

NORTH TEXAS TOLLWAY SYSTEM

(An Enterprise Fund of the North Texas Tollway Authority)

2013 COMPREHENSIVE ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED DECEMBER 31, 2013





NORTH TEXAS TOLLWAY AUTHORITY

NORTH TEXAS TOLLWAY SYSTEM

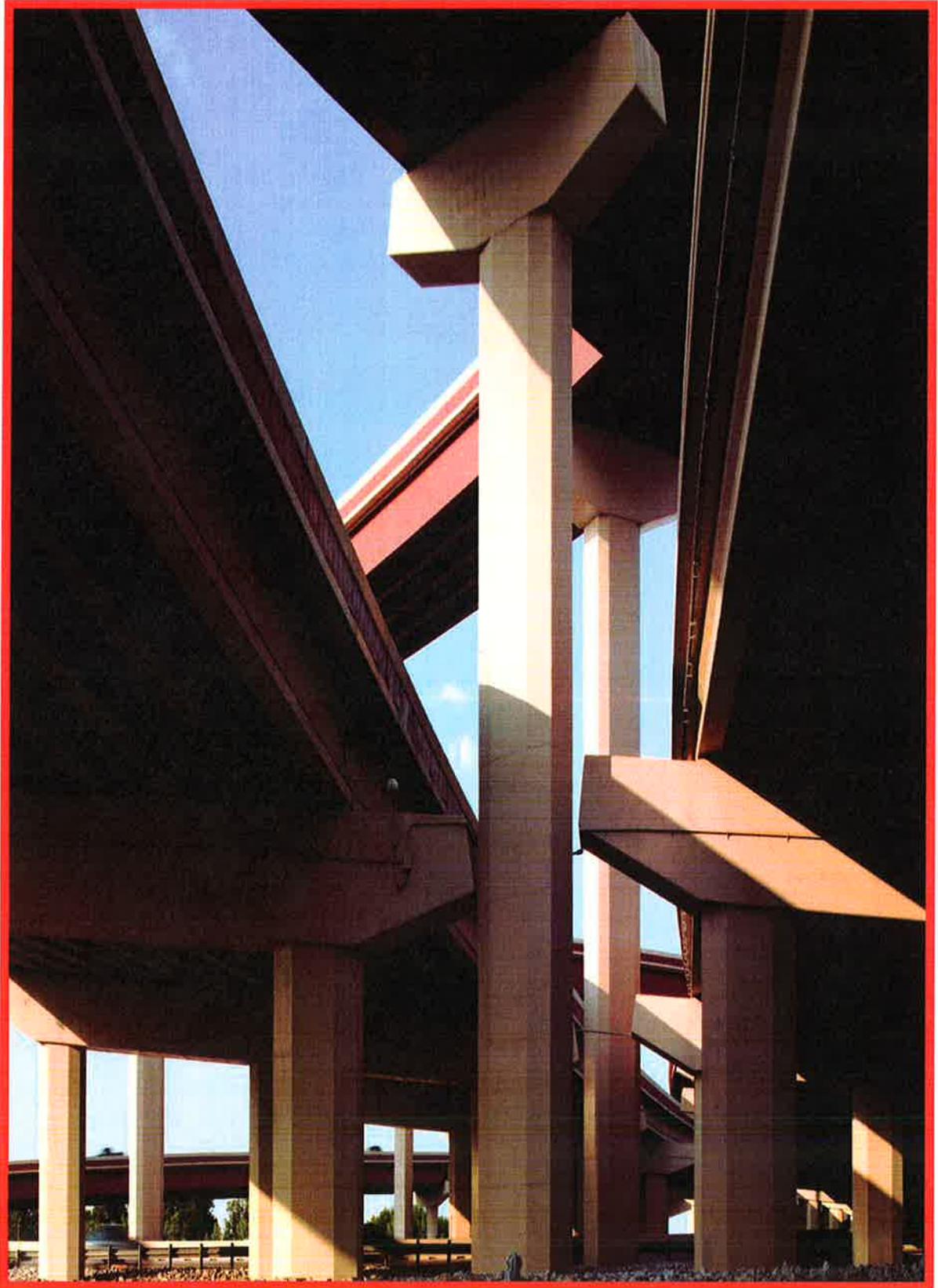
(An Enterprise Fund of the North Texas Tollway Authority)

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended December 31, 2013

**Gerald Carrigan
Executive Director**

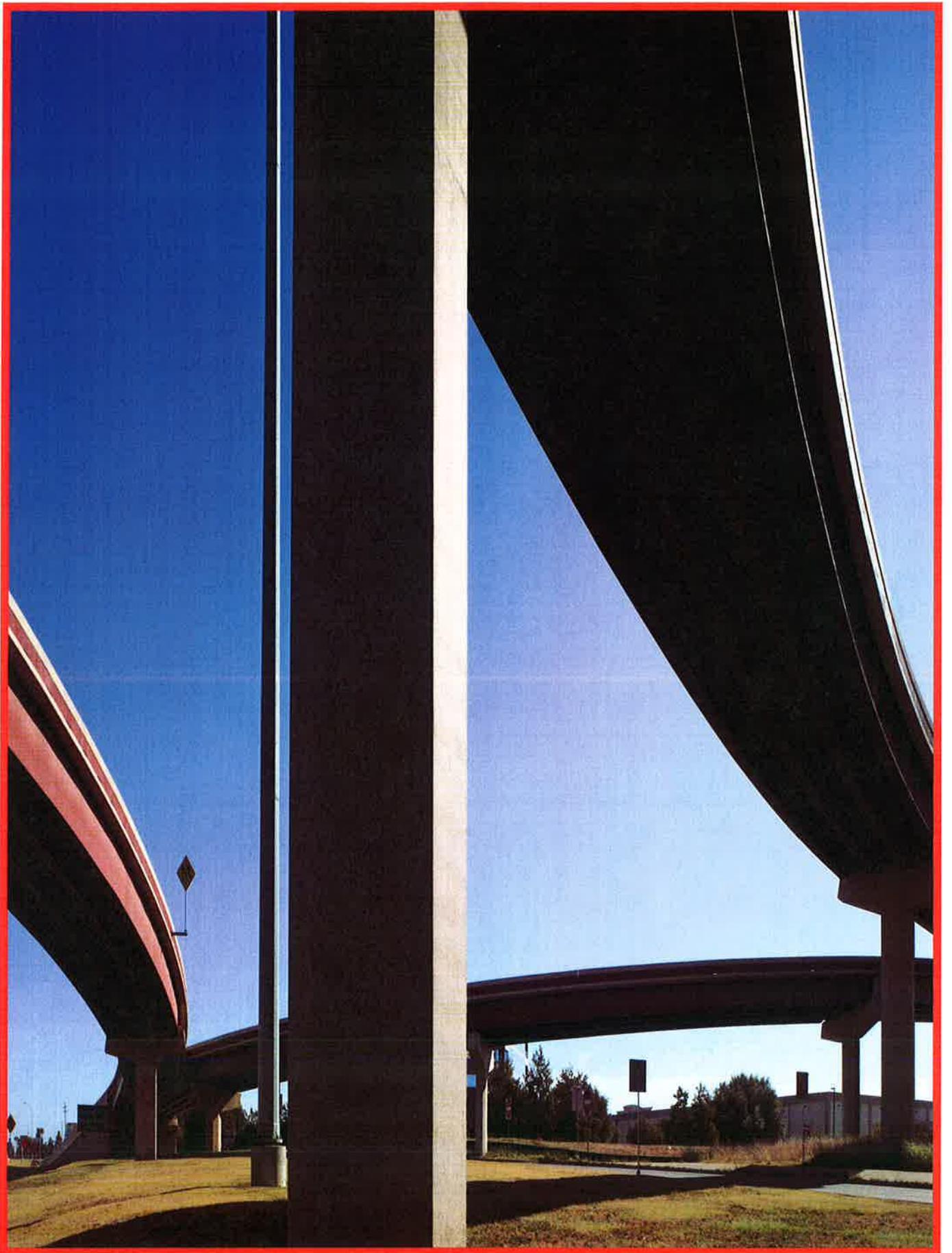
**Horatio Porter
Chief Financial Officer**



NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Comprehensive Annual Financial Report
For the Fiscal Year Ended December 31, 2013

TABLE OF CONTENTS

	Page
INTRODUCTORY SECTION	
Letter of Transmittal.....	1
GFOA Certificate of Achievement.....	4
Organization Chart.....	5
List of Officials	6
FINANCIAL SECTION	
Independent Auditors' Report.....	7
Management's Discussion and Analysis (MD&A).....	10
Basic Financial Statements:	
Statement of Net Positions.....	20
Statement of Revenues, Expenses and Changes in Net Positions.....	22
Statement of Cash Flows.....	23
Notes to Basic Financial Statements.....	25
REQUIRED SUPPLEMENTARY INFORMATION	
Modified Approach-Infrastructure.....	59
Funding Progress Employee Retirement Plan.....	61
Funding Progress Other Post Employment Benefits	61
OTHER SUPPLEMENTARY INFORMATION	
Schedule 1 – Schedule of Net Positions by Trust Accounts.....	64
Schedule 2 – Consolidating Schedule for Capital Improvement Fund (Unaudited).....	66
Schedule 3 – Schedule of Budget and Actual Revenues and Expenses on Trust Agreement Basis (Unaudited).....	67
Schedule 4 – Schedule of Changes in Net Positions by Trust Account (Unaudited).....	68
Schedule 5 – Schedule of Cash Receipts and Disbursements by Trust Account (Unaudited).....	70
Schedule 6 – Schedule of Toll Revenue and Traffic Analysis (Unaudited).....	72
Schedule 7 – Schedule of Toll Rates (Unaudited)	73
Schedule 8 – Schedule of Historic Traffic, Toll Revenues and Net Revenues (Unaudited).....	74
Schedule 9 – Schedule of Capitalized Costs by Project (Unaudited)	75
Schedule 10 – Schedule of Deferred Study Costs – Feasibility Study Fund (Unaudited)	77
STATISTICAL SECTION (Unaudited)	
Introduction to Statistical Section.....	79
Net Positions by Components.....	80
Statements of Revenues & Expenses and Changes in Net Positions.....	81
Traffic and Toll Revenue.....	82
Toll Rates (by Toll Plazas and Class of Vehicle)	83
Ratio of Outstanding Debt by Type.....	88
Ratio of Revenue-backed Debt Outstanding.....	89
Demographic and Economic Statistical Data.....	90
North Texas Four County Region's Top Ten Employers.....	93
Contribution to Infrastructure Assets.....	94
Toll Revenue Analysis.....	95
Total Lane Miles Operating and Number of Employees by Department.....	96





June 3, 2014

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

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, 2013 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, 2013, including the North Texas Tollway System, and the Non-Trust Agreement Enterprise Fund (NTAE). The System consists of the Dallas North Tollway (DNT), the President George Bush Turnpike (PGBT) including the Eastern Extension, Sam Rayburn Tollway, previously State Highway 121, (SRT), the Mountain Creek Lake Bridge (MCLB), the Addison Airport Toll Tunnel (AATT) and the Lewisville Lake Toll Bridge (LLTB). The NTAE is a fund for Toll Service Agreements (TSA) for managed lanes which presently consist of the managed toll lanes for Interstate Highway 635 (LBJ-635).

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. Crowe Horwath LLP, Certified Public Accountants, has issued an unmodified ("clean") opinion on the North Texas Tollway Authority's System financial statements for the year ended December 31, 2013. This independent auditors' report is located at the front of the financial section of this report.

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

Profile of the North Texas Tollway Authority

The Turnpike Act of 1953 was passed by the legislature and signed into law by Governor Allan Shivers on June 9, 1953 creating the Texas Turnpike Authority for the purpose of building and managing an expressway between Dallas and Fort Worth. After the initial design was completed in December 1954, \$58,000,000 of 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 had already served one 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.

Senate Bill 194 mandated cessation of tolls on the Dallas-Fort Worth Turnpike no later than December 31, 1977 and created a Trust Fund known as the Feasibility Study Trust Fund.

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

Senate Bill 792, passed in 2007 had a dramatic effect on the Authority by giving it the right of first refusal on any proposed toll road project in the North Texas area.

The Board is required by Section 505 of the Amended and Restated Trust Agreement to adopt a preliminary budget of Current Expenses and payments into the Reserve Maintenance Fund on or before the 60th day prior to the end of each Fiscal Year. Copies of the preliminary budget must be filed with the Trustee and mailed to the consulting engineers. A final budget must be adopted by the first day of the next fiscal year.

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 2013, net of bad debt expense were \$525.4 million, representing an increase of 8.2% over 2012 revenues of \$485.5 million. This increased revenue will allow the Authority to preserve current assets, fund capital improvement projects and invest in safety and technology to provide to 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, the Feasibility Study Fund, a revolving fund of the System, and the DFW Turnpike Transition Trust Fund. In prior years, separate, non-GAAP financial statements were prepared and audited for the Feasibility Study Fund and the DFW Turnpike Transition Trust Fund. Management confirms that the financial statements are presented fairly and in all material respects, represent the financial position of the NTTA as of December 31, 2013. Please refer to the Management's Discussion and Analysis (MD&A) on pages 10-19 of this report for a detailed discussion of the NTTA's financial performance.

Economic Development

According to the Dallas Regional Chamber, our region ranks among the top three U.S. metropolitan areas for business expansions, relocations and employment growth. The Dallas-Fort Worth (DFW) region is an innovation hub with a wealth of resources that make it an ideal business climate. The DFW region's attractive quality of life, strong regional and state economy, low cost of living, young and skilled labor force, pro-business mind-set and absence of corporate and personal income taxes all contribute to the thriving DFW location. DFW's young, highly educated workforce of over three million people is growing quickly, providing companies with the abundance of talent they need to make their business a success. Forward-looking companies seeking a friendly and profitable place to do business are discovering our numerous benefits.

Texas' business climate, combined with the attributes and functionality that Dallas currently holds as a major corporate headquarters destination, sends a simple yet compelling message. There is no better region from which to operate a national or global firm today, next year, or even 10 to 20 years from now.

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 2013 was 1.26 times, well above the required levels 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, 2012.

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

Respectfully submitted,


Horatio Porter
Chief Financial Officer



Government Finance Officers Association

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

Presented to

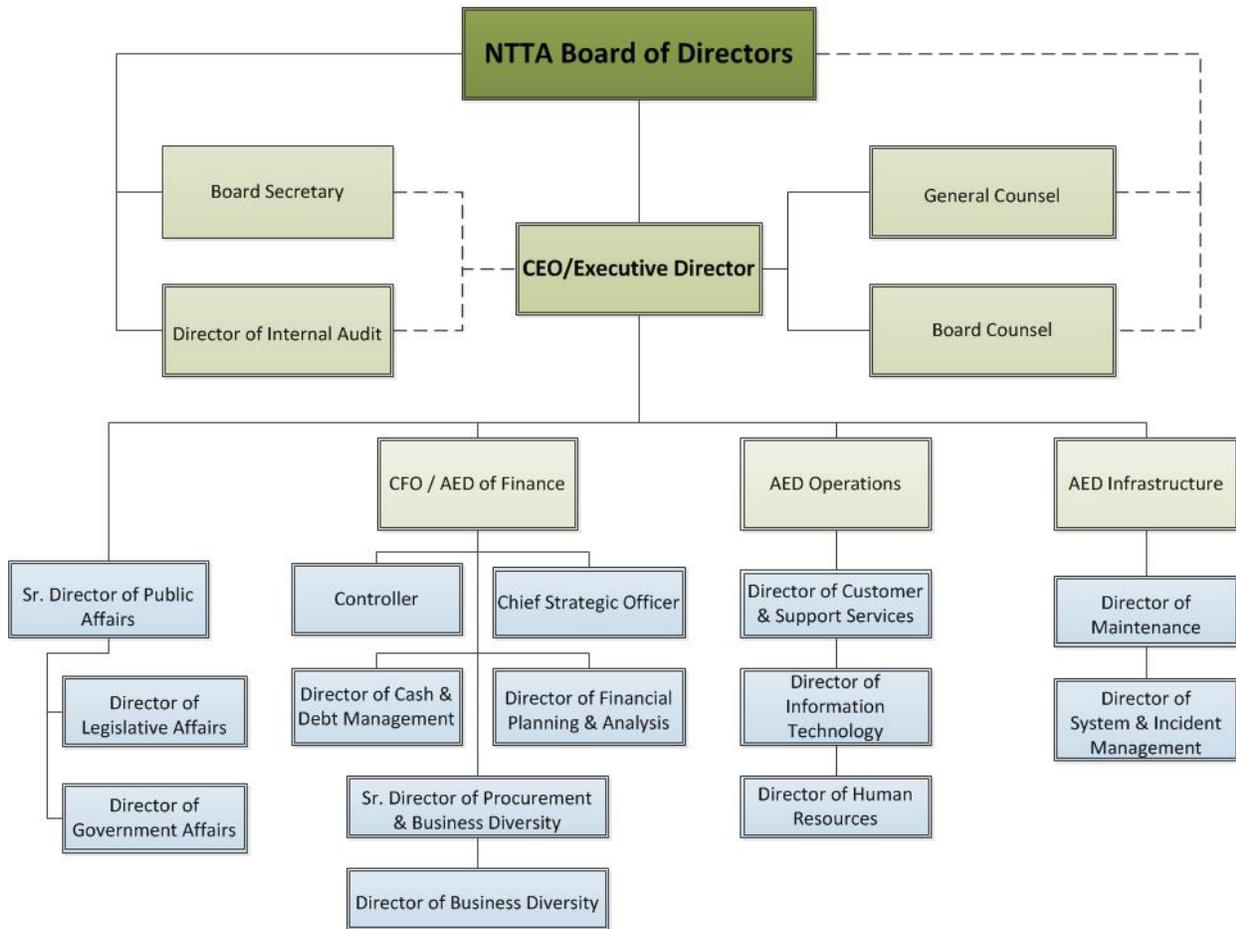
North Texas Tollway Authority

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2012

Executive Director/CEO

Organizational Chart



North Texas Tollway Authority List of Officials

Board of Directors

Kenneth Barr	Chair
Bill Moore	Vice-Chair
William D. Elliott	Director
Matrice Ellis-Kirk	Director
Mojoy Haddad	Director
Gary Kloepper	Director
Michael R. Nowels	Director
George "Tex" Quesada	Director
Jane Willard	Director

Officials

Gerald Carrigan	Executive Director
Thomas Bamonte	Assistant Executive Director General Counsel
James Hoffman	Assistant Executive Director Operations
Elizabeth Mow	Assistant Executive Director Infrastructure
Horatio Porter	Assistant Executive Director Chief Financial Officer
Jeff English	Senior Director, Procurement Services
Lorelei Griffith	Board Secretary
Kimberly Jackson	Senior Director, Public Affairs
Kimberly Tolbert	Chief Strategic Officer
Magdalena Brady	Director, Internal Audit
Anthony Coleman	Director, Business Diversity
Dana Gibson-Boone	Director, Cash and Debt Management
Pete Havel	Director, Legislative Affairs
Eric Hemphill	Director, Maintenance
Marty Lege	Director, Systems and Incident Management
Craig Lockett	Director, Human Resources
Brian Reich	Controller
Carrie Rogers	Director, Government Affairs
John Bannerman	Interim Director, Customer Service
Vacant	Director, Information Technology
Vacant	Director, Financial Planning & Analysis

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 business-type activities, 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, 2013, 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. 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 business-type activities, the major fund and the aggregate remaining fund information of the System as of December 31, 2013, 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 a Matter

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, 2013, and the changes in its financial position and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

As discussed in Note 1(n) to the financial statements, in March 2012, the GASB issued GASB Statement 65, "Items Previously Reported as Assets and Liabilities." The Authority implemented this statement retroactively as of January 1, 2013, resulting in a restated net position. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. This Statement also provides other financial reporting guidance related to the impact of the financial statement elements deferred outflows of resources and deferred inflows of resources, such as changes in the determination of the major fund calculations and limiting the use of the term deferred in financial statement presentations. 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 10-19, Modified Approach – Infrastructure on pages 59-60, and schedules of funding progress 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.

Other 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 10, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The 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 10, 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.


Crowe Horwath LLP

Dallas, Texas
June 3, 2014

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Management's Discussion and Analysis
December 31, 2013

As Management of the North Texas Tollway Authority (Authority), we offer readers the statements for the North Texas Tollway System (System), which consists of the Dallas North Tollway (DNT), the President George Bush Turnpike (PGBT) including the Eastern Extension, Sam Rayburn Tollway (SRT), the Mountain Creek Lake Bridge (MCLB), the Addison Airport Toll Tunnel (AATT), and the Lewisville Lake Toll Bridge (LLTB), which make up the major enterprise fund of the Authority. The Non-Trust Agreement Enterprise Fund (NTAE) is a fund for Toll Service Agreements (TSA) for managed lanes which presently consist of the managed toll lanes for Interstate Highway 635 (LBJ-635). The NTAE is a separate non-major enterprise fund of the System which is accounted for and presented separately. The Authority also includes the Special Projects System (SPS), another enterprise fund of the System which is reported separately and is not included in these financial statements.

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, 2013. This discussion and analysis is designed to assist the reader in focusing on the significant financial issues and activities and to identify any significant changes in financial position. Please read it in conjunction with the financial statements, which immediately follow this section.

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 all of the System's and the NTAE's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net assets are useful indicators of whether the Authority's financial position is improving or deteriorating.

Statement of Revenues, Expenses and Changes in Net Positions: This statement presents information showing the System's and the NTAE's revenues, expenses, and how the net assets changed during the year.

Statement of Cash Flows: This statement presents information about the System's and the NTAE's cash receipts and cash payments, or, in other words, the sources and uses of the System's and the NTAE's cash and the change in cash balance during the fiscal year.

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

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

Financial Results and Analysis

2013 Highlights

- The System's total net position decreased by \$99.6 million over FY 2012, mainly due to an increase in Net investment in capital assets and a decrease in Unrestricted.

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Management's Discussion and Analysis
December 31, 2013

- Total traffic transactions for FY 2013 were 610,129,737, an increase of 25,077,892 or 4.3% over FY 2012 transactions.
- Approximately 2,811,167 toll tags were active at the end of FY 2013, an increase of 234,708 or 9.1% over FY 2012 active toll tags.
- The System received a toll equity grant in the amount of \$160.3 million from the Texas Department of Transportation (TxDOT) for Right of Way acquisition and other costs related to the PGBT Eastern Extension (PGBT EE) in 2007. An additional \$5.6 million of the grant has been recognized as grant revenue for FY 2013 with the remaining \$33.1 million shown as deferred revenue. In return for the grant, the Authority agreed to share 20% of the tolls received on the PGBT Eastern Extension with TxDOT over the life of PGBT Eastern Extension. The extension opened in late December 2011. TxDOT received \$4,224,431 on 21,126,453 transactions in 2012 and \$4,805,564 on 27,849,577 transactions in 2013.
- Toll revenues, net of bad debt expense of \$46.1 million, increased \$40 million or 8.2% over FY 2012, due to the toll rate increase in July 2013 and an increase in traffic.
- The System's Administration and Operations expenses of \$109.2 million were under budget by 6% in FY 2013. (see System's Budget to Actual Schedule - page 67)

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Management's Discussion and Analysis
December 31, 2013

Summary of Operations

Table A-1

Net Position (in millions of dollars)

	2013	2012
Current assets	\$ 372.2	\$ 337.3
Current restricted assets	244.9	429.9
Noncurrent assets		
Restricted investments	424.4	317.1
Other assets	59.6	131.6
Intangible assets	2,856.1	2,920.1
Capital assets	3,373.0	3,377.7
Total assets	7,330.2	7,513.7
Deferred outflow of resources	55.6	42.3
Current liabilities	74.8	79.1
Liabilities payable from restricted assets	225.3	281.7
Long-term debt	7,755.5	7,652.7
Total liabilities	8,055.6	8,013.5
Deferred inflow of resources	4.9	42.3
Net position:		
Investment in capital assets	(4,212.2)	(4,174.2)
Restricted for debt service	760.1	792.6
Restricted for SCA Intangible	2,856.1	2,920.1
Restricted for TSA's	1.7	0.4
Unrestricted	(80.4)	(114.0)
Total net position	\$ (674.7)	\$ (575.1)

The System's net position indicates an unrestricted current ratio of 4.98 and 4.27 for FY 2013 and FY 2012, respectively. Working capital was \$297.4 million and \$258.2 million in FY 2013 and FY 2012, respectively. Total unrestricted current assets were \$372.2 million in FY 2013, compared to \$337.3 million in FY 2012. Total unrestricted and restricted current assets were \$617.1 million at the end of FY 2013. Cash and investments of \$552.4 million represent the largest component of current assets. The remaining \$64.7 million is comprised of accrued interest receivable of \$1.33 million, accounts receivable of \$47 million, interproject/interagency receivables of \$15.2 million, inventory and prepaid expenses of \$1.2 million.

Total unrestricted current liabilities were \$74.8 million at the end of FY 2013, including \$2.9 million for accounts payable and retainage payable, \$40.7 million of deferred revenue and \$23.9 million for accrued liabilities, mainly accrued salaries and vacation liability, \$7 million of interfund payables and \$0.3 million for Tolltag deposits.

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Management's Discussion and Analysis
December 31, 2013

Table A-2
Change in Net Position
(in millions of dollars)

	2013	2012
Revenues		
Tolls	\$ 525.5	\$ 485.5
Other revenues	26.1	20.6
Operating revenues	551.6	506.1
Operating expenses before depreciation	150.3	153.4
Income from operations before depreciation	401.3	352.7
Amortization of intangible (Sam Rayburn Tollway)	(63.9)	(63.9)
Depreciation	(6.2)	(6.0)
Operating income	331.2	282.8
Nonoperating revenue (expenses):		
Gain (Loss) on fair value of investments	(6.3)	5.3
Interest expense	(442.6)	(458.8)
Other	(17.9)	7.0
Net nonoperating revenue (expenses):	(466.8)	(446.5)
Capital contributions		
Capital grant contributions	8.4	8.5
Operating Transfers	0.9	-
BAB's subsidy	26.7	28.9
Change in net position	(99.6)	(126.3)
Net position- beginning, as restated (note 1)	(575.1)	(448.8)
Net position - ending	\$ (674.7)	\$ (575.1)

Total operating revenues were \$551.6 million for FY 2013 and \$506.1 million for FY 2012 (see Table A-2). Toll revenues in FY 2013 were \$525.5 million (net of bad debt expense of \$46.1 million), an 8.2% increase over FY 2012 toll revenues of \$485.5 million (net of bad debt expense of \$45.2 million). Traffic on the System continues to grow, with average daily transactions of 1,677,930 and 1,604,470 in FY 2013 and FY 2012, respectively.

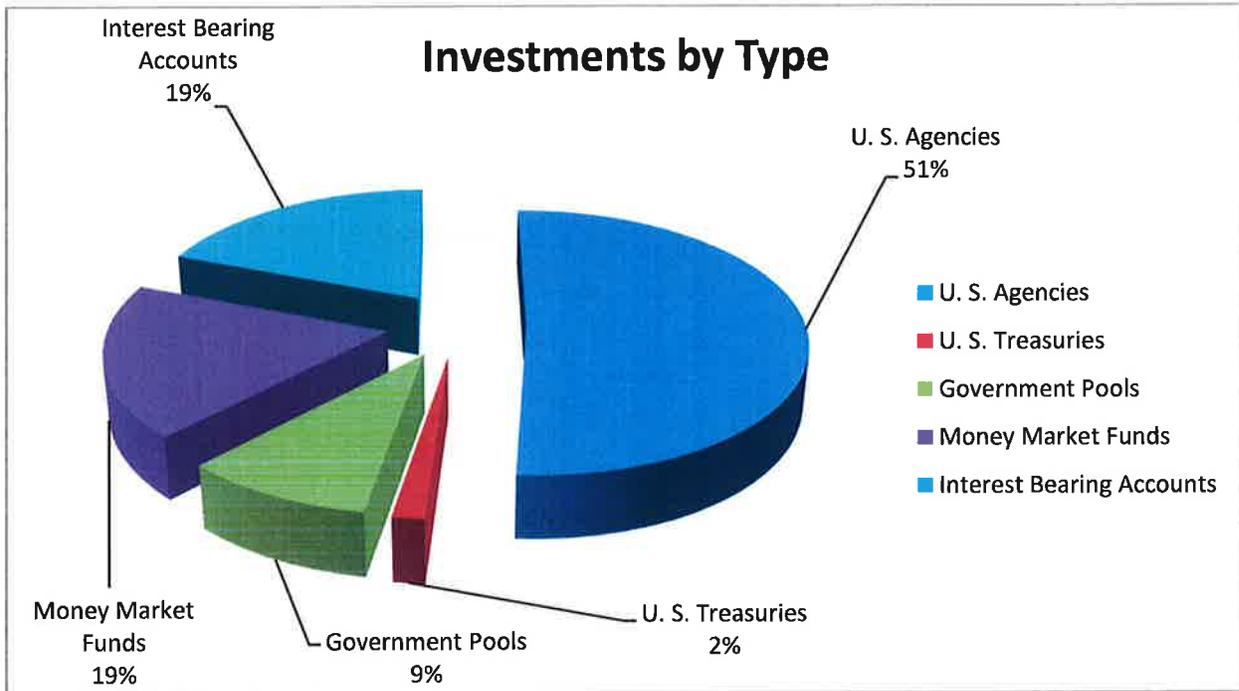
Total operating expenses, including the Reserve Maintenance Fund and the Capital Improvement Fund, before depreciation for FY 2013 were \$150.3 million, representing an 2% decrease from FY 2012 operating expenses of \$153.4 million (See Table A-2). Interest expense, inclusive of capitalized interest, for 2013 was \$442.6 million, a 3.5% decrease from FY 2012 interest expense of \$458.8 million. Debt service coverage for all debt for FY 2013 and FY 2012 were 1.26 and 1.47 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 FY 2013 the debt service coverage for first tier debt was 1.63.

The System's overall financial position decreased in FY 2013, as indicated by the \$99.6 million decrease in net positions.

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Management's Discussion and Analysis
December 31, 2013

Investments: The System's investments at December 31, 2013 and 2012 were approximately \$957.0 million and \$1.01 billion, respectively. Table A-3 chart below shows the types of authorized investments in the December 31, 2013 portfolio.

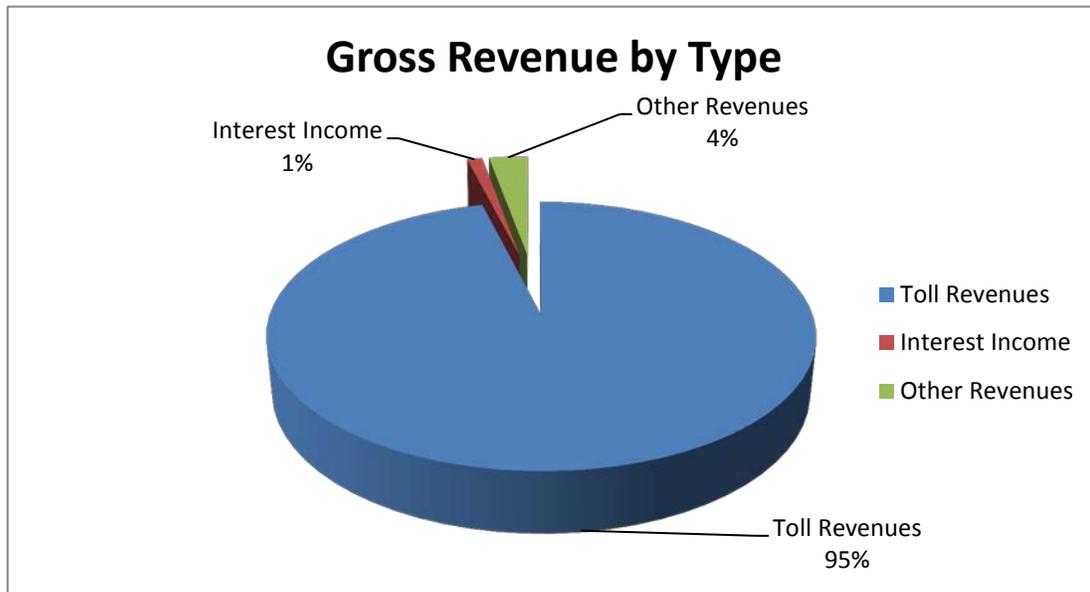
Table A-3



NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Management's Discussion and Analysis
December 31, 2013

Table A-4 below shows the System's revenue in FY 2013 by revenue source type.

Table A-4

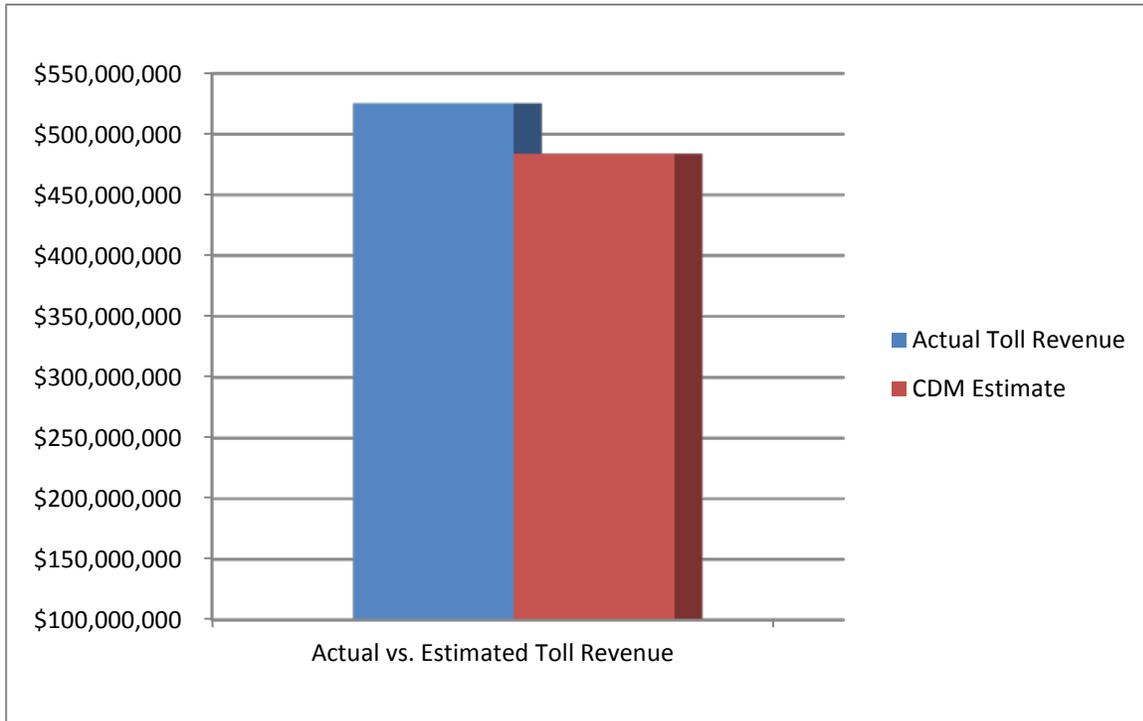


Gross revenues, excluding grant revenue of \$ 8.4 million for FY 2013 were \$551.6 million, a 9% increase over FY 2012 gross revenues of \$506.1 million. Toll revenues of \$525.5 million (net of bad debt expenses of \$46.1 million) account for 95% of total revenue. Interest income (excluding Construction Fund interest) was \$6.2 million or 1%. Other revenue, mostly administrative and statement fees for collection of tolls from violators and interoperability fees, was \$19.9 million, representing 4% of the total.

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Management's Discussion and Analysis
December 31, 2013

Table A-5 below shows the System's actual toll revenue for FY 2013 compared to the estimated toll revenue of the Authority's traffic and toll revenue engineer, CDM Smith Inc. (CDM). Toll revenue was over CDM's estimates by 8.61%.

Table A-5



Traffic on the System continues to grow with approximately 1,677,930 average daily transactions in 2013, up 4.58% from the 1,604,470 daily averages in 2012.

The increases in the toll revenue were largely attributed to:

- The increased growth of population in the North Texas counties (Dallas, Tarrant, Denton & Collin).
- Toll Rate increase in July 2013.

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Management's Discussion and Analysis
December 31, 2013

Engineering Estimates

The annual estimates by the System's traffic and revenue engineer, CDM Smith Inc. (CDM), are displayed in comparison to the actual revenue for the years of 2004 through 2013 in Table A-6 below:

Table A-6
Actual vs. Estimated Revenue

Year	Actual	Estimate	Variance
2013	\$ 525,458,723(*)	\$ 483,799,800	\$ 41,658,774
2012	485,463,608	442,688,000	39,263,359
2011	402,569,354	410,749,700	(8,180,166)
2010	366,597,323	377,132,800	(10,535,477)
2009	290,404,547	265,051,729	25,352,818
2008	240,776,791	262,346,900	(21,570,109)
2007	202,675,564	204,491,800	(1,816,236)
2006	191,434,120	197,052,500	(5,618,380)
2005	172,537,345	167,457,300	5,080,045
2004	160,695,030	151,482,500	9,212,530

* net of bad debt expenses (\$46,133,481)

The FY 2013 toll revenue of \$525.5 million increased by 8.2% over FY 2012 actual toll revenue of \$485.5 million. The System's total revenues produced 1.26 debt coverage for all debt. Please see the Historical Debt Coverage Table (A-8) on page 19.

Capital Assets – The Authority's investment in capital assets includes land, buildings, right-of-way, roadway, bridges, equipment, and computer systems. Capital assets at December 31, 2013 were \$3.4 billion, decreasing from FY 2012 by approximately \$4.8 million. 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 2013, the Authority estimated it would need to spend \$21.2 million for infrastructure maintenance and preservation, but actually expended \$15.6 million. 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 2013 assessment, please see the Required Supplementary Information on pages 59 and 60 of this report. The Authority's Condition Index for 2013 is 8.9 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 on the project on its own behalf (September 2008).

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Management's Discussion and Analysis
December 31, 2013

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 general 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 FY 2013, the Authority's total bonded debt outstanding was \$7.59 billion compared to approximately \$7.56 billion in 2012 (See Table A-7). This debt represents bonds secured solely by toll revenue. For detailed information see Note (5) and schedule of revenue bonds outstanding as of December 31, 2013, on page 43.

Table A-7
Revenue Bonds Outstanding
As of FY 2013 and FY 2012

Series	2013	2012
Series 2005C	\$ 178,310,000	\$ 178,310,000
Series 2008A	1,733,205,000	1,734,130,000
Series 2008B	226,930,000	226,930,000
Series 2008D	560,239,885	528,102,853
Series 2008E	215,000,000	215,000,000
Series 2008F	1,000,000,000	1,000,000,000
Series 2008I	277,394,358	260,697,156
Series 2008K	205,000,000	205,000,000
Series 2009A	373,425,000	389,105,000
Series 2009B	825,000,000	825,000,000
Series 2009C	170,730,000	170,730,000
Series 2009D	178,400,000	178,400,000
Series 2010A *	90,000,000	90,000,000
Series 2010B *	310,000,000	310,000,000
Series 2010 Rev Refund	332,225,000	332,225,000
Series 2011A	100,000,000	100,000,000
Series 2011B	268,625,000	268,625,000
Series 2012A	25,930,000	25,930,000
Series 2012B	383,625,000	383,625,000
Series 2012C	101,775,000	101,775,000
Series 2012D	32,815,000	32,815,000
Revenue Bonds Outstanding	<u>\$ 7,588,629,243</u>	<u>\$ 7,556,400,009</u>

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

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Management's Discussion and Analysis
December 31, 2013

Table A-8 sets forth debt service coverage for all Revenue Bonds outstanding for the years 2004 through 2013.

Table A-8
Historical Debt Coverage

Year	Coverage
2013	1.26X
2012	1.47X
2011	1.77x
2010	1.83x
2009	1.56x
2008	1.60x
2007	1.96x
2006	1.98x
2005	1.80x
2004	2.00x

Additionally, part of the construction of the PGBT was funded with the proceeds from a loan in the amount of \$135 million, made by the Texas Department of Transportation in 1995 pursuant to the Intermodal Surface Transportation Efficiency Act of 1991. Interest has been accruing since FY 2000 and annual payments began in FY2004. The FY 2013 payment was \$8.0 million with a due date of January 1, 2013. The amortization schedule for this loan can be found in Note (5) page 49.

On September 1, 2009, the Series 2005C bonds were converted to fixed rate bonds. The outstanding swaps remain legally tied to the Series 2005C Bonds, which have been remarketed to fixed rate. However, the Authority recognized the need for the swaps to be economically tied to variable rate bonds so that the swaps could function properly and generate a reasonable synthetic fixed rate. To that end, the Authority negotiated a letter of credit with JPMorgan and issued \$178,400,000 Series 2009D variable rate bonds on November 5, 2009.

Short-Term Debt - The Authority maintains an approximately \$200 million commercial paper program. No commercial paper was issued in 2013. As of December 31, 2013 there was no outstanding note under the commercial paper program. (Note 5 page 49)

Contacting the NTTA's Financial Management

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

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Statement of Net Position
December 31, 2013

Assets	North Texas Tollway System	Non-Trust Agreement Enterprise Fund	Total
Current assets:			
Cash and cash equivalents (note 3)	\$ 19,713,266	\$ -	\$ 19,713,266
Investments (note 3)	284,623,987	17,757,854	302,381,841
Accounts receivable (net of allowance for uncollectibles) (note 9)	33,535,614	-	33,535,614
Other assets	16,445,564	121,763	16,567,327
Total current unrestricted assets	354,318,431	17,879,617	372,198,048
Current restricted assets:			
Restricted for construction:			
Cash and cash equivalents (notes 3 and 5)	516	-	516
Investments (notes 3 and 10)	77,841,420	-	77,841,420
Accrued interest receivable	149,352	-	149,352
Restricted for debt service:			
Investments (notes 3 and 5)	150,776,784	-	150,776,784
Accrued interest receivable	989,518	-	989,518
Accounts receivable	13,445,825	-	13,445,825
Restricted for Toll Service Agreements (TSA's):			
Investments (notes 3 and 5)	-	1,697,058	1,697,058
Accrued interest receivable	-	50	50
Total current restricted assets	243,203,415	1,697,108	244,900,523
Total current assets	597,521,846	19,576,725	617,098,571
NonCurrent Assets:			
Investments restricted for operations (notes 3 and 5)	64,078,807	-	64,078,807
Investments restricted for debt service (notes 3 and 5)	360,274,046	-	360,274,046
Unearned feasibility study costs	59,634,693	-	59,634,693
Service Concession Arrangement - Intangible asset (note 1(m) (net of accumulated amortization)	2,856,136,304	-	2,856,136,304
Capital assets (note 4) (net of accumulated depreciation)	3,372,954,141	-	3,372,954,141
Total noncurrent assets	6,713,077,991	-	6,713,077,991
Total assets	7,310,599,837	19,576,725	7,330,176,562
Deferred outflow of resources			
Accumulated decrease in fair value of hedging derivatives	27,323,905	-	27,323,905
Loss on refunding	28,245,230	-	28,245,230
Total deferred outflow of resources	55,569,135	-	55,569,135

See accompanying notes to basic financial statements.

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Statement of Net Position
December 31, 2013

Liabilities	North Texas Tollway System	Non-Trust Agreement Enterprise Fund	Total
Current liabilities:			
Accounts payable	\$ 2,876,502	\$ -	\$ 2,876,502
Accrued liabilities	23,878,678	-	23,878,678
Unearned revenue	40,743,608	-	40,743,608
Other	7,203,022	60,651	7,263,673
Total current unrestricted liabilities	<u>74,701,810</u>	<u>60,651</u>	<u>74,762,461</u>
Payable from restricted assets:			
Construction-related payables:			
Retainage payable	1,007,565	-	1,007,565
Unearned grant revenue	33,050,863	-	33,050,863
Debt service-related payables:			
Accrued interest payable	191,089,912	-	191,089,912
Accrued arbitrage rebate payable	73,249	-	73,249
Total current liabilities payable from restricted assets	<u>225,221,589</u>	<u>-</u>	<u>225,221,589</u>
Total current liabilities	<u>299,923,399</u>	<u>60,651</u>	<u>299,984,050</u>
Noncurrent liabilities:			
Other post-employment benefits (note 8)	19,279,087	-	19,279,087
Accumulated increase in fair value of hedging derivatives	27,323,905	-	27,323,905
Loans payable	136,069,850	-	136,069,850
Dallas North Tollway System revenue bonds payable, net of bond discount (premium) costs of \$15,787,159 (note 5)	<u>7,572,842,084</u>	<u>-</u>	<u>7,572,842,084</u>
Total noncurrent liabilities	<u>7,755,514,926</u>	<u>-</u>	<u>7,755,514,926</u>
Total liabilities	<u>8,055,438,325</u>	<u>60,651</u>	<u>8,055,498,976</u>
 Deferred inflow of resources			
Gain on refunding	4,923,605	-	4,923,605
 Net Position			
Net investment in capital assets	(4,212,230,014)	-	(4,212,230,014)
Restricted for:			
Debt service	763,566,930	-	763,566,930
SCA Intangible	2,856,136,304	-	2,856,136,304
TSA's	-	1,697,108	1,697,108
Unrestricted	<u>(101,666,178)</u>	<u>17,818,966</u>	<u>(83,847,212)</u>
Total net position	<u>\$ (694,192,958)</u>	<u>\$ 19,516,074</u>	<u>\$ (674,676,884)</u>

See accompanying notes to basic financial statements.

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Statement of Revenues, Expenses and Changes in Net Position
Year ended December 31, 2013

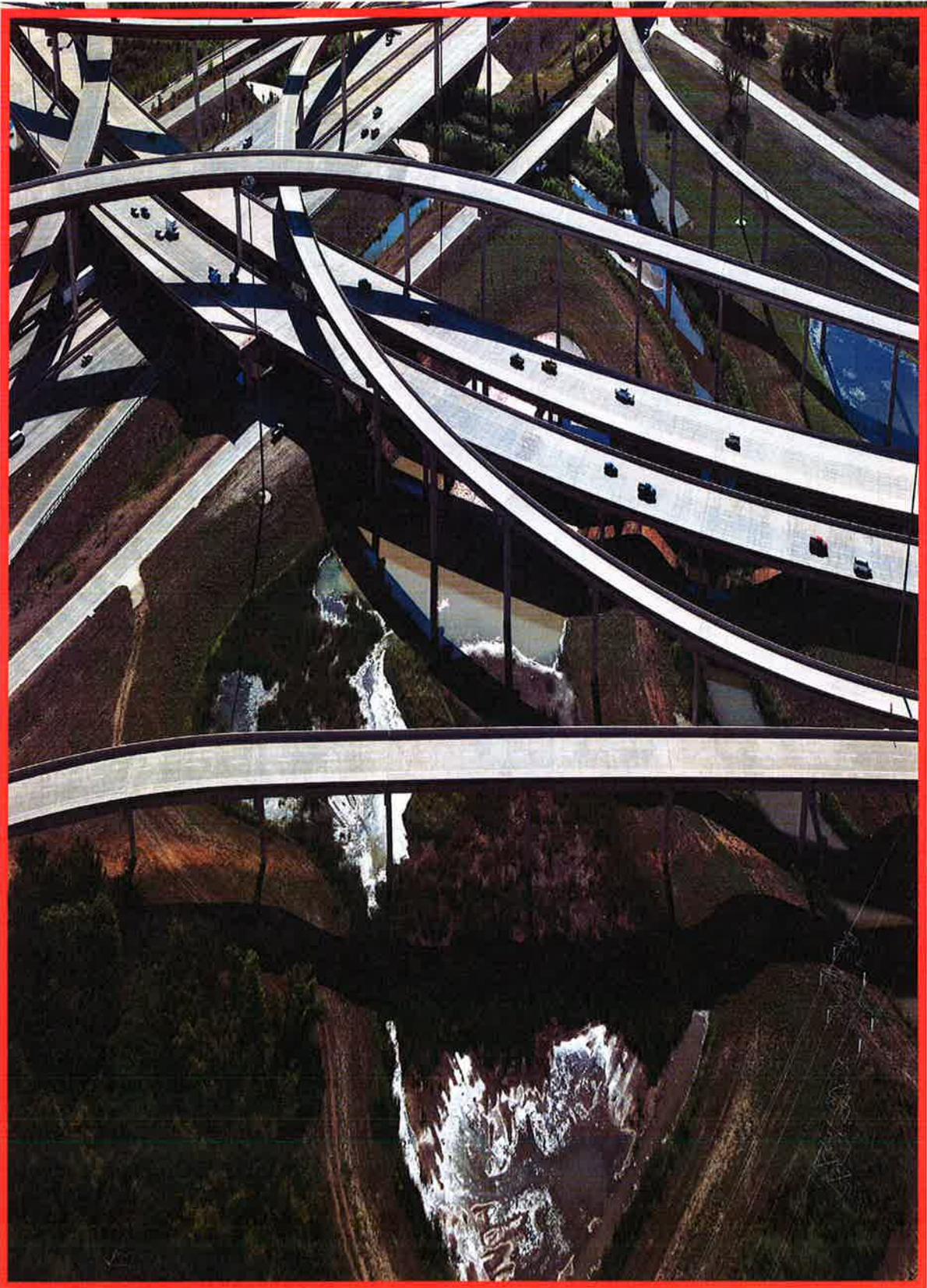
	<u>North Texas Tollway System</u>	<u>Non-Trust Agreement Enterprise Fund</u>	<u>Total</u>
Operating revenues:			
Tolls	\$ 525,458,723	\$ -	\$ 525,458,723
Other	21,721,506	4,417,418	26,138,924
Total operating revenues	<u>547,180,229</u>	<u>4,417,418</u>	<u>551,597,647</u>
Operating expenses:			
General			
Administration	23,017,370	280,760	23,298,130
Operations	86,223,008	2,246,671	88,469,679
Preservation			
Reserve maintenance	10,915,105	-	10,915,105
Capital improvement	27,541,687	-	27,541,687
Amortization of intangible	63,943,350	-	63,943,350
Depreciation	6,203,704	-	6,203,704
Operating expenses	<u>217,844,224</u>	<u>2,527,431</u>	<u>220,371,655</u>
Operating income	<u>329,336,005</u>	<u>1,889,987</u>	<u>331,225,992</u>
Nonoperating revenues (expenses):			
Gain (loss) on fair value of investments	(6,287,411)	-	(6,287,411)
Interest expense	(442,625,824)	-	(442,625,824)
Other	(17,891,948)	-	(17,891,948)
Net nonoperating revenues (expenses)	<u>(466,805,183)</u>	<u>-</u>	<u>(466,805,183)</u>
Income (loss) before capital contributions, subsidies, and transfers	(137,469,178)	1,889,987	(135,579,191)
Capital Grant Contributions	8,389,180	-	8,389,180
Build America Bonds Subsidy (BAB's)	26,674,318	-	26,674,318
Transfers in/out	(16,706,479)	17,626,087	919,608
Change in net position	<u>(119,112,159)</u>	<u>19,516,074</u>	<u>(99,596,085)</u>
Beginning net position, as restated (note 1)	<u>(575,080,799)</u>	<u>-</u>	<u>(575,080,799)</u>
Ending net position	<u>\$ (694,192,958)</u>	<u>\$ 19,516,074</u>	<u>\$ (674,676,884)</u>

See accompanying notes to basic financial statements.

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Statement of Cash Flows
Year ended December 31, 2013

	North Texas Tollway System	Non-Trust Agreement Enterprise Fund	Total
Cash flows from operating activities:			
Receipts from customers and users	\$ 550,767,105	\$ 4,295,605	\$ 555,062,710
Payments to contractors and suppliers	(175,033,647)	(2,186,020)	(177,219,667)
Payments to employees	(43,113,941)	(280,760)	(43,394,701)
Net cash provided by operating activities	<u>332,619,517</u>	<u>1,828,825</u>	<u>334,448,342</u>
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(5,174,864)	-	(5,174,864)
Retirement of bonds	(16,605,000)	-	(16,605,000)
Defeased of commercial paper	(38,300,000)	-	(38,300,000)
Grant proceeds	9,757,611	-	9,757,611
Deferred financing costs	(40,132,610)	-	(40,132,610)
Unearned grant revenue	(5,751,559)	-	(5,751,559)
Other	7,002,149	-	7,002,149
Interest paid on revenue bonds and other debt	(319,957,531)	-	(319,957,531)
Net cash used in capital and related financing activities	<u>(409,161,804)</u>	<u>-</u>	<u>(409,161,804)</u>
Cash flows from investing activities:			
Purchase of investments	(4,183,343,942)	(19,454,912)	(4,202,798,854)
Proceeds from sales and maturities of investments	4,252,360,505	-	4,252,360,505
Capital contributions	(17,626,087)	17,626,087	-
Capital contributions - BABS Subsidy	26,674,318	-	26,674,318
Interest	(126,754)	-	(126,754)
Net cash provided by (used in) investing activities	<u>77,938,040</u>	<u>(1,828,825)</u>	<u>76,109,215</u>
Net increase in cash and cash equivalents	1,395,753	-	1,395,753
Cash and cash equivalents, beginning of the year	18,318,029	-	18,318,029
Cash and cash equivalents, end of the year	<u>19,713,782</u>	<u>-</u>	<u>19,713,782</u>
Classified as:			
Current assets	19,713,266	-	19,713,266
Restricted assets	516	-	516
Total	<u>19,713,782</u>	<u>-</u>	<u>19,713,782</u>
Noncash financing, capital, and investing activities:			
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	329,336,005	1,889,987	331,225,992
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	6,203,704	-	6,203,704
Amortization of intangible	63,943,350	-	63,943,350
Bad debt expense	46,133,481	-	46,133,481
Changes in assets and liabilities:			
Increase in accounts receivable	(44,155,753)	(121,813)	(44,277,566)
Increase in prepaid expenses and other assets	(235,701)	-	(235,701)
Increase in unearned revenue	1,720,533	-	1,720,533
Increase in accrued interest receivable	(111,384)	-	(111,384)
(Increase) decrease in accounts and retainage payable	(70,214,718)	60,651	(70,154,067)
Total adjustments	<u>3,283,512</u>	<u>(61,162)</u>	<u>3,222,350</u>
Net cash provided by operating activities	<u>\$ 332,619,517</u>	<u>\$ 1,828,825</u>	<u>\$ 334,448,342</u>
Noncash financing activities:			
Decrease in fair value of investments	(6,573,172)	-	(6,573,172)
Capital Grant Contributions	8,389,180	-	8,389,180
Build America Bonds Subsidy (BAB's)	26,674,318	-	26,674,318

See accompanying notes to basic financial statements.



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

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2013

NOTE CONTENTS

Note 1. Nature of the Organization and Summary of Significant Accounting Policies	
(a) Reporting Entity.....	26
(b) Basis of Accounting.....	27
(c) Budget	27
(d) Restricted Assets	27
(e) Cash, Cash Equivalents and Investments	29
(f) Capital Assets	29
(g) Compensated Absences.....	29
(h) Retainage Payable.....	29
(i) Gain/Loss on Refunding of Revenue Bonds	30
(j) Bond Discounts and Premiums	30
(k) Arbitrage Rebate Payable.....	30
(l) Estimates.....	30
(m) Service Concession Arrangement	30
(n) New Accounting Pronouncements	30
(o) Reclassifications.....	31
Note 2. Legal Compliance - Budgets	31
Note 3. Deposits and Investments.....	32
Note 4. Capital Assets.....	35
Note 5. Revenue Bonds, Commercial Paper, and Loans Payable	
Revenue Bonds	36
SWAP Transactions	45
Commercial Paper	49
Loans Payable	49
Note 6. Employees' Retirement Plan	50
Texas County and District Retirement System	50
401(k) Plan.....	52
Note 7. Risk Management.....	52
Note 8. Other Post Employment Benefits	53
Note 9. Disaggregation of Receivable Balances	56
Note 10. Commitments and Contingencies	56
Note 11. Subsequent Events	57

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

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2013

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

(a) Reporting Entity

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

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

The North Texas Tollway Authority System (the System) is an enterprise fund and does not purport to be the entire activities of the Authority. The System is a turnpike project of the Authority and consists of the Dallas North Tollway (the DNT), the Addison Airport Toll Tunnel (the AATT), the President George Bush Turnpike (the PGBT), the Mountain Creek Lake Bridge (the MCLB), Sam Rayburn Tollway (SRT), and the Lewisville Lake Toll Bridge (the LLTB). The Non-Trust Agreement Enterprise Fund is a nonmajor enterprise fund of the System for Toll Service Agreements (TSA) for managed lanes which presently consist of the managed toll lanes for Interstate Highway 635 (LBJ-635).

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

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

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

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

While the Fiduciary Funds are normally presented separately in the financial statements, the DFW Turnpike Transition Trust Fund is shown as a part of the basic financial statements, since the Trust Fund is immaterial to the financial statements.

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

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2013

(b) Basis of Accounting

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

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

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

The Trust Agreement also requires that certain funds and accounts be established and maintained. The System consolidates these System 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. Revenues are recognized when they are earned, expenses are recorded in the period in which they are incurred.

The costs of studies funded by the Feasibility Study Fund are deferred until such time as the feasibility of the project is determined. If the project is pursued, the Feasibility Study Fund is reimbursed for related study costs from the proceeds of the project's bond issue. However, the study costs associated with projects determined to be unfeasible are removed from the statement of assets and liabilities and written off to expense when approved by the Executive Director.

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

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

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2013

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

- **Construction and Property Fund** – The Construction and Property Fund was created to account for that portion of the proceeds from the sale of the Authority Revenue Bonds, which were required to be deposited with the trustee in order to pay all costs of construction. There also may be deposited in the Construction and Property Fund any monies received from any other source for paying the cost of the Authority.
- **Revenue Fund** – The Revenue Fund was created to account for all revenues (all tolls, other revenues, and income) arising or derived by the Authority from the operation and ownership of the Authority. All revenues of this fund are distributed to other funds in accordance with the Trust Agreement.
- **Non-Trust Agreement Enterprise Fund** – The Non-Trust Agreement Enterprise Fund was created to account for toll service agreements (TSA) revenues separately from revenues that are devoted to the repayment of bonds.
- **Operation and Maintenance Fund** – The Operation and Maintenance Fund was created to account for and pay current operating expenses of the Authority.
- **Reserve Maintenance Fund** – The Reserve Maintenance Fund was created to account for those expenses of maintaining the Authority that do not recur on an annual or shorter basis. As defined in the Trust Agreement, such items include repairs, painting, renewals, and replacements necessary for safe or efficient operation of the Authority or to prevent loss of revenues, engineering expenses relating to the functions of the Authority, equipment, maintenance expenses, and operating expenses not occurring at annual or shorter periods.
- **Capital Improvement Fund** – The Capital Improvement Fund (CIF) was created to account for the cost of repairs, enlargements, extensions, resurfacing, additions, renewals, improvements, reconstruction and replacements, capital expenditures, engineering, and other expenses relating to the powers or functions of the Authority in connection with the Authority, or for any other purpose now or hereafter authorized by law. This CIF fund will also be combined with a revolving fund, called the Feasibility Study Fund to use only to pay the expenses of studying the cost and feasibility and any other expenses relating to; (1) the preparation and issuance of bonds for the acquisition and construction of a proposed turnpike project for the Authority; (2) the financing of the improvement, extension or expansion of an existing turnpike or Authority; (3) private participation, as authorized by law, in the financing of a proposed turnpike project or Authority, the refinancing of an existing turnpike project or Authority or the improvement, extension or expansion of a turnpike project or Authority.
- **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, 2013, 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.

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

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2013

(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 to be investments. The carrying amount of the investments is fair value. The net change in fair value of investments is recorded on the Statement of Revenues, Expenses, and Changes in Net 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 fair value of the item at the date of its donation. This includes costs for infrastructure assets (right-of-way, highways, bridges, and highways and bridges substructures), toll equipment, buildings, land, toll facilities; other related costs, including property and equipment with a value greater than \$5,000 and software with a value greater than \$1,000,000. Highways and bridges substructure includes road sub-base, grading, land clearing, embankments, and other related costs. Also included in capital assets are the costs of certain real estate for right-of-way requirements and administrative and legal expenses incurred during the construction period.

The costs to acquire additional capital assets, which replace existing assets or improve the efficiency of the 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.

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

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

(g) Compensated Absences

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

(h) Retainage Payable

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

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

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2013

(i) Gain/Loss on Refunding of Revenue Bonds

Gain/Loss on refunding of revenue bonds incurred on advance refunding of such bonds relates to the difference between the re-acquisition price and the net carrying amount of the refunded bonds.

The amount is a deferred inflow/outflow and is amortized in a systematic and rational manner over the life of the refunded bonds or the life of the refunding bonds, whichever is shorter.

(j) Bond Discounts and Premiums

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

(k) Arbitrage Rebate Payable

The Tax Reform Act of 1986 imposed additional restrictive regulations, reporting requirements, and arbitrage rebate liability on issuers of tax-exempt debt. This represents interest earnings on bond proceeds in excess of amounts allowed under the Act. This Act requires the remittance to the Internal Revenue Service (IRS) of 90% of the cumulative arbitrage rebate within 60 days of the end of each five-year reporting period following the issuance of governmental bonds. The System's cumulative arbitrage rebate liabilities for the year ended December 31, 2013 are \$73,249.

(l) Estimates

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

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

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

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

	January 1, 2013	Additions	Disposal	Depreciation	December 31, 2013
Roadway	\$ 3,197,211,448	-	-	-	\$ 3,197,211,448
Less accumulated amortization	(277,131,794)	-	-	(63,943,350)	(341,075,144)
Total	\$ 2,920,079,654	-	-	(63,943,350)	\$ 2,856,136,304

(n) New Accounting Pronouncements

GASB Statement No. 61, The Financial Reporting Entity Omnibus modifies certain requirements for inclusion of component units in the financial reporting entity. This statement was effective for financial statements for periods beginning after June 15, 2012. There was no impact of this statement on the System's financial statements.

In the current year, the System implemented Statement 65, Items Previously Reported as Assets and Liabilities. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities.

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

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2013

The System implemented this statement retroactively as of January 1, 2013, resulting in a decrease of net position of (\$75,309,252) as reflected in the financials on pages 22 and 68.

Beginning Net Position as Previously Reported	\$ (499,771,547)
Change in Accounting Principle for Deferred Bond Costs	<u>(75,309,252)</u>
Beginning Net Position as Restated	<u>\$ (575,080,799)</u>

The GASB has issued the following statements which will be effective in future years as described below:

GASB Statement No. 66, an amendment of GASB Statements No.10 and No 62: The objective of this Statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, and No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncement. This standard becomes effective for financial statements for periods beginning after December 15, 2013. The impact on the System's financial statements has not yet been determined.

GASB Statement No. 67, Financial Reporting for Pension Plans—an amendment of GASB Statement No. 25. This Statement replaces the requirements of Statements No. 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans, and No. 50, Pension Disclosures, as they relate to pension plans that are administered through trusts or equivalent arrangements that meet certain criteria. This standard becomes effective for financial statements for periods beginning after June 15, 2013. The impact on the System's financial statements has not yet been determined.

GASB Statement No. 68, Accounting and Financial Reporting for Pension Plans—an amendment of GASB Statement No. 27. This Statement replaces the requirements of Statement No. 27, Accounting for Pensions by State and Local Governmental Employers, as well as the requirements of Statement No. 50, Pension Disclosures, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. This standard becomes effective for financial statements for periods beginning after June 15, 2014. The impact on the System's financial statements has not yet been determined.

GASB Statement No. 69, Government Combinations and Disposals of Government Operations, which is effective for fiscal years beginning after December 15, 2013, establishes accounting and financial reporting standards related to government combinations and disposals of government operations. The impact of this statement on the financial statements on the System's financial statements has not yet been determined.

GASB Statement No. 70, Accounting and Financial Reporting for Non-exchange Financial Guarantees which is effective for fiscal years beginning after June 15, 2013,establishes guidance for governments that extend financial guarantees for the obligations of another government, a not-for-profit entity or a private entity without directly receiving equal or approximately equal value in exchange (a nonexchange transaction). As part of this non-exchange financial guarantee, a government commits to indemnify the holder of the obligation if the entity that issued the obligation does not fulfill its payment requirements. Also, some governments issue obligations that are guaranteed by other entities in a non-exchange transaction. The objective of this Statement is to improve accounting and financial reporting by state and local governments that extend and receive non-exchange financial guarantees. The impact of this statement on the financial statements on the System's financial statements has not yet been determined.

(o) Reclassifications

Certain 2012 financial information has been reclassified to conform to the 2013 presentation. The reclassifications have no impact on the previously reported change in net position.

(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

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

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2013

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 2013.

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 2013.

	2013 (unaudited)
GAAP basis operating income	\$ 329,336,005
Non-construction fund interest income	<u>6,173,619</u>
Gross Income	335,509,624
Add:	
Depreciation	6,203,704
Amortization of intangible	63,943,350
Capital improvement fund expenses	27,541,687
Reserve maintenance fund expenses	<u>10,915,015</u>
Net revenues available for debt service	444,113,380
Bond interest expense, net of capitalized interest	352,086,339
Scheduled principal amount due	<u>-</u>
Calculated debt service requirement	<u>\$ 352,086,339</u>
Coverage ratio for all debt	<u>1.26</u>

(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 December 2012. These investments include obligations of the United States or its agencies and instrumentalities; direct obligations of the State of Texas or its agencies and instrumentalities; collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States; other obligations, the principal and interest of which are unconditionally guaranteed or insured by or backed by the full faith and credit of the State of Texas or the United States or their respective agencies and instrumentalities; obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent;

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

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2013

certificates of deposit issued by a state or national bank; fully collateralized repurchase agreements; commercial paper with a stated maturity of 270 days or fewer from the date of its issuance; no load money market mutual funds that have a dollar-weighted average stated maturity of 90 days or fewer and includes in its investment objectives the maintenance of a stable net asset value of \$1 for each share; and State & Local Government Investment Pools.

The Authority does not invest in financial instruments other than those authorized by the investment policy.

The Authority reports all securities and debt instruments with readily determinable market values to be carried at fair value, with changes in fair value reflected in the Statements of Revenues, Expenses, and Changes in Net Position.

(a) Deposits

The Authority's deposits were fully insured or collateralized at December 31, 2013. The carrying amount of the Authority's deposits was \$19,789,958 and the respective bank balances totaled \$20,599,049. As of December 31, 2013 Federal Depository Insurance Corporation (FDIC) provided \$250,000 of coverage for deposits. All balances in excess of the \$250,000 were fully collateralized in accordance with the Authority's investment policy and the Public Funds Investment Act.

(b) Investments

As of December 31, 2013 the maturity values are as follows:

Description	2013			WAM(*)
	Maturity Value (in Yrs)			
	Fair Value	Less Than 1 Yr	1 Yr or More	
Government Sponsored Entities (GSE):				
Federal Home Loan Bank	\$ 95,766,843	\$ 10,000,900	\$ 85,765,943	
Federal National Mortgage Association	150,201,918	39,358,273	110,843,645	
Federal Agricultural Mortgage Corporation	9,264,510	-	9,264,510	
Federal Farm Credit Bank	64,990,025	-	64,990,025	
Federal Home Loan Mortgage Corporation	168,452,054	30,201,824	138,250,230	
Total GSE	488,675,350	79,560,997	409,114,353	628
Cash	4,603	4,603	-	-
Money Market Funds	179,320,980	179,320,980	-	-
U.S. Treasuries	15,238,500	-	15,238,500	11
Commercial Paper	49,960,800	49,960,800	-	9
Government Pool	41,387,147	41,387,147	-	2 (**)
Interest Bearing Account	182,462,576	182,462,576	-	-
Total Investments	\$ 957,049,956	\$ 532,697,103	\$ 424,352,853	650

*WAM = Weighted Average Maturity (in days)

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

(c) Interest Rate Risk

The Authority does not have a formal policy on Interest Rate Risk. Investment portfolios are designed with the objective of attaining the best possible rate of return commensurate with the Authority's investment risk constraints and the cash flow characteristics of the portfolio. Return on investments, although important, is subordinate to the safety and liquidity objectives. The weighted average yield-to-maturity of the portfolio for December 31, 2013 was 0.780% in comparison to 0.569% in 2012. The weighted average maturity in days was 650 days for 2013, compared to 413 days in 2012. Approximately 56% of the investments are maturing within one year and 44% are maturing one year or greater.

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

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2013

(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, 2013, the Authority invested 0% in Cash, 19% in AAA rated money market funds, 19% in Interest Bearing Accounts, 4% in AAAM rated State and Local Government Pools, 5% in A1/P1 Commercial Paper, 51% in Government Sponsored Entities (GSE) and 2% 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 operating as SEC 2a-7 like pools: TexPool and TexStar. The State Comptroller oversees TexPool, with Federated Investors managing the daily operations of the pool under a contract with the State Comptroller. JPMorgan Investment Management, Inc. and First Southwest Asset Management, Inc serve as co-administrators for TexStar under an agreement with the TexStar board of directors.

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

(e) Concentration of Credit Risk

It is the policy of the Authority to diversify its investment portfolios. Assets held in the particular funds shall be diversified to minimize the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer or a specific class of securities. As of December 31, 2013 investments in Wells Fargo Bank Government Money Market Fund, Regions Bank 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).

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

Construction and Property Account	\$ 77,841,420
Revenue Account	58,264,193
Operations and Maintenance Account	3,059
Reserve Maintenance Account	46,552,687
Consolidated Capital Improvement Account	191,096,202
Bond Interest Account	168,325,403
Bond Reserve Account	395,510,404
Bond Redemption Account	1,676
Enterprise Account	19,454,912
Total investments	<u>\$ 957,049,956</u>

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

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2013

(4) Capital Assets

Capital assets are summarized as follows:

	January 1, 2013	Additions	Disposal	Depreciation	Adjustments	December 31, 2013
Infrastructure network:						
<i>Non-depreciable</i>						
Right-of-way	\$ 252,021,761	\$ 57,879	\$ -	\$ -	\$ 4,204,316	\$ 256,283,956
CIP	2,545,235,198	8,932,172	(2,204,586,530)	-	3,418,183	352,999,023
Roadway	-	2,204,586,530	(29,735,675)	-	-	2,174,850,855
Infrastructure - Other *	527,257,096	4,283,740	-	-	(7,622,499)	523,918,337
Total infrastructure network	3,324,514,055	2,217,860,321	(2,234,322,205)	-	-	3,308,052,171
Property and Equipment						
Land	7,293,755	-	-	-	-	7,293,755
Buildings	17,434,998	12,161,961	-	-	-	29,596,959
Machinery and Equipment	45,637,445	5,541,264	(429,986)	-	-	50,748,723
Less accumulated depreciation						
Buildings	(4,648,569)	-	-	(682,511)	(22,220)	(5,353,300)
Equipment	(28,918,516)	-	429,986	(5,182,019)	22,220	(33,648,329)
	(33,567,085)	-	429,986	(5,864,530)	-	(39,001,629)
Total property and equipment	36,799,113	17,703,225	-	(5,864,530)	-	48,637,808
Total Capital Assets	3,361,313,168	2,235,563,546	(2,234,322,205)	(5,864,529)	-	3,356,689,979
Intangibles						
Intangibles	17,461,821	289,861	-	-	-	17,751,682
Less Amortization	(1,027,627)	-	-	(459,893)	-	(1,487,520)
Total Intangible Assets	16,434,194	289,861	-	(459,893)	-	16,264,162
Total Capital & Intangible Assets	\$3,377,747,362	\$2,235,853,407	\$(2,234,322,205)	\$ (6,324,423)	\$ -	\$ 3,372,954,141

* Includes capitalized interest net of interest earnings. Total bond interest costs incurred amounted to \$387,984,552 during the year ended December 31, 2013.

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

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2013

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

Revenue Bonds

The Authority has issued and refunded various Revenue Bond Series to construct the Authority 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 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, 2013.

Series 2005C:

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

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

The refunding resulted in a decrease of \$85,851,214 in the aggregate debt service between the refunding debt and the refunded debt. The difference between the reacquisition price and the net carrying amount of the Series 1995 Bonds (\$14,207,535) was deferred and is being amortized over the stated term of the Series 2005C Refunding Bonds. This amount was adjusted due to the remarketing. The Authority obtained a present value loss of \$13,637,745 in conjunction with the remarketing. The new difference between the reacquisition price and the net carrying amount on the 2005C bonds that were remarketed is (\$8,025,086). This amount was deferred and is being amortized over the stated term of the Series 2005C Bonds. Amortization of the deferred outflow in resources on the refunding was \$581,259 for the year ended December 31, 2013. The deferred outflow in resources ending balance for the year ended December 31, 2013 was (\$5,506,297).

Series 2008A:

The \$1,770,285,000 North Texas Tollway Authority Revenue Refunding Bonds, Series 2008A were issued on April 3, 2008 for the purpose of refunding \$58,760,000 of Series 2003C Tender Bonds, \$71,000,000 of Series 2005B Bonds and \$1,203,405,000 of the Bond Anticipation Notes that were issued in November 2007. Interest is payable January 1 and July 1, and principal is payable on January 1 of each year. The issue included \$483,665,000 of serial bonds, which began maturing January 1, 2009 and bear interest rates ranging from 4.0% to 6.0%; \$373,810,000 of 5.125% term bonds due January 1, 2028, which are insured by MBIA Insurance Corporation; \$207,910,000 of 5.625% term bonds due January 1, 2033; \$404,900,000 of 5.75% term bonds due January 1, 2040; and \$300,000,000 5.75% term bonds due January 1, 2048.

The aggregate difference in debt service between the refunding bonds and the refunded Bond Anticipation Notes is immeasurable 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 (40 years).

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

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2013

The difference between the reacquisition price and the net carrying amount of the Series 2003C Bonds and the Series 2005B (\$6,964,108) was deferred and is being amortized over the stated term of the Series 2003C Bonds. Amortization of the deferred outflow in resources on the refunding was \$628,569 for the year ended December 31, 2013. The deferred outflow in resources ending balance for the year ended December 31, 2013 was (\$1,353,369).

Series 2008B:

The Authority issued \$237,395,000 in principal amount of North Texas Tollway Authority Revenue Refunding Bonds, Series 2008B on April 3, 2008 for the purpose of refunding \$215,185,000 of Series 2005A Bonds. The issue includes \$53,175,000 in serial bonds, which began maturing January 1, 2009 and bear interest rates ranging from 4.0% to 6.0%; \$62,290,000 of 5.625% term bonds due January 1, 2033 and \$121,930,000 of 5.75% term bonds due January 1, 2040. Interest is payable on January 1 and July 1.

The refunding resulted in an increase of \$105,552,916 in the aggregate debt service between the refunding debt and the refunded debt. This was not an economic refunding but rather a restructuring refunding. The difference between the reacquisition price and the net carrying amount of the Series 2005A Bonds (\$10,487,892) was deferred and is being amortized over the stated term of the Series 2005A Bonds. Amortization of the deferred outflow in resources on the refunding was \$410,945 for the year ended December 31, 2013. The deferred outflow in resources ending balance for the year ended December 31, 2013 was (\$7,984,826). Outstanding principal on the Series 2005A Bonds in escrow is \$205,485,000 on December 31, 2013.

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 immeasurable 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 2008E:

The \$600,000,000 North Texas Tollway Authority Revenue Refunding Bonds, Series 2008E Put Bonds with an Initial Multiannual period, were issued on April 3, 2008 for the purpose of refunding \$12,970,000 of Series 1997 Bonds and \$465,755,000 of the Bond Anticipation Notes that were issued in November 2007. Interest accrues on the Series 2008E Bonds at the Initial Interest Rate, ranging from 5.0% to 5.75% and is payable January 1 and July 1. The Series 2008E Bonds were issued in subseries. These bonds are subject to mandatory tender on the following Mandatory Tender Dates: Subseries 2008E-1 on January 1, 2010, Subseries E-2 on January 1, 2012, and Subseries E-3 on January 1, 2016. On the Mandatory Tender Dates, the Series will be subject to mandatory tender for purchase. The Authority has agreed that the Bonds will be remarketed at the first date on or after the Mandatory Tender Date at which they can be sold in any interest rate mode and at a rate not exceeding 12.00% per annum. In the event they cannot be remarketed and purchased on the Mandatory Tender Date, the mandatory tender will be deemed to have been rescinded and the Series 2008E Bonds will bear interest at the rate of 12.00% per annum from the Mandatory Tender Date until purchased upon a subsequent remarketing. The Series 2009C and Series 2009D Bonds refunded the Subseries 2008E-1 prior to the Mandatory Tender Date.

The aggregate difference in debt service between the refunding bonds and the refunded Bond Anticipation Notes is immeasurable 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). The difference between the reacquisition price and the net carrying amount of the Series 1997 Bonds (\$1,214,490) was deferred and is being amortized over the stated term of the Series 1997 Bonds. Amortization of the deferred outflow in resources on the refunding was

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

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2013

\$43,190 for the year ended December 31, 2013. The deferred outflow in resources ending balance for the year ended December 31, 2013 was (\$43,191).

Series 2008F:

The Authority issued \$1,000,000,000 North Texas Tollway Authority Second Tier Revenue Refunding Bonds, Series 2008F on July 30, 2008 for the purpose of refunding \$739,150,000 of the Bond Anticipation Notes that were issued in November 2007. Interest is payable January 1 and July 1, and principal is payable on January 1. The issue consists of term bonds bearing interest from 5.75% to 6.125% with maturities on January 1, 2031, January 1, 2033 and January 1, 2038.

The aggregate difference in debt service between the refunding bonds and the refunded Bond Anticipation Notes is immeasurable 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 immeasurable due to the fact that the Bond Anticipation Notes were issued as temporary financing (1 year) and the refunding bonds were issued as long term financing (35 years).

Series 2008K:

The \$205,000,000 North Texas Tollway Authority Revenue Refunding Bonds, Series 2008K were issued on November 4, 2008 for the purpose of refunding \$56,135,000 of Bond Anticipation Notes that were issued in November 2007, and \$95,300,000 of Commercial Paper Notes. Interest is payable January 1 and July 1 commencing January 1, 2009. The total consists two subseries of Series 2008K Bonds: \$125,000,000 of 5.75% term bonds, Subseries 2008K-1, due January 1, 2038 and \$80,000,000 of 6.00% term bonds, Subseries 2008K-2, due January 1, 2038. The Subseries 2008K-1 bonds are insured by Assured Guaranty Corp.

The aggregate difference in debt service between the refunding bonds and the refunded Bond Anticipation Notes and Commercial Paper Notes is immeasurable 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 2009A:

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

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

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

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2013

Net proceeds of \$292,507,177 were deposited into an irrevocable trust with an escrow agent to provide for future debt service payment on the refunded Series 1997 bonds, Series 1997A bonds, Series 1998 Bonds and Commercial Paper Notes. As a result, the Series 1997 bonds, a portion of the Series 1997A bonds, a portion of the Series 1998 Bonds, a portion of the Series 2005C bonds and the Commercial Paper notes then outstanding are considered to be defeased and the liability has been removed from the Statement of Net Position. The Authority obtained a present value loss of \$16,920,933.

The refunding resulted in an increase of \$132,339,031 in the aggregate debt service between the refunding debt and the refunded debt. This was not an economic refunding but rather a restructuring refunding. The difference between the reacquisition price and the net carrying amount of the Bonds refunded by 2009A of (\$12,613,456) was deferred and is being amortized over the stated term of the Series 1997 Bonds. Amortization of the deferred outflow in resources on the refunding was \$1,079,432 for the year ended December 31, 2013. The deferred outflow in resources ending balance for the year ended December 31, 2013 was (\$1,079,437).

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, ("BABs") 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%.

Series 2009C:

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

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

The refunding resulted in an increase of \$37,268,508 in aggregate debt service between the refunding debt and the refunded debt. This was not an economic refunding but rather a restructuring refunding. The difference between the reacquisition price and the net carrying amount of the Bonds refunded by 2009C of \$3,984,364 was deferred and is being amortized over the stated term of the Series 2008E-1 and Series 2008G Bonds. Amortization of the deferred inflow in resources on the refunding was (\$163,281) for the year ended December 31, 2013. The deferred inflow in resources ending balance for the year ended December 31, 2013 was \$3,304,027.

Series 2009D:

On November 5, 2009, the Authority issued \$178,400,000 of North Texas Tollway Authority Revenue Refunding Bonds, Series 2009D, for the purpose of refunding a portion of Series 2008E-1 Bonds. The bonds were issued in variable rate mode, with interest payable on the first Business Day of each month, commencing December 1, 2009, and interest rates are reset weekly. The remarketing agent is J.P. Morgan Securities Inc. The stated maturity for this bond is January 1, 2049.

Net proceeds of \$176,710,000 were deposited into an irrevocable trust with an escrow agent to provide for future debt service payment on the refunded Series 2008E-1 bonds. As a result, a portion of the Series 2008E-1 bonds are considered to be defeased and the liability has been removed from the Statement of Net Position. The Authority obtained a present value gain of \$11,463,491.

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

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2013

The refunding resulted in an increase of \$94,234,282 in aggregate debt service between the refunding debt and the refunded debt. This was not an economic refunding but rather a restructuring refunding. The difference between the reacquisition price and the net carrying amount of the 2008E-1 Bonds refunded by 2009D of (\$11,881,769) was deferred and is being amortized over the stated term of the Series 2008E-1 Bonds. Amortization of the deferred outflow in resources on the refunding was \$761,739 for the year ended December 31, 2013. The deferred outflow in resources ending balance for the year ended December 31, 2013 was (\$8,282,775).

On August 1, 2012 the 2009D Bonds changed interest rate modes from the weekly reset with interest due monthly into a Callable Commercial Paper Mode. The Commercial Paper is marketed with a minimum 25 day call at which they are remarketed into a new period. The interest rate is fixed for the period at the time of remarketing. Interest is payable at each call date.

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 ISTEALoan. 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, ("BABs"), 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 ISTEALoan. Interest is payable on February 1 and August 1, commencing Feb 1, 2010

These bonds were issued as Taxable Build America Bonds, ("BABs") and were issued in two Subseries, 2010B-1 and 2010B-2. These bonds are entitled to a direct payment subsidy from the United States Treasury in an amount equal to 35% of the interest due on each payment date. The Authority must request this subsidy prior to each interest payment date. The 2010B-1 Subseries consist of one Term Bond due February 1, 2030 at an interest rate of 8.41%. The 2010B-2 Subseries consist of one Term Bond due February 1, 2030 at an interest rate of 8.91%.

Series 2010:

On December 8, 2010, the Authority issued \$332,225,000 of North Texas Tollway Authority Revenue Refunding Bonds, Series 2010 for the purpose of refunding the \$200,000,000 of 2008H-1 and \$120,000,000 of 2008L-1 bonds which had a mandatory tender of January 1, 2011. Interest is payable January 1 and July 1, commencing July 1, 2011. These bonds were issued as three Term Bonds due January 1, 2034, January 1, 2038 and January 1, 2043. All three term bonds have an interest rate of 6.00%

The refunding resulted in a decrease of \$562,190,215 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 2010 Revenue Refunding Bonds of (\$861,951) was deferred and is being amortized over the stated term of the Series 2008L-1 Bonds. Amortization of the deferred outflow in resources on the refunding was \$35,023 for the year ended December 31, 2013. The deferred outflow in resources ending balance for the year ended December 31, 2013 was (\$754,645).

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

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2013

Series 2011A:

On July 7, 2011, the Authority issued \$100,000,000 of North Texas Tollway Authority Revenue Refunding Bonds, Series 2011A for the purpose of refunding the \$100,000,000 of 2008J. The 2008J bonds were a direct placement with Bank of America and had a Bank Mandatory Tender date of November 1, 2011.

The 2011A bonds were issued in variable rate mode, with interest payable on the first Business Day of each month, commencing August 1, 2011, and interest rates are reset weekly. The remarketing agent is Morgan Stanley Bank, N.A. The stated maturity for this bond is January 1, 2050.

The aggregate difference in debt service between the refunding bonds and the refunded bonds is immeasurable due to the fact that both series were issued in a variable rate mode. The difference between the reacquisition price and the net carrying amount of the Bonds refunded by 2011A Revenue Refunding Bonds of (\$452,540) was deferred and is being amortized over the stated term of the Series 2008J Bonds. Amortization of the deferred outflow in resources on the refunding was \$28,995 for the year ended December 31, 2013. The deferred outflow in resources ending balance for the year ended December 31, 2013 was (\$380,035).

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 Bonds due January 1, 2038. The bonds have an interest rate of 5.00%

The refunding resulted in a decrease of \$45,413,311 in the aggregate debt service between the refunding debt and the refunded debt. The difference between the reacquisition price and the net carrying amount of the Bonds refunded by 2011B Revenue Refunding Bonds of \$400,780 was deferred and is being amortized over the stated term of the Series 1997A Bonds. Amortization of the deferred inflow in resources on the refunding was (\$50,911) for the year ended December 31, 2013. The deferred inflow in resources ending balance for the year ended December 31, 2013 was \$294,434.

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 \$167,983 for the year ended December 31, 2013. The deferred outflow in resources ending balance for the year ended December 31, 2013 was (\$803,526).

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, 2013. 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 \$32,189 for the year ended December 31, 2013. The deferred outflow in resources ending balance for the year ended December 31, 2013 was (\$451,783).

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

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2013

Series 2012B:

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

The refunding of this portion of the Series 2003A resulted in a decrease of \$19,163,860 in the aggregate debt service between the refunding debt and the refunded debt. The difference between the reacquisition price and the net carrying amount of the 2003A Bonds refunded by 2012B Revenue Refunding Bonds of \$150,689 was deferred and is being amortized over the stated term of the Series 2003A Bonds. Amortization of the deferred inflow in resources on the refunding was (\$8,354) for the year ended December 31, 2013. The deferred inflow in resources ending balance for the year ended December 31, 2013 was \$140,316.

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, 2013. The deferred inflow in resources ending balance for the year ended December 31, 2013 was \$1,184,826.

Series 2012C:

On November 1, 2012, the Authority issued \$101,775,000 of North Texas Tollway Authority Revenue Refunding Bonds, Series 2012C, for the purpose of refunding \$100,000,000 of Series 2008L-2 Bonds which had a mandatory tender date of January 1, 2013. The 2012C Bonds have an initial interest rate of 1.95% payable January 1 and July 1 of each year, commencing January 1, 2013. These bonds are subject to a mandatory tender on January 1, 2019. On the Mandatory Tender Date, the bonds will be subject to mandatory tender for purchase. The Authority has agreed that the Bonds will be remarketed at the first date on or after the Mandatory Tender date at which they can be sold in any interest rate mode and at a rate not exceeding 10.00% per annum. In the event that they cannot be remarketed and purchased on the Mandatory Tender Date, the mandatory tender will be deemed to have been rescinded and the Series 2012C Bonds will bear interest at the rate of 10% per annum from the Mandatory Tender Date until purchased upon a subsequent remarketing.

The refunding of the Series 2008L-2 resulted in a decrease of \$21,349,156 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 2012C Revenue Refunding Bonds of (\$1,569,618) was deferred and is being amortized over the stated term of the Series 2008L-2 Bonds. Amortization of the deferred outflow in resources on the refunding was \$69,103 for the year ended December 31, 2013. The deferred outflow in resources ending balance for the year ended December 31, 2013 was (\$1,488,998).

Series 2012D:

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

The refunding of this portion of the Series 2003A resulted in a decrease of \$6,646,042 in the aggregate debt service between the refunding debt and the refunded debt. The difference between the reacquisition price and the net carrying amount of the 2003A Bonds refunded by 2012D Revenue Refunding Bonds of (\$122,121) was deferred and is being amortized over the stated term of the Series 2003A Bonds. Amortization of the deferred outflow in resources on the refunding was \$4,948 for the year ended December 31, 2013. The deferred outflow in resources ending balance for the year ended December 31, 2013 was (\$116,348).

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

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2013

The following schedule summarizes the revenue bonds outstanding as of December 31, 2013:

Description of Issue	Beginning Balance	Additions	Matured or Retired	Ending Balance	Due within one year
Series '05C	\$ 178,310,000	\$ -	\$ -	\$ 178,310,000	\$ -
Series '08A	1,734,130,000	-	(925,000)	1,733,205,000	-
Series '08B	226,930,000	-	-	226,930,000	-
Series '08D	528,102,853	32,137,032	-	560,239,885	-
Series '08E	215,000,000	-	-	215,000,000	-
Series '08F	1,000,000,000	-	-	1,000,000,000	-
Series '08I	260,697,156	16,697,202	-	277,394,358	-
Series '08K	205,000,000	-	-	205,000,000	-
Series '09A	389,105,000	-	(15,680,000)	373,425,000	-
Series '09B	825,000,000	-	-	825,000,000	-
Series '09C	170,730,000	-	-	170,730,000	-
Series '09D	178,400,000	-	-	178,400,000	-
Series '10A	90,000,000	-	-	90,000,000	-
Series '10B	310,000,000	-	-	310,000,000	-
Series '10	332,225,000	-	-	332,225,000	-
Series '11A	100,000,000	-	-	100,000,000	-
Series '11B	268,625,000	-	-	268,625,000	-
Series '12A	25,930,000	-	-	25,930,000	-
Series '12B	383,625,000	-	-	383,625,000	-
Series '12C	101,775,000	-	-	101,775,000	-
Series '12D	32,815,000	-	-	32,815,000	-
	<u>7,556,400,009</u>	<u>48,834,234</u>	<u>(16,605,000)</u>	<u>7,588,629,243</u>	<u>-</u>
Less:					
Bond discount/premium	13,915,068	-	1,872,091	15,787,159	-
Totals	<u>\$ 7,542,484,941</u>	<u>\$ 48,834,234</u>	<u>\$ (18,477,091)</u>	<u>\$ 7,572,842,084</u>	<u>\$ -</u>

Amortization of Premium/Discounts

Expenses related to the issuance of the bonds and other loans are being amortized using the bonds outstanding method that factors in the maturities of the various serial bonds, over the term of the bonds and loan. The unamortized discount (premium) costs for the year ended on December 31, 2013 was \$15,787,159.

Deferred Outflow/Inflow in Resources

Description	Beginning Balance	Deferred Outflow-Loss on Refunding	Deferred Inflow-Gain on Refunding	Ending Balance
Deferred Outflow in Resources	\$ 32,088,604	(3,843,374)	-	\$ 28,245,230
Deferred Inflow in Resources	(5,216,688)	-	293,083	(4,923,605)
	<u>\$ 26,871,916</u>	<u>(3,843,374)</u>	<u>293,083</u>	<u>\$ 23,321,625</u>

The difference between the reacquisition price and the net carrying amount of refunded bonds are deferred and amortized using the bonds outstanding method that factor in the maturities of various bonds.

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

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2013

The amortization period is the shorter of the term of the original bonds or the term of the refunding bonds. The unamortized deferred outflow/inflow in resources for the year ended December 31, 2013 was \$23,321,625.

The revenue bond debt service requirements below are prepared as of December 31, 2013:

Year	<u>Total Revenue Bonds</u>		BAB Subsidy *	Total
	<u>Principal amount</u>	<u>Interest amount</u>		
Due January 1				
2014	\$ -	390,549,024	\$ (26,891,654)	\$ 363,657,370
2015	965,000	399,985,263	(26,891,654)	374,058,609
2016	1,370,000	409,809,426	(26,891,654)	384,287,772
2017	22,150,000	409,964,889	(26,891,654)	405,223,235
2018	25,525,000	409,516,989	(26,891,654)	408,150,335
2019 - 2023	606,595,000	1,993,341,901	(134,356,462)	2,465,580,439
2024 - 2028	1,119,716,276	1,722,292,173	(119,449,258)	2,722,559,191
2029 - 2033	1,239,697,974	1,398,744,854	(92,879,194)	2,545,563,634
2034 - 2038	1,776,410,144	1,029,814,244	(90,007,764)	2,716,216,624
2039 - 2043	1,466,528,366	575,011,093	(77,753,180)	1,963,786,279
2044 - 2048	849,315,000	198,069,071	(35,492,407)	1,011,891,664
2049 - 2053	242,720,000	7,881,300	(1,082,493)	249,518,807
Interest Accretion	237,636,483	(237,636,483)	-	-
	<u>\$ 7,588,629,243</u>	<u>\$ 8,707,343,744</u>	<u>\$ (685,479,026)</u>	<u>\$ 15,610,493,959</u>

* BABS Subsidy is reduced 7.2% due to sequestration.

The Interest and Sinking and Reserve Accounts required by the Trust Agreement have been established with the Trustee. The balances as of December 31, 2013 were:

	<u>Cash and Investment Balance</u>	<u>Trust Requirement</u>
Bond Interest account*	\$ 168,325,403	\$ 177,326,179
Debt service reserve account**	395,510,404	392,849,234
Redemption account***	1,676	-
Total	<u>\$ 563,837,483</u>	<u>\$ 570,175,413</u>

(*) The difference of \$9,000,776 was due to not receiving the BABs Subsidy for the 2009B Bonds until January 13, 2014. An additional transfer from the revenue fund to the bond interest fund was completed on January 2, 2014, to satisfy the amounts due on First Tier Bond Interest.

(**) The Debt Service Reserve account per the trust agreement is not valued at market price but amortized value. The amortized value at 12/31/2013 was \$398,450,169.

(***) The Redemption Account had \$1,676, the excess is from fiscal year 2012 and interest earned during fiscal year 2013.

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

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2013

SWAP Transactions

History. Pursuant to the ISDA Master Agreements dated and effective as of August 20, 2004 (the “2004 ISDA Master Agreements”) and the schedules, annexes there to, the North Texas Tollway Authority (the “Authority”) entered into multiple interest rate swap transactions in the cumulative notional amount of \$202,720,000 with Citibank N.A., New York, Bear Stearns Financial Products Inc. and Lehman Brothers Special Financing Inc. (the “Swap Providers”) The 2004 Swap Transactions were executed in connection with the then proposed refunding of a portion of the Dallas North Tollway System Revenue Bonds, Series 1995 (the “Series 1995 Bonds”) and the issuance of the Variable Rate Revenue Bonds, Series 2005C (the “Series 2005C Bonds”), (the “2004 Swap Transactions”).

Pursuant to the 2004 ISDA Master Agreements and concurrent with the issuance of the Series 2005C Bonds in December 2005, the Authority and the Swap Providers also entered into multiple interest rate swap transactions in the collective nominal amount of \$138,950,000, effective as of December 15, 2005, relating to the portion of the Series 2005C Bonds issued to refund the remaining Series 1995 Bonds (the “2005 Swap Transactions” and together with the 2004 Swap Transactions, the “Swap Transactions”).

In September 2008 Lehman Brothers declared bankruptcy and their portion of the Swap Transactions were terminated. On October 1, 2008, a swap termination payment of \$4,511,011 was made by the Authority.

After the collapse of Bear Stearns on May 15, 2009, JPMorgan Chase Bank N.A. acquired some of the assets of Bear Stearns and some derivative transactions, including transactions with the Authority, were transferred from Bear Stearns Financial Products to JPMorgan Chase Bank N.A.

On August 14, 2009, \$5,375,000 for the 2004 Swap Transaction and \$706,700 for the 2005 Swap Transaction was paid to the Swap Providers to terminate a portion of each respective swap. Currently, the notional amount for the 2004 Swap Transaction and the 2005 Swap Transaction is \$84,060,000 and \$94,230,000 respectively. The Swap Providers are currently Citibank N.A. and JPMorgan Chase Bank N.A.

On September 1, 2009, the Series 2005C bonds were converted to fixed rate bonds. The outstanding Swap Transactions remain *legally* tied to the Series 2005C Bonds, which have been remarketed to fixed rate. However, the Authority recognized the need for the Swap Transactions to be *economically* tied to variable rate bonds so that the Swap Transactions could function properly and generate a reasonable synthetic fixed rate. To that end, the Authority negotiated a letter of credit with JPMorgan, and issued \$178,400,000 Series 2009D variable rate bonds on November 5, 2009.

Objective of the interest rate swap

The intention of the Swap Transactions was to produce an overall fixed rate cost of funds related to refunding of the Series 1995 Bonds. The Swap Transactions were structured to: lock in low rates; minimize the negative arbitrage in escrow; achieve higher present value savings than traditional fixed rate bond alternatives; and increase future debt capacity. Total present value savings from these transactions was originally estimated at \$41.8 million.

Terms – 2004 Swap Transactions

Under the 2004 Swap Transactions, the Authority is obligated to make payments to the Swap Providers calculated at a fixed rate of 3.673% per annum and the Swap Providers are obligated to make floating rate payments to the Authority calculated at a rate equal to 67% of the one-month London Interbank Offered Rate (“LIBOR”) for U.S. deposits. The 2004 Swap Transactions have a stated final maturity date of January 1, 2023.

Terms – 2005 Swap Transactions

Under the 2005 Swap Transactions, the Authority is obligated to make payments to the Swap Providers calculated at a fixed rate of 3.533% per annum and the Swap Providers are obligated to make floating rate payments to the Authority calculated at a rate equal to 67% of the one-month LIBOR for U.S. deposits. The Series 2005C Bonds and the 2005 Swap Transactions have a stated final maturity date of January 1, 2025.

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

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2013

As of December 31, 2013, rates were as follows: (see example in table below)

Interest rate swap:	Terms	2004 Swap Rates December 31, 2013	2005 Swap Rates December 31, 2013
Fixed payment to counterparties	Fixed Payment	3.673%	3.533%
Minus Variable payment from counterparties	67% of 1-Month LIBOR	0.112%	0.112%
Net interest rate swap payments		3.561%	3.421%
Plus 2009D Variable-rate bond coupon payments	Avg. Coupon + 100 bps*	1.120%	1.120%
Synthetic interest rate on bonds including LOC & Remarketing		4.681%	4.541%

*90bps LOC fee & 10bps remarketing fee

Period Ended December 31, 2013

<u>Derivative Instrument</u>	<u>Hedge Type</u>	<u>Effectiveness Test Method</u>	<u>Result</u>	<u>Classification</u>	<u>Amount</u>
Combined 2004 Swaps	Cash flow hedges	Regression Analysis	Effective	Deferred Outflow	\$ (12,931,072)
Combined 2005 Swaps	Cash flow hedges	Regression Analysis	Effective	Deferred Outflow	\$ (14,392,833)

Fair value. As of December 31, 2013, the 2004 Swap Transactions had a negative fair value of \$12,931,072 and the 2005 Swap Transactions had a negative fair value of \$14,392,833. The negative fair value signifies the amount that the Authority would owe to the Swap Providers upon the termination of all the Swap Transactions as of that date. The fair values were calculated using **FAIRVALUE ADVISOR**, First Southwest's online swap valuation system. First Southwest is an independent third party provider of swap valuations.

Credit risk. As of December 31, 2013 the Authority was not exposed to counterparty credit risk because the Swap Transactions had a negative fair value. However, should interest rates change and the fair value of the Swap Transactions become positive, the Authority would be exposed to credit risk in the amount of the fair value of the Swap Transactions.

If the Swap Providers' credit rating is reduced below A2 by Moody's or A by S&P, in the case of Citibank N.A., New York, or Aa3 by Moody's or AA- by S&P in the case of JPMorgan Chase Bank N.A., the provider is required to post collateral to the Authority's credit.

As of December 31, 2013, the Swap Providers' respective ratings by Moody's Investors Service ("Moody's") and by Standard and Poor's Corporation ("S&P") are as follows: Citibank N.A., New York A2/A and JPMorgan Chase Bank N.A. Aa3/A+. Each party's portion of the 2004 Forward Swap and 2005 Current Swap agreement is 2/3 & 1/3 and 1/3 & 2/3 respectively.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair values of the Authority's hedging instruments or their cash flows. The Authority is exposed to interest rate risk on its derivatives.

The underlying Bonds (Series 2009D) are issued as a callable CP product and have variable rate coupon payments which are reset with each remarketing. The Swap Payments paid to the Authority by the Swap Providers are also variable, tied to 67% of one month Libor.

A decrease in Libor rates would increase the net swap payments for the Authority but it might be offset by a likely decrease in the variable coupon rate and a lower corresponding coupon payment.

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

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2013

Any increase in the variable coupon rate would increase the corresponding coupon payment, but it might be offset by a likely increase in Libor rates and a lower corresponding net swap payment.

Rollover Risk. Rollover risk is the risk that a hedging instrument associated with hedgeable item does not extend to the maturity of that hedgeable item. The Authority is not exposed to rollover risks because the hedging derivative instruments associated with the hedgeable debt items extend beyond the maturity of the hedgeable debt items.

Basis risk. The Authority is exposed to basis risk under the swap agreements as the variable rate received from the counterparties will not perfectly match the rate paid on the bonds and the expected cost savings may not be realized.

Collateral risk. On September 30, 2008 MBIA and FGIC completed a reinsurance transaction related to the insurance on the Swap Transactions. The Swap Transaction is now insured by MBIA. The Authority may be required to post collateral, if MBIA is rated below "A-" by S&P or "A3" by Moody's. If MBIA's rating *and* the Authority is downgraded to below A3 by Moody's or A- by S&P, the Authority will be obligated to post collateral in an amount equal to the swap termination amount owed by the Authority to JPMorgan Chase Bank N.A. MBIA's rating is below the referenced levels, but the Authority has maintained its ratings above the referenced levels and no collateral is required to be posted. The Authority is currently rated A2 by Moody's and A- by S&P.

Market Access Risk. The Authority is not directly exposed to market access risk on the swaps. It is, however, indirectly exposed to market access risk through the underlying bond issue (Series 2009D) to which the swaps are economically tied. The 2009D bonds are variable rate obligations that are backed by a letter of credit. Letters of credit typically have a two or three year term, and at the end of the initial term the Authority might need to refinance the debt or secure a new letter of credit. The risk is that the Authority may not be able to access the markets to obtain a new letter of credit.

Foreign Currency Risk. The Authority is not exposed to Foreign Currency Risk as both the fixed and variable payment portion are in the same currency. (US Dollars)

Counterparty Risk. Counterparty risk exists if the counterparty cannot make future payments or cannot make a termination payment due to NTTA. Risk is reduced by ISDA (International Swaps and Derivatives Association) contract terms addressing collateral limits and credit ratings. Additionally, selection of more than one highly-rated counterparty diversifies risk.

Termination risk. Termination risk exists if: (i) the Authority opts to terminate the Swap Transactions prior to maturity and the Swap Providers do not have sufficient funds to pay the Authority, (ii) the Authority is downgraded to below A3 by Moody's or A- by S&P and the Authority is unable to post sufficient collateral; or (iii) the Authority's credit rating is reduced below investment grade by Moody's or S&P. If upon termination, the swap has a negative fair value, then the Authority would be liable to the Swap Providers for a payment equal to the Swap's fair value.

The Swap Transactions are subject to optional termination by the Authority at any time over the term of the Swap Transactions at the then prevailing market value. The Swap Providers do not have the elective right to optionally terminate the Swap Transactions. Each of the swap agreements may be terminated by the respective counterparty if the Authority does not maintain a credit rating of least Baa3 by Moody's or BBB- by S&P. The Authority's current ratings are A2 by Moody's and A- by S&P.

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

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2013

Swap payments and associated debt. Using rates as of December 31, 2013, debt service requirements of the variable-rate and net swap payments, assuming current interest rates remain the same for the term, were as follows. As rates vary, variable-rate bond interest payments and net swap payments will vary.

**2009D Bonds Associated
with Swaps**

Fiscal Year	Principal amount	Interest amount*	Total
2014	\$ -	\$ 8,025,020	\$ 8,025,020
2015	-	8,025,020	8,025,020
2016	-	8,047,006	8,047,006
2017	-	8,025,020	8,025,020
2018	-	8,025,020	8,025,020
2019	-	7,887,090	7,887,090
2020	-	7,763,040	7,763,040
2021	-	7,430,494	7,430,494
2022	-	7,098,065	7,098,065
2023	-	6,776,201	6,776,201
2024	-	6,448,669	6,448,669
2025	-	6,065,600	6,065,600
2026	-	6,065,600	6,065,600
2027	-	6,065,600	6,065,600
2028	-	6,082,218	6,082,218
2029	-	6,065,600	6,065,600
2030	-	6,065,600	6,065,600
2031	-	6,065,600	6,065,600
2032	-	6,082,218	6,082,218
2033	-	6,065,600	6,065,600
2034	-	6,065,600	6,065,600
2035	-	6,065,600	6,065,600
2036	-	6,082,218	6,082,218
2037	-	6,065,600	6,065,600
2038	-	6,065,600	6,065,600
2039	-	6,065,600	6,065,600
2040	-	6,082,218	6,082,218
2041	-	6,065,600	6,065,600
2042	-	6,065,600	6,065,600
2043	-	6,065,600	6,065,600
2044	32,000,000	6,082,218	38,082,218
2045	33,800,000	4,977,600	38,777,600
2046	35,600,000	3,828,400	39,428,400
2047	37,500,000	2,618,000	40,118,000
2048	39,500,000	1,346,679	40,846,679
TOTAL	\$ 178,400,000	\$ 217,716,414	\$ 396,116,414

* Includes interest rates for both swap payments, plus the assumed variable rate amount.

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

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2013

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. The commercial paper issued must mature not more than 270 days from date of issue. The Authority may retire commercial paper at any time.

Commercial paper notes are supported by a letter of credit agreement with Bank of America Merrill Lynch in excess of \$200,000,000 and constitute a Second Tier obligation under the Amended and Restated Trust Agreement. Any advances for payments of commercial paper under the letter of credit are secured by a Second Tier lien on Authority revenues. No such advances have occurred. The credit agreement was scheduled to expire on December, 16, 2013. On December 16, 2013 the Authority renewed the letter of credit agreement with Bank of America Merrill Lynch. The letter of credit will now expire on December 16, 2016.

Commercial Paper 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, 2013, there was no Commercial Paper outstanding.

Short-term debt activities for the year ended December 31, 2013 were as follows:

	Balance at December 31, 2012	Additions	Reductions	Balance at December 31, 2013
Commercial Paper Notes	\$ 38,300,000	\$ -	\$ 38,300,000	\$ -

Loans Payable

Additionally, the Authority funded, in part, costs of the construction of the PGBT with proceeds from a loan, which totaled \$135,000,000, made by TxDOT in 1995 pursuant to the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA). Interest at the rate of 4.2% began to accrue on October 1, 2000, compounding annually on January 1, with the first payment made in October 2004, and annual payments on January 1 thereafter until final payment in 2029, which resulted in a new loan amount at October 1, 2004 of \$154,338,133. Repayment of the loan to TxDOT is to be made from amounts on deposit in the Capital Improvement Fund with payments subordinate to bonds or other obligations of the Authority issued or entered into and secured by the tolls and revenues of the Authority. The ISTEA loan payment of \$8,000,000 was made on December 31, 2013 for the fiscal year of 2013. The loan payable was \$136,069,850 as of December 31, 2013.

Debt service requirements on the TxDOT ISTEA loan payable subsequent to December 31, 2013 are as follows:

Fiscal years	TxDOT ISTEA Loan payable	
	Principal	Interest
2014(*)	\$ -	\$ -
2015	2,285,066	5,714,934
2016	2,381,039	5,618,961
2017	2,481,043	5,518,957
2018	3,585,247	5,414,753
2019 - 2023	45,535,706	23,181,483
2024 - 2028	65,096,954	11,515,028
2029	14,704,795	617,601
Total principal and interest	\$ 136,069,850	\$ 57,581,717

*Note 1/1/2014 payment was made December 2013.

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

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2013

(6) Employees' Retirement 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 TCERS. Information related to the TCERS, the Authority's 401(k) plan, and its refrain from participation in Social Security is included herein. A separate audited GAAP-basis pension plan report for ERS is available at www.ers.state.tx.us/Publications/FinancialReports.

Texas County and District Retirement System

TCERS, an agent multiple-employer public employee retirement system, was established by legislative act in 1967 as a nontraditional, joint contributory, defined benefit plan. Individuals are required to become a TCERS member at the time of their employment regardless of their age, unless the individual is ineligible for one of the reasons specified by the TCERS (e.g., part time, temporary employee).

The governing body of the political subdivision determines the percentage of salary that both the individual and employer contribute toward retirement. The employee and employer contribution rate established was 6% and 8.29% of wages up to a maximum of \$255,000, respectively, at December 31, 2013.

Once an individual reaches vested status, he or she may end employment with a TCERS subdivision and retain his or her right to future benefits as long as the individual does not die or withdraw personal contributions. Once a vested employee has satisfied both the service and age requirements for retirement, he or she is considered retirement eligible. Employees are eligible to receive lifetime monthly pension payments following the termination of their employment if the individual has 10 or more years of service credit at age 60 or older or the individual has 30 or more years of service credit at any age.

An individual is also eligible to receive lifetime monthly pension payments after his or her termination of employment if his or her political subdivision has authorized, and the individual has satisfied 10 years of service credit at age 60 or older or the individual's combined age and total service is 75 years or more.

If an individual is eligible for service or disability retirement pension payments, the amount of the lifetime monthly pension to be received after retirement is determined by dividing the total dollars of accumulated retirement credit earned at retirement by the appropriate annuity purchase rate used to convert dollars of retirement credit to a lifetime monthly pension payment.

If an individual has at least ten years of service credit and becomes disabled for any reason, the individual may be approved for disability retirement benefits if the TCERS Medical Board finds that the individual is mentally or physically incapacitated for any gainful occupation and the incapacity is considered permanent.

Total pension expense allocated to the System by the Authority for the year ended December 31, 2013, was \$3,070,483 based on a covered payroll of \$38,209,613. The Authority made the actuarially required contribution. Employee contributions to the plan for the year ended December 31, 2013 were \$2,221,728.

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

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2013

A separate audited GAAP-basis pension plan report for TCDRS is available at www.tcdrs.org/docs.

Actuarial valuation information (unaudited)

Actuarial valuation date	December 31, 2010	December 31, 2011	December 31, 2012
Actuarial cost method	Entry age	Entry age	Entry age
Amortization method	Level % of payroll, closed	Level % of payroll, closed	Level % of payroll, closed
Amortization period	20.0	30.0	30.0
Asset valuation method	SAF: 10-yr smooth value ESF: Fund value	SAF: 10-yr smooth value ESF: Fund value	SAF: 10-yr smooth value ESF: Fund value
Actuarial assumptions:			
Investment return**	8.0%	8.0%	8.0%
Projected salary increases	5.4%	5.4%	5.4%
Inflation	3.5%	3.5%	3.5%
Cost-of-living adjustments	0.0%	0.0%	0.0%

**Includes inflation at the stated rates.

Source reference: Texas County and District Retirement System (GASB Compliance Data) For Employer's Accounting Year ending in 2013

Funded Status and Funding Progress

As of December 31, 2012, the most recent actuarial valuation date, the plan was 102.06% funded. The actuarial accrued liability for benefits was \$57,701,464, and the actuarial value of assets was \$58,887,344, resulting in an unfunded actuarial accrued liability (UAAL) of \$(1,185,880). The covered payroll (annual payroll of active employees covered by the plan) was \$34,888,560, and the ratio of the UAAL to the covered payroll was (3.40) %.

The schedule of funding progress, presented as Required Supplementary Information (RSI) following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

**Trend Information for the retirement
plan for the employees of the Authority**

<u>Accounting year ended</u>	<u>Annual pension cost (APC)</u>	<u>Percentage of APC contributed</u>	<u>Net Pension obligation</u>
December 31, 2011	\$ 1,923,878	100%	\$ -
December 31, 2012	\$ 2,112,085	100%	\$ -
December 31, 2013	\$ 2,221,728	100%	\$ -

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

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2013

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 Authority 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.

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, 2013 were \$1,247,252 based on a covered payroll of \$35,779,319.

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 2006-2013. There has not been any significant reduction of coverage.

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

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2013

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.

		Balance at Beginning of Fiscal Year	Current-year claims and changes in estimates	Claim payments	Balance at End of Fiscal Year
2012	\$	625,899	\$ 6,548,312	\$ 6,486,504	\$ 687,710
2013	\$	687,710	\$ 9,428,924	\$ 9,405,514	\$ 711,120

(8) Other Post Employment Benefits

Plan Descriptions – The Authority provides post employment defined benefit health care to all eligible retired employees through contributions to either the Employee Retirement System of Texas (ERS) Group Benefit Program (GBP) or the Authority’s Health Benefits plan.

Employees Retirement System of Texas Group Benefit Program

The Authority contributes to the Employees Retirement System of Texas Group Benefits Program, a cost sharing multiple employer defined benefit OPEB plan. GBP provides health benefits to eligible retired employees of participating entities. Chapter 1551, Texas Insurance Code assigns authority to establish and amend benefit provisions to the ERS Board Trustees. The ERS issues a publically available GASB Statement 43 report. The report can be obtained from the ERS website.

Funding Policy – Chapter 1551, Texas Insurance Code provided that the contribution requirements under the GBP be established and amended by the ERS Board Trustees. Plan members receiving benefits and the Authority contribute \$413.3 per month for retiree only coverage \$649.6 for retiree and spouse, \$571.5 for retiree and children, and \$807.9 for family.

Contribution rates are determined annually by the trustees based on recommendations of the ERS staff and consulting actuary. The contribution rates are determined based on the benefit and administrative costs expected to be incurred and (i) the funds appropriated and (ii) the funding policy established by the Texas Legislature in connection with the benefits provided through 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. There are no long-term contracts for contributions to the plan.

The Authority has 54 plan members receiving benefits from GBP. An additional 41 active employees have the option of retiring under the ERS GBP or the Authority’s plan. The OPEB liability for these 41 employees is calculated under the Authority’s plan. The Authority’s contributions to the GBP for the fiscal years ended December 31, 2013, 2012 and 2011 was \$357,923, \$332,669 and \$312,673 respectively; which was 100% of the required contribution for those periods.

Authority Plan Administered through PEBC

The Authority’s Benefits plan is affiliated with the Public Employees Benefits Cooperative (PEBC), an agent multiple-employer postemployment healthcare plan administrator.

The plan does not issue a publicly available report. There are currently 3 individuals receiving benefits and 6 employees fully eligible to receive benefits under the Authority’s Benefits plan. No separate financial statements are issued for the Authority’s plan.

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

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2013

Funding Policy – The contribution requirements under the Authority’s Benefits plan for the plan members and the Authority are established and may be amended by the Board of Directors. Authority members receiving benefits contribute the following amounts annually depending on plan, age and coverage:

	Under Age 65		Age 65 and Older	
Plan				
EPO	\$ 4,656	\$ 5,568	\$ -	\$ -
PPO	4,200	5,076	-	-
PSS	-	-	2,193	2,199
PMA	-	-	819	819

The required contribution is based on the projected pay-as-you-go financing requirements. For fiscal year 2013 expenses of \$31,395 were recognized for the post employment health care premiums paid. This represents 43.2% of the total premiums.

Annual OPEB Cost and Net OPEB Obligation – The Authority’s annual other postemployment benefit (OPEB) cost is calculated on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The following table shows the elements of the Authority’s OPEB cost for the year, the amount actually contributed on behalf of the Plan, and changes in the Authority’s net OPEB obligation for the year ended December 31, 2013:

	<u>2011</u>	<u>2012</u>	<u>2013</u>
Annual Required Contribution	\$ 2,073,600	\$ 3,183,888	\$ 3,183,888
Interest on Net OPEB Obligation	325,577	267,066	359,098
Adjustment to Annual Required Contribution	711,672	511,663	421,410
Annual OPEB Cost (expense)	3,110,849	3,962,617	3,964,396
Payments Made	24,529	29,616	31,395
Increase in Net OPEB Obligation	3,086,320	3,933,001	3,933,001
Net OPEB Obligation - Beginning of Year	8,326,765	11,413,085	15,346,086
Net OPEB Obligation - End of Year	<u>\$ 11,413,085</u>	<u>\$ 15,346,086</u>	<u>\$ 19,279,087</u>

The Authority’s annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for the years ended December 31, 2011-2013 were as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Paid</u>	<u>Net OPEB Obligation</u>
12/31/2011	\$ 3,110,849	0.79%	\$ 11,413,085
12/31/2012	\$ 3,962,617	0.75%	\$ 15,346,086
12/31/2013	\$ 3,964,396	0.79%	\$ 19,279,087

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

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2013

Funded Status and Funding Progress – The funded status of the plan as of January 1, 2012, the most recent actuarial valuation date, was as follows:

Actuarial accrued liability (AAL)	\$21,352,403
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	\$21,352,403
Funded ratio (actuarial value Of plan assets/AAL)	0%
Covered payroll (active plan members)	\$34,888,560
UAAL as a percentage of covered payroll	61%

Actuarial valuation of an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and the plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspectives of the calculations.

In the January 1, 2012, actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a discount rate of 2.34% and an annual healthcare cost trend rate of 9.0% for 2012, 8.5% for 2013 reduced by decrements of .5% percent to an ultimate rate in 2019 of 5.5%. The actuarial assumptions include an investment rate of return at 2.34% and projected salary increases at 2.0%. Both rates include a 3% inflation assumption. The Authority's unfunded actuarial accrued liability is being amortized as a level percentage of projected payrolls on an open basis. At January 1, 2013 the remaining amortization period was 25 years.

Dallas-Fort Worth Turnpike Transition Trust Fund

As part of the 1997 legislation creating the North Texas Tollway Authority under Chapter 366, Texas Transportation Code, the Dallas-Fort Worth Turnpike Transition Trust Fund was established to account for the payment of transition costs and other liabilities payable from funds of the Dallas-Fort Worth Turnpike at December 1977, such as post-employment benefits. The one remaining retired employees receiving benefits from ERS GBP is deceased. The trust \$404,911 in net assets was transferred to the Capital Improvement Fund.

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

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2013

(9) Disaggregation of Receivable Balances

The System has unrestricted accounts receivable balances of \$32,097,035, unbilled accounts receivable of \$1,364,204 and a restricted accounts receivable balance of \$13,445,825. The restricted balance of \$13,445,825 is due from Series 2009B and 2010B bond rebates; the unrestricted balance consists of \$32,022,660 for billed video tolls (net of the allowance for doubtful accounts of \$ 71,001,312), \$70,922 for fees related to maintenance of equipment and \$3,453 for United Health Care Reimbursement \$ 1,364,203 for unbilled video tolls (net of the allowance for doubtful accounts of \$ 7,625,340). Additionally, the System has unrecorded video toll transactions of \$22,326,760 (**)(matched no current address) and \$68,699,119 of unmatched video toll transactions as of December 31, 2013.

The System's allowance for doubtful accounts for invoices less than 70 days old is 25% and 85% for invoices older than 70 days. The unbilled video tolls-matched with current address that have not met the System's business rule, which is that a customer has to drive through five different checkpoints/gantries before an invoice is processed, has an allowance rate of 85%.

Recorded Video Toll Transactions	2013
Billed video tolls	\$103,098,347
Net of allowance for uncollectibles	<u>(71,001,312)</u>
	<u>\$ 32,097,035</u>
Unbilled video tolls (Matched current address) (*)	\$ 8,989,543
Net of allowance for uncollectibles	<u>(7,625,340)</u>
	<u>\$ 1,364,203</u>
Unrecorded Video Toll Transactions	
Matched no current address video toll transactions (**)	\$ 22,326,760
Unmatched video toll transactions (***)	\$ 68,699,119

(*) Matched current address video toll transactions-ready to bill once the Authority's business rules are met.

(**) Matched no current address video toll transactions – Vehicle located in Texas Department of Motor Vehicle (DMV) database with no current address on file. (Example: Vehicle has been sold but the transfer of the title has not been updated in the DMV database)

(***) Unmatched video toll transactions– Unable to locate in DMV database, possibly due to temporary tags or out-of-state license plates.

(10) Commitments and Contingencies

The System currently has \$976,424,833 in cash and investments with approximately \$575,129,636 restricted for debt service and \$128,663,726 restricted for construction. The System has \$1,873,618 in current liabilities that are comprised primarily of construction-related payables at December 31, 2013. Additionally the System has contract and purchase order commitments at December 31, 2013 aggregating \$6.7 million. This amount mainly consists of \$6.5 million of construction contracts payable from restricted funds and the issuance of debt.

The Authority is currently evaluating several Authority maintenance, rehabilitation, and capital improvement projects with an estimated cost of approximately \$518.6 million, which may be funded from the System's Reserve Maintenance Fund, the Construction Fund, or the Capital Improvement Fund over the next five years.

The Authority manages existing leases of the Gleneagles buildings. The building complex encompasses 163,380 square feet of which 72,765 is occupied by the Authority, 41,784 is leased, and 48,831 is vacant.

The leased space is divided into two leases; one for 22,369 sq. ft. beginning July 1, 2005 and expired March 31, 2010, one for 19,415 sq. ft. beginning July 1, 2005 and expiring December 31, 2010.

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

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2013

The term of both leases was extended to December 31, 2014. The following represents minimum future rentals on non-cancelable operating lease agreements:

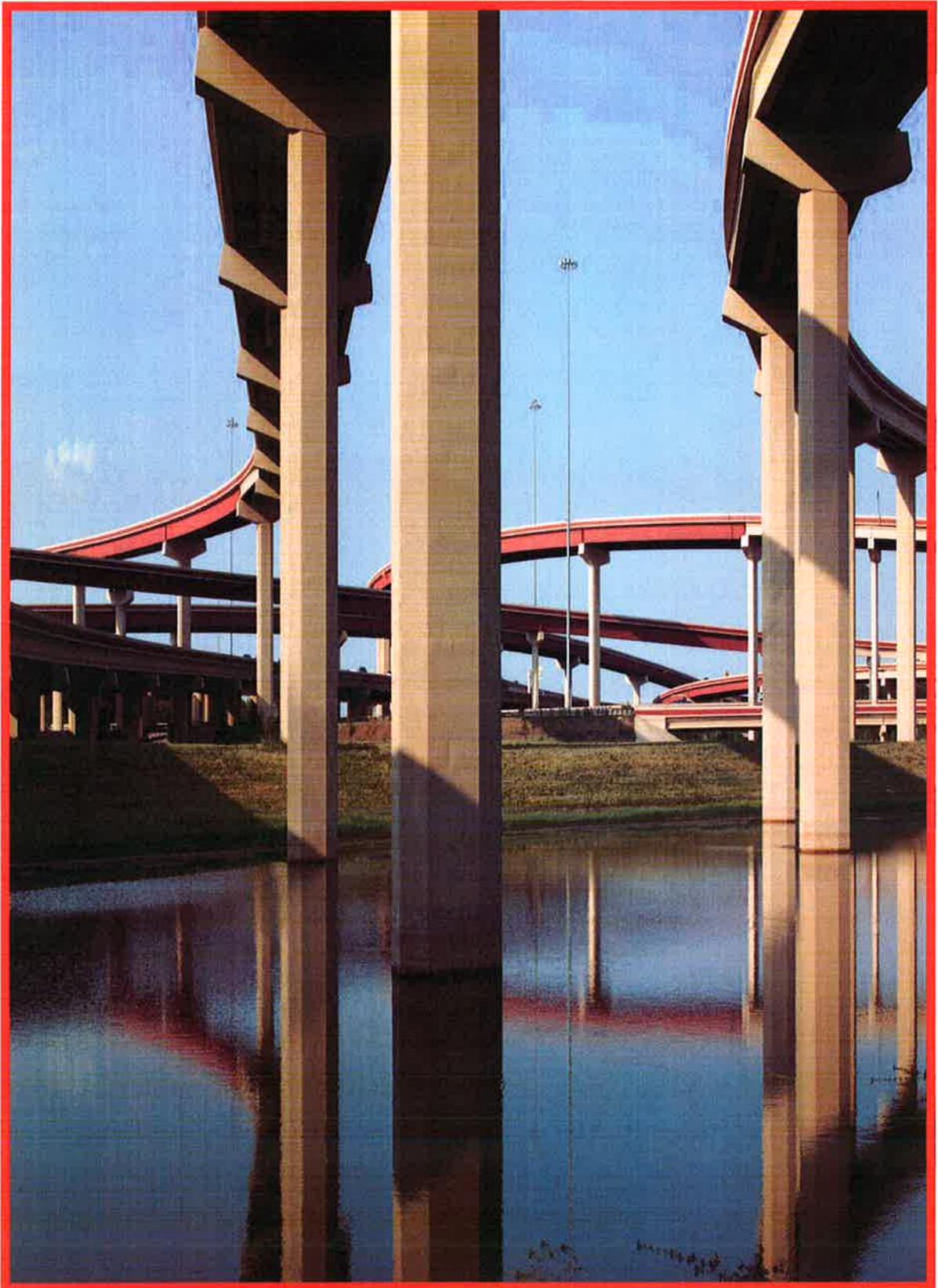
2014		<u>417,423</u>
	Gleneagles Offices Complex	\$ <u><u>417,423</u></u>

The Authority has an operating lease agreement for the rental of copy machines from January 1, 2011 expiring December 31, 2016. The following represents the required payments under the terms of the lease agreement:

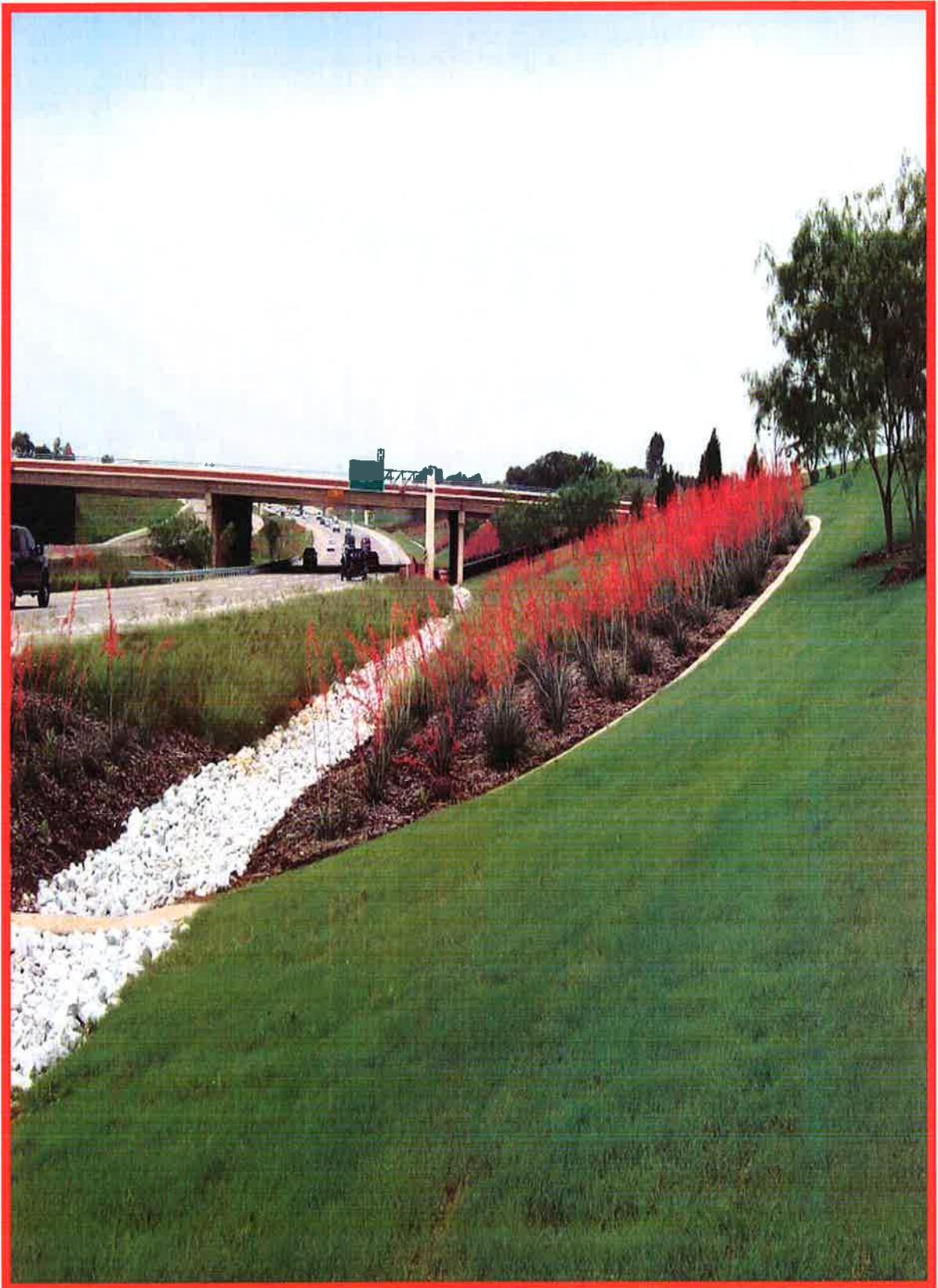
2014		<u>47,400</u>
	Copy Machine (lease)	\$ <u><u>47,400</u></u>

(11) Subsequent Events

On April 9, 2014, the Authority issued \$100,000,000 of North Texas Tollway Authority Revenue Refunding Bonds, Series 2011A (SIFMA Index Floating Rate Mode) (the "Bonds") for the purpose of remarketing existing bonds and converting the bonds into a new interest rate mode. The original 2011A bonds were issued as variable rate demand bonds backed by a Letter of Credit. The interest on the Bonds is based on SIFMA plus a spread of 80 basis points through the mandatory redemption date of January 1, 2019. The initial interest on the Bonds is reset weekly. The Bonds will mature on January 1, 2050.



**REQUIRED
SUPPLEMENTARY
INFORMATION**



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

Required Supplementary Information
December 31, 2013

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 Maintenance Management Consultant, VRX Inc. This inspection provides an overall rating, indicating the average condition of all of the Authority's infrastructure assets (roadways, bridges, and facilities). The assessment of conditions is made by visual and mechanical tests designed to reveal any condition that would reduce user benefits below the maximum level of service. The Authority's goal is to maintain the Authority's infrastructure assets at a rating of 8 or better (1 to 10 scale), and has established a minimum level for GASB No. 34 purposes of a condition level of 6 or greater. These condition levels were adopted by the Board of Directors for the North Texas Tollway Authority (NTTA) by Resolution No. 02-31 on June 19, 2002 and further clarified by Resolution No. 07-169 on December 19, 2008. In accordance with GASB 34 the Capital Assessment and Inspection Report is due every three years. The last Capital Assessment and Inspection Report for the North Texas Tollway Authority was completed in 2010.

The infrastructure assets include the President George Bush Turnpike (PGBT) including the Eastern Extension, the Dallas North Tollway (DNT), the Addison Airport Toll Tunnel (AATT), the Mountain Creek Lake Bridge (MCLB), Sam Rayburn Tollway (SRT), Lewisville Lake Toll Bridge (LLTB), Main Lane Plazas, Ramp Plazas, maintenance shops, administration buildings, and IT lane equipment. The roadways are a major transportation network consisting of 111 centerline miles of high-speed roadways, 104 interchanges, 15 main lane toll plazas, 108 ramp toll plazas, 461 bridges, one tunnel, and other structures and appurtenances. All assets combined totaled approximately \$1.76 billion in current replacement value for FYE 2013.

Condition Index

A Condition Index is a measure of the "intrinsic value" of the asset as opposed to the book value. A Condition Index with a value of 10.0 is considered "like new"; on the contrary, a Condition Index with a value of 0.0 is considered "unusable." Evaluations were performed on all of the infrastructure assets under Authority jurisdiction. The evaluation resulted in an average Condition Index of 8.9 for all of the assets combined. The following table shows the Condition Index for the years 2006 through 2013.

Condition Index Table		
Condition Index		
Fiscal Year	Current	Goal
2013	8.9	8.0
2012	8.9	8.0
2011	8.9	8.0
2010	8.9	8.0
2009	9.0	8.0
2008	9.0	8.0
2007	8.9	8.0
2006	8.9	8.0

Condition Assessment and Inventory

A comprehensive condition assessment on all the Authority's infrastructure assets was conducted July 2013. The Authority's Maintenance Management Consultant performed condition assessments of the Authority's roadways including pavement, bridges, and facilities. Assessment procedures and representative work samples were reviewed by NTTA's General Engineering Consultants, Atkins North America, Inc.

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). To do this, a Sufficiency Rating was determined by totaling four separate factors using the sufficiency rating formula. The Sufficiency Rating Formula is a method of evaluating highway bridge data by calculating the four factors to obtain a numeric value, which is indicative of bridge sufficiency.

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

Required Supplementary Information
December 31, 2013

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

A condition assessment was performed on the Authority's roadways using the *Highway Maintenance Condition Assessment Program* (HMCAP) developed by Roy Jorgensen Associates, Inc., the pavement Condition Rating Authority (CRS) developed by Applied Research Associates, Inc., and the Pavement Condition Index (PCI) procedure as outlined in ASTM D5340. To do this, a Maintenance Rating Program (MRP) Index was determined by visual inspection of the Authority's roadways, appurtenances, and edge conditions. Additionally, a baseline PCI and a baseline ride ability survey were conducted on the roadway surface and incorporated into the MRP Index. Although the PCI and ride ability survey were conducted on the entire Authority, it would have been impractical to perform a MRP evaluation over the same length; therefore, 10% of the Authority's total roadways were randomly selected for MRP evaluation. These values were then weighted and totaled to determine an overall MRP Index. Of this total MRP Index, travel lanes and shoulders account for 70% (of which the PCI accounts for 80%), roadside components accounted for 15%, and other items account for 15%.

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

Currently, the 111 centerline miles (approximately 740 main lane miles) of main lane roadways have a Roadway Index of 8.9.

The budget-to-actual expenditures for preservation and other infrastructure maintenance costs were as follows for the years 2004 through 2013.

<u>Fiscal year</u>		<u>Budget</u>		<u>Actual</u>
2013	\$	21,231,300	\$	15,568,942
2012		23,464,926		10,240,825
2011		59,503,102		37,557,688
2010		36,316,377		28,475,554
2009		40,239,320		30,745,545
2008		69,532,303		51,747,814
2007		51,283,652		31,818,863
2006		34,574,405		29,186,456
2005		20,552,627		13,704,971
2004		25,518,270		15,319,100

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

Required Supplementary Information
December 31, 2013

Funding Progress

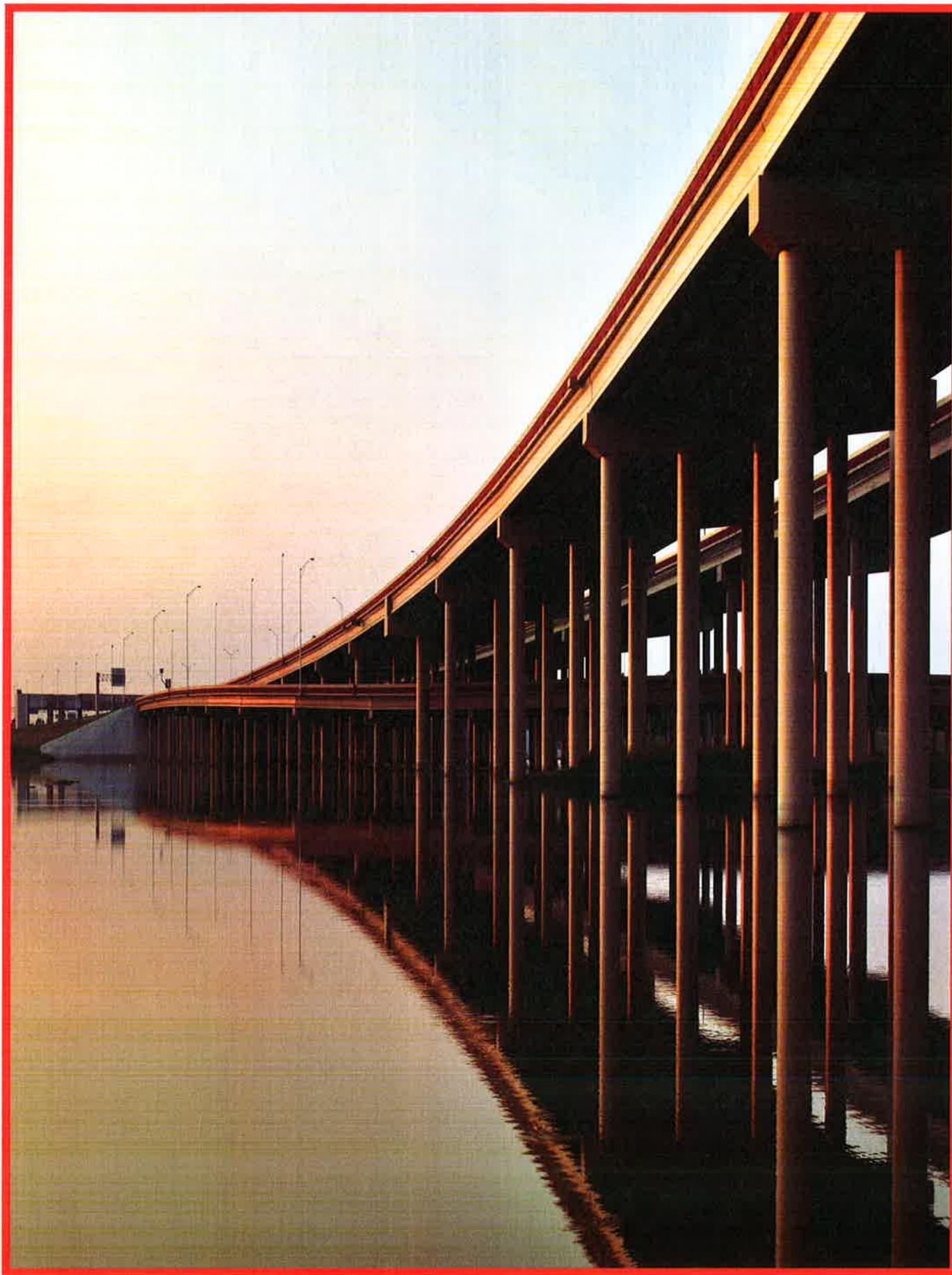
Schedule of Funding Progress
Texas County and District Retirement System
Employee Retirement Plan
Last three calendar years
(Unaudited)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
12/31/12	\$ 58,887,344	\$ 57,701,464	\$ (1,185,880)	102.06%	\$ 34,888,560	-3.40%
12/31/11	52,564,706	51,969,647	(595,059)	101.15%	31,976,241	-1.86%
12/31/10	46,901,374	49,418,747	2,517,373	94.91%	36,065,565	6.98%

Schedule of Funding Progress
Other Post Employment Benefits
Last two calendar years
(Unaudited)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
1/1/2013	—	\$ 21,352,403	\$ 21,352,403	0%	\$ 34,888,560	61.00%
1/1/2012	—	21,352,403	21,352,403	0%	31,976,241	67.00%

An actuarial valuation was performed as of 1/1/2012.



**OTHER
SUPPLEMENTARY
INFORMATION**

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Schedule of Net Position by Trust Accounts
December 31, 2013

Assets	Non-Trust Agreement			Interfund eliminations/ reclassifications	Construction and property account	Revenue account
	Total	Enterprise Fund	North Texas Tollway System			
Current assets:						
Cash and cash equivalents (note 3)	\$ 19,713,266	-	19,713,266	-	-	6,477,574
Investments (note 3)	302,381,841	17,757,854	284,623,987	-	-	58,264,193
Accrued interest receivable	197,465	-	197,465	-	-	51,676
Interfund receivable	-	-	-	(780,673,364)	(12,820,788)	18,156,377
Interproject/agency receivables (note 4)	15,196,701	121,763	15,074,938	-	4,030,852	2,323,514
Accounts receivable (note 9) (net of allowance for uncollectibles)	32,171,410	-	32,171,410	-	-	32,097,035
Unbilled Accounts receivable (note 9) (net of allowance for uncollectibles)	1,364,204	-	1,364,204	-	-	1,364,204
Prepaid expenses	1,173,161	-	1,173,161	-	1,825	-
Total current unrestricted assets	372,198,048	17,879,617	354,318,431	(780,673,364)	(8,788,111)	118,734,573
Current restricted assets:						
Restricted assets:						
Restricted for construction:						
Cash and cash equivalents (notes 3 and 10)	516	-	516	-	(26,772)	-
Investments (notes 3 and 10)	77,841,420	-	77,841,420	-	77,841,420	-
Accrued interest receivable	149,352	-	149,352	-	149,352	-
Restricted for debt service:						
Investments (notes 3 and 5)	150,776,784	-	150,776,784	(424,352,853)	-	-
Accrued interest receivable	989,518	-	989,518	-	-	-
Accounts receivable	13,445,825	-	13,445,825	-	-	-
Restricted for TSA's:						
Investments (notes 3 and 5)	1,697,058	1,697,058	-	-	-	-
Accrued interest receivable	50	50	-	-	-	-
Total current restricted assets	244,900,523	1,697,108	243,203,415	(424,352,853)	77,964,000	-
Total current assets	617,098,571	19,576,725	597,521,846	(1,205,026,217)	69,175,889	118,734,573
Noncurrent assets:						
Investments restricted for operations (note 3)	64,078,807	-	64,078,807	64,078,807	-	-
Investments restricted for debt service (note 3)	360,274,046	-	360,274,046	360,274,046	-	-
Deferred feasibility study costs	59,634,693	-	59,634,693	-	-	-
Service Concession Arrangement - Intangible asset (note 1(m) (net of accumulated amortization)	2,856,136,304	-	2,856,136,304	-	2,856,136,304	-
Capital assets (note 4) (net of accumulated depreciation)	3,372,954,141	-	3,372,954,141	(15,787,158)	3,391,012,678	-
Total noncurrent assets	6,713,077,991	-	6,713,077,991	408,565,695	6,247,148,981	-
Total assets	7,330,176,562	19,576,725	7,310,599,836	(796,460,522)	6,316,324,871	118,734,573
Deferred outflow of resources						
Accumulated decrease in fair value of hedging derivatives	27,323,905	-	27,323,905	-	27,323,905	-
Loss on refunding	28,245,230	-	28,245,230	-	28,245,230	-
Total deferred outflow of resources	55,569,135	-	55,569,135	-	55,569,135	-
Liabilities						
Current liabilities:						
Accounts and retainage payable	2,876,502	-	2,876,502	-	-	15,472
Accrued liabilities	23,878,678	-	23,878,678	-	12,071,266	(2,483,329)
Interfund payable	477	-	477	(780,673,364)	193,039,390	233,591,551
Interproject/agency payables	7,003,475	60,651	6,942,824	-	532,669	7,956,993
Deferred revenue	40,743,608	-	40,743,608	-	-	40,743,608
Tolltag deposits	259,721	-	259,721	-	-	259,721
Total current unrestricted liabilities	74,762,461	60,651	74,701,810	(780,673,364)	205,643,325	280,084,016
Payable from restricted assets:						
Construction-related payables:						
Retainage payable (note 10)	1,007,565	-	1,007,565	-	1,007,565	-
Deferred grant revenue	33,050,863	-	33,050,863	-	33,050,863	-
Debt service-related payables:						
Accrued interest payable	191,089,912	-	191,089,912	-	-	-
Accrued arbitrage rebate payable	73,249	-	73,249	-	73,249	-
Total current liabilities payable from restricted assets	225,221,589	-	225,221,589	-	34,131,677	-
Total current liabilities	299,984,050	60,651	299,923,399	(780,673,364)	239,775,002	280,084,016
Noncurrent liabilities:						
Other Post Employment Benefits	19,279,087	-	19,279,087	-	-	-
Accumulated increase in fair value of hedging derivatives	27,323,905	-	27,323,905	-	27,323,905	-
Texas Department of Transportation ISTEAL loan payable (note 5)	136,069,850	-	136,069,850	-	136,069,850	-
Dallas North Tollway System revenue bonds payable, (note 5) net of unamortized net deferred amount on refundings of \$23,321,625 and bond discount (premium) costs of \$15,787,159	7,572,842,084	-	7,572,842,084	(15,787,158)	7,188,629,242	-
Total noncurrent liabilities	7,755,514,926	-	7,755,514,926	(15,787,158)	7,352,022,997	-
Total liabilities	8,055,498,976	60,651	8,055,438,325	(796,460,522)	7,591,798,000	280,084,016
Deferred inflow of resources						
Gain on refunding	4,923,605	-	4,923,605	-	4,923,605	-
Net Position						
Net investment in capital assets	(4,212,230,014)	-	(4,212,230,014)	87,858,974	(4,080,963,902)	-
Restricted for:						
Debt service	760,066,281	-	760,066,281	161,392,624	-	(161,349,443)
SCA Intangible	2,856,136,304	-	2,856,136,304	-	2,856,136,304	-
TSA's	1,697,108	1,697,108	-	-	-	-
Unrestricted	(80,346,563)	17,818,966	(98,165,529)	(249,251,598)	-	-
Total net position	\$(674,676,884)	19,516,074	(694,192,958)	-	(1,224,827,598)	(161,349,443)

See accompanying independent auditors' report.

Operation and maintenance account	Reserve maintenance account	Consolidated Capital Improvement Fund	DFW Turnpike Transition Trust fund	Debt service accounts		
				Bond interest account	Reserve account	Redemption account
13,823,666	(127,032)	(460,942)	-	-	-	-
3,059	46,552,687	179,804,048	-	-	-	-
-	1,028	144,761	-	-	-	-
50,265,394	334,081	373,394,771	-	340,286,412	11,057,117	-
5,282,138	-	3,438,434	-	-	-	-
3,463	-	70,912	-	-	-	-
-	-	-	-	-	-	-
1,171,336	-	-	-	-	-	-
70,549,056	46,760,764	556,391,984	-	340,286,412	11,057,117	-
-	-	27,288	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	11,292,154	-	168,325,403	395,510,404	1,676
-	-	-	-	273	989,245	-
-	-	-	-	13,445,825	-	-
-	-	-	-	-	-	-
-	-	11,319,442	-	181,771,501	396,499,649	1,676
70,549,056	46,760,764	567,711,426	-	522,057,913	407,556,766	1,676
-	-	-	-	-	-	-
-	-	59,634,693	-	-	-	-
-	-	-	-	-	-	-
(61)	4,950	(2,276,268)	-	-	-	-
(61)	4,950	57,358,425	-	-	-	-
70,548,995	46,765,714	625,069,851	-	522,057,913	407,556,766	1,676
-	-	-	-	-	-	-
-	-	-	-	-	-	-
230,400	210,538	2,420,092	-	-	-	-
9,520,385	1,491,007	3,279,349	-	-	-	-
26,888,425	3,034,644	289,477,466	-	-	-	34,642,365
(1,705,542)	-	158,704	-	-	-	-
-	-	-	-	-	-	-
34,933,668	4,736,189	295,335,611	-	-	-	34,642,365
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	13,748,333	-	177,341,579	-	-
-	-	13,748,333	-	177,341,579	-	-
34,933,668	4,736,189	309,083,944	-	177,341,579	-	34,642,365
-	-	-	-	-	-	-
19,279,087	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	400,000,000	-	-	-	-
19,279,087	-	400,000,000	-	-	-	-
54,212,755	4,736,189	709,083,944	-	177,341,579	-	34,642,365
-	-	-	-	-	-	-
-	-	(219,125,086)	-	-	-	-
-	-	7,750,000	-	344,716,334	407,556,766	-
-	-	-	-	-	-	-
16,336,240	42,029,525	127,360,993	-	-	-	(34,640,689)
16,336,240	42,029,525	(84,014,093)	-	344,716,334	407,556,766	(34,640,689)

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Consolidating Schedule for Capital Improvement Fund
December 31, 2013
(Unaudited)

	Consolidated Capital Improvement Fund	Capital Improvement Fund	Feasibility Study Fund
Assets			
Current assets:			
Cash and cash equivalents (note 3)	\$ (460,942)	(422,870)	(38,072)
Investments (note 3)	129,804,048	129,804,048	-
Accrued interest receivable	144,761	144,761	-
Interfund receivable	373,394,771	355,191,386	18,203,385
Interproject/agency receivables (Note 4)	3,438,434	3,396,081	42,353
Accounts receivable (note 9)	70,912	70,912	-
Total current unrestricted assets	<u>506,391,984</u>	<u>488,184,318</u>	<u>18,207,666</u>
Current restricted assets:			
Restricted assets:			
Restricted for construction:			
Cash and cash equivalents (notes 3 and 10)	27,288	27,288	-
Investments (notes 3 and 10)	50,000,000	50,000,000	-
Restricted for debt service:			
Investments (notes 3 and 5)	11,292,154	11,292,154	-
Total current restricted assets	<u>61,319,442</u>	<u>61,319,442</u>	<u>-</u>
Total current assets	<u>567,711,426</u>	<u>549,503,760</u>	<u>18,207,666</u>
Noncurrent assets:			
Deferred financing costs	-	-	-
Deferred feasibility study costs	59,634,693	-	59,634,693
Capital assets net of amortization and depreciation (note 4)	(2,276,268)	(2,276,268)	-
Total noncurrent assets	<u>57,358,425</u>	<u>(2,276,268)</u>	<u>59,634,693</u>
Total assets	<u>625,069,851</u>	<u>547,227,492</u>	<u>77,842,359</u>
Liabilities			
Current liabilities:			
Accounts and retainage payable	2,420,092	1,418,215	1,001,877
Accrued liabilities	3,279,349	2,590,923	688,426
Interfund payable	289,477,466	(5,801,506)	295,278,972
Interagency payable	158,704	160,534	(1,830)
Total current unrestricted liabilities	<u>295,335,611</u>	<u>(1,631,834)</u>	<u>296,967,445</u>
Payable from restricted assets:			
Debt service-related payables:			
Accrued interest payable	13,748,333	13,748,333	-
Commercial paper payable (note 5)	-	-	-
Total current liabilities payable from restricted assets	<u>13,748,333</u>	<u>13,748,333</u>	<u>-</u>
Total current liabilities	<u>309,083,944</u>	<u>12,116,499</u>	<u>296,967,445</u>
Noncurrent liabilities:			
Dallas North Tollway System revenue bonds payable, net of unamortized net deferred amount on refundings of \$0 and bond discount (premium) costs of \$2,276,268 (note 5)	400,000,000	400,000,000	-
Total noncurrent liabilities	<u>400,000,000</u>	<u>400,000,000</u>	<u>-</u>
Total liabilities	<u>709,083,944</u>	<u>412,116,499</u>	<u>296,967,445</u>
Net Position			
Net investment in capital assets	(219,125,086)	-	(219,125,086)
Restricted for:			
Debt service	7,750,000	7,750,000	-
Unrestricted	127,360,993	127,360,993	-
Total net position	<u>\$ (84,014,093)</u>	<u>135,110,993</u>	<u>(219,125,086)</u>

See accompanying independent auditors' report.

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Schedule of Budget and Actual Revenues and Expenses on Trust Agreement Basis
Year ended December 31, 2013
(Unaudited)

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over(Under)</u>
Revenues:			
Toll revenues	\$ 483,799,800	525,458,723	41,658,923
Interest income	6,000,000	6,173,619	173,619
Other revenue	28,061,148	15,547,887	(12,513,261)
Gross revenues	<u>517,860,948</u>	<u>547,180,229</u>	<u>29,319,281</u>
Operating expenses:			
Administration:			
Administration	995,663	686,966	(308,697)
Board	235,003	169,485	(65,518)
Finance	12,720,869	14,244,428	1,523,559
Human resources	1,470,626	1,388,465	(82,161)
Internal audit	875,746	788,687	(87,059)
Legal	2,504,759	2,333,219	(171,540)
Public Affairs	2,773,697	2,669,271	(104,426)
Strategic & Innovative Solutions	1,194,443	736,849	(457,594)
Total administration	<u>22,770,806</u>	<u>23,017,370</u>	<u>246,564</u>
Operations:			
Customer service center	44,387,815	39,299,210	(5,088,605)
Information technologies	12,949,116	13,614,532	665,416
Maintenance	26,046,348	23,754,768	(2,291,580)
Operations	356,845	488,488	131,643
Project delivery	285,051	211,210	(73,841)
System & incident management	9,472,926	8,854,800	(618,126)
Total operations	<u>93,498,101</u>	<u>86,223,008</u>	<u>(7,275,093)</u>
Total operating expenses	<u>116,268,907</u>	<u>109,240,378</u>	<u>(7,028,529)</u>
 Net revenues available for debt service	 <u>\$ 401,592,041</u>	 <u>437,939,851</u>	 <u>36,347,810</u>

See accompanying independent auditors' report.

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Schedule of Changes in Net Position by Trust Account
December 31, 2013
(Unaudited)

	Total	Non-Trust Agreement Enterprise Fund	North Texas Tollway System	Construction and property account	Revenue account
Net positions, beginning of year as restated (note 1)	\$ (575,080,799)	-	(575,080,799)	(1,111,323,389)	(160,860,593)
Gross revenues	551,597,647	4,417,418	547,180,229	-	539,912,476
Grant revenues	8,389,180	-	8,389,180	5,751,559	-
Net increase (decrease) in the fair value of investments	(6,573,172)	-	(6,573,172)	(265,398)	(4,514)
Interest earned on investments	419,671	-	419,671	419,671	-
Gain (loss) on sale of investments	(133,910)	-	(133,910)	8,388	(479)
Administration and operations expenses	(111,767,809)	(2,527,431)	(109,240,378)	-	-
Depreciation on property and equipment	(6,203,704)	-	(6,203,704)	(6,203,704)	-
Bond interest expense	(436,811,504)	-	(436,811,504)	-	-
BAB's Subsidy	26,674,318	-	26,674,318	-	-
Other nonoperating costs	(16,163,752)	-	(16,163,752)	(15,241,378)	-
Bond discount/premium amortization	1,822,095	-	1,822,095	1,539,260	-
Interest on short term notes (net of capitalized interest)	(7,282)	-	(7,282)	-	-
Interest on loan	(5,807,038)	-	(5,807,038)	(5,807,038)	-
Amortization of deferred amount on refunding (note 5)	(3,550,291)	-	(3,550,291)	(3,550,291)	-
Unallocated infrastructure depreciation	(63,943,350)	-	(63,943,350)	(63,943,350)	-
Reserve maintenance account expenses	(10,915,105)	-	(10,915,105)	-	-
Consolidated capital improvement fund expenses	(27,541,667)	-	(27,541,667)	-	-
Net revenues	(100,515,693)	1,889,987	(102,405,680)	(87,292,281)	539,907,483
Interfund transactions:					
Distribution from revenue fund	-	-	-	-	(198,564,051)
Operating transfers (other funds)	919,608	17,626,087	(16,706,479)	(26,211,928)	(341,832,282)
Net changes during the year	(99,596,085)	19,516,074	(119,112,159)	(113,504,209)	(488,850)
Net positions, end of year	\$ (674,676,884)	19,516,074	(694,192,958)	(1,224,827,598)	(161,349,443)

See accompanying independent auditors' report.

Operation and maintenance account	Reserve maintenance account	Consolidated Capital Improvement Fund	DFW Turnpike Transition Trust Fund	Debt service accounts		
				Bond interest account	Reserve account	Redemption account
20,362,204	53,837,099	(134,643,636)	404,441	361,493,323	413,685,447	(18,035,694)
1,215,168	112,022	721,194	-	26,397	5,192,967	5
-	-	2,637,621	-	-	-	-
-	(42,777)	(1,062,900)	-	(13,296)	(5,184,287)	-
-	-	-	-	-	-	-
-	-	(4,458)	-	-	(137,361)	-
(109,240,378)	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	(32,996,000)	-	(403,815,504)	-	-
-	-	-	-	26,674,318	-	-
2,285	-	(924,659)	-	-	-	-
-	-	282,835	-	-	-	-
-	-	-	-	(7,282)	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	(10,915,105)	-	-	-	-	-
-	-	(27,541,687)	-	-	-	-
(108,022,925)	(10,845,859)	(58,888,054)	-	(377,135,367)	(128,681)	5
87,774,522	734,664	110,054,865	-	-	-	-
16,222,439	(1,696,378)	(537,268)	(404,441)	360,358,378	(6,000,000)	(16,605,000)
(4,025,964)	(11,807,574)	50,629,543	(404,441)	(16,776,989)	(6,128,681)	(16,604,995)
16,336,240	42,029,525	(84,014,093)	-	344,716,334	407,556,766	(34,640,689)

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Schedule of Cash Receipts and Disbursements by Trust Account
Year ended December 31, 2013
(Unaudited)

	Total (memorandum only)	Non-Trust Agreement Enterprise Fund	North Texas Tollway System	Construction and property account	Revenue account
Balance of cash, December 31, 2012	\$ 18,318,029	-	18,318,029	(138,511)	3,031,803
Receipts:					
Toll revenues	36,881,710	-	36,881,710	-	36,881,710
Enterprise IOP Revenue	3,081,072	3,081,072	-	-	-
2010 B BABS rebate	8,855,033	-	8,855,033	-	-
Investments	94,134,676	17,749,658	76,385,018	10,564,738	-
Earnings received from investments	3,581,614	29,166	3,552,448	431,026	266,245
Gain/loss from sale of investments	(4,229,112)	-	(4,229,112)	(401,900)	-
Restricted for Debt Service	316,263,995	-	316,263,995	-	316,263,995
Prepaid customers' accounts	372,850,890	-	372,850,890	-	372,850,890
Miscellaneous revenue	1,724,832	-	1,724,832	-	552,907
	<u>833,144,710</u>	<u>20,859,896</u>	<u>812,284,814</u>	<u>10,593,864</u>	<u>726,815,747</u>
Disbursements:					
Revenue bonds retired	(16,605,000)	-	(16,605,000)	-	-
CP Principal Payment	(33,926,543)	-	(33,926,543)	-	-
SWAP Payment	(6,156,765)	-	(6,156,765)	-	-
Interest on bonded debt	(342,669,538)	-	(342,669,538)	(1,218,796)	-
Investments	(30,451,451)	-	(30,451,451)	(24,709,964)	-
Operating expenses	(837,520,134)	(1,710,457)	(835,809,677)	-	(750,816,262)
Reserve maintenance fund expenses	(12,257,667)	-	(12,257,667)	-	-
Capital improvement fund expenses	(27,829,590)	-	(27,829,590)	-	-
Deferred study cost	(329,334)	-	(329,334)	-	-
Capitalized costs	(21,688)	-	(21,688)	(21,688)	-
	<u>(1,307,767,710)</u>	<u>(1,710,457)</u>	<u>(1,306,057,253)</u>	<u>(25,950,448)</u>	<u>(750,816,262)</u>
Interfund and interproject transactions:					
Transfer of deferred revenue	212,135,891	-	212,135,891	-	212,135,891
Transfer of CIF	(3,926,244)	-	(3,926,244)	(3,926,244)	-
Distribution from revenue fund	211,651,643	-	211,651,643	-	(189,623,036)
Other interfund transactions – net	56,157,463	(19,149,439)	75,306,902	19,394,567	4,933,431
	<u>476,018,753</u>	<u>(19,149,439)</u>	<u>495,168,192</u>	<u>15,468,323</u>	<u>27,446,286</u>
Receipts over (under) disbursements and interfund and interproject transactions for the year ended December 31, 2013	1,395,753	-	1,395,753	111,739	3,445,771
Balance of cash, December 31, 2013	\$ 19,713,782	-	19,713,782	(26,772)	6,477,574

See accompanying independent auditors' report.

Operation and maintenance account	Reserve maintenance account	Consolidated Capital Improvement account	DFW Turnpike Transition Trust fund	Debt service accounts		
				Bond interest account	Reserve account	Redemption account
15,811,629	(115,730)	(270,692)	(470)	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	65,820,280	-	8,855,033	-	-
-	81,350	-	-	34,657	2,739,165	5
-	-	-	-	(15,907)	(3,811,305)	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,160,556	-	11,369	-	-	-	-
1,160,556	81,350	65,831,649	-	8,873,783	(1,072,140)	5
-	-	-	-	-	-	(16,605,000)
-	-	(33,926,543)	-	-	-	-
-	-	-	-	(6,156,765)	-	-
-	-	-	-	(341,450,742)	-	-
-	-	-	-	-	(5,741,487)	-
(84,587,802)	-	-	(405,613)	-	-	-
-	(12,257,667)	-	-	-	-	-
-	-	(27,829,590)	-	-	-	-
-	-	(329,334)	-	-	-	-
-	-	-	-	-	-	-
(84,587,802)	(12,257,667)	(62,085,467)	(405,613)	(347,607,507)	(5,741,487)	(16,605,000)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
81,439,283	734,664	-	-	319,100,732	-	-
-	11,430,351	(3,909,144)	406,083	19,632,992	6,813,627	16,604,995
81,439,283	12,165,015	(3,909,144)	406,083	338,733,724	6,813,627	16,604,995
(1,987,963)	(11,302)	(162,962)	470	-	-	-
13,823,666	(127,032)	(433,664)	-	-	-	-

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
 Schedule of Toll Revenue and Traffic Analysis
 Year Ended December 31, 2013
(Unaudited)

Toll revenue:		
AVI	\$	453,393,976
ZipCash		118,198,079
Less bad debt expense		(46,133,481)
Total	\$	<u>525,458,574</u>
Vehicle transactions (unaudited):		
Two-axle vehicle transactions		597,203,475
Multi-axle vehicle transactions		12,926,262
Nonrevenue vehicle transactions		2,314,850
Total		<u>612,444,587</u>
Toll revenue – average per day:		
AVI		1,242,175
Zipcash		323,830
Average	\$	<u>1,566,005</u>
Vehicle transactions – average per day (unaudited):		
Two-axle vehicle transactions		1,636,174
Multi-axle vehicle transactions		35,414
Nonrevenue vehicle transactions		6,342
Average		<u>1,677,930</u>

Toll Revenue and Traffic by Class of Vehicle

Year Ended December 31, 2013

(Unaudited)

Class of vehicle	Revenue	Vehicle transactions
Two-axle vehicles	\$ 453,393,976	597,203,475
Multi-axle vehicles and combinations	118,198,079	12,926,262
Less bad debt expense	(46,133,481)	
Nonrevenue vehicles	-	2,314,850
Toll revenue	<u>525,458,574</u>	<u>612,444,587</u>

See accompanying independent auditors' report.

NORTH TEXAS TOLLWAY SYSTEM
 (An Enterprise Fund of the North Texas Tollway Authority)
 Schedule of Toll Rates
 As of December 31, 2013
 (Unaudited)

	Two-axle passenger cars and trucks		Three-axle vehicles and combinations		Four-axle vehicles and combinations		Five-axle vehicles and combinations		Six or more axle vehicles and special permits	
	ZipCash	TollTag	ZipCash	TollTag	ZipCash	TollTag	ZipCash	TollTag	ZipCash	TollTag
Dallas North Tollway:										
Wycliff Main Lane Gantry (MLP1)	\$ 2.00	\$ 1.33	\$ 4.00	\$ 2.66	\$ 6.00	\$ 3.99	\$ 8.00	\$ 5.32	\$ 10.00	\$ 6.65
Mockingbird Lane (MOCLN)	1.46	0.97	2.92	1.94	4.38	2.91	5.84	3.88	7.30	4.85
Northwest Highway (NORHY)	0.99	0.66	1.98	1.32	2.97	1.98	3.96	2.64	4.95	3.30
Royal Lane (ROYLN)	0.57	0.35	1.14	0.70	1.71	1.05	2.28	1.40	2.85	1.75
Spring Valley Road (SPVRD)	0.45	0.23	0.90	0.46	1.35	0.69	1.80	0.92	2.25	1.15
Belt Line Road (BELRD)	0.53	0.31	1.06	0.62	1.59	0.93	2.12	1.24	2.65	1.55
Keller Springs Road (KESRD)	0.69	0.46	1.38	0.92	2.07	1.38	2.76	1.84	3.45	2.30
Trinity Mills Main Lane Gantry (MLP2)	1.43	0.95	2.86	1.90	4.29	2.85	5.72	3.80	7.15	4.75
Frankford Road (FRARD)	0.45	0.23	0.90	0.46	1.35	0.69	1.80	0.92	2.25	1.15
Park Boulevard (PARBD)	0.45	0.23	0.90	0.46	1.35	0.69	1.80	0.92	2.25	1.15
Parker Main Lane Gantry (MLP3)	1.28	0.85	2.56	1.70	3.84	2.55	5.12	3.40	6.40	4.25
Parker Road (PARRD)	0.77	0.51	1.54	1.02	2.31	1.53	3.08	2.04	3.85	2.55
Spring Creek Parkway (SPCPY)	0.50	0.28	1.00	0.56	1.50	0.84	2.00	1.12	2.50	1.40
Legacy Drive (LEGDR)	0.45	0.23	0.90	0.46	1.35	0.69	1.80	0.92	2.25	1.15
Headquarters Drive (HEADR)	0.45	0.23	0.90	0.46	1.35	0.69	1.80	0.92	2.25	1.15
Gaylord Parkway (GAYPY)	0.45	0.23	0.90	0.46	1.35	0.69	1.80	0.92	2.25	1.15
Lebanon Road (LEBRD)	0.57	0.35	1.14	0.70	1.71	1.05	2.28	1.40	2.85	1.75
Stone Brook Parkway (STOPY)	0.66	0.44	1.32	0.88	1.98	1.32	2.64	1.76	3.30	2.20
Main Street (MAIST)	1.08	0.72	2.16	1.44	3.24	2.16	4.32	2.88	5.40	3.60
Eldorado Main Lane Gantry (MLP4)	2.24	1.49	4.48	2.98	6.72	4.47	8.96	5.96	11.20	7.45
Eldorado Parkway (ELDPY)	0.81	0.54	1.62	1.08	2.43	1.62	3.24	2.16	4.05	2.70
Addison Airport Toll Tunnel:										
Main Lane Gantry (AATT)	ZipCash 0.80	TollTag 0.53	ZipCash 1.60	TollTag 1.06	ZipCash 2.40	TollTag 1.59	ZipCash 3.20	TollTag 2.12	ZipCash 4.00	TollTag 2.65
President George Bush Turnpike:										
North Garland Avenue (GARRD)	ZipCash 0.49	TollTag 0.27	ZipCash 0.98	TollTag 0.54	ZipCash 1.47	TollTag 0.81	ZipCash 1.96	TollTag 1.08	ZipCash 2.45	TollTag 1.35
Campbell Road (CAMRD)	0.65	0.43	1.30	0.86	1.95	1.29	2.60	1.72	3.25	2.15
East Renner Road (ERERD)	1.05	0.70	2.10	1.40	3.15	2.10	4.20	2.80	5.25	3.50
Shiloh Main Lane Gantry (MLP6)	1.58	1.05	3.16	2.10	4.74	3.15	6.32	4.20	7.90	5.25
Shiloh Road (SHIRD)	0.81	0.54	1.62	1.08	2.43	1.62	3.24	2.16	4.05	2.70
West Renner Road (WRERD)	0.58	0.36	1.16	0.72	1.74	1.08	2.32	1.44	2.90	1.80
Independence Parkway (INDPY)	0.58	0.36	1.16	0.72	1.74	1.08	2.32	1.44	2.90	1.80
Coit Road (COIRD)	0.81	0.54	1.62	1.08	2.43	1.62	3.24	2.16	4.05	2.70
Coit Main Lane Gantry (MLP7)	1.71	1.14	3.42	2.28	5.13	3.42	6.84	4.56	8.55	5.70
Preston Road (PRERD)	0.52	0.30	1.04	0.60	1.56	0.90	2.08	1.20	2.60	1.50
Midway Road (MIDRD)	0.45	0.23	0.90	0.46	1.35	0.69	1.80	0.92	2.25	1.15
Marsh Lane (MARLN)	0.53	0.31	1.06	0.62	1.59	0.93	2.12	1.24	2.65	1.55
Frankford Main Lane Gantry (MLP8)	1.59	1.06	3.18	2.12	4.77	3.18	6.36	4.24	7.95	5.30
Kelly Boulevard (KELBD)	0.84	0.56	1.68	1.12	2.52	1.68	3.36	2.24	4.20	2.80
Josey Lane (JOSLN)	0.58	0.36	1.16	0.72	1.74	1.08	2.32	1.44	2.90	1.80
Sandy Lake Main Lane Gantry (MLP9)	1.26	0.84	2.52	1.68	3.78	2.52	5.04	3.36	6.30	4.20
Belt Line - Luna Road (NBERD)	0.75	0.50	1.50	1.00	2.25	1.50	3.00	2.00	3.75	2.50
Royal Lane (ROYLN)	0.47	0.25	0.94	0.50	1.41	0.75	1.88	1.00	2.35	1.25
Belt Line Road (SBERD)	0.74	0.49	1.48	0.98	2.22	1.47	2.96	1.96	3.70	2.45
Belt Line Main Lane Gantry (MLP10)	0.74	0.49	1.48	0.98	2.22	1.47	2.96	1.96	3.70	2.45
Mountain Creek Lake Bridge:										
Main Lane Gantry (MCLB)	ZipCash 0.80	TollTag 0.53	ZipCash 1.60	TollTag 1.06	ZipCash 2.40	TollTag 1.59	ZipCash 3.20	TollTag 2.12	ZipCash 4.00	TollTag 2.65
Lewisville Lake Toll Bridge:										
Main Lane Gantry (LLTB)	ZipCash 1.59	TollTag 1.06	ZipCash 3.18	TollTag 2.12	ZipCash 4.77	TollTag 3.18	ZipCash 6.36	TollTag 4.24	ZipCash 7.95	TollTag 5.30
Sam Rayburn Tollway (1)										
Denton Tap Main Lane Gantry (MLG1)	ZipCash 0.75	TollTag 0.50	ZipCash 1.50	TollTag 1.00	ZipCash 2.25	TollTag 1.50	ZipCash 3.00	TollTag 2.00	ZipCash 3.75	TollTag 2.50
MacArthur Blvd (MACBD)	0.45	0.23	0.90	0.46	1.35	0.69	1.80	0.92	2.25	1.15
Carrollton Parkway (CARPY)	0.45	0.23	0.90	0.46	1.35	0.69	1.80	0.92	2.25	1.15
Parker Road (PARRD)	0.55	0.33	1.10	0.66	1.65	0.99	2.20	1.32	2.75	1.65
Old Denton Road (OLDRD)	0.60	0.38	1.20	0.76	1.80	1.14	2.40	1.52	3.00	1.90
Standridge Drive - South (SSTDR)	0.86	0.57	1.72	1.14	2.58	1.71	3.44	2.28	4.30	2.85
Josey Lane - South (SJOLN)	1.05	0.70	2.10	1.40	3.15	2.10	4.20	2.80	5.25	3.50
Josey Main Lane Gantry (MLG2)	1.95	1.30	3.90	2.60	5.85	3.90	7.80	5.20	9.75	6.50
Standridge Drive - North (NSTDR)	1.11	0.74	2.22	1.48	3.33	2.22	4.44	2.96	5.55	3.70
Josey Lane - North (NJOLN)	0.92	0.61	1.84	1.22	2.76	1.83	3.68	2.44	4.60	3.05
Plano Parkway (PLAPY)	0.72	0.48	1.44	0.96	2.16	1.44	2.88	1.92	3.60	2.40
Spring Creek Parkway (SPCPY)	0.46	0.24	0.92	0.48	1.38	0.72	1.84	0.96	2.30	1.20
Preston Road (PRERD)	0.45	0.23	0.90	0.46	1.35	0.69	1.80	0.92	2.25	1.15
Hillcrest Road (HILRD)	0.46	0.24	0.92	0.48	1.38	0.72	1.84	0.96	2.30	1.20
Coit Road (COIRD)	0.80	0.53	1.60	1.06	2.40	1.59	3.20	2.12	4.00	2.65
Independence Parkway (INDPY)	1.05	0.70	2.10	1.40	3.15	2.10	4.20	2.80	5.25	3.50
Custer Road - South (CUSRD)	1.31	0.87	2.62	1.74	3.93	2.61	5.24	3.48	6.55	4.35
Custer Main Lane Gantry (MLG3)	2.70	1.80	5.40	3.60	8.10	5.40	10.80	7.20	13.50	9.00
Exchange Parkway (SALDR)	1.41	0.94	2.82	1.88	4.23	2.82	5.64	3.76	7.05	4.70
Alma Drive (NALDR)	1.04	0.69	2.08	1.38	3.12	2.07	4.16	2.76	5.20	3.45
Stacy Road (STARD)	0.81	0.54	1.62	1.08	2.43	1.62	3.24	2.16	4.05	2.70
Lake Forest Drive (LAFDR)	0.64	0.42	1.28	0.84	1.92	1.26	2.56	1.68	3.20	2.10
Hardin Boulevard (HARBD)	0.49	0.27	0.98	0.54	1.47	0.81	1.96	1.08	2.45	1.35
PGBT EE (2)										
Miller Road (MLRRD)	ZipCash 0.60	TollTag 0.38	ZipCash 1.20	TollTag 0.76	ZipCash 1.80	TollTag 1.14	ZipCash 2.40	TollTag 1.52	ZipCash 3.00	TollTag 1.90
Main Street/Lakeview Parkway (LAKPY)	0.77	0.51	1.54	1.02	2.31	1.53	3.08	2.04	3.85	2.55
Merritt - Liberty Grove Road (MERLG)	1.22	0.81	2.44	1.62	3.66	2.43	4.88	3.24	6.10	4.05
Merritt Main Lane Gantry (MLG5)	2.28	1.52	4.56	3.04	6.84	4.56	9.12	6.08	11.40	7.60
Miles Road (MLSRD)	0.55	0.33	1.10	0.66	1.65	0.99	2.20	1.32	2.75	1.65
Firewheel Parkway (FIRPY)	0.45	0.23	0.90	0.46	1.35	0.69	1.80	0.92	2.25	1.15
Crist Road (CRIRD)	0.45	0.23	0.90	0.46	1.35	0.69	1.80	0.92	2.25	1.15

(1) NTTA began collecting revenues on Sam Rayburn Tollway on its own behalf on September 1, 2008.

(2) PGBT EE mainlanes from SH 78 to IH 30 opened in December 2011.

Footnote: The Authority has converted all the facilities in the system to All Electronic Toll Collection (All ETC). Cash will no longer be accepted on NTTA facilities. Vehicles with no transponders will be billed through video tolling.

See accompanying independent auditors' report.

(3) PGBT EE mainlanes from SH 78 to IH 30 opened in December 2011

Footnote: The Authority has converted all the facilities in the system to All Electronic Toll Collection (All ETC). All customers will either have a TollTag or they will be billed according to business rules currently in place. Cash will not be accepted.

See accompanying independent auditors' report.

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
Schedule of Historical Traffic, Toll Revenues and Net Revenues
Year Ended December 31, 2013
(Unaudited)

Historical Traffic and Toll Revenue

The table below sets forth the annual revenue vehicle transactions and gross toll revenue with respect to the Dallas North Tollway System for the ten calendar years 2004 through 2013:

<u>Year</u>	<u>Annual revenue vehicle transactions (unaudited)</u>	<u>Annual toll revenue</u>
2004 (1)	315,031,754	160,695,030
2005 (2)	338,390,215	172,537,345
2006	370,696,171	191,434,120
2007 (3)	383,481,098	202,675,564
2008 (4)	412,272,003	240,776,791
2009 (5)	455,546,197	290,404,547
2010 (6)	481,913,338	366,597,323
2011 (7)	513,454,344	402,569,534
2012	585,051,845	485,463,608
2013	610,129,737	525,458,723

- (1) Reflects the opening of Segment III of the President George Bush Turnpike from Midway Road to Frankford in March 2001 to IH 35 in July 2001 and Segment V on December 2001.
- (2) Toll rate increase for the President George Bush Turnpike went into effect in January 2002
- (1) Reflects the completion of DNT and State Highway 121 interchange on April 2004.
- (2) Reflects the opening of Segment IV of the President George Bush Turnpike in September 2005.
- (3) Reflects the opening of DNT Phase 3 and toll rate increase in late September 2007.
- (4) Reflects the opening of Sam Rayburn Tollway (121 Tollway) in September 2008.
- (5) Reflects the opening of Lake Lewisville August 2009.
- (6) Four major direct connectors at SRT/US75 interchange were opened during 2010
- (7) 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 2004 through 2013:

<u>Year</u>	<u>Toll revenue</u>	<u>Current expenses</u>	<u>Investment and other earnings</u>	<u>Net revenues</u>	<u>Coverage</u>
2004	\$ 160,695,030	\$ 47,680,750	\$ 10,046,907	\$ 123,061,187	2.00
2005	172,537,345	56,576,883	14,085,285	130,045,747	1.80
2006	191,434,120	61,421,158	18,259,576	148,272,538	1.98
2007	202,675,564	76,593,495	21,307,811	147,389,880	1.96
2008	240,776,791	80,668,732	20,958,496	181,066,555	1.60
2009	290,404,547	90,934,772	31,253,174	230,722,950	1.56
2010	366,597,323	95,709,839	30,086,350	300,973,834	1.61
2011	402,569,534	99,324,590	41,161,515	344,406,459	1.77
2012	485,463,608	151,466,804	28,832,506	362,829,310	1.47
2013	525,458,723	109,240,378	21,721,506	437,939,851	1.26

See accompanying independent auditors' report.

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
 Schedule of Capitalized Costs by Project
 As of December 31, 2013
 (Unaudited)

	Cumulative Total Through December 31, 2013
Dallas North Tollway - 3711	
Preliminary costs	17,863,848
Construction	155,999,243
Right-of-way	49,536,424
Engineering	22,056,064
Administration	3,332,630
Buildings	5,580,003
Land	1,781,434
Equipment	771,382
Subtotal	256,921,028
Financing costs	56,568,228
Total capitalized costs – Dallas North Tollway	313,489,256
Dallas North Tollway Extension - 3712	
Preliminary costs	6,619,071
Construction	211,325,099
Right-of-way	8,508,262
Engineering	25,116,391
Administration	1,413,506
Equipment	35,684
Subtotal	247,077,673
Financing costs	(3,329,736)
Total capitalized costs – Dallas North Tollway Extension	243,747,938
Addison Airport Toll Tunnel - 3741	
Preliminary costs	1,244,081
Construction	18,204,644
Right-of-way	617,278
Engineering	4,895,696
Administration	295,204
Subtotal	25,256,904
Financing costs	(1,015,147)
Total capitalized cost – Addison Airport Toll Tunnel	24,241,757
President George Bush Turnpike - Segments I - IV - 3721	
Preliminary costs	18,040,105
Construction	602,607,963
Right-of-way	76,906,305
Engineering	114,239,013
Administration	25,252,891
Buildings	24,016,957
Land	5,512,321
Equipment	49,656,961
Accumulated Depreciation on Equipment	(39,001,633)
Subtotal	877,230,881
Financing costs	56,228,431
Total capitalized cost – President George Bush Turnpike - Segments I - IV	933,459,312
President George Bush Turnpike - Segment V - 3723	
Preliminary costs	1,596,209
Construction	68,433,928
Right-of-way	16,460
Engineering	8,981,476
Administration	235,829
Subtotal	79,263,902
Financing costs	9,980,227
Total capitalized cost – President George Bush Turnpike - Segment V	89,244,129

(continued)

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
 Schedule of Capitalized Costs by Project
 As of December 31, 2013
 (Unaudited)

	Cumulative Total Through December 31, 2013
Dallas North Tollway Phase 3 - 3713	
Preliminary costs	5,118,816
Construction	229,837,506
Right-of-way	569,831
Engineering	33,061,961
Administration	2,690,663
Subtotal	271,278,777
Financing costs	(20,316,333)
Total capitalized cost – Dallas North Tollway Phase 3	250,962,444
Lewisville Lake Toll Bridge - 3761	
Preliminary costs	9,876
Construction	99,165,048
Right-of-way	13,177
Engineering	14,319,827
Administration	249,624
Subtotal	113,757,552
Financing costs	(405,373)
Total capitalized cost – Lewisville Lake Toll Bridge	113,352,179
President George Bush Turnpike - Eastern Extension - 3722	
Infrastructure (Other)	30,192
Construction	381,044,177
Right-of-way	104,963,084
Engineering	71,840,483
Administration	4,850,422
Subtotal	562,728,358
Financing costs	51,010,196
Total capitalized cost – President George Bush Turnpike - Eastern Extension	613,738,554
Totals by Category	
Infrastructure (Other)	30,192
Preliminary costs	51,623,689
Construction	96,737,854
Right-of-way	256,283,956
Engineering	383,366,477
Administration	59,551,333
Buildings	29,596,959
Land	7,293,755
Roadways	2,174,850,855
Equipment	50,748,723
Accumulated depreciation equipment	(39,001,629)
Subtotal	3,071,082,164
Financing costs	285,607,815
Total Capitalized Cost as of December 31, 2013	\$ 3,356,689,979

(concluded)

(1) Total capitalized cost includes bond discount/(premiums), which have been capitalized in accordance with the Trust Agreement.

These costs are netted against revenue bonds within the statement of net position.

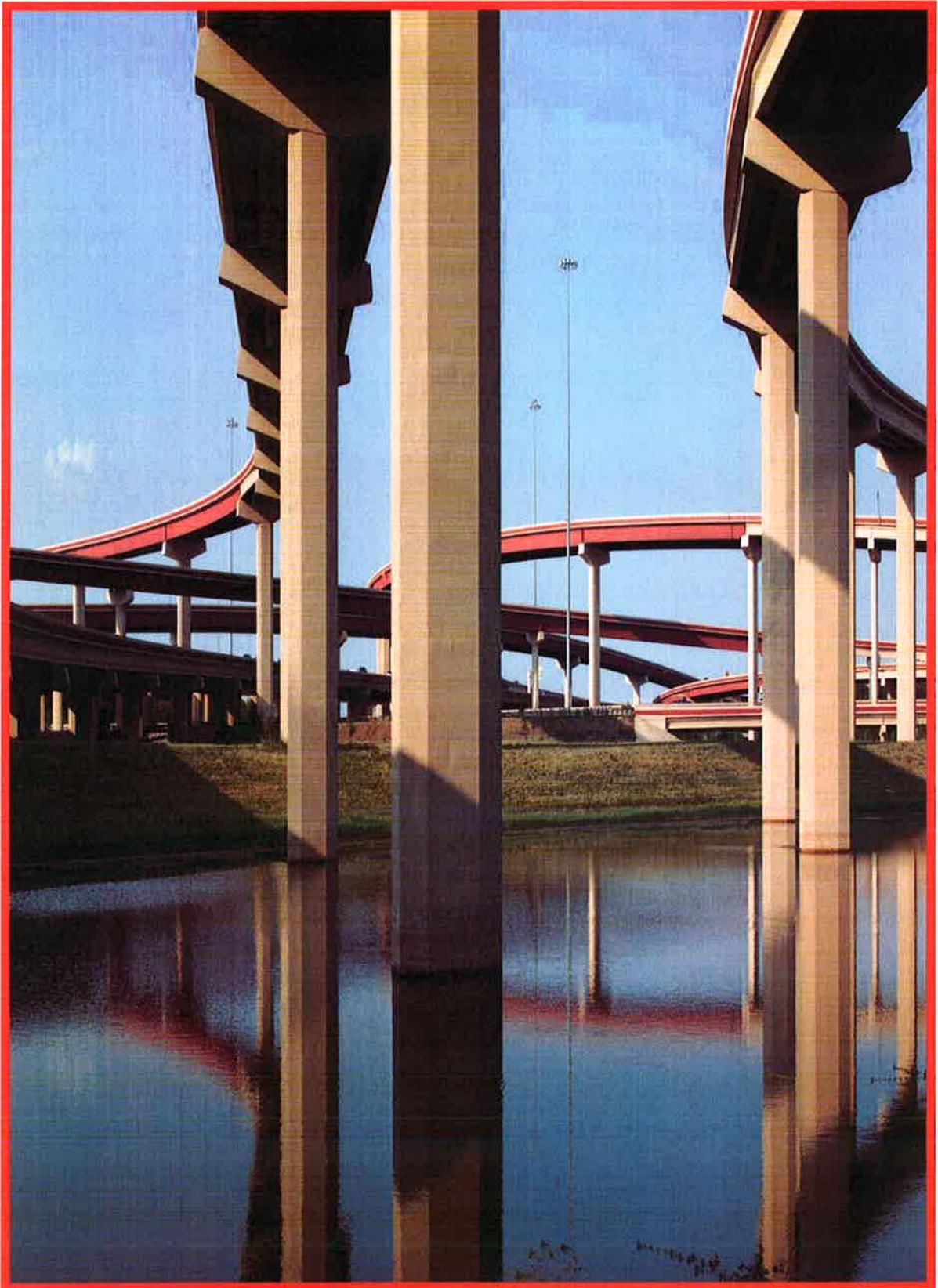
See accompanying independent auditors' report.

NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
 Schedule of Deferred Study Costs - Feasibility Study Fund
 Year ended December 31, 2013
(Unaudited)

The table below sets forth the accumulated deferred study costs, by project, through December 31, 2013 that have not been transferred out of the Feasibility Study Fund into a construction project.

<u>Projects</u>	<u>Accumulated December 31, 2013</u>
Trinity Tollway	\$ 374,328
SH 161 FSF (FREE)	133,015
Dallas North Tollway:	
380 Interchange	285,767
Extension Phase 4	3,738,109
Extension Phase 4B/5A	3,601,870
President George Bush Turnpike - East Branch	121,176
State Highway 360	6,574,035
Trinity Parkway	37,139,041
North Central Texas Council of Governments	848,892
State Highway 170 - Alliance Gateway	4,936,262
Capital Planning Model	364,329
Collin/Grayson Corridor	175,712
Future Bond Issue Planning	336,519
State Highway 183 Managed Lanes	901,486
Collin County Outer Loop	3,152
Denton County Corridor	7,857
Loop 9	32,649
IH35 E Managed Lanes	60,494
	<u>\$ 59,634,693</u>

See accompanying independent auditor's report



NORTH TEXAS TOLLWAY SYSTEM
(An Enterprise Fund of the North Texas Tollway Authority)
INTRODUCTION TO STATISTICAL SECTION
(Unaudited)

INTRODUCTION

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

FINANCIAL TRENDS

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

REVENUE CAPACITY

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

DEBT CAPACITY

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

DEMOGRAPHIC AND ECONOMIC INFORMATION

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

OPERATING INFORMATION

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

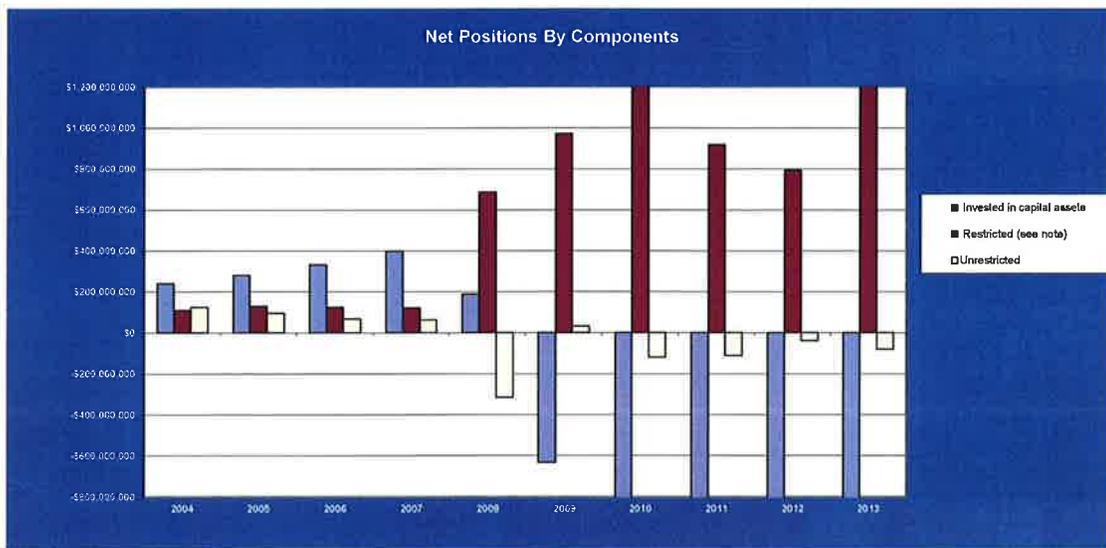
Sources: Unless other noted, the information in the following tables is derived from the annual financial reports for the relevant years.

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

Business-Type Activities

Components	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Invested in capital assets	\$239,205,057	\$280,156,648	\$330,841,254	\$398,078,219	\$187,921,483	\$ (633,265,931)	\$ (831,801,689)	\$ (1,178,473,954)	\$ (1,254,068,836)	\$ (4,212,230,014)
Restricted (see note)	108,079,819	129,195,493	123,194,488	120,495,844	686,236,650	972,154,312	1,211,161,929	917,325,283	792,586,995	3,617,899,693
Unrestricted	124,451,990	95,696,520	67,332,901	62,928,573	(316,228,962)	31,763,352	(119,834,279)	(112,356,823)	(36,269,706)	(80,346,563)
Total net positions	471,736,866	505,048,661	521,368,643	581,502,436	557,929,151	370,671,733	259,525,981	-373,505,494	-499,771,547	-874,676,884

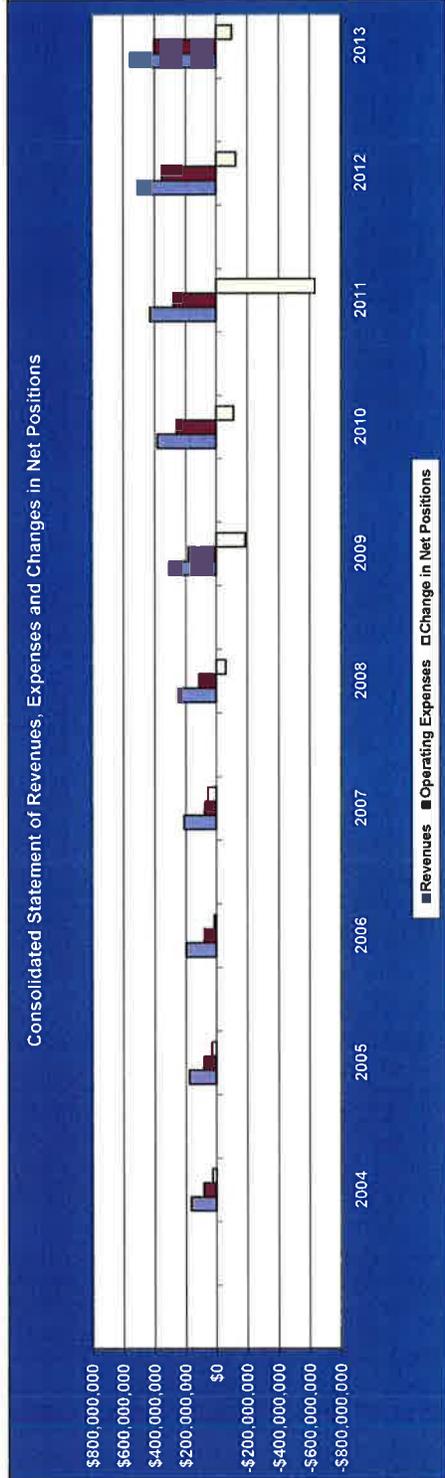
NOTE—Information prior to implementation of GASB 34 in FY2002 is not available.



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

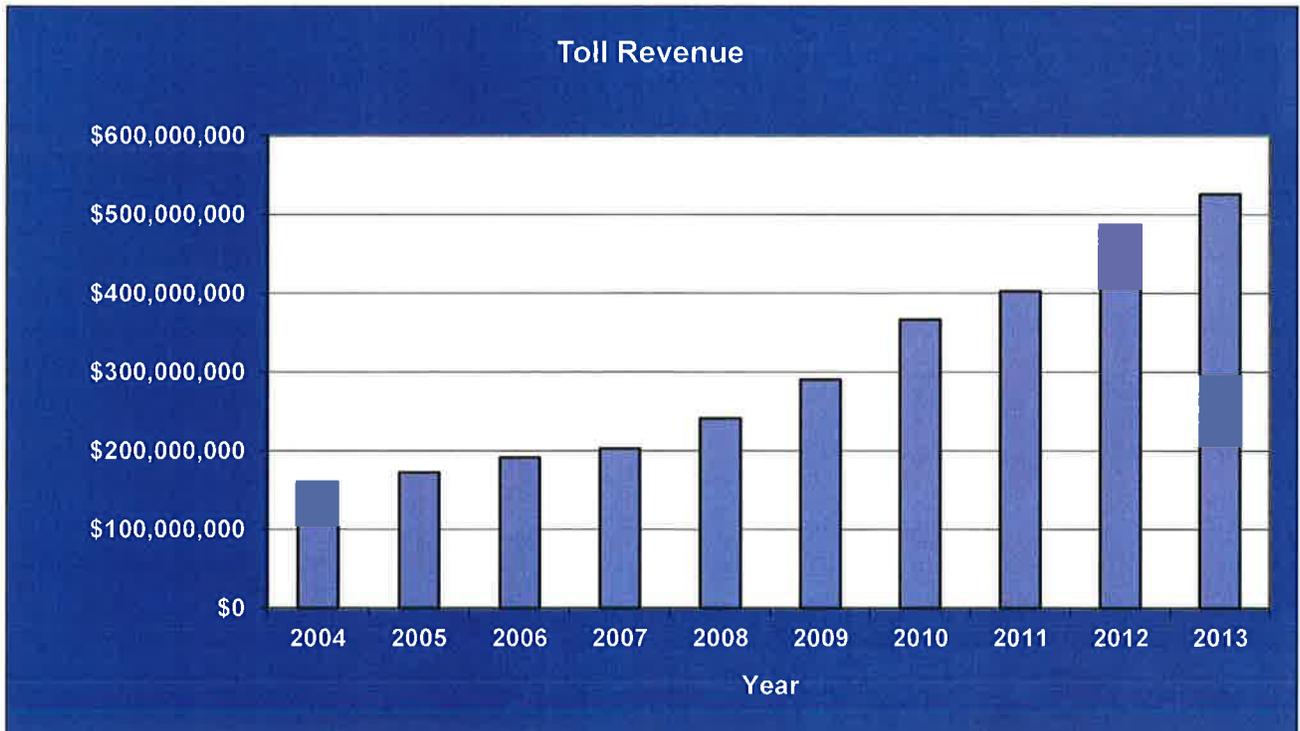
Business-Type Activities	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues:										
Tolls	\$ 160,692,030	\$ 172,537,345	\$ 191,434,120	\$ 202,675,564	\$ 240,776,791	\$ 290,404,547	\$ 366,597,323	\$ 402,569,534	\$ 485,463,608	\$ 525,458,723
Other (1)	4,574,224	5,103,941	6,647,546	7,988,624	9,273,124	17,195,849	17,268,589	28,372,616	20,729,193	26,138,924
Total operating revenues	165,266,254	177,641,286	198,081,666	210,664,188	250,049,915	307,600,396	383,865,912	430,942,150	506,192,801	551,597,647
Operating expenses:										
Administration	7,592,581	8,381,359	8,899,052	10,910,385	12,604,559	22,501,450	21,105,665	22,159,182	22,982,801	23,296,130
Operations	40,088,169	48,195,524	52,522,106	64,660,897	68,064,173	68,433,322	74,604,274	77,165,408	89,263,523	88,469,679
Reserve maintenance	10,990,224	7,483,753	22,771,922	23,858,264	16,254,548	15,444,672	11,701,225	16,540,873	11,446,757	10,915,105
Capital improvement	24,268,247	30,117,098	31,975,003	33,381,445	38,541,652	20,039,108	18,259,590	36,535,270	35,691,517	27,541,687
Total operating expenses before depreciation	82,939,221	94,177,734	116,168,083	132,810,991	137,464,932	126,418,552	125,670,654	152,400,733	153,374,598	150,224,601
Operating income before depreciation	82,330,033	83,463,552	81,913,583	77,853,197	112,584,983	181,181,844	258,195,258	278,541,417	352,818,203	401,373,046
Amortization of intangible (SRT)	(1,662,808)	(2,092,825)	(2,126,037)	(1,800,225)	(3,481,013)	(4,529,323)	(4,794,093)	(63,947,216)	(63,943,350)	(63,943,350)
Depreciation	80,667,225	81,370,727	79,787,546	76,052,972	109,103,970	176,652,521	253,401,165	208,904,041	282,836,493	331,225,992
Operating income										
Nonoperating revenues (expenses):										
Interest earned on investments	10,458,474	13,562,825	16,560,756	17,592,664	50,488,067	25,219,356	22,128,268	17,672,334	10,112,695	419,671
Net increase(decrease) in the fair value of investments	(1,676,391)	(1,087,627)	2,335,448	1,067,995	24,555,188	(13,371,674)	3,588,196	(3,659,548)	(4,962,380)	(6,707,082)
Unallocated infrastructure depreciation	(46,017,953)	(55,164,859)	(53,414,350)	(52,420,707)	(227,034,684)	(352,464,434)	(371,173,164)	(343,422,746)	(444,746,741)	(442,625,824)
Interest expense on revenue bonds			(24,658)	(2,653,677)	(35,086,229)	(6,364,724)	(6,269,247)	(6,269,405)	(6,032,854)	(5,814,320)
Interest expense on short-term notes	1,305,815	1,285,475	1,618,562	1,386,510	(217,615)	(1,659,281)	6,330,306	(43,237,386)	892,614	1,822,095
Bond premium/discount amortization					(17,543,223)	(9,216,397)	(5,002,937)	(4,173,546)	(4,147,186)	
Bond issuance cost amortization	(6,147,053)	(7,030,110)	(6,557,286)	(6,017,291)	(6,694,083)	(8,911,968)	(571,990)	(5,829,048)	(4,701,591)	2,264,029
Deferred amount on refunding amortization										
SWAP termination payment					(4,511,011)	(6,081,700)				
Net amount on refunded bonds										
Contributed capital to the Feasibility Study Fund	(11,990,800)		(25,000,000)	25,000,000						
Transfer to SPS & Enterprise					74,902,422		(217,866)	(508,991,349)	911,870	919,606
Capital Grant Contributions							31,526,405	25,712,730	8,523,679	8,389,180
BAB's Subsidy							26,283,784	28,978,075	28,978,075	28,674,318
Other	(342,570)	395,564	1,013,964	135,327	(355,245)	2,565,331	(7,346,832)	1,284,373	6,069,273	(16,163,752)
Net nonoperating revenues (expenses)	(54,410,476)	(48,053,932)	(63,477,564)	(15,909,179)	(169,269,873)	(363,909,939)	(364,546,917)	(841,935,516)	(409,102,546)	(430,822,077)
Change in net positions	\$ 26,256,747	\$ 33,311,795	\$ 16,308,982	\$ 60,143,793	\$ (60,165,903)	\$ (187,257,418)	\$ (111,145,752)	\$ (633,031,475)	\$ (126,266,053)	\$ (99,596,085)

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



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

Year	Annual Revenue Vehicle Transactions	Annual Toll Revenue	Average Toll Rate per Transaction
2004	315,031,754	160,695,030	0.51
2005	338,390,215	172,537,345	0.51
2006	370,696,171	191,434,120	0.52
2007	383,481,098	202,675,564	0.53
2008	412,272,003	240,776,791	0.58
2009	455,546,197	290,404,547	0.64
2010	481,913,338	366,597,323	0.76
2011	513,454,344	402,569,534	0.78
2012	585,051,845	485,463,608	0.83
2013	610,129,737	525,458,723	0.86



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

		Years									
Two-axle passenger cars and trucks		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Roadway											
Dallas North Tollway:											
Main Lane Plaza 1	Cash	\$0.75	\$0.75	\$0.75	-	-	-	-	-	-	-
	TollTag	0.60	0.60	0.60	\$0.60	\$0.70	\$1.26	\$1.26	\$1.33	\$1.33	1.40
	ZipCash	-	-	-	0.75	1.00	1.89	1.89	2.00	2.00	2.10
<i>(all ETC, effective in Jan., 2007)</i>											
Main Lane Plaza 2	Cash/ZipCash	0.75	0.75	0.75	1.00	1.00	1.35	1.35	1.43	1.43	1.52
	TollTag	0.60	0.60	0.60	0.70	0.70	0.90	0.90	0.95	0.95	1.01
Main Lane Plaza 3	Cash/ZipCash	0.75	0.75	0.75	1.00	1.00	1.20	1.20	1.28	1.28	1.35
	TollTag	0.60	0.60	0.60	0.70	0.70	0.80	0.80	0.85	0.85	0.90
Main Lane Plaza 4 (1)	Cash/ZipCash	-	-	-	1.30	1.30	2.15	2.12	2.24	2.24	2.37
	TollTag	-	-	-	1.05	1.05	1.41	1.41	1.49	1.49	1.58
Addison Airport Toll Tunnel:											
Mainlane Plaza	Cash/ZipCash	0.50	0.50	0.50	0.50	0.50	0.75	0.75	0.80	0.80	0.84
	TollTag	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.53	0.53	0.56
President George Bush Turnpike:											
Main Lane Plaza 5 (9)	ZipCash	-	-	-	-	-	-	-	2.28	2.28	2.42
	TollTag	-	-	-	-	-	-	-	1.52	1.52	1.61
Main Lane Plaza 6	Cash/ZipCash	0.75	0.75	0.75	1.00	1.00	1.50	1.50	1.58	1.58	1.67
	TollTag	0.60	0.60	0.60	0.70	0.70	1.00	1.00	1.05	1.05	1.11
Main Lane Plaza 7	Cash/ZipCash	0.75	0.75	0.75	1.00	1.00	1.62	1.62	1.71	1.71	1.80
	TollTag	0.60	0.60	0.60	0.70	0.70	1.08	1.08	1.14	1.14	1.20
Main Lane Plaza 8 (2)	Cash/ZipCash	0.75	0.75	0.75	1.00	1.00	1.50	1.50	1.59	1.59	1.68
	TollTag	0.60	0.60	0.60	0.70	0.70	1.00	1.00	1.06	1.06	1.12
Main Lane Plaza 9 (3)	Cash/ZipCash	-	0.75	0.75	1.00	1.00	1.20	1.20	1.26	1.26	1.34
	TollTag	-	0.60	0.60	0.70	0.70	0.80	0.80	0.84	0.84	0.89
Main Lane Plaza 10 (4)	Cash/ZipCash	0.75	0.75	0.75	1.00	1.00	0.69	0.69	0.74	0.74	0.77
	TollTag	0.60	0.60	0.60	0.70	0.70	0.46	0.46	0.49	0.49	0.51
Mountain Creek Lake Bridge:											
Mainlane Plaza	Cash/ZipCash	0.50	0.50	0.50	0.50	0.50	0.75	0.75	0.80	0.80	0.84
	TollTag	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.53	0.53	0.56
Sam Rayburn Tollway (SRT):											
Main Lane Gantry 1 (5)	ZipCash	-	-	-	-	0.65	0.72	0.72	0.75	0.75	0.80
	TollTag	-	-	-	-	0.45	0.48	0.48	0.50	0.50	0.53
Main Lane Gantry 2 (5)	ZipCash	-	-	-	-	1.71	1.86	1.86	1.95	1.95	2.07
	TollTag	-	-	-	-	1.18	1.24	1.24	1.30	1.30	1.38
Main Lane Gantry 3 (6) (8)	ZipCash	-	-	-	-	-	2.04	2.57	2.70	2.70	2.87
	TollTag	-	-	-	-	-	1.36	1.71	1.80	1.80	1.91
Lewisville Lake Toll Bridge:											
Mainlane Plaza (7)	ZipCash	-	-	-	-	-	1.50	1.50	1.59	1.59	1.68
	TollTag	-	-	-	-	-	1.00	1.00	1.06	1.06	1.12

(1) Main Lane Plaza 4 opened September 2007

(2) Main Lane Plaza 8 opened July 2001

(3) Main Lane Plaza 9 opened September 2005

(4) Main Lane Plaza 10 opened December 2001

(5) Main Lane Gantry 1 & 2 (ETC) on SRT; NTTA began collecting revenues on SRT on its own behalf on September 1, 2008

(6) Main Lane Plaza 3 on SRT opened September 2009

(7) Lewisville Lake Toll Bridge opened August 2009

(8) SRT mainlanes were extended to US 75 in December 2010

(9) PGBT EE mainlanes from SH 78 to IH 30 opened in December 2011

Note: The Authority has converted all the facilities in the system to All Electronic Toll Collection (All ETC).

Cash will no longer be accepted on NTTA facilities. Vehicles with no transponders will be billed through video tolling.

Toll rates are 16.16 cents per mile effective July 1, 2013

Toll rates are 16.16 cents per mile effective July 1, 2013

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

Three-axle vehicle and vehicle combination	Roadway	Years										
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	
Dallas North Tollway:												
	Main Lane Plaza 1	Cash	\$1.20	\$1.20	\$1.20	-	-	-	-	-	-	-
		TollTag	0.95	0.95	0.95	\$0.95	\$1.40	\$2.52	\$2.52	\$2.66	\$2.66	2.80
	(all ETC, effective in Jan., 2007)	ZipCash	-	-	-	1.20	2.00	3.78	3.78	4.00	4.00	4.20
	Main Lane Plaza 2	Cash/ZipCash	1.20	1.20	1.20	2.00	2.00	2.70	2.70	2.86	2.86	3.04
		TollTag	0.95	0.95	0.95	1.40	1.40	1.80	1.80	1.90	1.90	2.02
	Main Lane Plaza 3	Cash/ZipCash	1.20	1.20	1.20	2.00	2.00	2.40	2.40	2.56	2.56	2.70
		TollTag	0.95	0.95	0.95	1.40	1.40	1.60	1.60	1.70	1.70	1.80
	Main Lane Plaza 4 (1)	Cash/ZipCash	-	-	-	2.60	2.60	4.30	4.24	4.48	4.48	4.74
		TollTag	-	-	-	2.10	2.10	2.82	2.82	2.98	2.98	3.16
Addison Airport Toll Tunnel:												
	Mainlane Plaza	Cash/ZipCash	0.50	0.50	0.50	0.50	0.50	1.50	1.50	1.60	1.60	1.68
		TollTag	0.50	0.50	0.50	0.50	0.50	1.00	1.00	1.06	1.06	1.12
President George Bush Turnpike:												
	Main Lane Plaza 5 (9)	ZipCash	-	-	-	-	-	-	-	4.56	4.56	4.84
		TollTag	-	-	-	-	-	-	-	3.04	3.04	3.22
	Main Lane Plaza 6	Cash/ZipCash	1.50	1.50	1.50	2.00	2.00	3.00	3.00	3.16	3.16	3.34
		TollTag	1.20	1.20	1.20	1.40	1.40	2.00	2.00	2.10	2.10	2.22
	Main Lane Plaza 7	Cash/ZipCash	1.50	1.50	1.50	2.00	2.00	3.24	3.24	3.42	3.42	3.60
		TollTag	1.20	1.20	1.20	1.40	1.40	2.16	2.16	2.28	2.28	2.40
	Main Lane Plaza 8 (2)	Cash/ZipCash	1.50	1.50	1.50	2.00	2.00	3.00	3.00	3.18	3.18	3.36
		TollTag	1.20	1.20	1.20	1.40	1.40	2.00	2.00	2.12	2.12	2.24
	Main Lane Plaza 9 (3)	Cash/ZipCash	-	1.50	1.50	2.00	2.00	2.40	2.40	2.52	2.52	2.68
		TollTag	-	1.20	1.20	1.40	1.40	1.60	1.60	1.68	1.68	1.78
	Main Lane Plaza 10 (4)	Cash/ZipCash	1.50	1.50	1.50	2.00	2.00	1.38	1.38	1.48	1.48	1.54
		TollTag	1.20	1.20	1.20	1.40	1.40	0.92	0.92	0.98	0.98	1.02
Mountain Creek Lake Bridge:												
	Main lane Plaza	Cash/ZipCash	0.75	0.75	0.75	0.75	0.75	1.50	1.50	1.60	1.60	1.68
		TollTag	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.06	1.06	1.12
Sam Rayburn Tollway (SRT):												
	Main Lane Gantry 1 (5)	ZipCash	-	-	-	-	1.30	1.44	1.44	1.50	1.50	1.60
		TollTag	-	-	-	-	0.90	0.96	0.96	1.00	1.00	1.06
	Main Lane Gantry 2 (5)	ZipCash	-	-	-	-	3.42	3.72	3.72	3.90	3.90	4.14
		TollTag	-	-	-	-	2.36	2.48	2.48	2.60	2.60	2.76
	Main Lane Gantry 3 (6) (8)	ZipCash	-	-	-	-	-	4.08	5.14	5.40	5.40	5.74
		TollTag	-	-	-	-	-	2.72	3.42	3.60	3.60	3.82
Lewisville Lake Toll Bridge:												
	Mainlane Plaza (7)	ZipCash	-	-	-	-	-	3.00	3.00	3.18	3.18	3.36
		TollTag	-	-	-	-	-	2.00	2.00	2.12	2.12	2.24

(1) Main Lane Plaza 4 opened September 2007

(2) Main Lane Plaza 8 opened July 2001

(3) Main Lane Plaza 9 opened September 2005

(4) Main Lane Plaza 10 opened December 2001

(5) Main Lane Gantry 1 & 2 (ETC) on SRT; NTTA began collecting revenues on SRT on its own behalf on September 1, 2008

(6) Main Lane Plaza 3 on SRT opened September 2009

(7) Lewisville Lake Toll Bridge opened August 2009

(8) SRT mainlanes were extended to US 75 in December 2010

(9) PGBT EE mainlanes from SH 78 to IH 30 opened in December 2011

Note: The Authority has converted all the facilities in the system to All Electronic Toll Collection (All ETC).

Cash will no longer be accepted on NTTA facilities. Vehicles with no transponders will be billed through video tolling.

Toll rates are 16.16 cents per mile effective July 1, 2013

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

Four-axle vehicle and vehicle combination	Roadway	Years									
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Dallas North Tollway:											
Main Lane Plaza 1	Cash	\$1.50	\$1.50	\$1.50	-	-	-	-	-	-	-
	TollTag	1.20	1.20	1.20	\$1.20	\$2.10	\$3.78	\$3.78	\$3.99	\$3.99	4.20
<i>(all ETC, effective in Jan., 2007)</i>											
Main Lane Plaza 2	ZipCash	-	-	-	1.50	3.00	5.67	5.67	6.00	6.00	6.30
	Cash/ZipCash	1.50	1.50	1.50	3.00	3.00	4.05	4.05	4.29	4.29	4.56
	TollTag	1.20	1.20	1.20	2.10	2.10	2.70	2.70	2.85	2.85	3.03
Main Lane Plaza 3	Cash/ZipCash	1.50	1.50	1.50	3.00	3.00	3.60	3.60	3.84	3.84	4.05
	TollTag	1.20	1.20	1.20	2.10	2.10	2.40	2.40	2.55	2.55	2.70
Main Lane Plaza 4 (1)	Cash/ZipCash	-	-	-	3.90	3.90	6.45	6.36	6.72	6.72	7.11
	TollTag	-	-	-	3.15	3.15	4.23	4.23	4.47	4.47	4.74
Addison Airport Toll Tunnel:											
Mainlane Plaza	Cash/ZipCash	0.50	0.50	0.50	0.50	0.50	2.25	2.25	2.40	2.40	2.52
	TollTag	0.50	0.50	0.50	0.50	0.50	1.50	1.50	1.59	1.59	1.68
President George Bush Turnpike:											
Main Lane Plaza 5 (9)	ZipCash	-	-	-	-	-	-	-	6.84	6.84	7.26
	TollTag	-	-	-	-	-	-	-	4.56	4.56	4.83
Main Lane Plaza 6	Cash/ZipCash	2.25	2.25	2.25	3.00	3.00	4.50	4.50	4.74	4.74	5.01
	TollTag	1.80	1.80	1.80	2.10	2.10	3.00	3.00	3.15	3.15	3.33
Main Lane Plaza 7	Cash/ZipCash	2.25	2.25	2.25	3.00	3.00	4.86	4.86	5.13	5.13	5.40
	TollTag	1.80	1.80	1.80	2.10	2.10	3.24	3.24	3.42	3.42	3.60
Main Lane Plaza 8 (2)	Cash/ZipCash	2.25	2.25	2.25	3.00	3.00	4.50	4.50	4.77	4.77	5.04
	TollTag	1.80	1.80	1.80	2.10	2.10	3.00	3.00	3.18	3.18	3.36
Main Lane Plaza 9 (3)	Cash/ZipCash	-	2.25	2.25	3.00	3.00	3.60	3.60	3.78	3.78	4.02
	TollTag	-	1.80	1.80	2.10	2.10	2.40	2.40	2.52	2.52	2.67
Main Lane Plaza 10 (4)	Cash/ZipCash	2.25	2.25	2.25	3.00	3.00	2.07	2.07	2.22	2.22	2.31
	TollTag	1.80	1.80	1.80	2.10	2.10	1.38	1.38	1.47	1.47	1.53
Mountain Creek Lake Bridge:											
Main lane Plaza	Cash/ZipCash	1.00	1.00	1.00	1.00	1.00	2.25	2.25	2.40	2.40	2.52
	TollTag	1.00	1.00	1.00	1.00	1.00	1.50	1.50	1.59	1.59	1.68
Sam Rayburn Tollway (SRT):											
Main Lane Gantry 1 (5)	ZipCash	-	-	-	-	1.95	2.16	2.16	2.25	2.25	2.40
	TollTag	-	-	-	-	1.35	1.44	1.44	1.50	1.50	1.29
Main Lane Gantry 2 (5)	ZipCash	-	-	-	-	5.13	5.58	5.58	5.85	5.85	6.21
	TollTag	-	-	-	-	3.54	3.72	3.72	3.90	3.90	4.14
Main Lane Gantry 3 (6) (8)	ZipCash	-	-	-	-	-	6.12	7.71	8.10	8.10	8.61
	TollTag	-	-	-	-	-	4.08	5.13	5.40	5.40	5.73
Lewisville Lake Toll Bridge:											
Mainlane Plaza (7)	ZipCash	-	-	-	-	-	4.50	4.50	4.77	4.77	5.04
	TollTag	-	-	-	-	-	3.00	3.00	3.18	3.18	3.36

- (1) Main Lane Plaza 4 opened September 2007
 - (2) Main Lane Plaza 8 opened July 2001
 - (3) Main Lane Plaza 9 opened September 2005
 - (4) Main Lane Plaza 10 opened December 2001
 - (5) Main Lane Gantry 1 & 2 (ETC) on SRT; NTTA began collecting revenues on SRT on its own behalf on September 1, 2008
 - (6) Main Lane Plaza 3 on SRT opened September 2009
 - (7) Lewisville Lake Toll Bridge opened August 2009
 - (8) SRT mainlanes were extended to US 75 in December 2010
 - (9) PGBT EE mainlanes from SH 78 to IH 30 opened in December 2011
- Note: The Authority has converted all the facilities in the system to All Electronic Toll Collection (All ETC).
Cash will no longer be accepted on NTTA facilities. Vehicles with no transponders will be billed through video tolling.
Toll rates are 16.16 cents per mile effective July 1, 2013

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

Five-axle vehicle and vehicle combination	Roadway	Years										
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	
Dallas North Tollway:												
	Main Lane Plaza 1	Cash	\$1.80	\$1.80	\$1.80	-	-	-	-	-	-	-
		TollTag	1.45	1.45	1.45	\$1.45	\$2.80	\$5.04	\$5.04	\$5.32	\$5.32	5.60
		ZipCash	-	-	-	1.80	4.00	7.56	7.56	8.00	8.00	8.40
	(all ETC, effective in Jan., 2007)											
	Main Lane Plaza 2	Cash/ZipCash	1.80	1.80	1.80	4.00	4.00	5.40	5.40	5.72	5.72	6.08
		TollTag	1.45	1.45	1.45	2.80	2.80	3.60	3.60	3.80	3.80	4.04
	Main Lane Plaza 3	Cash/ZipCash	1.80	1.80	1.80	4.00	4.00	4.80	4.80	5.12	5.12	5.40
		TollTag	1.45	1.45	1.45	2.80	2.80	3.20	3.20	3.40	3.40	3.60
	Main Lane Plaza 4 (1)	Cash/ZipCash	-	-	-	5.20	5.20	8.60	8.48	8.96	8.96	9.48
		TollTag	-	-	-	4.20	4.20	5.64	5.64	5.96	5.96	6.32
Addison Airport Toll Tunnel:												
	Mainlane Plaza	Cash/ZipCash	0.50	0.50	0.50	0.50	0.50	3.00	3.00	3.20	3.20	3.36
		TollTag	0.50	0.50	0.50	0.50	0.50	2.00	2.00	2.12	2.12	2.24
President George Bush Turnpike:												
	Main Lane Plaza 5 (9)	ZipCash	-	-	-	-	-	-	-	9.12	9.12	9.68
		TollTag	-	-	-	-	-	-	-	6.08	6.08	6.44
	Main Lane Plaza 6	Cash/ZipCash	3.00	3.00	3.00	4.00	4.00	6.00	6.00	6.32	6.32	6.68
		TollTag	2.40	2.40	2.40	2.80	2.80	4.00	4.00	4.20	4.20	4.44
	Main Lane Plaza 7	Cash/ZipCash	3.00	3.00	3.00	4.00	4.00	6.48	6.48	6.84	6.84	7.20
		TollTag	2.40	2.40	2.40	2.80	2.80	4.32	4.32	4.56	4.56	4.80
	Main Lane Plaza 8 (2)	Cash/ZipCash	3.00	3.00	3.00	4.00	4.00	6.00	6.00	6.36	6.36	6.72
		TollTag	2.40	2.40	2.40	2.80	2.80	4.00	4.00	4.24	4.24	4.48
	Main Lane Plaza 9 (3)	Cash/ZipCash	-	3.00	3.00	4.00	4.00	4.80	4.80	5.04	5.04	5.36
		TollTag	-	2.40	2.40	2.80	2.80	3.20	3.20	3.36	3.36	3.56
	Main Lane Plaza 10 (4)	Cash/ZipCash	3.00	3.00	3.00	4.00	4.00	2.76	2.76	2.96	2.96	3.08
		TollTag	2.40	2.40	2.40	2.80	2.80	1.84	1.84	1.96	1.96	2.04
Mountain Creek Lake Bridge:												
	Main lane Plaza	Cash/ZipCash	1.25	1.25	1.25	1.25	1.25	3.00	3.00	3.20	3.20	3.36
		TollTag	1.25	1.25	1.25	1.25	1.25	2.00	2.00	2.12	2.12	2.24
Sam Rayburn Tollway (SRT):												
	Main Lane Gantry 1 (5)	ZipCash	-	-	-	-	2.60	2.88	2.88	3.00	3.00	3.20
		TollTag	-	-	-	-	1.80	1.92	1.92	2.00	2.00	2.12
	Main Lane Gantry 2 (5)	ZipCash	-	-	-	-	6.84	7.44	7.44	7.80	7.80	8.28
		TollTag	-	-	-	-	4.72	4.96	4.96	5.20	5.20	5.52
	Main Lane Gantry 3 (6) (8)	ZipCash	-	-	-	-	-	8.16	10.28	10.80	10.80	11.48
		TollTag	-	-	-	-	-	5.44	6.84	7.20	7.20	7.64
Lewisville Lake Toll Bridge:												
	Mainlane Plaza (7)	ZipCash	-	-	-	-	-	6.00	6.00	6.36	6.36	6.72
		TollTag	-	-	-	-	-	4.00	4.00	4.24	4.24	4.48

- (1) Main Lane Plaza 4 opened September 2007
 - (2) Main Lane Plaza 8 opened July 2001
 - (3) Main Lane Plaza 9 opened September 2005
 - (4) Main Lane Plaza 10 opened December 2001
 - (5) Main Lane Gantry 1 & 2 (ETC) on SRT; NTTA began collecting revenues on SRT on its own behalf on September 1, 2008
 - (6) Main Lane Plaza 3 on SRT opened September 2009
 - (7) Lewisville Lake Toll Bridge opened August 2009
 - (8) SRT mainlanes were extended to US 75 in December 2010
 - (9) PGBT EE mainlanes from SH 78 to IH 30 opened in December 2011
- Note: The Authority has converted all the facilities in the system to All Electronic Toll Collection (All ETC).
Cash will no longer be accepted on NTTA facilities. Vehicles with no transponders will be billed through video tolling.
Toll rates are 16.16 cents per mile effective July 1, 2013

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

Six or more-axle vehicle and vehicle combination	Roadway	Years										
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	
Dallas North Tollway:												
	Main Lane Plaza 1	Cash	\$2.10	\$2.10	\$2.10	-	-	-	-	-	-	-
		TollTag	1.70	1.70	1.70	\$1.70	\$3.50	\$6.30	\$6.30	\$6.65	\$6.65	7.00
		ZipCash	-	-	-	2.10	5.00	9.45	9.45	10.00	10.00	10.50
	(all ETC, effective in Jan., 2007)											
	Main Lane Plaza 2	Cash/ZipCash	2.10	2.10	2.10	5.00	5.00	6.75	6.75	7.15	7.15	7.60
		TollTag	1.70	1.70	1.70	3.50	3.50	4.50	4.50	4.75	4.75	5.05
	Main Lane Plaza 3	Cash/ZipCash	2.10	2.10	2.10	5.00	5.00	6.00	6.00	6.40	6.40	6.75
		TollTag	1.70	1.70	1.70	3.50	3.50	4.00	4.00	4.25	4.25	4.50
	Main Lane Plaza 4 (1)	Cash/ZipCash	-	-	-	6.50	6.50	10.75	10.60	11.20	11.20	11.85
		TollTag	-	-	-	5.25	5.25	7.05	7.05	7.45	7.45	4.30
Addison Airport Toll Tunnel:												
	Mainlane Plaza	Cash/ZipCash	0.50	0.50	0.50	0.50	0.50	3.75	3.75	4.00	4.00	4.20
		TollTag	0.50	0.50	0.50	0.50	0.50	2.50	2.50	2.65	2.65	2.80
President George Bush Turnpike:												
	Main Lane Plaza 5 (9)	ZipCash	-	-	-	-	-	-	-	11.40	11.40	12.10
		TollTag	-	-	-	-	-	-	-	7.60	7.60	8.05
	Main Lane Plaza 6	Cash/ZipCash	3.75	3.75	3.75	5.00	5.00	7.50	7.50	7.90	7.90	8.35
		TollTag	3.00	3.00	3.00	3.50	3.50	5.00	5.00	5.25	5.25	5.55
	Main Lane Plaza 7	Cash/ZipCash	3.75	3.75	3.75	5.00	5.00	8.10	8.10	8.55	8.55	9.00
		TollTag	3.00	3.00	3.00	3.50	3.50	5.40	5.40	5.70	5.70	6.00
	Main Lane Plaza 8 (2)	Cash/ZipCash	3.75	3.75	3.75	5.00	5.00	7.50	7.50	7.95	7.95	8.40
		TollTag	3.00	3.00	3.00	3.50	3.50	5.00	5.00	5.30	5.30	5.60
	Main Lane Plaza 9 (3)	Cash/ZipCash	-	3.75	3.75	5.00	5.00	6.00	6.00	6.30	6.30	6.70
		TollTag	-	3.00	3.00	3.50	3.50	4.00	4.00	4.20	4.20	4.45
	Main Lane Plaza 10 (4)	Cash/ZipCash	3.75	3.75	3.75	5.00	5.00	3.45	3.45	3.70	3.70	3.85
		TollTag	3.00	3.00	3.00	3.50	3.50	2.30	2.30	2.45	2.45	2.55
Mountain Creek Lake Bridge:												
	Main lane Plaza	Cash/ZipCash	1.50	1.50	1.50	1.50	1.50	3.75	3.75	4.00	4.00	4.20
		TollTag	1.50	1.50	1.50	1.50	1.50	2.50	2.50	2.65	2.65	2.80
Sam Rayburn Tollway (SRT):												
	Main Lane Gantry 1 (5)	ZipCash	-	-	-	-	3.25	3.60	3.60	3.75	3.75	4.00
		TollTag	-	-	-	-	2.25	2.40	2.40	2.50	2.50	2.65
	Main Lane Gantry 2 (5)	ZipCash	-	-	-	-	8.55	9.30	9.30	9.75	9.75	10.35
		TollTag	-	-	-	-	5.90	6.20	6.20	6.50	6.50	6.90
	Main Lane Gantry 3 (6) (8)	ZipCash	-	-	-	-	-	10.20	12.85	13.50	13.50	14.35
		TollTag	-	-	-	-	-	6.80	8.55	9.00	9.00	9.55
Lewisville Lake Toll Bridge:												
	Mainlane Plaza (7)	ZipCash	-	-	-	-	-	7.50	7.50	7.95	7.95	8.40
		TollTag	-	-	-	-	-	5.00	5.00	5.30	5.30	5.60

(1) Main Lane Plaza 4 opened September 2007

(2) Main Lane Plaza 8 opened July 2001

(3) Main Lane Plaza 9 opened September 2005

(4) Main Lane Plaza 10 opened December 2001

(5) Main Lane Gantry 1 & 2 (ETC) on SRT; NTTA began collecting revenues on SRT on its own behalf on September 1, 2008

(6) Main Lane Plaza 3 on SRT opened September 2009

(7) Lewisville Lake Toll Bridge opened August 2009

(8) SRT mainlanes were extended to US 75 in December 2010

(9) PGBT EE mainlanes from SH 78 to IH 30 opened in December 2011

Note: The Authority has converted all the facilities in the system to All Electronic Toll Collection (All ETC).

Cash will no longer be accepted on NTTA facilities. Vehicles with no transponders will be billed through video tolling.

Toll rates are 16.16 cents per mile effective July 1, 2013

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

Year	Revenue Bonds	Bond Anticipation Notes	Commercial Paper 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)
2004	1,125,735,000	-	-	135,000,000	4,600,000	1,265,335,000	315,031,754	4.02	254
2005	1,420,605,000	-	-	135,000,000	4,600,000	1,560,205,000	338,390,215	4.61	308
2006	1,390,130,000	-	25,000,000	135,000,000	4,600,000	1,554,730,000	370,696,171	4.19	299
2007	1,368,550,000	\$3,487,245,000	75,000,000	135,000,000	4,600,000	5,070,395,000	383,481,098	13.22	953
2008	6,150,814,166	-	89,700,000	135,000,000	4,600,000	6,380,114,166	412,272,003	15.48	1,175
2009	7,122,390,015	-	5,200,000	146,609,022	4,600,000	7,278,799,037	455,546,197	15.98	1,312
2010	7,543,021,558	-	119,200,000	142,857,298	-	7,805,078,856	481,913,338	16.20	1,388
2011	7,555,401,914	-	56,300,000	140,607,304	-	7,752,309,218	513,454,344	15.10	1,345
2012	7,556,400,009	-	38,300,000	138,262,812	-	7,732,962,821	585,051,845	13.22	1,316
2013	7,588,629,243	-	-	136,069,850	-	7,724,699,093	610,129,737	12.66	1,293

Note----Details on the System's outstanding debt can be found in the notes to the financial statements.

(1) See table of Traffic and Toll Revenue on page 82.

(2) See table of Demographic Data on page 90.

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

Year	Revenue Bonds	Bond Anticipation Notes	Less: amounts Available in		Texas Department of Transportation ISTE A Loan	Total Debt Amount	Annual Toll Revenues(1)	Debt Per Annual Toll Revenue	
			Bond Redemption Account	Commercial Paper Notes Payable				Toll Revenue	Debt Per Capita(2)
2004	1,125,735,000	-	(15,447,037)	-	135,000,000	1,245,287,963	160,695,030	8	250
2005	1,420,605,000	-	(17,311,773)	-	135,000,000	1,538,293,227	172,537,345	9	304
2006	1,390,130,000	-	(22,008,278)	25,000,000	135,000,000	1,528,121,722	191,434,120	8	294
2007	1,368,550,000	\$3,487,245,000	(23,240,000)	75,000,000	135,000,000	5,042,555,000	202,675,564	25	947
2008	6,150,814,166	-	(34,110,000)	89,700,000	135,000,000	6,341,404,166	240,776,791	26	1168
2009	7,122,390,015	-	(32,170,000)	5,200,000	146,609,022	7,242,029,037	290,404,547	25	1306
2010	7,543,021,558	-	(29,685,000)	119,200,000	142,857,298	7,775,393,856	366,597,323	21	1383
2011	7,555,401,914	-	(27,980,000)	56,300,000	140,607,304	7,724,329,218	402,569,534	19	1340
2012	7,556,400,009	-	(16,605,000)	38,300,000	138,262,812	7,716,357,821	485,463,608	16	1339
2013	7,588,629,243	-	-	-	136,069,850	7,724,699,093	525,458,723	15	1293

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

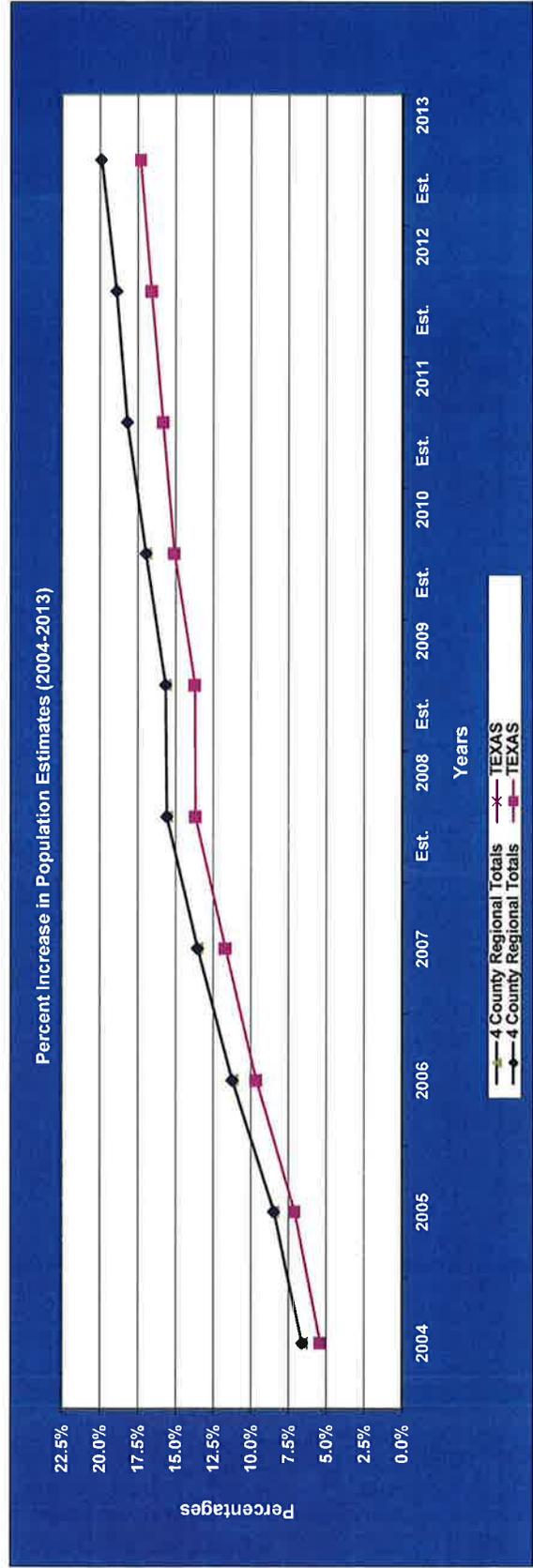
(1) See table of Traffic and Toll Revenue on page 82.

(2) See table of Demographic Data on page 90.

NORTH TEXAS TOLLWAY SYSTEM
 (An Enterprise Fund of the North Texas Tollway Authority)
Demographic Data-Combined Four County Region and State of Texas Population Estimated Data
 For Years 2004-2013
 (Unaudited)

Year	Est. Four County Regional Totals				Estimated Texas Totals		Percentage Change (From Prior Years)	
	COLLIN	DALLAS	DENTON	TARRANT	4 County	TEXAS	4 County	TEXAS
2004	617,802	2,244,020	529,811	1,580,595	4,972,228	22,394,023	1.51%	1.57%
2005	647,187	2,250,830	553,669	1,612,048	5,063,734	22,778,123	1.84%	1.72%
2006	683,935	2,275,434	581,561	1,662,005	5,202,935	23,359,580	2.75%	2.55%
2007	714,330	2,291,891	609,001	1,707,157	5,322,379	23,831,983	2.30%	2.02%
2008	741,264	2,314,018	630,104	1,745,602	5,430,988	24,309,039	2.04%	2.00%
2009	765,791	2,346,378	649,702	1,784,078	5,545,949	24,801,761	2.12%	2.03%
2010	782,341	2,368,139	662,614	1,809,034	5,622,128	25,145,561	1.37%	1.39%
2011	812,226	2,416,014	686,406	1,849,815	5,764,461	25,674,681	2.53%	2.10%
2012	834,642	2,453,843	707,304	1,880,153	5,875,942	26,059,203	1.93%	1.50%
2013	854,778	2,480,331	728,799	1,911,541	5,975,449	26,448,193	1.69%	1.49%
Increase Total from Year 2004 to Year 2013	236,976	236,311	198,988	330,946	1,003,221	4,054,170		

Source: US Census Bureau

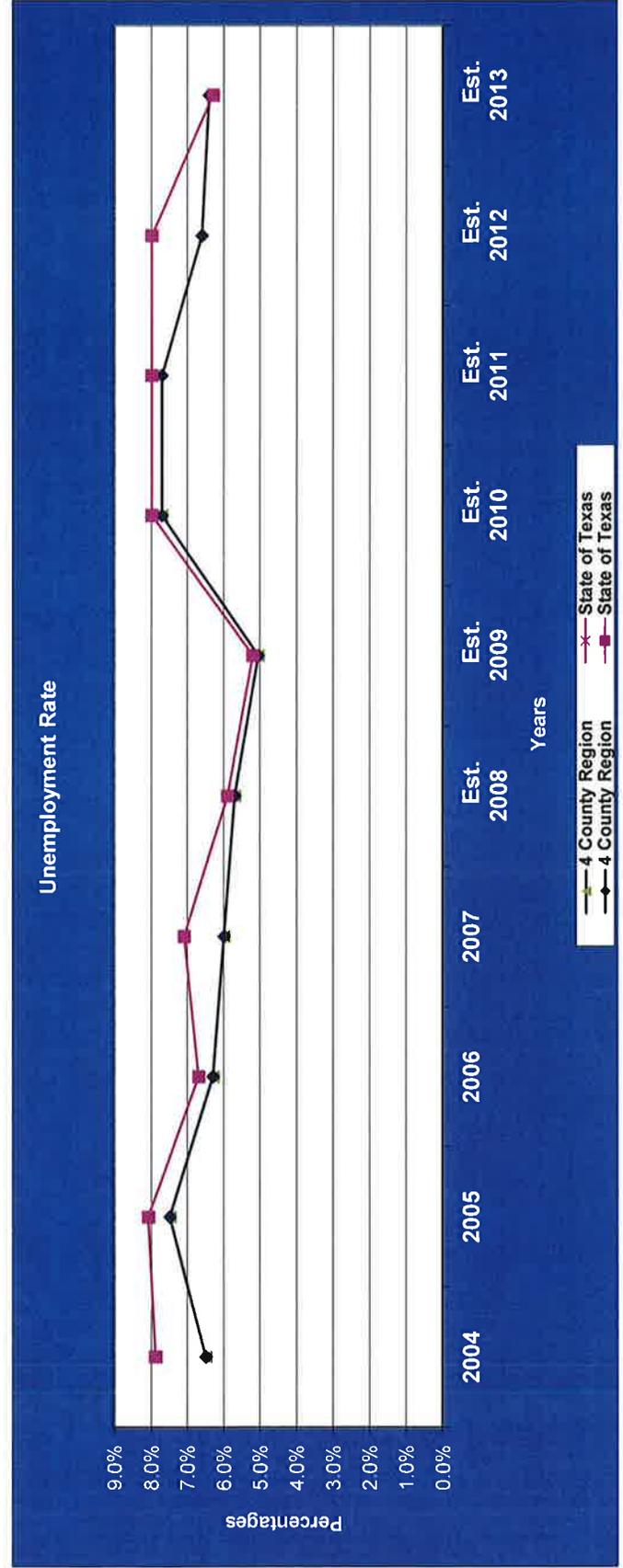


(c o n t i n u e d)

NORTH TEXAS TOLLWAY SYSTEM
 (An Enterprise Fund of the North Texas Tollway Authority)
 Demographic Data-Combined Four County Region and State of Texas Employment Status Estimates
 For Years 2004-2013
 (Unaudited)

Year	COLLIN	DALLAS	DENTON	TARRANT	Combined Four County Regional		Texas	
					Estimated Totals	4 County	Estimated Totals	4 County
2004	347,165	1,197,167	301,511	835,363	2,681,206	10,851,249	7.9%	
2005	367,651	1,177,947	312,530	840,440	2,698,568	11,024,191	8.1%	
2006	389,629	1,219,541	337,144	884,101	2,830,415	11,617,834	6.7%	
2007	400,678	1,205,730	344,810	904,015	2,855,233	11,647,654	7.1%	
2008	407,840	1,180,870	346,869	877,646	2,813,225	11,466,657	5.9%	
2009	285,900	1,415,000	172,600	743,500	2,617,000	10,204,500	5.2%	
2010	390,106	1,063,304	330,122	833,527	2,617,059	10,204,500	8.0%	
2011	397,033	1,082,185	335,984	845,263	2,660,465	10,204,500	8.0%	
2012	413,783	1,102,322	356,467	883,503	2,756,075	11,742,600	8.0%	
2013	330,300	1,509,000	195,500	812,600	2,847,400	11,091,900	6.3%	
Increase Total from Year 2004 to Year 2013	(16,865)	311,833	(106,011)	(22,763)	166,194	240,651		

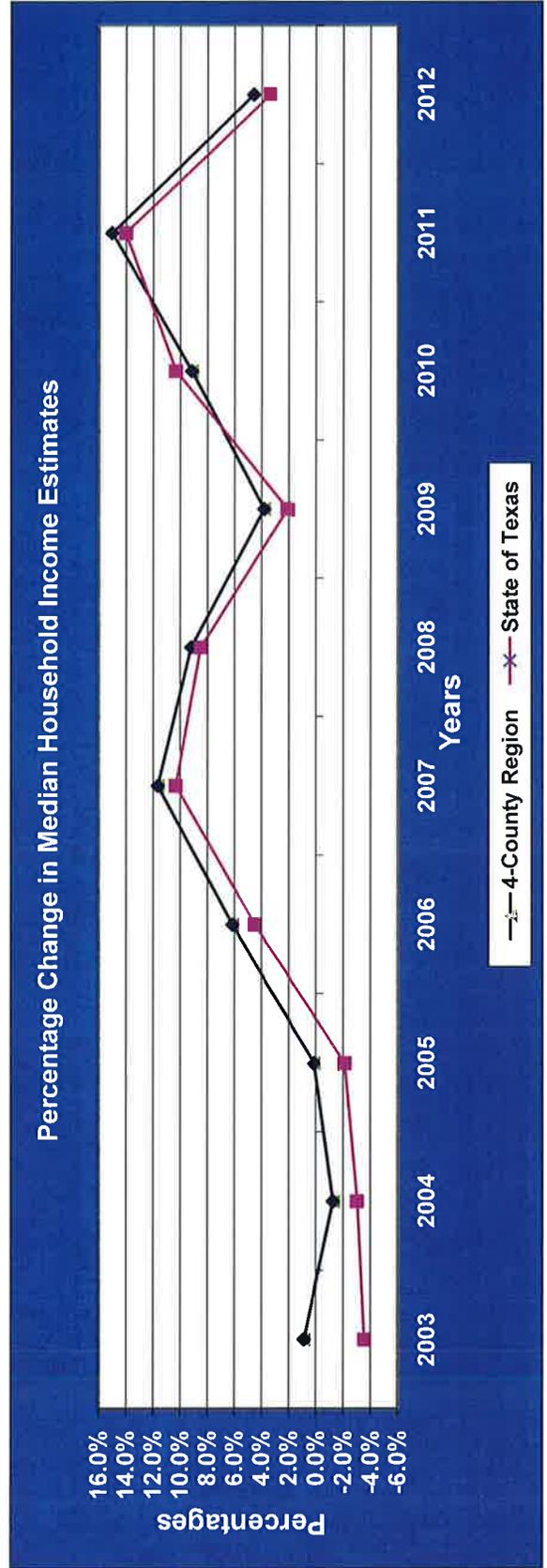
Source: U.S. Bureau of Labor Statistics



NORTH TEXAS TOLLWAY SYSTEM
 (An Enterprise Fund of the North Texas Tollway Authority)
 Demographic Data - Combined Four County Region and State of Texas Median Household Income Estimates
 For Years 2003 - 2013
 (Unaudited)

Year	Regional Totals				Texas		Percentage Change from Prior Years	
	COLLIN	DALLAS	DENTON	TARRANT	Estimated Avg Median Income	Estimated Avg Median Income	4 County	Texas
2003	71,458	44,189	62,013	48,185	56,461	41,548	0.50%	-3.94%
2004	68,567	43,444	61,528	47,369	55,227	41,759	-2.19%	0.51%
2005	70,784	42,598	61,520	49,104	56,002	42,139	1.40%	0.91%
2006	74,051	44,815	66,792	51,813	59,368	44,922	6.01%	6.60%
2007	79,657	46,372	71,109	53,459	62,649	47,548	5.53%	5.85%
2008	81,395	47,085	73,544	56,251	64,569	49,453	3.06%	4.01%
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%
Averaged Yearly Totals	\$77,032	\$46,057	\$68,042	\$52,635	\$60,941	\$46,637		

Source: U.S. Census Bureau



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

2013				2004			
COLLIN COUNTY TOP TEN EMPLOYERS				COLLIN COUNTY TOP TEN EMPLOYERS			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	INDUSTRY	EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	INDUSTRY
PLANO ISD	6,470	1.69%	EDUCATION	EDSCORP/HP ENTERPRISE SERVICES	6,700	3.99%	PROF/TECH
BANK OF AMERICA HOME LOANS	5,400	1.41%	FINANCIAL SERVICES	PLANO ISD	6,494	3.87%	EDUCATION
EDSCORP/HP ENTERPRISE SERVICES	4,800	1.26%	PROF/TECH	JC PENNEY	3,800	2.27%	RETAIL
FRISCO ISD	3,969	1.04%	EDUCATION	STONEBRIAR CENTER	3,456	2.06%	RETAIL
WALMART	3,959	1.01%	RETAIL	THE SHOPS AT WILLOW BEND	3,240	1.93%	RETAIL
CAPITAL ONE	3,175	0.83%	FINANCIAL SERVICES	RAYTHEON	3,200	1.91%	TECHNOLOGY
J.C. PENNEY, INC	3,100	0.81%	RETAIL	BANK OF AMERICA HOME LOANS	3,000	1.79%	FINANCIAL SERVICES
UNIVERSITY OF TEXAS AT DALLAS	2,986	0.78%	EDUCATION	FRITO-LAY	3,000	1.79%	RETAIL
MCKINNEY ISD	2,979	0.78%	TECHNOLOGY	PEROT SYSTEMS CORPORATION/DELL	2,811	1.68%	TECHNOLOGY
ERICSSON HEADQUARTERS	2,650	0.69%	TECHNOLOGY	COLLIN CREEK MALL	2,418	1.44%	RETAIL
Total	39,388	10.30%		Total	38,119	22.72%	
DALLAS COUNTY TOP TEN EMPLOYERS				DALLAS COUNTY TOP TEN EMPLOYERS			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	INDUSTRY	EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	INDUSTRY
AMR CORPORATION (AMERICAN AIRLINES)	24,700	2.17%	TRANSPORTATION	AMR CORPORATION (AMERICAN AIRLINES)	28,000	1.75%	TRANSPORTATION
BANK OF AMERICA	20,000	1.76%	FINANCIAL SERVICES	WALMART STORES	23,000	1.47%	RETAIL
TEXAS HEALTH RESOURCES	19,230	1.69%	HEALTH CARE	DALLAS INDEPENDENT SCHOOL DISTRICT	19,691	1.26%	SCHOOL DISTRICT
DALLAS PUBLIC SCHOOLS	18,314	1.61%	SCHOOL DISTRICT	TEXAS HEALTH RESOURCE	17,000	1.08%	HEALTH CARE
BAYLOR HEALTH CARE SYSTEM	17,097	1.50%	HEALTH CARE PROVIDER	LOCKHEED MARTIN AERONAUTICS CO.	16,442	1.05%	MANUFACTURING
AT&T	15,800	1.39%	TELECOMMUNICATIONS	BAYLOR HEALTH CARE SYSTEM	15,000	0.96%	HEALTH CARE
LOCKHEED MARTIN AERONAUTICS CO	14,128	1.24%	MILITARY AIRCRAFT DESIGN AND PRODUCTION	AT&T/SSC COMMUNICATIONS INC.	14,000	0.89%	TELECOMMUNICATIONS
JPMORGAN CHASE	13,500	1.19%	FINANCIAL SERVICES	VERIZON COMMUNICATIONS INC.	12,500	0.80%	TELECOMMUNICATIONS
SOUTHWESTERN MEDICAL CENTER	13,122	1.15%	HEALTH CARE PROVIDER	ALBERTSON'S INC.	11,200	0.71%	RETAIL
CITY OF DALLAS	12,836	1.13%	MUNICIPAL GOVERNMENT	TEXAS INSTRUMENTS INCORPORATED	10,600	0.68%	ELECTRONICS AND SEMI-CONDUCTORS
Total	168,725	14.82%		Total	167,433	10.69%	
DENTON COUNTY TOP TEN EMPLOYERS				DENTON COUNTY TOP TEN EMPLOYERS			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	INDUSTRY	EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	INDUSTRY
UNIVERSITY OF NORTH TEXAS	7,792	2.36%	EDUCATION	UNIVERSITY OF NORTH TEXAS	5,800	4.93%	EDUCATION
LEWISVILLE ISD	6,325	1.94%	EDUCATION	LEWISVILLE ISD	4,500	3.76%	EDUCATION
WALMART	3,900	1.19%	RETAIL	FRITO LAY	2,436	2.04%	EDUCATION
DENTON ISD	3,255	1.00%	EDUCATION	AMERICAN AIRLINES	2,350	1.96%	TRANSPORTATION
GENEX HOME EQUITY	2,600	0.80%	FINANCIAL SERVICES	DENTON ISD	2,000	1.67%	EDUCATION
FRITO LAY	2,500	0.77%	RETAIL	HORIZON HEALTH	1,500	1.25%	HEALTH CARE
AMERICAN AIRLINES	2,154	0.66%	TRANSPORTATION	DENTON COUNTY	1,379	1.15%	MUNICIPAL GOVERNMENT
PETERBILT MOTORS	2,100	0.64%	TRANSPORTATION	DENTON STATE SCHOOL	1,350	1.13%	EDUCATION
NORTHWEST ISD	1,636	0.50%	EDUCATION	CITY OF DENTON	1,200	1.00%	MUNICIPAL GOVERNMENT
DENTON STATE SCHOOL	1,500	0.46%	EDUCATION	PETERBILT MOTORS	1,200	1.00%	TRANSPORTATION
Total	33,732	10.33%		Total	23,615	19.61%	
TARRANT COUNTY TOP TEN EMPLOYERS				TARRANT COUNTY TOP TEN EMPLOYERS			
EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	INDUSTRY	EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT	INDUSTRY
AMRCORP/AMERICAN AIRLINES	22,169	2.65%	TRANSPORTATION	AMRCORP/AMERICAN AIRLINES	24,578	3.50%	TRANSPORTATION
TEXAS HEALTH RESOURCES	18,866	2.26%	HEALTH CARE PROVIDER	LOCKHEED FORT WORTH DIVISION	16,700	2.36%	MANUFACTURING
LOCKHEED MARTIN AERONAUTICS CO	14,988	1.79%	MANUFACTURING	FORT WORTH INDEPENDENT SCHOOL DISTRICT	10,615	1.51%	EDUCATION
NASA FORT WORTH JOINT RESERVE BASE	11,350	1.36%	MILITARY	ARLINGTON INDEPENDENT SCHOOL DISTRICT	7,831	1.11%	EDUCATION
FORT WORTH INDEPENDENT SCHOOL DISTRICT	11,000	1.32%	EDUCATION	TEXAS HEALTH RESOURCE	7,808	1.11%	HEALTH CARE
ARLINGTON INDEPENDENT SCHOOL DISTRICT	8,126	0.97%	EDUCATION	CITY OF FORT WORTH	5,548	0.79%	MUNICIPAL GOVERNMENT
UNIVERSITY OF TEXAS AT ARLINGTON	6,239	0.75%	EDUCATION	U.S. POSTAL SERVICES	5,200	0.74%	SERVICE
CITY OF FORT WORTH	6,195	0.74%	MUNICIPAL GOVERNMENT	BELL HELICOPTER - TEXTRON	4,900	0.70%	TRANSPORTATION
JOHN PETER SMITH HOSPITAL	4,872	0.58%	HEALTH CARE PROVIDER	SBC SOUTHWESTERN BELL	4,443	0.63%	COMMUNICATION
COOK CHILDREN'S HEALTH CARE SYSTEM	4,826	0.58%	HEALTH CARE PROVIDER	TARRANT COUNTY GOVERNMENT	4,213	0.60%	MUNICIPAL GOVERNMENT
Total	106,931	13.01%		Total	91,656	13.07%	

Source: Dallas Major Employers-DFW and Bureau of Labor Statistics
Source: Fort Worth Business Press, Texas Workforce Commission, individual counties cfr and Fort Worth Chamber of Commerce
North Central Texas Council of Governments and Local University and School District web sites

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

Year	Additions	Beginning Balance	Deletions	Ending Balance
2004	97,081,712	1,255,767,850 (2)	-	1,352,849,562
2005	203,757,845	1,352,849,562	-	1,556,607,407
2006	141,163,305	1,556,607,407	\$ (2,923,868)	1,694,846,844
2007	3,390,485,923 (1)	1,698,121,926	(983,452)	5,087,624,397
2008	452,204,613 (3)	5,087,624,397	(38,340,388)	5,501,488,622
2009	3,558,138,403 (4)	5,501,488,622	(3,197,211,448) (4)	5,862,415,577
2010	344,755,250	5,862,415,577	(234,076)	6,206,936,751
2011	108,559,116	6,206,936,751	(62,875,322)	6,252,620,545
2012	35,418,771	6,315,495,868	(69,521,816)	6,281,392,822
2013	25,112,483	6,281,392,822	(2,949,815,326) (5)	3,356,689,979

(1) Includes a \$3.2 billion payment to Texas Department of Transportation for the acquisition of State Highway 121 Project.

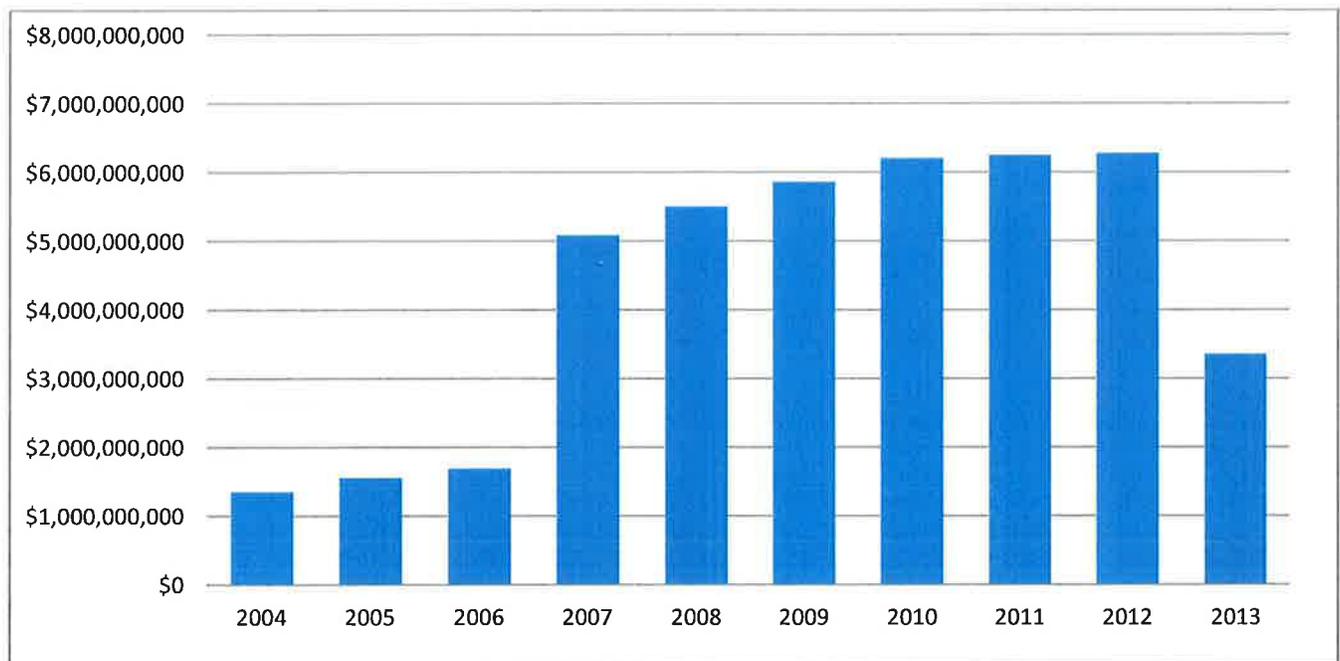
(2) Includes a \$24.3 million prior period adjustment for toll collection system.

(3) Deletions include property and equipment previously recorded as infrastructure.

Note----See Notes to Financial Statements number (4) Capital Assets page 35.

(4) Includes reclass from CIP to Roadway due to the completion of Sam Rayburn Tollway

(5) Includes reclass of Sam Rayburn Tollway to an Intangible asset (\$2,856,136,3064)



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

Toll Revenue					
Year	Total Toll Revenue	Two-Axle Vehicles	Multi-Axle Vehicles	Adjustments	Total
2004	(1)	169,631,935	4,635,864	(13,572,769)	160,695,030
2005	(2)	180,444,481	5,424,704	(13,331,840)	172,537,345
2006		197,742,740	6,695,120	(13,003,740)	191,434,120
2007	(3)	214,283,866	8,189,103	(19,797,405)	202,675,564
2008	(4)	262,432,292	12,115,529	(33,771,030)	240,776,791
2009	(5)	333,428,667	16,308,187	(59,332,307)	290,404,547
2010	(6)	416,417,929	24,396,549	(74,217,155)	366,597,323
2011		490,399,454	29,528,914	(117,358,834)	402,569,534
2012		411,893,120	118,800,968	(45,230,480)	485,463,608
2013	(7)	453,393,976	118,198,228	(46,133,481) (*)	525,458,723
Toll Revenue - Average Per Day					
2004	(1)	463,475	12,666	(37,084)	439,057
2005	(2)	494,368	14,862	(36,526)	472,704
2006		541,761	18,343	(35,627)	524,477
2007	(3)	587,079	22,436	(54,239)	555,276
2008	(4)	717,028	33,103	(92,271)	657,860
2009	(5)	913,503	44,680	(162,554)	795,629
2010	(6)	1,334,571	81,057	(344,270)	1,071,358
2011		1,343,560	80,901	(287,384)	1,137,077
2012		1,449,984	-	-	1,449,984
2013	(7)	1,566,005	-	-	1,566,005

Notes:

- (1) Reflects the opening of Segment III of the President George Bush Turnpike from Midway Road to Frankford in March 2001 and to IH 35E in July 2001, and the opening of Segment V in December 2001.
- (2) Toll rate increase for the President George Bush Turnpike went into effect in January 2002. High speed lanes installed (Open Lane Tolling).
- (1) Reflects the completion of DNT and State Highway 121 interchange in April 2004.
- (2) Reflects the opening of Segment IV of the President George Bush Turnpike in September 2005.
- (3) Reflects the opening of DNT Phase 3 and toll rate increase in late September 2007. Installation of ZipCash (Video Tolling) on Main Lane Plaza 1.
- (4) Reflects the opening of Sam Rayburn Tollway in September 2008 as the Authority's first All Electronic Toll Collection (all-ETC) facility.
- (5) Reflects the opening of Lewisville Lake Toll Bridge and PGBT-WE Phase 2 in August 2009 and System-wide toll rate increase in September 2009.
- (6) Reflects the addition of southbound entrance ramp toll gantry and northbound exit ramp toll gantry from/to Keller Springs Rd on DNT. Also, eastbound/northbound entrance ramp toll gantry and westbound/southbound exit ramp toll gantry from/to Lake Forest Drive and Hardin Boulevard on SRT opened. DNT, MCLB, AATT converted to all-ETC in December 2010; with this conversion, cash collection was discontinued on all NTTA facilities. PGBT-WE Phase 3 opened in April 2010.
- (7) Toll rate increases on all NTTA facilities went into effect in July 2013.
- (*) Bad debt expense

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

Lane Miles										
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total Lane Miles	315	319	319	365	618	669	685	744	744	744

Note—Lane miles are recorded during the year proportionate to the number of months they were operational.

Full-time Equivalent Employees										
Function	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Administration	11	7	9	9	9	6	4	6	7	3
Board	0	0	0	0	0	1	1	1	2	1
Operations	0	0	0	0	0	2	3	3	1	3
Strategic & Innovative Solutions	0	0	0	0	0	0	0	0	0	9
Finance	4	5	5	6	6	10	22	24	23	25
Business Diversity	0	0	1	1	3	5	5	5	5	5
Communications	3	7	8	9	12	15	15	15	14	15
Internal Audit	0	0	0	0	2	5	6	5	8	8
Human Resources	8	8	12	12	13	14	12	12	11	13
Legal Services	4	4	3	3	3	3	5	6	5	5
System & Incident Management	20	26	26	25	51	57	73	79	84	91
Accounting	5	6	7	5	8	7	0	0	0	0
Information Technology	16	19	19	20	32	47	61	64	71	77
Vault	28	31	30	28	23	19	2	0	0	0
Audit - Revenue Reconciliation	0	6	5	7	6	5	0	0	0	0
Procurement Services	3	6	6	6	10	12	11	11	11	11
Government Affairs	0	1	1	1	3	3	3	2	3	3
Toll Collection	392	412	416	386	321	162	4	0	0	0
Maintenance	71	76	68	81	178	162	163	160	181	195
Customer Service Center	81	92	98	115	133	228	232	236	248	279
Project Delivery	11	12	11	9	6	9	10	10	11	13
Project Evaluation	0	0	0	3	4	0	0	0	0	0
Cash and Debt Management	0	0	0	0	0	5	5	5	4	4
Total	657	718	725	726	823	777	637	644	689	760

Note 1—During 2003 & 2004, the Audit function was outsourced.

Note 2—Project Evaluation is now Cash Debt and Management.

Note 3—During 2010, Accounting and Audit Revenue merged with Finance.

