

TEXAS TRANSPORTATION COMMISSION

ALL Counties

MINUTE ORDER

Page 1 of 1

ALL Districts

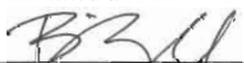
Article III, Section 49-n of the Texas Constitution authorized the Legislature to authorize the Texas Transportation Commission (commission) to issue bonds and other public securities to (i) finance state highway improvement projects that are eligible for funding with revenues dedicated under Section 7-a and (ii) pay the costs of issuing the bonds. The bonds are payable from certain revenues deposited to the credit of the State Highway Fund held in the treasury of the State of Texas.

Pursuant to a Master Resolution and a First Supplemental Resolution, each adopted on March 30, 2006, and Second and Fourth Supplemental Resolutions adopted on October 26, 2006, and August 23, 2007, respectively, the commission issued five series of bonds under Transportation Code, Section 222.003 and other applicable law.

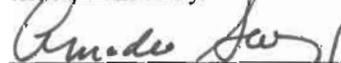
Under provisions of the First, Second and Fourth Supplemental Resolutions, the commission has covenanted to provide annually, within 180 days after the end of each fiscal year, financial information and operating data with respect to the State Highway Fund of the general type in the attached Exhibit A.

IT IS THEREFORE ORDERED by the commission that the annual report of financial information and operating data, attached as Exhibit B, is accepted.

Submitted and reviewed by:

  
\_\_\_\_\_  
Director, Finance Division

Recommended by:

  
\_\_\_\_\_  
Executive Director

**112163 FEB 25 10**

Minute Number      Date Passed

**EXHIBIT A**

**Annual Financial Statements and Operating Data**

The financial information and operating data with respect to the Commission to be provided annually in accordance with “Continuing Disclosure of Information – Continuing Disclosure Undertaking of the Commission” in the Official Statements are as specified (and included in the Appendix or under the headings of the Official Statements referred to) below:

Part (1) updated financial information and operating data, including Table 1 and Tables 3-12 in the Official Statements; and

Part (2) unaudited financial statements for the Department for each fiscal year ending in or after 2006.

**EXHIBIT B****Annual Financial Information and Operating Data with Respect to  
Texas Transportation Commission  
State Highway Fund First Tier Revenue Bonds**

<b>\$600,000,000</b> <b>State Highway Fund First Tier Revenue Bonds,</b> <b>Series 2006</b>
<b>\$852,550,000</b> <b>State Highway Fund First Tier Revenue Bonds,</b> <b>Series 2006-A</b>
<b>\$100,000,000</b> <b>State Highway Fund First Tier Revenue Bonds,</b> <b>Series 2006-B</b>
<b>\$1,241,845,000</b> <b>State Highway Fund First Tier Revenue Bonds,</b> <b>Series 2007</b>
<b>\$162,995,000</b> <b>State Highway Fund First Tier Revenue Bonds,</b> <b>Series 2008</b>

**Part (1) Updated financial information and operating data**

**Table 1**  
**DEBT SERVICE REQUIREMENTS AND PROJECTED COVERAGE**

Fiscal Year	Outstanding First Tier Senior Bonds <sup>(1)</sup>			Fiscal Year 2009	Debt
	Principal	Interest	Total Debt Service	Pledged Revenues	Service Coverage
2010	\$104,100,000	\$137,469,396	\$241,569,396	\$6,450,500,000	26.70
2011	109,210,000	132,384,146	241,594,146	6,450,500,000	26.70
2012	114,510,000	127,032,375	241,542,375	6,450,500,000	26.71
2013	120,155,000	121,415,165	241,570,165	6,450,500,000	26.70
2014	125,995,000	115,598,621	241,593,621	6,450,500,000	26.70
2015	132,200,000	109,428,871	241,628,871	6,450,500,000	26.70
2016	138,510,000	102,927,939	241,437,939	6,450,500,000	26.72
2017	145,165,000	96,061,528	241,226,528	6,450,500,000	26.74
2018	152,340,000	88,898,409	241,238,409	6,450,500,000	26.74
2019	159,955,000	81,290,909	241,245,909	6,450,500,000	26.74
2020	167,945,000	73,308,389	241,253,389	6,450,500,000	26.74
2021	176,355,000	64,910,928	241,265,928	6,450,500,000	26.74
2022	185,165,000	56,109,409	241,274,409	6,450,500,000	26.74
2023	194,430,000	46,862,659	241,292,659	6,450,500,000	26.73
2024	204,140,000	37,158,389	241,298,389	6,450,500,000	26.73
2025	184,215,000	26,927,153	211,142,153	6,450,500,000	30.55
2026	254,520,000	16,525,521	271,045,521	6,450,500,000	23.80
2027	109,950,000	6,205,113	116,155,113	6,450,500,000	55.53
2028	12,895,000	676,988	13,571,988	6,450,500,000	475.28
	\$2,791,755,000	\$1,441,191,908	\$4,232,946,908	\$122,559,500,000	

<sup>(1)</sup> For purposes of illustration, interest on the variable rate Series 2006-B Bonds, being a portion of the Outstanding First Tier Senior Bonds, is assumed at 3.44%, including remarketing and liquidity fees.

**Table 3**  
**State Highway Fund Revenues By Source<sup>(1)</sup>**  
**(in Millions)**

Fiscal Year	State Motor Fuels Tax	State Motor Vehicle Registration Fees	Other State Revenue Sources <sup>(2)</sup>	Reimbursements from Federal Funds	Total Revenues
2005	\$2,148.3	\$873.9	\$367.1	\$3,284.9	\$6,674.2
2006	2,194.2	932.7	527.5	3,139.5	6,793.9
2007	2,238.2	984.2	457.2	2,026.1 <sup>(3)</sup>	5,705.7
2008	2,275.9	1,024.1	463.9	2,727.6	6,491.5
2009	2,226.6	1,066.2	491.1	2,666.6	6,450.5

<sup>(1)</sup> Presented on a cash basis of accounting.

<sup>(2)</sup> See Footnote 2 to Table 8 – "Other State Revenues Deposited to the State Highway Fund."

<sup>(3)</sup> Reflects a decrease from prior years primarily due to lower than expected reimbursements because of delays in project advancements and, to a lesser extent, the effects of decreased tapered match reimbursements from the federal government.

**Table 4**  
**State Motor Fuels Tax Revenues Deposited to the State Highway Fund<sup>(1)</sup>**  
**(In Millions)**

<u>Fiscal Year</u>	<u>Amount of Motor Fuels Tax Revenues Deposited</u>	<u>Percentage of Total Fund Revenues</u>
2005	\$2,148.3	32
2006	2,194.2	32
2007	2,238.2	39
2008	2,275.9	35
2009	2,226.6	34

<sup>(1)</sup> Presented on a cash basis of accounting.

**Table 5**  
**Taxable Gasoline and Diesel Fuel Consumption in Texas**  
**(In Millions of Gallons)**

<u>Fiscal Year</u>	<u>Gasoline</u>	<u>Diesel</u>
2005	11,285.5	3,463.3
2006	11,300.8	3,658.2
2007	11,624.8	3,886.9
2008	11,765.6	3,968.9
2009	11,730.4	3,805.1

**Table 6**  
**State Motor Vehicle Registration Fees Deposited to the State Highway Fund<sup>(1)</sup>**  
**(In Millions)**

<u>Fiscal Year</u>	<u>Amount of Motor Vehicle Registration Fees Deposited</u>	<u>Percentage of Total Motor Vehicle Registration Fees</u>	<u>Percentage of Total Fund Revenues</u>
2005	\$873.9	67	13
2006	932.7	68	14
2007	984.2	69	17
2008	1,024.1	69	16
2009	1,066.2	71	17

<sup>(1)</sup> Presented on a cash basis of accounting.

**Table 7**  
**Vehicles Registered in Texas**  
**(In Thousands)**

<u>Fiscal Year</u>	<u>Number of Vehicles</u>
2005	19,150
2006	20,084
2007	20,902
2008	21,171
2009	21,432

**Table 8**  
**Other State Revenues Deposited to the State Highway Fund<sup>(1)</sup>**  
**(In Millions)**

<u>Fiscal Year</u>	<u>Amount Deposited</u>	<u>Percentage of Total Fund Receipts</u>
2005	\$367.1 <sup>(2)</sup>	6
2006	527.5 <sup>(2) (3)</sup>	8
2007	457.2 <sup>(2)</sup>	8
2008	463.9 <sup>(2)</sup>	7
2009	491.1	8

<sup>(1)</sup> Presented on a cash basis of accounting. Excludes loan repayments received by the State Infrastructure Bank ("SIB").

<sup>(2)</sup> Excludes approximately \$330 million, \$1.115 billion, \$1.84 billion, \$1.28 billion and \$646 million in Fiscal Years 2005 through 2009, respectively, deposited into the Fund from the Texas Mobility Fund for payment to contractors. For administrative purposes, expenses of the Texas Mobility Fund are processed through the State Highway Fund, whereby the Texas Mobility Fund transfers amounts for such expenses to the State Highway Fund prior to such expenses being paid.

<sup>(3)</sup> Excludes \$100 million received from Harris County Toll Road Authority as its local contribution for a construction project in fiscal year 2006.

**Table 9**  
**Reimbursements from Federal Funds<sup>(1)</sup>**  
**(In Millions)**

<u>Fiscal Year</u>	<u>Amount Deposited</u>	<u>Percentage of Total Fund Receipts</u>
2005	\$3,284.9	49
2006	3,139.5	46
2007	2,026.1 <sup>(2)</sup>	35
2008	2,727.6	42
2009	2,666.6	41

<sup>(1)</sup> Presented on a cash basis of accounting. Includes certain federal aviation and transit reimbursement funds that are not constitutionally dedicated but are a component of Pledged Revenues.

<sup>(2)</sup> Amounts in FY 2005 and 2006 include acceleration of certain projects due to utilization of accelerated federal reimbursements from the Department's application of federal "tapered match" reimbursement. In fiscal year 2007, the accelerated federal "tapered match" reimbursements decreased significantly.

**Table 10**  
**Federal Transportation Funds Apportioned and Allocated for Texas<sup>(1)</sup>**  
**(In Millions)**

<u>Program</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Guaranteed Highway Programs	\$2,649.1	\$2,590.5	\$2,976.5	\$2,953.0	\$3,150.9
Discretionary Highway Programs	16.7	4.9	0.4	3.3	1.3
Highway Safety Programs	16.7	23.8	163.8	146.9	157.9
Transit Programs	28.8	45.2	52.8	56.9	111.9
<b>TOTAL</b>	<b>\$2,711.3</b>	<b>\$2,664.4</b>	<b>\$3,193.5</b>	<b>\$3,160.1</b>	<b>\$5,431.0</b>

<sup>(1)</sup> Based upon data from the United States Department of Transportation. Years shown are federal fiscal years.

**Table 11**  
**Federal Transportation Obligation Authority for Texas**  
**(In Millions)**

Federal Fiscal Year	Amount
2005	\$2,592.1
2006	2,542.9
2007	2,852.7
2008	2,897.0
2009	3,073.6

**Table 12**  
**Appropriations to the Department from the**  
**State Highway Fund**  
**(In Millions)**

State Biennium	Amount Appropriated	Percentage of Total Fund Appropriations
2002-2003	\$10,579.7	93.88
2004-2005	10,960.3	91.85
2006-2007	13,579.7	91.83
2008-2009	17,089.3 <sup>(1)</sup>	92.07
2010-2011	17,286.2 <sup>(1)</sup>	93.70

<sup>(1)</sup> Includes bond proceeds and debt service.

**Part (2) Unaudited Financial Report of the Department** – The unaudited financial statements of the Department for the fiscal year ending August 31, 2009 were previously filed with the Electronic Municipal Market Access System (EMMA) on December 4, 2009. (CUSIP Prefix 88283L)