



NTTA SYSTEM

Preliminary Budget
FY2021

5900 W. Plano Parkway, Plano, Texas 75093
NTTA.org

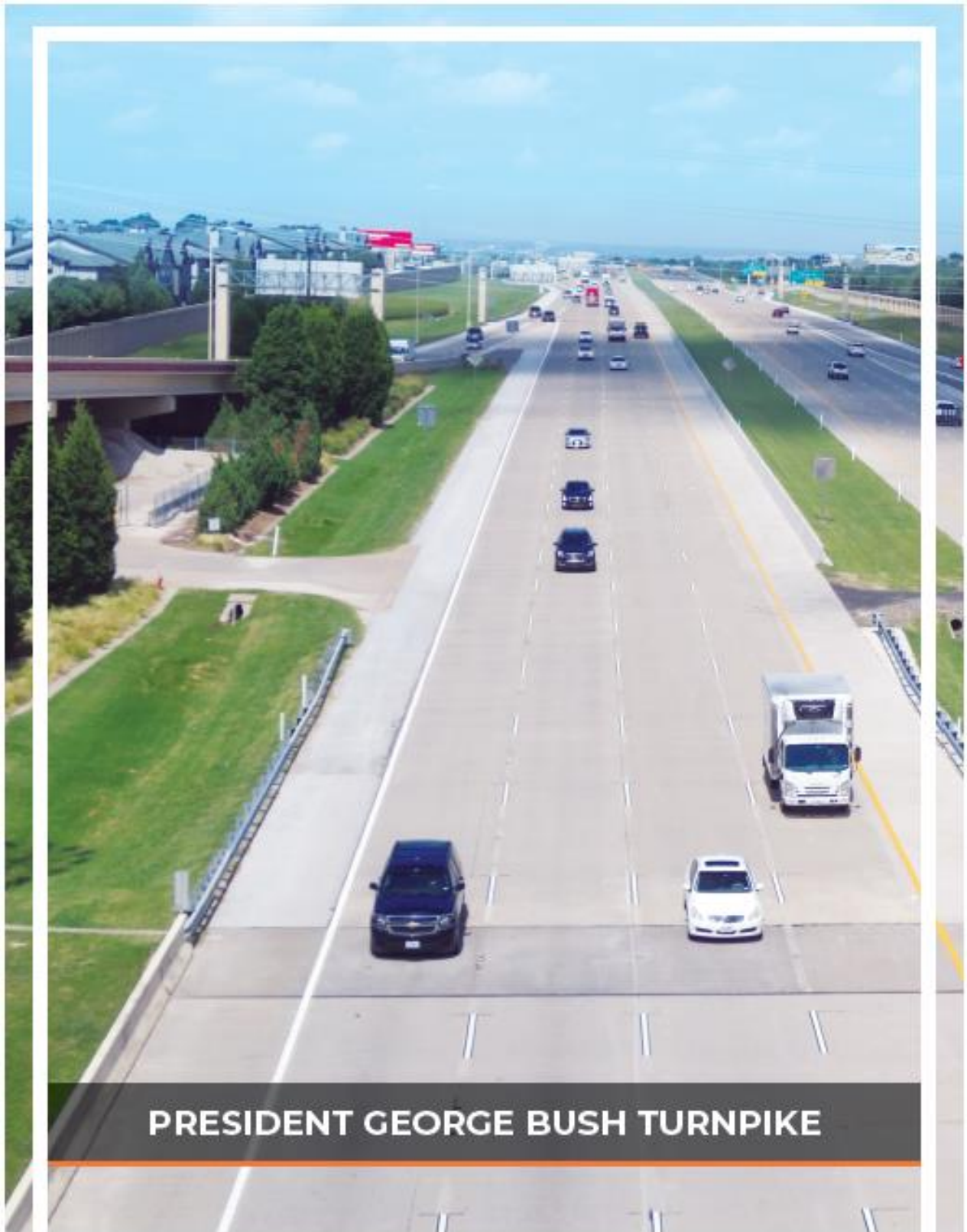
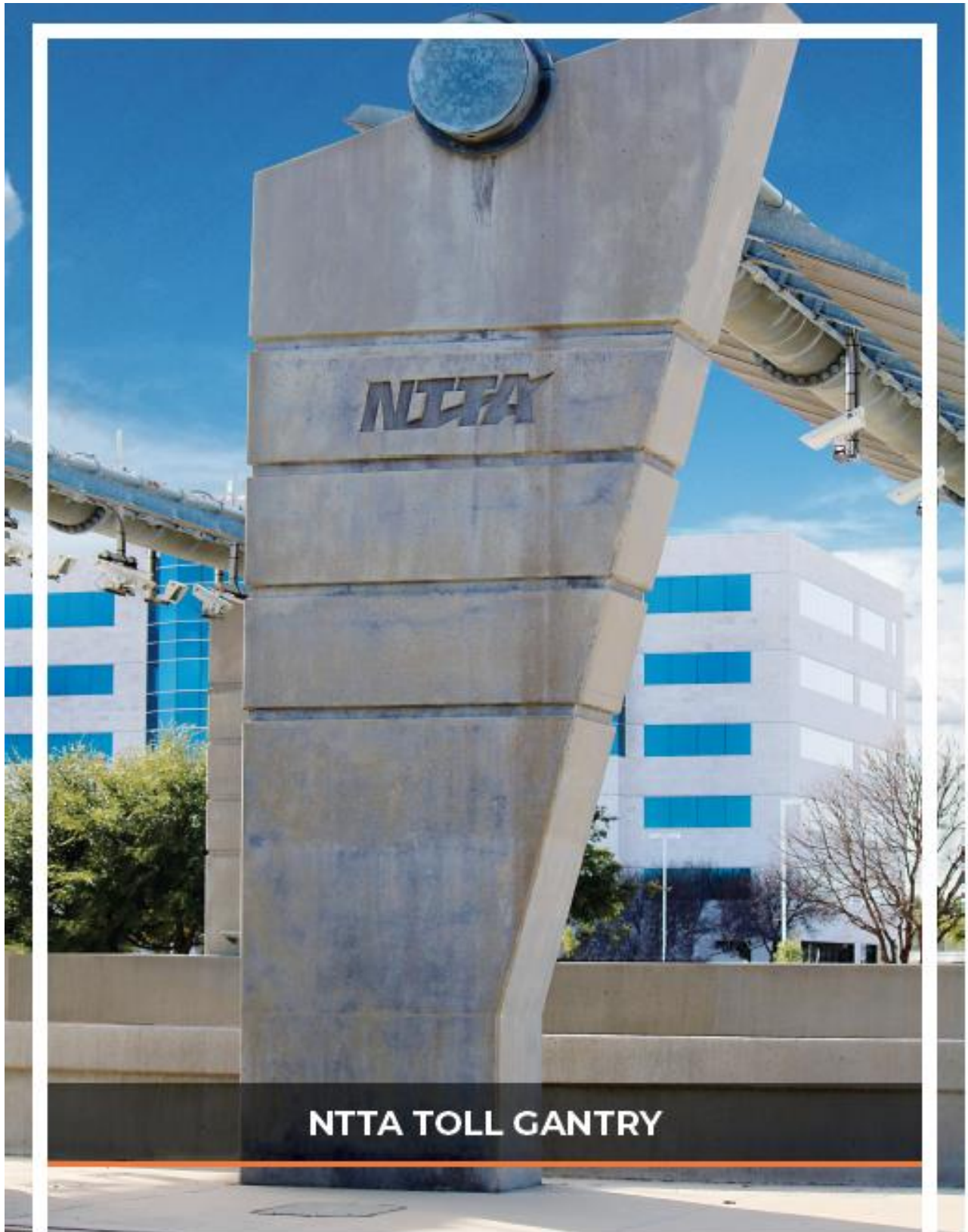


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NTTA TOLL GANTRY

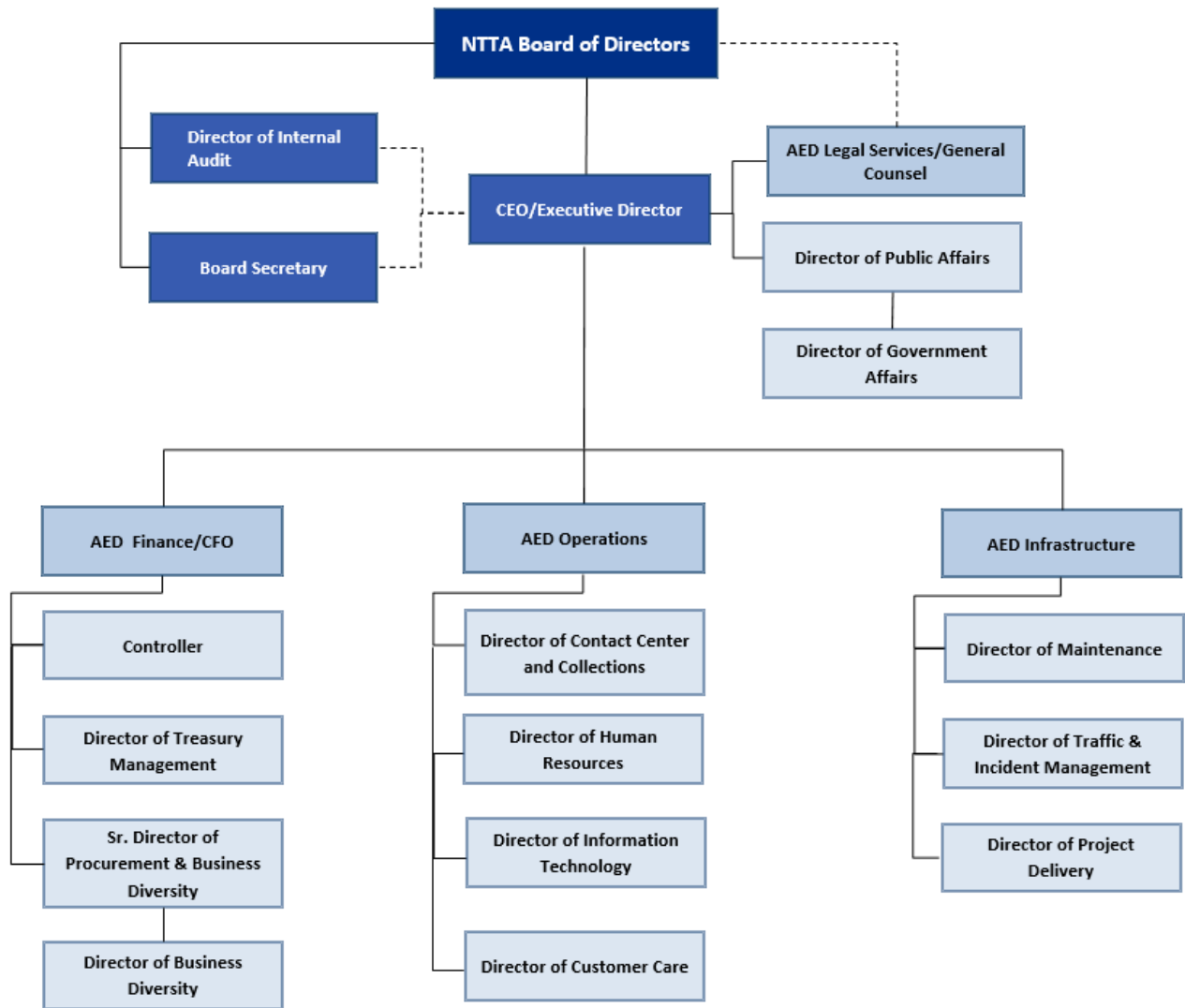
NTTA Mission

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

NTTA Board of Directors

John Mahalik Chairman	Jane Willard Vice Chairwoman	Tim Carter Director
		
Denton County Appointee	Collin County Appointee	Tarrant County Appointee
Lynn Gravley Director	Mojo Haddad Director	Pete Kamp Director
		
Gubernatorial Appointee	Tarrant County Appointee	Denton County Appointee
Marcus Knight Director	Scott Levine Director	George "Tex" Quesada Director
		
Dallas County Appointee	Collin County Appointee	Dallas County Appointee

Organizational Chart



NTTA Officials for FY2021

James Hofmann	CEO/Executive Director
Lorelei Griffith	Board Secretary
Elizabeth Mow, P.E.	Assistant Executive Director, Infrastructure
Horatio Porter, CPA	Assistant Executive Director, Finance/CFO
Dena DeNooyer Stroh	Assistant Executive Director, Legal Services/GC
Sabu Stephen	Assistant Executive Director, Operations
David Evans	Senior Director, Procurement and Business Diversity
Moses Aito	Director, Business Diversity
Arturo Ballesteros	Director, Government Affairs
John Bannerman	Director, Customer Care
Magdalena Brady	Director, Internal Audit
Juhi Chawla	Director, Information Technology
Cindy Demers, CPA	Director, Treasury Management
Eric Hemphill, P.E.	Director, Traffic and Incident Management
Angela Hough	Director, Assistant General Counsel
Craig Lockett	Director, Human Resources
Mark Pavageau, P.E.	Director, Maintenance
Nancy St. Pierre	Director, Public Affairs
Brian Reich, CPA	Director, Controller
Yosvany Rodriguez	Director, Contact Center & Collections
Vacant	Director, Project Delivery

Letter of Transmittal

We are pleased to submit for your review the FY2021 Budget of the North Texas Tollway Authority ("NTTA" or "Authority").

Section 505 of the Amended and Restated Trust Agreement (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 and the Final Budget adopted in December. If NTTA has not adopted an Annual Budget before the first day of the fiscal year, the preliminary budget for such fiscal year or the budget for the preceding year (if no preliminary budget is prepared) shall be deemed to be in force and shall be treated as the Annual Budget under the provisions of the Trust Agreement until the adoption of the Annual Budget.

This chart provides an overview of the FY2021 Budget with a comparison to the FY2020 Budget.

North Texas Tollway Authority		
	FY2021 Budget	FY2020 Budget
Estimated Revenues	\$818,400,400	\$996,777,600
Operating Budget	\$174,000,000	\$195,480,000
Total Net Debt Service	\$531,910,706	\$576,210,125
Estimated Coverage First Tier	1.75	1.91
Estimated Coverage All Debt	1.21	1.41
Reserve Maintenance Deposit	\$14,385,861	\$24,563,777
Estimated Capital Improvement Fund Deposit	\$132,956,199	\$233,195,593

If you have any questions, or need additional information, please let us know. We look forward to presenting and discussing the FY2021 Budget.

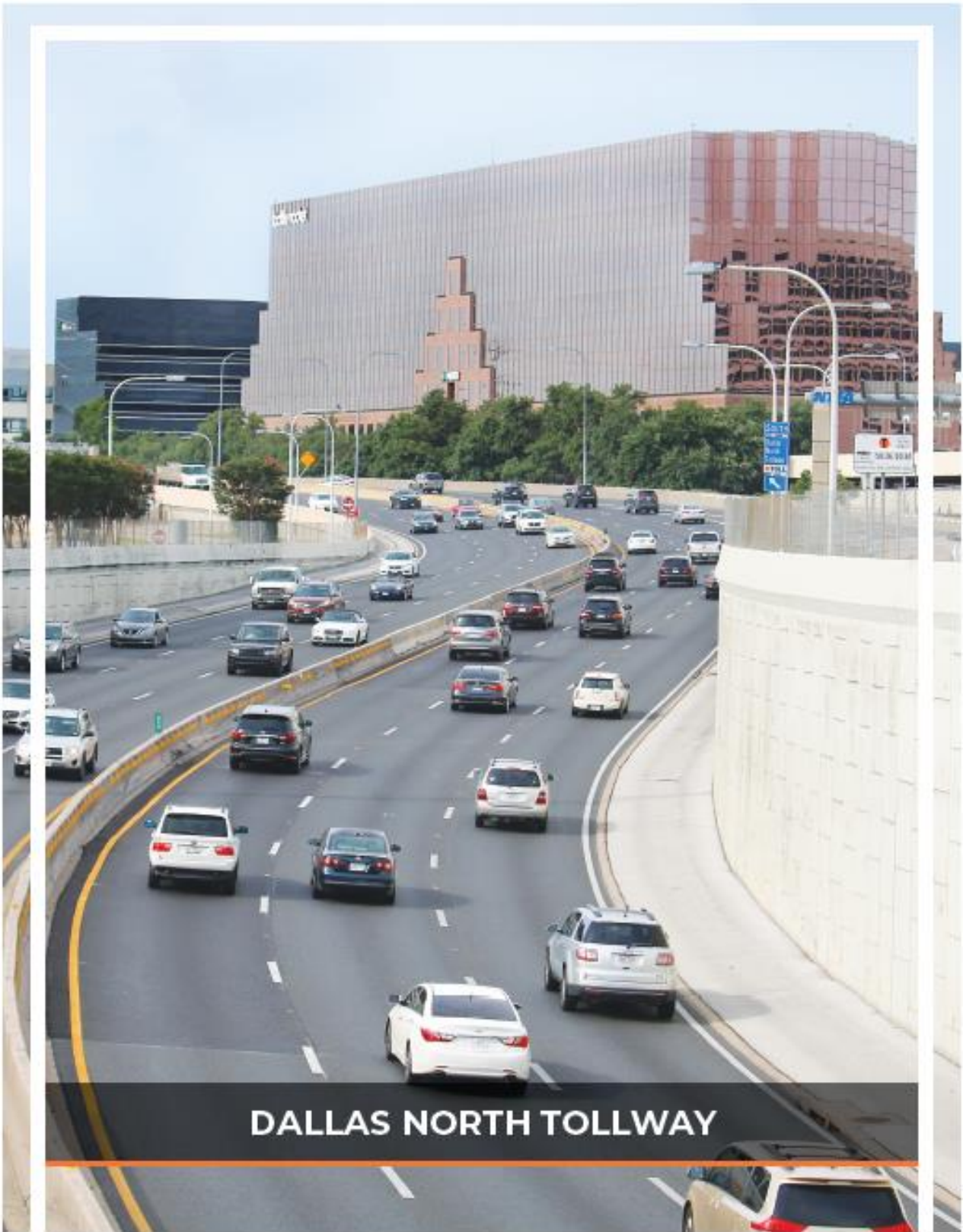
Very truly yours,



James Hofmann, *Executive Director*



Horatio Porter, *Chief Financial Officer*





NTTA Overview

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

NTTA is a non-appropriated (state) organization that operates with revenues generated from projects within the North Texas region. NTTA advances projects in alignment with the North Central Texas Council of Governments' 2045 Metropolitan Transportation Plan. The NTTA operates as an enterprise system of tollways. The NTTA System (System) facilities are the Dallas North Tollway (DNT), President George Bush Turnpike (PGBT), Sam Rayburn Tollway (SRT), Addison Airport Toll Tunnel (AATT), Lewisville Lake Toll Bridge (LLTB), Mountain Creek Lake Bridge (MCLB) and Chisholm Trail Parkway (CTP).

Early in FY2018, NTTA took ownership of State Highway 360 from Camp Wisdom Road to U.S. 287, also referenced as 360 Tollway (360T), per an agreement with the Texas Department of Transportation (TxDOT). The project was funded, designed and built by TxDOT. It is a stand-alone project and not part of the NTTA System. Beginning in FY2023, NTTA will begin making debt service payments to TxDOT as reimbursement for cost incurred to build the project.

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

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

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

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

NTTA continues working to meet the demands for transportation in the North Texas region, which, as of FY2019, boasted 6.0 million registered vehicles and an estimated population of 6.6 million ranking the region as the fourth largest metropolitan area in the United States.

Strategic Plan

FIVE-YEAR STRATEGIC GOALS

GOALS

OBJECTIVES

CUSTOMER-DRIVEN ORGANIZATION

- PROVIDE A HIGH QUALITY CUSTOMER SERVICE EXPERIENCE
 - ENSURE EQUITABLE COLLECTION OF TOLLS
- DRIVE CORPORATE BRANDING AND EDUCATE THE PUBLIC ABOUT USING TOLL ROADS

FINANCIALLY SOUND & VIBRANT ORGANIZATION

- MAINTAIN COMPLIANCE WITH TRUST AGREEMENTS
- MAINTAIN EFFECTIVE INTERNAL CONTROLS
- MANAGE METRICS TO MAXIMIZE PERFORMANCE

DELIVERING TRANSPORTATION SOLUTIONS

- PLAN AND BUILD QUALITY, ENVIRONMENTALLY RESPONSIBLE TOLL FACILITIES
- EFFICIENTLY MAINTAIN AND OPERATE SYSTEM ASSETS
- DRIVE INTERNAL AND EXTERNAL SAFETY IMPROVEMENTS
- LEVERAGE ASSETS AND TECHNOLOGY TO CREATE NEW CUSTOMER VALUE

RESPECTED LEADER AND PARTNER

- ADVOCATE THE VALUE OF NTTA TO PARTNERS, STAKEHOLDERS AND GOVERNMENT ENTITIES
 - DEVELOP STRATEGIES AND COLLABORATE ON REGIONAL ROAD PLANNING
- FOSTER MANAGEMENT AND BUSINESS RELATIONSHIPS THAT REFLECT THE REGION'S DIVERSITY

HIGHLY QUALIFIED, ENERGIZED & ENGAGED TEAM

- RECRUIT, DEVELOP AND RETAIN HIGH-QUALITY PEOPLE
 - RECOGNIZE AND REWARD PERFORMANCE
- ADVANCE EMPLOYEE COMMUNICATION AND ENGAGEMENT STRATEGIES

FY2021 STRATEGIC PRIORITIES

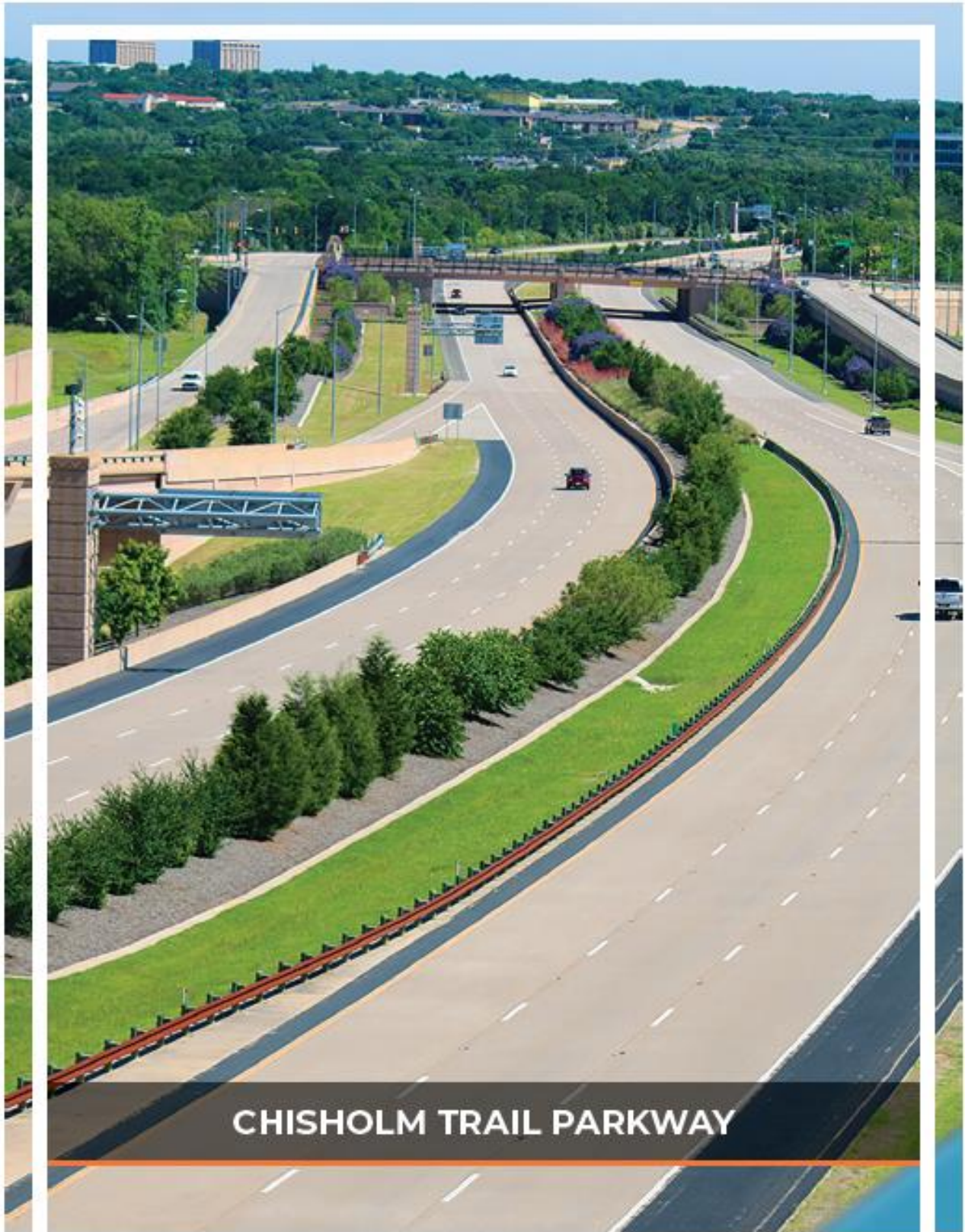
Priorities to support the Authority's five-year strategic goals and objectives are established annually.

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

Strategic Priority	Related Strategic Goal(s)
Respond to impact of Coronavirus pandemic	Financially sound and vibrant organization
Execute Capital Plan	Respected leader & partner in the region's transportation network Delivering transportation solutions
Deliver debt coverage ratios at or above targets	Financially sound and vibrant organization
Enhance safety	Customer-driven organization Delivering transportation solutions
Continue implementing new Back Office System	Customer-driven organization Financially sound and vibrant organization
Process transactions for partners	Customer-driven organization Respected leader and partner in the region's transportation network
Execute Legislative Agenda	Customer-driven organization Respected leader and partner in the region's transportation network
Continue to advance diversity	Respected leader and partner in the region's transportation network
Continue to bolster staff development	Highly qualified, energized and engaged team



ROADSIDE SAFETY SERVICES



CHISHOLM TRAIL PARKWAY

FY2021 Budget Executive Summary

INTRODUCTION

The North Texas region along with the rest of the United States is experiencing some unprecedented times with the Coronavirus pandemic. The county and state implemented stay-at-home orders had a significant impact on the tolling industry. NTTA was designated an essential business and will remain operational throughout the pandemic and beyond, providing safe and reliable toll road options for the region.

BUDGET HIGHLIGHTS:

The FY2021 budget reflects the impact of the pandemic and the Authority's response in order to maintain the customer service and high standards of the NTTA System in alignment with the Authority's five strategic goals:

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

More specifically, NTTA priorities are aimed at mitigating the impact of the pandemic, adding capacity to the system and maintaining customer service and safety. Targeted initiatives include:

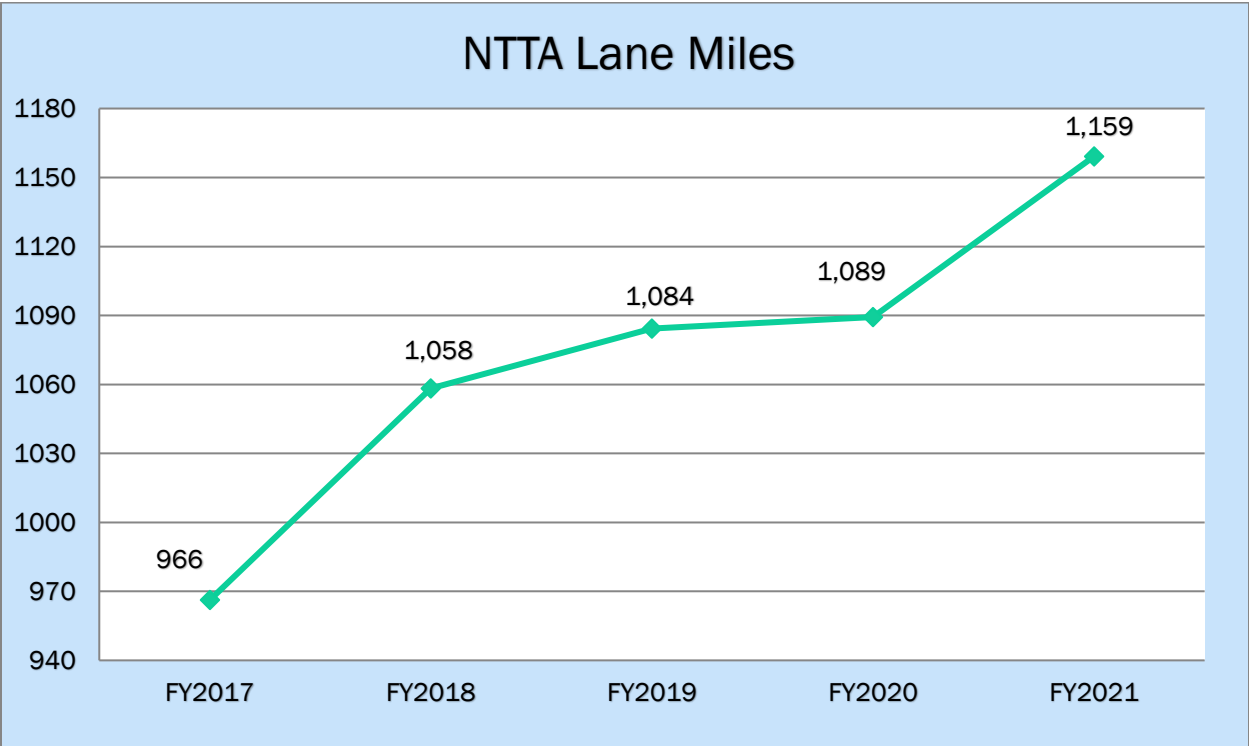
- Continue maintaining key drivers of customer satisfaction, which include minimal call center wait times, maintain the customer service locations and contact channel opportunities
- Continue responding quickly to incidents for the safety of customers
- Explore debt service refunding options
- Complete final system acceptance of the new back office system

As NTTA continues to advance these efforts, there are critical assumptions about the drivers and components that shape the FY2021 Budget.

1. Revenues continue to recover due to anticipated return of traffic and a toll rate increase as of July 2021.
2. Despite higher debt obligations, NTTA expects to exceed, the 1.35 times first tier debt service coverage required by the Trust Agreement as budgeted. A refunding transaction to provide savings and improve debt service coverages is anticipated to be completed in October 2020.
3. The Operation and Maintenance Fund (OMF) continues to fund strategic priorities.
4. Spending from the Reserve Maintenance Fund (RMF) will decrease due to the normal cycle of scheduling maintenance of roads, facilities and equipment.

The significant change in the FY2021 budget reflects NTTA's efforts to respond to and overcome the impact of the Coronavirus pandemic.

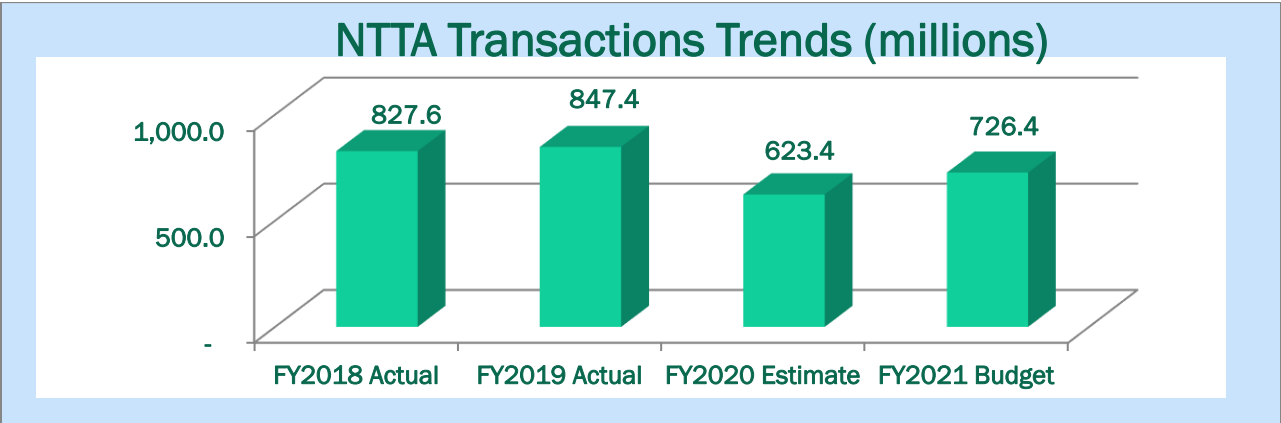
The NTTA System consists of revenue-producing toll road main lanes and service roads. The combined roads represent the total lane miles NTTA must maintain. The PGBT and SRT 4th lanes will add 18 and 52 lane miles, respectively. Over the last five years, total lane miles have increased by 193 or 20.0% from 966 lane miles to 1,159 lane miles.



FY2021 TRANSACTIONS

The FY2021 Budget maintains a strong focus on increasing the number of TollTag customers while also efficiently processing, invoicing and collecting non-TollTag (ZipCash) transactions.

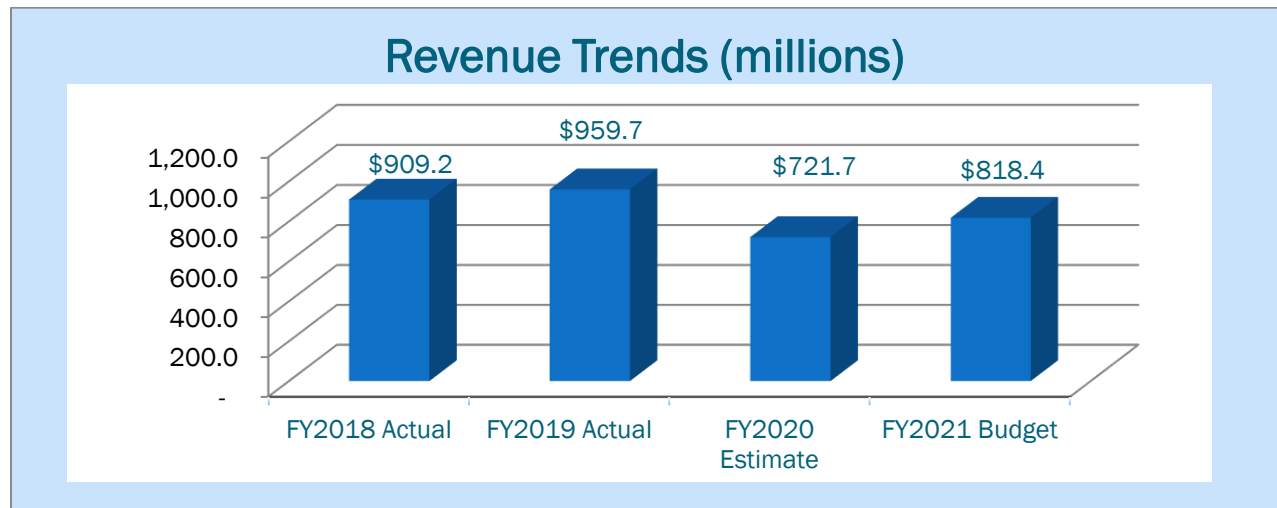
Overall, the toll transactions for the NTTA System are estimated to increase over the COVID affected 2020 estimate to 726.4 million in FY2021. Separately, the toll services agreements (TSAs) will add an estimated 160.4 million, the airports, interoperable agencies will add 32.5 million, and the 360T will add an incremental 18.7 million transactions to FY2021.



FY2021 REVENUES

Uniquely positioned, NTTA brings a businesslike approach to a traditional government sector, providing transportation alternatives to customers for a reasonable fee. The business model approach of fee for service requires a keen focus on the customer to ensure they continue to enjoy a safe and reliable travel experience. As a business entity, NTTA does not collect taxes. Instead, NTTA’s revenues are derived from tolls, service fees and interest income to support its operations. Total FY2021 estimated revenues for the NTTA System are \$818.4 million. The primary source of revenue is from

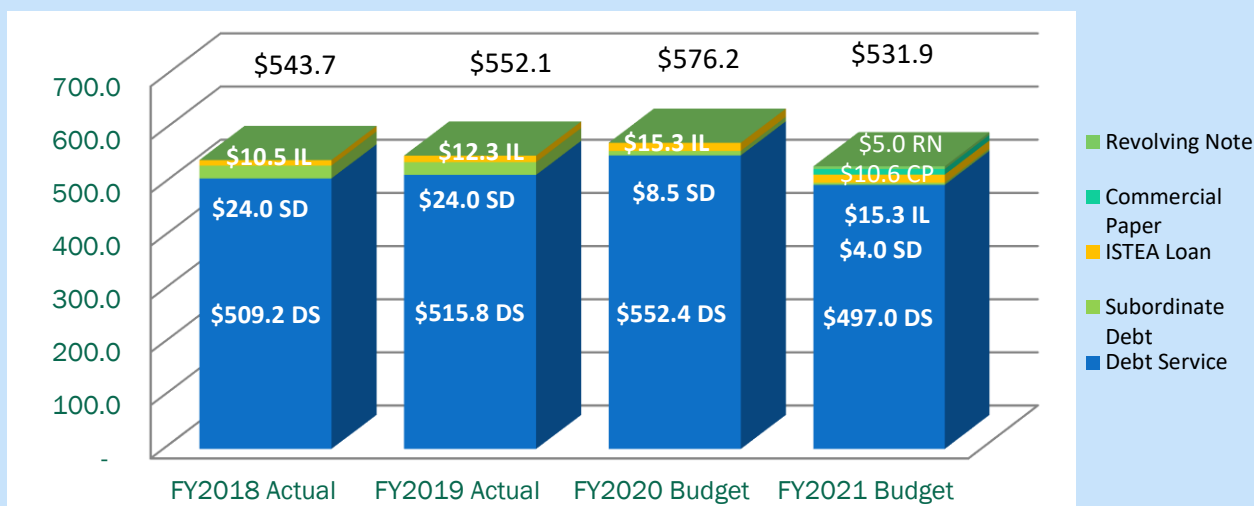
tolls totaling \$776.1 million. The tolls are broken out into TollTag revenue of \$666.8 million and ZipCash revenue of \$109.3 million (see T&R projection on pages 134-141). Budgeted toll revenues increased by \$109.4 million from the COVID impacted FY2020 estimates. Another component of revenue is other income, which consists of things like late fees, statement fees and rents, for a combined budget of \$27.3 million. This amount is approximately 3.3% of total revenue. The late fees are based on business rules that assess a \$10 fee for the first notice of nonpayment and a \$25 fee for the second notice of nonpayment. The final revenue component is projected interest income budgeted at \$15.0 million or approximately 1.8% of total revenue.



FY2021 DEBT SERVICE AND LOAN REPAYMENT

Total net debt service will decrease **(\$44.3)** million to \$531.9 million in FY2021. This anticipated decrease is due to a FY2020 Refunding transaction to be completed in October 28, 2020. Additionally, the NTTA System helped finance the construction of the CTP through subordinated debt. The subordinated debt payment is \$4.0 million. An ISTEAL loan was used for financing of the PGBT. The loan payment is \$15.3 million. During FY2020, the Authority issued \$200.0 million in commercial paper and a \$100.0 million revolving note to secure funding for on-going projects. The scheduled debt payment on these two debt instruments is \$15.6 million. While these amounts represent a portion of the NTTA System's indebtedness, they are not funded from the Debt Service Fund but instead from the Capital Improvement Fund. The estimated FY2021 total bond debt service coverage is 1.75 times first tier debt service, which is above the 1.35 times required by the Trust Agreement. Estimated coverage for all debt service including the CIF-funded debt payment is 1.21 times versus the required 1.00 times.

Debt Service Trends (millions)



FY2021 EXPENDITURES

The requirement of the Trust Agreement is the adoption of an annual OMF budget and deposit to RMF. The OMF budget, the RMF estimated deposit, the 360T budget and the TSA budget total \$216.0 million.

OPERATION AND MAINTENANCE FUND (OMF)

The FY2021 OMF budget is \$174.0 million. Material variance explanations as compared to FY2020 budget are located on each of the department's budget and information documents (see pages 53-109). All of the NTTA System labor costs are budgeted in the Operation and Maintenance Fund. This allows the Authority to present a complete view of salaries and benefits and to better track staffing-related costs.

Costs directly associated with the administrative services of the NTTA System (Accounting, Administration, Board, Human Resources, Internal Audit, Legal, Procurement and Business Diversity, Public Affairs, Shared Services and Treasury Management departments), are \$26.9 million or 15.5% of the total budget. Overall, the department's budgets have decreased by **(\$5.9)** million, mainly **(\$3.1)** million for change in accounting treatment of other post-employment liabilities (OPEB) and **(\$3.8)** million to adjust for some of the pandemic impact.

Operations and maintenance costs directly associated with operational services of the NTTA System (Contact Center and Collections, Information Technology, Maintenance, Operations, Project Delivery and Traffic & Incident Management departments) are \$147.1 million or 84.5% of the total budget. These departments FY2021 OMF budget decreased by **(\$14.6)** million due to volume related items impacted by the pandemic such as Zipcash invoicing, postage, credit card fees and image review. However, the budget still allows NTTA to maintain its level of service and safety for the customers.

The Contact Center and Collections department is responsible for delivering high-quality customer services to the customers. The FY2021 budget is decreasing by approximately **(\$11.4)** million due to the reduction in traffic transactions.

The Information Technology department is responsible for all toll collection and business systems and software. The FY2021 budget is decreasing by approximately **(\$1.5)** million, mainly due to the implementation of the new back office system.

The Maintenance department budget is increasing by \$0.3 million with \$1.0 million for facility cleaning and employee sanitizing products to combat the spread of COVID-19. The increase is offset by a decrease of **(\$0.7)** million in other areas.

The Traffic & Incident Management department provides roadside assistance to motorists and ensures our facilities have timely clearance of incidents thereby reducing risk and congestion for our customers. The department is also responsible for agency-wide insurance policies. The budget is decreasing by **(\$1.7)** million, due to the decrease in traffic.

RESERVE MAINTENANCE FUND (RMF)

Ongoing and preventive maintenance of the existing infrastructure, facilities and equipment ensures all assets operate at or above industry standards. Annual inspections and the asset management program guide NTTA's budgeted investment in RMF. The estimated FY2021 beginning balance of the fund is \$42.7 million. Therefore, a deposit of \$14.4 million is required to cover the \$57.1 million in estimated project expenditures outlined in the FY2020-FY2024 Capital Plan and to maintain the \$5.0 million required reserve (see pages 95-96).

360 TOLLWAY (360T)

The FY2021 estimated expenditures are \$8.4 million (see pages 97-101). This includes \$4.0 million for operations and maintenance costs and \$4.4 million for toll collection services. All of the costs are in conformity with the TxDOT agreement.

ENTERPRISE FUND/TOLL SERVICE AGREEMENTS (TSA)

The Authority is the regional toll provider responsible for the collection of tolls on all tolled projects in the North Texas Region through various TSAs. In addition, the System's Tolltags are operable for parking at DFW and Love Field airports, other Texas toll roads and various other state's toll roads. The Enterprise Fund was created to account for the revenue and expenses associated with these partners. Currently, the Authority has TSAs with LBJ Express (on LBJ Freeway, or Interstate 635), North Tarrant Express (NTE) 1 & 2W and NTE 3A/3B as well as a Regional TSA that includes the DFW-Connector, IH-30, IH-35, SH 114, SH 183, Loop 12 and LBJ East.

The Enterprise Fund FY2021 budget is \$19.2 million (see pages 102-104). The budget is composed of \$18.3 million for allocated salaries, benefits and costs related to transaction processing and \$0.9 million for professional, legal fees and promotional costs.

PERSONNEL

The FY2021 Budget includes \$46.8 million for direct salaries and wages. Total budgeted full-time employees' (FTE's) positions for FY2021 are 855 (see Staffing Summary page 38) which is five positions under the prior year's budget. However, of the 855 positions only 792 are funded in the FY2021 budget due to an agency-wide hiring freeze imposed to respond to the impact of the pandemic.

HEALTHCARE AND RETIREMENT BENEFITS

NTTA offers a comprehensive healthcare plan for its employees managed by the Public Employees Benefit Cooperative (PEBC). NTTA and its employees jointly share in the cost of the healthcare plan with NTTA paying approximately 80% of the cost and the employees the remaining 20% through payroll deduction. In addition, NTTA provides retiree health care benefits through the Authority's

Benefits plan also administered by PEBC. Employees retiring from NTTA with a minimum 10 years of service are eligible to participate in the company's retiree healthcare plan. There are currently 29 individuals participating in this program. NTTA also participates in the Employees Retirement System of Texas Group Benefit Program for employees hired prior to FY1997 who remain eligible to retire under the State's plan. Currently 45 individuals participate in this plan. Insurance accrual rates increased by 2.3% compared to FY2020. The FY2021 Budget includes \$9.6 million to cover all of the group insurance costs mentioned above. Based on historical experience, this amount is projected to cover claims as well as the provisions required within the Affordable Care Act.

Through Texas County and District Retirement System (TCDRS), NTTA provides pension retirement benefits to its eligible retirees. To become eligible, employees must have a minimum 10 years of service. Eligible retirees receive 250% of the amount they contribute to their retirement account. Currently the retirement plan is funded at 99.2%. In FY1997, NTTA decided to opt out of paying into social security and created a mandatory 401(K) program for all employees. However, this decision did not include the Hospital Insurance portion of the Federal Insurance Contribution Act so NTTA and its employees still contribute to Medicare. As a condition of employment, each employee is required to contribute the following percentages of their base salary to fund these plans: 6.00% to TCDRS, 4.00% to 401(K) and 1.45% to Medicare. NTTA also contributes a percent of total base salary of each employee equal to 7.96% to TCDRS, 3.50% to 401(K) and 1.45% to Medicare to fund these plans. The FY2021 Budget includes \$5.9 million for overall retirement benefits.

SUMMARY

The FY2021 Budget empowers the Authority to deliver a safe and reliable toll road system to its customers while operating as a financially sound and vibrant organization. It enables the Authority to continue its commitment to bond holders by maintaining a 1.75 times debt service coverage ratio. Spending is prioritized and managed appropriately to respond to the impact of the Coronavirus pandemic while striving for a seamless customer experience. Overall it is a balanced budget with estimated revenues exceeding the expenses for operations, debt service and asset maintenance. The FY2021 Budget ensures that NTTA can perform responsibly and responsively for the benefit of all its stakeholders.

Fund Account Descriptions

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

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

REVENUE FUND (RF) - 1101

The Revenue Fund accounts for all revenues (all tolls, other revenues and interest 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 132-133)

OPERATION AND MAINTENANCE FUND (OMF) - 1001

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

RESERVE MAINTENANCE FUND (RMF) - 1201

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

CAPITAL IMPROVEMENT FUND (CIF) - 1501

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

CONSTRUCTION FUND (CF) - 3700

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

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

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

- First, Second or Third Tier Bond Interest Account – This account was created to account for the interest payments for the debt obligation within each tier.

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

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

360 TOLLWAY (360T) - 6000

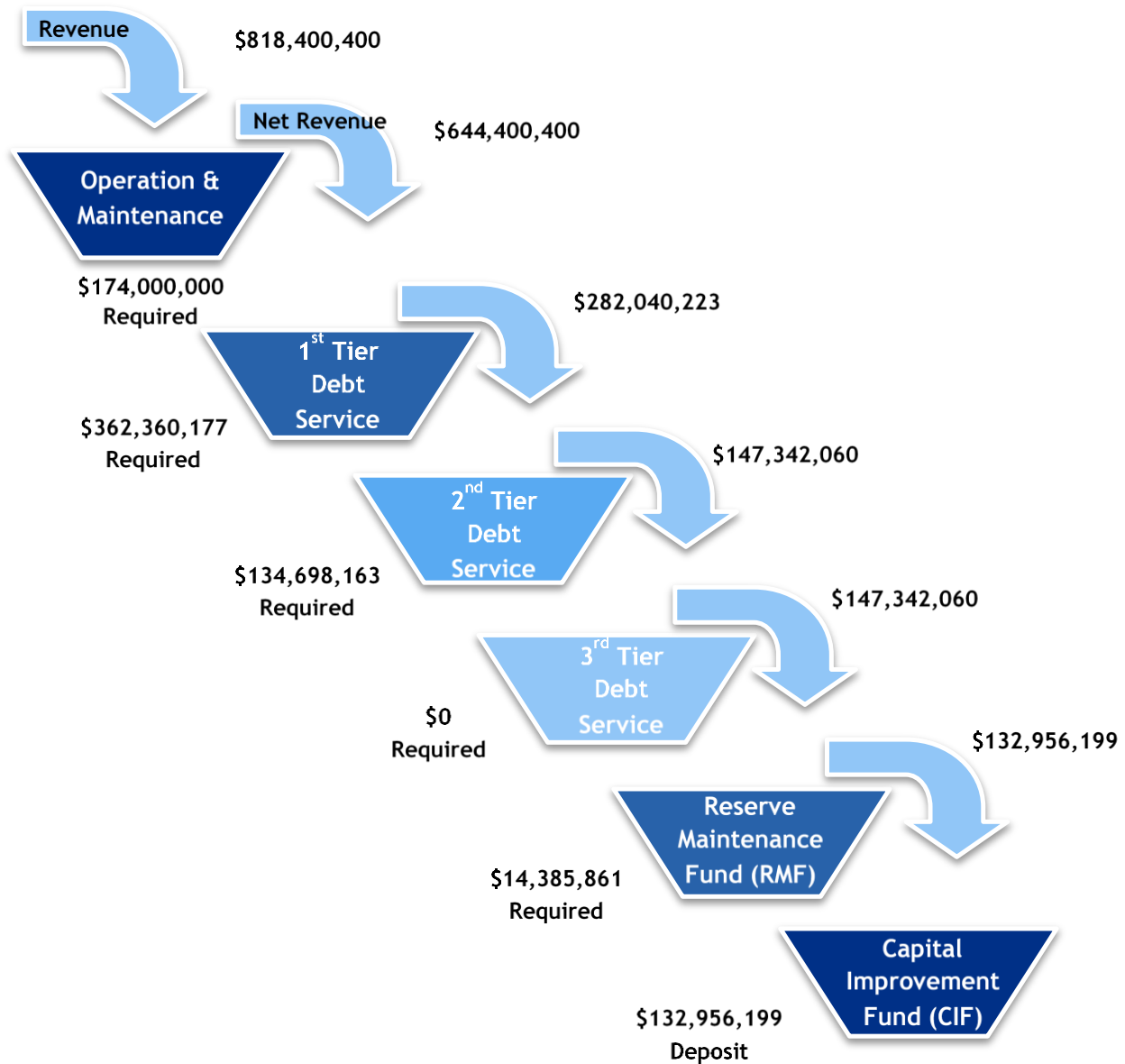
The 360 Tollway Fund was established by the Authority to account for the revenue and expenses associated with the project in accordance to the Project Agreement.

ENTERPRISE FUND (EF) - 7800

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

Flow of NTTA System FY2021 Revenue

The following graph shows the distribution of the FY2021 projected revenues from the Revenue Fund to the various funds in accordance with the Trust Agreement.



FY2018 to FY2021 Revenue Detail

	FY2018	FY2019	FY2020
	Actual	Actual	Budget
TOLL REVENUE			
President George Bush Turnpike (PGBT)	\$ 324,277,318	\$ 338,917,524	\$ 355,544,000
Dallas North Tollway (DNT)	263,220,648	280,486,848	290,647,700
Sam Rayburn Tollway (SRT)	189,697,456	196,915,278	208,252,900
Chisholm Trail Parkway (CTP)	52,758,334	57,813,470	61,114,900
Lewisville Lake Toll Bridge (LLTB)	8,765,331	9,957,748	9,938,800
Mountain Creek Lake Bridge (MCLB)	1,571,572	1,578,107	1,567,600
Addison Airport Tunnel Tollway (AATT)	1,200,357	1,174,165	1,276,700
Total Toll Revenues	841,491,016	886,843,140	928,342,600
INVESTMENT INCOME	23,042,758	28,624,642	22,500,000
OTHER INCOME			
Statement Fees	3,404,040	3,774,267	3,535,000
Rents & Miscellaneous Revenues	940,474	1,343,998	1,000,000
Late Fees	40,305,382	38,445,910	41,400,000
Total Other Income	44,649,896	43,564,175	45,935,000
TOTAL REVENUES	\$ 909,183,670	\$ 959,031,958	\$ 996,777,600

(1) Projected FY2020 toll revenue per CDM Smith revised estimate as of June 30, 2020; investment and other revenue estimated by staff based on June 2020 actual.

(2) Estimated FY2021 toll revenue per CDM Smith Traffic and Toll Revenue Study; investment and other revenue estimated by staff.

FY2020	FY2020	FY2021	Variance	
Projection (1)	Variance Projection to Budget	Budget (2)	Increase/(Decrease) to FY2020 Projections	% Change
\$ 254,997,800	\$ (100,546,200)	\$ 295,799,200	\$ 40,801,400	16.0%
205,182,500	(85,465,200)	239,671,100	34,488,600	16.8%
149,571,700	(58,681,200)	175,762,600	26,190,900	17.5%
46,867,500	(14,247,400)	53,813,500	6,946,000	14.8%
8,021,600	(1,917,200)	8,678,100	656,500	8.2%
1,208,100	(359,500)	1,322,800	114,700	9.5%
882,900	(393,800)	1,053,100	170,200	19.3%
666,732,100	(261,610,500)	776,100,400	109,368,300	16.4%
13,000,000	(9,500,000)	15,000,000	2,000,000	15.4%
4,000,000	465,000	4,000,000	0	0.0%
500,000	(500,000)	800,000	300,000	60.0%
26,418,620	(14,981,380)	22,500,000	(3,918,620)	(14.8%)
30,918,620	(15,016,380)	27,300,000	(3,618,620)	(11.7%)
\$ 710,650,720	\$ (286,126,880)	\$ 818,400,400	\$ 107,749,680	15.2%

Revenue and Coverage Calculation FY2019 to FY2021

	FY2019	FY2020	FY2021	FY2021 to FY2020 Variance	
	Actual	Budget	Budget	Amount	% Change
Gross Toll Revenue	\$ 966,185,297	\$ 1,021,844,400	\$ 897,334,400	(\$124,510,000)	(12.2%)
Bad Debt Expense	(79,342,157)	(93,501,800)	(121,234,000)	(27,732,200)	29.7%
Net Toll Revenue (1)	886,843,140	928,342,600	776,100,400	(152,242,200)	(16.4%)
Investment Income	28,624,643	22,500,000	15,000,000	(7,500,000)	(33.3%)
Other Income (2)	43,564,175	45,935,000	27,300,000	(18,635,000)	(40.6%)
Total Revenues	959,031,958	996,777,600	818,400,400	(178,377,200)	(17.9%)
REVENUE TRANSFERS TO OPERATION AND MAINTENANCE FUND					
Operating Expenses (3)	174,227,341	195,480,000	174,000,000	(21,480,000)	(11.0%)
Inter-Fund Transfers (3)	(9,679,153)	(8,900,000)	-	8,900,000	(100.0%)
Net Operating Expenses (3)	164,548,187	186,580,000	174,000,000	(12,580,000)	(6.7%)
Net Revenues for Debt Service	794,483,770	810,197,600	644,400,400	(165,797,200)	(20.5%)
DEBT SERVICE					
First Tier Debt Service	416,569,100	441,752,603	380,652,704	(61,099,899)	(13.8%)
First Tier Capitalized Interest and Credit	(18,195,535)	(18,195,536)	(18,292,527)	(96,991)	0.5%
Second Tier Debt Service	117,461,316	128,881,163	134,698,163	5,817,000	4.5%
Net Debt Service Fund (4)	515,834,881	552,438,230	497,058,340	(55,379,890)	(10.0%)
CIF Subordinated Bonds Debt	23,989,181	8,449,499	3,962,140	(4,487,359)	(53.1%)
Commercial Paper/Revolving Note	-	-	15,567,830	15,567,830	100.0%
ISTEA Loan	12,250,000	15,322,396	15,322,396	0	0.0%
Total Net Debt Service	552,074,062	576,210,125	531,910,706	(44,299,419)	(7.7%)
Inter-Fund Transfer (5)	36,239,181	23,771,895	34,852,366	11,080,471	46.6%
Revenues Available after Debt Service	278,648,889	257,759,370	147,342,060	(110,417,310)	(42.8%)
Reserve Maintenance Fund	38,053,253	24,563,777	14,385,861	(10,177,916)	(41.4%)
Required Deposit					
Revenues Available for Capital Improvement Fund	240,595,636	233,195,593	132,956,199	(100,239,394)	(43.0%)
CIF Subordinated Debt Payment	(8,449,499)	(8,449,499)	(3,962,140)	4,487,359	(53.1%)
Commercial Paper/Revolving Note	-	-	(15,567,830)	(15,567,830)	(100.0%)
ISTEA Payment	(12,250,000)	(15,322,396)	(15,322,396)	0	0.0%
Revenues Available for Capital Projects	\$ 219,896,137	\$ 209,423,698	\$ 98,103,833	(\$111,319,865)	(53.2%)
DEBT SERVICE COVERAGE				TRUST AGREEMENT REQUIREMENT	
First Tier Coverage	1.99	1.91	1.75	1.35	
First & Second Tier Coverage	1.54	1.47	1.26	1.20	
All Debt Coverage	1.44	1.41	1.21	1.00	

(1) FY2021 Toll Revenue Estimates are based on T&R consultant estimates. (See pages 134-141)

(2) Other Income includes late fees, statement fees and rents.

(3) Budgeted Operating Expenses include 100% of the total salaries, retirement and healthcare costs. For FY2021, transfers from Construction Fund, Reserve Maintenance Fund and Capital Improvement Fund will no longer be made to cover any of these costs.

(4) Reflects the refunding anticipated for October 28, 2020 that creates some savings and improves debt service coverage.

(5) For FY2021 CIF will transfer \$34.9 million to the Bond Service Fund for Subordinated Debt, ISTEA Loan, Commercial Paper and Revolving Note payments.

FY2021 Estimated Revenue and Debt Service Fund Requirements

Revenue Distribution	
Estimated Available Balance as of 1/1/2021	\$ -
Estimated FY2021 Revenues	
Toll Revenue	776,100,400
Other Revenue	27,300,000
Interest Income	15,000,000
Total Estimated Revenues	<u>818,400,400</u>
Required Transfers per Trust Agreement	
Operation and Maintenance Fund	(174,000,000)
Debt Service Fund	(497,058,340)
Reserve Maintenance Fund	(14,385,861)
Capital Improvement Fund	(132,956,199)
Total Estimated Transfers	<u>(818,400,400)</u>
Estimated Available Balance as of 12/31/2021	\$ -

Debt Service Fund Balance	
Debt Service Fund Available Balance as of 1/1/2021	\$ -
Debt Service Payments	
First Tier Debt Service	(362,360,177)
Second Tier Debt Service	(134,698,163)
Capital Improvement Fund Subordinated Debt	(3,962,140)
Capital Improvement Fund Commercial Paper/Revolving Note	(15,567,830)
Capital Improvement Fund ISTEAL Loan	(15,322,396)
Total Debt Service Payments	<u>(531,910,706)</u>
Required Transfers per Trust Agreement	
Revenue Distribution	\$ 497,058,340
Excess Bond Reserve Account	-
Transfer from Capital Improvement Fund	34,852,366
Total Estimated Transfers	<u>531,910,706</u>
Estimated Available Balance as of 12/31/2021	\$ -

Bond Reserve Account Balance*	
Estimated Available Balance as of 1/1/2021	\$ 447,662,222
Required Transfers per Trust Agreement	
Construction Fund	-
First Tier Debt Service	-
Estimated Available Balance as of 12/31/2021	\$ 447,662,222

* The Bond Reserve Account balance shall be used to retire the last of the Outstanding Bonds and/or for paying interest and principal of the Bonds if Debt Service Fund balance is insufficient for that purpose. Per the Trust Agreement, at the option of the Authority, the excess Required Reserve can be transferred to the Construction Fund through completion of construction of any project; otherwise to the First Tier Debt Service account.

Actual, Projections & Budget for FY2018 to FY2021

	FY2018	FY2019	FY2020
	ACTUAL	ACTUAL	BUDGET
Toll Revenue (1)	\$ 841,491,016	\$ 886,843,140	\$ 928,342,600
Investment Income	23,042,758	28,624,643	22,500,000
Other Income	44,649,896	43,564,175	45,935,000
Total Revenues	909,183,670	959,031,958	996,777,600
ADMINISTRATIVE SERVICES (2)			
Accounting	1,560,396	1,531,936	1,718,752
Administration	715,899	703,132	698,064
Board	163,169	189,729	184,618
Financial Planning and Analysis (3)	892,550	-	-
Human Resources	1,262,902	1,346,288	1,843,245
Internal Audit	777,918	840,827	1,300,482
Legal Services	3,067,577	2,738,572	3,296,978
Procurement and Business Diversity	1,564,465	1,746,761	1,950,199
Public Affairs	5,186,964	6,711,287	7,164,559
Shared Services	12,184,397	10,670,238	13,147,194
Treasury Management (3)	1,127,438	2,125,104	2,484,443
Sub-total	28,503,675	28,603,872	33,788,534
OPERATIONAL SERVICES (2)			
Contact Center and Collections	69,848,872	68,298,619	69,135,099
Information Technology	21,032,121	26,956,902	25,743,125
Maintenance	27,496,673	29,723,506	41,283,106
Operations	749,587	1,025,335	1,158,183
Project Delivery	2,471,974	2,442,142	2,847,644
Traffic & Incident Management	15,447,007	17,176,966	21,524,309
Sub-total	137,046,234	145,623,469	161,691,466
Total Expenses	\$ 165,549,909	\$ 174,227,341	\$ 195,480,000

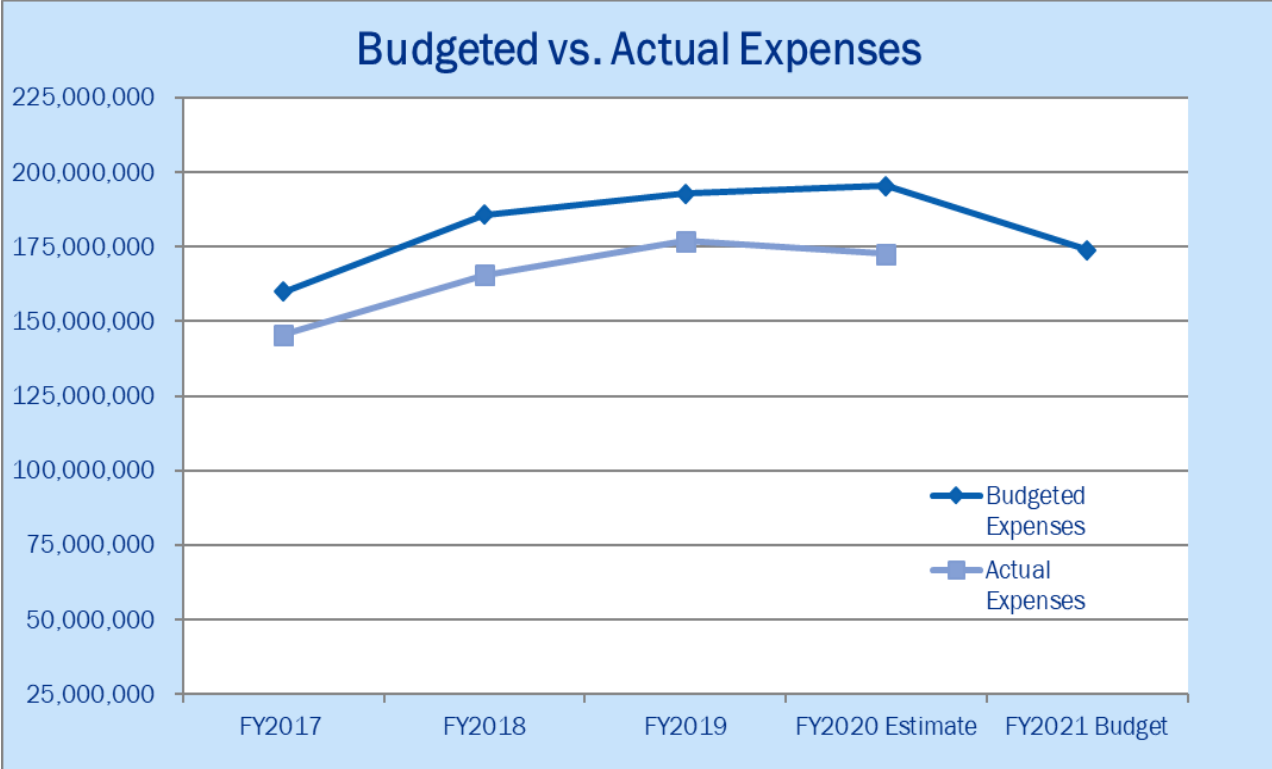
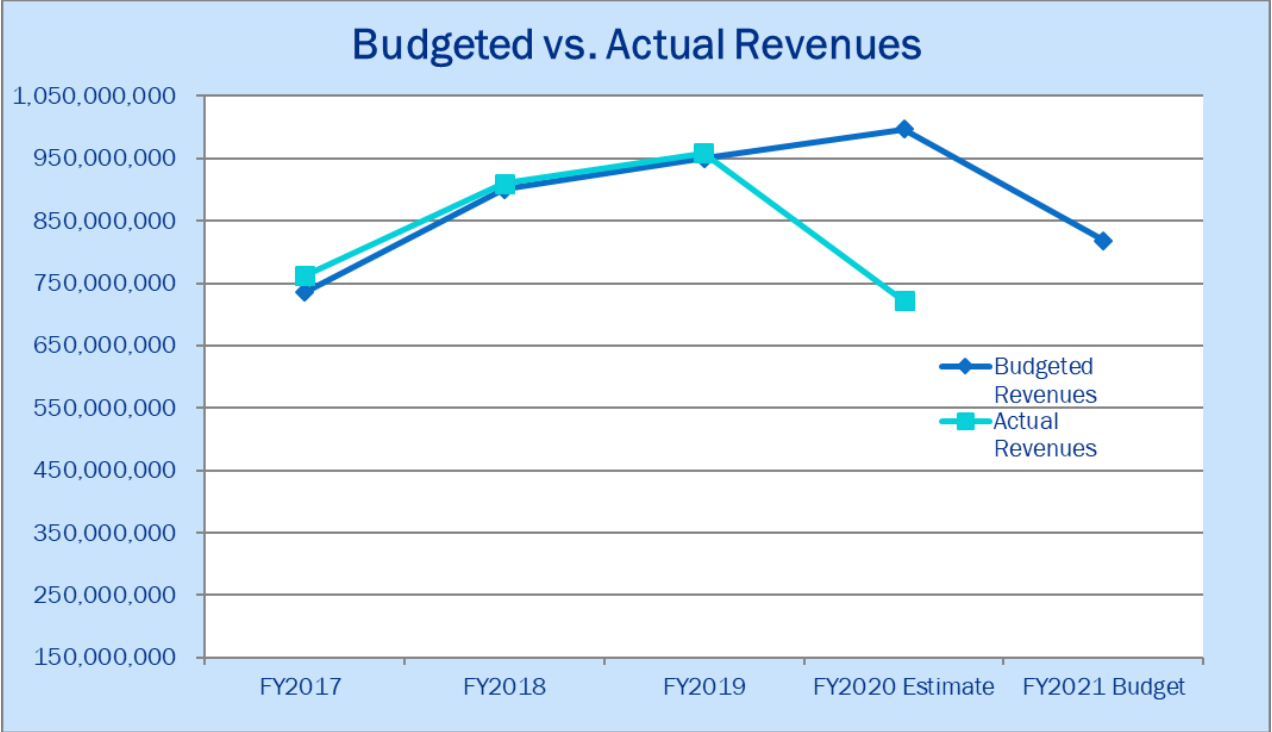
(1) FY2020 and FY2021 Budget toll revenue numbers per T&R consultant estimate. (See page 134-141 for FY2021 Budget toll revenue)

(2) FY2020 projected cost presented by account on Appendix E, pages 142-145.

(3) Financial Planning and Analysis was combined with Treasury Management during FY2018.

FY2020	FY2020	FY2021	Variance
PROJECTION	VARIANCE PROJECTION to BUDGET	BUDGET	Increase (Decrease) to FY2020 Projections
\$ 666,732,100	\$ (261,610,500)	\$ 776,100,400	\$ 109,368,300
13,000,000	(9,500,000)	15,000,000	2,000,000
30,918,620	(15,016,380)	27,300,000	(3,618,620)
<u>710,650,720</u>	<u>(286,126,880)</u>	<u>818,400,400</u>	<u>107,749,680</u>
1,620,143	(98,609)	1,676,997	56,854
717,777	19,713	576,650	(141,127)
171,248	(13,370)	186,037	14,789
-	-	-	-
1,214,816	(628,429)	1,421,289	206,473
908,521	(391,961)	898,713	(9,808)
3,292,564	(4,414)	2,706,016	(586,548)
1,594,398	(355,801)	1,753,970	159,572
6,058,067	(1,106,492)	5,682,840	(375,227)
10,386,820	(2,760,374)	9,759,273	(627,547)
1,956,179	(528,264)	2,246,745	290,566
<u>27,920,533</u>	<u>(5,868,001)</u>	<u>26,908,530</u>	<u>(1,012,003)</u>
55,249,450	(13,885,649)	57,770,905	2,521,455
24,987,169	(755,956)	24,282,863	(704,306)
38,750,296	(2,532,810)	41,629,760	2,879,464
1,169,554	11,371	1,223,530	53,976
2,447,647	(399,997)	2,399,121	(48,526)
19,875,351	(1,648,958)	19,785,291	(90,060)
<u>142,479,467</u>	<u>(19,211,999)</u>	<u>147,091,470</u>	<u>4,612,003</u>
<u>\$ 170,400,000</u>	<u>\$ (25,080,000)</u>	<u>\$ 174,000,000</u>	<u>\$ 3,600,000</u>

Budget vs. Actual Revenues and Expenses Graphs



Operation and Maintenance Fund Budget by Account FY2021

Account	Accounting	Administration	Board	Human Resources	Internal Audit	Legal Services
511101-Salaries and Wages-Direct	\$1,457,088	\$387,450	\$85,913	\$1,004,101	\$646,191	\$798,396
511202-Salaries and Wages-Internship	0	0	0	0	0	0
511301-Salaries and Wage-Overtime	0	0	0	144	0	0
512101-Group Insurance	0	0	0	0	0	0
512401-Retirement Contributions	188,110	44,155	11,084	137,126	89,607	103,073
512402-Retirement Contr.-Internship	0	0	0	0	0	0
512501-Tuition Reimbursement	0	0	0	11,770	0	0
512601-Unemployment Insurance	0	0	0	0	0	0
512602-OPEB Annual Req'd Contribution	0	0	0	0	0	0
512701-Worker's Comp Ins	0	0	0	0	0	0
Salaries & Benefits	1,645,198	431,605	96,997	1,153,141	735,798	901,469
521201-Consulting/Professional	710	60,000	0	107,972	50,000	0
521202-Legal Fees	0	0	0	0	0	1,688,181
521203-Auditing Fees	0	0	0	0	103,083	0
521204-Trustee Fees	0	0	0	0	0	0
521207-Traffic Engineering Fees	0	0	0	0	0	0
521208-Police Services (DPS)	0	0	0	0	0	0
521209-Armored Car Services	0	0	0	0	0	0
523301-Recruitment	0	0	0	60,626	0	0
523851-Temporary Contract Labor	0	0	0	6,366	0	0
Consulting & Professional Services	710	60,000	0	174,964	153,083	1,688,181
521212-Outside Maintenance Services	0	0	0	0	0	0
522202-Landscaping	0	0	0	0	0	0
522301-Rentals - Land	0	0	0	0	0	0
522302-Rentals - Equipment	0	0	0	0	0	0
523801-Licenses	644	0	0	0	890	0
531102-Other Materials and Supplies	0	0	0	0	0	0
531107-Motor Fuel Expense	0	0	0	0	0	0
531211-Water	0	0	0	0	0	0
531221-Gas	0	0	0	0	0	0
531231-Electricity	0	0	0	0	0	0
531601-Small Tools and Shop Supplies	0	0	0	0	0	0
531701-Uniforms	0	0	0	0	0	0
Maintenance	644	0	0	0	890	0
523201-Postage	0	0	0	0	0	0
523202-Telecommunications	0	0	0	0	0	0
523701-Education and Training	3,823	2,628	0	45,159	4,150	3,423
531103-Mobile Equipment Expense	0	0	0	0	0	0
531501-Inven for resale(toll tags)	0	0	0	0	0	0
531651-Software	0	0	0	0	0	0
573002-Credit Card Fees	0	0	0	0	0	0
Operations	3,823	2,628	0	45,159	4,150	3,423
523203-Public Information Fees	0	0	0	0	0	0
523302-Magazine and Newspaper	0	0	0	0	0	0
523303-Television & Radio	0	0	0	0	0	0
523304-Promotional Expenses	164	7,675	0	34,847	0	0
523401-Printing and Photographic	2,900	0	0	0	0	0
523402-Maps & Pamphlets	0	0	0	0	0	0
Business & Marketing	3,064	7,675	0	34,847	0	0
521101-Meeting Expense	2,308	2,801	61,918	5,366	299	2,300
523101-Insurance Expense - Other	0	0	0	0	0	0
523305-Employee Appreciation	0	0	0	0	0	0
523501-Travel	10,826	12,902	12,926	0	154	5,804
523601-Dues & Subscriptions	4,562	60,000	9,500	2,366	3,571	77,111
523902-Liability Claims	0	0	0	0	0	0
531101-Office Supplies	5,442	400	2,020	4,963	770	27,256
531105-Freight and Express	420	58	1,257	483	0	472
531401-Books & Periodicals	0	0	0	0	0	0
573001-Bank Charges	0	0	0	0	0	0
Administrative	23,558	76,161	87,621	13,178	4,793	112,943
Totals	\$1,676,997	\$578,069	\$184,618	\$1,421,289	\$898,713	\$2,706,016

Account	Procurement and Business Diversity	Public Affairs	Shared Services	Treasury Management	Contact Center and Collections	Information Technology	Maintenance
511101-Salaries and Wages-Direct	\$1,364,652	\$1,326,483	\$0	\$961,542	\$10,053,183	\$7,911,568	\$8,565,375
511202-Salaries and Wages-Internship	0	0	0	0	0	0	0
511301-Salaries and Wage-Overtime	0	721	0	0	254,077	88,215	309,306
512101-Group Insurance	0	0	9,209,145	0	0	0	0
512401-Retirement Contributions	176,176	171,249	0	124,135	1,297,868	1,021,383	1,105,790
512402-Retirement Contr.-Internship	0	0	0	0	0	0	0
512501-Tuition Reimbursement	0	0	0	0	0	0	0
512601-Unemployment Insurance	0	0	123,661	0	0	0	0
512602-OPEB Annual Req'd Contribution	0	0	0	0	0	0	0
512701-Worker's Comp Ins	0	0	180,740	0	0	0	0
Salaries & Benefits	1,540,828	1,498,453	9,513,546	1,085,677	11,605,128	9,021,167	9,980,470
521201-Consulting/Professional	0	1,497,950	0	320,992	7,856,250	0	150,000
521202-Legal Fees	0	0	0	0	0	0	0
521203-Auditing Fees	0	0	0	0	0	0	0
521204-Trustee Fees	0	0	0	280,031	0	0	0
521207-Traffic Engineering Fees	0	0	0	450,000	0	0	0
521208-Police Services (DPS)	0	0	0	0	0	0	0
521209-Armored Car Services	0	0	0	0	50,142	0	0
523301-Recruitment	0	0	0	0	0	0	0
523851-Temporary Contract Labor	0	0	0	0	7,837,886	83,744	77,056
Consulting & Professional Services	0	1,497,950	0	1,051,023	15,744,277	83,744	227,056
521212-Outside Maintenance Services	0	0	0	0	0	4,749,111	23,748,634
522202-Landscaping	0	0	0	0	0	0	61,500
522301-Rentals - Land	0	0	0	0	0	0	423,151
522302-Rentals - Equipment	0	0	0	0	55,822	0	75,800
523801-Licenses	0	0	0	0	0	0	21,344
531102-Other Materials and Supplies	0	948	0	0	0	218,000	1,841,712
531107-Motor Fuel Expense	0	0	0	0	0	0	963,678
531211-Water	0	0	0	0	0	0	883,696
531221-Gas	0	0	0	0	0	0	29,108
531231-Electricity	0	0	0	0	0	0	1,763,029
531601-Small Tools and Shop Supplies	0	0	0	0	0	0	177,968
531701-Uniforms	0	1,685	0	0	20,262	0	184,640
Maintenance	0	2,633	0	0	76,084	4,967,111	30,174,260
523201-Postage	0	0	0	0	7,666,039	0	0
523202-Telecommunications	0	0	0	0	0	1,174,911	279,352
523701-Education and Training	17,121	1,454	0	1,821	29,538	91,500	27,530
531103-Mobile Equipment Expense	0	0	0	0	0	0	886,000
531501-Inven for resale(toll tags)	0	0	0	0	3,819,488	0	0
531651-Software	0	0	0	0	0	8,801,330	0
573002-Credit Card Fees	0	0	0	0	18,141,068	0	0
Operations	17,121	1,454	0	1,821	29,656,132	10,067,741	1,192,882
523203-Public Information Fees	33,369	0	0	0	0	0	0
523302-Magazine and Newspaper	0	1,118,782	0	0	0	0	0
523303-Television & Radio	0	700,499	0	0	0	0	0
523304-Promotional Expenses	83,973	777,174	0	0	187,970	0	0
523401-Printing and Photographic	0	5,931	0	0	78,100	0	0
523402-Maps & Pamphlets	0	16,155	0	0	0	0	0
Business & Marketing	117,342	2,618,541	0	0	266,070	0	0
521101-Meeting Expense	865	8,902	0	0	15,228	0	4,738
523101-Insurance Expense - Other	0	0	0	0	0	0	0
523305-Employee Appreciation	0	331	0	0	0	0	0
523501-Travel	14,002	31,822	0	6,633	8,935	24,900	10,200
523601-Dues & Subscriptions	58,802	16,839	1,562	475	2,284	6,000	25,214
523902-Liability Claims	0	0	0	0	0	0	0
531101-Office Supplies	4,920	5,583	244,165	883	40,810	112,200	14,657
531105-Freight and Express	90	332	0	233	1,098	0	283
531401-Books & Periodicals	0	0	0	0	0	0	0
573001-Bank Charges	0	0	0	100,000	354,859	0	0
Administrative	78,679	63,809	245,727	108,224	423,214	143,100	55,092
Totals	\$1,753,970	\$5,682,840	\$9,759,273	\$2,246,745	\$57,770,905	\$24,282,863	\$41,629,760

Account	Operations	Project Delivery	Traffic & Incident Mgmt	FY2021 Budget	FY2020 Budget	Increase or (Decrease) Amount	Increase or (Decrease) Percent
511101-Salaries and Wages-Direct	\$1,028,189	\$2,108,337	\$5,412,598	\$43,111,066	\$44,484,612	(\$1,373,546)	(3.1%)
511202-Salaries and Wages-Internship	0	0	0	0	205,199	(205,199)	(100.0%)
511301-Salaries and Wage-Overtime	0	0	22,624	675,087	846,276	(171,189)	(20.2%)
512101-Group Insurance	0	0	0	9,209,145	9,296,084	(86,939)	(0.9%)
512401-Retirement Contributions	130,527	264,741	696,132	5,561,156	5,749,498	(188,342)	(3.3%)
512402-Retirement Contr.-Internship	0	0	0	0	26,614	(26,614)	(100.0%)
512501-Tuition Reimbursement	0	0	0	11,770	31,575	(19,805)	(62.7%)
512601-Unemployment Insurance	0	0	0	123,661	127,386	(3,725)	(2.9%)
512602-OPEB Annual Req'd Contribution	0	0	0	0	3,100,000	(3,100,000)	(100.0%)
512701-Worker's Comp Ins	0	0	0	180,740	277,761	(97,021)	(34.9%)
Salaries & Benefits	1,158,716	2,373,078	6,131,354	58,872,624	64,145,004	(5,272,379)	(8.2%)
521201-Consulting/Professional	0	11,500	46,435	10,101,809	11,164,992	(1,063,183)	(9.5%)
521202-Legal Fees	0	0	0	1,688,181	2,086,669	(398,488)	(19.1%)
521203-Auditing Fees	0	0	0	103,083	206,029	(102,946)	(50.0%)
521204-Trustee Fees	0	0	0	280,031	295,899	(15,868)	(5.4%)
521207-Traffic Engineering Fees	0	0	0	450,000	588,199	(138,199)	(23.5%)
521208-Police Services (DPS)	0	0	10,456,916	10,456,916	11,505,625	(1,048,709)	(9.1%)
521209-Armored Car Services	0	0	0	50,142	54,627	(4,485)	(8.2%)
523301-Recruitment	0	0	0	60,626	157,820	(97,194)	(61.6%)
523851-Temporary Contract Labor	0	0	0	8,005,051	11,839,775	(3,834,724)	(32.4%)
Consulting & Professional Services	0	11,500	10,503,352	31,195,839	37,899,635	(6,703,796)	(17.7%)
521212-Outside Maintenance Services	0	0	51,542	28,549,286	29,685,518	(1,136,232)	(3.8%)
522202-Landscaping	0	0	0	61,500	61,500	0	0.0%
522301-Rentals - Land	0	0	0	423,151	423,151	-	0.0%
522302-Rentals - Equipment	0	0	0	131,622	146,172	(14,550)	(10.0%)
523801-Licenses	0	667	0	23,545	29,502	(5,957)	(20.2%)
531102-Other Materials and Supplies	0	0	117,808	2,178,468	2,292,277	(113,809)	(5.0%)
531107-Motor Fuel Expense	0	0	0	963,678	1,023,309	(59,631)	(5.8%)
531211-Water	0	0	0	883,696	850,000	33,696	4.0%
531221-Gas	0	0	0	29,108	50,600	(21,492)	(42.5%)
531231-Electricity	0	0	0	1,763,029	1,906,846	(143,817)	(7.5%)
531601-Small Tools and Shop Supplies	0	0	0	177,968	288,685	(110,717)	(38.4%)
531701-Uniforms	0	0	82,669	289,256	324,860	(35,604)	(11.0%)
Maintenance	0	667	252,018	35,474,307	37,082,420	(1,608,113)	(4.3%)
523201-Postage	0	0	0	7,666,039	8,580,260	(914,221)	(10.7%)
523202-Telecommunications	0	0	0	1,454,263	1,302,721	151,542	11.6%
523701-Education and Training	709	5,486	27,472	261,812	373,530	(111,718)	(29.9%)
531103-Mobile Equipment Expense	0	0	0	886,000	909,425	(23,425)	(2.6%)
531501-Inven for resale(toll tags)	0	0	0	3,819,488	8,891,582	(5,072,094)	(57.0%)
531651-Software	0	0	0	8,801,330	8,218,337	582,993	7.1%
573002-Credit Card Fees	0	0	0	18,141,068	18,995,336	(854,268)	(4.5%)
Operations	709	5,486	27,472	41,030,001	47,271,191	(6,241,190)	(13.2%)
523203-Public Information Fees	0	0	0	33,369	26,000	7,369	28.3%
523302-Magazine and Newspaper	0	0	0	1,118,782	1,426,601	(307,819)	(21.6%)
523303-Television & Radio	0	0	0	700,499	1,019,697	(319,198)	(31.3%)
523304-Promotional Expenses	0	0	5,080	1,096,883	1,480,799	(383,916)	(25.9%)
523401-Printing and Photographic	0	0	0	86,931	130,278	(43,347)	(33.3%)
523402-Maps & Pamphlets	0	0	0	16,155	46,960	(30,805)	(65.6%)
Business & Marketing	0	0	5,080	3,052,619	4,130,335	(1,077,716)	(26.1%)
521101-Meeting Expense	780	500	1,000	107,005	132,150	(25,145)	(19.0%)
523101-Insurance Expense - Other	0	0	2,837,000	2,837,000	3,071,370	(234,370)	(7.6%)
523305-Employee Appreciation	0	0	0	331	1,752	(1,421)	(81.1%)
523501-Travel	6,984	4,285	8,183	158,555	246,737	(88,182)	(35.7%)
523601-Dues & Subscriptions	9,000	1,157	3,691	282,134	355,576	(73,442)	(20.7%)
523902-Liability Claims	0	0	6,182	6,182	6,182	0	0.0%
531101-Office Supplies	47,126	2,041	9,854	523,090	656,287	(133,197)	(20.3%)
531105-Freight and Express	215	407	106	5,453	7,112	(1,659)	(23.3%)
531401-Books & Periodicals	0	0	0	0	1,600	(1,600)	(100.0%)
573001-Bank Charges	0	0	0	454,859	472,649	(17,790)	(3.8%)
Administrative	64,105	8,390	2,866,016	4,374,610	4,951,415	(576,805)	(11.6%)
Totals	\$1,223,530	\$2,399,121	\$19,785,291	\$174,000,000	\$195,480,000	(\$21,480,000)	(11.0%)

FY2021 Staffing Summary

	FY2020 Budget			FY2021 Budget			
	Approved	Changes	Ending	Additions	Full Time *	Part Time	Interns*
ADMINISTRATIVE SERVICES							
Accounting	15	1	16	-	16	-	-
Administration	2	-	2	-	2	-	-
Board	1	-	1	-	1	-	-
Human Resources	13	-	13	-	13	-	8
Internal Audit	8	-	8	-	8	-	-
Legal Services	7	-	7	-	7	-	3
Procurement and Business Diversity	18	-	18	-	18	-	-
Public Affairs	17	-	17	-	17	-	-
Treasury Management	10	(1)	9	-	9	-	-
Total Administrative Services	91	-	91	-	91	-	11
OPERATIONAL SERVICES							
Contact Center and Collections	312	-	312	(5)	307	24	-
Information Technology	96	-	96	-	96	-	-
Maintenance	193	-	193	-	193	-	-
Operations	8	-	8	-	8	-	-
Project Delivery	19	-	19	-	19	-	-
Traffic & Incident Management	141	-	141	-	141	-	-
Total Operational Services	769	-	769	(5)	764	24	-
Total	860	-	860	(5)	855	24	11

* Total full time positions are 855 however, the FY2021 budget only includes funding for 792. This is due to a hiring freeze implemented on 63 positions to help respond to the impact of the pandemic. Also, the 11 Intern program has been suspended for FY2021.

No Changes

Administration, Board, Human Resources, Internal Audit, Legal Services, Maintenance, Operations, Procurement and Business Diversity, Project Delivery and Traffic Incident Management staffing remains the same.

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

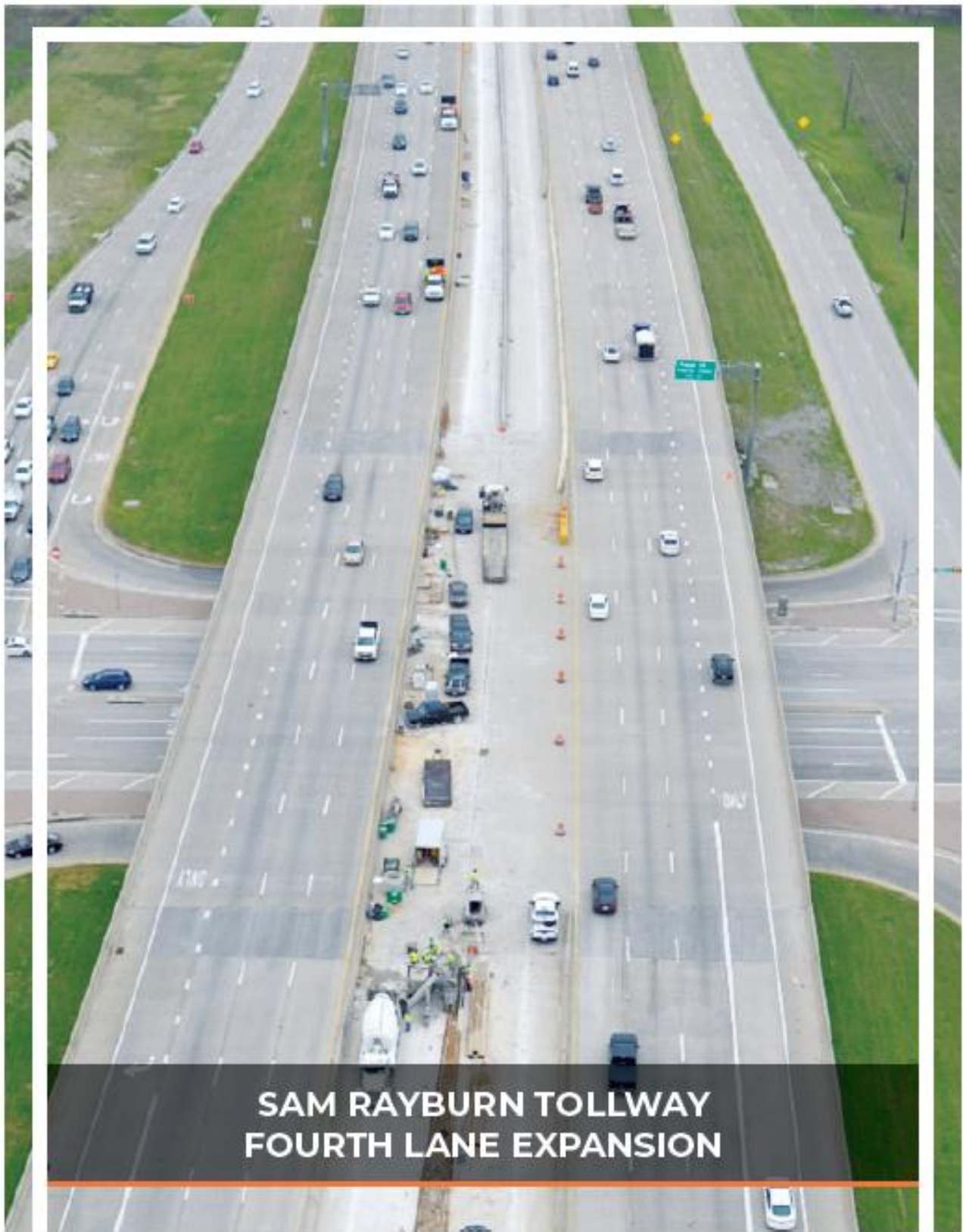
Accounting: See Position Summary page 47

Treasury Management: See Position Summary page 70

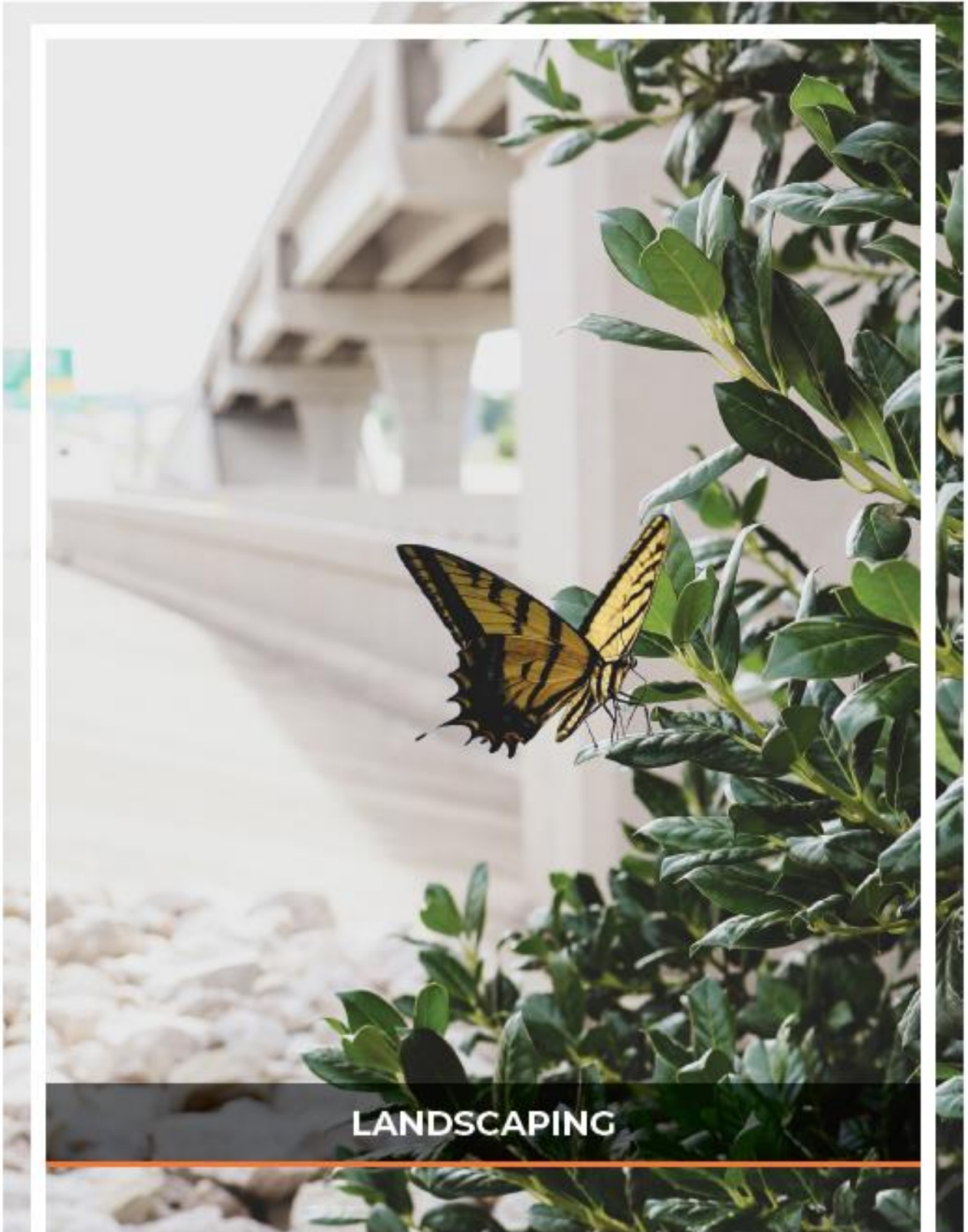
Contact Center and Collections: See Position Summary pages 74-75

FY2017 to FY2021 FTE Staffing Summary History

	FY2017 Budget	FY2018 Budget	FY2019 Budget	FY2020 Budget	FY2021 Budget	Change in Budgeted FTEs Variance
ADMINISTRATIVE SERVICES						
Accounting	18	18	15	15	16	1
Administration	2	2	2	2	2	-
Board	1	1	1	1	1	-
Financial Planning and Analysis	6	6	-	-	-	-
Human Resources	13	13	13	13	13	-
Internal Audit	9	9	9	8	8	-
Legal Services	7	7	7	7	7	-
Procurement and Business Diversity	16	18	18	18	18	-
Public Affairs	18	18	18	17	17	-
Treasury Management	4	4	10	10	9	(1)
Total Administrative Services	94	96	93	91	91	-
OPERATIONAL SERVICES						
Contact Center and Collections	298	308	311	312	307	(5)
Customer Care	11	-	-	-	-	-
Information Technology	93	93	93	96	96	-
Maintenance	187	187	193	193	193	-
Operations	5	6	7	8	8	-
Project Delivery	18	18	18	19	19	-
Traffic & Incident Management	113	125	138	141	141	-
Total Operational Services	725	737	760	769	764	(5)
Grand Total	819	833	853	860	855	(5)



DEPARTMENTAL BUDGETS AND INFORMATION



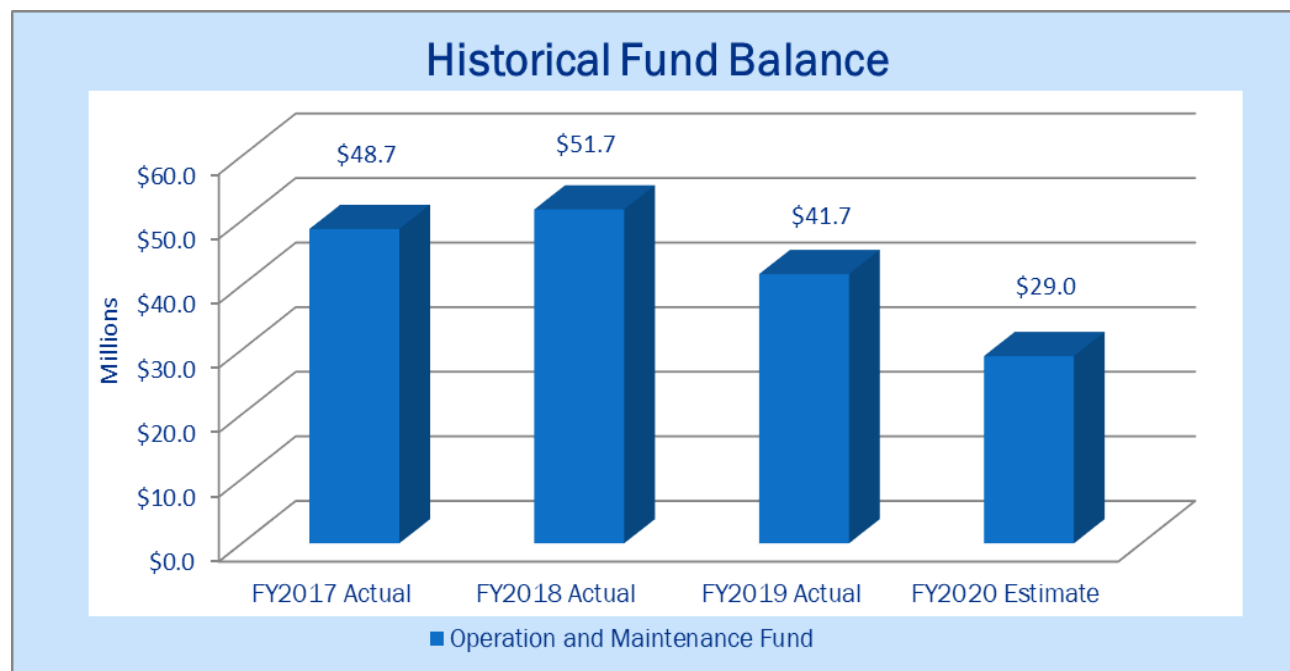
Operation and Maintenance Fund FY2021 Budget Comparisons to FY2020 Budget

Department	FY2020 Budget	FY2021 Budget	Variance Amount	Percent
Administrative Services:				
Accounting	1,718,752	1,676,997	(41,755)	(2.4%)
Administration	698,064	578,069	(119,995)	(17.2%)
Board	184,618	184,618	0	0.0%
Human Resources	1,843,245	1,421,289	(421,956)	(22.9%)
Internal Audit	1,300,482	898,713	(401,769)	(30.9%)
Legal Services	3,296,978	2,706,016	(590,962)	(17.9%)
Procurement and Business Diversity	1,950,199	1,753,970	(196,229)	(10.1%)
Public Affairs	7,164,559	5,682,840	(1,481,719)	(20.7%)
Shared Services	13,147,194	9,759,273	(3,387,921)	(25.8%)
Treasury Management	2,484,443	2,246,745	(237,698)	(9.6%)
Total Administrative Services	33,788,534	26,908,530	(6,880,004)	(20.4%)
Operational Services:				
Contact Center and Collections	69,135,099	57,770,905	(11,364,194)	(16.4%)
Information Technology	25,743,125	24,282,863	(1,460,262)	(5.7%)
Maintenance	41,283,106	41,629,760	346,654	0.8%
Operations	1,158,183	1,223,530	65,347	5.6%
Project Delivery	2,847,644	2,399,121	(448,523)	(15.8%)
Traffic & Incident Mgmt.	21,524,309	19,785,291	(1,739,018)	(8.1%)
Total Operational Services	161,691,466	147,091,470	(14,599,996)	(9.0%)
Grand Totals	\$195,480,000	\$174,000,000	(\$21,480,000)	(11.0%)

The FY2021 Budget decreased **(\$21,480,000)** compared to FY2020 Budget. The main reason for the decrease is to respond to the impact the Coronavirus pandemic had on traffic and revenue. Any other significant variances are explained on the following individual department budget and information documents.

Estimated Operation and Maintenance Fund Requirements FY2021

Operation Maintenance Fund Estimated Balance as of 1/1/2021		\$29,000,000
Estimated Transfers:		
Revenue Distribution	174,000,000	
Other Funds - Salary Allocations	<u>0</u>	
Total Transfers		174,000,000
Estimated Expenditures FY2021 Operating Budget		<u>(174,000,000)</u>
Estimated Balance at 12/31/2021		\$29,000,000
Required Balance per Trust Agreement (1/6 of Operating Budget)		\$29,000,000



The FY2017, FY2018 and FY2019 balances include adjustment for year-end accruals.

Accounting Department

OVERVIEW

As the foundation for a fiscally sound organization, the Accounting Department provides comprehensive financial strategies and solution, oversight of debt service covenants and compliance with trust agreements. The department is responsible for measuring the Authority's profitability and financial performance with integrity, accuracy, timeliness and transparency. In partnership with its internal and external stakeholders, Accounting will continue its focus in FY2021 on managing costs, performing rigorous financial analyses and delivering tangible results that advance the strategic goal of being a financially sound and vibrant organization.

FY2021 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Financially Sound & Vibrant Organization

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

Delivering Transportation Solutions

- Continue back office processing of payments for TSA partner facilities.

Respected Leader & Partner in Region's Transportation Network

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

Highly Qualified, Energized & Engaged Team

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

DEPARTMENTAL FY2021 OPERATIONS AND MAINTENANCE FUND (OMF) BUDGET – ACCOUNTING

Account	FY2020	FY2021	Variance	Variance %
	Budget	Budget		
Salaries and Wages-Direct - (511101)	\$1,485,561	\$1,457,088	(\$28,473)	(1.9)%
Salaries and Wage-Overtime - (511301)	559	0	(559)	(100.0)%
Retirement Contributions - (512401)	191,806	188,110	(3,696)	(1.9)%
Meeting Expense - (521101)	2,308	2,308	0	0.0%
Consulting/Professional - (521201)	1,023	710	(313)	(30.6)%
Promotional Expenses - (523304)	280	164	(116)	(41.4)%
Printing and Photographic - (523401)	4,000	2,900	(1,100)	(27.5)%
Travel - (523501)	14,776	10,826	(3,950)	(26.7)%
Dues & Subscriptions - (523601)	5,000	4,562	(438)	(8.8)%
Education and Training - (523701)	3,923	3,823	(100)	(2.5)%
Licenses - (523801)	644	644	0	0.0%
Office Supplies - (531101)	8,335	5,442	(2,893)	(34.7)%
Freight and Express - (531105)	537	420	(117)	(21.8)%
Total Expenses	\$1,718,752	\$1,676,997	(\$41,755)	(2.4)%

MAJOR FY2021 OMF BUDGET ITEMS

Accounting

The department's FY2021 OMF budget decreased by **(\$41,755)** from FY2020 budget. All variances that exceed \$50,000 along with variances that are greater than both 15.0% and \$5,000 are explained below.

- No variances meet the explanation requirements.

FY2021 OPERATION AND MAINTENANCE FUND (OMF) BUDGET – SHARED SERVICES

Account	FY2020	FY2021	Variance	Variance %
	Budget	Budget		
Group Insurance - (512101)	\$9,296,084	\$9,209,145	(\$86,939)	(0.9)%
Unemployment Insurance - (512601)	127,386	123,661	(3,725)	(2.9)%
OPEB Annual Req'd Contribution - (512602)	3,100,000	0	(3,100,000)	(100.0)%
Worker's Comp Ins - (512701)	277,761	180,740	(97,021)	(34.9)%
Dues & Subscriptions - (523601)	1,300	1,562	262	20.2%
Office Supplies - (531101)	344,663	244,165	(100,498)	(29.2)%
Total Expenses	\$13,147,194	\$9,759,273	(\$3,387,921)	(25.8)%

MAJOR FY2021 OMF BUDGET ITEMS

Shared Services

Shared Services is a division within Finance where agency-wide expenditures are budgeted. The division's FY2021 OMF budget decreased by **(\$3,387,921)** from FY2020 budget. All variances that exceed \$50,000 along with variances that are greater than both 15.0% and \$5,000 are explained below.

- Group Insurance net decreased **(\$86,939)** due to change in rates and a hiring freeze on sixty-three vacant positions.
- OPEB Annual Required Contribution decreased **(\$3,100,000)** due to change in accounting process.
- Worker's Comp Insurance decreased **(\$97,021)** based on historical spending.
- Office Supplies decreased **(\$100,498)** based on historical spending and the coffee fund transferred to the Operations Department.

360 TOLLWAY BUDGET

The fund was created to account for revenues and expenses in accordance with the project agreement. (See Other Funds section pages 97-101).

- **\$174,136** consisting of \$31,297 allocated costs for the accounting and financial functions associated with the project and \$142,839 from Shared Services for allocated employee group insurance.

ENTERPRISE FUND BUDGET

The fund was created to account for revenues and expenses associated with tolling services agreements. (See Other Funds section pages 102-104).

- **\$194,850** from Shared Services for allocated employee group insurance.

POSITION SUMMARY

Accounting Department				
Full-Time Positions	FY2020	FY2021	Difference	
Accountant	3	3	0	
Accounting Manager	1	1	0	
Accounts Payable Analyst	0	2	2	
Accounts Payable Manager	1	1	0	
Accounts Payable Specialist	2	0	(2)	
Administrative Assistant	1	1	0	
Chief Financial Officer	1	1	0	
Controller	1	1	0	
Executive Assistant to CFO	1	1	0	
Financial Systems Analyst	1	1	0	
Finance Technician	1	1	0	
Payroll Coordinator	1	1	0	
Payroll Manager	1	1	0	
Total Full-Time Positions	15	15	0	
Part-Time Positions	FY2020	FY2021	Difference	
Accounts Payable Analyst	0	1	1	
Total Part-Time Positions	0	1	1	

- No changes in total FTEs, only name change. During FY2020, an Administrative Assistant position transferred from Treasury Management Department was converted into a part-time Accounts Payable Analyst. A hiring freeze is in effect during FY2021 for this position and the Finance Technician.

MAJOR BUSINESS FUNCTIONS

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

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

Administration Department

OVERVIEW

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

FY2021 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Customer Driven Organization

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

Financially Sound & Vibrant Organization

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

Delivering Transportation Solutions

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

Respected Leader & Partner in Region's Transportation Network

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

Highly Qualified, Energized & Engaged Team

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

DEPARTMENTAL FY2021 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2020 Budget	FY2021 Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$387,450	\$387,450	\$0	0.0%
Retirement Contributions - (512401)	44,155	44,155	0	0.0%
Meeting Expense - (521101)	2,382	2,801	419	17.6%
Consulting/Professional - (521201)	173,641	60,000	(113,641)	(65.4)%
Promotional Expenses - (523304)	10,246	7,675	(2,571)	(25.1)%
Travel - (523501)	14,760	12,902	(1,858)	(12.6)%
Dues & Subscriptions - (523601)	60,093	60,000	(93)	(0.2)%
Education and Training - (523701)	4,187	2,628	(1,559)	(37.2)%
Office Supplies - (531101)	876	400	(476)	(54.3)%
Freight and Express - (531105)	274	58	(216)	(78.8)%
Total Expenses	\$698,064	\$578,069	(\$119,995)	(17.2)%

MAJOR FY2021 OMF BUDGET ITEMS

The department's FY2021 OMF budget decreased by **(\$119,995)** from FY2020 budget. All variances that exceed \$50,000 along with variances that are greater than both 15.0% and \$5,000 are explained below.

- Consulting/Professional decrease **(\$113,641)** based on historical spending.

360 TOLLWAY BUDGET

The fund was created to account for revenues and expenses in accordance with the project agreement. (See Other Funds section pages 97-101).

- **\$8,450** allocated costs for the administrative functions associated with the project.

ENTERPRISE FUND BUDGET

The fund was created to account for revenues and expenses associated with tolling services agreements (see Other Funds section pages 102-104).

- **\$0**

POSITION SUMMARY

Administration Department			
Full-Time Positions	FY2020	FY2021	Difference
Executive Assistant	1	1	0
Executive Director	1	1	0
Total Full-Time Positions	2	2	0

- No changes in FTEs.

MAJOR BUSINESS FUNCTIONS

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

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

Board of Directors Department

OVERVIEW

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

FY2021 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Financially Sound & Vibrant Organization

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

Delivering Transportation Solutions

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

Respected Leader & Partner in Region's Transportation Network

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

DEPARTMENTAL FY2021 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2020 Budget	FY2021 Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$85,913	\$85,913	\$0	0.0%
Retirement Contributions - (512401)	11,137	11,084	(53)	(0.5)%
Meeting Expense - (521101)	59,697	61,918	2,221	3.7%
Travel - (523501)	14,029	12,926	(1,103)	(7.9)%
Dues & Subscriptions - (523601)	9,500	9,500	0	0.0%
Office Supplies - (531101)	2,842	2,020	(822)	(28.9)%
Freight and Express - (531105)	1,500	1,257	(243)	(16.2)%
Total Expenses	\$184,618	\$184,618	\$0	0.0%

MAJOR FY2021 OMF BUDGET ITEMS

The department's FY2021 OMF budget remains the same as FY2020 budget. All variances that exceed \$50,000 along with variances that are greater than both 15.0% and \$5,000 are explained below.

- No variances meet the explanation requirements.

360 TOLLWAY BUDGET

The fund was created to account for revenues and expenses in accordance with the project agreement. (See Other Funds section pages 97-101).

- **\$1,823** for allocated costs associated with the administrative services of the project.

ENTERPRISE FUND BUDGET

The fund was created to account for revenues and expenses associated with tolling services agreements (see Other Funds section pages 102-104).

- **\$0**

POSITION SUMMARY

Board Department			
Full-Time Positions	FY2020	FY2021	Difference
Secretary to the Board	1	1	0
Total Full-Time Positions	1	1	0

- No change in FTEs.

MAJOR BUSINESS FUNCTIONS

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

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

Human Resources Department

OVERVIEW

The Human Resources Department supports the mission of NTTA by administering comprehensive and high-quality employee programs and services to prospective, current and former employees. The FY2021 budget will enable the department to provide a high level of service in employee and labor relations, compensation and benefits, recruiting and retaining top talent, training and development, organizational design and process improvement and maintaining a high level of employee engagement and satisfaction.

FY2021 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Highly Qualified, Energized & Engaged Team

- Work with the Executive Director and Assistant Executive Directors to create a “three-deep bench” succession plan for directors and above.
- Implement the talent management module of PeopleSoft to support the succession planning and career development process.
- Continue to conduct desk audits to ensure consistency between duties performed and the job description content for all NTTA positions.
- Continue to conduct leadership-training courses to develop our management team and provide consistency in the interpretation and administration of policies and procedures.
- Continue to enhance employee engagement and retention strategies.
- Work with all NTTA departments to identify and remedy skills gaps and improve bench strength through training, succession planning and other developmental strategies.

DEPARTMENTAL FY2021 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2020 Budget	FY2021 Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$1,096,115	\$1,004,101	(\$92,014)	(8.4)%
Salaries and Wages-Internship - (511202)	59,165	0	(59,165)	(100.0)%
Salaries and Wage-Overtime - (511301)	2,396	144	(2,252)	(94.0)%
Retirement Contributions - (512401)	141,583	137,126	(4,457)	(3.1)%
Retirement Contr.-Internship - (512402)	7,674	0	(7,674)	(100.0)%
Tuition Reimbursement - (512501)	31,575	11,770	(19,805)	(62.7)%
Meeting Expense - (521101)	8,418	5,366	(3,052)	(36.3)%
Consulting/Professional - (521201)	162,551	107,972	(54,579)	(33.6)%
Recruitment - (523301)	157,820	60,626	(97,194)	(61.6)%
Promotional Expenses - (523304)	81,057	34,847	(46,210)	(57.0)%
Travel - (523501)	6,371	0	(6,371)	(100.0)%
Dues & Subscriptions - (523601)	8,440	2,366	(6,074)	(72.0)%
Education and Training - (523701)	67,669	45,159	(22,510)	(33.3)%
Temporary Contract Labor - (523851)	6,594	6,366	(228)	(3.5)%
Office Supplies - (531101)	5,065	4,963	(102)	(2.0)%
Freight and Express - (531105)	752	483	(269)	(35.8)%
Total Expenses	\$1,843,245	\$1,421,289	(\$421,956)	(22.9)%

MAJOR FY2021 BUDGET ITEMS

The department's FY2021 OMF budget decreased by **(\$421,956)** from FY2020 budget. The decreases are mainly due to the impact that the Coronavirus pandemic had on transactions and revenue. Other significant changes explained below.

- Salaries and Wages-Direct decreased **(\$92,014)** due to hiring freeze on one full time vacant position.
- Salaries and Wages-Internship decreased **(\$59,165)** due to suspension of the Inter program for FY2021.
- Retirement Contributions decreased **(\$12,131)** commensurate with salaries.

360 TOLLWAY BUDGET

The fund was created to account for revenues and expenses in accordance with the project agreement. (See Other Funds section pages 97-101).

- **\$20,429** for allocated costs associated with the staffing resources of the project.

ENTERPRISE FUND BUDGET

The fund was created to account for revenues and expenses associated with tolling services agreements (see Other Funds section pages 102-104).

- **\$0**

POSITION SUMMARY

Human Resources Department			
Full-Time Positions	FY2020	FY2021	Difference
Assistant Director of Human Resources	1	1	0
Comp and Benefits Analyst	1	1	0
Compensation/Benefits Manager	1	1	0
Director of Human Resources	1	1	0
HR Training Manager	1	1	0
HRIS Manager	1	1	0
Human Resources Coordinator	2	2	0
Receptionist	1	1	0
Senior Human Resources Generalist	3	3	0
Sr Compensation/Benefits Analyst	1	1	0
Total Full-Time Positions	13	13	0
Temporary Positions	FY2020	FY2021	Difference
Interns	8	8	0
Total Part-Time Positions	8	8	0

- No changes to FTEs. However, a hiring freeze is in effect during FY2021 for the HR Training Manager and eight Intern positions.

MAJOR BUSINESS FUNCTIONS

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

- **Total Rewards - Compensation and Benefits Services** – Total Rewards is considered the total remuneration provided to employees and summarizes the value of both financial and non-financial elements in the employment package (i.e. salary, incentives, benefits and perquisites).

- **Employee Development and Training Services** – The framework for helping employees develop their personal and organizational skills, knowledge and abilities. Training focuses on developing a workforce where the organization and individual employee can accomplish their work goals in service to both internal and external customers.
- **Employment Sourcing and Recruitment Services** – Commitment to attract and retain top talent to increase productivity and help drive the business forward; to the continuous refinement of recruitment strategies that enable the organization to build bench strength.
- **Employee Relations** – The outreach, plan and process of developing, implementing, administering and analyzing the employer-employee relationship, and providing management and employees with professional, discreet and timely counsel regarding the interpretation and consistent application of policy.
- **Performance Management** – A continuous process of communicating and clarifying job responsibilities, priorities and performance expectations in order to ensure mutual understanding between supervisor and employee. A philosophy, which values and encourages employee development provides frequent feedback and fosters teamwork.
- **HR Administration – Policies and Procedure** - The daily administration of all employee-related work activities for NTTA with policies and procedures that are intended to serve as guidelines to assist in the uniform and consistent administration of employee policies.

Internal Audit Department

OVERVIEW

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

FY2021 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Customer Driven Organization

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

Financially Sound & Vibrant Organization

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

Highly Qualified, Energized & Engaged Team

- Continue to monitor the NTTA's ethics hotline.

DEPARTMENTAL FY2021 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2020 Budget	FY2021 Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$770,543	\$646,191	(\$124,352)	(16.1)%
Retirement Contributions - (512401)	99,496	89,607	(9,889)	(9.9)%
Meeting Expense - (521101)	646	299	(347)	(53.8)%
Consulting/Professional - (521201)	197,763	50,000	(147,763)	(74.7)%
Auditing Fees - (521203)	206,029	103,083	(102,946)	(50.0)%
Postage - (523201)	100	0	(100)	(100.0)%
Travel - (523501)	5,000	154	(4,846)	(96.9)%
Dues & Subscriptions - (523601)	5,060	3,571	(1,489)	(29.4)%
Education and Training - (523701)	10,597	4,150	(6,447)	(60.8)%
Licenses - (523801)	801	890	89	11.1%
Office Supplies - (531101)	2,828	770	(2,058)	(72.8)%
Freight and Express - (531105)	19	0	(19)	(100.0)%
Books & Periodicals - (531401)	1,600	0	(1,600)	(100.0)%
Total Expenses	\$1,300,482	\$898,713	(\$401,769)	(30.9)%

MAJOR FY2021 OMF BUDGET ITEMS

The department's FY2021 OMF budget decreased by **(\$401,769)** from FY2020 budget. All variances that exceed \$50,000 along with variances that are greater than both 15.0% and \$5,000 are explained below.

- Salaries and Wages net decrease **(\$124,352)** due to hiring freeze on one and a half vacant positions.
- Consulting/Professional decreased **(\$147,763)** to assist with the reduced revenue.
- Audit Fees decreased **(\$102,946)** based on historical spending.
- Education and Training decreased **(\$6,447)** based on historical spending.

360 TOLLWAY BUDGET

The fund was created to account for revenues and expenses associated with the project agreement. (See Other Funds section pages 97-101).

- **\$65,838** allocated costs of \$13,838 and \$52,000 of direct costs associated with audit requirements of the project.

ENTERPRISE FUND BUDGET

The fund was created to account for revenues and expenses associated with tolling services agreements (see Other Funds section pages 102-104).

- **\$30,000** direct costs associated with audit requirements of the TSA projects.

POSITION SUMMARY

Internal Audit Department			
Full-Time Positions	FY2020	FY2021	Difference
Administrative Assistant	1	1	0
Assistant Director of Internal Audit	1	1	0
Director of Internal Audit	1	1	0
Information Technology Auditor	2	2	0
Internal Audit Analyst	1	1	0
Senior Internal Auditor	2	2	0
Total Full-Time Positions	8	8	0

- No changes to FTEs. However, a hiring freeze is in effect during FY2021 for one Senior Internal Auditor and for half the year for the Information Technology Auditor positions.

MAJOR BUSINESS FUNCTIONS

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

- **Annual risk assessment** – Performed to identify the higher risk areas.
- **Assurance audits** – Provide an objective examination of evidence to provide an independent assessment on governance, risk management and control processes.
- **Consulting services** – Intended to add value and improve NTTA’s governance, risk assessment, and control processes without internal audit assuming management responsibilities.
- **Ethics and Fraud Hotline** – Monitors to ensure items are resolved.

Legal Services Department

OVERVIEW

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

FY2021 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Customer-Driven Organization

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

Financially Sound and Vibrant Organization

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

Delivering Transportation Solutions

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

Respected Leader & Partner in Region's Transportation Network

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

Highly Qualified, Energized, and Engaged Team

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

DEPARTMENTAL FY2021 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2020	FY2021	Variance	Variance %
	Budget	Budget		
Salaries and Wages-Direct - (511101)	\$813,340	\$798,396	(\$14,944)	(1.8)%
Salaries and Wages-Internship - (511202)	146,034	0	(146,034)	(100.0)%
Retirement Contributions - (512401)	104,674	103,073	(1,601)	(1.5)%
Retirement Contr.-Internship - (512402)	18,940	0	(18,940)	(100.0)%
Meeting Expense - (521101)	2,500	2,300	(200)	(8.0)%
Legal Fees - (521202)	2,086,669	1,688,181	(398,488)	(19.1)%
Travel - (523501)	12,869	5,804	(7,065)	(54.9)%
Dues & Subscriptions - (523601)	77,763	77,111	(652)	(0.8)%
Education and Training - (523701)	3,423	3,423	0	0.0%
Office Supplies - (531101)	30,229	27,256	(2,973)	(9.8)%
Freight and Express - (531105)	537	472	(65)	(12.1)%
Total Expenses	\$3,296,978	\$2,706,016	(\$590,962)	(17.9)%

MAJOR FY2021 BUDGET ITEMS

The department's FY2021 OMF budget decreased by **(\$590,962)** from the FY2020 budget. All variances that exceed \$50,000 along with variances that are greater than both 15.0% and \$5,000 are explained below.

- Salaries and Wages-Internship decreased **(\$146,034)** due to the suspension of the Intern program for FY2021.
- Retirement Contributions decreased **(\$18,940)** commensurate with salaries.
- Legal Fees decreased **(\$398,488)** based on historical spending.
- Travel decreased **(\$7,065)** based on historical spending.

360 TOLLWAY BUDGET

The fund was created to account for revenues and expenses associated with the project agreement. (See Other Funds section pages 97-101).

- **\$17,205** for allocated costs associated with legal services for the project.

ENTERPRISE FUND BUDGET

The fund was created to account for revenues and expenses associated with tolling services agreements (see Other Funds section, pages 102-104).

- **\$50,000** for direct costs associated with legal services for TSAs.

POSITION SUMMARY

Legal Services Department			
Full-Time Positions	FY2020	FY2021	Difference
Assist Executive Director, General Counsel	1	1	0
Director, Assistant General Counsel	1	1	0
Bankruptcy Specialist	1	1	0
Executive Assistant	1	1	0
Executive Assistant to AED	1	1	0
Legal Department Administrator	1	1	0
Officer of Public Information	1	1	0
Total Full-Time Positions	7	7	0
Part-Time & Temporary Positions	FY2020	FY2021	Difference
P/T Intern-Legal (Law Students)	3	3	0
Total Part-Time Positions	3	3	0

- No changes in FTEs. However, a hiring freeze is in effect during FY2021 for the three P/T Intern positions.

MAJOR BUSINESS FUNCTIONS

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

- Provide legal advice and counsel on a wide variety of issues for all departments
- Assist in negotiating and drafting agreements
- Conduct ethics training for new employees
- Respond to Public Information Act requests, subpoenas, search warrants, and court orders
- Support collections and toll-enforcement efforts
- Direct, coordinate, and oversee outside legal counsel's services
- Oversee policies and procedures
- Supervise litigation matters (including dispute resolution)
- Provide prompt and effective counsel upon identification of a significant legal issue
- Protect intellectual property
- Counsel Board and staff on open meetings, bylaws, and ethics policies
- Review Board documents and supervise Board Secretary
- Serve as Parliamentarian at Board meetings
- Administer document retention
- Manage legal risk

Procurement and Business Diversity Department

OVERVIEW

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

FY2021 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Customer Driven Organization

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

Financially Sound & Vibrant Organization

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

Delivering Transportation Solutions

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

Respected Leader & Partner in Region's Transportation Network

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

Highly Qualified, Energized & Engaged Team

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

DEPARTMENTAL FY2021 OPERATIONS AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2020	FY2021	Variance	Variance %
	Budget	Budget		
Salaries and Wages-Direct - (511101)	\$1,500,924	\$1,364,652	(\$136,272)	(9.1)%
Salaries and Wage-Overtime - (511301)	1,958	0	(1,958)	(100.0)%
Retirement Contributions - (512401)	194,583	176,176	(18,407)	(9.5)%
Meeting Expense - (521101)	3,120	865	(2,255)	(72.3)%
Consulting/Professional - (521201)	2,030	0	(2,030)	(100.0)%
Public Information Fees - (523203)	26,000	33,369	7,369	28.3%
Promotional Expenses - (523304)	97,800	83,973	(13,827)	(14.1)%
Printing and Photographic - (523401)	1,122	0	(1,122)	(100.0)%
Travel - (523501)	21,000	14,002	(6,998)	(33.3)%
Dues & Subscriptions - (523601)	75,003	58,802	(16,201)	(21.6)%
Education and Training - (523701)	14,584	17,121	2,537	17.4%
Licenses - (523801)	3,892	0	(3,892)	(100.0)%
Office Supplies - (531101)	8,043	4,920	(3,123)	(38.8)%
Freight and Express - (531105)	140	90	(50)	(35.7)%
Total Expenses	\$1,950,199	\$1,753,970	(\$196,229)	(10.1)%

MAJOR FY2021 OMF BUDGET ITEMS

The department's FY2021 OMF budget decreased by **(\$196,229)** from FY2020 budget. The decreases are mainly due to the impact that the Coronavirus pandemic had on transactions and revenue. Other significant changes explained below.

- Salaries and Wages net decrease **(\$136,272)** due to hiring freeze on two vacant positions.
- Retirement Contributions decreased **(\$18,407)** commensurate with salaries.
- Public Information Fees increased \$7,369 based on historical spending.

360 TOLLWAY BUDGET

The fund was created to account for revenues and expenses in accordance to the project agreement. (See Other Funds section pages 97-101).

- **\$28,978** for allocated costs associated with procurement process for the project.

ENTERPRISE FUND BUDGET

The fund was created to account for revenues and expenses associated with tolling services agreements. (See Other Funds section pages 102-104).

- **\$0**

POSITION SUMMARY

Procurement and Business Diversity Department			
Full-Time Positions	FY2020	FY2021	Difference
Procurement Services	13	13	0
Assistant Director of Procurement	1	1	0
Contracting Compliance Manager	1	1	0
Procurement Analyst	1	1	0
Senior Contracting Specialist	1	1	0
Senior Director Procurement and Business Diversity	1	1	0
Senior Procurement Specialist	7	8	1
Senior Purchase Order Specialist	1	0	(1)
Business Diversity Department	5	5	0
Bus. Diversity Liaison	1	0	(1)
Business Diversity Compliance Analyst	1	2	1
Director of Business Diversity	1	1	0
Manager of Business Diversity	1	1	0
BD Outreach Specialist	1	1	0
Total Full-Time Positions	18	18	0

- No changes in FTE's, only re-classifications to better align with the duties. However, a hiring freeze is in effect during FY2021 for the Senior Contract Specialist and one Senior Procurement Specialist.

MAJOR BUSINESS FUNCTIONS

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

Public Affairs Department

OVERVIEW

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

The department's 2021 strategic communications goals include (previously presented to the Board of Directors):

1. Get a TollTag on every windshield and a payment for every toll.
2. Establish NTTA's brand as connecting North Texas through safer, quicker, smoother roads that take you where you need to go.
3. Foster employee engagement while helping employees understand NTTA's business and community objectives and how they help achieve them.

FY2021 DEPARTMENT OBJECTIVES (SUPPORTING FIVE-YEAR STRATEGIC GOALS)

Customer-Driven Organization

- Promote TollTag value through our Roadside Safety Services (#999), TollPerks, airport parking, Tollmate app and other value-added products and services. Continue expanding TollPerks and Tollmate to meet targets using new initiatives for both programs.
- Use TollPerks program to help spur growth in new TollTag accounts, particularly in the conversion of ZipCash customers.
- Streamline and improve the customer experience by promoting the newly redesigned, user- and mobile-friendly website and its self-service options. Produce visually engaging communications regarding the value of the TollTag, including videos and infographics, to reach the increasing number of customers who rely on mobile technology. Share this content in social media channels, via NTTA.org, with news media, customers and stakeholders via public relations. Expand communications channels to feature video content.
- Position NTTA as the leader in safety, through ongoing promotion of Roadside Safety Services, its #999 service, traffic accident preventative methods, innovative technology on the system and the Red Thumb program, among other safety initiatives.
- Continue geo-targeting of ZipCash customers to increase conversions to the TollTag. Promote new and upgraded customer features of the new Back Office System that make it quick and easy to pay a bill and manage every aspect of their TollTag account. Also, promote, for the first time, the ability to purchase Specialty TollTags via the NTTA website.

Financially Sound & Vibrant Organization

- As NTTA maintains an 82 percent TollTag penetration rate, the emphasis in 2021 will further shift to targeting the right product to the right group and tailor messaging and product offerings to specific, under-represented demographics. Mass-market advertising will help continue to maintain TollTag penetration rates and brand awareness.
- Focus will continue for the third year, of the five-year plan, to promote the 360 Tollway, growing its use among NTTA customers and increasing the TollTag penetration rate.
- Work with Operations to promote new services, including new payment methods, new Customer Service centers and customer self-help options to increase payments for every toll.
- Emphasis on TollTag marketing for TSA lanes, particularly those where we are at risk (LBJ East, NTE 1&2)

Respected Leader & Partner in Region's Transportation Network

- Continue positioning the TollTag as the best value for traveling on toll roads – including those throughout Texas and participating IOP states. The primary message: the TollTag helps you save money and provides payment convenience (such as bypassing toll booths in neighboring states like Oklahoma and paying for tolls with your TollTag).
- Focus on under-represented demographic groups in cooperation with transportation partners to increase TollTag use on managed lanes (TSA lanes – particularly those where we are at risk) and others (airports, IOP).
- Continue working with region stakeholders to advance NTTA's Five-Year Capital Plan and the important role of tolling in the region as an option to help fill the funding gap for infrastructure.
- Continue building relationships and maintaining elected officials' support for NTTA programs, issues and public policy favorable to NTTA operations during the 87th Texas Legislative Session.
- Work with state elected officials and their staffs on any toll-related public policy issues to gain support for initiatives favorable to NTTA operations during the 87th Legislative Session. .
- Focused Government Affairs outreach and relationship building with corridor cities, member counties and ring counties to help ensure local support of the Authority.
- Increase public relations efforts – including speaking engagements – around the communities we serve and business outreach to share NTTA's story and humanize the brand. Focus on participating in more business-focused events to successfully tell our story to this important stakeholder group.
- Leverage results of revised Economic Impact Study to demonstrate NTTA's positive role in the region's development and growth around our roads. Increase efforts in Tarrant County with new information on NTTA's economic impact around the Chisholm Trail Parkway. Use these promotional opportunities to dispel myths about NTTA and tolling.

Highly Qualified & Engaged Team

- Execute communications plan guided by results of 2021 employee engagement survey.
- Develop employee communications around compelling pop culture and societal trends to effectively engage employees and help each individual understand their personal connection and contribution to NTTA.
- Identify and develop visual communications, including videos and infographics, to engage employees with NTTA and its value to the region.
- Spur interaction amongst NTTA employees with various call-to-action engagement communications, such as contests, pop quizzes, polls, photo sharing and feedback requests.
- Foster understanding and alignment of strategic priorities through compelling executive communications and engage employees with creative programs and communications.
- Increase NTTA leadership team interaction and communications with employees.

DEPARTMENTAL FY2021 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2020 Budget	FY2021 Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$1,515,903	\$1,326,483	(\$189,420)	(12.5)%
Salaries and Wage-Overtime - (511301)	1,562	721	(841)	(53.8)%
Retirement Contributions - (512401)	195,764	171,249	(24,515)	(12.5)%
Meeting Expense - (521101)	12,941	8,902	(4,039)	(31.2)%
Consulting/Professional - (521201)	1,807,752	1,497,950	(309,802)	(17.1)%
Magazine and Newspaper - (523302)	1,426,601	1,118,782	(307,819)	(21.6)%
Television & Radio - (523303)	1,019,697	700,499	(319,198)	(31.3)%
Promotional Expenses - (523304)	1,049,249	777,174	(272,075)	(25.9)%
Employee Appreciation - (523305)	1,752	331	(1,421)	(81.1)%
Printing and Photographic - (523401)	8,177	5,931	(2,246)	(27.5)%
Maps & Pamphlets - (523402)	46,960	16,155	(30,805)	(65.6)%
Travel - (523501)	35,010	31,822	(3,188)	(9.1)%
Dues & Subscriptions - (523601)	28,155	16,839	(11,316)	(40.2)%
Education and Training - (523701)	2,960	1,454	(1,506)	(50.9)%
Office Supplies - (531101)	6,967	5,583	(1,384)	(19.9)%
Other Materials and Supplies - (531102)	2,798	948	(1,850)	(66.1)%
Freight and Express - (531105)	332	332	0	0.0%
Uniforms - (531701)	1,979	1,685	(294)	(14.8)%
Total Expenses	\$7,164,559	\$5,682,840	(\$1,481,719)	(20.7)%

MAJOR FY2021 OMF BUDGET ITEMS

The department's FY2021 OMF budget decreased by **(\$1,481,719)** from FY2020 budget. The decreases are mainly to help respond to the impact that the Coronavirus pandemic had on transactions and revenue. Other significant changes explained below.

- Salaries and Wages net decrease **(\$189,420)** due to hiring freeze on three vacant positions.
- Retirement Contributions decreased **(\$24,515)** commensurate with salaries.

360 TOLLWAY BUDGET

The fund was created to account for revenues and expenses accordance to the project agreement. (See Other Funds section pages 97-101).

- **\$28,168** for allocated costs associated with the promotion of the project.

ENTERPRISE FUND BUDGET

The fund was created to account for revenues and expenses associated with tolling services agreements (see Other Funds section pages 102-104).

- **\$762,537** for direct costs for advertising, customer outreach and marketing campaigns focusing on the value of the TollTag and increasing TollTag penetration for managed lanes in cooperation with Cintra and TxDOT.

POSITION SUMMARY

Public Affairs Department			
Full-Time Positions	FY2020	FY2021	Difference
Public Affairs	14	14	0
Administrative Assistant/Communications	1	1	0
Assistant Director Public Affairs	1	1	0
Corporate Communications Manager	1	1	0
Director of Public Affairs	1	1	0
Graphic Designer	1	1	0
Media/Public Relations Manager	1	1	0
Project Communications Manager	1	1	0
Project Communications Specialist	1	1	0
Public & Comm. Relations Manager	1	1	0
Public Affairs Specialist	1	1	0
Senior Communications Specialist	1	1	0
Senior Digital Communications Specialist	1	1	0
Senior Marketing Manager	1	1	0
TollTag Marketing Strategist	1	1	0
Government Affairs	3	3	0
Director of Government Affairs	1	1	0
Government Affairs Liaison	2	2	0
Total Full-Time Positions	17	17	0

- No change to FTEs. However, a hiring freeze is in effect during FY2021 for three vacant positions, the Project Communications Specialist, Public & Comm. Relations Manager and Public Affairs Specialist.

MAJOR BUSINESS FUNCTIONS – PUBLIC AFFAIRS

With the FY2021 budget, the Public Affairs Department will successfully support the Authority’s strategic goals and objectives through:

- Strategy and Planning** – Develop innovative strategies to take NTTA to the next level by identifying trends, using data analytics and market research to craft new programs to support operations.
- Media Relations** – Spread the NTTA story and value proposition throughout North Texas by developing strong relationships with reporters and influencers across all news media outlets in the region. Create stories that lead to placement of positive news. Control and effectively communicate NTTA messaging. Leverage new tools to provide more depth news and data around media placements and effectiveness of new advertising media plan. Successfully manage media to neutral – neutral to positive public sentiment
- Marketing and Advertising** – Evaluate how promotional events will take place in the new COVID-19 era and adapt our strategies to continue maximizing the number of people who learn about the value of NTTA and the TollTag. Customer data and related analytics will continue to serve as our roadmap for developing dynamic and clever advertising campaigns with an aggressive “Get a TollTag and Save” positioning the TollTag as the least expensive way to travel on toll roads. Target ZipCash customers with a message of savings by getting a TollTag with its benefits of savings Tollmate and TollPerks. Imaginative promotions, events and use of paid media in new customer communications channels will draw in new customers and help convert ZipCash customers. Emphasis on growing TollTag customers around the new 360 Tollway and roads with high ZipCash penetration.
- Project Communications** – Create and widely disseminate communications, including video and infographics, using online and traditional communication channels to notify customers of

ongoing construction and maintenance activity including the expansion of SRT and extension of the DNT to US 380. Communications will include toll road value and safety program messaging. Work with IT and TIM departments to develop effective website and Tollmate tools to improve project customer communications.

Speakers' Bureau – Make necessary changes to adapt to a COVID-19 communications reality with likely fewer in-person meetings and events. Work with organizations on ways NTTA can be included in potentially different types and styles of events. Educate and expand external audiences through grassroots community outreach, including staff presentations and meetings with community leaders, realtors, Home Owners Associations, businesses and industry groups. Further, engage the business community to be advocates for transportation and NTTA's role to provide options for the region's transportation needs. Gain visibility with local communities by using popular online platforms such as Nextdoor.

- **Public Relations** – Public relations (branding) campaigns to share the NTTA story and value proposition across North Texas. Develop new partnerships in communities NTTA serves, including safe-driving organizations, driving schools, etc. Focus on grassroots programs and activities to successfully communicate the benefits and value of NTTA and the TollTag to create ambassadors for our brand. Establish new touchpoints with local communities, helping to spur engagement while also increasing awareness for NTTA's safety offerings (e.g., student design contests and collaborating with local driving schools). Host a podcast that will further NTTA's message to targeted audiences.
- **Internal Communications** – Reinforce NTTA culture and business goals with employees. Using the results of the 2021 Employee survey, develop creative campaigns to help each employee understand their direct contribution to the organization's success and how they can take their performance to the next level. Serve as a vital point of contact to educate employees on safety best practices and available resources through NTTA. Spur engagement with employees by encouraging idea sharing, inviting them to be a part of the process to develop initiatives.
- **Government Affairs** – Cultivate and maintain productive relationships with local and state elected officials and other public policy stakeholders to advance initiatives that support NTTA's mission and role in the region. Focus on newly elected officials to educate them on the value and importance of NTTA in the region. Foster a sense of 'ownership' with the region's elected officials and stakeholders. Manage daily activities in Austin during the 87th Legislative Session, including NTTA's agenda and all public policy issues related to transportation.

Treasury Management Department

OVERVIEW

The department plans and manages all short and long-term financing for the Authority and performs post-issuance administrative functions. It is responsible for the planning, development and maintenance of the annual budgets, Five-Year-Capital Plan and long-range financial planning. In addition, the department manages the daily certificate process including processing payments to toll partners and providing financial analysis of toll transactions and revenue collections. The department is responsible for all banking relationships, cash management, investment portfolio management and continuing disclosure compliance, as well as the establishment and monitoring of all investment, debt, and continuing disclosure policies and procedures.

FY2021 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Financially Sound & Vibrant Organization

- Ensure that sufficient funds are available (liquid) to meet ongoing operation and capital improvement requirements.
- Work with consultants to capitalize on favorable market conditions to lower the cost of borrowing.
- Continuously improve the annual budget plan process for clarity and more transparency.
- Produce a Five-Year Capital Plan based on best estimates for future planning.

Delivering Transportation Solutions

- Assist with renegotiation of the performance security provision in the LBJ TSA.
- Continue back office processing of payments for TSA partner facilities.

Highly Qualified, Energized & Engaged Team

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

DEPARTMENTAL FY2021 OPERATIONS AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2020	FY2021	Variance	Variance %
	Budget	Budget		
Salaries and Wages-Direct - (511101)	\$990,605	\$961,542	(\$29,063)	(2.9)%
Retirement Contributions - (512401)	128,179	124,135	(4,044)	(3.2)%
Consulting/Professional - (521201)	359,474	320,992	(38,482)	(10.7)%
Trustee Fees - (521204)	295,899	280,031	(15,868)	(5.4)%
Traffic Engineering Fees - (521207)	588,199	450,000	(138,199)	(23.5)%
Travel - (523501)	11,578	6,633	(4,945)	(42.7)%
Dues & Subscriptions - (523601)	3,661	475	(3,186)	(87.0)%
Education and Training - (523701)	3,044	1,821	(1,223)	(40.2)%
Office Supplies - (531101)	3,169	883	(2,286)	(72.1)%
Freight and Express - (531105)	635	233	(402)	(63.3)%
Bank Charges - (573001)	100,000	100,000	0	0.0%
Total Expenses	\$2,484,443	\$2,246,745	(\$237,698)	(9.6)%

MAJOR FY2021 OMF BUDGET ITEMS

The department's FY2021 OMF budget decreased by **(\$237,698)** from FY2020 budget. All variances that exceed \$50,000 along with variances that are greater than both 15.0% and \$5,000 are explained below.

- Traffic Engineering Fees decreased **(\$138,199)** based on historical spending.

360 TOLLWAY BUDGET

The fund was created to account for revenues and expenses in accordance with the project agreement. (See Other Funds section pages 97-101).

- **\$20,418** for allocated costs associated with the treasury and budget management of the project.

ENTERPRISE FUND BUDGET

The fund was created to account for revenues and expenses associated with tolling services agreements. (See Other Funds section pages 102-104).

- **\$0**

POSITION SUMMARY

Treasury Management Department			
Full-Time Positions	FY2020	FY2021	Difference
Administrative Assistant	1	0	(1)
Budget & Compliance Manager	1	1	0
Debt Manager	1	1	0
Director of Treasury Management	1	1	0
Financial Services Manager	1	1	0
Senior Finance Analyst	4	4	0
Treasury Investment Manager	1	1	0
Total Full-Time Positions	10	9	(1)

- During FY2020, the Administrative Assistant position was transferred to the Accounting Department.

MAJOR BUSINESS FUNCTIONS

- Plans and manages all matters relating to short and long-term financing for NTTA.
- Performs all post-issuance administrative functions including continuing disclosure.
- Responsible for all banking relationships, cash management and investment portfolio management.
- Establish and monitor compliance with all investment, debt and continuing disclosure policies and procedures.
- Responsible for daily distribution of funds as per NTTA's Trust Agreement as well as processing of payments to TSA partners.
- Directs and oversees all aspects of preparing, integrating and presenting the annual budgeting process.
- Collaborate with external consultants to develop and maintain planning tools.
- Works with management to define performance metrics to measure organizational performance.
- Lead and develop the agency-wide planning process.
- Develop and maintain financial planning models.
- Develop and oversee a full range of financial analyses to support periodic reviews with Executive Director, CFO and Board of Directors.

Contact Center and Collections Department

OVERVIEW

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

The department's 2021 objective continues the focus on the six Cs of exceptional customer service: Connect, Collect, Convert, Continuous Improvement, Coach, and Closing the Gaps.

- **Connect:** Customers should expect an exceptional customer service experience with NTTA based on their preferred communication method.
- **Collect:** Customers will be treated with the utmost respect while being held responsible for their decisions.
- **Convert:** Every windshield has a TollTag.
- **Continuous Improvement:** Improve infrastructure and processes by leveraging appropriate technology.
- **Coach:** Staff and leadership conduct appropriate training and coaching to improve customer experience.
- **Closing the Gaps:** Focus on closing process gaps to create a more efficient, robust and timely processes.

FY2021 DEPARTMENT OBJECTIVES (SUPPORTING FIVE-YEAR STRATEGIC GOALS)

Customer-Driven Organization

- Focus on improving key drivers of customer satisfaction, which include reducing wait times and increasing the number of full-service locations where customers may register for new TollTag accounts or pay ZipCash invoices.
- Enhance customer preferred communication channels through website, interactive voice response (IVR), and online chat functionality.
- Expand proactive customer outreach via targeted outbound messaging to inform TollTag customers of account issues.
- Expand contact channel opportunities to provide additional customer access and to leverage existing technology, such as the Tollmate mobile application and electronic statements, for ease of access.
- Sell and promote TollTag benefits at targeted events, such as corporate events, new or expanding local businesses, sporting games, and university events.
- Expand relationships with car dealerships to distribute TollTags and increase ability to collect transactions for car sales, fleet and loaner vehicles.
- Further enhance speech analytics to improve customer service, and coaching to build efficiencies.

- Improve contact with customers through targeted customer outreach campaigns to include outbound dialing, text messaging, e-mails and other communication vehicles.
- Leverage emerging payment technologies to facilitate customers' ability to pay.
- Create an internal infrastructure that has the appropriate technology and analytical horsepower to fulfill core functions.
- Develop and deliver programs to assist cash and unbanked/underbanked customers with access to payment locations and other payment options.
- Create Customer Obsession by expanding the customer experience and journey mapping.
- Maximize every ZipCash customer interaction to provide benefits of TollTag membership.
- Leverage business intelligence tools for better volume forecasting to facilitate the conversion of unhappy customers to happy customers.
- Explore IVR enhancements, including smart-IVR technology with alphanumeric capabilities.
- Implement speech analytics to analyze contact volumes and build efficiencies.
- Implement screen pops to reduce average contact handle times.
- Implement virtual queueing and automated callbacks to improve customer satisfaction.

Financially Sound & Vibrant Organization

- Continue to increase TollTag penetration to the FY2021 goal of 82.5%.
- Continue focus on payments from out-of-state drivers.
- Improve pursuable transactions to achieve a FY2021 goal of 95.7%.
- Drive collectables to the FY2021 goal of 93% collected within 24 months.
- Reduce the percentage of customers identified as habitual violators, increase payments from scofflaws and enhance public perception of equity by deploying enforcement tools provided by the Legislature, including vehicle registration blocks and roadway bans.
- Constantly evaluate and improve the Toll Enforcement Remedies program to maximize performance.
- Execute an enhanced collection strategy through management of two collection agencies to provide: (1) general and specialized collection services for outstanding ZipCash invoices, past due accounts, unpaid fees and other charges, including court judgments; (2) provide skip tracing for returned mail, chargebacks and bounced checks; (3) assist in the early stage of collections through customer outreach programs; (4) improve toll collection earlier within their process; (5) continue focus on collection efforts for unpaid invoices placed for longer than six months.
- Work with additional counties for vehicle registration blocks.
- Leverage the Business Intelligence environment in decision-making.

Highly Qualified, Energized & Engaged Team

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

DEPARTMENTAL FY2021 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2020	FY2021	Variance	Variance %
	Budget	Budget		
Salaries and Wages-Direct - (511101)	\$9,908,671	\$10,053,183	\$144,512	1.5%
Salaries and Wage-Overtime - (511301)	352,153	254,077	(98,076)	(27.9)%
Retirement Contributions - (512401)	1,279,621	1,297,868	18,247	1.4%
Meeting Expense - (521101)	30,525	15,228	(15,297)	(50.1)%
Consulting/Professional - (521201)	8,188,485	7,856,250	(332,235)	(4.1)%
Armored Car Services - (521209)	54,627	50,142	(4,485)	(8.2)%
Rentals - Building/Land - (522301)	163,595	0	(163,595)	(100.0)%
Rentals - Equipment - (522302)	55,822	55,822	0	0.0%
Postage - (523201)	8,580,160	7,666,039	(914,121)	(10.7)%
Promotional Expenses - (523304)	234,531	187,970	(46,561)	(19.9)%
Printing and Photographic - (523401)	116,979	78,100	(38,879)	(33.2)%
Travel - (523501)	20,005	8,935	(11,070)	(55.3)%
Dues & Subscriptions - (523601)	29,429	2,284	(27,145)	(92.2)%
Education and Training - (523701)	67,793	29,538	(38,255)	(56.4)%
Temporary Contract Labor - (523851)	11,648,519	7,837,886	(3,810,633)	(32.7)%
Office Supplies - (531101)	92,880	40,810	(52,070)	(56.1)%
Freight and Express - (531105)	1,144	1,098	(46)	(4.1)%
Inven for resale(toll tags) - (531501)	8,891,582	3,819,488	(5,072,094)	(57.0)%
Uniforms - (531701)	50,594	20,262	(30,332)	(60.0)%
Bank Charges - (573001)	372,649	354,859	(17,790)	(4.8)%
Credit Card Fees - (573002)	18,995,335	18,141,068	(854,267)	(4.5)%
Total Expenses	\$69,135,099	\$57,770,905	(\$11,364,194)	(16.4)%

MAJOR FY2021 OMF BUDGET ITEMS

The department's FY2021 OMF budget decreased by **(\$11,364,194)** from FY2020 budget. All volume related items decreased due to the pandemic impact on traffic. The significant changes explained below.

- Consulting/Professional decreased **(\$332,235)** due to reduction in volume of image review and invoicing.
- Rentals – Building/Land decreased **(\$163,595)** due to all facility rents consolidated in the Maintenance Department.
- Postage decreased **(\$914,121)** due to reduction volume of invoicing.
- Temporary Contract Labor decreased **(\$3,810,633)** due to the reduction in volume of calls and contacts.
- Tolltags decreased **(\$5,072,094)** due to the reduction in volume of traffic.
- Credit Card Fees decreased **(\$854,267)** due to reduction in toll revenue.

360 TOLLWAY BUDGET

The fund was created to account for revenues and expenses in accordance with the project agreement. (See Other Funds section pages 97-101).

- **\$1,497,459** for allocated costs to handle the processing of revenue transactions.

ENTERPRISE FUND BUDGET

The fund was created to account for revenues and expenses associated with tolling services agreements (see Other Funds section pages 102-104).

- **\$14,354,897** for allocated costs to handle the processing of revenue transactions for TSA projects.

POSITION SUMMARY

Contact Center and Collections Department			
Full-Time Positions	FY2020	FY2021	Difference
Call Center	111	123	12
CSC Project Coordinator I	2	1	(1)
CSC Sr. Specialist	10	9	(1)
CSC Supervisor	8	10	2
CSS II	88	100	12
Director of Contact Center & Collections	1	1	0
Sr. Call Center Manager	1	1	0
Technical Business Writer	1	1	0
Customer Service Center	64	47	(17)
CSC Sr. Specialist	8	6	(2)
CSC Supervisor	7	6	(1)
CSS II	47	34	(13)
Receptionist	1	0	(1)
Sr. Customer Center Manager	1	1	0
Workforce & Training	8	36	28
CSC Sr Specialist	0	2	2
CSC Supervisor	0	1	1
CSC Training Assistant	0	1	1
CSC Training Coordinator	1	1	0
CSC Training Manager	1	1	0
CSS II	0	2	2
CSS III	0	21	21
Forecast Analyst	1	2	1
Workforce Analyst	4	4	0
Workforce Manager	1	1	0
Regional Tolling Partners	4	2	(2)
CSS II	2	0	(2)
Manager - Key Accounts	1	1	0
RTP Supervisor	1	1	0
Collections	9	10	1
Assistant Director of Contact Center and Collections	1	1	0
Collections Manager	1	1	0
CSC Project Coordinator I	1	3	2
CSC Sr. Specialist	2	2	0
CSC Supervisor	2	1	(1)
CSS I	2	2	0
Toll Enforcement Remedies	16	3	(13)
Court Coordinator	3	3	0
CSS I	1	0	(1)
CSS III	12	0	(12)

POSITION SUMMARY (CONTINUED)

Contact Center and Collections Department			
Full-Time Positions	FY2020	FY2021	Difference
Support Services	88	74	(14)
CSC Project Coordinator I	1	0	(1)
CSC Sr. Specialist	5	5	0
CSC Supervisor	5	4	(1)
CSS I	47	41	(6)
CSS II	18	22	4
CSS III	9	0	(9)
Inventory Control Specialist	1	1	0
Mail Specialist	1	0	(1)
Support Services Process Manager	1	1	0
Customer Care	12	12	0
CSC QA/QC Coordinator II	5	5	0
CSC QA/QC Coordinator II Bilingual	2	2	0
Customer Care Coordinator	1	1	0
Customer Care Manager	1	1	0
Director of Customer Care	1	1	0
QA/QC Supervisor	1	1	0
Sr. Operations Analyst	1	1	0
Total Full Time Positions	312	307	(5)
Part-Time Positions	FY2020	FY2021	Difference
CSS I P/T	17	17	0
CSS II - P/T	4	3	(1)
TollTag Event Specialist	4	4	0
Total Part-Time Positions	25	24	(1)

- Contact Center and Collections eliminated five CSS I positions and one CSS II P/T. For FY2021, a hiring freeze is in effect for 21 mainly CSS positions.

MAJOR BUSINESS FUNCTIONS

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

- **Call Center** – Serves more than 4 million customers each year through TollTag distribution, TollTag account maintenance, ZipCash monthly statement payments and resolving customer concerns via multiple contact channels.
- **Customer Service Center** – Serves as the “face of the NTTA” for more than 250,000 customers each year via six retail locations in Fort Worth, Irving, Plano, Grand Prairie, South Dallas, and Mesquite.
- **Workforce & Training** – Serves as the command center for the Call Center, Contact Center and Toll Enforcement Remedies divisions. Their primary functions include scheduling work shift analysis, projecting contact volumes, and reassigning flexible personnel throughout the day to ensure prompt service is available in all contact channels.
- **Regional Tolling Partners** – Several municipalities, numerous car dealerships, and local retailers such as Fiesta, Tom Thumb, and Albertson's grocery chains issue new TollTags on behalf of NTTA. These locations account for more than 15,000 TollTag activations per year. Breadth of the division has been expanded to focus on increasing TollTag awareness for large employers in proximity to NTTA roadways, increasing NTTA's fleet TollTag program and enhancing NTTA's car dealership relationships.

- **Collections** – Provides strategic direction for collections efforts on outstanding ZipCash invoices, from first notice of nonpayment through assignment to external collection agencies. Manages internal staff as well as collection agencies.
- **Toll Enforcement Remedies** – Implements tools provided by the Legislature to encourage equitable payment from all drivers. Tracks and manages payments from habitual violators and ensures payment plan/TollTag account obligations are met. Works with the Department of Public Safety for the issuance of failure-to-pay toll citations, and coordinates with Justice of the Peace offices in legal proceedings.
- **Support Services** – The team is made up of several smaller teams that provide back-office support, including posting of payments received, fulfillment and case handling.
- **Customer Care** – Partners with Contact Center and Collections leadership to:
 - Provide audits of all CSC processes and procedures
 - Report on all TSA-related service levels
 - Develop and maintain Speech Analytics and reporting
 - Complete all Board, Ombudsman, Legal, Communications, and Government Affairs escalations
 - Respond to all subpoenas and PIAs, testify as Custodian of Records for all NTTA and law enforcement trials

Information Technology Department

OVERVIEW

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

FY2021 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Customer Driven Organization

- Implement the IT strategic plan, ensuring IT projects are aligned with the needs of our internal and external customers and the strategic objectives of NTTA.
- Drive the new back office toll system to system acceptance
- Continue the Intelligent Transportation Systems (ITS) program to further customer safety and service by replacing the aging cameras on NTTA facilities, replacing the lane technology and looking at innovative ways to capture and analyze traffic data on NTTA's roadways.
- Remain focused on security and compliance in order to ensure customer data is protected. Maintain payment card industry (PCI) compliance as a level-1 merchant.

Financially Sound & Vibrant Organization

- Maintain and enhance the IT business continuity plan to minimize impact to the NTTA revenue stream and service to customers in the event of a disaster. Periodically test the plan to ensure readiness.
- Continue the expansion and adoption of the Business Intelligence program by moving toward near real-time analysis of data at the lane, augmenting transactional data with customer behavior attributes, and integration with the new back office toll system.

Delivering Transportation Solutions

- Expand central states interoperability with the addition of other agencies and continue implementation of national interoperability with the western, southeastern, and northeastern states.
- Continue to provide the required levels of service for the LBJ Express, North Tarrant Express and regional Toll Service Agreements.
- Implement technology and solutions that help in wrong way driver detection on the roadways.

Respected Leader & Partner in Region's Transportation Network

- Continue to collaborate with TxDOT and Cintra LBJ for processing transactions for the managed lanes.
- Continue to collaborate with Dallas/Fort Worth International and Dallas Love Field airports for processing parking transactions.
- Continue to support and expand the Central US Interoperability HUB vision and mission
- Support the data needs of NTTA's internal departments such as Public Affairs and Traffic Incident Management to ensure they can continue to be responsive to requests to assist and collaborate with peer agencies and government officials within the region.

Highly Qualified, Energized & Engaged Team

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

DEPARTMENTAL FY2021 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2020	FY2021	Variance	Variance %
	Budget	Budget		
Salaries and Wages-Direct - (511101)	\$8,022,436	\$7,911,568	(\$110,868)	(1.4)%
Salaries and Wage-Overtime - (511301)	104,574	88,215	(16,359)	(15.6)%
Retirement Contributions - (512401)	1,037,955	1,021,383	(16,572)	(1.6)%
Outside Maintenance Services - (521212)	6,623,040	4,749,111	(1,873,929)	(28.3)%
Telecommunications - (523202)	1,181,521	1,174,911	(6,610)	(0.6)%
Travel - (523501)	27,900	24,900	(3,000)	(10.8)%
Dues & Subscriptions - (523601)	6,000	6,000	0	0.0%
Education and Training - (523701)	106,500	91,500	(15,000)	(14.1)%
Temporary Contract Labor - (523851)	84,662	83,744	(918)	(1.1)%
Office Supplies - (531101)	112,200	112,200	0	0.0%
Other Materials and Supplies - (531102)	218,000	218,000	0	0.0%
Software - (531651)	8,218,337	8,801,330	582,993	7.1%
Total Expenses	\$25,743,125	\$24,282,863	(\$1,460,262)	(5.7)%

MAJOR FY2021 OMF BUDGET ITEMS

The department's FY2021 OMF budget decreased by **(\$1,460,262)** from FY2020 budget. The significant changes are explained below.

- Salaries and Wages net decrease **(\$110,868)** due to hiring freeze on six vacant positions and salary adjustments.
- Outside Maintenance Services net decreased **(\$1,873,929)** due to the implementation of the new back office system.
- Software increased by \$582,993 due to Oracle starting to license Java, and the separation of the Oracle PeopleSoft licensing from the Oracle ULA bucket and other enterprise applications expected annual increase in licensing.

360 TOLLWAY BUDGET

The fund was created to account for revenues and expenses in accordance with the project agreement. (See Other Funds section pages 97-101).

- **\$607,679** allocated costs associated with processing revenue transactions for the project.

ENTERPRISE FUND BUDGET

The fund was created to account for revenues and expenses associated with tolling services agreements (see Other Funds section pages 102-104).

- **\$3,794,841** allocated costs associated with processing revenue transactions for the project.

POSITION SUMMARY

Information Technology			
Full-Time Positions	FY2020	FY2021	Difference
Application Support Supervisor	1	1	0
Applications Administrator	3	3	0
Applications Administrator I	1	1	0
Assistant Director Business Applications	1	1	0
Assistant Director of IT	1	1	0
Backup Engineer	1	1	0
Business Intelligence Architect	1	1	0
Business Intelligence Developer	1	1	0
Communications Administrator	1	1	0
Compliance Analyst	2	2	0
Desktop Support Engineer	1	1	0
Director of IT	1	1	0
Enterprise Applications Lead	1	1	0
Enterprise Communications Manager	1	1	0
GIS Analyst	3	3	0
GIS Manager	1	1	0
Information Security Manager	1	1	0
IT Asset Analyst	1	1	0
IT Operations and Service Manager	1	1	0
IT Program Manager	1	1	0
IT Project Manager	1	1	0
ITS Support Specialist	1	1	0
Lead ServiceNow Developer	0	1	1
Lead Warehouse Technician	1	2	1
Network Engineer	1	1	0
RITE Applications Lead Support Analyst	1	0	(1)
RITE Systems Support Analyst II	2	2	0
Roadway Systems Lead	3	3	0
Roadway Systems Manager	2	2	0
Roadway Systems Supervisor	3	3	0
Security Engineer	3	3	0
Server Administrator	1	1	0
Service Desk Manager	1	1	0
ServiceNow Administrator	1	1	0
ServiceNow Developer	1	0	(1)
Solutions Architect	1	1	0
Sr. Application Manager	1	1	0
Sr. BI Developer	1	1	0
Sr. Business Analyst	3	3	0
Sr. Communications Engineer	1	1	0

Information Technology			
Full-Time Positions	FY2020	FY2021	Difference
Sr. Database Administrator	2	2	0
Sr. Desktop Support Technician	2	3	1
Sr. Enterprise Applications Manager	1	1	0
Sr. ETL & Data Modeling Developer	1	1	0
Sr. IT Asset Analyst	0	1	1
Sr. IT Manager Bus Intelligence	1	1	0
Sr. ITS Manager	1	1	0
Sr. Network Engineer	3	3	0
Sr. Project Manager	2	2	0
Sr. Server Administrator	2	1	(1)
Sr. Systems Engineer	4	5	1
Sr. Technical Lead	1	1	0
Sr. Web Applications Developer	2	2	0
Systems Support Tech II	3	0	(3)
Systems Support Tech II - HD	2	2	0
Systems Support Tech II RW	5	7	2
Systems Support Tech III	2	1	(1)
Systems Support Tech III - PS	1	0	(1)
Systems Support Tech III RW	7	8	1
Total Full-Time Positions	96	96	0

- No changes to FTEs, only reclassification of positions to better align with the duties. A hiring freeze is in effect during FY2021 for two System Support Tech II RW, the GIS Analyst, Asst. Director Bus. Apps., ServiceNow Administrator and the Lead ServiceNow Developer positions.

MAJOR BUSINESS FUNCTIONS

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

- **Business Applications** – Focused on all tolling back-office systems: Toll Enforcement Remedies application; PeopleSoft HR and financials; the asset management system used by the Maintenance Department; enterprise project delivery system (EPDS); geographic information systems (GIS); and all other enterprise applications.
- **Roadway Systems Operations and Support** – Focused on the installation and support of the tolling system at the lane level. The Intelligent Transportation System (ITS) group manages and supports the extensive network of dynamic message signs, closed-circuit television cameras and incident detection system utilized by TIM.
- **Enterprise Systems/Communications** – Focused on the deployment and support of user workstations and desktop applications; all aspects of the network including, routers, switches, cabling, telephones and telephone service; and all servers, systems and storage devices. The IT Service Desk resides within this area.
- **Information Security** – Focused on information security and compliance. Implements and monitors security infrastructure and evaluates systems and processes for compliance. Also, leads IT efforts with Internal and External Audits.

Maintenance Department

OVERVIEW

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

FY2021 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Customer Driven Organization

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

Financially Sound & Vibrant Organization

- Manage the sale of surplus and salvage property via auctions.
- Minimize financial risk by limiting on-hand inventories and storage of items to support a lean yet responsive operation.

Delivering Transportation Solutions

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

Respected Leader & Partner in the Region’s Transportation Network

- Collaborate with Texas Department of Transportation, Texas Transportation Institute and other industry leaders to improve safety for our employees, contractors and the traveling public.
- Achieve ASE Blue Seal certification for Fleet Facilities and collaborate with area supply chain experts to promote efficient warehousing operations.

Highly Qualified, Energized & Engaged Team

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

DEPARTMENTAL FY2021 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2020	FY2021	Variance	Variance %
	Budget	Budget		
Salaries and Wages-Direct - (511101)	\$8,653,520	\$8,565,375	(\$88,145)	(1.0)%
Salaries and Wage-Overtime - (511301)	360,010	309,306	(50,704)	(14.1)%
Retirement Contributions - (512401)	1,122,321	1,105,790	(16,531)	(1.5)%
Meeting Expense - (521101)	6,100	4,738	(1,362)	(22.3)%
Consulting/Professional - (521201)	200,000	150,000	(50,000)	(25.0)%
Outside Maintenance Services - (521212)	23,008,342	23,748,634	740,292	3.2%
Landscaping - (522202)	61,500	61,500	0	0.0%
Rentals - Buildings/Land - (522301)	259,556	423,151	163,595	63.0%
Rentals - Equipment - (522302)	90,350	75,800	(14,550)	(16.1)%
Telecommunications - (523202)	121,200	279,352	158,152	130.5%
Travel - (523501)	23,100	10,200	(12,900)	(55.8)%
Dues & Subscriptions - (523601)	25,615	25,214	(401)	(1.6)%
Education and Training - (523701)	45,900	27,530	(18,370)	(40.0)%
Licenses - (523801)	23,565	21,344	(2,221)	(9.4)%
Temporary Contract Labor - (523851)	100,000	77,056	(22,944)	(22.9)%
Office Supplies - (531101)	21,100	14,657	(6,443)	(30.5)%
Other Materials and Supplies - (531102)	1,942,062	1,841,712	(100,350)	(5.2)%
Mobile Equipment Expense - (531103)	909,425	886,000	(23,425)	(2.6)%
Freight and Express - (531105)	400	283	(117)	(29.3)%
Motor Fuel Expense - (531107)	1,023,309	963,678	(59,631)	(5.8)%
Water - (531211)	850,000	883,696	33,696	4.0%
Gas - (531221)	50,600	29,108	(21,492)	(42.5)%
Electricity - (531231)	1,906,846	1,763,029	(143,817)	(7.5)%
Small Tools and Shop Supplies - (531601)	288,685	177,968	(110,717)	(38.4)%
Uniforms - (531701)	189,600	184,640	(4,960)	(2.6)%
Total Expenses	\$41,283,106	\$41,629,760	\$346,654	0.8%

MAJOR FY2021 OMF BUDGET ITEMS

The department's FY2021 OMF budget increased by \$346,654 from FY2020 budget. The net increase is mainly for facility cleaning and sanitation supplies due to the impact of the Coronavirus pandemic. Other significant changes explained below.

- Outside Maintenance Services net increased \$740,292 due to \$900,000 for COVID facilities sanitizing offset by **(\$160,000)** in savings of other services.
- Rentals – Building/Land increased \$163,595 due to all facility rental payments consolidated in the Maintenance Department.
- Telecommunications increased \$158,152 due to a full year of service with a new contract.
- Other Materials and Supplies was increased by \$100,000 for COVID disinfectant and sanitizer supplies offset by reduction in other materials.

360 TOLLWAY BUDGET

The fund was created to account for revenues and expenses in accordance with the project agreement. (See Other Funds section pages 97-101).

- **\$3,436,263** consists of allocated costs of \$16,858 and direct costs of \$3,419,407 associated with the maintenance and repair of the project's infrastructure.

ENTERPRISE FUND BUDGET

The fund was created to account for revenues and expenses associated with tolling services agreements (see Other Funds section pages 102-104).

- \$0

POSITION SUMMARY

Maintenance Department			
Full-Time Positions	FY2020	FY2021	Difference
Roadway	115	115	0
CSR/Maintenance	2	2	0
Laborer	29	22	(7)
Lead Roadway Maintenance Tech	8	8	0
Maintenance Tech I	25	32	7
Maintenance Tech II	23	23	0
Roadway Maintenance Supervisor	6	6	0
Roadway Maintenance Supervisor Night	2	2	0
Roadway Manager	2	2	0
Senior Maintenance Technician	18	18	0
Facilities	22	21	(1)
Bldg. Maintenance Supervisor	1	1	0
Custodian	1	0	(1)
Electrical Lead	1	1	0
Electrical Maintenance Technician	2	2	0
Electrical Supervisor	1	1	0
Electrician	3	3	0
Facilities Manager	1	1	0
GE Bldg. Maintenance Specialist	1	1	0
HVAC&R Technician	2	2	0
Maintenance Specialist	0	1	1
Maintenance Specialist Plumber	1	0	(1)
Maintenance Specialist Craftsman	1	1	0
Maintenance Technician	3	3	0
Senior Electrician	2	2	0
Maintenance Facility Lead	2	2	0
Landscape	17	17	0
Irrigation Maintenance Specialist	2	2	0
Laborer	5	5	0
Landscape Maintenance Technician	4	4	0
Landscape Maintenance Technician II	2	2	0
Landscape Manager/Architect	1	1	0
Landscape Supervisor	1	1	0
Lead Landscape Maintenance Technician	1	1	0
Senior Landscape Maintenance Technician	1	1	0

Maintenance Department (continued)			
Support Services	29	29	0
Compliance Specialist	1	1	0
Fleet Manager	1	1	0
Fleet Supervisor	2	2	0
Inventory Control Specialist	3	3	0
Lead Mechanic	2	2	0
Lead Sign Specialist	1	1	0
Maintenance Support Manager	1	1	0
Maintenance Technician	1	1	0
Mechanic	9	9	0
Senior Mechanic	2	2	0
Senior Sign Specialist	1	2	1
Sign & Fabrication Supervisor	1	1	0
Sign Specialist	1	0	(1)
Warehouse Supervisor	1	1	0
Warehouse Team Lead	2	2	0
Administration	10	11	1
Admin Asst. Maintenance	1	1	0
Asst. Director / Maintenance Ops	1	1	0
Capital Improvement Manager	1	1	0
CMMS App Administrator	1	1	0
Director of Maintenance	1	1	0
Project Coordinator	2	2	0
Roadway Special Project Manager	3	3	0
Sr. Roadway Special Project Manager	0	1	1
Total Full-Time Positions	193	193	0

- No changes to FTEs, only reclassification of positions. However, a hiring freeze is in effect during FY2021 for sixteen positions. These are five Maintenance Tech I, three Maintenance Tech II, one Senior Maintenance Tech, one Maint. Tech, one Mechanic, one Sr. Sign Specialist, one Electrician, one Maint. Facilities Lead, the Asst. Director of Maint. Ops and Sr. Roadway Special Projects Manager.

MAJOR BUSINESS FUNCTIONS

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

- **Roadway Division** – Provides in-house maintenance of the SRT, DNT, LLTB, and AATT, including bridges, safety devices and associated appurtenances. Also, performs small-scale in-house construction and repair projects to improve or mitigate maintenance issues along the roadways corridor and right-of-way.
- **Facilities Division** – Responsible for the maintenance of NTTA facilities, electrical services and roadway lighting.
- **Landscape Division** – Responsible for the maintenance of all landscape assets as well as project management of the contracted landscape maintenance of the Gleneagles facilities, SRT, DNT, LLTB, and AATT.
- **Support Services Division** - Provides maintenance of the authority-owned fleet and equipment, oversight of the NTTA warehouse and supply chain activities, maintenance and fabrication of signs.
- **Administration Division** – Oversight of contracted maintenance of the PGBT, MCLB, and CTP, management of the department's RMF and CIF funds, and building renovations.

Operations Department

OVERVIEW

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

FY2021 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Customer-Driven Organization

- Implement programs to improve customers' experience through projects intended to reduce the need for customers to contact NTTA and improve first contact resolution (ease of doing business with NTTA) scores.
- Continue involvement with the IBTTA steering committee for national interoperability and lead the efforts to achieve national interoperability through the connection of regional interoperability hubs.
- Implement alternative payment options, with a focus on expanding current options and locations to handle cash-backed TollTag accounts and ZipCash payments.
- Implement interoperability with Colorado, the southern states and the western US.

Financially Sound & Vibrant Organization

- Provide executive oversight for the implementation of the new back office toll collection system.
- Increase pursuable transactions to 95.7% of total transactions and collection rate to 93% within 24 months.
- Continue utilizing the Business Intelligence / Data Analytics environment to identify new areas to improve ZipCash to TollTag conversion, retain customers, enhance collections and define new projects.
- Convert TSA program into a financially positive program.

Respected Leader & Partner in Region's Transportation Network

- Implement southern and western states interoperability programs thereby extending payment of tolls through a TollTag to include Gulf Coast states to Florida and North Carolina, and states west of the Rockies. Connect Colorado with the central US hub.
- Execute inter-local agreement with the E-ZPass Group for expanded interoperability between the central and northeastern US.
- Actively participate in state, regional and national interoperability efforts.

Highly Qualified, Energized & Engaged Team

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

DEPARTMENTAL FY2021 OPERATIONS AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2020	FY2021	Variance	Variance %
	Budget	Budget		
Salaries and Wages-Direct - (511101)	\$996,108	\$1,028,189	\$32,081	3.2%
Retirement Contributions - (512401)	128,162	130,527	2,365	1.8%
Meeting Expense - (521101)	2,013	780	(1,233)	(61.3)%
Travel - (523501)	16,579	6,984	(9,595)	(57.9)%
Dues & Subscriptions - (523601)	11,278	9,000	(2,278)	(20.2)%
Education and Training - (523701)	3,053	709	(2,344)	(76.8)%
Office Supplies - (531101)	775	47,126	46,351	5,980.8%
Freight and Express - (531105)	215	215	0	0.0%
Total Expenses	\$1,158,183	\$1,223,530	\$65,347	5.6%

MAJOR FY2021 OMF BUDGET ITEMS

The department's FY2021 OMF budget increased by \$65,347 from FY2020 budget. All variances that exceed \$50,000 along with variances that are greater than both 15.0% and \$5,000 are explained below.

- Travel decreased **(\$9,595)** based on historical spending.
- Office Supplies increased \$46,351 due to management of coffee contract transferred from Shared Services.

360 TOLLWAY BUDGET

The fund was created to account for revenues and expenses in accordance with the project agreement. (See Other Funds section pages 97-101).

- **\$21,792** for allocated costs associated with the operations of the project.

ENTERPRISE FUND BUDGET

The fund was created to account for revenues and expenses associated with tolling services agreements. (See Other Funds section pages 102-104).

- **\$60,400** for direct costs associated with the operations of the TSAs.

POSITION SUMMARY

Operations			
Full-Time Positions	FY2020	FY2021	Difference
Asst. Exec. Director Operations	1	1	0
Business Analytics/Sr Projects Manager	1	1	0
Business Ops Manager	1	1	0
Executive Assistant	1	1	0
Ops Analytics Manager	1	1	0
Operations Analyst I	1	1	0
Operations Analyst II	1	1	0
Project Manager	1	1	0
Total Full-time Positions	8	8	0

- No change to FTEs.

MAJOR BUSINESS FUNCTIONS

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

Project Delivery Department

OVERVIEW

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

FY2021 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Delivering Transportation Solutions

- Continue planning and delivery of NTTA 5-Year Capital Plan commitments.
- Continue construction of the President George Bush Turnpike widening projects.
- Continue construction of DNT bridges over US 380.
- Complete construction of the Sam Rayburn Tollway fourth lane widening projects.
- Integrate a “total cost” (life cycle) approach to the development of new projects as well as the implementation of rehabilitation or modification projects.
- Conduct annual routine and specialized inspections, report on results, budget for deficiencies and implement improvement plans.

Respected Leader & Partner in the Region’s Transportation Network

- Continue working with our regional partners to advance priority projects.

DEPARTMENTAL FY2021 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2020 Budget	FY2021 Budget	Variance	Variance %
Salaries and Wages-Direct - (511101)	\$2,480,897	\$2,108,337	(\$372,560)	(15.0)%
Retirement Contributions - (512401)	321,552	264,741	(\$56,811)	(17.7)%
Meeting Expense - (521101)	500	500	0	0.0%
Consulting/Professional - (521201)	20,000	11,500	(\$8,500)	(42.5)%
Travel - (523501)	11,711	4,285	(\$7,426)	(63.4)%
Dues & Subscriptions - (523601)	3,855	1,157	(\$2,698)	(70.0)%
Education and Training - (523701)	6,283	5,486	(\$797)	(12.7)%
Licenses - (523801)	600	667	67	11.2%
Office Supplies - (531101)	1,790	2,041	251	14.0%
Freight and Express - (531105)	456	407	(\$49)	(10.7)%
Total Expenses	\$2,847,644	\$2,399,121	(\$448,523)	(15.8)%

MAJOR FY2021 OMF BUDGET ITEMS

The department’s FY2021 OMF budget decreased **(\$448,523)** from FY2020 budget. All variances that exceed \$50,000 along with variances that are greater than both 15.0% and \$5,000 are explained below.

- Salaries and Wages-Direct decreased **(\$372,560)** due to hiring freeze on three vacant positions.
- Retirement Contributions decreased **(\$56,811)** commensurate with salaries.
- Consulting/Professional decreased **(\$8,500)** based on historical spending.
- Travel decreased **(\$7,426)** based on historical spending

360 TOLLWAY BUDGET

The fund was created to account for revenues and expenses in accordance with the project agreement. (See Other Funds section pages 97-101).

- **\$44,630** for allocated costs associated with the oversight of the projects maintenance.

ENTERPRISE FUND BUDGET

The fund was created to account for revenues and expenses associated with tolling services agreements (see Other Funds section pages 102-104).

- **\$0**

POSITION SUMMARY

Project Delivery			
Full-Time Positions	FY2020	FY2021	Difference
AED of Infrastructure	1	1	0
Construction Engineering Manager	1	1	0
Director of Project Delivery	1	1	0
Executive Assistant	1	1	0
Manager of Construction	1	1	0
Manager of Contracts	1	1	0
Manager of Program Controls	1	1	0
Project Engineer	2	2	0
Project Manager	3	3	0
Right of Way Manager	1	1	0
Roadway Project Manager	2	2	0
Senior Corridor Manager	1	1	0
Senior Manager of Project Delivery	1	1	0
Senior Manager of Engineering Infrastructure Assets	1	1	0
Senior Project Manager Design Guidelines	1	1	0
Total Full-Time Positions	19	19	0

- No change to FTEs. However, a hiring freeze is in effect during FY2021 for two Project Managers and the Director of Project Delivery positions.

MAJOR BUSINESS FUNCTIONS

With the carefully considered FY2021 budget, the Project Delivery Department will continue to benefit the Authority and the people of North Texas by performing a number of key functions:

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

Traffic and Incident Management Department

OVERVIEW

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

FY2021 DEPARTMENT OBJECTIVES (SUPPORTING 5-YEAR STRATEGIC GOALS)

Customer-Driven Organization

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

Financially Sound & Vibrant Organization

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

Delivering Transportation Solutions

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

Highly Qualified, Energized & Engaged Team

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

DEPARTMENTAL FY2021 OPERATION AND MAINTENANCE FUND (OMF) BUDGET

Account	FY2020	FY2021	Variance	Variance %
	Budget	Budget		
Salaries and Wages-Direct - (511101)	\$5,776,626	\$5,412,598	(\$364,028)	(6.3)%
Salaries and Wage-Overtime - (511301)	23,064	22,624	(440)	(1.9)%
Retirement Contributions - (512401)	748,510	696,132	(52,378)	(7.0)%
Meeting Expense - (521101)	1,000	1,000	0	0.0%
Consulting/Professional - (521201)	52,273	46,435	(5,838)	(11.2)%
Police Services (DPS) - (521208)	11,505,625	10,456,916	(1,048,709)	(9.1)%
Outside Maintenance Services - (521212)	54,136	51,542	(2,594)	(4.8)%
Insurance Expense - Other - (523101)	3,071,370	2,837,000	(234,370)	(7.6)%
Promotional Expenses - (523304)	7,636	5,080	(2,556)	(33.5)%
Travel - (523501)	12,049	8,183	(3,866)	(32.1)%
Dues & Subscriptions - (523601)	5,424	3,691	(1,733)	(32.0)%
Education and Training - (523701)	33,614	27,472	(6,142)	(18.3)%
Temporary Contract Labor - (523851)		0		
Liability Claims - (523902)	6,182	6,182	0	0.0%
Office Supplies - (531101)	14,525	9,854	(4,671)	(32.2)%
Other Materials and Supplies - (531102)	129,417	117,808	(11,609)	(9.0)%
Freight and Express - (531105)	171	106	(65)	(38.1)%
Uniforms - (531701)	82,687	82,669	(18)	(0.0)%
Total Expenses	\$21,524,309	\$19,785,291	(\$1,739,018)	(8.1)%

MAJOR FY2021 OMF BUDGET ITEMS

The department's FY2021 OMF budget decreased **(\$1,739,018)** from FY2020 budget. The decreases are mainly due to the impact that the Coronavirus pandemic had on transactions and revenue. Other significant changes explained below.

- Salaries and Wages net decrease **(\$364,028)** due to hiring freeze on 11 vacant positions.
- Retirement Contributions decreased **(\$52,378)** commensurate with salaries.
- Police Services (DPS) decreased **(\$1,048,709)** due to a hiring freeze on six Trooper positions.

360 TOLLWAY BUDGET

The fund was created to account for revenues and expenses in accordance to the project agreement. (See Other Funds section pages 97-101).

- **\$2,380,295** consists of allocated costs of \$68,106 and direct costs of \$2,312,189 for insurance and safety services on the project.

ENTERPRISE FUND BUDGET

The fund was created to account for revenues and expenses associated with tolling services agreements (see Other Funds section pages 102-104).

- **\$0**

POSITION SUMMARY

Traffic & Incident Management			
Full-Time Positions	FY2020	FY2021	Difference
Administration	16	16	0
Administrative Assistant	1	1	0
Assistant Director TIM Operations	1	1	0
Assistant Traffic Engineer	1	1	0
Citation Support Supervisor	1	1	0
Citation Support Team Lead	1	1	0
Citation Support Technician	4	4	0
Director TIM	1	1	0
Project Coordinator TIM	1	1	0
Safety Coordinator	1	1	0
Safety and Emergency Manager	1	1	0
Sr. Traffic Engineering Manager	1	1	0
Sr Traffic Incident Manager	1	1	0
Traffic Engineer	1	1	0
Safety Operations Center	46	46	0
Administrative Assistant Safety Ops Center	1	1	0
Safety Ops Center Manager	1	1	0
Safety Ops Center Service Specialist I	7	7	0
Safety Ops Center Service Specialist II	17	17	0
Safety Ops Center Supervisor	2	2	0
Safety Ops Center Team Lead	8	8	0
Safety Ops Center Technician	7	7	0
SOC Supervisor Evening	2	2	0
SOC Supervisor Night	1	1	0

Traffic & Incident Management (continued)			
Full-Time Positions	FY2020	FY2021	Difference
Insurance	2	2	0
Claims Coordinator	1	1	0
Insurance Program Administrator	1	1	0
Roadway Safety Services	77	77	0
Roadway Safety Service Manager	1	1	0
Roadway Safety Service Specialist	54	54	0
Roadway Safety Service Supervisor	6	4	(2)
Safety Rec Vehicle Specialist	6	6	0
Roadway Safety Service Supervisor Evening	1	2	1
Roadway Safety Service Supervisor Night	1	2	1
Roadway Safety Service Team Lead	8	8	0
Total Full-Time Positions	141	141	0

- No changes to FTEs. However, a hiring freeze is in effect during FY2021 for eleven positions. These are five Roadway Safety Service Specialist; three Safety Ops Center Service Specialist; one Citation Support Tech; the Citation Support Supervisor and the Traffic Engineer.

MAJOR BUSINESS FUNCTIONS

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

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



DNT AND SRT INTERCHANGE

Reserve Maintenance Fund

FY2021 RESERVE MAINTENANCE FUND MAJOR PROJECTS OR PURCHASES

The Reserve Maintenance Fund was created to account for maintenance expenditures that do not occur on an annual or more frequent basis. In other words, it is for the renewal and replacement of capital assets. The Authority elected to use the GASB 34 Modified Approach to account for maintenance of infrastructure assets. As required by the Trust Agreement, an annual inspection of the Authority’s roadways is conducted by the general engineering consultant. This inspection provides an assessment of conditions of all Authority infrastructure assets (roadways, bridges and facilities). The assessment of conditions is made by visual and mechanical tests designed to reveal any condition that would reduce user benefits below the set minimum level of service. The Authority’s goal is to maintain the infrastructure assets at a rating of eight or better (1 through 10 scale). However, it has established a minimum level for GASB 34 purposes of a condition level of six or greater. The roads are maintained at the Authority’s level in order to enhance the customers driving experience. The following are some of the major projects and purchases for FY2021 as outlined in the FY2020-FY2024 Capital Plan.

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

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

FLEET AND EQUIPMENT PURCHASES/ADDITIONAL & REPLACEMENTS

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

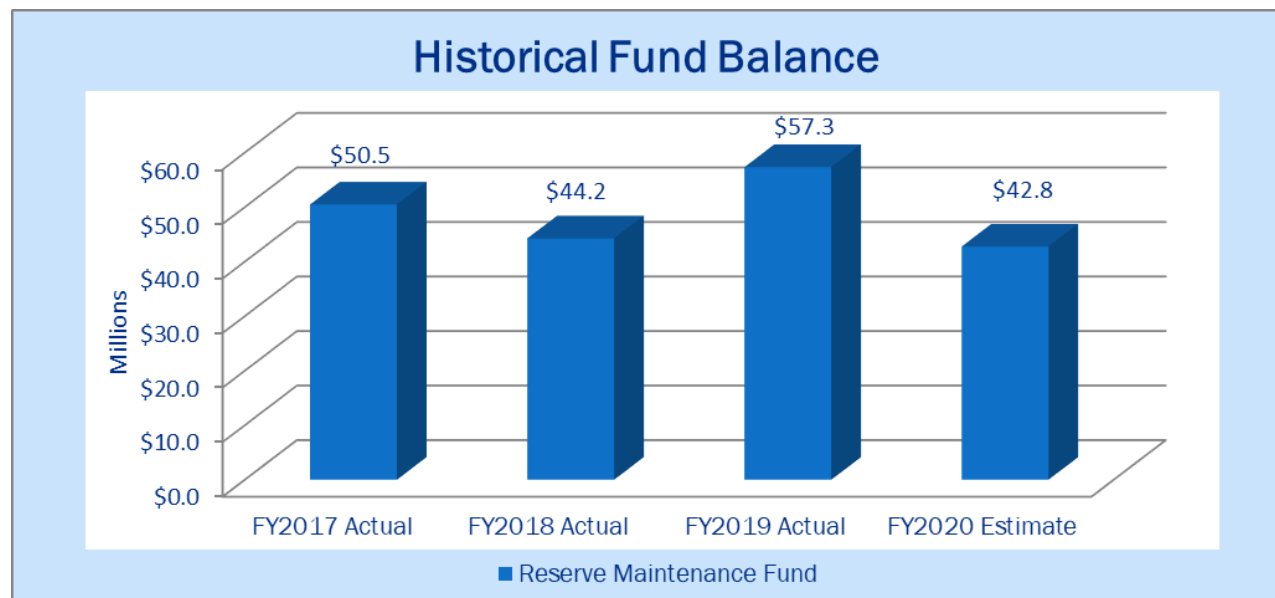
HARDWARE/SOFTWARE REPLACEMENTS AND UPGRADES

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

FY2021 Projects	
Systemwide Roadway Improvements	\$20,566,050
Computers, Servers and Equipment - New & Replacement, including software	13,543,630
Pavement Repairs	9,566,300
Trucks, Fleet & Equipment - New & Replacement	2,319,600
Facility Improvements	2,395,000
Annual Inspection - Required by GASB 34 Modified Approach	1,891,684
Pavement Restriping	5,099,150
Total FY2021 RMF Projects	55,381,414
Professional, Audit and Legal Fees	1,765,420
Total FY2021 Reserve Maintenance Fund Cost	\$57,146,834

CALCULATION OF DEPOSIT TO RESERVE MAINTENANCE FUND FY2021

Reserve Maintenance Fund Uncommitted Balance 1/1/2021		\$42,760,973
Estimated FY2021 Project Costs		
Software / Licensing	(210,000)	
Computer / Servers / Equipment	(13,333,630)	
Facility Improvements / Fleet	(4,714,600)	
Roadway Maintenance	<u>(37,123,184)</u>	
Total RMF Projects Cost		(55,381,414)
Professional Fees, Audit Fees, Legal Fees		<u>(1,765,420)</u>
Total Estimated FY2021 RMF Cost		(57,146,834)
Estimated Balance before Deposit		<u>(14,385,861)</u>
Estimated Deposit to Reserve Maintenance Fund		14,385,861
Estimated Uncommitted Cash Account Balance at 12/31/2021		-
RMF Required Reserve Balance at 12/31/2021		<u>5,000,000</u>
Estimated RMF Balance as of 12/31/2021		\$ 5,000,000
FY2021 Required Deposit to Reserve Maintenance Fund Calculation		
Estimated Fund Balance at 12/31/21	\$5,000,000	
Required Trust Agreement Balance	<u>5,000,000</u>	
Fully Funded no additional Deposit Required for FY2021	<u>\$ -</u>	



The FY2020 Reserve Maintenance Fund has \$42.8 million expected to be utilized in FY2021 and the required deposit balance of \$5.0 million. The \$50.5 million FY2017 was due to the combining of the Special Projects System.

360 Tollway Fund

Through an agreement with TxDOT, NTTA took ownership of the State Highway 360 South renaming it 360 Tollway in early FY2018. The project extended the SH 360 South between the existing frontage roads from its terminus at Camp Wisdom Road in southern Tarrant County to U.S. 287 in northwestern Ellis County and northeastern Johnson County. TxDOT funded, designed and constructed the project and turned it over to NTTA upon construction completion to own, operate and maintain. It was open to traffic on May 11, 2018. It is a stand-alone project and it is not part of the NTTA System.

The FY2021 Budget totals \$8.4 million for the project. NTTA will pay TxDOT's designated contractor for the maintenance on the project for the first five years. The project will reimburse the NTTA System for the tolling services. The FY2021 Budget contains \$4.0 million for maintenance costs; \$4.4 million for tolling services. All costs are consistent with the project agreement.

360 TOLLWAY - (6000) BUDGET COMPARISONS FY2021 TO FY2020

Department	FY2020	FY2021	Variance	
	Budget	Budget	Amount	Percent
Administrative Services:				
Accounting	\$26,515	\$31,297	\$4,782	18.0%
Administration	6,820	8,450	1,630	23.9%
Board	1,534	1,823	289	18.8%
Human Resources	19,558	20,429	871	4.5%
Internal Audit	65,749	65,838	89	0.1%
Legal Services	14,507	17,205	2,698	18.6%
Procurement and Business Diversity	26,820	28,978	2,158	8.0%
Public Affairs	27,048	28,168	1,120	4.1%
Shared Services	146,375	142,839	(3,536)	(2.4%)
Treasury Management	17,679	20,418	2,739	15.5%
Total Administrative Services	352,605	365,445	12,840	3.6%
Operational Services:				
Contact Center and Collections	1,309,391	1,497,459	188,068	14.4%
Information Technology	444,704	607,679	162,975	36.6%
Maintenance *	3,435,802	3,436,263	461	0.0%
Operations	16,663	21,792	5,129	30.8%
Project Delivery	44,285	44,630	345	0.8%
Traffic & Incident Mgmt.	2,168,217	2,380,295	212,078	9.8%
Total Operational Services	7,419,062	7,988,118	569,056	7.7%
Grand Totals	\$7,771,667	\$8,353,563	\$581,896	7.5%

* Contains \$3.2 million to be paid to TxDOT's designated maintenance contractor.

MAJOR FY2021 BUDGET ITEMS

The FY2021 budget increased by \$581,896 from FY2020 budget. Major changes to the department's budgets are explained below.

- Traffic & Incident Management – Increased \$212,078 for additional police services costs.
- Contact Center & Collections and Information Technology - Increased \$351,043 to reflect the project agreement numbers.

360 TOLLWAY FY2021 ESTIMATED BALANCE

Operation Maintenance Fund Estimated Balance as of 1/1/2021		\$25,500,000
Projected Gross Revenues	\$ 21,350,600	
Projected Bad Debt	<u>(2,895,000)</u>	
Projected Net Revenues		18,455,600
Estimated Expenditures FY2021 Operating Budget		
Maintenance Costs (including utilities)	(3,985,563)	
Tolling Services	<u>(4,368,000)</u>	
Total Estimated Expenditures		<u>(8,353,563)</u>
Net Revenues		10,102,037
Debt Service Obligation*		-
Estimated Balance Available for Debt and Capital Costs at 12/31/2021		\$35,602,037

*No debt service obligation until FY2023 (see page 129).

360 TOLLWAY - (6000) ESTIMATE FY2021

Department	Account	
Accounting	Salaries and Wages-Direct - (511101)	27,804
	Salaries and Wages-Overtime - (511301)	0
	Retirement Contributions - (512401)	3,493
	Accounting Total	31,297
Administration	Salaries and Wages-Direct - (511101)	7,655
	Retirement Contributions - (512401)	795
	Administration Total	8,450
Board	Salaries and Wages-Direct - (511101)	1,615
	Retirement Contributions - (512401)	208
	Board Total	1,823
Human Resources	Salaries and Wages-Direct - (511101)	17,969
	Retirement Contributions - (512401)	2,460
	Human Resources Total	20,429
Internal Audit	Salaries and Wages-Direct - (511101)	12,153
	Retirement Contributions - (512401)	1,685
	Auditing Fees - (521203)	52,000
	Internal Audit Total	65,838
Legal Services	Salaries and Wages-Direct - (511101)	15,015
	Retirement Contributions - (512401)	2,190
	Legal Services Total	17,205
Procurement and Business Diversity	Salaries and Wages-Direct - (511101)	25,665
	Salaries and Wages-Overtime - (511301)	0
	Retirement Contributions - (512401)	3,313
	Procurement and Business Diversity Total	28,978
Public Affairs	Salaries and Wages-Direct - (511101)	24,947
	Retirement Contributions - (512401)	3,221
	Public Affairs Total	28,168

360 TOLLWAY - (6000) ESTIMATE FY2021 (CONTINUED)

Department	Account	
Shared Services	Group Insurance - (512101)	140,928
	Office Supplies - (531101)	1,911
	Shared Services Total	142,839
Treasury Management	Salaries and Wages-Direct - (511101)	18,084
	Retirement Contributions - (512401)	2,334
	Treasury Management Total	20,418
Contact Center and Collections	Salaries and Wages-Direct - (511101)	243,577
	Salaries and Wages-Overtime - (511301)	14,581
	Retirement Contributions - (512401)	31,446
	Meeting Expense - (521101)	395
	Consulting/Professional - (521201)	190,162
	Postage - (523201)	181,506
	Promotional Expenses - (523304)	1,062
	Printing and Photographic - (523401)	0
	Temporary Contract Labor - (523851)	217,973
	Inven for resale(toll tags) - (531501)	177,905
	Bank Charges - (573001)	3,681
	Credit Card Fees - (573002)	435,171
	Contact Center and Collections Total	1,497,459
	Information Technology	Salaries and Wages-Direct - (511101)
Salaries and Wages-Overtime - (511301)		1,820
Retirement Contributions - (512401)		21,072
Outside Maintenance Services - (521212)		146,087
Telecommunications - (523202)		25,789
Temporary Contract Labor - (523851)		2,256
Software - (531651)		247,429
Information Technology Total		607,679
Maintenance	Salaries and Wages-Direct - (511101)	14,929
	Salaries and Wages-Overtime - (511301)	0
	Retirement Contributions - (512401)	1,927
	Consulting/Professional - (521201)	187,000
	Outside Maintenance Services - (521212)	3,232,407
Maintenance Total	3,436,263	
Operations	Salaries and Wages-Direct - (511101)	19,337
	Retirement Contributions - (512401)	2,455
	Operations Total	21,792
Project Delivery	Salaries and Wages-Direct - (511101)	39,651
	Retirement Contributions - (512401)	4,979
	Project Delivery Total	44,630
Traffic & Incident Mgmt.	Salaries and Wages-Direct - (511101)	821,946
	Salaries and Wages-Overtime - (511301)	646
	Retirement Contributions - (512401)	108,748
	Consulting/Professional - (521201)	24
	Police Services (DPS) - (521208)	1,234,125
	Insurance Expense - Other - (523101)	213,000
	Uniforms - (531701)	1,805
Traffic & Incident Mgmt. Total	2,380,295	
Total	\$8,353,563	

360 TOLLWAY FIRST FIVE-YEAR ESTIMATE

	FY2018	FY2019	FY2020
Transactions*			
TollTag	5,767,100	9,910,700	15,473,700
ZipCash	3,105,500	4,836,700	5,104,000
Total Trxn	8,872,600	14,747,400	20,577,700
Revenue*			
TollTag Revenue	\$5,106,800	\$9,093,500	\$15,562,600
ZipCash Revenue	682,700	2,430,800	3,470,400
Other Revenue	368,577	802,164	1,145,232
Total Revenue	6,158,077	12,326,464	20,178,232
O&M Services (including utilities)	2,576,420	2,614,856	3,632,407
Tolling Services	2,534,646	3,792,492	4,139,260
FY2017 Start Up Costs:	1,047,011	721,738	-
Debt Service	-	-	-
Total Expenses	6,158,077	7,129,086	7,771,667
Available for Debt and Capital Costs	\$0	\$5,197,378	\$12,406,565

*Transactions and revenue numbers for FY2021 have been revised to show the impact of the Coronavirus pandemic. FY2022 is sketch level estimates and will be revised during the corresponding budget cycle.

FY2021	FY2022	Years 1-5
13,149,000	18,362,100	62,662,600
5,583,000	6,888,100	25,517,300
18,732,000	25,250,200	88,179,900
\$13,590,800	\$18,570,700	\$61,924,400
3,703,200	4,090,000	14,377,100
1,161,600	1,349,700	4,827,273
18,455,600	24,010,400	81,128,773
3,985,563	3,699,632	16,508,878
4,368,000	4,535,508	19,369,905
-	-	1,768,749
-	-	-
8,353,563	8,235,140	37,647,533
\$10,102,037	\$15,775,260	43,481,240

Enterprise Fund

FY2021 ENTERPRISE FUND

The Enterprise Fund was created by the Authority to account for the revenue and expenses associated with tolling services agreements. The Authority is responsible for the collection of tolls on all tolled projects in the North Texas region. Currently, the Authority has TSAs with the developers of two projects (TSAs - IH635 (LBJ) and TSAs NTE 1/2W, NTE 3A/3B). In addition, the Authority has regional TSA with TxDOT (for DFW-Connector, I-30, LBJ East, I-35E, SH114, SH183 and Loop 12). In addition, the System's tolltags are operable for parking at DFW and Love Field airports and for use on other Texas and various other state's toll roads.

TSA Transaction	FY2020	FY2021	Variance
Developer TSA's	124,369,837	111,474,229	(12,895,608)
Regional TSA's	73,841,975	48,921,811	(24,920,164)
Total Transactions	198,211,812	160,396,040	(37,815,772)

Enterprise Fund Costs	
Software Maintenance and Enhancements	\$3,211,141
Professional and Legal Fees	902,926
Allocated Cost – Salaries, Benefits and Transaction Processing Cost	15,133,458
Total FY2021 EF Budget	\$19,247,525

ESTIMATED FY2021 DEVELOPER TSA REQUIREMENTS

Developer TSA Projects	LBJ	NTE 1/2W	NTE 3A/3B	Total
<u>Transactions</u>				
TollTag	27,921,630	26,221,123	28,359,540	82,502,293
ZipCash	10,140,981	8,238,548	10,592,407	28,971,937
Total Transactions	38,062,611	34,459,671	38,951,947	111,474,229
<u>Payments to TSA's</u>				
Gross Payments	\$142,819,539	\$199,981,604	\$168,813,758	\$511,614,901
NTTA Fees	(6,724,611)	(7,140,143)	(7,338,415)	(21,203,169)
Net Payments to TSA's	136,094,928	192,841,461	161,475,343	490,411,732
<u>Revenues Collected from TSA's</u>				
TollTag Revenue	108,854,577	158,786,581	131,493,180	399,134,338
ZipCash Revenue	20,583,408	27,977,257	37,320,578	85,881,243
Administrative Fees	4,481,315	4,294,148	5,750,456	14,525,919
Net Revenue Collected	133,919,301	191,057,986	174,564,213	499,541,500
Collection (Exposure) Profit	(2,175,628)	(1,783,475)	13,088,870	9,129,768
NTTA Expenses	(4,567,513)	(4,135,160)	(4,674,234)	(13,376,908)
Cash Flow Before IOP	(6,743,141)	(5,918,635)	8,414,637	(4,247,140)
IOP & Airport Revenues	1,515,431	1,371,983	1,550,839	4,438,252
Net TSA Cash Flow	(\$5,227,711)	(\$4,546,653)	\$9,965,476	\$191,112

ESTIMATED FY2021 REGIONAL TSA REQUIREMENTS

Regional TSA Projects	DFWC	I-30	LBJ East	I-35	SH114	SH183	LP12	Total
Transactions								
TollTag	1,092,193	2,373,391	0	15,904,372	2,646,680	8,930,710	1,723,667	32,671,012
ZipCash	439,694	998,807	0	7,815,918	863,444	5,096,430	1,036,505	16,250,799
Total Transactions	1,531,887	3,372,198	0	23,720,289	3,510,124	14,027,140	2,760,172	48,921,811
Collection Exposure (Pay When Pai)	0	0	0	0	0	0	0	0
NTTA Expenses	(183,826)	(404,664)	0	(2,846,435)	(421,215)	(1,683,257)	(331,221)	(5,870,617)
NTTA Expense Reimbursement	183,826	404,664	0	2,846,435	421,215	1,683,257	331,221	5,870,617
Net TSA Cash Flow	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

ENTERPRISE FUND - (7800) BUDGET COMPARISONS FY2021 TO FY2020

Department	FY2020 Budget	FY2021 Budget	Variance Amount	Percent
Administrative Services:				
Accounting	\$0	\$0	\$0	0.0%
Administration	0	0	0	0.0%
Board	0	0	0	0.0%
Human Resources	0	0	0	0.0%
Internal Audit	30,000	30,000	0	0.0%
Legal Services	50,000	50,000	0	0.0%
Procurement and Business Diversity	0	0	0	0.0%
Public Affairs	762,537	762,537	0	0.0%
Shared Services	194,850	194,850	0	0.0%
Treasury Management	0	0	0	0.0%
Total Administrative Services	1,037,387	1,037,387	0	0.0%
Operational Services:				
Contact Center and Collections	18,700,799	14,354,897	(4,345,902)	(23.2%)
Information Technology	3,991,231	3,794,841	(196,390)	(4.9%)
Maintenance	0	0	0	0.0%
Operations	56,000	60,400	4,400	7.9%
Project Delivery	0	0	0	0.0%
Traffic & Incident Mgmt.	0	0	0	0.0%
Total Operational Services	22,748,030	18,210,138	(4,537,892)	(19.9%)
Grand Totals	\$23,785,417	\$19,247,525	(\$4,537,892)	(19.1%)

MAJOR FY2021 BUDGET ITEMS

The FY2021 budget net decreased by **(\$4,537,892)** from FY2020 due to the impact of the Coronavirus pandemic on the traffic and revenue.

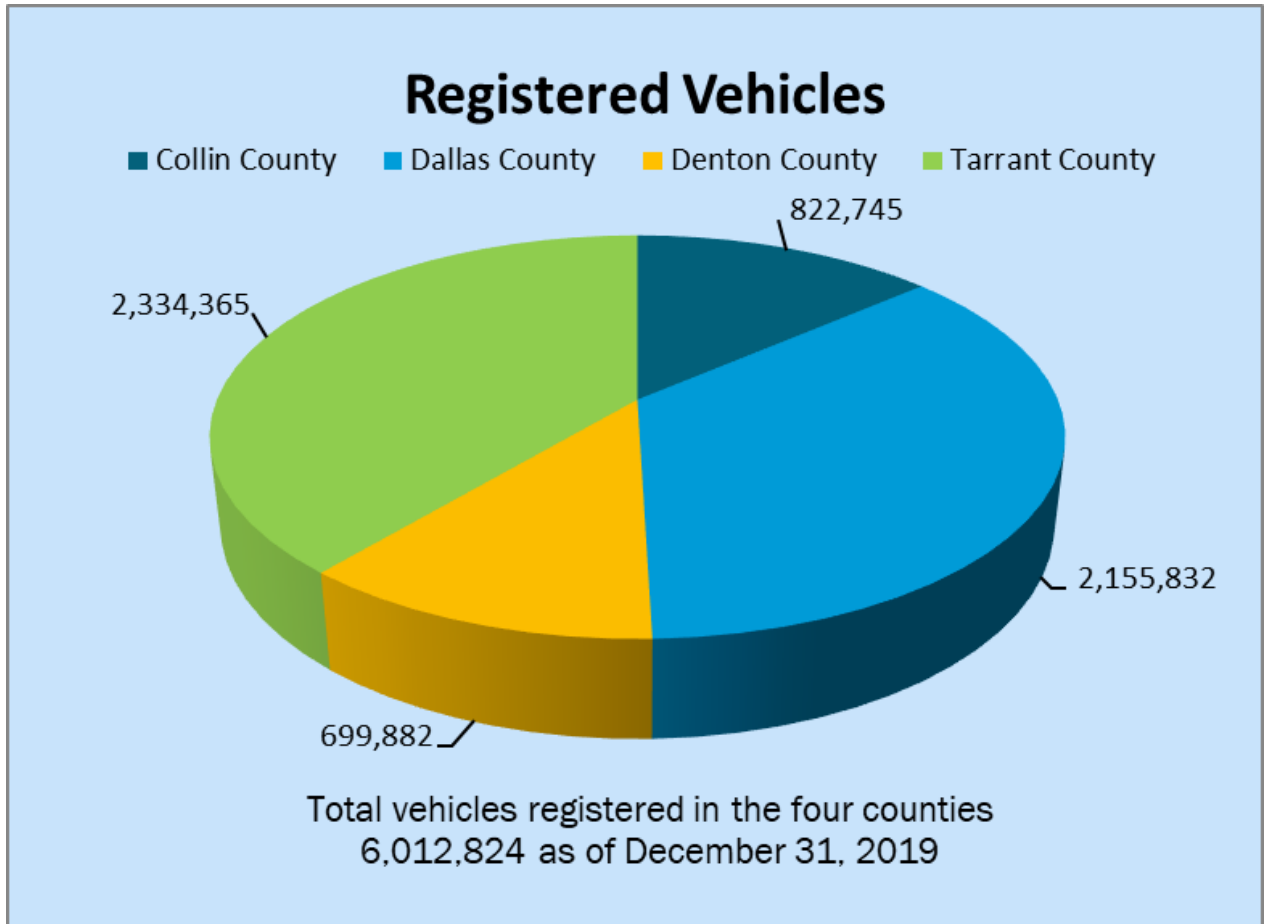
ENTERPRISE FUND - (7800) ESTIMATE FY2021

Department	Account	
Internal Audit	Auditing Fees - (521203)	30,000
	Internal Audit Total	30,000
Legal Services	Legal Fees - (521202)	50,000
	Legal Services Total	50,000
Public Affairs	Magazine and Newspaper - (523302)	250,000
	Television & Radio - (523303)	250,000
	Promotional Expenses - (523304)	262,537
	Public Affairs Total	762,537
Shared Services	Group Insurance - (512101)	194,850
	Shared Services Total	194,850
Contact Center and Collections	Salaries and Wages-Direct - (511101)	2,276,832
	Salaries and Wage-Overtime - (511301)	136,291
	Retirement Contributions - (512401)	293,939
	Meeting Expense - (521101)	3,805
	Consulting/Professional - (521201)	1,833,802
	Postage - (523201)	1,750,341
	Promotional Expenses - (523304)	10,241
	Printing and Photographic - (523401)	0
	Temporary Contract Labor - (523851)	2,102,006
	Inven for resale(toll tags) - (531501)	1,715,609
	Bank Charges - (573001)	35,497
	Credit Card Fees - (573002)	4,196,534
	Contact Center and Collections Total	14,354,897
Information Technology	Outside Maintenance Services - (521212)	1,408,779
	Software - (531651)	2,386,062
	Information Technology Total	3,794,841
Operations	Consulting/Professional - (521201)	60,400
	Operations Total	60,400
Total		\$19,247,525



Statistical Data

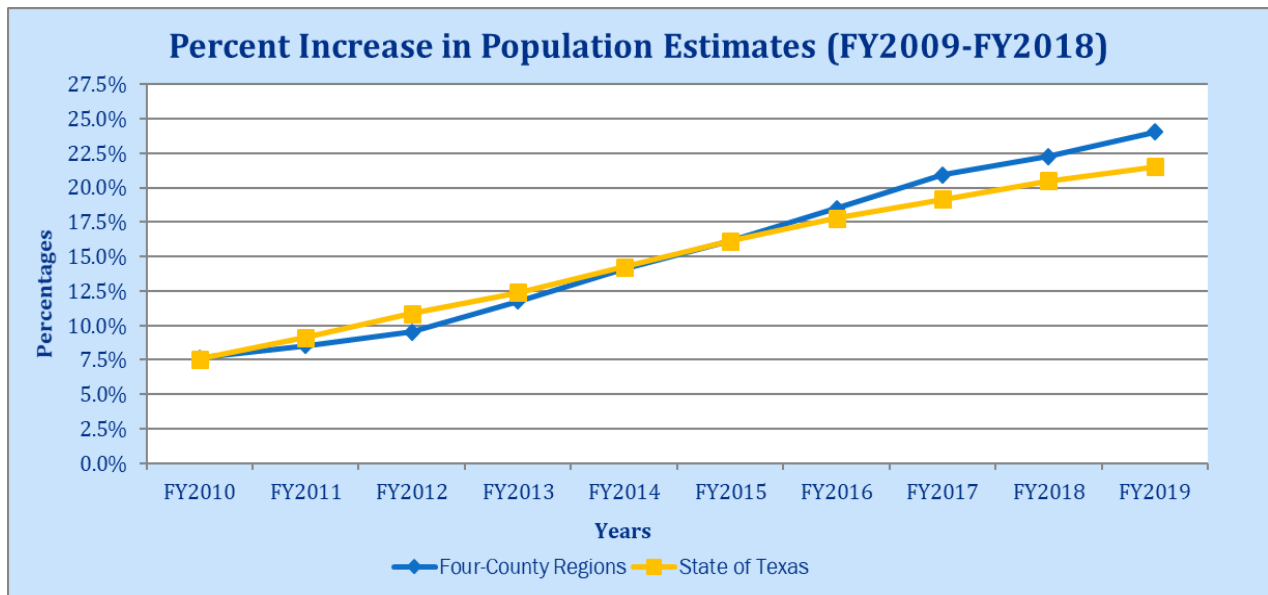
The North Texas four-county region has 6.0 million registered vehicles as of FY2019. The region's population has grown by 24.0% since FY2010. The average household income has grown by 28.9% with an average unemployment rate of 5.1%.



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

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

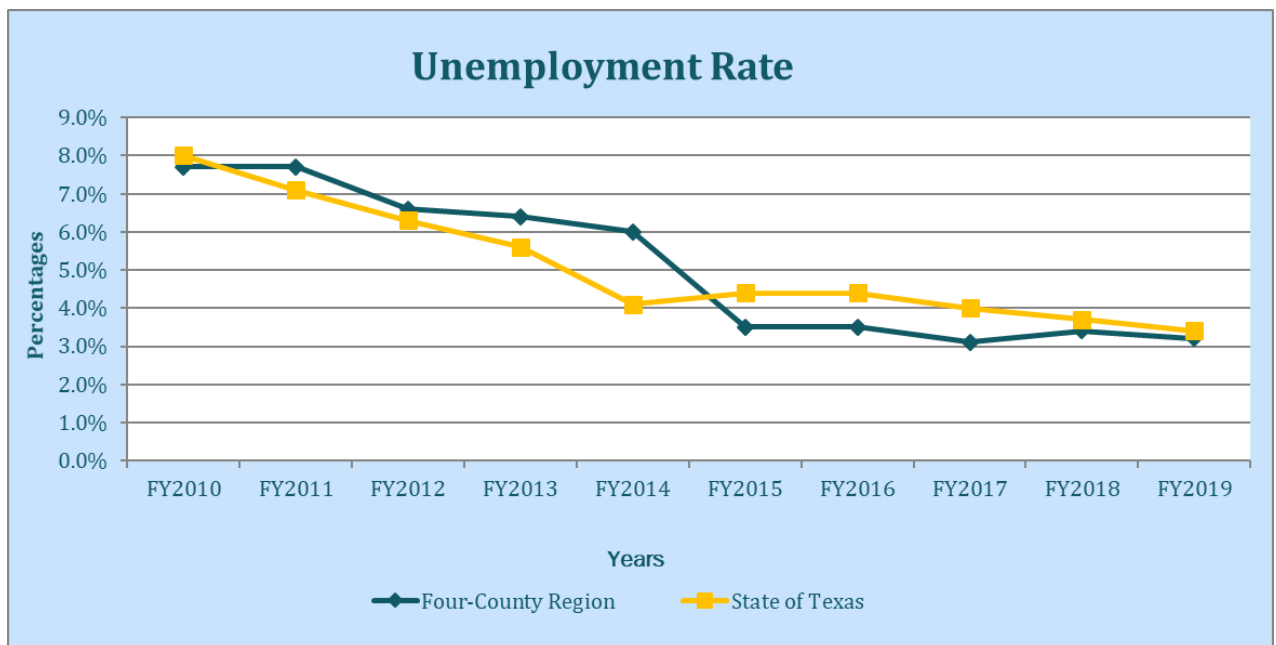
Year	COLLIN	DALLAS	DENTON	TARRANT	Est. Four County Regional Totals	Estimated Texas Totals	Percentage Change (From Prior Year)	
							4 County	TEXAS
FY2010	791,631	2,368,139	637,750	1,809,034	5,606,554	25,242,679	-1.15%	1.55%
FY2011	801,740	2,373,870	662,614	1,817,840	5,656,064	25,646,227	0.88%	1.60%
FY2012	813,133	2,385,990	683,010	1,831,230	5,713,363	26,089,620	1.01%	1.73%
FY2013	834,642	2,453,843	694,050	1,858,921	5,841,456	26,489,464	2.24%	1.53%
FY2014	854,778	2,480,331	713,200	1,931,335	5,979,644	26,977,142	2.37%	1.84%
FY2015	885,241	2,518,638	734,940	1,959,449	6,098,268	27,486,814	1.98%	1.89%
FY2016	914,127	2,553,385	784,840	1,991,639	6,243,991	27,937,492	2.39%	1.64%
FY2017	939,585	2,618,148	814,560	2,023,985	6,396,278	28,322,717	2.44%	1.38%
FY2018	969,603	2,618,148	836,210	2,057,926	6,481,887	28,701,845	1.34%	1.34%
FY2019	1,005,146	2,637,772	859,064	2,092,419	6,594,401	28,995,881	1.74%	1.02%
Increase/Decrease Total from FY2010 to FY2019	213,515	269,633	221,314	283,385	987,847	3,753,202	24.0%	21.5%



Source: [US Census Bureau](https://www.census.gov)

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

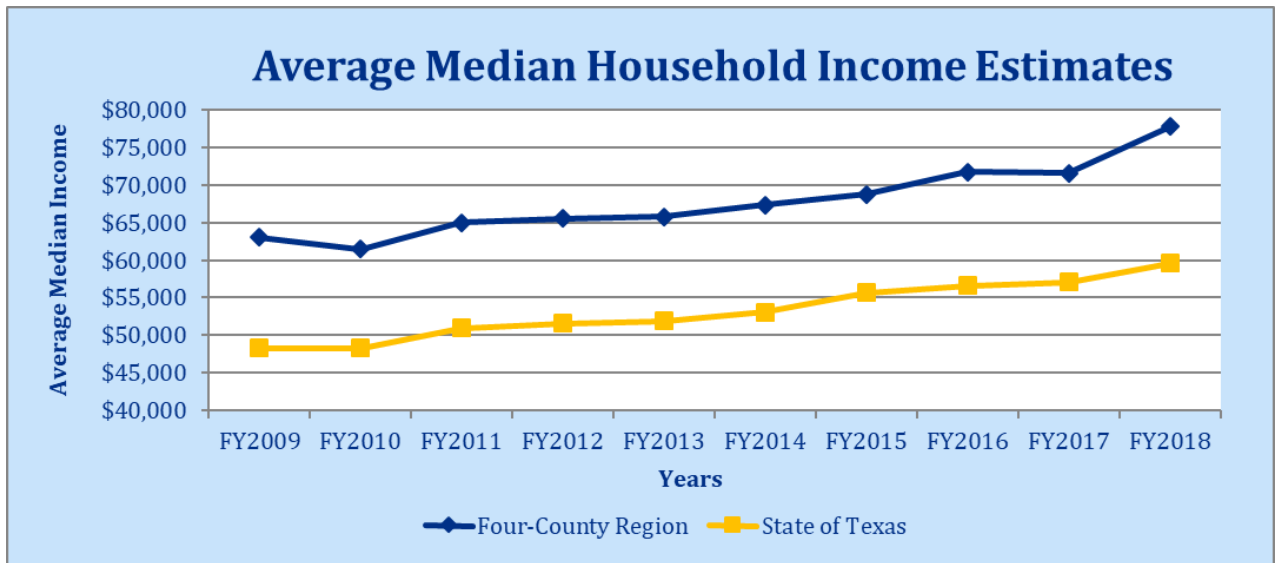
Year	COLLIN	DALLAS	DENTON	TARRANT	Combined Four		Unemployment		
					County Regional	Texas	Rate		
					Estimated Totals	Estimated Totals	4 County	Texas	
FY2010	390,106	1,063,304	330,122	833,527	2,617,059	10,204,500	7.7%	8.0%	
FY2011	397,033	1,082,185	335,984	845,263	2,660,465	10,204,500	7.7%	7.1%	
FY2012	413,783	1,102,322	356,467	883,503	2,756,075	11,742,600	6.6%	6.3%	
FY2013	330,300	1,509,000	195,500	812,600	2,847,400	11,091,900	6.4%	5.6%	
FY2014	346,400	1,558,500	205,800	825,600	2,936,300	11,433,600	6.0%	4.1%	
FY2015	366,900	1,616,800	221,400	844,900	3,050,000	11,681,000	3.5%	4.4%	
FY2016	381,500	1,662,300	228,800	860,400	3,133,000	11,830,700	3.5%	4.4%	
FY2017	398,000	1,691,100	239,600	877,800	3,206,500	12,008,941	3.1%	4.0%	
FY2018	416,100	1,711,900	246,500	900,500	3,275,000	12,326,967	3.4%	3.7%	
FY2019	431,973	1,750,722	260,926	926,263	3,369,884	12,603,200	3.2%	3.4%	
Increase Total from Year FY2010 to Year FY2019									
	41,867	687,418	(69,196)	92,736	752,825	2,398,700			



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

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

Year	COLLIN	DALLAS	DENTON	TARRANT	4 County Regional		Percentage Change from Prior Years	
					Totals	Texas	4 County	Texas
					Estimated Avg Median Income	Estimated Avg Median Income		
FY2009	\$80,545	\$47,059	\$70,002	\$54,647	\$63,063	\$48,259	-2.33%	-2.41%
FY2010	\$77,862	\$46,909	\$68,671	\$52,482	\$61,481	\$48,259	-2.51%	0.00%
FY2011	\$82,758	\$48,942	\$72,305	\$56,178	\$65,046	\$50,920	5.80%	5.51%
FY2012	\$83,238	\$49,159	\$72,939	\$56,859	\$65,549	\$51,563	0.77%	1.26%
FY2013	\$82,762	\$49,481	\$74,155	\$56,853	\$65,813	\$51,900	0.40%	0.65%
FY2014	\$86,634	\$50,118	\$74,569	\$58,127	\$67,362	\$53,035	2.35%	2.19%
FY2015	\$86,823	\$51,824	\$75,898	\$60,735	\$68,820	\$55,653	2.16%	4.94%
FY2016	\$90,382	\$54,429	\$80,841	\$61,553	\$71,801	\$56,565	4.33%	1.64%
FY2017	\$90,124	\$53,626	\$80,290	\$62,532	\$71,643	\$57,051	-0.22%	0.86%
FY2018	\$96,936	\$59,838	\$88,384	\$66,059	\$77,804	\$59,570	8.60%	4.42%
Averaged Yearly Totals	\$85,806	\$51,139	\$75,805	\$58,603	\$67,838	\$53,278	2.15%	2.12%



Source: [US Census Bureau](#)

Top 10 Employers in Four-County Region

2019			
COLLIN COUNTY TOP TEN EMPLOYERS			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	INDUSTRY
STATE FARM INSURANCE CORPORATE OFFICE	9,985	1.89%	INSURANCE
PLANO INDEPENDENT SCHOOL DISTRICT	6,854	1.30%	EDUCATION
CAPITAL ONE	5,979	1.13%	FINANCIAL SERVICES
AT&T	4,300	0.82%	TELECOMMUNICATIONS
DXC TECHNOLOGY	4,000	0.76%	TECHNOLOGY
TOYOTA OF AMERICA HQ	3,937	0.75%	AUTOMOTIVE
BANK OF AMERICA HOME LOANS	3,729	0.75%	FINANCIAL SERVICES
BLUE CROSS BLUE SHIELD OF TEXAS	3,100	0.59%	INSURANCE
ERICSSON	2,713	0.51%	TECHNOLOGY
LIBERTY MUTUAL INSURANCE	2,700	0.51%	INSURANCE
Total	47,297	9.01%	
DALLAS COUNTY TOP TEN EMPLOYERS			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	INDUSTRY
WAL-MART	34,000	1.30%	RETAIL
AMRCORP./AMERICAN AIRLINES	27,000	1.03%	AIRLINE
TEXAS HEALTH RESOURCES	22,296	0.85%	HEALTH CARE PROVIDER
DALLAS INDEPENDENT SCHOOL DISTRICT	19,740	0.75%	EDUCATION
AT&T	17,000	0.65%	TELECOMMUNICATIONS
BAYLOR SCOTT & WHITE HEALTH	16,500	0.63%	HEALTH CARE PROVIDER
THE KROGER GROUP	15,397	0.59%	RETAIL
MEDICAL CITY HEALTHCARE	14,000	0.53%	HEALTH CARE PROVIDER
BANK OF AMERICA	13,500	0.52%	FINANCIAL SERVICES
CITY OF DALLAS	13,350	0.51%	MUNICIPALITY
Total	192,783	7.36%	
DENTON COUNTY TOP TEN EMPLOYERS			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	INDUSTRY
UNIVERSITY OF NORTH TEXAS	10,894	2.48%	EDUCATION
LEWISVILLE INDEPENDENT SCHOOL DISTRICT	6,500	1.48%	EDUCATION
DENTON ISD	4,417	1.01%	EDUCATION
WALMART (DISTRIBUTION CENTER & STORES)	3,722	0.85%	RETAIL
PETERBILT MOTORS	3,075	0.70%	AUTOMOTIVE
FRITO LAY CO	2,500	0.57%	MANUFACTURING
NORTHWEST ISD	2,246	0.51%	EDUCATION
NEBRASKA FURNITURE MART	2,000	0.46%	RETAIL
TEXAS WOMAN'S UNIVERSITY	1,875	0.43%	EDUCATION
DENTON COUNTY	1,803	0.41%	MUNICIPALITY
Total	39,032	8.90%	
TARRANT COUNTY TOP TEN EMPLOYERS			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	INDUSTRY
AMRCORP./AMERICAN AIRLINES	31,000	2.96%	AIRLINE
TEXAS HEALTH RESOURCES	24,000	2.29%	HEALTH CARE PROVIDER
LOCKHEED MARTIN AERONAUTICS COMPANY	15,200	1.45%	MANUFACTURING
FORT WORTH INDEPENDENT SCHOOL DISTRICT	12,000	1.15%	EDUCATION
NAS- FORT WORTH JOINT RESERVE BASE	10,000	0.95%	MILITARY
ARLINGTON INDEPENDENT SCHOOL DISTRICT	8,500	0.81%	EDUCATION
UNIVERSITY OF TEXAS AT ARLINGTON	7,558	0.72%	EDUCATION
COOK'S CHILDREN HEALTH CARE SYSTEM	6,694	0.64%	HEALTH CARE PROVIDER
JPS HEALTH NETWORK	6,500	0.62%	HEALTH CARE PROVIDER
CITY OF FORTH WORTH	6,161	0.59%	MUNICIPALITY
Total	127,613	12.18%	

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

GFOA Distinguished Budget Award

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to North Texas Tollway Authority, for its annual budget for the fiscal year beginning Jan. 1, 2019. This is the ninth consecutive year of receiving this award. To be eligible for the award, a government entity must publish a budget document that meets program criteria as a policy document, an operations guide, a financial plan and communications device.

The award is valid for a period of one year. We believe our FY2020 Budget continues to conform to program requirements, and we will submit it to GFOA to determine its eligibility for another award.

During FY2019, the Authority also received a Certificate of Achievement for Excellence in Financial Reporting from GFOA for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ending Dec. 31, 2018. This is the thirteenth consecutive year of receiving this certificate. The certificate is presented to government entities whose CAFRs achieve the highest standards in government accounting and financial reporting.

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



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

North Texas Tollway Authority

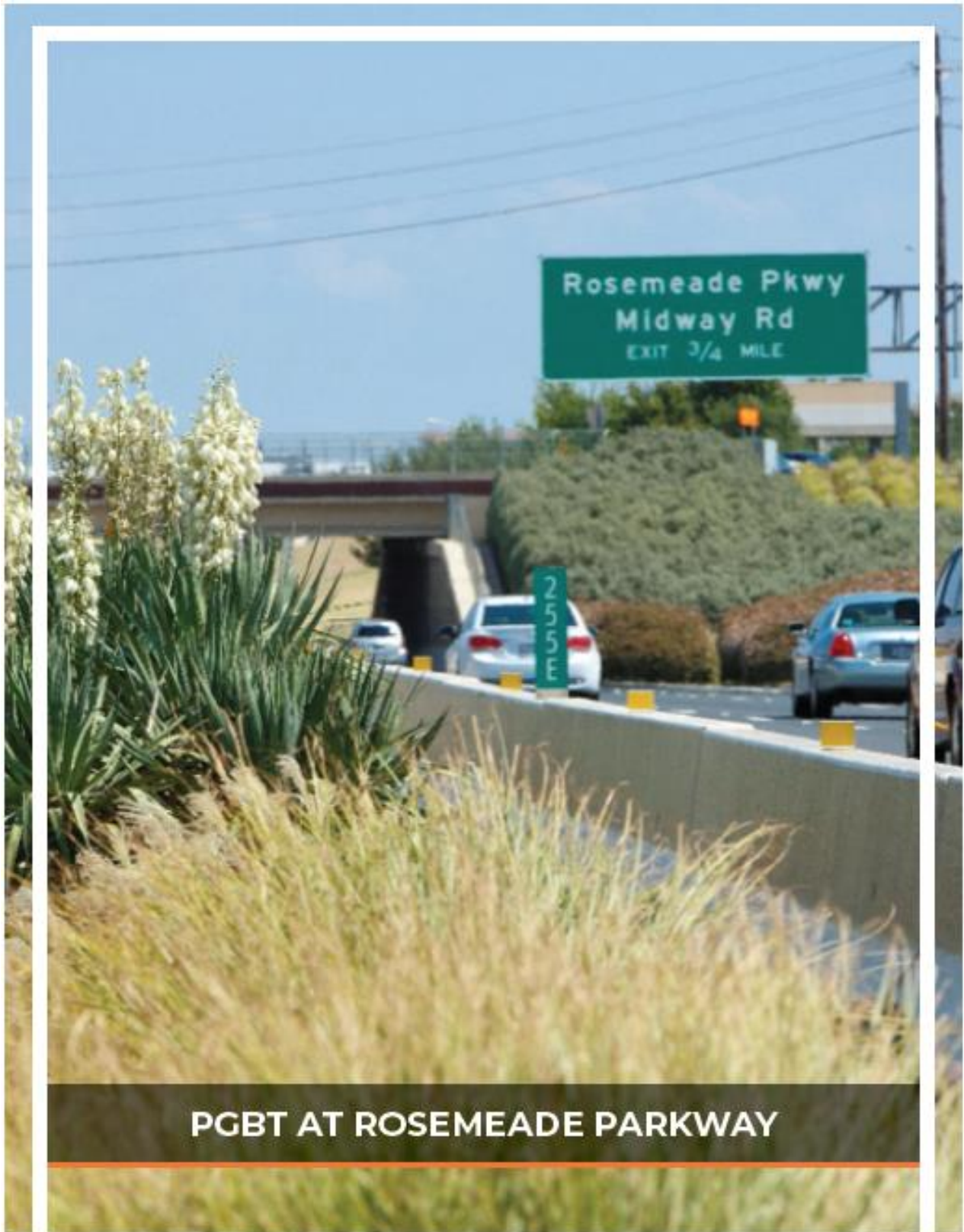
Texas

For the Fiscal Year Beginning

January 1, 2019

Christopher P. Morill

Executive Director



PGBT AT ROSEMEADE PARKWAY

Appendix A: Budget Policy and Process

INTRODUCTION

The Trust Agreement outlines North Texas Tollway Authority's policy for the adoption of the budget of Current Expenses (sometimes referred to as Annual Budget, Operating Budget, or Operation and Maintenance Fund) and payments into the Reserve Maintenance Fund for the ensuing fiscal year. In conjunction with developing the Operating Budget, staff prepares a Five-Year Capital Plan with estimates of expenditures for the Construction Funds, Reserve Maintenance Fund, Capital Improvement Fund and CIF-Revolving Account/Feasibility Study Fund that is approved by Board resolution. The detailed reports of the FY2021–2025 Five-Year Capital Plan are included under the Other Funds section of the FY2021 Operating Budget.

BUDGETS OVERVIEW

The Authority uses accrual accounting for its budgets and financial information reports. The budget is established in accordance with the practices set forth in the provisions of the Trust Agreement for the North Texas Tollway Authority Revenue Bonds, as interpreted by the Authority. These practices are similar to U.S. generally accepted accounting principles (GAAP) for an enterprise fund on an accrual basis. Except that depreciation and amortization of certain non-infrastructure capital assets and related acquisition and revenue bond issuance costs are not included as an operating expense. In addition, 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 item is prepared for each department and compared to the same line items for the previous fiscal year. The summation of all departments is the Authority's annual budget, which is approved by the Board of Directors. The budget control is at the department level and is maintained through the purchase requisition approval process.

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

CASH BALANCES

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

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

Management determined that it is prudent to retain funds within the Capital Improvement Fund for unanticipated needs. During FY2010, the Authority's executive management requested and the Board of Directors approved a Rainy Day Fund Account in the CIF. The FY2021 fund balance is \$75.0 million. Use of this balance will require specific action by the Board. Given the issuance of subordinated debt, a CIF Bond Payment Account has a reserve amount equal to the next interest payment.

BUDGET POLICY

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

SECTION 505. PRELIMINARY BUDGET OF CURRENT EXPENSES, AND PAYMENTS INTO RESERVE MAINTENANCE FUND; HEARING ON BUDGET; ANNUAL BUDGET; FAILURE TO ADOPT ANNUAL BUDGET; AMENDED OR SUPPLEMENTAL ANNUAL BUDGET; PAYMENTS FOR MAINTENANCE, REPAIR, AND OPERATIONS.

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

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

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

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

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

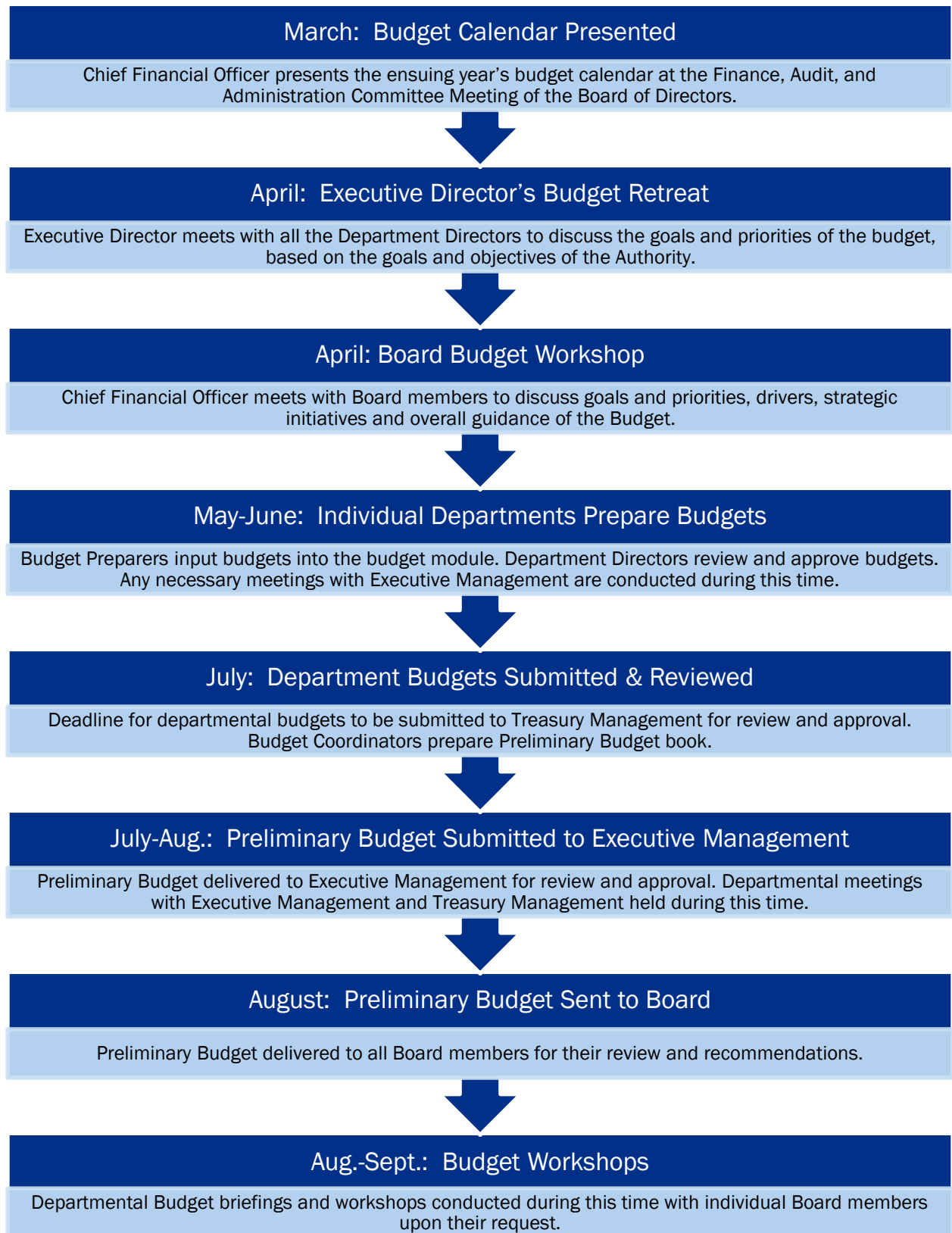
amounts expended therefore in excess of the Annual Budget shall be received by the Authority from some source other than the Net Revenues of the Tollway for such Fiscal Year.

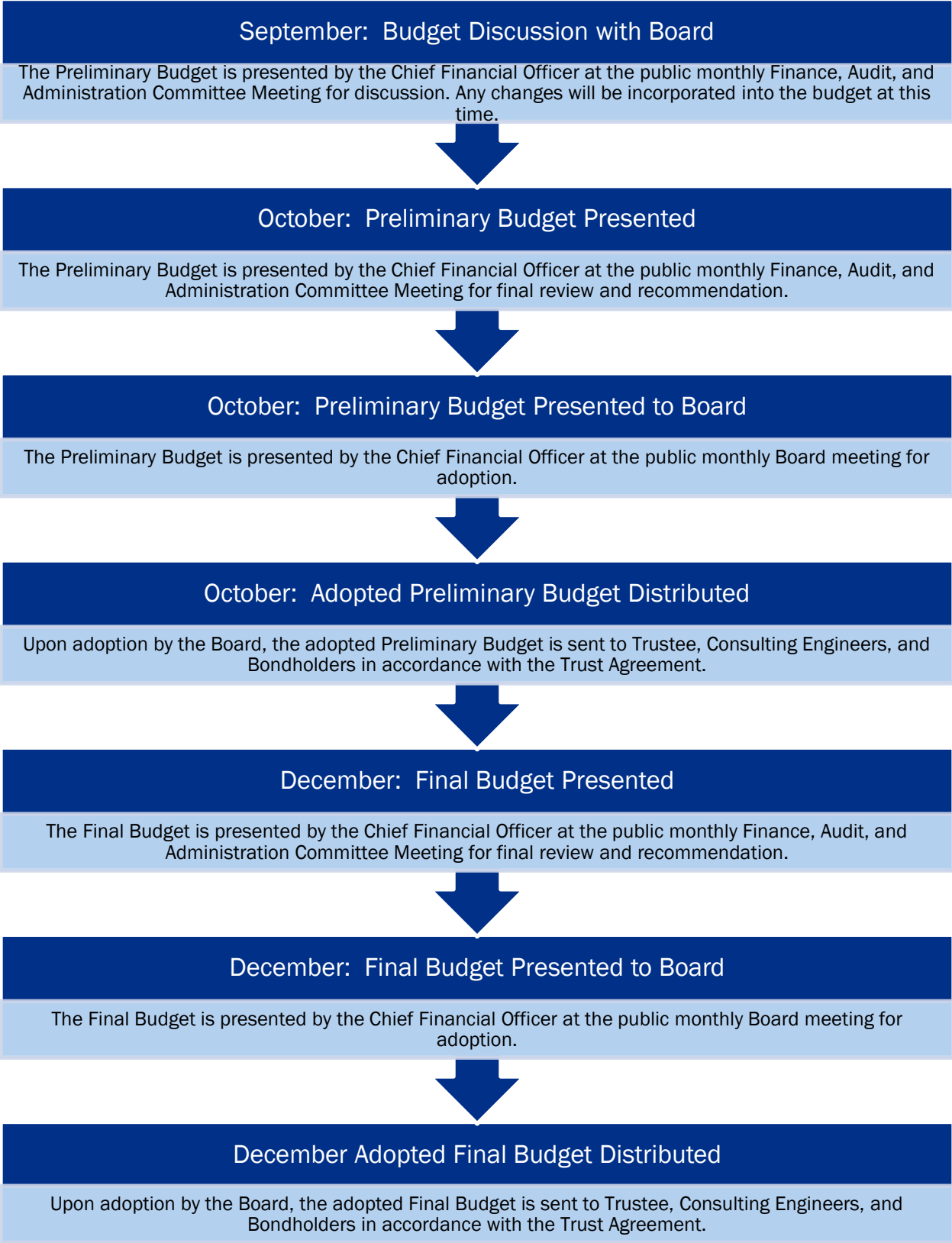
SECTION 506. PAYMENT OF CURRENT EXPENSES FROM OPERATION AND MAINTENANCE FUND.

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

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

BUDGET PROCESS





BUDGET CALENDAR

DATE	EVENT
February 3, 2020 (Monday)	Request updated revenues from Traffic and Revenue consultant
June 30, 2020 (Tuesday)	Updated revenues due from consultants
March 31, 2020 (Tuesday)	Executive Director's FY2021 Staff Budget Meeting to discuss budget priorities and overall direction, including compensation and benefits
April 1, 2020 (Wednesday)	Questica Budget Tool available for inputting Budget
April 1 - April 30, 2020	Individual departments prepare Budget
July 15, 2020 (Thursday)	Board Budget Workshop
July 31, 2020 (Friday)	Department budgets due to Treasury Management including FY2021 department objectives supporting the Five-Year Strategic Goals.
July 17, 2020 (Friday)	Preliminary budget distributed to Executive Management
July 17 - July 31, 2020	Departmental meetings with Executive Management and Treasury Management
July 31, 2020 (Friday)	Review by Executive Management completed
August 21, 2020 (Friday)	Preliminary Budget delivered to Board Members
August 21 - September 28, 2020	Department Budget Briefings (If requested by Board Members)
September 3, 2020 (Thursday)	Finance, Audit, and Administration Committee First Preliminary Budget Review
October 1, 2020 (Thursday)	Finance, Audit, and Administration Committee Second Preliminary Budget Review
October 21, 2020 (Wednesday)	Board Meeting Preliminary Budget Approval
December 3, 2020 (Thursday)	Finance, Audit, and Administration Committee Final Budget Review
December 16, 2020 (Wednesday)	Board Meeting Final Budget Approval

Assumes Thursday Committee Meetings and Wednesday Board Meetings

Appendix B: Financial Policies

INTRODUCTION

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

BASIS OF ACCOUNTING/BUDGETING

The operations of the Authority, including the CIF-Revolving Account/Feasibility Study 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 customers. 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 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. In addition, certain other assets are accumulated and restricted on a monthly basis in accordance with the Trust Agreement for paying interest and principal payments that are due on a semiannual and annual basis, respectively, and for maintaining the reserve funds at the required levels. Payments from these restricted accounts are strictly governed by the Trust Agreement and can only be made in compliance with the Trust Agreement. Limited types of expenses may be funded from these accounts. Expenses that do not meet these requirements are funded from unrestricted accounts.

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

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

(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 highway and bridge substructures), toll equipment, buildings, land, toll facilities, and other related costs, including software, property and equipment with a value greater than \$5,000.

Highway and bridge substructures include 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 "indefinite lived assets," that is, the assets themselves will last indefinitely so they are not depreciated. Costs related to renewing and maintaining these assets are not capitalized, but instead are considered to be period costs and are included in preservation expense classified as part of reserve maintenance and capital improvement expenses. Additional charges to preservation expense occur whenever the condition of the infrastructure assets is determined to be at a level that is below the standards adopted by the Board of Directors of the Authority.

(d) Compensated Absences

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

(e) Deferred Amount on Refunding of Revenue Bonds

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

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

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

(g) Arbitrage Rebate Payable

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

(h) Estimates

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

(i) Debt Service Requirements

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

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

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

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

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

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

(j) Financial Reporting Requirements

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

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

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

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

The Authority further covenants that during the month following the end of each Fiscal Year, it will cause an audit to be made of its books and accounts relating to the Authority for the previous Fiscal Year by an independent certified public accountant of recognized ability and standing. Promptly thereafter reports of each audit shall be filed with the Authority and the Trustee, and copies of such report shall be mailed by the Authority to the Consulting Engineers, the Traffic Engineers, and each bondholder who shall have filed his name with the Board Representative designated for such purpose,

which shall initially be the Chief Financial Officer of the Authority. Each such audit shall set forth in respect to the preceding Fiscal Year the same matters as are hereinabove required for the monthly reports and the findings of such certified public accountants whether the moneys received by the Authority under the provisions of the Trust Agreement have been applied in accordance with the provisions of the Trust Agreement. Such monthly reports and annual audit reports shall be open to the inspection of the bondholders and their agents and representatives.

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

Appendix C: Debt Policy

PHILOSOPHY

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

PURPOSES FOR WHICH DEBT MAY BE ISSUED

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

LIMITATIONS ON LEVEL OF INDEBTEDNESS

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

CREDIT OBJECTIVES

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

PERMISSIBLE TYPES OF DEBT

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

ALLOWABLE DEBT STRUCTURES

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

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

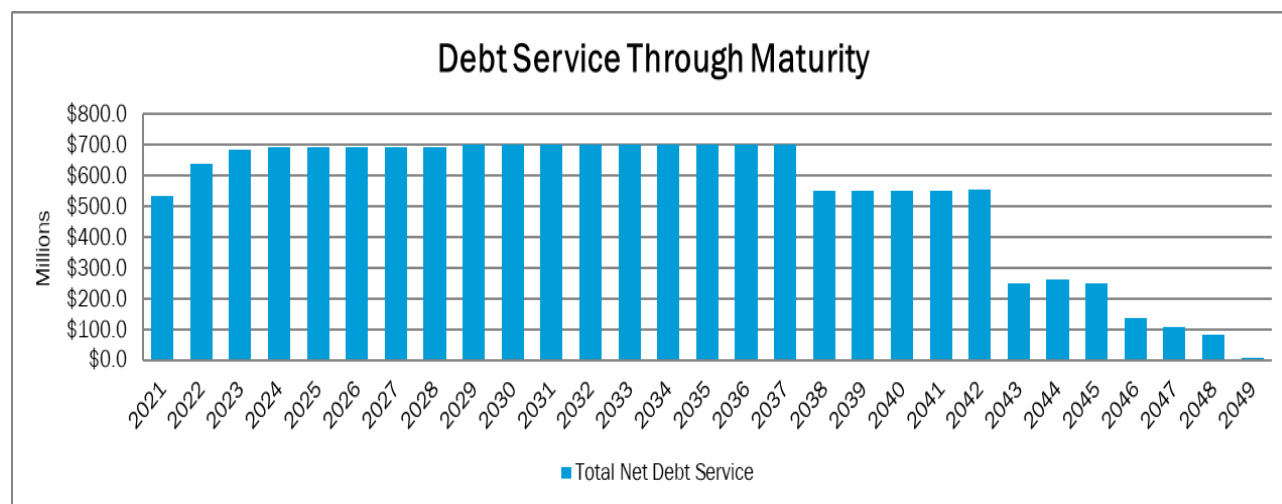
**Revenue Bonds Outstanding
As of December 31, 2020**

<u>Description of Issue</u>	<u>Beginning Balance Jan. 1, 2020</u>	<u>Additions</u>	<u>Matured or Retired</u>	<u>Ending Balance</u>
Series 2008D	\$ 795,673,710	\$ 47,982,755	\$ -	\$ 843,656,465
Series 2008I	295,165,000	-	-	295,165,000
Series 2009B	825,000,000	-	-	825,000,000
Series 2010A*	90,000,000	-	(90,000,000)	-
Series 2010B*	50,000,000	-	-	50,000,000
Series 2011B	245,705,000	-	(239,360,000)	6,345,000
Series 2012A	25,930,000	-	(25,930,000)	-
Series 2012B	383,625,000	-	(376,010,000)	7,615,000
Series 2012D	32,815,000	-	(32,815,000)	-
Series 2014A	310,415,000	-	(84,635,000)	225,780,000
Series 2014B	146,420,000	-	-	146,420,000
Series 2015A	836,605,000	-	(7,830,000)	828,775,000
Series 2015B	747,860,000	-	(5,495,000)	742,365,000
Series 2016A	952,820,000	-	(14,730,000)	938,090,000
Series 2017A	1,694,485,000	-	(21,435,000)	1,673,050,000
Series 2017B	761,015,000	-	(3,105,000)	757,910,000
Series 2018	356,085,000	-	-	356,085,000
Series 2019A	429,870,000	-	(11,690,000)	418,180,000
Series 2019B	222,510,000	-	-	222,510,000
Series 2020A	-	192,105,000	-	192,105,000
Series 2020B	-	517,145,000	-	517,145,000
Series 2020C	-	52,705,000	-	52,705,000
Totals	<u>\$ 9,201,998,710</u>	<u>\$ 809,937,755</u>	<u>\$ (913,035,000)</u>	<u>\$ 9,098,901,465</u>

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

Outstanding Debt Service

FY Ending 12/31	First Tier Net Debt Service	Second Tier Net Debt Service	Commercial Paper		Subordinated Lien Bonds Debt Service	Total Net Debt Service
			Revolving Note Debt Service	ISTEA Loan Debt Service		
2021	362,360,177	134,698,163	15,567,830	15,322,396	3,962,140	531,910,706
2022	415,216,828	184,864,463	15,571,566	15,322,396	8,632,627	639,607,879
2023	447,362,328	194,804,813	17,397,606	15,322,396	8,631,332	683,518,474
2024	447,664,246	204,387,063	17,399,552	15,322,396	8,636,443	693,409,699
2025	478,465,660	173,585,063	17,399,202	15,322,396	8,641,552	693,413,873
2026	484,217,958	167,828,313	17,396,307	15,322,396	8,640,533	693,405,508
2027	487,538,426	164,509,063	17,400,617	15,322,396	8,642,541	693,413,043
2028	499,725,406	152,325,563	17,401,533	15,322,396	8,646,166	693,421,063
2029	474,728,683	208,475,313	17,398,954	-	-	700,602,949
2030	410,836,020	272,372,919	17,397,630	-	-	700,606,569
2031	406,989,095	276,220,063	17,397,062	-	-	700,606,219
2032	449,549,815	233,664,313	17,397,049	-	-	700,611,176
2033	464,606,349	218,604,813	17,402,092	-	-	700,613,253
2034	528,313,793	154,904,613	17,401,591	-	-	700,619,997
2035	551,935,452	131,285,563	17,400,296	-	-	700,621,310
2036	577,782,927	105,438,663	17,397,857	-	-	700,619,447
2037	627,698,483	55,525,870	17,398,774	-	-	700,623,127
2038	480,951,399	53,272,063	17,402,597	-	-	551,626,058
2039	481,889,599	52,336,313	17,398,577	-	-	551,624,489
2040	483,828,609	50,410,313	17,401,464	-	-	551,640,385
2041	485,875,715	48,372,563	17,395,557	-	-	551,643,835
2042	490,584,466	44,150,063	17,395,607	-	-	552,130,136
2043	199,192,145	32,163,813	17,400,764	-	-	248,756,721
2044	184,483,549	59,889,313	17,400,178	-	-	261,773,040
2045	142,446,854	101,968,063	6,828,500	-	-	251,243,416
2046	33,305,534	98,196,563	6,831,000	-	-	138,333,097
2047	-	99,192,063	6,830,000	-	-	106,022,063
2048	-	75,921,696	6,830,000	-	-	82,751,696
2049	-	-	6,830,250	-	-	6,830,250
Total	\$ 11,097,549,516	\$ 3,749,367,449	\$ 448,070,012	\$ 122,579,168	\$ 64,433,334	\$ 15,481,999,478



North Texas Tollway Authority - 360 Tollway Loan

Date December 31	Loan Disbursements	Principal Payment	Interest Accrued	Interest Payment	Debt Service	Outstanding Loan Balance
2018	294,000,000		8,330,000			302,330,000
2019			12,849,025			315,179,025
2020			13,395,109			328,574,134
2021			13,964,401			342,538,534
2022			14,557,888			357,096,422
2023			15,176,598	(15,176,598)	(15,176,598)	357,096,422
2024			15,176,598	(15,176,598)	(15,176,598)	357,096,422
2025			15,176,598	(15,176,598)	(15,176,598)	357,096,422
2026			15,176,598	(15,176,598)	(15,176,598)	357,096,422
2027			15,176,598	(15,176,598)	(15,176,598)	357,096,422
2028		(8,289,823)	15,176,598	(15,176,598)	(23,466,421)	348,806,599
2029		(8,642,141)	14,824,280	(14,824,280)	(23,466,421)	340,164,458
2030		(9,009,432)	14,456,989	(14,456,989)	(23,466,421)	331,155,026
2031		(9,392,333)	14,074,089	(14,074,089)	(23,466,421)	321,762,694
2032		(9,791,507)	13,674,914	(13,674,914)	(23,466,421)	311,971,187
2033		(10,207,646)	13,258,775	(13,258,775)	(23,466,421)	301,763,541
2034		(10,641,471)	12,824,951	(12,824,951)	(23,466,421)	291,122,071
2035		(11,093,733)	12,372,688	(12,372,688)	(23,466,421)	280,028,338
2036		(11,565,217)	11,901,204	(11,901,204)	(23,466,421)	268,463,121
2037		(12,056,739)	11,409,683	(11,409,683)	(23,466,421)	256,406,382
2038		(12,569,150)	10,897,271	(10,897,271)	(23,466,421)	243,837,232
2039		(13,103,339)	10,363,082	(10,363,082)	(23,466,421)	230,733,894
2040		(13,660,231)	9,806,190	(9,806,190)	(23,466,421)	217,073,663
2041		(14,240,790)	9,225,631	(9,225,631)	(23,466,421)	202,832,872
2042		(14,846,024)	8,620,397	(8,620,397)	(23,466,421)	187,986,848
2043		(15,476,980)	7,989,441	(7,989,441)	(23,466,421)	172,509,868
2044		(16,134,752)	7,331,669	(7,331,669)	(23,466,421)	156,375,116
2045		(16,820,479)	6,645,942	(6,645,942)	(23,466,421)	139,554,638
2046		(17,535,349)	5,931,072	(5,931,072)	(23,466,421)	122,019,289
2047		(18,280,601)	5,185,820	(5,185,820)	(23,466,421)	103,738,687
2048		(19,057,527)	4,408,894	(4,408,894)	(23,466,421)	84,681,160
2049		(19,867,472)	3,598,949	(3,598,949)	(23,466,421)	64,813,688
2050		(20,711,839)	2,754,582	(2,754,582)	(23,466,421)	44,101,849
2051		(21,592,093)	1,874,329	(1,874,329)	(23,466,421)	22,509,757
2052		(22,509,757)	956,665	(956,665)	(23,466,421)	0
	294,000,000	(357,096,422)		(305,447,097)	(662,543,519)	

Note: 2018 Interest Accrued includes 8 months of interest as the road opened in early May 2018

Appendix D: Major Revenue Source

Toll revenue collected on the System is the Authority's major source of revenue. It accounted for \$776,100,400 of the FY2021 Operating Budget's total estimated revenues, or 94.8%.

TOLL REVENUE

The Authority Act authorizes the Authority to fix, revise, charge, and collect tolls for the use of the NTTA System. It 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. The payment of principal and interest on bonds issued by the System 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 19.0 cents per mile on the Dallas North Tollway, the President George Bush Turnpike, the Chisholm Trail Parkway and the Sam Rayburn Tollway. They are aligned with the regional toll rate adopted by the Regional Transportation Council in April 2006. TollTag rates are 66.0 cents per one-way trip on both Mountain Creek Lake Bridge and Addison Airport Toll Tunnel, and \$1.32 on Lewisville Lake Toll Bridge. ZipCash rates on all facilities are 50% more than the TollTag rates. Rates are adjusted on July 1 of every odd year by 5.5%.

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

The schedule below shows CDM Smith toll revenue estimates for the System, over the next five years. FY2021 revenues have been adjusted to show the impact of the Coronavirus pandemic on traffic and revenue. **The revenue estimates are based on a comprehensive study dated August 17, 2020. As the outer years become the budget year, they will be reevaluated and adjusted accordingly.**

Roadway	Estimated NTTA System Annual Toll Revenue				
	FY2021	FY2022	FY2023	FY2024	FY2025
DNT	\$239,671,100	\$270,417,600	\$294,829,100	\$312,107,000	\$326,400,300
PGBT	242,660,000	279,997,000	308,114,300	328,697,000	345,278,400
AATT	1,053,100	1,236,900	1,379,600	1,502,900	1,567,600
MCLB	1,322,800	1,513,800	1,650,800	1,779,500	1,853,200
LLTB	8,678,100	9,475,900	10,185,200	10,824,500	11,324,500
SRT	175,762,600	199,812,300	216,525,100	228,714,500	239,883,600
PGBT WE	53,139,200	63,461,100	72,742,900	81,213,900	86,594,700
CTP	53,813,500	60,651,500	66,174,400	70,712,800	75,298,400
System Totals	\$776,100,400	\$886,566,100	\$971,601,400	\$1,035,552,100	\$1,088,200,700

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 \$0.201 per mile for the DNT and PGBT starting July 1, 2021.
- Toll rate for two-axle vehicles with TollTags is \$0.694 for the MCLB and the AATT starting July 1, 2021.
- ZipCash toll for two-axle vehicles is equal to the sum of (i) the TollTag toll and (ii) the greatest of (a) 50% of the TollTag toll or (b) 20 cents per transaction.
- Tolls charged to users at any tolling location are rounded to the next highest penny.
- Tolls for all vehicle classifications are calculated based on “N-1” weighting, where “N” denotes the number of axles. For example, the TollTag toll charged to a five-axle vehicle will be four times the TollTag toll charged to a two-axle vehicle and the total Video toll charged to a five-axle vehicle will be four times the total Video toll charged to a two-axle vehicle.

SRT TOLLING

- Toll rate for two-axle vehicles with TollTags is \$0.201 per mile starting July 1, 2021, and thereafter toll rates shall be determined in accordance with the SRT Project Agreement, as amended, and shall be the maximum rates allowed under the SRT Project Agreement, as amended.
- ZipCash toll for two-axle vehicles is equal to the sum of (i) the TollTag toll and (ii) the greatest of (a) 50% of the TollTag toll or (b) 20 cents per transaction.
- Tolls charged to users at any tolling location are rounded to the next highest penny.
- Tolls for all vehicle classifications are calculated based on “N-1” weighting on the SRT, where “N” denotes the number of axles. For example, the TollTag toll charged to a five-axle vehicle will be four times the TollTag toll charged to a two-axle vehicle and the total Video toll charged to a five-axle vehicle will be four times the total Video toll charged to a two-axle vehicle.

PGBT EE TOLLING

- The Construction, Operation and Maintenance Agreement for the PGBT EE between the Authority and TxDOT dated December 5, 2007, (the “EE Project Agreement”) provides for a supplemental toll on the PGBT EE (the “Regional Toll”) to be collected by the Authority and held in trust by TxDOT for the benefit of the North Central Texas region. The Regional Toll and the toll charged by 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 \$0.201 per mile as of July 1, 2021. The NTTA Toll rate for two-axle vehicles with TollTags is \$0.161 per mile for PGBT EE as of July 1, 2021. The Regional Toll rate for two-axle vehicles with TollTags is \$0.040 per mile for PGBT EE as of July 1, 2021. The Unified Toll rate for two-axle vehicles with TollTags is increased 2.75% per year thereafter, with toll adjustments made July 1 of every odd year thereafter. Unified TollTag tolls for two-axle vehicles with TollTags at any tolling location are rounded to the next highest nickel. The ratio between the NTTA Toll and the Unified Toll remains constant at 80/20 percent.
- Toll rates shall be subject to the assumptions, qualifications and agreements set forth in Section 21 of the EE Project Agreement, as amended (as so amended, the “Amended EE Project Agreement”).
- ZipCash toll for two-axle vehicles is equal to the sum of (i) the TollTag toll and (ii) the greatest of (a) 50% of TollTag toll or (b) 20 cents per transaction, increased 2.75% per year and adjusted on each July 1 of odd years thereafter. The ZipCash toll for two-axle vehicles with TollTags at any tolling location is rounded to the next highest nickel.
- Tolls for all vehicle classifications are calculated based on “N-1” weighting on the PGBT EE, where “N” denotes the number of axles. For example, the TollTag toll charged to a five-axle

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

360 TOLLWAY TOLLING

- Toll rate for two-axle vehicles with TollTags is \$0.201 per mile starting July 1, 2021.
- ZipCash toll for two-axle vehicles is equal to the sum of (i) the TollTag toll and (ii) the greatest of (a) 50% of the TollTag toll or (b) 20 cents per transaction.
- Tolls charged to users at any tolling location are rounded to the next highest penny.
- Tolls for all vehicle classifications are calculated based on “N-1” weighting, where “N” denotes the number of axles. For example, the TollTag toll charged to a five-axle vehicle will be four times the TollTag toll charged to a two-axle vehicle and the total Video toll charged to a five-axle vehicle will be four times the total Video toll charged to a two-axle vehicle.
- After (i) the completion of any Capacity Improvements authorized by the Leadership Team, (ii) payment in full of the outstanding balance of the Project Loan, (iii) payment in full of the outstanding balance of any Additional Project Debt, (iv) payment in full of any amounts owed to RTC under the Financial Backstop Agreement, and (v) payment in full of any amounts owed to the Authority, the Authority and TxDOT will equally share (50%/50%) all Available Remaining Revenue.

REVENUE DISTRIBUTION

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

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

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

occurrence of any such deficiency in 12 substantially equal monthly installments, and (2) in the amount set forth in a Supplemental Agreement if an amount different from the First Tier Reserve Requirement is required.

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



12400 Coit Road, Ste 400
Dallas, TX 75251
tel: 214 346-2800

July 2, 2020

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

Subject: NTTA System and 360 Tollway – FY 2021 Transaction and Revenue Estimates

Dear Mr. Porter:

To assist with NTTA’s annual budgeting process, CDM Smith is pleased to submit monthly transaction and revenue (T&R) estimates for the NTTA System for fiscal year 2021. The NTTA System includes the Dallas North Tollway (DNT), President George Bush Turnpike (PGBT), Sam Rayburn Tollway (SRT), Chisholm Trail Parkway (CTP), Addison Airport Toll Tunnel (AATT), Mountain Creek Lake Bridge (MCLB), and Lewisville Lake Toll Bridge (LLTB). Additionally, T&R estimates for 360 Tollway, which is not part of the NTTA System, have also been developed as part of this analysis.

NTTA System Transaction and Revenue Estimates

The T&R estimates for 2021, separated into TollTag and ZipCash, are shown for the NTTA System in Table 1 and separately for each facility in Tables 2 through 10. It should be noted that the T&R estimates categorized as “TollTag” in these tables also include transactions collected via interoperable transponders and V-toll transactions (transactions that are first identified as ZipCash but are subsequently determined to be valid TollTag transactions). The V-toll transactions that are included in the “TollTag” category in this letter are those that are identified in the first 90 days after a transaction has occurred. The ZipCash toll revenue estimates shown also include the ZipCash toll surcharge collected from ZipCash transactions, but they do not include the fees and fines that are collected through the ZipCash invoicing process (“fee revenue”). It should be noted that fee revenue is estimated by NTTA.

The NTTA System T&R estimates for 2021 are 726.4 million and \$776.1 million, respectively. It is assumed that 76.9 percent of the transactions on the NTTA System in 2021 will be TollTag transactions, and the corresponding toll revenue contribution from TollTags will be 85.9 percent. The expected transactions in 2021 are about 16.5 percent greater than the revised estimated annual transactions of 623.4 million in 2020. The toll revenue in 2021 is expected to be 16.4 percent greater than the revised estimated annual revenue of \$666.7 million in 2020.

Table 1. Estimated 2021 NTTA System Traffic and Revenue

Month	Monthly Transactions			Monthly Toll Revenue		
	Total	TollTag	ZipCash	Total	TollTag	ZipCash
January	53,214,500	40,882,400	12,332,100	\$56,162,700	\$47,234,500	\$8,928,200
February	52,943,400	40,694,200	12,249,200	\$55,715,300	\$47,140,600	\$8,574,700
March	58,794,600	45,180,400	13,614,200	\$60,913,100	\$52,357,800	\$8,555,300
April	58,368,200	44,858,700	13,509,500	\$59,278,400	\$51,943,900	\$7,334,500
May	60,821,800	46,735,100	14,086,700	\$62,286,500	\$54,135,900	\$8,150,600
June	61,989,500	47,634,800	14,354,700	\$64,670,400	\$55,352,900	\$9,317,500
July	62,534,500	48,048,100	14,486,400	\$68,051,300	\$58,993,400	\$9,057,900
August	64,520,500	49,590,500	14,930,000	\$70,229,100	\$60,783,100	\$9,446,000
September	62,801,900	48,262,700	14,539,200	\$68,771,600	\$59,228,600	\$9,543,000
October	65,966,000	50,700,700	15,265,300	\$72,363,500	\$62,195,000	\$10,168,500
November	62,369,100	47,944,600	14,424,500	\$69,077,900	\$58,898,200	\$10,179,700
December	62,067,000	47,705,800	14,361,200	\$68,580,600	\$58,564,800	\$10,015,800
Total	726,391,000	558,238,000	168,153,000	\$776,100,400	\$666,828,700	\$109,271,700

COVID-19 Impacts

On March 9, 2020, the DFW area had its first documented case of the novel coronavirus (COVID-19). On March 11, 2020 the World Health Organization officially declared the COVID-19 outbreak a global pandemic. In an effort to curb the spread of the virus, several measures were taken by local and state authorities such as issuing stay-at-home orders and closing businesses. As a result, overall travel demand throughout the DFW area dropped dramatically, leading to unprecedented reductions in transactions across the entire NTTA System. This period has included an extensive increase in working from home for those whose jobs would allow that. Several locations that host gatherings of large numbers of people (such as restaurants, entertainment venues, sports facilities, and schools) were either closed or saw severely reduced operation. Figure 1 below shows a seven-day moving average of daily transactions on the NTTA System in 2020. By the week of March 30, total transactions on the NTTA System had dropped by more than 60 percent compared to the same week in 2019. After reaching a low point in early April, transactions began to steadily grow through April and May. However, recovery began to slow in June, with transactions beginning to drop again in late June as infections began to increase rapidly. As of the date of this letter, additional precautions are being implemented to further attempt to contain the spread of the virus which is expected to slow the recently observed recovery of travel in the DFW area.

In developing the FY 2021 budget forecasts, careful consideration was given to the projected transaction and revenue growth on the NTTA System. A recovery trend was developed based on historical data for other major economic downturns as well as impacts experienced on toll roads across the country. This trend was used to develop a revised FY 2020 forecast and baseline FY 2021 forecast, which was then adjusted based on NTTA-specific trends and characteristics such as TollTag share, ZipCash revenue recovery, truck percentage, and ongoing capital improvement project construction on the system. The resulting forecast of \$776.1 million indicates that toll revenue in FY 2021 is expected be similar to the revenue earnings in FY 2017.

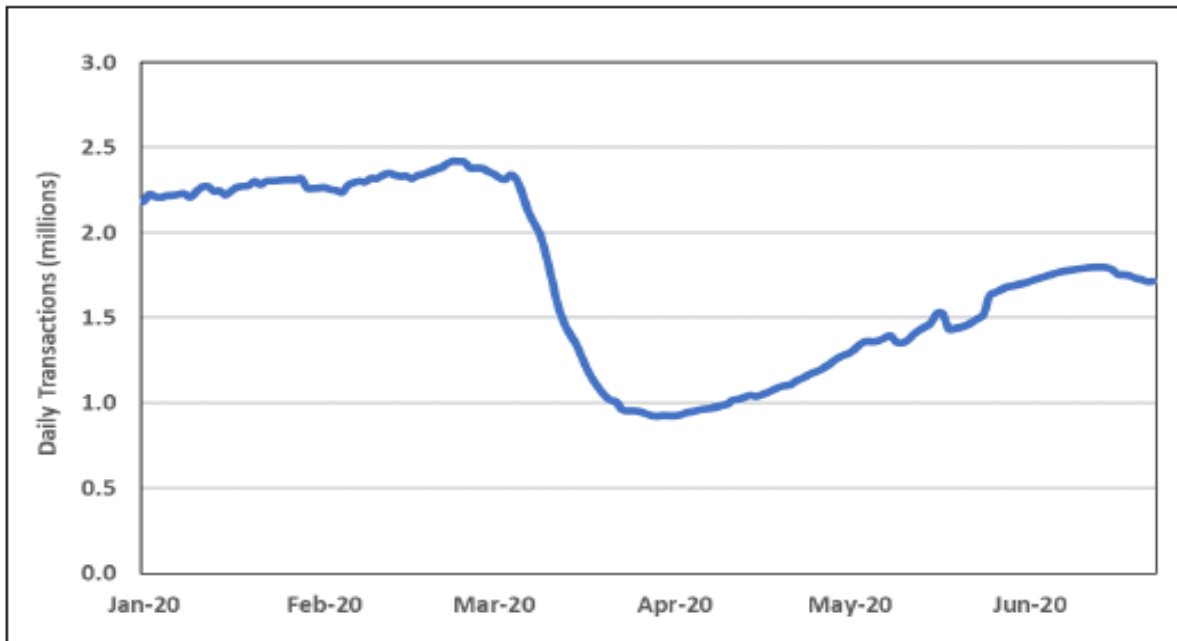


Figure 1. NTTA System 2020 Daily Transactions (Seven-Day Rolling Average)

Facility-Level Forecasts

As seen in Tables 2 and 3, the DNT and PGBT (not including EE and WE) are expected to generate \$239.6 million and \$206.6 million in toll revenue, respectively. Transactions on the DNT in 2021 are expected to be 233.8 million, which represents a growth of 17.0 percent from the forecasted 2020 transactions. Overall, transactions on the PGBT in 2021 are expected to be 208.4 million, representing a growth of 17.1 percent between 2020 and 2021. As shown in Table 4, the PGBT EE is expected to generate \$36.0 million in toll revenue (NTTA's share of the PGBT EE toll revenue) from 33.1 million transactions in 2021. The transaction growth on PGBT EE is expected to be 10.5 percent between 2020 and 2021. As shown in Table 5, the PGBT WE is expected to generate \$53.1 million in toll revenue from 54.8 million transactions in 2021. Total transaction growth on PGBT WE is expected to be 14.2 percent between 2020 and 2021. The combined PGBT corridor (including WE and EE) is anticipated to generate a total of \$295.8 million in revenue from 296.3 million transactions in 2021. The SRT (see Table 6) is expected to generate \$175.8 million in toll revenue and 149.6 million transactions in 2021, representing a transaction growth of 18.0 percent from 2020. The CTP (see Table 7) is expected to generate \$53.8 million in toll revenue and 36.1 million transactions in 2021, representing a transaction growth of 14.8 percent from 2020. The AATT, MCLB and LLTB (Tables 8 through 10) are anticipated to produce \$1.1 million, \$1.3 million and \$8.7 million in toll revenue, respectively. These three facilities are expected to generate a combined total of \$11.1 million in toll revenue from 10.6 million transactions in 2021.

Table 2. Estimated 2021 DNT Traffic and Revenue

Month	Monthly Transactions			Monthly Toll Revenue		
	Total	TollTag	ZipCash	Total	TollTag	ZipCash
January	17,404,400	13,623,200	3,781,200	\$17,585,100	\$15,128,500	\$2,456,600
February	17,374,900	13,597,600	3,777,300	\$17,512,900	\$15,152,800	\$2,360,100
March	19,077,900	14,934,600	4,143,300	\$18,956,200	\$16,627,300	\$2,328,900
April	18,965,800	14,849,000	4,116,800	\$18,526,000	\$16,535,900	\$1,990,100
May	19,642,600	15,377,800	4,264,800	\$19,355,100	\$17,098,400	\$2,256,700
June	19,796,900	15,497,500	4,299,400	\$19,839,900	\$17,284,400	\$2,555,500
July	19,853,100	15,541,300	4,311,800	\$20,741,300	\$18,279,300	\$2,462,000
August	20,648,000	16,166,100	4,481,900	\$21,550,700	\$18,983,200	\$2,567,500
September	19,936,800	15,607,600	4,329,200	\$20,998,700	\$18,425,600	\$2,573,100
October	21,095,500	16,517,500	4,578,000	\$22,207,800	\$19,471,500	\$2,736,300
November	19,970,400	15,639,300	4,331,100	\$21,223,600	\$18,471,300	\$2,752,300
December	19,997,600	15,666,400	4,331,200	\$21,173,800	\$18,471,400	\$2,702,400
Total	233,763,900	183,017,900	50,746,000	\$239,671,100	\$209,929,600	\$29,741,500

Table 3. Estimated 2021 PGBT Traffic and Revenue (not including EE and WE)

Month	Monthly Transactions			Monthly Toll Revenue		
	Total	TollTag	ZipCash	Total	TollTag	ZipCash
January	15,333,600	11,695,400	3,638,200	\$15,064,400	\$12,712,000	\$2,352,400
February	15,394,600	11,745,700	3,648,900	\$15,034,400	\$12,778,300	\$2,256,100
March	16,792,300	12,812,700	3,979,600	\$16,144,200	\$13,957,300	\$2,186,900
April	16,619,800	12,682,900	3,936,900	\$15,746,700	\$13,821,900	\$1,924,800
May	17,536,800	13,372,100	4,164,700	\$16,618,800	\$14,483,600	\$2,135,200
June	17,905,000	13,655,700	4,249,300	\$17,258,800	\$14,850,000	\$2,408,800
July	18,050,900	13,766,400	4,284,500	\$18,225,200	\$15,868,700	\$2,356,500
August	18,624,400	14,203,000	4,421,400	\$18,828,600	\$16,351,800	\$2,476,800
September	18,159,200	13,849,900	4,309,300	\$18,411,100	\$15,903,200	\$2,507,900
October	18,979,400	14,477,300	4,502,100	\$19,317,000	\$16,640,400	\$2,676,600
November	17,873,700	13,635,500	4,238,200	\$18,369,600	\$15,690,800	\$2,678,800
December	17,175,600	13,103,100	4,072,500	\$17,603,300	\$15,008,600	\$2,594,700
Total	208,445,300	158,999,700	49,445,600	\$206,622,100	\$178,066,600	\$28,555,500

Table 4. Estimated 2021 PGBT EE Traffic and Revenue

Month	Monthly Transactions			Monthly Toll Revenue		
	Total	TollTag	ZipCash	Total	TollTag	ZipCash
January	2,287,700	1,762,200	525,500	\$2,459,200	\$2,000,300	\$458,900
February	2,363,800	1,820,000	543,800	\$2,523,900	\$2,078,100	\$445,800
March	2,648,900	2,037,200	611,700	\$2,812,000	\$2,361,900	\$450,100
April	2,641,100	2,031,600	609,500	\$2,709,800	\$2,350,200	\$359,600
May	2,766,600	2,128,000	638,600	\$2,880,200	\$2,459,200	\$421,000
June	2,818,800	2,167,400	651,400	\$3,011,500	\$2,522,300	\$489,200
July	2,807,100	2,158,700	648,400	\$3,134,700	\$2,660,400	\$474,300
August	2,949,300	2,268,000	681,300	\$3,280,300	\$2,787,100	\$493,200
September	2,884,300	2,217,400	666,900	\$3,221,300	\$2,727,500	\$493,800
October	3,046,800	2,342,100	704,700	\$3,402,300	\$2,885,200	\$517,100
November	2,920,900	2,245,500	675,400	\$3,299,300	\$2,772,900	\$526,400
December	2,951,200	2,269,400	681,800	\$3,303,400	\$2,782,300	\$521,100
Total	33,086,500	25,447,500	7,639,000	\$36,037,900	\$30,387,400	\$5,650,500

Table 5. Estimated 2021 PGBT WE Traffic and Revenue

Month	Monthly Transactions			Monthly Toll Revenue		
	Total	TollTag	ZipCash	Total	TollTag	ZipCash
January	4,167,300	2,918,500	1,248,800	\$3,997,900	\$3,156,500	\$841,400
February	3,930,300	2,752,500	1,177,800	\$3,784,400	\$2,977,500	\$806,900
March	4,477,400	3,134,500	1,342,900	\$4,219,900	\$3,390,200	\$829,700
April	4,400,300	3,081,300	1,319,000	\$4,050,300	\$3,326,800	\$723,500
May	4,565,700	3,198,200	1,367,500	\$4,224,400	\$3,472,200	\$752,200
June	4,675,900	3,275,400	1,400,500	\$4,434,400	\$3,556,000	\$878,400
July	4,774,500	3,344,500	1,430,000	\$4,690,800	\$3,839,700	\$851,100
August	4,755,600	3,331,300	1,424,300	\$4,701,900	\$3,824,500	\$877,400
September	4,676,900	3,276,100	1,400,800	\$4,651,100	\$3,761,200	\$889,900
October	4,913,600	3,441,900	1,471,700	\$4,907,200	\$3,951,500	\$955,700
November	4,603,300	3,224,600	1,378,700	\$4,637,800	\$3,702,000	\$935,800
December	4,845,200	3,394,000	1,451,200	\$4,839,100	\$3,896,600	\$942,500
Total	54,786,000	38,372,800	16,413,200	\$53,139,200	\$42,854,700	\$10,284,500

Table 6. Estimated 2021 SRT Traffic and Revenue

Month	Monthly Transactions			Monthly Toll Revenue		
	Total	TollTag	ZipCash	Total	TollTag	ZipCash
January	10,636,900	8,323,200	2,313,700	\$12,374,700	\$10,480,300	\$1,894,400
February	10,619,100	8,311,000	2,308,100	\$12,346,600	\$10,526,200	\$1,820,400
March	11,966,800	9,360,200	2,606,600	\$13,595,400	\$11,754,900	\$1,840,500
April	11,854,600	9,272,900	2,581,700	\$13,138,100	\$11,605,800	\$1,532,300
May	12,392,000	9,695,700	2,696,300	\$13,988,300	\$12,275,200	\$1,713,100
June	12,811,200	10,024,500	2,786,700	\$14,686,000	\$12,712,100	\$1,973,900
July	12,990,700	10,164,500	2,826,200	\$15,518,700	\$13,588,800	\$1,929,900
August	13,464,700	10,535,400	2,929,300	\$16,102,700	\$14,064,900	\$2,037,800
September	13,109,600	10,259,800	2,849,800	\$15,781,700	\$13,703,600	\$2,078,100
October	13,706,800	10,726,900	2,979,900	\$16,533,400	\$14,316,200	\$2,217,200
November	13,042,600	10,205,200	2,837,400	\$15,872,600	\$13,635,100	\$2,237,500
December	13,014,400	10,181,800	2,832,600	\$15,824,400	\$13,621,600	\$2,202,800
Total	149,609,400	117,061,100	32,548,300	\$175,762,600	\$152,284,700	\$23,477,900

Table 7. Estimated 2021 CTP Traffic and Revenue

Month	Monthly Transactions			Monthly Toll Revenue		
	Total	TollTag	ZipCash	Total	TollTag	ZipCash
January	2,603,800	1,989,100	614,700	\$3,874,900	\$3,090,900	\$784,000
February	2,494,100	1,905,300	588,800	\$3,719,000	\$2,968,200	\$750,800
March	2,987,900	2,281,700	706,200	\$4,321,000	\$3,537,000	\$784,000
April	3,005,100	2,295,400	709,700	\$4,224,000	\$3,546,800	\$677,200
May	3,027,600	2,312,000	715,600	\$4,321,700	\$3,589,200	\$732,500
June	3,085,400	2,356,100	729,300	\$4,515,200	\$3,657,700	\$857,500
July	3,154,600	2,409,000	745,600	\$4,776,600	\$3,938,400	\$838,200
August	3,147,700	2,403,700	744,000	\$4,775,400	\$3,929,800	\$845,600
September	3,091,700	2,360,900	730,800	\$4,712,000	\$3,859,900	\$852,100
October	3,246,400	2,479,100	767,300	\$4,963,500	\$4,053,000	\$910,500
November	3,054,600	2,332,700	721,900	\$4,708,000	\$3,813,600	\$894,400
December	3,207,000	2,449,000	758,000	\$4,902,200	\$4,003,900	\$898,300
Total	36,105,900	27,574,000	8,531,900	\$53,813,500	\$43,988,400	\$9,825,100

Table 8. Estimated 2021 AATT Traffic and Revenue

Month	Monthly Transactions			Monthly Toll Revenue		
	Total	TollTag	ZipCash	Total	TollTag	ZipCash
January	116,900	90,400	26,500	\$72,500	\$61,800	\$10,700
February	117,700	91,000	26,700	\$72,300	\$62,300	\$10,000
March	131,500	101,700	29,800	\$80,200	\$69,600	\$10,600
April	131,800	102,000	29,800	\$78,000	\$69,700	\$8,300
May	138,300	106,900	31,400	\$82,300	\$73,100	\$9,200
June	145,400	112,500	32,900	\$87,400	\$76,900	\$10,500
July	149,600	115,700	33,900	\$94,500	\$83,900	\$10,600
August	149,400	115,600	33,800	\$94,800	\$83,800	\$11,000
September	151,800	117,400	34,400	\$96,700	\$85,100	\$11,600
October	158,400	122,500	35,900	\$101,300	\$88,900	\$12,400
November	144,000	111,400	32,600	\$92,900	\$80,800	\$12,100
December	156,100	120,700	35,400	\$100,200	\$87,600	\$12,600
Total	1,690,900	1,307,800	383,100	\$1,053,100	\$923,500	\$129,600

Table 9. Estimated 2021 MCLB Traffic and Revenue

Month	Monthly Transactions			Monthly Toll Revenue		
	Total	TollTag	ZipCash	Total	TollTag	ZipCash
January	174,500	106,600	67,900	\$102,200	\$73,000	\$29,200
February	160,800	98,300	62,500	\$95,600	\$67,300	\$28,300
March	169,700	103,700	66,000	\$97,800	\$71,000	\$26,800
April	190,200	116,200	74,000	\$106,000	\$79,500	\$26,500
May	197,100	120,400	76,700	\$109,600	\$82,400	\$27,200
June	182,300	111,400	70,900	\$104,800	\$76,200	\$28,600
July	182,600	111,500	71,100	\$110,900	\$81,000	\$29,900
August	193,300	118,100	75,200	\$116,800	\$85,700	\$31,100
September	203,500	124,300	79,200	\$120,100	\$90,200	\$29,900
October	211,600	129,300	82,300	\$125,200	\$93,800	\$31,400
November	195,400	119,400	76,000	\$118,600	\$86,700	\$31,900
December	186,000	113,600	72,400	\$115,200	\$82,500	\$32,700
Total	2,247,000	1,372,800	874,200	\$1,322,800	\$969,300	\$353,500

Table 10. Estimated 2021 LLTB Traffic and Revenue

Month	Monthly Transactions			Monthly Toll Revenue		
	Total	TollTag	ZipCash	Total	TollTag	ZipCash
January	489,400	373,800	115,600	\$631,800	\$531,200	\$100,600
February	488,100	372,800	115,300	\$626,200	\$529,900	\$96,300
March	542,200	414,100	128,100	\$686,400	\$588,600	\$97,800
April	559,500	427,400	132,100	\$699,500	\$607,300	\$92,200
May	555,100	424,000	131,100	\$706,100	\$602,600	\$103,500
June	568,600	434,300	134,300	\$732,400	\$617,300	\$115,100
July	571,400	436,500	134,900	\$758,600	\$653,200	\$105,400
August	588,100	449,300	138,800	\$777,900	\$672,300	\$105,600
September	588,100	449,300	138,800	\$778,900	\$672,300	\$106,600
October	607,500	464,100	143,400	\$805,800	\$694,500	\$111,300
November	564,200	431,000	133,200	\$755,500	\$645,000	\$110,500
December	533,900	407,800	126,100	\$719,000	\$610,300	\$108,700
Total	6,656,100	5,084,400	1,571,700	\$8,678,100	\$7,424,500	\$1,253,600

CDM Smith has also estimated the amount of ZipCash revenue that is expected to be invoiced, the expected amount of unrecovered revenue and the resulting recovered ZipCash revenue. This information is shown in Table 11. The total ZipCash revenue invoiced is expected to be \$230.5 million and the net ZipCash revenue recovered is expected to be \$109.3 million.

Table 11. Estimated 2021 NTTA System ZipCash Revenue Invoiced and Recovered

Month	Total ZipCash Revenue in Process (Invoiced)	Total ZipCash Unrecovered Revenue	Total ZipCash Revenue Recovered
January	\$16,338,500	\$7,410,300	\$8,928,200
February	\$16,277,400	\$7,702,700	\$8,574,700
March	\$18,110,300	\$9,555,000	\$8,555,300
April	\$17,960,900	\$10,626,400	\$7,334,500
May	\$18,727,000	\$10,576,400	\$8,150,600
June	\$19,144,200	\$9,826,700	\$9,317,500
July	\$20,398,900	\$11,341,000	\$9,057,900
August	\$20,997,300	\$11,551,300	\$9,446,000
September	\$20,465,600	\$10,922,600	\$9,543,000
October	\$21,490,100	\$11,321,600	\$10,168,500
November	\$20,341,800	\$10,162,100	\$10,179,700
December	\$20,253,700	\$10,237,900	\$10,015,800
Total	\$230,505,700	\$121,234,000	\$109,271,700

360 Tollway Transaction and Revenue Estimates

FY 2021 T&R estimates for 360 Tollway, separated into TollTag and ZipCash, are shown in Table 12. The total 360 Tollway T&R estimates for 2021 are 18.7 million transactions and \$17.3 million in toll revenue. It is assumed that about 70 percent of the transactions on 360 Tollway in 2021 will be TollTag transactions, and the corresponding toll revenue contribution from TollTags will be 79 percent in 2021. Additionally, please note that 360 Tollway is not considered part of the NTTA System, and its forecasted transactions and revenue are not included in the NTTA System totals shown in Table 1 of this report.

Table 12. Estimated 2021 360 Tollway Traffic and Revenue

Month	Monthly Transactions			Monthly Toll Revenue		
	Total	TollTag	ZipCash	Total	TollTag	ZipCash
January	1,328,300	932,400	395,900	\$1,245,100	\$940,400	\$304,700
February	1,255,700	881,500	374,200	\$1,175,200	\$885,200	\$290,000
March	1,493,700	1,048,500	445,200	\$1,327,500	\$1,056,000	\$271,500
April	1,522,700	1,068,900	453,800	\$1,334,900	\$1,074,200	\$260,700
May	1,608,600	1,129,100	479,500	\$1,408,000	\$1,138,800	\$269,200
June	1,590,000	1,116,100	473,900	\$1,441,200	\$1,121,600	\$319,600
July	1,635,200	1,147,800	487,400	\$1,525,900	\$1,214,000	\$311,900
August	1,703,400	1,195,700	507,700	\$1,592,500	\$1,264,600	\$327,900
September	1,627,700	1,142,600	485,100	\$1,527,800	\$1,208,500	\$319,300
October	1,741,700	1,222,600	519,100	\$1,636,600	\$1,293,100	\$343,500
November	1,626,900	1,142,000	484,900	\$1,556,700	\$1,207,900	\$348,800
December	1,598,100	1,121,800	476,300	\$1,522,600	\$1,186,500	\$336,100
Total	18,732,000	13,149,000	5,583,000	\$17,294,000	\$13,590,800	\$3,703,200

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

Sincerely,



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

DISCLAIMER

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

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

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

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

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

Appendix E: Operation and Maintenance Fund FY2020 Estimated Costs

Account	Accounting	Administration	Board	Treasury Management	Human Resources	Internal Audit
Salaries and Wages-Direct - (511101)	\$1,424,250	\$526,690	\$86,579	\$932,540	\$980,654	\$723,202
Salaries and Wages-Internship - (511202)	0	0	0	0	0	0
Salaries and Wage-Overtime - (511301)	567	0	0	0	43	0
Group Insurance - (512101)	0	0	0	0	0	0
Retirement Contributions - (512401)	183,143	67,577	11,168	119,243	125,664	92,998
Retirement Contr.-Internship - (512402)	0	0	0	0	0	0
Tuition Reimbursement - (512501)	0	0	0	0	10,502	0
Unemployment Insurance - (512601)	0	0	0	0	0	0
OPEB Annual Req'd Contribution - (512602)	0	0	0	0	0	0
Worker's Comp Ins - (512701)	0	0	0	0	0	0
Meeting Expense - (521101)	560	3,264	53,317	0	1,608	128
Consulting/Professional - (521201)	0	0	0	240,750	22,318	0
Legal Fees - (521202)	0	0	0	0	0	0
Auditing Fees - (521203)	0	0	0	0	0	80,000
Trustee Fees - (521204)	0	0	0	210,000	0	0
Rating Agency Fees - (521205)	0	0	0	0	0	0
Traffic Engineering Fees - (521207)	0	0	0	450,000	0	0
Police Services (DPS) - (521208)	0	0	0	0	0	0
Armored Car Services - (521209)	0	0	0	0	0	0
Outside Maintenance Services - (521212)	0	0	0	0	0	0
Landscaping - (522202)	0	0	0	0	0	0
Rentals - Land - (522301)	0	0	0	0	0	0
Rentals - Equipment - (522302)	0	0	0	0	0	0
Insurance Expense - Other - (523101)	0	0	0	0	0	0
Postage - (523201)	550	0	0	0	0	0
Telecommunications - (523202)	0	0	0	0	0	0
Public Information Fees - (523203)	0	0	0	0	0	0
Recruitment - (523301)	0	0	0	0	22,082	0
Magazine and Newspaper - (523302)	0	0	0	0	0	0
Television & Radio - (523303)	0	0	0	0	0	0
Promotional Expenses - (523304)	261	50,000	0	0	15,326	0
Employee Appreciation - (523305)	0	0	0	0	0	0
Printing and Photographic - (523401)	0	0	0	0	0	0
Maps & Pamphlets - (523402)	0	0	0	0	0	0
Travel - (523501)	4,343	10,556	7,185	2,297	0	236
Dues & Subscriptions - (523601)	1,566	59,690	9,310	225	3,036	426
Education and Training - (523701)	3,280	0	0	765	29,730	11,310
Licenses - (523801)	0	0	0	0	0	0
Temporary Contract Labor - (523851)	0	0	0	0	0	0
Liability Claims - (523902)	0	0	0	0	0	0
Office Supplies - (531101)	1,283	0	2,252	341	3,853	221
Other Materials and Supplies - (531102)	0	0	0	0	0	0
Mobile Equipment Expense - (531103)	0	0	0	0	0	0
Freight and Express - (531105)	340	0	1,436	19	0	0
Motor Fuel Expense - (531107)	0	0	0	0	0	0
Water - (531211)	0	0	0	0	0	0
Gas - (531221)	0	0	0	0	0	0
Electricity - (531231)	0	0	0	0	0	0
Books & Periodicals - (531401)	0	0	0	0	0	0
Inven for resale(toll tags) - (531501)	0	0	0	0	0	0
Small Tools and Shop Supplies - (531601)	0	0	0	0	0	0
Software (Under \$5,000) - (531651)	0	0	0	0	0	0
Uniforms - (531701)	0	0	0	0	0	0
Bank Charges - (573001)	0	0	0	0	0	0
Credit Card Fees - (573002)	0	0	0	0	0	0
Totals	\$1,620,143	\$717,777	\$171,248	\$1,956,179	\$1,214,816	\$908,521

Appendix E: Operation and Maintenance Fund FY2020 Estimated Costs (continued)

Account	Legal Services	Procurement and Business Diversity	Public Affairs	Shared Services	Contact Center and Collections	Information Technology
511101 Salaries and Wages-Direct - (511101)	\$770,158	\$1,324,839	\$1,423,056	\$0	\$9,112,886	\$7,617,800
511202 Salaries and Wages-Internship - (511202)	0	0	0	0	0	0
511301 Salaries and Wage-Overtime - (511301)	0	0	0	0	115,216	64,159
512101 Group Insurance - (512101)	0	0	0	9,810,052	0	0
512401 Retirement Contributions - (512401)	99,971	169,362	182,976	0	1,165,435	979,074
512402 Retirement Contr.-Internship - (512402)	0	0	0	0	0	0
512501 Tuition Reimbursement - (512501)	0	0	0	0	0	0
512601 Unemployment Insurance - (512601)	0	0	0	120,000	0	0
512602 OPEB Annual Req'd Contribution - (512602)	0	0	0	0	0	0
512701 Worker's Comp Ins - (512701)	0	0	0	190,180	0	0
521101 Meeting Expense - (521101)	195	1,421	1,749	0	10,752	3,567
521201 Consulting/Professional - (521201)	0	3,800	971,960	21,000	6,992,493	0
521202 Legal Fees - (521202)	2,345,489	0	0	0	0	0
521203 Auditing Fees - (521203)	0	0	0	0	0	0
521204 Trustee Fees - (521204)	0	0	0	0	0	0
521205 Rating Agency Fees - (521205)	0	0	0	0	0	0
521207 Traffic Engineering Fees - (521207)	0	0	0	0	0	0
521208 Police Services (DPS) - (521208)	0	0	0	0	0	0
521209 Armored Car Services - (521209)	0	0	0	0	30,616	0
521212 Outside Maintenance Services - (521212)	0	0	0	0	0	6,539,716
522202 Landscaping - (522202)	0	0	0	0	0	0
522301 Rentals - Land - (522301)	0	0	0	0	159,119	0
522302 Rentals - Equipment - (522302)	0	0	0	0	25,302	0
523101 Insurance Expense - Other - (523101)	0	0	0	0	0	0
523201 Postage - (523201)	0	0	0	0	7,538,510	0
523202 Telecommunications - (523202)	0	0	0	0	0	1,217,238
523203 Public Information Fees - (523203)	0	5,612	0	0	0	0
523301 Recruitment - (523301)	0	0	0	0	0	0
523302 Magazine and Newspaper - (523302)	0	0	1,424,000	0	0	0
523303 Television & Radio - (523303)	0	0	1,019,697	0	0	0
523304 Promotional Expenses - (523304)	0	28,794	919,450	0	236,773	0
523305 Employee Appreciation - (523305)	0	0	0	0	0	0
523401 Printing and Photographic - (523401)	0	0	6,737	0	81,888	0
523402 Maps & Pamphlets - (523402)	0	0	0	0	0	0
523501 Travel - (523501)	692	562	18,549	0	5,411	14,528
523601 Dues & Subscriptions - (523601)	49,498	53,425	85,318	0	48,498	2,497
523701 Education and Training - (523701)	1,946	5,100	3,125	0	26,498	45,701
523801 Licenses - (523801)	0	0	0	0	0	0
523851 Temporary Contract Labor - (523851)	2,959	0	0	0	8,771,016	167,174
523902 Liability Claims - (523902)	0	0	0	0	0	0
531101 Office Supplies - (531101)	21,636	1,483	1,300	245,588	25,564	29,888
531102 Other Materials and Supplies - (531102)	0	0	0	0	0	21,741
531103 Mobile Equipment Expense - (531103)	0	0	0	0	0	0
531105 Freight and Express - (531105)	19	0	30	0	196	99
531107 Motor Fuel Expense - (531107)	0	0	0	0	0	0
531211 Water - (531211)	0	0	0	0	0	0
531221 Gas - (531221)	0	0	0	0	0	0
531231 Electricity - (531231)	0	0	0	0	0	0
531401 Books & Periodicals - (531401)	0	0	0	0	0	0
531501 Inven for resale(toll tags) - (531501)	0	0	0	0	3,891,582	0
531601 Small Tools and Shop Supplies - (531601)	0	0	0	0	0	0
531651 Software (Under \$5,000) - (531651)	0	0	0	0	0	8,283,987
531701 Uniforms - (531701)	0	0	121	0	0	0
573001 Bank Charges - (573001)	0	0	0	0	164,069	0
573002 Credit Card Fees - (573002)	0	0	0	0	16,847,625	0
Totals	\$3,292,564	\$1,594,398	\$6,058,067	\$10,386,820	\$55,249,450	\$24,987,169

Appendix E: Operation and Maintenance Fund FY2020 Estimated Costs (continued)

Account	Maintenance	Operations	Project Delivery	Traffic & Incident Mgmt.
Salaries and Wages-Direct - (511101)	\$8,170,761	\$994,012	\$2,165,548	\$5,845,095
Salaries and Wages-Internship - (511202)	0	0	0	0
Salaries and Wage-Overtime - (511301)	506,072	0	0	211,314
Group Insurance - (512101)	0	0	0	0
Retirement Contributions - (512401)	1,100,937	128,142	278,264	769,452
Retirement Contr.-Internship - (512402)	0	0	0	0
Tuition Reimbursement - (512501)	0	0	0	0
Unemployment Insurance - (512601)	0	0	0	0
OPEB Annual Req'd Contribution - (512602)	0	0	0	0
Worker's Comp Ins - (512701)	0	0	0	0
Meeting Expense - (521101)	8,485	661	(192)	0
Consulting/Professional - (521201)	17,469	0	0	6,485
Legal Fees - (521202)	0	0	0	0
Auditing Fees - (521203)	0	0	0	0
Trustee Fees - (521204)	0	0	0	0
Rating Agency Fees - (521205)	0	0	0	0
Traffic Engineering Fees - (521207)	0	0	0	0
Police Services (DPS) - (521208)	0	0	0	10,005,625
Armored Car Services - (521209)	0	0	0	0
Outside Maintenance Services - (521212)	22,662,074	0	0	40,914
Landscaping - (522202)	626	0	0	0
Rentals - Land - (522301)	171,836	0	0	0
Rentals - Equipment - (522302)	12,923	0	0	0
Insurance Expense - Other - (523101)	0	0	0	2,837,723
Postage - (523201)	0	0	0	0
Telecommunications - (523202)	121,200	0	0	0
Public Information Fees - (523203)	0	0	0	0
Recruitment - (523301)	0	0	0	0
Magazine and Newspaper - (523302)	0	0	0	0
Television & Radio - (523303)	0	0	0	0
Promotional Expenses - (523304)	(0)	0	0	288
Employee Appreciation - (523305)	0	0	0	0
Printing and Photographic - (523401)	0	0	0	0
Maps & Pamphlets - (523402)	0	0	0	0
Travel - (523501)	4,957	13,524	0	1,493
Dues & Subscriptions - (523601)	11,472	10,213	0	4,022
Education and Training - (523701)	14,296	3,733	1,275	5,244
Licenses - (523801)	3,460	0	591	0
Temporary Contract Labor - (523851)	21,444	0	0	0
Liability Claims - (523902)	0	0	0	0
Office Supplies - (531101)	10,146	19,128	2,112	7,745
Other Materials and Supplies - (531102)	1,178,851	0	0	58,559
Mobile Equipment Expense - (531103)	783,524	0	0	0
Freight and Express - (531105)	75	142	49	42
Motor Fuel Expense - (531107)	780,534	0	0	0
Water - (531211)	773,540	0	0	0
Gas - (531221)	32,931	0	0	0
Electricity - (531231)	1,967,668	0	0	0
Books & Periodicals - (531401)	0	0	0	0
Inven for resale(toll tags) - (531501)	0	0	0	0
Small Tools and Shop Supplies - (531601)	210,437	0	0	0
Software (Under \$5,000) - (531651)	0	0	0	0
Uniforms - (531701)	184,579	0	0	81,350
Bank Charges - (573001)	0	0	0	0
Credit Card Fees - (573002)	0	0	0	0
Totals	\$38,750,295	\$1,169,554	\$2,447,647	\$19,875,351

Appendix E: Operation and Maintenance Fund FY2020 Estimated Costs (continued)

Account	FY2020 Estimated Costs	FY2020 Budget	Increase (Decrease) to FY2020 Budget	
			Amount	Percent
511101 Salaries and Wages-Direct - (511101)	\$42,098,069	\$44,484,612	(\$2,386,543)	(5.7%)
511202 Salaries and Wages-Internship - (511202)	0	205,199	(205,199)	(100.0%)
511301 Salaries and Wage-Overtime - (511301)	897,373	846,276	51,097	5.7%
512101 Group Insurance - (512101)	9,810,052	9,296,084	513,968	5.2%
512401 Retirement Contributions - (512401)	5,473,406	5,749,498	(276,092)	(5.0%)
512402 Retirement Contr.-Internship - (512402)	0	26,614	(26,614)	(100.0%)
512501 Tuition Reimbursement - (512501)	10,502	31,575	(21,073)	(200.7%)
512601 Unemployment Insurance - (512601)	120,000	127,386	(7,386)	(6.2%)
512602 OPEB Annual Req'd Contribution - (512602)	0	3,100,000	(3,100,000)	(100.0%)
512701 Worker's Comp Ins - (512701)	190,180	277,761	(87,581)	(46.1%)
521101 Meeting Expense - (521101)	85,515	132,150	(46,635)	(54.5%)
521201 Consulting/Professional - (521201)	8,276,275	11,164,992	(2,888,717)	(34.9%)
521202 Legal Fees - (521202)	2,345,489	2,086,669	258,820	11.0%
521203 Auditing Fees - (521203)	80,000	206,029	(126,029)	(157.5%)
521204 Trustee Fees - (521204)	210,000	295,899	(85,899)	(40.9%)
521205 Rating Agency Fees - (521205)	0	0	0	(100.0%)
521207 Traffic Engineering Fees - (521207)	450,000	588,199	(138,199)	(30.7%)
521208 Police Services (DPS) - (521208)	10,005,625	11,505,625	(1,500,000)	(15.0%)
521209 Armored Car Services - (521209)	30,616	54,627	(24,011)	(78.4%)
521212 Outside Maintenance Services - (521212)	29,242,704	29,685,518	(442,814)	(1.5%)
522202 Landscaping - (522202)	626	61,500	(60,875)	(9732.1%)
522301 Rentals - Land - (522301)	330,955	423,151	(92,197)	(27.9%)
522302 Rentals - Equipment - (522302)	38,225	146,172	(107,947)	(282.4%)
523101 Insurance Expense - Other - (523101)	2,837,723	3,071,370	(233,647)	(8.2%)
523201 Postage - (523201)	7,539,060	8,580,260	(1,041,200)	(13.8%)
523202 Telecommunications - (523202)	1,338,438	1,302,721	35,717	2.7%
523203 Public Information Fees - (523203)	5,612	26,000	(20,388)	(363.3%)
523301 Recruitment - (523301)	22,082	157,820	(135,738)	(614.7%)
523302 Magazine and Newspaper - (523302)	1,424,000	1,426,601	(2,601)	(0.2%)
523303 Television & Radio - (523303)	1,019,697	1,019,697	0	0.0%
523304 Promotional Expenses - (523304)	1,250,892	1,480,799	(229,907)	(18.4%)
523305 Employee Appreciation - (523305)	0	1,752	(1,752)	(100.0%)
523401 Printing and Photographic - (523401)	88,625	130,278	(41,653)	(47.0%)
523402 Maps & Pamphlets - (523402)	0	46,960	(46,960)	(100.0%)
523501 Travel - (523501)	84,333	246,737	(162,404)	(192.6%)
523601 Dues & Subscriptions - (523601)	339,196	355,576	(16,380)	(4.8%)
523701 Education and Training - (523701)	152,003	373,530	(221,527)	(145.7%)
523801 Licenses - (523801)	4,051	29,502	(25,451)	(628.2%)
523851 Temporary Contract Labor - (523851)	8,962,594	11,839,775	(2,877,182)	(32.1%)
523902 Liability Claims - (523902)	0	6,182	(6,182)	(100.0%)
531101 Office Supplies - (531101)	372,541	656,287	(283,746)	(76.2%)
531102 Other Materials and Supplies - (531102)	1,259,151	2,292,277	(1,033,126)	(82.0%)
531103 Mobile Equipment Expense - (531103)	783,524	909,425	(125,901)	(16.1%)
531105 Freight and Express - (531105)	2,448	7,112	(4,665)	(190.6%)
531107 Motor Fuel Expense - (531107)	780,534	1,023,309	(242,775)	(31.1%)
531211 Water - (531211)	773,540	850,000	(76,461)	(9.9%)
531221 Gas - (531221)	32,931	50,600	(17,669)	(53.7%)
531231 Electricity - (531231)	1,967,668	1,906,846	60,822	3.1%
531401 Books & Periodicals - (531401)	0	1,600	(1,600)	(100.0%)
531501 Inven for resale(toll tags) - (531501)	3,891,582	8,891,582	(5,000,000)	(128.5%)
531601 Small Tools and Shop Supplies - (531601)	210,437	288,685	(78,248)	(37.2%)
531651 Software (Under \$5,000) - (531651)	8,283,987	8,218,337	65,650	0.8%
531701 Uniforms - (531701)	266,050	324,860	(58,810)	(22.1%)
573001 Bank Charges - (573001)	164,069	472,649	(308,580)	(188.1%)
573002 Credit Card Fees - (573002)	16,847,625	18,995,336	(2,147,711)	(12.7%)
Totals	\$170,400,000	\$195,480,000	(\$25,080,000)	(14.7%)

Appendix F: Glossary of Terms and Acronyms

A

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

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

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

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

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

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

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

B

Balanced Budget – The recurring revenues meet or exceed the recurring expenses of operations, debt service and asset maintenance. Per the Trust Agreement, no payments for maintenance, repair and operations will exceed the reasonable and necessary amount required or exceed amounts in the Annual Budget.

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

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

C

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

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

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

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

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

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

Covenants – To promise by covenant or pledge.

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

D

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

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

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

DMV – the Texas Department of Motor Vehicles.

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

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

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

E

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

F

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

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

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

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

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

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

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

G

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

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

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

I

IBTTA – International Bridge, Tunnel and Turnpike Association

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

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

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

L

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

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

M

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

N

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

O

OPEB – other post-employment benefits liability for health care and life insurance required by GASB Statement 75.

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

P

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

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

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

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

R

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

RDF – Rainy Day Fund created within CIF to maintain reserves for unanticipated needs.

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

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

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

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

RTC – the Regional Transportation Council.

S

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

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

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

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

T

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

TCDRS – Texas County & District Retirement System that manages one of NTTA’s retirement plan.

TER – Toll Enforcement Remedies, which are tools the Authority, uses to collect unpaid ZipCash transactions.

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

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

Toll Road – Road on which tolls are charged.

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

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

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

Turnpike – Expressway on which tolls are charged.

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

U

USDOT - United States Department of Transportation

V

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

Z

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

