

# 2019 COMPREHENSIVE ANNUAL FINANCIAL REPORT

## **North Texas Tollway System**

An Enterprise Fund of the  
North Texas Tollway Authority

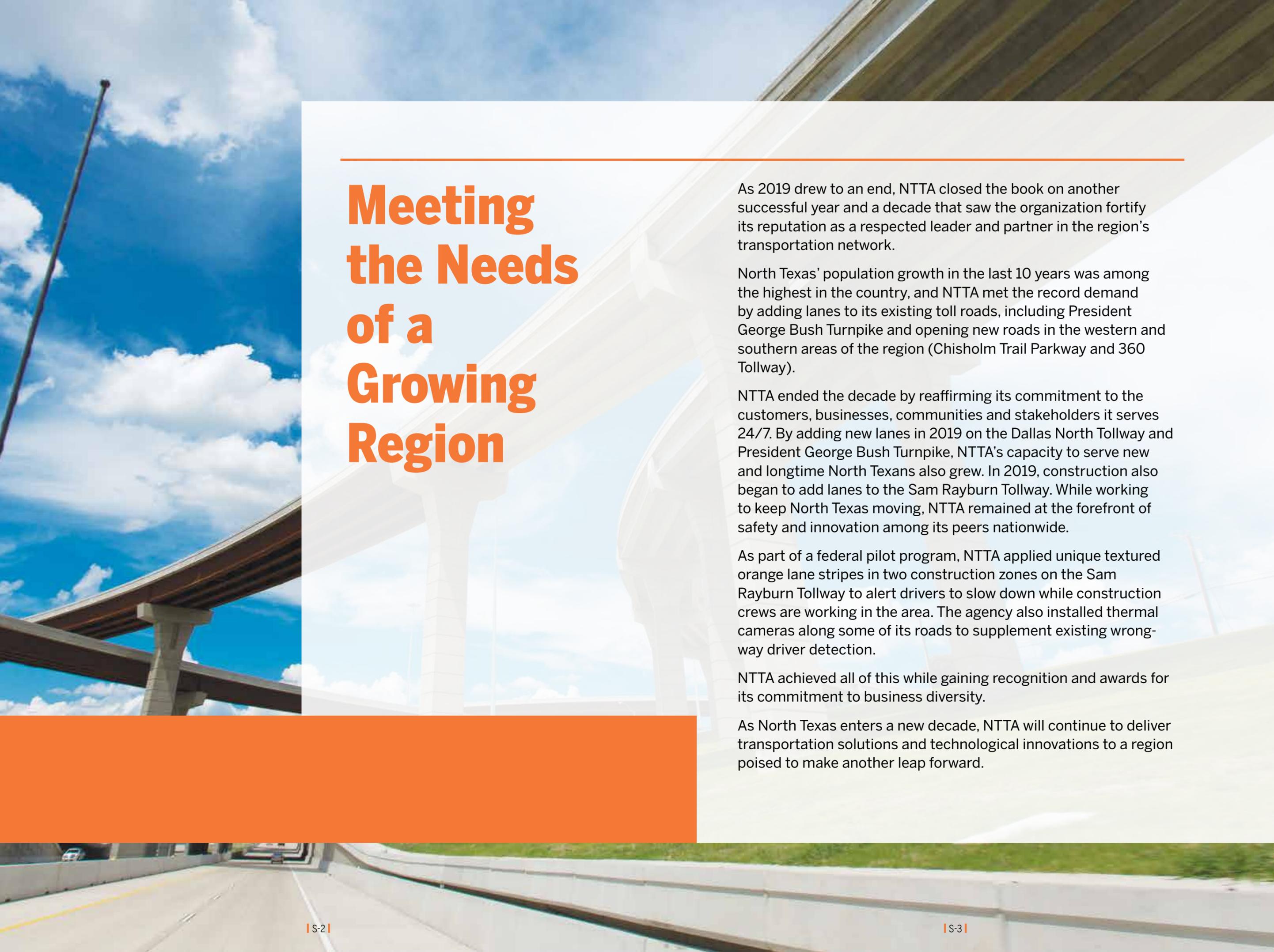
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Fiscal Year Ended December 31, 2019

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5900 Plano Parkway  
Plano, Texas 75093

[ntta.org](http://ntta.org)



# Meeting the Needs of a Growing Region

As 2019 drew to an end, NTTA closed the book on another successful year and a decade that saw the organization fortify its reputation as a respected leader and partner in the region's transportation network.

North Texas' population growth in the last 10 years was among the highest in the country, and NTTA met the record demand by adding lanes to its existing toll roads, including President George Bush Turnpike and opening new roads in the western and southern areas of the region (Chisholm Trail Parkway and 360 Tollway).

NTTA ended the decade by reaffirming its commitment to the customers, businesses, communities and stakeholders it serves 24/7. By adding new lanes in 2019 on the Dallas North Tollway and President George Bush Turnpike, NTTA's capacity to serve new and longtime North Texans also grew. In 2019, construction also began to add lanes to the Sam Rayburn Tollway. While working to keep North Texas moving, NTTA remained at the forefront of safety and innovation among its peers nationwide.

As part of a federal pilot program, NTTA applied unique textured orange lane stripes in two construction zones on the Sam Rayburn Tollway to alert drivers to slow down while construction crews are working in the area. The agency also installed thermal cameras along some of its roads to supplement existing wrong-way driver detection.

NTTA achieved all of this while gaining recognition and awards for its commitment to business diversity.

As North Texas enters a new decade, NTTA will continue to deliver transportation solutions and technological innovations to a region poised to make another leap forward.

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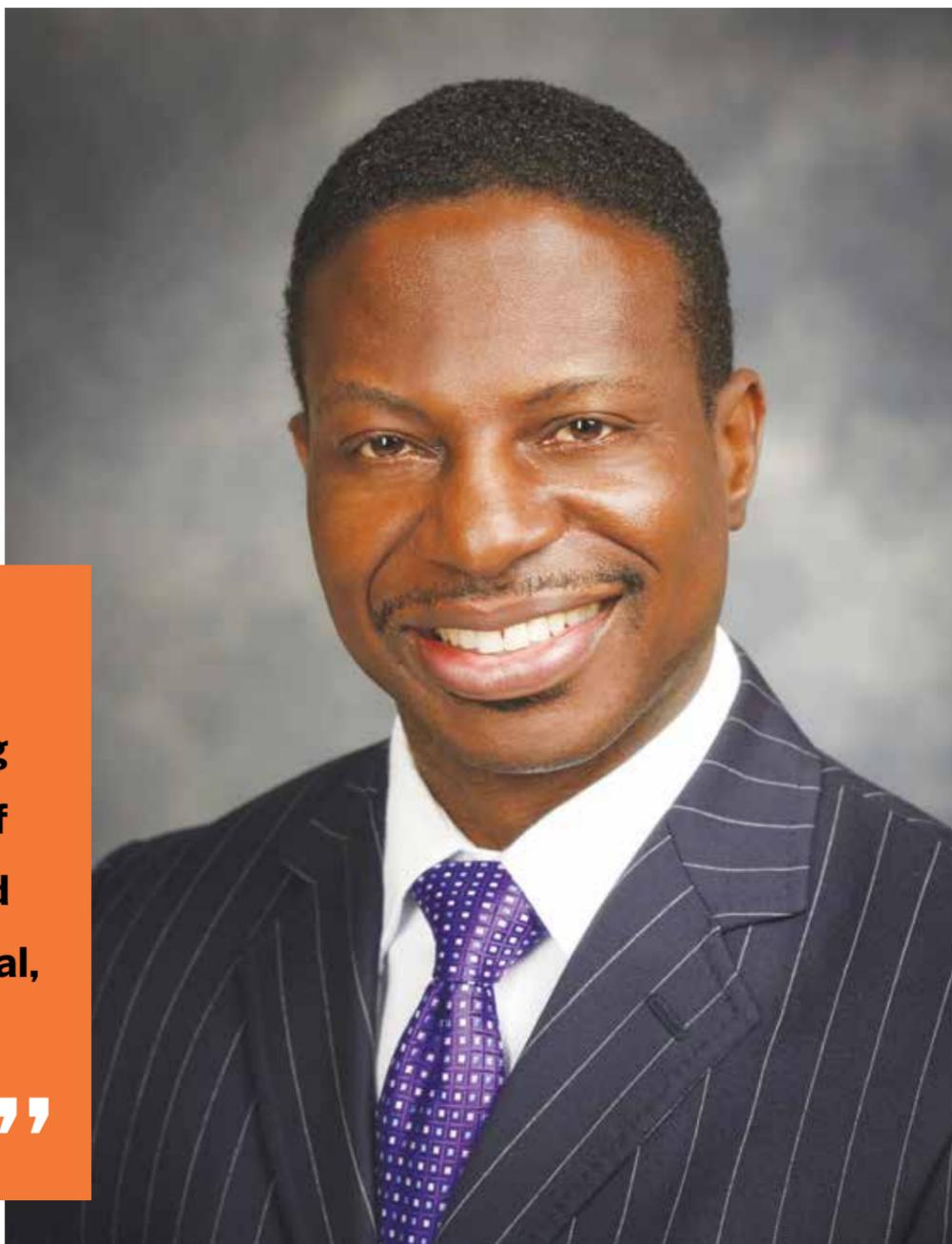
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**Horatio Porter**  
Chief Financial Officer



“  
**The Authority is committed to being a careful steward of all resources placed in its care – financial, physical and environmental.**”

Letter to  
Chairman John Mahalik  
And the Board of Directors

The Finance Department of the North Texas Tollway Authority (the Authority or NTTA) is pleased to submit the Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2019, in compliance with Section 711 of the Amended and Restated Trust

Agreement. The CAFR is intended to provide detailed information on the financial condition of the North Texas Tollway System (the System), an enterprise fund of the Authority, at December 31, 2019, including the System and the Non-Major Enterprise Fund.

The System consists of the Dallas North Tollway (DNT), President George Bush Turnpike (PGBT), Sam Rayburn Tollway (SRT), previously known as State Highway 121,

Mountain Creek Lake Bridge (MCLB), Addison Airport Toll Tunnel (AATT), Lewisville Lake Toll Bridge (LLTB) and the Chisholm Trail Parkway (CTP).

The Non-Major Enterprise Fund is a Tolling Services Agreements (TSAs) fund. The following represents the three types of TSAs: (1) Developer TSAs where NTTA has collection exposure and is paid a fee to process each transaction (2) Developer TSAs where NTTA remits only amounts collected and is paid a fee to process each transaction and (3) Regional TSA facilities where NTTA remits only amounts collected and is reimbursed for operating expenses from the Texas Department of Transportation (TxDOT). Developer TSA (type 1) facilities presently consist of Interstate Highway 635 (LBJ) and North Tarrant Express 1&2 (NTE 1&2). Developer TSA (type 2) facilities presently consist of North Tarrant Express 3B (NTE 3B). Regional TSA (type 3) facilities presently consist of DFW Connector (DFWC), I-30, I-35E, SH-114, I-635 (LBJ East), Loop 12 and SH-183.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that it has established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. Crowe LLP, an independent audit firm, has issued an unmodified (“clean”) opinion on the North Texas Tollway System’s financial statements for the year ended December 31, 2019. This independent auditors’ report is located at the front of the financial section of this report.

Management’s Discussion and Analysis (MD&A) immediately follows the independent auditors’ report and provides a narrative introduction, overview and analysis of the basic financial statements. The MD&A complements

this letter of transmittal and should be read in conjunction with it.

**Profile of the North Texas Tollway Authority**

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

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

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

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

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

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

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

Toll revenues in 2019, net of bad debt expense, were \$899,647,241, representing an increase of 5.8% over 2018 toll revenues of \$850,437,774, net of bad debt expense. This increased revenue will allow the Authority to preserve current assets, fund capital improvement projects, satisfy debt-service obligations and invest in safety and technology to provide our patrons world-class service.

The operations of the System are accounted for as an enterprise fund in accordance with United States Generally Accepted Accounting Principles (GAAP). Management takes responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures. In keeping with that responsibility, these statements are presented on a consolidated basis and include the NTTA System and the Non-Major Enterprise Fund for Tolling Services Agreements (TSAs). Management confirms

that the financial statements are presented fairly and, in all material respects, represent the financial position of the System as of December 31, 2019. Please refer to the MD&A on Pages 5-14 of this report for a detailed discussion of NTTA's financial performance.

**Relevant Financial Policies**

Section 501 of the Amended and Restated Trust Agreement mandates the Authority will keep in effect a Toll Rate Schedule which will raise and produce Net Revenues (Gross Revenues less Operating and Maintenance Expenses) sufficient to satisfy the greater of (1), (2) or (3) below:

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

(2) 1.20 times the scheduled debt service requirements on all outstanding First Tier Bonds and all outstanding Second Tier Bonds for the fiscal year; or

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

Coverage for all debt for 2019 was 1.42 times, well above the required level of 1.00.

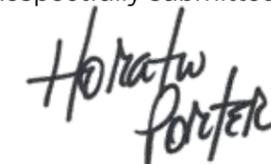
**Awards and Acknowledgments**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to

the North Texas Tollway Authority for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2018.

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

Respectfully submitted,



Horatio Porter  
Chief Financial Officer



## Strategic Priorities

NTTA's system has been carefully planned and designed to carry out the Authority's mission and help achieve its strategic goals.



2000 2005 2010 2015 2020

Since **2000**

NTTA has added over **850** lane miles



### Mission

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

### Strategic Goals

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



### NTTA System

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



## Snapshot of 2019

**NTTA Roads**  
**1,084**  
Lane Miles

**2.4M**  
Daily Transactions

**83%** of Transactions paid by TollTag

**12.5M**  
Unique Customers

**6M**  
Active Toll Tags

**97%** Customer Satisfaction Rating  
-Third party verified

**Tollmate Downloads** increased **23%**  
total of 1,099,733

**Toll PERKS**  
Drive. Earn. Win. Repeat.  
**69%** growth in members  
total of 423,790

**Red Thumb**  
**50+** regional safety partners

## Traffic and Incident Management

### 2019 Innovations and Accomplishments

NTTA installed thermal cameras to supplement existing wrong-way driver detection on the NTTA system.

NTTA tested the use of solid orange lane stripes in road construction zones to determine if they improve safety in the work zone for both drivers and construction workers.

### Roadside Safety Service

**#999** → **16** minutes **19** seconds  
**44,702** total customer calls → average NTTA response time

**Motorist Assists**  
**30,068** drivers

**Abandoned Vehicles Tagged**  
**2,772**

## Capacity and Maintenance Improvements

### Sam Rayburn Tollway

The Sam Rayburn Tollway Fourth Lane Project will add one lane in the median in both directions along the entire 26 miles of the tollway. Ramp improvements will also be made

along the corridor. Planning and design work completed in 2018. Construction began January 2019. Estimated completion is late 2021.



**PGBT** Fourth Lane Project  
from DNT to I-35E

**309,277**  
linear feet of  
striping

that's enough to make

**40** laps  
around the  
Texas Motor Speedway



### Dallas North Tollway

Various improvements were made to our flagship road, the Dallas North Tollway (DNT), including the addition of fourth-lane segments in both directions, interchange improvements, relocation of lights, pavement and center barrier replacements. The 2019 progress for each section of DNT projects is as follows:

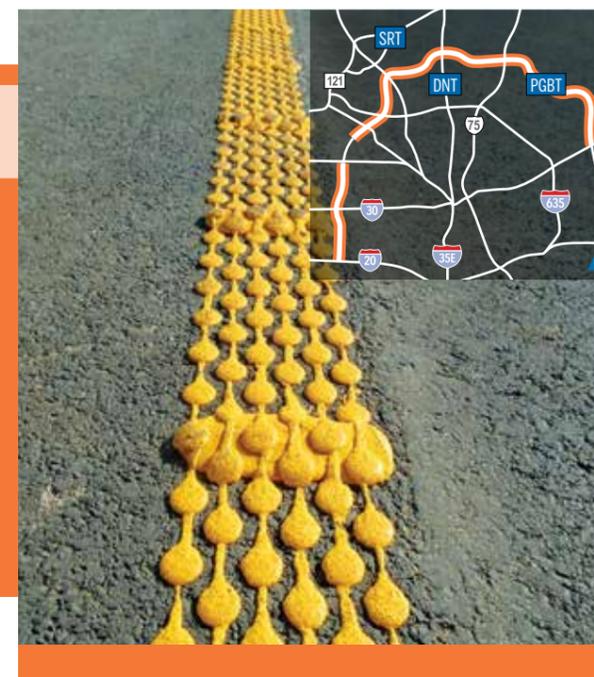
DNT extension over US 380: Extension of the DNT will be built over US 380. On schedule; design work is complete; construction started late 2019.

SRT to US 380: DNT Fourth Lane planning work in progress. On schedule; anticipated construction start late 2022.



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

Phase 4B Frontage Road: Frontage road extension along DNT from FM 428 to Grayson County line: On schedule; design work continued in 2019; anticipated construction start TBD.



### President George Bush Turnpike

Additional fourth lane added along the turnpike to expand capacity and keep pace with increasing traffic demand. The additional lanes are constructed in segments inside the median to reduce traffic disruption and will open to traffic as each section is completed. The 2019 progress for each segment includes:

- DNT to Interstate 35E: Fourth lane construction began July 2017. New lanes opened to traffic December 2019.
- I-35E to N. Beltline Rd.: Fourth lane design work is complete. Construction began in August 2019. Anticipated opening to traffic late 2021.
- SH 183 to I-20: Fourth lane design is complete. Construction began in December 2019. Anticipated opening to traffic late 2022.



## Business Diversity & Vendor Outreach

In 2019, NTTA's Business Diversity Department (BDD) participated in and hosted many outreach events for disadvantaged, minority and woman-owned business enterprises (D/M/WBE). Outreach efforts helped result in 150 new vendors working with NTTA.

### Hosted 20 vendor outreach events, including:

- Second-Wednesday Business Chat sessions – D/M/WBEs promote their businesses to NTTA staff, contractors and contractor associations
- Quarterly Vendor Outreach Symposiums – NTTA travels to each of its four-member counties to meet with potential vendors
- Cooperative Inclusion Plan workshops – Partnership with the Texas Department of Transportation and regional contractors' associations for vendor outreach

### Advocacy Trade Association Participation

- Participated in 63 external outreach events hosted by advocacy groups and trade partners

### Industry-Specific Procurement Events

- Engineering opportunities event
- Pre-solicitation – President George Bush Turnpike total routine maintenance procurement, more than 200 vendors attended
- 2019 Legal Services – in collaboration with Dallas Area Rapid Transit, Parkland Hospital, DFW Airport, the Dallas Bar Association, minority certification agencies and other minority/women legal associations
- Information Technology Services – more than 90 IT firms attended
- Small Purchases Vendor Fair – featured small businesses

### Diversity Attainment

\*2019 Diversity Attainment results highlighted the use of DMWBEs in NTTA contracts: 30% or 30 cents per dollar was spent with DMWBEs

### Awards and Recognitions

- DFW Minority Supplier Development Council (DFWMSDC) – 2019 Diversity Spend
- DFWMSDC Best Practice Recognition – NTTA ROAD Program
- Regional Hispanic Contractors Association (RHCA) – 2019 Public Entity of the Year
- RHCA Luna Awards – Carol Stephens, 2019 Administrative Professional of the Year
- DFWMSDC 2019 E-Awards – Public Sector Agency of the Year
- Asian American Contractors Association of Texas – 2019 Most Outstanding Entity of the Year

### Relationship and Opportunities Advancing Diversity (ROAD) Program (2020 – 2022)

- Hosted an informational event to generate enrollment
- Recommended 17 teams for acceptance into the class
- Organized four quarterly networking events for program participants



**GFOA Award**



Government Finance Officers Association

**Certificate of Achievement for Excellence in Financial Reporting**

Presented to

**North Texas Tollway Authority**

For its Comprehensive Annual Financial Report for the Fiscal Year Ended

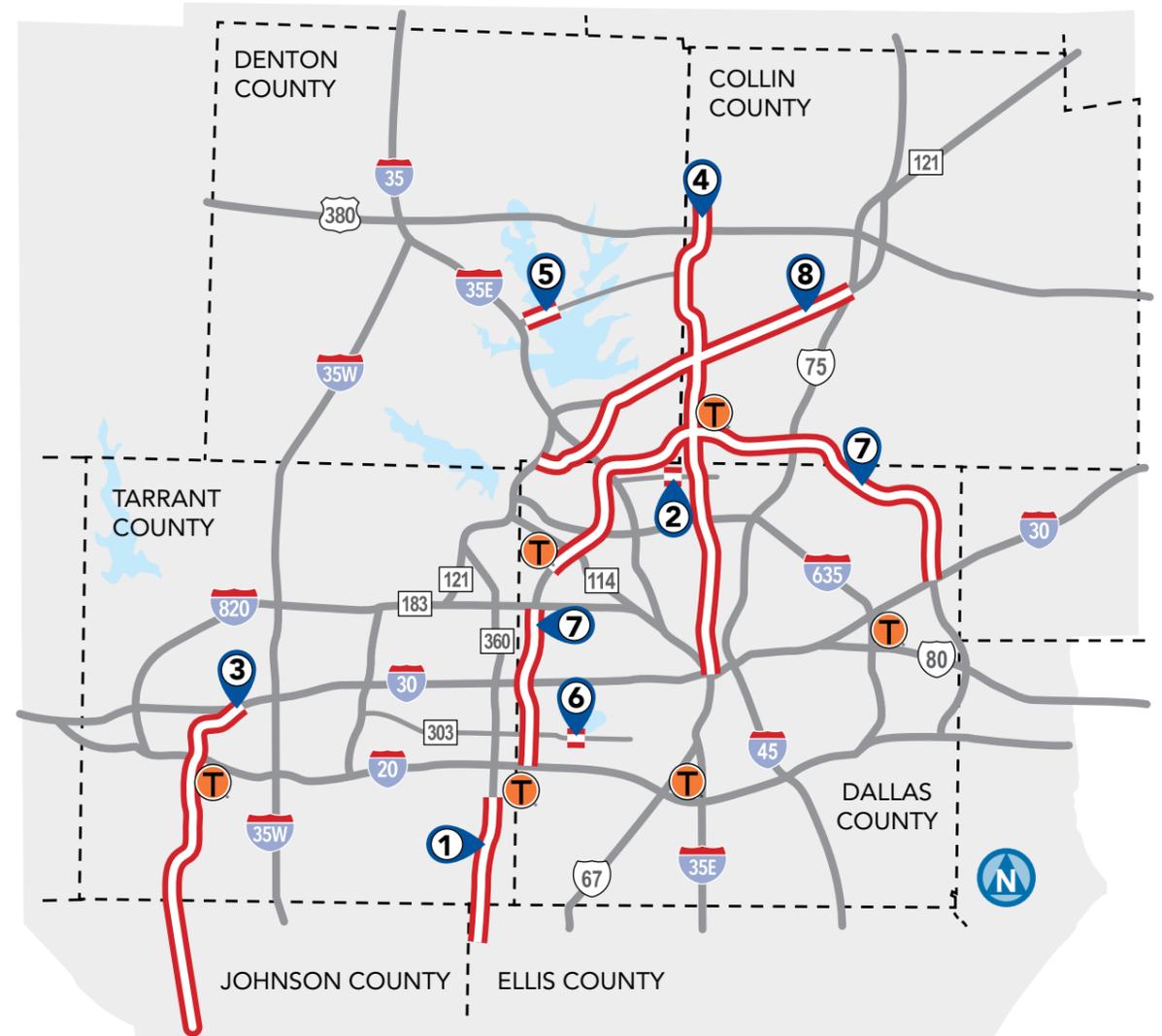
**December 31, 2018**

*Christopher P. Morrill*

Executive Director/CEO

**NTTA Toll Roads, Bridges and Tunnel**

- 1 360 Tollway
- 2 Addison Airport Toll Tunnel
- 3 Chisholm Trail Parkway
- 4 Dallas North Tollway
- 5 Lewisville Lake Toll Bridge
- 6 Mountain Creek Lake Bridge
- 7 President George Bush Turnpike
- 8 Sam Rayburn Tollway



**TollTag Customer Service Centers**



39025 LBJ Service Road  
Dallas 75232

4825 Overton Ridge Blvd., Suite 304  
Fort Worth 76132

5244 S State Highway 360, Suite 384  
Grand Prairie 75052

2110 N Galloway Ave., Suite 120  
Mesquite 75150

5555 President George Bush Turnpike  
Irving 75038

5900 W Plano Pkwy.  
Plano 75093 (NTTA Headquarters)

## NTTA Board of Directors

December 31, 2019



**John Mahalik**  
Chairman  
Denton County



**Jane Willard**  
Vice Chairwoman  
Collin County



**Pete Kamp**  
Denton County



**Scott Levine**  
Collin County



**Tim Carter**  
Tarrant County



**Marcus Knight**  
Dallas County



**Mojoy Haddad**  
Tarrant County



**George "Tex" Quesada**  
Dallas County

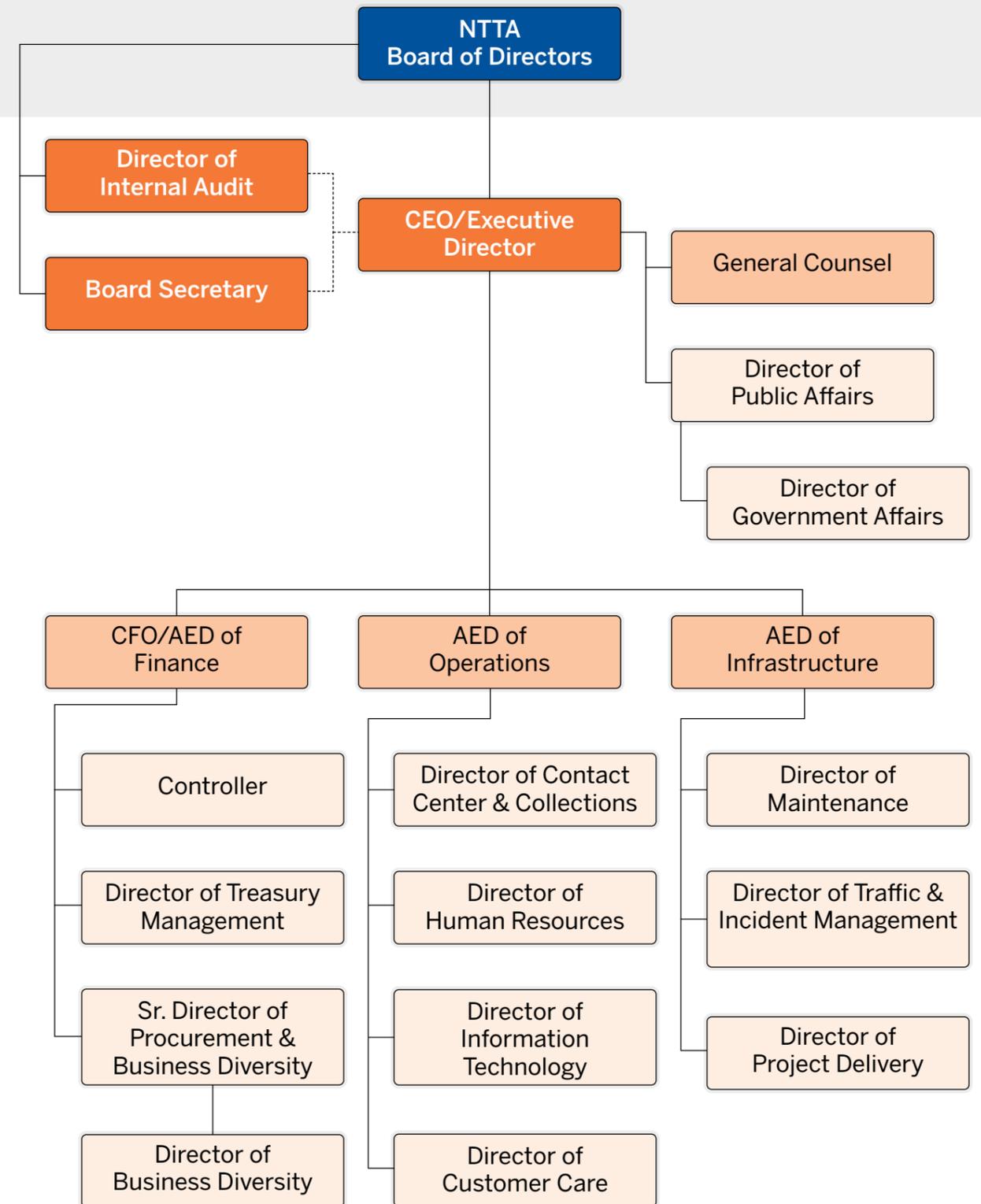


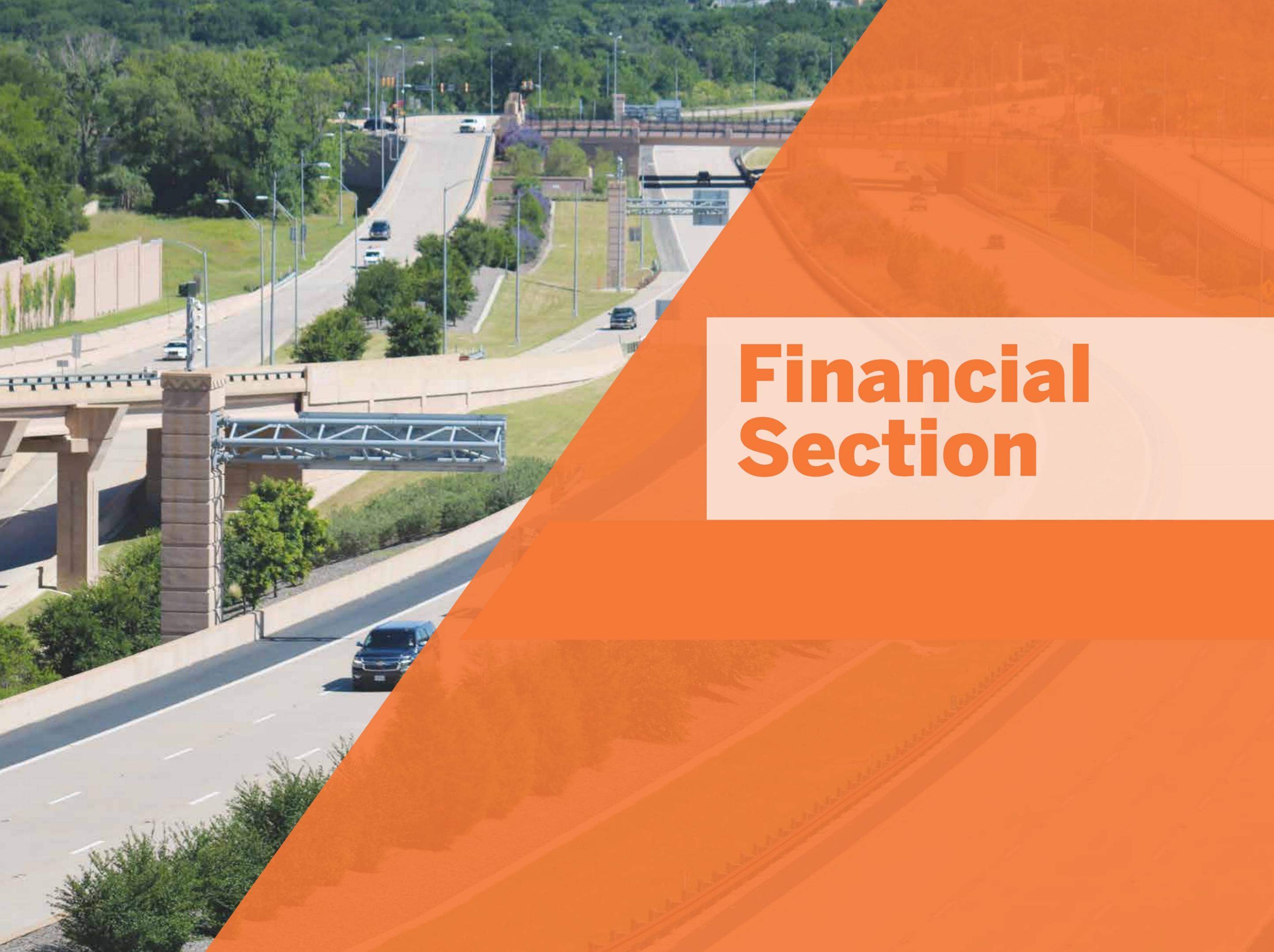
**Lynn Gravley**  
Gubernatorial

**James Hofmann**, CEO/Executive Director | **Horatio Porter**, Chief Financial Officer

## NTTA Organization

December 31, 2019





# Financial Section

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
North Texas Tollway Authority

### Report on the Financial Statements

We have audited the accompanying financial statements of the major fund and the aggregate remaining fund information of the North Texas Tollway System (the System), an enterprise fund of the North Texas Tollway Authority (the Authority), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the System's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

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

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

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the major fund and the aggregate remaining fund information of the System as of December 31, 2019, and the respective changes in financial position, and, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Emphasis of Matters

As discussed in note 1(a), the financial statements present only the System, an enterprise fund of the Authority and do not purport to, and do not, present fairly the financial position of the Authority as of December 31, 2019, and the changes in its financial position and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

As discussed in Note 11 to the financial statements, the financial impact of COVID-19 will impact subsequent periods of the System. Our opinions are 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 5-14, Modified Approach – Infrastructure Assets on pages 56-57, Schedule of Changes in Net Pension Liability/(Asset) and Related Ratios on page 58, Schedule of Employer Pension Contributions, on page 59, Schedule of Changes in PEBC Total OPEB Liability and Related Ratios on page 60, Schedule of Authority's Share in ERS Net OPEB Liability, on page 61, and Schedule of Authority's Contributions to ERS OPEB on page 61, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### Supplementary Information

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

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

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

**Management's Discussion and Analysis**

December 31, 2019

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated June 12, 2020 on our consideration of the System's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the System's internal control over financial reporting and compliance.



Crowe LLP

Dallas, Texas  
June 12, 2020

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

We offer readers of these financial statements a narrative overview and analysis of the financial activities of the System for the year ended December 31, 2019. This discussion and analysis is designed to assist the reader in focusing on the financial issues and activities and to identify any significant changes in financial position. Please read it in conjunction with the financial statements, which immediately follow this section.

**Using This Annual Report****Overview of the Financial Statements**

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

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

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

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

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

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

**Management's Discussion and Analysis**

December 31, 2019

**Financial Results and Analysis****2019 Highlights**

- The total net position increased by \$192,154,393 over fiscal year 2018, mainly due to a 6.4% increase in total operating revenues.
- The System's total traffic transactions (excluding non-revenue transactions) for fiscal year 2019 were 847,392,583, an increase of 19,782,168 or 2.4% over fiscal year 2018 transactions.
- The Non-Major Enterprise Fund total traffic transactions for fiscal year 2019 were 191,465,698, an increase of 46,341,373 or 31.9% over fiscal year 2018 transactions. This is primarily due to the ramp-up of existing facilities, as well as a full year of operation on the SH 183 and Loop 12 facilities.
- Approximately 5,930,349 toll tags were active at the end of fiscal year 2019, an increase of 246,509 or 4.3% over fiscal year 2018 active toll tags.
- The System received a toll equity grant in the amount of \$160,270,000 from TxDOT for Right of Way acquisition and other costs related to the PGBT Eastern Extension (PGBT EE) in 2007. In return for the grant, the Authority agreed to share 20% of the tolls received on the PGBT EE with TxDOT over the life of PGBT EE. The extension opened in late December 2011. In fiscal year 2019, TxDOT received \$9,468,208 on 38,093,418 transactions in comparison to \$8,945,628 on 36,798,901 transactions in 2018.
- The System's toll revenues of \$886,843,140, net of bad debt expense, increased \$45,352,124 or 5.4% over fiscal year 2018, due to a 2.4% increase in traffic transactions, and a 5.5% toll rate increase implemented July 1, 2019. The toll rate increase resulted in an approximate 2.75% impact on revenues for being in place half of the year.
- The Non-Major Enterprise Fund total operating revenues of \$52,230,665 increased \$11,460,076 or 28.1% over fiscal year 2018, due to the increase in developer TSA transactions.
- The System's Administration and Operations expenses of \$174,227,341 increased by \$8,677,432 or 5.2% over fiscal year 2018. (See Budget to Actual Schedule – page 87)
- The Non-Major Enterprise Fund administration and operations expenses of \$44,245,114, increased by \$6,688,717 or 17.8% over fiscal year 2018, due to the increase of developer TSA transactions.

**Management's Discussion and Analysis**

December 31, 2019

**Summary of Operations****Table A-1**  
Net Position

	2019	2018
Current unrestricted assets	\$ 562,577,137	\$ 636,070,354
Current restricted assets	581,198,620	544,920,855
Noncurrent assets		
Investments	324,199,755	46,759,740
Restricted investments	335,283,559	481,330,226
Other assets	3,784,411	14,913,127
Intangible assets	2,495,041,623	2,559,497,824
Capital assets:		
Nondepreciable	5,761,166,820	5,671,997,459
Depreciable (net)	75,037,636	49,685,570
Total assets	10,138,289,561	10,005,175,155
Deferred outflow of resources	605,726,305	671,048,987
Current unrestricted liabilities	137,274,392	110,253,903
Current liabilities payable from restricted assets	335,371,269	339,940,058
Noncurrent liabilities	23,771,584	41,558,994
Long-term debt	9,893,194,770	10,041,513,249
Total liabilities	10,389,612,015	10,533,266,204
Deferred inflow of resources	55,774,616	36,483,096
Investment in capital assets	(3,573,033,890)	(3,710,464,076)
Restricted for debt service	1,359,733,801	1,230,664,711
Restricted for SCA intangible	2,495,041,623	2,559,497,824
Unrestricted	16,887,701	26,776,383
Total net position	\$ 298,629,235	\$ 106,474,842

The net position indicates an unrestricted current ratio of 4.10 and 5.77 for fiscal year 2019 and fiscal year 2018, respectively. Working capital was \$425,302,744 and \$525,816,450 in fiscal year 2019 and fiscal year 2018, respectively. Total unrestricted current assets were \$562,577,137 in fiscal year 2019, compared to \$636,070,354 in fiscal year 2018. Total unrestricted and restricted current assets were \$1,143,775,757 at the end of fiscal year 2019. Cash and investments of \$1,036,742,148 represent the largest component of current assets. The remaining \$107,033,609 is comprised of accrued interest receivable of \$3,960,603, accounts receivable of \$82,675,421, inter-project/interagency receivables of \$17,079,668, and prepaid expenses of \$3,317,917.

Total unrestricted current liabilities were \$137,274,392 at the end of fiscal year 2019, consisting of \$11,817 of accounts payable, \$82,006,092 of deferred revenue, \$45,408,629 of accrued liabilities (mainly accrued salaries and vacation liability), and interagency payables of \$9,847,854.

## Management's Discussion and Analysis

December 31, 2019

**Table A-2**  
Change in Net Position

	2019	2018
Revenues		
Tolls	\$ 899,647,241	\$ 850,437,774
Other revenues	111,615,382	99,516,486
Operating revenues	1,011,262,623	949,954,260
Operating expenses before depreciation	283,077,822	245,436,223
Income from operations before depreciation	728,184,801	704,518,037
Amortization of intangible (Sam Rayburn Tollway)	(64,788,513)	(64,788,513)
Depreciation	(9,372,351)	(10,059,970)
Operating income	654,023,937	629,669,554
Nonoperating revenue (expenses):		
Increase in fair value of investments	6,539,882	(1,061,515)
Interest expense	(491,644,406)	(493,048,030)
Other	(471,772)	(9,774,843)
Net nonoperating revenue (expenses):	(485,576,296)	(503,884,388)
Capital contributions		
Payments to other governments	-	(2,000,000)
BAB's subsidy	23,706,752	27,123,478
Change in net position	192,154,393	150,908,644
Net position - beginning	106,474,842	(44,433,802)
Net position - ending	\$ 298,629,235	\$ 106,474,842

Total operating revenues were \$1,011,262,623 for fiscal year 2019 and \$949,954,260 for fiscal year 2018. Toll revenues in fiscal year 2019 were \$899,647,241 (net of bad debt expense of \$95,253,446), a 5.8% increase over fiscal year 2018 toll revenues of \$850,437,774 (net of bad debt expense of \$92,519,568). Traffic on the System and the Non-Major Enterprise Fund continues to grow, with average daily transactions of 2,321,624 and 524,563.56 in fiscal year 2019 as compared to 2,267,426 and 397,601 in fiscal year 2018, respectively.

Total operating expenses, including the Operation and Maintenance Fund, Reserve Maintenance Fund, Capital Improvement Fund, and Construction Improvement expenses before depreciation for fiscal year 2019 were \$283,077,822 representing a 15.3% increase from fiscal year 2018 operating expenses of \$245,436,223. Interest expense, inclusive of capitalized interest, for fiscal year 2019 was \$491,644,406, a 0.3% decrease from fiscal year 2018 interest expense of \$493,048,030. The System's debt service coverage for all debt for fiscal year 2019 and fiscal year 2018 were 1.42 and 1.37 times, respectively. The Trust Agreement and the Authority's Debt Policy both require bond principal and interest coverage of 1.35 for first tier debt. For fiscal year 2019, the debt service coverage for first tier debt was 1.79.

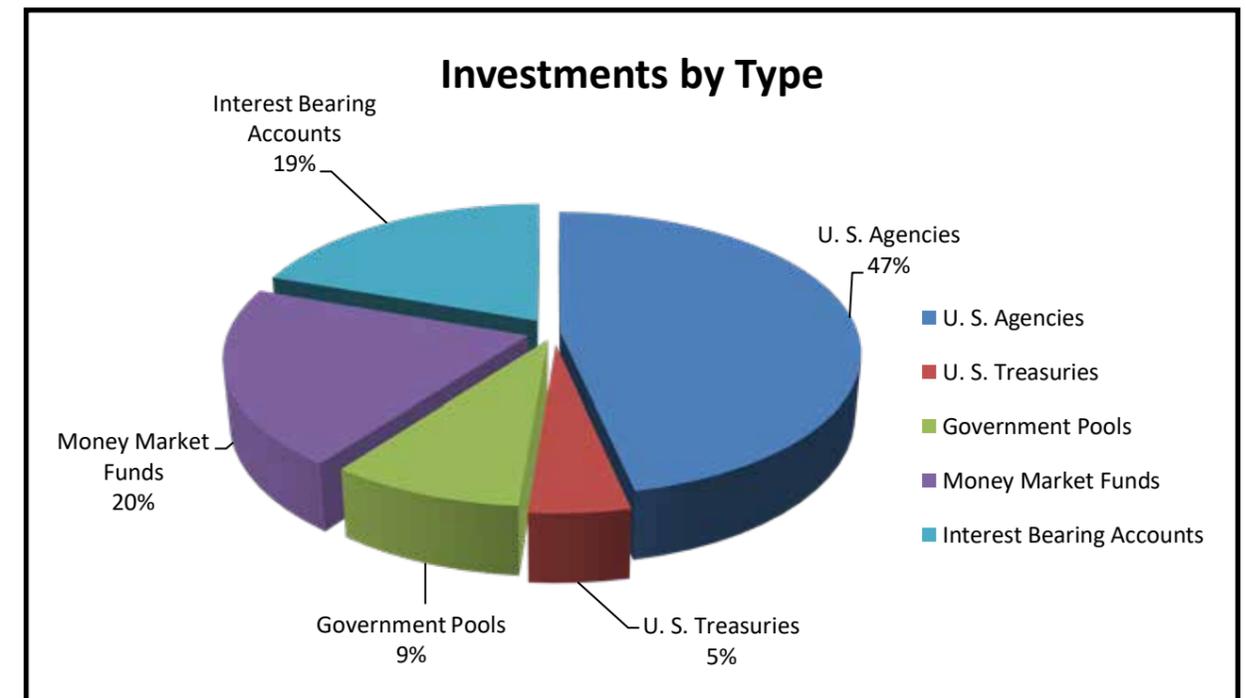
The overall financial position in fiscal year 2019 increased by \$192,154,394 from fiscal year 2018.

## Management's Discussion and Analysis

December 31, 2019

**Investments:** Investments at December 31, 2019 and 2018 were approximately \$1,622,522,922 and \$1,531,590,111 respectively. Chart A-3 below shows the types of authorized investments in the December 31, 2019 portfolio.

Chart A-3

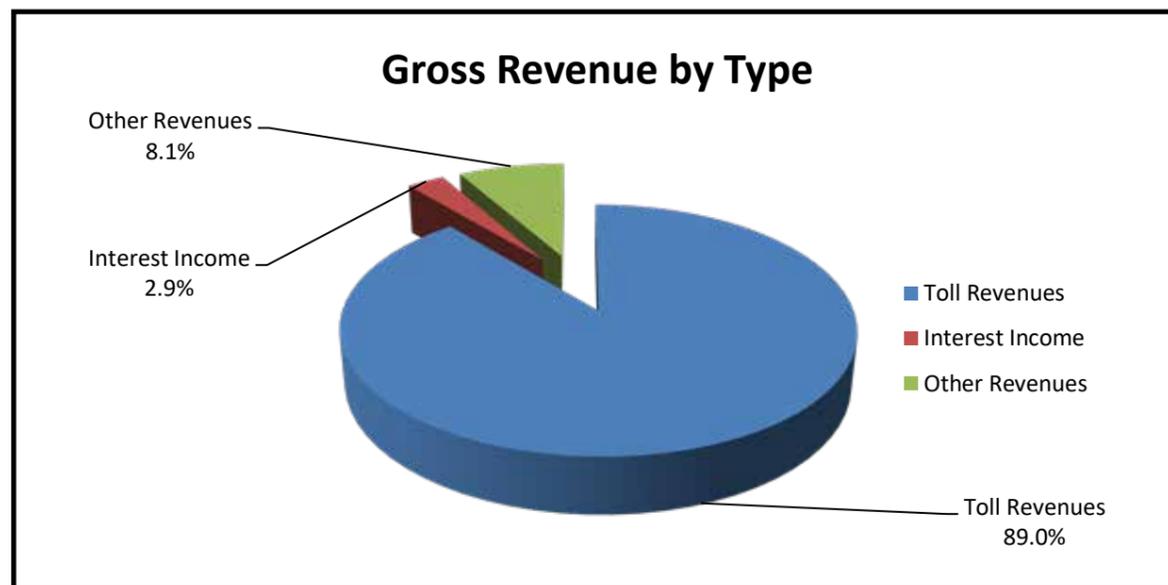


## Management's Discussion and Analysis

December 31, 2019

Chart A-4 below shows revenue in fiscal year 2019 by revenue source type.

Chart A-4



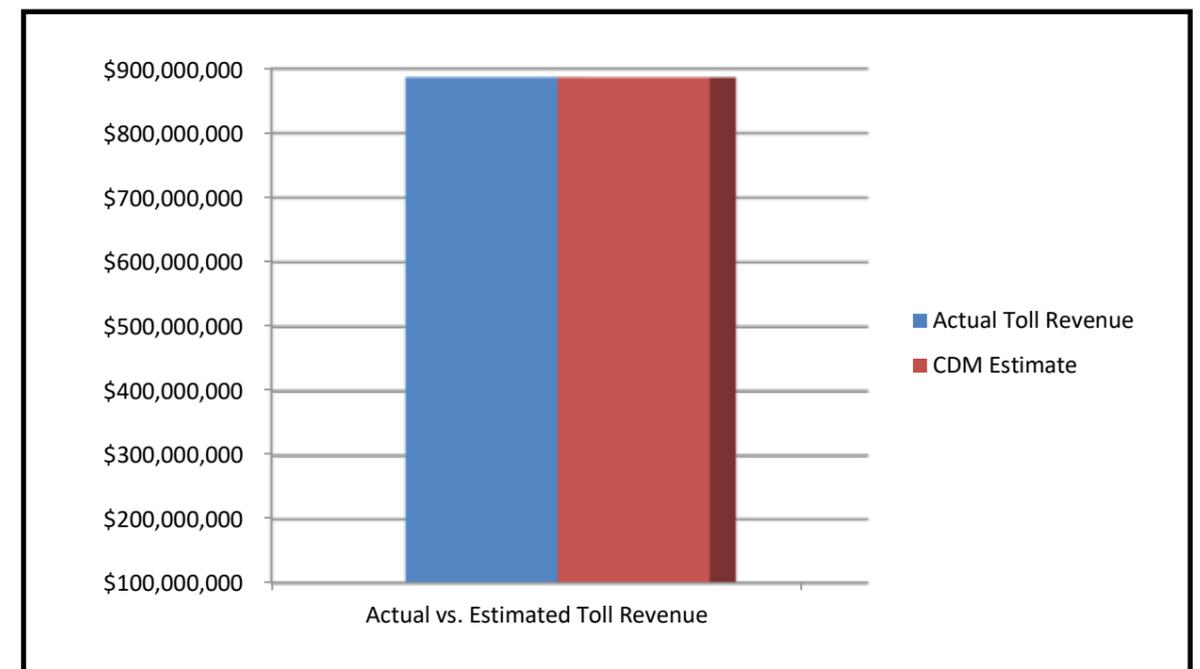
Net revenues for fiscal year 2019 were \$1,011,262,623, a 6.5% increase over fiscal year 2018 net revenues of \$949,954,260. Toll revenues of \$899,647,241 (net of bad debt expenses of \$95,253,446) account for 89% of total revenue. The remaining 11% of total revenue consisted of: Interest income (excluding Construction Fund interest) of \$29,121,746 or 2.9% and Other Revenue of \$82,493,636 or 8.1% (which was mostly administrative and statement fees for collection of tolls from violators and interoperability fees).

## Management's Discussion and Analysis

December 31, 2019

Chart A-5 below shows the System's actual toll revenue for fiscal year 2019 compared to the estimated toll revenue of the Authority's traffic and toll revenue engineer, CDM Smith Inc. (CDM). Toll revenue exceeded CDM's estimates by 0.02%.

Chart A-5



Traffic on the System continues to grow with approximately 2,321,624 average daily transactions in fiscal year 2019, up 2.4% from the 2,267,426 daily averages in fiscal year 2018.

**Management's Discussion and Analysis**

December 31, 2019

**Engineering Estimates**

The annual estimates by CDM for the System are displayed in comparison to the actual revenue of the System for the years of 2010 through 2019 in Table A-6 below:

**Table A-6**  
Actual vs Estimated Revenue

Year	Actual	Estimate	Variance
2019	\$ 886,843,140	\$ 886,656,100	\$ 187,040
2018	841,491,016	843,189,300	(1,698,284)
2017	712,551,456	721,068,400	(8,516,944)
2016	665,212,316	636,987,300	28,225,016
2015	617,488,044	588,534,400	28,953,644
2014	580,045,215	520,318,600	59,726,615
2013	525,458,723	483,799,800	41,658,923
2012	485,463,608	442,688,000	42,775,608
2011	402,569,354	410,749,700	(8,180,346)
2010	366,597,323	377,132,800	(10,535,477)

The System's fiscal year 2019 toll revenues of \$886,843,140 (net of bad debt expense of \$79,342,157) increased by 5.4% over fiscal year 2018 toll revenue of \$841,491,016 (net of bad debt expense of \$78,717,754). The System's total revenues produced a debt coverage ratio of 1.42 for all debt. Please see the Historical Debt Coverage Table (A-8) on page 14.

**Capital Assets** – The System's investment in capital assets includes land, buildings, right-of-way, roadway, bridges, equipment, and computer systems. Capital assets at December 31, 2019 were \$5,836,204,456, increasing from December 31, 2018 by \$114,521,427. For additional information on capital assets see Note (1) (f) and Note (4).

The Authority utilizes GASB No. 34, Modified Approach of reporting infrastructure assets. Each year a comprehensive assessment is conducted on all the Authority's infrastructure assets which affect the following fiscal year's maintenance budget. For fiscal year 2019, the Authority estimated it would need to spend \$58,126,144 for infrastructure maintenance and preservation, but actually expensed \$20,627,996. Fluctuations from year to year between the amount spent to preserve and maintain the Authority's infrastructure assets and the estimated amount result from the timing of work activities. For additional information and results of the 2019 assessment, please see the Required Supplementary Information on pages 56 and 57 of this report. The Authority's Condition Index for 2019 is 8.8 versus the 8.0 goal.

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

**Management's Discussion and Analysis**

December 31, 2019

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

**Long-Term Debt** – At the end of fiscal year 2019, the Authority's total bonded debt outstanding was \$9,201,998,710 compared to \$9,375,266,341 in fiscal year 2018 (See Table A-7). This debt represents bonds secured solely by toll revenue. For detailed information see Note (5) and the schedule of revenue bonds outstanding as of December 31, 2019, on page 38.

**Table A-7**  
Revenue Bonds Outstanding

Series	2019	2018
Series 2005C	\$ -	\$ 42,955,000
Series 2008D	795,673,710	750,421,341
Series 2008I	295,165,000	295,165,000
Series 2009A	-	69,865,000
Series 2009B	825,000,000	825,000,000
Series 2009C	-	170,730,000
Series 2010A *	90,000,000	90,000,000
Series 2010B *	50,000,000	310,000,000
Series 2011B	245,705,000	268,625,000
Series 2012A	25,930,000	25,930,000
Series 2012B	383,625,000	383,625,000
Series 2012D	32,815,000	32,815,000
Series 2014A	310,415,000	310,415,000
Series 2014B	146,420,000	146,420,000
Series 2014C	-	223,895,000
Series 2015A	836,605,000	844,060,000
Series 2015B	747,860,000	753,095,000
Series 2016A	952,820,000	966,850,000
Series 2017A	1,694,485,000	1,743,320,000
Series 2017B	761,015,000	765,995,000
Series 2018	356,085,000	356,085,000
Series 2019A	429,870,000	-
Series 2019B	222,510,000	-
Revenue Bonds Outstanding	\$ 9,201,998,710	\$ 9,375,266,341

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

**Management's Discussion and Analysis**

December 31, 2019

Table A-8 sets forth debt service coverage for all debt outstanding for the years 2010 through 2019.

**Table A-8**  
Historical Debt Coverage

Year	Coverage
2019	1.42x
2018	1.37x
2017	1.49x
2016	1.48x
2015	1.48x
2014	1.41x
2013	1.26x
2012	1.47x
2011	1.77x
2010	1.83x

Additionally, the Authority funded, in part, costs of the construction of the PGBT with proceeds from a loan, which totaled \$135,000,000, made by TxDOT in 1995 pursuant to the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA). Interest at the rate of 4.2% began to accrue on October 1, 2000, compounding annually on January 1, with the first payment made in October 2004, and annual payments on January 1 thereafter until final payment in 2029, which resulted in a new loan amount at October 1, 2004 of \$154,338,133. Repayment of the loan to TxDOT is to be made from amounts on deposit in the Capital Improvement Fund with payments subordinate to bonds or other obligations of the Authority issued or entered into and secured by the tolls and revenues of the Authority. The ISTEA loan payment of \$12,250,000 was made on December 30, 2019 for the fiscal year of 2020. The amortization schedule for this loan can be found in Note (5) page 41.

**Short-Term Debt** - The Authority maintains a \$200,000,000 commercial paper program. During fiscal year 2019, no commercial paper was issued and there are no outstanding notes under the commercial paper program. See also Note (5) page 40.

**Economic Factors**

The State of Texas declared a state of emergency in March 2020 due to the COVID-19 global pandemic. North Texas Tollway Authority anticipates a financial impact resulting from the effects of the COVID-19 outbreak. During this evolving situation, North Texas Tollway Authority continues to analyze the impact on its financial position. North Texas Tollway Authority has developed and instituted a phased financial response plan that includes implementing expense reductions, delaying the start of certain capital projects and securing liquidity facilities. The global pandemic had no effect on the current year financials.

**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.

## Basic Financial Statements

**Statement of Net Position**

December 31, 2019

Assets	North Texas Tollway System	Non-Major Enterprise Fund	Total
Current assets:			
Cash and cash equivalents (note 3)	\$ 66,500,313	\$ 7,202,227	\$ 73,702,540
Investments (note 3)	361,657,647	22,985,814	384,643,461
Accounts receivable (net of allowance for uncollectibles) (note 9)	58,890,905	22,904,217	81,795,122
Other assets	17,805,798	4,630,216	22,436,014
Total current unrestricted assets	<u>504,854,663</u>	<u>57,722,474</u>	<u>562,577,137</u>
Current restricted assets:			
Restricted for construction:			
Investments (notes 3 and 10)	56,593,597	-	56,593,597
Accrued interest receivable	76,159	-	76,159
Restricted for debt service:			
Investments (notes 3 and 5)	520,757,192	-	520,757,192
Accrued interest receivable	1,737,144	-	1,737,144
Accounts receivable	989,170	-	989,170
Restricted for NTE 3A/3B:			
Investments (notes 3 and 10)	-	1,045,358	1,045,358
Total current restricted assets	<u>580,153,262</u>	<u>1,045,358</u>	<u>581,198,620</u>
Total current assets	<u>1,085,007,925</u>	<u>58,767,832</u>	<u>1,143,775,757</u>
Noncurrent assets:			
Investments (note 3)	324,199,755	-	324,199,755
Investments restricted for debt service (notes 3 and 5)	335,283,559	-	335,283,559
Unavailable feasibility study costs	3,784,411	-	3,784,411
Service Concession Arrangement - Intangible asset (note 1(m)) (net of accumulated amortization)	2,495,041,623	-	2,495,041,623
Capital assets:			
Nondepreciable (note 4)	5,761,166,820	-	5,761,166,820
Depreciable (net) (note 4)	75,037,636	-	75,037,636
Total noncurrent assets	<u>8,994,513,804</u>	<u>-</u>	<u>8,994,513,804</u>
<b>Total assets</b>	<b><u>10,079,521,729</u></b>	<b><u>58,767,832</u></b>	<b><u>10,138,289,561</u></b>
<b>Deferred outflow of resources</b>			
Loss on refunding	591,660,410	-	591,660,410
ERS OPEB contributions after measurement date	371,275	-	371,275
PEBC OPEB contributions after measurement date	165,106	-	165,106
Changes in actuarial assumptions used to determine PEBC OPEB liability	1,620,295	-	1,620,295
Difference in projected and actual earnings on ERS OPEB liability	1,809	-	1,809
Pension contributions after measurement date	3,519,781	-	3,519,781
Changes in actuarial assumptions used to determine pension liability	536,484	-	536,484
Difference in projected and actual earnings on pension assets	7,851,145	-	7,851,145
<b>Total deferred outflow of resources</b>	<b><u>605,726,305</u></b>	<b><u>-</u></b>	<b><u>605,726,305</u></b>

See accompanying notes to basic financial statements

Basic Financial Statements  
**Statement of Net Position**  
 December 31, 2019

Liabilities	North Texas Tollway System	Non-Major Enterprise Fund	Total
Current liabilities:			
Accounts payable	\$ 11,817	\$ -	\$ 11,817
Accrued liabilities	44,423,286	985,343	45,408,629
Unearned revenue	82,006,092	-	82,006,092
Other liabilities	9,389,808	458,046	9,847,854
Total current unrestricted liabilities	<u>135,831,003</u>	<u>1,443,389</u>	<u>137,274,392</u>
Payable from restricted assets:			
Construction-related payables:			
Retainage payable	5,317,440	-	5,317,440
Debt service-related payables:			
Accrued interest payable	212,048,471	-	212,048,471
Revenue bonds payable, current portion (note 5)	116,960,000	-	116,960,000
Other liabilities-NTE 3A/3B	-	1,045,358	1,045,358
Total current liabilities payable from restricted assets	<u>334,325,911</u>	<u>1,045,358</u>	<u>335,371,269</u>
Total current liabilities	<u>470,156,914</u>	<u>2,488,747</u>	<u>472,645,661</u>
Noncurrent liabilities:			
Total other post-employment benefits liability - PEBC plan (note 8)	17,134,836	-	17,134,836
Net other post-employment benefit liability - ERS plan (note 8)	3,821,968	-	3,821,968
Loans payable	112,895,896	-	112,895,896
Dallas North Tollway System revenue bonds payable, net of bond discount (premium) costs of \$695,260,165 (note 5)	9,780,298,874	-	9,780,298,874
Net pension liability	2,814,780	-	2,814,780
Total noncurrent liabilities	<u>9,916,966,354</u>	<u>-</u>	<u>9,916,966,354</u>
<b>Total liabilities</b>	<b><u>10,387,123,268</u></b>	<b><u>2,488,747</u></b>	<b><u>10,389,612,015</u></b>
<b>Deferred inflow of resources</b>			
Gain on refunding	29,289,547	-	29,289,547
Difference in expected and actual ERS OPEB experience	140,025	-	140,025
Change in actuarial assumptions used to determine ERS OPEB liability	1,339,322	-	1,339,322
Difference in expected and actual pension experience	2,354,993	-	2,354,993
Change in proportionate share on ERS OPEB liability	9,882,650	-	9,882,650
Change in actuarial assumptions used to determine PEBC OPEB liability	4,214,882	-	4,214,882
Difference in expected and actual PEBC OPEB experience	8,553,197	-	8,553,197
<b>Total deferred inflow of resources</b>	<b><u>55,774,616</u></b>	<b><u>-</u></b>	<b><u>55,774,616</u></b>
<b>Net Position</b>			
Net investment in capital assets	(3,573,033,890)	-	(3,573,033,890)
Restricted for:			
Debt service	1,359,733,801	-	1,359,733,801
SCA Intangible	2,495,041,623	-	2,495,041,623
Unrestricted	(39,391,384)	56,279,085	16,887,701
<b>Total net position</b>	<b><u>\$ 242,350,150</u></b>	<b><u>\$ 56,279,085</u></b>	<b><u>\$ 298,629,235</u></b>

See accompanying notes to basic financial statements

Basic Financial Statements  
**Statement of Revenues, Expenses and  
 Changes in Net Position**  
 Year Ended December 31, 2019

	North Texas Tollway System	Non-Major Enterprise Fund	Total
Operating revenues:			
Tolls	\$ 886,843,140	\$ 12,804,101	\$ 899,647,241
Other	72,188,818	39,426,564	111,615,382
Total operating revenues	<u>959,031,958</u>	<u>52,230,665</u>	<u>1,011,262,623</u>
Operating expenses:			
General			
Administration	28,603,873	1,723,251	30,327,124
Operations	145,623,468	42,521,863	188,145,331
Preservation			
Reserve maintenance	20,627,996	-	20,627,996
Capital improvement	43,919,482	-	43,919,482
Construction improvement	57,889	-	57,889
Amortization of intangibles	64,788,513	-	64,788,513
Depreciation	9,372,351	-	9,372,351
Operating expenses	<u>312,993,572</u>	<u>44,245,114</u>	<u>357,238,686</u>
<b>Operating income</b>	<b><u>646,038,386</u></b>	<b><u>7,985,551</u></b>	<b><u>654,023,937</u></b>
Nonoperating revenues (expenses):			
Net increase in fair value of investments	6,539,882	-	6,539,882
Interest expense	(491,644,406)	-	(491,644,406)
Other	(471,772)	-	(471,772)
Net nonoperating revenues (expenses)	<u>(485,576,296)</u>	<u>-</u>	<u>(485,576,296)</u>
Income (loss) before capital contributions, subsidies, and transfers	160,462,090	7,985,551	168,447,641
Build America Bonds Subsidy (BAB's)	23,706,752	-	23,706,752
Change in net position	<u>184,168,842</u>	<u>7,985,551</u>	<u>192,154,393</u>
Beginning net position	58,181,308	48,293,534	106,474,842
<b>Ending net position</b>	<b><u>\$ 242,350,150</u></b>	<b><u>\$ 56,279,085</u></b>	<b><u>\$ 298,629,235</u></b>

See accompanying notes to basic financial statements

Basic Financial Statements  
**Statement of Cash Flows**  
Year Ended December 31, 2019

	North Texas Tollway System	Non-Major Enterprise Fund	Total
<b>Cash flows from operating activities:</b>			
Receipts from customers and users	\$ 969,013,087	\$ 47,391,620	\$ 1,016,404,707
Receipts from other sources	14,221,525	-	14,221,525
Payments to contractors and suppliers	(154,516,198)	(39,202,274)	(193,718,472)
Payments to employees	(59,255,864)	(4,827,511)	(64,083,375)
<b>Net cash provided by operating activities</b>	<b>769,462,550</b>	<b>3,361,835</b>	<b>772,824,385</b>
<b>Cash flows from capital and related financing activities:</b>			
Acquisition and construction of capital assets	(121,929,643)	-	(121,929,643)
Principal paid on revenue bonds	(115,260,000)	-	(115,260,000)
Principal paid on ISTE A loan - current	(7,205,732)	-	(7,205,732)
Capital contributions - BAB's Subsidy	23,706,752	-	23,706,752
Refunding of revenue bonds	(103,260,000)	-	(103,260,000)
Deferred financing costs	95,138,747	-	95,138,747
Interest paid on ISTE A loan	(5,044,268)	-	(5,044,268)
Interest paid on revenue bonds	(448,836,940)	-	(448,836,940)
<b>Net cash used by capital and related financing activities</b>	<b>(682,691,084)</b>	<b>-</b>	<b>(682,691,084)</b>
<b>Cash flows from investing activities:</b>			
Purchase of investments	(8,162,668,133)	(6,496,858)	(8,169,164,991)
Proceeds from sales and maturities of investments	8,077,820,411	4,600,001	8,082,420,412
Interest received	5,443,249	-	5,443,249
<b>Net cash used by investing activities</b>	<b>(79,404,473)</b>	<b>(1,896,857)</b>	<b>(81,301,330)</b>
Net increase in cash and cash equivalents	7,366,993	1,464,978	8,831,971
Cash and cash equivalents, beginning of the year	59,133,319	5,737,250	64,870,569
<b>Cash and cash equivalents, end of the year</b>	<b>66,500,312</b>	<b>7,202,228</b>	<b>73,702,540</b>
Classified as:			
Current assets	66,500,312	7,202,228	73,702,540
<b>Total</b>	<b>66,500,312</b>	<b>7,202,228</b>	<b>73,702,540</b>
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	646,038,386	7,985,551	654,023,937
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	9,372,351	-	9,372,351
Amortization of intangible assets	64,788,513	-	64,788,513
Bad debt expense	79,342,157	15,911,289	95,253,446
Miscellaneous nonoperating income	14,221,526	-	14,221,526
Changes in assets and liabilities:			
Increase in accounts receivable	(80,772,944)	(20,750,335)	(101,523,279)
Increase in accounts and retainage payable	111,775	215,330	327,105
Increase in net pension liability	10,205,387	-	10,205,387
Decrease in OPEB related deferred outflows	126,307	-	126,307
Increase in OPEB related deferred inflows	20,979,574	-	20,979,574
Increase in pension related deferred outflows	(7,565,182)	-	(7,565,182)
Decrease in pension related deferred inflows	(775,856)	-	(775,856)
Increase in accrued liabilities	14,397,725	-	14,397,725
Decrease in prepaid expenses	8,183,105	-	8,183,105
Decrease in other post-employment benefits liability	(20,602,191)	-	(20,602,191)
Increase in unearned revenue	11,411,917	-	11,411,917
Total adjustments	123,424,164	(4,623,716)	118,800,448
<b>Net cash provided by operating activities</b>	<b>\$ 769,462,550</b>	<b>\$ 3,361,835</b>	<b>\$ 772,824,385</b>
<b>Noncash financing activities:</b>			
Increase in the fair value of investments	6,539,882	-	6,539,882
Interest accretion on 2008D bonds	(45,252,369)	-	(45,252,369)

On May 15, 2019 the Authority issued \$429,870,000 of North Texas Tollway Authority First Tier Revenue Refunding Bonds, Series 2019A and \$222,510,000 of North Texas Tollway Authority Second Tier Revenue Refunding Bonds, Series 2019B, for the purpose of refunding all of the: Series 2005C Bonds, Series 2009A Bonds, Series 2009C Bonds, Series 2014C Bonds, and the Subordinate Lien Taxable Revenue Bonds, Subseries 2010B-2 (Build America Bonds).

See accompanying notes to basic financial statements

**Notes to Basic Financial Statements**  
December 31, 2019

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**Notes to Basic Financial Statements**

December 31, 2019

**(1) Nature of the Organization and Summary of Significant Accounting Policies****(a) Reporting Entity**

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

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

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

**(b) Basis of Accounting**

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

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

The principal revenues of the System are toll revenues received from patrons. Operating expenses for the System include the costs of operating and maintaining the Authority and administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The principal revenues of the Non-Major Enterprise Fund are fees from processing of interoperability payments, and fees charged for billing services on managed lanes for the Tolling Services Agreements. Operating expenses for the Non-Major Enterprise Fund include the costs of billing and collections of managed lane transactions.

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

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

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

**Notes to Basic Financial Statements**

December 31, 2019

**(c) Budget**

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

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

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

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

**(d) Restricted Assets**

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

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

- **Non-Major Enterprise Fund** – The Non-Major Enterprise Fund was created to account for Tolling Services Agreement (TSA) revenues separately from revenues that are devoted to the repayment of bonds.
- **Construction and Property Fund** – The Construction and Property Fund was created to account for that portion of the proceeds from the sale of the Authority Revenue Bonds, which were required to be deposited with the trustee in order to pay all costs of construction. There also may be deposited in the Construction and Property Fund any monies received from any other source for paying the cost of the Authority.
- **Revenue Fund** – The Revenue Fund was created to account for all revenues (all tolls, other revenues, and income) arising or derived by the Authority from the operation and ownership of the Authority. All revenues of this fund are distributed to other funds in accordance with the Trust Agreement.
- **Operation and Maintenance Fund** – The Operation and Maintenance Fund was created to account for and pay current operating expenses of the Authority.
- **Reserve Maintenance Fund** – The Reserve Maintenance Fund was created to account for those expenses of maintaining the Authority that do not recur on an annual or shorter basis. As defined in the Trust Agreement, such items include repairs, painting, renewals, and replacements necessary for safe or efficient operation of the Authority or to prevent loss of revenues, engineering expenses relating to the functions of the Authority, equipment, maintenance expenses, and operating expenses not occurring at annual or shorter periods.

**Notes to Basic Financial Statements**

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- **Capital Improvement Fund** – The Capital Improvement Fund (CIF) was created to account for the cost of repairs, enlargements, extensions, resurfacing, additions, renewals, improvements, reconstruction and replacements, capital expenditures, engineering, and other expenses relating to the powers or functions of the Authority in connection with the Authority, or for any other purpose now or hereafter authorized by law. This CIF fund will also be combined with a revolving fund, called the Feasibility Study Fund to use only for the expenses of studying the cost and feasibility and any other expenses relating to: (1) the preparation and issuance of bonds for the acquisition and construction of a proposed turnpike project for the Authority; (2) the financing of the improvement, extension or expansion of an existing turnpike or Authority; (3) private participation, as authorized by law, in the financing of a proposed turnpike project or Authority, the refinancing of an existing turnpike project or Authority or the improvement, extension or expansion of a turnpike project or Authority.
- **Bond Interest Account** – The Bond Interest Account was created to account for the payment of the semiannual interest requirements of the revenue bonds.
- **Reserve Account** – The Reserve Account was created for the purpose of paying interest and principal of the bonds whenever and to the extent that the monies held for the credit of the Bond Interest Account and the Redemption Account shall be insufficient for such purpose. The required reserve is an amount equal to the average annual debt service requirements of all bonds outstanding. At December 31, 2019, according to staff calculations the Authority was in compliance with this requirement.
- **Redemption Account** – The Redemption Account was created to account for the payment of the annual principal requirements of the revenue bonds.

**(e) Cash, Cash Equivalents and Investments**

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

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

**(f) Capital Assets**

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

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

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

**Notes to Basic Financial Statements**

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

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

**(g) Compensated Absences**

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

**(h) Pension**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Texas County and District Retirement System (TCDRS) and additions to/deductions from TCDRS’s fiduciary net position have been determined on the same basis as they are reported by TCDRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**(i) Other Post-Employment Benefits (OPEB)**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Authority’s Postemployment Benefit Fund (ERS OPEB Plan) and additions to/deductions from ERS OPEB Plan fiduciary net position have been determined on the same basis as they are reported by ERS OPEB Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

**(j) Retainage Payable**

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

**(k) Deferred Outflows/Inflows of Resources**

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

- Loss on refunding - The loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Pension/OPEB contributions after measurement date – These contributions are deferred and recognized in the following fiscal year.
- Difference in projected and actual earnings on pension or OPEB assets – This difference is deferred and amortized over a closed five year period.

**Notes to Basic Financial Statements**

December 31, 2019

- Changes in actuarial assumptions used to determine pension or OPEB liability – This difference is deferred and amortized over the estimated average remaining lives of all members determined as of the measurement date.

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

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

**(l) Bond Discounts and Premiums**

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

**(m) Arbitrage Rebate Payable**

The Tax Reform Act of 1986 imposed additional restrictive regulations, reporting requirements, and arbitrage rebate liability on issuers of tax-exempt debt. This represents interest earnings on bond proceeds in excess of amounts allowed under the Act. This Act requires the remittance to the Internal Revenue Service (IRS) of 90% of the cumulative arbitrage rebate within 60 days of the end of each five-year reporting period following the issuance of governmental bonds. The System's cumulative arbitrage rebate liabilities for the year ended December 31, 2019 is \$0.00.

**(n) Estimates**

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

**(o) Service Concession Arrangement for Sam Rayburn Tollway (SRT)**

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

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

	January 1, 2019	Additions	Disposal	Amortization	December 31, 2019
Roadway	\$ 3,222,810,215	-	-	-	\$ 3,222,810,215
Less accumulated amortization	(663,312,391)	-	-	(64,456,201)	(727,768,592)
<b>Total</b>	<b>\$ 2,559,497,824</b>	<b>-</b>	<b>-</b>	<b>(64,456,201)</b>	<b>\$ 2,495,041,623</b>

**Notes to Basic Financial Statements**

December 31, 2019

**(p) New Accounting Pronouncements**

The GASB issued GASB 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, effective immediately, the primary objective of which was to provide temporary relief to governments in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain or are scheduled to be effective for periods beginning after June 15, 2018 and later. However, the System has early implemented the following:

GASB Statement No. 83, *Certain Asset Retirement Obligations*. This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. This statement had no effect on the financial statements.

GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequence, significant termination events with finance-related consequences, and significant subjective acceleration clauses. The implementation of this statement resulted in additional disclosure in Note 5.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction*. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This statement had no effect on the financial statements, as all interest costs are currently being recorded as an expense.

GASB Statement No. 90, *Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61*. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. This statement is not applicable thus no effect on the financial statements.

GASB Statement No. 91, *Conduit Debt Obligation*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This statement is not applicable thus no effect on the financial statements.

The GASB has issued the following statements which will be effective in future years as described below and in accordance with GASB Statement 95. The impact on the System's financial statements of implementation has not yet been determined for the following:

GASB Statement No. 84, *Fiduciary Activities* is now effective for periods beginning after December 15, 2019. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

GASB Statement No. 87, *Leases* is now effective for periods beginning after June 15, 2021. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

**Notes to Basic Financial Statements**

December 31, 2019

GASB Statement No. 92, *Omnibus* paragraphs 6, 7, 8, and 12 is now effective for periods beginning after June 15, 2021. The primary objective is to address implementation issues which have been identified related to GASB 87, *Leases*, reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan; the applicability of Statements No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68, as amended, and No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, as amended*, to reporting assets accumulated for postemployment benefits; The applicability of certain requirements of Statement No. 84, *Fiduciary Activities*, to postemployment benefit arrangements; Measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs); reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers; reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature; and terminology used to refer to derivative instruments.

GASB Statement No. 93, *Replacement of Interbank Offered Rates* The objective of this Statement is to address accounting and financial reporting implications that result from the replacement of an IBOR. The requirements of paragraphs 13 and 14 are now effective for fiscal years beginning after June 15, 2021. The requirement in paragraph 11b is effective for reporting periods ending after December 31, 2021.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. This statement is effective for fiscal years beginning after June 15, 2022.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.

**(2) Legal Compliance - Budgets**

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

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

The Authority may expend additional monies from the Reserve Maintenance Fund in excess of the annual deposits. Budget amendments must be approved by the Board Members of the Authority in a manner similar to the adoption of the annual budget. There were no occurrences of budget noncompliance in 2019.

**Notes to Basic Financial Statements**

December 31, 2019

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

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

The Authority was in compliance in 2019.

	<b>2019</b> <b>(unaudited)</b>
GAAP basis operating income	\$ 646,038,386
Gross Income	646,038,386
Add:	
Depreciation	9,372,351
Amortization of intangible	64,788,513
Capital and construction improvement funds expenses	43,977,371
Reserve maintenance fund expenses	20,627,996
Net revenues available for debt service	784,804,617
Bond interest expense	427,908,330
Scheduled principal amount due	124,165,732
Calculated debt service requirement	\$ 552,074,062 (*)
Coverage ratio (for 1st tier debt)	1.97
Coverage ratio (for 1st and 2nd tier debt)	1.52
Coverage ratio (for all debt)	1.42

(\*) Debt service requirement for 1st tier-\$398,373,565 2nd tier-\$117,461,316 and other-\$36,239,181

**Notes to Basic Financial Statements**

December 31, 2019

**(3) Deposits and Investments**

The Authority's investment policy is in accordance with the laws of the State of Texas. The Authority may purchase investments as authorized by the Trust Agreement and as further authorized by the revised investment policy and strategy approved by the Board of Directors in February 2019. These investments include:

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

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

**Notes to Basic Financial Statements**

December 31, 2019

**(a) Deposits**

The Authority's deposits were fully insured or collateralized at December 31, 2019. The carrying amount of the Authority's deposits was \$73,689,440 (which does not include \$13,100 of petty cash) and the respective bank balances totaled \$79,319,522. As of December 31, 2019, Federal Deposit Insurance Corporation (FDIC) provided \$250,000 of coverage for deposits. All balances in excess of the \$250,000 were fully collateralized in accordance with the Authority's investment policy and the Public Funds Investment Act.

**(b) Investments**

As of December 31, 2019 the maturity values are as follows:

Description	2019			WAM (*)
	Fair Value	Maturity Value (in Yrs)		
		Less Than 1 Yr	1 Yr or More	
Government Sponsored Entities (GSE):				
Federal Home Loan Bank	\$ 108,049,931	\$ 8,382,108	\$ 99,667,823	
Federal National Mortgage Association	87,020,225	57,050,756	29,969,469	
Federal Farm Credit Bank	262,030,610	43,178,446	218,852,164	
Federal Home Loan Mortgage Corporation	299,495,329	30,085,300	269,410,029	
Total GSE	756,596,095	138,696,610	617,899,485	436
	Reported Value	Less Than 1 Yr	1 Yr or More	
Money Market Funds	329,628,717	329,628,717	-	-
U.S. Treasuries	75,021,220	33,437,390	41,583,830	25
Government Pool	144,480,232	144,480,232	-	1
Interest Bearing Account	316,499,975	316,499,975	-	-
Cash(**)	296,683	296,683	-	-
<b>Total Investments</b>	<b>\$ 1,622,522,922</b>	<b>\$ 963,039,607</b>	<b>\$ 659,483,315</b>	<b>462</b>

\*WAM = Weighted Average Maturity (in days)

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

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

Construction and Property Account	\$ 56,593,597
Revenue Account	110,308,739
Operations and Maintenance Account	3,159
Reserve Maintenance Account	62,652,541
Consolidated Capital Improvement Account	592,083,218
Bond Interest Account	207,956,249
Bond Reserve Account	451,934,247
Bond Redemption Account	116,960,000
Enterprise Account	22,985,814
NTE 3A/3B Agency Fund	1,045,358
<b>Total Investments</b>	<b>\$ 1,622,522,922</b>

**(c) Interest Rate Risk**

Investment portfolios are designed with the objective of attaining the best possible rate of return commensurate with the Authority's investment risk constraints and the cash flow characteristics of the portfolio. Return on investments, although important, is subordinate to the safety and liquidity objectives. The weighted average yield-to-maturity of the portfolio for December 31, 2019 was 1.71% in comparison to 2.16% in 2018. The weighted average maturity in days was 462 days for 2019, compared to 352 days for 2018. Approximately 59% of the investments are maturing within one year and 41% are maturing one year or greater. The Authority does not have a formal policy on Interest Rate Risk.

**Notes to Basic Financial Statements**

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**(d) Credit Risk**

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

As of December 31, 2019, the Authority invested 20% in AAA rated money market funds, 19% in Interest Bearing Accounts, 9% in AAAM rated State and Local Government Pools, 47% in Government Sponsored Entities (GSE), and 5% in U.S. Treasuries backed by the full faith and credit of the U.S. Government. U.S. Treasuries and GSE are Aaa rated by Moody's.

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

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

**(e) Concentration of Credit Risk**

It is the policy of the Authority to diversify its investment portfolios. Assets held in the particular funds shall be diversified to minimize the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer, or a specific class of securities. As of December 31, 2019, investments in Wells Fargo Bank Government Money Market Fund, and BB&T Bank, exceeded 5% of the total portfolio. More than 5% of the Authority's investments are invested in Federal Home Loan Bank (FHLB), Federal Farm Credit Bank (FFCB), Federal National Mortgage Association (FNMA), and Federal Home Loan Mortgage Corporation (FHLMC).

The Authority categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Authority has the following recurring fair value measurements as of December 31, 2019 using a matrix pricing model:

	Fair Value Measurements Using			
	December 31, 2019	Level 1	Level 2	Level 3
Investments by fair value level:				
Debt securities				
Federal Home Loan Bank	\$ 108,049,931	\$ -	\$ 108,049,931	\$ -
Federal National Mortgage Assn.	87,020,225	-	87,020,225	-
Federal Farm Credit Bank	262,030,610	-	262,030,610	-
Federal Home Loan Mortgage Corp.	299,495,329	-	299,495,329	-
US Treasury Note	75,021,220	-	75,021,220	-
Total debt securities	831,617,315	-	831,617,315	-
Total investments measured at fair value level:	<b>\$ 831,617,315</b>	<b>\$ -</b>	<b>\$ 831,617,315</b>	<b>\$ -</b>

**Notes to Basic Financial Statements**

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**(4) Capital Assets**

Capital assets are summarized as follows:

	January 1, 2019	Additions	Disposal	Depreciation	Adjustments (transfers, etc.)	December 31, 2019
<b>Non-depreciable</b>						
Land	\$ 7,293,755	\$ -	\$ -	\$ -	\$ -	\$ 7,293,755
Right-of-way	304,880,328	-	-	-	-	304,880,328
CIP	237,927,678	85,085,176	-	-	-	323,012,854
Roadway	4,567,064,961	-	-	-	(2,970)	4,567,061,991
Infrastructure - Other	554,830,737	4,087,153	-	-	-	558,917,890
<b>Total non-depreciable assets</b>	<b>5,671,997,459</b>	<b>89,172,329</b>	<b>-</b>	<b>-</b>	<b>(2,970)</b>	<b>5,761,166,818</b>
<b>Non-depreciable</b>						
Buildings	29,596,959	-	-	-	-	29,596,959
Machinery and Equipment	74,097,911	9,532,893	(20,719,864)	-	(6,989,697)	55,921,243
Intangibles	11,013,509	26,985,536	-	-	6,989,697	44,988,742
Less accumulated depreciation:						
Buildings	(10,286,101)	-	-	(986,560)	-	(11,272,661)
Equipment	(51,151,723)	-	19,278,203	(8,405,828)	-	(40,279,348)
Less amortization:						
Intangibles	(3,584,985)	-	-	(332,312)	-	(3,917,297)
<b>Total depreciable assets (net)</b>	<b>49,685,570</b>	<b>36,518,429</b>	<b>(1,441,661)</b>	<b>(9,724,700)</b>	<b>-</b>	<b>75,037,638</b>
<b>Total capital assets</b>	<b>\$ 5,721,683,029</b>	<b>\$ 125,690,758</b>	<b>\$ (1,441,661)</b>	<b>\$ (9,724,700)</b>	<b>\$ (2,970)</b>	<b>\$ 5,836,204,456</b>

**Notes to Basic Financial Statements**

December 31, 2019

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

Upon the happening of any event of default as specified in the Amended and Restated NTTA System Trust Agreement dated April 1, 2008, Section 802, the Trustee may take actions and upon the written request of the holders of not less than twenty percent (20%) in principal amount of the bonds then outstanding shall proceed to:

- (i) protect and enforce its rights and the rights of the bondholders under the Turnpike Act and under the Trust Agreement by such suits actions or special proceedings in equity or at law or by proceedings in the office of any board or officer having jurisdiction, either for mandamus or the specific performance, of any covenant or agreement contained in the Trust Agreement or in aid or execution of any power herein granted or for the enforcement of any proper legal or equitable remedy, as the Trustee, being advised by counsel shall deem most effectual to protect and enforce such rights.
- (ii) In the enforcement of any remedy under the Trust Agreement, the Trustee shall be entitled to sue for, enforce payment of and receive any and all amounts then or during any default becoming, and at any time remaining, due from the Authority for principal, interest or otherwise under any of the provisions of the Trust Agreement or of the bonds.

The full Amended and Restated NTTA System Trust Agreement can be found at:

[https://www.ntta.org/whatwedo/fin\\_invest\\_info/NTTASystem/Documents/NTTAAndRestdTrustagtwthFirstSupplement.pdf](https://www.ntta.org/whatwedo/fin_invest_info/NTTASystem/Documents/NTTAAndRestdTrustagtwthFirstSupplement.pdf)

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

The following are descriptions of Revenue Bond Series currently outstanding as of December 31, 2019.

**Series 2008D:**

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

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

**Series 2008I:**

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

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

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

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December 31, 2019

**Series 2009B:**

The \$825,000,000 North Texas Tollway Authority System Revenue Bonds, Series 2009B, were issued on August 12, 2009 as Taxable Build America Bonds, ("BAB's"), for the purpose of funding construction for the Sam Rayburn Tollway project, the Lewisville Lake Toll Bridge project, and the President George Bush Turnpike Eastern Extension project. Interest is payable on January 1 and July 1, commencing January 1, 2010. These bonds are entitled to a direct payment subsidy from the United States Treasury in an amount equal to 35% of the interest due on each payment date. The Authority must request this subsidy prior to each interest payment date. The Series 2009B Bonds were issued as one term bond with a maturity of January 1, 2049 and an interest rate of 6.718%. (*Federal Subsidy Payments processed between January 1 and September 30, 2019 were reduced by 6.2% and those processed between October 1 and December 31, 2019 were reduced by 5.9%. This was due to automatic federal deficit reduction spending cuts known as "sequestration" which took effect on March 1, 2013. Sequestration affects certain federally funded programs, including the Federal Subsidy Payments payable to the Authority with respect to the Series 2009B.*)

**Series 2010A:**

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

**Series 2010B:**

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

These bonds were issued as Taxable Build America Bonds, ("BAB's"), and were issued in two Subseries, 2010B-1 and 2010B-2. These bonds are entitled to a direct payment subsidy from the United States Treasury in an amount equal to 35% of the interest due on each payment date. The Authority must request this subsidy prior to each interest payment date. The 2010B-1 Subseries consists of one term bond due February 1, 2030 at an interest rate of 8.41%. The 2010B-2 Subseries was refunded on August 15, 2019. (*Federal Subsidy Payments processed between January 1 and September 30, 2019 were reduced by 6.2% and those processed between October 1 and December 31, 2019 were reduced by 5.9%. This was due to automatic federal deficit reduction spending cuts known as "sequestration" which took effect on March 1, 2013. Sequestration affects certain federally funded programs, including the Federal Subsidy Payments payable to the Authority with respect to the Series 2010B.*)

**Series 2011B:**

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

The refunding resulted in a decrease of \$45,413,311 in the aggregate debt service between the refunding debt and the refunded debt. The difference between the reacquisition price and the net carrying amount of the bonds refunded by 2011B Revenue Refunding Bonds of \$400,780 was deferred and is being amortized over the stated term of the Series 1997A Bonds.

**Notes to Basic Financial Statements**

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Amortization of the deferred inflow in resources on the refunding was (\$28,747) for the year ended December 31, 2019. The deferred inflow in resources ending balance for the year ended December 31, 2019 was \$11,134.

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

Amortization of the deferred outflow in resources on the prior refunding was \$18,079 for the year ended December 31, 2019. The deferred outflow in resources ending balance for the year ended December 31, 2019 was (\$18,661).

**Series 2012A:**

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

The refunding resulted in a decrease of \$2,859,265 in the aggregate debt service between the refunding debt and the refunded debt. The difference between the reacquisition price and the net carrying amount of the Bonds refunded by 2012A Revenue Refunding Bonds of (\$501,766) was deferred and is being amortized over the stated term of the Series 1998 Bonds. Amortization of the deferred outflow in resources on the refunding was \$32,190 for the year ended December 31, 2019. The deferred outflow in resources ending balance for the year ended December 31, 2019 was (\$258,646).

**Series 2012B:**

On October 4, 2012, the Authority issued \$383,625,000 of North Texas Tollway Authority Revenue Refunding Bonds, Series 2012B, for the purpose of refunding \$189,210,000 of Series 2003A Bonds and refunding \$209,040,000 of Series 2008H-2 Bonds. The 2003A Bonds were refunded for economic savings. The 2008H-2 Bonds had a mandatory tender date of January 1, 2013. Interest is payable January 1 and July 1 of each year, commencing January 1, 2013. These bonds were issued as serial bonds maturing January 1, 2021 through January 1, 2034 and three term bonds due January 1, 2036, January 1, 2042, and January 1, 2052. The bonds have an interest rate between 5.00% and 5.25%.

The refunding of this portion of the Series 2003A Bonds resulted in a decrease of \$19,163,860 in the aggregate debt service between the refunding debt and the refunded debt. The difference between the reacquisition price and the net carrying amount of the 2003A Bonds refunded by 2012B Revenue Refunding Bonds of \$150,689 was deferred and is being amortized over the stated term of the Series 2003A Bonds. Amortization of the deferred inflow in resources on the refunding was (\$8,354) for the year ended December 31, 2019. The deferred inflow in resources ending balance for the year ended December 31, 2019 was \$90,192.

The refunding of the Series 2008H-2 resulted in a decrease of \$71,672,879 in the aggregate debt service between the refunding debt and the refunded debt. The difference between the reacquisition price and the net carrying amount of the 2008H-2 Bonds refunded by 2012B Revenue Refunding Bonds of \$1,272,414 was deferred and is being amortized over the stated term of the Series 2008H-2 Bonds. Amortization of the deferred inflow in resources on the refunding was (\$70,541) for the year ended December 31, 2019. The deferred inflow in resources ending balance for the year ended December 31, 2019 was \$761,582.

**Series 2012D:**

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

The refunding of this portion of the Series 2003A Bonds resulted in a decrease of \$6,646,042 in the aggregate debt service between the refunding debt and the refunded debt. The difference between the reacquisition price and the net carrying amount of the 2003A Bonds refunded by 2012D Revenue Refunding Bonds of (\$122,121) was deferred and is being amortized over the stated term of the Series 2003A Bonds.

**Notes to Basic Financial Statements**

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Amortization of the deferred outflow in resources on the refunding was \$4,948 for the year ended December 31, 2019. The deferred outflow in resources ending balance for the year ended December 31, 2019 was (\$86,658).

**Series 2014A:**

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

The refunding of this portion of the Series 2008A Bonds resulted in a decrease in the aggregate debt service between the refunding debt and refunded debt. The difference between the reacquisition price and the net carrying amount of the 2008A Bonds refunded by 2014A Revenue Refunding Bonds of (\$40,871,959) was deferred and is being amortized over the stated term of the Series 2008A Bonds. Amortization of the deferred outflow in resources on the refunding was \$5,147,209 for the year ended December 31, 2019. The deferred outflow in resources ending balance for the year ended December 31, 2019 was (\$14,549,704).

**Series 2014B:**

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

The refunding of this portion of the Series 2008F Bonds resulted in a decrease in the aggregate debt service between the refunding debt and refunded debt. The difference between the reacquisition price and the net carrying amount of the 2008A Bonds refunded by 2014A Revenue Refunding Bonds of (\$7,426,971) was deferred and is being amortized over the stated term of the Series 2008F Bonds. Amortization of the deferred outflow in resources on the refunding was \$295,732 for the year ended December 31, 2019. The deferred outflow in resources ending balance for the year ended December 31, 2019 was (\$5,914,632).

**Series 2015A:**

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

The refunding of the remaining portion of the Series 2008F Bonds resulted in a decrease in the aggregate debt service between the refunding debt and refunded debt. The difference between the reacquisition price and the net carrying amount of the 2008F Bonds refunded by 2015A Revenue Refunding Bonds of (\$130,397,974) was deferred and is being amortized over the stated term of the Series 2008F Bonds. Amortization of the deferred outflow in resources on the refunding was \$5,504,605 for the year ended December 31, 2019. The deferred outflow in resources ending balance for the year ended December 31, 2019 was (\$104,587,493).

**Series 2015B:**

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

The refunding of this portion of the Series 2008A Bonds and the 2008B Bonds resulted in a decrease in the aggregate debt service between the refunding debt and refunded debt. The difference between the reacquisition price and the net carrying amount of the 2008A and 2008B Bonds refunded by 2015B Revenue Refunding Bonds of (\$104,903,027) was deferred and is being amortized over the stated term of the Series 2008A and 2008B Bonds. Amortization of the deferred outflow in resources on the refunding was \$3,465,641 for the year ended December 31, 2019. The deferred outflow in resources ending balance for the year ended December 31, 2019 was (\$90,106,665).

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**Series 2016A:**

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

The refunding results for 2008A, 2008B, 2008K, and 2009A Bonds resulted in a decrease the aggregate debt service between the refunding debt and refunded debt. The difference between the reacquisition price and the net carrying amount of the 2008A, 2008B, 2008K, and the 2009A Bonds refunded by 2016A Revenue Refunding Bonds of (\$122,981,961) was deferred and is being amortized over the stated term of the Series 2008K Bonds. Amortization of the deferred outflow in resources on the refunding was \$5,698,006 for the year ended December 31, 2019. The deferred outflow in resources ending balance for the year ended December 31, 2019 was (\$102,564,106).

**Series 2017A:**

On November 1, 2017, the Authority issued \$1,743,320,000 of North Texas Tollway Authority First Tier Revenue Refunding Bonds, Series 2017A, for the purpose of refunding \$135,355,000 of Series 2005C Bonds, \$242,100,000 of Series 2008A Bonds, \$28,940,000 of Series 2008B Bonds, \$332,225,000 of Series 2010 Bonds, \$442,145,000 of Series 2011A SPS Bonds, \$89,347,301 of Series 2011B SPS Bonds, \$200,931,726 of 2011C SPS Bonds, and \$160,555,000 of Series 2011D SPS Bonds. The Series 2017A Bonds were issued as serial bonds maturing January 1, 2019 through January 1, 2039 and term bonds due January 1, 2043 and January 1, 2048. The bonds have an interest rate of 2%-5%.

The refunding results for 2005C, 2008A, 2008B, 2010, 2011A, 2011B, 2011C, and 2011D Bonds resulted in a decrease in the aggregate debt service between the refunding debt and refunded debt. The difference between the reacquisition price and the net carrying amount of the 2005C, 2008A, 2008B, 2010, 2011A, 2011B, 2011C, and 2011D Bonds refunded by 2017A Revenue Refunding Bonds of (\$381,286,452) was deferred and is being amortized over the stated term of the Series 2005C Bonds. Amortization of the deferred outflow in resources on the refunding was \$53,202,761 for the year ended December 31, 2019. The deferred outflow in resources ending balance for the year ended December 31, 2019 was (\$266,013,803).

**Series 2017B:**

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

The refunding results for 2011D and 2011E resulted in a decrease in the aggregate debt service between the refunding debt and refunded debt. The difference between the reacquisition price and the net carrying amount of the 2011D and 2011E Bonds refunded by 2017B Revenue Refunding Bonds of \$27,689,052 was deferred and is being amortized over the stated term of the Series 2005C Bonds. Amortization of the deferred inflow in resources on the refunding was (\$810,412) for the year ended December 31, 2019. The deferred inflow in resources ending balance for the year ended December 31, 2019 was \$25,933,159.

**Series 2018:**

On November 13, 2018, the Authority issued \$356,085,000 of North Texas Tollway Authority Second Tier Revenue Refunding Bonds, Series 2018, for the purpose of refunding all of \$178,400,000 of Series 2009D Bonds, all of \$100,000,000 of Series 2011A Bonds, and all of \$101,775,000 of Series 2012C Bonds. The Series 2018 Bonds were issued as serial bonds maturing January 1, 2030 through January 1, 2050 and term bonds due January 1, 2048. The bonds have an interest rate of 4%-5%. The refunding results for 2009D, 2011A, and 2012C Bonds resulted in a decrease in the aggregate debt service between the refunding debt and refunded debt. The difference between the reacquisition price and the net carrying amount of the 2009D, 2011A, and 2012C Bonds refunded by Series 2018 Revenue Refunding Bonds of \$31,149 was fully amortized in 2018.

**Notes to Basic Financial Statements**

December 31, 2019

**Series 2019A:**

On August 15, 2019, the Authority issued \$429,870,000 of North Texas Tollway Authority First Tier Revenue Refunding Bonds, Series 2019A, for the purpose of refunding all of \$31,150,000 of Series 2005C Bonds, all of \$69,865,000 of Series 2009A Bonds, all of \$170,730,000 of Series 2009C Bonds, and all of \$223,895,000 of Series 2014C Bonds. The Series 2019A Bonds were issued as serial bonds maturing January 1, 2020 through January 1, 2039 and term bonds due January 1, 2044. The bonds have an interest rate of 4%-5%.

The refunding results for 2005C, 2009A, 2009C and 2014C resulted in a decrease the aggregate debt service between the refunding debt and refunded debt. The difference between the reacquisition price and the net carrying amount of the 2005C, 2009A, 2009C and 2014C Bonds refunded by 2019A Revenue Refunding Bonds of \$2,650,476 was deferred and is being amortized over the stated term of the Series 2005C Bonds. Amortization of the deferred inflow in resources on the refunding was (\$156,997) for the year ended December 31, 2019. The deferred inflow in resources ending balance for the year ended December 31, 2019 was \$2,493,480. The refunding reduced total debt service payments over the next 24 years by nearly \$224.8 million. This results in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$128.9 million.

**Series 2019B:**

On August 15, 2019, the Authority issued \$222,510,000 of North Texas Tollway Authority Second Tier Revenue Refunding Bonds, Series 2019B, for the purpose of refunding all of \$260,000,000 of Series 2010B-2 Bonds. The Series 2019B Bonds were issued as serial bonds maturing January 1, 2022 through January 1, 2029. The bonds have an interest rate of 4%-5%.

The refunding results for 2010B-2 resulted in a decrease the aggregate debt service between the refunding debt and refunded debt. The difference between the reacquisition price and the net carrying amount of the 2010B-2 Bonds refunded by 2019B Revenue Refunding Bonds of (\$7,819,679) was deferred and is being amortized over the stated term of the Series 2005C Bonds. Amortization of the deferred outflow in resources on the refunding was \$259,638 for the year ended December 31, 2019. The deferred outflow in resources ending balance for the year ended December 31, 2019 was (\$7,560,041). The refunding reduced total debt service payments over the next 11 years by nearly \$79.9 million. This results in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$65.0 million.

**Notes to Basic Financial Statements**

December 31, 2019

The following schedule summarizes the revenue bonds outstanding as of December 31, 2019:

Description of Issue	Beginning Balance	Additions	Matured or Retired	Ending Balance	Due within one year
Series 2005C	\$ 42,955,000	\$ -	\$ (42,955,000)	\$ -	\$ -
Series 2008D	750,421,341	45,252,369	-	795,673,710	-
Series 2008I	295,165,000	-	-	295,165,000	-
Series 2009A	69,865,000	-	(69,865,000)	-	-
Series 2009B	825,000,000	-	-	825,000,000	-
Series 2009C	170,730,000	-	(170,730,000)	-	-
Series 2010A	90,000,000	-	-	90,000,000	-
Series 2010B	310,000,000	-	(260,000,000)	50,000,000	-
Series 2011B	268,625,000	-	(22,920,000)	245,705,000	24,290,000
Series 2012A	25,930,000	-	-	25,930,000	-
Series 2012B	383,625,000	-	-	383,625,000	-
Series 2012D	32,815,000	-	-	32,815,000	-
Series 2014A	310,415,000	-	-	310,415,000	36,385,000
Series 2014B	146,420,000	-	-	146,420,000	-
Series 2014C	223,895,000	-	(223,895,000)	-	-
Series 2015A	844,060,000	-	(7,455,000)	836,605,000	7,830,000
Series 2015B	753,095,000	-	(5,235,000)	747,860,000	5,495,000
Series 2016A	966,850,000	-	(14,030,000)	952,820,000	14,730,000
Series 2017A	1,743,320,000	-	(48,835,000)	1,694,485,000	21,435,000
Series 2017B	765,995,000	-	(4,980,000)	761,015,000	3,105,000
Series 2018	356,085,000	-	-	356,085,000	-
Series 2019A	-	429,870,000	-	429,870,000	3,690,000
Series 2019B	-	222,510,000	-	222,510,000	-
	9,375,266,341	697,632,369	(870,900,000)	9,201,998,710	116,960,000
Less:					
Bond discount/(premium)	(661,405,281)	(108,086,437)	74,231,553	(695,260,165)	-
<b>Totals</b>	<b>\$ 10,036,671,622</b>	<b>\$ 805,718,806</b>	<b>\$ (945,131,553)</b>	<b>\$ 9,897,258,875</b>	<b>\$ 116,960,000</b>

**Amortization of Premium/Discounts**

Premiums and discounts related to the issuance of the bonds and other loans are being amortized using the bonds outstanding method, which is materially consistent with the effective interest method. The unamortized discount (premium) cost for the year ended on December 31, 2019 was \$(695,260,165).

**Notes to Basic Financial Statements**

December 31, 2019

The revenue bond debt service requirements below are prepared as of December 31, 2019:

Year	Total Revenue Bonds		BAB Subsidy (*)	Total
	Principal amount	Interest amount		
Due January 1				
2020	116,960,000	426,517,019	(19,638,646)	523,838,373
2021	183,590,000	422,532,609	(19,638,646)	586,483,963
2022	222,685,000	412,013,646	(19,638,646)	615,060,000
2023	272,355,000	399,301,305	(19,622,789)	652,033,516
2024	278,805,000	385,271,392	(19,525,499)	644,550,893
2025-2029	1,459,411,254	1,908,383,016	(94,917,489)	3,272,876,781
2030-2034	1,604,010,714	1,888,559,127	(91,382,004)	3,401,187,837
2035-2039	1,770,557,426	1,587,429,211	(91,268,649)	3,266,717,988
2040-2044	1,770,923,366	625,206,989	(71,572,376)	2,324,557,979
2045-2049	1,016,215,000	147,857,320	(26,103,553)	1,137,968,767
2050-2052	15,645,000	552,375	-	16,197,375
Interest Accretion	490,840,950	(490,840,950)	-	-
	<b>\$ 9,201,998,710</b>	<b>\$ 7,712,783,059</b>	<b>\$ (473,308,297)</b>	<b>\$ 16,441,473,472</b>

(\*) Note: Due to sequestration, BAB's Subsidy is reduced by 5.9%.

The Interest and Sinking and Reserve Accounts required by the Trust Agreement have been established with the Trustee. The balances as of December 31, 2019 were:

	Cash and Investment Balance	Trust Requirement
Bond Interest Account	\$ 207,956,249	\$ 207,952,637
Debt Service Reserve Account (*)	451,934,247	449,935,067
Redemption Account	116,960,000	116,960,000
Total	\$ 776,850,496	\$ 774,847,704

(\*) The Debt Service Reserve account per the trust agreement is not valued at market price but amortized value. The amortized value at 12/31/2019 was \$450,431,690.

**Defeased Bonds**

The Authority has defeased various revenue bonds issues by placing funds and securities in irrevocable trusts with external financial institutions to provide for all future debt service payments on the bonds through the earlier of the maturity date or the first call date. As of December 31, 2019, the amounts of defeased bonds, at par, that remain outstanding was \$2,208,275,118.

**Notes to Basic Financial Statements**

December 31, 2019

**Commercial Paper**

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

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

On December 21, 2016, the Authority approved JPMorgan as provider of a note purchase facility of \$200,000,000 plus required interest coverage with a term of three years. On December 18, 2019, the Authority approved the extension and amendment of the existing Note Purchase Agreement with a term of three years. Any advances for payments of Notes under the Note Purchase Agreement are secured by a Second Tier Lien on Authority revenues and constituted a Second Tier Obligation under the Amended and Restated Trust Agreement. No such advances have occurred.

The notes may be issued to provide interim financing for new projects and other capital improvements and to finance equipment purchases for projects of the Authority. As of December 31, 2019, there were no notes outstanding.

Upon the occurrence and during the continuance of an event of default or a non-investment grade event under the Advised Line Note Purchase Agreement with JP Morgan, the Bank may take one or more of the following actions at any time and from time to time:

- (a) give notice to the Trustee of an event of default or a non-investment grade event;
- (b) by written notice to the Issuer declare the Committed Facility to be terminated and thereafter the Bank will have no further obligation to purchase Notes;
- (c) by written notice to the Issuer, declare the Obligations under the agreement to be immediately due and payable;
- (d) subject to any restrictions in the Amended and Restated Trust Agreement, either personally or by attorney or agent without bringing any action or proceeding, or by a receiver to be appointed by a court in any appropriate action or proceeding, take whatever action at law or in equity may appear necessary or desirable to collect the amounts due and payable under the program documents or to enforce performance or observance of any obligation, agreement or covenant of the Issuer under the program documents, whether for specific performance of any program documents or covenant of the Issuer or in aid of the execution of any power granted to the Bank in the program documents;
- (e) cure any default, event of default or event of nonperformance under any program document; *provided, however,* that the Bank shall have no obligation to effect such a cure;
- (f) exercise, or cause to be exercised, any and all remedies as it may have under the program documents and as otherwise available at law and at equity.

**Notes to Basic Financial Statements**

December 31, 2019

**Loan Payable**

Additionally, the Authority funded, in part, costs of the construction of the PGBT with proceeds from a loan, which totaled \$135,000,000, made by TxDOT in 1995 pursuant to the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA). Interest at the rate of 4.2% began to accrue on October 1, 2000, compounding annually on January 1, with the first payment made in October 2004, and annual payments on January 1 thereafter until final payment in 2029, which resulted in a new loan amount at October 1, 2004 of \$154,338,133. Repayment of the loan to TxDOT is to be made from amounts on deposit in the Capital Improvement Fund with payments subordinate to bonds or other obligations of the Authority issued or entered into and secured by the tolls and revenues of the Authority. The loan's principal payable is \$112,895,896 as of December 31, 2019.

The following schedule summarizes the debt service requirements of the TxDOT ISTEA loan payable subsequent to December 31, 2019:

Fiscal years	TxDOT ISTEA Loan payable		
	Principal	Interest	Total
2020 (*)	-	-	-
2021	10,580,768	4,741,628	15,322,396
2022	11,025,161	4,297,235	15,322,396
2023	11,488,218	3,834,179	15,322,397
2024	11,970,723	3,351,673	15,322,396
2025 - 2029	67,831,026	8,780,956	76,611,982
<b>Total principal and interest</b>	<b>\$ 112,895,896</b>	<b>\$ 25,005,671</b>	<b>\$ 137,901,567</b>

(\*) ISTEA payment for 1/1/2020 of \$12,250,000 (principal = \$7,205,732 and interest = \$5,044,268) was made on 12/30/2019.

**Notes to Basic Financial Statements**

December 31, 2019

**(6) Employees' Retirement Plan****Defined Benefit Pension Plan**

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

**Plan Description**

The Authority participates as one of more than 780 plans in the joint contributory, defined benefit plan administered by TCDRS. TCDRS acts as an agent multiple-employer retirement system for county and district employees in the State of Texas. The TCDRS Act is the basis for administration of the pension system. The pension system is governed by a nine-member Board of Trustees and is managed by an administrative staff in Austin. Although the Governor, with the advice and consent of the Senate, appoints the Board, TCDRS is not fiscally dependent on the State of Texas. TCDRS's defined benefit pension plan is a tax-qualified plan under Section 401(a) of the Internal Revenue Code. TCDRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at [www.tcdrs.org](http://www.tcdrs.org).

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

**Benefits Provided**

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

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

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

**Employees covered by benefit terms**

At the December 31, 2018 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	211
Inactive employees entitled to but not yet receiving benefits	872
Active employees	753
Total	<u>1,836</u>

**Contributions**

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

Employees for the Authority were required to contribute 6% of their annual gross earnings during the fiscal year. The contribution rates for the Authority were 8.30% and 7.73% in fiscal years 2018 and 2019, respectively. The Authority's contributions to TCDRS for the year ended December 31, 2019, were \$3,519,781 and were equal to the required contributions.

**Notes to Basic Financial Statements**

December 31, 2019

**Net Pension Liability**

The Authority's Net Pension Liability (NPL) was measured as of December 31, 2018, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

**Actuarial assumptions**

The Total Pension Liability in the December 31, 2018 actuarial valuation was determined using the following assumptions:

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

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

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

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

The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant, Cliffwater LLC. The numbers shown are based on January 2019 information for a 10 year time horizon.

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

Asset Class	Target Allocation <sup>(1)</sup>	Geometric Real Rate of Return <sup>(2)</sup> (Expected minus Inflation)
US Equities	10.50%	5.40%
Private Equity	18.00%	8.40%
Global Equities	2.50%	5.70%
International Equities - Developed Markets	10.00%	5.40%
International Equities - Emerging Markets	7.00%	5.90%
Investment-Grade Bonds	3.00%	1.60%
Strategic Credit	12.00%	4.39%
Direct Lending	11.00%	7.95%
Distressed Debt	2.00%	7.20%
REIT Equities	2.00%	4.15%
Master Limited Partnerships (MLPs)	3.00%	5.35%
Private Real Estate Partnerships	6.00%	6.30%
Hedge Funds	13.00%	3.90%
Total	<u>100.00%</u>	

<sup>(1)</sup> Target asset allocation adopted at the April 2019 TCDRS Board meeting.

<sup>(2)</sup> Geometric real rates of return equal the expected return minus the assumed inflation rate of 1.70%, per Cliffwater's 2019 capital market assumptions.

**Notes to Basic Financial Statements**

December 31, 2019

**Discount Rate**

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

**Changes in the Net Pension Liability / (Asset)**

	Increase (Decrease)		
	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability / (Asset) (a)-(b)
Balances as of January 01, 2018	\$111,217,343	\$118,607,949	(\$7,390,607)
Changes for the year:			
Service cost	5,797,476	-	5,797,476
Interest	9,342,784	-	9,342,784
Effect of plan changes	-	-	-
Effect of economic/demographic gains or losses	(935,269)	-	(935,269)
Effect of assumptions changes or inputs	-	-	-
Refund of contributions	(860,540)	(860,540)	-
Benefit payments	(2,549,466)	(2,549,466)	-
Administrative expenses	-	(95,740)	95,740
Member contributions	-	2,592,872	(2,592,872)
Net investment income	-	(2,178,710)	2,178,710
Employer contributions	-	3,586,802	(3,586,802)
Other changes	-	94,381	(94,381)
Balances as of December 31, 2018	\$122,012,329	\$119,197,549	\$2,814,780

**Sensitivity Analysis**

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

	1% Decrease	Current Discount Rate	1% Increase
	7.10%	8.10%	9.10%
Total pension liability	\$139,730,322	\$122,012,329	\$107,295,379
Fiduciary net position	119,197,549	119,197,549	119,197,549
Net pension liability / (asset)	\$20,532,773	\$2,814,780	(\$11,902,170)

**Pension Plan Fiduciary Net Position**

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

**Notes to Basic Financial Statements**

December 31, 2019

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

For the year ended December 31, 2019, the Authority recognized pension expense of \$5,394,429.

At December 31, 2019, the Authority reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions made subsequent to the measurement date	\$ 3,519,781	\$ -
Net difference between projected and actual earnings	7,851,145	-
Differences between expected and actual experience	-	2,354,993
Changes of assumptions	536,484	-
Total	\$ 11,907,410	\$ 2,354,993

\$3,519,781 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. The remainder of the total deferred outflows/inflows, \$6,032,636, related to pensions will be recognized in pension expense as follows:

2020	2,286,033
2021	564,205
2022	803,219
2023	2,379,179
Thereafter <sup>(1)</sup>	-

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

**401(k) Plan**

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

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

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

**Notes to Basic Financial Statements**

December 31, 2019

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

Total 401(k) contributions allocated to the System by the Authority for the year ended December 31, 2019 were \$1,524,068 based on a covered payroll of \$43,555,210.

**Social Security**

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

**(7) Risk Management**

The Texas Municipal League (TML) Intergovernmental Risk Pool insures the Authority for workers' compensation. The Authority purchases insurance policies for all major areas of operation including buildings and contents, bridges, general liability, commercial umbrella, crime, directors and officers liability, and boiler and machinery coverage. There have not been any settlements exceeding insurance coverage in the years 2009-2019. There has not been any significant reduction of coverage.

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

Fiscal Year	Beginning Balance	Current year claims and changes in estimates	Claim Payments	Ending Balance
2015	\$ 876,665	10,903,339	11,780,004	\$ -
2016	\$ -	12,393,455	11,354,397	\$ 1,039,058
2017	\$ 1,039,058	12,294,775	10,587,347	\$ 2,746,486
2018	\$ 2,746,486	11,331,252	10,937,466	\$ 3,140,272
2019	\$ 3,140,272	12,846,380	11,303,573	\$ 4,683,079

**(8) Post-Employment Benefits Other Than Pensions (OPEB)****General Information PEBC OPEB Plan**

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

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

**Notes to Basic Financial Statements**

December 31, 2019

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

*Employees covered by benefit terms.* At December 31, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	24
Inactive employees entitled to but not yet receiving benefit payments	0
Active employees	<u>721</u>
Total	<u>745</u>

**Total OPEB Liability**

The Authority's Total OPEB liability of \$17,134,836 was measured as of December 31, 2018, and was determined by an actuarial valuation as of that date.

*Actuarial assumptions and other inputs.* The Total OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods including the measurement, unless otherwise indicated:

Actuarial Cost Method	Entry Age Normal based on level percentage of projected salary
Salary increases	3.50%
Discount Rate	4.09%
Healthcare cost trend rates	6.50% for 2019 decreasing 0.50% per year to an ultimate rate of 4.5% for later years. (pre and post-65 retirees)
Retirees' share of benefit related costs	40.00% of projected health insurance premiums for pre and post-65 retirees

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

Mortality rates were based on the PUB-2010 generational table scaled using MP-19 and applied on a gender-specific basis.

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

**Notes to Basic Financial Statements**

December 31, 2019

**Changes in the Total OPEB Liability**

	<b>Total OPEB Liability</b>
<b>Balance at December 31, 2017</b>	\$ 27,310,086
<b>Changes for the year:</b>	
Service cost	2,892,226
Interest	1,035,731
Differences between expected and actual experience	(9,321,849)
Change of assumptions	(4,593,662)
Benefit payments	(187,696)
<b>Net changes</b>	<b>(10,175,250)</b>
<b>Balance at December 31, 2018</b>	<b>\$ 17,134,836</b>
Covered employee payroll	<b>\$ 39,991,740</b>
Total OPEB liability as a percentage of covered-employee payroll	<b>42.85%</b>

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

The following are the discount rates used in each period:

2018	4.09%
2017	3.44%

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

*Sensitivity of the total OPEB liability to changes in the discount rate.* The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.09%) or 1-percentage-point higher (5.09%) than the current rate:

	1% Decrease 3.09%	Current Discount Rate 4.09%	1% Increase 5.09%
Total OPEB liability	\$ 20,637,679	\$ 17,134,836	\$ 14,394,755

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	\$ 13,691,057	\$ 17,134,836	\$ 21,726,547

**Notes to Basic Financial Statements**

December 31, 2019

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

For the year ended December 31, 2018, the Authority recognized OPEB expense of \$2,925,193.

**OPEB Expense**

Service cost	\$ 2,892,226
Interest cost	1,035,731
Difference between expected and actual experience	(768,653)
Changes of assumptions <sup>1</sup>	(234,111)
OPEB expense	<u>2,925,193</u>

<sup>1</sup> Changes of assumptions and other inputs reflect a change in the discount rate of 3.44% in 2017 to 4.09% in 2018.

At December 31, 2019, the Authority recognized deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions after measurement date	\$ 165,106	\$ -
Differences between expected and actual experience	-	(8,553,197)
Changes of assumptions	1,620,295	(4,214,882)
Total	<u>\$ 1,785,401</u>	<u>\$ (12,768,079)</u>

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

**Fiscal year ended December 31,**

2020	\$ (1,002,764)
2021	(1,002,764)
2022	(1,002,764)
2023	(1,002,764)
2024	(1,002,764)
Thereafter	(6,133,964)
Total	<u>\$ (11,147,784)</u>

Deferred outflows of resources totaling \$165,106 related to OPEB contributions after the measurement date will be recognized as a reduction of the Total OPEB liability in the year ended December 31, 2020.

**Notes to Basic Financial Statements**

December 31, 2019

**Authority's ERS OPEB Plan**

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

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

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

During the measurement period of 2018 for fiscal year 2019 reporting, the amount of the Authority's contributions recognized by the ERS OPEB plan was \$371,275. The following table summarizes the monthly employer and plan member contributions toward eligible retiree's health and basic life premium.

	Employer	Plan Member
Retiree Only	\$ 621.90	\$ -
Retiree and Spouse	\$ 978.22	\$ 356.32
Retiree and Children	\$ 860.48	\$ 238.58
Retiree and Family	\$ 1,216.80	\$ 594.90

**Employees covered by benefit terms.** At December 31, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	43
Inactive employees entitled but not yet receiving benefits	2
Active employees	0
Total members	45

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

**Net ERS OPEB Liability**

The Authority's Net ERS OPEB Liability of \$3,821,968 was measured as of August 31, 2018, and was determined by an actuarial valuation as of August 31, 2018. No actuarial valuation is available for December 31, 2018 and the Authority's management deems any difference in the net ERS OPEB liability between these two dates are too immaterial to be considered.

**Notes to Basic Financial Statements**

December 31, 2019

**Actuarial assumptions and other inputs.** The total OPEB liability in the August 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	2.50% to 9.50% (including inflation)
Discount rate	3.96%
Healthcare cost trend rates	7.30% for FY20, 7.40% for FY21, 7.00% for FY22, decreasing 0.50% per year to an ultimate rate of 4.50% for FY27 and later years

The discount rate used to measure the total ERS OPEB liability was the municipal bond rate of 3.96%. The source of the municipal bond rate is the Bond Buyer Index of general obligation bonds with 20 years to maturity and mixed credit quality. In describing their index, the Bond Buyer notes that the bonds' average credit quality is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA.

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

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

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

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

At December 31 2019, the Authority reported a liability of \$3,821,968 for its proportionate share of the collective ERS net OPEB liability. The collective OPEB liability was measured as of August 31, 2018, and the total OPEB liability used to calculate the net liability was determined by an actuarial valuation as of that date. At August 31, 2018, the Authority's proportional percentage was 0.01289561% which was an decrease of 0.02892314% from its proportional percentage measured as of August 31, 2017. The Authority's proportion of the collective ERS net OPEB liability was based on its contributions to the OPEB plan relative to the contributions of all the employers and non-employer contributing entities to the plan for the period September 1, 2017 through August 31, 2018.

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

2017	3.51%
2018	3.96%

**Sensitivity of the Authority's Proportionate Share of the ERS Net OPEB Liability to Changes in the Discount Rate.** The following presents the ERS Net OPEB liability of the Authority, as well as what the Authority's ERS Net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.96%) or 1-percentage-point higher (4.96%) than the current rate:

	1% Decrease 2.96%	Current Discount Rate 3.96%	1% Increase 4.96%
ERS Net OPEB Liability	<u>\$ 4,537,565</u>	<u>\$ 3,821,968</u>	<u>\$ 3,280,341</u>

## Notes to Basic Financial Statements

December 31, 2019

*Sensitivity of the Authority's Proportionate Share of the ERS Net OPEB Liability to Changes in the Healthcare Cost Trend Rates.* The following presents the ERS Net OPEB liability of the Authority, as well as what the Authority's ERS Net OPEB liability would be if it were calculated using the healthcare cost trend rates that are 1-percentage-point lower (6.30 percent decreasing to 3.50 percent) or 1-percentage-point higher (8.30 percent decreasing to 5.50 percent) than the current healthcare cost trend rates:

	<b>1% Decrease</b> (6.30% decreasing to 3.50%)	<b>Current Healthcare Cost Trend Rates</b> (7.30% decreasing to 4.50%)	<b>1% Increase</b> (8.30% decreasing to 5.50%)
ERS Net OPEB Liability	<u>\$ 3,236,712</u>	<u>\$ 3,821,968</u>	<u>\$ 4,576,948</u>

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

For the year ended December 31, 2019, the Authority recognized ERS OPEB expense of \$(22,720).

#### **ERS OPEB Expense**

Service cost	\$ 192,916
Interest cost	162,724
Amortization of differences between expected and actual experience	(33,439)
Amortization of changes of assumptions	(343,336)
Employee contributions	(26,194)
Other	(9,842)
Benefit payments	35,617
Projected earnings	(2,449)
Amortization of differences between projected and actual earnings	534
Administrative expense	750

**ERS OPEB Expense** \$ (22,720)

At December 31, 2019, the Authority reported deferred outflows and inflows of resources related to ERS OPEB from the following sources:

<b>Outstanding Deferred Outflows and Deferred Inflows Related to ERS OPEB at December 31, 2019</b>		
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 140,025
Changes in assumptions	-	1,339,322
Net difference between projected and actual earnings on ERS OPEB plan investments	1,810	-
Contributions subsequent to the measurement date	371,275	-
<b>Total</b>	<u>\$ 373,085</u>	<u>\$ 1,479,347</u>

The \$371,275 reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net OPEB liability for the year ending December 31, 2020.

## Notes to Basic Financial Statements

December 31, 2019

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

<b>Fiscal Year ending:</b>	
2020	(376,242)
2021	(376,242)
2022	(376,242)
2023	(254,033)
2024	(94,779)
Thereafter	-

**Notes to Basic Financial Statements**

December 31, 2019

**(9) Disaggregation of Receivable Balances**

The unrestricted accounts receivable balance is \$81,795,122, and the restricted accounts receivable balance is \$989,170. The unrestricted balance consists of \$68,306,428 for billed video tolls (net of the allowance for doubtful accounts of \$253,336,772); \$13,069,166 for unbilled video tolls (net of the allowance for doubtful accounts of \$28,596,042), and \$419,528 for miscellaneous other receivables. The restricted balance consists of BAB's subsidy receivable of \$989,170.

Based upon the payment history for each 30 day bucket of aged billed toll receivables, an allowance is calculated for the expected percentage that will remain unpaid based upon these historical trends. The allowance for uncollectible receivables currently ranges from a minimum of 20% on invoices that are current (age of 0-30 days) to a maximum of 100% for invoices that have met the business rules for write-off with an overall average of 79.8% reserved for all invoices.

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

Video Toll Transactions	Allowance Method	North Texas Tollway System	Non-Major Enterprise Fund	Total
<b>Recorded Billed Video Tolls:</b>				
Gross Billed Video Tolls		\$ 244,851,067	\$ 76,792,133	\$ 321,643,200
Allowance for Uncollectible	age based	(195,505,948)	(57,830,824)	(253,336,772)
Net Billed Video Tolls		\$ 49,345,119	\$ 18,961,309	\$ 68,306,428
<b>Recorded Unbilled Video Tolls:</b>				
Matched with DMV, Meeting Business Rules	20%	\$ 9,020,992	\$ 3,661,229	\$ 12,682,221
Matched with DMV, Not Meeting Business Rules	85%	12,729,760	4,483,805	17,213,565
Unmatched with DMV	100%	-	11,428,069	11,428,069
Total Gross Unbilled Video Tolls		\$ 21,750,752	\$ 19,573,103	\$ 41,323,855
Allowance for Uncollectible		(12,624,494)	(15,971,548)	(28,596,042)
Net Recorded Unbilled Video Tolls		\$ 9,126,258	\$ 3,601,555	\$ 12,727,813
<b>Unrecorded Unbilled Video Tolls:</b>				
Unmatched with DMV		\$ 27,680,405	-	\$ 27,680,405

**(10) Commitments and Contingencies**

At the end of fiscal year 2019, there was \$1,696,225,462 in cash and investments with \$856,040,751 restricted for debt service, \$56,593,597 restricted for construction, \$1,045,358 restricted for NTE 3A/3B and \$782,545,756 available for operation. The System has \$5,329,257 in account and retainage payable that are comprised primarily of construction-related payables at December 31, 2019. Additionally, the System has contract and purchase order commitments at December 31, 2019 aggregating \$12,251,923.

**Notes to Basic Financial Statements**

December 31, 2019

**(11) Subsequent Event****COVID-19 Pandemic**

The State of Texas declared a state of emergency in March 2020 due to the COVID-19 global pandemic. North Texas Tollway Authority anticipates a financial impact resulting from the effects of the COVID-19 outbreak. During this evolving situation, North Texas Tollway Authority continues to analyze the impact on its financial position. North Texas Tollway Authority has developed and instituted a phased financial response plan that includes implementing expense reductions, delaying the start of certain capital projects and securing liquidity facilities.

On May 20, 2020, North Texas Tollway Authority entered into a First Amendment to Amended and Restated Advised Line Note Purchase Agreement (the "First Amendment") with JPMorgan Chase Bank, National Association (the "Bank") and J.P. Morgan Securities LLC (the "Purchaser"), which amended the Amended and Restated Advised Line Note Purchase Agreement dated as of December 1, 2019 (the "Existing Note Purchase Agreement," and as amended by the First Amendment, the "Agreement"), between NTTA and the Bank.

On May 26, 2020, pursuant to the Agreement, the Purchaser purchased \$200,000,000 in aggregate principal amount of the North Texas Tollway Authority System Commercial Paper Notes Series A (the "Notes").

On May 20, 2020, NTTA's Board of Directors approved the implementation of a \$100,000,000 revolving note facility with a national investment bank under which the bank will be obligated to purchase short-term notes secured by net revenues of the NTTA System. NTTA expects to finalize and draw down on the facility in full to provide additional funding for capital improvement projects.

## Required Supplementary Information

December 31, 2019

### Modified Approach - Infrastructure

The Authority has elected to use the Modified Approach to account for maintenance of the Authority's infrastructure assets. As required by the Trust Agreement, an annual inspection of the Authority's roadways has occurred, conducted by the Authority's General Engineering Consultant, Atkins North America, Inc. This inspection was supplemented with specialized inspections by the Authority's Maintenance Management Consultant, VRX, Inc., and the Texas Department of Transportation. The results of the various inspections are utilized to calculate an overall rating, indicating the average condition of the Authority's infrastructure assets (roadways and bridges). The assessment of conditions is made by visual and mechanical tests designed to reveal any condition that would reduce user benefits below the maximum level of service. The Authority's goal is to maintain the Authority's infrastructure assets at a rating of 8 or better (1 to 10 scale), and has established a minimum level for GASB No. 34 purposes of a condition level of 6 or greater. These condition levels were adopted by the Board of Directors for the North Texas Tollway Authority (NTTA) by Resolution No. 02-31 on June 19, 2002 and further clarified by Resolution No. 07-169 on December 19, 2007. In accordance with GASB 34, the Capital Assessment and Inspection Report is due every three years. The last Capital Assessment and Inspection Report for the North Texas Tollway Authority was completed in 2019.

The infrastructure assets include PGBT, DNT, AATT, MCLB, SRT, LLTB, and CTP main lane plazas, ramp plazas, maintenance shops, administration buildings, and IT lane equipment. The roadways are a major transportation network consisting of 139 centerline miles of high-speed roadways, 15 major interchanges, 42 main lane toll plazas/gantries, 156 ramp toll plazas/gantries, 603 bridges, one tunnel, and other structures and appurtenances. All assets combined totaled approximately \$5.13 billion in current replacement value for FYE 2019.

#### Condition Index

A Condition Index is a measure of the "intrinsic value" of the asset as opposed to the book value. A Condition Index with a value of 10.0 is considered "like new"; conversely, a Condition Index with a value of 0.0 is considered "unusable." Evaluations were performed on all of the infrastructure assets under Authority jurisdiction. The evaluation resulted in an average Condition Index of 8.8 for all of the assets combined. The following table shows the Condition Index for the years 2010 through 2019.

Condition Index		
Fiscal Year	Current	Goal
2019	8.8	8.0
2018	8.8	8.0
2017	8.9	8.0
2016	8.7	8.0
2015	8.8	8.0
2014	8.9	8.0
2013	8.9	8.0
2012	8.9	8.0
2011	8.9	8.0
2010	8.9	8.0

### Condition Assessment and Inventory

A comprehensive condition assessment on all the Authority's infrastructure assets was conducted in September 2019. The Authority's Maintenance Management Consultant performed condition assessments of the Authority's roadway pavement and the Texas Department of Transportation provided condition assessments for bridges as part of the National Bridge Inspection Program. Assessment procedures and representative work samples were reviewed by NTTA's General Engineering Consultants, Atkins North America, Inc.

## Required Supplementary Information

December 31, 2019

### BRIDGES

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

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

### Roadways

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

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

Currently, the 139 centerline miles (approximately 1,145 main lane miles) of main lane roadways have a Roadway Index of 8.8.

The budget-to-actual expenditures for preservation and other infrastructure maintenance costs were as follows for the years 2010 through 2019.

Fiscal Year	Budget	Actual
2019	\$ 58,126,144	\$ 20,627,996
2018	48,128,568	22,311,736
2017	52,299,280	23,308,416
2016	38,511,676	19,890,127
2015	22,572,948	12,041,778
2014	27,394,112	11,144,585
2013	21,231,300	15,568,942
2012	23,464,926	10,240,825
2011	59,503,102	37,557,688
2010	36,316,377	28,475,554

**Required Supplementary Information**

December 31, 2019

**Schedule of Changes in Net Pension Liability / (Asset) and Related Ratios**Last Ten Fiscal Years  
(Unaudited)

	Year Ended December 31				
	2019	2018	2017	2016	2015
<b>Total Pension Liability:</b>					
Service cost	\$ 5,797,476	\$ 6,013,434	\$ 6,194,580	\$ 5,982,873	\$ 5,624,416
Interest on total pension liability	9,342,784	8,456,928	7,402,223	6,720,140	6,043,983
Effect of plan changes	-	-	-	(1,136,084)	-
Effect of assumption changes or inputs	-	390,009	-	907,438	-
Effect of economic/demographic (gains) or losses	(935,269)	(633,015)	(1,073,578)	(1,956,006)	(1,153,799)
Benefit payments/refunds of contributions	(3,410,005)	(2,752,605)	(2,215,107)	(2,408,086)	(2,059,927)
Net change in total pension liability	10,794,986	11,474,751	10,308,118	8,110,275	8,454,673
Total pension liability, beginning	111,217,343	99,742,592	89,434,474	81,324,199	72,869,526
Total pension liability, ending (a)	\$122,012,329	\$ 111,217,343	\$ 99,742,592	\$ 89,434,474	\$ 81,324,199
<b>Plan Fiduciary Net Position:</b>					
Employer contributions	\$ 3,586,802	\$ 3,416,686	\$ 3,148,616	\$ 3,304,846	\$ 3,197,933
Member contributions	2,592,872	2,534,007	2,475,976	2,491,090	2,320,145
Investment income net of investment expenses	(2,178,710)	14,749,679	6,711,695	(2,151,146)	5,330,438
Benefit payments/refunds of contributions	(3,410,005)	(2,752,605)	(2,215,107)	(2,408,086)	(2,059,927)
Administrative expenses	(95,740)	(78,878)	(72,943)	(64,794)	(65,461)
Other	94,381	42,116	267,541	78,087	(32,293)
Net change in fiduciary net position	\$ 589,599	\$ 17,911,005	\$ 10,315,778	\$ 1,249,997	\$ 8,690,835
Fiduciary net position, beginning	118,607,949	100,696,945	90,381,167	89,131,170	80,440,335
Fiduciary net position, ending (b)	\$119,197,549	\$ 118,607,949	\$ 100,696,945	\$ 90,381,167	\$ 89,131,170
Net pension liability / (asset), ending = (a) - (b)	\$ 2,814,780	\$ (7,390,607)	\$ (954,353)	\$ (946,693)	\$ (7,806,971)
Fiduciary net position as a % of total pension liability	97.69%	106.65%	100.96%	101.06%	109.60%
Pensionable covered payroll	\$ 43,214,528	\$ 42,233,445	\$ 41,266,268	\$ 41,518,172	\$ 38,669,085

\*FNP may be off a dollar due to rounding

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

**Required Supplementary Information**

December 31, 2019

**Schedule of Employer Contributions**Last Ten Fiscal Years  
(Unaudited)

Year Ending December 31	Actuarially Determined Contribution <sup>(1)</sup>	Actual Employer Contribution <sup>(1)</sup>	Contribution Deficiency (Excess)	Pensionable Covered Payroll <sup>(2)</sup>	Actual Contribution as a % of Covered Payroll
2010	3,242,294	3,242,294	-	36,065,565	9.0%
2011	2,890,652	2,890,652	-	31,976,241	9.0%
2012	3,174,859	3,174,859	-	34,888,560	9.1%
2013	3,060,429	3,060,429	-	36,917,119	8.3%
2014	3,197,933	3,197,933	-	38,669,085	8.3%
2015	3,304,846	3,304,846	-	41,518,172	8.0%
2016	3,148,616	3,148,616	-	41,266,265	7.6%
2017	3,416,686	3,416,686	-	42,233,445	8.1%
2018	3,586,802	3,586,802	-	43,214,528	8.3%
2019	3,519,781	3,519,781	-	46,677,230	7.5%

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

<sup>(2)</sup> Payroll is calculated based on contributions as reported to TCDRS

**Notes to Schedule:**

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

**Methods and assumptions used to determine contribution rates:**

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

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

**Required Supplementary Information**

December 31, 2019

**Schedule of Changes in PEBC Total OPEB Liability and Related Ratios**Last Ten Fiscal Years  
(Unaudited)

	2018	2019
<b>Total PEBC OPEB Liability - Beginning</b>	\$ 22,215,020	\$ 27,310,086
<b>Changes for the year:</b>		
Service cost	2,342,914	2,892,226
Interest	926,699	1,035,731
Differences between expected and actual experience	-	(9,321,849)
Changes of assumptions	1,909,633	(4,593,662)
Benefit payments	(84,180)	(187,696)
<b>Net changes</b>	<u>5,095,066</u>	<u>(10,175,250)</u>
<b>Total PEBC OPEB Liability - Ending</b>	<u>\$ 27,310,086</u>	<u>\$ 17,134,836</u>
Covered employee payroll	<u>\$ 38,100,336</u>	<u>\$ 39,991,740</u>
Total PEBC OPEB liability as a percentage of covered-employee payroll	<u>71.68%</u>	<u>42.85%</u>

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

**Required Supplementary Information**

December 31, 2019

**Schedule of Authority's Share of ERS Net OPEB Liability**Last Ten Fiscal Years  
(Unaudited)

Fiscal Year Ending December 31,	2018	2019
Authority's proportional share of collective net ERS OPEB liability (%)	0.04181875%	0.01289561%
Authority's proportional share of collective net ERS OPEB liability (\$)	<u>\$ 14,248,907</u>	<u>\$ 3,821,968</u>
Covered-Employee Payroll	\$ 4,911,742	\$ 1,553,556
ERS Net OPEB Liability as a Percentage of Covered-Employee Payroll	290.10%	246.01%
ERS Plan Fiduciary Net Position as a Percentage of Total ERS OPEB Liability	2.04%	1.27%

**Schedule of Authority's Contributions to ERS OPEB**Last 10 Calendar Years  
(Unaudited)

Fiscal Year Ending December 31,	2018	2019
Actuarially determined contributions	N/A (*)	N/A (*)
Actual contributions	\$ 369,614	\$ 371,275
Contribution deficiency (excess)	<u>N/A (*)</u>	<u>N/A (*)</u>
Covered-Employee Payroll	\$ 4,911,742	\$ 1,553,556
Ratio of actual contributions/employer covered payroll amount	7.53%	23.90%

(\*) N/A – Not Available

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

# Schedule of Net Position by Trust Account

December 31, 2019

Schedule 1

Assets	Total	Non-Major Enterprise Fund	North Texas Tollway System	Interfund Eliminations/Reclassifications	Construction and Property Account	Revenue Account	Operations and Maintenance Account	Reserve Maintenance Account	Consolidation Capital Improvement Fund	Debt Service Accounts		
										Bond Interest Account	Reserve Account	Redemption Account
<b>Current assets:</b>												
Cash and cash equivalents (note 1 (e))	\$ 73,702,540	\$ 7,202,227	\$ 66,500,313	\$ -	\$ (415,674)	\$ 10,937,085	\$ 54,910,744	\$ (336,148)	\$ 1,404,306	\$ -	\$ -	\$ -
Investments (note 3)	384,643,461	22,985,814	361,657,647	-	-	45,307,639	3,159	57,660,001	258,686,848	-	-	-
Accrued interest receivable	2,038,429	-	2,038,429	-	-	666,078	4	6,807	1,365,540	-	-	-
Interproject/agency receivables	17,079,668	4,630,216	12,449,452	-	-	12,449,452	-	-	-	-	-	-
Accounts receivable (note 9) (net of allowance for uncollectibles)	68,725,956	18,961,309	49,764,647	-	20,000	49,345,119	290,657	108,871	-	-	-	-
Unbilled accounts receivable (note 9) (net of allowance for uncollectibles)	13,069,166	3,942,908	9,126,258	-	-	9,126,258	-	-	-	-	-	-
Prepaid expenses	3,317,917	-	3,317,917	-	-	-	3,317,917	-	-	-	-	-
<b>Total current unrestricted assets</b>	<b>562,577,137</b>	<b>57,722,474</b>	<b>504,854,663</b>	<b>-</b>	<b>(395,674)</b>	<b>127,831,631</b>	<b>58,522,481</b>	<b>57,439,531</b>	<b>261,456,694</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Current restricted assets:</b>												
<b>Restricted assets:</b>												
<b>Restricted for construction:</b>												
Investments (notes 3 and 10)	56,593,597	-	56,593,597	-	56,593,597	-	-	-	-	-	-	-
Accrued interest receivable	76,159	-	76,159	-	76,159	-	-	-	-	-	-	-
<b>Restricted for debt service:</b>												
Investments (notes 3 and 5)	520,757,192	-	520,757,192	-	-	-	-	-	35,308,343	207,956,249	160,532,600	116,960,000
Accrued interest receivable	1,737,144	-	1,737,144	-	-	-	-	-	-	34,310	1,683,533	19,301
Accounts receivable	989,170	-	989,170	-	-	-	-	-	-	989,170	-	-
<b>Restricted for NTE 3A/3B:</b>												
Investments (notes 3 and 10)	1,045,358	1,045,358	-	-	-	-	-	-	-	-	-	-
<b>Total current restricted assets</b>	<b>581,198,620</b>	<b>1,045,358</b>	<b>580,153,262</b>	<b>-</b>	<b>56,669,756</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>35,308,343</b>	<b>208,979,729</b>	<b>162,216,133</b>	<b>116,979,301</b>
<b>Total current assets</b>	<b>1,143,775,757</b>	<b>58,767,832</b>	<b>1,085,007,925</b>	<b>-</b>	<b>56,274,082</b>	<b>127,831,631</b>	<b>58,522,481</b>	<b>57,439,531</b>	<b>296,765,037</b>	<b>208,979,729</b>	<b>162,216,133</b>	<b>116,979,301</b>
<b>Noncurrent assets:</b>												
Investments (note 3)	324,199,755	-	324,199,755	-	-	65,001,100	-	4,992,540	254,206,115	-	-	-
Investments restricted for debt service (note 3)	335,283,559	-	335,283,559	-	-	-	-	-	43,881,912	-	291,401,647	-
Unavailable feasibility study costs	3,784,411	-	3,784,411	-	-	-	-	-	3,784,411	-	-	-
Service Concession Arrangement - Intangible asset (note 1-m) (net of accumulated amortization)	2,495,041,623	-	2,495,041,623	-	2,495,041,623	-	-	-	-	-	-	-
<b>Capital assets:</b>												
Nondepreciable (note 4)	5,761,166,820	-	5,761,166,820	695,260,165	5,066,485,916	-	-	-	(579,261)	-	-	-
Depreciable (net) (note 4)	75,037,636	-	75,037,636	-	75,037,636	-	-	-	-	-	-	-
<b>Total noncurrent assets</b>	<b>8,994,513,804</b>	<b>-</b>	<b>8,994,513,804</b>	<b>695,260,165</b>	<b>7,636,565,175</b>	<b>65,001,100</b>	<b>-</b>	<b>4,992,540</b>	<b>301,293,177</b>	<b>-</b>	<b>291,401,647</b>	<b>-</b>
<b>Total assets</b>	<b>10,138,289,561</b>	<b>58,767,832</b>	<b>10,079,521,729</b>	<b>695,260,165</b>	<b>7,692,839,257</b>	<b>192,832,731</b>	<b>58,522,481</b>	<b>62,432,071</b>	<b>598,058,214</b>	<b>208,979,729</b>	<b>453,617,780</b>	<b>116,979,301</b>
<b>Deferred outflow of resources</b>												
Loss on refunding	591,660,410	-	591,660,410	-	591,660,410	-	-	-	-	-	-	-
ERS OPEB contributions after measurement date	371,275	-	371,275	-	371,275	-	371,275	-	-	-	-	-
PEBC OPEB contributions after measurement date	165,106	-	165,106	-	165,106	-	165,106	-	-	-	-	-
PEBC OPEB assumption change	1,620,295	-	1,620,295	-	1,620,295	-	1,620,295	-	-	-	-	-
Difference in projected and actual earnings on ERS OPEB liability	1,809	-	1,809	-	1,809	-	1,809	-	-	-	-	-
Difference in projected and actual earnings on pension assets	7,851,145	-	7,851,145	-	7,851,145	-	7,851,145	-	-	-	-	-
Pension contributions after measurement date	3,519,781	-	3,519,781	-	3,519,781	-	3,519,781	-	-	-	-	-
Changes in actuarial assumptions used to determined pension liability	536,484	-	536,484	-	536,484	-	536,484	-	-	-	-	-
<b>Total deferred outflow of resources</b>	<b>605,726,305</b>	<b>-</b>	<b>605,726,305</b>	<b>-</b>	<b>591,660,410</b>	<b>-</b>	<b>14,065,895</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Liabilities</b>												
<b>Current liabilities:</b>												
Accounts payable	11,817	-	11,817	-	-	11,817	-	-	-	-	-	-
Accrued liabilities	45,408,629	985,343	44,423,286	-	5,592,015	2,310,838	21,723,981	1,680,660	13,115,792	-	-	-
Interproject/agency payables	9,847,854	458,046	9,389,808	-	-	9,388,236	1,572	-	-	-	-	-
Deferred revenue	82,006,092	-	82,006,092	-	-	82,006,092	-	-	-	-	-	-
<b>Total current unrestricted liabilities</b>	<b>137,274,392</b>	<b>1,443,389</b>	<b>135,831,003</b>	<b>-</b>	<b>5,592,015</b>	<b>93,716,983</b>	<b>21,725,553</b>	<b>1,680,660</b>	<b>13,115,792</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payable from restricted assets:</b>												
<b>Construction-related payables:</b>												
Retainage payable (note 10)	5,317,440	-	5,317,440	-	2,266,630	-	-	97,488	2,953,322	-	-	-
<b>Debt service-related payables:</b>												
Accrued interest payable	212,048,471	-	212,048,471	-	-	-	-	-	4,095,833	207,952,638	-	-
Revenue bonds payable, current portion	116,960,000	-	116,960,000	-	116,960,000	-	-	-	-	-	-	-
<b>Restricted for NTE 3A/3B:</b>												
Intergovernmental payable	1,045,358	1,045,358	-	-	-	-	-	-	-	-	-	-
<b>Total current liabilities payable from restricted assets</b>	<b>335,371,269</b>	<b>1,045,358</b>	<b>334,325,911</b>	<b>-</b>	<b>119,226,630</b>	<b>-</b>	<b>-</b>	<b>97,488</b>	<b>7,049,155</b>	<b>207,952,638</b>	<b>-</b>	<b>-</b>
<b>Total current liabilities</b>	<b>472,645,661</b>	<b>2,488,747</b>	<b>470,156,914</b>	<b>-</b>	<b>124,818,645</b>	<b>93,716,983</b>	<b>21,725,553</b>	<b>1,778,148</b>	<b>20,164,947</b>	<b>207,952,638</b>	<b>-</b>	<b>-</b>
<b>Noncurrent liabilities:</b>												
Total other post-employment benefits liability - PEBC plan (note 8)	17,134,836	-	17,134,836	-	-	-	17,134,836	-	-	-	-	-
Net other post-employment benefit liability - ERS plan (note 8)	3,821,968	-	3,821,968	-	-	-	3,821,968	-	-	-	-	-
Texas Department of Transportation ISTEAL loan payable (note 5)	112,895,896	-	112,895,896	-	112,895,896	-	-	-	-	-	-	-
Dallas North Tollway System revenue bonds payable, net of bond discount (premium) costs of \$695,260,165 (note 5)	9,780,298,874	-	9,780,298,874	695,260,165	8,942,011,426	-	-	-	140,000,000	3,027,283	-	-
Net pension liability	2,814,780	-	2,814,780	-	-	-	2,814,780	-	-	-	-	-
<b>Total noncurrent liabilities</b>	<b>9,916,966,354</b>	<b>-</b>	<b>9,916,966,354</b>	<b>695,260,165</b>	<b>9,054,907,322</b>	<b>-</b>	<b>23,771,584</b>	<b>-</b>	<b>140,000,000</b>	<b>3,027,283</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>10,389,612,015</b>	<b>2,488,747</b>	<b>10,387,123,268</b>	<b>695,260,165</b>	<b>9,179,725,967</b>	<b>93,716,983</b>	<b>45,497,137</b>	<b>1,778,148</b>	<b>160,164,947</b>	<b>210,979,921</b>	<b>-</b>	<b>-</b>
<b>Deferred inflow of resources</b>												
Gain on refunding	29,289,547	-	29,289,547	-	29,289,547	-	-	-	-	-	-	-
Difference in expected and actual ERS OPEB experience	140,025	-	140,025	-	140,025	-	140,025	-	-	-	-	-
Difference in expected and actual pension experience	2,354,993	-	2,354,993	-	2,354,993	-	2,354,993	-	-	-	-	-
Changes in actuarial assumptions used to determined ERS OPEB liability	1,339,322	-	1,339,322	-	1,339,322	-	1,339,322	-	-	-	-	-
Changes in proportionate share	9,882,650	-	9,882,650	-	9,882,650	-	9,882,650	-	-	-	-	-
PEBC Assumptions	4,214,882	-	4,214,882	-	4,214,882	-	4,214,882	-	-	-	-	-
PEBC projected experience vs actual experience	8,553,197	-	8,553,197	-	8,553,197	-	8,553,197	-	-	-	-	-
<b>Total deferred inflow of resources</b>	<b>55,774,616</b>	<b>-</b>	<b>55,774,616</b>	<b>-</b>	<b>29,289,547</b>	<b>-</b>	<b>26,485,069</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Position</b>												
Net investment in capital assets	(3,573,033,890)	-	(3,573,033,890)	(2,418,851,555)	(1,158,021,521)	-	-	-	3,839,186	-	-	-
<b>Restricted for:</b>												
Debt service	1,359,733,801	-	1,359,733,801	801,250,465	-	99,115,748	-	-	7,750,000	(2,000,192)	453,617,780	-
SCA Intangible	2,495,041,623	-	2,495,041,623	-	2,495,041,623	-	-	-	-	-	-	-
Unrestricted	16,887,701	56,279,085	(39,391,384)	1,617,801,090	(2,261,535,949)	-	606,170	60,653,923	426,304,081	-	-	116,979,301
<b>Total net position</b>	<b>\$ 298,629,235</b>	<b>\$ 56,279,085</b>	<b>\$ 242,350,150</b>	<b>\$ -</b>	<b>\$ (924,515,847)</b>	<b>\$ 99,115,748</b>	<b>\$ 606,170</b>	<b>\$ 60,653,923</b>	<b>\$ 437,893,267</b>	<b>\$ (2,000,192)</b>	<b>\$ 453,617,780</b>	<b>\$ 116,979,301</b>

## Introduction to Statistical Section

(unaudited)

# Statistics

### 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

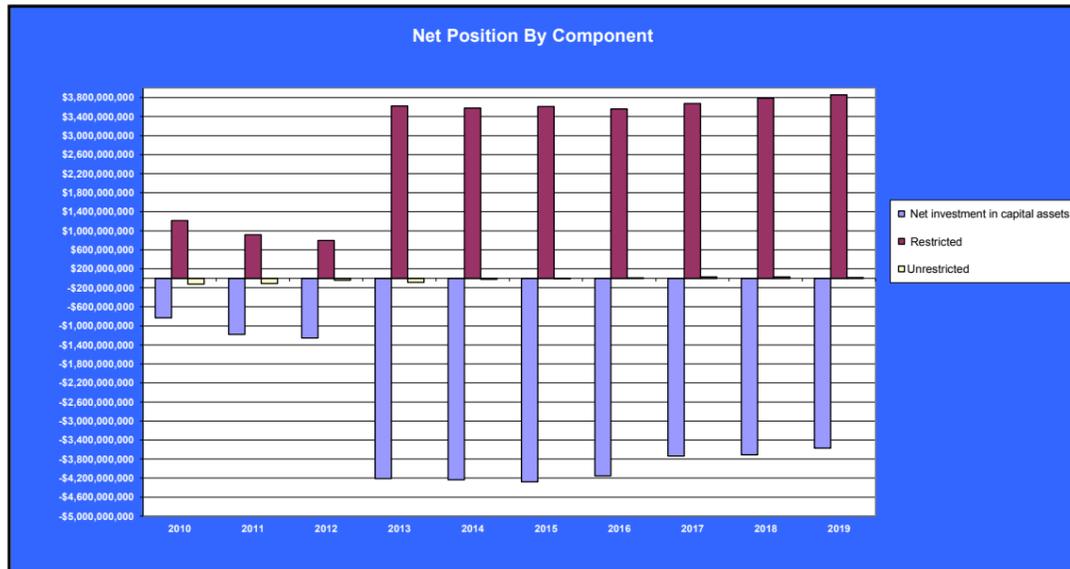
These tables contain service and infrastructure data to help the reader understand how the information in the Authority's financial report relates to the services the Authority provides and the activities it performs.

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

## Net Position by Component

Last Ten Fiscal Years  
(unaudited)

Business-Type Activities										
Component	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Net investment in capital assets	\$ (831,801,669)	\$(1,178,473,954)	\$(1,254,068,836)	\$(4,212,230,014)	\$(4,234,262,561)	\$(4,277,956,501)	\$(4,154,462,248)	\$(3,737,708,369)	\$(3,710,464,076)	\$(3,573,033,890)
Restricted	1,211,161,929	917,325,283	792,586,995	3,621,400,342	3,580,531,205	3,612,159,144	3,561,843,338	3,674,470,077	3,790,162,535	3,854,775,424
Unrestricted	(119,834,279)	(112,356,823)	(38,289,706)	(83,847,212)	(23,192,391)	(7,176,940)	12,928,827	30,609,769	26,776,383	16,887,701
<b>Total net position</b>	<b>\$ 259,525,981</b>	<b>\$ (373,505,494)</b>	<b>\$ (499,771,547)</b>	<b>\$ (674,676,884)</b>	<b>\$ (676,923,747)</b>	<b>\$ (672,974,297)</b>	<b>\$ (579,690,083)</b>	<b>\$ (32,628,523)</b>	<b>\$ 106,474,842</b>	<b>\$ 298,629,235</b>

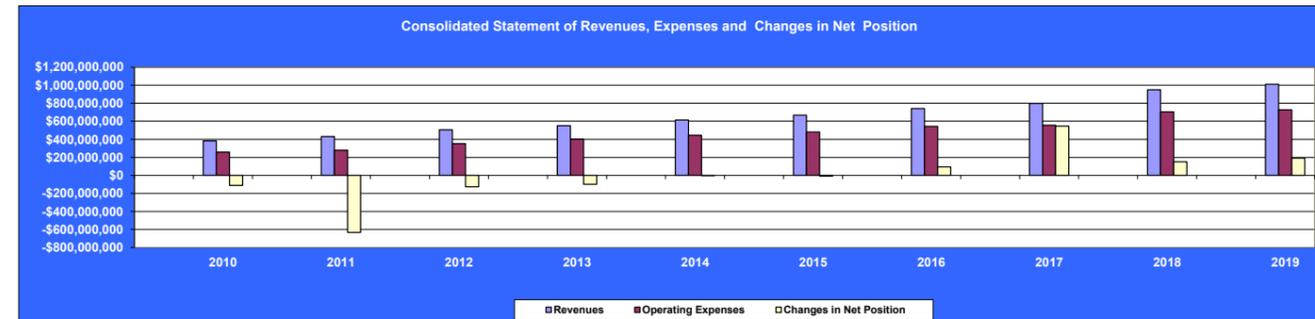


## Statement of Revenues, Expenses and Changes in Net Position by Net Component

Last Ten Fiscal Years  
(unaudited)

Business-Type Activities										
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Revenues:</b>										
Tolls	\$ 366,597,323	\$ 402,569,534	\$ 485,463,608	\$ 525,458,723	\$ 580,524,810	\$ 621,424,682	\$ 675,005,210	\$ 722,357,187	\$ 850,437,774	\$ 899,647,241
Other (1)	17,268,589	28,372,616	20,729,193	26,138,924	34,526,543	46,390,402	66,126,285	75,709,488	99,516,486	111,615,382
<b>Total operating revenues</b>	<b>383,865,912</b>	<b>430,942,150</b>	<b>506,192,801</b>	<b>551,597,647</b>	<b>615,051,353</b>	<b>667,815,084</b>	<b>741,131,495</b>	<b>798,066,675</b>	<b>949,954,260</b>	<b>1,011,262,623</b>
<b>Operating expenses:</b>										
Administration	21,105,565	22,159,182	22,982,801	23,298,130	22,206,400	21,736,431	24,293,402	26,451,640	30,702,404	30,327,124
Operations	74,604,274	77,165,408	83,253,523	88,469,879	97,917,442	120,046,594	129,445,852	145,235,564	172,403,902	188,145,331
Reserve maintenance	11,701,225	16,540,873	11,446,757	10,915,105	11,144,585	12,041,778	19,890,127	23,308,416	22,311,612	20,627,996
Capital improvement	18,259,590	36,535,270	35,691,517	27,541,687	38,848,449	33,127,787	23,182,888	46,178,658	20,018,305	43,977,371
<b>Total operating expenses before depreciation</b>	<b>125,670,654</b>	<b>152,400,733</b>	<b>153,374,598</b>	<b>150,220,601</b>	<b>170,116,876</b>	<b>186,952,590</b>	<b>196,812,269</b>	<b>241,174,278</b>	<b>245,436,223</b>	<b>283,077,822</b>
Operating income before amortization/depreciation	258,195,258	278,541,417	352,818,203	401,373,046	444,934,477	480,862,494	544,319,226	556,892,397	704,518,037	728,184,801
Amortization of intangible (SRT)	(63,801,840)	(63,947,216)	(63,943,350)	(63,943,350)	(64,403,243)	(65,385,114)	(64,916,168)	(64,841,672)	(64,788,513)	(64,788,513)
Depreciation	(4,794,093)	(5,690,160)	(6,038,360)	(6,203,704)	(6,159,420)	(6,889,660)	(8,716,326)	(10,412,946)	(10,059,970)	(9,372,351)
<b>Operating income</b>	<b>189,599,325</b>	<b>208,904,041</b>	<b>282,836,493</b>	<b>331,225,992</b>	<b>374,371,814</b>	<b>408,587,720</b>	<b>470,686,732</b>	<b>481,637,779</b>	<b>629,669,554</b>	<b>654,023,937</b>
<b>Nonoperating revenues (expenses):</b>										
Interest earned on investments	22,128,268	17,672,334	10,112,695	419,671	348,383	421,910	441,289	721,020	1,843,976	1,769,637
Gain (loss) on sale of investments	-	-	-	(133,910)	-	(707,009)	(489,356)	(161,717)	27,133	27,133
Net increase(decrease) in the fair value of investments	3,588,196	(3,659,548)	(4,962,380)	(6,573,172)	2,118,111	(967,545)	(2,529,460)	(732,342)	(1,061,515)	6,539,882
Loss on disposal of assets	-	-	-	-	-	(582,400)	(51,844,820)	(12,841,833)	(1,441,660)	(1,441,660)
Interest expense on revenue bonds	(371,173,164)	(343,422,746)	(444,746,741)	(436,811,504)	(432,986,781)	(417,678,947)	(411,682,552)	(420,979,364)	(454,787,857)	(462,355,738)
Interest expense on loan	(6,269,247)	(6,269,405)	(6,032,854)	(5,814,320)	(5,714,934)	(5,618,961)	(5,518,957)	(5,531,495)	(5,264,173)	(5,044,268)
Bond premium/discount amortization	6,330,306	(43,237,386)	892,614	1,822,095	4,343,844	14,914,793	32,736,459	47,207,780	71,840,236	74,231,553
Bond issuance cost amortization	(5,002,937)	(4,173,546)	(4,147,186)	-	(5,728,236)	(12,125,235)	(6,313,133)	(13,556,163)	(3,192,510)	(4,437,637)
Deferred amount on refunding amortization	(571,990)	(5,829,048)	(4,701,591)	(3,550,291)	(4,013,052)	(12,471,595)	(19,868,665)	(30,800,504)	(87,427,695)	(85,697,949)
Gain on refunding	-	-	-	-	-	-	-	-	-	900,900
SWAP termination payment	-	-	-	-	-	-	-	-	(11,212,000)	-
Interest expense on other debt-CIF fund	-	-	-	-	-	-	-	-	(32,996,000)	(24,244,400)
Capital contribution	-	-	-	-	32,166,870	-	63,291	512,742,812	-	-
Transfer to SPS & Enterprise	(217,866)	(508,991,349)	911,870	919,608	-	-	-	-	-	-
Payments from (to) other governments	31,526,405	25,712,730	8,523,679	8,389,180	1,790,774	5,074,087	379,642	83,912	(2,000,000)	-
BAB's Subsidy	26,263,784	28,978,075	28,978,075	26,674,318	26,877,164	26,935,120	26,993,077	27,022,055	27,123,478	23,706,752
Arbitrage rebate	-	-	-	-	-	-	-	-	100,868	(45,275)
Other (reimbursement of damaged claims)	(7,346,832)	1,284,373	6,069,273	(16,163,752)	4,179,180	(13,890,635)	9,184,900	1,380,247	31,075,832	14,221,526
Net nonoperating revenues (expenses)	(300,745,077)	(841,935,516)	(409,102,546)	(430,822,077)	(376,618,677)	(415,407,008)	(377,402,518)	65,423,782	(478,760,910)	(461,869,544)
<b>Changes in net position</b>	<b>\$ (111,145,752)</b>	<b>\$ (633,031,475)</b>	<b>\$ (126,266,053)</b>	<b>\$ (99,596,085)</b>	<b>\$ (2,246,863)</b>	<b>\$ (6,819,288)</b>	<b>\$ 93,284,213</b>	<b>\$ 547,061,560</b>	<b>\$ 150,908,644</b>	<b>\$ 192,154,393</b>

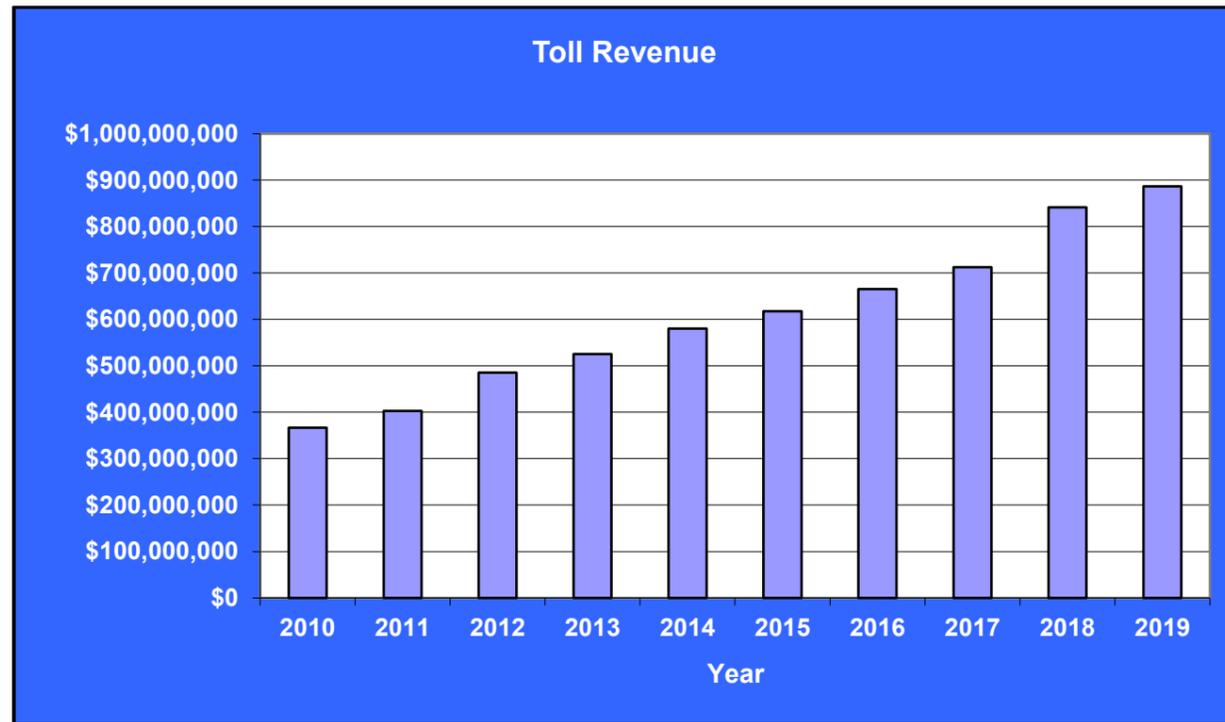
(1) Administrative fees, parking transaction fees, statement fees and miscellaneous charges.



### Traffic and Toll Revenue

Last Ten Fiscal Years  
(unaudited)

Year	Annual Revenue Vehicle Transactions (*)	Annual Toll Revenue (*)	Average Toll Rate per Transaction
2010	481,913,338	366,597,323	0.76
2011	513,454,344	402,569,534	0.78
2012	585,051,845	485,463,608	0.83
2013	610,129,737	525,458,723	0.86
2014	644,669,523	580,045,215	0.90
2015	676,484,779	617,488,044	0.91
2016	703,094,602	665,212,316	0.95
2017	723,247,591	712,551,456	0.99
2018	827,610,415	841,491,016	1.02
2019	847,392,583	886,843,140	1.05



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

### Toll Rates

Last Ten Fiscal Years  
(unaudited)

		Years									
Two-axle passenger cars and trucks		2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Dallas North Tollway:</b>											
Main Lane Plaza 1		ZipCash	\$1.89	\$2.00	\$2.00	\$2.10	\$2.10	\$2.22	\$2.22	\$2.34	\$2.34
		TollTag	1.26	1.33	1.33	1.40	1.40	1.48	1.48	1.56	1.56
Main Lane Plaza 2		ZipCash	1.35	1.43	1.43	1.52	1.52	1.59	1.59	1.68	1.68
		TollTag	0.90	0.95	0.95	1.01	1.01	1.06	1.06	1.12	1.12
Main Lane Plaza 3		ZipCash	1.20	1.28	1.28	1.35	1.35	1.43	1.43	1.50	1.50
		TollTag	0.80	0.85	0.85	0.90	0.90	0.95	0.95	1.00	1.00
Main Lane Plaza 4		ZipCash	2.12	2.24	2.24	2.37	2.37	2.49	2.49	2.64	2.64
		TollTag	1.41	1.49	1.49	1.58	1.58	1.66	1.66	1.76	1.76
<b>Addison Airport Toll Tunnel:</b>											
Mainlane Plaza		ZipCash	0.75	0.80	0.80	0.84	0.84	0.89	0.89	0.95	0.95
		TollTag	0.50	0.53	0.53	0.56	0.56	0.59	0.59	0.63	0.63
<b>Chisholm Trail Parkway (3):</b>											
Main Lane Plaza 1		ZipCash	-	-	-	-	-	-	-	2.15	2.15
		TollTag	-	-	-	-	-	-	-	1.43	1.43
Main Lane Plaza 2		ZipCash	-	-	-	-	-	-	-	3.48	3.48
		TollTag	-	-	-	-	-	-	-	2.32	2.32
Main Lane Plaza 3		ZipCash	-	-	-	-	-	-	-	2.60	2.60
		TollTag	-	-	-	-	-	-	-	1.73	1.73
<b>President George Bush Turnpike:</b>											
Main Lane Plaza 5 (2)		ZipCash	-	2.28	2.28	2.42	2.42	2.55	2.55	2.69	2.69
		TollTag	-	1.52	1.52	1.61	1.61	1.70	1.70	1.79	1.79
Main Lane Plaza 6		ZipCash	1.50	1.58	1.58	1.67	1.67	1.76	1.76	1.86	1.86
		TollTag	1.00	1.05	1.05	1.11	1.11	1.17	1.17	1.24	1.24
Main Lane Plaza 7		ZipCash	1.62	1.71	1.71	1.80	1.80	1.91	1.91	2.01	2.01
		TollTag	1.08	1.14	1.14	1.20	1.20	1.27	1.27	1.34	1.34
Main Lane Plaza 8		ZipCash	1.50	1.59	1.59	1.68	1.68	1.77	1.77	1.86	1.86
		TollTag	1.00	1.06	1.06	1.12	1.12	1.18	1.18	1.24	1.24
Main Lane Plaza 9		ZipCash	1.20	1.26	1.26	1.34	1.34	1.41	1.41	1.49	1.49
		TollTag	0.80	0.84	0.84	0.89	0.89	0.94	0.94	0.99	0.99
Main Lane Plaza 10		ZipCash	0.69	0.74	0.74	0.77	0.77	0.81	0.81	0.86	0.86
		TollTag	0.46	0.49	0.49	0.51	0.51	0.54	0.54	0.57	0.57
Main Lane Plaza 11 (4)		ZipCash	-	-	-	-	-	-	-	1.56	1.56
		TollTag	-	-	-	-	-	-	-	1.04	1.04
Main Lane Plaza 12 (4)		ZipCash	-	-	-	-	-	-	-	1.65	1.65
		TollTag	-	-	-	-	-	-	-	1.10	1.10
<b>Mountain Creek Lake Bridge:</b>											
Mainlane Plaza		ZipCash	0.75	0.80	0.80	0.84	0.84	0.89	0.89	0.95	0.95
		TollTag	0.50	0.53	0.53	0.56	0.56	0.59	0.59	0.63	0.63
<b>Sam Rayburn Tollway (SRT):</b>											
Main Lane Gantry 1 (1)		ZipCash	0.72	0.75	0.75	0.80	0.80	0.84	0.84	0.89	0.89
		TollTag	0.48	0.50	0.50	0.53	0.53	0.56	0.56	0.59	0.59
Main Lane Gantry 2 (1)		ZipCash	1.86	1.95	1.95	2.07	2.07	2.19	2.19	2.30	2.30
		TollTag	1.24	1.30	1.30	1.38	1.38	1.46	1.46	1.53	1.53
Main Lane Gantry 3 (1)		ZipCash	2.57	2.70	2.70	2.87	2.87	3.03	3.03	3.18	3.18
		TollTag	1.71	1.80	1.80	1.91	1.91	2.02	2.02	2.12	2.12
<b>Lewisville Lake Toll Bridge:</b>											
Mainlane Plaza		ZipCash	1.50	1.59	1.59	1.68	1.68	1.77	1.77	1.88	1.88
		TollTag	1.00	1.06	1.06	1.12	1.12	1.18	1.18	1.25	1.25

(1) SRT mainlanes were extended to US 75 in December 2010  
 (2) PGBT EE mainlanes from SH 78 to IH 30 opened in December 2011  
 (3) Chisholm Trail Parkway (CTP) joined the System in November 2017  
 (4) President George Bush Western Extension (PGBT-WE) joined the System in November 2017  
 Toll rates are 19.02 cents per mile effective July 1, 2019

## Toll Rates

Last Ten Fiscal Years  
(unaudited)

		Years									
Three-axle vehicle and vehicle combination		2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Roadway</b>											
Dallas North Tollway:											
Main Lane Plaza 1	ZipCash	\$3.78	\$4.00	\$4.00	\$4.20	\$4.20	\$4.44	\$4.44	\$4.68	\$4.68	\$4.68
	TollTag	2.52	2.66	2.66	2.80	2.80	2.96	2.96	3.12	3.12	3.12
Main Lane Plaza 2	ZipCash	2.70	2.86	2.86	3.04	3.04	3.18	3.18	3.36	3.36	3.36
	TollTag	1.80	1.90	1.90	2.02	2.02	2.12	2.12	2.24	2.24	2.24
Main Lane Plaza 3	ZipCash	2.40	2.56	2.56	2.70	2.70	2.86	2.86	3.00	3.00	3.00
	TollTag	1.60	1.70	1.70	1.80	1.80	1.90	1.90	2.00	2.00	2.00
Main Lane Plaza 4	ZipCash	4.30	4.48	4.48	4.74	4.74	4.98	4.98	5.28	5.28	5.28
	TollTag	2.82	2.98	2.98	3.16	3.16	3.32	3.32	3.52	3.52	3.52
Addison Airport Toll Tunnel:											
Mainlane Plaza	ZipCash	1.50	1.60	1.60	1.68	1.68	1.78	1.78	1.90	1.90	1.90
	TollTag	1.00	1.06	1.06	1.12	1.12	1.18	1.18	1.26	1.26	1.26
Chisholm Trail Parkway (3):											
Main Lane Plaza 1	ZipCash	-	-	-	-	-	-	-	4.30	4.30	4.30
	TollTag	-	-	-	-	-	-	-	2.86	2.86	2.86
Main Lane Plaza 2	ZipCash	-	-	-	-	-	-	-	6.96	6.96	6.96
	TollTag	-	-	-	-	-	-	-	4.64	4.64	4.64
Main Lane Plaza 3	ZipCash	-	-	-	-	-	-	-	5.20	5.20	5.20
	TollTag	-	-	-	-	-	-	-	3.46	3.46	3.46
President George Bush Turnpike:											
Main Lane Plaza 5 (2)	ZipCash	-	-	4.56	4.84	4.84	5.10	5.10	5.38	5.38	5.38
	TollTag	-	-	3.04	3.22	3.22	3.40	3.40	3.58	3.58	3.58
Main Lane Plaza 6	ZipCash	3.00	3.16	3.16	3.34	3.34	3.52	3.52	3.72	3.72	3.72
	TollTag	2.00	2.10	2.10	2.22	2.22	2.34	2.34	2.48	2.48	2.48
Main Lane Plaza 7	ZipCash	3.24	3.42	3.42	3.60	3.60	3.82	3.82	4.02	4.02	4.02
	TollTag	2.16	2.28	2.28	2.40	2.40	2.54	2.54	2.68	2.68	2.68
Main Lane Plaza 8	ZipCash	3.00	3.18	3.18	3.36	3.36	3.54	3.54	3.72	3.72	3.72
	TollTag	2.00	2.12	2.12	2.24	2.24	2.36	2.36	2.48	2.48	2.48
Main Lane Plaza 9	ZipCash	2.40	2.52	2.52	2.68	2.68	2.82	2.82	2.98	2.98	2.98
	TollTag	1.60	1.68	1.68	1.78	1.78	1.88	1.88	1.98	1.98	1.98
Main Lane Plaza 10	ZipCash	1.38	1.48	1.48	1.54	1.54	1.62	1.62	1.72	1.72	1.72
	TollTag	0.92	0.98	0.98	1.02	1.02	1.08	1.08	1.14	1.14	1.14
Main Lane Plaza 11 (4)	ZipCash	-	-	-	-	-	-	-	3.12	3.12	3.12
	TollTag	-	-	-	-	-	-	-	2.08	2.08	2.08
Main Lane Plaza 12 (4)	ZipCash	-	-	-	-	-	-	-	3.30	3.30	3.30
	TollTag	-	-	-	-	-	-	-	2.20	2.20	2.20
Mountain Creek Lake Bridge:											
Mainlane Plaza	ZipCash	1.50	1.60	1.60	1.68	1.68	1.78	1.78	1.90	1.90	1.90
	TollTag	1.00	1.06	1.06	1.12	1.12	1.18	1.18	1.26	1.26	1.26
Sam Rayburn Tollway (SRT):											
Main Lane Gantry 1 (1)	ZipCash	1.44	1.50	1.50	1.60	1.60	1.68	1.68	1.78	1.78	1.78
	TollTag	0.96	1.00	1.00	1.06	1.06	1.12	1.12	1.18	1.18	1.18
Main Lane Gantry 2 (1)	ZipCash	3.72	3.90	3.90	4.14	4.14	4.38	4.38	4.60	4.60	4.60
	TollTag	2.48	2.60	2.60	2.76	2.76	2.92	2.92	3.06	3.06	3.06
Main Lane Gantry 3 (1)	ZipCash	4.08	5.40	5.40	5.74	5.74	6.06	6.06	6.36	6.36	6.36
	TollTag	2.72	3.60	3.60	3.82	3.82	4.04	4.04	4.24	4.24	4.24
Lewisville Lake Toll Bridge:											
Mainlane Plaza	ZipCash	3.00	3.18	3.18	3.36	3.36	3.54	3.54	3.76	3.76	3.76
	TollTag	2.00	2.12	2.12	2.24	2.24	2.36	2.36	2.50	2.50	2.50

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 (4) President George Bush Western Extension (PGBT-WE) joined the System in November 2017  
 Toll rates are 19.02 cents per mile effective July 1, 2019

## Toll Rates

Last Ten Fiscal Years  
(unaudited)

		Years									
Four-axle vehicle and vehicle combination		2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Roadway</b>											
Dallas North Tollway:											
Main Lane Plaza 1	ZipCash	\$5.67	\$6.00	\$6.00	\$6.30	\$6.30	\$6.66	\$6.66	\$7.02	\$7.02	\$7.02
	TollTag	3.78	3.78	3.99	4.20	4.20	4.44	4.44	4.68	4.68	4.68
Main Lane Plaza 2	ZipCash	4.05	4.05	4.29	4.56	4.56	4.77	4.77	5.04	5.04	5.04
	TollTag	2.70	2.70	2.85	3.03	3.03	3.18	3.18	3.36	3.36	3.36
Main Lane Plaza 3	ZipCash	3.60	3.60	3.84	4.05	4.05	4.29	4.29	4.50	4.50	4.50
	TollTag	2.40	2.40	2.55	2.70	2.70	2.85	2.85	3.00	3.00	3.00
Main Lane Plaza 4	ZipCash	6.45	6.72	6.72	7.11	7.11	7.47	7.47	7.92	7.92	7.92
	TollTag	4.23	4.23	4.47	4.74	4.74	4.98	4.98	5.28	5.28	5.28
Addison Airport Toll Tunnel:											
Mainlane Plaza	ZipCash	2.25	2.25	2.40	2.52	2.52	2.67	2.67	2.85	2.85	2.85
	TollTag	1.50	1.50	1.59	1.68	1.68	1.77	1.77	1.89	1.89	1.89
Chisholm Trail Parkway (3):											
Main Lane Plaza 1	ZipCash	-	-	-	-	-	-	-	6.45	6.45	6.45
	TollTag	-	-	-	-	-	-	-	4.29	4.29	4.29
Main Lane Plaza 2	ZipCash	-	-	-	-	-	-	-	10.44	10.44	10.44
	TollTag	-	-	-	-	-	-	-	6.96	6.96	6.96
Main Lane Plaza 3	ZipCash	-	-	-	-	-	-	-	7.80	7.80	7.80
	TollTag	-	-	-	-	-	-	-	5.19	5.19	5.19
President George Bush Turnpike:											
Main Lane Plaza 5 (2)	ZipCash	-	-	6.84	7.26	7.26	7.65	7.65	8.07	8.07	8.07
	TollTag	-	-	4.56	4.83	4.83	5.10	5.10	5.37	5.37	5.37
Main Lane Plaza 6	ZipCash	4.50	4.50	4.74	5.01	5.01	5.28	5.28	5.58	5.58	5.58
	TollTag	3.00	3.00	3.15	3.33	3.33	3.51	3.51	3.72	3.72	3.72
Main Lane Plaza 7	ZipCash	4.86	4.86	5.13	5.40	5.40	5.73	5.73	6.03	6.03	6.03
	TollTag	3.24	3.24	3.42	3.60	3.60	3.81	3.81	4.02	4.02	4.02
Main Lane Plaza 8	ZipCash	4.50	4.50	4.77	5.04	5.04	5.31	5.31	5.58	5.58	5.58
	TollTag	3.00	3.00	3.18	3.36	3.36	3.54	3.54	3.72	3.72	3.72
Main Lane Plaza 9	ZipCash	3.60	3.60	3.78	4.02	4.02	4.23	4.23	4.47	4.47	4.47
	TollTag	2.40	2.40	2.52	2.67	2.67	2.82	2.82	2.97	2.97	2.97
Main Lane Plaza 10	ZipCash	2.07	2.22	2.22	2.31	2.31	2.43	2.43	2.58	2.58	2.58
	TollTag	1.38	1.47	1.47	1.53	1.53	1.62	1.62	1.71	1.71	1.71
Main Lane Plaza 11 (4)	ZipCash	-	-	-	-	-	-	-	4.68	4.68	4.68
	TollTag	-	-	-	-	-	-	-	3.12	3.12	3.12
Main Lane Plaza 12 (4)	ZipCash	-	-	-	-	-	-	-	4.95	4.95	4.95
	TollTag	-	-	-	-	-	-	-	3.30	3.30	3.30
Mountain Creek Lake Bridge:											
Mainlane Plaza	ZipCash	2.25	2.25	2.40	2.52	2.52	2.67	2.67	2.85	2.85	2.85
	TollTag	1.50	1.50	1.59	1.68	1.68	1.77	1.77	1.89	1.89	1.89
Sam Rayburn Tollway (SRT):											
Main Lane Gantry 1 (1)	ZipCash	2.16	2.25	2.25	2.40	2.40	2.52	2.52	2.67	2.67	2.67
	TollTag	1.44	1.50	1.50	1.59	1.59	1.68	1.68	1.77	1.77	1.77
Main Lane Gantry 2 (1)	ZipCash	5.58	5.85	5.85	6.21	6.21	6.57	6.57	6.90	6.90	6.90
	TollTag	3.72	3.90	3.90	4.14	4.14	4.38	4.38	4.59	4.59	4.59
Main Lane Gantry 3 (1)	ZipCash	6.12	8.10	8.10	8.61	8.61	9.09	9.09	9.54	9.54	9.54
	TollTag	4.08	5.40	5.40	5.73	5.73	6.06	6.06	6.36	6.36	6.36
Lewisville Lake Toll Bridge:											
Mainlane Plaza	ZipCash	4.50	4.77	4.77	5.04	5.04	5.31	5.31	5.64	5.64	5.64
	TollTag	3.00	3.18	3.18	3.36	3.36	3.54	3.54	3.75	3.75	3.75

(1) SRT mainlanes were extended to US 75 in December 2010  
 (2) PGBT EE mainlanes from SH 78 to IH 30 opened in December 2011  
 (3) Chisholm Trail Parkway (CTP) joined the System in November 2017  
 (4) President George Bush Western Extension (PGBT-WE) joined the System in November 2017  
 Toll rates are 19.02 cents per mile effective July 1, 2019

# Toll Rates

Last Ten Fiscal Years  
(unaudited)

Five-axle vehicle and vehicle combination		Years									
Roadway		2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Dallas North Tollway:</b>											
Main Lane Plaza 1	ZipCash	\$7.56	\$8.00	\$8.00	\$8.40	\$8.40	\$8.88	\$8.88	\$9.36	\$9.36	\$9.36
	TollTag	5.04	5.04	5.32	5.60	5.60	5.92	5.92	6.24	6.24	6.24
Main Lane Plaza 2	ZipCash	5.40	5.40	5.72	6.08	6.08	6.36	6.36	6.72	6.72	6.72
	TollTag	3.60	3.60	3.80	4.04	4.04	4.24	4.24	4.48	4.48	4.48
Main Lane Plaza 3	ZipCash	4.80	4.80	5.12	5.40	5.40	5.72	5.72	6.00	6.00	6.00
	TollTag	3.20	3.20	3.40	3.60	3.60	3.80	3.80	4.00	4.00	4.00
Main Lane Plaza 4	ZipCash	8.60	8.96	8.96	9.48	9.48	9.96	9.96	10.56	10.56	10.56
	TollTag	5.64	5.96	5.96	6.32	6.32	6.64	6.64	7.04	7.04	7.04
<b>Addison Airport Toll Tunnel:</b>											
Mainlane Plaza	ZipCash	3.00	3.00	3.20	3.36	3.36	3.56	3.56	3.80	3.80	3.80
	TollTag	2.00	2.00	2.12	2.24	2.24	2.36	2.36	2.52	2.52	2.52
<b>Chisholm Trail Parkway (3):</b>											
Main Lane Plaza 1	ZipCash	-	-	-	-	-	-	-	8.60	8.60	8.60
	TollTag	-	-	-	-	-	-	-	5.72	5.72	5.72
Main Lane Plaza 2	ZipCash	-	-	-	-	-	-	-	13.92	13.92	13.92
	TollTag	-	-	-	-	-	-	-	9.28	9.28	9.28
Main Lane Plaza 3	ZipCash	-	-	-	-	-	-	-	10.40	10.40	10.40
	TollTag	-	-	-	-	-	-	-	6.92	6.92	6.92
<b>President George Bush Turnpike:</b>											
Main Lane Plaza 5 (2)	ZipCash	-	-	9.12	9.68	9.68	10.20	10.20	10.76	10.76	10.76
	TollTag	-	-	6.08	6.44	6.44	6.80	6.80	7.16	7.16	7.16
Main Lane Plaza 6	ZipCash	6.00	6.00	6.32	6.68	6.68	7.04	7.04	7.44	7.44	7.44
	TollTag	4.00	4.00	4.20	4.44	4.44	4.68	4.68	4.96	4.96	4.96
Main Lane Plaza 7	ZipCash	6.48	6.48	6.84	7.20	7.20	7.64	7.64	8.04	8.04	8.04
	TollTag	4.32	4.32	4.56	4.80	4.80	5.08	5.08	5.36	5.36	5.36
Main Lane Plaza 8	ZipCash	6.00	6.00	6.36	6.72	6.72	7.08	7.08	7.44	7.44	7.44
	TollTag	4.00	4.00	4.24	4.48	4.48	4.72	4.72	4.96	4.96	4.96
Main Lane Plaza 9	ZipCash	4.80	4.80	5.04	5.36	5.36	5.64	5.64	5.96	5.96	5.96
	TollTag	3.20	3.20	3.36	3.56	3.56	3.76	3.76	3.96	3.96	3.96
Main Lane Plaza 10	ZipCash	2.76	2.96	2.96	3.08	3.08	3.24	3.24	3.44	3.44	3.44
	TollTag	1.84	1.96	1.96	2.04	2.04	2.16	2.16	2.28	2.28	2.28
Main Lane Plaza 11 (4)	ZipCash	-	-	-	-	-	-	-	6.24	6.24	6.24
	TollTag	-	-	-	-	-	-	-	4.16	4.16	4.16
Main Lane Plaza 12 (4)	ZipCash	-	-	-	-	-	-	-	6.60	6.60	6.60
	TollTag	-	-	-	-	-	-	-	4.40	4.40	4.40
<b>Mountain Creek Lake Bridge:</b>											
Mainlane Plaza	ZipCash	3.00	3.00	3.20	3.36	3.36	3.56	3.56	3.80	3.80	3.80
	TollTag	2.00	2.00	2.12	2.24	2.24	2.36	2.36	2.52	2.52	2.52
<b>Sam Rayburn Tollway (SRT):</b>											
Main Lane Gantry 1 (1)	ZipCash	2.88	3.00	3.00	3.20	3.20	3.36	3.36	3.56	3.56	3.56
	TollTag	1.92	2.00	2.00	2.12	2.12	2.24	2.24	2.36	2.36	2.36
Main Lane Gantry 2 (1)	ZipCash	7.44	7.80	7.80	8.28	8.28	8.76	8.76	9.20	9.20	9.20
	TollTag	4.96	5.20	5.20	5.52	5.52	5.84	5.84	6.12	6.12	6.12
Main Lane Gantry 3 (1)	ZipCash	8.16	10.80	10.80	11.48	11.48	12.12	12.12	12.72	12.72	12.72
	TollTag	5.44	7.20	7.20	7.64	7.64	8.08	8.08	8.48	8.48	8.48
<b>Lewisville Lake Toll Bridge:</b>											
Mainlane Plaza	ZipCash	6.00	6.36	6.36	6.72	6.72	7.08	7.08	7.52	7.52	7.52
	TollTag	4.00	4.24	4.24	4.48	4.48	4.72	4.72	5.00	5.00	5.00

(1) SRT mainlanes were extended to US 75 in December 2010  
 (2) PGBT EE mainlanes from SH 78 to IH 30 opened in December 2011  
 (3) Chisholm Trail Parkway (CTP) joined the System in November 2017  
 (4) President George Bush Western Extension (PGBT-WE) joined the System in November 2017  
 Toll rates are 19.02 cents per mile effective July 1, 2019

# Toll Rates

Last Ten Fiscal Years  
(unaudited)

Six or more-axle vehicle and vehicle combination		Years									
Roadway		2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Dallas North Tollway:</b>											
Main Lane Plaza 1	ZipCash	\$9.45	\$10.00	\$10.00	\$10.50	\$10.50	\$11.10	\$11.10	\$11.70	\$11.70	\$11.70
	TollTag	6.30	6.30	6.65	7.00	7.00	7.40	7.40	7.80	7.80	7.80
Main Lane Plaza 2	ZipCash	6.75	6.75	7.15	7.60	7.60	7.95	7.95	8.40	8.40	8.40
	TollTag	4.50	4.50	4.75	5.05	5.05	5.30	5.30	5.60	5.60	5.60
Main Lane Plaza 3	ZipCash	6.00	6.00	6.40	6.75	6.75	7.15	7.15	7.50	7.50	7.50
	TollTag	4.00	4.00	4.25	4.50	4.50	4.75	4.75	5.00	5.00	5.00
Main Lane Plaza 4	ZipCash	10.75	11.20	11.20	11.85	11.85	12.45	12.45	13.20	13.20	13.20
	TollTag	7.05	7.05	7.45	7.90	7.90	8.20	8.20	8.80	8.80	8.80
<b>Addison Airport Toll Tunnel:</b>											
Mainlane Plaza	ZipCash	3.75	3.75	4.00	4.20	4.20	4.45	4.45	4.75	4.75	4.75
	TollTag	2.50	2.50	2.65	2.80	2.80	2.95	2.95	3.15	3.15	3.15
<b>Chisholm Trail Parkway (3):</b>											
Main Lane Plaza 1	ZipCash	-	-	-	-	-	-	-	10.75	10.75	10.75
	TollTag	-	-	-	-	-	-	-	7.15	7.15	7.15
Main Lane Plaza 2	ZipCash	-	-	-	-	-	-	-	17.40	17.40	17.40
	TollTag	-	-	-	-	-	-	-	11.60	11.60	11.60
Main Lane Plaza 3	ZipCash	-	-	-	-	-	-	-	13.00	13.00	13.00
	TollTag	-	-	-	-	-	-	-	8.65	8.65	8.65
<b>President George Bush Turnpike:</b>											
Main Lane Plaza 5 (2)	ZipCash	-	-	11.40	12.10	12.10	12.75	12.75	13.45	13.45	13.45
	TollTag	-	-	7.60	8.05	8.05	8.50	8.50	8.95	8.95	8.95
Main Lane Plaza 6	ZipCash	7.50	7.50	7.90	8.35	8.35	8.80	8.80	9.30	9.30	9.30
	TollTag	5.00	5.00	5.25	5.55	5.55	5.85	5.85	6.20	6.20	6.20
Main Lane Plaza 7	ZipCash	8.10	8.10	8.55	9.00	9.00	9.55	9.55	10.05	10.05	10.05
	TollTag	5.40	5.40	5.70	6.00	6.00	6.35	6.35	6.70	6.70	6.70
Main Lane Plaza 8	ZipCash	7.50	7.50	7.95	8.40	8.40	8.85	8.85	9.30	9.30	9.30
	TollTag	5.00	5.00	5.30	5.60	5.60	5.90	5.90	6.20	6.20	6.20
Main Lane Plaza 9	ZipCash	6.00	6.00	6.30	6.70	6.70	7.05	7.05	7.45	7.45	7.45
	TollTag	4.00	4.00	4.20	4.45	4.45	4.70	4.70	4.95	4.95	4.95
Main Lane Plaza 10	ZipCash	3.45	3.70	3.70	3.85	3.85	4.05	4.05	4.30	4.30	4.30
	TollTag	2.30	2.45	2.45	2.55	2.55	2.70	2.70	2.85	2.85	2.85
Main Lane Plaza 11 (4)	ZipCash	-	-	-	-	-	-	-	7.80	7.80	7.80
	TollTag	-	-	-	-	-	-	-	5.20	5.20	5.20
Main Lane Plaza 12 (4)	ZipCash	-	-	-	-	-	-	-	8.25	8.25	8.25
	TollTag	-	-	-	-	-	-	-	5.50	5.50	5.50
<b>Mountain Creek Lake Bridge:</b>											
Mainlane Plaza	ZipCash	3.75	3.75	4.00	4.20	4.20	4.45	4.45	4.75	4.75	4.75
	TollTag	2.50	2.50	2.65	2.80	2.80	2.95	2.95	3.15	3.15	3.15
<b>Sam Rayburn Tollway (SRT):</b>											
Main Lane Gantry 1 (1)	ZipCash	3.60	3.75	3.75	4.00	4.00	4.20	4.20	4.45	4.45	4.45
	TollTag	2.40	2.50	2.50	2.65	2.65	2.80	2.80	2.95	2.95	2.95
Main Lane Gantry 2 (1)	ZipCash	9.30	9.75	9.75	10.35	10.35	10.95	10.95	11.50	11.50	11.50
	TollTag	6.20	6.50	6.50	6.90	6.90	7.30	7.30	7.65	7.65	7.65
Main Lane Gantry 3 (1)	ZipCash	10.20	13.50	13.50	14.35	14.35	15.15	15.15	15.90	15.90	15.90
	TollTag	6.80	9.00	9.00	9.55	9.55	10.10	10.10	10.60	10.60	10.60
<b>Lewisville Lake Toll Bridge:</b>											
Mainlane Plaza	ZipCash	7.50	7.95	7.95	8.40	8.40	8.85	8.85	9.40	9.40	9.40
	TollTag	5.00	5.30	5.30	5.60	5.60	5.90	5.90	6.25	6.25	6.25

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 (4) President George Bush Western Extension (PGBT-WE) joined the System in November 2017  
 Toll rates are 19.02 cents per mile effective July 1, 2019

### Ratio of Outstanding Debt by Type Business-Type Activities

Last Ten Fiscal Years  
(unaudited)

Year	Revenue Bonds	Bond Anticipation Notes	Commercial Paper Notes Payable	Texas Department of Transportation ISTEALoan	Texas Department of Transportation Loan Payable	Total Debt Amount	Total Revenue Vehicle Toll Transactions(1)	Debt Per Transactions	Debt Per Capita(2)
2010	\$ 7,543,021,558	-	\$ 119,200,000	\$ 142,857,298	\$ -	\$ 7,805,078,856	481,913,338	\$16.20	\$ 1,392
2011	7,555,401,914	-	56,300,000	140,607,304	-	7,752,309,218	513,454,344	15.10	1,371
2012	7,556,400,009	-	38,300,000	138,262,812	-	7,732,962,821	585,051,845	13.22	1,353
2013	7,588,629,243	-	-	136,069,850	-	7,724,699,093	610,129,737	12.66	1,322
2014	7,648,188,182	-	-	133,784,783	-	7,781,972,965	644,669,523	12.07	1,301
2015	7,708,916,451	-	-	131,403,745	-	7,840,320,196	676,484,779	11.59	1,286
2016	7,638,205,794	-	-	128,922,702	-	7,767,128,496	703,094,602	11.05	1,244
2017	9,407,717,891	-	-	125,337,455	-	9,533,055,346	723,247,591	13.18	1,490
2018	9,375,266,340	-	-	120,101,628	-	9,495,367,968	827,610,415	11.47	1,465
2019	9,201,998,710	-	-	112,895,896	-	9,314,894,606	847,392,583	10.99	1,413

Note----Details on the System's outstanding debt can be found in the notes to the financial statements.(1) See Traffic and Toll Revenue Table on page 68  
(2) See Demographic Data Table on page 78.

### Ratio of Revenue-Backed Debt Outstanding Business-Type Activities

Last Ten Fiscal Years  
(unaudited)

Year	Revenue Bonds	Bond Anticipation Notes	Less: amounts Available in Bond Redemption Account	Commercial Paper Notes Payable	Texas Department of Transportation ISTEALoan	Total Debt Amount	Annual Toll Revenues(1)	Debt Per Annual Toll Revenue	Debt Per Capita(2)
2010	\$ 7,543,021,558	\$ -	\$ (29,685,000)	\$ 119,200,000	\$ 142,857,298	\$ 7,775,393,856	\$ 366,597,323	\$ 21	1,387
2011	7,555,401,914	-	(27,980,000)	56,300,000	140,607,304	7,724,329,218	402,569,534	19	1,366
2012	7,556,400,009	-	(16,605,000)	38,300,000	138,262,812	7,716,357,821	485,463,608	16	1,351
2013	7,588,629,243	-	-	-	136,069,850	7,724,699,093	525,458,723	15	1,322
2014	7,648,188,182	-	-	-	133,784,783	7,781,972,965	580,045,215	13	1,301
2015	7,708,916,451	-	-	-	131,403,745	7,840,320,196	617,488,044	13	1,286
2016	7,638,205,794	-	-	-	128,922,702	7,767,128,496	665,212,316	12	1,244
2017	9,407,717,891	-	-	-	125,337,455	9,533,055,346	712,551,456	13	1,490
2018	9,375,266,340	-	-	-	120,101,628	9,495,367,968	841,491,016	11	1,465
2019	9,201,998,710	-	-	-	112,895,896	9,314,894,606	886,843,140	11	1,413

Note----Details on the System's outstanding debt can be found in the Notes to the Financial Statements.(1) See Traffic and Toll Revenue Table on page 68.  
(2) See Demographic Data Table on page 78.

## Schedule of Pro Forma Debt Service Requirements

For the years 2019-2051  
(unaudited)

FYE (12/31) <sup>(1)(2)</sup>	Outstanding First Tier Net Debt Service <sup>(3)(4)(5)(6)</sup>	Outstanding Second Tier Net Debt Service <sup>(7)(8)</sup>	Outstanding ISTEALoan Debt Service	Outstanding Subordinate Lien Debt Service <sup>(9)(10)</sup>	Total Net Debt Service
2019	\$ 398,373,565	\$ 117,461,316	\$ 12,250,000	\$ 23,989,181	\$ 552,074,062
2020	423,557,067	128,881,163	15,322,396	38,872,936	606,633,562
2021	448,564,567	133,437,913	15,322,396	32,922,624	630,247,500
2022	442,512,967	183,604,213	15,322,396	8,639,817	650,079,393
2023	455,267,967	187,694,563	15,322,396	8,637,656	666,922,582
2024	455,566,967	197,279,313	15,322,396	8,641,854	676,810,530
2025	486,364,217	166,479,313	15,322,396	8,645,997	676,811,923
2026	492,124,967	160,719,813	15,322,396	8,643,957	676,811,133
2027	488,333,717	164,509,063	15,322,396	8,644,885	676,810,061
2028	500,514,905	152,325,563	15,322,396	8,647,370	676,810,234
2029	475,520,655	208,475,313	-	-	683,995,968
2030	411,625,155	272,372,919	-	-	683,998,074
2031	407,775,655	276,220,063	-	-	683,995,718
2032	450,331,655	233,664,313	-	-	683,995,968
2033	465,391,005	218,604,813	-	-	683,995,818
2034	529,093,955	154,904,613	-	-	683,998,568
2035	552,714,105	131,285,563	-	-	683,999,668
2036	578,557,955	105,438,663	-	-	683,996,618
2037	628,471,105	55,525,870	-	-	683,996,975
2038	481,724,855	53,272,063	-	-	534,996,918
2039	482,661,805	52,336,313	-	-	534,998,118
2040	484,589,346	50,410,313	-	-	534,999,659
2041	486,622,779	48,372,563	-	-	534,995,342
2042	490,848,169	44,150,063	-	-	534,998,232
2043	199,427,658	32,163,813	-	-	231,591,471
2044	184,690,480	59,889,313	-	-	244,579,793
2045	142,624,790	101,968,063	-	-	244,592,853
2046	10,605,040	98,196,563	-	-	108,801,603
2047	-	99,192,063	-	-	99,192,063
2048	-	77,184,634	-	-	77,184,634
2049	-	-	-	-	-
2050	-	-	-	-	-
2051	-	-	-	-	-
	<b>\$ 12,054,457,073</b>	<b>\$ 3,966,020,127</b>	<b>\$ 150,151,564</b>	<b>\$ 156,286,277</b>	<b>\$ 16,326,915,041</b>

Notes:

- <sup>(1)</sup>Excludes any payments to be made into the Reserve Maintenance Fund ("RMF") under the Trust Agreement. Payments made into the RMF are made after debt service on the First, Second, and Third Tier Bonds but prior to debt service on the ISTEALoan and the Subordinate Lien Bonds.
- <sup>(2)</sup>For all Bonds other than the Subordinate Lien Bonds, Fiscal Year debt service includes debt service on the following January 1 (i.e. Fiscal Year 2019 includes debt service on January 1, 2020). With respect to the Subordinate Lien Bonds, Fiscal Year debt service in each year includes the required deposit to the CIF Bond Payment Account on January 1 of the following year for the Subordinate Lien Bonds debt service due on August 1 of that year and February 1 of the next succeeding year (e.g. Fiscal Year 2019 includes debt service on August 1, 2020, and February 1, 2021).
- <sup>(3)</sup>Net of direct federal subsidy related to the Series 2009B Bonds issued as Build America Bonds. The federal subsidy for each year through final maturity is assumed to be reduced by 6.2% due to automatic federal deficit reduction spending cuts known as "sequestration" which took effect on March 1, 2013. Sequestration affects certain federally funded programs, including the federal subsidy payable to NTTA with respect to the Series 2009B Bonds. It is assumed that this reduction in Federal Subsidy Payments continues at the same rate through the final maturity.
- <sup>(4)</sup>Assumes the Series 2014C Bonds bear interest at 2.50% through July 17, 2019 and 2.564% from July 18, 2019 through their date of redemption.
- <sup>(5)</sup>Excludes debt service on the Series 2005C Refunded Bonds, the Series 2009A Refunded Bonds, the Series 2009C Refunded Bonds and the Series 2014C Refunded Bonds after the date of redemption.
- <sup>(6)</sup>Debt Service in Fiscal Years 2046-2051 is net of cash balance in the First Tier Debt Service Reserve Fund which is required by the terms of the Trust Agreement to be used to retire the last maturities of the outstanding bonds.
- <sup>(7)</sup>Debt service in Fiscal Year 2030 is net of cash balance in the 2014 Second Tier Debt Service Reserve Subaccount that is required by the terms of the Trust Agreement to be used to retire the last maturities of the Series 2014B Bonds. Debt service in Fiscal Year 2037 is net of cash balance in the 2015 Second Tier Debt Service Reserve Subaccount that is permitted by the terms of the Trust Agreement to be used to retire the last maturities of the Series 2015A Bonds.
- <sup>(8)</sup>Debt service in Fiscal Year 2048-2049 is net of cash balance in the Shared Second Tier Reserve Fund that is required by the terms of the Trust Agreement to be used to retire the last maturities of the outstanding North Texas Tollway Authority System Revenue and Refunding Bonds, Series 2017B, the North Texas Tollway Authority System Second Tier Revenue Refunding Bonds, Series 2018, and the Series 2019B Bonds.
- <sup>(9)</sup>Net of direct federal subsidy related to the Series 2010B Subordinate Lien Bonds issued as Build America Bonds. The Federal Subsidy Payment is reduced by 6.2% due to automatic federal deficit reduction spending cuts known as "sequestration" which took effect on March 1, 2013. Sequestration affects certain federally funded programs, including the Federal Subsidy Payments payable to NTTA with respect to the Series 2010B Subordinate Lien Bonds. It is assumed that this reduction in Federal Subsidy Payments continues at the same rate through the final maturity.
- <sup>(10)</sup>Excludes debt service on the Subseries 2010B-2 Refunded Bonds after the date of defeasance.

## Schedule of Estimated Toll Revenues, Expenses, Other Income and Estimated Debt Service Coverage Ratio

For the years 2019-2051  
(unaudited)

FYE (12/31) <sup>(1)</sup>	Estimated Toll Revenues <sup>(2)</sup>	Estimated Other Revenues <sup>(3)</sup>	Estimated Expenses <sup>(4)</sup>	Estimated Net Revenue	Estimated Deposit to RMF <sup>(5)</sup>	Estimated Debt Service on all Debt	Estimated Coverage on 1st Tier Debt	Estimated Coverage on 1st & 2nd Tier Debt	Estimated Coverage on all Debt and RMF Deposits
2019	886,843,140	72,188,818	174,227,341	784,804,617	20,627,996	552,074,062	1.97x	1.52x	1.42x
2020	925,052,800	63,323,098	188,969,308	799,406,590	53,311,498	606,633,562	1.89x	1.45x	1.21x
2021	971,161,200	64,894,310	194,638,387	841,417,123	45,097,017	630,247,499	1.88x	1.45x	1.25x
2022	1,027,216,300	67,468,039	200,477,538	894,206,801	40,819,742	650,079,393	2.02x	1.43x	1.29x
2023	1,078,521,700	69,534,842	206,491,865	941,564,677	50,471,303	666,922,582	2.07x	1.46x	1.31x
2024	1,130,572,800	72,055,800	212,686,621	989,941,979	61,445,305	676,810,530	2.17x	1.52x	1.34x
2025	1,184,828,000	74,045,870	219,067,219	1,039,806,651	51,910,494	676,811,923	2.14x	1.59x	1.43x
2026	1,243,694,600	76,823,685	225,639,236	1,094,879,049	28,869,855	676,811,133	2.22x	1.68x	1.55x
2027	1,299,687,500	79,001,994	232,408,413	1,146,281,081	159,161,694	676,810,061	2.35x	1.76x	1.37x
2028	1,363,044,000	82,000,112	239,380,665	1,205,663,447	124,125,175	676,810,234	2.41x	1.85x	1.51x
2029	1,429,968,700	84,424,979	246,562,085	1,267,831,594	161,068,698	683,995,967	2.67x	1.85x	1.50x
2030	1,500,651,200	87,870,612	253,958,948	1,334,562,864	118,685,387	683,998,074	3.24x	1.95x	1.66x
2031	1,575,053,100	90,657,513	261,577,716	1,404,132,897	134,126,971	683,995,717	3.44x	2.05x	1.72x
2032	1,645,209,100	94,225,722	269,425,048	1,470,009,774	217,851,750	683,995,967	3.26x	2.15x	1.63x
2033	1,717,916,700	96,913,201	277,507,799	1,537,322,102	52,015,614	683,995,817	3.30x	2.25x	2.09x
2034	1,794,102,200	100,638,232	285,833,033	1,608,907,399	331,480,114	683,998,567	3.04x	2.35x	1.58x
2035	1,874,192,100	103,609,322	294,408,024	1,683,393,398	156,944,776	683,999,667	3.05x	2.46x	2.00x
2036	1,958,415,900	107,782,709	303,240,265	1,762,958,344	244,838,620	683,996,617	3.05x	2.58x	1.90x
2037	2,044,559,100	110,979,754	312,337,473	1,843,201,381	153,094,644	683,996,975	2.93x	2.69x	2.20x
2038	2,128,226,800	115,305,962	321,707,597	1,921,825,165	74,459,871	534,996,917	3.99x	3.59x	3.15x
2039	2,215,402,400	118,637,912	331,358,825	2,002,681,487	280,982,509	534,998,117	4.15x	3.74x	2.45x
2040	2,305,985,600	123,161,048	341,299,590	2,087,847,058	83,055,276	534,999,659	4.31x	3.90x	3.38x
2041	2,398,908,700	126,698,369	351,538,577	2,174,068,492	400,311,707	534,995,342	4.47x	4.06x	2.32x
2042	2,495,772,000	131,552,946	362,084,735	2,265,240,211	131,243,692	534,998,232	4.61x	4.23x	3.40x
2043	2,598,695,200	135,397,907	372,947,277	2,361,145,830	336,505,015	231,591,471	11.84x	10.20x	4.16x
2044	2,706,563,600	140,846,309	384,135,695	2,463,274,214	194,854,664	244,579,792	13.34x	10.07x	5.61x
2045	2,816,551,900	144,921,100	395,659,766	2,565,813,234	155,756,994	244,592,852	17.99x	10.49x	6.41x
2046	2,924,696,100	149,434,082	407,529,559	2,666,600,623	387,953,657	108,801,603	251.45x	24.51x	5.37x
2047	3,037,191,800	152,604,872	419,755,445	2,770,041,227	117,510,098	99,192,063	-	27.93x	12.78x
2048	3,153,992,700	157,387,402	432,348,109	2,879,031,993	481,353,695	77,184,634	-	37.30x	5.15x
2049	3,274,336,100	160,665,453	445,318,552	2,989,683,001	144,337,042	-	-	-	20.71x
2050	3,399,774,900	165,868,587	458,678,109	3,106,965,378	323,441,196	-	-	-	9.61x
2051	3,524,072,000	169,336,085	472,438,452	3,220,969,633	245,467,587	-	-	-	13.12x
	<b>\$ 65,630,859,940</b>	<b>\$ 3,590,256,646</b>	<b>\$ 10,095,637,272</b>	<b>\$ 59,125,479,314</b>	<b>\$ 5,563,179,656</b>	<b>\$ 16,326,915,029</b>			

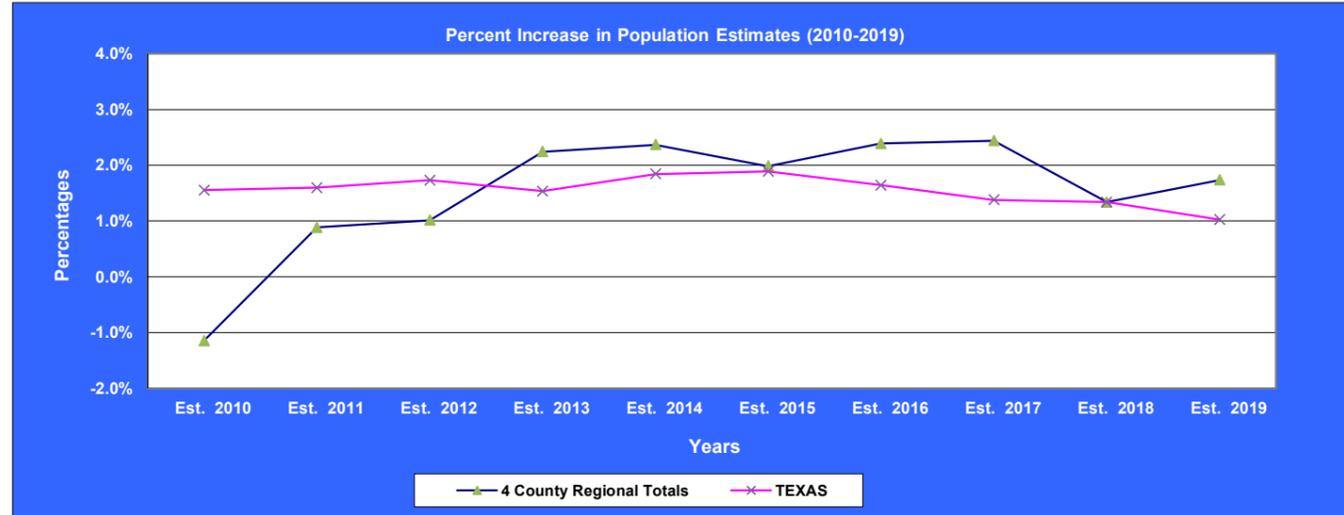
- <sup>(1)</sup>For all Bonds other than the Subordinate Lien Bonds, Fiscal Year debt service includes debt service on the following January 1 (i.e. Fiscal Year 2019 includes debt service on January 1, 2020). With respect to the Subordinate Lien Bonds, Fiscal Year debt service in each year for purposes of the table is assumed to be the required deposit to the CIF Bond Payment Account on January 1 of the following year for the Subordinate Lien Bonds debt service due on August 1 of that year and February 1 of the next succeeding year (e.g. Fiscal Year 2019 includes debt service on August 1, 2020, and February 1, 2021).
- <sup>(2)</sup>Estimated toll revenues are provided by CDM Smith, the Traffic Engineers for the NTTA System. Estimated revenues are projected at levels to be actually collected in each year (i.e. cash basis). Historical toll revenues and historical debt service coverage are reported by the Authority on accrual based revenues as recognized under Generally Accepted Accounting Principles.
- <sup>(3)</sup>Estimated other revenues are provided by NTTA and include interest earnings, video tolling administrative fees and other charges.
- <sup>(4)</sup>Estimated expenses are net of inter-fund transfers and are provided by Atkins North America, the Consulting Engineers for the NTTA System.
- <sup>(5)</sup>Deposits to the RMF are estimated by NTTA based on the current cash balance in the RMF and expenses to be paid out of the RMF are estimated by Atkins North America, the Consulting Engineers for the NTTA System.

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

For the years 2010-2019  
(unaudited)

Fiscal Year	COLLIN	DALLAS	DENTON	TARRANT	Est. Four County Regional Totals	Estimated Texas Totals	Four County Percentage Change (From Prior Years)	Texas
Est. 2010	791,631	2,368,139	637,750	1,809,034	5,606,554	25,242,679	-1.15%	1.55%
Est. 2011	801,740	2,373,870	662,614	1,817,840	5,656,064	25,646,227	0.88%	1.60%
Est. 2012	813,133	2,385,990	683,010	1,831,230	5,713,363	26,089,620	1.01%	1.73%
Est. 2013	834,642	2,453,843	694,050	1,858,921	5,841,456	26,489,464	2.24%	1.53%
Est. 2014	854,778	2,480,331	713,200	1,931,335	5,979,644	26,977,142	2.37%	1.84%
Est. 2015	885,241	2,518,638	734,940	1,959,449	6,098,268	27,486,814	1.98%	1.89%
Est. 2016	914,127	2,553,385	784,840	1,991,639	6,243,991	27,937,492	2.39%	1.64%
Est. 2017	939,585	2,618,148	814,560	2,023,985	6,396,278	28,322,717	2.44%	1.38%
Est. 2018	969,603	2,618,148	836,210	2,057,926	6,481,887	28,701,845	1.34%	1.34%
Est. 2019	1,005,146	2,637,772 (a)	859,064	2,092,419	6,594,401	28,995,881	1.74%	1.02%
<b>Increase Total from Year 2010 to Year 2019</b>	<b>213,515</b>	<b>269,633</b>	<b>221,314</b>	<b>283,385</b>	<b>987,847</b>	<b>3,753,202</b>		

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



(a) 2019 US Census Bureau population estimate not available, 2017 US Census Bureau population used. (<http://quickfacts.census.gov>).

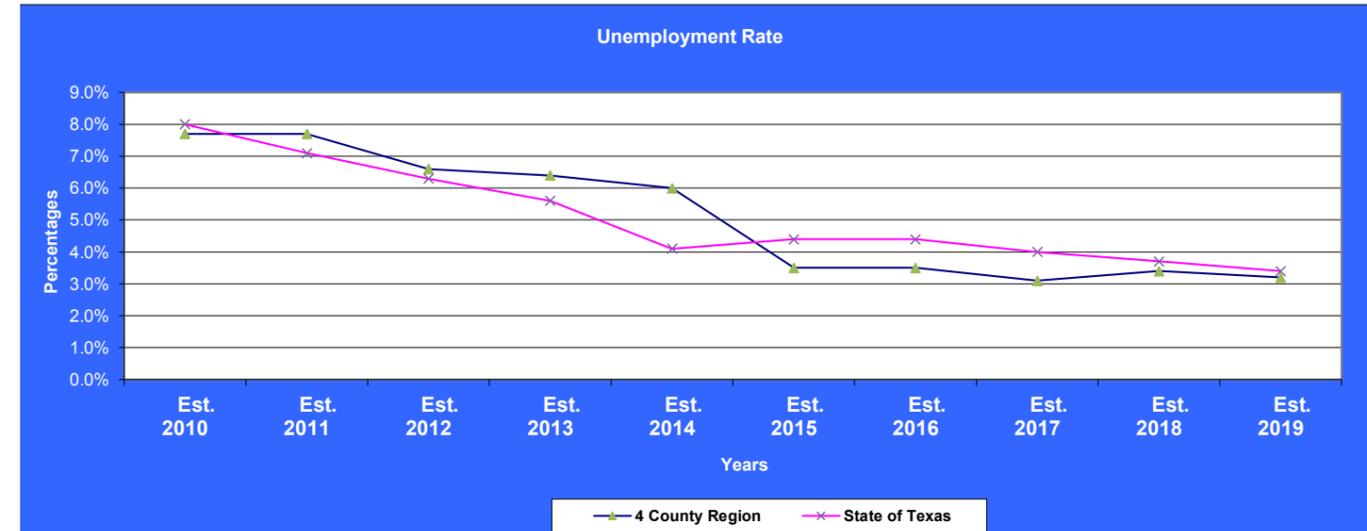
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### Demographic Data-Combined Four County Region and State of Texas Employment Status Estimates

For the years 2010-2019  
(unaudited)

Year	COLLIN	DALLAS	DENTON	TARRANT	Combined Four County Regional		Texas		Unemployment Rate	
					Estimated Totals	Estimated Totals	Four County	Texas		
Est. 2010	390,106	1,063,304	330,122	833,527	2,617,059	10,204,500	7.7%	8.0%		
Est. 2011	397,033	1,082,185	335,984	845,263	2,660,465	10,204,500	7.7%	7.1%		
Est. 2012	413,783	1,102,322	356,467	883,503	2,756,075	11,742,600	6.6%	6.3%		
Est. 2013	330,300	1,509,000	195,500	812,600	2,847,400	11,091,900	6.4%	5.6%		
Est. 2014	346,400	1,558,500	205,800	825,600	2,936,300	11,433,600	6.0%	4.1%		
Est. 2015	366,900	1,616,800	221,400	844,900	3,050,000	11,681,000	3.5%	4.4%		
Est. 2016	381,500	1,662,300	228,800	860,400	3,133,000	11,830,700	3.5%	4.4%		
Est. 2017	398,000	1,691,100	239,600	877,800	3,206,500	12,008,941	3.1%	4.0%		
Est. 2018	416,100	1,711,900	246,500	900,500	3,275,000	12,326,967	3.4%	3.7%		
Est. 2019	431,973	1,750,722	260,926	926,263	3,369,884	12,603,200	3.2%	3.4%		
<b>Increase Total from Year 2010 to Year 2019</b>	<b>41,867</b>	<b>687,418</b>	<b>(69,196)</b>	<b>92,736</b>	<b>752,825</b>	<b>2,398,700</b>				

Source: U.S. Bureau of Labor Statistics



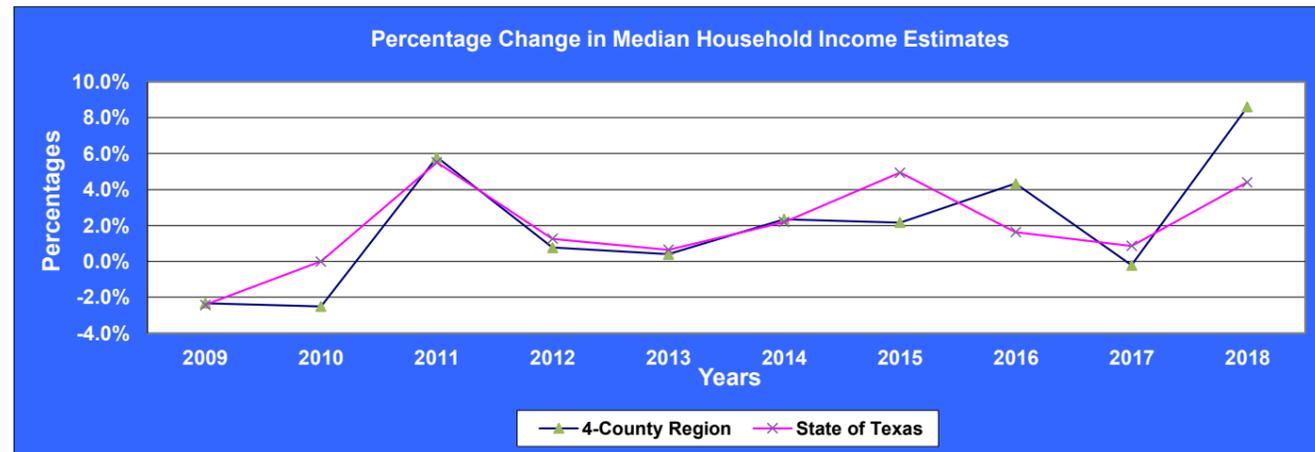
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### Demographic Data-Combined Four County Region and State of Texas Median Household Income Estimates

For the years 2009-2018  
(unaudited)

Year	COLLIN	DALLAS	DENTON	TARRANT	Regional Totals		Percentage Change from Prior Years	
					Estimated Avg Median Income	Estimated Avg Median Income	Four County	Texas
2009	80,545	47,059	70,002	54,647	63,063	48,259	-2.33%	-2.41%
2010	77,862	46,909	68,671	52,482	61,481	48,259	-2.51%	0.00%
2011	82,758	48,942	72,305	56,178	65,046	50,920	5.80%	5.51%
2012	83,238	49,159	72,939	56,859	65,549	51,563	0.77%	1.26%
2013	82,762	49,481	74,155	56,853	65,813	51,900	0.40%	0.65%
2014	86,634	50,118	74,569	58,127	67,362	53,035	2.35%	2.19%
2015	86,823	51,824	75,898	60,735	68,820	55,653	2.16%	4.94%
2016	90,382	54,429	80,841	61,553	71,801	56,565	4.33%	1.64%
2017	90,124	53,626	80,290	62,532	71,643	57,051	-0.22%	0.86%
2018	96,936	59,838	88,384	66,059	77,804	59,570	8.60%	4.42%
<b>Averaged Yearly Totals</b>	<b>\$85,806</b>	<b>\$51,139</b>	<b>\$75,805</b>	<b>\$58,603</b>	<b>\$67,838</b>	<b>\$53,278</b>		

Source: U.S. Census Bureau



(concluded)

### North Texas Four County Region's Top Ten Employers

(unaudited)

2019			
COLLIN COUNTY TOP TEN EMPLOYERS			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT	INDUSTRY
STATE FARM INSURANCE CORPORATE OFFICE	9,985	1.89%	INSURANCE
PLANO INDEPENDENT SCHOOL DISTRICT	6,854	1.30%	EDUCATION
CAPITAL ONE FINANCE	5,979	1.13%	FINANCIAL SERVICES
AT&T	4,300	0.82%	TELECOMMUNICATIONS
DXC TECHNOLOGY	4,000	0.76%	TECHNOLOGY
TOYOTA NORTH AMERICA HQ	3,937	0.75%	AUTOMOTIVE
BANK OF AMERICA HOME LOANS	3,729	0.75%	FINANCIAL SERVICES
BLUE CROSS BLUE SHIELD OF TEXAS	3,100	0.59%	INSURANCE
ERICSSON	2,713	0.51%	TECHNOLOGY
LIBERTY MUTUAL INSURANCE	2,700	0.51%	INSURANCE
<b>Total</b>	<b>47,297</b>	<b>9.01%</b>	
DALLAS COUNTY TOP TEN EMPLOYERS			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT	INDUSTRY
WAL-MART	34,000	1.30%	RETAIL
AMRCORP./AMERICAN AIRLINES	27,000	1.03%	AIRLINE
TEXAS HEALTH RESOURCES	22,296	0.85%	HEALTH CARE PROVIDER
DALLAS INDEPENDENT SCHOOL DISTRICT	19,740	0.75%	EDUCATION
AT&T	17,000	0.65%	TELECOMMUNICATIONS
BAYLOR SCOTT & WHITE HEALTH	16,500	0.63%	HEALTH CARE PROVIDER
THE KROGER GROUP	15,397	0.59%	RETAIL
MEDICAL CITY HEALTHCARE	14,000	0.53%	HEALTH CARE PROVIDER
BANK OF AMERICA	13,500	0.52%	FINANCIAL SERVICES
CITY OF DALLAS	13,350	0.51%	MUNICIPALITY
<b>Total</b>	<b>192,783</b>	<b>7.36%</b>	
DENTON COUNTY TOP TEN EMPLOYERS			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT	INDUSTRY
UNIVERSITY OF NORTH TEXAS	10,894	2.48%	EDUCATION
LEWISVILLE INDEPENDENT SCHOOL DISTRICT	6,500	1.48%	EDUCATION
DENTON ISD	4,417	1.01%	RETAIL
WALMART (DISTRIBUTION CENTER & STORES)	3,722	0.85%	EDUCATION
PETERBILT MOTORS	3,075	0.70%	FINANCIAL SERVICES
FRITO LAY CO	2,500	0.57%	MANUFACTURING
NORTHWEST ISD	2,246	0.51%	AIRLINE
NEBRASKA FURNITURE MART	2,000	0.46%	AUTOMOTIVE
TEXAS WOMAN'S UNIVERSITY	1,875	0.43%	EDUCATION
DENTON COUNTY	1,803	0.41%	EDUCATION
<b>Total</b>	<b>39,032</b>	<b>8.9000%</b>	
TARRANT COUNTY TOP TEN EMPLOYERS			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT	INDUSTRY
AMRCORP./AMERICAN AIRLINES	31,000	2.96%	AIRLINE
TEXAS HEALTH RESOURCES	24,000	2.29%	HEALTH CARE PROVIDER
LOCKHEED MARTIN AERONAUTICS COMPANY	15,200	1.45%	MANUFACTURING
FORT WORTH INDEPENDENT SCHOOL DISTRICT	12,000	1.15%	EDUCATION
NAS- FORT WORTH JOINT RESERVE BASE	10,000	0.95%	MILITARY
ARLINGTON INDEPENDENT SCHOOL DISTRICT	8,500	0.81%	EDUCATION
UNIVERSITY OF TEXAS AT ARLINGTON	7,558	0.72%	EDUCATION
COOK'S CHILDREN HEALTH CARE SYSTEM	6,694	0.64%	HEALTH CARE PROVIDER
JPS HEALTH NETWORK	6,500	0.62%	HEALTH CARE PROVIDER
CITY OF FORTH WORTH	6,161	0.59%	MUNICIPALITY
<b>Total</b>	<b>127,613</b>	<b>12.18%</b>	

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

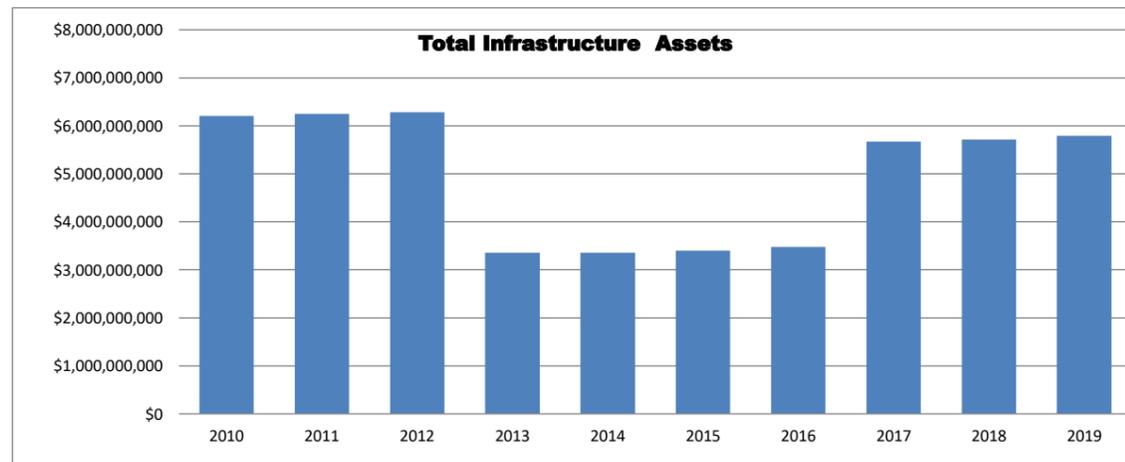
### Contribution to Infrastructure Assets

Last Ten Fiscal Years  
(unaudited)

Year	Beginning Balance	Additions	Deletions/Depreciation	Adjustments	Ending Balance
2010	5,862,415,577	344,755,250	(234,076)	-	6,206,936,751
2011	6,206,936,751	108,559,116	(62,875,322)	-	6,252,620,545
2012	6,252,620,545	98,294,093	(69,521,816)	-	6,281,392,822
2013	6,281,392,822	25,112,483	(2,949,815,326) (1)	-	3,356,689,979
2014	3,356,689,979	11,585,674	(6,159,420)	(8,597,539)	3,353,518,694
2015	3,353,518,694 *	53,581,166	(6,889,660)	136,897	3,400,347,097
2016	3,400,347,097 *	89,901,489	(8,903,986)	(394,739)	3,480,949,861
2017	3,480,949,861 *	132,744,330	(20,559,186)	2,078,500,474 (2)	5,671,635,479
2018	5,671,635,479 *	58,751,927	(16,987,728)	854,827	5,714,254,505
2019	5,714,254,505 *	98,705,222	(10,834,049)	(6,992,667)	5,795,133,011

\* does not include intangible assets and amortization of intangible assets

- (1) Includes reclass of Sam Rayburn Tollway to an intangible asset
- (2) Includes transfer of assets from Special Projects System to NTTA System



### Toll Collection Variance

Last Nine Fiscal Years  
(unaudited)

	Calendar Year 2011	Calendar Year 2012	Calendar Year 2013	Calendar Year 2014	Calendar Year 2015	Calendar Year 2016	Calendar Year 2017	Calendar Year 2018	Calendar Year 2019
Value of invoiced ZipCash transactions uncollected	\$ 44,675,438	\$ 80,413,340	\$ 81,701,089	\$ 81,508,283	\$ 102,767,093	\$ 113,455,688	\$ 112,820,414	\$ 115,432,293	\$ 119,792,083
Value of uninvoiced ZipCash transactions	38,069,555	52,451,196	61,518,201	80,989,673	81,035,240	71,002,940	67,811,698	70,619,752	69,223,428
<b>Total</b>	<b>\$ 82,744,993</b>	<b>\$ 132,864,536</b>	<b>\$ 143,219,290</b>	<b>\$ 162,497,956</b>	<b>\$ 183,802,333</b>	<b>\$ 184,458,628</b>	<b>\$ 180,632,111</b>	<b>\$ 186,052,045</b>	<b>\$ 189,015,511</b>
Value of all AVI and ZipCash transactions adjusted for Vtoll transactions	\$ 493,585,247	\$ 591,226,667	\$ 676,584,037	\$ 795,784,407	\$ 894,514,347	\$ 967,410,315	\$ 1,003,853,246	\$ 1,067,934,551	\$ 1,116,552,191
<b>Toll collection variance</b>	<b>16.75%</b>	<b>22.47%</b>	<b>21.17%</b>	<b>20.42%</b>	<b>20.55%</b>	<b>19.07%</b>	<b>17.99%</b>	<b>17.42%</b>	<b>16.93%</b>

**Notes:**

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

	Calendar Year 2011	Calendar Year 2012	Calendar Year 2013	Calendar Year 2014	Calendar Year 2015	Calendar Year 2016	Calendar Year 2017	Calendar Year 2018	Calendar Year 2019
Percentage of ZipCash transactions (by value) out of all NTTA transactions during period	29.28%	29.43%	28.83%	30.40%	30.42%	28.90%	26.79%	25.28%	24.13%
Percentage of ZipCash transactions (by value) that were invoiced during period	54.70%	62.94%	61.92%	64.61%	68.26%	72.68%	72.93%	71.94%	72.40%
Percentage of ZipCash transactions (by value) that were collected as of period end	41.29%	41.29%	48.75%	45.03%	41.40%	41.30%	39.64%	36.57%	34.17%

**Notes:**

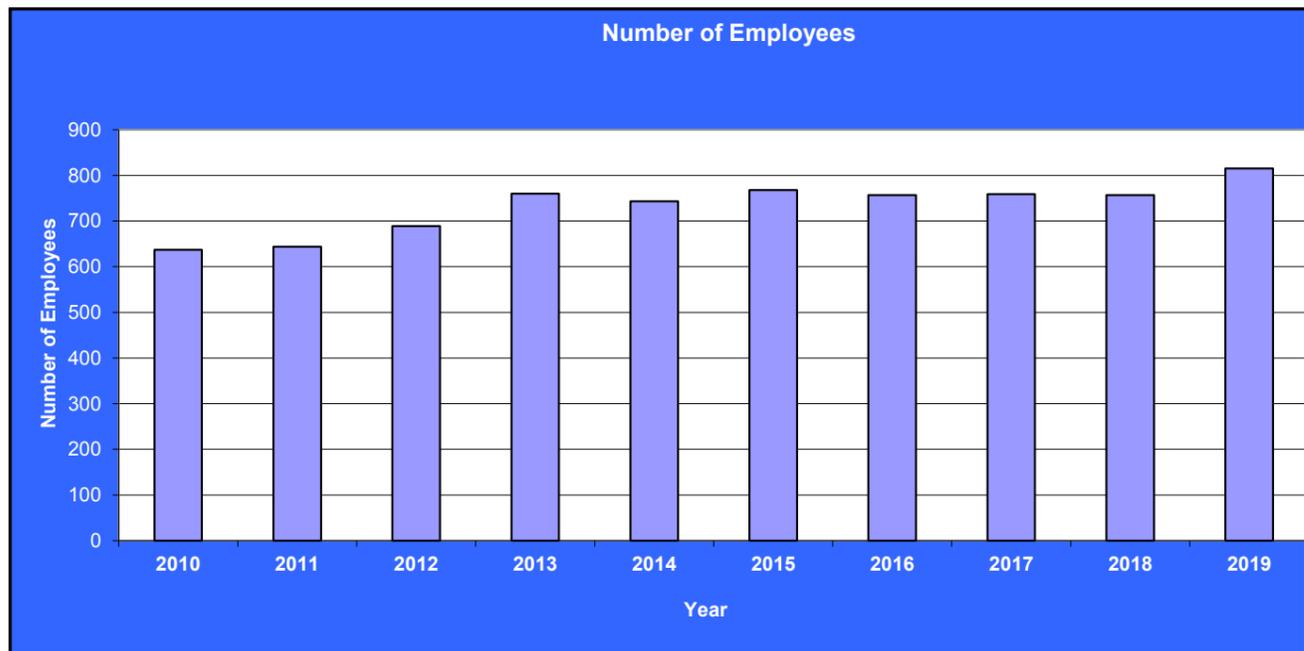
- (1) These calculations use aggregate transaction information from the NTTA System and exclude the Non-Major Enterprise Fund.
- (2) Uninvoiced ZipCash transactions that are paid in the reporting period are deemed to be invoiced and are reflected in the percentages in the preceding table. Uninvoiced ZipCash transactions that are invoiced in subsequent reporting periods, and uncollected invoiced ZipCash transactions that are collected in subsequent reporting periods, are not reflected in the percentages in the preceding table. Furthermore, the percentages in the table do not take into account adjustments for VToll transactions and unassigned ZipCash invoices occurring after such reporting period. ZipCash transactions are not invoiced if the transaction (i) does not meet NTTA's business rules regarding invoicing, or (ii) is not pursuable because a readable license plate image was not captured or because the license plate information could not be matched to the vehicle owner information.
- (3) The calculation does not include ZipCash transactions collected after the end of the calendar year in which the transaction occurred, therefore NTTA reports total ZipCash collections, including invoiced and uninvoiced payments, for the calendar year. This amount includes all ZipCash transactions collected regardless of the date the transactions occurred. Total unaudited ZipCash collections for the NTTA System were approximately \$41.3 million for 2011, \$67.4 million for 2012, \$68.3 million for 2013, \$78.0 million for 2014, \$81.4 million for 2015, \$92.0 million for 2016, \$88.1 million for 2017, \$92.3 million for 2018 and \$93.6 million for 2019.

### Total Lane Miles Operating and Number of Employees by Department

Last Ten Fiscal Years  
(unaudited)

Lane Miles										
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total Lane Miles	685	744	744	744	744	744	745	950	995	1,145

Full-time Equivalent Employees										
Function	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Administration	4	6	7	3	2	2	2	2	3	2
Board	1	1	2	1	1	1	1	1	1	1
Operations	3	3	1	3	5	5	6	7	5	8
Financial Planning and Analysis	0	0	0	0	0	0	6	6	0	0
Strategic & Innovative Solutions	0	0	0	9	6	3	0	0	0	0
Finance	22	24	23	25	19	23	18	18	15	14
Business Diversity	5	5	5	5	5	5	5	5	4	5
Communications/Public Affairs	15	15	14	15	14	15	15	12	12	14
Internal Audit	6	5	8	8	7	7	8	9	8	8
Human Resources	12	12	11	13	12	11	11	11	13	13
Legal Services	5	6	5	5	5	5	7	6	7	6
System & Incident Management	73	79	84	91	94	98	103	112	132	132
Information Technology	61	64	71	77	76	78	83	84	81	86
Vault	2	0	0	0	0	0	0	0	0	0
Procurement Services	11	11	11	11	9	10	10	11	10	11
Government Affairs	3	2	3	3	3	1	2	2	2	3
Toll Collection	4	0	0	0	0	0	0	0	0	0
Maintenance	163	160	181	195	167	160	165	132	127	137
Customer Service Center	232	236	248	279	298	325	295	321	312	349
Project Delivery	10	10	11	13	16	16	16	17	16	17
Treasury Management	5	5	4	4	4	3	4	3	9	9
<b>Total</b>	<b>637</b>	<b>644</b>	<b>689</b>	<b>760</b>	<b>743</b>	<b>768</b>	<b>757</b>	<b>759</b>	<b>757</b>	<b>815</b>



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 December 31, 2019.

### Consolidating Schedule for Capital Improvement Fund

December 31, 2019  
(unaudited)

Schedule 2

Assets	Consolidated Capital Improvement Fund	Capital Improvement Fund	Feasibility Study Fund
<b>Current assets:</b>			
Cash and cash equivalents (note 1(e))	\$ 1,404,306	\$ 1,349,531	\$ 54,775
Investments (note 3)	258,686,848	258,686,848	-
Accrued interest receivable	1,365,540	1,365,540	-
Total current unrestricted assets	<u>261,456,694</u>	<u>261,401,919</u>	<u>54,775</u>
<b>Current restricted assets:</b>			
Restricted assets:			
Restricted for debt service:			
Investments (notes 3 and 5)	35,308,343	35,308,343	-
Total current restricted assets	<u>35,308,343</u>	<u>35,308,343</u>	<u>-</u>
Total current assets	<u>296,765,037</u>	<u>296,710,262</u>	<u>54,775</u>
<b>Noncurrent assets:</b>			
Investments (note 3)	254,206,115	254,206,115	-
Investments restricted for debt service (note 3)	43,881,912	43,881,912	-
Unavailable feasibility study costs	3,784,411	-	3,784,411
Nondepreciable (note 4)	(579,261)	(579,261)	-
Total noncurrent assets	<u>301,293,177</u>	<u>297,508,766</u>	<u>3,784,411</u>
<b>Total assets</b>	<b><u>598,058,214</u></b>	<b><u>594,219,028</u></b>	<b><u>3,839,186</u></b>
<b>Liabilities</b>			
<b>Current liabilities:</b>			
Accrued liabilities	13,115,792	13,115,792	-
Total current unrestricted liabilities	<u>13,115,792</u>	<u>13,115,792</u>	<u>-</u>
<b>Payable from restricted assets:</b>			
Construction-related payables:			
Retainage payable (note 10)	2,953,322	2,953,322	-
Debt service-related payables:			
Accrued interest payable	4,095,833	4,095,833	-
Total current liabilities payable from restricted assets	<u>7,049,155</u>	<u>7,049,155</u>	<u>-</u>
Total current liabilities	<u>20,164,947</u>	<u>20,164,947</u>	<u>-</u>
<b>Noncurrent liabilities:</b>			
Dallas North Tollway System revenue bonds payable	140,000,000	140,000,000	-
Total noncurrent liabilities	<u>140,000,000</u>	<u>140,000,000</u>	<u>-</u>
<b>Total liabilities</b>	<b><u>160,164,947</u></b>	<b><u>160,164,947</u></b>	<b><u>-</u></b>
<b>Net Position</b>			
Net investment in capital assets	3,839,186	-	3,839,186
Restricted for:			
Debt service	7,750,000	7,750,000	-
Unrestricted	426,304,081	426,304,081	-
<b>Total net position</b>	<b><u>\$ 437,893,267</u></b>	<b><u>\$ 434,054,081</u></b>	<b><u>\$ 3,839,186</u></b>

See accompanying independent auditors' report

### Schedule of Budget and Actual Revenues and Expenses on Trust Agreement Basis

Year ended December 31, 2019  
(unaudited)

Schedule 3

	Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Toll revenues	\$ 886,656,100	886,843,140	\$ 187,040
Interest income	19,600,000	28,624,643	9,024,643
Other revenue	43,982,700	43,564,175	(418,525)
Gross revenues	<u>950,238,800</u>	<u>959,031,958</u>	<u>8,793,158</u>
<b>Operating expenses:</b>			
Administration:			
Accounting	1,462,431	1,531,936	69,505
Administration	753,085	703,132	(49,953)
Board	187,275	189,729	2,454
Human Resources	1,630,670	1,346,288	(284,382)
Internal Audit	1,197,807	840,827	(356,980)
Legal Services	3,139,770	2,738,572	(401,198)
Procurement and Business Diversity	1,830,741	1,746,761	(83,980)
Public Affairs	6,973,028	6,711,287	(261,741)
Shared Services	13,193,195	10,670,237	(2,522,958)
Treasury Management	2,655,487	2,125,104	(530,383)
Total Administration	<u>33,023,489</u>	<u>28,603,873</u>	<u>(4,419,616)</u>
Operations:			
Contact Center and Collections	75,495,075	68,298,617	(7,196,458)
Information Technology	28,607,877	26,956,902	(1,650,975)
Maintenance	33,755,172	29,723,506	(4,031,666)
Operations	975,071	1,025,335	50,264
Project Delivery	2,686,502	2,442,142	(244,360)
Traffic & Incident Management	18,236,814	17,176,966	(1,059,848)
Total Operations	<u>159,756,511</u>	<u>145,623,468</u>	<u>(14,133,043)</u>
Total Operating expenses	<u>192,780,000</u>	<u>174,227,341</u>	<u>(18,552,659)</u>
Net revenues available for debt service	<u>\$ 757,458,800</u>	<u>\$ 784,804,617</u>	<u>\$ 27,345,817</u>

See accompanying independent auditors' report

# Schedule of Changes in Net Position by Trust Fund Account

December 31, 2019  
(unaudited)

Schedule 4

	Total	Non-Major Enterprise Fund	North Texas Tollway System	Construction and Property Account	Revenue Account	Operations and Maintenance Account	Reserve Maintenance Account	Consolidation Capital Improvement Fund	Debt Service Accounts		
									Bond Interest Account	Reserve Account	Redemption Account
<b>Net positions, beginning of year</b>	<b>\$ 106,474,842</b>	<b>\$ 48,293,534</b>	<b>\$ 58,181,308</b>	<b>\$ (739,602,063)</b>	<b>\$ 100,377,488</b>	<b>\$ 2,737,336</b>	<b>\$ 45,917,490</b>	<b>\$ 84,721,211</b>	<b>\$ 1,819,414</b>	<b>\$ 446,743,514</b>	<b>\$ 115,466,918</b>
Gross revenues	1,011,262,623	52,230,665	959,031,958	-	935,790,089	285,277	1,263,478	9,810,209	1,829,447	8,926,570	1,126,888
Net increase (decrease) in the fair value of investments	6,539,882	-	6,539,882	-	309,467	-	101,209	434,920	-	5,694,286	-
Interest earned on investments	1,769,637	-	1,769,637	1,769,637	-	-	-	-	-	-	-
Gain (loss) on sale of investments	27,133	-	27,133	-	(6,716)	-	-	(4,338)	-	38,187	-
Gain on Refunding	900,900	-	900,900	-	-	-	-	900,900	-	-	-
Administration and operations expenses	(218,472,455)	(44,245,114)	(174,227,341)	-	-	(174,227,341)	-	-	-	-	-
Depreciation on property and equipment	(9,372,351)	-	(9,372,351)	(9,372,351)	-	-	-	-	-	-	-
Bond interest expense	(486,600,138)	-	(486,600,138)	-	-	-	-	(24,244,400)	(462,355,738)	-	-
BAB's Subsidy	23,706,752	-	23,706,752	-	-	-	-	-	23,706,752	-	-
Arbitrage rebate	(45,275)	-	(45,275)	(45,275)	-	-	-	-	-	-	-
Other nonoperating expenses/ revenue	14,221,526	-	14,221,526	368,963	-	797,309	-	13,055,254	-	-	-
Bond discount/premium amortization	74,231,553	-	74,231,553	73,948,719	-	-	-	282,834	-	-	-
Bond issuance cost amortization	(4,437,637)	-	(4,437,637)	(4,437,637)	-	-	-	-	-	-	-
Loss on disposal of assets	(1,441,660)	-	(1,441,660)	(1,441,660)	-	-	-	-	-	-	-
Interest on loan	(5,044,268)	-	(5,044,268)	(5,044,268)	-	-	-	-	-	-	-
Amortization of deferred amount on refunding (note 5)	(85,697,949)	-	(85,697,949)	(85,697,949)	-	-	-	-	-	-	-
Unallocated infrastructure depreciation	(64,788,513)	-	(64,788,513)	(64,788,513)	-	-	-	-	-	-	-
Construction improvement account expenses	(57,889)	-	(57,889)	(57,889)	-	-	-	-	-	-	-
Reserve maintenance account expenses	(20,627,996)	-	(20,627,996)	-	-	-	(20,627,996)	-	-	-	-
Consolidated capital improvement fund expenses	(43,919,482)	-	(43,919,482)	72,619,059	-	-	-	(116,538,541)	-	-	-
Net revenues	192,154,394	7,985,551	184,168,842	(22,179,164)	936,092,840	(173,144,755)	(19,263,309)	(116,303,162)	(436,819,539)	14,659,043	1,126,888
Interfund transactions:											
Distribution from revenue fund	-	-	-	(162,734,620)	(6,140,966)	23,019,473	(4,053,511)	231,987,791	42,281,115	(7,784,777)	(116,574,505)
Operating transfers (other funds)	-	-	-	-	(931,213,614)	147,994,116	38,053,253	237,487,427	390,718,818	-	116,960,000
Net changes during the year	192,154,393	7,985,551	184,168,842	(184,913,784)	(1,261,740)	(2,131,166)	14,736,433	353,172,056	(3,819,606)	6,874,266	1,512,383
<b>Net positions, end of year</b>	<b>\$ 298,629,235</b>	<b>\$ 56,279,085</b>	<b>\$ 242,350,150</b>	<b>\$ (924,515,847)</b>	<b>\$ 99,115,748</b>	<b>\$ 606,170</b>	<b>\$ 60,653,923</b>	<b>\$ 437,893,267</b>	<b>\$ (2,000,192)</b>	<b>\$ 453,617,780</b>	<b>\$ 116,979,301</b>

# Schedule of Toll Revenue and Traffic Analysis

Year ended December 31, 2019  
(unaudited)

Schedule 5

<b>Toll revenue (*):</b>	
AVI	\$ 784,479,322
ZipCash	181,705,975
Less bad debt expense	(79,342,157)
<b>Total</b>	<b>\$ 886,843,140</b>
<b>Vehicle transactions (*):</b>	
Two-axle vehicle transactions	821,843,525
Multiaxle vehicle transactions	25,549,058
Nonrevenue vehicle transactions	3,487,627
<b>Total</b>	<b>850,880,210</b>
<b>Toll revenue – average per day (*):</b>	
AVI	\$ 2,149,258
Zipcash	280,537
<b>Average</b>	<b>\$ 2,429,795</b>
<b>Vehicle transactions – average per day (*):</b>	
Two-axle vehicle transactions	2,251,626
Multiaxle vehicle transactions	69,997
Nonrevenue vehicle transactions	9,555
<b>Average</b>	<b>2,331,178</b>

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

See accompanying independent auditors' report

# Schedule of Toll Rates

As of December 31, 2019  
(unaudited)

Schedule 6

	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
<b>Dallas North Tollway</b>										
Wycliff Main Lane Gantry (MLP1)	\$1.65	\$2.48	\$3.30	\$4.96	\$4.95	\$7.44	\$6.60	\$9.92	\$8.25	\$12.40
Mockingbird Lane (MOCLN)	\$1.20	\$1.80	\$2.40	\$3.60	\$3.60	\$5.40	\$4.80	\$7.20	\$6.00	\$9.00
Northwest Highway (NORHY)	\$0.82	\$1.23	\$1.64	\$2.46	\$2.46	\$3.69	\$3.28	\$4.92	\$4.10	\$6.15
Royal Lane (ROYLN)	\$0.43	\$0.70	\$0.86	\$1.40	\$1.29	\$2.10	\$1.72	\$2.80	\$2.15	\$3.50
Spring Valley Road (SPVRD)	\$0.29	\$0.56	\$0.58	\$1.12	\$0.87	\$1.68	\$1.16	\$2.24	\$1.45	\$2.80
Belt Line Road (BELRD)	\$0.38	\$0.65	\$0.76	\$1.30	\$1.14	\$1.95	\$1.52	\$2.60	\$1.90	\$3.25
Keller Springs Road (KESRD)	\$0.57	\$0.86	\$1.14	\$1.72	\$1.71	\$2.58	\$2.28	\$3.44	\$2.85	\$4.30
Trinity Mills Main Lane Gantry (MLP2)	\$1.18	\$1.77	\$2.36	\$3.54	\$3.54	\$5.31	\$4.72	\$7.08	\$5.90	\$8.85
Frankford Road (FRARD)	\$0.29	\$0.56	\$0.58	\$1.12	\$0.87	\$1.68	\$1.16	\$2.24	\$1.45	\$2.80
Park Boulevard (PARBD)	\$0.29	\$0.56	\$0.58	\$1.12	\$0.87	\$1.68	\$1.16	\$2.24	\$1.45	\$2.80
Parker Main Lane Gantry (MLP3)	\$1.05	\$1.58	\$2.10	\$3.16	\$3.15	\$4.74	\$4.20	\$6.32	\$5.25	\$7.90
Parker Road (PARRD)	\$0.63	\$0.95	\$1.26	\$1.90	\$1.89	\$2.85	\$2.52	\$3.80	\$3.15	\$4.75
Windhaven Parkway (WINPY)	\$0.50	\$0.77	\$1.00	\$1.54	\$1.50	\$2.31	\$2.00	\$3.08	\$2.50	\$3.85
Spring Creek Parkway (SPCPY)	\$0.35	\$0.62	\$0.70	\$1.24	\$1.05	\$1.86	\$1.40	\$2.48	\$1.75	\$3.10
Legacy Drive (LEGDR)	\$0.29	\$0.56	\$0.58	\$1.12	\$0.87	\$1.68	\$1.16	\$2.24	\$1.45	\$2.80
Headquarters Drive (HEADR)	\$0.29	\$0.56	\$0.58	\$1.12	\$0.87	\$1.68	\$1.16	\$2.24	\$1.45	\$2.80
Gaylor Parkway (GAYPY)	\$0.29	\$0.56	\$0.58	\$1.12	\$0.87	\$1.68	\$1.16	\$2.24	\$1.45	\$2.80
Lebanon Road (LEBRD)	\$0.43	\$0.70	\$0.86	\$1.40	\$1.29	\$2.10	\$1.72	\$2.80	\$2.15	\$3.50
Stone Brook Parkway (STOPY)	\$0.55	\$0.83	\$1.10	\$1.66	\$1.65	\$2.49	\$2.20	\$3.32	\$2.75	\$4.15
Main Street (MAIST)	\$0.89	\$1.34	\$1.78	\$2.68	\$2.67	\$4.02	\$3.56	\$5.36	\$4.45	\$6.70
Eldorado Main Lane Gantry (MLP4)	\$1.85	\$2.78	\$3.70	\$5.56	\$5.55	\$8.34	\$7.40	\$11.12	\$9.25	\$13.90
Eldorado Parkway (ELDPY)	\$0.67	\$1.01	\$1.34	\$2.02	\$2.01	\$3.03	\$2.68	\$4.04	\$3.35	\$5.05
<b>President George Bush Turnpike Eastern Extension (PGBT-EE)</b>										
Miller Road (MLRRD)	\$0.47	\$0.74	\$0.94	\$1.48	\$1.41	\$2.22	\$1.88	\$2.96	\$2.35	\$3.70
Main Street (MAIST)	\$0.63	\$0.95	\$1.26	\$1.90	\$1.89	\$2.85	\$2.52	\$3.80	\$3.15	\$4.75
Merritt Road (MERRD)	\$1.00	\$1.50	\$2.00	\$3.00	\$3.00	\$4.50	\$4.00	\$6.00	\$5.00	\$7.50
Merritt Main Lane Gantry (MLG5)	\$1.89	\$2.84	\$3.78	\$5.68	\$5.67	\$8.52	\$7.56	\$11.36	\$9.45	\$14.20
Miles Road (MLRD)	\$0.40	\$0.67	\$0.80	\$1.34	\$1.20	\$2.01	\$1.60	\$2.68	\$2.00	\$3.35
Firewheel Parkway (FIRPY)	\$0.29	\$0.56	\$0.58	\$1.12	\$0.87	\$1.68	\$1.16	\$2.24	\$1.45	\$2.80
Crist Road (CRIRD)	\$0.29	\$0.56	\$0.58	\$1.12	\$0.87	\$1.68	\$1.16	\$2.24	\$1.45	\$2.80
<b>President George Bush Turnpike</b>										
North Garland Avenue (GARRD)	\$0.33	\$0.60	\$0.66	\$1.20	\$0.99	\$1.80	\$1.32	\$2.40	\$1.65	\$3.00
Campbell Road (CAMRD)	\$0.54	\$0.81	\$1.08	\$1.62	\$1.62	\$2.43	\$2.16	\$3.24	\$2.70	\$4.05
East Renner Road (ERERD)	\$0.87	\$1.31	\$1.74	\$2.62	\$2.61	\$3.93	\$3.48	\$5.24	\$4.35	\$6.55
Shiloh Main Lane Gantry (MLP6)	\$1.31	\$1.97	\$2.62	\$3.94	\$3.93	\$5.91	\$5.24	\$7.88	\$6.55	\$9.85
Shiloh Road (SHIRD)	\$0.67	\$1.01	\$1.34	\$2.02	\$2.01	\$3.03	\$2.68	\$4.04	\$3.35	\$5.05
West Renner Road (WRERD)	\$0.44	\$0.71	\$0.88	\$1.42	\$1.32	\$2.13	\$1.76	\$2.84	\$2.20	\$3.55
Independence Parkway (INDPY)	\$0.45	\$0.72	\$0.90	\$1.44	\$1.35	\$2.16	\$1.80	\$2.88	\$2.25	\$3.60
Cott Road (COIRD)	\$0.68	\$1.02	\$1.36	\$2.04	\$2.04	\$3.06	\$2.72	\$4.08	\$3.40	\$5.10
Cott Main Lane Gantry (MLP7)	\$1.41	\$2.12	\$2.82	\$4.24	\$4.23	\$6.36	\$5.64	\$8.48	\$7.05	\$10.60
Preston Road (PRERD)	\$0.38	\$0.65	\$0.76	\$1.30	\$1.14	\$1.95	\$1.52	\$2.60	\$1.90	\$3.25
Midway Road (MDRD)	\$0.29	\$0.56	\$0.58	\$1.12	\$0.87	\$1.68	\$1.16	\$2.24	\$1.45	\$2.80
Marsh Lane (MARLN)	\$0.38	\$0.65	\$0.76	\$1.30	\$1.14	\$1.95	\$1.52	\$2.60	\$1.90	\$3.25
Frankford Main Lane Gantry (MLP8)	\$1.31	\$1.97	\$2.62	\$3.94	\$3.93	\$5.91	\$5.24	\$7.88	\$6.55	\$9.85
Kelly Boulevard (KELBD)	\$0.69	\$1.04	\$1.38	\$2.08	\$2.07	\$3.12	\$2.76	\$4.16	\$3.45	\$5.20
Josey Lane (JOSLN)	\$0.45	\$0.72	\$0.90	\$1.44	\$1.35	\$2.16	\$1.80	\$2.88	\$2.25	\$3.60
Sandy Lake Main Lane Gantry (MLP9)	\$1.04	\$1.56	\$2.08	\$3.12	\$3.12	\$4.68	\$4.16	\$6.24	\$5.20	\$7.80
Belt Line - Luna Road (NBBERD)	\$0.62	\$0.93	\$1.24	\$1.86	\$1.86	\$2.79	\$2.48	\$3.72	\$3.10	\$4.65
Royal Lane (ROYLN)	\$0.31	\$0.58	\$0.62	\$1.16	\$1.09	\$1.74	\$1.24	\$2.32	\$1.55	\$2.85
Belt Line Road (SBERD)	\$0.60	\$0.90	\$1.20	\$1.80	\$1.80	\$2.70	\$2.40	\$3.60	\$3.00	\$4.50
Belt Line Main Lane Gantry (MLP10)	\$0.60	\$0.90	\$1.20	\$1.80	\$1.80	\$2.70	\$2.40	\$3.60	\$3.00	\$4.50
<b>President George Bush Turnpike - Western Extension</b>										
Confans Road (CONRD)	\$0.29	\$0.56	\$0.58	\$1.12	\$0.87	\$1.68	\$1.16	\$2.24	\$1.45	\$2.80
Shady Grove Road (SHGRD)	\$0.49	\$0.76	\$0.88	\$1.52	\$1.47	\$2.28	\$1.96	\$3.04	\$2.45	\$3.80
Lower Tarrant - North (NLTRD)	\$0.51	\$0.78	\$1.02	\$1.56	\$1.53	\$2.34	\$2.04	\$3.12	\$2.55	\$3.90
Lower Tarrant Mainlane Gantry (MLG11)	\$1.10	\$1.65	\$2.20	\$3.30	\$3.30	\$4.95	\$4.40	\$6.60	\$5.50	\$8.25
Lower Tarrant - South (SLTRD)	\$0.29	\$0.56	\$0.58	\$1.12	\$0.87	\$1.68	\$1.16	\$2.24	\$1.45	\$2.80
Dalworth Street (DALST)	\$0.29	\$0.56	\$0.58	\$1.12	\$0.87	\$1.68	\$1.16	\$2.24	\$1.45	\$2.80
Marshal Drive (MARDR)	\$0.55	\$0.83	\$1.10	\$1.66	\$1.65	\$2.49	\$2.20	\$3.32	\$2.75	\$4.15
Pioneer Parkway (PIOPY)	\$0.70	\$1.05	\$1.40	\$2.10	\$2.10	\$3.15	\$2.80	\$4.20	\$3.50	\$5.25
Arkansas Mainlane Gantry (MLG12)	\$1.16	\$1.74	\$2.32	\$3.48	\$3.48	\$5.22	\$4.64	\$6.96	\$5.80	\$8.70
Arkansas Lane (ARKLN)	\$0.41	\$0.68	\$0.82	\$1.36	\$1.23	\$2.04	\$1.64	\$2.72	\$2.05	\$3.40
Mayfield Road (MAYRD)	\$0.29	\$0.56	\$0.58	\$1.12	\$0.87	\$1.68	\$1.16	\$2.24	\$1.45	\$2.80
<b>Chisholm Trail Parkway</b>										
Gantry 1 (Montgomery) (MLG1)	\$1.51	\$2.27	\$3.02	\$4.54	\$4.53	\$6.81	\$6.04	\$9.08	\$7.55	\$11.35
Edwards Ranch Rd (EDWRD)	\$0.84	\$0.96	\$1.28	\$1.92	\$1.92	\$2.88	\$2.56	\$3.84	\$3.20	\$4.80
Artorson Drive (ARBDR)	\$0.37	\$0.64	\$0.74	\$1.28	\$1.17	\$1.92	\$1.48	\$2.56	\$1.85	\$3.20
Oakmont Blvd (OAKBD)	\$0.53	\$0.80	\$1.06	\$1.60	\$1.59	\$2.40	\$2.12	\$3.20	\$2.65	\$4.00
Altamesa Blvd (ALTBDD)	\$0.83	\$1.25	\$1.66	\$2.50	\$2.49	\$3.75	\$3.32	\$5.00	\$4.15	\$6.25
Sycamore School Rd (SYCRD)	\$0.87	\$1.31	\$1.74	\$2.62	\$2.61	\$3.93	\$3.48	\$5.24	\$4.35	\$6.55
McPherson Blvd (MCPBDD)	\$1.17	\$1.76	\$2.34	\$3.52	\$3.51	\$5.28	\$4.68	\$7.04	\$5.85	\$8.80
Gantry 2 (Sawert Feltz) (MLG2)	\$2.45	\$3.68	\$4.90	\$7.36	\$7.35	\$11.04	\$9.80	\$14.72	\$12.25	\$18.40
Farm Market 1157 (F1157)	\$0.67	\$1.01	\$1.34	\$2.02	\$2.01	\$3.03	\$2.68	\$4.04	\$3.35	\$5.05
County Rd 920 (CR920)	\$0.40	\$0.67	\$0.80	\$1.34	\$1.20	\$2.01	\$1.60	\$2.68	\$2.00	\$3.35
County Rd 913 (CR913)	\$0.41	\$0.68	\$0.82	\$1.36	\$1.23	\$2.04	\$1.64	\$2.72	\$2.05	\$3.40
Farm Market 917 (FM917)	\$0.74	\$1.11	\$1.48	\$2.22	\$2.22	\$3.33	\$2.96	\$4.44	\$3.70	\$5.55
County Rd 904 (CR904)	\$1.11	\$1.67	\$2.22	\$3.34	\$3.33	\$5.01	\$4.44	\$6.68	\$5.55	\$8.35
Gantry 3 (CR 904-Sparks Rd) (MLG3)	\$1.83	\$2.75	\$3.66	\$5.50	\$5.49	\$8.25	\$7.32	\$11.00	\$9.15	\$13.75
Sparks Rd (SPARD)	\$0.32	\$0.59	\$0.64	\$1.18	\$0.96	\$1.77	\$1.28	\$2.36	\$1.60	\$2.95
<b>Sam Rayburn Tollway</b>										
Denton Tap Main Lane Gantry (MLG1)	\$0.63	\$0.95	\$1.26	\$1.90	\$1.89	\$2.85	\$2.52	\$3.80	\$3.15	\$4.75
MacArthur Blvd (MACBD)	\$0.29	\$0.56	\$0.58	\$1.12	\$0.87	\$1.68	\$1.16	\$2.24	\$1.45	\$2.80
Carrollton Parkway (CARPY)	\$0.29	\$0.56	\$0.58	\$1.12	\$0.87	\$1.68	\$1.16	\$2.24	\$1.45	\$2.80
Parker Road (PARRD)	\$0.41	\$0.68	\$0.82	\$1.36	\$1.23	\$2.04	\$1.64	\$2.72	\$2.05	\$3.40
Old Denton Road (OLDRD)	\$0.47	\$0.74	\$0.94	\$1.48	\$1.41	\$2.22	\$1.88	\$2.96	\$2.35	\$3.70
Standridge Drive - South (SSTDR)	\$0.71	\$1.07	\$1.42	\$2.14	\$2.13	\$3.21	\$2.84	\$4.28	\$3.55	\$5.35
Josey Lane - South (SJCLN)	\$0.86	\$1.29	\$1.72	\$2.58	\$2.58	\$3.87	\$3.44	\$5.16	\$4.30	\$6.45
Josey Main Lane Gantry (MLG2)	\$1.62	\$2.43	\$3.24	\$4.86	\$4.86	\$7.29	\$6.48	\$9.72	\$8.10	\$12.15
Standridge Drive - North (NSTDR)	\$0.91	\$1.37	\$1.82	\$2.74	\$2.73	\$4.11	\$3.64	\$5.48	\$4.55	\$6.85
Josey Lane - North (NJCLN)	\$0.76	\$1.14	\$1.52	\$2.28	\$2.28	\$3.42	\$3.04	\$4.56	\$3.80	\$5.70
Plano Parkway (PLAPY)	\$0.60	\$0.90	\$1.20	\$1.80	\$1.80	\$2.70	\$2.40	\$3.60	\$3.00	\$4.50
Spring Creek Parkway (SPCPY)	\$0.30	\$0.57	\$0.60	\$1.14	\$0.90	\$1.71	\$1.20	\$2.28	\$1.50	\$2.85
Preston Road (PRERD)	\$0.29	\$0.56	\$0.58	\$1.12	\$0.87	\$1.68	\$1.16			

### Schedule of Historical Traffic, Toll Revenues and Net Revenues

Year Ended December 31, 2019  
(unaudited)

#### Historical Traffic and Toll Revenue

Schedule 7

The table below sets forth the annual revenue vehicle transactions and gross toll revenue with respect to the Dallas North Tollway System for the ten calendar years 2010 through 2019:

Year	Annual revenue vehicle transactions (unaudited)	Annual toll revenue
2010 (1)	481,913,338	366,597,323
2011 (2)	513,454,344	402,569,534
2012	585,051,845	485,463,608
2013	610,129,737	525,458,723
2014	644,669,523	580,045,215
2015	676,484,779	617,488,044
2016	703,094,602	665,212,316
2017	723,247,591	712,551,456
2018	827,610,415	841,491,016
2019	847,392,583	886,843,140

- (1) Four major direct connectors at SRT/US75 interchange were opened during 2010
- (2) PGBT EE mainlanes from SH 78 to IH 30 opened in December 2011

#### Historical Net Revenues

The table set forth below shows the Net Revenues for debt service (as defined by Trust Agreement) of the Dallas North Tollway System for the ten calendar years 2010 through 2019:

Year	Toll revenue	Current expenses	Investment and other earnings	Net revenues	Coverage
2010	366,597,323	95,709,839	30,086,350	300,973,835	1.61
2011	402,569,534	99,324,590	41,161,515	344,406,459	1.77
2012	485,463,608	106,236,324	28,832,506	408,059,790	1.47
2013	525,458,723	109,240,378	21,721,506	437,939,851	1.26
2014	580,045,215	115,465,976	28,170,791	492,750,030	1.41
2015	617,488,044	128,107,355	33,019,683	522,400,372	1.48
2016	665,212,316	131,310,220	43,467,901	577,369,997	1.48
2017	712,551,456	145,516,809	49,612,968	616,647,615	1.49
2018	841,491,016	165,549,908	67,692,654	743,633,762	1.37
2019	886,843,140	174,227,341	72,188,818	784,804,617	1.42

See accompanying independent auditors' report

### Schedule of Capitalized Costs by Project

As of December 31, 2019  
(unaudited)

Schedule 8

	Cumulative Total Through December 31, 2019
<b>Dallas North Tollway - 3711</b>	
Preliminary costs	\$ 17,379,879
Right-of-way	49,485,647
Engineering	21,439,097
Administration	2,953,499
Buildings	5,580,003
Land	1,714,934
Roadways	203,765,224
Equipment	771,382
Accumulated depreciation - equipment	(771,382)
<b>Total capitalized costs - Dallas North Tollway</b>	<b>302,318,283</b>
<b>Dallas North Tollway Extension - 3712</b>	
Preliminary costs	6,619,071
Right-of-way	8,557,830
Engineering	25,116,391
Administration	1,413,506
Construction in Progress	22,866,244
Roadways	208,036,201
<b>Total capitalized costs - Dallas North Tollway Extension</b>	<b>272,609,243</b>
<b>Addison Airport Toll Tunnel - 3741</b>	
Preliminary costs	1,244,082
Right-of-way	617,278
Engineering	4,895,697
Administration	295,203
Roadways	16,853,636
<b>Total capitalized cost - Addison Airport Toll Tunnel</b>	<b>23,905,896</b>
<b>President George Bush Turnpike - Segments I - IV - 3721</b>	
Preliminary costs	18,040,104
Right-of-way	76,906,305
Engineering	114,239,012
Construction in Progress	74,295,289
Administration	25,252,891
Buildings	24,016,957
Land	5,578,821
Roadways	658,046,303
Intangibles	44,988,742
Equipment	55,149,860
Accumulated amortization for intangibles	(3,917,298)
Accumulated depreciation for buildings	(11,272,661)
Accumulated depreciation - equipment	(40,279,348)
<b>Total capitalized cost - President George Bush Turnpike - Segments I - IV</b>	<b>1,041,044,977</b>
<b>President George Bush Turnpike - Segment V - 3723</b>	
Preliminary costs	1,596,208
Right-of-way	16,459
Engineering	8,981,476
Administration	235,829
Roadways	75,190,982
<b>Total capitalized cost - President George Bush Turnpike - Segment V</b>	<b>86,020,954</b>
<b>Dallas North Tollway Phase 3 - 3713</b>	
Preliminary costs	5,118,815
Infrastructure - Other	434
Right-of-way	569,830
Engineering	33,329,767
Administration	2,690,663
Construction In Progress	170,986,818
Roadways	200,921,609
<b>Total capitalized cost - Dallas North Tollway Phase 3</b>	<b>413,617,936</b>
<b>Lewisville Lake Toll Bridge - 3761</b>	
Preliminary costs	9,875
Right-of-way	13,177
Engineering	14,360,278
Administration	249,620
Roadways	99,475,304
<b>Total capitalized cost - Lewisville Lake Toll Bridge</b>	<b>114,108,254</b>

### Schedule of Capitalized Costs by Project

As of December 31, 2019  
(unaudited)

Schedule 8

	Cumulative Total Through December 31, 2019
<b>Sam Rayburn Tollway (121 Tollway) - 3751</b>	
Preliminary costs	1,142,464
Right-of-way	15,103,568
Engineering	105,600,483
Administration	21,194,398
Construction in Progress	48,862,816
Roadways	636,958,077
Total capitalized cost – Sam Rayburn Tollway (121 Tollway)	<u>828,861,806</u>
<b>President George Bush Turnpike - Eastern Extension - 3722</b>	
Infrastructure (Other)	30,192
Right-of-way	104,963,159
Engineering	73,157,604
Administration	4,861,209
Roadways	445,503,010
Total capitalized cost – President George Bush Turnpike - Eastern Extension	<u>628,515,174</u>
<b>PGBT Western Ext Constr Fund - 3771</b>	
Right-of-way	69,934
Engineering	11,751,580
Administration	868,289
Roadways	1,039,030,873
Total capitalized cost – PGBT Western Ext Constr Fund - 3771	<u>1,051,720,676</u>
<b>CTP Construction Fund - 3781</b>	
Right-of-way	48,526,364
Engineering	30,925,672
Administration	122,357
Construction in Progress	6,001,688
Roadways	975,907,792
Total capitalized cost - Chisholm Trail Parkway	<u>1,061,483,873</u>
<b>MCLB 1977 Construction Fund - 3731</b>	
Preliminary costs	483,969
Right-of-way	50,778
Engineering	616,968
Administration	379,131
Roadways	7,370,431
Total capitalized cost – MCLB 1977 Construction Fund	<u>8,901,277</u>
<b>2009 A Revenue Bonds Fund - 3601</b>	
Roadways	2,550
Administration	14,600
Total capitalized cost - 2009 A Revenue Bonds	<u>17,150</u>
<b>Dallas North Tollway PH 4B/5A Fund - 3714</b>	
Engineering	2,307,575
Total capitalized cost - Dallas North Tollway Ph 4B/5A	<u>2,307,575</u>
<b>Total</b>	
Infrastructure	30,626
Preliminary costs	51,634,468
Right-of-way	304,880,328
Engineering	446,721,600
Construction in Progress	323,012,854
Administration	60,531,196
Buildings	29,596,959
Land	7,293,755
Roadways	4,567,061,991
Intangibles (net of amortization)	41,071,445
Machinery and Equipment	55,921,243
Accumulated depreciation - equipment	(40,279,348)
Accumulated depreciation - buildings	(11,272,661)
Total capitalized cost as of December 31, 2019	<u>5,836,204,456</u>

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

(concluded)

See accompanying independent auditors' report

### Schedule of Deferred Study Costs - Feasibility Study Fund

Year Ended December 31, 2019  
(unaudited)

Schedule 9

The table below sets forth the accumulated unavailable feasibility study costs, by project, through December 31, 2019 that have not been transferred out of the Feasibility Study Fund into a construction project.

Projects	Accumulated December 31, 2019
Dallas North Tollway:	
Extension Phase 4B/5A	3,660,658
President George Bush Turnpike - East Branch	123,753
	<u>\$ 3,784,411</u>

See accompanying independent auditors' report

