



COUNTY AUDITOR
Fort Bend County, Texas

Robert Ed Sturdivant
County Auditor

281-341-3769, 281-341-3774 (fax)
sturdrob@co.fort-bend.tx.us

7/24/2012 Agenda Item #18 Clarification:

- Texas Government Code, Section 791.028 allows the County to enter into an agreement with the Fort Bend Grand Parkway Toll Road Authority to jointly undertake a highway project and authorizes the County to levy, pursuant to Article 8, Section 9 of the Texas Constitution, and pledge a tax for the payment of its obligations under the agreement.
- Levy is defined as the one-time action of the court to commit the available portion of the tax rate for payment of debt service for the bonds if necessary.
- Pledging is the commitment to determine on an annual basis if a debt service tax rate for these bonds is necessary.
- The first 3 years of debt service are funded with capitalized interest in the bond issue. The debt service tax rate for these bonds will be set at zero for these years.
- Net revenues at the end of year 3 and each year thereafter will be available for funding debt service for the bonds. If net revenues are sufficient to fund the debt service for the next fiscal year, the debt service tax rate for these bonds will be set at zero.