

TEXAS TRANSPORTATION COMMISSION

ALL Counties

MINUTE ORDER

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ALL Districts

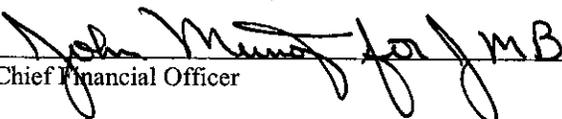
Article III, Section 49-k of the Texas Constitution created the Texas Mobility Fund (Mobility Fund) within the treasury of the State of Texas (state) to be administered by the Texas Transportation Commission (commission) as a revolving fund to (i) provide a method of financing the construction, reconstruction, acquisition, and expansion of state highways, including costs of any necessary design and costs of acquisition of rights of way, as determined by the commission in accordance with standards and procedures established by law and (ii) provide participation by the state in the payment of a portion of the costs of constructing and providing publicly-owned toll roads and other public transportation projects in accordance with the procedures, standards, and limitations established by law.

Pursuant to a Master Resolution, a First Supplemental Resolution, and a Second Supplemental Resolution each adopted on May 4, 2005, the commission issued two series of obligations under Transportation Code, Chapter 201 and other applicable law, which obligations are secured by and payable from a pledge of and lien on all or part of the moneys in the Mobility Fund, and a full faith and credit pledge of the state, and which obligations were issued in the name and on behalf of the state to (i) pay all or part of the costs of constructing, reconstructing, acquiring, and expanding State highways, including any necessary design and acquisition of rights of way, in the manner and locations determined by the commission that, according to conclusive findings of the commission, have an expected useful life, without material repair, of not less than 10 years; (ii) provide participation by the state in the payment of part of the costs of constructing and providing publicly owned toll roads and other public transportation projects that are determined by the commission to be in the best interests of the state in its major goal of improving the mobility of the residents of the state; and (iii) pay the costs of issuance.

Under Section 7.09 of the First Supplemental Resolution, the commission has covenanted to provide annually, within six months after the end of each fiscal year, financial information and operating data with respect to the Mobility Fund of the general type in the attached Exhibit A.

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

Submitted and reviewed by:


Chief Financial Officer

Recommended by:


Executive Director

110440 FEB 23 06

Minute Date
Number Passed

EXHIBIT A

Annual Financial Statements and Operating Data

The financial information and operating data with respect to the Commission to be provided annually in accordance with "CONTINUING DISCLOSURE OF INFORMATION B Continuing Disclosure Undertaking of the Commission Related to the Programs - Annual Reports" in the Official Statement are as specified (and included in the Appendix or under the headings of the Official Statement referred to) below:

- (1) any revenue forecast performed by the Comptroller upon (i) the issuance of additional obligations from the Fund, substantially in the form of Table 5 in the Official Statement or (ii) the substitution of any Dedicated Revenues by the State Legislature; and
- (2) for the fiscal year ending August 31, 2005, an audited financial report of the Fund covering the period from creation of the Fund until August 31, 2005, prepared in accordance with generally accepted accounting principles and for each fiscal year thereafter, a financial report of the Fund prepared in accordance with generally accepted accounting principles, certified by a Certified Public Accountant.

EXHIBIT B

**Annual Financial Information and Operating Data
with Respect to
Texas Transportation Commission
State of Texas General Obligation Bonds**

| | |
|---|---|
| \$900,000,000 Mobility Fund Bonds, Series 2005-A | \$100,000,000 Mobility Fund Bonds, Series 2005-B |
|---|---|

(1) Revenue Forecast -- The Commission has not issued any additional obligations payable from the Fund nor has the State Legislature substituted any Dedicated Revenues; therefore, the "Table 5: Texas Mobility Fund Estimated Revenues, 2004-2035" provided by the Texas Comptroller of Public Accounts, May 4, 2005, and appearing on page 39 of the Official Statement dated June 2, 2005 related to the above-captioned obligations is the only revenue forecast currently available.

(2) Audited Financial Report of the Fund -- The audited financial statements of the Fund from inception through August 31, 2005 were accepted by Minute Order 110353 of the Commission on December 15, 2005 and were previously filed with the Central Post Office on December 15, 2005.