

OBLIGATION LIMIT REPORT

Description

This report communicates the actual contract amounts impacting the 2010 obligation limit through August 2010, the end of the fiscal year. It also provides an update on year-to-date motor fuel tax receipts with a comparison to receipts from the previous year. Finally, this month's report includes information on the latest federal rescission of federal-aid apportionment.

Background

This report was created to inform the commission, throughout the year, of the obligations that have been incurred and are scheduled against the obligation limit of \$1.6 billion for 2010 (excluding amounts dedicated to comprehensive development agreements). This obligation limit applies to the costs of new state highway improvement projects that are let to contract, change orders on projects that have previously let to contract, toll equity commitments, additional commitments on pass-through funded projects, and costs of overruns on existing projects. The limit includes amounts derived from both state and federal revenues deposited to the State Highway Fund, but excludes sources such as bond proceeds, economic stimulus funds, SH121 toll project revenue, SH130 concession funds and local bonds as these inherently have their own constraints and are tracked separately. Also excluded is any funding from the Texas Mobility Fund as this source has previously been committed in full for the immediate future.

This report also provides information on motor fuel tax receipts, any variance from estimates and any potential impact on letting volume.

Criteria

None.

Problem/Condition

None.

Other Comments

The August 2010 actual contracts let totaled \$547.50 million. For the month, impact to the State Highway Fund Obligation Limit was \$253.70 million which brings the year to date total, including change orders, to \$1,377.34 billion. Miscellaneous amounts such as change orders or local lets received after this report, but prior to the end of the fiscal year, may also count against the 2010 obligation limit.

Through August, motor fuel tax receipts are down 0.21% when compared to the same fiscal year-to-date totals from last year.

On August 13, 2010, the department received from the Federal Highway Administration a notice regarding the rescission of federal-aid apportionments. Texas' share is approximately \$190 million.

Alternate Solutions/Actions

None.

Analysis of Remaining State Highway Fund Letting Obligations By District
Fiscal Year 2010
As of August 23,2010
(in millions)

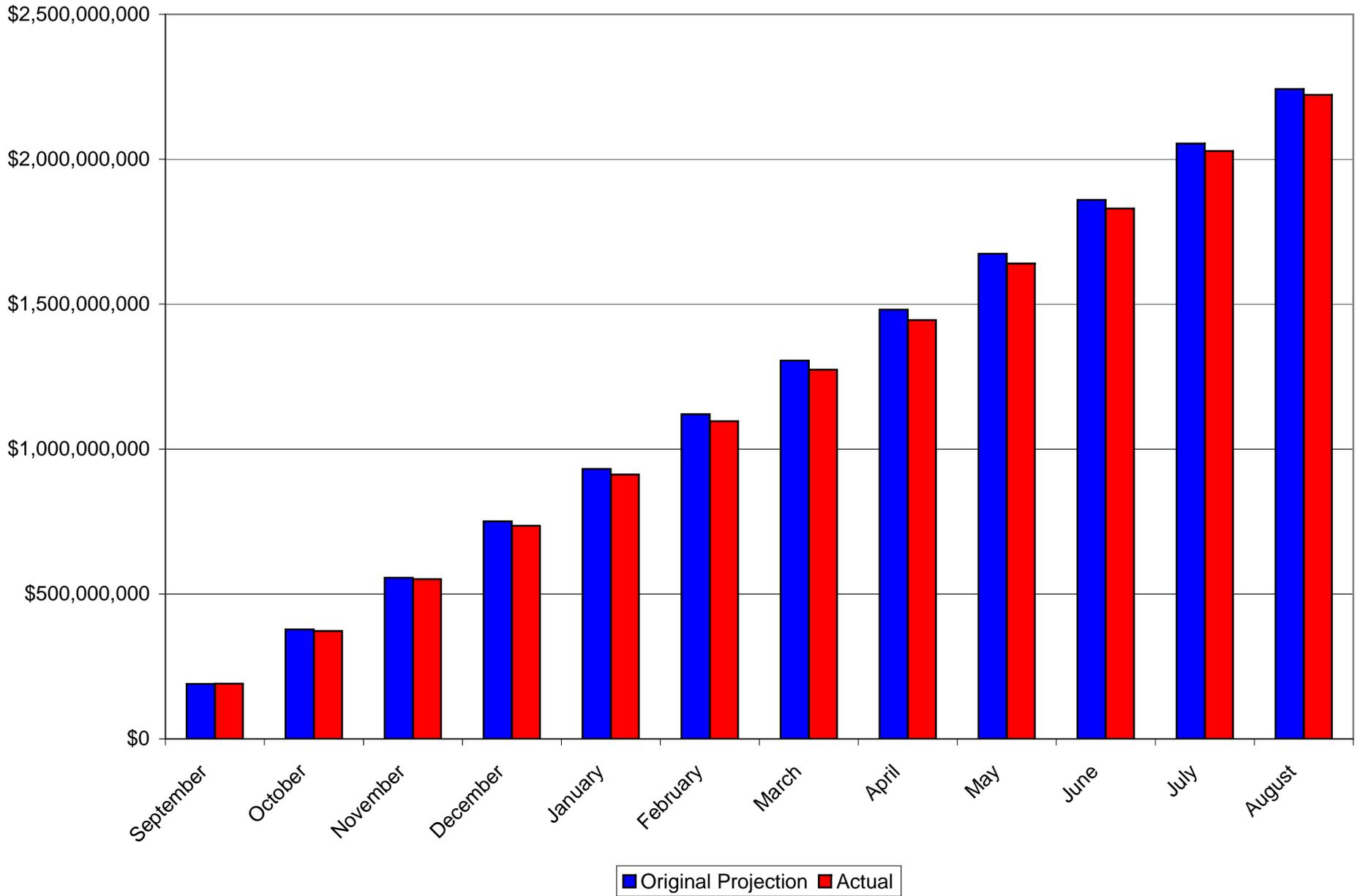
District/Division	Obligation Limit	Amount Utilized (Sept. - Aug.)	Percent Utilized	*Proposed Remaining FY 2010 Schedule	Percent Utilized	Remaining Total	Remaining Percent
Abilene	\$29.52	\$29.09	98.55%	\$0.00	0.00%	\$0.43	1.45%
Amarillo	\$27.17	\$25.77	94.85%	\$0.00	0.00%	\$1.40	5.15%
Atlanta	\$30.59	\$27.33	89.35%	\$0.00	0.00%	\$3.26	10.65%
Austin	\$43.56	\$36.98	84.89%	\$0.00	0.00%	\$6.58	15.11%
Beaumont	\$27.97	\$29.09	104.02%	\$0.00	0.00%	(\$1.12)	-4.02%
Brownwood	\$19.52	\$19.68	100.83%	\$0.00	0.00%	(\$0.16)	-0.83%
Bryan	\$22.69	\$22.68	99.94%	\$0.00	0.00%	\$0.01	0.06%
Childress	\$14.57	\$14.01	96.14%	\$0.00	0.00%	\$0.56	3.86%
Corpus Christi	\$20.22	\$18.71	92.51%	\$0.00	0.00%	\$1.51	7.49%
Dallas	\$148.33	\$101.96	68.74%	\$0.00	0.00%	\$46.37	31.26%
El Paso	\$79.91	\$56.00	70.08%	\$0.00	0.00%	\$23.91	29.92%
Ft. Worth	\$90.42	\$80.24	88.74%	\$0.00	0.00%	\$10.18	11.26%
Houston	\$201.14	\$172.52	85.77%	\$0.00	0.00%	\$28.62	14.23%
Laredo	\$66.50	\$58.82	88.45%	\$0.00	0.00%	\$7.68	11.55%
Lubbock	\$26.69	\$25.18	94.35%	\$0.00	0.00%	\$1.51	5.65%
Lufkin	\$12.21	\$12.91	105.77%	\$0.00	0.00%	(\$0.70)	-5.77%
Odessa	\$19.24	\$20.64	107.27%	\$0.00	0.00%	(\$1.40)	-7.27%
Paris	\$26.16	\$24.92	95.25%	\$0.00	0.00%	\$1.24	4.75%
Pharr	\$45.57	\$39.96	87.70%	\$0.00	0.00%	\$5.61	12.30%
San Angelo	\$12.11	\$12.11	100.01%	\$0.00	0.00%	(\$0.00)	-0.01%
San Antonio	\$53.86	\$44.93	83.43%	\$0.00	0.00%	\$8.93	16.57%
Tyler	\$25.56	\$26.39	103.26%	\$0.00	0.00%	(\$0.83)	-3.26%
Waco	\$30.48	\$30.20	99.08%	\$0.00	0.00%	\$0.28	0.92%
Wichita Falls	\$14.89	\$14.98	100.63%	\$0.00	0.00%	(\$0.09)	-0.63%
Yoakum	\$22.09	\$22.52	101.95%	\$0.00	0.00%	(\$0.43)	-1.95%
Bridge	\$314.03	\$272.41	86.75%	\$0.00	0.00%	\$41.62	13.25%
Traffic	\$89.87	\$72.62	80.81%	\$0.00	0.00%	\$17.25	19.19%
Design	\$55.87	\$52.35	93.70%	\$0.00	0.00%	\$3.52	6.30%
Railroad	\$15.00	\$0.00	0.00%	\$0.00	0.00%	\$15.00	100.00%
Statewide Prog.	\$12.88	\$12.32	95.65%	\$0.00	0.00%	\$0.56	4.35%
Undistributed	\$1.38	\$0.00	0.00%	\$0.00	0.00%	\$1.38	0.00%
Sub Total	\$1,600.00	\$1,377.34	86.08%	\$0.00	0.00%	\$222.66	13.92%
CDA	\$585.00	\$585.00	100.00%	\$0.00	0.00%	\$0.00	0.00%
Grand Total	\$2,185.00	\$1,962.34	89.81%	\$0.00	0.00%	\$222.66	10.19%

Deposits to the State Highway Fund

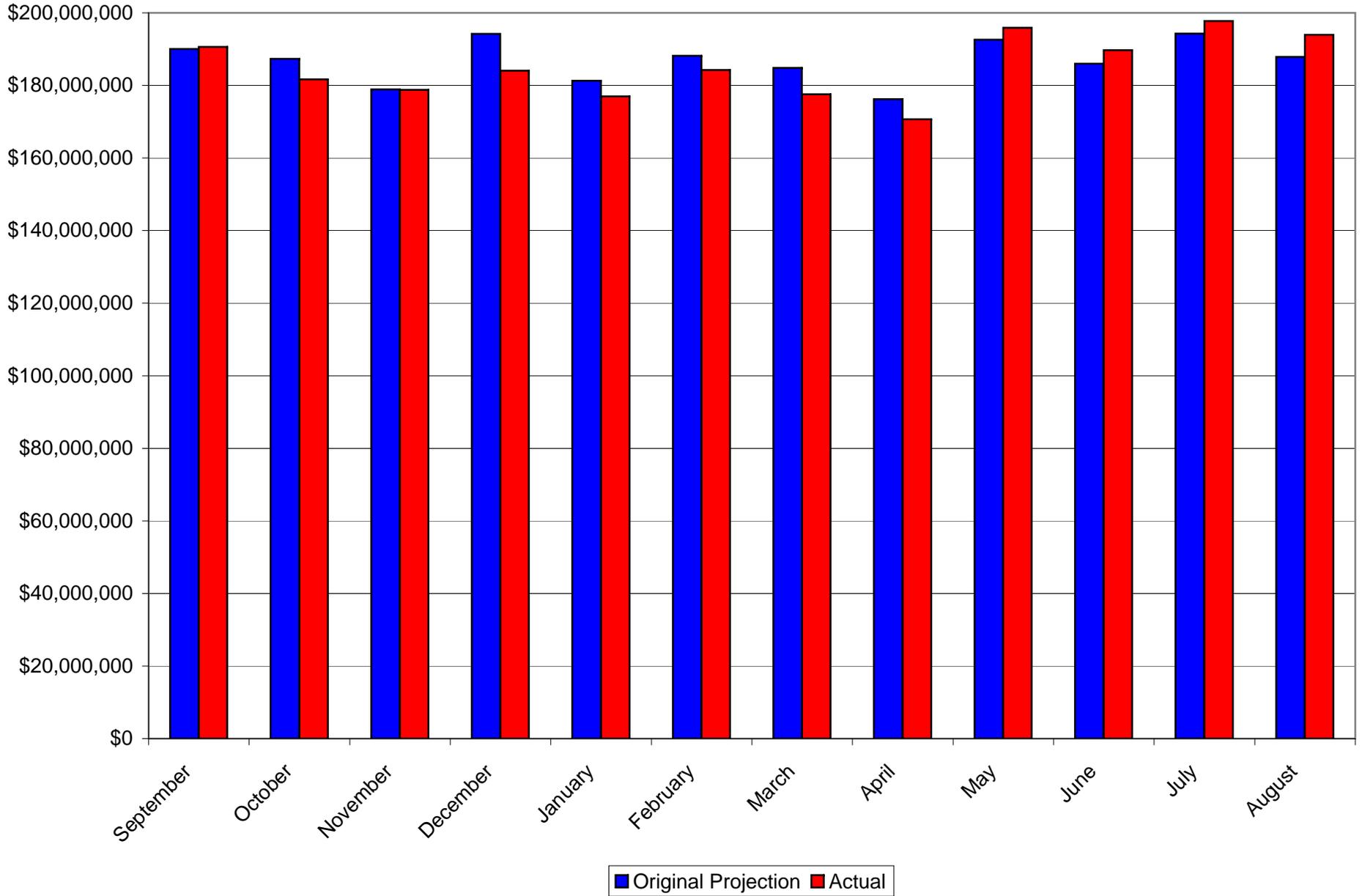
Motor Fuel Taxes

	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2007 vs 2006	FY 2008 vs 2007	FY 2009 vs 2008	FY 2010 vs 2009
September	186,721,815	187,758,098	190,343,774	190,760,322	190,588,865	0.55%	1.38%	0.22%	-0.09%
October	184,530,292	181,188,659	195,879,001	180,315,655	181,647,935	-1.81%	8.11%	-7.95%	0.74%
November	172,359,060	187,080,543	184,443,670	177,054,232	178,798,435	8.54%	-1.41%	-4.01%	0.99%
December	184,266,474	190,527,880	201,395,123	196,136,748	184,055,952	3.40%	5.70%	-2.61%	-6.16%
January	178,689,465	182,455,538	188,381,673	179,379,435	176,966,053	2.11%	3.25%	-4.78%	-1.35%
February	185,080,625	185,807,045	187,091,450	189,785,411	184,220,577	0.39%	0.69%	1.44%	-2.93%
March	180,119,589	179,554,737	186,799,740	187,878,775	177,584,445	-0.31%	4.03%	0.58%	-5.48%
April	167,474,253	179,188,010	187,859,117	172,414,186	170,663,902	6.99%	4.84%	-8.22%	-1.02%
May	191,827,315	196,644,413	185,894,305	190,735,911	195,857,008	2.51%	-5.47%	2.60%	2.68%
June	183,478,198	180,853,722	189,917,904	184,194,460	189,741,149	-1.43%	5.01%	-3.01%	3.01%
July	192,776,828	195,326,970	194,386,156	189,800,412	197,765,397	1.32%	-0.48%	-2.36%	4.20%
August	186,856,282	191,816,366	183,589,615	188,140,249	193,930,037	2.65%	-4.29%	2.48%	3.08%
FY Total	2,194,180,196	2,238,201,981	2,275,981,528	2,226,595,797	2,221,819,755	2.01%	1.69%	-2.17%	-0.21%
% Change	2.13%	2.01%	1.68%	-2.16%	-0.21%				

Cumulative State MFT Deposits to SHF FY 2010



Monthly State MFT Deposits to SHF FY 2010





**Texas Department of Transportation (TxDOT)
Fiscal Year 2006 – August 8, 2010
Rescissions of Federal Highway Funds
August 16, 2010**

A federal rescission of funds reduces the amount of federal funds provided through previous legislation. Rescissions are not unique to Texas. All 50 states have been directed to return federal transportation funds to the Federal Highway Administration (FHWA).

Rescissions are generally targeted at unobligated funds and allow states to decide what categories of spending to reduce, in order to meet the requirements of the rescission. This proved to be true for fiscal years (FY) 2006, 2007, 2009 and 2010.

The FY 2008 and September 30, 2009 rescissions, however, were different. These rescissions provided TxDOT specific dollar amounts to rescind in each eligible transportation category, with the limited flexibility of shifting 10 percent among categories. Basically, this means that money being rescinded had to be equitably divided between different transportation categories, regardless of individual state needs, priorities or obligations. By reducing the appropriation for the “Equity Bonus” category, the obligation authority also had to be reduced, causing TxDOT to be able to award fewer contracts.

The chart below shows a breakdown of TxDOT’s rescissions each year, and TxDOT’s percentage of each nationwide rescission.

FY 2006	TxDOT	Nationwide	TxDOT’s %	Signed into law
TTHUD	\$158,707,654	\$1,999,999,000	7.94%	11/30/2005
Defense	\$90,670,526	\$1,143,000,000	7.93%	12/30/2005
Supplemental	\$55,716,165	\$702,362,500	7.93%	6/15/2006

FY 2007	TxDOT	Nationwide	TxDOT’s %	Signed into law
Omnibus	\$288,459,698	\$3,471,582,000	8.31%	2/15/2007
Supplemental	\$72,374,710	\$871,022,000	8.31%	5/25/2007

FY 2008	TxDOT	Nationwide	TxDOT’s %	Signed into law
Omnibus	\$257,989,173	\$3,150,000,000	8.19%	12/26/2007

FY 2009	TxDOT	Nationwide	TxDOT’s %	Signed into law
Omnibus	\$272,403,085	\$3,150,000,000	8.65%	3/11/2009

Sept. 30, 2009	TxDOT	Nationwide	TxDOT’s %	Signed into law
SAFETEA-LU*	\$742,240,415	\$8,708,000,000	8.52%	8/10/2005

August 8, 2010	TxDOT	Nationwide	TxDOT’s %	Signed into Law
HR 1586	\$190,367,982	\$2,200,000,000	8.65%	8/08/2010

FY 2006- August 8, 2010	Total TxDOT Rescission	Total Nationwide Rescission	TxDOT’s Total %	
	\$2,128,929,408	\$25,395,965,500	8.38%	

* In February 2010, Congress passed HR 2847 “The HIRE Act” which restored contract authority that was repealed on September 30, 2009. While the contract authority was restored, Congress did not provide the corresponding obligation authority necessary to fully restore the equity bonus funds that were stripped.

ANTICIPATED UNOBLIGATED BALANCE OF FHWA APPORTIONED PROGRAMS
As of 8/18/10

FUND	UNOBLIGATED BALANCE 8/18/10	ADJ UNOBL BALANCE	RECOMMEND RESC	REMAINING BALANCE
Interstate Maintenance (IM)	\$787,459,068.04	\$485,006,755.76	\$27,033,581.54	\$457,973,174.22
Recreational Trails	\$3,334,400.46	\$3,334,400.46	\$3,334,400.46	\$0.00
National Highway System (NHS)	\$425,771,280.66	\$0.00	\$0.00	\$0.00
Congestion Air Quality Mitigation (CMAQ)	\$159,508,024.17	\$119,970,419.98	\$0.00	\$119,970,419.98
Bridge Program	\$65,392,811.83	\$0.00	\$0.00	\$0.00
Metro Planning	\$18,092,051.83	\$0.00	\$0.00	\$0.00
Surface Transportation Program (STP) -Enhancement	\$245,876,435.77	\$235,123,308.77	\$150,000,000.00	\$85,123,308.77
Surface Transportation Program (STP) - Flexible	\$275,598,561.30	\$0.00	\$0.00	\$0.00
State Planning & Research	\$87,820,190.45	\$58,300,589.00	\$10,000,000.00	\$48,300,589.00
Minimum Guarantee ¹	\$801,700.69	\$801,700.69	\$0.00	\$801,700.69
Equity Bonus ¹	\$464,149,911.83	\$361,145,183.00	\$0.00	\$361,145,183.00
SUB-TOTAL	\$2,533,804,437.03	\$1,263,682,357.66	\$190,367,982.00	\$1,073,314,375.66
Other Programs ²	\$806,668,834.46	\$806,668,834.46		\$806,668,834.46
TOTAL	\$3,340,473,271.49	\$2,070,351,192.12	\$190,367,982.00	\$1,879,983,210.12

NOTES:

¹ Has it's own Obligation Limitation

²Total of apportioned programs that are not eligible for use in FY 10 rescission