







TEXAS DEPARTMENT OF TRANSPORTATION

An Agency of the State of Texas

Annual Comprehensive Financial Report

For the Fiscal Year Ended August 31, 2024 (With Independent Auditor's Report)





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Texas Department of Transportation

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Annual Comprehensive Financial Report (With Independent Auditor's Report)

For the Fiscal Year Ended August 31, 2024

Prepared by: Financial Management Division of the Texas Department of Transportation This page is intentionally blank

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Special Appreciation To:

All of the Districts and Divisions: Contract Services, Human Resources, Information Technology, Internal Audit, Project Finance, Debt & Strategic Contracts, Right of Way, Support Services, and all others whose extra time and effort made this report possible. This page is intentionally blank

Texas Department of Transportation Annual Comprehensive Financial Report For the Fiscal Year Ended August 31, 2024

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SECTION ONE INTRODUCTORY SECTION



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125 E 11th St | Austin, Texas 78701 512.463.8588 txdot.gov

December 13, 2024

The Citizens of Texas
 The Honorable Greg Abbott, Governor
 The Honorable Glenn Hegar, Texas Comptroller
 Mr. Jerry McGinty, Executive Director, Legislative Budget Board
 Ms. Lisa Collier, CPA, State Auditor

I am pleased to submit the audited annual comprehensive financial report of the Texas Department of Transportation (TxDOT) for the fiscal year ended Aug. 31, 2024, in compliance with Texas Government Code Annotated, Section 2101.11, the requirements established by the Texas Comptroller of Public Accounts and the Texas Transportation Code, Chapter 201, Section 2041. The financial data of TxDOT is included in the audited State of Texas Annual Comprehensive Financial Report (ACFR) as part of the primary government.

An external audit firm, Crowe LLP, performed an independent audit, in accordance with generally accepted auditing standards, of TxDOT's basic financial statements for the year ended Aug. 31, 2024. The audit opinion is presented in this report preceding the financial statements. This report was prepared by the accounting staff in the Financial Management Division of TxDOT. TxDOT's internal accounting controls provide reasonable assurance regarding the safeguarding of assets against loss from unauthorized use or disposal and the reliability of financial records for preparing financial statements. The concept of reasonable assurance recognizes that the cost of a control should not exceed the resulting benefit.

TxDOT Management is responsible for the accuracy of the data in this report as well as for the completeness and fairness of presentation. Consequently, management assumes full responsibility for the completeness and fairness of all the information presented in the financial statements. To the best of my knowledge and belief, the financial statements are accurate in all material respects, are reported in a manner that presents fairly the financial position and results of TxDOT's operations and provide disclosures that enable the reader to understand TxDOT's financial condition.

The Management's Discussion and Analysis (MD&A) provides a narrative introduction, overview and analysis of the financial activities of TxDOT. We encourage readers to consider the information in this letter of transmittal in conjunction with the MD&A.

Profile of the Government

TxDOT is an agency of the state of Texas. Headquartered in Austin, TxDOT is organized by districts and divisions.

TxDOT is led by an executive director and governed by the five-member Texas Transportation Commission. All members of the Commission are appointed by the governor. Currently serving the Commission is Chairman J. Bruce Bugg, Jr. and Commissioners W. Alvin New, Robert C. Vaughn, Alejandro G. Meade III and Steven D. Alvis. The Commission is authorized to issue general obligation and revenue bonds per statutory and constitutional provisions.

TxDOT has the statutory responsibility to coordinate planning, development, and operation of the state's highway system, as well as managing grant funding for public transit, aviation, maritime operations, traffic safety, and other services. TxDOT's mission is "Connecting You with Texas."

TxDOT's goals are to deliver the right projects; focus on the customer; foster stewardship; optimize system performance; preserve our assets; promote safety; and, value our employees. TxDOT values people, accountability, trust and honesty. This report reflects the operation of TxDOT and its blended component units.

Budgetary Controls

Budgetary control is established at the appropriation level set forth by the General Appropriations Act (GAA) on a biennial basis. The GAA becomes law after passage by the Legislature, certification by the Texas Comptroller of Public Accounts that the amounts appropriated are within the estimated collections, and upon the signing of the bill by the governor. The budget authority is supported by actual and/or estimated revenue collections certified by the Texas Comptroller. The revenue is all-inclusive, which will account for the State Highway Fund and all other funds sources. There are provisions in the GAA that allow TxDOT to increase budget authority, with or without LBB/Governor approval, if actual revenue collections exceed estimated amounts presented in TxDOT's bill pattern. After the GAA becomes law, the appropriated budgets are entered in the Uniform Statewide Accounting System (USAS) and TxDOT's internal PeopleSoft financial system. The budgetary control ensures compliance with any legislative initiatives and/or restrictions contained in the GAA. State budgets are requested and appropriated on a biennial cycle for all governmental funds reported by TxDOT.

State Economy

Texas has advantages such as relatively low living costs, an attractive business climate, a central Sunbelt location, and a balanced mix of industries that have enabled its economy to grow faster than the nation for many years. The services provided by TxDOT directly impact the state's economy. Over the long-term, the Texas economy benefits in many more ways from TxDOT's transportation network enhancements, including the positive impacts on business costs and productivity, labor market access, attractiveness to new business, residents and tourists, and property values. Investments in highway maintenance and construction serve as an immediate boost to the economy through the employment of workers and the production of construction materials.

Long-Term Financial Planning

The population of Texas was approximately 29 million as of the 2020 census. According to the state demographer, Texas' population is expected to grow to approximately 35 million people by 2030. Population growth brings more congestion to urban areas, increases the stress on roads and bridges, and places greater demand on rural highways to support freight movement and travel connections between farms, ranches, homes, jobs and markets.

The 10-year Unified Transportation Program (UTP), approved by the Texas Transportation Commission, was developed with extensive public input. It targets congestion in the state's most-populated areas and includes projects to better connect the major interstates in rural areas with local roads and highways. Also, in outside urban areas, the program calls for enhancing and completing interstate highways, and addressing the continuing needs within the energy sector and along hurricane evacuation routes.

Current Financial Conditions

Summary of Key Funding Sources

House Bill (HB) 1, the General Appropriations Act (GAA), provides the state budget for fiscal years (FY) 2024-2025. It was passed by the Texas Legislature in May 2023 and appropriates \$321.34 billion to the state from all funding sources, a \$56.5 billion (21 percent) increase from the FY 2022- 2023 General Appropriations Act.

Impact on TxDOT

Direct appropriations for the Texas Department of Transportation's (TxDOT) FY 2024-2025 budget total \$37.2 billion. TxDOT's FY 2024-2025 total appropriations represent an approximately \$7 billion increase compared to the FY 2022-2023 biennium.

HB 1 appropriates more than \$32.7 billion, or 88 percent, of TxDOT's total budget to highway improvement project development and delivery as well as contracted and routine public roadway maintenance.

Major revenue sources of the programs are as follows:

Federal Funds - Approximately 35.7 percent of TxDOT's revenue comes from federal funds. TxDOT receives the largest share of federal funds from reimbursements for projects that are either already constructed or under construction. The federal gasoline tax rate is 18.4 cents per gallon and the diesel tax is 24.4 cents per gallon. Federal fuel tax rates have remained the same since 1993, and these rates have not kept up with increased federal spending. For this reason, Congress has regularly contributed general fund dollars to supplement transportation funding to the states.

Motor Fuels Tax and Vehicle Registration Fees - State motor vehicle fuels tax revenue and vehicle registration fees make up approximately 30 percent of traditional, constitutionally dedicated State Highway Fund dollars. State motor fuels taxes include taxes on gasoline, diesel fuel, motor fuel lubricants, and liquefied and compressed natural gas. Texas' tax rates on gasoline and diesel have remained at 20 cents per gallon since 1991. Three-quarters of the state's motor fuels tax revenue is allocated to the State Highway Fund and the remaining quarter goes to the state's Available School Fund. In Texas and many other states, motor fuels tax collections have begun to fall short of their ability to meet the ever-rising cost of the transportation projects they support. In Texas, voters have subsequently approved measures to supplement road funding by drawing revenues from oil and gas production taxes, general sales tax and sales tax on motor vehicles and rentals as explained in Proposition 1 and Proposition 7 below.

Proposition 1 Funds – These funds are derived from a portion of oil and gas production taxes that voters approved in fiscal year 2014. Pursuant to Section 49-g (c), Article III, Texas Constitution, the funds may be used for "constructing, maintaining, and acquiring rights-ofway for public roadways other than toll roads." Proposition 1 funds are received annually by TxDOT. In November 2023, TxDOT received \$3.6 billion in Proposition 1 funds for fiscal 2023. TxDOT received \$3.1 billion in November 2024 for fiscal 2024. Proposition 1 funds are set to expire after the FY 2035 (November 2034) transfer, if the legislature does not extend the statutory expiration date. In the most recent Biennial Revenue Estimate (January 2023), the Texas Comptroller of Public Accounts (Comptroller) estimated Proposition 1 deposits will total \$3.1 billion in FY 2024 and \$2.8 billion in FY 2025.

Proposition 7 Funds - On Nov. 3, 2015, Texas voters approved the ballot measure known as Proposition 7 that dedicates a portion of the revenue from the state sales and use tax and motor vehicle sales and rental tax to the State Highway Fund. Proposition 7 funds are deposited into the State Highway Fund pursuant to Section 7-c, Article VIII, Texas Constitution. Under the amendment there are two components of Proposition 7.

1. The first involves a portion of the state sales and use tax. Once state sales tax collections exceed \$28.0 billion in a fiscal year, the next \$2.5 billion is deposited into the State Highway Fund. TxDOT received a total of \$2.5 billion in 2024. This general sales tax provision will continue to occur until its expiration at the end of August 31, 2032, unless a future state legislature votes to extend it.

2. The second component occurs when the state motor vehicle sales and rental tax revenue exceeds \$5.0 billion in a fiscal year. When that happens, 35 percent of the total amount above \$5.0 billion is deposited into the State Highway Fund. In August 2024, TxDOT received \$628.8 million, the fourth deposit of state motor vehicle sales and rental tax after the law was enacted.

The 88th Legislature, Regular Session, 2023, extended the expiration dates for both components of Proposition 7 – sales and use tax and motor vehicle sales and rental tax revenues – for ten years beyond their original expiration dates. Accordingly, the state's sales and use tax transfers into the State Highway Fund were extended through August 31, 2042, while the motor vehicle sales and rental tax portion was extended through August 31, 2042.

Of the more than \$6 billion in new Proposition 7 funds appropriated for the FY 2024-2025 biennium, the budget dedicates approximately \$529.92 million to pay debt service on Proposition 12 General Obligation Highway Improvement Bonds. TxDOT will distribute the remaining \$5.9 billion to the development, delivery, and maintenance of non-tolled public roadway projects. Based on TxDOT's 2024-2025 Certification Revenue Estimate, TxDOT anticipates receiving the full \$2.5 billion in state sales and use tax revenues in FY 2025, dedicated under the Texas Constitution contingent upon revenue collection levels. TxDOT also expects to receive \$724 million in state motor vehicle sales tax revenues in 2025.

Texas Mobility Fund - The Texas Mobility Fund was authorized by voters in 2001 to advance transportation projects, and the legislature identified revenues to be dedicated to the fund in 2003. The bond proceeds may be used to fund the construction, reconstruction, acquisition, and expansion of state highways and to provide a portion of the costs of constructing public transportation projects. A restriction on Texas Mobility Fund Bond issuance was temporarily lifted for new issuance (87th Legislature, Regular Session, 2021). The bond issuance restriction will resume Jan. 1, 2027. Until then, TxDOT has authority to issue up to \$3.6 billion in Texas Mobility Fund Bonds if the capacity allows for the full issuance.

Debt Savings Efforts

TxDOT has leveraged reduced borrowing rates and federal incentives to deliver large-scale projects at a faster rate. TxDOT retains several obligation tools designed to pay back debt service. TxDOT works diligently to create savings opportunities by periodically refinancing the agency's debt when interest rates are favorable. In the fiscal year 2024, the department generated a total savings of \$372 million (or approximately \$265 million in savings on a present value basis) by completing 3 separate refunding transactions. In March 2024, TxDOT refinanced approximately \$347 million in existing State Highway Fund revenue bonds. The refunding resulted in total interest rate savings of approximately \$46.3 million (or approximately \$36.1 million on a present value basis) which would have been paid from fiscal years 2025 to 2034. The savings represents 9.0% of the bonds refunded.In addition, in August 2024, TxDOT refinanced approximately \$1.6 billion in existing Central Texas Turnpike System revenue bonds. The refunding resulted in total interest rate savings of approximately \$161.9 million on a present value basis) which would have been paid from fiscal years 2025 to 2042. The savings represents 8.9% of the bonds refunded.

Also in March 2024, TxDOT refinanced approximately \$696 million in existing Highway Improvement General Obligation bonds. The refunding resulted in total interest rate savings of approximately \$89.6 million (or approximately \$65.6 million on a present value basis) which would have been paid from fiscal years 2025 to 2044. The savings represents 8.1% of the bonds refunded.

Multimodal Funding

TxDOT retains limited authorized funding for transportation project services such as public transit, aviation, maritime, rail, and other projects. In contrast with previous General Appropriations Acts, HB 1 appropriates general revenue funding for multi-modal transportation projects including public transit, aviation, and maritime. HB 1 provides \$94 million in general revenue funding to provide additional support for grants to capital and maintenance projects for airports throughout the state, in addition to existing appropriations in TxDOT's bill pattern for aviation facilities projects. The budget also includes \$12 million in general revenue for TxDOT's Flight Services facility at the Austin-Bergstrom airport. Maritime grants and loans also received record general revenue funding of \$600 million this legislative session in HB 1 and SB 30, the supplemental budget. HB 1 also appropriates \$3.77 million in general revenue for public transit grant funding to adjust for 2020 U.S. Census outcomes and maintain per capita program funding at 2010 levels.

Salary Increases for Employees

HB 1 appropriates to TxDOT and other state agencies a five percent salary increase to all employees in FY 2024 and an additional five percent salary increase in FY 2025. The five percent salary increase in FY 2024 was made effective July 1, 2023 (FY 2023) by supplemental appropriations. TxDOT employees received the 2024 salary increase September 1, 2023, and received the 2025 increase on September 1, 2024. This investment by the Texas Legislature underscores the value of TxDOT's workforce in the department's success and the importance of continued support of their efforts.

Major Initiatives

- Road to Zero Safety on our state's transportation infrastructure is TxDOT's number one priority. Despite the department's efforts to
 build and maintain the safest roads and educate Texans on safe driving behaviors, traffic fatalities continue to occur. For more than
 two decades, at least one person has died on our roadways every day, and in calendar year 2023, over 2,389 Texans died in traffic
 crashes. The Texas Transportation Commission allocated an investment in safety of \$17.3 billion in the 2025 Unified Transportation
 Program (UTP). Because almost all road construction projects realize a safety benefit, this investment considers the contributions of
 all project types, not just those with a direct safety focus."
- To emphasize the department's commitment that one traffic fatality is too many, the Transportation Commission has set a goal of zero crash fatalities by 2050. TxDOT will continue investing in the best engineering practices to make roads safer, address safety education, and assist in enforcement and safety awareness programs like "Talk. Text. Crash." and "Click It or Ticket."
- Funding Key Priorities in the UTP The Texas Transportation Commission approved TxDOT's UTP for fiscal 2025 that includes more than \$100 billion dedicated to improving safety, addressing congestion and connectivity, and preserving roadways for Texas drivers.
- Texas Clear Lanes The Texas Transportation Commission continues to address traffic congestion in our state through its Texas Clear Lanes (TCL) effort which targets congested corridors in Austin, Dallas, Fort Worth, Houston, and San Antonio, the state's most

populated regions. Led by Commission Chairman J. Bruce Bugg, Jr., TCL was created in response to a directive by Gov. Greg Abbott to the Commission to identify and address the state's most congested chokepoints.

- Infrastructure Investment and Jobs Act (IIJA) The \$1.2 trillion infrastructure bill was signed into law by on November 15, 2021, to improve the country's roads, bridges, pipes, ports, and broadband internet connections. Based on formula funding, the entire state of Texas expects to receive \$35 billion: \$27.8 billion of which would go toward federal highway programs in Texas; \$3.3 billion to public transportation in both in rural and urban areas (\$450 million of the \$3.3 billion passes through TxDOT); \$537 million for bridge rehabilitation and replacement; \$408 million to expand the state's electric vehicle charging network; \$173 million for general aviation airports; and \$35.48 million for the construction of ferry boats and terminals. Only a portion of this funding represents additional funding for Texas. The IIJA will provide TxDOT with federal funding through FY 2026.
- Transportation Safety Campaign Texas averaged 11.8 fatalities per day due to transportation accidents in 2023. With support from
 executive leadership and funding from the Traffic Safety Division, the Communications Division is developing a new statewide
 marketing and outreach campaign to unify and amplify TxDOT's traffic safety initiatives. The goal is to inspire a shared responsibility
 to drive safely as a Texan. Our vision is to support TxDOT's work in reducing the number of roadway deaths and injuries in the state,
 year over year.

Certificate of Achievement

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Texas Department of Transportation for its annual comprehensive financial report for the year ended August 31, 2023. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

Popular Annual Financial Report

The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the Texas Department of Transportation for its Popular Annual Financial Report for the fiscal year August 31, 2023. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports. In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA to determine its eligibility for another Award.

Acknowledgments

The preparation of the report requires the efforts of individuals throughout TxDOT, including the dedicated efforts of the management and staff of the TxDOT Financial Reporting Section; the Financial Management Division; and the Project Finance, Debt, and Strategic Contracts Division. I sincerely appreciate the efforts of all these individuals who continue to help make TxDOT a leader in quality financial reporting.

Sincerely,

ocuSigned by Willows 0E1B35AE191749E

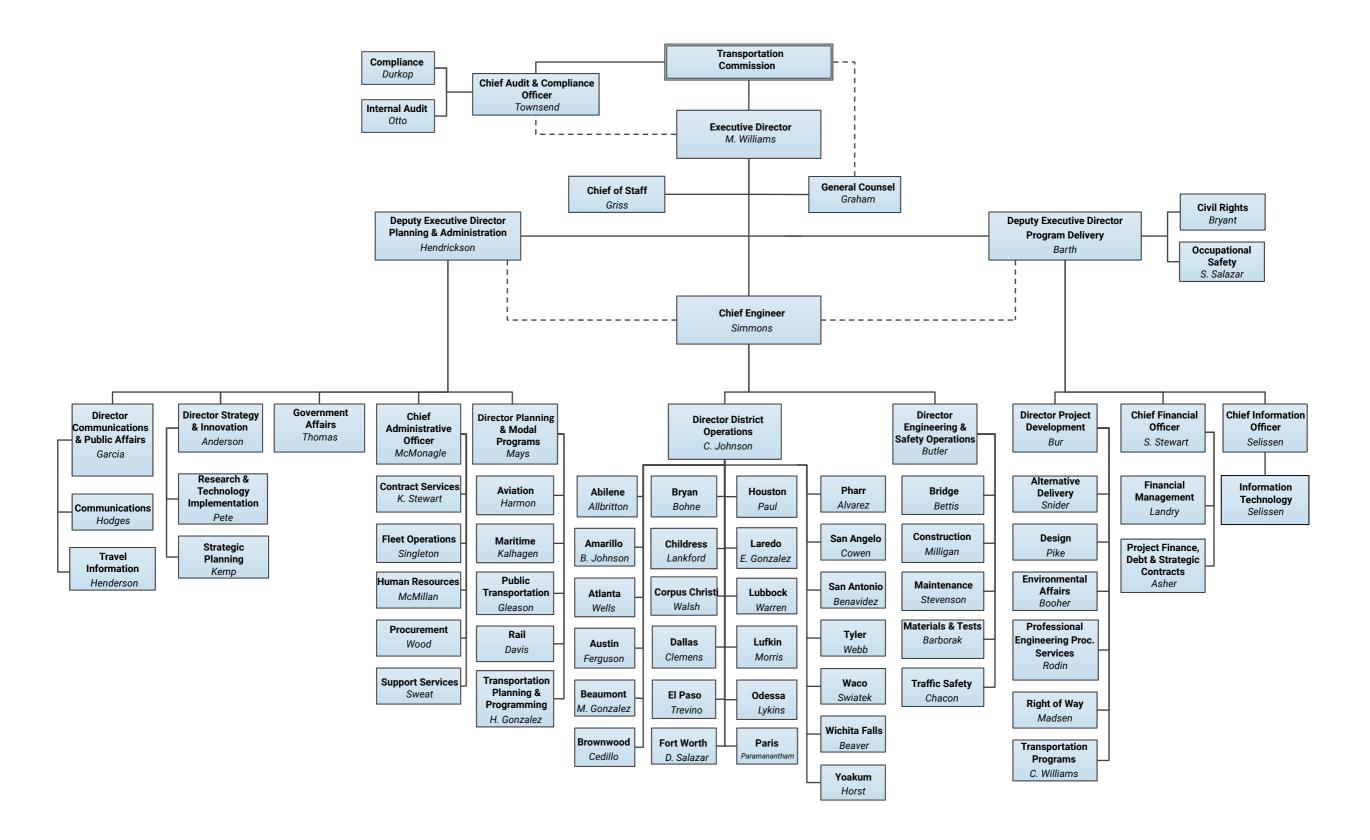
Marc D. Williams, P.E. Executive Director

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Stephen Stewart, CPA Chief Financial Officer

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Texas Department of Transportation Organization Chart as of August 31, 2024



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TEXAS DEPARTMENT OF TRANSPORTATION TEXAS TRANSPORTATION COMMISSION as of August 31, 2024



J. Bruce Bugg, Jr. Chairman San Antonio



W. Alvin New Commissioner San Angelo



Robert C. Vaughn Commissioner Dallas



Alejandro "Alex" G. Meade III Commissioner Mission



Steven D. Alvis Commissioner Houston

TEXAS DEPARTMENT OF TRANSPORTATION TxDOT ADMINISTRATION as of August 31, 2024

The following is a list of administrators who oversee the Texas Department of Transportation. All TxDOT districts, divisions and offices report to a member of the administration, headquartered in Austin.



Marc Williams Executive Director



Brandye **Brian Barth** Hendrickson Deputy Executive Deputy Executive Director for Program Delivery Director for Planning and



Richard **McMonagle** Chief Administrative Officer



Lance W. Simmons Chief Engineer



Stephen Stewart Chief Financial Officer



Anh Selissen Chief Information Officer



Mary Anne Griss Chief of Staff



Alejandro Garcia Director of Communications and Public Affairs



Parsons

Townsend

Chief Audit and

Compliance

Officer

Carl Johnson Director of District Operations



Jessica Butler Director of Engineering and Safety Operations



Trent Thomas Director of Government Affairs



Director of Planning and Modal Programs



Mohamed "Mo" Bur Director of Project Development



Darran Anderson Director of Strategy and Innovation



Jeff Graham General Counsel



As of August 31, 2024



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Texas Department of Transportation

For its Annual Comprehensive Financial Report For the Fiscal Year Ended

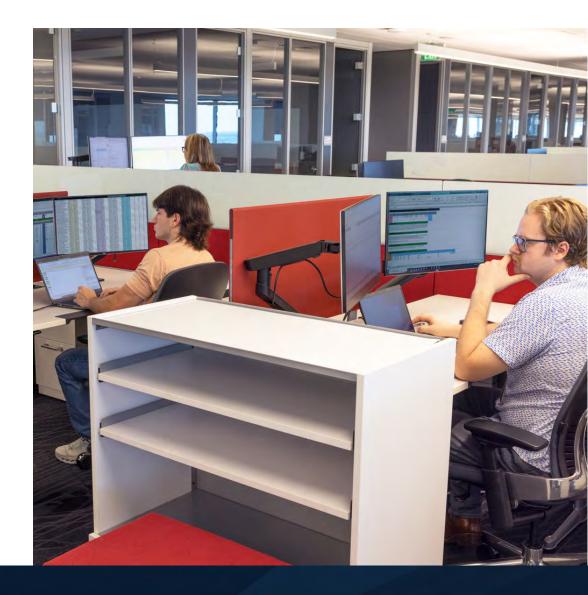
August 31, 2023

Christophen P. Morrill

Executive Director/CEO

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SECTION TWO FINANCIAL SECTION





INDEPENDENT AUDITOR'S REPORT

Members of the Texas Transportation Commission State of Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Texas Department of Transportation (TxDOT), an agency of the State of Texas (State), as of and for the year ended August 31, 2024, and the related notes to the financial statements, which collectively comprise TxDOT'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 governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of TxDOT, as of August 31, 2024, 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 TxDOT, 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 Matters

As discussed in Note 1, the financial statements of TxDOT are intended to present the financial position, and the changes in financial position, and, where applicable, cash flows of only that portion of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the State of Texas that is attributable to the transactions of TxDOT. They do not purport to, and do not, present fairly the financial position of the State, as of August 31, 2024, and the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. 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.

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 TxDOT'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.

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 *Management's Discussion and Analysis, Budgetary Comparison Schedule, Schedules of Net Pension Liability* and *Schedules of Net OPEB Liability* on pages 15-28, 114-116, 118-119 and 120-121, respectively, 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 TxDOT's basic financial statements. The combining financial statements and the supplementary bond schedules 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 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other 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 combining financial statements and the supplementary bond schedules 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 section, statistical section, Schedule 1A, 1B and Schedule 3 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 December 13, 2024, on our consideration of TxDOT'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 TxDOT'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 TxDOT's internal control over financial control over financial reporting and compliance.

Gous LLP

Crowe LLP

Austin, Texas December 13, 2024

SECTION TWO (CONTINUED) MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)



MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Texas Department of Transportation's (TxDOT's) annual financial statements presents our discussion and analysis of TxDOT's financial performance during the fiscal year ended Aug. 31, 2024. Readers should use this section in conjunction with TxDOT's basic financial statements to further enhance their understanding of TxDOT's financial performance.

Financial Highlights

- The government-wide financial statements and Statement of Net Position shows assets and deferred outflows totaling \$174.0 billion, an increase of \$8.2 billion from fiscal year 2023, while liabilities and deferred inflows equaled \$39.5 billion, a decrease of \$1.9 billion. The increase in assets and deferred outflows was primarily due to the increase in capital assets in amount of \$10.0 billion, which was partly offset with a decrease in cash and cash equivalents in amount of \$1.5 billion. The decrease in liabilities and deferred inflows was primarily due to the decrease general obligation bonds payable in amount of \$465.0 million, the decrease in revenue bonds payable in the amount of \$546.8 million, and the decrease in pensions deferred inflows of resources in the amount of \$799.4 million during fiscal 2024. The largest revenue source earned in 2024 was from taxes with a total of \$8.7 billion. This was followed by operating grants and contributions with \$5.5 billion.
- TxDOT ended fiscal year 2024 with a combined fund balance for its governmental funds of \$6.5 billion, a decrease of \$2.0 billion or 23.1 percent, from fiscal year 2023. The fund balance decreased by \$2.5 billion in the State Highway Fund, increased by \$49.4 million in the Texas Mobility Fund, and increased by \$443.5 million in Nonmajor Funds. Total revenues in the governmental funds for fiscal 2024 were \$16.2 billion, which were \$714.4 million or 4.6 percent greater than the prior year amount of \$15.5 billion primarily due to the increase in federal revenues collected. Total expenditures in governmental funds for fiscal year 2024 were \$20.3 billion, which increased by \$4.5 billion or 28.6 percent from the fiscal year 2023 amount of \$15.8 billion primarily due to the increase in capital outlay, transportation, from the the increased utilization of Proposition 1 and 7 funds during fiscal 2024.
- TxDOT ended fiscal year 2024 with a combined deficit net position balance for its proprietary funds of \$3.2 billion, an increase of \$115.1 million or 3.5 percent from fiscal year 2023. The net position balance increased by \$28.7 million in the Central Texas Turnpike System, increased by \$84.1 million in the Grand Parkway Transportation Corporation, and increased by \$2.3 million in the SH 249 System.
- Total operating revenues in the proprietary funds for fiscal 2024 were \$745.5 million, which were \$54.6 million or 7.9 percent higher than the fiscal year 2023 amount of \$690.9 million primarily due to increase in toll revenue correlated to an increase in the number of toll transactions. Total operating expenses in proprietary funds for fiscal year 2024 were \$399.0 million, which increased by \$66.9 million or 20.2 percent from the fiscal year 2023 amount of \$332.0 million primarily due to the increase in repairs and maintenance.
- TxDOT received a total of \$3.1 billion in Proposition 7 funds. During fiscal 2024, \$2.5 billion was received for state sales and use taxes. In Aug. 2024, the department also received \$628.8 million of additional Proposition 7 funds for the state motor vehicle sales and rental tax revenue.
- TxDOT received a total of \$3.1 billion in Proposition 1 funds for oil and natural gas production taxes during fiscal 2024. The funding will be used by the state highway fund to assist in the completion of transportation construction, maintenance and rehabilitation projects, not to include toll roads.

Overview of Financial Statements

The financial section of this annual comprehensive financial report consists of four parts: (1) management's discussion and analysis (MD&A), (2) basic financial statements and related notes, (3) required supplementary information other than MD&A, and (4) other supplementary information presenting combining statements. The report also includes TxDOT's schedule of expenditures of federal awards, bond schedules, matrix of expenditures reported by function for governmental funds and Statistical section.

TxDOT's financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) applied to governmental units. The basic financial statements include entity-wide financial statements, fund financial statements and notes to financial statements that provide more detailed information to supplement the basic financial statements.

Entity-wide Financial Statements

The entity-wide financial statements are designed to present an overall picture of the financial position of TxDOT. These statements consist of the statement of net position and the statement of activities, which are prepared using the economic resources measurement

focus and the accrual basis of accounting. This means that all the current year's revenues and expenses are included regardless of when cash is received or paid, producing a view of financial position similar to that presented by most private sector companies.

The statement of net position combines and consolidates TxDOT's current financial resources with capital assets and long-term obligations. This statement includes all of TxDOT's assets and liabilities. Net position is the difference between TxDOT's total assets, and deferred outflows of resources, total liabilities and deferred inflows of resources. Net position represents one measure of TxDOT's financial health.

The statement of activities focuses on both the gross and net cost of various activities (governmental and business-type); these costs are paid by general taxes and other revenues. This statement summarizes the cost of providing (or the subsidy provided by) specific government services and includes all current year revenues and expenses.

The statement of net position and the statement of activities divide TxDOT's activities into two types.

- Governmental Activities: TxDOT's basic services are reported here including the activity of all the governmental funds.
- Business-Type Activities: The financial activity associated with the Central Texas Turnpike System (CTTS), Grand Parkway Transportation Corporation (GPTC), and State Highway 249 (SH249) System is reported here.

Fund Financial Statements

Fund financial statements present financial information with a focus on the most significant funds. Use these statements to find more detailed information about TxDOT's most significant activities. A fund is a separate accounting entity with a self-balancing set of accounts. TxDOT uses funds to keep track of sources of funding and spending related to specific activities.

Governmental Funds

A majority of TxDOT's activities are reported in governmental funds. Reporting of these funds focuses on how money flows into and out of the funds, and amounts remaining at year-end for future spending. Governmental funds are accounted for using the modified accrual basis of accounting, which measures cash and other assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of TxDOT's general governmental operations and the basic services it provides. This information should be helpful to determine whether there are more or less resources available for TxDOT's programs. The reconciliation following the fund financial statements explains the differences between the governmental funds. The State Highway Fund and Texas Mobility Fund are reported as major funds.

Proprietary Funds

When TxDOT charges customers for services it provides, these activities are generally reported in proprietary funds. Services provided to outside (non-governmental) customers are reported in enterprise funds, a component of proprietary funds, and are accounted for using the economic resources measurement focus and the accrual basis of accounting. These are the same business-type activities reported in the entity-wide financial statements but are reported here to provide information at the fund level. The CTTS, GPTC and SH 249 System funds are TxDOT's only proprietary funds.

Notes to the Financial Statements

The notes provide additional information that is essential for a full understanding of data provided in the entity–wide and fund financial statements. The notes to the financial statements can be found immediately following the proprietary fund financial statements.

Additional Information

The Required Supplementary Information (RSI) section immediately follows the basic financial statements and related notes section of this report. Following the RSI are other statements and schedules, including the combining statements for nonmajor governmental funds.

Financial Analysis of TxDOT as a Whole

Net Position

Assets – TxDOT's total assets increased by \$8.3 billion during the current fiscal year to \$172.9 billion. Capital assets increased by \$10.0 billion during the current fiscal year. Construction in progress and land and land improvements accounted for most of these

additions. See capital assets section of this management's discussion and analysis for more information on the accounting treatment of capital assets.

Deferred Outflow – TxDOT's total deferred outflow of resources decreased by \$139.9 million from fiscal 2023. The change was due to decrease in other postemployment benefits in amount of \$65.3 million, decrease in loss on bond refunding in amount of \$62.1 million, decrease in pensions in amount of \$12.5 million.

Liabilities – TxDOT's total liabilities decreased by \$1.1 billion during the current fiscal year to \$27.3 billion. Noncurrent liabilities accounted for 82.5 percent of total liabilities.

Deferred Inflow – TxDOT's total deferred inflow of resources decreased by \$835.9 million during the current fiscal year to \$12.3 billion. The decrease was primarily due to the decrease in pensions as mentioned above.

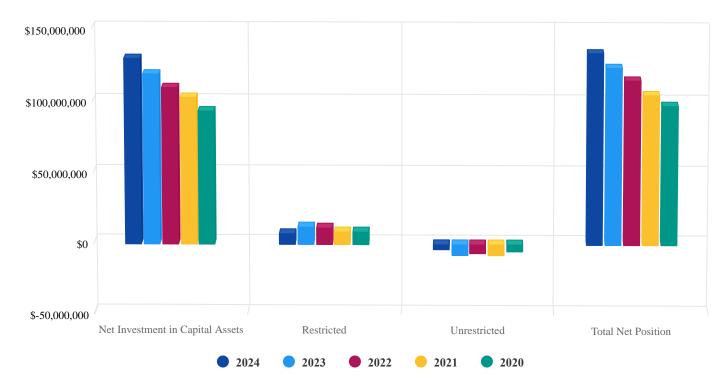
Net Position – TxDOT's overall net position increased by 8.1 percent or \$10.1 billion from the prior fiscal year. The three components of net position are:

- Net Investment in Capital Assets: The most significant portion of net position (97.0 percent or \$130.5 billion) is invested in capital assets. Capital assets are long-lived in nature and cannot be used to liquidate liabilities. TxDOT's investment in capital assets is reported net of related debt.
- Restricted Net Position: This portion of net position (5.5 percent or \$7.4 billion) is restricted, representing funds that are limited to construction activities, payment of debt, or specific programs by law.
- Unrestricted Net Position The remaining portion of net position is unrestricted, representing resources not required to be reported in the other two components of net position. TxDOT had a deficit unrestricted net position balance of \$3.4 billion in fiscal 2024 A two-year representation of TxDOT's net position balances is presented as follows.

Statement of Net Position

August 31, 2024 and 2023 (Amounts in Thousands)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
ASSETS						
Assets Other Than Capital Assets	\$ 17,336,456 \$	19,176,576	\$ 1,952,997	\$ 1,825,181	\$ 19,289,453	\$ 21,001,757
Capital Assets	150,708,191	140,547,830	2,930,058	3,045,019	153,638,249	143,592,849
Total Assets	168,044,647	159,724,406	4,883,055	4,870,200	172,927,702	164,594,606
DEFERRED OUTFLOWS OF						
RESOURCES	925,298	1,044,500	166,333	186,981	1,091,631	1,231,481
LIABILITIES						
Current Liabilities	4,489,225	4,226,759	279,826	291,875	4,769,051	4,518,634
Non-current Liabilities	14,673,463	15,790,275	7,811,639	8,001,698	22,485,102	23,791,973
Total Liabilities	19,162,688	20,017,034	8,091,465	8,293,573	27,254,153	28,310,607
DEFERRED INFLOWS OF						
RESOURCES	12,132,069	13,047,232	119,179	39,922	12,251,248	13,087,154
NET POSITION						
Net Investment in Capital Assets	129,858,662	118,934,673	644,377	662,211	130,503,039	119,596,884
Restricted	6,906,943	11,705,281	511,352	527,701	7,418,295	12,232,982
Unrestricted	909,583	(2,935,314)	(4,316,985)	(4,466,226)	(3,407,402)	(7,401,540)
Total Net Position	\$ 137,675,188 \$	127,704,640	\$ (3,161,256)	\$ (3,276,314)	\$ 134,513,932	\$ 124,428,326



TxDOT Total Net Position (Amounts on Thousands)

Changes in Net Position

Increases and decreases in the net position measure whether TxDOT's financial position is improving or deteriorating over time.

TxDOT earned program revenues of \$7.4 billion and general revenues of \$9.6 billion, for total revenues of \$17.0 billion. The expenses of TxDOT were \$9.0 billion. The total net position increased to \$134.5 billion in fiscal year 2024 from \$124.4 billion in fiscal year 2023 due to revenues exceeding expenses. Revenues and expenses of TxDOT's governmental and business-type activities are detailed below.

Governmental Activities

The change in net position of governmental activities was \$10.0 billion compared to \$9.5 billion in fiscal 2023. \$14.1 billion of operating grants and contributions and taxes contributed to 87.0 percent of total revenues of \$16.2 billion. Total revenues increased by \$923.9 million which was caused mainly by increase in operating grants and contributions in amount of \$907.2 million. Total expenses increased by \$692.6 million from \$7.6 billion in fiscal 2023 to \$8.3 billion in fiscal 2024. This was due to increase in transportation expenses.

Business-Type Activities

In fiscal 2024, the net position of business-type activities increased by a total of \$115.1 million or 3.5 percent from a deficit balance of \$3.3 billion to a deficit balance of \$3.2 billion.

Total revenues increased by \$83.7 million or 10.9 percent from \$765.8 million in fiscal 2023 to \$849.5 million in fiscal 2024. This was primarily due to increase in toll revenue from the catchup of processing and billing delays relating to Pay by Mail toll transactions occurring after conversion to TxDOT's new toll back-office system in fiscal 2021. Total expenses increased by \$25.4 million or 3.7 percent from \$678.3 million in fiscal 2023 to \$703.7 million in fiscal 2024 due to the improved stabilization of the back-office system and reduced reliance on interim technology providers.

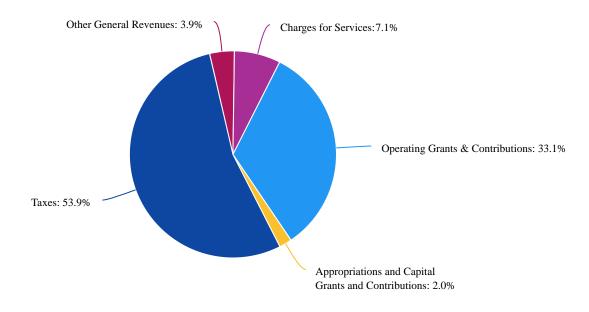
Changes in Net Position

For the Fiscal Years Ended August 31, 2024 and 2023 (Amounts in Thousands)

	Governmental Activities		Business-Ty	Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023	
REVENUES							
Program Revenues:							
Charges for Services	\$ 1,169,103	\$ 1,149,211	\$ 747,353	\$ 699,358	\$ 1,916,456	\$ 1,848,569	
Operating Grants and Contributions	5,350,536	4,443,358	102,121	66,399	5,452,657	4,509,757	
Capital Grants and Contributions	44,578	113,664			44,578	113,664	
Total Program Revenues	6,564,217	5,706,233	849,474	765,757	7,413,691	6,471,990	
General Revenues:							
	274,365	1,232			274,365	1,232	
Appropriations	· · · · ·				· · · ·	· · · · · ·	
Taxes	8,718,369	9,064,232			8,718,369	9,064,232	
Unrestricted Investment Earnings Settlement of Claims	566,552 50,153	423,542 49,020			566,552 50,153	423,542 49,020	
Gain on Sale of Capital Assets	4.091	49,020			50,155 4.091	49,020	
Gain on Other Financial Activity	4,091				4,091		
Other General Revenues	2,381	11.971			2.381	11.971	
Total General Revenues	9,615,957	9,549,997	0	0	· · · ·		
Total Revenues	16,180,174	15,256,230	849,474	765,757	9,615,957 17,029,648	9,549,997 16,021,987	
Total Revenues	10,100,174	15,250,250	049,474		17,029,046	10,021,987	
EXPENSES							
Transportation	8,338,204	7,645,612	703,677	678,325	9,041,881	8,323,937	
Total Expenses	8,338,204	7,645,612	703,677	678,325	9,041,881	8,323,937	
Excess (Deficiency) Before Special	7.0.41.070	7 (10 (10	145 707	07 422		7 (00.050	
Items and Transfers	7,841,970	7,610,618	145,797	87,432	7,987,767	7,698,050	
Transfers - Internal Activities	30,739	32,650	(30,739)	(32,650)			
Transfers - Other State Agencies	2,097,839	1,835,708			2,097,839	1,835,708	
Change in Nat Desition	0 070 549	0 479 076	115 059	51792	10.095.606	0 522 759	
Change in Net Position	9,970,548	9,478,976	115,058	54,782	10,085,606	9,533,758	
Net Position, Beginning Balance	127,704,640	115,490,353	(3,276,314)	(104,788)	124,428,326	115,385,565	
Change in Accounting Principle*		2,735,311	,	(3,226,308)	. ,	(490,997)	
Net Position, Beginning Balance, as							
Restated	127,704,640	118,225,664	(3,276,314)	(3,331,096)	124,428,326	114,894,568	
Net Position, Ending Balance	\$ 137,675,188	\$ 127,704,640	\$ (3,161,256)		\$ 134,513,932	\$ 124,428,326	
*Change in Accounting Principle due to GA	SB 94 & 96 transiti	ons in 2023.					

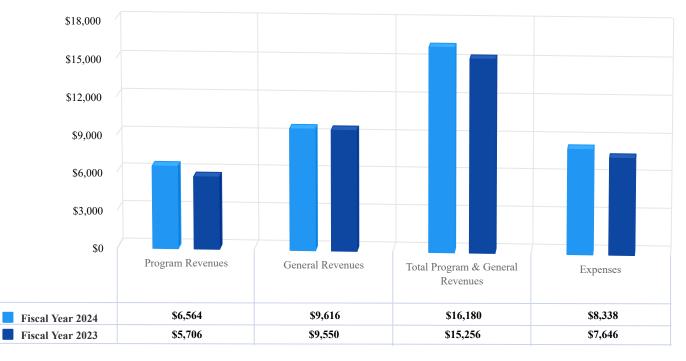
Revenues by Source: Governmental Activities

For the Fiscal Year Ended August 31, 2024



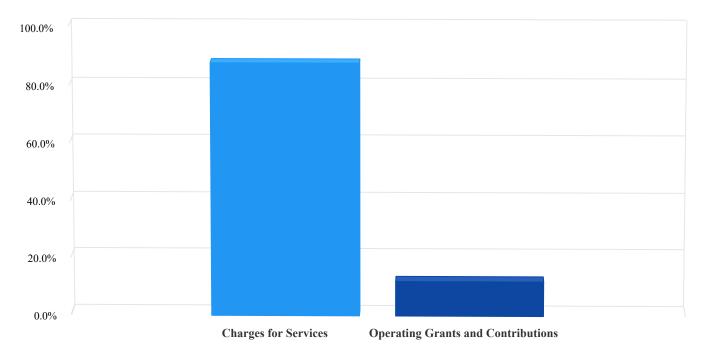
Expenses and Revenues: Governmental Activities

For the Fiscal Years August 31, 2024 and 2023 (In Millions)



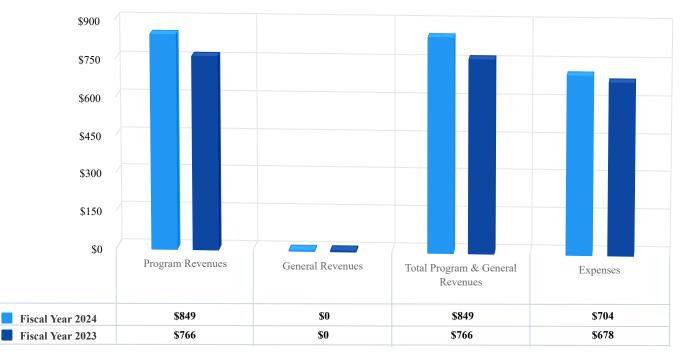
Revenues by Source: Business-Type Activities

For the Fiscal Years August 31, 2024



Expenses and Revenues: Business Activities

For the Fiscal Years August 31, 2024 and 2023 (In Millions)

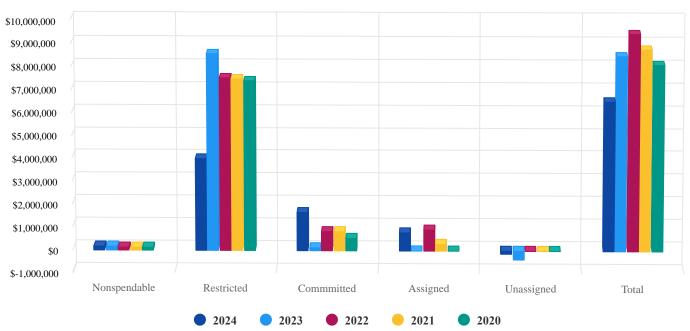


Financial Analysis of TxDOT's Funds

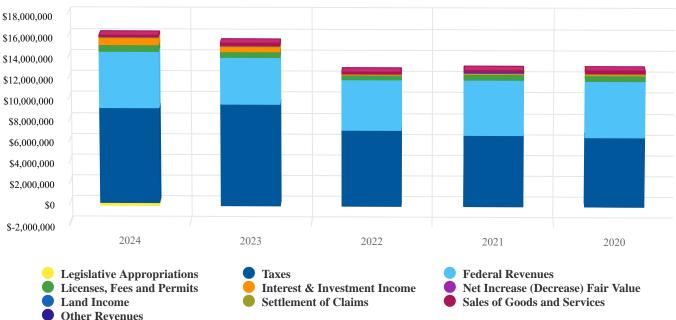
Governmental Funds

The focus of TxDOT's governmental funds financial statements is to provide information on how money flows into and out of the funds, and amounts remaining at year-end for future spending. All major governmental funds are discretely presented on these financial statements, while the nonmajor governmental funds are combined into a single column. Combining statements for the nonmajor governmental funds are presented in the Other Supplementary Information section.

TxDOT's governmental funds reported a combined ending fund balance of \$6.5 billion on Aug. 31, 2024, most of which is allocated to restricted capital projects. Expenditures exceeded revenues by \$4.1 billion. Some project expenditures are funded by revenues collected in prior years rather than current year revenues.

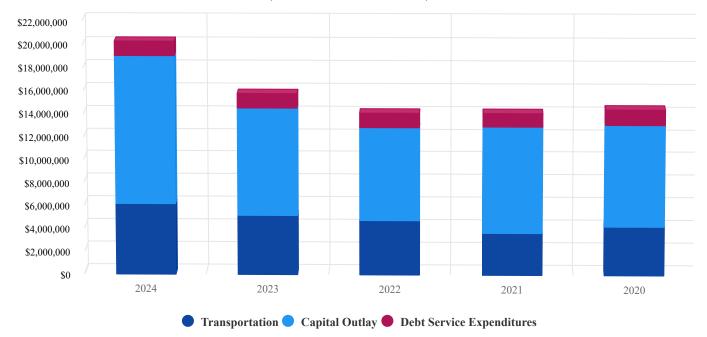


TxDOT Governmental Fund Balances, All Funds (Amounts on Thousands)



TxDOT Governmental Fund Revenues by Source (Amounts on Thousands)

Governmental Fund Expenditures by Use (Amounts on Thousands)



State Highway Fund

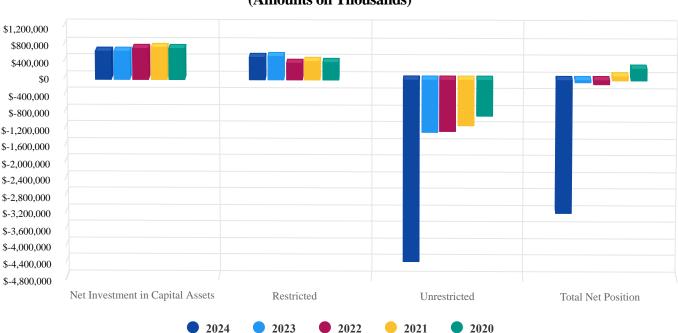
The State Highway Fund is TxDOT's main operating fund. Overall, the fund balance for the State Highway Fund on Aug. 31, 2024, was \$5.6 billion. Total revenues increased by \$452.1 million, or 3.1 percent, to \$15.0 billion in fiscal 2024. 94.0 percent of the total revenue included \$9.0 billion of taxes and \$5.1 billion of federal revenue. \$12.6 billion capital outlay expenditures contributed to 66.9 percent of overall SHF's expenditures in fiscal 2024. Changes in fund balance was \$2.5 billion in fiscal 2024, a decrease of \$4.2 billion from fiscal 2023, which was due to increase in revenues in amount of \$452.1 million, increase in expenditures in amount of \$4.5 billion, decrease in other financing uses in amount of \$152.9 million. The changes were: revenue increase of \$452.1 million, primarily due to increased oil and natural gas tax and motor vehicle sales and use tax collections during fiscal 2024. In addition, transportation expenditures increased by \$1.1 billion and capital outlay increased by \$3.4 billion due to increased utilization of Proposition 1 and 7 revenues during fiscal 2024.

Texas Mobility Fund

The Texas Mobility Fund operates as a revolving fund to provide a method of financing construction, reconstruction, acquisition and expansion of state highways and other transportation projects. The fund balance for the Texas Mobility Fund on Aug. 31, 2024 was \$470.4 million, an increase of \$49.4 million or 11.7 percent, from \$421.1 million on Aug. 31, 2023. Change in fund balance was \$49.4 million in fiscal 2024, an increase of \$89.9 million from fiscal 2023. The change was caused by increase in revenues of \$8.1 million, decrease in expenditures of \$70.4 million, increase in other financing sources of \$11.4 million. A total of \$426.7 million of revenues were collected for the fund. The major revenue sources were licenses, fees and permits, which accounted for \$387.5 million or 90.8 percent of total fund's revenue. Interest contributed to \$228.6 million, which was 45.6 percent of the total expense of Texas Mobility Fund.

Proprietary Funds

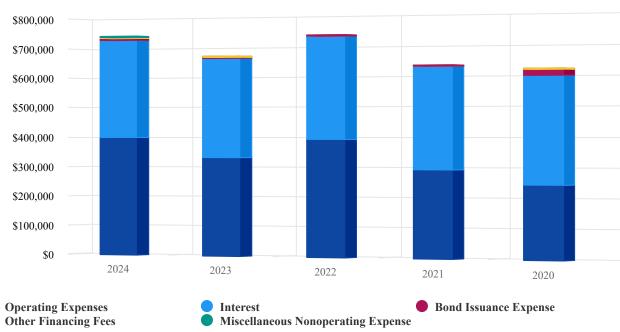
Proprietary funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. TxDOT has three major proprietary funds, Central Texas Turnpike System, Grand Parkway Transportation Corporation and State Highway 249 System. An overview of the financial information of these funds is presented below.



TxDOT Proprietary Fund Net Position, All Funds (Amounts on Thousands)



TxDOT Proprietary Fund Revenues by Source (Amounts on Thousands)



Proprietary Fund Expenses (Amounts on Thousands)

Central Texas Turnpike System

The net position of CTTS was \$246.1 million as of Aug. 31, 2024, an increase of \$28.7 million from fiscal 2023. CTTS' operating revenues increased by \$26.9 million or 7.8 percent over fiscal 2023. The increase was due to increase in toll revenue - pledged after the substantial resolution of billing issues related to implementation of the new back-office system. The total expense for CTTS in fiscal 2024 was \$396.0 million, compared to \$357.7 million in fiscal 2023. Depreciation and amortization combined with interest expenses contributed to \$207.4 million, which was 52.4 percent, of the total expense of CTTS.

Grand Parkway Transportation Corporation

GPTC reported a net position of \$3.7 billion in fiscal 2024, an increase in net position of \$84.1 million over fiscal 2023. GPTC's operating revenues in fiscal 2024 increased by \$23.8 million, or 7.4 percent over fiscal 2023. The increase was due to increase in toll

revenue - pledged due to increase in toll transactions. In fiscal 2024, GPTC's total expenses were \$279.3 million, which decreased by \$20.9 million or 7.0 percent, over fiscal 2023. The largest expense in fiscal 2024 was \$188.7 million of interest expense.

State Highway 249 System

The net position of State Highway 249 System was \$251.4 million as of Aug. 31, 2024, an increase of 0.9 percent over fiscal 2023. During fiscal 2024, SH 249 System generated \$25.7 million in toll revenue, net of allowance for doubtful accounts. The total increase in net position of \$2.3 million, which was caused by operating revenues in amount of \$25.7 million, operating expenses in amount of \$15.0 million, nonoperating expenses in amount of \$8.2 million, capital contributions and transfers out fund in amount of \$208.0 thousand.

Budget Highlights

Variances for the State Highway Fund

The differences between the original and final revenue budgets are due to economic and legislative reasons. Budget mechanisms allow budget revisions for certain revenues when collections exceed the original budget. Accordingly, major revisions were made to both total revenues and expenditures for a net change of \$8.9 billion. There was a \$1.7 billion negative variance between the actual and final budget revenues. The \$1.6 billion federal variance between actual and final budget accounted for the majority of the revenue variance. The actual expenditures related to transportation were less than the final budget by \$9.2 billion which represents expenditures expected to be paid in future fiscal years. Construction strategies can be charged for up to four additional fiscal years and non-construction strategies can be charged for up to three additional fiscal years after the original appropriation year.

The budgetary comparison schedule in the Required Supplementary Information section and the Budget Schedule by Strategy in the Other Supplementary Information section presents comparisons of the legally adopted budget with actual data on a budgetary basis.

Capital Assets and Debt Administration

Capital Assets

TxDOT's capital assets are comprised of roads, bridges, buildings, land, equipment, and intangible capital assets. As of Aug. 31, 2024, TxDOT had \$153.6 billion in net capital assets, a \$10.0 billion or 7.0 percent increase over fiscal 2023. The increase was due to an increase in infrastructure - depreciable of \$5.3 billion, construction in progress of \$2.5 billion, land and land improvements of \$2.3 billion in fiscal 2024. The total accumulated depreciation and amortization for TxDOT as of Aug. 31, 2024 was \$36.3 billion.

Capital Assets - Net of Depreciation and Amortization

August 31, 2024 and 2023 (Amounts in Thousands)

	Government	al Act	tivities	Business-Ty	ре	Activities	Total Primary	Gov	vernment
	2024		2023	2024		2023	2024		2023
Land and Land Improvements	\$ 21,109,952	\$	18,817,488	\$ 725,847	\$	725,847	\$ 21,835,799	\$	19,543,335
Infrastructure - Depreciable	102,410,543		97,118,247	2,082,657		2,075,947	104,493,200		99,194,194
Construction in Progress	25,854,152		23,261,253	23,699		96,418	25,877,851		23,357,671
Buildings and Building Improvements	623,978		620,921	1,715		2,076	625,693		622,997
Furniture and Equipment	77,282		75,598				77,282		75,598
Vehicles, Boats and Aircraft	378,313		371,509				378,313		371,509
Other Capital Assets	1,989		2,227				1,989		2,227
Land Use Rights - Permanent	90,258		89,417	19,466		19,466	109,724		108,883
Land Use Rights - Term			106						106
Computer Software	79,855		108,808	14,894		29,787	94,749		138,595
Buildings and Building Improvements									
(RTU)	18,269		19,728				18,269		19,728
Land Use Rights - Permanent (RTU)	1,857		2,936				1,857		2,936
Furniture and Equipment (RTU)	12,778		8,703				12,778		8,703
Subscriptions (RTU)	48,965		50,889	61,780		95,478	110,745	\$	146,367
Total Capital Assets	\$ 150,708,191	\$	140,547,830	\$ 2,930,058	\$	3,045,019	\$ 153,638,249	\$	143,592,849

TxDOT uses the composite approach for reporting the state's infrastructure and bridges. The composite approach is a method for calculating depreciation of a grouping of dissimilar assets of the same class (all the roads and bridges of the state) using the same depreciation rate. The composite depreciation rate for 2024 is 2.5 percent based on a 40-year weighted average life expectancy of the assets in service.

To ensure future availability of essential services and to finance capital improvements, TxDOT made commitments for construction contracts, comprehensive development agreements and pass-through toll agreements totaling an estimated \$22.3 billion. These commitments extend beyond the end of the fiscal year and represent future costs to TxDOT. Note 2 provides detail about TxDOT's capital assets activity and Note 15 details TxDOT's significant commitments related to future capital expenditures.

Debt Administration

The Commission, on behalf of TxDOT, issues both general obligation bonds and revenue bonds. Each series of revenue bonds is backed by pledged revenues and restricted assets specified in the individual bond resolutions. Note 5 discloses details on TxDOT's long-term liabilities and Note 6 provides detail information on TxDOT's bonded indebtedness.

Outstanding Bonded Debt

As of August 31, 2024 (Amount in Thousands)

	 Government	tal A	ctivities	 Business-Ty	pe Ac	ctivities
	 2024		2023	 2024		2023
General Obligation Bonds Payable	\$ 8,888,898	\$	9,353,914	\$	\$	
Revenue Bonds Payable	2,684,555		3,051,820	7,243,023		7,422,605
Total Bonds Payable	\$ 11,573,453	\$	12,405,734	\$ 7,243,023	\$	7,422,605

Bond Credit Ratings

The outstanding bonds of the Commission and GPTC were rated by the major nationally recognized statistical rating organizations. As of Aug. 31,2024, the bonds carried the following ratings

Long-Term Credit Ratings as of August 31, 2024				
Governmental Activities	Fitch	Moody's	Standard & Poor's	Kroll
General Obligation Bonds		· · · · · ·		
TMF 2009-A, 2014, 2014-A,B, 2015-A, B, 2017-A,B	AAA	Aaa	AAA	AAA
TMF 2020	AAA	Aaa	n/a	AAA
HIGO 2010-A, 2016, 2016-A, 2019	AAA	Aaa	AAA	AAA
HIGO 2020	AAA	Aaa	n/a	AAA
HIGO 2024	n/a	Aaa	AAA	AAA
Revenue Bonds				
SHF 2008, 2010, 2015, 2016-A,B, 2024	n/a	Aaa	AAA	n/a
Business-Type Activities				
Revenue Bonds				
CTTS 2002-A, 2020-A,C, CTTS 2024-A,B	A+	A2	А	n/a
CTTS 2024-C	A-	A3	A-	n/a
GPTC 2013-B,E, 2018-A	AA	n/a	AA+	n/a
GPTC 2020-A,C	A+	A2	n/a	n/a
GPTC 2020-B	AA	Aal	n/a	n/a
GPTC 2023	AA	Aal	n/a	n/a
SH 249 2019-A,B	n/a	Baa2	n/a	n/a

Short-term ratings are usually reliant upon the supporting liquidity facility and its strength. The following variable rate demand bonds carried short-term credit ratings as of Aug. 31, 2024.

Short-Term Credit Ratings as of August 31, 2024				
Governmental Activities	Fitch	Moody's	Standard & Poor's	Kroll
General Obligation Bonds TMF Series 2006-B Variable Rate Interest Bonds	F1+	VMIG 1	n/a	n/a
Revenue Bonds SHF Series 2014-B Variable Rate Interest Bonds	n/a	VMIG 1	A-1	n/a

An explanation of the significance of such ratings may be obtained from the company furnishing the rating. The ratings reflect only the respective views of such organizations, and the Commission makes no representation as to the appropriateness of the ratings. There is no assurance that such ratings will continue for any given period or that they will not be revised downward or withdrawn entirely by any or all of such rating companies, if in the judgment of any or all companies, circumstances warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the bonds.

Economic Condition

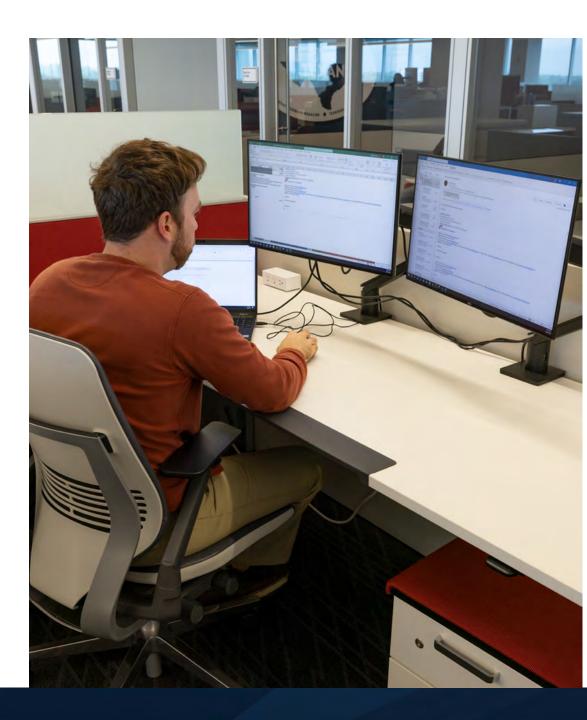
The current economic environment presents government entities, including state transportation departments, continued challenges. The inflation rate at the end of August 2024 was 2.5 percent. In 2024, the Texas economy continued to grow. The unemployment rate remained unchanged, but employment growth accelerated. During the previous five fiscal years, 2020-2024, 4,080 highway and bridge construction projects (estimated at \$41.8 billion) were let/awarded for \$41.3 billion.

Contacting TxDOT's Financial Management

This financial report is designed to provide a general overview of the TxDOT's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the TxDOT Financial Management Division at the following address:

Texas Department of Transportation Financial Management Division – Accounting Section 125 East 11th Street Austin, Texas 78701-2483 This page is intentionally blank

SECTION TWO (CONTINUED) BASIC FINANCIAL STATEMENTS



Texas Department of Transportation

Statement of Net Position

August 31, 2024 (Amounts in Thousands)

August 51, 2024 (Amounts in Thousands)	Primary Government				
			Business-Type		
	Govern	mental Activities	Activities	Total	
ASSETS					
Current Assets:					
Cash and Cash Equivalents	\$	10,154,405	\$ 541,627	\$ 10,696,032	
Short-Term Investments		20,121		20,12	
Restricted:					
Cash and Cash Equivalents		36,453	1,049,845	1,086,298	
Legislative Appropriations		136,903		136,903	
Due from Other Agencies (Note 11)		2,992,093		2,992,093	
Receivable:					
Taxes		247,829		247,829	
Federal		719,648		719,648	
Interest and Dividends		3,238	1,500	4,738	
Accounts Receivable		114,854	63,419	178,273	
Other Intergovernmental		510,340		510,340	
Leases (Note 7)		657		65	
Loans and Contracts (Note 4)		8,878		8,878	
Consumable Inventory		168,092	343	168,43	
Total Current Assets		15,113,511	1,656,734	16,770,24	
Noncurrent Assets:					
Restricted:					
Investments			76,104	76,104	
Loans and Contracts (Note 4)		226,560		226,560	
Investments		33,796	220,159	253,955	
Receivable:					
Leases (Note 7)		1,015		1,01	
Public-Private or Public-Public Partnership Asset (Note 20)		1,961,574		1,961,574	
Capital Assets:		1,5 01,0 7 1		1,5 01,0 7	
Non-Depreciable or Non-Amortizable (Note 2)		47,054,362	769,012	47,823,374	
Depreciable or Amortizable, Net (Note 2)			,		
-		103,653,829	2,161,046	105,814,875	
Total Noncurrent Assets		152,931,136	3,226,321	156,157,457	
Total Assets		168,044,647	4,883,055	172,927,702	
DEFERRED OUTFLOWS OF RESOURCES					
Loss on Bond Refunding (Note 21)		113,482	166,333	279,81	
Pensions (Note 8, 21)		134,174		134,174	
Other Postemployment Benefits (Note 10, 21)		677,642		677,642	
Total Deferred Outflows of Resources		925,298	166,333	1,091,63	
Total Deferred Outrows of Resources		125,276	100,555	1,071,05	

Continued on the following page

Texas Department of Transportation Concluded

Statement of Net Position

August 31, 2024 (Amounts in Thousands)

August 31, 2024 (Amounts in Thousands)	Thousands) Prim			
		Business-Type		
	Governmental Activities	Activities	Total	
LIABILITIES Current Liabilities:				
Payables:				
Accounts	2,284,119	44,116	2,328,235	
Payroll	108,114	44,110	108,114	
Interest	195,879	76,816	272,695	
Contract Retainage	17,973	,	17,973	
Deposits	30,982		30,982	
Internal Balances (Note 11)	4,038	(4,038)	0	
Due to Other Agencies (Note 11)	3,096		3,096	
Unearned Revenues	729,923	24,745	754,668	
Employees' Compensable Leave (Note 5)	100,249	,	100,249	
Claims and Judgments (Note 5, 17)	107,000		107,000	
Notes and Loans Payable (Note 5)	88,274		88,274	
General Obligation Bonds Payable (Note 5)	377,399		377,399	
Revenue Bonds Payable (Note 5)	314,883	88,473	403,356	
Pollution Remediation Obligation (Note 5)		88,475		
Net OPEB Liability (Note 10)	18,435		18,435	
- · · · · · · · · · · · · · · · · · · ·	83,260 5,642		83,260	
Right-to-Use Lease Obligations (Note 5, 7) Right-to-Use Subscription Obligations (Note 5, 7)	5,042 19,959	49,714	5,642 69,673	
Total Current Liabilities	4,489,225	279,826	4,769,051	
Noncurrent Liabilities:				
	24.007		24.005	
Employees' Compensable Leave (Note 5)	34,096		34,096	
Claims and Judgments (Note 5, 17)	43,000	19 2 00 2	43,000	
Notes and Loans Payable (Note 5)	879,891	625,997	1,505,888	
General Obligation Bonds Payable (Note 5)	8,511,499		8,511,499	
Revenue Bonds Payable (Note 5)	2,369,672	7,154,550	9,524,222	
Net Pension Liability (Note 8)	898,817		898,817	
Net OPEB Liability (Note 10)	1,892,815		1,892,815	
Right-to-Use Lease Obligations (Note 5, 7)	26,035		26,035	
Right-to-Use Subscription Obligations (Note 5, 7)	17,638	31,092	48,730	
Total Noncurrent Liabilities	14,673,463	7,811,639	22,485,102	
Total Liabilities	19,162,688	8,091,465	27,254,153	
DEFERRED INFLOWS OF RESOURCES				
Public-Private and Public-Public Partnerships (Note 20, 21)	10,617,881		10,617,881	
Gain on Bond Refunding (Note 21)	99,885	119,179	219,064	
Pensions (Note 8, 21)	466,810		466,810	
Other Postemployment Benefits (Note 10, 21)	669,459		669,459	
Leases (Note 7, 21)	3,591		3,591	
Time-Restricted Appropriations (Note 21)	274,443		274,443	
Total Deferred Inflows of Resources	12,132,069	119,179	12,251,248	
NET POSITION		,		
Net Investment in Capital Assets	129,858,662	644,377	130,503,039	
Restricted for:	,0,,00_		,,007	
Transportation - Construction	6,716,718		6,716,718	
Transportation - Operations and Maintenance	17,624	263,040	280,664	
Debt Service	172,601	248,312	420,913	
Unrestricted	909,583	(4,316,985)	(3,407,402)	
Total Net Position	\$ 137,675,188	\$ (3,161,256)	\$ 134,513,932	
			, , , ,	

The accompanying notes to the financial statements are an integral part of this financial statement.

Texas Department of Transportation Statement of Activities

For the Fiscal Year Ended August 31, 2024 (Amounts in Thousands)

		 PROGRAM I	REVENUES	
Functions	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activties:				
Transportation	\$ 8,338,204	\$ 1,169,103	\$ 5,350,536	\$ 44,578
Total Governmental Activities	8,338,204	1,169,103	5,350,536	44,578
Business-Type Activities:				
Transportation	703,677	747,353	102,121	
Total Business-Type Activities	703,677	747,353	102,121	0
Total Primary Government	\$ 9,041,881	\$ 1,916,456	\$ 5,452,657	\$ 44,578

General Revenues:

Legislative Appropriations

Motor Fuel Tax Lubricant Sales Tax Oil and Natural Gas Production Tax Motor Vehicle & Mfg Housing Unrestricted Investment Earnings Settlement of Claims Gain on Sale of Capital Assets Gain on Other Financial Activity Other Revenues Transfers – Internal Activities (Note 11) Transfers – Other State Agencies Total General Revenues and Transfers Changes in Net Position

Net Position, September 1, 2023 Net Position, August 31, 2024

Continued on the following page

Texas Department of Transportation (Concluded)

Statement of Activities

For the Fiscal Year Ended August 31, 2024 (Amounts in Thousands)

137,675,188

\$____

\$____

NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION

 Governmental Activities	 Business- Type Activties	 Total
\$ (1,773,987)	\$	\$ (1,773,987)
 (1,773,987)	 0	 (1,773,987)
	145,797	145,797
 0	 145,797	 145,797
 (1,773,987)	 145,797	 (1,628,190)
274,365 2,811,794 2,538,000 2,739,805 628,770		274,365 2,811,794 2,538,000 2,739,805 628,770
566,552		566,552
50,153		50,153
4,091		4,091
46		46
2,381		2,381
30,739	(30,739)	0
 2,097,839	 	 2,097,839
		 11,713,796
 9,970,548	 115,058	 10,085,606
 127,704,640	 (3,276,314)	 124,428,326
 11,744,535 9,970,548	 	 11,713 10,085

(3,161,256)

\$

134,513,932

Texas Department of Transportation

Balance Sheet - Governmental Funds

August 31, 2024 (Amounts in Thousands)

	State Highway Fund	 Texas Mobility Fund	Nonmajor Funds	Total
ASSETS				
Cash and Cash Equivalents:				
Cash on Hand	\$ 294	\$	\$	\$ 294
Cash in Bank	1,155			1,155
Cash in State Treasury	8,446,174	483,737	1,118,284	10,048,195
Cash Equivalents	141,213			141,213
Short-Term Investments	20,121			20,121
Legislative Appropriations			136,903	136,903
Receivables:				
Taxes	247,829			247,829
Federal	666,567	10,890	42,192	719,649
Other Intergovernmental	267,988		242,352	510,340
Interest and Dividends	3,238			3,238
Accounts Receivable	114,854			114,854
Leases (Note 7)	1,672			1,672
Due from Other Funds (Note 11)	158,552		3,309	161,861
Due from Other Agencies (Note 11)	2,990,408		1,685	2,992,093
Consumable Inventories	168,092			168,092
Investments (Note 3)	33,796			33,796
Loans and Contracts (Note 4)	 235,438		 	 235,438
Total Assets	\$ 13,497,391	\$ 494,627	\$ 1,544,725	\$ 15,536,743

Continued on the following page

Balance Sheet - Governmental Funds

August 31, 2024 (Amounts in Thousands)

	State Highway Fund	Texas Mobility Fund	Nonmajor Funds	Total
LIABILITIES, DEFERRED INFLOWS OF				
RESOURCES, AND FUND BALANCES				
Liabilities:				
Payables:				
Accounts	2,241,372	17,901	24,844	2,284,117
Payroll	107,792		322	108,114
Contract Retainage	17,973			17,973
Deposits	30,982			30,982
Due to Other Funds (Note 11)	139,019	6,325	20,555	165,899
Due to Other Agencies (Note 11)	3,096			3,096
Unearned Revenues	3,392		726,531	729,923
Total Liabilities	2,543,626	24,226	772,252	3,340,104
Deferred Inflows of Resources:				
Unavailable Revenue (Note 21)	2,972,239		45	2,972,284
Leases (Note 7)	3,591			3,591
Public-Private or Public-Public Partnerships (Note 20)	2,410,736			2,410,736
Time-Restricted Appropriations (Note 21)			274,443	274,443
Total Deferred Inflows of Resources	5,386,566	0	274,488	5,661,054
Fund Balances:				
Nonspendable (Note 13)	168,092			168,092
Restricted (Note 13)	3,677,600	298,154	53,183	4,028,937
Committed (Note 13)	907,694	172,247	582,386	1,662,327
Assigned (Note 13)	813,813			813,813
Unassigned (Note 13)			(137,584)	(137,584)
Total Fund Balances	5,567,199	470,401	497,985	6,535,585
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 13,497,391</u>	\$ 494,627	\$ 1,544,725	\$ 15,536,743

The accompanying notes to the financial statements are an integral part of this financial statement.

Texas Department of Transportation Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position

August 31, 2024 (Amounts in Thousands)

Total Fund Balance - Governmental Funds			\$ 6,535,585
Amounts reported for governmental activities in the Statement of Net Position are different because: Capital Assets to be received at the conclusion of Public-Private or Public-Public Agreements are included in the Statement of Net Position Capital assets less accumulated depreciation and amortization are included in the Statement of Net Position			1,961,574
(Note 2).			
Capital Assets - Non-Depreciable or Non-Amortizable	\$	47,054,362	
Capital Assets - Depreciable or Amortizable, Net		103,653,829	
			150,708,191
Deferred inflows of resources were reported in the funds related to revenues that were not available soon enough after year-end to pay current year's expenditures (Note 21).			2,972,284
Deferred inflows of resources were reported in the Statement of Net Position to reflect the unamortized capita improvements under Public-Private or Public-Public Parnerships, gain on bond refundings, and the impact of pension and other postemployment benefit adjustments (Note 21).	1		(9,443,301)
Deferred outflows of resources were reported in the Statement of Net Position to reflect the loss on bond refundings and the impact of pension and other postemployment benefit adjustments (Note 21).			925,298
Long-term liabilities applicable to TxDOT's governmental activities are not due and payable in the current period and accordingly are not reported in the funds. These liabilities, however, are included in the Statement of Net Position. (Note 5, 7, 8, 10)			
Employees' Compensable Leave		(134,345)	
Claims and Judgments		(150,000)	
Notes and Loans Payable**		(968,165)	
General Obligation Bonds Payable		(8,888,898)	
Revenue Bonds Payable		(2,684,555)	
Pollution Remediation Obligations		(18,435)	
Net Pension Liability		(898,817)	
Right-to-Use Lease Obligations		(31,677)	
Right-to-Use Subscription Obligations		(37,597)	
Net OPEB Liabilities		(1,976,075)	
			(15,788,564)*
* Current portion \$1,115,101 and noncurrent portion \$14,673,463			
**Pass-Through Tolls Payable \$344,035, Contracts Payable \$16,000			
TIFIA Loan Payable \$323,296, TPFA Note Payable \$284,834			
Interest payable applicable to TxDOT's governmental activities is not due and payable in the current period and accordingly is not reported in the funds. These liabilities, however, are included in the Statement of Net Position.			(195,879)
Net Position of Governmental Activities			\$ 137,675,188

Texas Department of Transportation Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds

For the Fiscal Year Ended August 31, 2024 (Amounts in Thousands)

	State Highway Fund	Texas Mobility Fund	Nonmajor Funds	Total
REVENUES				
Legislative Appropriations	\$	\$	\$ 274,365	\$ 274,365
Taxes	9,035,013			9,035,013
Federal Revenues	5,056,155	21,818	287,461	5,365,434
Licenses, Fees and Permits	266,697	387,511	254	654,462
Interest & Investment Income	533,610	17,375	15,612	566,597
Net Increase Fair Value	1,828			1,828
Land Income	30,070			30,070
Settlement of Claims	50,153			50,153
Sales of Goods and Services	20,830		189,750	210,580
Other Revenues	2,363	15		2,378
Total Revenues	14,996,719	426,719	767,442	16,190,880
EXPENDITURES				
Transportation	6,084,684	84,410	56,074	6,225,168
Capital Outlay	12,604,375	17,246	247,320	12,868,941
Debt Service:				
Principal	125,511	170,590	425,170	721,271
Interest	8,989	228,614	270,342	507,945
Other Financing Fees	5,693	381		6,074
Total Expenditures	18,829,252	501,241	998,906	20,329,399
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(3,832,533)	(74,522)	(231,464)	(4,138,519)
OTHER FINANCING SOURCES (USES)				
Transfers In (Note 11)	2,134,735	123,872	1,260,459	3,519,066
Transfers Out (Note 11)	(797,411)		(593,198)	(1,390,609)
Bonds Issued for Refunding			1,043,065	1,043,065
Premium/Discount on Bonds Issued			142,309	142,309
Payment to Escrow for Refunding			(1,179,976)	(1,179,976)
Increase in Obligations for Leases & Subscriptions	33,691			33,691
Sale of Capital Assets	7,994		2,340	10,334
Total Other Financing Sources (Uses)	1,379,009	123,872	674,999	2,177,880
Net Change in Fund Balances	(2,453,524)	49,350	443,535	(1,960,639)
Fund Balances, September 1, 2023	8,020,723	421,051	54,450	8,496,224
Fund Balances, August 31, 2024	\$ 5,567,199	\$ 470,401	\$ 497,985	\$ 6,535,585

The accompanying notes to the financial statements are an integral part of this financial statement.

Texas Department of Transportation Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities

For the Fiscal Year Ended August 31, 2024 (Amounts in Thousands)

Net Change in Fund Balances			\$	(1,960,639)
Governmental funds report capital outlays as expenditures. In the Statement of Activities, however, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The amount by which capital outlay exceeds depreciation in the current period is:				
Capital Outlay	\$	12,868,941		
Depreciation and Amortization Expense (Note 2)	Ψ	(2,821,257)		
		()-)-)		10,047,684
The effect of various miscellaneous transactions involving capital assets and leases is an increase to net position	1.			
Donations of Capital Assets		44,578		
Gain on Sale of Capital Assets		4,091		
Gain on Early Termination of Lease		50		
Sale of Capital Assets		(10,334)		
Increase in Obligations for Leases & Subscriptions		(33,692)		
Interagency Transfers of Capital Assets		121		
				4,814
Revenues that do not provide current financial resources are not reported in the governmental funds, but are reported in the Statement of Activities.				
Concession Revenues		220,849		
OPEB-Related Grant Revenue		112		
Federal Revenue		(16,883)		
Local Revenue		53,142		
Oil & Natural Gas Production Tax Revenue		(316,358)		
Motor Fuels Tax Revenue		(286)		
Repayment of long-term debt consumes current financial resources and is an expenditure in the governmental funds, but reduces long-term liabilities in the Statement of Net Position.				(59,424)
Bonds Issued for Refunding		(1,043,065)		
Premiums on Bonds Issued		(142,309)		
Payment to Escrow for Refunding		1,179,976		
Repayment of Bond and Note Principal		684,746		
Payment of Debt Service Principal For Right-to-Use Leases & Subscriptions		36,525		
Net Change in Pollution Remediation Obligation		(10,225)		
Net Change in Employees' Compensable Leave		(13,267)		
Claims and Judgements		250,000		
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.				942,381
Interest and Amortization Expense		136,027		
Payroll Related Costs		859,705		
r ayron Related Costs		057,105		995,732
Change in Net Position of Governmental Activities			\$	9,970,548
			÷	>,> : 0,5 10

Texas Department of Transportation Statement of Net Position - Proprietary Funds

August 31, 2024 (Amounts in Thousands)

	Business-Type Activities - Enterprise Funds					
	Central Texa Turnpike Syst	IS	Grand Parkway Transportation Corporation	SH 249 System		Totals
ASSETS						
Current Assets:						
Cash and Cash Equivalents:						
Cash and Cash Equivalents	\$ 126,	640	\$ 377,061	\$ 37,926	\$	541,627
Restricted:						
Cash and Cash Equivalents	453,	638	561,006	35,200		1,049,844
Receivables:						
Accounts Receivable	25,	532	35,284	2,603		63,419
Interest and Dividends	1,	043	356	101		1,500
Due from Other Funds (Note 11)	31,	681	8,531	833		41,045
Consumable Inventory		224	114	6		344
Total Current Assets	638	,758	982,352	76,669		1,697,779
Noncurrent Assets:						
Restricted:						
Investments	54,	084		22,020		76,104
Investments	28,	607	191,552			220,159
Capital Assets:						
Non-Depreciable or Non-Amortizable (Note 2)	707,	309		61,703		769,012
Depreciable or Amortizable, Net (Note 2)	1,781,	734		379,312		2,161,046
Total Noncurrent Assets	2,571,	734	191,552	463,035		3,226,321
Total Assets	3,210,	492	1,173,904	539,704		4,924,100
DEFERRED OUTFLOWS OF RESOURCES						
Deferred Outflows of Resources						
Loss on Bond Refunding (Note 21)	11,	880	154,453			166,333
Total Deferred Outflows of Resources		880	154,453	0		166,333

Continued on the following page

Texas Department of Transportation Statement of Net Position - Proprietary Funds

August 31, 2024 (Amounts in Thousands)

	Business-Type Activities - Enterprise Funds						
	Central Texas Turnpike System	Grand Parkway Transportation Corporation	SH 249 System	Totals			
LIABILITIES							
Current Liabilities:							
Payables:							
Accounts	35,681	8,191	244	44,116			
Interest	4,240	71,927	649	76,816			
Due to Other Funds (Note 11)	19,743	17,053	211	37,007			
Unearned Revenues	16,569	7,784	392	24,745			
Revenue Bonds Payable (Notes 5, 6)	76,806	11,353	314	88,473			
Subscription Obligations (Notes 5, 7)	49,714			49,714			
Total Current Liabilities	202,753	116,308	1,810	320,871			
Noncurrent Liabilities:							
Notes and Loans Payable (Notes 5)		625,997		625,997			
Revenue Bonds Payable (Notes 5, 6)	2,638,746	4,229,280	286,524	7,154,550			
Subscription Obligations (Notes 5, 7)	31,092			31,092			
Total Noncurrent Liabilities	2,669,838	4,855,277	286,524	7,811,639			
Total Liabilities	2,872,591	4,971,585	288,334	8,132,510			
DEFERRED INFLOWS OF RESOURCES							
Deferred Inflows of Resources							
Gain on Bond Refunding (Note 21)	103,706	15,473		119,179			
Total Deferred Inflows of Resources	103,706	15,473	0	119,179			
NET POSITION							
Net Investment in Capital Assets	396,594		247,783	644,377			
Restricted for:							
Transportation - Operations and Maintenance	115,291	131,637	16,112	263,040			
Debt Service	163,512	84,800		248,312			
Unrestricted	(429,322)	(3,875,138)	(12,525)	(4,316,985)			
Total Net Position	\$ 246,075	\$ (3,658,701)	\$ 251,370	\$ (3,161,256)			

The accompanying notes to the financial statements are an integral part of this financial statement.

Texas Department of Transportation

Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds

For the Fiscal Year Ended August 31, 2024 (Amounts in Thousands)

Discounts and Allowances (27,254) (14,490) (1,217) (42,961) Fee Revenue - Pedaged 29,981 29,981 29,981 29,981 46,225 44,6225 44,6225 745,516 44,6226 44,6226 44,6226 44,6226 44,6226 745,516 44,6226 745,516 745,516 745,516 44,6226 745,516 44,6226 44,6226 745,516 745,516 745,516 745,516 745,516 745,516 745,516 745,516 745,516 745,516 744,710 25,735 745,516 7		Business-Type Activities - Enterprise Funds				
OPERATING REVENUES Image: contrast of the second seco			Transportation		Totals	
Discounts and Allowances (27,254) (14,490) (1,217) (42,961) Fee Revenue - Pfedged 29,981 29,981 29,981 29,981 29,981 29,981 24,9261 44,6226 44,6226 44,6226 44,6226 44,6226 44,6226 44,6226 44,6226 44,6226 44,6226 745,516 44,6226 44,6226 44,6226 44,6226 44,6226 44,6226 44,6226 44,6226 44,6226 44,6226 44,6226 44,6226 44,6226 44,6226 44,7710 25,735 745,516 64,822 26,677 747avel 4 4 82,733 2 1,898 42,9261 44,933 72,189 42,863 42,9261 42,931 43,933 2 1,898 42,933 44,933	OPERATING REVENUES			`		
Fee Revenue - Piedged 29,981 29,981 Other Sales Goods & Services-Piedged 46,226 46,226 46,226 Total Operating Revenues 372,071 25,735 745,516 OPERATING EXPENSES 21,289 4,566 822 26,677 Travel 4 4 8 8 21,289 4,566 822 26,677 Travel 4 4 4 8 8 4 4 8 Communication and Utilities 1,599 337 2 1,898 Repairs and Maintenance 57,482 21,817 1,103 80,492 Contracted Services 83,740 822 35 84,597 Advertising 235 94 4 333 Depreciation and Amortization 105,885 9,092 11,497 046,556 Total Operating Expenses 11,179 66,546 3,680 81,405 Total Operating Expenses 2,121 8,575 10,695 346,556 NONDERATING REVENUES (EXPENSES)	Toll Revenue - Pledged	\$ 323,118	\$ 362,200	\$ 26,952	\$ 712,270	
Other Sales Goods & Evryices-Pledged 46.226 372.071 46.226 372.071 OPERATING EXPENSES	Discounts and Allowances	(27,254)	(14,490)	(1,217)	(42,961)	
Total Operating Revenues 372,071 347,710 25,735 745,516 OPERATING EXPENSES Salaries 2,574 3,676 194 6,444 Professional Fees and Services 2,1229 4,566 822 2,6677 Tarvel 4 4 8 2,1259 3,577 2 1,898 Materials and Supplies 1,416 691 18 2,125 0,442 Communication and Ulitities 1,599 337 2 1,898 Repairs and Maintenance 57,482 21,817 1,193 80,492 Advertising 2,35 94 4 333 Depreciation and Amortization 105,885 9,092 11,4977 Other Operating Expenses 11,179 66,546 3,680 81,405 Total Operating Expenses 285,365 98,555 15,040 398,960 Operating Income 86,706 249,155 10,695 346,556 NONDERATING REVENUES (EXPENSES) 1 1837 1,837 1,837	Fee Revenue - Pledged	29,981			29,981	
OPERATING EXPENSES Salaries 2.574 3.676 194 6.444 Professional Fees and Services 21,289 4.566 822 26,677 Travel 4 4 8 Materials and Supplies 1,416 691 18 2,125 Communication and Utilities 1,559 337 2 1,898 Repairs and Maintenance 57,482 21,817 1,193 80,492 Retails and Leases 2 2 4 4 Contracted Services 83,740 822 35 84,597 Other Operating Expenses 11,179 66,546 3,680 81,4977 Other Operating Expenses 12,575 15,040 398,960 398,960 Operating Income 86,706 249,155 10,695 346,555 NONOPERATING REVENUES (EXPENSES) 1,837 1,837 1,837 Lease Revenue 1,837 9,356 901 1,2730 Amortization 25,121 8,572 315 34,0	Other Sales Goods & Services-Pledged	46,226			46,226	
Salaries 2.574 3.676 194 6.44 Professional Fees and Services 21.289 4.566 822 26.677 Travel 4 4 8 8 Materials and Supplies 1.416 691 18 2.125 Communication and Utilities 1.599 337 2 488 Contracted Services 22.2 44 333 Depreciation and Amortization 105.885 9.092 114.97 Other Operating Expenses 2255 94.44 333 Depreciation and Amortization 105.885 9.092 114.97 Operating Expenses 2285.365 98.555 15.040 398.960 Operating Income 86.706 249.155 10.695 346.556 NONOPERATING REVENUES (EXPENSES) 1.837 1.173 3.356 901 12.730 Lease Revenue 1.837 4.016 89.390 12.730 1.2730 Interest Expense $(240.7)^{10}$ (249.12)	Total Operating Revenues	372,071	347,710	25,735	745,516	
Professional Fees and Services 21,289 4,566 822 26,677 Travel 4 4 8 8 Materials and Supplies 1,416 691 18 2,125 Communication and Utilities 1,559 337 2 1,898 Repairs and Maintenance 57,482 21,817 1,193 80,492 Rentals and Leases 2 2 4 4 4 333 Depreciation and Amortization 105,885 9,092 114,977 Other Operating Expenses 11,179 66,546 3,680 81,405 Total Operating Expenses 11,179 66,546 3,680 81,405 398,960 Operating Income 86,706 249,155 10,695 346,556 NONOPERATING REVENUES (EXPENSES) 1 1,837 1,837 1,837 Lease Revenue 1,837 4,916 89,390 94 4 333 Interest Almestine Income 25,575 49,817 4,016 89,390 94 1,837 1,837 1,837 1,837 1,837 1,837 1,837 1,83	OPERATING EXPENSES					
Travel 4 4 4 8 Materials and Supplies 1,416 691 18 2,125 Communication and Utilities 1,559 337 2 1,898 Repairs and Maintenance 57,482 21,817 1,193 80,492 Contracted Services 83,740 822 35 84,597 Advertising 235 94 4 333 Depreciation and Amorization 105,885 9,092 114,977 Other Operating Expenses 111,179 66,546 3,680 81,405 Total Operating Expenses 285,365 98,555 15,040 398,960 Operating Income 86,706 249,155 10,695 346,556 NONOPERATING REVENUES (EXPENSES) 1 837 4,016 89,390 Lease Revence 1.837 4,016 89,390 Interest and Investment Income 35,557 49,817 4,016 89,390 Interest and Investment Income 1,837 1,837 1,3393 (328,793 Settlement of Chains Revenue 1 1 1 1	Salaries	2,574	3,676	194	6,444	
Materials and Supplies 1,416 691 18 2,125 Communication and Utilities 1,559 337 2 1,898 Repairs and Maintenance 57,482 21,817 1,193 80,492 Retails and Leases 2 2 44 Contracted Services 83,740 822 35 84,597 Advertising 235 94 4 333 Depreciation and Amortization 105,885 9,092 114,977 Other Operating Expenses 11,179 66,546 3,680 81,405 Total Operating Expenses 285,365 98,555 15,040 398,960 Operating Income 86,706 249,155 10,695 346,556 NONOPERATING REVENUES (EXPENSES) 1 1,837 1,837 1,837 Lease Revenue 1,837 4,916 89,390 12,730 Amorization 25,121 8,572 315 340,008 Interest Expense (126,654) (188,746) (13,393)<(228,797	Professional Fees and Services	21,289	4,566	822	26,677	
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	Travel	4	4		8	
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	Materials and Supplies	1,416	691	18	2,125	
Rentals and Leases 2 2 4 Contracted Services $83,740$ 822 35 $84,597$ Advertising 235 94 4 333 Depreciation and Amortization $105,885$ $9,092$ $114,977$ Other Operating Expenses $11,179$ $66,546$ $3,680$ $81,405$ Total Operating Expenses $285,365$ $98,555$ $15,040$ $398,960$ Operating Income $86,706$ $249,155$ $10,695$ $346,556$ NONOPERATING REVENUES (EXPENSES) Lease Revenue $1,837$ $1,837$ $1,837$ Interest and Investment Income $35,557$ $49,817$ $4,016$ $89,390$ Net Increase in Fair Value of Investments $2,473$ $9,356$ 901 $12,730$ Amortization $25,121$ $8,572$ 315 $34,008$ Interest Expense $(9,074)$ (432) $(95,566$ Other Financing Fees (247) (12) (25) (77) Total Nonoperating Expenses<		1,559	337	2	1,898	
$\begin{array}{c c} \mbox{Contracted Services} & 83,740 & 822 & 35 & 84,597 \\ \mbox{Advertising} & 235 & 94 & 4 & 333 \\ \mbox{Depreciation and Amortization} & 105,885 & 9,092 & 114,977 \\ \mbox{Other Operating Expenses} & 11,179 & 66,546 & 3,680 & 81,405 \\ \mbox{Total Operating Expenses} & 285,365 & 98,555 & 15,040 & 398,960 \\ \mbox{Operating Income} & 86,706 & 249,155 & 10,695 & 346,556 \\ \mbox{NONOPERATING REVENUES (EXPENSES)} \\ \mbox{Lease Revenue} & 1,837 & 1,837 \\ \mbox{Interest and Investment Income} & 35,557 & 49,817 & 4,016 & 88,390 \\ \mbox{Net Increase in Fair Value of Investments} & 2,473 & 9,356 & 901 & 12,730 \\ \mbox{Amortization} & 25,121 & 8,572 & 315 & 34,008 \\ \mbox{Interest Expense} & (126,654) & (188,746) & (13,393 & (328,793 \\ \mbox{Settlement of Claims Revenue} & 1 & 1 \\ \mbox{Bond Issuarce Expenses} & (247) & (112) & (25) & (179 \\ \mbox{Other Financing Fees} & (247) & (112) & (25) & (179 \\ \mbox{Other Financing Evenues (Expenses)} & 7(71,028) & (121,545) & (8,186) & (200,759 \\ \mbox{Interest Paires Out (Note 11)} & 13,022 & 6 & 13,028 \\ \mbox{Transfers Out (Note 11)} & 13,022 & (43,553) & (229) & (43,723 \\ \mbox{Transfers Out (Note 11)} & 13,022 & (43,553) & (229) & (43,723 \\ \mbox{Transfers Out (Note 11)} & 13,022 & (43,553) & (229) & (3,737 \\ \mbox{Charge in Net Position} & 28,700 & 84,057 & 2,301 & 115,058 \\ \mbox{Net Position, September 1, 2023 & 217,375 & (3,742,758) & 249,069 & (3,276,314 \\ \end{tabular}$	Repairs and Maintenance	57,482	21,817	1,193	80,492	
Advertising 235 94 4 333 Depreciation and Amortization 105,885 9,092 114,977 Other Operating Expenses 285,365 98,555 15,040 398,960 Operating Income 86,706 249,155 10,695 346,556 NONOPERATING REVENUES (EXPENSES) 1,837 4,016 88,390 Lease Revenue 1,837 4,016 89,390 Interest and Investment Income 35,557 49,817 4,016 89,390 Net Increase in Fair Value of Investments 2,473 9,356 901 12,730 Amortization 25,121 8,572 315 34,005 Interest Expense (126,654) (188,746) (13,393) (328,793 Settlement of Claims Revenue 1 1 1 1 Bond Issuarce Expenses (247) (242) (112) (25) (179 Other Nonoperating Expenses) (71,028) (121,545) (8,186) (200,759 Income before Capital Contributions and Transfers 15,078 127,610 2,509 145,797 CAPITAL CONTRIBUTI	-	2	2		4	
Depreciation and Amortization 105,885 9,092 114,977 Other Operating Expenses 11,179 $66,546$ $3,680$ $81,405$ Total Operating Expenses 285,365 98,555 15,040 398,960 Operating Income $86,706$ 249,155 10,695 346,556 NONOPERATING REVENUES (EXPENSES) $1,837$ $1,837$ $1,837$ $1,837$ Interest and Investment Income $35,557$ 49,817 4,016 89,390 Not Increase in Fair Value of Investments $2,473$ 9,356 901 12,730 Amortization 25,121 $8,572$ 315 34,005 Interest Expense (126,654) (188,746) (13,393) (328,793) Settlement of Chins Revenue 1 1 1 1 Bond Issuance Expenses (247) (242) (112) (25) (71,028) (121,545) (8,186) (200,759) Income before Capital Contributions and Transfers 15,678 127,610 2,509 145,797 CAPITAL CONTRIBUTIONS AN	Contracted Services	83,740	822	35	84,597	
Other Operating Expenses 11,179 66,546 3,680 81,405 Total Operating Expenses 285,365 98,555 15,040 398,960 Operating Income 86,706 249,155 10,695 346,556 NONOPERATING REVENUES (EXPENSES) 1 1,837 1,837 1,837 Lease Revence 1,837 4,016 89,390 Net Increase in Fair Value of Investments 2,473 9,356 901 12,730 Amortization 25,121 8,572 315 34,008 Interest Expense (126,654) (13,93) (28,793) (28,793) Settlement of Claims Revenue 1 1 1 1 Bond Issuance Expenses (9,074) (432) (9,506) (200,759) Other Nonoperating Expenses (247) (212,545) (8,186) (200,759) Income before Capital Contributions and Transfers 15,678 127,610 2,509 145,797 Capital Contributions and Transfers 13,022 6 13,028 6 13,028 1	Advertising	235	94	4	333	
Other Operating Expenses 11,179 66,546 3,680 81,405 Total Operating Expenses 285,365 98,555 15,040 398,960 Operating Income 86,706 249,155 10,695 346,556 NONOPERATING REVENUES (EXPENSES) 1 1,837 1,837 1,837 Lease Revence 1,837 4,016 89,390 Net Increase in Fair Value of Investments 2,473 9,356 901 12,730 Amortization 25,121 8,572 315 34,008 Interest Expense (126,654) (13,93) (28,793) (28,793) Settlement of Claims Revenue 1 1 1 1 Bond Issuance Expenses (9,074) (432) (9,506) (200,759) Other Nonoperating Expenses (247) (212,545) (8,186) (200,759) Income before Capital Contributions and Transfers 15,678 127,610 2,509 145,797 Capital Contributions and Transfers 13,022 6 13,028 6 13,028 1	Depreciation and Amortization	105,885		9,092	114,977	
Total Operating Expenses 285,365 98,555 15,040 398,960 Operating Income 86,706 249,155 10,695 346,556 NONOPERATING REVENUES (EXPENSES) 1,837 1,837 1,837 Interest and Investment Income 3,557 49,817 4,016 89,390 Net Increase in Fair Value of Investments 2,473 9,356 901 12,730 Amortization 25,121 8,572 315 34,008 Interest Expense (126,654) (188,746) (13,393) (328,793) Settlement of Claims Revenue 1 1 1 1 Bond Issuance Expenses (9,074) (432) (9,506) 0(506) Other Nonoperating Expenses (247) (247) (247) 2(247) Total Nonoperating Expenses) (71,028) (121,545) (8,186) (200,759) Income before Capital Contributions and Transfers 15,678 127,610 2,509 145,797 CAPITAL CONTRIBUTIONS AND TRANSFERS 15 15 15 15 <t< td=""><td></td><td></td><td>66,546</td><td>3,680</td><td>81,405</td></t<>			66,546	3,680	81,405	
NONOPERATING REVENUES (EXPENSES) 1.837 1.837 1.837 Interest and Investment Income 35,557 49,817 4,016 89,390 Net Increase in Fair Value of Investments 2,473 9,356 901 12,730 Amortization 25,121 8,572 315 34,008 Interest Expense (126,654) (188,746) (13,393) (328,793) Settlement of Claims Revenue 1 1 1 Bond Issuance Expenses (9,074) (432) (9,506) Other Financing Fees (247) (247) (247) Total Nonoperating Expenses (247) (247) (247) Total Nonoperating Revenues (Expenses) (71,028) (121,545) (8,186) (200,759) Income before Capital Contributions and Transfers 15,678 127,610 2,509 145,797 Capital Contributions 15 15 15 15 Transfers In (Note 11) 13,022 6 13,028 (229) (43,782 Total Capital Contributions and Transfers 13,022		285,365	98,555	15,040	398,960	
Lease Revenue1,8371,837Interest and Investment Income $35,557$ $49,817$ $4,016$ $89,390$ Net Increase in Fair Value of Investments $2,473$ $9,356$ 901 $12,730$ Amortization $25,121$ $8,572$ 315 $34,008$ Interest Expense $(126,654)$ $(188,746)$ $(13,393)$ $(328,793)$ Settlement of Claims Revenue111Bond Issuance Expenses $(9,074)$ (432) $(9,506)$ Other Financing Fees (42) (112) (25) (179) Other Nonoperating Expenses (247) (247) (247) Total Nonoperating Revenues (Expenses) $(71,028)$ $(121,545)$ $(8,186)$ $(200,759)$ Income before Capital Contributions and Transfers $15,678$ $127,610$ $2,509$ $145,797$ CAPITAL CONTRIBUTIONS AND TRANSFERSCapital Contributions1 $(43,553)$ (229) $(43,782)$ Transfers Out (Note 11) $13,022$ $(43,553)$ (208) $(30,739)$ Change in Net Position $28,700$ $84,057$ $2,301$ $115,058$ Net Position, September 1, 2023 $217,375$ $(3,742,758)$ $249,069$ $(3,276,314)$	Operating Income	86,706_	249,155	10,695	346,556	
Lease Revenue1,8371,837Interest and Investment Income $35,557$ $49,817$ $4,016$ $89,390$ Net Increase in Fair Value of Investments $2,473$ $9,356$ 901 $12,730$ Amortization $25,121$ $8,572$ 315 $34,008$ Interest Expense $(126,654)$ $(188,746)$ $(13,393)$ $(328,793)$ Settlement of Claims Revenue111Bond Issuance Expenses $(9,074)$ (432) $(9,506)$ Other Financing Fees (42) (112) (25) (179) Other Nonoperating Expenses (247) (247) (247) Total Nonoperating Revenues (Expenses) $(71,028)$ $(121,545)$ $(8,186)$ $(200,759)$ Income before Capital Contributions and Transfers $15,678$ $127,610$ $2,509$ $145,797$ CAPITAL CONTRIBUTIONS AND TRANSFERSCapital Contributions1 $(43,553)$ (229) $(43,782)$ Transfers Out (Note 11) $13,022$ $(43,553)$ (208) $(30,739)$ Change in Net Position $28,700$ $84,057$ $2,301$ $115,058$ Net Position, September 1, 2023 $217,375$ $(3,742,758)$ $249,069$ $(3,276,314)$	NONOPERATING REVENUES (EXPENSES)					
Net Increase in Fair Value of Investments $2,473$ $9,356$ 901 $12,730$ Amortization $25,121$ $8,572$ 315 $34,008$ Interest Expense $(126,654)$ $(188,746)$ $(13,393)$ $(328,793)$ Settlement of Claims Revenue11Bond Issuance Expenses $(9,074)$ (432) $(9,506)$ Other Financing Fees (42) (112) (25) (179) Other Nonoperating Expenses (247) (247) (247) Total Nonoperating Revenues (Expenses) $(71,028)$ $(121,545)$ $(8,186)$ $(200,759)$ Income before Capital Contributions and Transfers $15,678$ $127,610$ $2,509$ $145,797$ CAPITAL CONTRIBUTIONS AND TRANSFERSCapital Contributions15 15 Transfers In (Note 11) $13,022$ $(43,553)$ (229) $(43,782)$ Total Capital Contributions and Transfers $13,022$ $(43,553)$ (208) $(30,739)$ Change in Net Position $28,700$ $84,057$ $2,301$ $115,058$ Net Position, September 1, 2023 $217,375$ $(3,742,758)$ $249,069$ $(3,276,314)$		1,837			1,837	
Amortization 25,121 8,572 315 34,008 Interest Expense (126,654) (188,746) (13,393) (328,793) Settlement of Claims Revenue 1 1 1 Bond Issuance Expenses (9,074) (432) (9,506) Other Financing Fees (42) (112) (25) (179) Other Nonoperating Expenses (247) (247) (247) Total Nonoperating Revenues (Expenses) (71,028) (121,545) (8,186) (200,759) Income before Capital Contributions and Transfers 15,678 127,610 2,509 145,797 CAPITAL CONTRIBUTIONS AND TRANSFERS 13,022 6 13,028 15 15 Transfers In (Note 11) 13,022 6 13,028 (229) (43,782) Total Capital Contributions and Transfers 13,022 (43,553) (208) (30,739) Change in Net Position 28,700 84,057 2,301 115,058 Net Position, September 1, 2023 217,375 (3,742,758) 249,069 (3,276,314)	Interest and Investment Income	35,557	49,817	4,016	89,390	
Interest Expense (126,654) (188,746) (13,393) (328,793) Settlement of Claims Revenue 1 1 1 Bond Issuance Expenses (9,074) (432) (9,506) Other Financing Fees (42) (112) (25) (179) Other Nonoperating Expenses (247) (247) (247) Total Nonoperating Revenues (Expenses) (71,028) (121,545) (8,186) (200,759) Income before Capital Contributions and Transfers 15,678 127,610 2,509 145,797 CAPITAL CONTRIBUTIONS AND TRANSFERS 13,022 6 13,028 15 15 Transfers In (Note 11) 13,022 6 13,028 (229) (43,782) Total Capital Contributions and Transfers 13,022 (43,553) (229) (43,782) Transfers Out (Note 11) 13,022 (43,553) (208) (30,739) Change in Net Position 28,700 84,057 2,301 115,058 Net Position, September 1, 2023 217,375 (3,742,758) 249,069 (3,276,314)	Net Increase in Fair Value of Investments	2,473	9,356	901	12,730	
Settlement of Claims Revenue 1 1 Bond Issuance Expenses (9,074) (432) (9,506 Other Financing Fees (42) (112) (25) (179 Other Nonoperating Expenses (247) (247 (247 Total Nonoperating Revenues (Expenses) (71,028) (121,545) (8,186) (200,759) Income before Capital Contributions and Transfers 15,678 127,610 2,509 145,797 CAPITAL CONTRIBUTIONS AND TRANSFERS 15 15 15 15 Capital Contributions 1 13,022 6 13,028 Transfers In (Note 11) 13,022 (43,553) (229) (43,782) Total Capital Contributions and Transfers 13,022 (43,553) (208) (30,739) Change in Net Position 28,700 84,057 2,301 115,058 Net Position, September 1, 2023 217,375 (3,742,758) 249,069 (3,276,314)	Amortization	25,121	8,572	315	34,008	
Bond Issuance Expenses (9,074) (432) (9,506 Other Financing Fees (42) (112) (25) (179 Other Nonoperating Expenses (247) (247) (247) Total Nonoperating Revenues (Expenses) (71,028) (121,545) (8,186) (200,759) Income before Capital Contributions and Transfers 15,678 127,610 2,509 145,797 CAPITAL CONTRIBUTIONS AND TRANSFERS 15 15 15 15 Transfers In (Note 11) 13,022 6 13,028 Total Contributions and Transfers 13,022 (43,553) (229) (43,782 Total Contributions and Transfers 13,022 (43,553) (208) (30,739) Change in Net Position 28,700 84,057 2,301 115,058 Net Position, September 1, 2023 217,375 (3,742,758) 249,069 (3,276,314)	Interest Expense	(126,654)	(188,746)	(13,393)	(328,793)	
Other Financing Fees (42) (112) (25) (179) Other Nonoperating Expenses (247) (247) (247) Total Nonoperating Revenues (Expenses) (71,028) (121,545) (8,186) (200,759) Income before Capital Contributions and Transfers 15,678 127,610 2,509 145,797 CAPITAL CONTRIBUTIONS AND TRANSFERS 15 15 15 15 Capital Contributions 15 15 15 Transfers In (Note 11) 13,022 6 13,028 Total Capital Contributions and Transfers 13,022 (43,553) (229) (43,782) Change in Net Position 28,700 84,057 2,301 115,058 Net Position, September 1, 2023 217,375 (3,742,758) 249,069 (3,276,314)	Settlement of Claims Revenue	1			1	
Other Nonoperating Expenses (247) (247) Total Nonoperating Revenues (Expenses) (71,028) (121,545) (8,186) (200,759) Income before Capital Contributions and Transfers 15,678 127,610 2,509 145,797 CAPITAL CONTRIBUTIONS AND TRANSFERS 15 15 15 Capital Contributions 15 15 15 Transfers In (Note 11) 13,022 6 13,028 Total Capital Contributions and Transfers 13,022 (43,553) (229) (43,782) Change in Net Position 28,700 84,057 2,301 115,058 Net Position, September 1, 2023 217,375 (3,742,758) 249,069 (3,276,314)	Bond Issuance Expenses	(9,074)	(432)		(9,506)	
Total Nonoperating Revenues (Expenses) (71,028) (121,545) (8,186) (200,759) Income before Capital Contributions and Transfers 15,678 127,610 2,509 145,797 CAPITAL CONTRIBUTIONS AND TRANSFERS 15 15 15 15 Capital Contributions 15 15 15 Transfers In (Note 11) 13,022 6 13,028 Total Capital Contributions and Transfers 13,022 (43,553) (229) (43,782) Change in Net Position 28,700 84,057 2,301 115,058 Net Position, September 1, 2023 217,375 (3,742,758) 249,069 (3,276,314)	Other Financing Fees	(42)	(112)	(25)	(179)	
Income before Capital Contributions and Transfers 15,678 127,610 2,509 145,797 CAPITAL CONTRIBUTIONS AND TRANSFERS 15 15 15 15 Capital Contributions 15 15 15 15 Transfers In (Note 11) 13,022 6 13,028 (43,553) (229) (43,782) Total Capital Contributions and Transfers 13,022 (43,553) (208) (30,739) Change in Net Position 217,375 (3,742,758) 249,069 (3,276,314)	Other Nonoperating Expenses	(247)			(247)	
CAPITAL CONTRIBUTIONS AND TRANSFERS Capital Contributions 15 Transfers In (Note 11) 13,022 Transfers Out (Note 11) (43,553) Total Capital Contributions and Transfers 13,022 (43,553) (208) Change in Net Position 28,700 Net Position, September 1, 2023 217,375	Total Nonoperating Revenues (Expenses)	(71,028)	(121,545)	(8,186)	(200,759)	
Capital Contributions 15 15 Transfers In (Note 11) 13,022 6 13,028 Transfers Out (Note 11) (43,553) (229) (43,782 Total Capital Contributions and Transfers 13,022 (43,553) (208) (30,739) Change in Net Position 28,700 84,057 2,301 115,058 Net Position, September 1, 2023 217,375 (3,742,758) 249,069 (3,276,314)	Income before Capital Contributions and Transfers	15,678	127,610	2,509	145,797	
Capital Contributions 15 15 Transfers In (Note 11) 13,022 6 13,028 Transfers Out (Note 11) (43,553) (229) (43,782 Total Capital Contributions and Transfers 13,022 (43,553) (208) (30,739) Change in Net Position 28,700 84,057 2,301 115,058 Net Position, September 1, 2023 217,375 (3,742,758) 249,069 (3,276,314)	CAPITAL CONTRIBUTIONS AND TRANSFERS					
Transfers In (Note 11) 13,022 6 13,028 Transfers Out (Note 11) (43,553) (229) (43,782) Total Capital Contributions and Transfers 13,022 (43,553) (208) (30,739) Change in Net Position 28,700 84,057 2,301 115,058 Net Position, September 1, 2023 217,375 (3,742,758) 249,069 (3,276,314)				15	15	
Transfers Out (Note 11) (43,553) (229) (43,782) Total Capital Contributions and Transfers 13,022 (43,553) (208) (30,739) Change in Net Position 28,700 84,057 2,301 115,058 Net Position, September 1, 2023 217,375 (3,742,758) 249,069 (3,276,314)	-	13.022				
Total Capital Contributions and Transfers13,022(43,553)(208)(30,739)Change in Net Position28,70084,0572,301115,058Net Position, September 1, 2023217,375(3,742,758)249,069(3,276,314)		15,022	(12 552)			
Change in Net Position 28,700 84,057 2,301 115,058 Net Position, September 1, 2023 217,375 (3,742,758) 249,069 (3,276,314)		12.022				
Net Position, September 1, 2023 217,375 (3,742,758) 249,069 (3,276,314)						
	Change in Net Position	28,700	84,057	2,301	115,058	
Net Position, August 31, 2024 \$ 246,075 \$ (3,658,701) \$ 251,370 \$ (3,161,256)					(3,276,314)	
	Net Position, August 31, 2024	\$ 246,075	\$ (3,658,701)	\$ 251,370	\$ (3,161,256)	

The accompanying notes to the financial statements are an integral part of this financial statement.

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Texas Department of Transportation Statement of Cash Flows - Proprietary Funds

For the Fiscal Year Ended August 31, 2024 (Amounts in Thousands)

	Business-Type Activities - Enterprise Funds						
	Central Texas Turnpike System	Grand Parkway Transportation Corporation	SH 249 System	Totals			
Cash Flows from Operating Activities							
Proceeds from Customers	\$ 366,050	\$ 344,268	\$ 25,562	\$ 735,880			
Proceeds from Transfers from Other Funds			6	6			
Payments for Settlements		(35,876)		(35,876)			
Payments to Suppliers for Goods and Services	(161,378)	(95,971)	(6,030)	(263,379)			
Net Cash Provided by Operating Activities	204,672	212,421	19,538	436,631			
Cash Flows from Non-Capital Financing Activities							
Payments for Principal on Debt and Other Liabilities		(19,085)		(19,085)			
Payments for Interest on Debt and Other Liabilities		(153,964)		(153,964)			
Payments for Debt Issuance Costs		(1,140)		(1,140)			
Payments for Financing Fees		(62)		(62)			
Payments for Transfers to Other Funds		(46,519)	(229)	(46,748)			
Net Cash (Used) by Non-Capital Financing Activities	0	(220,770)	(229)	(220,999)			
Cash Flows from Capital and Related Financing Activities							
Proceeds from Land Revenue	1,837			1,837			
Proceeds from Refunding	2,671			2,671			
Payments for Debt Issuance Costs	(6,861)			(6,861)			
Contributions to Refunding	(5,610)			(5,610)			
Payments for Principal on Debt and Other Liabilities	(78,425)			(78,425)			
Payments for Interest on Debt and Other Liabilities	(98,363)		(7,800)	(106,163)			
Payments for Other Financing Fees	(42)		(25)	(67)			
Net Cash (Used) by Capital and Related Financing Activities	(184,793)	0	(7,825)	(192,618)			
Cash Flows from Investing Activities							
Proceeds from Interest and Investment Income	31,243	47,932	3,853	83,028			
Proceeds from Sales and Maturities of Investments		104,800	13,000	117,800			
Payments for Arbitrage Rebate	(247)			(247)			
Payments to Acquire Investments	(31,297)	(87,711)	(12,865)	(131,873)			
Net Cash (Used) by Investing Activities	(301)	65,021	3,988	68,708			
Net Increase in Cash and Cash Equivalents	19,578	56,672	15,472	91,722			
Cash and Cash Equivalents - September 1, 2023	560,700	881,395	57,654	1,499,749			
Cash and Cash Equivalents - August 31, 2024	\$ 580,278	\$ 938,067	\$ 73,126	\$ 1,591,471			

Concluded on the following page

Texas Department of Transportation Statement of Cash Flows - Proprietary Funds

For the Fiscal Year Ended August 31, 2024 (Amounts in Thousands)

	Business-Type Activities - Enterprise Funds							
	-	entral Texas mpike System	Tra	nd Parkway nsportation orporation	SH	249 System		Totals
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:								
Operating Income	\$	86,706	\$	249,155	\$	10,695	\$	346,556
Depreciation and Amortizaton		105,885				9,092		114,977
Transfer						6		6
Other Non-Cash Operating Costs		(907)						(907)
Changes in Assets and Liabilities:								
(Increase) Decrease in Receivables		523		(3,242)		(266)		(2,985)
(Increase) Decrease in Inventories		43		24		(6)		61
Increase (Decrease) in Payables		21,121		(842)		244		20,523
(Decrease) in Settlement Payable				(35,876)				(35,876)
Increase (Decrease) in Due to Other Funds		(1,152)		3,401		46		2,295
(Increase) in Due from Other Funds		(7,547)		(199)		(273)		(8,019)
Total Adjustments		117,966		(36,734)		8,843		90,075
Net Cash Provided by Operating Activities	\$	204,672	\$	212,421	\$	19,538	\$	436,631
Non-Cash Transactions								
Net Change in Fair Market Value of Investments	\$	2,473	\$	9,356	\$	901	\$	12,730
Accretion on Bonds Payable	\$	(31,298)	\$	(13,857)	\$	(5,594)	\$	(50,749)
Amortization on Short-Term Investments	\$	3,559	\$		\$		\$	3,559
Amortization on Bonds Payable	\$	25,121	\$	8,572	\$	315	\$	34,008
Amortization of Deferred Inflow/Outflow	\$	3,959	\$	(4,552)	\$		\$	(593)
Capital Contribution	\$		\$		\$	15	\$	15
Defeasance of Long-Term Debt	\$	(1,924,902)	\$		\$		\$	(1,924,902)
Proceeds from Bond Issuance - Sent to Escrow	\$	1,813,570	\$		\$		\$	1,813,570

The accompanying notes to the financial statements are an integral part of this financial statement.

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Texas Department of Transportation Notes to Financial Statements

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The accompanying financial statements reflect the financial position of the Texas Department of Transportation (TxDOT). TxDOT is an agency of the state of Texas and is charged with developing and maintaining a statewide multimodal transportation network and other transportation related duties. The Texas Transportation Commission (the Commission), the governing body of TxDOT, has the authority to commit TxDOT to various legal agreements.

The financial activities of TxDOT, which consist of both governmental and proprietary activities, are reported under the transportation function in the state of Texas Annual Comprehensive Financial Report (ACFR).

The Commission is authorized by Transportation Code Chapter 431 to create Texas transportation corporations to perform functions normally undertaken by TxDOT. As of fiscal 2024, two transportation corporations, the Texas Private Activity Bond Surface Transportation Corporation (TxPABST) and the Grand Parkway Transportation Corporation (GPTC), are reported as blended component units because TxDOT exercises sufficient authority over the assets, operations and management of such entities to warrant their inclusion. Even though Texas transportation corporations are a part of the TxDOT reporting entity, the state is not liable for debts of these corporations, nor entitled to the assets of these corporations.

Basis of Presentation

The accompanying financial statements were prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). Financial reporting for TxDOT is based on all GASB pronouncements. The data in this report is combined and consolidated by the Texas Comptroller's Office with similar data from other state agencies and universities in the preparation of the state of Texas Annual Comprehensive Financial Report (ACFR).

GASB Pronouncements and Implementation Guides Effective for Fiscal 2024

In fiscal 2024 TxDOT adopted the following new GASB pronouncements:

GASB Statement No. 99, Omnibus 2022. Paragraphs 4-10 related to financial guarantees and derivative instruments.

GASB Statement No. 100, Accounting changes and Error Corrections, an Amendment of GASB Statement No. 62. This statement defines and prescribes the accounting and financial reporting for each type of accounting changes and error corrections. It requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. This statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position be displayed by the reporting unit in the financial statements. This statement requires disclosure in notes to financial statements of descriptive information about the changes. The quantitative effects on beginning balances should be disclosed by reporting unit in a tabular format. It also addresses how information related to the changes in accounting principles or error correction should be presented in required supplementary information (RSI) and supplementary information (SI).

Implementation Guide 2021-1, Implementation Guidance Update - 2021. Questions 5.1 – Capitalization Policy.

Implementation Guide 2023-1, Implementation Guidance Update - 2023. This Implementation Guide provides new questions and answers related to GASB statements No. 87, 96 and 100. It also includes an amendment to Question 4.16 on leases in Implementation Guide 2019-3.

Financial Reporting Structure

The basic financial statements include entity-wide financial statements and fund financial statements. The reporting model based on *GASB Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* focuses on TxDOT as a whole in the government-wide financial statements and major individual funds in the fund financial statements.

Entity-wide Financial Statements

The entity-wide financial statements (statement of net position and statement of activities) display information about TxDOT as a whole and the change in aggregate financial position resulting from the activities of the fiscal period. These statements include separate columns for the governmental and business-type activities of TxDOT (including its blended component units). In the statement of net position, both the governmental and business-type activities columns are presented on a consolidated basis by column and are reflected

on an accrual basis, economic measurement focus which incorporates noncurrent investments, capital assets and long-term debt and obligations.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function, and 3) grants and contributions that are restricted to meeting the capital-specific requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements

The fund financial statements are presented after the entity-wide financial statements. They display information about major funds individually and in the aggregate for governmental and proprietary funds. In governmental funds, assets are presented in order of relative liquidity. In proprietary funds, assets and liabilities are presented in a classified format that distinguishes between all current and noncurrent assets and liabilities. Current liabilities are obligations to be paid within the next fiscal year.

The major governmental funds in the fund financial statements are presented on a current financial resources measurement focus and the modified accrual basis of accounting. This presentation is deemed most appropriate to demonstrate compliance with legal and covenant requirements, the source and use of financial resources and how TxDOT's actual experience conforms to the budget. Since the governmental fund financial statements are presented using a different measurement focus and basis of accounting than the entity-wide financial statements governmental activities column, a reconciliation is presented. The reconciliation explains the adjustments required to convert the fund based financial statements to the entity-wide financial statements' governmental activities column.

TxDOT uses funds to report its financial position and the results of its operations. A fund is a separate accounting entity with a selfbalancing set of accounts.

Governmental Fund Types

Governmental funds focus on the sources and uses of funds. Included in the governmental fund financial statements are general, special revenue, debt service and capital projects funds. The general fund is used to account for the departmental operations funded by legislative appropriations, but is not considered the main operating fund for TxDOT. Special revenue funds account for specific revenue sources that are restricted or committed for specific purposes other than debt service or capital projects. Debt service funds are used to account for financial resources that are restricted, committed or assigned to expenditure for principal and interest. Capital projects funds are used to account for financial resources that are restricted, committed or assigned to expenditure for capital outlays.

TxDOT reports the following two major governmental funds:

State Highway Fund:

The State Highway Fund (SHF) is TxDOT's main operating fund. TxDOT reports the following accounts/sub-funds, which are consolidated into the state highway fund for GAAP reporting purposes. The state highway fund is reported as a special revenue fund.

- State Highway Fund Accounts These funds contain the activity related to public road construction, maintenance and monitoring of the state's highway system. The significant ongoing revenue sources are federal revenues, motor fuels taxes, and other oil and gas taxes which are constitutionally restricted and dedicated to the highway fund.
- Proposition 1 Fund This fund is used to record, track and report the receipt and disbursement of the Proposition 1 allocation of oil and gas production tax to SHF.
- Proposition 7 Fund This fund is used to record, track and report the receipt and disbursement of the Proposition 7 allocation of state sales and use tax and motor vehicle sales and rental tax to SHF.
- State Infrastructure Bank This fund operates as a revolving loan program that makes loans to public and private entities to encourage the development of transportation projects and facilities.

Texas Mobility Fund:

This fund operates as a revolving fund to provide a method of financing construction, reconstruction, acquisition and expansion of state highways and other transportation projects. The principal ongoing revenue source of the fund is fees committed by the Legislature under the authority of the Texas Constitution, Article III, Section 49-k. Other inflows to the fund include bond proceeds. The Mobility Fund is reported as a debt service fund type and a capital projects fund type.

Additionally, TxDOT reports the following non-major governmental funds:

General Fund:

TxDOT reports the following funds, which are consolidated into the general fund for GAAP reporting purposes, but are not considered the main operating fund for TxDOT.

- General Revenue Fund This fund is used to account for all financial resources of the state except those required to be accounted for in another fund.
- GR Account Ship Channel Improvement Revolving Account This account in general revenue is used to finance ship channel projects for navigation districts. This account consists of gifts, grants, donations, appropriations, bond proceeds, loan repayments and interest. May be appropriated only to the Texas Transportation Commission.
- GR Account Port Access Account This account in general revenue is used to finance construction and improvement of maritime port facilities, port security, environmental protection projects, and economic development. The account consists of gifts, grants, and donations, amounts appropriated by the legislature, and money received from the federal government.
- Traffic Safety-Crash Records Information Systems This fund is used to account for expenditures pertaining to the crash records information system.
- Colonias Project Fund This fund provides financial assistance to counties for roadway projects serving border colonias. Funding is provided from the sale of bonds or commercial paper, which are issued and reported by the Texas Public Finance Authority.
- Suspense Fund This fund is used to temporarily hold and account for receipts until the correct disposition of items is determined.
- Child Support Deductions Fund This Fund is used to temporarily hold and account for employee salaries that are withheld due to outstanding child support debts.
- Coronavirus Relief Fund This fund is established outside the General Revenue Fund to receive Texas' share of federal money appropriated under various federal legislation related to the coronavirus pandemic.
- Economic Stabilization Fund The 86th Legislature appropriated \$5.0 million to the Department of Transportation to expand an airport hangar at the South Texas International Airport used by the Department of Public Safety for emergency and first responders.

Special Revenue Fund:

• Transportation Infrastructure Fund– This fund was established to make grants to counties for transportation infrastructure projects located in areas of the state affected by increased oil and gas production. The sources of the fund include federal funds, matching state funds, funds appropriated by the legislature, gifts, grants, fees, and investment earnings.

Debt Service Fund:

- Proposition 14/State Highway Fund Debt Service This fund receives transfers in from the state highway fund for debt service on state highway fund revenue bonds.
- Proposition 12/Highway Improvement Project Fund Debt Service This fund receives transfers in from the Proposition 7 Fund for debt service on Texas highway improvement general obligation bonds.

Capital Projects Fund:

- Local Government Political Subdivision Road/Airport Fund This fund holds contributions from counties/political subdivisions for expenditure by the Commission in development/construction of public roads and airports within such counties or political subdivisions.
- Austin Campus Consolidation Project Fund This fund receives the proceeds of the revenue bond issued by the Texas Public Financing Authority to finance the construction of the Austin TxDOT campuses. The fund reports the construction activity supported by the project. The fund is reported as a capital project fund.

Proprietary Fund Type

Proprietary funds focus on determining operating income, changes in financial position and cash flows. Generally accepted accounting principles similar to those used by private sector businesses are applied in accounting for these funds. Enterprise funds may be used to report any activity for which a fee is charged to external users for goods or services. TxDOT reports the following major proprietary funds:

Central Texas Turnpike System Fund:

These funds report the activity and debt associated with the Central Texas Turnpike System toll roads.

Grand Parkway Transportation Corporation:

These funds report the activity and debt associated with the development of Segments D (Harris County), E, F-1, F-2, G, H, I-1, I-2, and B-1 of the Grand Parkway toll road construction as reported by the Grand Parkway Transportation Corporation.

State Highway 249 System Fund:

The fund reports the activity and debt associated with the development of the Texas SH 249 System. The System consists of 15 miles of new controlled access tollway from Farm to Market (FM) 1774 in Pinehurst, Montgomery County to FM 1774 in Todd Mission, Grimes County.

Component Units

The Texas Private Activity Bond Surface Transportation Corporation is reported as a nonmajor component unit. The Grand Parkway Transportation Corporation is a component unit reported as a major proprietary fund. All component units are presented in TxDOT's financial statements as blended component units. See Note 18 for more details.

Basis of Accounting

Entity-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Under the economic resources measurement focus, all economic resources and obligations of the reporting entity, both current and noncurrent, are reported in the entity-wide financial statements. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Non-exchange transactions, in which TxDOT gives (or receives) value without directly receiving (or giving) equal value in exchange, include intergovernmental grants. Revenue for grants and similar items are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental funds use the flow of current financial resources focus, and the modified accrual basis of accounting. Under the modified accrual basis, revenues are recognized when they become both measurable and available. For this purpose, revenues are considered to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures are generally recognized when the related fund liability is incurred. However, principal and interest on bonds are recorded only when due and compensated absences and claims and judgments are recorded when they are expected to be liquidated with expendable available financial resources. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term debt are reported as other financing sources.

Proprietary funds are accounted for on the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned and expenses are recognized at the time liabilities are incurred. A proprietary fund distinguishes operating from non-operating items. Operating revenues and expenses result from providing services or producing and delivering goods in connection with the proprietary fund's principal ongoing operations. Operating expenses for an enterprise fund include cost of sales and services, administrative expenses and depreciation on capital assets.

Shared Fund Presentation

The financial statement presentation for the state highway fund and general fund represent only the portion of shared funds that can be directly attributed to the operations of TxDOT. Financial statements for total fund operations of shared state funds are presented in the state of Texas Annual Comprehensive Financial Report (ACFR).

In presenting these financial statements, certain unique accounts are used for the presentation of shared funds. The following accounts are used in these financial statements to present TxDOT's portion of shared funds.

Legislative Appropriations

This "asset" account represents TxDOT's remaining legislative appropriation authority at fiscal year-end.

Appropriations Revenue

Amount reported as revenue is the total appropriation authority given to TxDOT for the current fiscal year less the unencumbered appropriations balances that have been lapsed during the fiscal year.

Budgetary Information

TxDOT's budget is prepared on a performance-based concept and is represented by biennial appropriations enacted by the Legislature and signed by the governor. The governmental fund with legally adopted budgets is the State Highway Fund.

Assets, Deferred Outflows, Deferred Inflows, Liabilities and Fund Balances/Net Position

Cash and Cash Equivalents

For reporting purposes, cash and cash equivalents include cash on hand, cash in transit, cash in local banks, cash in the treasuries, money market funds, state and local government investment pools, and cash equivalents. The statement of cash flows presents the change in cash and cash equivalents during the fiscal year. Cash equivalents are defined as short-term, highly-liquid investments that are both readily convertible to known amounts of cash and so near maturity they present insignificant risk of a decrease in value due to changes in interest rates. Investments with an original maturity of three months or less and used for cash management rather than investing activities are considered cash equivalents.

Investments

Invested amounts associated with TxDOT and Grand Parkway Transportation Corporation. See Note 3 for more details.

Inventories and Prepaid Items

Inventory items are reported at a weighted average cost. Inventory consists of supplies and roadway materials on hand for future use. The consumption method of accounting is used to account for inventories and prepaid items. The costs of these items are expensed when the items are consumed.

Receivables

The major receivables for TxDOT are federal, taxes and other intergovernmental. Receivables represent amounts due to TxDOT at fiscal year-end, for revenues earned in the current fiscal year that will be collected in the future. Amounts expected to be collected in 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.

Lease Receivables

Under the GASB Statement 87, a lessor is required to recognize a lease receivable at the commencement of the lease term. The lease receivable should be measured at the present value of lease payments expected to be received during the lease term. A lessor should recognize interest revenue on the lease receivable. In subsequent financial reporting periods, the lessor should calculate the amortization of the discount on the lease receivable and report that amount as an inflow of resources or interest revenue for the period. Any payments received should be allocated first to the accrued interest receivable and then to the lease receivable.

PPP Asset Receivable

The GASB Statement 94 requires a receivable be recorded by the transferor for the underlying PPP asset on the operator's estimated carrying value of the underlying PPP asset as of the expected date of the transfer in ownership from the operator.

Loans and Contracts

Loans and contracts represent claims for which formal instruments of credit are issued as evidence of debt, such as a promissory note. The credit instrument normally requires the debtor to pay interest and extends for time periods of 30 days or longer. TxDOT provides state and local financing tools to assist local governments with transportation projects. See Note 4 for more details.

Restricted Assets

Restricted assets include monies or other resources restricted by legal or contractual requirements. These assets include proceeds from revenue bonds, as well as certain revenues set aside for statutory or contractual requirements.

Deferred Inflows of Resources and Deferred Outflows of Resources

In the governmental fund financial statements, revenues that are earned but not expected to be collected within 60 days are not available to liquidate the liabilities of the current period. These revenues are reported as deferred inflows of resources.

Deferred inflows of resources are an acquisition of net assets by TxDOT that is applicable to a future reporting period. Deferred inflows have a negative effect on net position, similar to liabilities. TxDOT reports deferred inflows of resources as the offset account to assets received under a service concession arrangement in financial statements prepared using the economic resources measurement focus. See Note 21 for additional information.

Deferred outflows of resources are defined as a consumption of net assets by the government that is applicable to a future reporting period. Deferred outflows of resources increase net position, similar to assets.

For current refundings and advance refundings resulting in defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is reported as a deferred inflow of resources or deferred outflow of resources. The deferred inflows and deferred outflows of resources are amortized and recognized as a component of interest expense in a systematic and rational manner over the remaining life of the old debt or the life of the new debt, whichever is shorter.

TxDOT also reports deferred inflows of resources and deferred outflows of resources related to the recognition of TxDOT's share of the state's Net Pension Liability and Net OPEB Liability. Reported deferred outflows of resources include plan contributions made subsequent to the Aug. 31, 2023 measurement date, and the unamortized balance resulting from changes in assumptions used to calculate net pension liability. TxDOT reports deferred inflows of resources for the unamortized balance resulting from other changes to the components used to calculate net pension liability.

With the implementation of the GASB Statement 87, a lessor is required to recognize a deferred inflow of resources. The deferred inflow of resources should be measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that relate to future periods. A lessor should recognize an inflow of resource or revenue from the deferred inflows of resources in a systematic and rational manner over the term of the lease. The deferred inflow of resources generally should be adjusted by the same amount as any change resulting from the remeasurement of the lease receivable. See Note 21 for additional information.

Under GASB Statement 94, in financial statements prepared using the current financial resources measurement focus, a transferor should recognize a receivable for installment payments and a corresponding deferred inflow of resources at the initial value of the receivable for installment payments, plus an payments received at or before the commencement of the PPP term, (for example, an up-front payment associated with a PPP.) A transferor subsequently should recognize the deferred inflow of resources as inflows of resources (for example, revenue), in a systematic and rational manner over the PPP term.

Capital Assets

Capital assets, which include land, infrastructure, furniture, equipment and intangible capital assets, are capitalized and reported in the financial statements using the accrual basis of accounting. Capital assets are recorded as expenditures at the time of purchase in the governmental funds.

Capital assets are assets with a cost above a set minimum capitalization threshold that, when acquired, have an estimated useful life of more than one year. Land, permanent land-use rights, and construction in progress do not have a capitalization threshold and are not depreciated. The capitalization thresholds and useful lives of TxDOT's depreciable capital assets are as follows:

Capitalization Thresholds by Class of Asset			
	Caj	oitalization	Estimated
Classification	Т	Threshold	
Buildings and Building Improvements	\$	100,000	5-30 years
Infrastructure	\$	500,000	10-50 years
Furniture and Equipment	\$	5,000	3-15 years
Vehicles, Boats and Aircraft	\$	5,000	5-40 years
Internally Generated Computer Software	\$	1,000,000	3-10 years
Other Computer Software	\$	100,000	3-10 years
Land Use Rights – Term/Temporary	\$	100,000	2-10 years
Intangible Right-to-Use Lease Assets	\$	100,000	>1 year
Intangible Right-to-Use SBITA Assets	\$	500,000	>1 year

All capital assets acquired or constructed by TxDOT are capitalized at cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at acquisition value at the date of donation. A facility constructed or improved under a qualifying service concession arrangement is reported as a capital asset at acquisition value when it is placed in operation. Costs of normal maintenance and repairs that do not add value to the asset or materially extend the asset's useful life are not capitalized.

TxDOT uses the depreciation approach for reporting both highways and highway bridges of the infrastructure assets. Under the depreciation approach, infrastructure assets are depreciated over a 40-year life, and certain preservation costs are capitalized. The capitalization threshold of \$500,000 is used for both highway bridges and roadways.

TxDOT also holds three years of costs in construction in progress at all times. In the fourth year, the first year is moved to depreciable infrastructure. The three-year assumption is based on a 2.7-year contract life when using the weighted dollar analysis of project costs and completion dates over the ten year history.

Intangible Right-to-Use Lease Assets

The GASB Statement 87 requires a lessee recognize an intangible right-to-use lease asset at the commencement of the lease term unless the lease is a short-term lease or it transfers ownership of the underlying asset. The lease asset should be measured at the amount of the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. A lease asset should be amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset. The amortization of the lease asset should be reported as an outflow of resource, i.e., amortization expense.

Intangible Right-to-Use Subscription Assets

According to GASB Statement 96, the Intangible Right-to-Use (RTU) subscription asset is measured at the amount of the initial measurement of the subscription liability, plus any payments made to the SBITA vendor before the commencement of the subscription term plus any payments made in the implementation stage at or before the commencement of the subscription term. A RTU subscription asset should be amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying asset. The amortization of the RTU subscription asset should be reported as an outflow of resources over the subscription term.

Unearned Revenue

Unearned revenue is reported when cash or other assets are received prior to being earned.

Service Concession Arrangements (SCA) Up-front Payments

Some Public-Private Partnerships (PPPs) are classified as Service Concession Arrangements (SCAs) if they meet specific criteria. TxDOT may receive up-front payments related to SCAs for the development of highways and future toll-road operations. Under these agreements, the toll road reverts back to the state at the end of the term or under certain reimbursement conditions.

Up-front payments are reported as deferred inflows of resources in both the governmental fund financial statements and the entitywide statements, ensuring consistent recognition in alignment with GASB 94 requirements.

Long-Term Liabilities

In the entity-wide financial statements and proprietary funds financial statements, long-term debt and other long-term obligations are reported as long-term liabilities in the applicable governmental activities or business-type activities statement of net position. Long-term

liabilities include net pension liability, net OPEB liability, employees' compensable leave, general obligation bonds payable, revenue bonds payable, notes payable, pollution remediation obligations, and asset retirement obligation.

Bonds payable are reported net of the applicable bond premium or discount. Bond premiums and discounts are amortized over the life of the bonds using the bonds outstanding method, which is materially consistent with the effective interest method. Issuance costs are reported as an expense in the period incurred.

In the governmental fund financial statements, bond premiums, discounts and bond issuance costs are recognized during the current period. The face amount of the debt is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received are reported as debt service expenditures.

Long-term obligations to be paid within one year of the financial statements date are reported as current liabilities and are considered short-term obligations. In certain circumstances, however, amounts scheduled to mature during the ensuing fiscal year are instead reported as noncurrent long-term liabilities. This provision applies when TxDOT or GPTC intends to refinance or refund a debt instrument on a long-term basis and either issues a long-term obligation or enters into a financing agreement after the date of the financial statements but before the financial statements are issued.

A state employee is entitled to be paid for all unused vacation time accrued, in the event of the employee's resignation, dismissal or separation from state employment, provided the employee has had continuous employment with the state for six months. Expenditures for accumulated annual leave balances are recognized in the period paid or taken in the governmental fund financial statements.

Right-to-Use Lease Obligations

Under the GASB Statement 87, a lessee should recognize a lease liability at the commencement of the lease term unless the lease is a short-term lease or it transfers ownership of the underlying asset. The lease liability should be measured at the present value of payments expected to be made during the lease term less any lease incentives. A lessee should reduce the lease liability as payments are made and recognize an outflow of resource or expense for interest on the liability. See Note 5 for more information.

Right-to-Use Subscription Obligations

According to the GASB Statement 96, subscription obligations are recognized at the commencement of the SBITA term when the subscription asset is placed into service. The subscription liability is initially measured at the present value of subscription payments expected to be made during the subscription term. See Note 5 for more information.

Fund Balance/Net Position

In the entity-wide and proprietary statements, the net position is the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. The net position is displayed in three components. The potential categories of net position include:

- Net Investment in Capital Assets capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, notes or other borrowings that are attributed to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included. As of Aug. 31, 2024, the balance of the deferred inflow of resources from capital assets under PPP arrangements was \$6.8 billion. The deferred inflow had a significant impact on the net investment in capital assets, which was reduced by the deferral amount.
- Restricted restricted assets reduced by liabilities and deferred inflows, or resources related to those assets. When both restricted and unrestricted resources are available for use, generally it is TxDOT's policy to use restricted resources first, then unrestricted resources when they are needed.
- Unrestricted amounts not required to be reported in the other components of net position.

Fund balances for governmental funds are displayed in five components. The potential categories of fund balance include:

- Nonspendable fund balance amounts not available to be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact. The primary component of nonspendable fund balance is the balance in consumable inventories.
- Restricted fund balance resources that have constraints placed on their use through external parties or by law through constitutional provisions.

- Committed fund balance can be used only for specific purposes pursuant to constraints imposed by a formal action of the Legislature, the state's highest level of decision-making authority. These committed amounts cannot be used for any other purpose unless the Texas Legislature removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.
- Assigned fund balance amounts constrained by the Commission's intent to be used for specific purposes but are neither restricted nor committed.
- Unassigned fund balance residual classification for the general fund. The classification represents fund balance that was not assigned to other funds and was not restricted, committed or assigned to specific purposes within the general fund.

When only unrestricted resources are available for use, it is TxDOT's policy to use committed resources first, then assigned resources and lastly unassigned resources.

A positive unassigned fund balance can only exist within the general fund. Deficit fund balances in a fund are reported as unassigned fund balance.

Revenue Sources

TxDOT's principal revenue sources are federal and tax revenue. As the state's transportation agency, TxDOT receives reimbursements from the Federal Highway Administration (FHWA) for certain costs incurred for engineering, construction, right-of-way acquisition, research activities and general administrative costs. Federal reimbursement is based on a percentage of the costs expended from state funds on approved projects. The percentage of reimbursement for allowable costs varies from 50 to 100 percent. TxDOT receives these reimbursements based on the state's apportionment from the Federal Highway Trust Fund on a federal fiscal year basis.

TxDOT receives federal funding from other federal agencies for specific transportation related projects. See Schedule 1-A for more information on federal receipts and expenditures.

TxDOT reports its constitutionally dedicated share of taxes on motor fuels sold in Texas as tax revenues. Generally, this constitutionally dedicated share is 75 percent of net collections, after reductions for collection expenses and refunds. In general, 20 cents per gallon is collected on gasoline and diesel sold for highway use. Liquefied gas sold for highway use is generally taxed at 15 cents per gallon and is required to be prepaid. TxDOT also receives and reports the state sales tax from the sale of lubricants, which is deposited to the state highway fund.

On Nov. 4, 2014, Texas voters approved Proposition 1, authorizing a constitutional amendment for transportation funding. Under the amendment, a portion of oil and gas tax revenues that typically go into the Economic Stabilization Fund will be deposited to the State Highway Fund to assist in the completion of transportation construction, maintenance, and rehabilitation projects, not to include toll roads.

On Nov. 3, 2015, Texas voters approved Proposition 7 that dedicates a portion of the revenue from the state sales and use tax and motor vehicle sales and rental tax to the State Highway Fund to provide funding for non-tolled roads and the reduction of transportation-related debt.

Major sources of pledged revenue for the Texas Mobility Fund include driver license fees, motor vehicle inspection fees, certificate of title fees and driver record information fees.

CTTS operating revenues for fiscal 2024 is mainly comprised of \$295.9 million in toll revenue. This represents \$323.1 million in gross toll revenue, net of an increase in allowance for doubtful accounts of \$27.2 million . CTTS also earned toll fees of \$30.0 million and other sales revenue of \$46.2 million.

GPTC operating revenues for fiscal 2024 consist of \$347.7 million in toll revenue earned by open Segments D, E, F-1, F-2, G, H, I-1, I-2 and B-1. This represents \$362.2 million in gross toll revenue, minus an increase in allowance for doubtful accounts of \$14.5 million.

Interfund Activity and Transactions

Interfund activity refers to financial interaction between funds (including blended component units) and is related to internal events. Interfund transactions refer to interactions with other state agencies.

Interfund receivables and payables are eliminated from the statement of net position except for amounts due between governmental and business-type activities. These amounts are reported as internal balances on the statement of net position. See Note 11 for more details.

See Note 11, Interfund Activity and Transactions, for more information.

Capital Contributions

Capital contributions represent the capital asset contribution made from the State Highway Fund to CTTS and the SH 249 System. The capital contribution made from a governmental fund to a proprietary fund should be reported as capital contribution, instead of transfers, on the proprietary fund financial statements. No transfers should be reported on the governmental fund financial statements. On the entity-wide statement of activities, it is reported as transfers between the governmental and business-type activities.

NOTE 2 – CAPITAL ASSETS

The tables on the following pages present the composition of TxDOT's capital assets and intangible right to use assets, adjustments, reclassifications, additions and deletions during fiscal 2024. The adjustments and reclassifications column presents completed construction projects, transfers of capital assets between agencies and between the governmental and business-type activities of TxDOT. The additions column includes current year purchases, new right-to-use leases and SBITAs, depreciation and amortization. The deletions column represents assets removed during the current fiscal year via sale, impairment, or disposition. This column also includes right-to-use leases and SBITAs removed during the year due to early termination.

Depreciation and amortization expenses were charged to the transportation function in the accompanying Statement of Activities.

Capital Asset Activity

For the Fiscal Year Ended August 31, 2024 (Amounts in Thousands)

	Beginning Balance 9/1/23	Adjustments & Reclassifications	Additions	Deletions	Ending Balance 8/31/24
GOVERNMENTAL ACTIVITIES					
Land and Land Improvements	\$ 18,817,488	\$	\$ 2,293,510	\$ (1,046)	\$ 21,109,952
Construction in Progress	23,261,253	(7,891,961)	10,484,860		25,854,152
Land Use Rights - Permanent	89,417		926	(85)	90,258
Total Non-Depreciable & Non-Amortizable Assets	42,168,158	(7,891,961)	12,779,296	(1,131)	47,054,362
Depreciable Assets					
Building and Building Improvements	1,005,805	39,060		(236)	1,044,629
Infrastructure	128,490,307	7,852,885	88,542	(796)	136,430,938
Furniture and Equipment	242,929	754	20,578	(9,109)	255,152
Vehicles and Aircraft	1,008,129	32	68,071	(21,437)	1,054,795
Other Capital Assets	4,299				4,299
Total Depreciable Assets	130,751,469	7,892,731	177,191	(31,578)	138,789,813
Less Accumulated Depreciation for:	· · · · ·	· · · · ·	<u>_</u>		
Building and Building Improvements	(384,884)		(35,992)	225	(420,651)
Infrastructure	(31,372,060)		(2,648,337)	225	(34,020,395)
Furniture and Equipment	(167,331)	(621)	(18,452)	8,534	(177,870)
Vehicles and Aircraft	(636,620)	(021) (28)	(57,543)	17,709	(676,482)
Other Capital Assets	(030,020)	(20)	(238)	17,709	(2,310)
Total Accumulated Depreciation	(32,562,967)	(649)	(2,760,562)	26,470	(35,297,708)
Depreciable Assets, Net	98,188,502	7,892,082	(2,583,371)	(5,108)	103,492,105
	90,100,502	1,092,002	(2,365,371)	(3,100)	105,492,105
Intangible Capital Assets - Amortizable	2.10				210
Land Use Rights - Term	348				348
Computer Software	194,864			(14,381)	180,483
Total Amortizable Assets	195,212	0	0	(14,381)	180,831
Less Accumulated Amortization for:					
Land Use Rights - Term	(242)		(106)		(348)
Computer Software	(86,055)		(28,951)	14,378	(100,628)
Total Accumulated Amortization	(86,297)	0	(29,057)	14,378	(100,976)
Amortizable Assets, Net	108,915	0	(29,057)	(3)	79,855
Intangible Right to Use (RTU) Assets - Amortizable					
Building and Building Improvements	22.448				22,448
Land and Land Improvements	4,128			(924)	3,204
Furniture and Equipment	11,449		9,348	()	20,797
Subscriptions	59,720		24,599	(11,373)	72,946
Total Amortizable RTU Assets	97,745	0	33,947	(12,297)	119,395
Less Accumulated Amortization for: Building and Building Improvements	(2,720)		(1,459)		(4,179)
	,		(1,459) (1,079)	925	
Land and Land Improvements	(1,193)			925	(1,347)
Furniture and Equipment	(2,747)		(5,272)	0 (77	(8,019)
Subscriptions	(8,830)		(23,828)	8,677	(23,981)
Total Accumulated Amortization - RTU Assets	(15,490) 82,255	0	(31,638) 2,309	9,602 (2,695)	(37,526) 81,869
Amortizable Intangible RTU Assets, Net			,		<u>, </u>
Governmental Activities Capital Assets, Net	\$ 140,547,830	\$ 121	\$ 10,169,177	\$ (8,937)	\$ 150,708,191

Capital Asset Activity (Concluded)

For the Fiscal Year Ended August 31, 2024 (Amounts in Thousands)

	Beginning Balance 9/1/23	Adjustments & Reclassifications	Additions	Deletions	Ending Balance 8/31/24
BUSINESS-TYPE ACTIVITIES					
Non-Depreciable & Non-Amortizable Assets					
Land and Land Improvements	\$ 725,847	\$	\$	\$	\$ 725,847
Construction in Progress	96,418	(72,719)			23,699
Land Use Rights - Permanent	19,466				19,466
Total Non-Depreciable & Non-Amortizable Assets	841,731	(72,719)	0	0	769,012
Depreciable Assets					
Building and Building Improvements	8,360				8,360
Infrastructure	2,748,203	72,735			2,820,938
Total Depreciable Assets	2,756,563	72,735	0	0	2,829,298
Less Accumulated Depreciation for:					
Building and Building Improvements	(6,284)		(361)		(6,645)
Infrastructure	(672,256)		(66,025)		(738,281)
Total Accumulated Depreciation	(678,540)	0	(66,386)	0	(744,926)
Depreciable Assets, Net	2,078,023	72,735	(66,386)	0	2,084,372
Intangible Capital Assets - Amortizable					
Computer Software	51,063				51,063
Total Amortizable Assets	51,063	0	0	0	51,063
Less Accumulated Amortization for:					
Computer Software	(21,276)		(14,893)		(36,169)
Total Accumulated Amortization	(21,276)	0	(14,893)	0	(36,169)
Amortizable Assets, Net	29,787	0	(14,893)	0	14,894
Intangible Right to Use (RTU) Assets - Amortizable					
Subscriptions	129,176				129,176
Total Amortizable RTU Assets	129,176	0	0	0	129,176
Less Accumulated Amortization for:					
Subscriptions	(33,698)		(33,698)		(67,396)
Total Accumulated Amortization - RTU Assets	(33,698)	0	(33,698)	0	(67,396)
Amortizable Intangible RTU Assets, Net	95,478	0	(33,698)	0	61,780
Business-Type Activities Capital Assets, Net	\$ 3,045,019	<u>\$ 16</u>	<u>\$ (114,977)</u>	<u>\$0</u>	\$ 2,930,058

NOTE 3 – DEPOSITS, INVESTMENTS & REPURCHASE AGREEMENTS

TxDOT and Grand Parkway Transportation Corporation (GPTC) are authorized by statute to make investments following the "prudent person rule." TxDOT and GPTC have complied, in all material respects, with statutory authorization, bond documents, constraints and TxDOT policies during the period.

Deposits

The following amounts consist of all cash in local banks. These amounts are included on the combined statement of net position as part of the "cash and cash equivalents related line items" accounts.

Cash In Bank – Carrying Amount August 31, 2024 (Amounts in Thousands)		
Governmental Activities Governmental Funds Current Assets Cash In Bank - Depository Accounts	<u>\$</u>	1,155
Business-Type Activities Business-Type Funds Current Assets Cash -Depository Accounts	<u>\$</u>	2,611

Custodial Credit Risk – Deposits

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, deposits or collateral securities in the possession of an outside party will not be recovered. All TxDOT's deposits are protected by insurance provided by the Federal Deposit Insurance Corporation (FDIC).

Regular depository accounts are insured by the FDIC up to \$250 thousand per depositor, per insured bank. As of Aug. 31, 2024, the sweep account is subjected to the same \$250 thousand coverage provided to a regular depository account.

Treasury Pool

All monies in funds established in the Texas Comptroller of Public Accounts (Comptroller) Treasury Operations Division (Treasury) are pooled with other state funds and invested under the direction of the Comptroller of Public Accounts Treasury Operations Division (Treasury). Governmental fund deposits in the state treasury totaled \$10.0 billion at Aug. 31, 2024.

The Treasury obtains direct access to the services of the Federal Reserve System through the Texas Treasury Safekeeping Trust Company (Trust Company). The Federal Reserve Bank requires that the Trust Company maintain a positive cash balance in the account during and at the end of the day. The Trust Company met those requirements throughout fiscal 2024. The Comptroller has delegated investment authority to the Trust Company and utilizes the Trust Company to manage and invest funds in the Treasury Pool.

State statutes authorize the Treasury to invest state funds in fully collateralized time deposits; direct security repurchase agreements; reverse repurchase agreements; obligations of the United States and its agencies and instrumentalities; banker's acceptances; commercial paper; and contracts written by the Comptroller, which are commonly known as covered call options. Funds held in the treasury pool have not been categorized as credit risk because TxDOT does not own individual securities. Details on the nature of these deposits and investments are available within the state of Texas Annual Comprehensive Financial Report.

Investments

TxDOT, and GPTC hold investments that are measured at fair value on a recurring basis. Because investing is not a core part of TxDOT's mission, the disclosures related to these investments only need to be disaggregated by major type.

TxDOT, and GPTC categorize fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. 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

As of Aug. 31, 2024, the measurements of TxDOT's investments are summarized below:

Investment Valuation			
August 31, 2024 (Amounts in Thousands)			
	Fair Value Hierarchy	Other Measurement	
Investment Type	Level 1	Method	Total
Governmental Activities			
Money Market Mutual Funds	\$	\$ 38,691	\$ 38,691
U.S. Treasury Securities		10,156	10,156
U.S. Government Agency Obligations	33,796	9,966	43,762
Government Investment Pools		102,522	102,522
Total Governmental Activities	<u>\$ 33,796</u>	<u>\$ 161,335</u>	<u>\$ 195,131</u>
Business Type Activities			
Money Market Mutual Funds	\$	\$ 7,005	\$ 7,005
U.S. Treasury Securities		7,000	7,000
U.S. Government Agency Obligations	296,263		296,263
Government Investment Pools		1,382,403	1,382,403
Repurchase Agreements		192,453	192,453
Total Business-Type Activities	<u>\$ 296,263</u>	<u>\$ 1,588,861</u>	<u>\$ 1,885,124</u>

Government sponsored entity investments of \$330.1 million with maturities of one year or more are valued at quoted market prices (Level 1 input).

As of Aug. 31, 2024, TxDOT and GPTC also have the following type of investments which are excluded from measurement at fair value according to GASB 72.

• TxDOT and GPTC had investments in money market funds, U.S. Treasury Securities, government agency obligations, repurchase agreement (REPO), and government investment pools of \$1.6 billion with maturities less than one year valued at amortized cost.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, TxDOT will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. TxDOT and GPTC investment policies state that all securities purchased shall be conducted on a delivery-versus-payment (DVP) basis and shall be protected through the use of a third-party custodian/safekeeping agent, which may be a Trustee.

Credit Risk

Direct credit risk for investments is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. TxDOT and GPTC investment policies prohibit TxDOT and GPTC from entering into long-term investment agreements or other non-DVP investment transactions with a final maturity or termination date of longer than six months with any financial institution that initially has a long-term rating category of less than "A" and that does not have at least one long-term rating of at least "AA" by a nationally recognized statistical rating organization (NRSRO). All investments made by TxDOT and GPTC have been through the list of qualified financial institutions approved by TxDOT and GPTC.

August 31, 2024 (Amounts in Thousands)				Standard	
Investment Type	V	aluation	Moody's	& Poor's	Fitch
Governmental Activities					
Money Market Mutual Funds					
BlackRock Federal Fund	\$	1.406	Aaa-mf	AAAm	AAAmmf
Morgan Stanley Instl Liquidity Government Funds	Ф	37,285	Aaa-mf	AAAm	AAAmmf
U.S. Treasury Securities		57,265	Ada-IIII	AAAIII	AAAiiiiii
U.S. Treasury Bills		10,156	P-1	A-1+	F1+
Government Sponsored Entities		10,150	Г-1	A-1+	Γ_{1+}
Federal Home Loan Banks		24,058	Aaa	AA+	NR
Federal Farm Credit Discount Notes		9,966	P-1	A-1+	F1+
Federal National Mortgage Association		4,801	Aaa	A-I+ AA+	AA+
Federal Home Loan Mortgage Corporation		4,937	Aaa	AA+	AA+
Government Investment Pools		-,,,,,,,,	7 144	1111	1111
LOGIC		102,522	NR	AAAm	NR
Total Governmental Activities	\$	195,131	1111		1111
Business-Type Activities					
Money Market Mutual Funds					
JPMorgan US Government Fund	\$	5,451	Aaa-mf	AAAm	AAAmmf
Morgan Stanley Instl Liquidity Government Funds		35	Aaa-mf	AAAm	AAAmmf
Goldman Sachs Financial Square Government Fund		1,519	Aaa-mf	AAAm	NR
Government Sponsored Entities					
Federal Farm Credit Banks		18,869	Aaa	AA+	AA+
Federal Home Loan Banks		156,215	Aaa	AA+	NR
Federal Home Loan Mortgage Corporation		121,179	Aaa	AA+	AA+
Government Investment Pools					
TexPool Prime		1,382,403	NR	AAAm	NR
Repurchase Agreement					
Repo (TTSTC)		192,453	NR	AAAf	NR
U.S. Treasury Securities					
U.S. Treasury State and Local Government Series		7,000	Aaa	AA+	AA+
Total Business-Type Activities	\$	1,885,124			

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Assets held in each portfolio shall be diversified to minimize the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer or a specific class of securities. As of Aug. 31, 2024, the following investments exceeded over five percent individually by portfolio, Toll Custody and I-35E (portfolios within the State Highway Fund), Central Texas Turnpike System, SH 249 System and GPTC: Morgan Stanley Government Funds, Federal Home Loan Banks, Federal Farm Credit Discount Notes, Federal Home Loan Mortgage Corporation, Federal Farm Credit Banks, Repurchase Agreement, LOGIC, U.S. Treasury Securities and TexPool Prime.

TxDOT and GPTC both address diversification in TxDOT's investment policy. Diversification strategies shall be determined and revised periodically by the investment officer for all funds.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. TxDOT and GPTC have addressed interest rate risk in its various accounts by matching as closely as possible anticipated cash flows with income and return of principal on investments. In general, all securities held by TxDOT and GPTC are anticipated to be held to maturity, thereby avoiding interest rate risk due to an early redemption. Investment maturities are noted in the investment fair value table.

NOTE 4 – LOANS RECEIVABLE

TxDOT makes loans to various local governments and regional mobility authorities. The State Infrastructure Bank (SIB) operates as a revolving loan fund, where the account balance grows through the monthly interest earned and repaid principal and interest payments. SIB financial assistance can be provided to any public or private entity authorized to construct, maintain or finance an eligible transportation project.

TxDOT also makes project loans through project development agreements. In these cases, TxDOT funds the construction costs of a regional mobility authority owned project up front and gets repayment over an established loan term. The loan receivable is recorded as TxDOT incurs eligible expenditures on the project.

The loan receivable balances as of Aug. 31, 2024 are as follows.

Loans and Contracts August 31, 2024 (Amounts in Thousands)				
Fund	Loa	ns Receivable	Due With	in One Year
Highway Fund - Toll Equity and Project Loans	\$	64,262	\$	2,359
Highway Fund - State Infrastructure Bank		171,176		6,519
Governmental Funds Total	<u>\$</u>	235,438	\$	8,878

NOTE 5 – LONG-TERM LIABILITIES

Long-Term Liabilities

Long-term liabilities for fiscal 2024 are presented in the table below:

Long-Term Liabilities Activity (Amounts in Thousands)

For the Fiscal Year Ended August 31, 2024

Primary Government	Beginning Balance 9/01/2023	Adjustments & Reclassifications*	Reductions	Additions**	Ending Balance 8/31/2024	Amounts Due Within One Year	Amounts Due Thereafter
Governmental Activities							
Compensable Leave	\$ 121,078	\$ 9,229	\$ (143,475)	\$ 147,513	\$ 134,345	\$ 100,249	\$ 34,096
Claims and Judgments	400,000		(250,000)		150,000	107,000	43,000
General Obligation Bonds	9,074,945	(34,591)	(1,124,685)	696,245	8,611,914	375,413	8,236,501
General Obligation Bonds - Direct Placements	278,969	(1,985)			276,984	1,986	274,998
Revenue Bonds	3,051,820	(30,455)	(683,630)	346,820	2,684,555	314,883	2,369,672
Pollution Remediation Obligations	8,210		(12,128)	22,353	18,435	18,435	
Pass Through Tolls Payable	415,056		(71,021)		344,035	70,008	274,027
Notes and Loans - Direct Borrowings	622,118	(23)	(13,965)		608,130	14,266	593,864
Contracts Payable	20,000		(4,000)		16,000	4,000	12,000
Right-to-Use Lease Obligations	32,079		(9,750)	9,348	31,677	5,642	26,035
Right-to-Use Subscription Obligations	42,673		(29,420)	24,344	37,597	19,959	17,638
Governmental Activities - Long-Term							
Liabilities	\$ 14,066,948	\$ (57,825)	<u>\$ (2,342,074)</u>	<u>\$ 1,246,623</u>	<u>\$ 12,913,672</u>	<u>\$ 1,031,841</u>	\$ 11,881,831
Business Type Activities							
Revenue Bonds Payable	\$ 7,197,605	\$ 57,089	\$ (1,684,518)	\$ 1,672,847	\$ 7,243,023	\$ 88,473	\$ 7,154,550
Revenue Bonds - Direct Placements	225,000		(225,000)				
Notes and Loans - Direct Borrowings	614,390			11,607	625,997		625,997
Right-to-Use Subscription Obligations	108,913		(28,107)		80,806	49,714	31,092
Business-Type Activities - Long-Term							
Liabilities	\$ 8,145,908	<u>\$ 57,089</u>	<u>\$ (1,937,625)</u>	<u>\$ 1,684,454</u>	<u>\$ 7,949,826</u>	<u>\$ 138,187</u>	\$ 7,811,639

**Includes current year amortization of accretion.

For long-term liabilities other than debt related to governmental activities, the State Highway Fund typically is used to liquidate liabilities in prior years.

Employees' Compensable Leave

Annual leave, commonly referred to as vacation leave, and other compensated absences with similar characteristics are accrued as a liability as the benefits are earned by TxDOT employees. Employees accrue vacation time at a rate of 8 to 21 hours per month depending on years of state employment. The maximum number of hours that may be carried forward to the next fiscal year ranges from 180 hours to 532 hours based on years of state service.

Overtime, under the Fair Labor Standards Act and state laws, can be accumulated in lieu of immediate payment as compensatory leave (at one-and-one-half hours for each overtime hour worked) for nonexempt, nonemergency employees to a maximum of 240 hours. All overtime exceeding 240 hours must be paid with the next regular payroll. At termination or death, all overtime balances must be paid in full. Unpaid overtime is included in the calculation of current portion on long-term liabilities for each employee because it may be used like compensatory time or be paid.

Compensatory leave is allowed for exempt employees not eligible for overtime pay. This leave is accumulated on an hour-for-hour basis and must be taken within one year from date earned or it lapses. There is no death or termination benefit for compensatory leave. Compensatory leave is reported as a current liability. No liability is recorded for non-vesting accumulating rights to receive sick leave benefits.

Claims and Judgments

Claims and judgments are payable by TxDOT for various legal proceedings and claims. In general, TxDOT records liabilities for material claims and judgments when they are considered probable and estimable. During fiscal 2024, TxDOT made \$250 million in payments for the claim related to the US 181 Harbor Bridge Replacement Project.

Notes and Loans Payable

As of Aug. 31, 2024, three notes and loans agreements are outstanding. The TIFIA IH-35E and TPFA direct borrowing loans are governmental activities, and the TIFIA 2021 direct borrowing is a business-type activity.

TIFIA IH-35E

The Commission entered into a secured loan agreement with the United States Department of Transportation (USDOT) through the Transportation Infrastructure Finance and Innovation Act of 1998 (TIFIA). USDOT agreed to lend the Commission up to \$285.0 million to pay a portion of the eligible project costs related to the initial phase of the IH-35E project. The outstanding direct loan of \$323.3 million contains various provisions resulting from certain events of default with various remedies. In particular, in the case of a payment default, interest is charged on the overdue balance of the note at the default rate (an additional 2 percent) until the payment default is cured (overdue balance repaid). In the case of project abandonment, the default rate is charged until the note is paid in full. In the case of certain bankruptcy related event defaults, the note becomes secured by a first priority security interest in the trust estate.

TPFA

The Commission entered into an agreement with the Texas Public Finance Authority (TPFA) on Mar. 11, 2021. TPFA issued Taxable Series 2021 Lease Revenue Bonds for the Texas Department of Transportation – Austin Campus Consolidation Project. The bonds have an aggregate principal amount of \$325.7 million for the purpose of financing certain costs of the Campus Consolidation Project. The agreement obligates the Commission to make rent payments to TPFA in amounts sufficient to pay, among other things, the principal of, premium and interest on the TPFA 2021 bonds. Although the agreement does not prescribe the source for the Commission's payments to be made thereunder, the Texas Legislature has appropriated monies from the State Highway Fund to be used by the Commission to make payments to TPFA under the agreement for TPFA's debt service payments due on their Series 2021 bonds during fiscal year 2024. The bond will be paid in full in 17 years, or fiscal year 2041.

The outstanding direct loan of \$284.8 million, which includes an unamortized premium of \$204.8 thousand, contains the following acceleration clause; (a) upon the occurrence of and during the continuation of any event of default arising from the failure to make a required payment, upon the occurrence of and during the continuation of an event of non-appropriation, or upon 30 days prior to the expiration of the commitment of any provider of liquidity or credit enhancement for any parity debt which such parity debt is outstanding, TPFA may take any one or more of the following remedial actions: (i) declare all of the remaining unpaid principal portion of the payments due under this agreement to be immediately due and payable solely to the extent the Legislature has appropriated funds for such payment; or (ii) enter and take possession of all or any portion of the project under this agreement, enter and take possession of all or any portion of the project under this agreement, enter and take possession of all or any portion of the project under this agreement, enter and take possession of all or any portion of the project under this agreement, enter and take possession of all or any portion of the account of TxDOT; or (iii) terminate this agreement, enter and take possession of all or any portion of the project, and, at TPFA's discretion (to the extent permitted by law) sell equipment acquired as part of a project, or lease all or any portion of a project.

As of Aug. 31, 2024, the note's debt service requirements for governmental activity notes and loans payable are as follows.

		Governmental Activities						
Year	Prin	cipal	Int	terest*		Total		
2025	\$	14,245	\$	14,725	\$	28,970		
2026		14,470		14,513		28,983		
2027		15,478		14,329		29,807		
2028		17,580		14,096		31,676		
2029		19,331		13,745		33,076		
2030-2034		122,814		61,627		184,441		
2035-2039		168,916		44,146		213,062		
2040-2044		132,596		20,760		153,356		
2045-2049		61,593		10,125		71,718		
2050-2052		40,902		2,128		43,030		
		607,925		210,194		818,119		
Unamortized Premium		205				205		
Total Requirements	\$	608,130	\$	210,194	\$	818,324		

The second TIFIA loan payable represents a secured loan made to the Grand Parkway Transportation Corporation by the USDOT under the TIFIA. On November 15, 2022, GPTC requisitioned \$605.3 million pursuant to the 2021 TIFIA loan agreement. In accordance with the TIFIA loan agreement, the payments of principal and interest can be postponed under certain circumstances and such postponed payments increase the principal amount of the loan. As of Aug. 31, 2024, the note's debt service requirements are as follows.

	Business-Type Activities					
Year	P	rincipal	Interest*	Total		
2025	\$		\$	\$		
2026						
2027			12,122	12	2,122	
2028			12,139	12	2,139	
2029			12,106	12	2,106	
2030-2034		23,737	60,036	83	3,773	
2035-2039		68,838	55,704	124	4,542	
2040-2044		119,381	47,568	166	5,949	
2045-2049		225,324	32,109	257	7,433	
2050-2054		207,521	8,241	215	5,762	
		644,801	240,025	884	4,826	
Unamortized Accretion		(18,804)		(18	8,804	
Total Requirements	\$	625,997	\$ 240,025	\$ 866	5,022	

Pledged Future Revenues

Pledged revenues are those specific revenues that are formally committed to directly secure the payment of debt service. The table that follows provides information on pledged revenue and pledged future revenue of the self-supporting general obligation bonds, revenue bonds, and TIFIA loans.

Pledged Future Revenue (Amounts in Thousands)		Governmen	tol A	otivitios		B	ncin	oss Typo Activiti	06	
(Amounts in Thousands)		Governmen			Business-Type Activities					
	Te	xas Mobility	St	ate Highway	(Central Texas		Frand Parkway Transportation		SH 249
		Fund		Fund	Tu	urnpike System		Corporation		System
Pledged Revenue Required for Future Principal										
and Interest on Existing Debt	\$	7,856,035	\$	3,163,600	\$	3,867,328	\$	7,709,522	\$	706,931
Term of Commitment Ending		10/1/2044		10/1/2033		8/15/2042		10/1/2052		8/1/2057
Percentage of Revenue Pledged		100%		100%		97%		94%		92%
Current Year Pledged Revenue	\$	550,590	\$	9,955,389	* \$	393,406	\$	380,978	\$	28,286
Current Year Principal and Interest Paid	\$	399,204	\$	418,385	\$	160,745	\$	173,049	\$	7,799

Pass-Through Tolls Payable

The balance recorded as pass-through tolls payable relates to the Commission's obligations under executed pass-through financing agreements. As of Aug. 31, 2024, there were 21 active pass-through financing agreements finalized and executed by the Commission. Under these agreements, an outside party (usually a local government) pays for all or a portion of a highway project. In return, TxDOT contractually agrees to make reimbursements after the improvement is open for traffic. Reimbursements are subject to minimum and maximum annual thresholds and are variable within those thresholds based on the volume of traffic on the project roadway. The agreements covering multiple projects generally contain a provision allowing for reimbursements to begin as each project is open for traffic.

The obligation to make future reimbursement payments is recognized as pass-through tolls payable as the underlying highway project is constructed. Accruals of payables continue until the liability amount reaches the total TxDOT reimbursement obligation specified in the agreement. If the cost of the completed underlying highway project is less than the total TxDOT reimbursement obligation, TxDOT will accrue the additional obligation amount upon that project's completion and acceptance. The estimated debt service requirements related to pass-through toll contracts executed as of Aug. 31, 2024 are as follows.

Pass-Through Tolls Payable - Debt Service Requirements		
(Amounts in Thousands)		
		Governmental Activities
Year		Principal
2025	\$	70,008
2026		72,499
2027		61,733
2028		46,155
2029		41,323
2030-2033		52,317
Total Requirements*	\$	344,035
* There is no interest component to the pass-through toll reimbursements. This proje Commission's maximum potential obligation.	ection as	ssumes the

Contracts Payable

TxDOT is a party to a financial assistance arrangement with Fort Bend County related to the expansion of Farm to Market Road 1093. The terms of this agreement are such that in return for Fort Bend County funding the costs of the project up-front, TxDOT will reimburse Fort Bend County \$4.0 million per year for 10 years following substantial completion of Westpark Tollway Phase I and opening of the roadway to traffic. Construction on Westpark Tollway Phase I was completed in November 2018. The obligation to make future reimbursements is recognized as contracts payable. The estimated debt service requirements related to this arrangement are as follows.

	Manual	
Contracts Payable – Debt Service Requirements		
(Amounts in Thousands)		
		ernmental ctivities
Year	Pr	incipal
2025	\$	4,000
2026		4,000
2027		4,000
2028		4,000
Total Requirements*	<u>\$</u>	16,000
*There is no interest component to this contract payable.		

Pollution Remediation Obligations

TxDOT is responsible for the cleanup and remediation of several polluted sites. Regulatory requirements established by federal and state law obligate TxDOT to perform these pollution remediation activities. Historical cost averages were used to calculate the estimated pollution remediation obligation liabilities. The table below details the various compliance requirements under which TxDOT is incurring pollution remediation costs and is recording a pollution remediation liability.

Pollution Remediation Obligations - Disaggregation of Total Liability (Amounts in T As of August 31, 2024	housands)	
Governmental Activities	Obligat	tion Amount
Comply with Federal and State asbestos requirements	\$	15,962
Comply with Federal and State OSHA requirements for lead based paint		1,732
Comply with Federal Safe Drinking Water Act requirements		40
Comply with State Leaking Petroleum Storage Tank (LPST) cleanup requirements		11
Comply with LPST tank requirements		448
Comply with Waste Disposal regulations		242
Total	\$	18,435

Federal reimbursements are expected to offset a portion of these estimated costs. When realizable, the federal reimbursements are recognized as federal revenue. The potential for changes due to price increases or reductions, technology or applicable laws or regulations was incorporated into these estimates.

Right-to-Use Lease Obligations

TxDOT is reporting a total of 33 active lessee leases as of Aug. 31, 2024. The current and non-current lease obligation portion associated with these leases is \$5.6 million and \$26.0 million respectively. The estimated debt service requirements related to the leases executed as of Aug. 31, 2024, are as follows.

Lease - Debt Service Requirements			
(Amounts in Thousands)			
	C		,•
Year	Go Principal	vernmental Activi Interest	Total
2025 \$	•		
2026	4,848	516	5,364
2027	4,215	393	4,608
2028	1,699	293	1,992
2029	1,583	262	1,845
2030-2034	8,152	883	9,035
2035-2039	5,502	152	5,654
2040-2044	36	1	37
Total Requirements	31,677	\$ 3,140	\$ 34,817

Right-to-Use Subscriptions Obligations

TxDOT is reporting 29 active subscription based information technology arrangements (SBITAs) in fiscal 2024. The current and non-current portion associated with these subscriptions is \$20.0 million and \$17.6 million respectively for governmental activities and \$49.7 million and \$31.1 million for business-type activities. The estimated debt service requirements related to the subscriptions executed as of Aug. 31, 2024, are as follows.

Subscriptions - Debt Service Requir	ements				
(Amounts in Thousands)					
		Co	vernmental Activ	ition	
Year		Principal	Interest	illes	Total
2025	\$	19,959	\$ 1,41) \$	21,378
2026		13,656	70)	14,356
2027		2,415	170	5	2,591
2028		766	6)	835
2029		801	3	5	836
Total Requirements	<u>\$</u>	37,597	<u>\$ 2,39</u>	<u>}</u>	39,996

Subscriptions - Debt Service Requir	ements					
(Amounts in Thousands)						
		Bu	siness-	Type Activit	ties	
Year	F	rincipal	I	nterest		Total
		10 -1 1	¢	2,233	\$	51,947
2025	\$	49,714	\$	2,233	Ψ	
2025 2026	\$	49,714	2	418	Ψ	31,510

NOTE 6 - BONDED INDEBTEDNESS

As discussed more fully in the sections that follow, the Commission and TxDOT's blended component units are authorized through various statutory and constitutional provisions to issue general obligation and revenue bonds as well as private activity bonds.

As of Aug. 31, 2024, the Commission had 31 bond issues outstanding. The Texas Private Activity Bond Surface Transportation Corporation (TxPABST), a blended component unit of TxDOT, had eight conduit debt bond issues outstanding as of Aug. 31, 2024. The Grand Parkway Transportation Corporation (GPTC), another blended component unit of TxDOT, had seven revenue bond issuances outstanding as of Aug. 31, 2024. The debt service payments associated with debt issued by TxPABST and GPTC are not the responsibility of the state of Texas, however due to the relationship between TxDOT and these entities, their disclosures, and as appropriate, financial balances associated with the outstanding bonds are included in this report.

Miscellaneous Bond Information

			_		Matu		
	Bonds Issued			ge of	First	Last	First Call
Description of Issue	to Date	Date Issued	Interes	t Rates	Year	Year	Date
GOVERNMENTAL ACTIVITIES							
General Obligation Bonds							
Texas Mobility Fund							
Series 2006-B Variable Rate Bonds	\$ 150.000	12/13/2006	VAR	VAR	2036	2036	*
Series 2009-A Taxable Fixed Rate Bonds	1,208,495		5.37%	5.52%	2029	2039	*
Series 2014 Fixed Rate Refunding Bonds	973,775	07/02/2014	4.00%	5.00%	2016	2034	04/01/2024
Series 2014-A Fixed Rate Refunding Bonds	1,580,160	12/18/2014	4.00%	5.00%	2017	2044	10/01/2024
Series 2014-B Put Bonds	250,000	12/18/2014	0.65%	0.65%	2040	2041	10/01/2025
Series 2015-A Fixed Rate Refunding Bonds	911,360	09/30/2015	3.20%	5.00%	2018	2036	10/01/202
Series 2015-B Fixed Rate Refunding Bonds	254,105	10/07/2015	5.00%	5.00%	2031	2036	10/01/202
Series 2017-A Fixed Rate Refunding Bonds	296,020	02/01/2017	5.00%	5.00%	2030	2034	10/01/202
Series 2017-B Fixed Rate Refunding Bonds	474,135	02/01/2017	5.00%	5.00%	2029	2036	10/01/202
Series 2020 Taxable Fixed Rate Refunding Bonds	1,270,690	08/05/2020	0.26%	2.47%	2021	2044	*
Texas Highway Improvement							
Series 2010-A Taxable Fixed Rate Bonds	815,420	09/29/2010	3.20%	4.68%	2019	2040	*
Series 2014 Fixed Rate Bonds**	1,260,000	10/15/2014	2.00%	5.00%	2015	2044	04/01/202
Series 2016 Fixed Rate Bonds	615,000	05/04/2016	5.00%	5.00%	2017	2046	04/01/202
Series 2016-A Fixed Rate Bonds	588,755	11/02/2016	4.00%	5.00%	2018	2046	04/01/202
Series 2019 Taxable Fixed Rate Refunding Bond	705,550	12/11/2019	2.60%	4.00%	2021	2044	04/01/202
Series 2020 Taxable Fixed Rate Refunding Bond	794,235	07/06/2020	2.56%	5.00%	2022	2042	*
Series 2024 Fixed Rate Refunding Bond	696,245	03/28/2024	5.00%	5.00%	2025	2044	10/01/203
Revenue Bonds							
State Highway Fund							
Series 2008 Fixed Rate Bonds	162,995	08/19/2008	3.50%	5.25%	2010	2028	04/01/201
Series 2010 Taxable Fixed Rate Bonds	1,500,000	08/05/2010	5.03%	5.18%	2026	2030	*
Series 2014-A Fixed Rate Refunding Bonds**	1,157,795	04/02/2014	4.75%	5.00%	2017	2034	04/01/202
Series 2014-B Variable Rate Bonds	300,000	03/25/2022	VAR	VAR	2032	2032	*
Series 2015 Revenue Refunding Bonds	781,080	07/22/2015	3.00%	5.00%	2017	2026	n/a
Series 2016-A Fixed Rate Bonds	601,210	10/26/2016	3.00%	5.00%	2017	2030	10/01/202
Series 2016-B Fixed Rate Bonds	89,370	10/26/2016	0.43%	0.56%	2025	2026	n/a
Series 2020 Taxable Fixed Rate Refunding Bonds**	341,425	07/01/2020	4.00%	4.00%	2030	2033	*
Series 2024 Revenue Refunding Bonds	346,820	03/20/2024	5.00%	5.00%	2025	2033	n/a
Governmental Activities Total	\$ 18,124,640						

** Bonds are not outstanding as of 08/31/2024.

Miscellaneous Bond Information (Concluded)

(Amounts in Thousands)

(Amounts in Thousands)					Matu	rities	
	Bonds Issued		Ran	ge of	First	Last	First Call
Description of Issue	to Date	Date Issued	Interes	st Rates	Year	Year	Date
BUSINESS-TYPE ACTIVITIES							
Revenue Bonds							
Central Texas Turnpike System							
First Tier Revenue Bonds Series 2002-A							
Non-Callable Capital Appreciation Bonds***	\$ 817,944	08/29/2002	4.47%	5.75%	2012	2030	n/a
Callable Capital Appreciation Bonds**	325,494	08/29/2002	6.00%	6.10%	2025	2038	08/15/2012
First Tier Revenue Refunding Bonds Series 2012-A**	585,330	11/27/2012	4.00%	5.00%	2038	2041	08/15/2022
First Tier Revenue Refunding Bonds Series 2015-B**							
Current Interest Bonds + Term Bond**	198,025	02/04/2015	5.00%	5.00%	2032	2037	08/15/2024
Capital Appreciation Bonds ***	139,703	02/04/2015	4.36%	4.38%	2036	2037	08/15/2024
Second Tier Revenue Refunding Bonds, Series 2015-C**	1,157,320	02/04/2015	5.00%	5.00%	2022	2042	08/15/2024
First Tier Revenue Refunding Bonds Series 2020-A	179,475	03/05/2020	3.00%	5.00%	2039	2040	08/15/2030
First Tier Revenue Refunding Variable Rate Bonds Series 2020-							
B**	225,000		VAR	VAR	2042	2042	*
First Tier Revenue Refunding Bonds Taxable Series 2020-C		03/05/2020	3.03%	3.03%	2031	2041	08/15/2030
First Tier Revenue Refunding Bonds Series 2024-A	386,210	08/07/2024	5.00%	5.00%	2032	2038	08/15/2034
First Tier Revenue Refunding Put Bonds Series 2024-B	225,000	08/07/2024	5.00%	5.00%	2042	2042	05/15/2030
Second Tier Revenue Refunding Bonds Series 2024-C	1,022,495	08/07/2024	5.00%	5.00%	2031	2042	08/15/2034
Grand Parkway Transportation Corporation****							
Subordinate Tier Toll Revenue Bonds, Series 2013-B							
Convertible Capital Appreciation Bonds***	489,160	08/01/2013	4.95%	5.85%	2029	2048	10/01/2028
Current Interest Bonds**	1,137,935		5.00%	5.25%	2048	2053	10/01/2023
Subordinate Tier Toll Revenue Bonds, Series 2013-E	361,810	08/01/2013	5.18%	5.18%	2036	2042	*
Subordinate Tier Toll Revenue Bonds, Series 2018-A	712,100		5.00%	5.00%	2030	2048	04/01/2028
First Tier Toll Revenue Refunding Bonds, Taxable Series 2020-A	220,415	02/27/2020	2.11%	3.36%	2026	2052	04/01/2030
Subordinate Tier Toll Revenue Refunding Bonds, Taxable Series							
2020-В		02/27/2020	1.53%	3.24%	2020	2052	04/01/2030
First Tier Toll Revenue Refunding Bonds, Series 2020-C	793,385		3.00%	5.00%	2033	2050	n/a
Subordinate Tier Toll Revenue Refunding Put Bonds, Series 2023	263,225	08/16/2023	5.00%	5.00%	2034	2052	01/01/2028
SH 249 System							
First Tier Toll Revenue Bonds, Series 2019-A							
Current Interest Bonds	144,085		5.00%	5.00%	2053	2057	02/01/2029
Capital Appreciation Bonds***		02/26/2019	3.39%	5.10%	2028	2053	02/01/2029
First Tier Toll Revenue Bonds, Taxable Series 2019-B	12,795	02/26/2019	4.55%	4.70%	2030	2033	02/01/2029
Business-Type Activities Total	11,089,613						
Total	\$ 29,214,253						
	φ <u>2</u> ,214,233						

* Bonds are subject to redemption prior to their respective maturities at the option of the Commission or the Corporation.

** Bonds are not outstanding as of 08/31/2024.

*** Bonds issued to date include interest accreted to principal.

****Grand Parkway Transportation Corporation bonds are not obligations of the State.

Changes in Bonds Payable (Amounts in Thousands)

For the Fiscal Year Ended August 31, 2024

Description	Bonds Outstanding 9/1/2023	Adjustments*	Bonds Issued**	Bonds Matured or Retired	Bonds Outstanding 8/31/2024	Due Within One Year	
	//1/2020		201100 200000				
Governmental Activities:							
General Obligation Bonds	9,074,945	\$ (34,591)	\$ 696,245	\$ (1,124,685)	\$ 8,611,914	\$ 375,413	
General Obligation Bonds - Direct Placements	278,969	(1,985)			276,984	1,986	
Revenue Bonds	3,051,820	(30,455)	346,820	(683,630)	2,684,555	314,883	
Total Governmental Activities	12,405,734	(67,031)	1,043,065	(1,808,315)	11,573,453	692,282	
Business-Type Activities: Revenue Bonds Revenue Bonds - Direct Placements	7,197,605 225,000	57,089	1,672,846	(1,684,518) (225,000)	7,243,023	88,473	
Total Business-Type Activities	7,422,605	57,089	1,672,846		7,243,023	88,473	
Total	\$ 19,828,339	<u>\$ (9,942)</u>	<u></u>	<u>_</u>			
* Includes the current year's amortization of premiums and discounts, as well as the new issue premium.							

** Includes current year accretion.

General Obligation Bonds – General Comments

The Texas Constitution authorizes the Commission to issue general obligation bonds backed by the full faith and credit of the state. As of Aug. 31, 2024, two general obligation bond programs were active. All general obligation bond issuances must be approved by the Texas Bond Review Board prior to issuance. The purpose and the sources for the repayment of debt service for each program are summarized as follows:

Texas Mobility Fund General Obligation Bond Program

Texas Constitution, Article III, Section 49-k and Transportation Code, Chapter 201, Subchapter M authorize the Commission to issue general obligation bonds payable from a pledge of and lien on all or part of the money in the Mobility Fund. The Mobility Fund bonds are designed to be self-supporting, but the full faith and credit of the state is pledged in the event the revenue and money dedicated to the Mobility Fund is insufficient to pay debt service on the bonds. As of Aug. 31, 2024, major sources of pledged revenue to the Mobility Fund include driver license fees, motor vehicle inspection fees, certificate of title fees and driver record information fees.

The issuance of Mobility Fund bonds is subject to debt service coverage requirements. Prior to a Mobility Fund debt issuance, the Texas Comptroller of Public Accounts must certify that there will be sufficient future resources on deposit in the Mobility Fund to ensure 110 percent coverage of debt service requirements during the period that the debt will be outstanding. Subject to the debt service coverage requirement, the Mobility Fund constitutional provision does not limit the amount of obligations that may be issued under the program. The Mobility Fund program is currently established in the aggregate principal amount of \$7.5 billion outstanding at any one time. House Bill No. 2219 which was enacted during the regular session of the 87th Legislature and became effective on June 18, 2021, amended the authority to (i) eliminate the ability of the Commission to issue Program obligations for the purpose of providing participation by the State in the payment of part of the costs of constructing and providing publicly owned toll roads and (ii) authorize the Commission to issue Program obligations for certain transportation projects, as described herein, after May 1, 2021 and before January 1, 2027 in an aggregate principal amount not to exceed an amount equal to sixty percent (60%) of the outstanding principal amount of Program obligations (i.e., Parity Debt) was \$5.9 billion. The Commission may issue, other than refunding obligations described herein, no more than \$3.6 billion in aggregate principal amount of Parity Debt prior to January 1, 2027.

Bond proceeds are to be used to refunding existing bonds and related credit agreements, creating reserves for payment of bonds and related credit agreements, paying bond issuance costs and paying interest on the bonds and related credit agreements.

In an event of default in connection with any covenant or in any supplement, or default in the payment of annual debt service requirements due in connection with any parity debt, or other costs and expenses related thereto, any owner of parity debt (which includes all Mobility Fund bondholders) may require the Commission, the Department, its officials and employees, and any appropriate official of the State, to carry out, respect, or enforce the covenants and obligations of the Master Resolution or any Supplement, by all legal and equitable means, including specifically the use and filing of mandamus proceedings in any court of competent jurisdiction in Travis County, Texas against the Commission, the Department, its officials and employees, or any appropriate official of the State.

The Series 2015-B outstanding balance of \$277.0 million is from direct placements.

Texas Highway Improvement General Obligation Bond Program (Proposition 12)

Texas Constitution, Article III, Section 49-p and Transportation Code, Section 222.004, authorizes the Commission to issue general obligation bonds of the state of Texas for the costs of highway improvement projects including construction, reconstruction, design, the acquisition of right-of-way, the costs of administering the highway improvement projects and the costs of issuing the bonds. These bonds are not self-supporting and are considered a general obligation of the state of Texas. As of Aug. 31, 2024, the Commission had issued the \$5.0 billion authorized under the Texas highway improvement general obligation bond program.

In an event of default in connection with (i) failure to make payment of the principal of or interest on any of the bonds or credit agreements when due and payable or (ii) the performance or observance of any other covenant, agreement or obligation of the Commission or the State, which materially adversely affects the rights of the bond owners, any owner of bonds or credit agreements may require the Commission, the Department, its officials and employees, and any appropriate official of the State, to carry out, respect, or enforce the covenants and obligations of the Master Resolution or any Supplement, by all legal and equitable means, including specifically the use and filing of mandamus proceedings in any court of competent jurisdiction in Travis County, Texas against the Commission, the Department, its official of the State. The State has not waived sovereign immunity with respect to the enforcement of the obligations of the Commission and the State relating to any series of bonds or credit agreements.

Debt Service Requirements – Governmental Activities

(Amounts in Thousands) General Obligation Bonds				
Year		Principal	Interest *	Total
2025	\$	324,785	\$ 337,410	\$ 662,195
2026		343,815	321,807	665,622
2027		275,240	314,271	589,511
2028		379,750	298,858	678,608
2029		400,805	282,813	683,618
2030-2034		2,167,785	1,164,789	3,332,574
2035-2039		2,722,845	672,053	3,394,898
2040-2044		1,305,105	156,803	1,461,908
2045-2049		244,195	7,780	251,975
		8,164,325	3,556,584	11,720,909
Premium		447,589		447,589
Total	<u>\$</u>	8,611,914	\$ 3,556,584	<u>\$ 12,168,498</u>

* Series 2006-B debt service requirements are calculated with interest rate of 3.09 percent which is the interest rate reported at Aug.31, 2024.

Debt Service Requirements – Governmental	1100111000			
(Amounts in Thousands)				
General Obligation Bonds - Direct Placements				
Year		Principal	Interest	Total
2025	\$	\$	12,705	\$ 12,705
2026			12,705	12,705
2027			12,705	12,705
2028			12,705	12,705
2029			12,705	12,705
2030-2034		63,450	58,027	121,477
2035-2039		190,655	18,480	209,135
		254,105	140,032	394,137
Premium		22,879		22,879
Total	\$	276,984 \$	140,032	\$ 417,016

Revenue Bonds – General Comments

The Texas Constitution and Transportation Code authorize the Commission to issue revenue bonds backed by pledged revenue sources and restricted funds. All revenue bond issuances must be approved by the Texas Bond Revenue Board prior to issuance. The active revenue bond programs of TxDOT and the Grand Parkway Transportation Corporation are summarized as follows:

State Highway Fund Revenue Bond Program (Proposition 14)

Texas Constitution, Article III, Section 49-n and Transportation Code, Section 222.003 authorizes the Commission to issue revenue bonds to finance highway improvement projects. The bonds are payable from pledged revenues deposited to the credit of the state highway fund, including dedicated taxes, dedicated federal revenues and amounts collected or received pursuant to other state highway fund revenue laws and any interest or earning from the investment of these funds. As of Aug. 31, 2024, the Commission had issued the \$6.0 billion authorized under the state highway fund revenue bond program.

In an event of default, the purchaser may take the following actions:

- (1) Direct the tender agent and the Commission, as applicable, to cause a mandatory tender of the bonds or take such other remedial action as is provided for in the Resolution;
- (2) Exercise any and all remedies as it may have under the related documents and as otherwise available at law and equity;
- (3) Take whatever action at law or in equity may appear necessary or desirable to collect the amounts due and payable by the Commission under the Related Documents (including all outstanding debt service on the 2014-B2 bonds) or to enforce performance or observance of any obligation, agreement or covenant of the Commission under the Related Documents.

In general, in the event of a default in the payment of debt service due in connection with any State Highway Fund bonds or any other costs and expenses relating thereto, or a default by the Commission in the performance of any duty or covenant provided in law or in the Resolution, any owner of State Highway Fund bonds may require the Commission or the Department or its officials and employees to carry out, respect, or enforce the Commission's covenants and obligations relating to the State Highway Fund bonds by all legal and equitable means, including specifically the use and filing of mandamus proceedings in State court.

Total debt service requirements for State Highway Fund revenue bonds are presented as follows.

(Amounts in Thousands)	 			
Revenue Bonds				
Year	Principal	Int	erest *	Total
2025	\$ 297,075	\$	119,662	\$ 416,73
2026	313,400		104,605	418,00
2027	268,585		91,615	360,20
2028	395,220		80,292	475,51
2029	348,965		61,366	410,33
2030-2034	982,720		100,095	1,082,81
	 2,605,965		557,635	3,163,60
Premium	78,590			78,59
Total	\$ 2,684,555	\$	557,635	\$ 3,242,19

* Series 2014-B debt service requirements are calculated with interest rate of 2.95 percent which is the interest rate reported at Aug. 31, 2024

Central Texas Turnpike System Revenue Bond Program

Transportation Code, Chapter 228 Subchapter C authorizes the Commission to issue revenue bonds to pay a portion of the costs of planning, designing, engineering, developing and constructing the Central Texas Turnpike System (CTTS) located in the greater Austin metropolitan area in Travis and Williamson counties. The bonds are payable from and secured solely by a first and second lien on, as applicable, and pledge of the trust estate. The trust estate consists of all project revenues and investment earnings. Neither the state, the Commission, TxDOT, nor any other agency or political subdivision of the state, is obligated to pay the debt service on the CTTS revenue bonds.

In an event of default under the terms of the Indenture of Trust dated as of July 15, 2002, the Trustee may take the following actions and upon the written request of the owners of not less than 20 percent in principal amount of outstanding obligations shall proceed to:

(1) Protect and enforce its rights and the rights of the owners under the state law and the Indenture by such suits, actions or special proceedings in equity or at law, or by proceedings in the office of any board or officer having jurisdiction, either for mandamus or the specific performance of any covenant or agreement contained in the Indenture or in aid or execution of any power granted by the Indenture or for the enforcement of any proper legal or equitable remedy, as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such right.

(2) In the enforcement of any remedy under the Indenture the Trustee shall be entitled to sue for, enforce payment of and receive any and all amounts then or during any event of default becoming, and at any time remaining, due from the Commission.

CTTS issued series 2024A, series 2024B and series 2024C bonds on Aug. 7, 2024 to refund a portion of series 2012A bonds, series 2015B bonds, series 2015C bonds and series 2020B bonds. CTTS has no direct placement revenue bonds outstanding after the refunding.

Grand Parkway System Toll Revenue Bond Program

Transportation Code, Chapter 431 authorizes the creation of the Grand Parkway Transportation Corporation, a public, non-profit Texas corporation created by the Commission to act on behalf of the Commission to finance, build and operate certain segments of State Highway 99 (the "Grand Parkway Project") in the greater Houston area. In March 2012, the Commission adopted a resolution creating the Grand Parkway Transportation Corporation (GPTC). GPTC is authorized to assist and act on behalf of the Commission in the development, financing, design, construction, reconstruction, expansion, operation and/or maintenance of the Grand Parkway toll project. The bond obligations are payable from tolls and other revenues of the GPTC held by the trustee. Neither the state, the Commission, nor any other agency or political subdivision of the state is obligated to pay the debt service on the GPTC bonds.

In an event of default, and upon the written request of the owners of not less than 20 percent in principal amount of outstanding obligations, the Trustee shall proceed to:

- (1) Protect its rights and the rights of the owners under Chapter 431, Transportation Code and under the Trust Agreement, the Toll Rate Agreement or certain sections of the Project Agreement by such suits, actions or special proceedings in equity or at law, or by proceedings in the office of any board or officer having jurisdiction, either for mandamus or the specific performance of any covenant or agreement contained in the Trust Agreement or in aid or execution of any power granted in the Trust Agreement for the enforcement of any proper legal or equitable remedy, as the Trustee, being advised by counsel, deems most effectual to protect and enforce such rights. Acceleration of principal of or interest on the obligations upon the occurrence of an event of default is not a remedy available under the Trust Agreement.
- (2) In the enforcement of any remedy under the Trust Agreement the Trustee shall be entitled to sue for, enforce payment of and receive any and all amounts then or during any default becoming, and at any time remaining, due from the Corporation and to enforce judgment or decree against the Corporation but solely as provided in the Trust Agreement.

SH 249 System Revenue Bond Program

Transportation Code, Chapter 228 authorizes the Commission to issue toll revenue bonds to finance the cost of construction, improvement, extension, or expansion of a toll project or system in the State. In February 2019, the Commission issued \$249.3 million in toll revenue bonds (2019 SH 249 Bonds) to finance the cost of an approximately 15-mile tolled highway (Segment 1) to serve as a northerly extension of the existing State Highway 249 (SH 249) and to be located between FM 1774 in Pinehurst, Texas (Montgomery County) and FM 1774 near Todd Mission, Texas (Grimes County). The 2019 SH 249 Bonds constitute special, limited obligations of the Commission secured by and payable solely from a first lien on, pledge of, and security interest in the trust estate (Trust Estate) for the 2019 SH 249 Bonds and are payable prior to the payment of operating and maintenance expenses on Segment 1. The Trust Estate consists primarily of toll revenues to be generated by the operation of Segment 1. None of the Commission, TxDOT, or any other agency or political subdivision of the State is obligated to pay debt service on the 2019 SH 249 Bonds except the Commission solely from the Trust Estate and certain funds created under the master trust agreement (Master Trust Agreement) for the 2019 SH 249 Bonds. The Commission has currently designated Segment 1 as comprising the entire "SH 249 System", and Segment 1 will be the first and initially the only segment of the SH 249 System. The Commission may choose to expand or enlarge the SH 249 System, but the Commission currently has no plans for such expansion or enlargement. Subject to the terms of the Master Trust Agreement, the Commission may issue additional bonds or other obligations at any time, secured by a lien on the Trust Estate that is on parity with, or subordinate to, the first lien on the Trust Estate securing payment of the 2019 SH 249 Bonds, in order to finance the expansion or enlargement of the SH 249 System.

In an event of default, the Trustee may proceed and upon the written request of the owners of not less than 20 percent in principal amount of outstanding obligations, shall proceed to:

- (1) Protect and enforce its rights and the rights of the owners under State law and under the Master Trust Agreement by such suits, actions or special proceedings in equity or at law, or by proceedings in the office of any board or officer having jurisdiction, either for mandamus or the specific performance of any covenant or agreement in the Master Trust Agreement or in aid or execution of any power granted in the Master Trust Agreement or for the enforcement of any proper legal or equitable remedy, as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights. Acceleration of the principal of or interest on the obligations is not a remedy available under the Master Trust Agreement.
- (2) In the enforcement of any remedy under the Master Trust Agreement the Trustee shall be entitled to sue for, enforce payment of and receive any and all amounts then or during any default becoming, and at any time remaining, due from the Corporation.

The summarized debt service requirements for the CTTS, GPTC and SH 249 System is as follows.

Debt Service Requirements – Business-Type	e Activities			
(Amounts in Thousands)				
Revenue Bonds				
Year		Principal	Interest	Total
2025	\$	63,190	\$ 280,335	\$ 343,525
2026		80,030	278,473	358,503
2027		88,170	278,411	366,581
2028		96,085	278,335	374,420
2029		102,090	278,252	380,342
2030-2034		770,500	1,334,469	2,104,969
2035-2039		1,404,945	1,083,627	2,488,572
2040-2042		679,710	53,924	733,634
2040-2044		827,785	668,192	1,495,977
2045-2049		1,266,925	446,102	1,713,027
2050-2054		1,673,805	148,496	1,822,301
2055-2059		92,525	9,403	101,928
		7,145,760	5,138,019	12,283,779
Accretion		(296,417)		(296,417)
Premium		393,680		393,680
Total	\$	7,243,023	\$ 5,138,019	<u>\$ 12,381,042</u>

Build America Bonds

The American Recovery and Reinvestment Act of 2009 granted municipal debt issuers access to a broader investor base in the taxable market by providing a federal interest rate subsidy payment to offset debt service costs through the Build America Bonds (BABs) program. Direct Payment BABs provide a federal reimbursement to TxDOT equal to 35 percent of the interest paid on the bonds.

As a result of budget sequestration, the federal government reduced subsidy payments for BABs by 5.7 percent effective Oct. 1, 2020 through Sept. 30, 2030 for BAB subsidy payments paid in federal fiscal year 2024. See the table below for details on the Commission's Direct Payment BABs outstanding at Aug. 31, 2024.

Direct Payment Build America Bonds			
(Amounts in Thousands)			
	Issue Date	Par Amount	Outstanding
Governmental Activities			
General Obligation Bonds			
Texas Mobility Fund Series 2009-A	8/26/2009	\$ 1,208,495	\$ 1,197,225
Texas Highway Improvement Bonds Series 2010-A	9/29/2010	815,420	639,570
Revenue Bonds			
State Highway Fund Series 2010	8/05/2010	1,500,000	1,356,650
Governmental Activities Total	=	\$ 3,523,915	\$ 3,193,445

Variable Rate Bonds

The Commission has two variable rate bond issues outstanding at Aug. 31, 2024. The interest rates in effect as of Aug. 31, 2024 for the Texas Mobility Fund Series 2006-B and State Highway Fund Series 2014-B used to calculate the debt service requirements were 3.09 and 2.95 percent, respectively. For Texas Mobility Fund Series 2006-B bonds and State Highway Fund Series 2014-B bonds, the interest rates reset every seven days.

Fixed Rate Put Bonds

The Commission has two fixed rate put bond issues outstanding, the Texas Mobility Fund Series 2014-B Bonds and Central Texas Turnpike System Series 2024-B Bonds.

The Texas Mobility Fund Series 2014-B Bonds were redesignated and remarketed on Oct. 1, 2021. The interest mode was converted to a Multiannual Mode for the initial multiannual rate period that commences on Oct. 1, 2021 and ends on Mar. 31, 2026. The bonds bear interest rate at .65 percent in the initial multiannual rate period. The bonds are subject to mandatory tender for purchase on the mandatory tender date as specified in the award certificate. The bonds are not subject to optional tender prior to the mandatory tender date. During

the initial multiannual rate period, the bonds are not subject to the benefit of a liquidity facility, nor is there any requirement to obtain such a liquidity facility.

The Central Texas Turnpike System First Tier Revenue Refunding Put, Series 2024-B Bonds were issued on Aug. 7, 2024. The interest mode is a multiannual mode. During the initial multiannual rate period from Aug. 7, 2024 through Aug. 14, 2030, bonds bear interest at a 5.00 percent rate. The bonds have the option to be remarketed as early as May 15, 2030 but must be remarketed by the latest mandatory tender date of Aug 15, 2030.

For both fixed rate put bond issues, the obligation of the Commission to purchase the bonds on the mandatory tender dates is subject to the successful remarketing of such bonds and a failed conversion and remarketing will not constitute an event of default. The Commission has no obligation to purchase the bonds except from the remarketing proceeds. In the event that the bonds are not remarketed to new purchasers on the mandatory tender date, the bonds will bear interest at the stepped rate of 7.00 percent per annum.

Demand Bonds

The Texas Mobility Fund Series 2006-B and the State Highway Fund Series 2014-B bonds are variable rate demand bonds. A bond holder may tender any of these bonds for repurchase prior to maturity at a price equal to principal plus accrued interest. Any bonds so tendered will be purchased either by the proceeds of the remarketing of such bonds or, if not successfully remarketed, from amounts drawn under the standby bond purchase agreements. The following tables provide details for outstanding demand bonds and the related standby bond purchase agreements as of Aug. 31, 2024.

Demand Bonds – Standby	Demand Bonds – Standby Bond Purchase Agreement Provisions (Amounts in Thousands)									
	Pr	incipal		Annual	Agreement					
	В	alance		Liquidity	Termination					
Governmental Activities	Out	standing	Counterparties	Fee	Date					
General Obligation Bonds										
Texas Mobility Fund										
Series 2006-B	\$	150,000	Texas Comptroller of Public Accounts	0.12%	8/31/2025					
Revenue Bonds										
State Highway Fund										
Series 2014-B		300,000	Sumitomo Mitsui Banking Corporation	0.2% - 2.3%*	10/01/2026					
TOTAL	\$	450,000								
* Dependent on credit ratings of the bo	onds.									

The Texas Mobility Fund Series 2006-B bonds are subject to a Standby Bond Purchase Liquidity Agreement (agreement) with the Texas Comptroller of Public Accounts (Comptroller). The agreement provides terms to be negotiated and mutually agreed upon by TxDOT and the Comptroller upon need for the Comptroller to purchase bonds put but that the remarketing agent cannot resell timely to new investors. In that case, TxDOT would pay interest to the Comptroller based on the existing debt service schedule for the Series 2006-B bonds.

The agreement was made pursuant to powers granted to Comptroller under Texas Government Code Sec. 404.027. The agreement provides protection to prevent an unplanned draw on current financial resources of the Texas Mobility Fund. The agreement is subject to renewal on a biennial basis. For fiscal 2024, the Trustee did not draw from the Comptroller related to the Series 2006-B demand bonds.

The Standby Bond Purchase Liquidity Agreement for the State Highway Fund Series 2014-B contains takeout provisions, which provide an alternative debt instrument to replace any repurchased bonds that are not remarketed within the prescribed time constraints. Outstanding principal balances on variable rate demand bonds that have take-out provisions in place may be classified as non-current liabilities. The outstanding principal balance for the Series 2014-B is classified as a non-current liability as the agreement in place is set to expire in fiscal year 2027. The table shown below provides the estimated impact of such an event.

Demand Bonds – Takeout Provisions (Amounts in Thousands)									
Governmental Activities	Estimated Debt Service	Rate	Basis	Replacement Debt Terms					
Revenue Bonds									
State Highway Fund									
Series 2014-B	\$ 367,100	9.50%	Base Rate + 2%	Semi-annual payments over three years (or sooner					
				under certain termination events) starting on the					
				first day of the sixth month of that period.					
Total	\$ 367,100								

Refunding

The Commission had three bond refunding transactions during fiscal 2024.

On Mar. 20, 2024, the Texas Transportation Commission State Highway Fund First Tier Revenue Refunding Bonds, Series 2024 (SHF Series 2024 Bonds) were issued to refund certain previously issued bonds to achieve debt service savings and to pay the costs of issuing the bonds. SHF Series 2024 Bonds were issued with a par amount of \$346.8 million. The premium associated with the SHF Series 2024 Bonds was \$55.4 million and the underwriter's discount amounted to \$1.3 million resulting in net proceeds of \$400.9 million.

On Mar. 28, 2024, the Texas Transportation Commission Highway Improvement General Obligation Refunding Bonds, Series 2024 (HIGO Series 2024 Bonds) were issued to refund certain previously issued bonds and pay the purchase price of certain bonds that have been tendered for purchase by the Commission pursuant to an invitation to achieve debt service savings, and to pay the costs of issuing the bonds. The HIGO Series 2024 Bonds were issued with a par value of \$696.2 million. The premium associated with the HIGO Series 2024 Bonds was \$86.9 million and the underwriter's discount amounted to \$2.4 million resulting in net proceeds of \$780.8 million.

The Commission authorized the issuance of CTTS revenue refunding bonds with the Ninth Supplemental Indenture of Trust, date as of Aug. 1, 2024 to refund the outstanding Series 2012-A, all of Series 2015-B Bonds, all of Series 2015-C Bonds and Series 2020-B Bonds. The Commission issued refunding bonds Series 2024-A, Series 2024-B and Series 2024-C with par values of \$386.2 million, \$225.0 million and \$1.0 billion, respectively for a total par amount of \$1,633.7 million. The premium associated with the Series 2024-A Bonds, Series 2024-B Bonds and Series 2024-C Bonds were \$50.5 million, \$18.2 million and \$120.2 million and the underwriter's discount associated with the transaction amounted to \$6.4 million, resulting in net proceeds of \$1.8 billion. The issuance closed on Aug. 7, 2024.

Refunding Issues (Amounts in Thousands)

For the Fiscal Year Ended August 31, 2024

			E	or Refunding Onl	
		Amount	Refunding	of Kerunding On	<u>y</u>
		Extinguished or	Issued Par	Cash Flow	
Description	Category	Refunded	Value	Increase	Economic Gain
Governmental Activities					
Texas Highway Improvement					
Series 2024 Fixed Rate Refunding Bonds	Current Refunding	\$ 812,345	\$ 696,245	\$ 89,628	\$ 65,561
State Highway Fund					
Series 2024 Revenue Refunding Bonds	Current Refunding	400,210	346,820	46,359	36,028
Governmental Activities Total		1,212,555	1,043,065	135,987	101,589
Business-Type Activities					
Central Texas Turnpike System					
First Tier Revenue Refunding Bonds, Series 2024-A	Current Refunding	443,923	386,210	81,481	38,291
First Tier Revenue Refunding Put Bonds, Series 2024-B*	^c Current Refunding	242,040	225,000		
Second Tier Revenue Refunding Bonds, Series 2024-C	Current Refunding	1,141,090	1,022,495	154,664	123,570
Business-Type Activities Total		1,827,053	1,633,705	236,145	161,861
Refunding Issues Total		\$ 3,039,608	<u>\$ 2,676,770</u>	\$ 372,132	<u>\$ 263,450</u>
*Represents a change in mode from one variable rate to another m	ode.				

Defeased Bonds

The Commission defeased various bond issues by placing funds and securities in irrevocable trusts with external financial institutions to provide for all future debt service payments on the bonds through the earlier of the maturity date or the first call date. As of Aug. 31, 2024, the amounts of defeased bonds, at par, that remain outstanding are presented in the table below.

Defeased Bonds Outstanding (Amounts in Thousands)		
Description of Issue		
		Par Value
Governmental Activities	Year Defeased	Outstanding
General Obligation Bonds		
Texas Mobility Fund Series 2014-A Fixed Rate Refunding Bonds	2020 \$	690,760
Business-Type Activities		
Central Texas Turnpike System Revenue Bonds		
First Tier Revenue Bonds Series 2002-A Capital Appreciation Bonds*	2015	6,270
First Tier Revenue Refunding Bonds Series 2012-A	2024	123,235
First Tier Revenue Refunding Bonds Series 2015-B	2024	198,025
Second Tier Revenue Refunding Bonds Series 2015-C	2024	1,141,090
Total	<u>\$</u>	2,159,380
* Includes \$4,459 of accreted interest.		

Conduit Debt Private Activity Bond Program

Transportation Code, Chapter 431 provides the authority for transportation corporations to issue bonds. The Texas Private Activity Bond Surface Transportation Corporation (TxPABST), a Texas public non-profit corporation blended component unit, has issued private activity bonds to finance costs related to the construction of the LBJ Interstate Highway 635 managed lanes, located in Dallas County, certain segments of the North Tarrant Express Facility in Tarrant County and the SH 288 toll lanes project in Harris County.

The proceeds from TxPABST bonds were loaned to LBJ Infrastructure Group LLC, NTE Mobility Partners LLC, NTE Mobility Partners Segments 3 LLC and Blueridge Transportation Group, LLC to finance costs related to the planning, development, design and construction of these transportation projects. These bonds are special limited obligations of TxPABST, payable solely from and secured by loan and interest repayments from the borrowers. The bonds do not constitute a debt or pledge of the faith and credit of TxPABST, TxDOT or the state of Texas. As of Aug. 31, 2024, TxPABST private activity revenue bonds outstanding aggregated \$3.6 billion. The debt service schedule for the outstanding TxPABST conduit debt is disclosed below.

				_	Matu	_	
Description of Issue		Bonds Issued to Date	Date Issued	Range of Interest Rates	First Year	Last Year	First Call Date
Blueridge Transportation Group, LLC SH 288 Toll Lanes							
Project							
Series 2016	\$	272,635	5/9/2016	5.00%	2036	2055	12/31/2025
NTE Managed Lanes Project							
Series 2019-A		331,790	12/17/2019	4.00% - 5.00%	2030	2039	12/31/2029
Series 2019-B		871,085	12/17/2019	3.92%	2049	2049	*
Series 2023		397,315	8/11/2023	5.50%	2052	2058	12/31/2033
LBJ IH-635 Managed Lanes Project							
Series 2020-A		537,510	9/18/2020	4.00%	2030	2040	12/31/2030
Series 2020-B		7,025	9/18/2020	2.75%	2026	2026	*
NTE Mobility Partners Segments 3							
Series 2019		653,865	8/8/2019	5.00%	2047	2058	6/30/2029
Series 2023		265,850	11/20/2023	5.00% - 5.50%	2033	2043	6/30/2028
Total	\$	3,337,075					

Conduit Debt Obligations – Debt Service (Amounts in T	'housands)		
TxPABST Bonds – Conduit Debt	Principal	Interest	Total
Year	L		
2025	\$	\$ 153,632	
2026	3,515	153,632	157,147
2027	3,510	153,487	156,997
2028		153,439	153,439
2029		153,439	153,439
2030-2034	318,720	743,735	1,062,455
2035-2039	615,550	636,108	1,251,658
2040-2044	629,190	490,904	1,120,094
2045-2049	654,390	370,273	1,024,663
2050-2054	538,030	230,385	768,415
2055-2059	574,170	71,694	645,864
	3,337,075	3,310,728	6,647,803
Premium	230,541		230,541
Total	\$ 3,567,616	\$ 3,310,728	\$ 6,878,344

NOTE 7 – LEASES & SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA)

Intangible right-to-use (RTU) assets of \$248.6 million and accumulated amortization of \$104.9 million were reported for lessee leases and SBITA as of Aug. 31, 2024. Details of the RTU assets, including the beginning balance, increase and decrease by major classes of underlying assets are disclosed in Note 2. Current and non-current liabilities related to lessee leases and SBITA are included in Note 5.

Leases - Lessee

TxDOT has thirty-three active lessee leases as of Aug. 31, 2024. In fiscal 2024, one lease ended and three new equipment leases were executed. TxDOT had six land leases, three building and twenty-four equipment leases in total as of Aug. 31, 2024. The total amount of Intangible RTU assets and accumulated amortization for governmental activities are \$46.4 million and \$13.5 million. The table below depicts different types of lessee assets including their initial lease terms and renewal terms.

	Current Lease Commencement		
Leased Asset Classification	Date	Current Lease End Date	Lease End Renewal Date
Building	09/01/2021-11/30/2021	11/18/2022-06/30/2025	11/18/2025-06/30/2037
Equipment	09/01/2021-09/01/2023	12/14/2021-08/31/2024	12/14/2024-08/31/2027
Equipment	09/01/2021-01/23/2024	04/30/2026-09/14/2029	N/A
Land	09/01/2021-06/20/2023	06/19/2022-12/31/2025	06/19/2023-08/16/2042
Land	09/01/2021-06/19/2023	06/19/2024-06/30/2028	N/A

The majority of the variable payments were related to rental leases of land and buildings, consisting of property taxes and operating expenses. In total the variable payments associated with lessee leases that are not included in the calculation of lease liability is \$1.8 million. Also, prepayments in the amount of \$132 thousand were made in fiscal 2024.

The table below summarizes the principal and interest payments made on lessee leases for each of the first five years, payments made in five-year increments thereafter.

Future Lease Payments			
(Amounts in Thousands)			
Governmental Activities			Total Future Minimum Lease
Year	Principal	Interest	Payments
2025 \$	5,642	\$ 640	\$ 6,282
2026	4,848	516	5,364
2027	4,215	393	4,608
2028	1,699	293	1,992
2029	1,583	262	1,845
2030-2034	8,152	883	9,035
2035-2039	5,502	152	5,654
2040-2044	36	1	37
Total \$	31,677	\$ 3,140	\$ 34,817

Leases - Lessor

TxDOT in total has fourteen lessor leases. Two new lessor leases, a ground lease and a building lease were added in fiscal 2024. TxDOT primarily has three types of lessor leases. They are saltwater, fiber and ground/surface leases.

- A saltwater lease is for a facility on or along state right of way that conducts water to be used in drilling or operating a well that is used in the exploration for or production of oil or gas.
- A fiber lease is a lease of state-owned land for private internet providers to run fiber lines along TxDOT right of way.
- A ground/surface lease is a lease of state-owned land that is used by lessees for various needs.

The table below identifies lessor leases by asset along with the lease terms. There are six lessor leases where either party can terminate the lease by providing 24 months written notice. The non-cancellable term is 24 months. At every fiscal year end, these leases need to be assessed to determine if the lease term can be extended by another additional year. TXDOT in fiscal 2024 has one sublease transaction, this is the new building lease. TxDOT is now the lessor, this lessor lease has a commencement date of 09/01/2023 and end date of 06/30/2025.

There is one fiber lessor lease where the future payments collected by TxDOT could vary. The amount collected by TxDOT is either greater than \$800 or 40% of the amount collected by lessee from its other counter parties that it has arrangements with. In fiscal 2024 variable payments associated with this lease were \$481. The arrangements that the lessee has with the other parties can be amended and hence the payment amount collected can differ.

	Current Lease	Current Lease End	Lease End Renewal
Leased Asset Classification	Commencement Date	Date	Date
Infrastructure	09/01/2021	02/10/2052	N/A
Land - Ground/Surface lease	09/01/2021-05/06/2024	05/05/2026 - 01/31/2036	N/A
Land - Land Fiber lease	09/01/2021	08/31/2025	08/31/2035
Land - Saltwater Lease	09/01/2021	08/31/2026	N/A
Building	01/11/2023-09/01/2023	02/28/2025-06/30/2025	N/A

For the above lessor leases, the total amount of lease revenue and interest revenue for fiscal 2024 are listed below

Lease Incon	me		
For the Fiscal	Year Ended August 31, 2024 (An	nounts in Thousands)	
Governmental	Activities		
	Interest	Lease	
	Revenue	Revenue	Prepayments
\$	43 \$	1,107 \$	413

All the lessor leases that have variable payments are clearly stated in the lease agreement. There is one lease that has been described above with variable payments.

SBITA (Subscription Based Information Technology Arrangement)

TxDOT in total has thirty SBITAs. SBITAs recorded fall under one of four groups: Software as a Service (SaaS), Platform as a Service (PaaS), Infrastructure as a Service (IaaS) and Data Warehouse as a Service (DwaaS). The terms of these agreements have a wide range and some of them are active until fiscal 2029. In fiscal 2024, twelve new SBITAs were added and principal payments totaled \$29.4 million and interest payments totaled \$453 thousand for governmental activities. For business-type activities, in fiscal 2024, the principal payments were in the amount of \$28.1 million and interest payments were in the amount of \$1.9 million.

In fiscal 2024, SBITAs had variable payments of \$73 thousand. The total amount of subscription assets and accumulated amortization for governmental activities are \$73.0 million and \$24.0 million respectively. For business-type activities, subscription assets and accumulated amortization are \$129.2 million and \$67.4 million respectively.

The ending liability for governmental activities is \$37.6 million and for business-type activities the amount is \$80.8 million as of fiscal year 2024. Total subscription payments made, less any incentives received, prior to the commencement of the subscription term consists of \$3.4 million.

The below tables indicate future subscription payments for governmental and business-type activities.

Future Subscriptio (Amounts in Thousands) Year Ended Aug. 31, 202)	S				
Governmental Activities	5					
Year		Principal		Interest	Total Future Minimu Subscription Payment	
2025	\$	19,959	\$	1,419	\$ 21,3	78
2026		13,656		700	14,3	56
2027		2,415		176	2,5	91
2028		766		69	8	35
2029		801		35	8	36
Total	<u>\$</u>	37,597	<u>\$</u>	2,399	\$ 39,9	<u>96</u>

Future Subscription P	ayments		
(Amounts in Thousands)			
Year Ended Aug. 31, 2024			
Business-Type Activities	n total	Information	Total Future Minimum
Year	Principal	Interest	Subscription Payments
2025	\$ 49,714	\$ 2,233	\$ 51,947
2026	31,092	418	31,510
Total	<u>\$ 80,806</u>	<u>\$ 2,651</u>	<u>\$ 83,457</u>

NOTE 8 - RETIREMENT PLAN

Employees of TxDOT are under the coverage of the Employees Retirement System of Texas Plan (ERS Plan), which is considered a single employer defined benefit plan under GASB Statement 68.

The defined benefit provisions of the ERS Plan are authorized by state law and may be amended by the Legislature. The monthly benefit may vary by membership class.

The monthly standard annuity of the employee class is determined by a statutory percentage of 2.3 percent of a member's average monthly compensation multiplied by number of years of service credit. The average monthly compensation of the employee class may vary depending on the hire date. For members hired on or before Aug. 31, 2009, the average monthly compensation is the average of the highest 36 months of compensation. For members hired on or after Sept. 1, 2009 and before Sept. 1, 2013, the average monthly compensation is the average of the highest 48 months of compensation. For members hired on or after Sept. 1, 2019 and before Sept. 1, 2013, the average monthly compensation is the average of the highest 60 months of compensation. Employees hired on or after Sept. 1, 2022 are enrolled in a defined benefit retirement structure known as a cash balance benefit instead of the ERS Plan.

The monthly standard annuity of the elected class equals the statutory percentage of 2.3 percent of the current state salary of a district judge multiplied by the number of years of service credit. Retirement benefits are automatically adjusted as state judicial salaries change.

The ERS plan's membership as of the measurement date of Aug. 31, 2023 is presented in the table below:

Texas Department of Transportation's Membership	
Retirees and Beneficiaries Currently Receiving Benefits	14,635
Terminated Employees Entitled to Benefits But Not Yet Receiving Them	10,519
Current Employees - Vested and Non-Vested Total Members	<u> </u>

The contribution rates for the state and the members for the ERS plan for the measurement period of fiscal 2023 are presented as follows:

Required Contribution	Rates						
			Employer			Members	
			Elected	Elected		Elected	Elected
Fiscal		Employee	Class –	Class –	Employee	Class –	Class –
Year	Plan	Class	Legislators	Other	Class	Legislators	Other
2019	ERS	10.00%	10.00%	10.00%	9.50%	9.50%	9.50%
2020	ERS	10.00%	10.00%	10.00%	9.50%	9.50%	9.50%
2021	ERS	10.00%	10.00%	10.00%	9.50%	9.50%	9.50%
2022	ERS	10.00%	10.00%	10.00%	9.50%	9.50%	9.50%
2023							
Hired on or before 8/31/2022	ERS	10.00%	10.00%	10.00%	9.50%	9.50%	9.50%
Hired on or after 9/1/2022	ERS	10.00%	10.00%	10.00%	6.00%	6.00%	6.00%
2024							
Hired on or before 8/31/2022	ERS	10.00%	10.00%	10.00%	9.50%	9.50%	9.50%
Hired on or after 9/1/2022	ERS	10.00%	10.00%	10.00%	6.00%	6.00%	6.00%

The amount of TxDOT's contributions recognized by the ERS plan during the fiscal 2023 measurement period was \$84.1 million. TxDOT must report its 6.45 percent proportionate share of the State of Texas contributions.

The total pension liability, net pension liability, and certain sensitivity information shown in this report are based on an actuarial valuation performed as of Aug. 31, 2023. The table below presents the actuarial methods and assumptions used to measure the total pension liability as of Aug. 31, 2023 the measurement date:

ERS Plan	
Actuarial Valuation Date	August 31, 2023
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percent of Payroll Plus Level Dollar Legacy Payment
Actuarial Assumptions:	
Discount Rate	7.0%
Investment Rate of Return	7.0%
Inflation	2.3%
Salary Increase	0% to 8.8%
Mortality	2020 State Retirees of Texas (SRT) mortality table. Generational mortality improvements in accordance with ultimate rates from the scales published through 2019 by Retirement Plans Experience Committee of the Society of Actuaries ("Ultimate MP") and projected from the year 2020. Rates for male LECO members are set forward one year.
Cost-of-living Adjustments	None-Employee 2.3%-Elected

A single discount rate of 7.00 percent was applied to measure the total pension liability. The 7.00 percent discount rate incorporated a 7.00 percent long-term expected rate of return on pension plan investments and 4.13 percent 20-year municipal bond rate based on the rate for Fixed Income Market Data/Yield Curve/Data Municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index".

The projections of cash flows used to determine this single discount rate assumed that plan member and employer contributions will be made at the current statutory levels and remain a level percentage of payroll. Consistent with the provisions of TGC Section 815.407, effective for the measurement period ending Aug. 31, 2022, new level dollar contributions called Legacy Payments have been introduced as part of the funding policy. These Legacy Payments are the amounts necessary, in addition to the statutory 10% of payroll contributions, to fund the normal cost and fully amortize the Unfunded Actuarial Accrued Liability (UAAL) as required before the end of fiscal year 2054. The legacy payment is an actuarially determined amount each biennium. The actuarially determined amount for fiscal year 2022 and 2023 is \$510 million each year. The passage of this bill indicates that the legislature is committed to funding the state pension obligations. During fiscal year 2023, the State made an additional \$900 million contribution to pay down the unfunded liability in accordance with Senate Bill 30.

The long-term expected rate of return on plan investments was developed using a building-block method with assumptions including asset class of investment portfolio, target allocation, real rate of return on investments, and inflation factor. Under this method, best estimate ranges of expected future real rates of return (net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class for the plan's investment portfolio are presented as follows:

Target Allocations As of Measurement Date of August 31, 2023						
Asset Class	Target Allocation	Long-term Expected Portfolio Real Rate of Return				
Global Equity	35%	1.78%				
Private Equity	16%	1.22%				
Global Credit	12%	0.57%				
Special Situations	0%	0.00%				
Real Estate Investment Trust	3%	0.14%				
Infrastructure/Land	5%	0.21%				
Private Real Estate	9%	0.30%				
Fixed Income - Rates	12%	0.25%				
Absolute Returns	6%	0.22%				
Cash	2%	0.01%				
Total	100%	4.70%				
Inflation		2.50%				
Expected Nominal Rate of Return		7.20%				

Sensitivity analysis was performed on the impact of changes in the discount rate on the proportionate share of TxDOT's net pension liability. The result of the analysis is presented in the table below:

Sensitivity of TxDOT's Proportionate Share of Net Pension Liability to Changes Discount Rate								
(Amounts in Thousands)								
	1% Decrease Current Discount Rate 1% Increase							
ERS Plan Discount Rate	6.00%	7.00%	8.00%					
Net Pension Liability	\$1,273,868	\$898,817	\$587,264					

Amounts in this schedule are based on collective amounts for the state of Texas. TxDOT reports its proportionate share of the collective amounts.

The pension plan's fiduciary net position is determined using economic resources measurement focus and the accrual basis of accounting, which is the same basis used by the Employees Retirement System. Benefits and refunds of contributions are recognized when due and payable in accordance with the terms of the plan. Investments of the pension trust fund are reported at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. The fair value of investments is based on published market prices and quotations from major investment brokers at available current exchange rates. However, corporate bonds in general are valued based on currently available yields of comparable securities by issuers with similar credit ratings. The Employees Retirement System issues stand-alone audited Annual Comprehensive Financial Report (ACFR). More detailed information on the plan's investment valuation, investment policy, assets, and fiduciary net position may be obtained from ERS' fiscal 2023 ACFR:

Employees Retirement System of Texas P. O. Box 13207 Austin, Texas 78711-3207 TxDOT's total pension liability is based on an actuarial valuation performed as of Aug. 31, 2023. For fiscal 2024 reporting, the measurement date of TxDOT's net pension liability is Aug. 31, 2023. The schedule of changes in TxDOT's net pension liability for the fiscal year ending Aug. 31, 2024 is presented below:

Schedule of Changes in Net Pension Liability (Amounts in Thousands)			
	 otal Pension Liability (a)	an Fiduciary let Position (b)	Net Pension Liability (a) - (b)
Balances at 09/01/23	\$ 4,003,053	\$ 3,157,431	\$ 845,622
Changes for the year:			
Service Cost	66,173		66,173
Interest	202,686		202,686
Differences between Expected and Actual Experience	56,640		56,640
Benefit Payments and Refunds	(188,191)	(188,191)	0
Change in Proportional Percentage	48,919		48,919
Contributions-Employer		84,133	(84,133)
Contributions-Member		48,868	(48,868)
Net Investment Income		132,932	(132,932)
Administrative Expense		(2,728)	2,728
Additional one-time state funding		 58,018	 (58,018)
Net Changes	 186,227	 133,032	 53,195
Balances at 08/31/24	\$ 4,189,280	\$ 3,290,463	\$ 898,817

The change of discount rate is the assumption change during the current measurement period. There have been no changes to benefit terms of the plan since the prior measurement date. TxDOT's proportion of the entire ERS plan was 6.45 percent in fiscal 2023; as compared to 6.09 percent in the prior measurement period.

For the fiscal year ending Aug. 31, 2024, TxDOT recognized negative pension expense of \$648.46 million. At Aug. 31, 2024, TxDOT reported deferred outflows of resources and deferred inflows of resources from the following sources:

Outstanding Deferred Outflows and Deferred Inflows at A (Amounts in Thousands)	ugust 31, 2024		
		eferred flows of	Deferred Inflows of
		sources	Resources
Difference between Expected and Actual Experience	\$	48,895 \$	3,432
Changes in Assumptions Net Difference between Projected and Actual Investment Return			104,740 1,364
Net Change in Proportion and Contribution Contributions Subsequent to the Measurement Date		85.279	357,274
Total	\$	134,174 \$	466,810

The \$85.3 million reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability for the year ending Aug. 31, 2025.

Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense in the following years:

Fiscal Year Ended August 31:		
(Amounts in Thousands)*		
2025	\$	(435,177)
2026	\$	(25,805)
2027	\$	41,191
2028	\$	1,876
2029	\$	0
Thereafter	\$	0
*Positive amounts indicate increase in pension expense; negative amounts indicate decrease in pension exp	ense.	

NOTE 9 - DEFERRED COMPENSATION

The state of Texas offers two deferred compensation plans to all state employees. One was established in accordance with Internal Revenue Code, Section 457. The second was established in accordance with Internal Revenue Code, Section 401(k). All costs of administering and funding these programs are the responsibility of plan participants. The assets of the two plans remain the property of the contributing employees and are not presented in the accompanying financial statements. TxDOT makes no contributions to either plan, the assets do not belong to TxDOT and TxDOT has no liability related to the plans.

NOTE 10 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Retirees are provided with postemployment healthcare, life and dental insurance benefits through the State Retiree Health Plan (SRHP). The Employees Retirement System of Texas (ERS) is the administrator of SRHP, which is a cost sharing multiple-employer postemployment healthcare plan with a special funding situation. TxDOT reports its allocated proportional share of the SRHP in the TxDOT annual comprehensive financial report. This plan covers retired employees of the state, and other entities as specified by the State Legislature. The benefit and contribution provisions of the SRHP are authorized by state law and may be amended by the Legislature. Benefits are provided to retirees through the Texas Employees Group Benefits Program as authorized by Texas Insurance Code, Chapter 1551. Retirees must meet certain age and service requirements and have at least 10 years of service at retirement to participate in the plan.

Surviving spouses and dependents of retirees are also covered by SRHP. The plan does not provide automatic cost of living adjustments (COLAs).

TxDOT's ERS membership in SRHP as of the measurement date of Aug. 31, 2023 is presented in the table below:

TxDOT Retiree Health Plan Membership	
Active Members*	14,052
Inactive Members Currently	
Receiving Benefit Payments**	13,061
Inactive Members Entitled to But Not	
Yet Receiving Benefit Payments	770
Total Members	27,883
* Includes return-to-work retirees and employees who have not yet satisfied the waiting period.	
** Includes 409 retirees who are not enrolled in a health plan and 25 retirees who currently receive the Opt-Out Credit in lieu of h	ealth benefits.

Contributions

During the measurement period of 2023 for fiscal 2024 reporting, the amount of TxDOT's contributions recognized by the OPEB plan was \$220.6 million, or 7.40 percent proportionate share of the state of Texas contributions. TxDOT does not contribute toward dental or optional life insurance. Surviving spouses and their dependents do not receive any employer contribution. The contribution requirements for the state and the members in the measurement period are presented in the table below:

Employer Contribution Rates Retiree Health and Basic Life Premium For the Fiscal Year Ended August 31, 2023				
	ERS SRHP			
	En	nployer	Plai	n Member
Retiree Only	\$	624.82	\$	0
Retiree & Spouse		1,340.82		358.00
Retiree & Children		1,104.22		239.70
Retiree & Family		1,820.22		597.70

The total OPEB liability is determined by the contribution rates and an annual actuarial valuation. The table below presents the actuarial methods and assumptions used to measure the total OPEB liability as of the Aug. 31, measurement date.

Actuarial Methods and Assumptions - OPEB - State Retiree Health Plan (SRHP)					
Valuation Date	August 31, 2023				
Actuarial Cost Method	Entry Age				
Amortization Method	Level Percent of Payroll, Open				
Remaining Amortization Period	30 Years				
Asset Valuation Method	Not applicable				
Actuarial Assumptions:					
Discount Rate	3.81%*				
Inflation Rate	2.30%				
Projected Annual Salary Increase	2.30% to 8.95%, including inflation				
Annual Healthcare Trend Rate	HealthSelect 5.60% for FY25, 5.30% for FY26, 5.00% for FY27, 4.75% for FY28, 4.60% for FY29, decreasing 10 basis points per year to an ultimate rate of 4.30% for FY32 and later years HealthSelect Medicare Advantage 16.40% for FY25, 8.40% for FY26, 5.00% for FY27, 4.75% for FY28, 4.60% for FY29, decreasing 10 basis points per year to an ultimate rate of 4.30% for FY32 and later years				
Ad hoc Postemployment Benefit Changes	<u>Pharmacy</u> 10.00% for FY25 and FY26, decreasing 100 basis points per year to 5.00% for FY31 and 4.30% for FY32 and later years None				
Aggregate Payroll Growth	2.70%				
Retirement Age	Experience-based tables of rates that are specific to the class of employee				
Mortality-State Agency Members	 <u>Service Retirees, Survivors and Other Inactive Members:</u> 2020 State Retirees of Texas Mortality table with a 1 year set forward for male CPO/CO members. Generational mortality improvements in accordance with the Ultimate MP-2019 Projection Scale are projected from the year 2020. <u>Disability Retirees:</u> 2020 State Retirees of Texas Mortality table set forward three years for males and females. Generational mortality improvements in accordance with the Ultimate MP-2019 Projection Scale are projected from the year 2020. Minimum rates of 3.0% and 2.5% apply at all ages for males and females, respectively. <u>Active Members:</u> Pub-2010 General Employees Active Member Mortality table for non-CPO/CO members. Pub-2010 Public Safety Active Member Mortality table for CPO/CO members. 				
*The source of the municipal bond rate is the Bond Buyer Index of g credit quality is roughly equivalent to Moody's Investors Service's A	Generational mortality improvements in accordance with the Ultimate MP-2019 Projection Scale are projected from the year 2010. general obligations bonds with 20 years to maturity and mixed credit quality. The bonds' average				

The many actuarial assumptions used in the valuation were primarily based on the result of actuarial experience studies performed by the ERS retirement plan actuaries for the period Sept. 1, 2014 to Aug. 31, 2019 for state agency members. The mortality rates were based on the table above titled Actuarial Methods and Assumptions.

The following assumptions have been changed since the previous Other Postemployment Benefits (OPEB) valuation:

- (a) The percentage of current retirees and their spouses not yet eligible to participate in the HealthSelect Medicare Advantage Plan and future retirees and their spouses who will elect to participate in the plan at the earliest date at which coverage can commence.
- (b) Proportion of future retirees assumed to cover dependent children.
- (c) The proportion of future retirees assumed to elect health coverage at retirement and the proportion of future retirees expected to receive the Opt-Out Credit at retirement.
- (d) Assumed Per Capita Health Benefit Costs and Health Benefit Cost and Retiree Contribution trends have been updated since the previous valuation to reflect recent health plan experience and its effects on our short term expectations.
- (e) The Patient-Centered Outcomes Research Institute fee payable under the Affordable Care Act and the rate of future increases in the fee have been updated to reflect recent plan experience and expected trends.
- (f) The discount rate was changed from 3.59% as of August 31, 2022 to 3.81% as of August 31, 2023 as a result of requirements by GASB No. 74 to utilize the yield or index rate for 20-year, tax exempt general obligation municipal bonds rated AA/Aa (or equivalent) or higher in effect on the measurement date.

Minor benefit revisions have been adopted since the prior valuation. These changes, which are not expected to have a significant impact on plan costs for FY2024, are provided for in the FY2024 Assumed Per Capita Health Benefit Costs. There are no benefit changes for HealthSelect retirees and dependents for whom Medicare is Primary.

The discount rate that was used to measure the total OPEB liability is the municipal bond rate of 3.81% as of the end of the measurement year; as of the beginning of the measurement year, the discount rate was 3.59%. Projected cash flows into the plan are equal to projected benefit payments out of the plan. As the plan operates on a pay-as-you-go basis and is not intended to accumulate funds in advance of retirement, there is no long-term expected rate of return. ERS' board of trustees amended the investment policy statement in August 2022 to require that all funds in this plan be invested in cash and equivalent securities. The investment rate of return used to calculate the projected earnings on OPEB plan investments was 3.59%.

Sensitivity analysis was performed on the impact of changes in the discount rate on the proportionate share of TxDOT's net OPEB liability. The result of the analysis is presented in the table below:

Sensitivity of TxDOT's Proportionate Share of Net OPEB Liability to Changes in Discount Rate						
(Amount in Thousands)						
Current Discount						
	1	1% Decrease		Rate		1% Increase
ERS Plan Discount Rate		2.81%		3.81%		4.81%
Net OPEB Liability	\$	2,292,951	\$	1,976,075	\$	1,721,203

Sensitivity analysis was performed on the impact of changes in the healthcare cost trend rates on the proportionate share of TxDOT's net OPEB liability. The result of the analysis is presented in the table below:

Sensitivity of TxDOT's Proportionate Share of Net OPEB Liability to Changes in Healthcare Cost Trend Rates HealthSelect (HS) or HealthSelect Medicare Advantage (HSMA)									
(Amount in Thousands)									
Current Healthcare Cost									
	1% Decrease Trend Rates 1% Increase								
	(HS/HSMA/Pharmacy:								
	4.60%/15.40%/9.00%	5.60%/16.40%/10.00%	6.60%/17.40%/11.00%						
decreasing to 3.30%) decreasing to 4.30%) decreasing to 5.30%)									
Net OPEB Liability	\$ 1,699,699	\$ 1,976,075	\$ 2,327,073						

The OPEB plan's fiduciary net position is determined using the economic resources measurement focus and the accrual basis of accounting, which is the same basis used by ERS. Benefits and refunds of contributions are recognized when due and payable in accordance with the terms of the plan. Investments of the Other Employee Benefit Trust Fund are reported at fair value in accordance with GASB Statement No. 72. The fair value of investments is based on published market prices and quotations from major investment brokers at available current exchange rates. However, corporate bonds in general are valued based on currently available yields of comparable securities by issuers with similar credit ratings. More detailed information of the plan's investment valuation, investment policy, assets, and fiduciary net position may be obtained from ERS's fiscal 2023 ACFR:

Employees Retirement System of Texas P.O. Box 13207 Austin, Texas 78711-3207

At Aug. 31, 2024, TxDOT reported a liability of \$2.0 billion for its proportionate share of the collective net OPEB liability. The collective OPEB liability was measured as of Aug. 31, 2023, and the total OPEB liability used to calculate the net liability was determined by an actuarial valuation as of that date. TxDOT's proportional percentage at Aug. 31, 2023 was 7.40 percent. TxDOT's proportion of the collective net OPEB liability was based on its contributions to the OPEB plan relative to the contributions of all the employers and non-employer contributing entities to the plan for the period Sept. 1, 2022 through Aug. 31, 2023.

The schedule of changes in TxDOT's net OPEB liability for the fiscal year ending Aug. 31, 2024, is presented as follows:

Schedule of Changes in Net OPEB Liability			
(Amounts in Thousands)			
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balances at 09/01/23	(a) \$ 2,155,151	(b) \$ 39,123	$\frac{(a) - (b)}{\$ 2.116.028}$
	\$ 2,133,131	\$ 59,125	\$ 2,116,028
Changes for the year: Service Cost	76,765		76,765
Interest	70,703		70,703
Change of benefit terms	(9,908		(9,908)
Differences between Expected and Actual Experience	(14,884		(14,884)
Contributions-Employer	(14,004	, 59,245	(59,245)
Contributions-Non-employer Contributing Entities		3,125	(3,125)
Contributions-Employee		13,457	(13,457)
Contributions-Federal Revenues for Medicare Part D RDS		112	(112)
Other (Federal Revenues and Other Additions)		9,024	(9,024)
Net Investment Income		478	(478)
Benefit Payments, including Refunds of Employee-Contributions	(61,827) (61,827)	0
Benefit Payments financed by Employee-			
Contributions and Federal Revenues		(22,482)	22,482
Administrative Expense		(585)	585
Assumption Changes	(198,196))	(198,196)
Net Effect of the Change in TxDOT's Proportional Percentage	(9,083))	(9,083)
Net Changes	(139,406)	547	(139,953)
Balances at 08/31/24	\$ 2,015,745	\$ 39,670	\$ 1,976,075

For the year ended Aug. 31, 2024, TxDOT recognized an OPEB expense of \$97.4 million. All contributions by employers and the State of Texas Non Employer Contributing Entity (NECE) to the Group Employees Life, Accident and Health Insurance and Benefits Fund Program (GBP) are available to pay claims of active and retired members. Employer and NECE contributions are based on a blended rate. Allocation of the OPEB liability and related accounts should be based on the total contributions that are available to pay current and future claims of the OPEB plan, as this best reflects the relationship between the contributions and the collective net OPEB liability. The employer's proportional share of OPEB contributions for the measurement year ending Aug. 31, 2023 includes both active and retiree contributions.

As of Aug. 31, 2024, TxDOT reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Outstanding Deferred Outflows and Deferred Inflows Related to OPEB at August 31, 2024				
(Amounts in Thousands)				
	Γ	Deferred	Deferred	
	Οι	itflows of	Inflows of	
	R	esources	Resources	
Difference between Expected and Actual Experience	\$	\$	52,268	
Changes of Assumptions		65,920	617,155	
Net Difference between Projected and Actual Investment Return		196	36	
Change in Proportion & Contribution Difference		388,089		
Contributions Subsequent to the Measurement Date		223,437		
Total	\$	677,642 \$	669,459	

The \$223.4 million reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net OPEB liability for the year ending Aug. 31, 2025.

Amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense in the following years:

Fiscal Year Ended August 31:	
(Amounts in Thousands)	
2025	\$ (29,530)
2026	\$ (55,957)
2027	\$ (66,614)
2028	\$ (57,651)
2029	\$ (5,502)
Thereafter	\$ 0

NOTE 11 - INTERFUND ACTIVITY AND TRANSACTIONS

Interfund activity refers to financial interactions between funds and/or blended component units and is restricted to internal events. Interfund transactions refer to financial interactions between TxDOT and another agency of the state of Texas.

Interfund services are sales and purchases of goods and services between funds for a price approximating their external exchange value. This activity is reported as revenues in seller funds and expenditures or expenses in purchaser funds. Unpaid amounts are reported as receivables and payables.

Interfund transfers represent the flow of assets (cash or goods) without equivalent flow of assets in return or a requirement for repayment. In governmental funds, transfers are reported as other financing uses or sources. Transfers are reported in proprietary funds after nonoperating revenues and expenses in the statement of revenues, expenses and changes in fund net position.

As a general rule, the effect of interfund activity within TxDOT funds is eliminated from the entity-wide financial statements, with exception of activities between governmental activities and business-type activities. Interfund activity with fiduciary funds is reclassified and reported as an external activity.

Interfund Activity

TxDOT's operations are primarily managed through the state highway fund. As such, several routine transfers are reported between the state highway fund and TxDOT's other major and nonmajor funds. The following tables detail the principal purposes of TxDOT's significant routine interfund transfers as well as provide a summary of interfund transfers by individual major funds, nonmajor funds in the aggregate and fiduciary funds.

Interfund Transfers In/Out by Purpose

August 31, 2024 (Amounts in Thousands)

Purpose	oose Interfund Interfund Transfer In (Fund) Transfer Out (Fund)		Amount		
Reimburse the state highway fund for costs incurred on projects funded by local government contributions.	State Highway Fund	County/Political Subdivision/ Local Government Road/Airport Trust Account	\$	189,450	
Provide funds to pay debt service principal and interest payments on outstanding Proposition 12/ Highway Improvement General Obligation Bonds.	Proposition 12 Debt Service Fund	State Highway Fund	\$	257,431	
Provide funds to pay debt service principal and interest payments on outstanding Proposition 14/State Highway Fund Revenue Bonds.	Proposition 14 Debt Service Fund	State Highway Fund	\$	398,351	

Interfund Transfers In/Out

August 31, 2024 (Amounts in Thousands)			
	Transfers In Other Funds	Transfers Out Other Funds	
Governmental Funds			
Major Funds:			
State Highway Fund	\$ 232,196	\$	787,897
Texas Mobility Fund	123,872		
Nonmajor Funds	 1,055,781		593,198
	 1,411,849		1,381,095
Proprietary Funds			
Major Funds:			
Central Texas Turnpike System	13,022		
Grand Parkway Transportation Corp.			43,553
SH 249 System	 6		229
	 13,028		43,782
Total	\$ 1,424,877	\$	1,424,877

Interfund reimbursements are repayments from funds responsible for payment of expenditures or expenses to the funds that initially made the payment on their behalf. Reimbursements are not displayed in the financial statements.

Amounts not transferred at fiscal year-end are accrued as due to/due from other funds. Due to/due from amounts between governmental or business-type activities and fiduciary funds are reported as due to/due from amounts between funds in the fund financial statements and are reclassified to receivables from fiduciary funds/payables to fiduciary funds, as if they were external transactions in the entity-wide financial statements.

Due From/To			
August 31, 2024 (Amounts in Thousands)			
	Due From Other Funds	Due To Other Funds	
Governmental Funds			
Major Funds:			
State Highway Fund	\$ 158,552	\$ 139,019	
Texas Mobility Fund		6,325	
Nonmajor Funds	3,309	20,555	
	161,861	165,899	
Proprietary Funds			
Major Funds:			
Central Texas Turnpike System	31,681	19,743	
Grand Parkway Transportation Corp.	8,531	17,053	
SH249 System	833	211	
	41,045	37,007	
Total	<u>\$ 202,906</u>	<u>\$ 202,906</u>	

Activity occurring within the same fund is eliminated. Certain reclassifications and eliminations are made between the fund financial statements and the entity-wide financial statements. Transfers between the governmental or business-type activities and the fiduciary funds are reported as transfers on the fund financial statements and are reclassified to revenues and expenses, as if they were external transactions on the entity-wide financial statements. Additional eliminations are made and transfers in and out are netted and presented in the entity-wide statement of activities as "transfers-internal activities".

Transfers-Internal Activities per the Entity-Wide Financial Stat	emen	ts				
August 31, 2024 (Amounts in Thousands)						
Fund Category					Otl	ner Funds*
Governmental Activities					\$	30,739
Business-Type Activities					\$	(30,739)
*Amounts include capital contributions of \$15.0 thousand from Governmental Activities Internal Balances per the Entity-Wide Financial Statements August 31, 2024 (Amounts in Thousands)	to Busi	ness-Type Activ	ities.			
Current Liabilities:		vernmental Activities	Business-Typ Activities	e		Total
Internal Balances - Payables	\$	4,038	\$ (4,0	38)	\$	0

Interfund Transactions

The state highway fund is considered a shared fund and is appropriated for use by multiple State of Texas agencies. TxDOT is considered the controlling agency for the state highway fund and reports the total cash in state treasury balance for the fund at fiscal year-end. TxDOT reports interagency transfers in and out with the other agencies that collect and deposit to or expend out of the state highway fund.

The following tables detail the balances of transfers to/from and due to/from other state agencies and TxDOT. Approximately \$1.8 billion of the interagency transfers-in balance for the state highway fund is related to the net amount of cash collected by Texas Department of Motor Vehicles for certificate of title fees and motor vehicle registration fees. The transfer-in, received in fiscal 2024, resulted in an increase to the TxDOT highway fund cash in state treasury balance. Also, the State Highway Fund received monthly deposits from TCEQ-money to be used for congestion mitigation projects. This amount was approximately \$102.4 million.

On Nov. 4, 2014, Texas voters approved the ballot measure that authorized a constitutional amendment for transportation funding. Under the amendment, half of the funds that would have previously gone into the Economic Stabilization Fund (ESF), are now deposited to the state highway fund. TxDOT recorded a due from in the state highway fund related to Proposition 1 ballot measure in the amount of \$2.7 billion in fiscal 2024. The Comptroller of Public Accounts transferred this amount to TxDOT in November 2024.

Austin Campus Consolidation Project Fund captures the activity related to the construction of TxDOT headquarters, which reached substantial completion on Apr. 30, 2022. Texas Public Financing Authority (TPFA) is the controlling agency of this fund. TxDOT and TPFA have entered into an agreement whereby TPFA has issued an obligation on behalf of TxDOT to finance the construction of the building. TxDOT considers this obligation as a long-term liability. \$1.7 million reported as due from agencies is the remaining amount of money that TPFA will provide TxDOT for the remaining construction of the TxDOT headquarters.

TxDOT also has interagency activity with federal funds. See Schedule 1A of this report for more details.

Transfers In/Out to Other State Agencies			
August 31, 2024 (Amounts in Thousands)			
	T	ransfers In	Transfers Out
	Oth	ner Agencies	Other Agencies
Governmental Funds			
Major Funds:			
State Highway Fund	\$	1,902,539	\$ 9,514
Nonmajor Funds		204,678	
Total	<u>\$</u>	2,107,217	<u>\$ 9,514</u>

Due From/To Other State Agencies August 31, 2024 (Amounts in Thousands) Due From Outer Agencies Other Agencies Governmental Funds 0ther Agencies Major Funds: 2,990,408 State Highway Fund 1,685

Pass-Throughs To/From Other State Agencies	
August 31, 2024 (Amounts in Thousands)	
	State Highway Fund
Federal Pass-throughs:	
Expenditures	\$ (11,768)
Revenue*	(1,711)
Total	\$ (13,479)
State Pass-throughs:	
Expenditures	\$ (254)
Total	\$ (254)
* This amount represents a refund of revenue to the federal government	

NOTE 12 - CONTINUANCE SUBJECT TO REVIEW

Under the Texas Sunset Act, TxDOT will be abolished effective Sept. 1, 2029, unless continued in existence by the 91st Legislature as provided by the Act. If abolished, TxDOT may continue until Sept. 1, 2030 to wind down its operations. In the event that TxDOT is abolished pursuant to the Texas Sunset Act or other law, Texas Government Code, Section 325.017(f), acknowledges that such action will not alter the obligation of the state to pay bonded indebtedness and all other obligations of the abolished agency.

Due To

Other Agencies

2,992,093

3,096

3,096

Total

NOTE 13 - CLASSIFICATION OF FUND BALANCE AND NET POSITION

The table below presents a summary of the Aug. 31, 2024 governmental fund balances by major and nonmajor governmental funds. With the exception of non-spendable fund balances, fund balances are presented based on specific purpose for which the funds are restricted, committed, assigned or unassigned.

Governmental Fund Balances –

Disaggregation of Nonspendable, Restricted, Committed, Assigned and Unassigned Fund Balances

August 31, 2024 (Amounts in Thousands)

MAJOR FUNDS	State Highway Fund	Texas Mobility Fund	Total Major Funds		
Nonspendable:					
Inventory	\$ 168,092	\$	\$ 168,092		
Restricted For:					
Transportation-Construction	3,677,600		3,677,600		
Debt Service		298,154	298,154		
Committed To:					
Transportation-Construction	907,694	172,247	1,079,941		
Assigned To:					
Transportation	813,813		813,813		
Total	<u>\$ 5,567,199</u>	<u>\$ 470,401</u>	<u>\$ 6,037,600</u>		
		Special	Debt Service	Capital	Total Nonmajor
NONMAJOR FUNDS	General Funds	Revenue Funds	Funds	Projects Funds	Funds
Restricted For:					
Capital Projects	\$	\$	\$	\$ 1,685	
Debt Service			51,498		51,498
Committed To:	554.045	6 001			500 00 6
Transportation-Construction	576,065	6,321			582,386
Assigned To:	(127 50 4)				(127.50.4)
Unassigned	(137,584)	¢ (201	¢ 51.400	<u>ф 1.605</u>	(137,584)
Total	\$ 438,481	<u>\$ 6,321</u>	<u>\$ 51,498</u>	<u>\$ 1,685</u>	<u>\$ 497,985</u>

Restrictions of net position are listed on the face of the entity-wide and proprietary statements of net position. Balances reported as restricted in the fund financial statements are reported as restricted in the statement of net position. All other fund financial balances are reported as unrestricted in the statement of net position.

Adjustments to Fund Balances/ Net Position					
(Amounts in Thousands)					
	Septe	nber 1, 2023, as	Adjustments/	Sept	tember 1, 2023 as
	Previ	ously Reported	Reclassifications		Restated
ENTITY-WIDE FINANCIAL STATEMENTS					
Govermental Activities	\$	127,704,640	\$	\$	127,704,640
Business-Type Activities		(3,276,314)			(3,276,314)
Total Primary Government		124,428,326	0		124,428,326
GOVERNMENTAL ACTIVITIES					
Major Funds:					
State Highway Fund		8,020,723			8,020,723
Texas Mobility Fund		421,051			421,051
Total Major Funds		8,441,774	0		8,441,774
Nonmajor Funds:					
General Fund Accounts		5,598			5,598
Special Revenue Fund		6,020			6,020
Debt Service Fund		40,614			40,614
Capital Projects Fund		2,218			2,218
Total Nonmajor Funds		54,450	0		54,450
BUSINESS-TYPE ACTIVITIES		017 075			017 075
Central Texas Turnpike System		217,375			217,375
Grand Parkway Transportation Corp.		(3,742,758)			(3,742,758)
SH249 System	¢	249,069	¢0	¢	249,069
Total Business-Type Activities	\$	(3,276,314)	<u>\$</u> 0	\$	(3,276,314)

NOTE 15 - COMMITMENTS AND CONTINGENCIES

Contingencies

Unpaid Claims and Lawsuits

The type and volume of activity for which TxDOT is responsible exposes it to a large number of claims and lawsuits. TxDOT has vigorously contested lawsuits brought against it and has usually prevailed or made settlements substantially less than the amounts originally sought.

TxDOT is exposed to claims by contractors. TxDOT will most likely settle these claims at substantially less than the amount originally sought. However, if a settlement between TxDOT's claims committee and the contractor cannot be reached, these claims will result in future litigation. As of Aug. 31, 2024, outstanding contractor claims pending at the TxDOT claims committee totaled \$167.9 million.

Settlements are paid by the Texas Comptroller of Public Accounts from the claims and refunds appropriation. The Attorney General's office indicates that the lawsuits listed below were pending as of Aug. 31, 2024. TxDOT management's opinion is that the probable outcome of these cases will not materially affect the financial position of TxDOT.

Type of Suit	Amounts in Controversy
	Amounts claimed range from \$2 thousand to \$23.9 million. Total claims of amounts indicated
Contract	is \$38.7 million.
Inverse Condemnation	Monetary amounts have not been specified in any of these cases.
Declaratory Judgment	Monetary amounts have not been specified in any of these cases.
	Total claims with amounts indicated range from \$100 to \$8.4 million with a total of \$539.2
Eminent Domain	million.
	Monetary amounts have not been specified in any of these cases. Liability against TxDOT is
Employment Law and Related Lawsuits	limited to \$600 thousand; however, there is no limit on attorney fees and front pay.
	Statutory limits of liability on these cases are \$250 thousand per person or \$500 thousand per
Tort Claims	accident.
Workers' Compensation	Monetary amounts have not been specified in any of these cases.

Arbitrage

Rebatable arbitrage defined by Internal Revenue Code (IRC), Section 148, is earnings on tax exempt bond proceeds in excess of the yield on the bond. The rebatable arbitrage must be repaid to the federal government. Pursuant to the applicable bond Indenture of Trust, a Rebate Fund will be established under the Indenture to which deposits will be made upon the determination by a verification agent that a rebate payment may be due. The amount of rebate due to the federal government is determined and payable during each five-year period and upon final payment of the tax-exempt bonds. IRC Section 148 also provides for certain rebate exceptions, including an exception if certain spend-out requirements of the bond proceeds are met. TxDOT estimates that rebatable arbitrage liability, if any, will be immaterial to the agency's overall financial condition.

Federal Reimbursements and Grants

TxDOT receives federal financial assistance for specific purposes that are subject to review or audit by the federal grantor agencies. Entitlement to this assistance is generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal regulations, including the expenditure of assistance for allowable purposes. Such audits could lead to requests for reimbursements to grantor agencies for expenditures disallowed under the terms of the grant. Based on prior experience, management believes such disallowance, if any, will be immaterial.

On Dec. 16, 2011, TxDOT and the Federal Highway Administration (FHWA) approved and executed a Memorandum of Understanding (MOU) for FHWA participation in TxDOT's pass-through funding (PTF) program. This MOU will apply to all pass-through finance (PTF) projects approved by TxDOT after Feb. 26, 2009 with some stipulations as detailed within the agreement. This agreement was done in order to facilitate maximum Federal reimbursement on TxDOT PTF projects. The MOU is not applicable to any PTF project agreements executed prior to Feb. 26, 2009. Federal reimbursement for these projects will be set up on an individual basis in separate agreements between TxDOT and FHWA and with compliance reviews being performed on each project.

Significant Commitments

Construction Related Contracts

As of Aug. 31, 2024, TxDOT had outstanding contractual commitments related to the award of construction contracts, terms of outstanding design-build contracts and terms requiring contribution of public funds to provide for a portion of construction costs related to Public-Private/Public Partnerships (PPPs). Of the amounts committed under these contracts, TxDOT expects to receive future reimbursements from the Federal Highway Administration (FHWA). In addition, the Grand Parkway Transportation Corporation (GPTC), our blended component unit, has outstanding construction commitments. Disclosure of these construction related commitments and potential FHWA reimbursement is displayed below.

Construction Related Contract Commitments August 31, 2024 (Amounts in Thousands)				
	Tot	al Remaining		
	С	ommitment	FHWA F	Reimbursements
Construction Contracts	\$	22,309,010	\$	10,549,306
Design-Build Projects		3,730,932		1,144,499
PPP Projects		289		
GPTC Project		896		
Totals	\$	26,041,127	\$	11,693,805

Pass-Through Toll Agreements

Transportation Code, Section 222.104 authorizes TxDOT to enter into an agreement with a public or private entity that provides for the payment of pass-through tolls to the public or private entity as reimbursement for the design, development, financing, construction, maintenance, or operation of a toll or non-toll facility on the state highway system by the public or private entity. As of Aug. 31, 2024, there were 24 active pass-through financing agreements.

TxDOT recognizes liabilities associated with pass-through toll projects as notes payable as the projects are being constructed. Notes payable amounts are determined by contractually negotiated agreements with pass-through toll partners. See Note 5 for details on the payables recognized related to pass-through toll repayment obligations.

The maximum total remaining repayment commitments for pass-through toll projects executed as of Aug. 31, 2024 was approximately \$344 million. Approximately \$1.4 billion was repaid as of Aug. 31, 2024 since the inception of the pass-through toll agreements. The actual repayment obligation for each agreement is not determinable until total construction costs are known.

Toll Equity Grants and Loan Agreements

Transportation Code, Section 222.103 authorizes TxDOT to participate, by spending money from any available source, in the cost of acquisition, construction, maintenance or operation of a toll facility of a public or private entity. The Commission adopted administrative rules (toll equity rules) to prescribe conditions for the Commission's financing of such toll facilities. Under these guidelines the Commission has committed funds in the form of toll equity grants and toll equity loans. As of Aug. 31, 2024, the Commission has outstanding toll equity grant commitments and toll equity loan commitments totaling \$62.6 million and \$8.5 billion, respectively. Payments of these amounts are made subject to executed financial assistance agreements between TxDOT and the applicable public or private entity.

The toll equity loan commitment is related to a toll equity loan agreement (TELA) with the GPTC. This agreement makes a loan available to be drawn on in the event revenues and certain reserves are insufficient to pay certain debt service or operations and maintenance costs of the toll systems of aforementioned entities.

The GPTC funds financed by TELA-supported debt are to be used to pay for certain costs relating to the development, construction, operation, maintenance and financing of Segments D (Harris County), E, F1, F2, G, H, and I and the predevelopment of possible extensions or expansions of the Grand Parkway. The maximum amount of money that can be paid by TxDOT to GPTC under the TELA is equal to the aggregate amount of costs that are authorized under Article 8, Section 7-a of the Texas Constitution and Section 222.103 of the Texas Transportation Code, i.e. the "Eligible Costs".

NOTE 16 - SUBSEQUENT EVENTS

On Oct. 1, 2024, the State of Texas General Obligation Mobility Fund Refunding Bonds, Series 2024 were successfully issued in the par amount of \$840.3 million. Below is information on the bonds refunded subsequent to Aug. 31, 2024.

Description	Series	Actual Par Amount (Amount in Millions)	Actual Date of Issuance	Purpose
General Obligation Mobility Fund Refunding Bonds	2024	\$ 840.3	10/1/2024	To refund certain Outstanding Parity Debt and to achieve debt service savings.

On Oct. 8, 2024, The Texas Transportation Commission terminated the SH 288 Comprehensive Development Agreement after a \$1.7 billion buyout payment was made to operator Blueridge Transportation Group. The buyout payment was disbursed by blended component unit Texas Transportation Finance Corporation (TTFC) after TTFC was issued a loan of \$1.7 billion from the State Highway Fund. The purpose of the buyout was to provide Texans with toll relief and more free lanes along SH288.

On Oct. 31, 2024, the Texas Transportation Commission authorized the execution of a Tolling Service Agreement with the Harris County Toll Road Authority (HCTRA), under which HCTRA will provide toll transaction processing and customer account management services for certain toll roads owned or operated by TxDOT in the Austin and Houston regions, including the CTTS System. This agreement was entered into to enhance customer service and improve back-office operational efficiency. TxDOT anticipates the transition to HCTRA to be in multiple phases beginning by the end of calendar year 2024.

NOTE 17 – RISK MANAGEMENT

TxDOT is exposed to various risks of loss related to property, general and employer liability, net income, and personnel. TxDOT and its employees are covered by various immunities and defenses that limit some of these risks of loss, particularly in liability actions brought against TxDOT or its employees. Remaining exposures are managed by self-insurance arrangements.

The activity related to claims and judgements for the year is recorded in the below table. Further details of these claims and judgements is provided in Note 5.

Claims and Judg August 31, 2024 (Amou)				
	Beginning Balance	Increases	Decreases	Ending	Balance
2024	\$ 400,000	6,015	(256,015)	\$	150,000
2023	\$ 0	440,447	(40,447)	\$	400,000

Property and Liability

TxDOT administers a self-insured workers compensation program. Due to the nature of worker compensation claims, amounts are not reasonably estimable. Claims are paid as they become due.

TxDOT self-insures the Central Texas Turnpike System, the Interstate Highway 35E Managed Lanes, and the SH 249 System. GPTC self-insures the Grand Parkway System. Each system or project is insured through funds on deposit within its Rate Stabilization Fund. Amounts on deposit in Rate Stabilization Funds for self-insurance has been certified as actuarially sound by AMI Risk Consultants, Inc for CTTS, IH 35E, SH 249 system, and GPTC. To date, neither TxDOT or GPTC have had to draw upon the Rate Stabilization Fund to settle any claims, and therefore settlements have not exceeded self-insurance coverage.

During the fiscal year, the Texas Transportation Commission maintained a Not-for-Profit Entity and Directors, Officers Liability Insurance Policy Including Employment Practices Claims Coverage in connection with the Central Texas Turnpike System and the SH 249 System. Grand Parkway Transportation Corporation also maintained Directors and Officers Liability insurance and certain public official's liability coverage for the Grand Parkway System.

Health, Life and Dental

Insurance coverage is provided to active state employees and their dependents by one of three health plan administrators. All TxDOT employees are included in the Texas Employees Group Benefits Program (GBP) administered by the Employees Retirement System of Texas (ERS).

Claims for health, life, accidental death and dismemberment (AD&D), disability and dental insurance coverages are established under the GBP. These coverages are provided through a combination of insurance contracts, a self-funded health plan, a self-funded dental indemnity plan, HMO contracts and dental health maintenance organizations (DHMO) contracts.

Commitments

TxDOT incurs commitments related to outstanding construction contracts and comprehensive development agreements. Further detail of these commitments is provided in Note 15.

NOTE 18 - FINANCIAL REPORTING ENTITY

As required by Generally Accepted Accounting Principles, the financial statements present TxDOT, a state agency, and its component units. The component units discussed in this note are included in TxDOT's reporting entity because of the significance of their operational and financial relationships with TxDOT.

Blended Component Units

The Commission is authorized to create Transportation Corporations in Transportation Code, Chapter 431. The Commission approves the creation of transportation corporations, approves the articles of incorporation, appoints directors and approves by-laws. At any time, the Commission may terminate and dissolve a transportation corporation. In the event of dissolution or liquidation of a corporation, all assets shall be turned over to TxDOT.

As of Aug. 31, 2024, three transportation corporations are authorized by the Commission. In all three instances TxDOT contains the voting majority, is able to impose its will upon the transportation corporations, and the services of all three transportation corporations' benefit TxDOT. Furthermore, the three transportation corporations are classified as blended component units.

The Texas Private Activity Bond Surface Transportation Corporation (TxPABST) acts on behalf of TxDOT in the promotion and development of transportation facilities, by issuing private activity bonds for projects developed under comprehensive development agreements (CDAs) entered into by TxDOT. Bonds issued by TxPABST are not legal obligations of the state of Texas and are payable solely from payments received or on behalf of a CDA developer. See Note 6 for additional details about the TxPABST private activity bond issuances as of Aug. 31, 2024. TxPABST does not publish financial statements. Further information can be obtained by writing:

Texas Private Activity Bond Surface Transportation Corporation 125 East 11th Street Austin, Texas 78701

The Grand Parkway Transportation Corporation (GPTC) acts on behalf of TxDOT in the promotion and development of the Grand Parkway Project, by issuing bonds and entering into comprehensive development agreements with developers for the design and construction of several segments of the Grand Parkway project. Bonds issued by GPTC are not legal obligations of the state of Texas and are payable solely from revenues and other funds of the Grand Parkway System, which is comprised of Segments D in Harris County, E, F-1, F-2, G, H, I-1, I-2, and B-1 located in Chambers, Harris, Liberty, Montgomery, Galveston and Brazoria Counties. See Note 6 for additional details about the GPTC bond issuances as of Aug. 31, 2024. GPTC has a fiscal year end of Aug. 31, 2024, consistent with TxDOT. The financial activity of GPTC is reported as a Proprietary fund within the accompanying financial statements of TxDOT. Further information can be obtained by writing:

Grand Parkway Transportation Corporation Financial Management Division 125 East 11th Street Austin, Texas 78701

The Texas Transportation Finance Corporation (TTFC) acts on behalf of TxDOT by acquiring, developing, financing, refinancing, designing, constructing, reconstructing, expanding, tolling, operating or maintaining some or all of any toll projects within the State that is to be developed by the Texas Department of Transportation (the Department), as determined by the Commission, including executing contracts with the Department or a development team, borrowing money, assigning rights under contracts and other related matters. Bonds issued by TTFC are not legal obligations of the state of Texas and are payable solely from the tollway's revenues and other dedicated funds. TTFC has the same fiscal year-end as TxDOT and operations will not commence until October 2024. There were no operations or transactions for fiscal year 2024. The financial activity of TTFC will be reported as a Proprietary fund within the accompanying financial statements of TxDOT. Further information can be obtained by writing:

Texas Transportation Finance Corporation Financial Management Division 125 East 11th Street Austin, Texas 78701

NOTE 19 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Changes in Accounting Principles

The implementation of GASB statements is addressed in Note 1.

Deficit Fund Balance and Net Position

Grand Parkway Transportation Corporation (GPTC) had a \$3.7 billion deficit net position at the end of fiscal 2024. The majority of the deficit net position was due to the outstanding bond liability balance exceeding the assets owned by the Corporation. GPTC supports TxDOT by issuing bonds to construct portions of the Grand Parkway project, but does not own any capital assets that are constructed. Capital Assets of \$3.1 billion funded by GPTC are reported in the Governmental Activities column of the statement of net position.

The General Revenue fund had a \$137.5 million deficit fund balance at the end of fiscal 2024. The deficit fund balance is attributed to \$274.4 million in unavailable appropriation revenue in the fund due to time restrictions. TxDOT has a biennial budget cycle and recognizes one-half of the total appropriations revenue in the first half of the biennium, and one-half of the total appropriations revenue in the second year of the biennium.

Coronavirus Relief fund had a \$44.0 thousand deficit fund balance at the end of fiscal 2024. The entire deficit fund balance represents the portion of the federal receivable balance in the fund that was unavailable within 60 days of fiscal year-end.

NOTE 20 – PUBLIC-PRIVATE AND PUBLIC-PUBLIC PARTNERSHIPS (PPPs)

As of Aug. 31, 2024, TxDOT has entered into eight agreements that are classified as PPPs under the definition established by GASB Statement 94. A PPP arrangement is an arrangement between the transferor (TxDOT) and an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset, for a period of time in an exchange or exchange-like transaction.

Some PPPs are service concession arrangements (SCAs), for which TxDOT retains the ownership of the underlying assets. An SCA is a PPP arrangement between a transferor and an operator in which all of the following criteria are met:

- (a) The transferor conveys to the operator the right and related obligation to provide public services through the use and operation of an infrastructure asset in exchange for significant consideration, such as up-front payments, a new infrastructure asset, or improvements to an existing infrastructure asset.
- (b) The operator collects and is compensated by fees from third parties. In all active TxDOT PPPs, these fees are in the form of tolls.
- (c) The transferor determines or has the ability to modify or approve what services the operator is required to provide, to whom the operator is required to provide the services and the rates that can be charged for the services.
- (d) The transferor is entitled to significant residual interest in the service utility of the infrastructure asset at the end of the arrangement.

TxDOT enters PPP projects in order to:

- Improve mobility by expanding existing road capacity and introducing managed toll lanes, traditional toll lanes and other strategies aimed at reducing traffic congestion.
- Enable TxDOT to deliver these projects faster than would be possible using traditional funding sources.
- Shift the majority of the financial risk to the operator.

TxDOT may enter into PPPs with both public and private operators. At the end of these arrangements, operations and maintenance of the projects will transfer to TxDOT.

The structure of each PPP is different due to the unique financial aspects of each arrangement. In all cases, TxDOT receives a benefit due to the department's retention of ownership of the project at the end of the PPP term. The following table summarizes the status, term and duration of each currently active PPP.

Public-Private and Public-Public Partnerships

As of August 31, 2024

Partnerships Name	Construction Status	Term of PPP	FY PPP Begin	FY PPP End			
IH 10 "Katy Managed Lanes*	Complete	42 years	2009	2050*			
SH 121 "Sam Rayburn Tollway"	Complete	47 years	2012	2058			
SH 288 - Brazoria County*	Complete	29 years	2021	2049*			
SH 130 Segments 5 and 6	Complete	51 years	2013	2063			
North Tarrant Exp Seg 1 and 2-West	Complete	47 years	2015	2061			
North Tarrant Exp Seg 3A, 3B and 3C	Complete	44 years	2018	2061			
LBJ/IH-635 Managed Lanes	Complete	47 years	2016	2062			
SH 288 - Harris County	Complete	48 years	2021	2068			
* Estimated. PPP period extends until Harris County/Brazoria County fully reimbursed for costs of construction and debt service.							
Estimated. FFF period extends until Harris Count	y/Brazoria County runy remibursed	TOT COSTS OF CONSTRUCTION	and debt set vice.				

In the year a PPP project opens for traffic, TxDOT records the underlying PPP asset. If TxDOT owns the underlying PPP asset, it records the capital asset at its acquisition value, with a corresponding entry to deferred inflows of resources. If TxDOT does not own the underlying PPP asset or the underlying PPP asset is not the underlying asset of an SCA, TxDOT recognizes a receivable based on the operator's estimated carrying value of the underlying PPP asset as of the expected date of the ownership transfer, with a corresponding entry to deferred inflows of resources. The deferred inflow of resources balance will then be reduced, and revenue will be recognized in a systematic manner over the term of the arrangement, beginning when the infrastructure asset is placed into operations. Up-front payments received are recorded as assets (cash in state treasury) with an offset to deferred inflow of resources on the governmental financial statements. Revenue is recognized and the deferred inflow of resources is reduced in a systematic and rational manner over the term of the arrangement.

The following three projects that TxDOT entered into with governmental operators are PPP arrangements but do not meet the definition of a service concession arrangement (SCA).

1. IH-10 "Katy Managed Lanes"

TxDOT entered into a tri-party agreement with Harris County and the Federal Highway Administration to plan for the design, building, maintenance and operations of four managed lanes within the limits of Interstate Highway 10. The managed lanes opened to traffic in fiscal 2009. It was determined that TxDOT (transferor) does not have the control of toll rates, thus it does not meet the SCA criteria and should not be an SCA. A \$237.5 million payment for the costs of the managed lane project was made up front by Harris County (reported by the Harris County Toll Road Authority, or HCTRA) to TxDOT. The payment was made to reimburse TxDOT for the construction cost of the toll road incurred by TxDOT. The toll road is not owned by TxDOT.

The amount paid up front by Harris County was agreed to be reimbursed with toll revenues from the managed lanes. The road will be returned to TxDOT at the end of the term of the arrangement when the County is fully reimbursed. GASB Statement 94 requires the transferor measure and recognize a receivable with an offset to deferred inflow of resources if the transferor does not own the underlying PPP asset. The receivable was measured based on the operator's \$250 million acquisition value of the asset, which includes \$237.5 million cash contribution to TxDOT and \$12.5 million in-kind contribution by the County.

2. SH 121 "Sam Rayburn Tollway"

TxDOT and the North Texas Transportation Authority (NTTA) entered into the SH-121 project agreement in Collin, Dallas, and Denton counties. All segments opened to traffic in fiscal 2012. It was determined that TxDOT (transferor) does not have the control of toll rates, thus it does not meet the SCA criteria and should not be an SCA. TxDOT received an up-front payment of \$3.2 billion when the project started. The deferred inflow related to the up-front payment was recognized in the State Highway Fund, a governmental fund. A receivable, which was measured based on the acquisition value of the capital asset to be returned to TxDOT at the conclusion of the agreement, was recognized on the entity-wide statement of net position.

3. SH 288 Brazoria County Project

TxDOT, Brazoria County, and Brazoria County Toll Road Authority entered an agreement for the development design, construction, financing, operation, and maintenance of SH 288 including two northbound and two southbound toll lanes. The operator, Brazoria County and the Brazoria County Toll Road Authority, has the control of the toll rates charged for the service, therefore the project does not meet the criteria of an SCA. With the implementation of GASB 94, the project is determined to meet the criteria of a PPP arrangement. Since TxDOT does not own the underlying PPP asset, a receivable of \$79.4 million was recognized based on the operator's acquisition value when the asset was placed into service.

The other five PPP arrangements of TxDOT meet the criteria of an SCA and have been reported as an SCA.

1. SH 130 - Segments 5 & 6

TxDOT and the SH 130 Concession Company (the Developer) entered into a facility concession arrangement in fiscal 2007. Under the terms of the facility concession arrangement, the developer made up-front payments, totalling \$143.5 million to TxDOT. The toll road opened to traffic in fiscal 2013.

2. North Tarrant Express (NTE) - Segments 1 and 2-West

TxDOT and NTE Mobility Partners, LLC entered into a comprehensive development agreement for a concession for the developments of Segments 1 and 2-West of the NTE facility. The toll road opened to traffic in fiscal 2015.

3. North Tarrant Expansion (NTE) - Segments 3A, 3B, and 3C

TxDOT and NTE Mobility Partners Segments 3, LLC (NTE Mobility) entered into a Facility Agreement related to the financing, design, construction and maintenance of Segments 3A, 3B, and 3C of the NTE project in Fort Worth. Segments 3A and 3B opened to traffic in fiscal 2018. The Segments 3A and 3B project, along with the Segment 3C project, were combined into a single SCA in fiscal year 2023, the year Segment 3C opened to traffic, for presentation in this note. The acquisition value associated with Segment 3C was treated as additional capital improvements to the project.

4. LBJ/IH-635 Managed Lanes

TxDOT entered a Comprehensive Development Agreement (CDA) with LBJ Development Infrastructure Group, LLC for the IH-635 Managed Lanes Project. The final segment opened to traffic in fiscal 2016.

5. SH 288 Harris County

TxDOT entered into a Comprehensive Development Agreement (CDA) with Blueridge Transportation Group, LLC related to State Highway 288 in Harris County. Under the terms of the Comprehensive Development Agreement, Blueridge Transportation Group, LLC made up-front payment, totalling \$25.5 million to TxDOT. The toll road opened to traffic in fiscal 2021.

Grand Parkway Transportation Corporation (GPTC) Initial Project and H & I Project

Grand Parkway Transportation Corporation (GPTC) is a blended component unit (BCU) of TxDOT. TxDOT and GPTC entered into a project agreement for the design, construction, financing, and operation of Segments D through G (the initial project), as well as Segments H & I. This arrangement between TxDOT and GPTC is not reported as a PPP in TxDOT's financial statements under GASB 94.

According to GASB Statement 94, intangible right-to-use assets are considered capital assets. Reporting the capital asset in governmental activities and the intangible right-to-use asset in business-type activities would result in duplicate reporting. On the entity-wide financial statements, the intangible right-to-use asset reported by GPTC (BCU) and the associated deferred inflow of resources in the governmental activities were eliminated to avoid duplication, while the capital asset remains in the governmental activities of TxDOT (the primary government).

Public-Private and Public-Public Partnership Amounts Recognized in Financial Statements – Governmental Activities

August 31, 2024 (Amounts in Thousands)

Arrangement Name	Cash in State Treasury*	Capital Assets	Receivable for PPP Assets	Deferred Inflows of Resources**
IH 10 "Katy Managed Lanes"	\$	\$	\$ 250,000	\$ 154,762
SH 121 "Sam Rayburn Tollway"	264,449		1,632,147	3,440,476
SH 288 - Brazoria County			79,427	68,471
SH 130 Segments 5 and 6	15,675	1,436,184		1,164,296
North Tarrant Exp Seg 1 and 2-West		2,445,703		1,382,369
North Tarrant Exp Seg 3A ,3B and 3C		2,737,272		1,822,782
LBJ/IH-635 Managed Lanes		2,710,266		1,693,615
SH 288 - Harris County	20,192	1,036,609		891,110
Total	\$ 300,316	\$ 10,366,034	<u>\$ 1,961,574</u>	<u>\$ 10,617,881</u>

*The balance of cash in state treasury consists of unspent up-front concession payments, reimbursements for the traffic signal maintenance, and deposits for interoperability fee adjustments and revenue sharing.

** The deferred inflows of resources balance that relates to up-front payments received is recorded in governmental fund financials in the year received.

In some cases, TxDOT is obligated to make contributions of public funds to the PPP project during the construction period for portions of the project's design, construction or right-of-way costs. Outlays of TxDOT funds related to PPP projects are recorded as additions to construction in progress as they are incurred.

NOTE 21 – DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

As of Aug. 31, 2024, TxDOT reported deferred outflows of resources and deferred inflows of resources in the Statement of Net Position as presented in the table below.

As of August 31, 2024 (Amounts in Thousands)			
ris of ridgust 51, 2021 (rinounds in riodsunds)	2	eferred tflows of	Deferred Inflows of
Description	R	esources	Resources
Governmental Activities			
Loss on Bond Refunding	\$	113,482 \$	
Gain on Bond Refunding			99,885
Pensions (Note 8)		134,174	466,810
Public-Private or Public-Public Partnerships (PPPs) (Note 20)			10,617,881
Other Postemployment Benefits (Note 10)		677,642	669,459
Leases (Note 7)			3,591
Time Restricted Appropriations			274,443
Total Governmental Activities		925,298	12,132,069
Business-Type Activities			
Loss on Bond Refunding		166,333	
Gain on Bond Refunding			119,179
Total Business-Type Activities		166,333	119,179
Total	\$	1,091,631 \$	12,251,248

Deferred outflows of resources in the amounts of \$113.5 million in governmental activities and \$166.3 million in business-type activities relate to losses on bond refunding transactions. The deferred inflows of \$99.9 million reported in governmental activities and \$119.2 million in business-type activities relate to gains on bond refunding transactions. These deferred outflows and inflows are amortized on a straight-line basis over the remaining life of the old debt, or the life of the new debt, whichever is shorter.

Deferred inflows of resources of \$10.6 billion reported in governmental activities relate to eight different Public-Private or Public-Public Partnership Arrangements (PPPs), to which TxDOT was a party, as of Aug. 31, 2024. The amount recorded in the financial statements represents the balance of capital improvements TxDOT received under the agreements and the unamortized balance of the deferred inflow associated with capital improvements to be received at the conclusion of the agreements.

TxDOT reported \$134.2 million in deferred outflows of resources and \$466.8 million in deferred inflows of resources in governmental activities for pension-related adjustments. The reported deferred outflows of resources include TxDOT's share of pension contributions made subsequent to the measurement date and the unamortized balance of changes in assumptions used to calculate net pension liability. The reported deferred inflows of resources consist of the unamortized balance of other changes in the components of net pension liability.

Deferred outflows of resources of \$677.6 million and deferred inflows of resources of \$669.5 million reported in governmental activities relate to other postemployment benefits. The reported deferred outflows of resources include TxDOT's share of OPEB contributions made subsequent to the measurement date and the unamortized balance of the net difference between projected and actual return on plan investments used to calculate net OPEB liability. The reported deferred inflows of resources are the unamortized balances of differences between expected and actual experience on earnings on OPEB plan investments and changes in assumptions used to calculate net OPEB liability.

Deferred inflows of resources of \$3.6 million reported for leases represent payments received by TxDOT at or before the lease term that relate to future periods and the unamortized balance of the initial deferred inflow recognized at transition.

Deferred inflows of \$5.4 billion were reported on the governmental funds balance sheet for State Highway Fund, and \$274.5 million for nonmajor funds as presented in the table as follows. The deferred inflows for taxes, local revenues and federal revenues relate to unavailable revenues that were earned as of Aug. 31, 2024, but not available within 60 days of year end. The deferred inflows for leases represent payments received by TxDOT at or before the lease term that related to future periods and the unamortized balance of the initial deferred inflow recognized at transition. The deferred inflows for appropriations represent appropriations received by TxDOT prior to

time requirements being met. The deferred inflows for PPPs represent the unamortized upfront payments TxDOT received under the agreements.

Deferred Inflows of Resources Balance Sheet-Governmental Funds	
As of August 31, 2024 (Amounts in Thousands)	Deferred Inflows of
Description	Resources
State Highway Fund	
Oil and Natural Gas Production Tax	\$ 2,739,805
Local Revenue	227,151
Federal Revenue	5,283
Public-Public or Public-Private Partnerships (PPPs) (Note 20)	2,410,736
Leases (Note 7)	3,591
Total State Highway Fund	5,386,566
Nonmajor Funds	
Time-Restricted Appropriations	274,443
Federal Revenue	45
Total Nonmajor funds	274,488
Total	<u>\$ 5,661,054</u>

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SECTION TWO (CONTINUED) REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MD&A (Unaudited)



Texas Department of Transportation

Budgetary Comparison Schedule - State Highway Fund

For the Fiscal Year Ended August 31, 2024 (Amount in Thousands)

	Budgetary Amounts							
		Original		Final		ial Amounts getary Basis	I	Final to Actual Variance
REVENUES								
Taxes	\$	9,359,627	\$	9,102,823	\$	8,719,562	\$	(383,261)
Federal		5,434,901		6,587,582		4,963,440		(1,624,142)
Licenses, Fees and Permits		112,980		112,980		196,363		83,383
Interest and Investment Income		229,061		229,061		535,207		306,146
Land Income						29,717		29,717
Settlement of Claims						50,153		50,153
Sales of Goods and Services		28,406		28,406		1,358		(27,048)
Other		163,907		163,854		2,363		(161,491)
Total revenues		15,328,882		16,224,706		14,498,163		(1,726,543)
EXPENDITURES								
Transportation		16,577,536		22,655,805		13,437,582		9,218,223
Total Expenditures		16,577,536		22,655,805		13,437,582		9,218,223
Excess (Deficiency) of Revenues								
Over (Under) Expenditures		(1,248,654)		(6,431,099)		1,060,581		7,491,680
OTHER FINANCING SOURCES (USES)								
Transfers In						2,134,735		2,134,735
Transfers Out						(797,411)		(797,411)
Increase in Obligation for Leases/Subscriptions						33,691		33,691
Sale of Capital Assets						7,994		7,994
Available Beginning Balances		10,741,308		10,741,308		10,741,308		
Total Other Financing Sources (Uses)		10,741,308		10,741,308		12,120,317		1,379,009
Excess (Deficiency) of Revenue and Other Financing Sources Over (Under) Expenditures								
and Other Financing Uses	\$	9,492,654	\$	4,310,209	\$	13,180,898	\$	8,870,689

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

The budgetary comparison schedule presents comparisons of the legally adopted budget with actual data on a budgetary basis. Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles (GAAP), a reconciliation of these differences is required and is presented below.

The major reconciling items between the budgetary comparison schedule and the GAAP financial statements are due to the following items.

Basis of Accounting Differences

Revenues and expenditures are reported on the cash basis of accounting in the budgetary comparison schedule but are reported on the modified accrual basis of accounting on the GAAP fund financial statements. Therefore, deferred inflows, receivables and payables are included as reconciling items.

Perspective Differences

Certain revenues and expenditures, including debt service are not budgeted by the Legislature. The activity for these programs is excluded from the budgetary comparison schedule. The beginning cash balances are included as other financing sources in the budgetary comparison schedule and are not included as financing sources on the GAAP financial statements.

RECONCILIATION OF BUDGETARY BASIS TO C	GAAP BASIS	S
August 31, 2024 (Amounts in Thousands)		
	State	Highway Fund
Excess of Revenues and Other Financing Sources Over		
Expenditures and Other Financing Uses-		
Actual Budgetary Basis	\$	13,180,898
Basis of Accounting Differences:		
Receivables and Deferred Inflows		498,553
Payables		(395,458)
Perspective Differences:		
Beginning Cash Balances Reported as Other Financing Sources		(10,741,308)
Other Expenditures Not Budgeted		(4,996,209)
Excess of Revenues and Other Financing		
Sources Over Expenditures and Other		
Financing Uses - GAAP Basis	\$	(2,453,524)

Basis of Budgeting

The state's budget is prepared on a cash basis. The Texas Constitution limits appropriation bills to two years. The Legislative Budget Board (LBB) is required by statute to adopt an estimated rate of growth for the next biennium and calculate a limit on the amount of state tax revenue, not dedicated by the Texas Constitution, that is available for spending in the next biennium. If the Legislature, by adoption of a resolution approved by a record vote of a majority of the members of each house, finds that an emergency exists and identifies the nature of the emergency, the Legislature may provide appropriations in excess of the adopted limit.

The Governor's Budget Office and the LBB initiate the process of submitting budget requests to the Legislature. At final passage of the General Appropriations Act by the Legislature, it is sent to the Comptroller of Public Accounts for certification. If the Comptroller certifies that appropriated amounts are available in the affected funds, the bill is sent to the Governor. If not certified, the Legislature may pass the bill with a four-fifths majority vote. The Governor has the option of vetoing the total bill or specific line-item appropriations but does not have the authority to reduce a line item of appropriation.

Upon approval by the Governor, the bill becomes law and is the budget authority for state agencies to spend state funds. The Comptroller is responsible for controlling, accounting and reporting expenditures in accordance with expenditure budgets.

Legal Level of Budgetary Control

The Texas Constitution requires the Comptroller to submit a Biennial Revenue Estimate to the Legislature prior to each regular session. This document contains an itemized estimate of beginning cash balances, anticipated revenues based on laws then in effect and estimated expenditures from prior appropriations. The Texas Constitution also requires the Comptroller to submit supplementary revenue estimates at any special session of the Legislature and at other necessary times to show probable changes.

The level of legal control for the budget is established at the strategy (line item) level by agency. For example, "Right-of-Way Acquisition" and "Routine Maintenance" are two of the strategies for TxDOT. The legal level of budgetary control is defined as the level at which the governing body must approve any over expenditure of appropriations or transfers of appropriated amounts. Agencies are authorized limited transfer authority between strategies, not to exceed 20 percent, by the General Appropriations Act. Transfers and expenditures are monitored against the original budget by the Comptroller's office to ensure the agency's authorized budget is not exceeded.

The level of legal control is documented in the budget comparison by strategy schedule in the other supplementary information section, which includes budget and actual expenditure data by strategy line item for TxDOT. State agencies cannot exceed approved appropriations. In certain emergency situations, the Governor may authorize additional appropriations from deficiency and emergency appropriation reserves.

Unexpended appropriations generally lapse 60 days after the fiscal year unless they are encumbered during the 60-day "lapse" period. Other appropriations referred to as "reappropriated unexpended balances" represent a continuation of prior year's balances for completion of a program.

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Schedules of Changes in Net Pension Liability and Related Ratios

For each of the fiscal years presented, the measurement date for the information on the schedules of changes in net pension liability and related ratios was the prior fiscal year-end.

Schedule of Changes in Net Pension Liability

(Amounts in Thousands)			U							
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service Cost S	\$ 66,173	\$ 60,040	\$ 215,861	\$ 183,298	\$ 131,802	\$ 139,071		\$ 108,528	\$ 118,614	\$ 109,957
Interest	202,686	184,513	239,037	252,377	263,616	246,260	228,274	238,733	228,696	224,284
Benefit Changes									(8,462)	
Differences between Expected and										
Actual Experience	56,640	31,057	(75,186)	51,209	(56,576)	8,840	10,516	12,639	(27,433)	(24,41)
Assumption Changes			(2,294,877)	638,481	828,735	(190,768)	201,859	501,760	(330,365)	115,710
Benefit Payments and Refunds	(188,191)	(173,305)	(272,688)	(262,908)	(248,564)	(231,505)	(208,148)	(203,213)	(197,428)	(189,477
Change in Proportional Percentage	48,919	(419,173)	11,253	72,864	33,200	115,111	(73,016)	(22,595)	(2,322)	
Net Change in Total Pension										
Liability	186,227	(316,868)	(2,176,600)	935,321	952,213	87,009	292,010	635,852	(218,700)	236,063
Total Pension Liability-Beginning		4,319,921	6,496,521	5,561,200	4,608,987	4,521,978	4,229,968	3,594,116	3,812,816	3,576,753
Total Pension Liability-Ending (a)	\$ 4,189,280	\$ 4,003,053	\$ 4,319,921	\$ 6,496,521	\$ 5,561,200	\$ 4,608,987	\$ 4,521,978	\$ 4,229,968	\$ 3,594,116	\$ 3,812,816
Plan Fiduciary Net Position										
Contributions-Employer S	\$ 84,133	\$ 76,777	\$ 74,383	\$ 73,792	\$ 69,733	\$ 67,074	\$ 63,666	\$ 64,993	\$ 48,208	\$ 46,536
Contributions-Member	48,868	43,969	72,249	71,598	67,985	65,798	62,336	63,849	44,524	41,553
Net Investment Income	132,932	(44,366)	697,718	179,607	74,216	233,808	257,602	120,512	5,486	313,859
Benefit Payments and Refunds	(188,191)	(173,305)	(272,688)	(262,907)	(248,564)	(231,505)	(208,148)	(203,213)	(197,428)	(189,477
Administrative Expense	(2,728)	(1,928)	(2,198)	(2,425)	(2,716)	(2,265)	(2,100)	(1,935)	(2,104)	(1,949
Additional One- Time state										
Funding	58,018									
Net Change in Plan Fiduciary Net										
Position	133,032	(98,853)	569,464	59,665	(39,346)	132,910	173,356	44,206	(101,314)	210,522
-			· · · · · · · · · · · · · · · · · · ·	·		· · · · · · · · · · · · · · · · · · ·	·	·		
Plan Fiduciary Net Position-										
Beginning	3,157,431	3,256,284	2,686,820	2,627,156	2,666,502	2,533,592	2,360,236	2,316,030	2,417,344	2,206,822
Plan Fiduciary Net Position-						·				
Ending (b)	3,290,463	3,157,431	3,256,284	2,686,820	2,627,156	2,666,502	2,533,592	2,360,236	2,316,030	2,417,344
-										
Net Pension Liability-Ending										
(a) - (b)	\$ 898,817	\$ 845,622	\$ 1,063,637	\$ 3,809,700	\$ 2,934,044	\$ 1,942,485	\$ 1,988,386	\$ 1,869,732	\$ 1,278,086	\$ 1,395,472
-										
Plan Fiduciary Net Position as a										
percentage of Total Pension										
Liability	78.54%	78.88%	75.38%	41.36%	47.24%	57.85%	56.03%	55.80%	64.44%	63.40%
Covered Payroll	\$506,463	\$439,107	\$722,978	\$717,847	\$679,824	\$655,345	\$623,828	\$638,053	\$592,508	\$574,704
Net Pension Liability as a										
percentage of covered payroll	177.47%	192.58%	147.12%	530.71%	431.59%	296.41%	318.74%	293.04%	215.71%	242.82%

Notes to Schedule:

1. The change in total pension liability is due to the change in the single discount rate included as an assumption change.

2. The covered payroll is the actual annual payroll for the fiscal year as reported by ERS.

3. This schedule is intended to present 10 years of information.

Schedules of Employer Contributions - Pension

The information on the schedules of employer contributions was determined as of the end of the fiscal year presented.

Schedule of Employer Con	tributi	ons	5													
(Amounts in Thousands)																
	202			2022	2024			2010				2015				2015
	2024		2023	2022	2021	· _	2020	2019		2018		2017	- <u>-</u>	2016	- <u>-</u>	2015
Actuarially determined contributions	\$ 85,26		\$ 84,132	\$ 130,185	\$ 115,532	\$		\$ 92,592	\$	<i>,</i>	\$	67,526	\$	<i>,</i>		71,13
Actual Contribution	85,26		142,151	130,185	74,383		73,792	69,733		67,073		66,253		66,163		48,28
Contribution deficiency (excess)	52.4.05	0	(58,019)	0	41,149		24,984	22,859		22,775		1,273		(671)		22,84
Covered payroll	524,37	/0	506,463	744,564	722,978		717,847	679,824		655,345		649,179		649,536	5	593,490
Contribution as a percentage of covered																
payroll	16.2	26%	28.07%	17.48%	10.29%		10.28%	10.26%	6	10.23%		10.21%		10.19%		8.14
Notes to Schedule of Employer Contributions:																
Valuation Date:																
								Actuarially	det	termined co	ontr	ibution ra	ites	are calculated	ated	as
								of August 3			e ei	mployers	con	tribute bas	sed o	n
								statutorily								
								Provisions								
								2021 legisl			ere	reflected	in o	disclosures	sfor	the 20
								fiscal year	and	later.						
Methods and Assumptions Used to																
Determine Contribution Rates:																
Actuarial Cost Method								Entry Age								
Amortization Method								Level Perce					llar	· Legacy Pa	ayme	ent
Remaining Amortization Period								UAAL to b			•					
Asset Valuation Method								Marked to								
								each recog					-			
								direct offse	ttin	g of deferr	als ł	by subseq	uen	nt gains or	losse	es.
nflation								2.30%								
Salary Increases								0.00% to 8	80%	6						
Investment Rate of Return								7.00%								
Retirement Age								Experience								
								of employe		•				-		
								experience		-	yea	r period f	ron	n Septemb	er 1,	2014
								through Au	igus	st 31, 2019.						
Mortality								2020 State	Ret	irees of Te	kas	(SRT) mo	rtal	lity table. (Gene	ration
								mortality in	npr	ovements i	n ac	cordance	wi	th the ultir	nate	rates
								from the sc	-							
								Experience		-		•				
								("Ultimate				•			Rate	s for
								male LECO								

1. Members and employers contribute based on statutorily fixed rates.

2. The covered employee payroll is the actual annual payroll for the fiscal year as reported by ERS.

3. Actuarially determined contributions for the year ending August 31, 2024 were determined using the actuarial valuation as of August 31, 2023 and the assumptions above. New assumptions were adopted for the actuarial valuation as of August 31, 2024 and are reflected in the Total Pension Liability.

Schedules of Changes in Net OPEB Liability and Related Ratios

For each of the fiscal years presented, the measurement date for the information on the schedules of changes in net pension liability and related ratios was the prior fiscal year-end.

Schedule of Changes in Net OPEB Liability														
(Amounts in Thousands)														
		2024		2023		2022		2021		2020		2019		2018
Total OPEB Liability														
Service Cost	\$	76,765	\$	120,116	\$	114,899	\$	112,086	\$	88,258	\$	109,497	\$	256,922
Interest		77,727		59,256		55,456		77,381		89,418		92,361		136,668
Change in Benefit Terms		(9,908)												
Differences between Expected and Actual		(14,004)		(25.951)		(1.150)		(50,500)		(6,512)		(69,497)		(55.0.12)
Experience		(14,884)		(35,851) (637,950)		(1,159)		(59,568) (183,440)		(6,513) 219,984		(68,487)		(55,942)
Assumption Changes Benefit Payments, including Refunds of		(198,196)		(037,930)		97,327		(183,440)		219,904		(433,607)		(973,369)
Employee-														
Contributions		(61,827)		(52,396)		(56,420)		(53,672)		(54,212)		(48,508)		(81,242)
Change in Proportional Percentage		(9,083)		30,803		21,079		(13,547)		(545)		(1,305,600)		(01,2.2)
Net Change in Total OPEB Liability		(139,406)		(516,022)		231,182		(120,760)		336,390		(1,654,344)		(716,963)
6														
Total OPEB Liability-Beginning		2,155,151		2,671,173		2,439,991		2,560,751		2,224,361		3,878,705		4,595,668
	¢	0.015.545	¢	0 155 151	¢	0 (71 170	¢	2 120 001	¢	0 5 40 751	¢	0.004.071	¢	2 070 705
Total OPEB Liability-Ending (a)	\$	2,015,745	\$	2,155,151	\$	2,671,173	\$	2,439,991	\$	2,560,751	\$	2,224,361	\$	3,878,705
Plan Fiduciary Net Position														
Contributions-Employer	\$	59,245	\$	51,996	\$	56,292	\$	54,469	\$	29,365	\$	22,473	\$	99,328
Contributions-Non-employer Contributing	Ψ	57,245	Ψ	51,550	Ψ	50,272	Ψ	54,405	Ψ	29,305	Ψ	22,475	Ψ	<i>))</i> ,520
Entities		3,125		2,730		2,877		2,747		1,477		1,214		5,140
Contributions-Employee		13,457		14,162		14,128		16,751		15,355		14,868		21,835
Contributions-Federal Revenues for Medicar	е													
Part D RDS		112		118		116		129		108		104		
Other (Federal Revenues and Other Addition	s)	9,024		8,285		7,785		7,958		6,439		5,587		8,009
Other (Other Additions)						4		2						
Net Investment Income		478		55		17		97		243		798		504
Benefit Payments, including Refunds of														
Employee- Contributions		(61,827)		(52,396)		(56,420)		(53,672)		(54,212)		(48,508)		(81,242)
Benefit Payments financed by Employee-		(22,402)		(22,445)		(21.012)		(21,500)		(21 500)		(20.21.0)		(20.000)
Contributions and Federal Revenues		(22,482)		(22,447)		(21,913)		(24,709)		(21,788)		(20,216)		(29,803)
Administrative Expense		(585)		(503)		(632)		(496)		(439)		(426)		(627)
Net Change in Plan Fiduciary Net Position		547		2,000		2,254		3,276		(23,452)		(24,106)		23,144
Plan Fiduciary Net Position-Beginning		39,123		37,123		34,869		31,593		55,045		79,151		56,007
Plan Fiduciary Net Position-Ending (b)	\$	39,670	\$	39,123	\$	37,123	\$	34,869	\$	31,593	\$	55,045	\$	79,151
	<u> </u>		-		-		<u> </u>		-		<u> </u>		-	
Net OPEB Liability-Ending (a) - (b)	\$	1,976,075	\$	2,116,028	\$	2,634,050	\$	2,405,122	\$	2,529,158	\$	2,169,316	\$	3,799,554
Plan Fiduciary Net Position as a Percentage o	f													
Total OPEB Liability		1.97%		1.82%		1.39%		1.43%		1.23%		2.47%		2.04%
Covered-Employee Payroll	\$	1,018,094	\$	945,898	\$	924,117	\$	921,100	\$	901,530	\$	881,785	\$	1,309,744
Net OPEB Liability as a Percentage of														
Covered- Employee Payroll		194.10%		223.71%		285.03%		261.11%		280.54%		246.01%		290.10%
Notos to Schodulos														

Notes to Schedule:

1. This schedule is intended to present 10 years of information. Currently, only seven years of information are available. Information for future years will be added when it becomes available.

2. Information is presented using an Aug. 31, 2023 measurement date.

3. Benefit payments are net of member contributions and Federal Revenues.

(Amounts in Thousands)								
	-	2024	2023	2022	2021	2020	2019	2018
Actuarially determined contribution	5	101,207	\$ 148,912	\$ 156,808	\$ 199,751	\$ 188,525 \$		170,736
Actual Contribution		223,437	220,567	219,022	220,676	218,794	216,838	212,627
Contribution deficiency (excess)		(61,500)	(71,655)	(62,214)	(20,925)	(30,269)	(20,199)	(41,891)
Covered-Employee Payroll		1,125,128	1,018,094	945,898	924,143	921,086	901,530	881,785
Contribution as a percentage of Covered-		5 500/	C 140/	5 000	C 100/	6.020/	2 420/	2.70
Employee Payroll		5.50%	6.14%	5.80%	6.42%	6.23%	3.43%	2.70
Notes to Schedule of Employer Contributions	:							
Methods and assumptions used to determine								
contribution rates:								
Valuation Date	August 31, 202	3						
Actuarial Cost Method	Entry Age							
Amortization Method	Level Percent of	of Payroll, Ope	en					
Remaining Amortization Period	30 Years							
Asset Valuation Method	Not applicable							
Actuarial Assumptions:								
Discount Rate	3.81%*							
Inflation Rate	2.30%							
Projected Annual Salary Increase	2.30% to 8.95%	6, including in	flation					
Annual Healthcare Trend Rate								
	HealthSelect	5 5 000 C F					101	
					FY28, 4.60% for	r FY29, decreasin	g 10 basis points	per year to
			FY32 and later y	/ears				
	HealthSelect M			EV27 4750/ f		or EV20 dooroosi	na 10 hasis points	
			FY32 and later y		DIFI28, 4.00% I	of F 1 29, decreasi	ng 10 basis points	s per year
	Pharmacy	e 01 4.30% 101	r i 52 and later y	lears				
		25 and EV26	decreasing 100 k	acic points par	$v_{\text{exerto}} = 5.00\%$ for	EV31 and 4 30%	for FY32 and late	ar voore
Ad hoc Postemployment Benefit Changes	None	25 and 1 1 20, 0	decreasing 100 t	asis points per	year to 5.00% for	1 1 51 and 4.50%	101 1 1 52 and 1au	Ji years
Aggregate Payroll Growth	2.70%							
Retirement Age		sed tables of ra	ites that are spec	ific to the class	of employee			
Mortality-State Agency Members	Enperience ou		ites that are spee		orempioyee			
	Service Retiree	es. Survivors a	nd Other Inactiv	e Members:				
					forward for male	e CPO/CO membe	ers. Generational	mortality
			•	•		projected from th		
	Disability Reti				, ,	1 5	2	
			Mortality table s	et forward thre	e years for males	and females. Gen	nerational mortali	ty
	improvements	in accordance	with the Ultima	te MP-2019 Pro	jection Scale are	projected from th	e year 2020. Mini	imum rate
	of 3.0% and 2.5	5% apply at all	ages for males a	ind females, res	pectively.			
	Active Membe	rs:	-		- ·			
	Pub-2010 Gene	eral Employees	Active Member	Mortality table	e for non-CPO/C	O members. Pub-	2010 Public Safet	y Active
	Member Morta	ality table for C	CPO/CO member	rs. Generational	mortality impro	vements in accord	dance with the Ul	timate MI
	2019 Projection	· C 1	·	2010				

credit quality is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA.

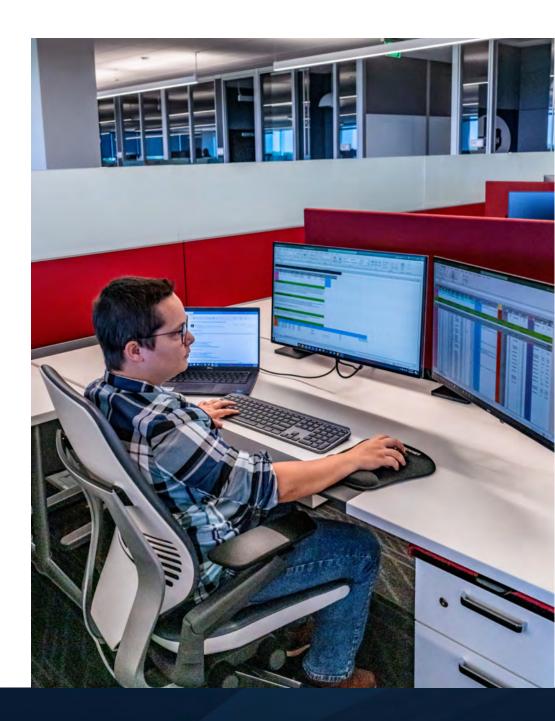
Other Information:

This schedule is intended to present 10 years of information. Currently, only seven years of information is available. Information for future years will be added when it becomes available.

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SECTION TWO (CONTINUED)

OTHER SUPPLEMENTARY INFORMATION COMBINING FINANCIAL STATEMENTS, SCHEDULES, AND BUDGET COMPARISON BY STRATEGY (Unaudited)



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State Highway Fund Accounts

Combining Financial Statements

TxDOT reports the following accounts/sub-funds, which are consolidated into the state highway fund for the financial statements.

State Highway Fund Accounts - These funds contain the activity related to public road construction, maintenance and monitoring of the state's highway system. The significant ongoing revenue sources are federal revenues and motor fuels taxes, which are constitutionally restricted and dedicated to the highway fund.

Fund	GAAP Fund	USAS D23 Funds
0006	0006	0006 - State Highway Fund
0006	0006	0121 - SH121 Concession-Project Fund
0006	0006	0122 - SH121 Concession-Revolving Fund
0006	0006	0130 - SH130 Concession
0006	0006	0161 - SH161 Project Fund
0006	0006	0162 - SH161 Revolving Fund
0006	0006	0288 - SH 288 Concession-Project Fund
0006	0006	0321 - Military Installation Program-Army
0006	0006	0322 - Military Installation Program-Navy
0006	0006	0323 - Military Installation Program-Airforce
0006	0006	0512 - Escrow-Pass-Thru Toll-Montgomery County
0006	0006	0635 - LBJ Project Concession Refund
0006	0006	0820 - NTE Mobility Refi Gain
0006	0006	0823 - NTE SEG 3A&3B Concession Fund
0006	0006	1016 - Texas State Cemetery Committee
0006	0006	2114 - Surplus Toll Rev-DFW Connector
0006	0006	2183 - Surplus Toll Rev-Midtown Express
0006	0006	2635 - Surplus Toll Revenue-I635-E Project
0006	0006	8006 - Depository Interest Default Fund
0006	0006	9000 - Deposit Default Fund
0006	0006	9001 - Returned Items Default Fund
0369	0006	0369 - Federal American Recovery & Reinvestment Fund
0899	0006	0835 - I-35E Project Disbursing Account
9999	0006	1835 - I-35E Local Operating Fund

Proposition 1 - This fund was created to record, track, and report the receipt and disbursement of the Proposition 1 Fund.

Appropriated		
Fund	GAAP Fund	USAS D23 Funds
0006	0006	1006 - Proposition 1 Account

Proposition 7 - This fund was created to record, track, and report the receipt and disbursement of the Proposition 7 Fund.

Appropriated		
Fund	GAAP Fund	USAS D23 Funds
0006	0006	1007 - Proposition 7 Account

State Infrastructure Bank Accounts – This fund operates as a revolving loan program that makes loans to public and private entities to encourage the development of transportation projects and facilities.

Appropriated		
Fund	GAAP Fund	USAS D23 Funds
0006	0006	0099 - State Infrastructure Bank

Texas Department of Transportation Combining Balance Sheet - State Highway Fund

August 31, 2024 (Amounts in Thousands)

	State Highway Fund Accounts	Proposition 1	Proposition 7	State Infrastructure Bank	TOTAL
ASSETS	Accounts		Troposition /	Dank	IOIAL
Cash and Cash Equivalents:					
Cash on Hand	\$ 294	\$	\$	\$	\$ 294
Cash in Bank	1,155	Ψ	Ψ	Ψ	1,155
Cash in State Treasury	3,773,158	1,445,737	2,822,993	404,286	8,446,174
Cash Equivalents	141,213	1,110,107	2,022,000	10 1,200	141,213
Short Term Investments	20,121				20,121
Receivables:	20,121				20,121
Taxes	247,829				247,829
Federal	666,567				666,567
Other Intergovernmental	267,988				267,988
Interest and Dividends	1,092			2,146	3,238
Accounts Receivable	114,854			2,140	114,854
Leases	1,672				1,672
Due from Other Funds	152,922	5,630			158,552
Due from Other Agencies	250,603	2,739,805			2,990,408
Consumable Inventories	168,092	2,759,005			168,092
Investments	33,796				33,796
Loans and Contracts	64,262			171,176	235,438
Total Assets	\$ 5,905,618	\$ 4,191,172	\$ 2,822,993	\$ 577,608	\$ 13,497,391
	\$ 5,705,010	φ 4,171,172	\$ 2,822,775	\$ 577,000	φ 15,477,571
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES Liabilities: Payables:					
Accounts	1,136,032	573,884	531,456		2,241,372
Payroll	1,150,052	575,004	551,450		107,792
Contract Retainage	17,973				17,973
Deposits	30,982				30,982
Deposits Due to Other Funds	33,192	63,915	41,912		139,019
Due to Other Agencies	3,096	03,915	41,912		3,096
Unearned Revenues	3,392				3,392
Total Liabilities	1,332,459	637,799	573,368	0	2,543,626
	1,552,757			0	2,343,020
Deferred Inflows of Resources:	000,400	2 720 007			0.070.000
Unavailable Revenue	232,433	2,739,806			2,972,239
Leases	3,591				3,591
Public-Private or Public-Public Partnerships	2,410,736	2 720 000			2,410,736
Total Deferred Inflows of Resources	2,646,760	2,739,806	0	0	5,386,566
Fund Balances: Nonspendable:					
Inventory	168,092				168,092
Restricted	36,800	813,567	2,249,625	577,608	3,677,600
Committed	907,694				907,694
Assigned	813,813				813,813
Total Fund Balances	1,926,399	813,567	2,249,625	577,608	5,567,199
Total Liabilities, Deferred Inflows of Resources, and					
Fund Balances	\$ 5,905,618	\$ 4,191,172	\$ 2,822,993	\$ 577,608	\$ 13,497,391

Texas Department of Transportation Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - State Highway Fund

For the Fiscal Year Ended August 31, 2024 (Amounts in Thousands)

	State Highway Fund Accounts	P	Proposition 1	Р	Proposition 7	Infr	State astructure Bank	TOTAL
REVENUES								
Taxes	\$ 2,850,080	\$	3,056,163	\$	3,128,770	\$		\$ 9,035,013
Federal Revenues	5,056,155							5,056,155
Licenses, Fees and Permits	266,697							266,697
Interest & Investment Income	125,309		226,656		158,789		22,856	533,610
Net Increase Fair Value	1,828							1,828
Land Income	30,070							30,070
Settlement of Claims	50,153							50,153
Sales of Goods and Services	20,830							20,830
Other Revenues	2,363							2,363
Total Revenues	 8,403,485		3,282,819		3,287,559		22,856	 14,996,719
EXPENDITURES								
Transportation	2,235,859		2,265,398		1,583,427			6,084,684
Capital Outlay	5,521,115		3,990,235		3,093,025			12,604,375
Debt Service:								
Principal	125,511							125,511
Interest	8,989							8,989
Other Financing Fees	 5,693							 5,693
Total Expenditures	 7,897,167		6,255,633		4,676,452		0	 18,829,252
Excess (Deficiency) of Revenues								
Over (Under) Expenditures	 506,318		(2,972,814)		(1,388,893)		22,856	 (3,832,533)
OTHER FINANCING SOURCES (USES)								
Transfers In	2,134,735							2,134,735
Transfers Out	(539,980)				(257,431)			(797,411)
Increase in Obligations for Leases	33,691							33,691
Sale of Capital Assets	 7,994							 7,994
Total Other Financing Sources (Uses)	 1,636,440		0		(257,431)		0	 1,379,009
Net Change in Fund Balances	 2,142,758		(2,972,814)		(1,646,324)		22,856	 (2,453,524)
Fund Balances, September 1, 2023	 (216,359)		3,786,381		3,895,949		554,752	 8,020,723
Fund Balances, August 31, 2024	\$ 1,926,399	\$	813,567	\$	2,249,625	\$	577,608	\$ 5,567,199

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Texas Mobility Funds

Combining Financial Statements

TxDOT reports the following accounts/sub-funds, which are consolidated into the Texas Mobility Fund for the financial statements.

Debt Service Fund Accounts – These funds report the activity related the payment of debt service on outstanding mobility fund bonds.

Appropriated		
Fund	GAAP Fund	USAS D23 Funds
0365	0365	0367 - TMF-Interest & Sinking Account
0365	0365	0373 - TMF-Rebate Account

Capital Projects Fund Accounts - These funds report the activity related to the expenditure of the mobility fund bond proceeds on eligible transportation projects.

Appropriated		
Fund	GAAP Fund	USAS D23 Funds
0365	0365	0365 - TMF-General Account

Texas Department of Transportation Combining Balance Sheet - Texas Mobility Fund

August 31, 2024 (Amounts in Thousands)

	Debt Service Fund			Capital Projects Fund	Total		
ASSETS							
Cash and Cash Equivalents:							
Cash in State Treasury	\$	287,264	\$	196,473	\$	483,737	
Receivables:							
Federal		10,890				10,890	
Total Assets	\$	298,154	\$	196,473	\$	494,627	
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND							
FUND BALANCES							
Liabilities:							
Payables:							
Accounts				17,901		17,901	
Due to Other Funds				6,325		6,325	
Total Liabilities		0		24,226		24,226	
Deferred Inflows of Resources:							
Total Deferred Inflows of Resources		0		0		0	
Fund Balances (Deficits):							
Restricted		298,154				298,154	
Committed				172,247		172,247	
Total Fund Balances		298,154		172,247		470,401	
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$	298,154	\$	196,473	\$	494,627	

Texas Department of Transportation Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Texas Mobility Fund

For the Fiscal Year Ended August 31, 2024 (Amounts in Thousands)

	\$ Debt Service Fund	Capital Projects Fund	Total	
REVENUES				
Federal Revenues	\$ 21,818	\$	\$	21,818
Licenses, Fees and Permits	291,347	96,164		387,511
Interest and Investment Income	8,766	8,609		17,375
Other Revenues		15		15
Total Revenues	 321,931	104,788		426,719
EXPENDITURES				
Transportation		84,410		84,410
Capital Outlay		17,246		17,246
Debt Service:				
Principal	170,590			170,590
Interest	228,614			228,614
Other Financing Fees	 	381		381
Total Expenditures	 399,204	102,037		501,241
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	 (77,273)	2,751		(74,522)
OTHER FINANCING SOURCES (USES)				
Transfers In	 94,065	29,807		123,872
Total Other Financing Sources (Uses)	 94,065	29,807		123,872
Net Change in Fund Balances	 16,792	32,558		49,350
Fund Balances, September 1, 2023	 281,362	139,689		421,051
Fund Balances, August 31, 2024	\$ 298,154	\$ 172,247	\$	470,401

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Nonmajor Governmental Funds

Combining Financial Statements

TxDOT reports the following accounts/sub-funds, which are consolidated into the Nonmajor Governmental funds for the financial statements.

General Fund - The general fund accounts for all financial resources except those accounted for in other funds.

Appropriated		
Fund	GAAP Fund	USAS D23 Funds
0001	0001	0001 - General Revenue Fund
0001	0001	1001 - General Revenue Fund-Agency Funds
0036	0036	0036 - Traffic Safety Crash Records
0325	0325	0325 - Fed COVID - 19 Pandemic Relief Fund
0325	0325	0326 - Fed COVID - 19 Pandemic Relief Fund
0599	0599	0599 - Econcomic Stabilization Fund
0807	0001	8070 - Child Support Addenda Deductions
0882	0001	0882 - City County MTA & SPD Sales Tax
0900	0900	0090 - Suspense Fund
0900	0001	0900 - Suspense Fund
0900	0001	9015 - USPS-Overpayments To Employees
0900	0001	9016 - Warrant Hold Offset-Gc403.0551
0980	0001	0980 - Direct Deposit Correction Fund
0980	0001	9014 - USPS-Direct Deposit Return
0999	0001	0998 - Miscellaneous-Utility Fund (Non-Cash)
0999	0999	0999 - Mis-Utility Fund (Non-Cash)
5167	5167	5167 - Ship Channel Improvement Revolving
5199	0001	5199 - GR Acct - Port Access
7604	7604	7604 - TPFA G.O. Commercial Paper Series 2002B Colonial Project Fund

Special Revenue Funds - These funds are used to report the proceeds of specific revenue sources that are restricted or committed for specified purposes other than debt service or capital projects.

Appropriated Fund	GAAP Fund	USAS D23 Funds
0184	0184	0184 - Transportation Infrastructure Fund

Debt Service Funds - These funds are used to report financial resources that are restricted, committed or assigned expenditure for principal and interest.

Appropriated Fund	GAAP Fund	USAS D23 Funds
0008	0008	0010 - State Highway Debt Service Fund
0008	0008	0022 - Proposition 12 Debt Service Fund

Capital Projects Fund Accounts – These funds report the activity related to the expenditure of the mobility fund bond proceeds on eligble transportation projects.

Appropriated Fund	GAAP Fund	USAS D23 Funds
0927	0927	0927 - CO/PolSubdv/LocGo RO/Airpt Tr
7517	7517	7517 - TPFA Lease Rev TxDOT Campus Fund

Texas Department of Transportation Combining Balance Sheet - Nonmajor Governmental Funds

August 31, 2024 (Amounts in Thousands)

	General Fund	Special Revenue Fund*	Debt Service Fund	Capital Projects Fund	Total Nonmajor Funds
ASSETS					
Cash and Cash Equivalents:					
Cash in State Treasury	\$ 590,919	\$ 6,321	\$ 35,075	\$ 485,969	\$ 1,118,284
Legislative Appropriations	136,903				136,903
Receivables:					
Federal	25,769		16,423		42,192
Other Intergovernmental				242,352	242,352
Due from Other Funds				3,309	3,309
Due from Other Agencies				1,685	1,685
Total Assets	\$ 753,591	\$ 6,321	\$ 51,498	\$ 733,315	\$ 1,544,725
LIABILITIES, DEFERRED INFLOWS OF					
RESOURCES AND FUND BALANCES					
Liabilities:					
Payables:					
Accounts	23,345			1,499	24,844
Payroll	322				322
Due to Other Funds	16,955			3,600	20,555
Unearned Revenues				726,531	726,531
Total Liabilities	40,622	0	0	731,630	772,252
Deferred Inflows of Resources:					
Unavailable Revenues	45				45
Time-Restricted Appropriations (Note 21)	274,443				274,443
Total Deferred Inflows of Resources	274,488	0	0	0	274,488
Fund Balances (Deficits):					
Restricted			51,498	1,685	53,183
Committed	576,065	6,321			582,386
Unassigned	(137,584))			(137,584)
Total Fund Balances	438,481	6,321	51,498	1,685	497,985
Total Liabilities, Deferred Inflows of Resources, and					
Fund Balances	\$ 753,591	\$ 6,321	\$ 51,498	\$ 733,315	\$ 1,544,725

Texas Department of Transportation

Combining Statement of Revenues, Expenditures and

Changes in Fund Balances - Nonmajor Governmental Funds

For the Fiscal Year Ended August 31, 2024 (Amounts in Thousands)

	General Fund	Special Revenue Fund*	Debt Service Fund	Capital Projects Fund	Total Nonmajor Funds
REVENUES					
Legislative Appropriations	\$ 274,365	\$	\$	\$	\$ 274,365
Federal Revenues	253,808		33,653		287,461
Licenses, Fees and Permits	254				254
Interest and Investment Income		301	15,311		15,612
Sales of Goods and Services	300			189,450	189,750
Total Revenues	528,727	301	48,964	189,450	767,442
EXPENDITURES					
Transportation	56,074				56,074
Capital Outlay	246,787			533	247,320
Debt Service:					
Principal			425,170		425,170
Interest			270,342		270,342
Total Expenditures	302,861	0	695,512	533	998,906
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	225,866	301	(646,548)	188,917	(231,464)
OTHER FINANCING SOURCES (USES)					
Transfers In	604,677		655,782		1,260,459
Transfers Out	(400,000)		(3,748)	(189,450)	(593,198)
Bonds Issued for Refunding			1,043,065		1,043,065
Premium/Discount on Bonds Issued			142,309		142,309
Payment to Escrow for Refunding			(1,179,976)		(1,179,976)
Sale of Capital Assets	2,340				2,340
Total Other Financing Sources (Uses)	207,017	0	657,432	(189,450)	674,999
Net Change in Fund Balances	432,883	301	10,884	(533)	443,535
Fund Balances, September 1, 2023	5,598	6,020	40,614	2,218	54,450
Fund Balances, August 31, 2024	\$ 438,481	\$ 6,321	\$ 51,498	\$ 1,685	\$ 497,985

*No combining statements presented.

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Nonmajor General Funds

Combining Financial Statements

TxDOT reports the following General Funds, which are consolidated into the Nonmajor Governmental funds for the financial statements. The general fund accounts for all financial resources except those accounted for in other funds.

General Fund

General Revenue Fund

Appro	opriated		
F	und	GAAP Fund	USAS D23 Funds
0	001	0001	0001 - General Revenue Fund
0	001	0001	1001 - Unappropriated General Revenue Fund
0	882	0001	0882 - City County MTA & SPD Sales Tax
0	980	0001	0980 - Direct Deposit Correction Fund
0	980	0001	9014 - USPS-Direct Deposit Return
0	999	0001	0998 - Mis-Utility Fund (Non-Cash)
0	807	0001	8070 - Child Support Addenda Deductions
0	900	0001	0900 - Suspense Fund
0	900	0001	9015 - USPS-Overpayments To Employees
0	900	0001	9016 - Warrant Hold Offset-Govt. Code 403.0551
Miscellaneous	s - Utility Fund ((Non-Cash)	
Appro	opriated		
F	und	GAAP Fund	USAS D23 Funds
0	999	0999	0999 - Mis-Utility Fund (Non-Cash)

Traffic Safety-Crash Records Information Systems

Appropriated Fund	GAAP Fund	USAS D23 Funds			
0036	0036	0036 - Traffic Safety Crash Records			
Colonias Projects Fund					
Appropriated					
Fund	GAAP Fund	USAS D23 Funds			
7604	7604	7604 - TPFA G.O. Commercial Paper Series 2002B Colonias Project Fund			
Suspense Fund					
Appropriated					
Fund	GAAP Fund	USAS D23 Funds			
0900	0900	0090 - Suspense Fund			
Coronavirus Relief Fund					
Appropriated					
Fund	GAAP Fund	USAS D23 Funds			
0325	0325	0325 - Fed COVID - 19 Pandemic Relief Fund			
0325	0325	0326 - Fed Covid Relief FD Presidio			
Economic Stabilization Fund					
Appropriated					
Fund	GAAP Fund	USAS D23 Funds			
0599	0599	0599 - Economic Stabilization Fund			

Texas Department of Transportation Combining Balance Sheet - Nonmajor General Funds

August 31, 2024 (Amounts in Thousands)

	General Revenue Fund	Traffic Safety Crash Records	Colonias Projects Fund	C	oronavirus Relief Fund	Economic Stabilizatio Fund		Ship Channel Improvement Revolving Fund	Port Access Fund		Total
ASSETS											
Cash and Cash Equivalents:											
Cash in State Treasury	\$ 4,627	\$	\$	\$	1,317	\$		\$ 400,000	\$ 184,975	\$	590,919
Legislative Appropriations	136,903										136,903
Receivables:											
Federal					25,769		_			_	25,769
Total Assets	\$ 141,530	<u>\$0</u>	\$ () <u></u>	27,086	\$	0	\$ 400,000	\$ 184,975	\$	753,591
LIABILITIES, DEFERRED INFL	OWS OF										
RESOURCES AND FUND BALAN	ICES										
Liabilities:											
Payables:											
Accounts					14,435				8,910		23,345
Payroll	322										322
Due to Other Funds	4,305			_	12,650						16,955
Total Liabilities	4,627	0	(0	27,085		0	0	8,910		40,622
Deferred Inflows of Resources:											
Unavailable Revenues					45						45
Time-Restricted Appropriations											
(Note 21)	274,443						_			_	274,443
Total Deferred Inflows of											
Resources	274,443	0	(45		0	0	0		274,488
Fund Balances (Deficits):											
Committed								400,000	176,065		576,065
Unassigned	(137,540)				(44)						(137,584)
Total Fund Balances	(137,540)	0	()	(44)		0	400,000	176,065	_	438,481
Total Liabilities, Deferred Inflows of											
Resources and Fund Balances	<u>\$ 141,530</u>	\$ 0	\$ (2 \$	27,086	\$	0	\$ 400,000	\$ 184,975	\$	753,591

Texas Department of Transportation

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor General Funds

For the Fiscal Year Ended August 31, 2024 (Amounts in Thousands)

	General Revenue Fund	Traffic Safety Crash Records	Colonias Projects Fund	Coronavirus Relief Fund	Economic Stabilization Fund	Ship Channel	Port Access Fund	Total
REVENUES								
Legislative Appropriations	\$ 274,365	\$	\$	\$	\$	\$	\$	\$ 274,365
Federal Revenues				253,808				253,808
Licenses, Fees and Permits	254							254
Sales of Goods and Services	300							300
Total Revenues	274,919	0	0	253,808	0	0	0	528,727
EXPENDITURES								
Transportation	21,654	730	147	5,808	3,800		23,935	56,074
Capital Outlay	1			246,786				246,787
Total Expenditures	21,655	730	147	252,594	3,800	0	23,935	302,861
Excess (Deficiency) of Revenues								
Over (Under) Expenditures	253,264	(730)	(147)	1,214	(3,800)	0	(23,935)	225,866
OTHER FINANCING SOURCES (USES)	5							
Transfers In		730	147		3,800	400,000	200,000	604,677
Transfers Out	(400,000)							(400,000)
Sale of Capital Assets	2,340							2,340
Total Other Financing Sources (Uses)	(397,660)	730	147	0	3,800	400,000	200,000	207,017
Net Change in Fund Balances	(144,396)	0	0	1,214	0	400,000	176,065	432,883
Fund Balances, September 1, 2023	6,856	0	0	(1,258)	0	0	0	5,598
Fund Balances, August 31, 2024	\$ (137,540)	\$ 0	\$ 0	\$ (44)	\$ 0	\$ 400,000	\$ 176,065	\$ 438,481

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Nonmajor Debt Service Funds

Combining Financial Statements

TxDOT reports the following accounts/sub-funds, which are consolidated into the Nonmajor Debt Service funds for the financial statements.

Proposition 14 Debt Service Fund

Appropriated

	Fund	GAAP Fund	USAS D23 Funds
_	0008	0008	0010 - State Highway Debt Service Fund

Proposition 12 Debt Service Fund

Appropriated		
Fund	GAAP Fund	USAS D23 Funds
0008	0008	0022 - Proposition 12 Debt Service Fund

Texas Department of Transportation

Combining Balance Sheet - Nonmajor Debt Service Funds

August 31, 2024 (Amounts in Thousands)

	Prop 14 Debt Service Fund	Prop 12 Debt Service Fund	Total Nonmajor Debt Service Funds
ASSETS			
Cash and Cash Equivalents:			
Cash in State Treasury	\$ 21,499	\$ 13,576	\$ 35,075
Receivables:			
Federal	 11,555	4,868	16,423
Total Assets	\$ 33,054	\$ 18,444	\$ 51,498
LIABILITIES, DEFERRED INFLOWS OF			
RESOURCES AND FUND BALANCES			
Liabilities:	 		
Total Liabilities	 0	0	0
Deferred Inflows of Resources:	 		
Total Deferred Inflows of Resources:	 0	0	0
Fund Balances (Deficits):			
Nonspendable:			
Restricted	 33,054	18,444	51,498
Total Fund Balances	 33,054	18,444	51,498
Total Liabilities, Deferred Inflows of			
Resources and Fund Balances	\$ 33,054	\$ 18,444	\$ 51,498

Texas Department of Transportation Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Debt Service Funds

For the Fiscal Year Ended August 31, 2024 (Amounts in Thousands)

	Prop 14 Debt Service Fund	Prop 12 Debt Service Fund	Total
REVENUES			
Federal Revenues	\$ 23,714	\$ 9,939	\$ 33,653
Interest and Investment Income	 8,649	 6,662	 15,311
Total Revenues	 32,363	 16,601	 48,964
EXPENDITURES			
Debt Service:			
Principal	283,420	141,750	425,170
Interest	 134,945	 135,397	 270,342
Total Expenditures	 418,365	 277,147	 695,512
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	 (386,002)	 (260,546)	 (646,548)
OTHER FINANCING SOURCES (USES)			
Transfers In	398,351	257,431	655,782
Transfers Out	-	(3,748)	(3,748)
Bonds Issued for Refunding	346,820	696,245	1,043,065
Premium/Discount on Bonds Issued	55,381	86,928	142,309
Payment to Escrow for Refunding	 (400,551)	 (779,425)	 (1,179,976)
Total Other Financing Sources (Uses)	 400,001	 257,431	 657,432
Net Change in Fund Balances	 13,999	 (3,115)	 10,884
Fund Balances, September 1, 2023	 19,055	 21,559	 40,614
Fund Balances, August 31, 2024	\$ 33,054	\$ 18,444	\$ 51,498

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Nonmajor Capital Project Funds

Combining Financial Statements

TxDOT reports the following accounts/sub-funds, which are consolidated into the Nonmajor Debt Service funds for the financial statements.

Local Government Political Subdivision Road/Airport Account

Appropriated		
Fund	GAAP Fund	USAS D23 Funds
0927	0927	0927 - Local Government Political Subdivision Road/Airport Account

TPFA Lease Revenue

Appropriated		
Fund	GAAP Fund	USAS D23 Funds
7517	7517	7517 - Austin Campus Consolidation Project Fund

Texas Department of Transportation

Combining Balance Sheet - Nonmajor Capital Projects Funds

August 31, 2024 (Amounts in Thousands)

	Local Government Political Subdivision Road/ Airport Account	Austin Campus Consolidation Project Fund	Total
ASSETS			
Cash and Cash Equivalents:			
Cash in State Treasury	\$ 485,969	\$	\$ 485,969
Receivables:			
Other Intergovernmental	242,352		242,352
Due from Other Funds	3,309		3,309
Due from Other Agencies		1,685	1,685
Total Assets	\$ 731,630	\$ 1,685	\$ 733,315
LIABILITIES, DEFERRED INFLOWS OF			
RESOURCES AND FUND BALANCES			
Liabilities:			
Payables:			
Accounts	1,499		1,499
Due to Other Funds	3,600		3,600
Unearned Revenues	726,531		726,531
Total Liabilities	731,630	0	731,630
Fund Balances:			
Restricted		1,685	1,685
Total Fund Balances	0	1,685	1,685
Total Liabilities, Deferred Inflows of			
Resources and Fund Balances	\$ 731,630	\$ 1,685	\$ 733,315

Texas Department of Transportation Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds

For the Fiscal Year Ended August 31, 2024 (Amounts in Thousands)

	Local Government Political Subdivision Road/Airport Account	Austin Campus Consolidation Project Fund	Total
REVENUES			
Sales of Goods and Services	\$ 189,450	\$	\$ 189,450
Total Revenues	189,450	0	189,450
EXPENDITURES			
Capital Outlay		533	533
Total Expenditures	0	533	533
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	189,450	(533)	188,917
OTHER FINANCING SOURCES (USES)			
Transfers Out	(189,450)		(189,450)
Total Other Financing Sources (Uses)	(189,450)	0	(189,450)
Net Change in Fund Balances	0	(533)	(533)
Fund Balances, September 1, 2023	0	2,218	2,218
Fund Balances, August 31, 2024	\$	\$ 1,685	\$ 1,685

Texas Department of Transportation

Budget Comparison by Strategy - State Highway Fund

For the Fiscal Year Ended August 31, 2024 (Amount in Thousands)

Strategy	Fina	Budget	Expe	ctual 1ditures, tary Basis	Variance
Aviation Services	\$	112,108.000	\$	89,116	\$ 22,992
Central Administration		116,254		89,959	26,295
Construction Contracts		2,226,380		1,042,183	1,184,197
Construction Contracts - Subaccount		211,500		41,480	170,020
Construction Grants & Services		1,658,940		216,246	1,442,694
Contract Rail Plan/Design		3,500		1,225	2,275
Contracted Plan/Design - Subaccount		4,000		(25)	4,025
Contracted Planning & Design		643,803		255,373	388,430
Contracted Routine Maintenance		1,353,341		(853,183)	2,206,524
Ferry Operations		51,379		61,305	(9,926)
Gulf Waterway		1,091		301	790
Information Resources		279,844		261,240	18,604
Maintenance Contracts		3,853,544		1,600,968	2,252,576
Other Debt Service		500			500
Other Support Services		48,135		41,491	6,644
Plan/Design/Manage		615,145		485,948	129,197
Plan/Design/Manage - Subaccount		4,500		10	4,490
Proposition 1, 2014		5,436,586		5,715,559	(278,973)
Proposition 7, 2015		3,851,005		4,591,558	(740,553)
Public Transportation		96,155		90,007	6,148
Rail Construction		19,965		2,739	17,226
Rail Plan/Design/Manage		3,464		1,983	1,481
Rail Safety		1,268		(3)	1,271
Research		27,518		24,505	3,013
Right-of-Way Acquisition		841,960		(803,723)	1,645,683
Right-of-Way Acquisition - Subaccount		12,500		488	12,012
Routine Maintenance		1,051,452		391,908	659,544
Salary Adjustments		45,793			45,793
Traffic Safety		62,723		69,184	(6,461)
Travel Information		19,298		19,740	(442)
Total	\$	22,653,651	\$	13,437,582	\$ 9,216,069

Construction strategies can be charged for up to four additional fiscal years and non-construction strategies can be charged for up to three additional fiscal years after the original appropriation year. The 9.2 million budget variance represents expenditures expected to be paid in future fiscal years.

SECTION THREE STATISTICAL SECTION



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Texas Department of Transportation

Statistical Section

This section presents detailed information as a context for understanding what the information in the financial statements, note disclosures, required supplementary information and other supplementary information says about the department's overall financial health.

Contents	Pages
Financial Trends Information	
These schedules contain trend information intended to help the reader understand how the department's	
financial position has changed over time.	
Net Position - Government-wide	154
Changes in Net Position - Entity-Wide	155
Fund Balances - Governmental Funds	156
Changes in Fund Balances - Governmental Funds	157
Revenue Capacity Information	
These schedules contain information intended to help the reader assess the department's most significant	
revenue sources – taxes and federal revenues.	
Revenue Collections - Taxes - State and TxDOT	158
Tax Rates	159
Federal Revenue and Percentage	160
Traffic and Toll Revenue - Toll Roads	161
Debt Capacity Information	
These schedules present information intended to assist users in understanding and assessing the department's	
current levels of outstanding debt and the ability to issue additional debt.	
Ratios of Outstanding Debt by Type	162
Ratios of General Bonded Debt Outstanding	163
Pledged Revenue Bond Coverage	164
Demographic and Economic Information	
These schedules provide demographic and economic indicators intended to help the reader understand the	
socio-economic environment within which the department's financial activities take place.	
Texas and U.S. Population, Total Personal Income and Per Capita Income	165
Texas and U.S. Employment and Unemployment Rates	166
Texas Nonfarm Employment Detail: Number of Jobs	167
Operating Information	
These schedules provide contextual information about the department's operations and resources intended to	
assist readers in using financial statement information to understand and assess the department's economic	
condition.	
Full-Time Equivalent Employees (FTE)	168
Capital Assets Indicators – Schedule of Assessed Conditions	169
Capital Assets Indicators – Schedule of State-Owned Centerline Miles	170
Capital Assets Indicators – Schedule of Rated Lane Miles Conditions	171
Annual Letting Volumes by District	172

Sources: Unless otherwise noted, the information in these schedules is derived from the Texas Department of Transportation for the relevant years.

Texas Department of Transportation Statistical Section - Financial Trends Information Net Position - Government-Wide

Last Ten Fiscal Years

(Amounts in Millions)

	2015		2016	2017	2018	2019
GOVERNMENTAL ACTIVITIES						
Net Investment in Capital Assets	\$ 70,083	3 5	\$ 71,358	\$ 76,120	\$ 79,966	\$ 85,381
Restricted	394	1	3,438	2,666	5,551	7,964
Unrestricted	95	5	(212)	(114)	(4,261)	(3,855)
Total Governmental Activities Net Position	70,572	2	74,584	 78,672	81,256	 89,490
BUSINESS-TYPE ACTIVITIES						
Net Investment in Capital Assets	621	l	638	597	558	769
Restricted	115	5	161	272	344	379
Unrestricted	(327	7)	(475)	(619)	(692)	(759)
Total Business-Type Activities Net Position	409)	324	 250	 210	 389
PRIMARY GOVERNMENT						
Net Investment in Capital Assets	70,704	1	71,996	76,717	80,524	86,150
Restricted	509)	3,599	2,938	5,895	8,343
Unrestricted	(232	2)	(687)	(733)	(4,953)	(4,614)
Total Primary Government Net Position	\$ 70,981		\$ 74,908	\$ 78,922	\$ 81,466	\$ 89,879

	2020	2021	2022	2023	2024
GOVERNMENTAL ACTIVITIES					
Net Investment in Capital Assets	\$ 92,952	\$ 102,427	\$ 109,237	\$ 118,934	\$ 129,859
Restricted	8,298	8,642	11,153	11,705	6,907
Unrestricted	(4,032)	(6,061)	(4,900)	(2,935)	909
Total Governmental Activities Net Position	97,218	105,008	115,490	127,704	137,675
BUSINESS-TYPE ACTIVITIES					
Net Investment in Capital Assets	719	752	720	662	644
Restricted	406	431	387	528	511
Unrestricted	(849)	(1,090)	(1,212)	(4,466)	(4,317)
Total Business-Type Activities Net Position	276	93	(105)	(3,276)	(3,162)
PRIMARY GOVERNMENT					
Net Investment in Capital Assets	93,671	103,179	109,957	119,597	130,503
Restricted	8,704	9,073	11,540	12,233	7,418
Unrestricted	(4,881)	(7,151)	(6,112)	(7,402)	(3,408)
Total Primary Government Net Position	\$ 97,494	\$ 105,101	\$ 115,385	\$ 124,428	\$ 134,513

Texas Department of Transportation Statistical Section - Financial Trends Information Changes in Net Position - Entity-Wide

Last Ten Fiscal Years

(Amounts in Millions)

GOVERNMENTAL ACTIVITIES:		015	15)15)16		2017		2018		2019		2020	2	2021		2022		2023		2024
Expenses																								
Transportation	\$	5 710	\$	5,686	\$	6,135	\$	6,475	\$	6,048	\$	6,981	\$	6,463	\$	6,894	\$	7,646	\$	8,338				
Total Expenses	<u> </u>	5,710	-	5,686	φ	6,135	φ	6,475	φ	6,048	φ	6,981	φ	6,463	φ	6,894	<u> </u>	7,646	<u>ф</u>	8,338				
Iotai Expenses		5,710		5,000		0,155		0,475		0,040		0,981		0,403		0,094		7,040		0,330				
Program Revenues:																								
Charges for Services		746		916		1,114		1,277		1,148		1,141		1,126		1,095		1,149		1,169				
Operating Grants and Contributions		3,297		3,942		3,835		3,972		4,483		5,901		4,422		4,715		4,443		5,350				
Capital Grants and Contributions		52		39		50		62		117		37		55		59		114		45				
Total Program Revenues		4,095		4,897		4,999		5,311		5,748		7,079		5,603		5,869		5,706		6,564				
Total Governmental Activities		.,070		.,027		.,,,,,,						.,		2,000				2,700						
Net Program Expense	((1,615)		(789)		(1,136)		(1,164)		(300)		98		(860)		(1,025)		(1,940)		(1,774)				
		<u> </u>																						
General Revenues:		107		010		0.00						17						4		07.4				
Appropriations		195		219		269		1				17				1		1		274				
Taxes		3,747		3,035		3,447		6,589		6,970		6,012		6,830		8,964		8,440		8,090				
Unrestricted Investment Earnings		34		52		77		99		166		141		86		60		424		567				
Settlement of Claims		22		48		28		21		42		34		44		37		49		50				
Motor Vehicle & Mfg Housing														237		489		624		629				
Other General Revenues		9		17		9		4		4				2		3		12		2				
Gain on Sale of Capital Assets		48		53						2		18								4				
Gain on Other Financial Activity Capital Contributions																								
Transfers - Internal Activities		(2)		(2)		(5)		(26)		(195)		(30)		(39)		(4)		33		31				
Transfers - Other State Agencies	2	2,529		1,379		1,399		1,496		1,544		1,438		1,584		1,960		1,836		2,098				
Total General Revenues.				1,077		1,077		1,150		1,011		1,100		1,001		1,500		1,000		2,070				
Contributions and Transfers	(6,582		4,801		5,224		8,184		8,533		7,630		8,744		11,510		11,419		11,745				
Changes in Net Position - Governmental																								
Activities	\$ 4	4,967	\$	4,012	\$	4,088	\$	7,020	\$	8,233	\$	7,728	\$	7,884	\$	10,485	\$	9,479	\$	9,971				
BUSINESS-TYPE ACTIVITIES:																								
Expenses																								
Transportation	\$	252	\$	353	\$	452	\$	491	\$	559	\$	593	\$	607	\$	710	\$	678		704				
Total Expenses	-	252	+	353	-	452	+	491	-	559	+	593	-	607	+	710	-	678		704				
I · · · · ·																								
Program Revenues:																								
Charges for Services		194		256		359		397		455		403		377		519		699		747				
Operating Grants and Contributions		2		2		14		23		77		47		9		(11)		66		102				
Capital Grants and Contributions										12														
Total Program Revenues		196		258		373		420		544		450		386		508		765		849				
Total Business-Type Activities																								
Net Program Expense		(56)		(95)		(79)		(71)		(15)		(143)		(221)		(202)		87		145				
General Revenues:																								
Unrestricted Investment Earnings		5		8																				
Settlement of Claims		5		0				5																
Capital Contributions		2						5																
Transfers - Internal Activities				n		5		26		195		29		20		4		(22)		(21)				
		2		2		5		26		195				39		4		(33)		(31)				
Total General Revenues,		0		10		F		21		105		20		20		4		(22)		(21)				
Contributions and Transfers		9		10		5		31		195		29		39		4		(33)		(31)				
Changes in Net Position - Business-Type		(17)		(05)		(74)		(40)		100		(114)		(100)		(100)		E 1		114				
Activities		(47)		(85)		(74)		(40)		180		(114)		(182)		(198)		54		114				
Changes in Net Position - Primary																								
Changes in Net Position - Primary Government	\$ 4	4,920	\$	3,927	\$	4,014	\$	6,980	\$	8,413	\$	7,614	\$	7,702	\$	10,287	\$	9,533	\$	10,085				

Texas Department of Transportation Statistical Section - Financial Trends Information Fund Balances - Governmental Funds

Last Ten Fiscal Years

(Amounts in Millions)

		2015		2016		2017		2018		2019		2020		2021	2022		2023		2024
STATE HIGHWAY FUND									_				_						
Nonspendable	\$	181	\$	162	\$	154	\$	146	\$	139	\$	144	\$	147	\$	144	\$	151	\$ 168
Restricted		2,388		2,622		2,227		3,710		5,485		6,956		6,915		7,097		8,237	3,678
Committed		1,411		1,140		927		788		720		454		671		632			908
Assigned		39		573		877		1,320		1,119				301		923			814
Unassigned			_		_		_		_		_		_		_			(367)	
Total State Highway Fund	\$	4,019	\$	4,497	\$	4,185	\$	5,964	\$	7,463	\$	7,554	\$	8,034	\$	8,796	\$	8,021	\$ 5,567
TEXAS MOBILITY FUND																			
Restricted	\$	1,191	\$	1,081	\$	910	\$	546	\$	219	\$	218	\$	242	\$	262	\$	281	\$ 298
Committed										192		103		147		200		140	172
Unassigned		(19)	_						_				_		_		_		
Total Texas Mobility Fund	\$	1,172	\$	1,081	\$	910	\$	546	\$	411	\$	321	\$	389	\$	462	\$	421	\$ 471
ALL OTHER GOVERNMEN	TAL	FUNDS																	
Restricted	\$	442	\$	503	\$	874	\$	605	\$	351	\$	230	\$	334	\$	177	\$	43	\$ 53
Committed		153		72		25		10		11		10		6		6		6	582
Assigned		1		6		5										14		7	
Unassigned		20	_		_	7	_	5	_	2	_	16	_	7	_	(14)		(1)	 (138)
Total All Other Governmental																			
Funds	\$	616	\$	581	\$	911	\$	620	\$	364	\$	256	\$	347	\$	183	\$	55	\$ 497

Texas Department of Transportation Statistical Section - Financial Trends Information Changes in Fund Balances - Governmental Funds Last Ten Fiscal Years*

(Amounts in Millions)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
REVENUES	¢ 10 5	• • • • • •		.	* •	÷ 15	<i>.</i>	.		¢ 274
Legislative Appropriations****	\$ 197	\$ 220	\$ 274	\$ 2	\$ 2	\$ 17	\$	\$	\$ 1	\$ 274
Taxes	2,583	3,760	3,115	5,976	6,686	6,546	6,744	7,273	9,645	9,035
Federal Revenues	3,230	3,993	3,840	3,891	4,258	5,291	5,279	4,668	4,451	5,365
Federal Pass-Through Revenues		1	1	13	4	40		26		
State Grant Pass Through Revenues								25		
Licenses, Fees and Permits	393	462	504	524	562	560	579	489	597	654
Interest & Investment Income	34	52	78	99	166	141	86	60	424	567
Net Increase (Decrease) Fair Value								(3)		2
Land Income	16	12	13	23	30	19	21	30	30	30
Settlement of Claims	22	47	28	21	42	34	44	37	49	50
Sales of Goods and Services	171	135	280	441	315	251	208	181	269	211
Other Revenues	9	17	10	4	5		4	2	11	2
Total Revenues	6,655	8,699	8,143	10,994	12,070	12,899	12,965	12,788	15,477	16,190
EXPENDITURES										
Transportation	3,484	3,524	3,595	3,696	3,954	4,278	3,643	4,738	5,165	6,225
Capital Outlay	5,198	6,052	6,700	6,444	7,292	8,881	9,356	8,184	9,423	12,869
Debt Service:										
Principal	390	393	423	523	595	636	612	627	693	721
Interest	567	613	665	688	671	674	546	546	532	508
Other Financing Fees	16	9	11	1	2	14	1	2	1	6
Total Expenditures	9,655	10,591	11,394	11,352	12,514	14,483	14,158	14,097	15,814	20,329
Excess (Deficiency) of Revenues										
Over (Under) Expenditures	(3,000)	(1,892)	(3,251)	(358)	(444)	(1,584)	(1,193)	(1,309)	(337)	(4,138)
OTHER FINANCING SOURCES (US	ES)									
Transfers In (Note 11)	3,746	2,006	2,250	2,509	2,750	2,401	2,538	2,847	2,782	3,519
Transfers Out (Note 11)	(1,219)	(627)	(851)	(1,035)	(1,209)	(966)	(955)	(887)	(902)	(1,391)
Long-Term Debt Issued**	2,160	615	1,475	(1,055)	(1,20))	(200)	326	(007)	()02)	(1,5)1)
Insurance Recoveries	2,100	015	1,475				520			
Bond Issued for Refunding	1,711	1,165	859			3,112				1,043
Premium/Discount on Bonds Issued	598	307	367			213				1,043
Payment to Escrow on Refunding	(2,034)	(1,335)	(1,010)			(3,310)				(1,180)
Increase in Obligations for Leases	(2,034)	(1,555)	(1,010)			(3,510)		16	49	34
Sale of Capital Assets	73	68	12	9	12	27	18	6	49	54 10
Upfront Payment - Service	15	08	12	2	12	27	10	0	10	10
Concession Arrangement		26			1	1	1			
Appropriations Lapsed****	(1)	20	(4)	(1)	(2)	(2)	(2)			
Total Other Financing Sources (Uses)	5,034	2,225	3,098	1,482	1,552	1,477	1,927	1,982	1,947	2,177
Total Other Financing Sources (Uses)		2,223		1,462	1,332	1,477	1,927	1,962		2,177
Net Change in Fund Balances	2,034	333	(153)	1,124	1,108	(107)	734	673	1,610	(1,960)
Fund Balance, Beginning Fiscal Year	6,868	5,826	6,159	7,283	8,391	8,284	8,132	8,771	9,441	8,496
Restatements						(140)	(95)	(3)	(2,555)	
Fund Balance, Ending Fiscal Year	\$ 8,902	\$ 6,159	\$ 6,006	\$ 8,407	\$ 9,499	\$ 8,037	\$ 8,771	\$ 9,441	\$ 8,496	\$ 6,536
Debt Service as a Percentage										
of Noncapital Expenditures***	21.5%	22.2%	23.2%	24.7%	24.2%	23.4%	24.1%	19.8%	19.2%	16.5%
* This table comprises the following fu	nds: general.	special rever	ue, debt serv	vice, and capit	al projects.					

* This table comprises the following funds: general, special revenue, debt service, and capital projects.

** In fiscal 2015, Long-Term Debt Issued was reported under Bond & Note Proceeds line.

*** In fiscal 2015-2022, Debt Service as a Percentage of Noncapital Expenditures was updated with correct formula.

**** Appropriations Lapsed was reported in a separate line under Other Fianancing Sources (Uses) in fiscal 2015-2021. Starting fiscal 2022, it was comibined into Legislative Appropriations line under Revenue.

Texas Department of Transportation Statistical Section - Revenue Capacity Information Revenue Collections - Taxes - State and TxDOT Last Ten Fical Years*

(Amounts in Millions, Except Gallons)

	Motor Fuels Tax** Crude Oil Production			n 1	Fax***_	Natural	Ga	s Produc ***	cti	on Tax	Sa	lles & Us	se T	ax****			nicle Sales Il Tax****						
Fiscal	Gallons		State		xDOT	Gallons	T	State		xDOT	Gallons		State		FxDOT		State		xDOT		State	TxDOT	Total TxDOT
Year	Sold	K	eceipts	ĸ	eceipts	Produced	K	Receipts	к	eceipts	Produced	K	eceipts	1	Receipts	ĸ	eceipts	K	eceipts	K	eceipts	Receipts	Receipts
2015	17,666	\$	3,446	\$	2,522	1,080	\$	2,877	\$	1,253	8,422	\$	1,280	\$	487	\$	28,911	\$	45				4,307
2016	18,047	\$	3,514	\$	2,581	1,034	\$	1,704	\$	879	8,139	\$	579	\$	255	\$	28,246	\$	45				3,760
2017	18,353	\$	3,584	\$	2,630	1,067	\$	2,107	\$	440	7,435	\$	983			\$	28,900	\$	45				3,115
2018	18,895	\$	3,675	\$	2,694	1,295	\$	3,392	\$	591	7,967	\$	1,431	\$	144	\$	31,937	\$	982				4,411
2019	19,221	\$	3,743	\$	2,735	1,561	\$	3,887	\$	1,072	9,377	\$	1,686	\$	312	\$	34,024	\$	4,104				8,223
2020	18,114	\$	3,525	\$	2,611	1,612	\$	3,229	\$	1,258	9,903	\$	925	\$	407	\$	34,099	\$	2,538				6,814
2021	18,496	\$	3,598	\$	2,584	1,433	\$	3,449	\$	1,012	10,252	\$	1,569	\$	122	\$	36,020	\$	2,537	\$	5,677	\$ 237	6,492
2022	19,450	\$	3,784	\$	2,792	1,539	\$	6,362	\$	1,094	11,456	\$	4,470	\$	363	\$	42,972	\$	2,538	\$	6,398	\$ 489	7,276
2023	19,563	\$	3,832	\$	2,821	1,658	\$	5,931	\$	2,186	11,841	\$	3,350	\$	1,451	\$	46,581	\$	2,538	\$	6,784	\$ 624	9,620
2024	19,636	\$	3,847	\$	2,813	1,731	\$	6,304	\$	2,025	12,342	\$	2,134	\$	1,030	\$	47,160	\$	2,538	\$	6,796	\$ 629	9,035

- * Prior years numbers are subject to revisions due to updated information.
- ****** Motor Fuels include the following:

Gasoline

Diesel Fuel

Liquefied Gas (repealed in 84th Legislative Session 2015)

Liquefied and Compressed Natural Gas (previously included in RO-3009)

*** Under Proposition 1 (Prop 1), voters approved a portion of oil and gas production taxes to State Highway Fund (SHF) in fiscal 2014. The SHF started receiving Prop 1 funds in fiscal 2015.

For natural gas production tax fiscal 2017 didn't reach constitutional required level of \$599.78 million in the preceeding year.

On Nov.2, 2015 Texas voters approved Proposition 7 ballot measure that dedicates a portion of the revenue from the state sales and use tax and motor vehicle sales and rental tax to the state highway fund.

**** In fiscal 2018, TxDOT started receiving the Prop 7 funds deposit of the state sales and use tax revenue after the law was enacted. In fiscal 2021, TxDOT started receiving the Prop 7 funds deposit of state motor vehicle sales and rental tax after the law was enacted.

Source: State of Texas Comptroller of Public Accounts

Texas Department of Transportation Statistical Section - Revenue Capacity Information Tax Rates Last Ten Fiscal Years

Fiscal Year	Motor Fuel Tax Rate*	Motor Fuel Tax Rate**	Crude Oil Production Tax Rate***	Natural Gas Production Tax Rate****	Sales and Use Tax Rate
2015	0.20%	0.15%	4.45%	4.19%	6.25%
2016	0.20%	0.15%	4.39%	4.22%	6.25%
2017	0.20%	0.15%	4.47%	4.43%	6.25%
2018	0.20%	0.15%	4.50%	4.73%	6.25%
2019	0.20%	0.15%	4.52%	4.56%	6.25%
2020	0.20%	0.15%	4.48%	4.39%	6.25%
2021	0.20%	0.15%	4.50%	4.86%	6.25%
2022	0.20%	0.15%	4.54%	5.35%	6.25%
2023	0.20%	0.15%	4.56%	5.31%	6.25%
2024	0.20%	0.15%	4.56%	5.49%	6.25%

* Tax rate for Gasoline and Diesel Fuel

** Tax rate for Liquefied Gas and Liquefied and Compressed Natural Gas

*** Prior years are subject to change to to updated information.

**** For Natural Gas Production Tax, the effective tax rates are included for the last ten years. The tax rate of 7.5 percent reported in the prior years was the regular tax rate.

Source: State of Texas Comptroller of Public Accounts

Texas Department of Transportation Statistical Section - Revenue Capacity Information Federal Revenue and Percentage

Last Ten Fical Years

(Amounts in Millions)

	Increase	
Federal Revenue	/Decrease	Percentage Change
3,230	(189)	(5.5)%
3,994	764	23.7 %
3,840	(154)	(3.9)%
3,891	51	1.3 %
4,258	367	9.4 %
5,286	1,028	24.1 %
5,279	(7)	(0.1)%
4,668	(611)	(11.6)%
4,451	(217)	(4.6)%
5,367	916	20.6 %
	3,230 3,994 3,840 3,891 4,258 5,286 5,279 4,668 4,451	Federal Revenue /Decrease 3,230 (189) 3,994 764 3,840 (154) 3,891 51 4,258 367 5,286 1,028 5,279 (7) 4,668 (611) 4,451 (217)

Texas Department of Transportation Statistical Section - Revenue Capacity Information Traffic and Toll Revenue - Toll Roads Last Ten Fiscal Years

Fiscal Year	Annual Vehicle Transactions*	Annual Toll Revenue, Net*	Increase/ Decrease	Toll Revenue Percentage Change	Toll Rate per Transaction
2015	146,208,519	179,478,287	43,554,875	32.0%	1.23
2016	210,526,490	248,219,447	68,741,160	38.3%	1.18
2017	284,881,295	329,920,341	81,700,895	32.9%	1.16
2018	323,480,170	366,457,043	36,536,702	11.1%	1.13
2019	345,998,872	420,219,279	53,762,236	14.7%	1.21
2020	302,596,110	371,837,606	(48,381,673)	(11.5%)	1.23
2021	334,396,423	352,982,166	(18,855,440)	(5.1%)	1.06
2022	404,370,703	464,274,592	111,292,426	31.5%	1.15
2023	470,099,469	606,011,778	141,737,186	30.5%	1.29
2024	503,188,273	672,411,674	66,399,897	11.0%	1.34

Note: The above numbers are for Central Texas Turnpike System for fiscal 2015-2024; Grand Parkway Transportation Corporation for fiscal 2016-2024 and SH249 for fiscal 2023-2024. There are other TxDOT toll roads that are not included here.

 \ast Prior years are subject to change according to updated information.

Source: TxDOT's Project Finance, Debt, and Strategic Contracts Division

Texas Department of Transportation Statistical Section - Debt Capacity Information Ratios of Outstanding Debt by Type Last Ten Fiscal Years*

(Amounts in Millions Except Percentage Data and Per Capita)

		G	overnment	A	ctivities			Busin	es	s-Type Act	ivities						
Fiscal Year	General Obligation Bonds		Revenue Bonds	ľ	Notes and Loans	Right- to-Use Obligations]	Revenue Bonds	١	Notes and Loans	Right- to-Use Obligations	(Total Primary Government	Personal Income	Percentage of Personal Income	Population	Per pita**
2015	\$ 10,188	\$	4,396	\$	1,183		\$	5,133	\$	758		\$	21,658	\$ 1,301,781	1.7%	27.3	\$ 793
2016	\$ 10,795	\$	4,223	\$	1,094		\$	5,166	\$	746		\$	22,024	\$ 1,290,767	1.7%	27.8	\$ 792
2017	\$ 11,247	\$	4,733	\$	1,308		\$	5,089	\$	863		\$	23,240	\$ 1,362,534	1.7%	28.2	\$ 824
2018	\$ 10,971	\$	4,470	\$	1,256		\$	6,107	\$	1,552		\$	24,356	\$ 1,457,751	1.7%	28.5	\$ 855
2019	\$ 10,683	\$	4,202	\$	1,119		\$	6,387	\$	1,575		\$	23,966	\$ 1,544,428	1.6%	28.8	\$ 832
2020	\$ 10,354	\$	3,941	\$	1,035		\$	7,514	\$	637		\$	23,481	\$ 1,616,327	1.5%	29.2	\$ 804
2021	\$ 10,048	\$	3,650	\$	1,260		\$	7,505	\$	626		\$	23,089	\$ 1,727,115	1.3%	29.5	\$ 783
2022	\$ 9,707	\$	3,353	\$	1,189	\$ 29	\$	7,484	\$	616		\$	22,378	\$ 1,826,096	1.2%	30.0	\$ 746
2023	\$ 9,354	\$	3,052	\$	1,057	\$ 75	\$	7,423	\$	614	\$ 109	\$	21,684	\$ 1,950,766	1.1%	30.5	\$ 711
2024	\$ 8,889	\$	2,685	\$	968	\$ 69	\$	7,243	\$	626	\$ 81	\$	20,561	\$ 2,055,243	1.0%	30.9	\$ 665

* Prior years are subject to revisions.

**Calculation based on resident population figures from U.S. Bureau of the Census and Texas Comptroller of Public Accounts. Source: Fiscal 2015 - 2024 TxDOT financial statements

Texas Department of Transportation Statistical Section - Debt Capacity Information Ratios of General Bonded Debt Outstanding

Last Ten Fiscal Years*

(Amounts in Millions Except Percentage Data and General Bonded Debt Per Capita)

	 2015	 2016	 2017	 2018	 2019	 2020	 2021	 2022	 2023	 2024
Bonded Debt (General Obligation Bonds Only)	\$ 10,188	\$ 10,795	\$ 11,247	\$ 10,971	\$ 10,683	\$ 10,354	\$ 10,048	\$ 9,707	\$ 9,354	\$ 8,889
Percentage Bonded Debt Change From Prior Year	29.5%	6.0%	4.2%	(2.5%)	(2.6%)	(3.1%)	(3.0%)	(3.4%)	(3.6%)	(5.0%)
Tax Collections**	\$ 51,096	\$ 47,971	\$ 50,194	\$ 55,963	\$ 59,785	\$ 57,324	\$ 61,347	\$ 77,211	\$ 82,146	\$ 81,874
Percentage Bonded Debt to Tax Collections	19.9%	22.5%	22.4%	19.6%	17.9%	18.1%	16.4%	12.6%	11.4%	10.9%
Resident Population	27.3	27.8	28.2	28.5	28.8	29.2	29.5	30.0	30.5	30.9
General Bonded Debt Per Capita	\$ 373.19	\$ 388.31	\$ 398.83	\$ 384.95	\$ 370.95	\$ 354.59	\$ 340.61	\$ 325.74	\$ 306.69	\$ 287.67

* Historical data may reflect a variety of changes in methodology, inflation factors, price indicators and revisions to interim census figures made by the U.S. Bureau of Economic.

** Fiscal 2024 Tax Collections is an estimate.

Source: Bonded debt and tax collection amounts are from the fiscal 2015 - 2024 TxDOT financial statements. Resident population figures are from the U.S. Department of Commerce, Bureau of Census and Bureau of Economic Analysis.

Texas Department of Transportation Statistical Section - Debt Capacity Information Pledged Revenue Bond Coverage

Last Ten Fiscal Years

(Amounts in Millions Except Ratio Data)

	 2015	 2016	2017		2018		2019		2020	2021	2022		2023	 2024
GOVERNMENTAL ACTIVITIES														
State Highway Fund Revenue Bonds														
Pledged Revenue Amount	\$ 7,427	\$ 8,267	\$ 8,450	\$	8,407	\$	8,973	\$	9,362	\$ 9,888	\$ 9,126	\$	9,003	\$ 9,955
Operating Expenditures	7,791	8,553	9,563		9,334		10,587		12,938	12,533	12,496		14,162	18,689
Net Available Revenue	\$ (364)	\$ (286)	\$ (1,113)	\$	(927)	\$	(1,614)	\$	(3,576)	\$ (2,645)	\$ (3,370)	\$	(5,159)	\$ (8,734)
Debt Service - ***												_		
Principal	\$ 132	\$ 139	\$ 145	\$	216	\$	226	\$	236	\$ 248	\$ 261	\$	271	\$ 283
Interest	198	176	195		206		186		189	163	153		147	135
Total Debt Service	\$ 331	\$ 315	\$ 340	\$	422	\$	412	\$	425	\$ 411	\$ 414	\$	418	\$ 418
Coverage Ratio	(1.1)	(0.9)	 (3.3)		(2.2)		(3.9)		(8.4)	 (6.4)	 (8.1)		(12.3)	 (20.9)
BUSINESS-TYPE ACTIVITIES														
Central Texas Turnpike System														
Pledged Revenue Amount	\$ 169	\$ 179	\$ 208	\$	224	\$	266	\$	229	\$ 188	\$ 264	\$	366	\$ 393
Operating Expenditures	 110	 101	 106		111		110		133	 176	 230		234	 285
Net Available Revenue	\$ 59	\$ 78	\$ 102	\$	113	\$	156	\$	96	\$ 12	\$ 34	\$	132	\$ 108
Debt Service -														
Principal	\$ 8	\$ 2	\$ 8	\$	14	\$	20	\$	27	\$ 36	\$ 45	\$	64	\$ 78
Interest	 92	 107	 107		107		107		101	 94	 94		99	 98
Total Debt Service	\$ 100	\$ 109	\$ 115	\$	121	\$	127	\$	128	\$ 130	\$ 139	\$	163	\$ 176
Coverage Ratio	0.6	0.7	0.9		0.9		1.2		0.8	0.1	0.2		0.8	0.6
Grand Parkway Transportation Corporation*														
Pledged Revenue Amount	N/A	\$ 86	\$ 162	\$	186	\$	229	\$	201	\$ 195	\$ 253	\$	346	\$ 381
Operating Expenditures	 N/A	 77	 94		101	_	108		112	 116	 160	_	90	 99
Net Available Revenue	 N/A	\$ 9	\$ 68	\$	85	\$	121	\$	89	\$ 78	\$ 93	\$	256	\$ 282
Debt Service -														
Principal	N/A	\$	\$	\$		\$		\$		\$ 14	\$ 18	\$	19	\$ 19
Interest	 N/A	 111	 105		90		152		131	 183	 175		168	 154
Total Debt Service	 N/A	\$ 111	\$ 105	\$	90	\$	152	\$	131	\$ 197	\$ 193	\$	187	\$ 173
Coverage Ratio	N/A	0.1	0.6		0.9		0.8		0.7	0.4	0.5		1.4	1.6
SH 249 System**														
Pledged Revenue Amount	N/A	N/A	N/A		N/A	\$	2	\$	1	\$ 6	\$ 16	\$	23	\$ 28
Operating Expenditures	 N/A	 N/A	 N/A	_	N/A			_		 	 			
Net Available Revenue	 N/A	 N/A	 N/A		N/A	\$	2	\$	1	\$ 6	\$ 16	\$	23	\$ 28
Debt Service -														
Principal	N/A	N/A	N/A		N/A	\$		\$		\$	\$	\$		\$
Interest	 N/A	 N/A	 N/A		N/A		3		8	 8	 8		8	 8
Total Debt Service	 N/A	 N/A	 N/A		N/A	\$	3	\$		\$ 8	\$ 8	\$		\$ 8
Coverage Ratio	N/A	N/A	N/A		N/A		0.5		0.2	0.8	2.0		2.9	3.5

* Grand Parkway Transportation Corporation published its first annual financial report in fiscal 2016.

** SH 249 issued bonds in fiscal 2019.

*** State Highway Fund Revenue Bonds Debt Service amount updated for 2020-2023 to include Prop 14 payments only.

Texas Department of Transportation Statistical Section - Demographic and Economic Information Texas and U.S. Population, Total Personal Income and Per Capita Income Last Ten Calendar Years*

		Population (Thousands)				Tota	al Personal l	[nco	ome (Millio	ns)		Per Capit	a Ir	ncome	
			Percent		Percent		Percent			Percent		Percent			Percent
Year	_	Texas	Changes	U.S.	Changes	Texas	Changes		U.S.	Changes	 Texas	Changes		U.S.	Changes
2015	\$	27,458	1.8% \$	322,030	5 0.8% \$	\$ 1,281,170	1.9%	\$	15,473,741	4.7%	\$ 46,659	0.1%	\$	48,050	3.9%
2016		27,882	1.5%	324,500	0.8%	1,276,331	0.4%		15,887,650	2.7%	45,777	1.9%		48,960	1.9%
2017		28,242	1.3%	326,747	0.7%	1,367,826	7.2%		16,662,756	4.9%	48,433	5.8%		50,996	4.2%
2018		28,570	1.2%	328,730	6 0.6%	1,463,790	7.0%		17,528,193	5.2%	51,235	5.8%		53,320	4.6%
2019		28,919	1.2%	330,55	0.6%	1,537,206	5.0%		18,363,160	4.8%	53,155	3.7%		55,553	4.2%
2020		29,266	1.2%	331,750	6 0.4%	1,602,183	4.2%		19,620,082	6.8%	54,746	3.0%		59,140	6.5%
2021		29,614	1.2%	332,540	0.2%	1,779,913	11.1%		21,419,498	9.2%	60,105	9.8%		64,412	8.9%
2022		30,086	1.6%	334,858	3 0.7%	1,891,499	6.3%		22,088,919	3.1%	62,869	4.6%		65,965	2.4%
2023		30,572	1.6%	338,375	5 1.1%	2,020,899	6.8%		23,402,535	5.9%	66,102	5.1%		69,162	4.8%
2024**		31,142	1.9%	341,848	3 1.0%	2,135,256	5.7%		24,747,779	5.7%	68,566	3.7%		72,394	4.7%

*The schedule includes the last ten calendar years. Prior years numbers are subject to revisions.

** Numbers for 2024 include some estimates for the latter part of the year.

Source: U.S. Bureau of Economic Analysis, U.S. Bureau of the Census, and Texas Comptroller of Public Accounts

Texas Department of Transportation Statistical Section - Demographic and Economic Information Texas and U.S. Employment and Unemployment Rates Last Ten Calendar Years*

		Nonfarm Empl (Thousan	-		Unemployn Percentage	
Year	Texas	Percent Changes	U.S.	Percent Changes	Texas	U.S.
2015	11,868	2.3%	141,801	2.1%	4.5%	5.3%
2016	12,017	1.3%	144,332	1.8%	4.7%	4.9%
2017	12,232	1.8%	146,611	1.6%	4.4%	4.4%
2018	12,522	2.4%	148,897	1.6%	3.9%	3.9%
2019	12,814	2.3%	150,906	1.3%	3.5%	3.7%
2020	12,273	(4.2)%	142,165	(5.8)%	7.7%	8.1%
2021	12,720	3.6%	146,276	2.9%	5.6%	5.4%
2022	13,461	5.8%	152,531	4.3%	3.9%	3.7%
2023	13,911	3.3%	156,066	2.3%	4.0%	3.6%
2024**	14,195	2.0%	158,630	1.6%	4.0%	4.0%

*The schedule includes the last ten calendar years. Prior years numbers are subject to revisions.

**Numbers for 2024 include some estimates for the latter part of the year.

Source: Texas Workforce Commission, Texas Comptroller of Public Accounts and U.S. Bureau of Labor Statistics.

Texas Department of Transportation Statistical Section - Demographic and Economic Information Texas Nonfarm Employment Detail: Number of Jobs

Last Ten Calendar Years*

(Amounts in Thousands)

EMPLOYMENT BY INDUSTRY	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024**
GOODS-PRODUCING		212			• 10	100	100	200		
Natural Resources and Mining	273	213	222	246	249	192	180	200	213	210
Construction	684	700	712	740	774	737	738	783	823	855
Manufacturing										
Durables	579	543	543	565	584	552	553	588	610	628
Nondurables	300	305	310	317	324	318	324	339	346	348
Total, Goods-Producing	1,836	1,761	1,787	1,868	1,931	1,799	1,795	1,910	1,992	2,041
SERVICE-PROVIDING										
Trade, Transportation, and Utilities										
Wholesale Trade	566	561	569	587	600	580	593	636	661	671
Retail Trade	1,293	1,318	1,322	1,323	1,315	1,274	1,333	1,378	1,398	1,402
Transportation and Warehousing	460	473	493	511	534	553	584	636	642	647
Utilities	49	50	50	51	52	52	53	56	61	64
Information	201	203	204	206	211	200	208	231	235	235
Financial Activities										
Finance and Insurance	518	532	547	557	573	585	608	636	650	660
Real Estate and Rental and Leasing	201	205	214	222	229	219	225	244	254	260
Professional and Business Services										
Professional, Scientific and Technical	716	733	750	784	825	832	896	995	1,036	1,053
Management, Administrative and										
Support	901	917	938	965	981	937	1,010	1,081	1,084	1,090
Educational and Health Services										
Educational Services, Private	188	195	202	208	216	209	220	238	247	253
Health Care and Social Assistance	1,389	1,430	1,464	1,491	1,526	1,491	1,517	1,568	1,647	1,698
Leisure and Hospitality	1,242	1,290	1,320	1,357	1,397	1,178	1,297	1,411	1,483	1,524
Other Services	420	424	427	436	446	398	418	450	473	492
Government										
Federal Civilian	194	198	200	201	204	215	212	211	214	221
State and Local	1,694	1,727	1,745	1,755	1,774	1,751	1,751	1,780	1,834	1,884
Total, Service-Providing	10,032	10,256	10,445	10,654	10,883	10,474	10,925	11,551	11,919	12,154
Total Nonfarm Employment	11,868	12,017	12,232	12,522	12,814	12,273	12,720	13,461	13,911	14,195

*Data in the table are annual averages. Prior years are subject to annual benchmark revisions.

**Numbers for 2024 include some estimates for the latter part of the year.

Note: Due to confidentiality issues, the names of the ten largest revenue payers are not available. This table provides alternative information regarding the source of the state's major tax revenue.

Source: ISH Markit, Texas Workforce Commission, and Texas Comptroller of Public Accounts

Texas Department of Transportation Statistical Section - Operating Information Full-Time Equivalent Employees (FTE) Last Ten Fiscal Years

	2015	2016	2017	2018	2019
FTE Cap*	12,087	11,900	11,900	12,214	12,214
FTE	11,574	11,795	11,369	11,597	11,886
Contractor	72	77	36	20	19
Total Usage	11,646	11,872	11,405	11,617	11,905
Over/Under	(441)	(28)	(495)	(597)	(309)
	2020	2021	2022	2023	2024
FTE Cap	12,527	12,527	12,808	12,808	13,157
FTE	12,097	12,164	12,228	12,580	12,959
Contractor	17	20	16	18	18
Total Usage	12,114	12,184	12,244	12,598	12,977

Notes:

1. Full-Time Equivalents (FTE) Cap was obtained from the General Appropriations Act (GAA) for each biennium.

2. Usage was determined based on Texas State Auditor's Office (SAO) reports.

3. Summer Hire FTEs are not included in usage totals.

4. Over/Under is the difference between total usage and FTE Cap.

5. Rounding issues in FY 2021 publication for years 2017 - 2020 (Over/Under), has been corrected.

6. This report calculates the FTE count by taking the average of all four quarters of the current fiscal year, based on the SAO query using actual hours.

Texas Department of Transportation Statistical Section - Operating Information Capital Assets Indicators Schedule of Assessed Conditions Last Ten Fiscal Years

	2015	2016	2017	2018	2019
Interstate Condition	76.6%	78.6%	80.8%	80.3%	80.9%
Non-Interstate Condition	75.3%	77.5%	77.8%	77.8%	79.6%
Central Texas Turnpike System	79.0%	76.9%	81.9%	79.7%	84.9%
Grand Parkway Transportation Corporation	N/A%	N/A%	89.9%	88.5%	87.7%

	2020*	2021**	2022***	2023****	2024****
Interstate Condition	80.0%	82.7%	77.8%	79.7%	78.3%
Non-Interstate Condition	78.1%	79.5%	77.8%	79.6%	78.1%
Central Texas Turnpike System	N/A%	N/A%	N/A%	N/A%	N/A%
Grand Parkway Transportation Corporation	89.9%	88.7%	90.0%	90.6%	90.2%

Notes:

1. Starting in FY 2020 districts are now inspected every other year. Even-numbered districts are inspected during even-numbered fiscal years and odd-numbered districts are inspected during odd-numbered fiscal years.

2. Toll roads are only inspected by district request. The toll road inspections may or may not be entered into TxMAP.

3. Texas Maintenance Assessment Program (TxMAP) doesn't assess GPTC separately. The information is for inspected on-system roadways.

4. The GPTC system is annually inspected by the HTNB Corporation using the TxMAP methodology to satisfy the Trust Indenture requirements.

*Covid 19 significantly restricted the TxMAP inspections in FY2020. Only 6 districts (ABL, AUS, DAL, FTW, ODA, TYL) were inspected and no toll roads were inspected, including Central Texas Turnpike System (CTTS).

**Five districts were inspected in FY2021 due to Covid-19 restrictions and new TxMAP policies (PAR, SJT, WAC, AUS, BRY).

***Twelve districts were inspected in FY2022 due to current TxMAP policies (ABL,AMA,AUS,BMT,CRP,DAL,ELP,FTW,HOU,LRD,ODA,TYL).

****Thirteen districts were inspected in FY2023 due to current TxMAP policies (ATL,BRY,BWD,CHS,LBB,LFK,PAR,PHR,SAT,SJT,WAC,WFS,YKM).

*****Twelve districts were inspected in

FY2024 due to current TxMAP policies

Source: Assessed conditions provided by TxDOT's Maintenance Division

Texas Department of Transportation Statistical Section - Operating Information Capital Assets Indicators Schedule of State-Owned Centerline Miles Last Ten Calendar Years*

	2015**	2016**	2017***	2018	2019
Interstate highways	3,417	3,417	3,436	3,459	3,459
U.S.highways	11,905	11,905	11,887	11,851	11,852
State highways	16,390	16,390	16,426	16,390	16,380
Farm or Ranch to Market roads	40,910	40,910	40,910	40,849	40,846
Frontage roads	7,453	7,453	7,476	7,546	7,570
Park roads	348	348	348	349	349
Total Miles	80,423	80,423	80,483	80,444	80,456

	2020	2021	2022	2023	2024
Interstate highways	3,459	3,463	3,466	3,476	3,477
U.S.highways	11,852	11,860	11,852	11,842	11,847
State highways	16,404	16,420	16,443	16,491	16,498
Farm or Ranch to Market roads	40,854	40,857	40,865	40,870	40,851
Frontage roads	7,685	7,769	7,927	7,968	8,014
Park roads	352	351	352	350	348
Total Miles	80,606	80,720	80,905	80,997	81,035

* The information are for roadways under TxDOT's jursidiction.

** Total public roadway mileage was held constant from calendar year 2015 to 2016 due to the transition to a new roadway inventory database system (GRID). This transition continued in calendar year 2016, when mileage updates were limited to select on-system routes.

*** In calendar year 2017, the transition from the legacy system to GRID was completed. Mileage and traffic data were reported for the first time using GRID, and the routine work of roadway edits and additions was resumed.

Source: Centerline miles provided by TxDOT's Transportation Planning and Program Division

Texas Department of Transportation Statistical Section - Operating Information Capital Assets Indicators Schedule of Rated Lane Miles Conditions Last Ten Fiscal Years

	2015	2016	2017	2018	2019
Total Lane Miles	197,757	197,549	197,295	197,438	197,558
Rated Lane Miles	191,049	192,990	196,438	196,120	195,287
Good or Better Lane Miles	166,055	168,521	169,522	172,442	171,804
% Good or Better Lane Miles	86.9%	87.3%	86.3%	87.9%	88.0%
% Change from Prior Year	(0.2%)	1.5%	0.6%	1.7%	(0.4%)
	2020	2021	2022	2023	2024
Total Lane Miles	198,700	201,225	201,928	201,793	201,865
Rated Lane Miles	197,188	200,030	200,763	200,583	200,658
Good or Better Lane Miles	175,094	178,643	179,670	179,903	180,014
% Good or Better Lane Miles	88.8%	89.3%	89.5%	89.7%	89.7%
% Change from Prior Year	1.9%	2.0%	0.6%	0.1%	0.1%

Source: TxDOT's Transportation Planning and Program Division

Texas Department of Transportation Statistical Section - Operating Information Annual Letting Volumes by District Last Ten Fiscal Years*

	FISCAL YEAR ⁽¹⁾		FISCAL YEAR		FISCAL YEAR		FISCAL YEAR ⁽²⁾
DISTRICT	 2015	¢	2016	<i>_</i>	2017	<i>ф</i>	2018
ABILENE	\$ 108,542,278	\$	63,022,751	\$	160,694,978	\$	121,489,936
AMARILLO	180,082,612		113,077,003		85,504,649		167,998,768
ATLANTA	102,656,595		67,401,036		78,761,239		63,437,280
AUSTIN	281,604,619		1,037,780,333		410,839,685		318,377,463
BEAUMONT	132,755,139		79,188,722		811,913,626		282,016,642
BROWNWOOD	43,967,715		45,518,521		106,263,399		57,576,129
BRYAN	95,286,488		110,318,647		314,391,616		299,014,628
CHILDRESS	59,723,259		44,906,172		25,128,631		47,350,919
CORPUS CHRISTI	241,003,784		923,737,024		177,319,402		339,242,546
DALLAS	1,548,178,713		869,174,773		563,614,607		1,076,474,888
EL PASO	334,406,823		124,610,130		138,623,839		89,370,296
FORT WORTH	568,170,955		459,772,358		219,767,645		511,375,835
HOUSTON	507,244,194		1,544,975,058		1,520,167,642		1,326,292,989
LAREDO	137,284,472		125,151,298		122,323,805		94,340,385
LUBBOCK	132,400,466		130,982,967		83,260,049		148,462,396
LUFKIN	108,186,392		83,056,285		73,646,105		150,835,380
ODESSA	188,616,440		99,214,695		119,019,718		228,458,403
PARIS	79,274,744		183,043,189		58,711,365		168,628,554
PHARR	197,639,059		156,582,481		92,326,698		125,643,088
SAN ANGELO	104,449,932		67,214,150		52,722,927		138,477,148
SAN ANTONIO	409,561,983		432,866,661		546,179,444		737,033,427
TYLER	160,828,406		185,811,919		86,065,596		144,538,938
WACO	158,705,474		175,111,451		132,452,722		135,861,973
WICHITA FALLS	84,461,782		54,509,318		51,117,326		66,452,718
YOAKUM	115,938,993		151,439,693		191,951,570		454,212,902
DESIGN	1,250,000		16,975,000		1,830,200		-
TRAFFIC	1,540,000		1,062,711		1,300,000		18,270,663
PUBLIC TRANSPORTATION	-		-		-		-
RAILROAD	-		-		-		4,200,000
TTA	-		-		-		-
TPP							
ITD							
MAINTENANCE LET ⁽³⁾	518,447,635		477,959,088		481,377,738		425,832,268
DISTRICT AND DIVISION TOTAL	 6,602,208,952		7,824,463,434		6,707,276,221		7,741,266,562
Number of Construction Projects	904		785		839		898
Number of Maintenance Projects ⁽³⁾	832		858		861		734
Number of Other Obligations ⁽⁴⁾	117		244		150		206
Number of Contracts Total	1,853		1,887		1,850		1,838
Let Type	2015		2016		2017		2018
Statewide Let	\$ 4,330,894,567	\$	4,338,709,485	\$	4,774,832,199	\$	5,692,985,382
Local Let	180,019,151		517,884,249		400,926,247		256,884,390
Design Build	1,306,021,554		1,436,262,146		903,238,376		1,126,984,110
CDA	-		690,741,000		-		-
Maintenance Let ⁽³⁾	518,447,635		477,959,088		481,377,738		425,832,268
Let Total	\$ 6,335,382,907	\$	7,461,555,968	\$	6,560,374,560	\$	7,502,686,150
Other Obligations ⁽⁴⁾	\$ 266,826,045	\$	362,907,466	\$	146,901,661	\$	238,580,412
Project Award Total	\$ 6,602,208,952	\$	7,824,463,434	\$	6,707,276,221	\$	7,741,266,562

⁽¹⁾ FY 2015 - Rail Safety section was combined with Traffic Division therefore, is reported under TRAFFIC.

⁽²⁾ FY 2018 - Rail Safety section moved back to Rail Division therefore, is reported under RAILROAD.

⁽³⁾ Maintenance Let consists of Statewide and Local Let projects for Bridge Preventative Maintenance (BPM), Maintenance Materical Contract (MMC), Traffic Material Contract (TMC), and Routine Maintenance.

⁽⁴⁾ Other obligations consist of non-let projects such as deferred work components, studies, travel demand models, ride share services, motor assitance programs, corridor analysis and transfers.

	FISCAL YEAR		FISCAL YEAR	FISCAL YEAR	FISCAL YEAR	FISCAL YEAR		FISCAL YEAR
	2019		2020	2021	2022	 2023		2024
\$	138,752,586	\$	144,074,370	\$ 123,643,364	\$ 237,726,693	188,901,157	\$	220,673,700
	326,856,692		204,371,373	213,919,235	145,226,957	300,734,261		617,169,083
	126,304,008		170,155,373	70,643,650	178,168,602	201,650,584		247,466,151
	472,483,840		997,397,361	893,300,720	1,440,892,774	429,380,199		290,614,705
	238,375,665		162,053,159	101,878,898	456,575,618	309,994,744		906,024,691
	24,213,410		57,644,093	45,693,617	99,968,843	123,116,728		163,442,947
	136,485,055		98,875,493	141,724,000	305,979,923	183,550,939		83,903,238
	67,463,141		38,760,487	38,360,959	45,505,278	99,306,084		121,403,611
	218,098,189		248,856,158	237,992,348	324,119,223	309,481,813		262,504,974
	2,173,382,812		780,538,851	756,477,282	1,376,716,230	1,600,828,525		2,046,977,729
	410,371,976		194,520,644	204,576,622	367,121,507	178,967,508		721,721,219
	217,377,942		457,126,662	277,764,189	1,822,480,655	956,395,101		598,137,196
	872,594,973		1,103,389,793	887,352,440	752,666,980	1,431,240,489		1,157,532,054
	189,067,677		236,885,894	99,242,318	100,281,790	510,179,093		278,068,816
	217,391,300		73,951,325	276,251,503	118,936,013	168,693,455		273,273,377
	209,465,552		200,686,780	117,990,743	335,102,924	234,621,898		138,608,143
	272,348,526		489,711,579	321,312,908	372,409,921	539,630,227		611,159,746
	135,161,476		265,251,412	92,298,548	63,280,073	517,399,761		347,020,622
	490,905,702		259,422,832	73,197,181	490,426,061	187,526,520		707,689,561
	110,787,903		86,134,327	159,854,800	108,383,301	206,203,867		132,988,255
	756,550,409		353,450,868	2,274,590,257	852,264,254	1,386,578,964		770,239,338
	153,571,745		129,621,594	127,032,521	203,016,978	359,084,846		333,753,917
	623,660,310		193,877,919	169,291,080	131,008,776	217,654,932		254,423,887
	110,712,427		59,282,205	354,919,346	52,053,150	144,075,737		622,568,680
	188,731,734		486,785,296	187,533,919	131,572,785	683,430,282		1,118,267,125
	12,586,122		-	-	-	-		-
	2,821,940		13,700,000	8,195,129	-	7,000,000		-
	-		-	-	13,151,311	-		8,000,000
	9,300,000		5,143,534	1,125,719	1,100,000	2,221,392		9,334,454
	-		-	-	-	-		-
								20,565,754
								11,000,000
	573,483,420		698,965,612	589,191,551	836,976,701	909,517,404		995,606,623
	9,479,306,532		8,210,634,994	 8,845,354,849	 11,363,113,319	12,387,366,511		14,070,139,596
	929		808	832	778	1,028		934
	856		1,223	1,306	1,482	1,357		1,267
	498		188	90	109	113		196
	2,283		2,219	2,228	2,369	2,498		2,397
	2019		2020	2021	2022	2023		2024
\$	6,396,672,170	\$	6,028,262,450	\$ 5,858,542,884	\$ 7,526,422,601	\$ 9,689,638,812	\$	12,224,931,796
	170,048,387		366,564,034	208,356,007	572,542,419	363,723,527		454,798,996
	2,029,495,810		677,420,161	1,513,539,839	2,231,022,526	699,862,000		-
	- 573,483,420		- 698,965,612	- 589,191,551	- 836,976,701	- 909,517,404		995,606,623
\$	9,169,699,787	\$	7,771,212,257	\$ 8,169,630,281	\$ 11,166,964,247	\$ 11,662,741,743	\$	13,675,337,415
<u></u>	200 (0(515	¢	420, 422, 525		 107 140 051		ф.	204 002 102
\$	309,606,745	\$	439,422,737	\$ 675,724,568	\$ 196,149,071	\$ 724,624,769	\$	394,802,182
\$	9,479,306,532	\$	8,210,634,994	\$ 8,845,354,849	\$ 11,363,113,319	\$ 12,387,366,511	\$	14,070,139,596

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SECTION FOUR OTHER INFORMATION



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Section Four

Other Information

Schedule 1A - Schedule of Expenditures of Federal Awards (Unaudited)

Schedule 1B - Schedule of State Grant Pass-Throughs from/ to State Agencies (Unaudited)

Schedule 2 - Bond Schedules

Schedule 2A - Miscellaneous Bond Information

Schedule 2B - Changes in Bonded Indebtedness

Schedule 2C - Debt Service Requirements

Schedule 2D - Analysis of Funds Available for Debt Service

Schedule 2E - Defeased Outstanding Bonds

Schedule 2F - Early Extinguishment and Refunding

Schedule 3 - Matrix of Expenditures Reported by Function-Governmental Funds (Unaudited)

Note: All schedules are presented unrounded (in dollars and cents).

TEXAS DEPARTMENT OF TRANSPORTATION SCHEDULE 1A-SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS Year Ended August 31, 2024

Federal Grantor/			Pass-Through From		Direct
Pass-Through Grantor/	Federal	Agency	State	Other	Program
Program Title	ALN	Number	Entities	Entities	Amount
Department of Defense (DOD):					
Legacy Resource Management Program	12.632				239,249.19
Total DOD:			0.00	0.00	239,249.19
Federal Aviation Administration (FAA):					
Direct Program:	20.100				<i>CE</i> 970 114 01
Airport Improvement Program COVID-19 - Airport Improvement Program	20.106 20.106				65,870,114.01 1,014,910.26
	201100				1,011,010120
Pass-Through Funds to Other Entities:	20.100				2 709 209 90
Airport Improvement Program COVID-19 - Airport Improvement Program	20.106 20.106				3,708,208.80 1,870,773.86
Total FAA:	20.100		0.00	0.00	72,464,006.93
<u>Federal Highway Administration (FHWA):</u> Direct Program:					
Highway Research and Development Program	20.200				4,917,088.95
Highway Planning and Construction	20.205				4,656,919,990.32
Highway Training and Education COVID-19 - Highway Planning and Construction	20.215 20.205				127,600.33 241,933,403.61
Federal Lands Access Program	20.203				241,955,405.01
·					
Pass-Through Funds: Highway Planning and Construction					
Texas A&M Engineering Experiment Station	20.200	712			997,246.72
Texas Southern University	20.205	717			74,677.73
University of Texas at San Antonio	20.205	743			48,723.50
Texas State University University of Houston	20.205 20.205	754 784			4,905.72 67,819.34
	20.200	701			0,,015,101
Pass-Through to Other Entities:	20,200				1.050.726.77
Highway Research and Development Program Highway Planning and Construction	20.200 20.205				1,952,736.77 138,204,848.24
COVID-19 - Highway Planning and Construction	20.205				8,336,735.14
Total FHWA:			0.00	0.00	5,053,585,776.37
Federal Transit Administration (FTA):					
Direct Program:					
Metropolitan Transportation Planning and State and Non-					
Metropolitan Planning and Research Formula Grants for Rural Areas and Tribal Transit Program	20.505 20.509				2,827,704.45 3,628,410.84
Rail Fixed Guideway Public Transportation System State	20.309				5,020,410.04
Safety Oversight Formula Grant Program	20.528				578,832.19
Dear Thurson b Even do to Othern Evelthan					
Pass-Through Funds to Other Entities: Metropolitan Transportation Planning and State and Non-					
Metropolitan Planning and Research	20.505				22,274,838.66
Formula Grants for Rural Areas and Tribal Transit Program	20.509				65,991,825.94
Rail Fixed Guideway Public Transportation System State	20.520				1 000 055 50
Safety Oversight Formula Grant Program COVID-19 - Formula Grants for Rural Areas and Tribal	20.528				1,882,075.78
Transit Program	20.509				36,731.00
Total FTA:			0.00	0.00	97,220,418.86
National Highway Traffic Safety Admin (NUTSA).					
<u>National Highway Traffic Safety Admin. (NHTSA):</u> Direct Program:					
NHTSĂ Discretionary Safety Grants	20.614				343,424.30
Total NHTSA:			0.00	0.00	343,424.30

Through From and Direct	Agency	Pass-Through To State	Other		Through To and Expenditures
Program	Number	Entities	Entities	Expenditures	Amount
<u>239,249,19</u> 239,249,19		0.00	0.00	<u>239,249.19</u> 239,249.19	<u>239,249.19</u> 239,249.19
65,870,114.01 1,014,910.26				65,870,114.01 1,014,910.26	65,870,114.01 1,014,910.26
3,708,208.80 1,870,773.86 72,464,006.93		0.00	3,708,208.80 1,870,773.86 5,578,982.66	66,885,024.27	3,708,208.80 1,870,773.86 72,464,006.93
4,917,088.95 4,656,919,990.32 127,600.33 241,933,403.61				4,917,088.95 4,656,919,990.32 127,600.33 241,933,403.61	4,917,088.95 4,656,919,990.32 127,600.33 241,933,403.61
997,246.72 74,677.73 48,723.50 4,905.72 67,819.34	712 717 743 754 784	997,246.72 74,677.73 48,723.50 4,905.72 67,819.34			997,246.72 74,677.73 48,723.50 4,905.72 67,819.34
1,952,736.77 138,204,848.24 		1,193,373.01	1,952,736.77 138,204,848.24 8,336,735.14 148,494,320.15	4,903,898,083.21	1,952,736.77 138,204,848.24 8,336,735.14 5,053,585,776.37
2,827,704.45 3,628,410.84 578,832.19				2,827,704.45 3,628,410.84 578,832.19	2,827,704.45 3,628,410.84 578,832.19
22,274,838.66 65,991,825.94			22,274,838.66 65,991,825.94		22,274,838.66 65,991,825.94
1,882,075.78			1,882,075.78		1,882,075.78
<u> </u>		0.00	<u>36,731.00</u> 90,185,471.38	7,034,947.48	<u>36,731.00</u> 97,220,418.86
<u>343,424.30</u> 343,424.30		0.00	0.00	<u> </u>	<u>343,424.30</u> 343,424.30

TEXAS DEPARTMENT OF TRANSPORTATION SCHEDULE 1A-SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)

Year Ended August 31, 2024

Federal Grantor/	Federal		Pass-Through From	Direct		
Pass-Through Grantor/	ALN Number	Agency Number	State Entities	Other Entities	Program Amount	
Program Title Office of the Secretary (OST) Administration Secretariat:	Number	Number	Entities	Entities	Amount	
Direct Program:						
National Infrastructure Investments National Significant Freight and Highway Projects	20.933 20.934				4,579,540.50 760,133.39	
Strengthening Mobility & Revolutionizing Transportation	20.941				543,942.06	
Total OST:			0.00	0.00	5,883,615.95	
General Services Administration (GSA):						
Pass-Through Funds:						
Donation of Federal Surplus Personal Property-NonMonetary Pass-Through from Texas Facilities Commission	39.003	303	138,894.01			
Total GSA:	57.005	505	138,894.01	0.00	0.00	
Environmental Protection Agency (EPA):						
Direct Program:						
Diesel Emission Reduction Act (DERA) State Grants	66.040				1,146,943.00	
Total EPA:			0.00	0.00	1,146,943.00	
Department of Homeland Security (DHS):						
Pass-Through Funds: Disaster Grants - Public Assistance						
Pass-Through from Texas Division of Emergency Management	97.036	575	(1,710,673.77)			
Total DHS:			(1,710,673.77)	0.00	0.00	
OTHER CLUSTERS						
Federal Transit Cluster:						
Federal Transit Administration (FTA):						
Direct Program:						
Bus and Bus Facilities Formula Program	20.526				36,130.00	
Pass-Through Funds to Other Entities:						
Bus and Bus Facilities Formula Program Total FTA:	20.526		0.00	0.00	<u>16,931,488.01</u> 16,967,618.01	
10tal 1 17A.			0.00	0.00	10,907,018.01	

Through From and Direct Program	Direct Agency State Other		Expenditures	Through To and Expenditures Amount	
4,579,540.50 760,133.39 543,942.06 5,883,615.95	_	0.00	0.00	4,579,540.50 760,133.39 543,942.06 5,883,615.95	4,579,540.50 760,133.39 543,942.06 5,883,615.95
<u>138,894.01</u> 138,894.01	303	0.00	0.00	<u> 138,894.01</u> <u> 138,894.01</u>	<u>138,894.01</u> 138,894.01
1,146,943.00 1,146,943.00	_	0.00	0.00	<u>1,146,943.00</u> 1,146,943.00	<u>1,146,943.00</u> 1,146,943.00
(1,710,673.77) (1,710,673.77)	575	0.00	0.00	(1,710,673.77) (1,710,673.77)	(1,710,673.77) (1,710,673.77)
36,130.00				36,130.00	36,130.00
16,931,488.01 16,967,618.01	_	0.00	16,931,488.01 16,931,488.01	36,130.00	<u>16,931,488.01</u> <u>16,967,618.01</u>

TEXAS DEPARTMENT OF TRANSPORTATION SCHEDULE 1A-SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Concluded)

Year Ended August 31, 2024

Federal Grantor/	Federal		Pass-Through From					
Pass-Through Grantor/ Program Title	ALN Number	Agency Number	State Entities	Other Entities	Program Amount			
Transit Services Programs Cluster:			Entities		Amount			
Federal Transit Administration (FTA): Direct Program: Enhanced Mobility of Seniors and Individuals with								
Disabilities	20.513				1,034,999.85			
Pass-Through to Other Entities: Enhanced Mobility of Seniors and Individuals with								
Disabilities Total FTA:	20.513		0.00	0.00	<u>12,107,744.73</u> 13,142,744.58			
			0.00	0.00	13,142,744.56			
Highway Safety Cluster:								
<u>National Highway Traffic Safety Admin. (NHTSA):</u> Direct Program:								
State and Community Highway Safety	20.600				8,000,424.10			
National Priority Safety Programs	20.616				9,944,844.58			
Pass-Through Funds:								
State and Community Highway Safety								
Texas Department of Public Safety	20.600	405			73,824.50			
Texas Department of State Health Services	20.600	537			111,778.56			
Texas A&M AgriLife Extension Service University of Texas at Arlington	20.600 20.600	555 714			2,474,589.11 267,504.04			
Texas A&M Engineering Extension Service	20.600	714			267,504.04 233.807.07			
University of Texas Medical Branch at Galveston	20.600	710			66.362.34			
Texas A&M Transportation Institute	20.600	727			3.077.169.27			
Texas State University	20.600	754			146,553.58			
·					-,			
National Priority Safety Programs:	20.616	405			1 472 460 26			
Texas Department of Public Safety Texas Alcoholic Beverage Commission	20.616	403			1,473,460.36 418,294.96			
Texas Department of State Health Services	20.616	438 537			418,294.90 788,677.24			
Texas A&M Transportation Institute	20.616	727			1,438,652.96			
University of Texas at San Antonio	20.616	743			3,529.39			
					-,			
Pass-Through to Other Entities:	2 0 (00)				11.155.000.11			
State and Community Highway Safety	20.600				14,455,909.41			
National Priority Safety Programs Total NHTSA:	20.616		0.00	0.00	7,705,339.54 50,680,721.01			
					· · · ·			
Total Other Clusters			0.00	0.00	80,791,083.60			
TOTAL FEDERAL ASSISTANCE			<u>\$ (1,571,779.76)</u> <u>\$</u>		\$ 5,311,674,518.20			

Through From	gh From Pass-Through To			Through To and	
and Direct	Agency	State	Other	F	Expenditures
Program	Number	Entities	Entities	<u> </u>	Amount
1,034,999.85				1,034,999.85	1,034,999.85
<u>12,107,744.73</u> 13,142,744.58		0.00	12,107,744.73 12,107,744.73	1,034,999.85	<u>12,107,744.73</u> <u>13,142,744.58</u>
8,000,424.10 9,944,844.58				8,000,424.10 9,944,844.58	8,000,424.10 9,944,844.58
73,824.50 111,778.56 2,474,589.11 267,504.04 233,807.07 66,362.34 3,077,169.27 146,553.58	405 537 555 714 716 723 727 754	73,824.50 111,778.56 2,474,589.11 267,504.04 233,807.07 66,362.34 3,077,169.27 146,553.58			73,824.50 111,778.56 2,474,589.11 267,504.04 233,807.07 66,362.34 3,077,169.27 146,553.58
1,473,460.36 418,294.96 788,677.24 1,438,652.96 3,529.39	405 458 537 727 743	1,473,460.36 418,294.96 788,677.24 1,438,652.96 3,529.39			1,473,460.36 418,294.96 788,677.24 1,438,652.96 3,529.39
14,455,909.41 		10,574,203.38	14,455,909.41 7,705,339.54 22,161,248.95	17,945,268.68	14,455,909.41
80,791,083.60		10,574,203.38	51,200,481.69	19,016,398.53	80,791,083.60
<u>\$ 5,310,102,738.44</u>		<u>\$ 11,767,576.39</u> <u>\$</u>	295,459,255.88	<u>\$ 5,002,875,906.17</u>	<u>\$ 5,310,102,738.44</u>

TEXAS DEPARTMENT OF TRANSPORTATION SCHEDULE 1A-SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Fiscal Year Ended August 31, 2024

Note 1 - Nonmonetary Assistance

The "Donation of Federal Surplus Personal Property" is presented at 23.34% of the federal acquisition cost of \$595,090. The surplus property is passed through from the Texas Facilities Commission. The federal grantor agency is the General Services Administration (GSA) and the federal ALN number is 39.003. The estimated fair market value (FMV) for fiscal year 2024 is \$138,894. The difference of the value of the surplus property recorded on the federal schedule and Exhibit II (Federal Revenues and Federal Pass-Through Revenues) is a reconciling item under Note 2.

Note 2 - Reconciliation

Per Combined Statement of Revenues, Expenditures, and Changes in Fund Balances/Statement of Activities - Governmental Funds:

Federal Revenues before Other Adjustments Federal Pass-Through Revenues Subtotal	\$
Reconciling Items: Federal Surplus Personal Property Donation (Non-Monetary) Build America Bonds Federal Subsidy	138,894.01 (55,471,095.41)
Total Pass-Through and Expenditures per Federal Schedule	<u>\$ 5,310,102,738.44</u>

Note 7 - Federal Deferred Inflow

ALN	Federal Deferred Revenue September 1, 2023	Inci	rease/(Decrease)	Federal Deferred Revenue August 31, 2024
15.608	0.00	\$	18,884.50	\$ 18,884.50
20.106	296,777.30		(162,518.39)	134,258.91
20.200	1,735,258.91		(1,735,258.91)	-
20.205	18,878,048.44		(13,865,696.13)	5,012,352.31
20.301	3,971.79		6,221.56	10,193.35
20.314	0.00		0.01	0.01
20.317	0.00		19,212.86	19,212.86
20.509	0.00		13,621.00	13,621.00
20.513	507,525.15		(507,525.15)	-
20.528	10,397.00		(10,397.00)	-
20.600	0.00		118,930.27	118,930.27
66.040	774,432.36		(774,432.36)	-
Total Deferred Revenue	\$ 22,206,410.95	\$	(16,878,957.74)	\$ 5,327,453.21

The federal deferred inflow ending balance of \$5,327,453.21 pertains to federal expenditures which were incurred and are reimbursable from the Department of the Interior, Federal Aviation Administration, the Federal Highway Administration, the Federal Railroad Administration, the Federal Transit Administration, and the Environmental Protection Agency, but the federal receivable is not collectable within 60 days after the end of the fiscal year.

Note 10 - 10% de Minimis Indirect Cost Rate

The Texas Department of Transportation did not elect to use the 10% de minimis indirect cost rate allowed under the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. The department does not currently bill any federal agency for indirect cost.

TEXAS DEPARTMENT OF TRANSPORTATION SCHEDULE 1B-SCHEDULE OF STATE GRANT PASS-THROUGHS FROM/TO STATE AGENCIES

Year Ended August 31, 2024

Pass-Through To:

Airport Routine Maintenance Texas A&M University System (Agency 710)	601.0029	\$ 100,000.00
Airport Routine Maintenance Texas State Technical College System (Agency 719)	601.0030	\$ 98,003.74
Rural/Frontier EMS Education Grant Texas A&M Engineering Extension Service (Agency 716)	601.0031	\$ 56,330.56
Total Pass-Through To Other Agencies		\$ 254,334.30

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Schedule 2 - Bond Schedules

TEXAS DEPARTMENT OF TRANSPORTATION SCHEDULE 2A - MISCELLANEOUS BOND INFORMATION

For the Fiscal Year Ended August 31, 2024

Governmental Activities

				Terms of Variable		duled irities	
	Bonds Issued	Range o	f Interest	Interest	First	Last	First Call
	to Date	Ra	ntes	Rates	Year	Year	Date
General Obligation Bonds:							
Texas Mobility Fund (Self-Supporting)							
Series 2006-B Variable Rate Bonds	\$ 150,000,000.00	VAR	VAR	Weekly	2036	2036	*
Series 2009-A Taxable Fixed Rate Bonds	1,208,495,000.00		5.5170%		2029	2039	*
Series 2014 Fixed Rate Refunding Bonds	973,775,000.00	4.0000%	5.0000%		2016	2034	04/01/2024
Series 2014-A Fixed Rate Refunding Bonds	1,580,160,000.00	4.0000%	5.0000%		2017	2044	10/01/2024
Series 2014-B Put Bonds	250,000,000.00	0.6540%	0.6540%		2040	2041	10/01/2025
Series 2015-A Fixed Rate Refunding Bonds	911,360,000.00	3.2000%	5.0000%		2018	2036	10/01/2025
Series 2015-B Fixed Rate Refunding Bonds	254,105,000.00	5.0000%	5.0000%		2031	2036	10/01/2025
Series 2017-A Fixed Rate Refunding Bonds	296,020,000.00	5.0000%	5.0000%		2030	2034	10/01/2027
Series 2017-B Fixed Rate Refunding Bonds	474,135,000.00	5.0000%	5.0000%		2029	2036	10/01/2027
Series 2020 Taxable Fixed Rate Refunding Bonds	1,270,690,000.00	0.2550%	2.4720%		2021	2044	*
Total General Obligation Bonds (Self-Supporting)	 7,368,740,000.00						
Texas Highway Improvement (Non-Self-Supporting)							
Series 2010-A Taxable Fixed Rate Bonds	815,420,000.00	3.2030%	4.6810%		2019	2040	*
Series 2014 Fixed Rate Bonds**	1,260,000,000.00	2.0000%	5.0000%		2015	2044	04/01/2024
Series 2016 Fixed Rate Bonds	615,000,000.00	5.0000%	5.0000%		2017	2046	04/01/2026
Series 2016-A Fixed Rate Bonds	588,755,000.00	4.0000%	5.0000%		2018	2046	04/01/2026
Series 2019 Taxable Fixed Rate Refunding Bond	705,550,000.00	2.6040%	4.0000%		2021	2044	04/01/2029
Series 2020 Taxable Fixed Rate Refunding Bond	794,235,000.00	2.5620%	5.0000%		2022	2042	*
Series 2024 Fixed Rate Refunding Bond	696,245,000.00	5.0000%	5.0000%		2025	2044	10/01/2033
Total General Obligation (Non-Self Supporting)	 5,475,205,000.00						
Revenue Bonds:							
State Highway Fund (Self-Supporting)							
Series 2008 Fixed Rate Bonds	162,995,000.00	3.5000%	5.2500%		2010	2028	04/01/2018
Series 2010 Taxable Fixed Rate Bonds	1,500,000,000.00	5.0280%	5.1780%		2026	2030	*
Series 2014-A Fixed Rate Refunding Bonds**	1,157,795,000.00	4.7500%	5.0000%		2017	2034	04/01/2024
Series 2014-B Variable Rate Bonds	300,000,000.00	VAR	VAR	Weekly	2032	2032	*
Series 2015 Revenue Refunding Bonds	781,080,000.00		5.0000%	5	2017	2026	n/a
Series 2016-A Fixed Rate Bonds	601,210,000.00		5.0000%		2017	2030	10/01/2026
Series 2016-B Fixed Rate Bonds	89,370,000.00		0.5600%		2025	2026	n/a
Series 2020 Taxable Fixed Rate Refunding Bonds**	341,425,000.00		4.0000%		2030	2033	*
Series 2024 Revenue Refunding Bonds	346,820,000.00		5.0000%		2025	2033	n/a
Total Revenue Bonds (Self-Supporting)	 5,280,695,000.00		212 20070				
Total Governmental Activities	\$ 18,124,640,000.00						
	 .,,.,.,.,						

* Bonds are subject to redemption prior to their respective maturities at the option of the Commission.

** These bonds are not outstanding as of 08/31/2024

TEXAS DEPARTMENT OF TRANSPORTATION SCHEDULE 2A - MISCELLANEOUS BOND INFORMATION (Concluded)

For the Fiscal Year Ended August 31, 2024

Business-Type Activities

					Terms of Variable		duled rities	
	В	onds Issued	Range o	f Interest	Interest	First	Last	First Call
		to Date	R	ates	Rates	Year	Year	Date
Revenue Bonds:								
Central Texas Turnpike System (Self-Supporting)								
First Tier Revenue Bonds Series 2002-A								
Non-Callable Capital Appreciation Bonds***	\$	817,944,438.10		5.7500%		2012	2030	n/a
Callable Capital Appreciation Bonds**		325,494,476.65		6.1000%		2025	2038	08/15/2012
First Tier Revenue Refunding Bonds Series 2012-A**		585,330,000.00	4.0000%	5.0000%		2038	2041	08/15/2022
First Tier Revenue Refunding Bonds Series 2015-B**								
Current Interest Bonds + Term Bond**		198,025,000.00	5.0000%	5.0000%		2032	2037	08/15/2024
Capital Appreciation Bonds ***		139,702,800.00	4.3600%	4.3800%		2036	2037	08/15/2024
Second Tier Revenue Refunding Bonds, Series 2015-C**		1,157,320,000.00	5.0000%	5.0000%		2022	2042	08/15/2024
First Tier Revenue Refunding Bonds Series 2020-A		179,475,000.00	3.0000%	5.0000%		2039	2040	08/15/2030
First Tier Revenue Refunding Variable Rate Bonds Series 2020-								
B**		225,000,000.00	VAR	VAR	Daily	2042	2042	*
First Tier Revenue Refunding Bonds Taxable Series 2020-C		279,305,000.00	3.0290%	3.0290%		2031	2041	08/15/2030
First Tier Revenue Refunding Bonds Series 2024-A		386,210,000.00	5.0000%	5.0000%		2032	2038	08/15/2034
First Tier Revenue Refunding Put Bonds Series 2024-B		225,000,000.00	5.0000%	5.0000%		2042	2042	05/15/2030
Second Tier Revenue Refunding Bonds Series 2024-C	1	1,022,495,000.00	5.0000%	5.0000%		2031	2042	08/15/2034
Total Central Texas Turnpike System (Self-Supporting)		5,541,301,714.75						
Blended Component Unit-Grand Parkway Transportation Co	rnoro	tion****						
Subordinate Tier Toll Revenue Bonds, Series 2013-B	n por a	tion						
Convertible Capital Appreciation Bonds***		489,160,000.00	4.050004	5.8500%		2029	2048	10/01/2028
Current Interest Bonds**		1,137,935,000.00		5.2500%		2029	2048	10/01/2028
Subordinate Tier Toll Revenue Bonds, Series 2013-E		361,810,000.00		5.1840%		2048	2033	*
							2042	
Subordinate Tier Toll Revenue Bonds, Series 2018-A		712,100,000.00		5.0000% 3.3560%		2030		04/01/2028
First Tier Toll Revenue Refunding Bonds, Taxable Series 2020-A		220,415,000.00	2.1030%	5.5500%		2026	2052	04/01/2030
Subordinate Tier Toll Revenue Refunding Bonds, Taxable Series	1	1 202 260 000 00	1 52100/	2 22600/		2020	2052	04/01/2020
2020-B First Tion Tall Beyonus Polynding Bonds, Spring 2020, C	1	1,293,260,000.00		3.2360%		2020 2033	2052	04/01/2030
First Tier Toll Revenue Refunding Bonds, Series 2020-C	,	793,385,000.00		5.0000%			2050	n/a
Subordinate Tier Toll Revenue Refunding Put Bonds, Series 2023)	263,225,000.00	5.0000%	5.0000%		2034	2052	01/01/2028
Total Blended Component Unit-Grand Parkway Transportation		- 271 200 000 00						
Corporation	:	5,271,290,000.00						
State Highway 249 System								
First Tier Toll Revenue Bonds, Series 2019-A								
Current Interest Bonds		144,085,000.00	5.0000%	5.0000%		2053	2057	02/01/2029
Capital Appreciation Bonds***		120,141,913.17		5.1000%		2028	2053	02/01/2029
First Tier Toll Revenue Bonds, Taxable Series 2019-B		12,795,000.00		4.7000%		2030	2033	02/01/2029
Total State Highway 249 System		277,021,913.17						
Total Business-Type Activities	\$ 1	1,089,613,627.92						
		, .,,.						

* Bonds are subject to redemption prior to their respective maturities at the option of the Corporation or the Commission

** These bonds are not outstanding as of 08/31/2024

*** Bonds issued to date include interest accreted to principal.

****Grand Parkway Transportation Corporation bonds are not obligations of the State.

TEXAS DEPARTMENT OF TRANSPORTATION SCHEDULE 2B - CHANGES IN BONDED INDEBTEDNESS

For the Fiscal Year Ended August 31, 2024

Governmental Activities

	Bonds				Bonds				Bonds
	Outstanding			Bonds	Matured or		Bonds Refunded		Outstanding
Description of Issue	09/01/23			Issued	Retired		or Extinguished		08/31/24
General Obligation Bonds:									
Texas Mobility Fund									
Series 2006-B	\$ 150,000,000	.00	\$		\$		\$	\$	150,000,000.00
Series 2009-A	1,201,695,000	.00			4,470,000	0.00			1,197,225,000.00
Series 2014	341,365,000	.00			51,445,000	0.00			289,920,000.00
Series 2014-A	651,880,000	.00			63,115,000	0.00			588,765,000.00
Series 2014-B	250,000,000	.00							250,000,000.00
Series 2015-A	801,610,000	.00			28,575,000	0.00			773,035,000.00
Series 2015-B	254,105,000	.00							254,105,000.00
Series 2017-A	296,020,000	.00							296,020,000.00
Series 2017-B	474,135,000	.00							474,135,000.00
Series 2020	1,224,960,000	.00			22,985,000	0.00			1,201,975,000.00
Texas Highway Improvement									
Series 2010-A	670,610,000	.00			31,040,000	0.00			639,570,000.00
Series 2014	126,000,000	.00			42,000,000	0.00	84,000,000.00		-
Series 2016	471,500,000	.00			20,500,000	0.00			451,000,000.00
Series 2016-A	466,925,000	.00			20,305,000	0.00			446,620,000.00
Series 2019	695,435,000	.00			3,645,000	0.00	196,880,000.00		494,910,000.00
Series 2020	770,630,000	.00			24,260,000	0.00	531,465,000.00		214,905,000.00
Series 2024				696,245,000.00					696,245,000.00
Total General Obligation Bonds	8,846,870,000	.00		696,245,000.00	312,340,000	0.00	812,345,000.00	_	8,418,430,000.00
Revenue Bonds:									
State Highway Fund									
Series 2008	58,355,000	.00			10,510,000	0.00			47,845,000.00
Series 2010	1,429,505,000	.00			72,855,000	0.00			1,356,650,000.00
Series 2014-A	167,855,000	.00			109,070,000	0.00	58,785,000.00		-
Series 2014-B	300,000,000	.00							300,000,000.00
Series 2015	324,280,000	.00			80,850,000	0.00			243,430,000.00
Series 2016-A	231,985,000	.00			10,135,000	0.00			221,850,000.00
Series 2016-B	89,370,000	.00							89,370,000.00
Series 2020	341,425,000	.00					341,425,000.00		-
Series 2024				346,820,000.00					346,820,000.00
Total Revenue Bonds	2,942,775,000	.00		346,820,000.00	283,420,000	0.00	400,210,000.00		2,605,965,000.00
Total Governmental Activities	\$ 11,789,645,000	.00	\$ 1	,043,065,000.00	\$ 595,760,000	0.00	\$ 1,212,555,000.00	\$	11,024,395,000.00

TEXAS DEPARTMENT OF TRANSPORTATION SCHEDULE 2B - CHANGES IN BONDED INDEBTEDNESS (Continued)

For the Fiscal Year Ended August 31, 2024

Governmental Activities

			Net Bonds	Amounts Due
	Unamortized	Unamortized	Outstanding	Within One
Description of Issue	Premium	Discount	08/31/24	Year
General Obligation Bonds:				
Texas Mobility Fund				
Series 2006-B	\$	\$	\$ 150,000,000.00	\$
Series 2009-A			1,197,225,000.00	6,100,000.00
Series 2014	20,322,618.28		310,242,618.28	59,705,083.70
Series 2014-A	57,028,441.05		645,793,441.05	78,617,279.47
Series 2014-B			250,000,000.00	
Series 2015-A	57,134,131.71		830,169,131.71	38,328,613.26
Series 2015-B	22,878,914.96		276,983,914.96	1,985,728.36
Series 2017-A	30,337,832.41		326,357,832.41	3,153,629.03
Series 2017-B	49,060,634.00		523,195,634.00	4,894,120.60
Series 2020			1,201,975,000.00	23,100,000.00
Texas Highway Improvement				
Series 2010-A			639,570,000.00	31,845,000.00
Series 2014			-	
Series 2016	67,856,394.00		518,856,394.00	26,400,556.00
Series 2016-A	60,506,428.94		507,126,428.94	25,566,613.00
Series 2019	2,444,670.44		497,354,670.44	3,998,120.08
Series 2020	25,910,134.80		240,815,134.80	1,803,628.99
Series 2024	76,987,758.30		773,232,758.30	71,899,870.45
Total General Obligation Bonds	470,467,958.89	0.00	8,888,897,958.89	377,398,242.94
Revenue Bonds:				
State Highway Fund				
Series 2008	677,238.29		48,522,238.29	11,324,143.37
Series 2010			1,356,650,000.00	75,265,000.00
Series 2014-A			-	
Series 2014-B			300,000,000.00	
Series 2015	8,882,087.61		252,312,087.61	100,750,783.93
Series 2016-A	17,798,508.08		239,648,508.08	42,255,779.28
Series 2016-B	1,999,172.24		91,369,172.24	21,629,082.57
Series 2020			-	
Series 2024	49,233,083.87		396,053,083.87	63,658,318.58
Total Revenue Bonds	78,590,090.09	0.00	2,684,555,090.09	314,883,107.73
Total Governmental Activities	\$ 549,058,048.98	\$ 0.00	\$ 11,573,453,048.98	\$ 692,281,350.67

TEXAS DEPARTMENT OF TRANSPORTATION SCHEDULE 2B - CHANGES IN BONDED INDEBTEDNESS (Continued)

For the Fiscal Year Ended August 31, 2024

Business-Type Activities

	B	onds				Bonds			Bonds
	Outs	standing		Bonds		Matured or	Bonds Refunded		Outstanding
Description of Issue	09	/01/23		Issued		Retired	or Extinguished		08/31/24
Revenue Bonds:									
Central Texas Turnpike System									
First Tier Bonds Series 2002-A,									
Non-Callable CAB's		46,214,299.84	\$	25,776,535.71**	\$	54,725,000.00	\$	\$	417,265,835.55
First Tier Bonds Series 2012-A	12	23,235,000.00					123,235,000.00		-
First Tier Bonds Series 2015-B:	10	0.005.000.00					100 025 000 00		
Current Interest Bonds		8,025,000.00		5,521,546.67**			198,025,000.00		-
Capital Appreciation Bonds Second Tier Bonds Series 2015-C		34,181,253.33		5,521,546.07***		8,655,000.00	139,702,800.00		-
First Tier Revenue Refunding	1,14	49,745,000.00				8,055,000.00	1,141,090,000.00		-
Bonds Series 2020-A	17	79,475,000.00							179,475,000.00
First Tier Revenue Refunding	17	/9,473,000.00							179,475,000.00
Bonds Series 2020-B	22	5,000,000.00					225,000,000.00		_
First Tier Revenue Refunding	22	5,000,000.00					225,000,000.00		-
Bonds Taxable Series 2020-C	27	9,305,000.00							279,305,000.00
First Tier Revenue Refunding	27	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,							279,505,000.00
Bonds series 2024-A				386,210,000.00					386,210,000.00
First Tier Revenue Refunding Put									,,
Bonds series 2024-B				225,000,000.00					225,000,000.00
Second Tier Revenue Refunding									
Bonds series 2024-C			1	,022,495,000.00					1,022,495,000.00
Blended Component Unit-Grand									
Parkway Transportation Corp.*:									
Subordinate Tier Toll Revenue									
Bonds, Series 2013-B:									
Callable CAB	48	36,910,363.95		2,249,636.05**					489,160,000.00
Subordinate Tier Toll Revenue									
Bonds, Series 2013-E	36	51,810,000.00							361,810,000.00
Subordinate Tier Toll Revenue									
Bonds, Series 2018-A	71	2,100,000.00							712,100,000.00
First Tier Refunding Bonds									
Taxable Series 2020-A	22	20,415,000.00							220,415,000.00
Subordinate Tier Refunding						40.00 - 000.00			
Bonds Taxable Series 2020-B	1,24	1,560,000.00				19,085,000.00			1,222,475,000.00
First Tier Refunding Bonds Series	-	2 205 000 00							702 205 000 00
2020-С	79	3,385,000.00							793,385,000.00
Subordinate Tier Toll Revenue	20	2 225 000 00							262 225 000 00
Refunding Put Bonds, Series 2023	20	3,225,000.00							263,225,000.00
State Highway 249 System									
First Tier Toll Revenue Bonds									
Series 2019-A:									
Current Interest Bonds	14	4,085,000.00							144,085,000.00
Capital Appreciation Bonds		14,548,167.06		5,593,746.11**					120,141,913.17
First Tier Toll Revenue Bond	1.			0,070,770.11					120,171,913.17
Taxable Series 2019-B:	1	2,795,000.00							12,795,000.00
Total Business-Type Activities		86,014,084.18	\$ 1	,672,846,464.54	\$	82,465,000.00	\$ 1,827,052,800.00	\$	6,849,342,748.72
Total Busiliess Type Retivities	÷ ,,,,		<i>—</i>	,,,,	Ŷ	52,:00,000.00	- 1,027,002,000.00	€	0,012,012,010.02

*Grand Parkway Transportation Corporation debt issuances are not obligations of the State **Due to annual principal accretion.

TEXAS DEPARTMENT OF TRANSPORTATION SCHEDULE 2B - CHANGES IN BONDED INDEBTEDNESS (Concluded)

For the Fiscal Year Ended August 31, 2024

Business-Type Activities

	Unamortized	Unamortized	Net Bonds Outstanding	Amounts Due Within One
Description of Issue	Premium	Discount	08/31/24	Year
Revenue Bonds:				
Central Texas Turnpike System				
First Tier Bonds Series 2002-A, Non-				
Callable CAB's	\$	\$	\$ 417,265,835.55	\$ 60,410,000.00
First Tier Bonds Series 2012-A			-	
First Tier Bonds Series 2015-B:				
Current Interest Bonds			-	
Capital Appreciation Bonds			-	
Second Tier Bonds Series 2015-C			-	
First Tier Revenue Refunding Bonds				
Series 2020-A	31,209,336.15		210,684,336.15	2,042,684.27
First Tier Revenue Refunding Bonds				
Series 2020-B			-	
First Tier Revenue Refunding Bonds				
Taxable Series 2020-C			279,305,000.00	
First Tier Revenue Refunding Bonds				
series 2024-A	46,637,584.22		432,847,584.22	3,855,802.93
First Tier Revenue Refunding Put Bonds				
series 2024-B	17,261,526.32		242,261,526.32	958,973.68
Second Tier Revenue Refunding Bonds				
series 2024-C	110,692,540.48		1,133,187,540.48	9,538,308.42
Blended Component Unit-Grand				
Parkway Transportation Corp.*:				
Subordinate Tier Toll Revenue Bonds,				
Series 2013-B:				
Callable CAB			489,160,000.00	
Subordinate Tier Toll Revenue Bonds,				
Series 2013-E			361,810,000.00	
Subordinate Tier Toll Revenue Bonds,				
Series 2018-A	70,411,059.86		782,511,059.86	3,956,112.92
First Tier Refunding Bonds Taxable				
Series 2020-A			220,415,000.00	
Subordinate Tier Refunding Bonds				
Taxable Series 2020-B			1,222,475,000.00	2,780,000.00
First Tier Refunding Bonds Series				
2020-C	90,148,827.50		883,533,827.50	3,883,635.87
Subordinate Tier Toll Revenue				
Refunding Put Bonds, Series 2023	17,502,844.62		280,727,844.62	732,574.44
State Highway 249 System				
First Tier Toll Revenue Bonds Series				
2019-A:				
Current Interest Bonds	9,816,921.50		153,901,921.50	315,237.60
Capital Appreciation Bonds			120,141,913.17	
First Tier Toll Revenue Bond Taxable				
Series 2019-B:			12,795,000.00	<u> </u>
Total Business-Type Activities	\$ 393,680,640.65	\$0	\$ 7,243,023,389.37	\$ 88,473,330.13

*Grand Parkway Transportation Corporation debt issuances are not obligations of the State.

For the Fiscal Year Ended August 31, 2024

Governmental Activities

Description of Issue	Year	Principal	Interest
TMF General Obligation Bonds			
Series 2006-B	2025	\$	\$ 4,630,767.09
	2026		4,634,999.95
	2027		4,634,999.95
	2028		4,639,232.87
	2029		4,630,767.09
	2030-2034		23,174,999.81
	2035-2039	 150,000,000.00	 6,720,784.71
		 150,000,000.00	 53,066,551.47
Series 2009-A	2025	6,100,000.00	65,977,808.26
	2026	7,865,000.00	65,650,421.26
	2027	9,755,000.00	65,228,306.70
	2028	11,780,000.00	64,704,755.86
	2029	13,230,000.00	64,072,523.26
	2030-2034	103,090,000.00	306,894,434.88
	2035-2039	1,045,405,000.00	247,329,316.82
		 1,197,225,000.00	 879,857,567.04
Series 2014	2025	55,360,000.00	12,044,800.00
	2026	59,455,000.00	9,174,425.00
	2027		7,688,050.00
	2028	68,385,000.00	5,978,425.00
	2029		4,268,800.00
	2030-2034	 106,720,000.00	 12,849,200.00
		\$ 289,920,000.00	\$ 52,003,700.00

Description of Issue	Year	Principal	Interest
TMF General Obligation Bonds (continued)			
Series 2014-A	2025	\$ 70,945,000.00	\$ 25,210,675.00
	2026	79,240,000.00	21,456,050.00
	2027	88,000,000.00	17,275,050.00
	2028	33,255,000.00	14,243,675.00
	2029	71,230,000.00	11,631,550.00
	2030-2034	107,535,000.00	42,800,400.00
	2035-2039	38,560,000.00	20,771,200.00
	2040-2044	66,000,000.00	17,360,000.00
	2045-2049	 34,000,000.00	 680,000.00
		 588,765,000.00	 171,428,600.00
Series 2014-B	2025		1,625,000.00
	2026		1,625,000.00
	2027		8,750,000.00
	2028		8,750,000.00
	2029		8,750,000.00
	2030-2034		43,750,000.00
	2035-2039		43,750,000.00
	2040-2044	250,000,000.00	16,919,875.00
		 250,000,000.00	 133,919,875.00
Series 2015-A	2025	30,875,000.00	35,631,975.00
	2026	33,300,000.00	34,027,600.00
	2027	35,855,000.00	32,298,725.00
	2028	102,225,000.00	29,176,725.00
	2029	76,970,000.00	25,251,850.00
	2030-2034	244,800,000.00	82,314,000.00
	2035-2039	249,010,000.00	22,870,150.00
		\$ 773,035,000.00	\$ 261,571,025.00

Description of Issue	Year	Principal	Interest
TMF General Obligation Bonds (continued)			
Series 2015-B	2025	\$	\$ 12,705,250.00
	2026		12,705,250.00
	2027		12,705,250.00
	2028		12,705,250.00
	2029		12,705,250.00
	2030-2034	63,450,000.00	58,026,500.00
	2035-2039	190,655,000.00	18,480,375.00
		254,105,000.00	140,033,125.00
Series 2017-A	2025		14,801,000.00
	2026		14,801,000.00
	2027		14,801,000.00
	2028		14,801,000.00
	2029		14,801,000.00
	2030-2034	220,030,000.00	59,080,000.00
	2035-2039	75,990,000.00	1,899,750.00
		296,020,000.00	 134,984,750.00
Series 2017-B	2025		23,706,750.00
	2026		23,706,750.00
	2027		23,706,750.00
	2028		23,706,750.00
	2029		23,706,750.00
	2030-2034	256,080,000.00	89,396,750.00
	2035-2039	218,055,000.00	17,862,125.00
		\$ 474,135,000.00	\$ 225,792,625.00

Description of Issue	Year	Principal	Interest
TMF General Obligation Bonds (concluded)			
Series 2020	2025	\$ 23,100,000.00	\$ 23,793,798.68
	2026	23,260,000.00	23,636,822.08
	2027		23,551,108.98
	2028	20,270,000.00	23,437,292.93
	2029	92,495,000.00	22,683,873.95
	2030-2034	362,050,000.00	92,374,995.54
	2035-2039	119,995,000.00	72,380,316.71
	2040-2044	432,210,000.00	44,749,380.00
	2045-2049	128,595,000.00	1,589,434.20
		 1,201,975,000.00	 328,197,023.07
Texas Highway Improvement General Obligation Bonds			
Series 2010-A	2025	31,845,000.00	29,498,381.00
	2026	32,695,000.00	28,185,411.66
	2027	33,605,000.00	26,788,354.30
	2028	34,615,000.00	25,232,106.76
	2029	35,660,000.00	23,629,086.10
	2030-2034	195,090,000.00	92,355,854.62
	2035-2039	226,530,000.00	44,040,252.32
	2040-2044	49,530,000.00	2,318,499.30
		\$ 639,570,000.00	\$ 272,047,946.06

Description of Issue	Year	 Principal	Interest
Texas Highway Improvement General Obligation Bonds (continued)			
Series 2016	2025	\$ 20,500,000.00	\$ 22,550,000.00
	2026	20,500,000.00	21,525,000.00
	2027	20,500,000.00	20,500,000.00
	2028	20,500,000.00	19,475,000.00
	2029	20,500,000.00	18,450,000.00
	2030-2034	102,500,000.00	76,875,000.00
	2035-2039	102,500,000.00	51,250,000.00
	2040-2044	102,500,000.00	25,625,000.00
	2045-2049	41,000,000.00	3,075,000.00
		451,000,000.00	 259,325,000.00
Series 2016-A	2025	20,305,000.00	21,925,000.00
	2026	20,305,000.00	20,909,750.00
	2027	20,305,000.00	19,894,500.00
	2028	20,305,000.00	18,879,250.00
	2029	20,300,000.00	17,864,000.00
	2030-2034	101,500,000.00	74,095,000.00
	2035-2039	101,500,000.00	48,720,000.00
	2040-2044	101,500,000.00	23,345,000.00
	2045-2049	40,600,000.00	2,436,000.00
		 446,620,000.00	 248,068,500.00
Series 2019	2025	3,795,000.00	15,405,740.19
	2026	3,945,000.00	15,253,940.19
	2027	4,100,000.00	15,096,140.19
	2028	32,970,000.00	14,932,140.19
	2029	31,110,000.00	13,943,040.19
	2030-2034	117,125,000.00	60,126,218.35
	2035-2039	151,525,000.00	39,041,104.17
	2040-2044	150,340,000.00	13,504,823.86
		\$ 494,910,000.00	\$ 187,303,147.33

Description of Issue	Year	Principal	Interest
Texas Highway Improvement General Obligation Bonds (concluded)			
Series 2020	2025	\$	\$ 5,505,866.10
	2026		5,505,866.10
	2027		5,505,866.10
	2028		5,505,866.10
	2029		5,505,866.10
	2030-2034		27,529,330.50
	2035-2039	139,520,000.00	20,210,849.40
	2040-2044	75,385,000.00	3,825,322.20
		214,905,000.00	79,094,832.60
Series 2024	2025	61,960,000.00	35,102,352.08
	2026	63,250,000.00	31,714,250.00
	2027	63,120,000.00	28,551,750.00
	2028	35,445,000.00	25,395,750.00
	2029	39,310,000.00	23,623,500.00
	2030-2034	251,265,000.00	81,173,250.00
	2035-2039	104,255,000.00	35,207,500.00
	2040-2044	77,640,000.00	9,154,750.00
		696,245,000.00	269,923,102.08
Total General Obligation Bonds		8,418,430,000.00	3,696,617,369.65
SHF Revenue Bonds			
Series 2008	2025	11,060,000.00	2,511,862.50
	2026	11,640,000.00	1,931,212.50
	2027	12,250,000.00	1,320,112.50
	2028	12,895,000.00	676,987.50
		47,845,000.00	6,440,175.00
Series 2010	2025	75,265,000.00	70,018,429.50
	2026	77,340,000.00	66,234,105.30
	2027	203,795,000.00	62,345,450.10
	2028	313,355,000.00	51,792,945.00
	2029	337,665,000.00	35,567,423.10
	2030-2034	349,230,000.00	18,083,129.40
		\$ 1,356,650,000.00	\$ 304,041,482.40

Description of Issue	Year	Principal	Interest
SHF Revenue Bonds (continued)			
Series 2014-B	2025	\$	\$ 8,841,917.81
	2026		8,850,000.00
	2027		8,850,000.00
	2028		8,858,082.19
	2029		8,841,917.81
	2030-2034	300,000,000.00	22,858,492.03
		 300,000,000.00	67,100,409.84
Series 2015	2025	95,935,000.00	9,773,125.00
	2026	89,445,000.00	5,138,625.00
	2028	58,050,000.00	1,451,250.00
		 243,430,000.00	 16,363,000.00
Series 2016-A	2025	36,805,000.00	10,172,375.00
	2026	66,105,000.00	7,599,625.00
	2027	52,540,000.00	4,633,500.00
	2028	10,920,000.00	3,047,000.00
	2029	11,300,000.00	2,491,500.00
	2030-2034	44,180,000.00	2,730,250.00
		\$ 221,850,000.00	\$ 30,674,250.00

Description of Issue	Year	Principal	Interest
SHF Revenue Bonds (concluded)			
Series 2016-B	2025	\$ 20,500,000	\$ 473,822.00
	2026	68,870,000.00	385,672.00
		 89,370,000.00	 859,494.00
Series 2024	2025	57,510,000.00	17,870,863.89
	2026		14,465,500.00
	2027		14,465,500.00
	2028		14,465,500.00
	2029		14,465,500.00
	2030-2034	289,310,000.00	56,423,500.00
		 346,820,000.00	 132,156,363.89
Total Revenue Bonds		 2,605,965,000.00	 557,635,175.13
TOTAL GOVERNMENTAL ACTIVITIES		\$ 11,024,395,000.00	\$ 4,254,252,544.78

For the Fiscal Year Ended August 31, 2024

BUSINESS-TYPE ACTIVITIES

Description of Issue	Year	Principal	Interest
CTTS Revenue Bonds			
Series 2002-A Non-callable CAB's	2025	\$ 60,410,000.00	\$
	2026	77,205,000.00	
	2027	84,355,000.00	
	2028	91,830,000.00	
	2029	97,040,000.00	
	2030-2034	102,025,000.00	
		512,865,000.00	 -
Series 2020-A	2025		7,973,750.00
	2026		7,973,750.00
	2027		7,973,750.00
	2028		7,973,750.00
	2029		7,973,750.00
	2030-2034		39,868,750.00
	2035-2039	129,475,000.00	39,868,750.00
	2040-2042	50,000,000.00	1,500,000.00
		 179,475,000.00	 121,106,250.00
Series 2020-C	2025		8,460,148.50
	2026		8,460,148.50
	2027		8,460,148.50
	2028		8,460,148.50
	2029		8,460,148.50
	2030-2034	390,000.00	42,283,325.70
	2035-2039	30,500,000.00	42,208,812.20
	2040-2042	248,415,000.00	11,507,625.36
		\$ 279,305,000.00	\$ 138,300,505.76

Description of Issue	Year	Principal	Interest
CTTS Revenue Bonds (continued)			
Series 2024-A	2025	\$	\$ 19,739,622.22
	2026		19,310,500.00
	2027		19,310,500.00
	2028		19,310,500.00
	2029		19,310,500.00
	2030-2034	40,000,000.00	92,552,500.00
	2035-2039	346,210,000.00	44,463,750.00
		386,210,000.00	233,997,872.22
Series 2024-B	2025		11,500,000.00
	2026		11,250,000.00
	2027		11,250,000.00
	2028		11,250,000.00
	2029		11,250,000.00
	2030-2034		47,250,000.00
	2035-2039		45,000,000.00
	2040-2042	225,000,000.00	25,381,600.00
		225,000,000.00	174,131,600.00
Series 2024-C	2025		52,260,855.56
	2026		51,124,750.00
	2027		51,124,750.00
	2028		51,124,750.00
	2029		51,124,750.00
	2030-2034	466,965,000.00	224,589,500.00
	2035-2039	399,235,000.00	97,557,000.00
	2040-2042	156,295,000.00	15,535,000.00
		\$ 1,022,495,000.00	\$ 594,441,355.56

Description of Issue	Year	 Principal	 Interest
Grand Parkway Transportation Corp.*			
Series 2013-B	2025	\$	\$ 27,757,552.50
	2026		27,757,552.50
	2027		27,757,552.50
	2028		27,757,552.50
	2029		27,757,552.50
	2030-2034	62,235,000.00	133,475,243.75
	2035-2039	95,930,000.00	103,915,653.75
	2040-2044		96,057,587.50
	2045-2049	 330,995,000.00	 42,641,256.25
		 489,160,000.00	 514,877,503.75
Series 2013-E	2025		18,756,230.40
	2026		18,756,230.40
	2027		18,756,230.40
	2028		18,756,230.40
	2029		18,756,230.40
	2030-2034		93,781,152.00
	2035-2039	122,865,000.00	86,384,232.00
	2040-2044	238,945,000.00	23,186,088.00
		361,810,000.00	 297,132,624.00
Series 2018-A	2025		35,605,000.00
	2026		35,605,000.00
	2027		35,605,000.00
	2028		35,605,000.00
	2029		35,605,000.00
	2030-2034	56,900,000.00	173,267,000.00
	2035-2039	179,165,000.00	143,261,375.00
	2040-2044	237,065,000.00	90,839,625.00
	2045-2049	238,970,000.00	30,503,750.00
		\$ 712,100,000.00	\$ 615,896,750.00

Description of Issue	Year	 Principal	Interest
Grand Parkway Transportation Corp.* (continued)			
Series 2020-A	2025	\$	\$ 7,223,846.78
	2026		7,223,846.78
	2027	935,000.00	7,214,005.90
	2028	985,000.00	7,193,551.64
	2029	1,025,000.00	7,171,073.88
	2030-2034	5,880,000.00	35,440,177.66
	2035-2039	7,685,000.00	34,504,681.33
	2040-2044	14,550,000.00	32,852,207.50
	2045-2049	84,890,000.00	25,087,373.00
	2050-2054	 104,465,000.00	 7,968,049.60
		 220,415,000.00	 171,878,814.07
Series 2020-B	2025	2,780,000.00	39,072,607.02
	2026	2,825,000.00	39,025,403.92
	2027	2,880,000.00	38,973,764.42
	2028	2,935,000.00	38,917,933.54
	2029	2,995,000.00	38,857,568.78
	2030-2034	16,015,000.00	193,246,541.07
	2035-2039	18,165,000.00	191,093,105.77
	2040-2044	21,145,000.00	188,111,723.75
	2045-2049	67,590,000.00	183,739,956.20
	2050-2054	1,085,145,000.00	86,621,681.50
		1,222,475,000.00	 1,037,660,285.97
Series 2020-C	2025		31,025,400.00
	2026		31,025,400.00
	2027		31,025,400.00
	2028		31,025,400.00
	2029		31,025,400.00
	2030-2034	260,000.00	155,120,500.00
	2035-2039	14,955,000.00	154,111,025.00
	2040-2044	130,835,000.00	142,119,050.00
	2045-2049	432,765,000.00	89,036,050.00
	2050-2054	 214,570,000.00	 6,121,025.00
		\$ 793,385,000.00	\$ 701,634,650.00

For the Fiscal Year Ended August 31, 2024

Description of Issue	Year	Principal	Interest
Grand Parkway Transportation Corp. (concluded) *			
Series 2023	2025	\$	\$ 13,161,250.00
	2026		13,161,250.00
	2027		13,161,250.00
	2028		13,161,250.00
	2029		13,161,250.00
	2030-2034		65,806,250.00
	2035-2039	6,575,000.00	65,236,875.00
	2040-2044	100,360,000.00	59,004,500.00
	2045-2049		39,072,500.00
	2050-2054	156,290,000.00	12,944,750.00
		\$ 263,225,000.00	\$ 307,871,125.00

*Grand Parkway Transportation Corp. bonds is a blended component unit of TxDOT, these are not obligations of the state.

Description of Issue	Year	Principal	Interest
State Highway 249 System			
Series 2019-A	2025	\$	\$ 7,204,250.00
	2026		7,204,250.00
	2027		7,204,250.00
	2028		7,204,250.00
	2029		7,204,250.00
	2030-2034		36,021,250.00
	2035-2039		36,021,250.00
	2040-2044		36,021,250.00
	2045-2049		36,021,250.00
	2050-2054	51,560,000.00	34,840,750.00
	2055-2059	92,525,000.00	9,403,000.00
		 144,085,000.00	 224,350,000.00
Series 2019-A CABs	2028	335,000.00	
	2029	1,030,000.00	
	2030-2034	7,035,000.00	
	2035-2039	54,185,000.00	
	2040-2044	84,885,000.00	
	2045-2049	111,715,000.00	
	2050-2054	61,775,000.00	
		 320,960,000.00	 -
Series 2019-B	2025		594,712.50
	2026		594,712.50
	2027		594,712.50
	2028		594,712.50
	2029		594,712.50
	2030-2034	12,795,000.00	1,767,182.50
		 12,795,000.00	 4,740,745.00
TOTAL BUSINESS-TYPE ACTIVITIES		\$ 7,145,760,000.00	\$ 5,138,020,081.33

TEXAS DEPARTMENT OF TRANSPORTATION SCHEDULE 2D - ANALYSIS OF FUNDS AVAILABLE FOR DEBT SERVICE

For the Fiscal Year Ended August 31, 2024

Governmental Activities

		Net Available for Debt Service			Debt Service		
			Operating Expenses/				
		Total Pledged	Expenditures and				
Description of Issue	a	nd Other Sources	Capital Outlay		Principal	Interest	
Texas Mobility General Obligation Bonds	\$	550,590,301.56	(A)	\$	170,590,000.00 \$	228,613,527.67	
State Highway Fund Revenue Bonds		9,955,388,833.84	(B)		283,420,000.00	134,965,215.22	
	\$	10,505,979,135.40		\$	454,010,000.00 \$	363,578,742.89	

(A) Expenses associated with pledged sources were \$505,997,256.34.

(B) Expenses associated with pledged sources were \$18,841,973,062.08.

Business-Type and Blended Component Unit Activities

		Net Available for Debt Service			Debt Service		
			Operating Expenses/				
		Total Pledged	Expenditures and				
Description of Issue	an	d Other Sources	Capital Outlay		Principal	Interest	
Central Texas Turnpike System	\$	393,405,709.21	(C)	\$	63,380,000.00 \$	97,364,743.00	
Grand Parkway Transportation Corporation		380,977,751.56	(D)		19,085,000.00	153,963,936.70	
tate Highway 249 System		28,286,088.20	(E)			7,798,962.50	
	\$	802,669,548.97		\$	82.465,000.00 \$	259,127,642.20	

TEXAS DEPARTMENT OF TRANSPORTATION SCHEDULE 2E-DEFEASED BONDS OUTSTANDING

For the Fiscal Year Ended August 31, 2024

		Par Value
Description of Issue	Year Defeased	Outstanding
Governmental Activities		
Texas Mobility Fund General Obligation Bonds		
Series 2014-A Fixed Rate Refunding Bonds	2020	\$ 690,760,000.00
Total Governmental Activ	ities	 690,760,000.00
Business-Type Activities		
Central Texas Turnpike System Revenue Bonds		
First Tier Revenue Bonds Series 2002-A Capital Appreciation Bonds*	2015	6,270,458.51
First Tier Revenue Refunding Bonds Series 2012-A	2024	123,235,000.00
First Tier Revenue Refunding Bonds Series 2015-B	2024	198,025,000.00
Second Tier Revenue Refunding Bonds Series 2015-C	2024	1,141,090,000.00
Total Business-Type Activ	ities	 1,468,620,458.51
Total		\$ 2,159,380,458.51

* Includes \$4,459,322.61 of accreted interest.

TEXAS DEPARTMENT OF TRANSPORTATION SCHEDULE 2F - EARLY EXTINGUISHEMENT AND REFUNDING

For the Fiscal Year Ended August 31, 2024

Governmental Activities

		Amount	F		
		Extinguished or	Refunding Issued	Cash Flow	
Description	Category	Refunded	Par Value	Increase	Economic Gain
Texas Highway Improvement					
Series 2024 Fixed Rate Refunding Bonds	Current Refunding	\$ 812,345,000.00	\$ 696,245,000.00	\$ 89,628,385.78	\$ 65,560,996.89
State Highway Fund					
Series 2024 Revenue Refunding Bonds	Current Refunding	400,210,000.00	346,820,000.00	46,359,093.75	36,028,353.53
Total Governmental Activities		1,212,555,000.00	1,043,065,000.00	135,987,479.53	101,589,350.42

Business-Type Activities

		Amount	For Refunding Only				
Description	Category	Extinguished or Refunded	Refunding Issued Par Value	Cash Flow Increase	Economic Gain		
Central Texas Turnpike System							
First Tier Revenue Refunding Bonds, Series 2024-A	Current Refunding	443,922,800.00	386,210,000.00	81,481,271.53	38,291,112.09		
First Tier Revenue Refunding Put Bonds, Series 2024-B*	Current Refunding	242,040,000.00	225,000,000.00	0.00	0.00		
Second Tier Revenue Refunding Bonds, Series 2024-C	Current Refunding	1,141,090,000.00	1,022,495,000.00	154,663,767.44	123,570,080.92		
Total Central Texas Turnpike System		1,827,052,800.00	1,633,705,000.00	236,145,038.97	161,861,193.01		
Total Business-Type Activities		1,827,052,800.00	1,633,705,000.00	236,145,038.97	161,861,193.01		
Total		\$ 3,039,607,800.00	\$2,676,770,000.00	\$ 372,132,518.50	\$ 263,450,543.43		

*Represents a change in mode from one variable rate to another mode.

Texas Department of Transportation Schedule 3 - Matrix of Expenditures Reported by Function - Governmental Funds

For the Fiscal Year Ended August 31, 2024

	State Highway Fund		Texas Mobility Fund		Nonmajor Funds		Transportation Function Total	
Salaries and Wages	\$	950,602,731.77	\$	0.00	\$	0.00	\$	950,602,731.77
Payroll Related Costs		439,172,265.32		0.00		(0.00)		439,172,265.32
Professional Fees and Services		1,937,791,990.96		3,203,372.83		6,112,885.13		1,947,108,248.92
Federal Pass-Through Expenditures		11,767,576.39		0.00		0.00		11,767,576.39
State Pass-Through Expenditures		254,334.30		0.00		0.00		254,334.30
Travel		11,045,067.10		0.00		5,124.02		11,050,191.12
Materials and Supplies		436,309,120.20		0.00		181,527.14		436,490,647.34
Communication and Utilities		70,218,520.81		0.00		1,480.29		70,220,001.10
Repairs and Maintenance		1,134,167,112.87		0.00		0.00		1,134,167,112.87
Rentals and Leases		54,437,762.86		0.00		0.00		54,437,762.86
Printing and Reproduction		3,387,487.10		0.00		8,475.40		3,395,962.50
Claims and Judgments		256,015,194.07		0.00		0.00		256,015,194.07
Intergovernmental Payments		265,741,137.08		63,656,147.95		49,234,533.49		378,631,818.52
Public Assistance Payments		63,979,009.67		17,542,872.76		275,247.00		81,797,129.43
Other Expenditures		449,794,453.20		6,547.85		254,094.12		450,055,095.17
Total Expenditures	\$	6,084,683,763.70	\$	84,408,941.39	\$	56,073,366.59	\$	6,225,166,071.68

The above schedule represents governmental fund expenditures of the transportation function in the object code detail.

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