



NORTH TEXAS TOLLWAY AUTHORITY

SPECIAL PROJECTS SYSTEM

(An Enterprise Fund of the North Texas Tollway Authority)

2014 COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED AUGUST 31, 2014





NORTH TEXAS TOLLWAY AUTHORITY

SPECIAL PROJECTS SYSTEM

(An Enterprise Fund of the North Texas Tollway Authority)

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended August 31, 2014

**Gerald Carrigan
Executive Director**

**Horatio Porter
Chief Financial Officer**

SPECIAL PROJECTS SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)

Comprehensive Annual Financial Report
For the Year Ended August 31, 2014

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January 13, 2015

Chairman Kenneth Barr,
And the Board of Directors
North Texas Tollway Authority

The Trust Agreement dated April 1, 2011, between the North Texas Tollway Authority (the Authority or NTTA) and Wells Fargo Bank, National Association (the Trustee), requires the Authority to provide audited annual financial statements of the Special Projects System (the SPS), an enterprise fund of the Authority. In accordance with this requirement, the Finance Department of the Authority is pleased to submit the Comprehensive Annual Financial Report (CAFR) for the year ended August 31, 2014 in compliance with Section 712 of the Trust Agreement. The CAFR is intended to provide detailed information on the Special Projects System's financial condition at August 31, 2014.

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 control 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 Horwath LLP, Certified Public Accountants, has issued an unmodified ("clean") opinion on the Special Projects System's financial statements for the year ended August 31, 2014. 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 Government

The North Texas Tollway Authority ("NTTA" or "Authority") continues with its mission to provide a safe and reliable toll road system, mobility options for our customers, and being a partner in meeting the region's growing need for transportation infrastructure.

In April 2011, the Authority in partnership with the United States Department of Transportation ("USDOT") and the Texas Department of Transportation ("TxDOT") completed the financing for the President George Bush Turnpike – Western Extension ("PGBT-WE"). The 11.5-mile PGBT-WE was the very first project of the Special Projects System ("SPS"). The Authority constructed Phase 4 and TxDOT constructed phases 1, 2, and 3. PGBT-WE opened to traffic in October 2012 and now provides a link that extends the existing PBGT from south of SH 183 south to I-20.

On October 2011, the NTTA Board of Directors added Chisholm Trail Parkway ("CTP") to the Special Projects System. The CTP (formerly Southwest Parkway) is a 27.6-mile toll road that will extend from downtown Fort Worth south to Cleburne. The project is a collaboration between the NTTA, TxDOT, the North Central Texas Council of Governments (NCTCOG), Tarrant and Johnson counties, the cities of Fort Worth, Burleson and Cleburne, Fort Worth and Western Railroad (FWWR) and Union Pacific Railroad (UPRR). Construction on the CTP began on Nov. 28, 2011 and the road opened to traffic in May 2014.

These two projects are stand-alone projects governed by separate Trust Agreements. NTTA will operate the projects with its resources, but they will not be part of the NTTA System.

The operations of the SPS 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.

Management confirms that the financial statements are presented fairly and in all material respects, represent the financial position of the SPS as of August 31, 2014.

Please refer to the Management's Discussion and Analysis (MD&A) on pages 11-19 of this report for a detailed discussion of the System's financial performance.

Economic Development

The Dallas-Fort Worth area is one of the top regions in the nation for business, thanks to a low cost of living, a business-friendly environment, a strong base of well-educated and skilled employees and robust access to both U.S. and world markets through its transportation network. Key metrics tracked by the Federal Reserve Bank of Dallas show the region to be among the strongest in the country. Dallas-Fort Worth is consistently among the top places to work, the best places to live and the best places for investment. The U.S. Bureau of Labor and Statistics ranks the Dallas-Fort Worth area 3rd in job growth. *Forbes Magazine* cited the region for a lower than average cost of living, ranking it among the top five U.S. metropolitan areas where a paycheck stretches the furthest. The Fortune 500 list shows 18 firms headquartered in our region.

Relevant Financial Policies

The SPS does not have any employees. The Authority employees perform the work of the SPS. Additionally, the Authority provides all accounting, debt financing and administrative services.

Section 705 of the Trust Agreement mandates the Authority will maintain cash flows for each Fiscal Year commencing with the Fiscal Year ending August 31, 2015 in an amount not less than 1.00 times the Debt Service Requirements on all Outstanding First and Second Tier Obligations.

Acknowledgments

We wish to thank the Finance Department and other NTTA staff members for their contributions in the production of this report. Additionally, we are thankful for our Board of Director's support and direction.

Respectfully submitted,

Horatio Porter
Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

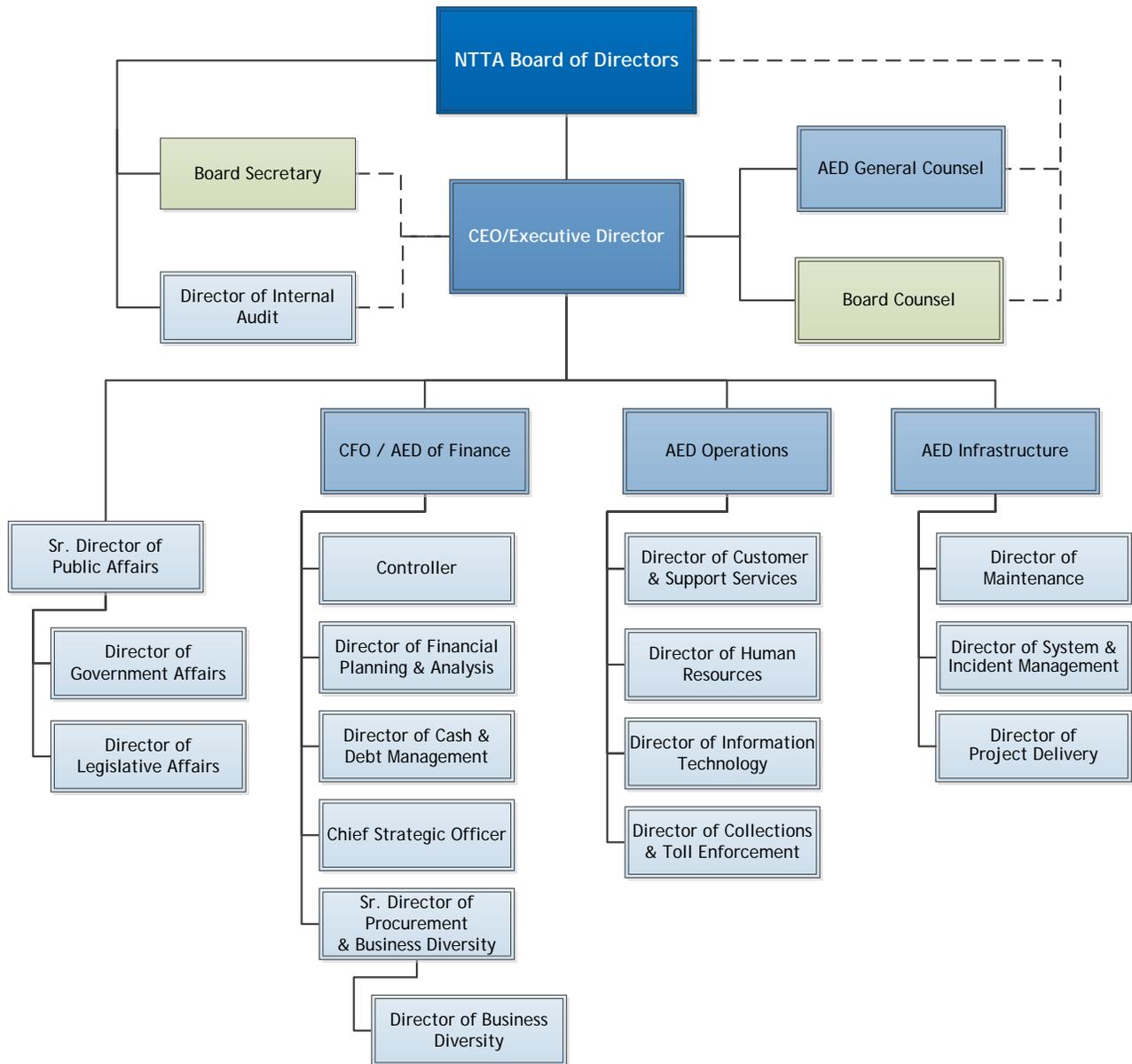
**Special Projects System
An Enterprise Fund of the
North Texas Tollway Authority**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

August 31, 2013

Executive Director/CEO

NTTA 2014 Organizational Chart



North Texas Tollway Authority
List of Officials
August 31, 2014

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



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 Special Projects System (the SPS), an enterprise fund of the North Texas Tollway Authority (the Authority), as of and for the year ended August 31, 2014, and the related notes to the financial statements which collectively comprise the SPS'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 an opinion 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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Special Projects System, an enterprise fund of the Authority, as of August 31, 2014, and the changes in financial position and its cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As discussed in Note 1, the financial statements present only the Special Projects System and do not purport to, and do not, present fairly the financial position of the North Texas Tollway Authority, as of August 31, 2014, the changes in its financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is 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 11 - 19 and Modified Approach – Infrastructure Assets on pages 38 - 39 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by 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 an opinion on the financial statements that collectively comprise the SPS's basic financial statements. The introductory section, supplementary schedules 1 through 7, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The introductory section, supplementary schedules 1 through 7, and statistical section has 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 January 13, 2015, on our consideration of SPS'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 SPS's internal control over financial reporting and compliance.

Crowe Horwath LLP

Crowe Horwath LLP

Dallas, Texas
January 13, 2015



SPECIAL PROJECTS SYSTEM
(An Enterprise Fund of the North Texas Toll way Authority)

Management's Discussion and Analysis
August 31, 2014

As Management of the North Texas Tollway Authority (Authority), we offer readers of the Special Projects System (SPS), an enterprise fund of the Authority, financial statements this narrative overview and analysis of the financial activities of the SPS for the year ended August 31, 2014. This discussion and analysis is designed to assist the reader in focusing on the significant financial issues and activities and to identify any significant changes in financial position. Please read it in conjunction with the financial statements, which immediately follow this section.

In April 2011, the Authority created a separate system of toll roads known as the Special Projects System (SPS). The SPS currently consists of the President George Bush Turnpike – Western Extension (PGBT-WE) and the Chisholm Trail Parkway (CTP). These roads are the first toll roads in Tarrant and Johnson County.

PGBT-WE, also known as State Highway 161, is an 11.5 mile link between interstate 20 (I-20) and State Highway 183. PGBT-WE was constructed in conjunction with the Texas Department of Transportation (TxDOT). Phases 1-3 of PGBT-WE opened to traffic in 2009 and 2010 under the direction of TxDOT. Phase 4 of PGBT-WE opened to traffic in October 2012.

Originally defined as two distinct transportation projects, the Southwest Parkway and Chisholm Trail were combined to form the Southwest Parkway/Chisholm Trail project in October 2008. On May 12, 2011, Gov. Rick Perry signed HB 367 changing the name of the Southwest Parkway/Chisholm Trail corridor solely to Chisholm Trail Parkway (CTP). The bill took effect on Sept. 1, 2011. CTP is a 27.6-mile toll road that extends from downtown Fort Worth south to Cleburne. More than 40 years in the making, the project is a collaboration between the North Texas Tollway Authority (NTTA), Texas Department of Transportation (TxDOT), the North Central Texas Council of Governments (NCTCOG), Tarrant and Johnson counties, the cities of Fort Worth, Burleson and Cleburne, Fort Worth and Western Railroad (FWWR) and Union Pacific Railroad (UPRR). CTP opened to traffic in May 2014.

The SPS is not part of the North Texas Tollway Authority System (NTTA System), but a separate enterprise fund of the Authority. Separate financial statements are issued for the NTTA System. Bonds issued by the SPS are secured and paid from revenues of the SPS and not from revenues of the NTTA System.

In April 2011, the Authority entered into agreements with TxDOT and the United States Department of Transportation (USDOT) related to the SPS, these transactions are recorded in the accompanying financial statements of the SPS.

In August 2013, The Authority drew down \$399.9 million from the Secured Loan Agreement (TIFIA Loan Agreement), dated April 1, 2011 between the Authority and the USDOT under the Transportation Infrastructure Finance and Innovation Act (TIFIA) to refund the Taxable Bond Anticipation Notes, Series 2011, issued by the Authority in conjunction with the construction of PGBT-WE.

The Authority entered into the Toll Equity Loan Agreement (TELA) with TxDOT in conjunction with the issuance of the Series 2011A-C Bonds. Pursuant to the TELA, TxDOT has agreed to make a toll equity loan available to the Authority in an aggregate amount of \$6.02 billion any time revenues of the SPS are not sufficient to pay expenses and debt service related to PGBT-WE.

The Authority made an upfront payment of \$469,074,676 in exchange for TxDOT turning over the sections of PGBT-WE that had already been constructed.

As part of the TELA, the SPS operates on the State of Texas fiscal year which runs from September 1st through August 31st.

SPECIAL PROJECTS SYSTEM
(An Enterprise Fund of the North Texas Toll way Authority)

Management's Discussion and Analysis
August 31, 2014

Using This Annual Report

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the SPS financial statements, notes to the financial statements, and required supplementary information. The financial statements of the SPS 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 all of the SPS's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position are useful indicators of whether the SPS's financial position is improving or deteriorating.

Statement of Revenues, Expenses and Changes in Net Position: This statement presents information showing the SPS's revenues, expenses, and how the net position changed during the year.

Statement of Cash Flows: This statement presents information about the SPS's cash receipts and cash payments, or, in other words, the sources and uses of the SPS's cash and 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 SPS's infrastructure condition. Additionally, certain financial schedules are presented for continuing disclosure.

Financial Results and Analysis

2014 Highlights

- The Special Projects System total net position decreased by \$36,649,148 from FY 2013 mainly due to the increase in debt service obligations.
- Toll revenues for 2014 were \$38,179,423 (net of bad debt expense of \$4,776,414), which were \$13,750,283 higher than 2013 revenues. Toll revenues were made up of \$28,506,923 for AVI customers (customers with toll tags) and \$9,672,500 for Zip Cash customers (non-toll tag customers). The increase was due to the toll rate increase in July 2013, an increase in traffic (utilization) of PGBT-WE and the opening of CTP in May 2014.
- Total toll transactions for FY 2014 were 48,931,927 an increase of 14,498,911 from FY 2013, of which 48,612,448 were revenue transactions (Ex: toll tag customers, etc.) and 319,479 were nonrevenue transactions (Ex: emergency vehicles). Transactions grew because of the increase in the utilization of PGBT-WE and the opening of CTP in May 2014.
- The Administration and Operations actual expenses for FY 2014 were \$11,310,275. The actual expenses were \$4,728,200 (29.5%) under their budget of \$16,038,475 and increased by \$2,382,051 over FY 2013 actual expenses.

SPECIAL PROJECTS SYSTEM
(An Enterprise Fund of the North Texas Toll way Authority)

Management's Discussion and Analysis
August 31, 2014

Summary of Operations

Table A-1
Net Position

	2014	2013
Current assets	\$ 12,508,419	\$ 34,021,486
Current restricted assets	247,212,761	508,036,344
Noncurrent assets		
Restricted investments	128,432,492	137,365,530
Capital assets	2,044,835,554	1,801,057,999
Total assets	2,432,989,226	2,480,481,359
Current liabilities	5,492,615	7,755,914
Liabilities payable from restricted assets	48,785,542	80,221,463
Long-term debt	1,814,520,975	1,791,664,740
Total liabilities	1,868,799,132	1,879,642,117
Net position		
Investment in capital assets	407,999,282	383,556,600
Restricted for construction	-	38,776,376
Restricted for debt service	149,175,009	108,991,443
Unrestricted	7,015,803	69,514,823
Total net position	\$ 564,190,094	\$ 600,839,242

The SPS's net position indicates an unrestricted current ratio of 2.28 for FY 2014 and 4.39 for FY 2013. Working capital was \$7,015,804 in FY 2014 and \$26,265,572 in FY 2013. Total unrestricted current assets were \$12,508,419 in FY 2014 and \$34,021,486 in FY 2013. Total unrestricted and restricted current assets were \$259,721,180 at the end of FY 2014 and \$542,057,830 in FY 2013. Investments which represent the largest component of current assets were \$254,425,414 for FY 2014 and \$520,533,559 for FY 2013. The remaining \$5,295,766 is comprised of accrued interest receivable of \$713,645, interproject/agency receivables of \$903,217, \$9,485 prepaid expenses, and \$3,669,419 of accounts receivable (net of allowance for doubtful accounts of \$6,659,038). (See Note 9)

Total unrestricted current liabilities were \$5,492,615 for FY 2014 and \$7,755,914 for FY 2013.

SPECIAL PROJECTS SYSTEM
(An Enterprise Fund of the North Texas Toll way Authority)

Management's Discussion and Analysis
August 31, 2014

Table A-2
Change in Net Position

	2014	2013
REVENUES		
Tolls (net of bad debt expense of \$4,776,414 in 2014 and \$2,160,312 in 2013)	\$ 38,179,423	\$ 24,429,140
Other revenues (see page 16)	2,459,735	1,675,771
Operating revenues	40,639,158	26,104,911
Operating expenses	12,633,711	9,150,107
Operating income	28,005,447	16,954,804
Nonoperating revenues (expenses):		
Interest income	2,236,005	1,205,455
Interest expense	(66,651,543)	(40,077,313)
Other	(2,818,706)	(3,079,001)
Net nonoperating revenues (expenses):	(67,234,244)	(41,950,859)
Contributions		
Payments from other governments	2,579,649	97,620,279
Change in net position	(36,649,148)	72,624,224
Net position - beginning	600,839,242	528,215,018
Net position - ending	\$ 564,190,094	\$ 600,839,242

Total operating revenues were \$40,639,158 for FY 2014 and \$26,104,911 for FY 2013. Toll revenues were \$38,179,423 for FY 2014 and \$24,429,140 for FY 2013 (See 2014 Highlights for an explanation of the increase).

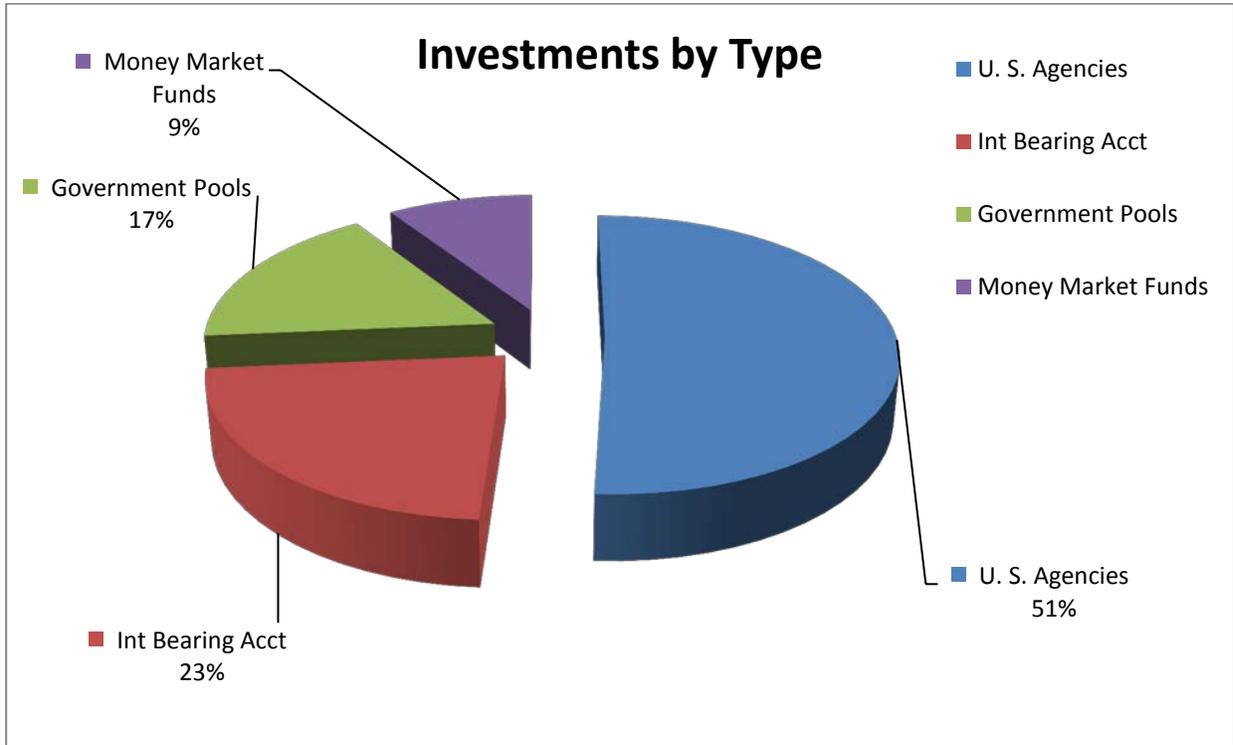
Total operating expenses, including major maintenance, for FY 2014 were \$12,633,711, an increase of \$3,483,604 million from FY 2013. Interest expense, net of capitalized interest, for FY 2014 was \$66,651,543 compared to \$40,077,313 in FY 2013.

SPECIAL PROJECTS SYSTEM
(An Enterprise Fund of the North Texas Toll way Authority)

Management's Discussion and Analysis
August 31, 2014

Investments: The SPS's investments at August 31, 2014 and 2013 were approximately \$382.9 million and \$657.9 million. Table A-3 chart below shows the types of authorized investments in the August 31, 2014 portfolio.

Table A-3

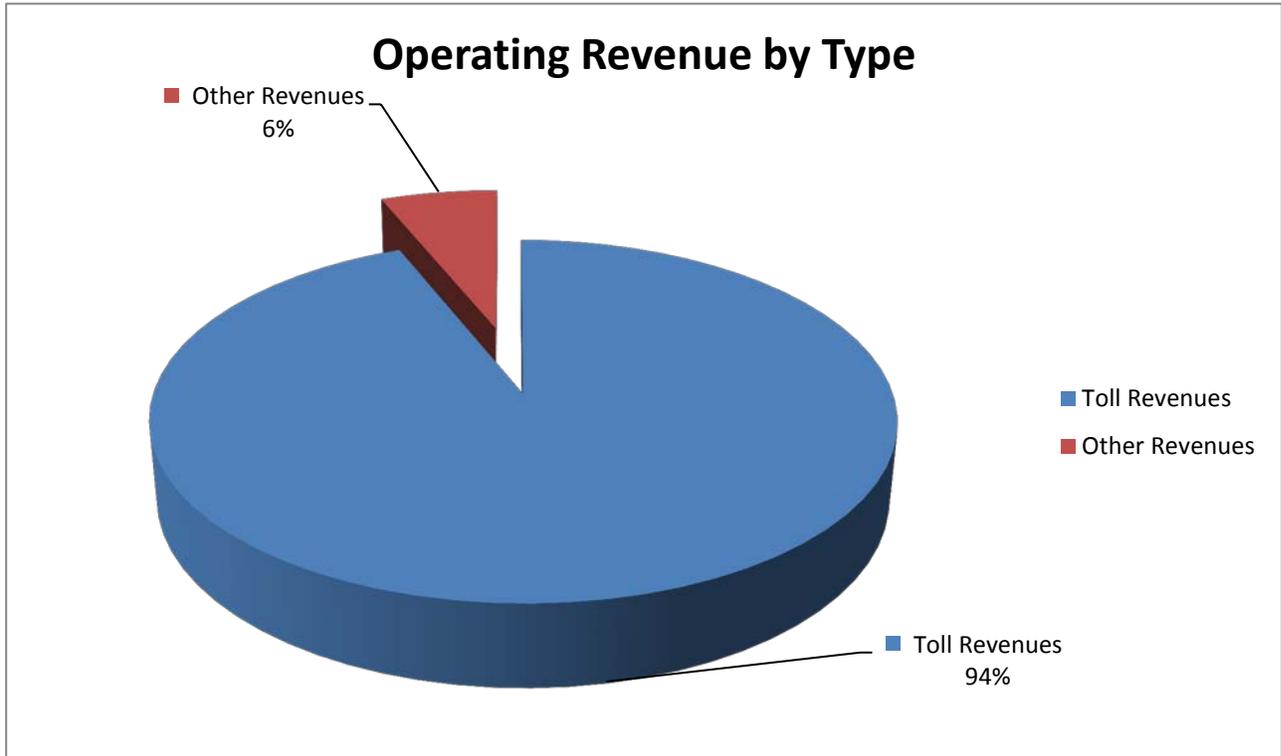


SPECIAL PROJECTS SYSTEM
(An Enterprise Fund of the North Texas Toll way Authority)

Management's Discussion and Analysis
August 31, 2014

Table A-4 below shows NTTA's revenue in FY 2014 by revenue source type.

Table A-4



Operating revenues for FY 2014 were \$40,639,158 million, a 55.7% increase over FY 2013 operating revenues of \$26,104,911 million. Toll revenues of \$38,179,423 (net of bad debt expense of \$4,776,414) account for 93.9% of total operating revenues. (See 2014 Highlights for breakdown of toll revenues).

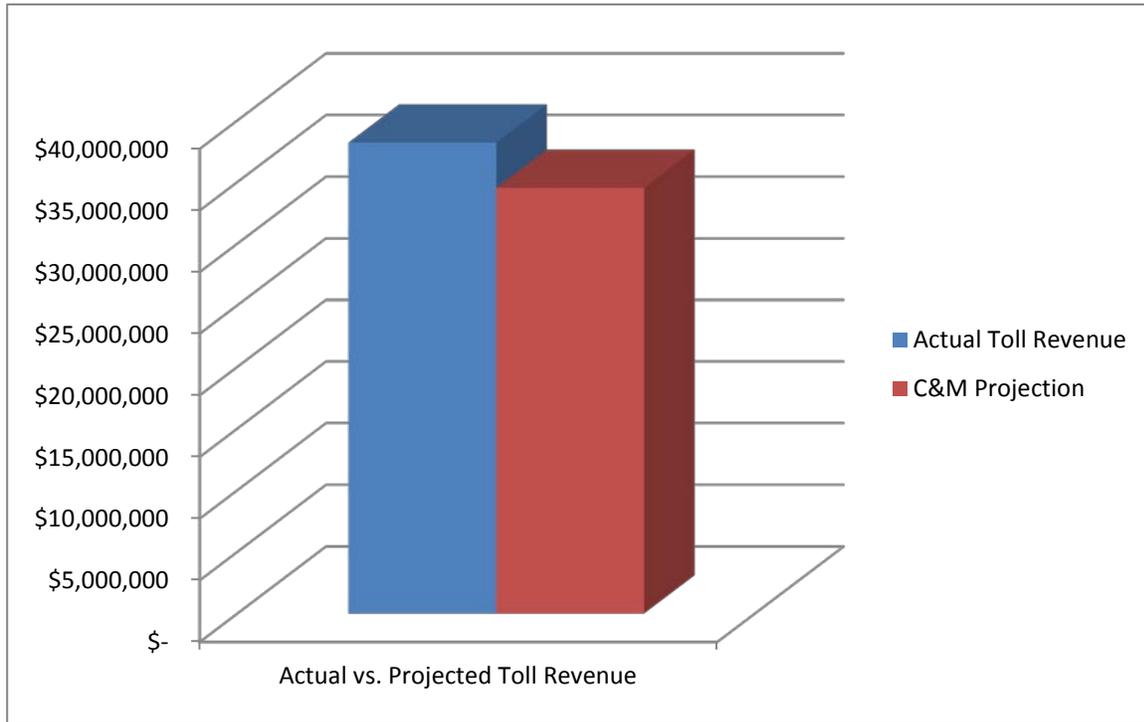
Other revenues, mostly administrative and statement fees for collection of tolls from violators and interoperability fees, was \$2,459,735, representing 6.1% of the total.

SPECIAL PROJECTS SYSTEM
(An Enterprise Fund of the North Texas Toll way Authority)

Management's Discussion and Analysis
 August 31, 2014

Table A-5 below shows the SPS's actual toll revenue for FY 2014 compared to the projected toll revenue by the Authority's traffic and toll revenue engineer, C&M Associates, Inc. Toll revenue was greater than C&M's projection's by 10.6%.

Table A-5



Average daily revenue transactions for FY 2014 were 133,185 compared to 93,805 for FY 2013. Average daily nonrevenue transactions (ex:emergency vehicles, etc) for FY 2014 were 875 compared to 532 for FY 2013.

Engineering Projection

The annual projected toll revenue by the Authority's traffic and revenue engineer, C&M Inc., are displayed below in comparison to the actual revenue in Table A-6 below:

Table A-6
 Actual vs. Projected Revenue

<u>Year</u>	<u>Actual</u>	<u>Projected</u>	<u>Variance</u>
2014	\$ 38,179,423	\$ 34,529,300	\$ 3,650,123
2013	24,429,140	24,566,814	(137,674)
2012	6,466,245	8,281,900	(1,815,655)
2011	10,488,973	6,861,500	3,627,473

SPECIAL PROJECTS SYSTEM
(An Enterprise Fund of the North Texas Toll way Authority)

Management's Discussion and Analysis
August 31, 2014

Capital Assets – The SPS's investment in capital assets includes engineering, right-of-way and construction in progress. Capital assets at August 31, 2014 were \$2,044,835,554. For additional information on capital assets see Note (1) (f) and Note (4).

The SPS utilizes the GASB No. 34, Modified Approach of reporting infrastructure assets. An asset condition assessment for the PGBT WE was completed in March 2013 (see page 38 for rating) and will occur every three years thereafter.

Long-Term Debt – At the end of FY 2014, the SPS's total bonded debt outstanding was \$1,402,319,241 (See Table A-7). This debt represents bonds secured solely by toll revenues of the SPS. For detailed information, see Note (5) and schedule of revenue bonds outstanding as of August 31, 2014, on page 34.

Table A-7
Revenue Bonds Outstanding
As of FY 2014

Series	Amount Outstanding	
	2014	2013
Series 2011A	\$ 487,890,000	\$ 487,890,000
Series 2011B	70,623,610	65,572,079
Series 2011C	162,460,976	151,920,596
Series 2011D	566,870,000	566,870,000
Series 2011E	73,665,000	73,665,000
Revenue Bonds Outstanding	<u>1,361,509,586</u>	<u>1,345,917,675</u>
Bond (discount) premium	<u>40,809,655</u>	<u>44,988,324</u>
Total	<u>\$ 1,402,319,241</u>	<u>\$ 1,390,905,999</u>

SPECIAL PROJECTS SYSTEM
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Management's Discussion and Analysis
August 31, 2014

TIFIA Loan – At the end of FY 2014, the SPS's TIFIA outstanding principal is \$419,036,734 (See Table A-8 below). This loan is secured solely by toll revenues of the SPS. For detailed information of the outstanding debt service requirements of the loan as of August 31, 2014, see page 36 (Note 5).

Table A-8
TIFIA Loan Outstanding

Fiscal Years	Amount Outstanding 2014
2014	-
2015	-
2016	-
2017	-
2018	-
2019 - 2023	836,707
2024 - 2028	4,183,535
2029 - 2033	4,183,535
2034 - 2038	4,183,535
2039 - 2043	4,183,535
2044 - 2047	382,397,163
Interest accretion	19,068,724
Total	\$ 419,036,734

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.

SPECIAL PROJECTS SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Statement of Net Position
August 31, 2014

Assets		
Current assets:		
Investments (note 3)	\$	7,926,061
Accrued interest receivable		237
Intergovernmental receivables		903,217
Accounts receivable (Net of allowance for uncollectibles) (note 9)		3,669,419
Prepaid expenses		9,485
Total current unrestricted assets		12,508,419
Current restricted assets:		
Restricted assets:		
Restricted for construction:		
Investments (notes 3 and 10)		161,894,255
Accrued interest receivable		91,218
Restricted for debt service:		
Investments (note 3)		84,605,098
Accrued interest receivable		622,190
Total current restricted assets		247,212,761
Total current assets		259,721,180
Noncurrent assets:		
Investments restricted for construction (note 3 and 10)		22,625,447
Investments restricted for debt service (note 3 and 10)		105,807,045
Capital assets (note 4)		2,044,835,554
Total noncurrent assets		2,173,268,046
Total assets		2,432,989,226
Liabilities		
Current liabilities:		
Accounts and Interagency payable	\$	5,492,615
Total current unrestricted liabilities		5,492,615
Payable from restricted assets:		
Construction-related payables:		
Accounts payable (note 10)		12,238,502
Retainage payable (note 10)		895,726
Debt service-related payables:		
Accrued interest payable (note 10)		28,816,314
Special Projects System revenue bonds payable, current portion (note 5 and 10)		6,835,000
Total current liabilities payable from restricted assets		48,785,542
Total current liabilities		54,278,157
Noncurrent liabilities:		
US Department of Transportation TIFIA loan payable (note 5)		419,036,734
Special Projects System revenue bonds payable, net of unamortized net bond (premium) costs of (\$40,809,655) (note 5)		1,395,484,241
Total noncurrent liabilities		1,814,520,975
Total liabilities		1,868,799,132
Net Position		
Net investment in capital assets		407,999,282
Restricted:		
Restricted for debt service		149,175,009
Unrestricted		7,015,803
Total net position	\$	564,190,094

See accompanying notes to basic financial statements.

SPECIAL PROJECTS SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended August 31, 2014

Operating revenues:		
Tolls (net of bad debt expense of \$4,776,414)	\$	38,179,423
Interest income		3,424
Lane violation and late fees		2,456,311
Total operating revenues		<u>40,639,158</u>
Operating expenses:		
General		
Administration		4,062,155
Operations		7,248,120
Preservation		
Major maintenance		1,323,436
Total operating expenses		<u>12,633,711</u>
Operating income		<u>28,005,447</u>
Nonoperating revenues (expenses):		
Interest earned on investments		2,183,488
Net increase in fair value of investments		52,517
Interest expense on revenue bonds		(36,960,309)
Interest accretion on 2011B, 2011C bonds and TIFIA loan		(33,869,903)
Bond discount/premium amortization		4,178,669
Other nonoperating expenses		(2,818,706)
Net nonoperating revenues (expenses)		<u>(67,234,244)</u>
Loss before transfers and reimbursements		(39,228,797)
Payments from other governments		2,579,649
		<u>72,624,224</u>
Change in net position		(36,649,148)
Beginning net position		600,839,242
Ending net position	\$	<u><u>564,190,094</u></u>

See accompanying notes to basic financial statements.

SPECIAL PROJECTS SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Statement of Cash Flow
For the Year Ended August 31, 2014

Cash flows from operating activities:	
Receipts from customers and users	\$ 38,955,161
Payments to contractors and suppliers	(7,821,712)
Payments to employees	(7,080,624)
Net cash provided by operating activities	<u>24,052,825</u>
 Cash flows from capital and related financing activities:	
Acquisition and construction of capital assets (including capitalized interest costs)	(280,688,513)
Capital contributions	20,468,561
Interest paid on revenue bonds and other debt	(41,138,977)
Net cash used by capital and related financing activities	<u>(301,358,929)</u>
 Cash flows from investing activities:	
Purchase of investments	(360,983,626)
Proceeds from sales and maturities of investments	636,077,326
Interest received	2,212,404
Net cash provided by investing activities	<u>277,306,104</u>
Net increase (decrease) in cash and cash equivalents	—
Cash and cash equivalents, beginning of the year	—
Cash and cash equivalents, end of the year	<u>\$ —</u>
 Noncash financing, capital, and investing activities:	
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 28,005,447
Adjustments to reconcile operating income to net cash provided by operating activities:	
Changes in assets and liabilities:	
Increase in accounts receivable	(1,686,990)
Decrease in accounts and retainage payable	(1,894,154)
Decrease in accrued liabilities	(369,145)
Decrease in accrued interest receivable	2,993
Increase in prepaid expense	(5,326)
Total adjustments	<u>(3,952,622)</u>
Net cash provided by operating activities	<u>\$ 24,052,825</u>
Noncash financing activities:	
Increase in fair value of investments	\$ 52,517

See accompanying notes to basic financial statements.





SPECIAL PROJECTS SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)

NOTES TO BASIC FINANCIAL STATEMENTS
August 31, 2014

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SPECIAL PROJECTS SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)

NOTES TO BASIC FINANCIAL STATEMENTS
August 31, 2014

(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 and succeeded to all assets, rights, liabilities, and other property of the Texas Turnpike Authority located in Collin, Dallas, Denton, and Tarrant Counties. The Authority also assumed and became liable for all duties and obligations related to the Texas Turnpike Authority at that time.

The Authority is a political subdivision of the State of Texas, authorized and empowered by the Regional Tollway Authority Act (the Act) to construct, maintain, repair, and operate turnpike projects at such locations within Collin, Dallas, Denton, and Tarrant 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.

In April 2011, the Authority entered into a trust agreement authorizing the Authority to own, design, construct, operate, maintain and finance a turnpike project known as the Special Projects System (SPS). The SPS consists of the President George Bush Turnpike-Western Extension (the PGBT-WE) and the Southwest Parkway/Chisholm Trail Project (CTP). The SPS is an enterprise fund of the Authority and does not purport to be the entire activities of the Authority.

(b) Basis of Accounting

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

The SPS does not have any employees. The Authority employees perform the work of the SPS. Additionally, the Authority provides all accounting, debt financing and administrative services.

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

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

(c) Budget

Operating budgets are established in accordance with the practices set forth in the provisions of the Trust Agreement for the Special Projects System Revenue Bonds, as interpreted by the Authority. These practices are similar to accounting principles generally accepted in the United States (GAAP) for an enterprise fund on an accrual basis except that depreciation and amortization of certain non-infrastructure capital assets and related acquisition and revenue bond issuance costs are not included as an operating expense or otherwise provided, and interest accrued for certain periods after official completion on certain of the SPS's bond issues is capitalized as allowed by the Trust Agreement and bond resolution, rather than being reflected as an expense. Otherwise, revenues are recognized when they are earned, expenses are recognized in the period in which they are incurred, and all assets and liabilities associated with the operation of the SPS are included in the statement of net position in accordance with the Trust Agreement as described above.

SPECIAL PROJECTS SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)

NOTES TO BASIC FINANCIAL STATEMENTS
August 31, 2014

Each year the Authority completes a review of its financial condition for the purpose of estimating whether the net revenues of the SPS 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. Limited types of expenses may be funded from these accounts. Expenses that do not meet these requirements are funded from unrestricted accounts. The SPS's practice is to use restricted funds first, then unrestricted, when both are available for use to fund an activity. The funds and accounts that have been established in accordance with the Trust Agreement are as follows:

- **Construction and Property Fund** – The Construction and Property Fund was created to account for that portion of the proceeds from the sale of the Special Projects System 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 Funds any monies received from any other source for paying the cost of the SPS System.
- **Revenue Fund** – The Revenue Fund was created to account for all revenues (all tolls, other revenues, and income) arising or derived by the SPS from the operation and ownership of the SPS. All revenues of this fund are distributed to other funds in accordance with the Trust Agreement.
- **Operating Fund** – The Operating Fund was created to account for and pay current operating expenses of the SPS.
- **General Fund** – The General Fund was created to account for any remaining revenue from the Revenue Fund after all required transfers have been made.
- **Major Maintenance Fund** – The Major Maintenance Fund was created to account for those expenses of maintaining the SPS 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 System or to prevent loss of revenues, engineering expenses relating to the functions of the Systems, equipment, maintenance expenses, and operating expenses not occurring at annual or shorter periods.
- **Rate Stabilization Fund** – The Rate Stabilization Fund was created to account for the Rate Stabilization Fund Requirement as established in the Toll Equity Loan Agreement.
- **Capital Expenditures Reserve Fund** – The Capital Expenditures Reserve Fund was created to account for future capital expenditures in an amount equal to the capital expenditures reserve requirement as defined in the Trust Agreement.
- **Major Maintenance Reserve Fund** – The Major Maintenance Reserve Fund was created to account for future major maintenance expenses in an amount equal to the major maintenance reserve requirement as defined in the Trust Agreement.
- **Debt Service Fund** – The Debt Service Fund was created to account for the payment of First, Second and Third Tier obligations.

SPECIAL PROJECTS SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)

NOTES TO BASIC FINANCIAL STATEMENTS
August 31, 2014

(e) Investments

The SPS considers other money market funds along with State & Local Government Investment Pools to be investments which seek to maintain a \$1 value per share. The carrying amount of the investments is fair value. The net change in fair value of investments is recorded on the Statement of Revenues, Expenses, and Changes in Net Positions 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 fair value of the item at the date of its donation. This includes costs for infrastructure assets (right-of-way, highways, bridges, and highways and bridges substructures), toll equipment, buildings, land, toll facilities; other related costs, including 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 SPS, 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 major maintenance and capital expenditures. 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.

(g) Retainage Payable

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

(h) Bond Discounts and Premiums

Bond Discounts and premiums are amortized using the bonds outstanding method, over the life of the bonds. Revenue bonds payable are reported net of unamortized bond discount or premium.

(i) 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 cumulative arbitrage rebate liability for the Special Projects System for the year ended August 31, 2014 is \$0.

(j) Estimates

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

SPECIAL PROJECTS SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)

NOTES TO BASIC FINANCIAL STATEMENTS
August 31, 2014

(k) Revenue Recognition

Substantially all revenues from toll road usage are accrued and recognized as earned. Revenue is recognized for zip cash transactions once an invoice has been sent to a customer. Under the Authority's business rule a customer has to drive through three gantries or accrue \$2.50 in toll transactions to generate an invoice. Invoices are billed on a monthly basis.

(l) New Accounting Pronouncements

GASB Statement No. 67, *Financial Reporting for Pensions Plans* ("GASB 67"), replaces the requirements of Statement No.25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans* and Statement No. 50, *Pension Disclosures*, as they relate to pension plans that are administered through trusts or similar arrangements meeting certain criteria. GASB 67 enhances note disclosures and Required Supplementary Information ("RSI") for both defined benefit and defined contribution plans. GASB 67 will be implemented by the Authority in fiscal year 2014 and has had no impact on the SPS financial statements.

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* ("GASB 68"), replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers* and Statement No. 50, *Pension Disclosures*, as they relate to governments that provide pensions through pension plans administered as trusts or similar arrangements that meet certain criteria. GASB 68 will be implemented by the Authority in fiscal year 2015 and will have no impact on the SPS financial statements since the Authority do not have a pension under SPS.

GASB Statement No. 69, *Government Combinations and Disposal of Government Operations* ("GASB 69"), establishes accounting and financial reporting standards related to government combinations and disposals of government operations. GASB 69 will be implemented by the Authority in fiscal year 2015 and the impact on the SPS financial statements has not yet been determined.

GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees* ("GASB 70"), provides guidance to improve accounting and reporting by state and local governments that extend and receive nonexchange financial guarantees. GASB 70 will be implemented by the Authority in fiscal year 2014 and has had no impact on the SPS financial statements.

GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* ("GASB 71"), is an amendment to Statement No. 68, *Accounting and Financial Reporting for Pensions*. GASB 71 eliminates the source of a potential significant understatement of restated beginning net position and expense in the first year implementation of Statement 68 in accrual basis financial statements. GASB 71 will be implemented by the Authority in fiscal year 2015 and will have no impact on the SPS financial statements since the Authority do not have a pension under SPS.

(2) Legal Compliance – Budgets

The Board is required by the Trust Agreement to adopt an Annual Operating Budget for the SPS prior to the beginning of each fiscal year of all projected revenues, Operating expenses, Major Maintenance expenses and Project Capacity Improvements Capital expenditures and any projected advances under the Toll Equity Loan Agreement. The budget is prepared at the Department level and is based upon the Trust Agreement. Copies of the Annual Operating Budget must be filed with TxDOT and the bond trustee.

The SPS 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 Project Budget unless the funding source is other than revenues received from the SPS. The Authority may expend additional monies from the Major Maintenance Fund in excess of the annual deposits. Budget amendments must be approved by the Board of Directors of the Authority in a manner similar to the adoption of the annual budget.

SPECIAL PROJECTS SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)

NOTES TO BASIC FINANCIAL STATEMENTS
August 31, 2014

Pursuant to the Trust Agreement, the SPS 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, commencing with the fiscal year ending August 31, 2015, sufficient to satisfy 1.00 times the scheduled debt service requirements on all outstanding First and Second Tier Obligations secured by net revenues for the fiscal year.

(3) 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 March 2014. These investments include:

- Government Obligations- shall mean (i) direct, non-callable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America, (ii) non-callable 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 a nationally recognized investment rating firm not less than "AAA" or its equivalent, and (iii) non-callable 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 a nationally recognized investment rating firm not less than "AAA" or its equivalent.
- Certificates of deposit, including certificates of deposit of the Trustee, where the certificates are collateralized 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.
- Repurchase agreements when collateralized 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 repurchase agreement so collateralized, including interest.
- 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.
- Collateralized Investment agreement or other contractual agreements with corporations, financial institutions, or national associations within the United States of America provided that the senior long-term debt of such corporations, institutions or associations is rated AAA by a Rating Agency.
- Investments may be made in Permitted Investments through an eligible investment pool as permitted by Texas Government Code, Chapter 2256, as amended.

The Authority does not invest in financial instruments other than those authorized by the Special Projects System 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.

(a) Deposits

The SPS did not have any cash deposits as of August 31, 2014.

SPECIAL PROJECTS SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)

NOTES TO BASIC FINANCIAL STATEMENTS
August 31, 2014

(b) Investments

As of August 31, 2014 the maturity values were as follows:

Description	2014			WAM(*)
	Maturity Value (in Yrs)			
	Fair Value	Less Than 1 Year	1 Year or More	
Government Sponsored Entities (GSE):				
Federal Home Loan Bank	\$ 23,237,880	-	\$ 23,237,880	
Federal National Mortgage Assn.	84,141,964	43,211,022	40,930,942	
Federal Home Loan Mortgage Corp	77,439,376	13,175,706	64,263,670	
Total GSE	194,938,620	66,506,128	128,432,492	356
Money Market Funds	35,651,314	35,651,314	-	-
Interest Bearing Account	86,809,311	86,809,311	-	-
Government Pool	65,458,661	65,458,661	-	8 (**)
Total Investments	\$ 382,857,906	\$ 254,425,414	\$ 128,432,492	

* WAM = Weighted Average Maturity (in days)

** WAM of Government Pools reflects the actual Weighted Average Maturity as reported by the Government Pools.

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

Construction Funds	\$ 184,519,702
Rate Stabilization Fund	131,418,258
Debt Service Fund	35,651,474
Capital Expenditure Reserve Fund	10,510,333
Major Maintenance and Major Maintenance Reserve Fund	12,832,078
Revenue Fund	811,079
Operating Fund	4,031,133
General Fund	3,083,849
Total	\$ 382,857,906

(c) Interest Rate Risk

The Authority does not have a formal policy on 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 August 31, 2014 was 0.549% in comparison to 0.361% for August 31, 2013. The weighted average maturity in days was 364 days as of August 31, 2014 compared to 222 days as of August 31, 2013. Approximately 66% of the investments are maturing within one year and 34% are maturing one year or greater.

(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.

SPECIAL PROJECTS SYSTEM
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NOTES TO BASIC FINANCIAL STATEMENTS
August 31, 2014

As of August 31, 2014, the Special Projects System invested 9% in AAA rated money market funds, 23% in Interest Bearing Accounts, 17% in AAAM rated State and Local Government Pool, and 51% in Government Sponsored Entities (GSE). GSE are Aaa rated by Moody's.

The Special Projects System participates in three local government investment pools operating as SEC 2a-7 like pools: TexPool, TexStar and TexasDAILY. 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. PFM Asset Management LLC is the Investment Advisor and Administrator of TexasDAILY.

The local government investment pools in which the SPS invests are structured, similarly to money market mutual funds, to provide liquidity needs. TexPool, TexasDaily 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, TexStar and TexasDAILY 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 August 31, 2014, investments in TexPool, TexSTAR, BB&T Bank and Wells Fargo Bank Government Money Market Fund exceeded 5% of the total portfolio. More than 5% of the Authority's Special Projects System funds are invested in Federal Home Loan Bank (FHLB), Federal National Mortgage Association (FNMA), and Federal Home Loan Mortgage Corporation (FHLMC).

(4) Capital Assets

Capital assets are summarized as follows:

	September 1, 2013	Addition	Transfer	August 31, 2014
Infrastructure network:				
<i>Non-depreciable</i>				
Engineering	31,926,984	6,516,050	-	38,443,034
Right-of-Way	48,345,348	248,726	-	48,594,074
Roadway/Highway/Bridges	959,860,641	216,228,885	630,500,143	1,806,589,669
Construction in Progress	630,500,143	-	(630,500,143)	-
Administration	879,071	111,574	-	990,645
Financing Costs*	129,545,812	20,672,320	-	150,218,132
Total non-depreciable infrastructure	<u>1,801,057,999</u>	<u>243,777,555</u>	<u>-</u>	<u>2,044,835,554</u>

* Includes capitalized interest net of interest earnings

Total bond interest costs incurred amounted to \$57,632,629 during the year ended August 31, 2014 of which \$20,672,319 was capitalized. In addition, \$0 of accreted interest on Capital Appreciation Bonds (CABS) was capitalized.

SPECIAL PROJECTS SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)

NOTES TO BASIC FINANCIAL STATEMENTS
August 31, 2014

(5) Revenue Bonds and Loans Payable

Revenue Bonds

The SPS has issued various Revenue Bond Series to construct the SPS and to fund reserves and expenses associated with the bond issues.

The following are descriptions of Revenue Bond Series currently outstanding as of August 31, 2014.

Series 2011A: Series 2011A Bonds were issued as Current Interest Bonds in the amount of \$487,890,000. The Bonds were issued for the purpose of providing funds to pay an upfront payment to the Texas Department of Transportation for the Authority's right to own and operate an 11.5-mile tolled portion of State Highway 161 in Western Dallas County, designated the President George Bush Turnpike Western Extension (PGBT WE), and to finance a portion of the costs of the construction and development of PGBT WE.

Interest is payable September 1 and March 1, commencing September 1, 2011. Principal is payable September 1, commencing September 1, 2014. The Series 2011A Bonds included serial bonds and three term bonds. The serial bonds were issued in the amount of \$110,010,000 with maturities from 2014-2031 with interest rates ranging from 4.00%-5.25%. The first term bond was issued in the amount of \$47,335,000 and has a maturity of September 1, 2036 and an interest rate of 5.50%. The second term bond was issued in the amount of \$280,545,000 and has a maturity of September 1, 2041 and an interest rate of 5.50%. The final term bond was issued in the amount of \$50,000,000 and has a maturity of September 1, 2041 and an interest rate of 6.00%.

Series 2011B: Series 2011B Bonds were issued as Capital Appreciation Bonds in the amount of \$55,103,673 and the sum of the principal and accreted/compounded interest is payable only at maturity. The Bonds were issued for the purpose of providing funds to pay an upfront payment to the Texas Department of Transportation for the Authority's right to own and operate an 11.5-mile tolled portion of State Highway 161 in Western Dallas County, designated the President George Bush Turnpike Western Extension (PGBT WE), and to finance a portion of the costs of the construction and development of PGBT WE.

The approximate Yield to Maturity is 7.55% to 7.60%. The maturity dates of the 2011B bonds are September 1, 2037 through September 1, 2043.

Series 2011C: Series 2011C Bonds were issued as Convertible Capital Appreciation Bonds in the amount of \$129,839,776. Interest will accrete from April 28, 2011 and will compound semiannually on September 1 and March 1, commencing September 1, 2011. The Bonds were issued for the purpose of providing funds to pay an upfront payment to the Texas Department of Transportation for the Authority's right to own and operate an 11.5-mile tolled portion of State Highway 161 in Western Dallas County, designated the President George Bush Turnpike Western Extension (PGBT WE), and to finance a portion of the costs of the construction and development of PGBT WE.

These bonds were issued in two Subseries. The first Subseries were issued in an amount of \$36,767,691 with an approximate Yield to Maturity of 7.00% and a conversion date of September 1, 2023. After conversion interest will accrue at a rate of 7.00% on the total amount of principal and the accreted/compounded interest thereon payable semiannually on September 1 and March 1, commencing March 1, 2024. The second Subseries were issued in an amount of \$93,072,085 with an approximate Yield to Maturity of 6.75% and a conversion date of September 1, 2021. After conversion interest will accrue at a rate of 6.75% on the total amount of principal and the accreted/compounded interest thereon payable semiannually on September 1 and March 1, commencing March 1, 2022. The maturity dates of the 2011C bonds are September 1, 2043 through September 1, 2045.

SPECIAL PROJECTS SYSTEM
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NOTES TO BASIC FINANCIAL STATEMENTS
August 31, 2014

Series 2011D: Series 2011D Bonds were issued as Tax Exempt Current Interest Bonds in the amount of \$566,870,000. The Bonds were issued for the purpose of providing funds to finance a portion of the costs of the construction and development of a 27.6 mile toll way between IH30 near the Central Business District in the City of Fort Worth and US 67 in Cleburne designated as the Chisholm Trail Parkway (CTP).

The approximate Yield to Maturity is 2.59% to 4.58%. Interest is payable September 1 and March 1, commencing March 1, 2012. The Series 2011D Bonds were issued as Serial Bonds with maturities on September 1 of each year beginning in 2019 and continuing through 2032.

Series 2011E: Series 2011E Bonds were issued as Taxable Current Interest Bonds in the amount of \$73,665,000. The Bonds were issued for the purpose of providing funds to finance a portion of the costs of the construction and development of a 27.6 mile toll way between IH30 near the Central Business District in the City of Fort Worth and US 67 in Cleburne designated as the Chisholm Trail Parkway (CTP).

The approximate Yield to Maturity is 3.27% to 3.87%. Interest is payable September 1 and March 1, commencing March 1, 2012. The Series 2011E Bonds were issued as Serial Bonds with maturities on September 1 of each year beginning in 2019 and continuing through 2023.

The following schedule summarizes the revenue bonds outstanding as of August 31, 2014:

<u>Description of Issue</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Accretion/ Amortization</u>	<u>Matured or Retired</u>	<u>Ending Balance</u>
Series 2011A	487,890,000	-	-	-	487,890,000
Series 2011B	65,572,079	-	5,051,531	-	70,623,610
Series 2011C	151,920,596	-	10,540,380	-	162,460,976
Series 2011D	566,870,000	-	-	-	566,870,000
Series 2011E	73,665,000	-	-	-	73,665,000
	1,345,917,675	-	15,591,911	-	1,361,509,586
Bond (discount) premium	44,988,324	-	(4,178,669)	-	40,809,655
Totals	\$ 1,390,905,999	\$ -	\$ 11,413,242	\$ -	\$ 1,402,319,241

Premium and Discounts

Premiums and discounts related to the issuance of bonds are being amortized using an approximation of the effective interest method which factors in the maturities of the various serial bonds, over the term of the bonds. The bond (discount) premium costs for the year ended on August 31, 2014 was \$40,809,655.

SPECIAL PROJECTS SYSTEM
 (An Enterprise Fund of the North Texas Tollway Authority)
 NOTES TO BASIC FINANCIAL STATEMENTS
 August 31, 2014

The total revenue bond debt service requirements subsequent to August 31, 2014 are as follows:

<u>Year</u>	<u>Principal amount</u>	<u>Interest amount</u>	<u>Capitalized Interest</u>	<u>Total</u>
Due September 1				
2014	6,835,000	57,632,629	(33,576,603)	30,891,026
2015	11,045,000	57,359,229	(28,773,884)	39,630,345
2016	15,030,000	56,917,429	(10,200,503)	61,746,926
2017	12,835,000	56,215,929	(7,208,968)	61,841,961
2018	60,000	55,624,179	(5,411,750)	50,272,429
2019 - 2023	123,330,000	296,009,256	-	419,339,256
2024 - 2028	269,410,000	321,150,750	-	590,560,750
2029 - 2033	328,329,659	233,051,113	-	561,380,772
2034 - 2038	155,655,992	191,853,150	-	347,509,142
2039 - 2043	299,313,392	120,072,725	-	419,386,117
2044- 2045	91,524,407	15,032,250	-	106,556,657
Interest Accretion	48,141,136	-	-	48,141,136
	<u>\$1,361,509,586</u>	<u>\$1,460,918,639</u>	<u>\$ (85,171,708)</u>	<u>\$2,737,256,517</u>

SPECIAL PROJECTS SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)

NOTES TO BASIC FINANCIAL STATEMENTS
August 31, 2014

Loan Payable

TIFIA Loan

On April 15, 2011, NTTA closed on its TIFIA loan through the Transportation Investment Generating Economic Recovery (TIGER) program of the American Recovery and Reinvestment Act of 2009. The TIFIA loan was funded on August 16, 2013 to retire the BANs and at that time the grant was recognized. The TIFIA loan interest rate is set at 4.51%.

Debt service requirements on the TIFIA loan payable subsequent to August 31, 2014 are as follows:

Fiscal years	TIFIA		
	Loan Payable		
Principal	Interest	Total	
2014	\$ -	\$ -	\$ -
2015	-	-	-
2016	-	-	-
2017	-	1,000,000	1,000,000
2018	-	21,558,987	21,558,987
2019 - 2023	836,707	107,783,568	108,620,275
2024 - 2028	4,183,535	107,061,660	111,245,195
2029 - 2033	4,183,535	105,934,129	110,117,664
2034 - 2038	4,183,535	104,806,629	108,990,164
2039 - 2043	4,183,535	103,679,129	107,862,664
2044 - 2047	382,397,163	59,511,237	441,908,400
Interest accretion	19,068,724	-	19,068,724
Total principal and interest	\$ 419,036,734	\$ 611,335,339	1,030,372,073

(6) Employees' Retirement Plan

The Authority's employees' retirement plans apply to the SPS. For detailed information of these retirement plans, the separate financial statements of the NTTA System may be obtained from the North Texas Tollway Authority, Finance Department.

(7) Risk Management

The Authority's risk management programs apply to the SPS. For additional information, the separate financial statements of the NTTA System may be obtained from the North Texas Tollway Authority, Finance Department.

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 2006-2013. 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, of the North Texas Tollway Authority's System's financial statements.

SPECIAL PROJECTS SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)

NOTES TO BASIC FINANCIAL STATEMENTS
August 31, 2014

(8) Post Employment Benefits

The SPS does not have any employees. The Authority provides all accounting, debt financing and administrative services. Additionally, the Authority's employees' post employment benefit plans apply to the SPS. For detailed information of these plans, the separate financial statements of the Authority may be obtained from the North Texas Tollway Authority, Finance Department.

(9) Disaggregation of Receivable Balances

The SPS has an unrestricted gross accounts receivable balance of \$10,328,457 as of August 31, 2014. The unrestricted balance is for billed video tolls with an allowance for doubtful accounts of \$6,659,038. The SPS maintains an allowance for uncollectible receivables in its financial statements with respect to a toll receivable, with the amount of the allowance based upon historical monthly collections patterns from 2011 to present. Based upon the payment history for each 30 day bucket of aged 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 64.6% reserved for all invoices.

(10) Commitments and Contingencies

The SPS currently has \$382,857,906 in investments with approximately \$374,931,845 restricted for construction and debt service. The SPS has \$48,785,542 in current liabilities payable for restricted assets that are comprised primarily of debt service related payables and construction-related payables including retainage at August 31, 2014. Additionally the SPS has contract and purchase order commitments at August 31, 2014 aggregating \$73.1 million, comprised primarily of construction contracts payable from restricted funds and the issuance of debt.

The Authority entered into the Toll Equity Loan Agreement (TELA) with TxDOT in conjunction with the issuance of the Series 2011A-C Bonds. Pursuant to the TELA, TxDOT has agreed to make a toll equity loan available to the Authority in an aggregate amount of \$6.02 billion any time revenues of the SPS are not sufficient to pay expenses and debt service related to PGBT-WE.

SPECIAL PROJECTS SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)

Required Supplementary Information
August 31, 2014

Modified Approach - Infrastructure

The SPS has elected to use the Modified Approach to account for maintenance of the SPS's infrastructure assets. As required by the Trust Agreement, an annual inspection of the SPS roadways is to be conducted by the Authority's Maintenance Management Consultant, VRX Inc. This inspection provides an overall rating, indicating the average condition of all of the SPS infrastructure assets (roadways, bridges, and facilities). The assessment of conditions is made by visual and mechanical tests designed to reveal any condition that would reduce user benefits below the maximum level of service. The SPS goal is to maintain the SPS 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 first Capital Assessment and Inspection Report for the SPS was performed after substantial completion of construction in March 2013.

The infrastructure assets include the President George Bush Turnpike (PGBT) Western Extension, the Chisholm Trail Parkway, Ramps, Plazas, and IT lane equipment. The roadways are a major transportation network consisting of 39.1 centerline miles (approximately 158.8 main lane miles and 52.6 frontage road miles) of roadways in the SPS. All assets combined totaled \$2,044,835,554 in current replacement value for fiscal year 2014.

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"; on the contrary, a Condition Index with a value of 0.0 is considered "unusable." In accordance with GASB Statement 34, the Maintenance Management Consultant (MMC) will perform an asset condition assessment for the PGBT every three years.

Condition Index		
Fiscal Year	Current	Goal
2011	N/A	N/A
2012	N/A	N/A
2013	9.1	8.0
2014	9.1	8.0

Condition Assessment and Inventory

A comprehensive condition assessment performed on all SPS assets (March 2013) has a rating of 9.1 for 2014. As mention above, an asset condition assessment occurs every 3 years, thus the next comprehensive condition assessment will be performed in 2016.

Bridges

A condition assessment was performed on the SPS bridges in March 2013 using the *Recording and Coding Guide for the Structure Inventory and Appraisal of the Nation's Bridges*, published by the Federal Highway Administration (FHWA). To do this, a Sufficiency Rating is determined by totaling four separate factors using the sufficiency rating formula. The Sufficiency Rating Formula is a method of evaluating highway bridge data by calculating 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%).

SPECIAL PROJECTS SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)

Required Supplementary Information
August 31, 2014

Roadways

A condition assessment was performed on the SPS roadways in March 2013 using the *Highway Maintenance Condition Assessment Program* (HMCAP) developed by Roy Jorgensen Associates, Inc., the pavement Condition Rating Authority (CRS) developed by Applied Research Associates, Inc., and the Pavement Condition Index (PCI) procedure as outlined in ASTM D5340. To do this, a Maintenance Rating Program (MRP) Index is determined by visual inspection of the Authority's roadways, appurtenances, and edge conditions. Additionally, a baseline PCI and a baseline ride ability survey were conducted on the roadway surface and incorporated into the MRP Index. Although the PCI and ride ability survey were conducted on the entire Authority, it would have been impractical to perform a MRP evaluation over the same 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% (of which the PCI accounts for 80%), roadside components accounted for 15%, and other items account for 15%.

The Roadway Index (RI) is a measure of the overall health of the SPS roadway that takes into account the current condition of the roadway, how well it is being maintained, and its projected future performance. It is calculated using the results of the annual MRP and pavement condition surveys. In 2006 the RI was revised to use CRS pavement condition ratings in place of the PCI ratings and incorporates remaining pavement service life (RSL). RI is equal to the values of 50% of CRS, 30% RSL, 10% MRP of travel lane element, 5% MRP of roadside element, and 5% MRP of other element.

Currently, the 39.1 centerline miles (approximately 158.8 main lane miles and 52.6 footage road miles) of the SPS do not have a Roadway Index. In accordance with GASB Statement 34, the MMC performed an asset condition assessment for the SPS after substantial completion of construction in March 2013 and occurring every three years thereafter.

The budget-to-actual expenditures for preservation and other infrastructure maintenance costs were as follows for the year 2014.

<u>Fiscal year</u>	<u>Budget</u>	<u>Actual</u>
2014	\$ 4,371,813	\$ 1,323,436
2013	673,301	221,883
2012	425,285	92,877
2011	400,916	5,533



SPECIAL PROJECTS SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
INTRODUCTION TO THE 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

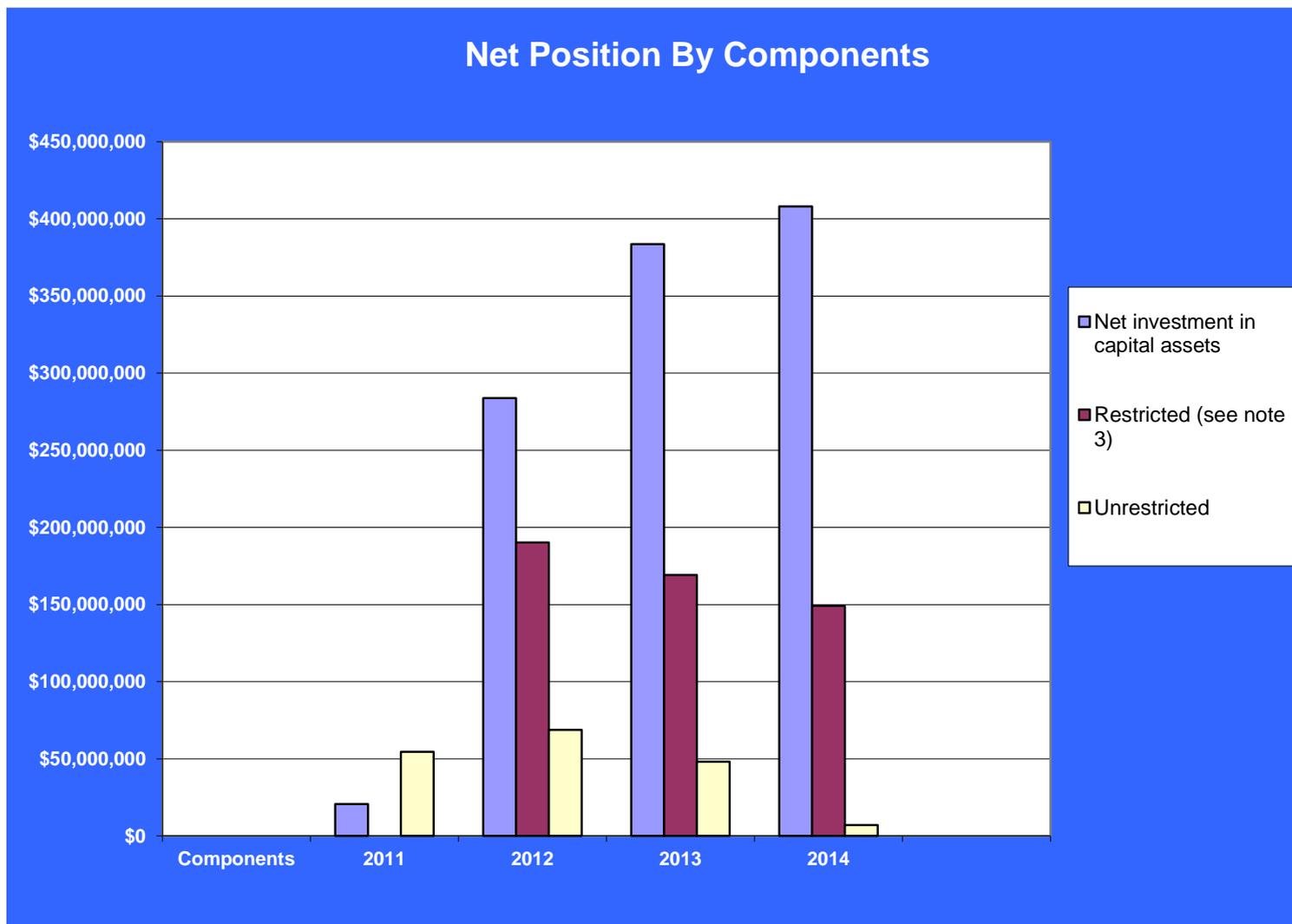
These tables contain service and infrastructure data to help the reader understand how the information in the Authority's financial report relates to the services the Authority provides and the activities it performs.

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

SPECIAL PROJECTS SYSTEM
 (An Enterprise Fund of the North Texas Tollway Authority)
 Net Position by Components
 Last Four Fiscal Years
 (Unaudited)

Business-Type Activities

Components	2011	2012	2013	2014
Net investment in capital assets	\$ 20,741,421	\$ 283,761,862	\$ 383,556,600	\$ 407,999,282
Restricted (see note 3)	-	190,162,390	169,161,310	149,175,009
Unrestricted	54,521,930	68,751,161	48,121,332	7,015,803
Total net position	\$ 75,263,351	\$ 542,675,413	\$ 600,839,242	\$ 564,190,094



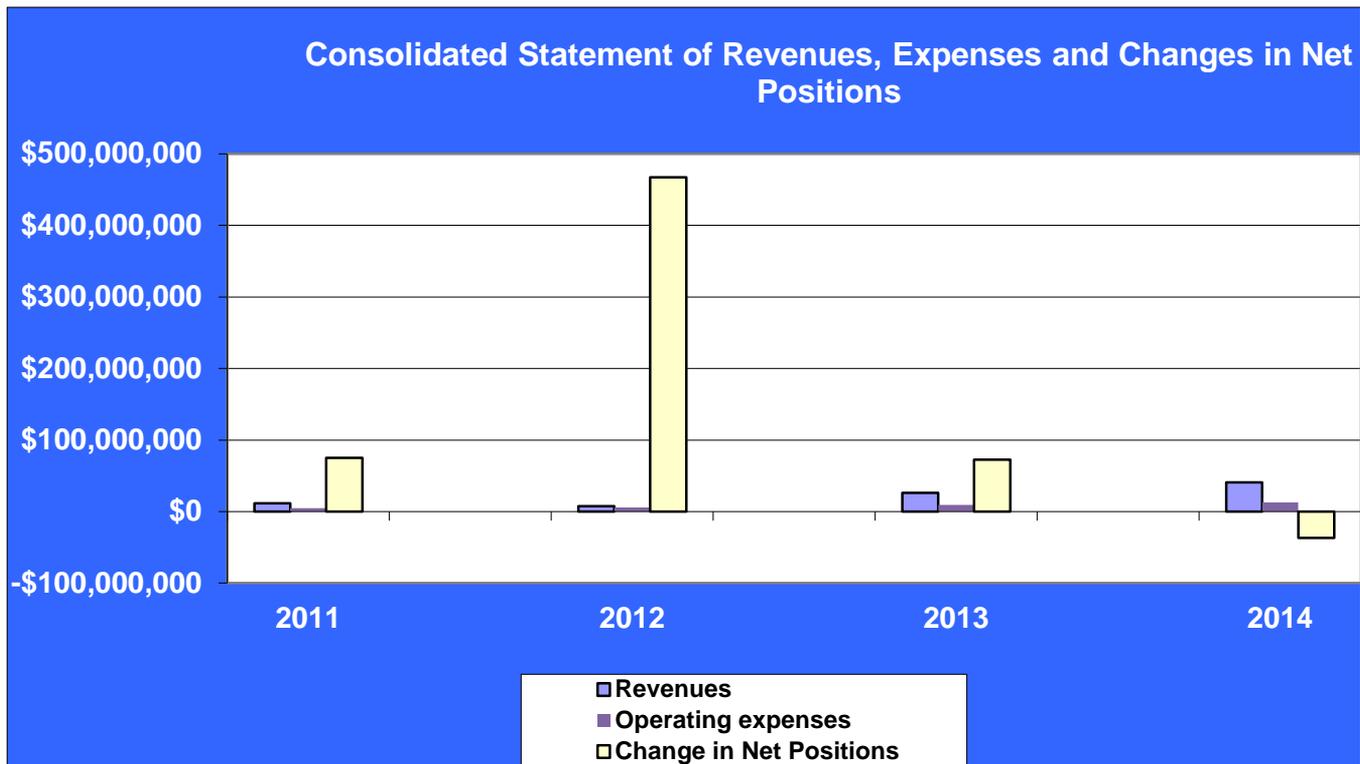
* Due to SPS being created in 2011, 10 years of data will not be available until 2021.

SPECIAL PROJECTS SYSTEM
 (An Enterprise Fund of the North Texas Tollway Authority)
Statement of Revenues, Expenses, and Changes in Net Positions
 Last Four Fiscal Years
 (Unaudited)

Business-Type Activities

	2011	2012	2013	2014
Revenues:				
Tolls (net of bad debt expense)	\$ 10,488,973	\$ 6,466,245	\$ 24,429,140	38,179,423
Other (1)	1,174,558	1,240,403	1,675,771	2,459,735
Total operating revenues	<u>11,663,531</u>	<u>7,706,648</u>	<u>26,104,911</u>	<u>40,639,158</u>
Operating expenses:				
Administration	1,320,416	2,015,360	3,409,128	4,062,155
Operations	3,456,434	3,518,101	5,519,096	7,248,120
Major maintenance	5,533	92,877	221,883	1,323,436
Total operating expenses	<u>4,782,383</u>	<u>5,626,338</u>	<u>9,150,107</u>	<u>12,633,711</u>
Operating income	<u>6,881,148</u>	<u>2,080,310</u>	<u>16,954,804</u>	<u>28,005,447</u>
Nonoperating revenues (expenses):				
Interest earned on investments	-	2,128,034	3,136,867	2,183,488
Gain (loss) on sale of investment	-	262,689	(878,157)	-
Net increase (decrease) in fair value of investments	514,876	2,128,517	(1,053,255)	52,517
TIGER TIFIA loan subsidy	-	-	9,076,429	-
Interest expense on revenue bonds	151,120	-	(31,302,548)	(36,960,309)
Interest accretion on 2011B, 2011C bonds and TIFIA loan	(4,433,416)	(1,330,925)	(12,953,434)	(33,869,903)
Bond premium/discount amortization	310,664	3,552,032	4,178,669	4,178,669
Bond issuance cost amortization	(650,821)	(2,274,014)	-	-
TIGER TIFIA administrative cost	-	-	(9,076,429)	-
Miscellaneous nonoperating revenues (expenses)	(1,363,369)	1,194,020	(3,079,001)	(2,818,706)
Payments from other governments	2,174,394	70,903,322	97,620,279	2,579,649
Contributed capital	71,678,755	388,768,077	-	-
Net nonoperating revenues (expenses)	<u>68,382,203</u>	<u>465,331,752</u>	<u>55,669,420</u>	<u>(64,654,595)</u>
Change in net position	<u>\$ 75,263,351</u>	<u>\$ 467,412,062</u>	<u>\$ 72,624,224</u>	<u>(36,649,148)</u>

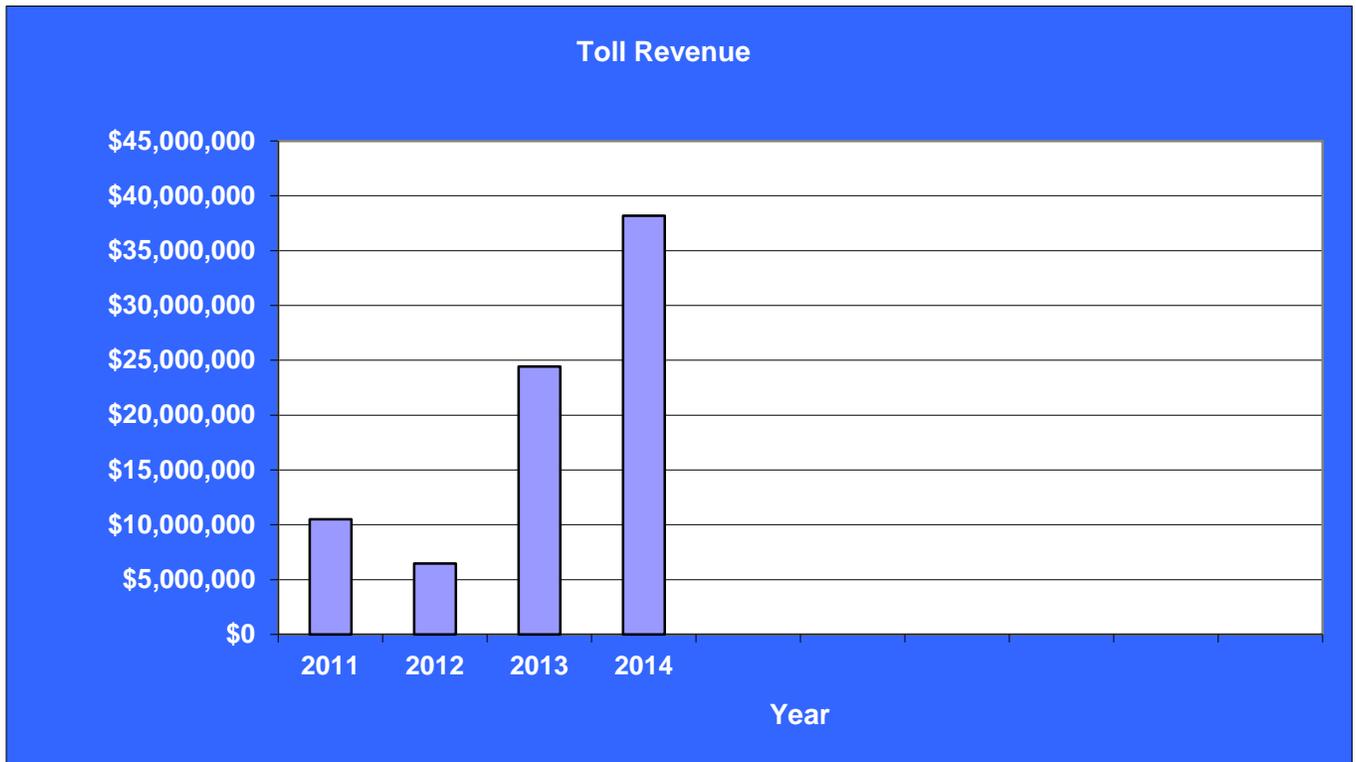
(1) Administrative fees, statement fees and operating interest.



SPECIAL PROJECTS SYSTEM
 (An Enterprise Fund of the North Texas Tollway Authority)
Traffic and Toll Revenue
Last Four Fiscal Years
 (Unaudited)

Year	Annual Revenue Vehicle Transactions	Annual Toll Revenue	Average Toll Rate per Transaction
2011	11,409,801	10,488,973	0.92
2012	12,602,102	6,466,245	0.51
2013	34,238,837	24,429,140	0.71
2014	48,612,448 (*)	38,179,423 (**)	0.79

(*) total transactions were 48,931,927 of which 319,479 were nonrevenue
 (**) net of bad debt expense of \$4,776,414



* Due to SPS being created in 2011, 10 years of data will not be available until 2021.

SPECIAL PROJECTS SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Schedule of Toll Rates
For the years 2010-2014
(Unaudited)

		Years				
Two-axle passenger cars and trucks		2010	2011	2012	2013	2014
PGBT WE:						
Lower Tarrant Mainlane Gantry (MLG11)	ZipCash	1.17	1.25	1.25	1.41	1.41
	TollTag	0.78	0.83	0.83	0.94	0.94
Arkansas Mainland Gantry (MLG12)	ZipCash	-	-	-	1.49	1.49
	Toll Tag	-	-	-	0.99	0.99
CTP:						
Main Lane Gantry 1 (MLG1)	ZipCash	-	-	-	-	1.92
	Toll Tag	-	-	-	-	1.28
Main Lane Gantry 2 (MLG2)	ZipCash	-	-	-	-	3.12
	Toll Tag	-	-	-	-	2.08
Main Lane Gantry 3 (MLG))	ZipCash	-	-	-	-	2.33
	Toll Tag	-	-	-	0.99	1.55
		Years				
Three-axle vehicle and vehicle combination		2010	2011	2012	2013	2014
PGBT WE:						
Lower Tarrant Road - North (NLTRD)	ZipCash	2.34	2.50	2.50	2.82	2.82
	TollTag	1.56	1.66	1.66	1.88	1.88
Arkansas Mainland Gantry (MLG12)	ZipCash	-	-	-	2.98	2.98
	Toll Tag	-	-	-	1.98	1.98
CTP:						
Main Lane Gantry 1 (MLG1)	ZipCash	-	-	-	-	3.84
	Toll Tag	-	-	-	-	2.56
Main Lane Gantry 2 (MLG2)	ZipCash	-	-	-	-	6.24
	Toll Tag	-	-	-	-	4.16
Main Lane Gantry 3 (MLG))	ZipCash	-	-	-	-	4.66
	Toll Tag	-	-	-	-	3.10
		Years				
Four-axle vehicle and vehicle combination		2010	2011	2012	2013	2014
PGBT WE:						
Lower Tarrant Mainlane Gantry (MLG11)	ZipCash	3.51	3.75	3.75	4.23	4.23
	TollTag	2.34	2.49	2.49	2.82	2.82
Arkansas Mainland Gantry (MLG12)	ZipCash	-	-	-	4.47	4.47
	Toll Tag	-	-	-	2.97	2.97
CTP:						
Main Lane Gantry 1 (MLG1)	ZipCash	-	-	-	-	5.76
	Toll Tag	-	-	-	-	3.84
Main Lane Gantry 2 (MLG2)	ZipCash	-	-	-	-	9.36
	Toll Tag	-	-	-	-	6.24
Main Lane Gantry 3 (MLG))	ZipCash	-	-	-	-	6.99
	Toll Tag	-	-	-	-	4.65
		Years				
Five-axle vehicle and vehicle combination		2010	2011	2012	2013	2014
PGBT WE:						
Lower Tarrant Mainlane Gantry (MLG11)	ZipCash	4.68	5.00	5.00	5.64	5.64
	TollTag	3.12	3.32	3.32	3.76	3.76
Arkansas Mainland Gantry (MLG12)	ZipCash	-	-	-	5.96	5.96
	Toll Tag	-	-	-	3.96	3.96
CTP:						
Main Lane Gantry 1 (MLG1)	ZipCash	-	-	-	-	7.68
	Toll Tag	-	-	-	-	5.12
Main Lane Gantry 2 (MLG2)	ZipCash	-	-	-	-	12.48
	Toll Tag	-	-	-	-	8.32
Main Lane Gantry 3 (MLG))	ZipCash	-	-	-	-	9.32
	Toll Tag	-	-	-	-	6.20
		Years				
Six or more-axle vehicle and vehicle combination		2010	2011	2012	2013	2014
PGBT WE:						
Lower Tarrant Mainlane Gantry (MLG11)	ZipCash	5.85	6.25	6.25	7.05	7.05
	TollTag	3.90	4.25	4.15	4.70	4.70
Arkansas Mainland Gantry (MLG12)	ZipCash	-	-	-	7.45	7.45
	Toll Tag	-	-	-	4.95	4.95
CTP:						
Main Lane Gantry 1 (MLG1)	ZipCash	-	-	-	-	9.60
	Toll Tag	-	-	-	-	6.40
Main Lane Gantry 2 (MLG2)	ZipCash	-	-	-	-	15.60
	Toll Tag	-	-	-	-	10.40
Main Lane Gantry 3 (MLG))	ZipCash	-	-	-	-	11.65
	Toll Tag	-	-	-	-	7.75

Note----The Authority converted to All Electronic Toll Collection (All ETC) in December 2010.
All Customers will have a TollTag or will be billed according to business rules currently in place.
CTP open in May 2014

SPECIAL PROJECTS SYSTEM
 (An Enterprise Fund of the North Texas Tollway Authority)
Ratio of Outstanding Debt by Type
Business-Type Activities
Last Four Fiscal Years
 (Unaudited)

Year	Revenue Bonds	TIFIA Loan Payable	Total Debt Amount	Total Revenue		Debt Per Transactions	Debt Per Capita(2)
				Vehicle Toll Transactions(1)			
2011	1,096,841,456	-	\$1,096,841,456	11,409,801		96.13	196
2012	1,798,945,295	-	\$1,798,945,295	12,602,102		142.75	318
2013	1,390,905,999	400,758,741	\$1,791,664,740	34,238,837		52.33	314
2014	1,402,319,241	419,036,734	\$1,821,355,975	48,612,448		37.47	312

Note----Details on SPECIAL PROJECTS SYSTEM outstanding debt can be found in the Notes to Basic Financial Statements.

- (1) See table of Traffic and Toll Revenue on page 44.
- (2) See table of Demographic Data on page 48.

SPECIAL PROJECTS SYSTEM
 (An Enterprise Fund of the North Texas Tollway Authority)
 Ratio of Revenue-Backed Debt Outstanding
 Business-Type Activities
 Last Four Fiscal Years
 (Unaudited)

Year	Revenue Bonds	Less: amounts Available in Bond		TIFIA Loan Payable	Total Debt Amount	Annual Toll Revenues(1)	Debt Per Annual Toll Revenue	Debt Per Capita(2)
		Redemption Account						
2011	1,095,671,866	-		-	\$1,095,671,866	10,488,973	104	195
2012	1,798,945,295	-		-	\$1,798,945,295	6,466,245	278	318
2013	1,390,905,999	-		400,758,741	\$1,791,664,740	24,429,140	73	314
2014	1,402,319,241	-		419,036,734	\$1,821,355,975	38,179,423 (*)	48	312

(*) net of bad debt expense of \$4,776,414

Note----Details on SPECIAL PROJECTS SYSTEM outstanding debt can be found in the Notes to Basic Financial Statements.

- (1) See table of Traffic and Toll Revenue on page 44.
- (2) See table of Demographic Data on page 48.

SPECIAL PROJECTS SYSTEM
 (An Enterprise Fund of the North Texas Tollway Authority)
Schedule of Pro Forma Debt Service Requirements
 For the years 2014-2047
 (Unaudited)

Fiscal Year End (Aug 31)	First Tier Debt Service ¹					Second Tier Debt Service ¹				First & Second Tier Debt Service ¹	
	Series 2011 A-C Bonds Total	Series 2011 D Bonds		Series 2011 E Bonds		Total First Tier	TIFIA Loan ²				Total First and Second Tier
		Principal	Interest ³	Principal	Interest ³		Principal	Interest	Accrued Interest		
2014	\$ 33,077,938	\$ -	\$ 28,709,550	\$ -	\$ 2,680,141	\$ 64,467,629	\$ -	\$ -	\$ -	\$ -	\$ 64,467,629
2015	37,014,538	-	28,709,550	-	2,680,141	68,404,229	-	-	-	-	68,404,229
2016	40,557,738	-	28,709,550	-	2,680,141	71,947,429	-	-	-	-	71,947,429
2017	37,661,238	-	28,709,550	-	2,680,141	69,050,929	-	1,000,000	-	1,000,000	70,050,929
2018	24,294,488	-	28,709,550	-	2,680,141	55,684,179	-	21,558,987	-	21,558,987	77,243,166
2019	24,232,088	100,000	28,709,550	1,865,000	2,680,141	57,586,779	-	21,558,987	-	21,558,987	79,145,766
2020	33,882,088	790,000	28,704,550	15,095,000	2,619,175	81,090,812	-	21,558,987	-	21,558,987	102,649,799
2021	37,939,588	780,000	28,665,050	14,850,000	2,103,076	84,337,714	-	21,558,987	-	21,558,987	105,896,701
2022	35,572,188	1,620,000	28,626,050	30,860,000	1,573,080	98,251,317	-	21,558,987	-	21,558,987	119,810,305
2023	41,432,188	16,675,000	28,545,050	10,995,000	425,397	98,072,634	836,707	21,547,620	163,293	22,547,620	120,620,254
2024	41,465,688	42,825,000	27,711,300	-	-	112,001,988	836,707	21,502,551	163,293	22,502,551	134,504,538
2025	42,017,188	44,190,000	25,570,050	-	-	111,777,238	836,707	21,457,420	163,293	22,457,420	134,234,657
2026	41,610,688	53,575,000	23,250,075	-	-	118,435,763	836,707	21,412,320	163,293	22,412,320	140,848,082
2027	41,232,688	48,655,000	20,437,388	-	-	110,325,075	836,707	21,367,220	163,293	22,367,220	132,692,295
2028	46,597,688	73,540,000	17,883,000	-	-	138,020,688	836,707	21,322,151	163,293	22,322,151	160,342,838
2029	45,582,613	79,950,000	14,206,000	-	-	139,738,613	836,707	21,277,020	163,293	22,277,020	162,015,632
2030	47,888,750	84,300,000	10,208,500	-	-	142,397,250	836,707	21,231,920	163,293	22,231,920	164,629,170
2031	56,374,000	87,595,000	5,993,500	-	-	149,962,500	836,707	21,186,820	163,293	22,186,820	172,149,320
2032	79,506,717	32,275,000	1,613,750	-	-	113,395,467	836,707	21,141,751	163,293	22,141,751	135,537,217
2033	82,002,153	-	-	-	-	82,002,153	836,707	21,096,620	163,293	22,096,620	104,098,772
2034	75,136,906	-	-	-	-	75,136,906	836,707	21,051,520	163,293	22,051,520	97,188,425
2035	87,433,743	-	-	-	-	87,433,743	836,707	21,006,420	163,293	22,006,420	109,440,163
2036	108,915,657	-	-	-	-	108,915,657	836,707	20,961,351	163,293	21,961,351	130,877,008
2037	108,358,575	-	-	-	-	108,358,575	836,707	20,916,220	163,293	21,916,220	130,274,795
2038	108,358,575	-	-	-	-	108,358,575	836,707	20,871,120	163,293	21,871,120	130,229,695
2039	114,241,925	-	-	-	-	114,241,925	836,707	20,826,020	163,293	21,826,020	136,067,945
2040	113,461,050	-	-	-	-	113,461,050	836,707	20,780,951	163,293	21,780,951	135,242,001
2041	103,887,550	-	-	-	-	103,887,550	836,707	20,735,820	163,293	21,735,820	125,623,370
2042	118,633,467	-	-	-	-	118,633,467	836,707	20,690,720	163,293	21,690,720	140,324,186
2043	138,968,600	-	-	-	-	138,968,600	836,707	20,645,620	163,293	21,645,620	160,614,220
2044	153,264,538	-	-	-	-	153,264,538	836,707	20,600,551	163,293	21,600,551	174,865,088
2045	43,612,713	-	-	-	-	43,612,713	83,055,821	19,438,338	16,209,290	118,703,449	162,316,161
2046	-	-	-	-	-	-	156,065,256	13,969,597	30,457,913	200,492,766	200,492,766
2047	-	-	-	-	-	-	142,439,377	5,502,753	27,798,667	175,740,796	175,740,796
Total	\$ 2,144,215,542	\$ 566,870,000	\$ 433,671,563	\$ 73,665,000	\$ 22,801,576	\$ 3,241,223,680	\$ 399,968,010	\$ 611,335,339	\$ 78,058,313	\$ 1,089,361,662	\$ 4,330,585,342

¹Debt service due on September 1 is shown as paid in the previous fiscal year ending August 31 as cash flow from the previous fiscal year is used to make September 1 debt service payments.

²The Notes were redeemed with the proceeds of the TIFIA Loan and funds on hand.

³Interest on Series 2011D and 2011E Bonds is fully capitalized through July 31, 2015. The Authority is pre-paying interest on Series 2011D Bonds coming due from September 1, 2015 to September 1, 2018.

SPECIAL PROJECTS SYSTEM
 (An Enterprise Fund of the North Texas Tollway Authority)
 Schedule of Estimated Toll Revenues, Expenses, Other Income and Estimated Debt Service Coverage Ratio's
 For the years 2014-2047
 (Unaudited)

Fiscal Year End (Aug 31)	Annual Cash Flow										Annual Debt Service Coverage Ratios		
	Toll Revenue	Other Revenue ¹	Total Revenue	First Tier Debt Service (Net) ^{3,3}	Second Tier Debt Service (Gross) ^{3,4}	Operations & Maintenance	Major Maintenance	Major Maintenance Reserve Fund Release	Major Maintenance, Capital Expenditures, and Net Cash Flow Deposits and Draws ⁵	General Fund Deposit	Gross First Tier Debt Service Coverage Ratio ⁶	Gross Total Debt Service Coverage Ratio ⁷	Net Total Debt Service Coverage Ratio ⁸
2014	\$ 34,529,300	\$ 1,877,200	\$ 36,406,500	\$ (30,891,026)	\$ -	\$ (16,038,475)	(2,242,244)	2,242,244	\$ 9,080,445	\$ (1,442,556)	1.18x	1.18x	0.66x
2015	73,796,800	8,808,416	82,605,216	(39,630,345)	-	(28,152,073)	(1,316,618)	1,316,618	(6,342,742)	8,480,055	2.08x	2.08x	1.37x
2016	90,077,700	9,071,901	99,149,601	(61,746,926)	-	(29,609,633)	(2,819,155)	2,819,155	(6,944,858)	848,185	1.61x	1.61x	1.13x
2017	102,641,000	9,531,417	112,172,417	(61,841,961)	(1,000,000)	(30,943,692)	(4,284,630)	4,284,630	(11,670,162)	6,716,603	1.81x	1.78x	1.29x
2018	120,505,600	9,778,573	130,284,173	(50,272,429)	(21,558,987)	(32,564,130)	(2,319,865)	2,319,865	(24,116,010)	1,772,617	2.59x	1.81x	1.36x
2019	134,865,700	10,390,778	145,256,478	(57,586,779)	(21,558,987)	(34,203,636)	(14,630,183)	14,630,183	(29,899,452)	2,007,624	2.52x	1.84x	1.40x
2020	153,468,300	10,644,735	164,113,035	(81,090,812)	(21,558,987)	(35,924,376)	(3,317,688)	3,317,688	(21,099,632)	4,439,227	2.02x	1.60x	1.25x
2021	163,212,300	10,603,499	173,815,799	(84,337,714)	(21,558,987)	(37,912,071)	(7,599,658)	7,599,658	(23,531,692)	6,475,335	2.06x	1.64x	1.28x
2022	175,939,400	10,753,719	186,693,119	(98,251,317)	(21,558,987)	(38,977,498)	(10,147,532)	10,147,532	(17,873,187)	10,032,130	1.90x	1.56x	1.23x
2023	182,952,700	10,587,146	193,539,846	(98,072,634)	(22,547,620)	(40,024,019)	(3,685,341)	3,685,341	(19,065,197)	13,830,378	1.97x	1.60x	1.27x
2024	196,941,300	10,731,442	207,672,742	(112,001,988)	(22,502,551)	(40,942,342)	(14,643,242)	14,643,242	(14,326,208)	17,899,653	1.85x	1.54x	1.24x
2025	204,169,400	10,613,367	214,782,767	(111,777,238)	(22,457,420)	(42,067,422)	(3,322,759)	3,322,759	(17,211,006)	21,269,682	1.92x	1.60x	1.29x
2026	220,245,900	10,576,320	230,822,220	(118,435,763)	(22,412,320)	(43,475,615)	(6,447,942)	6,447,942	(19,983,228)	26,515,295	1.95x	1.64x	1.33x
2027	228,870,300	10,901,262	239,771,562	(110,325,075)	(22,367,220)	(44,791,611)	(13,832,925)	13,832,925	(25,106,689)	37,180,968	2.17x	1.81x	1.47x
2028	246,661,200	10,936,997	257,598,197	(138,020,688)	(22,322,151)	(46,376,142)	(8,333,585)	8,333,585	(23,696,751)	27,182,465	1.87x	1.61x	1.32x
2029	255,637,200	11,218,398	266,855,598	(139,738,613)	(22,277,020)	(47,794,221)	(43,037,602)	43,037,602	(23,622,618)	33,423,127	1.91x	1.65x	1.35x
2030	271,676,100	11,083,577	282,759,677	(142,397,250)	(22,231,920)	(49,142,594)	(5,172,589)	5,172,589	(33,649,071)	35,338,843	1.99x	1.72x	1.42x
2031	282,279,600	11,215,992	293,495,592	(149,962,500)	(22,186,820)	(50,939,719)	(4,660,334)	4,660,334	(39,714,168)	30,692,385	1.96x	1.70x	1.41x
2032	304,093,900	11,732,246	315,826,146	(113,395,467)	(22,141,751)	(54,728,397)	(58,212,490)	58,212,490	(40,993,350)	84,567,181	2.79x	2.33x	1.93x
2033	313,017,400	11,773,686	324,791,086	(82,002,153)	(22,096,620)	(56,354,913)	(9,252,524)	9,252,524	(47,226,454)	117,110,947	3.96x	3.12x	2.58x
2034	335,170,600	12,139,036	347,309,636	(75,136,906)	(22,051,520)	(58,337,178)	(25,337,541)	25,337,541	(43,146,976)	148,637,057	4.62x	3.57x	2.97x
2035	345,096,600	12,227,898	357,324,498	(87,433,743)	(22,006,420)	(60,125,436)	(91,394,949)	91,394,949	(25,193,993)	162,564,906	4.09x	3.27x	2.72x
2036	367,875,600	12,327,508	380,203,108	(108,915,657)	(21,961,351)	(62,205,069)	(52,522,856)	52,522,856	(22,638,931)	164,482,100	3.49x	2.91x	2.43x
2037	378,844,100	12,836,935	391,681,035	(108,358,575)	(21,916,220)	(64,182,344)	(8,144,176)	8,144,176	(27,872,117)	169,351,779	3.61x	3.01x	2.51x
2038	404,752,100	13,004,718	417,756,818	(108,358,575)	(21,871,120)	(66,521,036)	(3,881,204)	3,881,204	(38,707,516)	182,298,572	3.86x	3.21x	2.70x
2039	417,336,300	13,475,461	430,811,761	(114,241,925)	(21,826,020)	(68,690,926)	(64,929,051)	64,929,051	(36,430,568)	189,622,323	3.77x	3.17x	2.66x
2040	446,103,800	13,679,123	459,782,923	(113,461,050)	(21,780,951)	(71,244,621)	(15,365,103)	15,365,103	(55,888,275)	197,408,027	4.05x	3.40x	2.87x
2041	455,685,600	13,763,075	469,448,675	(103,887,550)	(21,735,820)	(73,277,604)	(13,087,069)	13,087,069	(72,966,425)	197,581,278	4.52x	3.74x	3.15x
2042	482,361,000	14,273,203	496,634,203	(118,633,467)	(21,690,720)	(75,744,067)	(18,128,249)	18,128,249	(67,234,967)	213,330,982	4.19x	3.54x	3.00x
2043	493,645,800	14,409,281	508,055,081	(138,968,600)	(21,645,620)	(78,006,964)	(151,211,700)	151,211,700	(48,273,543)	221,160,354	3.66x	3.16x	2.68x
2044	524,656,700	14,871,423	539,528,123	(153,264,538)	(21,600,551)	(80,719,173)	(22,176,087)	22,176,087	(45,268,800)	238,675,062	3.52x	3.09x	2.62x
2045	535,352,600	14,987,784	550,340,384	(43,612,713)	(118,703,449)	(83,040,734)	(67,030,482)	67,030,482	(36,442,077)	268,541,413	12.62x	3.39x	2.88x
2046	566,976,100	15,138,288	582,114,388	-	(200,492,766)	(85,871,453)	(83,786,705)	83,786,705	(29,939,626)	265,810,544	NA	2.90x	2.48x
2047	579,046,500	15,679,839	594,726,339	-	(175,740,796)	(88,376,830)	(10,141,751)	10,141,751	(40,979,511)	289,629,202	NA	3.38x	2.88x
Total	\$ 10,088,484,500	\$ 395,644,242	\$ 10,484,128,742	\$ (3,156,051,972)	\$ (1,089,361,662)	\$ (1,817,306,011)	(846,415,829)	846,415,829	\$ (1,027,975,356)	\$ 3,393,433,741			

¹Includes video toll administrative fees and fines.

²Net of capitalized interest and pre-payment of interest.

³Debt service due on September 1 is shown as paid in the previous fiscal year ending August 31 as cash flow from the previous fiscal year is used to make September 1 debt service payments.

⁴Represents scheduled TIFIA Loan debt service and assumes no prepayments.

⁵Net cash flow from major maintenance and capital expenditures and Major Maintenance Reserve Fund, Capital Expenditure Reserve Fund, and Rate Stabilization Fund draws and deposits, excluding deposits funded by debt proceeds and General Fund draws.

⁶Equal to (x) Total Revenue, divided by (y) First Tier Net Debt Service.

⁷Equal to (x) Total Revenue, divided by (y) the sum of First Tier and Second Tier Net Debt Service.

⁸Equal to (x) Total Revenue less Operations & Maintenance expenses, divided by (y) the sum of First Tier and Second Tier Net Debt Service.

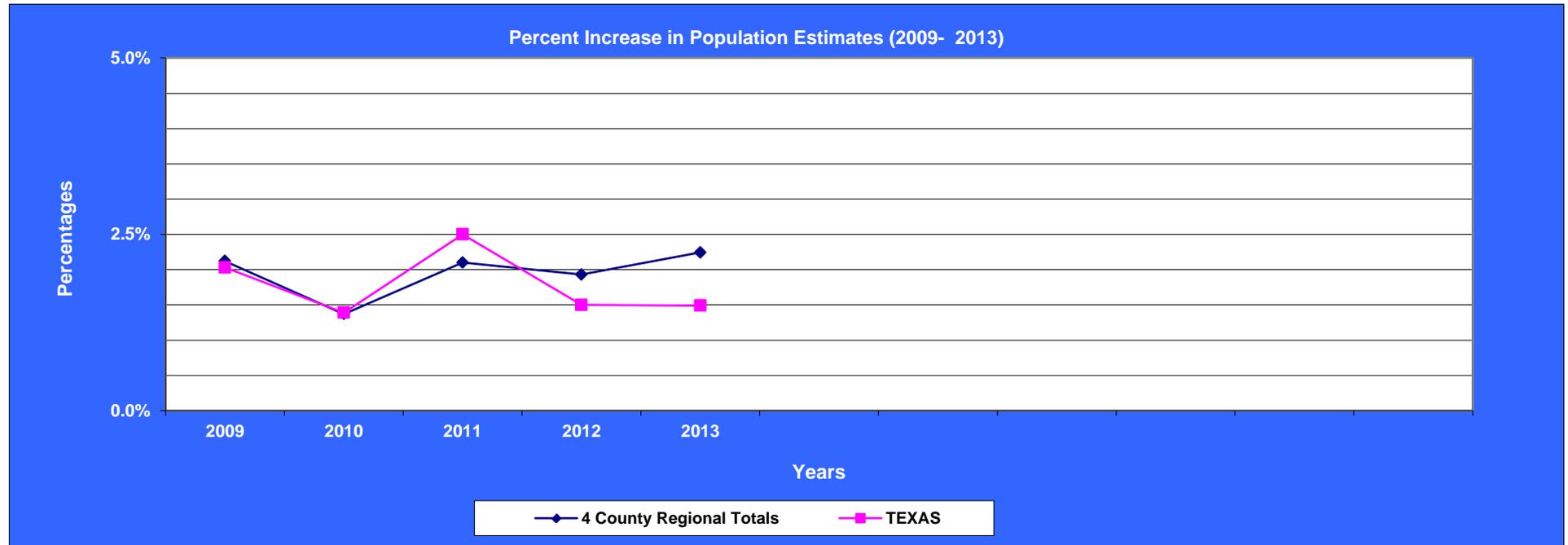
SPECIAL PROJECTS SYSTEM
 (An Enterprise Fund of the North Texas Tollway Authority)
 Demographic Data-Combined Four Region and State of Texas Population Estimated Data
 For Years 2009-2013

Year	COLLIN	DALLAS	DENTON	TARRANT	Est. Four County Regional Totals	Estimated Texas Totals	Percentage Change (From Prior Years)	
							4 County	TEXAS
Estimated 2009	764,500	2,471,000	628,300	1,807,750	5,671,550	24,801,761	2.12%	2.03%
Estimated 2010	791,631	2,368,139	637,750	1,809,034	5,606,554	25,145,561	1.37%	1.39%
Estimated 2011	801,740	2,373,870	662,614	1,817,840	5,656,064	25,674,681	2.10%	2.50%
Estimated 2012	813,133	2,385,990	683,010	1,831,230	5,713,363	26,059,203	1.93%	1.50%
Estimated 2013	834,642	2,453,843	694,050	1,858,921	5,841,456	26,448,193	2.24%	1.49%

Increase Total from Year 2009 to Year 2013	COLLIN	DALLAS	DENTON	TARRANT	Est. Four County Regional Totals	Estimated Texas Totals
	70,142	(17,157)	65,750	51,171	169,906	1,646,432

Source: U.S. Census Bureau of Labor Statistics and 4 Counties (Collin, Dallas, Denton and Tarrant) Governmental Agencies

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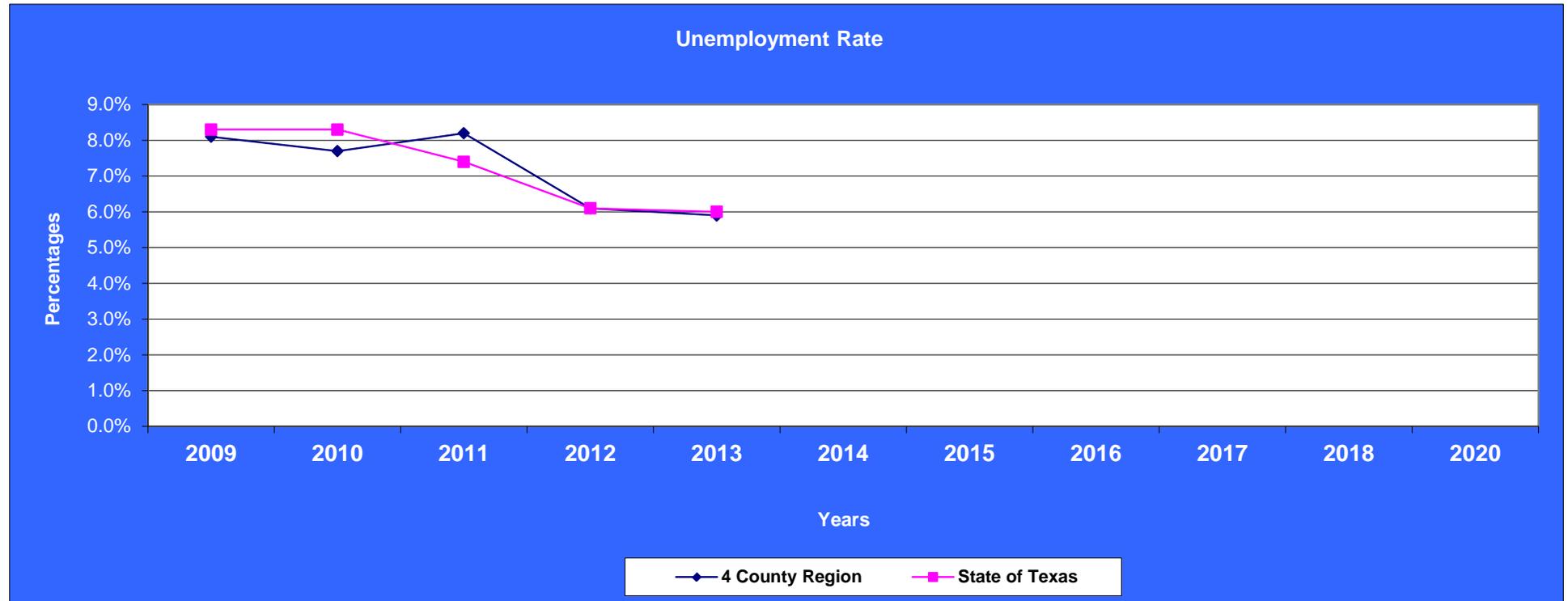


SPECIAL PROJECTS SYSTEM
 (An Enterprise Fund of the North Texas Tollway Authority)
 Demographic Data-Combined Four County Region and State of Texas Employment Status Estimates
 For Years 2009-2013
 (unaudited)

Year	COLLIN	DALLAS	DENTON	TARRANT	Combined Four County Regional		Unemployment Rate		
					Estimated Totals	Estimated Totals	4 County	Texas	
Estimated 2009	285,900	1,415,000	172,600	743,500	2,617,000	10,204,500	8.1%	8.3%	
Estimated 2010	390,106	1,063,304	330,122	833,527	2,617,059	10,204,500	7.7%	8.3%	
Estimated 2011	397,033	1,082,185	335,984	845,263	2,660,465	10,204,500	8.2%	7.4%	
Estimated 2012	413,783	1,102,322	356,467	883,503	2,756,075	11,742,600	6.1%	6.1%	
Estimated 2013	330,301	1,509,027	195,456	812,634	2,847,418	11,091,882	5.9%	6.0%	
Increase (decrease) Totals from Year 2009 to Year 2013		44,401	94,027	22,856	69,134	230,418	887,382		

Source: U.S. Census Bureau of Labor Statistics and 4 Counties (Collin, Dallas, Denton and Tarrant) Governmental Agencies

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SPECIAL PROJECTS 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 2009-2012
 (Unaudited)

Year	COLLIN	DALLAS	DENTON	TARRANT	Four County Regional Totals	Texas
					Estimated Avg Median Income	Estimated Avg Median Income
2009	80,545	47,059	70,002	54,647	63,063	47,475
2010	80,504	47,974	70,622	55,306	63,601	47,266
2011	82,758	48,942	72,305	56,178	65,046	49,047
2012	83,238	49,159	72,939	56,859	65,549	51,926
Averaged Yearly Totals	\$81,761	\$48,284	\$71,467	\$55,748	\$64,315	\$48,929

Source: U.S. Census Bureau of Labor Statistics

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

2013			
COLLIN COUNTY TOP TEN EMPLOYERS			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	INDUSTRY
HP ENTERPRISE SVC LLC	10,000	3.03%	PROF/TECH
PLANO ISD	6,538	1.98%	EDUCATION
NORTEL NETWORKS	6,000	1.82%	PROF/TECH
FRISCO ISD	5,662	1.71%	EDUCATION
BANK OF AMERICA HOME LOANS	4,646	1.41%	FINANCIAL SERVICES
AT&T	4,300	1.30%	RETAIL
JC PENNY, INC. (Corporate HQ)	3,800	1.15%	RETAIL
UNIVERSITY OF TEXAS AT DALLAS	3,500	1.06%	EDUCATION
CAPITAL ONE	3,500	1.06%	FINANCIAL SERVICES
BLUE CROSS AND BLUE SHIELD OF TEXAS	3,100	0.94%	INSURANCE
Total	51,046	15.45%	
DALLAS COUNTY TOP TEN EMPLOYERS			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	INDUSTRY
AMR CORPORATION (AMERICAN AIRLINES)	24,700	1.64%	AIRLINE, TECHNOLOGY AND MANAGEMENT SVCS.
BANK OF AMERICA	20,000	1.33%	FINANCIAL SERVICES
TEXAS HEALTH RESOURCES	19,230	1.27%	NON-PROFIT HEALTH CARE
DALLAS PUBLIC SCHOOLS	18,314	1.21%	EDUCATION
BAYLOR HEALTH CARE SYSTEM	17,097	1.13%	HEALTH CARE PROVIDER
AT&T	15,800	1.05%	TELECOMMUNICATIONS
LOCKHEED MARTIN AERONAUTICS CO	14,126	0.94%	MILITARY AIRCRAFT DESIGN AND PRODUCTION
JPMORGAN CHASE	13,500	0.89%	FINANCIAL SERVICES
UT-SOUTHWESTERN MEDICAL CENTER	13,122	0.87%	HEALTH CARE PROVIDER
CITY OF DALLAS	12,836	0.85%	MUNICIPAL GOVERNMENT
Total	168,725	11.18%	
DENTON COUNTY TOP TEN EMPLOYERS			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	INDUSTRY
UNIVERSITY OF NORTH TEXAS	7,762	3.97%	EDUCATION
LEWISVILLE ISD	6,325	3.24%	EDUCATION
WALMART	3,900	2.00%	RETAIL
DENTON ISD	3,255	1.67%	EDUCATION
CENTEX HOME EQUITY	2,600	1.33%	FINANCIAL SERVICES
FRITO LAY	2,500	1.28%	RETAIL
AMERICAN AIRLINES	2,154	1.10%	TRANSPORTATION
PETERBILT MOTORS	2,100	1.07%	TRANSPORTATION
NORTHWEST ISD	1,636	0.84%	EDUCATION
DENTON STATE SCHOOL	1,500	0.77%	EDUCATION
Total	33,732	17.27%	
TARRANT COUNTY TOP TEN EMPLOYERS			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	INDUSTRY
LOCKHEED MARTIN AERONAUTICS CO	12,700	1.56%	MILITARY AIRCRAFT DESIGN AND PRODUCTION
TEXAS HEALTH RESOURCES	12,418	1.53%	HEALTH CARE PROVIDER
NASA FORT WORTH JOINT RESERVE BASE	11,350	1.40%	MILITARY
FORT WORTH INDEPENDENT SCHOOL DISTRICT	11,000	1.35%	EDUCATION
ARLINGTON INDEPENDENT SCHOOL DISTRICT	8,126	1.00%	EDUCATION
BELL HELICOPTER	7,000	0.86%	MILITARY AIRCRAFT DESIGN AND PRODUCTION
CITY OF FORT WORTH	6,341	0.78%	MUNICIPAL GOVERNMENT
JOHN PETER SMITH HEALTH NETWORK	6,000	0.74%	HEALTH CARE PROVIDER
COOK CHILDREN'S HEALTH CARE SYSTEM	5,401	0.66%	HEALTH CARE PROVIDER
JPMORGAN CHASE	5,000	0.62%	FINANCIAL SERVICES
Total	85,336	10.50%	

Source: 4 County Governmental Agencies (Collin, Dallas, Denton, Tarrant) and U.S. Bureau of Labor Statistics

SPECIAL PROJECTS SYSTEM
 (An Enterprise Fund of the North Texas Tollway Authority)
Contribution to Infrastructure Assets
Last Four Fiscal Years
 (Unaudited)

Year	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
2011	-	762,669,445	-	-	762,669,445
2012	762,669,445	648,459,010	-	-	1,411,128,455
2013	1,411,128,455	1,349,790,185	-	(959,860,641)	1,801,057,999
2014	1,801,057,999	874,277,698	-	(630,500,143)	2,044,835,554

* Due to SPS being created in 2011, 10 years of data will not be available until 2021.

SPECIAL PROJECTS SYSTEM
 (An Enterprise Fund of the North Texas Tollway Authority)
 Toll Revenue Analysis
 Last Four Fiscal Years
 (Unaudited)

Toll Revenue				
Year	Two - Axle Vehicles	Multi-Axle Vehicles	Adjustments	Total
2011	12,992,381	1,885,720	\$ (4,389,129)	10,488,973
Year	AVI	ZipCash		
2012	5,943,614	2,072,881	(1,550,250)	6,466,245
2013	18,242,809	8,346,643	(2,160,312)	24,429,140
2014	28,506,923	14,448,914	(4,776,414)	38,179,423
Toll Revenue - Average Per Day				
Year	AVI	ZipCash	Adjustments	Average
2011	35,596	5,166	-	40,762
2012	20,353	1,550	-	21,903
2013	49,980	16,949	-	66,929
2014	78,101	26,500	-	104,601

- (1) On January 25, 2008, the NTTA and TxDOT entered into a Memorandum of Understanding (MOU) regarding the terms and conditions and market valuation for State Highway 161 pursuant to which TxDOT and NTTA memorialized their agreement on the terms and conditions for the development, construction and operation of the SH 161 project.
- (2) On April 20, 2008, the NTTA Board of Directors approved an agreement regarding a negotiated value (Negotiated Value Agreement) for State Highway 161 with TxDOT pursuant to which TxDOT and NTTA (i) waived the requirements under Section 228.0111 (f-1) of the Texas Transportation Code (Code) to develop a market valuation for the SH 161 project (ii) agreed to develop the SH 161 project in accordance with the MOU, except as modified by the Negotiated Value Agreement, and (iii) established an agreed negotiated value for the SH 161 project, including an upfront payment to TxDOT in the amount of \$458 million.
- (3) On October 15, 2008, the NTTA Board adopted a resolution (i) accepting a final term sheet (Term Sheet) for TxDOT's Toll Equity Loan for the SH 161 project, NTTA Project Delivery, and disposition of Southwest Parkway and Chisholm Trail, (ii) exercising its first option under Section 228.0111 (g) of the Code to deliver the SH 161 project pursuant to the Negotiated Value Agreement, as modified by the Term Sheet, and (iii) authorizing the Executive Director to negotiate the SH 161 Project Agreement with TxDOT.
- (4) PGBT WE completion occurred in October 2012
- (5) Chisholm Trail Parkway (CTP) open in May 2014



CONTINUING FINANCIAL DISCLOSURE SCHEDULES

(Unaudited)

The Continuing Financial Disclosure Schedules present various financial data in support of the Management's Discussion and Analysis and Financial Statements in the Financial Section of the Comprehensive Annual Financial Report for the fiscal year ended August 31, 2014.

SPECIAL PROJECTS SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
STATEMENT OF NET POSITION
August 31, 2014
(Unaudited)

Assets	Special Projects System Totals	Interfund eliminations/ reclassifications	Construction & Property Fund	Revenue Fund
Current Assets:				
Investments, at amortized cost (note 3)	7,926,061	-	-	811,079
Accrued interest receivable on investments	237	-	-	69
Intergovernmental receivables	903,217	-	723,095	180,122
Accounts receivable (note 9)	10,328,457	-	-	10,328,457
Allowance for uncollectible receivables	(6,659,038)	-	-	(6,659,038)
Prepaid expenses	9,485	-	-	-
Total current unrestricted assets	<u>12,508,419</u>	<u>-</u>	<u>723,095</u>	<u>4,660,689</u>
Current restricted assets:				
Restricted for construction:				
Investments, at amortized cost (note 3 and 10)	161,894,255	-	161,894,255	-
Accrued interest receivable on investments	91,218	-	91,218	-
Restricted for debt service:				
Investments, at amortized cost (note 3)	84,605,098	-	-	-
Accrued interest receivable on investments	622,190	-	-	-
Total current restricted assets	<u>247,212,761</u>	<u>-</u>	<u>161,985,473</u>	<u>-</u>
Total current assets	<u>259,721,180</u>	<u>-</u>	<u>162,708,568</u>	<u>4,660,689</u>
Noncurrent Assets:				
Investments, at amortized cost restricted for construction (note 3 and 10)	22,625,447	-	22,625,447	-
Investments, at amortized cost restricted for debt service (note 3 and 10)	105,807,045	-	-	-
Capitalized assets (note 4)	2,044,835,554	-	2,044,835,554	-
Total noncurrent assets	<u>2,173,268,046</u>	<u>-</u>	<u>2,067,461,001</u>	<u>-</u>
Total assets	<u>2,432,989,226</u>	<u>-</u>	<u>2,230,169,569</u>	<u>4,660,689</u>
Liabilities				
Current liabilities:				
Accounts and Interagency payable	5,492,615	-	1,396,595	-
Total current unrestricted liabilities	<u>5,492,615</u>	<u>-</u>	<u>1,396,595</u>	<u>-</u>
Payable from restricted assets:				
Construction related payables:				
Accounts payable (note 10)	12,238,502	-	11,658,226	-
Retained from contractors (note 10)	895,726	-	895,726	-
Debt service related payables:				
Accrued interest payable on bonded debt (note 10)	28,816,314	-	-	-
Special Projects System revenue bonds payable, current portion (note 5 and 10)	6,835,000	-	6,835,000	-
Total current liabilities payable from restricted assets	<u>48,785,542</u>	<u>-</u>	<u>19,388,952</u>	<u>-</u>
Noncurrent liabilities:				
US Department of Transportation TIFIA loan payable (note 5)	419,036,734	-	419,036,734	-
Special Projects System revenue bonds payable (note 5)	1,395,484,241	-	1,395,484,241	-
Total noncurrent liabilities	<u>1,814,520,975</u>	<u>-</u>	<u>1,814,520,975</u>	<u>-</u>
Total liabilities	<u>1,868,799,132</u>	<u>-</u>	<u>1,835,306,522</u>	<u>-</u>
Net Position				
Net investment in capital assets	407,999,282	(131,609,177)	394,863,047	-
Restricted:				
Restricted for debt service	149,175,009	137,678,617	-	4,660,689
Held in trust for other purposes	-	(10,517,453)	-	-
Unrestricted:				
Unrestricted	7,015,803	7,015,803	-	-
Reserved for operations and maintenance	-	(2,567,790)	-	-
Total net position	<u>564,190,094</u>	<u>-</u>	<u>394,863,047</u>	<u>4,660,689</u>

See accompanying independent auditors' report.

Schedule 1

Operating Fund	General Fund	Major Maint. Fund	Rate Stabilization Fund	Major Maint Reserve Fund	Capital Exp Reserve Fund	Debt Service Fund
4,031,133	3,083,849	-	-	-	-	-
81	87	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
9,485	-	-	-	-	-	-
<u>4,040,699</u>	<u>3,083,936</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	119,381	38,795,714	588,896	9,449,633	35,651,474
-	-	5	551,063	63,441	7,138	543
<u>-</u>	<u>-</u>	<u>119,386</u>	<u>39,346,777</u>	<u>652,337</u>	<u>9,456,771</u>	<u>35,652,017</u>
<u>4,040,699</u>	<u>3,083,936</u>	<u>119,386</u>	<u>39,346,777</u>	<u>652,337</u>	<u>9,456,771</u>	<u>35,652,017</u>
-	-	-	-	-	-	-
-	-	-	92,622,544	12,123,801	1,060,700	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>92,622,544</u>	<u>12,123,801</u>	<u>1,060,700</u>	<u>-</u>
<u>4,040,699</u>	<u>3,083,936</u>	<u>119,386</u>	<u>131,969,321</u>	<u>12,776,138</u>	<u>10,517,471</u>	<u>35,652,017</u>
4,074,104	-	21,851	-	47	18	-
<u>4,074,104</u>	<u>-</u>	<u>21,851</u>	<u>-</u>	<u>47</u>	<u>18</u>	<u>-</u>
381,941	-	198,335	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	28,816,314
-	-	-	-	-	-	-
<u>381,941</u>	<u>-</u>	<u>198,335</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,816,314</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>4,456,045</u>	<u>-</u>	<u>220,186</u>	<u>-</u>	<u>47</u>	<u>18</u>	<u>28,816,314</u>
-	-	-	131,969,321	12,776,091	-	-
-	-	-	-	-	-	6,835,703
-	-	-	-	-	10,517,453	-
-	-	-	-	-	-	-
(415,346)	3,083,936	(100,800)	-	-	-	-
<u>(415,346)</u>	<u>3,083,936</u>	<u>(100,800)</u>	<u>131,969,321</u>	<u>12,776,091</u>	<u>10,517,453</u>	<u>6,835,703</u>



SPECIAL PROJECTS SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Budget and Actual Revenues and Expenses on Trust Agreement Basis
Year ended August 31, 2014
(Unaudited)

Schedule 2

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Toll revenues	\$ 34,529,300	38,179,423 (*)	3,650,123
Interest revenue	5,200	3,424	(1,776)
Other revenues	1,872,000	2,456,311	584,311
Operating revenues	<u>36,406,500</u>	<u>40,639,158</u>	<u>4,232,658</u>
Operating expenses:			
Administration:			
Administration	113,414	53,021	(60,393)
Board	26,745	15,032	(11,713)
Finance	524,697	454,393	(70,304)
Human resources	172,335	141,992	(30,343)
Internal audit	174,548	138,006	(36,542)
Legal services	297,613	246,482	(51,131)
Public affairs	1,646,605	1,585,074	(61,531)
Shared Services	812,902	814,284	1,382
Strategic and Innovative Solutions	587,705	613,871	26,166
Total administration	<u>4,356,564</u>	<u>4,062,155</u>	<u>(294,409)</u>
Operations:			
Customer service center	3,070,968	2,414,218	(656,750)
Information technology	1,312,793	1,132,600	(180,193)
Maintenance	5,424,513	2,267,479	(3,157,034)
Operations	82,216	82,989	773
Project delivery	44,184	33,402	(10,782)
System & incident management	1,747,237	1,317,432	(429,805)
Total operations	<u>11,681,911</u>	<u>7,248,120</u>	<u>(4,433,791)</u>
Total operating expenses:	<u>16,038,475</u>	<u>11,310,275</u>	<u>(4,728,200)</u>
Net revenues available for debt service	<u>\$ 20,368,025</u>	<u>29,328,883</u>	<u>8,960,858</u>

(*) net of bad debt expense of \$4,776,414

See accompanying independent auditors' report.

SPECIAL PROJECTS SYSTEM
(An Enterprise of the North Texas Tollway Authority)
STATEMENT OF CHANGES IN NET POSITION
Year to Date August 31, 2014
(Unaudited)

	<u>Total</u>	<u>Construction & Property Fund</u>	<u>Revenue Fund</u>
Net positions, beginning of year	\$ 600,839,242	428,943,127	9,499,559
Revenues:			
Toll revenues (net of bad debt expense of \$4,776,414)	38,179,423	-	38,179,423
Interest revenue	3,424		1,014
Other revenue	2,456,311	-	2,456,311
Total operating revenues	<u>40,639,158</u>	<u>-</u>	<u>40,636,748</u>
Operating expenses:			
Administration	(4,062,155)	-	-
Operations	(7,248,120)	-	-
	<u>(11,310,275)</u>	<u>-</u>	<u>-</u>
Preservation of system assets:			
Major maintenance fund expenses	(1,323,436)	-	-
Total operating expenses	<u>(12,633,711)</u>	<u>-</u>	<u>-</u>
Operating income	28,005,447	-	40,636,748
Nonoperating revenues (expenses):			
Interest earned on investments	2,183,488	1,041,987	-
Net increase (decrease) in fair value of investments	52,517	(37,458)	-
Interest expense on revenue bonds	(36,960,309)	(12,904,283)	-
Interest accretion on 2011B, 2011C and TIFIA loan	(33,869,903)	-	-
Bond discount/premium amortization	4,178,669	4,178,669	-
Other	(2,818,706)	(2,818,706)	-
Net nonoperating revenues (expenses):	<u>(67,234,244)</u>	<u>(10,539,791)</u>	<u>-</u>
Gain (Loss) before transfers and reimbursements	(39,228,797)	(10,539,791)	40,636,748
Interfund and Interproject transactions			
Interfund transfers	-	(26,119,938)	(7,080,518)
Payments from other governments	2,579,649	2,579,649	-
Distribution from revenue fund	-	-	(38,395,100)
Net changes during the year	<u>(36,649,148)</u>	<u>(34,080,080)</u>	<u>(4,838,870)</u>
Net positions, end of year	\$ <u>564,190,094</u>	<u>394,863,047</u>	<u>4,660,689</u>

See accompanying independent auditors' report.

Operating Fund	General Fund	Major Maintenance Fund	Rate Stabilation Fund	Major Maint. Reserve Fund	Capital Exp Reserve Fund	Debt Service Fund
(303,690)	7,519,774	155,983	130,847,139	13,761,565	10,415,723	62
-	-	-	-	-	-	-
-	2,410	-	-	-	-	-
-	-	-	-	-	-	-
-	2,410	-	-	-	-	-
(4,062,155)	-	-	-	-	-	-
(7,248,120)	-	-	-	-	-	-
(11,310,275)	-	-	-	-	-	-
-	-	(1,323,436)	-	-	-	-
(11,310,275)	-	(1,323,436)	-	-	-	-
(11,310,275)	2,410	(1,323,436)	-	-	-	-
786	-	60	1,057,362	57,988	21,889	3,416
-	-	-	64,820	23,131	2,024	-
-	-	-	-	-	-	(24,056,026)
-	-	-	-	-	-	(33,869,903)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
786	-	60	1,122,182	81,119	23,913	(57,922,513)
(11,309,489)	2,410	(1,323,376)	1,122,182	81,119	23,913	(57,922,513)
(1,580,574)	(2,000,000)	243,664	-	(243,664)	-	36,781,030
-	-	-	-	-	-	-
12,778,407	(2,438,248)	822,929	-	(822,929)	77,817	27,977,124
(111,656)	(4,435,838)	(256,783)	1,122,182	(985,474)	101,730	6,835,641
(415,346)	3,083,936	(100,800)	131,969,321	12,776,091	10,517,453	6,835,703

SPECIAL PROJECTS SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Schedule of Toll Revenue and Traffic Analysis
August 31, 2014
(Unaudited)

Schedule 4

Toll Revenue:		
AVI		\$ 28,506,923
ZipCash		<u>9,672,500 (*)</u>
Total		<u><u>\$ 38,179,423</u></u>
Vehicle Transactions (unaudited):		
Two-axle vehicles transactions		46,293,006
Multi-axle vehicle transactions		2,319,442
Nonrevenue vehicle transactions		<u>319,479</u>
		<u><u>48,931,927</u></u>
Toll Revenue - average per day:		
AVI		78,101
ZipCash		<u>26,500</u>
Average		<u><u>\$ 104,601</u></u>
Vehicle transactions – average per day (unaudited):		
Two-axle vehicle transactions		126,830
Multi-axle vehicle transactions		6,355
Nonrevenue vehicle transactions		<u>875</u>
Average		<u><u>134,060</u></u>

(*) net of bad debt expense of \$ 4,776,414

See accompanying independent auditors' report.

SPECIAL PROJECTS SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Schedule of Toll Rates
August 31, 2014
(Unaudited)

Schedule 5

	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
President George Bush Western Extension (PGBT-WE)										
Conflans Road (CONRD)	0.25	0.48	0.50	0.96	0.75	1.44	1.00	1.92	1.25	2.40
Shady Grove Road (SHGRD)	0.42	0.65	0.84	1.30	1.26	1.95	1.68	2.60	2.10	3.25
Lower Tarrant Road - North (NLTRD)	0.43	0.66	0.86	1.32	1.29	1.98	1.72	2.64	2.15	3.30
Lower Tarrant Main Lane Gantry (MLG11)	0.94	1.41	1.88	2.82	2.82	4.23	3.76	5.64	4.70	7.05
Lower Tarrant Road - South (SLTRD)	0.25	0.48	0.50	0.96	0.75	1.44	1.00	1.92	1.25	2.40
Dalworth Street (DALST)	0.25	0.48	0.50	0.96	0.75	1.44	1.00	1.92	1.25	2.40
Marshall Drive (MARDR)	0.47	0.71	0.94	1.42	1.41	2.13	1.88	2.84	2.35	3.55
Pioneer Parkway (PIOPY)	0.60	0.90	1.20	1.80	1.80	2.70	2.40	3.60	3.00	4.50
Arkansas Mainlane Gantry (MLG12)	0.99	1.49	1.98	2.98	2.97	4.47	3.96	5.96	4.95	7.45
Arkansas Lane (ARKLN)	0.35	0.58	0.70	1.16	1.05	1.74	1.40	2.32	1.75	2.90
Mayfield Road (MAYRD)	0.25	0.48	0.50	0.96	0.75	1.44	1.00	1.92	1.25	2.40

	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
Chisholm Trail Parkway (CTP)										
Montgomery Main Lane Gantry 1 (MLG1)	1.28	1.92	2.56	3.84	1.62	5.76	5.12	7.68	6.40	9.60
Edwards Ranch Road (EDWRD)	0.54	0.81	1.08	1.62	3.84	2.43	2.16	3.24	2.70	4.05
Arborlawn Drive (ARBDR)	0.31	0.54	0.62	1.08	0.93	1.62	1.24	2.16	1.55	2.70
Oakmont Blve (OAKBD)	0.45	0.68	0.90	1.36	1.35	2.04	1.80	2.72	2.25	3.40
Altamesa Blvd (ALTBD)	0.71	1.07	1.42	2.14	2.13	3.21	2.84	4.28	3.55	5.35
Sycamore School Rd (SYCRD0)	0.74	1.11	1.48	2.22	2.22	3.33	2.96	4.44	3.70	5.55
McPherson Blvd (MCPBD)	0.99	1.49	1.98	2.98	2.97	4.47	3.96	5.96	4.95	7.45
Stewart Main Lane Gantry 2 (MLG2)	2.08	3.12	4.16	6.24	6.24	9.36	8.32	12.48	10.40	15.60
Farm to Market 1187 (FM1187)	0.57	0.86	1.14	1.72	1.71	2.58	2.28	3.44	2.85	4.30
County Road 920 (CR92)	0.34	0.57	0.68	1.14	1.02	1.71	1.36	2.28	1.70	2.85
County Road 913 (CR913)	0.35	0.58	0.70	1.16	1.05	1.74	1.40	2.32	1.75	2.90
Farm to Market 917 (FM917)	0.63	0.95	1.26	1.90	1.89	2.85	2.52	3.80	3.15	4.75
County Road 904 (CR904)	0.94	1.41	1.88	2.82	2.82	4.23	3.76	5.64	4.70	7.05
Main Lane Gantry 3 (MLG3)	1.55	2.33	3.10	4.66	4.65	6.99	6.20	9.32	7.75	11.65
Sparks Rd (SPARD)	0.28	0.51	0.56	1.02	0.84	1.53	1.12	2.04	1.40	2.55

Footnote: The Authority has converted all the facilities in the system to All Electronic Toll Collection (All ETC). All customers will either have a TollTag or they will be billed according to the business rules currently in place.

The Authority had a toll rate increase effective July 1, 2013 of 0.8 cents per mile.

PGBT-WE: The 11.5-miles western extension of the Bush Turnpike in Grand Prairie expands the PGBT to nearly 52 miles. The toll road opened to traffic in October 2012 and now provides a link that extends the existing PGBT from south of SH 183 south to I-20.

Chisholm Trail Parkway (CTP): The 27.6-miles toll road extends from downtown Fort Worth south to Cleburne. The toll road opened to traffic in May 2014.

See accompanying independent auditors' report.

SPECIAL PROJECTS SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Schedule of Historical Traffic, Toll Revenues and Net Revenues
August 31, 2014
(Unaudited)

Schedule 6

Historical Traffic and Toll Revenue

The table below sets forth the annual revenue vehicle transactions and gross toll revenue with respect to the Special Projects System for four calendar years 2011 through 2014:

Year	Annual revenue vehicle transactions (unaudited)	Annual toll revenue
2011	11,409,801	\$ 10,488,973
2012	12,602,102	6,466,245 (*)
2013	34,238,837	24,429,140 (**)
2014	48,612,448	38,179,423 (***)

- (1) On January 25, 2008, the NTTA and TxDOT entered into a Memorandum of Understanding (MOU) regarding the terms and conditions and market valuation for State Highway 161 pursuant to which TxDOT and the NTTA memorialized their agreement on the terms and conditions for the development, construction and operation of the SH 161 project.
- (2) On April 20, 2008, the NTTA Board of Directors approved an agreement regarding a negotiated value (Negotiated Value Agreement) for State Highway 161 with TxDOT, pursuant to which TxDOT and the NTTA (i) waived the requirements under Section 228.0111 (f-1) of the Texas Transportation Code (Code) to develop a market valuation for the SH 161 project, (ii) agreed to develop the SH 161 project in accordance with the MOU, except as modified by the Negotiated Value Agreement, and (iii) established an agreed negotiated value for the SH 161 project, including an upfront payment to TxDOT in the amount of \$458 million.
- (3) On October 15, 2008, the NTTA Board adopted a resolution (i) accepting a final term sheet (Term Sheet) for TxDOT's Toll Equity Loan for the SH 161 project, NTTA Project Delivery, and disposition of Southwest Parkway and Chisholm Trail, (ii) exercising its first option under Section 228.0111 (g) of the Code to deliver the SH 161 project pursuant to the Negotiated Value Agreement, as modified by the Term Sheet, and (iii) authorizing the Executive Director to negotiate the SH 161 Project Agreement with TxDOT.

Historical Net Revenues

Special Projects System for four calendar years 2011 through 2014:

Year	Toll revenue	Current expenses	Investment and other earnings	Net revenues	Coverage
2011	\$ 10,488,973	\$ 4,776,850	\$ 1,174,558	\$ 6,886,681	N/A
2012	6,466,245	5,533,461	1,240,403	2,173,187	N/A
2013	24,429,140	8,928,224	1,675,771	17,176,687	N/A
2014	38,179,423	11,310,275	2,459,735	29,328,883	1.25

- (*) net of bad debt expense of \$1,550,250
(**) net of bad debt expense of \$2,160,312
(***) net of bad debt expense of \$4,776,414

See accompanying independent auditors' report.

SPECIAL PROJECTS SYSTEM

Schedule 7

(An Enterprise Fund of the North Texas Tollway Authority)

Schedule of Capitalized Costs by Project

August 31, 2014

(Unaudited)

	President George Bush		Cumulative Total
	Western	Chisholm Trial	Through
	Extension	Parkway	August 31, 2013
Right of Way	\$ 69,934	48,524,140	48,594,074
Engineering	11,519,069	26,923,965	38,443,034
Administration	868,288	122,357	990,645
Roadway/Highway/Bridges	961,634,577	844,955,092	1,806,589,669
Subtotal	974,091,868	920,525,554	1,894,617,422
Financing costs	74,718,551	75,499,581	150,218,132
Total capitalized costs	\$ 1,048,810,419	996,025,135	2,044,835,554

See accompanying independent auditors' report.





North Texas Tollway Authority • 5900 West Plano Parkway, Plano, Texas 75093 • www.NTTA.org