



NORTH TEXAS TOLLWAY SYSTEM
An Enterprise Fund of the
North Texas Tollway Authority
Fiscal Year Ended December 31, 2018

ONWARD and UPWARD

2018 COMPREHENSIVE ANNUAL FINANCIAL REPORT



ONWARD NORTH TEXAS!

WE CONTINUE TO ADVANCE AND SERVE

Our region continues to advance rapidly, attracting big business, increasing the workforce and building a superb quality of life. It's a bright future for North Texas.

NTTA is in step with the region, adapting and advancing to meet the growing demand for high-performance mobility. Whether it's helping the commute to work, home or play, we're consistently delivering reliable, convenient and smoother roads for our customers.

And we're reinvesting toll dollars back into the roads our customers rely on, maintaining and improving our high-quality roads. We're increasing driver safety measures and providing roadside rescue and relief. We're delivering financial transparency and making sound investments in North Texas mobility. And we're engaging the communities we serve, driving diversity within our workforce and the businesses we work with every day.

SO UPWARD WE WILL GO!

We do all of this to serve our customers and move closer to excellence. We pledge to carry on serving this great region.



Chisholm Trail Parkway near
Arborlawn Drive, Fort Worth



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Dallas North Tollway at
Sam Rayburn Tollway Interchange



CFO's ASSESSMENT

**Horatio Porter,
Chief Financial Officer**

Letter to Chairman John Mahalik and the Board of Directors

The Finance Department of the North Texas Tollway Authority (the Authority or NTTA) is pleased to submit the Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2018, in compliance with Section 711 of the Amended and Restated Trust Agreement. The CAFR is intended to provide detailed information on the financial condition of the North Texas Tollway System (the System), an enterprise fund of the Authority, at December 31, 2018, including the System and the Non-Major Enterprise Fund.

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

The Non-Major Enterprise Fund is a Tolling Services Agreements (TSAs) fund. The following represents the three types of TSAs: (1) Developer TSAs, where NTTA has collection exposure and is paid a fee to process each transaction (2) Developer TSAs where NTTA remits only amounts

collected and is paid a fee to process each transaction and (3) Regional TSAs facilities where NTTA remits only amounts collected and is reimbursed for operating expenses from the Texas Department of Transportation (TxDOT). Developer TSA (type1) facilities presently consist of Interstate Highway 635 (LBJ) and North Tarrant Express 1&2 (NTE 1&2). Developer TSA (type 2) facilities presently consist of North Tarrant Express 3B (NTE 3B). Regional TSA (type 3) facilities presently consist of DFW Connector (DFWC), I-30, I-35E, SH-114, I-635 (LBJ East), Loop 12 and SH-183.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. Crowe LLP, an independent audit firm, has issued an unmodified ("clean") opinion on the North Texas Tollway System's financial statements for the year ended December 31, 2018. This independent auditors' report is located at the front of the financial section of this report.

Management's discussion and analysis

(MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

[Profile of the North Texas Tollway Authority](#)

The Turnpike Act of 1953 was passed by the legislature and signed into law by Governor Allan Shivers on June 9, 1953, creating the Texas Turnpike Authority for the purpose of building and managing an expressway between Dallas and Fort Worth.

After the initial design was completed in December 1954, \$58,000,000 in bonds were sold to construct the expressway called the Dallas-Fort Worth Turnpike.

The turnpike was dedicated on September 5, 1957, and by November 8, 1957 it had already served 1 million patrons.

In 1962, the Dallas Central Business District Association petitioned the Turnpike Authority to investigate the feasibility of a turnpike linking the central business district with north central Dallas. In June 1965, bonds were sold, and the Dallas North Tollway was in business.

The Dallas metropolitan area is headquarters for many Fortune 500 companies, representing a diversified economy, which includes technology, retail, manufacturing and services. The ongoing industry in Texas is growing faster than the national average. Public transit options continue to expand significantly, though in several outlying suburbs, it remains limited. The area also reflects art, fashion and entertainment. It is the site of a district Federal Reserve Bank and Dallas/Fort Worth International Airport. Together, with the Fort Worth Metropolitan area, DFW comprises the nation's fourth largest urban economy with per capita effective buying income (PCEBI) 90.8% of national average (StandardandPoors.com/ratings direct).

The first segment of the tollway from downtown to Mockingbird Lane opened to traffic on February 11, 1968, and the next segment to Royal Lane was opened to traffic on June 30, 1968.

In 1997, the Texas Legislature created regional tollway authorities, and the current North Texas Tollway Authority was born.

The Authority is committed to being a careful steward of all resources placed in its care – financial, physical and environmental. Because the Authority is a public organization chartered by the state of Texas, every toll collected is reinvested in the region.

Toll revenues in 2018, net of bad debt expense, were \$850,437,774, representing an increase of 17.7% over 2017 toll revenues of \$722,357,187, net of bad debt expense. This increased revenue will allow the Authority to preserve current assets, fund capital improvement projects, satisfy debt-service obligations and invest in safety and technology to provide our patrons world-class service.

The operations of the System are accounted for as an enterprise fund in accordance with United States Generally Accepted Accounting Principles (GAAP). Management takes responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures. In keeping with that responsibility, these statements are presented on a consolidated basis and include the NTTA System and the Non-Major Enterprise Fund for Tolling Services Agreements (TSAs). Management confirms that the financial statements are presented fairly and, in all material respects, represent the financial position of the System as of December 31, 2018. Please refer to the MD&A on Pages 4-13 of this report for a detailed discussion of NTTA's financial performance.

Economic Development

Dallas-Fort Worth (DFW) is one of the

top regions in the nation for business, thanks to low cost of living, a business-friendly environment, a strong base of well-educated and skilled employees and direct access to both U.S. and world markets through its transportation network. Year after year, the region's selling points are lauded by prestigious business experts at publications, including *Bloomberg Businessweek*, *Forbes*, *Fortune* and *Site Selection*. Key metrics tracked by the Federal Reserve Bank of Dallas, which measures economic indicators throughout Texas, show the region to be among the strongest in the country. This region is an innovation hub with a wealth of resources that make an ideal business location. The DFW region's attractive quality of life, strong regional and state economy, and absence of corporate and personal income taxes all contribute to the thriving Dallas-Fort Worth location. DFW is consistently ranked among the top places to work, the best places to live and the best places for investment.

The Dallas metropolitan area is headquarters for many Fortune 500 companies, representing a diversified economy which includes technology, retail, manufacturing and services. The ongoing industry in Texas is growing faster than the national average. Public transit options continue to expand significantly, though in several outlying suburbs, it remains limited. The area also reflects art, fashion and entertainment. It is the site of a district Federal Reserve Bank and Dallas/Fort Worth International Airport. Together, with the Fort Worth metropolitan area, DFW comprises the nation's fourth largest urban economy with per capita effective buying income (PCEBI) 90.8% of national average (StandardandPoors.com/ratings direct). The local unemployment rate is 3.6%, which is lower than the national rate of 3.7%

Relevant Financial Policies

Section 501 of the Amended and Restated Trust Agreement mandates the Authority will keep in effect a Toll Rate Schedule which will raise and produce

Net Revenues (Gross Revenues less Operating and Maintenance Expenses) sufficient to satisfy the greater of (1), (2) or (3) below:

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

Coverage for all debt for 2018 was 1.37 times, well above the required level of 1.00.

Awards and Acknowledgments

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the North Texas Tollway Authority for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2017.

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

Respectfully submitted,


Horatio Porter
Chief Financial Officer

OUR STRATEGIC PRIORITIES



MISSION

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

STRATEGIC GOALS

- CUSTOMER DRIVEN**
- INNOVATIVE** TRANSPORTATION SOLUTIONS
- FINANCIALLY SOUND** and **VIBRANT**
- RESPECTED LEADER** and **PARTNER** in the REGION'S TRANSPORTATION NETWORK
- OUR TEAM IS **HIGHLY ENERGIZED**, **QUALIFIED** and **ENGAGED**

NTTA SYSTEM

Connecting **North Texas** through reliable, convenient and smoother roads.

SNAPSHOT OF 2018

LANE MILES

1,069 lane miles maintained, providing **increased access** across the Metroplex.

TOLLTAGS

- 12 Million** unique customers
- 5.6 Million** TollTags
- 82.2%** of system transactions are paid with a TollTag
- 97%** customer satisfaction rating

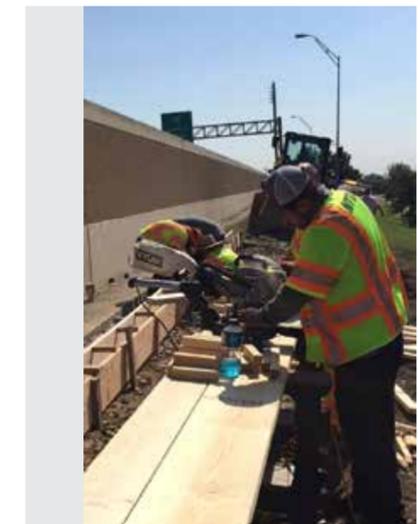
#999 TO REACH FREE ROADSIDE ASSISTANCE

Customers can rely on **24/7 service** for safety and convenience while driving any NTTA road.



PROACTIVE PLANNED MAINTENANCE

Safe, reliable, quality road improvements performed during low traffic times to minimize impact to daily commuters.



CAPACITY AND MAINTENANCE IMPROVEMENT PROJECTS

MORE THAN ROADS, WE'RE BUILDING FUTURES

North Texas is thriving, and the lifeline that feeds the region's growth is a carefully engineered network of roads. As our region grows, the transportation systems that keep it healthy must also expand.

We are increasing the capacity of and upgrading our roads to keep North Texas moving. Review the list of 2018 projects in various stages on the next page.



360 TOLLWAY

The new 9.7-mile road, which began construction in fall of 2015, extends from Camp Wisdom Road to US 287 in Mansfield, and was a public partnership between TxDOT, NTTA and surrounding cities and counties. Opened to traffic May 11, 2018.



DALLAS NORTH TOLLWAY

Various improvements were made to our flagship road, the Dallas North Tollway (DNT), including the addition of fourth-lane segments in both directions, interchange improvements, relocation of lights and pavement and barrier replacements. The 2018 progress for each section of DNT projects is as follows:

Sam Rayburn Tollway to President George Bush Turnpike: Fourth-lane construction began June 1, 2015. The new lanes opened to traffic in December 2017. Project completed under budget.

Interchange with DNT/President George Bush Turnpike: Construction began June 15, 2015 to add a lane on ramps and improve traffic flow in the immediate area. Project completed under budget. Opened to traffic March 2018.

President George Bush Turnpike southbound to Belt Line Road and northbound from Trinity Mills Road to President George Bush Turnpike: Construction began March 28, 2016 to add a fourth lane in each direction. Project completed under budget. New lanes opened to traffic in September 2017.

Harvest Hill Road to Interstate 35E: Removed and replaced the center barrier and laid new pavement. Construction began April 10, 2017. Opened to traffic in December 2018. Project on budget.

DNT extension over US 380: Extension of the DNT will be built over US 380. On schedule; design work underway; anticipated construction start late 2019.

Phase 4A: Extension of DNT from US 380 to FM 428: Three lanes in each direction from US 380 to FM 428 in Celina. On schedule; planning work underway; anticipated construction start early 2023.

Phase 4B: Frontage road extension along DNT from FM 428 to Grayson County line: On schedule; design work continued in 2018; anticipated construction start in 2020.



PRESIDENT GEORGE BUSH TURNPIKE

Additional fourth lanes added along the turnpike to expand capacity and keep up with increasing traffic demand. The additional lanes are constructed in segments inside the median to reduce traffic disruption and will open to traffic as each section is completed. The 2018 progress for each segment:

US 75 to DNT: Fourth lane construction began May 2015. Project completed under budget. New lanes opened to traffic November 2016.

SH 78 to US 75: Fourth-lane construction began June 2017. Project completed under budget. New lanes opened to traffic October 2018.

DNT to Interstate 35E: Fourth lane construction began July 2017. On schedule; anticipated completion late 2019.

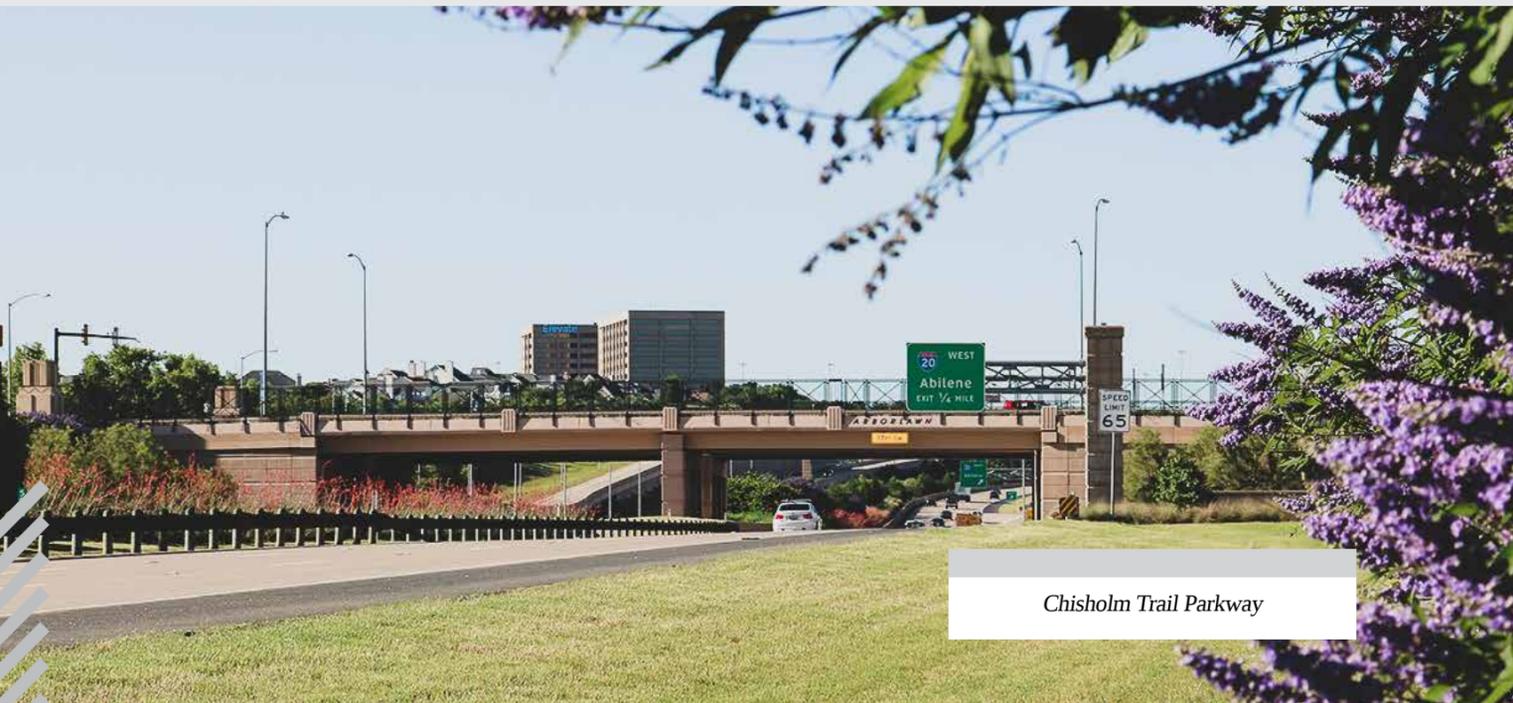
I-35E to N. Beltline Rd.: Fourth lane design work in progress. Anticipated construction start summer 2019.

SH 183 to I-20: Fourth lane design work in progress. Anticipated construction start late 2019.



SAM RAYBURN TOLLWAY

The Sam Rayburn Tollway Fourth Lane Project will add one lane to the median in both directions along the entire 26 miles of the tollway. Ramp improvements will also be made along the corridor. Planning and design work completed in 2018. Construction began January 2019. Estimated completion late 2021.



Chisholm Trail Parkway

BEAUTIFICATION = SUSTAINABILITY

Water management, cleaner fuels, drought-resistant landscaping and recycling are among the many ongoing actions taken by NTTA to protect the environment and contribute to the sustainability of the North Texas region.

- NTTA’s fleet uses hybrid, flex-fuel and low-sulfur diesel vehicles, and NTTA uses cashless toll collection to eliminate stop-and-go traffic.
- Using uncoated, aesthetically pleasing concrete construction stands up to the elements, minimizes maintenance and eliminates volatile organic compounds from the atmosphere.
- Aggressive storm water management and clean-up programs keep litter out of the local water supply, and creative landscaping cuts water consumption. Native, drought-tolerant plants and grasses use less water. A “smart” irrigation system monitors water usage.
- All NTTA facilities currently reduce waste by recycling, from compost and mulch used in landscaping to recycling of signs, cardboard boxes and office papers.



President George Bush Turnpike



Sam Rayburn Tollway

The success of the NTTA’s drought-tolerant landscaping is in the selection of plants and shrubs and use of a smart irrigation system that conserves water.



BUSINESS DIVERSITY



Moses Aito
Business Diversity Director

DRIVING DIVERSITY

In 2018, NTTA's Business Diversity Department (BDD) participated in and hosted many outreach events for disadvantaged-, minority- and woman-owned business enterprises (D/M/WBE). BDD leadership also transitioned from Anthony Coleman, who retired from his position as BDD director, to Moses Aito. Outreach events and milestones included:



DART, Parkland Hospital, DFW Airport, The Dallas Bar Association and other minority/women legal associations.

ROAD PROGRAM GRADUATION EVENT (Relationship and Opportunities Advancing Diversity)

Graduation of 18 high-achieving contractors and consultants who completed the 2016-2018 voluntary mentor-protégé program.

WHO'S WHO FEATURE

NTTA's ROAD program featured in the 2018 *Who's Who in Black Dallas* publication.

DIVERSITY ATTAINMENT

*2017 Diversity Attainment results highlighted the use of DMWBEs in NTTA contracts: 32% or \$0.32 per dollar was spent with DMWBEs.

*2018 DATA AVAILABLE JULY 15, 2019



VENDOR OUTREACH EVENTS

Hosted 20 vendor outreach events, including: Second-Wednesday Business Chat sessions, Quarterly Vendor Outreach Symposiums and Cooperative Inclusion Plan (CIP) workshops in partnership with TxDOT, the Regional Hispanic Contractors Association (RHCA), the Regional Black Contractors Association (RBCA), the Asian-American Contractors Association of Texas (AACATX) and the Association of General Contractors of Texas (AGC).

ADVOCACY TRADE ASSOCIATION PARTICIPATION

Participated in 37 external outreach events held by advocacy and trade association partners.

INDUSTRY-SPECIFIC PROCUREMENT EVENTS

Two individualized outreach events targeted at specific procurement opportunities: the Engineering Opportunities Forum attended by over 70 engineering firms and the first-ever Legal Services outreach event in collaboration with

GFOA AWARD



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

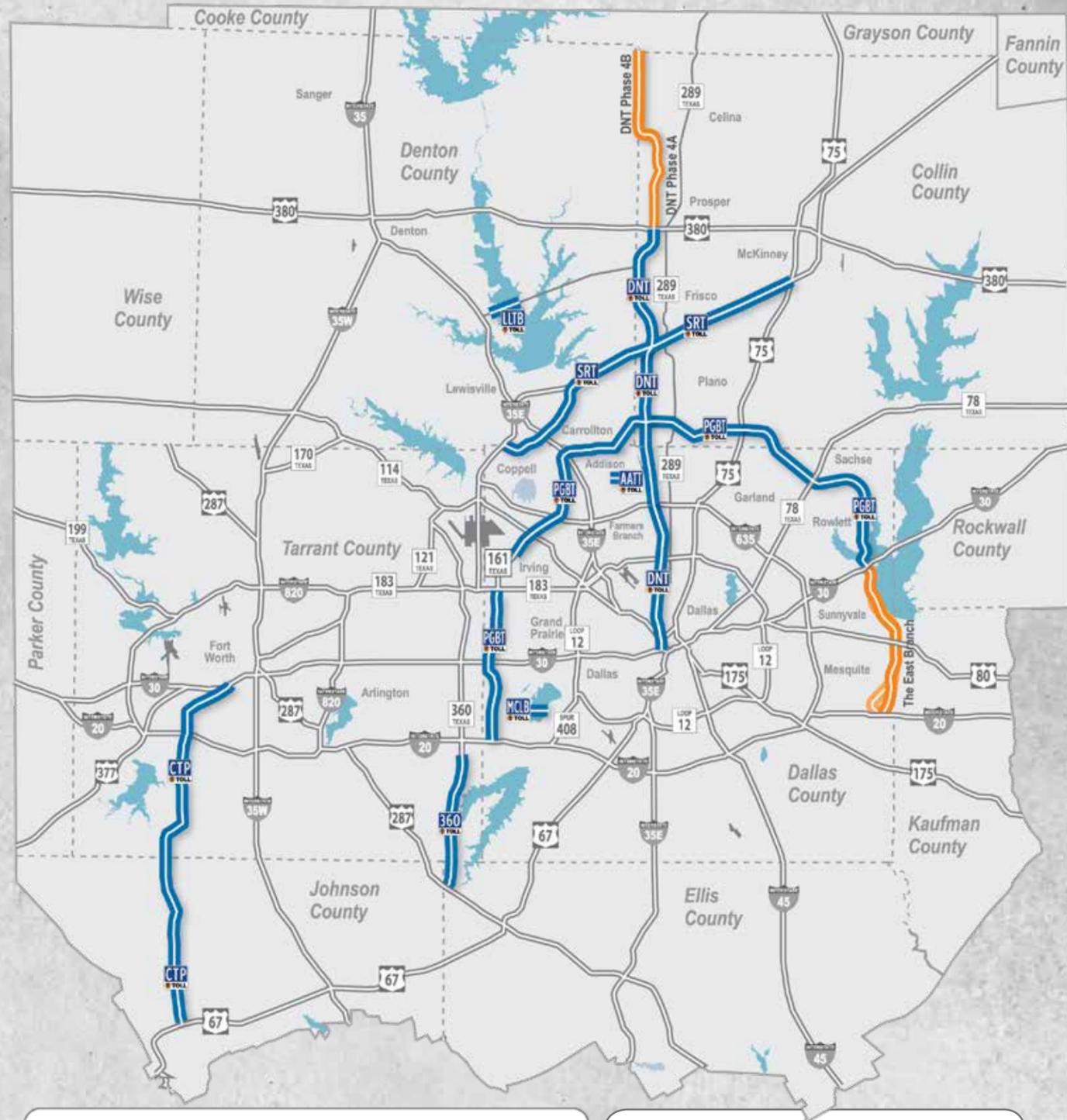
North Texas Tollway Authority

For its Comprehensive Annual Financial Report for the Fiscal Year Ended

December 31, 2017

Christopher P. Morrell

Executive Director/CEO



TOLL FACILITIES

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

CUSTOMER SERVICE CENTERS

Dallas 39025 LBJ Service Road	Fort Worth 4802 Overton Ridge Blvd., Ste. 304	Grand Prairie 5244 TX-360, Ste. 384	Irving 5555 President George Bush Turnpike	Plano 5900 W. Plano Pkwy.

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
North Texas Tollway Authority

Report on the Financial Statements

We have audited the accompanying financial statements of the major fund and the aggregate remaining fund information of the North Texas Tollway System (the System), an enterprise fund of the North Texas Tollway Authority (the Authority), as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the System's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the major fund and the aggregate remaining fund information of the System as of December 31, 2018, and the respective changes in financial position, and, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As discussed in note 1(a), the financial statements present only the System, an enterprise fund of the Authority and do not purport to, and do not, present fairly the financial position of the Authority as of December 31, 2018, and the changes in its financial position and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

As discussed in note 1(n) to the financial statements, in June 2015 the GASB issued GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." As discussed in note 1(n), GASB Statement No. 75 was effective for the System's fiscal year ended December 31, 2018. This Statement replaces the requirements of Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions." GASB Statement No. 75 establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense as well as identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosures and required supplementary information requirements about postemployment benefits other than pensions are also addressed. As a result of implementation of this standard, the System net position was restated by (\$11,805,279), as of January 1, 2018. Our opinion was not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4-13, Modified Approach – Infrastructure on pages 54-55, Schedule of Changes in Net Pension Liability/(Asset) and Related Ratios on page 56, Schedule of Employer Contributions, on page 57, Schedule of Changes in PEBC Total OPEB Liability and Related Ratios on page 58, Schedule of Authority's Share in ERS Net OPEB Liability, on page 59, and Schedule of Authority's Contributions to ERS OPEB on page 59, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the System's basic financial statements. The items listed in the introductory section, and the supplementary schedules 1 through 9, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Schedule 1 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule 1 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The items listed in the introductory section, schedules 2 through 9, and the statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 7, 2019 on our consideration of the System's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the System's internal control over financial reporting and compliance.



Crowe LLP

Dallas, Texas
June 7, 2019

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Management's Discussion and Analysis
December 31, 2018

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

We offer readers of these financial statements a narrative overview and analysis of the financial activities of the System for the year ended December 31, 2018. This discussion and analysis is designed to assist the reader in focusing on the financial issues and activities and to identify any significant changes in financial position. Please read it in conjunction with the financial statements, which immediately follows this section.

Using This Annual Report

Overview of the Financial Statements

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

Statement of Net Position: This statement presents information on the System and the Non-Major Enterprise fund assets and liabilities. The difference between the two is reported as net position. Over time, increases or decreases in the net position are useful indicators of whether the System's financial position is improving or deteriorating.

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

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

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

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

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Management's Discussion and Analysis
December 31, 2018

Financial Results and Analysis

2018 Highlights

- The total net position increased by \$139,103,365 over fiscal year 2017, mainly due to a 18.1% increase in toll revenues in the System.
- The System's total traffic transactions (excluding non-revenue transactions) for fiscal year 2018 were 827,610,415, an increase of 104,362,824 or 14.4% over fiscal year 2017 transactions.
- The Non-Major Enterprise Fund total traffic transactions for fiscal year 2018 were 145,124,325, an increase of 44,472,939 or 44.2% over fiscal year 2017 transactions. This is primarily due to the ramp-up of existing facilities, as well as the opening of the new SH 183 and Loop 12 facilities.
- Approximately 5,683,840 toll tags were active at the end of fiscal year 2018, an increase of 683,943 or 13.7% over fiscal year 2017 active toll tags.
- The System received a toll equity grant in the amount of \$160,270,000 from TxDOT for Right of Way acquisition and other costs related to the PGBT Eastern Extension (PGBT EE) in 2007. In return for the grant, the Authority agreed to share 20% of the tolls received on the PGBT EE with TxDOT over the life of PGBT EE. The extension opened in late December 2011. In fiscal year 2018, TxDOT received \$8,945,628 on 36,798,901 transactions in comparison to \$8,480,194 on 36,495,357 transactions in 2017.
- The System's toll revenues of \$841,491,016, net of bad debt expense, increased \$128,939,560 or 18.1% over fiscal year 2017, due to a 14.4% increase in traffic transactions
- The Non-Major Enterprise Fund total operating revenues of \$40,770,589 increased \$4,868,338 or 13.6% over fiscal year 2017 due to the increase in developer TSA transactions.
- The System's Administration and Operations expenses of \$165,549,909 increase by \$20,033,100 or 13.8% over fiscal year 2017. (See Budget to Actual Schedule – page 84)
- The Non-Major Enterprise Fund administration and operations expenses of \$37,556,397, increased by \$11,386,002 or 43.5% over fiscal year 2017, due to the increase of developer TSA transactions.

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Summary of Operations

Table A-1
Net Position

	2018	2017
Current unrestricted assets	\$ 636,070,354	\$ 631,111,968
Current restricted assets	544,920,855	417,309,472
Noncurrent assets		
Investments	46,759,740	29,568,620
Restricted investments	481,330,226	425,906,016
Other assets	14,913,127	15,558,235
Intangible assets	2,559,497,824	2,623,954,024
Capital assets:		
Nondepreciable	5,671,997,459	5,625,808,671
Depreciable (net)	49,685,570	47,156,058
Total assets	<u>10,005,175,155</u>	<u>9,816,373,064</u>
Deferred outflow of resources	<u>671,048,987</u>	<u>782,642,783</u>
Current unrestricted liabilities	110,253,903	114,689,691
Current liabilities payable from restricted assets	339,940,058	239,190,067
Noncurrent liabilities	41,558,994	45,718,047
Long-term debt	<u>10,041,513,249</u>	<u>10,198,001,557</u>
Total liabilities	<u>10,533,266,204</u>	<u>10,597,599,362</u>
Deferred inflow of resources	<u>36,483,096</u>	<u>34,045,008</u>
Net position:		
Investment in capital assets	(3,710,464,076)	(3,737,708,369)
Restricted for debt service	1,230,664,711	1,050,516,053
Restricted for SCA intangible	2,559,497,824	2,623,954,024
Unrestricted	26,776,383	30,609,769
Total net position	<u>\$ 106,474,842</u>	<u>\$ (32,628,523)</u>

The net position indicates an unrestricted current ratio of 5.77 and 5.50 for fiscal year 2018 and fiscal year 2017, respectively. Working capital was \$525,816,450 and \$516,422,276 in fiscal year 2018 and fiscal year 2017, respectively. Total unrestricted current assets were \$636,070,354 in fiscal year 2018, compared to \$631,111,968 in fiscal year 2017. Total unrestricted and restricted current assets were \$1,180,991,209 at the end of fiscal year 2018. Cash and investments of \$1,068,370,714 represent the largest component of current assets. The remaining \$112,620,495 is comprised of accrued interest receivable of \$4,021,565, accounts receivable of \$83,064,046, inter-project/interagency receivables of \$14,033,862 and prepaid expenses of \$11,501,022.

Total unrestricted current liabilities were \$110,253,903 at the end of fiscal year 2018, consisting of \$261,007 of accounts payable, \$70,594,176 of deferred revenue, \$31,010,906 of accrued liabilities (mainly accrued salaries and vacation liability), and interagency payable of \$8,387,814.

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Table A-2
Change in Net Position

	2018	2017
Revenues		
Tolls	\$ 850,437,774	\$ 722,357,187
Other revenues	99,516,486	75,709,488
Operating revenues	949,954,260	798,066,675
Operating expenses before depreciation	<u>245,436,223</u>	<u>241,174,278</u>
Income from operations before depreciation	704,518,037	556,892,397
Amortization of intangible (Sam Rayburn Tollway)	(64,788,513)	(64,841,672)
Depreciation	<u>(10,059,970)</u>	<u>(10,412,946)</u>
Operating income	629,669,554	481,637,779
Nonoperating revenue (expenses):		
Decrease in fair value of investments	(1,061,515)	(732,342)
Interest expense	(493,048,030)	(426,510,859)
Other	<u>(9,774,843)</u>	<u>(47,181,797)</u>
Net nonoperating revenue (expenses):	(503,884,388)	(474,424,998)
Capital contributions		
Payments (to) from other governments	(2,000,000)	83,912
BAB's subsidy	27,123,478	27,022,055
Capital contribution	<u>-</u>	<u>512,742,812</u>
Change in net position	150,908,644	547,061,560
Net position, January 1, 2018	(32,628,523)	(579,690,083)
Restatement	<u>(11,805,279)</u>	<u>-</u>
Net position, January 1, 2018, As Restated (Note 1 (n))	<u>(44,433,802)</u>	<u>(579,690,083)</u>
Net position - ending	<u>\$ 106,474,842</u>	<u>\$ (32,628,523)</u>

Total operating revenues were \$949,954,260 for fiscal year 2018 and \$798,066,675 for fiscal year 2017. Toll revenues in fiscal year 2018 were \$850,437,774 (net of bad debt expense of \$92,519,568), a 17.7% increase over fiscal year 2017 toll revenues of \$722,357,187 (net of bad debt expense of \$80,065,277). Traffic on the System and the Non-Major Enterprise Fund continues to grow, with average daily transactions of 2,267,426 and 397,601 in fiscal year 2018 as compared to 1,981,500 and 275,757 in fiscal year 2017, respectively.

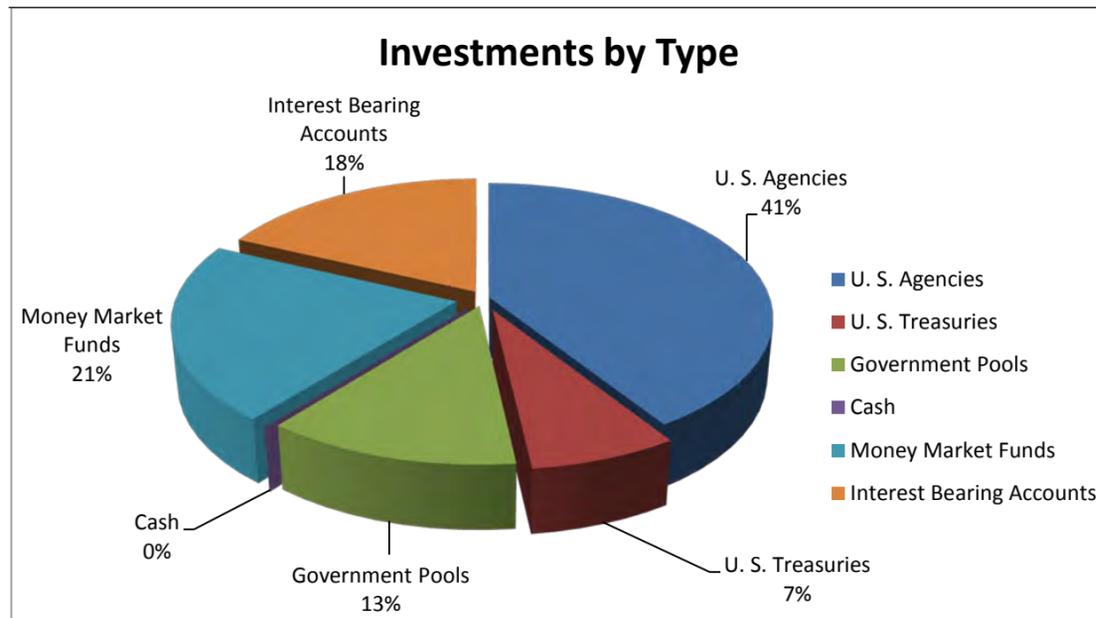
Total operating expenses, including the Reserve Maintenance Fund and the Capital Improvement Fund, before depreciation for fiscal year 2018 were \$245,436,223 representing a 1.8% increase from fiscal year 2017 operating expenses of \$241,174,278. Interest expense, inclusive of capitalized interest, for fiscal year 2018 was \$493,048,030, an 15.6% increase from fiscal year 2017 interest expense of \$426,510,859. The System's debt service coverage for all debt for fiscal year 2018 and fiscal year 2017 were 1.37 and 1.49 times, respectively. The Trust Agreement and the Authority's Debt Policy both require bond principal and interest coverage of 1.35 for first tier debt. For fiscal year 2018, the debt service coverage for first tier debt was 1.73.

The overall financial position in fiscal year 2018 increased by \$139,103,365 from fiscal year 2017.

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Investments: Investments at December 31, 2018 and 2017 were approximately \$1,531,590,111 and \$1,334,446,090 respectively. Chart A-3 below shows the types of authorized investments in the December 31, 2018 portfolio.

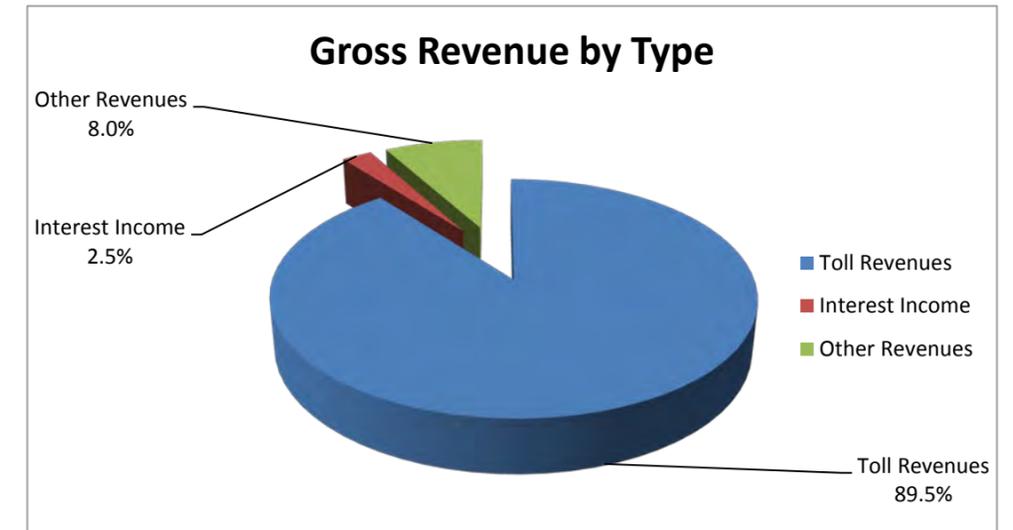
Chart A-3



NORTH TEXAS TOLLWAY SYSTEM
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Chart A-4 below shows revenue in fiscal year 2018 by revenue source type.

Chart A-4

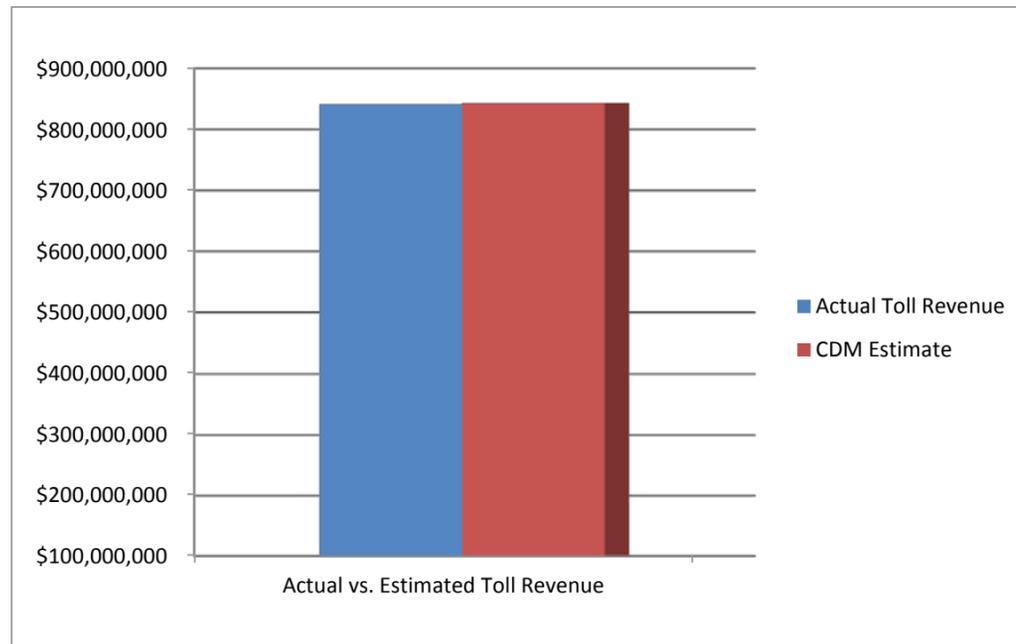


Net revenues for fiscal year 2018 were \$949,954,260, a 19.0% increase over fiscal year 2017 net revenues of \$798,066,675. Toll revenues of \$850,437,774 (net of bad debt expenses of \$92,519,568) account for 89.5% of total revenue. The remaining 10.5% of total revenue consisted of: Interest income (excluding Construction Fund interest) of \$23,312,689 or 2.5% and Other Revenue of \$76,203,797 or 8.0% (which was mostly administrative and statement fees for collection of tolls from violators and interoperability fees).

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Chart A-5 below shows the System's actual toll revenue for fiscal year 2018 compared to the estimated toll revenue of the Authority's traffic and toll revenue engineer, CDM Smith Inc. (CDM). Toll revenue fell short of CDM's estimates by 0.2%.

Chart A-5



Traffic on the System continues to grow with approximately 2,267,426 average daily transactions in fiscal year 2018, up 14.4% from the 1,981,500 daily averages in fiscal year 2017.

The decrease in actual toll revenue as compared to CDM's estimate (budget) was largely attributed to:

- Construction related closures on the DNT and PGBT (4th lane) facilities reduced trips on the facility slightly more than anticipated in the budget.

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Engineering Estimates

The annual estimates by CDM for the System are displayed in comparison to the actual revenue of the System for the year of 2009 through 2018 in Table A-6 below:

Table A-6
 Actual vs Estimated Revenue
 (in millions of dollars)

Year	Actual	Estimate	Variance
2018	\$ 841,491,016	\$ 843,189,300	\$ (1,698,284)
2017	712,551,456	721,068,400	(8,516,945)
2016	665,212,316	636,987,300	28,225,016
2015	617,488,044	588,534,400	28,953,644
2014	580,045,215	520,318,600	59,726,615
2013	525,458,723	483,799,800	41,658,923
2012	485,463,608	442,688,000	42,775,608
2011	402,569,354	410,749,700	(8,180,346)
2010	366,597,323	377,132,800	(10,535,477)
2009	290,404,547	265,051,729	25,352,818

The System's fiscal year 2018 toll revenues of \$841,491,016 (net of bad debt expense of \$78,717,754) increased by 18.1% over fiscal year 2017 toll revenue of \$712,551,456 (net of bad debt expense of \$70,343,032). The System's total revenues produced a debt coverage ratio of 1.37 for all debt. Please see the Historical Debt Coverage Table (A-8) on page 13.

Capital Assets – The System's investment in capital assets includes land, buildings, right-of-way, roadway, bridges, equipment, and computer systems. Capital assets at December 31, 2018 were \$5,721,683,029, increasing from December 31, 2017 by \$48,718,300. For additional information on capital assets see Note (1) (f) and Note (4).

The Authority utilizes GASB No. 34, Modified Approach of reporting infrastructure assets. Each year a comprehensive assessment is conducted on all the Authority's infrastructure assets which affect the following fiscal year's maintenance budget. For fiscal year 2018, the Authority estimated it would need to spend \$48,128,568 for infrastructure maintenance and preservation, but actually expensed \$22,311,736. Fluctuations from year to year between the amount spent to preserve and maintain the Authority's infrastructure assets and the estimated amount result from the timing of work activities. For additional information and results of the 2018 assessment, please see the Required Supplementary Information on pages 54 and 55 of this report. The Authority's Condition Index for 2017 is 8.8 versus the 8.0 goal.

The Sam Rayburn Tollway (SRT) will revert to Texas Department of Transportation after the expiration of the 50 year period commencing when the Authority began collecting tolls (September 2008) on the project on its own behalf.

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The Authority will amortize the cost of the acquisition and the construction costs of the SRT over the term of the project agreement pursuant to which the Authority acquired the project utilizing the straight-line basis. The effect of amortizing the cost of the acquisition and the construction costs of the SRT will reduce the Authority's net revenues as reported on the Generally Accepted Accounting Principles (GAAP) basis. Since the amortization will be a non-cash item, it will not impact the Authority's calculation of net revenues available per the Trust Agreement.

Long-Term Debt – At the end of fiscal year 2018, the Authority's total bonded debt outstanding was \$9,375,266,341 compared to \$9,407,717,891 in fiscal year 2017 (See Table A-7). This debt represents bonds secured solely by toll revenue. For detailed information see Note (5) and the schedule of revenue bonds outstanding as of December 31, 2018, on page 37.

Table A-7
Revenue Bonds Outstanding

Series	2018	2017
Series 2005C	\$ 42,955,000	\$ 42,955,000
Series 2008A	-	25,125,000
Series 2008B	-	400,000
Series 2008D	750,421,341	707,737,891
Series 2008I	295,165,000	295,165,000
Series 2009A	69,865,000	69,865,000
Series 2009B	825,000,000	825,000,000
Series 2009C	170,730,000	170,730,000
Series 2009D	-	178,400,000
Series 2010A *	90,000,000	90,000,000
Series 2010B *	310,000,000	310,000,000
Series 2011A	-	100,000,000
Series 2011B	268,625,000	268,625,000
Series 2012A	25,930,000	25,930,000
Series 2012B	383,625,000	383,625,000
Series 2012C	-	101,775,000
Series 2012D	32,815,000	32,815,000
Series 2014A	310,415,000	310,415,000
Series 2014B	146,420,000	146,420,000
Series 2014C	223,895,000	223,895,000
Series 2015A	844,060,000	851,230,000
Series 2015B	753,095,000	758,080,000
Series '16A	966,850,000	980,215,000
Series '17A	1,743,320,000	1,743,320,000
Series '17B	765,995,000	765,995,000
Series 2018A	356,085,000	-
Revenue Bonds Outstanding	<u>\$ 9,375,266,341</u>	<u>\$ 9,407,717,891</u>

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

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Table A-8 sets forth debt service coverage for all debt outstanding for the years 2009 through 2018.

Table A-8
Historical Debt Coverage

Year	Coverage
2018	1.37x
2017	1.49x
2016	1.48x
2015	1.48x
2014	1.41x
2013	1.26x
2012	1.47x
2011	1.77x
2010	1.83x
2009	1.56x

Additionally, the Authority funded, in part, costs of the construction of the PGBT with proceeds from a loan, which totaled \$135,000,000, made by TxDOT in 1995 pursuant to the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA). Interest at the rate of 4.2% began to accrue on October 1, 2000, compounding annually on January 1, with the first payment made in October 2004, and annual payments on January 1 thereafter until final payment in 2029, which resulted in a new loan amount at October 1, 2004 of \$154,338,133. Repayment of the loan to TxDOT is to be made from amounts on deposit in the Capital Improvement Fund with payments subordinate to bonds or other obligations of the Authority issued or entered into and secured by the tolls and revenues of the Authority. The ISTEA loan payment of \$10,500,000 was made on December 28, 2018 for the fiscal year of 2019. The amortization schedule for this loan can be found in Note (5) page 39.

Short-Term Debt - The Authority maintains a \$200,000,000 commercial paper program. During fiscal year 2018, no commercial paper was issued and there are no outstanding notes under the commercial paper program. See also Note (5) page 39.

Contacting the NTTA's Financial Management

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

NORTH TEXAS TOLLWAY SYSTEM
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Statement of Net Position
December 31, 2018

Assets	North Texas Tollway System	Non-Major Enterprise Fund	Total
Current assets:			
Cash and cash equivalents (note 3)	\$ 59,133,319	\$ 5,737,250	\$ 64,870,569
Investments (note 3)	444,128,395	21,088,958	465,217,353
Accounts receivable (net of allowance for uncollectibles) (note 9)	60,025,913	18,545,183	78,571,096
Other assets	23,261,134	4,150,202	27,411,336
Total current unrestricted assets	<u>586,548,761</u>	<u>49,521,593</u>	<u>636,070,354</u>
Current restricted assets:			
Restricted for construction:			
Investments (notes 3 and 10)	97,935,116	-	97,935,116
Accrued interest receivable	191,796	-	191,796
Restricted for debt service:			
Investments (notes 3 and 5)	436,923,529	-	436,923,529
Accrued interest receivable	1,953,317	-	1,953,317
Accounts receivable	4,492,950	-	4,492,950
Restricted for NTE 3A/3B:			
Investments (notes 3 and 10)	-	3,424,147	3,424,147
Total current restricted assets	<u>541,496,708</u>	<u>3,424,147</u>	<u>544,920,855</u>
Total current assets	<u>1,128,045,469</u>	<u>52,945,740</u>	<u>1,180,991,209</u>
Noncurrent assets:			
Investments (notes 3)	46,759,740	-	46,759,740
Investments restricted for debt service (notes 3 and 5)	481,330,226	-	481,330,226
Unavailable feasibility study costs	7,522,520	-	7,522,520
Net pension asset	7,390,607	-	7,390,607
Service Concession Arrangement - Intangible asset (note 1(m) (net of accumulated amortization)	2,559,497,824	-	2,559,497,824
Capital assets:			
Nondepreciable (note 4)	5,671,997,459	-	5,671,997,459
Depreciable (net) (note 4)	49,685,570	-	49,685,570
Total noncurrent assets	<u>8,824,183,946</u>	<u>-</u>	<u>8,824,183,946</u>
Total assets	<u>9,952,229,415</u>	<u>52,945,740</u>	<u>10,005,175,155</u>
Deferred outflow of resources			
Loss on refunding	664,421,967	-	664,421,967
ERS OPEB contributions after measurement date	369,614	-	369,614
PEBC OPEB contributions after measurement date	145,996	-	145,996
PEBC OPEB assumptions change	1,764,964	-	1,764,964
Difference in projected and actual earnings on ERS OPEB liability	4,218	-	4,218
Pension contributions after measurement date	3,576,502	-	3,576,502
Changes in actuarial assumptions used to determine pension liability	765,726	-	765,726
Total deferred outflow of resources	<u>671,048,987</u>	<u>-</u>	<u>671,048,987</u>

See accompanying notes to basic financial statements

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Statement of Net Position
December 31, 2018

Liabilities	North Texas Tollway System	Non-Major Enterprise Fund	Total
Current liabilities:			
Accounts payable	\$ 261,007	\$ -	\$ 261,007
Accrued liabilities	30,228,943	781,963	31,010,906
Unearned revenue	70,594,176	-	70,594,176
Other liabilities	7,941,718	446,096	8,387,814
Total current unrestricted liabilities	<u>109,025,844</u>	<u>1,228,059</u>	<u>110,253,903</u>
Payable from restricted assets:			
Construction-related payables:			
Retainage payable	6,201,180	-	6,201,180
Debt service-related payables:			
Accrued interest payable	215,054,731	-	215,054,731
Revenue bonds payable, current portion (note 5)	115,260,000	-	115,260,000
Other liabilities-NTE 3A/3B	-	3,424,147	3,424,147
Total current liabilities payable from restricted assets	<u>336,515,911</u>	<u>3,424,147</u>	<u>339,940,058</u>
Total current liabilities	<u>445,541,755</u>	<u>4,652,206</u>	<u>450,193,961</u>
Noncurrent liabilities:			
Total other post-employment benefits liability - PEBC plan (note 8)	27,310,086	-	27,310,086
Net other post-employment benefit liability - ERS plan (note 8)	14,248,908	-	14,248,908
Loans payable	120,101,628	-	120,101,628
Dallas North Tollway System revenue bonds payable, net of bond discount (premium) costs of \$661,405,281 (note 5)	9,921,411,621	-	9,921,411,621
Total noncurrent liabilities	<u>10,083,072,243</u>	<u>-</u>	<u>10,083,072,243</u>
Total liabilities	<u>10,528,613,998</u>	<u>4,652,206</u>	<u>10,533,266,204</u>
Deferred inflow of resources			
Gain on refunding	30,201,745	-	30,201,745
Difference in expected and actual ERS OPEB experience	171,226	-	171,226
Change in actuarial assumptions used to determine ERS OPEB liability	2,979,276	-	2,979,276
Difference in projected and actual earnings on pension assets	617,688	-	617,688
Difference in expected and actual pension experience	2,513,161	-	2,513,161
Total deferred inflow of resources	<u>36,483,096</u>	<u>-</u>	<u>36,483,096</u>
Net Position			
Net investment in capital assets	(3,710,464,076)	-	(3,710,464,076)
Restricted for:			
Debt service	1,230,664,711	-	1,230,664,711
SCA Intangible	2,559,497,824	-	2,559,497,824
Unrestricted	(21,517,151)	48,293,534	26,776,383
Total net position	<u>\$ 58,181,308</u>	<u>\$ 48,293,534</u>	<u>\$ 106,474,842</u>

See accompanying notes to basic financial statements

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Statement of Revenues, Expenses and Changes in Net Position
Year ended December 31, 2018

	North Texas Tollway System	Non-Major Enterprise Fund	Total
Operating revenues:			
Tolls	\$ 841,491,016	\$ 8,946,758	\$ 850,437,774
Other	67,692,655	31,823,831	99,516,486
Total operating revenues	<u>909,183,671</u>	<u>40,770,589</u>	<u>949,954,260</u>
Operating expenses:			
General			
Administration	28,503,675	2,198,729	30,702,404
Operations	137,046,234	35,357,668	172,403,902
Preservation			
Reserve maintenance	22,311,612	-	22,311,612
Capital improvement	19,948,515	-	19,948,515
Construction improvement	69,790	-	69,790
Amortization of intangibles	64,788,513	-	64,788,513
Depreciation	10,059,970	-	10,059,970
Operating expenses	<u>282,728,309</u>	<u>37,556,397</u>	<u>320,284,706</u>
Operating income	<u>626,455,362</u>	<u>3,214,192</u>	<u>629,669,554</u>
Nonoperating revenues (expenses):			
Net decrease in fair value of investments	(1,061,515)	-	(1,061,515)
Interest expense	(493,048,030)	-	(493,048,030)
Other	(9,774,843)	-	(9,774,843)
Net nonoperating revenues (expenses)	<u>(503,884,388)</u>	<u>-</u>	<u>(503,884,388)</u>
Income (loss) before capital contributions, subsidies, and transfers	122,570,974	3,214,192	125,785,166
Payments to other governments	(2,000,000)	-	(2,000,000)
Build America Bonds Subsidy (BAB's)	27,123,478	-	27,123,478
Change in net position	<u>147,694,452</u>	<u>3,214,192</u>	<u>150,908,644</u>
Net Position, January 1, 2018	(77,707,865)	45,079,342	(32,628,523)
Restatement	(11,805,279)	-	(11,805,279)
Net Position, January 1, 2018, As Restated (Note 1 (n))	<u>(89,513,144)</u>	<u>45,079,342</u>	<u>(44,433,802)</u>
Net Position, December 31, 2018	<u>\$ 58,181,308</u>	<u>\$ 48,293,534</u>	<u>\$ 106,474,842</u>

See accompanying notes to basic financial statements

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Statement of Cash Flows
Year ended December 31, 2018

	North Texas Tollway System	Non-Major Enterprise Fund	Total
Cash flows from operating activities:			
Receipts from customers and users	\$ 918,804,303	\$ 38,646,039	\$ 957,450,342
Receipts from other sources	31,075,832	-	31,075,832
Payments to contractors and suppliers	(174,636,712)	(30,706,513)	(205,343,226)
Payments to employees	(55,910,933)	(3,954,300)	(59,865,233)
Net cash provided by operating activities	<u>719,332,491</u>	<u>3,985,225</u>	<u>723,317,716</u>
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(64,671,052)	-	(64,671,052)
Principal paid on revenue bonds	(51,045,000)	-	(51,045,000)
Principal paid on ISTE A loan - current	(5,235,827)	-	(5,235,827)
Capital contributions - BAB's Subsidy	27,123,478	-	27,123,478
Refunding of revenue bonds	(24,090,000)	-	(24,090,000)
Deferred financing costs	17,285,456	-	17,285,456
Swap interest payment	(4,593,170)	-	(4,593,170)
Interest paid on ISTE A loan	(5,264,173)	-	(5,264,173)
Interest paid on revenue bonds	(416,882,447)	-	(416,882,447)
Payments to other governments	(2,000,000)	-	(2,000,000)
Net cash used by capital and related financing activities	<u>(529,372,735)</u>	<u>-</u>	<u>(529,372,735)</u>
Cash flows from investing activities:			
Purchase of investments	(7,130,631,286)	(50,014,422)	(7,180,645,708)
Proceeds from sales and maturities of investments	6,946,073,282	38,601,964	6,984,675,246
Interest received	334,885	-	334,885
Net cash used by investing activities	<u>(184,223,119)</u>	<u>(11,412,458)</u>	<u>(195,635,578)</u>
Net increase in cash and cash equivalents	5,736,639	(7,427,235)	(1,690,596)
Cash and cash equivalents, beginning of the year	53,396,680	13,164,486	66,561,167
Cash and cash equivalents, end of the year	<u>59,133,319</u>	<u>5,737,250</u>	<u>64,870,569</u>
Classified as:			
Current assets	59,133,319	5,737,250	64,870,569
Total	<u>59,133,319</u>	<u>5,737,250</u>	<u>64,870,569</u>
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	626,455,362	3,214,192	629,669,554
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	10,059,970	-	10,059,970
Amortization of intangible assets	64,788,513	-	64,788,513
Bad debt expense	78,717,754	13,801,814	92,519,568
Miscellaneous nonoperating income	31,075,832	-	31,075,832
Changes in assets and liabilities:			
Increase in accounts receivable	(75,823,272)	(15,926,366)	(91,749,637)
Increase (decrease) in accounts and retainage payable	(11,448,790)	2,895,584	(8,553,206)
Increase in net pension asset	(6,436,254)	-	(6,436,254)
Increase in OPEB related deferred outflows	(2,284,792)	-	(2,284,792)
Increase in OPEB related deferred inflows	3,150,502	-	3,150,502
Decrease in pension related deferred outflows	6,556,405	-	6,556,405
Increase in pension related deferred inflows	391,085	-	391,085
Increase in accrued liabilities	(6,398,972)	-	(6,398,972)
Increase in prepaid expenses	(8,992,514)	-	(8,992,514)
Increase in other post-employment benefits liability	2,795,508	-	2,795,508
Increase in unearned revenue	6,726,154	-	6,726,154
Total adjustments	<u>92,877,129</u>	<u>771,032</u>	<u>93,648,162</u>
Net cash provided by operating activities	<u>\$ 719,332,491</u>	<u>\$ 3,985,225</u>	<u>\$ 723,317,716</u>
Noncash financing activities:			
Decrease in the fair value of investments	(1,061,515)	-	(1,061,515)
Interest accretion on 2008D bonds	(42,683,450)	-	(42,683,450)

On November 13, 2018, the Authority issued \$356,085,000 of North Texas Tollway Authority Second Tier Revenue Refunding Bonds, Series 2018, for the purpose of refunding \$178,400,000 of Series 2009D Bonds, \$100,000,000 of Series 2011A Bonds, and \$101,775,000 of Series 2012C Bonds.

See accompanying notes to basic financial statements



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

(a) Reporting Entity

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

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

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

(b) Basis of Accounting

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

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

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

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

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

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) each a sub-fund included in the System. However, the Authority may not transfer an amount that results in a balance in the surplus fund that is less than the minimum balance required in the trust agreement for that project, if any.

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

(c) Budget

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

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

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

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

(d) Restricted Assets

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

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

- **Construction and Property Fund** – The Construction and Property Fund was created to account for that portion of the proceeds from the sale of the Authority Revenue Bonds, which 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.
- **Non-Major Enterprise Fund** – The Non-Major Enterprise Fund was created to account for Tolling Services Agreements (TSA) revenues separately from revenues that are devoted to the repayment of bonds.
- **Operation and Maintenance Fund** – The Operation and Maintenance Fund was created to account for and pay current operating expenses of the Authority.
- **Reserve Maintenance Fund** – The Reserve Maintenance Fund was created to account for those expenses of maintaining the Authority that do not recur on an annual or shorter basis. As defined in the Trust Agreement, such items include repairs, painting, renewals, and replacements necessary for safe or efficient operation of the Authority or to prevent loss of revenues, engineering expenses relating to the functions of the Authority, equipment, maintenance expenses, and operating expenses not occurring at annual or shorter periods.

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- **Capital Improvement Fund** – The Capital Improvement Fund (CIF) was created to account for the cost of repairs, enlargements, extensions, resurfacing, additions, renewals, improvements, reconstruction and replacements, capital expenditures, engineering, and other expenses relating to the powers or functions of the Authority in connection with the Authority, or for any other purpose now or hereafter authorized by law. This CIF fund will also be combined with a revolving fund, called the Feasibility Study Fund to use only for the expenses of studying the cost and feasibility and any other expenses relating to: (1) the preparation and issuance of bonds for the acquisition and construction of a proposed turnpike project for the Authority; (2) the financing of the improvement, extension or expansion of an existing turnpike or Authority; (3) private participation, as authorized by law, in the financing of a proposed turnpike project or Authority, the refinancing of an existing turnpike project or Authority or the improvement, extension or expansion of a turnpike project or Authority.
- **Bond Interest Account** – The Bond Interest Account was created to account for the payment of the semiannual interest requirements of the revenue bonds.
- **Reserve Account** – The Reserve Account was created for the purpose of paying interest and principal of the bonds whenever and to the extent that the monies held for the credit of the Bond Interest Account and the Redemption Account shall be insufficient for such purpose. The required reserve is an amount equal to the average annual debt service requirements of all bonds outstanding. At December 31, 2018, according to staff calculations the Authority was in compliance with this requirement.
- **Redemption Account** – The Redemption Account was created to account for the payment of the annual principal requirements of the revenue bonds.

(e) Cash, Cash Equivalents and Investments

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

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

(f) Capital Assets

All capital assets are stated at historical cost, except for donated assets, which are valued at the estimated acquisition cost of the item at the date of its donation. This includes costs for infrastructure assets (right-of-way, highways, bridges, and highways and bridges substructures), toll equipment, buildings, land, toll facilities; other related costs, including property and equipment with a value greater than \$5,000 and software with a value greater than \$1,000,000. Highways and bridges substructure includes road sub-base, grading, land clearing, embankments, and other related costs. Also included in capital assets are the costs of certain real estate for right-of-way requirements and administrative and legal expenses incurred during the construction period.

The costs to acquire additional capital assets, which replace existing assets or improve the efficiency of the Authority, are capitalized. Under the Authority’s policy of accounting for infrastructure assets pursuant to the “preservation method of accounting” or “modified approach,” property costs represent an historical accumulation of costs expended to acquire rights-of-way and to construct, improve, and place in operation the various projects and related facilities. These infrastructure assets are considered to be “indefinite lived assets” that is, the assets themselves will last indefinitely and are, therefore, not depreciated.

Costs related to renewing and maintaining these assets are not capitalized, but instead are considered to be period costs and are included in preservation expense classified as part of reserve maintenance and capital improvement expenses. Additional charges to preservation expense occur whenever the condition of the infrastructure assets is determined to be at a level that is below the standards adopted by the Board of Directors of the Authority.

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

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

(g) Compensated Absences

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

(h) Retainage Payable

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

(i) Deferred Outflows/Inflows of Resources

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

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

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

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

(j) Bond Discounts and Premiums

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

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(k) Arbitrage Rebate Payable

The Tax Reform Act of 1986 imposed additional restrictive regulations, reporting requirements, and arbitrage rebate liability on issuers of tax-exempt debt. This represents interest earnings on bond proceeds in excess of amounts allowed under the Act. This Act requires the remittance to the Internal Revenue Service (IRS) of 90% of the cumulative arbitrage rebate within 60 days of the end of each five-year reporting period following the issuance of governmental bonds. The System's cumulative arbitrage rebate liabilities for the year ended December 31, 2018 is \$0.00.

(l) Estimates

The preparation of financial statements in accordance with United States Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

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

In October 2007, the Authority entered into an agreement with Texas Department of Transportation ("TxDOT") to construct a continuous express lane within the State Highway 121 corridor extending between Business SH 121 in Denton County to US 75 in Collin County consisting of 26 miles in five designated segments. Under the agreement, the Authority provided an upfront payment to TxDOT in the amount of \$3.2 billion. An intangible asset has been recorded and is being amortized over 50 years. At the end of the intangible asset's life, the roadway will be returned to TxDOT subject to the Handback Requirements in the agreement.

The revenue generated from the operation of the toll road will be shared between TxDOT and the Authority in accordance with the limits and calculations in the agreement. In the current year the amount of revenue given to TxDOT was \$0.

	January 1, 2018	Additions	Disposal	Amortization	December 31, 2018
Roadway	\$ 3,222,810,215	-	-	-	\$ 3,222,810,215
Less accumulated amortization	(598,856,191)	-	-	(64,456,200)	(663,312,391)
Total	\$ 2,623,954,024	-	-	(64,456,200)	\$ 2,559,497,824

(n) New Accounting Pronouncements

In fiscal 2018, the System adopted the following new Governmental Accounting Standards Board (GASB) pronouncements:

GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This Statement replaces the requirements of Statement 45 and requires governments to report a liability on the face of the financial statements for the OPEB that they provide. Statement 75 requires governments in all types of OPEB plans to present more extensive note disclosures and required supplementary information (RSI) about their OPEB liabilities. As a result of implementation, the beginning net position as related to the net OPEB liability and related deferred outflows of resources was restated by a net value of \$(11,805,279).

	North Texas Tollway System
Net Position as of 1/1/2018	(77,707,865)
Change in reporting - OPEB Liability	(11,805,279)
Net Position as restated 1/1/2018	<u>(89,513,144)</u>

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GASB Statement No. 85, *Omnibus 2017*. The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]).

GASB Statement No. 86, *Certain Debt Extinguishment Issues*. This Statement establishes accounting and financial reporting requirements for when a government places cash and other monetary assets from existing resources (as opposed to debt proceeds) in an irrevocable trust to extinguish the debt. This statement had no effect on the financial statements.

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

GASB Statement No. 83, *Certain Asset Retirement Obligations*. This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The requirements of this Statement are effective for periods beginning after June 15, 2018.

GASB Statement No. 84, *Fiduciary Activities* is effective for periods beginning after December 15, 2018. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

GASB Statement No. 87, *Leases* is effective for periods beginning after December 15, 2019. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements* is effective for periods beginning after June 15, 2018. The objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period* is effective for reporting periods beginning after December 15, 2019. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period.

GASB Statement No. 90, *Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61* is effective for periods beginning after December 15, 2018. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units.

GASB Statement No. 91, *Conduit Debt Obligation* is effective for periods beginning after December 15, 2020. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures.

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(2) Legal Compliance – Budgets

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

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

The Authority may expend additional monies from the Reserve Maintenance Fund in excess of the annual deposits. Budget amendments must be approved by the Board Members of the Authority in a manner similar to the adoption of the annual budget. There were no occurrences of budget noncompliance in 2018.

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

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

The Authority was in compliance in 2018.

	2018
	(unaudited)
GAAP basis operating income	\$ 626,455,362
Gross Income	626,455,362
Add:	
Depreciation	10,059,970
Amortization of intangible	64,788,513
Capital improvement fund expenses	20,018,305
Reserve maintenance fund expenses	22,311,612
Net revenues available for debt service	743,633,762
Bond interest expense, net of capitalized interest	423,253,370
Scheduled principal amount due	120,495,827
Calculated debt service requirement	\$ 543,749,197 (*)
Coverage ratio (for 1st tier debt)	1.73
Coverage ratio (for 1st and 2nd tier debt)	1.46
Coverage ratio (for all debt)	1.37

(*) Debt service requirement for 1st tier-\$429,100,005, 2nd tier-\$80,107,550 and other-\$34,541,642

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(3) Deposits and Investments

The Authority's investment policy is in accordance with the laws of the State of Texas. The Authority may purchase investments as authorized by the Trust Agreement and as further authorized by the revised investment policy and strategy approved by the Board of Directors in February 2018. These investments include:

- Government Obligations - shall mean (i) direct obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America, (ii) obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date of the purchase thereof are rated as to investment quality by two nationally recognized credit rating agencies not less than "A" or its equivalent, and (iii) obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date purchased are rated as to investment quality by two nationally recognized credit rating agencies not less than "A" or its equivalent, with a stated maturity not to exceed 5 years.
- Certificates of deposit, including certificates of deposit of the Trustee, where the certificates are collaterally secured by Government Obligations and held by a third party as escrow agent or custodian, of a market value not less than the amount of the certificates of deposit so secured, including interest, but this collateral is not required to the extent the certificates of deposit are insured by an agency of the United States of America with a stated maturity not to exceed one year.
- Direct and reverse repurchase agreements as defined by the Public Funds Investment Act ("PFIA") under the terms of a Securities Industry and Financial Markets Association Master Repurchase Agreement and collateralized in accordance with this investment policy.
- Banker's acceptances with a stated maturity of 180 days or less and whose endorsing banks are constantly monitored as to financial solvency by the Investment Officers.
- Commercial paper rated not less than "A1"/"P1" (or an equivalent rating) by at least two nationally recognized credit rating agencies with a stated maturity of 180 days or less.
- Money market funds, including money market funds affiliated with the Trustee, that invest solely in obligations of the United States of America, its agencies and instrumentalities, and having a rating by S&P of AAAM-G or AAA-m if rated by Moody's, having a rating of Aaa.
- AAA-rated, SEC registered, no-load mutual funds with an average weighted maturity of less than two years and invested exclusively in obligations authorized in the Authority's Investment Policy, continuously rated as to investment quality by at least one nationally recognized credit rating agency. Such no-load mutual funds are not authorized for bond proceeds, reserves, and funds held for debt service in accordance with the PFIA.
- Investments may be made in Permitted Investments through an eligible investment pool as permitted by Texas Government Code, Chapter 2256, as amended. Constant dollar, Texas local government investment pools as described by the PFIA and authorized by the Board.
- Collateralized guaranteed investment contracts ("GICs"), with a defined termination date and secured by direct obligations of the U.S. or its agencies and instrumentalities and pledged to the Authority. GICs are restricted to use for investment of bond proceeds.
- Interest bearing bank savings deposits issued by state and national banks or a savings bank or a state or federal credit union (having their main or branch office in Texas) that are guaranteed or insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund (or their successor organizations). Also included are collateralized interest bearing savings deposits that have secured the uninsured portion of deposits with obligations of the U.S. Treasury and/or Federal agencies and instrumentalities.

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

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(a) Deposits

The Authority's deposits were fully insured or collateralized at December 31, 2018. The carrying amount of the Authority's deposits was \$64,859,269 (which does not include \$11,300 of petty cash) and the respective bank balances totaled \$68,662,438. As of December 31, 2018, Federal Depository Insurance Corporation (FDIC) provided \$250,000 of coverage for deposits. All balances in excess of the \$250,000 were fully collateralized in accordance with the Authority's investment policy and the Public Funds Investment Act.

(b) Investments

As of December 31, 2018 the maturity values are as follows:

Description	2018				WAM(*)
	Maturity Value (in Yrs)				
	Fair Value	Less Than 1 Yr	1 Yr or More		
Government Sponsored Entities (GSE):					
Federal Home Loan Bank	\$ 177,346,643	\$ 43,811,300	133,535,343		
Federal National Mortgage Association	131,447,709	75,361,795	56,085,914		
Federal Farm Credit Bank	188,236,798	6,809,373	181,427,425		
Federal Home Loan Mortgage Corporation	129,362,759	9,169,063	120,193,696		
Total GSE	626,393,909	135,151,531	491,242,378		326
	Reported Value	Less Than 1 Yr	1 Yr or More		
Money Market Funds	325,591,760	325,591,760	-		-
U.S. Treasuries	111,603,677	74,756,089	36,847,588		25
Government Pool	191,968,000	191,968,000	-		1
Interest Bearing Account	275,847,789	275,847,789	-		-
Cash(**)	184,976	184,976	-		-
Total Investments	\$ 1,531,590,111	\$ 1,003,500,145	\$ 528,089,966		352

*WAM = Weighted Average Maturity (in days)

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

Investments either restricted in accordance with bond provisions or accounted for per the Trust Agreements budget requirements are as follows:

Construction and Property Account	\$ 97,935,116
Revenue Account	106,491,980
Operations and Maintenance Account	3,149
Reserve Maintenance Account	49,025,853
Consolidated Capital Improvement Account	491,703,648
Bond Interest Account	201,324,973
Bond Reserve Account	445,332,287
Bond Redemption Account	115,260,000
Enterprise Account	21,088,958
NTE 3A/3B Agency Fund	3,424,147
Total Investments	\$ 1,531,590,111

(c) Interest Rate Risk

Investment portfolios are designed with the objective of attaining the best possible rate of return commensurate with the Authority's investment risk constraints and the cash flow characteristics of the portfolio. Return on investments, although important, is subordinate to the safety and liquidity objectives. The weighted average yield-to-maturity of the portfolio for December 31, 2018 was 2.16% in comparison to 1.28% in 2017. The weighted average maturity in days was 352 days for 2018, compared to 427 days for 2017. Approximately 66% of the investments are maturing within one year and 34% are maturing one year or greater. The Authority does not have a formal policy on Interest Rate Risk.

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(d) Credit Risk

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

As of December 31, 2018, the Authority invested 21% in AAA rated money market funds, 18% in Interest Bearing Accounts, 13% in AAAM rated State and Local Government Pools, 41% in Government Sponsored Entities (GSE) and 7% in U.S. Treasuries backed by the full faith and credit of the U.S. Government. U.S. Treasuries and GSE are Aaa rated by Moody's.

The Authority participates in two local government investment pools, both of which carry investments at amortized cost.: TexPool and TexStar. The State Comptroller oversees TexPool, with Federated Investors managing the daily operations of the pool under a contract with the State Comptroller. JPMorgan Investment Management, Inc. and First Southwest Asset Management, Inc serve as co-administrators for TexStar under an agreement with the TexStar board of directors.

The local government investment pools in which the Authority invests are structured similarly to money market mutual funds, to provide its liquidity needs. TexPool and TexStar were established in conformity with the interlocal Cooperation Act, Chapter 791 of the Texas Government Code and the Public Funds Investment Act, Chapter 2256 of the Code. These funds allow shareholders the ability to deposit or withdraw funds on a daily basis. Interest rates are also adjusted on a daily basis. These funds seek to maintain a constant net asset value of \$1.00, although this cannot be fully guaranteed. TexPool and TexStar are rated AAAM and must maintain a dollar weighted average maturity not to exceed a 60 day limit.

(e) Concentration of Credit Risk

It is the policy of the Authority to diversify its investment portfolios. Assets held in the particular funds shall be diversified to minimize the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer or a specific class of securities. As of December 31, 2018 investments in Wells Fargo Bank Government Money Market Fund, and BB&T Bank, exceeded 5% of the total portfolio. More than 5% of the Authority's investments are invested in U.S. Treasuries, Federal Home Loan Bank (FHLB), Federal Farm Credit Bank (FFCB), Federal National Mortgage Association (FNMA), and Federal Home Loan Mortgage Corporation (FHLMC).

The Authority categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Authority has the following recurring fair value measurements as of December 31, 2018 using a matrix pricing model:

Investments by fair value level:	Fair Value Measurements Using			
	December 31, 2018	Level 1	Level 2	Level 3
Debt securities				
Federal Home Loan Bank	\$ 177,346,643	\$ -	\$ 177,346,643	\$ -
Federal National Mortgage Assn.	131,447,709	-	131,447,709	-
Federal Farm Credit Bank	188,236,798	-	188,236,798	-
Federal Home Loan Mortgage Corp.	129,362,759	-	129,362,759	-
US Treasury Note	111,603,677	-	111,603,677	-
Total debt securities	737,997,586	-	737,997,586	-
Total investments measured at fair value level:	\$ 737,997,586	\$ -	\$ 737,997,586	\$ -

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(4) Capital Assets

Capital assets are summarized as follows:

	January 1, 2018	Additions	Disposal	Depreciation	Adjustments (transfers, etc.)	December 31, 2018
Non-depreciable						
Land	\$ 7,293,755	\$ -	\$ -	\$ -	\$ -	\$ 7,293,755
Right-of-way	304,880,328	-	-	-	-	304,880,328
CIP	198,023,994	39,903,684	-	-	-	237,927,678
Roadway	4,567,097,371	-	-	-	(32,410)	4,567,064,961
Infrastructure - Other *	548,513,223	6,317,514	-	-	-	554,830,737
Total non-depreciable assets	5,625,808,671	46,221,198	-	-	(32,410)	5,671,997,459
Depreciable						
Buildings	29,596,959	-	-	-	-	29,596,959
Machinery and equipment	70,685,367	12,530,729	(10,005,422)	-	887,237	74,097,911
Intangibles	4,581,922	6,431,587	-	-	-	11,013,509
Less accumulated depreciation:						
Buildings	(9,299,541)	-	-	(986,560)	-	(10,286,101)
Equipment	(45,155,977)	-	3,312,854	(9,308,600)	-	(51,151,723)
Less amortization:						
Intangibles	(3,252,672)	-	-	(332,313)	-	(3,584,985)
Total depreciable assets (net)	47,156,058	18,962,316	(6,692,568)	(10,627,473)	887,237	49,685,570
Total capital assets	\$5,672,964,729	\$ 65,183,514	\$ (6,692,568)	\$ (10,627,473)	\$ 854,827	\$ 5,721,683,029

* Includes capitalized interest net of interest earnings. Total bond interest costs incurred amounted to \$445,100,407 during the year ended December 31, 2018.

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

Revenue Bonds

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

The following are descriptions of Revenue Bond Series currently outstanding as of December 31, 2018.

Series 2005C:

The \$341,670,000 North Texas Tollway Authority Dallas North Tollway Authority Variable Rate Revenue Bonds, Series 2005C, insured by FGIC, were issued December 15, 2005 for the purpose of refunding \$332,425,000 Series 1995 Bonds. Interest initially accrues from the date of delivery at a Weekly Rate, but may be subsequently converted to bear interest at a Daily Rate, Flexible Rate, Monthly Rate, Quarterly Rate, Semi-Annual Rate, Multi-Annual Rate, or Fixed Rate. While bearing interest at a Weekly Rate, interest is payable on the first business day of each calendar month, and is calculated on the basis of actual days elapsed in a 365-day or 366-day year, as applicable. Upon a change to any of the other interest modes, the bonds will be subject to mandatory tender for purchase and remarketing with a maximum rate of twelve (12%) per annum. The bonds consisted of \$341,670,000 term bonds due January 1, 2025. The bonds are subject to mandatory sinking fund redemption prior to maturity on January 1 of the years 2008-2025. In 2008, FGIC was downgraded below investment grade and remarketing of the bonds was not completely successful.

The Series 2005C Bonds were remarketed on September 1, 2009 to a fixed rate series of bonds. \$161,110,000 of Series 2005C Bonds were refunded by Series 2009A Bonds. The remaining amount of Series 2005C Bonds is \$178,310,000 which consists of \$109,515,000 serial bonds maturing on January 1, 2019 through January 1, 2023 that bear interest rates ranging from 5% to 6.25% and \$68,795,000 term bonds due January 1, 2025 with an interest rate of 6%.

The refunding resulted in a decrease of \$85,851,214 in the aggregate debt service between the refunding debt and the refunded debt. The difference between the reacquisition price and the net carrying amount of the Series 1995 Bonds (\$14,207,535) was deferred and is being amortized over the stated term of the Series 2005C Refunding Bonds. This amount was adjusted due to the remarketing. The Authority obtained a present value loss of \$13,637,745 in conjunction with the remarketing. The new difference between the reacquisition price and the net carrying amount on the 2005C bonds that were remarketed is (\$8,025,086). This amount was deferred and is being amortized over the stated term of the Series 2005C Bonds. Amortization of the deferred outflow in resources on the refunding was \$581,259 for the year ended December 31, 2018. The deferred outflow in resources ending balance for the year ended December 31, 2017 was (\$2,600,002).

Series 2008D:

The \$399,999,394 North Texas Tollway Authority Revenue Refunding Bonds, Series 2008D were issued on April 3, 2008 for the purpose of refunding \$353,730,000 of the Bond Anticipation Notes that were issued in November 2007. These bonds were issued as Capital Appreciation Bonds, and the sum of the principal and accreted/compounded interest is payable only at maturity. The approximate Yield to Maturity is 5.90% to 5.97%. The maturity dates of the 2008D bonds are January 1, 2028 through January 1, 2038. These bonds are insured by the Assured Guaranty Corp.

The aggregate difference in debt service between the refunding bonds and the refunded Bond Anticipation Notes is not measurable due to the fact that the Bond Anticipation Notes were issued as temporary financing (1 year) and the refunding bonds were issued as long term financing (30 years).

Series 2008I:

The Authority issued \$199,998,366 of North Texas Tollway Authority Convertible Capital Appreciation Bonds Series 2008I on September 24, 2008 for the purpose of refunding \$175,975,000 of the Bond Anticipation Notes that were issued in November 2007. The Approximate Yield to Maturity Date is 6.2% and 6.5%. Interest will accrete from the date of delivery and will compound semiannually on January 1 and July 1, commencing January 1, 2009.

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The Conversion Date is January 1, 2015; after this date, interest will accrue at a rate of 6.2% and 6.5% on the total amount of principal and the accreted/compounded interest thereon payable semiannually on January 1 and July 1, commencing July 1, 2015. Principal and accreted/compounded interest accreted prior to January 1, 2015 will come due on January 1, 2042 and January 1, 2043, or upon optional redemption. These bonds are insured by the Assured Guaranty Corp.

The aggregate difference in debt service between the refunding bonds and the refunded Bond Anticipation Notes is not measurable due to the fact that the Bond Anticipation Notes were issued as temporary financing (1 year) and the refunding bonds were issued as long term financing (35 years).

Series 2009A:

The \$418,165,000 North Texas Tollway Authority System Revenue Bonds, Series 2009A were issued on August 12, 2009 for the purpose of refunding \$48,655,000 of Series 1997 bonds; refunding \$59,105,000 of Series 1997A Bonds; refunding \$21,210,000 of Series 1998 Bonds; refunding \$161,110,000 of Series 2005C Bonds; and refunding \$90,950,000 of Commercial Paper notes. Additionally, a deposit of \$18,500,000 was made for Capital Improvement Projects from the Series 2009A proceeds. Interest is payable on January 1 and July 1, commencing January 1, 2010.

The total consists of \$44,740,000 Serial Bonds with maturities of January 1, 2011 through January 1, 2013 with interest rates ranging from 3% to 5%, and \$373,425,000 Term Bonds with maturities on January 1, 2024, January 1, 2028 and January 1, 2039 and interest rates ranging from 6% to 6.25%.

Net proceeds of \$292,507,177 were deposited into an irrevocable trust with an escrow agent to provide for future debt service payment on the refunded Series 1997 bonds, Series 1997A bonds, Series 1998 Bonds and Commercial Paper Notes. As a result, the Series 1997 bonds, a portion of the Series 1997A bonds, a portion of the Series 1998 Bonds, a portion of the Series 2005C bonds and the Commercial Paper notes then outstanding are considered to be defeased and the liability has been removed from the Statement of Net Position. The Authority obtained a present value loss of \$16,920,933. The refunding resulted in an increase of \$132,339,031 in the aggregate debt service between the refunding debt and the refunded debt. This was not an economic refunding but rather a restructuring refunding.

The difference between the reacquisition price and the net carrying amount of the Bonds refunded by 2009A of (\$12,613,456) was deferred and is being amortized over the stated term of the Series 1997 Bonds.

Series 2009B:

The \$825,000,000 North Texas Tollway Authority System Revenue Bonds, Series 2009B were issued on August 12, 2009 as Taxable Build America Bonds, ("BAB's") for the purpose of funding construction for the Sam Rayburn Tollway project, the Lewisville Lake Toll Bridge project and the President George Bush Turnpike Eastern Extension project. Interest is payable on January 1 and July 1, commencing January 1, 2010. These bonds are entitled to a direct payment subsidy from the United States Treasury in an amount equal to 35% of the interest due on each payment date. The Authority must request this subsidy prior to each interest payment date. The Series 2009B Bonds were issued as one term bond with a maturity of January 1, 2049 and an interest rate of 6.718%. *(Federal Subsidy Payments processed between January 1 and September 30, 2018 were reduced by 6.6% and those processed between October 1 and December 31, 2018 were reduced by 6.2%. This was due to automatic federal deficit reduction spending cuts known as "sequestration" which took effect on March 1, 2013. Sequestration affects certain federally funded programs, including the Federal Subsidy Payments payable to the Authority with respect to the Series 2009B.)*

Series 2009C:

On November 5, 2009, the Authority issued \$170,730,000 of North Texas Tollway Authority Revenue Refunding Bonds, Series 2009C, for the purpose of refunding a portion of Series 2008E-1 and Series 2008G Bonds. Interest is payable on January 1 and July 1, commencing July 1, 2010. The bonds were issued as one Term Bond due January 1, 2044 at an interest rate of 5.25%.

Net proceeds of \$166,408,750 were deposited into an irrevocable trust with an escrow agent to provide for future debt service payment on the refunded Series 2008E-1 bonds and the Series 2008G bonds. As a result, a portion of the Series 2008E-1 bonds and the Series 2008G bonds are considered to be defeased and the liability has been removed from the Statement of Net Position. The Authority obtained a present value gain of \$11,969,757.

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The refunding resulted in an increase of \$37,268,508 in aggregate debt service between the refunding debt and the refunded debt. This was not an economic refunding but rather a restructuring refunding. The difference between the reacquisition price and the net carrying amount of the Bonds refunded by 2009C of \$3,984,364 was deferred and is being amortized over the stated term of the Series 2008E-1 and Series 2008G Bonds. Amortization of the deferred inflow in resources on the refunding was (\$163,281) for the year ended December 31, 2018. The deferred inflow in resources ending balance for the year ended December 31, 2018 was \$2,487,624.

Series 2010A:

On May 13, 2010, the Authority issued \$90,000,000 of North Texas Tollway Authority System Revenue Bonds, Series 2010A, for the purpose of being a contribution to the Special Project System for construction of the PGBT WE (SH 161) project and other projects deemed necessary by the Authority. The bonds were issued as Subordinate Lien Obligations and are to be repaid from net revenues available after the payment of First Tier Bonds, Second Tier Bonds and Third Tier Bonds, the deposit of funds in all reserve funds, to the extent necessary, the deposit of funds into the Reserve Maintenance Fund of the Authority, and the payment of the ISTEAL Loan. Interest is payable on February 1 and August 1, commencing Feb 1, 2010. The bonds were issued as one Term Bond due February 1, 2023 at an interest rate of 6.25%.

Series 2010B:

On May 13, 2010, the Authority issued \$310,000,000 of North Texas Tollway Authority System Revenue Bonds as Taxable Build America Bonds, ("BAB's"), Series 2010B, for the purpose of being a contribution to the Special Project System for construction of the PGBT WE (SH161) project and other projects deemed necessary by the Authority. The bonds were issued as Subordinated Lien Obligations and are to be repaid from net revenues available after the payment of First Tier Bonds, Second Tier Bonds and Third Tier Bonds, the deposit of funds in all reserve funds, to the extent necessary, the deposit of funds into the Reserve Maintenance Fund of the Authority, and the payment of the ISTEAL Loan. Interest is payable on February 1 and August 1, commencing Feb 1, 2010.

These bonds were issued as Taxable Build America Bonds, ("BAB's") and were issued in two Subseries, 2010B-1 and 2010B-2. These bonds are entitled to a direct payment subsidy from the United States Treasury in an amount equal to 35% of the interest due on each payment date. The Authority must request this subsidy prior to each interest payment date. The 2010B-1 Subseries consist of one Term Bond due February 1, 2030 at an interest rate of 8.41%. The 2010B-2 Subseries consist of one Term Bond due February 1, 2030 at an interest rate of 8.91%. *(Federal Subsidy Payments processed between January 1 and September 30, 2018 were reduced by 6.6% and those processed between October 1 and December 31, 2018 were reduced by 6.2%. This was due to automatic federal deficit reduction spending cuts known as "sequestration" which took effect on March 1, 2013. Sequestration affects certain federally funded programs, including the Federal Subsidy Payments payable to the Authority with respect to the Series 2010B.)*

Series 2011B:

On November 29, 2011, the Authority issued \$268,625,000 of North Texas Tollway Authority Revenue Refunding Bonds, Series 2011B for the purpose of refunding \$43,345,000 of Series 1997A Bonds; refunding \$51,290,000 of Series 1998 Bonds; and refunding \$175,000,000 of Series 2008E-2 Bonds. The 1997A and 1998 Bonds were refunded for economic savings. The 2008E-2 Bonds had a mandatory tender date of January 1, 2012. Interest is payable January 1 and July 1, commencing January 1, 2012. These bonds were issued as serial bonds maturing January 1, 2019 through January 1, 2026 and one Term Bond due January 1, 2038. The bonds have an interest rate of 5.00%.

The refunding resulted in a decrease of \$45,413,311 in the aggregate debt service between the refunding debt and the refunded debt. The difference between the reacquisition price and the net carrying amount of the Bonds refunded by 2011B Revenue Refunding Bonds of \$400,780 was deferred and is being amortized over the stated term of the Series 1997A Bonds. Amortization of the deferred inflow in resources on the refunding was (\$50,911) for the year ended December 31, 2018. The deferred inflow in resources ending balance for the year ended December 31, 2018 was \$39,881.

The 1997A Bonds previously refunded the 1989 and 1994 Bonds and the difference between the reacquisition price and the net carrying amount of the Bonds refunded by the 1997A Bonds was deferred and was being amortized over the term of the 1997A Bonds. The remaining deferred amount from the 1989 and 1994 Bonds refunding will be combined with the amounts deferred from the 2011B Revenue Refunding and amortized over the original life of the 1997A Bonds, which had the shortest remaining term.

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Amortization of the deferred outflow in resources on the prior refunding was \$94,853 for the year ended December 31, 2018. The deferred outflow in resources ending balance for the year ended December 31, 2018 was (\$36,740).

Series 2012A:

On June 6, 2012, the Authority issued \$25,930,000 of North Texas Tollway Authority Revenue Refunding Bonds, Series 2012A, for the purpose of refunding \$26,855,000 of the Series 1998 Bonds for economic savings. Interest is payable January 1 and July 1 of each year, commencing January 1, 2014. These bonds were issued as serial bonds maturing January 1, 2027 through January 1, 2029. The bonds have interest rates between 3.75% and 5.00%.

The refunding resulted in a decrease of \$2,859,265 in the aggregate debt service between the refunding debt and the refunded debt. The difference between the reacquisition price and the net carrying amount of the Bonds refunded by 2012A Revenue Refunding Bonds of (\$501,766) was deferred and is being amortized over the stated term of the Series 1998 Bonds. Amortization of the deferred outflow in resources on the refunding was \$32,190 for the year ended December 31, 2018. The deferred outflow in resources ending balance for the year ended December 31, 2018 was (\$290,836).

Series 2012B:

On October 4, 2012, the Authority issued \$383,625,000 of North Texas Tollway Authority Revenue Refunding Bonds, Series 2012B, for the purpose of refunding \$189,210,000 of Series 2003A Bonds and refunding \$209,040,000 of Series 2008H-2 Bonds. The 2003A Bonds were refunded for economic savings. The 2008H-2 Bonds had a mandatory tender date of January 1, 2013. Interest is payable January 1 and July 1 of each year, commencing January 1, 2013.

These bonds were issued as serial bonds maturing January 1, 2021 through January 1, 2034 and three Term Bonds due January 1, 2036, January 1, 2042 and January 1, 2052. The bonds have an interest rate between 5.00% and 5.25%.

The refunding of this portion of the Series 2003A resulted in a decrease of \$19,163,860 in the aggregate debt service between the refunding debt and the refunded debt. The difference between the reacquisition price and the net carrying amount of the 2003A Bonds refunded by 2012B Revenue Refunding Bonds of \$150,689 was deferred and is being amortized over the stated term of the Series 2003A Bonds. Amortization of the deferred inflow in resources on the refunding was (\$8,354) for the year ended December 31, 2018. The deferred inflow in resources ending balance for the year ended December 31, 2018 was \$98,546.

The refunding of the Series 2008H-2 resulted in a decrease of \$71,672,879 in the aggregate debt service between the refunding debt and the refunded debt. The difference between the reacquisition price and the net carrying amount of the 2008H-2 Bonds refunded by 2012B Revenue Refunding Bonds of \$1,272,414 was deferred and is being amortized over the stated term of the Series 2008H-2 Bonds. Amortization of the deferred inflow in resources on the refunding was (\$70,541) for the year ended December 31, 2018. The deferred inflow in resources ending balance for the year ended December 31, 2018 was \$832,123.

Series 2012D:

On November 1, 2012, the Authority issued \$32,815,000 of North Texas Tollway Authority Revenue Refunding Bonds, Series 2012D, for the purpose of refunding \$35,790,000 of Series 2003A Bonds. These bonds were issued as a Term Bond due January 1, 2038. The bonds have an interest rate of 5.00% payable January 1 and July 1 of each year, commencing January 1, 2013.

The refunding of this portion of the Series 2003A resulted in a decrease of \$6,646,042 in the aggregate debt service between the refunding debt and the refunded debt. The difference between the reacquisition price and the net carrying amount of the 2003A Bonds refunded by 2012D Revenue Refunding Bonds of (\$122,121) was deferred and is being amortized over the stated term of the Series 2003A Bonds. Amortization of the deferred outflow in resources on the refunding was \$4,948 for the year ended December 31, 2018. The deferred outflow in resources ending balance for the year ended December 31, 2018 was (\$91,606).

Series 2014A:

On November 20, 2014, the Authority issued \$310,415,000 of North Texas Tollway Authority First Tier Revenue Refunding Bonds, Series 2014A, for the purpose of refunding \$313,880,000 of Series 2008A Bonds. The Series 2014A Bonds were issued as serial bonds maturing on January 1, 2020 through January 1, 2025. The bonds have an interest rate of 5.00%.

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The refunding of this portion of the Series 2008A resulted in a decrease in the aggregate debt service between the refunding debt and refunded debt. The difference between the reacquisition price and the net carrying amount of the 2008A Bonds refunded by 2014A Revenue Refunding Bonds of (\$40,871,959) was deferred and is being amortized over the stated term of the Series 2008A Bonds.

Amortization of the deferred outflow in resources on the refunding was \$5,147,209 for the year ended December 31, 2018. The deferred outflow in resources ending balance for the year ended December 31, 2018 was (\$19,696,913).

Series 2014B:

On November 20, 2014, the Authority issued \$146,420,000 of North Texas Tollway Authority Second Tier Revenue Refunding Bonds, Series 2014B, for the purpose of refunding \$143,540,000 of Series 2008F Bonds. The Series 2014B Bonds were issued as serial bonds maturing on January 1, 2029 through January 1, 2031. The bonds have an interest rate of 5.00%.

The refunding of this portion of the Series 2008F resulted in a decrease in the aggregate debt service between the refunding debt and refunded debt. The difference between the reacquisition price and the net carrying amount of the 2008A Bonds refunded by 2014A Revenue Refunding Bonds of (\$7,426,971) was deferred and is being amortized over the stated term of the Series 2008F Bonds. Amortization of the deferred outflow in resources on the refunding was \$295,732 for the year ended December 31, 2018. The deferred outflow in resources ending balance for the year ended December 31, 2018 was (\$6,210,364).

Series 2014C:

On December 18 2014, the Authority issued \$223,895,000 of North Texas Tollway Authority First Tier Variable Rate Revenue Refunding Bonds, Series 2014C, for the purpose of refunding \$210,255,000 of the Series 2008E-3 Bonds. The Series 2014C Bonds were issued as a term bond due January 1, 2038. The bonds are SIFMA Index Floating Rate bonds. The interest rate is reset weekly at SIFMA plus 67 basis points. The initial placement agents were Morgan Stanley and Loop Capital Markets.

The refunding of this portion of the Series 2008E-3 resulted in a decrease in the aggregate debt service between the refunding debt and refunded debt. The difference between the reacquisition price and the net carrying amount of the 2008E-3 Bonds refunded by 2014C Revenue Refunding Bonds of (\$5,331,965) was deferred and is being amortized over the stated term of the Series 2008F Bonds. Amortization of the deferred outflow in resources on the refunding was \$242,694 for the year ended December 31, 2018. The deferred outflow in resources ending balance for the year ended December 31, 2018 was (\$4,352,427).

Series 2015A:

On April 23, 2015, the Authority issued \$862,920,000 of North Texas Tollway Authority Second Tier Revenue Refunding Bonds, Series 2015A, for the purpose of refunding \$856,460,000 of the Series 2008F Bonds. The Series 2015A Bonds were issued as serial bonds maturing January 1, 2016 through January 1, 2035 and a term bond due January 1, 2038. The bonds have an interest rate of 2.00% - 5.00%.

The refunding of the remaining portion of the Series 2008F resulted in a decrease in the aggregate debt service between the refunding debt and refunded debt. The difference between the reacquisition price and the net carrying amount of the 2008F Bonds refunded by 2015A Revenue Refunding Bonds of (\$130,397,974) was deferred and is being amortized over the stated term of the Series 2008F Bonds. Amortization of the deferred outflow in resources on the refunding was \$5,504,605 for the year ended December 31, 2018. The deferred outflow in resources ending balance for the year ended December 31, 2018 was (\$110,092,098).

Series 2015B:

On September 24, 2015, the Authority issued \$764,090,000 of North Texas Tollway Authority First Tier Revenue Refunding Bonds, Series 2015B, for the purpose of refunding \$561,155,000 of Series 2008A Bonds and \$184,470,000 Series 2008B. The Series 2015B Bonds were issued as serial bonds maturing on January 1, 2016 through January 1, 2035 and two terms bonds due January 2040 and January 2045. The bonds have an interest rate of 5.00%.

The refunding of this portion of the Series 2008A and the 2008B resulted in a decrease in the aggregate debt service between the refunding debt and refunded debt. The difference between the reacquisition price and the net

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carrying amount of the 2008A and 2008B Bonds refunded by 2015B Revenue Refunding Bonds of (\$104,903,027) was deferred and is being amortized over the stated term of the Series 2008A and 2008B Bonds. Amortization of the deferred outflow in resources on the refunding was \$3,465,641 for the year ended December 31, 2018. The deferred outflow in resources ending balance for the year ended December 31, 2018 was (\$93,572,306).

Series 2016A:

On June 1, 2016, the Authority issued \$987,790,000 of North Texas Tollway Authority First Tier revenue refunding Bonds, Series 2016A, for the purpose of refunding \$568,170,000 of Series 2008A Bonds, \$12,375,000 of Series 2008B Bonds, \$125,000,000 of Series 2008K-1 Bonds, \$80,000,000 of Series 2008K-2 Bonds and \$303,560,000 of Series 2009A Bonds. The Series 2016A Bonds were issued as serial bonds maturing January 1, 2017 through January 1, 2039 and a term bond due January 1, 2039. The bonds have an interest rate of 4%-5%.

The refunding results for 2008A, 2008B, 2008K and 2009A resulted in a decrease the aggregate debt service between the refunding debt and refunded debt. The difference between the reacquisition price and the net carrying amount of the 2008A, 2008B, 2008K and the 2009A Bonds refunded by 2016A Revenue Refunding Bonds of (\$122,981,961) was deferred and is being amortized over the stated term of the Series 2008K Bonds. Amortization of the deferred outflow in resources on the refunding was \$5,698,006 for the year ended December 31, 2018. The deferred outflow in resources ending balance for the year ended December 31, 2018 was (\$108,262,112).

Series 2017A:

On November 1, 2017, the Authority issued \$1,743,320,000 of North Texas Tollway Authority First Tier Revenue Refunding Bonds, Series 2017A, for the purpose of refunding \$135,355,000 of Series 2005C Bonds, \$242,100,000 of Series 2008A Bonds, \$28,940,000 of Series 2008B Bonds, \$332,225,000 of Series 2010 Bonds, \$442,145,000 of Series 2011A SPS Bonds, \$89,347,301 of Series 2011B SPS Bonds, \$200,931,726 of 2011C SPS Bonds and \$160,555,000 of Series 2011D SPS Bonds.

The Series 2017A Bonds were issued as serial bonds maturing January 1, 2019 through January 1, 2039 and term bonds due January 1, 2043 and January 1, 2048. The bonds have an interest rate of 2%-5%.

The refunding results for 2005C, 2008A, 2008B, 2010, 2011A, 2011B, 2011C and 2011D resulted in a decrease the aggregate debt service between the refunding debt and refunded debt. The difference between the reacquisition price and the net carrying amount of the 2005C, 2008A, 2008B, 2010, 2011A, 2011B, 2011C and 2011D Bonds refunded by 2017A Revenue Refunding Bonds of (\$381,286,452) was deferred and is being amortized over the stated term of the Series 2005C Bonds. Amortization of the deferred outflow in resources on the refunding was \$53,202,761 for the year ended December 31, 2018. The deferred outflow in resources ending balance for the year ended December 31, 2018 was (\$319,216,564).

Series 2017B:

On November 1, 2017, the Authority issued \$765,995,000 of North Texas Tollway Authority Second Tier Revenue Refunding Bonds, Series 2017B, for the purpose of refunding \$406,315,000 of Series 2011D SPS Bonds, \$73,665,000 of Series 2011E SPS Bonds and \$478,026,323 of Transportation Infrastructure Finance and Innovation Act (TIFIA) SPS Loan. The Series 2017B Bonds were issued as serial bonds maturing January 1, 2019 through January 1, 2039 and term bonds due January 1, 2043 and January 1, 2048. The bonds have an interest rate of 2%-5%.

The refunding results for 2011D and 2011E resulted in a decrease the aggregate debt service between the refunding debt and refunded debt. The difference between the reacquisition price and the net carrying amount of the 2011D and 2011E Bonds refunded by 2017B Revenue Refunding Bonds of \$27,689,052 was deferred and is being amortized over the stated term of the Series 2005C Bonds. Amortization of the deferred outflow in resources on the refunding was (\$810,412) for the year ended December 31, 2018. The deferred inflow in resources ending balance for the year ended December 31, 2018 was \$26,743,571.

Series 2018:

On November 13, 2018, the Authority issued \$356,085,000 of North Texas Tollway Authority Second Tier Revenue Refunding Bonds, Series 2018, for the purpose of refunding all of \$178,400,000 of Series 2009D Bonds, all of \$100,000,000 of Series 2011A Bonds and all of \$101,775,000 of Series 2012C Bonds. The Series 2018 Bonds were issued as serial bonds maturing January 1, 2030 through January 1, 2050 and term bonds due January 1, 2048. The bonds have an interest rate of 4%-5%. The refunding results for 2009D, 2011A and 2012C resulted in a decrease the aggregate debt service between the refunding debt and refunded debt.

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The difference between the reacquisition price and the net carrying amount of the 2009D, 2011A and 2012C Bonds refunded by Series 2018 Revenue Refunding Bonds of \$31,149 was fully amortized in 2018.

The following schedule summarizes the revenue bonds outstanding as of December 31, 2018:

Description of Issue	Beginning Balance	Additions	Matured or Retired	Ending Balance	Due within one year
Series '05C	\$ 42,955,000	\$ -	\$ -	\$ 42,955,000	\$ 11,805,000
Series '08A	25,125,000	-	(25,125,000)	-	-
Series '08B	400,000	-	(400,000)	-	-
Series '08D	707,737,891	42,683,450	-	750,421,341	-
Series '08I	295,165,000	-	-	295,165,000	-
Series '09A	69,865,000	-	-	69,865,000	-
Series '09B	825,000,000	-	-	825,000,000	-
Series '09C	170,730,000	-	-	170,730,000	-
Series '09D	178,400,000	-	(178,400,000)	-	-
Series '10A	90,000,000	-	-	90,000,000	-
Series '10B	310,000,000	-	-	310,000,000	-
Series '11A	100,000,000	-	(100,000,000)	-	-
Series '11B	268,625,000	-	-	268,625,000	22,920,000
Series '12A	25,930,000	-	-	25,930,000	-
Series '12B	383,625,000	-	-	383,625,000	-
Series '12C	101,775,000	-	(101,775,000)	-	-
Series '12D	32,815,000	-	-	32,815,000	-
Series '14A	310,415,000	-	-	310,415,000	-
Series '14B	146,420,000	-	-	146,420,000	-
Series '14C	223,895,000	-	-	223,895,000	-
Series '15A	851,230,000	-	(7,170,000)	844,060,000	7,455,000
Series '15B	758,080,000	-	(4,985,000)	753,095,000	5,235,000
Series '16A	980,215,000	-	(13,365,000)	966,850,000	14,030,000
Series '17A	1,743,320,000	-	-	1,743,320,000	48,835,000
Series '17B	765,995,000	-	-	765,995,000	4,980,000
Series '18	-	356,085,000	-	356,085,000	-
	9,407,717,891	398,768,450	(431,220,000)	9,375,266,341	115,260,000
Less:					
Bond discount/premium	(715,991,211)	(17,254,307)	71,840,237	(661,405,281)	-
Totals	\$ 10,123,709,102	\$ 416,022,757	\$ (503,060,237)	\$ 10,036,671,622	\$ 115,260,000

Amortization of Premium/Discounts

Premiums and discounts related to the issuance of the bonds and other loans are being amortized using the bonds outstanding method, which is materially consistent with the effective interest method. The unamortized discount (premium) cost for the year ended on December 31, 2018 was \$(661,405,281).

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The revenue bond debt service requirements below are prepared as of December 31, 2018:

Year	Total Revenue Bonds		BAB Subsidy *	Total
	Principal amount	Interest amount		
Due January 1				
2019	115,260,000	446,772,625	(27,181,434)	534,851,191
2020	115,595,000	443,846,309	(27,181,434)	532,259,875
2021	176,200,000	437,679,500	(27,181,434)	586,698,066
2022	212,215,000	427,531,709	(27,181,434)	612,565,275
2023	243,200,000	415,556,601	(27,078,531)	631,678,070
2024- 2028	1,489,456,277	1,942,137,413	(120,736,427)	3,310,857,263
2029 - 2033	1,577,937,975	1,972,326,109	(93,880,048)	3,456,384,036
2034- 2038	1,742,645,144	1,794,041,788	(90,977,675)	3,445,709,257
2039 - 2043	2,036,358,365	747,295,085	(78,591,037)	2,705,062,413
2044- 2048	1,017,820,000	206,110,483	(35,874,868)	1,188,055,615
2049 - 2052	202,990,000	6,552,581	(1,094,158)	208,448,423
Interest Accretion	445,588,580	(445,588,580)	-	-
	<u>\$ 9,375,266,341</u>	<u>\$ 8,394,261,623</u>	<u>\$ (556,958,480)</u>	<u>\$ 17,212,569,484</u>

* Note: Due to sequestration, BAB's Subsidy is reduced by 6.2%.

The Interest and Sinking and Reserve Accounts required by the Trust Agreement have been established with the Trustee. The balances as of December 31, 2018 were:

	Cash and Investment Balance	Trust Requirement
Bond Interest account	\$ 201,324,973	\$ 201,320,997
Debt service reserve account(*)	445,332,287	449,935,067
Redemption account	115,260,000	115,260,000
Total	<u>\$ 761,917,260</u>	<u>\$ 766,516,064</u>

(*) The Debt Service Reserve account per the trust agreement is not valued at market price but amortized value. The amortized value at 12/31/2018 was \$451,371,217.

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Commercial Paper

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

Commercial paper notes were supported by a letter of credit agreement with Bank of America Merrill Lynch in excess of \$200,000,000 and constituted a Second Tier obligation under the Amended and Restated Trust Agreement which expired on December 16, 2016.

On December 21, 2016, the Authority approved JPMorgan as provider of a note purchase facility of \$200,000,000 plus required interest coverage with a term of three years.

Any advances for payments of Notes under the Note Purchase Agreement are secured by a Second Tier lien on Authority revenues and constituted a Second Tier obligation under the Amended and Restated Trust Agreement. No such advances have occurred.

The notes may be issued to provide interim financing for new projects and other capital improvements and to finance equipment purchases for projects of the Authority. As of December 31, 2018, there were no notes outstanding.

Loans Payable

Additionally, the Authority funded, in part, costs of the construction of the PGBT with proceeds from a loan, which totaled \$135,000,000, made by TxDOT in 1995 pursuant to the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA). Interest at the rate of 4.2% began to accrue on October 1, 2000, compounding annually on January 1, with the first payment made in October 2004, and annual payments on January 1 thereafter until final payment in 2029, which resulted in a new loan amount at October 1, 2004 of \$154,338,133. Repayment of the loan to TxDOT is to be made from amounts on deposit in the Capital Improvement Fund with payments subordinate to bonds or other obligations of the Authority issued or entered into and secured by the tolls and revenues of the Authority. The loan's principal payable is \$120,101,628 as of December 31, 2018.

The following schedule summarizes the debt service requirements of the TxDOT ISTEA loan payable subsequent to December 31, 2018:

Fiscal years	TxDOT ISTEA Loan payable		
	Principal	Interest	Total
2019 (*)	-	-	-
2020	7,205,732	5,044,268	12,250,000
2021	10,580,768	4,741,628	15,322,396
2022	11,025,161	4,297,235	15,322,396
2023	11,488,218	3,834,179	15,322,397
2024 - 2028	65,096,954	11,515,028	76,611,982
2029	14,704,795	617,601	15,322,396
Total principal and interest	<u>\$ 120,101,628</u>	<u>\$ 30,049,939</u>	<u>\$ 150,151,567</u>

(*) ISTEA payment for 1/1/2019 of \$10,500,000 (principal=\$5,235,827 and interest = \$5,264,173) was made on 12/28/2018.

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(6) Employees' Retirement Plan

Defined Benefit Pension Plan

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

Plan Description

The Authority participates as one of more than 760 plans in the joint contributory, defined benefit plan administered by TCDRS. TCDRS acts as an agent multiple-employer retirement system for county and district employees in the State of Texas. The TCDRS Act is the basis for administration of the pension system. The pension system is governed by a nine-member Board of Trustees and is managed by an administrative staff in Austin. Although the Governor, with the advice and consent of the senate, appoints the Board, TCDRS is not fiscally dependent on the State of Texas. TCDRS's defined benefit pension plan is a tax-qualified plan under Section 401(a) of the Internal Revenue Code. TCDRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.tcdrs.org.

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

Benefits Provided

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

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

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

Employees covered by benefit terms

At the December 31, 2017 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	186
Inactive employees entitled to but not yet receiving benefits	797
Active employees	<u>774</u>
Total	<u>1,757</u>

Contributions

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

Employees for the Authority were required to contribute 6% of their annual gross earnings during the fiscal year. The contribution rates for the Authority were 8.09% and 8.30% in fiscal years 2017 and 2018, respectively. The Authority's contributions to TCDRS for the year ended December 31, 2018, were \$3,576,502 and were equal to the required contributions.

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Net Pension Asset

The Authority's Net Pension Asset (NPA) was measured as of December 31, 2017, and the Total Pension Liability (TPL) used to calculate the Net Pension Asset was determined by an actuarial valuation as of that date.

Actuarial assumptions

The Total Pension Liability in the December 31, 2017 actuarial valuation was determined using the following assumptions:

Inflation	2.75%
Overall Payroll Growth	2.00%
Investment Rate of Return	8.10%, net of pension plan investment expense

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

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

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

The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant, Cliffwater LLC. The numbers shown are based on January 2018 information for a 10 year time horizon.

Note that the valuation assumption for long-term expected return is re-assessed at a minimum of every four years, and is set based on a 30-year time horizon; the most recent analysis was performed in 2017. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Geometric Real Rate of Return (Expected minus Inflation)
US Equities	11.50%	4.55%
Private Equity	16.00%	7.55%
Global Equities	1.50%	4.85%
International Equities - Developed Markets	11.00%	4.55%
International Equities - Emerging Markets	8.00%	5.55%
Investment-Grade Bonds	3.00%	0.75%
Strategic Credit	8.00%	4.12%
Direct Lending	10.00%	8.06%
Distressed Debt	2.00%	6.30%
REIT Equities	2.00%	4.05%
Master Limited Partnerships (MLPs)	3.00%	6.00%
Private Real Estate Partnerships	6.00%	6.25%
Hedge Funds	<u>18.00%</u>	4.10%
Total	<u>100.00%</u>	

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Discount Rate

The discount rate used to measure the Total Pension Liability was 8.10%. The projection of cash flows used to determine the discount rate assumed that employee contributions will remain at the current 6% and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Changes in the Net Pension Liability / (Asset)

	Increase (Decrease)		
	Total Pension Liability	Fiduciary Net Position	Net Pension Liability / (Asset)
	(a)	(b)	(a)-(b)
Balances as of January 01, 2017	\$99,742,592	\$100,696,945	(\$954,353)
Changes for the year:			
Service cost	6,013,434	-	6,013,434
Interest	8,456,928	-	8,456,928
Effect of plan changes	-	-	-
Effect of economic/demographic gains or losses	(633,015)	-	(633,015)
Effect of assumptions changes or inputs	390,009	-	390,009
Refund of contributions	(680,429)	(680,429)	-
Benefit payments	(2,072,176)	(2,072,176)	-
Administrative expenses	-	(78,878)	78,878
Member contributions	-	2,534,007	(2,534,007)
Net investment income	-	14,749,679	(14,749,679)
Employer contributions	-	3,416,686	(3,416,686)
Other changes	-	42,116	(42,116)
Balances as of December 31, 2017	<u>\$111,217,343</u>	<u>\$118,607,949</u>	<u>(\$7,390,607)</u>

Sensitivity Analysis

The following presents the net pension liability of the Authority, calculated using the discount rate of 8.10%, as well as what the Authority's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (7.10%) or 1 percentage point higher (9.10%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
	7.10%	8.10%	9.10%
Total pension liability	\$127,696,715	\$111,217,343	\$97,544,507
Fiduciary net position	118,607,949	118,607,949	118,607,949
Net pension liability / (asset)	\$9,088,766	(\$7,390,607)	(\$21,063,442)

Pension Plan Fiduciary Net Position

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

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

For the year ended December 31, 2017, the Authority recognized pension expense of \$4,108,622.

At December 31, 2017, the Authority reported deferred inflows and outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions made subsequent to the measurement date	\$ 3,576,502	\$ -
Net difference between projected and actual earnings	-	617,688
Differences between expected and actual experience	-	2,513,161
Changes of assumptions	765,726	-
Total	<u>\$ 4,342,228</u>	<u>\$ 3,130,849</u>

\$3,576,502 reported as deferred outflows of resources related to pensions resulting from Authority contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2019. The remainder of the total deferred outflows/inflows, \$2,365,123, related to pensions will be recognized in pension expense as follows:

2019	417,499
2020	140,671
2021	(1,581,155)
2022	(1,342,138)
Thereafter ⁽¹⁾	-

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

401(k) Plan

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

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

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

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

Total 401(k) contributions allocated to the System by the Authority for the year ended December 31, 2018 were \$1,442,442 based on a covered payroll of \$41,427,939.

Social Security

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

(7) Risk Management

The Texas Municipal League (TML) Intergovernmental Risk Pool insures the Authority for workers' compensation. The Authority purchases insurance policies for all major areas of operation including buildings and contents, bridges, general liability, commercial umbrella, crime, directors and officers liability, and boiler and machinery coverage. There have not been any settlements exceeding insurance coverage in the years 2009-2018. There has not been any significant reduction of coverage.

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

Fiscal Year	Beginning Balance	Current year claims and changes in estimates	Claim Payments	Ending Balance
2015	\$ 876,665	10,903,339	11,780,004	\$ -
2016	\$ -	12,393,455	11,354,397	\$ 1,039,058
2017	\$ 1,039,058	12,294,775	10,587,347	\$ 2,746,486
2018	\$ 2,746,486	11,331,252	10,937,466	\$ 3,140,272

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

General Information PEBC OPEB Plan

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

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

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

Employees covered by benefit terms. At December 31, 2017, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	28
Inactive employees entitled to but not yet receiving benefit payments	0
Active employees	<u>713</u>
Total	<u>741</u>

Total OPEB Liability

The Authority's total OPEB liability of \$27,310,086 was measured as of December 31, 2017, and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs. The total OPEB liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods including the measurement, unless otherwise indicated

Salary increases	3.50%
Discount Rate	3.44%
Healthcare cost trend rates	7.00% for 2018 decreasing 0.25% per year to an ultimate rate of 5% for 2026 and later years
Medicare cost trend rates	6.00% for 2018 decreasing 0.25% per year to an ultimate rate of 5% for 2022 and later years
Retirees' share of benefit related costs	36.89% of projected health insurance premiums for pre-65 retirees 39.92% of projected health insurance premiums for post-65 retirees

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

Mortality rates were based on the RP-2014 Healthy Annuitant Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale MP-2014.

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

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Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at December 31, 2016	\$ 22,215,020
Changes for the year:	
Service cost	2,342,914
Interest	926,699
Change of assumptions	1,909,633
Employer contributions	-
Benefit payments	(84,180)
Net changes	<u>5,095,066</u>
Balance at December 31, 2017	<u>\$ 27,310,086</u>
Covered employee payroll	<u>\$ 38,100,336</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>71.68%</u>

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

The following are the discount rate used in each period:

2017	3.44%
2016	3.78%

Note 1 – The discount rate for post retirement welfare cost purposes is a single rate reflecting the yield or Index rate for 20-year, tax-exempt general obligation bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale), to the extent that plan investments are not expected to finance the payment of benefits. Since there are no plan assets, the discount rate is determined based on the aforementioned basis as of the applicable Measurement Date. The discount rates are 3.44% as of December 31, 2017 and 3.78% as of December 31, 2016 based on the Bond Buyer Index, as reported in the Bond Buyer.

Note 2 – GASB Statement No. 75 was implemented in FY18 and prior years are not available.

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

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.44%) or 1-percentage-point higher (4.44%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB liability	<u>\$ 34,087,874</u>	<u>\$ 27,310,086</u>	<u>\$ 22,157,061</u>

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Sensitivity of the total OPEB liability to changes in the healthcare cost trend rate. The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using the healthcare cost trend rates that are 1-percentage-point lower (6.0 percent decreasing to 4.0 percent) or 1-percentage-point higher (8.0 percent decreasing to 6.0 percent) than the current healthcare cost trend rates:

	Healthcare Cost Trend		
	1% Decrease (6.0% decreasing to 4.0%)	Rates (7.0% decreasing to 5.0%)	1% Increase (8.0% decreasing to 6.0%)
Total OPEB liability	<u>\$ 19,888,587</u>	<u>\$ 27,310,086</u>	<u>\$ 37,538,604</u>

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

For the year ended December 31, 2018, the Authority recognized OPEB expense of \$3,414,282.

OPEB Expense

Service cost	\$ 2,342,914
Interest cost	926,699
Changes of assumptions ¹	<u>144,669</u>
OPEB expense	<u>\$ 3,414,282</u>

¹ Changes of assumptions and other inputs reflect a change in the discount rate of 3.78% in 2016 to 3.44% in 2017.

At December 31, 2018, the Authority recognized deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions after measurement date	\$ 145,996	\$ -
Changes of assumptions	<u>1,764,964</u>	<u>-</u>
Total	<u>\$ 1,910,960</u>	<u>\$ -</u>

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

Fiscal year ended December 31,

2019	\$ 144,669
2020	144,669
2021	144,669
2022	144,669
2023	144,669
Thereafter	<u>1,041,619</u>
Total	<u>\$ 1,764,964</u>

Deferred outflows of resources totaling \$145,996 related to OPEB contributions after the measurement date will be recognized as a reduction of the total OPEB liability in the year ended December 31, 2019.

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Authority's ERS OPEB Plan

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

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

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

During the measurement period of 2017 for fiscal year 2018 reporting, the amount of the Authority's contributions recognized by the ERS OPEB plan was \$391,770. The following table summarizes the monthly employer and plan member contributions toward eligible retiree's health and basic life premium.

	Employer	Plan Member
Retiree Only	\$ 617.30	\$ -
Retiree and Spouse	\$ 970.98	\$ 353.68
Retiree and Children	\$ 854.10	\$ 236.80
Retiree and Family	\$ 1,207.78	\$ 590.48

Employees covered by benefit terms. At December 31, 2017, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	45
Inactive employees entitled but not yet receiving benefits	2
Active employees	0
Total members	47

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

Net ERS OPEB Liability

The Authority's Net ERS OPEB Liability of \$14,248,908 was measured as of August 31, 2017, and was determined by an actuarial valuation as of August 31, 2017 as of that date. No actuarial valuation is available for December 31, 2017 and the Authority's management deems any difference in the net ERS OPEB liability between these two dates are too immaterial to be consider.

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Actuarial assumptions and other inputs. The total OPEB liability in the August 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	2.5% to 9.5% (including inflation)
Discount Rate	3.51%
Healthcare cost trend rates	8.50% for FY19, decreasing 0.50% per year to an ultimate rate of 4.50% for FY27 and later years

The discount rate used to measure the total ERS OPEB liability was the municipal bond rate of 3.51%. The source of the municipal bond rate is the Bond Buyer Index of general obligation bonds with 20 years to maturity and mixed credit quality. In describing their index, the Bond Buyer notes that the bonds' average credit quality is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA.

Mortality rates for service retirees, survivors and other inactive members were based on the 2017 State Retirees of Texas mortality table with a 1 year set forward for male CPO/CO members and Ultimate MP Projection Scale projected from year 2017.

Mortality rates for disabled retirees were based on the RP-2014 Disabled Retiree Mortality with Ultimate MP Projection Scale projected from year 2014.

Mortality rates for active members were based on the RP-2014 Active Member Mortality tables with Ultimate MP Projection Scale from the year 2014.

The actuarial assumptions used in this valuation were based on the results of actuarial experience studies performed by the ERS and TRS retirement plan actuaries for the period September 1, 2011 to August 31, 2016.

At December 31 2018, the Authority reported a liability of \$14,248,908 for its proportionate share of the collective ERS net OPEB liability. The collective OPEB liability was measured as of Aug. 31, 2017, and the total OPEB liability used to calculate the net liability was determined by an actuarial valuation as of that date. The Authority's proportional percentage at Aug. 31, 2017 was 0.04181875%. The Authority's proportion of the collective ERS net OPEB liability was based on its contributions to the OPEB plan relative to the contributions of all the employers and non-employer contributing entities to the plan for the period Sept. 1, 2016 through Aug. 31, 2017.

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

2016	2.84%
2017	3.51%

Sensitivity of the Authority's Proportionate Share of the ERS Net OPEB Liability to Changes in the Discount Rate. The following presents the ERS Net OPEB liability of the Authority, as well as what the Authority's ERS Net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.51%) or 1-percentage-point higher (4.51%) than the current rate:

	1% Decrease 2.51%	Current Discount Rate 3.51%	1% Increase 4.51%
ERS Net OPEB Liability	\$ 17,009,032	\$ 14,248,908	\$ 12,110,945

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Sensitivity of the Authority's Proportionate Share of the ERS Net OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents the ERS Net OPEB liability of the Authority, as well as what the Authority's ERS Net OPEB liability would be if it were calculated using the healthcare cost trend rates that are 1-percentage-point lower (7.50 percent decreasing to 3.50 percent) or 1-percentage-point higher (9.50 percent decreasing to 5.50 percent) than the current healthcare cost trend rates:

1% Decrease (7.50% decreasing to 3.50%)	Current Healthcare Cost Trend Rates (8.50% decreasing to 4.50%)	1% Increase (9.50% decreasing to 5.50%)
\$ 11,978,628	\$ 14,248,908	\$ 17,194,725

ERS Net OPEB Liability

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

For the year ended December 31, 2018, the Authority recognized ERS OPEB expense of \$762,546.

ERS OPEB Expense

Service cost	\$ 963,495
Interest cost	512,526
Amortization of differences between expected and actual experience	(38,564)
Amortization of changes of assumptions	(671,008)
Employee contributions	(81,884)
Other	(30,033)
Benefit payments	111,768
Projected earnings	(7,162)
Amortization of differences between projected and actual earnings	1,055
Administrative expense	2,354
ERS OPEB expense	<u>\$ 762,546</u>

At December 31, 2018, the Authority reported deferred outflows and inflows of resources related to ERS OPEB from the following sources:

Outstanding Deferred Outflows and Deferred Inflows Related to ERS OPEB at December 31, 2018		
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 171,226
Changes in assumptions	-	2,979,276
Net difference between projected and actual earnings on ERS OPEB plan investments	4,219	-
Contributions subsequent to the measurement date	369,614	-
Total	<u>\$ 373,833</u>	<u>\$ 3,150,502</u>

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The \$369,614 reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net OPEB liability for the year ending December 31, 2019.

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

Fiscal Year ending:

2019	(708,518)
2020	(708,518)
2021	(708,518)
2022	(708,518)
2023	(312,212)
Thereafter	-

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(9) Disaggregation of Receivable Balances

The unrestricted accounts receivable balance is \$78,571,096, and the restricted accounts receivable balance is \$4,492,950. The unrestricted balance consists of \$62,637,402 for billed video tolls (net of the allowance for doubtful accounts of \$219,630,678); \$13,350,986 for unbilled video tolls (net of the allowance for doubtful accounts of \$25,268,630), and \$2,582,708 for miscellaneous other receivables. The restricted balance consists of BAB's subsidy receivable of \$4,492,950.

Based upon the payment history for each 30 day bucket of aged billed toll receivables, an allowance is calculated for the expected percentage that will remain unpaid based upon these historical trends. The allowance for uncollectible receivables currently ranges from a minimum of 20% on invoices that are current (age of 0-30 days) to a maximum of 100% for invoices that have met the business rules for write-off with an overall average of 77.8% reserved for all invoices.

NTTA books as an account receivable the value of uninvoiced Zip Cash transactions that are categorized as "matched, current address," with an allowance for uncollectible receivables of 20%. These transactions will be invoiced on the customer's next monthly invoice as all business rules have been met. NTTA also books as an accounts receivable the value of invoiced transactions that are categorized as "matched, current address, not meeting business rules" with an allowance for uncollectible receivables of 85%. Unmatched transactions are not recorded by the System, while they are recorded with a 100% allowance by the Non-Major Enterprise Fund.

Video Toll Transactions	Allowance Method	North Texas Tollway System	Non-Major Enterprise Fund	Total
<u>Recorded Billed Video Tolls:</u>				
Gross Billed Video Tolls		\$ 225,054,946	\$ 57,213,134	\$ 282,268,080
Allowance for Uncollectible	age based	(177,447,473)	(42,183,205)	(219,630,678)
Net Billed Video Tolls		\$ 47,607,473	\$ 15,029,929	\$ 62,637,402
<u>Recorded Unbilled Video Tolls:</u>				
Matched with DMV, Meeting Business Rules	20%	\$ 10,075,544	\$ 3,742,652	\$ 13,818,196
Matched with DMV, Not Meeting Business Rules	85%	11,835,310	3,474,215	15,309,525
Unmatched with DMV	100%	-	9,626,867	9,626,867
Total Gross Unbilled Video Tolls		\$ 21,910,854	\$ 16,843,734	\$ 38,754,588
Allowance for Uncollectible		(12,075,122)	(13,328,480)	(25,403,602)
Net Recorded Unbilled Video Tolls		\$ 9,835,732	\$ 3,515,254	\$ 13,350,986
<u>Unrecorded Unbilled Video Tolls:</u>				
Unmatched with DMV		\$ 26,017,650	-	\$ 26,017,650

(10) Commitments and Contingencies

At the end of fiscal year 2018, there was \$1,596,460,680 in cash and investments with \$918,253,755 restricted for debt service, \$97,935,116 restricted for construction, \$3,424,147 restricted for NTE 3A/3B and \$576,847,662 available for operation. The System has \$6,462,187 in account and retainage payable that are comprised primarily of construction-related payables at December 31, 2018. Additionally, the System has contract and purchase order commitments at December 31, 2018 aggregating \$631,108.

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(11) Subsequent Event

The North Texas Tollway Authority ("NTTA") System Revenue and Refunding Bonds, Series 2019, consisting of First Tier Revenue and Refunding Bonds, Series 2019A (the "Series 2019A Bonds") and Second Tier Revenue and Refunding Bonds Series 2019B (the "Series 2019B Bonds" and, together with the Series 2019A Bonds, the "Bonds"), will be issued as fully registered obligations of NTTA, a body politic and corporate and a political subdivision of the State of Texas. The Bonds will be issued for the purpose of [(i) refunding all of the North Texas Tollway Authority Dallas North Tollway System Revenue Bonds, Series 2005C, (ii) refunding all of the North Texas Tollway Authority System First Tier Tax-Exempt Current Interest Revenue Bonds, Series 2009A, (iii) refunding all of the North Texas Tollway Authority System First Tier Current Interest Revenue Refunding Bonds, Series 2009C, (iv) refunding all of the North Texas Tollway Authority System First Tier Variable Rate Revenue Refunding Bonds, Series 2014C (v) refunding all of the North Texas Tollway Authority System Subordinate Lien Taxable Revenue Bonds, Subseries 2010B-2 (Build America Bonds – Direct Payment), (vi) making a deposit to the Second Tier Shared Reserve Account to satisfy the Second Tier Shared Required Reserve] and (vii) paying costs of issuance of the Bonds.

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Modified Approach - Infrastructure

The Authority has elected to use the Modified Approach to account for maintenance of the Authority's infrastructure assets. As required by the Trust Agreement, an annual inspection of the Authority's roadways has occurred, conducted by the Authority's General Engineering Consultant, Atkins North America, Inc. This inspection was supplemented with specialized inspections by the Authority's Maintenance Management Consultant, VRX, Inc., and the Texas Department of Transportation. The results of the various inspections are utilized to calculate an overall rating, indicating the average condition of the Authority's infrastructure assets (roadways and bridges). The assessment of conditions is made by visual and mechanical tests designed to reveal any condition that would reduce user benefits below the maximum level of service. The Authority's goal is to maintain the Authority's infrastructure assets at a rating of 8 or better (1 to 10 scale), and has established a minimum level for GASB No. 34 purposes of a condition level of 6 or greater. These condition levels were adopted by the Board of Directors for the North Texas Tollway Authority (NTTA) by Resolution No. 02-31 on June 19, 2002 and further clarified by Resolution No. 07-169 on December 19, 2008. In accordance with GASB 34, the Capital Assessment and Inspection Report is due every three years. The last Capital Assessment and Inspection Report for the North Texas Tollway Authority was completed in 2018.

The infrastructure assets include PGBT, PGBT-EE, PGBT-WE, DNT, AATT, MCLB, SRT, LLTB, and CTP Main Lane Plazas, Ramp Plazas, maintenance shops, administration buildings, and IT lane equipment. The roadways are a major transportation network consisting of 139 centerline miles of high-speed roadways, 15 major interchanges, 42 main lane toll plazas/gantries, 156 ramp toll plazas/gantries, 603 bridges, one tunnel, and other structures and appurtenances. All assets combined totaled approximately \$5.12 billion in current replacement value for FYE 2018.

Condition Index

A Condition Index is a measure of the "intrinsic value" of the asset as opposed to the book value. A Condition Index with a value of 10.0 is considered "like new"; conversely, a Condition Index with a value of 0.0 is considered "unusable." Evaluations were performed on all of the infrastructure assets under Authority jurisdiction. The evaluation resulted in an average Condition Index of 8.8 for all of the assets combined. The following table shows the Condition Index for the years 2009 through 2018.

Condition Index Table		
Condition Index		
Fiscal Year	Current	Goal
2018	8.8	8.0
2017	8.9	8.0
2016	8.7	8.0
2015	8.8	8.0
2014	8.9	8.0
2013	8.9	8.0
2012	8.9	8.0
2011	8.9	8.0
2010	8.9	8.0
2009	9.0	8.0

Condition Assessment and Inventory

A comprehensive condition assessment on all the Authority's infrastructure assets was conducted in September 2018. The Authority's Maintenance Management Consultant performed condition assessments of the Authority's roadway pavement and the Texas Department of Transportation provided condition assessments for bridges as part of the National Bridge Inspection Program. Assessment procedures and representative work samples were reviewed by NTTA's General Engineering Consultants, Atkins North America, Inc.

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BRIDGES

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

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

Roadways

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

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

Currently, the 139 centerline miles (approximately 995 main lane miles) of main lane roadways have a Roadway Index of 8.8.

The budget-to-actual expenditures for preservation and other infrastructure maintenance costs were as follows for the years 2009 through 2018.

Fiscal Year	Budget	Actual
2018	\$ 48,128,568	\$ 22,311,736
2017	52,299,280	23,308,416
2016	38,511,676	19,890,127
2015	22,572,948	12,041,778
2014	27,394,112	11,144,585
2013	21,231,300	15,568,942
2012	23,464,926	10,240,825
2011	59,503,102	37,557,688
2010	36,316,377	28,475,554
2009	40,239,320	30,745,545

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

Last Ten Fiscal Years
(Unaudited)

	Year Ended December 31			
	2018	2017	2016	2015
Total Pension Liability:				
Service cost	\$ 6,013,434	\$ 6,194,580	\$ 5,982,873	\$ 5,624,416
Interest on total pension liability	8,456,928	7,402,223	6,720,140	6,043,983
Effect of plan changes	-	-	(1,136,084)	-
Effect of assumption changes or inputs	390,009	-	907,438	-
Effect of economic/demographic (gains) or losses	(633,015)	(1,073,578)	(1,956,006)	(1,153,799)
Benefit payments/refunds of contributions	(2,752,605)	(2,215,107)	(2,408,086)	(2,059,927)
Net change in total pension liability	11,474,751	10,308,118	8,110,275	8,454,673
Total pension liability, beginning	99,742,592	89,434,474	81,324,199	72,869,526
Total pension liability, ending (a)	\$ 111,217,343	\$ 99,742,592	\$ 89,434,474	\$ 81,324,199
Fiduciary Net Position:				
Employer contributions	\$ 3,416,686	\$ 3,148,616	\$ 3,304,846	\$ 3,197,933
Member contributions	2,534,007	2,475,976	2,491,090	2,320,145
Investment income net of investment expenses	14,749,679	6,711,695	(2,151,146)	5,330,438
Benefit payments/refunds of contributions	(2,752,605)	(2,215,107)	(2,408,086)	(2,059,927)
Administrative expenses	(78,878)	(72,943)	(64,794)	(65,461)
Other	42,116	267,541	78,087	(32,293)
Net change in fiduciary net position	\$ 17,911,005	\$ 10,315,778	\$ 1,249,997	\$ 8,690,835
Fiduciary net position, beginning	100,696,945	90,381,167	89,131,170	80,440,335
Fiduciary net position, ending (b)	\$ 118,607,949	\$ 100,696,945	\$ 90,381,167	\$ 89,131,170
Net pension liability / (asset), ending = (a) - (b)	\$ (7,390,607)	\$ (954,353)	\$ (946,693)	\$ (7,806,971)
Fiduciary net position as a % of total pension liability	106.65%	100.96%	101.06%	109.60%
Pensionable covered payroll	\$ 42,233,445	\$ 41,266,268	\$ 41,518,172	\$ 38,669,085
Net pension liability / (asset) as % of covered payroll	-17.50%	-2.31%	-2.28%	-20.19%

*FNP may be off a dollar due to rounding

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

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Required Supplementary Information
December 31, 2018

Schedule of Employer Contributions

Last Ten Fiscal Years
(Unaudited)

Year Ending December 31	Actuarially Determined Contribution ⁽¹⁾	Actual Employer Contribution ⁽¹⁾	Contribution Deficiency (Excess)	Pensionable Covered Payroll ⁽²⁾	Actual Contribution as a % of Covered Payroll
2009	3,108,139	3,108,139	-	36,609,412	8.5%
2010	3,242,294	3,242,294	-	36,065,565	9.0%
2011	2,890,652	2,890,652	-	31,976,241	9.0%
2012	3,174,859	3,174,859	-	34,888,560	9.1%
2013	3,060,429	3,060,429	-	36,917,119	8.3%
2014	3,197,933	3,197,933	-	38,669,085	8.3%
2015	3,304,846	3,304,846	-	41,518,172	8.0%
2016	3,148,616	3,148,616	-	41,266,265	7.6%
2017	3,416,686	3,416,686	-	42,233,445	8.1%
2018	3,576,502	3,576,502	-	43,214,528	8.3%

⁽¹⁾ TCDRS calculates actuarially determined contributions on a calendar year basis. GASB Statement No. 68 indicates the employer should report employer contribution amounts on a fiscal year basis.

⁽²⁾ Payroll is calculated based on contributions as reported to TCDRS

Notes to Schedule:

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

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age
Asset Valuation Method	5-year smoothed market
Inflation	2.75%
Salary Increases	Varies by age and service. 4.9% avg. over career including inflation
Investment Rate of Return	8%, net of investment expenses, including inflation
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale
Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions*	2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected.

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

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Required Supplementary Information
December 31, 2018

Schedule of Changes in PEBC Total OPEB Liability and Related Ratios

Last 10 Calendar Years
(Unaudited)

	2018
Total PEBC OPEB Liability - Beginning	\$ 22,215,020
Changes for the year:	
Service cost	2,342,914
Interest	926,699
Change of assumptions	1,909,633
Benefit payments	(84,180)
Net changes	5,095,066
Total PEBC OPEB Liability - Ending	\$ 27,310,086
Covered employee payroll	\$ 38,100,336
Total PEBC OPEB liability as a percentage of covered-employee payroll	71.68%

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

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Required Supplementary Information
December 31, 2018

Schedule of Authority's Share of ERS Net OPEB Liability

Last 10 Calendar Years
(Unaudited)

Fiscal Year Ending December 31,	2018
Authority's proportional share of collective net ERS OPEB liability (%)	0.04181875%
Authority's proportional share of collective net ERS OPEB liability (\$)	\$ 14,248,908
Covered-Employee Payroll	\$ 4,911,742
ERS Net OPEB Liability as a Percentage of Covered-Employee Payroll	290.10%
ERS Plan Fiduciary Net Position as a Percentage of Total ERS OPEB Liability	2.04%

Schedule of Authority's Contributions to ERS OPEB

Last 10 Calendar Years
(Unaudited)

Fiscal Year Ending December 31,	2018
Actuarially determined contributions	N/A (*)
Actual contributions	\$ 369,614
Contribution deficiency (excess)	N/A (*)
Covered-Employee Payroll	\$ 4,911,742
Ratio of actual contributions/employer covered payroll amount	7.52%

(*) N/A – Not Available

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



STATISTICAL SECTION

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

INTRODUCTION TO STATISTICAL SECTION
(Unaudited)

INTRODUCTION

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

FINANCIAL TRENDS

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

REVENUE CAPACITY

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

DEBT CAPACITY

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

DEMOGRAPHIC AND ECONOMIC INFORMATION

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

OPERATING INFORMATION

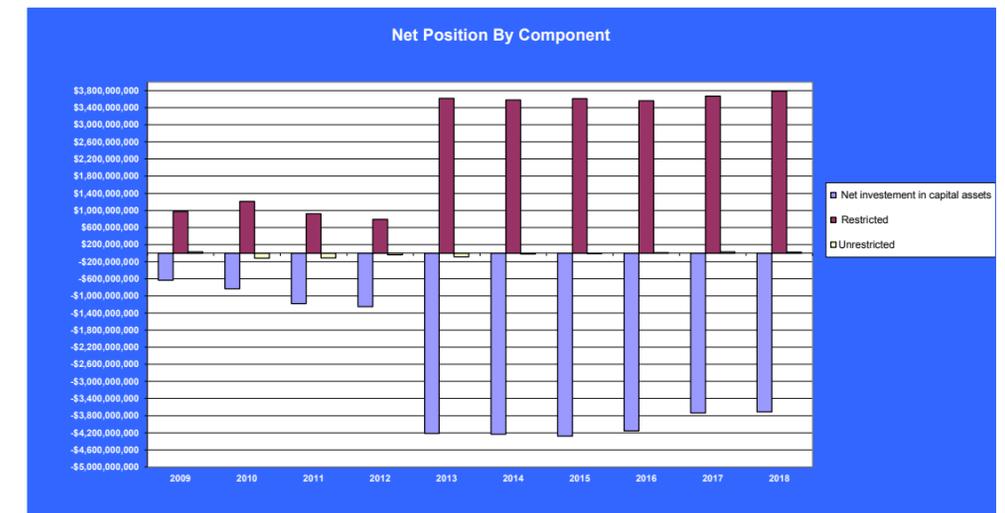
These tables contain service and infrastructure data to help the reader understand how the information in the Authority's financial report relates to the services the Authority provides and the activities it performs.

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

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Net Position by Component
Last Ten Fiscal Years
(Unaudited)

Business-Type Activities

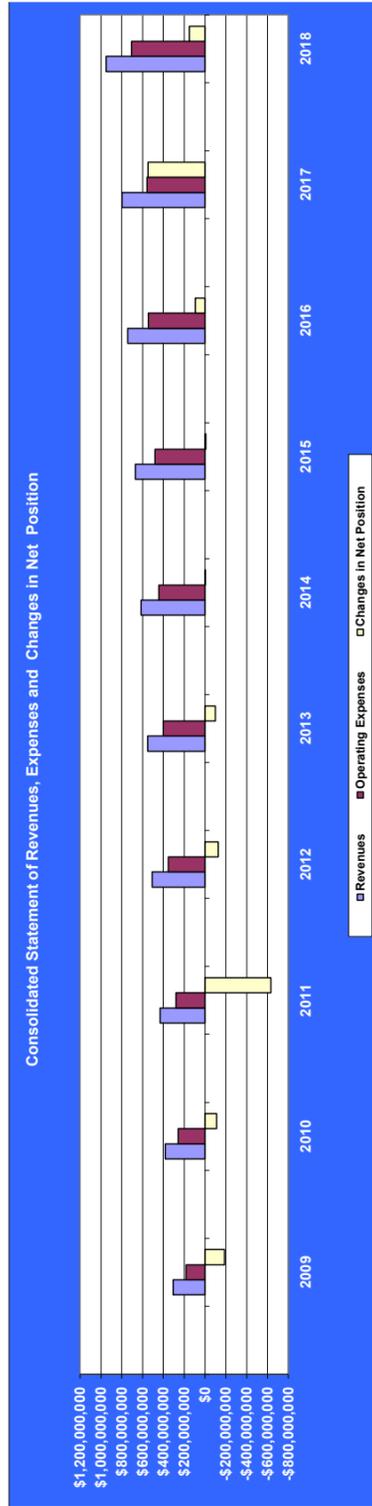
Component	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Net investment in capital assets	\$ (633,265,931)	\$ (831,801,669)	\$ (1,178,473,954)	\$ (1,254,068,836)	\$ (4,212,230,014)	\$ (4,234,262,561)	\$ (4,277,956,501)	\$ (4,154,462,248)	\$ (3,737,708,369)	\$ (3,710,464,076)
Restricted	972,154,312	1,211,161,929	917,325,283	792,586,995	3,621,400,342	3,580,531,205	3,612,159,144	3,561,843,338	3,674,470,077	3,790,162,535
Unrestricted	31,783,352	(119,834,279)	(112,356,823)	(38,289,706)	(83,847,212)	(23,192,391)	(7,176,940)	12,928,827	30,609,769	26,776,383
Total net position	\$ 370,671,733	\$ 259,525,981	\$ (373,505,494)	\$ (499,771,547)	\$ (674,676,884)	\$ (676,923,747)	\$ (672,974,297)	\$ (679,690,083)	\$ (32,628,523)	\$ 106,474,842



NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Statement of Revenues, Expenses, and Changes in Net Position by Component
Last Ten Fiscal Years
(Unaudited)

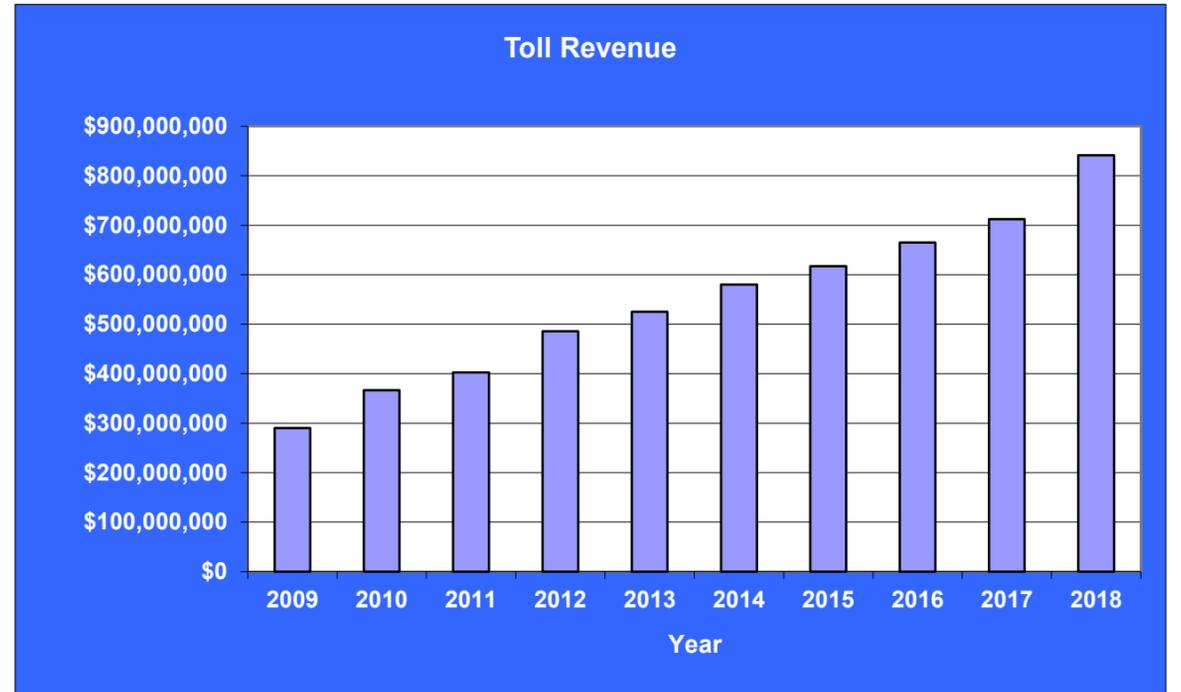
Business-Type Activities	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues:										
Tolls	\$ 290,404,547	\$ 366,597,323	\$ 402,669,534	\$ 485,463,608	\$ 525,458,723	\$ 590,524,810	\$ 621,424,682	\$ 675,005,210	\$ 722,357,187	\$ 850,437,774
Other (1)	17,195,849	17,288,889	20,372,616	20,729,193	26,138,924	34,526,543	46,380,402	66,126,285	75,709,488	99,516,486
Total operating revenues	307,600,396	383,886,212	423,042,150	506,192,801	551,597,647	625,051,353	667,805,084	741,131,495	798,066,675	949,954,260
Operating expenses:										
Administration	22,501,460	21,105,666	22,159,182	22,982,801	23,298,130	22,206,400	21,736,431	24,293,402	26,451,640	30,702,404
Operations	68,433,322	74,604,374	77,166,408	83,253,523	88,469,879	87,917,442	120,046,594	129,445,862	145,295,564	172,903,902
Reserve maintenance	15,444,672	11,701,325	16,540,873	11,448,757	10,915,105	11,144,565	12,041,778	19,800,137	23,308,416	22,311,612
Capital improvement	20,038,108	18,259,890	36,535,270	35,691,517	27,951,687	38,848,449	35,127,787	23,182,888	16,178,658	20,018,305
Total operating expenses before depreciation	126,418,552	125,670,654	152,400,733	153,374,598	150,224,601	170,116,616	186,952,590	196,612,289	241,174,278	249,536,223
Amortization of intangible (SRT)	181,181,844	258,195,258	278,541,417	352,816,203	401,373,046	444,934,477	480,862,494	544,319,226	556,892,397	704,518,037
Depreciation	(60,703,200)	(63,801,840)	(63,947,216)	(63,943,350)	(63,943,350)	(64,403,243)	(65,385,114)	(64,916,168)	(64,841,672)	(64,788,513)
Amortization of intangible (SRT)	(4,529,323)	(4,794,093)	(5,690,160)	(6,038,360)	(6,203,704)	(6,159,420)	(6,889,660)	(8,716,326)	(10,412,946)	(10,059,970)
Operating income	115,949,321	189,599,325	208,904,041	282,836,493	331,225,932	374,371,814	405,587,720	470,686,732	481,637,779	629,669,554
Nonoperating revenues (expenses):										
Interest earned on investments	25,219,356	22,128,268	17,672,334	10,112,695	419,671	348,383	421,910	441,289	721,020	1,943,976
Loss on sale of investments	(13,371,674)	3,588,196	(3,659,548)	(4,962,360)	(6,573,172)	2,118,111	(967,545)	(707,009)	(489,356)	(1,061,717)
Net increase/(decrease) in the fair value of investments	(352,464,434)	(371,173,164)	(343,422,746)	(444,746,741)	(436,811,504)	(432,986,947)	(417,678,947)	(411,682,552)	(420,979,364)	(454,787,857)
Loss on disposal of assets	(6,364,724)	(6,269,247)	(6,269,405)	(6,032,854)	(5,814,320)	(5,714,934)	(5,618,961)	(5,518,967)	(5,531,495)	(5,584,173)
Interest expense on revenue bonds	(1,859,281)	6,330,006	(43,237,386)	892,614	1,822,095	4,343,844	14,914,793	39,706,459	47,207,780	71,840,236
Bond premium/discount amortization	(8,216,397)	(5,002,337)	(4,173,548)	(4,147,166)	(4,147,166)	(5,728,236)	(12,125,235)	(6,313,133)	(15,566,163)	(3,102,510)
Bond issuance cost amortization	(8,911,969)	(571,390)	(5,629,048)	(4,701,591)	(3,550,291)	(4,013,052)	(12,471,595)	(19,586,665)	(30,800,504)	(87,427,695)
SWAP termination payment	-	-	-	-	-	-	-	-	-	(32,896,000)
Interest expense on other debt-CIF fund	-	-	-	-	-	32,166,870	-	63,291	512,742,812	-
Capital contribution	-	(217,866)	(508,991,349)	911,870	919,608	1,790,774	5,074,087	379,642	83,912	(2,000,000)
Transfer to SPS & Enterprise	59,586,883	31,526,405	25,712,730	8,523,679	8,389,180	26,877,164	26,935,120	26,993,077	27,022,055	27,123,478
Payments from (to) other governments	7,489,870	26,263,784	28,978,075	28,978,075	26,674,318	26,877,164	26,935,120	26,993,077	27,022,055	27,123,478
BAB's Subsidy	-	-	-	-	-	-	-	-	-	-
Arbitrage rebate	-	-	-	-	-	-	-	-	-	-
Other (reimbursement of damaged claims)	2,565,331	(7,346,632)	1,284,373	6,069,273	(16,163,752)	4,179,180	(13,890,635)	9,184,900	1,380,247	31,075,832
Net nonoperating revenues (expenses)	(303,206,739)	(300,745,077)	(84,193,516)	(409,102,546)	(430,822,077)	(376,618,677)	(415,407,008)	(377,402,518)	(65,423,782)	(478,760,910)
Changes in net position	(187,257,418)	(111,145,752)	(63,303,475)	(126,266,053)	(99,596,085)	(2,246,863)	(6,819,288)	93,284,213	547,061,560	150,909,644

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



NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Traffic and Toll Revenue
Last Ten Fiscal Years
(Unaudited)

Year	Annual Revenue Vehicle Transactions (*)	Annual Toll Revenue (*)	Average Toll Rate per Transaction
2009	455,546,197	290,404,547	0.64
2010	481,913,338	366,597,323	0.76
2011	513,454,344	402,569,534	0.78
2012	585,051,845	485,463,608	0.83
2013	610,129,737	525,458,723	0.86
2014	644,669,523	580,045,215	0.90
2015	676,484,779	617,488,044	0.91
2016	703,094,602	665,212,316	0.95
2017	723,247,591	712,551,456	0.99
2018	827,610,415	841,491,016	1.02



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

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Toll Rates
Last Ten Fiscal Years
(Unaudited)

		Years									
Two-axle passenger cars and trucks		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Roadway											
Dallas North Tollway:											
Main Lane Plaza 1	ZipCash	\$1.89	\$1.89	\$2.00	\$2.00	\$2.10	\$2.10	\$2.22	\$2.22	\$2.34	\$2.34
	TollTag	1.26	1.26	1.33	1.33	1.40	1.40	1.48	1.48	1.56	1.56
Main Lane Plaza 2	ZipCash	1.35	1.35	1.43	1.43	1.52	1.52	1.59	1.59	1.68	1.68
	TollTag	0.90	0.90	0.95	0.95	1.01	1.01	1.06	1.06	1.12	1.12
Main Lane Plaza 3	ZipCash	1.20	1.20	1.28	1.28	1.35	1.35	1.43	1.43	1.50	1.50
	TollTag	0.80	0.80	0.85	0.85	0.90	0.90	0.95	0.95	1.00	1.00
Main Lane Plaza 4	ZipCash	2.15	2.12	2.24	2.24	2.37	2.37	2.49	2.49	2.64	2.64
	TollTag	1.41	1.41	1.49	1.49	1.58	1.58	1.66	1.66	1.76	1.76
Addison Airport Toll Tunnel:											
Mainlane Plaza	ZipCash	0.75	0.75	0.80	0.80	0.84	0.84	0.89	0.89	0.95	0.95
	TollTag	0.50	0.50	0.53	0.53	0.56	0.56	0.59	0.59	0.63	0.63
Chisholm Trail Parkway (5):											
Main Lane Plaza 1	ZipCash	-	-	-	-	-	-	-	-	2.15	2.15
	TollTag	-	-	-	-	-	-	-	-	1.43	1.43
Main Lane Plaza 2	ZipCash	-	-	-	-	-	-	-	-	3.48	3.48
	TollTag	-	-	-	-	-	-	-	-	2.32	2.32
Main Lane Plaza 3	ZipCash	-	-	-	-	-	-	-	-	2.60	2.60
	TollTag	-	-	-	-	-	-	-	-	1.73	1.73
President George Bush Turnpike:											
Main Lane Plaza 5 (4)	ZipCash	-	-	2.28	2.28	2.42	2.42	2.55	2.55	2.69	2.69
	TollTag	-	-	1.52	1.52	1.61	1.61	1.70	1.70	1.79	1.79
Main Lane Plaza 6	ZipCash	1.50	1.50	1.58	1.58	1.67	1.67	1.76	1.76	1.86	1.86
	TollTag	1.00	1.00	1.05	1.05	1.11	1.11	1.17	1.17	1.24	1.24
Main Lane Plaza 7	ZipCash	1.62	1.62	1.71	1.71	1.80	1.80	1.91	1.91	2.01	2.01
	TollTag	1.08	1.08	1.14	1.14	1.20	1.20	1.27	1.27	1.34	1.34
Main Lane Plaza 8	ZipCash	1.50	1.50	1.59	1.59	1.68	1.68	1.77	1.77	1.86	1.86
	TollTag	1.00	1.00	1.06	1.06	1.12	1.12	1.18	1.18	1.24	1.24
Main Lane Plaza 9	ZipCash	1.20	1.20	1.26	1.26	1.34	1.34	1.41	1.41	1.49	1.49
	TollTag	0.80	0.80	0.84	0.84	0.89	0.89	0.94	0.94	0.99	0.99
Main Lane Plaza 10	ZipCash	0.69	0.69	0.74	0.74	0.77	0.77	0.81	0.81	0.86	0.86
	TollTag	0.46	0.46	0.49	0.49	0.51	0.51	0.54	0.54	0.57	0.57
Main Lane Plaza 11 (6)	ZipCash	-	-	-	-	-	-	-	-	1.56	1.56
	TollTag	-	-	-	-	-	-	-	-	1.04	1.04
Main Lane Plaza 12 (6)	ZipCash	-	-	-	-	-	-	-	-	1.65	1.65
	TollTag	-	-	-	-	-	-	-	-	1.10	1.10
Mountain Creek Lake Bridge:											
Mainlane Plaza	ZipCash	0.75	0.75	0.80	0.80	0.84	0.84	0.89	0.89	0.95	0.95
	TollTag	0.50	0.50	0.53	0.53	0.56	0.56	0.59	0.59	0.63	0.63
Sam Rayburn Tollway (SRT):											
Main Lane Gantry 1 (3)	ZipCash	0.72	0.72	0.75	0.75	0.80	0.80	0.84	0.84	0.89	0.89
	TollTag	0.48	0.48	0.50	0.50	0.53	0.53	0.56	0.56	0.59	0.59
Main Lane Gantry 2 (3)	ZipCash	1.86	1.86	1.95	1.95	2.07	2.07	2.19	2.19	2.30	2.30
	TollTag	1.24	1.24	1.30	1.30	1.38	1.38	1.46	1.46	1.53	1.53
Main Lane Gantry 3 (1) (3)	ZipCash	2.04	2.57	2.70	2.70	2.87	2.87	3.03	3.03	3.18	3.18
	TollTag	1.36	1.71	1.80	1.80	1.91	1.91	2.02	2.02	2.12	2.12
Lewisville Lake Toll Bridge:											
Mainlane Plaza (2)	ZipCash	1.50	1.50	1.59	1.59	1.68	1.68	1.77	1.77	1.88	1.88
	TollTag	1.00	1.00	1.06	1.06	1.12	1.12	1.18	1.18	1.25	1.25

(1) Main Lane Plaza 3 on SRT opened September 2009
(2) Lewisville Lake Toll Bridge opened August 2009
(3) SRT mainlanes were extended to US 75 in December 2010
(4) PGBT EE mainlanes from SH 78 to IH 30 opened in December 2011
(5) Chisholm Trail Parkway (CTP) joined the System in November 2017
(6) President George Bush Western Extension (PGBT-WE) joined the System in November 2017
Toll rates are 18.01 cents per mile effective July 1, 2017

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Toll Rates
Last Ten Fiscal Years
(Unaudited)

		Years									
Three-axle vehicle and vehicle combination		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Roadway											
Dallas North Tollway:											
Main Lane Plaza 1	ZipCash	\$2.00	\$3.78	\$4.00	\$4.00	\$4.20	\$4.20	\$4.44	\$4.44	\$4.68	\$4.68
	TollTag	1.40	2.52	2.66	2.66	2.80	2.80	2.96	2.96	3.12	3.12
Main Lane Plaza 2	ZipCash	2.00	2.70	2.86	2.86	3.04	3.04	3.18	3.18	3.36	3.36
	TollTag	1.40	1.80	1.90	1.90	2.02	2.02	2.12	2.12	2.24	2.24
Main Lane Plaza 3	ZipCash	2.00	2.40	2.56	2.56	2.70	2.70	2.86	2.86	3.00	3.00
	TollTag	1.40	1.60	1.70	1.70	1.80	1.80	1.90	1.90	2.00	2.00
Main Lane Plaza 4	ZipCash	2.60	4.30	4.48	4.48	4.74	4.74	4.98	4.98	5.28	5.28
	TollTag	2.10	2.82	2.98	2.98	3.16	3.16	3.32	3.32	3.52	3.52
Addison Airport Toll Tunnel:											
Mainlane Plaza	ZipCash	0.50	1.50	1.60	1.60	1.68	1.68	1.78	1.78	1.90	1.90
	TollTag	0.50	1.00	1.06	1.06	1.12	1.12	1.18	1.18	1.26	1.26
Chisholm Trail Parkway (5):											
Main Lane Plaza 1	ZipCash	-	-	-	-	-	-	-	-	4.30	4.30
	TollTag	-	-	-	-	-	-	-	-	2.86	2.86
Main Lane Plaza 2	ZipCash	-	-	-	-	-	-	-	-	6.96	6.96
	TollTag	-	-	-	-	-	-	-	-	4.64	4.64
Main Lane Plaza 3	ZipCash	-	-	-	-	-	-	-	-	5.20	5.20
	TollTag	-	-	-	-	-	-	-	-	3.46	3.46
President George Bush Turnpike:											
Main Lane Plaza 5 (4)	ZipCash	-	-	-	4.56	4.84	4.84	5.10	5.10	5.38	5.38
	TollTag	-	-	-	3.04	3.22	3.22	3.40	3.40	3.58	3.58
Main Lane Plaza 6	ZipCash	2.00	3.00	3.16	3.16	3.34	3.34	3.52	3.52	3.72	3.72
	TollTag	1.40	2.00	2.10	2.10	2.22	2.22	2.34	2.34	2.48	2.48
Main Lane Plaza 7	ZipCash	2.00	3.24	3.42	3.42	3.60	3.60	3.82	3.82	4.02	4.02
	TollTag	1.40	2.16	2.28	2.28	2.40	2.40	2.54	2.54	2.68	2.68
Main Lane Plaza 8	ZipCash	2.00	3.00	3.18	3.18	3.36	3.36	3.54	3.54	3.72	3.72
	TollTag	1.40	2.00	2.12	2.12	2.24	2.24	2.36	2.36	2.48	2.48
Main Lane Plaza 9	ZipCash	2.00	2.40	2.52	2.52	2.68	2.68	2.82	2.82	2.98	2.98
	TollTag	1.40	1.60	1.68	1.68	1.78	1.78	1.88	1.88	1.98	1.98
Main Lane Plaza 10	ZipCash	2.00	1.38	1.48	1.48	1.54	1.54	1.62	1.62	1.72	1.72
	TollTag	1.40	0.92	0.98	0.98	1.02	1.02	1.08	1.08	1.14	1.14
Main Lane Plaza 11 (6)	ZipCash	-	-	-	-	-	-	-	-	3.12	3.12
	TollTag	-	-	-	-	-	-	-	-	2.08	2.08
Main Lane Plaza 12 (6)	ZipCash	-	-	-	-	-	-	-	-	3.30	3.30
	TollTag	-	-	-	-	-	-	-	-	2.20	2.20
Mountain Creek Lake Bridge:											
Mainlane Plaza	ZipCash	0.75	1.50	1.60	1.60	1.68	1.68	1.78	1.78	1.90	1.90
	TollTag	0.75	1.00	1.06	1.06	1.12	1.12	1.18	1.18	1.26	1.26
Sam Rayburn Tollway (SRT):											
Main Lane Gantry 1 (3)	ZipCash	1.30	1.44	1.50	1.50	1.60	1.60	1.68	1.68	1.78	1.78
	TollTag	0.90	0.96	1.00	1.00	1.06	1.06	1.12	1.12	1.18	1.18
Main Lane Gantry 2 (3)	ZipCash	3.42	3.72	3.90	3.90	4.14	4.14	4.38	4.38	4.60	4.60
	TollTag	2.36	2.48	2.60	2.60	2.76	2.76	2.92	2.92	3.06	3.06
Main Lane Gantry 3 (1) (3)	ZipCash	-	4.08	5.40	5.40	5.74	5.74	6.06	6.06	6.36	6.36
	TollTag	-	2.72	3.60	3.60	3.82	3.82	4.04	4.04	4.24	4.24
Lewisville Lake Toll Bridge:											
Mainlane Plaza (2)	ZipCash	-	3.00	3.18	3.18	3.36	3.36	3.54	3.54	3.76	3.76
	TollTag	-	2.00	2.12	2.12	2.24	2.24	2.36	2.36	2.50	2.50

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NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Toll Rates
Last Ten Fiscal Years
(Unaudited)

Four-axle vehicle and vehicle combination Roadway		Years									
		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Dallas North Tollway:											
Main Lane Plaza 1	ZipCash	\$3.00	\$5.67	\$6.00	\$6.00	\$6.30	\$6.30	\$6.66	\$6.66	\$7.02	\$7.02
	TollTag	2.10	3.78	3.78	3.99	4.20	4.20	4.44	4.44	4.68	4.68
Main Lane Plaza 2	ZipCash	3.00	4.05	4.05	4.29	4.56	4.56	4.77	4.77	5.04	5.04
	TollTag	2.10	2.70	2.70	2.85	3.03	3.03	3.18	3.18	3.36	3.36
Main Lane Plaza 3	ZipCash	3.00	3.60	3.60	3.84	4.05	4.05	4.29	4.29	4.50	4.50
	TollTag	2.10	2.40	2.40	2.55	2.70	2.70	2.85	2.85	3.00	3.00
Main Lane Plaza 4	ZipCash	3.90	6.45	6.72	6.72	7.11	7.11	7.47	7.47	7.92	7.92
	TollTag	3.15	4.23	4.23	4.47	4.74	4.74	4.98	4.98	5.28	5.28
Addison Airport Toll Tunnel:											
Mainlane Plaza	ZipCash	0.50	2.25	2.25	2.40	2.52	2.52	2.67	2.67	2.85	2.85
	TollTag	0.50	1.50	1.50	1.59	1.68	1.68	1.77	1.77	1.89	1.89
Chisholm Trail Parkway (5):											
Main Lane Plaza 1	ZipCash	-	-	-	-	-	-	-	-	6.45	6.45
	TollTag	-	-	-	-	-	-	-	-	4.29	4.29
Main Lane Plaza 2	ZipCash	-	-	-	-	-	-	-	-	10.44	10.44
	TollTag	-	-	-	-	-	-	-	-	6.96	6.96
Main Lane Plaza 3	ZipCash	-	-	-	-	-	-	-	-	7.80	7.80
	TollTag	-	-	-	-	-	-	-	-	5.19	5.19
President George Bush Turnpike:											
Main Lane Plaza 5 (4)	ZipCash	-	-	-	6.84	7.26	7.26	7.65	7.65	8.07	8.07
	TollTag	-	-	-	4.56	4.83	4.83	5.10	5.10	5.37	5.37
Main Lane Plaza 6	ZipCash	3.00	4.50	4.50	4.74	5.01	5.01	5.28	5.28	5.58	5.58
	TollTag	2.10	3.00	3.00	3.15	3.33	3.33	3.51	3.51	3.72	3.72
Main Lane Plaza 7	ZipCash	3.00	4.86	4.86	5.13	5.40	5.40	5.73	5.73	6.03	6.03
	TollTag	2.10	3.24	3.24	3.42	3.60	3.60	3.81	3.81	4.02	4.02
Main Lane Plaza 8	ZipCash	3.00	4.50	4.50	4.77	5.04	5.04	5.31	5.31	5.58	5.58
	TollTag	2.10	3.00	3.00	3.18	3.36	3.36	3.54	3.54	3.72	3.72
Main Lane Plaza 9	ZipCash	3.00	3.60	3.60	3.78	4.02	4.02	4.23	4.23	4.47	4.47
	TollTag	2.10	2.40	2.40	2.52	2.67	2.67	2.82	2.82	2.97	2.97
Main Lane Plaza 10	ZipCash	3.00	2.07	2.22	2.22	2.31	2.43	2.43	2.58	2.58	2.58
	TollTag	2.10	1.38	1.47	1.47	1.53	1.53	1.62	1.62	1.71	1.71
Main Lane Plaza 11 (6)	ZipCash	-	-	-	-	-	-	-	-	4.68	4.68
	TollTag	-	-	-	-	-	-	-	-	3.12	3.12
Main Lane Plaza 12 (6)	ZipCash	-	-	-	-	-	-	-	-	4.95	4.95
	TollTag	-	-	-	-	-	-	-	-	3.30	3.30
Mountain Creek Lake Bridge:											
Mainlane Plaza	ZipCash	1.00	2.25	2.25	2.40	2.52	2.52	2.67	2.67	2.85	2.85
	TollTag	1.00	1.50	1.50	1.59	1.68	1.68	1.77	1.77	1.89	1.89
Sam Rayburn Tollway (SRT):											
Main Lane Gantry 1 (3)	ZipCash	1.95	2.16	2.25	2.25	2.40	2.40	2.52	2.52	2.67	2.67
	TollTag	1.35	1.44	1.50	1.50	1.59	1.29	1.68	1.68	1.77	1.77
Main Lane Gantry 2 (3)	ZipCash	5.13	5.58	5.85	5.85	6.21	6.21	6.57	6.57	6.90	6.90
	TollTag	3.54	3.72	3.90	3.90	4.14	4.14	4.38	4.38	4.59	4.59
Main Lane Gantry 3 (1) (3)	ZipCash	-	6.12	8.10	8.10	8.61	8.61	9.09	9.09	9.54	9.54
	TollTag	-	4.08	5.40	5.40	5.73	5.73	6.06	6.06	6.36	6.36
Lewisville Lake Toll Bridge:											
Mainlane Plaza (2)	ZipCash	-	4.50	4.77	4.77	5.04	5.04	5.31	5.31	5.64	5.64
	TollTag	-	3.00	3.18	3.18	3.36	3.36	3.54	3.54	3.75	3.75

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NORTH TEXAS TOLLWAY SYSTEM
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Toll Rates
Last Ten Fiscal Years
(Unaudited)

Five-axle vehicle and vehicle combination Roadway		Years									
		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Dallas North Tollway:											
Main Lane Plaza 1	ZipCash	\$4.00	\$7.56	\$8.00	\$8.00	\$8.40	\$8.40	\$8.88	\$8.88	\$9.36	\$9.36
	TollTag	2.80	5.04	5.04	5.32	5.60	5.60	5.92	5.92	6.24	6.24
Main Lane Plaza 2	ZipCash	4.00	5.40	5.40	5.72	6.08	6.08	6.36	6.36	6.72	6.72
	TollTag	2.80	3.60	3.60	3.80	4.04	4.04	4.24	4.24	4.48	4.48
Main Lane Plaza 3	ZipCash	4.00	4.80	4.80	5.12	5.40	5.40	5.72	5.72	6.00	6.00
	TollTag	2.80	3.20	3.20	3.40	3.60	3.60	3.80	3.80	4.00	4.00
Main Lane Plaza 4	ZipCash	5.20	8.60	8.96	8.96	9.48	9.48	9.96	9.96	10.56	10.56
	TollTag	4.20	5.64	5.96	5.96	6.32	6.32	6.64	6.64	7.04	7.04
Addison Airport Toll Tunnel:											
Mainlane Plaza	ZipCash	0.50	3.00	3.00	3.20	3.36	3.36	3.56	3.56	3.80	3.80
	TollTag	0.50	2.00	2.00	2.12	2.24	2.24	2.36	2.36	2.52	2.52
Chisholm Trail Parkway (5):											
Main Lane Plaza 1	ZipCash	-	-	-	-	-	-	-	-	8.60	8.60
	TollTag	-	-	-	-	-	-	-	-	5.72	5.72
Main Lane Plaza 2	ZipCash	-	-	-	-	-	-	-	-	13.92	13.92
	TollTag	-	-	-	-	-	-	-	-	9.28	9.28
Main Lane Plaza 3	ZipCash	-	-	-	-	-	-	-	-	10.40	10.40
	TollTag	-	-	-	-	-	-	-	-	6.92	6.92
President George Bush Turnpike:											
Main Lane Plaza 5 (4)	ZipCash	-	-	-	9.12	9.68	9.68	10.20	10.20	10.76	10.76
	TollTag	-	-	-	6.08	6.44	6.44	6.80	6.80	7.16	7.16
Main Lane Plaza 6	ZipCash	4.00	6.00	6.00	6.32	6.68	6.68	7.04	7.04	7.44	7.44
	TollTag	2.80	4.00	4.00	4.20	4.44	4.44	4.68	4.68	4.96	4.96
Main Lane Plaza 7	ZipCash	4.00	6.48	6.48	6.84	7.20	7.20	7.64	7.64	8.04	8.04
	TollTag	2.80	4.32	4.32	4.56	4.80	4.80	5.08	5.08	5.36	5.36
Main Lane Plaza 8	ZipCash	4.00	6.00	6.00	6.36	6.72	6.72	7.08	7.08	7.44	7.44
	TollTag	2.80	4.00	4.00	4.24	4.48	4.48	4.72	4.72	4.96	4.96
Main Lane Plaza 9	ZipCash	4.00	4.80	4.80	5.04	5.36	5.36	5.64	5.64	5.96	5.96
	TollTag	2.80	3.20	3.20	3.36	3.56	3.56	3.76	3.76	3.96	3.96
Main Lane Plaza 10	ZipCash	4.00	2.76	2.96	2.96	3.08	3.08	3.24	3.24	3.44	3.44
	TollTag	2.80	1.84	1.96	1.96	2.04	2.04	2.16	2.16	2.28	2.28
Main Lane Plaza 11 (6)	ZipCash	-	-	-	-	-	-	-	-	6.24	6.24
	TollTag	-	-	-	-	-	-	-	-	4.16	4.16
Main Lane Plaza 12 (6)	ZipCash	-	-	-	-	-	-	-	-	6.60	6.60
	TollTag	-	-	-	-	-	-	-	-	4.40	4.40
Mountain Creek Lake Bridge:											
Mainlane Plaza	ZipCash	1.25	3.00	3.00	3.20	3.36	3.36	3.56	3.56	3.80	3.80
	TollTag	1.25	2.00	2.00	2.12	2.24	2.24	2.36	2.36	2.52	2.52
Sam Rayburn Tollway (SRT):											
Main Lane Gantry 1 (3)	ZipCash	2.60	2.88	3.00	3.00	3.20	3.20	3.36	3.36	3.56	3.56
	TollTag	1.80	1.92	2.00	2.00	2.12	2.12	2.24	2.24	2.36	2.36
Main Lane Gantry 2 (3)	ZipCash	6.84	7.44	7.80	7.80	8.28	8.28	8.76	8.76	9.20	9.20
	TollTag	4.72	4.96	5.20	5.20	5.52	5.52	5.84	5.84	6.12	6.12
Main Lane Gantry 3 (1) (3)	ZipCash	-	8.16	10.80	10.80	11.48	11.48	12.12	12.12	12.72	12.72
	TollTag	-	5.44	7.20	7.20	7.64	7.64	8.08	8.08	8.48	8.48
Lewisville Lake Toll Bridge:											
Mainlane Plaza (2)	ZipCash	-	6.00	6.36	6.36	6.72	6.72	7.08	7.08	7.52	7.52
	TollTag	-	4.00	4.24	4.24	4.48	4.48	4.72	4.72	5.00	5.00

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Six or more-axle vehicle and vehicle combination	Roadway		Years									
			2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Dallas North Tollway:												
Main Lane Plaza 1	ZipCash	\$5.00	\$9.45	\$10.00	\$10.00	\$10.50	\$10.50	\$11.10	\$11.10	\$11.70	\$11.70	
	TollTag	3.50	6.30	6.30	6.65	7.00	7.00	7.40	7.40	7.80	7.80	
Main Lane Plaza 2	ZipCash	5.00	6.75	6.75	7.15	7.60	7.60	7.95	7.95	8.40	8.40	
	TollTag	3.50	4.50	4.50	4.75	5.05	5.05	5.30	5.30	5.60	5.60	
Main Lane Plaza 3	ZipCash	5.00	6.00	6.00	6.40	6.75	6.75	7.15	7.15	7.50	7.50	
	TollTag	3.50	4.00	4.00	4.25	4.50	4.50	4.75	4.75	5.00	5.00	
Main Lane Plaza 4	ZipCash	6.50	10.75	11.20	11.20	11.85	11.85	12.45	12.45	13.20	13.20	
	TollTag	5.25	7.05	7.05	7.45	7.90	8.20	8.80	8.80	8.80	8.80	
Addison Airport Toll Tunnel:												
Mainlane Plaza	ZipCash	0.50	3.75	3.75	4.00	4.20	4.20	4.45	4.45	4.75	4.75	
	TollTag	0.50	2.50	2.50	2.65	2.80	2.80	2.95	2.95	3.15	3.15	
Chisholm Trail Parkway (5):												
Main Lane Plaza 1	ZipCash	-	-	-	-	-	-	-	-	10.75	10.75	
	TollTag	-	-	-	-	-	-	-	-	7.15	7.15	
Main Lane Plaza 2	ZipCash	-	-	-	-	-	-	-	-	17.40	17.40	
	TollTag	-	-	-	-	-	-	-	-	11.60	11.60	
Main Lane Plaza 3	ZipCash	-	-	-	-	-	-	-	-	13.00	13.00	
	TollTag	-	-	-	-	-	-	-	-	8.65	8.65	
President George Bush Turnpike:												
Main Lane Plaza 5 (4)	ZipCash	-	-	-	11.40	12.10	12.10	12.75	12.75	13.45	13.45	
	TollTag	-	-	-	7.60	8.05	8.05	8.50	8.50	8.95	8.95	
Main Lane Plaza 6	ZipCash	5.00	7.50	7.50	7.90	8.35	8.35	8.80	8.80	9.30	9.30	
	TollTag	3.50	5.00	5.00	5.25	5.55	5.55	5.85	5.85	6.20	6.20	
Main Lane Plaza 7	ZipCash	5.00	8.10	8.10	8.55	9.00	9.00	9.55	9.55	10.05	10.05	
	TollTag	3.50	5.40	5.40	5.70	6.00	6.00	6.35	6.35	6.70	6.70	
Main Lane Plaza 8	ZipCash	5.00	7.50	7.50	7.95	8.40	8.40	8.85	8.85	9.30	9.30	
	TollTag	3.50	5.00	5.00	5.30	5.60	5.60	5.90	5.90	6.20	6.20	
Main Lane Plaza 9	ZipCash	5.00	6.00	6.00	6.30	6.70	6.70	7.05	7.05	7.45	7.45	
	TollTag	3.50	4.00	4.00	4.20	4.45	4.45	4.70	4.70	4.95	4.95	
Main Lane Plaza 10	ZipCash	5.00	3.45	3.70	3.70	3.85	3.85	4.05	4.05	4.30	4.30	
	TollTag	3.50	2.30	2.45	2.45	2.55	2.55	2.70	2.70	2.85	2.85	
Main Lane Plaza 11 (6)	ZipCash	-	-	-	-	-	-	-	-	7.80	7.80	
	TollTag	-	-	-	-	-	-	-	-	5.20	5.20	
Main Lane Plaza 12 (6)	ZipCash	-	-	-	-	-	-	-	-	8.25	8.25	
	TollTag	-	-	-	-	-	-	-	-	5.50	5.50	
Mountain Creek Lake Bridge:												
Mainlane Plaza	ZipCash	1.50	3.75	3.75	4.00	4.20	4.20	4.45	4.45	4.75	4.75	
	TollTag	1.50	2.50	2.50	2.65	2.80	2.80	2.95	2.95	3.15	3.15	
Sam Rayburn Tollway (SRT):												
Main Lane Gantry 1 (3)	ZipCash	3.25	3.60	3.75	3.75	4.00	4.00	4.20	4.20	4.45	4.45	
	TollTag	2.25	2.40	2.50	2.50	2.65	2.65	2.80	2.80	2.95	2.95	
Main Lane Gantry 2 (3)	ZipCash	8.55	9.30	9.75	9.75	10.35	10.35	10.95	10.95	11.50	11.50	
	TollTag	5.90	6.20	6.50	6.50	6.90	6.90	7.30	7.30	7.65	7.65	
Main Lane Gantry 3 (1) (3)	ZipCash	-	10.20	13.50	13.50	14.35	14.35	15.15	15.15	15.90	15.90	
	TollTag	-	6.80	9.00	9.00	9.55	9.55	10.10	10.10	10.60	10.60	
Lewisville Lake Toll Bridge:												
Mainlane Plaza (2)	ZipCash	-	7.50	7.95	7.95	8.40	8.40	8.85	8.85	9.40	9.40	
	TollTag	-	5.00	5.30	5.30	5.60	5.60	5.90	5.90	6.25	6.25	

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NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Ratio of Outstanding Debt by Type
Business-Type Activities
Last Ten Fiscal Years
(Unaudited)

Year	Revenue Bonds	Bond Anticipation Notes	Commercial Paper Payable	Texas Department of Transportation ISTEALoan	Texas Department of Transportation Loan Payable	Total Debt Amount	Total Revenue Vehicle Toll Transactions(1)	Debt Per Transactions	Debt Per Capita(2)
2009	\$ 7,122,390,015	-	\$ 5,200,000	\$ 146,609,022	\$ 4,600,000	\$ 7,278,799,037	455,546,197	\$15.98	\$ 1,283
2010	7,543,021,558	-	119,200,000	142,857,298	-	7,805,078,856	481,913,338	16.20	1,392
2011	7,555,401,914	-	56,300,000	140,607,304	-	7,752,309,218	513,454,344	15.10	1,371
2012	7,556,400,009	-	38,300,000	138,262,812	-	7,732,962,821	585,051,845	13.22	1,353
2013	7,588,629,243	-	-	136,069,850	-	7,724,699,093	610,129,737	12.66	1,322
2014	7,648,188,182	-	-	133,784,783	-	7,781,972,965	644,669,523	12.07	1,301
2015	7,708,916,451	-	-	131,403,745	-	7,840,320,196	676,484,779	11.59	1,286
2016	7,638,205,794	-	-	128,922,702	-	7,767,128,496	703,094,602	11.05	1,244
2017	9,407,717,891	-	-	125,337,455	-	9,533,055,346	723,247,591	13.18	1,490
2018	9,375,266,340	-	-	120,101,628	-	9,495,367,968	827,610,415	11.47	1,465

Note----Details on the System's outstanding debt can be found in the notes to the financial statements.
(1) See Traffic and Toll Revenue Table on page 66.
(2) See Demographic Data Table on page 76.

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Ratio of Revenue-backed Debt Outstanding
Business-Type Activities
Last Ten Fiscal Years
(Unaudited)

Year	Revenue Bonds	Bond Anticipation Notes	Less: amounts Available in Bond Redemption Account	Commercial Paper Notes Payable	Texas Department of Transportation ISTEAL Loan	Total Debt Amount	Annual Toll Revenues(1)	Debt Per Annual Toll Revenue	Debt Per Capita(2)
2009	\$7,122,390,015	\$ -	(32,170,000)	\$5,200,000	\$146,609,022	\$7,242,029,037	\$290,404,547	\$25	\$1,277
2010	7,543,021,558	-	(29,685,000)	119,200,000	142,857,298	7,775,393,856	366,597,323	21	1,387
2011	7,555,401,914	-	(27,980,000)	56,300,000	140,607,304	7,724,329,218	402,569,534	19	1,366
2012	7,556,400,009	-	(16,605,000)	38,300,000	138,262,812	7,716,357,821	485,463,608	16	1,351
2013	7,588,629,243	-	-	-	136,069,850	7,724,699,093	525,458,723	15	1,322
2014	7,648,188,182	-	-	-	133,784,783	7,781,972,965	580,045,215	13	1,301
2015	7,708,916,451	-	-	-	131,403,745	7,840,320,196	617,488,044	13	1,286
2016	7,638,205,794	-	-	-	128,922,702	7,767,128,496	665,212,316	12	1,244
2017	9,407,717,891	-	-	-	125,337,455	9,533,055,346	712,551,456	13	1,490
2018	9,375,266,340	-	-	-	120,101,628	9,495,367,968	841,491,016	11	1,465

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

(1) See Traffic and Toll Revenue Table on page 66.

(2) See Demographic Data Table on page 76.

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Schedule of Pro Forma Debt Service Requirements
For the years 2018-2048
(Unaudited)

FYE (12/31)	Outstanding First Tier Net Debt Service	Outstanding Second Tier Net Debt Service	Outstanding ISTEAL Loan Debt Service	Outstanding Subordinate Lien Debt Service	Total Net Debt Service
2018	\$ 429,100,005	\$ 80,107,550	\$ 10,500,000	\$ 24,041,642	\$ 543,749,197
2019	398,654,868	117,748,967	12,250,000	46,403,449	575,057,284
2020	423,559,417	129,470,713	15,322,396	38,872,936	607,225,462
2021	448,564,667	135,177,463	15,322,396	32,922,624	631,987,150
2022	442,515,067	185,348,963	15,322,396	8,639,817	651,826,243
2023	455,271,317	189,442,313	15,322,396	8,637,656	668,673,682
2024	457,566,067	199,026,813	15,322,396	8,641,854	680,557,130
2025	488,364,067	168,223,313	15,322,396	8,645,997	680,555,773
2026	494,125,567	162,462,063	15,322,396	8,643,957	680,553,983
2027	490,335,067	166,251,063	15,322,396	8,644,885	680,553,411
2028	502,512,005	154,068,563	15,322,396	8,647,370	680,550,334
2029	477,523,755	208,475,313	-	-	685,999,068
2030	413,624,005	272,372,919	-	-	685,996,924
2031	409,778,805	276,220,063	-	-	685,998,868
2032	452,335,155	233,664,313	-	-	685,999,468
2033	467,391,305	218,604,813	-	-	685,996,118
2034	531,091,255	154,904,613	-	-	685,995,868
2035	554,713,455	131,285,563	-	-	685,999,018
2036	580,560,705	105,438,663	-	-	685,999,368
2037	630,471,855	55,525,870	-	-	685,997,725
2038	489,726,055	53,272,063	-	-	542,998,118
2039	490,663,205	52,336,313	-	-	542,999,518
2040	492,586,396	50,410,313	-	-	542,996,709
2041	494,624,129	48,372,563	-	-	542,996,692
2042	498,845,669	44,150,063	-	-	542,995,732
2043	207,891,708	32,163,813	-	-	240,055,521
2044	184,690,480	59,889,313	-	-	244,579,793
2045	142,624,790	101,968,063	-	-	244,592,853
2046	8,290,025	98,196,563	-	-	106,486,588
2047	-	99,192,063	-	-	99,192,063
2048	-	76,945,473	-	-	76,945,473
	\$ 12,558,000,866	\$ 4,060,716,503	\$ 160,651,564	\$ 202,742,188	\$ 16,982,111,120

Note: The table above includes the series 2019 Refunding

(1) Excludes any payments to be made into the Reserve Maintenance Fund ("RMF") under the Trust Agreement. Payments made into the RMF are made after debt service on the First, Second, and Third Tier Bonds but prior to debt service on the ISTEAL Loan and the Subordinate Lien Bonds.

(2) For all Bonds other than the Subordinate Lien Bonds, Fiscal Year debt service includes debt service on the following January 1 (i.e. Fiscal Year 2018 includes debt service on January 1, 2019). With respect to the Subordinate Lien Bonds, Fiscal Year debt service in each year includes the required deposit to the CIF Bond Payment Account on January 1 of the following year for the Subordinate Lien Bonds debt service due on August 1 of that year and February 1 of the next succeeding year (e.g. Fiscal Year 2018 includes debt service on August 1, 2019, and February 1, 2020).

(3) Net of direct federal subsidy related to the Series 2009B Bonds issued as Build America Bonds. The federal subsidy for each year through final maturity is assumed to be reduced by 6.2% due to automatic federal deficit reduction spending cuts known as "sequestration" which took effect on March 1, 2013. Sequestration affects certain federally funded programs, including the federal subsidy payable to NTTA with respect to the Series 2009B Bonds. It is assumed that this reduction in Federal Subsidy Payments continues at the same rate through the final maturity.

(4) Assumes the Series 2014C Bonds bear interest at 2.50% through their date of redemption

(5) Excludes debt service on the Series 2005C Refunded Bonds, the Series 2009A Refunded Bonds, the Series 2009C Refunded Bonds and the Series 2014C Refunded Bonds after the date of redemption

(6) Debt Service in Fiscal Years 2046-2051 is net of cash balance in the First Tier Debt Service Reserve Fund which is required by the terms of the Trust Agreement to be used to retire the last maturities of the outstanding bonds.

(7) Debt service in Fiscal Year 2030 is net of cash balance in the 2014 Second Tier Debt Service Reserve Subaccount that is required by the terms of the Trust Agreement to be used to retire the last maturities of the Series 2014B Bonds. Debt service in Fiscal Year 2037 is net of cash balance in the 2015 Second Tier Debt Service Reserve Subaccount that is permitted by the terms of the Trust Agreement to be used to retire the last maturities of the Series 2015A Bonds.

(8) Debt service in Fiscal Year 2048-2049 is net of cash balance in the Shared Second Tier Reserve Fund that is required by the terms of the Trust Agreement to be used to retire the last maturities of the outstanding Series 2017B Bonds and the Bonds.

(9) Net of direct federal subsidy related to the Series 2010B Subordinate Lien Bonds issued as Build America Bonds. The Federal Subsidy Payment is reduced by 6.2% due to automatic federal deficit reduction spending cuts known as "sequestration" which took effect on March 1, 2013. Sequestration affects certain federally funded programs, including the Federal Subsidy Payments payable to NTTA with respect to the Series 2010B Subordinate Lien Bonds. It is assumed that this reduction in Federal Subsidy Payments continues at the same rate through the final maturity.

(10) Excludes debt service on the Subseries 2010B-2 Refunded Bonds

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Schedule of Estimated Toll Revenues, Expenses, Other Income and Estimated Debt Service Coverage Ratio
For the years 2018-2051
(Unaudited)

FYE (12/31) ⁽¹⁾	Estimated Toll Revenues ⁽²⁾	Estimated Other Revenues ⁽³⁾	Estimated Expenses ⁽⁴⁾	Estimated Net Revenue	Estimated Deposit to RMF ⁽⁵⁾	Estimated Debt Service on all Debt	Estimated Coverage on 1st Tier Debt	Estimated Coverage on 1st & 2nd Tier Debt	Estimated Coverage on all Debt and RMF Deposits
2018	\$ 841,491,016	\$ 67,692,655	\$ 165,549,909	\$ 743,633,762	\$ 22,311,612	\$ 543,749,197	1.73x	1.46x	1.31x
2019	886,775,000	60,986,630	190,230,000	757,531,630	38,053,253	575,057,284	1.90x	1.47x	1.24x
2020	925,052,800	63,323,098	195,936,900	792,438,998	53,311,498	607,225,462	1.87x	1.43x	1.20x
2021	971,161,200	64,894,310	201,815,007	834,240,503	45,097,017	631,987,150	1.86x	1.43x	1.23x
2022	1,027,216,300	67,468,039	207,869,457	886,814,882	40,819,742	651,826,243	2.00x	1.41x	1.28x
2023	1,078,521,700	69,534,842	214,105,541	933,951,001	50,221,303	668,673,682	2.05x	1.45x	1.30x
2024	1,130,572,800	72,055,800	220,528,707	982,099,893	61,445,305	680,557,130	2.15x	1.50x	1.32x
2025	1,184,828,000	74,045,870	227,144,568	1,031,729,302	51,910,494	680,555,773	2.11x	1.57x	1.41x
2026	1,243,694,600	76,823,685	233,958,905	1,086,559,380	28,869,855	680,553,983	2.20x	1.65x	1.53x
2027	1,299,687,500	79,001,994	240,977,673	1,137,711,821	159,161,694	680,553,411	2.32x	1.73x	1.35x
2028	1,363,044,000	82,000,112	248,207,003	1,196,837,109	124,125,175	680,550,334	2.38x	1.82x	1.49x
2029	1,429,968,700	84,424,979	255,653,213	1,258,740,466	161,068,698	685,999,068	2.64x	1.83x	1.49x
2030	1,500,651,200	87,870,612	263,322,809	1,325,199,003	118,685,387	685,996,924	3.20x	1.93x	1.65x
2031	1,575,053,100	90,657,513	271,222,494	1,394,488,119	134,126,971	685,998,868	3.40x	2.03x	1.70x
2032	1,645,209,100	94,225,722	279,359,168	1,460,075,654	217,851,750	685,999,468	3.23x	2.13x	1.62x
2033	1,717,916,700	96,913,201	287,739,943	1,527,089,958	52,015,614	685,996,118	3.27x	2.23x	2.07x
2034	1,794,102,200	100,638,232	296,372,142	1,598,368,290	331,480,114	685,995,868	3.01x	2.33x	1.57x
2035	1,874,192,100	103,609,322	305,263,306	1,672,538,116	156,944,776	685,999,018	3.02x	2.44x	1.98x
2036	1,958,415,900	107,782,709	314,421,205	1,751,777,404	244,838,620	685,999,368	3.02x	2.55x	1.88x
2037	2,044,559,100	110,979,754	323,853,841	1,831,685,013	153,094,644	685,997,725	2.91x	2.67x	2.18x
2038	2,128,226,800	115,305,962	333,569,456	1,909,963,306	74,459,871	542,998,118	3.90x	3.52x	3.09x
2039	2,215,402,400	118,637,912	343,576,540	1,990,463,772	280,982,509	542,999,518	4.06x	3.67x	2.42x
2040	2,305,985,600	123,161,048	353,883,836	2,075,262,812	83,055,276	542,996,709	4.21x	3.82x	3.31x
2041	2,398,908,700	126,698,369	364,500,351	2,161,106,718	400,311,707	542,996,692	4.37x	3.98x	2.29x
2042	2,495,772,000	131,552,946	375,435,362	2,251,889,584	131,243,692	542,995,732	4.51x	4.15x	3.34x
2043	2,598,695,200	135,397,907	386,698,423	2,347,394,684	336,505,015	240,055,521	11.29x	9.78x	4.07x
2044	2,706,563,600	140,846,309	398,299,376	2,449,110,533	194,854,664	244,579,793	13.26x	10.01x	5.57x
2045	2,816,551,900	144,921,100	410,248,357	2,551,224,643	155,756,994	244,592,853	17.89x	10.43x	6.37x
2046	2,924,696,100	149,434,082	422,555,808	2,651,574,374	387,953,657	106,486,588	319.85x	24.90x	5.36x
2047	3,037,191,800	152,604,872	435,232,482	2,754,564,190	117,510,098	99,192,063		27.77x	12.71x
2048	3,153,992,700	157,387,402	448,289,456	2,863,090,646	481,353,695	76,945,473		37.21x	5.13x
2049	3,274,336,100	160,665,453	461,738,140	2,973,263,413	144,337,042	-			20.60x
2050	3,399,774,900	165,868,587	475,590,284	3,090,053,203	323,441,196	-			9.55x
2051	3,524,072,000	169,336,085	489,857,993	3,203,550,092	245,467,587	-			13.05x
Total	\$ 66,476,860,400	\$ 3,638,853,491	\$ 10,643,007,655	\$ 59,457,126,144	\$ 5,602,666,525	\$ 16,982,111,133			

⁽¹⁾ For all Bonds other than the Subordinate Lien Bonds, Fiscal Year debt service includes debt service on the following January 1 (i.e. Fiscal Year 2018 includes debt service on January 1, 2019). With respect to the Subordinate Lien Bonds, Fiscal Year debt service in each year for purposes of the table is assumed to be the required deposit to the CIF Bond Payment Account on January 1 of the following year for the Subordinate Lien Bonds debt service due on August 1 of that year and February 1 of the next succeeding year (e.g. Fiscal Year 2018 includes debt service on August 1, 2019, and February 1, 2020).

⁽²⁾ Estimated toll revenues are provided by CDM Smith, the Traffic Engineers for the NTTA System. Estimated revenues are projected at levels to be actually collected in each year (i.e. cash basis). Historical toll revenues and historical debt service coverage are reported by the Authority on accrual based revenues as recognized under Generally Accepted Accounting Principles.

⁽³⁾ Estimated other revenues are provided by NTTA and include interest earnings, video tolling administrative fees and other charges.

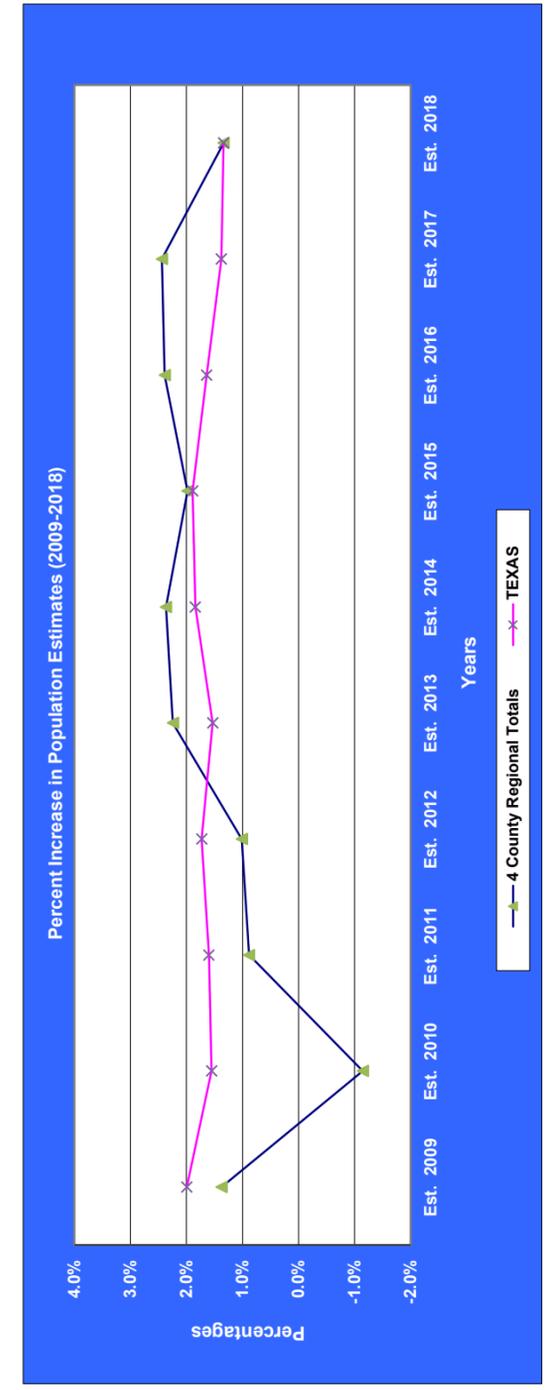
⁽⁴⁾ Estimated expenses are net of inter-fund transfers and are provided by Atkins North America, the Consulting Engineers for the NTTA System.

⁽⁵⁾ Deposits to the RMF are estimated by NTTA based on the current cash balance in the RMF and expenses to be paid out of the RMF are estimated by Atkins North America, the Consulting Engineers for the NTTA System.

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Demographic Data-Combined Four County Region and State of Texas Population Estimated Data
For Years 2009-2018
(Unaudited)

Fiscal Year	COLLIN	DALLAS	DENTON	TARRANT	Regional Totals	Est. Four County Regional Totals	Estimated Texas Totals	Four County Texas Percentage Change (From Prior Years)
Est. 2009	764,500	2,471,000	628,300	1,807,750	5,671,550	5,671,550	24,857,000	1.37%
Est. 2010	791,631	2,368,139	637,750	1,809,034	5,606,554	5,606,554	25,242,679	-1.15%
Est. 2011	801,740	2,373,870	662,614	1,817,840	5,656,064	5,656,064	25,646,227	0.88%
Est. 2012	813,133	2,385,990	683,010	1,831,230	5,713,363	5,713,363	26,089,620	1.01%
Est. 2013	834,642	2,453,843	694,050	1,858,921	5,841,456	5,841,456	26,489,464	2.24%
Est. 2014	854,778	2,480,331	713,200	1,931,335	5,979,644	5,979,644	26,977,142	2.37%
Est. 2015	885,241	2,518,638	734,940	1,959,449	6,098,268	6,098,268	27,486,814	1.98%
Est. 2016	914,127	2,553,385	784,840	1,991,639	6,243,991	6,243,991	27,937,492	2.39%
Est. 2017	939,585	2,618,148	814,560	2,023,985	6,396,278	6,396,278	28,322,717	2.44%
Est. 2018	969,603	2,618,148	(a)	2,057,926	6,481,887	6,481,887	28,701,845	1.34%
Increase Total from Year 2009 to Year 2018	205,103	147,148	207,910	250,176	810,337	810,337	3,844,845	

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

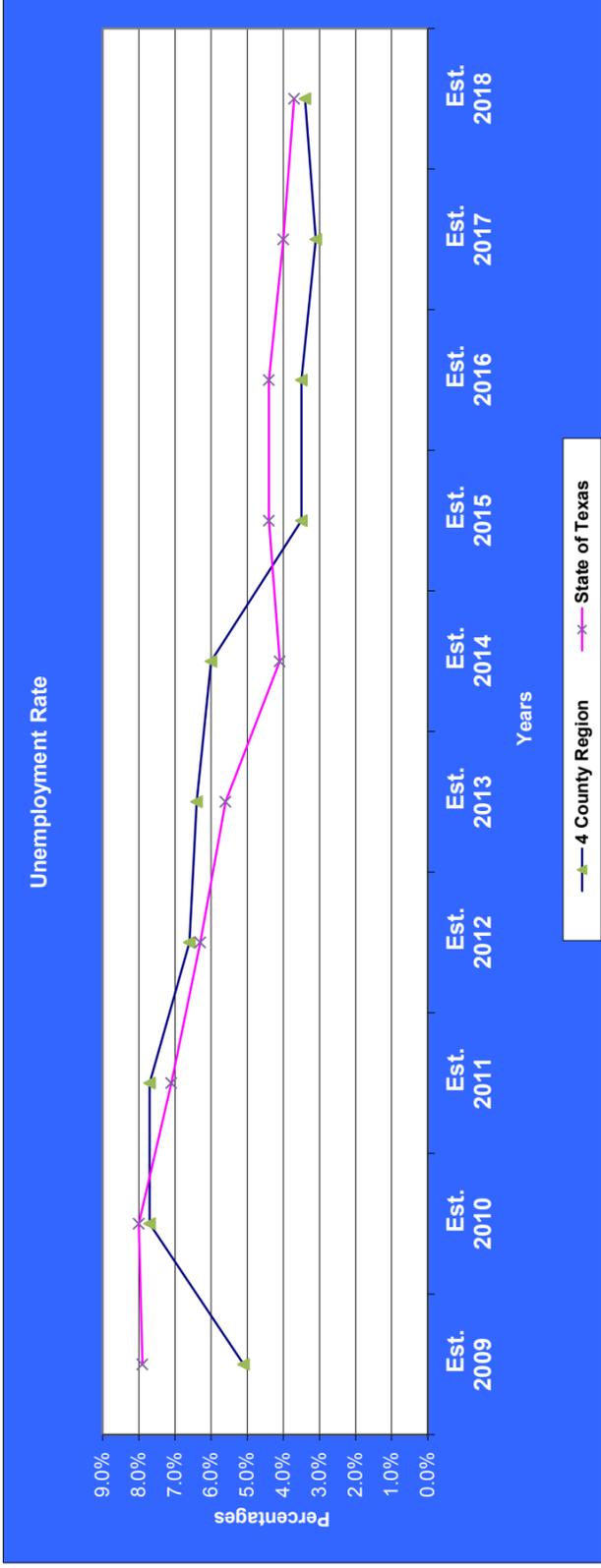


(a) 2018 US Census Bureau population estimate not available, 2017 US Census Bureau population used. (<http://quickfacts.census.gov>)

NORTH TEXAS TOLLWAY SYSTEM
 (An Enterprise Fund of the North Texas Tollway Authority)
 Demographic Data-Combined Four County Region and State of Texas Employment Status Estimates
 For Years 2009-2018
 (Unaudited)

Year	COLLIN	DALLAS	DENTON	TARRANT	Combined Four County Regional		Texas	Unemployment Rate
					Estimated Totals	Estimated Totals		
Est. 2009	285,900	1,415,000	172,600	743,500	2,617,000	10,204,500	7.9%	
Est. 2010	390,106	1,063,304	330,122	833,527	2,617,059	10,204,500	8.0%	
Est. 2011	397,033	1,082,185	335,984	845,263	2,660,465	10,204,500	7.1%	
Est. 2012	413,783	1,102,322	356,467	883,503	2,756,075	11,742,600	6.3%	
Est. 2013	330,300	1,509,000	195,500	812,600	2,847,400	11,091,900	5.6%	
Est. 2014	346,400	1,558,500	205,800	825,600	2,936,300	11,433,600	4.1%	
Est. 2015	366,900	1,616,800	221,400	844,900	3,050,000	11,681,000	4.4%	
Est. 2016	381,500	1,662,300	228,800	860,400	3,133,000	11,830,700	4.4%	
Est. 2017	398,000	1,691,100	239,600	877,800	3,206,500	12,008,941	4.0%	
Est. 2018	416,100	1,711,900	246,500	900,500	3,275,000	12,326,967	3.7%	
Increase Total from Year 2009 to Year 2018	130,200	296,900	73,900	157,000	658,000	2,122,467		

Source: U.S. Bureau of Labor Statistics

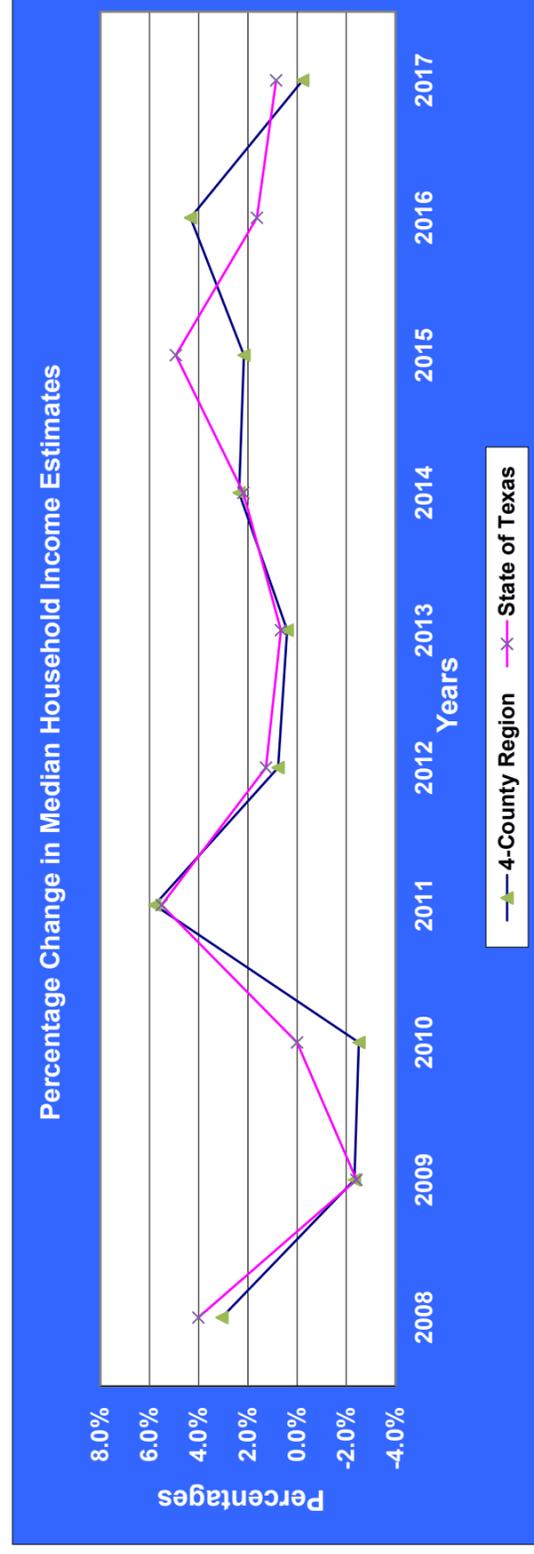


(c o n t i n u e d)

NORTH TEXAS TOLLWAY SYSTEM
 (An Enterprise Fund of the North Texas Tollway Authority)
 Demographic Data - Combined Four County Region and State of Texas Median Household Income Estimates
 For Years 2008 - 2017
 (Unaudited)

Year	COLLIN	DALLAS	DENTON	TARRANT	Regional Totals		Percentage Change from Prior Years	
					Estimated Avg Median Income	Estimated Avg Median Income	Four County	Texas
2008	81,395	47,085	73,544	56,251	64,569	49,453	49,453	4.01%
2009	80,545	47,059	70,002	54,647	63,063	48,259	48,259	-2.41%
2010	77,862	46,909	68,671	52,482	61,481	48,259	48,259	0.00%
2011	82,758	48,942	72,305	56,178	65,046	50,920	50,920	5.51%
2012	83,238	49,159	72,939	56,859	65,549	51,563	51,563	1.26%
2013	82,762	49,481	74,155	56,853	65,813	51,900	51,900	0.65%
2014	86,634	50,118	74,569	58,127	67,362	53,035	53,035	2.19%
2015	86,823	51,824	75,898	60,735	68,820	55,653	55,653	4.94%
2016	90,382	54,429	80,841	61,553	71,801	56,565	56,565	1.64%
2017	90,124	53,626	80,290	62,532	71,643	57,051	57,051	0.86%
Averaged Yearly Totals	\$84,252	\$49,863	\$74,321	\$57,622	\$66,515	\$52,266	\$52,266	

Source: U.S. Census Bureau



(c o n c l u d e d)

NORTH TEXAS TOLLWAY SYSTEM
 (An Enterprise Fund of the North Texas Tollway Authority)
 North Texas Four County Region's Top Ten Employers
 (Unaudited)

2018			
COLLIN COUNTY TOP TEN EMPLOYERS			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT	INDUSTRY
BANK OF AMERICA HOME LOANS	10,347	2.03%	FINANCIAL SERVICES
HP ENTERPRISE SVC LLC	10,000	1.96%	PROF/TECH
STATE FARM INSURANCE CORPORATE OFFICE	8,700	1.71%	INSURANCE
JP MORGAN & CHASE CO.	6,000	1.18%	FINANCIAL SERVICES
LIBERTY MUTUAL INSURANCE	4,100	0.80%	INSURANCE
TOYOTA OF AMERICA	4,000	0.79%	AUTOMOTIVE
JC PENNY CORPORATE OFFICE	3,800	0.75%	RETAIL
CAPITAL ONE	3,683	0.72%	FINANCIAL SERVICES
UNIVERSITY OF TEXAS AT DALLAS	3,500	0.69%	EDUCATION
RAYTHEON	3,200	0.63%	MANUFACTURING
Total	57,330	11.26%	
DALLAS COUNTY TOP TEN EMPLOYERS			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL COUNTY 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 COUNTY EMPLOYMENT	INDUSTRY
UNIVERSITY OF NORTH TEXAS	8,738	1.99%	EDUCATION
LEWISVILLE INDEPENDENT SCHOOL DISTRICT	6,325	1.44%	EDUCATION
WALMART (DISTRIBUTION CENTER & STORES)	3,900	0.89%	RETAIL
DENTON ISD	3,800	0.87%	EDUCATION
CENTEX HOME EQUITY	2,600	0.59%	FINANCIAL SERVICES
FRITO LAY CO	2,500	0.57%	MANUFACTURING
AMRCORP./AMERICAN AIRLINES	2,154	0.49%	AIRLINE
PETERBILT MOTORS	2,100	0.48%	AUTOMOTIVE
NORTHWEST ISD	2,050	0.47%	EDUCATION
DENTON STATE SCHOOL	1,700	0.39%	EDUCATION
Total	35,867	8.1700%	
TARRANT COUNTY TOP TEN EMPLOYERS			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT	INDUSTRY
AMRCORP./AMERICAN AIRLINES	31,000	3.04%	AIRLINE
TEXAS HEALTH RESOURCES	24,000	2.35%	HEALTH CARE PROVIDER
LOCKHEED MARTIN AERONAUTICS COMPANY	15,200	1.49%	MANUFACTURING
FORT WORTH INDEPENDENT SCHOOL DISTRICT	12,000	1.18%	EDUCATION
NAS- FORT WORTH JOINT RESERVE BASE	10,000	0.98%	MILITARY
ARLINGTON INDEPENDENT SCHOOL DISTRICT	8,500	0.83%	EDUCATION
UNIVERSITY OF TEXAS AT ARLINGTON	7,558	0.74%	EDUCATION
COOK'S CHILDREN HEALTH CARE SYSTEM	6,694	0.66%	HEALTH CARE PROVIDER
JPS HEALTH NETWORK	6,500	0.64%	HEALTH CARE PROVIDER
CITY OF FORTH WORTH	6,161	0.60%	MUNICIPALITY
Total	127,613	12.51%	

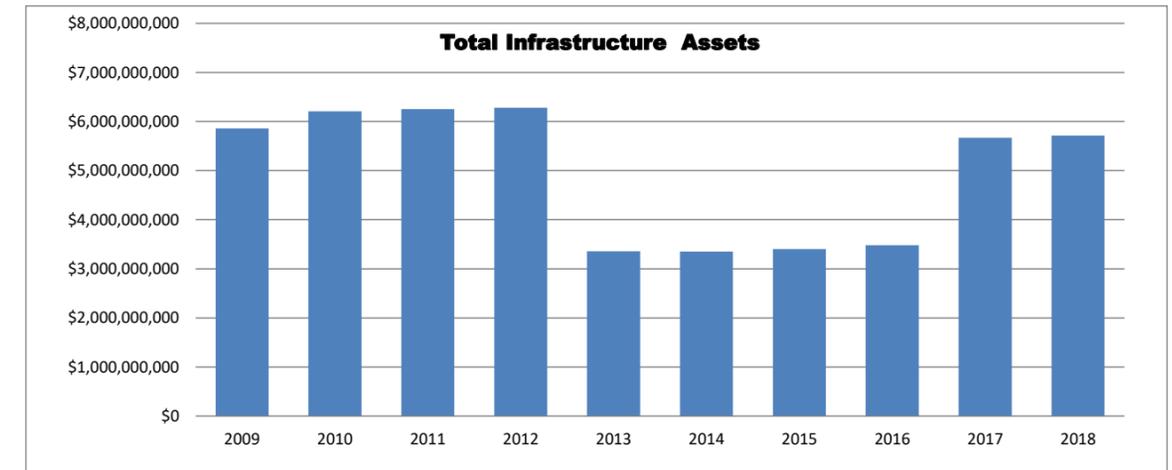
Source: Local Counties CAFR's (Collin, Dallas, Denton and Tarrant)

NORTH TEXAS TOLLWAY SYSTEM
 (An Enterprise Fund of the North Texas Tollway Authority)
 Contribution to Infrastructure Assets
 Last Ten Fiscal Years
 (Unaudited)

Year	Beginning Balance	Additions	Deletions/Depreciation	Adjustments	Ending Balance
2009	5,501,488,622	3,558,138,403 (1)	(3,197,211,448) (1)	-	5,862,415,577
2010	5,862,415,577	344,755,250	(234,076)	-	6,206,936,751
2011	6,206,936,751	108,559,116	(62,875,322)	-	6,252,620,545
2012	6,252,620,545	98,294,093	(69,521,816)	-	6,281,392,822
2013	6,281,392,822	25,112,483	(2,949,815,326) (2)	-	3,356,689,979
2014	3,356,689,979	11,585,674	(6,159,420)	(8,597,539)	3,353,518,694
2015	3,353,518,694 *	53,581,166	(6,889,660)	136,897	3,400,347,097
2016	3,400,347,097 *	89,901,489	(8,903,986)	(394,739)	3,480,949,861
2017	3,480,949,861 *	132,744,330	(20,559,186)	2,078,500,474 (3)	5,671,635,479
2018	5,671,635,479 *	58,751,927	(16,987,728)	854,827	5,714,254,505

* does not include intangible assets and amortization of intangible assets

- (1) Includes reclass from CIP to Roadway due to the completion of Sam Rayburn Tollway
- (2) Includes reclass of Sam Rayburn Tollway to an intangible asset
- (3) Includes transfer of assets from Special Projects System to NTTA System



NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Toll Collection Variance
Last Eight Fiscal Years
(Unaudited)

	Calendar Year 2011	Calendar Year 2012	Calendar Year 2013	Calendar Year 2014	Calendar Year 2015	Calendar Year 2016	Calendar Year 2017	Calendar Year 2018
Value of invoiced ZipCash transactions uncollected	\$ 44,675,438	\$ 80,413,340	\$ 81,701,089	\$ 81,508,283	\$ 102,767,093	\$ 113,455,688	\$ 112,820,414	\$ 115,432,293
Value of uninvoiced ZipCash transactions	38,069,555	52,451,196	61,518,201	80,989,673	81,035,240	71,002,940	67,811,698	70,619,752
Total	\$ 82,744,993	\$ 132,864,536	\$ 143,219,290	\$ 162,497,956	\$ 183,802,333	\$ 184,458,628	\$ 180,632,111	\$ 186,052,045
	+	+	+	+	+	+	+	+
Value of all AVI and ZipCash transactions adjusted for Vtoll transactions	\$ 493,585,247	\$ 591,226,667	\$ 676,584,037	\$ 795,784,407	\$ 894,514,347	\$ 967,410,315	\$ 1,003,853,246	\$ 1,067,934,551
Toll collection variance	16.75%	22.47%	21.17%	20.42%	20.55%	19.07%	17.99%	17.42%

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

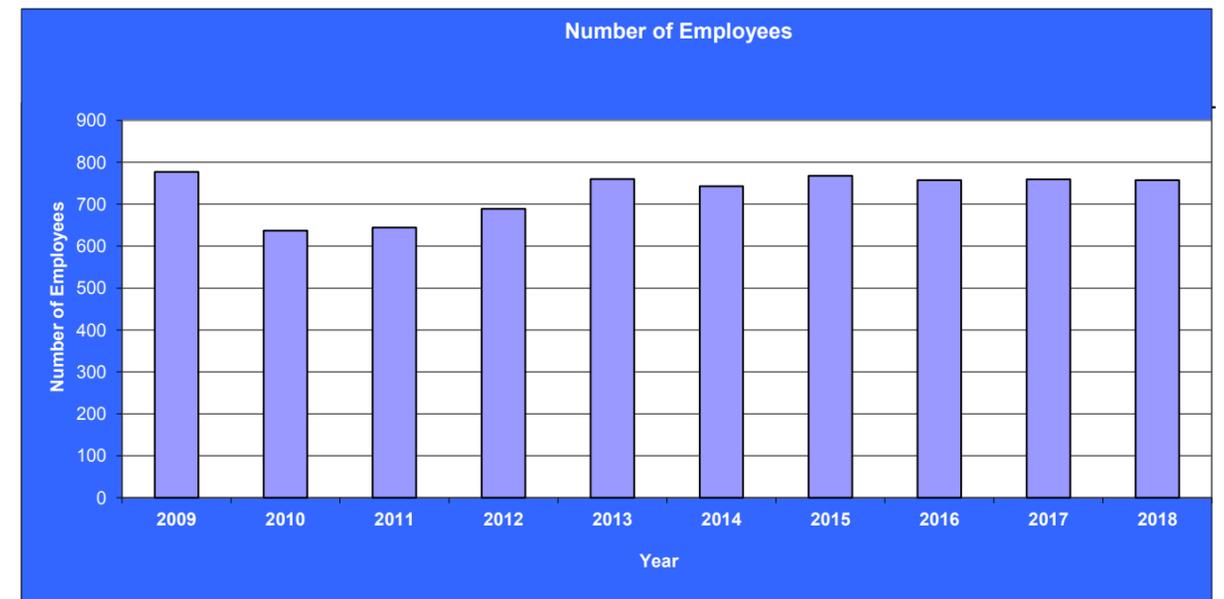
	Calendar Year 2011	Calendar Year 2012	Calendar Year 2013	Calendar Year 2014	Calendar Year 2015	Calendar Year 2016	Calendar Year 2017	Calendar Year 2018
Percentage of ZipCash transactions (by value) out of all NTTA transactions during period	29.28%	29.43%	28.83%	30.40%	30.42%	28.90%	26.79%	25.28%
Percentage of ZipCash transactions (by value) that were invoiced during period	54.70%	62.94%	61.92%	64.61%	68.26%	72.68%	72.93%	71.94%
Percentage of ZipCash transactions (by value) that were collected as of period end	41.29%	41.29%	48.75%	45.03%	41.40%	41.30%	39.64%	36.57%

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

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Total Lane Miles Operating and Number of Employees by Department
Last Ten Fiscal Years
(Unaudited)

Lane Miles										
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Total Lane Miles	669	685	744	744	744	744	744	745	950	995

Full-time Equivalent Employees										
Function	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Administration	6	4	6	7	3	2	2	2	2	3
Board	1	1	1	2	1	1	1	1	1	1
Operations	2	3	3	1	3	5	5	6	7	5
Financial Planning and Analysis	0	0	0	0	0	0	0	6	6	0
Strategic & Innovative Solutions	0	0	0	0	9	6	3	0	0	0
Finance	10	22	24	23	25	19	23	18	18	15
Business Diversity	5	5	5	5	5	5	5	5	5	4
Communications/Public Affairs	15	15	15	14	15	14	15	15	12	12
Internal Audit	5	6	5	8	8	7	7	8	9	8
Human Resources	14	12	12	11	13	12	11	11	11	13
Legal Services	3	5	6	5	5	5	5	7	6	7
System & Incident Management	57	73	79	84	91	94	98	103	112	132
Accounting	7	0	0	0	0	0	0	0	0	0
Information Technology	47	61	64	71	77	76	78	83	84	81
Vault	19	2	0	0	0	0	0	0	0	0
Audit - Revenue Reconciliation	5	0	0	0	0	0	0	0	0	0
Procurement Services	12	11	11	11	11	9	10	10	11	10
Government Affairs	3	3	2	3	3	3	1	2	2	2
Toll Collection	162	4	0	0	0	0	0	0	0	0
Maintenance	162	163	160	181	195	167	160	165	132	127
Customer Service Center	228	232	236	248	279	298	325	295	321	312
Project Delivery	9	10	10	11	13	16	16	16	17	16
Project Evaluation	0	0	0	0	0	0	0	0	0	0
Treasury Management	5	5	5	4	4	4	3	4	3	9
Total	777	637	644	689	760	743	768	757	759	757





CONTINUING FINANCIAL DISCLOSURES
SCHEDULES SECTION

(UNAUDITED)

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Consolidating Schedule for Capital Improvement Fund
December 31, 2018
(Unaudited)

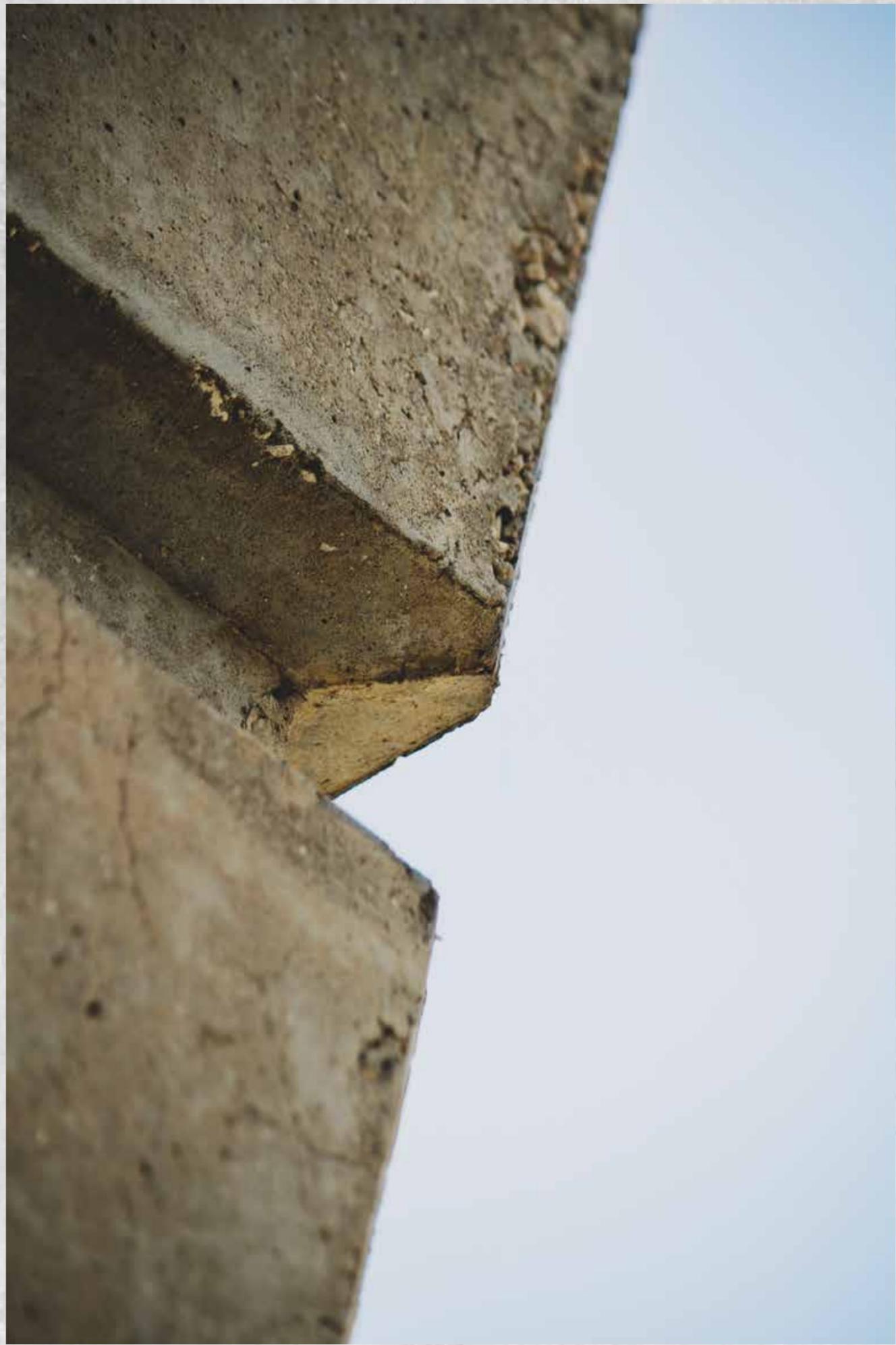
CONTINUING FINANCIAL DISCLOSURE SCHEDULES

(UNAUDITED)

The Continuing Financial Disclosures Schedules present various financial data in support of the Management's Discussion and Analysis and Financial Statements in the Financial Section of the Comprehensive Annual Financial Report for the fiscal year ended December 31, 2018.

Assets	Consolidated Capital Improvement Fund	Capital Improvement Fund	Feasibility Study Fund
Current assets:			
Cash and cash equivalents (note 3)	\$ 1,022,114	\$ 958,101	\$ 64,013
Investments (note 3)	335,367,153	335,367,153	-
Accrued interest receivable	1,261,934	1,261,934	-
Accounts receivable (note 9)	1,563,933	1,563,933	-
Prepaid expenses	8,774,232	8,774,232	-
Total current unrestricted assets	<u>347,989,366</u>	<u>347,925,353</u>	<u>64,013</u>
Current restricted assets:			
Restricted assets:			
Restricted for debt service:			
Investments (notes 3 and 5)	27,759,496	27,759,496	-
Total current restricted assets	<u>27,759,496</u>	<u>27,759,496</u>	<u>-</u>
Total current assets	<u>375,748,862</u>	<u>375,684,849</u>	<u>64,013</u>
Noncurrent assets:			
Investments restricted for debt service (note 3)	128,576,999	128,576,999	-
Unavailable feasibility study costs	7,522,520	-	7,522,520
Nondepreciable (note 4)	(862,095)	(862,095)	-
Total noncurrent assets	<u>135,237,424</u>	<u>127,714,904</u>	<u>7,522,520</u>
Total assets	<u>510,986,286</u>	<u>503,399,753</u>	<u>7,586,533</u>
Liabilities			
Current liabilities:			
Accounts payable	19,242	19,242	-
Accrued liabilities	7,105,589	7,105,589	-
Total current unrestricted liabilities	<u>7,124,831</u>	<u>7,124,831</u>	<u>-</u>
Payable from restricted assets:			
Construction-related payables:			
Retainage payable (note 10)	5,391,911	5,391,911	-
Debt service-related payables:			
Accrued interest payable	13,748,333	13,748,333	-
Total current liabilities payable from restricted assets	<u>19,140,244</u>	<u>19,140,244</u>	<u>-</u>
Total current liabilities	<u>26,265,075</u>	<u>26,265,075</u>	<u>-</u>
Noncurrent liabilities:			
Dallas North Tollway System revenue bonds payable	400,000,000	400,000,000	-
Total noncurrent liabilities	<u>400,000,000</u>	<u>400,000,000</u>	<u>-</u>
Total liabilities	<u>426,265,075</u>	<u>426,265,075</u>	<u>-</u>
Net Position			
Net investment in capital assets	7,586,533	-	7,586,533
Restricted for:			
Debt service	7,750,000	7,750,000	-
Unrestricted	69,384,678	69,384,678	-
Total net position	<u>\$ 84,721,211</u>	<u>\$ 77,134,678</u>	<u>\$ 7,586,533</u>

See accompanying independent auditors' report.



NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
 Schedule of Budget and Actual Revenues and Expenses on Trust Agreement Basis
 Year ended December 31, 2018
(Unaudited)

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Revenues:			
Toll revenues	\$ 843,189,300	841,491,016	\$ (1,698,284)
Interest income	11,090,000	23,042,758	11,952,758
Other revenue	46,254,963	44,649,896	(1,605,067)
Gross revenues	<u>900,534,263</u>	<u>909,183,670</u>	<u>8,649,407</u>
Operating expenses:			
Administration:			
Accounting	1,601,822	1,560,396	(41,426)
Administration	739,081	715,899	(23,182)
Board	183,630	163,169	(20,461)
Treasury management	1,227,605	1,127,438	(100,167)
Financial planning and analysis	1,059,818	892,550	(167,268)
Human resources	1,640,270	1,262,902	(377,368)
Internal audit	1,188,011	777,918	(410,093)
Legal services	3,318,721	3,067,577	(251,144)
Procurement and business diversity	1,820,574	1,564,465	(256,109)
Public affairs	5,647,261	5,186,964	(460,297)
Shared services	12,824,424	12,184,397	(640,027)
Total administration	<u>31,251,217</u>	<u>28,503,675</u>	<u>(2,747,542)</u>
Operations:			
Contact center and collections	75,806,066	69,848,872	(5,957,194)
Information technology	23,184,957	21,032,121	(2,152,836)
Maintenance	34,536,584	27,496,673	(7,039,911)
Operations	905,029	749,587	(155,442)
Project delivery	2,669,147	2,471,974	(197,173)
System & incident management	17,397,000	15,447,007	(1,949,993)
Total operations	<u>154,498,783</u>	<u>137,046,234</u>	<u>(17,452,549)</u>
Total operating expenses	<u>185,750,000</u>	<u>165,549,909</u>	<u>(20,200,091)</u>
Net revenues available for debt service	\$ <u>714,784,263</u>	\$ <u>743,633,761</u>	\$ <u>28,849,498</u>

See accompanying independent auditors' report.

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Schedule of Changes in Net Position by Trust Account
December 31, 2018
(Unaudited)

Schedule 4

	Total	Non-Major Enterprise Fund	North Texas Tollway System	Construction and property account	Revenue account
Net positions, beginning of year restated	\$ (44,433,802)	\$ 45,079,342	\$ (89,513,144)	\$ (923,926,526)	\$ (131,603,478)
Gross revenues	949,954,260	40,770,589	909,183,671	-	890,567,204
Payments from other governments	(2,000,000)	-	(2,000,000)	-	-
Net increase (decrease) in the fair value of investments	(1,061,515)	-	(1,061,515)	50,724	69,790
Interest earned on investments	1,843,976	-	1,843,976	1,843,976	-
Gain (loss) on sale of investments	(161,717)	-	(161,717)	-	-
Administration and operations expenses	(203,106,306)	(37,556,397)	(165,549,909)	-	-
Depreciation on property and equipment	(10,059,970)	-	(10,059,970)	(10,059,970)	-
Bond interest expense	(487,783,857)	-	(487,783,857)	-	-
BAB's Subsidy	27,123,478	-	27,123,478	-	-
Arbitrage rebate	100,868	-	100,868	100,868	-
Other nonoperating expenses/ revenue	31,075,830	-	31,075,830	325,936	-
Bond discount/premium amortization	71,840,236	-	71,840,236	71,557,402	-
Bond issuance cost amortization	(3,192,510)	-	(3,192,510)	(3,192,510)	-
Loss on disposal of assets	(12,641,833)	-	(12,641,833)	(6,692,570)	-
Interest on loan	(5,264,173)	-	(5,264,173)	(5,264,173)	-
SWAP termination payment	(11,212,000)	-	(11,212,000)	(11,212,000)	-
Amortization of deferred amount on refunding (note 5)	(87,427,695)	-	(87,427,695)	(87,427,695)	-
Unallocated infrastructure depreciation	(64,788,513)	-	(64,788,513)	(64,788,513)	-
Construction improvement account expenses	19,310	-	19,310	19,310	-
Reserve maintenance account expenses	(22,222,511)	-	(22,222,511)	-	-
Consolidated capital improvement fund expenses	(20,126,714)	-	(20,126,714)	54,307,240	-
Net revenues	150,908,644	3,214,192	147,694,452	(60,431,975)	890,636,994
Interfund transactions:					
Distribution from revenue fund	-	-	-	-	(855,620,784)
Operating transfers (other funds)	-	-	-	244,756,438	196,964,756
Net changes during the year	150,908,644	3,214,192	147,694,452	184,324,463	231,980,966
Net positions, end of year	\$ 106,474,842	\$ 48,293,534	\$ 58,181,308	\$ (739,602,063)	\$ 100,377,488

See accompanying independent auditors' report.

Debt service accounts					
Operation and maintenance account	Reserve maintenance account	Consolidated Capital Improvement Fund	Bond interest account	Reserve account	Redemption account
\$ 35,172,463	\$ 45,336,690	\$ 66,484,167	\$ 341,889,041	\$ 460,683,934	\$ 16,450,565
57	968,666	6,157,467	1,693,571	8,680,603	1,116,103
-	-	(2,000,000)	-	-	-
-	(11,013)	163,750	-	(1,334,766)	-
-	-	-	-	-	-
-	-	-	-	(161,717)	-
(165,549,909)	-	-	-	-	-
-	-	(32,996,000)	(454,787,857)	-	-
-	-	-	27,123,478	-	-
-	-	-	-	-	-
2,920,547	-	27,829,347	-	-	-
-	-	282,834	-	-	-
-	-	-	-	-	-
-	-	(5,949,263)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	(22,222,511)	-	-	-	-
-	-	(74,433,954)	-	-	-
(162,629,305)	(21,264,858)	(80,945,819)	(425,970,808)	7,184,120	1,116,103
135,193,742	22,184,046	200,221,475	383,718,636	-	114,302,885
(4,999,564)	(338,388)	(101,038,612)	(297,817,455)	(21,124,540)	(16,402,635)
(32,435,127)	580,800	18,237,044	(340,069,627)	(13,940,420)	99,016,353
\$ 2,737,336	\$ 45,917,490	\$ 84,721,211	\$ 1,819,414	\$ 446,743,514	\$ 115,466,918

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Schedule of Toll Revenue and Traffic Analysis
Year Ended December 31, 2018
(Unaudited)

Schedule 5

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Schedule of Toll Rates
As of December 31, 2018
(Unaudited)

Schedule 6

Toll revenue (*):	
AVI	\$ 736,870,849
ZipCash	183,337,921
Less bad debt expense	(78,717,754)
Total	<u>\$ 841,491,016</u>

Vehicle transactions (*):	
Two-axle vehicle transactions	802,961,141
Multi-axle vehicle transactions	24,649,274
Nonrevenue vehicle transactions	3,414,090
Total	<u>831,024,505</u>

Toll revenue – average per day (*):	
AVI	\$ 2,018,824
Zipcash	286,631
Average	<u>\$ 2,305,455</u>

Vehicle transactions – average per day (*):	
Two-axle vehicle transactions	2,199,894
Multi-axle vehicle transactions	67,532
Nonrevenue vehicle transactions	9,354
Average	<u>2,276,780</u>

(*) System only, excludes Non-Trust Agreement Enterprise Fund

See accompanying independent auditors' report.

	Two-Axle Passenger Cars and Trucks		Three-Axle Vehicles and Vehicle Combinations		Four-Axle Vehicles and Vehicle Combinations		Five-Axle Vehicles and Vehicle Combinations		Six or More Axle Vehicles and Special Permits	
	TollTag	ZipCash	TollTag	ZipCash	TollTag	ZipCash	TollTag	ZipCash	TollTag	ZipCash
Dallas North Tollway										
Wycliff Main Lane Gantry (MLP1)	\$1.56	\$2.34	\$3.12	\$4.68	\$4.68	\$7.02	\$6.24	\$9.36	\$7.80	\$11.70
Mockingbird Lane (MOCLN)	\$1.14	\$1.71	\$2.28	\$3.42	\$3.42	\$5.13	\$4.56	\$6.84	\$5.70	\$8.55
Northwest Highway (NORHW)	\$0.77	\$1.16	\$1.54	\$2.32	\$2.31	\$3.48	\$3.08	\$4.64	\$3.85	\$5.80
Royal Lane (ROYLN)	\$0.41	\$0.66	\$0.82	\$1.32	\$1.23	\$1.98	\$1.64	\$2.64	\$2.05	\$3.30
Spring Valley Road (SPVRD)	\$0.28	\$0.53	\$0.56	\$1.06	\$0.84	\$1.59	\$1.12	\$2.12	\$1.40	\$2.65
Belt Line Road (BELRD)	\$0.36	\$0.61	\$0.72	\$1.22	\$1.08	\$1.83	\$1.44	\$2.44	\$1.80	\$3.05
Keller Springs Road (KESRD)	\$0.54	\$0.81	\$1.08	\$1.62	\$1.62	\$2.43	\$2.16	\$3.24	\$2.70	\$4.05
Trinity Mills Main Lane Gantry (MLP2)	\$1.12	\$1.68	\$2.24	\$3.36	\$3.36	\$5.04	\$4.48	\$6.72	\$5.60	\$8.40
Frankford Road (FRARD)	\$0.28	\$0.53	\$0.56	\$1.06	\$0.84	\$1.59	\$1.12	\$2.12	\$1.40	\$2.65
Park Boulevard (PARBD)	\$0.28	\$0.53	\$0.56	\$1.06	\$0.84	\$1.59	\$1.12	\$2.12	\$1.40	\$2.65
Park Boulevard from Direct Connector (PARDC)*	\$0.28	\$0.53	\$0.56	\$1.06	\$0.84	\$1.59	\$1.12	\$2.12	\$1.40	\$2.65
Parker Main Lane Gantry (MLP3)	\$1.00	\$1.50	\$2.00	\$3.00	\$3.00	\$4.50	\$4.00	\$6.00	\$5.00	\$7.50
Parker Road (PARRD)	\$0.59	\$0.89	\$1.18	\$1.78	\$1.77	\$2.67	\$2.36	\$3.56	\$2.95	\$4.45
Windhaven Parkway (WINPY)*	\$0.48	\$0.73	\$0.96	\$1.46	\$1.44	\$2.19	\$1.92	\$2.92	\$2.40	\$3.65
Spring Creek Parkway (SPCPY)	\$0.33	\$0.58	\$0.66	\$1.16	\$0.99	\$1.74	\$1.32	\$2.32	\$1.65	\$2.90
Legacy Drive (LEGDR)	\$0.28	\$0.53	\$0.56	\$1.06	\$0.84	\$1.59	\$1.12	\$2.12	\$1.40	\$2.65
Headquarters Drive (HEADR)	\$0.28	\$0.53	\$0.56	\$1.06	\$0.84	\$1.59	\$1.12	\$2.12	\$1.40	\$2.65
Gaylord Parkway (GAYPY)	\$0.28	\$0.53	\$0.56	\$1.06	\$0.84	\$1.59	\$1.12	\$2.12	\$1.40	\$2.65
Lebanon Road (LEBRD)	\$0.41	\$0.66	\$0.82	\$1.32	\$1.23	\$1.98	\$1.64	\$2.64	\$2.05	\$3.30
Stone Brook Parkway (STOPY)	\$0.52	\$0.78	\$1.04	\$1.56	\$1.56	\$2.34	\$2.08	\$3.12	\$2.60	\$3.90
Main Street (MAIST)	\$0.85	\$1.28	\$1.70	\$2.56	\$2.55	\$3.84	\$3.40	\$5.12	\$4.25	\$6.40
Eldorado Main Lane Gantry (MLP4)	\$1.76	\$2.64	\$3.52	\$5.28	\$5.28	\$7.92	\$7.04	\$10.56	\$8.80	\$13.20
Eldorado Parkway (ELDPY)	\$0.63	\$0.95	\$1.26	\$1.90	\$1.89	\$2.85	\$2.52	\$3.80	\$3.15	\$4.75
Panther Creek Parkway (PANPY)**	\$0.36	\$0.61	\$0.72	\$1.22	\$1.08	\$1.83	\$1.44	\$2.44	\$1.80	\$3.05
President George Bush Turnpike Eastern Extension (PGBT-EE)										
Miller Road (MLRRD)	\$0.45	\$0.70	\$0.90	\$1.40	\$1.35	\$2.10	\$1.80	\$2.80	\$2.25	\$3.50
Main Street (MAIST)	\$0.59	\$0.89	\$1.18	\$1.78	\$1.77	\$2.67	\$2.36	\$3.56	\$2.95	\$4.45
Merritt Road (MERRD)	\$0.95	\$1.43	\$1.90	\$2.86	\$2.85	\$4.29	\$3.80	\$5.72	\$4.75	\$7.15
Merritt Main Lane Gantry (MLG5)	\$1.79	\$2.69	\$3.58	\$5.38	\$5.37	\$8.07	\$7.16	\$10.76	\$8.95	\$13.45
Miles Road (MLRRD)	\$0.38	\$0.63	\$0.78	\$1.26	\$1.14	\$1.89	\$1.52	\$2.52	\$1.90	\$3.15
Firewheel Parkway (FRPY)	\$0.28	\$0.53	\$0.56	\$1.06	\$0.84	\$1.59	\$1.12	\$2.12	\$1.40	\$2.65
Crist Road (CRIRD)	\$0.28	\$0.53	\$0.56	\$1.06	\$0.84	\$1.59	\$1.12	\$2.12	\$1.40	\$2.65
President George Bush Turnpike										
North Garland Avenue (GARRD)	\$0.32	\$0.57	\$0.64	\$1.14	\$0.96	\$1.71	\$1.28	\$2.28	\$1.60	\$2.85
Campbell Road (CAMRD)	\$0.51	\$0.77	\$1.02	\$1.54	\$1.53	\$2.31	\$2.04	\$3.08	\$2.55	\$3.85
East Renne Road (ERERD)	\$0.83	\$1.25	\$1.66	\$2.50	\$2.49	\$3.75	\$3.32	\$5.00	\$4.15	\$6.25
Shiloh Main Lane Gantry (MLP6)	\$1.24	\$1.86	\$2.48	\$3.72	\$3.72	\$5.58	\$4.96	\$7.44	\$6.20	\$9.30
Shiloh Road (SHIRD)	\$0.64	\$0.96	\$1.28	\$1.92	\$1.92	\$2.88	\$2.56	\$3.84	\$3.20	\$4.80
West Renner Road (WRERD)	\$0.42	\$0.67	\$0.84	\$1.34	\$1.26	\$2.01	\$1.68	\$2.68	\$2.10	\$3.35
Independence Parkway (INDPY)	\$0.43	\$0.68	\$0.86	\$1.36	\$1.29	\$2.04	\$1.72	\$2.72	\$2.15	\$3.40
Coit Road (COIRD)	\$0.64	\$0.96	\$1.28	\$1.92	\$1.92	\$2.88	\$2.56	\$3.84	\$3.20	\$4.80
Coit Main Lane Gantry (MLP7)	\$1.34	\$2.01	\$2.68	\$4.02	\$4.02	\$6.03	\$5.36	\$8.04	\$6.70	\$10.05
Preston Road (PRERD)	\$0.36	\$0.61	\$0.72	\$1.22	\$1.08	\$1.83	\$1.44	\$2.44	\$1.80	\$3.05
Midway Road (MIDRD)	\$0.28	\$0.53	\$0.56	\$1.06	\$0.84	\$1.59	\$1.12	\$2.12	\$1.40	\$2.65
Marsh Lane (MARLN)	\$0.36	\$0.61	\$0.72	\$1.22	\$1.08	\$1.83	\$1.44	\$2.44	\$1.80	\$3.05
Frankford Main Lane Gantry (MLP8)	\$1.24	\$1.86	\$2.48	\$3.72	\$3.72	\$5.58	\$4.96	\$7.44	\$6.20	\$9.30
Kelly Boulevard (KELBD)	\$0.65	\$0.98	\$1.30	\$1.96	\$1.95	\$2.94	\$2.60	\$3.92	\$3.25	\$4.90
Josey Lane (JOSLN)	\$0.43	\$0.68	\$0.86	\$1.36	\$1.29	\$2.04	\$1.72	\$2.72	\$2.15	\$3.40
Sandy Lake Main Lane Gantry (MLP9)	\$0.99	\$1.49	\$1.98	\$2.98	\$2.97	\$4.47	\$3.96	\$5.96	\$4.95	\$7.45
Belt Line - Luna Road (NBERD)	\$0.59	\$0.89	\$1.18	\$1.78	\$1.77	\$2.67	\$2.36	\$3.56	\$2.95	\$4.45
Royal Lane (ROYLN)	\$0.30	\$0.55	\$0.60	\$1.10	\$0.90	\$1.65	\$1.20	\$2.20	\$1.50	\$2.75
Belt Line Road (SBERD)	\$0.57	\$0.86	\$1.14	\$1.72	\$1.71	\$2.58	\$2.28	\$3.44	\$2.85	\$4.30
Belt Line Main Lane Gantry (MLP10)	\$0.57	\$0.86	\$1.14	\$1.72	\$1.71	\$2.58	\$2.28	\$3.44	\$2.85	\$4.30
President George Bush Turnpike - Western Extension ***										
Corfield Road	\$0.27	\$0.52	\$0.64	\$1.14	\$1.14	\$1.56	\$1.08	\$2.08	\$1.35	\$2.60
Shady Grove Road	\$0.47	\$0.72	\$0.94	\$1.44	\$1.41	\$2.16	\$1.88	\$2.88	\$2.16	\$3.60
Lower Tarrant - North*	\$0.48	\$0.73	\$0.96	\$1.46	\$1.44	\$2.19	\$1.92	\$2.92	\$2.40	\$3.65
Lower Tarrant Mainlane Gantry	\$1.04	\$1.56	\$2.08	\$3.12	\$3.12	\$4.68	\$4.16	\$6.24	\$5.20	\$7.80
Lower Tarrant - South	\$0.27	\$0.52	\$0.64	\$1.14	\$1.14	\$1.56	\$1.08	\$2.08	\$1.35	\$2.60
Dalworth Street	\$0.27	\$0.52	\$0.64	\$1.14	\$1.14	\$1.56	\$1.08	\$2.08	\$1.35	\$2.60
Marshall Drive	\$0.52	\$0.78	\$1.04	\$1.56	\$1.56	\$2.34	\$2.08	\$3.12	\$2.60	\$3.90
Pioneer Parkway	\$0.66	\$0.99	\$1.32	\$1.98	\$1.98	\$2.97	\$2.64	\$3.96	\$3.30	\$4.95
Arkansas Mainlane Gantry	\$1.10	\$1.65	\$2.20	\$3.30	\$3.30	\$4.95	\$4.40	\$6.60	\$5.50	\$8.25
Arkansas Lane	\$0.38	\$0.63	\$0.76	\$1.26	\$1.14	\$1.89	\$1.52	\$2.52	\$1.90	\$3.15
Mayfield Road	\$0.27	\$0.52	\$0.64	\$1.14	\$1.14	\$1.56	\$1.08	\$2.08	\$1.35	\$2.60
Chisholm Trail Parkway ****										
Gantry 1 (Montgomery)	\$1.43	\$2.15	\$2.86	\$4.30	\$4.29	\$6.45	\$5.72	\$8.60	\$7.15	\$10.75
Edwards Ranch Rd	\$0.60	\$0.90	\$1.20	\$1.80	\$1.80	\$2.70	\$2.40	\$3.60	\$3.00	\$4.50
Arbortown Drive*	\$0.35	\$0.60	\$0.70	\$1.20	\$1.05	\$1.80	\$1.40	\$2.40	\$1.75	\$3.00
Oakmont Blvd	\$0.51	\$0.77	\$1.02	\$1.54	\$1.53	\$2.31	\$2.04	\$3.08	\$2.55	\$3.85
Altamesa Blvd	\$0.79	\$1.19	\$1.58	\$2.38	\$2.37	\$3.57	\$3.16	\$4.76	\$3.95	\$5.95
Sycamore School Rd	\$0.82	\$1.23	\$1.64	\$2.46	\$2.46	\$3.69	\$3.28	\$4.92	\$4.10	\$6.15
McPherson Blvd	\$1.11	\$1.67	\$2.22	\$3.34	\$3.33	\$5.01	\$4.44	\$6.68	\$5.55	\$8.35
Gantry 2 (Sloan/Feltz)	\$2.32	\$3.48	\$4.64	\$6.96	\$6.96	\$10.44	\$9.28	\$13.92	\$11.60	\$17.40
Farm Market 1187	\$0.64	\$0.96	\$1.28	\$1.92	\$1.92	\$2.88	\$2.56	\$3.84	\$3.20	\$4.80
County Rd 920	\$0.38	\$0.63	\$0.76	\$1.26	\$1.14	\$1.89	\$1.52	\$2.52	\$1.90	\$3.15
County Rd 913	\$0.38	\$0.63	\$0.76	\$1.26	\$1.14	\$1.89	\$1.52	\$2.52	\$1.90	\$3.15
Farm Market 917	\$0.70	\$1.05	\$1.40	\$2.10	\$2.10	\$3.15	\$2.80	\$4.20	\$3.50	\$5.25
County Rd 904	\$1.05	\$1.58	\$2.10	\$3.16	\$3.15	\$4.74	\$4.20	\$6.32	\$5.25	\$7.90
Gantry 3 (CR 904-Sparks Rd)	\$1.73	\$2.60	\$3.46	\$5.20	\$5.19	\$7.80	\$6.92	\$10.40	\$8.65	\$13.00
Sparks Rd	\$0.31	\$0.56	\$0.62	\$1.12	\$0.93	\$1.68	\$1.24	\$2.24	\$1.55	\$2.80
Sam Rayburn Tollway										
Denton Tap Main Lane Gantry (MLG1)	\$0.59	\$0.89	\$1.18	\$1.78	\$1.77	\$2.67	\$2.36	\$3.56	\$2.95	\$4.45
MacArthur Blvd (MACBD)	\$0.27	\$0.52	\$0.64	\$1.14	\$1.14	\$1.56	\$1.08	\$2.08	\$1.35	\$2.60
Carrollton Parkway (CARPY)	\$0.51	\$0.77	\$1.02	\$1.54	\$1.53	\$2.31	\$2.04	\$3.08	\$2.55	\$3.85
Parker Road (PARRD)	\$0.39	\$0.64	\$0.78	\$1.28	\$1.17	\$1.92	\$1.56	\$2.56	\$1.95	\$3.20
Old Denton Road (OLDRD)	\$0.45	\$0.70	\$0.90	\$1.40	\$1.35	\$2.10	\$1.80	\$2.80	\$2.25	\$3.50
Standridge Drive - South (SSTDR)	\$0.67	\$1.01	\$1.34	\$2.02	\$2.01	\$3.03	\$2.68	\$4.04	\$3.35	\$5.05
Josey Lane - South (SJO LN)	\$0.82	\$1.23	\$1.64	\$2.46	\$2.46	\$3.69	\$3.28	\$4.92	\$4.10	\$6.15
Josey Main Lane Gantry (MLG2)	\$1.53	\$2.30	\$3.06	\$4.60	\$4.59	\$6.90	\$6.12	\$9.20	\$7.65	\$11.50
Standridge Drive - North (NSTDR)	\$0.87	\$1.31	\$1.74	\$2.62	\$2.61	\$3.93	\$3.48	\$5.24	\$4.35	\$6.55
Josey Lane - North (NJO LN)	\$0.72	\$1.08	\$1.44	\$2.16	\$2.16	\$3.24	\$2.88	\$4.32	\$3.60	\$5.40
Plano Parkway (PLAPP)	\$0.57	\$0.86	\$1.14	\$1.72	\$1.71	\$2.58	\$2.28	\$3.44	\$2.85	\$4.30
Spring Creek Parkway (SPCPY)	\$0.28	\$0.53	\$0.56	\$1.06	\$0.84	\$1.59	\$1.12	\$2.12	\$1.40	\$2.65
Preston Road (PRERD)	\$0.27	\$0.52	\$0.64	\$1.14	\$1.14	\$1.56	\$1.08	\$2.08	\$1.35	

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Schedule of Historical Traffic, Toll Revenues and Net Revenues
Year Ended December 31, 2018
(Unaudited)

Schedule 7

Historical Traffic and Toll Revenue

The table below sets forth the annual revenue vehicle transactions and gross toll revenue with respect to the Dallas North Tollway System for the ten calendar years 2009 through 2018:

<u>Year</u>	<u>Annual revenue vehicle transactions (unaudited)</u>	<u>Annual toll revenue</u>
2009 (1)	455,546,197	290,404,547
2010 (2)	481,913,338	366,597,323
2011 (3)	513,454,344	402,569,534
2012	585,051,845	485,463,608
2013	610,129,737	525,458,723
2014	644,669,523	580,045,215
2015	676,484,779	617,488,044
2016	703,094,602	665,212,316
2017	723,247,591	712,551,456
2018	827,610,415	841,491,016

- (1) Reflects the opening of Lake Lewisville August 2009.
(2) Four major direct connectors at SRT/US75 interchange were opened during 2010
(3) PGBT EE mainlanes from SH 78 to IH 30 opened in December 2011

Historical Net Revenues

The table set forth below shows the Net Revenues for debt service (as defined by Trust Agreement) of the Dallas North Tollway System for the ten calendar years 2009 through 2018:

<u>Year</u>	<u>Toll revenue</u>	<u>Current expenses</u>	<u>Investment and other earnings</u>	<u>Net revenues</u>	<u>Coverage</u>
2009	290,404,547	90,934,772	31,253,174	230,722,949	1.56
2010	366,597,323	95,709,839	30,086,350	300,973,835	1.61
2011	402,569,534	99,324,590	41,161,515	344,406,459	1.77
2012	485,463,608	106,236,324	28,832,506	408,059,790	1.47
2013	525,458,723	109,240,378	21,721,506	437,939,851	1.26
2014	580,045,215	115,465,976	28,170,791	492,750,030	1.41
2015	617,488,044	128,107,355	33,019,683	522,400,372	1.48
2016	665,212,316	131,310,220	43,467,901	577,369,997	1.48
2017	712,551,456	145,516,809	49,612,968	616,647,615	1.64
2018	841,491,016	157,193,010	67,692,654	751,990,660	1.84

See accompanying independent auditors' report.

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Schedule of Capitalized Costs by Project
As of December 31, 2018
(Unaudited)

Schedule 8

€

Cumulative Total Through
December 31, 2018

Dallas North Tollway - 3711		
Preliminary costs	\$	17,379,879
Right-of-way		49,485,647
Engineering		21,439,097
Administration		2,953,499
Buildings		5,580,003
Land		1,714,934
Roadways		203,765,224
Equipment		771,382
Accumulated depreciation - equipment		(771,382)
Total capitalized costs – Dallas North Tollway		302,318,283
Dallas North Tollway Extension - 3712		
Preliminary costs		6,619,071
Right-of-way		8,557,830
Engineering		25,116,391
Administration		1,413,506
Construction in Progress		22,775,067
Roadways		207,994,844
Equipment		-
Total capitalized costs – Dallas North Tollway Extension		272,476,709
Addison Airport Toll Tunnel - 3741		
Preliminary costs		1,244,082
Right-of-way		617,278
Engineering		4,895,697
Administration		295,203
Roadways		16,853,636
Total capitalized cost – Addison Airport Toll Tunnel		23,905,896
President George Bush Turnpike - Segments I - IV - 3721		
Preliminary costs		18,040,104
Right-of-way		76,906,305
Engineering		114,239,012
Construction in Progress		48,556,962
Administration		25,252,891
Buildings		24,016,957
Land		5,578,821
Roadways		658,090,628
Intangibles		11,013,509
Equipment		73,326,529
Accumulated amortization for intangibles		(3,584,985)
Accumulated depreciation for buildings		(10,286,101)
Accumulated depreciation - equipment		(50,380,341)
Total capitalized cost – President George Bush Turnpike - Segments I - IV		990,770,291
President George Bush Turnpike - Segment V - 3723		
Preliminary costs		1,596,208
Right-of-way		16,459
Engineering		8,981,476
Administration		235,829
Roadways		75,190,982
Total capitalized cost – President George Bush Turnpike - Segment V		86,020,954
Dallas North Tollway Phase 3 - 3713		
Preliminary costs		5,118,815
Infrastructure - Other		434
Right-of-way		569,830
Engineering		33,329,767
Administration		2,690,663
Construction In Progress		160,572,309
Roadways		200,921,609
Total capitalized cost – Dallas North Tollway Phase 3		403,203,427
Lewisville Lake Toll Bridge - 3761		
Preliminary costs		9,875
Right-of-way		13,177
Engineering		14,360,278
Administration		249,620
Roadways		99,475,304
Total capitalized cost – Lewisville Lake Toll Bridge		114,108,254

(continued)

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Schedule of Capitalized Costs by Project
As of December 31, 2018
(Unaudited)

Schedule 8

	Cumulative Total Through December 31, 2018
Sam Rayburn Tollway (121 Tollway) - 3751	
Preliminary costs	1,142,464
Right-of-way	15,103,568
Engineering	102,925,634
Administration	21,194,398
Construction in Progress	21,653
Roadways	<u>636,958,077</u>
Total capitalized cost – Sam Rayburn Tollway (121 Tollway)	<u>777,345,794</u>
President George Bush Turnpike - Eastern Extension - 3722	
Infrastructure (Other)	30,192
Right-of-way	104,963,159
Engineering	73,018,399
Administration	4,861,209
Construction in Progress	-
Roadways	445,503,010
Accumulated depreciation - equipment	-
Total capitalized cost – President George Bush Turnpike - Eastern Extension	<u>628,375,969</u>
PGBT Western Ext Constr Fund - 3771	
Right-of-way	69,934
Engineering	11,751,580
Administration	868,289
Roadways	<u>1,039,030,873</u>
Total capitalized cost – PGBT Western Ext Constr Fund - 3771	<u>1,051,720,676</u>
CTP Construction Fund - 3781	
Right-of-way	48,526,364
Engineering	30,780,331
Administration	122,357
Construction in Progress	6,001,688
Roadways	<u>975,907,792</u>
Total capitalized cost - Chisholm Trail Parkway	<u>1,061,338,532</u>
MCLB 1977 Construction Fund - 3731	
Preliminary costs	483,970
Right-of-way	50,778
Engineering	616,967
Administration	379,131
Roadways	<u>7,370,431</u>
Total capitalized cost – MCLB 1977 Construction Fund	<u>8,901,277</u>
2009 A Revenue Bonds Fund - 3601	
Roadways	2,550
Administration	<u>14,600</u>
Total capitalized cost - 2009 A Revenue Bonds	<u>17,150</u>
Dallas North Tollway PH 4B/5A Fund - 3714	
Engineering	<u>1,179,818</u>
Total capitalized cost - Dallas North Tollway Ph 4B/5A	<u>1,179,818</u>
Total	
Infrastructure	30,626
Preliminary costs	51,634,469
Right-of-way	304,880,328
Engineering	442,634,446
Construction in Progress	237,927,678
Administration	60,531,195
Buildings	29,596,959
Land	7,293,755
Roadways	4,567,064,961
Intangibles (net of amortization)	7,428,525
Equipment	74,097,911
Accumulated depreciation - equipment	(51,151,723)
Accumulated depreciation - buildings	<u>(10,286,101)</u>
Total capitalized cost as of December 31, 2018	<u>5,721,683,029</u>

(concluded)

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

See accompanying independent auditors' report.

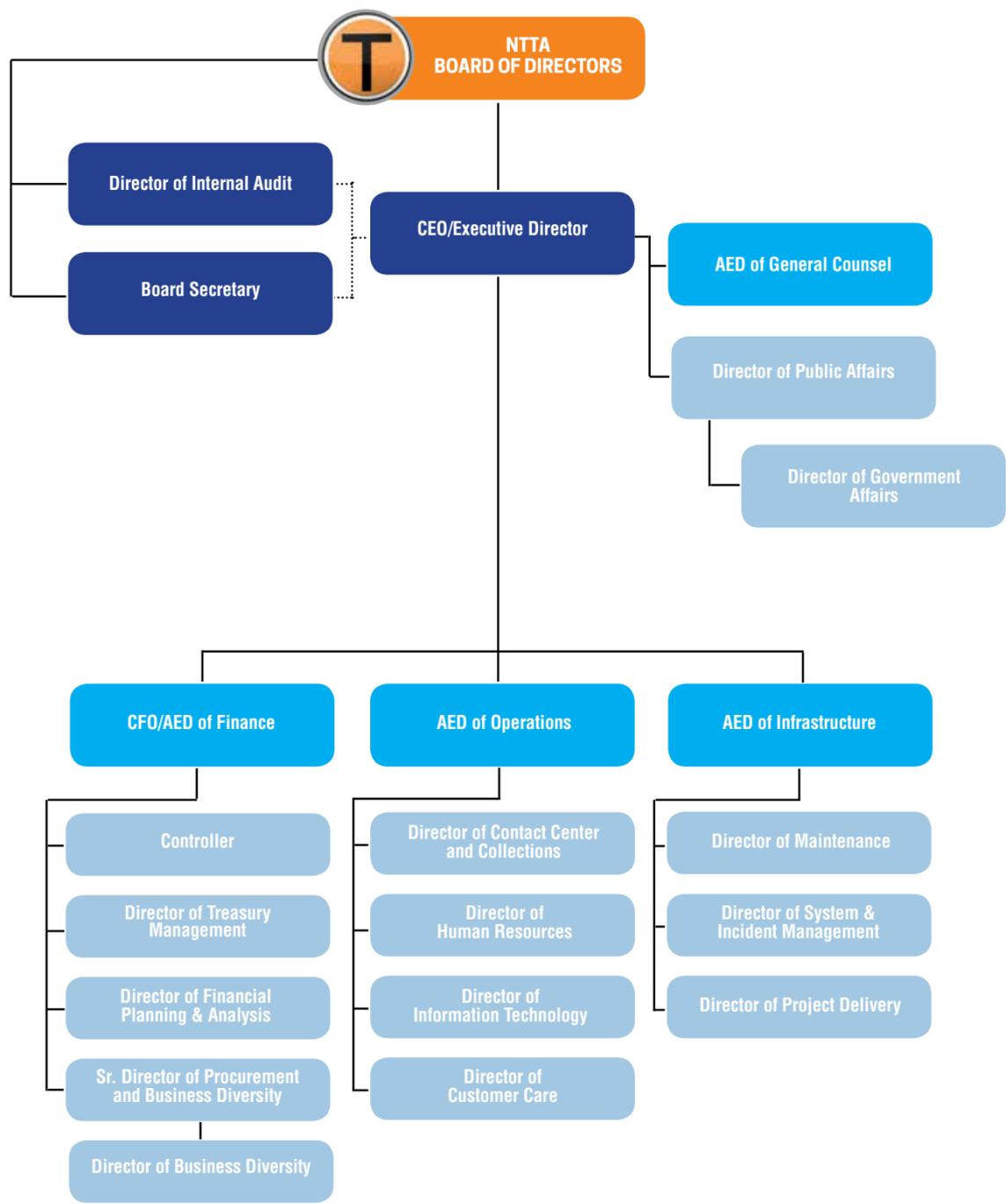
NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Schedule of Deferred Study Costs - Feasibility Study Fund
Year ended December 31, 2018
(Unaudited)

Schedule 9

The table below sets forth the accumulated unavailable feasibility study costs, by project, through December 31, 2018 that have not been transferred out of the Feasibility Study Fund into a construction project.

<u>Projects</u>	<u>Accumulated December 31, 2018</u>
Dallas North Tollway:	
Extension Phase 4	3,738,109
Extension Phase 4B/5A	3,660,658
President George Bush Turnpike - East Branch	<u>123,753</u>
	<u>\$ 7,522,520</u>

See accompanying independent auditor's report



BOARD OF DIRECTORS

*As of December 31, 2018



WILLIAM BARR
Chairman
Tarrant County



BILL MOORE
Vice Chairman
Collin County



LYNN GRAVLEY
Director
Gubernatorial
Appointee



MOJI HADDAD
Director
Tarrant County



JOHN MAHALIK
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Denton County



GEORGE "TEX" QUESADA
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JANE WILLARD
Director
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GERALD CARRIGAN
Executive Director

HORATIO PORTER
Chief Financial Officer



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