Administrative	0	0	0	0.0%
Board	0	0	0	0.0%
Business Diversity	0	0	0	0.0%
Communications/Mkting	0	0	0	0.0%
Finance	477,700	3,232,455	2,754,755	576.7%
Government Affairs	0	0	0	0.0%
Human Resource	0	0	0	0.0%
Internal Audit	21,000	21,840	840	4.0%
Legal Services	300,000	225,000	(75,000)	(25.0%)
Shared Services	700,000	0	(700,000)	(100.0%)
Total Administrative Services	1,498,700	3,479,295	1,980,595	135.2%
Operational Services:				
Customer Service Center	0	0	0	0.0%
Information Technology	17,292,618	13,471,626	(3,820,992)	(22.1%)
Maintenance	5,609,483	67,379,128	61,769,645	1,101.2%
Operations	120,000	0	(120,000)	(100.0%)
Project Delivery	42,840,000	6,137,721	(36,702,279)	(85.7%)
System & Incident Mgmt.	0	0	0	0.0%
Total Operational Services	65,862,101	86,988,475	21,126,374	32.8%
Grand Totals	67,360,801	90,467,770	23,106,969	34.3%

NTTA 2012 Capital Improvement Fund Major Projects and Purchases

The Capital Improvement Fund accounts for the cost of repairs, enlargements, extensions, additions, improvements, reconstruction and replacement of capital assets. The following is the list of projects and purchases for FY 2012:

Systemwide - Walls Reconstruction/Repair	56,934,960
RITE System Software Enhancements & Maintenance	4,000,000
Systemwide CIF - Buildings	9,858,000
Microsoft Enterprise Agreement	525,118
Security Enhancement/PCI Compliance	610,000
Disaster Recovery	500,000
Network Upgrade	675,000
ITS 2012 Retrofit	1,798,500
PeopleSoft Financial System Enhancements	200,000
Sharepoint/Unified Measuring	1,000,000
Oracle Unlimited License Agreement	1,091,508
VolUP Upgrades	750,000
PeopleSoft HCM Enhancement	200,000
Virtualization	400,000
Maintenance Management System	250,000
Video Tolling Camera	500,000
Internet/Intranet Redesign	150,000
Enterprise System Monitoring & Management	250,000
Time Clock Pilot/POC	250,000
Impact 360 Upgrade	158,000
GPS	142,100
Digital Arial Photography	15,000
PGBT Mainlanes and Ramps Plza ETC	3,861,250
DNT at LBJ	665,000
Addison Rd Intersection Improvements	948,971
PGBT at US 75 Improvements	662,500
Allocated Cost - Professional, Audit, Legal Fees	4,071,863
Total Expenditures	<u>90,467,770</u>

NTTA 2012 CIF/Revolving Fund-Feasibility Study Fund Projects

Trinity Parkway

The proposed Trinity Parkway will connect Interstate Highway (IH) 35E to U.S. 175, providing a new, approximately nine-mile relief route around the west and south sides of Dallas' central business district. If the NTTA elects to be the developer after the project partnering process, it will continue working on a strategy with project partners to complete the Trinity Parkway.

State Highway 170

The State Highway (SH) 170 corridor study was initiated by the Texas Department of Transportation (TxDOT). TxDOT conducted the initial studies, processed environmental reviews, obtained environmental clearance and right of way and built the existing facility. The North Texas Tollway Authority (NTTA) is currently conducting further studies of the corridor. As outlined in Senate Bill 792, passed by the 80th Texas Legislature, the project may go through a market valuation process, a joint effort of TxDOT and the NTTA. In response, project partners have initiated partnering meetings to advance the project. The project could result in an 11.8-mile toll road in southwest Denton and northern Tarrant counties.

State Highway 360

The State Highway (SH) 360 corridor study was initiated by the Texas Department of Transportation (TxDOT). TxDOT conducted the initial studies, processed the environmental reviews and obtained right of way for the SH 360 corridor to U.S. 287. The North Texas Tollway Authority (NTTA) is currently conducting further studies of the corridor. As outlined in Senate Bill 792, passed by the 80th Texas legislature, the project will go through a market valuation process, a joint effort of the NTTA and TxDOT. In response, project partners have initiated partnering meetings to advance the project. The project is expected to result in a 9.7-mile extension of SH 360 main lanes in southern Tarrant County, northwestern Ellis County and northeastern Johnson County from Green Oaks Boulevard/Kingswood Boulevard to U.S. 287.

Regional Outer Loop

The Outer Loop Southwest (Loop 9) is a section of the Regional Outer Loop that would consist of 2 mainlanes in each direction between US 287 and IH 20 with frontage roads and 3 level diamond interchanges. The Collin County Outer Loop section is 3 mainlanes in each direction between US 75 and FM 428. Both projects are in the very preliminary stages of discussion.

Dallas North Tollway Phases 4A & B and 5A

The DNT Phase 4 corridor is expected to extend the tollway north from U.S. 380 to the Collin/Grayson county line. The DNT Phase 5A corridor is expected to extend the DNT from the Collin/Grayson county line to a terminus to be determined upon route selection.

- **Project limits:**

- Phase 4A (approximately 6 miles) – U.S. 380 to FM 428
- Phase 4B – FM 428 extending north to the county line (actual length and terminus to be determined upon route selection)

- Phase 5A – extension north of the county line (actual length and terminus to be determined upon route selection)
- Project length: To be determined

Project Cost

DNT Phase 4A, 4B/5A	\$386,000
SH 170	\$1,986,644
SH 360	\$778,705
Trinity Parkway	\$250,000
Outer Loop Southwest (Loop 9)	\$25,000
Collin County Outer Loop	\$25,000
Allocated cost: Salaries, Professional Fees, Legal Fees	<u>\$2,416,500</u>
Total Estimated 2012 Feasibility Cost⁽¹⁾	<u>\$5,867,849</u>

(1) For detail list of expenditures see pages 174.

North Texas Tollway Authority
Feasibility Study Fund - (1601) Budget Comparisons
FY 2012 to 2011

Department	2011 Budget	2012 Budget	2012 Budget to 2011 Budget Amount	Percent
Administrative Services:				
Administrative	\$0	\$0	\$0	0.0%
Board	0	0	0	0.0%
Business Diversity	0	0	0	0.0%
Communications/Mkting	0	7,500	7,500	100.0%
Finance	1,875,000	1,125,000	(750,000)	(40.0%)
Government Affairs	0	0	0	0.0%
Human Resource	0	0	0	0.0%
Internal Audit	0	0	0	0.0%
Legal Services	1,500,000	1,284,000	(216,000)	(14.4%)
Shared Services	0	0	0	0.0%
Total Administrative Services	3,375,000	2,416,500	(958,500)	(28.4%)
Operational Services:				
Customer Service Center	0	0	0	0.0%
Information Technology		0	0	0.0%
Maintenance	0	0	0	0.0%
Operations	0	0	0	0.0%
Project Delivery	5,600,000	3,451,349	(2,148,651)	(38.4%)
System & Incident Mgmt.	0	0	0	0.0%
Total Operational Services	5,600,000	3,451,349	(2,148,651)	(38.4%)
Grand Totals	8,975,000	5,867,849	(3,107,151)	(34.6%)

North Texas Tollway Authority
Estimated Capital Improvement Fund Requirements
FY 2012

Capital Improvement Fund Uncommitted Balance as of 06/30/2011		\$ 83,106,930
2011 Cash Inflows (July-Dec. 2011)		
Estimated Deposit from Revenue Fund	63,412,213	
Proceeds from Bond Issue	65,000,000	
Commercial Paper issued	<u>0</u>	
		128,412,213
2011 Cash Outflows (July-Dec. 2011)		
ISTEA Payment	(8,250,000)	
CIF Subordinate Debt	(23,416,150)	
Commercial Paper to be retired	(65,000,000)	
Estimated Expenditures CIF Projects	<u>(60,588,695)</u>	
		<u>(157,254,845)</u>
Estimated Available Balance as of 12/31/11		54,264,298
2012 Estimated Cash Inflows		
Estimated Deposit from Revenue Fund	77,005,797	
Reimbursement Agreement	0	
Proceeds from Bond Issue	0	
Commercial Paper issued	<u>0</u>	
		77,005,797
2012 Estimated Cash Outflows		
ISTEA Payment	(8,250,000)	
CIF Subordinate Debt	(23,416,150)	
Transfer to Rainy Day Fund	(2,673,173)	
Commercial Paper to be retired	0	
Estimated Expenditures CIF Projects	(87,432,658)	
Estimated Expenditures Revolving Account FSF Projects	(6,207,599)	
Transfer for Allocated Salaries and Benefits	<u>(2,159,898)</u>	
Total Estimated Expenditures for 2012		<u>(130,139,478)</u>
2012 CIF Bond Payment Account balance		35,124,225
2012 CIF Rainy Day Fund Account balance		25,083,662
2012 CIF Uncommitted Cash Account balance		1,130,617
Estimated Total CIF Cash Balances at 12/31/2012		<u>\$ 61,338,504</u>

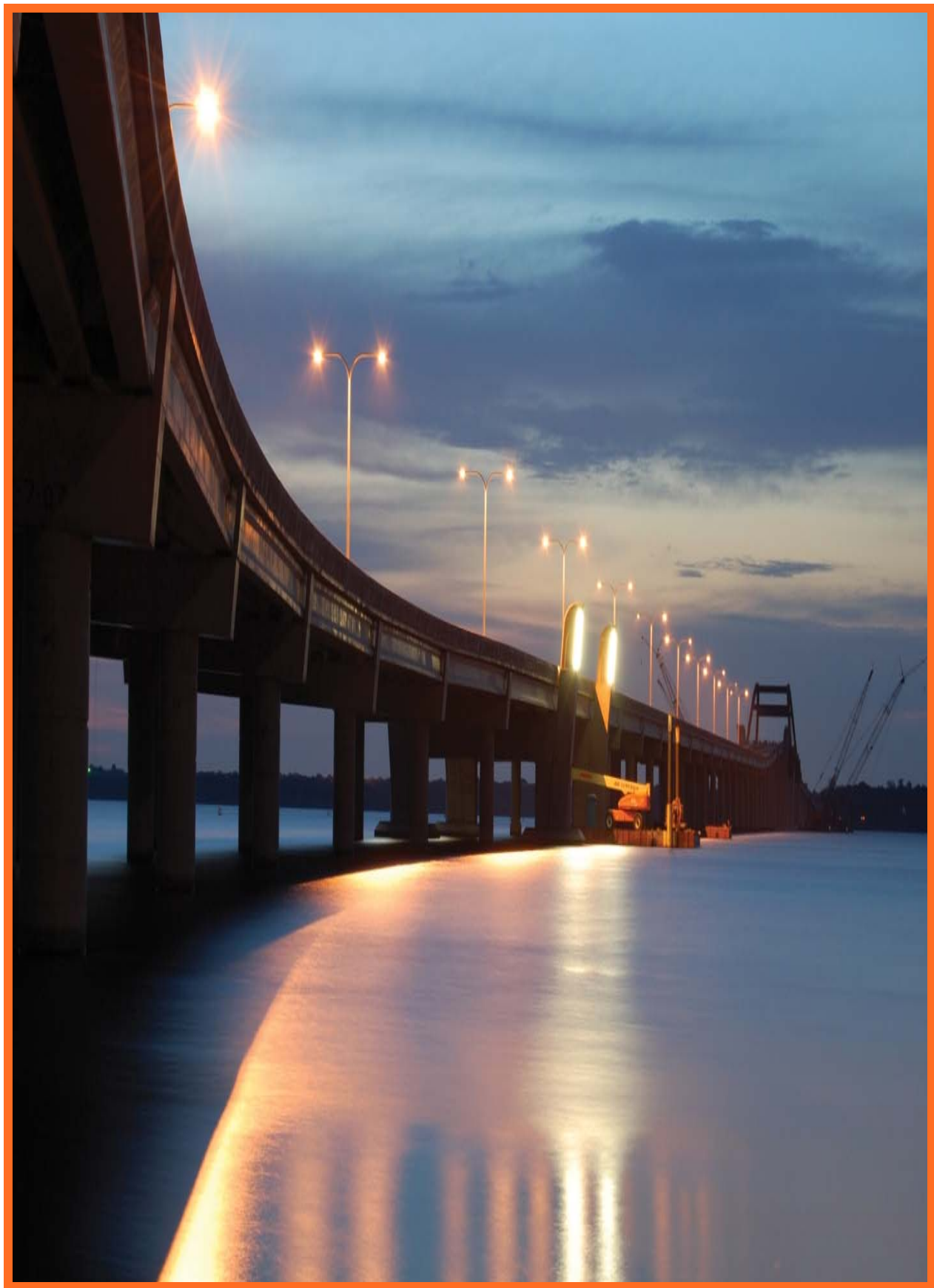
North Texas Tollway Authority
Fund 1501 - Capital Improvement Fund - (1501) Estimate
FY 2012

Department	Account	
Finance	Consulting/Professional - (521201)	50,455
	Trustee Fees - (521204)	2,000
	Traffic Engineering Fees - (521207)	180,000
	Consulting/Profess Serv Tech - (521301)	3,000,000
	Finance Total	3,232,455
Internal Audit	Auditing Fees - (521203)	21,840
	Internal Audit Total	21,840
Legal Services	Legal Fees - (521202)	225,000
	Legal Services Total	225,000
Information Technology	Consulting/Profess Serv Tech - (521301)	7,559,900
	Telecommunications - (523202)	100,800
	Infrastructure Rdway/Hwy/Bridg - (541401)	500,000
	Infrastructure - Other - (541403)	1,666,300
	Computers (\$5,000+) - (542401)	950,000
	Software (\$5,000+) - (542402)	2,694,626
	Information Technology Total	13,471,626
Maintenance	Consulting/Professional - (521201)	586,168
	Buildings - (541301)	7,000,000
	Building Improvements - (541302)	2,858,000
	Infrastructure Rdway/Hwy/Bridg - (541401)	56,934,960
	Maintenance Total	67,379,128
Project Delivery	Consulting/Profess Serv Tech - (521301)	216,471
	Infrastructure Rdway/Hwy/Bridg - (541401)	5,921,250
	Project Delivery Total	6,137,721
Total		\$90,467,770

North Texas Tollway Authority
Fund 1601 - Feasibility Study Fund - (1601) Estimate
FY 2012

Department	Account	
Communications/Mkting	Promotional Expenses - (523304)	7,500
	Communications/Mkting Total	7,500
Finance	Traffic Engineering Fees - (521207)	450,000
	Deferred Charges (153001)	675,000
	Finance Total	1,125,000
Legal Services	Legal Fees - (521202)	1,284,000
	Legal Services Total	1,284,000
Project Delivery	Deferred Charges (153001)	3,451,349
	Project Delivery Total	3,451,349
Total		\$5,867,849

SPECIAL PROJECTS SYSTEM SECTION



Special Project System 2012 Projects

The Special Project System consists of Non-NTTA System Projects that are currently under construction. These projects are considered stand-alone projects and will not rely on the NTTA System to maintain their operating and maintenance costs. These projects will be governed by a separate Trust Agreement.

The Authority issued \$400 million of bonds 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 are expected to finance a portion of the cost of developing President George Bush Turnpike – Western Extension (PGBT-WE), formally SH 161 and Chisholm Trail Parkway (CTP), formally SWP/CT.

Additionally, in April 2011, the Authority issued approximately \$1.1 billion in bonds and bond anticipation notes to finance an upfront payment to TxDOT for PGWT-WE and the development and construction of PGWT-WE. This debt is not issued under the NTTA Trust Agreement and is not secured by the NTTA System revenues, but instead is issued under separate Special Projects System Trust Agreement. Neither PGWT-WE nor CTP is expected to be added to the NTTA System in the foreseeable future.

On March 2010, the Authority agreed to undertake PGWT-WE. On October 2011, the NTTA Board of Directors voted to add CTP to the Special Projects System and approved the issuing of bonds to finance the project. On November 10, 2011, the Authority issued \$640.5 million in bonds for CTP.

President George Bush Turnpike Western Extension

The PGWT-WE corridor project was initiated by TxDOT in May 1969. TxDOT conducted the initial corridor studies, processed the Environmental Impact Statement and obtained the right of way for the project. The corridor project will result in a new, approximately 11.5-mile link in the growing loop around Dallas. TxDOT constructed the first three Phases with Phase 1 and 2 opening in 2009; Phase 3 in 2010; Phase 4 is being constructed by NTTA and is anticipated to be completed by 2012.

Chisholm Trail Parkway

The CTP is a new 27.6-mile, limited-access toll road in southwest Tarrant County that is expected to extend from the Fort Worth central business district to southwest Fort Worth, continuing south to Cleburne. The entire project is expected to be open to traffic by mid-2014.

Estimated Special Project System Expenditures for 2012

PGBT Western Extension Construction	\$ 208,233,394
Chisholm Trail Parkway Construction	\$ 346,572,419
Allocated cost: Professional Fees, Legal Fees	\$ 979,700
Total Estimated 2012 Construction Cost	\$ 555,785,513

President George Bush Turnpike - Western Extension
Annual Operating Budget vs Project Budget
Fiscal Year 2012

	TELA		Difference	
	2012 Annual Operating Budget	2012 Project Budget	Amount	%
Revenue				
Toll Revenue				
TollTag	\$ 6,472,700	\$ 8,507,900	\$ (2,035,200)	-23.9%
ZipCash	1,809,200	2,104,500	(295,300)	-14.0%
	8,281,900	10,612,400	(2,330,500)	-22.0%
Other Revenue				
Video Tolling Fees and Fines	893,882	2,336,243	(1,442,361)	-61.7%
Total Revenue	<u>\$ 9,175,782</u>	<u>\$ 12,948,643</u>	<u>\$ (3,772,861)</u>	<u>-29.1%</u>
Toll Collection Cost				
<u>Interoperability (IOP)</u>	\$ 13,588	\$ 13,588	\$ -	0.0%
<u>Electronic Toll Collection (ETC)</u>				
Transaction Processing	173,880	173,880	-	0.0%
Account Maintenance	190,649	190,649	-	0.0%
VTOLL	15,942	15,942	-	0.0%
Credit Card Costs	159,911	159,911	-	0.0%
<u>ZipCash</u>				
Image Processing/Review	66,579	66,579	-	0.0%
Initial Notice	894,402	894,402	-	0.0%
Late Notice	527,697	527,697	-	0.0%
Violation Notice	716,944	716,944	-	0.0%
Collection	18,056	18,056	-	0.0%
Citation/Court	1,653	1,653	-	0.0%
Credit Card Costs	34,375	34,375	-	0.0%
Present Value Cost for ZipCash Toll/Premium	1,124	1,124	-	0.0%
Sub-Total ETC	2,814,800	2,814,800	-	0.0%
Operations & Maintenance				
<u>Routine Maintenance - Roadway</u>				
Roadway Maintenance Activities	2,036,278	2,073,885	(37,607)	-1.8%
Landscape Maintenance	27,015	30,063	(3,048)	-10.1%
Administration	59,581	59,741	(160)	-0.3%
Professional Services	141,001	444,090	(303,089)	-68.2%
Maintenance Department Overhead	315,068	353,684	(38,616)	-10.9%
Utilities	101,612	101,612	-	0.0%
Sub-Total Roadway	2,680,555	3,063,075	(382,520)	-12.5%
<u>Routine Maintenance - Systems Support</u>				
Intelligent Transportation System	77,558	77,558	-	0.0%
Electronic Toll Collection	94,880	94,880	-	0.0%
Fiber	130,772	130,772	-	0.0%
Dispatch Tech	8,473	8,473	-	0.0%
Digital Messaging Sign	70,043	70,043	-	0.0%
Travel Time	11,358	11,358	-	0.0%
Road, Weather Information System	11,358	11,358	-	0.0%
System Incident Management	29,694	29,694	-	0.0%
Police	243,671	243,671	-	0.0%
Roadway Customer Service	193,295	293,306	(100,011)	-34.1%
Agency Overhead (OMF)	463,216	463,216	-	0.0%
Sub-Total System Support	1,334,318	1,434,329	(100,011)	-7.0%
Total Operations and Maintenance	4,014,873	4,497,404	(482,531)	-10.7%

Major Maintenance, Capital Replacements**Roadway Major Maintenance**

Pavement Maintenance	-	-	-	0.0%
Pavement Rehabilitation	-	-	-	0.0%
Landscaping Rehabilitation	-	-	-	0.0%
Annual Inspection	360,485	360,485	-	0.0%
Bridges Maintenance	-	-	-	0.0%
Pedestrian Bridge	-	-	-	0.0%
Concrete Fascia Beam Coating	-	-	-	0.0%
Pedestrian fence, Traffic Barrier and Rails	-	-	-	0.0%
Retaining Wall and Sound walls	-	-	-	0.0%
Agency Overhead (RMF)	64,800	64,800	-	0.0%

Capital Replacements

Intelligent Transportation System	-	-	-	0.0%
Electronic Toll Collection	-	-	-	0.0%
Dispatch Tech	-	-	-	0.0%
Digital Messaging Sign	-	-	-	0.0%
Travel Time	-	-	-	0.0%
Road, Weather Information System	-	-	-	0.0%
Roadway Customer Service	-	-	-	0.0%

Total Annual Operating Budget

	425,285	425,285	-	0.0%
	<u>\$ 7,254,958</u>	<u>\$ 7,737,489</u>	<u>\$ (482,531)</u>	<u>-6.2%</u>
Total Net Revenues	<u>\$ 1,920,824</u>	<u>\$ 5,211,154</u>	<u>\$ (3,290,330)</u>	<u>-63.1%</u>

North Texas Tollway Authority
Estimated Construction Fund Requirements
FY 2012

Special Project System Construction Fund Available Balance as of 06/30/2011	\$ 324,771,540
Estimated Construction Cost (July through August 2011)	
PGBT Western Extension Construction	(29,450,056)
Total Estimated 2011 Construction Cost	(29,450,056)
Proceeds from Bond Issuance	-
Estimated SP System Available Balance as of 8/31/11	295,321,484
Estimated Construction Cost (September through August 2012)	
PGBT Western Extension Construction	(178,810,338)
Allocated cost: Professional Fees, Audit Fees, Legal Fees	(880,700)
Transfer for Allocated Salaries and Benefits	(681,005)
Total Estimated 2012 Construction Cost	(180,372,043)
Estimated NTTA System Available Balance as of 8/31/12	\$ 114,949,441
Estimated SP System Expenditures for 2012	
Chisholm Trail Parkway Construction	* (346,572,419)
Transfer for Allocated Salaries and Benefits	* (4,505,441)
Estimated Non-System Funding Required for FY 2012	(351,077,860)
Estimated Construction Cost FY 2012	\$ (531,449,903)

*Project funding expected to be secured by November 2011

North Texas Tollway Authority
Fund 5481 - PGBT-WE Construction Fund - (5481) Estimate
FY FY12

Department	Account	
Finance	Consulting/Professional - (521201)	600,000
	Trustee Fees - (521204)	47,400
	Finance Total	647,400
Legal Services	Legal Fees - (521202)	233,300
	Legal Services Total	233,300
Information Technology	Telecommunications - (523202)	27,000
	Information Technology Total	27,000
Project Delivery	Right-of-Way (173003)	109,926
	Engineering & Maint (173005)	3,142,335
	Planning (173007)	652,678
	Design (173008)	1,293,281
	Construction (176001)	189,869,828
	Construction Management (176002)	9,467,654
	Equipment/Hardware (176004)	3,697,692
	Project Delivery Total	208,233,394
Total		\$209,141,094

North Texas Tollway Authority
Fund 5482 - CTP Construction Fund - (5482) Estimate
FY FY12

Department	Account	
Information Technology	Telecommunications - (523202)	72,000
	Information Technology Total	72,000
Project Delivery	Right-of-Way (173003)	19,898,326
	Engineering & Maint (173005)	3,600,000
	Design (173008)	1,028,596
	Construction (176001)	294,930,811
	Construction Management (176002)	25,371,685
	Equipment/Hardware (176004)	1,743,001
	Project Delivery Total	346,572,419
Total		\$346,644,419

APPENDICES

SECTION



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 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 2012–2016 Five-Year Capital Plan are included under the Other Funds section of the 2012 Operating Budget.

Budgets Overview

The Authority budgets and reports financial information on an accrual basis. 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 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 adopted 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. (See Financial Policy page 195)

- Operations and Maintenance Fund is required to maintain a cash balance equal to one-sixth (1/6) of the total operating budget amount for the then 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 2010, the Authority's Executive Management requested and the Board of Directors approve a Rainy Day Fund Account in the CIF, with the goal of accumulating a balance over the next three years as funds are available \$50,000,000. 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/AboutUs/News/

Budget Process

March

Budget
Calendar
Approved

Budget and Compliance Manager presents the ensuing year's budget calendar at the Work Session of the Board of Directors. Full Board approves calendar.



April

Executive
Director's
Budget
Retreat

Executive Director meets with all the Department Directors to discuss the goals and priorities of the budget, based on the goals and objectives of the Authority.



May - June

Individual
Departments
Prepare
Budgets

Budget Prepares assisted by the Budget Coordinators, input budgets into the budget module. Department Directors review and approve budgets. Any necessary meetings with Executive Management conducted during this time.



July

Department
Budgets
Submitted &
Reviewed

Deadline for departmental budgets to be submitted to Finance and the Budget and Compliance Division for review and approval. Budget Coordinators prepare Preliminary Budget book.



July - Aug

Preliminary
Budget
Submitted to
Executive
Management

Preliminary Budget delivered to Executive Management for review and approval. Departmental meetings with Executive Management, Finance, and Budget and Compliance Division held during this time.



August

Preliminary
Budget Sent to
Board

Preliminary Budget delivered to all Board members for their review and recommendations.



Aug 26-28

Budget
Workshops

Departmental Budget briefings and workshops conducted during this time with individual Board members upon their request.



September

Budget
Discussion
with Board

The Preliminary Budget is presented by the Budget and Compliance Manager at the public monthly Board Work Session for discussion. Any changes will be incorporated into the budget at this time.



October

Preliminary
Budget
Presented

The Preliminary Budget is presented by the Budget and Compliance Manager at the public monthly Board Work Session for final review and recommendation.



October

Preliminary
Budget
Presented to
Board

The Preliminary Budget is presented by the Budget and Compliance Manager at the public monthly Board meeting for adoption.



October

Adopted
Preliminary
Budget
Distributed

Upon adoption by the Board, the adopted Preliminary Budget is sent to Trustee, Consulting Engineers, and Bondholders in accordance to the Trust Agreement.



December

Final Budget
Presented at
Board Work
Session

The Final Budget is presented by the Budget and Compliance Manager at the public monthly Board Work Session for final review and recommendation.



December

Final Budget
Presented to
Board

The Final Budget is presented by the Budget and Compliance Manager at the public monthly Board meeting for adoption.



December

Adopted Final
Budget
Distributed

Upon adoption by the Board, the adopted Final Budget is sent to Trustee, Consulting Engineers, and Bondholders in accordance to the Trust Agreement.

Appendix B - 2012 Budget Calendar

Date	Event
April 1, 2011 (Friday)	Request updated revenues from Traffic and Revenue consultants
April 11, 2011 (Monday)	Executive Director's 2012 Staff Budget Retreat to discuss budget priorities and overall direction, including compensation and benefits
April 11, 2011 (Monday)	Hyperion Budget module available for inputting Budget
April 11, 2011 - June 3, 2011	Individual departments prepare Budget
May 2, 2011 (Monday)	Updated revenues due from consultants
June 3, 2011 (Friday)	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 13, 2011 (Monday)	Preliminary budget distributed to Executive Management
June 20-July 1, 2011	Departmental meetings with Executive Management, Finance, and Budget and Compliance Division
July 15, 2011 (Friday)	Review by Executive Management completed
August 1, 2011 (Monday)	Preliminary Budget delivered to Board Members
August 15-26, 2011	Department Budget Briefings (If requested by Board Members)
September 1, 2011 (Thursday)	Board Work Session/First Preliminary Budget Review
October 6, 2011 (Thursday)	Board Work Session/Second Preliminary Budget Review
October 19, 2011 (Wednesday)	Board Meeting/Preliminary Budget Approval
December 1, 2011 (Thursday)	Board Work Session/Final Budget Review
December 21, 2011 (Wednesday)	Board Meeting/Final Budget Approval

Assumes Thursday Board Work Sessions and Wednesday Board Meetings

Appendix - C **FINANCIAL POLICIES**

Introduction

The North Texas Tollway Authorities financial policies are mainly guided by the Trust Agreement and are developed to be in conformity with 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 was created to account for those expenses of maintaining the Authority that do not recur on an annual or shorter basis. As defined in the Trust Agreement, such items include repairs, painting, renewals, and replacements necessary for safe or efficient operation of the Authority or to prevent loss of revenues, engineering expenses relating to the functions of the Authority, equipment, maintenance expenses, and operating expenses not occurring at annual or shorter periods.
- ❑ **Capital Improvement Fund** – The Capital Improvement Fund (CIF) was created to account for the cost of repairs, enlargements, extensions, resurfacing, additions, renewals, improvements, reconstruction and replacements, capital expenditures, engineering, and other expenses relating to the powers or

functions of the Authority in connection with the Authority, or for any other purpose now or hereafter authorized by law. This CIF fund will also be combined with a revolving fund, called the Feasibility Study Fund to use only to pay the expenses of studying the cost and feasibility and any other expenses relating to; (1) the preparation and issuance of bonds for the acquisition and construction of a proposed turnpike project for the Authority; (2) the financing of the improvement, extension or expansion of an existing turnpike or Authority; (3) private participation, as authorized by law, in the financing of a proposed turnpike project or Authority, the refinancing of an existing turnpike project or Authority or the improvement, extension or expansion of a turnpike project or Authority.

- **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 retire 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

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 Tollway 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 the Tollway 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 Tollway,
- 2) the number of vehicles in each class using the Tollway,
- 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 Tollway 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 - D **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),
 - 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 to maintain 1.5X coverage on system senior-lien bond debt
- Compliance with all Trust Agreement and loan agreement requirements for issuance of additional debt

Credit objectives

- Goal to 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 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, 2011

Description of Issue	Beginning Balance	Additions	Matured or Retired	Ending Balance
Series 1997A	\$ 43,345,000	\$ -	\$ (43,345,000)	\$ -
Series 1998	78,145,000	-	(51,290,000)	26,855,000
Series 2003A	225,000,000	-	-	225,000,000
Series 2005C	178,310,000	-	-	178,310,000
Series 2008A	1,747,210,000	-	-	1,747,210,000
Series 2008B	226,930,000	-	-	226,930,000
Series 2008D	469,739,859	28,326,729	-	498,066,588
Series 2008E	390,000,000	-	(175,000,000)	215,000,000
Series 2008F	1,000,000,000	-	-	1,000,000,000
Series 2008H	209,040,000	-	-	209,040,000
Series 2008I	230,256,700	14,748,626	-	245,005,326
Series 2008K	205,000,000	-	-	205,000,000
Series 2008L	100,000,000	-	-	100,000,000
Series 2009A	404,005,000	-	-	404,005,000
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 2010	90,000,000	-	-	90,000,000
Series 2010A	100,000,000	-	-	100,000,000
Series 2010B	310,000,000	-	-	310,000,000
Series 2011A	100,000,000	-	-	100,000,000
Series 2011B	-	268,625,000	-	268,625,000
Totals	\$7,281,111,559	\$ 311,700,355	\$ (269,635,000)	\$ 7,323,176,914

Appendix - E **MAJOR REVENUE SOURCE**

North Texas Tollway Authority System – Major Revenue Source

Toll revenue collected on the System is the Authority's major source of revenue. It accounted for \$450,572,600 of the 2012 Operating Budget's total estimated revenues, or 93.7%.

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 14.5 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 50 cents per one way trip on both Mountain Creek Lake Bridge and Addison Airport Toll Tunnel, and \$1 on Lewisville Lake Toll Bridge. Cash and ZipCash rates on all facilities are 50% more than the TollTag rates with a minimum difference of 20 cents in 2009. The premium reflects the higher costs of collection for cash and ZipCash.

The Authority's traffic and toll revenue estimates are provided by its outside Traffic Engineers, currently Wilber Smith Associates (WSA). 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 WSA's annual toll revenue estimates for the System, over the next five years.

Estimated NTTA System Annual Toll Revenue					
Roadway	2012	2013	2014	2015	2016
DNT	177,809,200	191,779,700	205,087,200	217,911,800	231,527,200
PGBT	153,296,300	164,695,300	175,964,600	187,371,600	198,382,100
AATT	970,300	1,021,500	1,074,800	1,123,700	1,169,100
MCLB	1,075,000	1,203,000	1,336,400	1,438,200	1,528,100
LLTB	3,920,200	4,450,100	4,939,000	5,377,500	5,827,900
PGBT EE	12,899,200	17,875,500	22,044,300	24,507,300	26,842,500
SRT	100,602,400	112,931,000	123,217,400	132,123,000	140,921,100
System Totals	450,572,600	493,956,100	533,663,700	569,853,100	606,198,000

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 \$0.145 per mile for the DNT and PGBT (Segments I through V) starting September 1, 2009. Toll rate is increased 2.75% per year thereafter, with toll adjustments made every two years commencing July 1, 2011.
- Toll rate for two-axle vehicles with TollTags is \$0.50 for the MCLB and the AATT starting September 1, 2009 and \$1.00 for LLTB upon opening. Toll rate is increased 2.75% per year thereafter, with toll adjustments made every two years commencing July 1, 2011.
- The cash 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 on September 1, 2009, increased 2.75% per year on each July 1 thereafter. Cash tolls are rounded to the next highest nickel.
- Video 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 on September 1, 2009, increased 2.75% per year on each July 1 thereafter, for DNT, PGBT, MCLB, AATT and LLTB when All-ETC starts on any portion of these facilities.
- Tolls charged to users at any tolling location are rounded to the next highest penny after the implementation of the All-ETC configuration at that location.
- 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 \$0.145 per mile starting September 1, 2009, 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.
- Video 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 on September 1, 2009, increased 2.75% per year on each July 1 thereafter.
- 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 \$0.145 per mile as of September 1, 2009. The NTTA Toll rate for two-axle vehicles with TollTags is \$0.116 per mile for PGBT EE as of September 1, 2009. The Regional Toll rate for two-axle vehicles with TollTags is \$0.029 per mile for PGBT EE as of September 1, 2009. The Unified Toll rate for two-axle vehicles with TollTags is increased 3.0% per year thereafter, with toll adjustments made July 1, 2011 and every two years 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*").
- Video 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 on September 1, 2009, increased 3.0% per year on each July 1 thereafter. The video 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.

Special Projects System – Major Revenue Source

Toll revenue collected on the projects is the Special Projects System major source of revenue. It accounted for \$8,281,900 of the PGBT-WE 2012 Annual Operating Budget's total estimated revenues, or 90.3%.

Toll Revenue

The Authority covenants under the Special Projects System Trust Agreement that all Revenues (excepting investment income from all Funds and Accounts other than the Revenue Fund which shall be retained in such Funds and Accounts) will be deposited daily, as far as practicable, with the Trustee or in the name of the Trustee with the Depositary to the credit of the Revenue Fund.

The Authority has covenanted to charge toll rates on the Project that do not exceed the maximum rates for each user classification as per the Project Agreement, unless the Authority determines that it is necessary to (a) preserve the financial condition of the Project (or if the Project is later made part of the NTTA System), (b) comply with the provisions of any bonds, notes, trust agreements or other financial instruments or agreements secured by revenues of the NTTA System, or (c) comply with law.

The schedule below shows WSA's annual toll revenue estimates for the System, over the next five years.

Estimated Special Projects System Annual Toll Revenue					
Roadway	2012	2013	2014	2015	2016
PGBT-WE	27,452,300	40,683,200	47,743,900	53,228,300	56,351,000

Revenue Distribution

Transfers from the Revenue Fund shall be made on the fourth Business Day prior to the first day of each month to the following funds in the sequence listed.

- 1) First, for payment of arbitrage rebate. The Authority covenants to calculate and to pay directly to the government of the United States of America all amounts due for payment of "arbitrage rebate".
- 2) Second, to the First Tier Debt Service Fund, the Trustee shall withdraw from the Revenue Fund and deposit to the First Tier Interest Account and the First Tier Principal Account the amounts required to be deposited therein with respect to First Tier Obligations.
- 3) Third, to the Second Tier Debt Service Fund, the Trustee shall withdraw from the Revenue Fund and deposit to the Second Tier Interest Account and the Second Tier Principal Account the amounts required to be deposited therein with respect to Second Tier Obligations.

- 4) Fourth, to the Project Budget Account of the Operating Fund, the Trustee shall transfer from the Revenue Fund to the credit of the Project Budget Account of the Operating Fund, on written request of the Authority, an amount which a Board Representative shall certify to be required to make the total amount in the Project Budget Account of the Operating Fund equal to the lesser of (i) one-sixth (1/6) of the amount of the total Operating Expenses scheduled for the then current Fiscal Year in the Project Budget, and (ii) one-sixth (1/6) of the amount of the total Operating Expenses scheduled for the then current Fiscal Year in the then current Annual Operating Budget.
- 5) Fifth, to the Project Budget Account of the Major Maintenance Fund, the Trustee shall transfer from the Revenue Fund to the credit of the Project Budget Account of the Major Maintenance Fund an amount equal to the lesser of (i) one-twelfth (1/12) of the amount of the total Major Maintenance Expenses scheduled for the then current Fiscal Year in the Project Budget, and (ii) one-twelfth (1/12) of the amount of the total Major Maintenance Expenses scheduled for the then current Fiscal Year in the then current Annual Operating Budget.
- 6) Sixth, to the Project Budget Account of the Capital Expenditures Fund, the Trustee shall transfer from the Revenue Fund to the credit of the Project Budget Account of the Capital Expenditures Fund an amount equal to the lesser of (i) the Project Capacity Improvements Capital Expenditures budgeted in the Project Budget for such month, and (ii) the Project Capacity Improvements Capital Expenditures budgeted in the current Fiscal Year's Annual Operating Budget for such month.
- 7) Seventh, to the Third Tier Debt Service Fund, the Trustee shall transfer from the Revenue Fund to the applicable account in the Third Tier Debt Service Fund the amounts due in respect of Third Tier Obligations
- 8) Eighth, to the Annual Operating Budget Account of the Operating Fund, the Trustee shall transfer from the Revenue Fund to the credit of the Annual Operating Budget Account of the Operating Fund, on written request of the Authority, an amount which a Board Representative shall certify to be required to make the total amount in the Annual Operating Budget Account of the Operating Fund equal to one-sixth (1/6) of an amount equal to the excess, if any, of the amount reflected in the current Fiscal Year's Annual Operating Budget for Operating Expenses for such Fiscal Year over the amount reflected in the Project Budget for Operating Expenses for such Fiscal Year
- 9) Ninth, to the Rate Stabilization Fund, the Trustee shall transfer from the Revenue Fund to the credit of the Rate Stabilization Fund amounts sufficient to accumulate an amount equal to the Rate Stabilization Fund Requirement, or to restore the balance in the Rate Stabilization Fund to an amount equal to the Rate Stabilization Fund Requirement.
- 10) Tenth, to the Annual Operating Budget Account of the Major Maintenance Fund, the Trustee shall, to the extent the transfer from the Major Maintenance Reserve Fund is insufficient for such purpose, transfer from the Revenue Fund to the credit of the Annual Operating Budget Account of the Major Maintenance Fund an amount equal to the excess, if any, of one-twelfth (1/12) of the amount reflected in the current Fiscal Year's Annual Operating Budget for Major

Maintenance Expenses for such Fiscal Year over one-twelfth (1/12) of the amount reflected in the Project Budget for Major Maintenance Expenses for such Fiscal Year

- 11) Eleventh, to the Annual Operating Budget Account of the Capital Expenditures Fund, the Trustee shall, to the extent funds are not available in the Construction Fund for payment of Project Capacity Improvements Capital Expenditures for the month, and to the extent the transfer from the Capital Expenditures Reserve Fund is insufficient for such purpose, transfer from the Revenue Fund to the credit of the Annual Operating Budget Account of the Capital Expenditures Fund an amount equal to the excess, if any, of the amount reflected in the current Fiscal Year's Annual Operating Budget for Project Capacity Improvements Capital Expenditures for such month over the amount reflected in the Project Budget for Project Capacity Improvements Capital Expenditures for such month.
- 12) Twelfth, to the Major Maintenance Reserve Fund, the Trustee shall transfer from the Revenue Fund to the Major Maintenance Reserve Fund an amount sufficient to cause the balance in the Major Maintenance Reserve Fund to be equal to the Major Maintenance Reserve Requirement.
- 13) Thirteenth, to the Capital Expenditures Reserve Fund, the Trustee shall transfer from the Revenue Fund to the Capital Expenditures Reserve Fund an amount sufficient to cause the balance in the Capital Expenditures Reserve Fund to be equal to the Capital Expenditures Reserve Requirement.
- 14) Fourteenth, to the General Fund, the Trustee shall transfer from the Revenue Fund to the credit of the Current Year Revenue Account of the General Fund all remaining Revenues.



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October 20, 2011

Ms. Janice Davis
Chief Financial Officer
North Texas Tollway Authority
5900 West Plano Parkway, Suite 100
Plano, TX 75093

Re: NTTA System and Special Projects System 2012 Traffic and Revenue Estimates

Dear Ms. Davis:

Wilbur Smith Associates (WSA) is pleased to submit monthly toll transaction and revenue estimates for the NTTA System and Special Projects System (SPS). The estimated revenue and transactions estimates for the NTTA System are shown by facility in Tables 1 and 2. The NTTA System includes the Dallas North Tollway (DNT), President George Bush Turnpike (PGBT), Sam Rayburn Tollway (SRT), President George Bush Turnpike Eastern Extension (PGBT-EE), Addison Airport Toll Tunnel (AATT), Mountain Creek Lake Bridge (MCLB), and Lewisville Lake Toll Bridge (LLTB). The 2012 annual NTTA System transaction and revenue estimates shown in this letter are identical to estimates included in the draft "NTTA System Investment Grade Traffic and Toll Revenue Study" dated October 2011 (NTTAS Report). The 2012 toll revenue estimates incorporate the system wide toll rate increase that went into effect on July 1, 2011. In addition, the 2012 estimates include revenue generated by the PGBT-EE and the DNT/SRT interchange, both of which are expected to be substantially complete and open to traffic by January 1, 2012. Further details on the assumptions behind the traffic and revenue estimates can be found in the draft NTTAS Report, the Chisholm Trail Parkway (CTP) investment grade traffic and toll revenue report dated September 2011 and the President George Bush Turnpike – Western Extension (PGBT-WE) September 2011 traffic and revenue update letter.

As seen in Tables 1 and 2, the DNT and PGBT are expected to generate \$177.8 million and \$153.3 million in 2012, respectively. Transactions on the DNT in 2012 are expected to be 221.4 million, which represents a average annual growth of 3.7 percent from 2010. Transactions on the PGBT in 2012 are expected to be 197.3 million, which represents an average annual increase of 4.2 percent from 2010. The SRT is expected to generate \$100.6 million in toll revenue and 107.2 million transactions in 2012. Transactions and revenue on the recently opened sections of the SRT will continue to ramp-up in 2012. The AATT, MCLB and LLTB are anticipated to produce \$1.0 million, \$1.1 million and \$3.9 million in toll revenue, respectively. These three facilities are expected to generate a combined total of \$6.0 million in toll revenue from 8.5 million transactions in 2012. The PGBT-EE is expected to generate \$12.9 million in toll revenue from 18.4 million transactions in 2012 during its first year of operation.

Table 3 shows the estimated transactions and revenue for the SPS, which consists of the PGBT-WE and the CTP. Transactions and revenue are shown for the Texas Department of Transportation (TxDOT) 2012 fiscal year which includes the period from September 1, 2011 through August 31, 2012. No sections of the CTP are assumed to be open to traffic until April 2014, therefore SPS revenue for fiscal year 2012 will be generated solely by the PGBT-WE. As shown in Table 3, the PGBT-WE is expected to generate 12.9 million transactions in fiscal year 2012, which represents an approximate 13.4 percent increase from fiscal year 2011. The PGBT-WE is anticipated to

generate \$8.3 million of toll revenue in fiscal year 2012. It should be noted that the extension of PGBT-WE to IH 20 is anticipated to be open traffic by October 2012.

Table 1: Estimated 2012 Monthly Toll Revenue North Texas Tollway Authority System								
Month	DNT	PGBT	SRT	AATT	MCLB	LLTB	PGBT EE	NTTAS
January	\$14,093,100	\$11,850,200	\$8,070,200	\$74,800	\$86,300	\$305,100	\$780,100	\$35,259,800
February	\$13,669,200	\$11,532,600	\$7,769,800	\$73,500	\$81,800	\$292,300	\$747,400	\$34,166,600
March	\$15,179,000	\$12,827,000	\$8,166,800	\$85,000	\$89,400	\$312,000	\$870,000	\$37,529,200
April	\$15,119,400	\$12,657,300	\$8,129,100	\$82,000	\$94,000	\$317,600	\$1,118,300	\$37,517,700
May	\$15,431,200	\$13,135,700	\$8,469,300	\$87,400	\$90,000	\$328,200	\$1,128,100	\$38,669,900
June	\$15,444,900	\$13,442,700	\$8,663,700	\$85,000	\$92,800	\$333,700	\$1,171,600	\$39,234,400
July	\$15,096,300	\$13,175,700	\$8,616,000	\$80,200	\$91,000	\$335,700	\$1,164,500	\$38,559,400
August	\$15,710,000	\$13,870,700	\$8,793,600	\$87,000	\$92,300	\$346,500	\$1,214,400	\$40,114,500
September	\$14,082,200	\$12,324,900	\$8,169,500	\$76,700	\$88,200	\$322,400	\$1,139,300	\$36,203,200
October	\$15,517,700	\$13,625,700	\$8,968,300	\$85,400	\$90,600	\$353,400	\$1,235,500	\$39,876,600
November	\$14,160,900	\$12,445,600	\$8,289,900	\$77,600	\$88,700	\$330,700	\$1,165,800	\$36,559,200
December	\$14,305,300	\$12,408,200	\$8,496,200	\$75,700	\$89,900	\$342,600	\$1,164,200	\$36,882,100
Total	\$177,809,200	\$153,296,300	\$100,602,400	\$970,300	\$1,075,000	\$3,920,200	\$12,899,200	\$450,572,600

Table 2: Estimated 2012 Monthly Toll Transactions North Texas Tollway Authority System								
Month	DNT	PGBT	SRT	AATT	MCLB	LLTB	PGBT EE	NTTAS
January	17,741,800	15,275,200	8,722,000	150,600	210,200	310,300	1,369,700	43,779,800
February	17,246,400	14,934,000	8,408,100	149,100	200,500	297,600	1,312,100	42,547,800
March	19,297,600	16,792,900	8,817,600	175,800	226,500	318,700	1,523,400	47,152,500
April	18,896,500	16,437,900	8,617,000	167,100	227,700	322,400	1,496,300	46,164,900
May	19,381,900	17,133,300	9,090,200	180,000	218,800	337,300	1,533,200	47,874,700
June	19,070,200	17,291,600	9,194,000	170,400	209,300	340,000	1,538,800	47,814,300
July	18,681,800	16,910,900	9,197,200	160,500	199,900	341,700	1,588,800	47,080,800
August	19,482,800	17,901,000	9,348,400	174,400	213,100	351,900	1,666,500	49,138,100
September	17,220,800	15,539,500	8,544,500	151,500	203,100	322,500	1,528,500	43,510,400
October	19,280,500	17,524,000	9,530,200	173,700	221,700	359,200	1,702,800	48,792,100
November	17,285,200	15,629,100	8,672,600	153,200	201,900	330,400	1,549,400	43,821,800
December	17,806,600	15,916,400	9,083,800	152,200	215,900	349,800	1,593,300	45,118,000
Total	221,392,100	197,285,800	107,225,600	1,958,500	2,548,600	3,981,800	18,402,800	552,795,200

Table 3: Estimated Fiscal Year 2012 Monthly Transactions and Toll Revenue						
Special Projects System						
Month	PGBT-WE		Chisholm Trail Parkway		Special Projects System - Total	
	Transactions	Revenue	Transactions	Revenue	Transactions	Revenue
Sep-11	1,018,200	\$642,400	0	\$0	1,018,200	\$642,400
Oct-11	1,101,300	\$687,500	0	\$0	1,101,300	\$687,500
Nov-11	1,028,200	\$658,500	0	\$0	1,028,200	\$658,500
Dec-11	964,100	\$611,300	0	\$0	964,100	\$611,300
Jan-12	945,400	\$634,200	0	\$0	945,400	\$634,200
Feb-12	946,400	\$623,500	0	\$0	946,400	\$623,500
Mar-12	1,090,600	\$687,100	0	\$0	1,090,600	\$687,100
Apr-12	1,128,700	\$718,800	0	\$0	1,128,700	\$718,800
May-12	1,148,500	\$728,100	0	\$0	1,148,500	\$728,100
Jun-12	1,165,200	\$755,100	0	\$0	1,165,200	\$755,100
Jul-12	1,141,500	\$747,000	0	\$0	1,141,500	\$747,000
Aug-12	1,221,300	\$788,400	0	\$0	1,221,300	\$788,400
Total	12,899,400	\$8,281,900	0	\$0	12,899,400	\$8,281,900

We sincerely hope that the material provided herein adequately addresses your needs for the NTTA's budget preparation process. Please do not hesitate to call if you have any questions or if any additional information is required.

Sincerely,

WILBUR SMITH ASSOCIATES



Michael W. Copeland, AICP

DISCLAIMER

Current accepted professional practices and procedures were used in the development of these traffic and revenue forecasts. However, as with any forecast of the future, it should be understood that there may be differences between forecasted and actual results caused by events and circumstances beyond the control of the forecasters. In formulating its forecasts, WSA has reasonably relied upon the accuracy and completeness of all of the information provided (both written and oral) by NTTA and several local and state agencies. Publicly available and obtained material has neither been independently verified, nor does WSA assume responsibility for verifying such information. WSA has relied upon the reasonable assurances of the independent parties that they are not aware of any facts that would make such information misleading.

WSA has made qualitative judgments related to several key variables within the analysis used to develop the traffic and revenue forecasts that must be considered as a whole; therefore selecting portions of any individual results 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. WSA gives no opinion as to the value or merit to partial information extracted from this letter.

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

Table 6-1 NTTA System Estimated Annual Toll Revenue						
Year	DNT	PGBT	SRT	PGBT-EE	AATT-MCLB-LLTB	TOTAL
2011	\$160,399,100	\$139,820,700	\$87,545,600	\$7,600	\$5,045,300	\$392,818,300
2012	\$177,809,200	\$153,296,300	\$100,602,400	\$12,899,200	\$5,965,500	\$450,572,600
2013	\$191,779,700	\$164,695,300	\$112,931,000	\$17,875,500	\$6,674,600	\$493,956,100
2014	\$205,087,200	\$175,964,600	\$123,217,400	\$22,044,300	\$7,350,200	\$533,663,700
2015	\$217,911,800	\$187,371,600	\$132,123,000	\$24,507,300	\$7,939,400	\$569,853,100
2016	\$231,527,200	\$198,382,100	\$140,921,100	\$26,842,500	\$8,525,100	\$606,198,000
2017	\$243,113,900	\$208,940,000	\$149,113,100	\$28,998,500	\$9,118,200	\$639,283,700
2018	\$255,800,600	\$221,471,800	\$158,138,500	\$31,458,900	\$9,793,300	\$676,663,100
2019	\$268,351,300	\$239,186,200	\$178,807,200	\$34,109,500	\$10,443,000	\$730,897,200
2020	\$282,582,000	\$251,270,700	\$200,807,400	\$36,265,500	\$11,161,200	\$782,086,800
2021	\$294,696,500	\$262,010,700	\$212,025,900	\$38,584,900	\$11,802,700	\$819,120,700
2022	\$307,781,900	\$273,625,500	\$224,118,200	\$41,131,600	\$12,510,600	\$859,167,800
2023	\$320,483,300	\$284,493,500	\$236,434,300	\$43,301,800	\$13,238,400	\$897,951,300
2024	\$334,358,900	\$296,281,100	\$249,863,000	\$45,699,000	\$14,040,300	\$940,242,300
2025	\$348,402,000	\$308,903,200	\$263,503,100	\$48,345,400	\$14,840,100	\$983,993,800
2026	\$363,631,300	\$322,567,900	\$278,339,300	\$51,258,400	\$15,718,200	\$1,031,515,100
2027	\$379,102,000	\$335,549,200	\$293,210,300	\$54,338,500	\$16,597,500	\$1,078,797,500
2028	\$395,875,500	\$349,552,400	\$309,358,600	\$57,664,300	\$17,555,400	\$1,130,006,200
2029	\$411,967,900	\$363,971,000	\$326,065,400	\$60,471,400	\$18,620,200	\$1,181,095,900
2030	\$429,472,600	\$379,739,400	\$342,282,200	\$63,540,600	\$19,793,400	\$1,234,828,200
2031	\$446,576,100	\$394,633,600	\$358,239,100	\$67,356,000	\$20,853,400	\$1,287,658,200
2032	\$465,069,400	\$410,660,300	\$375,486,000	\$71,495,100	\$21,999,800	\$1,344,710,600
2033	\$482,928,200	\$427,032,200	\$393,154,800	\$75,058,600	\$23,228,000	\$1,401,401,800
2034	\$502,244,200	\$444,592,500	\$412,245,700	\$78,931,200	\$24,559,800	\$1,462,573,400
2035	\$521,878,000	\$462,554,200	\$430,905,200	\$88,116,700	\$25,977,000	\$1,529,431,100
2036	\$543,268,700	\$482,053,000	\$452,177,200	\$93,519,600	\$27,520,900	\$1,598,539,400
2037	\$564,782,100	\$500,886,800	\$473,188,500	\$97,839,200	\$29,042,300	\$1,665,738,900
2038	\$588,140,000	\$521,168,700	\$495,914,300	\$102,468,800	\$30,694,300	\$1,738,386,100
2039	\$612,001,900	\$541,853,500	\$518,844,400	\$108,017,900	\$32,445,500	\$1,813,163,200
2040	\$637,631,400	\$563,928,700	\$543,405,300	\$113,965,100	\$34,336,500	\$1,893,267,000
2041	\$660,650,000	\$584,526,000	\$566,523,600	\$119,585,100	\$35,862,900	\$1,967,147,600
2042	\$685,351,400	\$606,535,600	\$591,298,000	\$125,629,800	\$37,491,400	\$2,046,306,200
2043	\$710,428,500	\$628,772,400	\$616,907,500	\$130,392,900	\$39,051,300	\$2,125,552,600
2044	\$737,455,000	\$652,704,500	\$644,571,400	\$135,444,600	\$40,728,500	\$2,210,904,000
2045	\$764,290,700	\$676,836,300	\$671,039,800	\$141,444,400	\$42,458,600	\$2,296,069,800
2046	\$792,539,500	\$702,996,600	\$699,674,300	\$147,510,400	\$44,331,000	\$2,387,051,800
2047	\$819,802,400	\$729,110,300	\$729,247,600	\$153,269,600	\$46,259,800	\$2,477,689,700
2048	\$847,606,900	\$757,071,800	\$761,011,000	\$159,462,200	\$48,332,800	\$2,573,484,700
2049	\$874,795,500	\$785,415,400	\$792,706,900	\$165,486,300	\$50,331,500	\$2,668,735,600
2050	\$904,235,100	\$816,048,700	\$827,028,900	\$171,934,200	\$52,480,500	\$2,771,727,400
2051	\$932,848,100	\$846,158,900	\$861,253,000	\$179,017,500	\$54,784,600	\$2,874,062,100
2052	\$963,958,600	\$878,628,900	\$898,106,100	\$186,615,300	\$57,271,600	\$2,984,580,500
2053	\$995,434,100	\$911,014,300	\$936,070,800	\$193,723,600	\$59,671,900	\$3,095,914,700
2054	\$1,029,413,400	\$945,855,500	\$977,030,200	\$201,347,800	\$62,254,700	\$3,215,901,600
2055	\$1,062,283,200	\$980,848,700	\$1,018,103,200	\$209,672,600	\$65,007,700	\$3,335,915,400
2056	\$1,097,615,900	\$1,018,178,000	\$1,062,386,600	\$218,624,500	\$67,971,000	\$3,464,776,000
2057	\$1,132,655,100	\$1,052,658,200	\$1,106,185,800	\$226,747,000	\$70,823,400	\$3,589,069,500
2058	\$1,171,063,600	\$1,090,267,900	\$765,198,500	\$235,534,100	\$73,903,400	\$3,335,967,500
2059	\$1,209,312,200	\$1,126,693,000	\$0	\$245,506,300	\$77,150,300	\$2,658,661,800
2060	\$1,250,565,800	\$1,165,643,600	\$0	\$256,198,100	\$80,654,100	\$2,753,061,600
2061	\$1,290,501,300	\$1,204,363,500	\$0	\$265,878,000	\$84,051,300	\$2,844,794,100
2062	\$1,333,466,600	\$1,245,758,300	\$0	\$276,188,000	\$87,690,400	\$2,943,103,300



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September 21, 2011

Ms. Janice Davis
Chief Financial Officer
North Texas Tollway Authority
5900 West Plano Parkway, Suite 100
Plano, TX 75093

Re: President George Bush Turnpike – Western Extension: Traffic and Revenue Forecast

Dear Ms. Davis:

Pursuant to your recent request, Wilbur Smith Associates (WSA) is pleased to provide you with a letter update of the traffic and toll revenue estimates for the President George Bush Turnpike – Western Extension (PGBT-WE). WSA submitted a traffic and revenue report titled “Investment Grade Traffic and Toll Revenue Study: President George Bush Turnpike-Western Extension”, which was completed in December 2010 (“December 2010 Report”). This letter update includes updated traffic and revenue forecasts obtained by utilizing the latest metropolitan transportation plan “Mobility 2035” background models and datasets approved in March 2011 by the North Central Texas Council of Governments (NCTCOG). It is our understanding that this letter update is intended to supplement the recently completed Chisholm Trail Parkway (CTP) investment grade report and provide an updated estimate of the total traffic and revenue potential of the Special Projects System (SPS), which includes both PGBT-WE and CTP.

BACKGROUND

In 2007, WSA began work on a preliminary traffic and revenue study on PGBT-WE (formerly SH 161) for NTTA. Work on the project was halted during the market valuation negotiations between NTTA and the Texas Department of Transportation (TxDOT). After the completion of the initial market valuation negotiations in December 2007, WSA was tasked with upgrading the preliminary traffic and revenue study to an investment grade traffic and revenue study. An investment grade study report was completed in October 2008 by WSA. Due to the economic downturn, changes to the NTTA System toll rate schedules, update to the regional mobility plan, revenue recovery assumption changes and PGBT-WE phasing changes, NTTA authorized WSA to update the PGBT-WE investment grade traffic and revenue study in 2009. A draft investment grade report summarizing that work was completed in August 2009. Following the completion of that study, key project assumptions changed again, and WSA produced updated traffic and revenue forecasts for PGBT-WE in February 2010, which are included in the December 2010 Report. Subsequently, WSA developed a letter update in March 2011, prior to the adoption of the Mobility 2035 plan (“March 2011 Letter”).

This letter incorporates new information that has become available after the completion of the December 2010 Report and the March 2011 Letter.

NEW INFORMATION SINCE PREVIOUS STUDY

Regional Mobility Plan and Demographics

NCTCOG has recently developed new regional demographic forecasts and a new long range metropolitan transportation plan (MTP), "Mobility 2035". NCTCOG's executive board approved the new demographic forecasts for years 2035 and 2040 on February 24, 2011. The Mobility 2035 plan was approved by the Regional Transportation Council (RTC) on March 10, 2011. Air quality conformity determination of Mobility 2035 was received from FHWA in July 2011.

NCTCOG is expected to review and update the regional demographics datasets throughout 2011. NCTCOG would also like to integrate into the review process the recently released 2010 Census information. Subsequent modifications, if any, would be taken into account in a future update of the conformity determination that is currently anticipated to occur in 2012. The long range transportation plan may be updated again by 2013 which will include the utilization of an updated travel demand model, incorporation of the 2010 census, integration of new information acquired from the 2011 household survey and other data collection efforts.

There are three major components in any metropolitan transportation plan:

- Roadway and transit networks (transportation supply)
- Demographics (transportation demand)
- Algorithms used in the travel demand models that determine the trip generation rates, roadway/transit shares, traffic assignment, etc.

In Mobility 2035, there are changes in all of the above three components compared to the previous long range transportation plan, Mobility 2030: 2009 Amendment (which was utilized as a background assumption in the December 2010 Report). In addition, the travel demand model area has doubled (about 10,000 square miles vs. about 5,000 square miles). Figure 1 shows a comparison of the previous and current NCTCOG modeling areas.

There is a \$44 billion reduction in funding in the new plan for transportation infrastructure, which is about a third of the funding in the Mobility 2030: 2009 Amendment. Most of the reduction in commitments in Mobility 2035 is in roadway infrastructure. Figure 2 shows the funded roadway recommendations included in the Mobility 2035 (in green). Also shown (in red) are the roadway additions/improvements that were included in the Mobility 2030: 2009 Amendment (which was the current plan at the time of the December 2010 Report) that are not included in the current plan but may be considered for future evaluation. Some planned transportation improvements near the PGBT-WE that were assumed in the previous long range transportation plan have been removed or modified in the Mobility 2035. These include:

- IH 20 – Expansion to eight lanes between PGBT-WE and US 175 (removed, originally planned by 2030)
- Loop 12 – Expansion to eight lanes between Spur 408 and IH 35E plus two managed lanes (removed, originally planned by 2025)
- IH 30 – Expansion to ten lanes between IH 820 to Cooks Lane with reversible managed lane (removed, originally planned by 2025)
- IH 30 – Expansion to ten lanes between Cooks Lane and Ballpark Way with two managed lanes (removed, originally planned by 2025)
- IH 30 – Addition of one managed lane between Ballpark Way and PGBT-WE (originally planned expansion of mainlanes to ten lanes was removed)
- SH 360 – Expansion to eight lanes between IH 30 and IH 20 (delayed from 2025 to 2030)
- SH 161 – Expansion to eight lanes between SH 183 and Belt Line Road (delayed from 2019 to 2020)

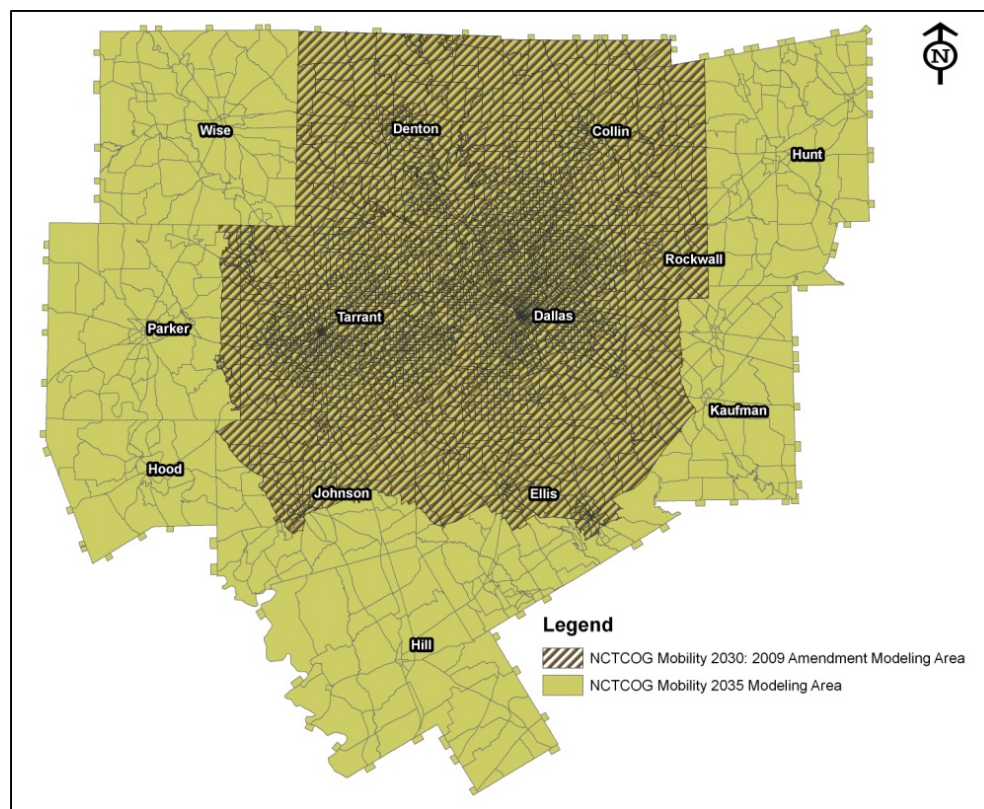


Figure 1: Comparison of the Mobility 2030: 2009 Amendment and Mobility 2035 Model Areas

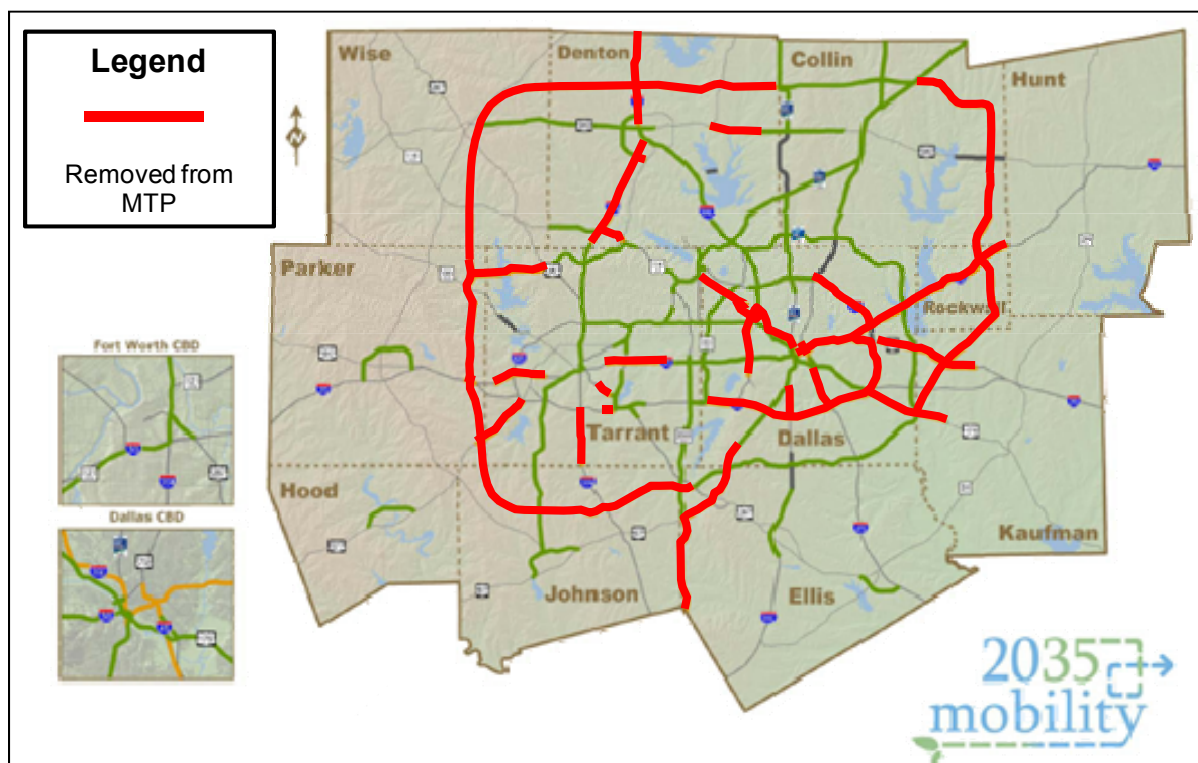


Figure 2: Mobility 2035: Roadway Improvements Removed from Plan

Source: Draft "Mobility 2035/The Metropolitan Transportation Plan: Mobility Options Appendix" (www.nctcog.org)

Tables 1 and 2 show the county-level population and employment forecasts used in the December 2010 Report ("MTP 2030-Revised") and the recently adopted demographics from NCTCOG as revised for the ongoing NTTA System investment grade study and recently completed Chisholm Trail Parkway (CTP) investment grade study ("MTP 2035-Revised"). The MTP 2030-Revised demographics used NCTCOG's demographic forecast approved in 2003 as a base and included modifications resulting from independent economic reviews performed by Insight Research Corporation and Weinstein, Clower and Associates in 2009 along the PGBT-WE corridor. The MTP 2035-Revised demographics used in the current analysis were based on NCTCOG's Mobility 2035 demographic forecast with updates from independent economic reviews of NTTA System and CTP corridors performed by Research and Demographic Solutions (RDS) in 2011. However, the NTTA System economic review focused solely on the corridors in the current NTTA System and did not include the PGBT-WE corridor. As shown in Table 1, the 2012 population forecast for the PGBT-WE corridor (a five mile area around PGBT-WE) has dropped by 4.9 percent in the MTP 2035-Revised demographic forecasts when compared to the revised demographics used in the December 2010 Report and March 2011 Letter. The MTP 2035-Revised population forecasts are 4.5 percent lower and 1.6 percent greater in 2020 and 2030, respectively. The total 2010 US Census population for Collin, Dallas, Denton and Tarrant Counties for 2010 was around 5.62 million, which is within one percent of the MTP 2035-Revised forecast.

Table 1: Population Comparisons						
Area	2010			2012		
	MTP 2030-Revised (thousands)	MTP 2035-Revised (thousands)	Change (%)	MTP 2030-Revised (thousands)	MTP 2035-Revised (thousands)	Change (%)
Collin County	804.8	790.5	-1.8	869.3	832.3	-4.3
Dallas County	2548.7	2390.4	-6.2	2602.0	2433.6	-6.5
Denton County	711.8	684.4	-3.9	765.5	716.7	-6.4
Tarrant County	1787.0	1794.7	0.4	1860.9	1873.7	0.7
PGBT-WE Area (N of IH 30)	311.9	333.1	6.8	318.5	338.1	6.2
PGBT-WE Area (S of IH 30)	332.4	281.8	-15.2	341.7	290.1	-15.1
PGBT-WE Area (Total)	644.3	614.9	-4.6	660.2	628.1	-4.9
Area	2020			2030		
	MTP 2030-Revised (thousands)	MTP 2035-Revised (thousands)	Change (%)	MTP 2030-Revised (thousands)	MTP 2035-Revised (thousands)	Change (%)
Collin County	1118.0	1027.7	-8.1	1354.9	1269.3	-6.3
Dallas County	2816.2	2649.4	-5.9	3074.2	2949.9	-4.0
Denton County	976.7	844.4	-13.5	1188.2	1016.1	-14.5
Tarrant County	2149.1	2176.4	1.3	2414.9	2599.9	7.7
PGBT-WE Area (N of IH 30)	343.1	361.4	5.3	356.6	412.2	15.6
PGBT-WE Area (S of IH 30)	379.5	329.1	-13.3	421.7	378.7	-10.2
PGBT-WE Area (Total)	722.6	690.5	-4.5	778.3	790.9	1.6

Note: MTP 2030-Revised demographics are based on NCTCOG base demographics approved in 2003.

MTP 2035-Revised demographics are based on NCTCOG base demographics approved in 2011.

The updated employment forecasts, shown in Table 2, have not changed as much as population. The average forecasted employment in the PGBT-WE corridor for 2012 has dropped by 0.1 percent from the previous demographic forecasts. Employment in 2020 dropped by 4.3 percent and increased by 0.8 percent in 2030.

Table 2: Employment Comparisons						
Area	2010			2012		
	MTP 2030-Revised (thousands)	MTP 2035-Revised (thousands)	Change (%)	MTP 2030-Revised (thousands)	MTP 2035-Revised (thousands)	Change (%)
Collin County	368.3	350.8	-4.7	419.8	369.0	-12.1
Dallas County	1980.9	2043.1	3.1	2047.5	2105.4	2.8
Denton County	254.8	219.8	-13.7	277.9	232.4	-16.4
Tarrant County	1091.7	1053.9	-3.5	1141.9	1074.5	-5.9
PGBT-WE Area (N of IH 30)	326.9	348.9	6.7	341.6	358.0	4.8
PGBT-WE Area (S of IH 30)	175.9	161.3	-8.3	185.4	168.5	-9.1
PGBT-WE Area (Total)	502.8	510.2	1.5	527.0	526.5	-0.1
Area	2020			2030		
	MTP 2030-Revised (thousands)	MTP 2035-Revised (thousands)	Change (%)	MTP 2030-Revised (thousands)	MTP 2035-Revised (thousands)	Change (%)
Collin County	613.4	463.4	-24.5	743.9	582.0	-21.8
Dallas County	2307.9	2360.1	2.3	2536.4	2660.2	4.9
Denton County	366.7	289.8	-21.0	463.6	366.0	-21.0
Tarrant County	1334.3	1243.1	-6.8	1472.7	1460.8	-0.8
PGBT-WE Area (N of IH 30)	396.2	392.6	-0.9	419.5	431.2	2.8
PGBT-WE Area (S of IH 30)	221.2	198.1	-10.4	240.9	234.2	-2.8
PGBT-WE Area (Total)	617.4	590.7	-4.3	660.4	665.4	0.8

Note: MTP 2030-Revised demographics are based on NCTCOG base demographics approved in 2003.
MTP 2035-Revised demographics are based on NCTCOG base demographics approved in 2011.

Underlying Economic Climate

In September 2010 the National Bureau of Economic Research (NBER) announced that the nation-wide recession that began in December 2007 ended in June 2009 and that recovery began in that month. As can be seen in Figure 3, the actual annualized percentage change in the national Gross Domestic Product (GDP) has remained positive since mid-2009. However, GDP growth has been noticeably lower in the first half of 2011 that it was throughout 2010.

WSA tracks the monthly Economic Forecasting Surveys published by The Wall Street Journal (WSJ). Illustrated in Figure 3 are the average GDP change monthly forecasts from January 2010 through September 2011. It is forecasted that the national GDP will continue to show positive growth through the end of 2011. However, it should be noted that GDP is forecasted to grow at a smaller rate than was seen in late 2009 and early 2010.

Texas continues to experience a relatively smaller impact from the recent recession and seems to be on a faster track for recovery than many other parts of the country. Economists have referred to this as the “last in-first out” effect. Figures 4 and 5 show that the DFW area has been performing better than the rest of the nation in terms of unemployment rates and employment growth.

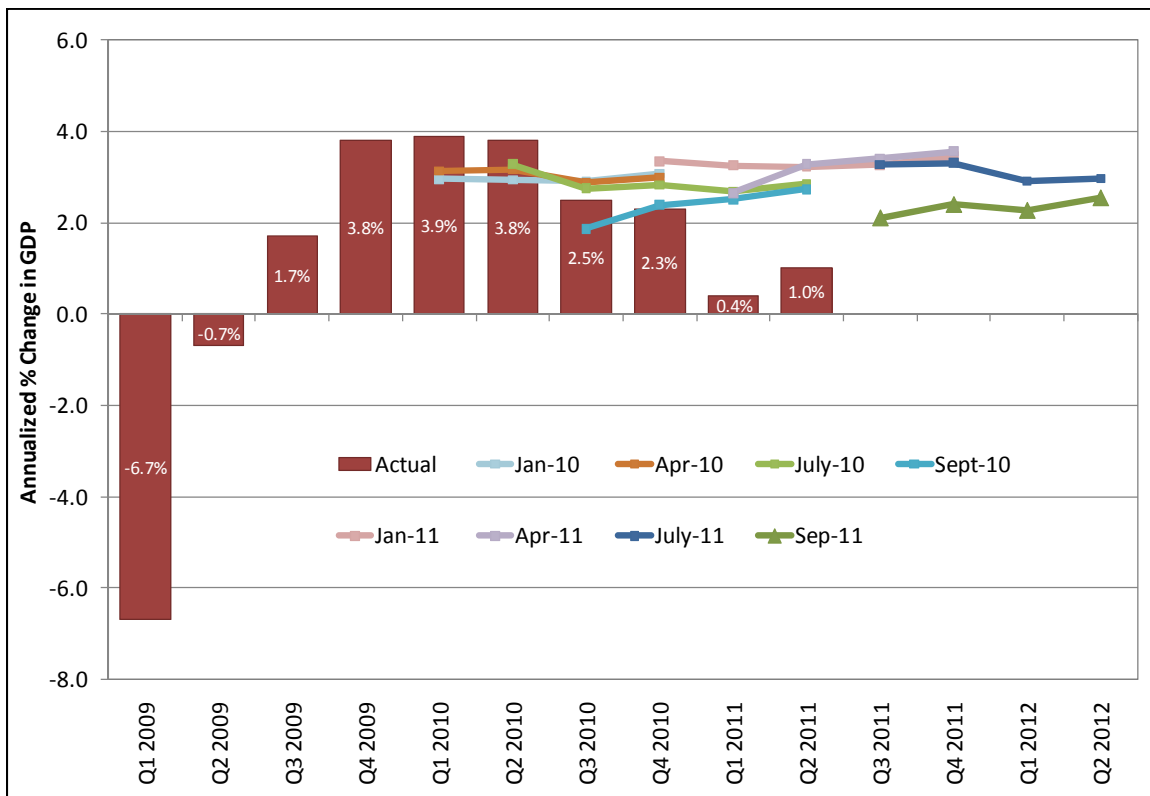


Figure 3: GDP Growth Forecast Comparisons

Source: Wall Street Journal Economic Forecasting Survey, US Bureau of Economic Analysis (September 2011)

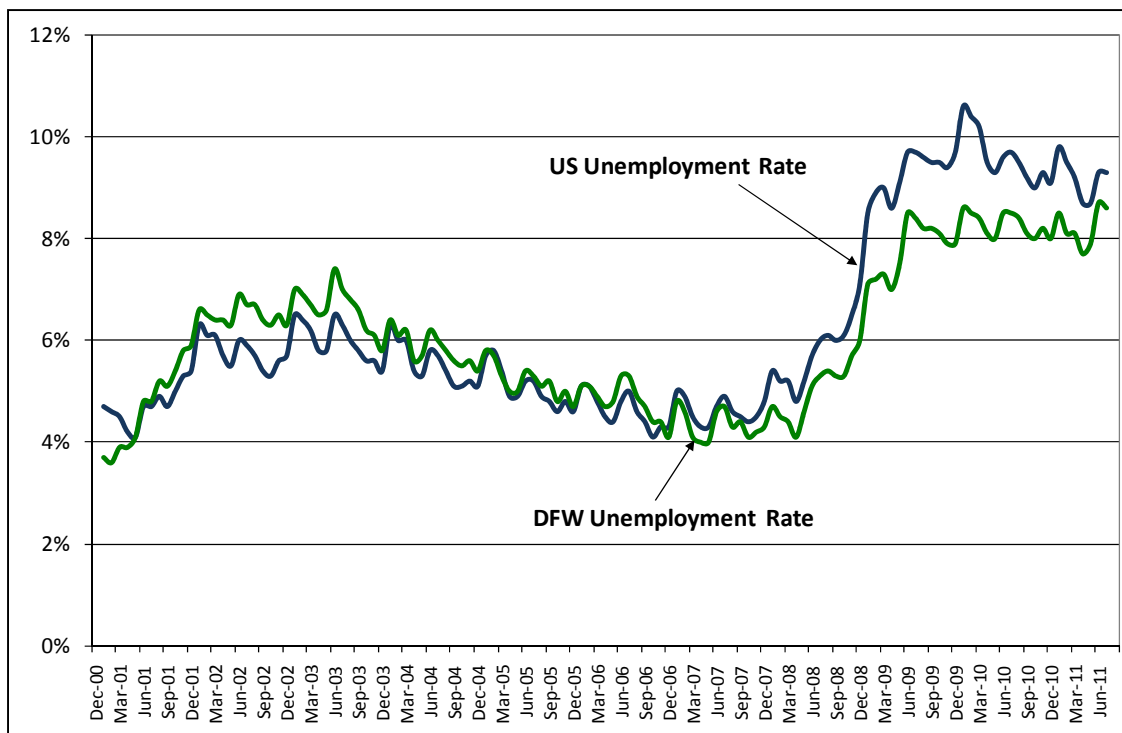


Figure 4: Unemployment Rate Comparisons

Source: Texas Workforce Commission (September 2011)

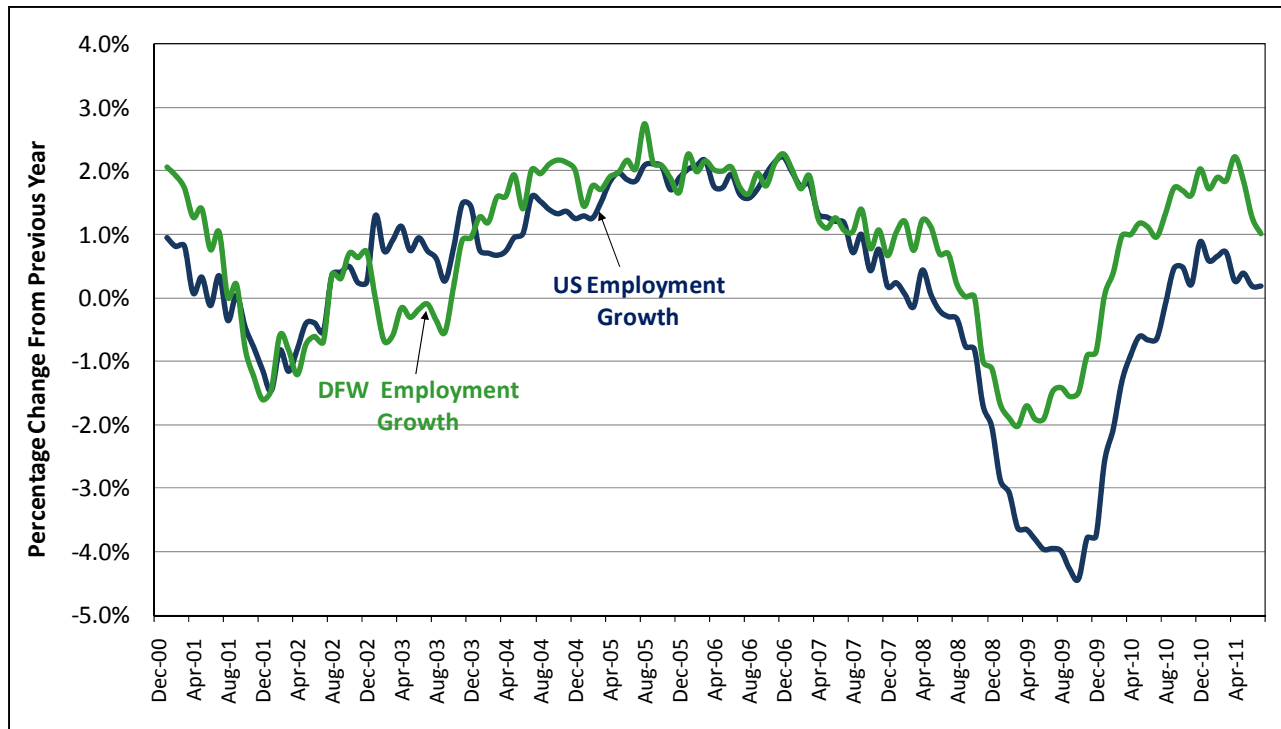


Figure 5: Employment Growth Comparisons
Source: Texas Workforce Commission (September 2011)

Gasoline prices in Texas have risen steadily since the latter part of 2010 and are currently averaging about \$3.40 per gallon. Gasoline prices in August 2011 were 40 percent greater than those in August 2010. As was indicated in WSA’s report, “The Impacts of Gasoline Price on Traffic and Toll Revenue”, dated August 2008, transactions on the NTTA System facilities seem to be relatively inelastic to gasoline price increases. However, sharp increases in gasoline price in mid-2008 combined with the recession produced some small noticeable impacts on NTTA System transactions at that time. The following are some excerpts from a recently published toll road sector study by National Public Finance Guarantee:

- “....it is apparent that Vehicle Miles Traveled (VMT) is more closely correlated to Gross Domestic Product than to the price of gasoline.”
- “Regardless of the price of gasoline, individuals still need to commute for employment and businesses requiring an efficient road network for the shipment of manufactured products. On a more discretionary basis, family members go shopping and transport children to and from activities. There may be an inflection point where higher energy prices trigger a decline in GDP and thereby indirectly lead to a decline in VMT but the direct correlation between gasoline prices and toll ridership appears weak.”

Figure 6 shows the average national crude oil price monthly forecasts from January 2010 through September 2011 by WSJ. It is forecasted that the crude oil price will remain around near its current levels through the end of 2011.

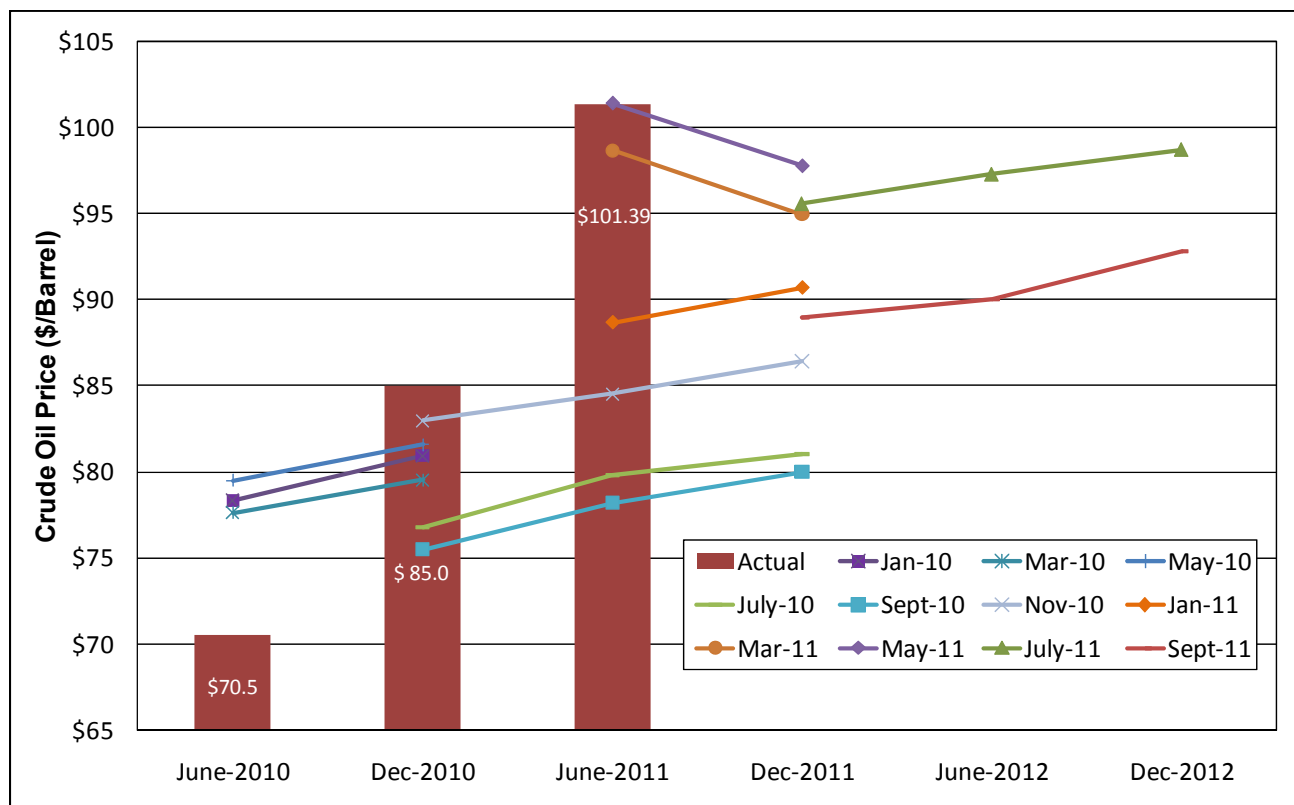


Figure 6: Crude Oil Price Comparisons

Source: Wall Street Journal Economic Forecasting Survey, US Energy Information Administration (September 2011)

Comparison of Actual Traffic to Previous Forecasts

Figure 7 shows the recorded PGBT-WE monthly transactions in comparison to the transactions shown in the December 2010 Report. As illustrated in the graph, actual transactions on the PGBT-WE in 2011 have been lower than the forecasts made in the December 2010 Report by about 8.5 percent. However, it is important to note that inclement weather in February 2011 had a significant negative impact on all NTTA facilities, including PGBT-WE. From March 2011 through August 2011, actual transactions on PGBT-WE were more than eight percent lower than the forecasts included in the December 2010 Report. The previously discussed changes to the demographics are a contributing factor to this variance. Other contributing factors include:

- **Delay at Egyptian Way and IH 30** – under the current configuration, the project terminates just north of IH 30 at Egyptian Way. Although a traffic signal was installed at Egyptian Way to improve traffic flow, significant delay is still experienced by travelers entering and exiting the facility at its southern terminus during the peak periods. The ongoing construction and lane closures at the IH 30/SH 161 frontage road interchange are also generating significant delays.
- **Delay north of SH 183** – noticeable delay has also been observed north of the PGBT-WE northern terminus at SH 183. The mainlanes between Belt Line Mainlane Gantry and SH 183 are only two lanes each direction and are toll-free.
- **Gasoline prices** – gasoline prices rose sharply in early 2011, increasing over 30 percent between January and May. The very large increases in gasoline prices combined with the aforementioned construction delays and slower than anticipated economic recovery may also have contributed to reduced vehicle miles traveled on PGBT-WE.

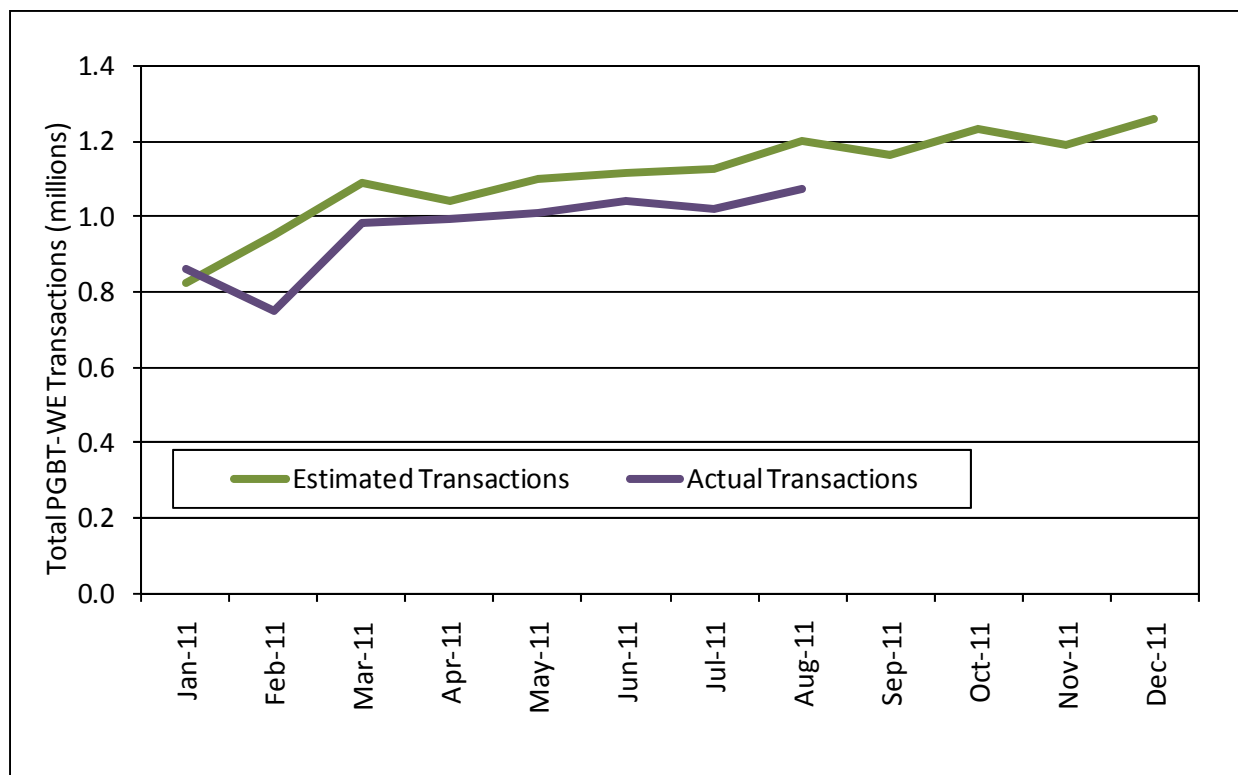


Figure 7: Actual vs. Estimated PGBT-WE Transactions
Sources: NTTA Unaudited Transaction Data; WSA PGBT-WE Traffic and Revenue Forecast (February 2010)

TRAFFIC AND REVENUE ESTIMATES

President George Bush Turnpike – Western Extension

The updated traffic and revenue estimates for the PGBT-WE from 2011 to 2062 are shown in Table 3. These updated estimates were generated using the new Mobility 2035 background networks, which have been refined and validated along the NTTA System corridors as part of the ongoing NTTA System investment grade study. While no economic review was conducted in the PGBT-WE corridor for this analysis, trip tables created by using the recently modified demographic datasets developed as part of the ongoing NTTA System investment grade study and the recently completed Chisholm Trail Parkway investment grade study were used for this analysis.

In general, the updated traffic and revenue forecasts included in this letter are lower than the forecasts included in the December 2010 Report. Several factors have contributed to the reduction in the traffic and revenue forecasts. The primary factor is the change in the regional mobility plan and the demographic forecasts in the DFW region and specifically along the PGBT-WE corridor, as discussed earlier. Refinements to the traffic and revenue forecasting models have been made to reflect the recent traffic and revenue trends and the slower than anticipated economic recovery. In addition, key input assumptions were also modified for this study. The assumed TollTag share on PGBT-WE was lowered slightly based on observed values, and the maximum future year share was lowered from 92 percent to 85 percent. The assumed revenue recovery rates for ZipCash transactions were lowered slightly based on current experience on the PGBT-WE and other NTTA facilities, which negatively impacted the forecasted revenue. However, the delay in the planned expansion of competing facility SH 360 (IH 30 to IH 20) from 2025 to 2030 resulted in an increase in PGBT-WE traffic and revenue between 2025 and 2030.

<p align="center">Table 3 Estimated Special Projects System Transactions and Revenue</p>						
Calendar Year	PGBT - Western Extension		Chisholm Trail Parkway*		Special Projects System - TOTAL	
	Annual Transactions	Annual Revenue	Annual Transactions	Annual Revenue	Annual Transactions	Annual Revenue
2011**	4,111,800	\$2,599,700	0	\$0	4,111,800	\$2,599,700
2012	19,276,600	\$11,699,700	0	\$0	19,276,600	\$11,699,700
2013	48,154,800	\$34,416,200	0	\$0	48,154,800	\$34,416,200
2014	55,622,700	\$43,260,500	14,238,400	\$11,793,200	69,861,100	\$55,053,700
2015	60,884,800	\$49,875,900	26,699,600	\$29,679,400	87,584,400	\$79,555,300
2016	63,693,600	\$54,131,300	33,319,200	\$39,809,200	97,012,800	\$93,940,500
2017	66,674,000	\$58,237,200	40,375,800	\$50,326,600	107,049,800	\$108,563,800
2018	69,785,700	\$62,844,800	48,267,000	\$62,341,400	118,052,700	\$125,186,200
2019	73,054,100	\$67,784,400	54,582,900	\$73,013,800	127,637,000	\$140,798,200
2020	80,093,000	\$77,034,900	58,428,400	\$81,136,400	138,521,400	\$158,171,300
2021	82,425,700	\$81,983,600	59,905,700	\$85,755,900	142,331,400	\$167,739,500
2022	84,817,100	\$87,020,500	61,424,400	\$90,779,900	146,241,500	\$177,800,400
2023	87,274,000	\$92,022,900	62,985,600	\$95,774,900	150,259,600	\$187,797,800
2024	89,781,400	\$97,489,400	64,590,700	\$101,465,400	154,372,100	\$198,954,800
2025	92,425,500	\$103,163,700	66,241,100	\$107,036,800	158,666,600	\$210,200,500
2026	95,135,600	\$109,317,500	67,938,300	\$113,333,800	163,073,900	\$222,651,300
2027	97,927,200	\$115,556,700	69,683,500	\$119,523,100	167,610,700	\$235,079,800
2028	100,765,000	\$122,259,000	71,478,600	\$126,465,800	172,243,600	\$248,724,800
2029	103,740,300	\$129,439,600	73,325,100	\$133,410,600	177,065,400	\$262,850,200
2030	101,815,500	\$131,550,300	75,224,700	\$141,233,200	177,040,200	\$272,783,500
2031	108,552,400	\$142,992,000	76,983,700	\$148,561,400	185,536,100	\$291,553,400
2032	110,278,100	\$149,491,400	78,788,200	\$156,680,900	189,066,300	\$306,172,300
2033	112,087,600	\$156,257,500	80,639,500	\$164,878,500	192,727,100	\$321,136,000
2034	113,884,300	\$163,432,700	82,538,800	\$173,980,900	196,423,100	\$337,413,600
2035	115,724,200	\$170,444,200	84,487,400	\$183,012,800	200,211,600	\$353,457,000
2036	117,556,200	\$177,908,400	86,487,000	\$193,044,700	204,043,200	\$370,953,100
2037	119,523,700	\$185,502,400	88,538,800	\$203,112,600	208,062,500	\$388,615,000
2038	121,488,200	\$193,567,900	90,644,500	\$214,289,800	212,132,700	\$407,857,700
2039	123,480,400	\$201,871,300	92,805,500	\$225,594,400	216,285,900	\$427,465,700
2040	125,471,800	\$210,568,100	95,023,500	\$238,024,200	220,495,300	\$448,592,300
2041	126,750,100	\$218,348,500	96,448,800	\$247,927,200	223,198,900	\$466,275,700
2042	128,011,000	\$226,462,500	97,895,600	\$258,739,300	225,906,600	\$485,201,800
2043	129,305,500	\$235,299,400	99,364,000	\$269,715,000	228,669,500	\$505,014,400
2044	130,565,700	\$244,608,300	100,854,500	\$281,846,400	231,420,200	\$526,454,700
2045	131,901,900	\$253,598,500	102,367,200	\$293,504,500	234,269,100	\$547,103,000
2046	133,217,700	\$263,138,400	103,902,800	\$306,432,600	237,120,500	\$569,571,000
2047	134,547,800	\$273,240,300	105,461,300	\$319,270,400	240,009,100	\$592,510,700
2048	135,856,000	\$283,823,500	107,043,300	\$333,376,400	242,899,300	\$617,199,900
2049	137,272,700	\$293,982,600	108,648,900	\$347,090,600	245,921,600	\$641,073,200
2050	138,644,400	\$304,690,600	110,278,600	\$362,269,200	248,923,000	\$666,959,800
2051	140,016,800	\$316,121,700	111,381,400	\$375,463,800	251,398,200	\$691,585,500
2052	141,364,100	\$328,175,300	112,495,200	\$389,973,900	253,859,300	\$718,149,200
2053	142,817,800	\$340,597,700	113,620,200	\$404,291,500	256,438,000	\$744,889,200
2054	144,262,000	\$353,689,900	114,756,400	\$420,131,100	259,018,400	\$773,821,000
2055	145,717,400	\$367,055,200	115,904,000	\$435,545,800	261,621,400	\$802,601,000
2056	147,129,700	\$381,077,900	117,063,000	\$452,577,100	264,192,700	\$833,655,000
2057	148,626,900	\$395,140,600	118,233,600	\$469,119,500	266,860,500	\$864,260,100
2058	150,110,800	\$410,163,000	119,416,000	\$487,567,600	269,526,800	\$897,730,600
2059	151,604,100	\$425,799,700	120,610,200	\$505,266,300	272,214,300	\$931,066,000
2060	153,099,800	\$442,290,400	121,816,200	\$524,782,200	274,916,000	\$967,072,600
2061	154,681,100	\$458,581,500	123,034,400	\$544,138,800	277,715,500	\$1,002,720,300
2062	156,203,700	\$475,553,400	124,264,700	\$565,504,400	280,468,400	\$1,041,057,800

*Chisholm Trail Parkway traffic and revenue as included in the investment grade T&R submitted to NTTA on September 2, 2011.

**2011 revenue is shown for the period of September 1, 2011 through December 31, 2011.

As shown in Table 3, transactions on the PGBT-WE are expected to be 19.3 million in 2012, which represents an 17.6 percent reduction from the forecasts included in the December 2010 Report and March 2011 Letter. Revenue in 2012 is expected to be 22.0 percent lower than previous the forecast. Until mid-October 2012 when the PGBTWE Phase 4 will open, the delays caused to motorists due to the ongoing construction near IH 30/PGBT WE interchange and along the PGBT WE corridor south of IH 30 are expected to result in PGBT WE traffic growth to be lower than the previously forecasted traffic growth. This is one of the contributing factors for the new traffic and revenue forecasts for 2012 to be so much lower. The new traffic and revenue forecasts for 2013 are lower than the previous forecasts by 8.2 percent and 10.7 percent respectively.

Transactions in 2015, 2020 and 2035 are expected to be 10.5 percent, 6.6 percent and 6.8 percent lower than the previous estimates, respectively. Revenue in 2015, 2020 and 2035 is expected to be 8.9 percent, 5.0 percent and 6.5 percent lower. Beyond 2035, the updated forecasts are on an average about 5-6 percent lower than the previous forecasts.

Special Projects System

Table 3 also includes the recently developed investment grade traffic and revenue forecasts for Chisholm Trail Parkway (CTP). In total, the Special Projects System (SPS), which includes PGBT-WE and CTP, is expected to generate \$79.6 million in 2015, \$158.2 million in 2020, \$353.5 million in 2035 and increasing to \$967.1 million in 2060. It is important to note that while a complete investment grade study was recently completed for CTP, the updated PGBT-WE estimates included in this letter are based on a preliminary analysis of the new Mobility 2035 models, and a detailed economic review was not performed along the PGBT-WE corridor. More refined estimates for the PGBT-WE can be developed as part of a future investment grade study update.

We hope this summary meets your needs. Please do not hesitate to call if you have any questions or if any additional information is required.

Sincerely,

WILBUR SMITH ASSOCIATES



Kamran Khan
Senior Vice President

DISCLAIMER

Current accepted professional practices and procedures were used in the development of these traffic and revenue forecasts. However, as with any forecast of the future, it should be understood that there may be differences between forecasted and actual results caused by events and circumstances beyond the control of the forecasters. In formulating its forecasts, WSA has reasonably relied upon the accuracy and completeness of all of the information provided (both written and oral) by NTTA and several local and state agencies. Publicly available and obtained material has neither been independently verified, nor does WSA assume responsibility for verifying such information. WSA has relied upon the reasonable assurances of the independent parties that they are not aware of any facts that would make such information misleading.

WSA has made qualitative judgments related to several key variables within the analysis used to develop the traffic and revenue forecasts that must be considered as a whole; therefore selecting portions of any individual results 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. WSA gives no opinion as to the value or merit to partial information extracted from the report.

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

Appendix – F **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 the 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 2009 and was finalized in the third quarter of 2010. The All Funds Long Term Financial Projections (See pages (228-232) included in this section are summary pages from the 2012-2016 Five-Year Capital Plan. The five-year plan has been adopted by the Board and any changes to the plan will require Board approval.

Revenue Fund Long Term Plan

The majority, about 93.7%, of the long term revenue plan is the toll revenue estimates provided by the Traffic and Revenue Engineers (See Major Revenue Source page 202). The estimated other revenues, about 4.4%, are provided by the Authority and include video tolling fees and other charges, and estimated projected interest earnings at 1.9% on the First and Second Tier Debt Service Funds and an estimated balance of \$20 million in the Capital Improvement Fund. Total revenue growth is expected to average 8.1% per year between 2011 and 2015. All NTTA revenues on deposit in the Revenue Fund must be distributed to the other funds in accordance to the Trust Agreement (See Revenue Distribution page 205).

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 welfare benefits; which account for about 43.2% of operating cost (See 2012 Preliminary Operating Budget Overview: Introduction, Personnel comparison 2012 to 2011 Budget, Staffing and Personnel Issues, and 2012 Expenditures. Pages 19-21.)

The estimated operating expenses for the year are prepared by the individual departments and compared to the General Consultant Engineers (Currently HNTB Corporation) estimated amount. The 2012 to 2016 estimated operating expenses are provided by HNTB. The operating expenses are expected to increase an average of 5% per year between 2012 and 2016. The highest increase in 2012 corresponds to one full year of PG&T EE being open for operations.

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 (See Revenue Distribution page 205 and Cash Balances page 186).

Debt Service Funds Long Term Plan

The 1st, 2nd, and 3rd Tier Bond Interest and Redemption Funds are utilized 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 (See Revenue Distribution page 205 and Debt Service page 197).

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 (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 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 9% (See detail of expenditures page 164). The 2012 through 2016 projected amounts will be adjusted based on the previous year 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 (See Revenue Distribution page 205 and Cash Balances page 186).

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 (See Revenue Distribution page 205). 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 are to finance a portion of the cost of developing PGBT

Western Extension (previously SH 161) and Chisholm Trail Parkway (CTP). Other funding sources are being determined at this time. (See Special System Projects Construction Funds Projects page 177).

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 or Authority; for private participation, as authorized by law, in the financing of a proposed turnpike project or Authority, or the refinancing of an existing turnpike project or Authority or the improvement, extension or expansion of a turnpike project or 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 (See Cash Balances page 186).

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 (See NTTA System Construction Funds page 155).

On April of 2011, the Authority issued approximately \$1.1 billion in bonds and bond anticipation notes to finance an upfront payment to TxDOT for PGBT-WE and the development and construction of PGBT-WE. On October 2011, the Authority added CTP to the Special Projects System and the Board authorized the issuing of bonds to finance the project. On November 10, 2011 the authority issued \$640.5 million in bonds to finance this project. This debt is not issued under the NTTA Trust Agreement and is not secured by the NTTA System revenues, but instead is issued under separate Special Projects System Trust Agreement. Neither PGBT-WE nor CTP are expected to be added to the NTTA System in the foreseeable future (See Special System Projects Construction Funds page 181-182).

Appendix G - All Funds Long Term Financial Projections



YEARS	2011	2012	2013	2014	2015	2016
REVENUE FUND						
Estimated Beginning Available Cash Balance	-	-	-	-	-	-
INFLOWS						
Estimated Toll Revenues	395,570,900	456,092,300	498,678,900	536,553,600	571,493,700	610,971,400
Estimated Other Revenues	29,106,763	29,812,582	29,338,464	28,933,156	28,603,866	28,442,436
TOTAL INFLOWS	424,677,663	485,904,882	528,017,364	565,486,756	600,097,566	639,413,836
OUTFLOWS						
Transfer to:	-	-	-	-	-	-
TOTAL OUTFLOWS	-	-	-	-	-	-
Total Revenues Available for Operations	424,677,663	485,904,882	528,017,364	565,486,756	600,097,566	639,413,836
YEARS 2011 2012 2013 2014 2015 2016						
Total Revenues Available for Operations	424,677,663	485,904,882	528,017,364	565,486,756	600,097,566	639,413,836
OPERATIONS AND MAINTENANCE FUND						
Estimated Beginning Available Cash Balance	12,620,383	18,509,450	18,376,297	18,643,434	19,027,511	19,511,731
INFLOWS						
Transfer from Revenue Fund	116,945,769	110,124,632	112,127,742	114,549,144	117,554,606	120,433,210
TOTAL INFLOWS	116,945,769	110,124,632	112,127,742	114,549,144	117,554,606	120,433,210
OUTFLOWS						
Estimated Operating Expenses	(111,056,702)	(110,257,785)	(111,860,605)	(114,165,067)	(117,070,386)	(119,952,807)
TOTAL OUTFLOWS	(111,056,702)	(110,257,785)	(111,860,605)	(114,165,067)	(117,070,386)	(119,952,807)
Estimated Ending Available Cash Balance	18,509,450	18,376,297	18,643,434	19,027,511	19,511,731	19,992,134
Net Revenues Available for Debt Service	307,731,894	375,780,250	415,889,622	450,937,612	482,542,960	518,980,626

Appendix G - All Funds Long Term Financial Projections (continued)



	A	2011	2012	2013	2014	2015	2016
Net Revenues Available for Debt Service		307,731,894	375,780,250	415,889,622	450,937,612	482,542,960	518,980,626
DEBT SERVICE FUNDS							
Estimated Beginning Available Cash Balance		-	16,400,000	16,400,000	-	-	-
INFLOWS							
Transfer from Capital Improvement Fund		16,400,000	-	-	-	-	-
Capitalized interest transfer		-	-	-	-	-	-
Transfer from Revenue Fund		202,030,621	287,203,944	319,038,831	356,027,331	375,004,808	396,287,288
TOTAL INFLOWS		218,430,621	287,203,944	319,038,831	356,027,331	375,004,808	396,287,288
OUTFLOWS							
1st Tier Net Debt Service ⁽¹⁾		(181,385,725)	(249,479,065)	(277,400,556)	(297,989,056)	(316,966,533)	(338,249,013)
2nd Tier Net Debt Service ⁽¹⁾		(20,313,396)	(37,724,879)	(58,038,275)	(58,038,275)	(58,038,275)	(58,038,275)
3rd Tier Net Debt Service ⁽¹⁾		(331,500)	-	-	-	-	-
TOTAL OUTFLOWS		(202,030,621)	(287,203,944)	(335,438,831)	(356,027,331)	(375,004,808)	(396,287,288)
Estimated Ending Available Cash Balance		16,400,000	16,400,000	-	-	-	-
Net Revenues Available for Major Maintenance Projects		105,701,273	88,576,306	96,850,791	94,910,281	107,538,152	122,693,338
First Tier Debt Service Coverage		1.70	1.51	1.50	1.51	1.52	1.53
All Debt Service Coverage		1.32	1.18	1.13	1.16	1.19	1.21
CIF Subordinated Debt Coverage		1.12	1.15	1.13	1.09	1.12	1.15
	A	2011	2012	2013	2014	2015	2016
Net Revenues Available for Major Maintenance Projects		105,701,273	88,576,306	96,850,791	94,910,281	107,538,152	122,693,338
RESERVE MAINTENANCE FUND							
Estimated Beginning Available Cash Balance		34,521,140	51,544,605	33,215,346	5,000,000	5,000,000	5,000,000
INFLOWS							
Transfer from Revenue Fund		42,289,060	8,815,969	-	24,378,632	24,105,644	25,293,673
TOTAL INFLOWS		42,289,060	8,815,969	-	24,378,632	24,105,644	25,293,673
OUTFLOWS							
RMF 2010 Carryover Expenses		(6,398,605)	(500,000)	-	-	-	-
RMF Project Expenses ⁽¹⁾		(20,456,371)	(18,831,625)	(24,962,500)	(21,028,200)	(20,654,700)	(21,739,200)
RMF 2011 Carryover Expenses		4,655,500	(4,655,500)	-	-	-	-
RMF Professional Fees		(218,257)	(224,805)	(231,549)	(238,496)	(245,650)	(253,020)
RMF Salaries/Wages		(2,847,862)	(2,933,298)	(3,021,297)	(3,111,936)	(3,205,294)	(3,301,453)
TOTAL OUTFLOWS		(25,265,595)	(27,145,228)	(28,215,346)	(24,378,632)	(24,105,644)	(25,293,673)
Estimated Ending Cash Balance/RMF Reserve		5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Estimated Ending Available Cash Balance		46,544,605	28,215,346	-	-	-	-
Net Revenues Available for Capital Improvement Projects		63,412,213	79,760,337	96,850,791	70,531,649	83,432,508	97,399,665

Appendix G - All Funds Long Term Financial Projections (continued)



	YEARS	2011	2012	2013	2014	2015	2016
Net Revenues Available for Capital Improvement Projects		63,412,213	79,760,337	96,850,791	70,531,649	83,432,508	97,399,665
CAPITAL IMPROVEMENT FUND							
Estimated Beginning CIF Uncommitted Cash Balance		136,595,032	53,430,204	3,051,064	8,972,131	18,270,452	41,710,290
INFLOWS							
Transfer from Revenue Fund		63,412,213	79,760,337	96,850,791	70,531,649	83,432,508	97,399,665
CIF Bond Payment Account Release		5,073,499	-	-	-	-	-
Bond Issues		200,000,000	-	-	-	-	-
Reimbursement from PGBT-WE for Expenditures		184,470,116	-	-	-	-	-
TOTAL INFLOWS		452,955,828	79,760,337	96,850,791	70,531,649	83,432,508	97,399,665
OUTFLOWS							
CIF Subordinated Debt		(23,416,150)	(23,416,150)	(23,416,150)	(23,416,150)	(23,416,150)	(23,416,150)
ISTEA Payment		(8,250,000)	(8,250,000)	(8,000,000)	(8,000,000)	(8,000,000)	(8,000,000)
Commercial Paper		(65,000,000)	-	-	-	-	-
Transfer to Bond Interest		(16,400,000)	-	-	-	-	-
Equity Contribution to PGBT-WE Construction		(71,024,764)	-	-	-	-	-
Equity Contribution to CTP Construction (1)		(264,305,713)	-	-	-	-	-
CIF Project Expenses (2)		(62,408,780)	(86,395,907)	(29,502,096)	(24,801,265)	(24,410,623)	(8,632,027)
CIF Professional Fees		(748,905)	(1,036,751)	(354,025)	(297,615)	(292,927)	(103,584)
CIF Salaries/Wages		(1,560,220)	(2,159,898)	(737,552)	(620,032)	(610,266)	(215,801)
Transfer to Special Project Systems		-	-	-	-	-	-
Transfer to Corridors Under Study		(3,470,635)	(3,451,349)	(1,109,500)	(1,059,500)	(72,000)	(72,000)
Transfer to Feasibility Study Fund		(2,625,000)	(2,756,250)	(2,894,063)	(3,038,766)	(3,190,704)	(3,350,239)
TOTAL OUTFLOWS		(519,210,167)	(127,466,305)	(66,013,386)	(61,233,327)	(59,992,670)	(43,789,801)
Transfer to CIF Bond Payment Account		-	-	-	-	-	-
Transfer to Rainy Day Fund Account		(16,910,489)	(2,673,173)	(24,916,338)	-	-	-
Estimated Ending CIF Uncommitted Cash Balance		53,430,204	3,051,064	8,972,131	18,270,452	41,710,290	95,320,154
CIF Bond Payment Account							
Estimated Beginning CIF Bond Payment Account Cash Balance		40,197,724	35,124,225	35,124,225	35,124,225	35,124,225	35,124,225
Transfers from CIF Cash Account		-	-	-	-	-	-
Transfers to CIF Cash Account		(5,073,499)	-	-	-	-	-
Estimated Ending CIF Bond Payment Account Cash Balance		35,124,225	35,124,225	35,124,225	35,124,225	35,124,225	35,124,225
CIF Rainy Day Fund Account							
Estimated Beginning CIF Rainy Day Fund Account Cash Balance		5,500,000	22,410,489	25,083,662	50,000,000	50,000,000	50,000,000
Transfers from CIF Cash Account		16,910,489	2,673,173	24,916,338	-	-	-
Transfers to CIF Cash Account		-	-	-	-	-	-
Estimated Ending CIF Rainy Day Fund Account Cash Balance		22,410,489	25,083,662	50,000,000	50,000,000	50,000,000	50,000,000
Estimated Ending Total CIF Cash Balances		110,964,918	63,258,951	94,096,356	103,394,677	126,834,515	180,444,379

(1) Amount and timing of transfer to CPT project (or other capital projects) to be determined during the final financing of the project.

	YEARS	2011	2012	2013	2014	2015	2016
REVOLVING ACCOUNT - FEASIBILITY STUDY FUND							
Estimated Beginning Available Cash Balance		-	-	-	-	-	-
INFLOWS							
Bond Issues		-	-	-	-	-	-
Transfer from Capital Improvement Fund		2,625,000	2,756,250	2,894,063	3,038,766	3,190,704	3,350,239
TOTAL INFLOWS		2,625,000	2,756,250	2,894,063	3,038,766	3,190,704	3,350,239
OUTFLOWS							
Professional Fees		(1,338,750)	(1,405,688)	(1,475,972)	(1,549,770)	(1,627,259)	(1,708,622)
Salaries/Wages		(682,500)	(716,625)	(752,456)	(790,079)	(829,583)	(871,062)
Traffic Engineering Fees		(603,750)	(633,938)	(665,634)	(698,916)	(733,862)	(770,555)
TOTAL OUTFLOWS		(2,625,000)	(2,756,250)	(2,894,063)	(3,038,766)	(3,190,704)	(3,350,239)
Estimated Ending Available Cash Balance		-	-	-	-	-	-

Appendix G - All Funds Long Term Financial Projections (continued)



	TOTAL	2011	2012	2013	2014	2015	2016
CONSTRUCTION FUNDS - NTTA SYSTEM							
Estimated Beginning Available Cash Balance	340,040,257	340,040,257	137,498,879	95,247,969	76,815,197	66,774,119	48,341,373
INFLOWS							
Reimbursement Agreements:							
City of Denton ILA - LLTE	-	-	-	-	-	-	-
Collin County, Allen, & McKinney ILA - SR1	-	-	-	-	-	-	-
TxDOT - SRT	-	-	-	-	-	-	-
Bond Issues	132,954,921	-	-	-	53,730,000	79,224,921	-
TOTAL INFLOWS	132,954,921	-	-	-	53,730,000	79,224,921	-
OUTFLOWS							
Allocated Cost: Salaries, Professional Fees, Legal Fees	(6,070,027)	(2,599,248)	(542,213)	(236,551)	(818,385)	(1,253,257)	(620,373)
LLTB Expenses ⁽¹⁾	(1,032,663)	(882,663)	(150,000)	-	-	-	-
SRT Expenses ⁽²⁾	(100,042,996)	(85,386,886)	(11,907,030)	(2,149,367)	(595,716)	(3,997)	-
PGBT EE Expenses ⁽³⁾	(144,416,721)	(113,090,054)	(29,510,667)	(1,816,000)	-	-	-
DNT Phase 3 Expenses ⁽⁴⁾	(544,327)	(503,327)	(41,000)	-	-	-	-
DNT 4th Lane ⁽⁵⁾	(110,205,007)	(36,000)	(50,000)	(7,309,316)	(32,379,527)	(50,216,366)	(20,213,798)
DNT/PGBT Interchange and ramps Modifications ⁽⁶⁾	(101,026,443)	(43,200)	(50,000)	(6,921,538)	(29,977,450)	(46,184,047)	(17,850,208)
PGBT Widening IH35E - US78 ⁽⁷⁾	(9,656,994)	-	-	-	-	-	(9,656,994)
TOTAL OUTFLOWS	(472,995,178)	(202,541,378)	(42,250,910)	(18,432,772)	(63,771,078)	(97,657,667)	(48,341,373)
Estimated Ending Available Cash Balance	0	137,498,879	95,247,969	76,815,197	66,774,119	48,341,373	0
	TOTAL	2011	2012	2013	2014	2015	2016
SPECIAL PROJECT SYSTEM - President George Bush Turnpike - Western Extension							
Estimated Beginning Available Cash Balance	-	-	163,592,500	53,899,651	13,498,709	13,358,539	13,358,539
INFLOWS							
Regional Transportation Commission Contributor	12,000,000	-	12,000,000	-	-	-	-
Equity Contribution from NTTA System	71,024,764	71,024,764	-	-	-	-	-
PGBT-WE Revenue Distribution	7,219,191	7,219,191	-	-	-	-	-
Escrowed Upfront Payment Interest	295,600	295,600	-	-	-	-	-
TIFIA Loan	326,599,991	326,599,991	-	-	-	-	-
Bond Issues	603,864,062	603,864,062	-	-	-	-	-
TOTAL INFLOWS	1,021,003,608	1,009,003,608	12,000,000	-	-	-	-
OUTFLOWS							
PGBT-WE Expenses ⁽¹⁾⁽⁴⁾	(345,590,816)	(185,438,831)	(120,131,144)	(39,882,470)	(138,371)	-	-
Payments to TxDOT	(469,370,276)	(469,370,276)	-	-	-	-	-
Payments to CIF	(184,470,116)	(184,470,116)	-	-	-	-	-
Allocated Cost: Salaries, Professional Fees, Legal Fees	(4,492,681)	(2,410,705)	(1,561,705)	(518,472)	(1,799)	-	-
Bond Issuance Cost	(3,721,180)	(3,721,180)	-	-	-	-	-
TOTAL OUTFLOWS	(1,007,645,069)	(845,411,108)	(121,692,849)	(40,400,942)	(140,170)	-	-
Estimated Ending Available Cash Balance	13,358,539	163,592,500	53,899,651	13,498,709	13,358,539	13,358,539	13,358,539
	TOTAL	2011	2012	2013	2014	2015	2016
SPECIAL PROJECT SYSTEM - Chisholm Trail Parkway							
Estimated Beginning Available Cash Balance		68,368,900	628,500,837	283,348,705	28,884,635	(0)	(0)
INFLOWS							
Reimbursement Agreements							
TxDOT formal Agreement	23,967,448	18,041,719	5,925,729	-	-	-	-
ILA w/ CoFW for Davidson Yard & Hump Lead	109,136	109,136	-	-	-	-	-
Transfer from Capital Improvement Fund ⁽⁵⁾	264,305,713	264,305,713	-	-	-	-	-
Bond Issues	532,842,209	532,842,209	-	-	-	-	-
TOTAL INFLOWS	821,224,506	815,298,777	5,925,729	-	-	-	-
OUTFLOWS							
CTP Expenses ⁽²⁾⁽³⁾⁽⁴⁾	(878,177,104)	(251,892,241)	(346,572,419)	(251,198,490)	(28,513,954)	-	-
Allocated Cost: Salaries, Professional Fees, Legal Fees	(11,416,302)	(3,274,599)	(4,505,441)	(3,265,580)	(370,681)	-	-
TOTAL OUTFLOWS	(889,593,406)	(255,166,840)	(351,077,860)	(254,464,070)	(28,884,635)	-	-
Estimated Ending Available Cash Balance	(68,368,900)	628,500,837	283,348,705	28,884,635	(0)	(0)	(0)

(1) PGBT-WE was approved by the Board of Directors in February 2010 and financed in April 2011.

(2) Any agreement or decision to undertake any of the potential construction projects will be subject to establishing the financial feasibility of the project

(3) Once financial feasibility is established, the project must then be approved by the Board of Directors and funding sources must be determined to officially accept a project

(4) The expenses included are based on the Toll Equity Loan Agreement (TELA) estimated costs

(5) Final allocation to CTP project (or other capital projects) will be determined during final financing of the project

Appendix G - All Funds Long Term Financial Projections (continued)



	2011	2012	2013	2014	2015	2016	Total	Remaining
Corridors Under Study Fund								
Estimated Beginning Available Cash Balance	-	-	-	-	-	-	-	-
INFLOWS								
Reimbursement Agreements:								
TxDOT - Trinity Parkway	-	-	-	-	-	-	-	-
Transfer from Capital Improvement Fund	3,470,635	3,451,349	1,109,500	1,059,500	72,000	72,000	9,234,984	-
Bond Issues	-	-	-	-	-	-	-	-
TOTAL INFLOWS	3,470,635	3,451,349	1,109,500	1,059,500	72,000	72,000	9,234,984	-
OUTFLOWS								
SH 360 ⁽¹⁾⁽²⁾⁽³⁾	(782,171)	(778,705)	-	-	-	-	(1,560,876)	(588,459,360)
SH 170 ⁽¹⁾⁽²⁾⁽³⁾	(1,139,216)	(1,986,644)	(1,037,500)	(987,500)	-	-	(5,150,860)	(269,534,486)
DNT Phase 4A ⁽¹⁾⁽²⁾	(63,796)	(49,000)	(24,000)	(24,000)	(24,000)	(24,000)	(208,796)	(355,896,850)
DNT Phase 4B-5A ⁽¹⁾⁽²⁾	(704,835)	(337,000)	(24,000)	(24,000)	(24,000)	(24,000)	(1,137,835)	(724,700,304)
Trinity Parkway ⁽¹⁾⁽²⁾	(744,838)	(250,000)	(24,000)	(24,000)	(24,000)	(24,000)	(1,090,838)	(1,663,236,738)
Outer Loop Southwest (Loop 9)	-	(25,000)	-	-	-	-	(25,000)	-
Collin County Outer Loop Southwest	(11,779)	(25,000)	-	-	-	-	(36,779)	-
PGBT EE - East Branch ⁽¹⁾⁽²⁾	(24,000)	-	-	-	-	-	(24,000)	(1,921,444,849)
TOTAL OUTFLOWS	(3,470,635)	(3,451,349)	(1,109,500)	(1,059,500)	(72,000)	(72,000)	(9,234,984)	(5,523,272,587)
Estimated Ending Available Cash Balance	-	-	-	-	-	-	-	(5,523,272,587)

(1) Any agreement or decision to undertake any of these corridor projects will be subject to establishing the financial feasibility of the projects.

(2) Once financial feasibility is established, the project must then be approved by the Board of Directors and funding sources must be determined to officially accept a project.

Appendix H – **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. During the 2012 fiscal year the NTTA has budgeted approximately \$159,000 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. In 2011 / 2012 an operations facility is planned along the Sam Rayburn Tollway. This facility will give personnel assigned to 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 2008 the NTTA began converting its existing toll collection system into an All-ETC system. The conversion was complete in early 2011 and is intended to provide 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 some of the employees transitioning into new positions. The customer service department saw a significant increase in the number and type of customer contacts. The Customer Service department 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 from 2011 to 2045.

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.

The 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
2011 shows the initial impact of the purchase, with the subsequent years showing the estimated increases required.					

Appendix I - **Glossary of Terms and Acronyms**

A

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

ACM – Acronym for automatic coin machines.

A&D – Acronym for the Availability and Disparity study that NTTA participated in to identify the availability of M/W/S&DBEs in the region and the utilization of these businesses by NTTA.

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 – Acronym for all-electronic toll collection, the cashless system of collecting tolls that the Authority is implementing

Annual Budget – The budget of Current Expenses (or Operating Budget) and payments to the Reserve Maintenance Fund for such Fiscal Year that the Authority covenants it will adopt 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 – Acronym for 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

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 – Cost 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.

Construction Fund (CF) – Fund created by the Trust Agreement for the purpose of paying all cost 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 – Acronym for Chisholm Trail Parkway an approximately 27.6-mile toll road that will be constructed as part of the Special Projects System.

D

DCSO CP – Acronym for Dallas County Sheriff's Office Courtesy Patrol in-charge of providing incident assistance on a portion of the System.

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

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 – Acronym for the Dallas/Fort Worth Airport, an interoperable agency.

DMV – Acronym for the Department of Motor Vehicles

DNT – Acronym for the Dallas North Tollway an approximately 31 mile portion of the System.

DPS – Acronym for Department of Public Safety 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.

EPDS – Acronym for Enterprise Project Delivery System

F

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

Feasibility Study Fund (FSF) – Is the revolving account of the CIF and was 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 governments 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 – Is 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 – Acronym for 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 a 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 – Acronym for generally accepted accounting principles, the conventions, rules and procedures that serve as the norm for the fair presentation of financial statements.

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

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

H

HCTRA – Acronym for Harris County Toll Road Authority, an interoperable agency.

I

IBTTA – Acronym for 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 – Acronym for Intelligent Transportation System used by NTTA to monitor the System and communicate with the System users.

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

L

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

Leakage – Is a factor applied by NTTA's Traffic and Revenue Engineers to determine the amount of revenue that the Authority will not be able to collect for various reasons.

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

M

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

M/W/S&DBEs – Acronym for Minority/Women/Small and Disadvantaged Business Enterprises.

N

NTTA – Acronym for the North Texas Tollway Authority, a political sub-division of the State created by and operating pursuant to Chapter 366 of the Texas Transportation Code.

O

OPEB – Acronym for 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 North Texas Tollway Authority.

P

PEBC – Acronym for Public Employees Benefits Cooperative that manages the Authorities health and welfare benefit plans.

PGBT – Acronym for President George Bush Turnpike an approximately 30 mile long portion of the System

PGBT-EE – Acronym for President George Bush Turnpike- Eastern Extension an approximately 9.9-mile long portion of the System

PGBT-WE – Acronym for President George Bush Turnpike- Western Extension an approximately 11.5-mile

portion of PGBT that will be a project of the Special Projects System

R

Ramp-up – The factor applied to the 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 Tollway 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 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.

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

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

RTC – Acronym for the Regional Transportation Commission

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 – Acronym for Sam Rayburn Tollway an approximately 26 miles long portion of the System

SWP - Acronym for Southwest Parkway Tollway an approximately 27.2 miles long

T

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

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

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 – Acronym for the Transportation Infrastructure Finance and Innovation Act of 1998 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® – Trade mark for the transponders used by NTTA to collect electronic toll transactions.

Trust Agreement - The Amended and Restated Trust Agreement with Supplements, is the document that governs all matters relating to the bonds, and the operation of the Tollway and its improvement, extension, additions enlargements, and other matters relating to the Authority and the Tollway.

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

U

USDOT - United States Department of Transportation

V

VES – Acronym for Violation Enforcement System the system used by NTTA to pursue toll violators.

VOS – Acronym for Vendor Outreach Symposiums, meetings conducted by NTTA to better diversify its vendor base.

W

WSA – Acronym for Wilbur Smith & Associates the firm the Authority currently uses for traffic and revenue estimations.

Z

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