

**MEETING OF THE AUDIT COMMITTEE  
OF THE  
CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY**

**RESOLUTION NO. 25-056**

**ACCEPTING THE INDEPENDENT AUDIT REPORTS FROM CROWE LLP  
FOR THE FISCAL YEAR ENDING JUNE 30, 2025**

WHEREAS, by Resolution No. 09-50 enacted July 31, 2009, the Board of Directors established the Audit Committee as a standing committee of the Board of Directors, consisting of all of the members of the Board of Directors; and

WHEREAS, under Resolution No. 09-50 and Section 101.036 of the Mobility Authority Policy Code, the Audit Committee is authorized to exercise all powers and authority of the Board of Directors with respect to Mobility Authority finances, and accordingly acts as, and on behalf of, the Board of Directors with respect to the matters addressed by this resolution; and

WHEREAS, the firm of Crowe LLP, has been engaged to provide an independent audit of the finances of the Central Texas Regional Mobility Authority for the fiscal year ending on June 30, 2025, and has presented that audit to the Audit Committee; and

WHEREAS, the Audit Committee has reviewed the “Annual Comprehensive Financial Report” and the “Federal Awards Compliance Report” for fiscal year ended June 30, 2025, prepared by Crowe LLP, attached respectively as Exhibit A and Exhibit B to this resolution, and has heard and considered the presentation on the audit by Crowe LLP.

NOW THEREFORE, BE IT RESOLVED, that the Audit Committee accepts the independent audit reports of the Central Texas Regional Mobility Authority prepared by Crowe LLP for the fiscal year ending on June 30, 2025, subject to the correction of any errata items.

Adopted by the Audit Committee of the Board of Directors of the Central Texas Regional Mobility Authority on the 29<sup>th</sup> day of October 2025.

Submitted and reviewed by:

  
James Bass (Oct 29, 2025 22:46:40 CDT)  
James M. Bass  
Executive Director

Approved:

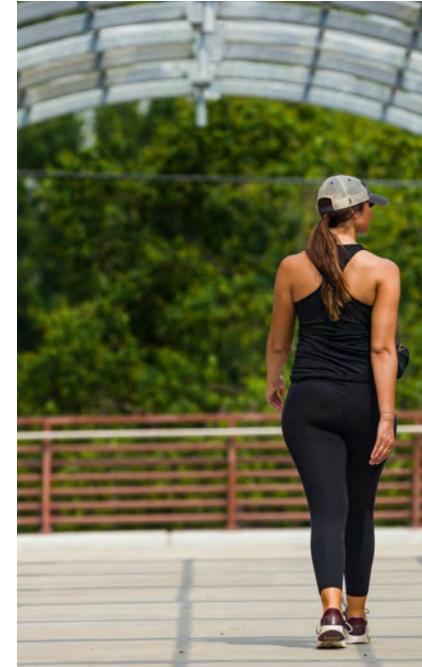
  
David Singleton (Oct 30, 2025 16:12:41 CDT)  
David Singleton  
Chairman, Audit Committee

**Exhibit A**

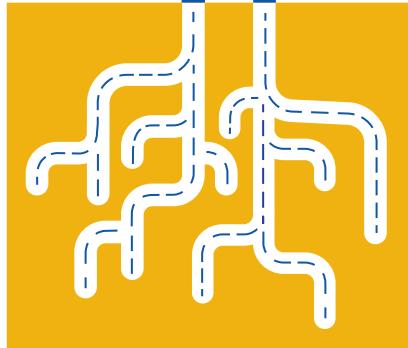
**Annual Comprehensive Financial Report**

# 2025 ANNUAL COMPREHENSIVE FINANCIAL REPORT

*Fiscal Year Ended June 30, 2025*



# GRASSROUTES



**MOBILITY SOLUTIONS FROM THE GROUND UP**

**Central Texas Regional Mobility Authority**  
**Austin Texas**  
**2025 Annual Comprehensive Financial Report**

**Fiscal Year Ended June 30, 2025**

**Prepared by CTRMA staff.**

## MISSION AND STRATEGIC GOALS

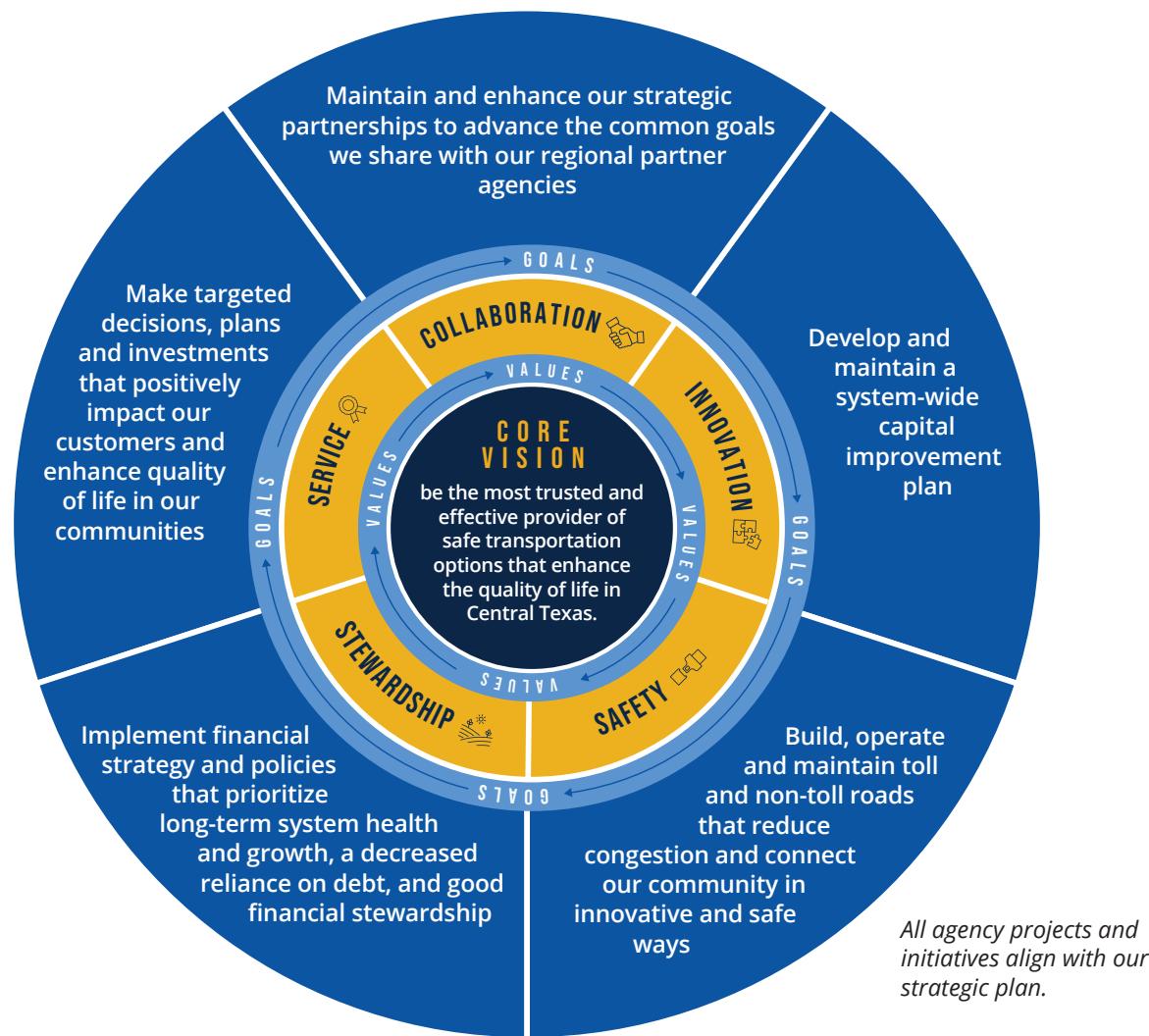
### STEMMING FROM OUR CORE VISION

In December 2024, the Board of Directors approved an update to the Strategic Plan which will guide projects and initiatives through 2029.

**VISION:** To be the most trusted and effective provider of transportation options that enhance the quality of life in Central Texas.

**MISSION:** To develop, deliver, operate and maintain high-quality roadways and related transportation solutions.

The Central Texas Regional Mobility Authority (CTRMA or Authority) is pleased to submit the Annual Comprehensive Financial Report (ACFR or Report) for the year ended June 30, 2025. The ACFR is intended to provide detailed information on the financial condition of CTRMA, on June 30, 2025, including the System and the Non-System Fund enterprise funds of the Authority.

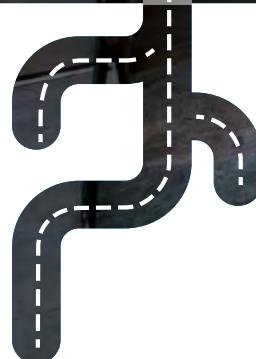


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# GRASS ROUTES

## REGIONAL MAP



# INTRODUCTION

# GRASS ROUTES

## OUR BOARD OF DIRECTORS

We are governed by a seven-member board of directors who are responsible for setting policies, identifying priority projects, and ensuring that the agency operates in an efficient, effective, and transparent manner. The Governor appoints the Chairman, and the Commissioners Courts for Travis and Williamson counties each appoint three members to voluntarily serve on the Board for two-year terms.



### BOBBY JENKINS

Chairman  
Gubernatorial Appointee  
Sworn in 2019



### NIKELLE S. MEADE

Vice-Chair  
Travis County Appointee  
Sworn in 2012



### DAVID B. ARMBRUST

Board Member  
Travis County Appointee  
Sworn in 2012



*The Authority's transportation solutions are long-term investments in safer roads, more reliable travel times, and better regional connectivity that stay ahead of the region's growth.*

— Bobby Jenkins, Chairman



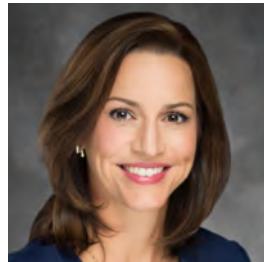
### DAVID SINGLETON

Board Treasurer  
Williamson County Appointee  
Sworn in 2003



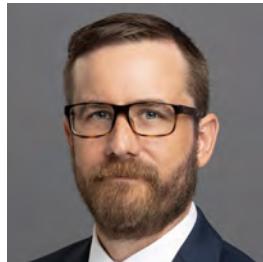
### MIKE DOSS

Board Secretary  
Williamson County Appointee  
Sworn in 2019



### HEATHER GADDES

Board Member  
Williamson County Appointee  
Sworn in 2021



### BEN THOMPSON

Board Member  
Travis County Appointee  
Sworn in 2023

# GRASS ROUTES

## Letter to the Chairman and Board of Directors

The Central Texas Regional Mobility Authority (CTRMA or Authority) is pleased to submit the Annual Comprehensive Financial Report (ACFR or Report) for the year ended June 30, 2025. The ACFR is intended to provide detailed information on the financial condition of CTRMA, on June 30, 2025, including the System and the Non-System enterprise funds of the Authority.

The operations of the Authority are accounted for as an enterprise fund in accordance with United States Generally Accepted Accounting Principles (GAAP). Management confirms that the financial statements are presented fairly and, in all material respects, represent the financial position of the Authority as of June 30, 2025. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that it has established for this purpose. The cost of internal controls should not exceed anticipated benefits, therefore the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. In keeping with that responsibility, these statements are presented on a consolidated basis and include the CTRMA System and the Non-System. Crowe LLP, an independent audit firm, has issued an unmodified (“clean”) opinion on the Central Texas Regional Mobility Authority’s financial statements for the year ended June 30, 2025. This independent auditors’ report is located at the beginning of the financial section of this report.

Management’s Discussion and Analysis (MD&A) introduces analysis of the financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

### Profile of the Central Texas Regional Mobility Authority

The Central Texas Regional Mobility Authority was created and operates under the Texas Transportation Code Chapter 370 and is authorized under state law to implement a wide range of transportation systems including roadways, airports, seaports, and transit services. The Authority is authorized to issue revenue bonds to fund projects and can utilize user fees to fund operations and repay bonds.

The Authority is an independent government agency created to improve the transportation system in Williamson and Travis counties. Our mission is to develop, deliver, operate, and maintain high-quality roadways and related transportation solutions.

A seven-member Board of Directors oversees the Authority. The Governor appoints the Chairman, and the Travis and Williamson counties Commissioners Courts each appoint three members to serve on the Board. The Authority employs a small professional staff led by Executive Director James Bass. The Authority uses private sector contractors with specialized expertise to provide staffing support for individual projects.

The CTRMA System consists of the following roadways that have been formally designated as components: 183A Toll Lane (183A toll), 290 Toll Lane (290 toll), 71 Toll Lane (71 toll), 45SW Toll (45 toll), and the 183 Toll Lane (183 toll). The Non-System fund consists of MoPac Express Lane (Express 1 Toll). The Custodial funds consist of road construction projects where Travis County has requested assistance from the Authority with developing roadway capacity and transportation upgrades.

New toll roads and lanes in Central Texas have been projects identified for decades as part of the region’s transportation plans. The Authority builds additional capacity on existing and new roads where feasible. Today, Central Texans drive on roads that were built years ago. The Authority needs to build the next generation of highway projects now to serve the region as it continues to grow. The Authority also builds more than toll roads. As part of each project, the Authority will build bicycle and pedestrian facilities along the corridors where feasible, enhancing multimodal connectivity. The Authority also incorporates aesthetic and landscaping enhancements and improves non-tolled travel lanes. The same number of taxpayer-funded, non-tolled travel lanes that are available today will remain after projects are completed.

# GRASS ROUTES



## Relevant Financial Policies

Consolidated toll revenues in fiscal year 2025 were \$276.4 million representing an increase of 16.0% over the fiscal year 2024 consolidated toll revenues of \$238.6 million. Revenue allows the Authority to maintain its commitment to preserving current assets, fund capital improvement projects, satisfy debt-service obligations, and invest in safety and technology to provide our customers with a best-in-class service.

Section 502 of the Master Trust Indenture covenant states that it shall at all times establish, levy, maintain and collect such tolls in connection with the System and establish such charges for use of the property constituting part of the System, including, without limitation, leasehold payments, concession payments, rents and other charges, as shall be sufficient, collectively, to produce Revenues in each Fiscal Year, after the payment of all Operating Expenses for such Fiscal Year paid or to be paid from Revenues, in an amount at least equal to the greater of (1), (2), (3) or (4) below:

1. 1.25 times the Annual Debt Service in such Fiscal Year on all Outstanding Senior Lien Obligations; or
2. 1.20 times the Annual Debt Service in such Fiscal Year on all Outstanding Senior Lien Obligations and Junior Lien Obligations; or
3. 1.10 times the Annual Debt Service in such Fiscal Year on all Outstanding Senior Lien Obligations, Junior Lien Obligations and Subordinate Lien Obligations; or
4. 1.00 times the Annual Debt Service in such Fiscal Year on all Obligations, plus the amounts required to be deposited into the Senior Lien Debt Service Reserve Fund, the Junior Lien Debt Service Reserve Fund, the Subordinate Lien Debt Service Reserve Fund, the Renewal and Replacement Fund and any other fund established by a Supplemental Indenture to be funded by Revenues.

CTRMA met the requirement in fiscal year 2025.

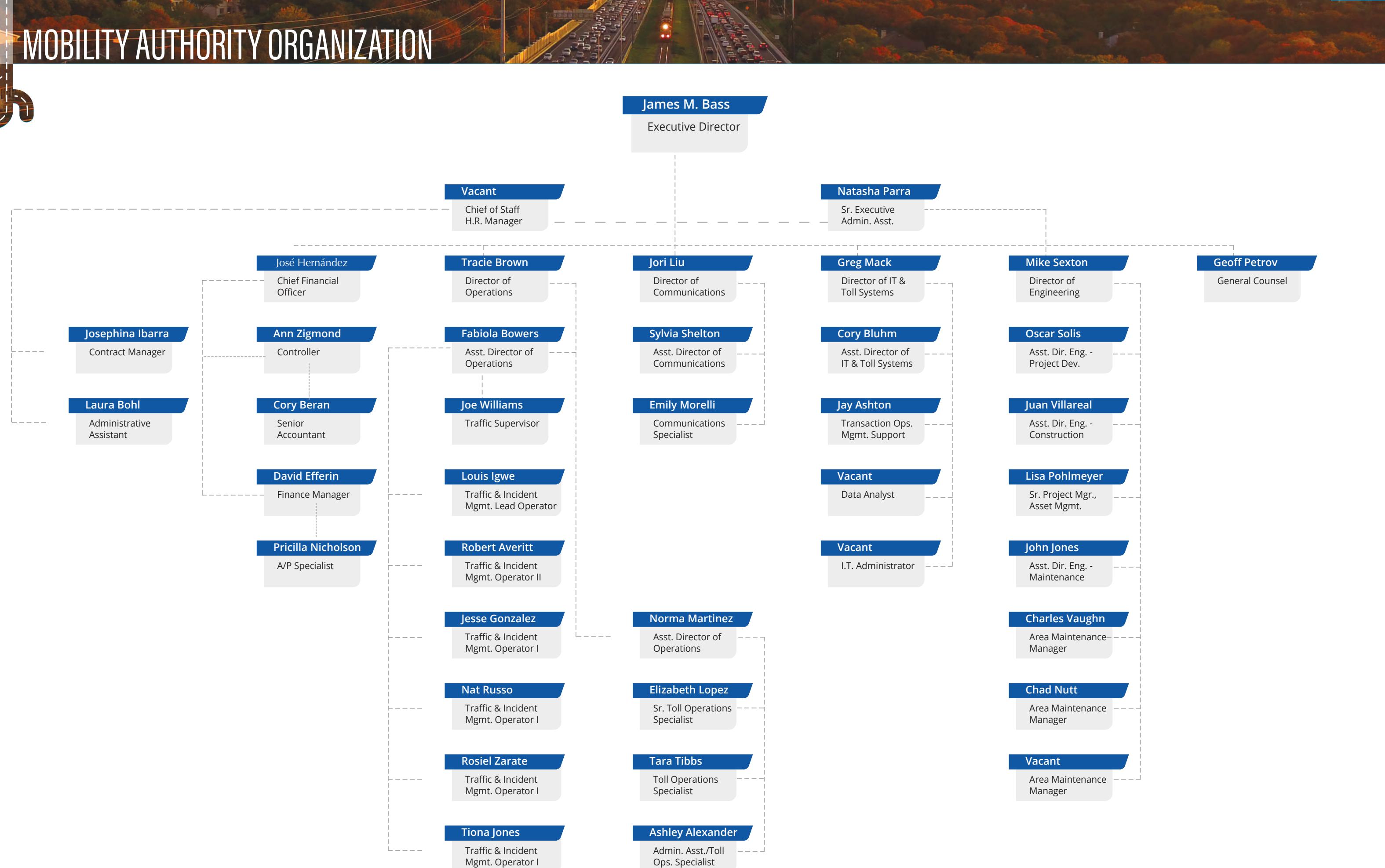
We appreciate the leadership of our Board of Directors as CTRMA delivers transportation solutions for customers in the region. Thanks also to CTRMA staff and the Finance team for their contributions to the production of this report.

Respectfully submitted,

José Hernández

Chief Financial Officer

# MOBILITY AUTHORITY ORGANIZATION



# GRASS ROUTES

## AGENCY STATISTICS



**5,437**  
INCIDENTS CLEARED



**316.09**  
LANE MILES MAINTAINED

EMAIL @ **36,859**

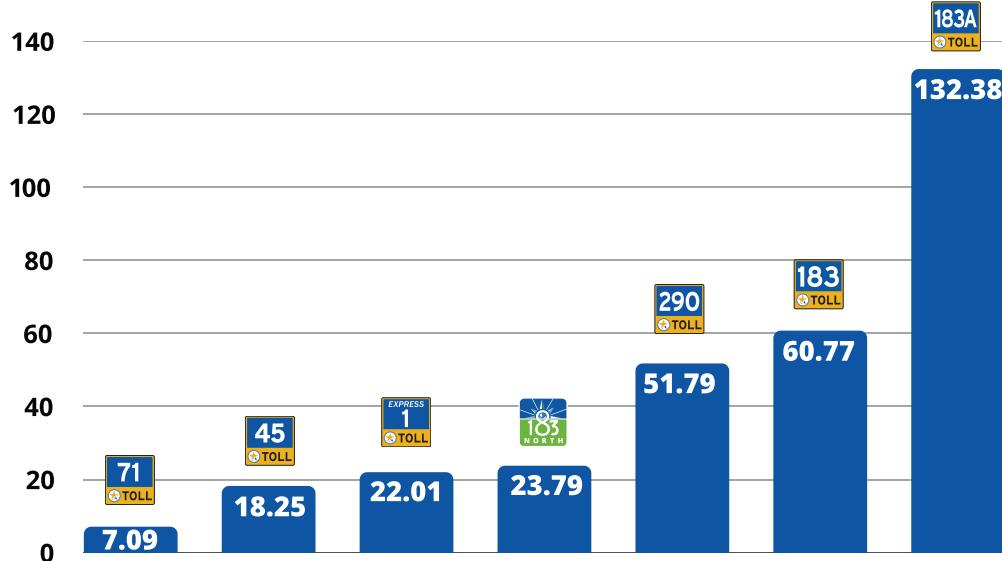
CHAT **34,252**

CALLS **518,050**



CUSTOMER SERVICE INTERACTIONS

### LANE MILES MAINTAINED BY ROADWAY



## FINANCIAL STATISTICS

**220,827,981**  
TRANSACTIONS

**\$270,821,879**  
FY 25 TOLL REVENUE

### AVERAGE MONTHLY TRANSACTIONS BY ROADWAY



**1,144,633**



**716,546**



**1,051,916**



**4,127,598**



**5,358,824**



**6,102,170**

# GRASS ROUTES

## CTRMA ROADS AND CUSTOMER SERVICE CENTERS ROADS IN FULL BLOOM



### 183A TOLL

With the opening of the 183A Phase III Project, the Authority's inaugural project is now an almost 16-mile toll road stretching from RM 620 north past SH 29. The road provides a dependable travel alternative to the congested US 183 and helped the region lay the groundwork for significant economic growth and investment across the region.



### 290 TOLL

The 6.2-mile 290 Toll Road expanded capacity along the US 290 Corridor between US 183 and Parmer Lane, tripling the capacity that was previously available. This project transformed one of the region's most congested routes into a reliable way to travel in and out of Austin, offering support for daily commuters.



### 71 TOLL LANE

This 4-mile toll lane offers drivers a free-flowing and reliable bypass route along SH 71 east of the Austin-Bergstrom International Airport (AUS) from Presidential Boulevard to just past SH 130.



### MOPAC EXPRESS LANE

This 11-mile, variably priced express lane stretches from Cesar Chavez Street in downtown Austin north to Parmer Lane in both directions, providing drivers with a reliable alternative, particularly during congested time periods.



## CTRMA ROADS AND CUSTOMER SERVICE CENTERS CONTINUED



### 45SW TOLL

This 3.6-mile project created a brand-new connection for drivers between the southern end of MoPac and FM 1626 in Hays County. Through innovative construction practices and implementation of permanent Best Management Practices, the roadway helps prevent impacts to water quality and the Edwards Aquifer Recharge Zone.



### 183 TOLL

The 8-mile 183 Toll Road tripled the previous capacity of the US 183 corridor between US 290 and SH 71 with three toll lanes and up to three non-tolled lanes in each direction, improved the non-tolled general-purpose lanes, and provided a non-stop route to Austin-Bergstrom International Airport.



### CUSTOMER SERVICE CENTERS

The Mobility Authority is committed to in-person service for our customers. Our Customer Service Center, located at 12719 Burnet Road, Austin, TX 78727, offers a space where customers can pay their tolls in person. While our Ridgepoint Drive location closed in May 2025, the Burnet Road Customer Service Center remains open to serve customers, and a new facility is currently under construction.

## PROGRAMS AND PARTNERSHIPS

### FLOURISHING TOGETHER

The Authority offers a variety of programs tailored to meet the unique needs of Central Texans. From honoring veterans to improving traffic safety, supporting construction coordination, and prioritizing commuter safety, these programs are all part of our commitment to enhancing mobility and quality of life across the region.



### QUALIFIED VETERAN DISCOUNT PROGRAM

We are proud to honor the service of military veterans—past and present—through the Qualified Veteran Discount Program. Eligible veterans can apply to drive toll-free on all Authority fixed-rate roadways, including 183A Toll, 290 Toll, 71 Toll Lane, 45SW Toll, and 183 Toll. This program is one way we express our deep appreciation for those who have served our country.

Eligible participants include recipients of the Congressional Medal of Honor, Legion of Valor, and Purple Heart, as well as disabled veterans who meet the requirements for specialty military license plates.



### CENTRAL TEXAS CONSTRUCTION PARTNERSHIP PROGRAM

Last year, the Authority joined forces with TxDOT, CAMPO, the City of Austin, Austin Transit Partnership, Travis County, and CapMetro to launch the Construction Partnership Program (CPP). With an unprecedented amount of infrastructure improvements planned across Central Texas over the next decade, CPP provides a framework for how agencies will coordinate efforts, communicate with the public, and keep the region moving throughout peak construction activity. The program also establishes a foundation for long-term interagency collaboration that prioritizes mobility, safety, and transparency.



### TRAFFIC AND INCIDENT MANAGEMENT CENTER

The Traffic and Incident Management (TIM) Center plays a critical role in keeping our roadways safe and efficient. Using real-time video monitoring, advanced technology, and features like wrong-way driver detection (first piloted on 45SW Toll), the TIM Center enables quick responses to crashes, stalled vehicles, and other incidents. By streamlining coordination among emergency responders and maintenance teams, the TIM Center helps reduce delays and improve reliability for all travelers.

Together, these programs illustrate how the Authority's people-first approach keeps Central Texas moving.

# GRASS ROUTES



 PROJECT UPDATES



## SYSTEM CAPACITY AND PROJECT UPDATES

### MILESTONES TAKING ROOT

The last year was a pivotal year for the Authority, and in turn, for the communities of Central Texas. Project milestones reflect our ongoing commitment to building a more connected and safe transportation network that meets the region's evolving needs.



#### 183 NORTH MOBILITY PROJECT

The 183 North Mobility Project is reshaping one of Central Texas' most congested corridors into a safer, more efficient, and more connected roadway. Spanning nine miles between SH 45 North and MoPac/Loop 1, this \$612 million project is designed to improve travel reliability for drivers, emergency responders, and pedestrians.



The project includes the addition of two tolled express lanes in each direction and a new general-purpose lane on the US 183 corridor. A direct connector will link the new lanes to the MoPac Express Lane. The project will also deliver important multimodal enhancements, including new Shared Use Path connections, ADA-compliant sidewalks, and improved bicycle and pedestrian crossings at key intersections.

*The \$612 million project is designed to improve travel reliability for drivers, emergency responders, and pedestrians.*

Over the past year, construction progressed on multiple fronts. Building on last year's major milestone of opening the fourth non-tolled general-purpose lane early, this year crews finished constructing the bridges along southbound 183, spanning roughly 8 miles from Lakeline Mall to Great Hills Trail.

As construction progresses, the Authority's commitment to community outreach continues. The project team worked closely with businesses, utility providers, and commuters to complete the reconstruction of more than 150 driveways along the corridor. The Authority continued to share regular project updates through a combination of traditional media, digital platforms, neighborhood outreach, and in-person events to ensure all stakeholders remain aware of the Project's progress and potential impacts.

As we move into the final stages of construction, we remain committed to being a reliable partner to the community.



# GRASS ROUTES



## 183A PHASE III

A major milestone this year was the completion and official opening of 183A Phase III, a project designed to proactively ease congestion in Williamson County, one of the fastest-growing areas in Central Texas.

When the original 183A corridor opened in 2007 as our first project, it provided much-needed relief to drivers in Cedar Park and Leander. As population growth continued across the region, we adapted by expanding with the community. The newly open 183A Phase III Project extends the original 10-mile 183A Toll segment northward from Hero Way to past SH 29 in Liberty Hill, with two tolled lanes in each direction. The principal five-mile segment from Hero Way to SH 29 opened on April 9, 2025. The final segment under SH 29 opened on May 20, 2025. Today, the fully extended 183A Toll Road offers nearly 16 miles of uninterrupted travel between Liberty Hill and northwest Austin. By providing an unsignalized option past intersections, the project improves travel times, enhances reliability, and supports the region's continued growth.

Reaching this point entailed more than just concrete and construction. It all began with community input. Before design work began, the project team held extensive outreach efforts to connect with nearby residents, listen to their priorities, and understand their concerns. From improving pedestrian access to maintaining the natural beauty of the area, community feedback played a pivotal role in shaping the final design, leading to several key features of the design including enhanced pedestrian connections and thoughtful landscaping and hardscaping.

The project team stayed actively engaged with neighbors, local businesses, and community organizations throughout construction, working to minimize impacts and maintain strong relationships. Regular construction alerts and closure updates were shared through the project newsletter and social media, while personalized phone calls and emails were made to residents directly affected by the work. Staff also organized neighborhood events featuring family-friendly activities and refreshments in order to give back to the community and offer the public an opportunity to talk with the project team in person.

Phase III will also extend the current Shared Use Path north from Hero Way to Seward Junction Loop. In partnership with organizations including the Williamson County Museum, Texas Parks and Wildlife Department, Texas Archaeological Research Laboratory, Williamson County Commissioners Court, and the Leander Historical Commission, the project team will develop new trail signage about the history of the region.

This project reflects the needs, values, and vision of the communities it serves. As we move forward, we remain committed to staying connected with our neighbors and delivering transportation solutions that serve commuters both today and in the future.



*The newly open 183A Phase III Project extends the original 10-mile 183A Toll northward past SH 29 in Liberty Hill, with two tolled lanes in each direction.*

# GRASS ROUTES



## SEEDS OF POSSIBILITY

As Central Texas continues to grow, so do the demands on our transportation network. The Authority is committed to proactive, long-term planning to meet those needs.



### 290 EXTENSION PROJECT

The Authority is considering potential tolled improvements to US 290 between SH 130 and SH 95 South as part of the 290 Extension Project Environmental Study. As one of Texas' Top 100 Most Congested Road segments, improving mobility along US 290 has been a top priority for the community. The year 2025 kicked off the environmental study and schematic design for this project.

The Authority plans to work closely with local stakeholders to explore solutions that provide relief to drivers while supporting continued growth along this corridor.



### MOPAC SOUTH ENVIRONMENTAL STUDY

The MoPac South Environmental Study was a key focus area over the past year. In partnership with TxDOT, the Authority is conducting an environmental study focusing on the Express Lane(s) Alternative, which would extend MoPac from Cesar Chavez Street to Slaughter Lane. The proposed solution would provide reliable travel times for commuters and emergency response vehicles, improve operational efficiency, and create a dependable and consistent route for transit and emergency vehicles.

The public has played a critical role throughout the MoPac South Environmental study since its initiation. The current Recommended Build Alternative was developed directly in response to community feedback gathered during the first five open houses. Most recently, the Authority hosted Open House #6, which was available both in person and online for an extended comment period from November 12, 2024, to January 28, 2025. During this time, we received 1,770 public comments from 1,592 individuals, demonstrating the strong interest the community has in the environment surrounding the project. Ahead of the open house, technical working groups convened to explore potential mitigation strategies, helping to ensure that proposed improvements reflect both community priorities and environmental values.



### 183A ADDED CAPACITY PROJECT

The 183A Added Capacity Project explores the potential addition of a fourth lane in the center median of 183A Toll in both directions between FM 620 and Hero Way. This proactive measure would be designed to ensure that the 183A Toll Road continues to meet future traffic demands and helps reduce anticipated congestion for years to come. A Virtual Open House was held from July 31, 2024, to September 1, 2024. The Open House shared information on the proposed project and what the environmental team is studying, drawing approximately 974 attendees. If environmental clearance is received, construction may begin as early as 2027.

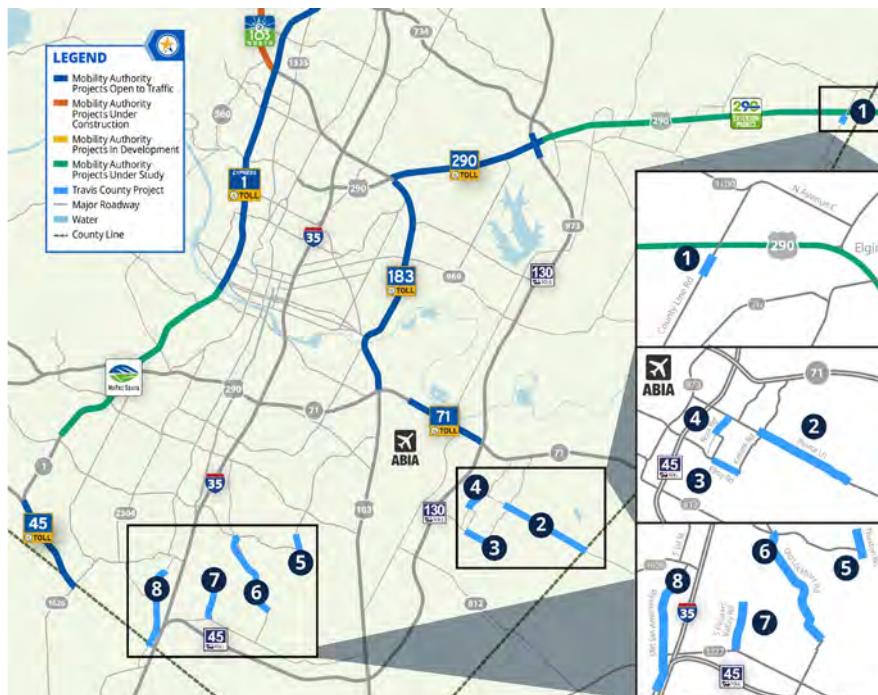
# GRASS ROUTES



## TRAVIS COUNTY CAPITAL IMPROVEMENT PROGRAM

The Authority is assisting Travis County to deliver several projects in their Capital Improvement Program. This partnership leverages the Authority's unique organizational structure and added resources to develop and construct the projects, with the County providing the funding, operation, and maintenance of the non-tolled facilities. Interlocal agreements (ILA) were executed in 2018, 2019 and 2024.

### TRAVIS COUNTY (2018 AND 2019 ILA PROJECTS)



of Elroy Road from McAngus Road to Kellam Road was reconstructed from a two-lane road to a five-lane road with a continuous center turn lane, bike lanes, and sidewalks.

**4. ROSS ROAD:** A 0.8-mile section of Ross Road from Pearce Lane to Heine Farm Road is currently serving as a two-lane road for commuter and school traffic. The project will widen the existing road to a three-lane road with bicycle and pedestrian facilities.

**5. THAXTON ROAD:** A 0.71-mile section of Thaxton Road from McKinney Falls Parkway to Sassman Road will be reconstructed from the existing two-lane road to a four-lane divided road with a continuous center turn lane, bike lanes and sidewalks.

**6. OLD LOCKHART ROAD:** A 1.7-mile section of Old Lockhart Road from Capitol View Drive to Thaxton Road will have shoulders added in both directions.

**7. SOUTH PLEASANT VALLEY ROAD:** A 2.5-mile section of Bradshaw Road and Turnersville Road will be reconstructed as South Pleasant Valley Road from River Plantation Drive to SH 45 from existing two-lane roads to a four-lane divided road with bike lanes and sidewalks.  
*Additional construction funding was provided with the 2023 Bond, and is also reflected in the 2024 ILA.*

**8. OLD SAN ANTONIO ROAD:** A 2.1-mile section of Old San Antonio Road from FM 1626 to Puryear Road will have shoulders added in both directions.

#### 1. COUNTY LINE ROAD:

Designed to address the stream crossings and drainage concerns, the reconstruction of the culvert on County Line Road at Elm Creek was completed in the spring of 2024.

#### 2. PEARCE LANE:

A 3.25-mile section of Pearce Lane from west of Kellam Road to east of Wolf Lane will be reconstructed from the existing two-lane road to a four-lane divided road with bike lanes and sidewalks.

#### 3. ELROY ROAD:

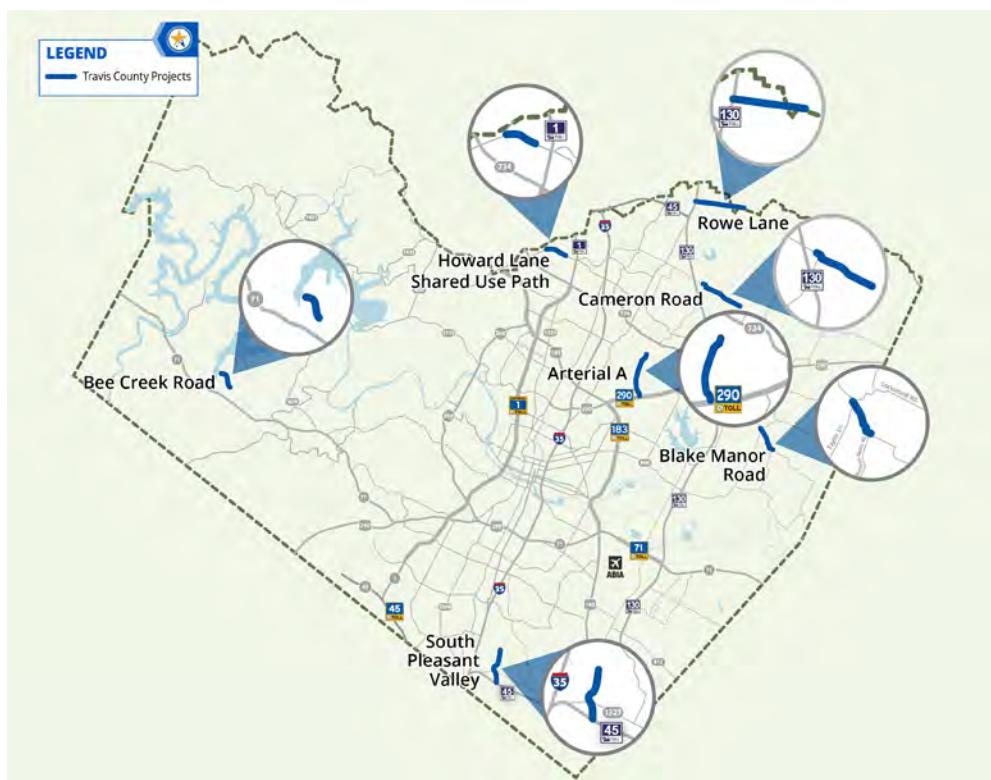
Completed early 2022. A 1.12-mile section

# GRASS ROUTES



## TRAVIS COUNTY CAPITAL IMPROVEMENT PROGRAM (CONT.)

### TRAVIS COUNTY (2024 ILA PROJECTS)



#### BLAKE MANOR ROAD:

A 1.3 Mile section of Blake Manor Road from Taylor Lane to Burleson Manor Road will be widened from a 2-lane rural roadway to a 4-lane divided roadway with shoulders, sidewalk and Shared Use Path.

**ROWE LANE:** A 2.6 Mile section of Rowe Lane from SH 130 to Hodde Lane will be widened from a 2-lane rural roadway to a 3-lane SAFE2 roadway with shoulders and Shared Use Path.

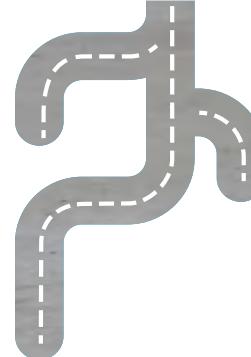
**CAMERON ROAD:** A 2.1 Mile section of Cameron Road from Pecan Street to Fuchs Grove Road will be widened from a 2-lane rural roadway to a 4-lane divided roadway with shoulders, sidewalk and Shared Use Path.

**BEE CREEK ROAD:** A 0.9 Mile section of Bee Creek Road from Lakehurst to Highland Boulevard will be widened from a 2-lane rural roadway to a 3-lane SAFE2 roadway with shoulders and Shared Use Path.

**HOWARD LANE:** Addition of a 1.2 Mile Shared Use Path along Howard Lane from McNeil Drive to McNeil-Merriltown Road.

**ARTERIAL A:** A 2.3 Mile new location construction of a 4-lane divided roadway.

GRASS  
ROUTES



## FINANCIAL SECTION



# FINANCIAL SECTION



Crowe LLP  
Independent Member Crowe Global

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Central Texas Regional Mobility Authority  
Austin, Texas

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the business-type activities, each major fund and the fiduciary activities of Central Texas Regional Mobility Authority (the Authority), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, each major fund and fiduciary activities of the Authority, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Emphasis of Matter*

As discussed in Note 13, to the financial statements, during the current year, the Authority had a change within reporting entity. In prior years, the Authority presented its business-type activities in a single column. In the current year, due to a change within the reporting entity, the Authority presents two major enterprise funds separately and the total business-type activities. Our opinions are not modified with respect to this matter.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.



# FINANCIAL SECTION

## *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Required Supplementary Information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## *Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The System Indenture Cash Flow and Debt Service Coverage and the Non-System Cash Flow and Debt Service Coverage are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other



# FINANCIAL SECTION

records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the System Indenture Cash Flow and Debt Service Coverage and the Non-System Cash Flow and Debt Service are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

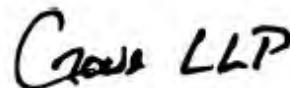
## *Other Information*

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

## *Other Reporting Required by Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2025 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.



Crowe LLP

Austin, Texas  
October 31, 2025



# FINANCIAL SECTION



## Management Discussion and Analysis - unaudited

The Central Texas Regional Mobility Authority (the Authority) presents the following discussion and analysis of the Authority's financial performance during the fiscal year ended June 30, 2025. The information presented herein should be read in conjunction with other areas within the Financial Section.

### Financial Highlights

- Total Net Position was \$864.6 million as of June 30, 2025, an increase of \$95.6 thousand from fiscal year 2024.
- Total capital assets increased \$117.8 million to \$2.4 billion in fiscal year 2025 from \$2.3 billion in fiscal year 2024.
- Total operating income increased \$25.7 million to \$141.6 million in fiscal year 2025 from \$116.0 million in fiscal year 2024.
- Total revenue increased \$38.0 million to \$276.6 million in fiscal year 2025 from \$238.6 million in fiscal year 2024.
- Total operating expenses increased \$12.3 million to \$135.0 million in fiscal year 2025 from \$122.7 million in fiscal year 2024.

### Overview of the Financial Statements

Discussion and analysis are intended to serve as an introduction to the financial presentation for the Authority's basic financial statements, which are comprised of two components: 1) financial statements and 2) notes to the financial statements. The report also contains other supplementary information intended to furnish additional detail to support the basic financial statements.

#### A. Financial Statements

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The Authority uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

- **The Statement of Net Position** presents information on the Authority's assets and liabilities with the difference reported as net position. Increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or declining.
- **The Statement of Revenues, Expenses and Changes in Net Position** presents the Authority's net position changes during the fiscal year. Changes in net position are reported when underlying events lead to the occurrence of the change. The increase or decrease in net position may serve as an indicator of the effect on the Authority's current year operations.
- **The Statement of Cash Flows** summarizes the Authority's cash flows into three categories as applicable: 1) cash flows from operating activities, 2) cash flows from capital and related financing activities, and 3) cash flows from investing activities.

Financial statements, related notes, and other information can be useful in assessing:

- The Authority's ability to generate future cash flows.
- The Authority's ability to pay its debt as the debt matures.
- Reasons for the difference between the Authority's operating cash flow and operating income.
- The impact of the Authority's financial position of cash and noncash transactions from investing, capital, and financing activities.



# FINANCIAL SECTION

## **B. Business-Type Activities**

Business-Type activities are activities in which the Authority charges a fee to customers in order to pay for most or all of the costs of services provided.

### **C. Enterprise Funds**

An enterprise fund is used to report the functions that are business-type activities. The Authority reports two major enterprise funds: System and Non-System. The CTRMA System consists of the following roadways that have been formally designated as components: 183A Toll Lane (183A toll), 290 Toll Lane (290 toll), 71 Toll Lane (71 toll), 45SW Toll (45 toll), and the 183 Toll Lane (183 toll). The Non-System fund consists of MoPac Express Lane (Express 1 Toll).

### **D. Fiduciary Funds**

Fiduciary funds are used to account for resources that are under the Authority's control but are for the benefit of parties outside of the Authority. The Authority has two types of fiduciary funds: the pension trust fund and custodial funds.

### **E. Notes to the Financial Statements**

The Notes to Financial Statements provide information that is essential to give a full understanding of the data provided in the basic financial statements. Notes are presented for the Authority, unless otherwise noted.

### **F. Other Information**

This report also presents certain required supplementary information concerning the Authority's progress in funding pensions and other post-employment benefits to employees, and other supplementary information related to cash flow and debt coverage.

## **Financial Analysis**

### **A. Net position**

The Authority's Net Position at June 30, 2025, was \$864.6 million. Of the unrestricted balance, approximately, 54% or \$467.2 million is reported under the System, and 1% or \$8.3 million is reported under Non-System. The remainder of net position is not available for general spending, of which 24% or \$205.0 million is System related, and 21% or \$184.1 million is related to Non-System.

The restricted portion of net position is for debt service or construction and capital asset expenditures. The resources needed to repay this debt must be provided from other sources, as capital assets cannot be liquidated. The decrease is attributable to ongoing projects and servicing long-term debt.

Capital assets, net of accumulated depreciation and amortization, increased \$117.8 million as a result of ongoing System construction projects.

# FINANCIAL SECTION

Table A-1  
Summary Net Position  
(In Thousands of Dollars)

	2025	2024	Dollar Change	Percentage Change
Current Assets	\$ 552,948	\$ 450,797	\$ 102,151	23%
Restricted Assets	420,313	595,477	(175,164)	-29%
Capital Assets	2,438,718	2,320,895	117,823	5%
<b>Total Assets</b>	<b>\$ 3,411,979</b>	<b>\$ 3,367,169</b>	<b>\$ 44,810</b>	<b>1%</b>
Deferred Outflows of Resources	160,332	163,960	(3,628)	-2%
<b>Total Assets and Deferred Inflows of Resources</b>	<b>\$ 3,572,311</b>	<b>\$ 3,531,129</b>	<b>\$ 41,182</b>	<b>1%</b>
Current Liabilities	127,303	119,573	7,730	6%
Noncurrent Liabilities	2,579,878	2,642,508	(62,630)	-2%
<b>Total Liabilities</b>	<b>\$ 2,707,181</b>	<b>\$ 2,762,081</b>	<b>\$ (54,900)</b>	<b>-2%</b>
Deferred Inflows of Resources	518	33	485	1470%
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>\$ 2,707,699</b>	<b>\$ 2,762,114</b>	<b>\$ (54,415)</b>	<b>-2%</b>
Net Position				
Net Investment in Capital Assets	208,831	313,969	(105,138)	-33%
Restricted for Other Purposes	180,272	167,862	12,410	7%
Unrestricted	475,510	287,184	188,326	66%
<b>Total Net Position</b>	<b>\$ 864,613</b>	<b>\$ 769,015</b>	<b>\$ 95,598</b>	<b>12%</b>

## B. Changes in Net Position

The operating revenues increased \$38.0 million in 2025 to \$276.6 million. Approximately 91% or \$252.2 million is attributable to System, mainly due to opening of the 183A Phase III toll road and toll increases, and 9% or \$24.4 million is related to Non-System, mainly due to increased usage, and a toll increase.

Operating expenses increased by \$12.3 million in 2025 to \$135.0. Approximately 85% or \$114.3 million is attributable to the System and 15% or \$20.7 million is related to Non-System. The increase for both is related to growth in roadway tolling transactions which resulted in increased license plate imaging and tag collection expenses.

Net nonoperating expenses increased by \$13.8 million in 2025 to (\$46.6) million. Approximately, 94% or (\$43.8) million is attributable to the System, and 6% or (\$2.8) million is related to Non-System. The increase in expenses is due to a decrease in interest revenue which typically offsets nonoperating expenses.

Table A-2  
Summary Changes in Net Position  
(In Thousands of Dollars)

	2025	2024	Dollar Change	Percentage Change
Revenues:				
Toll Revenue	\$ 276,380	\$ 238,575	\$ 37,805	16%
Other Operating	203	42	161	383%
<b>Total Revenue</b>	<b>\$ 276,583</b>	<b>\$ 238,617</b>	<b>\$ 37,966</b>	<b>16%</b>
Expenses:				
Administrative Expense	\$ 14,245	\$ 15,677	\$ (1,432)	-9%
Operations and Maintenance	44,750	39,040	5,710	15%
Other Operating Expense	11,039	8,244	2,795	34%
Depreciation and Amortization	64,957	59,722	5,235	9%
<b>Total Expenses</b>	<b>\$ 134,991</b>	<b>\$ 122,683</b>	<b>\$ 12,308</b>	<b>10%</b>
Operating Income	141,592	115,934	25,658	22%
Nonoperating revenue (expense):				
Net Nonoperating revenue (expense)	(46,589)	(32,759)	(13,830)	42%
Capital Grants and Contributions	595	420	175	42%
<b>Change in Net Positon</b>	<b>\$ 95,598</b>	<b>\$ 83,595</b>	<b>\$ 12,003</b>	<b>14%</b>
Net Positon - beginning	769,015	685,420	83,595	12%
<b>Net Positon - ending</b>	<b>\$ 864,613</b>	<b>\$ 769,015</b>	<b>\$ 95,598</b>	<b>12%</b>



# FINANCIAL SECTION



## C. Capital assets

The Authority's investment in capital assets includes land, buildings, right-of-way, roadway, bridges, equipment, computer systems, and right-to-use leased assets. For additional information on capital assets see Note 4.

The Authority utilizes GASB No. 34, for reporting of infrastructure assets. Each year a comprehensive assessment is conducted on all the Authority's infrastructure assets which affect the following fiscal year's maintenance budget. Fluctuations from year to year between the amount spent to preserve and maintain the Authority's infrastructure assets and the estimated amount result from the timing of work activities. For additional information and results of the 2025 assessment, please see the Annual Report of Conditions on the Authority's website.

## D. Long-term debt

As of June 30, 2025, the Authority has approximately \$2.61 billion in total debt outstanding. For additional information on long-term debt see Note 5.

## **Bond Ratings**

S&P Global Ratings assessed the Authority's bonds and gave a rating of A+ to the senior lien revenue bonds and the subordinate lien TIFIA bonds and gave a rating of A to the subordinate lien revenue bonds. Moody's Investor Services assessed the Authority's bonds and gave a rating of A3 to the senior lien revenue bonds and the subordinate lien TIFIA loans and gave a rating of Baa1 to the subordinate lien revenue bonds.

## **Contacting the Authority's Financial Management**

This financial report is designed to provide interested parties with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Central Texas Regional Mobility Authority, 3300 North IH 35, Suite 300, Austin, 78705.

# FINANCIAL SECTION

## Statement of Net Position As of June 30, 2025

Assets	Business-Type Activities		
	System	Non-System	Total
<b>Current Assets</b>			
Cash and Cash Equivalents	\$ 242,537,569	\$ 25,008,681	\$ 267,546,250
Investments (Note 3)	119,307,434	-	119,307,434
Accounts Receivable (net of allowance for uncollectable) (Note 7)	47,905,688	3,045,030	50,950,718
Accrued Interest Receivable	1,270,162	-	1,270,162
Prepaid Expenses and Other Assets	609,215	-	609,215
<b>Total Unrestricted</b>	<b>\$ 411,630,068</b>	<b>\$ 28,053,711</b>	<b>\$ 439,683,779</b>
<b>Current Restricted</b>			
Cash and Cash Equivalents	\$ 110,253,469	\$ 3,010,413	\$ 113,263,882
<b>Total Current Restricted</b>	<b>\$ 110,253,469</b>	<b>\$ 3,010,413</b>	<b>\$ 113,263,882</b>
<b>Total Current Assets</b>	<b>\$ 521,883,537</b>	<b>\$ 31,064,124</b>	<b>\$ 552,947,661</b>
<b>Noncurrent Assets</b>			
Cash and Cash Equivalents	\$ 370,103,962	\$ -	\$ 370,103,962
Investments (Note 3)	50,209,300	-	50,209,300
<b>Total Noncurrent Restricted assets</b>	<b>\$ 420,313,262</b>	<b>\$ -</b>	<b>\$ 420,313,262</b>
Total Capital Assets, Net (Note 4)	2,253,059,508	185,658,975	2,438,718,483
<b>Total Noncurrent Assets</b>	<b>\$ 2,673,372,770</b>	<b>\$ 185,658,975</b>	<b>\$ 2,859,031,745</b>
<b>Total Assets</b>	<b>\$ 3,195,256,307</b>	<b>\$ 216,723,099</b>	<b>\$ 3,411,979,406</b>
<b>Deferred Outflow of Resources</b>			
Total deferred outflows of resources (Note 9)	\$ 160,332,405	\$ -	\$ 160,332,405
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 3,355,588,712</b>	<b>\$ 216,723,099</b>	<b>\$ 3,572,311,811</b>

(continued)

# FINANCIAL SECTION

## Statement of Net Position As of June 30, 2025

				Business-Type Activities
	Liabilities	System	Non-System	Total
<b>Current Liabilities</b>				
Accounts Payable	\$ 9,394,626	\$ 1,250,821	\$ 10,645,447	
Due to Other Governments	1,695,974	-	1,695,974	
Lease Liability	410,575	-	410,575	
Accrued Expenses	2,538,352	-	2,538,352	
<b>Total current unrestricted liabilities</b>	<b>\$ 14,039,527</b>	<b>\$ 1,250,821</b>	<b>\$ 15,290,348</b>	
<b>Payable from Restricted Assets</b>				
Construction Accounts Payable	\$ 36,712,514	\$ 96,666	36,809,180	
Accrued Interest Payable	40,117,313	359,592	40,476,905	
Bonds, Notes Payable and Other Obligations, current (Note 5)	33,326,976	1,400,000	34,726,976	
<b>Total current restricted liabilities</b>	<b>\$ 110,156,803</b>	<b>\$ 1,856,258</b>	<b>\$ 112,013,061</b>	
<b>Total current liabilities</b>	<b>\$ 124,196,330</b>	<b>\$ 3,107,079</b>	<b>\$ 127,303,409</b>	
<b>Noncurrent Liabilities</b>				
Total OPEB Liability (Note 11)	\$ 56,550	\$ -	\$ 56,550	
Net Pension Liability (Note 10)	1,561,511	-	1,561,511	
Bonds, Notes Payable and Other Obligations, non-current (Note 5)	2,557,168,758	21,090,900	2,578,259,658	
<b>Total Noncurrent Liabilities</b>	<b>\$ 2,558,786,819</b>	<b>\$ 21,090,900</b>	<b>\$ 2,579,877,719</b>	
<b>Total Liabilities</b>	<b>\$ 2,682,983,149</b>	<b>\$ 24,197,979</b>	<b>\$ 2,707,181,128</b>	
<b>Deferred inflow of resources</b>				
Total Deferred Inflows of Resources (Note 9)	\$ 517,992	\$ -	\$ 517,992	
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>\$ 2,683,501,141</b>	<b>\$ 24,197,979</b>	<b>\$ 2,707,699,120</b>	
<b>Net Position</b>				
Net Investment in Capital Assets	\$ 45,759,197	\$ 163,071,408	\$ 208,830,605	
Restricted for Debt Service	159,181,225	21,090,900	180,272,125	
Unrestricted	467,147,149	28,362,812	495,509,961	
<b>Total Net Position</b>	<b>\$ 672,087,571</b>	<b>\$ 212,525,120</b>	<b>\$ 884,612,691</b>	

See accompanying Notes to the Financial Statements.

# FINANCIAL SECTION

## Statement of Revenues, Expenses and Changes in Net Position For the Fiscal Year ended June 30, 2025

	System	Non-System	Business-Type Activities	
			Total	
<b>Operating Revenue</b>				
Tolls	\$ 251,996,492	\$ 24,383,925	\$ 276,380,417	
Other Operating	202,781	-	202,781	
<b>Total Operating Revenue</b>	<b>\$ 252,199,273</b>	<b>\$ 24,383,925</b>	<b>\$ 276,583,198</b>	
<b>Operating Expense</b>				
Administrative Expense	\$ 14,241,276	\$ 3,748	\$ 14,245,024	
Operations and Maintenance	40,212,398	4,537,103	44,749,501	
Other Operating Expense	806,979	232,359	1,039,338	
Depreciation and Amortization	58,993,325	5,963,520	64,956,845	
<b>Total Operating Expense</b>	<b>\$ 114,253,978</b>	<b>\$ 10,736,730</b>	<b>\$ 124,990,708</b>	
<b>Operating Income</b>	<b>\$ 137,945,295</b>	<b>\$ 13,647,195</b>	<b>\$ 151,592,490</b>	
<b>Nonoperating Revenue (Expense)</b>				
Interest Income	\$ 41,390,233	\$ 1,061,960	\$ 42,452,193	
CAMPO RIF contribution	-	(10,000,000)	(10,000,000)	
Project contribution expense	(7,525,858)	(3,134,808)	(10,660,666)	
Gain on Sale of Assets	12,000	-	12,000	
Interest Expense	(77,667,680)	(725,144)	(78,392,824)	
Capital Grants and Contributions	595,467	-	595,467	
<b>Total Nonoperating Revenue (Expense)</b>	<b>\$ (43,195,838)</b>	<b>\$ (12,797,992)</b>	<b>\$ (55,993,830)</b>	
<b>Change in Net Position</b>	<b>\$ 94,749,457</b>	<b>\$ 849,203</b>	<b>\$ 95,598,660</b>	
Net Position, July 1, 2024	\$ 769,014,031	\$ -	\$ 769,014,031	
Change in Net Position	(191,675,917)	191,675,917	-	
Net Position, July 1, 2024, as adjusted	577,338,114	191,675,917	769,014,031	
Net Position, June 30, 2025	<b>\$ 672,087,571</b>	<b>\$ 192,525,120</b>	<b>\$ 864,612,691</b>	

(continued)

See accompanying Notes to the Financial Statements.

# FINANCIAL SECTION

## Statement of Cash Flows For the Fiscal Year ended June 30, 2025

	System	Non-System	Business-Type Activities	
			System	Total
<b>Cash flows from operating activities:</b>				
Receipts from toll fees	\$ 283,258,244	\$ 22,519,167	\$ 305,777,411	
Receipts from other income	185,777	-	185,777	
Payments to vendors	(43,540,665)	(4,686,114)	(48,226,779)	
Payments to employees	(6,586,616)	-	(6,586,616)	
<b>Net cash flows provided by operating activities</b>	<b>\$ 233,316,740</b>	<b>\$ 17,833,053</b>	<b>\$ 251,149,793</b>	
<b>Cash flows from capital and related financing activities:</b>				
Payments on interest	\$ (96,967,257)	\$ (747,627)	\$ (97,714,884)	
Payments on obligations	(39,951,980)	(11,275,000)	(51,226,980)	
Payments for capital assets	(7,444,424)	-	(7,444,424)	
Payments for construction in progress	(180,137,255)	(2,295,943)	(182,433,198)	
Proceeds from capital grants	595,467	-	595,467	
<b>Net cash flows used in capital and related financing activities</b>	<b>\$ (323,905,449)</b>	<b>\$ (14,318,570)</b>	<b>\$ (338,224,019)</b>	
<b>Cash flows from investing activities:</b>				
Interest income	\$ 41,102,401	\$ 1,061,960	\$ 42,164,361	
Purchase of investments	(452,963,964)	-	(452,963,964)	
Proceeds from sale or maturity of investments	460,794,265	9,999,374	470,793,639	
<b>Net cash flows provided by investing activities</b>	<b>\$ 48,932,702</b>	<b>\$ 11,061,334</b>	<b>\$ 59,994,036</b>	
<b>Net decrease in cash and cash equivalents</b>	<b>\$ (41,656,007)</b>	<b>\$ 14,575,817</b>	<b>\$ (27,080,190)</b>	
Cash and cash equivalents at beginning of year	764,551,007	13,443,277	777,994,284	
Cash and cash equivalents at end of year	<b>\$ 722,895,000</b>	<b>\$ 28,019,094</b>	<b>\$ 750,914,094</b>	
<b>Reconciliation of change in net position to net cash provided by operating activities:</b>				
Operating Income	\$ 137,945,295	\$ 13,647,195	\$ 151,592,490	
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation and amortization	58,993,325	5,963,520	64,956,845	
Bad Debt	85,300,674	6,595,235	91,895,909	
Changes in assets and liabilities:				
Increase accounts receivables and due from other governments	(54,038,922)	(8,459,993)	(62,498,915)	
Increase in prepaid expenses and other assets	(32,243)	-	(32,243)	
Decrease in accounts payable	4,789,370	87,096	4,876,466	
Decrease in accrued expenses	484,431	-	484,431	
Decrease in deferred inflow/outflows pension and OPEB	(125,190)	-	-	
<b>Total adjustments</b>	<b>\$ 95,371,445</b>	<b>\$ 4,185,858</b>	<b>\$ 99,682,493</b>	
<b>Net cash flows provided by operating activities</b>	<b>\$ 233,316,740</b>	<b>\$ 17,833,053</b>	<b>\$ 251,274,983</b>	
<b>Reconciliation of cash and cash equivalents:</b>				
Unrestricted cash and cash equivalents	\$ 242,537,569	\$ 25,008,681	\$ 267,546,250	
Restricted cash and cash equivalents: Current	110,253,469	3,010,413	113,263,882	
Restricted cash and cash equivalents: Noncurrent	370,103,962	-	370,103,962	
<b>Total</b>	<b>\$ 722,895,000</b>	<b>\$ 28,019,094</b>	<b>\$ 750,914,094</b>	
<b>Supplemental schedule of noncash investing, capital and financing activities:</b>				
Accretion on capital appreciation bonds	\$ 7,955,484	\$ -	\$ 7,955,484	
Increase / (decrease) in deferred outflow of resources	(3,909,286)	-	(3,909,286)	
Increase / (decrease) in deferred inflow of resources	47,522	-	47,522	

See accompanying Notes to the Financial Statements.

# FINANCIAL SECTION

## Statement of Fiduciary Net Position As of June 30, 2025

	Pension Trust Fund*	Custodial Fund
<b>Assets:</b>		
<b>Restricted:</b>		
Cash and Cash Equivalents	\$ -	\$ 39,777,865
<b>Investments:</b>		
Collective Investment Fund	1,426,257	-
<b>Total Assets</b>	<b>\$ 1,426,257</b>	<b>\$ 39,777,865</b>
<b>Payable:</b>		
Accounts Payable	\$ -	\$ 88,919
<b>Total Payables</b>	<b>\$ -</b>	<b>\$ 88,919</b>
<b>Net Position:</b>		
<b>Restricted:</b>		
Other Governments	\$ -	\$ 39,688,946
Pension	1,426,257	-
<b>Total Net Position</b>	<b>\$ 1,426,257</b>	<b>\$ 39,688,946</b>

\*Balance as of December 31, 2024.

## Statement of Changes in Fiduciary Net Position Fiduciary Funds For the Fiscal Year ended June 30, 2025

	Pension Trust Fund*	Custodial Fund
<b>Additions:</b>		
<b>Contributions:</b>		
Employer	\$ 167,409	\$ -
<b>Investments Earnings:</b>		
Net (decrease) in fair value of investments	195,889	-
Interest and dividends	10	406,455
<b>Other additions:</b>		
Deposits from Other Governments	-	32,760,942
Other Income	-	1,708
<b>Total Additions</b>	<b>\$ 363,308</b>	<b>\$ 33,169,105</b>
<b>Deductions:</b>		
Benefits paid to participant and beneficiaries	\$ 38,132	\$ -
Disbursements from Other Governments	-	546,396
Other Expense	-	332
<b>Total Payables</b>	<b>\$ 38,132</b>	<b>\$ 546,728</b>
Net Increase (Decrease) in fiduciary net position	325,176	32,622,377
Net Position - Beginning	1,101,081	7,066,569
<b>Total Net Position</b>	<b>\$ 1,426,257</b>	<b>\$ 39,688,946</b>

\*Balance as of December 31, 2024.

See accompanying Notes to the Financial Statements.



# FINANCIAL SECTION

## Notes to the Financial Statements

June 30, 2025

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# FINANCIAL SECTION

## Note 1. Organization and Summary of Significant Accounting Policies

### Reporting entity

The Central Texas Regional Mobility Authority (the Authority) was authorized by the State of Texas in 2002. The Authority is authorized to construct, maintain, repair, and operate turnpike projects at locations authorized by the Legislature of the State of Texas and approved by the Texas Department of Transportation (TxDOT). The Authority receives revenues from tolls, fees, and reimbursement grants for the construction of toll projects. The Authority may issue revenue bonds for the purpose of paying the costs of System and Non-System projects.

The Authority was formed through the joint efforts of Travis and Williamson Counties (the Counties). Efforts began in September 2002, following the enactment of provisions by the 77th Texas Legislature authorizing the formation of regional mobility authorities (RMAs). The petition to form the Authority was filed by the Counties, and the Texas Transportation Commission granted approval for its formation in October 2002. The initial meeting of the Board of Directors (the Board) of the Authority was held in January 2003. Each County appoints three directors, and the Governor appoints the presiding officer. The members are appointed with the understanding the composition of the Board and the common interest in the region shared by Board members will result in adequate representation of all political subdivisions within the geographic area of the Authority. Members serve without pay for terms of two years. The Authority has full control over all operations, however, must comply with certain bond indentures and trust agreements. The Authority employs an Executive Director who manages day-to-day operations.

The Authority consists of indenture assets which include the 183 Toll, 183A Toll, 290 Toll, 71 Toll Lane, 45SW Toll, 183A Phase III, and 183N mobility project, a non-indenture building asset and are collectively referred to as the System, and a Non-System that consists of the Mopac Express Lanes.

### Basis of accounting

The operations of the Authority are accounted for as enterprise funds on an accrual basis in order to recognize the flow of economic resources. Under this basis, revenues are recognized in the period in which they are earned, expenses are recognized in the period in which they are incurred, and all assets and liabilities associated with the operation of the Authority are included in the Statement of Net Position. The assets of the Authority are stated at cost except for certain investments, which are stated at fair value.

The Authority's accounts are organized on the basis of funds. The operations of each fund are accounted for with a self-balancing set of accounts that comprise its assets, liabilities, additions/revenues, and deductions/expenses. The following fund types are used to reflect the Authority's transactions:

- **Enterprise Funds:** Enterprise funds are a type of proprietary fund used to report any activity for which a fee is charged to external users for goods or services. The reporting focus is on the determination of operating income, changes in net position, financial position, and cash flows. Proprietary funds distinguish operating activities from non-operating. Operating activities generally result from providing services and producing or delivering goods.

The Authority reports two major enterprise funds: System and Non-System funds. The principal revenues of the System are toll revenues received from customers. Operating expenses for the System include the costs of operating and maintaining the Authority and administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The principal revenues of the Non-System Fund toll revenues are received from customers and fees charged for billing services on managed lanes. Operating expenses for the Non-System Fund include the costs of billing and collections of managed lane transactions.

- **Fiduciary Funds:** Fiduciary funds are used to report assets held in a trustee or custodial capacity for others. The reporting focus is on net position and changes in net position. The Authority reports two types of fiduciary funds: the Pension Trust Fund and Custodial Funds



# FINANCIAL SECTION

- The Authority's Pension Trust fund is established as a 401(a) plan, which is a profit-sharing defined contribution plan held with Nationwide Retirement Solutions Governmental Profit-Sharing Plan and Trust.
- The Custodial funds are a type of fiduciary fund used to report assets held on behalf of another entity. The Authority's custodial funds consist of Travis County road projects managed by the Authority.

## **Economic Factors and Next Year's Budget**

Operating budgets are established in accordance with the practices set forth in the provisions of the Authority's Policy Code. These practices follow the Generally Accepted Accounting Principles (GAAP) for an enterprise fund on an accrual basis. Exceptions are:

- Depreciation and amortization of capital assets are not included as an operating expense.
- Capitalized interest accrued on certain bond issues as allowed by the Trust Agreement and bond resolutions.

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

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

## **Net Position**

The difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is reported as (1) net investment in capital assets; (2) restricted for debt service and; (3) unrestricted. Payments from restricted accounts are strictly governed by the Indenture Agreements and can only be made in compliance with the Indenture Agreements. When both restricted and unrestricted amounts are available for use, the Authority's policy is to use restricted amounts first, with unrestricted resources utilized as needed.

## **Restricted Assets**

Certain proceeds of the Revenue Bonds are restricted by applicable bond covenants for construction or restricted as reserves to ensure repayment of the bonds. Certain other assets are accumulated and restricted monthly in accordance with the Indenture Agreements for the purpose of paying interest and principal payments that are due on a semiannual and annual basis, and for the purpose of maintaining the reserve funds at the required levels. Limited types of expenses may be funded from these accounts. Expenses that do not meet these requirements are funded from unrestricted accounts. The sub-funds and accounts that have been established in accordance with the Indenture Agreements are as follows:

- Revenue Fund – The Revenue Fund was created to account for all revenues (all tolls, other revenues, and income) arising or derived by the Authority from the operation and ownership of the Authority. All revenues earned are distributed to other funds in accordance with the Trust Agreement. Amounts held in this fund total \$18,214,889.
- Rebate Fund – The Rebate Fund was created to account for payments to the United States of America under Section 148 of the Code to pay costs related to the calculation of amounts due. Amounts held in this fund total \$0.
- Operating Fund – The Operating Fund was created to account for and pay current operating and maintenance expenses of the Authority. Amounts held in this fund total \$25,805,451.
- Debt Service Funds – The Debt Service Funds were created to account for the payment of the semiannual interest requirements of the revenue bonds and to account for the payment of the annual principal requirements of the revenue bonds. Amounts held in this fund total \$76,671,656.
- Debt Service Reserve Funds – The Debt Service Reserve Funds were created for the purpose of paying interest and principal of the bonds whenever and to the extent that the monies held in the Debt Service Funds shall be insufficient for such purpose. The required reserve is an amount equal to the average annual debt service requirements of all bonds outstanding. Amounts held in this fund total \$174,313,315.



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- Renewal and Replacement Fund – The Renewal and Replacement Fund was created to account for those expenses of maintaining the Authority that do not recur on an annual or frequent basis. As defined in the Trust Agreement, such items include repairs, painting, renewals, and replacements necessary for safe or efficient operation of the Authority or to prevent loss of revenues, engineering expenses relating to the functions of the Authority, equipment, maintenance expenses, and operating expenses not occurring at annual or shorter periods. Amounts held in this fund total \$13.
- General Fund – The General Fund was created to account for those expenses not reflected in other funds and can be used to pay expenses such as purchase or redemption of obligations, to fund improvements, extensions, and replacements of the system or any other purchase the Authority deems necessary. Amounts held in this fund total \$293,310,236.
- Capital Projects Funds - The Capital Project Funds were created to account for that portion of the proceeds from the sale of the Authority Revenue Bonds, which are required to be deposited with the trustee in order to pay all costs of construction. Monies received from any other source for paying the costs of the Authority may also be deposited in the Construction and Property Fund. Amounts held in this fund total \$287,955,117.

## Cash, cash equivalents and investments

Cash and cash equivalents include amounts in TexStar Investment pool, Goldman Sachs Fund, State & Local Government Series demand deposits, and Agency securities that mature within one year of maturity. These deposits are fully collateralized or covered by federal deposit insurance.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investments are reported at fair value in the statement of net position or other statements of net financial position with exceptions. Certain money market investments may be reported at amortized cost provided the investment has a remaining maturity of one year or less at date of purchase. All investment income, including changes in the fair value of investments, is recognized as revenue in the operating statement or statement of activities. The net change in fair value of investments is recorded in the Statement of Revenues, Expenses and Changes in Net Position and includes the unrealized and realized gains and losses on investments.

## Receivables

The major receivables for business-type activities are from private persons or organizations and represent amounts due to the Authority as of June 30, 2025. Amounts expected to be collected within the next fiscal year are classified as current and amounts expected to be collected beyond the next fiscal year are classified as noncurrent. All receivables are recorded net of allowances for uncollectible accounts.

## Compensated absences

The Authority's regular staff employees accumulate vacation pay and sick leave pay. A liability for compensated absences is recognized when leave time: (1) has been earned for services previously rendered by employees, (2) accumulates and may be carried over into subsequent years, and (3) is more likely than not to be used as time off or settled (paid in cash to the employee) during employment or upon separation from employment. The liability for compensated absences includes salary-related benefits, where applicable.

Vested or accumulated vacation leave is recorded as an expense and liability as the benefits accrue to employees. Sick leave balances that are more likely than not to be used as leave in a future period are recorded as an expense and liability.

The compensated absences liabilities for the year ended June 30, 2025, is \$864,323 and is recorded in accrued expenses for the System on the Statement of Net Position.

## Capital assets

Capital assets, which include property and equipment, right of way and toll roads, are reported at cost. Capital assets acquired through contributions, such as those from developers or other governments, are recorded at estimated acquisition value at the date of donation. Depreciation is computed on the straight-line method over the estimated useful life of the asset. A full month's depreciation is taken in the month the asset is placed in service. When property and equipment are disposed of, the cost and accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded.



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 Right to Use assets are initially reported at present value of the lease payments. Amortization of these assets is charged as an expense against operations. Amortization is calculated using the straight-line method over the lease contract period.

Costs related to renewing and maintaining these assets are not capitalized but instead are considered to be period costs. The Authority evaluates impairment of capital assets when a significant unexpected decline in service utility occurs.

Projects that are done on behalf of another entity and are not a capital asset of the Authority or do not advance past the preliminary planning stage are reclassified and reflected as a project expense.

## Grants and contributions

Revenues from grants and contributions are cash and noncash which include the following: (1) capital grants and contributions which are restricted revenues whose resources may only be spent to purchase, build or use capital assets for specified programs or (2) operating grants and contributions which are restricted in the way they may be spent for operations of a particular program. Revenues from federal and state cost reimbursement grants and contracts are recognized as earned when all eligibility requirements, including incurring allowable expenditures, have been met.

## Pensions

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

## Other Post-Employment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Authority's Postemployment Benefit Plan of the Texas County and District Retirement System (TCDRS), the retiree death benefit paid from the Group Term Life (GTL) program, and additions to/deductions from the TCDRS OPEB Plan fiduciary net position have been determined on the same basis as reported by TCDRS. For this purpose, benefit payments are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

## Deferred outflows and inflows of resources

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

- Loss on refunding – The loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the debt refunded or the new refunding debt.
- Pension/OPEB contributions after measurement date – These contributions are deferred and recognized in the following fiscal year.
- Difference in projected and actual earnings on pension or OPEB assets – This difference is deferred and amortized over a closed five-year period.
- Difference in expected and actual pension or OPEB experience – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- Changes in actuarial assumptions used to determine pension or OPEB liability – This difference is deferred and amortized over the estimated average remaining lives of all members determined as of the measurement date.



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

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

## **Bond Discounts and Premiums**

Notes and bonds payable are reported net of unamortized bond premiums and discounts. The Authority amortizes premiums and discounts over the estimated life of the bonds as an adjustment to interest expense using the effective interest method.

## **Estimates**

The preparation of the financial statements in accordance with Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts in the financial statements and the accompanying notes. Actual results could differ from those estimates.

## **Arbitrage Rebate Payable**

The Tax Reform Act of 1986 imposed additional restrictive regulations, reporting requirements, and arbitrage rebate liability on issuers of tax-exempt debt. This represents interest on bond proceed earnings more than amounts allowed under the Act. The Act requires remittance to the Internal Revenue Service (IRS) of 90% of the cumulative arbitrage rebate within 60 days of the end of each five-year reporting period following the issuance of governmental bonds. The cumulative arbitrage rebate liabilities for the year ended June 30, 2025, is \$0.

## **Project Contribution Expense**

Project contribution expense is related to projects the Authority built on behalf of other entities and are not capital assets to the Authority.

## **New Accounting Pronouncements**

GASB Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The impact on the financial statements as a result of implementation of this standard was immaterial. The footnotes to the financial statements have been amended in accordance with the standard.

GASB Statement No. 102, *Certain Risk Disclosures*, requires a government to assess and disclose information regarding certain concentrations or constraints and related events that may have a substantial impact and negatively affect the level of service a government provides. The adoption of the standard has no impact on the financial statements.



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## Note 2. Legal Compliance - Budgets

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

The Trust Agreement requires the Authority to adopt a final budget for the Authority on or before June 30, prior to the beginning of the fiscal year. The budget is prepared at the Department level and is based upon the Trust Agreement. The Authority may not expend any amount or incur any obligations for maintenance, repairs, and operations more than the total amount of the budgeted expenses in the Annual Budget unless the funding source is other than revenues received from the Authority.

The Authority may expend additional funding from the General Fund in excess of the annual deposits. In a manner similar to the adoption of the annual budget, budget amendments are approved by the Board of Directors of the Authority. There were no occurrences of budget noncompliance in 2025.

Pursuant to the System Trust Agreement, the Authority has agreed that it will at all times keep in effect a plan for toll collecting facilities and a schedule of rates of tolls, which will raise and produce net revenues during each fiscal year sufficient to satisfy the debt service requirements below:

- 1.40 times the scheduled debt service requirements on all outstanding Senior Lien Obligations for the fiscal year; or
- 1.20 times the scheduled debt service requirements on all outstanding Senior Lien Obligations and Junior Lien Obligations for the fiscal year; or
- 1.10 times the scheduled debt service requirements on all outstanding Senior Lien Obligations, Junior Lien Obligations, and Subordinate Lien Obligations for the fiscal year; or
- 1.00 times the scheduled debt service requirements on all outstanding Obligations secured by net revenues for the fiscal year.

Pursuant to the Non-System agreement, the Authority has agreed to establish and collect tolls to produce revenues during each fiscal year sufficient to satisfy the requirement of 1.00 times annual debt service on obligations.

The Authority is in compliance for Fiscal Year 2025. Details can be found on the System Indenture Cash Flow and Debt Service Coverage table and Non-System Debt Service Coverage table in the Other Supplementary Information section.

## Note 3. Deposits and Investments

### Deposits

The Authority was fully insured or collateralized with pledged securities. The carrying amount of the Authority's System and Non-System deposits was \$224,057 and the respective bank balances totaled \$508,214. Custodial funds are held in Public Funds money market accounts. The carrying amount of the Custodial funds deposits was \$39,777,865 and the respective bank balances totaled \$32,835,918.

Federal Depository Insurance Corporation (FDIC) provided \$250,000 of coverage for deposits. All balances more than the \$250,000 were fully collateralized in accordance with the Authority's investment policy which requires bank deposit accounts to be collateralized with pledged securities equal to 105% of the carrying value.

Demand Deposit State and Local Government Securities (SLGS) are securities offered for purchase to issuers of state and local government tax-exempt debt to assist with compliance of yield restrictions or arbitrage rebate provisions of the Internal Revenue Service. As of June 30, 2025, the SLGS yield rate was 4.18%, and the carrying amount was \$189,075,879.

### Investments

The Authority's Board has adopted an Investment Policy to provide guidance in the management of investment assets for the Authority. The Authority mitigates risk by investing in compliance with the investment policy, state statutes, and bond indenture provisions by qualifying the broker or financial institutions with whom the Authority transacts business, while maintaining sufficient collateralization, portfolio diversification and limiting maturities.

Investments in the Pension Trust Fund (the Plan) are held in the Nationwide Collective Investment Fund and are reported at fair value. Investments held by the Plan are recorded at fair value. All assets held by the Plan are held in irrevocable trusts. The Pension Trust Fund investments are restricted by investment options provided in the Collective Investment Fund.

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The investments are Level 2 investments for the underlying investments that support the Collective Investment Fund to determine the fair value net of applicable contract fees. The Plan does not have an interest rate risk, credit risk, or concentration of credit risk policy, as the investments held in the Plan are in mutual funds invested in equity securities and are not subject to the disclosure requirements. Investments in the Pension Trust Fund (the Plan) totaled \$1,426,257.

Custodial funds are investment in Goldman Sachs Financial Square Government Fund, which is a government money market fund. The fund values securities using net asset value. The fund is rated Aaa-mf by Moody's and AAAm by Standard & Poor's Rating Group. The redemption frequency is one day and there are no unfunded commitments. The Custodial Fund assets are invested in accordance with the investment policy of the Authority. Accordingly, the interest rate risk exposure by investment type, concentration of credit risk, credit risk and foreign currency risk are addressed with the Authority's disclosure for amount held in Goldman Sachs.

TexStar Investment Pool, Goldman Sachs Fund and Agency security balances that mature within one year of the maturity date are carried at amortized cost. Investment balances held more than a year are carried at fair market value. The Authority had maturity values as follows:

<b>Table 3.1: Summary of Investments by Type</b>	
Goldman Sachs Financial Square Government Fund	\$ 530,778,819
TexSTAR Investment Pool	30,835,339
State and Local Government Series (SLGS) demand deposits	189,075,879
U.S. Government sponsored enterprise securities and treasury notes	169,516,734
<b>Total Authority cash and Investments</b>	<b>\$ 920,206,771</b>
Goldman Sachs Financial Square Government Fund - Custodial	6,941,947
<b>Total cash and Investments</b>	<b>\$ 927,148,718</b>

The Authority categorizes fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of assets. The three-tiered fair value hierarchy is as follows:

- **Level 1:** Quoted prices for identical investments in an active market.
- **Level 2:** Significant other observable inputs other than quoted market prices.
- **Level 3:** Significant unobservable inputs.

The measurement of the Authority's investments is summarized below:

<b>Table 3.2: Fair Value Hierarchy</b>					
<b>Investment Type</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Balance</b>	
Investments at fair value level:					
Farmer MAC	\$ -	\$ 30,092,100	\$ -	\$ 30,092,100	
Treasury	-	20,117,200	-	20,117,200	
US Treasury Note and Farmer MAC at cost				119,307,434	
Investments at net asset value (NAV) based on amortized cost:					
Goldman Sachs Financial Square Government Fund				530,778,819	
TexSTAR Investment Pool				30,835,339	
State and Local Government Series (SLGS)				189,075,879	
<b>Total Authority investments measured at fair value</b>	<b>\$ -</b>	<b>\$ 50,209,300</b>	<b>\$ -</b>	<b>\$ 920,206,771</b>	
Investments at net asset value (NAV) based on amortized cost:					
Goldman Sachs Financial Square Government Fund - Custodial	-	6,941,947	-	6,941,947	
<b>Total investments measured at fair value</b>	<b>\$ -</b>	<b>\$ 57,151,247</b>	<b>\$ -</b>	<b>\$ 927,148,718</b>	

# FINANCIAL SECTION

## A. Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the Authority will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial risk if the securities are uninsured, are not registered in the name of the Authority and are held by the counterparty, its trust or agent, but not in the Authority's name. The Authority's investment securities are not exposed to custodial credit risk because all securities are held by the Authority's custodial bank in the Authority's name.

## B. Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the Authority's investment in a single issuer. The Authority is authorized to invest funds in accordance with its investment policy, bond indentures, and the Texas Public Funds Investment Act. Authorized investments include, but are not limited to: United States Treasury and federal agency issues, certificates of deposit issued by a state or national bank domiciled in the state of Texas, repurchase agreements collateralized by United States Treasury or federal agency securities, guaranteed investment contracts (GICs), state and local government series (SLGS) demand deposits, obligations of states and municipalities, Securities and Exchange Commission (SEC) registered no-load money market mutual funds and local government investment pools. The Authority does not have a specific investment policy related to concentration of credit risk.

The Authority's investment policy states local government investment pools may not exceed 80% of the total investment portfolio less bond funds. Bond funds may be invested at 100% of the total investment portfolio. The Authority's portfolio consists of the following:

Table 3.3: Portfolio Composition

TexSTAR Investment Pool	\$	30,835,339	3.4%
Goldman Sachs Financial Square Government Fund		530,778,819	57.7%
State and Local Government Series (SLGS) demand deposits		189,075,879	20.5%
Federal Home Loan Bank		39,596,260	4.3%
Federal Agricultural Mortgage Corp.		80,092,100	8.7%
US Treasury Notes		49,828,374	5.4%
<b>Total Authority portfolio composition</b>		<b>\$ 920,206,771</b>	
Goldman Sachs Financial Square Government Fund - Custodial		6,941,947	100%
<b>Total portfolio composition</b>		<b>\$ 927,148,718</b>	

## C. Interest rate risk

Interest rate risk is the risk that the changes in interest rates will adversely affect the fair value of an investment. Interest rate risk may be mitigated by investing operating funds primarily in shorter term securities, money market funds or similar investment pools and limiting the average maturity of the portfolio.

With regard to maximum maturities, the Authority's investment policy states the attempts will be made to match investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the Authority will not directly invest operating or general funds in securities maturing more than 16 months from the date of purchase, unless approved by the Authority's Board. Investment of bond proceeds shall not exceed the projected expenditure schedule of the related project. Reserve funds may be invested in securities exceeding 12 months if the maturities of such investments are made to coincide as nearly as practicable with the expected use of the funds. The Authority's investments in debt securities mature as follows:

Table 3.4: Investment Maturities (in Days)

Investment Type	< 90 Days	< a Year	1-5 Yrs	5-10 Yrs	Carrying Value
U.S. Treasury Notes	\$ -	\$ 49,828,374	\$ -	\$ -	\$ 49,828,374
Farmer MAC	-	80,092,100	-	-	80,092,100
Federal HOME Loan Bank	-	39,596,260	-	-	39,596,260
<b>Total U.S. government sponsored enterprise securities and treasury notes</b>	<b>\$ -</b>	<b>\$ 169,516,734</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 169,516,734</b>



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## D. Credit risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations to the Authority. To help mitigate credit risk, credit quality guidelines are incorporated into the investment policy. The Authority limits investments to the safest types of securities, as listed above under the concentration of credit risk section and pre-qualifies the financial institutions, brokers/dealers, intermediaries, and advisors with which the Authority will do business. The Authority's investments had the following credit risk structure, based on Standard & Poor's ratings:

Table 3.5: Standard & Poor's Credit Risk Rating		
U.S. Government Sponsored Enterprise	Investment	
	Grade Rating	Carry Value
Federal HOME Loan Bank	AA+	\$ 39,596,260
US Treasury Note	AA+	49,828,374
Farmer MAC	Not Rated	80,092,100
<b>Total</b>	<b>\$</b>	<b>169,516,734</b>

## Note 4. Capital Assets

Capital assets are presented at historical cost or, if not purchased, at acquisition value. When appropriate, straight-line depreciation and amortization have been charged over the shorter of the estimated useful lives of the assets or the lease period.

All capital assets belong to the Authority. Asset and depreciation balances, capitalization thresholds, and depreciable lives for all capital asset classes are shown in the following tables.

Table 4.1 Capitalization of Assets		
Asset Class	Capitalization Threshold	Estimated Useful Life
Buildings and Toll Facilities	100,000	10-30 years
Furniture and Equipment	5,000	5 years
Infrastructure	500,000	10-50 years
Vehicles	5,000	7 years
Leasehold Improvements	100,000	3 years
Internally Generated Computer Software	1,000,000	5 years
Intangible Right to Use Building	100,000	3 years

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Note 4.2: Capital Assets						
	July 1, 2024	Additions	Disposals/ Adjustments	Transfer	June 30, 2025	
<b>Nondepreciable assets:</b>						
Construction in progress	\$ 503,293,810	\$ 182,689,335	\$ (10,985,333)	\$ (231,673,267)	\$ 443,324,545	
Land	-	972,235	-	-	972,235	
Right of way	88,149,606	-	-	-	88,149,606	
<b>Total nondepreciable assets</b>	<b>\$ 591,443,416</b>	<b>\$ 183,661,570</b>	<b>\$ (10,985,333)</b>	<b>\$ (231,673,267)</b>	<b>\$ 532,446,386</b>	
<b>Depreciable assets:</b>						
Property and equipment	\$ 14,736,605	\$ 33,243	\$ -	\$ 152,542	\$ 14,922,390	
<b>Toll Road</b>						
Building and toll facilities	7,073,225	-	-	-	7,073,225	
Highways and bridges	2,041,238,233	67,926	-	226,923,792	2,268,229,951	
Toll equipment	55,430,325	6,408,505	-	4,596,933	66,435,763	
Signs	19,700,123	4,800	-	-	19,704,923	
Land improvements	14,243,759	-	-	-	14,243,759	
Right to use asset - lease	1,286,881	-	-	-	1,286,881	
<b>Total depreciable assets</b>	<b>\$ 2,153,709,151</b>	<b>\$ 6,514,474</b>	<b>\$ -</b>	<b>\$ 231,673,267</b>	<b>\$ 2,391,896,892</b>	
<b>Accumulated Depreciation</b>						
Property and equipment	\$ (8,447,033)	\$ (1,473,842)	\$ 41,075	\$ -	\$ (9,879,800)	
Building and toll facilities	(3,020,012)	(176,747)	-	-	(3,196,759)	
Highways and bridges	(360,307,891)	(53,801,620)	-	-	(414,109,511)	
Toll equipment	(34,128,549)	(4,047,274)	-	-	(38,175,823)	
Signs	(8,214,518)	(851,384)	-	-	(9,065,902)	
Land improvements	(9,499,329)	(542,323)	-	-	(10,041,652)	
Leasehold improvements	(297,427)	-	-	-	(297,427)	
Right to use asset - leases	(343,168)	(514,753)	-	-	(857,921)	
<b>Total accumulated depreciation</b>	<b>\$ (424,257,927)</b>	<b>\$ (61,407,943)</b>	<b>\$ 41,075</b>	<b>\$ -</b>	<b>\$ (485,624,795)</b>	
<b>Net Capital Assets</b>	<b>\$ 2,320,894,640</b>	<b>\$ 128,768,101</b>	<b>\$ (10,944,258)</b>	<b>\$ -</b>	<b>\$ 2,438,718,483</b>	

## Note 5. Bond and Note Payables

The series of obligations and loans described below were issued or incurred by the System pursuant to a bond indenture between the Authority and the trustee named therein. Obligations and loans are secured by and payable from the trust estate established in the manner described and subject to the terms and conditions of the bond indenture. The trust estate established by the bond indenture includes the revenues from the System. The Non-System loan is secured by and payable established in a manner described and subject to the terms and conditions of the loan agreement. The Authority is required to establish and maintain toll rates to be sufficient to satisfy rate covenants under the bond indenture and loan agreements. Terms capitalized within the this note refer to terms within the Authority's master trust indenture statement.

The Authority has no unused lines of credit, and no termination events nor acceleration are allowed on its debt obligations. As of June 30, 2025, the Authority has \$296.0 million in escrow for the 2015A defeased and refunded bonds. The Authority's assets are pledged as collateral under the Indenture and are special, limited obligations of the Authority payable solely from and secured solely by a lien on, pledge of and security interest in the Trust Estate granted in the Indenture.

The Trust Estate consists of (i) all Revenues (subject to the requirements for transfers of Revenues to the Rebate Fund and Operating Fund set forth in the Indenture, and to the extent set forth in a Supplemental Indenture, any Supplemental Security, (ii) all moneys, including investment earnings, deposited into the accounts or funds created by the Master Trust Indenture or in a Supplemental Indenture to be held by or on behalf of the Trustee subject to the provisions of the Indenture relating to each of such funds and accounts (but excluding moneys on deposit in the Operating Fund and the Rebate Fund and amounts held in an account or subaccount of the Construction Fund containing moneys that are restricted to another use, such as right-of-way contributions that may be used for only that purpose), (iii) any insurance proceeds and other moneys required to be deposited in the pledged funds listed in (ii) above, and (iv) all payments received by the Authority pursuant to Swap Agreements, if any.



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The occurrence and continuation of any of the following constitutes an “event of default” under the Indenture:

- Failure by the Authority to pay the principal or Maturity Amount, as applicable, of, premium, if any, or interest on any of the Obligations when the same shall become due and payable, either at maturity or by redemption, other than at the election or direction of the Authority or pursuant to the terms of the Obligation, or (2) any failure of the Authority to purchase or cause to be purchased any Variable Rate Obligations, including any applicable Tender Obligations, upon any optional or mandatory tender to the Authority or a tender agent of the Authority; or
- The occurrence and continuance of an event of default under a Credit Facility, Senior Lien Debt Service Reserve Fund (DSRF) Security, Junior Lien DSRF Security, Subordinate Lien DSRF Security, Swap Agreement or Reimbursement Agreement; or
- Judgment for the payment of money rendered against the Authority if such judgment is under any circumstances payable from Revenues and is in an amount that its payment would, in the opinion of the Trustee, have a materially adverse effect upon the financial condition of the System and any such judgment is not discharged within 90 days from the entry thereof or an appeal is not taken therefrom or from the order, decree or process upon which or pursuant to which such judgment will have been granted or entered, in such manner as to set aside or stay the execution of or levy under such judgment, decree or process or the enforcement thereof; or
- The occurrence of a Bankruptcy Related Event (as defined in the Master Trust Indenture) that has not been cured, vacated, discharged, or stayed within 60 days after the occurrence thereof; or
- Failure of the Authority to duly and punctually perform any other of the covenants, conditions, agreements and provisions contained in any Obligations or in the Indenture on the part of the Authority to be performed, and the continuation of such failure for 60 days after written notice specifying such failure and requiring same to be remedied has been given to the Authority by the Trustee, which may give such notice in its discretion and must give such notice at the written request of the Holders of not less than 10% in principal amount of the Obligations then Outstanding.

**Remedies Applicable:** The Holders will be entitled to the remedies provided in the Indenture; provided, however, acceleration of the principal or Maturity Amount, as applicable, of or interest on the Obligations or any of the Obligations upon the occurrence of an Event of Default is not a remedy available under the Indenture and in no event will the Trustee, the Holders or other parties have the ability, upon the occurrence of an Event of Default, to declare immediately due and payable the principal or Maturity Amount, as applicable, of or interest on the Obligations or any of the Obligations. To the extent that a Series of Obligations is secured by a Credit Facility, municipal bond insurance policy, a Senior Lien DSRF Security, a Junior Lien DSRF Security or a Subordinate Lien DSRF Security, the provider of such Credit Facility, municipal bond insurance policy, or DSRF Security will be considered the Holder of such Obligation for all purposes of exercising any remedy or giving any directions to the Trustee pursuant to the provisions of the Indenture.

## Series 2010 Obligations

The Authority issued its Senior Lien Revenue Bonds, Series 2010 (Series 2010 Bonds or Series 2010 Obligations) on March 11, 2010. The Series 2010 Bonds outstanding were issued as capital appreciation bonds (CABs).

The proceeds of the Series 2010 Bonds were used to (i) finance a portion of the costs of the 183A Phase II Project; (ii) refund and redeem certain outstanding obligations of the Authority; (iii) pay capitalized interest with respect to the Series 2010 Bonds; (iv) make a deposit to the Senior Lien Debt Service Reserve Fund and (v) pay certain issuance costs of the Series 2010 Bonds.

The Series 2010 Bonds are scheduled to mature in 2025 through 2040 at an aggregated maturity amount of \$176.1 million. The principal amount of \$31.8 million of the Series 2010 Bonds represents the total amount of principal outstanding before the accreted and compounded interest as of June 30, 2025.

Interest on the Series 2010 Bonds will accrete from the date of initial delivery to stated maturity at rates ranging from 7.20% to 7.85% and will compound on each July 1 and January 1, commencing July 1, 2010. Such accreted and compounded interest will be paid as part of the maturity amount at stated maturity.

The amount of accumulated accreted interest on the Series 2010 Bonds as of June 30, 2025, was \$68.4 million. The accumulated accreted interest is added to the outstanding principal on July 1 and January 1 of each year beginning July 1, 2010.



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## Series 2011 Obligations

The Authority issued its Senior Lien Revenue Bonds, Series 2011 (Series 2011 Bonds or Series 2011 Obligations) on June 29, 2011. The Series 2011 Bonds outstanding were issued as capital appreciation bonds (CABs).

The proceeds of the Series 2011 Obligations were used to (i) prepay and redeem certain outstanding obligations of the Authority; (ii) finance a portion of the costs of the 290E Phase II Project and as otherwise authorized in the Indenture; (iii) pay capitalized interest with respect to the Series 2011 Bonds; (iv) make a deposit to the Senior Lien Debt Service Reserve Fund and (v) pay certain issuance costs of the Series 2011 Bonds.

The Series 2011 Bonds are scheduled to mature in 2023 through 2026 at an aggregated maturity amount of \$22.1 million. The principal amount of \$1.1 million for the Series 2011 Bonds represents the total amount of principal outstanding before the accreted and compounded interest as of June 30, 2025.

Interest on the Series 2011 Bonds will accrete from the date of initial delivery to stated maturity at rates ranging from 5.9% to 6.5% and will compound on each July 1 and January 1, commencing July 1, 2011. Such accreted and compounded interest will be paid as part of the maturity amount at stated maturity.

The amount of accumulated accreted interest on the Series 2011 Bonds as of June 30, 2025, was \$1.6 million. The accumulated accreted interest is added to the principal outstanding on July 1 and January 1 of each year beginning July 1, 2011.

## Series 2015 Obligations

The Authority issued its Senior Lien Revenue Bonds, Series 2015A (Series 2015A Bonds or Series 2015 Obligations) on November 19, 2015.

The proceeds of the Series 2015A Bonds were used to (i) finance and refinance the costs of designing, engineering, developing and constructing the 183 South Project; (ii) refund and redeem certain outstanding obligations of the Authority; (iii) pay capitalized interest with respect to the Series 2015A Bonds; (iv) make a deposit to the Senior Lien Debt Service Reserve Fund and (v) pay certain issuance costs of the Series 2015A Bonds.

The Series 2015A Bonds were issued as current interest bonds and are scheduled to mature in 2025 through 2028. Interest on the Series 2015A Bonds is calculated on the basis of a 360-day year of 12, 30-day months at a rate of 5%. Interest on the Series 2015A Bonds is payable on each July 1 and January 1, commencing January 1, 2016. During fiscal year 2021, \$288.8 million in principal amount of the Series 2015A Bonds was refunded and used to defease the debt with a portion of the proceeds of the Series 2021E Bonds. As of June 30, 2025, the principal outstanding amount of the Series 2015A Bonds was \$9 million.

## Series 2016 Obligations

The Authority issued its Senior Lien Revenue Refunding Bonds, Series 2016 (Series 2016 Senior Lien Bonds) on June 1, 2016, and its Subordinate Lien Revenue Refunding Bonds, Series 2016 (Series 2016 Subordinate Lien Bonds) on August 9, 2016, collectively called the Series 2016 Obligations. The proceeds of the Series 2016 Obligations were used to (i) refund and redeem certain outstanding obligations of the Authority; (ii) make a deposit to the Subordinate Lien Debt Service Reserve Fund and (iii) pay certain issuance costs of the Series 2016 Obligations.

The Series 2016 Senior Lien Bonds were issued as current interest bonds and are scheduled to mature in 2023 through 2027 and in 2041. Interest on the Series 2016 Senior Lien Bonds is calculated on the basis of a 360-day year of 12, 30-day months at rates ranging from 3.375% to 5%. Interest on the Series 2016 Senior Lien Bonds is payable twice a year on each July 1 and January 1, commencing July 1, 2016. During fiscal year 2022, \$266.9 million in principal amount of the Series 2016 Senior Lien Bonds was refunded with a portion of the proceeds of the Series 2021D Bonds. As of June 30, 2025, the outstanding principal amount of the Series 2016 Senior Lien Bonds was \$42.9 million.

The Series 2016 Subordinate Lien Bonds were issued as current interest bonds and are scheduled to mature in 2023 through 2036 and in 2041. Interest on the Series 2016 Subordinate Lien Bonds is calculated on the basis of a 360-day year of 12, 30-day months at rates ranging from 3.125% to 5%. Interest on the Series 2016 Subordinate Lien Bonds is payable on each July 1 and January 1, commencing January 1, 2017. As of June 30, 2024, the principal amount outstanding was \$66.3 million.



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## Series 2018 Obligations

The Authority issued its Senior Lien Revenue Bonds, Series 2018 (Series 2018 Senior Lien Bonds) and its Subordinate Lien Revenue Bond Anticipation Notes, Series 2018 (Series 2018 Sub Lien BANs) on November 20, 2018, collectively called the Series 2018 Obligations. The proceeds of the Series 2018 Obligations were used to (i) finance the costs of designing, engineering, developing, and constructing the 290 E Phase III Project; (ii) pay capitalized interest with respect to the Series 2018 Senior Lien Bonds and (iii) pay certain issuance costs of the Series 2018 Obligations.

The Series 2018 Senior Lien Bonds were issued as current interest bonds and are scheduled to mature in 2025 through 2039 and in 2043 and 2048. Interest on the Series 2018 Senior Lien Bonds is calculated on the basis of a 360-day year of 12, 30-day months at rate of 5%. Interest on the Series 2018 Senior Lien Bonds is payable on each July 1 and January 1, commencing January 1, 2019. As of June 30, 2025, the principal amount outstanding was \$43.3 million.

## Series 2020 Obligations

The Authority issued its Senior Lien Revenue Bonds, Series 2020A (Series 2020A Bonds) on January 22, 2020. The Authority issued its Senior Lien Revenue Refunding Bonds, Series 2020B (Series 2020B Bonds), its Senior Lien Revenue Refunding Bonds, Taxable Series 2020C (Series 2020C Bonds) and its Subordinate Lien Revenue Refunding Bonds, Taxable Series 2020D (Series 2020D Bonds) on September 23, 2020. The Authority issued its Senior Lien Revenue Bonds, Series 2020E (Series 2020E Bonds), its Subordinate Lien Revenue Bond Anticipation Notes, Series 2020F (Series 2020F BANs) and its Subordinate Lien Revenue Refunding Bonds, Series 2020G (Series 2020G Bonds) on November 19, 2020. The Series 2020A Bonds, the Series 2020B Bonds, the Series 2020C Bonds, the Series 2020D Bonds, the Series 2020E Bonds, the Series 2020F BANs and the Series 2020G Bonds are referred to as the Series 2020 Obligations.

### **E. Series 2020A Senior Lien Revenue Bonds**

The proceeds of the Series 2020A Bonds were used to (i) prepay certain outstanding obligations of the Authority and (ii) pay certain issuance costs of the Series 2020A Bonds. The Series 2020A Bonds were issued as current interest bonds and are scheduled to mature in 2026 through 2040 and in 2044 and 2049. Interest on the Series 2020A Bonds is calculated on the basis of a 360-day year of 12, 30-day months at rate of 5%. Interest on the Series 2020A Bonds is payable on each January 1 and July 1, commencing July 1, 2020. As of June 30, 2025, the principal amount outstanding was \$50.3 million.

### **F. Series 2020B Senior Lien refunding Bonds**

Proceeds of the Series 2020B Bonds were used to (i) refund and redeem certain outstanding obligations of the Authority and (ii) pay certain issuance costs of the Series 2020B Bonds. The Series 2020B Bonds were issued as current interest bonds and are scheduled to mature in 2023 through 2040 and in 2045. Interest on the Series 2020B Bonds is calculated based on a 360-day year of 12, 30-day months at a rate of 4% to 5%. Interest on the Series 2020B Bonds is payable on each January 1 and July 1, commencing January 1, 2021. As of June 30, 2025, the principal amount outstanding was \$53.6 million.

### **G. Series 2020C Senior Lien refunding Bonds**

The proceeds of the Series 2020C Bonds were used to (i) refund and redeem certain outstanding obligations of the Authority and (ii) pay certain issuance costs of the Series 2020C Bonds. The Series 2020C Bonds were issued as current interest bonds and are scheduled to mature in 2024 through 2035 and in 2042. Interest on the Series 2020C Bonds is calculated based on a 360-day year of 12, 30-day months at a rate of 1.345% to 3.293%. Interest on the Series 2020B Bonds is payable on each January 1 and July 1, commencing January 1, 2021. As of June 30, 2025, the principal amount outstanding was \$128.1 million.

### **H. Series 2020D Sub-lien refunding Bonds**

The proceeds of the Series 2020D Bonds were used to (i) refund and redeem certain outstanding obligations of the Authority; (ii) make a deposit to the Subordinate Lien Debt Service Reserve Fund and (iii) pay certain issuance costs of the Series 2020D Bonds. The Series 2020D Bonds were issued as current interest bonds and are scheduled to mature in 2023 through 2031 and in 2035 and 2042. Interest on the Series 2020D Bonds is calculated on the basis of a 360-day year of 12, 30-day months at a rate of 1.486% to 3.593%. Interest on the Series 2020D Bonds is payable each January 1 and July 1, commencing January 1, 2021. As of June 30, 2025, the outstanding principal amount was \$89.3 million.



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## I. Series 2020E Senior Lien Revenue Bonds

The proceeds of the Series 2020E Bonds will be used to (i) finance the costs of various improvements and extensions of the System, including the costs of the 183A Phase III Project, (ii) pay capitalized interest with respect to the Series 2020E Bonds, (iii) make a deposit to the Senior Lien Debt Service Reserve Fund and (iv) pay certain issuance costs of the Series 2020E Bonds. The Series 2020E Bonds were issued as current interest bonds and are scheduled to mature in 2029 through 2040 and in 2045 and 2050. Interest on the Series 2020E Bonds is calculated on the basis of a 360-day year of 12, 30-day months at a rate of 4% to 5%. Interest on the Series 2020E Bonds is payable on each January 1 and July 1, commencing January 1, 2021. As of June 30, 2025, the principal amount outstanding was \$167.1 million.

## J. Series 2020F BANs

The proceeds of the Series 2020F Bond Anticipation Notes (BANs) will be used to (i) finance the costs of various improvements and extensions of the System, including the costs of the 183A Phase III Project, and (ii) pay certain issuance costs of the Series 2020F BANs. The Series 2020F BANs were issued as current interest notes and are scheduled to mature in 2025. Interest on the Series 2020F BANs is calculated based on a 360-day year of 12, 30-day months at the rate of 5%. Interest on the Series 2020F BANs is payable each on January 1 and July 1, commencing January 1, 2021. As of June 30, 2025, the outstanding principal amount was \$0. The Series 2020F BANs were paid in January 2025 with the 2021A TIFIA Bonds.

## K. Series 2020G Sub-lien Refunding Bonds

The proceeds of the Series 2020G Bonds were used to (i) refund and redeem certain outstanding obligations of the Authority and (ii) pay certain issuance costs of the Series 2020G Bonds. The Series 2020G Bonds were issued as current interest bonds and are scheduled to mature in 2028 through 2040 and in 2045 and 2050. Interest on the Series 2020G Bonds is calculated on the basis of a 360-day year of 12, 30-day months at the rate of 4% to 5%. Interest on the Series 2020G Bonds is payable each January 1 and July 1, commencing January 1, 2021. As of June 30, 2025, the outstanding principal amount was \$61.6 million.

## Series 2021 Obligations

The Authority issued its Subordinate Lien Revenue Bonds, Taxable Series 2021A (2021A TIFIA Bonds) on February 26, 2021. The Authority issued its Senior Lien Revenue Bonds, Series 2021B (Series 2021B Bonds) and its Subordinate Lien Revenue Bond Anticipation Notes, Series 2021C (Series 2021C BANs) on April 14, 2021. The Authority issued its Senior Lien Revenue Refunding Bonds, Series 2021D (Series 2021D Bonds) and its Senior Lien Revenue Refunding Bonds, Taxable Series 2021E (Series 2021E Bonds) on October 26, 2021. The 2021A TIFIA Bonds, the Series 2021B Bonds, the Series 2021C BANs, the Series 2021D Bonds and the Series 2021E Bonds are collectively referred to as the Series 2021 Obligations.

### A. 2021A TIFIA Bonds

In February 2021, the Authority entered into a secured loan agreement (the 2021A TIFIA Loan Agreement) with the United States Department of Transportation, pursuant to which the Authority is authorized to borrow an aggregate amount not to exceed \$448,383,623 (the 2021A TIFIA Loan), excluding interest that is capitalized, to pay or reimburse the Authority for eligible project costs of the 183 South Project, the 290E Phase III Project and the 183A Phase III Project. The 2021A TIFIA Loan is comprised of the 183-S Tranche (in an aggregate principal amount not to exceed \$302,980,387 relating to the 183 South Project), the Manor Expressway Tranche (in an aggregate principal amount not to exceed \$38,690,346 relating to the 290E Phase III Project) and the 183A Tranche (in an aggregate principal amount not to exceed \$106,712,890 relating to the 183A Phase III Project).

The Authority's obligations to repay amounts borrowed under the 2021A TIFIA Loan Agreement are evidenced by the Authority's Subordinate Lien Revenue Bonds, Taxable Series 2021A (the 2021A TIFIA Bonds). The 2021A TIFIA Bonds are comprised of the 183-S TIFIA Bond (which evidences the Authority's obligations with respect to the 183-S Tranche of the 2021A TIFIA Loan), the Manor Expressway TIFIA Bond (which evidences the Authority's obligations with respect to the Manor Expressway Tranche of the 2021A TIFIA Loan) and the 183A TIFIA Bond (which evidences the Authority's obligations with respect to the 183A Tranche of the 2021A TIFIA Loan).

The 183-S TIFIA Bond, the Manor Expressway TIFIA Bond and the 183A TIFIA Bond bear interest at 2.19%, 2.20% and 2.20% per annum, respectively. The final maturity date of the 183-S TIFIA Bond is January 1, 2049. The final maturity date of the Manor Expressway TIFIA Bond is January 1, 2054. The final maturity date of the 183A TIFIA Bond will be the earlier of (a) the date that is thirty-five (35) years from the date of substantial completion of the 183A Phase III Project and (b) January 1, 2055.



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Payments of principal and interest on the 2021A TIFIA Bonds are payable each January 1 and July 1, commencing on July 1, 2024, for the 183-S TIFIA Bond, January 1, 2025, for the Manor Expressway TIFIA Bond, and January 1, 2029, for the 183A TIFIA Bond.

The Authority has received 2021A TIFIA loan proceeds from the 183-S Tranche of approximately \$282.2 million and the Manor Expressway Tranche of \$38.6 million, which were used to refinance certain outstanding obligations of the Authority relating to the 183 South Project and the 290E Phase III Project. The Authority has received loan proceeds from the 183A Tranche of the 2021A TIFIA Loan of approximately \$106.7 million, which were used to provide long-term financing for the 183A Phase III Project.

As of June 30, 2025, the Manor Expressway TIFIA Bond had an outstanding balance of \$41.1 million, which included accreted interest of approximately \$2.4 million. As of June 30, 2025, the 183-S TIFIA Bond had a balance outstanding of \$322.4 million which included accreted interest of approximately \$19.4 million. As of June 30, 2025, the 183A Phase III TIFIA Bond had an outstanding balance of \$106.7 million.

## **B. Series 2021B Bonds and Series 2021BANs**

A portion of the proceeds of the Series 2021B Bonds and Series 2021C BANs will be used to finance and refinance the costs of designing, engineering, developing, and constructing the 183 North Mobility Project. The remaining proceeds of the Series 2021B Bonds and Series 2021C BANs were used to (i) pay capitalized interest with respect to the Series 2021B Bonds and the Series 2021C BANs, (ii) make a deposit to the Senior Lien Debt Service Reserve Fund and (iii) pay certain issuance costs of the Series 2021B Bonds and the Series 2021C BANs.

The Series 2021B Bonds were issued as current interest bonds and are scheduled to mature in 2029 through 2041 and in 2046 and 2051. The Series 2021C BANs were issued as current interest bonds and are scheduled to mature in 2027. Interest on the Series 2021B Bonds and Series 2021C BANs are calculated based on a 360-day year of 12, 30-day months at rates of 4% to 5%. Interest on Series 2021B Bonds and Series 2021C BANs are payable on January 1 and July 1, commencing July 1, 2021. As of June 30, 2025, the principal amount outstanding on the Series 2021B Bonds and Series 2021C BANs were \$255.1 million and \$244.2 million, respectively.

## **C. Series 2021D and Series 2021E Bonds**

The proceeds of the Series 2021D and Series 2021E Bonds were used to advance refund \$288,790,000 of the Series 2015A Bonds and \$266,900,000 of the Series 2016 Bonds which had rates of 5% and 3.125% to 5%, respectively. Proceeds of \$660,083,871 were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service on the refunded bonds. As a result, \$288,790,000 of the Series 2015A Bonds and \$266,900,000 of the Series 2016 Bonds are considered defeased and the liability for those bonds has been removed from the statement of net position.

The reacquisition price exceeded the net carrying amount of the old debt by \$107,825,767. This amount is reported as deferred inflows of resources and is being amortized over the remaining life of the refunding debt. The Authority advance refunded a portion of the 2015A and 2016 Bonds to reduce its total debt service payments by \$80,473,964 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$50,003,238.

The Authority defeased previously issued debt obligations in 2021 by placing the proceeds of the new bonds in an irrevocable trust account to provide for all future debt service payments of the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Authority's financial statements. As June 30, 2025, the defeased bond balance outstanding was \$288,790,000.

The Series 2021D Bonds and Series 2021E Bonds were issued as current interest bonds and are scheduled to mature in 2023 through 2041, and in 2044, through 2046. Interest on the Series 2021D Bonds and Series 2021E Bonds are calculated on the basis of a 360-day year of 12, 30-day months at rates of 0.221% to 5%. Interest on the Series 2021D Bonds and Series 2021E Bonds are payable on each January 1 and July 1, commencing January 1, 2022. As of June 30, 2025, the principal amount outstanding on the Series 2021D Bonds was \$273.1 million and the Series 2021E Bonds was \$326.4 million.



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## 183N TIFIA Note

In December 2021, the Authority entered into a secured loan agreement (the 183N TIFIA Loan Agreement) with the United States Department of Transportation, pursuant to which the Authority is authorized to borrow an amount not to exceed \$250,289,625 (excluding interest that is capitalized) to pay eligible project costs of the 183 North Mobility Project. The Authority's obligation to repay amounts borrowed under the 183N TIFIA Loan Agreement is evidenced by a Subordinate Lien Revenue Promissory Note (the 183N TIFIA Note). The 183N TIFIA Note bears interest at 1.89% per annum and the final maturity date thereof will be the earlier of (i) the date that is 35 years from the date of substantial completion of the 183 North Mobility Project and (ii) January 1, 2056. Payments of principal and interest due on the 183N TIFIA Note are payable in the amounts set forth in the 183N TIFIA Loan Agreement on each January 1 and July 1, commencing on the earlier of (i) January 1, 2029, and (ii) the semiannual payment date on (or immediately preceding) the fifth anniversary of the date of substantial completion of the 183 North Mobility Project. The Authority has not received any loan proceeds pursuant to the 183N TIFIA Loan Agreement. As of June 30, 2025, the principal amount outstanding of the 183N TIFIA Note was \$0.

## 71E Toll Project Obligation to TxDOT

The Authority, the Capitol Area Metropolitan Planning Organization (CAMPO) and TxDOT approved the execution of a Project Agreement (the SH 71 Agreement) for the development of toll lanes on SH 71 extending from Presidential Boulevard to just east of SH 130, including the realignment of FM 973 where that road intersects with SH 71, which is referred to as the SH 71 Express Project.

Pursuant to a resolution adopted by the Authority's Board, the Authority waived and declined to exercise its option to develop, finance, and construct the SH 71 Express Project, and retained (and did not waive) its option to operate any potential toll lanes on the SH 71 Express Project and to retain the revenues generated therefrom. Upon completion of the SH 71 Express Project, the SH 71 Agreement obligates the Authority to operate and maintain the toll lanes and related infrastructure of the SH 71 Express Project developed, financed, and constructed by TxDOT. The Authority will retain the revenue generated from the SH 71 Express Project, which will be used to pay operation and maintenance costs of the toll lanes, toll facilities, and related equipment. After payment of such operation and maintenance costs, one-half of the remaining revenues from the SH 71 Express Project must be used to reimburse TxDOT for up to \$65.0 million of the costs of the SH 71 Express Project (the TxDOT Reimbursement Amount), plus interest thereon at 3.62% per annum.

The SH 71 Agreement obligates the Authority to repay the TxDOT Reimbursement Amount solely from one-half of the net revenues of the SH 71 Express Project over a 35-year term. The first payment was due on the first anniversary of substantial completion of the SH 71 Express Project and continues every year thereafter for a total of 35 years or until the TxDOT Reimbursement Amount and all accrued interest is paid. The SH 71 Express Project was substantially completed on March 8, 2017, and, accordingly, the first payment payable by the Authority to TxDOT under the SH 71 Agreement was due on March 8, 2018. In the event that any annual payment is not sufficient to pay for all accrued interest due, the unpaid amount of accrued interest is added to the TxDOT Reimbursement Amount. Under the SH 71 Agreement, TxDOT is obligated to operate and maintain all other aspects of the SH 71 Express Project, the general-purpose lanes, and the FM 973 realigned intersection with SH 71.

As of June 30, 2017, the toll lanes of the SH 71 Express Project were operational and the Authority recorded a capital contribution of \$96.0 million and a note payable to TxDOT of \$65.0 million; however, payments made by the Authority in respect of the TxDOT Reimbursement Amount are paid as, and constitute, Operating Expenses under the terms of the Authority's bond indenture securing its outstanding toll revenue obligations. During fiscal year 2025, the Authority made principal payments on the TxDOT Reimbursement Amount of approximately \$4.8 million. As of June 30, 2025, the TxDOT Reimbursement Amount outstanding was approximately \$42.4 million.

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## 2022 MoPac Note - Non-System (Private Placement)

On May 10, 2022, the Authority borrowed \$24,990,900 pursuant to a secured loan agreement entered into between the Authority and a bank, which is evidenced by a promissory note (the 2022 MoPac Note). The proceeds of the 2022 MoPac Note were used to prepay the 2017 MoPac Note in full. No additional amounts may be borrowed pursuant to the 2022 MoPac Note. Interest on the 2022 MoPac Note is payable on January 1 and July 1, commencing July 1, 2022. The 2022 MoPac Note bears interest at a fixed rate of 3.18%, which is subject to adjustment in accordance with the terms thereof. The principal amount of the 2022 MoPac Note is payable in annual installments, which vary in amount, on July 1, beginning on July 1, 2022, and continuing through July 1, 2027.

The 2022 MoPac Note includes an event of default with finance-related consequences. An event of default is considered to occur if the Authority fails to make debt service payments on the 2022 MoPac Note, defaults on other Authority debt obligations, or another creditor of the Authority obtains, or seeks to obtain possession of the net revenues from the MoPac Improvement Project. In the event of default, the 2022 MoPac Note will become immediately payable, and the interest rate will be increased by 4%.

The net revenues from the MoPac Improvement Project have been pledged as collateral for the 2022 MoPac Note. At fiscal year end, the outstanding principal amount was \$22.5 million.

The following schedule summarizes total notes and bonds payable:

Note 5.1: Notes and Bonds Payable					
	July 1, 2024	Additions / Accretion	Amortization / Deductions	June 30, 2025	Due Within One Year
Series 2010 Obligations	34,999,710	-	(3,158,010)	31,841,700	3,516,022
Series 2010 CAB accretion	66,694,935	7,551,705	(5,841,990)	68,404,651	-
<b>Total 2010 Bonds Obligations</b>	<b>101,694,645</b>	<b>7,551,705</b>	<b>(9,000,000)</b>	<b>100,246,350</b>	<b>3,516,022</b>
Series 2011 Obligations	4,304,663	-	(3,183,732)	1,120,931	1,120,931
Series 2011 CAB accretion	5,492,312	403,779	(4,271,268)	1,624,822	-
<b>Total 2011 Bonds Obligations</b>	<b>9,796,975</b>	<b>403,779</b>	<b>(7,455,000)</b>	<b>2,745,754</b>	<b>1,120,931</b>
Series A and B - 2015 Bonds	10,000,000	-	(1,000,000)	9,000,000	2,000,000
<b>Total 2015 Bonds Obligations</b>	<b>10,000,000</b>	<b>-</b>	<b>(1,000,000)</b>	<b>9,000,000</b>	<b>2,000,000</b>
Senior Lien Refunding Bonds, Series 2016	47,045,000	-	(4,105,000)	42,940,000	5,865,000
Sub Lien Refunding Bonds, Series 2016	69,055,000	-	(2,770,000)	66,285,000	2,955,000
<b>Total 2016 Bonds Obligations</b>	<b>116,100,000</b>	<b>-</b>	<b>(6,875,000)</b>	<b>109,225,000</b>	<b>8,820,000</b>
Senior Lien Revenue Bonds, Series 2018	44,345,000	-	(1,000,000)	43,345,000	1,045,000
<b>Total 2018 Bonds Obligations</b>	<b>44,345,000</b>	<b>-</b>	<b>(1,000,000)</b>	<b>43,345,000</b>	<b>1,045,000</b>
Senior Lien Revenue Bonds, Series 2020 A	50,265,000	-	-	50,265,000	1,130,000
Senior Lien Revenue Refunding Bonds, Series 2020 B	54,305,000	-	(695,000)	53,610,000	730,000
Senior Lien Revenue Refunding Bonds, Series 2020 C	133,210,000	-	(5,105,000)	128,105,000	6,325,000
Senior Lien Revenue Bonds, Series 2020 E	167,160,000	-	-	167,160,000	-
Subordinated Lien Revenue Refunding Bonds, Series 2020 D	93,430,000	-	(4,085,000)	89,345,000	4,155,000
Subordinated Lien Revenue Bond BAN, Series 2020 F	110,875,000	-	(110,875,000)	-	-
Subordinated Lien Revenue Refunding Bonds, Series 2020 G	61,570,000	-	-	61,570,000	-
<b>Total 2020 Bonds Obligations</b>	<b>670,815,000</b>	<b>-</b>	<b>(120,760,000)</b>	<b>550,055,000</b>	<b>12,340,000</b>
Senior Lien Revenue Bonds, Series 2021 B	255,075,000	-	-	255,075,000	-
Subordinated Lien Revenue Bond BAN, Series 2021 C	244,185,000	-	-	244,185,000	-
Senior Lien Revenue Bonds, Series 2021 D	273,650,000	-	(525,000)	273,125,000	550,000
Senior Lien Revenue Bonds, Series 2021 E	329,545,000	-	(3,185,000)	326,360,000	3,230,000
TIFIA Obligation, 2021A - 290E	41,085,088	3,493	-	41,088,581	-
TFIA Obligation, 2021A - 183S	322,357,929	-	(3,492)	322,354,437	705,023
TFIA Obligation, 2021A - 183A, Phase III	-	106,712,890	-	106,712,890	-
<b>Total 2021 Bonds Obligations</b>	<b>1,465,898,017</b>	<b>106,716,383</b>	<b>(3,713,492)</b>	<b>1,568,900,908</b>	<b>4,485,023</b>
SH 71 Toll Lanes - Project Obligation	47,253,090	-	(4,820,351)	42,432,739	-
Regions 2022 MoPac Loan	23,765,900	-	(1,275,000)	22,490,900	1,400,000
<b>Total Other Obligations</b>	<b>71,018,990</b>	<b>-</b>	<b>(6,095,351)</b>	<b>64,923,639</b>	<b>1,400,000</b>
<b>Total Notes, Bonds, and Other Obligations Payable</b>	<b>2,489,668,627</b>	<b>114,671,867</b>	<b>(155,898,843)</b>	<b>2,448,441,651</b>	<b>34,726,976</b>
Net (Premium)/Discount on revenue bonds payable	180,544,262	-	(15,999,279)	164,544,983	-
<b>Total Notes and Bonds Payable Obligations</b>	<b>2,670,212,889</b>	<b>114,671,867</b>	<b>(171,898,122)</b>	<b>2,612,986,634</b>	<b>34,726,976</b>
Less current maturities of notes and bonds payable	(30,086,742)	-	-	(34,726,976)	-
<b>Total</b>	<b>2,640,126,147</b>	<b>114,671,867</b>	<b>(171,898,122)</b>	<b>2,578,259,658</b>	<b>34,726,976</b>

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## Future payments on debt obligations

As described above, the Series 2010 Bonds and the Series 2011 Bonds were issued as capital appreciation bonds. Additionally, the 2021A TIFIA Bonds also included accrued interest reflected on the Statement of Net Position as additional principal and is reflected in the interest column in this table. The accrued interest on these obligations is reflected on the Statement of Net Position as additional principal and is reflected in the principal column in the table below.

Debt service requirements on the Authority's bonds and notes are presented below:

Year	Current Interest Bonds		Capital Appreciation Bonds		Notes Payable		Total Debt Service	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 28,690,023	\$ 81,535,751	\$ 4,636,953	\$ 9,118,047	\$ 1,400,000	\$ 725,144	\$ 34,726,976	\$ 91,378,942
2027	277,473,345	80,558,716	3,264,322	7,805,678	1,500,000	680,005	282,237,667	89,044,399
2028	36,232,498	67,115,641	3,171,378	8,553,622	19,590,900	631,643	58,994,776	76,300,906
2029	55,527,347	66,993,696	2,932,886	8,907,114	-	-	58,460,233	75,900,810
2030	69,316,929	66,092,243	2,702,667	9,252,333	-	-	72,019,596	75,344,576
2031-2035	395,189,730	291,227,961	9,945,014	46,439,988	-	-	405,134,744	337,667,949
2036-2040	488,268,569	214,911,532	6,309,413	46,915,587	-	-	494,577,982	261,827,119
2041-2045	558,299,553	123,307,493	-	-	-	-	558,299,553	123,307,493
2046-2050	316,693,620	36,523,904	-	-	-	-	316,693,620	36,523,904
2051-2055	54,834,292	2,927,678	-	-	-	-	54,834,292	2,927,678
SH 71E Obligation	-	-	-	-	42,432,738	-	42,432,738	-
Accrued interest—CABs	-	-	70,029,473	-	-	-	70,029,473	-
<b>Total Debt Obligations</b>	<b>\$ 2,280,525,906</b>	<b>\$ 1,031,194,615</b>	<b>\$ 102,992,106</b>	<b>\$ 136,992,369</b>	<b>\$ 64,923,638</b>	<b>\$ 2,036,792</b>	<b>\$ 2,448,441,650</b>	<b>\$ 1,170,223,776</b>

## **Note 6. Commitments and Contingent Liabilities**

### Commitments

The Authority has a capital improvement program for roadway construction projects extending into future years. The 183 North Project is a significant ongoing toll project with a capital budget of approximately \$612 million. The Authority's construction commitment related to the 183 North Project is approximately \$492.0 million. All contracts contain a termination for convenience clause in which such contracts may be terminated, in whole or in part, for the convenience of the Authority.

### CAMPO Interlocal Agreement

Capital Area Metropolitan Planning Organization (CAMPO) is the designated metropolitan planning organization for Central Texas. As part of the designated planning organization, CAMPO received approximately \$136 million in grant funds of which \$130 million was allocated to the MoPac Improvement Project. The funding received was made available for transportation projects in the Austin area. As part of the construction of the MoPac Improvement Project, the Authority executed an agreement with CAMPO. The agreement executed calls for the sharing of surplus revenue generated from the MoPac Improvement Project by setting up a Regional Infrastructure Fund (RIF) account. The RIF account was created upon the execution of the agreement with CAMPO. The Authority contributed deposits into the RIF account from the surplus revenue from the MoPac Improvement Project. The amounts placed in the RIF account in accordance with the agreement are to be used to fund other CAMPO identified transportation projects in the region. The Authority has contributed \$37,000,000, which is deposited in the RIF account. The commitment to the RIF account is dependent upon surplus revenue of the MoPac Improvement Project. The remaining amount payable to the RIF account pursuant to the CAMPO agreement of \$230 million, may be paid through fiscal year 2041. The Authority's contribution to the RIF is due annually on September 1 and resulted in a RIF contribution of \$10.0 million.

### Leases

The Authority has obtained office space with fixed periodic payments over a lease term of three years. The right to use asset is reported as property and equipment net of accumulated amortization. Estimated future lease payments consist of the following:

Table 6.1 Leases			
	Principal	Interest	
2026	\$ 410,575	\$ 6,196	
<b>Total</b>	<b>\$ 410,575</b>	<b>\$ 6,196</b>	



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The Authority leases space in the headquarters building to two outside parties under separate lease agreements. Rental income related to the leases for the fiscal year ended June 30, 2025, was \$186,343. Estimated future non-cancelable lease rental income is presented in the table below:

Table 6.2 Lease Rental Income	
Fiscal Year	Amount
2026	\$ 174,199
2027	117,699
2028	40,016
<b>Total Income</b>	<b>\$ 331,914</b>

## Litigation

The Authority engages in various contract disputes related to construction projects. Based on the status of the claims and the information available, the Authority believes no liability has not been incurred as of the date of the financial statements. The Authority believes it has substantial defenses against any claims, and any resolution of these matters will not have a material adverse effect on its financial statements.

## Note 7. Disaggregation of Receivable and Payable Balances

Receivables are comprised of current intergovernmental receivables for maintenance and construction reimbursements and amounts due from other entities related to toll tag transactions on the Authority's toll roads. The Authority does not issue toll tags; however, the Authority has contracted other tolling entities to manage customer service and operations related to the toll tag transactions. The total balances for receivables and payables are presented below:

Table 7.1 - Disaggregation of Receivables			
	Consolidated		
TxDOT	\$ 16,354,365	32.10%	
Harris County Toll Road Authority (HCTRA)	15,876,395	31.16%	
Gross billed tolls- net (allowance of \$91.9 million)	13,736,952	26.96%	
Other governments	4,983,006	9.78%	
<b>Total</b>	<b>\$ 50,950,718</b>		

Table 7.2 - Disaggregation of Payables			
	Consolidated		
Accounts Payable	\$ 10,645,447	21.66%	
Construction Payable	36,809,180	74.89%	
Other Governments	1,695,974	3.45%	
<b>Total</b>	<b>\$ 49,150,601</b>		

## Note 8. Risk Management

The Authority is exposed to risks related to the damage or destruction of its assets from both natural and manufactured occurrences; tort/liability claims; error and omission claims; and professional liability claims. To reduce the risk of exposure, the Authority carries insurance with a governmental risk pool under an "all risks" policy. All categories of insurance coverage in place were maintained at current levels or increased to overall limits of coverage and reduction of self-retained risk. There were no settlements more than insurance coverage during the fiscal year.

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## Note 9. Deferred Outflow and Inflow of Resources

The Authority's reported deferred outflows and inflows of resources related to refundings, pensions, OPEB, and leases from the following sources :

Table 9.1: Deferred Outflow and Deferred Inflow of Resources

	Outflows	Inflows
<b>Deferred outflows from bond refundings</b>	\$159,186,473	\$ -
<b>Pension-related amounts:</b>		
Employer pension contribution	421,403	-
Net difference in pension investment experience	-	(151,587)
Experience changes	407,937	(7,912)
Assumption changes	302,671	-
<b>OPEB-related amounts:</b>		
Experience changes	1,885	(3,709)
Assumption changes	12,036	(19,448)
<b>Deferred outflow from lessor:</b>	-	(335,336)
<b>Total Deferred Outflow and Deferred Inflow of Resources</b>	<b>\$160,332,405</b>	<b>\$ (517,992)</b>

## Note 10. Employee Retirement Plan

### Plan description

The Authority participates as one of the plans in joint contributory, defined benefit plan administered by the Texas County and District Retirement System (TCDRS). TCDRS acts as an agent multiple-employer retirement system for county and district employees in the State of Texas. The TCDRS Act is the basis for administration of the pension system. The pension system is governed by a nine-member Board of Trustees and is managed by an administrative staff in Austin. Although the Governor, with the advice and consent of the Senate, appoints the Board, TCDRS is not fiscally dependent on the State of Texas.

TCDRS is a nonprofit public trust providing pension, disability, and death benefits for the eligible employees of participating counties and districts. TCDRS was established by legislative act in 1967 under authority of Article XVI of the Texas Constitution (Subtitle F, Title 8, Texas Government Code). TCDRS's defined benefit pension plan is a tax-qualified plan under Section 401(a) of the Internal Revenue Code. TCDRS issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at [www.tcdrs.org](http://www.tcdrs.org).

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

### Benefits provided

Effective the date of participation, the Authority provides retirement, disability, and death benefits. A percentage of each employee's paycheck is deposited into his or her TCDRS account. The Authority set the percentage rate at 7% and has elected a matching rate of \$2.50 to \$1.00. The employees' savings grow at a rate of 7%, compounded annually. At retirement, the employee's account balance is combined with the Authority's matching and converted into a lifetime monthly benefit. Employees receive a month of service time for each month that they make a deposit into their account. The amount of service an employee needs to earn a future benefit is called the vesting requirement. When an employee is vested, he or she has the right to a monthly benefit, which includes the employer matching contribution, at age 60 or older.

The Authority adopted a five year/Age 60 Retirement Eligibility described in Section 844.207 of the TCDRS Act, under which: (a) any TCDRS member who has 5 or more years of service credit with the Authority and other subdivisions that have adopted the provisions of Section 844.207 or 844.210, is a vested member and shall have the right to retire and receive a service retirement annuity after attaining age 60. In addition, employees may retire before age 60 if they meet one of the following requirements: vested employees may retire if their age plus years or service time add up to at least 75 or employees are allowed to retire at any age when they have at least 30 years of service time.



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Any TCDRS member who is a vested member may terminate employment with all participating subdivisions prior to attaining age 60 and remain eligible to retire and receive a service retirement annuity after attaining age 60 provided his or her membership is not terminated other than by retirement. Any TCDRS member who is a vested member under Section 844.207(d) may retire and receive a disability retirement annuity if he or she is certified as disabled, as defined by the plan. Any TCDRS member who has four or more years of service credit with the Authority and other subdivisions is eligible for purposes of the Survivor Annuity Death Benefit.

Retirees elect to receive their lifetime benefit by choosing one of seven actuarially equivalent payment options. Prior service gives employees monetary credit for time worked for an eligible organization before it joined the system. Buybacks allow current employees to re-establish a closed TCDRS account from previous service with an employer. Partial lump sum payments at retirement allow employees to withdraw part of their TCDRS account balance as a lump sum at retirement with a reduced monthly benefit. In addition, the Authority may choose to adopt a cost-of-living adjustment (COLA) for its retirees. This adjusts retiree benefits to restore purchasing power lost due to the effects of inflation.

## Employees covered by benefit terms

The following employees were covered by the benefit terms as of the valuation dated December 31, 2024.

<b>Table 10.1: Employees Covered</b>	
Inactive employees or beneficiaries currently receiving benefits	12
Inactive employees entitled to, but not yet receiving benefits	15
Active employees	29
<b>Total</b>	<b>56</b>

## Contributions

Plan members and the Authority are required to contribute at a rate set by statute. The contribution requirements of plan members and the Authority are established and may be amended. For 2024, the contribution rate for the plan members was 7% of gross pay. The Authority pays a matching portion to the pension plan totaling 18% of gross pay, which totaled \$1,026,966.

## Net pension liability

The Authority's net pension asset was measured as of December 31, 2024, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date.

## Actuarial assumptions

The actuarial assumptions that determined the total pension liability as of December 31, 2024, were based on the results of an actuarial experience study for the period January 1, 2017, through December 31, 2020, except where required to be different by GASB Statement No. 68.

The total pension liability on December 31, 2024, actuarial valuation was determined by using the following actuarial assumptions, applied to all periods included in the measurement.

<b>Table 10.2: Actuarial Assumptions</b>	
Inflation	2.50%
Salary Increases*	4.70%
Investment Rate of Return	7.50%

\*including inflation

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Mortality rates for active members, retirees, and beneficiaries were based on the following:

Table 10.3: Mortality Rates	
Depositing members	135% of Pub-2010 General Employees Amount-Weighted Mortality Table for males and 120% Pub-2010 General Employees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Service retirees, beneficiaries and non-depositing members	135% of Pub-2010 General Healthy Retirees Amount-Weighted Mortality Table for males and 120% Pub-2010 General Healthy Retirees Amount Weighted Mortality Table for females, both projected with 100% of the MP2021 Ultimate scale after 2010.
Disabled retirees	160% of Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for males and 125% Pub-2010 General Disabled Retirees Amount Weighted Mortality Table for females, both projected with 100% of the MP2021 Ultimate scale after 2010.

## Long-term rate of return on assets

The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant. The valuation assumption for long-term expected return is reassessed at a minimum of every four years, and the most recent analysis was performed in 2021.

The capital market assumptions and information shown below are provided by TCDRS' investment consultant based on December 31, 2024, information for a seven- to ten-year time horizon.

Table 10.4: Capital Market Assumptions

Asset Class	Benchmark	Target Allocation <sup>(1)</sup>	Geometric Real Rate of Return <sup>(2)</sup>
United States Equities	Dow Jones U.S. Total Stock Market Index	13.00%	5.35%
Global Equities	MSCI World (net) Index	4.00%	5.16%
International Equities—Developed	MSCI World Ex USA (net)	6.00%	4.75%
International Equities—Emerging	MSCI EM Standard (net) index	0.00%	4.75%
Investment—Grade Bonds	Bloomberg Barclays U.S. Aggregate Bond Index	3.00%	2.55%
Strategic Credit	FTSE High-Yield Cash-Pay Capped Index	9.00%	3.70%
Direct Lending	S&P/LSTA Leveraged Loan Index	16.00%	6.85%
Distressed Debt	Cambridge Associates Distressed Index <sup>(3)</sup>	4.00%	6.80%
REIT Equities	67% FTSE NAREIT Equity REITs Index plus 33% S&P Global Real Estate Index	2.00%	3.95%
Master Limited Partnerships (MLPs)	Alerian MLP Index	2.00%	4.95%
Commodities	Bloomberg Commodities Index	2.00%	1.00%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index <sup>(4)</sup>	6.00%	5.75%
Private Equity	Cambridge Associates Global Private Equity and Venture Capital Index <sup>(5)</sup>	25.00%	8.15%
Hedge Funds	Hedge Fund Research, Inc. Fund of Funds Composite Index	6.00%	3.60%
Cash Equivalents	90-Day U.S. Treasury	2.00%	1.10%

(1) Target asset allocation adopted at the March 2025 TCDRS Board meeting.

(2) Geometric real rates of return equal the expected return for the asset class minus the assumed inflation rate of 2.35%, per Cliffwater's 2025 capital market

(3) Includes vintage years 2005-present of Quarter Pooled Horizon IRRs.

(4) Includes vintage years 2007-present of Quarter Pooled Horizon IRRs.

(5) Includes vintage years 2006-present of Quarter Pooled Horizon IRRs

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## Discount rate

The discount rate used to measure the total pension liability was 7.60% for December 31, 2024. To determine the discount rate to be used by the employer, the TCDRS used an alternative method to determine the sufficiency of the fiduciary net position in all future years. The alternative method reflects the funding requirements under the employer's funding policy and the legal requirements under the TCDRS Act.

- TCDRS has a funding policy where the Unfunded Actuarial Accrued Liability shall be amortized as a level percent of pay over 20-year closed layered periods.
- Under the TCDRS Act, the employer is legally required to make the contribution specified in the funding policy.
- The employer's assets are projected to exceed its accrued liabilities in 20 years or less. When this point is reached, the employer is still required to contribute at least the normal cost.
- Any increased cost due to the adoption of a COLA is required to be funded over a period of 15 years, if applicable.

## Discount Rate Sensitivity analysis

The following presents the net pension asset/liability of the Authority as of December 31, 2024, calculated using the discount rate of 7.60%, as well as what the net pension asset/liability would be if it were calculated using a discount rate that is percentage point lower (6.60%) or one percentage point higher (8.60%) than the current rate.

Table 10.5 - Sensitivity Analysis

	Current		
	1% Decrease	Discount Rate	1% Increase
	6.60%	7.60%	8.60%
Total Pension Liability	\$ 25,516,506	\$ 22,339,612	\$ 19,702,379
Fiduciary Net Position	20,778,101	20,778,101	20,778,101
<b>Net Pension Liability (Asset)</b>	<b>\$ 4,738,405</b>	<b>\$ 1,561,511</b>	<b>\$ (1,075,722)</b>

## Changes in net pension liability (asset)

The projected fiduciary net position is determined to be sufficient compared to projected benefit payments. Based on the expected level of cash flow and investment returns to the system, the fiduciary net position as a percentage of total pension liability is projected to increase from its current level in future years.

Since the projected fiduciary net position is projected to be sufficient to pay projected benefit payments in all future years, the discount rate for purposes of calculating the total pension liability and net pension liability of the Authority is equal to the long-term assumed rate of return on investments. This long-term assumed rate of return should be net of investment expenses, but gross of administrative expenses. Therefore, the system has used a discount rate of 7.60%. This rate reflects the long-term assumed rate of return on assets for funding purposes of 7.50%, net of all expenses, increased by 0.10% to be gross of administrative expenses.

Table 10.6 - Chages in Net Position Liability (Asset)

Changes in Net Pension Liability (Asset)	Increase (Decrease)		
	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance as of December 31, 2023	\$ 20,267,375	\$ 18,295,748	\$ 1,971,627
Changes for the Year:			
Service cost	990,670	-	990,670
Interest on total pension liability <sup>(1)</sup>	1,587,564	-	1,587,564
Effect of plan changes <sup>(2)</sup>	-	-	-
Effect of economic/demographic (gains) or losses	245,857	-	245,857
Benefit payments	(751,853)	(751,853)	-
Administrative expenses	-	(11,311)	11,311
Member contributions	-	304,051	(304,051)
Net investment income	-	1,877,206	(1,877,206)
Employer contributions	-	1,026,966	(1,026,966)
Other <sup>(3)</sup>	-	37,295	(37,295)
<b>Balances as of December 31, 2024</b>	<b>\$ 22,339,613</b>	<b>\$ 20,778,102</b>	<b>\$ 1,561,511</b>

(1) Reflects the change in the liability due to the time value of money. TCDRS does not charge fees or interest.

(2) No plan changes valued.

(3) Relates to allocation of system-wide items.

# FINANCIAL SECTION

## Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separate issued TCDRS financial report, which may be obtained at [www.tcdrs.org](http://www.tcdrs.org).

## Pension Expense

The Authority recognized the following pension-related expenses for the period ending December 31, 2024.

Table 10.7 - Pension Expense	
Pension Expense (Income)	
Service cost	\$ 990,670
Interest on total pension liability <sup>(1)</sup>	1,587,564
Administrative expenses	11,311
Member contributions	(304,051)
Expected investment return net of investment expenses	(1,413,051)
Recognition of deferred inflows/outflows of resources	
Recognition of economic/ demographic gains or losses	99,437
Recognition of assumption changes or inputs	88,436
Recognition of investment gains or losses	(155,400)
Other <sup>(2)</sup>	(37,294)
<b>Pension Expense (Income)</b>	<b>\$ 867,622</b>

(1) Reflects the change in the liability due to the time value of money. TCDRS does not charge fees or interest.

(2) Relates to allocation of system-wide items.

## Pension Deferred Inflows/Outflows of Resources

At June 30, 2025, the Authority reported deferred outflows of resources and deferred inflows of resources related to pension benefits from the following sources:

Table 10.8 - Deferred Inflows / Outflows of Resources			
	Deferred Inflows of Resources	Deferred Outflows of Resources	
Differences between expected and actual experience	\$ 7,912	\$ 407,937	
Changes of assumptions	-	302,671	
Net difference between projected and actual earnings	151,857	-	
Contributions made subsequent to measurement date <sup>(3)</sup>	-	421,403	
<b>Total Deferred inflows / Outflows of resources</b>	<b>\$ 159,769</b>	<b>\$ 1,132,011</b>	

(3) Any eligible employer contributions made subsequent to the measurement date through the employer's fiscal year end.

Of the \$1,132,011 total for deferred outflows of resources, \$421,403 for the Authority contributions made subsequent to the measurement date will be recognized as a reduction of net pension liability in the fiscal year ending June 30, 2026. The remainder of total net deferred outflows will be recognized in pension expense as follows:

Table 10.9: Net Deferred Outflows (Inflows) of Resources	
Years ending December 31:	Amount
2025	\$ 89,354
2026	443,640
2027	(12,065)
2028	30,180
2029	(270)
<b>Total</b>	<b>\$ 550,839</b>



# FINANCIAL SECTION

## Note 11. Other Pension Employee Benefits (OPEB)

### Plan Description

The Authority voluntarily participates in the Texas County & District Group Term Life Fund (TCDRS GTLF). GTLF is a single employer defined Other Post-Employment Benefit (OPEB) plan as defined by GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. It is established and administered in accordance with the TCDRS Act.

For the Texas County & District Retirement System (TCDRS), the retiree death benefit paid from the Group Term Life (GTL) program is an OPEB benefit. The OPEB program is treated as an unfunded trust because the GTL trust covers both active and retired employees and is not segregated.

The TCDRS Group Term Life program has been determined to be an unfunded OPEB plan as the GTL fund does not meet the requirements of a trust under Paragraph 4b of GASB 75, because the assets of the GTL fund can be used to pay active GTL benefits which are not part of the OPEB plan. For GASB 75 purposes, the OPEB plan is not a cost sharing plan, so the annual benefit payments are treated as being equal to the employer's actual retiree GTL contributions for the year.

### Benefits Provided

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's most recent annualized salary. Employers may also choose to cover retirees. Retirees are insured for \$5,000. Life insurance proceeds are payable as a lump sum. The coverage provided to retirees is a postemployment benefit other than pension benefits.

### Employees Covered by Benefit Terms

The number of employees currently covered by the benefit terms is as follows:

Table 11.1: Employees Covered	
Inactive employees or beneficiaries currently receiving benefits	29
Inactive employees entitled to, but not yet receiving benefits	10
Active employees	11
<b>Total</b>	<b>50</b>

### Contributions

The Authority contributes to the GTLF at a contractually required rate as determined by an annual actuarial valuation, which was 0.18% as of December 31, 2024, of which 0.01%, represented the retiree-only portion for each year, as a percentage of annual covered payroll. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the GTLF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to prefund retiree term life insurance during employees' entire careers.

The Authority's contributions to the GTLF for the year ended June 30, 2025, were \$8,252, representing contributions for both active and retiree coverage, which equaled the required contributions each year.

### Total OPEB Liability

The Authority's total OPEB liability (TOL) was measured as of December 31, 2024, as determined by an actuarial valuation as of that date.

# FINANCIAL SECTION

## Actuarial Assumptions

The total OPEB liability on December 31, 2024, actuarial valuation was determined using the following actuarial assumptions:

**Table 11.2: Actuarial Assumptions**

Investment rate of return	4.08% based on or 20 Year Bond GO Index as of December 31, 2024.
Actuarial cost method	Entry age level percent of salary

Mortality rates for active members, retirees, and beneficiaries were based on the following:

**Table 11.3: Mortality Rates**

Depositing members	135% of Pub-2010 General Employees Amount-Weighted Mortality Table for males and 120% Pub-2010 General Employees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Service retirees, beneficiaries and non-depositing members	135% of Pub-2010 General Healthy Retirees Amount-Weighted Mortality Table for males and 120% Pub-2010 General Healthy Retirees Amount Weighted Mortality Table for females, both projected with 100% of the MP2021 Ultimate scale after 2010.
Disabled retirees	160% of Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for males and 125% Pub-2010 General Disabled Retirees Amount Weighted Mortality Table for females, both projected with 100% of the MP2021 Ultimate scale after 2010.

All actuarial assumptions and methods that determined the total OPEB liability as of December 31, 2024, were based on the results of an actuarial experience study for the period January 1, 2017 – December 31, 2020, except where required to be different by GASB 75.

## Discount Rate

The TCDRS GTL program is treated as an unfunded OPEB plan because the GTL trust covers both actives and retirees, and the assets are not segregated for these groups. Under GASB 75 (paragraph 155), the discount rate for an unfunded OPEB plan should be based on 20-year tax-exempt AA or higher Municipal Bonds. Therefore, a discount rate of 4.08% based on the 20 Year Bond GO Index is used as of the measurement date of December 31, 2024.

## Discount Rate Sensitivity Analysis

The following schedule shows the impact of the total OPEB Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used in measuring the total OPEB Liability.

**Table 11.4 - Sensitivity Analysis**

	Current		
	1% Decrease	Discount Rate	1% Increase
	3.08%	4.08%	5.08%
Total OPEB Liability	\$ 68,008	\$ 56,550	\$ 47,572

# FINANCIAL SECTION

## OPEB Liability

At June 30, 2025, the Authority reported an OPEB liability of \$56,550 . The total OPEB liability was determined by an actuarial valuation as of December 31, 2024.

<b>Table 11.5 - Change in Total OPEB Liability (Asset)</b>	
<b>Balance as of December 31, 2023</b>	<b>\$ 61,537</b>
Changes for the Year:	
Service cost	4,774
Interest on total OPEB liability <sup>(1)</sup>	2,155
Changes in benefit terms <sup>(2)</sup>	-
Effect of economic/ demographic experience	(2,303)
Effect of assumptions changes or inputs <sup>(3)</sup>	(9,179)
Benefit changes	(434)
<b>Total OPEB Liability</b>	<b>\$ 56,550</b>

(1) Reflects the change in liability due to time value of money. TCDRS does not charge fees or interest.

(2) No plan changes valued.

(3) Reflects change in discount rate.

## OPEB Expense

For the year ended June 30, 2024, the Authority recognized OPEB expense of \$4,270. There were no changes of benefit terms that affected measurement of the total OPEB liability during the measurement period.

<b>Table 11.6 - OPEB Expense</b>	
<b>OPEB Expense and Income</b>	
Service cost	\$ 4,774
Interest on total OPEB liability <sup>(1)</sup>	2,155
Recognition of deferred inflows/outflows of resources:	
Effect of economic/ demographic experience	(152)
Effect of assumptions changes or inputs	(2,507)
<b>OPEB Expense</b>	<b>\$ 4,270</b>

(1) Reflects the change in liability due to time value of money. TCDRS does not charge fees or interest.

## OPEB Deferred Inflows/Outflows of Resources

At June 30, 2025, the Authority reported deferred outflows of resources and deferred inflows of resources related to other post-employment benefits from the following sources:

<b>Table 11.7 - Deferred Inflows / Outflows of Resources</b>			
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>	
Differences between expected and actual experience	\$ 3,709	\$ 1,885	
Changes of assumptions	19,448	12,036	
Contributions made subsequent to measurement date*	-	-	
<b>Total Deferred inflows / Outflows of resources</b>	<b>\$ 23,157</b>	<b>\$ 13,921</b>	

\*Any eligible employer contributions made subsequent to the measurement date through the employer's fiscal year end.

Amounts currently reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability for the year ending June 30, 2026. Other amounts of the reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:



# FINANCIAL SECTION



**Table 11.8: Net Deferred Outflows (Inflows) of Resources**

Years ending December 31:	Amount
2025	\$ (2,659)
2026	(2,659)
2027	(3,256)
2028	444
2029	(1,106)
<b>Total</b>	<b>\$ (9,236)</b>

## Note 12. Deferred Compensation Plan

The Authority offers employees a deferred compensation plan created in accordance with the Internal Revenue Code Section 457. The plan, available to all Authority employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

The funds in the plan are held by Nationwide Retirement Solutions, Inc. as the plan administrator for the Authority. The funds are held in trust for the exclusive benefits of the employees and beneficiaries who will receive funds directly remitted by Nationwide Retirement Solutions, Inc. to the Authority's employees or beneficiaries. The Authority no longer owns the amounts deferred by the employees or related income on these amounts. Therefore, since the plan does not qualify to be included with the Authority's fiduciary funds there are not any plan assets included in the Authority's financial statements.

## Note 13. Change within Reporting Entity

Historically, the Authority has presented System and Non-System business-type activities in total, resulting in financial statements that may have been considered to be those of the same reporting entity. To alleviate any misunderstanding the Authority has decided to present System and Non-System assets separately as major funds. The effect of this segregated reporting does not change financial results. In addition to totals, net income will be presented in separate columns for System and Non-System.

The effects of the change within reporting entity are shown in the table below:

**Table 13.1 Change within Reporting Entity**

	System	Non-System	Business-Type Activities Total
<b>Change in Net Position</b>	<b>\$ 94,749,457</b>	<b>\$ 849,203</b>	<b>\$ 95,598,660</b>
Net Position, July 1, 2024	769,014,031	-	769,014,031
<b>Change in Net Position</b>	<b>(191,675,917)</b>	<b>191,675,917</b>	<b>-</b>
Net Position, July 1, 2024, as adjusted	577,338,114	191,675,917	769,014,031
<b>Net Position, June 30, 2025</b>	<b>\$ 672,087,571</b>	<b>\$ 192,525,120</b>	<b>\$ 864,612,691</b>

## Note 14. Subsequent Events

Subsequent events have been evaluated through the date the financial statements were available to be issued.

On August 28, 2025, The Authority entered into a buyout agreement for one of the tenant leases in the Headquarters building. The lease was originally set to end in February 2027 and will now end on December 31, 2025.

On September 8, 2025, Moody's Ratings upgraded the Authority's senior lien revenue bonds and the subordinate lien TIFIA bonds to A2 from A3 and the Authority's remaining subordinate lien bonds to A3 from Baa1.

# FINANCIAL SECTION

## Required Supplementary Information Pension unaudited

Schedule of Changes in Net Pension Assets and Related Ratios For the Fiscal Years Ended December 31										
	Last Ten Fiscal Years (Dollars in Thousands)									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Total Pension Liability</b>										
Service cost	\$ 990,670	\$ 699,095	\$ 660,031	\$ 846,844	\$ 791,930	\$ 714,326	\$ 623,080	\$ 621,685	\$ 636,083	\$ 474,778
Interest on total pension liability	1,587,564	1,121,730	1,033,125	940,060	825,944	705,006	599,756	512,318	417,633	361,003
Effect of plan changes	-	4,495,140	-	14,249	16,761	16,858	-	-	-	(33,691)
Effect of assump. changes or inputs	-	-	-	76,337	642,701	-	-	15,820	-	42,041
Effect of economic/demographic (gains) or losses	245,857	236,488	83,464	(20,688)	21,833	49,571	32,484	(34,008)	(152,926)	(193,519)
Benefit payments/refunds	(751,853)	(678,762)	(621,928)	(275,318)	(91,355)	(50,070)	(44,409)	(31,286)	(51,685)	(2,212)
<b>Net change in total pension liability</b>	<b>\$ 2,072,238</b>	<b>\$ 5,873,691</b>	<b>\$ 1,154,692</b>	<b>\$ 1,581,484</b>	<b>\$ 2,207,814</b>	<b>\$ 1,435,691</b>	<b>\$ 1,210,911</b>	<b>\$ 1,084,529</b>	<b>\$ 849,105</b>	<b>\$ 648,400</b>
<b>Total pension liability, beginning</b>	<b>20,267,374</b>	<b>14,393,683</b>	<b>13,238,991</b>	<b>11,657,507</b>	<b>9,449,693</b>	<b>8,014,002</b>	<b>6,803,091</b>	<b>5,718,562</b>	<b>4,869,457</b>	<b>4,221,057</b>
<b>Total pension liability, ending (a)</b>	<b>\$22,339,612</b>	<b>\$20,267,374</b>	<b>\$14,393,683</b>	<b>\$13,238,991</b>	<b>\$11,657,507</b>	<b>\$9,449,693</b>	<b>\$8,014,002</b>	<b>\$6,803,091</b>	<b>\$5,718,562</b>	<b>\$4,869,457</b>
<b>Fiduciary Net Position</b>										
Employer contributions	1,026,966	1,481,929	902,280	721,277	604,572	560,263	484,115	457,484	422,157	361,493
Member contributions	304,051	292,994	262,445	301,698	302,284	280,130	242,056	228,848	211,078	180,742
Investment income net of inv exp	1,877,206	1,707,754	(971,853)	2,776,384	1,070,532	1,344,360	(134,521)	897,084	378,134	(162,009)
Benefit payments/refunds	(751,853)	(678,762)	(621,928)	(275,317)	(91,356)	(50,069)	(44,409)	(31,286)	(51,685)	(2,212)
Administrative expenses	(11,311)	(9,553)	(9,048)	(8,542)	(8,963)	(7,885)	(6,579)	(5,074)	(4,113)	(3,541)
Other	37,295	61,068	89,612	24,558	25,157	28,500	21,078	8,731	46,648	955
<b>Net change in fiduciary net position</b>	<b>\$ 2,482,354</b>	<b>\$ 2,855,430</b>	<b>\$ (348,492)</b>	<b>\$ 3,540,058</b>	<b>\$ 1,902,226</b>	<b>\$ 2,155,299</b>	<b>\$ 561,740</b>	<b>\$ 1,555,787</b>	<b>\$ 1,002,219</b>	<b>\$ 375,429</b>
<b>Fiduciary net position, beginning</b>	<b>18,295,747</b>	<b>15,440,317</b>	<b>15,788,809</b>	<b>12,248,751</b>	<b>10,346,525</b>	<b>8,191,226</b>	<b>7,629,486</b>	<b>6,073,699</b>	<b>5,071,480</b>	<b>4,696,051</b>
<b>Fiduciary net position, ending (b)</b>	<b>20,778,101</b>	<b>18,295,747</b>	<b>15,440,317</b>	<b>15,788,809</b>	<b>12,248,751</b>	<b>10,346,525</b>	<b>8,191,226</b>	<b>7,629,486</b>	<b>6,073,699</b>	<b>5,071,480</b>
<b>NPL / (asset), ending = (a) - (b)</b>	<b>\$ 1,561,511</b>	<b>\$ 1,971,627</b>	<b>\$ (1,046,634)</b>	<b>\$ (2,549,818)</b>	<b>\$ (591,244)</b>	<b>\$ (896,832)</b>	<b>\$ (177,224)</b>	<b>\$ (826,395)</b>	<b>\$ (355,137)</b>	<b>\$ (202,023)</b>
Fiduciary net position as a % of total pension liability	93.01%	90.27%	107.27%	119.26%	105.07%	109.49%	102.21%	112.15%	106.21%	104.15%
Pensionable covered payroll	4,343,591	4,185,632	3,749,215	4,309,967	4,318,340	4,001,855	3,457,946	3,269,251	3,015,395	2,582,032
NPL/(asset) as % of covered payroll	35.95%	47.10%	-27.92%	-59.16%	-13.69%	-22.41%	-5.13%	-25.28%	-11.78%	-7.82%

Pension Schedule of Employer Contributions						
Year Ending December 31	Actuarially Determined Contribution <sup>(1)</sup>		Contribution Deficiency (Excess)		Actual Contribution as a % of Covered Payroll	
	Actual Contribution <sup>(1)</sup>	Covered Payroll <sup>(2)</sup>	Contribution Deficiency (Excess)	Covered Payroll <sup>(2)</sup>	Actual Contribution as a % of Covered Payroll	
2015	\$ 302,614	\$ 361,493	\$ (58,879)	\$ 2,582,032	14.0%	
2016	341,041	422,157	(81,115)	3,015,395	14.0%	
2017	383,156	457,484	(74,328)	3,269,251	14.0%	
2018	402,505	484,115	(81,610)	3,457,946	14.0%	
2019	461,814	560,263	(98,449)	4,001,855	14.0%	
2020	519,928	604,572	(84,644)	4,318,340	14.0%	
2021	515,903	721,277	(205,374)	4,309,967	16.7%	
2022	537,263	902,280	(365,017)	3,749,215	24.1%	
2023	470,884	1,481,929	(1,011,045)	4,185,632	35.4%	
2024	486,917	1,026,966	(540,049)	4,343,591	23.6%	

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

(2) Payroll is calculated based on contributions as reported to TCDRS.



# FINANCIAL SECTION

## Pension Notes to Schedule of Employer Contributions

Methods and assumptions used: the following are key assumptions and methods used in determining the actuarially determined contribution.

<b>Valuation Date</b>	Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in which the contributions are
<b>Actuarial Cost Method<sup>(1)</sup></b>	Entry Age (level percent of pay)
<b>Amortization Method</b>	Recognition of economic/demographic gains/losses, assumption, changes, or inputs - Straight-line amortized over expected working life.
<b>Remaining Amortization Period</b>	0.0 years (based on contribution rate calculated in 12/31/2024 valuation)
<b>Asset Valuation Method</b>	5-year smoothed market
<b>Inflation</b>	2.50%
<b>Salary Increases</b>	Varies by age and service. 4.7% average over career including inflation.
<b>Investment Rate of Return</b>	7.50% (net of administrative and investment expenses, including inflation)
<b>Retirement Age</b>	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
<b>Mortality</b>	135% of the Pub-2010 General Retirees Table for males and 120% of the Pub-2010 General Retirees Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
<b>Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions*</b>	2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected. 2019: New inflation, mortality and other assumptions were reflected. 2022: New investment return and inflation assumptions were reflected.
<b>Changes in Plan Provisions Reflected in the Schedule of Employer Contributions*</b>	2017: New Annuity Purchase Rates, reflected for benefits earned after 2017. 2020: Employer contributions reflect that a 100% CPI COLA was adopted. 2021: Employer contributions reflect that a 2% flat COLA was adopted 2022: Employer contributions reflect that a 100% CPI COLA was adopted 2024: Employer contributions reflect that a 100% CPI COLA was adopted

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

# FINANCIAL SECTION

## Required Supplementary Information OPEB unaudited

Schedule of Changes in Total OPEB Assets and Related Ratios For the Fiscal Years Ended December 31 Last Ten Fiscal Years* (Dollars in Thousands)									
	2024	2023	2022	2021	2020	2019	2018	2017	
<b>Total OPEB Liability</b>									
Service cost	\$ 4,774	\$ 3,968	\$ 4,861	\$ 5,571	\$ 4,666	\$ 3,156	\$ 2,982	\$ 2,693	
Interest on total OPEB liability	2,155	2,070	1,471	1,316	1,299	1,335	1,165	991	
Effect of assump. changes or inputs	(9,179)	5,201	(21,052)	1,045	7,233	10,309	(4,242)	1,767	
Effect of economic/demographic (gains) or losses	(2,303)	(1,178)	275	2,495	791	(1,465)	(1,394)	1,905	
Benefit payments/refunds	(434)	(419)	(375)	(431)	-	-	-	-	
<b>Net change in total OPEB liability</b>	<b>\$ (4,987)</b>	<b>\$ 9,642</b>	<b>\$ (14,820)</b>	<b>\$ 9,996</b>	<b>\$ 13,989</b>	<b>\$ 13,335</b>	<b>\$ (1,489)</b>	<b>\$ 7,356</b>	
<b>Total OPEB liability, beginning</b>	<b>61,537</b>	<b>51,895</b>	<b>66,715</b>	<b>56,719</b>	<b>42,730</b>	<b>29,395</b>	<b>30,884</b>	<b>23,528</b>	
<b>Total OPEB liability, ending (a)</b>	<b>\$ 56,550</b>	<b>\$ 61,537</b>	<b>\$ 51,895</b>	<b>\$ 66,715</b>	<b>\$ 56,719</b>	<b>\$ 42,730</b>	<b>\$ 29,395</b>	<b>\$ 30,884</b>	
Pensionable covered payroll	\$ 4,343,591	\$ 4,185,632	\$ 3,749,215	\$ 4,309,967	\$ 4,318,340	\$ 4,001,855	\$ 3,457,946	\$ 3,269,251	
<b>Total OPEB Liability/(Asset) as % of covered payroll</b>	<b>1.30%</b>	<b>1.47%</b>	<b>1.38%</b>	<b>1.55%</b>	<b>1.31%</b>	<b>1.07%</b>	<b>0.85%</b>	<b>0.94%</b>	

\*This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the standards of GASB 74/75, they should not be shown. Therefore, only the years for which the new GASB statements have been implemented are shown.

Employers in the TCDRS Group Term Life (GTL) Program make a combined contribution for both active and retiree coverage; however, only the retiree coverage is considered an OPEB plan and therefore only the contributions associated with retiree coverage are included under GASB 75. For GASB 75 purposes, the employer's benefit payments for the year are treated as being equal to the annual retiree GTL contributions.

OPEB Schedule of Employer Contributions				
Employer Contribution				
Year Ending December 31	Rate Applicable to Retirees	Retiree Contributions	Pensionable Covered Payroll	
2017	0.00%	\$ -	\$ 3,269,251	
2018	0.00%	-	3,457,946	
2019	0.00%	-	4,001,855	
2020	0.00%	-	4,318,340	
2021	0.01%	431	4,309,967	
2022	0.01%	375	3,749,215	
2023	0.01%	419	4,185,632	
2024	0.02%	434	4,343,591	

Note: This schedule is intended to show ten years of information. Additional years' information will be displayed as it becomes available.

# FINANCIAL SECTION



## Supplementary Information System Indenture Cash Flow and Debt Service Coverage For the Fiscal Year ended June 30, 2025

System Debt Service Calculation	
Toll Revenues	\$ 166,000,997
Video and Fee Revenues	85,995,494
Interest Earnings	40,599,592
Misc Revenue	28,439
Total System Revenue	292,624,522
Less System Operating Costs	(40,411,357)
<b>Revenue available for rate covenant and additional bond tests</b>	<b>\$ 252,213,165</b>
Debt Service Senior Lien Bonds	66,408,916
Debt Service Subordinate Lien Bonds	40,684,106
<b>Total Debt Service</b>	<b>\$ 107,093,022</b>
Less Maintenance expenses	(7,649,493)
<b>Revenue Available for Debt Service</b>	<b>\$ 244,563,672</b>
Less total Debt Service	(107,093,022)
<b>Annual Excess*</b>	<b>\$ 137,470,650</b>
* Subject to reserve policies	
Debt service coverage ratios for rate covenance and additional bonds test	
Senior Lien Coverage	3.80
Senior and Subordinate Lien Coverage	2.36
Debt service coverage ratios for revenues available for debt service	
Senior Lien Coverage	3.68
Senior and Subordinate Lien Coverage	2.28
Bond Ratings	
S&P Global Ratings	
Senior Lien Revenue Bonds	A+
Subordinate Lien TIFIA Bonds	A+
Subordinate Lien Bonds	A
Moody's Investor Services	
Senior Lien and TIFIA loans	A3
Subordinate Liens	Baa1



# FINANCIAL SECTION



## Supplementary Information Non-System Cash Flow and Debt Service Coverage For the Fiscal Year ended June 30, 2025

<b>Non-System Debt Service Calculation</b>	
Toll Revenues	24,383,925
Interest Earnings	1,061,960
Total Non-System Revenue	25,445,885
Less Non-System Operating Costs	(4,773,000)
<b>Revenue available</b>	<b>20,672,885</b>
Less total Debt Service	1,400,000
<b>Annual Excess*</b>	<b>19,272,885</b>
* Subject to reserve policies	
<b>Debt service coverage ratio</b>	
Loan Coverage	14.77

GRASS  
ROUTES



STATISTICAL SECTION



# STATISTICAL SECTION - CONSOLIDATED



## Introduction to Statistical Section (unaudited)

### Introduction

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

### Financial Trends

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

### Revenue Capacity

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

### Debt Capacity

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

### Demographic and Economic Information

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

### Operating Information

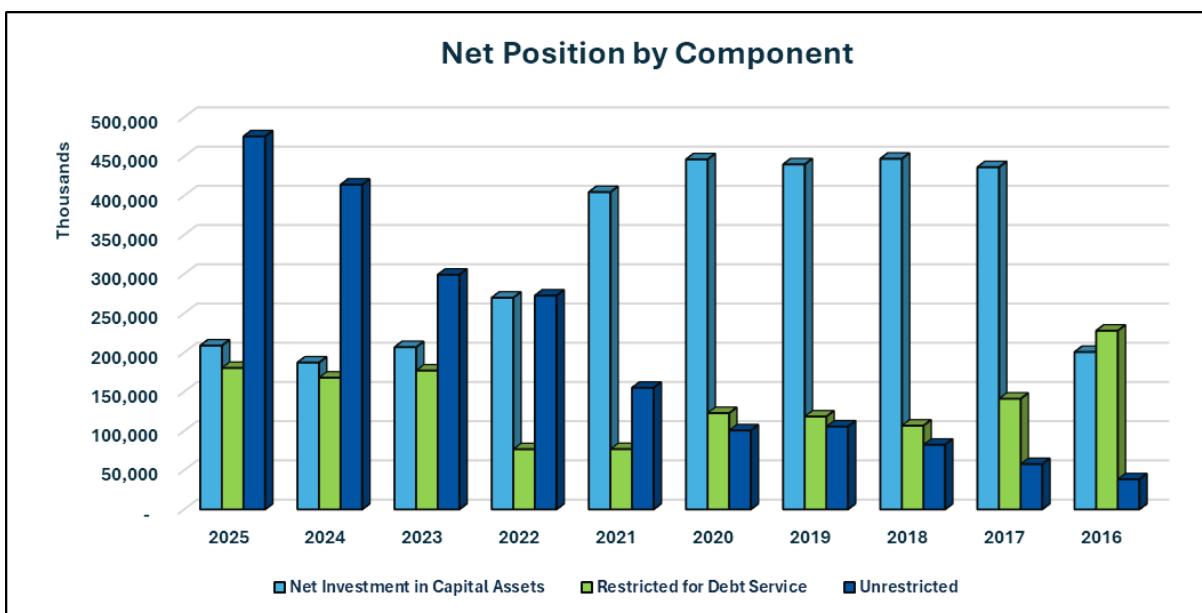
These tables contain service and infrastructure data to help the reader understand how the information in the Authority's financial report relates to the services the Authority provides and the activities it performs.

Sources: Unless otherwise noted, the information in the following tables is derived from the annual financial reports for the relevant years and is reported on a consolidated basis.

# STATISTICAL SECTION - CONSOLIDATED

## Consolidated Net Position by Component Last Ten Fiscal Years (in 000s) (unaudited)

Component	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Net Investment in Capital Assets	\$ 208,831	\$ 187,163	\$ 206,821	\$ 269,891	\$ 404,560	\$ 446,275	\$ 439,875	\$ 447,015	\$ 436,282	\$ 200,628
Restricted for Debt Service	180,272	167,862	177,020	76,695	76,872	122,723	118,363	106,764	141,068	227,787
Restricted for Net Pension Asset	-	-	2,406	1,701	-	-	-	-	-	-
Unrestricted	475,510	413,990	299,173	272,636	155,048	100,731	105,582	82,372	57,806	38,345
<b>Total Net Position</b>	<b>\$ 864,613</b>	<b>\$ 769,015</b>	<b>\$ 685,420</b>	<b>\$ 620,923</b>	<b>\$ 636,480</b>	<b>\$ 669,729</b>	<b>\$ 663,820</b>	<b>\$ 636,151</b>	<b>\$ 635,156</b>	<b>\$ 466,760</b>

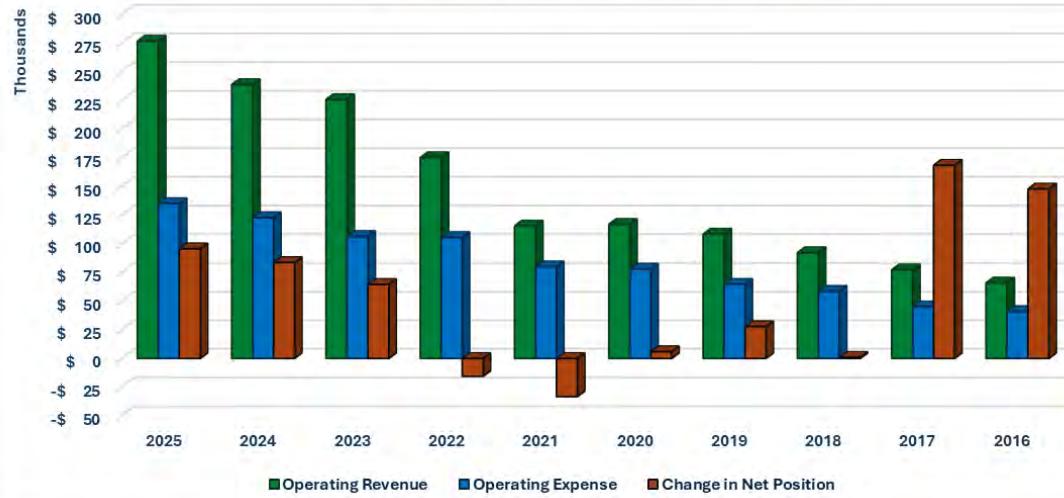


# STATISTICAL SECTION - CONSOLIDATED

## Consolidated Statement of Revenues, Expenses and Changes in Net Position Last Ten Fiscal Years (in 000s) (unaudited)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>Operating revenue</b>										
Tolls	\$ 276,380	\$ 238,575	\$ 225,664	\$ 174,812	\$ 115,321	\$ 116,927	\$ 108,314	\$ 91,492	\$ 75,651	\$ 64,312
Other Operating	203	42	20	227	159	8	41	682	1,569	1,486
<b>Total Operating revenue</b>	<b>\$ 276,583</b>	<b>\$ 238,617</b>	<b>\$ 225,684</b>	<b>\$ 175,039</b>	<b>\$ 115,480</b>	<b>\$ 116,935</b>	<b>\$ 108,355</b>	<b>\$ 92,174</b>	<b>\$ 77,220</b>	<b>\$ 65,798</b>
<b>Operating expense</b>										
Administrative expense	14,245	15,677	9,277	8,338	8,494	8,859	9,582	7,671	12,145	9,296
Operations and Maintenance	44,749	39,040	32,517	30,681	23,826	22,773	18,943	19,196	8,356	7,425
Other Operating expense	1,039	2,245	7,505	7,514	7,026	6,295	6,100	3,689	2,371	2,579
Depreciation and Amortization	64,957	59,722	57,091	58,885	40,555	39,983	29,934	28,045	22,099	21,692
<b>Total Operating expense</b>	<b>\$ 124,990</b>	<b>\$ 116,684</b>	<b>\$ 106,390</b>	<b>\$ 105,418</b>	<b>\$ 79,901</b>	<b>\$ 77,910</b>	<b>\$ 64,559</b>	<b>\$ 58,601</b>	<b>\$ 44,971</b>	<b>\$ 40,992</b>
<b>Operating Income</b>	<b>\$ 151,593</b>	<b>\$ 121,933</b>	<b>\$ 119,294</b>	<b>\$ 69,621</b>	<b>\$ 35,579</b>	<b>\$ 39,025</b>	<b>\$ 43,796</b>	<b>\$ 33,573</b>	<b>\$ 32,249</b>	<b>\$ 24,806</b>
<b>Nonoperating revenue (expense)</b>										
Interest Income	42,452	53,352	36,276	1,398	492	4,463	5,274	2,542	847	487
CAMPO RIF Contribution	(10,000)	(6,000)								
Project Contribution Expense	(10,661)	(391)	(2,148)	(3,224)	(4,469)	-	-	-	-	-
Gain on Sale of Assets	12	-	-	-	-	11	4	-	-	-
Financing Expense	-	-	(32)	(4,869)	(10,729)	(1,614)	(2,529)	(227)	(1,359)	(9,385)
Interest Expense	(78,393)	(85,719)	(89,238)	(79,406)	(54,975)	(39,228)	(35,551)	(34,909)	(31,949)	(41,939)
Capital Grants and Contributions	595	420	345	923	852	3,250	16,676	17	168,608	173,714
<b>Total Nonoperating revenue (expense)</b>	<b>(\$ 55,995)</b>	<b>(\$ 38,338)</b>	<b>(\$ 54,797)</b>	<b>(\$ 85,178)</b>	<b>(\$ 68,829)</b>	<b>(\$ 33,118)</b>	<b>(\$ 16,126)</b>	<b>(\$ 32,577)</b>	<b>\$ 136,147</b>	<b>\$ 122,877</b>
<b>Change in Net Position</b>	<b>\$ 95,598</b>	<b>\$ 83,595</b>	<b>\$ 64,497</b>	<b>(\$ 15,557)</b>	<b>(\$ 33,250)</b>	<b>\$ 5,907</b>	<b>\$ 27,670</b>	<b>\$ 996</b>	<b>\$ 168,396</b>	<b>\$ 147,683</b>

## Consolidated Statement of Revenues, Expenses and Changes in Net Position

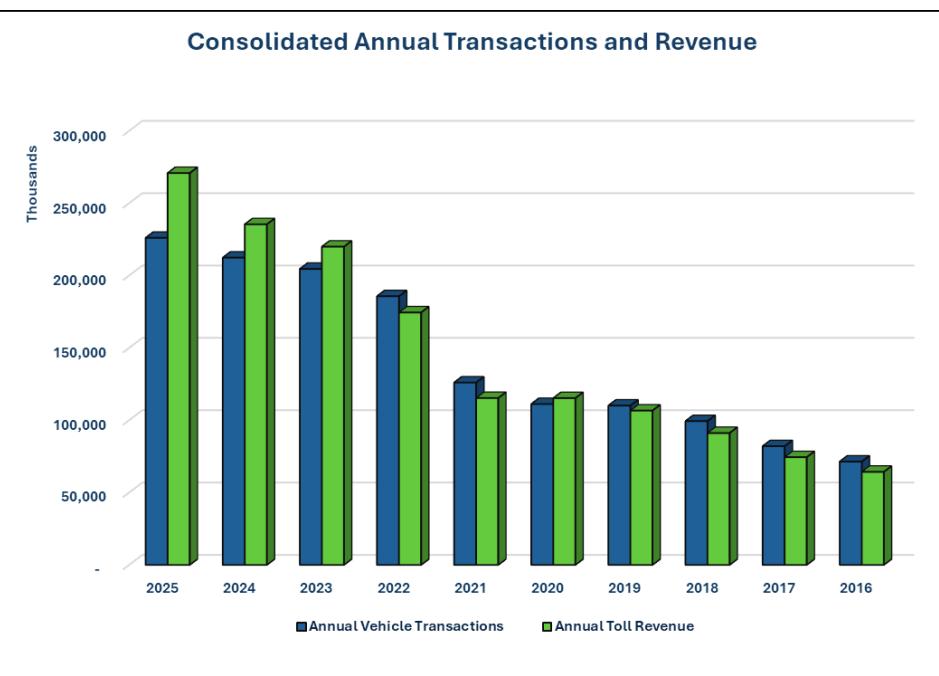


# STATISTICAL SECTION - CONSOLIDATED

## Consolidated Traffic and Toll Revenue Last Ten Fiscal Years (in 000s) (unaudited)

Year	Annual Vehicle Transactions	Annual Toll Revenue*	Average Toll rate per transaction
2025	226,048	\$ 270,822	1.20
2024	212,354	\$ 235,402	1.11
2023	204,587	\$ 219,940	1.08
2022	185,694	\$ 174,474	0.94
2021	126,032	\$ 115,322	0.92
2020	111,173	\$ 115,262	1.04
2019	110,100	\$ 106,666	0.97
2018	99,376	\$ 91,140	0.92
2017	82,038	\$ 74,440	0.91
2016	71,407	\$ 64,312	0.90

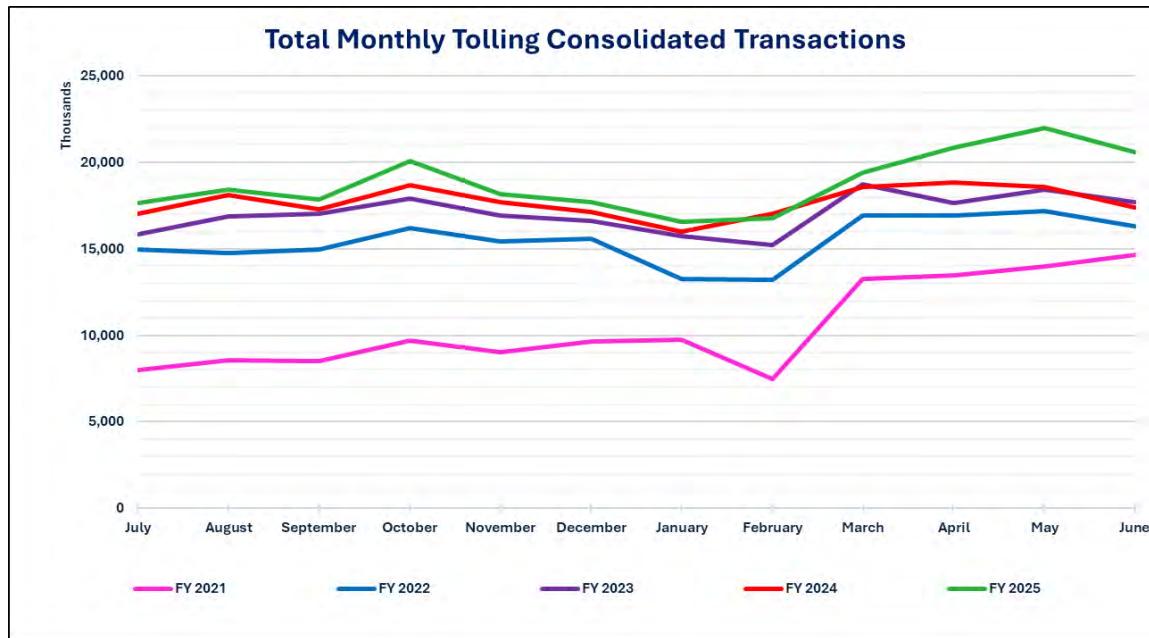
\*Excludes accruals



# STATISTICAL SECTION - CONSOLIDATED

## Consolidated Traffic and Toll Revenue Last Ten Fiscal Years (in 000s) (unaudited)

	Consolidated Transactions													
	July	August	September	October	November	December	January	February	March	April	May	June	Total	
<b>FY 2016</b>	5,807	5,781	5,689	5,951	5,618	5,906	5,695	5,787	6,348	6,195	6,318	6,312	<b>71,407</b>	
<b>FY 2017</b>	6,228	6,410	6,341	6,657	6,366	6,423	6,279	6,114	7,882	7,583	7,994	7,761	<b>82,038</b>	
<b>FY 2018</b>	7,483	7,631	7,555	8,410	8,060	8,132	7,833	7,743	9,202	8,931	9,411	8,985	<b>99,376</b>	
<b>FY 2019</b>	8,782	9,414	8,566	9,492	9,097	8,791	8,960	8,492	9,716	9,602	9,875	9,313	<b>110,100</b>	
<b>FY 2020</b>	9,500	10,996	10,291	11,048	10,237	10,106	10,521	10,575	8,367	4,913	6,761	7,858	<b>111,173</b>	
<b>FY 2021</b>	8,014	8,534	8,496	9,680	9,032	9,640	9,749	7,494	13,261	13,465	14,000	14,667	<b>126,032</b>	
<b>FY 2022</b>	14,971	14,756	14,938	16,224	15,424	15,570	13,282	13,224	16,925	16,911	17,192	16,277	<b>185,694</b>	
<b>FY 2023</b>	15,840	16,894	17,014	17,910	16,929	16,588	15,709	15,192	18,748	17,647	18,438	17,678	<b>204,587</b>	
<b>FY 2024</b>	17,039	18,098	17,299	18,669	17,715	17,134	16,013	17,044	18,576	18,839	18,550	17,378	<b>212,354</b>	
<b>FY 2025</b>	17,642	18,444	17,862	20,048	18,168	17,703	16,550	16,774	19,405	20,859	21,998	20,595	<b>226,048</b>	



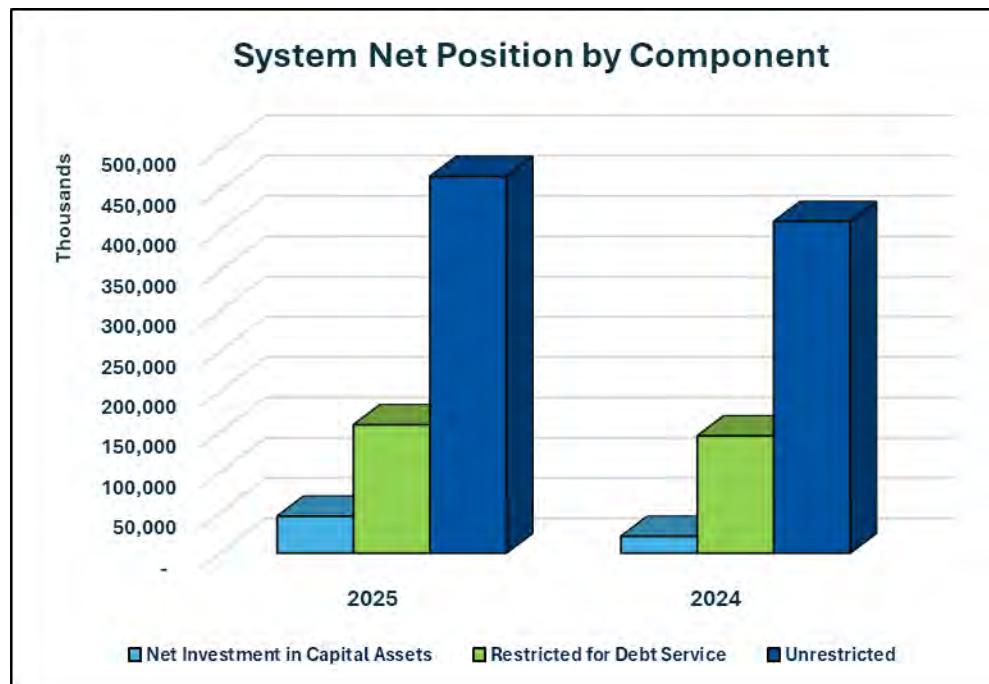
# STATISTICAL SECTION - SYSTEM



## System Net Position by Component Last Ten Fiscal Years (in 000s)\* (unaudited)

Component	2025	2024
Net Investment in Capital Assets	\$ 45,759	\$ 20,790
Restricted for Debt Service	159,181	145,370
Unrestricted	467,147	411,178
<b>Total Net Position</b>	<b>\$ 672,087</b>	<b>\$ 577,338</b>

\*The schedule of Net Position disclosure is required for 10 years. The schedule above is only for years in which the change within reporting entity occurred.



# STATISTICAL SECTION - SYSTEM

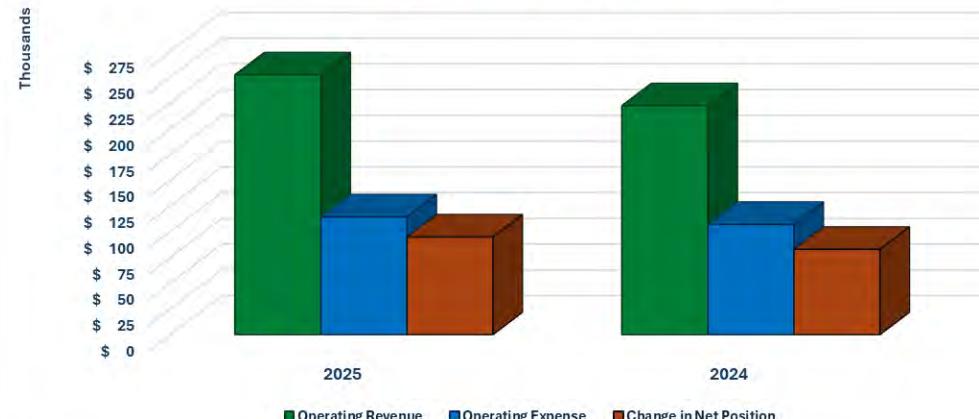


**System Statement of Revenues,  
Expenses and Changes in Net Position  
Last Ten Fiscal Years (in 000s)\*  
(unaudited)**

	2025	2024
<b>Operating revenue</b>		
Tolls	\$ 251,996	\$ 222,195
Other Operating	203	42
<b>Total Operating revenue</b>	<b>\$ 252,199</b>	<b>\$ 222,237</b>
<b>Operating expense</b>		
Administrative expense	\$ 14,241	\$ 15,676
Operations and Maintenance	40,212	36,004
Other Operating expense	807	2,048
Depreciation and Amortization	58,993	53,319
<b>Total Operating expense</b>	<b>\$ 114,253</b>	<b>\$ 107,047</b>
<b>Operating Income</b>	<b>\$ 137,946</b>	<b>\$ 115,190</b>
<b>Nonoperating revenue (expense)</b>		
Interest Income	\$ 41,390	\$ 52,554
Project Contribution Expense	(7,526)	(391)
Gain on Sale of Assets	12	-
Interest Expense	(77,668)	(84,951)
Capital Grants and Contributions	595	420
<b>Total Nonoperating revenue (expense)</b>	<b>(\$ 43,197)</b>	<b>(\$ 32,368)</b>
<b>Change in Net Position</b>	<b>\$ 94,749</b>	<b>\$ 82,822</b>

\*The schedule of Net Positon disclosure is required for 10 years. The schedule above is only for years in which the change within reporting entity occurred.

**System Statement of Revenues,  
Expenses and Changes in Net Position**



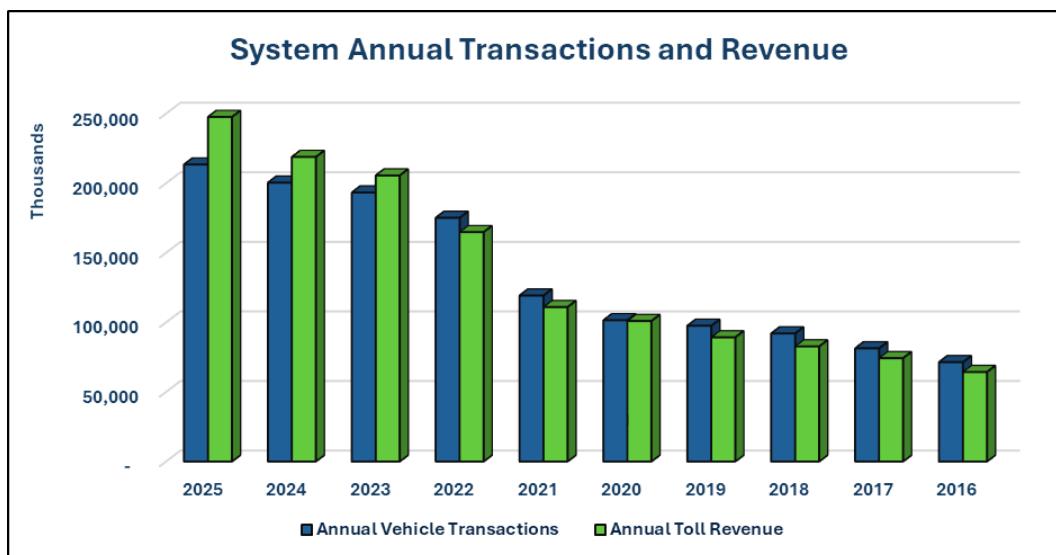
# STATISTICAL SECTION - SYSTEM



## System Traffic and Toll Revenue Last Ten Fiscal Years (in 000s) (unaudited)

Year	Annual Vehicle Transactions	Annual Toll Revenue*	Average Toll rate per transaction
2025	213,398	\$ 247,599	1.16
2024	200,364	\$ 218,856	1.09
2023	193,290	\$ 205,547	1.06
2022	175,122	\$ 164,846	0.94
2021	119,294	\$ 110,975	0.93
2020	101,508	\$ 100,964	0.99
2019	97,554	\$ 89,242	0.91
2018	92,027	\$ 82,719	0.90
2017	81,314	\$ 74,273	0.91
2016	71,407	\$ 64,312	0.90

\*Excludes accruals

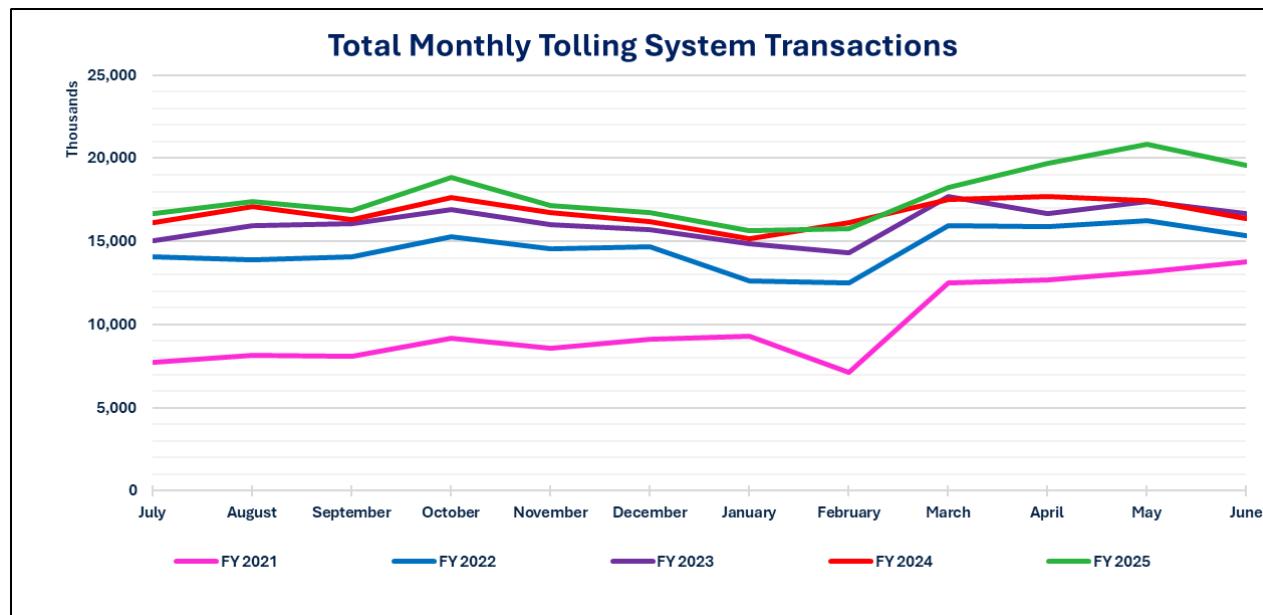


# STATISTICAL SECTION - SYSTEM



## System Traffic and Toll Revenue Last Ten Fiscal Years (in 000s) (unaudited)

	System Transactions													
	July	August	September	October	November	December	January	February	March	April	May	June	Total	
<b>FY 2016</b>	5,807	5,781	5,689	5,951	5,618	5,906	5,695	5,787	6,348	6,195	6,318	6,312	<b>71,407</b>	
<b>FY 2017</b>	6,228	6,410	6,341	6,619	6,283	6,346	6,197	6,037	7,788	7,494	7,900	7,671	<b>81,314</b>	
<b>FY 2018</b>	7,402	7,539	7,473	8,046	7,331	7,418	7,118	6,977	8,278	8,008	8,401	8,036	<b>92,027</b>	
<b>FY 2019</b>	7,888	8,356	7,624	8,390	8,053	7,802	7,914	7,485	8,602	8,460	8,734	8,246	<b>97,554</b>	
<b>FY 2020</b>	8,435	9,882	9,251	9,887	9,220	9,126	9,514	9,550	7,762	4,807	6,547	7,527	<b>101,508</b>	
<b>FY 2021</b>	7,697	8,168	8,082	9,159	8,561	9,121	9,276	7,119	12,498	12,660	13,180	13,773	<b>119,294</b>	
<b>FY 2022</b>	14,102	13,910	14,059	15,272	14,529	14,706	12,616	12,476	15,946	15,913	16,224	15,369	<b>175,122</b>	
<b>FY 2023</b>	15,015	15,946	16,055	16,917	16,033	15,722	14,852	14,328	17,681	16,649	17,406	16,686	<b>193,290</b>	
<b>FY 2024</b>	16,137	17,081	16,341	17,620	16,710	16,185	15,153	16,103	17,513	17,702	17,452	16,367	<b>200,364</b>	
<b>FY 2025</b>	16,643	17,377	16,837	18,858	17,143	16,723	15,639	15,779	18,247	19,715	20,874	19,563	<b>213,398</b>	



# STATISTICAL SECTION - SYSTEM



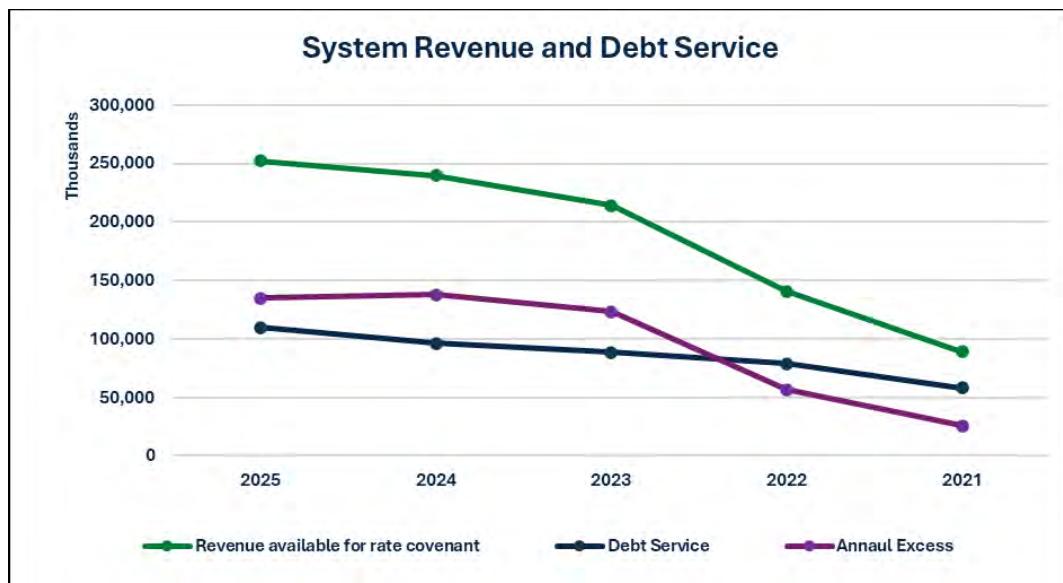
**System**  
**Indenture Cash Flow and Debt Service Coverage**  
**Last Five Fiscal Years**  
 (in 000s)  
 (unaudited)

System Debt Service Calculation						
	Fiscal Year 2025	Fiscal Year 2024	Fiscal Year 2023	Fiscal Year 2022	Fiscal Year 2021	
Toll Revenues	\$ 166,001	\$ 150,742	\$ 135,899	\$ 107,204	\$ 76,804	
Video and Fee Revenues	85,995	71,453	74,964	57,947	34,169	
Interest Earnings	40,600	52,963	35,480	1,738	492	
Misc Revenue	28	-	-	22	159	
Total System Revenue	\$ 292,624	\$ 275,158	\$ 246,343	\$ 166,911	\$ 111,624	
Less System Operating Costs	(40,411)	(35,646)	(32,130)	(26,376)	(22,767)	
<b>Revenue available for rate covenant and additional bond tests</b>	<b>\$ 252,213</b>	<b>\$ 239,512</b>	<b>\$ 214,213</b>	<b>\$ 140,535</b>	<b>\$ 88,857</b>	
Debt Service Senior Lien Bonds	66,409	63,543	56,824	59,277	47,722	
Debt Service Subordinate Lien Bonds	40,684	32,879	31,736	19,744	10,586	
<b>Total Debt Service</b>	<b>\$ 107,093</b>	<b>\$ 96,422</b>	<b>\$ 88,560</b>	<b>\$ 79,021</b>	<b>\$ 58,308</b>	
Less Maintenance expenses	(7,649)	(5,537)	(2,521)	(4,882)	(4,549)	
<b>Revenue Available for Debt Service</b>	<b>\$ 244,564</b>	<b>\$ 233,975</b>	<b>\$ 211,692</b>	<b>\$ 135,653</b>	<b>\$ 84,308</b>	
Less total Debt Service	(107,093)	(96,422)	(88,560)	(79,021)	(58,308)	
<b>Annual Excess*</b>	<b>\$ 137,471</b>	<b>\$ 137,553</b>	<b>\$ 123,132</b>	<b>\$ 56,632</b>	<b>\$ 26,000</b>	
* Subject to reserve policies						
<b>Debt service coverage ratios for rate covenant and additional bonds test</b>						
Senior Lien Coverage	3.80	3.77	3.77	2.37	1.86	
Senior and Subordinate Lien Coverage	2.36	2.48	2.42	1.78	1.52	
<b>Debt service coverage ratios for revenues available for debt service</b>						
Senior Lien Coverage	3.68	3.68	3.73	2.29	1.77	
Senior and Subordinate Lien Coverage	2.28	2.43	2.39	1.72	1.45	
<b>Bond Ratings</b>						
<b>S&amp;P Global Ratings</b>						
Senior Lien Revenue Bonds	A+	A	A-	A-	A-	
Subordinate Lien TIFIA Bonds	A+	A	A-	A-	A-	
Subordinate Lien Bonds	A	A-	BBB	BBB	BBB	
<b>Moody's Investor Services</b>						
Senior Lien and TIFIA loans	A3	A3	A3	A3	Baa1	
Subordinate Liens	Baa1	Baa1	Baa1	Baa1	Baa2	

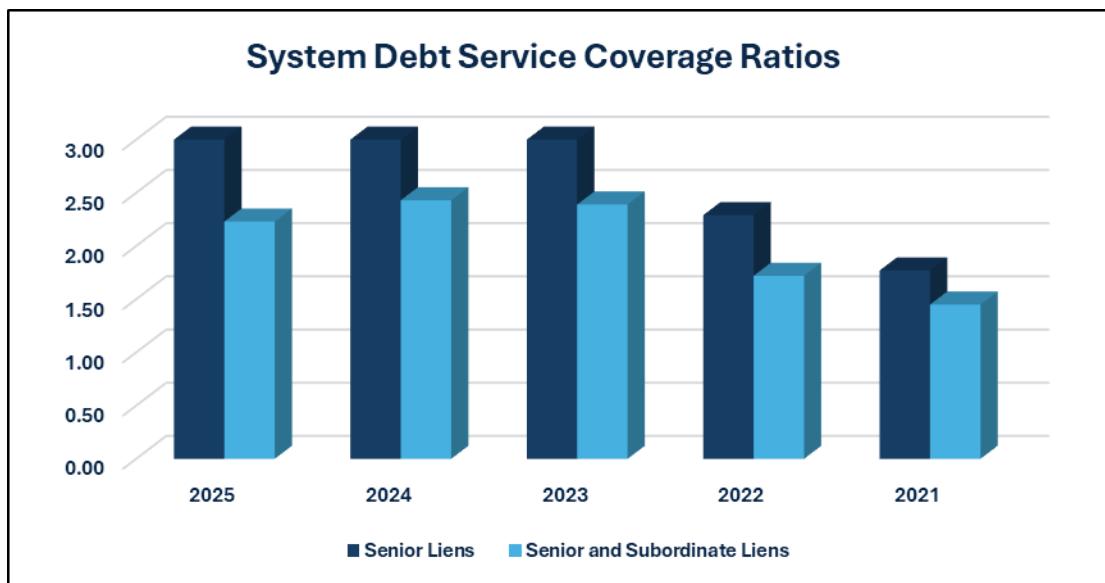
# STATISTICAL SECTION - SYSTEM



## System Revenue and Debt Service Last Five Years (unaudited)



## System Debt Service Coverage Ratios Last Five Years (unaudited)



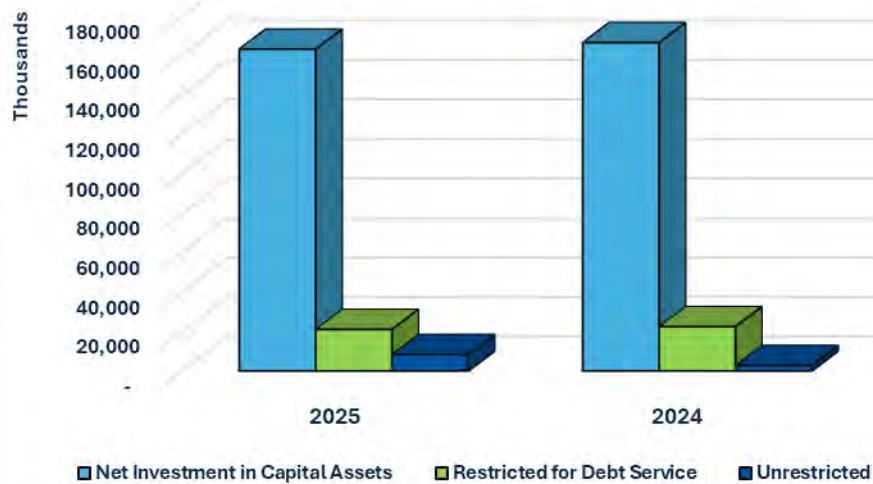
# STATISTICAL SECTION - NON-SYSTEM

## Non-System Net Position by Component Last Ten Fiscal Years (in 000s)\* (unaudited)

Component	2025	2024
Net Investment in Capital Assets	\$ 163,072	\$ 166,373
Restricted for Debt Service	21,091	22,492
Unrestricted	8,363	2,812
<b>Total Net Position</b>	<b>\$ 192,526</b>	<b>\$ 191,677</b>

\*The schedule of Net Position disclosure is required for 10 years. The schedule above is only for years in which the change within reporting entity occurred.

## Non-System Net Position by Component



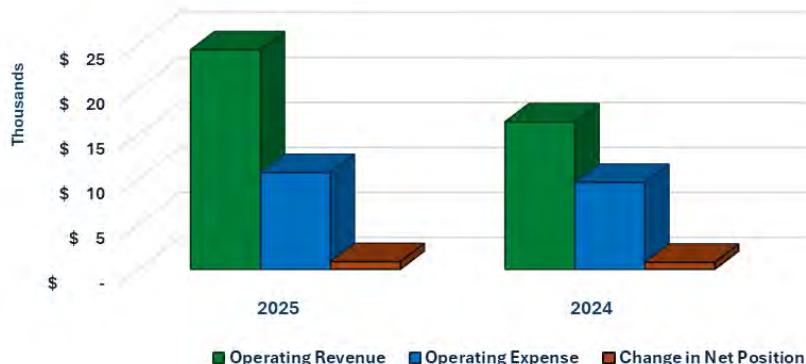
# STATISTICAL SECTION - NON-SYSTEM

## Non-System Statement of Revenues, Expenses and Changes in Net Position Last Ten Fiscal Years (in 000s)\* (unaudited)

	2025	2024
<b>Operating revenue</b>		
Tolls	\$ 24,384	\$ 16,380
<b>Total Operating revenue</b>	<b>\$ 24,384</b>	<b>\$ 16,380</b>
<b>Operating expense</b>		
Administrative expense	\$ 4	\$ 1
Operations and Maintenance	4,537	3,036
Other Operating expense	232	197
Depreciation and Amortization	5,964	6,403
<b>Total Operating expense</b>	<b>\$ 10,737</b>	<b>\$ 9,637</b>
<b>Operating Income</b>	<b>\$ 13,647</b>	<b>\$ 6,743</b>
<b>Nonoperating revenue (expense)</b>		
Interest Income	\$ 1,062	\$ 798
CAMPO RIF Contribution	(10,000)	(6,000)
Project Contribution Expense	(3,135)	-
Interest Expense	(725)	(768)
<b>Total Nonoperating revenue (expense)</b>	<b>(\$ 12,798)</b>	<b>(\$ 5,970)</b>
<b>Change in Net Position</b>	<b>\$ 849</b>	<b>\$ 773</b>

\*The schedule of Net Position disclosure is required for 10 years. The schedule above is only for years in which the change within reporting entity occurred.

## Non-System Statement of Revenues, Expenses and Changes in Net Position



# STATISTICAL SECTION - NON-SYSTEM

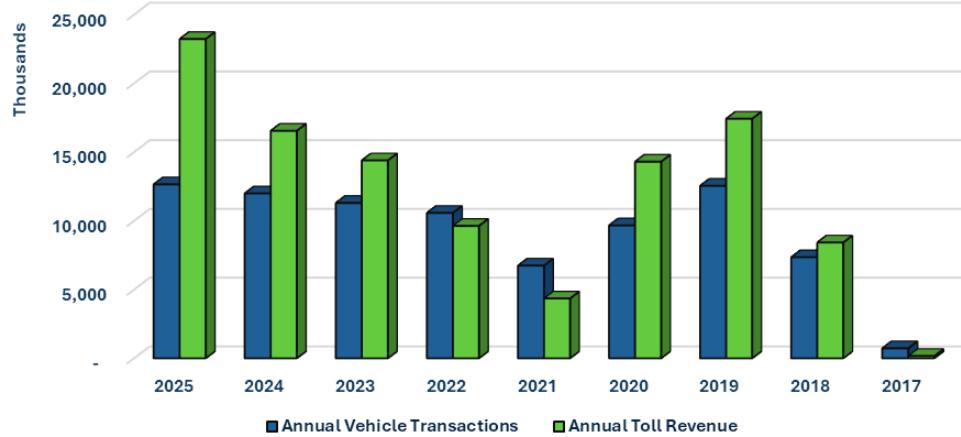
## Non-System Traffic and Toll Revenue Last Ten Fiscal Years (in 000s) (unaudited)

Year*	Annual Vehicle Transactions	Annual Toll Revenue**	Average Toll rate per transaction
2025	12,650	\$ 23,223	1.84
2024	11,990	\$ 16,546	1.38
2023	11,297	\$ 14,393	1.27
2022	10,572	\$ 9,628	0.91
2021	6,738	\$ 4,347	0.65
2020	9,665	\$ 14,298	1.48
2019	12,546	\$ 17,424	1.39
2018	7,349	\$ 8,421	1.15
2017	724	\$ 167	0.23

\*Road opened in fiscal year 2017.

\*\*Excludes accruals.

### Non-System Annual Transactions and Revenue





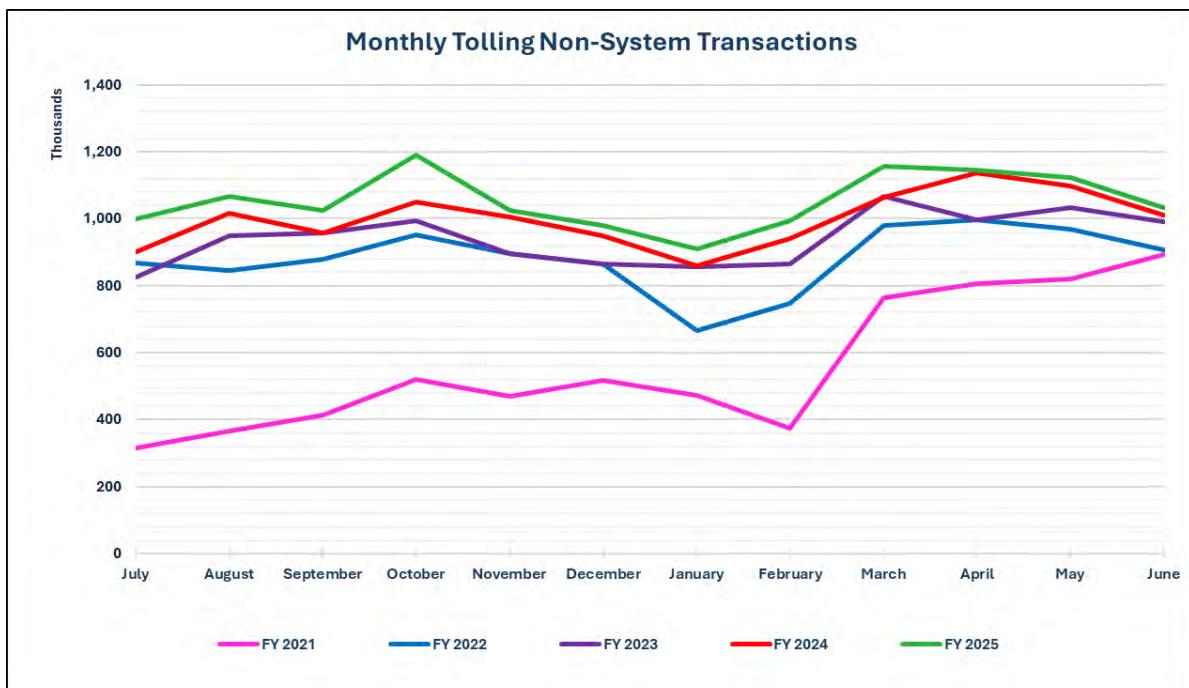
# STATISTICAL SECTION - NON-SYSTEM



## Non-System Traffic and Toll Revenue Last Ten Fiscal Years (in 000s) (unaudited)

	Non-System Transactions												
	July	August	September	October	November	December	January	February	March	April	May	June	Total
<b>FY 2017*</b>	-	-	-	38	83	77	82	77	94	89	94	90	724
<b>FY 2018</b>	81	92	82	364	729	714	715	766	924	923	1,010	949	7,349
<b>FY 2019</b>	894	1,058	942	1,102	1,044	989	1,046	1,007	1,114	1,142	1,141	1,067	12,546
<b>FY 2020</b>	1,065	1,114	1,040	1,161	1,017	980	1,007	1,025	605	106	214	331	9,665
<b>FY 2021</b>	317	366	414	521	471	519	473	375	763	805	820	894	6,738
<b>FY 2022</b>	869	846	879	952	895	864	666	748	979	998	968	908	10,572
<b>FY 2023</b>	825	948	959	993	896	866	857	864	1,067	998	1,032	992	11,297
<b>FY 2024</b>	902	1,017	958	1,049	1,005	949	860	941	1,063	1,137	1,098	1,011	11,990
<b>FY 2025</b>	999	1,067	1,025	1,190	1,025	980	911	995	1,158	1,144	1,124	1,032	12,650

\*Road opened in fiscal year 2017.



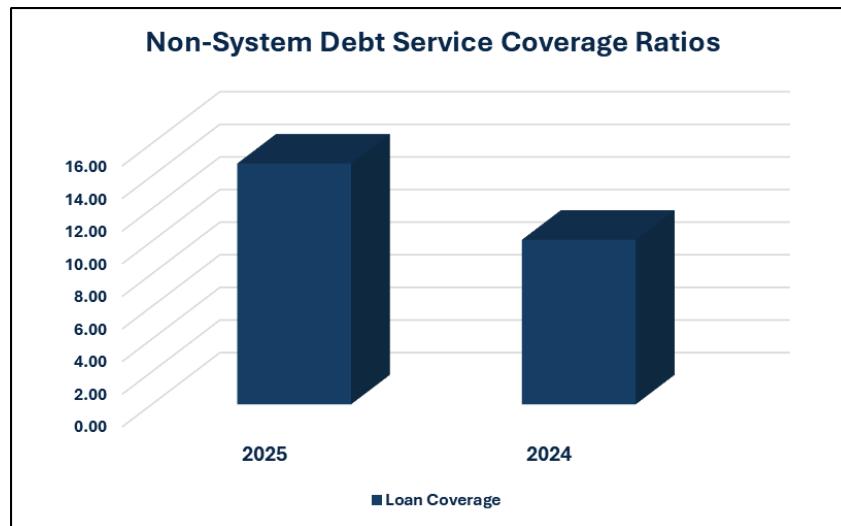
# STATISTICAL SECTION - NON-SYSTEM



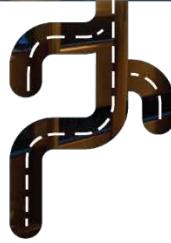
**Non-System**  
**Cash Flow and Debt Service Coverage**  
**Last Two Fiscal Years**  
(in 000s)  
(unaudited)

Non-System Debt Service Calculation		
	Fiscal Year 2025	Fiscal Year 2024
Toll Revenues	\$ 24,384	\$ 16,380
Interest Earnings	1,062	798
Total Non-System Revenue	25,446	17,178
Less Non-System Operating Costs	(4,773)	(3,036)
<b>Revenue available</b>	<b>\$ 20,673</b>	<b>\$ 14,142</b>
Less total Debt Service	1,400	1,275
<b>Annual Excess*</b>	<b>\$ 19,273</b>	<b>\$ 12,867</b>
* Subject to reserve policies		
Debt service coverage ratio		
Loan Coverage		

**Non-System**  
**Debt Service Coverage Ratios**  
**Last Two Years**  
(unaudited)



# STATISTICAL SECTION - OTHER



**Ratio of Outstanding Debt by Type**  
**Business-Type Activities by Transactions**  
**Last Ten Fiscal Years (in 000s)**  
**(unaudited)**

Year	Revenue Bonds	Bond Discount / (Premium)	TIFIA Notes	Mopac Loan	TxDOT 71E Loan	Total Debt Amount	Annual Vehicle Transactions	Debt Per Transaction	Debt Per Capita
2016	1,140,398	104,129	-	-	-	1,244,527	71,408	17.43	0.73
2017	1,193,555	105,961	-	-	65,000	1,364,516	82,037	16.63	0.68
2018	1,266,803	95,290	-	17,000	62,332	1,441,425	99,376	14.50	0.69
2019	1,572,053	90,081	50	24,991	60,728	1,747,903	110,099	15.88	0.72
2020	1,624,949	90,502	52	24,991	58,482	1,798,976	111,173	16.18	0.73
2021	1,624,949	90,502	52	24,991	58,482	1,798,976	126,035	14.27	0.74
2022	2,102,362	216,398	351,304	24,991	55,077	2,750,132	185,694	14.81	0.82
2023	2,082,418	198,031	359,043	24,691	51,918	2,716,101	204,585	13.28	0.80
2024	2,055,207	180,544	363,443	23,766	47,253	2,670,213	212,355	12.57	0.78
2025	1,913,362	164,545	470,156	22,491	42,433	2,612,987	226,046	11.56	0.75

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

**Ratio of Revenue-Backed Debt Outstanding**  
**Business-Type Activities by Revenue**  
**Last Ten Fiscal Years (in 000s)**  
**(unaudited)**

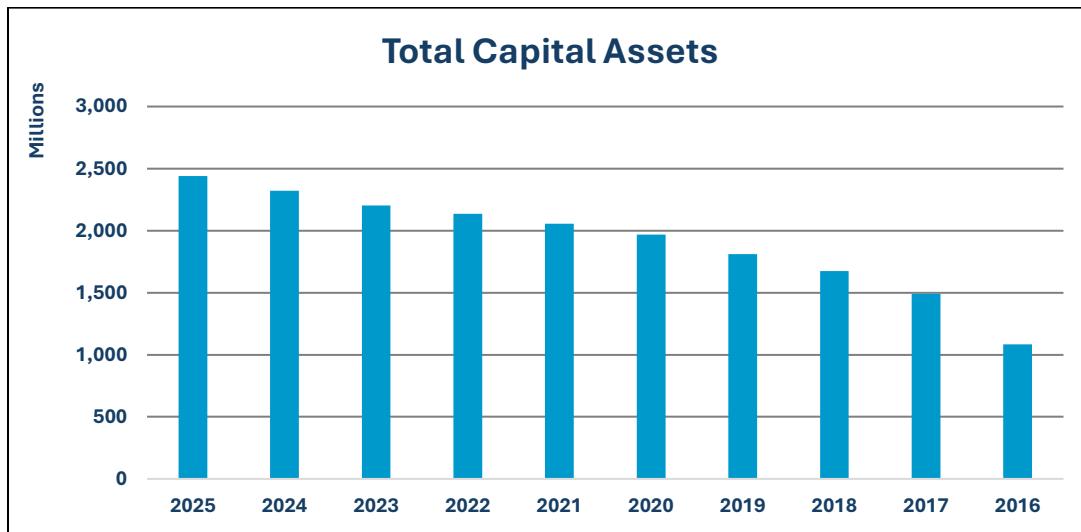
Year	Revenue Bonds	Bond Discount / (Premium)	TIFIA Notes	Mopac Loan	TxDOT 71E Loan	Total Debt Amount	Annual Toll Revenue	Debt per Toll Revenue	Debt Per Capita
2016	1,140,398	104,129	-	-	-	1,244,527	64,312	19.35	0.73
2017	1,193,555	105,961	-	-	65,000	1,364,516	74,440	18.33	0.68
2018	1,266,803	95,290	-	17,000	62,332	1,441,425	91,140	15.82	0.69
2019	1,572,053	90,081	50	24,991	60,728	1,747,903	106,666	16.39	0.72
2020	1,624,949	90,502	52	24,991	58,482	1,798,976	115,262	15.61	0.73
2021	1,624,949	90,502	52	24,991	58,482	1,798,976	115,323	15.60	0.74
2022	2,102,362	216,398	351,304	24,991	55,077	2,750,132	174,474	15.76	0.82
2023	2,082,418	198,031	359,043	24,691	51,918	2,716,101	219,939	12.35	0.80
2024	2,055,207	180,544	363,443	23,766	47,253	2,670,213	235,402	11.34	0.78
2025	1,913,362	164,545	470,156	22,491	42,433	2,612,987	270,822	9.65	0.75

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

# STATISTICAL SECTION - OTHER

## Contribution to Capital Assets Last Ten Fiscal Years (in 000s) (unaudited)

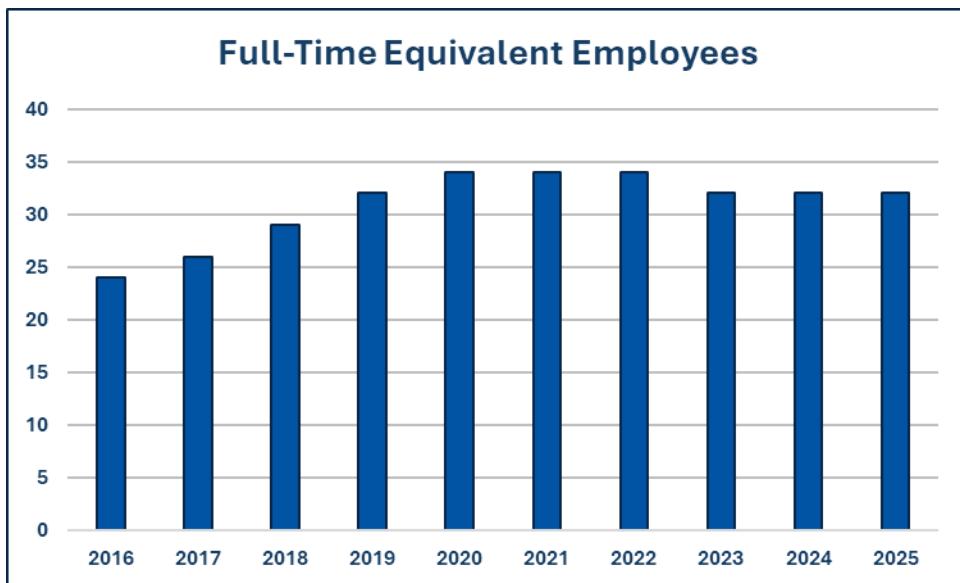
Year	Beginning Balance	Additions	Deletions/ Depreciation	Ending Balance
2025	\$ 2,320,895	\$ 190,176	(\$ 72,353)	\$ 2,438,718
2024	2,203,299	178,546	(60,950)	2,320,895
2023	2,136,294	125,950	(58,945)	2,203,299
2022	2,056,507	141,933	(62,146)	2,136,294
2021	1,968,134	133,169	(44,796)	2,056,507
2020	1,810,305	197,814	(39,985)	1,968,134
2019	1,673,629	166,609	(29,933)	1,810,305
2018	1,491,482	229,711	(47,564)	1,673,629
2017	1,084,996	428,585	(22,099)	1,491,482
2016	892,639	214,060	(21,703)	1,084,996



# STATISTICAL SECTION - OTHER

## Number of Employees by Department Last Ten Fiscal Years (unaudited)

Function	Full-Time Equivalent Employees									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Administration	5	5	5	8	8	9	9	5	4	4
Communications	5	4	4	3	4	4	4	4	3	3
Engineering	4	5	6	9	9	9	9	9	9	8
Finance	3.5	3	3	3	4	4	4	5	5	5
Information Technology	1	1	1	1	1	2	2	3	4	4
Legal Services	2	2	4	4	2	1	1	1	1	1
Operations	3.5	6	6	4	6	5	5	5	6	7
<b>Total</b>	<b>24</b>	<b>26</b>	<b>29</b>	<b>32</b>	<b>34</b>	<b>34</b>	<b>34</b>	<b>32</b>	<b>32</b>	<b>32</b>

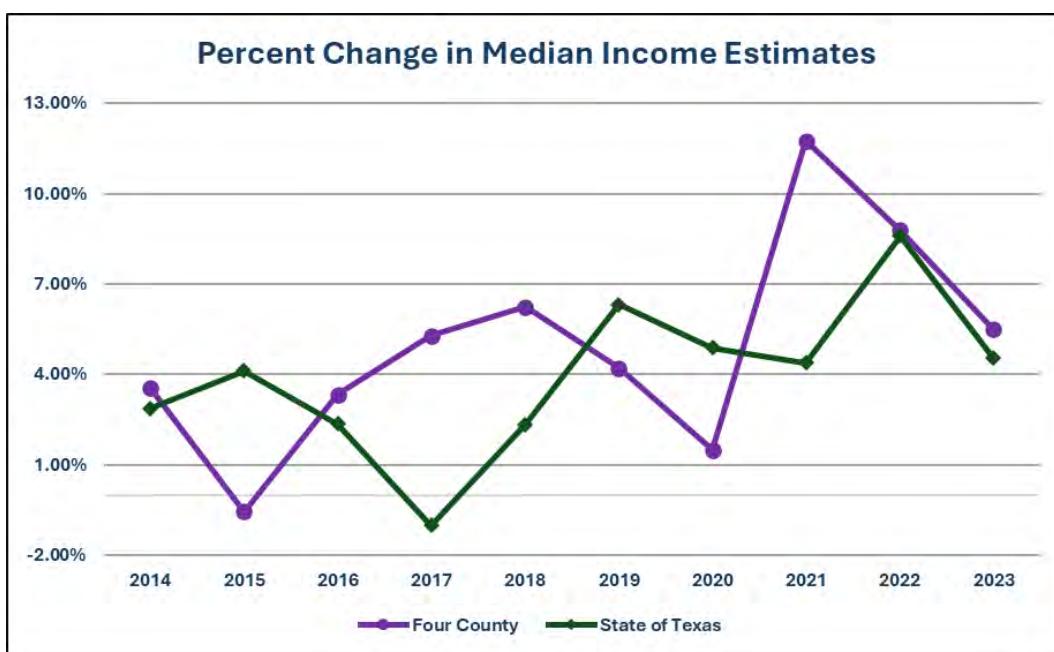


# STATISTICAL SECTION - OTHER

## Demographic Data – Combined Four County Region and State of Texas Median Household Income Estimates 2014-2023 (unaudited)

Year	Travis	Williamson	Hays	Bastrop	Four County Regional Totals		Percentage Change from Prior Years	
					Estimated Avg Median Income	Estimated Avg Median Income	Four County	State of Texas
2014	59,068	31,709	34,959	31,552	39,322	43,862	3.56%	2.87%
2015	59,691	33,147	33,216	30,383	39,109	45,669	-0.54%	4.12%
2016	60,041	32,705	36,182	32,723	40,413	46,745	3.33%	2.36%
2017	65,086	34,575	37,095	33,453	42,552	46,274	5.29%	-1.01%
2018	69,666	35,825	40,369	34,969	45,207	47,362	6.24%	2.35%
2019	72,364	37,242	42,283	36,561	47,113	50,355	4.21%	6.32%
2020	72,468	37,242	43,287	38,289	47,822	52,813	1.50%	4.88%
2021	81,191	42,959	47,453	42,177	53,445	55,129	11.76%	4.39%
2022	87,511	47,574	53,240	44,230	58,139	59,865	8.78%	8.59%
2023	91,771	51,260	57,684	44,607	61,331	62,586	5.49%	4.55%
<b>Averaged Yearly Totals</b>					\$ 71,886	\$ 38,424	\$ 42,577	\$ 36,894
							\$ 47,445	\$ 51,066

Source: Travis, Williamson, Hays, Bastrop counties annual financial reports.





**Exhibit B**  
**Federal Awards Compliance Audit**