FORT BEND COUNTY, TEXAS

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FORT BEND COUNTY, TEXAS
LIMITED TAX AND REFUNDING BONDS
SERIES 2009

****

$73,430,000

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ALLEN BOONE HUMPHRIES ROBINSON LLP
BOND COUNSEL

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$73,430,000
FORT BEND COUNTY, TEXAS
LIMITED TAX AND REFUNDING BONDS,
SERIES 2009

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FORT BEND COUNTY, TEXAS

April 14, 2009

The Honorable Thomas E. Griess, Jr.
Acting Chief, Public Finance Section
Office of The Attorney General of Texas
William P. Clements Building
300 West 15th Street, 7th Floor
Austin, Texas 78701

Comptroller of Public Accounts
Attention: Cash & Securities Management Division
Thomas Jefferson Rusk Building
208 East 10th Street, 4th Floor, Room 448
Austin, Texas 78701-2407

Re: Fort Bend County, Texas
$73,430,000 Limited Tax and Refunding Bonds, Series 2009

Ladies and Gentlemen:

TO THE ATTORNEY GENERAL

The above-referenced bonds will be sent to you for approval and we enclose **one executed but undated** Signature Identification and No-Litigation Certificate. Upon approval of the bonds, you are authorized and respectfully requested to insert the date in such certificate, **which date is to be the same as your approval date.** If any litigation should develop before you have approved such bonds, we will notify you at once by telephone and telefax. With this assurance, you can rely upon the absence of litigation at the time that you approve the bonds unless we advise you to the contrary.

After you have approved the bonds, please deliver them to the Comptroller of Public Accounts of the State of Texas for registration.

TO THE COMPTROLLER

Please forward the bonds by Federal Express to Greer Pagan, 3200 Southwest Freeway, Suite 2600, Houston, Texas 77027.

Very truly yours,

County Judge, Fort Bend County, Texas

Enclosure

SIGNATURE IDENTIFICATION AND NO-LITIGATION CERTIFICATE

We, the undersigned officers of Fort Bend County, Texas, certify that we officially signed, by facsimile signatures, on behalf of said County, the following described bonds, hereafter called the "Bonds", to wit:

> FORT BEND COUNTY, TEXAS, LIMITED TAX AND REFUNDING BONDS, SERIES 2009, dated May 1, 2009, in the principal amount of $73,430,000.

being on the date of such signing and on the date hereof the duly chosen, qualified and acting officers authorized to execute the Bonds, and holding the official titles set forth below opposite such signatures. We further certify that said facsimile signatures have been affixed to the Bonds with our full knowledge and consent, and we hereby respectively adopt the same as our own signatures.

We further certify that we have caused the official seal of the Commissioners Court to be impressed or placed in facsimile upon each of said Bonds and that said seal has been duly adopted as, and is hereby declared to be, the official seal of the Commissioners Court.

We further certify that no litigation of any nature is now pending or to our knowledge threatened, either in the State or Federal courts contesting or attacking the Bonds or restraining or enjoining their issuance, execution or delivery, or restraining or enjoining the levy and/or collection and/or pledge of the funds from which the Bonds are payable, or in any manner questioning the authority or proceedings for the issuance, execution or delivery of the Bonds, or affecting the title of the present officials, or the boundaries of the County, and that no proceedings or authority for the issuance, execution or delivery of the Bonds have been repealed, rescinded or revoked.

In witness whereof we have signed this certificate and delivered it as of the 14th day of May, 2009.

SIGNATURES	TITLE OF OFFICE
Robert Hebert	County Judge
Dianne Wilson	County Clerk
Jeff Council	County Treasurer

(SEAL)

THE STATE OF TEXAS §
§
COUNTY OF FORT BEND §

Before me, on the 14th day of April, 2009, personally appeared the foregoing individuals, known to me to be the officers whose true and genuine signatures were subscribed to the foregoing instruments in my presence.

Notary Public, State of Texas

(NOTARY SEAL)

SHANNON LUCAS
MY COMMISSION EXPIRES
January 31, 2013

CERTIFICATE FOR ORDER

THE STATE OF TEXAS §
COUNTY OF FORT BEND §

We, the undersigned officers of the Commissioners Court of Fort Bend County, Texas, hereby certify as follows:

1. The Commissioners Court of Fort Bend County, Texas, convened at a regular meeting of said Court at the Fort Bend County Courthouse in the City of Richmond, Texas, on the 4th day of March, 2008, and the roll was called of the duly constituted officers and members of said Court, to wit

Robert E. Hebert	County Judge
Tom Stavinoha	Commissioner, Precinct 1
Grady Prestage	Commissioner, Precinct 2
Andy Meyers	Commissioner, Precinct 3
James Patterson	Commissioner, Precinct 4

and all of said persons were present, except the following absentee(s), _____, thus constituting a quorum. Whereupon, among other business, the following was transacted at said meeting: a written

ORDER CALLING BOND ELECTION

was duly introduced for the consideration of the Commissioners Court and read in full. It was then duly moved and seconded that said order be adopted; and, after due discussion, said motion, carrying with it the adoption of said order, prevailed and carried by the following vote:

AYES: 4
NOES: 0
Abstain 1

2. A true, full and correct copy of the aforesaid order adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that said order has been duly recorded in the Commissioners Court's minutes of said meeting, that the above and foregoing paragraph is a true, full and correct excerpt from the Commissioners Court's minutes of said meeting pertaining to the adoption of said order, that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of the Commissioners Court as indicated therein, that each of the officers and members of the Commissioners Court was duly and sufficiently notified officially and personally, in advance, of the date, hour, place and purpose of the aforesaid meeting, and that said order would be introduced and considered for adoption at said meeting, and each of said officers and members consented, in advance, to the holding of said meeting for such purpose,

that said meeting was open to the public as required by law; and that public notice of the date, hour, place and subject of said meeting was given as required by the Texas Open Meetings Act.

SIGNED AND SEALED this 4th day of March, 2008.

County Clerk

County Judge

(SEAL)

NOTICE OF BOND ELECTION

TO THE RESIDENT, QUALIFIED ELECTORS OF FORT BEND COUNTY, TEXAS

NOTICE IS HEREBY GIVEN that an election will be held in FORT BEND COUNTY, TEXAS, on the 10th day of May, 2008, in accordance with the following order:

ORDER CALLING BOND ELECTION

THE STATE OF TEXAS §

COUNTY OF FORT BEND §

WHEREAS, the Commissioners Court of Fort Bend County, Texas (the "County") deems it advisable to hold an election to ascertain whether the Commissioner's Court shall be authorized to issue bonds of the County for the purpose hereinafter stated, and

WHEREAS, the Commissioners Court wishes to proceed with the ordering of such election,

THEREFORE, BE IT ORDERED, ADJUDGED AND DECREED BY THE COMMISSIONERS COURT OF FORT BEND COUNTY, TEXAS.

Section 1. All of the facts recited in the preamble hereof are hereby found and determined to be true and correct.

Section 2. An election shall be held in the County on the 10th day of May, 2008, which is not less than fifteen (15) days nor more than ninety (90) days from the date hereof, in which all resident, qualified electors of the County shall be entitled to vote. The polls shall be open for voting at such election from 7:00 a.m. to 7:00 p.m. Voting shall be at the designated polling places in each of the numbered county precincts heretofore established and described by natural or artificial boundaries or survey lines, and the election shall be conducted at each polling place, respectively, by the officers previously appointed by order of the Commissioners Court. The respective polling place for each election precinct is set forth in Exhibit A, attached hereto and made a part hereof for all purposes.

Section 3. At the election the following PROPOSITION shall be submitted in accordance with law:

PROPOSITION ONE

SHALL THE COMMISSIONERS COURT OF FORT BEND COUNTY, TEXAS, BE AUTHORIZED TO ISSUE AND SELL AT ANY PRICE OR PRICES THE BONDS OF THE COUNTY IN THE AMOUNT OF $74,000,000 MATURING SERIALLY OR OTHERWISE WITHIN 40 YEARS FROM THEIR DATE OR DATES, AND BEARING INTEREST AT SUCH RATE OR RATES, NOT TO EXCEED THE MAXIMUM INTEREST RATE NOW OR HEREAFTER AUTHORIZED BY LAW, AS SHALL BE DETERMINED WITHIN THE DISCRETION OF THE COMMISSIONERS COURT AT THE TIME OF ISSUANCE, FOR THE PURPOSE OF ACQUIRING LAND FOR AND PURCHASING, CONSTRUCTING, REPAIRING, EQUIPPING, FURNISHING, LANDSCAPING AND IMPROVING BUILDINGS AND OTHER RELATED IMPROVEMENTS AND FACILITIES REASONABLY REQUIRED IN

CONNECTION THEREWITH, INCLUDING BUT NOT LIMITED TO, UTILITIES, PERSONAL PROPERTY, AND COMMUNICATION EQUIPMENT TO BE USED FOR COUNTY BUILDINGS FOR THE HOUSING OF COUNTY OR DISTRICT OFFICES, COUNTY OR DISTRICT COURTS, JUSTICE OF THE PEACE COURTS, COUNTY RECORDS AND EQUIPMENT OR FOR CONDUCTING OTHER PUBLIC BUSINESS IN FORT BEND COUNTY AND TO LEVY TAXES UPON ALL TAXABLE PROPERTY WITHIN THE COUNTY ANNUALLY SUFFICIENT TO PAY THE INTEREST ON THE BONDS AS IT ACCRUES AND TO CREATE A SINKING FUND TO PAY THE PRINCIPAL OF THE BONDS AS IT MATURES, AS AUTHORIZED BY THE CONSTITUTION AND LAWS OF THE STATE OF TEXAS, INCLUDING THE TEXAS GOVERNMENT CODE AND THE TEXAS LOCAL GOVERNMENT CODE?

Section 4. An electronic voting system, as defined and described by Title 8, Texas Election Code, shall be used for said election, and the Manager and Presiding Judge of the Central Counting Station may appoint clerks to serve at the Central Counting Station. The official ballot for the election shall be prepared in accordance with the Texas Election Code so as to permit the electors to vote "FOR" or "AGAINST" the aforesaid PROPOSITION which shall be set forth on such ballot in substantially the following form:

OFFICIAL BALLOT

PROPOSITION ONE

[ ] FOR [ ] AGAINST	)	THE ISSUANCE OF FORT BEND COUNTY GENERAL OBLIGATION BONDS FOR COUNTY BUILDINGS IN THE AMOUNT OF $74,000,000

Early voting shall be conducted by the Fort Bend County Elections Administrator, and the address to which early voting ballot applications and early ballots voted by mail may be sent is

Fort Bend County Elections Administrator
301 Jackson St.
Richmond, Texas 77469-3108

The main early voting location is:

Fort Bend County Rosenberg Annex Building
4520 Reading Road
Rosenberg, Texas

The early voting clerk shall keep the place for early voting open at the following times on the respective dates shown below:

Monday-Friday	April 28-May-2	8:00 a.m. to 5:00 p.m.
Saturday	May 3	8:00 a.m. to 5:00 p.m.
Sunday	May 4	CLOSED
Monday-Tuesday	May 5-6	7:00 a.m. to 7:00 p.m.

In addition, pursuant to Section 85.062, Election Code, early voting by personal appearance shall be conducted at the following temporary branch offices at the times and on the respective dates and times shown below the respective locations:

Missouri City Community Center - 1522 Texas Parkway, Missouri City, TX
Garcia Middle School - 18550 Old Richmond Road, Sugar Land, TX
Fulshear Precinct 3 Office Building - 8100 FM 359, Fulshear, TX
Hightower High School – 3333 Hurricane Lane, Missouri City, TX
Beasley City Hall – 319 S. 3rd Street, Beasley, TX
Cinco Ranch Branch Library – 2620 Commercial Center Blvd., Katy, TX
Pecan Grove Baptist Church – 1727 FM 359, Richmond, TX

Day	Date	Hours
Monday – Friday	April 28 – May 2, 2008	8:00 a.m. to 5:00 p.m.
Saturday	May 3, 2008	8:00 a.m. to 5:00 p.m.
Sunday	May 4, 2008	CLOSED
Monday – Tuesday	May 5 – 6, 2008	7:00 a.m. to 7:00 p.m.

Lost Creek Park – 3703 Lost Creek Blvd, Sugar Land, TX
Fort Bend ISD Administration Building – 16431 Lexington Blvd., Sugar Land, TX
Sugar Land City Hall – 2700 Town Center Blvd., Sugar Land, TX
Meadows Place City Hall – One Troyan Dr., Meadows Place, TX

Day	Date	Hours
Monday - Friday	April 28 – May 2, 2008	8:00 a.m. to 5:00 p.m.
Saturday	May 3, 2008	CLOSED
Sunday	May 4, 2008	CLOSED
Monday – Tuesday	May 5 – 6, 2008	7:00 a.m. to 7:00 p.m.

Chasewood Clubhouse -7622 Chasewood Drive, Missouri City, TX
First Colony Conference Center - 3232 Austin Parkway, Sugar Land, TX
Old Needville Fire House - 3115 Richmond Street, Needville, TX
Townewest Town Hall – 10322 Old Towne Ln, Sugar Land, TX
U of H at Cinco Ranch – 4242 South Mason, Katy, TX

Day	Date	Hours
Monday - Friday	April 28 – May 2, 2008	10:00 a.m. to 7:00 p.m.
Saturday	May 3, 2008	8:00 a.m. to 5:00 p.m.
Sunday	May 4, 2008	CLOSED
Monday – Tuesday	May 5-6, 2008	7:00 a.m. to 7:00 p.m.

Section 5. Notice of such election shall be given by posting a substantial copy of this election order, in English and Spanish, on the bulletin board at the County Courthouse used for posting notices of Commissioners Court meetings, and at three other places in the County, not less than 21 days prior to the date set for the election; and a substantial copy of this election order, in English and Spanish, also shall be published on the same day in each of two successive weeks in a newspaper of general circulation published in the County, the date of the first publication to be not more than 30 days and not less than 14 days prior to the date set for the election.

Section 6. In all matters relating to the ordering, giving notice, and holding the election, the County shall comply with the applicable parts of the Texas Election Code, including particularly Chapter 272 of the Texas Election Code pertaining to bilingual requirements and the Federal Voting Rights Act of 1965, as amended.

Section 7. It is hereby officially found and determined that notice of the meeting at which this order is adopted was given as required by the Texas Open Meetings Act, and that such meeting has been open to the public at all times when this order was discussed and acted on.

Section 8. This order shall take effect immediately upon adoption.

PASSED AND APPROVED the 4th day of March, 2008.

Robert E. Hebert
County Judge

Tom D. Stavinoha
Commissioner, Precinct 1

Grady Prestage
Commissioner, Precinct 2

W. Andy Meyers
Commissioner, Precinct 3

James Patterson
Commissioner, Precinct 4

ATTEST:

County Clerk

(COM. CT. SEAL)

Exhibit A

ELECTION DAY POLLING PLACES
GENERAL ELECTION – May 10, 2008

PCT #	INCL PCT	POLLING PLACE LCATION	ADDRESS	CITY	ZIP
1001		George Memorial Library	1001 Golfview Dr	RICHMOND	77469
1002		Kendleton Church of God	619 FM 2919	KENDLETON	77451
1003	1058, 1134	Mustang Community Center	4525 FM 521	FRESNO	77545
1008		Orchard City Hall	9714 Kibler	ORCHARD	77464
1010		Old Needville Fire House	3115 Richmond St	NEEDVILLE	77461
1012	1054	Bamore Road Baptist Church	1110 Bamore Rd	ROSENBERG	77471
1013		Calvary Baptist Church	4111 Airport Ave	ROSENBERG	77471
1015	1024	Frieden's United Church of Christ	7526 Avenue I	BEASLEY	77417
1016		Cambridge Square Retirement	2700 Avenue N	ROSENBERG	77471
1018		Fairchilds Volunteer Fire Dept	8715 Fairchilds Rd	FAIRCHILDS	77469
1021		Brazos Bend Home & Ranch	22930 FM 1462	NEEDVILLE	77461
1025		Agriculture Extension Building	1402 Band Rd	ROSENBERG	77471
1037		Travis Elementary School	2700 Avenue K	ROSENBERG	77471
1039		Carlos Upholstery Shop	726 Vera Cruz St	ROSENBERG	77471
1040		T L Pink Elementary School	1001 Collins Rd	RICHMOND	77469
1048		Fort Bend County Rosenbg Annex Bldg	4520 Reading Rd	ROSENBERG	77471
1067	1007, 1085	Williams Elementary School	5111 FM 762	RICHMOND	77469
1068		Schultz Trucking Company	18602 Highway 36	GUY	77444
1072		Jackson Elementary School	301 3rd Street	ROSENBERG	77471
1073		Deaf Smith Elementary School	2014 Lamar Dr	RICHMOND	77469
1074		George Junior High School	4601 Airport Ave	ROSENBERG	77471
1076		Holy Cross Episcopal Church	5653 W Riverpark Dr	SUGAR LAND	77479
1087		Campbell Elementary School	1000 Shadow Bend Dr	SUGAR LAND	77479
1103		Pecan Grove Baptist Church	1727 FM 359	RICHMOND	77469
1114		Burton Elementary School	1625 Hunter Green Ln	FRESNO	77489
1118		Club Sienna	9600 Scanlan Trace	MISSOURI CITY	77459
1120	1128	Dickinson Elementary School	7110 Greatwood Pkwy	SUGAR LAND	77479
2017		Briargate Elementary School	15817 Blue Ridge Rd	MISSOURI CITY	77489
2023		Ridgemont Elementary School	4910 Raven Ridge Rd	HOUSTON	77053
2027	2070, 2140	Houston Community College	10141 Cash Rd	STAFFORD	77477
2030		Quail Valley Middle School	3019 FM 1092	MISSOURI CITY	77459
2031		Ridgegate Elementary School	6015 West Ridgecreek Dr	HOUSTON	77053
2033	2090, 2091	Lantern Lane Elementary School	3323 Mission Valley Dr	MISSOURI CITY	77459
2050		Hunters Glen Elementary School	8295 Independence Blvd	MISSOURI CITY	77459
2051		Chasewood Clubhouse	7622 Chasewood Dr	MISSOURI CITY	77489
2052		Briarchase Missnry Bapt Church	16000 Blue Ridge Rd	MISSOURI CITY	77489

2055		Willowridge High School	16301 Chimney Rock Rd	HOUSTON	77053
2056		Mayfair Park Civic Center	6006 Arthington Ave	HOUSTON	77053
2059	2071, 2075	Missouri City Community Center	1522 Texas Parkway	MISSOURI CITY	77459
2060	2137, 2138, 2139	Bethel Missionary Baptist Church	631 Avenue E	STAFFORD	77477
2061	2034	Elkins High School	7007 Knights Ct	MISSOURI CITY	77459
2077	2141	Glover Elementary School	1510 Columbia Blue Dr	MISSOURI CITY	77489
2081	2079	East End Annex Building	303 Texas Parkway	MISSOURI CITY	77459
2088		Stafford Administration Bldg	1625 Staffordshire	STAFFORD	77477
2089		Quail Green Clubhouse	2605 Spring Place Dr	MISSOURI CITY	77489
2092	2028, 2093	Meadowcreek Clubhouse	2410 LaQuinta Dr	MISSOURI CITY	77459
2112	2078	Fifth Street Community Center	3110 Fifth St	STAFFORD	77477
2115	2136	Quail Valley East Clubhouse	2206 Turtle Creek Dr	MISSOURI CITY	77459
2116	2036	Missouri City Baptist Church	16816 Quail Park Dr	MISSOURI CITY	77489
2123		Real Faith Christian Fellowship	7445 McHard Rd	HOUSTON	77053
3004	3133	Creech Elementary School	5905 S. Mason Rd	KATY	77450
3005	3057	Briscoe Junior High School	4300 FM 723	RICHMOND	77469
3006		Huggins Elementary School	One Huggins Dr	FULSHEAR	77441
3009	3069	Sugar Creek Country Club	420 Sugar Creek Blvd	SUGAR LAND	77478
3014		Katy ISD Administration Bldg	6301 S Stadium Ln	KATY	77492
3019		Simonton City Hall	35011 FM 1093	SIMONTON	77476
3020		Sugar Land Church of God	1715 Eldridge Rd	SUGAR LAND	77478
3022	2096, 2117	Meadows Place City Hall	One Troyan Dr	MEADOWS PLACE	77477
3035		Eldridge Park Conference Ctr	2511 Eldridge Rd	SUGAR LAND	77478
3038		Seven Lakes High School	9251 S Fry Rd	KATY	77494
3043		Southwest Calvary Bapt Church	12910 West Belfort Dr	HOUSTON	77099
3053		Barrington Place Homownrs Assn	13318 Rosstown Ct	SUGAR LAND	77478
3063	3041	Austin Elementary School	1630 Pitts Rd	RICHMOND	77469
3066		Mission Glen Elementary School	16053 Mission Glen Dr	HOUSTON	77083
3082		Oakland Elementary School	4455 Waterside Estate Dr	RICHMOND	77469
3083		Crockett Middle School	19001 Beechnut	RICHMOND	77469
3086		Rita Drabek Elementary School	11325 Lake Woodbridge Dr	SUGAR LAND	77478
3098	3032	Townewest Town Hall	10322 Old Towne Ln	SUGAR LAND	77478
3099		Providence Community Clubhouse	9114 Woodleigh Dr	HOUSTON	77083
3100		Mission Bend Elementary School	16200 Beechnut St	HOUSTON	77083
3101		George Bush High School	6707 FM 1464	RICHMOND	77469
3104		Pecan Grove Elementary School	3330 Old South Dr	RICHMOND	77469
3106		Barbara Jordan Elementary School	17800 West Oaks Village Dr	RICHMOND	77469
3113		Hodges Bend Middle School	16510 Bissonnet	HOUSTON	77083

3122		Fielder Elementary School	2100 Greenway Village Dr	KATY	77494
3130		Cinco Ranch High Sch 9th Grad Ct	23440 Cinco Ranch Blvd	KATY	77494
3132		Roosevelt Alexander Elementary Sch	6161 S. Fry Rd	KATY	77494
4011		Colony Bend Elementary School	2720 Planters St	SUGAR LAND	77479
4026		Walker Station Elementary	6200 Homeward Way Blvd	SUGAR LAND	77478
4029	4105	Knights of Columbus Hall	702 Burney Rd	SUGAR LAND	77478
4042		Sugar Land Community Center	226 Matlage Way	SUGAR LAND	77478
4065	4044	Hertiage Colony Clubhouse	3320 Double Lakes	MISSOURI CITY	77459
4045	4125	Garcia Middle School	18550 Old Richmond Rd	SUGAR LAND	77478
4046	4109, 4121	Highlands Elementary School	2022 Colonist Park	SUGAR LAND	77478
4047	4084	Colony Meadows Elementary Sch	4510 Sweetwater Blvd	SUGAR LAND	77479
4049		Brightwater Clubhouse	2410 Brightwater	MISSOURI CITY	77459
4062	4094	Palmer Elementary School	4208 Crow Valley Dr	MISSOURI CITY	77459
4064		Settlers Way Elementary School	3015 Settlers Way Blvd	SUGAR LAND	77479
4080		First Colony Church of Christ	2140 First Colony Blvd	SUGAR LAND	77479
4083		Lost Creek Park	3703 Lost Creek Blvd	SUGAR LAND	77479
4102		Fort Settlement Middle School	5440 Elkins Rd	SUGAR LAND	77479
4107		Sugar Lakes Clubhouse	930 Sugar Lakes Dr	SUGAR LAND	77478
4110		Sugar Land City Hall - Lakeview Room	2700 Town Center Blvd North	SUGAR LAND	77478
4111		Settlers Park Homeowners Assn	3010 Settlers Way Blvd	SUGAR LAND	77479
4119		Clements High School	4200 Elkins Dr	SUGAR LAND	77479
4124		Brazos Bend Elementary School	621 Cunningham Creek Blvd	SUGAR LAND	77479
4126		Oak Lake Baptist Church	15555 W Airport Blvd	SUGAR LAND	77478
4127		Lexington Creek Elementary School	2335 Dulles Ave	MISSOURI CITY	77459
4129		Commonwealth Clubhouse	4330 Knightsbridge Blvd	SUGAR LAND	77479
4131		First Colony Conference Center	3232 Austin Parkway	SUGAR LAND	77479
4135		Sartartia Middle School	8125 Homeward Way	SUGAR LAND	77479

CERTIFICATE OF POSTING

STATE OF TEXAS §

§

COUNTY OF FORT BEND §

I, the undersigned, Interim Election Administrator of Fort Bend County, Texas, do hereby certify that I posted a true and correct copy of the Notice of Bond Election (in the English language and in the Spanish language) of Fort Bend County, Texas to be held on May 10, 2008, at the County Courthouse and at three other public places within the County, to wit:

1) Fort Bend County Rosenberg Annex;

2) Fort Bend County Missouri City Annex (Commissioner, PCT 2); and

3) Cinco Ranch Branch Library.

I further certify that all of the Notices were posted by me at the County Courthouse and at three other public places within the County on the 10th day of April, 2008 and remained posted through the election.

By: Robin Heiman

Robin Heiman
Interim Election Administrator
Fort Bend County, Texas

NOTICE OF BOND ELECTION

TO THE RESIDENT, QUALIFIED ELECTORS OF FORT BEND COUNTY, TEXAS

NOTICE IS HEREBY GIVEN that an election will be held in FORT BEND COUNTY, TEXAS, on the 10th day of May, 2008, in accordance with the following order:

ORDER CALLING BOND ELECTION

THE STATE OF TEXAS §

COUNTY OF FORT BEND §

WHEREAS, the Commissioners Court of Fort Bend County, Texas (the "County") deems it advisable to hold an election to ascertain whether the Commissioner's Court shall be authorized to issue bonds of the County for the purpose hereinafter stated, and

WHEREAS, the Commissioners Court wishes to proceed with the ordering of such election,

THEREFORE, BE IT ORDERED, ADJUDGED AND DECREED BY THE COMMISSIONERS COURT OF FORT BEND COUNTY, TEXAS.

Section 1. All of the facts recited in the preamble hereof are hereby found and determined to be true and correct.

Section 2. An election shall be held in the County on the 10th day of May, 2008, which is not less than fifteen (15) days nor more than ninety (90) days from the date hereof, in which all resident, qualified electors of the County shall be entitled to vote. The polls shall be open for voting at such election from 7:00 a.m. to 7:00 p.m. Voting shall be at the designated polling places in each of the numbered county precincts heretofore established and described by natural or artificial boundaries or survey lines, and the election shall be conducted at each polling place, respectively, by the officers previously appointed by order of the Commissioners Court. The respective polling place for each election precinct is set forth in Exhibit A, attached hereto and made a part hereof for all purposes.

Section 3. At the election the following PROPOSITION shall be submitted in accordance with law:

PROPOSITION ONE

SHALL THE COMMISSIONERS COURT OF FORT BEND COUNTY, TEXAS, BE AUTHORIZED TO ISSUE AND SELL AT ANY PRICE OR PRICES THE BONDS OF THE COUNTY IN THE AMOUNT OF $74,000,000 MATURING SERIALLY OR OTHERWISE WITHIN 40 YEARS FROM THEIR DATE OR DATES, AND BEARING INTEREST AT SUCH RATE OR RATES, NOT TO EXCEED THE MAXIMUM INTEREST RATE NOW OR HEREAFTER

AUTHORIZED BY LAW, AS SHALL BE DETERMINED WITHIN THE DISCRETION OF THE COMMISSIONERS COURT AT THE TIME OF ISSUANCE, FOR THE PURPOSE OF ACQUIRING LAND FOR AND PURCHASING, CONSTRUCTING, REPAIRING, EQUIPPING, FURNISHING, LANDSCAPING AND IMPROVING BUILDINGS AND OTHER RELATED IMPROVEMENTS AND FACILITIES REASONABLY REQUIRED IN CONNECTION THEREWITH, INCLUDING BUT NOT LIMITED TO, UTILITIES, PERSONAL PROPERTY, AND COMMUNICATION EQUIPMENT TO BE USED FOR COUNTY BUILDINGS FOR THE HOUSING OF COUNTY OR DISTRICT OFFICES, COUNTY OR DISTRICT COURTS, JUSTICE OF THE PEACE COURTS, COUNTY RECORDS AND EQUIPMENT OR FOR CONDUCTING OTHER PUBLIC BUSINESS IN FORT BEND COUNTY AND TO LEVY TAXES UPON ALL TAXABLE PROPERTY WITHIN THE COUNTY ANNUALLY SUFFICIENT TO PAY THE INTEREST ON THE BONDS AS IT ACCRUES AND TO CREATE A SINKING FUND TO PAY THE PRINCIPAL OF THE BONDS AS IT MATURES, AS AUTHORIZED BY THE CONSTITUTION AND LAWS OF THE STATE OF TEXAS, INCLUDING THE TEXAS GOVERNMENT CODE AND THE TEXAS LOCAL GOVERNMENT CODE?

Section 4. An electronic voting system, as defined and described by Title 8, Texas Election Code, shall be used for said election, and the Manager and Presiding Judge of the Central Counting Station may appoint clerks to serve at the Central Counting Station. The official ballot for the election shall be prepared in accordance with the Texas Election Code so as to permit the electors to vote "FOR" or "AGAINST" the aforesaid PROPOSITION which shall be set forth on such ballot in substantially the following form:

OFFICIAL BALLOT

PROPOSITION ONE

[ ] FOR [ ] AGAINST	))))))--------))))	THE ISSUANCE OF FORT BEND COUNTY GENERAL OBLIGATION BONDS FOR COUNTY BUILDINGS IN THE AMOUNT OF $74,000,000

Early voting shall be conducted by the Fort Bend County Elections Administrator, and the address to which early voting ballot applications and early ballots voted by mail may be sent is

Fort Bend County Elections Administrator
301 Jackson St.
Richmond, Texas 77469-3108

The main early voting location is:

Fort Bend County Rosenberg Annex Building
4520 Reading Road
Rosenberg, Texas

The early voting clerk shall keep the place for early voting open at the following times on the respective dates shown below:

Monday-Friday	April 28-May-2	8:00 a.m. to 5:00 p.m.
Saturday	May 3	8:00 a.m. to 5:00 p.m.
Sunday	May 4	CLOSED
Monday-Tuesday	May 5-6	7:00 a.m. to 7:00 p.m.

In addition, pursuant to Section 85.062, Election Code, early voting by personal appearance shall be conducted at the following temporary branch offices at the times and on the respective dates and times shown below the respective locations:

Missouri City Community Center - 1522 Texas Parkway, Missouri City, TX
Garcia Middle School - 18550 Old Richmond Road, Sugar Land, TX
Fulshear Precinct 3 Office Building - 8100 FM 359, Fulshear, TX
Hightower High School – 3333 Hurricane Lane, Missouri City, TX
Beasley City Hall – 319 S. 3rd Street, Beasley, TX
Cinco Ranch Branch Library – 2620 Commercial Center Blvd., Katy, TX
Pecan Grove Baptist Church – 1727 FM 359, Richmond, TX

Day	Date	Hours
Monday – Friday	April 28 – May 2, 2008	8:00 a.m. to 5:00 p.m.
Saturday	May 3, 2008	8:00 a.m. to 5:00 p.m.
Sunday	May 4, 2008	CLOSED
Monday – Tuesday	May 5 – 6, 2008	7:00 a.m. to 7:00 p.m.

Lost Creek Park – 3703 Lost Creek Blvd, Sugar Land, TX
Fort Bend ISD Administration Building – 16431 Lexington Blvd., Sugar Land, TX
Sugar Land City Hall – 2700 Town Center Blvd., Sugar Land, TX
Meadows Place City Hall – One Troyan Dr., Meadows Place, TX

Day	Date	Hours

Monday - Friday	April 28 – May 2, 2008	8:00 a.m. to 5:00 p.m.
Saturday	May 3, 2008	CLOSED
Sunday	May 4, 2008	CLOSED
Monday – Tuesday	May 5 – 6, 2008	7:00 a.m. to 7:00 p.m.

Chasewood Clubhouse -7622 Chasewood Drive, Missouri City, TX
First Colony Conference Center - 3232 Austin Parkway, Sugar Land, TX
Old Needville Fire House - 3115 Richmond Street, Needville, TX
Townewest Town Hall – 10322 Old Towne Ln, Sugar Land, TX
U of H at Cinco Ranch – 4242 South Mason, Katy, TX

Day	Date	Hours
Monday - Friday	April 28 – May 2, 2008	10:00 a.m. to 7:00 p.m.
Saturday	May 3, 2008	8:00 a.m. to 5:00 p.m.
Sunday	May 4, 2008	CLOSED
Monday – Tuesday	May 5-6, 2008	7:00 a.m. to 7:00 p.m.

Section 5. Notice of such election shall be given by posting a substantial copy of this election order, in English and Spanish, on the bulletin board at the County Courthouse used for posting notices of Commissioners Court meetings, and at three other places in the County, not less than 21 days prior to the date set for the election; and a substantial copy of this election order, in English and Spanish, also shall be published on the same day in each of two successive weeks in a newspaper of general circulation published in the County, the date of the first publication to be not more than 30 days and not less than 14 days prior to the date set for the election.

Section 6. In all matters relating to the ordering, giving notice, and holding the election, the County shall comply with the applicable parts of the Texas Election Code, including particularly Chapter 272 of the Texas Election Code pertaining to bilingual requirements and the Federal Voting Rights Act of 1965, as amended.

Section 7. It is hereby officially found and determined that notice of the meeting at which this order is adopted was given as required by the Texas Open Meetings Act, and that such meeting has been open to the public at all times when this order was discussed and acted on.

Section 8. This order shall take effect immediately upon adoption.

PASSED AND APPROVED the 4th day of March, 2008.

_____

County Judge

_____

Commissioner, Precinct 1

_____

Commissioner, Precinct 2

_____

Commissioner, Precinct 3

_____

Commissioner, Precinct 4

ATTEST:

_____

County Clerk

(COM. CT. SEAL)

Exhibit A

ELECTION DAY POLLING PLACES
GENERAL ELECTION – May 10, 2008

PRECINCT	INCL PCT	POLLING PLACE LCATION	ADDRESS	CITY
1001		George Memorial Library	1001 Golfview Dr	RICHMOND
1002		Kendleton Church of God	619 FM 2919	KENDLETON
1003	1058, 1134	Mustang Community Center	4525 FM 521	FRESNO
1008		Orchard City Hall	9714 Kibler	ORCHARD
1010		Old Needville Fire House	3115 Richmond St	NEEDVILLE
1012	1054	Bamore Road Baptist Church	1110 Bamore Rd	ROSENBERG
1013		Calvary Baptist Church	4111 Airport Ave	ROSENBERG
1015	1024	Frieden's United Church of Christ	7526 Avenue I	BEASLEY
1016		Cambridge Square Retirement	2700 Avenue N	ROSENBERG
1018		Fairchilds Volunteer Fire Dept	8715 Fairchilds Rd	FAIRCHILDS
1021		Brazos Bend Home & Ranch	22930 FM 1462	NEEDVILLE
1025		Agriculture Extension Building	1402 Band Rd	ROSENBERG
1037		Travis Elementary School	2700 Avenue K	ROSENBERG
1039		Carlos Upholstery Shop	726 Vera Cruz St	ROSENBERG
1040		T L Pink Elementary School	1001 Collins Rd	RICHMOND
1048		Fort Bend County Rosenbg Annex Bldg	4520 Reading Rd	ROSENBERG
1067	1007, 1085	Williams Elementary School	5111 FM 762	RICHMOND
1068		Schultz Trucking Company	18602 Highway 36	GUY
1072		Jackson Elementary School	301 3rd Street	ROSENBERG
1073		Deaf Smith Elementary School	2014 Lamar Dr	RICHMOND
1074		George Junior High School	4601 Airport Ave	ROSENBERG
1076		Holy Cross Episcopal Church	5653 W Riverpark Dr	SUGAR LAND
1087		Campbell Elementary School	1000 Shadow Bend Dr	SUGAR LAND
1103		Pecan Grove Baptist Church	1727 FM 359	RICHMOND
1114		Burton Elementary School	1625 Hunter Green Ln	FRESNO
1118		Club Sienna	9600 Scanlan Trace	MISSOURI CIT
1120	1128	Dickinson Elementary School	7110 Greatwood Parkway	SUGAR LAND
2017		Briargate Elementary School	15817 Blue Ridge Rd	MISSOURI CIT
2023		Ridgemont Elementary School	4910 Raven Ridge Rd	HOUSTON
2027	2070, 2140	Houston Community College	10141 Cash Rd	STAFFORD
2030		Quail Valley Middle School	3019 FM 1092	MISSOURI CIT
2031		Ridgegate Elementary School	6015 West Ridgecreek Dr	HOUSTON
2033	2090, 2091	Lantern Lane Elementary School	3323 Mission Valley Dr	MISSOURI CIT
2050		Hunters Glen Elementary School	8295 Independence Blvd	MISSOURI CIT
2051		Chasewood Clubhouse	7622 Chasewood Dr	MISSOURI CIT
2052		Briarchase Missnry Bapt Church	16000 Blue Ridge Rd	MISSOURI CIT
2055		Willowridge High School	16301 Chimney Rock Rd	HOUSTON
2056		Mayfair Park Civic Center	6006 Arthington Ave	HOUSTON
2059	2071, 2075	Missouri City Community Center	1522 Texas Parkway	MISSOURI CIT
2060	2137, 2138,	Bethel Missionary Baptist Church	631 Avenue E	STAFFORD

	2139			
2061	2034	Elkins High School	7007 Knights Ct	MISSOURI CIT
2077	2141	Glover Elementary School	1510 Columbia Blue Dr	MISSOURI CIT
2081	2079	East End Annex Building	303 Texas Parkway	MISSOURI CIT
2088		Stafford Administration Bldg	1625 Staffordshire	STAFFORD
2089		Quail Green Clubhouse	2605 Spring Place Dr	MISSOURI CIT
2092	2028, 2093	Meadowcreek Clubhouse	2410 LaQuinta Dr	MISSOURI CIT
2112	2078	Fifth Street Community Center	3110 Fifth St	STAFFORD
2115	2136	Quail Valley East Clubhouse	2206 Turtle Creek Dr	MISSOURI CIT
2116	2036	Missouri City Baptist Church	16816 Quail Park Dr	MISSOURI CIT
2123		Real Faith Christian Fellowship	7445 McHard Rd	HOUSTON
3004	3133	Creech Elementary School	5905 S. Mason Rd	KATY
3005	3057	Briscoe Junior High School	4300 FM 723	RICHMOND
3006		Huggins Elementary School	One Huggins Dr	FULSHEAR
3009	3069	Sugar Creek Country Club	420 Sugar Creek Blvd	SUGAR LAND
3014		Katy ISD Administration Bldg	6301 S Stadium Ln	KATY
3019		Simonton City Hall	35011 FM 1093	SIMONTON
3020		Sugar Land Church of God	1715 Eldridge Rd	SUGAR LAND
3022	2096, 2117	Meadows Place City Hall	One Troyan Dr	MEADOWS PLACE
3035		Eldridge Park Conference Ctr	2511 Eldridge Rd	SUGAR LAND
3038		Seven Lakes High School	9251 S Fry Rd	KATY
3043		Southwest Calvary Bapt Church	12910 West Belfort Dr	HOUSTON
3053		Barrington Place Homownrs Assn	13318 Rosstown Ct	SUGAR LAND
3063	3041	Austin Elementary School	1630 Pitts Rd	RICHMOND
3066		Mission Glen Elementary School	16053 Mission Glen Dr	HOUSTON
3082		Oakland Elementary School	4455 Waterside Estate Dr	RICHMOND
3083		Crockett Middle School	19001 Beechnut	RICHMOND
3086		Rita Drabek Elementary School	11325 Lake Woodbridge Dr	SUGAR LAND
3098	3032	Townewest Town Hall	10322 Old Towne Ln	SUGAR LAND
3099		Providence Community Clubhouse	9114 Woodleigh Dr	HOUSTON
3100		Mission Bend Elementary School	16200 Beechnut St	HOUSTON
3101		George Bush High School	6707 FM 1464	RICHMOND
3104		Pecan Grove Elementary School	3330 Old South Dr	RICHMOND
3106		Barbara Jordan Elementary School	17800 West Oaks Village Dr	RICHMOND
3113		Hodges Bend Middle School	16510 Bissonnet	HOUSTON
3122		Fielder Elementary School	2100 Greenway Village Dr	KATY
3130		Cinco Ranch High Sch 9th Grad Ct	23440 Cinco Ranch Blvd	KATY
3132		Roosevelt Alexander Elementary Sch	6161 S. Fry Rd	KATY
4011		Colony Bend Elementary School	2720 Planters St	SUGAR LAND
4026		Walker Station Elementary	6200 Homeward Way Blvd	SUGAR LAND
4029	4105	Knights of Columbus Hall	702 Burney Rd	SUGAR LAND
4042		Sugar Land Community Center	226 Matlage Way	SUGAR LAND
4065	4044	Hertiage Colony Clubhouse	3320 Double Lakes	MISSOURI CIT
4045	4125	Garcia Middle School	18550 Old Richmond Rd	SUGAR LAND

4046	4109, 4121	Highlands Elementary School	2022 Colonist Park	SUGAR LAND
4047	4084	Colony Meadows Elementary Sch	4510 Sweetwater Blvd	SUGAR LAND
4049		Brightwater Clubhouse	2410 Brightwater	MISSOURI CIT
4062	4094	Palmer Elementary School	4208 Crow Valley Dr	MISSOURI CIT
4064		Settlers Way Elementary School	3015 Settlers Way Blvd	SUGAR LAND
4080		First Colony Church of Christ	2140 First Colony Blvd	SUGAR LAND
4083		Lost Creek Park	3703 Lost Creek Blvd	SUGAR LAND
4102		Fort Settlement Middle School	5440 Elkins Rd	SUGAR LAND
4107		Sugar Lakes Clubhouse	930 Sugar Lakes Dr	SUGAR LAND
4110		Sugar Land City Hall - Lakeview Room	2700 Town Center Blvd North	SUGAR LAND
4111		Settlers Park Homeowners Assn	3010 Settlers Way Blvd	SUGAR LAND
4119		Clements High School	4200 Elkins Dr	SUGAR LAND
4124		Brazos Bend Elementary School	621 Cunningham Creek Blvd	SUGAR LAND
4126		Oak Lake Baptist Church	15555 W Airport Blvd	SUGAR LAND
4127		Lexington Creek Elementary School	2335 Dulles Ave	MISSOURI CIT
4129		Commonwealth Clubhouse	4330 Knightsbridge Blvd	SUGAR LAND
4131		First Colony Conference Center	3232 Austin Parkway	SUGAR LAND
4135		Sartartia Middle School	8125 Homeward Way	SUGAR LAND

4-16

Fort Bend County Elections

PUBLISHER'S AFFIDAVIT

14925
Notice Bond Elections
Spanish

THE STATE OF TEXAS §
COUNTY OF FORT BEND §

Before me, the undersigned authority, on this day personally appeared David Lyons who being by me duly sworn, deposes and says that he is the Publisher of *Fort Bend Herald* and that said newspaper meets the requirements of Section 2051.044 of the Texas Government Code, to wit:

1. it devotes not less than twenty-five percent (25%) of its total column lineage to general interest items;

(CLIPPING) (S)
ON Back

2. it is published at least once each week;

3. it is entered as second-class postal matter in the county where it is published; and

4. it has been published regularly and continuously since 1959.

5. it is generally circulated within Fort Bend County.

Publisher further deposes and says that the attached notice was published in said newspaper on the following date(s) to wit:

4-16

_____, A.D. 2008

David Lyons
Editor and Publisher

SUBSCRIBED AND SWORN BEFORE ME by David Lyons who

X a) is personally known to me, or

_____b) provided the following evidence to establish his/her identity, _____

on this the 16th day of April, A.D. 2008, to certify which witness my hand and seal of office.

RECEIVED
MAY 20 2008
FORT BEND
COUNTY AUDITORS

Notary Public, State of Texas

MARIE LOPEZ
Notary Public, State of Texas
My commission expires
02-26-2009

AVISO DE ELECCIÓN DE BONOS

A LOS ELECTORES CALIFICADOS RESIDENTES DEL CONDADO DE FORT BEND, TEXAS
POR MEDIO DEL PRESENTE SE INFORMA que se celebrará una elección en el CONDADO DE FORT BEND, TEXAS el día 10 de mayo de 2008, en conformidad con la siguiente orden:

ORDEN PARA CONVOCAR A ELECCIÓN DE BONOS

EL ESTADO DE TEXAS §
CONDADO DE FORT BEND §

EN VISTA DE QUE el Tribunal de Comisionados del Condado de Fort Bend, Texas (en lo sucesivo, el "Condado") considera recomendable celebrar una elección para determinar si se deberá autorizar al Tribunal de Comisionados para emitir bonos del Condado para los propósitos establecidos a continuación, y

EN VISTA DE QUE el Tribunal de Comisionados desea proceder con la orden de dicha elección,

POR LO TANTO, EL TRIBUNAL DE COMISIONADOS DEL CONDADO DE FORT BEND, TEXAS ORDENA, DECIDE Y DECRETA:

Sección 1. Por medio del presente, todos los hechos aclamados previamente se determinan verdaderos y correctos.

Sección 2. Se celebrará una elección en el Condado el día 10 de mayo de 2008, cuya fecha no es antes de quince (15) días ni después de noventa (90) días de la fecha del presente documento, en la cual todos los electores calificados residentes del Condado tendrán derecho a votar. Las casillas electorales estarán abiertas para votación en dicha elección de 7:00 a.m. a 7:00 p.m. La votación será en los lugares de votación designados en cada uno de los precintos del condado enumerados a continuación, establecidos y descritos por límites territoriales naturales o artificiales, o líneas topográficas, y la elección la llevarán a cabo los oficiales designados previamente por la orden del Tribunal de Comisionados en cada lugar de votación, respectivamente. El respectivo lugar de votación para cada precinto electoral se establece en el Anexo A, incluido en el presente e integrado al mismo para todos los propósitos.

Sección 3. En la elección se presentará la siguiente PROPOSICIÓN en conformidad con la ley:

PROPOSICIÓN UNO

¿SE DEBERÁ AUTORIZAR AL TRIBUNAL DE COMISIONADOS DEL CONDADO DE FORT BEND, TEXAS PARA EMITIR Y VENDER A ALGÚN PRECIO O PRECIOS LOS BONOS DEL CONDADO EN LA CANTIDAD DE $74,000,000 PARA MADURAR EN FORMA SERIAL O DE OTRA MANERA EN LOS SIGUIENTES 40 AÑOS A PARTIR DE SU FECHA O FECHAS, Y DEVENGAR INTERÉS A ALGUNA TASA O TASAS, SIN EXCEDER LA TASA DE INTERÉS MÁXIMA ACTUAL O FUTURA AUTORIZADA POR LA LEY, SEGÚN LO DETERMINE A DISCRECIÓN SUYA EL TRIBUNAL DE COMISIONADOS AL MOMENTO DE LA EMISIÓN, CON EL PROPÓSITO DE COMPRAR, CONSTRUIR, REPARAR, EQUIPAR, AMUEBLAR, ARREGLAR JARDINES Y MEJORAR LOS EDIFICIOS Y OTRAS MEJORAS E INSTALACIONES RELACIONADAS REQUERIDAS DENTRO DE LO RAZONABLE EN RELACIÓN CON ESTO, INCLUYENDO, ENTRE OTROS, SERVICIOS PÚBLICOS, PROPIEDAD DE PERSONAL Y EQUIPO DE COMUNICACIÓN PARA USARSE PARA LOS EDIFICIOS DEL CONDADO PARA OFICINAS DEL DISTRITO, TRIBUNALES DEL CONDADO O DEL DISTRITO, TRIBUNALES DEL JUEZ DE PAZ, REGISTROS Y EQUIPO DEL CONDADO, O PARA LLEVAR A CABO OTROS NEGOCIOS PÚBLICOS EN EL CONDADO DE FORT BEND E IMPONER IMPUESTOS ANUALES SOBRE TODA PROPIEDAD GRAVABLE DENTRO DEL CONDADO SUFICIENTES PARA PAGAR EL INTERÉS DE LOS BONOS QUE SE ACUMULEN A MEDIDA QUE SE ACUMULE Y CREAR UN FONDO DE AMORTIZACIÓN PARA PAGAR EL CAPITAL DE LOS BONOS CONFORME MADURE, DE ACUERDO A LO AUTORIZADO POR LA CONSTITUCIÓN Y LAS LEYES DEL ESTADO DE TEXAS, INCLUYENDO EL CÓDIGO DE GOBIERNO DE TEXAS Y EL CÓDIGO DE GOBIERNO LOCAL DE TEXAS?

Sección 4. Se usará para dicha elección un sistema de votación electrónico, de acuerdo a lo descrito por el Título 8 del Código Electoral de Texas, y el Administrador y el Juez presidente de la Estación central de conteo designarán a oficiales para servir en la Estación central de conteo. Las boletas oficiales de votación para la elección se prepararán en conformidad con el Código Electoral de Texas de manera que se permita a los electores votar "A FAVOR" o "EN CONTRA" de la PROPOSICIÓN antedicha, la cual se describirá en las boletas de manera substancial en la forma siguiente:

BOLETA OFICIAL DE VOTACIÓN
PROPOSICIÓN UNO

[ ] A FAVOR	LA EMISIÓN DE BONOS DE OBLIGACIÓN GENERAL DEL CONDADO DE FORT BEND PARA EDIFICIOS DEL CONDADO EN LA CANTIDAD DE $74,000,000
[ ] EN CONTRA	

El Administrador de elecciones del Condado de Fort Bend, llevará a cabo la votación anticipada y la dirección a la cual se pueden enviar solicitudes de boletas de votación anticipada y las boletas de votación por correo es:

Fort Bend County Elections Administrator
301 Jackson St.
Richmond, Texas 77469-3108

El lugar principal de votación anticipada es:

Fort Bend County Rosenberg Annex Building
4520 Reading Road
Rosenberg, Texas

El oficial de votación anticipada mantendrá abierto el lugar de votación anticipada en los siguientes horarios en las respectivas fechas indicadas a continuación:

Lunes a viernes		28 de abril al 2 de mayo	8:00 a.m. a 5:00 p.m.
Sábado	3 de mayo	8:00 a.m. a 5:00 p.m.	
Domingo	4 de mayo	CERRADO	
Lunes y martes		5 y 6 de mayo 7:00 a.m. a 7:00 p.m.	

Adicionalmente, de acuerdo a la Sección 85.062 del Código Electoral, la votación anticipada en persona se llevará a cabo en las siguientes sucursales temporales en los horarios y en las respectivas fechas indicados debajo de los respectivos lugares:

Missouri City Community Center - 1522 Texas Parkway, Missouri City, TX
Garcia Middle School - 18550 Old Richmond Road, Sugar Land, TX
Fulshear Precinct 3 Office Building - 8100 FM 359, Fulshear, TX
Hightower High School – 3333 Hurricane Lane, Missouri City, TX
Beasley City Hall – 319 S. 3rd Street, Beasley, TX
Cinco Ranch Branch Library – 2620 Commercial Center Blvd., Katy, TX
Pecan Grove Baptist Church – 1727 FM 359, Richmond, TX

Día	Fecha	Horario
Lunes a viernes	28 de abril al 2 de mayo de 2008	8:00 a.m. a 5:00 p.m.
Sábado	3 de mayo de 2008	8:00 a.m. a 5:00 p.m.
Domingo	4 de mayo de 2008	CERRADO
Lunes y martes	5 y 6 de mayo de 2008	7:00 a.m. a 7:00 p.m.

Lost Creek Park – 3703 Lost Creek Blvd, Sugar Land, TX
Fort Bend ISD Administration Building – 16431 Lexington Blvd., Sugar Land, TX
Sugar Land City Hall – 2700 Town Center Blvd., Sugar Land, TX
Meadows Place City Hall – One Troyan Dr., Meadows Place, TX

Día	Fecha	Horario
Lunes a viernes	28 de abril al 2 de mayo de 2008	8:00 a.m. a 5:00 p.m.
Sábado	3 de mayo de 2008	CERRADO
Domingo	4 de mayo de 2008	CERRADO
Lunes y martes	5 y 6 de mayo de 2008	7:00 a.m. a 7:00 p.m.

Chasewood Clubhouse -7622 Chasewood Drive, Missouri City, TX
First Colony Conference Center - 3232 Austin Parkway, Sugar Land, TX
Old Needville Fire House - 3115 Richmond Street, Needville, TX
Townewest Town Hall – 10322 Old Towne Ln, Sugar Land, TX
U of H at Cinco Ranch – 4242 South Mason, Katy, TX

Día	Fecha	Horario
Lunes a viernes	28 de abril al 2 de mayo de 2008	10:00 a.m. a 7:00 p.m.
Sábado	3 de mayo de 2008	8:00 a.m. a 5:00 p.m.
Domingo	4 de mayo de 2008	CERRADO
Lunes y martes	5 y 6 de mayo de 2008	7:00 a.m. a 7:00 p.m.

Sección 5. Se dará el aviso de dicha elección mediante la publicación de una copia substancial de esta orden de elección, en inglés y en español, en el tablero de boletines del Tribunal del Condado que se utiliza para publicar avisos de las asambleas del Tribunal de Comisionados, y en otros tres lugares en el Condado, a no menos de 21 días antes de la fecha establecida para la elección; y una copia substancial de esta orden de elección, en inglés y en español, se publicará también el mismo día de dos semanas consecutivas en un periódico de circulación general publicado en el Condado, la fecha de la primera publicación debe ser a partir de 30 días y a más tardar 14 días antes de la fecha establecida para la elección.

Sección 6. En todos los asuntos relacionados con la orden, el aviso y la celebración de la elección, el Condado cumplirá con las partes correspondientes del Código Electoral de Texas, incluyendo particularmente el Capítulo 272 de dicho Código, pertinente a los requisitos bilingües y a la Ley federal de derechos de votación de 1965, según modificada.

Sección 7. Por medio del presente se considera y determina oficialmente que el aviso de la asamblea en la cual se adoptó esta orden se dio de acuerdo a lo requerido por la Ley de asambleas públicas de Texas, y que dicha asamblea estuvo abierta al público en todo momento cuando se discutió y obró con respecto a esta orden.

Sección 8. *Esta Orden será efectiva inmediatamente después de su adopción.*

ACEPTADO Y APROBADO este día 4 de marzo de 2008.

Robert Hebert
Juez del Condado

Tom D. Stavinoha
Comisionado, Precinto 1

Grady Prestage
Comisionado, Precinto 2

W. Andy Meyers
Comisionado, Precinto 3

James Patterson
Comisionado, Precinto 4

ATESTIGUA:

Dianne Wilson
Oficial del Condado

(SELLO DEL TRIBUNAL DE COMISIONADOS)

Anexo A

LUGARES DE VOTACIÓN DEL DÍA DE LA ELECCIÓN
ELECCIÓN GENERAL - 10 DE MAYO DE 2008

PCNT	PRECINTOS INCLUIDOS	LAUGAR DE VOTACIÓN	DIRECCIÓN	CIUDAD	CIODIGO POSTAL
1001		George Memorial Library	1001 Golfview Dr	Richmond	77469
1002		Kendleton Church of God	619 FM 2919	Kendleton	77451
1003	1058, 1134	Mustang Community Center	4525 FM 521	Fresno	77545
1008		Orchard City Hall	9714 Kibler	Orchard	77464
1010		Old Needville Fire House	3115 Richmond St	Needville	77461
1012	1054	Bamore Road Baptist Church	1110 Bamore Rd	Rosenberg	77471
1013		Calvary Baptist Church	4111 Airport Ave	Rosenberg	77471
1015	1024	Frieden's United Church of Christ	7526 Avenue I	Beasley	77417
1016		Cambridge Square Retirement	2700 Avenue N	Rosenberg	77471
1018		Fairchilds Volunteer Fire Dept	8715 Fairchilds Rd	Fairchilds	77469
1021		Brazos Bend Home & Ranch	22930 FM 1462	Needville	77461
1025		Agriculture Extension Building	1402 Band Rd	Rosenberg	77471
1037		Travis Elementary School	2700 Avenue K	Rosenberg	77471
1039		Carlos Upholstery Shop	726 Vera Cruz St	Rosenberg	77471
1040		T L Pink Elementary School	1001 Collins Rd	Richmond	77469
1048		Fort Bend County Rosenbg Annex Bldg	4520 Reading Rd	Rosenberg	77471
1067	1007, 1085	Williams Elementary School	5111 FM 762	Richmond	77469
1068		Schultz Trucking Company	18602 Highway 36	Guy	77444
1072		Jackson Elementary School	301 3rd Street	Rosenberg	77471
1073		Deaf Smith Elementary School	2014 Lamar Dr	Richmond	77469
1074		George Junior High School	4601 Airport Ave	Rosenberg	77471
1076		Holy Cross Episcopal Church	5653 W Riverpark Dr	Sugar Land	77479
1087		Campbell Elementary School	1000 Shadow Bend Dr	Sugar Land	77479
1103		Pecan Grove Baptist Church	1727 FM 359	Richmond	77469
1114		Burton Elementary School	1625 Hunter Green Ln	Fresno	77489
1118		Club Sienna	9600 Scanlan Trace	Missouri City	77459
1120	1128	Dickinson Elementary School	7110 Greatwood Parkway	Sugar Land	77479
2017		Briargate Elementary School	15817 Blue Ridge Rd	Missouri City	77489
2023		Ridgemont Elementary School	4910 Raven Ridge Rd	Houston	77053
2027	2070, 2140	Houston Community College	10141 Cash Rd	Stafford	77477
2030		Quail Valley Middle School	3019 FM 1092	Missouri City	77459
2031		Ridgegate Elementary School	6015 West Ridgecreek Dr	Houston	77053
2033	2090, 2091	Lantern Lane Elementary School	3323 Mission Valley Dr	Missouri City	77459
2050		Hunters Glen Elementary School	8295 Independence Blvd	Missouri City	77459
2051		Chasewood Clubhouse	7622 Chasewood Dr	Missouri City	77489
2052		Briarchase Missnry Bapt Church	16000 Blue Ridge Rd	Missouri City	77489
2055		Willowridge High School	16301 Chimney Rock Rd	Houston	77053
2056		Mayfair Park Civic Center	6006 Arthington Ave	Houston	77053
2059	2071, 2075	Missouri City Community Center	1522 Texas Parkway	Missouri City	77459
2060	2137, 2138, 2139	Bethel Missionary Baptist Church	631 Avenue E	Stafford	77477
2061	2034	Elkins High School	7007 Knights Ct	Missouri City	77459
2077	2141	Glover Elementary School	1510 Columbia Blue Dr	Missouri City	77489
2081	2079	East End Annex Building	303 Texas Parkway	Missouri City	77459
2088		Stafford Administration Bldg	1625 Staffordshire	Stafford	77477
2089		Quail Green Clubhouse	2605 Spring Place Dr	Missouri City	77489
2092	2028, 2093	Meadowcreek Clubhouse	2410 LaQuinta Dr	Missouri City	77459
2078	2112	Fifth Street Community Center	3110 Fifth St	Stafford	77477
2115	2136	Quail Valley East Clubhouse	2206 Turtle Creek Dr	Missouri City	77459
2116	2036	Missouri City Baptist Church	16816 Quail Park Dr	Missouri City	77489
2123		Real Faith Christian Fellowship	7445 McHard Rd	Houston	77053
3004	3133	Creech Elementary School	5905 S. Mason Rd	Katy	77450
3005	3057	Briscoe Junior High School	4300 FM 723	Richmond	77469
3006		Huggins Elementary School	One Huggins Dr	Fulshear	77441
3009	3069	Sugar Creek Country Club	420 Sugar Creek Blvd	Sugar Land	77478
3014		Katy ISD Administration Bldg	6301 S Stadium Ln	Katy	77492
3019		Simonton City Hall	35011 FM 1093	Simonton	77476
3020		Sugar Land Church of God	1715 Eldridge Rd	Sugar Land	77478
3022	2096, 2117	Meadows Place City Hall	One Troyan Dr	Meadows Place	77477
3035		Eldridge Park Conference Ctr	2511 Eldridge Rd	Sugar Land	77478
3038		Seven Lakes High School	9251 S Fry Rd	Katy	77494
3043		Southwest Calvary Bapt Church	12910 West Belfort Dr	Houston	77099
3053		Barrington Place Homownrs Assn	13318 Rosstown Ct	Sugar Land	77478
3063	3041	Austin Elementary School	1630 Pitts Rd	Richmond	77469
3066		Mission Glen Elementary School	16053 Mission Glen Dr	Houston	77083
3082		Oakland Elementary School	4455 Waterside Estate Dr	Richmond	77469
3083		Crockett Middle School	19001 Beechnut	Richmond	77469
3086		Rita Drabek Elementary School	11325 Lake Woodbridge Dr	Sugar Land	77478
3098	3032	Townewest Town Hall	10322 Old Towne Ln	Sugar Land	77478
3099		Providence Community Clubhouse	9114 Woodleigh Dr	Houston	77083
3100		Mission Bend Elementary School	16200 Beechnut St	Houston	77083
3101		George Bush High School	6707 FM 1464	Richmond	77469
3104		Pecan Grove Elementary School	3330 Old South Dr	Richmond	77469
3106		Barbara Jordan Elementary School	17800 West Oaks Village Dr	Richmond	77469
3113		Hodges Bend Middle School	16510 Bissonnet	Houston	77083
3122		Fielder Elementary School	2100 Greenway Village Dr	Katy	77494
3130		Cinco Ranch High Sch 9th Grad Ct	23440 Cinco Ranch Blvd	Katy	77494
3132		Roosevelt Alexander Elementary Sch	6161 S. Fry Rd	Katy	77494
4011		Colony Bend Elementary School	2720 Planters St	Sugar Land	77479
4026		Walker Station Elementary	6200 Homeward Way Blvd	Sugar Land	77478
4029	4105	Knights of Columbus Hall	702 Burney Rd	Sugar Land	77478
4042		Sugar Land Community Center	226 Matlage Way	Sugar Land	77478
4065	4044	Austin Parkway Elementary	4400 Austin Parkway	Sugar Land	77479
4045	4125	Garcia Middle School	18550 Old Richmond Rd	Sugar Land	77478
4046	4109, 4121	Highlands Elementary School	2022 Colonist Park	Sugar Land	77478
4047	4084	Colony Meadows Elementary Sch	4510 Sweetwater Blvd	Sugar Land	77479
4062	4094	Palmer Elementary School	4208 Crow Valley Dr	Missouri City	77459
4064		Settlers Way Elementary School	3015 Settlers Way Blvd	Sugar Land	77479
4080		First Colony Church of Christ	2140 First Colony Blvd	Sugar Land	77479
4083		Lost Creek Park	3703 Lost Creek Blvd	Sugar Land	77479
4102		Fort Settlement Middle School	5440 Elkins Rd	Sugar Land	77479
4107		Sugar Lakes Clubhouse	930 Sugar Lakes Dr	Sugar Land	77478
4110		Sugar Land City Hall - Lakeview Room	2700 Town Center Blvd North	Sugar Land	77478
4111		Settlers Park Homeowners Assn	3010 Settlers Way Blvd	Sugar Land	77479
4119		Clements High School	4200 Elkins Dr	Sugar Land	77479
4124		Brazos Bend Elementary School	621 Cunningham Creek Blvd	Sugar Land	77479
4126		Oak Lake Baptist Church	15555 W Airport Blvd	Sugar Land	77478
4127	4049	Lexington Creek Elementary School	2335 Dulles Ave	Missouri City	77459
4129		Commonwealth Clubhouse	4330 Knightsbridge Blvd	Sugar Land	77479
4131		First Colony Conference Center	3232 Austin Parkway	Sugar Land	77479
4135		Sartartia Middle School	8125 Homeward Way	Sugar Land	77479

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HOUSTON COMMUNITY NEWSPAPERS

AFFIDAVIT OF PUBLICATION

STATE OF TEXAS
COUNTY OF FORT BEND

Personally appeared before the undersigned, a Notary Public within and for said County and State, Jean Moore, Representative for the Fort Bend & Sugar Land Sun, a newspaper of general circulation in the county of Fort Bend, State of Texas, Who being duly sworn, states under oath that the report of Legal Notices, a true copy of which is hereto annexed was published in said newspapers in its issue(s) of the

16th day of April, 2008.
Notice of Bond Election.
23rd day of April, 2008.

_____ day of _____, 2008.

_____ day of _____, 2008.

Publisher's Representative

Sworn to and subscribed before me this 23rd day of April, 2008.

Notary Public

ANNA J. MOORE
Notary Public, State of Texas
My Commission Expires
June 22, 2011

My commission expires on 6/22/11

RECEIVED
APR 28 2008
County Auditor

MAY 13 2008

STATE OF TEXAS
COUNTY OF FORT BEND
The above and foregoing is a true and correct copy as the same appears on file and recorded in the appropriate records of Fort Bend County, Texas

Thereby certify, on _____

ELECTIONS FORT BEND COUNTY, TX

John Oldham
Elections Administrator
Fort Bend County

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NOTICE OF BOND ELECTION

TO THE RESIDENT, QUALIFIED ELECTORS OF FORT BEND COUNTY, TEXAS

NOTICE IS HEREBY GIVEN that an election will be held in FORT BEND COUNTY, TEXAS, on the 10th day of May, 2008, in accordance with the following order:

ORDER CALLING BOND ELECTION

THE STATE OF TEXAS §
COUNTY OF FORT BEND §

WHEREAS, the Commissioners Court of Fort Bend County, Texas (the "County") deems it advisable to hold an election to ascertain whether the Commissioner's Court shall be authorized to issue bonds of the County for the purposes hereinafter stated; and

WHEREAS, the Commissioners Court wishes to proceed with the ordering of such election;

THEREFORE, BE IT ORDERED, ADJUDGED AND DECREED BY THE COMMISSIONERS COURT OF FORT BEND COUNTY, TEXAS:

Section 1. All of the facts recited in the preamble hereof are hereby found and determined to be true and correct.

Section 2. An election shall be held in the County on the 10th day of May, 2008, which is not less than fifteen (15) days nor more than ninety (90) days from the date hereof, in which all resident, qualified electors of the County shall be entitled to vote. The polls shall be open for voting at such elections from 7:00 a.m. to 7:00 p.m. Voting shall be at the designated polling places in each of the numbered county precincts heretofore established and described by natural or artificial boundaries or survey lines, and the election shall be conducted at such polling place, respectively, by the officers previously appointed by order of the Commissioners Court. The respective polling place for each election precinct is set forth at Exhibit A, attached hereto and made a part hereof for all purposes.

Section 3. At the election the following PROPOSITION shall be submitted in accordance with law:

Section 4. Notice of such election shall be given by posting a substantial copy of this election order, in English and Spanish, on the bulletin board of the County Courthouse used for posting notices of Commissioners Court meetings, and at three other places in the County, not less than 21 days prior to the date set for the election; and a substantial copy of this election order, in English and Spanish, also shall be published on the same day in each of two successive weeks in a newspaper of general circulation published in the County, the date of the first publication to be not more than 30 days and not less than 14 days prior to the date set for the election.

Section 5. In all matters relating to the ordering, giving notice, and holding the election, the County shall comply with the applicable parts of the Texas Election Code, including particularly Chapter 251 of the Texas Election Code pertaining to bilingual requirements and the Federal Voting Right Act of 1965, as amended.

Section 7. It is hereby officially found and determined that notice of the meeting at which this order is adopted was given as required by the Texas Open Meetings Act, and that such meeting has been open to the public at all times when this order was discussed and acted on.

Section 8. This order shall take effect immediately upon adoption.

PASSED AND APPROVED the 6th day of March, 2008.

Robert E. Hebert
County Judge

Tom D. Sheridan
Commissioner, Precinct 2

MAY 13 2008

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NOTICE OF BOND ELECTION

TO THE RESIDENT, QUALIFIED ELECTORS OF FORT BEND COUNTY, TEXAS

NOTICE IS HEREBY GIVEN that an election will be held in FORT BEND COUNTY, TEXAS, on the 10th day of May, 2008, in accordance with the following orders:

ORDER CALLING BOND ELECTION

THE STATE OF TEXAS §
COUNTY OF FORT BEND §

WHEREAS, the Commissioners Court of Fort Bend County, Texas (the "County") deems it advisable to hold an election to ascertain whether the Commissioners Court shall be authorized to issue bonds of the County for the purposes hereinafter stated; and

WHEREAS, the Commissioners Court wishes to proceed with the ordering of such election;

THEREFORE, BE IT ORDERED, ADJUDGED AND DECREED BY THE COMMISSIONERS COURT OF FORT BEND COUNTY, TEXAS:

Section 1. All of the facts recited in the preamble hereof are hereby found and determined to be true and correct.

Section 2. An election shall be held in the County on the 10th day of May, 2008, which is not less than fifteen (15) days nor more than ninety (90) days from the date hereof, in which all residents, qualified electors of the County shall be entitled to vote. The polls shall be open for voting at such election from 7:00 a.m. to 7:00 p.m. Voting shall be at the designated polling places in each of the numbered county precincts heretofore established and described by natural or artificial boundaries or survey lines and the election shall be conducted at such polling place, respectively, by the officers previously appointed by order of the Commissioners Court. The respective polling place for each election precinct is set forth in Exhibit A, attached hereto and made a part hereof for all purposes.

Section 3. At the election the following PROPOSITION shall be submitted in accordance with law:

PROPOSITION ONE

Section 4. Notice of such election shall be given by posting a substantial copy of this election order, in English and Spanish, on the bulletin board at the County Courthouse used for posting notices of Commissioners Court meetings, and at three other places in the County, not less than 21 days prior to the date set for the election; and a substantial copy of the election order, in English and Spanish, also shall be published on the same day in each of two successive weeks in a newspaper of general circulation published in the County, the date of the first publication to be not more than 90 days and not less than 14 days prior to the date set for the election.

Section 5. In all matters relating to the ordering, giving notice, and holding the election, the County shall comply with the applicable parts of the Texas Election Code, including particularly Chapter 272 of the Texas Election Code pertaining to bilingual requirements and the Federal Voting Rights Act of 1965, as amended.

Section 6. It is hereby officially found and determined that notice of the meeting at which this order is adopted was given as required by the Texas Open Meetings Act, and that such meeting has been open to the public at all times when this order was discussed and acted on.

Section 7. This order shall take effect immediately upon adoption.

PASSED AND APPROVED the 6th day of March, 2008.

Robert E. Hebert
County Judge

Dan D. Sterbcha
Commissioner, Precinct 3

MAY 13 2008

CERTIFICATE FOR ORDER

THE STATE OF TEXAS §
COUNTY OF FORT BEND §

We, the undersigned officers of the Commissioners Court of Fort Bend County, Texas, hereby certify as follows:

1. The Commissioners Court of Fort Bend County, Texas, convened at a special meeting of said Court at the Fort Bend County Courthouse in the City of Richmond, Texas, on the 20 day of May, 2008, and the roll was called of the duly constituted officers and members of said Court, to wit

Robert E. Hebert	County Judge
Tom Stavinoha	Commissioner, Precinct 1
Grady Prestage	Commissioner, Precinct 2
Andy Meyers	Commissioner, Precinct 3
James Patterson	Commissioner, Precinct 4

and all of said persons were present, except the following absentee(s), Comm. Prestage thus constituting a quorum for the purposes of canvassing returns. Whereupon, among other business, the following was transacted at said meeting: a written

ORDER CANVASSING RETURNS OF
ELECTION AND DECLAING RESULTS

was duly introduced for the consideration of the Commissioners Court and read in full. It was then duly moved and seconded that said order be adopted; and, after due discussion, said motion, carrying with it the adoption of said order, prevailed and carried by the following vote:

AYES: 4
NOES: 0

2. A true, full and correct copy of the aforesaid order adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that said order has been duly recorded in the Commissioners Court's minutes of said meeting, that the above and foregoing paragraph is a true, full and correct excerpt from the Commissioners Court's minutes of said meeting pertaining to the adoption of said order, that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of the Commissioners Court as indicated therein, that each of the officers and members of the Commissioners Court was duly and sufficiently notified officially and personally, in advance, of the date, hour, place and purpose of the aforesaid meeting, and that said order would be introduced and considered for adoption at said meeting, and each of said officers and members consented, in advance, to the holding of said meeting for such purpose,

that said meeting was open to the public as required by law; and that public notice of the date, hour, place and subject of said meeting was given as required by the Texas Open Meetings Act.

SIGNED AND SEALED this 20 day of May, 2008.

County Clerk

County Judge

(SEAL)

190532

ORDER CANVASSING RETURNS OF
ELECTION AND DECLARING RESULTS

WHEREAS, there was held in Fort Bend County, Texas on the 10th day of May, 2008, an election at which there was submitted to all duly qualified resident electors of the County for their action thereon, the following proposition: the issuance by Fort Bend County of general obligation bonds in the amount of $74,000,0000 payable from the levy of taxes for the purpose of constructing county buildings for the housing of county or district offices, county or district courts, justice of the peace courts, county records and equipment or for conducting other public business; and

WHEREAS, there were cast at the election:

PROPOSITION

FOR THE ISSUANCE OF FORT BEND COUNTY GENERAL OBLIGATION BONDS FOR COUNTY BUILDING IN THE AMOUNT OF $74,000,000	11,606 votes
AGAINST THE ISSUANCE OF FORT BEND COUNTY BONDS FOR COUNTY BUILDINGS IN THE AMOUNT OF $74,000,000	5,925 votes

as shown in the official election returns heretofore submitted to the Commissioners Court of the County and duly filed with the County Clerk of the County; and

WHEREAS, the election was called and held in all respects under and in strict conformity with the Constitution and laws of the State of Texas and the United States of America; and

THEREFORE, BE IT ORDERED, ADJUDGED AND DECREED BY THE COMMISSIONERS COURT OF FORT BEND COUNTY, TEXAS:

Section 1. The election held in and throughout Fort Bend County, Texas, on the 10th day of May, 2008, which election is more particularly described in the preamble of this Order, was duly called and notice thereof was given and the election was held under and in strict conformity with law; that only duly qualified resident electors of the County voted at the election; that due returns of the election have been made by the proper officers; that the election resulted favorably to the issuance of the bonds

mentioned in the preamble to this Order; and that a majority of the qualified voters voting in the election have voted in favor of the issuance of such bonds and the levy of a tax for payment thereof.

Section 2. The Commissioners Court is now authorized to issue all of the bonds described above, and to do any and all things necessary and/or convenient in connection therewith.

PASSED AND APPROVED this 20 day of May, 2008

County Judge

Commissioner, Precinct 1

absent
Commissioner, Precinct 2

Commissioner, Precinct 3

Commissioner, Precinct 4

ATTEST:

County Clerk

(COM. CT. SEAL)

190532

CANVASS OF SPECIAL ELECTION

The Commissioners Court of Fort Bend County, Texas met on Tuesday, May 20, 2008, to canvass the election returns of the May 10, 2008 special bond election.

I certify that the attached tabulations are the official results of the election held by Fort Bend County, Texas, on May 10, 2008.

Signed this 20th day of May, 2008.

Robert Hebert, County Judge

STATE OF TEXAS
COUNTY OF FORT BEND
I, Dianne Wilson, County Clerk of Fort Bend County,Texas, do hereby certify that the foregoing is a true and correct copy as the same appears on file and recorded in the appropriate records. Note: A portion of a personal identifying number may have been redacted as allowed by law. 3-10-09 Date SF

Dianne Wilson, County Clerk
Fort Bend County, Texas

U.S. Department of Justice

Civil Rights Division

CC:RPL:RT:par
DJ 166-012-3
2008-1949

Voting Section - NWB
950 Pennsylvania Avenue, NW
Washington, DC 20530

May 28, 2008

Lynne B. Humphries, Esq.
Allen Boone Humphries Robinson
3200 Southwest Freeway, Suite 2600
Houston, Texas 77027

Dear Ms. Humphries:

This refers to the joint election procedures with Fort Bend County for conducting the May 10, 2008, special bond and tax election, including conduct of the election by the county and the use of the county's voting precincts, polling places, early voting locations and early voting hours, and voting method for Fort Bend County Levee Improvement District No. 11 in Fort Bend County, Texas, submitted to the Attorney General pursuant to Section 5 of the Voting Rights Act, 42 U.S.C. 1973c. We received your submission on April 3, 2008.

The Attorney General does not interpose any objection to the specified changes. However, we note that Section 5 expressly provides that the failure of the Attorney General to object does not bar subsequent litigation to enjoin the enforcement of the changes. Procedures for the Administration of Section 5 of the Voting Rights Act (28 C.F.R. 51.41).

Sincerely,

Christopher Coates
Chief, Voting Section

$73,430,000
FORT BEND COUNTY, TEXAS

LIMITED TAX AND REFUNDING BONDS, SERIES 2009

BOND PURCHASE AGREEMENT

April 14, 2009

Fort Bend County Commissioners Court
301 Jackson
Richmond, Texas 77469

Ladies and Gentlemen:

On the basis of the representations, warranties and covenants, and upon the terms and conditions contained in this Bond Purchase Agreement, the undersigned (the "Representative") acting on its own behalf and on behalf of Morgan Keegan & Company, Inc., RBC Capital Markets, and Siebert Brandford Shank & Co. (collectively, the "Underwriters"), hereby offer to purchase from Fort Bend County, Texas (the "Issuer") the above stated aggregate principal amount of the Issuer's Limited Tax and Refunding Bonds, Series 2009 (the "Bonds"), to be issued under and pursuant to an Order adopted by the Commissioners Court of Fort Bend County (the "Commissioners Court") authorizing the issuance of the Bonds on April 14, 2009 (the "Order"). Pursuant to the Order, the Issuer shall authorize the proceeds of the Bonds to be used for the following purposes: (i) for the construction, equipping and improvements of county buildings, (ii) to pay costs associated with the current refunding of certain outstanding obligations of the County and (iii) to pay costs of such issuance associated with the Bonds. The Underwriters have heretofore authorized the Representative to execute this Bond Purchase Agreement on their behalf. All capitalized terms used herein and not otherwise defined herein shall have the same meanings as assigned to each such term in the Order.

SECTION 1. PURCHASE, SALE AND DELIVERY OF THE BONDS.

On the basis of the representations, warranties and covenants contained herein, and in the other agreements referred to herein, and subject to the terms and conditions herein set forth, at the Closing Time the Underwriters agree to purchase from the Issuer, and the Issuer agrees to sell to the Underwriters, the Bonds for the purchase price shown below ("Purchase Price"). The purchase price for the Bonds shall be $76,812,938.70 (representing the par amount of the Bonds, plus a net reoffering premium of $3,835,903.20 and less an underwriter's discount of $452,964.50), plus accrued interest of $126,861.50, which is calculated on the basis of a 360-day year of twelve 30-day months from the dated date of the Bonds to the Closing Date (as hereinafter defined).

The Bonds shall be issued under and secured as provided in the Order, and the Bonds shall have the maturities, interest rates and redemption provisions as set forth in the attached ***Exhibit "A."***

Delivered to the Issuer herewith is a corporate check of the Representative made payable to the order of the Issuer in the amount of $755,000. The Issuer agrees to hold such check uncashed until the Closing Time (as defined herein) to ensure the performance by the Underwriters of their obligations to purchase, accept delivery of and pay for the Bonds at the Closing Time. Concurrently with the payment

by the Underwriters of the Purchase Price of the Bonds, the Issuer shall return such check to the Representative, as provided in the immediately succeeding paragraph. In the event the Issuer does not accept this Bond Purchase Agreement, such check shall be immediately returned to the Representative. Should the Issuer fail to deliver the Bonds at the Closing Time, or should the Issuer be unable to satisfy the conditions of the obligations of the Underwriters to purchase, accept delivery of and pay for the Bonds, as set forth in this Bond Purchase Agreement (unless waived by the Underwriters), or should such obligations of the Underwriters be terminated for any reason permitted by this Bond Purchase Agreement, such check shall immediately be returned to the Representative. In the event the Underwriters fail (other than for a reason permitted hereunder) to purchase, accept delivery of and pay for the Bonds at the Closing Time as herein provided, the Issuer may cash such check and the proceeds thereof shall be retained by the Issuer as and for full liquidated damages for such failure of the Underwriters and for any defaults hereunder on the part of the Underwriters and, except as set forth herein, neither party shall have any further rights against the other hereunder.

At 10:00 a.m. local time in Houston, Texas, ("Closing Time") on May 14, 2009, or at such later date as may be mutually agreed upon by the Issuer and the Underwriters (the "Closing Date"), (a) the Issuer will, subject to the terms and conditions hereof, deliver the Bonds to the Underwriters, duly executed, in the aggregate principal amount set forth herein (the "Initial Bonds"), and deliver or cause to be delivered to the Underwriters the other documents required by Section 5 hereof and (b) the Underwriters will, subject to the terms and conditions hereof, accept such delivery and pay or cause to be paid the Purchase Price of the Bonds as set forth in Section 1 hereof by wire transfer in immediately available funds for unconditional credit to the Issuer (all of the foregoing described transactions are herein called the "Closing"). Delivery and payment as aforesaid shall be made at the offices of ALLEN BOONE HUMPHRIES ROBINSON LLP in Houston, Texas, or such other place as shall have been mutually agreed upon by the Issuer and the Underwriters. The Initial Bonds delivered at the Closing shall be approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Upon surrender of the Initial Bonds for exchange, definitive Bonds shall be issued in the form of one typewritten or printed Bond certificate for each maturity registered in the name of Cede & Co., as registered owner and nominee for THE DEPOSITORY TRUST COMPANY, New York, New York ("DTC"), in the aggregate principal amount set forth on page 1. Delivery of the definitive Bonds as aforesaid shall be made at the place in New York, New York designated by DTC. The definitive Bonds shall be made available to DTC at least two full business days before the date of the Closing for purposes of inspection. The definitive Bonds shall bear proper CUSIP numbers (provided, however, that neither the printing of the wrong CUSIP number on any Bond nor the failure to print a CUSIP number thereon shall constitute cause to refuse to accept delivery of any Bond, as long as the Bonds are accepted by DTC).

SECTION 2. REPRESENTATIONS, WARRANTIES AND AGREEMENTS.

On the date hereof, the Issuer represents, warrants, and agrees as follows:

(a) The Issuer is duly created, organized and existing as a body politic and corporate and political subdivision of the State of Texas under the Constitution and laws of the State of Texas (the "State"). The Issuer is authorized (i) to issue the Bonds, (ii) to pay the costs of issuance related thereto, (iii) to secure the Bonds in the manner contemplated by the Order, and (iv) the taking of any and all such actions as may be required on the part of the Issuer to carry out, give effect to, and consummate the transactions contemplated by the Bond Purchase Agreement, the Order and the Official Statement.

(b) The Issuer has full legal right, power, and authority to (i) adopt the Order, (ii) issue, sell, and deliver the Bonds to the Underwriters as provided herein; and (iii) enter into this Bond Purchase

Agreement and carry out and consummate the transactions contemplated by each of the aforesaid documents; further, the Issuer has complied in all material respects with the terms of applicable law and with the obligations on its part in connection with the issuance of the Bonds contained in the Order, the Bonds, and this Bond Purchase Agreement.

(c) The Issuer has duly adopted and authorized (i) the execution and delivery of the Bonds and the execution and delivery of the Order, and this Bond Purchase Agreement; (ii) the distribution and use of the Preliminary Official Statement and execution, delivery, and distribution of the Official Statement; and (iii) the taking of any and all such action as may be required on the part of the Issuer to carry out, give effect to, and consummate the transactions contemplated by such instruments. All consents or approvals necessary to be obtained by the Issuer in connection with the foregoing have been received and are in full force and effect or will be obtained by the Issuer by the Closing Time.

(d) The Order is in full force and effect and constitutes the legal, valid, and binding act of the Issuer, and this Bond Purchase Agreement will constitute the legal, valid, and binding obligation of the Issuer and each such instrument is enforceable against the Issuer in accordance with its respective terms, except that (i) enforceability thereof may be limited by bankruptcy, insolvency, or other laws affecting creditors' rights generally and (ii) certain equitable remedies, including specific performance, may be unavailable.

(e) When delivered to the Underwriters, the Bonds will have been duly authorized, executed, issued, and delivered and will constitute legal, valid, and binding Bonds of the Issuer in conformity with the laws of the State of Texas (the "State"), and will be entitled to the benefit and security of the Order, except that (i) enforceability thereof may be limited by bankruptcy, insolvency, or other laws affecting creditors' rights generally and (ii) certain equitable remedies, including specific performance, may be unavailable.

(f) The information contained in the Preliminary Official Statement is, and as of the date of Closing such information in the final Official Statement will be, true and correct in all material respects, and the Preliminary Official Statement does not and the final Official Statement will not, contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(g) Neither the adoption of the Order nor the execution and delivery of this Bond Purchase Agreement or the Bonds nor the consummation of the transactions contemplated herein or therein or the compliance with the provisions hereof or thereof will conflict with, or constitute on the part of the Issuer a violation of, or a breach of or default, which in any material respect would adversely affect the validity or marketability of the Bonds, under (i) any statute, indenture, mortgage, commitment, note, or other agreement or instrument to which the Issuer is a party or by which it is bound; (ii) any provision of the State Constitution; or (iii) any existing law, rule, regulation, order, judgment, order, or decree to which the Issuer (or the members of the Commissioners Court or any of the Issuer's officers in their respective capacities as such) is subject.

(h) The adoption and authorization of the Order and the authorization, execution, and delivery of this Bond Purchase Agreement, and the Bonds, and compliance with the provisions hereof and thereof, will not conflict with, nor constitute a breach of or default, which in any material respect would adversely affect the validity or marketability of the Bonds, under any law, administrative regulation, consent decree, order, resolution, indenture, mortgage, commitment, note, or any agreement or other instrument to which the Issuer was or is subject, as the case may be, nor will such adoption, execution, delivery, authorization, or compliance result in the creation or imposition of any lien, charge, or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Issuer, or under the terms of any law, administrative regulation, order, resolution, or instrument, except as expressly provided

by the Order, which in any material respect would adversely affect the validity or marketability of the Bonds.

(i) On the Closing Date, the Issuer will not be in default as to principal of or interest on any obligation secured by any of the revenues pledged to the Bonds which it has issued and will be in compliance in all material respects with the covenants and agreements contained in the Order, and no event of default and no event which, with the lapse of time or giving of notice, or both, would constitute an event of default under the Order will have occurred or be continuing, and the Issuer has not entered into any contract or arrangement of any kind which might give rise to a lien or encumbrance on the revenues or other assets, properties, funds, or interest pledged pursuant to the Order, except as described in the Official Statement.

(j) Except as is specifically disclosed in the Official Statement, there is no action, suit, proceeding, inquiry, or investigation, at law or in equity, before or by any court, public board, or body, pending or, to the best knowledge of the Issuer, threatened, which in any way questions the powers of the Issuer referred to in paragraph (b) above, or the validity of any proceeding taken by the Issuer in connection with the issuance of the Bonds, or wherein an unfavorable decision, ruling or finding could materially adversely affect the transactions contemplated by this Bond Purchase Agreement, or any other document or instrument required or contemplated by this financing, or which, in any way, could adversely affect the validity or enforceability of the Order, the Bonds, or this Bond Purchase Agreement or, to the knowledge of the Issuer, which in any way questions the exclusion from gross income of the recipients thereof of the interest on the Bonds for federal income tax purposes or in any other way questions the status of the Bonds under federal or state tax laws or regulations.

(k) Any certificate signed by any official of the Issuer and delivered to the Underwriters shall be deemed a representation and warranty by the Issuer to the Underwriters as to the truth of the statements therein contained.

(l) The Issuer has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that it is a bond issuer whose arbitrage certifications may not be relied upon.

(m) The Issuer will not knowingly take or omit to take any action, which action or omission will in any way cause the proceeds from the sale of the Bonds to be applied in a manner other than as provided in the Order or which would cause the interest on the Bonds to be includable in gross income for federal income tax purposes.

(n) The Issuer will, at the Underwriters' sole expense, cooperate with Counsel to the Underwriters in arranging for the qualification of the Bonds for sale and the determination of their eligibility for investment under the laws of such jurisdictions as the Underwriters designate and will use its best and reasonable efforts to continue such qualifications in effect so long as required for distribution of the Bonds; provided, however, that the Issuer will not be required to execute a special or general consent to service of process or qualify to do business in connection with any such qualification in any jurisdiction.

(o) The Issuer will promptly notify the Underwriters as soon as it may become aware of any fact which, in its reasonable judgment, casts doubt on or questions the ability of the Issuer (1) to undertake and complete in a timely manner the projects described in the Order, (2) to issue, sell, and deliver the Bonds as provided for by this Bond Purchase Agreement, or (3) to perform any of its other obligations in a timely manner pursuant to this Bond Purchase Agreement.

(p) The Issuer shall take no action including, without limitation, the issuance of additional debt, the effect of which will be to prevent the issuance and delivery of any of the Bonds on the Closing Date.

(q) The Issuer is in compliance with all prior continuing disclosure undertakings made pursuant to Rule 15c2-12 of the Securities and Exchange Commission.

(r) The Bonds and the Order conform to the descriptions thereof contained in the Official Statement under the caption "THE BONDS" and the proceeds of the sale of the Bonds will be applied generally as described in the Official Statement under the caption "THE BONDS-Use of Bond Proceeds."

(s) The Issuer covenants that between the date hereof and the Closing Date it will take no actions which will cause the representations and warranties made in this Section to be untrue as of the Closing Date.

By delivering an executed copy of the Official Statement to the Underwriters, the Issuer shall be deemed to have reaffirmed, with respect to the Official Statement, the representations, warranties and covenants set forth above with respect to the Preliminary Official Statement.

SECTION 3. PUBLIC OFFERING; OTHER TRANSACTIONS

(a) The Underwriters shall make a bona fide initial public offering of all the Bonds at public offering prices which do not exceed (or at public offering yields which are not less than) those set forth on the inside cover page of the Official Statement attached hereto as ***Exhibit "A."*** The Underwriters may change such offering prices (or yields) in their discretion without notice to the Issuer. The Underwriters also may offer the Bonds to dealers (including dealers depositing the Bonds into unit trusts) and others at prices lower than such initial public offering prices (or at yields higher than such initial public offering yields).

(b) The Underwriters or its affiliates may from time to time, in its individual capacities and separate and apart from the transactions contemplated hereby and the compensation provided for herein, sell securities to, provide derivative products to, engage in swaps with, and enter into other transactions with, the Issuer or agents acting in its behalf and shall be entitled to retain any compensation or profits inuring to the Underwriters or its affiliates in connection therewith.

SECTION 4. OFFERING DOCUMENTS

(a) The Issuer previously electronically provided access to or has delivered a sufficient number of copies of the Preliminary Official Statement to the Underwriters for their use in determining investor interest in purchasing the Bonds. The Issuer hereby ratifies and approves the Preliminary Official Statement and its use by the Underwriters for that purpose before the Official Statement described below becomes available. The Issuer confirms that it has not prepared any official statement with respect to the Bonds for dissemination to potential customers prior to the availability of such Official Statement, except the Preliminary Official Statement. The Preliminary Official Statement was deemed final by the Issuer as of its date for purposes of Rule 15c2-12 of the United States Securities and Exchange Commission (the "Rule"), except for the omission of items specified by paragraph (b)(1) of the Rule.

(b) Not more than seven (7) business days after the time the Issuer accepts this Bond Purchase Agreement, the Issuer shall deliver a sufficient number of copies of the final Official Statement ("Official Statement"), approved by the Commissioners Court or one or more duly authorized officers of the Issuer, to the Underwriters to permit the Underwriters to comply with the requirements of the Rule. The Official Statement will be dated the date of this Bond Purchase Agreement, when delivered to the Underwriters will be complete within the meaning of the Rule, and will be substantially in the form of the most recent markup of the Preliminary Official Statement provided to the Underwriters before the execution hereof.

(c) If, after the date of this Bond Purchase Agreement to and including the date the Underwriters are no longer required to provide an Official Statement to potential customers who request the same pursuant to the Rule (the earlier of (i) 90 days from the "end of the underwriting period" (as defined in Rule) and (ii) the time when the Official Statement is available to any person from a nationally recognized municipal securities information repository, but in no case less than 25 days after the "end of the underwriting period" for the Bonds), the Issuer becomes aware of any fact or event which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading, or if it is necessary to amend or supplement the Official Statement to comply with law, the Issuer will notify the underwriters (and for the purposes of this clause provide the Underwriters with such information as it may from time to time request), and if, in the opinion of the Underwriters, such fact or event requires preparation and publication of a supplement or amendment to the Official Statement, the Issuer will forthwith prepare and furnish, at the Issuer's own expense (in a form and manner approved by the Underwriters), a reasonable number of copies of either amendments or supplements to the Official Statement so that the statements in the Official Statement as so amended and supplemented will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading or so that the Official Statement will comply with law. If such notification shall be subsequent to the Closing, the Issuer shall furnish such legal opinions, certificates, instruments, and other documents as the Underwriters may reasonably deem necessary to evidence the truth and accuracy of such supplement or amendment to the Official Statement.

(d) The Issuer hereby agrees to provide certain periodic information and notices of material events in accordance with the Rule, as described in the Preliminary Official Statement under the caption "OTHER INFORMATION - Continuing Disclosure of Information." The Underwriters' obligation to accept and pay for the Bonds is conditioned upon delivery to the Underwriters, the Representative, or their agent of certified copies of the Order containing the agreement described under such heading.

(e) The Representative hereby agrees to timely file the Official Statement with each nationally recognized municipal securities information repository ("NRMSIR") and state information depository ("SID") designated by the State and to notify the Issuer of the date of such filing. Unless otherwise notified in writing by the Representative, the Issuer may assume that the "end of the underwriting period" for purposes of the Rule will be the Closing Date.

SECTION 5. CONDITIONS TO THE UNDERWRITERS' OBLIGATIONS.

The Underwriters' obligations hereunder shall be subject to the due performance by the Issuer of its obligations and agreements to be performed hereunder at or prior to the Closing and to the accuracy of and compliance with the Issuer's representations and warranties contained herein, as of the date hereof and as of the Closing, and are also subject to the following conditions:

(a) The Bonds, the Order, and any and all such other agreements and documents as may be required to be authorized, executed and delivered by the Commissioners Court in order to consummate the transactions contemplated hereby shall have been duly authorized, executed and delivered in the form heretofore approved by the Underwriters with only such changes therein as shall be mutually agreed upon by the Issuer and the Underwriters.

(b) At the Closing Time, the Underwriters shall receive:

(1) The opinions dated the Closing Date, of (i) the Attorney General of the State of Texas as to the validity of the Bonds; (ii) the County Attorney, in substantially the form set forth in ***Exhibit "B"*** hereto; (iii) ALLEN BOONE HUMPHRIES ROBINSON LLP,

Bond Counsel, in substantially the form set forth in *Appendix "C"* to the Official Statement and ***Exhibit "C"*** hereto; and (iv) Bracewell & Giuliani LLP, Counsel to the Underwriters, in substantially the form set forth in ***Exhibit "D"*** hereto;

(2) A certificate signed by the County Judge and County Auditor of Fort Bend County, Texas, dated the Closing Date, setting forth facts, estimates and circumstances in existence on the Closing Date, which facts, estimates and circumstances shall be sufficiently set forth therein (i) to support the conclusion that it is not expected that the proceeds of the Bonds will be used in a manner that would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code and the regulations, temporary regulations and proposed regulations promulgated under that Section, and (ii) stating that to the best of its knowledge and belief there are no other facts, estimates or circumstances that would materially affect such expectations;

(3) A certificate of the County Judge and County Auditor of Fort Bend County, Texas, dated the Closing Date, to the effect that: (i) the Issuer has duly performed all of its obligations to be performed and satisfied all conditions on its part to be satisfied at or prior to the Closing Time and each of the representations and warranties of the Issuer contained herein is true and correct at and as of the Closing Time, with the same effect as if made on the Closing Date; (ii) the Issuer has authorized, by all necessary action, the execution and delivery or receipt and due performance of the Bonds, this Bond Purchase Agreement, the Official Statement and any and all such other agreements and documents as may be required to be executed and delivered or received by the Issuer in order to carry out, give effect to and consummate the transactions contemplated hereby and by the Official Statement, and the Commissioners Court has authorized, by all necessary action, the adoption of the Order; (iii) except as described in the Official Statement, no litigation is pending or, to the best of the Issuer's knowledge and belief, threatened in any court or before any governmental agency or administrative entity or authority in any way affecting the existence of the Issuer or the titles of the members of the Commissioners Court or any other officials of the Issuer to their respective positions or seeking to restrain or enjoin the issuance, sale or delivery of the Bonds or the assessment, levy, or collection of revenues of the Issuer pledged or to be pledged to pay the principal of and interest on the Bonds, or the pledge thereof, or in any way affecting or contesting any authority for or the validity or enforceability of the Bonds, this Bond Purchase Agreement, or the Order, or the existence or powers of the Issuer, or contesting in any way the completeness or accuracy of the Official Statement; (iv) the adoption of the Order by the Commissioners Court and the execution and delivery of the Bonds, this Bond Purchase Agreement, the Official Statement and the other agreements contemplated hereby and by the Order and by the Official Statement to be executed and delivered by the Issuer under the circumstances contemplated hereby and thereby, which may be specified in such certificate, and the compliance by the Issuer with the provisions hereof and thereof, will not conflict with, or constitute on the part of the Issuer a breach of or a default under any existing law, court or administrative regulation, decree or order or any agreement, indenture, mortgage, lease or other instrument to which the Issuer is subject or by which the Issuer or any of the Issuer's properties is bound; (v) the Order authorizing the Bonds and the related transactions have not been amended, modified or repealed and are in full force and effect; (vi) the information set forth in the Official Statement is true and correct and does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and (vii) to the best of their knowledge, no event affecting the Issuer has occurred since the date of the Official Statement which

should be disclosed in the Official Statement for the purposes for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein not misleading in any material respect;

(4) Certificates, dated the Closing Date, of (i) Wells Fargo Bank, N.A., (the "Paying Agent/Registrar") as to the delivery of the Bonds, and (ii) the Issuer as to the receipt of payment therefor;

(5) A certificate from the appropriate County official certifying that the County has the consent of Null Lairson, independent certified public accountants, as to the inclusion in the Official Statement of the audited financial statements of the County, and their report thereon, for the County's fiscal year ended September 30, 2008.

(6) Evidence satisfactory to the Representative that all of the Bonds shall have the following ratings of "AA+," and "Aa2," respectively, from STANDARD & POOR'S RATINGS SERVICES and from MOODY'S INVESTORS SERVICE, INC.

(7) One counterpart original of all proceedings relating to the authorization and issuance of the Bonds;

(8) Such additional certificates, opinions, and other documents as the Representative, Counsel to the Underwriters, or Bond Counsel may reasonably request to evidence performance of or compliance with the provisions of this Bond Purchase Agreement and the transactions contemplated hereby and by the Order, and the Official Statement, all such certificates, opinions and other documents to be satisfactory in form and substance to the Representative and Counsel to the Underwriters;

(9) If the Issuer shall be unable to satisfy the conditions to the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Bonds contained in this Bond Purchase Agreement, or if the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Bonds shall be terminated for any reason permitted by this Bond Purchase Agreement, this Bond Purchase Agreement shall terminate and neither the Underwriters nor the Issuer shall be under any further obligation hereunder, except that the respective obligations of the Issuer and the Underwriters set forth in Section 9 hereof shall continue in full force and effect;

(10) The registration certificate of the Comptroller of Public Accounts of the State of Texas with respect to the Bonds; and

SECTION 6. THE UNDERWRITERS' RIGHT TO CANCEL.

The Underwriters, acting through the Representative, have the right to cancel their obligations hereunder to purchase the Bonds by notifying the Issuer in writing of their election to do so between the date hereof and the Closing Time, if at any time hereafter and prior to the Closing Time:

(a) The House of Representatives or the Senate of the Congress of the United States, or a committee of either, shall have proposed or have pending before it (whether or not introduced), or shall have passed or recommended favorably, legislation which, if enacted in its form as proposed, as introduced, or as amended, would have the purpose or effect of imposing federal income taxation upon receipts, revenues or other income of the general character to be derived by the Issuer or by any similar body or upon interest received on obligations of the general character of the Bonds, or on the Bonds (including legislation which materially adversely affects the after-

tax investment return on the Bonds), and such legislation, in the Representative's reasonable opinion, materially adversely affects the market for the Bonds or the ability of the Underwriters to enforce contracts for the sale of the Bonds;

(b) A tentative decision with respect to legislation (whether or not introduced) shall be reached by a committee of the House of Representatives or the Senate of the Congress of the United States, or legislation shall be proposed, or favorably reported or re-reported by such a committee or be introduced, by amendment or otherwise, in or be passed by the House of Representatives or the Senate, or recommended to the Congress of the United States for passage by the President of the United States, or be enacted by the Congress of the United States, or a decision by a court established under Article III of the Constitution of the United States or the Tax Court of the United States shall be rendered, or a ruling, regulation, temporary regulation or order of the Treasury Department of the United States or the Internal Revenue Service shall be made or proposed having the purpose or effect of imposing federal income taxation, or any other event shall have occurred which results in the imposition of federal income taxation, upon receipts, revenues or other income of the general character to be derived by the Issuer or by any similar body or upon interest received on obligations of the general character of the Bonds, or on the Bonds (including pending legislation, decisions, rulings, regulations, temporary regulations, and orders which materially adversely affect the after-tax investment return on the Bonds), which, in the Representative's reasonable opinion, adversely affects the market for the Bonds or the ability of the Underwriters to enforce contracts for the sale of the Bonds;

(c) Any legislation, order, rule, or regulation shall be introduced in or be enacted by any governmental body, department or agency in the State of Texas, or a decision by any court of competent jurisdiction within the State of Texas shall be rendered, which, in the Representative's reasonable opinion, materially adversely affects the market price of or the market for the Bonds;

(d) A stop order, ruling, regulation, or official statement by or on behalf of the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including all underlying obligations, as contemplated hereby or by the Official Statement, is in violation or would be in violation of any provision of the federal securities laws, including the Securities Act of 1933, as amended and as then in effect, or the registration provisions of the Securities Exchange Act of 1934, as amended and as then in effect, or the qualification provisions of the Trust Indenture Act of 1939, as amended and as then in effect;

(e) Legislation shall be enacted by the Congress of the United States of America, or a decision by a court of the United States of America shall be rendered, to the effect that the Bonds or obligations of the general character of the Bonds are not exempt from registration under or from other requirements of the Securities Act of 1933, as amended and as then in effect, or the Securities Exchange Act of 1934, as amended and as then in effect, or that the Order is not exempt from qualification under or from other requirements of the Trust Indenture Act of 1939, as amended and as then in effect;

(f) Any event shall have occurred, or information become known, which, in the Representative's reasonable opinion (i) materially adversely affects the market price or the marketability or ability to enforce contracts for sale of any portion of the Bonds at the contemplated offering prices by the Underwriters of the Bonds, or (ii) makes untrue in any material respect any statement or information contained in the Official Statement or has the effect that the Official Statement contains an untrue statement of a material fact or omits to state a

material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading;

(g) Additional restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange which, in the Representative's reasonable opinion, materially adversely affects the market price of or the market for the Bonds;

(h) The New York Stock Exchange or any other national securities exchange, or any governmental authority, shall impose, as to either the Bonds or obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriters;

(i) A general banking moratorium shall have been established by federal, New York or Texas authorities or a major financial crisis or a material disruption in commercial banking or securities settlement or clearances services shall have occurred which in the reasonable judgment of the Representative, would make the marketing of municipal revenue bonds generally impractical;

(j) Any proceeding shall be pending or threatened by the Securities and Exchange Commission against the Issuer;

(k) There shall be in force a general suspension of trading, minimum or maximum prices for trading shall have been fixed and be in force or maximum ranges or prices for securities shall have been required and be in force on the New York Stock Exchange or other national stock exchange whether by virtue of a determination by that Exchange or by order of the Securities and Exchange Commission or any other governmental Issuer having jurisdiction;

(l) A war involving the United States shall have been declared, or any conflict involving the armed forces of the United States shall have escalated, or any other national emergency relating to the effective operation of government or the financial community or other national or international calamity or crisis shall have occurred or escalated, which, in the Representative's reasonable opinion, materially adversely affects the market price of or the market for the Bonds;

(m) There shall have occurred since the date of this Bond Purchase Agreement any materially adverse change in the financial condition of the Issuer;

(n) Any fact or event shall exist or have existed that, in the Underwriters' reasonable judgment, requires or has required an amendment of or supplement to the Official Statement; or

(o) There shall have occurred any downgrading, or any notice shall have been given of (i) any intended or potential downgrading or (ii) any review or possible change that does not indicate the direction of a possible change, in the rating accorded any of the Issuer's bonds (including the rating to be accorded the Bonds) by any "nationally recognized statistical rating organization", as such term is defined for purposes of Rule 436(g)(2) under the 1933 Act.

SECTION 7. CONDITION TO THE ISSUER'S OBLIGATIONS.

The Issuer's obligations hereunder are subject to the Underwriters' performance of their obligations hereunder.

SECTION 8. REPRESENTATIONS, WARRANTIES AND AGREEMENTS TO SURVIVE DELIVERY.

All of the Issuer's representations, warranties, and agreements shall remain operative and in full force and effect, regardless of any investigations made by or on behalf of the Underwriters, and shall survive delivery of the Bonds to the Underwriters.

SECTION 9. PAYMENT OF EXPENSES.

The Issuer shall pay, from the proceeds of the sale of the Bonds (or other legally available funds), upon or promptly after the Closing; (a) the costs of preparing of the Bonds, if any, and the cost of immobilizing the Bonds with DTC; (b) the costs of obtaining credit ratings; (c) the fees and disbursements of Bond Counsel, Financial Advisor, and of any other counsel or consultants retained by the Issuer; (d) the costs of preparing, printing and mailing the Preliminary Official Statement and the Official Statement; (e) the fees and expenses of the Paying Agent/Registrar; (f) any legally required advertising expenses with respect to the Bonds; (g) the out-of-pocket expenses, including the cost of travel, of any officials or consultants or counsel of the Issuer; (h) any costs incurred in connection with obtaining the Consent of Accountants referred to in Paragraph 5(b)(5) hereof; and (i) any other expense mutually agreed to by the Issuer and the Representative to be reasonably considered expenses of the Issuer which are incident to the transactions contemplated hereby. The Issuer shall be under no obligation to pay any other expenses incident to the performance of the obligations of the Underwriters hereunder, including the fees and disbursements of Counsel to the Underwriters.

SECTION 10. USE OF OFFICIAL STATEMENT.

The Issuer hereby ratifies and authorizes the use of, and will make available, the Official Statement for the use by the Underwriters in connection with the sale of the Bonds. The Issuer will not amend or supplement the Official Statement without the prior written consent of the Representative on behalf of the Underwriters.

SECTION 11. NOTICES.

Any notice or other communication to be given to the Issuer under this Bond Purchase Agreement may be given by certified mail or by delivering the same in writing to the Issuer at the address shown above, Attention: County Judge, with a copy to (i) the County Attorney and (ii) the County Auditor, and any notice or other communication to be given to the Underwriters under this Bond Purchase Agreement may be given by delivering the same in writing to LOOP CAPITAL MARKETS, LLC, 440 Louisiana, Suite 900, Houston, Texas 77002, Attention: Curtis Flowers or to such other addresses as one party shall furnish the other in writing for receipt of notice.

SECTION 12. APPLICABLE LAW; NONASSIGNABILITY.

This Bond Purchase Agreement shall be governed by the substantive laws of the State of Texas without regard to principles of conflicts of law. This Bond Purchase Agreement shall not be assigned by the Issuer.

SECTION 13. EXECUTION OF COUNTERPARTS.

This Bond Purchase Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

SECTION 14. EFFECTIVENESS.

This Bond Purchase Agreement shall become effective upon the acceptance hereof by the Issuer and shall be valid and enforceable at the time of such acceptance.

SECTION 15. SEVERABILITY.

If any provision of this Bond Purchase Agreement shall be held or deemed to be, or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions because it conflicts with any provision of any constitution, statute, rule of public policy, or any other reason, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions of this Bond Purchase Agreement invalid, inoperative or unenforceable to any extent whatever.

SECTION 16. MANAGEMENT FEE.

The Representative hereby acknowledges that the Underwriters will distribute the management fee associated with the Bonds pro rata based in the liability of each Underwriter as set forth in the Agreement Among Underwriters, dated April 9, 2009, entered into among the Underwriters.

Very truly yours,

LOOP CAPITAL MARKETS, LLC

By: _____
Name: TASHA HENDERSON
Title: CHIEF ADMINISTRATIVE OFFICER

Accepted and agreed to as of the date first above written:

FORT BEND COUNTY, TEXAS

By: _____
County Judge

EXHIBIT "A"

DEBT SERVICE SCHEDULE

See Attachment

FINAL NUMBERS

$73,430,000

Fort Bend County, Texas

Limited Tax & Refunding Bonds, Series 2009

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price		Dollar Price
03/01/2010	Serial Coupon	4.000%	0.880%	305,000.00	102.472%		312,539.60
03/01/2011	Serial Coupon	4.000%	1.270%	2,575,000.00	104.834%		2,699,475.50
03/01/2012	Serial Coupon	3.000%	1.550%	2,670,000.00	103.952%		2,775,518.40
03/01/2013	Serial Coupon	4.250%	2.030%	2,770,000.00	108.071%		2,993,566.70
03/01/2014	Serial Coupon	4.000%	2.440%	2,895,000.00	107.019%		3,098,200.05
03/01/2015	Serial Coupon	3.000%	2.690%	2,995,000.00	101.651%		3,044,447.45
03/01/2016	Serial Coupon	4.000%	2.940%	3,105,000.00	106.484%		3,306,328.20
03/01/2017	Serial Coupon	5.000%	3.180%	2,830,000.00	112.476%		3,183,070.80
03/01/2018	Serial Coupon	4.500%	3.440%	2,970,000.00	107.982%		3,207,065.40
03/01/2019	Serial Coupon	5.000%	3.660%	3,115,000.00	109.995%	c	3,426,344.25
03/01/2020	Serial Coupon	5.250%	3.800%	3,280,000.00	110.751%	c	3,632,632.80
03/01/2021	Serial Coupon	5.250%	3.960%	3,455,000.00	109.497%	c	3,783,121.35
03/01/2022	Serial Coupon	5.000%	4.170%	3,635,000.00	106.053%	c	3,855,026.55
03/01/2023	Serial Coupon	5.000%	4.320%	3,820,000.00	104.926%	c	4,008,173.20
03/01/2024	Serial Coupon	5.000%	4.470%	4,020,000.00	103.813%	c	4,173,282.60
03/01/2025	Serial Coupon	4.625%	4.660%	1,600,000.00	99.605%		1,593,680.00
03/01/2025	Serial Coupon	5.250%	4.580%	2,625,000.00	104.799%	c	2,750,973.75
03/01/2026	Serial Coupon	5.250%	4.690%	4,450,000.00	103.991%	c	4,627,599.50
03/01/2027	Serial Coupon	5.250%	4.790%	4,685,000.00	103.263%	c	4,837,871.55
03/01/2028	Serial Coupon	5.250%	4.870%	4,940,000.00	102.685%	c	5,072,639.00
03/01/2029	Serial Coupon	5.250%	4.950%	5,205,000.00	102.111%	c	5,314,877.55
03/01/2030	Serial Coupon	5.250%	5.030%	5,485,000.00	101.540%	c	5,569,469.00
Total	-	-	-	**$73,430,000.00**	-	-	**$77,265,903.20**

Bid Information

Par Amount of Bonds	$73,430,000.00
Reoffering Premium or (Discount)	3,835,903.20
Gross Production	$77,265,903.20
Total Underwriter's Discount (0.617%)	$(452,964.50)
Bid (104.607%)	76,812,938.70
Accrued Interest from 05/01/2009 to 05/14/2009	126,861.50
Total Purchase Price	$76,939,800.20
Bond Year Dollars	$926,306.67
Average Life	12.615 Years
Average Coupon	5.0279675%
Net Interest Cost (NIC)	4.6627603%
True Interest Cost (TIC)	4.4891674%

$73,430,000

Fort Bend County, Texas

Limited Tax & Refunding Bonds, Series 2009

Proof of Premium Bond Selection of Call Dates/Prices

Maturity	Call Date	Call Price	PV at Bond Yield	Lowest?
03/01/2019	-	-	3,320,957.55	No
03/01/2019	03/01/2018	100.000%	3,304,047.27	Yes
03/01/2020	-	-	3,584,874.06	No
03/01/2020	03/01/2018	100.000%	3,539,174.45	Yes
03/01/2021	-	-	3,798,751.69	No
03/01/2021	03/01/2018	100.000%	3,728,002.35	Yes
03/01/2022	-	-	3,929,854.68	No
03/01/2022	03/01/2018	100.000%	3,855,605.71	Yes
03/01/2023	-	-	4,147,426.72	No
03/01/2023	03/01/2018	100.000%	4,051,833.24	Yes
03/01/2024	-	-	4,382,303.41	No
03/01/2024	03/01/2018	100.000%	4,263,971.11	Yes
03/01/2025	-	-	2,948,184.39	No
03/01/2025	03/01/2018	100.000%	2,832,418.57	Yes
03/01/2026	-	-	5,021,540.61	No
03/01/2026	03/01/2018	100.000%	4,801,623.87	Yes
03/01/2027	-	-	5,310,626.18	No
03/01/2027	03/01/2018	100.000%	5,055,192.77	Yes
03/01/2028	-	-	5,623,857.96	No
03/01/2028	03/01/2018	100.000%	5,330,342.00	Yes
03/01/2029	-	-	5,949,983.68	No
03/01/2029	03/01/2018	100.000%	5,616,281.40	Yes

EXHIBIT "B"

FORM OF OPINION OF COUNTY ATTORNEY

[LETTERHEAD OF THE COUNTY ATTORNEY]

_____,2009

LOOP CAPITAL MARKETS, LLC
(as Representative of the Underwriters
named in the Bond Purchase Agreement)
440 Louisiana, Suite 900
Houston, Texas 77002

Re: $73,430,000 Fort Bend County, Texas Limited Tax Bonds, Series 2009 (the "*Bonds*")

Ladies and Gentlemen:

I refer to the Official Statement, dated _____, 2009 (the "Official Statement"), of Fort Bend County (the "County") for the Bonds.

I have reviewed the information contained in the Official Statement under the caption "OTHER INFORMATION-Litigation" (the "Litigation Section") with regard to the litigation, if any, referred to therein. In addition, I have reviewed and discussed with members of my staff litigation pending or threatened against the County.

To the best of my knowledge and belief as of the date of the Official Statement and as of the date hereof, there is no pending litigation against the County or to which the County is a party, the failure of which to describe in the Litigation Section constitutes an omission of a material fact necessary to make the statements therein, in the light of the circumstances under which they are to be made, not misleading.

It is my opinion that there are no actions, suits, proceedings, inquiries or investigations, at law or in equity, pending or to my knowledge threatened against the County which would (1) restrain or enjoin the issuance or delivery of the Bonds, (2) affect the provisions made for payment of the Bonds or the interest thereon, or (3) question the validity of the Bonds.

Sincerely,

_____
County Attorney

EXHIBIT "C"

FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL

_____, 2009

LOOP CAPITAL MARKETS, LLC
(as Representative of the Underwriters
named in the Bond Purchase Agreement
referred to herein (the "Underwriters"))
440 Louisiana, Suite 900
Houston, Texas 77002

Re: $73,430,000 Fort Bend County, Texas Limited Tax Bonds, Series 2009 (the "*Bonds*")

Ladies and Gentlemen:

This opinion is being rendered pursuant to the Bond Purchase Agreement, dated April __, 2009 (the "Bond Purchase Agreement"), between LOOP CAPITAL MARKETS, LLC, as Representative of the Underwriters named in the Bond Purchase Agreement (the "Underwriters"), and Fort Bend County, Texas (the "County") relating to the issuance, sale, and delivery by the County to the Underwriters of the referenced bonds (collectively, the "Bonds"). Except as otherwise defined herein, the terms defined in the Bond Purchase Agreement are used in this opinion with the meanings assigned to them in the Bond Purchase Agreement.

We have acted as Bond Counsel to the County in connection with the issuance, sale, and delivery of the Bonds to the Underwriters. In our capacity as Bond Counsel, we have examined a transcript of certain materials and proceedings pertaining to the Bonds, including certain certified and original proceedings of the Commissioners Court of the County, and customary certificates, opinions, affidavits, and other documents executed by officers, agents, and representatives of the County and others. In our capacity as Bond Counsel, we have also attended meetings of the County and have participated in conferences from time to time with representatives of the County, the Financial Advisor to the County, the Underwriters, and Counsel to the Underwriters relative to the Preliminary Official Statement and the Official Statement.

In our examination, we have assumed the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as certified or photostatic copies, and the authenticity of the originals of such latter documents.

Based upon the foregoing, we are of the opinion that, under applicable laws of the United States of America and the State of Texas in force and effect on the date hereof:

1. The Bond Purchase Agreement has been duly authorized, executed, and delivered by the County and constitutes a binding agreement of the County enforceable in accordance with its terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, moratorium,

reorganization, or other laws affecting creditors' rights generally, and certain equitable remedies, including specific performance, may be unavailable.

2. The offering and sale of the Bonds need not be registered under the Securities Act of 1933, as amended;

3. No filing is required under the Trust Indenture Act of 1939, as amended, in connection with the Bonds or the Orders;

4. The descriptions and summaries of the Bonds and the Order (as defined in the Official Statement), contained under the headings "THE BONDS," except for the information under the heading "THE BONDS – Book-Entry-Only System," "TAX MATTERS," "OTHER INFORMATION – Registration and Qualifications of Bonds for Sale," "OTHER INFORMATION – Legal Matters," "OTHER INFORMATION – Continuing Disclosure of Information," "OTHER INFORMATION – Annual Reports," "OTHER INFORMATION – Material Event Notices," and "OTHER INFORMATION – Legal Investments and Eligibility to Secure Public Funds in Texas," fairly summarize the matter discussed therein and are correct as to matters of law.

Except as stated above in paragraph 4, we have not assumed responsibility with respect to the Official Statement or undertaken to verify the accuracy, completeness, or fairness of the statements contained therein.

In our capacity as Bond Counsel we have delivered on this date the approving opinions in substantially the form set forth in Appendix C of the Official Statement. The Underwriters may rely on such approving opinions as if they were addressed to them.

In rendering this opinion, we have not represented any of the Underwriters nor rendered any advice to the Underwriters in connection with the Bond Purchase Agreement or the transactions contemplated thereby, other than that set forth herein; and we call to your attention the fact that our legal opinions and conclusions are an expression of professional judgment and not a guarantee of result. This opinion may not be relied upon by any other person or by you in any other context, without our prior written consent. This opinion is not to be used, circulated, quoted, or otherwise referred to for any other purpose.

Yours very truly,

EXHIBIT "D"

FORM OF OPINION OF COUNSEL TO UNDERWRITERS

_____, 2009

LOOP CAPITAL MARKETS, LLC
(as Representative of the Underwriters
named in the Bond Purchase Agreement)
440 Louisiana, Suite 900
Houston, Texas 77002

Ladies and Gentlemen:

We have acted as your Counsel in connection with the purchase by you on this date from Fort Bend County, Texas (the "*County*"), of $73,430,000 aggregate principal amount of its Limited Tax Bonds Series 2009 (the "*Bonds*") pursuant to the Bond Purchase Agreement, dated April __, 2009 (the "*Bond Purchase Agreement*") by and between you and the County. Unless otherwise expressly provided herein, capitalized terms used herein have the respective meanings assigned to them in the Bond Purchase Agreement.

In the above capacity, we have examined the originals or copies, certified or otherwise, identified to our satisfaction, of such records, official and other, of the County, certificates of public officials and Representative of the County, and other documents as we have deemed necessary or advisable as a basis for the opinions hereinafter expressed.

Based on the foregoing, we are of the opinion that the offer and sale of the Bonds to the public are exempt from registration under the Securities Act of 1933, as amended, and no filing is required under the Trust Indenture Act of 1939, as amended, in connection with the Bonds or the Order.

We have participated in conferences with representatives of the County, Bond Counsel, the Financial Advisor to the County, and your Representative, at which conferences the contents of the Official Statement and related matters were discussed. Although we are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Official Statement, we advise you that, on the basis of the foregoing, no facts have come to our attention that lead us to believe that the Official Statement as of the date of the Bond Purchase Agreement and as of today's date (except as to the financial statements and other financial and statistical data included in the Official Statement data regarding the Depository Trust Company and other information regarding the bond insurer, if any, in each case is to which no view needs to be expressed) contained or contains any untrue statement of a material fact or omitted or omits to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

We do not undertake to advise you of matters which may come to our attention subsequent to the date hereof which may affect our legal opinion and conclusions expressed herein, and we call to your attention the fact that our legal opinions and conclusions are an expression of professional judgment and not a guarantee of result. This opinion may be relied upon only by you, any member of a selling group formed by you and by other persons to whom we grant written permission to rely hereon.

Sincerely,

GENERAL CERTIFICATE

THE STATE OF TEXAS §
§
COUNTY OF FORT BEND §

We, the undersigned, County Judge and County Clerk of Fort Bend County, Texas (the "County"), do hereby make and execute this certificate for the benefit of the Attorney General of the State of Texas and all other persons interested in the County's $73,430,000 Limited Tax and Refunding Bonds, Series 2009, dated May 1, 2009, now in the process of being issued. We certify the following, to wit:

1. The following named persons are duly selected, or appointed, qualified and acting officers of the County:

Robert Hebert	County Judge
Richard Morrison	Commissioner - Precinct 1
Grady Prestage	Commissioner - Precinct 2
Andy Meyers	Commissioner - Precinct 3
James Patterson	Commissioner - Precinct 4
Ed Sturdivant	County Auditor
Jeff Council	County Treasurer
Roy Cordes, Jr.	County Attorney

2. A true and correct copy of the Debt Service Schedule for the Bonds now in process of issuance is attached hereto as Exhibit "A." The debt service for the outstanding indebtedness of the County payable from a limited pledge of ad valorem taxes is attached hereto as Exhibit "B."

3. The total amount of all outstanding bonded indebtedness of the County payable from a limited pledge of ad valorem taxes is $211,820,000, which includes the Bonds in process of issuance.

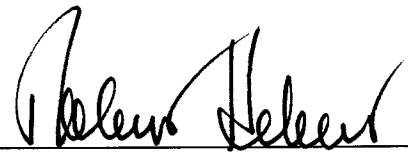
4. The 2008 certified taxable valuation of the County is $47,727,143,111.

5. The election held in the County on May 10, 2008, was held in compliance with the Federal Voting Rights Act of 1965, as amended, and the Texas Election Code, as amended, including particularly Chapter 272 of the Texas Election Code pertaining to bilingual requirements.

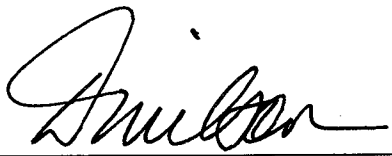
6. The maximum maturity permitted for the Bonds is 30 years. The Bonds mature in less than 30 years from their date of issuance.

[SIGNATURE PAGE FOLLOWS]

WITNESS OUR HANDS AND THE OFFICIAL SEAL OF THE CITY, THIS 14th day of April, 2009.



County Judge
Fort Bend County, Texas



County Clerk
Fort Bend County, Texas

(SEAL)

EXHIBIT "A"

Debt Service Schedule

$73,430,000

Fort Bend County, Texas

Limited Tax & Refunding Bonds, Series 2009

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
05/14/2009	-	-	-	-
09/01/2009	-	-	1,171,029.16	1,171,029.16
03/01/2010	305,000.00	4.000%	1,756,543.75	2,061,543.75
09/01/2010	-	-	1,750,443.75	1,750,443.75
03/01/2011	2,575,000.00	4.000%	1,750,443.75	4,325,443.75
09/01/2011	-	-	1,698,943.75	1,698,943.75
03/01/2012	2,670,000.00	3.000%	1,698,943.75	4,368,943.75
09/01/2012	-	-	1,658,893.75	1,658,893.75
03/01/2013	2,770,000.00	4.250%	1,658,893.75	4,428,893.75
09/01/2013	-	-	1,600,031.25	1,600,031.25
03/01/2014	2,895,000.00	4.000%	1,600,031.25	4,495,031.25
09/01/2014	-	-	1,542,131.25	1,542,131.25
03/01/2015	2,995,000.00	3.000%	1,542,131.25	4,537,131.25
09/01/2015	-	-	1,497,206.25	1,497,206.25
03/01/2016	3,105,000.00	4.000%	1,497,206.25	4,602,206.25
09/01/2016	-	-	1,435,106.25	1,435,106.25
03/01/2017	2,830,000.00	5.000%	1,435,106.25	4,265,106.25
09/01/2017	-	-	1,364,356.25	1,364,356.25
03/01/2018	2,970,000.00	4.500%	1,364,356.25	4,334,356.25
09/01/2018	-	-	1,297,531.25	1,297,531.25
03/01/2019	3,115,000.00	5.000%	1,297,531.25	4,412,531.25
09/01/2019	-	-	1,219,656.25	1,219,656.25
03/01/2020	3,280,000.00	5.250%	1,219,656.25	4,499,656.25
09/01/2020	-	-	1,133,556.25	1,133,556.25
03/01/2021	3,455,000.00	5.250%	1,133,556.25	4,588,556.25
09/01/2021	-	-	1,042,862.50	1,042,862.50
03/01/2022	3,635,000.00	5.000%	1,042,862.50	4,677,862.50
09/01/2022	-	-	951,987.50	951,987.50
03/01/2023	3,820,000.00	5.000%	951,987.50	4,771,987.50
09/01/2023	-	-	856,487.50	856,487.50
03/01/2024	4,020,000.00	5.000%	856,487.50	4,876,487.50
09/01/2024	-	-	755,987.50	755,987.50
03/01/2025	4,225,000.00	5.013%	755,987.50	4,980,987.50
09/01/2025	-	-	650,081.25	650,081.25
03/01/2026	4,450,000.00	5.250%	650,081.25	5,100,081.25
09/01/2026	-	-	533,268.75	533,268.75
03/01/2027	4,685,000.00	5.250%	533,268.75	5,218,268.75
09/01/2027	-	-	410,287.50	410,287.50
03/01/2028	4,940,000.00	5.250%	410,287.50	5,350,287.50
09/01/2028	-	-	280,612.50	280,612.50
03/01/2029	5,205,000.00	5.250%	280,612.50	5,485,612.50
09/01/2029	-	-	143,981.25	143,981.25
03/01/2030	5,485,000.00	5.250%	143,981.25	5,628,981.25
Total	**$73,430,000.00**	-	**$46,574,397.91**	**$120,004,397.91**

$73,430,000

Fort Bend County, Texas

Limited Tax & Refunding Bonds, Series 2009

Debt Service Schedule

Yield Statistics

Accrued Interest from 05/01/2009 to 05/14/2009	126,861.50
Bond Year Dollars	$926,306.67
Average Life	12.615 Years
Average Coupon	5.0279675%
Net Interest Cost (NIC)	4.6627603%
True Interest Cost (TIC)	4.4891674%
Bond Yield for Arbitrage Purposes	4.1932536%
All Inclusive Cost (AIC)	4.5247147%

IRS Form 8038

Net Interest Cost	4.4033222%
Weighted Average Maturity	12.524 Years

EXHIBIT "B"

Debt Service Schedule of Outstanding Indebtedness
Payable from a Limited Pledge

Fort Bend County, Texas
Outstanding Limited Tax Bonds

	Outstanding Limited Tax Bonds			Outstanding Flood Control Limited Tax Bonds			Aggregate Outstanding Limited Tax Bonds		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
9/30/2009	$ 4,010,000.00	$ 7,885,152.91	$ 11,895,152.91	$ 160,000.00	$ 528,417.50	$ 688,417.50	$ 4,170,000.00	$ 8,413,570.41	$ 12,583,570.41
9/30/2010	4,155,000.00	10,039,387.50	14,194,387.50	160,000.00	521,617.50	681,617.50	4,315,000.00	10,561,005.00	14,876,005.00
9/30/2011	6,750,000.00	9,809,562.50	16,559,562.50	160,000.00	514,657.50	674,657.50	6,910,000.00	10,324,220.00	17,234,220.00
9/30/2012	6,465,000.00	9,446,262.50	15,911,262.50	920,000.00	490,437.50	1,410,437.50	7,385,000.00	9,936,700.00	17,321,700.00
9/30/2013	6,740,000.00	9,172,200.00	15,912,200.00	950,000.00	447,650.00	1,397,650.00	7,690,000.00	9,619,850.00	17,309,850.00
9/30/2014	7,065,000.00	8,851,937.50	15,916,937.50	1,050,000.00	397,343.75	1,447,343.75	8,115,000.00	9,249,281.25	17,364,281.25
9/30/2015	7,380,000.00	8,535,237.50	15,915,237.50	1,050,000.00	340,906.25	1,390,906.25	8,430,000.00	8,876,143.75	17,306,143.75
9/30/2016	7,715,000.00	8,203,337.50	15,918,337.50	1,025,000.00	285,140.63	1,310,140.63	8,740,000.00	8,488,478.13	17,228,478.13
9/30/2017	7,675,000.00	7,834,112.50	15,509,112.50	1,025,000.00	230,046.88	1,255,046.88	8,700,000.00	8,064,159.38	16,764,159.38
9/30/2018	8,065,000.00	7,448,037.50	15,513,037.50	1,025,000.00	176,875.00	1,201,875.00	9,090,000.00	7,624,912.50	16,714,912.50
9/30/2019	8,470,000.00	7,042,087.50	15,512,087.50	1,025,000.00	125,625.00	1,150,625.00	9,495,000.00	7,167,712.50	16,662,712.50
9/30/2020	8,910,000.00	6,603,487.50	15,513,487.50	1,000,000.00	75,000.00	1,075,000.00	9,910,000.00	6,678,487.50	16,588,487.50
9/30/2021	9,375,000.00	6,137,943.75	15,512,943.75	1,000,000.00	25,000.00	1,025,000.00	10,375,000.00	6,162,943.75	16,537,943.75
9/30/2022	9,860,000.00	5,652,750.00	15,512,750.00				9,860,000.00	5,652,750.00	15,512,750.00
9/30/2023	10,365,000.00	5,147,125.00	15,512,125.00				10,365,000.00	5,147,125.00	15,512,125.00
9/30/2024	10,900,000.00	4,615,500.00	15,515,500.00				10,900,000.00	4,615,500.00	15,515,500.00
9/30/2025	11,455,000.00	4,056,343.75	15,511,343.75				11,455,000.00	4,056,343.75	15,511,343.75
9/30/2026	12,050,000.00	3,462,875.00	15,512,875.00				12,050,000.00	3,462,875.00	15,512,875.00
9/30/2027	12,665,000.00	2,843,556.25	15,508,556.25				12,665,000.00	2,843,556.25	15,508,556.25
9/30/2028	13,310,000.00	2,202,587.50	15,512,587.50				13,310,000.00	2,202,587.50	15,512,587.50
9/30/2029	13,985,000.00	1,528,968.75	15,513,968.75				13,985,000.00	1,528,968.75	15,513,968.75
9/30/2030	14,690,000.00	821,212.50	15,511,212.50				14,690,000.00	821,212.50	15,511,212.50
9/30/2031	9,655,000.00	229,306.25	9,884,306.25				9,655,000.00	229,306.25	9,884,306.25
	$ 211,710,000.00	$ 137,568,971.66	$ 349,278,971.66	$ 10,550,000.00	$ 4,158,717.51	$ 14,708,717.51	$ 222,260,000.00	$ 141,727,689.17	$ 363,987,689.17

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the

IN THE OPINION OF BOND COUNSEL, INTEREST ON THE BONDS IS EXCLUDABLE FROM GROSS INCOME FOR FEDERAL INCOME TAX PURPOSES UNDER EXISTING LAW, AND THE BONDS ARE NOT SUBJECT TO THE ALTERNATIVE MINIMUM TAX ON INDIVIDUALS AND CORPORATIONS. SEE "TAX MATTERS" FOR A DISCUSSION OF THE OPINION OF BOND COUNSEL.

The Bonds have been designated "qualified tax-exempt obligations" for financial institutions. See "TAX MATTERS – Qualified Tax-Exempt Obligations."

NEW ISSUE—BOOK-ENTRY ONLY
CUSIP No. 346806

$4,900,000
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 58
(A political subdivision of the State of Texas, located in Fort Bend County, Texas)
UNLIMITED TAX BONDS
SERIES 2009

Dated: May 1, 2009 **Due: April 1 (as shown below)**

Interest on the Bonds (the "Bonds" or the "Series 2009 Bonds") will accrue from May 1, 2009, and will be payable on April 1 and October 1 of each year, commencing October 1, 2009. The definitive Bonds will be initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company ("DTC") pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Bonds may be acquired in denominations of $5,000 or integral multiples thereof. **No physical delivery of the Bonds will be made to the owners thereof.** Principal of and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds. See "THE BONDS – Book-Entry-Only System" herein. The initial Paying Agent/Registrar is Wells Fargo Bank, National Association. See "THE BONDS – Paying Agent/Registrar."

The Bonds will be issued in denominations of $5,000, or integral multiples thereof. The District reserves the right at its option to redeem the Bonds maturing on or after April 1, 2017, prior to maturity, in whole or from time to time in part, on April 1, 2016, or on any date thereafter at a price of par plus accrued interest to the date of redemption.

MATURITIES, AMOUNTS, INTEREST RATES AND PRICES

Principal Amount	Maturity	Interest Rate	Yield to Maturity(a)	Principal Amount	Maturity	Interest Rate	Yield to Maturity(a)
$75,000	2013	%	%	$170,000	2026(b)	%	%
$75,000	2014	%	%	$185,000	2027(b)	%	%
$75,000	2015	%	%	$195,000	2028(b)	%	%
$100,000	2016	%	%	$210,000	2029(b)	%	%
$100,000	2017(b)	%	%	$225,000	2030(b)	%	%
$100,000	2018(b)	%	%	$240,000	2031(b)	%	%
$100,000	2019(b)	%	%	$260,000	2032(b)	%	%
$100,000	2020(b)	%	%	$280,000	2033(b)	%	%
$120,000	2021(b)	%	%	$300,000	2034(b)	%	%
$125,000	2022(b)	%	%	$320,000	2035(b)	%	%
$140,000	2023(b)	%	%	$340,000	2036(b)	%	%
$150,000	2024(b)	%	%	$365,000	2037(b)	%	%
$160,000	2025(b)	%	%	$390,000	2038(b)	%	%

(a) The initial reoffering yields are established by and are the sole responsibility of the Underwriter (hereinafter defined) and may be subsequently changed.

(b) The Bonds maturing on or after April 1, 2017, are subject to redemption in whole or from time to time in part, at the option of the District, on April 1, 2016, or on any date thereafter, at a price equal to the par value thereof plus accrued interest from the most recent interest payment date to the date fixed for redemption. See "THE BONDS—Optional Redemption."

The proceeds of the Bonds will be used by Fort Bend County Municipal Utility District No. 58 (the "District") to reimburse a developer for advancing funds to construct certain improvements and pay operating costs for the benefit of the District, to capitalize 12 months of interest on the Bonds, and to pay issuance and administrative expenses. See "USE OF PROCEEDS." The Bonds, when issued, will constitute valid and binding obligations of the District and will be payable from the proceeds of a continuing, direct, annual ad valorem tax, without legal limitation as to rate or amount, levied against all taxable property within the District. See "THE BONDS – Source of and Security for Payment." The Bonds are obligations solely of the District and are not obligations of the State of Texas, Fort Bend County, the City of Houston, or any entity other than the District. Neither the faith and credit nor the taxing power of the State of Texas, Fort Bend County, or the City of Houston is pledged to the payment of the principal of or interest on the Bonds. **The Bonds are subject to certain investment considerations described under the caption "RISK FACTORS."**

The Bonds are offered when, as and if issued by the District, subject to approval by the Attorney General of Texas and the approval of certain legal matters by Allen Boone Humphries Robinson LLP, Houston, Texas, Bond Counsel. The Issuer will be advised on certain legal maters concerning disclosure by Fulbright & Jaworski L.L.P., Houston, Texas, Disclosure Counsel. Delivery of the Bonds is expected through the facilities of DTC on or about May 14, 2009.

Bids Due: Wednesday, April 29, 2009 at 10:30 A.M. Houston Time

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USE OF INFORMATION IN OFFICIAL STATEMENT

No dealer, broker, salesman or other person has been authorized to give any information or to make any representations other than those contained in this Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the District.

This Official Statement is not to be used in connection with an offer to sell or the solicitation of an offer to buy in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not registered or qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

Any information and expressions of opinion herein contained are subject to change and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District or other matters described herein since the date hereof.

SALE AND DISTRIBUTION OF THE BONDS

Award of the Bonds

After requesting competitive bids for the Bonds, the District has accepted the bid producing the lowest net interest cost to the District, which was tendered by _____ (the "Underwriter"), to purchase the Bonds bearing the rates shown on the cover page of this Official Statement at a price of _____% of par plus accrued interest to the date of delivery, which resulted in a net effective interest rate of _____%, as calculated pursuant to Chapter 1204 of the Texas Government Code, as amended.

The Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing Bonds into unit investment trusts) and others at prices lower than the public offering price stated on the cover page hereof. The initial offering price may be changed from time to time by the Underwriter.

Prices and Marketability

The delivery of the Bonds is conditioned upon the receipt by the District of a certificate executed and delivered by the Underwriter on or before the date of delivery of the Bonds stating the prices at which a substantial number of the Bonds of each maturity have been sold to the public. For this purpose, the term "public" shall not include any person who is a bond house, broker or similar person acting in the capacity of underwriter or wholesaler. Otherwise, the District has no understanding with the Underwriter regarding the reoffering yields or prices of the Bonds and has no control over trading of the Bonds after their initial sale by the District. Information concerning reoffering yields or prices is the responsibility of the Underwriter.

THE PRICES AND OTHER TERMS RESPECTING THE OFFERING AND SALE OF THE BONDS MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER AFTER THE BONDS ARE RELEASED FOR SALE, AND THE BONDS MAY BE OFFERED AND SOLD AT PRICES OTHER THAN THE INITIAL OFFERING PRICES, INCLUDING SALES TO DEALERS WHO MAY SELL THE BONDS INTO INVESTMENT ACCOUNTS. IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICES OF THE BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

Securities Laws

No registration statement relating to the Bonds has been filed with the Securities and Exchange Commission ("SEC") under the Securities Act of 1933, as amended, in reliance upon the exemptions provided thereunder. The Bonds have not been registered or qualified under the Securities Act of Texas in reliance upon various exemptions contained therein nor have the Bonds been registered or qualified under the securities laws of any other jurisdiction. This disclaimer of responsibility for registration or qualification for sale or other disposition of the Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration or qualification provisions in such other jurisdiction.

CONTINUING DISCLOSURE OF INFORMATION - SEC RULE 15c2-12

The offering of the Bonds qualifies for the Rule 15c2-12(d)(2) exemption from Rule 15c2-12(b)(5) regarding the District's continuing disclosure obligations because the District has no more than $10,000,000 in aggregate amount of outstanding bonds and no person is committed by contract or other arrangement with respect to payment of the Bonds. As required by the exemption, in the Bond Resolution, the District has made the following agreement for the benefit of the holders and beneficial owners of the Bonds. The District is required to observe the agreement for so long as it remains obligated to advance funds to pay the Bonds. Under the agreement, the District will be obligated to provide certain updated financial information and operating data annually, and timely notice of specified material events, to certain information vendors. This information will be available to securities brokers and others who subscribe to receive the information from the information vendors.

Annual Reports

The District will provide certain financial information and operating data which is customarily prepared by the District and is publicly available, annually to the appropriate state information depository. In addition, the District has agreed to provide information with respect to Katy 309 Venture, L.P. ("Katy 309" or the "Silver Ranch Developer"), any person or entity to whom the Developer voluntarily assigns (except as collateral) the right to receive a payment out of the proceeds from the sale of the bonds of the District, and each other person or entity, if any, to whom the District voluntarily makes or agrees or has agreed to make a payment out of such proceeds. The District will be obligated to provide information concerning the Silver Ranch Developer and any such other person or entity only if and so long as (1) such person owns more than 20% of the taxable property within the District by value, as reflected by the most recently certified tax rolls (and without effect to special valuation provisions), (2) such person has made tax or other payments to the District which were used or available to pay more than 20% of the District's debt service requirements in the applicable fiscal year, or (3) at the end of such fiscal year such person is obligated to the District to provide or pay for District facilities or debt in an amount which exceeds 20% of the amount of the District's bonds then outstanding.

The financial information and operating data which will be provided with respect to the District is found in the APPENDIX A (the District's Audited Financial Report), and with respect to the Silver Ranch Developer is found in the APPENDIX B (the Silver Ranch Unaudited Financial Information). The District will update and provide the information to any state information depository ("SID") that is designated by the State of Texas and approved by the staff of the United States Securities and Exchange Commission ("SEC") within six months after the end of each of its fiscal years ending in or after 2009. Any information so provided shall be prepared in accordance with generally accepted auditing standards or other such principles as the District may be required to employ from time to time pursuant to state law or regulation, and audited if the audit report is completed within the period during which it must be provided. If the audit report is not complete within such period, then the District shall provide unaudited financial statements for the applicable fiscal year to the SID within such six month period, and audited financial statements when the audit report becomes available.

The District's current fiscal year end is July 31. Accordingly, it must provide updated information by January 31 in each year, unless the District changes its fiscal year. If the District changes its fiscal year, it will notify any SID of the change.

Material Event Notices

The District will also provide timely notices of certain events to any SID and to either each nationally recognized municipal securities information repository ("NRMSIR") or the Municipal Securities Rulemaking Board ("MSRB"). The District will provide notice of any of the following events with respect to the Bonds, if such event is material to a decision to purchase or sell Bonds: (1) principal and interest payment delinquencies; (2) non-payment related defaults; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions or events affecting the tax-exempt status of the Bonds; (7) modifications to rights of holders of the Bonds; (8) Bond calls; (9) defeasances; (10) release, substitution, or sale of property securing repayment of the Bonds; and (11) rating changes. Neither the Bonds nor the Bond Resolution makes any provision for debt service reserves or liquidity enhancement. In addition, the District will provide timely notice of any failure by the District to provide information, data, or financial statements in accordance with its agreement described above under "Annual Reports."

Availability of Information From NRMSIRs, SID, and MSRB

The District has agreed to provide the foregoing updated information only to the information vendors described above. The information will be available to holders of Bonds only if the holders comply with the procedures and pay the charges established by such information vendors or obtain the information through securities brokers who do so.

The Municipal Advisory Council of Texas has been designated by the State of Texas as a SID and has received a no-action letter from the SEC dated August 29, 1995 that recognizes the Municipal Advisory Council of Texas as a SID. The address of the Municipal Advisory Council is 600 West 8th Street, P.O. Box 2177, Austin, Texas 78768-2177, and its telephone number is 512/476-6947. Any filing under this agreement may be made solely by transmitting such filing to the MAC as provided at http://www.disclosureusa.org unless the SEC has withdrawn the interpretive advice in its letters to the MAC dated September 7, 2004 and October 3, 2007.

The SEC has approved amendments to SEC Rule 15c2-12, to become effective July 1, 2009, to designate the MSRB as the sole NRMSIR. To make such continuing disclosure information available to investors free of charge, the MSRB has established the Electronic Municipal Market Access ("EMMA") system. The District will be required to file its continuing disclosure information using the EMMA system beginning on July 1, 2009. Investors will be able to access continuing disclosure information filed with the MSRB at www.emma.org.

Limitations and Amendments

The District has agreed to update information and to provide notices of material events only as described above. The District has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results of operations, condition, or prospects or agreed to update any information that is provided, except as described above. The District makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell Bonds at any future date. The District disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of its continuing disclosure agreement or from any statement made pursuant to its agreement, although holders or beneficial owners of Bonds may seek a writ of mandamus to compel the District to comply with its agreement.

The Silver Ranch Developer has agreed to provide to the District the information that the District has agreed to provide with respect to the Developer. The Silver Ranch Developer has also agreed with the District that it will not assign any of its rights to receive payment from the District out of proceeds of the Bonds (except as collateral), unless the assignee assumes the Silver Ranch Developer's agreement to provide such information, but the Silver Ranch Developer may sell its property within the District without any such assumption. The District's ability to provide information about the Silver Ranch Developer or others, as well as the accuracy and completeness of such information, is completely dependent on such persons' compliance with their contractual agreements with the District.

The District may amend its continuing disclosure agreement from time to time to adapt the changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the District or the business of the Silver Ranch Developer, if but only if the agreement, as amended, would have permitted an underwriter to purchase or sell Bonds in the offering made hereby in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and either the holders of a majority in aggregate principal amount of the outstanding Bonds consent to the amendment or any person unaffiliated with the District (such as nationally recognized bond counsel) determines that the amendment will not materially impair the interests of the holders and beneficial owners of the Bonds. The District may amend or repeal the agreement in the Bond Resolution if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid or unenforceable, but only to the extent that its right to do so would not prevent the Underwriter from lawfully purchasing the Bonds in the initial offering. If the District so amends the agreement, it has agreed to include with any financial information or operating data next provided in accordance with its agreement described above under "Annual Reports" an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information and operating data so provided.

Compliance With Prior Undertakings

The District has not previously made a continuing disclosure agreement in accordance with SEC Rule15c2-12.

No Municipal Bond Rating and Municipal Bond Insurance

The District has not made an application for an underlying rating on the Bonds to any municipal bond rating service. It is not anticipated that the District would have receive an investment grade rating had such rating been applied for.

OFFICIAL STATEMENT SUMMARY

The following material is a summary of certain information contained herein and is qualified in its entirety by the detailed information appearing elsewhere in this Official Statement. The reader should refer particularly to sections that are indicated for more complete information.

THE BONDS

Description:	$4,900,000 Unlimited Tax Bonds, Series 2009, are dated May 1, 2009. The Bonds represent the first series of bonds to be issued by the District. The Bonds maturing on or after April 1, 2017 are callable at par at the option of the District on or after April 1, 2016. The Bonds mature on April 1, 2013, through April 1, 2038, both inclusive, as reflected on the cover page of this Official Statement. See "THE BONDS."
Source of Payment:	The Bonds are payable from a continuing, direct, annual ad valorem tax upon all taxable property within the District which, under Texas law, is not limited as to rate or amount. The Bonds are obligations of the District and are not obligations of the State of Texas, Fort Bend County, the City of Houston or any other political subdivision or agency. See "THE BONDS - Source of and Security for Payment."
Book-Entry-Only System:	The Bonds will be initially registered and delivered only to Cede & Co., the nominee of DTC pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Bonds may be acquired in denominations of $5,000 or integral multiples thereof. No physical delivery of the Bonds will be made to the beneficial owners thereof. Principal of and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds. See "THE BONDS – Book-Entry-Only System."
Use of Proceeds:	Proceeds from the sale of the Bonds will be used to fund: (1) Water Plant No. 1; (2) Interim Wastewater Treatment Plant Phase 1; (3) a waterline extension to the Interim Wastewater Treatment Plant; (4) certain engineering, materials testing and advertising costs associated with 1 - 3 above; (5) land acquisition costs for the Water Plant No. 1 site, the Interim Wastewater Treatment Plant site, and the drainage channel, including drainage channel condemnation; (6) Interim Wastewater Treatment Plant discharge permit; (7) stormwater pollution prevention; (8) 12 months of capitalized interest on the Bonds; (9) Silver Ranch Developer interest on funds advanced to or on behalf of the District; (10) reimbursement to the Silver Ranch Developer for certain advances for District operations; (11) certain engineering and legal costs associated with the creation of the District; (12) certain engineering and legal costs associated with the annexation of land into the District; and (13) costs related to the issuance of the Bonds. See "USE OF BOND PROCEEDS."
Legal Opinion:	Allen Boone Humphries Robinson LLP, Bond Counsel, Houston, Texas. See "LEGAL MATTERS" and "TAX MATTERS."
Payment Record:	This is the District's first bond issue.
Risk Factors:	The Bonds are subject to certain investment considerations, as set forth in this Official Statement. Prospective purchasers should carefully examine this Official Statement with respect to the investment security of the Bonds, particularly the sections captioned "RISK FACTORS" and "LEGAL MATTERS."
Qualified Tax Exempt Obligations:	The District will designate the Bonds as "qualified tax-exempt obligations" pursuant to Section 265(b) of the Internal Revenue Code of 1986, as amended, and will represent that the total amount of tax-exempt bonds (including the Bonds) issued by the District during calendar year 2009 is not reasonably expected to exceed $30,000,000. See "TAX MATTERS -- Qualified Tax Exempt Obligations."
No Municipal Bond Rating and Municipal Bond Insurance:	The District has not made an application for an underlying rating on the Bonds to any municipal bond rating service. It is not anticipated that the District would have received an investment grade rating had such rating been applied for.

THE DISTRICT

Description:

The District is a municipal utility district created on November 21, 1984, by an order of the Texas Water Commission, now known as the Texas Commission on Environmental Quality ("TCEQ"). The District was created pursuant to the authority of Article XVI, Section 59 of the Texas Constitution, and operates pursuant to Chapters 49 and 54, Texas Water Code. The District is located within the extraterritorial jurisdiction of the City of Houston. The District is located south of Interstate 10, west of the Katy Gaston Road, north of FM 1093 and east of FM 1463. The District is located 28 miles west of the City of Houston's central business district. See "THE DISTRICT."

Development of the District:

The District, as it was originally created, included approximately 506 acres. Since its creation, the District has excluded certain tracts of land and annexed other tracts of land; the District currently includes approximately 775 acres. Approximately 77 acres known as Silver Ranch, Section 1 are currently developed (203 lots) with water, drainage, and sanitary sewer facilities. Approximately 13 acres known as Silver Ranch, Section 2 is currently under development; the 58 lots in this section are anticipated to be available for homebuilding in May 2009. Approximately 594 additional acres remain to be developed in the future and approximately 91 additional acres in the District are undevelopable. As of March 1, 2009, there were approximately 161 homes that were either completed or under construction and 42 developed lots available to be built upon. Substantially all of the completed homes are sold and occupied and 11 of the 16 homes under construction are sold to homebuyers. See "THE DISTRICT – Current Status of Development in the District," and "APPENDIX C – PHOTOGRAPHS TAKEN IN THE DISTRICT."

The System:

The District's water, sewer, and drainage system is complete in Silver Ranch, Section 1. Based upon TCEQ guidelines, the District has adequate wastewater treatment plant capacity to serve approximately 555 equivalent single-family connections ("ESFC"). Based upon TCEQ guidelines the District currently has water plant capacity capable of serving approximately 250 ESFCs. As of January 1, 2009, the District is serving approximately 145 ESFCs. According to the Engineer, none of the land in the District is located within the 100-year floodplain. See "DESCRIPTION OF THE DISTRICT'S SYSTEM."

The Developers:

The District currently has three developers: Katy 309 Venture, L.P. in the 469 acre Silver Ranch subdivision; Cardiff 163, L.L.C. in the 163 acre Canyon Lakes at Cardiff Ranch subdivision; and Moody Simmons Katy Gaston, Ltd. in the 143 acre Hawks Landing subdivision (collectively, the "Developers").

Katy 309 Venture, L.P. ("Katy 309" or the "Silver Ranch Developer") is one of the developers in the District. Katy 309 is a Texas limited partnership that was established for the sole purpose of developing 469 acres of land located within the District. Katy 309 includes Katy 309 (Houston) AIP IV L.P. ("Avanti") as the General Partner and 7 Points Family Partners, Ltd., a Texas limited partnership as the limited partner; the General Partner and the limited partner are comprised of individuals that have invested in other real estate ventures on previous occasions.

Cardiff 163, L.L.C. is the developer of Canyon Lakes at Cardiff Ranch ("Cardiff 163" or "Canyon Lakes Developer"). Cardiff 163 is a Texas limited liability company established for the purpose of developing approximately 163 acres of land located in the District. The members of Cardiff 163 are Courtney P. Grover (50%) and Al P. Brende (50%); Mr. Grover and Mr. Brende are also the partners of the Land Tejas Companies, a Houston-based development company.

Moody Simmons Katy Gaston, Ltd. ("Moody Simmons" or "Hawks Landing Developer") is the developer of Hawks Landing. Moody Simmons is a Texas limited partnership established for the purpose of developing approximately 143 acres of land located in the District. Moody Simmons includes Moody Simmons Katy Gaston, GP, LLC, as the general partner of the Partnership which includes Dan Moody, Jr. and Chuck Simmons, both of whom have been active in the Houston residential and commercial development business for the past 40 years.

Homebuilders In the District:

The homebuilders currently active in the District (building in Silver Ranch, Section 1) are Brighton Homes, Meritage Homes, and J Patrick Homes. Homes are being constructed on 50 foot and 65 foot lots located in Silver Ranch, Section 1 and being marketed in the $180,000 - $280,000 price range.

SELECTED FINANCIAL INFORMATION
(Unaudited)

1/1/2009 Estimated Taxable Valuation	$45,664,470	(a)
2008 Taxable Valuation	$24,384,215	(b)
Direct Debt		
Outstanding Bonds (including the Bonds)	$4,900,000	
Total Direct Debt	$4,900,000	
Estimated Overlapping Debt	$1,332,881	
Direct and Estimated Overlapping Debt	$6,232,881	
Percentage of Direct Debt to:		
1/1/2009 Estimated Taxable Valuation	10.73%	
2008 Taxable Valuation (See "District Debt")	20.09%	
Percentage of Direct and Estimated Overlapping Debt to:		
1/1/2009 Estimated Taxable Valuation	13.65%	
2008 Taxable Valuation (See "District Debt")	25.56%	
2008 Tax Rate Per $100 of Assessed Value		
Debt Service Tax	$0.00	
Maintenance Tax	$1.50	
Total 2008 Tax Rate	$1.50	(c)
Cash and Temporary Investment Balances as of June 15, 2008		
General Fund	$280,000	
Debt Service Fund	$392,000	(d)

(a) Reflects data supplied by Fort Bend Central Appraisal District ("FBCAD"). The Estimated Taxable Value as of 1/1/2009 was prepared by FBCAD and provided to the District. Such values are not binding on FBCAD, and the new values will not be included on the District's tax roll until the 2009 tax roll is prepared and certified by FBCAD during the second half of 2009. (See "DISTRICT TAX DATA" and "TAX PROCEDURES").

(b) Represents a certified value as provided by FBCAD. See "DISTRICT TAX DATA - Analysis of Tax Base."

(c) The District has levied a $1.50 operations and maintenance tax for the last four years; it is currently anticipated that in 2009 the District will levy a total tax rate of $1.50 comprising $0.85 debt service tax rate and $0.65 operation and maintenance tax rate. See "DISTRICT TAX DATA" herein.

(d) Represents the pro-forma balance after the deposit of Capitalized Interest from the Series 2009 Bond Proceeds to the Debt Service Fund. Neither Texas law nor the District's Bond Resolution requires that the District maintain any particular balance in the Debt Service Fund. See "DISTRICT TAX DATA - Tax Adequacy of Tax Revenue."

DEBT SERVICE REQUIREMENTS (a)

The following sets forth the debt service requirements for the Bonds.

	Series 2009 Bonds		Total Debt
Year	Principal	Interest (a)	Service (a)
2009		$140,875	$140,875
2010		$338,100	$338,100
2011		$338,100	$338,100
2012		$338,100	$338,100
2013	$75,000	$335,512	$410,512
2014	$75,000	$330,337	$405,337
2015	$75,000	$325,162	$400,162
2016	$100,000	$319,125	$419,125
2017	$100,000	$312,225	$412,225
2018	$100,000	$305,325	$405,325
2019	$100,000	$298,425	$398,425
2020	$100,000	$291,525	$391,525
2021	$120,000	$283,935	$403,935
2022	$125,000	$275,482	$400,482
2023	$140,000	$266,340	$406,340
2024	$150,000	$256,335	$406,335
2025	$160,000	$245,640	$405,640
2026	$170,000	$234,255	$404,255
2027	$185,000	$222,007	$407,007
2028	$195,000	$208,897	$403,897
2029	$210,000	$194,925	$404,925
2030	$225,000	$179,917	$404,917
2031	$240,000	$163,875	$403,875
2032	$260,000	$146,625	$406,625
2033	$280,000	$127,995	$407,995
2034	$300,000	$107,985	$407,985
2035	$320,000	$86,595	$406,595
2036	$340,000	$63,825	$403,825
2037	$365,000	$39,502	$404,502
2038	$390,000	$13,455	$403,455
TOTALS	$4,900,000	$6,790,401	$11,690,401

Maximum Annual Debt Service Requirements (2016) $419,125

Requires a $0.97 debt service tax rate on the 1/1/2009 Estimated Taxable Valuation at 95% collections.

Requires a $1.81 debt service tax rate on the 2008 Taxable Valuation at 95% collections.

See "DISTRICT TAX DATA – Adequacy of Tax Revenue."

(a) Preliminary, subject to change

OFFICIAL STATEMENT

relating to

$4,900,000

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 58

(A political subdivision of the State of Texas
located within Fort Bend County, Texas)
UNLIMITED TAX BONDS
SERIES 2009

INTRODUCTION

This Official Statement provides certain information in connection with the issuance of the $4,900,000 Fort Bend County Municipal Utility District No. 58 Unlimited Tax Bonds, Series 2009 (the "Bonds").

The Bonds are issued pursuant to the Constitution and general laws of the State of Texas, as amended, pursuant to a resolution (the "Bond Resolution") adopted by the Board of Directors of Fort Bend County Municipal Utility District No. 58 (the "District"), and an election held within the District.

This Official Statement includes descriptions of the Bonds, the Bond Resolution and certain information about the District and its financial condition and the developers in the District. All descriptions of documents contained herein are only summaries and are qualified in their entirety by reference to each such document. Copies of such documents may be obtained from Bond Counsel upon payment of duplication costs thereof.

RISK FACTORS

General

The Bonds are obligations of the District and are not obligations of the State of Texas, Fort Bend County, the City of Houston, or any other political subdivision. The Bonds are payable from a continuing, direct, annual ad valorem tax, without legal limitation as to rate or amount, on all taxable property within the District. See "THE BONDS – Source of and Security for Payment." The investment quality of the Bonds depends on the ability of the District to collect all taxes levied against the taxable property within the District and, in the event of foreclosure of the District's tax lien, on the marketability of the property and the ability of the District to sell the property at a price sufficient to pay taxes levied by the District and by other overlapping taxing authorities. The District cannot and does not make any representations that over the life of the Bonds the taxable property within the District will accumulate or maintain taxable values sufficient to justify the continued payment of taxes by property owners.

Marketability

The District has no understanding (other than the initial reoffering yields) with the Underwriter regarding the reoffering yields or prices of the Bonds and has no control over trading of the Bonds in the secondary market. Moreover, there is no assurance that a secondary market will be made in the Bonds. If there is a secondary market, the difference between the bid and asked price of the Bonds may be greater than the spread between the bid and asked price of more traditional issuers, as such bonds are generally bought, sold or traded in the secondary market.

Tax Collections

The District's ability to make debt service payments may be adversely affected by its inability to collect ad valorem taxes. Under Texas law, the levy of ad valorem taxes by the District constitutes a lien in favor of the District on a parity with the liens of all other state and local taxing authorities on the property against which taxes are levied, and such lien may be impaired by (a) repetitive, annual, expensive collection procedures, (b) a federal bankruptcy court's stay of tax collection procedures, or (c) market conditions affecting the marketability of taxable property within the District and limiting the proceeds from a foreclosure sale of such property. While the District has a lien on taxable property within the District for taxes levied against such property, such lien can be foreclosed only in a judicial proceeding.

Registered Owners' Remedies

If the District defaults in the payment of principal, interest, or redemption price on the Bonds when due, or if it fails to make payments into any fund or funds created in the Bond Resolution, or defaults in the observation or performance of any other covenants, conditions, or obligations set forth in the Bond Resolution, the Registered Owners have the right of a writ of mandamus issued by a court of competent jurisdiction requiring the District and its officials to observe and perform the covenants, obligations, or conditions prescribed in the Bond Resolution. Except for mandamus, the Bond Resolution does not specifically provide for remedies to protect and enforce the interests of the Registered Owners. There is no acceleration of maturity of the Bonds in the event of default and, consequently, the remedy of mandamus may have to be relied upon from year to year. Further, there is no trust indenture or trustee, and all legal actions to enforce such remedies would have to be undertaken at the initiative of, and be financed by, the Registered Owners. Statutory language authorizing local governments such as the District to sue and be sued may not waive the local government's sovereign immunity from suits for money damages. Even if such sovereign immunity were waived and a judgment against the District for money damages was obtained, the judgment could not be enforced by direct levy and execution against the District's property. Further, the Registered Owners cannot themselves foreclose on property within the District or sell property within the District to enforce the tax lien on taxable property to pay the principal of and interest on the Bonds. The enforceability of the rights and remedies of the Registered Owners may further be limited by a State of Texas statute reasonably required to attain an important public purpose or by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions, such as the District.

Bankruptcy Limitation to Registered Owners' Rights

The enforceability of the rights and remedies of the Registered Owners may be limited by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions such as the District. Specifically, the District may voluntarily file a petition for protection from creditors under the federal bankruptcy laws. During the pendency of the bankruptcy proceedings, the remedy of mandamus would not be available to the Registered Owners unless authorized by a federal bankruptcy judge.

Subject to the requirements of Texas law, the District may voluntarily proceed under Chapter 9 of the Federal Bankruptcy Code, 11 U.S.C. Section 901-946, if the District: (a) is generally authorized to file for federal bankruptcy protection by the State law; (b) is insolvent or unable to meet its debts as they mature; (c) desires to effect a plan to adjust such debts; and (d) has either obtained the agreement of or negotiated in good faith with its creditors or is unable to negotiate with its creditors because negotiation is impracticable. Under Texas law, the District must obtain the approval of the TCEQ prior to filing bankruptcy. Such law requires that the TCEQ investigate the financial condition of the District and authorize the District to proceed only if the District has fully exercised its rights and powers under Texas law and remains unable to meet its debts and other obligations as they mature.

Notwithstanding noncompliance by a district with Texas law requirements, a district could file a voluntary bankruptcy petition under Chapter 9, thereby invoking the protection of the automatic stay until the bankruptcy court, after a hearing, dismisses the petition. A federal bankruptcy court is a court of equity and federal bankruptcy judges have considerable discretion in the conduct of bankruptcy proceedings and in making the decision of whether to grant the petitioning district relief from its creditors. While such a decision might be appealable, the concomitant delay and loss of remedies to the Registered Owners could potentially and adversely impair the value of the Registered Owners' claim.

If a petitioning district were allowed to proceed voluntarily under Chapter 9 of the Federal Bankruptcy Code, it could file a plan for an adjustment of its debts. If such a plan were confirmed by the bankruptcy court, it could, among other things, affect Registered Owners by reducing or eliminating the amount of indebtedness, deferring or rearranging the debt service schedule, reducing or eliminating the interest rate, modifying or abrogating collateral or security arrangements, substituting (in whole or in part) other securities, and otherwise compromising and modifying the rights and remedies of the Registered Owners' claims against the district.

Approval of the Bonds

As required by law, the Attorney General of Texas must approve the legality of the Bonds prior to their delivery. The Attorney General of Texas does not pass upon or guarantee the safety of the Bonds as an investment or the adequacy or accuracy of the information contained in this Official Statement.

Economic Factors

The continued growth of taxable values in the District is directly related to the housing and building industry. The housing and building industry has historically been a cyclical industry, affected by both short- and long-term interest rates, availability of mortgage and development funds, labor conditions and general economic conditions. A return to relatively high mortgage interest rates similar to those experienced in the past may adversely affect the availability and desirability of mortgage financing for new homes, hence reducing demand by homebuilders for lots within the District. Commercial building in the District could also be adversely affected by such economic developments.

Interest rates and the availability of mortgage and development funds have a direct impact on construction activity, particularly the short-term interest rates at which developers and builders are able to obtain financing for development or building costs. Interest rate levels may affect the developers' or builders' ability to complete development or building plans. Long-term interest rates affect home purchasers' ability to qualify for and afford the total financing costs of a new home. The continuation of long-term interest rates at higher levels may negatively affect home sales and the rate of growth of taxable values in the District.

The Houston metropolitan area has, in the past, experienced increased unemployment, business failures and slow absorption of office space. These factors, if they recur, could affect the demand for new residential home construction and commercial development and hence the growth of property values in the District. An oversupply of homes, along with a decreased demand in new housing because of general economic conditions or relatively high interest rates, may have an adverse impact on sale prices for homes and, consequently, may materially adversely affect property values or, in some instances, cause builders to abandon home building plans altogether.

The housing industry in the Houston area is competitive and the District can give no assurance that current building programs will be completed. The competitive position of the Silver Ranch Developer in the sale of its developed lots or, respectively, that of present and prospective builders in the construction of single-family residential houses is affected by most of the factors discussed herein. Such a competitive position is directly related to tax revenues to be received by the District and the growth and maintenance of taxable values in the District.

Nationally, there has been a significant downturn in new housing construction caused in part by increasing foreclosures, reduced builder financing, the unavailability of mortgage funds and slower growth, and contraction in the national economy, resulting in a decline in the market value of homes. To date, such downturn has not had a significant effect on the value of homes in the District. However, the Houston area, which includes Fort Bend County, has experienced reduced levels of home construction in 2008 versus similar periods in 2007. The District cannot predict what impact, if any, the factors noted above may have on the Houston-area housing market and the market for homes in the District.

Alternative sites are available for the construction of single-family residential improvements and commercial development within the market area in which the District is located. Such sites could pose competition to the continued home-building development and commercial development on comparable sites within the District.

Landowners/Developer Under No Obligation to the District

Neither the Silver Ranch Developer nor any other landowner within the District has any commitments or obligations to proceed at any particular rate or according to any specified plan with the development of land or the construction of homes in the District. Currently, there is no restriction on any landowner's right (including the Silver Ranch Developer's) to sell its land. Failure to construct taxable improvements on developed lots (anticipated to be created by the Developers) or commercial tracts and failure of landowners to develop their land would restrict the rate of growth of taxable value in the District as it has in the past. The District is also dependent upon certain principal taxpayers (see "DISTRICT TAX DATA – Principal Taxpayers") for the timely payment of ad valorem taxes, and the District cannot predict what the future financial condition of either will be or what effect, if any, such conditions may have on their ability to pay taxes.

Dependence on Future Development and Potential Impact on District Tax Rates

The District's 2008 tax rate of $1.50 per $100 of assessed valuation is slightly higher than the tax rate that is common among many other similar utility districts providing water, sanitary sewer, and storm drainage services in Fort Bend County. An increase in the District's tax rate substantially above such a level could have an adverse impact on future development in the District and on the District's ability to collect such tax.

Assuming no further construction of residential, multi-family and/or commercial projects within the District other than those that have been constructed, the value of such land and improvements currently located and under construction within the District could be a major determinant of the ability of the District to collect, and the willingness of property owners to pay, ad valorem taxes levied by the District. The 1/1/2009 Estimated Taxable Valuation of property within the District is $45,664,470. After issuance of the Bonds, the Maximum Annual Debt Service Requirement on the Bonds will be $419,125 (2016). Assuming no increase or decrease from the 1/1/2009 Estimated Taxable Valuation, and no use of other District funds, a tax rate of $0.97 per $100 of Assessed Valuation at 95% collection rate would be necessary to pay the Maximum Annual Debt Service Requirements. See "DISTRICT TAX DATA."

Future Debt

The District's voters have authorized the issuance of a total of $192,400,000 of unlimited tax bonds for the purposes of providing water, sewer, and drainage facilities and refunding bonds, and could authorize additional amounts. The District has $187,500,000 of unlimited tax bonds for water, sewer and drainage facilities and refunding purposes; $30,100,000 of unlimited tax bonds for road facilities; and $28,200,000 of unlimited tax bonds for recreational facilities that will remain authorized, but unissued, after the issuance of the Bonds and may additionally issue unlimited tax refunding bonds to refund its outstanding bonds. The District has the right to issue additional new money bonds as may hereafter be approved by both the Board and the voters of the

District and may issue refunding bonds without additional elections so long as they do not exceed the principal amount of then outstanding bonds. Such additional new money bonds or refunding bonds would be issued on a parity with the Bonds. Any future new money bonds to be issued by the District must also be approved by the TCEQ.

Hurricane Ike Damage

The Houston area, including Harris County and Fort Bend County, sustained wind and rain damage as a result of Hurricane Ike's landfall near the upper Texas coast on September 13, 2008. According to the Silver Ranch Developer, the District's Operator, and the District's Engineer, the property within the District did not sustain any significant damage. Damage to property within the District included some roof and fence damage, uprooting of trees and electricity outages which ranged from no outages to two hours of power outage. The District's water quality and wastewater treatment facilities remained operational during the storm and were not materially affected. Also, there was no significant property damage due to storm-related flooding within the District's boundaries. Notwithstanding the lack of significant damage due to Hurricane Ike, the Gulf Coast region in which the District is located, is subject to occasional destructive weather. There can be no assurance the District will not endure similar or worse damage from future meteorological events.

Financing Parks and Recreational Facilities

The District is authorized by statute to develop parks and recreational facilities, including the issuing of bonds payable from taxes for such purpose. Before the District could issue park bonds payable from taxes, the following actions would be required: (a) approval of the park project and bonds by the TCEQ; and (b) approval of the bonds by the Attorney General of Texas. If the District does issue park bonds, the outstanding principal amount of such bonds may not exceed an amount equal to one percent of the value of the taxable property in the District. The District has prepared a park plan and conducted a park bond election that authorized $28,200,000 of park bonds at an election held on November 6, 2007.

Current law may be changed in a manner to increase the amount of bonds that may be issued as related to a percentage of the value of taxable property or to allow a higher or lower maintenance tax rate for such purposes. The levy of taxes for such purposes may dilute the security for the Bonds.

Continuing Compliance with Certain Covenants

Failure of the District to comply with certain covenants contained in the Bond Resolution on a continuing basis prior to the maturity of the Bonds could result in interest on the Bonds becoming taxable retroactively to the date of original issuance. See "TAX MATTERS."

Environmental Regulation

Wastewater treatment and water supply facilities are subject to stringent and complex environmental laws and regulations. Facilities must comply with environmental laws at the federal, state, and local levels. These laws and regulations can restrict or prohibit certain activities that affect the environment in many ways such as:

- Requiring permits for construction and operation of water supply wells and wastewater treatment facilities;
- Restricting the manner in which wastes are released into the air, water, or soils;
- Restricting or regulating the use of wetlands or other property;
- Requiring action to prevent or mitigate pollution;
- Imposing substantial liabilities for pollution resulting from facility operations.

Compliance with environmental laws and regulations can increase the cost of planning, designing, constructing and operating water production and wastewater treatment facilities. Sanctions against a municipal utility district or other type of district ("Utility Districts") for failure to comply with environmental laws and regulations may include a variety of civil and criminal enforcement measures, including assessment of monetary penalties, imposition of remedial requirements, and injunctive relief as to future compliance of and the ability to operate the Utility District's water supply, wastewater treatment, and drainage facilities. Environmental laws and regulations can also impact an area's ability to grow and develop. The following is a discussion of certain environmental concerns that relate to Utility Districts, including the District. It should be noted that changes in environmental laws and regulations occur frequently, and any changes that result in more stringent and costly requirements could materially impact the District.

Air Quality Issues

Air quality control measures required by the United States Environmental Protection Agency (the "EPA") and the Texas Commission on Environmental Quality ("TCEQ") may impact new industrial, commercial and residential development in Houston and adjacent areas. Under the Clean Air Act ("CAA") Amendments of 1990, the eight-county Houston-Galveston area ("HGB area") – Harris, Galveston, Brazoria, Chambers, Fort Bend, Waller, Montgomery and Liberty counties – was designated by the EPA in 2007 as a severe ozone nonattainment area. Such areas are required to demonstrate progress in reducing ozone concentrations each year until the EPA "8-hour" ozone standards are met. In early 2008, both the TCEQ and EPA took comments on the submission of a new

State Implementation Plan ("SIP") which would account for the severe classification of the HGB area and propose ways of complying with the goals for attainment – the attainment date for severe nonattainment regions is June 15, 2019. To provide for reductions in ozone concentrations as a result of this classification, the EPA and the TCEQ have imposed increasingly stringent limits on sources of air emissions and require any new source of significant air emissions to provide for a net reduction of air emissions. If the HGB area fails to demonstrate progress in reducing ozone concentrations or fails to meet EPA's standards, EPA may impose a moratorium on the awarding of federal highway construction grants and other federal grants for certain public works construction projects, as well as severe emissions offset requirements on new major sources of air emissions for which construction has not already commenced.

In order to comply with the EPA's standards for the HGB area, the TCEQ has proposed SIPs setting emission control requirements, some of which regulate the inspection and use of automobiles. These types of measures could impact how people travel, what distances people are willing to travel, where people choose to live and work, and what jobs are available in the HGB area. In response to the severe ozone nonattainment designation, the TCEQ is now working on additional control technology proposals for the next SIP submission to the EPA, which it has requested be finalized by April 2010. This means that additional control strategies will need to be implemented in order to achieve attainment, and it is possible that these additional controls could have a negative impact on the HGB area's economic growth and development.

Water Supply & Discharge Issues

Water supply and discharge regulations that Utility Districts, including the District, may be required to comply with involve: (1) public water supply systems, (2) wastewater discharges from treatment facilities, (3) stormwater discharges and (4) wetlands dredge and fill activities. Each of these is addressed below:

Pursuant to the Safe Drinking Water Act ("SWDA"), potable (drinking) water provided by the District to more than twenty-five (25) people or fifteen (15) service connections will be subject to extensive federal and state regulation as a public water supply system, which include, among other requirements, frequent sampling and analyses. Further, EPA adopted new drinking water rules in 2006 (the Stage 2 Disinfectants and Disinfection Byproducts Rule; the Long Term 2 Enhanced Surface Water Treatment Rule, and the Ground Water Rule), which the TCEQ adopted on December 19, 2007. These new rules, effective January 10, 2008, may increase costs to public water systems for sampling and treatment. Additionally, the EPA has been charged with establishing maximum contaminant levels (MCLs) for potential drinking water contaminants (both naturally occurring and anthropogenic) such as arsenic, lead, radon, and disinfection by-products (e.g. chlorine). Additional or more stringent regulations or requirements pertaining to these and other drinking water contaminants in the future could require installation of more costly treatment facilities.

Operations of the District's sewer facilities will be subject to regulation under the Federal Clean Water Act and the Texas Water Code. All discharges of pollutants into the nation's navigable waters must comply with the Clean Water Act. The Clean Water Act allows municipal wastewater treatment plants to discharge treated effluent to the extent allowed under permits issued pursuant to the National Pollutant Discharge Elimination System ("NPDES") program, a national program established by the Clean Water Act for issuing, revoking, monitoring and enforcing wastewater discharge permits. On September 14, 1998, EPA authorized Texas to implement the NPDES program, which is called the Texas Pollutant Discharge Elimination System ("TPDES") program.

TPDES permits set limits on the type and quantity of discharge, in accordance with state and federal laws and regulations. Any discharges to water bodies designated as impaired streams in accordance with the Clean Water Act may be precluded from obtaining a TPDES permit if pollutants for which the stream is designated as impaired are among those pollutants being released by a Utility District. Moreover, the Clean Water Act and Texas Water Code require municipal wastewater treatment plants to meet secondary treatment effluent limitations. In addition, under the Clean Water Act, states must identify any bodies of water for which more stringent effluent standards are needed to achieve water quality standards and must establish the maximum allowable daily load of certain pollutants into the water bodies. Total maximum daily loads rules can have a significant impact on Utility Districts' ability to obtain and maintain TPDES permits. Utility Districts may be required to expend substantial funds to meet any of these regulatory requirements. If the District fails to achieve compliance with its discharge permits, a private plaintiff or the EPA could institute a civil action for injunctive relief and civil penalties.

Operations of Utility Districts are also potentially subject to stormwater discharge permitting requirements under the Clean Water Act and EPA and TCEQ regulations. The TCEQ issued a general permit for stormwater discharges associated with industrial activities (which was amended and reissued on August 14, 2006) and a general permit for stormwater discharges associated with small municipal separate storm sewer systems (which was issued on August 13, 2007). Utility Districts are also required to develop and implement stormwater pollution prevention plans and stormwater management plans. The District could incur substantial costs to develop and implement such plans as well as to install or implement best management practices to minimize or eliminate unauthorized pollutants that may otherwise be found in stormwater runoff. Failure to comply with these requirements may result in the imposition of administrative, civil, and criminal penalties as well as injunctive relief under the Clean Water Act or the Texas Water Code.

Operations of Utility Districts, including the District, are also potentially subject to requirements and restrictions under the Clean Water Act regarding the use and alteration of wetland areas that are within the "waters of the United States." The District must obtain a permit from the U.S. Army Corps of Engineers if operations of the District require that wetlands be filled, dredged, or otherwise altered.

Subsidence and Conversion to Surface Water Supply

The District is within the boundaries of the Fort Bend Subsidence District (the "Subsidence District"), which regulates groundwater withdrawal. The District's authority to pump groundwater is subject to an annual permit issued by the Subsidence District. The Subsidence District has adopted regulations requiring reduction of groundwater withdrawals through conversion to alternate source water (e.g., surface water) in certain areas within the Subsidence District's jurisdiction, including the area within the District. In 2005, the Texas legislature created the North Fort Bend Water Authority (the "Authority") to, among other things, reduce groundwater usage in, and to provide surface water to, the northern portion of Fort Bend County (including the District) and a small portion of Harris County. The Authority has entered into a Water Supply Contract with the City of Houston, Texas ("Houston") to obtain treated surface water from Houston. The Authority has developed a groundwater reduction plan ("GRP") and obtained Subsidence District approval of its GRP. The Authority's GRP sets forth the Authority's plan to comply with Subsidence District regulations, construct surface water facilities, and convert users from groundwater to alternate source water (e.g., surface water). The District is included within the Authority's GRP.

The Authority, among other powers, has the power to: (i) issue debt supported by the revenues pledged for the payment of its obligations; (ii) establish fees (including fees imposed on the District for groundwater pumped by the District), user fees, rates, charges and special assessments as necessary to accomplish its purposes; and (iii) mandate water users, including the District, to convert from groundwater to surface water. The Authority currently charges the District, and other major groundwater users, $0.60 per 1,000 gallons based on the amount of groundwater pumped. It is expected that the Authority will issue a substantial amount of bonds by the year 2025 to finance the Authority's project costs, and it is expected that the fees charged by the Authority will increase substantially over such period.

Under the Subsidence District regulations and the GRP, the Authority is required to: (i) limit groundwater withdrawals to no more than 70% of the total water demand of the water users within the Authority's GRP, beginning January 2013; and (ii) limit groundwater withdrawals to no more than 40% of the total water demand of the water users within the Authority's GRP, beginning January 2025. If the Authority fails to comply with the above Subsidence District regulations, the Authority is subject to a substantial disincentive fee penalty of $3.25 per 1,000 gallons ("Disincentive Fees") imposed by the Subsidence District for any groundwater withdrawn in excess of 40% of the total water demand in the Authority's GRP. In the event of such Authority failure to comply, the Subsidence District may also seek to collect Disincentive Fees from the District. If the District failed to comply with surface water conversion requirements mandated by the Authority, the Authority would likely impose monetary or other penalties against the District.

The District cannot predict the amount or level of fees and charges, which may be due the Authority in the future, but anticipates the need to pass such fees through to its customers: (i) through higher water rates and/or (ii) with portions of maintenance tax proceeds, if any. In addition, conversion to surface water could necessitate improvements to the System which could require the issuance of additional bonds by the District. No representation is made that the Authority: (i) will build the necessary facilities to meet the requirements of the Subsidence District for conversion to surface water, (ii) will comply with the Subsidence District's surface water conversion requirements, or (iii) will comply with its GRP.

USE OF BOND PROCEEDS

Proceeds from the sale of the Bonds will be used to fund: (1) Water Plant No. 1; (2) Interim Wastewater Treatment Plant Phase 1; (3) a waterline extension to the Interim Wastewater Treatment Plant; (4) certain engineering, materials testing and advertising costs associated with 1 - 3 above; (5) land acquisition costs for the Water Plant No. 1 site, the Interim Wastewater Treatment Plant site, and the drainage channel, including drainage channel condemnation; (6) Interim Wastewater Treatment Plant discharge permit; (7) stormwater pollution prevention; (8) 12 months of capitalized interest on the Bonds; (9) Silver Ranch Developer interest on funds advanced to or on behalf of the District; (10) reimbursement to the Silver Ranch Developer for certain advances for District operations; (11) certain engineering and legal costs associated with the creation of the District; (12) certain engineering and legal costs associated with the annexation of land into the District; and (13) costs related to the issuance of the Bonds.

The Engineer has advised the District that the proceeds listed below should be sufficient for the acquisition of such facilities. The District's present estimate of the use of proceeds of the Bonds as approved by the TCEQ is as follows:

	Total Amount (a)	
CONSTRUCTION COSTS:		
District Items		
Water plant No. 1	$1,448,036	
WWTP interim phase 1	$373,261	
Waterline extension to WWTP	$30,879	
Engineering, materials testing and advertisement costs	$313,604	
Drainage channel condemnation	$228,039	
Wastewater discharge permit	$43,980	
SWPP	$8,085	
Land costs	$506,358	
TOTAL CONSTRUCTION COSTS	**$2,952,242**	
NON-CONSTRUCTION COSTS:		
Legal fees	$137,500	
Financial advisor fees	$98,000	
Interest costs		
Capitalized interest (1 year@ 8.0%)	$392,000	(b)
Developer interest	$649,912	
Bond discount	$147,000	
Bond issuance expenses	$45,179	
Operating expenses	$308,062	(c)
Creation expenses	$18,535	
District annexation	$94,420	
Bond application report	$40,000	
Attorney General's fee	$4,900	
TCEQ bond issuance fee	$12,250	
Contingency (b)	$0	
TOTAL NON-CONSTRUCTION COSTS	**$1,947,758**	
TOTAL BOND ISSUE REQUIREMENT	**$4,900,000**	

(a) TCEQ rules require, with certain exceptions, that developers contribute to the District's construction program a minimum of 30% of the construction costs of certain system facilities. The District has not required such a contribution because none of the facilities being financed with bond proceeds are "developer contribution items" pursuant to TCEQ rules.

(b) The TCEQ Order requires that the District designate any surplus Bond proceeds resulting from the sale of the Bonds at a lower interest rate than the rate initially projected in the District's Bond Application to the TCEQ as a contingency line item in the Final Official Statement. Such funds may be used by the District only in accordance with the TCEQ rules.

(c) Includes $83,578 in capital costs and $224,484 in operating costs. Operating expenses were incurred between December 2004 and July 2006.

THE DISTRICT

Authority

The District is a municipal utility district created on November 21, 1984, by an order of the Texas Water Commission, now known as the Texas Commission on Environmental Quality ("TCEQ"). The District was created pursuant to the authority of Article XVI, Section 59 of the Texas Constitution and operates pursuant to Chapters 49 and 54, Texas Water Code. The rights, powers, privileges, authority, and functions of the District are established by the general laws of the State of Texas pertaining to municipal utility districts, including particularly Chapters 49 and 54, Texas Water Code, as amended. The District is subject to the continuing supervision of the TCEQ. The District is empowered to purchase, construct, operate, and maintain all works, improvements, facilities, and plants necessary for the supply of water; the collection, transportation, and treatment of wastewater; and the control and diversion of stormwater.

Under certain limited circumstances the District also is authorized to construct, develop, and maintain park and recreational facilities and to construct roads. In addition, the District is authorized to establish, operate, and maintain a fire department, independently or with one or more other conservation and reclamation districts, and provide such facilities and services to the customers of the District.

The TCEQ exercises continuing supervisory jurisdiction over the District. In order to obtain the consent of the City of Houston, within whose extraterritorial jurisdiction the District lies, the District has agreed to observe certain City requirements. These requirements limit the purposes for which the District may sell bonds for the acquisition and improvement of waterworks, wastewater, and drainage facilities; limit the net effective interest rate on such bonds and other terms of such bonds; and require approval by the City of the District's construction plans and specifications.

Description and Location

The District, as it was originally created, included approximately 506 acres. Since its creation, the District has excluded certain tracts of land and annexed other tracts of land; the District currently includes approximately 775 acres. The District is located within the extraterritorial jurisdiction of the City of Houston. The District is located south of Interstate 10, west of the Katy Gaston Road, north of FM 1093 and east of FM 1463. The District is located 28 miles west of the City of Houston's central business district. According to the District's engineer, none of the land within the District would be subject to flooding during a hypothetical 100-year flood.

Approximately 77 acres known as Silver Ranch, Section 1 the District are currently developed (203 lots) with water, drainage, and sanitary sewer facilities. As of March 1, 2009, there were approximately 161 homes that were either completed or under construction and 42 developed lots available to be built upon. Silver Ranch, Section 2 (58 lots) is currently under development; such lots are anticipated to be available for homebuilding in May 2009. Approximately 594 additional acres remain to be developed in the future and 91 acres in the District are undevelopable. See "THE DISTRICT – Current Status of Development," and "APPENDIX C – PHOTOGRAPHS TAKEN IN THE DISTRICT."

Status of Land Development/Land Uses in the District

A summary of the approximate land use in the District appears in the following table:

Type of Land Use	Approximate Acres
Developed And Improved Acres	77 (a)
Acres Under Development	13 (b)
Acres Remaining To Be Developed	594
Drainage Easements	63
District Plant Sites	5
Community Association Site(s) and Other Undevelopable Acres	23
Total Approximate Acres	775

(a) Represents the land located in Silver Ranch, Section One.

(b) Represents the land located in Silver Ranch, Section Two.

Current Status of Development

The status of development in the District as of March 1, 2009, is summarized in the table below:

Subdivision/Section	Approx. Acres	Total Lots	Homes Complete	Homes Under Construction	Vacant Lots
Silver Ranch, Section 1	77	203	145	16	42
Silver Ranch, Section 2 (a)	13	58	0	0	0
Other Developable Acreage	594	N/A	N/A	N/A	N/A
Non-Developable Acreage	91	N/A	N/A	N/A	N/A
TOTAL	775	261	145	16	42

(a) Represents new section currently under development where the lots will be completed and made available to homebuilders in May 2009.

THE DISTRICTS' DEVELOPERS

Role of a Developer

In general, the activities of developers in a municipal utility district such as the District include purchasing the land within a district, designing the streets in the subdivision, designing any community facilities to be built, defining a marketing program and building schedule, securing necessary governmental approvals and permits for development, arranging for the construction of roads and the installation of utilities, and selling improved lots and commercial reserves to builders, other developers or other third parties. In most instances, a developer will be required to pay up to 30% of the cost of financing certain water, wastewater and drainage facilities in the utility district exclusive of water and sewage treatment plants (the District has not included facilities subject to the developer's 30% contribution in this bond issue), pursuant to the rules of the TCEQ. In addition, a developer is ordinarily the major taxpayer within a utility district during the property development phase and the developer's inability to pay the taxes assessed on its property within a district would have a materially adverse effect on the revenues of the district. The relative success or failure of a developer to perform development activities within a utility district may have a profound effect on the ability of the district to generate sufficient tax revenues to service and retire all tax bonds issued by the district. While a developer generally commits to pave streets and pay its allocable portion of the costs of utilities to be financed by the utility district through a specific bond issue, a developer is generally under no obligation to a district to undertake development activities with respect to other property that it owns within a district. Furthermore, there is no restriction on a developer's right to sell any or all of the land that the developer owns within a district.

Developers in the District

The District currently has three developers that own land and are at various stages of developing their respective land holdings. The developers in the District are noted on the table below.

Developer	Subdivision	Approximate No. of Acres Owned
Katy 309 Venture, L.P.	Silver Ranch	469
Cardiff 163, L.L.C.	Canyon Lakes at Cardiff Ranch	163
Moody Simmons Katy Gaston, Ltd.	Hawks Landing	143

The Silver Ranch Developer

Katy 309 Venture, L.P. ("Katy 309" or the "Silver Ranch Developer") is a Texas limited partnership that was established for the sole purpose of developing 469 acres of land located within the District. Katy 309 includes Katy 309 (Houston) AIP IV L.P. ("Avanti") as the General Partner and 7 Points Family Partners, Ltd., a Texas limited partnership as the limited partner; the General Partner and the limited partner are comprised of individuals that have invested in other real estate ventures on previous occasions.

The Silver Ranch Developer has entered into a Development and Asset Management Agreement (the "Development Agreement") with Ali Ebrahimi. The Development Agreement enumerates planning, management and control duties of Mr. Ebrahimi as development manager and provides that Mr. Ebrahimi will be reimbursed for project costs incurred and will receive certain base compensation and incentive compensation based upon the profitability of the development.

Ali Ebrahimi holds a B.S. in Civil Engineering from the University of Maryland and a M.S. in Civil Engineering (Urban Planning) from the Catholic University of America. Mr. Ebrahimi has been in the real estate development and construction business outside of the United States since 1969. In 1977 he began active real estate development and investment in Houston, principally through Ersa Grae Corporation ("Ersa Grae"). Ersa Grae was created in 1979 and has been engaged in real estate development and construction in Houston and Dallas, Texas, Nashville, Tennessee, Sarasota and Naples, Florida and Los Angeles, California. Ersa Grae has focused mostly on land development and commercial income properties such as shopping centers and office buildings. Ersa Grae Corporation normally conducts its investment and development activities through special purpose partnerships in which Ersa Grae is typically a partner. Ersa Grae has been responsible for all or a significant portion of the land development activities in approximately 12 different projects during the past 8 years.

The principal(s) of 7 Points Family Partners, Ltd., include, among others, Ali Ebrahimi, President of Ersa Grae and other individuals who have invested in real estate projects with Mr. Ebrahimi in the past.

Silver Ranch Developer's Lot Sale Contracts

The Silver Ranch Developer has separate lot sale option contracts with three builders for the sale of 2 different sized lots as noted in the table below:

Builder	Lot Size	Home Price Range	Sections
Brighton Homes	50 ft. x 110 ft.	$180,000 TO $230,000	1 & 2 (a)
Brighton Homes	65 ft. x 110 ft.	$190,000 TO $280,000	1
Meritage Homes	50 ft. x 110 ft.	$180,000 TO $230,000	1 & 2 (a)
J Patrick Homes	65 ft. x 110 ft.	$190,000 TO $280,000	1

(a) The Section 2 lots will be available for home building in April 2009.

The three lot sale option contracts with the three homebuilders each provide for a small amount of earnest money and include no specific performance requirements on the part of the builders. The purchase price of the lots paid by the builders is equal to a "base price" as of the date of substantial completion of the lots; such "base price" increases at a certain rate of interest per month subsequent to the date of substantial completion/delivery of the lots to the builders. After the initial take-down of lots by each of the builders (upon substantial completion of the lots), each of the builders is required to take down a certain number of lots per quarter; each of the builders is substantially current on their respective lot take-down schedules according to the Silver Ranch Developer. In aggregate, builders are currently obligated to take down approximately 9 lots per quarter. In the aggregate the builders have been adding approximately 8 homes per month. The Silver Ranch Developer is satisfied with the builders' performance and at this point in time is not looking for additional builders to build in the subdivision.

The existence of these lot sale contracts should not in any way be construed as any sort of guarantee that homes will be built on the lots that have been developed or the lots that may be developed in the future by the Silver Ranch Developer.

The Silver Ranch Developer's Development Financing

The Silver Ranch Developer currently has a development loan with a local Houston bank that provides for monthly interest calculated at an interest rate that fluctuates with a local bank's prime rate. The development loan matures on August 12, 2009.

The development loan is a non-recourse loan secured by a note and deed of trust on the unsold lots owned by the Silver Ranch Developer, undeveloped property within the District owned by the Silver Ranch Developer, and assignment of reimbursements that the Silver Ranch Developer is to receive from the District for the development of the land within the District. The development loan provides for lot release prices equal to 100% of the net sale price of the lots to the builders.

According to the Silver Ranch Developer, the development loan is presently current and has never been in default. According to the Silver Ranch Developer, after applying the reimbursement from the Series 2009 Bond proceeds, such development loan will be paid off in full.

Financial Information Concerning the Silver Ranch Developer

For more information concerning the Silver Ranch Developer, see "APPENDIX B – Financial Information Concerning the Silver Ranch Developer." The Silver Ranch Developer is not responsible for, liable for, and has not made any commitment for payment of the Bonds or other obligations of the District, and the inclusion of the Silver Ranch Developer's financial statements and description of its financial arrangements herein should not be construed as an implication to that effect. The Silver Ranch Developer has no legal commitment to the District or owners of the Bonds to continue development of land within the District and may sell or otherwise dispose of its property within the District, or any other assets, at any time. Further, the Silver Ranch Developer's financial condition is subject to change at any time. Because of the foregoing, financial information concerning the Silver Ranch Developer

will neither be updated nor provided following issuance of the Bonds, except as described under "CONTINUING DISCLOSURE OF INFORMATION – SEC RULE 15c2-12."

The Canyon Lakes at Cardiff Ranch Developer

Cardiff 163, L.L.C. is the developer of Canyon Lakes at Cardiff Ranch ("Cardiff 163" or "Canyon Lakes Developer"). Cardiff 163 is a Texas limited liability company established for the purpose of developing approximately 163 acres of land located in the District. The members of Cardiff 163 include Courtney P. Grover (50%) and Al P. Brende (50%); Mr. Grover and Mr. Brende are also the partners of the Land Tejas Companies, a Houston based development company.

Cardiff 163 is currently planning to develop the 163 acres into 65 foot lots (approximately 197) and 75 foot lots (approximately 186) with approximately 10.1 acres currently planned for commercial reserves. It is currently anticipated that the first section of lots will be available for homebuilding in October 2009. Cardiff 163 has 378 of the 383 lots under contract with Westin Homes, Imperial Homes, and Meritage Homes. The business terms of the lot sale contracts include (among other business terms) provisions for substantial earnest money deposits and specific performance provisions by each of the homebuilders. Despite these business provisions in the lot sale contracts, no guarantee can be provided that any homebuilding will take place on such lots when such lots are available for homebuilding.

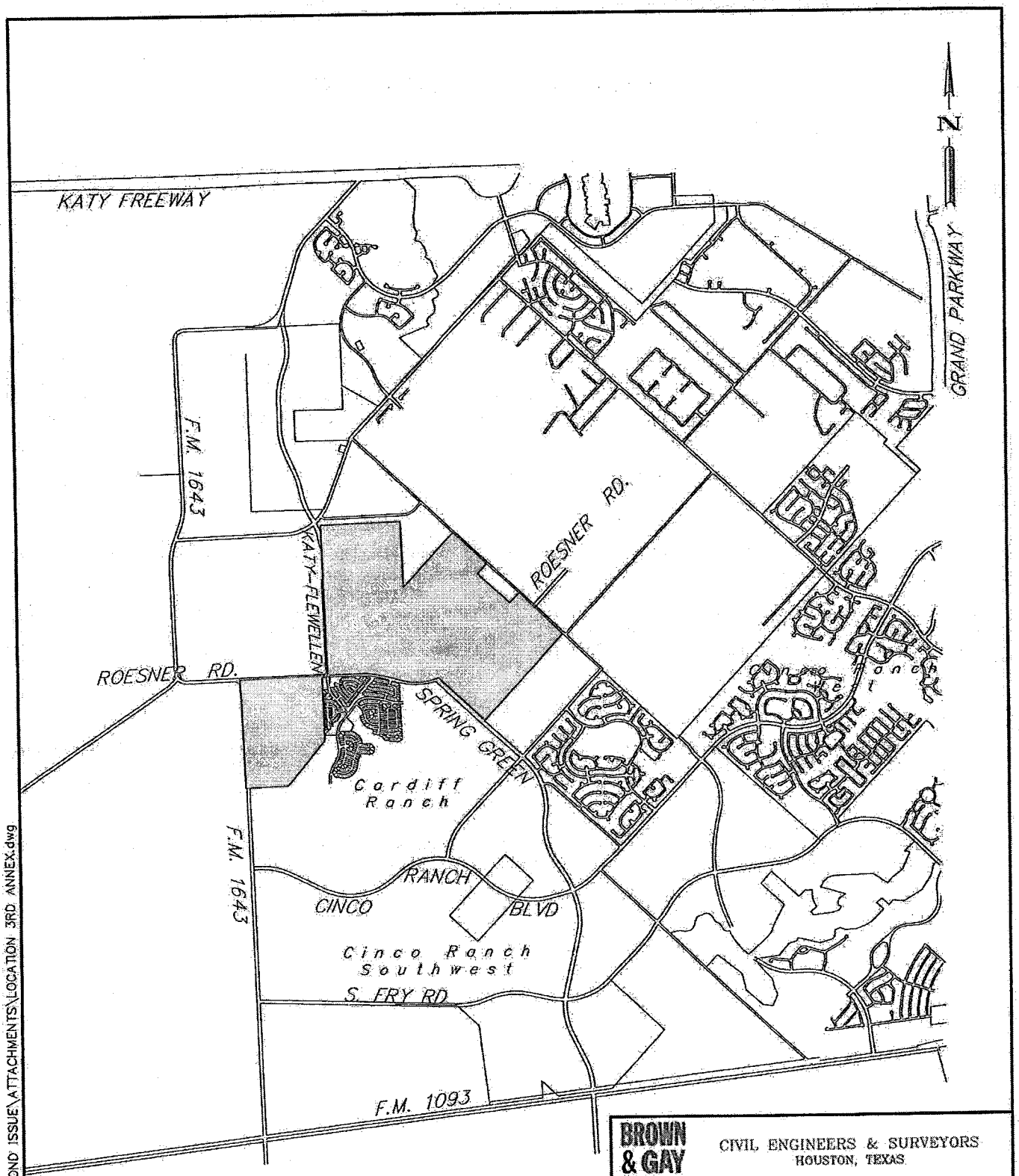
Cardiff 163 currently has a land development loan with a Houston bank. The land development loan is secured by the land owned by the Cardiff 163, net proceeds from the sale of lots to homebuilders and the developer reimbursements to be received from the District. The development loan has an interest rate that fluctuates with the bank's prime rate of interest and matures on May 31, 2010. According to Cardiff 163, the development loan is current and such loan has never been in default.

The Hawks Landing Developer

Moody Simmons Katy Gaston, Ltd. ("Moody Simmons" or "Hawks Landing Developer") is the developer of Hawks Landing. Moody Simmons is a Texas limited partnership established for the purpose of developing approximately 143 acres of land located in the District. Moody Simmons includes Moody Simmons Katy Gaston, GP, LLC, as the general partner of the partnership, which in turn includes Dan Moody, Jr. and Chuck Simmons, both of whom have been active in the Houston residential and commercial development business for the past 40 years.

Moody Simmons has completed the engineering design work and is currently planning to develop the 143 acres into 55 foot lots (approximately 338) and 65 foot lots (approximately 163). According to Moody Simmons, no firm date exists for the delivery of the first section of lots to homebuilders.

Moody Simmons currently has a land development loan with a Houston bank. The land development loan is secured by the land owned by Moody Simmons, net proceeds from the sale of lots to homebuilders and developer reimbursements to be received from the District. The development loan has an interest rate that fluctuates with the banks prime rate of interest and matures on December 7, 2010. According to Moody Simmons, the development loan is current and such loan has never been in default.



L:\PROJECTS\FBMUD58\FIRST BOND ISSUE\ATTACHMENTS\LOCATION 3RD ANNEX.dwg

BROWN & GAY ENGINEERS, INC.

CIVIL ENGINEERS & SURVEYORS
HOUSTON, TEXAS

FT. BEND COUNTY M.U.D. 58
FIRST BOND APPLICATION
LOCATION MAP

Scale:	Job No.:	Date:	Attachment:
N.T.S.	05860-02	JULY 2008	IV

DESCRIPTION OF THE DISTRICT'S SYSTEM

Description of the System and Regulation

The District is financing the acquisition and construction of Water Plant No. 1 and the Interim Wastewater Treatment Plant Phase 1 with proceeds of the Bonds and future bond issues will be used to finance water, wastewater and drainage facilities (the "System"). Such facilities include water distribution, wastewater collection and storm drainage facilities to serve Silver Ranch, Sections One and Two. Such facilities have been designed in conformance with accepted engineering practices and the requirements of certain governmental agencies having regulatory or supervisory jurisdiction over the construction and operation of such facilities, including, as applicable, among others, the TCEQ, Fort Bend County, Fort Bend Subsidence District, and the City of Houston. According to the District's engineer, all such facilities constructed to date have been approved by all required governmental agencies. During construction, such facilities are subject to inspection by the foregoing governmental agencies having jurisdiction.

Operation of the System is subject to regulation by, among others, the United States Environmental Protection Agency and the TCEQ. In many cases, regulations promulgated by these agencies have become effective only recently and are subject to further development and revision. According to the District's engineer, the Flood Hazard Boundary Map currently in effect published by the Federal Emergency Management Agency, which covers land located in the District, indicates that none of the land located in the District is located with in the 100-year floodplain.

Water Plant, Wastewater Treatment Plant and Drainage System

-Water Plant-

The District obtains all of its water supply from groundwater. Water Plant No. 1 includes a 1,300 gallon per minute ("gpm") well; 15,000 gallons of hydropneumatic tank capacity; a 280,000 gallon ground storage tank; and 4,300 gpm of booster pump capacity. The water plant, which supplies water to the District, has capacity capable of serving approximately 250 ESFC's. The water plant capacity is adequate to serve all of the lots currently in the District. The District has entered into an emergency water interconnect with an adjoining district, Fort Bend County Municipal Utility District No. 57. Given the District's water plant, and upon the completion of the interconnect with Fort Bend County Municipal Utility District No. 57, the District will have water supply capacity capable of serving 750 ESFC's.

-Interim Wastewater Treatment Plant-

The District has constructed the Interim Wastewater Treatment Plant that has a rated capacity of 175,000 gpd. According to the Engineer, the Interim Wastewater Treatment Plant has capacity to serve approximately 555 ESFCs.

-Drainage System-

The underground storm sewer facilities to serve Silver Ranch, Section One is complete. Additionally, the District's drainage system currently includes collection systems and drainage channels that carry water to Willow Fork of Buffalo Bayou.

MANAGEMENT OF THE DISTRICT

The District is governed by a board of directors (the "Board") which has control over and management supervision of all affairs of the District. None of the directors reside in the District; each of the directors owns a parcel of land in the District subject to a note and deed of trust. A directors' election is held within the District in May in even-numbered years. Directors are elected to serve four-year staggered terms. The current members and officers of the Board, along with their titles on the Board, are listed below.

Name	Title	Term Expires May
Walter Zelop	President	2012
Gary Hanson	Vice President	2012
Elizabeth Dorman	Assistant Vice President	2010
Joyce Arrington Smith	Secretary	2010
Pamela August	Assistant Secretary	2012

The District does not employ a general manager or any other full-time employees. The District has contracted for utility system operating, bookkeeping, tax assessing and collecting services and annual auditing of its books as follows:

Tax Assessor/Collector - The District's Tax Assessor/Collector is Assessments of the Southwest, Inc., who is employed under an annual contract and represents approximately 120 other utility districts.

Bookkeeper - The District's Bookkeeper is Myrtle Cruz, Inc., which acts as bookkeeper for approximately 150 other utility districts.

Auditor - The District's annual financial statements as of July 31, 2008, have been audited by BKD, LLP, Certified Public Accountants. See "APPENDIX A" for a copy of the District's July 31, 2008, audited financial statement. A copy of the Management Letter from the District's auditor to the District's Board of Directors relating to the District's financial reporting under Statement of Auditing Standards No. 112, including the District's response thereto, is included in APPENDIX A.

Utility System Operator - The System's operator is SWWC Services, Inc., which currently acts as utility system operator for approximately 130 utility districts.

Engineer - The consulting engineer for the District is Brown & Gay Engineers, Inc. (the "Engineer").

Financial Advisor - The GMS Group, L.L.C., serves as Financial Advisor to the District, and is paid an hourly fee for certain work performed for the District and a contingent fee to be computed on each separate issuance of the bonds, if and when such bonds are delivered. The District has adopted a resolution consenting to and allowing The GMS Group, L.L.C., to submit a bid for the Bonds.

Bond Counsel – Allen Boone Humphries Robinson LLP serves as Bond Counsel to the District and as counsel for the District on matters other than the issuance of bonds. Fees paid for the Bond Counsel services will be paid from proceeds of the Bonds; such fees are contingent upon the sale and delivery of such Bonds.

Disclosure Counsel – Fulbright & Jaworski L.L.P., Houston, Texas, has been engaged by the District to serve as Disclosure Counsel on certain matters related to the sale and delivery of the Bonds but such advise should not be relied upon by the purchasers as a due diligence undertaking on their behalf. Fees of the Disclosure Counsel will be paid from proceeds of the Bonds; however, such fees are not contingent upon the sale and delivery of such Bonds.

DISTRICT INVESTMENT POLICY

The District has adopted an Investment Policy as required by the Public Funds Investment Act, Chapter 2256, Texas Government Code, as amended. The District's goal is to preserve principal and maintain liquidity while securing a competitive yield in its portfolio. Funds of the District are invested in short-term U.S. Treasuries, certificates of deposit insured by the Federal Deposit Insurance Corporation ("FDIC") or secured by collateral evidenced by perfected safekeeping receipts held by a third party bank, and public funds investment pools rated in the highest rating category by a nationally recognized rating service. The District does not currently own, nor does it anticipate, the inclusion of long-term securities or derivative products in the District portfolio.

DISTRICT DEBT

1/1/2009 Estimated Taxable Valuation	$45,664,470	(a)
2008 Taxable Valuation	$24,384,215	(b)
Direct Debt		
Outstanding Bonds (including the Bonds)	$4,900,000	
Total Direct Debt	$4,900,000	
Estimated Overlapping Debt	$1,332,881	
Direct and Estimated Overlapping Debt	$6,232,881.	
Percentage of Direct Debt to:		
1/1/2009 Estimated Taxable Valuation	10.73%	
2008 Taxable Valuation	20.09%	
Percentage of Direct and Estimated Overlapping Debt to:		
1/1/2009 Estimated Taxable Valuation	13.65%	
2008 Taxable Valuation	25.56%	
2008 Tax Rate Per $100 of Assessed Value		
Debt Service Tax	$0.00	
Maintenance Tax	$1.50	
Total 2008 Tax Rate	$1.50	(c)
Cash and Temporary Investment Balances as of June 15, 2008		
General Fund	$280,000	
Debt Service Fund	$392,000	(d)

(a) Reflects data supplied by Fort Bend Central Appraisal District ("FBCAD"). The Estimated Taxable Value as of 1/1/2009 was prepared by FBCAD and provided to the District. Such values are not binding on FBCAD, and the new values will not be included on the District's tax roll until the 2009 tax roll is prepared and certified by FBCAD during the second half of 2009. (See "DISTRICT TAX DATA" and "TAX PROCEDURES").

(b) Represents a certified value as provided by FBCAD. See "DISTRICT TAX DATA - Analysis of Tax Base."

(c) The District has levied a $1.50 operations and maintenance tax for the last four years; it is currently anticipated that in 2009 the District will levy a total tax rate of $1.50 comprising $0.85 debt service tax rate and $0.65 operation and maintenance tax rate. See "DISTRICT TAX DATA" herein.

(d) Represents the pro-forma balance after the deposit of Capitalized Interest from the Series 2009 Bond Proceeds to the Debt Service Fund. Neither Texas law nor the District's Bond Resolution requires that the District maintain any particular balance in the Debt Service Fund. See "DISTRICT TAX DATA - Tax Adequacy of Tax Revenue."

Estimated Overlapping Debt

Other governmental entities whose boundaries overlap the District have outstanding bonds payable from ad valorem taxes. The following statement of direct and estimated overlapping ad valorem tax debt was developed from information contained in the "Texas Municipal Reports," published by the Municipal Advisory Council of Texas and from information obtained directly from certain jurisdictions. Except for the amounts relating to the District, the District has not independently verified the accuracy or completeness of such information, and no person is entitled to rely upon such information as being accurate or complete. Furthermore, certain of the entities listed below may have issued additional bonds, the amount of which has not been reported. Political subdivisions overlapping the District are authorized by Texas law to levy and collect ad valorem taxes for operation, maintenance and/or general revenue purposes in addition to taxes for payment of their debt, and some are presently levying and collecting such taxes.

Taxing Entity	Approximate Outstanding Debt	Estimated Overlapping Overlapping %	Estimated Overlapping Amount
Fort Bend County	$212,020,000	0.06%	$ 127,212
Katy Independent School District	$927,438,033	0.13%	1,205,669
Total Estimated Overlapping Debt			1,332,881
The District (a)			4,900,000
Total Direct and Estimated Overlapping Debt			$6,232,881

(a) Includes the Bonds.

DISTRICT TAX DATA

Tax Rate and Collections

The following table sets forth the historical tax information collection experience of the District for the years 2005 through 2008. Such table has also been prepared based upon information from District records. Reference is made to such records for further and complete information.

Tax Year	Taxable Valuation		Tax Rate (a)	Tax Levy	Cumulative Tax Collections	Tax Year Ending September 30
2008	$24,384,215		$1.50	$365,763	100%	(b)
2007	3,772,733		1.50	56,591	100%	2008
2006	971,190	(c)	1.50	14,568	100%	2007
2005	227,900	(c)	1.50	3,419	100%	2006

(a) See -"Tax Rate Distribution" herein.
(b) As of March 30, 2009.
(c) A significant portion of the land within the District was subject to an agricultural valuation for the 2005 and 2006 tax rolls.

Maintenance Tax

The Board has the statutory authority to levy and collect an annual ad valorem tax for maintenance and operation of the District and its facilities. Such tax is in addition to taxes which the District is authorized to levy for paying principal of and interest on the Bonds, and any tax bonds that may be issued in the future. The District's voters have authorized a maintenance tax of up to $1.50 per $100.00 of assessed valuation at an election held on February 5, 2005. The District's voters have authorized a road maintenance tax of up to $0.25 per $100.00 of assessed valuation at an election held on November 6, 2007. See "Tax Rate Distribution" herein.

Tax Rate Distribution

The following table sets forth the tax rate distribution of the District for the years 2005 through 2008.

	2008	2007	2006	2005
Debt Service	$0.00	$0.00	$0.00	$0.00
Maintenance/Operation	1.50	1.50	1.50	1.50
Total	$1.50	$1.50	$1.50	$1.50

Additional Penalties

The District has contracted with a delinquent tax attorney to collect certain delinquent taxes. In connection with that contract, the District can establish an additional penalty of twenty percent (20%) of the tax to defray the costs of collection. This 20% penalty applies to taxes that either: (1) become delinquent on or after February 1 of a year, but not later than May 1 of that year, and that remain delinquent on April 1 (for personal property) and July 1 (for real property) of the year in which they become delinquent or (2) become delinquent on or after June 1, pursuant to the Texas Tax Code.

Principal Taxpayers

The list of principal taxpayers for 2008 and the other information provided by this table were provided by FBCAD to the District's Tax Assessor/Collector based on certified tax rolls net of any exemptions from taxation. This table does not reflect any corrections pursuant to subsequent action of FBCAD.

Property Owner	Property Description	Property Value	Percent of Total
Katy 309 Venture LP	Lots/Blocks	$10,311,840	42.29% (a)
Moody Simmons Katy Gaston Ltd	Land	5,349,860	21.94%
Cardiff 163 LLC	Land	3,932,840	16.13%
K Hovnanian of Houston II LLC	Lots/Blocks	990,280	4.06%
Teppco Crude Pipeline LP	Commercial	816,260	3.35%
J Patrick Homes Inc	Home/Lot	332,240	1.36%
Meritage Homes of Texas LP	Home/Lot	307,770	1.26%
Resident	Home/Lot	267,480	1.10%
Resident	Home/Lot	241,930	0.99%
Resident	Home/Lot	234,710	0.96%
TOTAL		$22,785,210	93.44%

(a) Represents land owned by the Silver Ranch Developer as of January 1, 2008. Based upon FBCAD's 2009 Estimated Taxable Valuation of $45,664,470 as of January 1, 2009, and according to the Silver Ranch Developer's records and information provided to the Silver Ranch Developer by FBCAD, the Silver Ranch Developer estimates it will represent approximately 21% of the 2009 tax roll.

Analysis of Tax Base

Based on information provided to the District by its Tax Assessor/Collector, the following represents the composition of property comprising the gross tax roll valuations and the deferments for 2005 through 2008.

Tax Roll	Type of Property					
Year	Land	Improvements	Personal Property	Gross Valuations	Exemptions	Taxable Valuations
2008	$24,071,200	$3,198,810	$980,510	$28,250,520	$3,866,305	$24,384,215
2007	$11,915,610	$38,200	$771,543	$12,725,353	$8,952,620	$3,772,733
2006	$7,638,430	$38,440	$721,380	$8,398,250	$7,427,060 (b)	$971,190
2005	$5,544,110	$60,980	$0	$5,605,090	$5,377,190 (b)	$227,900

(a) The District has received an Estimated Taxable Valuation as of January 1, 2009, that was prepared by the Fort Bend Central Appraisal District ("FBCAD") and provided to the District for informational purposes only of $45,664,470. The Estimated Taxable Valuation is not binding on FBCAD, and values resulting from new land development or construction in the District since January 1, 2008, will not be included on the District's tax roll until the January 1, 2009, certified appraisal roll is prepared by FBCAD later this calendar year. See "DISTRICT TAX DATA" and "TAXING PROCEDURES."

(b) Represents the land within the District that was subject to an agricultural valuation for the 2005, 2006, 2007 and 2008 tax rolls. Subsequent to January 1, 2008 no land in the District is subject to an agricultural exemption.

Estimated Overlapping Taxes

The following table sets forth all 2008 taxes levied by overlapping taxing jurisdictions. No recognition is given to local assessments for civic association dues, fire department contributions, solid waste disposal charges, or any other levy by entities other than political subdivisions.

Taxing Entities	2008 Tax Rates
Katy I.S.D.	$1.52660
Fort Bend County	0.48376
Fort Bend County Drainage District	0.01600
Fort Bend County Emergency Service District No. 2	0.08830
Overlapping Taxes	$2.11466
The District	1.50000
Total Direct & Overlapping Taxes	$3.61466

Tax Adequacy of Tax Revenue

The calculations shown below are solely for the purpose of illustration, reflect no net revenues of the System, no transfers of surplus funds from the District's Operating Fund to the Debt Service Fund, and no increase or decrease in assessed valuation over the 2008 Taxable Valuation and the 1/1/2009 Estimated Taxable Valuation and utilize a tax rate adequate to service the District's total debt service requirements after issuance of the Bonds.

Maximum Annual Debt Service Requirements (2016) $419,125

Requires a $0.97 debt service tax rate on the 1/1/2009 Estimated Taxable Valuation at 95% collection $420,798
Requires a $1.81 debt service tax rate on the 2008 Taxable Valuation at 95% collections $419,287

TAXING PROCEDURES

Authority to Levy Taxes

The Board is authorized to levy an annual ad valorem tax, without legal limitation as to rate or amount, on all taxable property within the District in an amount sufficient to pay the principal and interest on the Bonds and any additional bonds payable from taxes that the District may hereafter issue (see "RISK FACTORS - Future Debt") and to pay the expenses of assessing and collecting such taxes. The District agrees in the Bond Resolution to levy such a tax from year to year as described more fully in this Official Statement under the caption "THE BONDS - Source of and Security for Payment." Under Texas law, the Board may also levy and collect an annual ad valorem tax for the operation and maintenance of the District and its water and wastewater system (see "DISTRICT TAX DATA - Maintenance Tax") and for the payment of certain contractual obligations if authorized by the voters in the District.

Property Tax Code and County-Wide Appraisal District

The Texas Property Tax Code (the "Property Tax Code") specifies the taxing procedures of all political subdivisions of the State of Texas, including the District. Provisions of the Property Tax Code are complex and are not fully summarized here. The Property Tax Code requires, among other matters, county-wide appraisal and equalization of taxable property values and establishes in each county of the State of Texas an appraisal district with the responsibility for recording and appraising property for all taxing units in a county and an appraisal review board with responsibility for reviewing and equalizing the values established by the appraisal district. The Fort Bend Central Appraisal District (the "Appraisal District") has the responsibility for appraising property for all taxing units within Fort Bend County, including the District. Such appraisal values are subject to review and change by the Fort Bend Central Appraisal Review Board (the "Appraisal Review Board").

Property Subject to Taxation by the District

Except for certain exemptions provided by Texas law, all real property, tangible personal property held or used for the production of income, mobile homes, and certain categories of intangible personal property with a tax situs in the District are subject to taxation by the District. Principal categories of exempt property include, but are not limited to, property owned by the State of Texas or its political subdivisions if the property is used for public purposes; property exempt from ad valorem taxation by federal law; certain household goods, family supplies, and personal effects; certain goods, wares, and merchandise in transit; farm products owned by the producer; certain property of charitable organizations, youth development associations, religious organizations, and qualified schools; designated historical sites; and most individually owned automobiles. In addition, the District may by its own action exempt residential homesteads of persons sixty-five (65) years or older and of certain disabled persons, and travel trailers, to the extent deemed advisable by the Board. The District may be required to offer such an exemption if a majority of voters approve it at an election. The

District would be required to call such an election upon petition by twenty percent (20%) of the number of qualified voters who voted in the preceding election. The District is authorized by statute to disregard exemptions for the disabled and elderly if granting the exemption would impair the District's obligation to pay tax-supported debt incurred prior to adoption of the exemption by the District. Furthermore, the District must grant exemptions to disabled veterans or certain surviving dependents of disabled veterans, if requested, but only to the maximum extent of $3,000, or between $5,000 and $12,000 depending on the disability rating of the veteran, of taxable valuation.

Residential Homestead Exemptions: The Property Tax Code authorizes the governing body of each political subdivision in the State of Texas to exempt up to twenty percent (20%) of the appraised value of residential homesteads from ad valorem taxation. Where ad valorem taxes have previously been pledged for the payment of debt, the assessor and collector of a political subdivision may continue to levy and collect taxes against the exempt value of the homesteads until the debt is discharged if the cessation of the levy would impair the obligations of the contract by which the debt was created. The adoption of a homestead exemption may be considered each year, but must be adopted by July 1. The District has never adopted an order granting a general residential homestead exemption.

Freeport Goods and Goods-in-Transit Exemptions: Freeport goods are goods, wares, merchandise, other tangible personal property, and ores, other than oil, natural gas, and other petroleum products, that have been acquired or brought into the state for assembling, storing, manufacturing, repair, maintenance, processing, or fabricating, or used to repair or maintain aircraft of a certified air carrier, and shipped out of the state within 175 days. Freeport goods are exempted from taxation by the District. Effective January 1, 2008, a "Goods-in-Transit Exemption" may apply to certain tangible personal property that is acquired in or imported into Texas for assembling, storing, manufacturing or fabrication purposes which is destined to be forwarded to another location in Texas not later than 175 days after acquisition or importation, so long as the location where said goods are detained is not directly or indirectly owned by the owner of the goods. The District has taken action to allow taxation of goods-in-transit, and accordingly, the exemption is not available within the District. A taxpayer may not claim both a Freeport Goods Exemption and a Goods-in-Transit Exemption on the same property.

Tax Abatement

Fort Bend County or the City of Houston may designate all or part of the area within the District as a reinvestment zone. Thereafter, the City of Houston (after annexation), Fort Bend County, Katy Independent School District, or the District, at the option and discretion of each entity, may enter into tax abatement agreements with owners of property within the zone. Prior to entering into a tax abatement agreement, each entity must adopt guidelines and criteria for establishing tax abatement, which each entity will follow in granting tax abatement to owners of property. The tax abatement agreements may exempt from ad valorem taxation by each of the applicable taxing jurisdictions, including the District, for a period of up to ten (10) years, all or any part of any increase in the assessed valuation of property covered by the agreement over its assessed valuation in the year in which the agreement is executed, on the condition that the property owner make specified improvements or repairs to the property in conformity with the terms of the tax abatement. Each taxing jurisdiction, including the District, has discretion to determine terms for its tax abatement agreements without regard to the terms approved by the other taxing jurisdictions.

Valuation of Property for Taxation

Generally, property in the District must be appraised by the Appraisal District at market value as of January 1 of each year. Once an appraisal roll is prepared and finally approved by the Appraisal Review Board, it is used by the District in establishing its tax rolls and tax rate. Assessments under the Property Tax Code are to be based on one hundred percent (100%) of market value, as such is defined in the Property Tax Code.

The Property Tax Code permits land designated for agricultural use, open space, or timberland to be appraised at its value based on the land's capacity to produce agricultural or timber products rather than at its market value. The Property Tax Code permits, under certain circumstances, that residential real property inventory held by a person in the trade or business be valued at the price all such property would bring if sold as a unit to a purchaser who would continue the business. Landowners wishing to avail themselves of the agricultural use, open space, or timberland designation or residential real property inventory designation must apply for the designation, and the chief appraiser is required by the Property Tax Code to act on each claimant's right to the designation individually. A claimant may waive the special valuation as to taxation by some political subdivisions while claiming it for another. If a claimant receives the agricultural use designation and later loses it by changing the use of the property or selling it to an unqualified owner, the District can collect taxes based on the new use, including taxes for the previous three (3) years for agricultural use and taxes for the previous five (5) years for open space land and timberland.

The Property Tax Code requires the Appraisal District to implement a plan for periodic reappraisal of property to update appraisal values. The plan must provide for appraisal of all real property in the Appraisal District at least once every three (3) years. It is not known what frequency of reappraisal will be utilized by the Appraisal District or whether reappraisals will be conducted on a zone- or county-wide basis. The District, however, at its expense, has the right to obtain from the Appraisal District a current estimate of appraised values within the District or an estimate of any new property or improvements within the District. While such current estimate of appraised values may serve to indicate the rate and extent of growth of taxable values within the District, it cannot be used

for establishing a tax rate within the District until such time as the Appraisal District chooses to formally include such values on its appraisal roll.

District and Taxpayer Remedies

Under certain circumstances, taxpayers and taxing units (such as the District) may appeal orders of the Appraisal Review Board by filing a timely petition for review in State district court. In such event, the value of the property in question will be determined by the court or by a jury if requested by any party. Additionally, taxing units may bring suit against the Appraisal District to compel compliance with the Property Tax Code.

The Property Tax Code sets forth notice and hearing procedures for certain tax rate increases by the District and provides for taxpayer referenda that could result in the repeal of certain tax increases. The Property Tax Code also establishes a procedure for notice to property owners of reappraisals reflecting increased property values, appraisals that are higher than renditions, and appraisals of property not previously on an appraisal roll.

Levy and Collection of Taxes

The District is responsible for the levy and collection of its taxes unless it elects to transfer such functions to another governmental entity. The rate of taxation is set by the Board of Directors, after the legally required notice has been given to owners of property within the District, based upon a) the valuation of property within the District as of the preceding January 1, and b) the amount required to be raised for debt service, maintenance purposes and authorized contractual obligations. Taxes are due October 1, or when billed, whichever comes later, and become delinquent if not paid before February 1 of the year following the year in which imposed. A delinquent tax incurs a penalty of six percent (6%) of the amount of the tax for the first calendar month it is delinquent, plus one percent (1%) for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent. If the tax is not paid by July 1 of the year in which it becomes delinquent, the tax incurs a total penalty of twelve percent (12%) regardless of the number of months the tax has been delinquent and incurs an additional penalty for collection costs of an amount established by the District and a delinquent tax attorney. A delinquent tax on personal property incurs an additional penalty, in an amount established by the District and a delinquent tax attorney, 60 days after the date the taxes become delinquent. Similarly, a delinquent tax on real property incurs such additional penalty on July 1 of the year in which taxes become delinquent. For those taxes billed at a later date and that become delinquent on or after June 1, they will also incur an additional penalty for collection costs of an amount established by the District and a delinquent tax attorney not to exceed 20%. The delinquent tax accrues interest at a rate of one percent (1%) for each month or portion of a month it remains unpaid. The Property Tax Code makes provisions for the split payment of taxes, discounts for early payment and the postponement of the delinquency date of taxes under certain circumstances which, at the option of the District, may be rejected.

Rollback of Operation and Maintenance Tax Rate

The qualified voters of the District have the right to petition for a rollback of the District's operation and maintenance tax rate only if the total tax bill on the average residence homestead increases by more than eight percent. If a rollback election is called and passes, the rollback tax rate is the current year's debt service and contract tax rates plus 1.08 times the previous year's operation and maintenance tax rate. Thus, debt service and contract tax rates cannot be changed by a rollback election.

District's Rights in the Event of Tax Delinquencies

Taxes levied by the District are a personal obligation of the owner of the property as of January 1 of the year for which the tax is imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all state and local taxes, penalties, and interest ultimately imposed for the year on the property. The lien exists in favor of the State of Texas and each local taxing unit, including the District, having power to tax the property. The District's tax lien is on a parity with tax liens of other such taxing units (see "DISTRICT TAX DATA - Overlapping Taxes"). A tax lien on real property takes priority over the claim of most creditors and other holders of liens on the property encumbered by the tax lien whether or not the debt or lien existed before the attachment of the tax lien; however, whether a lien of the United States is on a parity with or takes priority over a tax lien of the District is determined by applicable federal law. Personal property, under certain circumstances, is subject to seizure and sale for the payment of delinquent taxes, penalty, and interest.

At any time after taxes on property become delinquent, the District may file suit to foreclose the lien securing payment of the tax, to enforce personal liability for the tax, or both. In filing a suit to foreclose a tax lien on real property, the District must join other taxing units that have claims for delinquent taxes against all or part of the same property and land designated for agricultural use and six months for all other property. Collection of delinquent taxes may be adversely affected by the amount of taxes owed to other taxing units, by the effects of market conditions on the foreclosure sale price, by taxpayer redemption rights (a taxpayer may redeem property within six months for commercial property, within two years for residence homesteads and land designated for agricultural use and six months for all other property after the purchaser's deed issued at the foreclosure sale is filed in the county records), or by bankruptcy proceedings that restrict the collection of taxpayer debts. See "RISK FACTORS - Tax Collections."

ANNEXATION, STRATEGIC PARTNERSHIP AGREEMENT, AND CONSOLIDATION

Annexation by the City of Houston

Under existing Texas law, since the District lies wholly within the extraterritorial jurisdiction of the City of Houston, the District must conform to a City of Houston ordinance consenting to the creation of the District. In addition, the District may be annexed by the City of Houston without the District's consent. If the District is annexed, the City will assume the District's assets and obligations (including the Bonds) and dissolve the District within ninety (90) days, except as provided below under "Strategic Partnership Agreement." Annexation of territory by the City is a policy-making matter within the discretion of the Mayor and City Council of the City of Houston, and therefore, the District makes no representation that the City of Houston will ever annex the District and assume its debt, nor does the District make any representation concerning the ability of the City of Houston to pay debt service on the District's bonds if annexation were to occur.

Strategic Partnership Agreement

The District is authorized to enter into a strategic partnership agreement with the City of Houston to provide the terms and conditions under which services would be provided and funded by the parties and under which the District would continue to exist for an extended period if the land within the District were to annexed for full or limited purposes by the City. The terms of any such agreement would be determined by the City and the District, and could provide for the conversion of a limited purpose annexation to a general purpose annexation or the payment of a fee by the District based on the costs of providing municipal services to the District. The agreement could also provide for the collection of the City's sales and use taxes within the District. Although the City has negotiated and entered into such an agreement with many other districts in its extraterritorial jurisdiction, none is currently contemplated with respect to the District although no representation can be made regarding the future likelihood of an agreement or the terms thereof.

Consolidation

The District has the legal authority to consolidate with other districts and, in connection therewith, to provide for the consolidation of its assets (such as cash and the utility system) and liabilities (such as the Bonds) with the assets and liabilities of districts with which it is consolidating. Although no consolidation is presently contemplated by the District, no representation is made concerning the likelihood of consolidation in the future.

THE BONDS

General

The Bond Resolution authorizes the issuance and sale of the Bonds and prescribes terms, conditions and provisions for the payment of the principal of and interest on the Bonds by the District. Set forth below is a summary of certain provisions of the Bond Resolution. Capitalized terms in such summary are used as defined in the Bond Resolution. Such summary is not a complete description of the entire Bond Resolution and is qualified in its entirety by reference to the Bond Resolution, copies of which are available from the District's Bond Counsel upon request.

The Bonds are dated and will bear interest from May 1, 2009, at the per annum rates shown on the cover page hereof. The Bonds are fully registered, serial bonds maturing on April 1 in the years 2013 through 2038, inclusive, in the principal amounts set forth on the cover page hereof. Interest on the Bonds is payable October 1, 2009, and each April 1 and October 1 thereafter until the earlier of maturity or redemption. The Record Date on the Bonds is the 15th day of the calendar month next preceding the interest payment date.

The Bonds will be issued only in fully registered form in any integral multiple of $5,000 of principal amount for any one maturity and will be initially registered and delivered only to Cede & Co., the nominee of the Depository Trust Company ("DTC") pursuant to the Book-Entry-Only System described herein. No physical delivery of the Bonds will be made to the owners thereof. Principal of, premium, if any, and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the beneficial owners of the Bonds. See "THE BONDS – Book-Entry-Only System" herein.

In the event that the Book-Entry-Only System is discontinued, interest on the Bonds shall be payable by check on or before each interest payment date, mailed by the Paying Agent/Registrar to the registered owners ("Registered Owners") as shown on the bond register (the "Register") kept by the Paying Agent/Registrar at the close of business on the 15th calendar day of the month immediately preceding each interest payment date to the address of such Registered Owner as shown on the Register, or by such other customary banking arrangements as may be agreed upon by the Paying Agent/Registrar and a Registered Owner at the risk and expense of such Registered Owner.

Book-Entry-Only System

The Depository Trust Company (the "DTC"), New York, NY, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for the Bonds, in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (the "DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices he provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede

& Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the District or Agent. Under such circumstances, in the event that a successor depository is not obtained, Bonds are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bonds will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy thereof.

Optional Redemption

The District reserves the right to redeem, prior to maturity, the Bonds maturing on or after April 1, 2017, in whole or in part from time to time, on April 1, 2016, or on any date thereafter, at a price of par plus accrued interest to the date of redemption. If fewer than all of the Bonds are to be redeemed, the particular Bonds to be redeemed will be selected by the District. If fewer than all of the Bonds within any one maturity are redeemed, the particular Bonds to be redeemed shall be selected by the Registrar by lot or other random selection method. Notice of each exercise of the right of redemption will be given at least thirty days prior to the date fixed for redemption by mailing written notice by first class mail to each of the Registered Owners (the "Registered Owners") of the Bonds to be redeemed. When Bonds have been called for redemption, they will become due and payable on the redemption date.

Source of and Security for Payment

The Bonds are secured by and payable from the levy of a continuing, direct, annual ad valorem tax, without legal limitation as to rate or amount, levied against all taxable property in the District. In the Bond Resolution, the District covenants to levy a sufficient tax to pay principal of and interest on the Bonds, with full allowance being made for delinquencies, costs of collections, Registrar fees, and Appraisal District fees. The Bonds are obligations of the District and are not the obligations of the State of Texas, Fort Bend County, the City of Houston, or any entity other than the District.

Defeasance

The Bond Resolution provides that the District may discharge its obligations to the Registered Owners of any or all of the Bonds to pay principal, interest and redemption price thereon in any manner permitted by law. Under current tax law such discharge may be accomplished either (i) by depositing with the Comptroller of Public Accounts of the State of Texas a sum of money equal to the principal of and all interest to accrue on the Bonds to maturity or redemption or (ii) by depositing with any place of payment (paying agent) of the Bonds or other obligations of the District payable from revenues or from ad valorem taxes or both, amounts sufficient to provide for the payment and/or redemption of the Bonds; provided that such deposits may be invested and reinvested only in (a) direct noncallable obligations of the United States of America, (b) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the District adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (c) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision or a state that have been refunded and that, on the date the governing body of the District adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and which mature and/or bear interest payable at such times and in such amounts as will be sufficient to provide for the scheduled payment and/or redemption of the Bonds.

Upon such deposit as described above, such Bonds shall no longer be regarded as outstanding or unpaid. After firm banking and financial arrangements for the discharge and final payment or redemption of the Bonds have been made as described above, all rights of the District to initiate proceedings to call the Bonds for redemption or take any other action amending the terms of the Bonds are extinguished; provided however, that the right to call the Bonds for redemption is not extinguished if the District: (i) in the proceedings providing for the firm banking and financial arrangements, expressly reserves the right to call the Bonds for redemption; (ii) gives notice of the reservation of that right to the owners of the Bonds immediately following the making of the firm banking and financial arrangements; and (iii) directs that notice of the reservation be included in any redemption notices that it authorizes.

There is no assurance that the current law will not be changed in the future in a manner that would permit investments other than those described above to be made with amounts deposited to defease the Bonds.

Funds

The Bond Resolution establishes the District's Debt Service Fund, which is to be kept separate from all other funds of the District and used for payment of debt service on the Bonds, and any additional bonds payable from taxes which may be issued in the future by the District. Amounts on deposit in the Debt Service Fund may also be used to pay the fees and expenses of the Registrar.

Paying Agent/Registrar

Pursuant to the Bond Resolution, the initial paying agent and initial registrar with respect to the Bonds is Wells Fargo Bank, National Association, Houston, Texas. The District will maintain at least one Registrar, where the Bonds may be surrendered for transfer and/or for exchange or replacement for other Bonds, and for the purpose of maintaining the Bond Register on behalf of the District. The Registrar is required at all times to be a duly qualified banking corporation or association organized and doing business under the laws of the United States of America, or of any state thereof, and subject to supervision or examination by federal or state banking authorities.

The District reserves the right and authority to change any paying agent/registrar and, upon any such change, the District covenants and agrees in the Bond Resolution to promptly cause written notice thereof, specifying the name and address of such successor paying agent/registrar, to be sent to each Registered Owner of the Bonds by United States mail, first class, postage prepaid.

Registration and Transfer

In the event the Book-Entry-Only System should be discontinued, the Bonds will be transferable only on the Bond Register kept by the Registrar upon surrender and reissuance. The Bonds are exchangeable for an equal principal amount of Bonds of the same maturity and of any authorized denomination upon surrender of the Bonds to be exchanged at the operations office of the Registrar in Minneapolis, Minnesota. See " – Book-Entry-Only System" above for a description of the system to be utilized initially in regard to the ownership and transferability of the Bonds. Every Bond presented or surrendered for transfer is required to be duly endorsed, or be accompanied by a written instrument of transfer, in a form satisfactory to the Registrar. Neither the Registrar nor the District is required (1) to transfer or exchange any Bond during the period beginning at the opening of business on a Record Date (defined herein) and ending at the close of business on the next succeeding interest payment date or (2) to transfer or exchange any Bond selected for redemption in whole or in part within thirty calendar days of the redemption date. No service charge will be made for any transfer or exchange, but the District or the Registrar may require payment of a sum sufficient to cover any tax or governmental charge payable in connection therewith.

Lost, Stolen or Destroyed Bonds

In the event the Book-Entry-Only System is discontinued, the District has agreed to replace mutilated, destroyed, lost, or stolen Bonds upon surrender of the mutilated Bonds, or receipt of satisfactory evidence of such destruction, loss, or theft and receipt by the District and the Registrar of security or indemnity as may be required by either of them to keep them harmless. The District will require payment of taxes, governmental charges, and expenses in connection with any such replacement.

Legal Investment and Eligibility to Secure Public Funds in Texas

Pursuant to the Texas Bond Procedures Act, Chapter 1201, Texas Government Code, as amended, and Section 49.186, Texas Water Code, the Bonds, whether rated or unrated, are (a) legal investments for banks, savings banks, trust companies, building and loan associations, savings and loan associations, insurance companies, fiduciaries, and trustees and (b) legal investments for the public funds of cities, towns, villages, school districts, and other political subdivisions or public agencies of the State. Most political subdivisions in the State of Texas are required to adopt investment guidelines under the Public Funds Investment Act, Chapter 2256, Texas Government Code, and such political subdivisions may impose a requirement consistent with such act that the Bonds have a rating of not less than "A" or its equivalent to be legal investments for such entity's funds. The Bonds are eligible under the Public Funds Collateral Act, Chapter 2257, Texas Government Code, to secure deposits of public funds of the State or any political subdivision or public agency of the State and are lawful and sufficient security for those deposits to the extent of their market value. Again, political subdivisions in the State of Texas may impose a requirement that the Bonds have a rating of not less than "A" or its equivalent to be eligible to serve as collateral for their funds.

The District has not reviewed the laws in other states to determine whether the Bonds are legal investments for various institutions in those states or eligible to serve as collateral for public funds in those states. The District has made no investigation of any other laws, rules, regulations or investment criteria that might affect the suitability of the Bonds for any of the above purposes or limit the authority of any of the above persons or entities to purchase or invest in the Bonds.

Issuance of Additional Debt

The District may issue additional bonds, with the approval of the TCEQ, necessary to provide and rehabilitate improvements and facilities consistent with the purposes for which the District was created. See "THE DISTRICT--General." The District's voters

have authorized the issuance of a total of $192,400,000 of unlimited tax bonds for the purposes of providing water, sewer, and drainage facilities and refunding bonds, and could authorize additional amounts. The District will have $187,500,000 of unlimited tax bonds for water, sewer and drainage facilities and refunding purposes; $30,100,000 of unlimited tax bonds for road facilities; and $28,200,000 of unlimited tax bonds for recreational facilities that will remain authorized, but unissued, after the issuance of the Bonds and may additionally issue unlimited tax refunding bonds to refund its outstanding bonds. Depending upon the District's future issuance of tax-supported debt and the development of the District's tax base, increases in the District's annual ad valorem tax rate may be required to provide for the payment of principal of and interest on the District's current bonded indebtedness and any future tax-supported debt issued by the District. The Bond Resolution imposes no limitation on the amount of additional parity bonds that may be issued by the District (if authorized by the District's voters and approved by the Board and the TCEQ).

The District is also authorized by statute to engage in fire-fighting activities, including the issuance of bonds payable from taxes for such purpose. Before the District could issue bonds payable from taxes for said purpose, the following actions would be required: (a) authorization of a detailed master plan and bonds for such purpose by the qualified voters in the District; (b) amendment of the existing City of Houston ordinance specifying the purposes for which the District may issue bonds; (c) approval of the master plan and issuance of bonds by the TCEQ; and (d) approval of bonds by the Attorney General of Texas. The Board has not considered calling such an election at this time. The District has no information concerning any determination by the City of Houston to modify its consent ordinance. Issuance of bonds for fire-fighting activities could dilute the investment security for the Bonds.

TAX MATTERS

In the opinion of Allen Boone Humphries Robinson LLP, Bond Counsel, (i) interest on the Bonds is excludable from gross income for federal income tax purposes under existing law, and (ii) the Bonds are not subject to the alternative minimum tax on individuals and corporations.

The Internal Revenue Code of 1986, as amended (the "Code") imposes a number of requirements that must be satisfied for interest on state or local obligations, such as the Bonds, to be excludable from gross income for federal income tax purposes. These requirements include limitations on the use of proceeds and the source of repayment, limitations on the investment of proceeds prior to expenditure, a requirement that excess arbitrage earned on the investment of proceeds be paid periodically to the United States and a requirement that the Distirct file an information report with the Internal Revenue Service (the "Service"). The District has covenanted in the Resolution that it will comply with these requirements.

Bond Counsel's opinion will assume continuing compliance with the covenants of the Resolution pertaining to those sections of the Code which affect the exclusion from gross income of interest on the Bonds for federal income tax purposes and, in addition, will rely on representations by the District, the District's Financial Advisor and the Underwriter with respect to matters solely within the knowledge of the District, the District's Financial Advisor and the Underwriter, respectively, which Bond Counsel has not independently verified. If the District should fail to comply with the covenants in the Resolution or if the foregoing representations should be determined to be inaccurate or incomplete, interest on the Bonds could become taxable from the date of delivery of the Bonds, regardless of the date on which the event causing such taxability occurs.

Under the Code, taxpayers are required to report on their returns the amount of tax exempt interest, such as interest on the Bonds, received or accrued during the year. Payments of interest on tax-exempt obligations such as the Bonds are in many cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any owner who is not an "exempt recipient" and who fails to provide certain identifying information. Individuals generally are not exempt recipients, whereas corporations and certain other entities generally are exempt recipients.

Except as stated above, Bond Counsel will express no opinion as to any federal, state or local tax consequences resulting from the ownership of, receipt of interest on, or disposition of, the Bonds.

Prospective purchasers of the Bonds should be aware that the ownership of tax exempt obligations may result in collateral federal income tax consequences to financial institutions, life insurance and property and casualty insurance companies, certain S corporations with Subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax exempt obligations, taxpayers owning an interest in a FASIT that holds tax-exempt obligations, and individuals otherwise qualifying for the earned income credit. In addition, certain foreign corporations doing business in the United States may be subject to the "branch profits tax" on their effectively-connected earnings and profits, including tax exempt interest such as interest on the Bonds. These categories of prospective purchasers should consult their own tax advisors as to the applicability of these consequences.

Bond Counsel's opinions are based on existing law, which is subject to change. Such opinions are further based on Bond Counsel's knowledge of facts as of the date hereof. Bond Counsel assumes no duty to update or supplement its opinions to reflect any facts or circumstances that may thereafter come to Bond Counsel's attention or to reflect any changes in any law that may thereafter occur or become effective. Moreover, Bond Counsel's opinions are not a guarantee of result and are not binding on the Service; rather, such opinions represent Bond Counsel's legal judgment based upon its review of existing law and in reliance upon the representations and covenants referenced above that it deems relevant to such opinions. The Service has an ongoing audit program to determine compliance with rules that relate to whether interest on state or local obligations is includable in gross income for federal

income tax purposes. No assurance can be given whether or not the Service will commence an audit of the Bonds. If an audit is commenced, in accordance with its current published procedures the Service is likely to treat the District as the taxpayer and the owners of the Bonds may not have a right to participate in such audit. Public awareness of any future audit of the Bonds could adversely affect the value and liquidity of the Bonds during the pendency of the audit regardless of the ultimate outcome of the audit.

Tax Accounting Treatment of Original Issue Discount Bonds

The issue price of certain of the Bonds (the "Original Issue Discount Bonds"), may be less than the stated redemption price at maturity. In such case, under existing law, and based upon the assumptions hereinafter stated (a) The difference between (i) the stated amount payable at the maturity of each Original Issue Discount Bond and (ii) the issue price of such Original Issue Discount Bond constitutes original issue discount with respect to such Original Issue Discount Bond in the hands of any owner who has purchased such Original Issue Discount Bond at the initial public offering price in the initial public offering of the Bonds; and (b) Such initial owner is entitled to exclude from gross income (as defined in Section 61 of the Code) an amount of income with respect to such Original Issue Discount Bond equal to that portion of the amount of such original issue discount allocable to the period that such Original Issue Discount Bond continues to be owned by such owner.

In the event of the redemption, sale or other taxable disposition of such Original Issue Discount Bond prior to stated maturity, however, the amount realized by such owner in excess of the basis of such Original Issue Discount Bond in the hands of such owner (adjusted upward by the portion of the original issue discount allocable to the period for which such Bond was held by such initial owner) is includable in gross income. (Because original issue discount is treated as interest for federal income tax purposes, the discussion regarding interest on the Bonds under the caption "TAX MATTERS" generally applies, except as otherwise provided below, to original issue discount on a Original Issue Discount Bond held by an owner who purchased such Bond at the initial offering price in the initial public offering of the Bonds, and should be considered in connection with the discussion in this portion of the Official Statement.)

The foregoing is based on the assumptions that (a) the Underwriter has purchased the Bonds for contemporaneous sale to the general public and not for investment purposes, and (b) all of the Original Issue Discount Bonds have been offered, and a substantial amount of each maturity thereof has been sold, to the general public in arm's-length transactions for a cash price (and with no other consideration being included) equal to the initial offering prices thereof stated on the cover page of this Official Statement, and (c) the respective initial offering prices of the Original Issue Discount Bonds to the general public are equal to the fair market value thereof. Neither the District nor Bond Counsel warrants that the Original Issue Discount Bonds will be offered and sold in accordance with such assumptions.

Under existing law, the original issue discount on each Original Issue Discount Bond is accrued daily to the stated maturity thereof (in amounts calculated as described below for each six-month period ending on the date before the semiannual anniversary dates of the Bonds and ratably within each such six-month period) and the accrued amount is added to an initial owner's basis for such Bond for purposes of determining the amount of gain or loss recognized by such owner upon redemption, sale or other disposition thereof. The amount to be added to basis for each accrual period is equal to (a) the sum of the issue price plus the amount of original issue discount accrued in prior periods multiplied by the yield to stated maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) less (b) the amounts payable as current interest during such accrual period on such Bond.

The federal income tax consequences of the purchase, ownership, and redemption, sale or other disposition of Original Issue Discount Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those described above. All owners of Original Issue Discount Bonds should consult their own tax advisors with respect to the determination for federal, state and local income tax purposes of interest accrued upon redemption, sale or other disposition of such Bonds and with respect to the federal, state, local and foreign tax consequences of the purchase, ownership and redemption, sale or other disposition of such Bonds.

Qualified Tax-Exempt Obligations

The Code requires a pro rata reduction in the interest expense deduction of a financial institution to reflect such financial institution's investment in tax-exempt obligations acquired after August 7, 1986. An exception to the foregoing provision is provided in the Code for "qualified tax-exempt obligations," which include tax-exempt obligations, such as the Bonds, (a) designated by the District as "qualified tax-exempt obligations" and (b) issued by or on behalf of a political subdivision for which the aggregate amount of tax-exempt obligations (not including private activity bonds other than qualified 501(c)(3) bonds) to be issued during the calendar year is not expected to exceed $30,000,000 for tax-exempt obligations issued after December 31, 2008 and before January 1, 2011.

The District will designate the Bonds as "qualified tax-exempt obligations" and has represented that the aggregate amount of tax-exempt bonds (including the Bonds) issued by the District and entities aggregated with the District under the Code during calendar year 2009 is not expected to exceed $30,000,000 and that the District and entities aggregated with the District under the Code have not designated more than $30,000,000 in "qualified tax-exempt obligations" (including the Bonds) during calendar year 2009.

An additional exception to the foregoing provision is provided in the Code for an amount of tax-exempt obligations issued after December 31, 2008 and before January 1, 2011, the total amount of which does not exceed 2 percent of the adjusted basis of all of the assets of the financial institution.

Notwithstanding these exceptions, financial institutions acquiring the Bonds will be subject to a 20% disallowance of allocable interest expense.

LEGAL MATTERS

Legal Opinions

The District will furnish the Underwriters a transcript of certain certified proceedings incident to the issuance and authorization of the Bonds. Such transcript will include the approving legal opinion of the Attorney General of Texas, as recorded in the Bond Register of the Comptroller of the Public Accounts of the State of Texas, to the effect that the Bonds are valid and legally binding obligations of the District payable from the proceeds of an annual ad valorem tax, levied without limit as to rate or amount, upon all taxable property in the District. The District will also furnish the approving legal opinion of Allen Boone Humphries Robinson LLP, Houston, Texas, Bond Counsel, to the effect that, based upon an examination of such transcript, the Bonds are valid and legally binding obligations of the District under the Constitution and laws of the State of Texas. The legal opinion of Bond Counsel will further state that (i) the Bonds are payable, both as to principal and interest, from the levy of ad valorem taxes, without limitation as to rate or amount, against all taxable property within the District, (ii) interest on the Bonds is excludable from gross income for federal income tax purposes under existing law (iii) the Bonds are not "private activity bonds" under the Code and interest on the Bonds will not be subject to the alternative minimum tax on individuals and corporations, except as described in the discussion regarding the adjusted current earnings adjustments for corporations. Bond Counsel's fees for services rendered with respect to the sale of the Bonds are contingent upon the issuance and delivery of the Bonds.

Legal Review

In its capacity as Bond Counsel, Allen Boone Humphries Robinson LLP has reviewed the information appearing in this Official Statement under the captions "CONTINUING DISCLOSURE OF INFORMATION - SEC RULE 15c2-12," "THE DISTRICT – Authority," "TAXING PROCEDURES," "ANNEXATION, STRATEGIC PARTNERSHIP AGREEMENT AND CONSOLIDATION," "THE BONDS (except for 'Book-Entry-Only System')," "TAX MATTERS" and "LEGAL MATTERS - Legal Opinions" (to the extent such section relates to the opinion of Bond Counsel) and " – Legal Review," and "REGISTRATION AND QUALIFICATION UNDER SECURITIES LAWS" solely to determine whether such information fairly summarizes the procedures and documents referred to therein. Bond Counsel has not, however, independently verified any of the other factual information contained in this Official Statement, nor has it conducted an investigation of the affairs of the District for the purpose of passing upon the accuracy or completeness of any of the other information contained herein. No person is entitled to rely upon Bond Counsel's limited participation as an assumption of responsibility for or an expression of opinion of any kind with regard to the accuracy or completeness of any information contained herein, other than the matters discussed immediately above.

Allen Boone Humphries Robinson LLP also serves as general counsel to the District on matters other than the issuance of bonds. The legal fees paid to Bond Counsel for services rendered in connection with issuance of the Bonds are based on a percentage of the Bonds actually issued, sold and delivered and, therefore, such fees are contingent upon the sale and delivery of the Bonds.

No-Litigation Certificate

On the date of delivery of the Bonds, the District will execute and deliver a certificate to the effect that there is not pending, and to the knowledge of the District, there is not threatened, any litigation affecting the validity of the Bonds, or the levy and/or collection of taxes for the payment thereof, or the organization or boundaries of the District, or the title of the officers thereof to their respective offices.

Pending Claims

On February 16, 2009, Horak Farms, JV ("Horak") sent a letter to Katy 309 alleging that Katy 309 owes Horak $200,090 for change orders (the "Change Orders") to a contract for certain detention facilities in the District (the "Contract"). Katy 309 disputes Horak's claim because Horak did not adhere to the terms of the Contract in obtaining approval of either the Change Orders or the work described in the Change Orders; neither Katy 309 nor the District approved the Change Orders or authorized the work to be performed. Under the terms of the Contract, Horak must look solely to Katy 309 for payment of any amounts due under the Contract and the District has no obligation to pay any amounts that may be found to be due and owing under the Contract to Horak.

REGISTRATION AND QUALIFICATION UNDER SECURITIES LAWS

The offer and sale of the Bonds have not been registered or qualified under the Securities Act of 1933, as amended, in reliance upon the exemptions provided thereunder. The Bonds have not been registered or qualified under the Securities Act of Texas in reliance upon various exemptions contained therein, and the Bonds have not been registered or qualified under the securities laws of any other jurisdiction. The District assumes no responsibility for qualification of the Bonds under the securities laws of any jurisdiction in which the Bonds may be sold, assigned, pledged, hypothecated or otherwise transferred. This disclaimer of responsibility for registration or qualification for sale or other disposition of the Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration provisions.

OFFICIAL STATEMENT

Sources of Information

The information contained in this Official Statement has been obtained primarily from the District's records, the Engineer, the Tax Assessor/Collector, and other sources that are believed to be reliable, but no representation is made as to the accuracy or completeness of the information derived from such other sources. The summaries of the statutes, orders, resolutions and engineering and other related reports set forth in the Official Statement are included herein subject to all of the provisions of such documents. These summaries do not purport to be complete statements of such provisions, and reference is made to such documents for further information.

Consultants

In approving this Official Statement, the District has relied upon the following consultants.

Engineer - The information contained in this Official Statement relating to engineering matters generally and to the description of the System and in particular that information included in the sections entitled "DESCRIPTION OF THE DISTRICT'S SYSTEM" and certain engineering matters included in "THE DISTRICT - Description" and "THE DISTRICT - District Status of Development," have been provided by Brown & Gay Engineers, Inc., and have been included in reliance upon the authority of such firm as an expert in the field of civil engineering.

Tax Assessor/Collector - The information contained in this Official Statement relating to the estimated assessed valuation of property and, in particular, such information contained in the section captioned "DISTRICT TAX DATA," has been provided by the Fort Bend Central Appraisal District and by Assessments of the Southwest, Inc., in reliance upon their authority as experts in the field of tax assessing and appraising.

Auditor - The financial statements of the District and the accompanying report by BKD, LLP, as shown in "APPENDIX A," have been published with the agreement of BKD, LLP. A copy of the Management Letter from the District's auditor to the District's Board of Directors relating to the District's financial reporting under Statement of Auditing Standards No. 112, including the District's response thereto, is included in APPENDIX A.

Continuing Availability of Financial Information

Pursuant to Texas law, the District has its financial statements prepared in accordance with generally accepted accounting principles and has its financial statements audited by a certified public accountant in accordance with generally accepted auditing standards within 120 days after the close of its fiscal year. The District audit report is required to be filed with the TCEQ within 135 days after the close of its fiscal year.

The District's financial records and audit reports are available for public inspection during regular business hours at the office of the District and copies will be provided on written request, to the extent permitted by law, upon payment of copying charges. Requests for copies should be addressed to the District in care of Allen Boone Humphries Robinson LLP, Phoenix Tower, 3200 Southwest Freeway, Suite 2600, Houston, TX, 77027.

Certification as to Official Statement

The Board of Directors of the District, acting in its official capacity and in reliance upon the consultants listed above, and certain certificates of representation to be provided to the Board, hereby certifies, as of the date hereof, that to the best of its knowledge and belief, the information, statements and descriptions pertaining to the District and its affairs herein contain no untrue statements of a material fact and do not omit to state any material fact necessary to make the statements herein, in the light of the circumstances under which they were made, not misleading. The information, descriptions and statements concerning entities other than the District, including particularly other governmental entities, have been obtained from sources believed to be reliable, but the District has made no independent investigation of such matters and makes no representation as to the accuracy or completeness thereof.

Updating of Official Statement

The District will keep the Official Statement current by amendment or sticker to reflect material changes in the affairs of the District and, to the extent that information comes to its attention, in the other matters described in the Official Statement, until the delivery of the Bonds. All information with respect to the resale of the Bonds shall be the responsibility of the Underwriters.

MISCELLANEOUS

All estimates, statements and assumptions in this Official Statement and the Appendices hereto have been made on the basis of the best information available and are believed to be reliable and accurate. Any statement in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, is intended as such and not a representation of fact, and no representation is made that any such statement will be realized.

This Official Statement was approved by the Board of Directors of Fort Bend County Municipal Utility District No. 58 as of the date shown on the cover page.

APPENDIX A

AUDITED FINANCIAL STATEMENTS OF THE DISTRICT

FOR THE FISCAL YEAR ENDING JULY 31, 2008

Fort Bend County Municipal Utility District No. 58

Fort Bend County, Texas

Accountants' Report and Financial Statements

July 31, 2008

Fort Bend County Municipal Utility District No. 58

July 31, 2008

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Independent Accountants' Report on Financial Statements and Supplementary Information

Board of Directors
Fort Bend County Municipal Utility District No. 58
Fort Bend County, Texas

We have audited the accompanying financial statements of the governmental activities and general fund of Fort Bend County Municipal Utility District No. 58 as of and for the year ended July 31, 2008, which collectively comprise the District's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the District's management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and general fund of Fort Bend County Municipal Utility District No. 58 as of July 31, 2008, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The accompanying management's discussion and analysis and budgetary comparison schedule, as listed in the table of contents, are not a required part of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the District's basic financial statements. We previously expressed unqualified opinions on the 2005 through 2007 basic financial statements. The accompanying supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

/s/ **BKD, LLP**

December 15, 2008

Fort Bend County Municipal Utility District No. 58

Management's Discussion and Analysis

July 31, 2008

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also contains supplementary information required by the Governmental Accounting Standards Board and other supplementary information required by the District's state oversight agency, the Texas Commission on Environmental Quality (the Commission).

In accordance with required reporting standards, the District reports its financial activities as a special-purpose government. Special-purpose governments are governmental entities which engage in a single governmental program, the provision of water, sanitary sewer and drainage services. Other activities, such as the provision of recreation facilities and solid waste collection, are minor activities and are not budgeted or accounted for as separate programs. The financial statements of special-purpose governments combine two types of financial statements into one statement. These two types of financial statements are the government-wide financial statements and the fund financial statements. The fund financial statements are presented on the left side of the statements, a column for adjustments is to the right of the fund financial statements, and the government-wide financial statements are presented to the right side of the adjustments column. The following sections describe the measurement focus of the two types of statements and the significant differences in the information they provide.

Government-wide Financial Statements

The focus of government-wide financial statements is on the overall financial position and activities of the District. The District's government-wide financial statements include the statement of net assets and statement of activities, which are prepared using accounting principles that are similar to commercial enterprises. The purpose of the statement of net assets is to attempt to report all of the assets and liabilities of the District. The District reports all of its assets when it acquires or begins to maintain the assets and reports all of its liabilities when they are incurred.

The difference between the District's total assets and total liabilities is labeled as net assets and this difference is similar to the total stockholders' equity presented by a commercial enterprise.

The purpose of the statement of activities is to present the revenues and expenses of the District. Again, the items presented on the statement of activities are measured in a manner similar to the approach used by a commercial enterprise in that revenues are recognized when earned or established criteria are satisfied and expenses are reported when incurred by the District. All changes in net assets are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues are reported even when they may not be collected for several months or years after the end of the accounting period and expenses are recorded even though they may not have used cash during the current year.

Although the statement of activities looks different from a commercial enterprise's statement of income, the financial statement is different only in format, not substance. Whereas the bottom line in a commercial enterprise is its net income, the District reports an amount described as change in net assets, essentially the same thing.

Fund Financial Statements

Unlike government-wide financial statements, the focus of fund financial statements is directed to specific activities of the District rather than the District as a whole. Except for the general fund, a specific fund is established to satisfy managerial control over resources or to satisfy finance-related legal requirements established by external parties or governmental statutes or regulations.

Governmental Funds

Governmental-fund financial statements consist of a balance sheet and a statement of revenues, expenditures and changes in fund balances and are prepared on an accounting basis that is significantly different from that used to prepare the government-wide financial statements.

In general, these financial statements have a short-term emphasis and, for the most part, measure and account for cash and other assets that can easily be converted into cash. For example, amounts reported on the balance sheet include items such as cash and receivables collectible within a very short period of time, but do not include capital assets such as land and water, sewer and drainage systems. Fund liabilities include amounts that are to be paid within a very short period after the end of the fiscal year. The difference between a fund's total assets and total liabilities is labeled the fund balance and generally indicates the amount that can be used to finance the next fiscal year's activities. Likewise, the operating statement for governmental funds reports only those revenues and expenditures that were collected in cash or paid with cash, respectively, during the current period or very shortly after the end of the fiscal year.

Because the focus of the government-wide and fund financial statements is different, there are significant differences between the totals presented in these financial statements. For this reason, there is an analysis in the notes to financial statements that describes the adjustments to fund balances to arrive at net assets presented in the governmental activities column on the statement of net assets. Also, there is an analysis in the notes to financial statements that reconciles the total change in fund balances for all governmental funds to the change in net assets, as reported in the governmental activities column in the statement of activities.

Notes to Financial Statements

The notes to financial statements provide additional information that is essential to a full understanding of the data found in the government-wide and fund financial statements.

Financial Analysis of the District as a Whole

The District's overall financial position and operations for the past two years are summarized as follows, based on the information included in the government-wide financial statements.

Summary of Net Assets

	2008	2007
Current and other assets	$ 79,889	$ 126,975
Capital assets	7,055,891	7,209,171
Total assets	$ 7,135,780	$ 7,336,146
Long-term liabilities	$ 8,924,706	$ 8,078,850
Other liabilities	60,330	80,358
Total liabilities	$ 8,985,036	$ 8,159,208
Net assets:		
Invested in capital assets, net of related debt	$ (1,868,815)	$ (869,679)
Unrestricted	19,559	46,617
Total net assets	$ (1,849,256)	$ (823,062)

The total net assets of the District decreased by $1,026,194, or about 125 percent. The majority of the decrease in net assets is related to conveyance of capital assets to another governmental entity and depreciation expense recorded on the District's capital assets. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Summary of Changes in Net Assets

	2008	2007
Revenues:		
Property taxes	$ 56,591	$ 30,299
Charges for services	20,685	-
Other revenues	158,896	605
Total revenues	236,172	30,904

Summary of Changes in Net Assets (Continued)

	2008	2007
Expenses:		
Services	$ 442,316	$ 249,614
Depreciation	153,280	153,279
Conveyance of capital assets	666,770	-
Total expenses	1,262,366	402,893
Change in net assets	(1,026,194)	(371,989)
Net assets, beginning of year	(823,062)	(451,073)
Net assets, end of year	$ (1,849,256)	$ (823,062)

Financial Analysis of the District's Funds

The general fund's fund balance decreased by $35,558 due to service expenditures exceeding property tax and service revenues and developer advances.

General Fund Budgetary Highlights

There were several differences between the final budgetary amounts and actual amounts. The major differences between budget and actual were due to property tax revenues, as well as professional fees and repairs and maintenance expenditures being higher than anticipated. In addition, tap connection and inspection fee revenues and expenditures were not included in the budget. The fund balance as of July 31, 2008, was expected to be $46,217 and the actual end of year fund balance was $11,059.

Capital Assets and Related Debt

Capital Assets

Capital assets held by the District at the end of the current and previous fiscal years are summarized on the following page.

Capital Assets (Net of Accumulated Depreciation)

	2008	2007
Land and improvements	$ 2,888,314	$ 2,888,314
Water facilities	2,282,892	2,387,638
Wastewater facilities	907,608	933,419
Drainage facilities	977,077	999,800
Total capital assets	$ 7,055,891	$ 7,209,171

Debt

The changes in the debt position of the District during the fiscal year ended July 31, 2008, are summarized as follows:

Long-term debt payable, beginning of year	$ 8,078,850
Increases in long-term debt	845,856
Long-term debt payable, end of year	$ 8,924,706

Developers of the District have advanced $8,924,706 to the District for operating expenses and acquisition of capital assets. The District has agreed to reimburse these amounts plus interest to the extent approved by the Commission from the proceeds of future bond sales. These amounts have been recorded in the financial statements as long-term liabilities. The District is currently unable to estimate when bonds will be issued to pay this liability.

At July 31, 2008, the District had $192,400,000 of unlimited tax bonds authorized but unissued for the purposes of acquiring, constructing and improving the water, sanitary sewer and drainage systems, $28,200,000 for financing and constructing recreational facilities and $30,100,000 for financing and constructing roads within the District.

At July 31, 2008, the District had no bonded indebtedness.

Other Relevant Factors

Relationship to the City of Houston

Under existing Texas law, since the District lies wholly within the extraterritorial jurisdiction of the City of Houston (the City), the District must conform to the City ordinance consenting to the creation of the District. In addition, the District may be annexed by the City without the District's consent. If the District is annexed, the City must assume the District's assets and obligations (including the bonded indebtedness) and abolish the District within 90 days.

Contingencies

Developers of the District are constructing water, sewer and drainage facilities within the boundaries of the District. The District has agreed to reimburse the developers for a portion of these costs, plus interest, from the proceeds of future bond sales. These amounts are to be reimbursed from bond proceeds to the extent approved by the Commission. The District's engineer has stated that current construction contract amounts are approximately $1,181,000. This amount has not been recorded in the financial statements since the facilities are not complete or operational.

Fort Bend County Municipal Utility District No. 58

Statement of Net Assets and Governmental Funds Balance Sheet

July 31, 2008

	General Fund	Adjustments	Statement of Net Assets
Assets			
Cash	$ 50,222	$ -	$ 50,222
Service accounts receivables	9,767	-	9,767
Prepaid expenditures	11,400	8,500	19,900
Capital assets (net of accumulated depreciation):			
Land and improvements	-	2,888,314	2,888,314
Infrastructure	-	4,167,577	4,167,577
Total assets	$ 71,389	$ 7,064,391	$ 7,135,780
Liabilities			
Accounts payable	$ 35,967	$ -	$ 35,967
Customer deposits	7,050	-	7,050
Due to developer	7,313	-	7,313
Deferred tap connection revenue	10,000	-	10,000
Long-term liabilities, due after one year	-	8,924,706	8,924,706
Total liabilities	60,330	8,924,706	8,985,036
Fund Balance/Net Assets			
Unreserved fund balance	11,059	(11,059)	0
Total liabilities and fund balance	$ 71,389		
Net assets:			
Invested in capital assets, net of related debt		(1,868,815)	(1,868,815)
Unrestricted		19,559	19,559
Total net assets		$ (1,849,256)	$ (1,849,256)

See Notes to Financial Statements

Fort Bend County Municipal Utility District No. 58

Statement of Activities and Governmental Funds Revenues, Expenditures and Changes in Fund Balance

Year Ended July 31, 2008

	General Fund	Adjustments	Statement of Activities
Revenues			
Property taxes	$ 56,591	$ -	$ 56,591
Water service	9,820	-	9,820
Sewer service	9,650	-	9,650
Regional water fee	1,215	-	1,215
Penalty and interest	628	-	628
Tap connection and inspection fees	157,986	-	157,986
Investment income	282	-	282
Total revenues	236,172	0	236,172
Expenditures/Expenses			
Service operations:			
Professional fees	238,047	-	238,047
Contracted services	38,761	-	38,761
Lease payments	41,600	-	41,600
Utilities	1,301	-	1,301
Repairs and maintenance	42,233	-	42,233
Other expenditures	29,966	-	29,966
Tap connections	50,408	-	50,408
Capital outlay	8,500	(8,500)	-
Conveyance of capital assets	-	666,770	666,770
Depreciation	-	153,280	153,280
Total expenditures/expenses	450,816	811,550	1,262,366
Deficiency of Revenues Over Expenditures	(214,644)	(811,550)	
Other Financing Sources			
Developer advances	179,086	(179,086)	
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(35,558)	35,558	
Change in Net Assets		(1,026,194)	(1,026,194)
Fund Balance/Net Assets			
Beginning of year	46,617	0	(823,062)
End of year	$ 11,059	$ 0	$ (1,849,256)

See Notes to Financial Statements

Fort Bend County Municipal Utility District No. 58
Notes to Financial Statements
July 31, 2008

Note 1: Nature of Operations and Summary of Significant Accounting Policies

Fort Bend County Municipal Utility District No. 58 (the District) was created by an order of the Texas Water Commission, now known as the Texas Commission on Environmental Quality (the Commission), effective November 21, 1984, in accordance with the Texas Water Code, Chapter 54. The District's Board of Director held its first meeting, an organizational meeting, on December 10, 2003. The District operates in accordance with Chapters 49 and 54 of the Texas Water Code and is subject to the continuing supervision of the Commission. The principal functions of the District are to finance, construct, own and operate waterworks, wastewater and drainage facilities and to provide such facilities and services to the customers of the District.

The District is governed by a Board of Directors consisting of five individuals who are residents or owners of property within the District and are elected by voters within the District. The Board of Directors sets the policies of the District. The accounting and reporting policies of the District conform to accounting principles generally accepted in the United States of America for state and local governments as defined by the Governmental Accounting Standards Board. The following is a summary of the significant accounting and reporting policies of the District:

Reporting Entity

The accompanying government-wide financial statements present the financial statements of the District. There are no component units that are legally separate entities for which the District is considered to be financially accountable. Accountability is defined as the District's substantive appointment of the majority of the component unit's governing board. Furthermore, to be financially accountable, the District must be able to impose its will upon the component unit or there must be a possibility that the component unit may provide specific financial benefits to, or impose specific financial burdens on, the District.

Government-wide and Fund Financial Statements

In accordance with required reporting standards, the District reports its financial activities as a special-purpose government. Special-purpose governments are governmental entities which engage in a single governmental program, the provision of water, wastewater, drainage and other related services. The financial statements of special-purpose governments combine two types of financial statements into one statement. These two types of financial statements are the government-wide financial statements and the fund financial statements. The fund financial statements are presented with a column for adjustments to convert to the government-wide financial statements.

The government-wide financial statements report information on all of the activities of the District. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Governmental activities generally are financed through taxes, charges for services and intergovernmental revenues. The statement of activities reflects the revenues and expenses of the District.

The fund financial statements provide information about the District's governmental funds. Separate statements for each governmental fund are presented. The emphasis of fund financial statements is directed to specific activities of the District.

The District reports the *general fund* as a major governmental fund. It is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund.

Measurement Focus and Basis of Accounting

Government-wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows.

Nonexchange transactions, in which the District receives (or gives) value without directly giving (or receiving) equal value in exchange, include property taxes and donations. Recognition standards are based on the characteristics and classes of nonexchange transactions. Revenues from property taxes are recognized in the period for which the taxes are levied. Intergovernmental revenues are recognized as revenues, net of estimated refunds and uncollectible amounts, in the accounting period when an enforceable legal claim to the assets arises and the use of resources is required or is first permitted. Donations are recognized as revenues, net of estimated uncollectible amounts, as soon as all eligibility requirements imposed by the provider have been met. Amounts received before all eligibility requirements have been met are reported as deferred revenues.

Fund Financial Statements

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and liabilities are generally included on the balance sheet. The statement of governmental funds revenues, expenditures and changes in fund balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in spendable resources. General capital asset acquisitions are reported as expenditures and proceeds of long-term debt are reported as other financing sources. Under the modified accrual basis of accounting, revenues are recognized when both measurable and available. The District considers revenues reported in the governmental funds to be available if they are collectible within 60 days after year-end. Principal revenue sources considered susceptible to accrual include taxes, charges for services and investment income. Other revenues are considered to be measurable and available only when cash is received by the District. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, which are recognized as expenditures when payment is due.

Pension Costs

The District does not participate in a pension plan and, therefore, has no pension costs.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

Property Taxes

An appraisal district annually prepares appraisal records listing all property within the District and the appraised value of each parcel or item as of January 1. Additionally, on January 1, a tax lien attaches to property to secure the payment of all taxes, penalty and interest ultimately imposed for the year on the property. After the District receives its certified appraisal roll from the appraisal district, the rate of taxation is set by the Board of Directors of the District based upon the aggregate appraisal value. Taxes are due October 1 or when billed, whichever is later, and become delinquent after January 31 of the following year.

In the governmental funds, property taxes are measurable when levied even though not available. As a result, at July 31, 2008, property taxes receivable and related deferred revenues have been recorded in the governmental funds. In the government-wide statement of net assets, property taxes are considered earned in the budget year for which they are levied. In addition to property taxes levied, any delinquent taxes are recorded net of amounts considered uncollectible.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an individual cost of $5,000 or more and an estimated useful life of two years or more. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset lives are not capitalized.

Capital assets are depreciated using the straight-line method over their estimated useful lives as follows:

	Years
Water production and distribution facilities	10-45
Wastewater collection and treatment facilities	10-45
Drainage facilities	10-45

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Gains on refundings are generally deferred and amortized using the effective interest rate method over the life of the bonds. Long-term debt is reported net of the unamortized gain on refundings. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the related debt using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are 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.

Net Assets/Fund Balance

Fund balances and net assets are reported as restricted when constraints placed on them are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or are imposed by law through constitutional provisions or enabling legislation.

When both restricted and unrestricted resources are available for use, generally, it is the District's policy to use restricted resources first.

Reconciliation of Government-wide and Fund Financial Statements

Amounts reported for net assets of governmental activities in the statement of net assets and fund balances in the governmental funds balance sheet are different because:

Capital assets used in governmental activities are not financial resources and are not reported in the funds.	$	7,055,891
Bond issuance costs and prepaid bond issuance costs for governmental activities are not financial resources and are not reported in the funds.		8,500
Long-term debt obligations are not due and payable in the current period and are not reported in the funds.		(8,924,706)
Adjustment to fund balance to arrive at net assets.	$	(1,860,315)

Amounts reported for change in net assets of governmental activities in the statement of activities are different from change in fund balance in the governmental funds statement of revenues, expenditures and changes in fund balances because:

Change in fund balance.	$	(35,558)
Governmental funds report capital outlays as expenditures. However, for government-wide financial statements, the cost of capitalized assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation and conveyance of capital assets exceeded capital outlay expenditures in the current period.		(811,550)
Governmental funds report developer advances as other financing sources or uses as amounts are received or paid. However, for government-wide financial statements, these amounts are recorded as an increase or decrease in due to developer.		(179,086)
Change in net assets of governmental activities.	$	(1,026,194)

Note 2: Deposits, Investments and Investment Income

Deposits

Custodial credit risk is the risk that, in the event of a bank failure, a government's deposits may not be returned to it. The District's deposit policy for custodial credit risk requires compliance with the provisions of state law.

State law requires collateralization of all deposits with federal depository insurance; a surety bond; bonds and other obligations of the U.S. Treasury, U.S. agencies or instrumentalities of the State of Texas; or certain collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States.

At July 31, 2008, none of the District's bank balances were exposed to custodial credit risk.

Investments

The District may legally invest in obligations of the United States or its agencies and instrumentalities, direct obligations of Texas or its agencies or instrumentalities, collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States, other obligations guaranteed as to principal and interest by the United States or their agencies and instrumentalities, obligations of states, agencies and counties and other political subdivisions with an investment rating not less than A, certificates of deposit of financial institutions domiciled in Texas, and certain bankers' acceptances, repurchase agreements, mutual funds, commercial paper, guaranteed investment contracts and investment pools.

At July 31, 2008, the District had no investments.

Investment Income

Investment income of $282 for the year ended July 31, 2008, consisted of interest income.

Note 3: Capital Assets

A summary of changes in capital assets for the year ended July 31, 2008, is presented on the following page.

Governmental Activities	Balances, Beginning of Year	Additions	Balances, End of Year
Capital assets, non-depreciable:			
Land and improvements	$ 2,888,314	$ 0	$ 2,888,314
Capital assets, depreciable:			
Water production and distribution facilities	2,492,384	-	2,492,384
Wastewater collection and treatment facilities	959,229	-	959,229
Drainage facilities	1,022,523	-	1,022,523
Total capital assets, depreciable	4,474,136	0	4,474,136
Less accumulated depreciation:			
Water production and distribution facilities	(104,746)	(104,746)	(209,492)
Wastewater collection and treatment facilities	(25,810)	(25,811)	(51,621)
Drainage facilities	(22,723)	(22,723)	(45,446)
Total accumulated depreciation	(153,279)	(153,280)	(306,559)
Total governmental activities, net	$ 7,209,171	$ (153,280)	$ 7,055,891

Note 4: Long-term Liabilities

Changes in long-term liabilities for the year ended July 31, 2008, were as follows:

Governmental Activities	Balances, Beginning of Year	Increases	Balances, End of Year	Amounts Due in One Year
Developer advances	$ 716,400	$ 179,086	$ 895,486	$ -
Due to developers	7,362,450	666,770	8,029,220	-
Total governmental activities long-term liabilities	$ 8,078,850	$ 845,856	$ 8,924,706	$ 0

Annual Debt Service Requirements

Bonds voted:	
Water, sewer and drainage facilities	$ 192,400,000
Recreational facilities	28,200,000
Roads	30,100,000
Refunding bonds voted	48,700,000

Due to Developers

Developers of the District have constructed utilities on behalf of the District. The District is maintaining and operating the facilities and has agreed to reimburse the developers for these construction costs and interest to the extent approved by the Commission. The District's engineer estimates reimbursable costs for completed projects are $8,029,220. The District has agreed to reimburse these amounts, plus interest, to the extent approved by the Commission from the proceeds of future bond sales. These amounts have been recorded in the financial statements as long-term liabilities. The District is currently unable to estimate when bonds will be issued to pay this liability.

Developers of the District have advanced $895,486 to the District for operating expenses. The District has agreed to reimburse these amounts, plus interest, to the extent approved by the Commission from the proceeds of future bond sales. These amounts have been recorded in the financial statements as long-term liabilities. The District is currently unable to estimate when bonds will be issued to pay this liability.

Note 5: Maintenance Taxes

At an election held February 5, 2005, voters authorized a maintenance tax not to exceed $1.50 per $100 valuation on all property within the District subject to taxation. During the year ended July 31, 2008, the District levied an ad valorem maintenance tax at the rate of $1.5000 per $100 of assessed valuation, which resulted in a tax levy of $56,591 on the taxable valuation of $3,772,733 for the 2007 tax year. The maintenance tax is being used by the general fund to pay expenditures of operating the District.

At an election held November 6, 2007, voters authorized a maintenance tax not to exceed $0.25 per $100 of assessed valuation for financing and constructing roads. During the year ended July 31, 2008, no maintenance tax was levied pertaining to roads.

Note 6: Regional Water Authority

The District is within the boundaries of the North Fort Bend Water Authority (the Authority) which was created by the Texas Legislature. The Authority was created to provide a regional entity to acquire surface water and build the necessary facilities to convert from groundwater to surface water in order to meet conversion requirements mandated by the Fort Bend Subsidence District, which regulates groundwater withdrawal. During the current year, the District did not pay any pumpage fees.

Note 7: Lease Agreement

On December 18, 2006, the District entered into a contract to lease a 175,000 gallons per-day (gpd) capacity wastewater treatment plant from AUC Group, L.P. Monthly lease payments of $5,700 per month began May 1, 2008, upon completion of the installation and setup, and continue for a term of 60 months. The District has recorded $11,400 as a prepaid expenditure for the last month's payment and for one month's payment subsequent to year-end. During the current year, the District incurred costs of $41,600 related to this lease, which included $24,500 of costs for setup and installation.

Note 8: Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance. The District has not significantly reduced insurance coverage or had settlements which exceeded coverage amounts in the past three fiscal years.

Note 9: Economic Dependency

The District's developers own the majority of the taxable property in the District. The District's ability to meet its obligations is dependent on the developers' ability to pay property taxes or make advances to the District.

Note 10: Contingencies

Developers of the District are constructing water, sewer and drainage facilities within the boundaries of the District. The District has agreed to reimburse the developers for a portion of these costs, plus interest, from the proceeds of future bond sales. These amounts are to be reimbursed from bond proceeds to the extent approved by the Commission. The District's engineer has stated that current construction contract amounts are approximately $1,181,000. This amount has not been recorded in the financial statements since the facilities are not complete or operational.

Required Supplementary Information

Fort Bend County Municipal Utility District No. 58

Budgetary Comparison Schedule – General Fund

Year Ended July 31, 2008

	Original Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Property taxes	$ 3,000	$ 56,591	$ 53,591
Water service	4,000	9,820	5,820
Sewer service	4,000	9,650	5,650
Regional water fee	-	1,215	1,215
Penalty and interest	-	628	628
Tap connection and inspection fees	-	157,986	157,986
Investment income	400	282	(118)
Total revenues	11,400	236,172	224,772
Expenditures			
Service operations:			
Professional fees	170,800	238,047	(67,247)
Contracted services	15,700	38,761	(23,061)
Lease payments	-	41,600	(41,600)
Utilities	4,000	1,301	2,699
Repairs and maintenance	16,000	42,233	(26,233)
Other expenditures	34,194	29,966	4,228
Tap connections	-	50,408	(50,408)
Capital outlay	-	8,500	(8,500)
Total expenditures	240,694	450,816	(210,122)
Excess expenditures	(229,294)	(214,644)	14,650
Other Financing Sources			
Developer advances	228,894	179,086	(49,808)
Excess uses	(400)	(35,558)	(35,158)
Fund Balance, Beginning of Year	46,617	46,617	0
Fund Balance, End of Year	$ 46,217	$ 11,059	$ (35,158)

Fort Bend County Municipal Utility District No. 58
Notes to Required Supplementary Information
July 31, 2008

Budgets and Budgetary Accounting

An annual operating budget is prepared for the general fund by the District's consultants. The budget reflects resources expected to be received during the year and expenditures expected to be incurred. The Board of Directors is required to adopt the budget prior to the start of its fiscal year. The budget is not a spending limitation (a legally restricted appropriation). The original budget of the general fund was not amended during 2008.

The District prepares its annual operating budget on a basis consistent with accounting principles generally accepted in the United States of America. The Budgetary Comparison Schedule - General Fund presents the original and revised budget amounts, if revised, compared to the actual amounts of revenues and expenditures for the current year.

Supplementary Information

Fort Bend County Municipal Utility District No. 58

Supplementary Schedules Included Within This Report

July 31, 2008

(Schedules included are checked or explanatory notes provided for omitted schedules.)

[X] Notes Required by the Water District Accounting Manual
See "Notes to Financial Statements," Pages 10-18

[X] Schedule of Services and Rates

[X] Schedule of General Fund Expenditures

[ ] Schedule of Temporary Investments – Not Applicable

[X] Analysis of Taxes Levied and Receivable

[ ] Schedule of Long-term Debt Service Requirements by Years – Not Applicable

[ ] Changes in Long-term Bonded Debt – Not Applicable

[X] Comparative Schedule of Revenues and Expenditures – General Fund – Four Years

[X] Board Members, Key Personnel and Consultants

Fort Bend County Municipal Utility District No. 58

Schedule of Services and Rates

Year Ended July 31, 2008

1. Services provided by the District:

X Retail Water	___ Wholesale Water	X Drainage
X Retail Wastewater	___ Wholesale Wastewater	___ Irrigation
X Parks/Recreation	___ Fire Protection	___ Security
___ Solid Waste/Garbage	___ Flood Control	___ Roads

___ Participates in joint venture, regional system and/or wastewater service (other than emergency interconnect)

___ Other _____

2. Retail service providers

a. Retail rates for a 5/8" meter (or equivalent):

	Minimum Charge	Minimum Usage	Flat Rate Y/N	Rate Per 1,000 Gallons Over Minimum	Usage Levels		
Water:	**	1,000	N	$ 1.00	1,001	to	30,000
				$ 1.50	30,001		No Limit
Wastewater:	**	1,000	N	$ 1.50	1,001	to	No Limit
Regional water fee:	$ 0.30	1,000	N	$ 0.30	1,001	to	No Limit

Does the District employ winter averaging for wastewater usage? Yes ___ No X

Total charges per 10,000 gallons usage (including fees): Water $ 22.00 Wastewater $ 23.50

b. Water and wastewater retail connections:

Meter Size	Total Connections	Active Connections	ESFC Factor	Active ESFC*
Unmetered	-	-	x1.0	-
≤ 3/4"	128	128	x1.0	128
1"	-	-	x2.5	-
1 1/2"	-	-	x5.0	-
2"	1	1	x8.0	8
3"	-	-	x15.0	-
4"	-	-	x25.0	-
6"	-	-	x50.0	-
8"	-	-	x80.0	-
10"	-	-	x115.0	-
Total water	129	129		136
Total wastewater	129	129	x1.0	129

3. Total water consumption (in thousands) during the fiscal year:

Gallons pumped into the system:	3,912
Gallons billed to customers:	3,009
Water accountability ratio (gallons billed/gallons pumped):	76.92% %

*"ESFC" means equivalent single-family connections

**The District charges $20 for the first 1,000 gallons of usage for both water and wastewater.

Fort Bend County Municipal Utility District No. 58

Schedule of General Fund Expenditures

Year Ended July 31, 2008

Personnel (including benefits)		$ -
Professional Fees		
Auditing	$ 8,800	
Legal	191,606	
Engineering	37,641	
Financial advisor	-	238,047
Purchased Services for Resale		
Bulk water and wastewater service purchases		-
Regional Water Fee		-
Contracted Services		
Bookkeeping	11,925	
General manager	-	
Appraisal district	1,008	
Tax collector	3,750	
Security	-	
Other contracted services	22,078	38,761
Utilities		1,301
Repairs and Maintenance		42,233
Administrative Expenditures		
Directors' fees	6,450	
Office supplies	1,989	
Insurance	8,226	
Other administrative expenditures	13,301	29,966
Capital Outlay		
Capitalized assets	-	
Expenditures not capitalized	8,500	8,500
Tap Connection Expenditures		50,408
Lease payments		41,600
Fire Fighting		-
Parks and Recreation		-
Other Expenditures		-
Total expenditures		$ 450,816

Fort Bend County Municipal Utility District No. 58

Analysis of Taxes Levied and Receivable

July 31, 2008

	Maintenance Taxes
2007 Original Tax Levy	$ 56,591
Current year tax collections	(56,591)
Receivable, end of year	$ 0

	2007	2006	2005
Property Valuations			
Land	$ 11,915,610	$ 7,638,430	$ 5,544,110
Improvements	38,200	38,440	60,980
Personal property	771,543	721,380	-
Exemptions	(8,952,620)	(6,378,286)	(5,377,190)
Total property valuations	$ 3,772,733	$ 2,019,964	$ 227,900
Tax Rates per $100 Valuation			
Maintenance tax rates*	$ 1.5000	$ 1.5000	$ 1.5000
Tax Levy	$ 56,591	$ 30,299	$ 3,419
Percent of Taxes Collected to Taxes Levied**	100%	100%	100%

*Maximum tax rate approved by voters: $1.50 on February 5, 2005

**Calculated as taxes collected for a tax year divided by taxes levied for that tax year.

Fort Bend County Municipal Utility District No. 58

Comparative Schedule of Revenue and Expenditures – General Fund

Years Ended July 31, 2008, 2007 and 2006 and Period Ended July 31, 2005

	Amounts			
	2008	2007	2006	2005 *
General Fund				
Revenues				
Property taxes	$ 56,591	$ 30,299	$ 3,419	$ -
Water service	9,820	-	-	-
Sewer service	9,650	-	-	-
Regional water fee	1,215	-	-	-
Penalty and interest	628	54	37	-
Tap connection and inspection fees	157,986	-	-	-
Investment income	282	551	113	108
Total revenues	236,172	30,904	3,569	108
Expenditures				
Service operations:				
Professional fees	238,047	202,128	112,867	160,254
Contracted services	38,761	19,201	11,675	18,142
Lease payments	41,600	-	-	-
Utilities	1,301	1,549	-	-
Repairs and maintenance	42,233	-	-	-
Other expenditures	29,966	26,736	13,521	23,291
Tap connections	50,408	-	-	-
Capital outlay	8,500	-	-	-
Total expenditures	450,816	249,614	138,063	201,687
Excess expenditures	(214,644)	(218,710)	(134,494)	(201,579)
Other Financing Sources				
Developer advances	179,086	250,000	220,900	130,500
Excess sources (uses)	(35,558)	31,290	86,406	(71,079)
Fund Balance (Deficit), Beginning of Year	46,617	15,327	(71,079)	-
Fund Balance (Deficit), End of Year	$ 11,059	$ 46,617	$ 15,327	$ (71,079)
Total Active Retail Water Connections	129	0	0	0
Total Active Retail Wastewater Connections	129	0	0	0

*Certain 2005 balances have been reclassified to be consistent with the 2006 presentation. The reclassification had no effect on excess sources (uses).

Percent of Fund Total Revenues			
2008	2007	2006	2005
24.0 %	98.0 %	95.8 %	- %
4.2	-	-	-
4.1	-	-	-
0.5	-	-	-
0.3	0.2	1.0	-
66.8	-	-	-
0.1	1.8	3.2	100.0
100.0	100.0	100.0	100.0
100.8	654.1	3,162.4	1,483.8
11.3	62.1	327.1	168.0
17.6	-	-	-
0.6	5.0	-	-
23.0	-	-	-
12.7	86.5	378.8	215.6
21.3	-	-	-
3.6	-	-	-
190.9	807.7	3,868.3	1,867.4
(90.9) %	(707.7) %	(3,768.3) %	(1,767.4) %

Fort Bend County Municipal Utility District No. 58

Board Members, Key Personnel and Consultants

Year Ended July 31, 2008

Complete District mailing address:	Fort Bend County Municipal Utility District No. 58 c/o Allen Boone Humphries Robinson LLP 3200 Southwest Freeway, Suite 2600 Houston, Texas 77027	
District business telephone number:	713.860.6400	
Submission date of the most recent District Registration Form (TWC Sections 36.054 and 49.054):		May 22, 2008
Limit on fees of office that a director may receive during a fiscal year:		$ 7,200

Board Members	Term of Office Elected & Expires	Fees*	Expense Reimbursements	Title at Year-end
Walter Zelop	Elected 05/08-05/12	$ 1,500	$ 382	President
Gary Hanson	Elected 05/08-05/12	900	150	Vice President
Joyce Smith	Elected 05/06-05/10	1,650	70	Secretary
Elizabeth Dorman	Elected 05/06-05/10	900	46	Assistant Vice President
Pamela August	Elected 05/08-05/12	1,500	57	Assistant Secretary

*Fees are the amounts actually paid to a director during the District's fiscal year.

Fort Bend County Municipal Utility District No. 58

Board Members, Key Personnel and Consultants (Continued)

Year Ended July 31, 2008

Consultants	Date Hired	Fees and Expense Reimbursements	Title
Allen Boone Humpries Robinson LLP	12/10/03	$ 191,606	Attorney
BKD, LLP	06/14/05	8,800	Auditor
Brown & Gay Engineers, Inc.	03/04	37,641	Engineer
Fort Bend Central Appraisal District	Legislative Action	1,008	Appraiser
The GMS Group, L.L.C.	07/20/04	0	Financial Advisor
Thomas W. Lee, RTA	07/20/04	3,750	Tax Assessor/ Collector
Myrtle Cruz, Inc.	10/01/04	11,925	Bookkeeper
SWWC Services, Inc.	02/14/06	90,081	Operator
Investment Officer			
Sheila Stedman	01/11/05	N/A	Bookkeeper

Board of Directors
Fort Bend County Municipal Utility District No. 58
Fort Bend County, Texas

In planning and performing our audit of the financial statements of Fort Bend County Municipal Utility District No. 58 (the District) as of and for the year ended July 31, 2008, in accordance with auditing standards generally accepted in the United States of America, we considered the District's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control. As such, our consideration of internal control would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements of the District's financial statements on a timely basis. A control deficiency in design exists when a control necessary to meet a control objective is missing or an existing control is not properly designed so that, even if the control operates as designed, a control objective is not always met. A control deficiency in operation exists when a properly designed control does not operate as designed or when the person performing the control does not possess the necessary authority or qualifications to perform the control effectively.

A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the District's financial statements that is more than inconsequential will not be prevented or detected by the District's internal controls.

A material weakness is a significant deficiency, or a combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the District's financial statements will not be prevented or detected by the District's internal controls.

We observed the following matters that we consider to be control deficiencies, significant deficiencies or material weaknesses.

Material Weaknesses

The District's management consists of an elected Board of Directors (Directors). Day-to-day operations are performed by private entities (Consultants) under contract with the District. The Directors supervise the performance of the Consultants; however, although Consultants can be part of the District's system of internal control, the Consultants are not members of management. Per auditing standards, management is responsible for design and implementation of the District's system of internal controls.

Statement on Auditing Standards No. 112 (SAS 112), effective for audits of financial statements for periods ending on or after December 15, 2006, with earlier implementation permitted, set about to identify and define deficiencies in internal control that might be considered significant deficiencies or material weaknesses. SAS 112 requires that significant deficiencies or material weaknesses be communicated to management in writing.

Per auditing standards, one of the primary controls within the system of internal controls is related to the preparation of the financial statements. Management of the District is responsible for either preparing the financial statements or having the knowledge to determine whether the financial statements have been properly prepared and are free from potential misstatement. The absence of this expertise within management, or a Consultant of the District hired to perform this service, is considered by auditing standards to be a material weakness in internal control over financial reporting.

During the course of performing an audit, it is not unusual for the auditor to prepare various journal entries to correct and present the financial statements on the government-wide basis of accounting. Additionally, we noted adjustments to various accounts, such as property taxes receivable, prepaid expenditures, deferred revenues, property taxes revenue, tap connection and inspection fees, and capital outlay expenditures, which were necessary in order for the fund financial statements to be in conformity with generally accepted accounting principles. The inability of management (or a Consultant of the District hired to perform this service) to detect these necessary adjustments is considered by auditing standards to be a material weakness in internal control over financial reporting.

Finally, management, or a Consultant of the District, does not prepare the capital asset and depreciation register or post adjustments related to the presentation of the capital assets in the government-wide financial statements. As management is not preparing or reviewing and does not have the expertise to prevent, detect and correct related significant potential misstatements, this is considered by auditing standards to be a material weakness.

Significant Deficiencies

No matters are reportable.

Control Deficiencies

No matters are reportable.

Management's Response

The District's Directors are appointed or elected from the general population and do not necessarily have governmental accounting expertise. The Directors engage Consultants who possess industry knowledge and expertise to provide financial services, as well as legal and professional engineering services. The Directors do not feel that the addition of an employee or a Consultant to perform the annual financial reporting process is necessary, nor would it be cost effective.

Management's written response to the material weaknesses identified in our audit has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

This communication is intended solely for the information and use of management, the Board of Directors and the Texas Commission on Environmental Quality, and is not intended to be, and should not be, used by anyone other than these specified parties.

/s/ **BKD, LLP**

December 15, 2008

APPENDIX B

FINANCIAL INFORMATION CONCERNING THE SILVER RANCH DEVELOPER

The Silver Ranch Developer has delivered the financial information included in this APPENDIX B (the "Financial Information") to the District for publication in connection with the District's offer and sale of the Bonds. The Financial Information has been included herein solely as additional information concerning the financial condition and capability of the Silver Ranch Developer. Such Financial Information is relevant, among other reasons, to the Silver Ranch Developer's ability to continue developing its land within the District and to pay ad valorem taxes thereon, and to preserve its financial investment in the District.

The Silver Ranch Developer has represented to the District that the Financial Information relating to it has been prepared from its books and records, and fairly presents its financial condition. The Silver Ranch Developer has also represented to the District that the Financial Information does not fail to disclose any material fact or omit to state any material adverse change in the financial condition of the Silver Ranch Developer since the date on which the Financial Information is presented. The Silver Ranch Developer has agreed to inform the District prior to delivery of the Bonds of any material adverse change in its financial condition since the dates of the Financial Information provided by the Silver Ranch Developer contained herein.

The Silver Ranch Developer is not responsible for, liable for, and has not made any commitment for payment of the Bonds or other obligations of the District and the inclusion of the Financial Information herein should not be construed as an implication to that effect. The Silver Ranch Developer has not made any legal commitment to the District or owners of the Bonds to continue development of land within the District and may sell or otherwise dispose of property within the District, or any other assets, at any time. Therefore, the District cautions that the Financial Information Concerning the Developer should not be construed or interpreted in any way as an indication of the investment security of the Bonds.

KATY 309 VENTURE, L.P.

FINANCIAL STATEMENTS

UNAUDITED

DECEMBER 31, 2008

KATY 309 VENTURE, L.P.

DECEMBER 31, 2008

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KATY 309 VENTURE, L.P.

BALANCE SHEET

UNAUDITED

AS AT DECEMBER 31, 2008

	2008
ASSETS	
Real Estate Assets	
MUD reimbursables	$ 8,200,000
Land held for development and resale	6,622,696
Development costs	3,933,645
	18,756,341
Cash	967,374
Accounts receivable	100,000
	1,067,374
	$ 19,823,715
LIABILITIES & PARTNERS' CAPITAL	
Debt Secured By:	
Land held for development and resale	$ 3,920,965
Accounts payable and accrued expenses	308,591
Deposits	591,725
	900,316
	4,821,281
Partners' Capital	15,002,434
	$ 19,823,715

KATY 309 VENTURE, L.P.

STATEMENT OF INCOME AND PARTNERS' CAPITAL

UNAUDITED

FOR THE YEAR ENDED DECEMBER 31, 2008

	2008
Sales	
Lot Sales	$ 2,615,752
Interest	193,888
Rentals	10,287
Miscellaneous	42,141
	2,862,068
Cost of Goods Sold	
Cost of lots sold	1,842,400
Closings costs	6,979
Cost of land	100,358
	1,949,737
Gross Profit	912,331
Expenses	
Selling and marketing	130,016
Maintenance	92,663
Taxes and licenses	9,156
Professional fees	4,925
Miscellaneous	477
	237,237
Net Income	675,094
Partners' Capital, beginning of year	14,327,340
Partners' Capital , end of year	$ 15,002,434

KATY 309 VENTURE, L.P.

NOTES TO THE FINANCIAL STATEMENTS

UNAUDITED

DECEMBER 31, 2008

1. STATUTES OF PARTNERSHIP AND NATURE OF ACTIVITIES

The limited partnership was established on March 7, 2003, in accordance with the laws and regulations set out by the State of Texas. It was created for the purpose of developing approximately 469 acres of land located in Fort Bend County, Texas. The sole purpose of this limited partnership is to develop and sell the lots on which single-family residences will be constructed.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Statement Presentation

The financial statements of Katy 309 Venture L.P. only include the partnership's assets, liabilities, revenues and expense and not the assets, liabilities, revenues and expenses of the limited partners nor the income tax expense or recovery relating to the limited partners.

These financial statements have been prepared for the Internal Revenue Service and State Franchise Tax purposes on an income tax basis. The financial statements take into account the following significant accounting policy:

Revenue Recognition

Lot Sales

The sale of lots is accounted for on the date of closing of the transaction as specified in the sales contract.

Determination of Cost of Sales

The cost of land sold is determined using the net yield method. The total estimated cost of the completely developed land is allocated between lots and prorated on the selling price of the lot compared with the estimated market value of the entire parcel of land.

Real Estate Assets

Land Held for Development and Resale

Land held for development and land under development is accounted for at cost. Land ready for resale is accounted for at the lower of cost and estimated net realizable value. Cost includes the acquisition cost (specific identification method) less the direct cost percentage of lots sold. The development cost consists of Utility infrastructure, hard and soft land development cost including capitalized carrying costs and all miscellaneous costs relating to development of land.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capitalized Carrying Costs

The partnership capitalized all of its direct costs related to income-producing properties under construction, land held for development and resale. The partnership also capitalizes certain indirect costs such as specific interest expenses, property taxes, interest on the portion of the partnership's general indebtedness that is used to finance the total cost of these real estate assets along with certain general and administrative expenses that can be directly tied to the project. Expenses are capitalized until the date on which the construction or development work is completed. The construction or development work is considered completed when:

- the breakeven point is reached;
- a reasonable occupancy rates are achieved;
- a reasonable maximum period of time has elapsed;

whichever event occurs first.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

3. RECEIVABLE FROM THE MUNICIPAL UTILITY DISTRICT

A significant portion of the costs of developing utility infrastructure and drainage will be reimbursed by Fort Bend County Municipal Utility District No. 124. As at December 31, 2008 the amount of engineering and construction cost incurred and not reimbursed is $8,200,000.

4. INCOME TAXES

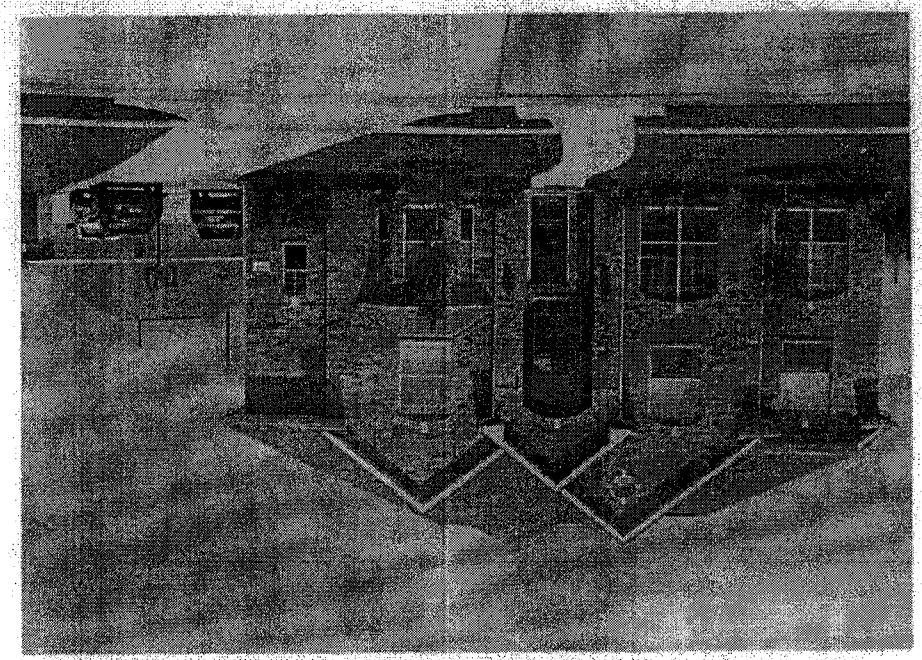
Katy 309 Venture, L.P. is a limited partnership for federal income tax purposes. Each partner will report its respective share of taxable income or loss from the partnership. Accordingly no federal income taxes are included in the the financial statements.

APPENDIX C

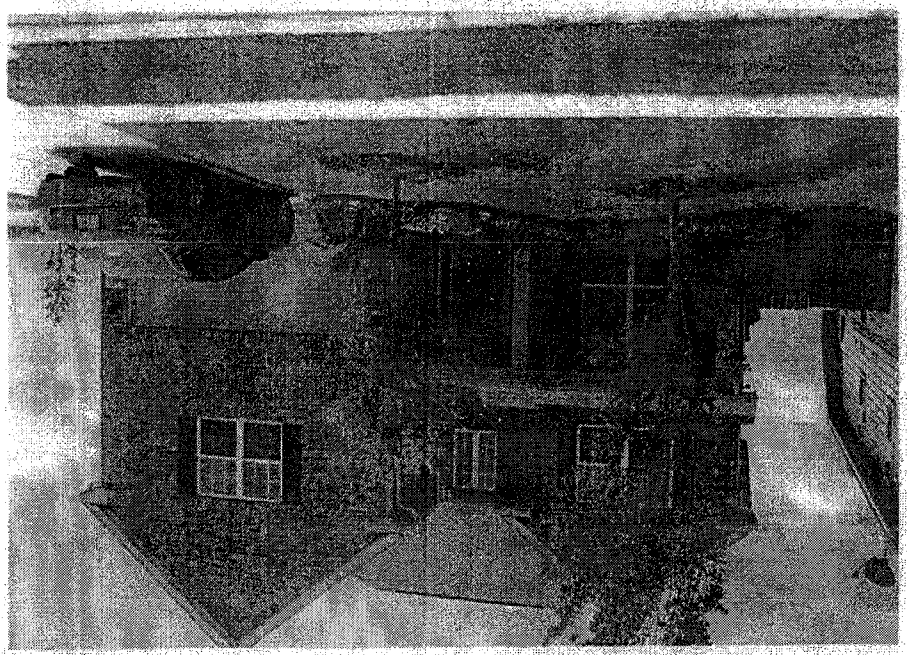
PHOTOGRAPHS TAKEN IN THE DISTRICT

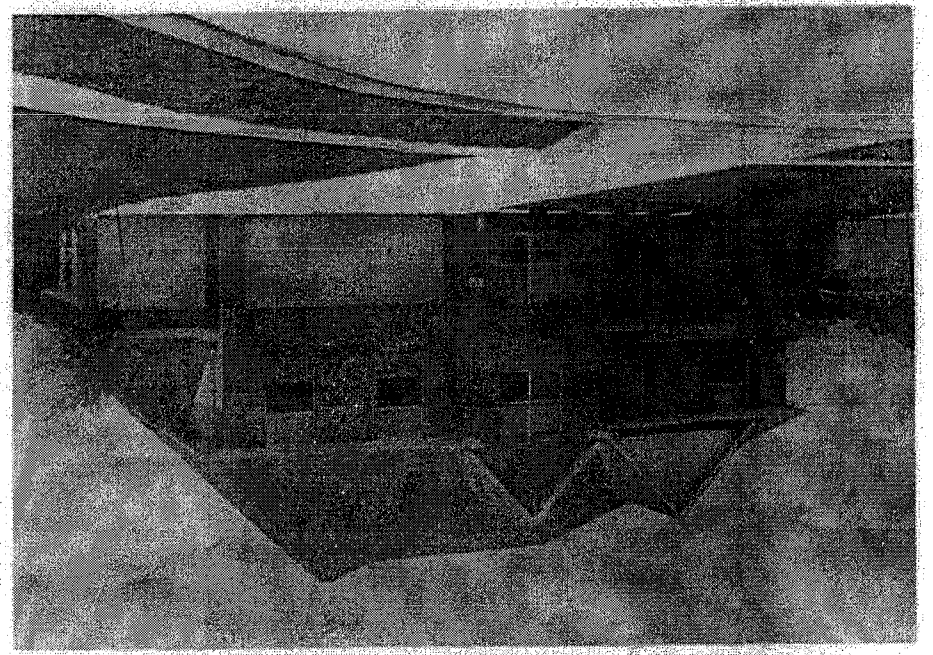
SILVER RANCH

STOP

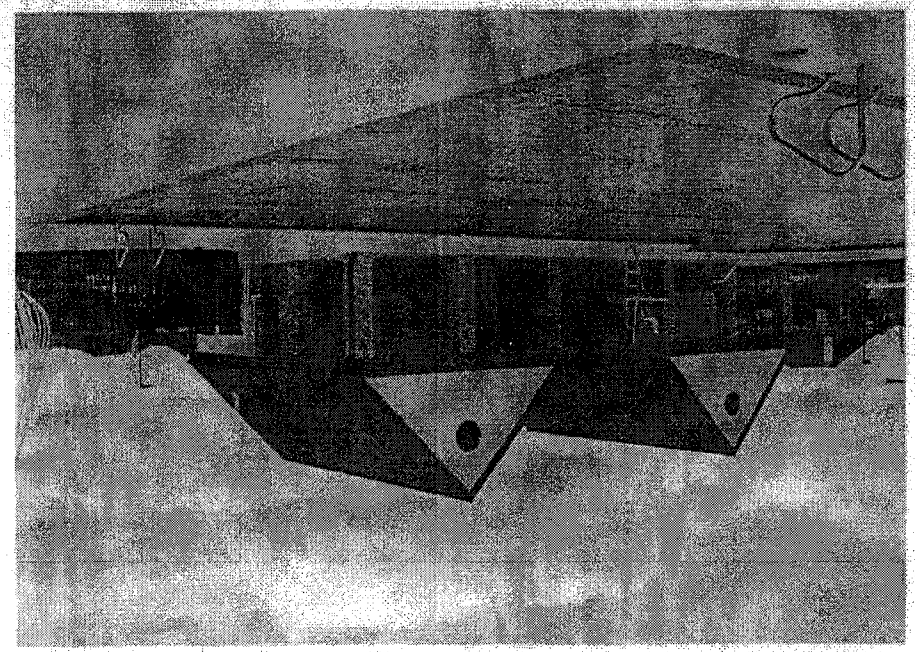


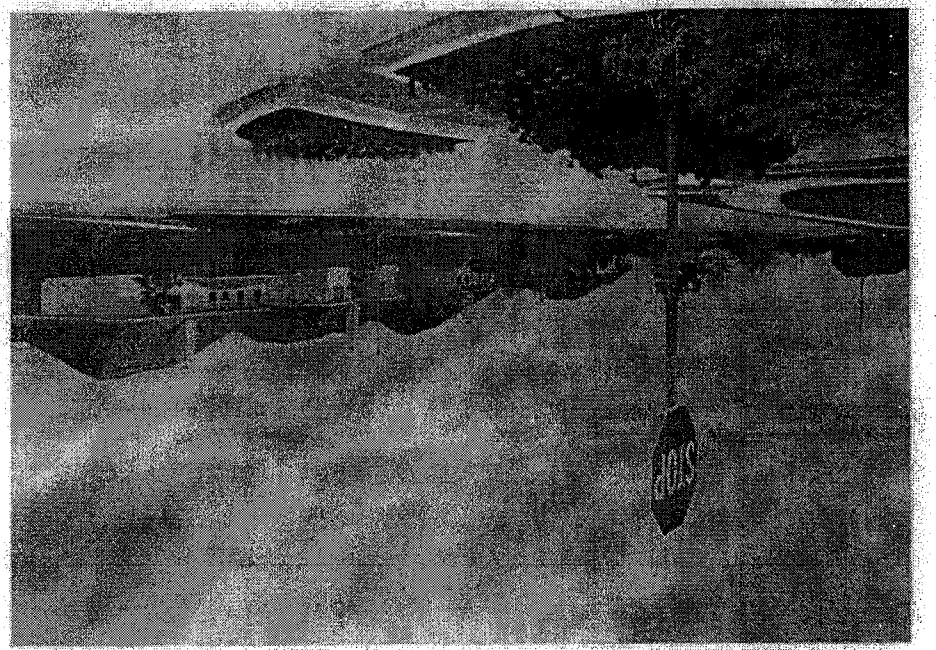


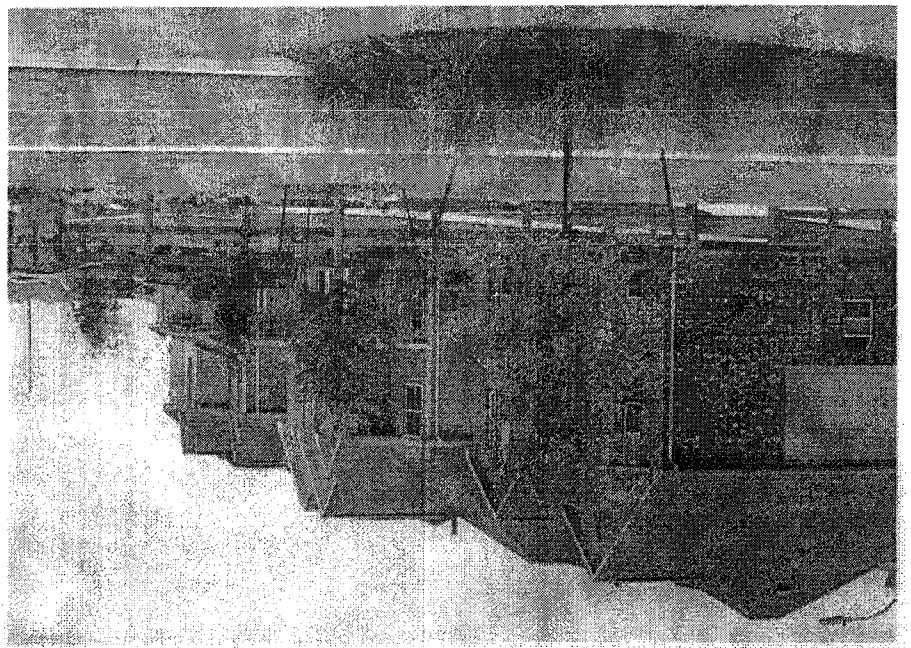


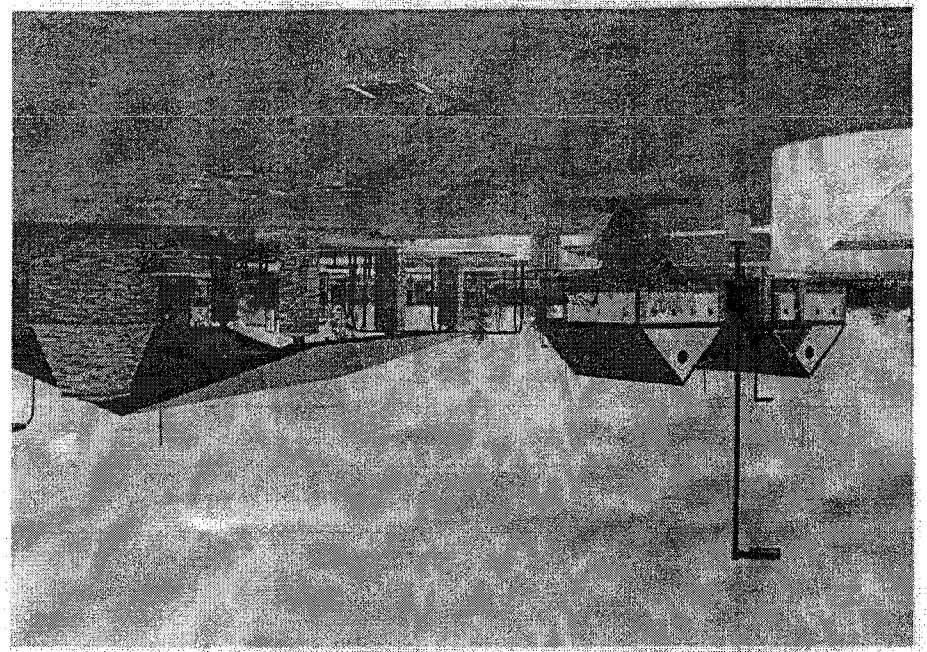


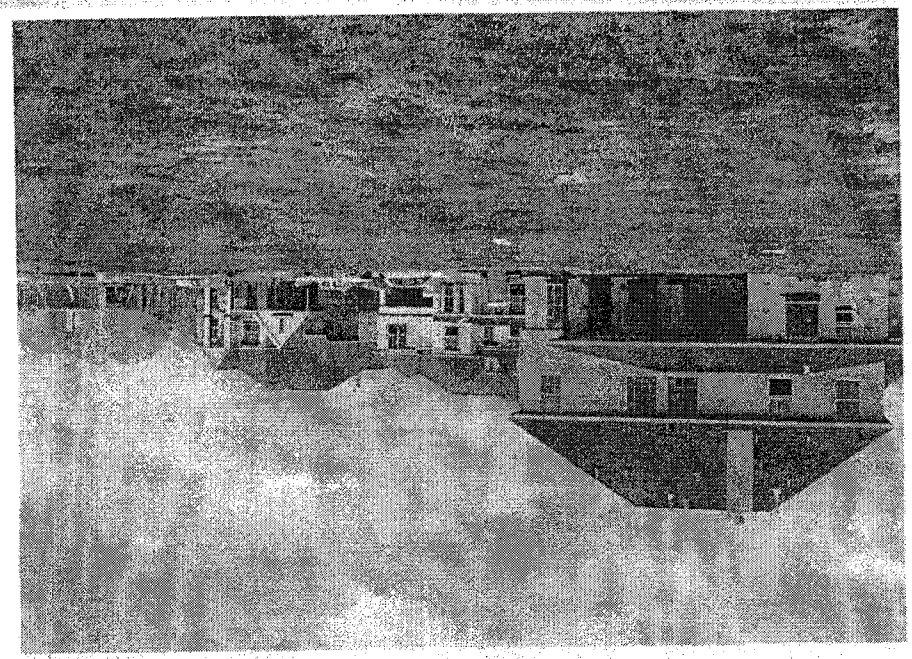
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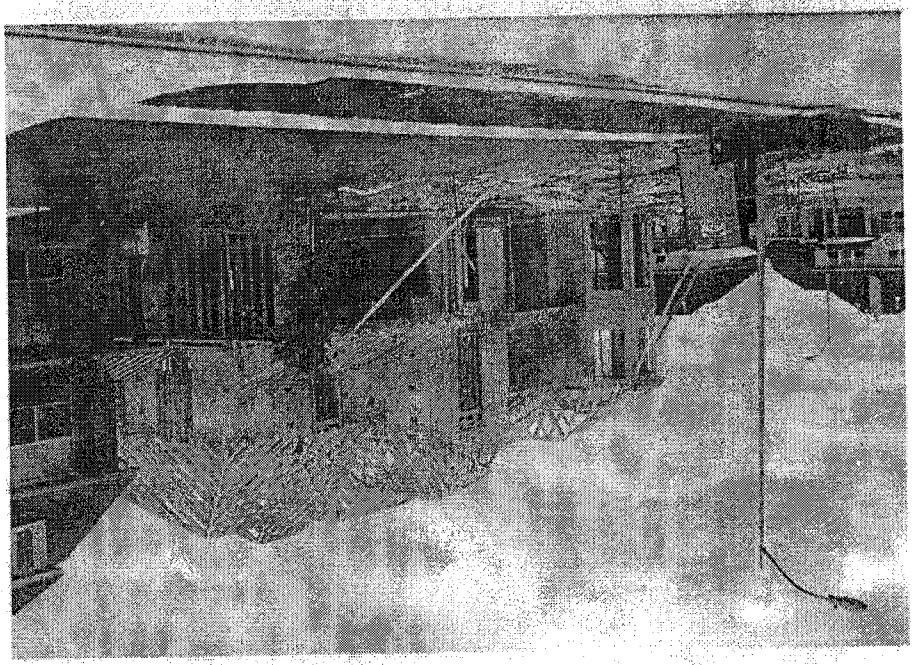


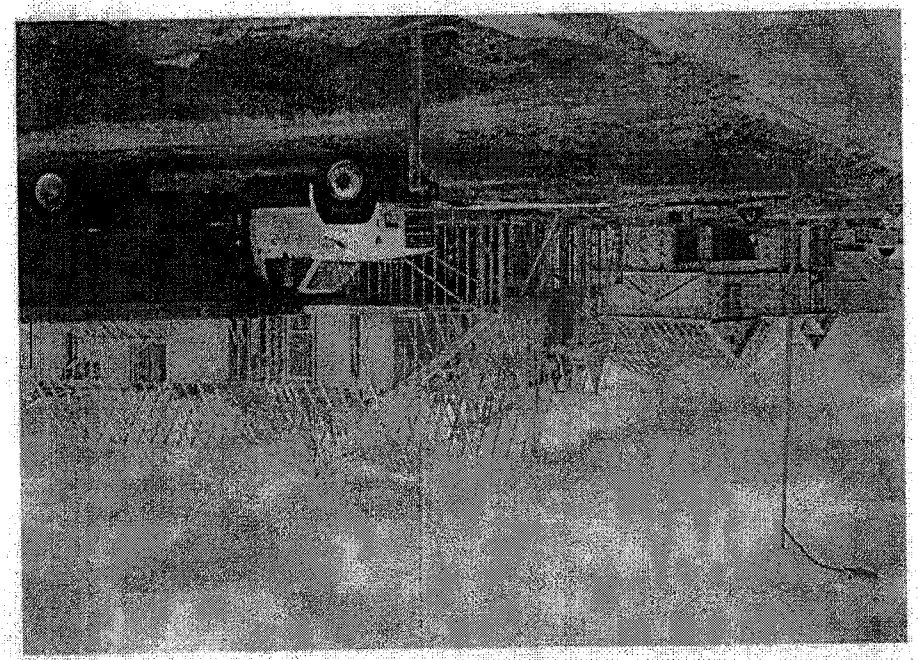


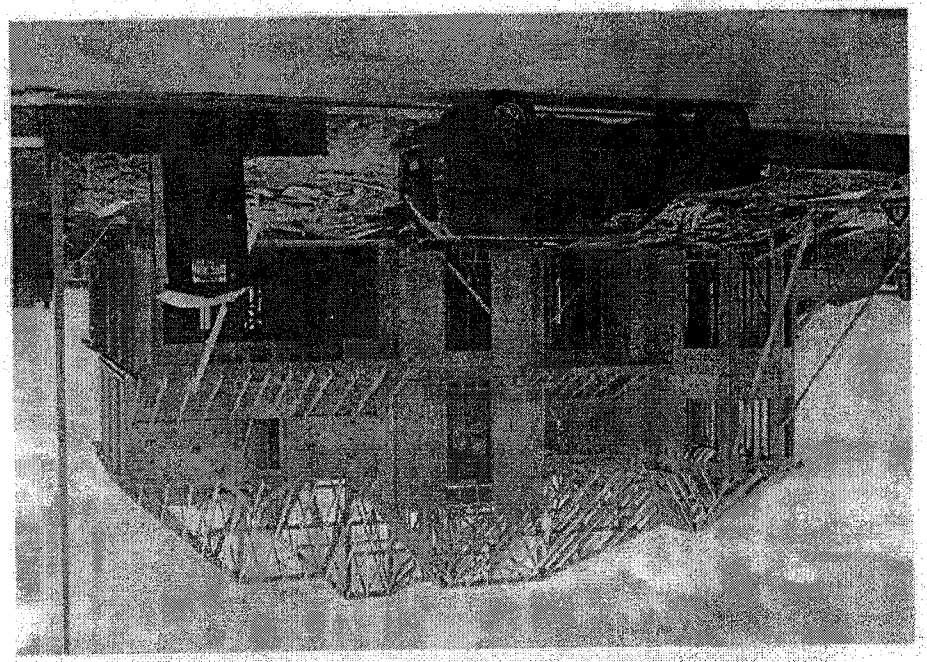












This Official Notice of Sale does not alone constitute an invitation for bids but is merely notice of sale of bonds described herein. The invitation for such bids is being made by means of this Official Notice of Sale, the Official Bid Form and the Preliminary Official Statement.

OFFICIAL NOTICE OF SALE

$4,900,000
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 58
(A political subdivision located within Fort Bend County, Texas)

UNLIMITED TAX BONDS
SERIES 2009

Bonds Offered for Sale at Competitive Bid:

The Board of Directors (the "Board") of Fort Bend County Municipal Utility District No. 58 (the "District") is offering for sale at competitive bid $4,900,000 Unlimited Tax Bonds, Series 2009 (the "Bonds"). Options to submit bids on the bonds include:

1.) Deliver bids directly to the District as described below in "Sealed Bids Delivered to the District;"
2.) Submit electronic bids through the facilities of PARITY as described below in "Electronic Bidding Procedures;" or
3.) Submit bids by telephone as described below in "Bids by Telephone."

Bid Opening:

The District will open bids, and envelopes provided for purposes of electronic bidding and bids by telephone, for the purchase of the Bonds on Wednesday, April 29, 2009 at 10:30 a.m. Houston time, at the offices of The GMS Group, L.L.C., 5075 Westheimer, Suite 1175, Houston, TX 77056-5606. The GMS Group, L.L.C. (the District's Financial Advisor and authorized representative of the District for purposes of receiving bids for the Bonds) will open and read the bids at 10:30 a.m. at the offices of The GMS Group, L.L.C. The Board will take action to reject the bids or accept the bid that produces the lowest net effective interest rate for the Bonds at a meeting to be held on Wednesday, April 29, 2009, at 12:00 noon, Houston time, at the offices of Allen Boone Humphries Robinson LLP, located at 3200 Southwest Freeway, Suite 2600, Houston, TX, 77027.

Sealed Bids Delivered Directly to the District:

If sealed bids are submitted then such sealed bids must be submitted in duplicate on the Official Bid Form and plainly marked "Bid for Bonds", are to be addressed to "President and Board of Directors, Fort Bend County Municipal Utility District No. 58." All bids must be delivered to the above address prior to the above scheduled time for bid opening. Any bid received after such scheduled time for bid opening will not be accepted and will be returned unopened.

Electronic Bidding Procedures:

Any prospective bidder that intends to submit an electronic bid must submit its electronic bid through the facilities of PARITY by 10:30 a.m., Houston time, on Wednesday, April 29, 2009. No bids will be accepted after this time, as specified. Subscription to the i-Deal LLC's BIDCOMP Competitive Bidding System is required in order to submit an electronic bid. The District will neither confirm any subscription nor be responsible for the failure of any prospective bidder to subscribe.

An electronic bid made through the facilities of PARITY shall be deemed an irrevocable offer to purchase the Bonds on the terms provided in this Official Notice of Sale, and shall be binding upon the bidder as if made by a signed, sealed bid delivered to the District. The District shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of, PARITY, the use of such facilities being the sole risk of the prospective bidder.

If any provisions of this Official Notice of Sale shall conflict with information provided by PARITY as the approved provider of electronic bidding services, this Official Notice of Sale shall control. Further information about PARITY, including any fee charged, may be obtained from PARITY Customer Support, 40 West 23rd Street, 5th Floor, New York, NY 10010, telephone: (212) 806-8304.

For purposes of both the written sealed bid process and the electronic bidding process, the time as maintained by PARITY shall constitute the official time. **For information purposes only, bidders are requested to state in their electronic bids the net interest cost to the District, as described under "CONDITIONS OF THE SALE – Basis of Award" below. All electronic bids shall be deemed to incorporate the provisions of this Official Notice of Sale and the Official Bid Form.**

Bids by Telephone:

Bidders may make bids by telephone pursuant to arrangements made with the District's Financial Advisor, John Howell, The GMS Group, L.L.C., (713) 622-7620.

Award of the Bonds:

The Board will take action to adopt a resolution authorizing the issuance and awarding sale of the Bonds or will reject all bids promptly after the opening of the bids. The Board reserves the right to reject any and all bids and to waive any irregularities except time of filing.

THE BONDS

Description of Certain Terms of the Bonds:

The Bonds will be dated May 1, 2009, with interest payable on October 1, 2009, and each April 1 and Otober 1 thereafter until the earlier of maturity or prior redemption. The Bonds will be issued only in fully registered form. Principal and semi-annual interest will be paid by the District through the designated payment office of the Paying Agent/Registrar, initially, Wells Fargo Bank, National Association, in Houston, Texas. Principal and redemption price of the Bonds will be payable to the registered owner at maturity or redemption upon presentation and surrender to the Paying Agent/Registrar. The District intends to utilize the Book-Entry-Only System of The Depository Trust Company ("DTC"). See "THE BONDS – Book-Entry-Only System" in the Official Statement. Interest on the Bonds will be payable by check or draft dated as of the interest payment date and mailed on or before that date to the registered owners as shown on the records of the Paying Agent/Registrar on the 15th calendar day of the month next preceding each interest payment date. The Bonds will mature serially on April 1, as follows:

Year	Principal Amount	Year	Principal Amount
2013	$75,000	2026	$170,000
2014	$75,000	2027	$185,000
2015	$75,000	2028	$195,000
2016	$100,000	2029	$210,000
2017	$100,000	2030	$225,000
2018	$100,000	2031	$240,000
2019	$100,000	2032	$260,000
2020	$100,000	2033	$280,000
2021	$120,000	2034	$300,000
2022	$125,000	2035	$320,000
2023	$140,000	2036	$340,000
2024	$150,000	2037	$365,000
2025	$160,000	2038	$390,000

The Bonds maturing on or after April 1, 2017, are subject to redemption at the option of the District, prior to maturity, in whole or in part, on April 1, 2016, or on any date thereafter, at a price of the par value thereof plus accrued interest from the most recent interest payment date to the date fixed for redemption. If fewer than all of the Bonds are redeemed at any time, the District shall determine the maturity or maturities and the amounts thereof to be redeemed, in integral multiples of $5,000 in principal amount, and if fewer than all of the bonds within a maturity are to be redeemed, the Paying Agent/Registrar shall select by lot or other random selection method. The registered owner of any Bond, all or a portion of which has been called for redemption, shall be required to present same to the Paying Agent/Registrar for payment of the redemption price on the portion of the Bond so called for redemption and the issuance of a new Bond in the principal amount equal to the portion of the Bond not redeemed.

Term Bonds; Mandatory Sinking Fund:

Any successful bidder may elect, in its written bid to alter the Maturity Schedule reflected on the cover by converting the principal amounts of Serial Bonds maturing in the years 2017 through 2038 in to "Terms Bonds," such "Term Bonds" shall be subject to mandatory redemption on the April 1 next following the last maturity for Serial Bonds, and annually thereafter on each April 1, until the stated principal amount of the term bonds to be redeemed on each mandatory redemption date shall be the principal amount that would have been due and payable in the Maturity Schedule shown on the cover had no conversion to Term Bonds occurred. At least thirty (30) days prior to each mandatory redemption date, the Paying Agent/Registrar shall select by lot the term Bonds to be redeemed and issue a notice of redemption in the manner provided below.

Successor Paying Agent/Registrar:

Provision is made in the Bond Resolution for replacement of the Paying Agent/Registrar. If the Paying Agent/Registrar is replaced by the District, the new Paying Agent/Registrar shall accept the previous Paying Agent/Registrar's records and act in the same capacity as the previous Paying Agent/Registrar. Any Paying Agent/Registrar selected by the District shall be either a national or state banking institution, trust company, financial institution, or other entity duly qualified and legally authorized to serve and perform the duties as Paying Agent/Registrar.

Security for Payment:

The Bonds, when issued, will constitute valid and binding obligations of the District, payable as to the principal and interest from the proceeds of a continuing, direct annual ad valorem tax, without legal limitation as to rate or amount, levied against all taxable property within the District, all to the extent and upon the conditions described in the Official Statement.

No Municipal Bond Ratingand Municipal Bond Insurance:

The District has not made an application for an underlying rating on the Bonds to any municipal bond rating service. It is not anticipated that the District would have receive an investment grade rating had such rating been applied for.

CONDITIONS OF SALE

Types of Bids and Interest Rates:

The Bonds will be sold in one block on an "all or none" basis and at a price of not less than 97% of the par value thereof plus accrued interest from the date of the Bonds to the date of delivery. Bidders are to name the rates of interest to be borne by the Bonds, provided that each rate bid must be in a multiple of 1/8 of 1% or 1/20 of 1%. All Bonds maturing within a single year must bear the same rate of interest.

The net effective interest rate on the Bonds may not exceed 7.00% as calculated pursuant to Chapter 1204, Texas Government Code, as amended. Subject to the above conditions, no limitation will be imposed upon bidders as to the number of interest rates or changes in interest rates which may be used, but the highest interest rate bid for any maturity may not exceed the lowest interest rate bid for any maturity by more than two and one half (2-1/2) percentage points. Each bidder shall state in its bid the total and net interest cost in dollars and the net effective interest rate determined thereby, which shall be considered informative only and not as a part of the bid. Any bid generating a cash premium greater than $5,000 will be rejected.

Basis of Award:

For the purpose of awarding the sale of the Bonds, the interest cost of each bid will be computed by determining, at the interest rates specified therein, the total dollar value of all interest on the Bonds from the date thereof to their respective maturities and adding thereto the discount, if any. Subject to the District's right to reject any or all bids, sale of the Bonds will be awarded to the bidder (the "Underwriter") whose bid, under the above computation, produces the lowest net interest cost to the District. In the event of mathematical discrepancies between the interest rates and the interest costs determined therefrom, as both appear on the Official Bid Form, the bid will be solely governed by the interest rates named therein.

Good Faith Deposit:

Each bid must be accompanied by a bank's cashier's check, payable to the order of Fort Bend County Municipal Utility District No. 58 in the amount of $98,000 (the "Good Faith Deposit"). The Good Faith Deposit submitted by the Underwriter will be retained uncashed by the District pending the Underwriter's compliance with the terms of the Official Bid Form and the Official Notice of Sale. In the event the Underwriter should fail or refuse to accept delivery of and pay for the Bonds in accordance with its bid, then the check will be cashed and the proceeds accepted by the District as full and complete liquidated damages. A Good Faith Deposit may accompany the Official Bid Form or may be submitted separately. If submitted separately, it shall be made available to the District prior to the opening of the bids and shall be accompanied by instructions from the bank on which it is drawn which authorizes its use as a Good Faith Deposit by the bidder(s) to be named in such instructions.

Financial Advisor's Right to Bid:

The Board of Directors for the District has authorized The GMS Group, L.L.C., the District's Financial Advisor, to bid on the Bonds.

DELIVERY AND ACCOMPANYING DOCUMENTS

CUSIP Numbers:

It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such number on any Bond nor any error with respect thereto shall constitute cause for failure or refusal by the Underwriter to accept delivery of or make payment for the Bonds in accordance with the terms of the Official Bid Form and this Official Notice of Sale. All expenses in relation to the printing of CUSIP numbers on the Bonds shall be paid by the District; however, the CUSIP Service Bureau charge for the assignment of the numbers shall be paid by the Underwriter.

Delivery of Initial Bonds:

Initial delivery will be accomplished by the issuance of one initial Bond for the entire principal amount of the Bonds, payable in stated installments (the "Initial Bonds"), either in typed or printed form, in the aggregate principal amount of $4,900,000 registered to the person or entity designated by the Underwriter in the Official Bid Forms, signed manually or in facsimile by the President and Secretary of the Board, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State of Texas or her authorized representative. Initial delivery will be through DTC. One definitive Bond for each maturity will be registered and delivered in the name of Cede & Co., and deposited with or under agreement with DTC in connection with DTC's Book-Entry-Only System. Payment for the Initial Bonds must be made in immediately available funds for unconditional credit to the District, or as otherwise directed by the District. The Underwriter will be given five (5) business days notice of the date fixed for delivery of the Initial Bonds. It is anticipated that initial delivery can be made on or about May 14, 2009 and it is understood and agreed that the Underwriter will accept delivery and provide payment for the Initial Bonds by 10:00 A.M., Houston time, on May 14, 2009 or thereafter on the date the Bonds are tendered for delivery, up to and including June 9, 2009. If for any reason the District is unable to make delivery on or before June 9, 2009, then the District shall immediately contact the Underwriter and offer to allow the Underwriter to extend its offer for an additional thirty (30) days. If the Underwriter does not elect to extend its offer within six (6) days thereafter, then its Good Faith Deposit will be returned, and both the District and the Underwriter shall be relieved of any further obligation. In no event shall the District be liable for any damages by reason of its failure to deliver the Initial Bonds, provided such failure is due to circumstances beyond the District's reasonable control.

Initial Exchange for Definitive Bonds:

Upon presentation by the Underwriter of the Initial Bonds to the Paying Agent/Registrar, the Paying Agent/Registrar shall, in the time and manner provided in the Bond Resolution, exchange the Initial Bonds for registered Bonds in denominations of $5,000 or any integral multiple thereof, to be deposited in accordance with the requirements of the Depository Trust Company and registered in the name of Cede & Co.

Conditions of Delivery:

The Underwriter's obligation to take delivery and pay for the Initial Bonds is subject to the issuance of the Texas Attorney General's opinion and the Underwriter's receipt of the legal opinion of Bond Counsel and the no-litigation certificate, all as described below.

Continuing Disclosure Agreement:

The District will agree in the Bond Resolution to provide certain periodic information and notices of material events in accordance with Securities and Exchange Commission Rule 15c2-12, as described in the Preliminary Official Statement under "Continuing Disclosure of Information." The Underwriters' obligation to accept and pay for the Bonds is conditioned upon delivery to the Underwriters or their agent of a certified copy of the Bond Resolution containing the agreement described under such heading.

Compliance With Prior Undertakings:

The District has complied in all material respects with all continuing disclosure agreements made by them in accordance with SEC Rule 15c2-12.

Legal Opinion:

The District will furnish to the Underwriter a transcript of certain proceedings held incident to the authorization and issuance of the Bonds, including a certified copy of the approving opinion of the Attorney General of Texas, as recorded in the Bond Register of the Comptroller of Public Accounts of the State of Texas, to the effect that the Bonds are valid and legally binding obligations of the District. The District will also furnish the approving legal opinion of Allen Boone Humphries Robinson LLP, Houston, Texas, Bond Counsel for the District ("Bond Counsel"), to the effect that, based upon an examination of such transcript, the Bonds are validly issued under the Constitution and laws of the State of Texas, and to the

effect that (i) interest on the Bonds is excludable from gross income for federal income tax purposes under existing law and (ii) the Bonds are not private activity bonds under the Tax Code and interest on the Bonds will not be subject to the alternative minimum tax on individuals and corporations, except as described in the adjusted current earning adjustments for corporations.

Errors or omissions in the printing of such legal opinion shall not affect the validity of the Bonds nor constitute cause for the failure or refusal by the Underwriter to accept delivery and to pay for the Bonds. Certain legal matters will be passed upon for the District by Fulbright & Jaworski L.L.P., Houston, Texas, as Disclosure Counsel.

No-Litigation Certificate:

On the date of delivery of the Initial Bonds to the Underwriter, the District will deliver to the Underwriter a certificate, dated as of the same date, to the effect that the District has no knowledge of litigation of any nature filed or pending to restrain or enjoin the issuance or delivery of the Bonds, or which would affect the provisions made for their payment or security or in any manner question the validity of the Bonds.

Issue Price:

To provide the District with information to enable it to comply with certain conditions of the Internal Revenue Code of 1986, as amended, relating to the exclusion of interest on the Bonds from gross income for federal income tax purposes, the Underwriter will be required to complete, execute and deliver to the District, on or before the date of delivery of the Bonds, a certification regarding "issue price" substantially in the form accompanying this Notice of Sale. If the Underwriter will not reoffer the Bonds for sale or has not sold a substantial amount of the Bonds of any maturity by the date of delivery, such certificate may be modified in a manner approved by the District. In no event will the District fail to deliver the Bonds as a result of the Underwriter's inability to certify actual sales of Bonds at a particular price prior to delivery. Each bidder, by submitting its bid, agrees to complete, execute, and deliver such certificate by the date of delivery of the Bonds if its bid is accepted by the District. It will be the responsibility of the successful bidder to institute such syndicated reporting requirements, to make such investigation, or otherwise to ascertain the facts necessary to enable it to make such certification with reasonable certainty. Any questions concerning such certification should be directed to Bond Counsel.

GENERAL CONSIDERATIONS

Registration, Transfer and Exchange:

The Bonds may be transferred, registered and assigned only on the registration books (the "Register") of the Paying Agent/Registrar, and such registration (exclusive of any tax or governmental charge therefor) shall be at the expense of the District. A Bond may be assigned by execution of the assignment form on the Bonds or by such other instrument of transfer acceptable to the Paying Agent/Registrar. New Bonds will be delivered by the Paying Agent/Registrar to the last assignee (the new Registered Owner) in exchange for such transferred and assigned Bonds not more than three (3) business days after receipt of the Bonds to be transferred in proper form. New Bonds must be in the denomination of $5,000 for any one maturity, or any integral multiple thereof. The Bonds are transferable only on the Register upon surrender and reissuance. The Bonds are exchangeable for an equal principal amount of Bonds of the same maturity in any authorized denomination upon surrender of the Bonds to be exchanged at a corporate trust office of the Paying Agent/Registrar.

Record Date:

The record date ("Record Date") for the interest payable on any interest payment date means the 15th calendar day of the month next preceding such interest payment date.

Limitation on Transfers and Exchanges:

Neither the District nor the Paying Agent/Registrar shall be required to transfer or exchange any Bond during a period beginning at the opening of business on a Record Date and ending at the close of business on the next succeeding interest payment date, to issue, transfer or exchange any Bond selected for redemption during a period beginning at the opening of business 15 days before the day of the first mailing of a notice of redemption of Bonds and ending at the close of business on the day of such mailing, or to transfer or exchange any Bond so selected for redemption in whole or in part when such redemption is scheduled to occur within 30 calendar days thereafter.

Risk Factors:

The Bonds involve special risk factors. Prospective bidders are urged to examine carefully the Preliminary Official Statement with respect to the investment risks pertaining to the Bonds. Particular attention should be given to the information set forth therein under "RISK FACTORS."

No Registration or Qualification Under Securities Laws:

The offer and sale of the Bonds has not been registered with the Securities and Exchange Commission under the Securities Act of 1933, as amended, in reliance upon exemptions provided thereunder. The Bonds have not been registered or qualified under the Securities Act of Texas, as amended, in reliance upon various exemptions contained therein; nor have the Bonds been registered or qualified under the securities laws of any other jurisdiction. The District assumes no responsibility for registration or qualification of the Bonds under the securities laws of any other jurisdiction in which the Bonds may be sold, assigned, pledged, hypothecated or otherwise transferred. This disclaimer of responsibility for registration or qualification for sale or other disposition of the Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration or qualification provisions. In those jurisdictions where persons registered or licensed as dealers or brokers may offer and sell the Bonds, it is assumed that such persons have complied and will comply with all applicable statutes and regulations concerning dealers and brokers and concerning the registration or licensing of agents or salesmen.

By the submission of its bid, the Underwriter represents that the offer and sale of the Bonds in states other than Texas will be made only pursuant to exemptions from registration or qualification, or where necessary, the Underwriter will register or qualify the Bonds in accordance with the securities laws of the states in which the Bonds are offered or sold. The District agrees to cooperate, at the Underwriter's written request and expense, in registering or qualifying the Bonds, or in obtaining an exemption from registration or qualification in any state where such action is necessary, provided that the District shall not be required to file a general consent to service of process in any jurisdiction.

Qualified Tax-Exempt Obligations – Purchase of Bonds by Financial Institutions:

Section 265(a) of the Internal Revenue Code of 1986, as amended, ("the Code") requires a pro rata reduction in the interest expense deduction of a financial institution to reflect such financial institution's investment in tax-exempt obligations acquired after August 7, 1986. An exception to the foregoing provision is provided in the Code for "qualified tax-exempt obligations," which include tax-exempt obligations, such as the Bonds, (a) designated by the issuer as "qualified tax-exempt obligations" and (b) issued by a political subdivision for which the aggregate amount of tax-exempt obligations (not including private activity bonds other than qualified 501(c) (3) bonds) to be issued during the calendar year is not expected to exceed $30,000,000.

The District will designate the Bonds as "qualified tax-exempt obligations" and has represented that the aggregate amount of tax-exempt bonds (including the Bonds) issued by the District and entities aggregated with the District under the Code during calendar year 2008 is not expected to exceed $30,000,000 and that the District and entities aggregated with the District under the Code have not designated more than $30,000,000 in "qualified tax-exempt obligations" (including the Bonds) during calendar year 2008.

Notwithstanding this exception, financial institutions acquiring the Bonds will be subject to a twenty percent (20%) disallowance of allocable interest expense.

Final Official Statement:

The District has prepared the accompanying Preliminary Official Statement for dissemination to potential purchasers of the Bonds. The District will prepare a final Official Statement which will describe the reoffering yields and underwriting discount bid, the interest rates for the Bonds determined as described above, and the final debt service schedule and ratios and tax rates consequent thereon. The District does not intend to amend or supplement the Preliminary or final Official Statement, except to take into account certain subsequent events, if any, as described below. Accordingly, the District deems the accompanying Preliminary Official Statement to be final as of its date, within the meaning of SEC Rule 15c2-12(b)(1), except for the omission of the foregoing items. By delivering the final Official Statement or any amendment or supplement thereto in the requested quantity to the Underwriters on or after the sale date, the District represents the same to be complete as of such date, within the meaning of SEC Rule 15c2-12(e)(3). Notwithstanding the foregoing, the only representations concerning the absence of material misstatements or omissions from the Official Statement which are or will be made by the District are those described in the Official Statement under "OFFICIAL STATEMENT--Certification of Official Statement."

Changes to Official Statement:

If, subsequent to the date of the Official Statement, the District learns or is notified by the Underwriters of any adverse event which causes any of the key representations in the Official Statement to be materially misleading, the District will promptly prepare and supply to the Underwriters a supplement to the Official Statement which corrects such representation to the reasonable satisfaction of the Underwriters, unless the Underwriters elect to terminate their obligation to purchase the Bonds as described above. See "DELIVERY AND ACCOMPANYING DOCUMENTS--Conditions to Delivery." The obligation of the District to supplement the Official Statement will terminate when the District delivers the Bonds to the Underwriters, unless the Underwriters notify the District that less than all of the Bonds have been sold to ultimate customers

on or before such date, in which case the obligation will extend for an additional period of time (but not for more than 90 days after the sale date) until all of the Bonds have been sold to ultimate purchasers.

Delivery of Official Statements:

The District will furnish to the Underwriter (and to each other participating underwriter of the Bonds, within the meaning of SEC Rule 15c2-12(a), designated by the Underwriter), within seven (7) business days after the sale date, the aggregate number of Official Statements as requested by the Underwriter. The District will also furnish to the Underwriter a like number of any supplement or amendment prepared by the District for dissemination to potential purchasers of the Bonds as described above, as well as such additional copies of the Official Statement or any supplement or amendment as the Underwriter may request prior to the 90th day after the end of the underwriting period referred to in SEC Rule 15c2-12(e)(2). The District will pay the expense of preparing up to 50 copies of the Official Statement and all copies of any supplement or amendment issued on or before the delivery date, but the Underwriter must pay for all other copies of the Official Statement or any supplement or amendment thereto. The District assumes no responsibility or obligation for the distribution or delivery of any copies of the Official Statement to anyone other than the Underwriter.

Additional Copies:

Additional copies of this Official Notice of Sale, the Official Bid Form and the Preliminary Official Statement may be obtained from John Howell, Senior Vice President, The GMS Group, L.L.C., 5075 Westheimer, Suite 1175, Houston, Texas 77056-5606; phone number (713) 622-7620.

/s/ Walter Zelop

President, Board of Directors
Fort Bend County Municipal Utility District No. 58

Certificate of Underwriter

The undersigned hereby certifies as follows with respect to the sale of $4,900,000 Fort Bend County Municipal Utility District No. 58 Unlimited Tax Bonds, Series 2009 (the "Bonds"):

1. The undersigned is the Underwriter or the manager of the syndicate of underwriters which has purchased the Bonds from Fort Bend County Municipal Utility District No. 58 at competitive sale.

2. The undersigned and/or one or more other members of the underwriting syndicate, if any, have made a bona fide offering of the Bonds of each maturity to the public.

3. The initial offering price (expressed as a yield) for the Bonds of each maturity at which a substantial amount of the Bonds of such maturity was sold to the public is as set forth below:

Principal Amount	Year of Maturity	Offering Price	Principal Amount	Year of Maturity	Offering Price
$75,000	2013	_____%	$170,000	2026	_____%
$75,000	2014	_____%	$185,000	2027	_____%
$75,000	2015	_____%	$195,000	2028	_____%
$100,000	2016	_____%	$210,000	2029	_____%
$100,000	2017	_____%	$225,000	2030	_____%
$100,000	2018	_____%	$240,000	2031	_____%
$100,000	2019	_____%	$260,000	2032	_____%
$100,000	2020	_____%	$280,000	2033	_____%
$120,000	2021	_____%	$300,000	2034	_____%
$125,000	2022	_____%	$320,000	2035	_____%
$140,000	2023	_____%	$340,000	2036	_____%
$150,000	2024	_____%	$365,000	2037	_____%
$160,000	2025	_____%	$390,000	2038	_____%

4. The total dollar amount of bond original issue discount is $_____, the total dollar amount of bond premium is $_____, and the total underwriting spread, defined as the cost for marketing and selling the Bonds, including takedown, structuring fee, underwriting risk and expenses, is $_____.

5. The Underwriter has purchased bond insurance for the Bonds. The bond insurance, if any, has been purchased from _____ (the "Insurer") for a fee of $_____ (net of any nonguarantee cost, e.g., rating agency fees). The amount of such fee is set forth in the Insurer's commitment and does not include any payment for any direct or indirect services other than the transfer of credit risk, unless the compensation for those other services is separately stated, reasonable, and excluded from such fee. Such fee does not exceed a reasonable, arm's-length for the transfer of credit risk. The present value of the debt service savings expected to be realized as a result of such insurance exceeds the amount of the fee set forth above. For this purpose, present value is computed using the yield on the Bonds, determined by taking into account the amount of the fee set forth above, as the discount rate. No portion of the fee payable to the Insurer is refundable upon redemption of any of the Bonds in an amount which would exceed the portion of such fee that had not been earned.

6. The term "public," as used herein, means persons other than bond houses, brokers, dealers, and similar persons or organizations acting in the capacity of underwriters or wholesalers.

7. The offering prices (yields) described above reflects current market prices at the time of such sales.

8. The undersigned understands that the statements made herein will be relied upon by the District in its effort to comply with the conditions imposed by the Internal Revenue Code of 1986, as amended, on the exclusion of interest on the Bonds from gross income for federal income tax purposes and in complying with the requirements of Section 1202.008 of Chapter 1202, Texas Government code, as amended.

EXECUTED AND DELIVERED THIS on the ____ day of April, 2009.

_____
(Name of Underwriter or Manager)

By_____

Title_____

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 58
UNLIMITED TAX BONDS
SERIES 2009
OFFICIAL BID FORM

President and Board of Directors
Fort Bend County Municipal Utility District No. 58
c/o The GMS Group, L.L.C.
Galleria Financial Center
5075 Westheimer, Suite 1175
Houston, Texas 77056-5606

Board of Directors:

We have read in detail your Official Notice of Sale and accompanying Preliminary Official Statement, which is hereby made a part hereof, of Fort Bend County Municipal Utility District No. 58 (the "District"), relating to its $4,900,000 Unlimited Tax Bonds, Series 2009 (the "Bonds"). We realize that the Bonds involve investment risks and that the ability of the District to service the Bonds depends on certain risk factors as set forth in the Preliminary Official Statement. We have made such inspection and investigation as we deem necessary relating to the investment quality of the Bonds. We offer to purchase the Bonds for a cash price of $_____ (which represents _____% of par value) plus accrued interest to the date of delivery of the Bonds to us, provided such Bonds bear interest at the following rates:

Maturity (April 1)	Amount	Interest Rate	Maturity (April 1)	Amount	Interest Rate
2013	$75,000	_____%	2026*	$170,000	_____%
2014	$75,000	_____%	2027*	$185,000	_____%
2015	$75,000	_____%	2028*	$195,000	_____%
2016	$100,000	_____%	2029*	$210,000	_____%
2017*	$100,000	_____%	2030*	$225,000	_____%
2018*	$100,000	_____%	2031*	$240,000	_____%
2019*	$100,000	_____%	2032*	$260,000	_____%
2020*	$100,000	_____%	2033*	$280,000	_____%
2021*	$120,000	_____%	2034*	$300,000	_____%
2022*	$125,000	_____%	2035*	$320,000	_____%
2023*	$140,000	_____%	2036*	$340,000	_____%
2024*	$150,000	_____%	2037*	$365,000	_____%
2025*	$160,000	_____%	2038*	$390,000	_____%

Term Bond Maturity Date April 1	Year of First Mandatory Redemption	Principal Amount of Term Bond	Interest Rate

* Subject to optional redemption in whole or in part April 1, 2016, or on any date thereafter, at a price of par plus accrued interest.

Our calculation (which is not a part of this bid) of interest cost from the above is:

Total Interest Cost from May 1, 2009	$_____
Plus: Cash Discount	$_____
Net Interest Cost	$_____
Net Effective Interest Rate	_____%

If we purchase the Bonds with bond insurance and subsequent to the sale date and prior to the closing date, the Insurer's credit rating is downgraded we understand that we are still obligated to accept delivery of the Bonds.

The definitive Bonds shall be initially registered and delivered only to CEDE & Co., Inc., the Nominee of the Depository Trust Company ("DTC") pursuant to the Book-Entry-Only System described in the Official Statement. We will advise Wells Fargo Bank, National Association (the "Paying Agent/Registrar"), on forms to be provided by the Paying Agent/Registrar, of our registration instructions at least five (5) business days prior to the date set for initial delivery. We understand that the Paying Agent/Registrar will not be required to accept any further registration instructions after the five-day period.

The undersigned agrees to complete, execute, and deliver to the District, by the date of delivery of the Bonds, a certificate relating to the "issue price" of the Bonds in the form accompanying the Notice of Sale, with such changes thereto as may be acceptable to the District. In addition, in the event all of the Bonds are not sold to ultimate customers prior to the date of delivery of the Bonds, we will so notify the District on such date.

Cashier's Check No. 063956, issued by Frost Bank, Austin, Texas and payable to your order in the amount of $98,000 is attached hereto or has been made available to you prior to the opening of this bid as a Good Faith Deposit for disposition in accordance with the Official Notice of Sale. Should we fail or refuse to make payment for the Bonds in accordance with the terms and conditions set forth in the Official Notice of Sale, this check shall be cashed and the proceeds retained by the District as complete liquidated damages against us. We understand that the sale of the Bonds has not been registered or qualified under the securities laws of any jurisdiction and that it is our responsibility to obtain such registration or qualification, if any is required.

We agree to make payment for the Bonds in immediately available funds at the office of Wells Fargo Bank, National Association, in Houston, Texas, not later than 10:00 A.M., Houston time, on Tuesday, May 14, 2009, or thereafter on the date the Bonds are tendered for delivery, pursuant to the terms set forth in the Notice of Sale.

Respectfully submitted,

By:_____

_____

Authorized Representative

ACCEPTANCE CLAUSE

The above and foregoing bid is hereby in all things accepted by Fort Bend County Municipal Utility District No. 58 this 29th day of April, 2009.

_____
Secretary, Board of Directors

_____
President, Board of Directors

BOND YEARS

Dated: May 1, 2009

Due: April 1 (as noted below)

Year	Amount	Bond Years	Accumulated Bond Years
2013	$75,000	293.7500	293.7500
2014	$75,000	368.7500	662.5000
2015	$75,000	443.7500	1,106.2500
2016	$100,000	691.6667	1,797.9167
2017	$100,000	791.6667	2,589.5833
2018	$100,000	891.6667	3,481.2500
2019	$100,000	991.6667	4,472.9167
2020	$100,000	1,091.6667	5,564.5833
2021	$120,000	1,430.0000	6,994.5833
2022	$125,000	1,614.5833	8,609.1667
2023	$140,000	1,948.3333	10,557.5000
2024	$150,000	2,237.5000	12,795.0000
2025	$160,000	2,546.6667	15,341.6667
2026	$170,000	2,875.8333	18,217.5000
2027	$185,000	3,314.5833	21,532.0833
2028	$195,000	3,688.7500	25,220.8333
2029	$210,000	4,182.5000	29,403.3333
2030	$225,000	4,706.2500	34,109.5833
2031	$240,000	5,260.0000	39,369.5833
2032	$260,000	5,958.3333	45,327.9167
2033	$280,000	6,696.6667	52,024.5833
2034	$300,000	7,475.0000	59,499.5833
2035	$320,000	8,293.3333	67,792.9167
2036	$340,000	9,151.6667	76,944.5833
2037	$365,000	10,189.5833	87,134.1667
2038	$390,000	11,277.5000	98,411.6667

Total Bond Years: 98,411.6667

Average Maturity: 20.084014 years

PAYING AGENT/REGISTRAR AGREEMENT

THIS PAYING AGENT/REGISTRAR AGREEMENT (this "Agreement"), is entered into as of April 14, 2009, by and between Fort Bend County, Texas (the "Issuer"), and Wells Fargo Bank, National Association, a national banking association, duly organized and existing under the laws of the United States of America (hereinafter designated as the "Bank").

RECITALS OF THE ISSUER

The Issuer has duly authorized and provided for the issuance of its bonds, entitled "Fort Bend County, Texas Limited Tax and Refunding Bonds, Series 2009" (the "Bonds") in an aggregate principal amount of $73,430,000, to be issued as fully registered bonds;

All things necessary to make the Bonds the valid obligations of the Issuer, in accordance with their terms, will be done upon the issuance and delivery thereof;

The Issuer and the Bank wish to provide the terms under which the Bank will act as Paying Agent to pay the principal, redemption premium (if any) and interest on the Bonds, in accordance with the terms thereof, and under which the Bank will act as Registrar for the Bonds;

The Issuer and the Bank have duly authorized the execution and delivery of this Agreement; and all things necessary to make this Agreement a valid agreement of the parties, in accordance with its terms, have been done.

NOW, THEREFORE, it is mutually agreed as follows:

ARTICLE ONE

APPOINTMENT OF BANK AS PAYING AGENT AND REGISTRAR

Section 1.01. Appointment.

The Issuer hereby appoints the Bank to act as Paying Agent with respect to the Bonds, to pay to the Registered Owners of the Bonds in accordance with the terms and provisions of this Agreement and the Bond Order, the principal of, redemption premium (if any), and interest, on all or any of the Bonds.

The Issuer hereby appoints the Bank as Registrar with respect to the Bonds.

The Bank hereby accepts its appointment, and agrees to act as Paying Agent and Registrar.

Section 1.02. Compensation.

As compensation for the Bank's services as Paying Agent and Registrar, the Issuer hereby agrees to pay the Bank the fees set forth in the Bank's fee schedule attached as Exhibit "A" hereto. The Bank reserves the right to amend the fee schedule at any time, provided the Bank shall have furnished the Issuer with a written copy of such amended fee schedule at least 75 days prior to the date that the new fees are to become effective.

ARTICLE TWO

DEFINITIONS

Section 2.01. Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

"Bank" means Wells Fargo Bank, National Association, a national banking association duly organized and existing under the laws of the United States of America.

"Bond" or "Bonds" means any one or all of the "$73,430,000 Fort Bend County, Texas Limited Tax and Refunding Bonds, Series 2009."

"Bond Order" means the order of the Issuer approved April 14, 2009, pursuant to which the Bonds are issued.

"Bond Register" means the system of registration kept by the Bank in which are maintained the names and address of, and principal amounts of the Bonds registered to, each Registered Owner.

"DTC" means the Depository Trust Company.

"ET" means Eastern Time Zone.

"Issuer" means Fort Bend County, Texas.

"Paying Agent" means the Bank when it is performing the function of paying agent associated with such term in this Agreement.

"Person" means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision of a government or any entity whatsoever.

"Registered Owner" means a Person whose name and Bond is registered in the Bond Register.

"Registrar" means the Bank when it is performing the function of registrar associated with such term in this Agreement.

All other capitalized terms shall have the meanings assigned in the Bond Order.

ARTICLE THREE

DUTIES OF THE BANK

Section 3.01. Initial Delivery of Bonds.

The Bonds will be initially registered and delivered to the purchaser designated by the Issuer as set forth in the Bond Order. If such purchaser delivers a written request to the Bank not later than five business days prior to the date of initial delivery, the Bank will, on the date of initial delivery, exchange the Bonds initially delivered for Bonds of authorized denominations, registered in accordance with the instructions in such request and the Bond Order.

Section 3.02. Duties of Paying Agent.

As Paying Agent, the Bank shall, provided adequate funds have been provided to it for such purpose by or on behalf of the Issuer, pay on behalf of the Issuer the principal of, redemption premium, if any, and interest, on each Bond in accordance with the provisions of the Bond Order.

Section 3.03. Duties of Registrar.

As Registrar, the Bank shall provide for the proper registration of the Bonds and, in the event the Book-Entry-Only System is discontinued, the exchange, replacement and registration of transfer of the Bonds, in accordance with the provisions of the Bond Order. The Bank will maintain the Bond Register with the Bank's general practices and procedures in effect from time to time.

Section 3.04. Unauthenticated Bonds.

In the event the Book-Entry-Only System is discontinued, the Issuer shall provide an adequate inventory of unauthenticated Bonds to facilitate transfers. The Bank covenants that it will maintain such unauthenticated Bonds in safekeeping and will use reasonable care in maintaining such Bonds in safekeeping, which shall be not less than the care it maintains for debt securities of other government entities or corporations for which it serves as registrar, or which it provides for its own bonds.

Section 3.05. Reports.

The Bank will provide the Issuer reports upon request, which reports will describe in reasonable detail all transactions pertaining to the Bonds and the Bond Register. The Issuer may also inspect and make copies of the information in the books of registration at any time the Bank is customarily open for business, provided that reasonable time is allowed the Bank to provide an up-to-date listing or to convert the information into written form.

The Bank will not release or disclose the content of the Bond Register to any person other than to, or at the written request of, an authorized officer or employee of the Issuer, except upon receipt of a subpoena or court order or as otherwise required by law. Upon receipt of any such subpoena, court order or lawful request for disclosure, the Bank will notify the Issuer immediately so that the Issuer will have the opportunity to, but shall not be required to, contest the subpoena, court order or request.

Section 3.06. Cancelled Bonds.

In the event the Book-Entry-Only System is discontinued, all Bonds surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Bank, shall be promptly cancelled by it and, if surrendered to the Issuer, shall be delivered to the Bank and, if not already cancelled, shall be promptly cancelled by the Bank. The Issuer may at any time deliver to the Bank for cancellation any Bonds previously authenticated and delivered which the Issuer may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly cancelled by the Bank. All cancelled Bonds held by the Bank shall be destroyed upon the making of proper records and evidence of such destruction furnished to the Issuer upon request; provided, however, that if laws or regulations prohibit the Bank from destroying the cancelled Bonds, the Bank shall return the cancelled Bonds to the Issuer.

Section 3.07. Standards. The Bank undertakes to perform the duties set forth herein and in the Bond Order and agrees to use reasonable care in the performance thereof. The Bank hereby agrees to use the funds deposited with it for payment of the principal of and interest on the Bonds as the same shall become due.

Section 3.08. Reliance on Documents, Etc.

(a) The Bank may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions furnished to the Bank by the Issuer.

(b) The Bank shall not be liable to the Issuer for actions taken under this Agreement so long as it acts in good faith and exercises due diligence, reasonableness and care, as prescribed by law, with regard to its duties hereunder.

(c) This Agreement is not intended to require the Bank to expend its own funds for performance of any of its duties hereunder.

(d) The Bank may exercise any of the powers hereunder and perform any duties hereunder either directly or by or through agents or attorneys.

Section 3.09. Money Held by Bank.

(a) Money held by the Bank hereunder shall be held in trust for the benefit of the Registered Owners of the Bonds.

(b) The Bank shall be under no obligation to pay interest on any money received by it hereunder.

(c) All money deposited with the Bank hereunder shall be secured in the manner and to the fullest extent required by law for the security of funds of the Issuer.

(d) Except to the extent provided otherwise in the Bond Order, any money deposited with the Bank for the payment of the principal, redemption premium, if any, or interest on any Bond and remaining unclaimed for three years after the date such amounts have become due and payable shall be reported and disposed of by the Bank in accordance with the provisions of Title 6 of the Texas Property Code, as amended, to the extent that such provisions are applicable to such amounts.

Section 3.10 DTC Compliance.

In order for the Bonds to become and remain DTC eligible, the Bank shall, subject to Issuer's obligation below, abide by the requirements stated in the DTC *Operational Arrangements* memorandum dated February, 2002, as such requirements may be amended from time to time. Among other matters, the *Operational Arrangements* require the Bank to provide on the payment date (i) any principal and income payments to DTC in same-day funds by 2:30 p.m. ET, along with supporting CUSIP detail in automated form, (ii) payment detail for income payments by noon, ET and (iii) redemption details and corporate action payments by 2:30 p.m. ET. In order for the Bank to meet such requirements, the Issuer shall remit by 1:00 p.m. ET on payable date funds for all principal and income payments due to the Bank, or at such earlier time as required by the Bank to ensure that DTC will receive payment in same-day funds by 2:30 p.m. ET on the payable date.

ARTICLE FOUR

MISCELLANEOUS PROVISIONS

Section 4.01. Recitals of Issuer. The recitals contained in the Bond Order and the Bonds shall be taken as the statements of Issuer, and the Bank assumes no responsibility for their correctness.

Section 4.02. May Own Bonds.

The Bank, in its individual or any other capacity, may become the owner or pledgee of Bonds with the same rights it would have if it were not the Paying Agent and Registrar for the Bonds.

Section 4.03. Amendment.

This Agreement may be amended only by an agreement in writing signed by both of the parties hereto.

Section 4.04. Assignment.

This Agreement may not be assigned by either party without the prior written consent of the other.

Section 4.05. Notices.

Any request, demand, authorization, direction, notice, consent, waiver or other document provided or permitted hereby to be given or furnished to the Issuer or the Bank shall be mailed or delivered to the Issuer or the Bank, respectively, at the addresses shown herein, or such other address as may have been given by one party to the other by 15 days written notice.

Section 4.06. Effect of Headings.

The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

Section 4.07. Successors and Assigns.

All covenants and agreements herein by the Issuer and the Bank shall bind their successors and assigns, whether so expressed or not.

Section 4.08. Severability.

If any provision of this Agreement shall be invalid or unenforceable, the validity and enforceability of the remaining provisions hereof shall not in any way be affected or impaired.

Section 4.09. Benefits of Agreement.

Nothing herein, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy or claim hereunder.

Section 4.10. Bond Order Governs Conflicts.

This Agreement and the Bond Order constitute the entire agreement between the parties hereto relative to the Bank acting as Paying Agent and Registrar and if any conflict exists between this Agreement and the Bond Order, the Bond Order shall govern.

Section 4.11. Term and Termination.

This Agreement shall be effective from and after its date for so long as any of the Bonds remain outstanding, but may be terminated for any reason by the Issuer or the Bank at any time upon 30 days written notice; provided, however, that no such termination shall be effective until a successor has been appointed and has accepted the duties of the Bank hereunder. In the event of early termination regardless of circumstances, the Bank shall deliver to the Issuer or its designee all funds, Bonds and all books and records pertaining to the Bank's role as Paying Agent and Registrar with respect to the Bonds, including, but not limited to, the Bond Register.

Section 4.12. Governing Law.

This Agreement shall be construed in accordance with and shall be governed by the laws of the State of Texas.

EXECUTION PAGE FOLLOWS

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in several copies, each of equal dignity, as of the day and year first above written.

FORT BEND COUNTY, TEXAS

By: _____
County Judge

ATTEST:

_____
County Clerk

ADDRESS: 309 S. Fourth Street, Suite 533
Richmond, Texas 77469

WELLS FARGO BANK,
NATIONAL ASSOCIATION

By: _____
Name: JOSE A GAYTAN JR.
Title: VICE PRESIDENT

ATTEST:

By: _____
Name: GREG L. STITES
Title: VICE PRESIDENT

ADDRESS: 1021 Main Street, Suite 2403
Houston, Texas 77002

Greg L. Stites
Wells Fargo Bank
Corporate Trust Services
400 W. 15th Street 1st Floor
Austin, Texas 78701
Tel: 512-344-8640
Fax: 1-866-303-5281

SCHEDULE OF FEES

$73,430,000
Fort Bend County
Limited Tax and Refunding Bonds
Series 2009

To act as Paying Agent & Registrar

Acceptance Fee: **$0.00**

Initial Fees as they relate to Wells Fargo Bank acting in the capacity of Paying Agent/Registrar – includes creation and examination of the Paying Agent/Registrar Agreement; acceptance of the appointment; setting up of Paying Agent/Registrar records and accounting records; and coordination of closing.

Acceptance Fee payable at time of Paying Agent/Registrar Agreement execution.

Annual Administration Fee: **$500.00**

For ordinary administration services by Paying Agent/Registrar – includes daily routine account management; investment transactions; cash transaction processing in accordance with the agreement; and mailing of trust account statements to all applicable parties. Float credit received by the bank for receiving funds that remain uninvested are deemed part of the Paying Agent's compensation. The Annual Administration fees are payable in advance, with the first installment due at closing.

Out of Pocket Expenses:

We only charge for out of pocket expenses in response to specific tasks assigned by the client. Therefore, we cannot anticipate what specific out of pocket items will be needed or what corresponding expenses will be incurred. Possible expenses would be, but are not limited to, express mail and messenger charges, travel expenses to attend closing or other meetings. There are no charges for indirect out of pocket expenses.

This fee schedule is based upon the assumptions listed above which pertain to the responsibilities and risks involved in Wells Fargo undertaking the role of Paying Agent/Registrar. These assumptions are based on information provided to us as of the date of this fee schedule. Our fee schedule is subject to review and acceptance of the final documents. Should any of the assumptions, duties or responsibilities change, we reserve the right to affirm, modify or rescind our fee schedule.

Submitted by: Greg L. Stites – April 17, 2009
Vice President/Business Development
Wells Fargo Bank
512-344-8640
P: 67477

CERTIFICATE FOR ORDER

THE STATE OF TEXAS §
§
COUNTY OF FORT BEND §

We, the undersigned officers of the Commissioners Court of Fort Bend County, Texas, hereby certify as follows:

1. The Commissioners Court of Fort Bend County, Texas, convened at a regular meeting of said Court at the Fort Bend County Courthouse in the City of Richmond, Texas, on the 14th day of April, 2009, and the roll was called of the duly constituted officers and members of said Court, to wit:

Robert Hebert	County Judge
Richard Morrison	Commissioner, Precinct 1
Grady Prestage	Commissioner, Precinct 2
Andy Meyers	Commissioner, Precinct 3
James Patterson	Commissioner, Precinct 4

and all of said persons were present, except the following absentee(s): _____, thus constituting a quorum. Whereupon, among other business, the following was transacted at said meeting: a written

ORDER AUTHORIZING THE ISSUANCE OF AND LEVYING TAXES FOR THE PRINCIPAL OF AND INTEREST ON THE $73,540,000 FORT BEND COUNTY, TEXAS, LIMITED TAX AND REFUNDING BONDS, SERIES 2009

was duly introduced for the consideration of the Commissioners Court and read in full. It was then duly moved and seconded that said order be adopted; and, after due discussion, said motion, carrying with it the adoption of said order, prevailed and carried by the following vote:

AYES: All members shown present above voted Aye.

NOES: None.

2. A true, full and correct copy of the aforesaid order adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that said order has been duly recorded in the Commissioners Court's minutes of said meeting; that the above and foregoing paragraph is a true, full and correct excerpt from the Commissioners Court's minutes of said meeting pertaining to the adoption of said order; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of the Commissioners Court as indicated therein; that each of the officers and members of the

Commissioners Court was duly and sufficiently notified officially and personally, in advance, of the date, hour, place and purpose of the aforesaid meeting, and that said order would be introduced and considered for adoption at said meeting, and each of said officers and members consented, in advance, to the holding of said meeting for such purpose; that said meeting was open to the public as required by law; and that public notice of the date, hour, place and subject of said meeting was given as required by the Texas Open Meetings Act.

SIGNED AND SEALED this 14th day of April, 2009.

County Clerk

County Judge

(SEAL)

ORDER AUTHORIZING THE ISSUANCE OF AND LEVYING TAXES FOR THE PAYMENT OF PRINCIPAL OF AND INTEREST ON THE $73,430,000 FORT BEND COUNTY, TEXAS, LIMITED TAX AND REFUNDING BONDS, SERIES 2009

THE STATE OF TEXAS §
§
COUNTY OF FORT BEND §

WHEREAS, the bonds hereinafter authorized were duly and favorably voted at election held in Fort Bend County, Texas (the "County") on the 10th day of May, 2008 (the "Election"); and

WHEREAS, the County does hereby determine that limited tax portion of the bonds should be issued in the amount of $70,970,000 as a portion and the first and only installment of the $74,000,000 limited tax bonds voted at the election mentioned above, and in addition to charge against the voted authorization from said election $3,030,000 in net reoffering premium (after applying costs of issuance under Texas Government Code Section 1201.042(d)(3) less the rounding amount) received from the sale of said bonds, said bonds having been authorized for the purposes and issued (including this issue) in the amounts shown below, leaving no remaining bonds to be issued, sold, and delivered at a later date from said election:

Purpose	Amount Authorized	Issued to Date	Net Premium	Unissued
County Buildings	74,000,000	70,970,000(a)	3,030,000	0

(a) The Bonds.

WHEREAS, the County desires to currently refund certain portions of the $5,000,000 Permanent Improvement Bonds, Series 1997 (the "Refunded Bonds"), in advance of their maturities as provided herein; and

WHEREAS, the refunding portion of the bonds hereinafter authorized were duly and favorably voted at a bond election held in the County on November 7, 1989; and

WHEREAS, Chapter 1207 of the Texas Government Code, as amended, provides that the County is authorized to issue refunding bonds for the purpose of refunding the Refunded Bonds in advance of their maturities, and to accomplish such refunding by depositing directly with a paying agent for the Refunded Bonds the proceeds of such refunding bonds, together with other available funds, in an amount adequate to

provide for the payment or redemption of the Refunded Bonds, and that such deposit shall constitute the making of firm banking and financial arrangements for the discharge and final payment or redemption of the Refunded Bonds;

WHEREAS, upon the issuance of the refunding bonds herein authorized, the Refunded Bonds shall no longer be regarded as being outstanding, and the pledges, liens, trusts and all other covenants, provisions, terms and conditions of the resolution authorizing the issuance of the Refunded Bonds shall be, with respect to the Refunded Bonds, discharged, terminated and defeased;

Now, Therefore

BE IT ORDERED, ADJUDGED AND DECREED BY THE COMMISSIONERS COURT OF FORT BEND COUNTY, TEXAS:

1. Recitals. It is hereby found and determined that the matters and facts set out in the preamble to this Order are true and correct.

2. Definitions. Throughout this Order the following terms and expressions as used herein shall have the meanings set forth below:

"Act" means Chapter 1201, Texas Government Code, as amended, Chapter 1251, Texas Government, as amended, and Chapter 292, Texas Local Government Code, as amended.

"Attorney General" means the Attorney General of the State of Texas.

"Blanket Issuer Letter of Representations" means the Blanket Issuer Letter of Representations between the County, the Registrar and DTC.

"Bond" or "Bonds" mean the $73,430,000 Fort Bend County, Texas, Limited Tax and Refunding Bonds, Series 2009 authorized in this Order, unless the context clearly indicates otherwise.

"Business Day" means any day which is not a Saturday, Sunday, a day on which banking institutions in Houston, Texas, are authorized by law or executive order to close, or a legal holiday.

"Chapter 1207" means Chapter 1207, Texas Government Code, as amended.

"Closing Date" means the date of the initial delivery of and payment for the Bonds.

"Code" means the Internal Revenue Code of 1986, as amended.

"Comptroller" means the Comptroller of Public Accounts of the State of Texas.

"County" means Fort Bend County, Texas.

"DTC" means The Depository Trust Company of New York, New York, or any successor securities depository.

"DTC Participant" means brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants.

"Initial Bond" means the Initial Bond authorized by Section 5.

"Interest and Sinking Fund" means the interest and sinking fund established by the County pursuant to Section 20 of this Order.

"Interest Payment Date", when used in connection with any Bond, means September 1, 2009, and each March 1 and September 1 thereafter until maturity or earlier redemption.

"MSRB" means the Municipal Securities Rulemaking Board.

"NRMSIR" means each person whom the SEC or its staff has determined to be a nationally recognized municipal securities information repository within the meaning of the Rule from time to time.

"Order" as used herein and in the Bonds means this order authorizing the Bonds.

"Owner" means any person who shall be the registered owner of any outstanding Bond.

"Purchase Contract" means the contract between the County and the Underwriter described in Section 22 of this Order.

"Record Date" means, for any Interest Payment Date, the close of business on the 15th day of the calendar month next preceding such Interest Payment Date.

"Refunded Bonds" means the outstanding portion of the $5,000,000 Permanent Improvement Bonds, Series 1997, maturing on September 1 in each of the years 2009, through 2016, inclusive, in the aggregate principal amount of $2,865,000.

"Register" means the books of registration kept by the Registrar in which are maintained the names and addresses of and the principal amounts registered to each Owner.

"Registrar" means Wells Fargo Bank, N.A., and its successors in that capacity.

"Rule" means SEC Rule 15c2-12, as amended from time to time.

"SEC" means the United States Securities and Exchange Commission.

"SID" means the Municipal Advisory Council of Texas, which has been designated by the State of Texas as, and determined by the SEC staff to be, a state information depository within the meaning of the Rule.

"Underwriter" means collectively Loop Capital Markets, LLC., Morgan Keegan & Company, Inc., RBC Capital Markets, and Siebert Brandford Shank & Co., LLC.

3. Authorization. The Bonds shall be issued pursuant to the Act and Chapter 1207 in fully registered form, without coupons, in the total authorized principal amount of Seventy-Three Million Four Hundred Thirty Thousand Dollars ($73,430,000) for the following purposes of (1) construction, equipping and improvements of county buildings; and (2) to refund certain obligations of the County.

It is hereby found and determined that such refunding will benefit the County by providing a gross savings of $575,670.62, and a net present value savings of $575,670.62 in the debt service payable by the County, that such benefit is sufficient consideration for the refunding of the Refunded Bonds, and that the refunding of the Refunded Bonds is in the best interest of the County.

4. Designation, Date, and Interest Payment Dates. The Bonds shall be designated as the "FORT BEND COUNTY, TEXAS, LIMITED TAX AND REFUNDING BONDS, SERIES 2009," and shall be dated May 1, 2009. The Bonds shall bear interest at the rates set out in Section 5 of this Order, from the later of May 1, 2009, or the most recent Interest Payment Date to which interest has been paid or duly provided for, calculated on the basis of a 360 day year of twelve 30 day months.

5. Initial Bonds: Numbers and Denominations. The Bonds shall be issued in the principal amounts and bearing interest at the rates set forth in the following schedule, and may be transferred and exchanged as set out in this Order. The Bonds shall mature on March 1 in each of the years and in the amounts set out in such schedule. The Initial Bond shall be numbered IB-1 and all other Bonds shall be numbered in sequence beginning with R-1 Bonds delivered on transfer of or in exchange for other Bonds shall be numbered in order of their authentication by the Registrar, shall be in the denomination of $5,000 or integral multiples thereof, and shall mature on the same date and bear interest at the same rate as the Bond or Bonds in lieu of which they are delivered.

Year	Principal Amount	Interest Rate
2010	$ 305,000	4.000%
2011	2,575,000	4.000
2012	2,670,000	3.000
2013	2,770,000	4.250
2014	2,895,000	4.000
2015	2,995,000	3.000
2016	3,105,000	4.000
2017	2,830,000	5.000
2018	2,970,000	4.500
2019	3,115,000	5.000
2020	3,280,000	5.250
2021	3,455,000	5.250
2022	3,635,000	5.000
2023	3,820,000	5.000
2024	4,020,000	5.000
2025	1,600,000	4.625
2025	2,625,000	5.250
2026	4,450,000	5.250
2027	4,685,000	5.250
2028	4,940,000	5.250
2029	5,205,000	5.250
2030	5,485,000	5.250

6. Execution and Registration of Bonds. (a) The Bonds shall be signed by the County Judge, countersigned by the County Clerk, and registered by the County Treasurer by their manual, lithographed, or facsimile signatures, and the official seal of the Commissioners Court shall be impressed or placed in facsimile thereon. Such facsimile signatures on the Bonds shall have the same effect as if each of the Bonds had been signed manually and in person by each of said officers, and such facsimile seal on the Bonds shall have the same effect as if the official seal of the County had been manually impressed upon each of the Bonds.

(b) If any officer of the County whose manual or facsimile signature shall appear on the Bonds shall cease to be such officer before the authentication of such Bonds or before the delivery of such Bonds, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in such office.

(c) Except as provided below, no Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Order unless and until there

appears thereon the Registrar's Authentication Certificate substantially in the form provided herein, duly authenticated by manual execution by an officer or duly authorized signatory of the Registrar. In lieu of the executed Registrar's Authentication Certificate described above, the Initial Bond delivered at the Closing Date shall have attached hereto the Comptroller's Registration Certificate substantially in the form provided herein, manually executed by the Comptroller, or by his duly authorized agent, which certificate shall be evidence that the Initial Bond has been duly approved by the Attorney General of the State of Texas and that it is a valid and binding obligation of the County, and has been registered by the Comptroller.

(d) On the Closing Date, the Initial Bond, being a single bond representing the entire principal amount of the Bonds, payable in stated installments to the Underwriter or its designee, executed by manual or facsimile signature of the County Judge, County Clerk and County Treasurer, approved by the Attorney General, and registered and manually signed by the Comptroller, shall be delivered to the Underwriter or its designee. Upon payment for the Initial Bond, the Registrar shall cancel the Initial Bond and deliver definitive Bonds to the Registrar.

7. Payment of Principal and Interest. The Registrar is hereby appointed as the paying agent for the Bonds. The principal of the Bonds shall be payable, without exchange or collection charges, in any coin or currency of the United States of America which, on the date of payment, is legal tender for the payment of debts due the United States of America, upon their presentation and surrender as they become due and payable, whether at maturity or by prior redemption, at the principal payment office of the Registrar in Houston, Texas. The interest on each Bond shall be payable by check payable on the Interest Payment Date, mailed by the Registrar on or before each Interest Payment Date to the Owner of record as of the Record Date, to the address of such Owner as shown on the Register.

If the date for payment of the principal of or interest on any Bond is not a Business Day, then the date for such payment shall be the next succeeding Business Day, with the same force and effect as if made on the original date payment was due.

8. Successor Registrars. The County covenants that at all times while any Bonds are outstanding it will provide a commercial bank or trust company, organized under the laws of the United States or any state and authorized to serve as and perform the duties and services of Registrar for the Bonds. The County reserves the right to change the Registrar on not less than 60 days written notice to the Registrar, so long as any such notice is effective not less than 60 days prior to the next succeeding principal or interest payment date on the Bonds. Promptly upon the appointment of any successor Registrar, the previous Registrar shall deliver the Register or copies thereof to the new Registrar, and the new Registrar shall notify each Owner, by United States mail, first class postage prepaid, of such change and of the address of the new Registrar.

Each Registrar hereunder, by acting in that capacity, shall be deemed to have agreed to the provisions of this Section.

9. Special Record Date. If interest on any Bond is not paid on any Interest Payment Date and continues unpaid for thirty (30) days thereafter, the Registrar shall establish a new record date for the payment of such interest, to be known as a Special Record Date. The Registrar shall establish a Special Record Date when funds to make such interest payment are received from or on behalf of the County. Such Special Record Date shall be fifteen (15) days prior to the date fixed for payment of such past due interest, and notice of the date of payment and the Special Record Date shall be sent by United States mail, first class postage prepaid, not later than five (5) days prior to the Special Record Date, to each affected Owner of record as of the close of business on the day prior to the mailing of such notice.

10. Book-Entry Only System.

(a) The Initial Bond shall be registered in the name of Cede & Co. Except as provided in Section 11 hereof, all other Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

(b) With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the County and the Registrar shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such DTC Participant holds an interest in the Bonds, except as provided in this Order. Without limiting the immediately preceding sentence, the County and the Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than an Owner, as shown on the Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than an Owner, as shown on the Register, of any amount with respect to principal of, premium, if any, or interest on the Bonds. Notwithstanding any other provision of this Order to the contrary, the County and the Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Register as the absolute Owner of such Bond for the purpose of payment of principal of and interest on the Bonds, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfer with respect to such Bond, and for all other purposes whatsoever. The Registrar shall pay all principal of, premium, if any, and interest on the Bonds only to or upon the order of the respective Owners, as shown in the Register as provided in this Order, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the County's obligations with respect to payments of principal, premium, if any, and interest

on the Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the Register, shall receive a Bond certificate evidencing the obligation of the County to make payments of amounts due pursuant to this Order. Upon delivery by DTC to the Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions of this Order with respect to interest checks being mailed to the Owner of record as of the Record Date, the phrase "Cede & Co." in this Order shall refer to such new nominee of DTC.

(c) The execution and delivery of the Blanket Issuer Letter of Representations is hereby approved with such changes as may be approved by the Commissioners Court and the County Auditor is hereby authorized and directed to execute such Blanket Issuer Letter of Representations.

11. Successor Securities Depository; Transfer Outside Book-Entry Only System. In the event that the County, in its sole discretion, determines that the beneficial owners of the Bonds shall be able to obtain certificated Bonds, or in the event DTC discontinues the services described herein, the County shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants, as identified by DTC, of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository or (ii) notify DTC and DTC Participants, as identified by DTC, of the availability through DTC of Bonds and transfer one or more separate Bonds to DTC Participants having Bonds credited to their DTC accounts, as identified by DTC. In such event, the Bonds shall no longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Order.

12. Payments to Cede & Co. Notwithstanding any other provision of this Order to the contrary, so long as any Bonds are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Bonds, and all notices with respect to such Bonds, shall be made and given, respectively, in the manner provided in the Blanket Letter of Representations.

13. Ownership Unclaimed Principal and Interest. The County, the Registrar and any other person may treat the person in whose name any Bond is registered as the absolute Owner of such Bond for the purpose of making payment of principal or interest on such Bond, and for all other purposes, whether or not such Bond is overdue, and neither the County nor the Registrar shall be bound by any notice or knowledge to the contrary. All payments made to the person deemed to be the Owner of any Bond in accordance with this Section shall be valid and effectual and shall discharge the liability of the County and the Registrar upon such Bond to the extent of the sums paid.

Amounts held by the Registrar which represent principal of and interest on the Bonds remaining unclaimed by the Owner after the expiration of three years from the date such amounts have become due and payable shall be reported and disposed of by the Registrar in accordance with the applicable provisions of Texas law including, to the extent applicable, Title 6 of the Texas Property Code, as amended.

14. Registration, Transfer, and Exchange. So long as any Bonds remain outstanding, the Registrar shall keep the Register at the principal payment office of the Registrar in Houston, Texas, and, subject to such reasonable regulations as it may prescribe, the Registrar shall provide for the registration and transfer of Bonds in accordance with the terms of this Order.

Each Bond shall be transferable only upon the presentation and surrender thereof at the principal payment office of the Registrar in Houston, Texas, duly endorsed for transfer, or accompanied by an assignment duly executed by the registered Owner or his authorized representative in form satisfactory to the Registrar. Upon due presentation of any Bond for transfer, the Registrar shall authenticate and deliver in exchange therefor, within three (3) Business Days after such presentation, a new Bond or Bonds, registered in the name of the transferee or transferees, in authorized denominations and of the same maturity and aggregate principal amount and bearing interest at the same rate as the Bond or Bonds so presented.

All Bonds shall be exchangeable upon presentation and surrender thereof at the principal office of the Registrar for a Bond or Bonds of the same maturity and interest rate and in any authorized denomination, in an aggregate principal amount equal to the unpaid principal amount of the Bond or Bonds presented for exchange. The Registrar shall be and is hereby authorized to authenticate and deliver exchange Bonds in accordance with the provisions of this Section. Each Bond delivered in accordance with this Section shall be entitled to the benefits and security of this Order to the same extent as the Bond or Bonds in lieu of which such Bond is delivered.

The County or the Registrar may require the Owner of any Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with the transfer or exchange of such Bond. Any fee or charge of the Registrar for such transfer or exchange shall be paid by the County.

15. Mutilated Lost or Stolen Bonds. Upon the presentation and surrender to the Registrar of a mutilated Bond, the Registrar shall authenticate and deliver in exchange therefor a replacement Bond of like maturity, interest rate and principal amount, bearing a number not contemporaneously outstanding. If any Bond is lost, apparently destroyed, or wrongfully taken, the County, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall authorize and the Registrar shall authenticate

and deliver a replacement Bond of like maturity, interest rate and principal amount, bearing a number not contemporaneously outstanding.

The County or the Registrar may require the Owner of a mutilated Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith and any other expenses connected therewith, including the fees and expenses of the Registrar.

The County or the Registrar may require the Owner of a lost, apparently destroyed or wrongfully taken Bond, before any replacement Bond is issued, to:

(l) furnish to the County and the Registrar satisfactory evidence of the ownership of and the circumstances of the loss, destruction or theft of such Bond;

(2) furnish such security or indemnity as may be required by the Registrar and the County to save them harmless;

(3) pay all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Registrar and any tax or other governmental charge that may be imposed; and

(4) meet any other reasonable requirements of the County and the Registrar.

If, after the delivery of such replacement Bond, a bona fide purchaser of the original Bond in lieu of which such replacement Bond was issued presents for payment such original Bond, the County and the Registrar shall be entitled to recover such replacement Bond from the person to whom it was delivered or any person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the County or the Registrar in connection therewith.

If any such mutilated, lost, apparently destroyed or wrongfully taken Bond has become or is about to become due and payable, the County in its discretion may, instead of issuing a replacement Bond, authorize the Registrar to pay such Bond.

Each replacement Bond delivered in accordance with this Section shall be entitled to the benefits and security of this Order to the same extent as the Bond or Bonds in lieu of which such replacement Bond is delivered.

16. Cancellation of Bonds. All Bonds paid in accordance with this Order, and all Bonds in lieu of which exchange Bonds or replacement Bonds are authenticated and delivered in accordance herewith, shall be canceled and destroyed upon the making of proper records regarding such payment. The Registrar shall furnish the County with appropriate certificates of destruction of such Bonds.

17. Optional Redemption. The Bonds are subject to optional redemption as set forth in the Form of Bond in this Order.

Principal amounts may be redeemed only in integral multiples of $5,000. If a Bond subject to redemption is in a denomination larger than $5,000, a portion of such Bond may be redeemed, but only in integral multiples of $5,000. Upon surrender of any Bond for redemption in part, the Registrar, in accordance with Section 14 hereof, shall authenticate and deliver in exchange therefor a Bond or Bonds of like maturity and interest rate in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered.

Notice of any redemption identifying the Bonds to be redeemed in whole or in part shall be given by the Registrar at least thirty days prior to the date fixed for redemption by sending written notice by first class mail to the Owner of each Bond to be redeemed in whole or in part at the address shown on the Register. Such notices shall state the redemption date, the redemption price, the place at which Bonds are to be surrendered for payment and, if less than all Bonds outstanding of a particular maturity are to be redeemed, the numbers of the Bonds or portions thereof of such maturity to be redeemed. Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice. By the date fixed for redemption, due provision shall be made with the Registrar for payment of the redemption price of the Bonds or portions thereof to be redeemed, plus accrued interest to the date fixed for redemption. When Bonds have been called for redemption in whole or in part and due provision has been made to redeem same as herein provided, the Bonds or portions thereof so redeemed shall no longer be regarded as outstanding except for the purpose of receiving payment solely from the funds so provided for redemption, and the rights of the Owners to collect interest which would otherwise accrue after the redemption date on any Bond or portion thereof called for redemption shall terminate on the date fixed for redemption.

18. Forms. The form of the Bonds, including the form of the Registrar's Authentication Certificate, the form of Registration Certificate of the Comptroller, the form of Assignment, and the form of Statement of Insurance shall be, respectively, substantially as follows, with such additions, deletions and variations as may be necessary or desirable and not prohibited by this Order:

(a) Form of Bond.

UNITED STATES OF AMERICA
STATE OF TEXAS
COUNTY OF FORT BEND

REGISTERED
NUMBER
_____

REGISTERED
DENOMINATION
$_____

FORT BEND COUNTY, TEXAS
LIMITED TAX AND REFUNDING BONDS
SERIES 2009

INTEREST RATE:	MATURITY DATE:	ISSUE DATE:	CUSIP:
	March 1, 20___	May 1, 2009	

REGISTERED OWNER:

PRINCIPAL AMOUNT: DOLLARS

Fort Bend County, Texas (the "County"), promises to pay to the registered owner identified above, or registered assigns, on the maturity date specified above, upon presentation and surrender of this Bond at Wells Fargo Bank, N.A. (the "Registrar"), at its principal payment office in Houston, Texas, the principal amount identified above, payable in any coin or currency of the United States of America which on the date of payment of such principal is legal tender for the payment of debts due the United States of America, and to pay interest thereon at the rate shown above, calculated on the basis of a 360 day year of twelve 30 day months, from the later of May 1, 2009, or the most recent interest payment date to which interest has been paid or duly provided for. Interest on this Bond is payable by check on September 1, 2009, and semiannually thereafter on each March 1 and September 1, mailed to the registered owner as shown

on the books of registration kept by the Registrar as of the close of business on the 15th day of the calendar month next preceding each interest payment date.

THIS BOND is one of a duly authorized issue of Bonds, aggregating $73,430,000 (the "Bonds"), issued for the following purposes (1) construction, equipping and improvements of county buildings; and (2) to refund certain obligations of the County, under and in strict conformity with the Constitution and laws of the State of Texas and by authority of an election held within the County on May 10, 2008, and pursuant to an order adopted by the Commissioners Court (the "Order"), which Order is of record in the official minutes of the Commissioners Court.

THE COUNTY RESERVES THE RIGHT to redeem the Bonds scheduled to mature on or after March l, 2019, prior to maturity, in whole or from time to time in part, in integral multiples of $5,000, on March 1, 2018, or any date thereafter at a price of par plus accrued interest on the principal amounts called for redemption to the date fixed for redemption. Reference is made to the Order for complete details concerning the manner of redeeming the Bonds.

NOTICE OF ANY REDEMPTION shall be given at least thirty (30) days prior to the date fixed for redemption by first class mail, addressed to the registered owners of each Bond to be redeemed in whole or in part at the address shown on the books of registration kept by the Registrar. When Bonds or portions thereof have been called for redemption, and due provision has been made to redeem the same, the amounts so redeemed shall be payable solely from the funds provided for redemption, and interest which would otherwise accrue on the amounts called for redemption shall terminate on the date fixed for redemption.

THIS BOND is transferable only upon presentation and surrender at the principal payment office of the Registrar in Houston, Texas, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his authorized representative, subject to the terms and conditions of the Order.

THE BONDS are exchangeable at the principal payment office of the Registrar in Houston, Texas, for Bonds in the principal amount of $5,000 or any integral multiple thereof, subject to the terms and conditions of the Order.

THIS BOND shall not be valid or obligatory for any purpose or be entitled to any benefit under the Order unless this Bond is either (i) registered by the Comptroller of Public Accounts of the State of Texas by registration certificate attached or affixed hereto or (ii) authenticated by the Registrar by due execution of the authentication certificate endorsed hereon.

THE REGISTERED OWNER of this Bond, by acceptance hereof, acknowledges and agrees to be bound by all the terms and conditions of the Order.

THE COUNTY has covenanted in the Order that it will at all times provide a legally qualified registrar for the Bonds and will cause notice of any change of registrar to be mailed to each registered owner.

IT IS HEREBY certified, recited and covenanted that this Bond has been duly and validly issued and delivered; that all acts, conditions and things required or proper to be performed, to exist and to be done precedent to or in the issuance and delivery of this Bond have been performed, exist and have been done in accordance with law; and that annual ad valorem taxes, within the limits prescribed by law, sufficient to provide for the payment of the interest on and principal of this Bond, as such interest comes due and such principal matures, have been levied and ordered to be levied against all taxable property in the County.

IN WITNESS WHEREOF, this Bond has been signed with the manual or facsimile signature of the County Judge, countersigned with the manual or facsimile signature of the County Clerk, registered by the manual or facsimile signature of the County Treasurer, and the official seal of the County has been duly impressed, or placed in facsimile, on this Bond.

(AUTHENTICATION CERTIFICATE) (SEAL)

_____
County Judge

COUNTERSIGNED:

_____
County Clerk

REGISTERED:

_____
County Treasurer

(b) Form of Registration Certificate of Comptroller.

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO.

I hereby certify that this Bond has been examined, certified as to validity, and approved by the Attorney General of the State of Texas, and that this Bond has been registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS MY SIGNATURE AND SEAL this _____.

_____
Comptroller of Public Accounts
of the State of Texas

(SEAL)

(c) Form of Registrar's Authentication Certificate.

AUTHENTICATION CERTIFICATE

It is hereby certified that this Bond has been delivered pursuant to the Order described in the text of this Bond.

Wells Fargo Bank, N.A.,
As Paying Agent/Registrar

By: _____
Authorized Signature
Date of Authentication: _____

(d) Form of Assignment.

ASSIGNMENT

For value received, the undersigned hereby sells, assigns, and transfers unto

_____

(Please print or type name, address, and zip code of Transferee)

_____

(Please insert Social Security or Taxpayer Identification Number of Transferee)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer said Bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED: _____

_____

Registered Owner

Signature Guaranteed:

_____

_____

NOTICE: Signature must be guaranteed by a member of the New York Stock Exchange or a commercial bank or trust company.

NOTICE: The signature above must correspond to the name of the registered owner as shown on the face of this Bond in every particular, without any alteration, enlargement or change whatsoever.

(e) Form of Statement of Insurance.

STATEMENT OF INSURANCE

INSERT REQUIRED LANGUAGE

(f) The Initial Bond shall be in the form set forth in paragraphs (a), (b), (d) and (e) of this Section, except for the following alterations:

(i) immediately under the name of the Bond, the headings "INTEREST RATE" and "MATURITY DATE" shall both be completed with the words "As Shown Below" and the word "CUSIP" deleted;

(ii) in the first paragraph of the Bond, the words "on the maturity date specified above" and "at the rate shown above" shall be deleted and the following shall be inserted at the end of the first sentence "..., with such principal to be paid in installments on March 1 in each of the years and in the principal amounts identified in the following schedule and with such installments bearing interest at the per annum rates set forth in the following schedule:

[Information to be inserted from schedule in Section 5]

(iii) the Initial Bond shall be numbered IB-1.

19. Legal Opinion Cusip Numbers; Bond Insurance. The approving opinion of Allen Boone Humphries Robinson LLP, Houston, Texas, and CUSIP Numbers may be printed on the Bonds, but errors or omissions in the printing of such opinion or such numbers shall have no effect on the validity of the Bonds.

The purchase of and payment of the premium for municipal bond insurance by the County, in accordance with the terms of a commitment for such insurance presented to and hereby approved by the Commissioners Court is hereby authorized. All officials and representatives of the County are authorized and directed to execute such documents and to do any and all things necessary or desirable to obtain such insurance, and the printing on the Bonds of an appropriate legend regarding such insurance is hereby approved.

20. Interest and Sinking Fund; Tax Levy. The proceeds from all taxes levied, assessed and collected for and on account of the Bonds authorized by this Order shall be deposited, as collected, in a special fund to be designated "Fort Bend County, Texas, Limited Tax and Refunding Bonds, Series 2009 Interest and Sinking Fund." While the Bonds or any part of the principal thereof or interest thereon remain outstanding and unpaid, there is hereby levied and there shall be annually levied, assessed and collected in due time, form and manner, and at the same time other County taxes are levied, assessed and collected, in each year, a continuing direct annual ad valorem tax, within the limits prescribed by law, upon all taxable property in the County sufficient to pay the current interest on the Bonds as the same becomes due, and to provide and maintain a sinking fund adequate to pay the principal of the Bonds as such principal matures, but never less than two percent (2%) of the original principal amount of the Bonds each year, full allowance being made for delinquencies and costs of collection,

and such taxes when collected shall be applied to the payment of the interest on and principal of the Bonds and to no other purpose.

21. Further Proceedings. After the Bonds to be initially issued shall have been executed, it shall be the duty of the County Judge and other appropriate officials and agents of the County to deliver the Bonds to be initially issued and all pertinent records and proceedings to the Attorney General of the State of Texas, for examination and approval. After the Bonds to be initially issued shall have been approved by the Attorney General, they shall be delivered to the Comptroller for registration. Upon registration of the Bonds to be initially issued, the Comptroller (or the Comptroller's bond clerk or an assistant bond clerk lawfully designated in writing to act for the Comptroller) shall manually sign the Comptroller's Registration Certificate prescribed herein and the seal of said Comptroller shall be impressed, or placed in facsimile, thereon.

22. Sale; Purchase Contract. The Bonds are hereby sold and shall be delivered to the Underwriter at a price of $76,812,938.70 (representing the par amount of the Bonds, plus a net reoffering premium of $3,835,903.20, and less an underwriter's discount of $452,964.50), plus accrued interest to the date of delivery, in accordance with the terms of the Purchase Contract of even date herewith, presented to and hereby approved by the Commissioners Court, which price and terms are hereby found and determined to be the most advantageous reasonably obtainable by the County. The County Judge and other appropriate officials of the County are hereby authorized and directed to execute the Purchase Contract on behalf of the County, and the County Judge and all other officers, agents and representatives of the County are hereby authorized to do any and all things necessary or desirable to satisfy the conditions set out therein and to provide for the issuance and delivery of the Bonds.

23. Federal Income Tax Inclusion.

(a) General Tax Covenant. The County intends that the interest on the Bonds shall be excludable from gross income for purposes of federal income taxation pursuant to sections 103 through 150 of the Internal Revenue Code of 1986, as amended (the "Code), and applicable Income Tax Regulations (the "Regulations"). The County covenants and agrees not to take any action, or knowingly omit to take any action within its control that, if taken or omitted, respectively, would cause the interest on the Bonds to be includable in gross income, as defined in section 61 of the Code, for federal income tax purposes. In particular, the County covenants and agrees to comply with each requirement of this Section; provided, however, that the County shall not be required to comply with any particular requirement of this Section if the County has received an opinion of nationally recognized bond counsel ("Counsel's Opinion") that such noncompliance will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds or if the County has

received a Counsel's Opinion to the effect that compliance with some other requirement set forth in this Section will satisfy the applicable requirements of the Code and Regulations, in which case compliance with such other requirement specified in such Counsel's Opinion shall constitute compliance with the corresponding requirement specified in this Section.

(b) No Private Use or Payment and No Private Loan Financing. The County shall certify; through an authorized officer, employee or agent that based upon all facts and estimates known or reasonably expected to be in existence on the date the Bonds are delivered, that the proceeds of the Bonds will not be used in a manner that would cause the Bonds to be "private activity bonds" within the meaning of section 141 of the Code and the Regulations promulgated thereunder. Moreover, the County covenants and agrees that it will make such use of the proceeds of the Bonds including interest or other investment income derived from Bond proceeds, regulate the use of property financed, directly or indirectly, with such proceeds, and take such other and further action as may be required so that the Bonds will not be "private activity bonds" within the meaning of section 141 of the Code and the Regulations promulgated thereunder.

(c) No Federal Guarantee. The County covenants and agrees not to take any action, or knowingly omit to take any action within its control, that, if taken or omitted, respectively, would cause the Bonds to be "federally guaranteed" within the meaning of section 149(b) of the Code and the applicable Regulations thereunder, except as permitted by section 149(b)(3) of the Code and such Regulations.

(d) No Hedge Bonds. The County covenants and agrees that it has not and will not to take any action, and has not knowingly omitted and will not knowingly omit to take any action, within its control, that, if taken or omitted, respectively, would cause the Bonds to be "hedge bonds" within the meaning of section 149(g) of the Code and the applicable Regulations thereunder.

(e) No Arbitrage. The County shall certify, through an authorized officer, employee or agent that based upon all facts and estimates known or reasonably expected to be in existence on the date the Bonds are delivered, the County will reasonably expect that the proceeds of the Bonds will not be used in a manner that would cause the Bonds to be "arbitrage bonds" within the meaning of section 148(a) of the Code and the applicable Regulations promulgated thereunder. Moreover, the County covenants and agrees that it will make such use of the proceeds of the Bonds including interest or other investment income derived from Bond proceeds, regulate investments of proceeds of the Bonds, and take such other and further action as may be required

so that the Bonds will not be "arbitrage bonds" within the meaning of section 148(a) of the Code and the applicable Regulations promulgated thereunder.

(f) Arbitrage Rebate. If the County does not qualify for an exception to the requirements of section 148(f) of the Code relating to the required rebate to the United States, the County will take all necessary steps to comply with the requirement that certain amounts earned by the County on the investment of the "gross proceeds" of the Bonds (within the meaning of section 148(f)(6)(B) of the Code), be rebated to the federal government. Specifically, the County will (i) maintain records regarding the investment of the gross proceeds of the Bonds as may be required to calculate the amount earned on the investment of the gross proceeds of the Bonds separately from records of amounts on deposit in the funds and accounts of the County allocable to other bond issues of the County or moneys which do not represent gross proceeds of any bonds of the County, (ii) calculate at such times as are required by applicable Regulations, the amount earned from the investment of the gross proceeds of the Bonds which is required to be rebated to the federal government, and (iii) pay, not less often than every fifth anniversary date of the delivery of the Bonds or on such other dates as may be permitted under applicable Regulations, all amounts required to be rebated to the federal government. Further, the County will not indirectly pay any amount otherwise payable to the federal government pursuant to the foregoing requirements to any person other than the federal government by entering into any investment arrangement with respect to the gross proceeds of the Bonds that might result in a reduction in the amount required to be paid to the federal government because such arrangement results in a smaller profit or a larger loss than would have resulted if the arrangement had been at arm's length and had the yield on the issue not been relevant to either party.

(g) Information Reporting. The County covenants and agrees to file or cause to be filed with the Secretary of the Treasury, not later than the 15th day of the second calendar month after the close of the calendar quarter in which the Bonds are issued, an information statement concerning the Bonds, all under and in accordance with section 149(e) of the Code and the applicable Regulations promulgated thereunder.

(h) Continuing Obligation. Notwithstanding any other provision of this Order, the County's obligations under the covenants and provisions of this Section shall survive the defeasance and discharge of the Bonds.

24. Application of Proceeds. Proceeds from the sale of the Bonds shall, promptly upon receipt by the County, be applied as follows:

(a) $126,861.50 representing accrued interest on the Bonds shall be deposited into the Fort Bend County, Texas, Limited Tax and Refunding Bonds, Series 2009 Interest and Sinking Fund;

(b) $74,000,000 shall be deposited into the County's Capital Projects Fund and used for the purposes set forth in Section 3(i) of this Resolution;

(c) $2,894,373.38 shall be applied to refund the Refunded Bonds, as more fully provided below; and

(e) The balance of the proceeds from the sale of the Bonds, together with other available funds, shall be applied to the extent not otherwise provided for, to pay all expenses arising in connection with the issuance of the Bonds.

The County is transferring $334,067.16 from its Debt Service Fund to apply to the Refunded Bonds.

25. Redemption of Refunded Bonds. The County hereby irrevocably calls the Refunded Bonds for redemption prior to their scheduled maturities on the redemption dates specified below for a redemption price equal to the principal amount thereof plus accrued interest to the redemption date:

Scheduled Maturity (September 1)	Series	Defeased Bonds To Be Redeemed	Redemption Date	Redemption Price
2009-2016	1997	$2,865,000	May 15, 2009	100%

The County authorizes all notices required to be given pursuant to the resolutions authorizing the Refunded Bonds to be given as provided therein.

26. Books and Records. So long as any of the Bonds are outstanding the County covenants and agrees that it will keep proper books of record and account in which full, true and correct entries will be made of all transactions relating to the Bonds and the funds created pursuant to this Order, and all books, documents and vouchers relating thereto shall at all reasonable times be made available for inspection upon request of any Owner.

27. Official Statement. The Commissioners Court ratifies and confirms its prior approval of the form and content of the Official Statement prepared in the initial offering and sale of the Bonds and hereby authorizes the preparation of a final Official

Statement reflecting the terms of the Underwriter's bid and other relevant information. The use of such Official Statement in the reoffering of the Bonds by the Underwriter is hereby approved and authorized.

28. Continuing Disclosure Undertaking.

(a) Annual Reports. The County shall provide annually to each NRMSIR and the SID, within six months after the end of each fiscal year, financial information and operating data with respect to the County of the general type included in the final Official Statement authorized by Section 26 of this Order under Tables numbered 1 through 7 and 9 through 14 and in Appendix B. The information to be provided will include audited financial statements, if the County commissions an audit and it is completed by the required time. If audited financial statements are not available by the required time, the County will provide unaudited financial statements at the required time and audited financial statements when and if they become available. Any financial statements so to be provided shall be prepared in accordance with the accounting principles described in Appendix B to the Official Statement, or such other accounting principles as the County may be required to employ from time to time pursuant to State law or regulation.

If the County changes its fiscal year, it will notify each NRMSIR and the SID of the change (and of the date of the new fiscal year end) prior to the next date by which the County otherwise would be required to provide financial information and operating data pursuant to this Section.

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document, if it is available from the MSRB) that theretofore has been provided to each NRMSIR and the SID or filed with the SEC.

(b) Material Event Notices. The County shall notify the SID and either each NRMSIR or the MSRB, in a timely manner, of any of the following events with respect to the Bonds, if such event is material within the meaning of the federal securities laws:

A. Principal and interest payment delinquencies;
B. Non-payment related defaults;
C. Unscheduled draws on debt service reserves reflecting financial difficulties;
D. Unscheduled draws on credit enhancements reflecting financial difficulties;
E. Substitution of credit or liquidity providers, or their failure to perform;

F. Adverse tax opinions or events affecting the tax-exempt status of the Bonds;
G. Modifications to rights of holders of the Bonds;
H. Bond calls;
I. Defeasances;
J. Release, substitution, or sale of property securing repayment of the Bonds; and
K. Rating changes.

The County shall notify the SID and either each NRMSIR or the MSRB, in a timely manner, of any failure by the County to provide financial information or operating data in accordance with Section 27(a) of this Order by the time required by such Section.

(c) Limitations Disclaimers and Amendments. The County shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the County remains an "obligated person" with respect to the Bonds within the meaning of the Rule, except that the County in any event will give notice of any deposit made in accordance with Texas law that causes Bonds no longer to be outstanding.

The provisions of this Section are for the sole benefit of the holders and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The County undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the County's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The County does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE COUNTY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE COUNTY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

No default by the County in observing or performing its obligations under this Section shall comprise a breach of or default under this Order for purposes of any other provision of this Order.

Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the County under federal and state securities laws.

The provisions of this Section may be amended by the County from time to time to adapt to changed circumstances that arise from a change in legal requirements, change in law, or change in the identity, nature, status or type of operations of the County, if (i) the agreement, as amended, would have permitted an underwriter to purchase or sell Bonds in the original primary offering in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (ii) either (a) the holders of a majority in aggregate principal amount of the outstanding Bonds consent to such amendment, or (b) any person unaffiliated with the County (such as nationally recognized bond counsel), determines that the amendment will not materially impair the interests of the holders and beneficial owners of the Bonds. The County may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds. If any such amendment is made, the County will include in its next annual update an explanation in narrative form of the reasons for the amendment and its impact on the type of operating data or financial information being provided.

30. Registrar. The form of agreement setting forth the duties of the Registrar is hereby approved, and the appropriate officials of the County are hereby authorized to execute such agreement for and on behalf of the County.

31. No Personal Liability. No recourse shall be had for payment of the principal of or interest on any Bonds or for any claim based thereon, or on this Order, against any official or employee of the County or any person executing any Bonds.

32. Open Meeting. The meeting at which this Order is adopted was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by the Texas Open Meetings Act; and such notice as given is hereby authorized, approved, adopted and ratified.

PASSED AND APPROVED this 14th day of April, 2009.

County Judge

Commissioner, Precinct No. 1

Commissioner, Precinct No. 2

Commissioner, Precinct No. 3

Commissioner, Precinct No. 4

ATTEST:

County Clerk

(SEAL)

NOTICE TO PAYING AGENT OF DEFEASANCE AND BOND REDEMPTION

Notice is hereby given that Fort Bend County, Texas (the "County"), through its Commissioners' Court and by order duly passed, has provided for the deposit with The Bank of New York Mellon Trust Company, N.A., cash and direct obligations of the United States of America sufficient to defease and provide for the payment of principal or redemption price of and interest on all of the following Bonds (the "Defeased Bonds") to the redemption dates as herein below described:

FORT BEND COUNTY, TEXAS PERMANENT IMPROVEMENT BONDS, SERIES 1997, dated March 1, 1997, originally scheduled to mature on September 1 in the years 2009 through 2016, in the aggregate principal amount of $2,865,000,

Notice is further given that the County has called for redemption, prior to their scheduled maturities, for a redemption price equal to the principal amount thereof plus accrued interest to the date fixed for redemption, that portion of the Defeased Bonds, which are described as follows:

Scheduled Maturity (September 1)	Series	Defeased Bonds To Be Redeemed	Redemption Date	Redemption Price
2009-2016	1997	$2,865,000	May 15, 2009	100%

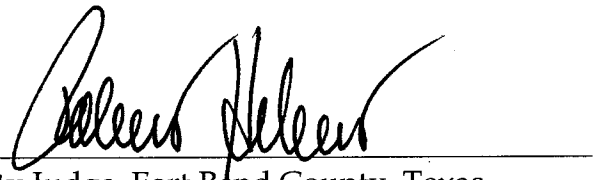
The Defeased Bonds called for redemption shall cease to bear interest after their respective redemption dates.

The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, as successor paying agent to U.S. Trust Company of Texas, N.A., for the Defeased Bonds, is hereby directed to send a written notice of defeasance and bond redemption for the Defeased Bonds by first class mail at least 30 days prior to the date fixed for redemption to the Registered Owner of each Defeased Bond to be redeemed in whole or in part at the address shown on the books of registration kept by the Registrar. Such written notice shall be in the form prescribed by the order authorizing the issuance of the Defeased Bonds.

This Notice is issued and given pursuant to the option of redemption reserved to the County in the proceedings authorizing the issuance of the Defeased Bonds and in accordance with recitals and provisions of said Defeased Bonds.

(Execution Page Follows)

GIVEN this 14th day of April, 2009.



County Judge, Fort Bend County, Texas

232928

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., Dallas, Texas, hereby acknowledges the receipt of the foregoing Notice to Paying Agent of Bond Redemption, the same having been received on the date shown below, which is thirty (30) days prior to the date fixed for redemption.

EXECUTED this 16th day of April, 2009.

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
Dallas, Texas

By: _____

Name: Michelle L. Baldwin

Title: ASSISTANT VICE PRESIDENT

OFFICIAL STATEMENT

Dated April 14, 2009

FSC Disclosure Services
A Division of First Southwest Company
(See "CONTINUING DISCLOSURE OF INFORMATION" herein)

Ratings:
Moody's: "Aa2"
S&P: "AA+"
See ("OTHER INFORMATION - RATINGS" herein)

NEW ISSUE - Book-Entry-Only

In the opinion of Bond Counsel, interest on the Bonds is excludable from gross income for federal income tax purposes under existing law and the Bonds are not subject to the alternative minimum tax on individuals and corporations. See "TAX MATTERS" herein for a discussion of the opinion of Bond Counsel.

THE BONDS **HAVE NOT BEEN** DESIGNATED AS "QUALIFIED TAX-EXEMPT OBLIGATIONS" FOR FINANCIAL INSTITUTIONS

$73,430,000
FORT BEND COUNTY, TEXAS
LIMITED TAX AND REFUNDING BONDS, SERIES 2009

Dated Date: May 1, 2009 **Due: March 1, as shown on inside cover**

PAYMENT TERMS . . . Interest on the $73,430,000 Fort Bend County, Texas, Limited Tax and Refunding Bonds, Series 2009 (the "Bonds") will accrue from May 1, 2009, (the "Dated Date") and will be payable March 1 and September 1 of each year commencing September 1, 2009, and will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The definitive Bonds will be initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company ("DTC") pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Bonds may be acquired in denominations of $5,000 or integral multiples thereof. **No physical delivery of the Bonds will be made to the owners thereof.** Principal of, premium, if any, and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds. See "THE BONDS - BOOK-ENTRY-ONLY SYSTEM" herein. The initial Paying Agent/Registrar is Wells Fargo Bank, N.A., Houston, Texas (see "THE BONDS - PAYING AGENT/REGISTRAR").

AUTHORITY FOR ISSUANCE . . . The Bonds are issued pursuant to the Constitution and general laws of the State of Texas, (the "State") and are direct obligations of Fort Bend County, Texas (the "County"), payable from a continuing ad valorem tax levied on all taxable property within the County, within the limits prescribed by law, as provided in the order authorizing the Bonds (the "Order") (see "THE BONDS - AUTHORITY FOR ISSUANCE").

PURPOSE . . . Proceeds from the sale of the Bonds will be used (i) for the construction, equipping and improvements of county buildings, (ii) to refund certain obligations of the County described in Schedule I (the "Refunded Bonds"), and (iii) and to pay the costs of issuance associated with the Bonds.

SEE MATURITY SCHEDULE ON THE INSIDE COVER

OPTIONAL REDEMPTION . . . The County reserves the right, at its option, to redeem Bonds having stated maturities on and after March 1, 2019, in whole or in part in principal amounts of $5,000 or any integral multiple thereof, on March 1, 2018, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption (see "THE BONDS - OPTIONAL REDEMPTION").

LEGALITY . . . The Bonds are offered for delivery when, as and if issued and received by the Underwriters and subject to the approving opinion of the Attorney General of Texas and the opinion of Allen Boone Humphries Robinson LLP, Bond Counsel, Houston, Texas (see APPENDIX C, "FORM OF BOND COUNSEL'S OPINION"). Certain legal matters will be passed upon for the Underwriters by Bracewell & Giuliani LLP, Underwriter's Counsel, Houston, Texas.

DELIVERY . . . It is expected that the Bonds will be available for delivery through The Depository Trust Company on May 14, 2009.

LOOP CAPITAL MARKETS, LLC **RBC CAPITAL MARKETS**

MORGAN KEEGAN & COMPANY, INC. **SIEBERT BRANDFORD SHANK & CO., LLC**

MATURITY SCHEDULE

Principal	Maturity Mar 1	Rate	Yield [1]	CUSIP Numbers [2]	Principal	Maturity Mar 1	Rate	Yield [1]	CUSIP Numbers [2]
$ 305,000	2010	4.000 %	0.880 %	346766 LV8	$ 3,455,000	2021 [3]	5.250 %	3.960 %	346766 MG0
2,575,000	2011	4.000	1.270	346766 LW6	3,635,000	2022 [3]	5.000	4.170	346766 MH8
2,670,000	2012	3.000	1.550	346766 LX4	3,820,000	2023 [3]	5.000	4.320	346766 MJ4
2,770,000	2013	4.250	2.030	346766 LY2	4,020,000	2024 [3]	5.000	4.470	346766 MK1
2,895,000	2014	4.000	2.440	346766 LZ9	1,600,000	2025 [3]	4.625	4.660	346766 ML9
2,995,000	2015	3.000	2.690	346766 MA3	2,625,000	2025 [3]	5.250	4.580	346766 MM7
3,105,000	2016	4.000	2.940	346766 MB1	4,450,000	2026 [3]	5.250	4.690	346766 MN5
2,830,000	2017	5.000	3.180	346766 MC9	4,685,000	2027 [3]	5.250	4.790	346766 MP0
2,970,000	2018	4.500	3.440	346766 MD7	4,940,000	2028 [3]	5.250	4.870	346766 MQ8
3,115,000	2019 [3]	5.000	3.660	346766 ME5	5,205,000	2029 [3]	5.250	4.950	346766 MR6
3,280,000	2020 [3]	5.250	3.800	346766 MF2	5,485,000	2030 [3]	5.250	5.030	346766 MS4

(Accrued Interest from May 1, 2009 to be added)

(1) The initial reoffering prices or yields of the Bonds are furnished by the Underwriters (as defined herein) and represent the initial offering prices or yields to the public, which may be changed by the Underwriters at any time.

(2) CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by Standard and Poor's CUSIP Service Bureau, A Division of the McGraw-Hill Companies, Inc. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services.

(3) The County reserves the right, at its option, to redeem Bonds having stated maturities on and after March 1, 2019, in whole or in part in principal amounts of $5,000 or any integral multiple thereof, on March 1, 2018, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption (see "THE BONDS - OPTIONAL REDEMPTION").

This Official Statement, which includes the cover page and the Appendices hereto, does not constitute an offer to sell or the solicitation of an offer to buy in any jurisdiction to any person to whom it is unlawful to make such offer, solicitation or sale.

No registration statement relating to the Bonds has been filed with the Securities and Exchange Commission under the Securities Act of 1933, as amended, in reliance upon the exemptions provided thereunder. The Bonds have not been registered or qualified under the Securities Act of Texas in reliance upon various exemptions contained therein; nor have the Bonds been registered or qualified under the securities laws of any other jurisdiction. The County assumes no responsibility for registration or qualification of the Bonds under the securities laws of any other jurisdiction in which the Bonds may be offered, sold or otherwise transferred. This disclaimer of responsibility for registration or qualification for sale or other disposition of the Bonds will not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration or qualification provisions in such other jurisdictions.

No dealer, broker, salesperson or other person has been authorized to give information or to make any representation other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon.

The information set forth herein has been obtained from the County and other sources believed to be reliable, but such information is not guaranteed as to accuracy or completeness and is not to be construed as the promise or guarantee of the Financial Advisor. This Official Statement contains, in part, estimates and matters of opinion which are not intended as statements of fact, and no representation is made as to the correctness of such estimates and opinions, or that they will be realized.

The information and expressions of opinion contained herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the County or other matters described.

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The cover page hereof, this page, the appendices included herein and any addenda, supplement or amendment hereto, are part of the Official Statement.

OFFICIAL STATEMENT SUMMARY

This summary is subject in all respects to the more complete information and definitions contained or incorporated in this Official Statement. The offering of the Bonds to potential investors is made only by means of this entire Official Statement. No person is authorized to detach this summary from this Official Statement or to otherwise use it without the entire Official Statement.

THE COUNTY	The County is a political subdivision of the State, located in southeast Texas. The County covers approximately 886 square miles located in the greater Houston metropolitan area. The City of Richmond is the County Seat.
THE BONDS	The Bonds are issued as $73,430,000 Limited Tax and Refunding Bonds, Series 2009. The Bonds are issued as serial bonds maturing on the dates shown on the inside cover (see "THE BONDS - DESCRIPTION OF THE BONDS").
PAYMENT OF INTEREST	Interest on the Bonds accrues from May 1, 2009, and is payable September 1, 2009, and each March 1 and September 1 thereafter until maturity or prior redemption (see "THE BONDS - DESCRIPTION OF THE BONDS" and "THE BONDS - OPTIONAL REDEMPTION").
AUTHORITY FOR ISSUANCE	The Bonds are issued pursuant to the general laws of the State, an election held in the County, and an Order passed by the Commissioners Court of the County (see "THE BONDS - AUTHORITY FOR ISSUANCE").
SECURITY FOR THE BONDS	The Bonds constitute direct and voted obligations of the County, payable from the levy and collection of a direct and continuing ad valorem tax, within the limits prescribed by law, on all taxable property located within the County (see "THE BONDS - SECURITY AND SOURCE OF PAYMENT").
REDEMPTION	The County reserves the right, at its option, to redeem Bonds having stated maturities on and after March 1, 2019, in whole or in part in principal amounts of $5,000 or any integral multiple thereof, on March 1, 2018, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption.
TAX EXEMPTION	In the opinion of Bond Counsel, the interest on the Bonds will be excludable from gross income for federal income tax purposes under existing law and the Bonds are not private activity bonds. See "TAX MATTERS" for a discussion of the opinion of Bond Counsel, including a description of the alternative minimum tax consequences for corporations.
USE OF PROCEEDS	The Bonds are being issued to (i) finance the construction, equipping and improvements of county buildings, (ii) refund certain obligations of the County described in Schedule I (the "Refunded Bonds"), and (iii) pay the costs of issuance associated with the Bonds.
RATINGS	The presently outstanding tax supported debt of the County is rated "Aa2" by Moody's Investors Service, Inc. ("Moody's") and "AA+" by Standard & Poor's Ratings Services, A Division of The McGraw-Hill Companies, Inc. ("S&P") without regard to credit enhancement. Applications for contract ratings on the Bonds have been made to Moody's and S&P (see "OTHER INFORMATION - RATINGS").
BOOK-ENTRY-ONLY SYSTEM	The definitive Bonds will be initially registered and delivered only to Cede & Co., the nominee of DTC pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Bonds may be acquired in denominations of $5,000 or integral multiples thereof. No physical delivery of the Bonds will be made to the beneficial owners thereof. Principal of, premium, if any, and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds (see "THE BONDS - BOOK-ENTRY-ONLY SYSTEM") .
PAYMENT RECORD	The County has never defaulted in payment of its debt.

SELECTED FINANCIAL INFORMATION

Fiscal Year Ending	Estimated County Population[1]	Taxable Assessed Valuation[2]	Per Capita Taxable Assessed Valuation	General Obligation ("G.O.") Tax Debt	Per Capita G.O. Tax Debt	Ratio Tax Debt to Taxable Assessed Valuation	Percent Of Total Tax Collections[5]	Tax Year
2004	412,570	$ 21,136,607,510	$ 51,232	$ 211,400,000	$ 512	1.00%	99.80%	2003
2005	435,160	23,430,077,530	53,842	205,710,000	473	0.88%	99.77%	2004
2006	435,160	26,049,121,823	59,861	230,080,000	529	0.88%	99.68%	2005
2007	501,974	28,933,750,694	57,640	375,765,000	749	1.30%	99.49%	2006
2008	501,974	33,393,702,935	66,525	367,690,000	732	1.10%	98.43%	2007
2009	528,392	38,166,425,554	72,231	479,820,000 [3]	908 [3]	1.26% [3]	[4]	2008

(1) Source: Fort Bend Economic Development Council.
(2) As reported by the Fort Bend Central Appraisal District, subject to change during the ensuing year.
(3) Projected, includes the Bonds and the $50,000,000 Unlimited Tax Road Bonds, Series 2009 that the County plans to issue in the second quarter of 2009. Excludes the Refunded Bonds.
(4) In process of collection.
(5) As of September 30, 2008 for each respective year's levy.

GENERAL FUND CONSOLIDATED STATEMENT SUMMARY

	Fiscal Year Ended September 30,				
	2008	2007	2006	2005	2004
Beginning Balance	$ 35,701,557	$ 36,839,696	$ 29,387,788	$ 29,594,905	$ 38,190,055
Total Revenue	178,619,780	154,532,126	140,059,393	127,438,871	112,058,605
Total Expenditures	167,430,805	147,075,383	125,726,125	116,298,500	112,372,891
Transfer In (Out)	(8,145,190)	(8,594,882)	(6,881,360)	(11,347,488)	(8,280,864)
Ending Balance	$ 38,745,342	$ 35,701,557	$ 36,839,696	$ 29,387,788	$ 29,594,905

See "TABLE 13A – GENERAL FUND REVENUES AND EXPENDITURE HISTORY" for more detailed information.

For additional information regarding the County, please contact:

Ed Sturdivant
Fort Bend County Auditor
309 S. Fourth St. Suite 533
Richmond, TX 77469
(281) 341-3760

or

Joe Morrow
First Southwest Company
1021 Main Street, Suite 2200
Houston, Texas 77002
(713) 654-8690

COUNTY OFFICIALS, STAFF AND CONSULTANTS

ELECTED OFFICIALS

Commissioners Court	Position	Length of Service	Term Expires December 31
Robert Hebert	County Judge	6 Years	2010
Richard Morrison	Commissioner - Precinct 1	3 Months[1]	2012
Grady Prestage	Commissioner - Precinct 2	17 Years	2010
Andy Meyers	Commissioner - Precinct 3	11 Years	2012
James Patterson	Commissioner - Precinct 4	9 Years	2010

(1) Elected November 4, 2008

OTHER ELECTED AND APPOINTED OFFICIALS

Name	Position	Length of Service to County
Ed Sturdivant	County Auditor	6 Years
Jeff Council	County Treasurer	2 Years
Patsy Schultz	Tax Assessor/Collector	2 Years
Roy Cordes, Jr.	County Attorney	2 Years

CONSULTANTS AND ADVISORS

Auditors ..... Null-Lairson P.C.
Houston, Texas

Bond Counsel ..... Allen Boone Humphries Robinson LLP
Houston, Texas

Financial Advisor ..... First Southwest Company
Houston, Texas

OFFICIAL STATEMENT

RELATING TO

$73,430,000
FORT BEND COUNTY, TEXAS
LIMITED TAX AND REFUNDING BONDS, SERIES 2009

INTRODUCTION

This Official Statement, which includes the Appendices hereto, provides certain information regarding the issuance of $73,430,000 Fort Bend County, Texas, Limited Tax and Refunding Bonds, Series 2009. Capitalized terms used in this Official Statement have the same meanings assigned to such terms in the order authorizing the issuance of the Bonds adopted by the Commissioners Court on the date of sale of the Bonds (the "Order"), except as otherwise indicated herein.

There follows in this Official Statement descriptions of the Bonds and certain information regarding the County and its finances. All descriptions of documents contained herein are only summaries and are qualified in their entirety by reference to each such document. Copies of such documents may be obtained from the County's Financial Advisor, First Southwest Company, Houston, Texas.

DESCRIPTION OF THE COUNTY

The County was organized in 1838 and operates as specified under the Constitution of the State of Texas and statutes which provide for a Commissioners Court consisting of the County Judge and four Commissioners, one from each of four geographical Commissioners Precincts. The County Judge is elected for a term of four years and the Commissioners for four year staggered terms. Other County elected officers include the County Clerk, County Attorney, County Tax Assessor/Collector and County Treasurer. The County Auditor is appointed for a term of two years by and serves at the will of the State District Judges whose courts are located in Fort Bend County, Texas. The 2000 Census population for the County was 354,452, an increase of 57% over the 1990 population of 225,421. The County covers approximately 886 square miles located in the greater Houston metropolitan area. The City of Richmond is the County Seat.

THE BONDS

DESCRIPTION OF THE BONDS

The Bonds are dated May 1, 2009, and mature on March 1 in each of the years and in the amounts shown on the inside cover page hereof. Interest will be computed on the basis of a 360-day year of twelve 30-day months, and will be payable on March 1 and September 1, commencing September 1, 2009. The definitive Bonds will be issued only in fully registered form in any integral multiple of $5,000 for any one maturity and will be initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company ("DTC") pursuant to the Book-Entry-Only System described herein. **No physical delivery of the Bonds will be made to the owners thereof.** Principal of, premium, if any, and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds. See "BOOK-ENTRY-ONLY SYSTEM" herein.

AUTHORITY FOR ISSUANCE

The Bonds are being issued pursuant to the general laws of the State of Texas, an election held May 10, 2008, and passed by a majority of the participating voters and the Order.

SECURITY AND SOURCE OF PAYMENT

The Bonds are payable from a continuing direct annual ad valorem tax levied within limits prescribed by law against all taxable property in the County sufficient to provide for the payment of principal of and interest on the Bonds and all obligations payable in whole or in part from ad valorem taxes.

TAX RATE LIMITATION

General Operations; Limited Tax Bonds, Time Warrants, Certificates of Obligation and Contractual Obligations . . . The Texas Constitution (Article VIII, Section 9) imposes a limit of $0.80 per $100 assessed valuation for all purposes of General Fund, Permanent Improvement Fund, Road and Bridge Fund and Jury Fund, including debt service of bonds, warrants or certificates of obligation issued against such funds. The Attorney General of Texas will not approve limited tax bonds in an amount which produces debt service requirements exceeding that which can be paid from $0.40 of the foregoing $0.80 maximum tax rate calculated at 90% collection. The Bonds are limited tax obligations payable from the constitutional tax rate.

Unlimited Tax Road Bonds . . . An unlimited tax is authorized for debt service on certain road bonds issue pursuant to Article III, Section 52 of Texas Constitution.

Road Maintenance (Special Road and Bridge Tax) . . . Authorized by Texas Constitution (Article VIII, Section 9), with a maximum of $0.15 per $100 Assessed Valuation, no part of which may be used for debt service.

(Farm-to-Market) (and) (Flood Control) Purposes . . . Authorized by Texas Constitution (Article VIII, Section 1-a), with a maximum of $0.30 per $100 assessed valuation after exemption of homesteads up to $3,000; no allocation is prescribed by statute between debt service and maintenance.

OPTIONAL REDEMPTION

The County reserves the right, at its option, to redeem Bonds having stated maturities on and after March 1, 2019, in whole or in part in principal amounts of $5,000 or any integral multiple thereof, on March 1, 2018, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption. If less than all of the Bonds are to be redeemed, the County may select the maturities of Bonds to be redeemed. If less than all the Bonds of any maturity are to be redeemed, the Paying Agent/Registrar (or DTC while the Bonds are in Book-Entry-Only form) shall determine by lot the Bonds, or portions thereof, within such maturity to be redeemed. If a Bond (or any portion of the principal sum thereof) shall have been called for redemption and notice of such redemption shall have been given, such Bond (or the principal amount thereof to be redeemed) shall become due and payable on such redemption date and interest thereon shall cease to accrue from and after the redemption date, provided funds for the payment of the redemption price and accrued interest thereon are held by the Paying Agent/Registrar on the redemption date.

NOTICE OF REDEMPTION

Not less than 30 days prior to a redemption date for the Bonds, the Paying Agent/Registrar shall cause a notice of redemption to be sent by United States mail, first class, postage prepaid, to the registered owners of the Bonds to be redeemed, in whole or in part, at the address of the registered owner appearing on the registration books of the Paying Agent/Registrar at the close of business on the business day next preceding the date of mailing such notice. ANY NOTICE SO MAILED SHALL BE CONCLUSIVELY PRESUMED TO HAVE BEEN DULY GIVEN, WHETHER OR NOT THE REGISTERED OWNER RECEIVES SUCH NOTICE. NOTICE HAVING BEEN SO GIVEN, THE BONDS CALLED FOR REDEMPTION SHALL BECOME DUE AND PAYABLE ON THE SPECIFIED REDEMPTION DATE, AND NOTWITHSTANDING THAT ANY BOND OR PORTION THEREOF HAS NOT BEEN SURRENDERED FOR PAYMENT, INTEREST ON SUCH BOND OR PORTION THEREOF SHALL CEASE TO ACCRUE.

DEFEASANCE

The Order provides that the County may discharge its obligations to the Registered Owners of any or all of the Bonds to pay principal, interest and redemption price thereon in any manner permitted by law. Under current Texas law, such discharge may be accomplished either (i) by depositing with the Comptroller of Public Accounts of the State of Texas a sum of money equal to the principal of, premium, if any, and all interest to accrue on the Bonds to maturity or redemption or (ii) by depositing with any place of payment (paying agent) of the Bonds or other obligations of the County payable from revenues or from ad valorem taxes or both, amounts sufficient to provide for the payment and/or redemption of the Bonds; provided that such deposits may be invested and reinvested only in (a) direct noncallable obligations of the United States of America, (b) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the County adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (c) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the governing body of the County adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to the investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and which mature and/or bear interest payable at such times and in such amounts as will be sufficient to provide for the scheduled payment and/or redemption of the Bonds.

Upon such deposit as described above, such Bonds shall no longer be regarded as outstanding or unpaid. After firm banking and financial arrangements for the discharge and final payment or redemption of the Bonds have been made as described above, all rights of the County to initiate proceedings to call the Bonds for redemption or take any other action amending the terms of the Bonds are extinguished; provided, however, that the right to call the Bonds for redemption is not extinguished if the County: (i) in the proceedings providing for the firm banking and financial arrangements, expressly reserves the right to call the Bonds for redemption; (ii) gives notice of the reservation of that right to the owners of the Bonds immediately following the making of the firm banking and financial arrangements; and (iii) directs that notice of the reservation be included in any redemption notices that it authorizes.

There is no assurance that the current law will not be changed in the future in a manner which would permit investments other than those described above to be made with amounts deposited to defease the Bonds.

Upon such deposit as described above, such Bonds shall no longer be regarded to be outstanding or unpaid. Provided, however, the County has reserved the option, to be exercised at the time of the defeasance of the Bonds, to call for redemption, at an earlier date, those Bonds which have been defeased to their maturity date, if the County: (i) in the proceedings providing for the firm banking and financial arrangements, expressly reserves the right to call the Bonds for redemption; (ii) gives notice of the reservation of that right to the owners of the Bonds immediately following the making of the firm banking and financial arrangements; and (iii) directs that notice of the reservation be included in any redemption notices that it authorizes.

BOOK-ENTRY-ONLY SYSTEM

This section describes how ownership of the Bonds is to be transferred and how the principal of, premium, if any, and interest on the Bonds are to be paid to and accredited by DTC while the Bonds are registered in its nominee name. The information in this section concerning DTC and the Book-Entry-Only System has been provided by DTC for use in disclosure documents such as this Official Statement. The County believes the source of such information to be reliable, but takes no responsibility for the accuracy or completeness thereof.

The County cannot and does not give any assurance that (1) DTC will distribute payments of debt service on the Bonds, or redemption or other notices, to DTC Participants, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Bonds), or redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or (3) DTC will serve and act in the manner described in this Official Statement. The current rules applicable to DTC are on file with the Securities and Exchange Commission, and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee). One fully registered Bond will be issued for each maturity of the Bonds in the aggregate principal amount of each such maturity and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities Bonds. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bonds ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transactions, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owners entered into the transaction. Transfers of ownership interest in the Bonds are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive Bonds representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participant to whose account such Bonds are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and principal and interest payments on the Bonds will be made to DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the County or the Paying Agent/Registrar on payable dates in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as in the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and principal and interest to DTC is the responsibility of the County, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to County or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

USE OF CERTAIN TERMS IN OTHER SECTIONS OF THIS OFFICIAL STATEMENT In reading this Official Statement it should be understood that while the Bonds are in the Book-Entry Only System, references in other sections of this Official Statement to registered owners should be read to include the person for which the Participant acquires an interest in the Bonds, but (i) all rights of ownership must be exercised through DTC and the Book-Entry Only System, and (ii) except as described above, notices that are to be given to registered owners under the Resolution will be given only to DTC.

Information concerning DTC and the Book-Entry Only System has been obtained from DTC and is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by the County or the Purchasers.

EFFECT OF TERMINATION OF BOOK-ENTRY ONLY SYSTEM In the event that the Book-Entry Only System is discontinued by DTC or the use of the Book-Entry Only System is discontinued by the County, printed Bonds will be issued to the holders and the Bonds will be subject to transfer, exchange and registration provisions as set forth in the Resolution and summarized under "THE BONDS - TRANSFER, EXCHANGE AND REGISTRATION" below.

PAYING AGENT/REGISTRAR

The initial Paying Agent/Registrar is Wells Fargo Bank, N.A., Houston, Texas. In the Order, the County retains the right to replace the Paying Agent/Registrar. The County covenants to maintain and provide a Paying Agent/Registrar at all times until the Bonds are duly paid and any successor Paying Agent/Registrar shall be a commercial bank or trust company organized under the laws of the State of Texas or other entity duly qualified and legally authorized to serve as and perform the duties and services of Paying Agent/Registrar for the Bonds. Upon any change in the Paying Agent/Registrar for the Bonds, the County agrees to promptly cause a written notice thereof to be sent to each registered owner of the Bonds by United States mail, first class, postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

TRANSFER, EXCHANGE AND REGISTRATION

In the event the Book-Entry-Only System should be discontinued, the Bonds may be transferred and exchanged on the registration books of the Paying Agent/Registrar only upon presentation and surrender to the Paying Agent/Registrar and such transfer or exchange shall be without expense or service charge to the registered owner, except for any tax or other governmental charges required to be paid with respect to such registration, exchange and transfer. Bonds may be assigned by the execution of an assignment form on the respective Bonds or by other instrument of transfer and assignment acceptable to the Paying Agent/Registrar. New Bonds will be delivered by the Paying Agent/Registrar, in lieu of the Bonds being transferred or exchanged, at the designated office of the Paying Agent/Registrar, or sent by United States mail, first class, postage prepaid, to the new registered owner or his designee. To the extent possible, new Bonds issued in an exchange or transfer of Bonds will be delivered to the registered owner or assignee of the registered owner in not more than three business days after the receipt of the Bonds to be canceled, and the written instrument of transfer or request for exchange duly executed by the registered owner or his duly authorized agent, in form satisfactory to the Paying Agent/Registrar. New Bonds registered and delivered in an exchange or transfer shall be in any integral multiple of $5,000 for any one maturity and for a like aggregate principal amount as the Bonds surrendered for exchange or transfer. See "BOOK-ENTRY-ONLY SYSTEM" herein for a description of the system to be utilized initially in regard to ownership and transferability of the Bonds. Neither the County nor the Paying Agent/Registrar shall be required to transfer or exchange any Bond called for redemption, in whole or in part, within 45 days of the date fixed for redemption; provided, however, such limitation of transfer shall not be applicable to an exchange by the registered owner of the uncalled balance of a Bond.

RECORD DATE FOR INTEREST PAYMENT

The record date ("Record Date") for the interest payable on the Bonds on any interest payment date means the close of business on the 15th day of the preceding month.

In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the County. Notice of the Special Record Date and of the scheduled payment date of the past due interest ("Special Payment Date", which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Holder of a Bond appearing on the registration books of the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of such notice.

BONDHOLDERS' REMEDIES

The Order does not specify events of default with respect to the Bonds. If the County defaults in the payment of principal, interest, or redemption price on the Bonds when due, or if it fails to make payments into any fund or funds created in the Order, or defaults in the observation or performance of any other covenants, conditions, or obligations set for in the Order, the registered owners may seek a writ of mandamus to compel County officials to carry out their legally imposed duties with respect to the Bonds if there is no other available remedy at law to compel performance of the Bonds or the covenants included in the Order and the County's obligations are not uncertain or disputed. The issuance of a writ of mandamus is controlled by equitable principles, so rests with the discretion of the court, but may not be arbitrarily refused. There is no acceleration of maturity of the Bonds in the event of default and, consequently, the remedy of mandamus may have to be relied upon from year to year. The Order does not provide for the appointment of a trustee to represent the interest of the bondholders upon any failure of the County to perform in accordance with the terms of the Order, or upon any other condition and accordingly all legal actions to enforce such remedies would have to be undertaken at the initiative of, and be financed by, the registered owners. On June 30, 2006, the Texas Supreme Court ruled in Tooke v. City of Mexia 197 S.W.3rd 325 (Tex. 2006) that a waiver of sovereign immunity in a contractual dispute must be provided for by statute in "clear and unambiguous" language. Because it is unclear whether the Texas legislature has effectively waived the County's sovereign immunity from a suit for money damages, bondholders may not be able to bring such a suit against the County for a default on the Bonds or breach of the Order covenants. Even if a judgment against the County could be obtained, it could not be enforced by direct levy and execution against the County's property. Further, the registered owners cannot themselves foreclose on property within the County or sell property within the County to enforce the tax lien on taxable property to pay the principal of and interest on the Bonds. Furthermore, the County is eligible to seek relief from its creditors under Chapter 9 of the U.S. Bankruptcy Code ("Chapter 9"). Although Chapter 9 provides for the recognition of a security interest represented by a specifically pledged source of revenues, the pledge of ad valorem taxes in support of a general obligation of a bankrupt entity is not specifically recognized as a security interest under Chapter 9. Chapter 9 also includes an automatic stay provision that would prohibit, without Bankruptcy Court approval, the prosecution of any other legal action by creditors or bondholders of an entity which has sought protection under Chapter 9. Therefore, should the County avail itself of Chapter 9 protection from creditors, the ability to enforce would be subject to the approval of the Bankruptcy Court (which could require that the action be heard in Bankruptcy Court instead of other federal or state court); and the Bankruptcy Code provides for broad discretionary powers of a Bankruptcy Court in administering any proceeding brought before it. The opinion of Bond Counsel will note that all opinions relative to the enforceability of the Order and the Bonds are qualified with respect to the customary rights of debtors relative to their creditors.

SOURCES AND USES OF BOND PROCEEDS

The Bonds are being issued to (i) finance the construction, equipping and improvements of county buildings, (ii) refund certain obligations of the County described in Schedule I (the "Refunded Bonds"), and (iii) pay the costs of issuance associated with the Bonds.

Proceeds from the sale of the Bonds are expected to be expended as follows:

Sources of Funds:	
Par Amount of Bonds	$ 73,430,000
Reoffering Net Premium	3,835,903
Accrued Interest (5/1/09-5/12/09)	126,862
Transfer from Debt Service Fund	334,067
	$ 77,726,832
Uses of Funds:	
Deposit to Construction Fund	$ 74,000,000
Deposit to Current Refunding Fund	2,894,373
Underwriter's Discount	452,965
Costs of Issuance	250,000
Deposit to Debt Service Fund	129,494
	$ 77,726,832

TAX INFORMATION

AD VALOREM TAX LAW

The appraisal of property within the County is the responsibility of the Fort Bend Central Appraisal District (the "Appraisal District"). Excluding agricultural and open-space land, which may be taxed on the basis of productive capacity, the Appraisal District is required under the Property Tax Code to appraise all property within the Appraisal District on the basis of 100% of its market value and is prohibited from applying any assessment ratios. In determining market value of property, different methods of appraisal may be used, including the cost method of appraisal, the income method of appraisal and market data comparison method of appraisal, and the method considered most appropriate by the chief appraiser is to be used. State law further limits the appraised value of a residence homestead for a tax year to an amount not to exceed the lesser of (1) the market value of the property, or (2) the sum of (a) 10% of the appraised value of the property for the last year in which the property was appraised for taxation times the number of years since the property was last appraised, plus (b) the appraised value of the property for the last year in which the property was appraised plus (c) the market value of all new improvements to the property. The value placed upon property within the Appraisal District is subject to review by an Appraisal Review Board, consisting of three members appointed by the Board of Directors of the Appraisal District. The Appraisal District is required to review the value of property within the Appraisal District at least every three years. The County may require annual review at its own expense, and is entitled to challenge the determination of appraised value of property within the County by petition filed with the Appraisal Review Board.

Reference is made to the Texas, Property Tax Code, for identification of property subject to taxation; property exempt or which may be exempted from taxation, if claimed; the appraisal of property for ad valorem taxation purposes; and the procedures and limitations applicable to the levy and collection of ad valorem taxes.

Article VIII of the Texas Constitution ("Article VIII") and State law provide for certain exemptions from property taxes, the valuation of agricultural and open-space lands at productivity value, and the exemption of certain personal property from ad valorem taxation.

Under Section 1-b, Article VIII, and State law, the governing body of a political subdivision, at its option, may grant: (1) An exemption of not less than $3,000 of the market value of the residence homestead of persons 65 years of age or older and the disabled from all ad valorem taxes thereafter levied by the political subdivision; (2) An exemption of up to 20% of the market value of residence homesteads. The minimum exemption under this second provision is $5,000.

In the case of residence homestead exemptions granted under Section 1-b, Article VIII, ad valorem taxes may continue to be levied against the value of homesteads exempted where ad valorem taxes have previously been pledged for the payment of debt if cessation of the levy would impair the obligation of the contract by which the debt was created.

State law and Section 2, Article VIII, mandate an additional property tax exemption for disabled veterans or the surviving spouse or children of a deceased veteran who died while on active duty in the armed forces; the exemption applies to either real or personal property with the amount of assessed valuation exempted ranging from $5,000 to a maximum of $12,000.

Effective January 1, 2004, under Article VIII and State law, the governing body of a county, municipality or junior college district, may freeze the total amount of ad valorem taxes levied on the residence homestead of a disabled person or persons 65 years of age or older to the amount of taxes imposed in the year such residence qualified for such exemption. Also, upon receipt of a petition signed by five percent of the registered voters of the county, municipality or junior college district, an election must be held to determine by majority vote whether to establish such a limitation on taxes paid on residence homesteads of persons 65 years of age or who are disabled. Upon providing for such exemption, such freeze on ad valorem taxes is transferable to a different residence homestead and to a surviving spouse living in such homestead who is disabled or is at least 55 years of age. If improvements (other than maintenance or repairs) are made to the property, the value of the improvements is taxed at the then current tax rate, and the total amount of taxes imposed is increased to reflect the new improvements with the new amount of taxes then serving as the ceiling on taxes for the following years. Once established, the tax rate limitation may not be repeated or rescinded.

Article VIII provides that eligible owners of both agricultural land (Section 1-d) and open-space land (Section 1-d-1), including open-space land devoted to farm or ranch purposes or open-space land devoted to timber production, may elect to have such property appraised for property taxation on the basis of its productive capacity. The same land may not be qualified under both Section 1-d and 1-d-1.

Nonbusiness personal property, such as automobiles or light trucks, are exempt from ad valorem taxation unless the governing body of a political subdivision elects to tax this property. Boats owned as nonbusiness property are exempt from ad valorem taxation.

Article VIII, Section 1-j, provides for "freeport property" to be exempted from ad valorem taxation. Freeport property is defined as goods detained in Texas for 175 days or less for the purpose of assembly, storage, manufacturing, processing or fabrication. Decisions to continue to tax may be reversed in the future; decisions to exempt freeport property are not subject to reversal.

The County also may enter into tax abatement agreements to encourage economic development. Under the agreements, a property owner agrees to construct certain improvements on its property. The County in turn agrees not to levy a tax on all or part of the increased value attributable to the improvements until the expiration of the agreement. The abatement agreement could last for a period of up to 10 years.

EFFECTIVE TAX RATE AND ROLLBACK TAX RATE

By each September 1 or as soon thereafter as practicable, the Commissioners Court adopts a tax rate per $100 taxable value for the current year. The tax rate consists of two components: (1) a rate for funding of maintenance and operation expenditures, and (2) a rate for debt service.

Under the Property Tax Code, the County must annually calculate and publicize its "effective tax rate" and "rollback tax rate". The Commissioners Court may not adopt a tax rate that exceeds the prior year's levy until it has held a public hearing on the proposed increase following notice to the taxpayers and otherwise complied with the Property Tax Code. If the adopted tax rate exceeds the rollback tax rate the qualified voters of the County by petition may require that an election be held to determine whether or not to reduce the tax rate adopted for the current year to the rollback tax rate.

"Effective tax rate" means the rate that will produce last year's total tax levy (adjusted) from this year's total taxable values (adjusted). "Adjusted" means lost values are not included in the calculation of last year's taxes and new values are not included in this year's taxable values.

"Rollback tax rate" means the rate that will produce last year's maintenance and operation tax levy (adjusted) from this year's values (adjusted) multiplied by 1.08 plus a rate that will produce this year's debt service from this year's values (unadjusted) divided by the anticipated tax collection rate.

The Property Tax Code provides that certain cities and counties in the State may submit a proposition to the voters to authorize an additional one-half cent sales tax on retail sales of taxable items. If the additional tax is levied, the effective tax rate and the rollback tax rate calculations are required to be offset by the revenue that will be generated by the sales tax in the current year.

Reference is made to the Property Tax Code for definitive requirements for the levy and collection of ad valorem taxes and the calculation of the various defined tax rates.

PROPERTY ASSESSMENT AND TAX PAYMENT

Property within the County is generally assessed as of January 1 of each year. Business inventory may, at the option of the taxpayer, be assessed as of September 1. Oil and gas reserves are assessed on the basis of a valuation process which uses an average of the daily price of oil and gas for the prior year. Taxes become due October 1 of the same year, and become delinquent on February 1 of the following year. Taxpayers 65 years old or older are permitted by State law to pay taxes on homesteads in four installments with the first due on February 1 of each year and the final installment due on August 1.

PENALTIES AND INTEREST

Charges for penalty and interest on the unpaid balance of delinquent taxes are made as follows:

Month	Cumulative Penalty	Cumulative Interest	Total
February	6 %	1 %	7 %
March	7	2	9
April	8	3	11
May	9	4	13
June	10	5	15
July	12	6	18

After July, penalty remains at 12%, and interest increases at the rate of 1% each month. In addition, if an account is delinquent in July, a 15% attorney's collection fee is added to the total tax penalty and interest charge. Under certain circumstances, taxes which become delinquent on the homestead of a taxpayer 65 years old or older incur a penalty of 8% per annum with no additional penalties or interest assessed. In general, property subject to the County's lien may be sold, in whole or in parcels, pursuant to court order to collect the amounts due. Federal law does not allow for the collection of penalty and interest against an estate in bankruptcy. Federal bankruptcy law provides that an automatic stay of action by creditors and other entities, including governmental units, goes into effect with the filing of any petition in bankruptcy. The automatic stay prevents governmental units from foreclosing on property and prevents liens for post-petition taxes from attaching to property and obtaining secured creditor status unless, in either case, an order lifting the stay is obtained from the bankruptcy court. In many cases post-petition taxes are paid as an administrative expense of the estate in bankruptcy or by order of the bankruptcy court.

COUNTY APPLICATION OF TAX CODE

The County grants an exemption to the market value of the residence homestead of persons over 65 years of age or disabled of $100,000.

The County has granted an additional exemption of 20% of the market value of residence homesteads.

See TABLE 1 for a listing of the amounts of the exemptions described above.

The County has not adopted the tax freeze for citizens who are disabled or are 65 years of age or older, which became a local option and subject to local referendum on January 1, 2004.

Ad valorem taxes are not levied by the County against the exempt value of residence homesteads for the payment of debt.

The County does not tax nonbusiness personal property; and the County collects its own taxes.

The County does not permit split payments, and discounts are not allowed.

The County does tax freeport property.

The County does not collect the additional one-half cent sales tax for reduction of ad valorem taxes.

TAX ABATEMENT POLICY

The County has established a tax abatement program to encourage economic development. In order to be considered for tax abatement, a project must meet several criteria pertaining to job creation and property value enhancement. The value of property subject to abatement is shown in Table 1.

TAX INCREMENT REINVESTMENT ZONE

A municipality in the County may establish a tax increment reinvestment zone ("TIRZ") within a defined area of such municipality. In 2005, the Texas Legislature authorized Texas counties to create a TIRZ within a defined area of the county. The cost of certain public improvements in a TIRZ may be financed or repaid by contribution of future tax revenues from incremental increases in property values in the TIRZ. The County may contribute all or a portion of its tax revenue on such increase in value to a special tax increment fund created by the municipality. The County has agreed to participate in TIRZs in the past and may continue to do so in the future. Increment revenue derived from the participation of the County in a TIRZ will not be available for payment on the Bonds.

TABLE 1 - VALUATION, EXEMPTIONS AND GENERAL OBLIGATION DEBT

2008/2009 Certified Appraised Value by Fort Bend County Appraisal District (excluding totally exempt property)		$ 47,727,143,111
Less Exemptions/Reductions at 100% Market Value:		
Local Optional Percentage Exemption	$ 4,716,764,435	
Over 65 Exemptions	1,687,860,559	
Disabled and Deceased Veteran's Exemptions	16,351,826	
Abatements	270,366,820	
Productivity Loss	2,069,712,850	
Pollution	418,469,330	
Solar/Wind Exemption Loss	10,142,877	
Historical	13,039,467	
10% Cap Value Loss	358,009,393	9,560,717,557
2008/2009 Taxable Assessed Valuation		$ 38,166,425,554
County Funded Debt Payable from Ad Valorem Taxes (as of March 1, 2009)		
Limited Tax Bonds[1]	$ 211,710,000	
Unlimited Tax Road Bonds[2]	126,130,000	
Unlimited Tax Toll Road Bonds[3]	135,890,000	
Fort Bend Flood Control Water Supply Corp. Revenue Bonds	10,390,000	
County Funded Debt Payable from Ad Valorem Taxes		$ 484,120,000
Ratio Tax Supported Gross Debt to Taxable Assessed Valuation		1.27%

2009 Population Estimate - 528,392 [4]
Per Capita Taxable Assessed Valuation - $72,231
Per Capita Tax Debt - $916

(1) includes the Bonds and excludes the Refunded Bonds..
(2) Projected, includes the $50,000,000 Series 2009 Unlimited Tax Road Bonds that the County plans to issue in the second quarter of 2009.
(3) See "DEBT INFORMATION – FORT BEND COUNTY TOLL ROAD BONDS" herein.
(4) Source: Greater Fort Bend Economic Development Council, 2009.

TABLE 2 - TAXABLE ASSESSED VALUATIONS BY CATEGORY

	Tax Year					
	2008		2007		2006	
Category	Amount	% of Total	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	$ 29,605,113,157	62.03%	$ 26,115,748,720	62.80%	$ 23,347,791,025	64.67%
Real, Residential, Multi-Family	877,235,375	1.84%	724,293,461	1.74%	624,746,015	1.73%
Real, Vacant Lots/Tracts	1,050,544,148	2.20%	910,075,971	2.19%	735,283,478	2.04%
Real, Acreage (Land Only)	2,336,536,864	4.90%	1,756,329,283	4.22%	1,512,753,808	4.19%
Real, Farm and Ranch Improvements	331,891,468	0.70%	298,719,827	0.72%	277,749,409	0.77%
Real, Commercial and Industrial	7,531,375,339	15.78%	6,044,780,775	14.53%	4,964,858,185	13.75%
Real, Oil, Gas & Other Mineral Reserves	460,175,930	0.96%	488,114,480	1.17%	493,944,860	1.37%
Real and Tangible Personal, Utilities	734,542,285	1.54%	684,656,436	1.65%	679,232,435	1.88%
Tangible Personal, Commercial and Industrial	3,489,855,167	7.31%	3,276,307,319	7.88%	2,514,481,864	6.96%
Tangible Personal, Other	67,397,752	0.14%	75,124,355	0.18%	69,123,485	0.19%
Real, Inventory	1,162,041,500	2.43%	1,113,971,927	2.68%	822,890,210	2.28%
Special Inventory	72,838,120	0.15%	70,754,490	0.17%	59,368,540	0.16%
Intangible Property and/or Uncertified Property	7,596,006	0.02%	30,009,237	0.07%	-	0.00%
New Exempt Property	-	0.00%	-	0.00%	80,080	0.00%
Total Appraised Value Before Exemptions	$ 47,727,143,111	100.00%	$ 41,588,886,281	100.00%	$ 36,102,303,394	100.00%
Less: Total Exemptions/Reductions	9,560,717,557		8,195,183,346		7,168,552,700	
Taxable Assessed Value	$ 38,166,425,554		$ 33,393,702,935		$ 28,933,750,694	

	Tax Year			
	2005		2004	
Category	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	$ 21,196,909,564	65.17%	$ 19,089,206,638	65.42%
Real, Residential, Multi-Family	550,142,145	1.69%	477,423,905	1.64%
Real, Vacant Lots/Tracts	667,025,103	2.05%	668,803,440	2.29%
Real, Acreage (Land Only)	1,190,613,650	3.66%	1,123,826,440	3.85%
Real, Farm and Ranch Improvements	245,112,091	0.75%	228,062,092	0.78%
Real, Commercial and Industrial	4,038,098,657	12.42%	3,448,450,511	11.82%
Real, Oil, Gas & Other Mineral Reserves	533,822,070	1.64%	379,860,810	1.30%
Real and Tangible Personal, Utilities	685,742,863	2.11%	684,783,510	2.35%
Tangible Personal, Commercial and Industrial	2,557,515,614	7.86%	2,352,510,021	8.06%
Tangible Personal, Other	66,497,465	0.20%	59,735,045	0.20%
Real, Inventory	732,772,380	2.25%	598,620,820	2.05%
Special Inventory	60,226,190	0.19%	58,881,320	0.20%
New Exempt Property	-	0.00%	9,981,840	0.03%
Total Appraised Value Before Exemptions	$ 32,524,477,792	100.00%	$ 29,180,146,392	100.00%
Less: Total Exemptions/Reductions	6,475,355,969		5,750,068,862	
Taxable Assessed Value	$ 26,049,121,823		$ 23,430,077,530	

NOTE: Valuations shown are certified taxable assessed values reported by the Fort Bend Central Appraisal District to the State Comptroller of Public Accounts. Certified values are subject to change throughout the year as contested values are resolved and the Appraisal District updates records.

TABLE 3 - VALUATION AND GENERAL OBLIGATION DEBT HISTORY

Fiscal Year Ended Sept 30	Estimated Population[1]	Taxable Assessed Valuation[2]	Taxable Assessed Valuation Per Capita	Tax Supported Debt Outstanding at End of Year	Ratio of Tax Supported Debt to Taxable Assessed Valuation	Tax Supported Debt Per Capita	Tax Year
2004	412,570	$ 21,136,607,510	$ 51,232	$ 211,400,000	1.00%	$ 512	2003
2005	435,160	23,430,077,530	53,842	205,710,000	0.88%	473	2004
2006	435,160	26,049,121,823	59,861	230,080,000	0.88%	529	2005
2007	501,974	28,933,750,694	57,640	375,765,000	1.30%	749	2006
2008	501,974	33,393,702,935	66,525	367,690,000	1.10%	732	2007
2009	528,392	38,166,425,554	72,231	479,820,000 [3]	1.26% [3]	908 [3]	2008

(1) Source: Fort Bend Economic Development Council.
(2) As reported by the Fort Bend Central Appraisal District; subject to change during the ensuing year.
(3) Projected, includes the Bonds and the $50,000,000 Series 2009 Unlimited Tax Road Bonds that the County plans to issue in the second quarter of 2009. Excludes the Refunded Bonds.

TABLE 4 - TAX RATE, LEVY AND COLLECTION HISTORY

Fiscal Year Ended	Tax Rate	Tax Levy	% Current Collections[2]	% Total Collections[3]
2004	$ 0.52374	$ 110,971,614	97.66%	99.80%
2005	0.52374	122,332,547	97.94%	99.77%
2006	0.51674	137,879,143	97.97%	99.68%
2007	0.51674	148,694,595	98.40%	99.49%
2008	0.51674	171,866,667	98.43%	98.43%
2009	0.49976	190,740,528	[1]	[1]

(1) In process of collection.
(2) Collected within the Fiscal Year of the levy.
(3) As of September 30, 2008 for each respective year's levy.

TABLE 5 - TAX RATE DISTRIBUTION ANALYSIS

	Tax Year				
	2008	2007	2006	2005	2004
General Fund	$ 0.39595	$ 0.41454	$ 0.41900	$ 0.42425	$ 0.42632
Road & Bridge Fund	0.03920	0.02420	0.03434	0.03759	0.03780
Debt Service Fund[1]	0.04861	0.06000	0.04000	0.03150	0.03600
Drainage District	0.01600	0.01800	0.02340	0.02340	0.02362
Farm-to-Market & Lateral Road Fund	0.00000	0.00000	0.00000	0.00000	0.00000
County Total Tax Rate	$ 0.49976	$ 0.51674	$ 0.51674	$ 0.51674	$ 0.52374

(1) The debt service fund tax includes a levy for unlimited tax bonds which are outside the constitutional tax limit.

TABLE 6 - TEN LARGEST TAXPAYERS

Name of Taxpayer	Nature of Property	2008/2009 Taxable Assessed Valuation	% of Total Taxable Assessed Valuation
NRG Texas Power LLC	Electric Utility	$ 1,760,983,920	4.61%
Centerpoint Energy Electric	Electric Utility	233,722,340	0.61%
STC MFG Group-SPC	Manufacturing	161,124,860	0.42%
Katy Mills Mall LTD Partnership[1]	Shopping Mall	145,908,880	0.38%
Texas Instruments, Inc	Electronics Manufacturer	142,056,490	0.37%
ConocoPhillips Company	Petroleom Company	121,597,300	0.32%
LakePointe Assets LLC	Commercial	102,390,390	0.27%
Fountains Dunhill LLC	Commercial	102,040,000	0.27%
Tramontina USA Inc.	Manufacturing	91,732,970	0.24%
Texas Genco II LP	Electric Generation	89,059,270	0.23%
		$ 2,950,616,420	7.73%

(1) The County has agreed to participate in a City of Katy TIRZ that includes the Katy Mills Mall. Under its TIRZ Participation Agreement with the City of Katy, the County has agreed to contribute fifty percent of the tax increment produced in the City of Katy TIRZ to the City of Katy tax increment fund.

GENERAL OBLIGATION DEBT LIMITATION

Limited Tax Bonds Payable From the $0.80 Constitutional Tax Rate . . . Chapter 1301, Texas Government Code, limits the amount of bonds that may be issued for certain purposes as follows:

Courthouse Bonds	-	2% of Assessed Valuation
Jail Bonds	-	1 1/2% of Assessed Valuation
Courthouse and Jail Bonds	-	3 1/2% of Assessed Valuation
Road and Bridge Bonds	-	1 1/2% of Assessed Valuation

However, the County may issue courthouse, jail and certain other types of bonds under the authority of Texas Government Code Section 1473.101 and Chapter 292, Texas Local Government Code, without the above limitations.

Article VIII, Section 9, of the Texas Constitution, imposes a limit of $0.80 per $100 Assessed Valuation for all constitutional purposes, including the General Fund, Permanent Improvement Fund, Road and Bridge Fund and Jury Fund, and debt service of bonds, certificates, warrants and certificates of obligation issued against such funds. Administratively, the Attorney General of the State of Texas will permit allocation of $0.40 of the $0.80 constitutional tax rate for Limited Tax Bond debt service.

The Bonds are limited tax obligations payable from within the County's $0.80 constitutional tax rate.

Unlimited Tax Road Bonds . . . Article III, Section 52, Texas Constitution, provides that Unlimited Tax Road Bond Debt may not exceed 25% of the County's assessed valuation of real estate.

TABLE 7 - TAX ADEQUACY

A portion of the County's tax supported debt is expected to be paid from net revenues generated from the Fort Bend County Toll Road System.

The following table represents the tax rate required for all bonded debt of the County that has a pledge of ad valorem taxes. See "DEBT INFORMATION – FORT BEND COUNTY TOLL ROAD BONDS" herein.

2009 Principal and Interest Requirements	$	28,223,787	(1)
$0.07710 Tax Rate at 96% Collection Produces	$	28,249,262	
Average Principal and Interest Requirements (2009-2010)	$	30,701,532	(1)
$0.08380 Tax Rate at 96% Collection Produces	$	30,704,126	
Average Principal and Interest Requirements (2011-2021)	$	37,682,006	(1)
$0.08380 Tax Rate at 96% Collection Produces	$	37,702,322	
Average Principal and Interest Requirements (2022-2026)	$	35,042,407	(1)
$0.10290 Tax Rate at 96% Collection Produces	$	35,064,258	
Average Principal and Interest Requirements (2027-2032)	$	25,541,914	(1)
$0.09570 Tax Rate at 96% Collection Produces	$	25,574,558	
Maximum Principal and Interest Requirements (2019)	$	38,338,179	(1)
$0.10470 Tax Rate at 96% Collection Produces	$	38,361,838	

(1) Projected, includes the Bonds and the $50,000,000 Series 2009 Unlimited Tax Road Bonds that the County plans to issue in the second quarter of 2009. Excludes the Refunded Bonds.

TABLE 8 - ESTIMATED CONSOLIDATED OVERLAPPING DEBT

Expenditures of the various taxing entities within the territory of the County are paid out of ad valorem taxes levied by such entities on properties within the County. Such entities are independent of the County and may incur borrowings to finance their expenditures. This statement of direct and estimated overlapping ad valorem tax bonds ("Tax Debt") was developed from information contained in "Texas Municipal Reports" published by the Municipal Advisory Council of Texas. Except for the amounts relating to the County, the County has not independently verified the accuracy or completeness of such information, and no person should rely upon such information as being accurate or complete. Furthermore, certain of the entities listed may have issued additional bonds since the date hereof, and such entities may have programs requiring the issuance of substantial amounts of additional bonds, the amount of which cannot be determined. The following table reflects the estimated share of overlapping Tax Debt of the County.

Taxing Jurisdiction	Total G.O. Debt as of December 31, 2008	Estimated % Applicable	County's Overlapping G.O. Debt as December 31, 2008
Fort Bend County	**$ 488,255,000** (1)	**100.00%**	**$ 488,255,000** (1)
Cities			
Arcola	1,780,000	100.00%	$ 1,780,000
Beasley	404,000	100.00%	404,000
Kendleton	72,000	100.00%	72,000
Meadows Place	5,070,000	100.00%	5,070,000
Needville	447,500	100.00%	447,500
Orchard	71,000	100.00%	71,000
Richmond	9,350,000	100.00%	9,350,000
Rosenberg	38,310,000	100.00%	38,310,000
Sugar Land	124,760,000	100.00%	124,760,000
County-Line Cities			
Houston	2,508,456,125	0.81%	$ 20,318,495
Katy	15,245,000	12.31%	1,876,660
Missouri City	88,724,992	95.56%	84,785,602
Pearland	273,105,000	0.80%	2,184,840
Stafford	1,990,000	99.99%	1,989,801
Total Cities			$ 291,419,897
School Districts			
Fort Bend ISD	843,417,275	100.00%	$ 843,417,275
Kendleton ISD	1,115,000	100.00%	1,115,000
Lamar Consolidated ISD	486,975,697	100.00%	486,975,697
Needville ISD	35,235,000	100.00%	35,235,000
County-Line School Districts			
Brazos ISD	17,764,993	84.34%	$ 14,982,995
Katy ISD	955,748,173	29.36%	280,607,664
Stafford MSD	20,670,000	99.57%	20,581,119
Total School Districts			$ 1,682,914,750
Total Special District Debt (2)			$ 1,656,576,848
Other			
Houston Community College District	199,185,000	1.78%	$ 3,545,493
Total Other			$ 3,545,493
Summary of Total Estimated Overlapping Debt			
Cities			$ 291,419,897
School Districts			1,682,914,750
Special Districts			1,656,576,848
Other			3,545,493
Estimated Overlapping Debt			$ 3,634,456,988
Fort Bend County - Direct Obligations			$ 488,255,000 (1)
Fort Bend County Parkway Road District			330,000
Total Direct and Estimated Overlapping Debt			$ 4,123,041,988

Source: Texas Municipal Reports published by the Municipal Advisory Council of Texas.

(1) County debt outstanding as of September 30, 2008. Projected, includes the Bonds and the $50,000,000 Series 2009 Unlimited Tax Road Bonds that the County plans to issue in the second quarter of 2009. Excludes the Refunded Bonds.

(2) Total Special District Debt includes numerous special districts with varying amounts of debt applicable to the County.

DEBT INFORMATION

TABLE 9 - GENERAL OBLIGATION DEBT SERVICE REQUIREMENTS

	County Debt Paid From Ad Valorem Taxes					
Year End September 30	Limited Tax Bonds[1]	Unlimited Tax Bonds[2]	Flood Control Water Supply Corporation Limited Tax Bonds	Total Debt Service Paid From Ad Valorem Taxes	Toll Road Unlimited Tax Bonds[3]	Grand Total Requirements
2009	$ 11,895,153	$ 8,886,785	$ 688,418	$ 21,470,355	$ 6,753,431	$ 28,223,787
2010	14,194,388	11,549,841	681,618	26,425,846	6,753,431	33,179,278
2011	16,559,563	11,448,310	674,658	28,682,530	8,125,431	36,807,961
2012	15,911,263	11,341,310	1,410,438	28,663,010	8,310,741	36,973,751
2013	15,912,200	11,235,079	1,397,650	28,544,929	8,496,050	37,040,979
2014	15,916,938	11,129,554	1,447,344	28,493,835	8,844,425	37,338,260
2015	15,915,238	11,028,123	1,390,906	28,334,266	9,190,300	37,524,566
2016	15,918,338	10,927,698	1,310,141	28,156,176	9,739,138	37,895,313
2017	15,509,113	10,822,841	1,255,047	27,587,001	10,249,488	37,836,488
2018	15,513,038	10,720,535	1,201,875	27,435,448	10,824,250	38,259,698
2019	15,512,088	10,616,216	1,150,625	27,278,929	11,059,250	38,338,179
2020	15,513,488	10,504,529	1,075,000	27,093,016	11,220,500	38,313,516
2021	15,512,944	10,402,910	1,025,000	26,940,854	11,232,500	38,173,354
2022	15,512,750	8,297,613		23,810,363	11,238,250	35,048,613
2023	15,512,125	8,294,205		23,806,330	11,222,625	35,028,955
2024	15,515,500	8,294,238		23,809,738	11,254,125	35,063,863
2025	15,511,344	8,286,763		23,798,106	11,232,000	35,030,106
2026	15,512,875	8,281,872		23,794,747	11,245,750	35,040,497
2027	15,508,556	5,915,744		21,424,300	11,248,750	32,673,050
2028	15,512,588	4,001,613		19,514,200	11,240,500	30,754,700
2029	15,513,969	3,997,244		19,511,213	11,230,250	30,741,463
2030	15,511,213	-		15,511,213	11,256,000	26,767,213
2031	9,884,306	-		9,884,306	11,217,250	21,101,556
2032		-			11,213,500	11,213,500
	$ 349,278,972	$ 195,983,020	$ 14,708,718	$ 559,970,709	$ 244,397,934	$ 804,368,644

(1) Includes the debt service for the Bonds. Excludes the Refunded Bonds.
(2) Includes the debt service for the $50,000,000 Unlimited Tax Road Bonds, Series 2009 that the County plans to issue in the second quarter of 2009; interest on the Unlimited Tax Road Bonds, Series 2009 has been estimated for the purpose of illustration. Preliminary, subject to change.
(3) See "DEBT INFORMATION – FORT BEND COUNTY TOLL ROAD BONDS" herein.

TABLE 10 - INTEREST AND SINKING FUND BUDGET PROJECTION

Tax Supported Debt Service Requirements, Fiscal Year Ending September 30, 2009		$ 28,223,787
Interest and Sinking Fund, September 30, 2008	$ 4,370,499	
Estimated Interest and Sinking Fund Tax Levy @ 97% Collections	17,996,118	
Transfer from Toll Road Authority	6,753,431	
Projected Other Income	255,000	29,375,049
Estimated Balance, September 30, 2009		$ 1,151,262

TABLE 11 - AUTHORIZED BUT UNISSUED GENERAL OBLIGATION BONDS

Purpose	Date Authorized	Amount Authorized	Issued To Date	This Issue	Series 2009 Unlimited Tax Road Bonds	Unissued Balance
County Roads	5/12/2007	$ 156,000,000	$ -	$ -	$ 50,000,000	$ 106,000,000
County Buildings	5/10/2008	74,000,000	-	74,000,000	-	-
		$ 230,000,000	$ -	$ 74,000,000	$ 50,000,000	$ 106,000,000

FORT BEND COUNTY TOLL ROAD BONDS

In 2003 and 2004, respectively, the County has issued two series of Unlimited Tax and Subordinate Lien Toll Revenue Bonds (collectively the "Toll Road Bonds" and respectively the "Series 2003 Toll Road Bonds" and the "Series 2004 Toll Road Bonds"). The Series 2003 Toll Road Bonds were issued to finance the construction of the Fort Bend Parkway Toll Road. The Series 2004 Toll Road Bonds were issued to finance the construction of the Fort Bend Westpark Toll Road. The Fort Bend Parkway Toll Road and the Fort Bend Westpark Toll Road are collectively referred to herein as the "Toll Roads." The County has engaged the Fort Bend Toll Road Authority, a non-profit local government corporation created by the County (the "Toll Road Authority"), to manage the construction and operation of the Toll Roads.

The Toll Road Bonds are secured by a subordinate lien on all net revenues from the operation of the Toll Roads. In addition, the Toll Road Bonds are secured by a pledge of the County's ad valorem taxes in the event that the net revenues from the operation of the Toll Roads are insufficient to pay principal and interest on the Toll Road Bonds. The County has reserved the right to issue senior lien toll road bonds that would be secured by a senior lien on net revenues from the operation of the Toll Roads, or additional parity bonds.

The Fort Bend Parkway Toll Road opened to traffic in August 2004 and the Fort Bend Westpark Toll Road opened to traffic in August 2005. Based on revenues from the Toll Roads at current traffic levels together with other available funds, the County and the Toll Road Authority believe a tax will not be necessary for the payments of debt service on the Toll Road Bonds during 2009. Unless traffic on the Toll Roads increases, it is expected that revenues from the operation of the Toll Roads at some point in the future would be insufficient to pay the annual principal and interest on the Toll Road Bonds and the County would be required to assess and collect a tax from year to year to pay a portion of the debt service on the Toll Road Bonds. In the event it becomes necessary for the County to levy a tax to pay a portion of the toll road bonds debt service, each $0.01 of tax rate (for illustration purposes only) would produce $3,816,643, based on the County's 2008 net assessed valuation. If the toll road system produced no net revenue, a tax rate of approximately $0.03 would generate sufficient funds to pay the maximum annual debt service of $11,256,000 on the Toll Road Bonds.

See "FORWARD LOOKING STATEMENTS DISCLAIMER".

ANTICIPATED ISSUANCE OF GENERAL OBLIGATION DEBT

The County anticipates issuing $50,000,000 of Unlimited Tax Road Bonds in the second quarter of 2009.

TABLE 12 – OTHER OBLIGATIONS

As of September 30, 2008, the County has no other outstanding obligations.

PENSION FUND

The County provides pension, disability and death benefits for all of its full-time employees through a non-traditional, joint contributory, defined contribution plan in the state-wide Texas County and District Retirement System (TCDRS). Under the state law governing TCDRS, the contribution rate of the County is a fixed percent equal to the contribution rate payable by the employee member, which is 7% as adopted by the governing body of the County. This rate is not actuarially determined and is one of the rates that can be adopted in accordance with the TCDRS Act. However, the plan of benefits adopted by the employer at the time of plan inception and when benefit increases are adopted is limited by statute to what the actuary determines can be adequately financed by the commitment of the employer to contribute the same amount as the employee. The statute specifies that the actuary's determination is based on a maximum period for amortizing the unfunded pension benefit obligation of 30 years. (For more detailed information concerning the retirement plan, see APPENDIX B, "EXCERPTS FROM THE COUNTY'S ANNUAL FINANCIAL REPORT FOR FISCAL YEAR ENDING SEPTEMBER 30, 2008" - Note # 12.)

OTHER POST-EMPLOYMENT BENEFITS

In addition to providing pension benefits through the Texas County and District Retirement System, the County has opted to provide eligible retired employees with the following post-employment benefits:

- Eligible retirees may purchase health insurance from the County's healthcare provider at the County's cost to cover current employees
- Eligible retirees may purchase health insurance for the County's healthcare provider at the County's cost to cover current employees for dependents if the dependents were covered at the point of retirement

The County recognizes its share of the costs of providing these benefits when paid, on a "pay-as-you-go" basis. These payments are budgeted annually. The amount budgeted for the fiscal year ending September 30, 2009 is $3,334,244. The appropriation for the fiscal year ending September 30, 2008 was $2,892,342. At September 30, 2008, there were approximately 333 participants eligible to receive such benefits. Commencing in fiscal 2008, the County has implemented GASB Statement No. 45 "Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions." The County has performed an actuarial valuation of its post-retirement benefit liability. The financial statement disclosures for 2008 are as follows:

The following table shows the calculation of the Annual Required Contribution ond the Net OPEB Obligation.

	Fiscal Year Ending 9/30/2008	
	4%	7%
Determination of Annual Required Contribution		
Normal Cost at Fiscal Year End	$ 15,005,349	$ 7,896,784
Amortization of Unfunded Actuarial Accrued Liability	11,979,958	9,896,488
Annual Required Contribution	$ 26,985,307	$ 17,793,272
Determination of Net OPEB Obligation		
Annual Required Contribution	$ 26,985,307	$ 17,793,272
Less Assumed Contributions Made	2,834,214	17,793,272
Estimate Increase in Net OPEB Obligation	$ 24,151,093	$ 0
Net OPEB Obligation – Beginning of Year	$ 0	$ 0
Net OPEB Obligation – End of Year	$ 24,151,093	$ 0

The following table shows the annual OPEB cost and net OPEB obligation for the prior 3 years assuming the plan is not prefunded (4% discount)

Fiscal Year Ended	Discount Rate	Annual OPEB Cost	Percentage of OPEB Cost Contributed	Net OPEB Obligation
9/30/2006	N/A	N/A	N/A	N/A
9/30/2007	N/A	N/A	N/A	N/A
9/30/2008	4.0%	$ 26,985,307	10.50%*	$ 24,151,093

*Estimated using assumed contributions of $2,834,214

FINANCIAL INFORMATION

TABLE 13 - CHANGES IN NET ASSETS

	Fiscal Year Ended September 30,				
Revenues:	2008	2007	2006	2005	2004
Program Revenues:					
Charges for Services	$ 33,424,910	$ 30,555,885	$ 27,221,567	$ 36,559,925	$ 31,565,330
Operating Grants and Contributions	24,399,799	19,049,110	8,615,726	14,341,902	13,395,498
Capital Grants and Contributions	33,540,586	103,693,431 (1)	73,252,137 (1)	21,348,940	37,964,056
General Revenues:					
Property Taxes	171,832,680	151,404,502	137,839,711	127,696,573	112,279,163
Earnings on Investments	8,072,311	12,009,284	5,999,017	3,109,378	2,024,399
Unrestricted	-	-	4,515,643	-	-
Other	2,170,172	1,693,188	228,309	329,311	635,621
Total Revenues	$ 273,440,458	$ 318,405,400	$ 257,672,110	$ 203,386,029	$ 197,864,067
Expenditures:					
General Administration	$ 41,632,474	$ 12,414,272	$ 23,638,550	$ 42,976,074	$ 36,904,539
Financial Administration	7,588,070	5,666,739	5,127,456	4,176,563	4,131,888
Administration of Justice	45,849,068	33,554,996	31,024,483	26,601,486	25,912,081
Construction & Maintenance	40,018,361	-	-	-	-
Road & Bridge	-	44,381,066	22,545,473	23,700,731	23,235,220
Health & Welfare	21,690,506	19,866,544	16,903,729	15,261,857	16,754,319
Cooperative Service	1,132,987	934,276	941,743	837,121	852,041
Public Safety	68,877,031	52,325,953	44,544,768	36,863,732	34,474,028
Parks & Recreation	2,114,983	1,822,404	623,401	1,712,461	1,792,004
Flood Control Projects	-	6,434,608	10,175,820	7,723,490	8,596,996
Libraries & Education	12,280,421	10,694,749	10,484,078	9,059,591	8,623,790
Interest on Long-Term Debt	10,621,067	6,051,065	4,165,438	3,349,584	3,554,275
Total Expenditures	$ 251,804,968	$ 194,146,672	$ 170,174,939	$ 172,262,690	$ 164,831,181
Change in Net Assets	$ 21,635,490	$ 124,258,728	$ 87,497,171	$ 31,123,339	$ 33,032,886
Net Assets, Beginning	642,199,088	517,940,360 (2)	414,165,867	383,042,528	350,009,642
Ending Fund Balance	$ 663,834,578	$ 642,199,088	$ 501,663,038	$ 414,165,867	$ 383,042,528

(1) Represents Texas Department of Transportation projects with the County as a partner that have been completed.
(2) Restated.

TABLE 13-A - GENERAL FUND REVENUES AND EXPENDITURE HISTORY

	Fiscal Year Ended September 30,				
Revenues:	2008	2007	2006	2005	2004
Taxes	$ 139,477,502	$ 122,607,412	$ 112,711,211	$ 100,918,691	$ 90,211,468
Fees and Fines	20,061,234	18,593,505	14,234,628	14,031,600	12,571,473
Intergovernmental	14,556,972	6,519,034	6,175,631	8,222,108	4,257,202
Earnings on Investments	2,866,409	4,469,895	3,072,671	1,661,815	1,027,560
Contributions and Donations	-	-	-	-	-
Miscellaneous	1,657,663	2,342,280	3,865,252	2,604,657	3,990,902
Total Revenues	$ 178,619,780	$ 154,532,126	$ 140,059,393	$ 127,438,871	$ 112,058,605
Expenditures:					
Current Operating:					
General Administration	35,207,103	26,030,749	24,503,686	22,871,489	$ 19,143,259
Financial Administration	6,328,276	5,631,690	5,089,685	4,768,430	4,590,504
Administration of Justice	22,752,204	18,784,040	17,656,232	16,055,237	15,698,120
Road & Bridge	-	2,693,264	2,419,329	-	-
Construction and Maintenance	2,637,980	-	-	2,333,290	2,162,152
Health & Welfare	17,179,487	14,957,641	14,416,893	13,551,235	13,754,117
Cooperative Service	975,720	934,276	890,696	884,948	871,547
Public Safety	61,678,076	50,294,207	44,440,563	40,096,760	35,180,996
Parks & Recreation	1,739,346	1,822,404	1,667,241	1,618,790	1,716,537
Libraries & Education	10,342,295	10,605,484	10,059,445	8,927,383	8,731,484
Capital Outlay	8,590,318	15,321,628	4,582,355	5,190,938	10,524,175
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest & Fiscal Charges	-	-	-	-	-
Total Expenditures	$ 167,430,805	$ 147,075,383	$ 125,726,125	$ 116,298,500	$ 112,372,891
Revenues Over (Under) Expenditures	$ 11,188,975	$ 7,456,743	$ 14,333,268	$ 11,140,371	$ (314,286)
Transfer In (Out)	(8,145,190)	(8,594,882)	(6,881,360)	(11,347,488)	(8,280,864)
Beginning Fund Balance, January 1	35,701,557	36,839,696	29,387,788	29,594,905	38,190,055
Ending Fund Balance	$ 38,745,342	$ 35,701,557	$ 36,839,696	$ 29,387,788	$ 29,594,905

FINANCIAL POLICIES

Basis of Accounting . . . The accounting policies of the County conform to generally accepted accounting principles for governmental entities as promulgated by the Government Accounting Standards Board. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and expendable trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the combined balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the combined balance sheet. Fund equity is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (revenues) and decreases (expenses) in net total assets.

The accounts of the Governmental Fund Types (the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds) and Agency Funds are maintained, and the financial statements have been prepared, on the modified accrual basis of accounting. Under this basis of accounting, revenues are recognized when they become susceptible to accrual (i.e., both measurable and available). Available means collectible within the current year or soon enough thereafter to be used to pay liabilities of the current year. Substantially all revenues, except property taxes, are considered to be susceptible to accrual. Property taxes, which are levied in the last quarter of the year and collected before year-end, are considered deferred revenues because such revenues are not legally available to pay liabilities in the current year. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on the general long-term debt are recognized as expenditures when due.

General Fund Balance . . . The General Fund is used to account for all revenues and expenditures not accounted for in other funds, relating to general operations.

Debt Service Fund Balance . . . Used to account for payment of principal and interest on general long-term debt.

Budgetary Procedures . . . The County Budget Officer prepares the proposed budget using revenue estimates furnished by the County Auditor. A public hearing is held on the budget before finalizing it. The Commissioners Court may increase or decrease the amounts requested by the departments. In the final budget, which is usually adopted in the last quarter of the year, appropriations of the budgeted funds cannot exceed the available fund balances in such funds on January 1, plus the estimated revenues for the ensuing year. During the year, the Commissioners Court may increase budgeted revenues and expenditures for unexpected revenues or beginning fund balances in excess of budget estimates, provided it rules that a state of emergency exists. The level of budgetary control is at the major operating group level. There are four major operating groups:

Salary and Personnel Costs	Information Technology Costs
Operating and Training Costs	Capital Acquisition Costs.

The underlying budget is maintained at the line item level, but departments are able to transfer amounts within each major group without court approval. Transfers between major groups require court approval. Transfers among individual expenditure line items within major categories may be made during the year, but no such transfer may increase the overall total of the budget without the declaration of an emergency. It is the amended budget that is presented in the financial statements on the budgetary basis. Except for transfers among budgeted line items and the amendment to the indigent health care budget, there were no other significant increases in the adopted budget.

INVESTMENTS

The County invests its investable funds in investments authorized by Texas law in accordance with investment policies approved by the Commissioners Court of the County. Both state law and the County's investment policies are subject to change.

LEGAL INVESTMENTS

Under Texas law, the County is authorized to invest in (1) obligations of the United States or its agencies and instrumentalities, including letters of credit; (2) direct obligations of the State of Texas or its agencies and instrumentalities; (3) collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States; (4) other obligations, the principal and interest of which is guaranteed or insured by or backed by the full faith and credit of, the State of Texas or the United States or their respective agencies and instrumentalities; (5) obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent; (6) bonds issued, assumed or guaranteed by the State of Israel; (7) certificates of deposit meeting the requirements of the Texas Public Funds Investment Act (Chapter 2256, Texas Government Code, as amended) that are issued by or through an institution that either has its main office or a branch in Texas, and are guaranteed or insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund, or are secured as to principal by obligations described in clauses (1) through (6) or in any other manner and amount provided by law for County deposits; (8) fully collateralized repurchase agreements that have a defined termination date, are fully secured by obligations described in clause (1), and are placed through a primary government securities dealer or a financial institution doing business in the State of Texas, (9) securities lending programs if (i) the securities loaned under the program are 100% collateralized, a loan made under the program allows for termination at any

time and a loan made under the program is either secured by (a) obligations that are described in clauses (1) through (6) above, (b) irrevocable letters of credit issued by a state or national bank that is continuously rated by a nationally recognized investment rating firm at not less than A or its equivalent or (c) cash invested in obligations described in clauses (1) through (6) above, clauses (11) through (13) below, or an authorized investment pool; (ii) securities held as collateral under a loan are pledged to the County, held in the County's name and deposited at the time the investment is made with the County or a third party designated by the County; (iii) a loan made under the program is placed through either a primary government securities dealer or a financial institution doing business in the State of Texas; and (iv) the agreement to lend securities has a term of one year or less, (10) certain bankers' acceptances with the remaining term of 270 days or less, if the short-term obligations of the accepting bank or its parent are rated at least A-1 or P-1 or the equivalent by at least one nationally recognized credit rating agency, (11) commercial paper with a stated maturity of 270 days or less that is rated at least A-1 or P-1 or the equivalent by either (a) two nationally recognized credit rating agencies or (b) one nationally recognized credit rating agency if the paper is fully secured by an irrevocable letter of credit issued by a U.S. or state bank, (12) no-load money market mutual funds registered with and regulated by the Securities and Exchange Commission that have a dollar weighted average stated maturity of 90 days or less and include in their investment objectives the maintenance of a stable net asset value of $1 for each share, and (13) no-load mutual funds registered with the Securities and Exchange Commission that have an average weighted maturity of less than two years, invest exclusively in obligations described in the this paragraph, and are continuously rated as to investment quality by at least one nationally recognized investment rating firm of not less than AAA or its equivalent. In addition, bond proceeds may be invested in guaranteed investment contracts that have a defined termination date and are secured by obligations, including letters of credit, of the United States or its agencies and instrumentalities in an amount at least equal to the amount of bond proceeds invested under such contract, other than the prohibited obligations described in the next succeeding paragraph.

The County may invest in such obligations directly or through government investment pools that invest solely in such obligations provided that the pools are rated no lower than AAA or AAAm or an equivalent by at least one nationally recognized rating service. The County is specifically prohibited from investing in: (1) obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal; (2) obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security and bears no interest; (3) collateralized mortgage obligations that have a stated final maturity of greater than 10 years; and (4) collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

Effective September 1, 2003, governmental bodies in the State are authorized to implement securities lending programs if (i) the securities loaned under the program are collateralized, a loan made under the program allows for termination at any time and a loan made under the program is either secured by (a) obligations that are described in clauses (1) through (6) of the first paragraph under this subcaption, (b) irrevocable letters of credit issued by a state or national bank that is continuously rated by a nationally recognized investment rating firm not less than "A" or its equivalent, or (c) cash invested in obligations that are described in clauses (1) through (6) and (10) through (12) of the first paragraph under this subcaption, or an authorized investment pool; (ii) securities held as collateral under a loan are pledged to the governmental body, held in the name of the governmental body and deposited at the time the investment is made with the Agency or a third party designated by the Agency; (iii) a loan made under the program is placed through either a primary government securities dealer or a financial institution doing business in the State of Texas; and (iv) the agreement to lend securities has a term of one year or less.

INVESTMENT POLICIES

Under Texas law, the County is required to invest its funds under written investment policies that primarily emphasize safety of principal and liquidity; that address investment diversification, yield, maturity, and the quality and capability of investment management; and that includes a list of authorized investments for County funds, maximum allowable stated maturity of any individual investment and the maximum average dollar-weighted maturity allowed for pooled fund groups. All County funds must be invested consistent with a formally adopted "Investment Strategy Statement" that specifically addresses each funds' investment. Each Investment Strategy Statement will describe its objectives concerning: (1) suitability of investment type, (2) preservation and safety of principal, (3) liquidity, (4) marketability of each investment, (5) diversification of the portfolio, and (6) yield.

Under Texas law, County investments must be made "with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived." At least quarterly the investment officers of the County shall submit an investment report detailing: (1) the investment position of the County, (2) that all investment officers jointly prepared and signed the report, (3) the beginning market value, any additions and changes to market value and the ending value of each pooled fund group, (4) the book value and market value of each separately listed asset at the beginning and end of the reporting period, (5) the maturity date of each separately invested asset, (6) the account or fund or pooled fund group for which each individual investment was acquired, and (7) the compliance of the investment portfolio as it relates to: (a) adopted investment strategy statements and (b) state law. No person may invest County funds without express written authority from the Commissioners Court.

ADDITIONAL PROVISIONS

Under Texas law the County is additionally required to: (1) annually review its adopted policies and strategies; (2) require any investment officers' with personal business relationships or relatives with firms seeking to sell securities to the entity to disclose the relationship and file a statement with the Texas Ethics Commission and the Commissioners Court; (3) require the registered principal of firms seeking to sell securities to the County to: (a) receive and review the County's investment policy, (b) acknowledge that reasonable controls and procedures have been implemented to preclude imprudent investment activities, and (c) deliver a written statement attesting to these requirements; (4) perform an annual audit of the management controls on investments and adherence to the County's investment policy; (5) provide specific investment training for the Treasurer, Chief Financial Officer and investment officers; (6) restrict reverse repurchase agreements to not more than 90 days and restrict the investment of reverse repurchase agreement funds to no greater than the term of the reverse repurchase agreement; (7) restrict its investment in mutual funds in the aggregate to no more than 15 percent of its monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service, and to invest no portion of bond proceeds, reserves and funds held for debt service, in mutual funds; and (8) require local government investment pools to conform to the new disclosure, rating, net asset value, yield calculation, and advisory board requirements.

TABLE 14 - CURRENT INVESTMENTS

As of September 30, 2008 the County's investable funds were invested in the following categories:

Description	Percent of Total	Book Value	Market Value
MBIA State Pool	62.92%	115,146,315	115,146,315
Texas Term Investment Pool	4.95%	9,065,808	9,065,808
Government Securities	32.13%	58,792,311	58,868,342
	100.00%	$ 183,004,434	$ 183,080,465

TAX MATTERS

In the opinion of Allen Boone Humphries Robinson LLP, Bond Counsel, (i) interest on the Bonds is excludable from gross income for federal income tax purposes under existing law, and (ii) the Bonds are not subject to the alternative minimum tax on individuals and corporations.

The Internal Revenue Code of 1986, as amended (the "Code") imposes a number of requirements that must be satisfied for interest on state or local obligations, such as the Bonds, to be excludable from gross income for federal income tax purposes. These requirements include limitations on the use of proceeds and the source of repayment, limitations on the investment of proceeds prior to expenditure, a requirement that excess arbitrage earned on the investment of proceeds be paid periodically to the United States and a requirement that the issuer file an information report with the Internal Revenue Service (the "Service"). The County has covenanted in the Resolution that it will comply with these requirements.

Bond Counsel's opinion will assume continuing compliance with the covenants of the Order pertaining to those sections of the Code which affect the exclusion from gross income of interest on the Bonds for federal income tax purposes and, in addition, will rely on representations by the County, the County's Financial Advisor and the Underwriter with respect to matters solely within the knowledge of the County, the County's Financial Advisor and the Underwriter, respectively, which Bond Counsel has not independently verified. If the County should fail to comply with the covenants in the Order or if the foregoing representations should be determined to be inaccurate or incomplete, interest on the Bonds could become taxable from the date of delivery of the Bonds, regardless of the date on which the event causing such taxability occurs.

Under the Code, taxpayers are required to report on their returns the amount of tax exempt interest, such as interest on the Bonds, received or accrued during the year. Payments of interest on tax-exempt obligations such as the Bonds are in many cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any owner who is not an "exempt recipient" and who fails to provide certain identifying information. Individuals generally are not exempt recipients, whereas corporations and certain other entities generally are exempt recipients.

Except as stated above, Bond Counsel will express no opinion as to any federal, state or local tax consequences resulting from the ownership of, receipt of interest on, or disposition of, the Bonds.

Prospective purchasers of the Bonds should be aware that the ownership of tax exempt obligations may result in collateral federal income tax consequences to financial institutions, life insurance and property and casualty insurance companies, certain S corporations with Subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax exempt obligations, taxpayers owning an interest in a FASIT that holds tax-exempt obligations, and individuals otherwise qualifying for the earned income credit. In addition, certain foreign corporations doing business in the United States may be subject to the "branch profits tax" on their effectively-connected earnings and profits, including tax exempt interest such as interest on the Bonds. These categories of prospective purchasers should consult their own tax advisors as to the applicability of these consequences.

Bond Counsel's opinions are based on existing law, which is subject to change. Such opinions are further based on Bond Counsel's knowledge of facts as of the date hereof. Bond Counsel assumes no duty to update or supplement its opinions to reflect any facts or circumstances that may thereafter come to Bond Counsel's attention or to reflect any changes in any law that may thereafter occur or become effective. Moreover, Bond Counsel's opinions are not a guarantee of result and are not binding on the Service; rather, such opinions represent Bond Counsel's legal judgment based upon its review of existing law and in reliance upon the representations and covenants referenced above that it deems relevant to such opinions. The Service has an ongoing audit program to determine compliance with rules that relate to whether interest on state or local obligations is includable in gross income for federal income tax purposes. No assurance can be given whether or not the Service will commence an audit of the Bonds. If an audit is commenced, in accordance with its current published procedures the Service is likely to treat the County as the taxpayer and the owners of the Bonds may not have a right to participate in such audit. Public awareness of any future audit of the Bonds could adversely affect the value and liquidity of the Bonds during the pendency of the audit regardless of the ultimate outcome of the audit.

TAX ACCOUNTING TREATMENT OF ORIGINAL ISSUE DISCOUNT BONDS

The issue price of certain of the Bonds (the "Original Issue Discount Bonds") is less than the stated redemption price at maturity. Under existing law, and based upon the assumptions hereinafter stated (a) The difference between (i) the stated amount payable at the maturity of each Original Issue Discount Bond and (ii) the issue price of such Original Issue Discount Bond constitutes original issue discount with respect to such Original Issue Discount Bond in the hands of any owner who has purchased such Original Issue Discount Bond at the initial public offering price in the initial public offering of the Bonds; and (b) Such initial owner is entitled to exclude from gross income (as defined in Section 61 of the Code) an amount of income with respect to such Original Issue Discount Bond equal to that portion of the amount of such original issue discount allocable to the period that such Original Issue Discount Bond continues to be owned by such owner.

In the event of the redemption, sale or other taxable disposition of such Original Issue Discount Bond prior to stated maturity, however, the amount realized by such owner in excess of the basis of such Original Issue Discount Bond in the hands of such owner (adjusted upward by the portion of the original issue discount allocable to the period for which such Bond was held by such initial owner) is includable in gross income. (Because original issue discount is treated as interest for federal income tax purposes, the discussion regarding interest on the Bonds under the caption "TAX MATTERS" generally applies, except as otherwise provided below, to original issue discount on a Original Issue Discount Bond held by an owner who purchased such Bond at the initial offering price in the initial public offering of the Bonds, and should be considered in connection with the discussion in this portion of the Official Statement.)

The foregoing is based on the assumptions that (a) the Underwriter has purchased the Bonds for contemporaneous sale to the general public and not for investment purposes, and (b) all of the Original Issue Discount Bonds have been offered, and a substantial amount of each maturity thereof has been sold, to the general public in arm's-length transactions for a cash price (and with no other consideration being included) equal to the initial offering prices thereof stated on the cover page of this Official Statement, and (c) the respective initial offering prices of the Original Issue Discount Bonds to the general public are equal to the fair market value thereof. Neither the County nor Bond Counsel warrants that the Original Issue Discount Bonds will be offered and sold in accordance with such assumptions.

Under existing law, the original issue discount on each Original Issue Discount Bond is accrued daily to the stated maturity thereof (in amounts calculated as described below for each six-month period ending on the date before the semiannual anniversary dates of the Bonds and ratably within each such six-month period) and the accrued amount is added to an initial owner's basis for such Bond for purposes of determining the amount of gain or loss recognized by such owner upon redemption, sale or other disposition thereof. The amount to be added to basis for each accrual period is equal to (a) the sum of the issue price plus the amount of original issue discount accrued in prior periods multiplied by the yield to stated maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) less (b) the amounts payable as current interest during such accrual period on such Bond.

The federal income tax consequences of the purchase, ownership, and redemption, sale or other disposition of Original Issue Discount Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those described above. All owners of Original Issue Discount Bonds should consult their own tax advisors with respect to the determination for federal, state and local income tax purposes of interest accrued upon redemption, sale or other disposition of such Bonds and with respect to the federal, state, local and foreign tax consequences of the purchase, ownership and redemption, sale or other disposition of such Bonds.

OTHER INFORMATION

RATINGS

The presently outstanding tax supported debt of the County is rated "Aa2" by Moody's and "AA+" by S&P. Applications for contract ratings on this issue have been made to Moody's and S&P. 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 County makes no representation as to the appropriateness of the ratings. There is no assurance that such ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely by either or both of such rating companies, if in the judgment of either or both companies, circumstances so warrant. Any such downward revision or withdrawal of such ratings, or either of them, may have an adverse effect on the market price of the Bonds.

LITIGATION

It is the opinion of the County Attorney and County Staff that there is no pending litigation against the County that would have a material adverse financial impact upon the County or its operations.

REGISTRATION AND QUALIFICATION OF BONDS FOR SALE

The sale of the Bonds has not been registered under the Federal Securities Act of 1933, as amended, in reliance upon the exemption provided thereunder by Section 3(a)(2); and the Bonds have not been qualified under the Securities Act of Texas in reliance upon various exemptions contained therein; nor have the Bonds been qualified under the securities acts of any jurisdiction. The County assumes no responsibility for qualification of the Bonds under the securities laws of any jurisdiction in which the Bonds may be sold, assigned, pledged, hypothecated or otherwise transferred. This disclaimer of responsibility for qualification for sale or other disposition of the Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration provisions.

LEGAL INVESTMENTS AND ELIGIBILITY TO SECURE PUBLIC FUNDS IN TEXAS

Section 1201.041 of the Public Security Procedures Act (Chapter 1201, Texas Government Code) provides that the Bonds are negotiable instruments governed by Chapter 8, Texas Business and Commerce Code, and are legal and authorized investments for insurance companies, fiduciaries, and trustees, and for the sinking funds of municipalities or other political subdivisions or public agencies of the State of Texas. With respect to investment in the Bonds by municipalities or other political subdivisions or public agencies of the State of Texas, the Public Funds Investment Act, Chapter 2256, Texas Government Code, requires that the Bonds be assigned a rating of "A" or its equivalent as to investment quality by a national rating agency. See "OTHER INFORMATION - RATINGS" herein. In addition, various provisions of the Texas Finance Code provide that, subject to a prudent investor standard, the Bonds are legal investments for state banks, savings banks, trust companies with at capital of one million dollars or more, and savings and loan associations. The Bonds are eligible to secure deposits of any public funds of the State, its agencies, and its political subdivisions, and are legal security for those deposits to the extent of their market value. No review by the County has been made of the laws in other states to determine whether the Bonds are legal investments for various institutions in those states.

LEGAL MATTERS

The County will furnish a complete transcript of proceedings required for authorization and issuance of the Bonds, including the unqualified approving legal opinion of the Attorney General of Texas approving the Initial Bonds and to the effect that the Bonds are valid and legally binding obligations of the County, and based upon examination of such transcript of proceedings, the approving legal opinion of Bond Counsel, to like effect and to the effect that the interest on the Bonds will be excludable from gross income for federal income tax purposes under existing law and the Bonds are not private activity bonds, subject to the matters described under "TAX MATTERS" herein, including alternative minimum tax consequences for corporations. The customary closing papers, including a certificate to the effect that no litigation of any nature has been filed or is then pending to restrain the issuance and delivery of the Bonds, or which would affect the provision made for their payment or security, or in any manner questioning the validity of said Bonds will also be furnished. Bond Counsel was not requested to participate, and did not take part, in the preparation of the Official Statement, and such firm has not assumed any responsibility with respect thereto or undertaken independently to verify any of the information contained therein, except that, in its capacity as Bond Counsel, such firm has reviewed the information describing the Bonds in the Official Statement to verify that such description conforms to the provisions of the Order. The legal fee to be paid Bond Counsel for services rendered in connection with the issuance of the Bonds is contingent on the sale and delivery of the Bonds. The legal opinion will accompany the Bonds deposited with DTC or will be printed on the Bonds in the event of the discontinuance of the Book-Entry-Only System.

AUTHENTICITY OF FINANCIAL DATA AND OTHER INFORMATION

The financial data and other information contained herein have been obtained from County records, audited financial statements and other sources which are believed to be reliable. There is no guarantee that any of the assumptions or estimates contained herein will be realized. All of the summaries of the statutes, documents and resolutions contained in this Official Statement are made subject to all of the provisions of such statutes, documents and resolutions. These summaries do not purport to be complete statements of such provisions and reference is made to such documents for further information. Reference is made to original documents in all respects.

CONTINUING DISCLOSURE OF INFORMATION

In the Order, the County has made the following agreement for the benefit of the holders and beneficial owners of the Bonds. The County is required to observe the agreement for so long as it remains obligated to advance funds to pay the Bonds. Under the agreement, the County will be obligated to provide certain updated financial information and operating data annually, and timely notice of specified material events, to certain information vendors. This information will be available to securities brokers and others who subscribe to receive the information from the vendors.

ANNUAL REPORTS

The County will provide certain updated financial information and operating data to certain information vendors annually. The information to be updated includes all quantitative financial information and operating data with respect to the County of the general type included in this Official Statement under Tables numbered one through seven and nine through fourteen and in Appendix B. The County will update and provide this information within six months after the end of each fiscal year. The County will provide the updated information to each nationally recognized municipal securities information repository ("NRMSIR") approved by the staff of the United States Securities and Exchange Commission ("SEC") and to any state information depository ("SID") that is designated and approved by the State of Texas and by the SEC staff.

The County may provide updated information in full text or may incorporate by reference certain other publicly available documents, as permitted by SEC Rule 15c2-12. The updated information will include audited financial statements, if the County commissions an audit and it is completed by the required time. If audited financial statements are not available by the required time, the County will provide unaudited financial information and operating data which is customarily prepared by the County by the required time, and audited financial statements when and if such audited financial statements become available. Any such financial statements will be prepared in accordance with the accounting principles described in Appendix B or such other accounting principles as the County may be required to employ from time to time pursuant to state law or regulation.

The County's current fiscal year end is September 30. Accordingly, it must provide updated information by March 31 in each year, unless the County changes its fiscal year. If the County changes its fiscal year, it will notify each NRMSIR and the SID of the change.

MATERIAL EVENT NOTICES

The County will also provide timely notices of certain events to certain information vendors. The County will provide notice of any of the following events with respect to the Bonds, if such event is material to a decision to purchase or sell Bonds: (1) principal and interest payment delinquencies; (2) non-payment related defaults; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions or events affecting the tax-exempt status of the Bonds; (7) modifications to rights of holders of the Bonds; (8) Bond calls; (9) defeasances; (10) release, substitution, or sale of property securing repayment of the Bonds; and (11) rating changes. In addition, the County will provide timely notice of any failure by the County to provide information, data, or financial statements in accordance with its agreement described above under "ANNUAL REPORTS." The County will provide each notice described in this paragraph to the SID and to either each NRMSIR or the Municipal Securities Rulemaking Board ("MSRB").

AVAILABILITY OF INFORMATION FROM NRMSIRS AND SID

The County has agreed to provide the foregoing information only to NRMSIRs and the SID. The information will be available to holders of Bonds only if the holders comply with the procedures and pay the charges established by such information vendors or obtain the information through securities brokers who do so.

The Municipal Advisory Council of Texas (the "MAC") has been designated by the State of Texas and approved by the SEC staff as a qualified SID. The address of the MAC is 600 West 8th Street, P.O. Box 2177, Austin, Texas 78768-2177, and its telephone number is 512/476-6947. The MAC has also received SEC approval to operate, and has begun to operate, a "central post office" for information filings made by municipal issuers, such as the County. A municipal issuer may submit its information filings with the central post office, which then transmits such information to the NRMSIRs and the appropriate SID for filing. This central post office can be accessed and utilized at www.DisclosureUSA.org ("DisclosureUSA"). The County may utilize DisclosureUSA for the filing of information relating to the Bonds.

The SEC has approved amendments to SEC Rule 15c2-12, to become effective July 1, 2009, to designate the MSRB as the sole NRMSIR. To make such continuing disclosure information available to investors free of charge, the MSRB has established the Electronic Municipal Market Access ("EMMA") system. The County will be required to file its continuing disclosure information using the EMMA system beginning on July 1, 2009. Investors will be able to access continuing disclosure information filed with the MSRB at www.emma.msrb.org.

AMENDMENTS

The County may amend its continuing disclosure agreement from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the County, if (i) the agreement, as amended, would have permitted an underwriter to purchase or sell Bonds in the offering described herein in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (ii) either (a) the holders of a majority in aggregate principal amount of the outstanding Bonds consent to the amendment or (b) any person unaffiliated with the County (such as nationally recognized bond counsel) determines that the amendment will not materially impair the interests of the holders and beneficial owners of the Bonds. The County may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provisions of the SEC Rule 15c2-12 or a court of final jurisdiction enters judgment that such provisions of the SEC Rule 15c2-12 are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds. If the County so amends the agreement, it has agreed to include with the next financial information and operating data provided in accordance with its agreement described above under "ANNUAL REPORTS" an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information and operating data so provided.

COMPLIANCE WITH PRIOR UNDERTAKINGS

The County has complied in all material respects with all continuing disclosure agreements made by it in accordance with SEC Rule 15c2-12.

FINANCIAL ADVISOR

First Southwest Company is employed as Financial Advisor to the County in connection with the issuance of the Bonds. The Financial Advisor's fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery of the Bonds. First Southwest Company, in its capacity as Financial Advisor, does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal income tax status of the Bonds, or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies.

The Financial Advisor to the County has provided the following sentence for inclusion in this Official Statement. The Financial Advisor has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to the County and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Financial Advisor does not guarantee the accuracy or completeness of such information.

UNDERWRITING

The Underwriters, represented by Loop Capital Markets, have agreed, subject to certain conditions precedent, to purchase the Bonds from the County, at a price of $76,939,800.20 (representing the par amount of the Bonds of $73,430,000 plus a premium of $3,835,903.20, plus accrued interest of $126,861.50, less an underwriters' discount of $452,964.50). The Underwriters will be obligated to purchase all of the Bonds if any Bonds are purchased. The Bonds to be offered to the public may be offered and sold to certain dealers (including the Underwriters and other dealers depositing Bonds into investment trusts) at prices lower than the public offering prices of such Bonds, and such public offering prices may be changed, from time to time, by the Underwriters.

The Underwriters have reviewed the information in this official statement pursuant to its responsibilities to investors under the federal securities laws, but the Underwriters do not guarantee the accuracy or completeness of such information.

FORWARD-LOOKING STATEMENTS DISCLAIMER

The statements contained in this Official Statement, and in any other information provided by the County, that are not purely historical, are forward-looking statements, including statements regarding the County's expectations, hopes, intentions, or strategies regarding the future. Readers should not place undue reliance on forward-looking statements. All forward-looking statements included in this Official Statement are based on information available to the County on the date hereof, and the County assumes no obligation to update any such forward-looking statements. The County's actual results could differ materially from those discussed in such forward-looking statements.

The forward-looking statements included herein are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal, and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial, and other governmental authorities and officials. Assumptions related to the foregoing involve judgements with respect to, among other things, future economic, competitive, and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the County. Any of such assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement will prove to be accurate.

MISCELLANEOUS

The financial data and other information contained herein have been obtained from the County's records, audited financial statements and other sources which are believed to be reliable. There is no guarantee that any of the assumptions or estimates contained herein will be realized. All of the summaries of the statutes, documents and resolutions contained in this Official Statement are made subject to all of the provisions of such statutes, documents and resolutions. These summaries do not purport to be complete statements of such provisions and reference is made to such documents for further information. Reference is made to original documents in all respects.

The Order authorizing the issuance of the Bonds will also approve the form and content of this Official Statement, and any addenda, supplement or amendment thereto, and authorize its further use in the reoffering of the Bonds by the Underwriters.

CERTIFICATION OF THE OFFICIAL STATEMENT

At the time of payment for and delivery of the Bonds, the County will furnish a certificate, executed by proper officers, acting in their official capacity, to the effect that to the best of their knowledge and belief: (a) the descriptions and statements of or pertaining to the County contained in its Official Statement, and any addenda, supplement or amendment thereto, on the date of such Official Statement, on the date of sale of said Bonds and the acceptance of the best bid therefor, and on the date of the delivery, were and are true and correct in all material respects; (b) insofar as the County and its affairs, including its financial affairs, are concerned, such Official Statement did not and does not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; (c) insofar as the descriptions and statements, including financial data, of or pertaining to entities, other than the County, and their activities contained in such Official Statement are concerned, such statements and data have been obtained from sources which the County believes to be reliable and the County has no reason to believe that they are untrue in any material respect; and (d) there has been no material adverse change in the financial condition of the County since the date of the last audited financial statements of the County.

The Order authorizing the issuance of the Bonds will also approve the form and content of this Official Statement, and any addenda, supplement or amendment thereto, and authorize its further use in the reoffering of the Bonds by the Underwriters.

/s/ Robert Hebert
County Judge
Fort Bend County, Texas

ATTEST:

/s/ Dianne Wilson
County Clerk

SCHEDULE I

SCHEDULE OF REFUNDED BONDS

Permanent Improvement Bonds, Series 1997

Maturity September 1	Interest Rate		Par Amount	Call Date	Call Price	
2009	5.100	%	$ 290,000	05/15/09	100.00	%
2010	5.150		305,000	05/15/09	100.00	
2011	5.250		325,000	05/15/09	100.00	
2012	5.300		345,000	05/15/09	100.00	
2013	5.350		365,000	05/15/09	100.00	
2014	5.000		390,000	05/15/09	100.00	
2015	4.500		410,000	05/15/09	100.00	
2016	4.500		435,000	05/15/09	100.00	
			$ 2,865,000			

APPENDIX A

GENERAL INFORMATION REGARDING THE COUNTY

THE COUNTY

The following information has been derived from various sources, including the Texas Almanac, Texas Municipal Reports, U.S. Census Bureau, Greater Fort Bend Economic Development Council, Fort Bend Chamber of Commerce, National Decision Systems, Texas Employment Commission, Sales and Marketing Management, Urban Decision Systems, Woods & Poole Economics, and County officials. While such sources are believed to be reliable, no representation is made as to the accuracy thereof.

GENERAL

Fort Bend County, a component of the Houston Statistical Area, has an economy based on mineral production, construction, manufacturing and agriculture. According to the Fort Bend County Economic Development Council, the County has been one of the nation's twenty fastest growing counties for over fifteen years. The County was created from Austin County in 1837 and organized in 1838 and encompasses 876 square miles. The County is located in the coastal plains of southeast Texas, bordering Harris County to the northeast. The County is bisected from east to west by U.S. Highway 59 and north to south by State Highway 36.

Cities within the County are Richmond, Rosenberg, Sugar Land, Needville, Beasley, Kendleton, Orchard, Fulshear, Pleak, Arcola, Simonton, Thompsons and portions of Katy, Missouri City, Stafford and a very small portion of Houston.

Schools within the County are Fort Bend ISD, Kendleton ISD, Lamar Consolidated ISD, Needville ISD, Katy ISD, Stafford Municipal ISD and Wallis-Orchard ISD. The school district with the largest assessed value is Fort Bend ISD, comprising approximately 174 square miles located in the northeastern section of the County and adjacent to portions of Harris County and Brazoria County. The boundaries of Fort Bend ISD include the Cities of Sugar Land and Missouri City. The school district encompassing the largest area in the County is Lamar Consolidated ISD, comprising approximately 328.68 square miles located in the central and west portion of the County. The boundaries of Lamar Consolidated ISD include the cities of Richmond and Rosenberg.

Two Junior College systems have satellite campuses in Fort Bend County: Wharton County Junior College has campuses located in Richmond and Sugar Land, and Houston Community College has a campus located in Stafford. The West Houston Institute of the University of Houston occupies a facility in the Cinco Ranch project in the North Central portion of the County. Additionally, the University of Houston at Sugar Land brings the resources of the four UH System universities into Fort Bend County. Through the collaborative efforts of the University of Houston and Wharton County Junior College, all the course work for accredited bachelor's and master's degree programs can be done in Sugar Land. More than 1,400 students now attend classes at the Sugar Land campus and can choose from more than 32 degree programs through the masters level at this multi-institutional teaching center. The community college offers freshman and sophomore courses, while the University of Houston Sugar Land offers junior, senior and master's courses.

MAJOR EMPLOYERS

Employer	Line of Business	Number of Employees
Fort Bend ISD	Public Education	9,500
Fluor Daniel	Engineering, Construction, Maintenance & Technical Services	4,000
Lamar CISD	Public Education	3,016
Schlumberger Technology Corp.	Energy Exploration Technology/Research	2,100
Fort Bend County	County Government	2,000
Texas Instruments	Electronics & Semiconductor Manufacturer	1,400
Richmond State School	Special Education	1,396
SouthWest Water	Manages, Operates & Maintains Waste Water Systems	1,332
United Parcel Service	Package Distribution	1,100
Houston Community College	Public Education	815
Methodist Sugar Land Hospital	Healthcare	760
Wharton County Junior College	Public Education	623
Oak Bend Medical Center	Healthcare	615
Frito-Lay, Inc.	Snack Food Manufacturer	511
Tramontina	Manufacturer & Marketer of Cutlery & Cookware	501
Baker Petrolite, Inc.	Checmical Manufacturer	491
Nalco Company	Chemical Production	475
Personix	Plastic Card Embossing	460
Tyco Valves & Controls	Valve Manufacturer	450
Memorial Hermann - Fort Bend	Hospital	450
National Oilwell Varco, Inc.	Manufacturing & Service for Drilling & Oilfield Equipment	420
Puffer-Sweiven	Supplier of Products & Services for Process Control	415
Hudson Products	Industrial Equipment Manufacturer	400
Flextronics	Electronics, Design, Fabrication, Assembly & Test Company	336
Suntron Corporation	Manufacturer	330
Yokogawa Corp. of America	Manufacturer & Supplier of Instrumentation, Process Control	317
Texas Dept. of Criminal Justice	State Prison	300
Noble Drilling Services	Drilling Services	300
Hines Nurseries	Agriculture Nursery	300
Allied Concrete	Produces Concrete	288
ION Geophysical Corporation	Manufacturer of Seismic Data Equipment	284
Fairfield Industries	Seismic Company	256
Champion Technologies, Inc.	Specialty Chemical Company	246
AT&T	Telephone Utility	238
General Technologies, Inc.	Specialty Reinforcement Systems	175
Sunoco Logistics Partners	Pipeline	165
Kelsey-Seybold Clinic	Healthcare	160
Crown & Cork Seal	Supplier of Packaging Products to Consumer Marketing	160
Imperial Sugar	Cane Sugar Refining and Production	150
Benedittini Cabinetry	Cabinetry Manufacturer	135
Biotics Research Corporation	Manufacturer of Specially Designed Nutritional Products	130
Cardinal Health	Global Healthcare Service Hostipals, Pharmacies & Suppliers	120
Tadiran Microwave Networks	Manufacturer/Supplier of Microwave Radio Equipment	103
CenterPoint Energy	Electric Utility	100

Source: Greater Fort Bend County Economic Development Council, 2009

POPULATION[1]

1960	1970	1980	1990	2000
40,527	52,314	130,846	225,421	354,452

(1) Source: U.S. Census Bureau.

HOUSEHOLD INCOME COMPARISON

	Fort Bend County	Texas	United States
Under $15,000	**5.5** %	13.7 %	13 %
$15,000-$24,999	**5.5** %	11.3 %	10.8 %
$25,000-$34,999	**6.8** %	11.2 %	11 %
$35,000-$49,999	**11.7** %	15.7 %	15.5 %
$50,000-$74,999	**19.4** %	19.1 %	19.4 %
$75,000-$99,999	**15.7** %	10.9 %	11.8 %
$100,000-$149,999	**20.9** %	11.3 %	11.5 %
Over $150,000	**14.5** %	6.8 %	7.1 %

Source: US Census 2000 with ESRI forecasts for 2005.

LABOR STATISTICS

Calendar Year	Labor Force	Total Employment	Unemployment	Rate
2001	193,946	186,352	7,594	3.9%
2002	206,947	196,216	10,731	5.2%
2003	217,182	203,879	13,303	6.1%
2004	226,080	213,559	12,521	5.5%
2005	236,520	224,153	12,367	5.2%
2006	245,613	233,909	11,704	4.8%
2007	250,638	240,334	10,304	4.1%
2008 (1)	255,735	244,332	11,403	4.5%

Source: Texas Employment Commission.
(1) Average through November 2008.

INCOME AND AGE STATISTICS

Calendar Year	Estimated Population	Total Retail Sales	Median Household EBI	Total EBI
1999	351,700	4,139,063,000	59,865	7,774,846,000
2000	384,100	4,090,476,000	62,523	8,139,127,000
2001	380,200	4,207,997,000	54,295	7,908,754,000
2002	398,700	4,616,948,000	57,051	9,038,563,000
2003	418,900	5,117,960,000	56,982	9,616,375,000
2004	448,400	5,845,277,000	57,869	10,469,115,000

Source: Sales and Marketing Management Survey of Buying Power.

TRANSPORTATION

HIGHWAY INFRASTRUCTURE . . . The County can be easily accessed by road systems from every direction. The Southwest Freeway (US 59), Katy Freeway (I-10), US 90A, the Fort Bend Westpark Toll Road and the Fort Bend Parkway Toll Road generally provide access to the County from east to west. State Highway 6, the Sam Houston Tollway (Beltway 8), State Highway 36, FM 723, and the Grand Parkway all provide excellent north-south access from US 59 to I-10. The Texas Department of Transportation provides responsive programs in an effort to meet all requirements of a growing County.

BY LAND . . . Trucking is now deregulated with more than 600 truck lines operating within the Houston region. Rates are negotiable. No additional transportation costs are required for companies delivering finished products to or from Fort Bend County.

BY SEA . . . Fort Bend's proximity to one of the world's busiest ports adds an international dimension to its market access. The Port of Houston ships cargo to 200 ports around the world. County companies have easy access to the Port via U.S. Highway 59, the most utilized highway serving Mexico from the Port of Houston.

BY RAIL . . . The Burlington North & Santa Fe and Union Pacific provide the necessary rail service for the greater Houston metropolitan area. These railroads give manufacturers effective access to raw materials and low cost transportation for their finished goods to all national markets.

BY COMMERCIAL AIR . . . **George Bush Intercontinental/Houston** and **William P. Hobby Airports** provide extensive, cost-effective air transportation to 150 destinations worldwide. Travelers can reach anywhere in the United States or Mexico in five hours or less by air. These modern, highly advanced airports can meet the needs of the smallest to the largest companies in the marketplace.

BY CORPORATE AIR . . . **Sugar Land Municipal Airport** is a general aviation facility with the capability to service all types of aircraft. The airport is an all-weather facility with a new tower allowing for improved commercial and corporate air service. **Houston Southwest Airport** is a convenient alternative in southeast Fort Bend County with easy access to the Texas Medical Center, Reliant Park and the emerging Highway 288 commercial corridor.

BY OVERNIGHT EXPRESS . . . UPS, Federal Express, and DHL are among the many carriers that serve Fort Bend County's domestic and international delivery needs. UPS, the largest package distribution company in the world, has a distribution hub located in Stafford.

WATER TRANSPORTATION . . . The Port of Houston adds an international dimension to the exceptional market access enjoyed by Fort Bend companies. Whether a company needs to import raw materials or export finished products, the Port has the facilities and equipment to accommodate shipper's needs in a cost-effective manner.

UTILITIES

ELECTRICITY . . . Reliant Energy is engaged in the generation, transmission, distribution and sale of electric energy, serving an estimated area of 5,000 square miles. With over 13 million kilowatts in net generating capability, Reliant Energy is fully equipped to handle the electric needs of any industrial or commercial consumer, now and in the foreseeable future.

NATURAL GAS . . . Natural gas is abundant with Center Point Energy offering a reliable long-term supply to companies in the region.

APPENDIX B

EXCERPTS FROM THE

FORT BEND COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

For the Year Ended September 30, 2008

The information contained in this Appendix consists of excerpts from the Fort Bend County, Texas Annual Financial Report for the Year Ended September 30, 2008, and is not intended to be a complete statement of the County's financial condition. Reference is made to the complete Report for further information.

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Null-Lairson, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report

To the Honorable Robert E. Hebert, County Judge
and Members of the Commissioners Court
Fort Bend County, Texas

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Fort Bend County, Texas, (the "County") as of and for the year ended September 30, 2008, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of September 30, 2008, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated March 31, 2009 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions or laws, regulations, contracts, and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report, which has been issued separately from this document, is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

To the Honorable Robert E. Hebert, County Judge
and Members of the Commissioners Court
Fort Bend County, Texas

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Fort Bend County, Texas' basic financial statements. The management's discussion and analysis, budgetary comparison information, and pension system information on pages 3 through 11 and 53 through 55, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The introductory section, combining and individual fund financial statements and schedules, as well as statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Null-Lairson, P.C.

March 31, 2009
Houston, Texas

FORT BEND COUNTY, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Fort Bend County (the "County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended September 30, 2008. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-v of this report.

Financial Highlights

- The assets of the County exceeded its liabilities at the close of the most recent fiscal year by $663.8 million *(net assets)*. Of this amount, $42.3 million *(unrestricted net assets)* may be used to meet the government's ongoing obligations to citizens and creditors.
- The County's total net assets increased by $21.6 million.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of $170.5 million, a decrease of $61.6 million over the prior year.
- At the end of the current fiscal year approximately $38.5 million is *available for spending* at the government's discretion *(unreserved, undesignated general fund balance)*. This fund balance amounts to 23% percent of total general fund expenditures.
- As of fiscal year 2008, the County reported other post-employment benefit obligations (OPEB) of $24.2 million as a result of implementing GASB Statement No., 45 "Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions".
- The County's total debt decreased by $8.5 million during the current fiscal year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of the County's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows.* Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements present functions of the County that are principally supported by taxes *(governmental activities)*. The governmental activities of the County include general administration, financial administration, administration of justice, construction and maintenance, health and welfare, cooperative service, public safety, parks and recreation, libraries and education, and interest on long-term debt.

The government-wide financial statements include not only the County itself (known as *the primary government),* but also legally separate entities for which the County is financially accountable. Financial information for these *component units* is reported separately from the financial information presented for the primary government itself. The County's three discretely presented component units consist of the following:

- Fort Bend Toll Road Authority
- Fort Bend Surface Water Supply Corporation
- Fort Bend Housing Finance Corporation

The government-wide financial statements can be found on pages 15 through 17 of this report.

Fund financial statements. *A fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources,* as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities.*

The County maintains 115 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general, debt service, mobility and 2007 facilities bond funds, all of which are considered to be major funds. Data from the other 111 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in the comprehensive annual financial report.

The basic governmental fund financial statements can be found on pages 18 through 21 of this report.

Proprietary funds. The County uses internal service funds to report activities that provide services for the County's other programs and activities. The Employee Benefits Fund and Other Self-Funded Insurance Fund are the County's internal service funds. Their purpose is to provide for the accumulation of money for insurance and employee benefits used in County operations. Because all of these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

All internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in the comprehensive annual financial report.

The basic proprietary fund financial statements can be found on pages 22 through 24 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. *Fiduciary* funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statement can be found on page 25 of this report.

Combining component unit financial statements. The County's three discretely presented component units shown in aggregate on the face of the government-wide financial statements have individual information for each of the major discretely presented component units presented in the form of combining statements immediately following the fund financial statements of the primary government.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 30 through 53 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the County's progress in funding its obligation to provide pension benefits to its employees. The County adopts an annual appropriated budget for its general, debt service and certain special revenue funds. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget. Required supplementary information can be found on pages 55 through 57 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by $663.8 million at the close of the most recent fiscal year.

By far the largest portion of the County's net assets (93.0 percent) reflects its investment in capital assets (e.g., land, buildings, vehicles, road equipment, office furniture and equipment, infrastructure, and construction in progress), less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens. Consequently, these assets are *not* available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

CONDENSED SCHEDULE OF NET ASSETS
September 30, 2008 and 2007

	Primary Government Governmental Activities	
	2008	**2007**
Current and other assets	$ 227,762,347	$ 278,241,320
Capital assets, net	746,378,348	644,835,009
Total Assets	974,140,695	923,076,329
Long-term liabilities	273,135,701	256,169,243
Other liabilities	37,170,416	24,707,998
Total Liabilities	310,306,117	280,877,241
Net Assets:		
Invested in capital assets, net of debt	617,510,083	571,604,116
Restricted	4,034,606	2,712,985
Unrestricted	42,289,889	67,881,987
Total Net Assets	$ 663,834,578	$ 642,199,088

A portion of the County's net assets ($4.0 million) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* ($42.3 million) may be used to meet the government's ongoing obligations to citizens and creditors.

The County's assets exceeded liabilities by $664 million, resulting in an increase of $21.6 million from prior year. This increase primarily relates to the addition of capital assets net of depreciation of $102 million as a result of the County's building of infrastructure, roads and bridges, and facilities. This increase is offset by a reduction of capital grants and contributions of $67.7 million in relation to infrastructure contributed by developers from master-planned communities within the municipalities of the County during 2007. This increase is further offset by the County's implementation of GASB Statement No., 45 "Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions", which resulted in a liability of $24.2 million as of September 30, 2008. The increase is also impacted by operating revenues exceeding operating expenses by approximately $2 million.

SCHEDULE OF CHANGES IN NET ASSETS

Year-ended September 30, 2008 and 2007

	Primary Government Governmental Activities	
	2008	**2007**
Revenues		
Program revenues:		
Charges for services	$ 33,424,910	$ 32,091,615
Operating grants and contributions	24,399,799	17,096,390
Capital grants and contributions	33,540,586	101,241,210
General revenues:		
Property taxes	171,832,680	151,404,502
Earnings on investments	8,072,311	12,095,793
Other	2,170,172	4,227,954
Total Revenues	273,440,458	318,157,464
Expenses		
General administration	41,632,474	36,523,584
Financial administration	7,588,070	5,655,962
Adminsitration of justice	45,849,068	33,416,844
Construction and maintenance	40,018,361	25,197,262
Health and welfare	21,690,506	19,465,407
Cooperative services	1,132,987	826,741
Public safety	68,877,031	49,422,796
Parks and recreation	2,114,983	1,699,999
Libraries and education	12,280,421	10,474,327
Interest on long-term debt	10,621,067	9,190,051
Total Expenses	251,804,968	191,872,973
Change in Net Assets	21,635,490	126,284,491
Net Assets, Beginning	642,199,088	515,914,597
Net Assets, Ending	$ 663,834,578	$ 642,199,088

At the end of the current fiscal year, the County is able to report a positive balance in net assets for the government as a whole. The same situation held true for the prior fiscal year.

Governmental activities increased the County's net assets by $21.6 million. The key element of this increase is as follows:

- Property tax revenues of $171.8 million, which increased by $20.4 million from prior year as a result of increased development in the County and higher property values.

- The increase is offset by expenses for public safety of $68.9 million, an increase of $19.5 million from prior year; construction and maintenance of $40.0 million, an increase of $14.8 million from prior year; and administration of justice of $45.8 million, an increase of $12.4 million from prior year. These increases are primarily due to higher salaries and wages including benefits, higher fuel prices, and higher overall costs due to inflation.

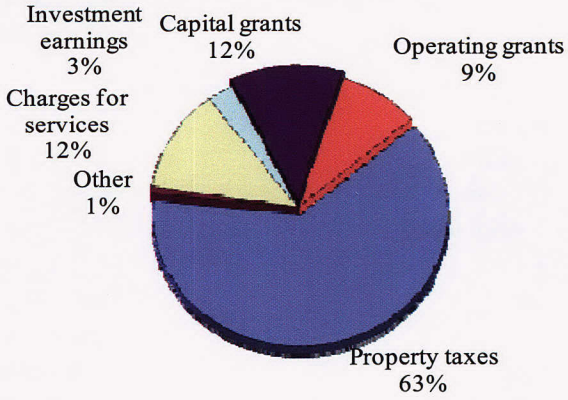
- The increase is further offset by lower capital grants and contribution revenues by $67.7 million from prior year as a result of various donations of roads and right of way for new subdivisions during 2007.

- This increase is also offset by the County's implementation of GASB Statement No., 45 "Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions", which resulted in a liability and related expenses of $24.2 million as of September 30, 2008.

- The remaining increase in net assets was due to overall operating revenue exceeding operating expenses by approximately $2 million.

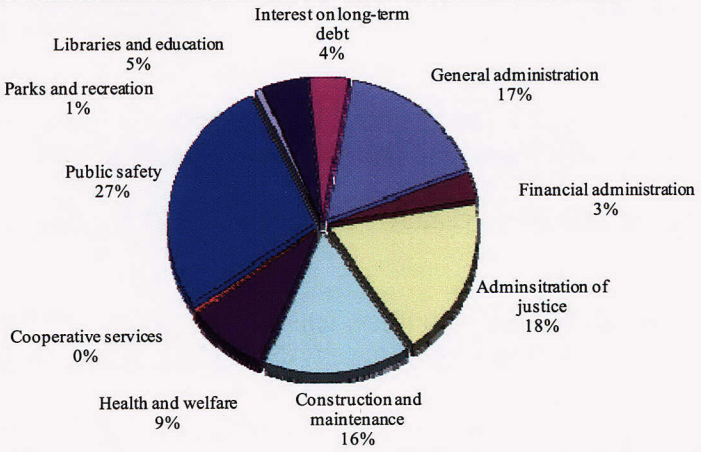
Governmental Revenues for fiscal year 2008 are graphically displayed as follows:

GOVERNMENTAL REVENUES



Governmental functional expenses were as follows:

GOVERNMENTAL FUNCTIONAL EXPENSES



FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As noted earlier, fund accounting is used to demonstrate and ensure compliance with finance-related legal requirements.

Governmental Funds - The focus of the County's governmental funds is to provide information of near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements, in particular, unreserved fund balance may serve as a useful measure of the County's net resources available for spending at the end of the fiscal year.

The County's governmental funds reflect a combined fund balance of $170.5 million. Of this, $38.5 million is unreserved and available for day-to-day operations of the County. In addition, $4.4 million is reserved for debt service and the remaining reserved amount is for capital projects and prepaid items of $106.9 million and $0.2 million respectively.

There was a decrease in the combined fund balance of $61.6 million from the prior year. The decrease in fund balance includes a $14.0 million decrease in the Mobility Capital Projects fund and a $49.8 decrease in the capital project fund (2007 Facilities Bonds Fund) for facilities. The decrease in the Mobility Capital Projects fund and the 2007 Facilities Bonds Funds are primarily due to capital outlay expenditures for mobility and facility projects. The increase in the General Fund of approximately $3.0 million is due to operating revenues exceeding operating expenditures and net other financing uses during the course of operations.

Proprietary Funds -The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The Employee Benefits Fund has a net assets balance at fiscal yearend of $3.0 million. In addition, the Self-Funded Insurance Fund has deficit net assets of $2.4 million at fiscal year end. Expenses in the Other Insurance Fund exceeded the amount budgeted in previous fiscal years. However, amounts budgeted for expenses in this fund (and therefore revenues) have been increased for the future fiscal period, which should reduce the deficit net assets.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the year there was an approximate $14 million decrease in appropriations between the original and final amended budget. The main components of the decrease are as follows:

- Approximately $6 million was transferred to multi-year capital projects with budgets that extend beyond the County's fiscal year.

- Approximately $8 million was allocated to the Juvenile Board for the operations of the Juvenile Probation Office.

Capital Assets. At the end of fiscal year 2008, the County's governmental activities had invested $746.4 million in a variety of capital assets and infrastructure, as reflected in the following schedule. This represents an increase of approximately $102 million over the previous fiscal year.

FORT BEND COUNTY'S CAPITAL ASSETS

	Governmental Activities	
	2008	**2007**
Non-Depreciable Assets		
Land and intangibles	$ 270,596,282	$ 257,953,832
Construction in progress	133,300,768	94,641,782
Other Capital Assets, Net		
Vehicles	6,940,630	6,591,997
Office furniture and equipment	5,988,975	3,965,866
Machinery and equipment	9,813,297	8,830,097
Buildings, facilities and improvements	62,135,291	62,972,976
Infrastructure	257,603,104	209,878,459
Totals	$ 746,378,347	$ 644,835,009

Construction in progress at year-end represents numerous ongoing projects, the two largest being mobility bond projects ($42.6 million) and facilities bond projects ($56 million).

Long-Term Debt. At the end of the current fiscal year, the County had total bonds outstanding of $232.1million. This is a decrease of $8.2 million from prior year due to bond principal payments. The total amount relates to general obligation bonds.

	Governmental Activities	
	2008	**2007**
General Obligation Bonds	$ 232,130,000	$ 240,350,000
Total	$ 232,130,000	$ 240,350,000

The County received an insured rating of Aaa from Moody's. The uninsured ratings are as follows:

Moody Investor Service Aa2
Standard and Poor's AA+

The Fort Bend Housing Finance Corporation (the "Corporation"), a component unit of the County, has issued conduit debt in the amount of $98.3 million. The tax-exempt bonds issued by the Corporation do not constitute a debt or pledge of faith by the Corporation, but are payable by the user pursuant to terms defined in the loan agreement underlying each issue. As of September 30, 2008, approximately $42.7 million of total bonds are outstanding.

Additional information on capital assets and long-term debt is available in notes 6 and 7 respectively, to the financial statements

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The County's labor force is estimated to be up 2.2% to almost 259,214. Of those only 13,220 are currently unemployed indicating a 5.1% unemployment rate. Job availability in Fort Bend is also up by 3.4% at 210,240. This means that there are enough jobs in the County to support roughly 81% of Fort Bend's employed labor force.

On the housing front, title data indicates that 6,647 new homes were sold in Fort Bend County in 2008. While this is down 24%, this is still a very healthy number when you consider the impacts of Hurricane Ike on the region during the 4th quarter of calendar 2008. We have had stable and consistent new home growth in Fort Bend over the past 8 years averaging over 7,300 homes since 2001 and 7,900 homes over the past five years. When looking at predictors for continued success, mortgage interest rates, net new jobs, home appreciation and supply are all relevant to the outlook. Housing supply is expected to be in line with previous growth, if not better. HAR (Houston Association of Realtors) reports that 3 of the 10 hottest markets are in Fort Bend County as of August 2008 with inventories well below 6 months in age. At this level and with 4000+ acres of new master planned communities coming on line over the next few years, we expect new home sales in Fort Bend to have a solid year. Our 2008 population grew to 531,660 from 514,010 for a growth rate of 3.4%.

Property market values went up 14.7% to $47.7 billion in 2008 from $41.6 billion in 2007. This is a combination of market appreciation on existing property as well as new residential and commercial value added over the year. The County has experienced steady increases in market values over the past ten years. For this reason and as a result of the new commercial development, market values are expected to increase to over $50 billion in 2009.

The Commissioners Court approved a $214.4 million total budget for the 2009 fiscal year. This is a 12.5% increase over the adopted 2008 fiscal year budget. The growth in the budget is driven by increased costs of doing business as well as funding for drainage, mobility, and increased services to the citizens of the County. The overall tax rate was reduced by $0.01698 to $0.49976 for the 2009 fiscal year.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Fort Bend County's finances for all of those with an interest in the County's finances. Questions concerning this report or requests for additional financial information should be directed to Ed Sturdivant, County Auditor, 301 Jackson Suite 533, Richmond, TX 77469, telephone (281) 341-3760.


THE STATE OF TEXAS
FORT BEND COUNTY

BASIC FINANCIAL STATEMENTS


THE STATE OF TEXAS
FORT BEND COUNTY

FORT BEND COUNTY, TEXAS
STATEMENT OF NET ASSETS
September 30, 2008

	Primary Government	
	Governmental Activities	Component Units
ASSETS		
Cash and equivalents	$ 31,936,256	$ 3,577,712
Investments	165,061,854	18,322,581
Receivables:		
Taxes, net	7,716,568	
Grants	9,778,671	
Fees and fines	4,319,143	
Other	1,900,313	595,478
Prepaid items	205,354	1,039
Deferred issuance costs	2,238,945	844,510
Receivable from fiduciary fund	3,971,213	
Due from component units	634,030	
Capital assets, not being depreciated:	403,897,050	
Capital assets, net of accumulated depreciation:	342,481,298	157,133,288
Total Assets	974,140,695	180,474,608
LIABILITIES		
Accounts payable and accrued expenses	25,938,990	3,800
Retainage payable	5,370,742	
Accrued interest payable	911,236	562,786
Unearned revenues	3,845,318	
Due to primary government		634,030
Due to other governments	1,104,130	
Long-term liabilities due within one-year	15,590,681	
Long-term liabilities due in more than one-year	257,545,020	139,320,925
Total Liabilities	310,306,117	140,521,541
NET ASSETS		
Invested in capital assets, net of related debt	617,510,083	17,812,363
Restricted for:		
Debt Service	4,034,606	
Unrestricted	42,289,889	22,140,704
Total net assets	$ 663,834,578	$ 39,953,067

The accompanying notes are an integral part of these financial statements.

FORT BEND COUNTY, TEXAS
STATEMENT OF ACTIVITIES
For the Year Ended
September 30, 2008

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary Government				
Governmental Activities				
General administration	$ 41,632,474	$ 6,065,088	$ 6,386,016	$ 616,142
Financial administration	7,588,070	1,976,033		
Administration of justice	45,849,068	6,200,004	5,839,599	
Construction and maintenance	40,018,361	8,371,102	1,109,525	32,924,444
Health and welfare	21,690,506	5,299,438	4,680,936	
Cooperative services	1,132,987		1,936	
Public safety	68,877,031	5,061,015	6,066,374	
Park and recreation	2,114,983	189,273	102,738	
Libraries and education	12,280,421	262,957	212,675	
Interest on long-term debt	10,621,067			
Total Primary Government	$ 251,804,968	$ 33,424,910	$ 24,399,799	$ 33,540,586
Component Units				
FB Surface Water Supply Corp.	$	$	$	$
FB Toll Road Authority	14,550,796	15,154,691		91,500
FB Housing Finance Corp.	18,510	61,845		10,000
Total Component Units	$ 14,569,306	$ 15,216,536	$	$ 101,500
General revenues:				
Property taxes, penalties, and interest				
Unrestricted earnings on investments				
Miscellaneous				
Total General Revenues				
Changes in Net Assets				
Net Assets, Beginning				
Net Assets, Ending				

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

Net (Expense) Revenue and Changes in Net Assets	
Primary Government	
Governmental Activities	Component Units
$ (28,565,228)	
(5,612,037)	
(33,809,465)	
2,386,710	
(11,710,132)	
(1,131,051)	
(57,749,642)	
(1,822,972)	
(11,804,789)	
(10,621,067)	
(160,439,673)	
	$
	695,395
	53,335
	748,730
171,832,680	
8,072,311	779,899
2,170,172	142,955
182,075,163	922,854
21,635,490	1,671,584
642,199,088	38,281,483
$ 663,834,578	$ 39,953,067

FORT BEND COUNTY, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2008

	General Fund	Debt Service Fund	Mobility Projects Fund	2007 Facilities Bonds Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and equivalents	$ 2,096,592	$ 4,334,041	$ 492,775	$ 446,739	$ 18,643,482	$ 26,013,629
Investments	40,317,255		25,590,462	88,697,032	10,457,105	165,061,854
Taxes receivable, net	5,997,278	575,343			1,143,947	7,716,568
Grants receivable	8,452,923				1,325,747	9,778,670
Fines and fees receivable	4,319,143					4,319,143
Other receivables	1,156,842	14,953	230		335,955	1,507,980
Due from other funds	13,043,316	21,505			121,790	13,186,611
Due from component units	634,030					634,030
Prepaid items	197,806			4,668	3,211	205,685
Total Assets	$ 76,215,185	$ 4,945,842	$ 26,083,467	$ 89,148,439	$ 32,031,237	$ 228,424,170
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	$ 22,284,477	$	$	$	$ 180,993	$ 22,465,470
Accrued expenditures	11,144					11,144
Accrued payroll	3,644,795					3,644,795
Retainage payable	80,195		808,156	4,482,391		5,370,742
Due to other funds	28,681		1,883,052	5,730,156	1,817,462	9,459,351
Due to other governments	1,104,130					1,104,130
Deferred revenue	10,316,421	575,343			4,972,384	15,864,148
Total Liabilities	37,469,843	575,343	2,691,208	10,212,547	6,970,839	57,919,780
Fund Balances:						
Reserved for:						
Debt Service		4,370,499				4,370,499
Prepaid Items	197,806			4,668	3,211	205,685
Capital Projects			23,392,259	78,931,224	4,614,161	106,937,644
Unreserved, Reported in:						
General Fund	38,547,536					38,547,536
Special Revenue Funds					15,585,100	15,585,100
Capital Projects Funds					4,857,926	4,857,926
Total Fund Balances	38,745,342	4,370,499	23,392,259	78,935,892	25,060,398	170,504,390
Total Liabilities and Fund Balances	$ 76,215,185	$ 4,945,842	$ 26,083,467	$ 89,148,439	$ 32,031,237	$ 228,424,170

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

FORT BEND COUNTY, TEXAS
RECONCILIATION OF THE BALANCE SHEET TO
THE STATEMENT OF NET ASSETS
September 30, 2008

Total fund balance, governmental funds	$ 170,504,390
Amounts reported for governmental activities in the Statement of Net Assets are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Assets.	746,378,348
Other long-term assets are not available to pay for current-period expenditures and are therefore deferred in the funds.	12,018,830
Internal Service Funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Assets.	654,227
Some liabilities, (such as Long-term Claims and Judgments Payable, Long-term Compensated Absences, and Bonds Payable), are not due and payable in the current period and are not included in the fund financial statement, but are reported in the governmental	
Bonds payable	(232,130,000)
Deferred issuance costs	2,238,945
Compensated absences	(4,852,979)
Other post-emploment benefit (OPEB) obligation	(24,151,093)
Premiums on issuance of debt	(5,914,854)
Accrued interest is not due and payable in the current period and therefore not reported in the funds	(911,236)
Net Assets of Governmental Activities	$ 663,834,578

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

FORT BEND COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended September 30, 2008

	General Fund	Debt Service Fund	Mobility Projects Fund	2007 Facilities Bonds Fund	Other Governmental Funds	Total Governmental Funds
REVENUES						
Taxes	$ 139,477,502	$ 20,223,244	$	$	$ 14,246,860	$ 173,947,606
Fees and fines	20,061,234	274,944			8,612,178	28,948,356
Intergovernmental	14,556,972	35,825	116,452		12,480,555	27,189,804
Earnings on investments	2,866,409	290,999	1,286,877	2,364,145	1,067,499	7,875,929
Miscellaneous	1,657,663		616,142		3,123,626	5,397,431
Total Revenues	178,619,780	20,825,012	2,019,471	2,364,145	39,530,718	243,359,126
EXPENDITURES						
Current:						
General administration	35,207,103				853,303	36,060,406
Financial administration	6,328,276				1,996	6,330,272
Administration of justice	22,752,204				16,142,860	38,895,064
Construction and maintenance	2,637,980				25,946,524	28,584,504
Health and welfare	17,179,487				3,189,555	20,369,042
Cooperative services	975,720					975,720
Public safety	61,678,076				1,403,044	63,081,120
Parks and recreation	1,739,346					1,739,346
Libraries and education	10,342,295				79,737	10,422,032
Capital Outlay	8,590,318		16,053,943	52,122,609	1,273,793	78,040,663
Debt Service:						
Principal		8,220,000				8,220,000
Interest and fiscal charges		12,266,435				12,266,435
Total Expenditures	167,430,805	20,486,435	16,053,943	52,122,609	48,890,812	304,984,604
Excess (Deficiency) of Revenues Over (Under) Expenditures	11,188,975	338,577	(14,034,472)	(49,758,464)	(9,360,094)	(61,625,478)
OTHER FINANCING SOURCES (USES)						
Transfers in	431,150				9,138,548	9,569,698
Transfers out	(8,576,340)				(993,358)	(9,569,698)
Total other financing sources (uses)	(8,145,190)				8,145,190	
Net change in fund balances	3,043,785	338,577	(14,034,472)	(49,758,464)	(1,214,904)	(61,625,478)
Fund balances-beginning	35,701,557	4,031,922	37,426,731	128,694,356	26,275,302	232,129,868
Fund balances-ending	$ 38,745,342	$ 4,370,499	$ 23,392,259	$ 78,935,892	$ 25,060,398	$ 170,504,390

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

FORT BEND COUNTY, TEXAS

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2008

Net change in fund balances - total governmental funds:	$ (61,625,478)
Adjustments for the Statement of Activities:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay ($83.8 million) exceeded depreciation expense ($14.9 million) in the current period.	68,899,941
Capital contributions of infrastructure are reported in the governmental-wide financial statements but not in the fund financial statements.	32,807,991
The long-term portion of accrued compensated absences is not due and payable in the current period and is therefore not reported in governmental funds.	827,493
Changes in the other post-employment benefit (OPEB) obligation are not due and payable in the current period and therefore, not reported in governmental funds.	(24,151,093)
Revenues that do not provide current financial resources are not reported as revenues in the governmental funds. This adjustment reflects the net change in receivables on the accrual basis of accounting.	(2,136,754)
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 the governmental funds. This adjustment reflects the net change in interest payable on the accrual basis of accounting.	1,193,902
Governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	451,464
Principal payments on bonds are reported as expenditures in governmental funds but not as expenses in the government-wide statements.	8,220,000
Internal service funds are used by management to charge the costs of certain activities, such as insurance and equipment replacement, to individual funds. The net revenues (expenses) is reported with governmental activities.	(2,851,976)
Change in net assets of governmental activities	$ 21,635,490

FORT BEND COUNTY, TEXAS
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
September 30, 2008

	Governmental Activities Internal Service Funds
ASSETS	
Current Assets:	
Cash and cash equivalents	$ 6,103,620
Due from other funds	312,795
Other receivables	393,429
Total assets	6,809,844
LIABILITIES	
Current liabilities:	
Benefits Payable - current portion	5,782,436
Due to other funds	68,842
Total current liabilities	5,851,278
Non-current liabilities:	
Benefits payable	304,339
Total liabilities	6,155,617
NET ASSETS	
Unrestricted	$ 654,227

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

FORT BEND COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
For the Year Ended September 30, 2008

	Governmental Activities Internal Service Funds
Operating Revenues	
Charges for Services	$ 23,821,227
Total Operating Revenues	23,821,227
Operating Expenses	
Current operations - general administration	2,237,205
Benefits provided	24,435,998
Total Operating Expenses	26,673,203
Operating Income (Loss)	(2,851,976)
Non-Operating Revenues	
Earnings on investments	206,252
Total Non-Operating Expenses	206,252
Change in Net Assets	(2,645,724)
Net Assets (Deficit), Beginning	3,299,951
Net Assets (Deficit), Ending	$ 654,227

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

FORT BEND COUNTY, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended September 30, 2008

	Governmental Activities Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES	
Charges for services	$ 26,312,356
Payment of benefits	(22,373,256)
Payment of general administration expenses	(2,237,206)
Net Cash Provided by Operating Activities	1,701,894
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest earned on investments	206,252
Net Cash Provided by Investing Activities	206,252
Net Increase in Cash and Cash Equivalents	1,908,146
Cash and Cash Equivalents, Beginning of Year	4,195,474
Cash and Cash Equivalents, End of Year	$ 6,103,620
Reconciliation of Operating (Loss) to Net Cash (Used) by Operating Activities	
Operating (Loss)	$ (2,851,976)
Change in assets and liabilities	
(Increase) Decrease in other receivables	540,552
Increase (Decrease) in due from other funds	1,950,576
Increase (Decrease) in accounts payable	(75,859)
Increase (Decrease) in benefits payable	2,138,601
Total adjustments	4,553,870
Net Cash Provided by Operating Activities	$ 1,701,894

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

FORT BEND COUNTY, TEXAS

STATEMENT OF FIDUCIARY NET ASSETS

September 30, 2008

	AGENCY FUND
ASSETS	
Cash and cash equivalents	$ 30,030,942
Miscellaneous receivables	248,891
Total Assets	$ 30,279,833
LIABILITIES	
Due to other governments	$ 26,308,620
Due to other funds	3,971,213
Total Liabilities	$ 30,279,833


THE STATE OF TEXAS
FORT BEND COUNTY

FORT BEND COUNTY, TEXAS

STATEMENT OF NET ASSETS
COMPONENT UNITS
September 30, 2008

	FBC Surface Water Supply Corporation	Fort Bend Toll Road Authority	Fort Bend Housing Finance Corporation	Totals
ASSETS				
Cash and cash equivalents	$ 7,377	$ 3,443,601	$ 126,734	$ 3,577,712
Investments		17,942,581	380,000	18,322,581
Prepaids				
Accrued interest receivable			10,250	10,250
Miscellaneous receivables		585,011	217	585,228
Deferred bond issuance costs		844,510		844,510
Prepaid items			1,039	1,039
Capital assets, net		157,133,288		157,133,288
Total Assets	7,377	179,948,991	518,240	180,474,608
LIABILITIES AND NET ASSETS				
LIABILITIES				
Accounts payable			3,800	3,800
Due to primary government		634,030		634,030
Accrued interest payable		562,786		562,786
Long term liabilities				
Due in more than one year		139,320,925		139,320,925
Total Liabilities		140,517,741	3,800	140,521,541
NET ASSETS				
Invested in capital assets, net of related debt		17,812,363		17,812,363
Unrestricted	7,377	21,618,887	514,440	22,140,704
Total Net Assets	$ 7,377	$ 39,431,250	$ 514,440	$ 39,953,067

The accompanying notes are an integral part of these financial statements.

FORT BEND COUNTY, TEXAS
STATEMENT OF ACTIVITIES
COMPONENT UNITS
For the Year Ended September 30, 2008

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Capital Grants and Contributions
Fort Bend Toll Road Authority			
Toll road operations	$ 7,756,177	$ 15,154,691	$ 91,500
Interest on Long-term Debt	6,794,619		
Total Fort Bend Toll Road Authority	14,550,796	15,154,691	91,500
Fort Bend Housing Finance Corporation			
General administration	18,510	61,845	10,000
Total Fort Bend Housing Finance Corporation	18,510	61,845	10,000
Total Component Units	$ 14,569,306	$ 15,216,536	$ 101,500
General revenues:			
Unrestricted earnings on investments			
Miscellaneous			
Total General Revenues			
Changes in Net Assets			
Net Assets, Beginning,			
Net Assets, Ending			

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

Net (Expense) Revenue and Changes in Net Assets			
FBC Surface Water Supply Corporation	Fort Bend Toll Road Authority	Fort Bend Housing Finance Corporation	Totals
$	$ 7,490,014	$	$ 7,490,014
	(6,794,619)		(6,794,619)
	695,395		695,395
		53,335	53,335
		53,335	53,335
	695,395	53,335	748,730
192	763,183	16,524	779,899
	142,955		142,955
192	906,138	16,524	922,854
192	1,601,533	69,859	1,671,584
7,185	37,829,717	444,581	38,281,483
$ 7,377	$ 39,431,250	$ 514,440	$ 39,953,067

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

Fort Bend County, Texas ("County") is a public corporation and a political subdivision of the State of Texas. The Commissioners Court, composed of four County Commissioners and the County Judge, all of whom are elected officials, govern the County.

The County is considered an independent entity for financial reporting purposes and is considered a primary government. As required by generally accepted accounting principles, these financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations, or functions as part of the County's financial reporting entity.

Considerations regarding the potential for inclusion of other entities, organizations, or functions in the County's financial reporting entity are based on criteria prescribed by generally accepted accounting principles. These same criteria are evaluated in considering whether the County is a part of any other governmental or other type of reporting entity. The overriding elements associated with prescribed criteria considered in determining that the County's financial reporting entity status is that of a primary government are that it has a separately elected governing body; it is legally separate; and it is fiscally independent of other state and local governments. Additionally, prescribed criteria under generally accepted accounting principles include considerations pertaining to organizations for which the primary government is financially accountable; and considerations pertaining to other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Blended Component Units
Blended component units, although legally separate entities, are, in substance, part of the County's operations and so data of these units are combined with data of the County. Each of the County's blended component units has a September 30 year-end. The following component units have been identified and are presented in a blended format in the government-wide financial statements:

Fort Bend County Drainage District ("District")
Established under Section 59 of Article XVI of the Constitution of Texas, the District includes all of the property within Fort Bend County. The District was created for the purpose of reclamation and drainage of its lands. Commissioners Court acts as the governing body of the District. Complete financial statements for the District can be obtained at the Fort Bend County Auditor's Office located at 301 Jackson, Suite 533, Richmond, Texas.

Fort Bend Flood Control Water Supply Corporation ("FBFCWSC")
The FBFCWSC is a non-profit corporation organized for the benefit of the County to provide for the acquisition, construction and financing of flood control and drainage projects for the County. Upon completion, these projects are maintained by the County. Commissioners Court appoints the Board of Directors and approves all budgets and expenditures. Complete financial statements for the Corporation can be obtained at the Fort Bend County Auditor's Office located at 301 Jackson, Suite 533, Richmond, Texas.

Fort Bend Parkway Road District ("FBPRD")
The FBPRD, a limited purpose political subdivision, was created as a vehicle to provide cost participation for the development and construction of the Fort Bend Parkway in eastern Fort Bend County. The governing body is Commissioners Court. The District does not issue separate financial statements.

Discretely Presented Component Units
Discretely presented component units are presented in a separate column in the government-wide statements to emphasize that they are legally separate from the County. Each of the County's discretely presented component units has a September 30 year-end. The following component units have been identified and are presented in a discrete format in the County's financial statements:

Fort Bend Toll Road Authority
The Fort Bend Toll Road Authority is organized under the Texas Transportation Corporation Act and the Texas Non-Profit Corporation Act. The Authority was created to assist in the planning, designing, financing and building of county roads and highways. In particular, the Authority is to assist in the building and operation of the Fort Bend Toll Road system that will extend from Sam Houston Parkway in Harris County to State Highway 6 and State Highway 99 in Fort Bend County. Commissioners Court appoints the Authority's governing body. The County has financial accountability because it appoints a voting majority of the Board and the County can impose its will. Financial information is available at the County Auditor's Office.

Fort Bend Surface Water Supply Corporation
The Fort Bend County Surface Water Supply Corporation was established for the purpose of conducting a feasibility study of a surface water facility in the area. Currently, revenue sources are primarily from special districts, private corporations, and other entities interested in the study. Commissioners Court appoints the Corporation's governing body. The County has financial accountability because it appoints a voting majority of the Board and the County can impose its will. Financial information is available at the County Auditor's Office.

Fort Bend County Housing Finance Corporation
The Fort Bend County Housing Finance Corporation was established under the Texas Housing Finance Corporation Act. The Corporation provides down payment assistance programs for individuals meeting certain income guidelines and serves as a conduit for activity related to bond issues for affordable housing in Fort Bend County. The tax-exempt bonds issued by the Corporation do not constitute a debt or a pledge of faith by the Corporation, but are payable by the user pursuant to terms defined in the loan agreements underlying each issue. Commissioners Court appoints the Corporation's governing body. The County has financial accountability because it appoints a voting majority of the Board and the County can impose its will. Complete financial statements for The Fort Bend Housing Finance Corporation are prepared and can be obtained at the East Fort Bend County Annex Building located at 3030 Texas Parkway, Suite 213, Missouri City, Texas.

B. Government-wide and Fund Accounting

The basic financial statements include both government-wide (based on the County as a whole) and fund financial statements. While the previous reporting model emphasized fund types (the total of all funds of a particular type), the GASB 34 reporting model focuses on either the County as a whole or on major individual funds (within the fund financial statements). Typically, both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as either governmental or business-type. All primary activities of the County are considered to be governmental type activities; therefore no business type activities are presented within the basic financial statements. In the government-wide Statement of Net Assets, governmental activities are presented on a full accrual, economic resource basis, which incorporates long-term assets and receivables, as well as long-term debt and obligations.

The government-wide Statement of Activities reflects both the gross and net cost per functional category (general administration, financial administration, public safety, etc.), which are otherwise being supported by general government revenues (property taxes, earnings on investments, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues. The program revenues must be directly associated with the function (general administration, financial administration, public safety, etc.).

The governmental funds major fund statements in the fund financial statements are presented on a current financial resource and modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is presented which briefly explains the adjustments necessary to reconcile fund-based financial statements with the governmental column of the government-wide presentation.

The County's fiduciary funds are presented in the fund financial statements by type. Since, by definition, these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements. Since the County only reports agency funds, a statement of changes in fiduciary net assets is not presented. All assets reported in agency funds should be offset by a corresponding liability, resulting in zero net assets.

In the fund financial statements, the accounts of the County are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Following is a description of the various funds:

The County reports the following major governmental funds:

General Fund
The General Fund is the County's primary operating fund. It is used to account for all financial transactions not properly includable in other funds. The principal source of revenue is local property taxes. Expenditures include all costs associated with the daily operations of the County.

Debt Service Fund

This fund is used to account for the debt service transactions relating to the following bond issues: Library Permanent Improvement Bonds Series 1997, Permanent Improvement Bonds Series1997, Permanent Improvements Refunding Bonds Series 2003, Unlimited Tax Road Bonds Series 2001, Unlimited Tax Road Bonds Series 2006, Unlimited Tax Road Bonds Series 2007, Fort Bend Flood Control Water Supply Corporation (FBFCWSC) Revenue Bonds Series 1995 (final payment in FY2008), FBFCWSC Refunding Bonds Series 1999 (final payment in FY2008), Fort Bend Flood Control Water Supply Corporation (FBFCWSC) Revenue Bonds Series 2001, and the Limited Tax Facilities Bonds Series 2007. This fund is also used to account for the debt service transactions associated with the Parkway Road District's Series 1990 Bonds. Revenues in this fund are comprised of property taxes levied against property located in the District.

Mobility Capital Projects Fund
The Mobility Fund is a Capital Projects Fund used to account for the proceeds of the General Obligation Bonds Series 2001, 2006 and 2007 which are being used to finance the construction and/or expansion of numerous roads in the County.

2007 Facilities Bonds Fund
The 2007 Facilities Bonds Fund is a Capital Projects Fund used to account for the proceeds of the Fort Bend County Limited Tax (General Obligation) Bonds Series 2007 which are being used to finance the construction and/or expansion of numerous County facilities.

C. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund-types are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing resources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The government-wide statements of net assets and statements of activities and all proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations of these activities are included on the balance sheet. Proprietary fund equity consists of net assets. Proprietary fund-type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

The accounts of the Governmental Fund Types (the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Funds) and certain Component Units are maintained, and the financial statements have been prepared, on the modified accrual basis of accounting. Under this basis of accounting, revenues are recognized when they become susceptible to accrual (i.e., both measurable and available). Available means collectible within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Substantially all revenues, except property taxes, are considered to be susceptible to accrual. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on long-term debt are recognized as expenditures when due.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. An exception to this general rule is that interfund services provided and used within the County are not eliminated in the process of consolidation. Elimination of these services would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Revenues that are generated internally are reported as general revenues, including property taxes.

Proprietary funds present both operating revenues and expenses as well as nonoperating revenues and expenses. Operating revenues and expenses are generally derived from providing services and producing goods as part of ongoing operations. The principal operating revenues of the County's internal service funds are charges to users for services. The operating expenses for the County's internal service funds include administrative expenses and all costs associated with providing services. All other revenue and expenses is reported as nonoperating revenue.

The accrual basis of accounting is used for the proprietary fund types and certain component units. This basis of accounting recognizes revenues in the accounting period in which they are earned and become measurable, and expenses in the accounting period in which they are incurred and become measurable.

The statements of net assets, statements of activities, and financial statements of proprietary fund types are presented on the accrual basis of accounting. Under this method of accounting, revenues are recognized in the accounting period in which they are earned, and expenses in the accounting period in which they are incurred.

D. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is used as an extension of formal budgetary control. Encumbrances outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities of the current year and are reappropriated in the budget of the subsequent year. Unencumbered appropriations lapse at the end of the year.

E. Cash and Cash Equivalents

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. For the purpose of the statement of cash flows, the Proprietary Fund Types consider temporary investments with maturities of three months or less when purchased to be cash equivalents.

F. Temporary Investments

The County's temporary investments are comprised of U.S. Government Securities and deposits in pooled investment accounts. Obligations with maturities of one year or less when purchased are reported on the balance sheet at their amortized cost, which approximates fair value. All other investments are reported at fair value. The investments in U.S. Government Securities are generally held to maturity.

G. Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

H. Due to and Due From Other Funds

During the course of operations, transactions occur between individual funds for specified purposes, such as lending/borrowing arrangements or amounts. In addition, the County maintains numerous bank accounts among all the funds and occasionally monies are deposited into the incorrect account. Therefore, a receivable and payable are recorded in the proper funds. These receivables and payables are classified as "due from other funds" or "due to other funds" or "due from component unit/primary government" or "due to component unit/primary government" if the transactions are between the primary government and its component unit.

I. Interfund Transfers

The County maintains numerous special revenue and capital project funds to account separately for monies that have been set aside for particular purposes. Often, these monies are initially budgeted in the General Fund during the annual budget process and are then transferred to various funds during the course of the fiscal year. In addition, when these projects are complete, these same funds often transfer residual monies back to the General Fund or some other fund, as determined where the monies should be returned. These interfund transfers are classified as "transfers in" and "transfers out" within the primary government.

J. Interest Receivable

Interest on investments is recorded as revenue in the year the interest is earned and available to pay liabilities of the current period.

K. Capital Assets

Capital assets used in governmental fund types of the government are recorded as expenditures of the General, Special Revenue and Capital Projects Funds and as assets in the government-wide financial statements to the extent the County's capitalization threshold is met, currently $5,000. Depreciation is recorded on capital assets on a government-wide basis. Major outlays for capital assets and improvements are capitalized as projects are constructed and subsequently depreciated over their estimated useful lives on a straight-line basis at both the fund and government-wide levels. All capital assets are valued at historical cost or estimated historical cost if actual cost was not available. Donated capital assets are valued at their estimated fair value on the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are charged to operations when incurred. Expenditures that materially change capacities or extend useful lives are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation, if applicable, are eliminated from the respective accounts and resulting gain or loss is included in the results of operations.

The County applies a half-year convention for depreciation on all assets. Therefore, one half of a year of depreciation is charged to operations the first and last year that an asset is in service. Depreciation has been provided for plant and equipment using the straight-line method over the following estimated useful life for the type of assets as follows:

Asset Description	Estimated Useful Life
Vehicles	5 to 7 years
Office Furniture and fixtures	5 to 7 years
Machinery and equipment	7 to 15 years
Buildings, facilities, and land improvements	10 to 39 years
Infrastructure	20 to 40 years

L. Accrued Compensated Absences

All full-time employees accumulate vacation benefits in varying annual number of days up to a maximum of twenty days a year. Accumulated vacation exceeding twenty days lapses on December 31 of each year.

Compensatory time exceeding 240 hours is paid to nonexempt employees except for the nonexempt law enforcement officers who are paid when hours exceed 480. In the event of termination, an employee is paid for all maximum allowable accumulation of vacation and compensatory time.

Sick leave benefits are earned by all full-time employees at a rate of eight days per year and may be accumulated without limit. In the event of termination, an employee is not paid for any unused sick leave.

A liability for accrued compensated absences is recorded in the government-wide financial statements.

M. Restricted/Unrestricted Net Assets

It is the County's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

N. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

O. Reclassifications

Certain reclassifications to prior year balances have been made to conform to current year presentation. Such reclassifications have had no effect on the excess of revenues over expenditures.

P. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual amounts could differ from those estimates.

NOTE 2 – DEPOSITS (CASH) AND INVESTMENTS

A. Authorization for Deposits and Investments

The Texas Public Funds Investment Act (PFIA), as prescribed in Chapter 2256 of the Texas Government Code, regulates deposits and investment transactions of the County.

In accordance with applicable statutes, the County has a depository contract with an area bank (depository) providing for interest rates to be earned on deposited funds and for banking charges the County incurs for banking services received. The County may place funds with the depository in interest and non-interest bearing accounts. State law provides that collateral pledged as security for bank deposits must have a market value of not less than the amount of the deposits and must consist of: (1) obligations of the United States or its agencies and instrumentalities; (2) direct obligations of the State of Texas or its agencies; (3) other obligations, the principal and interest on which are unconditionally guaranteed or insured by the State of Texas; and/or (4) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent. County policy requires the collateralization level to be at least 100% of market value of principal and accrued interest.

Commissioners Court has adopted a written investment policy regarding the investment of its funds as defined by the Public Funds Investment Act of 1995 (Chapter 2256, Texas Government Code). The investments of the County are in compliance with this policy. State statutes authorize the County to invest in fully collateralized or insured time deposits, direct debt obligations of the United States, and certain repurchase agreements. Investments in security repurchase agreements are authorized when the investment has a defined termination date, is secured by obligations described in the Public Funds Investment Act, is pledged to the County, deposited with a third party selected and approved by the entity, and is placed through a primary government securities dealer or national bank domiciled in the state or national banks domiciled in the State of Texas. The County did not invest in repurchase agreements for the year ended September 30, 2008.

B. Deposit and Investment Amounts

The County's cash and investments are classified as: cash and cash equivalents, and investments. Cash and cash equivalents include cash on hand, deposits with financial institutions, and short-term investments in a privately-managed public funds investment pool account. The investments, which have maturities at purchase of greater than three months, consist mainly of U.S. agency securities.

At September 30, 2008, the County's cash deposits are either insured by FDIC or covered by collateral held by the County's agent in the County's name.

The following schedule shows the County's recorded cash and investments at year-end, excluding Agency Fund:

	Total Fair Value
Cash deposits	$ 35,513,968
Certificate of deposit	380,000
Temporary investments	
MBIA	115,146,315
Texas Term	9,065,809
Farmers Mac Discount Note	45,508,449
Freddie Mac Discount Note	10,374,593
Federal National Mortgage Association Discount Note	2,985,300
Total Cash and investments	$ 218,974,434

Interest Rate Risk
At year-end, the County had the following investments subject to interest rate risk disclosure, under U.S. generally accepted accounting principles:

	Fair Value	Weighted Average Maturity (days)	Percentage of Total Portfolio
Certificate of deposit	$ 380,000	140	0.2%
Temporary Investments			
Investment Pool:			
MBIA	115,146,315	31	62.8%
Texas Term	9,065,809	41	4.9%
Governmental securities:			
Farmers Mac Discount Note	45,508,449	188	24.8%
Freddie Mac Discount Note	10,374,593	353	5.7%
Federal National Mortgage Association Discount Note	2,985,300	176	1.6%
Total Fair Value	$ 183,460,466		
Portfolio weighted average maturity		91	

It's the County's policy to select any individual investment with a maximum stated of thirty-six (36) months. Portfolio maturities will be structured to meet the obligations of the County first and then to achieve the highest rate of return of interest. When the County has funds not required to meet current-year obligations, maturity restraints will be imposed based upon the investment strategy for the group of funds.

Concentration of Credit Risk
It is the County's policy to diversify its portfolio to eliminate the risk of loss resulting from a concentration of assets in a specific maturity (save and except zero duration funds), a specific issuer or a specific class of investments. To achieve this diversification, the County will limit investments in specific types of securities to the following percentages of the total portfolio:

Investment Type	Maximum Investment %
Repurchase Agreements	up to 35%
Certificates of Deposit	up to 50%
U.S. Treasury Bills/Notes	up to 100%
Other U.S. Government Securities	up to 80%
Authorized Local Government Investment Pools	up to 80%
No Load Money Market Mutual Funds	up to 50%
Bankers Acceptances	up to 15%

It's the County's policy to select investments in order to provide stability of income and reasonable liquidity.

The County's investment in Farmers Mac (FAMC), Freddie Mac (FHLMC) and Federal National Mortgage Association (FNMA) discount notes were rated Aaa by Moody's Investors Service and AAA by Standard and Poor's. The County's investment in the state investment pool via MBIA and Texas Term were rated Aaa by Moody Investments and AAA by Standard and Poor's.

NOTE 3 – RECEIVABLES

Receivables, including applicable allowances for uncollectible accounts, as of September 30, 2008, are as follows:

	General	Debt Service	Mobility Projects	Other Governmental Funds	Total
Receivables					
Taxes	$ 6,663,643	$ 639,270	$	$ 1,271,052	$ 8,573,965
Grants	8,452,923			1,325,747	9,778,670
Fees & fines	4,319,143				4,319,143
Other	1,156,842	14,953	230	335,955	1,507,980
Gross receivables	20,592,551	654,223	230	2,932,754	24,179,758
Less: allowance for uncollectibles	(666,365)	(63,927)		(127,105)	(857,397)
Total	$ 19,926,186	$ 590,296	$ 230	$ 2,805,649	$ 23,322,361

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. As of September 30, 2008, the various components of deferred revenue reported in the governmental funds are as follows:

	Unavailable	Unearned
Delinquent property taxes (general fund)	$ 5,997,278	$
Delinquent property taxes (road and bridge fund)	754,457	
Delinquent property taxes (drainage district fund)	389,489	
Delinquent property taxes (debt service fund)	575,343	
Fees and fines	4,319,143	
Grant funds received prior to meeting all eligibility requirements		3,845,318
Total deferred revenue for governmental funds	$ 12,035,710	$ 3,845,318

NOTE 4 – PROPERTY TAXES

The County's tax year covers the period October 1 through September 30. The County's property taxes are levied annually in October on the basis of the Fort Bend Central Appraisal District's (CAD) assessed values as of January 1 of that calendar year. Such taxes become delinquent on February 1 of the subsequent calendar year. The CAD establishes appraised values at 100% of market value less exemptions. The County's property taxes are billed and collected by the County's Tax Assessor/Collector.

A. 2007 Tax Year

Property taxes are prorated between the General, certain Special Revenue, and Debt Service Funds based on rates adopted for the year of the levy. For the 2008 fiscal year (2007 tax year), the County levied property taxes of $0.51674 per $100 of assessed valuation. The 2007 rates resulted in total tax levies of approximately $173 million based on a total adjusted valuation of approximately $33.5 billion. The total tax rate in the 2007 tax year was prorated as follows:

	2007 Rate	2007 Limit
Fort Bend County, Texas		
General, certain special revenue, and debt service	$ 0.47454	$ 0.80000
Special road & bridge funds	0.02420	0.15000
Fort Bend County Drainage District	0.01800	0.25000
Total Tax Rate	$ 0.51674	$ 1.20000

The tax rate for the Fort Bend Parkway Road District for the 2007 tax year was $0.054425 per $100 of assessed valuation.

B. Fort Bend Central Appraisal District

The Fort Bend Central Appraisal District (CAD), a separate governmental entity, is responsible for the recording and appraisal of property for all taxing units in the County.

The CAD is required by state law to assess property at 100% of its appraised value. Further, real property must be appraised at least every four years. Under certain circumstances, the taxpayers and taxing units, including the County, may challenge orders of the CAD's Appraisal Review Board through various appeals and, if necessary, legal action may be taken.

The Commissioners Court will continue to set the tax rates on the property. State law also provides that, if approved by the qualified voters in the County, collection functions may be assigned to the CAD.

NOTE 5 – INTERFUND ACTIVITY

During the year, cash advances are occasionally made between funds for various projects and situations, which create receivables and payables between these funds. All of these interfund balances are expected to be paid within one year. At September 30, 2008, the interfund receivables and payables were as follows:

	Interfund Receivable	Interfund Payable
General Fund	$ 13,043,316	$ 28,681
Debt Service	21,505	
Major Capital Project - Mobility		1,883,052
2007 Facilities Bond		5,730,156
Non-major Governmental Funds	121,790	1,817,462
	13,186,611	9,459,351
Fiduciary Funds	794,104	4,765,317
Internal Service Funds	312,795	68,842
Total Governmental Activity	$ 14,293,510	$ 14,293,510

Interfund transfers

Transfers totaling approximately $9.5 million were made during the year primarily for the purpose of moving unrestricted general fund revenues to finance various programs that the government must account for in other funds in accordance with the budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs.

NOTE 6 - CAPITAL ASSETS

A summary of changes in the primary government's capital assets for the year ended September 30, 2008 follows:

	Primary Government			
	Balance 10/01/07	**Increases**	**Decreases**	**Balance 09/30/08**
Governmental Activities:				
Capital assets not being depreciated:				
Land	$ 257,953,832	$ 12,642,449		$ 270,596,281
CIP	94,641,784	79,664,301	(41,005,316)	133,300,769
Total cap. assets not depreciated	352,595,616	92,306,750	(41,005,316)	403,897,050
Other capital assets:				
Vehicles	18,665,681	2,731,268	(1,691,851)	19,705,098
Office furniture and equipment	12,639,588	3,861,537	(588,846)	15,912,279
Road Equipment	18,798,587	2,234,167	(464,328)	20,568,426
Buildings, facilities and improvements	108,619,717	1,641,540	(601,784)	109,659,473
Infrastructure	291,702,284	55,492,259		347,194,543
Total other capital assets	450,425,857	65,960,771	(3,346,809)	513,039,819
Less accumulated depreciation for:				
Vehicles	(12,073,684)	(2,070,532)	1,379,748	(12,764,468)
Office furniture and equipment	(8,673,722)	(1,682,661)	433,079	(9,923,304)
Road Equipment	(9,968,490)	(1,246,483)	459,844	(10,755,129)
Buildings, facilities and improvements	(45,646,741)	(2,168,331)	290,890	(47,524,182)
Infrastructure	(81,823,824)	(7,767,615)		(89,591,439)
Total accumulated depreciation	(158,186,461)	(14,935,622)	2,563,561	(170,558,522)
Other capital assets, net	292,239,396	51,025,149	(783,248)	342,481,297
Total Net Assets	$ 644,835,012	$ 143,331,899	$ (41,788,564)	$ 746,378,347

Depreciation expenses were charged to the following function in the statement of activities:

FY2008 Depreciation Expense	
General Administration	$ 3,613,906
Financial Administration	40,055
Administration of Justice	449,051
Construction & Maintenance	9,405,562
Health & Welfare	61,316
Cooperative Services	40,151
Public Safety	465,348
Parks & Recreation	860,233
Total FY2008 Depreciation Expense	$ 14,935,622

Construction in progress and remaining commitments under related construction contracts for general government construction projects at September 30, 2008, follows:

2008 CONSTRUCTION COSTS

Project	Budget at 09/30/2008	Adjusted Balance at 9/30/2007	Increases (Retainage included)	Decreases	Encumbrances 9/30/2008	Balance 9/30/2008
Arcola Projects	$ 200,000	$ 39,606	$ 167,142			$ 206,748
CSCD Expansion	179,981		178,540		10,505	178,540
Jail Study	250,000	160,490				160,490
Court Complex Study	396,955	288,095	13,000		3,453	301,095
IT Enhancements	502,983	419,332	14,889		1,143	434,221
SH 36 Park & Ride	593,628	28,105	89,766			117,871
Fresh Water Supply District #1	3,001,734	2,777,964	111,851			2,889,815
F&HC Software Project	4,806,865	3,379,602	1,314,136	(4,693,738)	268,927	
JST Software Project	5,090,330	1,057,680	1,824,489		327,631	2,882,170
HHS Coordinator Center	6,000	2,195			40,745	2,195
UH Library	50,000	25,855				25,855
Pct. 4 Elevator	98,100	115,310	39,823	(155,133)		
Jane Long Renovations	435,500	329,705	8,435			338,140
Hillcroft Reconstruction Project	495,106	431,748				431,748
Parks Upgrades	959,475	900,486	98,253		4,659	998,738
Fairgrounds Renovation Project (2002)	1,008,718	1,004,924		(1,004,924)		
Fairgrounds Renovation Project (2008)	200,000		175,375			175,375
Pct. 3 Relocations	1,491,433	1,405,076	55,787		9,839	1,460,862
Sienna Library Project	1,632,760	475,870	5,810		8,310	481,680
434th District Court Buildout	293,557	109,737	22,047		6,857	131,781
Travis Elevator Renovations	314,983	179,611	126,909	(306,520)		
Vehicle Maintenance Expansion	805,200		377,111		119,329	377,111
5th Street Expansion	390,822	39,900	349,472		10,822	389,371
Fairgrounds Pavillions	250,000		132,156		117,844	132,156
Fort Bend Justice Center	5,500,000		2,686,298		2,563,127	2,686,298
Model Airplane Park	60,000				9,231	
Kitty Park Playground	60,000		37,899		187	37,899
LID #6	3,225,000		2,900,000			2,900,000
Parks Security Lighting	150,000		64,705		21,586	64,705
40 Acre Expansion		24,710				24,710
Mobility Projects	63,280,803	59,730,821	15,770,704	(32,863,271)	8,665,719	42,638,254
Library Building All Branches	82,589	37,258				37,258
FB Parkway Project	91,339	3,705				3,705
Tax Office	3,000,000	42,750	1,178,389		1,357,317	1,221,139
GML Library Renovations	4,000,000		520,941		25,031	520,941
Sugar Land Library (Bond)	10,000,000		182,943		615,576	182,943
S. Post Oak	650,000	6,515	380,237		51,487	386,752
Pct. 1 Facility	3,000,000	53,490	2,229,440		94,650	2,282,930
Pct. 3 Service Center	3,000,000		19,126		49,731	19,126
Fire Marshal/EMS	3,000,000	32,063	63,281		14,040	95,344
Needville Service Center (Bond)	3,500,000		1,617,544			1,617,544
Gus George Academy	4,500,000	24,990	1,693,333		5,270,045	1,718,323
Dew House	250,000	31,050	180,385			211,435
Sienna Library Project (Bond)	10,000,000		397,046		9,155,755	397,046
Facilities Bonds	1,518,180		35,037		4,651	35,037
Jail Expansion	80,000,000	3,359,530	43,366,209		24,671,891	46,725,739
Pct. 2 Service Center	2,100,000	455,826	173,148		252,151	628,974
Bridge Construction	407,106	2,246				2,246
Traffic Signal Project	2,083,970	1,981,729		(1,981,729)		
Traffic Signal Project	1,300,000		222,115		104,837	222,115
Fairgrounds Blvd.	387,000		117,758		1,100	117,758
Needville Service Center	306,518	106,518			690,082	106,518
Rosenberg JJAEP Remodel	75,000	63,343				63,343
BIG CREEK-FBFCWSC	10,603,250	10,603,250	606,503			11,209,753
BIG CREEK	1,784,884	1,784,884	68,052			1,852,936
UPPER OYSTER CREEK	3,125,816	3,125,816	48,219			3,174,036
Total	$ 244,495,585	$ 94,641,781	$ 79,664,301	$ (41,005,315)	$ 54,548,257	$ 133,300,765

A summary of changes in the discretely presented component unit (Fort Bend Toll Road Authority) capital assets for the year ended September 30, 2008 follows

	Discretely Presented Component Units			
	Balance 10/01/07	**Increases**	**Decreases**	**Balance 09/30/08**
Governmental Activities:				
Other capital assets				
Toll Roads	$ 162,677,731	$ 4,100,141	$	$ 166,777,872
Total cap. Assets	162,677,731	4,100,141		166,777,872
Less accumulated depreciation for:				
Toll Roads	5,454,363	4,190,221		9,644,584
Total Net Assets	$ 157,223,368	$ (90,080)	$	$ 157,133,288

Depreciation expense for the Fort Bend Toll Road Authority totaled $4.2 million.

NOTE 7 - LONG-TERM DEBT

A. General Obligation Bonds and Certificates of Obligation

Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period, and accordingly, are not reported as fund liabilities in the governmental funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. Long-term bonded debt at September 30, 2008 is as follows:

Primary Government					
Original Issue		Description	Interest Rate %	Matures	Debt Outstanding
General Obligation Bonds					
$	25,285,000	Permanent Improvement Refunding Bonds, Series 2003	1.50 - 5.00	2011	$ 11,605,000
	5,000,000	Library Permanent Improvement Bonds, Series 1997	4.50 - 6.50	2016	2,865,000
	29,000,000	Fort Bend General Obligation Bonds, Series 2001	4.00 - 5.00	2021	26,650,000
	30,245,000	Fort Bend General Obligation Bonds, Series 2006	4.00 - 5.00	2026	28,315,000
	11,650,000	Fort Bend Flood Control Water Supply Refunding Bonds, Series 2001	2.85 - 5.38	2021	10,550,000
	26,000,000	Unlimited Tax Road Bonds, Series 2007	4.00 - 4.25	2027	25,140,000
	126,675,000	Facilities Limited Tax Bonds, Series 2007	4.00 - 5.00	2031	126,675,000
		Total Direct General Obligation Bonds			231,800,000
	1,520,000	Fort Bend Parkway Road District Unlimited Tax Bonds, Series 1990	8.20 - 8.63	2010	330,000
		Total General Obligation Bonds			$ 232,130,000

A summary of long-term liability transactions of the County for the year ended September 30, 2008, follows:

	October 1, 2007 Balance	Additions	Retirements	September 30, 2008 Balance	Amounts Due Within One Year
General Obligation Bonds	$ 240,350,000	$	$ 8,220,000	$ 232,130,000	$ 8,595,000
Premiums on bonds	6,213,943		299,089	5,914,854	
Totals	246,563,943		8,519,089	238,044,854	8,595,000
Claims and Judgements	3,948,174	21,293,794	19,155,193	6,086,775	5,782,436
Accrued Compensated Absences	5,657,127	200,668	1,004,816	4,852,979	1,213,245
Other Post-Employment Benefit (OPEB) Obligation		24,151,093		24,151,093	
Totals	9,605,301	45,645,555	20,160,009	35,090,847	6,995,681
Total Long Term Liabilities	$ 256,169,244	$ 45,645,555	$ 28,679,098	$ 273,135,701	$ 15,590,681

In prior years, the general fund has generally liquidated other long-term liabilities, including accrued compensated absences.

Annual debt service requirements (excluding accrued compensated absences) to maturity are summarized as follows:

	Principal	Interest	Totals
2009	$ 8,595,000	$ 10,934,837	$ 19,529,837
2010	8,540,000	10,623,016	19,163,016
2011	8,795,000	10,243,668	19,038,668
2012	9,285,000	9,737,111	19,022,111
2013	9,610,000	9,297,462	18,907,462
2014	10,040,000	8,816,004	18,856,004
2015	10,380,000	8,322,016	18,702,016
2016	10,715,000	7,814,876	18,529,876
2017	10,635,000	7,281,732	17,916,732
2018	11,010,000	6,751,285	17,761,285
2019	11,405,000	6,204,035	17,609,035
2020	11,790,000	5,637,835	17,427,835
2021	12,230,000	5,049,766	17,279,766
2022	9,640,000	4,515,101	14,155,101
2023	10,120,000	4,034,049	14,154,049
2024	10,630,000	3,527,806	14,157,806
2025	11,150,000	3,000,069	14,150,069
2026	11,700,000	2,450,447	14,150,447
2027	9,850,000	1,939,738	11,789,738
2028	8,370,000	1,511,688	9,881,688
2029	8,780,000	1,104,375	9,884,375
2030	9,205,000	677,231	9,882,231
2031	9,655,000	229,306	9,884,306
Totals	$ 232,130,000	$ 129,703,453	$ 361,833,453

Discretely presented component unit long-term bonded debt as of September 30, 2008, is listed below:

Discretely Presented Component Units				
Original Issue	**Description**	**Interest Rate %**	**Matures**	**Debt Outstanding**
General Obligation Bonds				
$ 63,695,000	Unlimited Tax and Subordinate Lien Toll Road Revenue Bonds, Series 2003	4.00 - 5.00	2032	$ 63,695,000
72,195,000	Unlimited Tax and Subordinate Lien Toll Road Revenue Bonds, Series 2004	3.63 - 5.00	2032	72,195,000
	Total General Obligation Bonds			$ 135,890,000

A summary of long-term liability transactions of the discretely component units for the year ended September 30, 2008, follows:

	October 1, 2007 Balance	Additions	Retirements	September 30, 2008 Balance	Amounts Due Within One Year
General Obligation Bonds	$ 135,890,000	$		$ 135,890,000	$
Premiums on bonds	3,573,880		142,955	3,430,925	
Totals	$ 139,463,880	$	$ 142,955	$ 139,320,925	$

Annual debt service requirements to maturity are summarized as follows:

	Principal	Interest	Totals
2009	$	$ 6,753,432	$ 6,753,432
2010		6,753,432	6,753,432
2011	1,400,000	6,725,432	8,125,432
2012	1,645,000	6,665,741	8,310,741
2013	1,900,000	6,596,050	8,496,050
2014	2,345,000	6,499,425	8,844,425
2015	2,820,000	6,370,300	9,190,300
2016	3,530,000	6,209,138	9,739,138
2017	4,240,000	6,009,488	10,249,488
2018	5,050,000	5,774,250	10,824,250
2019	5,550,000	5,509,250	11,059,250
2020	6,000,000	5,220,500	11,220,500
2021	6,320,000	4,912,500	11,232,500
2022	6,650,000	4,588,250	11,238,250
2023	6,975,000	4,247,625	11,222,625
2024	7,365,000	3,889,125	11,254,125
2025	7,720,000	3,512,000	11,232,000
2026	8,130,000	3,115,750	11,245,750
2027	8,550,000	2,698,750	11,248,750
2028	8,980,000	2,260,500	11,240,500
2029	9,430,000	1,800,250	11,230,250
2030	9,940,000	1,316,000	11,256,000
2031	10,410,000	807,250	11,217,250
2032	10,940,000	273,500	11,213,500
Totals	$ 135,890,000	$ 108,507,938	$ 244,397,938

B. Conduit Debt

The Fort Bend County Housing Finance Corporation is authorized to finance residential housing by issuing tax-exempt revenue bonds to acquire mortgage loans as security for the payment of the principal and interest of such revenue bonds. The tax-exempt bonds issued by the Corporation do not constitute a debt or pledge of faith of the Corporation, but are payable by the user pursuant to terms defined in the loan agreement underlying each issue. During 1998, the corporation's first Single Family Mortgage Revenue Bonds (GNMA and FNMA Mortgage-Backed Securities Program) Series 1998 were issued in the amount of $18,750,000. Since then, an additional $79,568,000 of bonds have been issued. As of September 30, 2008, $42,741,883 of total bonds are outstanding.

NOTE 8 – EMPLOYEE RETIREMENT SYSTEM

A. Plan Description

The County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of 493 nontraditional defined benefit pension plans. TCDRS in the aggregate issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034.

The plan provisions are adopted by the governing body of the employer, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with eight or more years of service, with 30 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after eight years of service but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the employer within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute. At retirement, death, or disability, the benefit is calculated by converting the sum of the employee's accumulated contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

B. Contributions

The employer has elected the annually determined contribution rate (ADCR) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. It was 10.13% for calendar year 2008. The contribution rate payable by the employee members is the rate of 7% as adopted by the governing body of the employer. The employee contribution rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act.

The County's total payroll in fiscal year 2008 was $91.6 million and the County's contributions were based on a payroll of $89.5 million. Contributions made by employees totaled $6.3 million, and the County made contributions of $9.1 million during the fiscal year ended September 30, 2008.

Three year trend information for the Pension Plan is presented below:

	2008	2007	2006
Annual Pension Cost (APC)	$ 9,110,858	$ 8,097,682	$ 7,322,925
Percentage of APC Contributed	100%	100%	100%
NPO at the End of Period			

For the year ended September 30, 2008, the pension cost for the TCDRS plan and the actual contributions made were 9,110,858. Because all contributions are made as required, no pension obligation existed at September 30, 2008.

Actuarial Information	12/31/2007
Actuarial cost method	Entry age
Amortization method	level percentage of payroll, closed
	of payroll
Amortization period	15 years
Asset valuation method	10-year smoothed value ESF; Fund value
Assumptions:	
Investment return	8.0%
Projected salary increases	5.3%
Inflation	3.5%
Costs-of-living adjustments	0.0%

NOTE 9 - DEFERRED COMPENSATION PLAN

The County offers all of its full-time employees a deferred compensation plan created in accordance with Section 457 of the Internal Revenue Code. Nationwide Retirement Solutions and Security Benefit Life have been appointed as plan administrators. The plan permits employees to defer a portion of their salary until future years. The deferred compensation is not available to the employees until termination, retirement, death, or emergency. Amounts of compensation deferred by employees under the plan provisions are disbursed to the plan administrators after each pay period. The plan administrators hold all funds invested in the plan and disburse funds to employees in accordance with plan provisions. The County does not maintain significant oversight of the plan administrators' activities.

NOTE 10-OTHER POST-EMPLOYMENT BENEFITS

In addition to providing pension benefits through the Texas County and District Retirement System, the County has opted to provide eligible retired employees with the following post-employment benefits:

- Eligible retirees may purchase health insurance from the County's healthcare provider at the County's cost to cover current employees
- Eligible retirees may purchase health insurance for the County's healthcare provider at the County's cost to cover current employees for dependents if the dependents were covered at the point of retirement

The County is statutorily required to permit retiree participation in the health insurance program on a pooled non-differentiated basis. The County recognizes its share of the costs of providing these benefits when paid, on a "pay-as-you-go" basis. These payments are budgeted annually. The County contributed approximately $2.9 million for the fiscal year ending September 30, 2008. At September 30, 2008, there were approximately 333 participants eligible to receive such benefits. Commencing in fiscal 2008, the County has implemented GASB Statement No. 45 "Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions." The County has performed an actuarial valuation of its post-retirement benefit liability. The financial statement disclosures for 2008 are as follows:

The following table shows the calculation of the Annual Required Contribution and the Net OPEB Obligation.

	Fiscal Year Ending 9/30/2008
Determination of Annual Required Contribution	
Normal Cost at Fiscal Year End	$ 15,005,349
Amortization of Unfunded Actuarial Accrued Liability	11,979,958
Annual Required Contribution	$ 26,985,307
Determination of Net OPEB Obligation	
Annual Required Contribution	$ 26,985,307
Less Assumed Contributions Made	2,834,214
Estimate Increase in Net OPEB Obligation	$ 24,151,093
Net OPEB Obligation – Beginning of Year	$ 0
Net OPEB Obligation – End of Year	$ 24,151,093

The following table shows the annual OPEB cost and net OPEB obligation for the prior 3 years assuming the plan is not prefunded (4% discount):

Fiscal Year Ended	Discount Rate	Annual OPEB Cost	Percentage of OPEB Cost Contributed	Net OPEB Obligation
9/30/2006	N/A	N/A	N/A	N/A
9/30/2007	N/A	N/A	N/A	N/A
9/30/2008	4.0%	$ 26,985,307	10.50%*	$ 24,151,093

NOTE 11 – CONTINGENCIES AND COMMITMENTS

A. Construction Contract Commitments

The County had several capital improvement commitments at September 30, 2008. A contract between two parties does not result immediately in the recognition of a liability. Instead, a liability is incurred when performance has occurred under the contract. Until such time as performance takes place, these contracts represent a commitment rather than a liability. These commitments and their related construction in progress are summarized in Note 6.

B. Litigation and Other Contingencies

The County is contingently liable with respect to lawsuits and other claims in the ordinary course of its operations. The settlement of such contingencies under the budgetary process would not materially affect the financial position of the County as of September 30, 2008.

NOTE 12 - RISK MANAGEMENT

The County is exposed to various risks related to torts: theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The County's risk management program encompasses various means of protecting the County against loss through self-insurance and obtaining property, casualty, and liability coverage through commercial insurance carriers. Settled claims have not exceeded insurance coverage in any of the previous three fiscal years. There has not been any significant reduction in insurance coverage from that of the previous year.

Liabilities have been recorded for workers' compensation, auto liability, general liability, and employee benefits. These liabilities are recorded when it is probable that a loss has occurred and the amount can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends, and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses regardless of whether allocated to specific claims. Nonincremental claims adjustment expenses have not been included as part of the liability for claims and judgments. However, estimated recoveries, for example from salvage or subrogation, are another component of the claims liability estimate. Changes in the balances of claims liabilities during the past two years are as follows:

	Year ended 9/30/2008	Year ended 9/30/2007
Unpaid claims, beginning of year	$ 3,948,174	$ 4,620,146
Incurred claims (including IBNRs)	21,293,794	15,705,862
Claim payments	(19,155,193)	(16,377,834)
Unpaid claims, end of year	$ 6,086,775	$ 3,948,174

APPENDIX C

FORM OF BOND COUNSEL'S OPINION

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May 14, 2009

WE HAVE ACTED AS BOND COUNSEL for Fort Bend County, Texas (the "County"), in connection with an issue of bonds (the "Bonds") described as follows:

> FORT BEND COUNTY, TEXAS LIMITED TAX AND REFUNDING BONDS, SERIES 2009, dated May 1, 2009, in the total authorized amount of $73,430,000.
>
> The Bonds mature, bear interest and may be transferred and exchanged as set out in the Bonds and in the Order adopted by the Commissioners Court of the County authorizing their issuance (the "Order").

WE HAVE ACTED AS BOND COUNSEL for the sole purpose of rendering an opinion with respect to the legality and validity of the Bonds under the Constitution and laws of the State of Texas and with respect to the exclusion of interest on the Bonds from gross income for federal income tax purposes. We have not investigated or verified original proceedings, records, data or other material, but have relied solely upon certificates executed by officers, agents and representatives of the County. We have assumed no responsibility with respect to the financial condition of the County or the reporting or disclosure thereof in connection with the sale of the Bonds. Our role in connection with the County's Official Statement prepared for use in connection with the sale of the Bonds (the "Official Statement") has been limited as described therein.

IN OUR CAPACITY AS BOND COUNSEL, we have participated in the preparation of and have examined a transcript of certified materials pertaining to the Bonds and the bonds being refunded, on which we have relied in giving our opinion. The transcript which contains certified copies of certain proceedings of the County, customary certificates of officers, agents and representatives of the County, and other certified showings relating to the authorization and issuance of the Bonds and the firm banking and financial arrangements for the discharge and final payment of the bonds being refunded. We also have examined executed Bond No. IB-1 of this issue.

BASED ON SAID EXAMINATION, IT IS OUR OPINION that the transcript of certified proceedings evidences complete legal authority for the issuance of the Bonds

in full compliance with the Constitution and laws of the State of Texas presently effective and that therefore the Bonds are valid and legally binding obligations of the County, and taxable property in the County is subject to the levy of ad valorem taxes to pay the same, within the limits prescribed by law.

The rights of the owners of the Bonds are subject to the applicable provisions of the federal bankruptcy laws and any other similar laws affecting the rights of creditors of political subdivisions generally, and may be limited by general principles of equity which permit the exercise of judicial discretion.

IT IS OUR FURTHER OPINION that:

(1) Interest on the Bonds is excludable from gross income for federal income tax purposes under existing law.

(2) Interest on the Bonds is not subject to the alternative minimum tax on individuals and corporations.

In providing such opinions, we have relied on representations of the County, the County's Financial Advisor and the Underwriter (as defined in the Order) with respect to matters solely within the knowledge of the County, the County's Financial Advisor and the Underwriter, respectively, which we have not independently verified, and have assumed continuing compliance with the covenants in the Order pertaining to those sections of the Code which affect the exclusion from gross income of interest on the Bonds for federal income tax purposes. If such representations are determined to be inaccurate or incomplete or the County fails to comply with the foregoing covenants of the Order, interest on the Bonds could become includable in gross income from the date of their original delivery, regardless of the date on which the event causing such inclusion occurs.

Except as stated above, we express no opinion as to any federal, state or local tax consequences resulting from the receipt or accrual of interest on, or acquisition, ownership or disposition of, the Bonds.

Our opinions are based on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement our opinions to reflect any facts or circumstances that may thereafter come to our attention or to reflect any changes in any law that may thereafter occur or become effective. Moreover, our opinions are not a guarantee of result and are not binding on the Internal Revenue Service (the "Service"); rather, such opinions represent our legal judgment based upon our review of existing law and in reliance upon the representations and covenants referenced above that we deem relevant to such opinions. The Service has an ongoing audit program to determine compliance with rules that relate to whether interest on state or local obligations is includable in

gross income for federal income tax purposes. No assurance can be given whether or not the Service will commence an audit of the Bonds. If an audit is commenced, in accordance with its current published procedures the Service is likely to treat the County as the taxpayer. We observe that the County has covenanted in the Order not to take any action, or omit to take any action within its control, that if taken or omitted, respectively, may result in the treatment of interest on the Bonds as includable in gross income for federal income tax purposes.

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Financial Advisory Services
Provided By



First Southwest Company

ATTORNEY GENERAL OF TEXAS

GREG ABBOTT

EFK

May 11, 2009

THIS IS TO CERTIFY that Fort Bend County, Texas (the "Issuer"), has submitted to me Fort Bend County, Texas, Limited Tax and Refunding Bond, Series 2009 (the "Bond"), in the principal amount of $73,430,000, for approval. The Bond is dated May 1, 2009, numbered IB-1, and was authorized by an Order of the Issuer passed on April 14, 2009.

I have examined the law and such certified proceedings and other papers as I deem necessary to render this opinion.

As to questions of fact material to my opinion, I have relied upon representations of the Issuer contained in the certified proceedings and other certifications of public officials furnished to me without undertaking to verify the same by independent investigation.

I express no opinion relating to the official statement or any other offering material relating to the Bond.

Based on my examination, I am of the opinion, as of the date hereof and under existing law, as follows:

(1) The Bond has been issued in accordance with law and is a valid and binding obligation of the Issuer.

(2) In accordance with the provisions of the law, firm banking arrangements have been made for the discharge and final payment or redemption of the obligations being refunded upon deposit of an amount sufficient to pay said obligations when due.

(3) The Bond is payable from the proceeds of an annual ad valorem tax levied, within the limits prescribed by law, against all taxable property in the Issuer.

Therefore, the Bond is approved.

The Comptroller is instructed that she may register the Bond without the cancellation of the

The Comptroller is instructed that she may register the Bond without the cancellation of the underlying securities being refunded thereby.

Attorney General of the State of Texas

No. 49044
Book No. 2009-B
MAR

RECEIPT AND NO-LITIGATION CERTIFICATE

THE STATE OF TEXAS §
§
COUNTY OF FORT BEND §

We, the undersigned officers of Fort Bend County, Texas (the "County"), do hereby certify, as of the date set forth below, the following:

1. On May 14, 2009, we delivered, or caused to be delivered, to the purchaser thereof the following bonds (the "Bonds"):

> FORT BEND COUNTY, TEXAS, LIMITED TAX AND REFUNDING BONDS, SERIES 2009, dated May 1, 2009, in the principal amount of $73,430,000

2. At the time of such delivery, the County received from the Underwriter full payment for the Bonds in keeping with the ordinance authorizing the issuance and awarding the sale thereof.

3. At the time of delivery of the Bonds, (a) no litigation of any nature has been filed or is now pending which contests or attacks the validity of the Bonds, which would restrain or enjoin the issuance or delivery of the Bonds; which would restrain or enjoin the collection or pledge of funds from which the Bonds are payable or would in any other manner affect the provision made for their payment or security; or which in any manner questions the proceedings or authority concerning the issuance of the Bonds; and so far as we know and believe no such litigation is threatened; (b) neither the corporate existence nor the boundaries of the County are being contested; no litigation has been filed or is now pending which would affect the authority of the officers of the County to issue, execute and deliver the Bonds or would affect the title of the undersigned to their respective offices; and no authority or proceedings for the issuance, execution or delivery of the Bonds have been repealed, rescinded or revoked; and (c) no additional bonds, warrants or other indebtedness payable from the same source as the Bonds have been issued since the date of the General Certificate submitted to the Attorney General of Texas in connection with the approval of the Bonds.

SIGNED as of, and delivered on, the date of delivery of the Bonds set forth above.

County Judge, Fort Bend County, Texas

County Clerk, Fort Bend County, Texas



FEDERAL TAX CERTIFICATE

I, the undersigned officer of Fort Bend County, Texas (the "County"), make this certification for the benefit of all persons interested in the exclusion from gross income for federal income tax purposes of the interest to be paid on the County's Limited Tax and Refunding Bonds, Series 2009 (the "Bonds"), which are being issued in the aggregate principal amount of $73,430,000 and delivered simultaneously with the delivery of this certificate. I do hereby certify as follows in good faith on the date hereof (the "Issue Date"):

1. Responsible Officer. I am the duly chosen, qualified and acting officer of the County for the office shown below my signature; as such, I am familiar with the facts herein certified and I am duly authorized to execute and deliver this certificate on behalf of the County. I am the officer of the County charged, along with other officers of the County, with responsibility for issuing the Bonds.

2. Code and Regulations. I am aware of the provisions of sections 141, 148, 149 and 150 of the Internal Revenue Code of 1986, as amended (the "Code"), and the Treasury Regulations (the "Regulations") heretofore promulgated under sections 141, 148, 149 and 150 of the Code. This certificate is being executed and delivered pursuant to sections 1.141-1 through 1.141-15, 1.148-0 through 1.148-11, 1.149(b)-1, 1.149(d)-1, 1.149(g)-1, 1.150-1 and 1.150-2 of the Regulations.

3. Definitions. The capitalized terms used in this certificate (unless otherwise defined) that are defined in the order authorizing the issuance of the Bonds dated April 14, 2009 (the "Order ") shall for all purposes hereof have the meanings therein specified. All such terms defined in the Code or Regulations shall for all purposes hereof have the same meanings as given to those terms in the Code and Regulations unless the context clearly requires otherwise.

4. Reasonable Expectations. The facts and estimates that are set forth in this certificate are accurate. The expectations that are set forth in this certificate are reasonable in light of such facts and estimates. There are no other facts or estimates that would materially change such expectations. In connection with this certificate, the undersigned has to the extent necessary reviewed the certifications set forth herein with other representatives of the County as to such accuracy and reasonableness. The undersigned has also relied, to the extent appropriate, on representations set forth in the certificate of Loop Capital Markets, LLC (the "Underwriters"), the manager of the group of underwriters that have purchased the Bonds, attached hereto as Exhibit A and the representations set forth in the certificate of First Southwest Company, the financial advisor to the County (the "Financial Advisor") attached hereto as Exhibit B. The

undersigned is aware of no fact, estimate or circumstance that would create any doubt regarding the accuracy or reasonableness of all or any portion of such documents.

5. Description of Governmental Purpose. The County is issuing the Bonds pursuant to the Order (a) to provide funds that will be used to refund currently and redeem a portion of the outstanding principal amount of the County's Permanent Improvement Bonds, Series 1997 which were issued in the aggregate principal amount of $5,000,000 (the "Refunded Bonds") (b) to provide funds that will be used to finance the construction, equipping and improvements of county buildings and (c) to pay the costs of issuance of the Bonds. The Bonds are a current refunding of the Refunded Bonds, which were original bonds.

6. The Refunded Bonds. (a) General. No portion of the purchase price of the Refunded Bonds was provided by the issuance of any other issue of obligations. All of the original and investment proceeds allocable to the Refunded Bonds have been expended. Other than to the extent the Refunded Bonds redeemed the original note issued by the County, no portion of the proceeds of the Refunded Bonds was used to pay the principal of, or interest on, any other issue of governmental obligations. In addition, other than to the extent of preliminary expenditures (i.e., architectural, engineering, surveying, soil testing, reimbursement bond issuance, and similar costs that are incurred prior to commencement of acquisition, construction, or rehabilitation of a project, other than land acquisition, site preparation, and similar costs incident to commencement of construction), no portion of the proceeds of the Refunded Bonds was used to reimburse the County for any expenditures made by the County prior to the issuance date of the Refunded Bonds.

(b) No Working Capital. Except for an amount that did not exceed 5 percent of the sale proceeds of the Refunded Bonds (and that was directly related to capital expenditures financed by the Refunded Bonds), the County only expended proceeds of the Refunded Bonds for (i) costs that would be chargeable to a capital account if the County's income were subject to federal tax purposes and (ii) interest on the Refunded Bonds.

7. Expenditure of Proceeds of the Bonds. The sale proceeds from the issuance of the Bonds will be $77,265,903.20. Such amount represents the stated redemption price at maturity (excluding accrued interest for those Bonds the interest on which is paid at least once annually) of the Bonds of $73,430,000.00 plus net original issue premium in the amount of $3,842,223.20. No portion of the purchase price of any of the Bonds is provided by the issuance of any other issue of obligations.

(a) The sale proceeds will be expended as follows:

(i) The amount of $2,560,306.22, together with the amount of $334,067.16 currently on deposit in the debt service fund for the Refunded Bonds, will be used to pay the principal of and interest on the Refunded Bonds on May 15, 2009. No portion of the proceeds of the Bonds is expected to be used to pay any interest on, or principal of, any issue of governmental obligations other than the Bonds and the Refunded Bonds.

(ii) The amount of $452,964.50 will be allocated to the Underwriter's discount.

(iii) The amount of $250,000.00 will be disbursed to pay other costs of issuance on the Bonds.

(iv) The amount of $74,000,000.00 will be deposited in the Project Fund and used to pay the costs of the New Money Project. The aggregate amount of the costs of acquisition and construction of the Project is anticipated to be not less than such amount. Any costs of the Project not financed out of original or investment proceeds of the Bonds will be financed out of the County's available funds.

(v) The amount of $2,632.48 represents a rounding amount and will be deposited in the Debt Service Fund and used to pay debt service on the Bonds on the first interest payment date.

(b) Reimbursement. Other than to the extent of preliminary expenditures (i.e., architectural, engineering, surveying, soil testing, Bond issuance, and similar costs that are incurred prior to commencement of acquisition, construction, or rehabilitation of the New Money Project, other than land acquisition, site preparation, and similar costs incident to commencement of construction), no portion of the amounts described in paragraph 7(a)(iv) above will be disbursed to reimburse the County for any expenditures made by the County prior to the date that is 60 days before the earlier of the date hereof or the date the County adopted a resolution (the "Declaration"), if any, describing the New Money Project, stating the maximum principal amount of obligations expected to be issued for the New Money Project, and stating the County's reasonable expectation on that date that it would reimburse expenditures for costs of the New Money Project with proceeds of an obligation. The Declaration, if any, is not an official intent to reimburse that was declared as a matter of course, or in an amount substantially in excess of the amount expected to be necessary for the New Money Project. The County has not engaged in a pattern of failure to reimburse original expenditures covered by official intents. Such reimbursed portion will be treated as spent for purposes of paragraphs 13(b) and 17 below.

(c) No Working Capital. Except for an amount that does not exceed 5 percent of the sale proceeds of the New Money portion of the Bonds (and that is directly related to capital expenditures financed by the Bonds), the County will only expend proceeds of the New Money portion of the Bonds for (i) costs that would be chargeable to a capital account if the County's income were subject to federal income taxation and (ii) interest on the Bonds in an amount that does not cause the aggregate amount of interest paid on all of the Bonds to exceed that amount of interest on the Bonds that is attributable to the period that commences on the date hereof and ends on the later of (A) the date that is three years from the issue date of the Bonds or (B) the date that is one year after the date on which the New Money Project is placed in service.

8. Pre-issuance Accrued Interest. The County will receive from the Underwriter the amount of $126,861.50 representing accrued interest on the Bonds from the dated date of the Bonds to the date hereof. Such amount will be used on the first interest payment date to pay debt service on the Bonds.

9. Investment Proceeds. The best estimate of the County is that investment proceeds resulting from the investment of any proceeds of the Bonds pending expenditure of such proceeds for costs of the Project will be retained in the Construction Fund and disbursed to pay or reimburse Project costs in addition to those described in paragraph 7 above.

10. Transferred Proceeds. There are no transferred proceeds with respect to the Bonds because all of the proceeds of the Refunded Bonds have been or will be expended prior to the first dates on which amounts are disbursed to pay principal of the Refunded Bonds.

11. No Replacement Proceeds. Other than amounts described herein, there are no amounts that have a sufficiently direct nexus to the Bonds or to the governmental purposes of the Bonds, including the expected use of amounts to pay debt service on the Refunded Bonds, that the amounts would have been used for such purpose if the proceeds of the Bonds were not used or to be used for such purpose.

(a) No Sinking Funds. Other than to the extent described herein, there is no debt service fund, redemption fund, reserve fund, replacement fund, or similar fund reasonably expected to be used directly or indirectly to pay principal or interest on the Bonds.

(b) No Pledged Funds. Other than amounts described herein, there is no amount that is directly or indirectly, other than solely by reason of the mere availability or preliminary earmarking, pledged to pay principal or interest on the Bonds, or to a guarantor of part or all of the Bonds, such that such pledge provides reasonable assurance that such amount will be available to pay principal or interest on the Bonds if

the County encounters financial difficulty. For purposes of this certification, an amount is treated as so pledged if it is held under an agreement to maintain the amount at a particular level for the direct or indirect benefit of the holders or the guarantor of the Bonds.

(c) No Other Replacement Proceeds. There are no other replacement proceeds allocable to the Bonds because the County reasonably expects that the term of the Bonds will not be longer than is reasonably necessary for the governmental purposes of the Bonds. The Bonds would be issued to achieve a debt service savings independent of any arbitrage benefit as evidenced by the expectation that the Bonds reasonably would have been issued if the interest on the Bonds were not excludable from gross income (assuming that the hypothetical taxable interest rate would be the same as the actual tax-exempt interest rate). Furthermore, even if the Bonds were outstanding longer than necessary for the purpose of the Bonds, no replacement proceeds will arise because the County reasonably expects that no amounts will become available during the period that the Bonds remain outstanding longer than necessary based on the reasonable expectations of the County as to the amounts and timing of future revenues.

12. Yield on the Bonds. For the purposes of this Certificate, the yield on the Bonds is the discount rate that, when used in computing the present value as of the issue date of the Bonds, of all unconditionally payable payments of principal, interest and fees for qualified guarantees on the Bonds, produces an amount equal to the present value, using the same discount rate, of the aggregate issue price of the Bonds as of the issue date. For purposes of determining the yield on the Bonds, the issue price of the Bonds is the sum of the issue prices for each group of substantially identical Bonds, plus pre-issuance accrued interest. For each group of substantially identical Bonds, the issue price is the first price at which a substantial amount (i.e., ten percent) is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters and wholesalers). The issue price is based upon the representations of the Underwriters set forth in Exhibit A hereto. No Underwriters' discount, issuance costs, or costs of carrying or repaying the Bonds is taken into account for purposes of computing the yield on the Bonds.

The yield with respect to that portion of the Bonds subject to optional redemption that are issued at an issue price that exceeds the stated redemption price at maturity by more than one-fourth of one percent multiplied by the product of the stated redemption price at maturity and the number of complete years to the first optional redemption date for the bond is computed by treating such Bonds as redeemed at its stated redemption price on the optional redemption date that would produce the lowest yield on the Bonds.

The yield with respect to the remaining portion of the Bonds subject to optional redemption is computed by treating such Bonds as retired at the stated redemption price at the final maturity date because (a) the County has no present intention to redeem prior to maturity the Bonds that are subject to optional redemption; (b) no Bond is subject to optional redemption at any time for a price less than the retirement price at final maturity plus accrued interest; (c) no Bond is subject to optional redemption within five years of the issue date of the Bonds; (d) no Bond subject to optional redemption is issued at an issue price that exceeds the stated redemption price at maturity of such Bond by more than one-fourth of one percent multiplied by the product of the state redemption price at maturity of such Bond and the number of complete years to the first optional redemption date for such Bond; and (e) no Bond subject to optional redemption bears interest at a rate that increases during the term of the Bond.

The yield on the Bonds, as set forth on Exhibit B, is 4.193254 percent.

13. Temporary Periods and Yield Restriction.

(a) Current Refunding. The amount described in paragraph 7(a)(i) will be used within 90 days of date hereof to pay principal of and interest on the Refunded Bonds. Therefore, such amount may be invested for an allowable temporary period.

(b) New Money Project. The County has incurred or will incur within six months of the date hereof a binding obligation to a third party which is not subject to any contingencies within the control of the County or a related party pursuant to which the County is obligated to expend at least five percent of the sale proceeds of the Bonds on the Project. The County reasonably expects that work on or acquisition of the Project will proceed with due diligence to completion and that the proceeds of the Bonds will be expended on the Project with reasonable dispatch. The County reasonably expects that 85 percent of the sale proceeds of the Bonds will have been expended on the Project prior to the date that is three years after the issue date. Any sale proceeds not expended prior to the date that is three years after the issue date, will be invested at a yield not "materially higher" than the yield on the Bonds, except as set forth in paragraph 15 below. The County reasonably expects that any amount derived from the investment of moneys received from the sale of the Bonds and from the investment of such investment income will not be commingled with substantial other receipts or revenues of the County and will be expended prior to the date that is three years after the issue date, or one year after receipt of such investment income, whichever is later. Any such investment proceeds not expended prior to such date will be invested at a yield not "materially higher" than the yield on the Bonds, except as set forth in paragraph 15 below.

14. Interest and Sinking Fund. Pursuant to the Order, the County has confirmed the debt service fund designated the "Fort Bend County, Texas Limited Tax and Refunding Bonds, Series 2009 Interest and Sinking Fund" (i.e., the Interest and Sinking Fund) and the proceeds from all taxes levied, assessed and collected for and on account of the Bonds are to be deposited in such Interest and Sinking Fund. The County expects that taxes levied, assessed and collected for and on account of the Bonds will be sufficient each year to pay such debt service. All amounts which will be depleted at least once each bond year, except for a reasonable carryover amount not in excess of the greater of the earnings on such portion of the Interest and Sinking Fund for the immediately preceding bond year or one-twelfth of the principal and interest payments on the Bonds for the immediately preceding bond year, will constitute a bona fide debt service fund component of the Interest and Sinking Fund (the "Bona Fide Portion"). Such Bona Fide Portion of the Interest and Sinking Fund will be used primarily to achieve a proper matching of revenues and principal and interest payments on the Bonds within each bond year. Amounts held in the Bona Fide Portion of the Interest and Sinking Fund will be invested at an unrestricted yield because such amounts will be expended within 13 months of the date such amounts are received. The remaining portion of the Interest and Sinking Fund (the "Reserve Portion"), if any, will be treated separately for purposes of this certificate. Therefore, all amounts therein may be invested at an unrestricted yield. Any amounts held in the Bona Fide Portion for longer than 13 months or held in the Reserve Portion in excess of the least of the amounts described above, will be invested in obligations the yield on which is not in excess of the yield on the Bonds, except as set forth in paragraph 15 below.

15. Minor Portion. All gross proceeds will be invested in accordance with paragraphs 13 and 14 above. To the extent such amounts remain on hand following the periods set forth in paragraphs 13 and 14 above or exceed the limits set forth in paragraph 14 above, the County will invest such amounts at a restricted yield as set forth in such paragraphs; provided, however, that a portion of such amounts, not to exceed in the aggregate the lesser of $100,000 or five percent of the sale proceeds of the Bonds, may be invested at a yield which is higher than the yield on the Bonds.

16. Issue. There are no other obligations which (a) are sold at substantially the same time as the Bonds (i.e., within 15 days), (b) are sold pursuant to the same plan of financing with the Bonds, and (c) will be paid out of substantially the same source of funds as the Bonds.

17. Compliance with Rebate Requirements. (a) General. The County has covenanted in the Order that it will take all necessary steps to comply with the requirement that "rebatable arbitrage earnings" on the investment of the "gross proceeds" of the Bonds, within the meaning of section 148(f) of the Code be rebated to the federal government. Specifically, the County will (a) maintain records regarding the investment of the "gross proceeds" of the Bonds as may be required to calculate such

"rebatable arbitrage earnings" separately from records of amounts on deposit in the funds and accounts of the County which are allocable to other bond issues of the County or moneys which do not represent "gross proceeds" of any bonds of the County, (b) calculate at such intervals as may be required by applicable Regulations, the amount of "rebatable arbitrage earnings," if any, earned from the investment of the "gross proceeds" of the Bonds and (c) pay, not less often than every fifth anniversary date of the delivery of the Bonds and within 60 days following the final maturity of the Bonds, or on such other dates required or permitted by applicable Regulations, all amounts required to be rebated to the federal government. Further, the County will not indirectly pay any amount otherwise payable to the federal government pursuant to the foregoing requirements to any person other than the federal government by entering into any investment arrangement with respect to the "gross proceeds" of the Bonds that might result in a reduction in the amount required to be paid to the federal government because such arrangement results in a smaller profit or a larger loss than would have resulted if the arrangement had been at arm's-length and had the yield on the issue not been relevant to either party.

(b) Two-Year Spending Exception. The County hereby makes the elections, if any, set forth below for purposes of the two-year spending exception from arbitrage rebate:

ELECT	DO NOT ELECT	N/A	
☒	☐	☐	1. To use actual facts to apply the provisions of paragraphs (e) through (m) of section 1.148-7 of the Regulations. Section 1.148-7(f) (2) of the Regulations.
☐	☒	☐	2. To exclude earnings on a reasonably required reserve or replacement fund from the definition of "available construction proceeds" for purposes of the spending requirements. Section 1.148-7(i) (2) of the Regulations.
☐	☒	☐	3. To treat the portion of the Tax-Exempt Bonds that is not a refunding issue as two, and only two, separate issues, one of which (a) meets the definition of a construction issue and (b) is reasonably expected as of the date hereof to finance all of the construction expenditures to be financed by the Tax-Exempt Bonds. Section 1.148-7(j) (1) of the Regulations.
☐	☒	☐	4. To pay a penalty (the "1-1/2% penalty") to the United States in lieu of the obligation to pay arbitrage rebate on available construction proceeds in the event

that the Tax-Exempt Bonds fail to satisfy any of the semiannual spending requirements for the two-year rebate exception. Section 1.148-7(k) (1) of the Regulations.

The County reasonably expects that at least 75 percent of the "available construction proceeds" of the Bonds, within the meaning of section 1.148-7(i) of the Regulations, will be allocated to "construction expenditures," within the meaning of section 1.148-7(g) of the Regulations, for property owned by the County.

18. Not an Abusive Transaction.

(a) General. No action taken in connection with the issuance of the Bonds is or will have the effect of (a) enabling the County to exploit, other than during an allowable temporary period, the difference between tax-exempt and taxable interest rates to obtain a material financial advantage (including as a result of an investment of any portion of the gross proceeds of the Bonds over any period of time, notwithstanding that, in the aggregate, the gross proceeds of the Bonds are not invested in higher yielding investments over the term of the Bonds), and (b) overburdening the tax-exempt bond market by issuing more bonds, issuing bonds earlier, or allowing bonds to remain outstanding longer than is otherwise reasonably necessary to accomplish the governmental purposes of the Bonds, based on all the facts and circumstances. Specifically, (i) the primary purpose of each transaction undertaken in connection with the issuance of the Bonds is a bona fide governmental purpose; (ii) each action taken in connection with the issuance of the Bonds would reasonably be taken to accomplish the governmental purposes of the Bonds if the interest on the Bonds were not excludable from gross income for federal income tax purposes (assuming the hypothetical taxable interest rate would be the same as the actual tax-exempt interest rate on the Bonds); (iii) the proceeds of the Bonds will not exceed by more than a minor portion the amount necessary to accomplish the governmental purposes of the Bonds and will in fact not be substantially in excess of the amount of proceeds allocated to expenditures for the governmental purposes of the Bonds.

(b) No Re-refunding. No portion of the Refunded Bonds has been refunded or defeased other than by reason of the issuance of the Bonds.

(c) No Sinking Fund. No portion of the Bonds has a term that has been lengthened primarily for the purpose of creating a sinking fund or similar fund with respect to the Bonds and thereby eliminating significant amounts of negative arbitrage in the Escrow Fund.

(d) No Noncallable Bonds. The Refunded Bonds does not include any noncallable refunded bonds that have been refunded in order to invest proceeds in the

Escrow Fund allocable to the noncallable Refunded Bonds at a yield that is higher than the yield on the Bonds and thereby eliminate significant amounts of negative arbitrage in the Escrow Fund.

(e) No Window Refunding. No portion of the Bonds has been structured with maturity dates the primary purpose of which is to make available released revenues that will enable the County to avoid transferred proceeds or to make available revenues that may be invested to be ultimately used to pay debt service on another issue of obligations.

(f) No Sale of Conduit Loan. No portion of the gross proceeds of the Refunded Bonds or the Bonds has been or will be used to acquire, finance, or refinance any conduit loan.

19. No Arbitrage. On the basis of the foregoing facts, estimates and circumstances, it is expected that the gross proceeds of the Bonds will not be used in a manner that would cause any of the Bonds to be an "arbitrage bond" within the meaning of section 148 of the Code and the Regulations. To the best of the knowledge and belief of the undersigned, there are no other facts, estimates or circumstances that would materially change such expectations.

20. No Private Use, Payments or Loan Financing.

(a) General. The County reasonably expects, as of the date hereof, that no action or event during the entire stated term of the Bonds will cause either the "private business tests" or the "private loan financing test," as such terms are defined in the Regulations, to be met.

(i) No portion of the proceeds of the Bonds will be used and no portion of the proceeds of the Refunded Bonds has been used in a trade or business of a nongovernmental person. For purposes of determining use, the County will apply rules set forth in applicable Regulations and Revenue Procedures promulgated by the Internal Revenue Service, including, among others, the following rules: (A) Any activity carried on by a person other than a natural person or a state or local governmental unit will be treated as a trade or business of a nongovernmental person; (B) the use of all or any portion of the project financed by the Refunded Bonds (the "Project") is treated as the direct use of proceeds; (C) a nongovernmental person will be treated as a private business user of proceeds of the Bonds or the Refunded Bonds as a result of ownership, actual or beneficial use of the proceeds pursuant to a lease, or a management or incentive payment contract, or certain other arrangements such as a take-or-pay or other output-type contract; and (D) the private business use test is met if a nongovernmental person has special legal entitlements to use directly or indirectly the Project.

(ii) The County has not taken and will not take any deliberate action that would cause or permit the use of any portion of the Project to change such that such portion will be deemed to be used in the trade or business of a nongovernmental person for so long as any of the Bonds remains outstanding (or until an opinion of nationally recognized bond counsel is received to the effect that such change in use will not adversely affect the excludability from gross income for federal income tax purposes of interest payable on the Bonds). For this purpose any action within the control of the County is treated as a deliberate action. A deliberate action occurs on the date the County enters into a binding contract with a nongovernmental person for use of the Project that is not subject to any material contingencies.

(iii) All payments of the debt service on the Bonds will be paid from and secured by a generally applicable tax. For this purpose, a generally applicable tax is a tax (A) which is an enforced contribution exacted pursuant to legislative County in the exercise of the taxing power that is imposed and collected for the purpose of raising revenue to be used for governmental purposes and (B) which has a uniform tax rate that is applied to all persons of the same classification in the appropriate jurisdiction using a generally applicable manner of determination and collection. No portion of the payment of the debt service on the Bonds will be directly or indirectly derived from payments (whether or not to the County or any related party) in respect of property, or borrowed money, used or to be used for a private business use. Furthermore, no portion of the payment of the debt service on the Bonds will be directly or indirectly secured by any interest in property used or to be used for a private business use or payments in respect of property used or to be used for a private business use.

(iv) No portion of the proceeds of the Bonds will be directly or indirectly used to make or finance a loan to any person other than a state or local governmental unit.

(b) Dispositions of Personal Property in the Ordinary Course. The County does not reasonably expect that it will sell or otherwise dispose of personal property components of the Project financed with the Bonds other than in the ordinary course of an established governmental program that satisfies the following requirements:

(i) The weighted average maturity of the portion of the Bonds financing personal property is not greater than 120 percent of the reasonably expected actual use of such personal property for governmental purposes;

(ii) The reasonably expected fair market value of such personal property on the date of disposition will be not greater than 25 percent of its cost;

(iii) Such personal property will no longer be suitable for its governmental purposes on the date of disposition; and

(iv) The County is required to deposit amounts received from such disposition in a commingled fund with substantial tax or other governmental revenues and the County reasonably expects to spend such amounts on governmental programs within 6 months from the date of commingling.

Furthermore, the County will not sell or otherwise dispose of all or any portion of the Project in circumstances in which the foregoing requirements are not satisfied unless it has received an opinion of nationally recognized bond counsel to the effect that such disposition will not adversely affect the treatment of interest on the Bonds as excludable from gross income for federal income tax purposes.

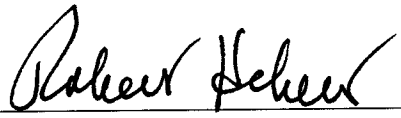
(c) Other Agreements. The County will not enter into any agreement with any nongovernmental person regarding the use of all or any portion of the Project during the stated term of the Bonds unless it has received in each and every case an opinion of nationally recognized bond counsel to the effect that such agreement will not adversely affect the treatment of interest on the Bonds as excludable from gross income for federal income tax purposes.

21. Weighted Average Maturity. The weighted average maturity of the Bonds is the sum of the products of the issue price of each group of identical Bonds and the number of years to maturity (determined separately for each group of identical Bonds and taking into account mandatory redemptions), divided by the aggregate sale proceeds of the Bonds.

22. Bonds are not Hedge Bonds. Not more than 50 percent of the proceeds of the new money portion of the Bonds will be invested in nonpurpose investments (as defined in section 148(f)(6)(A) of the Code) having a substantially guaranteed yield for four years or more within the meaning of section 149(g)(3)(A)(ii) of the Code, and the County reasonably expects that at least 85 percent of the spendable proceeds of the new money portion of the Bonds will be used to carry out the governmental purposes of the Bonds within the three-year period beginning on the date the Bonds are issued. Furthermore, the County represents that not more than 50 percent of the proceeds of each issue of which the Refunded Bonds are a part was invested in nonpurpose investments (as defined in section 148(f)(6)(A) of the Code) having a substantially guaranteed yield for four years or more within the meaning of section 149(g)(3)(A)(ii) of the Code, and the County reasonably expected at the time issue of the Refunded Bonds that at least 85 percent of the spendable proceeds of such issue would be used to carry out the governmental purposes of such issue within the three-year period beginning on the date of issue of such Refunded Bonds.

EXECUTION PAGE FOLLOWS

FORT BEND COUNTY, TEXAS

By: 

Name: Robert Hebert
Title: County Judge
Date: May 14, 2009

EXHIBIT A

CERTIFICATE OF UNDERWRITERS

I, the undersigned officer of the manager of the group of underwriters (the "Underwriters") that have purchased the $73,430,000 Fort Bend County, Texas Limited Tax and Refunding Bonds, Series 2009 (the "Manager"), make this certification for the benefit of all persons interested in the exclusion from gross income for federal income tax purposes of the interest on the Bonds: Each capitalized term used herein has the meaning or is the amount, as the case may be, specified for such term in the Federal Tax Certificate to which this Exhibit A is attached. I hereby certify as follows in good faith as of the issue date:

1. I am the duly chosen, qualified and acting officer of the Manager for the office shown below my signature; as such, I am familiar with the facts herein certified and I am duly authorized to execute and deliver this certificate on behalf of the Manager. I am the officer of the Manager charged, along with other officers of the Manager, with responsibility for the Bonds.

2. The Underwriters have made a bona fide public offering to the public of the Bonds at the issue prices to the public set out on the cover of the Official Statement. The issue prices set forth on the cover of the Official Statement were determined on the date the Bonds were purchased by the Underwriters based on the reasonable expectations regarding the initial public offering prices. The issue price for each maturity of the Bonds represents the first price (including original issue premium and discount and accrued interest to the issue date only) of the Bonds at which a substantial amount (at least 10 percent) of each such maturity was sold to the public. The aggregate of such issue prices of all of the Bonds is $77,392,764.70, which price includes pre-issuance accrued interest in the amount of $126,861.50. The initial public offering price described above does not exceed the fair market value for the Bonds on the sale date. The term "public," as used herein, does not include bondhouses, brokers, dealers, and similar persons or organizations acting in the capacity of underwriters or wholesalers.

Fort Bend County, Texas may rely on the statements made herein in connection with making the representations set forth in the Federal Tax Certificate and in its efforts to comply with the conditions imposed by the Code on the exclusion of interest on the Bonds from the gross income of their owners. Allen Boone Humphries Robinson LLP also may rely on this certificate for purposes of its opinion regarding the treatment of interest on the Bonds as excludable from gross income for federal income tax purposes.

LOOP CAPITAL MARKETS LLC

By: 

Name: Albert Grace
Title: President
Date: May 14, 2009

EXHIBIT B

CERTIFICATE OF FINANCIAL ADVISOR

I, the undersigned officer of the Financial Advisor, make this certificate for the benefit of all persons interested in the exclusion from gross income for federal income tax purposes of the interest on the Bonds. Each capitalized term used herein has the meaning or is the amount, as the case may be, specified for such term in the Federal Tax Certificate to which this Exhibit B is attached (the "Federal Tax Certificate"). I hereby certify as follows as of the Issue Date:

1. I am the duly chosen, qualified and acting officer of the Financial Advisor for the office shown below my signature; as such, I am familiar with the facts herein certified and I am duly authorized to execute and deliver this certificate on behalf of the Financial Advisor. I am the officer of the Financial Advisor who has worked with representatives of the County in structuring the financial terms of the Bonds.

2. The yield on the Bonds, based on the issue price (including pre-issuance accrued interest) of $77,392,764.70 is not less than 4.193254 percent. For purposes of this certificate, the term "yield" means that yield which is computed as described in paragraph 12 of the Federal Tax Certificate. The issue price of the Bonds and the bond insurance premium, if any, used in computing yield on the Bonds is based solely on the Certificate of the Underwriters attached as Exhibit A to the Federal Tax Certificate.

3. The Financial Advisor computed the weighted average maturity of the Bonds to be 12.524 years, as set forth in paragraph 21 of the Federal Tax Certificate.

4. To the best of my knowledge the statements set forth in paragraph 18 of the Federal Tax Certificate are true.

The County may rely on the statements made herein in connection with making the representations set forth in the Certificate and in its efforts to comply with the conditions imposed by the Code on the exclusion of interest on the Bonds from the gross income of their owners. Allen Boone Humphries Robinson LLP also may rely on this certificate for purposes of its opinion regarding the treatment of interest on the Bonds as excludable from gross income for federal income tax purposes.

FIRST SOUTHWEST COMPANY

By: _____
Name: Joseph W. Morrow
Title: Senior Vice President
Date: May 14, 2009

Form **8038-G** (Rev. November 2000)

Department of the Treasury
Internal Revenue Service

Information Return for Tax-Exempt Governmental Obligations

▶ Under Internal Revenue Code section 149(e)

▶ See separate Instructions.

Caution: *If the issue price is under $100,000, use Form 8038-GC.*

OMB No. 1545-0720

If **Amended Return**, check here ▶ ☐

Part I Reporting Authority

1	Issuer's name **Fort Bend County, Texas**	2	Issuer's employer identification number **74 : 6001969**
3	Number and street (or P.O. box if mail is not delivered to street address) **301 Jackson Street**	Room/suite **719**	4 Report number **3 01**
5	City, town, or post office, state, and ZIP code **Richmond, Texas 77469**	6	Date of issue **May 14, 2009**
7	Name of issue **Limited Tax and Refunding Bonds, Series 2009**	8	CUSIP number **346766MS4**
9	Name and title of officer or legal representative whom the IRS may call for more information **Robert Hebert, County Judge**	10	Telephone number of officer or legal representative **(281) 341-3760**

Part II Type of Issue (check applicable box(es) and enter the issue price) See instructions and attach schedule

11	☐ Education	11	
12	☐ Health and hospital	12	
13	☐ Transportation	13	
14	☐ Public safety	14	
15	☐ Environment (including sewage bonds)	15	
16	☐ Housing	16	
17	☐ Utilities	17	
18	☑ Other. Describe ▶ **County buildings and improvements**	18	**77,265,903**
19	If obligations are TANs or RANs, check box ▶ ☐ If obligations are BANs, check box ▶ ☐		
20	If obligations are in the form of a lease or installment sale, check box ▶ ☐		

Part III Description of Obligations. Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	**3/1/2030**	$ **77,265,903**	$ **73,430,000**	**12.524** years	**4.193254** %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

22	Proceeds used for accrued interest			22	**126,862**
23	Issue price of entire issue (enter amount from line 21, column (b))			23	**77,265,903**
24	Proceeds used for bond issuance costs (including underwriters' discount)	24	**702,965**		
25	Proceeds used for credit enhancement	25	**0**		
26	Proceeds allocated to reasonably required reserve or replacement fund	26	**0**		
27	Proceeds used to currently refund prior issues	27	**2,560,306**		
28	Proceeds used to advance refund prior issues	28	**0**		
29	Total (add lines 24 through 28)			29	**3,263,271**
30	Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)			30	**74,002,632**

Part V Description of Refunded Bonds (Complete this part only for refunding bonds.)

31	Enter the remaining weighted average maturity of the bonds to be currently refunded ▶	**4.104** years
32	Enter the remaining weighted average maturity of the bonds to be advance refunded ▶	**N/A** years
33	Enter the last date on which the refunded bonds will be called ▶	**5/15/2009**
34	Enter the date(s) the refunded bonds were issued ▶	**4/8/1997**

Part VI Miscellaneous

35	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35	**0**
36a	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (see instructions)	36a	**0**
b	Enter the final maturity date of the guaranteed investment contract ▶		
37	Pooled financings: a Proceeds of this issue that are to be used to make loans to other governmental units	37a	**0**

b If this issue is a loan made from the proceeds of another tax-exempt issue, check box ▶ ☐ and enter the name of the issuer ▶ _____ and the date of the issue ▶ _____

38 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box ▶ ☐

39 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ▶ ☐

40 If the issuer has identified a hedge, check box ▶ ☐

Sign Here

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

Robert Hebert — 5/14/09

Signature of issuer's authorized representative — Date

Robert Hebert, County Judge

Type or print name and title

For Paperwork Reduction Act Notice, see page 2 of the Instructions. Cat. No. 63773S Form **8038-G** (Rev. 11-2000)

CLOSING CERTIFICATE

THE STATE OF TEXAS §
§
COUNTY OF FORT BEND §

We, the undersigned, County Judge and County Auditor, respectively, of the County of Fort Bend, Texas (the "County"), acting in our official capacity as such, hereby certify with respect to the County's $73,430,000 Limited Tax and Refunding Bonds, Series 2009 (the "Bonds"), as follows:

(i) the County has duly performed all of its obligations to be performed and satisfied all conditions on its part to be satisfied at or prior to the Closing Time and each of the representations and warranties of the County contained herein is true and correct at and as of the Closing Time, with the same effect as if made on the Closing Date;

(ii) the County has authorized, by all necessary action, the execution and delivery or receipt and due performance of the Bonds, the Bond Purchase Agreement, the Official Statement and any and all such other agreements and documents as may be required to be executed and delivered or received by the County in order to carry out, give effect to and consummate the transactions contemplated hereby and by the Official Statement, and the Commissioners Court has authorized, by all necessary action, the adoption of the Order;

(iii) except as described in the Official Statement, no litigation is pending or, to the best of the County's knowledge and belief, threatened in any court or before any governmental agency or administrative entity or authority in any way affecting the existence of the County or the titles of the members of the Commissioners Court or any other officials of the County to their respective positions or seeking to restrain or enjoin the issuance, sale or delivery of the Bonds or the assessment, levy, or collection of revenues of the County pledged or to be pledged to pay the principal of and interest on the Bonds, or the pledge thereof, or in any way affecting or contesting any authority for or the validity or enforceability of the Bonds, the Bond Purchase Agreement or the Order, or the existence or powers of the County, or contesting in any way the completeness or accuracy of the Official Statement;

(iv) the adoption of the Order by the Commissioners Court and the execution and delivery of the Bonds, the Bond Purchase Agreement, the Official Statement and the other agreements contemplated hereby and by the Order and by the Official Statement to be executed and delivered by the

County under the circumstances contemplated hereby and thereby, which may be specified in such certificate, and the compliance by the County with the provisions hereof and thereof, will not conflict with, or constitute on the part of the County a breach of or a default under any existing law, court or administrative regulation, decree or order of any agreement, indenture, mortgage, lease or other instrument to which the County is subject or by which the County or any of the County's properties is bound;

(v) the Order authorizing the Bonds and the related transactions have not been amended, modified or repealed and are in full force and effect;

(vi) the information set forth in the Official Statement is true and correct and does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and

(vii) to the best of our knowledge, no event effecting the County has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purposes for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein not misleading in any material respect.

EXECUTED this 14th day of May, 2009, the date of payment for and delivery of the Bonds.

FORT BEND COUNTY, TEXAS

County Judge

County Auditor

OFFICIAL STATEMENT CERTIFICATE

THE STATE OF TEXAS §
§
COUNTY OF FORT BEND §

We, the undersigned, County Judge and County Clerk, respectively, of the County of Fort Bend, Texas (the "County"), acting in our official capacity as such, hereby certify with respect to the County's $73,430,000 Limited Tax and Refunding Bonds, Series 2009 (the "Bonds"), as follows:

That, to the best of our knowledge and belief, that no event affecting the County has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein, in light of the circumstances under which they were made, not misleading in any material respect as of May 14, 2009 (the "Closing Date"), and the information contained in the Official Statement is correct in all material respects and, as of the date of the Official Statement did not, and as of the Closing Date does not, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; and

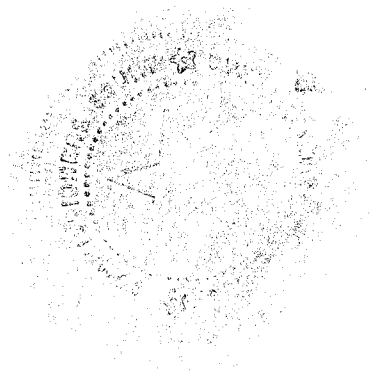
That, to the best of our knowledge and belief, the County has the consent of Null Lairson, independent certified public accountants, as to the inclusion in the Official Statement of the audited financial statements of the County, and the report thereon, for the County's fiscal year ended September 30, 2008.

EXECUTED this 14th day of May, 2009, the date of payment for and delivery of the Bonds.

FORT BEND COUNTY, TEXAS

County Judge

County Clerk



CERTIFICATE OF PAYING AGENT FOR REFUNDED BONDS WITH RESPECT TO REFUNDED BONDS

The Undersigned hereby executes this certificate for the benefit of all persons interested in the Fort Bend County, Texas (the "County") $73,430,000 Limited Tax and Refunding Bonds, Series 2009 (the "Bonds"):

1. The undersigned is the Paying Agent for the County's $5,000,000 Permanent Improvement Bonds, Series 1997, maturing on September 1, in the years 2009 through 2016, inclusive (the "Refunded Bonds").

2. The total cost of redeeming the Refunded Bonds on the May 15, 2009 (the "Redemption Date"), is $2,894,373.38, being the principal amount of the Refunded Bonds, plus accrued interest to the Redemption Date (the "Funds").

3. The undersigned acknowledges and confirms that in its capacity as Paying Agent for the Refunded Bonds, it will accept from the County on May 14, 2009, the date of delivery of the Bonds, and hold for the benefit of the owners of the Refunded Bonds in a non-interest bearing account until the Redemption Date, the Funds described in paragraph 2 above, which are sufficient to pay all amounts due on the Refunded Bonds on the Redemption Date, all as set forth on the attached form of Receipt and Acknowledgment.

4. The County has made arrangements satisfactory to the undersigned for the payment of all Paying Agent fees and other charges for the undersigned with respect to the Refunded Bonds through the Redemption Date.

5. The undersigned confirms that notice of redemption has been given to the bond holders in accordance with the 1997 Bond Order.

EXECUTED AS OF THE 7th day of May, 2009.

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A.

By: _____

Title: ASSISTANT VICE PRESIDENT

RECEIPT AND ACKNOWLEDGMENT

The undersigned Paying Agent for the Refunded Bonds acknowledges the following:

1. We have received cash in the amount of $2,894,373.38, being the principal amount of the Refunded Bonds, plus accrued interest to the Redemption Date, which is sufficient to pay all amounts due on the Refunded Bonds on the Redemption Date.

2. The County has made arrangements satisfactory to the undersigned for the payment of all Paying Agent fees and other charges for the undersigned with respect to the Refunded Bonds through the Redemption Date.

3. After applying the funds referred to in paragraph 1 above to pay the redemption price of the Refunded Bonds on the Redemption Date and to pay any other fees and charges referred to in paragraph 2 above, any remaining proceeds will be returned to the County.

4. Since delivery to us of the funds described in paragraph 1 above constitutes the making of firm banking and financial arrangements for the redemption and final payment of the Refunded Bonds, thus defeasing the liens created under the resolution authorizing the issuance of the Refunded Bonds, the undersigned has received this day $2,894,373.38, being the principal amount of the Refunded Bonds, plus accrued interest to the Redemption Date.

EXECUTED AS OF May 7th, 2009.

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A.

By: _____
ASSISTANT VICE PRESIDENT

Title: _____

NOTICE OF FULL REDEMPTION TO THE HOLDERS OF

FORT BEND COUNTY, TEXAS

Permanent Improvement Bonds, Series 1997

NOTICE IS HEREBY GIVEN that there have been called for full redemption on May 15, 2009 all outstanding Bonds of the above captioned bonds, totaling $2,865,000 in principal amount, plus applicable premium, if any, as listed below:

Maturity	Amount	Rate	Redemption Price	CUSIP No.*
09/01/2009	$290,000	5.10%	100.00%	346766EX2
09/01/2010	$305,000	5.15%	100.00%	346766EY0
09/01/2011	$325,000	5.25%	100.00%	346766EZ7
09/01/2012	$345,000	5.30%	100.00%	346766FA1
09/01/2013	$365,000	5.35%	100.00%	346766FB9
09/01/2014	$390,000	5.00%	100.00%	346766FC7
09/01/2015	$410,000	4.50%	100.00%	346766FD5
09/01/2016	$435,000	4.50%	100.00%	346766FE3

The Bonds are being called pursuant to the redemption provisions of the governing documents at the referenced Redemption Price plus accrued interest to May 15, 2009 on which date all interest on the Bonds will cease to accrue. Holders of the Bonds are requested to present their Bonds, at the following addresses:

First Class/Registered/Certified
The Bank of New York Mellon
Global Corporate Trust
P.O. Box 396
East Syracuse, New York 13057

Express Delivery Only
The Bank of New York Mellon
Global Corporate Trust
111 Sanders Creek Parkway
East Syracuse, New York 13057

By Hand Only
The Bank of New York Mellon
Global Corporate Trust
Corporate Trust Window
101 Barclay Street 1st Floor East
New York, New York 10286

FORT BEND COUNTY, TEXAS
By: The Bank of New York Mellon Trust Company, N.A.
as Trustee or Agent
Bondholder Communications: 800-254-2826

THE BANK OF NEW YORK MELLON

Dated: April 15, 2009

IMPORTANT TAX NOTICE

Withholding of 28% of gross redemption proceeds of any payment made within the United States may be required by the Jobs and Growth Tax Relief Reconciliation Act of 2003 (the "Act"), unless the Paying Agent has the correct taxpayer identification number (social security or employer identification number) or exemption certificate of the payee. **Please furnish a properly completed Form W-9 or exemption certificate or equivalent when presenting your securities.**

**Note: The Issuer and Trustee/Agent shall not be responsible for the selection or use of the CUSIP numbers selected, nor is any representation made as to their correctness indicated in the notice or as printed on any Bond. They are included solely for the convenience of the holders.*

COUNTY ATTORNEY

Fort Bend County, Texas

ROY L. CORDES, JR.
County Attorney

(281) 341-4555
Fax (281) 341-4557

May 14, 2009

LOOP CAPITAL MARKETS, LLC
(As Representative of the Underwriters
Named in the Bond Purchase Agreement)
440 Louisiana, Suite 900
Houston, Texas 77002

Re: $73,430,000 Fort Bend County, Texas Limited Tax and Refunding Bonds, Series 2009 (the "*Bonds*")

Ladies and Gentlemen:

I refer to the Official Statement, dated April 14, 2009 (the "Official Statement"), of Fort Bend County (the "County") for the Bonds.

I have reviewed the information contained in the Official Statement under the caption "OTHER INFORMATION-Litigation" (the "Litigation Section") with regard to the litigation, if any, referred to therein. In addition, I have reviewed and discussed with members of my staff litigation pending or threatened against the County.

To the best of my knowledge and belief as of the date of the Official Statement and as of the date hereof, there is no pending litigation against the County or to which the County is a party, the failure of which to describe in the Litigation Section constitutes an omission of a material fact necessary to make the statements therein, in the light of the circumstances under which they are to be made, not misleading.

It is my opinion that there are no actions, suits, proceedings, inquiries or investigations, at law or in equity, pending or to my knowledge threatened against the County which would (1) restrain or enjoin the issuance or delivery of the Bonds, (2) affect the provisions made for payment of the Bonds or the interest thereon, or (3) question the validity of the Bonds.

Sincerely,

Roy L Cordes Jr

County Attorney

237127

REGISTRAR'S RECEIPT

The undersigned duly authorized representative of Wells Fargo Bank, N.A., the paying agent/registrar for the following described bonds:

FORT BEND COUNTY, TEXAS LIMITED TAX AND REFUNDING BONDS, SERIES 2009, dated May 1, 2009, in the principal amount of $73,430,000,

Certifies that said bonds have been delivered to the Underwriter, and that the purchase price has been received on behalf of Fort Bend County, Texas.

EXECUTED AND DELIVERED THIS 14th day of May, 2009.

WELLS FARGO BANK, N.A.

By: _____

Name: JOSE A GAYTAN JR

Title: VICE PRESIDENT

ALLEN BOONE HUMPHRIES ROBINSON LLP
ATTORNEYS AT LAW
PHOENIX TOWER
3200 SOUTHWEST FREEWAY
SUITE 2600
HOUSTON, TEXAS 77027
TEL (713) 860-6400
FAX (713) 860-6401
abhr.com

May 14, 2009

WE HAVE ACTED AS BOND COUNSEL for Fort Bend County, Texas (the "County"), in connection with an issue of bonds (the "Bonds") described as follows:

> FORT BEND COUNTY, TEXAS LIMITED TAX AND REFUNDING BONDS, SERIES 2009, dated May 1, 2009, in the total authorized amount of $73,430,000.
>
> The Bonds mature, bear interest and may be transferred and exchanged as set out in the Bonds and in the Order adopted by the Commissioners Court of the County authorizing their issuance (the "Order").

WE HAVE ACTED AS BOND COUNSEL for the sole purpose of rendering an opinion with respect to the legality and validity of the Bonds under the Constitution and laws of the State of Texas and with respect to the exclusion of interest on the Bonds from gross income for federal income tax purposes. We have not investigated or verified original proceedings, records, data or other material, but have relied solely upon certificates executed by officers, agents and representatives of the County. We have assumed no responsibility with respect to the financial condition of the County or the reporting or disclosure thereof in connection with the sale of the Bonds. Our role in connection with the County's Official Statement prepared for use in connection with the sale of the Bonds (the "Official Statement") has been limited as described therein.

IN OUR CAPACITY AS BOND COUNSEL, we have participated in the preparation of and have examined a transcript of certified materials pertaining to the Bonds and the bonds being refunded, on which we have relied in giving our opinion. The transcript contains certified copies of certain proceedings of the County and the Certificate of Paying Agent for Refunded Bonds with Respect to Refunded Bonds executed by The Bank of New York Mellon Trust Company, N.A., a national banking association (the "Paying Agent") for defeasance of the bonds being refunded; customary certificates of officers, agents, and representatives of the Paying Agent, the County, and other public officials; and other certified showings relating to the authorization and issuance of the Bonds and the firm banking and financial arrangements for the

discharge and final payment of the bonds being refunded. We also have examined executed Bond No. IB-1 of this issue.

BASED ON SAID EXAMINATION, IT IS OUR OPINION that:

(1) the transcript of certified proceedings evidences complete legal authority for the issuance of the Bonds in full compliance with the Constitution and laws of the State of Texas presently effective and that therefore the Bonds are valid and legally binding obligations of the County, and taxable property in the County is subject to the levy of ad valorem taxes to pay the same, within the limits prescribed by law.

(2) The transcript of certified proceedings evidences that firm banking and financial arrangements have been made for the discharge and final payment of the bonds being refunded on or effective as of the date of delivery of the Bonds, and that therefore such bonds are deemed to be fully paid and no longer outstanding except for the purpose of being paid from the funds provided therefor.

The rights of the owners of the Bonds are subject to the applicable provisions of the federal bankruptcy laws and any other similar laws affecting the rights of creditors of political subdivisions generally, and may be limited by general principles of equity which permit the exercise of judicial discretion.

IT IS OUR FURTHER OPINION that:

(1) Interest on the Bonds is excludable from gross income for federal income tax purposes under existing law.

(2) Interest on the Bonds is not subject to the alternative minimum tax on individuals and corporations.

In providing such opinions, we have relied on representations of the County, the County's Financial Advisor and the Underwriter (as defined in the Order) with respect to matters solely within the knowledge of the County, the County's Financial Advisor and the Underwriter, respectively, which we have not independently verified, and have assumed continuing compliance with the covenants in the Order pertaining to those sections of the Code which affect the exclusion from gross income of interest on the Bonds for federal income tax purposes. If such representations are determined to be inaccurate or incomplete or the County fails to comply with the foregoing covenants of the Order, interest on the Bonds could become includable in gross income from the date of their original delivery, regardless of the date on which the event causing such inclusion occurs.

Except as stated above, we express no opinion as to any federal, state or local tax consequences resulting from the receipt or accrual of interest on, or acquisition, ownership or disposition of, the Bonds.

Our opinions are based on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement our opinions to reflect any facts or circumstances that may thereafter come to our attention or to reflect any changes in any law that may thereafter occur or become effective. Moreover, our opinions are not a guarantee of result and are not binding on the Internal Revenue Service (the "Service"); rather, such opinions represent our legal judgment based upon our review of existing law and in reliance upon the representations and covenants referenced above that we deem relevant to such opinions. The Service has an ongoing audit program to determine compliance with rules that relate to whether interest on state or local obligations is includable in gross income for federal income tax purposes. No assurance can be given whether or not the Service will commence an audit of the Bonds. If an audit is commenced, in accordance with its current published procedures the Service is likely to treat the County as the taxpayer. We observe that the County has covenanted in the Order not to take any action, or omit to take any action within its control, that if taken or omitted, respectively, may result in the treatment of interest on the Bonds as includable in gross income for federal income tax purposes.

Allen Boone Humphries Robinson LLP

ALLEN BOONE HUMPHRIES ROBINSON LLP
ATTORNEYS AT LAW
PHOENIX TOWER
3200 SOUTHWEST FREEWAY
SUITE 2600
HOUSTON, TEXAS 77027
TEL (713) 860-6400
FAX (713) 860-6401
abhr.com

May 14, 2009

LOOP CAPITAL MARKETS, LLC
(as Representative of the Underwriters
named in the Bond Purchase Agreement
referred to herein (the "Underwriters"))
440 Louisiana, Suite 900
Houston, Texas 77002

Re: $73,430,000 Fort Bend County, Texas Limited Tax and Refunding Bonds, Series 2009 (the "*Bonds*")

Ladies and Gentlemen:

This opinion is being rendered pursuant to the Bond Purchase Agreement, dated April 14, 2009 (the "Bond Purchase Agreement"), between Loop Capital Markets, LLC, as Representative of the Underwriters named in the Bond Purchase Agreement (the "Underwriters"), and Fort Bend County, Texas (the "County") relating to the issuance, sale, and delivery by the County to the Underwriters of the referenced bonds (collectively, the "Bonds"). Except as otherwise defined herein, the terms defined in the Bond Purchase Agreement are used in this opinion with the meanings assigned to them in the Bond Purchase Agreement.

We have acted as Bond Counsel to the County in connection with the issuance, sale, and delivery of the Bonds to the Underwriters. In our capacity as Bond Counsel, we have examined a transcript of certain materials and proceedings pertaining to the Bonds, including certain certified and original proceedings of the Commissioners Court of the County, and customary certificates, opinions, affidavits, and other documents executed by officers, agents, and representatives of the County and others. In our capacity as Bond Counsel, we have also attended meetings of the County and have participated in conferences from time to time with representatives of the County, the Financial Advisor to the County, the Underwriters, and Counsel to the Underwriters relative to the Preliminary Official Statement and the Official Statement.

In our examination, we have assumed the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as certified or photostatic copies, and the authenticity of the originals of such latter documents.

Based upon the foregoing, we are of the opinion that, under applicable laws of the United States of America and the State of Texas in force and effect on the date hereof:

1. The Bond Purchase Agreement has been duly authorized, executed, and delivered by the County and constitutes a binding agreement of the County enforceable in accordance with its terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, moratorium, reorganization, or other laws affecting creditors' rights generally, and certain equitable remedies, including specific performance, may be unavailable.

2. The offering and sale of the Bonds need not be registered under the Securities Act of 1933, as amended;

3. No filing is required under the Trust Indenture Act of 1939, as amended, in connection with the Bonds or the Orders;

4. The descriptions and summaries of the Bonds and the Order (as defined in the Official Statement), contained under the headings "THE BONDS," except for the information under the heading "THE BONDS - Book-Entry-Only System," "TAX MATTERS," "OTHER INFORMATION - Registration and Qualifications of Bonds for Sale," "OTHER INFORMATION - Legal Matters," "OTHER INFORMATION - Continuing Disclosure of Information," "OTHER INFORMATION - Annual Reports," "OTHER INFORMATION - Material Event Notices," and "OTHER INFORMATION - Legal Investments and Eligibility to Secure Public Funds in Texas," fairly summarize the matter discussed therein and are correct as to matters of law.

Except as stated above in paragraph 4, we have not assumed responsibility with respect to the Official Statement or undertaken to verify the accuracy, completeness, or fairness of the statements contained therein.

In our capacity as Bond Counsel we have delivered on this date the approving opinions in substantially the form set forth in Appendix C of the Official Statement. The Underwriters may rely on such approving opinions as if they were addressed to them.

In rendering this opinion, we have not represented any of the Underwriters nor rendered any advice to the Underwriters in connection with the Bond Purchase Agreement or the transactions contemplated thereby, other than that set forth herein; and we call to your attention the fact that our legal opinions and conclusions are an expression of professional judgment and not a guarantee of result. This opinion may

not be relied upon by any other person or by you in any other context, without our prior written consent. This opinion is not to be used, circulated, quoted, or otherwise referred to for any other purpose.

Yours very truly,

Allen Boone Humphries Robinson LLP

BRACEWELL
&GIULIANI

Texas
New York
Washington, DC
Connecticut
Dubai
Kazakhstan
London

Bracewell & Giuliani LLP
711 Louisiana Street
Suite 2300
Houston, Texas
77002-2770

713.223.2300 Office
713.221.1212 Fax

bgllp.com

May 14, 2009

LOOP CAPITAL MARKETS, LLC
as representative of the Underwriters
named in the Bond Purchase Agreement
referred to herein (the "Underwriters")
440 Louisiana
Suite 900
Houston, Texas 77002

Re: $73,430,000 Fort Bend County, Texas Limited Tax Bonds, Series 2009

Ladies and Gentlemen:

We have represented you as underwriters' counsel in connection with your underwriting of the above-referenced bonds (the "Bonds"), issued by Fort Bend County, Texas (the "Issuer").

As your counsel, we have reviewed a transcript of certain proceedings relating to the issuance of the Bonds, including without limitation, a Bond Order adopted by the Issuer on April 14, 2009, authorizing the issuance of the Bonds (the "Order"), opinions of Bond Counsel, the County Attorney, the Attorney General of Texas and other counsel, and the Official Statement with respect to the Bonds dated April 14, 2009 (the "Official Statement").

Based on the foregoing and in reliance on the matters described below, we are of the opinion that the offer and sale of the Bonds as contemplated in the Official Statement do not require registration under the Securities Act of 1933, as amended and now in effect, or qualification of the Order under the Trust Act of 1939, as amended and now in effect.

We have participated in conferences with representatives of the Issuer, the Financial Advisor, Bond Counsel, other consultants and professionals engaged by the Issuer, representatives and counsel to certain other parties described in the Official Statement, and with your representatives, at which conferences the contents of the Official Statement and related

matters were discussed. Although we have not conducted an independent investigation of the accuracy or completeness of the Official Statement, we advise you that, on the basis of the foregoing, no facts have come to our attention that lead us to believe that the Official Statement as of its date and as of today's date (except for the financial forecasts and other financial and statistical data included in the Official Statement including in Appendix B, as to which you have not asked us to express any view) contained any untrue statement of a material fact or omitted or omits to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

The Continuing Disclosure Agreement satisfies the requirements contained in S.E.C. Rule 15c2-12(b)(5) for an undertaking for the benefit of the holders of the Bonds to provide the information at the times and in the manner required by said Rule.

This opinion may only be relied upon by you, by the other underwriters whom you represent and by other persons to whom we grant written permission to rely hereon.

Very truly yours,

Bracewell & Giuliani LLP

Closing Memorandum Relating to:

FORT BEND COUNTY, TEXAS

$73,430,000
Limited Tax and Refunding Bonds, Series 2009

Closing: May 14, 2009



First Southwest Company

FORT BEND COUNTY, TEXAS

$73,430,000
Limited Tax and Refunding Bonds, Series 2009

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$73,430,000
FORT BEND COUNTY, TEXAS
LIMITED TAX AND REFUNDING BONDS, SERIES 2009

DISTRIBUTION LIST

Issuer
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301 Jackson Street
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(281) 341-8608
hebertb@co.fort-bend.tx.us

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Ms. Anne-Marie Hansen
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(512) 344-8667
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Paying Agent of Refunded Bonds
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First Southwest Company
Investment Bankers Since 1946

1021 Main Street
Suite 2200
Houston, Texas 77002

(713) 654-8690 Direct
(800) 922-9850 Toll Free
(713) 654-8658 Fax

Joseph W. Morrow
Senior Vice President

jmorrow@firstsw.com

May 8, 2009

Mr. Curtis Flowers
Loop Capital Markets, LLC
440 Louisiana, Suite 900
Houston, TX 77002

Re: ***$73,430,000 Fort Bend County, Texas Limited Tax and Refunding Bonds, Series 2009***

Dear Curtis:

Delivery of the captioned bonds is scheduled for **Thursday, May 14, 2009 at 10:00 a.m., CST,** by telephone. Funds in the amount of **$76,939,800.20** should be wired or otherwise transferred for immediate credit to:

Wells Fargo Bank, N.A.
ABA 121000248
A/C 000-1038377 – CTS Clearing
FFC: 99990909
Re: Fort Bend County, Limited Tax & Refunding Bonds, Series 2009
Attn: Jose Gaytan 512-344-7306

The total amount of funds to be wired has been determined as follows:

Principal Amount of the Bonds	$ 73,430,000.00
Plus: Accrued Interest	126,861.50
Plus: Net Premium	3,835,903.20
Less: Underwriter's Discount	(452,964.50)
TOTAL AMOUNT DUE:	**$ 76,939,800.20**

Your Good Faith Check in the amount of $755,000.00, which is being held by Bond Counsel, will be returned to you uncashed upon closing.

If you have questions about this procedure, please do not hesitate to call.

Sincerely,

Joseph W. Morrow
Senior Vice President

cc: Distribution

First Southwest Company
Investment Bankers Since 1946

1021 Main Street
Suite 2200
Houston, Texas 77002

(713) 654-8690 Direct
(800) 922-9850 Toll Free
(713) 654-8658 Fax

Joseph W. Morrow
Senior Vice President

jmorrow@firstsw.com

May 8, 2009

Mr. Jeff Council
Fort Bend County Treasurer
309 S. Fourth St. Suite 533
Richmond, TX 77469

Re: ***$73,430,000 Fort Bend County, Texas Limited Tax and Refunding Bonds, Series 2009***

Dear Jeff:

Delivery of the captioned bonds is scheduled for Thursday, May 14, 2009, at 10:00 A.M., Houston Time, by phone. On **Wednesday, May 13, 2009**, please wire funds in the amount of **$334,067.16** to the following:

Wells Fargo Bank, N.A.
ABA 121000248
A/C 000-1038377 – CTS Clearing
FFC: 99990909
Re: Fort Bend County, Limited Tax & Refunding Bonds, Series 2009
Attn: Jose Gaytan 512-344-7306

The County will receive an incoming wire some time after 10:00 A.M. on the above mentioned date, in the amount of **$74,129,493.98 plus any surplus proceeds allocated to the costs of issuance**. This wire represents a deposit to the Construction Fund of **$74,000,000.00** and a deposit to the Debt Service Fund of **$129,493.98**.

If you have any questions about this procedure, please do not hesitate to call.

Sincerely,

Joseph W. Morrow
Senior Vice President

cc: Distribution

First Southwest Company
Investment Bankers Since 1946

1021 Main Street
Suite 2200
Houston, Texas 77002

(713) 654-8690 Direct
(800) 922-9850 Toll Free
(713) 654-8658 Fax

Joseph W. Morrow
Senior Vice President

jmorrow@firstsw.com

May 8, 2009

Mr. Jose Gaytan
Wells Fargo Bank Texas, N.A.
PO Box 2019 (78768)
400 West 15th St., 1st Floor
Austin, Texas 78701

Re: ***$73,430,000 Fort Bend County, Texas Limited Tax and Refunding Bonds, Series 2009***

Dear Jose:

Delivery of the above captioned Bonds is scheduled for **10:00 A.M., Houston Time, Thursday, May 14, 2009**, by telephone. As purchaser of the Bonds, Loop Capital Markets, LLC will wire or transfer immediately available funds in the amount of **$76,939,800.20** to your attention on the day of closing. In addition, the County will wire funds in the amount of **$334,067.16** to your attention prior to closing, for total funds available of **$77,273,867.36**. Upon receipt of these funds, please distribute or credit the following:

Deposit to Construction Fund: Prosperity Bank Account #06116381 ABA # 113122655 FBC Justice Center Construction Bonds, Series 2009	$ 74,000,000.00
Deposit to Redemption Fund: Wire to: The Bank of New York ABA: 021000018 GLA: 211065 OBI: TAS 533504 FTBEND15 F/A/O: FORT BEND CO PERM IMP SER 97	2,894,373.38
Deposit to Debt Service Fund: Prosperity Bank Account # 1102216536 ABA # 113122655 FBC Debt Service	129,493.98
Cost of Issuance:	249,500.00
Retain for Initial Paying Agent Fee and Setup:	500.00
TOTAL FUNDS	**$77,273,867.36**

Please pay all invoices received at closing and return any surplus funds allocated to costs of issuance to the County, to be included in the deposit to the Construction Fund.

If you have questions about this procedure, please do not hesitate to call.

Sincerely,

Joseph W. Morrow
Senior Vice President

cc: Distribution

UNITED STATES OF AMERICA
STATE OF TEXAS
COUNTY OF FORT BEND

REGISTERED
NUMBER
_____

REGISTERED
DENOMINATION
$_____

FORT BEND COUNTY, TEXAS
LIMITED TAX AND REFUNDING BONDS
SERIES 2009

SPECIMEN

INTEREST RATE:	MATURITY DATE:	ISSUE DATE:	CUSIP:
	March 1, 20___	May 1, 2009	

REGISTERED OWNER:

PRINCIPAL AMOUNT: DOLLARS

Fort Bend County, Texas (the "County"), promises to pay to the registered owner identified above, or registered assigns, on the maturity date specified above, upon presentation and surrender of this Bond at Wells Fargo Bank, N.A. (the "Registrar"), at its principal payment office in Houston, Texas, the principal amount identified above, payable in any coin or currency of the United States of America which on the date of payment of such principal is legal tender for the payment of debts due the United States of America, and to pay interest thereon at the rate shown above, calculated on the basis of a 360 day year of twelve 30 day months, from the later of May 1, 2009, or the most recent interest payment date to which interest has been paid or duly provided for. Interest on this Bond is payable by check on September 1, 2009, and semiannually thereafter on each March 1 and September 1, mailed to the registered owner as shown on the books of registration kept by the Registrar as of the close of business on the 15th day of the calendar month next preceding each interest payment date.

THIS BOND is one of a duly authorized issue of Bonds, aggregating $73,430,000 (the "Bonds"), issued for the following purposes (1) construction, equipping and

improvements of county buildings; and (2) to refund certain obligations of the County, under and in strict conformity with the Constitution and laws of the State of Texas and by authority of an election held within the County on May 10, 2008, and pursuant to an order adopted by the Commissioners Court (the "Order"), which Order is of record in the official minutes of the Commissioners Court.

THE COUNTY RESERVES THE RIGHT to redeem the Bonds scheduled to mature on or after March 1, 2019, prior to maturity, in whole or from time to time in part, in integral multiples of $5,000, on March 1, 2018, or any date thereafter at a price of par plus accrued interest on the principal amounts called for redemption to the date fixed for redemption. Reference is made to the Order for complete details concerning the manner of redeeming the Bonds.

NOTICE OF ANY REDEMPTION shall be given at least thirty (30) days prior to the date fixed for redemption by first class mail, addressed to the registered owners of each Bond to be redeemed in whole or in part at the address shown on the books of registration kept by the Registrar. When Bonds or portions thereof have been called for redemption, and due provision has been made to redeem the same, the amounts so redeemed shall be payable solely from the funds provided for redemption, and interest which would otherwise accrue on the amounts called for redemption shall terminate on the date fixed for redemption.

SPECIMEN

THIS BOND is transferable only upon presentation and surrender at the principal payment office of the Registrar in Houston, Texas, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his authorized representative, subject to the terms and conditions of the Order.

THE BONDS are exchangeable at the principal payment office of the Registrar in Houston, Texas, for Bonds in the principal amount of $5,000 or any integral multiple thereof, subject to the terms and conditions of the Order.

THIS BOND shall not be valid or obligatory for any purpose or be entitled to any benefit under the Order unless this Bond is either (i) registered by the Comptroller of Public Accounts of the State of Texas by registration certificate attached or affixed hereto or (ii) authenticated by the Registrar by due execution of the authentication certificate endorsed hereon.

THE REGISTERED OWNER of this Bond, by acceptance hereof, acknowledges and agrees to be bound by all the terms and conditions of the Order.

THE COUNTY has covenanted in the Order that it will at all times provide a legally qualified registrar for the Bonds and will cause notice of any change of registrar to be mailed to each registered owner.

IT IS HEREBY certified, recited and covenanted that this Bond has been duly and validly issued and delivered; that all acts, conditions and things required or proper to be performed, to exist and to be done precedent to or in the issuance and delivery of this Bond have been performed, exist and have been done in accordance with law; and that annual ad valorem taxes, within the limits prescribed by law, sufficient to provide for the payment of the interest on and principal of this Bond, as such interest comes due and such principal matures, have been levied and ordered to be levied against all taxable property in the County.

SPECIMEN

IN WITNESS WHEREOF, this Bond has been signed with the manual or facsimile signature of the County Judge, countersigned with the manual or facsimile signature of the County Clerk, registered by the manual or facsimile signature of the County Treasurer, and the official seal of the County has been duly impressed, or placed in facsimile, on this Bond.

(AUTHENTICATION CERTIFICATE) (SEAL)

SPECIMEN

_____
County Judge

COUNTERSIGNED:

_____
County Clerk

REGISTERED:

_____
County Treasurer

AUTHENTICATION CERTIFICATE

It is hereby certified that this Bond has been delivered pursuant to the Order described in the text of this Bond.

Wells Fargo Bank, N.A.,
As Paying Agent/Registrar

By: _____
Authorized Signature
Date of Authentication: _____

SPECIMEN

ASSIGNMENT

For value received, the undersigned hereby sells, assigns, and transfers unto

_____

(Please print or type name, address, and zip code of Transferee)

_____

(Please insert Social Security or Taxpayer Identification Number of Transferee)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer said Bond on the books kept for registration thereof, with full power of substitution in the premises.

SPECIMEN

DATED: _____ _____

Signature Guaranteed:

_____

Registered Owner

_____

NOTICE: The signature above must correspond to the name of the registered owner as shown on the face of this Bond in every particular, without any alteration, enlargement or change whatsoever.

_____

NOTICE: Signature must be guaranteed by a member of the New York Stock Exchange or a commercial bank or trust company.