

# North Texas Tollway Authority



TOLLING. MOVING SMARTER.

*Getting More Bang for the Buck*

**Operating Efficiencies**



**Horatio Porter**

**Assistant Executive Director & Chief Financial Officer**

# NTTA at a Glance: Quick Facts

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Tolling in North Texas 1953 /1968

7 Unique tolling facilities

Service area spans 950 lane miles

Approx. 2 M avg daily transactions

Annual revenues approaching \$700M

All Electronic Tolling Environment

# NTTA at a Glance: Debt Profile



- \$9.4 BILLION in O/S debt
- Borrowed to build network
- Debt service consumes 60% of annual revenues
- Annual debt obligation grows to ~ \$600M in less than 10 years

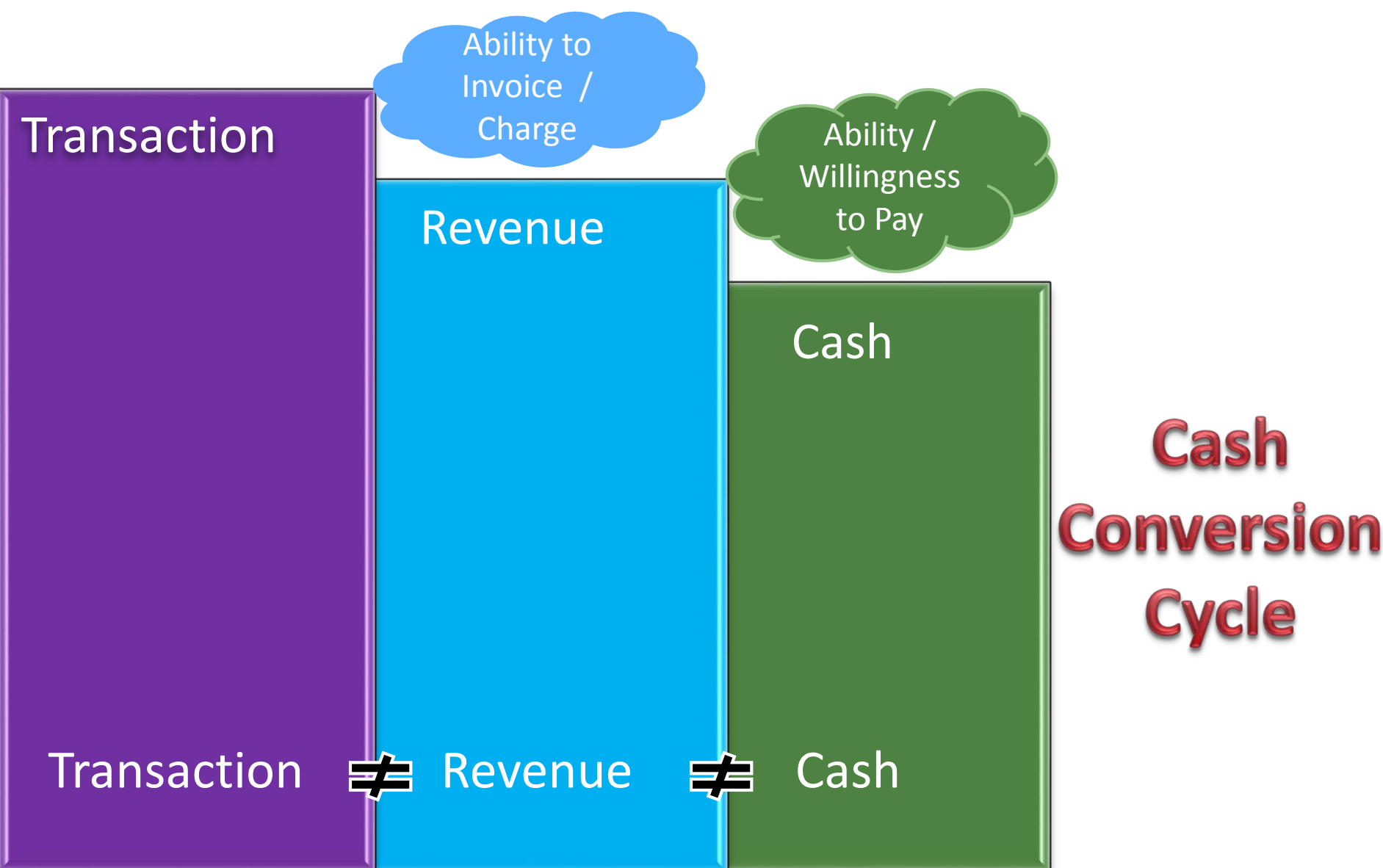
# NTTA at a Glance: Population Growth



**2<sup>nd</sup> largest  
populous state in  
2014!**



# Getting More Bang for the Buck



**Cash  
Conversion  
Cycle**

# Getting More Bang for the Buck

Identify metrics to monitor performance

Develop reporting to provide visibility to performance

Invest in efforts to improve performance

Ability to  
Invoice

Unpursuable

Ability /  
Willingness  
to Pay

Uncollectable

# Unpursuable

Category of Transactions	2013 Actual	2014 Goal
No Image	0.04%	0.05%
Bad Image	1.59%	1.38%
Bad Address	3.52%	2.75%
Does Not Meet Business Rules	0.33%	0.30%
DMV – Out of State	<u>1.57%</u>	<u>1.25%</u>
<b>Total Unpursuable</b>	<b><u>7.05%</u></b>	<b><u>5.73%</u></b>

Capture approx 8,000,000 transactions

# Unpursuable



No Image

Grow no more than .05%

Reality of uncontrollable leakage

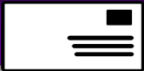


Bad Image

Reduce to 1.38%

Secondary rear cameras, front cameras, auxiliary lighting at all ramp

Return  
to  
Sender



Bad Address

Reduce to 2.75%

Invest in Skip tracing, partner with DMV



Business Rules

Reduce to .30%

Change rules to invoice at 3 transactions or \$2.50



Out of State

Reduce to 1.25%

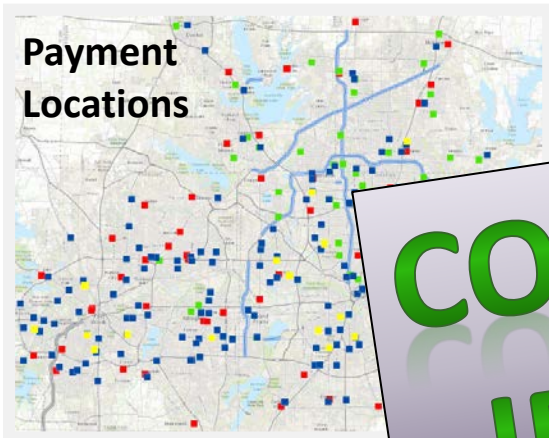
Implement interoperability with Oklahoma & increased budget to pursue more



# Uncollectable

*Ability to Pay*

*Willingness to Pay*



**COLLECTIONS IMPROVED**

Introducing the  
**\$20 T Starter TollTag**

Save a lot. When you need it. [startertolltag.com](http://startertolltag.com)



# Other Focal Points

## Adding 4<sup>th</sup> Lane

✓ DNT – 12.5 miles	\$151M
✓ PGBT – 26 miles	\$70M
✓ SRT – 28 miles	<u>\$96M</u>
Total	<u>\$317M</u>

Increasing Capacity

- ✓ \$4 Billion callable debt
- ✓ Developed plan to capitalize on low interest rate environment
- ✓ Executed 3 transactions ~ \$1.5B
- ✓ Achieved approx. \$175M NPV Savings (+10%)

Debt Service - Refundings

- ✓ Bond Agreement requires significant investment
- ✓ Allocate \$20M annually
- ✓ Bridge repair, overlays
- ✓ Metric - 80 MRP

Maintain Existing Roadway

## Assistance

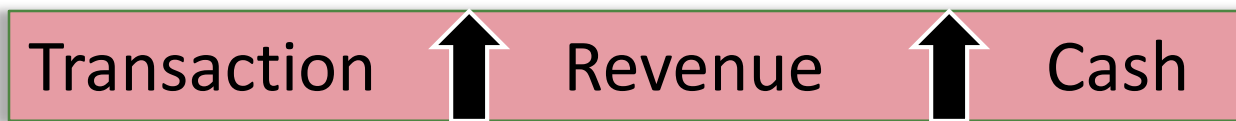
- ✓ Free 24 / 7
- ✓ 14 minute response time
- ✓ Complete camera coverage

## Clearance Goal

- ✓ Minor incident 14 mins
- ✓ Major incident 1:10

Roadside Assistance /  
Incident Clearance

# NTTA Pathforward



Identify metrics to monitor performance

Develop reporting to provide visibility to performance

Invest in efforts to improve performance

Transaction  $\neq$  Revenue  $\neq$  Cash

# NTTA Pathforward



Thank You  
For Driving  
With **NITTA**

PAYMENT QUESTIONS  
[www.ntta.org](http://www.ntta.org)

DO NOT  
CROSS  
DOUBLE  
WHITE LINE