
FY 2024 Annual

Budget Report

North Carolina
Turnpike Authority

as of October 17, 2023



NORTH CAROLINA
Turnpike Authority

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Introduction & Overview

Letter of Transmittal



STATE OF NORTH CAROLINA DEPARTMENT OF TRANSPORTATION

ROY COOPER
GOVERNOR

J.R. "JOEY" HOPKINS
SECRETARY

October 17, 2023

The North Carolina Turnpike Authority is pleased to submit the FY 2024 Annual Budgets for the Triangle Expressway System, Monroe Expressway, and I-77 Express Lanes.

Section 705 of the Triangle Expressway System Amended and Restated Trust Agreement dated December 1, 2019, states that for each fiscal year, the Authority shall adopt an Annual Budget as well as a Capital Improvements Budget pursuant to the Authority's bylaws, rules, and regulations for the Triangle Expressway System. The Authority shall file copies of its Annual Budget promptly upon availability with the Trustee along with calculations for any required fund deposits pursuant to Section 503(k), (l), and (m).

Section 705 of the Monroe Expressway Trust Agreement dated December 1, 2016, states that for each fiscal year, the Authority shall adopt an Annual Budget as well as a Capital Improvements Budget pursuant to the Authority's bylaws, rules, and regulations for the Monroe Expressway. Pursuant to Section 705(i) expense estimates and requirements shall be based on a report of the General Engineering Consultant. The Authority shall file copies of its Annual Budget promptly upon availability with the Trustee and TIFIA Lender along with calculations for any required fund deposits pursuant to Section 503(i), (j), and (k).

The Turnpike Authority is responsible for account management, billing, and customer service for the I-77 Express Lanes. Annual Budgets are prepared each fiscal year for the expenditures related to these activities.

The table below provides an overview of the FY 2024 Annual Budgets (\$ millions).

	Triangle Expressway System	Monroe Expressway	I-77 Express Lanes
Projected Revenue	\$66.9	\$30.0	-
Total Operations & Maintenance Budget	\$30.4	\$16.4	\$9.8
Total Renewal & Replacement Budget	\$6.4	\$0.8	\$0.05
Total Capital Budget	\$238.24	-	-

If you have any questions, or would like any additional information, please let us know.

Sincerely,

DocuSigned by:

30E8728E3B164B4...

Executive Director

DocuSigned by:

082BA71102D240F...

DAVID ROY

Chief Financial Officer

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Distinguished Budget Presentation Award

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the North Carolina Turnpike Authority, North Carolina, for its Annual Budget for the fiscal year beginning July 1, 2022. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

**North Carolina Turnpike Authority
North Carolina**

For the Fiscal Year Beginning

July 01, 2022

Christopher P. Morrill


Executive Director

The North Carolina Turnpike Authority

In October 2002, legislation was passed authorizing the creation of the North Carolina Turnpike Authority with the purpose to study, design, plan, construct, own, finance and operate a system of toll roads, bridges, and/or tunnels supplementing the traditional non-toll transportation system serving the citizens of North Carolina (N.C.G.S. §136-89.182). By action of the North Carolina General Assembly, effective July 27, 2009, the Turnpike Authority became a part of the North Carolina Department of Transportation, a public agency of the State of North Carolina.

Mission Statement

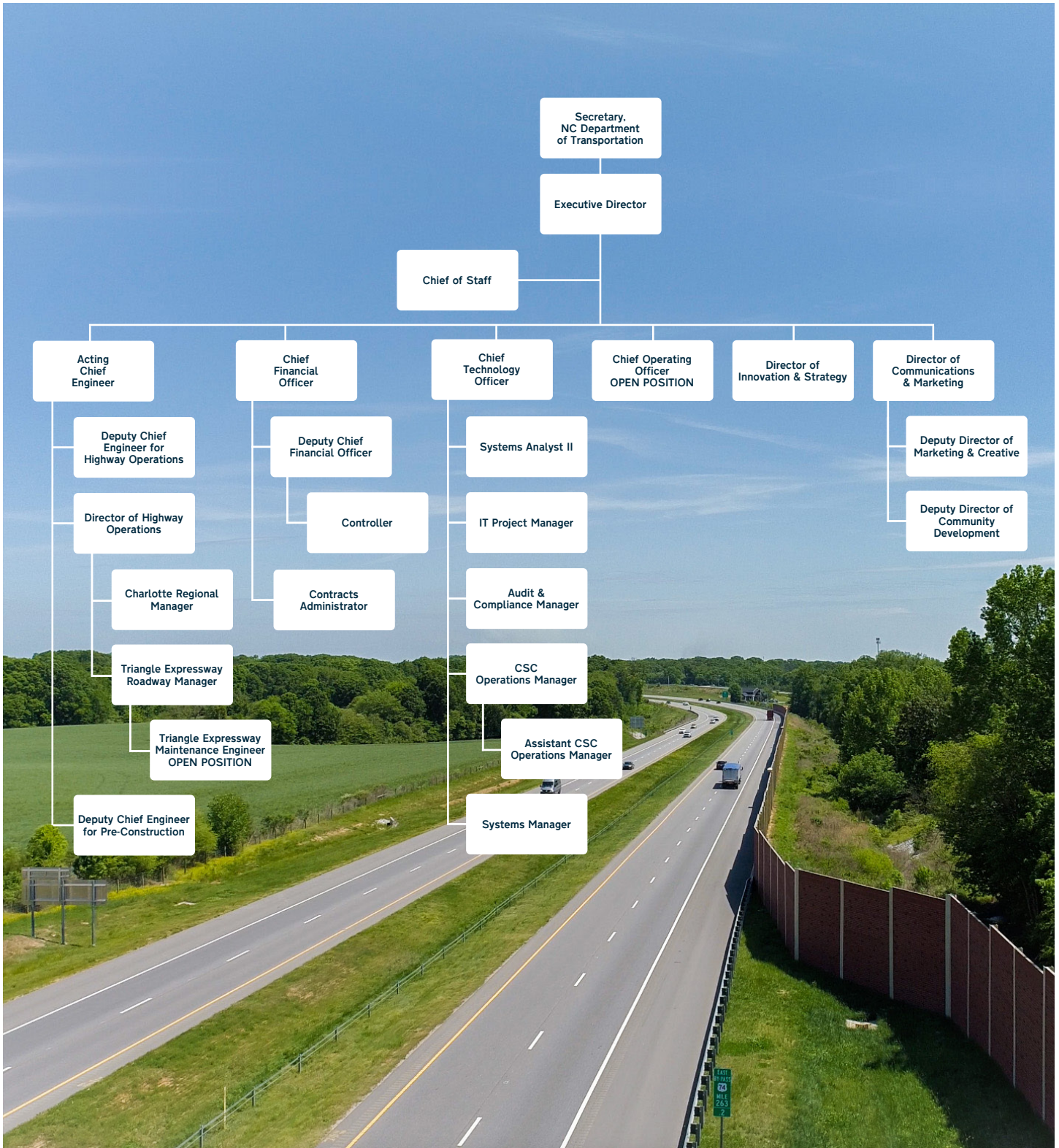
The North Carolina Turnpike Authority is committed to delivering innovative transportation solutions on behalf of local planning organizations, providing drivers more choices for their commute.



The North Carolina Turnpike Authority is committed to delivering innovative transportation solutions on behalf of local planning organizations, providing drivers more choices for their commute.

Organizational Chart










Organizational Chart as of October 17, 2023



Board of Directors

The Turnpike Authority is governed by a nine-member Board of Directors consisting of four members appointed by the General Assembly of North Carolina (two members appointed by the President Pro-Tempore of the Senate and two members appointed by the Speaker of the House of Representatives), four members appointed by the Governor of the State, and the North Carolina Secretary of Transportation. The Chair of the Board is selected by the Turnpike Authority Board. Joey Hopkins, the NCDOT Secretary of Transportation, currently serves as the Chair of the Turnpike Authority Board.

Board Members as of October 17, 2023

 <p>Joey Hopkins Chairman</p>	 <p>James 'Jim' Walker Vice Chair</p>	 <p>Robert D. Teer Jr. Secretary & Treasurer</p>
 <p>John Adcock</p>	 <p>Julie Eiselt</p>	 <p>Dr. Pamela Gibson Senegal</p>
 <p>Sam Hunt IV</p>	 <p>Montell W. Irvin</p>	 <p>Charles Chuck L. Travis III</p>

On July 23, 2010, the following powers were delegated by the North Carolina Secretary of Transportation to the Turnpike Authority Board of Directors:

Fix, revise, charge, and collect tolls and fees for the use of Turnpike Projects pursuant to N.C.G.S. §136-89.183 (a)(5);

Issue bonds or notes of the Turnpike Authority pursuant to N.C.G.S. §136-89.183(a)(6) (NCTA Debt Policy);

Invest the proceeds of bonds or notes of the Turnpike Authority that are pending disbursement or other idle funds of the Turnpike Authority in any investment authorized by N.C.G.S. §159-30 (NCTA Investment Policy) pursuant to N.C.G.S. §136-89.183 (6a); and,

Exercise such additional powers as shall be necessary for the financing of Turnpike Projects through compliance with the associated bond documentation, including complying with any arbitrage, rebate or other federal tax filings and providing for secondary market disclosure; provided any such additional power may be subjected to conditions, including the involvement and participation of other portions of the North Carolina Department of Transportation, which are stated within the bond documentation and executed by the Secretary.

Projects

3

Open to Traffic

Monroe Expressway
I-77 Express Lanes North
Triangle Expressway



2

Under Construction

I-485 Express Lanes
Complete 540 Phase 1



4

Under Development

U.S. 74 Express Lanes
I-77 Express Lanes South
Complete 540 Phase 2
Mid-Currituck Bridge





Charlotte Area

- Monroe Expressway
- I-77 Express Lanes North
- I-485 Express Lanes
- U.S. 74 Express Lanes
- I-77 Express Lanes South

Raleigh Area

- Triangle Expressway
- Complete 540 Phase 1
- Complete 540 Phase 2

Outer Banks

- Mid-Currituck Bridge

Project status as of October 17, 2023

- Open to Traffic
- Under Construction
- Under Development

Projects Open to Traffic



Triangle Expressway

The Triangle Expressway is a six-lane, 18.8-mile All-Electronic Toll (AET) facility, extending from the interchange of I-40 and N.C. 885 in the north, to N.C. 55 Bypass in the south, to partially complete the “Outer Loop” (I-540 / N.C. 540) around the greater Raleigh area. The Triangle Expressway opened in phases between 2011 and 2013, with the final phase opening to toll traffic on January 2, 2013.

The Triangle Expressway has earned several major engineering awards, including: the American Council of Engineering Companies (ACEC) Grand Award for Engineering Excellence in Transportation, as well as the ACEC People's Choice Award in 2012, the Southeastern Association of State Highway and Transportation Officials (SASHTO) Best Use of Innovation in the Southeastern Region Award in 2013 and the American Concrete Pavement Association (ACPA) Gold Award for Excellence in Concrete Pavement in 2014.



Monroe Expressway

The Monroe Expressway is a four-lane, 19.8-mile, AET facility that extends from U.S. 74 near I-485 in eastern Mecklenburg County to U.S. 74 between the towns of Wingate and Marshville in Union County. The Monroe Expressway reached substantial completion and opened to toll traffic on November 27, 2018.



I-77 Express Lanes North

The I-77 Express Lanes North project (“I-77 Express Lanes”) is a public-private partnership (P3) between NCDOT and I-77 Mobility Partners, LLC and is the first P3 toll project in the State of North Carolina. The I-77 Express Lanes North project is approximately 26 miles long between the I-77 and I-277 junction in Charlotte and N.C. 150 in Mooresville. The Turnpike Authority is responsible for account management, billing, and customer service for the express lanes. The northern 13 miles of the express lanes opened in June 2019, and the remaining lanes opened in late 2019.

Projects Under Construction



Complete 540 Phase 1

The Complete 540 project is a greenfield project in the greater Raleigh area in North Carolina, that will link the towns of Apex, Cary, Clayton, Garner, Fuquay-Varina, Holly Springs, Knightdale and Raleigh. Phase 1 will extend the existing Triangle Expressway approximately 17.8 miles from N.C. 55 Bypass in Apex to I-40 in southeast Raleigh to partially complete the “Outer Loop”. Unlimited Notice to Proceed was issued for three Design-Build Contracts on September 26, 2019. As of May 31, 2023, design for Phase 1 is complete with the exception of minor design revisions encountered during construction. Right-of-way acquisition, utility relocations and construction are well underway for all three contracts. All 648 right of way parcels have been acquired or have entered the condemnation process, and construction is approximately 77% complete. Phase 1 is currently expected to open to traffic in Spring 2024.

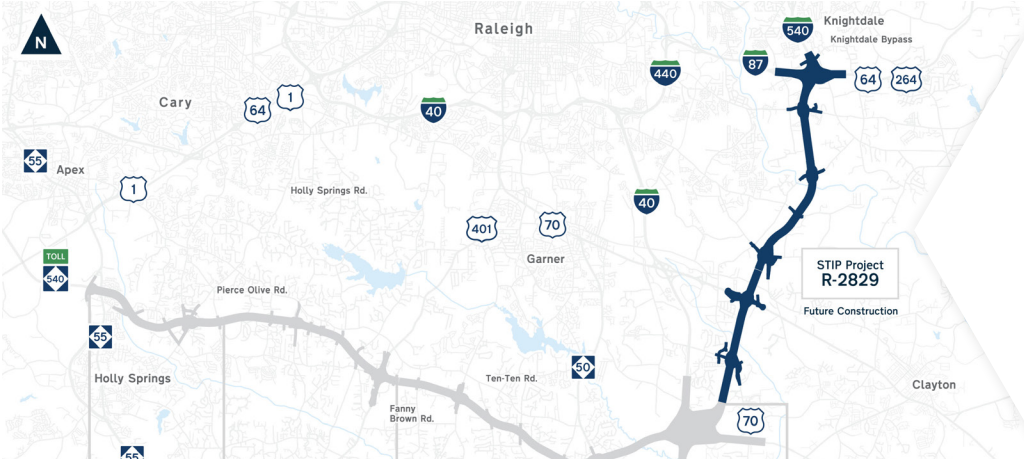


I-485 Express Lanes

The I-485 Express Lanes will add one express lane in each direction for approximately 17 miles between I-77 and U.S. 74 in southern Charlotte. The project will also extend the outside general-purpose lane and add a third general-purpose lane in each direction from Rea Road to N.C. 16 (Providence Road). Construction on the project began in August 2019. The Turnpike Authority will be responsible for account management, billing, and customer service for the express lanes. The I-485 Express Lanes are currently expected to open to traffic in late 2024.

Projects Under Development

The State Transportation Improvement Program (STIP) designates the scheduling and funding of construction for transportation projects in the state of North Carolina. The current STIP is for FY 2024 to FY 2033 with the first five years (2024 to 2028) referred to as the delivery STIP and the latter five years (2029 to 2033) as the developmental STIP. The following Turnpike Authority projects under development are listed in either the delivery STIP or developmental STIP.



Complete 540 Phase 2

The Complete 540 project is a greenfield project in the greater Raleigh area in North Carolina, that will link the towns of Apex, Cary, Clayton, Garner, Fuquay-Varina, Holly Springs, Knightdale and Raleigh. The

proposed Complete 540 Phase 2 project (STIP Project R-2829) will extend the Triangle Expressway System from I-40 to I-540/I-87/U.S. 64/U.S. 264 in Knightdale, completing the “Outer Loop” around the greater Raleigh area. Procurement for two Design-Build contracts is underway and the scheduled let dates are in August and October 2023.



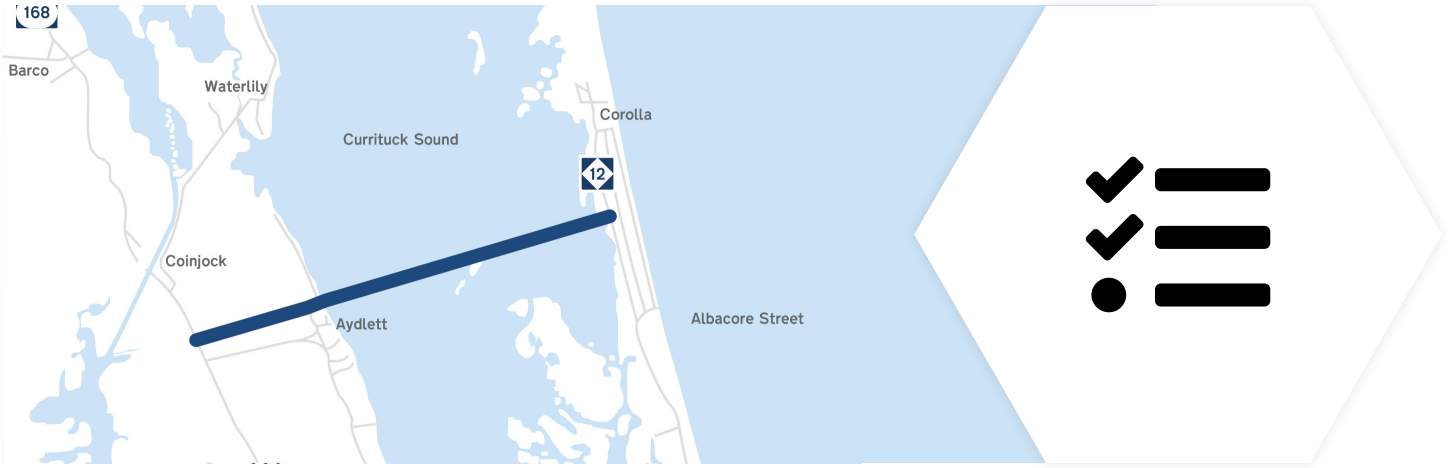
U.S. 74 Express Lanes

Local planning organizations have identified Independence Boulevard (U.S. 74) as a corridor needing improvements to maintain and enhance current and future mobility in the region. There are currently two proposed express lanes projects being studied on the U.S. 74 corridor. STIP Project U-6103 involves adding express lanes in the median of U.S. 74 between I-277 and Idlewild Road for approximately five miles. STIP Project U-2509 involves widening and adding express lanes and other improvements between Idlewild Road in Charlotte to I-485 in Matthews, for approximately 6.3 miles.



I-77 Express Lanes South

The proposed I-77 Express Lanes South project (STIP Project I-5718) will construct 11 miles of express lanes from I-277/N.C. 16 (Brookshire Freeway) in Charlotte to the South Carolina state line.





Mid-Currituck Bridge

The proposed Mid-Currituck Bridge (STIP Project R-2576) is a seven-mile project in Currituck County between U.S. 158 on the mainland and N.C. 12 on the Outer Banks. There will be a two-lane bridge spanning the Currituck Sound connecting the Currituck County mainland with its Outer Banks as well as a two-lane bridge spanning Maple Swamp on the Currituck County mainland connecting Aydlett to U.S. 158.

Strategic Goals

The following strategic goals are centered around the NCTA's mission statement of being committed to delivering innovative transportation solutions on behalf of local planning organizations, providing drivers more choices for their commute. NCTA's strategic goals, and the objectives within each goal, are reviewed annually with NCTA directors as a part of the budgeting process and updated as needed to align with the Authority's growing operations.

 <p>Deliver Data-Informed Transportation Solutions to North Carolina residents</p>	<ul style="list-style-type: none">• Transform “Product” to “Platform” a service-based transportation solution.• Be a data-driven service organization.• Automate workflows to increase quality and reliability of customer service, audit and compliance to service levels.
 <p>Broaden Influence as a Respected Leader & Partner in North Carolina's transportation network</p>	<ul style="list-style-type: none">• Plan and build quality, environmentally responsible toll facilities.• Build strong, effective relationships with NCDOT and NCDIT partners and stakeholders.• Develop strategies and collaborate on regional road planning.• Foster management and business relationships that reflect the region's diversity.• Participate in and lead industry forums and coalitions.
 <p>Strengthen Customer Relationships by coordinating direct feedback with identified customer service improvement initiatives</p>	<ul style="list-style-type: none">• Improve customer service experience across all channels using surveys.• Align customer service metric levels to improve customer satisfaction.• Identify and implement additional payment options for customer payments.• Maintain premium service and experience on NCTA facilities.• Before, during and after construction, maintenance and rehabilitation projects, communicate impacts directly to affected motorists and/or residents and provide timely responses to questions/inquiries.
 <p>Preserve a Strong Financial Standing by establishing robust program controls throughout the organization</p>	<ul style="list-style-type: none">• Maintain Compliance with Trust Agreements and TIFIA Loan Agreements.• Maintain internal controls.• Improve and maintain financial procedures.
 <p>Develop a Highly Qualified & Engaged Team to collaboratively deliver essential transportation solutions</p>	<ul style="list-style-type: none">• Recruit, develop and retain high-quality people.• Recognize and reward staff performance.• Advance employee communication and engagement strategies.• Advance staff skills via training and participation in industry seminars.

FY 2024 Strategic Priorities

Enhance Safety		Deliver data-informed transportation solutions
		Strengthen customer relationships
Execute Capital Plan		Deliver data-informed transportation solutions
		Broaden influence as a respected leader & partner
		Strengthen customer relationships
Ensure Debt Coverage Ratios are Maintained at or Above Targets		Preserve a strong financial standing
Upgrade Back Office System to Cloud		Deliver data-informed transportation solutions
Process Transactions for Partners		Broaden influence as a respected leader & partner
Continue to Advance Diversity		Broaden influence as a respected leader & partner
		Develop a highly qualified & engaged team
Continue to Develop Staff		Develop a highly qualified & engaged team
Enhance Financial Reporting to Stakeholders		Preserve a strong financial standing
Transponder Fulfillment from Marketplaces		Deliver data-informed transportation solutions
		Strengthen customer relationships
Improve Audit using Automation		Deliver data-informed transportation solutions
Enhance and Update Policies and Procedures to Strengthen Internal Controls		Preserve a strong financial standing
		Develop a highly qualified & engaged team
Centralize Traffic Reporting		Deliver data-informed transportation solutions

Executive Summary

Introduction

As North Carolina's population grows, the North Carolina Turnpike Authority works to advance toll roads as convenient highway alternatives that give drivers more choice, reduce congestion and provide an additional revenue stream for building new facilities. To help keep pace with the state's transportation needs, the Turnpike Authority plays a critical role by studying, designing, planning, constructing, financing and operating toll facilities. Currently, the Turnpike Authority operates three toll facilities: Triangle Expressway, Monroe Expressway and I-77 Express Lanes North. Two additional projects are under construction and four projects are in various stages of development. The Turnpike Authority is committed to providing efficient, value-proposition transportation solutions to drivers, with an emphasis on excellent customer service¹.

Program Highlights

North Carolina's toll facilities are located in, or adjacent to, Charlotte and Raleigh - two of the most populated, fastest-growing, high-income areas in the state. All three operational facilities fall within the bounds of Mecklenburg and Union Counties (Charlotte area) and Durham and Wake Counties (Raleigh area). Over the 10-year period between 2012 to 2022, the counties' populations grew between 17% to 23% higher than the state at 9.71%. In addition, the median household income for the counties' is between \$67 thousand to \$88 thousand higher than the state at \$61 thousand.

The Turnpike Authority strives to responsibly maintain and improve the state's toll facilities by aligning strategic goals with budgetary restraints, while also considering the impacts of rapid growth throughout the regions. The Turnpike Authority staff and consultants are helping drive two major toll system implementations during the upcoming fiscal year. The first major system improvement is the new Back Office System (BOS), which went live in early 2023. The BOS serves all toll facilities and is considered the central nervous system of the Authority's toll program, providing all customer and financial functions and processes. The second major system improvement is the Roadside Toll Collection System (RTCS) retrofit for the Triangle Expressway. The RTCS retrofit project is replacing all legacy equipment necessary to identify and classify all vehicles on the expressway. Both system improvement projects were previously budgeted for based on the expected lifecycle of system components.

Overall, the Authority's continued focus on customers and effective transportation solutions is the framework of the FY 2024 budget, which allocates resources appropriately to improve key financial metrics and maintain the trust of North Carolina citizens. Fundamental components regarding the budget and associated initiatives are included herein.

FY 2024 Transactions

In FY 2024, strategic goals center around efficiently processing transactions, and growing the percentage of customers utilizing benefits of NC Quick Pass. Effectively meeting these goals means that NCTA can drive down operational costs, while also lowering the average toll per transaction for the customer.

¹ As noted elsewhere, under the private partnership agreement for the I-77 Express Lanes with I-77 Mobility Partners, LLC, the Turnpike Authority is responsible for account management, billing, and customer service for that project and therefore the Turnpike Authority does not have any certified revenue projections for such project.

Overall, toll transactions for the Triangle Expressway and Monroe Expressway combined are estimated to increase over 4% in FY 2024 to 126.2 million as compared to FY 2023 budget.

FY 2024 Revenue

The Turnpike Authority's business model regarding revenue sources includes collecting tolls via transactions identified on North Carolina toll facilities by either transponder (NC Quick Pass, or interoperable transponder program) or license plate identification. In addition, the Authority collects fee revenues for invoice processing and non-sufficient funds, interest earnings on account holdings, reimbursements from insurance entities regarding damages to facility assets, and credit card equity from interoperable agencies for credit card processing costs.

Total FY 2024 estimated operating revenues for the Triangle Expressway and Monroe Expressway combined are \$96.9 million, an increase of 6.2% from the FY 2023 budget. The primary source (92%) of revenue is from tolls (\$89.2 million). Toll revenues for both projects are estimated to increase in FY 2024 as compared to FY 2023 budget as follows: Triangle Expressway, 6.7%; and Monroe Expressway, 6.5%. In addition, toll revenue per lane mile on the Triangle Expressway is one and a half times the revenue collected for the Monroe Expressway (\$548 thousand compared to \$345 thousand).

FY 2024 Debt Summary

In FY 2024, outstanding debt on the Triangle Expressway is expected to decrease by approximately \$30.5M due to principal being paid on outstanding debt. Outstanding debt on the Monroe Expressway is expected to decrease by approximately \$11.7M due to principal being paid on outstanding debt.

FY 2024 Operations & Maintenance Expenditures

Total anticipated O&M expenditures for FY 2024 are \$56.6 million, an increase of \$2.5 million (4.7%) from FY 2023 projections. By project, the total O&M budget in FY 2024 is 53.7%, 29.0% and 17.3% for the Triangle Expressway, Monroe Expressway, and I-77 Express Lanes, respectively.

The O&M budget increase for FY 2024 is primarily due to a delay for the roadside toll collection system maintenance implementation on the Triangle Expressway for \$6.5 million, offset by decreases of \$1.9 million in operations staffing and \$1.4 million in routine maintenance due to updated estimates on the Triangle Expressway.

FY 2024 Renewal & Replacement Expenditures

To protect, preserve and maintain the toll facilities in North Carolina, the Turnpike Authority has developed, and currently maintains, a 10-year R&R budget for the Triangle Expressway and Monroe Expressway systems. In addition, organizational-wide initiatives (e.g. Back Office System upgrades) are allocated appropriately to each project, including I-77 Express Lanes. For FY 2024, total budgeted capital expenditures for the Triangle Expressway, Monroe Expressway and I-77 Express Lanes are \$6.4 million, \$0.8 million, and \$0.05 million, respectively.

For the Triangle Expressway, over 95% (\$6.1 million) of the capital budget is primarily related to four roadway improvement projects: bridges (\$3.0 million), pavement markings and markers (\$2.1 million), signs (\$0.5 million), and slope repair (\$0.5 million). All major projects are expected due to the age of the assets.

For the Monroe Expressway, over 43% (\$0.4 million) of the capital budget is allocated to toll operations related to system enhancements for the toll collection system. In addition, \$270 thousand (33% of the total) has been allocated for roadway improvements primarily related to \$205 thousand for replacing and cleaning bridge joints and bearings and \$184 thousand (22% of the total) has been allocated for vehicle detector loop replacements.

FY 2024 Capital Expenditures

Total anticipated Capital expenditures for FY 2024 are \$238.24 million. These expenditures are related to the construction of the Complete 540 Phase 1 project which is an extension of the existing Triangle Expressway. The largest components of the FY 2024 Capital budget include Design-Build construction, agency costs, and right- of-way acquisition that have budgets of \$141.90 million, \$24.74 million, and \$48.03 million, respectively. The Complete 540 Phase 1 project is currently expected to open to traffic in Spring 2024.

Summary

The FY 2024 budget empowers the Turnpike Authority to meet specific program goals and initiatives, while striving to deliver safe and reliable travel options to North Carolina citizens. Overall, it is a balanced budget with projected revenue exceeding the expenses for debt service, operations and maintenance, and renewal and replacement activities for both the Triangle Expressway and Monroe Expressway.



Financial Structure, Policy & Process

Fund Structure

Description of Funds

The North Carolina Turnpike Authority operates with a project-level financial structure. Turnpike Authority projects are financed as individual systems, and revenues are subject to N.C.G.S. §136-89.188 (a) which states, “revenues derived from a Turnpike Project authorized under this Article shall be used only for the following costs associated with the project from which the revenue was derived or a contiguous toll facility:

1. Authority administration costs.
2. Development, right-of-way acquisition, design, construction, expansion, operation, maintenance, reconstruction, rehabilitation, and replacement costs.
3. Debt service on the Authority's revenue bonds or related purposes such as the establishment of debt service reserve funds.
4. Debt service, debt service reserve funds, and other financing costs related to any of the following:
 - A financing undertaken by a private entity under a partnership agreement with the entity for the Project.
 - Private activity bonds issued under law related to the Project.
 - Any federal or State loan, line of credit, or loan guarantee relating to the Project.
5. A return on investment of any private entity under a partnership agreement with the entity for the Project.
6. Any other uses granted to a private entity under a partnership agreement with the entity for the Project.

To maintain the mandated project-level financial structure, the Turnpike Authority must have separate budgets for each Turnpike Project that consists of the projects' projected revenues and operating expenditures for the fiscal year. Each operational Turnpike Project has individual Operations and Maintenance as well as Renewal and Replacement budgets. There are some budget items that occur regardless of the number of operational projects. These budget items are considered ‘shared’ costs and are allocated to each operating Turnpike Project at the end of each month evenly or based on facility usage or revenues. These shared budget items are noted as ‘Allocated’ in each project specific budget to show the amount of the total shared budget items allocated to each project.

The State Appropriation Revenue Bond and Toll Revenue Bond Trust Agreements for both the Triangle Expressway and Monroe Expressway establish the flow of funds for each project. The following flow of funds is a condensed, high-level overview of the existing flow of funds. The flow of funds for the Triangle Expressway and Monroe Expressway operate independently of each other per N.C.G.S. §136-89.188 (a) and the Turnpike Authority's [Revenue Retention Policy](#). The Turnpike Authority's audited financial statements are inclusive, but not limited to the funds listed below.

State Appropriation Revenue Bond Funds

State Appropriation Revenue Fund

The Turnpike Authority receives \$25 million and \$24 million in state appropriated revenue for the Triangle Expressway System and Monroe Expressway, respectively. This state appropriated revenue is transferred in

four equal quarterly installments into the State Appropriation Revenue Fund for each project. The Monroe Expressway also receives Interest Subsidy Payments to support interest payments on Build America Bonds. Upon the deposit of funds in the State Appropriation Revenue Fund, the Trustee transfers all deposited amounts into the following accounts.

State Appropriation Debt Service Funds

Amounts required for interest and principal debt service payments on the State Appropriation bonds are deposited into the State Appropriation Debt Service Funds. The balance of the funds remaining after all transfers to the State Appropriation Debt Service Funds has been made is then transferred to the Revenue Bond Trust Agreement Revenue Fund.

Toll Revenue Bond Funds

Revenue Fund

The Revenue Fund accounts for all pledged revenues earned on each facility including toll revenue, processing fees, non-sufficient funds fees, interest earnings, credit card equity fees and actual damages (related to contract compliance/performance). On the last business day of each month, the trustee withdraws all receipts and other amounts held in the Revenue Fund and applies them to the following accounts.

Debt Service Funds

Amounts required for interest and principal debt service payments are deposited into the Debt Service Funds. Interest is paid semi-annually, and principal is paid annually. Each month, one sixth of the total amount of interest due and one twelfth of the total amount of principal due at the next payment date is deposited in their respective interest and principal accounts for each series of revenue bonds.

Operations & Maintenance Expense Fund

The Operations and Maintenance Fund is used to pay monthly operations and maintenance expenses incurred on each facility. Each month, an amount equal to the succeeding month's budgeted operating expenses as set forth in the Annual Budget is deposited into the Operations and Maintenance Expense Fund.

Operating Reserve Fund

The Operating Reserve Fund is used to cover any deficiencies in the Operations and Maintenance Fund. This account must be funded with at least one fourth of the total budgeted operating expenses for the current fiscal year as set forth in the Annual Budget.

Renewal & Replacement Fund

The Renewal and Replacement Fund is used to pay monthly capital expenditures that occur on each facility. The Renewal and Replacement account shall be funded with one hundred percent of the total capital expenditures budgeted for the fiscal year plus one tenth of the total budgeted capital expenditures for the next nine fiscal years.

General Reserve Fund

The General Reserve Fund is the last account in the flow of funds for each facility. After all required

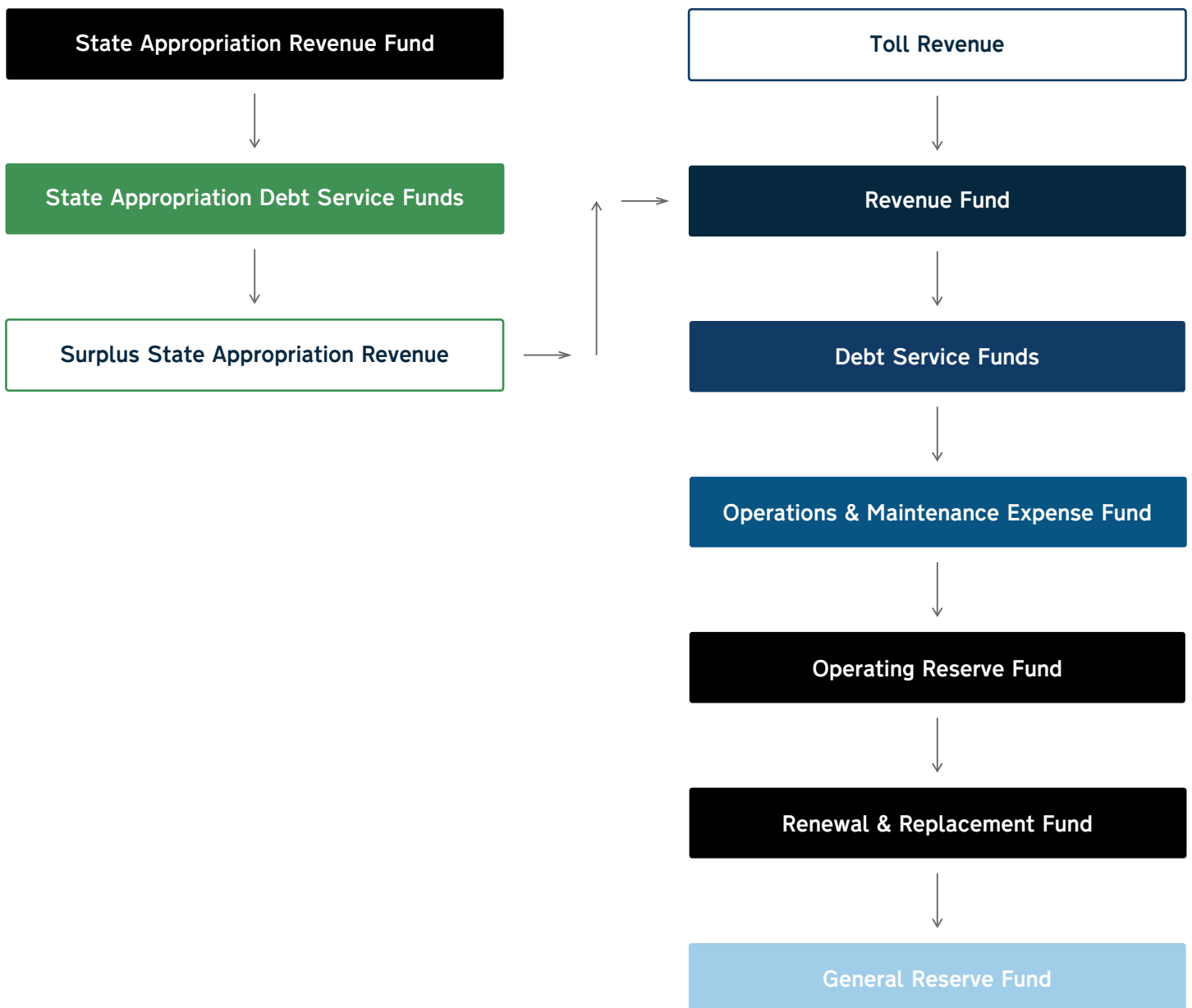
deposits are made in the accounts above, any remaining moneys shall be deposited in the General Reserve Fund. Moneys held in the General Reserve Fund shall be used for any legally available purpose, including, the payment of operating expenses or capital improvements on each facility.

Additional Project Account

The Additional Project Account is separate from each project's flow of funds and is used to pay for capital costs related to right-of-way acquisition and construction. This account is funded with proceeds from state appropriation and toll revenue bonds, as well as TIFIA loan disbursements.

Triangle Expressway System & Monroe Expressway Flow of Funds

The following chart depicts a high-level overview of the flow of funds for each project.



Fund Balances

Triangle Expressway System

The table below presents the projected balances for the major State Appropriation and Toll Revenue bond accounts for the Triangle Expressway System for June 30, 2023 along with the projected receipts and expenditures for FY 2023 and the projected ending account balances for June 30, 2024. Receipts are inclusive of deposits and interest earnings, and expenditures are inclusive of disbursements, expenditures, and debt service payments. The Renewal and Replacement Fund is projected to decrease in FY 2024 due to the budgeted R&R expenditures for the year and a lower R&R Fund requirement for FY 2025.

	FY 2023 Budget		FY 2024 Budget	
	Balance	Receipts	Expenditures ¹	Balance
State Appropriation Revenue Fund	\$0	\$25,000,000	\$(25,000,000)	\$0
State Appropriation Debt Service Funds	18,257,261	23,338,189	(23,157,523)	18,437,928
Revenue Fund	0	66,932,443	(66,932,443)	0
Senior Lien Debt Service Funds ²	41,460,909	61,051,135	(69,039,394)	33,472,650
Operations & Maintenance Expense Fund ³	4,753,092	30,426,860	(30,426,860)	4,753,092
Operating Reserve Fund	7,606,715	511,580	-	8,118,295
Renewal & Replacement Fund	14,186,036	4,551,103	(6,350,977)	12,386,162
Unrestricted General Reserve Fund	73,840,015	-	(20,230,763)	53,609,253

1 Reflects debt service paid on July 1, 2023 and January 1, 2024

2 Includes Series 2019 Capitalized Interest Fund

3 All of a portion of receipts reflects transfers from the Unrestricted General Reserve Fund

Monroe Expressway

The table below presents the projected balances for the major State Appropriation and Toll Revenue bond accounts for the Monroe Expressway for June 30, 2023 along with the projected receipts and expenditures for FY 2024 and the projected ending account balances for June 30, 2024. Receipts are inclusive of deposits and interest earnings, and expenditures are inclusive of disbursements, expenditures, and debt service payments. The Renewal and Replacement Fund is projected to increase to pre-fund increased R&R costs in the future.

	FY 2023 Budget		FY 2024 Budget	
	Balance	Receipts	Expenditures ⁴	Balance
State Appropriation Revenue Fund	\$0	\$24,000,000	\$(24,000,000)	\$0
State Appropriation Debt Service Funds	17,928,726	26,580,192	(25,485,827)	19,023,091
Revenue Fund	0	30,023,196	(30,023,196)	0
Senior Lien Debt Service Funds	4,617,320	5,912,263	(7,080,763)	3,448,820
Senior Lien Debt Service Reserve Fund	12,265,665	0	0	12,265,665
Operations & Maintenance Expense Fund	2,784,623	16,502,571	(16,425,428)	2,707,480
Operating Reserve Fund	4,106,357	0	0	4,106,357
Renewal & Replacement Fund	15,843,161	4,306,833	(843,371)	19,306,623
TIFIA Debt Service Reserve Fund	2,425,054	6,447,678	(4,997,608)	3,875,124
TIFIA Debt Service Expense Fund	2,115,111	7,481,158	(4,997,901)	4,598,368
Ramp-Up Reserve Fund	51,160,270	0	(25,000,000)	26,160,270
Unpledged Reserve Fund	21,714,960	25,000,000	0	46,714,960

Basis of Budgeting

The North Carolina Turnpike Authority's Annual Budgets are prepared on the accrual basis of accounting; therefore, revenues are recognized when they are earned, and expenditures are recognized when the liability is incurred. This is contrary to the cash basis of accounting where revenues are recognized in the accounting period for which they are received, and expenditures are recognized in the account period for when cash is paid. The Turnpike Authority's Audited Financial Statements are in accordance with U.S. GAAP standards and are reported on an accrual basis, which is similar to the accounting method used by most private-sector businesses. The financial statements represent all financial activity of the Turnpike Authority at the fund level, therefore they are not an accurate representation of the financial position of individual Turnpike Projects.

⁴ Reflects debt service paid on July 1, 2023 and January 1, 2024

The Annual Budgets provide the basis for operating and capital expenditures for each Turnpike Authority facility for the year. The Authority operates on a fiscal year basis and must submit the Annual Budgets to the Trustee per the project Trust Agreements. The Annual Budgets are approved by the Executive Director of the Turnpike Authority.

The Triangle Expressway System Amended and Restated Trust Agreement dated December 1, 2019, Section 705, states that for each fiscal year, the Authority shall adopt an Annual Budget as well as a Capital Improvements Budget pursuant to the Authority's bylaws, rules and regulations for the Triangle Expressway System. The Authority shall file copies of its Annual Budget promptly upon availability with the Trustee along with calculations for any required deposits into the Operations and Maintenance Expense Fund, Operating Reserve Fund, and Renewal and Replacement Fund pursuant to Section 503(k), (l), and (m).

The Monroe Expressway System Trust Agreement dated December 1, 2016, Section 705 states that for each fiscal year, the Authority shall adopt an Annual Budget as well as a Capital Improvements Budget pursuant to the Authority's bylaws, rules and regulations for the Monroe Expressway System. Pursuant to Section 705(i) expense estimates and requirements shall be based on a [Monroe Expressway General Engineering Consultant \(GEC\) Report](#). The Authority shall file copies of its Annual Budget promptly upon availability with the Trustee and TIFIA Lender along with calculations for any required deposits into the Operations and Maintenance Expense Fund, Operating Reserve Fund, and Renewal and Replacement Fund pursuant to Section 503(i), (j), and (k).

The Turnpike Authority is responsible for account management, billing and customer service for the I-77 Express Lanes. An Annual Budget is prepared every fiscal year for the expenditures related to these activities.

Budget Procedure

The annual budgeting process begins in March with a kick-off meeting held by the Finance Department and includes the Executive Director, Chief of Staff and all Turnpike Authority directors that oversee budget departments. The kick-off meeting provides an overview of the budgeting schedule along with each director's areas of responsibility. After the kick-off meeting, each director receives their preliminary budgets based on the previous fiscal year budget, along with a template to provide the Finance Department with any changes to their budgets. The directors either confirm the preliminary budgets that were provided to them or provide any requested budget changes to the Finance Department by the middle of December. The budget directors also provide their department's objectives for the year that support the Turnpike Authority strategic goals. From there, the Finance Department compiles all requested budgets into the budget models and updates any other budget assumptions for the upcoming fiscal year. Once the budgets have been compiled and all miscellaneous assumptions and calculations have been updated, the Finance Department presents the budgets along with any material budget changes to the Executive Director and Chief of Staff. After the check-in meeting, the Finance Department follows up with each of the directors to see if there are any final adjustments to make to their budgets. Once all of the final adjustments are made to each budget, the Finance Department brings the final budgets back to the Executive Director for approval. Once the budgets are approved by the Executive Director, the final O&M and R&R budgets for the Triangle Expressway and Monroe Expressway are provided to the Trustee. Historically, the Turnpike Authority has not amended the Annual Budgets. Pursuant to Section 705 of the Monroe Expressway Trust Agreement, if the Turnpike Authority looks to amend the Annual Budget, notice of any amendments or revisions along with a report from the General Engineering Consultant, with its approval thereof, shall be provided to the Trustee and TIFIA lender.

Budget Development Schedule

March 9th	The Finance Department held a kick-off meeting for the FY 2024 budgeting process. Attendees included the Executive Director, Chief of Staff and all NCTA directors that oversee segments of any or all of the budgets.
March 9th	The Finance Department sent the budget directors their preliminary FY 2024 O&M and R&R budgets based on their FY 2023 budgets.
March 24th	The directors submitted their requested O&M and R&R budgets as well as their FY 2024 department objectives that support the Turnpike Authority's strategic goals.
March 25th - April 14th	The Finance Department compiled all of the requested budgets they received from the directors and followed up with directors to make further updates as needed.
April 17th	The Finance Department presented the draft FY 2024 O&M and R&R budgets to the Executive Director and Chief of Staff.
April 18th - May 12th	The Finance Department performed final reviews and edits to the O&M and R&R budgets.
May 15th	The Finance Department presented the updated and final FY 2024 O&M budgets as well as the FY 2024-2033 R&R budgets to the Executive Director and Chief of Staff and the Executive Director approved the budgets.
May 25th	The Finance Department submitted the FY 2024 Annual Budgets to the Trustee per Section 705 of the Triangle Expressway System and Monroe Expressway Trust Agreements.



Financial Summaries

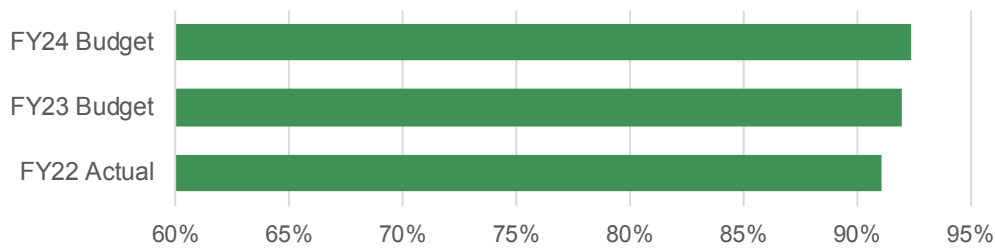
Key Financial Metrics

Toll Revenue as a Percent of Operating Revenue

Toll revenue as a percent of operating revenue is calculated by dividing the toll revenue by the total operating revenue of each facility. Toll revenue as a percent of operating revenue is budgeted to increase slightly for FY23 and FY24 for both expressways.

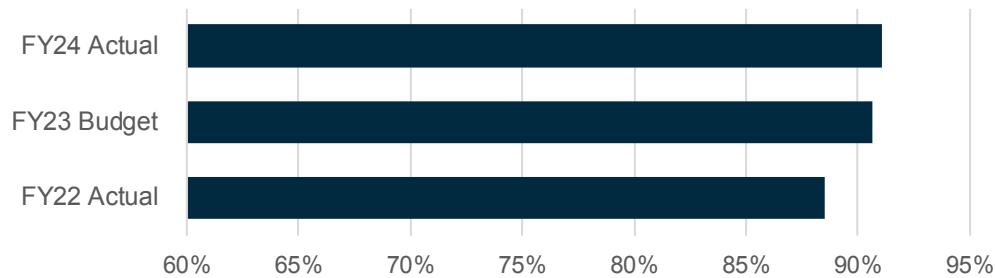
Triangle Expressway

	FY22 Actual	FY23 Budget	FY24 Budget
Toll Revenue	\$51,108,441	\$57,961,000	\$61,839,000
Operating Revenue	\$56,078,074	\$62,980,000	\$66,932,000
Toll Revenue as a Percent of Operating Revenue	91%	92%	92%



Monroe Expressway

	FY22 Actual	FY23 Budget	FY24 Actual
Toll Revenue	\$26,567,703	\$25,680,000	\$27,350,000
Operating Revenue	\$30,014,170	\$28,342,000	\$30,023,000
Toll Revenue as a Percent of Operating Revenue	89%	91%	91%



Average Toll per Transaction

The average toll per transaction is calculated by dividing toll revenue by the total number of toll transactions of each facility. The FY23 and FY24 budgets for both facilities are based on updated traffic and revenue projections, which include impacts from the pandemic. For the Triangle Expressway, the FY23 projection decreases slightly, then increases slightly as compared to FY22 actual. For the Monroe Expressway, the average toll per transaction for FY22 is higher due to a 115% increase in toll revenue from budget, then decreases for FY23 and FY24.

Triangle Expressway

	FY22 Actual	FY23 Budget	FY24 Budget
Toll Revenue	\$51,108,441	\$57,961,000	\$72,645,000
Toll Transactions	\$61,137,704	\$72,645,000	\$75,235,000
Average Toll Per Transaction	\$0.84	\$0.80	\$0.97



Monroe Expressway

	FY22 Actual	FY23 Budget	FY24 Budget
Toll Revenue	\$26,567,703	\$25,680,000	\$27,350,000
Toll Transactions	\$42,104,433	\$47,935,000	\$50,935,000
Average Toll Per Transaction	\$0.63	\$0.54	\$0.54

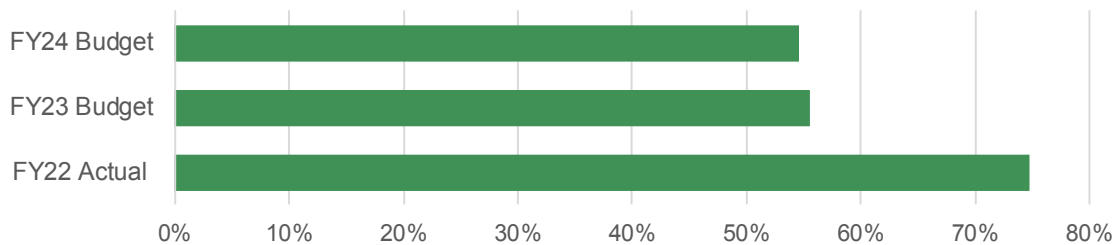


Operating Margin

The operating margin is calculated by dividing operating income by the operating revenue of each facility. The operating margin for FY23 and FY24 is projected to decrease from FY22 actual due to increased operating expenses as compared to FY22 due to budgeted expenses needing to shift to FY23 and actuals coming in under budget.

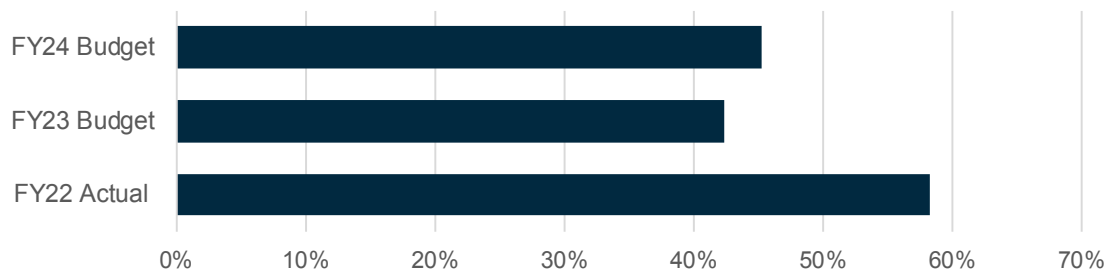
Triangle Expressway

	FY22 Actual	FY23 Budget	FY24 Budget
Operating Revenue	\$56,078,074	\$62,930,000	\$66,932,000
Operating Expenses	\$14,136,679	\$28,026,615	\$30,426,860
Operating Income	\$41,941,395	\$34,953,385	\$36,505,140
Operating Margin	75%	56%	55%



Monroe Expressway

	FY22 Actual	FY23 Budget	FY24 Budget
Operating Revenue	\$30,014,170	\$28,342,000	\$30,023,000
Operating Expenses	\$12,532,450	\$16,348,049	\$11,993,951
Operating Income	\$17,481,720	\$11,993,951	\$13,597,572
Operating Margin	58%	42%	45%

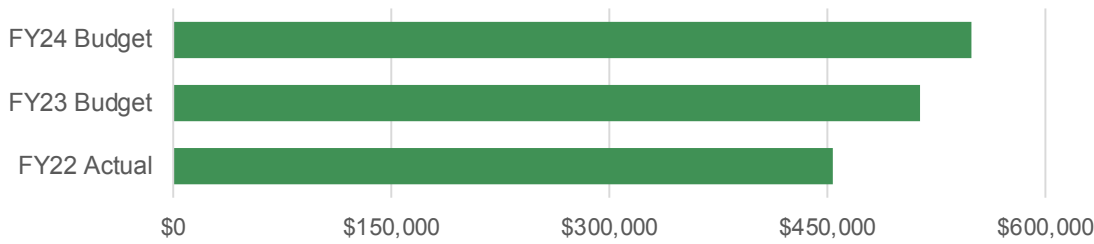


Toll Revenue per Lane Mile

Toll revenue per lane mile is calculated by dividing toll revenue by the lane miles of each facility. The toll revenue per lane mile on the Triangle Expressway is expected to increase for FY23 and FY24 due to increased toll revenue projections. The toll revenue per lane mile on the Monroe Expressway is expected to decrease slightly for FY23 but then increase for FY24.

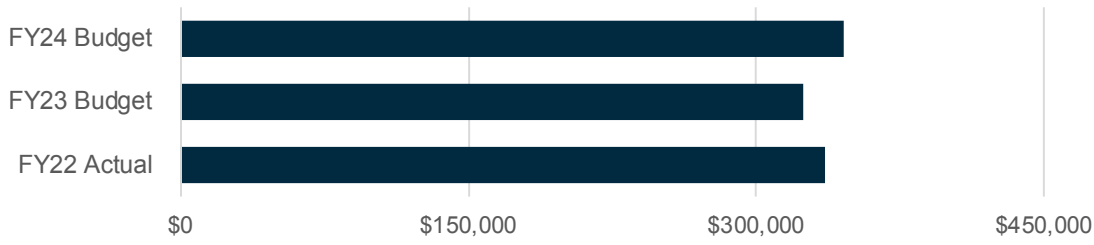
Triangle Expressway

	FY22 Actual	FY23 Budget	FY24 Budget
Toll Revenue	\$51,108,441	\$57,961,000	\$61,839,000
Lane Miles	112.8	112.8	112.8
Toll Revenue Per Lane Mile	\$453.089	\$513.839	\$548.218



Monroe Expressway

	FY22 Actual	FY23 Budget	FY24 Budget
Toll Revenue	\$26,567,703	\$25,680,000	\$27,350,000
Lane Miles	79.2	79.2	79.2
Toll Revenue Per Lane Mile	\$335.451	\$324.242	\$345.328

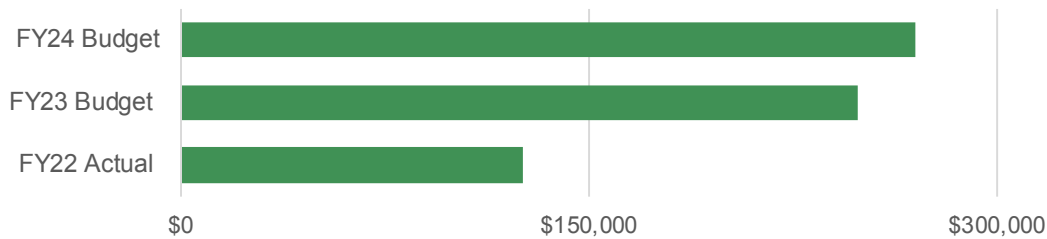


Operating Cost per Lane Mile

The operating cost per lane mile is calculated by dividing the operating expenses by lane miles for each facility. The operating cost per lane mile for FY23 and FY24 is projected to increase from FY22 actual due to increased operating expenses as compared to FY22 due to budgeted expenses needing to shift to FY23 and actuals coming in under budget.

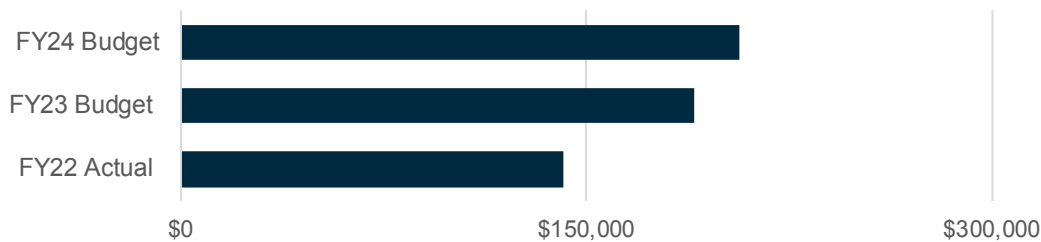
Triangle Expressway

	FY22 Actual	FY23 Budget	FY24 Budget
Operating Expenses	\$14,136,679	\$28,026,615	\$30,426,860
Lane Miles	112.8	112.8	112.8
Operating Cost per Lane Mile	\$125,325	\$248,463	\$269,742



Monroe Expressway

	FY22 Actual	FY23 Budget	FY24 Budget
Operating Expenses	\$11,204,940	\$15,051,017	\$16,348,049
Lane Miles	79.2	79.2	79.2
Operating Cost per Lane Mile	\$141,477	\$190,038	\$206,415

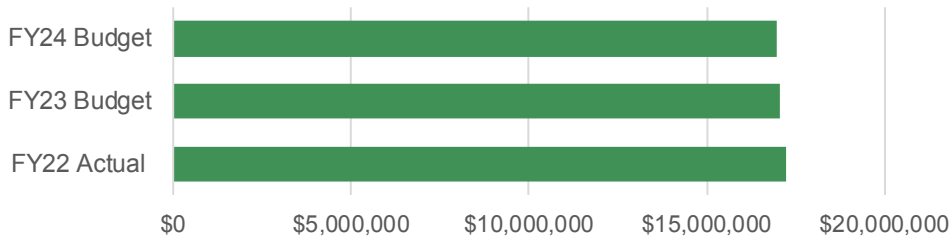


Debt per Lane Mile

Debt per lane mile is calculated by dividing the total indebtedness as of June 30 each year by the lane miles of each facility. Calculated values include par value and accrued interest on Capital Appreciation Bonds. The debt per lane mile on both the Triangle Expressway and Monroe Expressway are budgeted to decrease in FY23 and FY24 due to principal being paid on the outstanding debt.

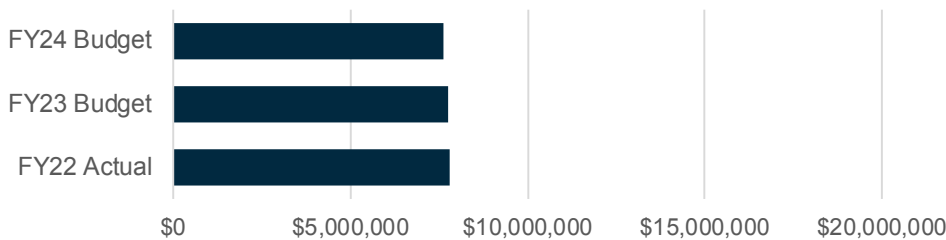
Triangle Expressway

	FY22 Actual	FY23 Budget	FY24 Budget
Outstanding Debt	\$1,942,746,385	\$1,925,645,085	\$1,914,317,412
Lane Miles	112.8	112.8	112.8
Debt Per Mile	\$17,222,929	\$17,071,322	\$16,970,899



Monroe Expressway

	FY22 Actual	FY23 Budget	FY24 Budget
Outstanding Debt	\$618,878,668	\$612,395,150	\$602,584,483
Lane Miles	79.2	79.2	79.2
Debt Per Mile	\$7,814,125	\$7,732,262	\$7,608,390



Revenue Summary

The largest source of revenue for the Triangle Expressway and Monroe Expressway is toll revenue. Toll revenue is collected based on two main transaction types: Electronic Toll Collection (ETC) and Bill by Mail (BBM). ETC tolls are paid electronically with a transponder. These tolls are automatically deducted from a prepaid account. BBM tolls are an alternative payment option for customers without a transponder. Cameras at toll zones capture an image of the vehicle's license plate, and an invoice is mailed to the registered owner of the vehicle. Toll and processing fee revenue projections are provided from Traffic and Revenue forecasts, updated in late 2020. The remaining sources of revenue include interest earnings, credit card equity fees, non-sufficient funds fees (returned check fees), and actual damages (related to contract compliance/performance). These revenues are immaterial and not estimated.

In 2008, the Turnpike Authority Board of Directors adopted a [Toll Rate Policy](#), which provides guidelines pursuant to which the Turnpike Authority shall establish and adjust toll rate schedules for its projects. After receipt of a Traffic and Revenue Study, the Toll Rate Policy directs the Turnpike Authority Board of Directors to adopt a toll rate schedule that forecasts revenues on the project that are at least the same level as the revenue set forth in the Traffic and Revenue report.

Pursuant to the policy, the Board of Directors has adopted toll rate schedules for both the Triangle Expressway and Monroe Expressway projects based on their respective Traffic and Revenue Studies. The toll rate schedules for each facility provide the toll rates for every year through the final maturity date for all indebtedness issued to finance each project. Toll rates on both facilities increase each January 1 based on the approved toll rate schedules. The calendar year 2023 and 2024 toll rates for both the Triangle Expressway and Monroe Expressway are shown below by vehicle classification and payment type.

Toll Rates

Triangle Expressway

	CY 2023		CY 2024	
	ETC	BBM	ETC	BBM
Class 1	\$3.80	\$5.83	\$3.94	\$6.04
Class 2	7.60	11.66	7.88	12.08
Class 3	15.20	23.32	15.76	24.16

Full trip on the Triangle Expressway starting at N.C. 885 at I-40 to N.C. 55 Bypass in one direction.

Monroe Expressway

	CY 2023		CY 2024	
	ETC	BBM	ETC	BBM
Class 1	\$2.77	\$4.30	\$2.85	\$4.39
Class 2	5.54	8.60	5.70	8.78
Class 3	11.08	17.20	11.40	17.56

Full trip on the Monroe Expressway in one direction.

Vehicle Classifications



Class
1

Vehicles with 2 axles



Class
2

Vehicles with 3 axles

Two times (2x) the
Class 1 vehicle toll rate



Class
3

Vehicles with 4 axles or more

Four times (4x) the
Class 1 vehicle toll rate

Actuals, Projections & Budgets for FY 2022 to FY 2024

Triangle Expressway

	FY 2022	FY 2023	FY 2023	FY 2023	FY 2024	FY 2024
	Actual	Budget	Projection	Variance Projection to Budget	Budget	Variance to FY 2023 Projection
Revenue						
Toll Revenue	\$48,057,109	\$57,961,000	\$52,617,060	(\$5,343,940)	\$61,839,000	\$9,221,940
Fee Revenue	5,985,607	5,019,000	6,067,886	1,048,886	5,093,000	(974,886)
Total	\$54,042,716	\$62,980,000	\$58,684,946	(\$4,295,054)	\$66,932,000	\$8,247,054
Operating Expenses						
Finance	\$745,403	\$1,108,255	\$933,336	(\$174,919)	\$1,253,635	\$320,299
Highway Operations	2,456,004	3,313,060	2,341,993	(971,067)	3,078,232	736,239
Service & Safety Patrol	318,630	270,600	253,101	(17,499)	270,600	17,499
Toll Operations	4,626,202	12,673,970	5,408,147	(7,265,822)	15,829,801	10,421,654
Customer Service	5,251,539	9,603,480	6,978,719	(2,624,761)	8,875,825	1,897,106
Communications	313,725	517,250	425,286	-91964	558767	133,481
Administrative	425,176	540,000	520,899	-19101	560000	39,101
Total	\$14,136,679	\$28,026,615	\$16,861,481	(\$11,164,134)	\$30,426,860	\$13,565,378

FY 2022 Actual Revenue is presented on a cash basis.
Totals may not add due to rounding.

Monroe Expressway

	FY 2022	FY 2023	FY 2023	FY 2023	FY 2024	FY 2024
	Actual	Budget	Projection	Variance Projection to Budget	Budget	Variance to FY 2023 Projection
Revenue						
Toll Revenue	\$23,884,857	\$25,680,000	\$25,252,571	(\$427,429)	\$27,350,000	\$2,097,429
Fee Revenue	3,138,827	2,662,000	3,208,263	546,263	2,674,000	(534,263)
Total	\$27,023,684	\$28,342,000	\$28,460,834	\$118,834	\$30,024,000	\$1,563,166
Operating Expenses						
Finance	\$762,910	\$721,671	\$777,244	\$55,573	\$778,360	\$1,117
Highway Operations	2,618,418	2,952,249	2,868,473	(83,776)	2,973,931	105,459
Service & Safety Patrol	614,127	645,640	378,022	(276,618)	645,640	267,618
Toll Operations	5,089,042	6,874,937	5,876,419	(998,518)	6,953,399	1,076,981
Customer Service	2,721,441	4,442,300	3,236,955	(1,205,345)	4,370,818	1,133,863
Communications	313,842	373,751	295,482	-78269	353280	57,797
Administrative	412,670	337,500	325,562	-11938	350000	24,438
Total	\$12,532,450	\$16,348,048	\$13,758,155	(\$2,589,893)	\$16,425,428	\$2,667,273

FY 2022 Actual Revenue is presented on a cash basis.
Totals may not add due to rounding.

I-77 Express Lanes

The I-77 Express Lanes project is a public-private partnership between NCDOT and I-77 Mobility Partners, LLC and is the first P3 toll project in the State of North Carolina. The Turnpike Authority is responsible for account management, billing, and customer service for the express lanes. An Annual Budget is prepared every fiscal year for the expenditures related to these activities. Since the agreement is between NCDOT and I-77 Mobility Partners, the Turnpike Authority does not have any certified revenue projections for the project.

	FY 2022	FY 2023	FY 2023	FY 2023	FY 2024	FY 2024
	Actual	Budget	Projection	Variance Projection to Budget	Budget	Variance to FY 2023 Projection
Operating Expenses						
Finance	\$385,735	\$480,600	\$485,839	\$5,239	\$574,769	\$88,930
Highway Operations	-	-	-	-	-	-
Service & Safety Patrol	-	-	-	-	-	-
Toll Operations	2,515,835	3,809,772	3,311,310	(498,462)	3,478,292	166,982
Customer Service	3,509,699	4,791,417	5,086,284	297,867	4,738,973	(347,311)
Communications	271,807	461,756	371,726	(90,030)	490,271	118,545
Administrative	412,670	472,500	455,786	(16,714)	490,000	34,214
Total	\$7,095,747	\$10,016,045	\$9,710,946	(\$305,099)	\$9,772,305	\$61,360

Totals may not add due to rounding.

FY 2024 Staffing Summary

The following table depicts the number of staffing positions the Turnpike Authority had in FY 2022 and 2023, as well as, the number of budgeted positions for FY 2024 and the change from FY 2023. The Turnpike Authority in FY 2024 budgeted for staffing to increase by five field positions and one administrative position. Field employees charge time directly to projects, whereas administrative employees charge time only to the administrative budget. Budgets for Turnpike Authority staff are presented as ‘NCDOT Labor’ or ‘NCTA Labor’ throughout the report.

	FY 2022	FY 2023	FY 2024	Change From
	Actual	Actual	Budget	2023
Finance	3	2	2	-
Highway Operations	3	3	5	2
Service & Safety Patrol	-	-	-	-
Toll Operations	5	4	6	2
Customer Service	2	2	2	-
Communications	2	2	3	1
Administrative	5	4	5	1
Total	20	17	23	6

FY 2024 Operations & Maintenance Budgets

	Triangle Expressway	Monroe Expressway	I-77 Express Lanes
Finance	\$1,253,635	\$778,360	\$574,769
NCDOT Labor - Allocated	320,889	200,556	280,778
NCDOT Labor - Project Specific	-	10,818	10,818
Consultant Labor - Allocated	64,000	40,000	56,000
Consultant Labor - Project Specific	27,500	27,500	150,000
Professional Services - Allocated	55,377	34,610	48,455
Professional Services - Project Specific	439,750	288,750	-
NCDOT System Charges	346,119	176,126	28,718
Highway Operations	3,078,232	2,973,931	-
NCDOT Labor - Project Specific	288,743	9,240	-
Consultant Labor - Project Specific	315,000	540,000	-
Routine Maintenance	2,069,149	2,086,400	-
Damage Claims	15,000	15,000	-
Traffic Management Center Staffing and Facilities	390,340	323,291	-
Service and Safety Patrol	270,600	645,640	-
Highway Patrol	145,600	375,640	-
Incident Management Assistance Patrol	125,000	270,000	-
Toll Operations	15,829,801	6,953,399	3,478,292
NCDOT Labor - Allocated	101,411	63,382	88,735
NCDOT Labor - Project Specific	134,474	134,474	36,950
Consultant Labor - Allocated	270,811	169,257	236,960
Consultant Labor - Project Specific	346,776	307,053	42,965
Utilities	215,000	60,000	-
Electronic Toll Collection System Maintenance	305,458	101,602	-
Roadside Toll Collection System Maintenance	10,013,423	3,030,764	-
Back Office System Pass Throughs - Allocated	947,702	597,310	779,461
Mailhouse - Allocated	2,181,614	1,651,114	1,188,650
Collections - Allocated	134,539	101,824	73,304
Back Office System Maintenance - Allocated	1,178,592	736,620	1,031,268
HOV Application Maintenance	-	-	-
Customer Service	8,875,825	4,370,818	4,738,973
NCDOT Labor - Allocated	164,019	102,512	143,516
Consultant Labor - Allocated	284,495	177,809	248,933
Operations Staffing - Allocated	6,060,640	2,840,615	2,594,552
Customer Service Center Facilities - Allocated	702,827	439,267	614,974
Other - Allocated	24,000	15,000	21,000
Credit Card Expenses	1,639,845	795,615	1,115,998
Communications	558,767	353,280	490,271
NCDOT Labor - Allocated	143,167	89,480	125,271
NCDOT Labor - Project Specific	-	-	-
Consultant Labor - Allocated	160,000	100,000	140,000
Consultant Labor - Project Specific	10,800	10,800	10,800
Marketing and Communications - Allocated	244,800	153,000	214,200
Administrative	560,000	350,000	490,000
Administrative - Allocated	560,000	350,000	490,000
Total	\$30,426,860	\$16,425,428	\$9,772,305

Totals may not add due to rounding.

Department Budgets & Information

The Turnpike Authority has all of its operating activities and corresponding expenditures organized under seven budget departments: Finance, Highway Operations, Service and Safety patrol, Toll Operations, Customer Service, Communications and Administrative. The following table presents the FY 2024 O&M budgets for the Triangle Expressway, Monroe Expressway and I-77 Express Lanes broken down by department.

	Triangle Expressway	Monroe Expressway	I-77 Express Lanes
Finance	\$1,253,635	\$778,360	\$574,769
Highway Operations	3,078,232	2,973,931	-
Service and Safety Patrol	270,600	645,640	-
Toll Operations	15,829,801	6,953,399	3,478,292
Customer Service	8,875,825	4,370,818	4,738,973
Communications	558,767	353,280	490,271
Administrative	560,000	350,000	490,000
Total	\$30,426,860	\$16,425,428	\$9,772,305

Totals may not add due to rounding.

Finance



Finance

Finance Department Overview

The Finance Department O&M budget includes NCTA labor, consultant labor, various professional services and NCDOT System Charges. Consultant labor in the Finance Department consists of finance and reporting support, as well as, traffic and revenue support. Many of the professional services included in this group support the Turnpike Authority's financial management. These professional services include but are not limited to, trustee fees, TIFIA fees, rating agency fees, investment advisory, bond counsel services, business interruption insurance, and NCTA's continuing disclosure dissemination agent.

NCDOT has several programs that benefit construction, highway maintenance, and other activities. The costs associated with these programs are considered indirect costs since all NCDOT projects benefit from them. NCDOT charges each of their projects with surcharges that are applied to expenditures to pay for these indirect costs. The rates for these surcharges are developed each year based on the projected expenditures for the department. Below is a description of the three system charges that are applied to Turnpike Authority operating expenditures:

- Business System Improvement Project (BSIP) - This project was established for the development, implementation, and support of a new Enterprise Resource Planning (ERP) tool. This initiative was a departmental wide effort to implement a comprehensive financial and management information system to aid management in optimally allocating resources. The current rate is 0.70%.
- Computer Support (CS) – Costs for computer support are relative to supporting the computer environment within the NCDOT Division of Highways. The current rate is 0.58%.
- Special Assessments – Special Assessments are for miscellaneous items or programs that support both state and federal projects. The current rate is 0.82%.

Staffing Summary

The following table depicts the number of staffing positions the Finance Department had in FY 2022 and 2023, as well as, the budgeted positions for FY 2024 and the change from FY 2023. These employees can charge time to the Triangle Expressway, Monroe Expressway, I-77 Express Lanes and/or a shared charge code to allocate their time across the three projects evenly.

	FY 2022	FY 2023	FY 2024	Change From
	Actual	Actual	Budget	2023
Controller	1	1	1	-
Budget Officer	1	-	-	-
Deputy Chief Financial Officer	-	1	1	-
Director of Program Development	1	-	-	-
Total	3	2	2	-

FY 2024 Department Objectives (Supporting NCTA Strategic Goals)



Deliver Data-Informed Transportation Solutions

- Oversee the preparation of a sustainable financial plan to support Phase 2 of the Triangle Expressway System expansion.
- Maintain favorable bond ratings for future project financings.



Broaden Influence as a Respected Leader & Partner

- Implement best practices that meet the Government Finance Officers Association's program criteria for the Certificate of Achievement for Excellence in Financial Reporting Program and Distinguished Budget Presentation Award.
- Produce annual financial reports, including an Annual Comprehensive Financial Report and Budget Report, which are timely, compliant, and transparent.
- Ensure all procurement documents and resulting contracts comply with all applicable laws and regulations and policies, utilize the competitive bid process, and reconcile activity.



Strengthen Customer Relationships

- Partner with NCTA Directors to understand ongoing needs and provide collaborative, fiscally responsible solutions.
- Optimize current Enterprise Resource Planning system to accelerate and improve financial reporting.



Preserve a Strong Financial Standing

- Adopt and begin implementation of the Turnpike Authority's Three-Year Work Plan.
- Monitor the market for opportunities to refund outstanding debt to achieve savings on future debt service payments.
- Maintain compliance with all required bond and TIFIA loan documentation, including complying with any arbitrage rebate or other federal tax filings and providing for secondary market disclosure.



Develop a Highly Qualified & Engaged Team

- Review and update department policies and procedures to implement leading practices and document current workflows.
- Partner with NCDOT and NCDIT to streamline core business processes.
- Promote industry participation.

Triangle Expressway

	FY 2022	FY 2023	FY 2024	FY 2024	FY 2024
	Actual	Projection	Budget	Variance from FY 2023 Projection (\$)	Variance from FY 2023 Projection (%)
NCDOT Labor	\$179,462	\$255,429	\$320,889	\$65,461	26%
NCDOT Labor - Allocated	179,462	254,929	320,889	65,961	26%
NCDOT Labor - Project Specific	-	500	-	(500)	-100%
Consultant Labor	67,289	65,609	91,500	25,891	39%
Consultant Labor - Allocated	26,902	45,609	64,000	18,391	40%
Consultant Labor - Project Specific	40,387	20,000	27,500	7,500	38%
Finance & Reporting Support	14,724	15,000	17,500	2,500	17%
Traffic & Revenue Support	25,663	5,000	10,000	5,000	100%
Professional Services	352,553	497,519	495,127	(2,392)	0%
Professional Services - Allocated	50,208	70,597	55,377	(15,220)	-22%
Professional Services - Project Specific	302,346	426,922	439,750	12,828	3%
Rating Agencies	64,000	50,000	52,000	2,000	4%
Trustee Fees	15,000	21,000	21,000	-	0%
Investment Advisory	14,089	50,000	75,000	25,000	50%
Arbitrage Reports	10,500	15,000	15,000	-	0%
Bond Counsel	12,485	30,000	15,000	(15,000)	-50%
Cherry Bekaert	2,800	3,000	3,000	-	0%

	FY 2022	FY 2023	FY 2024	FY 2024	FY 2024
Continuing Disclosure Agent	750	750	750	-	0%
Business Interruption Insurance	182,035	252,172	253,000	828	0%
Miscellaneous	687	5,000	5,000	-	0%
NCDOT System Charges	146,098	114,780	346,119	231,339	202%
Total	\$745,403	\$933,336	\$1,253,635	\$320,299	34%

Totals may not add due to rounding.

FY 2024 Triangle Expressway Budget Highlights

The Finance Department budget for the Triangle Expressway has a variance of \$320,299 from FY 2023 projections. All variances within the budget that exceed \$100,000 or are greater than \$50,000 and 25% are explained below.

- NCDOT Labor - Project Specific has a variance of \$65,961 due to increased salaries.
- NCDOT System Charges are assessed as a percentage of all project specific expenditures and have a variance of \$231,339 due to increased rates.

Monroe Expressway

	FY 2022	FY 2023	FY 2024	FY 2024	FY 2024
	Actual	Projection	Budget	Variance from FY 2023 Projection (\$)	Variance from FY 2023 Projection (%)
NCDOT Labor	\$175,129	\$159,330	\$211,374	\$52,043	33%
NCDOT Labor - Allocated	174,184	159,330	200,556	41,225	26%
NCDOT Labor - Project Specific	945	-	10,818	10,818	0%
Consultant Labor	64,210	56,005	67,500	11,495	21%
Consultant Labor - Allocated	26,111	28,505	40,000	11,495	40%
Consultant Labor - Project Specific	38,100	27,500	27,500	-	0%
Finance & Reporting Support	28,100	17,500	17,500	-	0%
Traffic & Revenue Support	-	10,000	10,000	-	0%
Professional Services	337,817	398,852	323,360	(75,491)	-19%
Professional Services - Allocated	48,731	34,954	34,610	(343)	-1%
Professional Services - Project Specific	289,086	363,898	288,750	(75,148)	-21%
Rating Agencies	102,700	91,250	30,000	(61,250)	-67%
Trustee Fees	9,000	15,000	21,000	6,000	40%
Investment Advisory	42,765	55,000	50,000	(5,000)	-9%
Arbitrage Reports	8,500	10,000	10,000	-	0%
Bond Counsel	2,613	30,000	15,000	(15,000)	-50%
Cherry Bekaert	2,800	2,950	3,000	50	2%
Continuing Disclosure Agent	750	750	750	-	0%
Business Interruption Insurance	105,459	142,948	143,000	52	0%
NCDOT System Charges	185,753	163,056	176,126	13,070	8%
Total	\$762,910	\$777,244	\$778,360	\$1,117	0%

Totals may not add due to rounding.

FY 2024 Monroe Expressway Budget Highlights

The Finance Department budget for the Monroe Expressway has a variance of \$1,117 from FY 2023 projections. All variances within the budget that exceed \$100,000 or are greater than \$50,000 and 25% are explained below.

- Rating Agencies has a variance of \$(61,250) due to refunding bond cancellation fee.

I-77 Express Lanes

	FY 2022	FY 2023	FY 2024	FY 2024	FY 2024
	Actual	Projection	Budget	Variance from FY 2023 Projection (\$)	Variance from FY 2023 Projection (%)
NCDOT Labor	\$179,036	\$223,062	\$291,596	\$68,534	31%
NCDOT Labor - Allocated	174,184	223,062	280,778	57,716	26%
NCDOT Labor - Project Specific	4,852	-	10,818	10,818	0%
Consultant Labor	132,665	179,020	206,000	26,980	15%
Consultant Labor - Allocated	26,111	39,907	56,000	16,093	40%
Consultant Labor - Project Specific	106,554	139,113	150,000	10,887	8%
Finance & Reporting Support	106,554	139,113	150,000	10,887	8%
Professional Services	48,989	48,935	48,455	(481)	-1%
Professional Services - Allocated	48,989	48,935	48,455	(481)	-1%
NCDOT System Charges	25,045	34,821	28,718	(6,103)	-18%
Total	\$385,735	\$485,839	\$574,769	\$88,930	18%

Totals may not add due to rounding.

FY 2024 I-77 Express Lanes Budget Highlights

The Finance Department budget for the I-77 Express Lanes has a variance of \$88,930 from FY 2023 projections. All variances within the budget that exceed \$100,000 or are greater than \$50,000 and 25% are explained below.

- NCDOT Labor - Allocated has a variance of \$57,716 due to increased salaries.

Highway Operations



Highway Operations

Highway Operations Department Overview

The Highway Operations O&M budget includes NCTA labor, consultant labor, routine maintenance, damage claims, and traffic management center (TMC) staffing and facilities. The Turnpike Authority is mandated by state law and the terms of the Trust Agreements to maintain safe facilities in sound condition. Routine maintenance for NCTA facilities includes, but is not limited to, maintenance of the following items: concrete and asphalt roadways, bridges, pavement markings, signs, mowing and landscaping, snow and ice removal, guardrail, lighting and litter removal. TMC operators verify roadway incidents, dispatch Incident Management Assistance Patrol (IMAP) and other emergency resources, and monitor, control and disseminate data to and from roadside cameras, traffic detectors and dynamic message signs. NCTA operations personnel are co-located with NCDOT traffic management staff within two TMCs and monitor performance requirements and provide audit and accounting for these operations.

Maintenance Rating Program

The Turnpike Authority has a Maintenance Rating Program (MRP), which was developed through a collaborative effort by NCTA managers, NCDOT maintenance staff, and consultants to monitor, manage, and proactively maintain NCTA's roadway assets. The MRP is a comprehensive planning, measuring, and managing process that provides a means for communicating asset trends to managers to assist them with policy and budget decisions on program service delivery. The roadway maintenance performance standards were created with the purpose of providing a clear and quantitative set of goals to ensure the facility meets customer expectations, as well as considerations unique to NCTA.

The rating process consists of quarterly inspections that are conducted during the months of February, May, August, and November to account for dynamic changes in assets during each season. A randomly selected sample of maintenance characteristics is evaluated each quarter according to performance standard threshold criteria. These quarterly inspection results are shared with managers and maintenance providers to identify areas requiring additional resources and to prioritize maintenance operations. The rolling rating score is a combined average of the last four quarterly inspections, up to and including a quarter, and provides statistical validation to the MRP process by compiling the four individual inspections. The annual rating is reported at the end of each calendar year by compiling the scores from each year's quarterly inspections, and the following table presents recent annual rating scores for the Triangle Expressway and

the Monroe Expressway. While the target for individual assets is 80.0, NCTA's overall target rating score is 90.0.

	CY 2020	CY 2021	CY 2022
Triangle Expressway	91.5	92.7	94.3
Monroe Expressway	94.6*	94.8	96.7

*This rating is from the baseline inspection on the Monroe Expressway. Quarterly inspections as a part of the MRP began in CY 2021.

Staffing Summary

The following table depicts the number of staffing positions the Highway Operations Department had in FY 2022 and 2023, as well as, the budgeted positions for FY 2024 and the change from FY 2023. These employees can charge time to the Triangle Expressway or Monroe Expressway. The Highway Operations Department will increase their staff by two new positions, a Triangle Expressway Maintenance Engineer and a Charlotte Regional Manager, in FY 2024.

	FY 2022	FY 2023	FY 2024	Change From
	Actual	Actual	Budget	2023
Deputy Chief Engineer for Highway Operations	1	1	1	-
Director of Highway Operations	1	1	1	-
Triangle Expressway Roadway Manager	1	1	1	-
Triangle Expressway Maintenance Engineer	-	-	1	1
Charlotte Regional Manager	-	-	1	1
Total	3	3	5	2

FY 2024 Department Objectives (Supporting NCTA Strategic Goals)



Deliver Data-Informed Transportation Solutions

- Integrate a 35-year Capital Maintenance Plan to aid in the development and funding of new projects as well as the implementation of rehabilitation projects.
-



Broaden Influence as a Respected Leader & Partner

- Collaborate with the North Carolina Department of Transportation and other industry leaders to improve safety for our employees, contractors and the traveling public.
-



Strengthen Customer Relationships

- Measure and encourage quality, efficiency and customer service through the Maintenance Rating Program (MRP).
 - Repair deficiencies and damage in accordance with established performance metrics.
 - Before, during and after construction, maintenance and rehabilitation projects, communicate impacts directly to affected motorists and/or residents and provide timely responses to questions/inquiries.
-



Preserve a Strong Financial Standing

- Monitor the maintenance budget to ensure fiscally prudent repairs are made in a timely manner.
 - Confirm that all available insurance claims are processed, and reimbursements are collected for asset damage caused by private motorists.
-



Develop a Highly Qualified & Engaged Team

- Develop a Roadway Maintenance Crew to ensure compliance with the Maintenance Rating Program.
 - Continue to participate in and actively get involved with regional and national technical organizations such as ITS Carolinas and International Bridge, Tunnel and Turnpike Association.
-

Triangle Expressway

	FY 2022	FY 2023	FY 2024	FY 2024	FY 2024
	Actual	Projection	Budget	Variance from FY 2023 Projection (\$)	Variance from FY 2023 Projection (%)
NCDOT Labor - Project Specific	\$312,399	\$233,022	\$288,743	\$55,721	24%
Consultant Labor - Project Specific	214,568	235,992	315,000	79,008	33%
Roadway Operations Support	214,568	235,992	315,000	79,008	33%
Routine Maintenance	1,601,344	1,471,311	2,069,149	597,838	41%
Pavement	27,283	-	120,000	120,000	0%
Roadside	365,883	421,208	657,000	235,792	56%
Maintenance	735,803	563,981	869,149	305,168	54%
Traffic	147,124	229,128	146,000	(83,128)	-36%
Bridge	26,173	48,655	2,500	(46,155)	-95%
Miscellaneous	299,078	208,338	274,500	66,162	32%
Damage Claims	(105,255)	75,000	15,000	(60,000)	-80%
Traffic Management Center Staffing & Facilities	432,948	326,669	390,340	63,671	19%
Total	\$2,456,004	\$2,341,993	\$3,078,232	\$736,239	31%

Totals may not add due to rounding.

FY 2024 Triangle Expressway Budget Highlights

The Highway Operations Department budget for the Triangle Expressway has a variance of \$736,239 from FY 2023 projections. All variances within the budget that exceed \$100,000 or are greater than \$50,000 and 25% are explained below.

- Consultant Labor-Project Specific has a variance of \$79,008 due to increased costs.
- Routine Maintenance has a variance of \$597,838 due to increased costs for maintenance crew, grass mowing, litter removal, snow and ice, and sweeping and washing the roadway.
- Damage Claims has a variance of \$(60,000) due to claims and insurance recoveries being unpredictable.

Monroe Expressway

	FY 2022	FY 2023	FY 2024	FY 2024	FY 2024
	Actual	Projection	Budget	Variance from FY 2023 Projection (\$)	Variance from FY 2023 Projection (%)
NCDOT Labor - Project Specific	\$19,567	\$5,764	\$9,240	\$3,477	60%
Consultant Labor - Project Specific	438,300	501,450	540,000	38,550	8%
Roadway Operations Support	438,300	501,450	540,000	38,550	8%
Routine Maintenance	1,763,538	2,066,383	2,086,400	20,017	1%
Pavement	-	-	20,000	20,000	0%
Roadside	587,565	987,429	877,000	(110,429)	-11%
Maintenance	783,637	412,443	716,900	304,457	74%
Traffic	43,371	37,628	73,000	35,372	94%
Bridge	49,713	311,361	25,000	(286,361)	-92%
On-Call	-	-	15,000	15,000	0%
Miscellaneous	299,253	317,522	359,500	41,978	13%
Damage Claims	68,298	62,281	15,000	(47,281)	-76%
Traffic Management Center Staffing & Facilities	328,715	232,595	323,291	90,695	39%
Total	\$2,618,418	\$2,868,473	\$2,973,931	\$105,459	4%

Totals may not add due to rounding.

FY 2024 Monroe Expressway Budget Highlights

The Highway Operations Department budget for the Monroe Expressway has a variance of \$105,459 from FY 2023 projections. All variances within the budget that exceed \$100,000 or are greater than \$50,000 and 25% are explained below.

- Traffic Management Center staffing has a variance of \$90,695 due to increased rates.

Service & Safety



Service & Safety Patrol

Service & Safety Patrol Department Overview

The Service and Safety Patrol Department O&M budget consists of the costs for the North Carolina State Highway Patrol, as well as the NCDOT Incident Management Assistance Patrol (IMAP). The staff of the Service and Safety Patrol Department are not Turnpike Authority personnel. The Turnpike Authority is charged activity rates for the efforts of this department. One of the primary missions of the North Carolina State Highway Patrol (SHP) is to ensure safe, efficient transportation on the state's streets and highways. The Turnpike Authority has troopers from Troop C patrolling the Triangle Expressway and troopers from Troop H patrolling the Monroe Expressway. The Triangle Expressway is patrolled one full shift per day. The Monroe Expressway is patrolled two full shifts per day, including one each during the morning and evening peak periods.

Beginning in 2015, State Farm served as the first official sponsor of NCDOT's IMAP program, a free service that provides roadway assistance to stranded motorists, regardless of their insurance provider. In 2022, sponsorship of the IMAP program switched to GEICO. IMAP services include changing flat tires, providing fuel, jumpstarting batteries, clearing roadways and providing temporary traffic control to help keep major North Carolina roadways safe. IMAP also aids law enforcement and first responders during incidents. The Turnpike Authority utilizes dedicated IMAP resources during weekday hours on both the Triangle Expressway and Monroe Expressway, supporting motorists in need during inclement weather events (hurricanes, snowstorms, etc.), as well as informing the TMC of road conditions.

FY 2024 Department Objectives (Supporting NCTA Strategic Goals)



Deliver Data-Informed Transportation Solutions

- Analyze crash patterns through the Highway Safety Improvement Program (HSIP) to identify locations for improvement.



Broaden Influence as a Respected Leader & Partner

- Collaborate with the North Carolina State Highway Patrol to discuss quarterly safety statistics and observed motorist trends.



Strengthen Customer Relationships

- Monitor the safety of individuals (private citizens, employees, contractors, etc.) using the facility from the Traffic Management Center and manage incidents with support from service and safety patrols.



Preserve a Strong Financial Standing

- Monitor the service and safety patrol budget to ensure there is adequate coverage from Highway Patrol and Incident Management Assistance Patrol.
- Coordinate with the Highway Patrol to collect information for insurance claims.



Develop a Highly Qualified & Engaged Team

- Continue to participate in coordination activities during Emergency Operation Center activation events.
- Coordinate with local first responder agencies upon completion of new projects to determine response routes and traffic control measures during incidents.

State Highway Patrol Key Metrics

SHP Chargeable Activities

Chargeable Activities	Triangle Expressway			Monroe Expressway*	
	CY 2020	CY 2021	CY 2022	CY 2022	CY 2023 YTD
Speed Violations	361	505	318	420	125
Alcohol Violations	4	2	1	7	0
Seat Belt Violations	50	69	46	69	17
Child Restraint Violations	2	4	2	11	2
Reckless Driving	38	46	38	151	26
Drug Violations	3	0	0	5	0
Obstructed Plates	0	0	0	0	0
Other Violations	310	298	380	514	226
Total	768	924	785	1176	396

*Statistic tracking for Monroe Expressway began in calendar year 2022.

SHP Non-Chargeable Activities

Non-Chargeable Activities	Triangle Expressway			Monroe Expressway*	
	CY 2020	CY 2021	CY 2022	CY 2022	CY 2023 YTD
Warnings	369	514	665	238	47
Crashes Investigated	89	61	58	27	11
Calls for Service	344	305	281	295	70
Total	802	880	1,004	560	130

*Statistic tracking for Monroe Expressway began in calendar year 2022.

Incident Management Assistance Patrol Key Metrics

IMAP Services

Assist Type	Triangle Expressway			Monroe Expressway*	
	CY 2020	CY 2021	CY 2022	CY 2022	CY 2023 YTD
Motorist Assistance	41	26	24	10	3
Tire	25	31	22	25	6
Debris	105	76	54	47	6
Fuel	9	21	19	11	4
Check on Welfare	190	224	94	28	0
Traffic Control / Assist Unit	75	61	60	164	45
Vehicle Removal	89	124	87	82	16
Disregard / No Assist	43	51	48	43	28
Other	5	5	0	5	5
Total	582	619	408	415	113

*Statistic tracking for Monroe Expressway began in calendar year 2022.

Average IMAP Response & Clearance Times (Minutes)

Response Type	Triangle Expressway			Monroe Expressway*	
	CY 2020	CY 2021	CY 2022	CY 2022	CY 2023 YTD
Motorist Assistance	11.7	14.0	9.7	12.7	12.3
Tire	8.0	7.4	8.1	8.3	8.8
Debris	11.1	11.4	10.8	9.3	8.7
Fuel	8.5	5.5	7.9	7.6	7.1

*Statistic tracking for Monroe Expressway began in calendar year 2022.

Triangle Expressway

	FY 2022	FY 2023	FY 2024	FY 2024	FY 2024
	Actual	Projection	Budget	Variance from FY 2023 Projection (\$)	Variance from FY 2023 Projection (%)
Highway Patrol	\$195,750	\$136,875	\$145,600	\$8,725	6%
Incident Management Assistance Patrol	122,880	116,226	125,000	8,774	8%
Total	\$318,630	\$253,101	\$270,600	\$17,499	7%

Totals may not add due to rounding.

FY 2024 Triangle Expressway Budget Highlights

The Service and Safety Patrol Department budget for the Triangle Expressway has a variance of \$17,499 from FY 2023 projections. All variances within the budget that exceed \$100,000 or are greater than \$50,000 and 25% are explained below.

- No variances to report.

Monroe Expressway

	FY 2022	FY 2023	FY 2024	FY 2024	FY 2024
	Actual	Projection	Budget	Variance from FY 2023 Projection (\$)	Variance from FY 2023 Projection (%)
Highway Patrol	\$362,650	\$253,049	\$375,640	\$122,591	48%
Incident Management Assistance Patrol	251,477	124,972	270,000	145,028	116%
Total	\$614,127	\$378,022	\$645,640	\$267,618	71%

Totals may not add due to rounding.

FY 2024 Monroe Expressway Budget Highlights

The Service and Safety Patrol Department budget for the Triangle Expressway has a variance of \$267,618 from FY 2023 projections. All variances within the budget that exceed \$100,000 or are greater than \$50,000 and 25% are explained below.

- Highway Patrol has a variance of \$122,591 due to increased rates.
- Incident Management Assistance Patrol has a variance of \$145,028 due to increased rates.

Toll Operations



Toll Operations

Toll Operations Department Overview

The Toll Operations Department O&M budget consists of NCTA labor, consultant labor, utilities, Electronic Toll Collection System (ETCS) maintenance, Roadside Toll Collection System (RTCS) maintenance, and costs related to NCTA's Back Office System (BOS).

Staffing Summary

The following table depicts the number of staffing positions the Toll Operations Department had in FY 2022 and 2023, as well as, the budgeted positions for FY 2024 and the change from FY 2023. These employees can charge time to the Triangle Expressway, Monroe Expressway, I-77 Express Lanes and/or a shared charge code to allocate their time across the three projects evenly. The Toll Operations Department will increase their staff by two positions in FY 2024 with the hiring of one new position, a Systems Analyst II, and one replacement for the IT Project Manager.

	FY 2022	FY 2023	FY 2024	Change From
	Actual	Actual	Budget	2023
Chief Technology Officer	1	1	1	-
Director of Innovation and Strategy	1	1	1	-
Systems Manager	1	1	1	-
Audit and Compliance Manager	1	1	1	-
IT Project Manager	1	-	1	1
Systems Analyst II	-	-	1	1
Total	5	4	6	2

FY 2024 Department Objectives (Supporting NCTA Strategic Goals)



Deliver Data-Informed Transportation Solutions

- Build NCTA platform for toll collection that utilizes new technologies (e.g., chat bots, APIs).
- Build independent services-based system integrator, service management, change and release management.
- Build at least three (3) operational dashboards to provide a comprehensive overview of department performance.
- Continue managed service environment but internalize change management and IT service management using enterprise service management (ServiceNow platform).



Broaden Influence as a Respected Leader & Partner

- Three (3) staff members actively participate in at least four (4) technical committee meetings of E-ZPass agencies and neighboring interoperable toll agencies.
- Work closely with NC Division of Motor Vehicles (DMV) and other state DMVs to enhance data exchange using modern technologies.



Strengthen Customer Relationships

- Automate workflows to increase quality and reliability of customer service, audit, and compliance to service levels.
- Increase customer interaction channels such as chatbots, web chat, mobile app, and social communications.
- Always protect customer privacy data.



Preserve a Strong Financial Standing

- Enhance business intelligence/data analytics environment to enhance Traffic and Revenue dashboards.
- Make data-driven decisions to increase collections on all assets.
- Multi-sourced vendors for all applications and infrastructure (cloud) on NCTA Platform.
- Regionalize Level-1 and Level-2 roadside field maintenance.
- Conduct yearly tests to ensure the disaster recovery and business continuity plans are kept current.



Develop a Highly Qualified & Engaged Team

- Implement succession planning and career path development program.
- Align technical teams to meet NCTA five-year transformation plan.
- Adopt Dev Ops software development methodology for active collaboration of technology and operations staff.

Triangle Expressway

	FY 2022	FY 2023	FY 2024	FY 2024	FY 2024
	Actual	Projection	Budget	Variance from FY 2023 Projection (\$)	Variance from FY 2023 Projection (%)
NCDOT Labor	\$110,408	\$91,050	\$235,886	\$144,836	159%
NCDOT Labor - Allocated	44,091	40,901	101,411	60,511	148%
NCDOT Labor - Project Specific	66,318	50,149	134,474	84,325	168%
Consultant Labor	454,771	449,369	617,587	168,218	37%
Consultant Labor - Allocated	62,522	101,437	270,811	169,374	167%
Consultant Labor - Project Specific	392,248	347,932	346,776	(1,156)	0%
RTCS & ETCS Support	392,248	347,932	346,776	(1,156)	0%
Utilities	190,457	215,389	215,000	(389)	0%
Electronic Toll Collection System Maintenance	183,384	46,739	305,458	258,719	554%
Roadside Toll Collection System Maintenance	481,799	200,000	10,013,423	9,813,423	4907%
Back Office System Pass Throughs - Allocated	190,139	253,775	947,702	693,928	273%
Mailhouse - Allocated	2,062,603	2,177,294	2,181,614	4,320	0%
Collections - Allocated	53,380	140,736	134,539	(6,196)	-4%
Back Office System Maintenance - Allocated	899,262	1,833,797	1,178,592	(655,205)	-36%
Total	\$4,626,202	\$5,408,147	\$15,829,801	\$10,421,654	193%

Totals may not add due to rounding.

FY 2024 Triangle Expressway Budget Highlights

The Toll Operations Department budget for the Triangle Expressway has a variance of \$10,421,654 from FY 2023 projections. All variances within the budget that exceed \$100,000 or are greater than \$50,000 and 25% are explained below.

- NCDOT Labor has a variance of \$144,836 due to increased staff and rates.
- Consultant Labor - Allocated has a variance of \$169,374 primarily due to increased BOS support cost.
- Electronic Toll Collection System Maintenance has a variance of \$258,719 due to delayed billing from FY 2023.
- Roadside Toll Collection System Maintenance has a variance of \$9,813,423 due to shifting FY 2023 budget for retrofit implementation delay in acceptance.
- Back Office System Pass Throughs - Allocated has a variance of \$693,928 primarily due to a new DMV lookup service.
- Back Office System Pass Maintenance - Allocated has a variance of \$(655,205) due to catching up on payments from a delay in new back office system implementation.

Monroe Expressway

	FY 2022	FY 2023	FY 2024	FY 2024	FY 2024
	Actual	Projection	Budget	Variance from FY 2023 Projection (\$)	Variance from FY 2023 Projection (%)
NCDOT Labor	\$96,025	\$59,989	\$197,856	\$137,868	230%
NCDOT Labor - Allocated	42,794	25,563	63,382	37,819	148%
NCDOT Labor - Project Specific	53,231	34,426	134,474	100,049	291%
Consultant Labor	407,781	274,659	476,310	201,651	73%
Consultant Labor - Allocated	60,683	63,398	169,257	105,859	167%
Consultant Labor - Project Specific	347,097	211,261	307,053	95,792	45%
RTCS & ETCS Support	347,097	211,261	307,053	95,792	45%
Utilities	47,443	49,116	60,000	10,884	22%
Electronic Toll Collection System Maintenance	126,773	30,450	101,602	71,152	234%
Roadside Toll Collection System Maintenance	2,196,335	2,915,136	3,030,764	115,628	4%
Back Office System Pass Throughs - Allocated	184,546	158,609	597,310	438,700	277%
Mailhouse - Allocated	1,128,495	1,170,859	1,651,114	480,255	41%
Collections - Allocated	28,830	71,478	101,824	30,345	42%
Back Office System Maintenance - Allocated	872,813	1,146,123	736,620	(409,503)	-36%
Total	\$5,089,042	\$5,876,419	\$6,953,399	\$1,076,981	18%

Totals may not add due to rounding.

FY 2024 Monroe Expressway Budget Highlights

The Toll Operations Department budget for the Monroe Expressway has a variance of \$1,076,981 from FY 2023 projections. All variances within the budget that exceed \$100,000 or are greater than \$50,000 and 25% are explained below.

- NCDOT Labor-Project Specific has a variance of \$100,049 due to increased staff and rates.
- Consultant Labor - Allocated has a variance of \$105,859 primarily due to increased BOS support cost.
- Electronic Toll Collection System Maintenance has a variance of \$71,152 due to delayed billing from FY 2023.
- Roadside Toll Collection System Maintenance has a variance of \$115,628 due to shifting FY 2023 budget for retrofit implementation delay in acceptance.
- Back Office System Pass Throughs - Allocated has a variance of \$438,700 primarily due to a new DMV lookup service.
- Mailhouse - Allocated is calculated based on projected Bill by Mail transactions for the fiscal year and has a variance of \$480,255 due to a proportional increase in Bill by Mail transactions from FY 2023 and increased rates.
- Back Office System Pass Maintenance - Allocated has a variance of \$(409,503) due to catching up on payments from a delay in new back office system implementation.

I-77 Express Lanes

	FY 2022	FY 2023	FY 2024	FY 2024	FY 2024
	Actual	Projection	Budget	Variance from FY 2023 Projection (\$)	Variance from FY 2023 Projection (%)
NCDOT Labor	\$47,507	\$46,578	\$125,684	\$79,106	170%
NCDOT Labor - Allocated	42,794	35,788	88,735	52,947	148%
NCDOT Labor - Project Specific	4,713	10,790	36,950	26,159	242%
Consultant Labor	60,683	88,757	279,925	191,168	215%
Consultant Labor - Allocated	60,683	88,757	236,960	148,202	167%
Consultant Labor - Project Specific	-	-	42,965	42,965	0%
RTCS & ETCS Support	-	-	42,965	42,965	0%
Back Office System Pass Throughs - Allocated	184,546	222,053	779,461	557,409	251%
Mailhouse - Allocated	1,097,020	1,124,420	1,188,650	64,230	6%
Collections - Allocated	28,517	100,069	73,304	(26,766)	-27%
Back Office System Maintenance - Allocated	872,813	1,604,572	1,031,268	(573,304)	-36%
HOV Application Maintenance	224,748	124,860	-	(124,860)	-100%
Total	\$2,515,835	\$3,311,310	\$3,478,292	\$166,982	5%

Totals may not add due to rounding.

FY 2024 I-77 Express Lanes Budget Highlights

The Toll Operations Department budget for the I-77 Express Lanes has a variance of \$166,982 from FY 2023 projections. All variances within the budget that exceed \$100,000 or are greater than \$50,000 and 25% are explained below.

- NCDOT Labor - Allocated has a variance of \$52,947 due to increased staff and rates.
- Consultant Labor - Allocated has a variance of \$148,202 due to increased BOS support cost.
- Back Office System Pass Throughs - Allocated has a variance of \$557,409 primarily due to a new DMV lookup service.
- Back Office System Pass Maintenance - Allocated has a variance of \$(537,304) due to catching up on payments from a delay in new back office system implementation.
- HOV Application Maintenance has a variance of \$(124,860) due to transition to new BOS system.

Customer Service



Customer Service

Customer Service Department Overview

The Customer Service Department O&M budget consists of the costs related to the NC Quick Pass customer service centers. The budget includes costs for NCTA labor, consultant labor, customer service center staffing and facility costs, as well as credit card expenses. Many of the costs associated with customer service are considered shared costs and are allocated to each project based on facility usage or revenues.

Staffing Summary

The following table depicts the number of staffing positions the Customer Service Department had in FY 2022 and 2023, as well as, the budgeted positions for FY 2024 and the change from FY 2023. These employees charge time to a shared charge code to allocate their time across the three projects evenly.

	FY 2022	FY 2023	FY 2024	Change From
	Actual	Actual	Budget	2023
CSC Operations Manager	1	1	1	-
Assistant CSC Operations Manager	1	1	1	-
Total	2	2	2	-

FY 2024 Department Objectives (Supporting NCTA Strategic Goals)



Deliver Data-Informed Transportation Solutions

- Transform NCTA product solutions to NCTA platform (a service-based system).
 - Leverage state cloud contracts as well as business intelligence and analytics contracts.
 - Build standard gateway to enable interfacing with third party vendors.
-



Broaden Influence as a Respected Leader & Partner

- Work closely with NC Division of Motor Vehicles (DMV) and other state DMVs to allow data exchange.
 - Develop workgroups to enable data sharing and best practices among different tolling agencies across the country.
-



Strengthen Customer Relationships

- Implement solutions to increase payment options for customers using NCTA roadways.
 - Implement solutions to reduce the volume of returned mail (Nixies) by 50%
 - Introduce customer self-service options to increase the number of self-service transactions.
 - Automate workflows to increase quality and reliability of customer service, audit, and compliance to service levels.
 - Increase customer interaction channels such as chatbots, web chat, mobile app, and social communications.
 - Always protect customer privacy data.
-



Preserve a Strong Financial Standing

- Enhance business intelligence/data analytics environment to enhance customer service dashboards.
 - Make data-driven decisions to increase collections on all assets.
 - Conduct yearly tests to ensure the disaster recovery and business continuity plans are kept current.
-



Develop a Highly Qualified & Engaged Team

- Implement succession planning and career path development program.
 - Adopt Dev Ops software development methodology for active collaboration of technology and operations staff.
-

Triangle Expressway

	FY 2022	FY 2023	FY 2024	FY 2024	FY 2024
	Actual	Projection	Budget	Variance from FY 2023 Projection (\$)	Variance from FY 2023 Projection (%)
NCDOT Labor - Allocated	\$70,913	\$106,685	\$164,019	\$57,334	54%
Consultant Labor - Allocated	244,104	265,112	284,495	19,383	7%
Operations Staffing - Allocated	3,530,906	4,633,425	6,060,640	1,427,215	31%
Customer Service Center Facility Pass Throughs - Allocated	363,081	634,726	702,827	68,101	11%
Other - Allocated	-	24,000	24,000	-	0%
Credit Card Expenses	1,062,533	1,314,771	1,639,845	325,073	25%
Total	\$5,271,539	\$6,978,719	\$8,875,825	\$1,897,106	27%

Totals may not add due to rounding.

FY 2024 Triangle Expressway Budget Highlights

The Customer Service Department budget for the Triangle Expressway has a variance of \$1,897,106 from FY 2023 projections. All variances within the budget that exceed \$100,000 or are greater than \$50,000 and 25% are explained below.

- NCDOT Labor-Allocated has a variance of \$57,334 due to increased staff and rates.
- Operations Staffing - Allocated has a variance of \$1,427,215 due to increased staff and rates.
- Credit Card Expenses is a calculated based on projected revenue for the fiscal year and has a variance of \$325,073 due to a proportional increase in projected revenue from FY 2023.

Monroe Expressway

	FY 2022	FY 2023	FY 2024	FY 2024	FY 2024
	Actual	Projection	Budget	Variance from FY 2023 Projection (\$)	Variance from FY 2023 Projection (%)
NCDOT Labor - Allocated	\$68,828	\$66,678	\$102,512	\$35,834	54%
Consultant Labor - Allocated	217,513	165,695	177,809	12,114	7%
Operations Staffing - Allocated	1,506,549	1,907,881	2,840,615	932,734	49%
Customer Service Center Facility Pass Throughs - Allocated	325,402	396,704	439,267	42,563	11%
Other - Allocated	-	15,000	15,000	-	0%
Credit Card Expenses	576,150	684,997	795,615	110,617	16%
Total	\$2,694,441	\$3,236,955	\$4,370,818	\$1,133,863	35%

Totals may not add due to rounding.

FY 2024 Monroe Expressway Budget Highlights

The Customer Service Department budget for the Monroe Expressway has a variance of \$1,133,863 from FY 2023 projections. All variances within the budget that exceed \$100,000 or are greater than \$50,000

and 25% are explained below.

- Operations Staffing - Allocated has a variance of \$932,734 due to increased staff and rates.
- Credit Card Expenses is a calculated based on projected revenue for the fiscal year and has a variance of \$110,617 due to a proportional increase in projected revenue from FY 2023.

I-77 Express Lanes

	FY 2022	FY 2023	FY 2024	FY 2024	FY 2024
	Actual	Projection	Budget	Variance from FY 2023 Projection (\$)	Variance from FY 2023 Projection (%)
NCDOT Labor - Allocated	\$68,828	\$93,349	\$143,516	\$50,167	54%
Consultant Labor - Allocated	217,513	231,973	248,933	16,960	7%
Operations Staffing - Allocated	1,927,534	2,543,841	2,594,552	50,711	2%
Customer Service Center Facility Pass Throughs - Allocated	352,402	555,385	614,974	59,588	11%
Other - Allocated	-	21,000	21,000	-	0%
Credit Card Expenses	943,421	1,640,736	1,115,998	(524,738)	-32%
Total	\$3,509,699	\$5,086,284	\$4,738,973	(\$347,311)	-7%

Totals may not add due to rounding.

FY 2024 I-77 Express Lanes Budget Highlights

The Customer Service Department budget for the I-77 Express Lanes has a variance of \$(347,311) from FY 2023 projections. All variances within the budget that exceed \$100,000 or are greater than \$50,000 and 25% are explained below.

- NCDOT Labor - Allocated has a variance of \$50,167 due to increased staff and rates.
- Credit Card Expenses is calculated based on projected revenue for the fiscal year and has a variance of \$(524,738) due to a proportional decrease in projected revenue from FY 2023.

Communications



Communications

Communications Department Overview

The Communications Department O&M budget includes NCTA labor, consultant labor, as well as, costs associated with marketing and increasing public awareness of the NC Quick Pass Program. The customer service and public outreach initiatives consist of outreach programs to local businesses, creative services, advertising, branding, sales and other promotional activities. Outreach also includes meetings with municipalities, neighborhood and community groups, and other stakeholders.

Staffing Summary

The following table depicts the number of staffing positions the Communications Department had in FY 2022 and 2023, as well as, the budgeted positions for FY 2024 and the change from FY 2023. These employees can charge time to the Triangle Expressway, Monroe Expressway, I-77 Express Lanes and/or a shared charge code to allocate their time across the three projects evenly. The Communications Department will increase their staff by one position, a Communications Graphics Designer, in FY 2024 which is a role previously filled by a consultant.

	FY 2022	FY 2023	FY 2024	Change From
	Actual	Actual	Budget	2023
Director of Communications & Marketing	1	1	1	-
Deputy Director of Community Development	1	1	1	-
Deputy Director of Marketing & Creative	-	-	1	1
Total	2	2	3	1

FY 2024 Department Objectives (Supporting NCTA Strategic Goals)



Broaden Influence as a Respected Leader & Partner

- Develop strong relationships with the public, reporters and influencers across all media outlets.



Strengthen Customer Relationships

- Increase the number of NC Quick Pass Accounts.
- Educate drivers on NC Quick Pass Account options and benefits.
- Strong use of communication channels to notify customers and residents of ongoing construction and maintenance activities.
- Continually improve overall customer experience.



Preserve a Strong Financial Standing

- Increase the NC Quick Pass participation as a percent of transactions on the Triangle Expressway by two percent per year.
- Increase NC Quick Pass participation as a percent of transactions on the Monroe Expressway by five percent per year.
- Increase “on-time” payment of Bill by Mail transactions by five percent.



Develop a Highly Qualified & Engaged Team

- Develop NC Quick Pass and NCTA staff training and orientation.
- Partner with GC Services and ICF Next to develop highest quality projects and programs.
- Promote industry participation and national cooperation.

Communications Key Metrics

Fiscal Year	FY 2021 Actual	FY 2022 Actual	FY 2023 Estimate	FY 2024 Goals
Transponder Sales	164K	207K	216K	230K
Construction Outreach and Community Engagements	16K	25K	31K	40k
New NC Quick Pass Accounts	37K	45K	41K	50k

Triangle Expressway

	FY 2022	FY 2023	FY 2024	FY 2024	FY 2024
	Actual	Projection	Budget	Variance from FY 2023 Projection (\$)	Variance from FY 2023 Projection (%)
NCDOT Labor	\$81,492	\$79,917	\$143,167	\$63,250	79%
NCDOT Labor - Allocated	42,689	69,719	143,167	73,448	105%
NCDOT Labor - Project Specific	38,804	10,198	-	(10,198)	-100%
Consultant Labor	176,349	135,820	170,800	34,980	26%
Consultant Labor - Allocated	172,595	129,126	160,000	30,874	24%
Consultant Labor - Project Specific	3,754	6,694	10,800	4,106	61%
Marketing & Communications Support	3,754	6,694	10,800	4,106	61%
Marketing & Communications - Allocated	55,885	209,549	244,800	35,251	17%
Total	\$313,725	\$425,286	\$558,767	\$133,481	31%

Totals may not add due to rounding.

FY 2024 Triangle Expressway Budget Highlights

The Communications Department budget for the Triangle Expressway has a variance of \$133,481 from FY 2023 projections. All variances within the budget that exceed \$100,000 or are greater than \$50,000 and 25% are explained below.

- NCDOT Labor-Allocated has a variance of \$73,448 due to increased staff and rates.

Monroe Expressway

	FY 2022	FY 2023	FY 2024	FY 2024	FY 2024
	Actual	Projection	Budget	Variance from FY 2023 Projection (\$)	Variance from FY 2023 Projection (%)
NCDOT Labor	\$87,172	\$77,256	\$89,480	\$12,223	16%
NCDOT Labor - Allocated	41,433	43,574	89,480	45,905	105%
NCDOT Labor - Project Specific	45,739	33,682	-	(33,682)	-100%
Consultant Labor	172,429	87,258	110,800	23,542	27%
Consultant Labor - Allocated	167,518	80,704	100,000	19,296	24%
Consultant Labor - Project Specific	4,911	6,554	10,800	4,246	65%
Marketing & Communications Support	4,911	6,554	10,800	4,246	65%
Marketing & Communications - Allocated	54,240	130,968	153,000	22,032	17%
Total	\$313,842	\$295,482	\$353,280	\$57,797	20%

Totals may not add due to rounding.

FY 2024 Monroe Expressway Budget Highlights

The Communications Department budget for the Monroe Expressway has a variance of \$57,797 from FY 2023 projections. All variances within the budget that exceed \$100,000 or are greater than \$50,000 and 25% are explained below.

- No variances report.

I-77 Express Lanes

	FY 2022	FY 2023	FY 2024	FY 2024	FY 2024
	Actual	Projection	Budget	Variance from FY 2023 Projection (\$)	Variance from FY 2023 Projection (%)
NCDOT Labor	\$49,975	\$75,385	\$125,271	\$49,886	66%
NCDOT Labor - Allocated	41,433	61,004	125,271	64,267	105%
NCDOT Labor - Project Specific	8,542	14,381	-	(14,381)	-100%
Consultant Labor	167,592	112,985	150,800	37,815	33%
Consultant Labor - Allocated	167,518	112,985	140,000	27,015	24%
Consultant Labor - Project Specific	73	-	10,800	10,800	0%
Marketing & Communications Support	73	-	10,800	10,800	0%
Marketing & Communications - Allocated	54,240	183,356	214,200	30,844	17%
Total	\$271,807	\$371,726	\$490,271	\$118,545	32%

Totals may not add due to rounding.

FY 2024 I-77 Express Lanes Budget Highlights

The Communications Department budget for the I-77 Express Lanes has a variance of \$118,545 from FY 2023 projections. All variances within the budget that exceed \$100,000 or are greater than \$50,000 and 25% are explained below.

- NCDOT Labor - Allocated has a variance of \$64,267 due to increased staff and rates.

Administrative



Administrative

Administrative Department Overview

The Administrative Department budget consists of costs associated with certain NCTA staff labor and travel charges, professional services fees related to but not limited to NCTA's financial advisor and auditor, as well as supplies and materials.

Staffing Summary

The following table depicts the number of administrative staffing positions the Turnpike Authority had in FY 2022 and 2023, as well as, the budgeted positions for FY 2024 and the change from FY 2023. These employees charge all of their time to the Administrative Department budget which is allocated across all operational projects evenly. The Administrative Department will increase their staff by one position in FY 2024 to replace the Chief Operating Officer.

	FY 2022	FY 2023	FY 2024	Change From
	Actual	Actual	Budget	2023
Executive Director	1	1	1	-
Chief Operating Officer	1	-	1	1
Chief Financial Officer	1	1	1	-
Contract Administrator	1	1	1	-
Office Manager	1	1	1	-
Total	5	4	5	1

FY 2024 Department Objectives (Supporting NCTA Strategic Goals)



Deliver Data-Informed Transportation Solutions

- Oversee the studying, designing, planning, construction, and financing of regional transportation and system improvement projects.



Broaden Influence as a Respected Leader & Partner

- Ensure the Authority and its mission and services are consistently presented with a positive image to relevant stakeholders.
- Continue to develop and build relationships with local and regional planning organizations.



Strengthen Customer Relationships

- Orchestrate the delivery of NCTA's strategic directives to increase value and mobility options for customers.



Preserve a Strong Financial Standing

- Enhance performance reporting and trend analysis of organizational-wide metrics to drive the business and meet financial targets.



Develop a Highly Qualified & Engaged Team

- Expand employee engagement opportunities to develop and recruit talent and maintain a preferred work environment.
- Set the tone, values and culture of the organization and manage internal communications.

Triangle Expressway

	FY 2022	FY 2023	FY 2024	FY 2024	FY 2024
	Actual	Projection	Budget	Variance from FY 2023 Projection (\$)	Variance from FY 2023 Projection (%)
NCDOT Labor - Allocated	\$425,176	\$520,899	\$560,000	\$39,101	8%
Total	\$425,176	\$520,899	\$560,000	\$39,101	8%

Monroe Expressway

	FY 2022	FY 2023	FY 2024	FY 2024	FY 2024
	Actual	Projection	Budget	Variance from FY 2023 Projection (\$)	Variance from FY 2023 Projection (%)
NCDOT Labor - Allocated	\$412,670	\$325,562	\$350,000	\$24,438	8%
Total	\$412,670	\$325,562	\$350,000	\$24,438	8%

I-77 Express Lanes

	FY 2022	FY 2023	FY 2024	FY 2024	FY 2024
	Actual	Projection	Budget	Variance from FY 2023 Projection (\$)	Variance from FY 2023 Projection (%)
NCDOT Labor - Allocated	\$412,670	\$455,786	\$490,000	\$34,214	8%
Total	\$412,670	\$455,786	\$490,000	\$34,214	8%

Long-Term Financial Plans

Triangle Expressway System Long-Term Financial Plan

Triangle Expressway / Complete 540 Phase 1 Long-Term Financial Plan

	Actual 2022	Budget 2023	Estimated 2024	Estimated 2025	Estimated 2026	Estimated 2027	Estimated 2028
1 Toll Revenue	54,042,716	62,979,847	66,932,443	96,052,651	109,178,331	119,842,443	127,250,691
2 Excess Annual Appropriation	1,668,768	2,017,192	2,030,811	2,043,681	2,028,507	2,041,599	2,056,844
Total Pledged Revenues [A]	55,711,484	64,997,039	68,963,254	98,096,332	111,206,838	121,884,043	129,307,535
3 Total Senior Lien Debt Service [B]	38,496,494	40,605,494	52,149,044	60,967,219	62,334,594	63,856,219	65,454,719
4 Adjustment for One Month Advance Funding of DSF	1,615,307	1,898,042	2,296,633	1,306,396	1,459,833	1,574,187	(266,521)
Net Senior Lien Debt Service	40,111,801	42,503,535	54,445,677	62,273,615	63,794,427	65,430,406	65,188,198
Senior Lien Debt Service Coverage [A / B]	1.45x	1.60x	1.32x	1.61x	1.78x	1.91x	1.98x
5 TIFIA Mandatory Debt Service [C]	-	-	-	-	718,469	845,210	1,106,740
6 TIFIA Scheduled Debt Service (net of Mandatory) [D]	-	-	-	-	4,071,323	4,789,521	6,271,525
7 TIFIA Reserve Fund Deposit / (Release)	-	-	-	-	-	-	-
8 Adjustment for One Month Advance Funding of DSF & DSRF Earnings	-	-	-	401,512	3,682	137,738	318,945
Net TIFIA Debt Service	-	-	-	401,512	4,793,474	5,772,469	7,697,210
Senior & Mandatory TIFIA Debt Service Coverage [A/(B+C)]	1.45x	1.60x	1.32x	1.61x	1.76x	1.88x	1.94x
Senior & All TIFIA Debt Service Coverage [A/(B+C+D)]	1.45x	1.60x	1.32x	1.61x	1.66x	1.75x	1.78x
9 Operations & Maintenance Requirement	14,136,679	21,780,932	32,646,536	32,977,149	33,986,122	34,749,557	35,418,610
10 Renewal & Replacement Requirement	146,995	3,627,146	3,437,825	1,324,789	11,266,601	5,395,264	12,518,789
11 Excess Cashflow [General Reserve Deposit / (Withdrawal)]	1,316,009	21,809,600	(21,566,785)	1,119,268	(2,633,786)	10,536,347	8,484,729
General Reserve Balance	49,511,067	71,320,667	49,753,882	50,873,149	48,239,364	58,775,710	67,260,439

- 1 Source: Draft Triangle Expressway and Complete 540 Phase 1 T&R Forecast Update; prepared by CDM Smith Inc.
- 2 Scheduled annual State Appropriated Revenues of \$25,000,000 less debt service on the outstanding State Appropriation Bonds.
- 3 Debt service on the Outstanding Senior Lien Bonds. FY 2021 includes a transfer from the General Reserve Fund to the appropriate Interest Account of the Senior Lien Debt Service Fund for the purpose of paying interest on the 2017 Bonds and 2018 Bonds on January 1, 2021.
- 4 Reflects cash flow adjustment for one month advance funding of the debt service fund.
- 5 Estimated mandatory debt service payments on the Series 2021 TIFIA Bond.
- 6 Estimated scheduled debt service, net of mandatory debt service, on the Series 2021 TIFIA Bond.
- 7 Sum of estimated deposits to the TIFIA Reserve Fund to meet the requirement thereof as annual debt service on the TIFIA Loan increases and releases of projected fund earnings.
- 8 Reflects cash flow adjustment for one month advance funding of the debt service fund and earnings on the Debt Service Reserve Fund.
- 9 Includes deposits to the Operations and Maintenance Expense Fund and the Operating Reserve Fund.
- 10 Estimated deposits to the Renewal and Replacement Fund.

Monroe Expressway Long-Term Financial Plan

Monroe Expressway Long-Term Financial Plan

	Actual 2022	Projected 2023	Budget 2024	Estimated 2025	Estimated 2026	Estimated 2027	Estimated 2028
1 Toll Revenue	27,023,684	28,006,667	30,023,196	31,679,912	32,801,529	33,688,597	34,707,881
2 Excess Annual Appropriation	-	2,163,749	1,167,094	1,140,529	1,127,130	1,118,943	1,120,030
3 Pledged Account Earnings	150,012	1,553,047	1,553,047	480,337	480,337	480,337	480,337
Total Pledged Revenue [A]	27,173,697	31,723,463	32,743,337	33,300,778	34,408,996	35,287,877	36,308,248
4 Total Senior Lien Debt Service [B]	6,062,433	7,009,513	5,912,263	5,988,513	6,843,929	7,066,429	7,501,013
Senior Lien Debt Service Coverage [A/ B]	4.48x	4.53x	5.54x	5.56x	5.03x	4.99x	4.84x
5 TIFIA Debt Service (Mandatory) [C]	2,298,064	3,915,748	6,079,469	6,607,592	6,809,396	7,029,935	7,029,935
Senior & TIFIA Debt Service Coverage [A/(B+C)]	3.25x	2.90x	2.73x	2.64x	2.52x	2.50x	2.50x
6 Operations & Maintenance Requirement	12,853,570	16,348,049	16,204,172	16,131,621	16,461,246	16,691,992	17,004,292
7 Renewal & Replacement Requirement	4,395,177	4,450,154	4,547,434	4,573,053	4,294,426	4,499,521	4,773,009
Excess Cashflow	1,564,452	-	-	-	-	-	-
8 TIFIA Debt Service (Scheduled)	-	-	-	-	-	-	-
9 Unpledged Account Earnings	39,572	445,537	454,447	1,536,246	1,566,971	1,598,311	1,630,277
10 General Reserve Balance							
Pledged Account Including Ramp-Up Reserve Sub-A	53,635,508	53,635,508	53,635,508	54,708,218	55,802,382	56,918,430	58,056,798
Unpledged Account	22,276,833	22,722,369	23,176,817	23,640,353	24,113,160	24,595,423	25,087,332
Total General Reserve Fund Balance	75,912,340	76,357,877	76,812,324	78,348,571	79,915,542	81,513,853	83,144,130

- 1 Source: January 2022 Monroe Expressway T&R Forecast Update prepared by CDM Smith Inc.
- 2 Scheduled annual State Appropriated Revenues of \$24,000,000 less debt service on the outstanding State Appropriation Bonds.
- 3 Assumed interest earnings on the Pledged Account of the General Fund transferred to the Revenue Fund.
- 4 Debt service on the Outstanding Senior Lien Bonds.
- 5 Mandatory debt service payments on the Series 2016 TIFIA Bond.
- 6 Includes deposits to the Operations and Maintenance Expense Fund and the Operating Reserve Fund.
- 7 Estimated deposits to the Renewal and Replacement Fund.
- 8 Scheduled debt service payments on the Series 2016 TIFIA Bond.
- 9 Assumed interest earnings on the Unpledged Account of the General Fund.
- 10 Includes balances in all sub-accounts of the General Reserve Fund: Ramp-Up Reserve Account, Pledged Account and Unpledged Account.



Capital & Debt

FY 2024 Renewal & Replacement Budgets

The Turnpike Authority is required to protect, preserve and maintain its facilities. During the initial years of operation, a new facility should require relatively minor renewal and replacement activities. However, as the many elements of the facility are subjected to aging and wear, increasing amounts of maintenance and rehabilitation will be required. In order to protect the investments in its assets, revenues are to be allocated annually to a Renewal and Replacement fund established in connection with the issuance of bonds to finance each project. Amounts in the Renewal and Replacement fund are to be used for paying all or any of the cost of any capital improvements, or for any unusual or extraordinary maintenance or repairs that do not occur annually. It should be noted that the Renewal and Replacement budgets presented in this section are in present day dollars.

The FY 2024 Renewal and Replacement budgets total \$6,350,977 for the Triangle Expressway System, \$826,733 for the Monroe Expressway, and \$52,500 for the I-77 Express Lanes. A 10-year capital plan for each budget group is included in the subsequent section. The Triangle Expressway System long-range capital plan is now inclusive of assumptions related to the Complete 540 Phase 1 project, which is an extension of the existing Triangle Expressway, currently under construction.

Department Budgets & Information

The Turnpike Authority has all of its R&R activities and corresponding expenditures organized under three budget departments: finance, highway operations, and toll operations. The following table presents the FY 2024 R&R budgets for the Triangle Expressway System, Monroe Expressway and I-77 Express Lanes broken down by department.

The existing Triangle Expressway is over 10 years old and is requiring a few major renewal and replacement projects for FY 2024 including, but not limited to re-sheeting signs (\$0.5 million), removing and replacing pavement markings and markers (\$2.1 million), sealing all bridge decks and cleaning bearings (\$3.0 million) and slope repair (\$0.5 million).

The Monroe Expressway is less than five years old and requires minimal R&R for FY 2024 which includes but not limited to updating vehicle detector loops (\$0.2 million), replacing and cleaning bridge joints and bearings (\$0.2 million) and toll collection system enhancements (\$0.4 million).

	Triangle Expressway	Monroe Expressway	I-77 Express Lanes
Finance	\$163,977	\$16,233	\$0
NCDOT System Charges	163,977	16,233	-
Highway Operations	6,127,000	270,000	-
Roadway	6,127,000	270,000	-
Toll Operations	60,000	540,500	52,500
Intelligent Transportation System	-	184,000	-
Toll Collection Systems	60,000	356,500	52,500
Total	\$6,350,977	\$826,733	\$52,500

Totals may not add due to rounding.

Finance

The 10-year Finance Department R&R budget consists of NCDOT System Charges that are assessed on all project specific expenditures. The North Carolina Department of Transportation has several programs that benefit construction, highway maintenance, and other activities. The costs associated with these programs are considered indirect costs because all the NCDOT projects benefit from them. Rates are developed each year to distribute these costs among projects. Below is a description of the seven system charges that are applied to NCTA's R&R budgets. The first three system charges are assessed against all project specific expenditures and the last four system charges are only applied to expenditures that are entered in the NCDOT's Highway Construction and Materials System (HiCAMs).

- Business System Improvement Project (BSIP) - This project was established for the development, implementation, and support of a new Enterprise Resource Planning (ERP) tool. This initiative was a departmental wide effort to implement a comprehensive financial and management information system to aid management in optimally allocating resources. The current rate is 0.70%.
- Computer Support (CS) – Costs for computer support are relative to supporting the computer environment within the NCDOT Division of Highways. The current rate is 0.58%.
- Special Assessments – Special Assessments are for miscellaneous items or programs that support both state and federal projects. The current rate is 0.82%.
- Business Development – Costs related to the administration of the disadvantaged business enterprise program for construction projects. The current rate is 0.10%.
- Construction Administration – Costs related to the administration of construction projects. The current rate is 0.24%.
- Materials and Test – Labor and equipment costs related to testing of materials on construction projects. The current rate is 0.71%.
- Work Zone Safety – Costs related to the State Highway Patrol patrolling speeders on construction projects. The current rate is 0.02%.

Triangle Expressway System

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033
Business System Improvement Project Surcharges	\$42,889	\$10,431	\$4,050	\$64,666	\$12,682	\$74,422	\$11,093	\$8,834	\$175,303	\$90,109
Computer Support Surcharges	35,537	8,642	3,356	53,580	10,508	61,664	9,191	7,320	145,251	74,662
Special Assessment Surcharges	50,241	12,219	4,745	75,752	14,856	87,180	12,994	10,348	205,355	105,556
Business Development Surcharges	3,300	-	-	7,170	-	6,650	-	-	9,580	-
Central Administration Surcharges	7,920	-	-	17,208	-	15,960	-	-	22,992	-
Materials & Test Surcharges	23,430	-	-	50,907	-	47,215	-	-	68,018	-
Work Zone Safety Surcharges	660	-	-	1,434	-	1,330	-	-	1,916	-
Total	\$163,977	\$31,292	\$12,151	\$270,717	\$38,045	\$294,420	\$33,278	\$26,502	\$628,415	\$270,328

Totals may not add due to rounding.
Budgets are presented in 2023 dollars.

Monroe Expressway

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033
Business System Improvement Project Surcharges	\$5,411	\$1,890	\$61,692	\$5,285	\$16,303	\$53,172	\$56,756	\$48,338	\$1,540	\$13,160
Computer Support Surcharges	4,483	1,566	51,116	4,379	13,508	44,057	47,027	40,051	1,276	10,904
Special Assessment Surcharges	6,339	2,214	72,268	6,191	19,097	62,288	66,486	56,624	1,804	15,416
Business Development Surcharges	-	-	6,600	-	-	-	-	-	-	400
Central Administration Surcharges	-	-	15,840	-	-	-	-	-	-	960
Materials & Test Surcharges	-	-	46,860	-	-	-	-	-	-	2,840
Work Zone Safety Surcharges	-	-	1,320	-	-	-	-	-	-	80
Total	\$16,233	\$5,670	\$255,696	\$15,855	\$48,908	\$159,517	\$170,269	\$145,013	\$4,620	\$43,760

Totals may not add due to rounding.
Budgets are presented in 2023 dollars.

Highway Operations

The 10-year Highway Operations Department R&R budget consists of the roadway costs related to the following 10 categories on each Turnpike Authority facility: asphalt pavement, concrete pavement, bridges, pavement markings and markers, slope repairs, lighting, signs, paint, landscaping and miscellaneous.

Triangle Expressway System

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033
Asphalt Pavement	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$6,000,000	\$0	\$0	\$8,295,000	\$164,000
Concrete Pavement	-	-	-	7,170,000	-	650,000	-	-	1,300,000	-
Bridges	2,960,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	2,160,000	160,000
Pavement Markings & Markers	2,100,000	30,000	81,000	-	-	1,173,000	-	-	2,100,000	30,000
Slope Repair	500,000	-	-	-	-	-	-	-	-	-
Lighting	-	-	-	105,000	79,000	-	-	-	100,000	-
Signs	500,000	-	-	-	-	-	-	-	-	-
Paint	-	-	-	750,000	-	-	-	-	-	-
Landscaping	-	-	-	-	-	-	-	-	700,000	-
Miscellaneous	52,000	52,000	252,000	102,000	52,000	52,000	52,000	102,000	52,000	52,000
Total	\$6,127,000	\$257,000	\$508,000	\$8,302,000	\$306,000	\$8,035,000	\$212,000	\$262,000	\$14,707,000	\$406,000

Totals may not add due to rounding.
Budgets are presented in 2023 dollars.

Monroe Expressway

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033
Asphalt Pavement	\$15,000	\$15,000	\$6,600,000	\$0	\$0	\$0	\$15,000	\$15,000	\$15,000	\$15,000
Bridges	205,000	205,000	205,000	205,000	205,000	205,000	205,000	205,000	205,000	205,000
Pavement Markings & Markers	-	-	640,000	-	-	-	640,000	-	-	-
Slope Repair	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	-	-
Lighting	-	-	30,000	-	30,000	-	-	-	-	-
Signs	-	-	-	-	-	-	-	-	-	400,000
Paint	-	-	-	-	-	-	-	-	-	1,200,000
Total	\$270,000	\$270,000	\$7,525,000	\$255,000	\$285,000	\$255,000	\$910,000	\$270,000	\$220,000	\$1,820,000

Totals may not add due to rounding.
Budgets are presented in 2023 dollars.

Toll Operations

The 10-year Toll Operations Department R&R budgets consist of costs related to Facilities, Intelligent Transportation Systems (ITS) and Toll Collection Systems. The Facilities budgets include costs related to the vaults on the side of the Turnpike Authority's facilities next to each toll gantry that contain equipment related to the toll collection systems. The ITS budgets consist of costs related to roadside devices including Closed Circuit Television (CCTV) cameras, Microwave Vehicle Detection Stations (MVDS), full-matrix Dynamic Message Signs (DMS) and the Wrong- Way Vehicle Detection (WWVD) and notification systems. Lastly, the Toll Collection System budgets consist of costs related to the renewal and/or replacement of the Back Office System, Roadside Toll Collection Systems, Electronic Toll Collection Systems, the Operations vendor, and upgrades to the Customer Service Centers.

Triangle Expressway System

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033
Facilities	\$0	\$0	\$0	\$60,000	\$300,000	\$0	\$0	\$0	\$0	\$220,000
Vault Sealant & Seal Cracks	-	-	-	60,000	-	-	-	-	-	-
HVAC Replacement	-	-	-	-	-	-	-	-	-	220,000
Generator Replacement	-	-	-	-	300,000	-	-	-	-	-
Intelligent Transportation System	-	442,030	70,600	-	-	434,208	-	-	-	1,958,803
System Enhancements	-	394,030	-	-	-	386,208	-	-	-	-
RTCS & ITS Refresh	-	-	-	-	-	-	-	-	9,669,620	9,621,272
RTCS & ITS Refresh - Labor	-	-	-	-	-	-	-	-	666,667	666,667
RTCS & ITS Refresh Procurement	-	-	-	-	-	-	-	1,000,000	-	-
ETCS Refresh	-	-	-	-	905,681	901,153	896,647	-	-	-
ETCS Refresh - Labor	-	-	-	-	300,000	300,000	300,000	-	-	-
ETCS Procurement	-	-	-	500,000	-	-	-	-	-	-
Loop Recuts in Asphalt Lanes	-	-	-	-	-	150,000	150,000	-	-	-
Loop Recuts in Asphalt Lanes - Labor	-	-	-	-	-	32,000	26,000	-	-	-
Loop Recuts in Concrete	-	-	-	340,000	-	-	-	-	-	-
Loop Recuts in Concrete - Labor	-	-	-	36,000	-	-	-	-	-	-
System Enhancements	-	591,045	-	-	-	579,312	-	-	-	-
System Enhancements - Labor	-	200,000	-	-	-	200,000	-	-	-	-
Total	\$60,000	\$1,293,075	\$722,660	\$1,816,100	\$2,153,830	\$3,642,882	\$2,416,924	\$1,642,356	\$10,976,730	\$14,630,179

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033
System Enhancements - Labor	-	48,000	-	-	-	48,000	-	-	-	-
Color DMS	-	-	-	-	-	-	-	-	-	1,608,803
DMS Structures	-	-	-	-	-	-	-	-	-	350,000
ITS Spare Parts	-	-	70,600	-	-	-	-	-	-	-
Toll Collection System	60,000	851,045	652,060	1,756,100	1,853,830	3,208,673	2,416,924	1,642,356	10,976,730	12,451,376
Toll Collection System - Allocated	60,000	60,000	652,060	880,100	648,149	1,046,208	1,044,277	642,356	640,444	2,163,438
Toll Collection System - Project Specific	-	791,045	-	876,000	1,205,681	2,162,465	1,372,647	1,000,000	10,336,286	10,287,938
RTCS & ITS Refresh	-	-	-	-	-	-	-	-	9,669,620	9,621,272
RTCS & ITS Refresh - Labor	-	-	-	-	-	-	-	-	666,667	666,667
RTCS & ITS Refresh Procurement	-	-	-	-	-	-	-	1,000,000	-	-
ETCS Refresh	-	-	-	-	905,681	901,153	896,647	-	-	-
ETCS Refresh - Labor	-	-	-	-	300,000	300,000	300,000	-	-	-
ETCS Procurement	-	-	-	500,000	-	-	-	-	-	-
Loop Recuts in Asphalt Lanes	-	-	-	-	-	150,000	150,000	-	-	-
Loop Recuts in Asphalt Lanes - Labor	-	-	-	-	-	32,000	26,000	-	-	-
Loop Recuts in Concrete	-	-	-	340,000	-	-	-	-	-	-
Loop Recuts in Concrete - Labor	-	-	-	36,000	-	-	-	-	-	-
System Enhancements	-	591,045	-	-	-	579,312	-	-	-	-
System Enhancements - Labor	-	200,000	-	-	-	200,000	-	-	-	-
Total	\$60,000	\$1,293,075	\$722,660	\$1,816,100	\$2,153,830	\$3,642,882	\$2,416,924	\$1,642,356	\$10,976,730	\$14,630,179

Totals may not add due to rounding.
Budgets are presented in 2023 dollars.

Monroe Expressway

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033
Facilities	\$0	\$0	\$60,000	\$0	\$0	\$110,000	\$0	\$0	\$0	\$60,000
Vault Sealant & Seal Cracks	-	-	60,000	-	-	-	-	-	-	60,000
HVAC Replacement	-	-	-	-	-	110,000	-	-	-	-
Generator Replacement	-	-	-	-	-	-	-	-	-	-
Intelligent Transportation System	184,000	-	440,060	-	-	-	-	184,000	-	-
System Enhancements	-	-	392,060	-	-	-	-	-	-	-
System Enhancements - Labor	-	-	48,000	-	-	-	-	-	-	-
Vehicle Detector Loops	160,000	-	-	-	-	-	-	160,000	-	-
Vehicle Detector Loops - Labor	24,000	-	-	-	-	-	-	24,000	-	-
Toll Collection System	356,500	30,000	1,114,120	940,050	2,368,027	7,754,162	7,720,208	6,772,575	320,222	1,081,719
Toll Collection System - Allocated	37,500	30,000	326,030	440,050	324,075	523,104	522,139	321,178	320,222	1,081,719
Toll Collection System - Project Specific	319,000	-	788,090	500,000	2,043,952	7,231,058	7,198,069	6,451,397	-	-
RTCS & ITS Refresh	-	-	-	-	-	5,857,492	5,828,204	5,799,063	-	-
RTCS & ITS Refresh - Labor	-	-	-	-	-	333,333	333,333	333,333	-	-
RTCS & ITS Refresh Procurement	-	-	-	-	1,000,000	-	-	-	-	-
ETCS Refresh	-	-	-	-	743,952	740,232	736,531	-	-	-
ETCS Refresh - Labor	-	-	-	-	300,000	300,000	300,000	-	-	-
ETCS Procurement	-	-	-	500,000	-	-	-	-	-	-
Loop Recuts in Asphalt Lanes	280,000	-	-	-	-	-	-	280,000	-	-
Loop Recuts in Asphalt Lanes - Labor	39,000	-	-	-	-	-	-	39,000	-	-
System Enhancements	-	-	588,090	-	-	-	-	-	-	-
System Enhancements - Labor	-	-	200,000	-	-	-	-	-	-	-
Total	\$540,500	\$30,000	\$1,614,179	\$940,050	\$2,368,027	\$7,864,162	\$7,720,208	\$6,956,575	\$320,222	\$1,141,719

Totals may not add due to rounding.
Budgets are presented in 2023 dollars.

I-77 Express Lanes

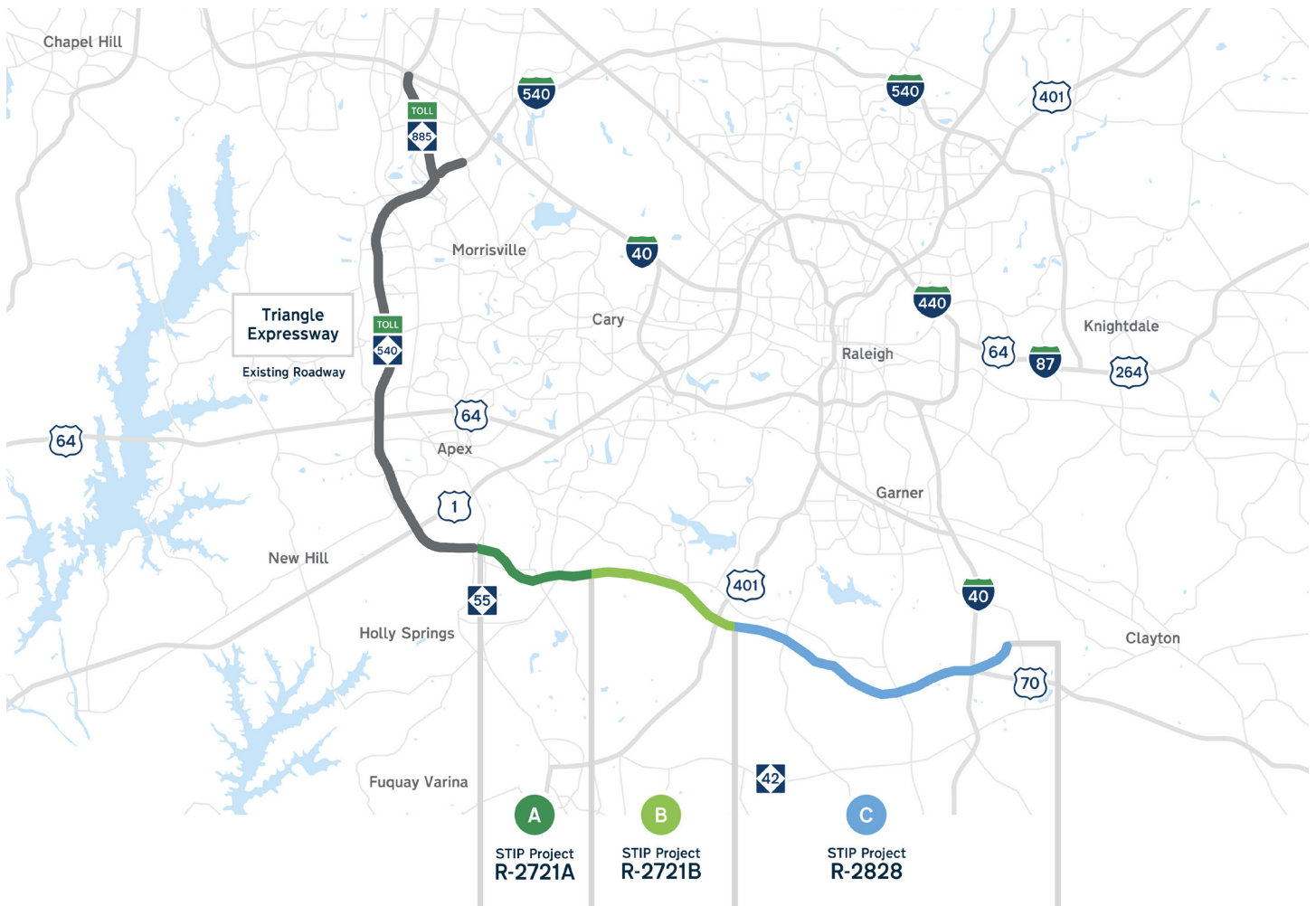
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033
Toll Collection System	\$52,500	\$37,500	\$407,537	\$550,062	\$405,093	\$653,880	\$652,673	\$401,472	\$400,278	\$1,352,149
Toll Collection System - Allocated	52,500	37,500	407,537	550,062	405,093	653,880	652,673	401,472	400,278	1,352,149
Total	\$52,500	\$37,500	\$407,537	\$550,062	\$405,093	\$653,880	\$652,673	\$401,472	\$400,278	\$1,352,149

Totals may not add due to rounding.
Budgets are presented in 2023 dollars.

FY 2024 Capital Budget

Capital expenditures are related to the construction and implementation of new Turnpike Authority projects. NCTA does not select roads to become toll roads. Local planning organizations responsible for developing long-range transportation plans for their region can consider tolling as a tool to accelerate certain roadway projects. N.C.G.S. §136-89.183(a)(2) requires that toll projects be approved by all affected Metropolitan Planning Organizations (MPOs) and Rural Planning Organizations (RPOs). When NCDOT receives a proposal from a local planning organization that a project be implemented as a toll facility, the project is evaluated in the NCDOT's prioritization process. Part of this evaluation includes assessing the financial feasibility to determine the ability of a toll candidate project to generate revenue sufficient to cover its own costs of operation and to assess its ability to fund all or a portion of the capital costs through toll financing. If the project scores sufficiently enough to become programmed in the State Transportation Improvement Program (STIP), the NCDOT and NCTA conduct the necessary project development studies for the project to be implemented as a toll facility.

The FY 2024 Capital Budget for the Turnpike Authority is inclusive of costs related to the construction of the Complete 540 Phase 1 project. The Complete 540 Phase 1 project is an extension of the existing Triangle Expressway and is divided into three construction contracts designated as R-2721A, R-2721B and R-2828 as shown in the map below. The project is currently expected to reach Substantial Completion in Spring 2024. Once open to traffic, expenditures for the Complete 540 Phase 1 project will be included in the Triangle Expressway System's O&M and R&R budgets. O&M expenditures for the Triangle Expressway System are currently projected to increase by approximately 50 percent in FY 2024 when the Complete 540 Phase 1 project opens. R&R expenditures for the project are shown in the current Triangle Expressway System R&R budget starting as early as FY 2027. The Turnpike Authority is utilizing State Appropriation Bonds, Toll Revenue Bonds, a TIFIA Loan, Bond Anticipation Notes, NCDOT GARVEE Bonds and State matching funds as the primary sources to finance the Complete 540 Phase 1 project. In December 2019, NCTA sold State Appropriation Bonds and Toll Revenue Bonds and closed on a TIFIA Loan. In October 2020, NCTA issued Bond Anticipation Notes to be paid off with a single draw on the TIFIA Loan upon maturity. In January 2023, the TIFIA Loan was drawn in full to defease the Series 2020 Bond Anticipation Notes.



The FY 2024 Capital Budget for the Complete 540 Phase 1 project totals \$238.24 million as seen in the table below. The five main groups of the Capital Budget include Construction, Toll Integration, Right of Way (ROW), Utilities, and Agency Costs. The FY 2024 capital expenditures will be paid for with proceeds from the Triangle Expressway System Revenue Bond Anticipation Notes that were issued in October 2020, NCDOT GARVEE Bonds and State matching funds.

Complete 540 Phase 1 Capital Budget (\$ millions)	FY 2024
Construction	\$186.78
Toll Integration	20.23
Right of Way	60.84
Utilities	7.33
Agency Costs	28.06
Total	\$303.24

Totals may not add due to rounding.

Construction

The Turnpike Authority procured three Design-Build contracts for the construction of the Complete 540 Phase 1 project. The costs reflected in the Design-Build contracts include design and the construction of the following elements: earthwork, pavement, drainage, fencing, sidewalk, guardrail, bridges, walls, maintenance of traffic, signing, toll infrastructure and all other items that are a part of major highway construction.

Construction (\$ millions)	FY 2024
R-2721A	\$46.10
R-2721B	27.59
R-2828	113.09
Total	\$186.78

Totals may not add due to rounding.

Toll Integration

The first major component of the Toll Integration budget is the Roadside Toll Collection System. The scope of work for the RTCS includes the design, development, installation, and maintenance of a fully- automated toll collection system. The toll integration budget also includes costs for the design, development, installation, and implementation of hardware, software, and telecommunication networks for customer account processing, billing processing, necessary system interfaces, and maintenance. The final components of the toll integration budget include costs for amending the existing operations staffing and Electronic Toll Collection System contracts.

Toll Integration (\$ millions)	FY 2024
R-2721A	\$0
R-2721B	0
R-2828	20.23
Total	\$20.23

Totals may not add due to rounding.

Right of Way

The Right of Way budget was developed from estimates prepared by a right-of-way acquisition firm based on tax records and sales data. The budget also includes contingencies for unwilling sellers, relocations, and condemnations. The final component of the budget includes consultant costs for R-2721A and R-2721B as the right-of-way consultant costs for R-2828 are included in the Design-Build contract for that segment.

Right of Way (\$ millions)	FY 2024
R-2721A	\$26.18
R-2721B	20.98
R-2828	13.68
Total	\$60.84

Totals may not add due to rounding.

Utilities

The Utilities budget consists of costs related to the relocation of existing utilities within the project limits, which includes those owned by Duke Energy, AT&T, Century Link, Charter/Spectrum, Earthlink, Google Fiber, Level 3, MCNC, Verizon, Colonial Pipeline, Cardinal Pipeline and PSNC.

Utilities (\$ millions)	FY 2024
R-2721A	\$2.53
R-2721B	0.08
R-2828	4.72
Total	\$7.33

Totals may not add due to rounding.

Agency Costs

The budget for Agency costs includes estimates for construction administration, engineering reviews, change orders, public education and outreach, Construction Engineering, and Inspection (CE&I), stipends, incentives, and contingency funds.

Agency Costs (\$ millions)	FY 2024
R-2721A	\$7.32
R-2721B	3.75
R-2828	16.99
Total	\$28.06

Totals may not add due to rounding.

Debt Outstanding

The tables below present the outstanding debt for the Triangle Expressway System and Monroe Expressway. The TIFIA Loans on both projects are subordinate to the Senior Lien Revenue Bonds. The Turnpike Authority has no legal debt limits. Existing debt levels have little effect on current operations for both projects. The debt service coverage ratios for both projects are projected to be at or above the minimum rate covenant requirements.

Triangle Expressway System

Series	Purpose	Underlying Ratings ¹			Outstanding Par ²	Maturity
		Moody's	S&P	Fitch		
Appropriation Revenue Refunding Bonds, Series 2018A	Refunding for Savings	Aa1	AA+	-	\$150,125,000	1/1/39
Appropriation Revenue Refunding Bonds, Series 2018B	Refunding for Savings	-	-	-	\$134,593,000	1/1/32
Appropriation Revenue Bonds, Series 2019	New money; Complete 540 Phase 1 Capital	Aa1	AA+	AA+	\$129,600,000 ³	1/1/49
Senior Lien Revenue Bonds, Series 2009B	New money; Triangle Expressway Capital	Baa2	BBB	BBB	\$92,096,292 ⁴	1/1/38
Senior Lien Revenue Refunding Bonds, Series 2017	Refunding for Savings	-	BBB	BBB	\$160,020,000	1/1/39
Senior Lien Revenue Refunding Bonds, Series 2018	Refunding for Savings	-	BBB	BBB	\$393,920,000	1/1/41
Senior Lien Revenue Bonds, Series 2019	New money; Complete 540 Phase 1 Capital	-	BBB	BBB	\$370,975,000	1/1/55
TIFIA Loan, 2021	New money; Complete 540 Phase 1 Capital	-	BBB	BBB	\$503,593,831 ⁵	1/1/58

1 Underlying Ratings as of July 1, 2023

2 Outstanding Par as of July 1, 2023

3 Capital Appreciation Bonds listed as accreted value

4 Capital Appreciation Bonds listed as accreted value

5 Inclusive of par value and accrued interest

Monroe Expressway

Series	Purpose	Underlying Ratings ⁶			Outstanding Par ⁷	Maturity
		Moody's	S&P	Fitch		
Appropriation Revenue Bonds, Series 2010A	Refunding for Savings	Aa1	AA+	-	\$216,930,000	1/1/39
Appropriation Revenue Refunding Bonds, Series 2021 (forward delivery)	Refunding for Savings	Aa1	AA+	AA+	\$71,130,000	1/1/32
Senior Lien Revenue Bonds, Series 2016A	New money; Triangle Expressway Capital	Baa3	BBB+	-	\$118,315,000	1/1/38
Senior Lien Revenue Bonds, Series 2016C	Refunding for Savings	Baa3	BBB+	-	\$23,727,584	1/1/39
TIFIA Loan, 2017	New money; Complete 540 Phase 1 Capital	Baa3	BBB+	-	\$181,029,071 ⁸	1/1/58

Debt Service

The tables below present the principal and interest payments as well as the debt service coverage ratios for the Triangle Expressway System and Monroe Expressway through maturity. Debt service paid on July 1 is included in the prior fiscal year.

Triangle Expressway System

State Appropriation Bonds (Series 2018A, 2018B & 2019)

FY	Interest	Principal	Total Debt Service
2024	\$9,612,189	\$13,357,000	\$22,969,189
2025	\$9,230,319	\$13,726,000	\$22,956,319
2026	\$8,837,493	\$14,134,000	\$22,971,493
2027	\$8,433,401	\$14,525,000	\$22,958,401
2028	\$8,018,156	\$14,925,000	\$22,943,156
2029	\$7,591,476	\$15,336,000	\$22,927,476
2030	\$7,153,036	\$15,759,000	\$22,912,036
2031	\$6,702,527	\$16,192,000	\$22,894,527
2032	\$6,239,610	\$16,639,000	\$22,878,610
2033	\$5,625,800	\$18,960,000	\$24,585,800
2034	\$4,851,900	\$19,735,000	\$24,586,900
2035	\$4,046,400	\$20,540,000	\$24,586,400
2036	\$3,208,100	\$21,375,000	\$24,583,100

FY	Interest	Principal	Total Debt Service
2037	\$2,335,600	\$22,250,000	\$24,585,600
2038	\$1,427,400	\$23,160,000	\$24,587,400
2039	\$482,100	\$24,105,000	\$24,587,100
2040	\$11,315,750	\$13,684,250	\$25,000,000
2041	\$11,858,000	\$13,142,000	\$25,000,000
2042	\$12,363,750	\$12,636,250	\$25,000,000
2043	\$12,832,250	\$12,167,750	\$25,000,000
2044	\$13,262,250	\$11,737,750	\$25,000,000
2045	\$13,709,500	\$11,290,500	\$25,000,000
2046	\$14,090,250	\$10,909,750	\$25,000,000
2047	\$14,488,250	\$10,511,750	\$25,000,000
2048	\$14,875,750	\$10,124,250	\$25,000,000
2049	\$15,225,000	\$9,775,000	\$25,000,000

6 Underlying Ratings as of July 1, 2023

7 Outstanding Par as of July 1, 2023

8 Inclusive of par value and accrued interest

Senior Lien Toll Revenue Bonds (Series 2009B, 2017, 2018, 2019, & 2020)

FY	Interest	Principal	Total Debt Service
2024	\$42,905,594 ⁹	\$17,170,000	\$60,075,594
2025	\$42,002,219	\$18,965,000	\$60,967,219
2026	\$40,994,594	\$21,340,000	\$62,334,594
2027	\$39,861,219	\$23,995,000	\$63,856,219
2028	\$38,589,719	\$26,865,000	\$65,454,719
2029	\$37,319,422	\$26,600,000	\$63,919,422
2030	\$36,024,875	\$32,255,000	\$68,279,875
2031	\$34,480,125	\$35,650,000	\$70,130,125
2032	\$32,686,375	\$39,470,000	\$72,156,375
2033	\$31,322,125	\$48,795,000	\$80,117,125
2034	\$30,407,625	\$53,400,000	\$83,807,625
2035	\$29,353,625	\$57,590,000	\$86,943,625
2036	\$28,170,000	\$61,805,000	\$89,975,000
2037	\$26,994,950	\$65,845,000	\$92,839,950
2038	\$25,533,650	\$60,490,000	\$86,023,650
2039	\$23,247,850	\$63,655,000	\$86,902,850

FY	Interest	Principal	Total Debt Service
2040	\$20,451,675	\$56,855,000	\$77,306,675
2041	\$18,049,700	\$49,030,000	\$67,079,700
2042	\$16,723,650	\$23,030,000	\$39,753,650
2043	\$15,738,200	\$25,600,000	\$41,338,200
2044	\$14,379,200	\$28,760,000	\$43,139,200
2045	\$12,857,575	\$32,105,000	\$44,962,575
2046	\$11,172,450	\$35,300,000	\$46,472,450
2047	\$9,333,200	\$38,270,000	\$47,603,200
2048	\$7,342,450	\$41,360,000	\$48,702,450
2049	\$5,192,325	\$44,645,000	\$49,837,325
2050	\$3,791,200	\$14,250,000	\$18,041,200
2051	\$3,200,700	\$15,275,000	\$18,475,700
2052	\$2,568,000	\$16,360,000	\$18,928,000
2053	\$1,891,100	\$17,485,000	\$19,376,100
2054	\$1,168,500	\$18,645,000	\$19,813,500
2055	\$397,800	\$19,890,000	\$20,287,800

Totals may not add due to rounding.

9 Series 2019 Interest Payment on July 1, 2023 partially funded with Capitalized Interest

Junior Lien TIFIA Loan

FY	Interest	Principal	Total Debt Service
2024	\$9,257,928	\$0	\$9,257,928
2025	\$9,428,122	\$0	\$9,428,122
2026	\$9,579,584	\$0	\$9,579,584
2027	\$9,667,437	\$0	\$9,667,437
2028	\$9,733,993	\$0	\$9,733,993
2029	\$9,760,015	\$500,000	\$10,260,015
2030	\$9,750,865	\$500,000	\$10,250,865
2031	\$9,741,715	\$500,000	\$10,241,715
2032	\$9,732,558	\$500,000	\$10,232,558
2033	\$9,723,415	\$500,000	\$10,223,415
2034	\$9,714,265	\$500,000	\$10,214,265
2035	\$9,705,115	\$500,000	\$10,205,115
2036	\$9,693,683	\$1,000,000	\$10,693,683
2037	\$9,675,396	\$1,000,000	\$10,675,396
2038	\$9,657,096	\$1,000,000	\$10,657,096
2039	\$9,638,796	\$1,000,000	\$10,638,796
2040	\$9,620,483	\$1,000,000	\$10,620,483

FY	Interest	Principal	Total Debt Service
2041	\$9,602,196	\$19,630,451	\$29,232,647
2042	\$9,073,006	\$38,706,595	\$47,779,600
2043	\$8,361,434	\$39,418,166	\$47,779,600
2044	\$7,636,181	\$40,143,419	\$47,779,600
2045	\$6,898,797	\$40,880,804	\$47,779,600
2046	\$6,147,256	\$41,632,345	\$47,779,600
2047	\$5,381,898	\$42,397,702	\$47,779,600
2048	\$4,601,870	\$43,177,731	\$47,779,600
2049	\$3,808,704	\$43,970,896	\$47,779,600
2050	\$3,115,850	\$19,209,805	\$22,325,655
2051	\$2,762,702	\$19,562,953	\$22,325,655
2052	\$2,402,782	\$19,922,874	\$22,325,655
2053	\$2,036,806	\$20,288,849	\$22,325,655
2054	\$1,663,822	\$20,661,834	\$22,325,655
2055	\$1,283,980	\$21,041,675	\$22,325,655
2056	\$896,875	\$21,428,780	\$22,325,655
2057	\$503,216	\$21,822,440	\$22,325,655
2058	\$102,038	\$11,060,790	\$11,162,828

Totals may not add due to rounding.

Debt Service Ratios

Pledged Revenue ¹¹	Debt Service ¹⁰		Debt Service Coverage	
	Senior Lien	Junior Lien	Senior Lien	Junior Lien
\$68,963,254	\$52,149,044	-	1.32x	1.32x

10 Per Bond Resolution calculation, debt service paid on 7/1 each year is included in the prior fiscal year.

11 Operating Revenue plus projected excess appropriation revenue.

Monroe Expressway

State Appropriation Bonds (Series 2010A & 2021)

FY	Interest	Principal	Total Debt Service
2024	\$14,910,192	\$11,395,000	\$26,305,192
2025	\$14,362,738	\$11,800,000	\$26,162,738
2026	\$13,761,519	\$12,235,000	\$25,996,519
2027	\$13,110,944	\$12,710,000	\$25,820,944
2028	\$12,435,170	\$13,200,000	\$25,635,170
2029	\$11,733,533	\$13,710,000	\$25,443,533
2030	\$11,004,868	\$14,240,000	\$25,244,868
2031	\$10,248,128	\$14,790,000	\$25,038,128
2032	\$9,456,582	\$15,370,000	\$24,826,582

FY	Interest	Principal	Total Debt Service
2033	\$8,628,091	\$15,970,000	\$24,598,091
2034	\$7,767,574	\$16,600,000	\$24,367,574
2035	\$6,873,217	\$17,250,000	\$24,123,217
2036	\$5,944,208	\$17,930,000	\$23,874,208
2037	\$4,978,734	\$18,640,000	\$23,618,734
2038	\$3,975,213	\$19,375,000	\$23,350,213
2039	\$2,932,445	\$20,140,000	\$23,072,445
2040	\$1,848,732	\$20,940,000	\$22,788,732
2041	\$722,377	\$21,765,000	\$22,487,377

Senior Lien Toll Revenue Bonds (Series 2016A & 2016C)

FY	Interest	Principal	Total Debt Service
2024	\$5,912,263 ¹²	\$0	\$5,912,263
2025	\$5,912,263	\$0	\$5,912,263
2026	\$6,188,904	\$638,359	\$6,827,263
2027	\$6,292,199	\$735,064	\$7,027,263
2028	\$6,513,326	\$983,936	\$7,497,263
2029	\$6,592,788	\$949,475	\$7,542,263
2030	\$6,728,250	\$999,012	\$7,727,263
2031	\$6,852,865	\$1,009,398	\$7,862,263
2032	\$7,022,948	\$1,064,315	\$8,087,263
2033	\$7,201,783	\$1,110,480	\$8,312,263
2034	\$7,395,794	\$1,151,469	\$8,547,263
2035	\$7,617,556	\$1,199,707	\$8,817,263
2036	\$7,837,840	\$1,234,422	\$9,072,263
2037	\$8,054,399	\$1,257,864	\$9,312,263
2038	\$8,333,887	\$1,313,375	\$9,647,263

FY	Interest	Principal	Total Debt Service
2039	\$8,572,293	\$1,334,969	\$9,907,263
2040	\$8,836,818	\$1,360,445	\$10,197,263
2041	\$8,817,648	\$1,719,614	\$10,537,263
2042	\$5,892,500	\$4,910,000	\$10,802,500
2043	\$5,647,000	\$5,445,000	\$11,092,000
2044	\$5,374,750	\$6,025,000	\$11,399,750
2045	\$5,073,500	\$6,670,000	\$11,743,500
2046	\$4,740,000	\$7,350,000	\$12,090,000
2047	\$4,372,500	\$8,025,000	\$12,397,500
2048	\$3,971,250	\$8,740,000	\$12,711,250
2049	\$3,534,250	\$9,525,000	\$13,059,250
2050	\$3,058,000	\$10,670,000	\$13,728,000
2051	\$2,524,500	\$11,460,000	\$13,984,500
2052	\$1,951,500	\$12,075,000	\$14,026,500
2053	\$1,347,750	\$13,150,000	\$14,497,750
2054	\$690,250	\$13,805,000	\$14,495,250

Totals may not add due to rounding.

¹² Series 2019 Interest Payment on July 1, 2023 partially funded with Capitalized Interest

Subordinate Lien TIFIA Loan

FY	Interest	Principal	Total Debt Service
2024	\$5,572,071	\$507,398	\$6,079,469
2025	\$5,552,417	\$1,055,176	\$6,607,592
2026	\$5,518,126	\$1,291,270	\$6,809,396
2027	\$5,476,365	\$1,553,570	\$7,029,935
2028	\$5,427,999	\$1,601,936	\$7,029,935
2029	\$5,375,446	\$2,044,824	\$7,420,270
2030	\$5,310,672	\$2,280,955	\$7,591,627
2031	\$5,238,216	\$2,571,023	\$7,809,239
2032	\$5,156,544	\$2,875,966	\$8,032,511
2033	\$5,065,651	\$3,202,622	\$8,268,273
2034	\$4,964,343	\$3,553,745	\$8,518,088
2035	\$4,852,160	\$3,912,815	\$8,764,974
2036	\$4,728,563	\$4,293,642	\$9,022,205
2037	\$4,593,287	\$4,717,376	\$9,310,663
2038	\$4,444,864	\$5,128,885	\$9,573,749

FY	Interest	Principal	Total Debt Service
2039	\$4,283,522	\$5,572,635	\$9,856,156
2040	\$4,108,101	\$6,042,368	\$10,150,469
2041	\$3,918,745	\$6,497,933	\$10,416,677
2042	\$3,714,867	\$6,989,877	\$10,704,745
2043	\$3,495,603	\$7,512,823	\$11,008,425
2044	\$3,259,766	\$8,065,611	\$11,325,377
2045	\$3,007,301	\$8,628,588	\$11,635,889
2046	\$2,737,228	\$9,195,315	\$11,932,544
2047	\$2,449,486	\$9,790,251	\$12,239,737
2048	\$2,142,909	\$10,417,684	\$12,560,593
2049	\$1,817,441	\$11,057,176	\$12,874,617
2050	\$1,474,258	\$11,400,359	\$12,874,617
2051	\$1,117,393	\$12,154,000	\$13,271,393
2052	\$734,880	\$13,190,325	\$13,925,204
2053	\$323,333	\$13,922,922	\$14,246,255

Totals may not add due to rounding.

Debt Service Coverage Ratios

Pledged Revenue ¹⁴	Debt Service ¹³		Debt Service Coverage	
	Senior Lien	Junior Lien	Senior Lien	Junior Lien
\$32,743,337	\$5,912,263	\$6,079,469	5.54x	2.73x

13 Per Bond Resolution calculation, debt service paid on 7/1 each year is included in the prior fiscal year.

14 Operating Revenue plus projected excess appropriation revenue and additional interest earnings on certain funds.



Demographic & Economic Information

Population

The North Carolina Turnpike Authority currently operates facilities in four NC counties: Durham, Mecklenburg, Union, and Wake. Population growth serves as one indicator of potential roadway usage. Table 1 shows the population growth in all four counties and the State for the 10-year period between 2012 and 2022. The population of the State grew by 9.71% percent from 2012 to 2022, for a growth rate of approximately 0.88 percent annually. The four counties within the existing Turnpike Authority service area experienced population growth ranging from 17 to 23 percent.

Table 1: Percent Increase in Population Estimates 2012-2022

	July 2012 ¹	July 2022 ²	Population Increase	Percent Increase	Average Growth Rate Per Year
Durham County	282,585	332,576	49,991	17.7%	1.61%
Mecklenburg County	962,026	1,135,873	173,847	18.1%	1.65%
Union County	207,411	247,301	39,890	19.2%	1.75%
Wake County	950,308	1,169,294	218,986	23.0%	2.09%
North Carolina	9,751,810	10,698,973	947,163	9.7%	0.88%

Composition of Population

Table 2 represents the racial and ethnic makeup of the four counties within the existing NCTA service area as compared with the State.

Table 2: County & State Population by Race/Ethnicity³

	Total Population	White		Black or African American		American Indian & Alaska Native Alone		Asian		Native American / Pacific Islander		Some Other Race		Two or More Races	
		#	%	#	%	#	%	#	%	#	%	#	%	#	%
Durham County	320,146	156,682	48.9%	112,716	35.2%	1,131	0.4%	15,798	4.9%	178	0.10%	13,870	4.30%	19,771	6.2%
Mecklenburg County	1,100,984	589,391	49.9%	345,887	31.4%	3,812	0.3%	66,545	6.0%	362	0%	72,258	6.60%	62,729	5.7%
Union County	235,699	180,545	76.6%	26,984	11.4%	839	0.4%	8,188	3.5%	76	0%	7,960	3.40%	11,107	4.7%
Wake County	1,112,883	695,410	62.5%	221,415	19.9%	3,361	0.3%	83,676	7.5%	440	0%	45,413	4.10%	63,168	5.7%
North Carolina	10,367,022	6,865,508	66.2%	2,193,147	21.2%	113,719	1.1%	314,690	3.0%	7,119	0.1%	372,381	3.60%	500,458	4.8%

Totals may not add due to rounding.

1 Source: NC OSBM, Annual County Population Totals, 2012-2022, 2022.

2 Source: NC OSBM, Projected Annual County Population Totals, 2022.

3 Source: US Census Bureau, American Community Survey (ACS) Demographic and Housing Estimates, 2021: ACS 5-year Estimates (2017-2021). Table DP05. "Race."

Table 3 shows the number of households and vehicles available. Approximately 40% or more of the households in all four counties and the State have two or more vehicles.

Table 3: County & State Households with Zero, One, or Two or More Vehicles⁴

	Occupied Housing Units	No Vehicle Available		One Vehicle Available		Two or More Vehicles Available	
		#	%	#	%	#	%
Durham County	132,762	9,353	7.0%	50,578	38.1%	51,574	38.9%
Mecklenburg County	435,562	24,581	5.6%	167,589	38.5%	163,856	38.8%
Union County	78,473	2,140	2.7%	15,102	19.2%	33,993	43.3%
Wake County	422,144	16,385	3.9%	131,475	31.1%	182,097	43.1%
North Carolina	4,034,684	220,918	5.5%	1,262,874	31.3%	1,536,968	38.1%

Totals may not add due to rounding.

Household Income

Table 4 shows the per capita personal income and median household income for the state of North Carolina as well as the counties within the existing Turnpike Authority service area.

Table 4: County & State Per Capita Personal Income & Median Household

	Per Capita Personal Income	Median Household Income ⁵
Durham County ⁶	\$60,330	\$67,000
Mecklenburg County ⁷	\$71,836	\$73,124
Union County ⁸	\$63,777	\$88,465
Wake County ⁹	\$71,205	\$88,471
North Carolina ¹⁰	\$54,416	\$60,516

4 Source: US Census Bureau, American Community Survey 5-year Estimates (2017-2021), Table B25044, “Tenure by Vehicles Available.”

5 Source: US Census Bureau. Quick Facts. Median household income (in 2021 dollars), 2017-2021.

6 Source: Bureau of Economic Analysis. County Per Capita Personal Income: <https://apps.bea.gov/regional/bearfacts/countybf.cfm> for 2021, as reported November 2022.

7 Source: Bureau of Economic Analysis. County Per Capita Personal Income: <https://apps.bea.gov/regional/bearfacts/countybf.cfm> for 2021, as reported November 2022.

8 Source: Bureau of Economic Analysis. County Per Capita Personal Income: <https://apps.bea.gov/regional/bearfacts/countybf.cfm> for 2021, as reported November 2022.

9 Source: Bureau of Economic Analysis. County Per Capita Personal Income: <https://apps.bea.gov/regional/bearfacts/countybf.cfm> for 2021, as reported November 2022.

10 Source: Bureau of Economic Analysis. State Per Capita Personal Income: <https://apps.bea.gov/regional/bearfacts/statebf.cfm>, for 2021, as reported March 2023.

Local Economy

Employment growth and a stable or decreasing unemployment rate is an integral factor for measuring the success of a locality. Population continues to rise in the State; and unemployment in North Carolina is generally low. Consistently, the largest industries in the State continue to be education, healthcare, government (civilian, military, and federal), academia, technology, and retail.

Employment in North Carolina is spread across the state's 100 counties, with some areas being more urban or rural in their makeup. As trends in the largest private employers in the State have changed, so too have the predominant industries that compromise most of the State's non-government (and non-public) workforce. Currently, the leading private employers in the State include retailers, healthcare providers, financial institutions, and telecommunications. Table 5 shows North Carolina's ten largest employers in 2012 and in 2022, Table 6 shows the ten largest taxpayers by County in 2022, and Table 7 shows the 2022 employment levels for the State as well as the counties currently in the Turnpike Authority service area.

Table 5: North Carolina's Statewide 10 Largest Employers¹¹

2012	2022
Wal-Mart	Wal-Mart
Duke University	Duke University
Charlotte Mecklenburg Hospital	Food Lion
Food Lion	Atrium Health
Wells Fargo	Wells Fargo
Department of Defense	Amazon Fulfillment Services Inc.
NC Department of Corrections	Department of Defense
Wake County Public Schools	Bank of America Na
Bank of America	Lowes Companies Inc.
Charlotte-Mecklenburg Board of Education	Wake County Public

¹¹ Sources: US Census Bureau, NC Department of Commerce, Bureau of Economic Analysis

Table 6: Top 10 Taxpayers by County in 2022¹²

Durham	Mecklenburg	Union	Wake
Wolfspeed	Duke Energy	Allegheny Technologies	Duke Energy Process Inc.
Duke Energy	Wells Fargo	Union Electric Membership	Highwoods Realty LP
Aisin North Carolina	Bank of America	Duke Power Company	SAS Institute Inc.
Iqvia RDS	American Airlines	Charlotte Pipe and Foundry	Seqirus Inc.
EMC	Truist Bank	Piedmont Natural Gas	Cisco Systems
Southpoint Mall	Spectrum	AMH NC Properties	Truist Bank
Biogen US	SouthPark	Consolidated Metco, Inc.	WMCI Raleigh
Merck Sharp & Dohme	Piedmont Natural	Spectrum Southeast, LLC	CVM Holdings
IBM	AT&T	Walmart Real Estate	Sreit
ARE-NC Region No. 19 Holding LLC	Panthers Stadium	Utility Lines Construction	GlaxoSmithKline PLC

Table 7: County & State Employment in 2022

Geography	Labor Force	Employed	Unemployed	Unemployment Rate
Durham County ¹³	178,905	173,231	5,674	3.2%
Mecklenburg County ¹⁴	625,142	629,309	22,833	3.5%
Union County ¹⁵	130,308	126,207	4,101	3.1%
Wake County ¹⁶	631,370	612,045	19,325	3.1%
North Carolina ¹⁷	5,191,500	5,012,700	178,900	3.4%

¹² Sources: Wake County Government, Mecklenburg County Government, Durham County Government, Union County Government. North Carolina Department of State Treasurer.

¹³ Source: Bureau of Labor Statistics. Labor force data by county, 2022 annual averages. <https://www.bls.gov/lau/tables.htm>

¹⁴ Source: Bureau of Labor Statistics. Labor force data by county, 2022 annual averages. <https://www.bls.gov/lau/tables.htm>

¹⁵ Source: Bureau of Labor Statistics. Labor force data by county, 2022 annual averages. <https://www.bls.gov/lau/tables.htm>

¹⁶ Source: Bureau of Labor Statistics. Labor force data by county, 2022 annual averages. <https://www.bls.gov/lau/tables.htm>

¹⁷ Bureau of Labor Statistics. Labor force data for North Carolina, April 2023. <https://www.bls.gov/eag/eag.nc.htm>



Appendices

Monroe Expressway General Engineering Consultant (GEC) Report

Appendix A: FY 2024 GEC Annual Budget Report

HNTB Corporation
The HNTB Companies
Infrastructure Solutions

343 E. Six Forks Road
Suite 200
Raleigh, NC 27609

Telephone (919) 546-8997
Facsimile (919) 546-9421
hntb.com

May 24, 2023



Mr. James J. Eden
Executive Director
North Carolina Turnpike Authority
1 S. Wilmington Street
Raleigh, NC 27601

Dear Mr. Eden:

Reference is made to the Monroe Expressway Trust Agreement dated December 1, 2016 between Computershare Corporate Trust (previously Wells Fargo), as Trustee, and the North Carolina Turnpike Authority. HNTB as the General Engineering Consultant provides the following report on the fiscal year (FY) 2024 Annual Budgets for the Monroe Expressway.

The Monroe Expressway opened to traffic on November 27, 2018 in accordance with the Construction Agreement (“the Agreement”) for Substantial Completion. Final Completion was reached on October 16, 2020 in accordance with the Agreement. There was a three-year warranty period for the Monroe Expressway following Substantial Completion ending in November 2021. Coinciding with Final Completion, a baseline inspection of the Monroe Expressway was completed on October 26, 2020, and ongoing quarterly inspections of the facility in accordance with the Turnpike Authority’s Maintenance Rating Program (MRP) began in 2021. These quarterly MRP inspections are used to evaluate the proper maintenance, repair needed and operation of the Monroe Expressway. Due to the relative age of the roadway, renewal and replacement activities and their associated costs are minor.

The FY 2024 operations & maintenance (O&M) budget, and the renewal and replacement (R&R) budget for FY 2024 through 2033 have been updated from the base case financial model based on a review of the operating and maintenance activities as well as further development of the long-range capital plan for the facility.

The FY 2024 Annual Budgets for the Monroe Expressway were developed by the Turnpike Authority, with involvement from HNTB, and we believe the following budgets are sufficient to support the proper maintenance, repair, and operation of the Monroe Expressway during the ensuing Fiscal Year:

- FY 2024 O&M Budget: \$16.43M
- FY 2024 R&R Budget: \$0.83M

The FY 2024 Annual Budgets assume a total of \$16.43 million to be deposited in the Operating Expense Fund throughout the fiscal year, and also assume deposits to ensure the following minimum fund balances as of July 1, 2023:

- Operating Reserve Fund: \$4.11M
- Renewal & Replacement Fund: \$5.55M

Please feel free to reach out with any questions or comments upon reviewing the FY 2024 Annual Budgets.

Sincerely,



Jennifer Harris, P.E.
Senior Project Manager

CC: David Roy, Chief Financial Officer, NCTA
Kim Medlin, Controller, NCTA

Financial Policies

Toll Rate Policy

POLICY FOR ADOPTING TOLL SCHEDULES AND ADJUSTMENTS TO TOLL SCHEDULES

WHEREAS, the North Carolina Turnpike Authority is authorized to fix, revise, charge and collect tolls and fees for the use of turnpike projects pursuant to G.S. § 136-89.183(5);

NOW THEREFORE, the Authority hereby adopts the following policy to guide the Authority in adopting toll schedules and adjustment to toll schedules as follows:

(a) Prior to the time the Authority issues bonds to finance a turnpike project, the Authority will retain the services of a Traffic and Revenue Consultant (a “Traffic Consultant”) to forecast the projected traffic for the turnpike project and the toll revenues to be generated from such traffic (a “Final Traffic and Revenue Study”). Such Final Traffic and Revenue Study shall be prepared based upon, among other things, assumptions the Traffic Consultant determines to be reasonable regarding the toll schedule to be used in collecting tolls for use of the turnpike project, together with anticipated increases in such tolls.

(b) On or prior to the date a turnpike project open for service, the Authority will adopt the toll rate schedule for the use of the turnpike project. Such toll schedule may provide for toll rates based upon the factors the Authority determines appropriate, including, but not limited to, the location of the turnpike project for which the toll is collected, the type of vehicles anticipated to use the turnpike project, the method of collection of the toll (electronic, video, cash or other method) and other factors. At the time the initial toll rate schedule for a turnpike project is adopted, the Authority shall file with the Trustee a report of a Traffic Consultant to the effect that, based upon the tolls forecasted to be collected using the toll schedule adopted, the forecasted revenues of such turnpike project are forecasted to be at least at the same levels as those set forth in the Final Traffic and Revenue Study, or if such levels cannot be achieved, that the tolls are established at rates that maximize forecasted revenues..

(c) After a toll rate schedule is adopted, the tolls set forth in the toll rate schedule adopted shall be increased on each January 1 by the same percentage amounts for each year as the toll increases in the assumptions of the Traffic Consultant used in preparing the Final Traffic and Revenue Study.


(d) Notwithstanding the preceding subsection, the Authority may determine that a toll increase otherwise required to go into effect pursuant to (c) shall not go into effect as scheduled if the Authority delivers to the Trustee, prior to the January 1 when the toll increase otherwise would go into effect:

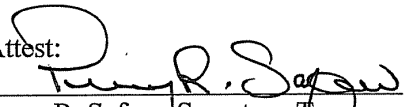
(i) a resolution of the Board, directing that the tolls shall not be increased at all or shall be increased by a lesser amount than assumed in the Final Traffic and Revenue Study;

(ii) an Officer’s Certificate certifying that the Authority was in compliance with all the applicable rate covenants set forth in the bond documents for the bonds that financed the turnpike project for the most recent fiscal year; and

(iii) a report of a Traffic Consultant showing that for each succeeding fiscal year through the final maturity date of all debt incurred for the turnpike project, the forecasted revenues in each such fiscal year would be such that \$1 of additional senior lien indebtedness could be issued by the Authority in compliance with the requirements of the additional debt limitations set forth in the bond documents for such bonds issued to finance the turnpike project.

Adopted this the 17th day of September, 2008.

Signed: 
Lydo Tippet, Chairman
North Carolina Turnpike Authority

Attest: 
Perry R. Safran, Secretary-Treasurer
North Carolina Turnpike Authority Board

Debt Policy & Procedures



NORTH CAROLINA TURNPIKE AUTHORITY Debt

NCDOT POLICY
A.10.0101

Business Category: NC Turnpike Authority		Business Area: NC Turnpike Authority
Approval Date:	Last Revision Date: N/A	Next Review Date:
Authority: <u>N.C. Gen Stat. § 136-89.183</u> <u>N.C. Gen Stat. § 136-89.189</u> <u>N.C. Gen Stat. § 136-89.190</u>		Select all that apply: <input type="checkbox"/> N/A <input type="checkbox"/> Requires Board approval <input type="checkbox"/> Requires Federal Highways Administration (FHWA) approval <input type="checkbox"/> Requires other external agency approval: Click here to enter external agency name(s).
Definitions:		
Policy: I. Introduction A. Purpose The purpose of this North Carolina Turnpike Authority (NCTA) Debt Policy is to establish guidelines and a framework for the issuance and management of NCTA's debt. NCTA is committed to consistent, best practices financial management, including maintaining the financial strength and flexibility of NCTA and the full and timely repayment of all financial obligations. Debt transactions that violate any terms of existing documents including Trust Agreements, TIFIA Loan Agreements, bond insurance policies, and state and federal laws will not be considered. NCTA will be open to recommendations or ideas for any proposed transaction as well as variations from the following guidelines provided that such variation must be fully examined in conjunction with NCTA's advisors and justified to the NCTA Board of Directors. This policy does not address or govern NCTA's engagement in Public-Private-Partnerships. B. Review This Policy will be reviewed by NCTA no less than once every (2) two years and any changes to this Policy will be presented to and approved by the NCTA Board of Directors. This Policy will also be made available on the NCTA's website (https://www.ncdot.gov/divisions/turnpike/investor/Pages/default.aspx). C. Best Interest of NCTA Although adherence to this policy is desirable, deviations from the policy may be appropriate at times to address: (i) changing financial goals; (ii) emerging financial products/debt structures; and/or (iii) unique market opportunities. Consequently, the general best interests of NCTA will supersede any provision of the policy.		

D. Authority

N.C. Gen Stat. § 136-89.183

N.C. Gen Stat. § 136-89.189

N.C. Gen Stat. § 136-89.190

II. Financial Planning and Debt Issuance Policy

- A. NCTA will retain the services of a traffic engineer and a general engineering consultant to obtain independent professional advice on the acquisition, construction, operation, and management of the Turnpike Projects. In addition to other duties, the consultants will prepare cost and revenue estimates for all bonded projects and for any projects in which the NCTA funds are used in partnership with funds from other entities.
- B. NCTA will retain the services of a registered Municipal Advisor to serve in capacity as Financial Advisor to perform the tasks set forth in this policy.
- C. In consultation with the Financial Advisor, NCTA will develop, maintain, and update, as appropriate, comprehensive Financial Planning Models as tools in developing a financing plan for existing and proposed toll systems. NCTA will annually review its capital plans and adjust them as necessary in order to comply with the annual debt coverage commitments.
- D. Financial Planning Models will incorporate longer-term capital improvements and the following elements, in addition to other factors:
 - 1. System revenue projections from NCTA's traffic consultant or alternative revenue projection scenarios
 - 2. Existing debt service requirements
 - 3. Projected Operations and Maintenance expenses and Renewal and Replacement Expenses along with required deposits to all reserves
 - 4. Estimated additional debt service requirements
 - 5. Estimated investment income
- E. Long-term debt will be used to finance capital projects and certain equipment where it is cost effective, prudent or otherwise determined to be in the best interest of NCTA. Long-term debt, which includes capital lease financings, will not be used to fund NCTA's operations. The maturity of long-term debt issued by NCTA to finance an asset or project should not exceed the useful life of the asset or project financed.
- F. Medium-term or "put" bonds will be used judiciously and only after careful analysis and discussion of the interest rate and rollover risks involved.
- G. Variable rate debt may be issued in various forms - e.g., bonds, commercial paper, bank lines. The amount of unhedged variable rate debt generally should not exceed 10% of outstanding debt for any NCTA System. As a goal, NCTA desires its total hedged and unhedged variable rate debt not to exceed 20% of outstanding long-term debt for any NCTA System.

III. Debt Service Coverage Targets and Limits

The amount of bonds to be issued is limited by the respective Trust Agreements, including TIFIA Loan Agreements, as applicable, that govern the debt issuance and covenants contained therein, including, but not limited to, the rate covenant and additional bonds test. Target debt service coverage levels, leverage ratios and

liquidity metrics will be set based on the most recent rating agency guidance to ensure investment grade ratings are attained on all senior lien and TIFIA lien rated debt.

IV. Method of Sale Evaluation

With the goal of obtaining the lowest cost of capital and completing a successful transaction, for each transaction recommended, the Director of Finance, with advice from the Financial Advisor, will undertake an analysis to determine the recommended method of sale, including competitive, negotiated, or direct placement.

- A. The evaluation will take into consideration, among other factors the following considerations as outlined in the Government Finance Officers' Association (GFOA) best practice recommendations:
 1. Expected credit rating of bonds being issued
 2. Strength of revenue stream
 3. Structure of bonds and potential need for extensive explanation to the bond market
 4. Disclosure requirements for various methods of sale
 5. Use of insurance or other credit enhancement
 6. Other factors that staff, in consultation with the Financial Advisor, believes favor the use of one method over the other
- B. The evaluation will be shared with the Finance Committee and a recommendation as to the method of sale will be presented.
- C. Should NCTA select the use of a negotiated sale, the following guidelines will be followed to increase the likelihood of a successful transaction and fully documented negotiated sale process:
 1. Underwriters will be selected through a formal Request for Proposal (RFP) process in accordance with NCTA's Procurement Policies either on a deal-by-deal basis or as part of a pool of underwriters for a specified term. Exceptions may be made when in the best interest of NCTA such as when time is of the essence.
 2. NCTA's Financial Advisor will advise NCTA on all aspects of the sale, including but not limited to structuring, disclosure preparation and bond pricing.
 3. Staff and the Financial Advisor will make a recommendation for lead underwriting firm and all participating co-senior and co-manager firms based on:
 - i. results of most recent RFP selection,
 - ii. firm's contribution to development of strategies for transaction,
 - iii. demonstrated ability of firm to successfully underwrite similar transactions, and
 - iv. previous work assigned to firm under current RFP selection
 4. Staff and the Financial Advisor will review all orders for bonds during pricing to understand investor interest and best negotiate a final coupon and yield scale for the bonds.
 5. The Financial Advisor will prepare a post-sale summary and analysis that documents the pricing of the bonds relative to other similar transactions priced at or near the time of NCTA's bond sale and record the true interest cost of the sale and the date of the verbal award. The analysis will be shared with the Finance Committee.
- D. Should a direct placement be recommended, staff and the Financial Advisor will undertake a competitive process for selecting the direct placement counterparty to ensure NCTA's objectives are met at the lowest cost of capital. Such process ideally would include a formal RFP or solicitation of pricing indications, as appropriate.

V. Debt Structure

- A. Debt structures will be determined in consultation with the NCDOT Chief Financial Officer.
- B. NCTA will engage the Local Government Commission (LGC) at the appropriate time for guidance on proposed debt issuances and will maintain contact with LGC staff throughout the debt issuance process. NCTA will follow LGC guidelines for requesting approval including organizing transaction updates to LGC staff, providing transaction overviews and materials to the Commission, and requesting approval in a timely manner.
- C. NCTA may utilize various debt structures to accomplish its financing goals, including but not limited to, the use of premium bonds, discount bonds, capital appreciation bonds, convertible capital appreciation bonds, bond anticipation notes, commercial paper, variable rate and multimodal bonds and capitalized interest, when appropriate in order to achieve the goals provided in this Debt Management Policy.
- D. NCTA will consider interest rate swap transactions only as they relate to its debt management program and not as an investment instrument. No swap transaction should impair the outstanding uninsured bond rating of NCTA's rated obligations.
 1. Swap Agreements may be used for one or more of the following purposes only:
 - i. To achieve significant savings as compared to a product available in the bond market. Significant savings shall be calculated after adjusting for (a) applicable fees, including takedown, remarketing and credit enhancement fees, and (b) call options that may be available on the bonds. Examples may include synthetic fixed rate debt and synthetic variable rate debt. Alternatively, significant savings are deemed to occur if the use of derivatives helps to achieve diversification of a particular bond offering.
 - ii. To prudently hedge risk in the context of a particular financing or the overall asset/liability management of NCTA. Examples may include buying interest rate caps and entering into delayed-start Swaps.
 - iii. To incur variable rate exposure within prudent guidelines, such as buying interest rate caps or entering into a Swap in which NCTA's payment obligation is based on a floating rate.
 - iv. To achieve more flexibility in meeting overall financial objectives than available in conventional markets. An example may include a Swaption (an option to enter into a Swap) with an upfront annuity payment.
 2. Swap Adviser Required: NCTA shall engage a Swap adviser (a "Qualified Independent Representative" as defined under the Dodd-Frank Act) to assist in determining whether and under what terms to enter into a Swap.
 3. Legal Opinion Required: NCTA must receive an opinion acceptable to the market from a nationally recognized bond law firm that the Swap is a legal, valid and binding obligation of NCTA and entering into the transaction complies with applicable law in effect on the date hereof and as they may be amended in the future.
 4. No Speculation Allowed: Swaps shall not be used for speculative purposes. Associated risks will be prudent risks that are appropriate for NCTA to take based on the advice, knowledge and experience of NCTA staff and NCTA's Swap adviser.
 5. Methods by which Swaps may be Solicited: In general, NCTA should procure Swaps by competitive bidding. The process used (e.g. Request for Proposal) can limit the number of

firms solicited to no fewer than three. NCTA shall determine which parties it will allow to participate in a competitive transaction. In situations in which NCTA would like to reward a particular firm or wishes to achieve diversification of counterparty exposure, NCTA may allow a firm or firms not submitting the bid that produces the lowest cost to match the lowest bid and be awarded up to a specified percentage of the notional amount of the Swap Agreement. In addition, to encourage competition, NCTA may allow bidders to match the winning bid up to a specified amount of the notional amount as long as the bid is no greater than a specified spread from the winning bidder. The parameters for the bid must be disclosed in writing to all potential bidders.

Notwithstanding the above, NCTA may procure a Swap by negotiated method in either of the following situations:

- i. NCTA makes a determination that, due to the size or complexity of a particular Swap, a negotiated transaction would result in the most favorable pricing and terms. NCTA shall use a Swap adviser to assist in the price negotiations, in the development of terms, and in risk assessment.
 - ii. NCTA makes a determination, in light of the facts and circumstances, that entering into a negotiated Swap will promote its interests by encouraging and rewarding innovation.
6. Each Swap executed by NCTA shall be subject to an independent review and analysis by a financial advisor or other qualified party and include a finding that its terms and conditions reflected a fair market value as of the date and time of its execution
7. Form and Content of Swaps: To the extent possible, the Swap shall contain terms and conditions set forth in the International Swap and Derivatives Association Inc. Master Agreement, including any schedules and confirmation. The schedule should be modified to reflect specific legal requirements and business terms desired by NCTA. NCTA shall consider including provisions that permit NCTA to assign its rights and obligations under the Swap and to optionally terminate the Swap at its market value at any time. Unless specifically noted in the Swap, the counterparty shall not have the right to assign or terminate a Swap without the prior written consent of NCTA.
8. Risk Analysis Required: Before entering into a Swap, NCTA shall evaluate all the risks inherent in the transaction. These risks to be evaluated could include counterparty risk, termination risk, rollover risk, basis risk, tax event risk and amortization risk. NCTA shall endeavor to diversify its exposure to counterparties. To that end, before entering into a Swap, NCTA should determine its exposure to the relevant counterparty or counterparties and determine how the proposed transaction would affect the exposure.
9. Counterparty Selection Criteria and Provision for Collateralization: NCTA may enter into a Swap if the counterparty has at least one long-term unsecured credit rating in the AA category and no other rating below the 'A' category from Fitch, Moody's or Standard & Poor's, and the counterparty has demonstrated experience in successfully executing Swaps. If after entering into a Swap the ratings of the counterparty are downgraded below 'BBB' by any one of the ratings agencies, then the Swap shall be subject to termination by NCTA unless (a) the counterparty provides either a substitute guarantor or assigns the Swap, in either case, to a party meeting the rating criteria reasonably acceptable to NCTA or (b) the counterparty (or

guarantor if applicable) collateralizes the Swap in accordance with the criteria set forth in the Swap and this Policy. Should the counterparty (or guarantor if applicable) elect to collateralize the Swap, then, in addition to any requirements in the Swap, the obligations of the counterparty shall be fully and continuously collateralized by direct obligations of, or obligations the principal and interest on which are guaranteed by, the United States of America, and such collateral shall be deposited with NCTA or an agent thereof. Such collateral posted by a counterparty shall have a net market value of at least one hundred percent (100%).

10. Disclosure and Financial Reporting: NCTA will take steps to ensure that there is full and complete disclosure of all interest rate swaps to the NCTA Board of Directors, rating agencies and in disclosure documents. With respect to its financial statements, NCTA will adhere to the guidelines for the financial reporting of interest rate swaps as set forth by the Government Accounting Standards Board.
11. Dodd-Frank Act\Conformance to Dodd-Frank: It is the intent of NCTA to conform this Policy to the requirements relating to legislation and regulations for derivatives transactions under Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act, as supplemented and amended from time to time, including any regulations promulgated in connection therewith (herein collectively referred to as "Dodd-Frank"). Pursuant to such intent, it is the policy of NCTA that, with respect to each interest rate swap: (i) each swap advisor engaged or to be engaged by NCTA will function as the designated qualified independent representative of NCTA, sometimes referred to as the "Designated QIR"; (ii) each swap advisor will agree to meet and meets the requirements specified in CFTC Regulation 23.450(b)(1) or any successor regulation thereto (herein referred to as the "Representative Regulation"); (iii) each swap advisor will provide a written certification to NCTA to the effect that such swap advisor agrees to meet and meets the requirements specified in the Representative Regulation; (iv) NCTA will monitor the performance of each swap advisor consistent with the requirements specified in the Representative Regulation; (v) NCTA will exercise independent judgment in consultation with its swap advisor in evaluating all recommendations, if any, presented by any swap dealer with respect to transactions authorized pursuant to this Policy; and (vi) NCTA will rely on the advice of its swap advisor with respect to interest rate swaps authorized pursuant to this Policy and will not rely on recommendations, if any, presented by any swap dealer with respect to interest rate swaps authorized pursuant to this Policy.
12. Legal Entity Identifier: NCTA shall obtain and maintain current at all times a "legal entity identifier" from a firm designated by the CFTC to provide such numbers.
13. Long-Term Implications: In evaluating a particular transaction involving the use of a Swap, NCTA shall review long-term implications associated with entering into Swaps, including costs of borrowing, historical interest rate trends, sensitivity analysis, variable rate capacity, credit enhancement capacity, opportunities to refund related debt obligations and other similar considerations.
14. Methods to be Used to Reflect the Use of Swaps in NCTA's Financial Statements: NCTA shall reflect the use of Swaps on its financial statements in accordance with generally accepted accounting principles and shall include appropriate information about the market value, risk

and legal authority regarding such agreements. Such disclosure in NCTA's financial statements will provide appropriate information to ratings agencies, investors and the secondary market.

15. Monitoring: NCTA's staff shall monitor the use of Swaps on a continual basis.

Responsibilities for monitoring shall include the following activities:

- i. Preparing a description of each Swap, including a summary of its terms and conditions, the notional amount, rates, maturity and other provisions thereof.
- ii. Determining any amounts which were required to be paid and received, and that the amounts were paid and received in a timely manner.
- iii. Determining that each counterparty is in compliance with its rating requirements.
- iv. Determining that each counterparty is in compliance with the downgrade provisions, if any (see Counterparty Selection Criteria and Provision for Collateralization Criteria).
- v. Determining at least quarterly, that all posted collateral, if required, has a net market value of at least one hundred percent (100%) of the net market value of the Swap to NCTA (see Counterparty Selection Criteria and Provision for Collateralization).
- vi. Taking appropriate action to limit undesirable exposures.
- vii. Developing a contingency plan in the event that early termination of the Swap is determined to be desirable or warranted.
- viii. Obtaining market valuation information from counterparties or third-party advisors to meet GASB fiscal year end reporting requirements.

VI. Call Provisions

- A. Call provisions for NCTA bond issues will be made as short as possible consistent with the lowest interest cost to NCTA, taking into consideration the option value of such call provisions.
- B. When practical and cost efficient, all NCTA bonds should be callable at par.

VII. Debt Refunding

NCTA staff and the Financial Advisor will monitor the municipal bond market for opportunities to obtain interest savings by refunding or refinancing outstanding debt. As a general rule, the present value savings of a particular refunding should equal or exceed 3% of the refunded maturities and not materially extend the maturity of the outstanding debt. For an advance refunding a higher minimum savings threshold should be required, depending on how soon the bonds may be called. However, in order to meet certain restructuring or risk management goals, NCTA may elect to lower the present value savings threshold for any individual transaction.

VIII. Credit Enhancement and Liquidity

Bond insurance, surety policies, letters of credit, liquidity facilities and other credit enhancements will be used when it provides economic savings or risk management opportunities for NCTA. Letters of credit, liquidity facilities or other credit facilities may expose NCTA to bank provider risk. In those instances, bank providers should not possess long term credit ratings lower than "A2/A/A" and short-term ratings lower than "P-1/A-1/F" from Moody's Investors Services, Standard and Poor's Corporation and Fitch Ratings, respectively.

IX. Continuing Disclosure

NCTA is committed to providing continuing disclosure of financial and pertinent credit information relevant to NCTA's outstanding securities and will continue to comply with those provisions of Securities and Exchange Commission (SEC) Rule 15c2-12 concerning primary and secondary market disclosure. NCTA has engaged the services of Disclosure Counsel to provide guidance and advice to NCTA concerning securities law and disclosure issues. NCTA will also coordinate with the North Carolina Department of Transportation and North Carolina Office of State Budget and Management as applicable. Additionally, NCTA will maintain financial information on its website to provide timely information to the market and public. Such information will include, but not be limited to, audited comprehensive annual financial reports, rate covenant reports, and ratings reports.

X. Credit Objectives

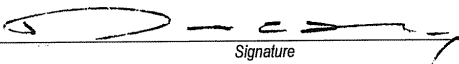
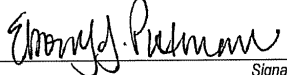
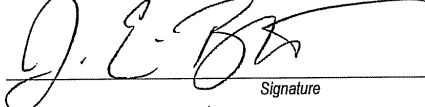
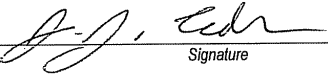
- A. It is NCTA's intent to maintain and improve the credit ratings on its outstanding and proposed bond issues. NCTA will maintain long-term debt ratings from at least two of the three major bond rating agencies - Moody's Investors Service, Standard and Poor's Corporation, and Fitch Ratings. NCTA may discontinue the use of ratings from any agency which currently rates the debt of NCTA if, based on advice from NCTA's Financial Advisor and underwriting team, the discontinuance of such rating will not adversely affect the rates that can be achieved in selling NCTA's debt without such rating. NCTA may issue non-rated debt when determined to be reasonable by NCTA's advisors and deemed in the best interest of NCTA by the NCTA Board of Directors.
- B. NCTA's Director of Finance will maintain frequent communications with the credit rating agencies that currently assign ratings to NCTA's various debt obligations, and bond insurers that currently enhance any of NCTA's various debt obligations. This effort must include providing periodic updates on NCTA's general financial condition along with coordinating meetings and presentations, as necessary, in conjunction with a new debt issuance.
- C. NCTA's Director of Finance will consider, in conjunction with the Financial Advisor and Disclosure Counsel, elements of an investor relations program that may be designed to keep present and future investors that hold NCTA's debt fully informed on current developments related to NCTA and its long-term debt.

XI. On-going Reporting Requirements

- A. At least once each year, the Director of Finance will provide the Finance Committee and the Board of Directors a report on the status NCTA's debt. At a minimum, the report must include:
 - 1. Amount and percentage of total debt by security type
 - 2. Any changes in ratings, including ratings of credit enhancers and swap counterparties
 - 3. Current mark-to-market value of all interest rate exchange agreements, if applicable
 - 4. Historical rate performance for all variable rate bonds, if applicable
- B. NCTA's Director of Finance, with the assistance of the Financial Advisor, will be responsible for analyzing any unsolicited proposals received relative to debt issues, responding to the proposal as appropriate, and recommending to the Finance Committee any action to be taken in a timely manner.

<p>Scope: Click here to provide a statement identifying to whom the policy applies.</p>
<p>Procedures: Click here to briefly reference any standard operating procedure or procedure manual. Provide hyperlinks when applicable.</p>
<p>Related Documents: Click here to list any forms, tools, and/or background material relevant to the policy. Whenever possible, hyperlink to related documents.</p>

Revision History		
Revision Date	Revision Number	Description

Policy Approval		
<p><i>Signing below certifies that the aforementioned policy has been vetted by the business area representative, applicable legal counsel (AG's office, etc.), and executive staff member(s).</i></p>		
Business Area Representative	 Signature	8-6-20 Date
Legal Counsel <i>(Responsible for the Unit)</i>	 Signature	8-11-2020 Date
Executive Staff Member <i>(Responsible for the Unit)</i>	 Signature	8-6-20 Date
Executive Staff Member <i>(Responsible for the Unit)</i>	 Signature	8-6-20 Date
Executive Staff Member <i>(Responsible for the Unit)</i>	_____ Signature	_____ Date

Investment Policy

§ 159-30. Investment of idle funds.

(a) A local government or public authority may deposit at interest or invest all or part of the cash balance of any fund. The finance officer shall manage investments subject to whatever restrictions and directions the governing board may impose. The finance officer shall have the power to purchase, sell, and exchange securities on behalf of the governing board. The investment program shall be so managed that investments and deposits can be converted into cash when needed.

(b) Moneys may be deposited at interest in any bank, savings and loan association, or trust company in this State in the form of certificates of deposit or such other forms of time deposit as the Commission may approve. Investment deposits, including investment deposits of a mutual fund for local government investment established under subdivision (c)(8) of this section, shall be secured as provided in G.S. 159-31(b).

(b1) In addition to deposits authorized by subsection (b) of this section, the finance officer may deposit any portion of idle funds in accordance with all of the following conditions:

- (1) The funds are initially deposited through a bank or savings and loan association that is an official depository and that is selected by the finance officer.
 - (2) The selected bank or savings and loan association arranges for the redeposit of funds in deposit accounts of the local government or public authority in one or more federally insured banks or savings and loan associations wherever located, provided that no funds shall be deposited in a bank or savings and loan association that at the time holds other deposits from the local government or public authority.
 - (3) The full amount of principal and any accrued interest of each deposit account are covered by federal deposit insurance.
 - (4) The selected bank or savings and loan association acts as custodian for the local government or public authority with respect to the deposit in the local government's or public authority's account.
 - (5) On the same date that the local government or public authority funds are redeposited, the selected bank or savings and loan association receives an amount of federally insured deposits from customers of other financial institutions wherever located equal to or greater than the amount of the funds invested by the local government or public authority through the selected bank or savings and loan association.
- (c) Moneys may be invested in the following classes of securities, and no others:
- (1) Obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States.
 - (2) Obligations of the Federal Financing Bank, the Federal Farm Credit Bank, the Bank for Cooperatives, the Federal Intermediate Credit Bank, the Federal Land Banks, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation, Fannie Mae, the Government National Mortgage Association, the Federal Housing Administration, the Farmers Home Administration, the United States Postal Service.
 - (3) Obligations of the State of North Carolina.
 - (4) Bonds and notes of any North Carolina local government or public authority, subject to such restrictions as the secretary may impose.
 - (5) Savings certificates issued by any savings and loan association organized under the laws of the State of North Carolina or by any federal savings and loan association having its principal office in North Carolina; provided that any principal amount of such certificate in excess of the amount insured by the federal government or any agency thereof, or by a mutual deposit guaranty association authorized by the Commissioner of Banks of the Department of Commerce of the State of North Carolina, be fully collateralized.
 - (6) Prime quality commercial paper bearing the highest rating of at least one nationally recognized rating service and not bearing a rating below the highest by any nationally recognized rating service which rates the particular obligation.

- (7) Bills of exchange or time drafts drawn on and accepted by a commercial bank and eligible for use as collateral by member banks in borrowing from a federal reserve bank, provided that the accepting bank or its holding company is either (i) incorporated in the State of North Carolina or (ii) has outstanding publicly held obligations bearing the highest rating of at least one nationally recognized rating service and not bearing a rating below the highest by any nationally recognized rating service which rates the particular obligations.
- (8) Participating shares in a mutual fund for local government investment; provided that the investments of the fund are limited to those qualifying for investment under this subsection (c) and that said fund is certified by the Local Government Commission. The Local Government Commission shall have the authority to issue rules and regulations concerning the establishment and qualifications of any mutual fund for local government investment.
- (9) A commingled investment pool established and administered by the State Treasurer pursuant to G.S. 147-69.3.
- (10) A commingled investment pool established by interlocal agreement by two or more units of local government pursuant to G.S. 160A-460 through G.S. 160A-464, if the investments of the pool are limited to those qualifying for investment under this subsection (c).
- (11) Evidences of ownership of, or fractional undivided interests in, future interest and principal payments on either direct obligations of the United States government or obligations the principal of and the interest on which are guaranteed by the United States, which obligations are held by a bank or trust company organized and existing under the laws of the United States or any state in the capacity of custodian.
- (12) Repurchase agreements with respect to either direct obligations of the United States or obligations the principal of and the interest on which are guaranteed by the United States if entered into with a broker or dealer, as defined by the Securities Exchange Act of 1934, which is a dealer recognized as a primary dealer by a Federal Reserve Bank, or any commercial bank, trust company or national banking association, the deposits of which are insured by the Federal Deposit Insurance Corporation or any successor thereof if:
 - a. Such obligations that are subject to such repurchase agreement are delivered (in physical or in book entry form) to the local government or public authority, or any financial institution serving either as trustee for the local government or public authority or as fiscal agent for the local government or public authority or are supported by a safekeeping receipt issued by a depository satisfactory to the local government or public authority, provided that such repurchase agreement must provide that the value of the underlying obligations shall be maintained at a current market value, calculated at least daily, of not less than one hundred percent (100%) of the repurchase price, and, provided further, that the financial institution serving either as trustee or as fiscal agent for the local government or public authority holding the obligations subject to the repurchase agreement hereunder or the depository issuing the safekeeping receipt shall not be the provider of the repurchase agreement;
 - b. A valid and perfected first security interest in the obligations which are the subject of such repurchase agreement has been granted to the local government or public authority or its assignee or book entry procedures, conforming, to the extent practicable, with federal regulations and satisfactory to the local government or public authority have been established for the benefit of the local government or public authority or its assignee;
 - c. Such securities are free and clear of any adverse third party claims; and

d. Such repurchase agreement is in a form satisfactory to the local government or public authority.

(13) In connection with funds held by or on behalf of a local government or public authority, which funds are subject to the arbitrage and rebate provisions of the Internal Revenue Code of 1986, as amended, participating shares in tax-exempt mutual funds, to the extent such participation, in whole or in part, is not subject to such rebate provisions, and taxable mutual funds, to the extent such fund provides services in connection with the calculation of arbitrage rebate requirements under federal income tax law; provided, the investments of any such fund are limited to those bearing one of the two highest ratings of at least one nationally recognized rating service and not bearing a rating below one of the two highest ratings by any nationally recognized rating service which rates the particular fund.

(d) Investment securities may be bought, sold, and traded by private negotiation, and local governments and public authorities may pay all incidental costs thereof and all reasonable costs of administering the investment and deposit program. Securities and deposit certificates shall be in the custody of the finance officer who shall be responsible for their safekeeping and for keeping accurate investment accounts and records.

(e) Interest earned on deposits and investments shall be credited to the fund whose cash is deposited or invested. Cash of several funds may be combined for deposit or investment if not otherwise prohibited by law; and when such joint deposits or investments are made, interest earned shall be prorated and credited to the various funds on the basis of the amounts thereof invested, figured according to an average periodic balance or some other sound accounting principle. Interest earned on the deposit or investment of bond funds shall be deemed a part of the bond proceeds.

(f) Registered securities acquired for investment may be released from registration and transferred by signature of the finance officer.

(g) A local government, public authority, an entity eligible to participate in the Local Government Employee's Retirement System, or a local school administrative unit may make contributions to a Local Government Other Post-Employment Benefits Trust established pursuant to G.S. 159-30.1.

(h) A unit of local government employing local law enforcement officers may make contributions to the Local Government Law Enforcement Special Separation Allowance Fund established in G.S. 147-69.5. (1957, c. 864, s. 1; 1967, c. 798, ss. 1, 2; 1969, c. 862; 1971, c. 780, s. 1; 1973, c. 474, ss. 24, 25; 1975, c. 481; 1977, c. 575; 1979, c. 717, s. 2; 1981, c. 445, ss. 1-3; 1983, c. 158, ss. 1, 2; 1987, c. 672, s. 1; 1989, c. 76, s. 31; c. 751, s. 7(46); 1991 (Reg. Sess., 1992), c. 959, s. 77; c. 1007, s. 40; 1993, c. 553, s. 55; 2001-193, s. 16; 2001-487, s. 14(o); 2005-394, s. 2; 2007-384, ss. 4, 9; 2010-175, s. 1; 2013-305, s. 1.)

Revenue Retention Policy

REVENUE RETENTION POLICY of the NORTH CAROLINA TURNPIKE AUTHORITY BOARD

It is the policy of the North Carolina Turnpike Authority that all Turnpike Projects are intended to generate sufficient funds to cover their own operations and maintenance costs and the portion of debt service on the bonds issued to finance that Turnpike Project, and that a project that cannot show that it will eventually meet this requirement will not be undertaken.

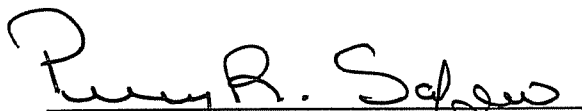
It is further the policy of the Authority that toll revenues generated in one corridor are intended to be expended on financial obligations and improvements in the corridor from which those revenues were generated. In special circumstances, revenues from an existing Turnpike Authority project may be used temporarily to help support a project in another corridor for reasons of financial distress or to meet "ramp up" debt service coverage and debt service subsidies. In such situations any subsidy from an established project to another project shall be treated internally as a loan to be repaid to the established project as soon as the new project becomes self-sustaining or it is financially feasible.

Adopted by the North Carolina Turnpike Authority Board, this 16th day of August 2006;



Lyndo Tippet, Chairman
North Carolina Turnpike Authority

Attest:



Perry R. Safran, Secretary-Treasurer
North Carolina Turnpike Authority

Glossary

A

Accrual Basis of Accounting

Revenues and expenses are considered regardless of when cash is received or paid, expenses are recorded when an obligation has been incurred.

Audited Financial Statements

The Authority's financial statements reviewed and audited by an independent auditor.

Actual Revenue

Actual revenue is reported on a cash basis and is inclusive of the following: toll revenue, processing fees, interest earnings, credit card equity fees, non-sufficient funds fees, and actual damages.

Authority Act

2002 legislation that authorized the creation of the North Carolina Turnpike Authority with the purpose to study, design, plan, construct, own, finance and operate a system of toll roads, bridges, and/or tunnels supplementing the traditional non-toll transportation system serving the citizens of North Carolina.

All Electronic Tolling (AET)

Technology which enables cashless toll collection, either through transponders and/or license plate readers, eliminating the necessity of stopping the vehicle to pay the toll.

Automated Vehicle Identification (AVI)

A system which transmits signals from an on-board tag or transponder to roadside receivers for uses such as electronic fee collection and stolen vehicle recovery.

Annual Budget

Includes the Operations and Maintenance Budgets as well as the Renewal and Replacement Budgets for the Triangle Expressway, Monroe Expressway and I-77 Express Lanes.

Average Toll per Transaction

Ratio calculated by dividing toll revenue by the total number of toll transactions.

Audit

An official inspection of an organization's accounts, systems and/or processes, typically by an independent body.

B

Back Office System (BOS)

Database system that enables registration and maintenance of customer accounts; facilitates funds transfer between participating Authorities.

Balanced Budget

Annual revenues meet or exceed annual expenses including debt service, operations and maintenance costs, as well as renewal and replacement costs.

B

Bond Anticipation Notes (BANs)

A short-term interest-bearing security issued in advance of a larger, future bond issue.

Bonds

A written guarantee to pay a principal amount and/or interest at a specified date or dates known as the maturity date(s).

Business System Improvement Project (BSIP)

NCDOT surcharge costs related to the development, implementation and support of a new enterprise resource planning tool.

C

Capital Budget

The budget containing the costs related to the construction of the Complete 540 Phase 1 project.

Computer Support (CS) Costs

NCDOT surcharge costs for computer support relative to supporting the computer environment within the NCDOT Division of Highways.

Capital Expenditures

Capital expenditures are related to the construction and implementation of new Turnpike Authority projects.

Customer Service Center (CSC)

Walk in center for customers where they have the options to open or manage their accounts, purchase transponders, add funds to their accounts, settle disputes or pay invoices.

Cash Basis of Accounting

Recording transactions for revenue and expenses only when the corresponding cash is received, or payments are made.

D

Debt Coverage Ratio

The ratio of Net Debt Service to Net Revenues.

Debt Service Funds

Funds created by the Trust Agreement for the purpose of paying principal and interest on outstanding debt obligations.

D

Debt per Lane Mile

Ratio calculated by dividing bond indebtedness by total lane miles.

Department

A major administrative division of the Turnpike Authority that has overall management responsibility for a group of related operations within a functional area.

E

Electronic Toll Collection System (ETCS)

The collection of tolls based on the automatic identification and classification of vehicles using electronic systems.

E-ZPass Interagency Group (IAG)

The E-ZPass IAG is an association of 25 toll agencies in 15 states that operates the E-ZPass electronic toll collection program. E-ZPass is the world leader in toll interoperability, with more than 24 million E-ZPass devices in circulation.

F

Fiscal Year

12-month period used for the annual operating budget and reporting of the financial position of operations of the Turnpike Authority. The Authority's fiscal year begins July 1st and ends June 30th.

Fund

An account established to hold money for specific activities.

Fund Balance

Represents the difference between fund assets and fund liabilities at year-end.

G

Generally Accepted Accounting Principles (GAAP)

The conventions, rules and procedures that serve as the norm for the fair presentation of financial statements.

H

Highway Construction and Materials System (HiCAMS)

NCDOT's construction contract management and administration system.

High Occupancy Vehicle (HOV) Lanes

Lanes typically reserved for vehicles with two or more occupants.

I

Incident Management Assistance Patrol (IMAP)

State Farm serves as the official sponsor for IMAP; a free service that provides roadway assistance to stranded motorists.

International Bridge, Tunnel & Turnpike Association (IBTTA)

The worldwide alliance of toll operators and associated industries that provides a forum for sharing knowledge and ideas to promote and enhance toll-financed and other direct-user-fee-financed transportation services.

Intelligent Transportation System (ITS)

The Authority maintains a system of vehicle detectors that continuously measure traffic volumes and speeds along the roadways.

Interoperability

A cooperative arrangement established between public and/or commercial entities (Authorities, parking lot operators, etc.) wherein tags issued by one entity will be accepted at facilities belonging to all other entities without degradation in service performance.

L

Lane Miles

The total length of a road multiplied by the number of lanes.

Loop Detector

A vehicle sensor used either to count or detect the presence of a vehicle in the toll lane. The metallic mass of a vehicle located above wires laid in the concrete produce electromagnetic signals that can be sensed electronically.

M

Maintenance Rating Program (MRP)

Maintenance evaluation program for roadway features and toll facilities on the Triangle Expressway. The MRP for the Monroe Expressway is currently under development.

N

Net Revenue

The Turnpike Authority's total revenue less its operating expenditures for the fiscal year.

North Carolina Turnpike Authority (NCTA)

A business unit of the North Carolina Department of Transportation created by the Authority Act in 2002.

North Carolina Department of Information Technology (NCDIT)

A department of the North Carolina state government.

NC Quick Pass (NCQP)

The Turnpike Authority's all-electronic toll collection program on the Triangle Expressway, Monroe Expressway and I-77 Express Lanes that offers drivers two ways to pay for tolls: a pre-paid transponder account or the post-paid Bill by Mail program.

North Carolina Department of Transportation (NCDOT)

A department of the North Carolina state government.

O

Operations & Maintenance (O&M) Budget

The budget containing the costs related to the daily operations and maintenance of the Triangle Expressway, Monroe Expressway and I-77 Express Lanes.

Operating Margin

Ratio that is calculated by dividing the budgeted operating income by the budgeted operating revenue.

O

Operations & Maintenance (O&M) Expense Fund

Fund created by the Trust Agreement to pay for the operations and maintenance expenses of each facility.

Operating Revenue

Operating Revenue is reported on a modified accrual basis and is inclusive of the following: toll revenue, processing fees, interest earnings, credit card equity fees, non-sufficient funds fees, and actual damages.

Operating Cost per Lane Mile

Ratio that is calculated by dividing operating expenses by total lane miles.

P

Public-Private Partnership (P3)

A public-private partnership, sometimes referred to as PPP, or P3, is a government service or private business venture funded and operated through a partnership of government and one or more private sector companies. A PPP involves a contract between a public sector authority and a private party, in which the private party provides a public service or project and assumes substantial financial, technical and operational risk in the project.

R

Ramp-up

Term used for potential traffic on new toll facilities to account for the time needed for travelers to become aware of the new toll road and benefit from using it.

Revenue Fund

Fund created by the Trust Agreement for the purpose of depositing gross revenues arising from the operation and ownership of the Triangle Expressway and Monroe Expressway.

Renewal & Replacement (R&R) Budget

The budget containing costs related to the renewal and replacement of assets on the Triangle Expressway, Monroe Expressway and I-77 Express Lanes.

Right of Way (ROW)

Land purchased for the construction, operations and maintenance of a facility.

R

Renewal & Replacement (R&R) Fund

Special fund to which deposits are made to pay all or a portion of the cost of unusual or extraordinary maintenance, repairs, renewals or replacements or capital improvements related to the roadways.

Roadside Toll Collection System (RTCS)

Detect vehicles at the toll zones, build the proper transactions, and transmit that transaction and supporting data to the BOS.

T

Toll Revenue

Revenue collected from the toll roads with the use of electronic toll collection devices either with transponders and or through the capture of license plate images.

Transponder

The in-vehicle device component of an ETC system. A receiver or transceiver permitting the operator's road-side unit to communicate with, identify, and conduct an electronic toll transaction.

Toll Revenue as Percent of Operating System

Ratio that is calculated by dividing toll revenue by the operating revenue.

Transportation Infrastructure Finance & Innovation Act (TIFIA)

Act from 1998 which secured loan agreements between NCTA and the United States Department of Transportation to construct the Triangle Expressway and Monroe Expressway.

Toll Revenue per Lane Mile

Ratio calculated by dividing toll revenues by the total lane miles.

Trust Agreement

The Amended and Restated Trust Agreement dated December 1, 2019 for the Triangle Expressway System and the Trust Agreement dated December 1, 2016 for the Monroe Expressway System that governs all matters relating to the bonds and the operation of the facilities.

Traffic & Revenue (T&R) Study

Purpose of the study is to develop a forty-year annual traffic and toll revenue forecast for the roadways.

Trustee

The Turnpike Authority's Trustee is Computershare Corporate Trust.

Traffic Management Center (TMC)

Serves as a location for the Authority to monitor traffic conditions on the roadways. Also referred to as the State Traffic Operating Center (STOC).

U

United States Department of Transportation (USDOT)

A federal department of the United States government.

W

Wrong Way Vehicle Detection (WWVD)

System that provides visual alerts to wrong-way vehicles. Roadside signage and lane striping helps discourage wrong-way turns.

Keep North Carolina Moving

**North Carolina
Turnpike Authority**

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