

Central Texas Turnpike System

Voluntary Quarterly Report of Actual Traffic and Toll Revenue

For the Fiscal Quarter ending August 31, 2023





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1.0 Disclaimer

Information in this report regarding the Central Texas Turnpike System (CTTS or System) has been compiled and provided by the Texas Department of Transportation (TxDOT) from TxDOT's records and other sources which are believed by TxDOT to be reliable and is provided as a voluntary disclosure. TxDOT does not make any representation or warranty concerning the usefulness of such information to a decision to invest in, hold, or sell bonds, notes, or other obligations payable, in whole or in part, from the sources pledged to the payment of the related debt issues.

The documents referenced in this report should not be considered to speak as of any date other than the respective dated date thereof or such other dates indicated in each such document and are not incorporated into or made a part of this report.

References to website addresses presented in this report are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into or made a part of this report. Many of the website links referenced in this report are also available at the end of this report in the section titled "Relevant Links" herein.

The information contained in this report is provided as of the respective dates and for the periods specified herein, and the filing of this report does not, under any circumstances, imply that there has been no change in the affairs of the CTTS or TxDOT since the specified date or dates as of which such information is provided. The historical information set forth in this report may not be indicative of future results or performance.

Capitalized terms used in this report and not otherwise defined have the meaning given to such terms in the Official Statement dated February 20, 2020, relating to the \$683,730,000 CTTS First Tier Revenue Refunding Bonds, Series 2020-A, Taxable Series 2020-B, and Taxable Series 2020-C (the CTTS 2020 Official Statement), which has been filed with the MSRB through its EMMA system.

2.0 Report Notes

- Transaction and toll revenue trends may not correlate exactly on a monthly or quarterly basis due to the following factors:
 - A transaction occurs when a vehicle passes through a tolling point and is reported in the month in which it occurs.
 - Transaction counts are generated through the roadway toll management system, and toll revenue is derived from back-office system reports.
 - Toll revenue for Electronic Toll Collection (ETC) transactions is recognized when it is earned, which is at the time the transaction occurs. Pay By Mail (PBM) toll revenues are recognized when cash payment is received.
 - Each transaction may result in a different amount of collected toll revenue depending on the rate charged for the number of axles, type of transaction (ETC or PBM), and tolling point.
 - Seasonal impacts, such as holidays and the number of weekdays in each month, have an impact on month-to-month changes in toll revenue and transactions.
 - Transactions include counts when the lane system is placed into “event” mode (suspended transactions), which means tolling is turned off to facilitate traffic management during traffic incidents or other emergencies.
 - Toll waiver transactions are reported in the period they occur.
- The System Fiscal Year begins September 1 of each year and ends on August 31 of the following year.
- A fiscal year end adjustment is made to toll revenue in the System Annual Financial Report to reflect PBM toll revenues earned but not collected, less an allowance for doubtful accounts. Thus, total annual toll revenues in the System Annual Financial Report reflect the toll revenue earned, adjusted for an allowance for doubtful accounts, during the fiscal year for transactions that occurred in that fiscal year.
- Expenses are generally reported in the month paid, which may cause timing variances as compared to accrual basis accounting. Expenses exclude depreciation and do not reflect any fiscal year-end adjustments, such as but not limited to reclassifications of certain capitalized expenditures, in the System Annual Financial Report.
- Positive variances indicate actual revenues exceed prior year amounts and actual expenses are lower than prior year amounts.
- Totals may not sum due to rounding.
- The information provided in this report is unaudited and subject to change.

3.0 Central Texas Turnpike System (CTTS) Map

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Transportation Planning and
Programming Division



0 6 Miles



- CTTS Toll Road
- CTRMA Toll Road
- CTRMA Toll Road Under Construction
- SH 130 Toll Road Segments 5 & 6 not CTTS

4.0 Executive Summary (In Millions)

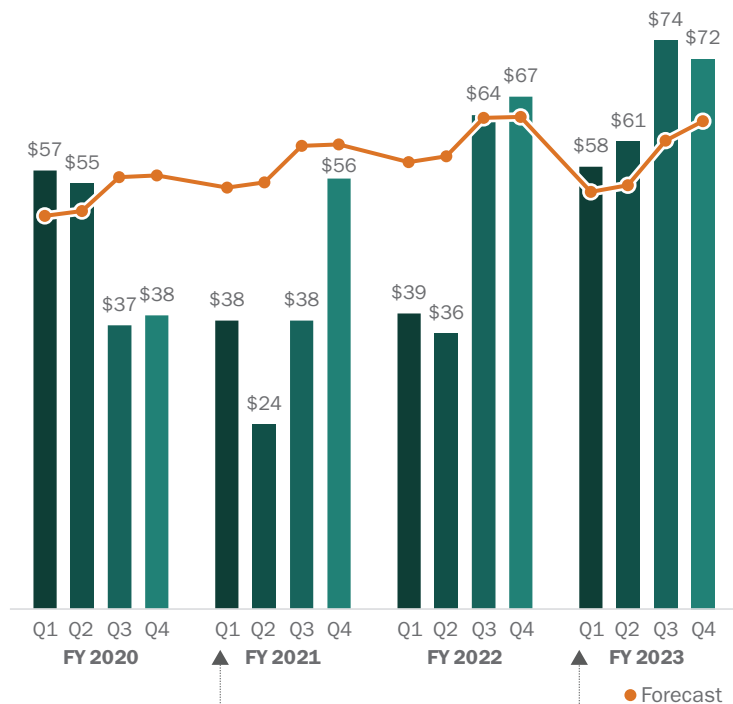
Forecasted toll revenue and transactions for Fiscal Year 2020 through 2022 are based on the forecast provided in the Central Texas Turnpike System 2018 Traffic & Revenue Study dated August 29, 2018 (the 2018 T&R Study).

At the request of TxDOT, Stantec Consulting Services Inc., the Traffic Consultant for CTTs, prepared a "Central Texas Turnpike System 2022 Traffic & Revenue Study" dated as of January 27, 2023 (the 2022 T&R Study). The 2022 T&R Study is a Level 3+ study to develop projections of traffic and toll revenue for Fiscal Years 2023 through 2042 and to assist with TxDOT planning. See Relevant Links herein.

All projections have been seasonally adjusted to better represent quarterly trends established over recent years. Forecast and actual toll revenue presented in this Executive Summary exclude fee revenue, interest income, and other revenues.

The actual and forecast revenue and transactions are as of the dates and for the periods indicated. As reported in prior quarters, actual revenue reported for Fiscal Years 2021 and 2022 were impacted by the transition activities related to the back-office system.

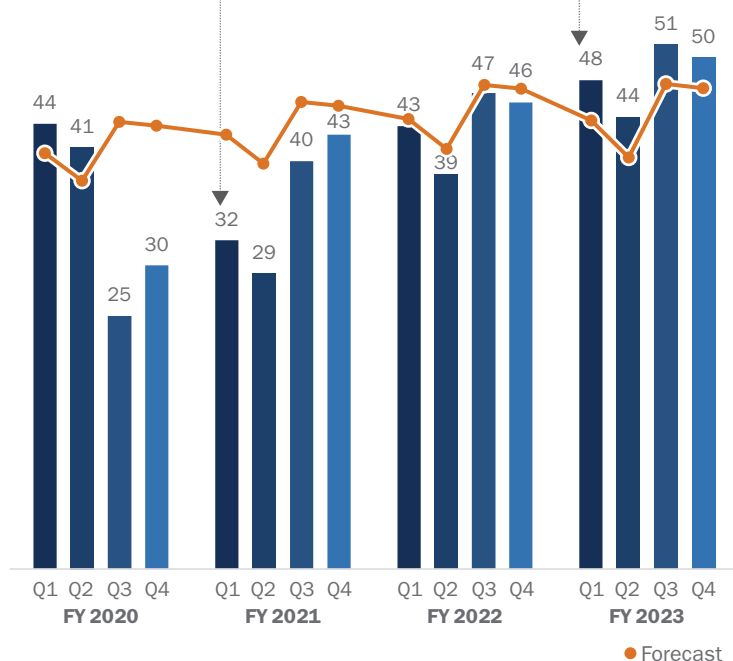
Actual and Forecast Quarterly Toll Revenue



TxDOT Back-Office Transition Began

2022 T&R Study Forecast Begins

Actual and Forecast Quarterly Toll Transactions



5.0 System Revenues, Expenses, and Transactions (In Thousands)

				Prior Year Comparisons									
Quarter by Month				Quarter Ending August 31				Fiscal Year to Date as of August 31					
	Jun-23	Jul-23	Aug-23	2023	2022	\$/#	Variance	% Var	2023	2022	\$/#	Variance	% Var
Revenues													
Toll Revenue ¹	\$ 24,103	\$ 23,489	\$ 24,225	\$ 71,818	\$ 66,873	\$	4,945	7%	\$ 264,323	\$ 205,844	\$	58,479	28%
Fee Revenue ²	6,005	6,176	21,755	33,936	10,837		23,099	213%	70,977	43,388		27,589	64%
Investment & Other Income	1,981	2,165	3,362	7,508	4,585		2,923	64%	21,378	8,643		12,736	147%
Total Revenues	\$ 32,089	\$ 31,830	\$ 49,343	\$ 113,262	\$ 82,295	\$	30,966	38%	\$ 356,679	\$ 257,874	\$	98,804	38%
Expenses													
O&M Expense ³	\$ 15,982	\$ 12,218	\$ 20,405	\$ 48,606	\$ 34,614	\$	(13,991)	-40%	\$ 166,053	\$ 118,228	\$	(47,825)	-40%
Major Maintenance	173	501	1,560	2,234	4,951		2,718	55%	9,401	14,059		4,659	33%
Expenses	\$ 16,155	\$ 12,719	\$ 21,965	\$ 50,839	\$ 39,566	\$	(11,273)	-28%	\$ 175,454	\$ 132,287	\$	(43,167)	-33%
Transactions													
Auto	14,943	14,448	15,120	44,510	40,841		3,669	9%	172,871	156,232		16,639	11%
Truck	1,916	1,746	1,895	5,557	4,903		654	13%	20,748	18,288		2,460	13%
Total Transactions	16,859	16,193	17,015	50,066	45,744		4,323	9%	193,619	174,520		19,099	11%
System Asset Sales													
Proceeds ⁴	\$	6,151	\$	185	\$	6,336	\$	6,336	N/A	\$	8,136	\$	8,136

¹ As reported in prior quarters, Fiscal Year 2022 revenue was impacted by the transition activities related to the back-office system.

² Effective June 1, 2023, TxDOT increased the back-office system service transaction fee assessed to each toll road owned or operated by TxDOT (including the Grand Parkway System). This increase has been applied retroactively to September 1, 2022. This retroactive amount (for the period September 1, 2022 through May 31, 2023) that was assessed to the Grand Parkway System was approximately \$14.5 million. This retroactive amount was received by the System in the fourth quarter of FY 2023 and is included in the Fee Revenue amounts shown for such quarter in the table above.

³ Operating and Maintenance (O&M) Expenses are generally reported in the month paid, which may cause timing variances as compared to accrual basis accounting.

⁴ Proceeds from sale of System real estate interests.

System Toll Revenue

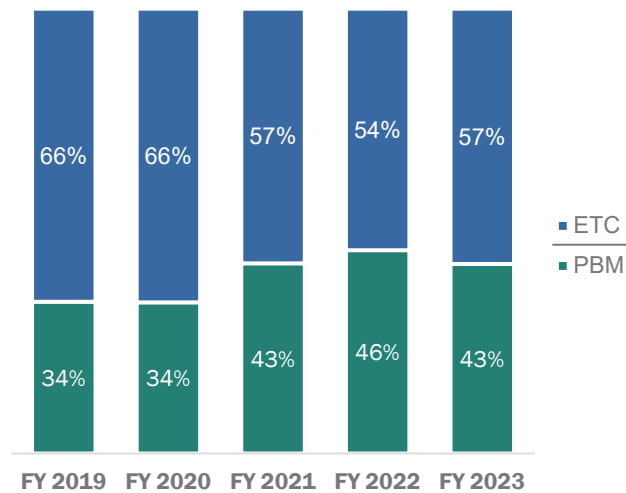
Month	By Facility				System Total
	Loop 1	SH 45N	SH 130	SH 45SE	
Sep	\$ 2,132	\$ 4,293	\$ 11,884	\$ 672	\$ 18,981
Oct	2,135	4,269	12,319	671	19,395
Nov	2,082	4,200	12,376	695	19,353
Dec	2,197	4,395	13,139	773	20,504
Jan	2,303	4,620	13,574	792	21,289
Feb	2,105	4,177	12,194	719	19,195
Mar	2,619	5,253	16,053	932	24,857
Apr	2,466	5,057	15,323	914	23,759
May	2,612	5,312	16,263	984	25,171
Jun	2,465	4,962	15,743	932	24,103
Jul	2,433	4,835	15,317	903	23,489
Aug	2,558	5,244	15,504	920	24,225
Total	\$ 28,107	\$ 56,618	\$ 169,689	\$ 9,909	\$ 264,323

5.0 System Revenues, Expenses, and Transactions (Cont.)

System Transactions (In Thousands)

Month	By Facility				System Totals		
	Loop 1	SH 45N	SH 130	SH 45SE	ETC	PBM	TOTAL
Sep	2,291	4,814	8,124	680	8,813	7,095	15,908
Oct	2,377	4,937	8,600	733	9,298	7,349	16,646
Nov	2,207	4,552	7,939	663	8,689	6,672	15,361
Dec	2,266	4,688	7,962	644	8,740	6,819	15,559
Jan	2,173	4,506	7,381	594	8,393	6,260	14,653
Feb	2,053	4,265	7,159	602	8,133	5,946	14,079
Mar	2,446	5,115	9,211	769	10,121	7,420	17,541
Apr	2,307	4,873	8,531	722	9,550	6,883	16,433
May	2,445	5,153	9,008	766	10,178	7,194	17,372
Jun	2,388	4,927	8,809	734	9,806	7,052	16,859
Jul	2,274	4,709	8,502	708	9,371	6,822	16,193
Aug	2,441	5,110	8,726	738	10,055	6,959	17,015
Total	27,664	57,649	99,954	8,352	111,148	82,471	193,619

Historical ETC vs. PBM Transactions



6.0 Debt Service Coverage¹ (In Thousands)

	Fiscal Years Ended August 31			
	2020	2021	2022	2023
Revenues				
Toll Revenue	\$ 184,217	\$ 150,873	\$ 213,136	\$ 274,230
Fee Revenue ²	35,021	30,996	43,388	70,947
Investment & Other Income ³	9,601	6,440	7,444	20,641
Total Revenues	\$ 228,839	\$ 188,309	\$ 263,968	\$ 365,817
Debt Service ⁴				
First Tier Obligation	\$ 68,007	\$ 72,200	\$ 78,870	\$ 88,523
Second Tier Obligation	57,866	57,866	60,066	63,131
Total Debt Service	\$ 125,873	\$ 130,066	\$ 138,936	\$ 151,654
First Tier Debt Service Coverage Ratio	3.36x	2.61x	3.35x	4.13x
Total Debt Service Coverage Ratio	1.82x	1.45x	1.90x	2.41x

¹ Revenues are reported on the accrual basis of accounting.

³ Investment income excludes certain investment income which is not pledged for the payment of debt service.

² Fee Revenue in Fiscal Years 2021 and after in the table above includes Fee Revenue—Pledged and Other Sales Goods & Services—Pledged as reported in the CTTS Annual Financial Reports for the same periods.

⁴ The debt service presented is based on scheduled cash payments of outstanding debt. Differences in debt service with the CTTS Annual Financial Report are based on GAAP rules applicable to enterprise funds. See “Outstanding Obligations” herein.

7.0 Outstanding Obligations (In Thousands)

	Bonds Issued (Original Par)	Total Principal Repaid to Date	Outstanding Par	Outstanding Value with Accretion ¹
First Tier Revenue Bonds				
Series 2002-A Non-Callable Capital Appreciation Bonds	\$ 287,460	\$ (135,925)	\$ 151,535	\$ 446,214
Series 2012-A Refunding Bonds	585,330	(462,095)	123,235	123,235
Series 2015-B Refunding Bonds				
Current Interest Bonds	198,025		198,025	198,025
Capital Appreciation Bonds	27,995		27,995	134,181
Series 2020-A Refunding Bonds	179,475		179,475	179,475
Series 2020-B Refunding Put Bonds	225,000		225,000	225,000
Series 2020-C Refunding Bonds	279,305		279,305	279,305
Subtotal First Tier Revenue Bonds	1,782,590	(598,020)	1,184,570	1,585,436
Second Tier Revenue Bonds				
Series 2015-C Refunding Bonds	1,157,320	(7,575)	1,149,745	1,149,745
Total	\$ 2,939,910	\$ (605,595)	\$ 2,334,315	\$ 2,735,181

¹ The accreted value for outstanding capital appreciation bonds reflects the accreted value of the original par and premium (if applicable) as of August 31, 2023.

8.0 Auto Toll Rates by Calendar Year (In Nominal Dollars)

Element	Tolled Distance (Miles)	Full Length Toll Rates		Per Mile Toll Rates	
		CY 2022	CY 2023	CY 2022	CY 2023
Loop 1	4.0	\$1.21	\$1.24	\$0.30	\$0.31
SH 45N	12.8	\$2.42	\$2.48	\$0.19	\$0.19
SH 130	49.0	\$8.00	\$8.20	\$0.16	\$0.17
SH 45SE	7.0	\$1.19	\$1.22	\$0.17	\$0.17

The toll rates shown are for ETC transactions for two-axle vehicles (Auto) and take effect January 1 of each calendar year (CY). The Full Length Toll Rates are the summation of the base auto tolls charged when paying with TxTag at all mainline gantries when traveling the full length of each facility. PBM transactions apply a 50% surcharge over the ETC rates shown.

The Commission's toll rate escalation policy for CTTS authorizes the TxDOT Executive Director to annually escalate toll rates on the System by the escalation percentage indicated in the consumer price index (CPI-U) in effect on October 1st each year. The resulting toll rates will become effective automatically on January 1 of the next calendar year and will be implemented by the Executive Director unless the Commission affirmatively votes prior to January 1 to modify the toll rate escalation

percentage. At the Commission's meeting in September 2022, TxDOT reported to the Commission that the System toll rate escalation percentage was calculated to be 8.30% for CY 2023. Pursuant to Minute Order 116329, dated September 22, 2022, the Commission determined that the reported toll rate escalation percentage was unusually high and modified the toll rate escalation percentage for CTTS to be 0.00% for CY 2023. On November 16, 2022, the Commission took further action (Minute Order 116380) by modifying the toll rate escalation percentage for the System to be 2.40% for CY 2023. See more information regarding the CY 2023 toll rate escalation, in "Relevant Links: CTTS Toll Rate Schedules."

9.0 Other Information

Supplemental Resolution

On June 29, 2023, the Commission approved a Ninth Supplemental Indenture of Trust which authorizes the issuance of additional Central Texas Turnpike System bonds in one or more series to refund outstanding Central Texas Turnpike System obligations. Such authorization is in effect until June 29, 2024. No assurances are given regarding whether additional bonds will be issued and, if issued, the amount of such bonds or the obligations to be refunded.

10.0 Relevant Links

Additional information is available on the CTTS using the web addresses provided below. Such reports and additional information should not be considered to speak as of any date other than the date indicated in such document.

EMMA Website	www.emma.msrb.org
CTTS EMMA Issuer Homepage	www.emma.msrb.org/IssuerHomePage/Issuer?id=FE6B1DF57C7936E2E043151ED20A6141&type=M
CTTS AFR (Fiscal Year 2022)	https://emma.msrb.org/P11692246.pdf
CTTS Annual Continuing Disclosure (Fiscal Year 2022)	https://emma.msrb.org/P21713984.pdf
CTTS Annual Inspection Report (Fiscal Year 2023)	https://emma.msrb.org/P31535799.pdf
CTTS 2020 Official Statement	https://emma.msrb.org/ES1460844.pdf
TxDOT Investor Relations Website	https://www.txdot.gov/about/financial-management/investor-relations/investor-relations-disclaimer.html
TxTag - Austin Area Toll Roads	https://www.txtag.org/txtagstorefront/en/learnmore/austinAreaTolls
CTTS Toll Rate Schedules	https://emma.msrb.org/P21684708.pdf
CTTS 2022 Traffic and Revenue Study	https://emma.msrb.org/P21714044.pdf

11.0 Contact Information

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