

Texas Water Development Board

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1-800-RELAYTX (for hearing impaired)

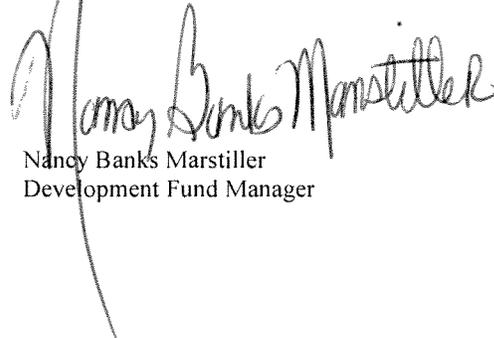
March 2, 2011

To: All Nationally Recognized Municipal Securities
Information Repositories and the State Information
Depository on the Attached List

The enclosed Continuing Disclosure Annual Report is being filed by the **TEXAS WATER DEVELOPMENT BOARD** in compliance with its contractual undertakings to provide annual reports of financial information and operating data, as required by Rule 15c2-12 of the Securities and Exchange Commission.

All information contained within the enclosed Continuing Disclosure Annual Report was compiled as of August 31, 2010 (unless expressly stated to the contrary therein).

TEXAS WATER DEVELOPMENT BOARD
THE STATE OF TEXAS



Nancy Banks Marsteller
Development Fund Manager

Our Mission	:	Board Members		
To provide leadership, planning, financial assistance, information, and education for the conservation and responsible development of water for Texas	:	Edward G. Vaughan, Chairman	James E. Herring, Member	Joe M. Crutcher, Member
	:	Jack Hunt, Vice Chairman	Thomas Weir Labatt III, Member	Lewis H. McMahan, Member
	:	J. Kevin Ward, Executive Administrator		

CONTINUING DISCLOSURE ANNUAL REPORT

Filed by
TEXAS WATER DEVELOPMENT BOARD

Pursuant to Undertakings Provided to
Permit Compliance with SEC Rule 15c2-12

August 31, 2010

This information is being provided by the **TEXAS WATER DEVELOPMENT BOARD** (the “Board”) in compliance with its contractual undertakings (each, an “Undertaking”) to provide annual reports of financial information and operating data, as required by Rule 15c2-12 (the “Rule”) of the Securities and Exchange Commission, regarding the following municipal debt issues (the “Issues”):

GENERAL OBLIGATION BONDS (Non-Dedicated Bonds - Texas Water Development Fund II)

Original Par Amount	Series Description	CUSIP Prefix
\$ 60,000,000	State of Texas Water Financial Assistance Refunding and Financial Assistance Bonds, Series 2000	882720
\$ 75,000,000	State of Texas Water Financial Assistance Bonds, Series 2000A	882720
\$ 43,725,000	State of Texas Water Financial Assistance Bonds, Series 2001B	882719
\$ 25,000,000	State of Texas Water Financial Assistance Bonds, Series 2002A (AMT)	882720
\$ 98,500,000	State of Texas Water Financial Assistance Bonds and Refunding Bonds, Series 2002B	882720
\$ 18,035,000	State of Texas Water Financial Assistance Bonds, Series 2002E	882720
\$ 30,940,000	State of Texas Water Development Refunding Bonds, Series 2001A	882719
\$ 25,000,000	State of Texas Water Financial Assistance Bonds, Series 2003A (AMT)	882720
\$ 50,915,000	State of Texas Water Financial Assistance and Refunding Bonds, Taxable Series 2003B	882720
\$ 70,330,000	State of Texas Water Financial Assistance and Refunding Bonds, Series 2003C	882720
\$ 25,000,000	State of Texas Water Financial Assistance Bonds, Series 2004A (AMT)	882720
\$ 71,530,000	State of Texas Water Financial Assistance and Refunding Bonds, Series 2004B	882720
\$ 60,085,000	State of Texas Water Financial Assistance Bonds, Series 2004D	882720
\$ 38,820,000	State of Texas Water Financial Assistance and Refunding Bonds, Taxable Series 2004E	882720
\$ 55,675,000	State of Texas Water Financial Assistance and Refunding Bonds, Series 2005A	882721
\$ 15,000,000	State of Texas Water Financial Assistance, Taxable Series 2005B	882721
\$ 13,175,000	State of Texas Water Financial Assistance Refunding Bonds, Series 2006A	882721
\$ 118,465,000	State of Texas Water Financial Assistance Refunding Bonds, Series 2007A	882721
\$ 25,000,000	State of Texas Water Financial Assistance Bonds, Series 2007D (AMT)	882721
\$ 26,510,000	State of Texas Water Financial Assistance Bonds, Series 2008B	882722
\$ 225,385,000	State of Texas Water Financial Assistance Bonds, Series 2009C-1	882722
\$ 57,260,000	State of Texas Water Financial Assistance Refunding Bonds, Series 2009C-2	882722
\$ 20,270,000	State of Texas Water Financial Assistance Bonds, Series 2010A	882722

GENERAL OBLIGATION BONDS
(Economically Distressed Areas Program - Texas Water Development Fund II)

Original Par Amount	Series Description	CUSIP Prefix
\$ 82,400,000	State of Texas Water Financial Assistance Refunding and Financial Assistance Bonds, Series 1998C (Economically Distressed Areas Program)	882719
\$ 24,995,000	State of Texas Water Financial Assistance Bonds, Series 1999B (Economically Distressed Areas Program)	882719
\$ 25,000,000	State of Texas Water Financial Assistance Bonds, Series 2001A (Economically Distressed Areas Program)	882719
\$ 23,980,000	State of Texas Water Financial Assistance Bonds, Series 2002C (Economically Distressed Areas Program)	882720
\$ 24,415,000	State of Texas Water Financial Assistance Bonds, Series 2004C (Economically Distressed Areas Program)	882720
\$ 49,270,000	State of Texas Water Financial Assistance Refunding Bonds, Series 2005C (Economically Distressed Areas Program)	882721
\$ 24,665,000	State of Texas Water Financial Assistance Bonds, Series 2007C (Economically Distressed Areas Program)	882721
\$ 34,235,000	State of Texas Water Financial Assistance Refunding Bonds, Series 2008C (Economically Distressed Areas Program)	882722
\$ 24,540,000	State of Texas Water Financial Assistance Bonds, Series 2009F (Economically Distressed Areas Program)	882722

GENERAL OBLIGATION BONDS
(State Participation Program - Texas Water Development Fund II)

Original Par Amount	Series Description	CUSIP Prefix
\$ 49,840,000	State of Texas Water Financial Assistance Bonds, Series 2001C (State Participation Program)	882719
\$ 20,000,000	State of Texas Water Financial Assistance Bonds, Series 2002D (State Participation Program)	882720
\$ 1,870,000	State of Texas Water Financial Assistance Refunding Bonds, Series 2003D (State Participation Program)	882720
\$ 19,680,000	State of Texas Water Financial Assistance Refunding Bonds, Series 2007B (State Participation Program)	882721
\$ 49,775,000	State of Texas Water Financial Assistance Refunding Bonds, Series 2009D (State Participation Program)	882722
\$ 42,280,000	State of Texas Water Financial Assistance Bonds, Series 2010C	882722

**GENERAL OBLIGATION BONDS
(Water Infrastructure Fund)**

Original Par Amount	Series Description	CUSIP Prefix
\$ 112,920,000	State of Texas Water Financial Assistance Bonds, Series 2008A	882721
\$ 144,995,000	State of Texas Water Financial Assistance Bonds, Series 2009, Sub-series 2009-A	882722
\$ 157,240,000	State of Texas Water Financial Assistance Bonds, Series 2009, Sub-series 2009-B	882722
\$ 101,400,000	State of Texas Water Financial Assistance Bonds, Series 2009E	882722
\$ 143,225,000	State of Texas Water Financial Assistance Bonds, Series 2010B	882722

STATE REVOLVING FUND

SENIOR LIEN REVENUE BONDS

Original Par Amount	Series Description	CUSIP Prefix
\$ 150,000,000	Texas Water Development Board State Revolving Fund Senior Lien Revenue Bonds, Program Series 1998A	882854
\$ 100,000,000	Texas Water Development Board State Revolving Fund Senior Lien Revenue Bonds, Program Series 1999A	882854
\$ 150,000,000	Texas Water Development Board State Revolving Fund Senior Lien Revenue Bonds, Program Series 1999B	882854
\$ 100,000,000	Texas Water Development Board State Revolving Fund Senior Lien Revenue Bonds, Program Series 2000A	882854

SUBORDINATE LIEN REVENUE BONDS

\$ 309,240,000	Texas Water Development Board State Revolving Fund Subordinate Lien Revenue Bonds (Variable Rate Refunding), Series 2007A	882854
\$ 211,620,000	Texas Water Development Board State Revolving Fund Subordinate Lien Revenue Bonds (Fixed Rate Refunding), Series 2007B	882854
\$ 203,050,000	Texas Water Development Board State Revolving Fund Subordinate Lien Revenue Bonds, Series 2008A	882854
\$ 261,425,000	Texas Water Development Board State Revolving Fund Subordinate Lien Revenue Bonds, Series 2008B	882854
\$ 224,975,000	Texas Water Development Board State Revolving Fund Subordinate Lien Revenue Bonds, Series 2009A-1	882854
\$ 32,765,000	Texas Water Development Board State Revolving Fund Subordinate Lien Revenue Refunding Bonds, Series 2009A-2	882854

Pursuant to the rules of the Municipal Securities Rulemaking Board (the "MSRB") the participating underwriters for the Issues were required to file copies of the final official statements for each of the Issues with the MSRB, copies of which are available from the MSRB upon request and payment of copying, handling and mailing costs. The final official statements for the Issues should not be considered to represent any date other than the dates indicated in such documents. Copies of the cover pages of the final official statements for each Issue appear in the respective Attachment hereto for such Issue.

Information in this Annual Report regarding the Board and the Issues has been compiled and provided by the Board and has been obtained from the Board's records and other sources which are believed by the Board to be reliable. The information compiled is provided in satisfaction of the Board's Undertakings, containing information as prescribed by the Rule. The Board makes no warranty concerning the usefulness of such information to a decision to invest in, hold or sell bonds or other obligations payable, in whole or in part, from the general obligation of the State of Texas or the State Revolving Fund, as applicable. Information agreed to be provided by the Board may be reported in full text herein, or may be incorporated by reference to certain other publicly available documents. The Board is required by the Undertakings to provide information annually by a date not more than 195 days following the close of its fiscal year, for as long as any of the Issues identified above are outstanding.

Questions concerning this Annual Report should be directed, as follows:

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TABLE OF ATTACHMENTS

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**General Obligation Bonds
(Summary of Bonds Authorized and Issued)**

GENERAL OBLIGATION BONDS

Summary of Bonds Authorized and Issued

A summary of bonds authorized, issued as of August 31, 2010, and authorized but unissued is set forth in the following table:

<u>Purpose</u>	<u>Bonds Authorized</u>	<u>Bonds Issued as of August 31, 2010</u>	<u>Bonds Authorized But Unissued</u>
Water Supply, Storage Acquisition, Water Quality Enhancement, Flood Control and State Participation (Reservoirs & Facilities) ⁽¹⁾	\$ 2,480,000,000	\$ 2,480,000,000	\$ -
Recaptured Authorization from 49-d (Contingent Liability – LNRA) ⁽²⁾	26,523,431	26,523,431	-
Constitutional Amendment 19 ⁽³⁾	2,000,000,000	888,498,326	1,111,501,674
Agricultural Water Conservation	200,000,000	35,160,000	164,840,000
EDAP	<u>250,000,000</u>	<u>13,146,098</u>	<u>236,853,902</u>
	<u>\$4,956,523,431</u>	<u>\$ 3,443,327,855</u>	<u>\$ 1,513,195,576</u>

General

On November 6, 2001, the voters of the State of Texas passed Constitutional Amendment 19 which authorized the Texas Water Development Board (TWDB) to issue an additional \$2,000,000,000 of general obligation bonds under Article III, Section 49-d-9 of the Texas Constitution. Of the \$2,000,000,000 in general obligation bond authorization, Constitutional Amendment 19 requires the TWDB to dedicate \$50,000,000 of such authorization to fund the Water Infrastructure Fund (WIF), which was created by Senate Bill 2 passed by the 77th Legislature in the 2001 regular session. Also, Constitutional Amendment 19 removes the TWDB's current limitation on the percentage of State Participation that TWDB may undertake in regional projects.

- (1) Section 49-d-8 of the Texas Constitution, approved by the voters of the State on November 4, 1997, provides that bonds otherwise authorized by Sections 49-c, 49-d, 49-d-1, 49-d-2, 49-d-5, 49-d-6 and 49-d-7 of the Texas Constitution (relating to Water Supply, Storage Acquisition, Water Quality Enhancement, Flood Control and State Participation) can be issued to provide money for the accounts within the Texas Water Development Fund II (DFund II) as determined by the Board (provided, that nothing in Section 49-d-8 shall be construed to grant to TWDB the authority to issue bonds in excess of \$250 million for the Economically Distressed Areas Program). All authorizations relating to Water Supply, Storage Acquisition, Water Quality Enhancement, Flood Control and State Participation therefore are combined for ease of presentation.
- (2) Lavaca-Navidad River Authority (LNRA) commenced payments on the Palmetto Bend Dam and Reservoir Project in 1996. If LNRA were to be unable to timely meet any of its payment obligations, the Board was required to purchase interest, in the facility from LNRA to the extent necessary to allow LNRA to make its required payment. The Board was therefore contingently liable for LNRA's allocation of repayment costs. This liability was removed when the Board, along with the LNRA, retired their respective payment obligations under the Federal Contracts upon purchase of the Bureau of Reclamation ownership interest in the project on June 26, 2001. Additionally \$26,523,431 of bond authorization which had previously been designated as used for a contingent liability for a federal contract relating to LNRA Lake Texana Project was determined to not have used the authorization against which it was allocated. After the Federal Contract was retired without any actual payment being required by the TWDB, this authorization was restored to TWDB for use toward any authorized purpose.

- (3) Pursuant to Section 49-d-9 of the Texas Constitution, \$50,000,000 of the bonds authorized to be issued shall be used for the Water Infrastructure Fund. The 80th Legislature in the 2007 regular session authorized appropriations of general revenue to support the payment of a portion of the debt service on up to \$449,253,188 in general obligation bonds issued during the 2008-09 biennium for the Water Infrastructure Fund. The 81st Legislature authorized appropriations of general revenue to support the payment of a portion of the debt service on up to \$473,365,000 in general obligation bonds issued during the 2010-11 biennium for the Water Infrastructure Fund.

ATTACHMENT A

**General Obligation Bonds
(Non-Dedicated Bonds – Texas Water Development Fund II)**

GENERAL OBLIGATION BONDS
(Non-Dedicated Bonds - Texas Water Development Fund II)

Original Par Amount	Series Description	CUSIP Prefix
\$ 60,000,000	State of Texas Water Financial Assistance Refunding and Financial Assistance Bonds, Series 2000	882720
\$ 75,000,000	State of Texas Water Financial Assistance Bonds, Series 2000A	882720
\$ 43,725,000	State of Texas Water Financial Assistance Bonds, Series 2001B	882719
\$ 25,000,000	State of Texas Water Financial Assistance Bonds, Series 2002A (AMT)	882720
\$ 98,500,000	State of Texas Water Financial Assistance Bonds and Refunding Bonds, Series 2002B	882720
\$ 18,035,000	State of Texas Water Financial Assistance Bonds, Series 2002E	882720
\$ 30,940,000	State of Texas Water Development Refunding Bonds, Series 2001A	882719
\$ 25,000,000	State of Texas Water Financial Assistance Bonds, Series 2003A (AMT)	882720
\$ 50,915,000	State of Texas Water Financial Assistance and Refunding Bonds, Taxable Series 2003B	882720
\$ 70,330,000	State of Texas Water Financial Assistance and Refunding Bonds, Series 2003C	882720
\$ 25,000,000	State of Texas Water Financial Assistance Bonds, Series 2004A (AMT)	882720
\$ 71,530,000	State of Texas Water Financial Assistance and Refunding Bonds, Series 2004B	882720
\$ 60,085,000	State of Texas Water Financial Assistance Bonds, Series 2004D	882720
\$ 38,820,000	State of Texas Water Financial Assistance and Refunding Bonds, Taxable Series 2004E	882720
\$ 55,675,000	State of Texas Water Financial Assistance and Refunding Bonds, Series 2005A	882721
\$ 15,000,000	State of Texas Water Financial Assistance, Taxable Series 2005B	882721
\$ 13,175,000	State of Texas Water Financial Assistance Refunding Bonds, Series 2006A	882721
\$ 118,465,000	State of Texas Water Financial Assistance Refunding Bonds, Series 2007A	882721
\$ 25,000,000	State of Texas Water Financial Assistance Bonds, Series 2007D (AMT)	882721
\$ 26,510,000	State of Texas Water Financial Assistance Bonds, Series 2008B	882722
\$ 225,385,000	State of Texas Water Financial Assistance Bonds, Series 2009C-1	882722
\$ 57,260,000	State of Texas Water Financial Assistance Refunding Bonds, Series 2009C-2	882722
\$ 20,270,000	State of Texas Water Financial Assistance Bonds, Series 2010A	882722

**ANNUAL UPDATE OF QUANTITATIVE FINANCIAL
INFORMATION AND OPERATING DATA FOR FISCAL YEAR 2010**

The information contained under the heading “ANNUAL UPDATE OF QUANTITATIVE FINANCIAL INFORMATION AND OPERATING DATA FOR FISCAL YEAR 2010” in **Attachment A** of this Annual Report is hereby incorporated by reference in satisfaction of the Board’s Undertaking to update the financial information and quantitative operating data under the heading “Texas Water Development Board” contained in the final official statements relating to these bonds, the copies of the covers of which are included in **Attachment A**.

General

As of August 31, 2010, the Board had twenty three outstanding Bond issues in the aggregate principal amount of \$900,855,000, as listed above.

The authorization of DFund II program by Article 3, Section 49-d-8 of the Texas Constitution (Section 49-d-8) in 1997 provides for a more flexible financing program and flow of funds than was afforded in the original DFund I program. Consequently, the Board transferred assets from the DFund I to DFund II where legally and fiscally appropriate. Section 49-d-8 provides for the transfer which may be accomplished either in connection with the issuance of DFund II refunding bonds or as a transfer without issuing refunding bonds.

As of August 31, 2010, the Water Financial Assistance Program had received \$368,458,062 in prepayments (which consisted of \$367,117,346 in principal) from Political Subdivision Bonds. Water Financial Assistance Program prepayments are deposited in the Program account to purchase additional Political Subdivision Bonds and/or defease debt.

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**TEXAS WATER DEVELOPMENT FUND II
WATER FINANCIAL ASSISTANCE
SCHEDULE OF DEBT SERVICE REQUIREMENTS
AS OF AUGUST 31, 2010**

Fiscal Year (1)	Principal	Interest	Total Existing Debt Service
2011	\$34,575,000	\$44,840,941	\$79,415,941
2012	40,740,000	43,270,034	84,010,034
2013	41,310,000	41,297,967	82,607,967
2014	44,355,000	39,340,784	83,695,784
2015	44,620,000	37,172,434	81,792,434
2016	44,635,000	34,895,206	79,530,206
2017	48,495,000	32,684,719	81,179,719
2018	48,520,000	30,249,761	78,769,761
2019	50,710,000	27,784,315	78,494,315
2020	49,115,000	25,244,230	74,359,230
2021	46,825,000	22,753,881	69,578,881
2022	47,495,000	20,492,086	67,987,086
2023	37,685,000	18,114,247	55,799,247
2024	31,260,000	16,243,334	47,503,334
2025	23,430,000	14,661,810	38,091,810
2026	22,255,000	13,492,912	35,747,912
2027	23,315,000	12,381,648	35,696,648
2028	21,390,000	11,216,935	32,606,935
2029	22,425,000	10,148,143	32,573,143
2030	14,600,000	9,023,731	23,623,731
2031	13,625,000	8,288,413	21,913,413
2032	14,340,000	7,589,454	21,929,454
2033	15,100,000	6,856,251	21,956,251
2034	15,795,000	6,089,885	21,884,885
2035	22,035,000	5,290,744	27,325,744
2036	14,660,000	4,161,919	18,821,919
2037	15,405,000	3,421,619	18,826,619
2038	15,720,000	2,643,713	18,363,713
2039	16,520,000	1,850,744	18,370,744
2040	4,485,000	1,017,400	5,502,400
2041	4,715,000	785,388	5,500,388
2042	3,410,000	541,456	3,951,456
2043	2,090,000	370,069	2,460,069
2044	1,205,000	266,500	1,471,500
2045	1,265,000	204,744	1,469,744
2046	1,330,000	139,913	1,469,913
2047	1,400,000	71,750	1,471,750
2048			
	<u>\$900,855,000</u>	<u>\$554,899,078</u>	<u>\$1,455,754,078</u>

(1) The Texas Water Development Board's fiscal year runs from 9/1 to 8/31.

Texas Water Development Board
Statement of Net Assets - Water Development Fund II (DFund II) (2)

August 31,

	2006	2007	2008	2009	2010
ASSETS					
Current Assets:					
Cash and Cash Equivalents:					
Cash in State Treasury	225,366,664	157,795,742	132,190,736	119,155,015	113,715,222
Receivables from:					
Interest and Dividends	8,653,326	8,381,050	7,692,644	8,843,903	7,410,941
Accounts Receivable					129,102
Interfund Receivables	13,725,425	14,665,948	16,512,135	18,553,095	10,729,249
Due From Other Funds	44,678,170	47,985,012	31,205,445	27,814,085	40,892,246
Loans and Contracts	18,229,904	19,189,415	18,366,004	18,759,722	18,101,510
Total Current Assets	310,653,489	248,017,167	205,966,964	193,125,820	190,978,270
Non-Current Assets:					
Loans and Contracts	534,298,107	535,248,692	503,010,688	689,933,966	643,852,605
Interfund Receivables	233,854,153	269,242,995	293,021,721	310,035,726	285,362,622
Other Non-Current Assets	625,748	625,749			
Total Non-Current Assets	768,778,008	805,117,436	796,032,409	999,969,692	929,215,227
Total Assets	1,079,431,497	1,053,134,603	1,001,999,373	1,193,095,512	1,120,193,497
LIABILITIES					
Current Liabilities:					
Payables from:					
Accounts Payable	13,413	82,292	14,143	-	
Interest Payable	3,783,300	3,562,213	3,379,191	5,157,213	3,736,745
Due to Other Funds	43,019,815	45,739,141	28,807,271	25,246,767	38,297,762
G. O. Bonds Payable	39,435,000	42,290,000	40,320,000	42,700,000	34,575,000
Total Current Liabilities	86,251,528	91,673,646	72,520,605	73,103,980	76,609,507
Non-Current Liabilities:					
G. O. Bonds Payable (net)	847,905,000	805,615,000	763,065,000	943,495,000	866,280,000
Total Non-Current Liabilities	847,905,000	805,615,000	763,065,000	943,495,000	866,280,000
Total Liabilities	934,156,528	897,288,646	835,585,605	1,016,598,980	942,889,507
NET ASSETS					
Unrestricted	145,274,969	155,845,957	166,413,768	176,496,532	177,303,990
Total Net Assets	145,274,969	155,845,957	166,413,768	176,496,532	177,303,990

(1) The financial data presented here is a recapitulation of the Board's financial statements presented in their Annual Financial Reports. The Board's financial statements become a part of the Comprehensive Annual Financial Report for the State of Texas, which is audited by the State Auditor's Office; however, the scope of the reviews at the agency level do not constitute an audit of the individual agency's financial statements. Consequently, these statements are considered unaudited at the agency level.

(2) Prior year presentation of information revised for consistency and comparability with the financial statements for fiscal year 2010.

Texas Water Development Board
Statement of Revenues, Expenses, and Changes in Net Assets - Water Development Fund II (DFund II) (2)

For the Fiscal Year Ended August 31,

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
OPERATING REVENUES:					
Interest and Investment Income	54,589,510	54,913,192	56,525,165	58,204,828	54,725,742
Total Operating Revenues	54,589,510	54,913,192	56,525,165	58,204,828	54,725,742
OPERATING EXPENSES:					
Professional Fees and Services	182,897	150,529	265,852	219,960	317,883
Travel	1,040			4,017	4,026
Printing and Reproduction			2,650		1,336
Interest	46,706,700	44,182,175	43,575,637	41,555,015	53,060,427
Other Operating Expenses	94,894	9,500	779,651	1,633,251	560,969
Total Operating Expenses	46,985,531	44,342,204	44,623,790	43,412,243	53,944,641
Operating Income (Loss)	7,603,979	10,570,988	11,901,375	14,792,585	781,101
Income/(Loss) before Other Revenues, Expenses, Gains/Losses and Transfers	7,603,979	10,570,988	11,901,375	14,792,585	781,101
OTHER REVENUES, EXPENSES, GAINS/LOSSES AND TRANSFERS:					
Extraordinary Items (3)	1,130,706	-	-	-	
Transfers-In	250,266,856	161,239,011	257,635,692	320,085,869	389,518,751
Transfers-Out	(207,881,183)	(161,239,011)	(258,969,256)	(324,795,690)	(389,492,394)
Total Other Revenue, Expenses, Gain/Losses and Transfers	43,516,379	0	(1,333,564)	(4,709,821)	26,357
Change in Net Assets	51,120,358	10,570,988	10,567,811	10,082,764	807,458
Total Net Assets, September 1, XXXX	94,154,611	145,274,969	155,845,957	166,413,768	176,496,532
Total Net Assets, August 31, Ending	145,274,969	155,845,957	166,413,768	176,496,532	177,303,990

(1) The financial data presented here is a recapitulation of the Board's financial statements presented in their Annual Financial Reports. The Board's financial statements become a part of the Comprehensive Annual Financial Report for the State of Texas, which is audited by the State Auditor's Office; however, the scope of the reviews at the agency level do not constitute an audit of the individual agency's financial statements. Consequently, these statements are considered unaudited at the agency level.

(2) Prior year presentation of information revised for consistency and comparability with the financial statements for fiscal year 2010.

(3) The Texas Water Development Board (the Board) entered into a transaction with a private retail water provider involving the sale of debt held by the Board. The transaction included the sale of bonds which were part of the Board's Water Development Fund II loan portfolio, and the transfer of the Board's lien on the assets and property. The Board received the principal of \$19,190,000, interest accrued to the date of the transaction of \$699,704, and an additional, negotiated amount of \$1,130,706 to cover the lost cash flow from the transaction date to the first call date. Based on the current taxable loan commitments and existing cash on hand in the taxable proceeds account it was determined that the proceeds should be used to defease debt which would strengthen cash flows and increase debt service coverage.

OFFICIAL STATEMENT**NEW ISSUE —Book-Entry Only****Ratings: See "OTHER INFORMATION - Ratings"**

In the joint opinion of McCall, Parkhurst & Horton L.L.P. and Wickliff & Hall, P.C., Co-Bond Counsel, interest on the Bonds is excludable from gross income for federal income tax purposes under existing statutes, regulations, court decisions and published rulings and the Bonds are not "specified private activity bonds" for the purposes of the alternative minimum tax imposed on individuals and corporations. See "TAX MATTERS" for a discussion of the joint opinion of Co-Bond Counsel, including a description of alternative minimum tax consequences for corporations and other tax consequences.

\$60,000,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS

**Water Financial Assistance Refunding
and Financial Assistance Bonds
Series 2000**

Dated: May 1, 2000**Due: As Shown on the Inside Front Cover Page**

Interest on the captioned bonds (the "Bonds") will accrue from the dated date thereof at the respective fixed rates of interest shown on the inside front cover page hereof, and will be payable on February 1 and August 1 of each year, beginning on February 1, 2001, calculated on the basis of a 360-day year composed of twelve 30-day months. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple within a maturity. The Depository Trust Company, New York, New York ("DTC"), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of bond certificates except as described herein.

Principal of the Bonds will be payable to the registered holders thereof upon presentation and surrender thereof at the designated office of the Paying Agent/Registrar therefor, initially, The Bank of New York, Houston, Texas. Interest on the Bonds will be payable by check, dated as of the interest payment date or redemption date, as applicable, and mailed by the Paying Agent/Registrar to the registered holders at the addresses as shown on the records of the Paying Agent/Registrar. Notwithstanding the foregoing, during any period in which ownership of Bonds is determined only by a book entry at DTC, the Paying Agent/Registrar will make payments on the Bonds to DTC or DTC's nominee in accordance with arrangements between the Board and DTC. See APPENDIX D - Book-Entry Only System.

The Bonds are subject to mandatory and optional redemption prior to maturity as provided herein. See "THE BONDS - Redemption Provisions."

THE BONDS ARE GENERAL OBLIGATIONS, AND ARE SECURED BY THE FULL FAITH AND CREDIT, OF THE STATE OF TEXAS. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" herein.

The Bonds are general obligations of the State of Texas and are issued under the authority of the Constitution and laws of the State of Texas, particularly Article III, Section 49-d-8, Texas Constitution, to augment the funding of the Texas Water Development Fund II ("Development Fund II"). The Bonds are issued pursuant to a resolution adopted on April 19, 2000 (the "Resolution") by the Texas Water Development Board (the "Board") under authority of pertinent provisions of the Texas Water Code. A portion of the proceeds of the Bonds will be used to currently refund certain of the outstanding State of Texas Water Development Bonds (see "Schedule I"), and a portion of the proceeds of the Bonds will be used to provide financial assistance to political subdivisions for water supply, water quality enhancement and flood control purposes, for transfers to any state revolving fund administered by the Board and to pay costs of issuance.

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas and of McCall, Parkhurst & Horton L.L.P. and Wickliff & Hall, P.C., Co-Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Winstead Sechrest & Minick P.C. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery through the facilities of DTC on or about May 25, 2000.

Siebert Brandford Shank & Co., LLC

Coastal Securities**J.P. Morgan Securities, Inc.****Loop Capital Markets, LLC**

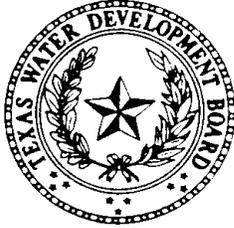
Dated May 2, 2000

NEW ISSUE — Book-Entry Only

Ratings: See “RATINGS”

In the opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel, interest on the Bonds is excludable from gross income for federal income tax purposes under existing statutes, regulations, court decisions and published rulings and such Bonds are not “specified private activity bonds” for the purposes of the alternative minimum tax imposed on individuals and corporations. See “TAX MATTERS” for a discussion of the opinion of Bond Counsel, including a description of alternative minimum tax consequences for corporations and other tax consequences.

\$75,000,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS



STATE OF TEXAS WATER FINANCIAL ASSISTANCE BONDS
SERIES 2000A

Dated: December 1, 2000

Due: As Shown on the Inside Front Cover Page

The \$75,000,000 State of Texas Water Financial Assistance Bonds, Series 2000A (the “Bonds”) are general obligations of the State of Texas and are issued under the authority of the Constitution and laws of the State of Texas. Interest on the Bonds will accrue from the dated date thereof at the respective fixed rates of interest shown on the inside front cover page herein, and will be payable on August 1 and February 1 of each year, beginning on August 1, 2001, calculated on the basis of a 360-day year composed of twelve 30-day months. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York (“DTC”) initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of bond certificates except as described herein.

Principal of the Bonds will be payable to the registered holders thereof upon presentation and surrender thereof at the designated office of the Paying Agent/Registrar therefor, initially, The Bank of New York, Houston, Texas. Interest on the Bonds will be payable by check, dated as of the interest payment date or redemption date, as applicable, and mailed by the Paying Agent/Registrar to the registered holders and at the addresses as shown on the records of the Paying Agent/Registrar. Notwithstanding the foregoing, during any period in which ownership of Bonds is determined only by a book entry at DTC, the Paying Agent/Registrar will make payments on such bonds to DTC or DTC’s nominee in accordance with arrangements between the Texas Water Development Board (the “Board”) and DTC. See “APPENDIX E - Book-Entry Only System.”

The Bonds are subject to mandatory and optional redemption prior to maturity as provided herein See “THE BONDS - Redemption Provisions.”

THE BONDS CONSTITUTE A GENERAL OBLIGATION, AND ARE SECURED BY THE FULL FAITH AND CREDIT, OF THE STATE OF TEXAS. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS.”

The Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Section 49-d-8, Texas Constitution, to augment the funding of the Texas Water Development Fund II. The Bonds are issued pursuant to a resolution (the “Resolution”) adopted on October 18, 2000 by the Board under authority of pertinent provisions of the Texas Water Code. The proceeds of the Bonds will be used to provide financial assistance to political subdivisions for water supply, water quality enhancement and flood control purposes, for transfers to any revolving fund administered by the Board and to pay costs of issuance.

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas, and of McCall, Parkhurst & Horton L.L.P., Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Winstead Sechrest & Minick P.C. See “LEGAL MATTERS.” It is expected that the Bonds will be available for delivery through the facilities of DTC on or about January 9, 2001.

Chase Securities of Texas, Inc.

Estrada Hinojosa & Co., Inc.

Loop Capital Markets, LLC

Morgan Stanley Dean Witter
 Morgan Stanley & Co. Incorporated

J.P. Morgan & Co.

Siebert Brandford Shank & Co.

Dated: December 6, 2000

OFFICIAL STATEMENT

THREE NEW ISSUES — Book-Entry Only**Ratings: See "RATINGS"**

In the opinion of McCall, Parkhurst & Horton L.L.P. and Wickliff & Hall, P.C., Co-Bond Counsel, interest on the Bonds is excludable from gross income for federal income tax purposes under existing statutes, regulations, court decisions and published rulings and such Bonds are not "specified private activity bonds" for the purposes of the alternative minimum tax imposed on individuals and corporations. See "TAX MATTERS" for a discussion of the opinions of Co-Bond Counsel, including a description of alternative minimum tax consequences for corporations and other tax consequences.



\$118,565,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS

\$25,000,000
State of Texas
Water Financial Assistance Bonds
Series 2001A
(Economically Distressed Areas Program)

\$43,725,000
State of Texas
Water Financial Assistance Bonds
Series 2001B

\$49,840,000
State of Texas
Water Financial Assistance Bonds
Series 2001C
(State Participation Program)

Dated: June 1, 2001**Due: As Shown on the Inside Front Cover Page**

The Series 2001A Bonds, the Series 2001B Bonds and the Series 2001C Bonds (collectively, the "Bonds") are general obligations of the State of Texas and are issued under the authority of the Constitution and laws of the State of Texas. Interest on the Bonds will accrue from the dated date thereof at the respective fixed rates of interest shown on the inside front cover page hereof, and will be payable on February 1 and August 1 of each year, beginning on February 1, 2002, calculated on the basis of a 360-day year composed of twelve 30-day months. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York ("DTC"), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of bond certificates except as described herein.

Principal of the Bonds will be payable to the registered holders thereof upon presentation and surrender thereof at the designated office of the Paying Agent/Registrar therefor, initially, The Bank of New York, Houston, Texas. Interest on the Bonds will be payable by check, dated as of the interest payment date or redemption date, as applicable, and mailed by the Paying Agent/Registrar to the registered holders and at the addresses as shown on the records of the Paying Agent/Registrar. Notwithstanding the foregoing, during any period in which ownership of any series of Bonds is determined only by a book entry at DTC, the Paying Agent will make payments on such bonds to DTC or DTC's nominee in accordance with arrangements between the Board and DTC. See "THE BONDS — Book-Entry Only System."

The Bonds are subject to mandatory and optional redemption prior to maturity as provided herein. See "THE BONDS — Redemption Provisions."

THE BONDS ARE GENERAL OBLIGATIONS, AND ARE SECURED BY THE FULL FAITH AND CREDIT, OF THE STATE OF TEXAS.
 See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Section 49-d-8, Texas Constitution, to augment the funding of the Texas Water Development Fund II. Each series of Bonds is issued pursuant to a separate resolution (individually, a "Resolution," and collectively, the "Resolutions") adopted on May 16, 2001 by the Texas Water Development Board (the "Board") under authority of pertinent provisions of the Texas Water Code. The proceeds of the Series 2001A Bonds will be used to provide financial assistance in the form of loans and/or grants to political subdivisions in economically distressed areas of the State of Texas for water quality enhancement and water supply purposes. The proceeds of the Series 2001B Bonds will be used to provide financial assistance to political subdivisions for water supply, water quality enhancement and flood control purposes and for transfers to any state revolving fund administered by the Board. The proceeds of the Series 2001C Bonds will be used to provide funding of State Participation Projects (as defined in the Resolution authorizing the Series 2001C Bonds).

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas, and of McCall, Parkhurst & Horton L.L.P. and Wickliff & Hall, P.C., Co-Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Vinson & Elkins L.L.P. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery through the facilities of DTC on or about June 26, 2001.

Goldman, Sachs & Co.

Dain Rauscher Incorporated
Southwestern Capital Markets, Inc.

Morgan Keegan & Company, Inc.
U.S. Bancorp Piper Jaffray Inc.

Salomon Smith Barney
Walton Johnson & Company

Dated: June 1, 2001

OFFICIAL STATEMENT

NEW ISSUE – Book-Entry Only

Ratings: See “OTHER INFORMATION – Ratings”

In the opinion of McCall, Parkhurst & Horton L.L.P. and Delgado, Acosta, Braden & Jones, P.C., Co-Bond Counsel, interest on the Bonds will be excludable from gross income for federal income tax purposes, except for any holder who is treated pursuant to section 147(a) of the Internal Revenue Code of 1986 (the “Code”) as a “substantial user” of the projects financed with proceeds of the Bonds, or a “related person” to such user under existing statutes, regulations, published rulings and court decisions, except as explained under “TAX MATTERS” herein, and will be an item of tax preference for purposes of determining the alternative minimum tax imposed on individuals and corporations under section 57(a)(5) of the Code. See “TAX MATTERS” for a discussion of the opinions of Co-Bond Counsel, including a description of alternative minimum tax consequences for corporations and other tax consequences.



\$25,000,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS

Water Financial Assistance Bonds
Series 2002A (AMT)

Dated: March 1, 2002

Due: As Shown on the Inside Front Cover Page

The State of Texas Water Financial Assistance Bonds, Series 2002A (AMT) (the “Bonds”) are general obligations of the State of Texas and are issued under the authority of the Constitution and laws of the State of Texas. Interest on the Bonds will accrue from the dated date thereof at the fixed rates of interest shown on the inside front cover page hereof, and will be payable on August 1 and February 1 of each year, beginning on August 1, 2002, calculated on the basis of a 360-day year composed of twelve 30-day months. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York (“DTC”), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of bond certificates except as described herein.

Principal of the Bonds will be payable to the registered holders thereof upon presentation and surrender thereof at the designated office of the Paying Agent/Registrar therefor, initially, The Bank of New York Trust Company of Florida, N.A., Dallas, Texas. Interest on the Bonds will be payable by check, dated as of the interest payment date or redemption date, as applicable, and mailed by the Paying Agent/Registrar to the registered holders and at the addresses as shown on the records of the Paying Agent/Registrar. Notwithstanding the foregoing, during any period in which ownership of the Bonds is determined only by a book entry at DTC, the Paying Agent/Registrar will make payments on the Bonds to DTC or DTC’s nominee in accordance with arrangements between the Board and DTC. See “APPENDIX E – Book-Entry Only System.”

The Bonds are subject to redemption prior to maturity as provided herein. See “THE BONDS – Redemption Provisions.”

THE BONDS ARE GENERAL OBLIGATIONS, AND ARE SECURED BY THE FULL FAITH AND CREDIT, OF THE STATE OF TEXAS. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS.”

The Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Section 49-d-8, Texas Constitution, to augment the funding of the Texas Water Development Fund II. The Bonds are issued pursuant to a resolution (the “Resolution”) adopted on February 20, 2002 by the Texas Water Development Board (the “Board”) under authority of pertinent provisions of the Texas Water Code. The proceeds of the Bonds will be used to provide financial assistance to political subdivisions for water supply and water quality enhancement purposes, specifically to provide financial assistance to Rural Political Subdivisions for water and water-related projects, including transfers to the Rural Water Assistance Fund.

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas, and of McCall, Parkhurst & Horton L.L.P. and Delgado, Acosta, Braden & Jones, P.C., Co-Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Vinson & Elkins L.L.P. See “LEGAL MATTERS.” It is expected that the Bonds will be available for delivery through the facilities of DTC on or about April 9, 2002.

Salomon Smith Barney

Bear, Stearns & Co. Inc.
Siebert Brandford Shank & Co., LLC

Estrada Hinojosa & Company, Inc.
Southwestern Capital Markets, Inc.

JPMorgan
SWS Securities

Dated: March 6, 2002

OFFICIAL STATEMENT

NEW ISSUE — Book-Entry Only

Ratings: See "OTHER INFORMATION — Ratings"

In the opinion of McCall, Parkhurst & Horton L.L.P. and Delgado, Acosta, Braden & Jones, P.C., Co-Bond Counsel, interest on the Bonds is excludable from gross income for federal income tax purposes under existing statutes, regulations, court decisions and published rulings and such Bonds are not "specified private activity bonds" for the purposes of the alternative minimum tax imposed on individuals and corporations. See "TAX MATTERS" for a discussion of the opinion of Co-Bond Counsel, including a description of alternative minimum tax consequences for corporations and other tax consequences.



\$98,500,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS

**Water Financial Assistance and
 Refunding Bonds
 Series 2002B**

Dated: April 1, 2002

Due: As Shown on the Inside Front Cover Page

The State of Texas Water Financial Assistance and Refunding Bonds, Series 2002B (the "Bonds") are general obligations of the State of Texas and are issued under the authority of the Constitution and laws of the State of Texas. Interest on the Bonds will accrue from the dated date thereof at the fixed rates of interest shown on the inside front cover page hereof, and will be payable on August 1 and February 1 of each year, beginning on August 1, 2002, calculated on the basis of a 360-day year composed of twelve 30-day months. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York ("DTC"), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of bond certificates except as described herein.

Principal of the Bonds will be payable to the registered holders thereof upon presentation and surrender thereof at the designated office of the Paying Agent/Registrar therefor, initially, The Bank of New York Trust Company of Florida, N.A., Dallas, Texas. Interest on the Bonds will be payable by check, dated as of the interest payment date or redemption date, as applicable, and mailed by the Paying Agent/Registrar to the registered holders and at the addresses as shown on the records of the Paying Agent/Registrar. Notwithstanding the foregoing, during any period in which ownership of the Bonds is determined only by a book entry at DTC, the Paying Agent/Registrar will make payments on the Bonds to DTC or DTC's nominee in accordance with arrangements between the Board and DTC. See "APPENDIX E – Book-Entry Only System."

The Bonds are subject to redemption prior to maturity as provided herein. See "THE BONDS – Redemption Provisions."

THE BONDS ARE GENERAL OBLIGATIONS, AND ARE SECURED BY THE FULL FAITH AND CREDIT, OF THE STATE OF TEXAS. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Section 49-d-8, Texas Constitution, to augment the funding of the Texas Water Development Fund II. The Bonds are issued pursuant to a resolution (the "Resolution") adopted on February 20, 2002 by the Texas Water Development Board (the "Board") under authority of pertinent provisions of the Texas Water Code. The proceeds of the Bonds will be used to provide financial assistance to political subdivisions for water supply, water quality enhancement and flood control purposes; for transfers to any state revolving fund administered by the Board; and to refund certain of the Board's outstanding Water Development Bonds.

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas, and of McCall, Parkhurst & Horton L.L.P. and Delgado, Acosta, Braden & Jones, P.C., Co-Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Vinson & Elkins L.L.P. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery through the facilities of DTC on or about May 7, 2002.

Salomon Smith Barney

Bear, Stearns & Co. Inc.
Siebert Brandford Shank & Co., LLC

Estrada Hinojosa & Company, Inc.
Southwestern Capital Markets, Inc.

JPMorgan
SWS Securities

OFFICIAL STATEMENT

NEW ISSUE — Book-Entry Only

Ratings: See "OTHER INFORMATION — Ratings"

In the opinion of McCall, Parkhurst & Horton L.L.P. and Delgado, Acosta, Braden & Jones, P.C., Co-Bond Counsel, interest on each series of Bonds is excludable from gross income for federal income tax purposes under existing statutes, regulations, court decisions and published rulings and such Bonds are not "specified private activity bonds" for the purposes of the alternative minimum tax imposed on individuals and corporations. See "TAX MATTERS" for a discussion of the opinion of Co-Bond Counsel, including a description of alternative minimum tax consequences for corporations and other tax consequences.



\$62,015,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS

\$23,980,000
State of Texas
Water Financial Assistance Bonds
Series 2002C
(Economically Distressed Areas Program)

\$20,000,000
State of Texas
Water Financial Assistance Bonds
Series 2002D
(State Participation Program)

\$18,035,000
State of Texas
Water Financial Assistance Bonds
Series 2002E

Dated: August 1, 2002

Due: As Shown on the Inside Front Cover Page

The Series 2002C Bonds, the Series 2002D Bonds and the Series 2002E Bonds described above (collectively, the "Bonds") are general obligations of the State of Texas and are issued under the authority of the Constitution and laws of the State of Texas. Interest on the Bonds will accrue from the dated date thereof at the fixed rates of interest shown on the inside front cover page hereof, and will be payable on February 1 and August 1 of each year, beginning on February 1, 2003, calculated on the basis of a 360-day year composed of twelve 30-day months. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York ("DTC"), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of bond certificates except as described herein.

Principal of the Bonds will be payable to the registered holders thereof upon presentation and surrender thereof at the designated office of the Paying Agent/Registrar therefor, initially, the Dallas, Texas office of The Bank of New York Trust Company of Florida, N.A. Interest on the Bonds will be payable by check, dated as of the interest payment date or redemption date, as applicable, and mailed by the Paying Agent/Registrar to the registered holders and at the addresses as shown on the records of the Paying Agent/Registrar. Notwithstanding the foregoing, during any period in which ownership of the Bonds is determined only by a book entry at DTC, the Paying Agent/Registrar will make payments on the Bonds to DTC or DTC's nominee in accordance with arrangements between the Board and DTC. See "APPENDIX E – Depository Trust Company."

The Bonds are subject to redemption prior to maturity as provided herein. See "THE BONDS – Redemption Provisions."

THE BONDS ARE GENERAL OBLIGATIONS, AND ARE SECURED BY THE FULL FAITH AND CREDIT, OF THE STATE OF TEXAS. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Section 49-d-8, Texas Constitution, to augment the funding of the Texas Water Development Fund II. Each series of Bonds is issued pursuant to a separate resolution (individually, a "Resolution" and collectively, the "Resolutions") adopted on June 18, 2002 by the Texas Water Development Board (the "Board") under authority of pertinent provisions of the Texas Water Code. The proceeds of the Series 2002C Bonds will be used to provide financial assistance in the form of loans and/or grants to political subdivisions in economically distressed areas of the State of Texas for water quality enhancement and water supply purposes. The proceeds of the Series 2002D Bonds will be used to provide funding for State Participation Projects (as defined herein). The proceeds of the Series 2002E Bonds will be used to provide financial assistance to political subdivisions for water supply, water quality enhancement and flood control purposes (other than for EDAP Projects (as defined herein) or State Participation Projects) and for transfers to any state revolving fund administered by the Board.

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas, and of McCall, Parkhurst & Horton L.L.P. and Delgado, Acosta, Braden & Jones, P.C., Co-Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Vinson & Elkins L.L.P. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery through the facilities of DTC on or about August 22, 2002.

RBC Dain Rauscher Inc.

Morgan Keegan & Company, Inc.
SWS Securities

Siebert Brandford Shank & Co., LLC
U.S. Bancorp Piper Jaffray Inc.

Southwestern Capital Markets, Inc.
Walton Johnson & Company

Dated: July 24, 2002

OFFICIAL STATEMENT

TWO NEW ISSUES — Book-Entry Only**Ratings: See "RATINGS"**

In the opinion of McCall, Parkhurst & Horton L.L.P. and Wickliff & Hall, P.C., Co-Bond Counsel, interest on the Series 2001A Bonds is excludable from gross income for federal income tax purposes under existing statutes, regulations, court decisions and published rulings and the Series 2001A Bonds are not "specified private activity bonds" for the purposes of the alternative minimum tax imposed on individuals and corporations. See "TAX MATTERS" for a discussion of the opinions of Co-Bond Counsel, including a description of alternative minimum tax consequences for corporations and other tax consequences. In the opinion of Co-Bond Counsel, as of the date of issuance thereof, the Taxable Series 2001B Bonds are not obligations described in section 103(a) of the Internal Revenue Code of 1986. See "TAX MATTERS" herein.



\$31,185,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS

\$30,940,000
State of Texas
Water Development Refunding Bonds
Series 2001A

\$245,000
State of Texas
Water Development Bonds
Taxable Series 2001B

Dated: June 1, 2001**Due: As Shown on the Inside Front Cover Page**

The Series 2001A Bonds and the Taxable Series 2001B Bonds (the "Bonds") are general obligations of the State of Texas and are issued under the authority of the Constitution and laws of the State of Texas. Interest on the Bonds will accrue from the dated date thereof at the respective fixed rates of interest shown on the inside front cover page hereof, and will be payable on August 1 and February 1 of each year, beginning on August 1, 2001, calculated on the basis of a 360-day year composed of twelve 30-day months. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York ("DTC"), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of bond certificates except as described herein.

Principal of the Bonds will be payable to the registered holders thereof upon presentation and surrender thereof at the designated office of the Paying Agent/Registrar therefor, initially, The Bank of New York, Houston, Texas. Interest on the Bonds will be payable by check, dated as of the interest payment date or redemption date, as applicable, and mailed by the Paying Agent/Registrar to the registered holders and at the addresses as shown on the records of the Paying Agent/Registrar. Notwithstanding the foregoing, during any period in which ownership of any series of Bonds is determined only by a book entry at DTC, the Paying Agent will make payments on such bonds to DTC or DTC's nominee in accordance with arrangements between the Board and DTC. See "THE BONDS — Book-Entry Only System."

The Series 2001A Bonds are subject to mandatory and optional redemption prior to maturity as provided herein. The Taxable Series 2001B Bonds are subject to mandatory redemption prior to maturity as provided herein. See "THE BONDS — Redemption Provisions — Series 2001A Bonds."

THE BONDS ARE GENERAL OBLIGATIONS, AND ARE SECURED BY THE FULL FAITH AND CREDIT, OF THE STATE OF TEXAS. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Sections 49-c, 49-d, 49-d-1, 49-d-2, 49-d-5, 49-d-6, and 49-d-7 (other than subsection (e) thereof), Texas Constitution. Each series of Bonds is issued pursuant to a separate resolution (individually, a "Resolution," and collectively, the "Resolutions") adopted on May 16, 2001 by the Texas Water Development Board (the "Board") under authority of pertinent provisions of the Texas Water Code. The proceeds of the Series 2001A Bonds will be applied to prepay the Board's obligation under a long-term contract relating to construction by the federal government of the Palmetto Bend Dam and Reservoir Project (the "Palmetto Bend Project") and the proceeds of the Taxable Series 2001B Bonds will be used to provide funding of certain costs incurred by the Board in connection with the acquisition and development of the Palmetto Bend Project.

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas, and of McCall, Parkhurst & Horton L.L.P. and Wickliff & Hall, P.C., Co-Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Vinson & Elkins L.L.P. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery through the facilities of DTC on or about June 26, 2001.

Goldman, Sachs & Co.

Dain Rauscher Incorporated**Morgan Keegan & Company, Inc.****Salomon Smith Barney****Southwestern Capital Markets, Inc.****U.S. Bancorp Piper Jaffray Inc.****Walton Johnson & Company****Dated: June 1, 2001**

OFFICIAL STATEMENT

NEW ISSUE – Book-Entry-Only**Ratings: See “OTHER INFORMATION – Ratings”**

In the opinion of McCall, Parkhurst & Horton L.L.P. and Delgado, Acosta, Braden & Jones, P.C., Co-Bond Counsel, interest on the Bonds will be excludable from gross income for federal income tax purposes, except for any holder who is treated pursuant to section 147(a) of the Internal Revenue Code of 1986 (the “Code”) as a “substantial user” of the projects financed with proceeds of the Bonds, or a “related person” to such user under existing statutes, regulations, published rulings and court decisions, except as explained under “TAX MATTERS” herein, and will be an item of tax preference for purposes of determining the alternative minimum tax imposed on individuals and corporations under section 57(a)(5) of the Code. See “TAX MATTERS” for a discussion of the opinions of Co-Bond Counsel, including a description of alternative minimum tax consequences for corporations and other tax consequences.



\$25,000,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS

Water Financial Assistance Bonds
Series 2003A (AMT)

Dated: April 1, 2003**Due: As Shown on the Inside Front Cover Page**

The State of Texas Water Financial Assistance Bonds, Series 2003A (AMT) (the “Bonds”) are general obligations of the State of Texas and are issued under the authority of the Constitution and laws of the State of Texas. Interest on the Bonds will accrue from the dated date thereof at the fixed rates of interest shown on the inside front cover page hereof, and will be payable on August 1 and February 1 of each year, beginning on August 1, 2003, calculated on the basis of a 360-day year composed of twelve 30-day months. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York (“DTC”), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of bond certificates except as described herein.

Principal of the Bonds will be payable to the registered holders thereof upon presentation and surrender thereof at the designated office of the Paying Agent/Registrar therefor, initially, The Bank of New York Trust Company of Florida, N.A., Dallas, Texas. Interest on the Bonds will be payable by check, dated as of the interest payment date or redemption date, as applicable, and mailed by the Paying Agent/Registrar to the registered holders and at the addresses as shown on the records of the Paying Agent/Registrar. Notwithstanding the foregoing, during any period in which ownership of the Bonds is determined only by a book entry at DTC, the Paying Agent/Registrar will make payments on the Bonds to DTC or DTC’s nominee in accordance with arrangements between the Board and DTC. See “APPENDIX E – Book-Entry Only System.”

The Bonds are subject to redemption prior to maturity as provided herein. See “THE BONDS – Redemption Provisions.”

THE BONDS ARE GENERAL OBLIGATIONS, AND ARE SECURED BY THE FULL FAITH AND CREDIT, OF THE STATE OF TEXAS. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS.”

The Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Section 49-d-8, Texas Constitution, to augment the funding of the Texas Water Development Fund II. The Bonds are issued pursuant to a resolution (the “Resolution”) adopted on March 19, 2003 by the Texas Water Development Board (the “Board or “TWDB”) under authority of pertinent provisions of the Texas Water Code. The proceeds of the Bonds will be used to provide financial assistance to political subdivisions for water supply and water quality enhancement purposes, specifically to provide financial assistance to Rural Political Subdivisions (as defined herein) for water and water-related projects, including transfers to the Rural Water Assistance Fund (as defined herein).

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas, and of McCall, Parkhurst & Horton L.L.P. and Delgado, Acosta, Braden & Jones, P.C., Co-Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, West & Gooden, P.C. See “LEGAL MATTERS.” It is expected that the Bonds will be available for delivery through the facilities of DTC on or about April 29, 2003.

SOUTHWEST SECURITIES

Walton Johnson & Company**Estrada Hinojosa & Company, Inc.****Morgan Keegan & Co., Inc.**

Dated: April 2, 2003

NEW ISSUE — Book-Entry Only**Ratings: See "OTHER INFORMATION — Ratings"**

In the opinion of McCall, Parkhurst & Horton L.L.P. and Delgado, Acosta, Braden & Jones, P.C., Co-Bond Counsel, interest on each series of Tax-Exempt Bonds is excludable from gross income for federal income tax purposes under existing statutes, regulations, court decisions and published rulings and such Tax-Exempt Bonds are not "specified private activity bonds" for the purposes of the alternative minimum tax imposed on individuals and corporations. See "TAX MATTERS-TAX-EXEMPT BONDS" for a discussion of the opinion of Co-Bond Counsel, including a description of alternative minimum tax consequences for corporations and other tax consequences.

In the opinion of Co-Bond Counsel, as of the date of issuance of the Taxable Bonds, the Taxable Bonds are not obligations described in Section 103 of the Internal Revenue Code of 1986. See "TAX MATTERS-TAXABLE BONDS" herein.



\$123,115,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS

\$50,915,000
State of Texas
Water Financial Assistance and Refunding Bonds
Taxable Series 2003B

\$70,330,000
State of Texas
Water Financial Assistance and Refunding Bonds
Series 2003C

\$1,870,000
State of Texas
Water Financial Assistance Refunding Bonds
Series 2003D
(State Participation Program)

Dated: June 15, 2003**Due: As Shown on the Inside Front Cover Page**

The Series 2003B Bonds, the Series 2003C Bonds and the Series 2003D Bonds described above (collectively, the "Bonds") are general obligations of the State of Texas and are issued under the authority of the Constitution and laws of the State of Texas. Interest on the Bonds will accrue from the dated date thereof at the fixed rates of interest shown on the inside front cover page hereof, and will be payable on February 1 and August 1 of each year, beginning on February 1, 2004, calculated on the basis of a 360-day year composed of twelve 30-day months. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York ("DTC"), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of bond certificates except as described herein.

Principal of the Bonds will be payable to the registered holders thereof upon presentation and surrender thereof at the designated office of the Paying Agent/Registrar therefor, initially, the Dallas, Texas office of The Bank of New York Trust Company of Florida, N.A. Interest on the Bonds will be payable by check, dated as of the interest payment date or redemption date, as applicable, and mailed by the Paying Agent/Registrar to the registered holders and at the addresses as shown on the records of the Paying Agent/Registrar. Notwithstanding the foregoing, during any period in which ownership of the Bonds is determined only by a book entry at DTC, the Paying Agent/Registrar will make payments on the Bonds to DTC or DTC's nominee in accordance with arrangements between the Board and DTC. See "APPENDIX E – Depository Trust Company."

The Bonds are subject to redemption prior to maturity as provided herein. See "THE BONDS – Redemption Provisions."

THE BONDS ARE GENERAL OBLIGATIONS, AND ARE SECURED BY THE FULL FAITH AND CREDIT, OF THE STATE OF TEXAS. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Section 49-d-8, Texas Constitution, to augment the funding of the Texas Water Development Fund II. Each series of Bonds is issued pursuant to a separate resolution (individually, a "Resolution" and collectively, the "Resolutions") adopted on May 21, 2003 by the Texas Water Development Board (the "Board") under authority of pertinent provisions of the Texas Water Code. The proceeds of the Series 2003B Bonds will be used to provide financial assistance to political subdivisions for water supply, water quality enhancement and flood control purposes (other than for EDAP Projects or State Participation Projects); for transfers to any state revolving fund administered by the Board; and to refund certain of the Board's outstanding Financial Assistance Bonds. The proceeds of the Series 2003C Bonds will be used to provide financial assistance to political subdivisions for water supply, water quality enhancement and flood control purposes (other than for EDAP Projects or State Participation Projects); for transfers to any state revolving fund administered by the Board; and to refund certain of the Board's outstanding Water Development Bonds and Financial Assistance Bonds. The proceeds of the Series 2003D Bonds will be used to refund certain of the Board's outstanding Water Development Bonds.

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas, and of McCall, Parkhurst & Horton L.L.P. and Delgado, Acosta, Braden & Jones, P.C., Co-Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Vinson & Elkins L.L.P. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery through the facilities of DTC on or about June 26, 2003.

U.S. Bancorp Piper Jaffray Inc.

Bear, Stearns & Co. Inc.
JPMorgan

Citigroup
RBC Dain Rauscher Inc.
Walton Johnson & Company

Estrada Hinojosa & Company, Inc.
Siebert Brandford Shank & Co., LLC

OFFICIAL STATEMENT
Dated February 24, 2004

NEW ISSUE - Book-Entry-Only

Ratings: See "OTHER INFORMATION - Ratings"

In the opinion of McCall, Parkhurst & Horton L.L.P. and Delgado, Acosta, Braden & Jones, P.C., Co-Bond Counsel, interest on the Bonds will be excludable from gross income for federal income tax purposes, except for any holder who is treated pursuant to section 147(a) of the Internal Revenue Code of 1986 (the "Code") as a "substantial user" of the projects financed with proceeds of the Bonds, or a "related person" to such user under existing statutes, regulations, published rulings and court decisions, except as explained under "TAX MATTERS" herein, and will be an item of tax preference for purposes of determining the alternative minimum tax imposed on individuals and corporations under section 57(a)(5) of the Code. See "TAX MATTERS" for a discussion of the opinions of Co-Bond Counsel, including a description of alternative minimum tax consequences for corporations and other tax consequences.



\$25,000,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS

Water Financial Assistance Bonds,
Series 2004A (AMT)

Dated: March 1, 2004

Due: As Shown on the Inside Front Cover Page

The State of Texas Water Financial Assistance Bonds, Series 2004A (AMT) (the "Bonds") are general obligations of the State of Texas and are issued under the authority of the Constitution and laws of the State of Texas. Interest on the Bonds will accrue from the dated date thereof at the fixed rates of interest shown on the inside front cover page hereof, and will be payable on August 1 and February 1 of each year, beginning on August 1, 2004, calculated on the basis of a 360-day year composed of twelve 30-day months, until maturity or prior redemption. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York ("DTC"), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of bond certificates except as described herein.

The Board initially will issue the Bonds registered only in the name of Cede & Co., the nominee of DTC, pursuant to the book-entry system described in "APPENDIX E-Book-Entry Only System." Principal of the Bonds will be payable to Cede & Co., which will make distributions of the payments to the participating members of DTC for subsequent remittance to the Beneficial Owners (as defined in APPENDIX E). When the Bonds are not in the book-entry only system, payment of principal of the Bonds will be made to the registered owner upon maturity or redemption prior to maturity only upon presentation and surrender of such Bonds at the Designated Payment/Transfer Office of The Bank of New York Trust Company, N.A. As of the date hereof, the Designated Payment/Transfer Office of the Paying Agent/Registrar is its Jacksonville, Florida corporate trust office.

The Bonds are subject to redemption prior to maturity as provided herein. See "THE BONDS - Redemption Provisions."

THE BONDS ARE GENERAL OBLIGATIONS OF THE STATE OF TEXAS, AND ARE SECURED BY THE FULL FAITH AND CREDIT OF THE STATE OF TEXAS. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Section 49-d-8, Texas Constitution, to augment the funding of the Texas Water Development Fund II. The Bonds are issued pursuant to a resolution (the "Resolution") adopted on February 17, 2004 by the Texas Water Development Board (the "Board" or "TWDB") under authority of pertinent provisions of the Texas Water Code. The proceeds of the Bonds will be used to provide financial assistance to political subdivisions for water supply and water quality enhancement purposes, specifically to provide financial assistance to Rural Political Subdivisions (as defined herein) for water and water-related projects, including transfers to the Rural Water Assistance Fund (as defined herein).

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas, and of McCall, Parkhurst & Horton L.L.P. and Delgado, Acosta, Braden & Jones, P.C., Co-Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Winstead Sechrest & Minick P.C. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery, through the facilities of DTC, on or about March 30, 2004.

MORGAN KEEGAN & CO., INC.

BANC OF AMERICA SECURITIES LLC
PIPER JAFFRAY & CO.

CITIGROUP

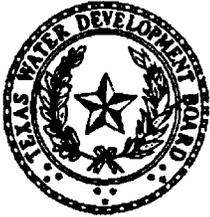
FIRST ALBANY CAPITAL
RAMIREZ & CO., INC.

OFFICIAL STATEMENT
Dated April 29, 2004

NEW ISSUE - Book-Entry-Only

Ratings: See "OTHER INFORMATION - Ratings"

In the opinion of McCall, Parkhurst & Horton L.L.P. and Delgado, Acosta, Braden & Jones, P.C., Co-Bond Counsel, interest on the Bonds is excludable from gross income for federal income tax purposes under existing statutes, regulations, published rulings and court decisions and the Bonds are not "specified private activity bonds" for the purposes of the alternative minimum tax imposed on individuals and corporations. See "TAX MATTERS" for a discussion of the opinion of Co-Bond Counsel, including a description of alternative minimum tax consequences for corporations and other tax consequences.



\$71,530,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS

Water Financial Assistance and Refunding Bonds
Series 2004B

Dated: May 1, 2004

Due: As Shown on the Inside Front Cover Page

The State of Texas Water Financial Assistance and Refunding Bonds, Series 2004B (the "Bonds") are general obligations of the State of Texas and are issued under the authority of the Constitution and laws of the State of Texas. Interest on the Bonds will accrue from the dated date thereof at the fixed rates of interest shown on the inside front cover page hereof, and will be payable on February 1 and August 1 of each year, beginning on February 1, 2005, calculated on the basis of a 360-day year composed of twelve 30-day months, until maturity or prior redemption. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York ("DTC"), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of bond certificates except as described herein.

The Board initially will issue the Bonds registered only in the name of Cede & Co., the nominee of DTC, pursuant to the book-entry system described in "APPENDIX E-Book-Entry Only System." Principal of the Bonds will be payable to Cede & Co., which will make distributions of the payments to the participating members of DTC for subsequent remittance to the Beneficial Owners (as defined in APPENDIX E). When the Bonds are not in the book-entry only system, payment of principal of the Bonds will be made to the registered owner upon maturity or redemption prior to maturity only upon presentation and surrender of such Bonds at the Designated Payment/Transfer Office of The Bank of New York Trust Company, N.A. As of the date hereof, the Designated Payment/Transfer Office of the Paying Agent/Registrar is its Jacksonville, Florida corporate trust office.

The Bonds are subject to redemption prior to maturity as provided herein. See "THE BONDS - Redemption Provisions."

THE BONDS ARE GENERAL OBLIGATIONS OF THE STATE OF TEXAS, AND ARE SECURED BY THE FULL FAITH AND CREDIT OF THE STATE OF TEXAS. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Section 49-d-8, Texas Constitution, to refund certain outstanding State of Texas Water Development Bonds ("Water Development Bonds") originally issued to augment the funding of the Texas Water Development Fund ("Development Fund I") and to augment the funding of the Texas Water Development Fund II ("Development Fund II"). The Bonds are issued pursuant to a resolution (the "Resolution") adopted on April 21, 2004 by the Texas Water Development Board (the "Board" or "TWDB") under authority of pertinent provisions of the Texas Water Code. The proceeds of the Bonds will be used (i) to provide financial assistance to political subdivisions for water supply, water quality enhancement and flood control purposes, (ii) for transfers to any state revolving fund administered by the Board, and (iii) to refund certain of the Board's outstanding Water Development Bonds.

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas, and of McCall, Parkhurst & Horton L.L.P. and Delgado, Acosta, Braden & Jones, P.C., Co-Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Andrews Kurth LLP. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery, through the facilities of DTC, on or about May 27, 2004.

JPMorgan

Coastal Securities

Estrada Hinojosa & Company, Inc.

Loop Capital Markets, LLC

RBC Dain Rauscher Inc.

Siebert Brandford Shank & Co., LLC

Southwest Securities

Ratings: S&P "AA"
Moody's "Aa1"
Fitch "AA+"
(See "OTHER INFORMATION - Ratings")

THREE NEW ISSUES - Book-Entry-Only

In the opinion of McCall, Parkhurst & Horton L.L.P. and Delgado, Acosta, Braden & Jones, P.C., Co-Bond Counsel, interest on the Tax-Exempt Bonds is excludable from gross income for federal income tax purposes under existing statutes, regulations, published rulings and court decisions and the Tax Exempt Bonds are not "specified private activity bonds" for the purposes of the alternative minimum tax imposed on individuals and corporations. See "TAX-EXEMPT BONDS-TAX MATTERS" for a discussion of the opinion of Co-Bond Counsel, including a description of alternative minimum tax consequences for corporations and other tax consequences.

In the opinion of McCall, Parkhurst & Horton L.L.P. and Delgado, Acosta, Braden & Jones, P.C., Co-Bond Counsel, as of the date of issuance of the Taxable Bonds, the Taxable Bonds are not obligations described in section 103(a) of the Internal Revenue Code of 1986. See "TAXABLE BONDS-CERTAIN FEDERAL INCOME TAX CONSIDERATIONS" herein.



\$123,320,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS

\$24,415,000
State of Texas
Water Financial Assistance Bonds
Series 2004C
(Economically Distressed Areas Program)

\$60,085,000
State of Texas
Water Financial Assistance Bonds
Series 2004D

\$38,820,000
State of Texas
Water Financial Assistance
and Refunding Bonds
Taxable Series 2004E

Dated: July 1, 2004; Interest Accrues from Date of Delivery

Due: As Shown on the Inside Front Cover Pages

The State of Texas Water Financial Assistance Bonds, Series 2004C (Economically Distressed Areas Program) (the "Series 2004C Bonds"), State of Texas Water Financial Assistance Bonds, Series 2004D (the "Series 2004D Bonds" and, together with the Series 2004C Bonds, the "Tax-Exempt Bonds") and State of Texas Water Financial Assistance and Refunding Bonds, Taxable Series 2004E (the "Taxable Bonds" and together with the Tax-Exempt Bonds, the "Bonds") are general obligations of the State of Texas and are issued under the authority of the Constitution and laws of the State of Texas. Interest on the Bonds will accrue from the date of their delivery at the fixed rates of interest shown on the inside front cover page hereof, and will be payable on February 1 and August 1 of each year, beginning on February 1, 2005, calculated on the basis of a 360-day year composed of twelve 30-day months, until maturity or prior redemption. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York ("DTC"), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of bond certificates except as described herein.

The Board (as defined below) initially will issue the Bonds registered only in the name of Cede & Co., the nominee of DTC, pursuant to the book-entry system described in "APPENDIX E-Book-Entry Only System." Principal of the Bonds will be payable to Cede & Co., which will make distributions of the payments to the participating members of DTC for subsequent remittance to the Beneficial Owners (as defined in APPENDIX E). When the Bonds are not in the book-entry only system, payment of principal of the Bonds will be made to the registered owner upon maturity or redemption prior to maturity only upon presentation and surrender of such Bonds at the Designated Payment/Transfer Office of The Bank of New York Trust Company, N.A. As of the date hereof, the Designated Payment/Transfer Office of the Paying Agent/Registrar is its Jacksonville, Florida corporate trust office.

The Bonds are subject to redemption prior to maturity as provided herein. See "THE BONDS - Redemption Provisions."

THE BONDS ARE GENERAL OBLIGATIONS OF THE STATE OF TEXAS, AND ARE SECURED BY THE FULL FAITH AND CREDIT OF THE STATE OF TEXAS. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Section 49-d-8, Texas Constitution, to augment the funding of the Texas Water Development Fund II ("Development Fund II") and to refund certain outstanding State of Texas Water Development Bonds ("Water Development Bonds") originally issued to augment the funding of the Texas Water Development Fund ("Development Fund I"). Each series of Bonds is issued pursuant to a separate resolution (individually, a "Resolution," and collectively, the "Resolutions") adopted on June 16, 2004 by the Texas Water Development Board (the "Board" or "TWDB") under authority of pertinent provisions of the Texas Water Code. The proceeds of the Series 2004C Bonds will be used to provide financial assistance in the form of loans and/or grants to political subdivisions in economically distressed areas of the State of Texas for water quality enhancement and water supply purposes. The proceeds of the Series 2004D Bonds will be used (i) to provide financial assistance to political subdivisions for water supply, water quality enhancement and flood control purposes and (ii) for transfers to any state revolving fund administered by the Board. The proceeds of the Taxable Bonds will be used (i) to provide financial assistance to water supply corporations for water supply, water quality enhancement and flood control purposes, (ii) for transfers to any state revolving fund administered by the Board, and (iii) to refund certain of the Board's outstanding Water Development Bonds.

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas, and of McCall, Parkhurst & Horton L.L.P. and Delgado, Acosta, Braden & Jones, P.C., Co-Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Andrews Kurth LLP. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery, through the facilities of DTC, on or about July 28, 2004.

Bear, Stearns & Co. Inc.

Banc of America Securities LLC
Morgan, Keegan & Company, Inc.

Citigroup
Piper Jaffray & Co

Coastal Securities
RBC Dain Rauscher Inc.

First Albany Capital
Siebert Brandford Shank & Co., LLC

TWO NEW ISSUES- Book-Entry-Only

Ratings: S&P "AA "
Moody's "Aa1"
Fitch "AA+"

(See "OTHER INFORMATION - Ratings")

In the opinion of McCall, Parkhurst & Horton L.L.P and Delgado, Acosta, Braden & Jones, P.C., Co-Bond Counsel, interest on the Tax-Exempt Bonds is excludable from gross income for federal income tax purposes under existing statutes, regulations, published rulings and court decisions and the Tax Exempt Bonds are not "specified private activity bonds" for the purposes of the alternative minimum tax imposed on individuals and corporations. See "TAX-EXEMPT BONDS—TAX MATTERS" for a discussion of the opinion of Co-Bond Counsel, including a description of alternative minimum tax consequences for corporations and other tax consequences.

The Taxable Bonds are not obligations described in section 103(a) of the Internal Revenue Code of 1986. See "TAXABLE BONDS—CERTAIN FEDERAL INCOME TAX CONSIDERATIONS" herein.



\$70,675,000

STATE OF TEXAS

GENERAL OBLIGATION BONDS

\$55,675,000

State of Texas

**Water Financial Assistance
and Refunding Bonds
Series 2005A**

\$15,000,000

State of Texas

**Water Financial Assistance Bonds
Taxable Series 2005B**

Dated: July 1, 2005; Interest Accrues from Date of Delivery

Due: As Shown on the Inside Cover Page

The State of Texas Water Financial Assistance and Refunding Bonds, Series 2005A (the "Tax-Exempt Bonds"), and State of Texas Water Financial Assistance Bonds, Taxable Series 2005B (the "Taxable Bonds" and, together with the Tax-Exempt Bonds, the "Bonds") are general obligations of the State of Texas and are issued by the Texas Water Development Board (the "Board" or "TWDB") under the authority of the Constitution and laws of the State of Texas. Interest on the Bonds will accrue from the date of their delivery at the fixed rates of interest shown on the inside cover page hereof, and will be payable on February 1 and August 1 of each year, beginning on February 1, 2006, calculated on the basis of a 360-day year composed of twelve 30-day months, until maturity or prior redemption. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York ("DTC"), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of bond certificates except as described herein.

The Board initially will issue the Bonds registered only in the name of Cede & Co., the nominee of DTC, pursuant to the book-entry system described in "APPENDIX E—Book-Entry Only System." Principal of the Bonds will be payable to Cede & Co., which will make distributions of the payments to the participating members of DTC for subsequent remittance to the Beneficial Owners (as defined in APPENDIX E). When the Bonds are not in the book-entry only system, payment of principal of the Bonds will be made to the registered owner upon maturity or redemption prior to maturity only upon presentation and surrender of such Bonds at the Designated Payment/Transfer Office of The Bank of New York Trust Company, N.A. As of the date hereof, the Designated Payment/Transfer Office of the Paying Agent/Registrar is its Dallas, Texas corporate trust office.

The Bonds are subject to redemption prior to maturity as provided herein. See "THE BONDS—Redemption Provisions."

THE BONDS ARE GENERAL OBLIGATIONS OF THE STATE OF TEXAS, AND ARE SECURED BY THE FULL FAITH AND CREDIT OF THE STATE OF TEXAS. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Section 49-d-8, Texas Constitution, to augment the funding of the Texas Water Development Fund II ("Development Fund II") and to refund certain outstanding State of Texas Water Development Bonds ("Water Development Bonds") originally issued to augment the funding of the Texas Water Development Fund ("Development Fund I"). Each series of Bonds is issued pursuant to a separate resolution (individually, a "Resolution," and collectively, the "Resolutions") adopted on June 14, 2005 by the Board under authority of pertinent provisions of the Texas Water Code. The proceeds of the Tax-Exempt Bonds will be used (i) to provide financial assistance to political subdivisions for water supply, water quality enhancement and flood control purposes, (ii) for transfers to any state revolving fund administered by the Board, and (iii) to refund certain of the Board's outstanding Water Development Bonds. The proceeds of the Taxable Bonds will be used (i) to provide financial assistance to water supply corporations and other political subdivisions for water supply, water quality enhancement and flood control purposes, and (ii) for transfers to any state revolving fund administered by the Board.

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas, and of McCall, Parkhurst & Horton L.L.P and Delgado, Acosta, Braden & Jones, P.C., Co-Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their co-counsel, Andrews Kurth LLP and Bates & Coleman P.C. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery, through the facilities of DTC, on or about July 14, 2005.

Siebert Brandford Shank & Co., LLC

Estrada Hinojosa & Company, Inc
Ramirez & Co., Inc.

First Albany Capital **Loop Capital Markets LLC**
Southwest Securities Inc.

Piper Jaffray & Co.
UBS Financial Services Inc.

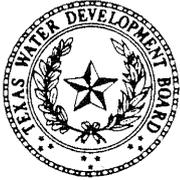
OFFICIAL STATEMENT DATED MAY 23, 2006

Ratings: S&P "AA"
 Moody's "Aa1"
 Fitch "AA+"

NEW ISSUE- Book-Entry-Only

(See "OTHER INFORMATION - Ratings")

In the opinion of McCall, Parkhurst & Horton L.L.P. and Delgado, Acosta, Braden & Jones, P.C., Co-Bond Counsel, interest on the Bonds is excludable from gross income for federal income tax purposes under existing statutes, regulations, published rulings and court decisions and the Bonds are not "specified private activity bonds" for the purposes of the alternative minimum tax imposed on individuals and corporations. See "TAX MATTERS" for a discussion of the opinion of Co-Bond Counsel, including a description of alternative minimum tax consequences for corporations and other tax consequences.



\$13,175,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS
Water Financial Assistance Refunding Bonds
Series 2006A

Dated: June 1, 2006

Due: As Shown on the Inside Cover Page

The State of Texas Water Financial Assistance Refunding Bonds, Series 2006A (the "Bonds") are general obligations of the State of Texas and are issued by the Texas Water Development Board (the "Board" or "TWDB") under the authority of the Constitution and laws of the State of Texas. Interest on the Bonds will accrue from the dated date at the fixed rates of interest shown on the inside cover page hereof, and will be payable on February 1, 2007, and on each August 1 and February 1 thereafter until maturity or prior redemption. Interest on the Bonds will be calculated on the basis of a 360-day year composed of twelve 30-day months. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York ("DTC"), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of bond certificates except as described herein.

The Board initially will issue the Bonds registered only in the name of Cede & Co., the nominee of DTC, pursuant to the book-entry system described in "APPENDIX E—Book-Entry Only System." Principal of the Bonds will be payable to Cede & Co., which will make distributions of the payments to the participating members of DTC for subsequent remittance to the Beneficial Owners (as defined in APPENDIX E). When the Bonds are not in the book-entry only system, payment of principal of the Bonds will be made to the registered owner upon maturity or redemption prior to maturity only upon presentation and surrender of such Bonds at the Designated Payment/Transfer Office of The Bank of New York Trust Company, N.A. (the "Paying Agent/Registrar"). As of the date hereof, the Designated Payment/Transfer Office of the Paying Agent/Registrar is its Dallas, Texas corporate trust office.

The Bonds are subject to redemption prior to maturity as provided herein. See "THE BONDS—Redemption Provisions."

THE BONDS ARE GENERAL OBLIGATIONS OF THE STATE OF TEXAS, AND ARE SECURED BY THE FULL FAITH AND CREDIT OF THE STATE OF TEXAS. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Section 49-d-8, Texas Constitution, to refund certain outstanding State of Texas Water Development Bonds ("Water Development Bonds") originally issued to augment the funding of the Texas Water Development Fund ("Development Fund I") and to pay expenses arising from the issuance of the Bonds. The Bonds are issued pursuant to a resolution (the "Resolution") adopted on May 15, 2006 by the Board under authority of pertinent provisions of the Texas Water Code.

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of the State of Texas, and of McCall, Parkhurst & Horton L.L.P. and Delgado, Acosta, Braden & Jones, P.C., Co-Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Andrews Kurth LLP. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery, through the facilities of DTC, on or about June 27, 2006.

Estrada Hinojosa & Company, Inc.

Banc of America Securities LLC

Southwest Securities

NEW ISSUE- Book-Entry-Only

Ratings: S&P "AA"

Moody's "Aa1"

Fitch "AA+"

(See "OTHER INFORMATION - Ratings")

In the opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel, interest on the Bonds will be excludable from gross income for federal income tax purposes under existing statutes, regulations, published rulings and court decisions and the Bonds are not "specified private activity bonds" for the purposes of the alternative minimum tax imposed on individuals and corporations. See "TAX MATTERS" for a discussion of the opinion of Bond Counsel, including a description of alternative minimum tax consequences for corporations and other tax consequences.



\$118,465,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS
State of Texas
Water Financial Assistance Refunding Bonds
Series 2007A

Dated Date: Date of Delivery (As Defined Herein)**Due: As Shown on the Inside Cover Page**

The State of Texas Water Financial Assistance Refunding Bonds, Series 2007A (the "Bonds") are general obligations of the State of Texas and are issued by the Texas Water Development Board (the "Board" or "TWDB") under the authority of the Constitution and laws of the State of Texas. Interest on the Bonds will accrue from September 12, 2007 (the "Date of Delivery") at the fixed rates of interest shown on the inside cover page hereof, and will be payable on February 1 and August 1 of each year, beginning on February 1, 2008, calculated on the basis of a 360-day year composed of twelve 30-day months, until maturity or prior redemption. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York ("DTC"), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of bond certificates except as described herein.

The Board initially will issue the Bonds registered only in the name of Cede & Co., the nominee of DTC, pursuant to the book-entry system described in "APPENDIX E—Book-Entry Only System." Principal of the Bonds will be payable to Cede & Co., which will make distributions of the payments to the participating members of DTC for subsequent remittance to the Beneficial Owners (as defined in APPENDIX E). When the Bonds are not in the book-entry only system, payment of principal of the Bonds will be made to the registered owner upon maturity or redemption prior to maturity only upon presentation and surrender of such Bonds at the Designated Payment/Transfer Office of The Bank of New York Trust Company, N.A. As of the date of this Official Statement, the Designated Payment/Transfer Office of the Paying Agent/Registrar is its Dallas, Texas corporate trust office.

The Bonds are subject to optional redemption prior to maturity as provided herein. See "THE BONDS—Redemption Provisions."

THE BONDS ARE GENERAL OBLIGATIONS OF THE STATE OF TEXAS, AND ARE SECURED BY THE FULL FAITH AND CREDIT OF THE STATE OF TEXAS. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Section 49-d-8, Texas Constitution, to refund certain outstanding State of Texas Water Development Bonds as more particularly described in Appendix F (the "Refunded Bonds"). The Refunded Bonds were originally issued to fund loans to political subdivisions for water supply and wastewater purposes. The Bonds are issued pursuant to a resolution (the "Resolution") adopted on June 25, 2007 by the Board under authority of pertinent provisions of the Texas Water Code.

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas, and of McCall, Parkhurst & Horton L.L.P., Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Vinson & Elkins L.L.P. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery, through the facilities of DTC, on or about September 12, 2007.

Goldman, Sachs & Co.**Loop Capital Markets, LLC****Morgan Keegan & Company, Inc Southwest Securities****Walton Johnson & Co.**

**OFFICIAL STATEMENT
DATED OCTOBER 10, 2007**

NEW ISSUE- Book-Entry-Only

**Ratings: S&P "AA"
Moody's "Aa1"
Fitch "AA+"**

(See "OTHER INFORMATION - Ratings")

In the opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel, interest on the Bonds will be excludable from gross income for federal income tax purposes, except for any holder who is treated pursuant to section 147(a) of the Internal Revenue Code of 1986 (the "Code") as a "substantial user" of the projects financed with proceeds of the Bonds, or a "related person" to such user under existing statutes, regulations, published rulings and court decisions except as explained under "TAX MATTERS" herein, and will be an item of tax preference for purposes of determining the alternative minimum tax imposed on individuals and corporations under section 57(a)(5) of the Code. See "TAX MATTERS" for a discussion of the opinion of Bond Counsel, including a description of alternative minimum tax consequences for corporations and other tax consequences.



**\$25,000,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS**

**State of Texas
Water Financial Assistance Bonds
Series 2007D (AMT)**

Dated Date: Date of Delivery (As Defined Herein)

Due: As Shown on the Inside Cover Page

The State of Texas Water Financial Assistance Bonds, Series 2007D (AMT) (the "Bonds") are general obligations of the State of Texas and are issued by the Texas Water Development Board (the "Board" or "TWDB") under the authority of the Constitution and laws of the State of Texas. Interest on the Bonds will accrue from October 30, 2007 (the "Date of Delivery") at the fixed rates of interest shown on the inside cover page hereof, and will be payable on February 1 and August 1 of each year, beginning on February 1, 2008, calculated on the basis of a 360-day year composed of twelve 30-day months, until maturity or prior redemption. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York ("DTC"), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of bond certificates except as described herein.

The Board initially will issue the Bonds registered only in the name of Cede & Co., the nominee of DTC, pursuant to the book-entry system described in "APPENDIX E—Book-Entry Only System." Principal of the Bonds will be payable to Cede & Co., which will make distributions of the payments to the participating members of DTC for subsequent remittance to the Beneficial Owners (as defined in APPENDIX E). When the Bonds are not in the book-entry only system, payment of principal of the Bonds will be made to the registered owner upon maturity or redemption prior to maturity only upon presentation and surrender of such Bonds at the Designated Payment/Transfer Office of The Bank of New York Trust Company, N.A. As of the date of this Official Statement, the Designated Payment/Transfer Office of the Paying Agent/Registrar is its Dallas, Texas corporate trust office.

The Bonds are subject to redemption prior to maturity as provided herein. See "THE BONDS—Redemption Provisions."

THE BONDS ARE GENERAL OBLIGATIONS OF THE STATE OF TEXAS, AND ARE SECURED BY THE FULL FAITH AND CREDIT OF THE STATE OF TEXAS. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Section 49-d-8, Texas Constitution, to augment the funding of the Texas Water Development Fund II. The Bonds are issued pursuant to a resolution (the "Resolution") adopted on September 24, 2007 by the Board under authority of pertinent provisions of the Texas Water Code. The proceeds of the Bonds will be used to provide financial assistance to political subdivisions for water supply and water quality enhancement purposes, specifically to provide financial assistance to Rural Political Subdivisions (as defined herein) for water and water-related projects, including transfers to the Rural Water Assistance Fund (as defined herein).

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas, and of McCall, Parkhurst & Horton L.L.P., Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Fulbright & Jaworski L.L.P. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery, through the facilities of DTC, on or about October 30, 2007.

RBC Capital Markets

Morgan Keegan & Company, Inc.

Southwest Securities

Walton Johnson & Co.

OFFICIAL STATEMENT DATED DECEMBER 4, 2008

NEW ISSUE- Book-Entry-Only

Ratings: S&P "AA"
Moody's "Aa1"
Fitch "AA+"

(See "OTHER INFORMATION - Ratings")

In the opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel, interest on the Bonds will be excludable from gross income for federal income tax purposes under existing statutes, regulations, published rulings and court decisions and the Bonds are not "specified private activity bonds" for the purposes of the alternative minimum tax imposed on individuals and corporations. See "TAX MATTERS" for a discussion of the opinion of Bond Counsel, including a description of alternative minimum tax consequences for corporations and other tax consequences.



\$60,745,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS

\$26,510,000
State of Texas

Water Financial Assistance Refunding Bonds
Series 2008B

\$34,235,000
State of Texas

Water Financial Assistance Refunding Bonds
Series 2008C
(Economically Distressed Areas Program)

Dated Date: Date of Delivery

Due: As Shown on the Inside Cover Page

The State of Texas Water Financial Assistance Refunding Bonds, Series 2008B (the "2008B Bonds") and the State of Texas Water Financial Assistance Refunding Bonds, Series 2008C (Economically Distressed Areas Program) (the "2008C Bonds") and, together with the 2008B Bonds, the "Bonds" are general obligations of the State of Texas and are issued by the Texas Water Development Board (the "Board" or "TWDB") under the authority of the Constitution and laws of the State of Texas. Interest on the Bonds will accrue from their date of delivery at the fixed rates of interest shown on the inside cover page hereof, and will be payable on February 1 and August 1 of each year, beginning on February 1, 2009, calculated on the basis of a 360-day year composed of twelve 30-day months, until maturity. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York ("DTC"), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of bond certificates except as described herein.

The Board initially will issue the Bonds registered only in the name of Cede & Co., the nominee of DTC, pursuant to the book-entry system described in "APPENDIX E-Book-Entry Only System." Principal of the Bonds will be payable to Cede & Co., which will make distributions of the payments to the participating members of DTC for subsequent remittance to the Beneficial Owners (as defined in APPENDIX E). When the Bonds are not in the book-entry only system, payment of principal of the Bonds will be made to the registered owner upon presentation and surrender of such Bonds at the Designated Payment/Transfer Office of The Bank of New York Mellon Trust Company, N.A. As of the date of this Official Statement, the Designated Payment/Transfer Office of the Paying Agent/Registrar is its Dallas, Texas corporate trust office.

The Bonds of either series are not subject to redemption prior to maturity.

THE BONDS ARE GENERAL OBLIGATIONS OF THE STATE OF TEXAS, AND ARE SECURED BY THE FULL FAITH AND CREDIT OF THE STATE OF TEXAS. SEE "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The 2008B Bonds and the 2008C Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Section 49-d-8, Texas Constitution, to refund certain outstanding State of Texas Water Financial Assistance Refunding and Financial Assistance Bonds, Series 1998A and State of Texas Water Financial Assistance Refunding and Financial Assistance Bonds, Series 1998C (Economically Distressed Areas Program), respectively, as more particularly described in APPENDIX F (collectively, the "Refunded Bonds"). The Bonds are issued pursuant to separate resolutions (collectively, the "Resolution") adopted on November 25, 2008, by the Board under authority of pertinent provisions of the Texas Water Code.

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas, and of McCall, Parkhurst & Horton L.L.P., Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Vinson & Elkins L.L.P. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery, through the facilities of DTC, on or about January 6, 2009.

Loop Capital Markets, LLC

Ramirez & Co., Inc.

RBC Capital Markets

Wachovia Bank, National Association

OFFICIAL STATEMENT

June 10, 2009

NEW ISSUE- Book-Entry-Only

Ratings: Moody's "Aa1"; S&P "AA"; Fitch "AA+"
(See "OTHER INFORMATION - Ratings")

In the opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel, interest on the Bonds is excludable from gross income for federal income tax purposes under existing statutes, regulations, published rulings and court decisions and the Bonds are not "specified private activity bonds" for the purposes of the alternative minimum tax imposed on individuals and corporations. See "TAX MATTERS" for a discussion of the opinion of Bond Counsel, including a description of alternative minimum tax consequences for corporations and other tax consequences.



**STATE OF TEXAS
GENERAL OBLIGATION BONDS**

\$225,385,000	\$57,260,000	\$49,775,000
State of Texas	State of Texas	State of Texas
Water Financial Assistance Bonds Series 2009C-1	Water Financial Assistance Refunding Bonds, Series 2009C-2	Water Financial Assistance Refunding Bonds, Series 2009D (State Participation Program)

Dated Date: Date of Delivery**Due: August 1, as shown on inside cover page**

The (i) State of Texas Water Financial Assistance Bonds, Series 2009C-1 (the "2009C-1 Bonds"), (ii) State of Texas Water Financial Assistance Refunding Bonds, Series 2009C-2 (the "2009C-2 Bonds" and, together with the 2009C-1 Bonds, the "2009C Bonds") and (iii) State of Texas Water Financial Assistance Refunding Bonds, Series 2009D (State Participation Program) (the "2009D Bonds" and, together with the 2009C Bonds, the "Bonds") are general obligations of the State of Texas and are issued by the Texas Water Development Board (the "Board" or "TWDB") under the authority of the Constitution and laws of the State of Texas. Interest on the Bonds will accrue from the date of their delivery at the fixed rates of interest shown on the inside cover page hereof and will be calculated on the basis of a 360-day year composed of twelve 30-day months. Interest on the 2009C Bonds will be payable on February 1, 2010, and on each August 1 and February 1 thereafter until maturity or prior redemption. Interest on the 2009D Bonds will be payable on August 1, 2009, and on each February 1 and August 1 thereafter until maturity or prior redemption. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York ("DTC"), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of Bond certificates except as described herein.

The Board initially will issue the Bonds registered only in the name of Cede & Co., the nominee of DTC, pursuant to the book-entry-only system described in "APPENDIX E - Book-Entry-Only System." Principal of the Bonds will be payable to Cede & Co., which will make distributions of the payments to the participating members of DTC for subsequent remittance to the Beneficial Owners (as defined in APPENDIX E). When the Bonds are not in the book-entry-only system, payment of principal of the Bonds will be made to the registered owner upon maturity or redemption prior to maturity only upon presentation and surrender of such Bonds at the Designated Payment/Transfer Office of The Bank of New York Mellon Trust Company, N.A., as initial Paying Agent/Registrar. As of the date hereof, the Designated Payment/Transfer Office of the Paying Agent/Registrar is its Dallas, Texas corporate trust office.

The Bonds are subject to redemption prior to maturity as provided herein. See "THE BONDS - Redemption".

THE BONDS ARE GENERAL OBLIGATIONS OF THE STATE OF TEXAS, AND ARE SECURED BY THE FULL FAITH AND CREDIT OF THE STATE OF TEXAS. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The 2009C-1 Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Sections 49-d-8 and 49-d-9, Texas Constitution, and Subchapter L of Chapter 17 of the Texas Water Code, as amended (the "Act"), in order to (i) augment the funding of Texas Water Development Fund II (the "Development Fund II") and (ii) pay expenses arising from the issuance of the 2009C-1 Bonds.

The 2009C-2 Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Sections 49-d-8 and 49-d-9, Texas Constitution, the Act and Chapter 1207 of the Texas Government Code, as amended ("Chapter 1207"), in order to (i) refund certain outstanding State of Texas Water Financial Assistance Bonds, Series 1999A (the "1999A Refunded Bonds") originally issued to augment the funding of Development Fund II and (ii) pay expenses arising from the issuance of the 2009C-2 Bonds.

The 2009D Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Sections 49-d-8 and 49-d-9, Texas Constitution, the Act and Chapter 1207 in order to (i) refund certain outstanding State of Texas Water Financial Assistance Bonds, Series 1999C (State Participation Program) (the "1999C Refunded Bonds" and, together with the 1999A Refunded Bonds, the "Refunded Bonds") originally issued to augment the funding of State Participation Projects from the Development Fund II, and (ii) pay expenses arising from the issuance of the 2009D Bonds (see "SCHEDULE I" for a complete list of the Refunded Bonds).

The Bonds are issued pursuant to two separate resolutions (jointly, the "Resolution") adopted on May 21, 2009 by the Board under authority of pertinent provisions of the Texas Water Code.

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas, and of McCall, Parkhurst & Horton L.L.P., Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Fulbright & Jworski L.L.P., Dallas, Texas. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery, through the facilities of DTC, on or about June 30, 2009.

J.P. Morgan

**Barclays Capital Inc.
Sterne Agee & Leach, Inc.**

**M.R. Beal & Company
Fidelity Capital Markets
SAMCO Capital Markets, Inc.**

RBC Capital Markets

**Coastal Securities, Inc.
Frost Bank**

**OFFICIAL STATEMENT
DATED MARCH 30, 2010**

NEW ISSUE- Book-Entry-Only

**Ratings: S&P "AA+"
Moody's "Aa1"
Fitch "AA+"**

(See "OTHER INFORMATION - Ratings")

In the opinion of Bond Counsel, interest on the Bonds is excludable from gross income for federal income tax purposes under existing law, except for interest on any Bond while held by a "substantial user" or a "related person", subject to the matters described under "TAX EXEMPTION" herein, and is not includable in the alternative minimum taxable income of individuals or corporations. See "TAX EXEMPTION" for a discussion of the opinion of Bond Counsel.



**\$20,270,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS
State of Texas
Water Financial Assistance Bonds
Series 2010A**

Dated Date: Date of Delivery

Due: August 1, as shown on page ii

The State of Texas Water Financial Assistance Bonds, Series 2010A (the "Bonds") are general obligations of the State of Texas and are issued by the Texas Water Development Board (the "Board" or "TWDB" under the authority of the Constitution and laws of the State of Texas. Interest on the Bonds accrues from April 13, 2010 (the "Date of Delivery") at the rates of interest shown on the inside cover page hereof is calculated on the basis of a 360-day year composed of twelve 30-day months. Interest on the Bonds will be payable on February 1 and August 1 of each year, commencing on August 1, 2010 until maturity or prior redemption. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York ("DTC"), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of bond certificates except as described herein.

The Board initially will issue the Bonds registered only in the name of Cede & Co., the nominee of DTC, pursuant to the book-entry system described in "APPENDIX E—Book-Entry Only System." Principal of the Bonds will be payable to Cede & Co., which will make distributions of the payments to the participating members of DTC for subsequent remittance to the Beneficial Owners. If the Bonds are not in the book-entry only system, payment of principal of the Bonds will be made to the registered owner upon maturity or redemption prior to maturity only upon presentation and surrender of such Bonds at the Designated Payment/Transfer Office of The Bank of New York Mellon Trust Company, N.A., as initial Paying Agent/Registrar. As of the date of this Official Statement, the Designated Payment/Transfer Office of the Paying Agent/Registrar is its Dallas, Texas corporate trust office.

THE BONDS ARE GENERAL OBLIGATIONS OF THE STATE OF TEXAS, AND ARE SECURED BY THE FULL FAITH AND CREDIT OF THE STATE OF TEXAS. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Section 49-d-8 and 49-d-9, Texas Constitution, and Subchapter L of Chapter 17 of the Texas Water Code, as amended, to augment the funding of the Texas Water Development Fund II. The Bonds are issued pursuant to a resolution (the "Resolution") adopted on March 18, 2010 by the Board under authority of pertinent provisions of the Texas Water Code. The proceeds of the Bonds will be used to provide financial assistance to political subdivisions for water supply and water quality enhancement purposes, specifically to provide financial assistance to Rural Political Subdivisions (as defined herein) for water and water-related projects, including transfers to the Rural Water Assistance Fund (as defined herein).

SEE PAGE ii HEREIN FOR STATED MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, INITIAL YIELDS, CUSIP NUMBERS, AND REDEMPTION PROVISIONS FOR THE BONDS

The Bonds are offered for delivery when, as and if issued and accepted by the initial purchasers thereof named below (the "Underwriters"), subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas and of Andrews Kurth LLP, Austin, Texas, Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Fulbright & Jaworski L.L.P., San Antonio, Texas. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery, through the facilities of DTC, on April 13, 2010.

Stifel, Nicolaus & Company, Incorporated

Coastal Securities, Inc. Estrada Hinojosa & Company, Inc. SAMCO Capital Markets, Inc.

ATTACHMENT B

**General Obligation Bonds
(Economically Distressed Areas Program –
Texas Water Development Fund II)**

**GENERAL OBLIGATION BONDS
(Economically Distressed Areas Program -
Texas Water Development Fund II)**

Original Par Amount	Series Description	CUSIP Prefix
\$ 82,400,000	State of Texas Water Financial Assistance Refunding and Financial Assistance Bonds, Series 1998C (Economically Distressed Areas Program)	882719
\$ 24,995,000	State of Texas Water Financial Assistance Bonds, Series 1999B (Economically Distressed Areas Program)	882719
\$ 25,000,000	State of Texas Water Financial Assistance Bonds, Series 2001A (Economically Distressed Areas Program)	882719
\$ 23,980,000	State of Texas Water Financial Assistance Bonds, Series 2002C (Economically Distressed Areas Program)	882720
\$ 24,415,000	State of Texas Water Financial Assistance Bonds, Series 2004C (Economically Distressed Areas Program)	882720
\$ 49,270,000	State of Texas Water Financial Assistance Refunding Bonds, Series 2005C (Economically Distressed Areas Program)	882721
\$ 24,665,000	State of Texas Water Financial Assistance Bonds, Series 2007C (Economically Distressed Areas Program)	882721
\$ 34,235,000	State of Texas Water Financial Assistance Refunding Bonds, Series 2008C (Economically Distressed Areas Program)	882722
\$ 24,540,000	State of Texas Water Financial Assistance Bonds, Series 2009F (Economically Distressed Areas Program)	882722

**ANNUAL UPDATE OF QUANTITATIVE FINANCIAL
INFORMATION AND OPERATING DATA FOR FISCAL YEAR 2010**

The information contained under the heading “ANNUAL UPDATE OF QUANTITATIVE FINANCIAL INFORMATION AND OPERATING DATA FOR FISCAL YEAR 2010” in **Attachment B** of this Annual Report is hereby incorporated by reference in satisfaction of the Board’s Undertaking to update the financial information and quantitative operating data under the heading “Texas Water Development Board” contained in the final official statements relating to these bonds, the copies of the covers of which are included in **Attachment B**.

The 81st legislative session authorized appropriations in the amount of \$84,370,000 during the 2010-2011 biennium. As of August 31, 2010, the Board had nine outstanding Bond issues in the aggregate principal amount of \$174,375,000, as listed above.

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**TEXAS WATER DEVELOPMENT FUND II
ECONOMICALLY DISTRESSED AREAS PROGRAM
SCHEDULE OF DEBT SERVICE REQUIREMENTS
AS OF AUGUST 31, 2010**

Fiscal Year (1)	Principal	Interest	Total Existing Debt Service
2011	\$9,930,000	\$8,267,864	\$18,197,864
2012	10,415,000	7,810,789	18,225,789
2013	10,780,000	7,365,339	18,145,339
2014	11,215,000	6,906,764	18,121,764
2015	11,660,000	6,413,251	18,073,251
2016	11,955,000	5,879,446	17,834,446
2017	12,460,000	5,299,946	17,759,946
2018	12,960,000	4,691,646	17,651,646
2019	13,270,000	4,055,684	17,325,684
2020	10,770,000	3,398,303	14,168,303
2021	9,790,000	2,872,090	12,662,090
2022	9,900,000	2,388,470	12,288,470
2023	8,925,000	1,908,925	10,833,925
2024	8,545,000	1,475,200	10,020,200
2025	5,605,000	1,065,300	6,670,300
2026	3,735,000	797,400	4,532,400
2027	2,625,000	623,000	3,248,000
2028	2,755,000	491,750	3,246,750
2029	2,890,000	354,000	3,244,000
2030	1,330,000	209,500	1,539,500
2031	1,395,000	143,000	1,538,000
2032	1,465,000	73,250	1,538,250
2033			
2034			
2035			
	<u>\$174,375,000</u>	<u>\$72,490,916</u>	<u>\$246,865,916</u>

(1) The Texas Water Development Board's fiscal year runs from 9/1 to 8/31.

Texas Water Development Board

Balance Sheet / Statement of Net Assets – Economically Distressed Area Program (EDAP) Funds(2)

August 31,

	Governmental Funds Total 2006 (3)	Long-Term Liabilities Adjustments 2006 (3)	Statement of Net Assets 2006 (3)	Governmental Funds Total 2007 (3)	Long-Term Liabilities Adjustments 2007 (3)	Statement of Net Assets 2007 (3)
ASSETS						
Current Assets:						
Cash and Cash Equivalents:						
Cash in State Treasury	39,763,983		39,763,983	56,333,628		56,333,628
Receivables From:						
Interest and Dividends	397,915		397,915	386,799		386,799
Accounts Receivable	165,958		165,958	229,553		229,553
Loans and Contracts	896,504		896,504	1,000,059		1,000,059
Total Current Assets	41,224,360	-	41,224,360	57,950,039	-	57,950,039
Non-Current Assets:						
Loans and Contracts	18,461,222		18,461,222	17,965,691		17,965,691
Total Noncurrent Assets	18,461,222	-	18,461,222	17,965,691	-	17,965,691
Total Assets	59,685,582	-	59,685,582	75,915,730	-	75,915,730
LIABILITIES AND FUND BALANCES						
Liabilities:						
Current Liabilities:						
Payables From:						
Accounts Payable			-	24,212		24,212
Interest Payable		684,597	684,597		723,408	723,408
Due To Other Funds			-			-
General Obligation Bonds Payable		7,205,000	7,205,000		7,690,000	7,690,000
Total Current Liabilities	-	7,889,597	7,889,597	24,212	8,413,408	8,437,620
Non-Current Liabilities:						
General Obligation Bonds Payable		158,520,000	158,520,000		172,495,000	172,495,000
Total Non-Current Liabilities	-	158,520,000	158,520,000	-	172,495,000	172,495,000
Total Liabilities	-	166,409,597	166,409,597	24,212	180,908,408	180,932,620
Fund Financial Statement - Fund Balances						
Fund Balances (Deficits):						
Reserved for:						
Encumbrances				5,021		
Debt Service	16,804			20,515		
Loans and Contracts	19,357,726			18,965,751		
Unreserved Designated for:						
Other	40,311,052			56,900,231		
Total Fund Balances	59,685,582			75,891,518		
Total Liabilities and Fund Balances	59,685,582			75,915,730		
Government-wide Statement - Net Assets						
Net Assets:						
Restricted for:						
Debt Retirement		16,804	16,804		20,515	20,515
Unrestricted		(166,426,401)	(106,740,819)		(180,928,923)	(105,037,405)
Total Net Assets		(166,409,597)	(106,724,015)		(180,908,408)	(105,016,890)

(1) The financial data presented here is a recapitulation of the Board's financial statements presented in their Annual Financial Reports. The Board's financial statements become a part of the Comprehensive Annual Financial Report for the State of Texas, which is audited by the State Auditor's Office; however, the scope of the reviews at the agency level do not constitute an audit of the individual agency's financial statements. Consequently, these statements are considered unaudited at the agency level.

(2) Prior year presentation of information revised for consistency and comparability with the financial statements for fiscal year 2010.

(3) Adjustments to amounts presented in the Fund Financial Statements necessitated by GASB Statement 34 to convert balances and results of operations from the modified accrual basis of accounting to the full accrual basis of accounting. Most significant of these adjustments is adding in the liability for the General Obligation Bonds Payable that was previously carried in the General Long-Term Debt Account Group. This results in negative Net Assets, as the adjusted carrying amount of the liabilities exceeds the assets in the fund(s). The bond liabilities of these funds are not dependent on the assets or earnings of the funds, as they are paid from biennial appropriations made by the state legislature.

(4) The liabilities in the long-term liability column were understated during the previous fiscal year. The amounts have been updated to reflect the amounts actually reported in the FY2009 Annual Financial Report. These changes also impact the Statement of Activities column.

Governmental Funds Total 2008 (3)	Long-Term Liabilities Adjustments 2008 (3)	Statement of Net Assets 2008 (3)	Governmental Funds Total 2009 (3)	Long-Term Liabilities Adjustments 2009 (3)(4)	Statement of Net Assets 2009 (3)(4)	Governmental Funds Total 2010 (3)	Long-Term Liabilities Adjustments 2010 (3)	Statement of Net Assets 2010 (3)
49,564,682		49,564,682	9,073,791		9,073,791	16,554,631		16,554,631
344,077		344,077	342,447		342,447	285,218		285,218
125,389		125,389	26,740		26,740	16,913		16,913
1,038,321		1,038,321	993,343		993,343	1,392,282		1,392,282
51,072,469	-	51,072,469	10,436,321	-	10,436,321	18,249,044	-	18,249,044
17,625,140		17,625,140	21,755,630		21,755,630	26,719,104		26,719,104
17,625,140	-	17,625,140	21,755,630	-	21,755,630	26,719,104	-	26,719,104
68,697,609	-	68,697,609	32,191,951	-	32,191,951	44,968,148	-	44,968,148
875		875			-			-
	710,881	710,881		662,452	662,452		688,989	688,989
	8,055,000	8,055,000		8,449,005	8,449,005		10,129,006	10,129,006
875	8,765,881	8,766,756	-	9,111,457	9,111,457	-	10,817,995	10,817,995
	164,440,000	164,440,000		156,147,046	156,147,046		165,838,041	165,838,041
-	164,440,000	164,440,000	-	156,147,046	156,147,046	-	165,838,041	165,838,041
875	173,205,881	173,206,756	-	165,258,503	165,258,503	-	176,656,036	176,656,036
12,820			2,230			2,313		
18,663,461			166,746,795			26,719,103		
50,020,453			(134,557,074)			18,246,732		
68,696,734			32,191,951			44,968,148		
68,697,609			32,191,951			44,968,148		
	12,820	12,820		2,230	2,230		2,313	2,313
	(173,218,701)	(104,521,967)		(165,260,733)	(133,068,782)		(176,658,349)	(131,690,201)
	(173,205,881)	(104,509,147)		(165,258,503)	(133,066,552)		(176,656,036)	(131,687,888)

Texas Water Development Board
Statement of Revenues, Expenditures, and Changes in Fund Balance / Net Assets -
Economically Distressed Area Program (EDAP) Funds (2)

For the Fiscal Year Ended August 31,

	Governmental Funds Total 2006 (3)	Long-Term Liabilities Adjustments 2006 (3)	Statement of Activities 2006 (3)	Governmental Funds Total 2007 (3)	Long-Term Liabilities Adjustments 2007 (3)	Statement of Activities 2007 (3)
REVENUES						
Interest and Other Investment Income	2,961,736	2,257,629	5,219,365	2,972,778	858,067	3,830,845
Total Revenues	2,961,736	2,257,629	5,219,365	2,972,778	858,067	3,830,845
EXPENDITURES						
Professional Fees and Services	124,007	315,405	439,412	24,712		24,712
Travel	2,766		2,766			-
Printing and Reproduction	1,535		1,535			-
Intergovernmental Payments	1,771,795		1,771,795	1,456,347		1,456,347
Public Assistance Payments	659,227		659,227	2,833,339		2,833,339
Other Expenditures	16,749		16,749	9,500		9,500
Debt service:						
Principal	7,210,000	(7,210,000)	-	10,205,000	(10,205,000)	-
Interest (FFS)	8,730,326	(8,730,326)	-	8,217,838	(8,217,838)	-
Interest on Long-Term Debt (GWFS)		10,373,771	10,373,771		8,924,136	8,924,136
Total Expenditures/Expenses	18,516,405	(5,251,150)	13,265,255	22,746,736	(9,498,702)	13,248,034
Excess (Deficiency) of Revenues Over Expenditures	(15,554,669)	7,508,779	(8,045,890)	(19,773,958)	10,356,769	(9,417,189)
OTHER FINANCING SOURCES (USES)						
Bond and Note Proceeds	183,400	(183,400)	-	24,855,580	(24,855,580)	-
Transfers In	19,828,918		19,828,918	22,263,170		22,263,170
Transfers Out	(16,840,688)		(16,840,688)	(11,138,856)		(11,138,856)
Total Other Financing Sources and Uses	3,171,630	(183,400)	2,988,230	35,979,894	(24,855,580)	11,124,314
Net Change in Fund Balances/Net Assets	(12,383,039)	7,325,379	(5,057,660)	16,205,936	(14,498,811)	1,707,125
Fund Financial Statement - Fund Balances						
Fund Balances--Beginning	72,068,621			59,685,582		
Fund Balances--August 31, Ending	59,685,582			75,891,518		
Government-wide Statement - Net Assets						
Net Assets--Beginning		(173,734,976)	(101,666,355)		(166,409,597)	(106,724,015)
Net Assets--August 31, Ending		(166,409,597)	(106,724,015)		(180,908,408)	(105,016,890)

- (1) The financial data presented here is a recapitulation of the Board's financial statements presented in their Annual Financial Reports. The Board's financial statements become a part of the Comprehensive Annual Financial Report for the State of Texas, which is audited by the State Auditor's Office; however, the scope of the reviews at the agency level do not constitute an audit of the individual agency's financial statements. Consequently, these statements are considered unaudited at the agency level.
- (2) Prior year presentation of information revised for consistency and comparability with the financial statements for fiscal year 2010.
- (3) Adjustments to amounts presented in the Fund Financial Statements necessitated by GASB Statement 34 to convert balances and results of operations from the modified accrual basis of accounting to the full accrual basis of accounting. Most significant of these adjustments is adding in the liability for the General Obligation Bonds Payable that was previously carried in the General Long-Term Debt Account Group. This results in negative Net Assets, as the adjusted carrying amount of the liabilities exceeds the assets in the fund(s). The bond liabilities of these funds are not dependent on the assets or earnings of the funds, as they are paid from biennial appropriations made by the state legislature.
- (4) The net change in fund balance in the Long-Term Liability column was overstated during the previous fiscal year. The amounts have been updated to reflect the amounts actually reported in the FY2009 Annual Financial Report. These changes also impact the Statement of Activities column.

Governmental Funds Total 2008 (3)	Long-Term Liabilities Adjustments 2008 (3)	Statement of Activities 2008 (3)	Governmental Funds Total 2009 (3)	Long-Term Liabilities Adjustments 2009 (3)(4)	Statement of Activities 2009 (3)(4)	Governmental Funds Total 2010 (3)	Long-Term Liabilities Adjustments 2010 (3)	Statement of Activities 2010 (3)
3,261,529		3,261,529	1,841,463		1,841,463	1,187,422		1,187,422
3,261,529	-	3,261,529	1,841,463	-	1,841,463	1,187,422	-	1,187,422
28,061		28,061	76,050	190,870	266,920	38,157	115,794	153,951
		-	1,225		1,225			-
		-			-	274		274
1,683,006		1,683,006	7,952,921		7,952,921	10,443,027		10,443,027
498,274		498,274	1,813,818		1,813,818	394,733		394,733
13		13	12,553		12,553	9,500		9,500
7,690,000	(7,690,000)	-	8,930,000	(8,930,000)	-	12,970,000	(12,970,000)	-
8,866,189	(8,866,189)	-	7,660,044	(7,660,044)	-	8,443,204	(8,443,204)	-
	8,853,662	8,853,662		8,345,712	8,345,712		7,651,565	7,651,565
18,765,543	(7,702,527)	11,063,016	26,446,611	(8,053,462)	18,393,149	32,298,895	(13,645,845)	18,653,050
(15,504,014)	7,702,527	(7,801,487)	(24,605,148)	8,053,462	(16,551,686)	(31,111,473)	13,645,845	(17,465,628)
	-	-	106,084	(106,084)	-	25,043,378	(25,043,378)	-
21,060,202		21,060,202	19,894,734		19,894,734	32,489,395		32,489,395
(12,750,972)		(12,750,972)	(31,900,453)		(31,900,453)	(13,645,103)		(13,645,103)
8,309,230	-	8,309,230	(11,899,635)	(106,084)	(12,005,719)	43,887,670	(25,043,378)	18,844,292
(7,194,784)	7,702,527	507,743	(36,504,783)	7,947,378	(28,557,405)	12,776,197	(11,397,533)	1,378,664
75,891,518			68,696,734			32,191,951		
68,696,734			32,191,951			44,968,148		
	(180,908,408)	(105,016,890)		(173,205,881)	(104,509,147)		(165,258,503)	(133,066,552)
	(173,205,881)	(104,509,147)		(165,258,503)	(133,066,552)		(176,656,036)	(131,687,888)

In the joint opinion of Vinson & Elkins L.L.P. and McCall, Parkhurst & Horton L.L.P., Co-Bond Counsel, interest on the Series 1998A Bonds and the Series 1998C Bonds (the "Tax-Exempt Bonds") is excludable from gross income for federal income tax purposes under existing statutes, regulations, court decisions and published rulings and the Tax-Exempt Bonds are not "specified private activity bonds" for the purposes of the alternative minimum tax imposed on individuals and corporations. In the joint opinion of Co-Bond Counsel, the Series 1998B Bonds are not obligations described in Section 103(a) of the Internal Revenue Code of 1986, as amended. See "TAX MATTERS" for a discussion of the joint opinion of Co-Bond Counsel, including a description of alternative minimum tax consequences for corporations and other tax consequences.

\$209,015,000



**STATE OF TEXAS
GENERAL OBLIGATION BONDS**

\$80,000,000 State of Texas Water Financial Assistance Refunding and Financial Assistance Bonds Series 1998A	\$46,615,000 State of Texas Water Financial Assistance Refunding Bonds Taxable Series 1998B
\$82,400,000 State of Texas Water Financial Assistance Refunding and Financial Assistance Bonds Series 1998C (Economically Distressed Areas Program)	

Dated: May 1, 1998

Due: As Shown on the Inside Front Cover Page

The Series 1998A Bonds, the Series 1998B Bonds and the Series 1998C Bonds (collectively, the "Bonds") are general obligations of the State of Texas and are issued under the authority of the Constitution and laws of the State of Texas. Interest on the Bonds will accrue from the dated date thereof at the respective fixed rates of interest shown on the inside front cover page hereof, and will be payable on February 1 and August 1 of each year, beginning on February 1, 1999, calculated on the basis of a 360-day year composed of twelve 30-day months. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple within a maturity. The Depository Trust Company, New York, New York ("DTC"), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of bond certificates except as described herein.

Principal of the Bonds will be payable to the registered holders thereof upon presentation and surrender thereof at the designated office of the Paying Agent/Registrar therefor, initially, The Bank of New York. Interest on the Bonds will be payable by check, dated as of the interest payment date or redemption date, as applicable, and mailed by the Paying Agent/Registrar to the registered holders and at the addresses as shown on the records of the Paying Agent/Registrar. Notwithstanding the foregoing, during any period in which ownership of any series of Bonds is determined only by a book entry at DTC, the Paying Agent will make payments on such bonds to DTC or DTC's nominee in accordance with arrangements between the Board and DTC. See "THE BONDS--Book-Entry Only System."

The Bonds are subject to mandatory and optional redemption prior to maturity as provided herein. See "THE BONDS -- Redemption Provisions."

THE BONDS ARE GENERAL OBLIGATIONS, AND ARE SECURED BY THE FULL FAITH AND CREDIT, OF THE STATE OF TEXAS. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" herein.

Payment of the principal of and interest on the Series 1998A Bonds maturing on August 1, 2014 through 2017, both inclusive, and the Series 1998C Bonds maturing on August 1, 2014 through 2017, both inclusive, when due will be insured by a municipal bond insurance policy to be issued by Ambac Assurance Corporation simultaneously with the delivery of such bonds.

Ambac

The issuance of the Bonds constitutes the initial funding of the Texas Water Development Fund II ("Development Fund II"). The establishment of Development Fund II was approved by Texas voters in November 1997 by adding Section 49-d-8 of Article III of the Texas Constitution. A portion of the proceeds of the Series I 998A Bonds will be used to currently refund certain of the Board's outstanding Texas Water Development Bonds, and a portion of the proceeds of the Series 1998A Bonds will be used to provide financial assistance to political subdivisions for water supply, water quality enhancement and flood control purposes and for transfers to any state revolving fund administered by the Board. The proceeds of the Series 1998B Bonds will be used to refund, in advance of their maturities, certain of the Board's outstanding taxable Texas Water Development Bonds. A portion of the proceeds of the Series 1998C Bonds will be used to refund, in advance of their maturities, certain of the Board's outstanding Texas Water Development Bonds (Dedicated Bonds for Economically Distressed Areas), and a portion of the proceeds of the Series 1998C Bonds will be used to fund loans and/or grants to political subdivisions in economically distressed areas of the State of Texas for water quality enhancement and water supply purposes.

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas and of Vinson & Elkins L.L.P. and McCall, Parkhurst & Horton L.L.P., Co-Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Mayor, Day, Caldwell & Keeton L.L.P. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery through the facilities of DTC on or about May 28, 1998.

Bear, Stearns & Co., Inc.

**Artemis Capital Group, Inc.
Estrada Hinojosa & Company, Inc.**

**Banc One Capital Markets, Inc.
Legg Mason Wood Walker, Inc.**

Southwest Securities

Dated: May 8, 1998

OFFICIAL STATEMENT

THREE NEW ISSUES - Book-Entry Only**Ratings: See "RATINGS"**

In the opinion of McCall, Parkhurst & Horton L.L.P., and Wickliff & Hall, P.C., Co-Bond Counsel, interest on the Bonds is excludable from gross income for federal income tax purposes under existing statutes, regulations, court decisions and published rulings and such Bonds are not specified private activity bonds for the purposes of the alternative minimum tax imposed on individuals and corporations. See "TAX MATTERS" for a discussion of the opinions of Co-Bond Counsel, including a description of alternative minimum tax consequences for corporations and other tax consequences.



\$149,730,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS

\$74,735,000
State of Texas
Water Financial Assistance Bonds
Series 1999A

\$24,995,000
State of Texas
Water Financial Assistance Bonds
Series 1999B
(Economically Distressed Areas Program)

\$50,000,000
State of Texas
Water Financial Assistance Bonds
Series 1999C
(State Participation Program)

Dated: August 1, 1999**Due: As Shown on the Inside Front Cover Page**

The Series 1999A Bonds, the Series 1999B Bonds and the Series 1999C Bonds (collectively, the "Bonds") are general obligations of the State of Texas and are issued under the authority of the Constitution and laws of the State of Texas. Interest on the Bonds will accrue from the dated date thereof at the respective fixed rates of interest shown on the inside front cover page hereof, and will be payable on February 1 and August 1 of each year, beginning on February 1, 2000, calculated on the basis of a 360-day year composed of twelve 30-day months. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York ("DTC"), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of bond certificates except as described herein.

Principal of the Bonds will be payable to the registered holders thereof upon presentation and surrender thereof at the designated office of the Paying Agent/Registrar therefor, initially, The Bank of New York. Interest on the Bonds will be payable by check, dated as of the interest payment date or redemption date, as applicable, and mailed by the Paying Agent/Registrar to the registered holders and at the addresses as shown on the records of the Paying Agent/Registrar. Notwithstanding the foregoing, during any period in which ownership of any series of Bonds is determined only by a book entry at DTC, the Paying Agent will make payments on such bonds to DTC or DTC's nominee in accordance with arrangements between the Board and DTC. See "THE BONDS - Book-Entry Only System."

The Bonds are subject to mandatory and optional redemption prior to maturity as provided herein. See "THE BONDS - Redemption Provisions."

THE BONDS ARE GENERAL OBLIGATIONS, AND ARE SECURED BY THE FULL FAITH AND CREDIT, OF THE STATE OF TEXAS. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Section 49-d-8, Texas Constitution, to augment the funding of the Texas Water Development Fund II. Each series of Bonds is issued pursuant a separate resolution (individually, a "Resolution, and collectively the "Resolutions") adopted on July 14, 1999 by the Texas Water Development Board (the "Board") under authority of pertinent provisions of the Texas Water Code. The proceeds of the Series 1999A Bonds will be used to provide financial assistance to political subdivisions for water supply, water quality enhancement and flood control purposes and for transfers to any state revolving fund administered by the Board. The proceeds of the Series 1999B Bonds will be used to provide financial assistance in the form of loans and/or grants to political subdivisions in economically distressed areas of the State of Texas for water quality enhancement and water supply purposes. The proceeds of the Series 1999C Bonds will be used to provide funding of State Participation Projects (as defined in the Resolution authorizing the Series 1999C Bonds).

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas, and of McCall, Parkhurst & Horton L.L.P., and Wickliff & Hall, P.C., Co-Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Vinson & Elkins L.L.P. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery through the facilities of DTC on or about August 24, 1999.

J.P. Morgan & Co.

Chase Securities of Texas, Inc.**Estrada Hinojosa & Co., Inc.****Loop Capital Markets, LLC****Merrill Lynch & Company****Southwest Securities**

Dated: August 4, 1999

OFFICIAL STATEMENT

THREE NEW ISSUES — Book-Entry Only**Ratings: See "RATINGS"**

In the opinion of McCall, Parkhurst & Horton L.L.P. and Wickliff & Hall, P.C., Co-Bond Counsel, interest on the Bonds is excludable from gross income for federal income tax purposes under existing statutes, regulations, court decisions and published rulings and such Bonds are not "specified private activity bonds" for the purposes of the alternative minimum tax imposed on individuals and corporations. See "TAX MATTERS" for a discussion of the opinions of Co-Bond Counsel, including a description of alternative minimum tax consequences for corporations and other tax consequences.



\$118,565,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS

\$25,000,000
State of Texas
Water Financial Assistance Bonds
Series 2001A
(Economically Distressed Areas Program)

\$43,725,000
State of Texas
Water Financial Assistance Bonds
Series 2001B

\$49,840,000
State of Texas
Water Financial Assistance Bonds
Series 2001C
(State Participation Program)

Dated: June 1, 2001**Due: As Shown on the Inside Front Cover Page**

The Series 2001A Bonds, the Series 2001B Bonds and the Series 2001C Bonds (collectively, the "Bonds") are general obligations of the State of Texas and are issued under the authority of the Constitution and laws of the State of Texas. Interest on the Bonds will accrue from the dated date thereof at the respective fixed rates of interest shown on the inside front cover page hereof, and will be payable on February 1 and August 1 of each year, beginning on February 1, 2002, calculated on the basis of a 360-day year composed of twelve 30-day months. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York ("DTC"), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of bond certificates except as described herein.

Principal of the Bonds will be payable to the registered holders thereof upon presentation and surrender thereof at the designated office of the Paying Agent/Registrar therefor, initially, The Bank of New York, Houston, Texas. Interest on the Bonds will be payable by check, dated as of the interest payment date or redemption date, as applicable, and mailed by the Paying Agent/Registrar to the registered holders and at the addresses as shown on the records of the Paying Agent/Registrar. Notwithstanding the foregoing, during any period in which ownership of any series of Bonds is determined only by a book entry at DTC, the Paying Agent will make payments on such bonds to DTC or DTC's nominee in accordance with arrangements between the Board and DTC. See "THE BONDS — Book-Entry Only System."

The Bonds are subject to mandatory and optional redemption prior to maturity as provided herein. See "THE BONDS — Redemption Provisions."

THE BONDS ARE GENERAL OBLIGATIONS, AND ARE SECURED BY THE FULL FAITH AND CREDIT, OF THE STATE OF TEXAS.
 See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Section 49-d-8, Texas Constitution, to augment the funding of the Texas Water Development Fund II. Each series of Bonds is issued pursuant to a separate resolution (individually, a "Resolution," and collectively, the "Resolutions") adopted on May 16, 2001 by the Texas Water Development Board (the "Board") under authority of pertinent provisions of the Texas Water Code. The proceeds of the Series 2001A Bonds will be used to provide financial assistance in the form of loans and/or grants to political subdivisions in economically distressed areas of the State of Texas for water quality enhancement and water supply purposes. The proceeds of the Series 2001B Bonds will be used to provide financial assistance to political subdivisions for water supply, water quality enhancement and flood control purposes and for transfers to any state revolving fund administered by the Board. The proceeds of the Series 2001C Bonds will be used to provide funding of State Participation Projects (as defined in the Resolution authorizing the Series 2001C Bonds).

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas, and of McCall, Parkhurst & Horton L.L.P. and Wickliff & Hall, P.C., Co-Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Vinson & Elkins L.L.P. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery through the facilities of DTC on or about June 26, 2001.

Goldman, Sachs & Co.

Dain Rauscher Incorporated
Southwestern Capital Markets, Inc.

Morgan Keegan & Company, Inc.
U.S. Bancorp Piper Jaffray Inc.

Salomon Smith Barney
Walton Johnson & Company

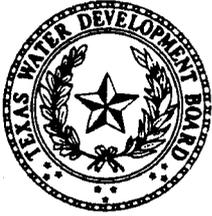
Dated: June 1, 2001

OFFICIAL STATEMENT

NEW ISSUE — Book-Entry Only

Ratings: See "OTHER INFORMATION — Ratings"

In the opinion of McCall, Parkhurst & Horton L.L.P. and Delgado, Acosta, Braden & Jones, P.C., Co-Bond Counsel, interest on each series of Bonds is excludable from gross income for federal income tax purposes under existing statutes, regulations, court decisions and published rulings and such Bonds are not "specified private activity bonds" for the purposes of the alternative minimum tax imposed on individuals and corporations. See "TAX MATTERS" for a discussion of the opinion of Co-Bond Counsel, including a description of alternative minimum tax consequences for corporations and other tax consequences.



\$62,015,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS

\$23,980,000
State of Texas
Water Financial Assistance Bonds
Series 2002C
(Economically Distressed Areas Program)

\$20,000,000
State of Texas
Water Financial Assistance Bonds
Series 2002D
(State Participation Program)

\$18,035,000
State of Texas
Water Financial Assistance Bonds
Series 2002E

Dated: August 1, 2002

Due: As Shown on the Inside Front Cover Page

The Series 2002C Bonds, the Series 2002D Bonds and the Series 2002E Bonds described above (collectively, the "Bonds") are general obligations of the State of Texas and are issued under the authority of the Constitution and laws of the State of Texas. Interest on the Bonds will accrue from the dated date thereof at the fixed rates of interest shown on the inside front cover page hereof, and will be payable on February 1 and August 1 of each year, beginning on February 1, 2003, calculated on the basis of a 360-day year composed of twelve 30-day months. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York ("DTC"), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of bond certificates except as described herein.

Principal of the Bonds will be payable to the registered holders thereof upon presentation and surrender thereof at the designated office of the Paying Agent/Registrar therefor, initially, the Dallas, Texas office of The Bank of New York Trust Company of Florida, N.A. Interest on the Bonds will be payable by check, dated as of the interest payment date or redemption date, as applicable, and mailed by the Paying Agent/Registrar to the registered holders and at the addresses as shown on the records of the Paying Agent/Registrar. Notwithstanding the foregoing, during any period in which ownership of the Bonds is determined only by a book entry at DTC, the Paying Agent/Registrar will make payments on the Bonds to DTC or DTC's nominee in accordance with arrangements between the Board and DTC. See "APPENDIX E – Depository Trust Company."

The Bonds are subject to redemption prior to maturity as provided herein. See "THE BONDS – Redemption Provisions."

THE BONDS ARE GENERAL OBLIGATIONS, AND ARE SECURED BY THE FULL FAITH AND CREDIT, OF THE STATE OF TEXAS. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Section 49-d-8, Texas Constitution, to augment the funding of the Texas Water Development Fund II. Each series of Bonds is issued pursuant to a separate resolution (individually, a "Resolution" and collectively, the "Resolutions") adopted on June 18, 2002 by the Texas Water Development Board (the "Board") under authority of pertinent provisions of the Texas Water Code. The proceeds of the Series 2002C Bonds will be used to provide financial assistance in the form of loans and/or grants to political subdivisions in economically distressed areas of the State of Texas for water quality enhancement and water supply purposes. The proceeds of the Series 2002D Bonds will be used to provide funding for State Participation Projects (as defined herein). The proceeds of the Series 2002E Bonds will be used to provide financial assistance to political subdivisions for water supply, water quality enhancement and flood control purposes (other than for EDAP Projects (as defined herein) or State Participation Projects) and for transfers to any state revolving fund administered by the Board.

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas, and of McCall, Parkhurst & Horton L.L.P. and Delgado, Acosta, Braden & Jones, P.C., Co-Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Vinson & Elkins L.L.P. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery through the facilities of DTC on or about August 22, 2002.

RBC Dain Rauscher Inc.

Morgan Keegan & Company, Inc.
SWS Securities

Siebert Brandford Shank & Co., LLC
U.S. Bancorp Piper Jaffray Inc.

Southwestern Capital Markets, Inc.
Walton Johnson & Company

Dated: July 24, 2002

Ratings: S&P "AA"
Moody's "Aa1"
Fitch "AA+"
(See "OTHER INFORMATION - Ratings")

THREE NEW ISSUES - Book-Entry-Only

In the opinion of McCall, Parkhurst & Horton L.L.P. and Delgado, Acosta, Braden & Jones, P.C., Co-Bond Counsel, interest on the Tax-Exempt Bonds is excludable from gross income for federal income tax purposes under existing statutes, regulations, published rulings and court decisions and the Tax Exempt Bonds are not "specified private activity bonds" for the purposes of the alternative minimum tax imposed on individuals and corporations. See "TAX-EXEMPT BONDS-TAX MATTERS" for a discussion of the opinion of Co-Bond Counsel, including a description of alternative minimum tax consequences for corporations and other tax consequences.

In the opinion of McCall, Parkhurst & Horton L.L.P. and Delgado, Acosta, Braden & Jones, P.C., Co-Bond Counsel, as of the date of issuance of the Taxable Bonds, the Taxable Bonds are not obligations described in section 103(a) of the Internal Revenue Code of 1986. See "TAXABLE BONDS-CERTAIN FEDERAL INCOME TAX CONSIDERATIONS" herein.



\$123,320,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS

\$24,415,000
State of Texas
Water Financial Assistance Bonds
Series 2004C
(Economically Distressed Areas Program)

\$60,085,000
State of Texas
Water Financial Assistance Bonds
Series 2004D

\$38,820,000
State of Texas
Water Financial Assistance
and Refunding Bonds
Taxable Series 2004E

Dated: July 1, 2004; Interest Accrues from Date of Delivery

Due: As Shown on the Inside Front Cover Pages

The State of Texas Water Financial Assistance Bonds, Series 2004C (Economically Distressed Areas Program) (the "Series 2004C Bonds"), State of Texas Water Financial Assistance Bonds, Series 2004D (the "Series 2004D Bonds" and, together with the Series 2004C Bonds, the "Tax-Exempt Bonds") and State of Texas Water Financial Assistance and Refunding Bonds, Taxable Series 2004E (the "Taxable Bonds" and together with the Tax-Exempt Bonds, the "Bonds") are general obligations of the State of Texas and are issued under the authority of the Constitution and laws of the State of Texas. Interest on the Bonds will accrue from the date of their delivery at the fixed rates of interest shown on the inside front cover page hereof, and will be payable on February 1 and August 1 of each year, beginning on February 1, 2005, calculated on the basis of a 360-day year composed of twelve 30-day months, until maturity or prior redemption. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York ("DTC"), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of bond certificates except as described herein.

The Board (as defined below) initially will issue the Bonds registered only in the name of Cede & Co., the nominee of DTC, pursuant to the book-entry system described in "APPENDIX E-Book-Entry Only System." Principal of the Bonds will be payable to Cede & Co., which will make distributions of the payments to the participating members of DTC for subsequent remittance to the Beneficial Owners (as defined in APPENDIX E). When the Bonds are not in the book-entry only system, payment of principal of the Bonds will be made to the registered owner upon maturity or redemption prior to maturity only upon presentation and surrender of such Bonds at the Designated Payment/Transfer Office of The Bank of New York Trust Company, N.A. As of the date hereof, the Designated Payment/Transfer Office of the Paying Agent/Registrar is its Jacksonville, Florida corporate trust office.

The Bonds are subject to redemption prior to maturity as provided herein. See "THE BONDS - Redemption Provisions."

THE BONDS ARE GENERAL OBLIGATIONS OF THE STATE OF TEXAS, AND ARE SECURED BY THE FULL FAITH AND CREDIT OF THE STATE OF TEXAS. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Section 49-d-8, Texas Constitution, to augment the funding of the Texas Water Development Fund II ("Development Fund II") and to refund certain outstanding State of Texas Water Development Bonds ("Water Development Bonds") originally issued to augment the funding of the Texas Water Development Fund ("Development Fund I"). Each series of Bonds is issued pursuant to a separate resolution (individually, a "Resolution," and collectively, the "Resolutions") adopted on June 16, 2004 by the Texas Water Development Board (the "Board" or "TWDB") under authority of pertinent provisions of the Texas Water Code. The proceeds of the Series 2004C Bonds will be used to provide financial assistance in the form of loans and/or grants to political subdivisions in economically distressed areas of the State of Texas for water quality enhancement and water supply purposes. The proceeds of the Series 2004D Bonds will be used (i) to provide financial assistance to political subdivisions for water supply, water quality enhancement and flood control purposes and (ii) for transfers to any state revolving fund administered by the Board. The proceeds of the Taxable Bonds will be used (i) to provide financial assistance to water supply corporations for water supply, water quality enhancement and flood control purposes, (ii) for transfers to any state revolving fund administered by the Board, and (iii) to refund certain of the Board's outstanding Water Development Bonds.

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas, and of McCall, Parkhurst & Horton L.L.P. and Delgado, Acosta, Braden & Jones, P.C., Co-Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Andrews Kurth LLP. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery, through the facilities of DTC, on or about July 28, 2004.

Bear, Stearns & Co. Inc.

Banc of America Securities LLC
Morgan, Keegan & Company, Inc.

Citigroup
Piper Jaffray & Co

Coastal Securities
RBC Dain Rauscher Inc.

First Albany Capital
Siebert Brandford Shank & Co., LLC

OFFICIAL STATEMENT

NEW ISSUE- Book-Entry-Only

Ratings: S&P "AA"
 Moody's "Aa1"
 Fitch "AA+"

(See "OTHER INFORMATION - Ratings")

In the opinion of McCall, Parkhurst & Horton L.L.P. and Delgado, Acosta, Braden & Jones, P.C., Co-Bond Counsel, interest on the Bonds is excludable from gross income for federal income tax purposes under existing statutes, regulations, published rulings and court decisions and the Bonds are not "specified private activity bonds" for the purposes of the alternative minimum tax imposed on individuals and corporations. See "TAX MATTERS" for a discussion of the opinion of Co-Bond Counsel, including a description of alternative minimum tax consequences for corporations and other tax consequences.



\$49,270,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS

State of Texas
Water Financial Assistance Refunding Bonds
Series 2005C
(Economically Distressed Areas Program)

Dated: December 1, 2005

Due: As Shown on the Inside Cover Page

The State of Texas Water Financial Assistance Refunding Bonds, Series 2005C (Economically Distressed Areas Program) (the "Bonds") are general obligations of the State of Texas and are issued by the Texas Water Development Board (the "Board" or "TWDB") under the authority of the Constitution and laws of the State of Texas. Interest on the Bonds will accrue from their dated date at the fixed rates of interest shown on the inside cover page hereof, and will be payable on February 1 and August 1 of each year, beginning on August 1, 2006, calculated on the basis of a 360-day year composed of twelve 30-day months, until maturity or prior redemption. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York ("DTC"), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of bond certificates except as described herein.

The Board initially will issue the Bonds registered only in the name of Cede & Co., the nominee of DTC, pursuant to the book-entry system described in "APPENDIX E—Book-Entry Only System." Principal of the Bonds will be payable to Cede & Co., which will make distributions of the payments to the participating members of DTC for subsequent remittance to the Beneficial Owners (as defined in APPENDIX E). When the Bonds are not in the book-entry only system, payment of principal of the Bonds will be made to the registered owner upon maturity or redemption prior to maturity only upon presentation and surrender of such Bonds at the Designated Payment/Transfer Office of The Bank of New York Trust Company, N.A. As of the date hereof, the Designated Payment/Transfer Office of the Paying Agent/Registrar is its Dallas, Texas corporate trust office.

The Bonds are subject to optional redemption prior to maturity as provided herein. See "THE BONDS—Redemption Provisions."

THE BONDS ARE GENERAL OBLIGATIONS OF THE STATE OF TEXAS, AND ARE SECURED BY THE FULL FAITH AND CREDIT OF THE STATE OF TEXAS. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Section 49-d-8, Texas Constitution, to refund certain outstanding EDAP Bonds (as defined herein) originally issued to augment the funding of the Economically Distressed Areas Program Account within the Texas Water Development Fund II (the "EDAP Account"). The Bonds are issued pursuant to a resolution (the "Resolution") adopted on November 15, 2005 by the Board under authority of pertinent provisions of the Texas Water Code.

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas, and of McCall, Parkhurst & Horton L.L.P. and Delgado, Acosta, Braden & Jones, P.C., Co-Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Vinson & Elkins L.L.P. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery, through the facilities of DTC, on or about January 18, 2006.

First Albany Capital Inc.

Citigroup
Morgan Keegan & Company, Inc.

Coastal Securities
Ramirez & Co., Inc.

Estrada Hinojosa & Company
RBC Capital Markets

Dated: December 6, 2005

OFFICIAL STATEMENT DATED AUGUST 1, 2007

NEW ISSUE- Book-Entry-Only

Ratings: S&P "AA"
Moody's "Aa1"
Fitch "AA+"

(See "OTHER INFORMATION - Ratings")

In the opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel, interest on the Bonds will be s excludable from gross income for federal income tax purposes under existing statutes, regulations, published rulings and court decisions and the Bonds are not "specified private activity bonds" for the purposes of the alternative minimum tax imposed on individuals and corporations. See "TAX MATTERS" for a discussion of the opinion of Bond Counsel, including a description of alternative minimum tax consequences for corporations and other tax consequences.

**\$44,345,000****STATE OF TEXAS
GENERAL OBLIGATION BONDS****\$19,680,000****STATE OF TEXAS****Water Financial Assistance Refunding Bonds****Series 2007B****(State Participation Program)****\$24,665,000****STATE OF TEXAS****Water Financial Assistance Bonds****Series 2007C****(Economically Distressed Areas Program)****Dated: Date of Delivery (As Defined Herein)****Due: As Shown on the Inside Cover Page**

The State of Texas Water Financial Assistance Refunding Bonds, Series 2007B (State Participation Program) (the "2007B Bonds") and the State of Texas Water Financial Assistance Bonds, Series 2007C (Economically Distressed Areas Program), (the "2007C Bonds" and together with the 2007B Bonds, the "Bonds") are general obligations of the State of Texas and are issued by the Texas Water Development Board (the "Board" or "TWDB") under the authority of the Constitution and laws of the State of Texas. Except as described in the next sentence, interest on the Bonds will accrue from August 7, 2007 (the "Date of Delivery") at the fixed rates of interest shown on the inside cover page hereof, and will be payable on February 1, 2008, and on each August 1 and February 1 thereafter until maturity or prior redemption. In addition, the Bonds maturing August 15, 2007, shall bear interest from the Date of Delivery, to be payable upon the maturity thereof. Interest on the Bonds will be calculated on the basis of a 360-day year composed of twelve 30-day months. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York ("DTC"), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of bond certificates except as described herein. The Bonds are issued pursuant to separate resolutions (collectively, the "Resolution") adopted on June 25, 2007 by the Board under authority of pertinent provisions of the Texas Water Code.

The Board initially will issue the Bonds registered only in the name of Cede & Co., the nominee of DTC, pursuant the book entry system described in "APPENDIX E—Book-Entry Only System." Principal of the Bonds will be payable to Cede & Co., which will make distributions of the payments to the participating members of DTC for subsequent remittance to the Beneficial Owners (as defined in APPENDIX E). When the Bonds are not in the book-entry only system, payment of principal of the Bonds will be made to the registered owner upon maturity or redemption prior to maturity only upon presentation and surrender of such Bonds at the Designated Payment/Transfer Office of The Bank of New York Trust Company, N.A. (the "Paying Agent/Registrar"). As of the date hereof, the Designated Payment/Transfer Office of the Paying Agent/Registrar is its Dallas, Texas corporate trust office.

THE BONDS ARE GENERAL OBLIGATIONS OF THE STATE OF TEXAS, AND ARE SECURED BY THE FULL FAITH AND CREDIT OF THE STATE OF TEXAS. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The 2007B Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Section 49-d-8, Texas Constitution, to refund bonds originally issued to augment the funding of state participation projects from the Texas Water Development Fund ("Development Fund I") and to pay expenses arising from the issuance of the 2007B Bonds.

The 2007C Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Section 49-d-8, Texas Constitution, to augment the funding of the economically distressed areas program, to augment the Economically Distressed Areas Program Account within the Texas Water Development Fund II (the "EDAP Account") and to pay expenses arising from the issuance of the 2007C Bonds.

The Bonds are subject to optional redemption prior to maturity as described herein (see "THE BONDS - Redemption Provision Optional Redemption herein. The 2007C Bonds also are subject to mandatory redemption prior to maturity as described herein (see "THE BONDS - Redemption Provisions - Mandatory Sinking Fund Redemption" herein).

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas, and of McCall, Parkhurst & Horton L.L.P., Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Bates & Coleman, P.C. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery, through the facilities of DTC, on or about August 7, 2007.

Ramirez & Co., Inc.**Cabrera Capital Markets, Inc.****RBC Capital Markets**

OFFICIAL STATEMENT DATED DECEMBER 4, 2008

NEW ISSUE- Book-Entry-Only

Ratings: S&P "AA"
Moody's "Aa1"
Fitch "AA+"

(See "OTHER INFORMATION - Ratings")

In the opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel, interest on the Bonds will be excludable from gross income for federal income tax purposes under existing statutes, regulations, published rulings and court decisions and the Bonds are not "specified private activity bonds" for the purposes of the alternative minimum tax imposed on individuals and corporations. See "TAX MATTERS" for a discussion of the opinion of Bond Counsel, including a description of alternative minimum tax consequences for corporations and other tax consequences.



\$60,745,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS

\$26,510,000
State of Texas

Water Financial Assistance Refunding Bonds
Series 2008B

\$34,235,000
State of Texas

Water Financial Assistance Refunding Bonds
Series 2008C
(Economically Distressed Areas Program)

Dated Date: Date of Delivery

Due: As Shown on the Inside Cover Page

The State of Texas Water Financial Assistance Refunding Bonds, Series 2008B (the "2008B Bonds") and the State of Texas Water Financial Assistance Refunding Bonds, Series 2008C (Economically Distressed Areas Program) (the "2008C Bonds") and, together with the 2008B Bonds, the "Bonds" are general obligations of the State of Texas and are issued by the Texas Water Development Board (the "Board" or "TWDB") under the authority of the Constitution and laws of the State of Texas. Interest on the Bonds will accrue from their date of delivery at the fixed rates of interest shown on the inside cover page hereof, and will be payable on February 1 and August 1 of each year, beginning on February 1, 2009, calculated on the basis of a 360-day year composed of twelve 30-day months, until maturity. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York ("DTC"), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of bond certificates except as described herein.

The Board initially will issue the Bonds registered only in the name of Cede & Co., the nominee of DTC, pursuant to the book-entry system described in "APPENDIX E-Book-Entry Only System." Principal of the Bonds will be payable to Cede & Co., which will make distributions of the payments to the participating members of DTC for subsequent remittance to the Beneficial Owners (as defined in APPENDIX E). When the Bonds are not in the book-entry only system, payment of principal of the Bonds will be made to the registered owner upon presentation and surrender of such Bonds at the Designated Payment/Transfer Office of The Bank of New York Mellon Trust Company, N.A. As of the date of this Official Statement, the Designated Payment/Transfer Office of the Paying Agent/Registrar is its Dallas, Texas corporate trust office.

The Bonds of either series are not subject to redemption prior to maturity.

THE BONDS ARE GENERAL OBLIGATIONS OF THE STATE OF TEXAS, AND ARE SECURED BY THE FULL FAITH AND CREDIT OF THE STATE OF TEXAS. SEE "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The 2008B Bonds and the 2008C Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Section 49-d-8, Texas Constitution, to refund certain outstanding State of Texas Water Financial Assistance Refunding and Financial Assistance Bonds, Series 1998A and State of Texas Water Financial Assistance Refunding and Financial Assistance Bonds, Series 1998C (Economically Distressed Areas Program), respectively, as more particularly described in APPENDIX F (collectively, the "Refunded Bonds"). The Bonds are issued pursuant to separate resolutions (collectively, the "Resolution") adopted on November 25, 2008, by the Board under authority of pertinent provisions of the Texas Water Code.

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas, and of McCall, Parkhurst & Horton L.L.P., Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Vinson & Elkins L.L.P. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery, through the facilities of DTC, on or about January 6, 2009.

Loop Capital Markets, LLC

Ramirez & Co., Inc.

RBC Capital Markets

Wachovia Bank, National Association

**OFFICIAL STATEMENT
NOVEMBER 18, 2009**

NEW ISSUE- Book-Entry-Only

**Ratings: Moody's "Aa1"; S&P "AA+"; Fitch "AA+"
(See "OTHER INFORMATION - Ratings")**

In the opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel, under existing statutes, regulations, published rulings and court decisions (1) interest on the Bonds is excludable from gross income for federal income tax purposes, and (2) the Bonds are obligations described in section 1503 of The American Recovery and Reinvestment Act of 2009, and accordingly, the interest on the Bonds will not be included in the owner's alternative minimum taxable income under section 55 of the Internal Revenue Code of 1986. See "TAX MATTERS" for a discussion of the opinion of Bond Counsel.



**\$125,940,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS**

**\$101,400,000
State of Texas
Water Financial Assistance Bonds
Series 2009E
(Water Infrastructure Fund)**

**\$24,540,000
State of Texas
Water Financial Assistance Bonds
Series 2009F
(Economically Distressed Areas Program)**

Dated Date: Date of Delivery

Due: August 1, as shown on inside cover page

The State of Texas Water Financial Assistance Bonds, Series 2009E (Water Infrastructure Fund) (the "2009E Bonds") and the State of Texas Water Financial Assistance Bonds, Series 2009F (Economically Distressed Areas Program) (the "2009F Bonds") and, together with the 2009E Bonds, the "Bonds" are general obligations of the State of Texas and are issued by the Texas Water Development Board (the "Board" or "TWDB") under the authority of the Constitution and laws of the State of Texas. Interest on the Bonds will accrue from the date of their delivery at the fixed rates of interest shown on the inside cover page hereof and will be calculated on the basis of a 360-day year composed of twelve 30-day months. Interest on the Bonds will be payable on August 1, 2010, and on each February 1 and August 1 thereafter until maturity or prior redemption. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York ("DTC"), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of Bond certificates except as described herein.

The Board initially will issue the Bonds registered only in the name of Cede & Co., the nominee of DTC, pursuant to the book-entry-only system described in "APPENDIX E - Book-Entry-Only System." Principal of the Bonds will be payable to Cede & Co., which will make distributions of the payments to the participating members of DTC for subsequent remittance to the Beneficial Owners (as defined in APPENDIX E). If the Bonds are not in the book-entry-only system, payment of principal of the Bonds will be made to the registered owner upon maturity or redemption prior to maturity only upon presentation and surrender of such Bonds at the Designated Payment/Transfer Office of The Bank of New York Mellon Trust Company, N.A., as initial Paying Agent/Registrar. As of the date hereof, the Designated Payment/Transfer Office of the Paying Agent/Registrar is its Dallas, Texas corporate trust office.

The Bonds are subject to optional and extraordinary mandatory redemption prior to stated maturity as provided herein. See "THE BONDS - Redemption".

THE BONDS ARE GENERAL OBLIGATIONS OF THE STATE OF TEXAS, AND ARE SECURED BY THE FULL FAITH AND CREDIT OF THE STATE OF TEXAS. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The 2009E Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Sections 49-d-8 and 49-d-9, Texas Constitution and Subchapter L of Chapter 17 of the Texas Water Code, as amended (the "Act"), in order to (i) augment the funding of Water Assistance Projects from the Texas Water Development Fund II (the "Development Fund II") and (ii) pay expenses arising from the issuance of the 2009E Bonds. The proceeds of the 2009E Bonds will be used to augment the funding of the Water Infrastructure Fund, a special fund in the State Treasury established under Subchapter Q of Chapter 15 of the Texas Water Code ("Subchapter Q"), to provide financial assistance to eligible Texas political subdivisions. The 2009F Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Sections 49-d-8 and 49-d-10, Texas Constitution and the Act, in order to (i) augment the funding of EDAP Projects from the Development Fund II under Subchapter K of Chapter 17 of the Texas Water Code ("Subchapter K"), and (ii) pay expenses arising from the issuance of the 2009F Bonds.

The Bonds are issued pursuant to two separate resolutions (with respect to the series of bonds issued thereunder, the "Resolution"; jointly the "Resolutions") adopted on October 15, 2009 by the Board under authority of pertinent provisions of the Texas Water Code.

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas, and of McCall, Parkhurst & Horton L.L.P., Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Fulbright & Jaworski L.L.P., Houston, Texas. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery, through the facilities of DTC, on or about December 15, 2009.

Morgan Keegan & Company, Inc.

Citi

Fidelity Capital Markets

Loop Capital Markets, LLC

Southwest Securities

Ramirez & Co., Inc.

ATTACHMENT C

**General Obligation Bonds
(State Participation Program – Texas Water Development Fund II)**

**GENERAL OBLIGATION BONDS
(State Participation Program -
Texas Water Development Fund II)**

Original Par Amount	Series Description	CUSIP Prefix
\$ 49,840,000	State of Texas Water Financial Assistance Bonds, Series 2001C (State Participation Program)	882719
\$ 20,000,000	State of Texas Water Financial Assistance Bonds, Series 2002D (State Participation Program)	882720
\$ 1,870,000	State of Texas Water Financial Assistance Refunding Bonds, Series 2003D (State Participation Program)	882720
\$ 19,680,000	State of Texas Water Financial Assistance Refunding Bonds, Series 2007B (State Participation Program)	882721
\$ 49,775,000	State of Texas Water Financial Assistance Refunding Bonds, Series 2009D (State Participation Program)	882722
\$ 42,280,000	State of Texas Water Financial Assistance Bonds, Series 2010C (State Participation Program)	882722

**ANNUAL UPDATE OF QUANTITATIVE FINANCIAL
INFORMATION AND OPERATING DATA FOR FISCAL YEAR 2010**

The information contained under the heading “ANNUAL UPDATE OF QUANTITATIVE FINANCIAL INFORMATION AND OPERATING DATA FOR FISCAL YEAR 2010” in Attachment C of this Annual Report is hereby incorporated by reference in satisfaction of the Board’s Undertaking to update the financial information and quantitative operating data under the heading “Texas Water Development Board” contained in the final official statement relating to these bonds, the copy of the cover of which is included in Attachment C.

General

The 81st legislative session authorized appropriations in the amount of \$225,050,000 during the 2010-2011 biennium. As of August 31, 2010, the Board had six outstanding Bond issues in the aggregate principal amount of \$178,065,000, as listed above.

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**TEXAS WATER DEVELOPMENT FUND II
STATE PARTICIPATION PROGRAM
(DEDICATED BONDS)
SCHEDULE OF DEBT SERVICE REQUIREMENTS
AS OF AUGUST 31, 2010**

Fiscal Year (1)	Principal	Interest	Total Existing Debt Service
2011	\$3,645,000	\$8,874,640	\$12,519,640
2012	1,285,000	8,738,040	10,023,040
2013	1,330,000	8,684,790	10,014,790
2014	1,365,000	8,634,590	9,999,590
2015	1,410,000	8,582,940	9,992,940
2016	2,960,000	8,524,340	11,484,340
2017	3,505,000	8,405,940	11,910,940
2018	3,580,000	8,253,090	11,833,090
2019	3,630,000	8,096,490	11,726,490
2020	5,840,000	7,937,340	13,777,340
2021	6,770,000	7,662,290	14,432,290
2022	9,625,000	7,346,021	16,971,021
2023	9,910,000	6,883,331	16,793,331
2024	9,960,000	6,399,456	16,359,456
2025	9,975,000	5,880,794	15,855,794
2026	9,925,000	5,360,219	15,285,219
2027	10,330,000	4,844,356	15,174,356
2028	10,770,000	4,307,081	15,077,081
2029	10,435,000	3,745,031	14,180,031
2030	10,880,000	3,194,388	14,074,388
2031	9,115,000	2,619,838	11,734,838
2032	9,610,000	2,133,600	11,743,600
2033	10,110,000	1,642,350	11,752,350
2034	10,635,000	1,125,538	11,760,538
2035	9,625,000	581,888	10,206,888
2036	1,840,000	92,000	1,932,000
2037			
	\$178,065,000	\$148,550,380	\$326,615,380

(1) The Texas Water Development Board's fiscal year runs from 9/1 to 8/31.

Texas Water Development Board
Balance Sheet / Statement of Net Assets – State Participation Program Funds

August 31,

	Governmental Funds Total 2006	Long-Term Liabilities Adjustments 2006	Statement of Net Assets 2006	Governmental Funds Total 2007	Long-Term Liabilities Adjustments 2007	Statement of Net Assets 2007
ASSETS						
Current Assets:						
Cash and Cash Equivalents:						
Cash in State Treasury	\$ 21,367,764		\$ 21,367,764	\$ 19,167,435		\$ 19,167,435
Receivables From:						
Interest and Dividends	379,730		379,730	575,538		575,538
Accounts Receivable	-		-	-		-
Total Current Assets	21,747,494	-	21,747,494	19,742,973	-	19,742,973
Non-Current Assets:						
Loans & Contracts	142,761,165		142,761,165	144,991,165		144,991,165
Total Noncurrent Assets	142,761,165	-	142,761,165	144,991,165	-	144,991,165
Total Assets	164,508,659	-	164,508,659	164,734,138	-	164,734,138
LIABILITIES AND FUND BALANCES						
Liabilities:						
Current Liabilities:						
Payables From:						
Accounts Payable			-	22,545		22,545
Interest Payable		636,034	636,034		607,242	607,242
General Obligation Bonds Payable		145,000	145,000		150,000	150,000
Total Current Liabilities	-	781,034	781,034	22,545	757,242	779,787
Non-Current Liabilities:						
General Obligation Bonds Payable		141,300,000	141,300,000		140,130,000	140,130,000
Total Non-Current Liabilities	-	141,300,000	141,300,000	-	140,130,000	140,130,000
Total Liabilities	-	142,081,034	142,081,034	22,545	140,887,242	140,909,787
Fund Financial Statement-Fund Balances						
Fund Balances (Deficits):						
Reserved for:						
Encumbrances				4,007		
Debt Service	5,770			7,595		
Loans and Contracts	142,761,165			144,991,165		
Unreserved Designated for:						
Other	21,741,724			19,708,826		
Total Fund Balances	164,508,659			164,711,593		
Total Liabilities and Fund Balances	164,508,659			164,734,138		
Government-wide Statement - Net Assets						
Net Assets:						
Restricted for:						
Debt Retirement		5,770	5,770		7,595	7,595
Unrestricted		(142,086,804)	22,421,855		(140,894,837)	23,816,756
Total Net Assets		(142,081,034)	22,427,625		(140,887,242)	23,824,351

(1) The financial data presented here is a recapitulation of the Board's financial statements presented in their Annual Financial Reports. The Board's financial statements become a part of the Comprehensive Annual Financial Report for the State of Texas, which is audited by the State Auditor's Office; however, the scope of the reviews at the agency level do not constitute an audit of the individual agency's financial statements. Consequently, these statements are considered unaudited at the agency level.

(2) The interest payable in the long-term liability column was overstated during the previous fiscal year. The amounts have been updated to reflect the amounts actually reported in the FY09 Annual Financial Report. These changes also impact the Statement of Activities column.

Governmental Funds Total 2008	Long-Term Liabilities Adjustments 2008	Statement of Net Assets 2008	Governmental Funds Total 2009	Long-Term Liabilities Adjustments 2009 (2)	Statement of Net Assets 2009 (2)	Governmental Funds Total 2010	Long-Term Liabilities Adjustments 2010	Statement of Net Assets 2010
\$ 19,564,282		\$ 19,564,282	\$ 20,005,822		\$ 20,005,822	\$ 20,091,010		\$ 20,091,010
674,473		674,473	759,777		759,777	893,856		893,856
		-	24,898		24,898	19,567		19,567
20,238,755	-	20,238,755	20,790,497	-	20,790,497	21,004,433	-	21,004,433
144,991,165		144,991,165	144,991,165		144,991,165	191,040,164		191,040,164
144,991,165	-	144,991,165	144,991,165	-	144,991,165	191,040,164	-	191,040,164
165,229,920	-	165,229,920	165,781,662	-	165,781,662	212,044,597	-	212,044,597
		-			-			-
	621,608	621,608		594,949	594,949		739,553	739,553
	155,000	155,000		165,000	165,000		3,802,316	3,802,316
-	776,608	776,608	-	759,949	759,949	-	4,541,869	4,541,869
	139,975,000	139,975,000		139,585,000	139,585,000		177,409,008	177,409,008
-	139,975,000	139,975,000	-	139,585,000	139,585,000	-	177,409,008	177,409,008
-	140,751,608	140,751,608	-	140,344,949	140,344,949	-	181,950,877	181,950,877
2,865			1,027			1,053		
144,991,165						191,040,165		
20,235,890			165,780,635			21,003,379		
165,229,920			165,781,662			212,044,597		
165,229,920			165,781,662			212,044,597		
	2,865	2,865		1,027	1,027		1,053	1,053
	(140,754,473)	24,475,447		(140,345,976)	25,435,686		(181,951,930)	30,092,667
	(140,751,608)	24,478,312		(140,344,949)	25,436,713		(181,950,877)	30,093,720

Texas Water Development Board
Statement of Revenues, Expenditures, and Changes in Fund Balance / Net Assets -
State Participation Program Funds

For the Fiscal Year Ended August 31,

	Governmental Funds Total 2006	Long-Term Liabilities Adjustments 2006	Statement of Activities 2006	Governmental Funds Total 2007	Long-Term Liabilities Adjustments 2007 (2)	Statement of Activities 2007 (2)
REVENUES						
Licenses, Fees & Permits	\$ 66,287		\$ 66,287			\$ -
Interest and Other Investment Income	6,109,806		6,109,806	6,559,711	525,222	7,084,933
Total Revenues	6,176,093	-	6,176,093	6,559,711	525,222	7,084,933
EXPENDITURES						
Professional Fees and Services	250		250	22,795	125,667	148,462
Travel			-			-
Printing and Reproduction			-			-
Other Expenditures			-	9,500		9,500
Debt service:						
Principal	135,000	(135,000)	-	845,000	(845,000)	-
Interest (FFS)	7,639,153	(7,639,153)	-	7,633,025	(7,633,025)	-
Interest on Long-Term Debt (GWFS)		7,638,591	7,638,591		7,625,469	7,625,469
Total Expenditures/Expenses	7,774,403	(135,562)	7,638,841	8,510,320	(726,889)	7,783,431
Excess (Deficiency) of Revenues Over Expenditures	(1,598,310)	135,562	(1,462,748)	(1,950,609)	1,252,111	(698,498)
OTHER FINANCING SOURCES (USES)						
Bond and Note Proceeds			-	58,319	(58,319)	-
Transfers In	16,943,580		16,943,580	18,898,288		18,898,288
Transfers Out	(14,191,752)		(14,191,752)	(16,803,064)		(16,803,064)
Total Other Financing Sources and Uses	2,751,828	-	2,751,828	2,153,543	(58,319)	2,095,224
Net Change in Fund Balances/Net Assets	1,153,518	135,562	1,289,080	202,934	1,193,792	1,396,726
Fund Financial Statement-Fund Balances						
Fund Balances--Beginning	163,355,141			164,508,659		
Fund Balances--August 31, Ending	164,508,659			164,711,593		
Government-wide Statement - Net Assets						
Net Assets--Beginning		(142,216,596)	21,138,545		(142,081,034)	22,427,625
Net Assets--August 31, Ending		(142,081,034)	22,427,625		(140,887,242)	23,824,351

(1) The financial data presented here is a recapitulation of the Board's financial statements presented in their Annual Financial Reports. The Board's financial statements become a part of the Comprehensive Annual Financial Report for the State of Texas, which is audited by the State Auditor's Office; however, the scope of the reviews at the agency level do not constitute an audit of the individual agency's financial statements. Consequently, these statements are considered unaudited at the agency level.

(2) The net change in fund balance in the Long-Term Liability column was understated during the FY07 and FY09. The amounts have been updated to reflect the amounts actually reported in the Board's Annual Financial Reports for those years. These changes also impact the Statement of Activities column.

Governmental Funds Total 2008	Long-Term Liabilities Adjustments 2008 (2)	Statement of Activities 2008 (2)	Governmental Funds Total 2009	Long-Term Liabilities Adjustments 2009 (2)	Statement of Activities 2009 (2)	Governmental Funds Total 2010	Long-Term Liabilities Adjustments 2010	Statement of Activities 2010
		\$ -			\$ -	\$ 354,578		\$ 354,578
7,421,860		7,421,860	8,086,113	907,250	8,993,363	8,995,996		8,995,996
7,421,860	-	7,421,860	8,086,113	907,250	8,993,363	9,350,574	-	9,350,574
18,453		18,453	48,009	274,387	322,396	39,102	207,906	247,008
		-	493		493	1,373		1,373
		-			-	974		974
11		11	12,587		12,587	9,088		9,088
150,000	(150,000)	-	155,000	(155,000)	-	3,965,000	(3,965,000)	-
7,451,808	(7,451,808)	-	7,298,457	(7,298,457)	-	7,543,723	(7,543,723)	-
	7,466,174	7,466,174		7,638,533	7,638,533		7,531,011	7,531,011
7,620,272	(135,634)	7,484,638	7,514,546	459,463	7,974,009	11,559,260	(3,769,806)	7,789,454
(198,412)	135,634	(62,778)	571,567	447,787	1,019,354	(2,208,686)	3,769,806	1,561,120
		-	41,128	(41,128)	-	45,375,734	(45,375,734)	-
19,125,954		19,125,954	20,079,346		20,079,346	39,966,888		39,966,888
(18,409,215)		(18,409,215)	(20,140,299)		(20,140,299)	(36,871,001)		(36,871,001)
716,739	-	716,739	(19,825)	(41,128)	(60,953)	48,471,621	(45,375,734)	3,095,887
518,327	135,634	653,961	551,742	406,659	958,401	46,262,935	(41,605,928)	4,657,007
164,711,593			165,229,920			165,781,662		
165,229,920			165,781,662			212,044,597		
	(140,887,242)	23,824,351		(140,751,608)	24,478,312		(140,344,949)	25,436,713
	(140,751,608)	24,478,312		(140,344,949)	25,436,713		(181,950,877)	30,093,720

OFFICIAL STATEMENT

THREE NEW ISSUES — Book-Entry Only**Ratings: See "RATINGS"**

In the opinion of McCall, Parkhurst & Horton L.L.P. and Wickliff & Hall, P.C., Co-Bond Counsel, interest on the Bonds is excludable from gross income for federal income tax purposes under existing statutes, regulations, court decisions and published rulings and such Bonds are not "specified private activity bonds" for the purposes of the alternative minimum tax imposed on individuals and corporations. See "TAX MATTERS" for a discussion of the opinions of Co-Bond Counsel, including a description of alternative minimum tax consequences for corporations and other tax consequences.



\$118,565,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS

\$25,000,000
State of Texas
Water Financial Assistance Bonds
Series 2001A
(Economically Distressed Areas Program)

\$43,725,000
State of Texas
Water Financial Assistance Bonds
Series 2001B

\$49,840,000
State of Texas
Water Financial Assistance Bonds
Series 2001C
(State Participation Program)

Dated: June 1, 2001**Due: As Shown on the Inside Front Cover Page**

The Series 2001A Bonds, the Series 2001B Bonds and the Series 2001C Bonds (collectively, the "Bonds") are general obligations of the State of Texas and are issued under the authority of the Constitution and laws of the State of Texas. Interest on the Bonds will accrue from the dated date thereof at the respective fixed rates of interest shown on the inside front cover page hereof, and will be payable on February 1 and August 1 of each year, beginning on February 1, 2002, calculated on the basis of a 360-day year composed of twelve 30-day months. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York ("DTC"), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of bond certificates except as described herein.

Principal of the Bonds will be payable to the registered holders thereof upon presentation and surrender thereof at the designated office of the Paying Agent/Registrar therefor, initially, The Bank of New York, Houston, Texas. Interest on the Bonds will be payable by check, dated as of the interest payment date or redemption date, as applicable, and mailed by the Paying Agent/Registrar to the registered holders and at the addresses as shown on the records of the Paying Agent/Registrar. Notwithstanding the foregoing, during any period in which ownership of any series of Bonds is determined only by a book entry at DTC, the Paying Agent will make payments on such bonds to DTC or DTC's nominee in accordance with arrangements between the Board and DTC. See "THE BONDS — Book-Entry Only System."

The Bonds are subject to mandatory and optional redemption prior to maturity as provided herein. See "THE BONDS — Redemption Provisions."

THE BONDS ARE GENERAL OBLIGATIONS, AND ARE SECURED BY THE FULL FAITH AND CREDIT, OF THE STATE OF TEXAS.
 See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Section 49-d-8, Texas Constitution, to augment the funding of the Texas Water Development Fund II. Each series of Bonds is issued pursuant to a separate resolution (individually, a "Resolution," and collectively, the "Resolutions") adopted on May 16, 2001 by the Texas Water Development Board (the "Board") under authority of pertinent provisions of the Texas Water Code. The proceeds of the Series 2001A Bonds will be used to provide financial assistance in the form of loans and/or grants to political subdivisions in economically distressed areas of the State of Texas for water quality enhancement and water supply purposes. The proceeds of the Series 2001B Bonds will be used to provide financial assistance to political subdivisions for water supply, water quality enhancement and flood control purposes and for transfers to any state revolving fund administered by the Board. The proceeds of the Series 2001C Bonds will be used to provide funding of State Participation Projects (as defined in the Resolution authorizing the Series 2001C Bonds).

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas, and of McCall, Parkhurst & Horton L.L.P. and Wickliff & Hall, P.C., Co-Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Vinson & Elkins L.L.P. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery through the facilities of DTC on or about June 26, 2001.

Goldman, Sachs & Co.

Dain Rauscher Incorporated
Southwestern Capital Markets, Inc.

Morgan Keegan & Company, Inc.
U.S. Bancorp Piper Jaffray Inc.

Salomon Smith Barney
Walton Johnson & Company

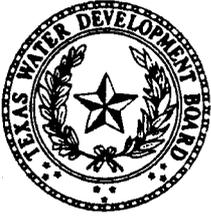
Dated: June 1, 2001

OFFICIAL STATEMENT

NEW ISSUE — Book-Entry Only

Ratings: See "OTHER INFORMATION — Ratings"

In the opinion of McCall, Parkhurst & Horton L.L.P. and Delgado, Acosta, Braden & Jones, P.C., Co-Bond Counsel, interest on each series of Bonds is excludable from gross income for federal income tax purposes under existing statutes, regulations, court decisions and published rulings and such Bonds are not "specified private activity bonds" for the purposes of the alternative minimum tax imposed on individuals and corporations. See "TAX MATTERS" for a discussion of the opinion of Co-Bond Counsel, including a description of alternative minimum tax consequences for corporations and other tax consequences.



\$62,015,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS

\$23,980,000
State of Texas
Water Financial Assistance Bonds
Series 2002C
(Economically Distressed Areas Program)

\$20,000,000
State of Texas
Water Financial Assistance Bonds
Series 2002D
(State Participation Program)

\$18,035,000
State of Texas
Water Financial Assistance Bonds
Series 2002E

Dated: August 1, 2002

Due: As Shown on the Inside Front Cover Page

The Series 2002C Bonds, the Series 2002D Bonds and the Series 2002E Bonds described above (collectively, the "Bonds") are general obligations of the State of Texas and are issued under the authority of the Constitution and laws of the State of Texas. Interest on the Bonds will accrue from the dated date thereof at the fixed rates of interest shown on the inside front cover page hereof, and will be payable on February 1 and August 1 of each year, beginning on February 1, 2003, calculated on the basis of a 360-day year composed of twelve 30-day months. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York ("DTC"), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of bond certificates except as described herein.

Principal of the Bonds will be payable to the registered holders thereof upon presentation and surrender thereof at the designated office of the Paying Agent/Registrar therefor, initially, the Dallas, Texas office of The Bank of New York Trust Company of Florida, N.A. Interest on the Bonds will be payable by check, dated as of the interest payment date or redemption date, as applicable, and mailed by the Paying Agent/Registrar to the registered holders and at the addresses as shown on the records of the Paying Agent/Registrar. Notwithstanding the foregoing, during any period in which ownership of the Bonds is determined only by a book entry at DTC, the Paying Agent/Registrar will make payments on the Bonds to DTC or DTC's nominee in accordance with arrangements between the Board and DTC. See "APPENDIX E – Depository Trust Company."

The Bonds are subject to redemption prior to maturity as provided herein. See "THE BONDS – Redemption Provisions."

THE BONDS ARE GENERAL OBLIGATIONS, AND ARE SECURED BY THE FULL FAITH AND CREDIT, OF THE STATE OF TEXAS. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Section 49-d-8, Texas Constitution, to augment the funding of the Texas Water Development Fund II. Each series of Bonds is issued pursuant to a separate resolution (individually, a "Resolution" and collectively, the "Resolutions") adopted on June 18, 2002 by the Texas Water Development Board (the "Board") under authority of pertinent provisions of the Texas Water Code. The proceeds of the Series 2002C Bonds will be used to provide financial assistance in the form of loans and/or grants to political subdivisions in economically distressed areas of the State of Texas for water quality enhancement and water supply purposes. The proceeds of the Series 2002D Bonds will be used to provide funding for State Participation Projects (as defined herein). The proceeds of the Series 2002E Bonds will be used to provide financial assistance to political subdivisions for water supply, water quality enhancement and flood control purposes (other than for EDAP Projects (as defined herein) or State Participation Projects) and for transfers to any state revolving fund administered by the Board.

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas, and of McCall, Parkhurst & Horton L.L.P. and Delgado, Acosta, Braden & Jones, P.C., Co-Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Vinson & Elkins L.L.P. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery through the facilities of DTC on or about August 22, 2002.

RBC Dain Rauscher Inc.

Morgan Keegan & Company, Inc.
SWS Securities

Siebert Brandford Shank & Co., LLC
U.S. Bancorp Piper Jaffray Inc.

Southwestern Capital Markets, Inc.
Walton Johnson & Company

Dated: July 24, 2002

NEW ISSUE — Book-Entry Only**Ratings: See "OTHER INFORMATION — Ratings"**

In the opinion of McCall, Parkhurst & Horton L.L.P. and Delgado, Acosta, Braden & Jones, P.C., Co-Bond Counsel, interest on each series of Tax-Exempt Bonds is excludable from gross income for federal income tax purposes under existing statutes, regulations, court decisions and published rulings and such Tax-Exempt Bonds are not "specified private activity bonds" for the purposes of the alternative minimum tax imposed on individuals and corporations. See "TAX MATTERS-TAX-EXEMPT BONDS" for a discussion of the opinion of Co-Bond Counsel, including a description of alternative minimum tax consequences for corporations and other tax consequences.

In the opinion of Co-Bond Counsel, as of the date of issuance of the Taxable Bonds, the Taxable Bonds are not obligations described in Section 103 of the Internal Revenue Code of 1986. See "TAX MATTERS-TAXABLE BONDS" herein.



\$123,115,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS

\$50,915,000
State of Texas
Water Financial Assistance and Refunding Bonds
Taxable Series 2003B

\$70,330,000
State of Texas
Water Financial Assistance and Refunding Bonds
Series 2003C

\$1,870,000
State of Texas
Water Financial Assistance Refunding Bonds
Series 2003D
(State Participation Program)

Dated: June 15, 2003**Due: As Shown on the Inside Front Cover Page**

The Series 2003B Bonds, the Series 2003C Bonds and the Series 2003D Bonds described above (collectively, the "Bonds") are general obligations of the State of Texas and are issued under the authority of the Constitution and laws of the State of Texas. Interest on the Bonds will accrue from the dated date thereof at the fixed rates of interest shown on the inside front cover page hereof, and will be payable on February 1 and August 1 of each year, beginning on February 1, 2004, calculated on the basis of a 360-day year composed of twelve 30-day months. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York ("DTC"), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of bond certificates except as described herein.

Principal of the Bonds will be payable to the registered holders thereof upon presentation and surrender thereof at the designated office of the Paying Agent/Registrar therefor, initially, the Dallas, Texas office of The Bank of New York Trust Company of Florida, N.A. Interest on the Bonds will be payable by check, dated as of the interest payment date or redemption date, as applicable, and mailed by the Paying Agent/Registrar to the registered holders and at the addresses as shown on the records of the Paying Agent/Registrar. Notwithstanding the foregoing, during any period in which ownership of the Bonds is determined only by a book entry at DTC, the Paying Agent/Registrar will make payments on the Bonds to DTC or DTC's nominee in accordance with arrangements between the Board and DTC. See "APPENDIX E – Depository Trust Company."

The Bonds are subject to redemption prior to maturity as provided herein. See "THE BONDS – Redemption Provisions."

THE BONDS ARE GENERAL OBLIGATIONS, AND ARE SECURED BY THE FULL FAITH AND CREDIT, OF THE STATE OF TEXAS. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Section 49-d-8, Texas Constitution, to augment the funding of the Texas Water Development Fund II. Each series of Bonds is issued pursuant to a separate resolution (individually, a "Resolution" and collectively, the "Resolutions") adopted on May 21, 2003 by the Texas Water Development Board (the "Board") under authority of pertinent provisions of the Texas Water Code. The proceeds of the Series 2003B Bonds will be used to provide financial assistance to political subdivisions for water supply, water quality enhancement and flood control purposes (other than for EDAP Projects or State Participation Projects); for transfers to any state revolving fund administered by the Board; and to refund certain of the Board's outstanding Financial Assistance Bonds. The proceeds of the Series 2003C Bonds will be used to provide financial assistance to political subdivisions for water supply, water quality enhancement and flood control purposes (other than for EDAP Projects or State Participation Projects); for transfers to any state revolving fund administered by the Board; and to refund certain of the Board's outstanding Water Development Bonds and Financial Assistance Bonds. The proceeds of the Series 2003D Bonds will be used to refund certain of the Board's outstanding Water Development Bonds.

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas, and of McCall, Parkhurst & Horton L.L.P. and Delgado, Acosta, Braden & Jones, P.C., Co-Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Vinson & Elkins L.L.P. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery through the facilities of DTC on or about June 26, 2003.

U.S. Bancorp Piper Jaffray Inc.

Bear, Stearns & Co. Inc.
JPMorgan

Citigroup
RBC Dain Rauscher Inc.
Walton Johnson & Company

Estrada Hinojosa & Company, Inc.
Siebert Brandford Shank & Co., LLC

OFFICIAL STATEMENT DATED AUGUST 1, 2007

NEW ISSUE- Book-Entry-Only

Ratings: S&P "AA"
Moody's "Aa1"
Fitch "AA+"

(See "OTHER INFORMATION - Ratings")

In the opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel, interest on the Bonds will be s excludable from gross income for federal income tax purposes under existing statutes, regulations, published rulings and court decisions and the Bonds are not "specified private activity bonds" for the purposes of the alternative minimum tax imposed on individuals and corporations. See "TAX MATTERS" for a discussion of the opinion of Bond Counsel, including a description of alternative minimum tax consequences for corporations and other tax consequences.



\$44,345,000

STATE OF TEXAS
GENERAL OBLIGATION BONDS

\$19,680,000

STATE OF TEXAS

Water Financial Assistance Refunding Bonds

Series 2007B

(State Participation Program)

\$24,665,000

STATE OF TEXAS

Water Financial Assistance Bonds

Series 2007C

(Economically Distressed Areas Program)

Dated: Date of Delivery (As Defined Herein)

Due: As Shown on the Inside Cover Page

The State of Texas Water Financial Assistance Refunding Bonds, Series 2007B (State Participation Program) (the "2007B Bonds") and the State of Texas Water Financial Assistance Bonds, Series 2007C (Economically Distressed Areas Program), (the "2007C Bonds" and together with the 2007B Bonds, the "Bonds") are general obligations of the State of Texas and are issued by the Texas Water Development Board (the "Board" or "TWDB") under the authority of the Constitution and laws of the State of Texas. Except as described in the next sentence, interest on the Bonds will accrue from August 7, 2007 (the "Date of Delivery") at the fixed rates of interest shown on the inside cover page hereof, and will be payable on February 1, 2008, and on each August 1 and February 1 thereafter until maturity or prior redemption. In addition, the Bonds maturing August 15, 2007, shall bear interest from the Date of Delivery, to be payable upon the maturity thereof. Interest on the Bonds will be calculated on the basis of a 360-day year composed of twelve 30-day months. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York ("DTC"), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of bond certificates except as described herein. The Bonds are issued pursuant to separate resolutions (collectively, the "Resolution") adopted on June 25, 2007 by the Board under authority of pertinent provisions of the Texas Water Code.

The Board initially will issue the Bonds registered only in the name of Cede & Co., the nominee of DTC, pursuant the book entry system described in "APPENDIX E—Book-Entry Only System." Principal of the Bonds will be payable to Cede & Co., which will make distributions of the payments to the participating members of DTC for subsequent remittance to the Beneficial Owners (as defined in APPENDIX E). When the Bonds are not in the book-entry only system, payment of principal of the Bonds will be made to the registered owner upon maturity or redemption prior to maturity only upon presentation and surrender of such Bonds at the Designated Payment/Transfer Office of The Bank of New York Trust Company, N.A. (the "Paying Agent/Registrar"). As of the date hereof, the Designated Payment/Transfer Office of the Paying Agent/Registrar is its Dallas, Texas corporate trust office.

THE BONDS ARE GENERAL OBLIGATIONS OF THE STATE OF TEXAS, AND ARE SECURED BY THE FULL FAITH AND CREDIT OF THE STATE OF TEXAS. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The 2007B Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Section 49-d-8, Texas Constitution, to refund bonds originally issued to augment the funding of state participation projects from the Texas Water Development Fund ("Development Fund I") and to pay expenses arising from the issuance of the 2007B Bonds.

The 2007C Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Section 49-d-8, Texas Constitution, to augment the funding of the economically distressed areas program, to augment the Economically Distressed Areas Program Account within the Texas Water Development Fund II (the "EDAP Account") and to pay expenses arising from the issuance of the 2007C Bonds.

The Bonds are subject to optional redemption prior to maturity as described herein (see "THE BONDS - Redemption Provision Optional Redemption herein. The 2007C Bonds also are subject to mandatory redemption prior to maturity as described herein (see "THE BONDS - Redemption Provisions - Mandatory Sinking Fund Redemption" herein).

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas, and of McCall, Parkhurst & Horton L.L.P., Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Bates & Coleman, P.C. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery, through the facilities of DTC, on or about August 7, 2007.

Ramirez & Co., Inc.

Cabrera Capital Markets, Inc.

RBC Capital Markets

OFFICIAL STATEMENT

June 10, 2009

NEW ISSUE- Book-Entry-Only

Ratings: Moody's "Aa1"; S&P "AA"; Fitch "AA+"
(See "OTHER INFORMATION - Ratings")

In the opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel, interest on the Bonds is excludable from gross income for federal income tax purposes under existing statutes, regulations, published rulings and court decisions and the Bonds are not "specified private activity bonds" for the purposes of the alternative minimum tax imposed on individuals and corporations. See "TAX MATTERS" for a discussion of the opinion of Bond Counsel, including a description of alternative minimum tax consequences for corporations and other tax consequences.



**STATE OF TEXAS
GENERAL OBLIGATION BONDS**

\$225,385,000	\$57,260,000	\$49,775,000
State of Texas	State of Texas	State of Texas
Water Financial Assistance Bonds Series 2009C-1	Water Financial Assistance Refunding Bonds, Series 2009C-2	Water Financial Assistance Refunding Bonds, Series 2009D (State Participation Program)

Dated Date: Date of Delivery**Due: August 1, as shown on inside cover page**

The (i) State of Texas Water Financial Assistance Bonds, Series 2009C-1 (the "2009C-1 Bonds"), (ii) State of Texas Water Financial Assistance Refunding Bonds, Series 2009C-2 (the "2009C-2 Bonds" and, together with the 2009C-1 Bonds, the "2009C Bonds") and (iii) State of Texas Water Financial Assistance Refunding Bonds, Series 2009D (State Participation Program) (the "2009D Bonds" and, together with the 2009C Bonds, the "Bonds") are general obligations of the State of Texas and are issued by the Texas Water Development Board (the "Board" or "TWDB") under the authority of the Constitution and laws of the State of Texas. Interest on the Bonds will accrue from the date of their delivery at the fixed rates of interest shown on the inside cover page hereof and will be calculated on the basis of a 360-day year composed of twelve 30-day months. Interest on the 2009C Bonds will be payable on February 1, 2010, and on each August 1 and February 1 thereafter until maturity or prior redemption. Interest on the 2009D Bonds will be payable on August 1, 2009, and on each February 1 and August 1 thereafter until maturity or prior redemption. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York ("DTC"), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of Bond certificates except as described herein.

The Board initially will issue the Bonds registered only in the name of Cede & Co., the nominee of DTC, pursuant to the book-entry-only system described in "APPENDIX E - Book-Entry-Only System." Principal of the Bonds will be payable to Cede & Co., which will make distributions of the payments to the participating members of DTC for subsequent remittance to the Beneficial Owners (as defined in APPENDIX E). When the Bonds are not in the book-entry-only system, payment of principal of the Bonds will be made to the registered owner upon maturity or redemption prior to maturity only upon presentation and surrender of such Bonds at the Designated Payment/Transfer Office of The Bank of New York Mellon Trust Company, N.A., as initial Paying Agent/Registrar. As of the date hereof, the Designated Payment/Transfer Office of the Paying Agent/Registrar is its Dallas, Texas corporate trust office.

The Bonds are subject to redemption prior to maturity as provided herein. See "THE BONDS - Redemption".

THE BONDS ARE GENERAL OBLIGATIONS OF THE STATE OF TEXAS, AND ARE SECURED BY THE FULL FAITH AND CREDIT OF THE STATE OF TEXAS. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The 2009C-1 Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Sections 49-d-8 and 49-d-9, Texas Constitution, and Subchapter L of Chapter 17 of the Texas Water Code, as amended (the "Act"), in order to (i) augment the funding of Texas Water Development Fund II (the "Development Fund II") and (ii) pay expenses arising from the issuance of the 2009C-1 Bonds.

The 2009C-2 Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Sections 49-d-8 and 49-d-9, Texas Constitution, the Act and Chapter 1207 of the Texas Government Code, as amended ("Chapter 1207"), in order to (i) refund certain outstanding State of Texas Water Financial Assistance Bonds, Series 1999A (the "1999A Refunded Bonds") originally issued to augment the funding of Development Fund II and (ii) pay expenses arising from the issuance of the 2009C-2 Bonds.

The 2009D Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Sections 49-d-8 and 49-d-9, Texas Constitution, the Act and Chapter 1207 in order to (i) refund certain outstanding State of Texas Water Financial Assistance Bonds, Series 1999C (State Participation Program) (the "1999C Refunded Bonds" and, together with the 1999A Refunded Bonds, the "Refunded Bonds") originally issued to augment the funding of State Participation Projects from the Development Fund II, and (ii) pay expenses arising from the issuance of the 2009D Bonds (see "SCHEDULE I" for a complete list of the Refunded Bonds).

The Bonds are issued pursuant to two separate resolutions (jointly, the "Resolution") adopted on May 21, 2009 by the Board under authority of pertinent provisions of the Texas Water Code.

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas, and of McCall, Parkhurst & Horton L.L.P., Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Fulbright & Jworski L.L.P., Dallas, Texas. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery, through the facilities of DTC, on or about June 30, 2009.

J.P. Morgan**RBC Capital Markets****Barclays Capital Inc.
Sterne Agee & Leach, Inc.****M.R. Beal & Company
Fidelity Capital Markets
SAMCO Capital Markets, Inc.****Coastal Securities, Inc.
Frost Bank**

**OFFICIAL STATEMENT
APRIL 21, 2010**

NEW ISSUE - Book-Entry-Only

**Ratings: Moody's "Aaa"; S&P "AA+"; Fitch "AAA"
(See "OTHER INFORMATION - Ratings")**

In the opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel, under existing statutes, regulations, published rulings and court decisions (1) interest on the Bonds is excludable from gross income for federal income tax purposes, and (2) the Bonds are obligations described in section 1503 of The American Recovery and Reinvestment Act of 2009, and accordingly, the interest on the Bonds will not be included in the owner's alternative minimum taxable income under section 55 of the Internal Revenue Code of 1986. See "TAX MATTERS" for a discussion of the opinion of Bond Counsel.



**\$185,505,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS**

**\$143,225,000
State of Texas
Water Financial Assistance Bonds
Series 2010B
(Water Infrastructure Fund)**

**\$42,280,000
State of Texas
Water Financial Assistance Bonds
Series 2010C
(State Participation Program)**

Dated Date: Date of Delivery

Due: August 1, as shown on inside cover page

The State of Texas Water Financial Assistance Bonds, Series 2010B (Water Infrastructure Fund) (the "2010B Bonds") and the State of Texas Water Financial Assistance Bonds, Series 2010C (State Participation Program) (the "2010C Bonds" and, together with the 2010B Bonds, the "Bonds") are general obligations of the State of Texas (the "State") and are issued by the Texas Water Development Board (the "Board" or "TWDB") under the authority of the Constitution and laws of the State. Interest on the Bonds will accrue from the date of their delivery at the fixed rates of interest shown on the inside cover page hereof and will be calculated on the basis of a 360-day year composed of twelve 30-day months. Interest on the 2010B Bonds will be payable on February 1, 2011, and on each August 1 and February 1 thereafter until maturity or prior redemption. Interest on the 2010C Bonds will be payable on August 1, 2010, and on each February 1 and August 1 thereafter until maturity or prior redemption. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York ("DTC"), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of Bond certificates except as described herein.

The Board initially will issue the Bonds registered only in the name of Cede & Co., the nominee of DTC, pursuant to the book-entry-only system described in "APPENDIX E - Book-Entry-Only System." Principal of the Bonds will be payable to Cede & Co., which will make distributions of the payments to the participating members of DTC for subsequent remittance to the Beneficial Owners (as defined in APPENDIX E). In the event the Bonds are not in the book-entry-only system, payment of principal of the Bonds will be made to the registered owner upon maturity or redemption prior to maturity only upon presentation and surrender of such Bonds at the Designated Payment/Transfer Office of The Bank of New York Mellon Trust Company, N.A., as initial Paying Agent/Registrar. As of the date hereof, the Designated Payment/Transfer Office of the Paying Agent/Registrar is its Dallas, Texas corporate trust office.

The Bonds are subject to optional and extraordinary mandatory redemption prior to stated maturity as provided herein. See "THE BONDS - Redemption".

THE BONDS ARE GENERAL OBLIGATIONS OF THE STATE OF TEXAS, AND ARE SECURED BY THE FULL FAITH AND CREDIT OF THE STATE OF TEXAS. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The 2010B Bonds are issued under the authority of the Constitution and laws of the State, including particularly Article III, Sections 49-d-8 and 49-d-9, Texas Constitution and Subchapter L of Chapter 17 of the Texas Water Code, as amended (the "Act"), in order to (i) augment the funding of Water Assistance Projects from the Texas Water Development Fund II (the "Development Fund II") and (ii) pay expenses arising from the issuance of the 2010B Bonds. The proceeds of the 2010B Bonds will be used to augment the funding of the Water Infrastructure Fund, a special fund in the State Treasury established under Subchapter Q of Chapter 15 of the Texas Water Code ("Subchapter Q"), to provide financial assistance to eligible Texas political subdivisions. The 2010C Bonds are issued under the authority of the Constitution and laws of the State, including particularly Article III, Sections 49-d-8 and 49-d-9, Texas Constitution and the Act, in order to (i) augment the funding of State Participation Projects from the Development Fund II, and (ii) pay expenses arising from the issuance of the 2010C Bonds.

The Bonds are issued pursuant to two separate resolutions (the "2010B Resolution" and the "2010C Resolution", respectively, and jointly, the "Resolutions") adopted on March 18, 2010 by the Board under authority of pertinent provisions of the Texas Water Code.

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas, and of McCall, Parkhurst & Horton L.L.P., Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Fulbright & Jaworski L.L.P., Dallas, Texas. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery, through the facilities of DTC, on or about May 11, 2010.

Barclays Capital

**Frost Bank
Raymond James & Associates, Inc.**

J.P. Morgan

**Morgan Stanley
Sterne Agee & Leach, Inc.**

ATTACHMENT D

**General Obligation Bonds
(Water Infrastructure Fund – Texas Water Development Fund II)**

**GENERAL OBLIGATION BONDS
(Water Infrastructure Fund)**

Original Par Amount	Series Description	CUSIP Prefix
\$ 112,920,000	State of Texas Water Financial Assistance Bonds, Series 2008A	882721
\$ 144,995,000	State of Texas Water Financial Assistance Bonds, Series 2009, Sub-series 2009-A	882722
\$ 157,240,000	State of Texas Water Financial Assistance Bonds, Series 2009, Sub-series 2009-B	882722
\$ 101,400,000	State of Texas Water Financial Assistance Bonds, Series 2009E	882722
\$ 143,225,000	State of Texas Water Financial Assistance Bonds, Series 2010B	882722

**ANNUAL UPDATE OF QUANTITATIVE FINANCIAL
INFORMATION AND OPERATING DATA FOR FISCAL YEAR 2010**

The information contained under the heading “ANNUAL UPDATE OF QUANTITATIVE FINANCIAL INFORMATION AND OPERATING DATA FOR FISCAL YEAR 2010” in **Attachment D** of this Annual Report is hereby incorporated by reference in satisfaction of the Board’s Undertaking to update the financial information and quantitative operating data under the heading “Texas Water Development Board” contained in the final official statement relating to these bonds, the copy of the cover of which is included in **Attachment E**.

General

Pursuant to Section 49-d-9 of the Texas Constitution, a minimum of \$50,000,000 of the bonds authorized to be issued shall be used for the Water Infrastructure Fund. The 81st legislative session authorized appropriations in the amount of \$473,365,000 during the 2010-2011 biennium. As of August 31, 2010, the Board had five outstanding Bond issues in the aggregate principal amount of \$613,705,000, as listed above.

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**TEXAS WATER DEVELOPMENT FUND II
WATER INFRASTRUCTURE FUND
SCHEDULE OF DEBT SERVICE REQUIREMENTS
AS OF AUGUST 31, 2010**

Fiscal Year (1)	Principal	Interest	Total Existing Debt Service
2011	\$19,325,000	\$30,811,166	\$50,136,166
2012	21,815,000	28,461,320	50,276,320
2013	22,145,000	27,559,457	49,704,457
2014	26,775,000	26,570,278	53,345,278
2015	27,325,000	25,534,573	52,859,573
2016	27,915,000	24,346,301	52,261,301
2017	28,655,000	23,013,657	51,668,657
2018	29,690,000	21,637,812	51,327,812
2019	32,040,000	20,323,794	52,363,794
2020	31,680,000	18,810,525	50,490,525
2021	33,775,000	17,285,104	51,060,104
2022	34,875,000	15,595,580	50,470,580
2023	35,955,000	13,875,959	49,830,959
2024	37,160,000	12,077,273	49,237,273
2025	38,410,000	10,284,013	48,694,013
2026	39,735,000	8,362,295	48,097,295
2027	41,100,000	6,424,553	47,524,553
2028	41,440,000	4,375,261	45,815,261
2029	39,815,000	2,336,938	42,151,938
2030	7,160,000	346,188	7,506,188
2031			
2032			
	<u>\$616,790,000</u>	<u>\$338,032,043</u>	<u>\$954,822,043</u>

(1) The Texas Water Development Board's fiscal year runs from 9/1 to 8/31.

Texas Water Development Board
Balance Sheet / Statement of Net Assets – Water Infrastructure Fund (2)

August 31, 2010

	Governmental Funds Total 2008	Long-Term Liabilities Adjustments 2008	Statement of Net Assets 2008	Governmental Funds Total 2009	Long-Term Liabilities Adjustments 2009 (3)
ASSETS					
Current Assets:					
Cash and Cash Equivalents:					
Cash in State Treasury	52,013,468		52,013,468	127,722,334	
Receivables From:					
Interest and Dividends				799,383	
Accounts Receivable	144,155		144,155	194,089	
Due From Other Funds	9,500		9,500		
Loans and Contracts	975,000		975,000	2,680,000	
Total Current Assets	53,142,123	-	53,142,123	131,395,806	-
Non-Current Assets:					
Loans & Contracts	63,980,000		63,980,000	308,144,000	
Total Noncurrent Assets	63,980,000	-	63,980,000	308,144,000	-
Total Assets	117,122,123	-	117,122,123	439,539,806	-
LIABILITIES AND FUND BALANCES					
Liabilities:					
Current Liabilities:					
Payables From:					
Interest Payable		409,919	409,919		1,843,561
Interfund Payable				115,000	
Due To Other Funds					
General Obligation Bonds Payable		3,260,000	3,260,000		8,088,791
Total Current Liabilities	-	3,669,919	3,669,919	115,000	9,932,352
Non-Current Liabilities:					
Interfund Payables	-			3,085,000	
General Obligation Bonds Payable		102,860,000	102,860,000		399,511,358
Total Non-Current Liabilities	-	102,860,000	102,860,000	3,085,000	399,511,358
Total Liabilities	-	106,529,919	106,529,919	3,200,000	409,443,710
Fund Financial Statement - Fund Balances					
Fund Balances (Deficits):					
Reserved for:					
Debt Service	8,834			3,997	
Loans and Contracts	64,955,000			308,144,000	
Unreserved Designated for:					
Other	52,158,289			128,191,808	
Total Fund Balances	117,122,123			436,339,805	
Total Liabilities and Fund Balances	117,122,123			439,539,805	
Government-wide Statement - Net Assets					
Net Assets:					
Restricted for:					
Debt Retirement		8,834	8,834		3,997
Unrestricted		(106,538,753)	10,583,370		(409,447,707)
Total Net Assets		(106,529,919)	10,592,204		(409,443,710)

(1) The financial data presented here is a recapitulation of the Board's financial statements presented in their Annual Financial Reports. The Board's financial statements become a part of the Comprehensive Annual Financial Report for the State of Texas, which is audited by the State Auditor's Office; however, the scope of the reviews at the agency level do not constitute an audit of the individual agency's financial statements. Consequently, these statements are considered unaudited at the agency level.

(2) Prior year presentation of information revised for consistency and comparability with the financial statements for fiscal year 2010.

(3) The liabilities in the long-term liability column did not include the unamortized premium. Therefore, the liabilities were understated during the previous fiscal year. The amounts have been updated to reflect the amounts actually reported in the FY09 Annual Financial Report. These changes also impact the Statement of Activities column.

Statement of Net Assets 2009 (3)	Governmental Funds Total 2010	Long-Term Liabilities Adjustments 2010	Statement of Net Assets 2010
127,722,334	75,378,351		75,378,351
799,383	1,456,704		1,456,704
194,089	78,763		78,763
2,680,000	12,965,000		12,965,000
131,395,806	89,878,818	-	89,878,818
308,144,000	615,649,000		615,649,000
308,144,000	615,649,000	-	615,649,000
439,539,806	705,527,818	-	705,527,818
1,843,561		4,041,481	4,041,481
115,000	120,000		120,000
	41,034		41,034
8,088,791		21,330,844	21,330,844
10,047,352	161,034	25,372,325	25,533,359
3,085,000	2,965,000		2,965,000
399,511,358		632,200,719	632,200,719
402,596,358	2,965,000	632,200,719	635,165,719
412,643,710	3,126,034	657,573,044	660,699,078
	4,220		
	615,649,000		
	86,748,564		
	702,401,784		
	705,527,818		
3,997		4,220	4,220
26,892,098		(657,577,264)	44,824,520
26,896,095		(657,573,044)	44,828,740

Texas Water Development Board
Statement of Revenues, Expenditures, and Changes in Fund Balance / Net Assets -
Water Infrastructure Fund (2)

For the Fiscal Year Ended August 31,

	Governmental Funds Total 2008	Long-Term Liabilities Adjustments 2008 (3)	Statement of Activities 2008 (3)	Governmental Funds Total 2009	Long-Term Liabilities Adjustments 2009 (3)	Statement of Activities 2009 (3)
REVENUES						
Interest and Other Investment Income	819,045	3,691,483	4,510,528	3,186,127		3,186,127
Total Revenues	819,045	3,691,483	4,510,528	3,186,127	-	3,186,127
EXPENDITURES						
Professional Fees and Services	209,827		209,827	308,169	1,642,254	1,950,423
Travel	1,988		1,988	6,935		6,935
Printing and Reproduction			-			-
Other Expenditures	9,500		9,500	19,000		19,000
Debt service:						
Principal	6,800,000	(6,800,000)	-	19,485,000	(19,485,000)	-
Interest (FFS)	981,913	(981,913)	-	7,410,172	(7,410,172)	-
Interest on Long-Term Debt (GWFS)		1,391,832	1,391,832		8,843,814	8,843,814
Total Expenditures/Expenses	8,003,228	(6,390,081)	1,613,147	27,229,276	(16,409,104)	10,820,172
Excess (Deficiency) of Revenues Over Expenditures	(7,184,183)	10,081,564	2,897,381	(24,043,149)	16,409,104	(7,634,045)
OTHER FINANCING SOURCES (USES)						
Bond and Note Proceeds	116,611,483	(116,611,483)	-	319,322,895	(319,322,895)	-
Transfers In	8,447,493		8,447,493	81,504,567		81,504,567
Transfers Out	(752,670)		(752,670)	(57,566,631)		(57,566,631)
Total Other Financing Sources and Uses	124,306,306	(116,611,483)	7,694,823	343,260,831	(319,322,895)	23,937,936
Net Change in Fund Balances/Net Assets	117,122,123	(106,529,919)	10,592,204	319,217,682	(302,913,791)	16,303,891
Fund Financial Statement - Fund Balances						
Fund Balances--Beginning	-			117,122,123		
Fund Balances--August 31, Ending	117,122,123			436,339,805		
Government-wide Statement - Net Assets						
Net Assets--Beginning			-		(106,529,919)	10,592,204
Net Assets--August 31, Ending		(106,529,919)	10,592,204		(409,443,710)	26,896,095

(1) The financial data presented here is a recapitulation of the Board's financial statements presented in their Annual Financial Reports. The Board's financial statements become a part of the Comprehensive Annual Financial Report for the State of Texas, which is audited by the State Auditor's Office; however, the scope of the reviews at the agency level do not constitute an audit of the individual agency's financial statements. Consequently, these statements are considered unaudited at the agency level.

(2) Prior year presentation of information revised for consistency and comparability with the financial statements for fiscal year 2010.

(3) The net change in fund balance was overstated in FY08 and understated in FY09 in the long-term liability column. The amounts have been updated to reflect the amounts actually reported in the Annual Financial Reports for those years. These changes also impact the Statement of Activities column.

Governmental Funds Total 2010	Long-Term Liabilities Adjustments 2010	Statement of Activities 2010
6,706,709		6,706,709
<u>6,706,709</u>	-	<u>6,706,709</u>
299,358	1,249,495	1,548,853
4,598		4,598
2,140		2,140
19,000		19,000
19,790,000	(19,790,000)	-
22,154,344	(22,154,344)	-
	<u>21,307,629</u>	<u>21,307,629</u>
<u>42,269,440</u>	<u>(19,387,220)</u>	<u>22,882,220</u>
<u>(35,562,731)</u>	<u>19,387,220</u>	<u>(16,175,511)</u>
267,516,554	(267,516,554)	-
178,393,534		178,393,534
(144,285,378)		(144,285,378)
<u>301,624,710</u>	<u>(267,516,554)</u>	<u>34,108,156</u>
266,061,979	(248,129,334)	17,932,645
436,339,805		
<u>702,401,784</u>		
	<u>(409,443,710)</u>	<u>26,896,095</u>
	<u>(657,573,044)</u>	<u>44,828,740</u>

OFFICIAL STATEMENT MAY 7, 2008

NEW ISSUE- Book-Entry-Only

Ratings: S&P "AA"
 Moody's "Aa1"
 Fitch "AA+"
 (See "OTHER INFORMATION - Ratings")

In the opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel, interest on the Bonds will be excludable from gross income for federal income tax purposes under existing statutes, regulations, published rulings and court decisions and the Bonds are not "specified private activity bonds" for the purposes of the alternative minimum tax imposed on individuals and corporations. See "TAX MATTERS" for a discussion of the opinion of Bond Counsel, including a description of alternative minimum tax consequences for corporations and other tax consequences.



\$112,920,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS

State of Texas
Water Financial Assistance Bonds
Series 2008A
(Water Infrastructure Fund)

Dated Date: Date of Delivery**Due: August 1, As Shown on the Inside Cover Page**

The State of Texas Water Financial Assistance Bonds, Series 2008A (Water Infrastructure Fund) (the "Bonds") are general obligations of the State of Texas and are issued by the Texas Water Development Board (the "Board" or "TWDB") under the authority of the Constitution and laws of the State of Texas. Interest on the Bonds will accrue from their date of delivery at the fixed rates of interest shown on the inside cover page hereof, and will be payable on February 1 and August 1 of each year, beginning on August 1, 2008, calculated on the basis of a 360-day year composed of twelve 30-day months, until maturity or prior redemption. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York ("DTC"), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of bond certificates except as described herein.

The Board initially will issue the Bonds registered only in the name of Cede & Co., the nominee of DTC, pursuant to the book-entry system described in "APPENDIX E—Book-Entry Only System." Principal of the Bonds will be payable to Cede & Co., which will make distributions of the payments to the participating members of DTC for subsequent remittance to the Beneficial Owners (as defined in APPENDIX E). When the Bonds are not in the book-entry only system, payment of principal of the Bonds will be made to the registered owner upon maturity or redemption prior to maturity only upon presentation and surrender of such Bonds at the Designated Payment/Transfer Office of The Bank of New York Trust Company, N.A. As of the date of this Official Statement, the Designated Payment/Transfer Office of the Paying Agent/Registrar is its Dallas, Texas corporate trust office.

The Bonds are subject to optional and extraordinary mandatory redemption prior to maturity as provided herein. See "THE BONDS—Redemption Provisions."

THE BONDS ARE GENERAL OBLIGATIONS OF THE STATE OF TEXAS, AND ARE SECURED BY THE FULL FAITH AND CREDIT OF THE STATE OF TEXAS. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Sections 49-d-8 and 49-d-9, Texas Constitution, and Subchapter L, Chapter 17, Texas Water Code, to augment the funding of the Texas Water Development Fund II. The Bonds are issued pursuant to a resolution (the "Resolution") adopted on April 29, 2008 by the Board under authority of pertinent provisions of the Texas Water Code. The proceeds of the Bonds will be used to augment the funding of the Texas Water Infrastructure Fund, a special fund in the State Treasury established pursuant to Subchapter Q, Chapter 15, Texas Water Code, to provide financial assistance to eligible Texas political subdivisions. See "TEXAS WATER DEVELOPMENT BOARD – Water Infrastructure Fund."

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas, and of McCall, Parkhurst & Horton L.L.P., Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Vinson & Elkins L.L.P. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery, through the facilities of DTC, on or about May 22, 2008.

Citi

Banc of America Securities LLC

JPMorgan

Wachovia Bank, National Association

Estrada Hinojosa & Company, Inc.

**OFFICIAL STATEMENT
FEBRUARY 3, 2009**

NEW ISSUE- Book-Entry-Only

**Ratings: Moody's "Aa1"; S&P "AA"; Fitch "AA+"
(See "OTHER INFORMATION - Ratings")**

In the opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel, interest on the Bonds is excludable from gross income for federal income tax purposes under existing statutes, regulations, published rulings and court decisions and the Bonds are not "specified private activity bonds" for the purposes of the alternative minimum tax imposed on individuals and corporations. See "TAX MATTERS" for a discussion of the opinion of Bond Counsel, including a description of alternative minimum tax consequences for corporations and other tax consequences.



**STATE OF TEXAS
GENERAL OBLIGATION BONDS**

\$144,995,000

State of Texas

Water Financial Assistance Bonds

Series 2009, Sub-series 2009-A

(Water Infrastructure Fund)

Dated Date: Date of Delivery

Due: August 1, as shown on inside cover page

The State of Texas Water Financial Assistance Bonds, Series 2009, Sub-series 2009-A (Water Infrastructure Fund) (the "Bonds"), are general obligations of the State of Texas and are issued by the Texas Water Development Board (the "Board" or "TWDB") under the authority of the Constitution and laws of the State of Texas. Interest on the Bonds will accrue from the date of their delivery at the fixed rates of interest shown on the inside cover page hereof, and will be payable on August 1 and February 1 of each year, beginning on August 1, 2009, calculated on the basis of a 360-day year composed of twelve 30-day months, until maturity or prior redemption. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York ("DTC"), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of bond certificates except as described herein.

The Board initially will issue the Bonds registered only in the name of Cede & Co., the nominee of DTC, pursuant to the book-entry system described in "APPENDIX E—Book-Entry Only System." Principal of the Bonds will be payable to Cede & Co., which will make distributions of the payments to the participating members of DTC for subsequent remittance to the Beneficial Owners (as defined in APPENDIX E). When the Bonds are not in the book-entry only system, payment of principal of the Bonds will be made to the registered owner upon maturity or redemption prior to maturity only upon presentation and surrender of such Bonds at the Designated Payment/Transfer Office of The Bank of New York Mellon Trust Company, N.A. As of the date hereof, the Designated Payment/Transfer Office of the Paying Agent/Registrar is its Dallas, Texas corporate trust office.

The Bonds are subject to redemption prior to maturity as provided herein. See "THE BONDS — Optional Redemption" and "— Extraordinary Mandatory Redemption."

THE BONDS ARE GENERAL OBLIGATIONS OF THE STATE OF TEXAS, AND ARE SECURED BY THE FULL FAITH AND CREDIT OF THE STATE OF TEXAS. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Sections 49-d-8 and 49-d-9, Texas Constitution, and Subchapter L, Chapter 17, Texas Water Code, as amended, to augment the funding of the Texas Water Development Fund II ("Development Fund II"). The Bonds are issued pursuant to a resolution (the "Resolution") adopted on January 15, 2009 by the Board under authority of pertinent provisions of the Texas Water Code. The proceeds of the Bonds will be used (i) to augment the funding of the Texas Water Infrastructure Fund, a special fund in the State Treasury established pursuant to Subchapter Q, Chapter 15, Texas Water Code, to provide financial assistance to eligible Texas political subdivisions and (ii) to pay the costs of issuance of the Bonds.

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas, and of McCall, Parkhurst & Horton L.L.P., Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Andrews Kurth LLP, Austin, Texas. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery, through the facilities of DTC, on or about March 10, 2009.

Morgan Stanley & Co. Incorporated

Citi

JPMorgan

RBC Capital Markets

Loop Capital Markets, LLC

Southwest Securities

Goldman, Sachs & Co.

Ramirez & Co., Inc.

Walton Johnson & Co.

OFFICIAL STATEMENT

May 5, 2009

NEW ISSUE- Book-Entry-Only

Ratings: Moody's "Aa1"; S&P "AA"; Fitch "AA+"
(See "OTHER INFORMATION - Ratings")

In the opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel, interest on the Bonds is excludable from gross income for federal income tax purposes under existing statutes, regulations, published rulings and court decisions and the Bonds are not "specified private activity bonds" for the purposes of the alternative minimum tax imposed on individuals and corporations. See "TAX MATTERS" for a discussion of the opinion of Bond Counsel, including a description of alternative minimum tax consequences for corporations and other tax consequences.

STATE OF TEXAS
GENERAL OBLIGATION BONDS

\$157,240,000

State of Texas

Water Financial Assistance Bonds
Series 2009, Sub-series 2009-B
(Water Infrastructure Fund)

Dated Date: Date of Delivery

Due: August 1, as shown on inside cover page

The State of Texas Water Financial Assistance Bonds, Series 2009, Sub-series 2009-B (Water Infrastructure Fund) (the "Bonds"), are general obligations of the State of Texas and are issued by the Texas Water Development Board (the "Board" or "TWDB") under the authority of the Constitution and laws of the State of Texas. Interest on the Bonds will accrue from the date of their delivery at the fixed rates of interest shown on the inside cover page hereof, and will be payable on February 1, 2010, and each August 1 and February 1 thereafter until maturity or prior redemption. Interest on the Bonds will be calculated on the basis of a 360-day year composed of twelve 30-day months. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York ("DTC"), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of bond certificates except as described herein.

The Board initially will issue the Bonds registered only in the name of Cede & Co., the nominee of DTC, pursuant to the book-entry system described in "APPENDIX E—Book-Entry Only System." Principal of the Bonds will be payable to Cede & Co., which will make distributions of the payments to the participating members of DTC for subsequent remittance to the Beneficial Owners (as defined in APPENDIX E). When the Bonds are not in the book-entry only system, payment of principal of the Bonds will be made to the registered owner upon maturity or redemption prior to maturity only upon presentation and surrender of such Bonds at the Designated Payment/Transfer Office of The Bank of New York Mellon Trust Company, N.A. As of the date hereof, the Designated Payment/Transfer Office of the Paying Agent/Registrar is its Dallas, Texas corporate trust office.

The Bonds are subject to redemption prior to maturity as provided herein. See "THE BONDS — Optional Redemption" and "— Extraordinary Mandatory Redemption."

THE BONDS ARE GENERAL OBLIGATIONS OF THE STATE OF TEXAS, AND ARE SECURED BY THE FULL FAITH AND CREDIT OF THE STATE OF TEXAS. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Sections 49-d-8 and 49-d-9, Texas Constitution, and Subchapter L, Chapter 17, Texas Water Code, as amended, to augment the funding of the Texas Water Development Fund II ("Development Fund II"). The Bonds are issued pursuant to a resolution (the "Resolution") adopted on January 15, 2009 by the Board under authority of pertinent provisions of the Texas Water Code. The proceeds of the Bonds will be used (i) to augment the funding of the Texas Water Infrastructure Fund, a special fund in the State Treasury established pursuant to Subchapter Q, Chapter 15, Texas Water Code, to provide financial assistance to eligible Texas political subdivisions and (ii) to pay the costs of issuance of the Bonds.

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas, and of McCall, Parkhurst & Horton L.L.P., Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Andrews Kurth LLP, Austin, Texas. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery, through the facilities of DTC, on or about May 28, 2009.

Morgan Stanley & Co. Incorporated

Citi
J.P. Morgan
RBC Capital Markets

Loop Capital Markets, LLC

Goldman, Sachs & Co.
Ramirez & Co., Inc.
Southwest Securities

**OFFICIAL STATEMENT
NOVEMBER 18, 2009**

NEW ISSUE- Book-Entry-Only

**Ratings: Moody's "Aa1"; S&P "AA+"; Fitch "AA+"
(See "OTHER INFORMATION - Ratings")**

In the opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel, under existing statutes, regulations, published rulings and court decisions (1) interest on the Bonds is excludable from gross income for federal income tax purposes, and (2) the Bonds are obligations described in section 1503 of The American Recovery and Reinvestment Act of 2009, and accordingly, the interest on the Bonds will not be included in the owner's alternative minimum taxable income under section 55 of the Internal Revenue Code of 1986. See "TAX MATTERS" for a discussion of the opinion of Bond Counsel.



**\$125,940,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS**

**\$101,400,000
State of Texas
Water Financial Assistance Bonds
Series 2009E
(Water Infrastructure Fund)**

**\$24,540,000
State of Texas
Water Financial Assistance Bonds
Series 2009F
(Economically Distressed Areas Program)**

Dated Date: Date of Delivery

Due: August 1, as shown on inside cover page

The State of Texas Water Financial Assistance Bonds, Series 2009E (Water Infrastructure Fund) (the "2009E Bonds") and the State of Texas Water Financial Assistance Bonds, Series 2009F (Economically Distressed Areas Program) (the "2009F Bonds") and, together with the 2009E Bonds, the "Bonds" are general obligations of the State of Texas and are issued by the Texas Water Development Board (the "Board" or "TWDB") under the authority of the Constitution and laws of the State of Texas. Interest on the Bonds will accrue from the date of their delivery at the fixed rates of interest shown on the inside cover page hereof and will be calculated on the basis of a 360-day year composed of twelve 30-day months. Interest on the Bonds will be payable on August 1, 2010, and on each February 1 and August 1 thereafter until maturity or prior redemption. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York ("DTC"), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of Bond certificates except as described herein.

The Board initially will issue the Bonds registered only in the name of Cede & Co., the nominee of DTC, pursuant to the book-entry-only system described in "APPENDIX E - Book-Entry-Only System." Principal of the Bonds will be payable to Cede & Co., which will make distributions of the payments to the participating members of DTC for subsequent remittance to the Beneficial Owners (as defined in APPENDIX E). If the Bonds are not in the book-entry-only system, payment of principal of the Bonds will be made to the registered owner upon maturity or redemption prior to maturity only upon presentation and surrender of such Bonds at the Designated Payment/Transfer Office of The Bank of New York Mellon Trust Company, N.A., as initial Paying Agent/Registrar. As of the date hereof, the Designated Payment/Transfer Office of the Paying Agent/Registrar is its Dallas, Texas corporate trust office.

The Bonds are subject to optional and extraordinary mandatory redemption prior to stated maturity as provided herein. See "THE BONDS - Redemption".

THE BONDS ARE GENERAL OBLIGATIONS OF THE STATE OF TEXAS, AND ARE SECURED BY THE FULL FAITH AND CREDIT OF THE STATE OF TEXAS. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The 2009E Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Sections 49-d-8 and 49-d-9, Texas Constitution and Subchapter L of Chapter 17 of the Texas Water Code, as amended (the "Act"), in order to (i) augment the funding of Water Assistance Projects from the Texas Water Development Fund II (the "Development Fund II") and (ii) pay expenses arising from the issuance of the 2009E Bonds. The proceeds of the 2009E Bonds will be used to augment the funding of the Water Infrastructure Fund, a special fund in the State Treasury established under Subchapter Q of Chapter 15 of the Texas Water Code ("Subchapter Q"), to provide financial assistance to eligible Texas political subdivisions. The 2009F Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Sections 49-d-8 and 49-d-10, Texas Constitution and the Act, in order to (i) augment the funding of EDAP Projects from the Development Fund II under Subchapter K of Chapter 17 of the Texas Water Code ("Subchapter K"), and (ii) pay expenses arising from the issuance of the 2009F Bonds.

The Bonds are issued pursuant to two separate resolutions (with respect to the series of bonds issued thereunder, the "Resolution"; jointly the "Resolutions") adopted on October 15, 2009 by the Board under authority of pertinent provisions of the Texas Water Code.

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas, and of McCall, Parkhurst & Horton L.L.P., Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Fubright & Jaworski L.L.P., Houston, Texas. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery, through the facilities of DTC, on or about December 15, 2009.

Morgan Keegan & Company, Inc.

Citi

Fidelity Capital Markets

Loop Capital Markets, LLC

Southwest Securities

Ramirez & Co., Inc.

**OFFICIAL STATEMENT
APRIL 21, 2010**

NEW ISSUE - Book-Entry-Only

**Ratings: Moody's "Aaa"; S&P "AA+"; Fitch "AAA"
(See "OTHER INFORMATION - Ratings")**

In the opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel, under existing statutes, regulations, published rulings and court decisions (1) interest on the Bonds is excludable from gross income for federal income tax purposes, and (2) the Bonds are obligations described in section 1503 of The American Recovery and Reinvestment Act of 2009, and accordingly, the interest on the Bonds will not be included in the owner's alternative minimum taxable income under section 55 of the Internal Revenue Code of 1986. See "TAX MATTERS" for a discussion of the opinion of Bond Counsel.



**\$185,505,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS**

**\$143,225,000
State of Texas
Water Financial Assistance Bonds
Series 2010B
(Water Infrastructure Fund)**

**\$42,280,000
State of Texas
Water Financial Assistance Bonds
Series 2010C
(State Participation Program)**

Dated Date: Date of Delivery

Due: August 1, as shown on inside cover page

The State of Texas Water Financial Assistance Bonds, Series 2010B (Water Infrastructure Fund) (the "2010B Bonds") and the State of Texas Water Financial Assistance Bonds, Series 2010C (State Participation Program) (the "2010C Bonds" and, together with the 2010B Bonds, the "Bonds") are general obligations of the State of Texas (the "State") and are issued by the Texas Water Development Board (the "Board" or "TWDB") under the authority of the Constitution and laws of the State. Interest on the Bonds will accrue from the date of their delivery at the fixed rates of interest shown on the inside cover page hereof and will be calculated on the basis of a 360-day year composed of twelve 30-day months. Interest on the 2010B Bonds will be payable on February 1, 2011, and on each August 1 and February 1 thereafter until maturity or prior redemption. Interest on the 2010C Bonds will be payable on August 1, 2010, and on each February 1 and August 1 thereafter until maturity or prior redemption. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York ("DTC"), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of Bond certificates except as described herein.

The Board initially will issue the Bonds registered only in the name of Cede & Co., the nominee of DTC, pursuant to the book-entry-only system described in "APPENDIX E - Book-Entry-Only System." Principal of the Bonds will be payable to Cede & Co., which will make distributions of the payments to the participating members of DTC for subsequent remittance to the Beneficial Owners (as defined in APPENDIX E). In the event the Bonds are not in the book-entry-only system, payment of principal of the Bonds will be made to the registered owner upon maturity or redemption prior to maturity only upon presentation and surrender of such Bonds at the Designated Payment/Transfer Office of The Bank of New York Mellon Trust Company, N.A., as initial Paying Agent/Registrar. As of the date hereof, the Designated Payment/Transfer Office of the Paying Agent/Registrar is its Dallas, Texas corporate trust office.

The Bonds are subject to optional and extraordinary mandatory redemption prior to stated maturity as provided herein. See "THE BONDS - Redemption".

THE BONDS ARE GENERAL OBLIGATIONS OF THE STATE OF TEXAS, AND ARE SECURED BY THE FULL FAITH AND CREDIT OF THE STATE OF TEXAS. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The 2010B Bonds are issued under the authority of the Constitution and laws of the State, including particularly Article III, Sections 49-d-8 and 49-d-9, Texas Constitution and Subchapter L of Chapter 17 of the Texas Water Code, as amended (the "Act"), in order to (i) augment the funding of Water Assistance Projects from the Texas Water Development Fund II (the "Development Fund II") and (ii) pay expenses arising from the issuance of the 2010B Bonds. The proceeds of the 2010B Bonds will be used to augment the funding of the Water Infrastructure Fund, a special fund in the State Treasury established under Subchapter Q of Chapter 15 of the Texas Water Code ("Subchapter Q"), to provide financial assistance to eligible Texas political subdivisions. The 2010C Bonds are issued under the authority of the Constitution and laws of the State, including particularly Article III, Sections 49-d-8 and 49-d-9, Texas Constitution and the Act, in order to (i) augment the funding of State Participation Projects from the Development Fund II, and (ii) pay expenses arising from the issuance of the 2010C Bonds.

The Bonds are issued pursuant to two separate resolutions (the "2010B Resolution" and the "2010C Resolution", respectively, and jointly, the "Resolutions") adopted on March 18, 2010 by the Board under authority of pertinent provisions of the Texas Water Code.

The Bonds are offered for delivery when, as and if issued and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas, and of McCall, Parkhurst & Horton L.L.P., Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Fulbright & Jaworski L.L.P., Dallas, Texas. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery, through the facilities of DTC, on or about May 11, 2010.

Barclays Capital

**Frost Bank
Raymond James & Associates, Inc.**

J.P. Morgan

**Morgan Stanley
Sterne Agee & Leach, Inc.**

ATTACHMENT E

State Revolving Fund Revenue Bonds

STATE REVOLVING FUND**SENIOR LIEN REVENUE BONDS**

Original Par Amount	Series Description	CUSIP Prefix
\$ 150,000,000	Texas Water Development Board State Revolving Fund Senior Lien Revenue Bonds, Program Series 1998A	882854
\$ 100,000,000	Texas Water Development Board State Revolving Fund Senior Lien Revenue Bonds, Program Series 1999A	882854
\$ 150,000,000	Texas Water Development Board State Revolving Fund Senior Lien Revenue Bonds, Program Series 1999B	882854
\$ 100,000,000	Texas Water Development Board State Revolving Fund Senior Lien Revenue Bonds, Program Series 2000A	882854

SUBORDINATE LIEN REVENUE BONDS

\$ 309,240,000	Texas Water Development Board State Revolving Fund Subordinate Lien Revenue Bonds (Variable Rate Refunding), Series 2007A	882854
\$ 211,620,000	Texas Water Development Board State Revolving Fund Subordinate Lien Revenue Bonds (Fixed Rate Refunding), Series 2007B	882854
\$ 203,050,000	Texas Water Development Board State Revolving Fund Subordinate Lien Revenue Bonds, Series 2008A	882854
\$ 261,425,000	Texas Water Development Board State Revolving Fund Subordinate Lien Revenue Bonds, Series 2008B	882854
\$ 224,975,000	Texas Water Development Board State Revolving Fund Subordinate Lien Revenue Bonds, Sub-Series 2009A-1	882854
\$ 32,765,000	Texas Water Development Board State Revolving Fund Subordinate Lien Revenue Refunding Bonds, Sub-Series 2009A-2	882854

**ANNUAL UPDATE OF QUANTITATIVE FINANCIAL
INFORMATION AND OPERATING DATA FOR FISCAL YEAR 2010**

Definitions

Capitalized terms not defined in this **Attachment E** shall have the meanings assigned to such terms in the final official statements relating to the bonds, the covers of which are included in this Attachment.

General

As of August 31, 2010, the Board had ten outstanding Bond issues in the aggregate principal amount of \$1,296,588,000, as listed above. The total outstanding consisted of four Senior Lien issues of Prior Bonds (the Program Series 1998A Bonds, the Program Series 1999A Bonds, the Program Series 1999B Bonds, and the Program Series 2000A Bonds), in the aggregate principal outstanding amount of \$213,650,000 and six Subordinate Lien issues (the Series 2007A Variable Rate Refunding Bonds, the Series 2007B Fixed Rate Refunding Bonds, the Series 2008A Fixed Rate Bonds, the Series 2008B Fixed Rate Bonds, the Series 2009A, Sub-Series 2009A-1 Fixed Rate Bonds and the Series 2009A, Sub-Series 2009A-2 Fixed Rate Refunding Bonds) in the principal amount of \$1,082,938,000.

As of August 31, 2010, debt obligations of the Trinity River Authority represent approximately 28% of the State Revolving Fund portfolio, of which 6% are insured. The City of Houston, Texas, represents approximately 27% of the State Revolving Fund portfolio, of which 25% are insured.

In 2003, the Texas Legislature authorized TWDB to fund a disadvantaged communities program within the CWSRF, which provides a means wherein the small disadvantaged communities can access capital at below market rates for infrastructure improvements. The program offers zero-interest or one percent loans to small disadvantaged communities. The program has had a total funding of \$190 million since 2005, including \$30 million for fiscal year 2010 and \$30 million for fiscal year 2011.

Background on the State Revolving Fund

As of August 31, 2010, the State Revolving Fund had received Capitalization Grant commitments of \$1,613,029,374. Subsequent to August 31, 2010, the Board received an additional Capitalization Grant on September 22, 2010 in the amount of \$124,227,800.

As of August 31, 2010, the Board had transferred to the State Revolving Fund \$283,927,431 in proceeds of general obligation bonds to provide State Match, of which \$181,667,363 has been repaid. The Board is also authorized to issue revenue bonds to provide the State Match.

The State Revolving Fund is now entering its twenty-third year of operation. As of August 31, 2010, the Board has utilized funds on deposit in the State Revolving Fund to purchase \$5,203,241,088.80 original principal amount of Political Subdivision Bonds for deposit within the Portfolio Account of the State Revolving Fund of which 2,675,417,000 in principal remains outstanding. As of August 31, 2010, the Board has also committed to purchase an additional \$722,390,000 in principal amount of Political Subdivision Bonds for deposit within the Portfolio Account of the State Revolving Fund.

Political Subdivision Bonds

As of August 31, 2010, the Political Subdivision Bonds held within the Portfolio Account of the State Revolving Fund include a range of credits. Below is a description of four categories of the security pledge of the Political Subdivision Bonds held within the State Revolving Fund Portfolio Account.

General Obligation Bonds. As of August 31, 2010, general obligations represent 2.32% (\$63,545,000 principal amount) of the closed Political Subdivision Bonds outstanding and on deposit within the State Revolving Fund and the committed Political Subdivision Bonds anticipated to be purchased for deposit in the State Revolving Fund.

Revenue Obligation Bonds. As of August 31, 2010, revenue obligations represent 68.36% (\$1,872,131,000 principal amount) of the closed Political Subdivision Bonds outstanding and on deposit within the State Revolving Fund and committed Political Subdivision Bonds anticipated to be purchased for deposit in the State Revolving Fund.

Combination General Obligation and Revenue Obligation Bonds. As of August 31, 2010, combination general obligation and revenue obligations represent 11.99% (\$328,394,000 principal amount) of the closed Political Subdivision Bonds outstanding and on deposit within the State Revolving Fund and committed Political Subdivision Bonds anticipated to be purchased for deposit in the State Revolving Fund.

Contract Revenue Bonds. As of August 31, 2010, contract revenue bonds represent 17.33% (\$464,610,000 principal amount) of the closed Political Subdivision Bonds outstanding and on deposit within the State Revolving Fund and committed Political Subdivision Bonds anticipated to be purchased for deposit in the State Revolving Fund.

As of August 31, 2010, the CWSRF program received a total of \$1,408,557,445.88 in prepayments (which represents \$1,390,678,733.54 in principal) from Political Subdivision Bonds. These prepayments may be applied to the redemption of Parity Obligations, Senior Lien Obligations or Subordinate Lien Obligations on or after the earliest practicable redemption dates to the extent such Parity Obligations, Senior Lien Obligations or Subordinate Lien Obligations are subject to optional redemption within 90 days of receipt by the Board of such

prepayments. Any prepayments not applied to redeem obligations shall be used to purchase additional Political Subdivision Bonds or Government Obligations.

TEXAS WATER DEVELOPMENT BOARD
 CLEAN WATER STATE REVOLVING FUND
 PROJECTED ANNUAL CASH FLOW COVERAGE
 AS OF AUGUST 31, 2010

Operational Minimum DSC: 1.10
 Lowest Total DSC: 2.87

Fiscal Year	Funds On Hand Restricted To Debt Service & Prior Year Balance	Loan Receipts 9/1 - 5/31 (2)	Loan Receipts & Investment Projections (3)	Total Existing Senior Lien Debt Service (4)	Senior Lien Debt Service Coverage (5)	Total Existing Subordinate Lien Debt Service (4)	Combined Sr. & Sub. Debt Service (5)	Total Existing Match Bond Debt Service (4)	Total Debt Coverage (5)	Total Existing Debt Service Requirements (4)	Balance	Loan Receipts 6/1 - 8/31	Net Balance After Debt Service	Projected Fee Income (6)	Projected Operating Expenses
2011 (1)	\$114,676,739	\$134,784,931	\$473,652	\$14,833,506	16.85	\$61,530,532	3.27	\$10,688,896	2.87	\$87,052,934	\$162,882,389	\$52,201,312	\$215,083,700	\$5,539,327	\$6,140,426
2012	215,083,700	143,548,946	-	14,851,569	24.15	70,852,520	4.18	10,715,444	3.72	96,419,533	262,213,113	53,491,665	315,704,778	5,539,327	-
2013	315,704,778	145,906,757	424,971	14,851,850	31.11	84,648,670	4.64	10,761,992	4.19	110,262,512	351,773,993	56,588,619	408,362,612	5,539,327	-
2014	408,362,612	151,523,553	29,184,793	14,533,713	40.53	89,983,426	5.64	10,780,907	5.11	115,298,046	473,772,912	56,539,553	530,312,465	5,539,327	-
2015	530,312,465	156,982,842	29,184,793	48,222,800	14.86	83,246,628	5.45	10,797,537	5.04	142,266,964	574,213,136	57,438,608	631,651,744	5,539,327	-
2016	631,651,744	158,480,096	29,184,793	41,237,781	19.87	92,866,098	6.11	10,836,010	5.65	144,939,889	674,376,743	60,845,024	735,221,767	5,539,327	-
2017	735,221,767	157,718,560	29,184,793	38,860,844	23.73	103,658,258	6.47	10,846,405	6.01	153,365,506	768,759,614	69,314,181	838,073,795	5,539,327	-
2018	838,073,795	142,887,593	29,184,793	18,917,484	53.40	91,317,348	9.16	10,856,069	8.34	121,090,901	889,055,280	70,937,355	959,992,635	5,539,327	-
2019	959,992,635	246,705,988	29,184,793	8,054,774	153.43	186,649,898	6.35	8,315,076	6.09	203,019,747	1,032,863,668	63,705,638	1,096,569,307	5,539,327	-
2020	1,096,569,307	130,970,417	29,184,793	53,027,779	23.70	64,436,788	10.70	7,489,668	10.06	124,954,234	1,131,770,282	62,436,594	1,194,206,876	5,539,327	-
2021	1,194,206,876	115,870,593	29,184,793	20,519,735	65.27	64,760,188	15.70	7,501,101	14.43	92,781,023	1,131,770,282	62,436,594	1,194,206,876	5,539,327	-
2022	1,307,220,625	111,093,340	29,184,793	-	-	70,543,425	20.52	7,528,104	18.54	78,071,529	1,246,461,239	60,739,387	1,307,220,625	5,539,327	-
2023	1,429,965,897	100,654,159	29,184,793	-	-	71,198,913	21.91	5,574,879	20.32	76,763,891	1,369,427,229	59,061,269	1,429,965,897	5,539,327	-
2024	1,542,102,226	96,444,486	29,184,793	-	-	75,071,363	22.22	5,587,340	20.68	80,658,703	1,483,040,957	58,803,378	1,542,102,226	5,539,327	-
2025	1,645,876,180	87,028,738	29,184,793	-	-	79,216,125	22.24	4,649,309	21.01	83,865,434	1,678,224,276	54,782,715	1,733,006,991	5,539,327	-
2026	1,733,006,991	66,988,192	29,184,793	-	-	76,786,538	23.82	4,683,435	22.45	81,469,972	1,747,710,004	54,671,429	1,802,381,432	5,539,327	-
2027	1,802,381,432	53,242,026	29,184,793	-	-	78,379,650	24.05	3,630,576	22.98	82,010,226	1,802,798,025	56,053,368	1,858,851,392	5,539,327	-
2028	1,858,851,392	40,848,109	29,184,793	-	-	60,949,438	31.65	1,880,051	30.70	62,829,489	1,866,054,804	49,354,293	1,915,409,097	5,539,327	-
2029	1,915,409,097	31,409,748	29,184,793	-	-	64,343,938	30.71	1,884,463	29.84	66,228,401	1,909,775,237	24,943,210	1,934,718,447	5,539,327	-
2030	1,934,718,447	25,941,089	29,184,793	-	-	18,116,250	109.84	1,570,679	101.07	19,686,929	1,970,157,399	24,744,481	1,994,901,881	5,539,327	-
2031	1,994,901,881	22,451,856	29,184,793	-	-	7,201,250	284.19	243,447	274.90	7,444,697	2,039,093,833	15,369,944	2,054,463,777	5,539,327	-
2032	2,054,463,777	19,568,138	29,184,793	-	-	3,151,750	667.32	-	667.32	3,151,750	2,100,064,957	6,273,681	2,106,338,638	5,539,327	-
2033	2,106,338,638	18,971,613	29,184,793	-	-	3,154,750	682.94	-	682.94	3,154,750	2,151,340,294	6,251,124	2,157,591,417	5,539,327	-
2034	2,157,591,417	18,872,861	6,538,191	-	-	3,157,000	691.48	-	691.48	3,157,000	2,179,845,469	6,764,773	2,186,610,242	5,539,327	-
2035	2,186,610,242	17,962,821	6,538,191	-	-	3,148,250	702.33	-	702.33	3,148,250	2,207,963,004	1,994,093	2,209,957,096	5,539,327	-
2036	2,209,957,096	17,947,806	6,538,191	-	-	3,153,750	708.50	-	708.50	3,153,750	2,231,289,343	2,011,895	2,233,301,238	5,539,327	-
2037	2,233,301,238	17,383,900	6,538,191	-	-	3,147,500	717.15	-	717.15	3,147,500	2,254,075,829	744,431	2,254,820,260	5,539,327	-
2038	2,254,820,260	17,399,841	6,538,191	-	-	3,144,750	724.62	-	724.62	3,144,750	2,275,613,542	752,931	2,276,366,473	5,539,327	-
2039	2,276,366,473	8,445,814	6,538,191	-	-	-	-	-	-	-	2,291,350,477	662,411	2,292,012,889	5,539,327	-
2040	2,292,012,889	1,249,594	6,538,191	-	-	-	-	-	-	-	2,299,800,673	161,869	2,299,962,542	5,539,327	-
2041	2,299,962,542	200,119	6,538,191	-	-	-	-	-	-	-	2,306,700,851	163,119	2,306,863,970	5,539,327	-
2042	2,306,863,970	197,249	6,538,191	-	-	-	-	-	-	-	2,313,599,409	174,249	2,313,773,658	5,539,327	-
2043	2,313,773,658	-	6,538,191	-	-	-	-	-	-	-	2,320,311,849	-	2,320,311,849	5,539,327	-
2044	-	-	-	-	-	-	-	-	-	-	2,320,311,849	-	-	-	-
2045	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2046	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		\$2,459,681,771	\$649,976,386	\$287,911,834		\$1,617,804,988		\$146,821,489		\$2,052,538,311		\$1,148,515,263			

- (1) The Texas Water Development Board's fiscal year runs from 9/1 to 8/31.
- (2) Represents loan receipts received from September 1st through May 31st to be used for debt service.
- (3) Represents the total income available from loan receipt and investment projections based on current fund balances.
- (4) Represents current debt service requirements.
- (5) Total revenue to debt ratio. Total revenue includes beginning fund balances, actual loan receipts received from September 1st thru May 31st, and projected loan receipt and investment projections.
- (6) Projected fee income is derived from fees charged to borrowers to cover the administrative costs of the program. The fees in all years are based upon the assumption that \$304,962,400 in principal amount of loans are made per year with charges of 1.85% of the loan amount. Fees are collected outside of the State Revolving Fund based upon state law. Borrowers are provided an additional reduction in loan rates to offset the charges. This is reflected in the cash flow loan rate assumptions.

TEXAS WATER DEVELOPMENT BOARD
 CLEAN WATER STATE REVOLVING FUND
 PROJECTED SOURCES OF REVENUES
 AS OF AUGUST 31, 2010

Income to be Used Within the Same Fiscal Year

Fiscal Year	Loan Receipts 9/1 - 5/31 (2)	Projected Loan Receipts (3)	Projected Investment Income (4)	Total Projected Income to Pay Debt Service	Loan Receipts From 6/1 - 8/31 (2)
2011 (1)	\$134,784,931	-	\$473,652	\$135,258,584	\$52,201,312
2012	143,548,946	-	-	143,548,946	53,491,665
2013	145,906,757	\$424,971	-	146,331,728	56,588,619
2014	151,523,553	29,184,793	-	180,708,346	56,539,553
2015	156,982,842	29,184,793	-	186,167,635	57,438,608
2016	158,480,096	29,184,793	-	187,664,889	60,845,024
2017	157,718,560	29,184,793	-	186,903,353	69,314,181
2018	142,887,593	29,184,793	-	172,072,386	70,937,355
2019	246,705,988	29,184,793	-	275,890,781	63,705,638
2020	130,970,417	29,184,793	-	160,155,210	62,436,594
2021	115,870,593	29,184,793	-	145,055,386	60,739,587
2022	111,093,340	29,184,793	-	140,278,133	60,538,668
2023	100,654,159	29,184,793	-	129,838,951	59,061,269
2024	96,444,486	29,184,793	-	125,629,279	58,803,378
2025	87,028,738	29,184,793	-	116,213,531	54,782,715
2026	66,988,192	29,184,793	-	96,172,984	54,671,429
2027	53,242,026	29,184,793	-	82,426,818	56,053,368
2028	40,848,109	29,184,793	-	70,032,901	49,354,293
2029	31,409,748	29,184,793	-	60,594,540	24,943,210
2030	25,941,089	29,184,793	-	55,125,882	24,744,481
2031	22,451,856	29,184,793	-	51,636,649	15,369,944
2032	19,568,138	29,184,793	-	48,752,930	6,273,681
2033	18,971,613	29,184,793	-	48,156,405	6,251,124
2034	18,872,861	6,538,191	-	25,411,052	6,764,773
2035	17,962,821	6,538,191	-	24,501,012	1,994,093
2036	17,947,806	6,538,191	-	24,485,997	2,011,895
2037	17,383,900	6,538,191	-	23,922,091	744,431
2038	17,399,841	6,538,191	-	23,938,032	752,931
2039	8,445,814	6,538,191	-	14,984,004	662,411
2040	1,249,594	6,538,191	-	7,787,784	161,869
2041	200,119	6,538,191	-	6,738,309	163,119
2042	197,249	6,538,191	-	6,735,439	174,249
2043	-	6,538,191	-	6,538,191	-
2044	-	-	-	-	-
2045	-	-	-	-	-
2046	-	-	-	-	-
	\$2,459,681,771	\$649,502,734	\$473,652	\$3,109,658,157	\$1,148,515,263

- (1) The Texas Water Development Board's fiscal year runs from 9/1 to 8/31.
- (2) Represents scheduled repayments of \$2,675,417,000 in outstanding principal amount of Political Subdivision Bonds as of August 31, 2010.
- (3) Represents projected repayments from (a) \$0 in Board commitments which include \$525,125,000 in Tier II loans, \$156,535,000 in Tier III loans, and \$26,703,284 in Tier II Disadvantaged loans; and (b) \$11,341,655 in projected loans to be made with excess available program funds.
- (4) Assumes investment income on fund balances at 0.12% for 8 months.

TEXAS WATER DEVELOPMENT BOARD
 CLEAN WATER STATE REVOLVING FUND
 DEBT SERVICE ON OUTSTANDING BONDS
 AS OF AUGUST 31, 2010

Fiscal Year	Senior Lien			Subordinate Lien						State Match			Total Debt Service	
	Fixed Rate Bonds			Variable Rate Bonds (2)			Fixed Rate Bonds			Fixed Rate Bonds (3)				
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Grand Total	Principal	Interest		Total
2011 (1)	\$4,530,000	\$10,303,506	\$14,833,506		\$341,426	\$341,426	\$16,310,000	\$44,879,106	\$61,189,106	\$61,530,532	\$5,650,063	\$5,038,832	\$10,688,896	\$87,052,934
2012	4,795,000	10,056,569	14,851,569		341,426	341,426	26,320,000	44,191,094	70,511,094	70,852,520	5,931,044	4,784,400	10,715,444	96,419,533
2013	5,065,000	9,786,850	14,851,850	\$8,778,000	341,426	9,119,426	32,480,000	43,049,244	75,529,244	84,648,670	6,252,006	4,509,986	10,761,992	110,262,512
2014	5,360,000	9,173,713	14,533,713	7,665,000	323,870	7,988,870	40,485,000	41,509,556	81,994,556	89,983,426	6,567,038	4,213,869	10,780,907	115,298,046
2015	40,130,000	8,092,800	48,222,800	5,815,000	308,540	6,123,540	37,680,000	39,443,088	77,123,088	83,246,628	6,900,295	3,897,242	10,797,537	142,266,964
2016	34,510,000	6,727,781	41,237,781	6,420,000	296,910	6,716,910	48,540,000	37,609,188	86,149,188	92,866,098	7,276,677	3,559,333	10,836,010	144,939,889
2017	33,120,000	5,740,844	38,860,844	6,255,000	284,070	6,539,070	61,930,000	35,189,188	97,119,188	103,658,258	7,649,269	3,197,136	10,846,405	153,365,506
2018	13,960,000	4,957,484	18,917,484	7,600,000	271,560	7,871,560	51,320,000	32,125,788	83,445,788	91,317,348	8,042,860	2,813,210	10,856,069	121,090,901
2019	4,110,000	3,944,774	8,054,774	128,180,000	256,360	128,436,360	28,520,000	29,693,538	58,213,538	186,649,898	5,909,204	2,405,872	8,315,076	203,019,747
2020	49,300,000	3,727,779	53,027,779	-	-	-	36,035,000	28,401,788	64,436,788	64,436,788	5,378,653	2,111,015	7,489,668	124,954,234
2021	18,770,000	1,749,735	20,519,735	-	-	-	38,125,000	26,635,188	64,760,188	64,760,188	5,658,665	1,842,435	7,501,101	92,781,023
2022	-	-	-	-	-	-	45,795,000	24,748,425	70,543,425	70,543,425	5,972,065	1,556,039	7,528,104	78,071,529
2023	-	-	-	-	-	-	48,735,000	22,453,913	71,188,913	71,188,913	4,323,756	1,251,222	5,574,979	76,763,891
2024	-	-	-	-	-	-	55,080,000	20,011,363	75,071,363	75,071,363	4,552,292	1,035,049	5,587,340	80,658,703
2025	-	-	-	-	-	-	61,950,000	17,266,125	79,216,125	79,216,125	3,844,639	804,671	4,649,309	83,865,434
2026	-	-	-	-	-	-	62,610,000	14,176,538	76,786,538	76,786,538	4,070,316	613,118	4,683,435	81,469,972
2027	-	-	-	-	-	-	67,325,000	11,054,650	78,379,650	78,379,650	3,222,637	407,939	3,630,576	82,010,226
2028	-	-	-	-	-	-	53,310,000	7,639,438	60,949,438	60,949,438	1,628,613	251,438	1,880,051	62,829,489
2029	-	-	-	-	-	-	59,370,000	4,973,938	64,343,938	64,343,938	1,713,355	171,109	1,884,463	66,228,401
2030	-	-	-	-	-	-	16,100,000	2,016,250	18,116,250	18,116,250	1,484,970	85,708	1,570,679	19,686,929
2031	-	-	-	-	-	-	5,990,000	1,211,250	7,201,250	7,201,250	231,651	11,796	243,447	7,444,697
2032	-	-	-	-	-	-	2,240,000	911,750	3,151,750	3,151,750	-	-	-	3,151,750
2033	-	-	-	-	-	-	2,355,000	799,750	3,154,750	3,154,750	-	-	-	3,154,750
2034	-	-	-	-	-	-	2,475,000	682,000	3,157,000	3,157,000	-	-	-	3,157,000
2035	-	-	-	-	-	-	2,590,000	558,250	3,148,250	3,148,250	-	-	-	3,148,250
2036	-	-	-	-	-	-	2,725,000	428,750	3,153,750	3,153,750	-	-	-	3,153,750
2037	-	-	-	-	-	-	2,855,000	292,500	3,147,500	3,147,500	-	-	-	3,147,500
2038	-	-	-	-	-	-	2,995,000	149,750	3,144,750	3,144,750	-	-	-	3,144,750
2039	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2040	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2041	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2042	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2043	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2044	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2045	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2046	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	\$213,650,000	\$74,261,834	\$287,911,834	\$170,713,000	\$2,765,588	\$173,478,588	\$912,225,000	\$532,101,400	\$1,444,326,400	\$1,617,804,988	\$102,260,068	\$44,561,421	\$146,821,489	\$2,052,538,311

(1) The Texas Water Development Board's fiscal year runs from 9/1 to 8/31.
 (2) Assumes an interest rate of 0.2% for variable rate bonds.
 (3) State Match Bonds are paid only from interest repayments.

**TEXAS WATER DEVELOPMENT BOARD
STATE REVOLVING FUND
COMBINED CURRENT AND PROJECTED DEBT SERVICE SCHEDULES
AS OF AUGUST 31, 2010**

Fiscal Year Ending 8/31	Total Current Sr. Lien Bond Debt Service (2)	Total Current Sub. Lien Bond Debt Service (3)	Total Current Match Bond Debt Service (4)	Projected Match Bond Debt Service (5)	Total Proposed Debt Service
2011 (1)	\$14,833,506	\$61,530,532	\$10,688,896	\$1,215,051	\$88,267,985
2012	14,851,569	70,852,520	10,715,444	1,440,804	97,860,336
2013	14,851,850	84,648,670	10,761,992	1,440,803	111,703,315
2014	14,533,713	89,983,426	10,780,907	1,440,803	116,738,849
2015	48,222,800	83,246,628	10,797,537	1,440,804	143,707,768
2016	41,237,781	92,866,098	10,836,010	1,440,804	146,380,692
2017	38,860,844	103,658,258	10,846,405	1,440,803	154,806,309
2018	18,917,484	91,317,348	10,856,069	1,440,803	122,531,704
2019	8,054,774	186,649,898	8,315,076	1,440,804	204,460,551
2020	53,027,779	64,436,788	7,489,668	1,440,803	126,395,037
2021	20,519,735	64,760,188	7,501,101	1,440,803	94,221,826
2022		70,543,425	7,528,104	1,440,803	79,512,332
2023		71,188,913	5,574,979	1,440,803	78,204,694
2024		75,071,363	5,587,340	1,440,803	82,099,506
2025		79,216,125	4,649,309	1,440,803	85,306,237
2026		76,786,538	4,683,435	1,440,803	82,910,775
2027		78,379,650	3,630,576	1,440,803	83,451,029
2028		60,949,438	1,880,051	1,440,803	64,270,292
2029		64,343,938	1,884,463	1,440,804	67,669,204
2030		18,116,250	1,570,679	1,440,805	21,127,734
2031		7,201,250	243,447		7,444,697
2032		3,151,750			3,151,750
2033		3,154,750			3,154,750
2034		3,157,000			3,157,000
2035		3,148,250			3,148,250
2036		3,153,750			3,153,750
2037		3,147,500			3,147,500
2038		3,144,750			3,144,750
2039					
2040					
2041					
2042					
2043					
	<u>\$287,911,834</u>	<u>\$1,617,804,988</u>	<u>\$146,821,489</u>	<u>\$28,590,312</u>	<u>\$2,081,128,623</u>

- (1) The Texas Water Development Board's fiscal year runs from 9/1 to 8/31.
- (2) Reflects debt service on \$213,650,000.00 outstanding principal amount of Senior Lien Bonds as of August 31, 2010.
- (3) Reflects debt service on \$1,082,938,000.00 outstanding principal amount of fixed and variable rate Subordinate Lien Bonds. The interest rate on the variable rate bonds varies monthly.
- (4) Reflects debt service on \$102,260,068 outstanding principal amount of Match Bonds issued as matching funds for Federal Grants. Match Bonds were issued as portions of the following issues:
- (5) Reflects debt service on federal grant awarded subsequent to August 31, 2010.

Development Fund General Obligation Bonds (6)		
Series	Amount Provided	Balance Outstanding As of August 31, 2010
1986B	\$ 21,038,050.00	\$ 300.27
1988A	32,468,120.06	-
1990A	28,950,488.58	-
1993D	10,862,647.73	-
1993I	19,489,779.58	-
1994B	19,757,253.33	-
1996B	13,314,597.72	1,663,868.92
1997B	13,951,810.00	7,617,035.81
1998A	25,000,000.00	13,075,000.00
2000A	25,000,000.00	17,015,000.00
2002B	26,000,000.00	20,570,000.00
2002E	3,281,268.53	2,853,391.11
2003C	9,218,731.47	8,016,608.89
2004D	23,427,633.45	20,462,633.45
2005A	8,126,114.61	8,126,114.61
2006A	674,639.84	674,639.84
2009C-1	3,366,296.00	3,258,067.00
	<u>\$283,927,430.90</u>	<u>\$103,332,659.90</u>

- (6) The Match Bonds represent a loan from the Board's Water Development Fund to the State Revolving Fund to meet federal requirements of state matching. This becomes an interfund debt in a junior lien position to the Senior and Subordinate debt.

**Top Ten Entities Funded By the Clean Water State Revolving Fund
(As of August, 31, 2010)**

Entity	Outstanding Balances of Loans Closed	Percentage Amount of Loan Balances
TRINITY RIVER AUTHORITY	\$759,800,000	28.40%
HOUSTON, CITY OF	734,405,000	27.45%
SAN ANTONIO WATER SYSTEM	248,930,000	9.30%
FORT WORTH, CITY OF	74,745,000	2.79%
MCALLEN, CITY OF	36,345,000	1.36%
AUSTIN, CITY OF	35,990,000	1.35%
EL PASO, CITY OF	34,750,000	1.30%
EL PASO PSB	31,575,000	1.18%
BELL CO WCID #1	28,055,000	1.05%
GARLAND, CITY OF	27,560,000	1.03%
Top Ten Borrowers Totals	\$2,012,155,000	75.21%

**State Revolving Fund Commitments
(As of August 31, 2010)**

Entity	Commitment Amount
ALAMO, CITY OF	\$ 6,160,000
ALEDO, CITY OF	3,345,000
ALEDO, CITY OF	2,570,000
ARLINGTON, CITY OF	24,000,000
AZLE, CITY OF	14,595,000
BEVIL OAKS MUD	440,000
BRADY, CITY OF	2,000,000
BRYAN, CITY OF	15,685,000
BUFFALO GAP, TOWN OF	500,000
BURNET, CITY OF	11,425,000
BURNET, CITY OF	10,710,000
CLEVELAND, CITY OF	2,360,000
CLEVELAND, CITY OF	2,355,000
EAGLE PASS, CITY OF	3,230,000
EAGLE PASS, CITY OF	2,040,000
EAGLE PASS, CITY OF	1,260,000
FORT STOCKTON, CITY OF	6,000,000
FORT WORTH, CITY OF	10,170,000
FORT WORTH, CITY OF	74,515,000
HOUSTON, CITY OF	58,245,000
HOUSTON, CITY OF	22,795,000
HUTCHINS, CITY OF	3,700,000
KILGORE, CITY OF	5,070,000
LITTLEFIELD, CITY OF	910,000
ORANGE CO WCID #1	13,610,000
PALESTINE, CITY OF	30,345,000
SAN ANTONIO WATER SYSTEM	17,930,000
SAN ANTONIO WATER SYSTEM	18,095,000
TRINITY RIVER AUTHORITY	23,765,000
TRINITY RIVER AUTHORITY	7,945,000
TRINITY RIVER AUTHORITY	19,465,000
TRINITY RIVER AUTHORITY	3,070,000
TRINITY RIVER AUTHORITY	11,710,000
TRINITY RIVER AUTHORITY	264,685,000
TRINITY RIVER AUTHORITY	27,690,000
Total Commitments	<u>\$ 722,390,000</u>

C = Commitment Approved by the Board

Clean Water State Revolving Fund
-Closed Loans-
8/31/2010

Borrower/ Bond Description	Commitment Amount	Outstanding Balance	Final Maturity	First Call Date	Loan Number
ALAMO, CITY OF					
WWKS & SS REV BONDS SER 2007	\$4,000,000.00	\$3,665,000.00	3/1/2027	9/1/2017	L070015
ALEDO, CITY OF					
TAX & WWKS & SS SURP REV CO SER 2010A	\$2,110,000.00	\$2,110,000.00	8/15/2042	8/15/2020	L090037
TAX & WWKS & SS SURP REV CO SER 2009	\$675,000.00	\$675,000.00	8/15/2042	8/15/2019	L090036
ALICE, CITY OF					
COMB TAX & SURP REV CO SER 2010	\$2,148,000.00	\$1,320,000.00	2/1/2042	2/1/2013	L100041
COMB TAX & SUR REV CO SER 2009	\$4,495,000.00	\$1,295,000.00	2/1/2042	2/1/2013	L100001
ALTO, CITY OF					
COMB TAX & UTLTY SYSTM REV CERT OF OBLGA SRS 1997	\$425,000.00	\$195,000.00	7/15/2017	7/15/2008	103700
ALVARADO, CITY OF					
COMB TAX & REVENUE CERT OF OBLIGATION, SERIES 94	\$1,000,000.00	\$290,000.00	7/10/2013	7/10/2004	82900
ALVIN, CITY OF					
WATER & SEWER SYSTEM REVENUE BONDS, SERIES 2001	\$6,650,000.00	\$5,780,000.00	11/1/2023	11/1/2011	122700
ALVORD, CITY OF					
TAX & WWKS & SS REV CO'S SER 2004A	\$420,000.00	\$330,000.00	10/1/2024	10/1/2014	131800
TAX & WW & SS SURPLUS REV CERT OF OBLIG SER. 1996	\$390,000.00	\$180,000.00	10/1/2016	10/1/2006	94900
ANAHUAC, CITY OF					
COMBINATION TAX & REVENUE CERT OF OBL, SERIES 1999	\$1,465,000.00	\$965,000.00	8/1/2020	2/1/2010	115100
ANGELINA & NECHES RA					
CONTRACT REVENUE BONDS, SERIES 1998	\$620,000.00	\$335,000.00	2/1/2018	4/1/2008	97800
CONTRACT REVENUE BONDS, SERIES 2001	\$3,100,000.00	\$2,365,000.00	4/1/2021	4/1/2012	121800

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Borrower/ Bond Description	Commitment Amount	Outstanding Balance	Final Maturity	First Call Date	Loan Number
ANGLETON, CITY OF					
COMBINATION TAX & REVENUE CERT OF OBLIGA, SRS 1998	\$540,000.00	\$240,000.00	8/15/2020	2/15/2008	104900
COMBINATION TAX & REVENUE CO'S, SERIES 2002	\$645,000.00	\$455,000.00	8/15/2022	8/15/2012	122800
COMB TAX & REV CERT'S OF OBLIG, SERIES 2000	\$655,000.00	\$415,000.00	8/15/2020	8/15/2011	119000
COMBINATION TAX AND REVENUE CO'S, SERIES 1999	\$640,000.00	\$350,000.00	2/15/2019	8/15/2009	113100
ANTHONY, TOWN OF					
COMB TAX & SURPLUS REV CO SER 2009A	\$4,000,000.00	\$4,000,000.00	8/15/2039	2/15/2020	L090001
ARANSAS PASS CITY OF					
COMB TAX & SUBORDINATE LIEN REV CO SERIES 2005	\$1,115,000.00	\$900,000.00	2/1/2025	2/1/2015	136100
ARCOLA, CITY OF					
COMB TAX & REV CO SER 2008A	\$1,380,000.00	\$1,340,000.00	3/1/2038	6/15/2018	L080047
AUBREY, CITY OF					
COMB TAX & REV CO'S SERIES 2003	\$1,740,000.00	\$1,260,000.00	8/15/2023	8/15/2013	127200
AUSTIN, CITY OF					
W & WWS REV BONDS SER 2010	\$31,815,000.00	\$5,740,000.00	11/15/2041	11/15/2012	L100020
COMB UTIL SYS SUBOR LIEN REV BONDS,SERIES 1998B	\$10,000,000.00	\$5,350,000.00	11/15/2017	11/15/2008	109000
BACLIFF MUD					
UNLIMITED TAX BONDS, SRS 2002	\$4,890,000.00	\$3,645,000.00	9/1/2023	9/1/2012	125900
UNLIMITED TAX BONDS, SRS 2004	\$4,890,000.00	\$4,080,000.00	9/1/2025	9/1/2014	126000
BARDWELL, CITY OF					
COMB TAX & W&S SYS REV CERT OF OBLIG, SEREIS 1996	\$200,000.00	\$147,000.00	8/1/2017	8/1/2007	98300
BAYTOWN, CITY OF					
COMB TAX & REV CO SERIES 2005	\$13,370,000.00	\$11,260,000.00	2/1/2025	8/1/2015	134100
COMB TAX & REV CO SERIES 2006B	\$19,700,000.00	\$16,795,000.00	2/1/2026	8/1/2016	134200
BAYVIEW MUD					
UNLIMITED TAX & REVENUE BONDS, SERIES 1996A	\$490,000.00	\$240,000.00	9/1/2016	9/1/2006	96500
BELL CO WCID #1					
SPECIAL PROJ BONDS TAXABLE SERIES 2004B	\$5,215,000.00	\$4,090,000.00	7/10/2024	1/10/2015	133500
SANITARY SS REV BONDS SERIES 2004	\$34,310,000.00	\$30,660,000.00	7/10/2024	1/10/2015	133400

Borrower/ Bond Description	Commitment Amount	Outstanding Balance	Final Maturity	First Call Date	ATTACHMENT E Loan Number
BELL CO WCID #2 UTIL SYST REV BONDS SER 2008	\$1,055,000.00	\$1,055,000.00	9/1/2029	9/1/2018	L080020
BELLS, CITY OF COMB TAX & REV CO SERIES 1997 A	\$130,000.00	\$75,000.00	2/15/2018	2/15/2007	102800
BENBROOK WSA WATERWKS & SEWER SYSTEM REVENUE BONDS, SERIES 1998	\$1,200,000.00	\$925,000.00	12/1/2018	12/1/2008	109600
BLOSSOM, CITY OF TAX & UTILITY SYST REV CO'S, SERIES 1999	\$275,000.00	\$180,000.00	1/1/2019	7/1/2009	113200
BONHAM, CITY OF COMB TAX & REV CO SERIES 2005A	\$1,675,000.00	\$1,335,000.00	2/15/2026	2/15/2016	136900
BRIDGEPORT, CITY OF COMB TAX & REV CO SERIES 2003	\$2,365,000.00	\$1,620,000.00	8/15/2023	2/15/2014	126600
UTILITY SYSTEM REVENUE BONDS, SERIES 1993	\$2,200,000.00	\$500,000.00	7/1/2013	7/1/2003	74800
COMBINATION TAX & REVENUE CO'S, SERIES 2001	\$1,200,000.00	\$745,000.00	8/15/2021	2/15/2012	121300
BROWNSBORO, CITY OF COMB TAX & REV CO SERIES 2004	\$700,000.00	\$520,000.00	8/15/2024	2/15/2014	130900
BROWNSVILLE, CITY OF UTILITIES SYSTEM JUNIOR LIEN EXCHANGE REVENUE	\$8,835,000.00	\$6,505,000.00	9/1/2019	9/1/2010	137100
UTILITIES SYSTEM JUNIOR LIEN EXCHANGE REVENUE	\$9,920,000.00	\$6,930,000.00	9/1/2018	9/1/2008	137000
BRYAN, CITY OF W & SS REV BONDS SERIES 2009B	\$1,270,000.00	\$1,155,000.00	7/1/2019	7/1/2019	L090075
CAMERON, CITY OF COMB TAX & SURP REV CO SER 2004	\$1,800,000.00	\$1,440,000.00	2/1/2024	8/1/2014	132000
COMB TAX & SURPLUS REV, CO, SRS 2003A	\$710,000.00	\$550,000.00	2/1/2024	8/1/2013	128300
CAMPBELL, CITY OF COMB TAX & REV CERTIFICATES OF OBLIG SERIES 1997	\$240,000.00	\$135,000.00	8/15/2019	2/15/2008	103300
CELINA, CITY OF TAX & WWKS & SS REV CO SER 2008	\$4,480,000.00	\$2,000,000.00	9/1/2028	9/1/2017	L070067

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Borrower/ Bond Description	Commitment Amount	Outstanding Balance	Final Maturity	First Call Date	Loan Number
CIBOLO CREEK MA					
REVENUE BONDS, SERIES 2002	\$1,500,000.00	\$950,000.00	7/10/2022	1/10/2013	127700
SPCL CNTRCT RVNE & SUBORDE LIEN REV OBLG, SRS 1997	\$2,250,000.00	\$1,310,000.00	2/1/2019	2/1/2009	104800
Revenue Bonds Series 2004	\$6,415,000.00	\$4,850,000.00	7/10/2024	1/10/2015	130700
REV BONDS SER 2010	\$2,745,000.00	\$2,745,000.00	7/10/2031	1/10/2020	L100026
CLEAR LAKE CITY WA					
WATERWKS & SWR SYS COMB UNLTD TAX & REV	\$6,900,000.00	\$2,800,000.00	3/1/2019	3/1/2009	111300
WATERWKS & SWR SYS COMB UNLTD TAX & REV	\$4,485,000.00	\$2,870,000.00	3/1/2021	3/1/2010	111400
CLEVELAND, CITY OF					
WASTEWATER SYSTEM REVENUE BONDS, SERIES 1997	\$2,250,000.00	\$1,075,000.00	2/1/2017	6/1/2007	101200
COMB TAX & REV CO SER 2009	\$555,000.00	\$535,000.00	3/1/2029	9/1/2019	L070083
WATERWORKS & SEWER SYSTEM REVENUE BONDS, SRS 2000	\$1,960,000.00	\$1,400,000.00	8/1/2020	2/1/2011	120400
COLDSPRING, CITY OF					
COMB TAX & REVENUE CERTIFICATES OF OBLIG, SER'93	\$300,000.00	\$65,000.00	8/1/2013	8/1/2003	82400
COMMERCE, CITY OF					
CERTIFICATES OF OBLIGATION SERIES 2007	\$2,005,000.00	\$1,700,000.00	8/15/2027	2/15/2018	L070054
COMB TAX & REV CO SER 2010C	\$3,490,000.00	\$3,490,000.00	2/15/2040	2/15/2021	L090002
COMMODORE COVE ID					
UNLIMITED TAX BONDS, SERIES 1995	\$490,000.00	\$210,000.00	2/15/2016	2/15/2005	92200
CORINTHIAN POINT MUD #2					
SS COMBINATION UNLIMITED TAX & REV BONDS SER 1997A	\$1,310,000.00	\$910,000.00	2/1/2017	8/1/2007	101400
CORPUS CHRISTI, CITY OF					
UTILITY SYST REV REFUND&IMPROV BONDS,SERIES 1999A	\$15,750,000.00	\$8,560,000.00	7/15/2019	7/15/2009	111800
CORSICANA, CITY OF					
WATERWORKS & SEWER SYSTEM REV BONDS SER 1997C	\$10,075,000.00	\$1,785,000.00	8/15/2017	8/15/2007	100800
CRANE, CITY OF					
COMBINATION TAX & REVENUE CERT OF OBLIG, SRS 1998	\$2,630,000.00	\$550,000.00	2/1/2013	8/1/2008	107000
CRANFILLS GAP, CITY OF					
COMBINATION TAX & REVENUE CO'S, SERIES 2001	\$605,000.00	\$425,000.00	9/1/2021	9/1/2011	115500

Borrower/ Bond Description	Commitment Amount	Outstanding Balance	Final Maturity	First Call Date	Loan Number
CROCKETT, CITY OF					
WATERWORKS AND SEWER SYSTEM REV BONDS, SERIES 1995	\$4,275,000.00	\$2,660,000.00	9/15/2016	9/15/2005	91500
CROSBY MUD					
SEWER SYSTEM REVENUE NOTES, SERIES 1994-A	\$935,000.00	\$445,000.00	1/1/2014	1/1/2004	86500
DALHART, CITY OF					
COMBO TAX & WW & SS REVENUE CO, SERIES 2002	\$5,870,000.00	\$3,930,000.00	2/15/2022	8/15/2012	124900
DALLAS CO WCID #6					
WATERWORKS & SEWER SYSTEM REVENUE BONDS, SRS 1998	\$3,865,000.00	\$2,095,000.00	9/1/2018	9/1/2008	107700
DAVENPORT RANCH MUD #1					
UNLIMITED TAX BONDS, SERIES 1997	\$3,665,000.00	\$1,950,000.00	9/1/2017	9/1/2007	101500
DAYTON, CITY OF					
COMB TAX & SUBORD LIEN REV CO SER 2006	\$8,500,000.00	\$8,290,000.00	2/1/2028	8/1/2016	L060032
DE LEON, CITY OF					
COMB TAX & REV CO SER 2009	\$2,350,000.00	\$2,230,000.00	2/15/2029	2/15/2020	L090047
DEER PARK, CITY OF					
WW & SS REVENUE BONDS, SRS 2002	\$5,000,000.00	\$3,250,000.00	3/1/2023	9/1/2012	127300
DEKALB, CITY OF					
WATERWORKS & SEWER SYSTEM REVENUE BONDS, SRS 1999	\$565,000.00	\$425,000.00	12/1/2019	12/1/2011	112300
DEL RIO, CITY OF					
COMB TAX & REV CO SERIES 2003C	\$2,190,000.00	\$1,670,000.00	7/1/2024	1/1/2014	127400
DETROIT, CITY OF					
WW & SS REVENUE BONDS, SERIES 2000	\$925,000.00	\$610,000.00	7/1/2020	1/1/2011	119600
DRIPPING SPRINGS, CITY OF					
COMB TAX & JR. LIEN REV CO SERIES 2005	\$9,430,000.00	\$8,955,000.00	6/1/2026	12/1/2014	131000
EAGLE PASS, CITY OF					
WW & SS REVENUE BONDS, SERIES 1992	\$2,795,000.00	\$705,000.00	12/1/2012	12/1/2002	77900
WW & SS REVENUE BONDS, SERIES 2003C	\$10,110,000.00	\$7,945,000.00	12/1/2024	6/1/2013	125700
WW & SS REV BONDS, SRS 2004B	\$700,000.00	\$70,000.00	12/1/2023	12/1/2014	128100

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Borrower/ Bond Description	Commitment Amount	Outstanding Balance	Final Maturity	First Call Date	ATTACHMENT E Loan Number
EAST CEDAR CREEK FWSD					
UTILITY SYSTEM REVENUE BONDS, SERIES 1994	\$415,000.00	\$105,000.00	1/1/2014	1/1/2004	85600
UTILITY SYSTEM REVENUE BONDS, SERIES 1999A	\$2,075,000.00	\$1,175,000.00	1/1/2019	7/1/2009	104100
UTILITY SYS REV BONDS SER 2004	\$1,500,000.00	\$1,210,000.00	1/1/2025	1/1/2015	134000
EASTLAND, CITY OF					
COMB TAX & REV CO SERIES 2008A	\$975,000.00	\$940,000.00	2/15/2029	8/15/2018	L080050
EDINBURG, CITY OF					
W & SS JR LIEN REV BONDS SERIES 2008	\$4,020,000.00	\$3,870,000.00	3/1/2029	3/1/2019	L070023
EL PASO PSB					
W & SS REV BONDS SER 2008A	\$14,000,000.00	\$13,995,000.00	3/1/2029	9/1/2018	L080076
W & SS REV BONDS SER 2008B	\$22,000,000.00	\$21,995,000.00	3/1/2029	9/1/2018	L080077
EL PASO, CITY OF					
MUNI UTIL SYST REV BONDS SER 2009	\$2,163,000.00	\$1,760,000.00	3/1/2031	3/1/2012	L100021
W&SS REV BONDS SERIES 2003B	\$10,000,000.00	\$9,975,000.00	3/1/2024	3/1/2014	130800
W & SS REV BONDS SERIES 2005	\$10,000,000.00	\$8,435,000.00	3/1/2026	9/1/2015	136200
WATER AND SEWER REVENUE BONDS, SERIES 2001	\$16,265,000.00	\$11,205,000.00	3/1/2022	3/1/2012	119500
WATER & SEWER REVENUE BONDS, SERIES 2002	\$7,520,000.00	\$4,970,000.00	3/1/2022	3/1/2012	123100
EVADALE WCID #1					
TAX & SEWER SYSTEM REVENUE BONDS, SRS 2001	\$1,550,000.00	\$1,070,000.00	7/1/2022	7/1/2012	113300
FAIRFIELD, CITY OF					
COMB TAX & REV CO'S, SRS 2002	\$4,415,000.00	\$3,080,000.00	9/1/2022	3/1/2013	126700
FIRST COLONY MUD #9					
WW & SS COMB UNLTD TAX & REV BONDS, SERIES 1998	\$4,000,000.00	\$3,410,000.00	10/1/2018	10/1/2008	101800
FLATONIA, CITY OF					
COMB TAX AND REV CERTIF OF OBLIGA SERIES 1998	\$665,000.00	\$325,000.00	2/15/2018	2/15/2009	105100
FORT BEND CO FWSD #1					
SANITARY SWR SYST UNLTD TAX BONDS SER 2006A	\$6,935,000.00	\$6,095,000.00	8/15/2027	8/15/2016	132800
UNLTD TAX BONDS SER 2010	\$5,285,000.00	\$5,285,000.00	8/15/2039	8/15/2020	L100027

Borrower/ Bond Description	Commitment Amount	Outstanding Balance	Final Maturity	First Call Date	Loan Number
FORT WORTH, CITY OF					
W&SS SUBORD LIEN REV BONDS SER 2005	\$7,890,000.00	\$6,130,000.00	3/1/2025	3/1/2015	132700
WATER & SWR SYSTEM SUBORD LIEN REV BONDS, SRS 1999	\$38,000,000.00	\$0.00	3/1/2019	9/1/2009	112600
WATER & SWR SYST SUBORD LIEN REV BONDS, SRS 1999A	\$61,750,000.00	\$0.00	3/1/2020	3/1/2010	112700
WATER & SWR SYSTEM SUBORD LIEN REV BONDS, SRS 1999	\$8,080,000.00	\$5,125,000.00	3/1/2021	9/1/2011	120100
W&WW SYS SUBORD LIEN REV BONDS SER 2005A	\$11,500,000.00	\$9,570,000.00	3/1/2025	12/1/2015	133000
WATER & SEWER SYS SUB LIEN REV BONDS, SERIES 2002	\$34,310,000.00	\$23,310,000.00	3/1/2022	9/1/2012	122300
W&WW SYST SUBORD LIEN REV BONDS SERIES 2007A	\$33,560,000.00	\$30,610,000.00	3/1/2027	9/1/2017	L070070
GALVESTON CO MUD #12					
UNLIMITED TAX BONDS, SERIES 1996A	\$1,820,000.00	\$985,000.00	9/1/2015	9/1/2005	92800
GALVESTON CO WCID #1					
REVENUE NOTES, SERIES 2002A	\$6,395,000.00	\$4,485,000.00	3/1/2022	9/1/2012	119100
GALVESTON CO WCID #12					
UNLIMITED TAX SEWER BONDS, SERIES 1998A	\$515,000.00	\$275,000.00	9/1/2018	4/15/2008	107200
UNLIMITED TAX BONDS, SERIES 1996	\$1,920,000.00	\$920,000.00	9/1/2016	9/1/2006	93000
GARLAND, CITY OF					
W & SS REVENUE BONDS, SERIES 2004	\$38,485,000.00	\$31,575,000.00	3/1/2024	9/1/2014	129600

Borrower/ Bond Description	Commitment Amount	Outstanding Balance	Final Maturity	First Call Date	ATTACHMENT E Loan Number
GREATER TEXOMA UA					
CONTRACT REV BONDS SER 2008	\$3,710,000.00	\$3,415,000.00	10/1/2027	4/1/2018	L080022
CONTRACT REV BONDS(WHITTEWRIGHT), SERIES 1991-A	\$765,000.00	\$60,000.00	10/1/2010	10/1/2001	79100
CONTRACT REV BONDS (WHITTEWRIGHT) SERIES 1991-A	\$155,000.00	\$15,000.00	10/1/2010	10/1/2001	74300
CONTRACT REV BONDS, SER 93-A (VALLEY VIEW)	\$350,000.00	\$80,000.00	4/1/2013	4/1/2003	83100
CONTR REV BONDS SER 2009A	\$3,975,000.00	\$3,975,000.00	10/1/2029	10/1/2019	L090109
CONTRACT REVENUE BONDS, SERS 98 (SAVOY)	\$155,000.00	\$80,000.00	4/1/2018	3/1/2008	105500
CONTRACT REVENUE BONDS, SERIES 1998 (POTTSBORO)	\$440,000.00	\$110,000.00	6/1/2013	12/1/2009	109400
CONTRACT REV BONDS, SER 2009	\$2,705,000.00	\$2,705,000.00	10/1/2029	10/1/2019	L080067
CONTRACT REVENUE BONDS, SERIES 2000 (TOM BEAN)	\$500,000.00	\$450,000.00	7/1/2020	1/1/2011	113500
CONTRACT REV BONDS, SRS 2002A (VAN ALSTYNE)	\$955,000.00	\$695,000.00	6/1/2022	12/1/2012	126100
CONTRACT REVENUE BONDS, SRS 2003A	\$1,035,000.00	\$970,000.00	10/1/2022	4/1/2013	127800
CONTR REV BONDS (MELISSA) SER 2009B	\$1,400,000.00	\$1,400,000.00	6/1/2029	12/1/2019	L090107
CONTRACT REV BONDS, SRS 2002A (SHERMAN)	\$3,440,000.00	\$2,545,000.00	10/1/2021	10/1/2012	126200
CONTRACT REV BONDS SERIES 2006	\$400,000.00	\$345,000.00	6/1/2026	6/1/2016	L060018
CONTRACT REVENUE BONDS, SERIES 1991-B (HOWE)	\$290,000.00	\$110,000.00	1/1/2014	1/1/2002	83000
CONTRACT REVENUE BONDS, SERIES 1990-C (GUNTER)	\$995,000.00	\$100,000.00	4/1/2011	4/1/2000	71500
CONTRACT REVENUE BONDS SERIES 2006	\$3,870,000.00	\$3,305,000.00	6/1/2026	12/1/2016	L060048
CONTRACT REV BONDS, SRS 2002 (LEONARD)	\$865,000.00	\$610,000.00	10/1/2021	10/1/2012	126300
CONTRACT REVENUE BONDS (POTTSBORO), SERIES 1999	\$150,000.00	\$95,000.00	6/1/2019	12/1/2009	114700
CONTRACT REVENUE BONDS, SERIES 2001 (GUNTER)	\$150,000.00	\$105,000.00	4/1/2021	12/1/2009	114600
CONTRACT REVENUE BONDS (WHITTEWRIGHT) SERIES 1999	\$150,000.00	\$105,000.00	10/1/2020	4/1/2010	114800
CONTRACT REVENUE BONDS SERIES 2007	\$3,430,000.00	\$3,195,000.00	6/1/2028	12/1/2017	L060049
CONTRACT REVENUE BONDS, SER '97 (ECTOR PROJECT)	\$300,000.00	\$140,000.00	4/1/2017	6/1/2007	101000
GREENVILLE, CITY OF					
WW & SS REVENUE BONDS SERIES 2008	\$20,000,000.00	\$20,000,000.00	2/15/2030	2/15/2018	L080006
GREENWOOD UD					
WW & SS COMB UNLTD TAX & REVENUE BONDS, SRS 1998A	\$2,465,000.00	\$925,000.00	8/1/2017	2/1/2008	105600
GROESBECK, CITY OF					
CERTIFICATES OF OBLIGATION SERIES 2007	\$2,000,000.00	\$1,700,000.00	2/15/2027	8/15/2017	L070056

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GROVES, CITY OF					
CO SERIES 2004	\$715,000.00	\$640,000.00	9/1/2026	9/1/2015	134900
CO Series 2006	\$5,000,000.00	\$4,645,000.00	9/1/2027	3/1/2016	137900
GUADALUPE BLANCO RA					
CONTRACT REVENUE BONDS, SERIES 1996 (LOCKHART)	\$5,480,000.00	\$3,915,000.00	2/1/2017	2/1/2006	91900
CONTRACT REVENUE BONDS, SERIES 96 (VICTORIA)	\$3,750,000.00	\$345,000.00	10/1/2010	10/1/2005	94500
HALLSVILLE, CITY OF					
WATERWKS & SS SUBRODINATE LEIN REV BONDS, SRS 1998	\$2,250,000.00	\$1,410,000.00	5/1/2019	11/1/2008	109100
HALTOM CITY, CITY OF					
WW & SS JUNIOR LIEN REVENUE BONDS, SERIES 2002	\$3,120,000.00	\$1,505,000.00	2/1/2022	2/1/2013	113900
HARDIN CO WCID #1					
UNLIMITED TAX & REVENUE BONDS, SERIES 1996B	\$2,100,000.00	\$1,125,000.00	8/15/2017	8/15/2005	95000
HARLINGEN, CITY OF					
WATERWORKS & SEWER SYSTEM REVENUE BONDS, SRS 2000	\$1,845,000.00	\$1,220,000.00	11/1/2020	11/1/2010	118000
HARRIS CO FWSD #47					
WTRWKS & SWR SYS REV BONDS, SERIES 2008A	\$4,365,000.00	\$4,365,000.00	9/1/2028	9/1/2018	L080062
HARRIS CO FWSD #6					
WW & SEWER SYS COMB UNLIM TAX & REV BONDS SER 1997	\$2,300,000.00	\$1,185,000.00	7/10/2017	7/10/2007	99900
HARRIS CO MUD #148					
UNLIMITED TAX BONDS SERIES 2009A	\$2,855,000.00	\$2,855,000.00	4/1/2031	4/1/2020	L090050
HARRIS CO MUD #46					
UNLTD TAX BONDS SER 2009	\$2,275,000.00	\$2,270,000.00	5/1/2032	11/1/2019	L080057
HARRIS CO MUD #50					
WWKS & SS COMB UNLTD TAX & REV BONDS SER 2007	\$1,500,000.00	\$1,390,000.00	3/1/2028	9/1/2017	L070043
HARRIS CO WCID #136					
WATERWORKS & SEWER SYSTEM REVENUE BONDS SRS 1997	\$565,000.00	\$260,000.00	4/1/2017	6/1/2007	100900

Borrower/ Bond Description	Commitment Amount	Outstanding Balance	Final Maturity	First Call Date	Loan Number
HARRIS CO WCID #36					
UNLTD TAX BONDS SER 2008	\$5,000,000.00	\$5,000,000.00	9/15/2028	3/1/2018	L080013
UNLIMITED TAX BONDS, SERIES 2001	\$5,000,000.00	\$3,520,000.00	9/15/2021	9/15/2011	122100
HARRIS CO WCID #84					
UNLIMITED TAX BONDS, SERIES 1992	\$2,075,000.00	\$370,000.00	8/1/2012	8/1/2002	80500
HARRIS CO WCID #89					
UNLIMITED TAX BONDS SERIES 2009	\$7,565,000.00	\$7,565,000.00	10/1/2029	10/1/2019	L070107
HIDALGO CO MUD #1					
WWKS & SS REV BONDS SER 2008A	\$3,520,000.00	\$3,405,000.00	2/15/2039	2/15/2018	L080052
HILLCREST VILLAGE, CITY OF					
COMBINATION TAX & REVENUE CERT OF OBL, SERIES 2000	\$300,000.00	\$165,000.00	3/15/2019	3/15/2010	115200
HONDO, CITY OF					
SPECIAL PROJECT REVENUE BONDS SERIES 1991	\$1,310,000.00	\$15,000.00	2/1/2011	2/1/2001	F76500
SPECIAL PROJECT REVENUE BONDS, SERIES 1991	\$285,000.00	\$35,000.00	2/1/2011	2/1/2001	S76500
HONEY GROVE, CITY OF					
TAX & REVENUE CERTIFICATES OF OBLIGATION, SRS 1999	\$1,000,000.00	\$605,000.00	9/1/2019	9/1/2009	113600
HOOKS, CITY OF					
TAX & UTIL SYS SURPLUS REV CO, SER 1991, LOT A	\$190,000.00	\$20,000.00	8/15/2011	8/15/2001	S73200
TAX & UTIL SYS SURPLUS REV CO, SERIES 1991, LOT B	\$915,000.00	\$55,000.00	8/15/2011	8/15/2001	F73200

Borrower/ Bond Description	Commitment Amount	Outstanding Balance	Final Maturity	First Call Date	Loan Number
HOUSTON, CITY OF					
WATER & SS JUNIOR LIEN REVENUE BONDS, SERIES 2004-A-2	\$96,705,000.00	\$95,580,000.00	12/1/2024	12/1/2014	128200
WATER & SWR SYSTM JR LIEN REV REFND BND SRS 1997E	\$175,000,000.00	\$163,940,000.00	12/1/2018	12/1/2007	103800
COMBINED UTILITY SYS FIRST LIEN REV & REF BONDS SERIES	\$61,545,000.00	\$59,545,000.00	5/15/2026	5/15/2016	132600
COMB UTIL SYS FIRST LIEN REV BONDS SER 2010A	\$15,110,000.00	\$15,110,000.00	11/15/2039	5/15/2020	L080012
WATER & SS JUNIOR LIEN REVENUE BONDS, SERIES 2004-A-1	\$84,385,000.00	\$83,135,000.00	12/1/2024	12/1/2014	129800
COMB UTIL SYST REV BONDS SERIES 2008-E	\$61,545,000.00	\$61,045,000.00	11/15/2038	11/15/2018	L070016
WATER & SEWER SYS JR LIEN REV REF, BONDS 1999C	\$47,500,000.00	\$33,305,000.00	12/1/2019	12/1/2009	107900
WATER & SS JR LIEN REV & REF BONDS, SRS 2000A	\$67,660,000.00	\$54,585,000.00	12/1/2019	6/1/2010	117400
W & SS First Lien Rev Bonds Series 2008B	\$45,050,000.00	\$44,350,000.00	11/15/2037	5/15/2018	L060013
W&SS First Lien Revenue Bonds Series 2008C	\$52,650,000.00	\$51,950,000.00	11/15/2037	5/15/2018	L060016
WATER & SEWER SYS JR LIEN REV REF BONDS, 1999B	\$6,130,000.00	\$4,265,000.00	12/1/2019	12/1/2009	113000
COMBINED UTILITY SYS FIRST LIEN REV & REF BONDS SERIES	\$69,595,000.00	\$67,595,000.00	5/15/2026	5/15/2016	132500
HULL FWSD					
COMB UNLIMITED TAX & UTILITY SYS REV BONDS, SER 95	\$450,000.00	\$115,000.00	3/1/2013	3/1/2005	79200
HUMBLE, CITY OF					
COMB TAX & REV CERT OF OBL SERIES 1998	\$4,800,000.00	\$2,640,000.00	3/1/2019	3/1/2009	108000
HUNTERS GLEN MUD					
UNLIMITED TAX AND REVENUE BONDS, SERIES 1998	\$1,885,000.00	\$1,545,000.00	4/1/2015	7/10/2008	108100
HUNTSVILLE, CITY OF					
WATERWORKS AND SEWER SYSTEM REVENUE BONDS, SER	\$14,395,000.00	\$5,730,000.00	8/15/2016	8/15/2007	99100
INGLESIDE, CITY OF					
WW & SS REVENUE BONDS, SERIES 2002	\$2,915,000.00	\$1,795,000.00	2/1/2022	2/1/2013	119300
INGRAM, CITY OF					
TAX & SURP REV CO SER 2009	\$837,000.00	\$366,000.00	2/15/2040	2/15/2011	L100002
JACINTO CITY, CITY OF					
CERTIFICATES OF OBLIGATION, SRS 2002	\$7,255,000.00	\$5,940,000.00	5/1/2024	11/1/2012	125600
JACKSONVILLE, CITY OF					
TAX, WTRWKS & SS SURPLUS LIEN REV CERT OF OB, 2000	\$8,000,000.00	\$5,870,000.00	8/15/2020	8/15/2010	112200

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Borrower/ Bond Description	Commitment Amount	Outstanding Balance	Final Maturity	First Call Date	Loan Number
JARRELL, CITY OF					
TAX & REV CO SERIES 2006	\$7,895,000.00	\$7,520,000.00	8/1/2026	8/1/2016	L060022
COMB TAX & REV CO SER 2008	\$1,520,000.00	\$1,515,000.00	8/1/2038	8/1/2018	L090010
JASPER, CITY OF					
COMB TAX & REV CERT OF OBLIGATION SERIES 1997	\$2,495,000.00	\$1,245,000.00	2/15/2018	12/15/2007	103600
JEFFERSON CO WCID #10					
UNLTD TAX BONDS SER 2010	\$2,750,000.00	\$2,750,000.00	8/15/2030	8/15/2020	L100028
JOHNSON CO SUD (FORMERLY JOHNSON CO FWSD NO. 1)					
SEWER SYSTEM REVENUE BONDS, SERIES 1996	\$1,640,000.00	\$710,000.00	5/15/2016	5/15/2006	97500
KAUFMAN, CITY OF					
COMB TAX & REV CO'S, SERIES 2005	\$1,325,000.00	\$1,080,000.00	8/15/2025	8/15/2015	127500
COMBINATION TAX & REVENUE CO'S, SERIES 2002	\$2,455,000.00	\$1,670,000.00	2/15/2022	2/15/2012	124400
KENDALL CO WCID #1					
REVENUE NOTES, SERIES 2000	\$2,500,000.00	\$1,555,000.00	1/1/2020	1/1/2010	117900
KERMIT, CITY OF					
CO SERIES 2008	\$4,595,000.00	\$4,220,000.00	2/15/2028	8/15/2018	L080004
KINGSVILLE, CITY OF					
UTILITY SYSTEM REVENUE BONDS, SERIES 1995	\$2,000,000.00	\$370,000.00	4/15/2012	4/15/2003	87200
LA COSTE, CITY OF					
WATERWORKS AND SEWER SYSTEM REVENUE BONDS,	\$665,000.00	\$155,000.00	2/1/2013	2/1/2003	77700
LA FERIA, CITY OF					
WATERWORKS & SEWER SYSTEM REVENUE BONDS, SERIES	\$385,000.00	\$335,000.00	9/15/2025	3/15/2015	115000
LA GRANGE, CITY OF					
COMBINATION TAX & REVENUE CERT OF OBLIG., SER 97	\$2,155,000.00	\$365,000.00	8/15/2012	2/15/2007	96600
LA JOYA, CITY OF					
W & WW SYS 1ST LIEN REV BONDS SERIES 2009	\$4,565,000.00	\$4,565,000.00	9/1/2039	9/1/2019	L060031
W & WWS FIRST LIEN REV BONDS SERIES 2007	\$2,155,000.00	\$1,924,000.00	3/1/2027	3/1/2017	L060030

Borrower/ Bond Description	Commitment Amount	Outstanding Balance	Final Maturity	First Call Date	Loan Number
LA MARQUE, CITY OF					
WW & SS REV BONDS, SERIES 1998	\$4,600,000.00	\$3,110,000.00	9/1/2018	9/1/2008	108200
WATERWORKS & SEWER SYSTEM REVENUE BONDS, SER 1996	\$4,440,000.00	\$2,410,000.00	9/1/2016	3/1/2006	95700
LAKE JACKSON, CITY OF					
WTRWORKS & SEWER SYSTEM REVENUE BONDS, SERIES	\$16,000,000.00	\$0.00	4/15/2021	4/15/2010	108300
LAKE WORTH, CITY OF					
UTIL SYST REV BONDS SER 2009	\$290,000.00	\$211,000.00	2/1/2030	2/1/2011	L100003
LAKEWAY MUD					
WTR & SWR SYTM COMB UNLMTD TAX & REV BND SRS 1997	\$3,040,000.00	\$1,530,000.00	9/1/2017	9/1/2009	102600
LAMPASAS, CITY OF					
COMB TAX & REV CERT OF OBLIG, SERIES 1998	\$1,040,000.00	\$540,000.00	8/15/2018	2/15/2009	98900
LAREDO, CITY OF					
SUBORD SEWER SYSTEM REVENUE BONDS,SER 1991	\$1,415,000.00	\$110,000.00	3/1/2011	3/1/2000	F71700
SUBORD. SEWER SYSTEM REVENUE BONDS SER 1991 LOT A	\$285,000.00	\$25,000.00	3/1/2011	3/1/2000	S71700
LIBERTY HILL CITY OF					
COMB TAX & JR LIEN REV CO SER 2006B	\$6,785,000.00	\$6,305,000.00	9/1/2027	3/1/2017	L070010
COMB TAX & JR LIEN REV CO SER 2006A	\$1,345,000.00	\$1,250,000.00	9/1/2027	3/1/2017	L070009
LIBERTY, CITY OF					
TAX & REV CO SER 2007	\$8,100,000.00	\$7,435,000.00	3/1/2028	9/1/2017	L070072
LITTLEFIELD, CITY OF					
COMB TAX & REV CO SER 2006	\$1,910,000.00	\$1,685,000.00	2/15/2027	2/15/2017	L060035
COMBINATION TAX & REV CERTS OF OBLIGATION SER '97	\$2,565,000.00	\$1,165,000.00	2/15/2017	2/15/2007	101100
LONGVIEW, CITY OF					
WATERWORKS & SEWER SYSTEM REVENUE BONDS, SRS 1998	\$15,335,000.00	\$8,050,000.00	3/1/2017	3/1/2008	104400
LORAIN, CITY OF					
COMB TAX & WWKS & SS SURPLUS REV CO'S, SRS 2001	\$665,000.00	\$530,000.00	9/1/2023	3/1/2012	121900
LORENA, CITY OF					
Tax & Rev CO Series 2007	\$2,260,000.00	\$2,105,000.00	7/1/2028	7/1/2017	L060002

Borrower/ Bond Description	Commitment Amount	Outstanding Balance	Final Maturity	First Call Date	ATTACHMENT E Loan Number
LORENZO, CITY OF COMB TAX AND REV CERT OF OBLIGATION, SERIES 1998	\$705,000.00	\$390,000.00	8/15/2019	8/15/2009	106100
LOS FRESNOS, CITY OF COMB TAX & SUBORDINATE LIEN REV CO SERIES 2009	\$4,975,000.00	\$4,970,000.00	2/1/2039	2/1/2019	L070108
LOVELADY, CITY OF TAX & UTIL SYS SURPLUS REV CERT OF OBGL, SER 1994	\$330,000.00	\$115,000.00	5/1/2015	5/1/2005	76400
LOWER COLORADO RA REFUNDING REVENUE BONDS, SRS 1999I (ELGIN)	\$3,810,000.00	\$2,760,000.00	1/1/2020	1/1/2020	116100
LOWER VALLEY WD UTIL SYST REV BONDS SERIES 2007	\$20,600,000.00	\$19,040,000.00	9/15/2027	3/15/2017	L070008
LUMBERTON MUD SANITARY SEWER SYSTEM COMB TAX & REV BONDS SERIES SANITARY SS COMB TAX & REV BONDS,SERIES 1998	\$8,765,000.00 \$5,200,000.00	\$7,760,000.00 \$2,560,000.00	8/15/2027 8/15/2018	8/15/2015 8/15/2007	136000 109300
MACEDONIA-EYLAU MUD #1 REVENUE BONDS, SERIES 1998	\$225,000.00	\$110,000.00	7/1/2018	1/1/2009	99500
MANVEL, CITY OF COMB TAX & REV CO SERIES 2005	\$845,000.00	\$795,000.00	8/15/2026	8/15/2015	135600
MARBLE FALLS, CITY OF COMB TAX & SUB LIEN REV CO SERIES 2005	\$2,950,000.00	\$2,385,000.00	2/1/2025	2/15/2015	131100
MARFA, CITY OF WWKS & WW REV BONDS SER 2007	\$1,265,000.00	\$1,165,000.00	3/15/2026	9/15/2017	L070053
MARLIN, CITY OF Comb Tax & Rev CO'S SERIES 2005A	\$2,255,000.00	\$2,210,000.00	7/1/2026	7/1/2015	136500
MART, CITY OF COMB TAX AND REV CERT OF OBLIGATION, SERIES 1998 B	\$810,000.00	\$700,000.00	9/1/2018	1/10/2008	105300
MAURICEVILLE SUD UTILITY SYTEM REVENUE BONDS SERIES 1996B UTILITY SYSTEM REVENUE BONDS, SERIES 1997B	\$925,000.00 \$9,340,000.00	\$640,000.00 \$7,050,000.00	11/15/2018 11/15/2018	5/15/2006 11/15/2007	90900 93900

Borrower/ Bond Description	Commitment Amount	Outstanding Balance	Final Maturity	First Call Date	ATTACHMENT E Loan Number
MCALLEN, CITY OF					
WWKS & SS REV BONDS SER 2009	\$39,485,000.00	\$7,315,000.00	2/1/2040	2/1/2011	L100042
MEADOWHILL REGIONAL MUD					
WW & SS COMB UNLIMITED TAX & REV BONDS, SERIES 95	\$1,460,000.00	\$1,015,000.00	10/1/2015	10/1/2005	91800
MERCEDES, CITY OF					
COMB TAX & SUBORD LIEN REV CO SER 2006	\$1,265,000.00	\$990,000.00	2/15/2027	8/15/2016	137200
COMB TAX & SUBORD LIEN REV CO SERIES 2008	\$7,530,000.00	\$7,245,000.00	2/15/2029	10/1/2018	L070068
MEXIA, CITY OF					
COMB TAX AND REV CERTIF OF OBLIGATION, SERIES 1998	\$2,000,000.00	\$990,000.00	8/15/2018	8/15/2008	106200
COMBINATION TAX & REVENUE CO'S, SERIES 2002B	\$5,420,000.00	\$3,715,000.00	8/15/2022	8/15/2012	124300
MISSION, CITY OF					
WW & SEWER SYSTEM JUNIOR LIEN REV BONDS SERIES 95B	\$2,032,000.00	\$704,000.00	4/1/2015	4/1/2005	77200
MONTGOMERY CO MUD # 15					
UNLIMITED TAX AND REVENUE BONDS, SERIES 1998	\$675,000.00	\$495,000.00	3/1/2017	9/1/2008	107100
UNLIMITED TAX AND REVENUE BONDS, SERIES 1997	\$815,000.00	\$685,000.00	3/1/2017	3/1/2007	90200
MONTGOMERY CO UD #3					
COMB UNLIMITED TAX & REVENUE BONDS,SERIES 1998	\$1,290,000.00	\$685,000.00	4/1/2015	7/1/2008	108400
MOUNT CALM, CITY OF					
WATER & WASTEWATER REVENUE BONDS, SERIES 1998	\$100,000.00	\$50,000.00	9/1/2019	9/1/2008	106300
MOUNT VERNON, CITY OF					
COMB TAX & REVENUE CERTIFICATES OF OB, SRS 1998	\$1,520,000.00	\$845,000.00	9/1/2018	9/1/2008	107500
NACOGDOCHES, CITY OF					
WWKS & SS REVENUE BONDS SER '04	\$10,365,000.00	\$8,140,000.00	3/1/2025	3/1/2014	131500
NEDERLAND, CITY OF					
TAX & SUBORDINATE LIEN REV CERT OF OBLIG, SER 1996	\$5,000,000.00	\$2,790,000.00	9/1/2017	9/1/2006	96900
TAX & SUBORDINATE LIEN REV CERT OF OBLIG, SER 1999	\$2,900,000.00	\$2,775,000.00	9/1/2019	9/1/2009	97700
TAX & SUBORDINATE LIEN REV CERT OF OBLIG, SER 1998	\$4,850,000.00	\$4,375,000.00	9/1/2019	9/1/2008	97600

Borrower/ Bond Description	Commitment Amount	Outstanding Balance	Final Maturity	First Call Date	ATTACHMENT E Loan Number
NEW CANEY MUD					
COMBINATION UNLIMITED TAX & JR LIEN REV BONDS,SR95	\$1,720,000.00	\$830,000.00	4/1/2015	4/1/2005	92700
UNLIMITED TAX BONDS SERIES 2004	\$3,095,000.00	\$3,075,000.00	4/1/2026	4/1/2015	130400
UNLIMITED TAX BONDS, SERIES 2003	\$380,000.00	\$320,000.00	4/1/2024	10/1/2013	122200
NEWTON, CITY OF					
UTILITY SYSTEM REVENUE BONDS, SERIES 1998	\$1,855,000.00	\$985,000.00	3/15/2019	3/15/2009	107300
OAK RIDGE NORTH, CITY OF					
COMB TAX & REV CO SER 2009	\$4,600,000.00	\$4,600,000.00	4/1/2034	10/1/2019	L090040
ODEM, CITY OF					
COMBINATION TAX & JR LIEN REV CO'S, SRS 2002	\$1,940,000.00	\$1,470,000.00	8/1/2023	8/1/2013	122000
OLNEY, CITY OF					
COMB TAX & REV CO'S, SRS 2002B	\$265,000.00	\$195,000.00	9/1/2022	3/1/2013	124500
ORANGE CO WCID #1					
UNLTD TAX BONDS SER 2007	\$2,500,000.00	\$2,410,000.00	2/15/2029	2/15/2018	L070105
Unlimited Tax Bonds, Series 2009	\$11,115,000.00	\$11,115,000.00	2/15/2031	8/15/2019	L070106
ORANGE CO WCID #2					
WATERWORKS SS JUNIOR LIEN REVENUE BONDS, SER 1996	\$3,890,000.00	\$1,710,000.00	3/1/2015	9/1/2006	96000
ORANGE GROVE, CITY OF					
COMB TAX & JR LIEN REV CERT OF OBLIG, SERIES 95	\$400,000.00	\$165,000.00	8/15/2016	8/15/2005	91200
PADUCAH, CITY OF					
COMB TAX & REV CO SERIES 2008	\$945,000.00	\$925,000.00	2/15/2038	8/15/2018	L080063
PALESTINE, CITY OF					
WWKS & SS REV BONDS SER 2009	\$600,000.00	\$575,000.00	7/15/2029	1/15/2020	L070021
WW & SS REVENUE BONDS, SRS 2003	\$3,745,000.00	\$3,555,000.00	7/15/2022	7/15/2013	126400
WWKS & SS REV BONDS SERIES 2007	\$4,665,000.00	\$4,065,000.00	7/15/2027	7/15/2017	136400
WATERWORKS & SEWER SYSTEM JR LIEN REV	\$6,545,000.00	\$2,110,000.00	7/15/2015	7/15/2004	92600
WW & SS REV BONDS, SERIES 2006	\$860,000.00	\$705,000.00	7/15/2025	7/15/2016	130300
PANHANDLE, CITY OF					
COMBINATION TAX & REVENUE CO'S, SERIES 2002	\$1,875,000.00	\$1,280,000.00	2/15/2022	2/15/2013	126500

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Borrower/ Bond Description	Commitment Amount	Outstanding Balance	Final Maturity	First Call Date	Loan Number
PARKWAY UTILITY DISTRICT					
WW & SS COMB UNLTD TAX & REVENUE BONDS, SRS 1998B	\$3,965,000.00	\$1,325,000.00	3/1/2017	3/1/2008	105700
PASADENA, CITY OF					
WTRWKS & SEWER SYSTEM REVENUE BONDS, SERIES 1998A	\$31,370,000.00	\$18,195,000.00	4/1/2019	6/1/2008	108500
PECOS CITY, TOWN OF					
W & WWS REV BONDS SER 2008	\$6,870,000.00	\$6,600,000.00	3/15/2034	9/15/2018	L080065
PHARR, CITY OF					
Wwks & SS Rev Bonds Series 2007	\$29,000,000.00	\$27,560,000.00	9/1/2027	9/1/2017	L060006
PINE VILLAGE PUD					
WW&SS COMB UNLMTD TAX & REV BONDS, SERIES 2000B	\$845,000.00	\$795,000.00	3/1/2020	3/1/2010	117300
WW & SS COMB UNLTD TX & REVENUE BONDS, SERIES 1995	\$810,000.00	\$305,000.00	9/1/2014	9/1/2005	85000
POINT CITY OF					
TAX & REV CO SERIES 2005	\$1,370,000.00	\$1,190,000.00	7/1/2025	1/1/2016	136800
POLK CO FWSD #2					
SEWER SYSTEM REVENUE BONDS, SERIES 2002	\$1,955,000.00	\$1,915,000.00	7/10/2022	1/10/2013	125200
SEWER SYSTEM REVENUE BONDS, SERIES 1997 A	\$3,140,000.00	\$1,875,000.00	7/10/2018	12/18/2007	103900
PORT ARTHUR CITY OF					
COMB TAX & REV CERT'S OF OBLIG, SERIES 2002A	\$15,000,000.00	\$10,185,000.00	2/15/2023	2/15/2012	119700
PORT LAVACA, CITY OF					
UTILITY SYSTEM REVENUE BONDS, SERIES 1996	\$4,950,000.00	\$2,475,000.00	2/15/2018	2/15/2007	99300
PORTER MUD					
UNLIMITED TAX AND REVENUE BONDS, SERIES 1997 A	\$2,145,000.00	\$1,675,000.00	3/1/2018	11/1/2007	104300
PORTLAND, CITY OF					
UTILITY SYSTEM REVENUE BONDS, SERIES 2000	\$1,775,000.00	\$1,270,000.00	9/1/2021	9/1/2010	119200
PROSPER, TOWN OF					
COMBINATION TAX & REVENUE CERTIFICATES OF OB,SER97	\$800,000.00	\$425,000.00	7/10/2018	7/10/2008	102300
QUINLAN, CITY OF					
TAX & WW & SS SURPLUS REV CERTS OF OB SERIES 1997	\$845,000.00	\$465,000.00	9/1/2017	9/1/2007	100700

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Borrower/ Bond Description	Commitment Amount	Outstanding Balance	Final Maturity	First Call Date	ATTACHMENT E Loan Number
RAYMONDVILLE, CITY OF COMB TAX & SUBORD LIEN REV CO SER 2010	\$1,365,000.00	\$1,365,000.00	4/1/2040	4/1/2020	L100043
REDWATER, CITY OF Tax & Rev CO Series 2005	\$470,000.00	\$400,000.00	6/1/2026	12/1/2015	137500
RICHLAND HILLS, CITY OF TX COMB & WTR & SWR REV CERT OF OBLIG, SRS 1998	\$4,000,000.00	\$2,080,000.00	8/15/2018	8/15/2008	105900
RICHMOND, CITY OF GENERAL OBLIGATION BONDS, SERIES 1999	\$4,400,000.00	\$0.00	3/1/2020	3/1/2010	113800
RIO GRANDE CITY, CITY OF WATERWORKS & SEWER SYSTEM REVENUE BONDS, SER 1991	\$350,000.00	\$45,000.00	7/10/2012	7/10/2001	S71300
CO SERIES 2007A	\$2,885,000.00	\$2,885,000.00	2/15/2030	2/15/2019	L070022
WATERWORKS & SEWER SYSTEM REVENUE BONDS,	\$210,000.00	\$30,000.00	7/10/2012	7/10/2001	78900
WATERWORKS & SEWER SYSTEM REVENUE BONDS, SER 1991	\$1,750,000.00	\$280,000.00	7/10/2012	7/10/2001	F71300
RIVIERA WCID SEWER SYSTEM REVENUE BONDS, SERIES 1995	\$280,000.00	\$135,000.00	11/1/2016	11/1/2005	90100
ROBSTOWN, CITY OF GAS & SEWER SYSTEM REVENUE BONDS, SERIES 1992	\$775,000.00	\$190,000.00	12/1/2012	12/1/2001	79000
ROCKDALE, CITY OF COMB TAX & REV CO SERIES 2005	\$6,300,000.00	\$5,675,000.00	8/15/2025	8/15/2015	134700
ROMA, CITY OF COMB TAX & REB CERTF OF OBLGA SERIES 1999	\$3,035,000.00	\$1,845,000.00	5/1/2020	2/25/2009	103100
COMB TAX & REVENUE CO, SRS 2003	\$1,150,000.00	\$876,000.00	5/1/2024	5/1/2013	103200
ROSCOE, CITY OF COMB TAX & REV CO SERIES 2007	\$1,560,000.00	\$1,320,000.00	2/15/2027	2/15/2018	L070050
ROSENBERG, CITY OF COMB TAX & REV CO SER 2010	\$414,000.00	\$353,000.00	8/1/2029	8/1/2010	L100004
ROXTON CITY OF COMB TAX & REV CO SER 2007	\$1,000,000.00	\$905,000.00	7/1/2027	7/1/2017	L070089

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Borrower/ Bond Description	Commitment Amount	Outstanding Balance	Final Maturity	First Call Date	ATTACHMENT E Loan Number
SABINAL, CITY OF					
COMB TAX & REV CO SERIES 2010	\$600,000.00	\$600,000.00	8/15/2031	8/15/2020	L080053
SAN ANTONIO WATER SYSTEM					
WATER SYS JR. LIEN REV & REFUND., SERIES 2002-A	\$12,090,000.00	\$9,675,000.00	5/15/2022	5/15/2012	121700
WATER SYS JR. LIEN REV & REFUND., SERIES 2002	\$15,650,000.00	\$12,315,000.00	5/15/2022	5/15/2012	121600
JR LIEN REV & REFUNDING BONDS, SERIES 2008A	\$23,260,000.00	\$22,235,000.00	5/15/2038	5/15/2018	L070029
JR LIEN REVENUE BONDS, SERIES 2004	\$10,635,000.00	\$10,015,000.00	5/15/2024	11/15/2014	130500
W SYS JR LIEN REV BONDS SER 2009	\$54,300,000.00	\$52,845,000.00	5/15/2039	11/15/2019	L090007
WS JR LIEN REV & REFUNDING BONDS SERIES 2007	\$8,070,000.00	\$7,045,000.00	5/15/2027	5/15/2017	135700
WS JR LIEN REVENUE BONDS SERIES 2008	\$30,000,000.00	\$28,510,000.00	5/15/2038	5/15/2018	L070028
JR LIEN REV & REFUNDING BONDS, SRS 2004A	\$26,365,000.00	\$24,970,000.00	5/15/2024	11/15/2014	127900
JR LIEN REV & REFUNDING BONDS, SERIES 2007A	\$35,375,000.00	\$31,280,000.00	5/15/2027	5/15/2017	133300
JUNIOR LIEN REV & REFUNDING BONDS, SERIES 2001	\$9,715,000.00	\$7,740,000.00	5/15/2021	5/15/2011	116900
JR LIEN REV BONDS SERIES 2003	\$34,000,000.00	\$30,085,000.00	5/15/2023	5/15/2013	125400
JUNIOR LIEN REVENUE & REFUNDING BONDS, SRS 2001-A	\$15,435,000.00	\$12,215,000.00	5/15/2021	5/15/2011	117000
SAN DIEGO, CITY OF					
COMBINATION TAX & REV CERT OF OBGL, SERIES 1994B	\$490,000.00	\$5,000.00	6/1/2011	6/1/2004	84500
SAN JUAN, CITY OF					
Wwks & SS Jr Lien Rev Bonds Series 2006	\$2,180,000.00	\$1,840,000.00	3/1/2026	3/1/2016	137400
SAN LEON MUD					
WW & SS COMB UNLIMITED TAX & SUB REV BONDS SER 96	\$1,150,000.00	\$475,000.00	7/10/2016	7/10/2006	94700
SAN PATRICIO MWD					
TAX SPEC CONT REV & SUBOR LIEN REV OBL,SERIES 1998	\$3,050,000.00	\$1,775,000.00	2/1/2018	2/1/2009	108800
SANGER, CITY OF					
UTILITY SYSTEM REVENUE BONDS, SERIES 1996	\$1,060,000.00	\$445,000.00	5/15/2016	5/15/2006	93100
SEGUIN, CITY OF					
UTILITY SYSTEM REVENUE BONDS, SERIES 1997	\$1,300,000.00	\$735,000.00	2/1/2017	2/1/2008	104600
SEMINOLE, CITY OF					
TAX & WWKS & SS SURP REV CO SERIES 2009	\$2,960,000.00	\$2,960,000.00	2/15/2034	8/15/2019	L090052

Borrower/ Bond Description	Commitment Amount	Outstanding Balance	Final Maturity	First Call Date	ATTACHMENT E Loan Number
SINTON, CITY OF					
FIRST LIEN REVENUE BONDS, SERIES 1997	\$600,000.00	\$5,000.00	8/1/2011	8/1/2007	100500
SONORA, CITY OF					
COMB TAX & SUBORD LIEN REV CO SERIES 2007	\$6,000,000.00	\$6,000,000.00	12/1/2029	6/1/2017	L070062
STAMFORD, CITY OF					
COMB TAX & REV CO SERIES 2004	\$265,000.00	\$190,000.00	2/15/2025	2/15/2015	134500
SUGAR LAND, CITY OF					
WW & SS REVENUE BONDS, SERIES 2002	\$3,215,000.00	\$2,125,000.00	8/15/2022	8/15/2012	130200
SUNBELT FWSD					
WW & SS REVENUE BONDS, SERIES 2000B	\$495,000.00	\$330,000.00	12/1/2020	6/1/2010	118200
WW & SS REVENUE BONDS, SERIES 2000	\$5,310,000.00	\$3,520,000.00	12/1/2020	6/1/2010	117800
WATERWORKS & SEWER SYSTEM REVENUE NOTES, SRS	\$945,000.00	\$770,000.00	12/1/2022	12/1/2011	121500
SWEETWATER, CITY OF					
COMB TAX AND REVN CERTIF OF OBLIGA SERIES 1998	\$3,990,000.00	\$2,070,000.00	8/15/2018	8/15/2008	105200
COMB TAX & REV CERT OF OBLIG, SERIES 1997	\$3,995,000.00	\$2,075,000.00	8/15/2018	8/15/2008	104700
TAFT, CITY OF					
COMB TAX & SURP REV CO SER 2010	\$5,780,000.00	\$5,780,000.00	3/1/2042	3/1/2020	L090063
TAHOKA, CITY OF					
COMBINATION TAX & REVENUE CERT OF OBL, SERIES 1998	\$1,780,000.00	\$915,000.00	2/15/2018	8/15/2009	109800
TATTOR ROAD MD					
COMB WW&SS UNLIMITED TAX & REVENUE BONDS, SER 1996	\$560,000.00	\$290,000.00	3/1/2016	3/1/2007	98500
TAYLOR LANDING, CITY OF					
UTIL SYST REV BONDS SER 2007	\$710,000.00	\$685,000.00	9/1/2028	3/1/2018	L070086
TAYLOR, CITY OF					
WATERWORKS AND SEWER REVENUE BONDS, SERIES 1997	\$2,950,000.00	\$2,650,000.00	8/15/2017	8/15/2008	104500
TEXARKANA, CITY OF					
WATERWORKS & SANITARY SEWER SYS REV BONDS, SER 96B	\$2,755,000.00	\$1,080,000.00	8/1/2016	12/1/2006	96800

Borrower/ Bond Description	Commitment Amount	Outstanding Balance	Final Maturity	First Call Date	Loan Number
TIOGA, CITY OF					
COMB TAX & REVENUE CERT OF OBLIGATION, SERIES 1998	\$300,000.00	\$155,000.00	4/1/2018	4/1/2008	107400
TOMBALL, CITY OF					
WATER AND SEWER SYSTEM REVENUE BONDS, SERIES 1999	\$7,550,000.00	\$4,100,000.00	2/15/2019	2/15/2009	110600
TRAVIS CO WCID (POINT VENTURE)					
COMB UNLTD TAX & W & WW SYS REV BONDS,SERIES 1998A	\$1,460,000.00	\$745,000.00	8/15/2018	8/15/2008	109500
TRINIDAD, CITY OF					
COMB TAX & REV CO SERIES 2007A	\$400,000.00	\$370,000.00	1/1/2027	1/1/2018	L070045
TRINITY BAY CONSERVATION DISTRICT					
WW & SEWER SYSTEM REVENUE BONDS, SERIES 1998A	\$1,300,000.00	\$735,000.00	8/15/2017	2/15/2008	105800
TRINITY RIVER AUTHORITY					
SYS REV BONDS SER 2009 (RED OAK CREEK)	\$8,280,000.00	\$8,280,000.00	2/1/2031	2/1/2020	L100033
CENT REGION WW SYST REV BONDS SER 2004	\$106,475,000.00	\$104,975,000.00	8/1/2026	2/1/2015	135300
CONTRACT REV BONDS SER 2007	\$120,000,000.00	\$119,995,000.00	8/1/2027	8/1/2017	L070090
SYS REV BONDS SER 2010 (TEN MI CR SYSTEM)	\$23,410,000.00	\$23,410,000.00	8/1/2036	2/1/2020	L100032
WW SYS REV BONDS SER 2010 (CENTRAL REG WWS)	\$107,180,000.00	\$107,180,000.00	8/1/2034	2/1/2020	L100029
CONTRACT REV BONDS SER 2009	\$86,780,000.00	\$86,780,000.00	8/1/2030	2/1/2019	L070097
WW SYSTEM REV BONDS, SRS 2001 (CENTRAL REGIONAL WW SYSTEM REVENUE BONDS, SERIES 2007	\$88,225,000.00	\$86,730,000.00	8/1/2020	8/1/2011	121200
WWS REV IMPROVEMENT BONDS, SERIES 2007	\$46,190,000.00	\$43,880,000.00	8/1/2027	8/1/2017	L070098
CONTRACT REV BONDS SERIES 2008	\$47,595,000.00	\$47,585,000.00	2/1/2027	8/1/2017	L070099
CONTRACT REV BONDS SERIES 2008	\$24,800,000.00	\$24,795,000.00	2/1/2028	2/1/2018	L080005
CONT REV BONDS SER 2009	\$7,760,000.00	\$7,760,000.00	2/1/2036	2/1/2020	L090008
CONTR REV BONDS SER 2009	\$1,775,000.00	\$1,775,000.00	8/1/2032	2/1/2020	L090009
REV BONDS, SRS 2000 (DENTON CREEK)	\$8,480,000.00	\$6,660,000.00	2/1/2021	2/1/2011	120200
CONTRACT REV BONDS SER 2008	\$90,000,000.00	\$89,995,000.00	8/1/2028	8/1/2017	L070096
TULIA, CITY OF					
COMB TAX & REV CERTS OF OBLIG SERIES 1997	\$2,620,000.00	\$1,205,000.00	8/15/2017	8/15/2007	100000
UPPER TRINITY REGIONAL WATER DISTRICT					
NONPOTABLE WATER SUPPLY SYSTEM REV BONDS, SER 1996	\$3,085,000.00	\$1,340,000.00	8/1/2016	2/1/2006	96300
LAKEVIEW REGIONAL WATER SYS REV BONDS, SERIES 2001	\$6,685,000.00	\$4,870,000.00	8/1/2023	2/1/2012	122400

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VERNON, CITY OF					
COMB TAX & REVENUE CO'S, SERIES 2002	\$2,855,000.00	\$2,120,000.00	3/15/2023	3/15/2012	125300
VICTORIA CO WCID #1					
UNLIMITED TAX & WW & SSREVENUE BONDS, SERIES 1997	\$1,280,000.00	\$650,000.00	3/1/2018	3/1/2007	99400
WAXAHACHIE, CITY OF					
COMBINATION TAX AND REV CERT OF OBLIG, SERIES 1996	\$3,935,000.00	\$1,775,000.00	8/1/2017	8/1/2007	98400
WELLMAN, CITY OF					
TAX & SEWER SYSTEM REVENUE CO'S, SERIES 1993	\$600,000.00	\$180,000.00	3/1/2014	3/1/2004	82300
WELLS BRANCH MUD					
UNLIMITED TAX BONDS, SERIES 1999	\$1,400,000.00	\$780,000.00	8/1/2019	8/1/2009	107800
WELLS, CITY OF					
TAX & UTILITY SYSTEM SURPLUS REVENUE CO, SER'1991	\$220,000.00	\$40,000.00	9/1/2011	9/1/2001	F75900
WESLACO, CITY OF					
WATERWORKS & SEWER SYSTEM REVENUE BONDS, SRS 1998	\$5,930,000.00	\$3,135,000.00	12/1/2017	12/1/2008	91700
WEST TAWAKONI, CITY OF					
COMB TAX & UTILITY SYSTEM REV CERT - SERIES 1995	\$250,000.00	\$90,000.00	1/1/2015	1/1/2005	88500
WEST UNIVERSITY PLACE, CITY OF					
WW & SS REVENUE BONDS, SERIES 2001B	\$3,015,000.00	\$2,430,000.00	2/1/2021	8/1/2011	115300
WESTWOOD SHORES MUD					
UNLTD TAX BONDS SER 2010B	\$1,825,000.00	\$1,825,000.00	5/1/2030	5/1/2020	L090079
WHITE OAK BEND MUD					
WW&SS COMB UNLMTD TAX & REV BONDS, SRS 2003	\$470,000.00	\$440,000.00	10/1/2022	4/1/2013	128600
COMBINATION UNLIMITED TAX & REVENUE BONDS, SER 94A	\$1,531,000.00	\$441,000.00	10/1/2010	10/1/2004	87100
WHITE OAK, CITY OF					
WATERWORKS & SEWER SYSTEM REVENUE BONDS, SRS 2001	\$1,845,000.00	\$775,000.00	3/1/2015	3/1/2011	120800
WHITESBORO, CITY OF					
COMBINATION TAX & REV CO'S, SERIES 2002	\$2,725,000.00	\$1,900,000.00	8/15/2022	8/15/2013	114900

Borrower/ Bond Description	Commitment Amount	Outstanding Balance	Final Maturity	First Call Date	Loan Number
WICHITA FALLS, CITY OF					
WATER & SEWER SUBORD LIEN REV BONDS, SERIES 1998	\$8,060,000.00	\$25,000.00	8/1/2018	8/1/2008	106400
WILLIS, CITY OF					
COMBINATION TAX & REVENUE CO'S, SERIES 2001	\$1,000,000.00	\$700,000.00	8/1/2022	8/1/2013	124200
WATERWORKS & SEWER SYSTEM REV BONDS, SERIES '95B	\$1,170,000.00	\$560,000.00	8/1/2016	8/1/2005	89200
COMB TAX & REV CO SER 2010	\$1,355,000.00	\$1,355,000.00	8/1/2031	8/1/2020	L100071
WILMER, CITY OF					
WATERWORKS & SEWER SYSTEM JR LIEN REV BOND SER 93	\$250,000.00	\$90,000.00	4/15/2014	4/15/2003	F76800
WILSON, CITY OF					
COMB TAX & REV CO SERIES 2009	\$1,705,000.00	\$1,705,000.00	2/15/2039	8/15/2019	L090091
WINNSBORO, CITY OF					
COMB TAX & REV CO SERIES 2005	\$1,050,000.00	\$915,000.00	2/15/2026	8/15/2015	134300
WINTERS, CITY OF					
TAX & WWKS & SS SURP REV CO SER 2007A	\$655,000.00	\$630,000.00	10/1/2028	10/1/2017	L070064
YOAKUM, CITY OF					
COMB TAX & SUBORD LIEN REV CO SERIES 2006	\$5,000,000.00	\$4,840,000.00	8/15/2028	2/15/2017	L070004
COMB TAX & SUBORD LIEN REV CO SER 2008	\$2,500,000.00	\$2,385,000.00	8/15/2031	8/15/2018	L070014
ZAPATA COUNTY					
COMB TAX & REV CO SER 2008	\$6,415,000.00	\$6,415,000.00	2/15/2032	2/15/2018	L070091
Grand Total:	\$3,248,475,000.00	\$2,675,417,000.00			

Texas Water Development Board
Statement of Net Assets - Clean Water State Revolving Fund

August 31,

	2006	2007	2008	2009	2010
ASSETS					
Current Assets:					
Cash and Cash Equivalents:					
Cash Equivalents			\$ 75,969,438		\$ 60,722,501
Short Term Investments	494,986,824	462,969,693	597,528,714	752,308,137	596,712,275
Receivables from:					
Federal			433,494	991,562	328,293
Interest and Dividends	24,036,462	22,589,454	26,123,268	26,713,765	19,779,583
Loans and Contracts	81,606,000	81,939,000	93,470,000	104,399,000	99,419,000
Total Current Assets	\$ 600,629,286	\$ 567,498,147	\$ 793,524,914	\$ 884,412,464	\$ 776,961,652
Non-Current Assets:					
Loans and Contracts	2,248,773,766	2,197,544,766	2,516,503,766	2,668,719,766	2,575,998,000
Total Non-Current Assets	\$ 2,248,773,766	\$ 2,197,544,766	\$ 2,516,503,766	\$ 2,668,719,766	\$ 2,575,998,000
Total Assets	\$ 2,849,403,052	\$ 2,765,042,913	\$ 3,310,028,680	\$ 3,553,132,230	\$ 3,352,959,652
LIABILITIES					
Current Liabilities:					
Payables from:					
Accounts Payable		2,704	433,659	113,619	21,897
Interest Payable	7,821,831	7,358,081	7,066,705	7,044,802	7,082,869
Interfund Payables	11,504,675	11,959,675	13,027,675	14,344,643	5,650,063
Due to Other Funds	1,472,593	1,363,825	1,310,627	1,794,147	950,247
Deferred Revenue	30,007,717	29,712,270	34,751,084	37,402,193	36,885,020
Revenue Bonds Payable	38,925,000	36,480,000	42,555,000	46,045,000	22,895,474
Total Current Liabilities	\$ 89,731,816	\$ 86,876,555	\$ 99,144,750	\$ 106,744,404	\$ 73,485,570
Non-Current Liabilities:					
Interfund Payable	146,765,230	138,805,555	135,561,880	129,392,001	96,610,005
Revenue Bonds Payable (net)	1,195,375,000	898,738,000	1,319,611,841	1,508,466,282	1,303,215,334
Total Non-Current Liabilities	\$ 1,342,140,230	\$ 1,037,543,555	\$ 1,455,173,721	\$ 1,637,858,283	\$ 1,399,825,339
Total Liabilities	\$ 1,431,872,046	\$ 1,124,420,110	\$ 1,554,318,471	\$ 1,744,602,687	\$ 1,473,310,909
NET ASSETS					
Unrestricted	1,417,531,006	1,640,622,803	1,755,710,209	1,808,529,543	1,879,648,743
Total Net Assets	\$ 1,417,531,006	\$ 1,640,622,803	\$ 1,755,710,209	\$ 1,808,529,543	\$ 1,879,648,743

(1) The financial data presented here is a recapitulation of the Board's financial statements presented in their Annual Financial Reports. The Board's financial statements become a part of the Comprehensive Annual Financial Report for the State of Texas, which is audited by the State Auditor's Office; however, the scope of the reviews at the agency level do not constitute an audit of the individual agency's financial statements. Consequently, these statements are considered unaudited the agency level.

Texas Water Development Board
Statement of Revenues, Expenses, and Changes in Net Assets - Clean Water State Revolving Fund
for the Fiscal Year Ended August 31,

	2006	2007	2008	2009	2010
OPERATING REVENUES:					
Interest and Investment Income	\$ 112,072,633	\$ 121,420,247	\$ 103,791,571	\$ 100,876,544	\$ 101,532,886
Net Increase (Decrease) Fair Market Value		10,144	(131,593)	715,892	(324,490)
Other Operating Revenues	2,704,982	5,159,766	2,975,319	3,100,244	5,640,693
Total Operating Revenues	\$ 114,777,615	\$ 126,590,157	\$ 106,635,297	\$ 104,692,680	\$ 106,849,089
OPERATING EXPENSES:					
Salaries and Wages	4,353,188	4,164,596	3,680,165	4,211,635	5,650,381
Payroll Related Costs	654,797	490,456	538,534	864,548	864,800
Professional Fees and Services	401,732	992,537	857,134	554,158	1,437,911
Travel	24,193	39,036	46,528	42,593	53,626
Materials and Supplies	115,911	89,747	60,359	170,646	(1,638)
Communication and Utilities	32,914	26,812	17,246	22,715	27,924
Repairs and Maintenance	18,212	29,422	5,392	8,593	29,844
Rentals and Leases	28,764	36,591	30,872	36,145	60,296
Printing and Reproduction	1,529			3,137	2,227
Interest	72,646,960	65,210,393	48,278,397	63,155,968	67,951,668
Other Operating Expenses	178,182	2,352,490	1,483,779	2,122,988	1,898,630
Total Operating Expenses	\$ 78,456,382	\$ 73,432,080	\$ 54,998,406	\$ 71,193,126	\$ 77,975,669
Operating Income (Loss)	\$ 36,321,233	\$ 53,158,077	\$ 51,636,891	\$ 33,499,554	\$ 28,873,420
NONOPERATING REVENUES (EXPENSES):					
Federal Revenue	15,495,249	169,933,720	63,450,515	19,319,780	67,708,724
Settlement of Claims					
Other Nonoperating Revenues (Expenses)					(26,744,342)
Total Nonoperating Revenues (Expenses)	\$ 15,495,249	\$ 169,933,720	\$ 63,450,515	\$ 19,319,780	\$ 40,964,382
Income/(Loss) before Other Revenues, Expenses, Gains/Losses and Transfers	51,816,482	223,091,797	115,087,406	52,819,334	69,837,802
OTHER REVENUES, EXPENSES, GAINS/LOSSES AND TRANSFERS:					
Transfers-In	2,149,225				1,281,398
Total Other Revenues, Expenses, Gain/Losses and Transfers	2,149,225	-	-	-	1,281,398
Change in Net Assets	\$ 53,965,707	\$ 223,091,797	\$ 115,087,406	\$ 52,819,334	\$ 71,119,200
Total Net Assets, September 1, XXXX	1,363,565,299	1,417,531,006	1,640,622,803	1,755,710,209	1,808,529,543
Total Net Assets, August 31, Ending	\$ 1,417,531,006	\$ 1,640,622,803	\$ 1,755,710,209	\$ 1,808,529,543	\$ 1,879,648,743

(1) The financial data presented here is a recapitulation of the Board's financial statements presented in their Annual Financial Reports. The Board's financial statements become a part of the Comprehensive Annual Financial Report for the State of Texas, which is audited by the State Auditor's Office; however, the scope of the reviews at the agency level do not constitute an audit of the individual agency's financial statements. Consequently, these statements are considered unaudited at the agency level.

NEW ISSUE - BOOK-ENTRY-ONLY

In the opinion of Vinson & Elkins L.L.P., Bond Counsel, interest on the Series 1998A Bonds is excludable from gross income for federal income tax purposes under existing law and the Series 1998A Bonds are not "private activity bonds." See "TAX MATTERS" for a discussion of the opinion of Bond Counsel, including a description of alternative minimum tax consequences for corporations and other federal tax consequences.



\$150,000,000
TEXAS WATER DEVELOPMENT BOARD
STATE REVOLVING FUND
SENIOR LIEN REVENUE BONDS,
PROGRAM SERIES 1998A

Dated: August 1, 1998

Due: July 15 as shown below

The above installment of bonds (the "Series 1998A Bonds") will be issued pursuant to a resolution adopted on May 21, 1998 (the "Resolution") by the Texas Water Development Board (the "Board"). The Resolution established a financing program (the "Financing Program"), pursuant to which the Board has authorized the issuance from time to time, in one or more installments, through December 31, 1998 (the "Program Period"), of the Board's State Revolving Fund Senior Lien Revenue Bonds, Program Series 1998, in an aggregate principal amount not to exceed \$350,000,000 (the "Bonds"). The Series 1998A Bonds constitute the first installment of the Bonds delivered under authority of the Resolution. The Series 1998A Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will initially act as securities depository for the Series 1998A Bonds. So long as the Series 1998A Bonds are in book-entry-only form individual purchases will be made in book-entry-only form, in denominations of the principal amount of \$5,000 or integral multiples thereof. Purchasers will not receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as securities depository with respect to the Series 1998A Bonds. See "Appendix A-INFORMATION REGARDING THE BONDS-THE BONDS-Book-Entry-Only System." The Series 1998A Bonds bear interest from the dated date set forth above and are payable on January 15, 1999 and semiannually thereafter on July 15 and January 15 of each year until maturity or prior redemption of the Series 1998A Bonds. The Bank of New York, New York, New York is acting as paying agent and registrar for the Series 1998A Bonds. The Board has reserved the right in the Resolution to extend the Program Period and to increase the authorized aggregate principal amount of the Bonds that may be issued during the Program Period without the consent of the holders of the Bonds.

The Bonds are subject to optional and mandatory redemption prior to maturity, as more fully described in this Official Statement. See "THE INSTALLMENT BONDS,"

The Series 1998A Bonds are issued under authority of the laws of the State of Texas, including specifically Subchapter J, Chapter 15, Texas Water Code. The Series 1998A Bonds shall never constitute general obligations of the Board or the State of Texas within the meaning of any constitutional or statutory provision or limitation. Issuance of the Series 1998A Bonds shall not, directly, indirectly or contingently, obligate the State of Texas to levy any form of taxation therefor or make any appropriation for their payment. The Board has no taxing power.

The Series 1998A Bonds, together with the outstanding Prior Bonds (outstanding in the aggregate principal amount of \$1,059,820,000 as of the quarter ended May 31, 1998 with \$15,560,000 principal maturing July 15, 1998), are special obligations of the Board payable solely from a first lien on the security pledged pursuant to the Resolution including, but not limited to, (i) all amounts received by the Board from the repayments and prepayments on the political subdivision bonds and government obligations held within the State Revolving Fund, (ii) the proceeds from the sale of any such political subdivision bonds or governmental obligations, (iii) all amounts received by the Board under any collateral documents related to such political subdivision bonds, (iv) all political subdivision bonds and government obligations held within the State Revolving Fund and (v) all money and investments held in the clearance account, the senior lien reserve account, the operating account, the senior lien interest and sinking account, the portfolio redemption account and the program account within the State Revolving Fund. The Board has reserved the right in the Resolution to issue additional installments of the Bonds, and Additional Bonds and to execute Bond Enhancement Agreements on a parity with the Bonds. See "Appendix A-INFORMATION REGARDING THE BONDS-SECURITY AND RELATED MATTERS.

The proceeds from the sale of the Series 1998A Bonds will be used for the purposes of providing funds to the State Revolving Fund to purchase political subdivision bonds, funding a reserve account and paying the costs of issuance thereof. See "THE INSTALLMENT BONDS-Sources and Uses."

MATURITY SCHEDULE

CUSIP Prefix: 882854

Maturity	Principal	Interest	Price or	Maturity	Principal	Interest	Price or
<u>July 15</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>July 15</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>
2001	\$1,000,000	4.000%	3.950%	2010*	\$7,500,000	5.250%	104.305%
2002	1,000,000	4.000	4.050	2011*	8,000,000	5.250	103.664
2003	3,000,000	4.100	4.125	2012*	8,000,000	5.250	103.067
2004	4,750,000	5.000	4.200	2013*	9,000,000	5.250	102.632
2005	5,000,000	4.250	4.300	2014*	13,000,000	5.250	102.239
2006	6,000,000	4.300	4.375	2015*	19,750,000	5.250	101.770
2007	6,500,000	5.000	4.420	2016	13,000,000	5.000	5.080
2008	6,750,000	5.000	4.480	2017	8,820,000	5.000	5.110
2009*	7,250,000	5.250	105.112	2018	4,680,000	5.000	5.130

\$17,000,000 4.750% Term Bonds due July 15, 2020 Priced to Yield 5.130%
 (plus accrued interest from August 1, 1998)

* Priced to par call on July 15, 2008.

The Series 1998A Bonds are offered for delivery when, as and if issued, and are subject to the approval of the Attorney General of the State of Texas and subject to the approval of certain legal matters by Vinson & Elkins L.L.P., Bond Counsel. Certain legal matters will be passed upon for the Underwriters by McCall, Parkhurst & Horton L.L.P. It is expected that the Series 1998A Bonds will be delivered through the facilities of DTC on or about August 25, 1998.

PAINWEBBER INCORPORATED

ARTEMIS CAPITAL GROUP, INC.
 DAIN RAUSCHER INCORPORATED

BANC ONE CAPITAL MARKETS, INC.
 WALTON JOHNSON & COMPANY

Dated: August 12, 1998

NEW ISSUE -- BOOK-ENTRY-ONLY

In the opinion of Vinson & Elkins L.L.P., Bond Counsel, interest on the Series 1999A Bonds is excludable from gross income for federal income tax purposes under existing law and the Series 1999A Bonds are not "private activity bonds." See "TAX MATTERS" for a discussion of the opinion of Bond Counsel, including a description of alternative minimum tax consequences for corporations and other federal tax consequences.



\$100,000,000
TEXAS WATER DEVELOPMENT BOARD
STATE REVOLVING FUND
SENIOR LIEN REVENUE BONDS,
PROGRAM SERIES 1999A

DATED: September 1, 1999

Due: July 15 as shown below

The above installment of bonds (the "Series 1999A Bonds") will be issued pursuant to a resolution adopted on July 14, 1999 (the "Resolution") by the Texas Water Development Board (the "Board"). The Resolution established a financing program (the "Financing Program"), pursuant to which the Board has authorized the issuance from time to time, in one or more installments, through August 31, 2000 (the "Program Period"), of the Board's State Revolving Fund Senior Lien Revenue Bonds, Program Series 1999 or 2000, as applicable, in an aggregate principal amount not to exceed \$350,000,000 (the "Bonds"). The Series 1999A Bonds constitute the first installment of the Bonds delivered under authority of the Resolution. The Series 1999A Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will initially act as securities depository for the Series 1999A Bonds. So long as the Series 1999A Bonds are in book-entry-only form individual purchases will be made in book-entry-only form, in denominations of the principal amount of \$5,000 or integral multiples thereof. Purchasers will not receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as securities depository with respect to the Series 1999A Bonds. See "Appendix A - INFORMATION REGARDING THE BONDS - THE BONDS - Book-Entry-Only System." The Series 1999A Bonds bear interest from the dated date set forth above and are payable on January 15, 2000 and semiannually thereafter on July 15 and January 15 of each year until maturity or prior redemption of the Series 1999A Bonds. The Bank of New York, New York, New York is acting as paying agent and registrar for the Series 1999A Bonds. The Board has reserved the right in the Resolution to extend the Program Period and to increase the authorized aggregate principal amount of the Bonds that may be issued during the Program Period without the consent of the holders of the Bonds.

The Bonds are subject to optional and mandatory redemption prior to maturity, as more fully described in this Official Statement. See "THE INSTALLMENT BONDS."

The Series 1999A Bonds are issued under authority of the laws of the State of Texas, including specifically Subchapter J, Chapter 15, Texas Water Code. The Series 1999A Bonds shall never constitute general obligations of the Board or the State of Texas within the meaning of any constitutional or statutory provision or limitation. Issuance of the Series 1999A Bonds shall not, directly, indirectly or contingently, obligate the State of Texas to levy any form of taxation therefor or make any appropriation for their payment. The Board has no taxing power.

The Series 1999A Bonds, together with the outstanding Prior Bonds (outstanding in the aggregate principal amount of \$1,194,260,000 as of the quarter ended May 31, 1999 with \$18,215,000 principal maturing July 15, 1999), are special obligations of the Board payable solely from a first lien on the security pledged pursuant to the Resolution including, but not limited to, (i) all amounts received by the Board from the repayments and prepayments on the Political Subdivision Bonds and Government Obligations held within the State Revolving Fund, (ii) the proceeds from the sale of any such Political Subdivision Bonds or Governmental Obligations, (iii) all amounts received by the Board under any collateral documents related to such Political Subdivision Bonds, (iv) all Political Subdivision Bonds and Government Obligations held within the State Revolving Fund and (v) all money and investments held in the Clearance Account, the Senior Lien Reserve Account, the Operating Account, the Senior Lien Interest and Sinking Account, the Portfolio Redemption Account and the Program Account within the State Revolving Fund. The Board has reserved the right in the Resolution to issue additional installments of the Bonds, Additional Bonds and execute Bond Enhancement Agreements on a parity with the Bonds. See "Appendix A - INFORMATION REGARDING THE BONDS - SECURITY AND RELATED MATTERS."

The proceeds from the sale of the Series 1999A Bonds will be used for the purposes of providing funds to the State Revolving Fund to purchase Political Subdivision Bonds, funding a reserve account and paying the costs of issuance thereof. See "THE INSTALLMENT BONDS -Sources and Uses."

Maturity Schedule								CUSIP Prefix: 9828543
Maturity July 15	Principal Amount	Interest Rate	Reoffering Price or Yield	Maturity July 15	Principal Amount	Interest Rate	Reoffering Price Or Yield	
2001	\$1,020,000	4.100%	4.100%	2011*	\$4,980,000	5.625%	102.989	
2002	1,025,000	4.200	4.200	2012*	4,495,000	5.625	102.219	
2003	1,025,000	4.350	4.350	2013*	3,505,000	5.750	102.779	
2004	1,230,000	4.400	4.450	2014*	7,510,000	5.750	102.244	
2005	3,480,000	4.500	4.600	2015*	8,525,000	5.750	101.864	
2006	3,715,000	4.625	4.700	2016*	7,790,000	5.750	101.486	
2007	3,955,000	4.750	4.800	2017*	7,800,000	5.750	101.109	
2008	4,190,000	5.500	4.900					
2009	4,960,000	5.500	5.000					
2010*	4,970,000	5.500	102.890					

\$25,825,000 5.50% Term Bonds due July 15, 2021 at a price of 97.512
 (plus accrued interest from September 1, 1999)

The Series 1999A Bonds are offered for delivery when, as and if issued, and are subject to the approval of the Attorney General of the State of Texas and subject to the approval of certain legal matters by Vinson & Elkins L.L.P., Bond Counsel. Certain legal matters will be passed upon for the Underwriters by McCall, Parkhurst & Horton L.L.P. It is expected that the Series 1999A Bonds will be delivered through the facilities of DTC on or about September 28, 1999.

BEAR, STEARNS & CO. INC.

COASTAL SECURITIES
MORGAN STANLEY DEAN WITTER
 Morgan Stanley & Co. Incorporated

JACKSON SECURITIES INCORPORATED
SIEBERT BRANDFORD SHANK & CO., LLC

*Priced to par call on July 15, 2009.

NEW ISSUE -- BOOK-ENTRY-ONLY

In the opinion of Vinson & Elkins L.L.P., Bond Counsel, interest on the Series 1999B Bonds, is excludable from gross income for federal income tax purposes under existing law and the Series 1999B Bonds are not "private activity bonds". See "TAX MATTERS" for a discussion of the opinion of Bond Counsel, including a description of alternative minimum tax consequences for corporations and other federal tax consequence.



\$150,000,000
TEXAS WATER DEVELOPMENT BOARD
STATE REVOLVING FUND
SENIOR LIEN REVENUE BONDS,
PROGRAM SERIES 1999B

DATED: November 15, 1999

Due: July 15 as shown below

The above installment of bonds (the "Series 1999B Bonds") will be issued pursuant to a resolution adopted on July 14, 1999 (the "Resolution") by the Texas Water Development Board (the "Board"). The Resolution established a financing program (the "Financing Program"), pursuant to which the Board has authorized the issuance from time to time, in one or more installments, through August 31, 2000 (the "Program Period"), of the Board's State Revolving Fund Senior Lien Revenue Bonds, Program Series 1999 or 2000, as applicable, in an aggregate principal amount not to exceed \$350,000,000 (the "Bonds"). The Series 1999B Bonds constitute the second installment of the Bonds delivered under authority of the Resolution. The first installment of bonds "Texas Water Development Board State Revolving Fund Senior Lien Revenue Bonds, Program Series 1999A" (the "Series 1999A Bonds") were issued in the aggregate principal amount of \$100,000,000 on September 28, 1999. The Series 1999B Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will initially act as securities depository for the Series 1999B Bonds. So long as the Series 1999B Bonds are in book-entry- form individual purchases will be made in book-entry-only form, in denominations of the principal amount of \$5,000 or integral multiples thereof. Purchasers will not receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as securities depository with respect to the Series 1999B Bonds. See "Appendix A - INFORMATION REGARDING THE BONDS - THE BONDS - Book-Entry-Only System." The Series 1999B Bonds bear interest from the dated date set forth above and are payable on July 15, 2000 and semiannually thereafter on January 15 and July 15 of each year until maturity or prior redemption of the Series 1999B Bonds. The Bank of New York, New York, New York is acting as paying agent and registrar for the Series 1999B Bonds. The Board has reserved the right in the Resolution to extend the Program Period and to increase the authorized aggregate principal amount of the Bonds that may be issued during the Program Period without the consent of the holders of the Bonds.

The Bonds are subject to optional and mandatory redemption prior to maturity, as more fully described in this Official Statement. See "THE INSTALLMENT BONDS."

The Series 1999B Bonds are issued under authority of the laws of the State of Texas, including specifically Subchapter J, Chapter 15, Texas Water Code. The Series 1999B Bonds shall never constitute general obligations of the Board or the State of Texas within the meaning of any constitutional or statutory provision or limitation. Issuance of the Series 1999B Bonds shall not, directly, indirectly or contingently, obligate the State of Texas to levy any form of taxation therefor or make any appropriation for their payment. The Board has no taxing power.

The Series 1999B Bonds, together with the outstanding Prior Bonds (outstanding in the aggregate principal amount of \$1,176,045,000 as of the quarter ended August 31, 1999, with an additional \$100,000,000 in aggregate principal amount of Series 1999A Bonds outstanding as of September 28, 1999 and with \$23,905,000 principal maturing July 15, 2000), are special obligations of the Board payable solely from a first lien on the security pledged pursuant to the Resolution including, but not limited to, (i) all amounts received by the Board from the repayments and prepayments on the Political Subdivision Bonds and Government Obligations held within the State Revolving Fund, (ii) the proceeds from the sale of any such Political Subdivision Bonds or Governmental Obligations, (iii) all amounts received by the Board under any collateral documents related to such Political Subdivision Bonds, (iv) all Political Subdivision Bonds and Government Obligations held within the State Revolving Fund and (v) all money and investments held in the Clearance Account, the Senior Lien Reserve Account, the Operating Account, the Senior Lien Interest and Sinking Account, the Portfolio Redemption Account and the Program Account within the State Revolving Fund. The Board has reserved the right in the Resolution to issue additional installments of the Bonds, Additional Bonds and execute Bond Enhancement Agreements on a parity with the Bonds. See "Appendix A - INFORMATION REGARDING THE BONDS - SECURITY AND RELATED MATTERS."

The proceeds from the sale of the Series 1999B Bonds will be used for the purposes of providing funds to the State Revolving Fund to purchase Political Subdivision Bonds, funding a reserve account and paying the costs of issuance thereof. See "THE INSTALLMENT BONDS - Sources and Uses."

MATURITY SCHEDULE

CUSIP Prefix: 882854

<u>Maturity</u> <u>July 15</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Price or</u> <u>Yield</u>	<u>Maturity</u> <u>July 15</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Price or</u> <u>Yield</u>
2001	\$ 1,050,000	4.125%	4.150%	2010	\$ 7,245,000	5.500%	103.118*
2002	1,050,000	4.300	4.300	2011	8,505,000	5.750	104.429*
2003	1,045,000	4.400	4.430	2012	9,775,000	5.750	103.633*
2004	1,040,000	4.500	4.530	2013	12,550,000	5.750	102.845*
2005	1,040,000	4.600	4.630	2014	13,555,000	5.750	102.065*
2006	2,035,000	4.750	4.750	2015	14,555,000	5.500	5.580
2007	3,760,000	4.800	4.850	2016	15,520,000	5.375	5.650
2008	4,240,000	5.500	4.950	2017	17,960,000	5.250	5.700
2009	5,510,000	5.000	5.030	2018	4,870,000	5.700	5.750

\$24,695,000 5.625% Term Bonds due July 15, 2021 Priced to Yield 5.850%
 (plus accrued interest from November 15, 1999)

The Series 1999B Bonds are offered for delivery when, as and if issued, and are subject to the approval of the Attorney General of the State of Texas and subject to the approval of certain legal matters by Vinson & Elkins L.L.P., Bond Counsel. Certain legal matters will be passed upon for the Underwriters by McCall, Parkhurst & Horton L.L.P. It is expected that the Series 1999B Bonds will be delivered through the facilities of DTC on or about December 14, 1999.

Bear, Stearns & Co. Inc.
Estrada Hinojosa & Company, Inc.
Ramirez & Co., Inc.

Chase Securities Inc.
Goldman, Sachs & Co.
Southwest Securities

*Priced to par call on January 15, 2010.
 Dated: November 19, 1999

OFFICIAL STATEMENT

NEW ISSUE -- BOOK-ENTRY-ONLY

ATTACHMENT E

In the opinion of Vinson & Elkins L.L.P., Bond Counsel, interest on the Series 2000A Bonds is excludable from gross income for federal income tax purposes under existing law and the Series 2000A Bonds are not "private activity bonds." See "TAX MATTERS" for a discussion of the opinion of Bond Counsel, including a description of alternative minimum tax consequences for corporations and other federal tax consequences.



\$100,000,000
TEXAS WATER DEVELOPMENT BOARD
STATE REVOLVING FUND
SENIOR LIEN REVENUE BONDS,
PROGRAM SERIES 2000A

DATED: August 15, 2000

Due: July 15 as shown below

The above installment of bonds (the "Series 2000A Bonds") will be issued pursuant to a resolution adopted on July 14, 1999 as amended on July 19, 2000 (collectively, the "Resolution") by the Texas Water Development Board (the "Board"). The Resolution established a financing program (the "Financing Program"), pursuant to which the Board has authorized the issuance from time to time, in one or more installments, through October 31, 2000 (the "Program Period"), of the Board's State Revolving Fund Senior Lien Revenue Bonds, Program Series 1999 or 2000, as applicable, in an aggregate principal amount not to exceed \$350,000,000 (the "Bonds"). The Series 2000A Bonds constitute the third installment of the Bonds delivered under authority of the Resolution. The "Texas Water Development Board State Revolving Fund Senior Lien Revenue Bonds, Program Series 1999A" (the "Series 1999A Bonds"), the first installment of bonds issued under the Financing Program, were issued in the aggregate principal amount of \$100,000,000 on September 28, 1999. The "Texas Water Development Board State Revolving Fund Senior Lien Revenue Bonds, Program Series 1999B" (the "Series 1999B Bonds"), the second installment of bonds issued under the Financing Program, were issued in the aggregate principal amount of \$150,000,000 on December 14, 1999. The Series 2000A Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will initially act as securities depository for the Series 2000A Bonds. So long as the Series 2000A Bonds are in book-entry-only form individual purchases will be made in book-entry-only form, in denominations of the principal amount of \$5,000 or integral multiples thereof. Purchasers will not receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as securities depository with respect to the Series 2000A Bonds. See "Appendix A - INFORMATION REGARDING THE BONDS - THE BONDS - Book-Entry-Only System." Interest on the Series 2000A Bonds accrues from the dated date set forth above and is payable on January 15, 2001 and semiannually thereafter on July 15 and January 15 of each year until maturity or prior redemption of the Series 2000A Bonds. The Bank of New York is acting as paying agent and registrar for the Series 2000A Bonds. The Board has reserved the right in the Resolution to extend the Program Period and to increase the authorized aggregate principal amount of the Bonds that may be issued during the Program Period without the consent of the holders of the Bonds.

The Bonds are subject to optional and mandatory redemption prior to maturity, as more fully described in this Official Statement. See "THE INSTALLMENT BONDS."

The Series 2000A Bonds are issued under authority of the laws of the State of Texas, including specifically Subchapter J, Chapter 15, Texas Water Code. The Series 2000A Bonds shall never constitute general obligations of the Board or the State of Texas within the meaning of any constitutional or statutory provision or limitation. Issuance of the Series 2000A Bonds shall not, directly, indirectly or contingently, obligate the State of Texas to levy any form of taxation therefor or make any appropriation for their payment. The Board has no taxing power.

The Series 2000A Bonds, together with the outstanding Prior Bonds (outstanding in the aggregate principal amount of \$1,426,045,000 as of the quarter ended May 31, 2000), are special obligations of the Board payable solely from a first lien on the security pledged pursuant to the Resolution including, but not limited to, (i) all amounts received by the Board from the repayments and prepayments on the Political Subdivision Bonds and Government Obligations held within the State Revolving Fund, (ii) the proceeds from the sale of any such Political Subdivision Bonds or Governmental Obligations, (iii) all amounts received by the Board under any collateral documents related to such Political Subdivision Bonds, (iv) all Political Subdivision Bonds and Government Obligations held within the State Revolving Fund and (v) all money and investments held in the Clearance Account, the Senior Lien Reserve Account, the Operating Account, the Senior Lien Interest and Sinking Account, the Portfolio Redemption Account and the Program Account within the State Revolving Fund. The Board has reserved the right in the Resolution to issue additional installments of the Bonds, Additional Bonds and execute Bond Enhancement Agreements on a parity with the Bonds. See "Appendix A - INFORMATION REGARDING THE BONDS - SECURITY AND RELATED MATTERS."

The proceeds from the sale of the Series 2000A Bonds will be used for the purposes of providing funds to the State Revolving Fund to purchase Political Subdivision Bonds, funding a reserve account and paying the costs of issuance thereof. See "THE INSTALLMENT BONDS - Sources and Uses."

MATURITY SCHEDULE

CUSIP Prefix: 882854

<u>Maturity</u> <u>July 15</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Price or</u> <u>Yield</u>	<u>Maturity</u> <u>July 15</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Price or</u> <u>Yield</u>
2001	\$1,000,000	4.500%	4.300%	2010	\$1,860,000	4.750%	4.750%
2002	1,775,000	4.300	4.350	2010	2,455,000	5.250	4.750
2003	600,000	4.300	4.370	2011	900,000	4.750	4.850
2003	1,415,000	5.000	4.370	2011*	3,630,000	5.625	105.991
2004	775,000	4.400	4.420	2012*	4,795,000	5.625	105.352
2004	2,270,000	5.000	4.420	2013	475,000	5.000	5.030
2005	1,245,000	4.400	4.460	2013*	4,590,000	5.625	104.559
2005	2,365,000	5.000	4.460	2014*	5,360,000	5.625	103.773
2006	3,585,000	4.500	4.530	2015*	5,955,000	5.625	103.228
2007	3,940,000	4.500	4.580	2016*	5,990,000	5.625	102.686
2008	580,000	4.600	4.630	2017*	6,340,000	5.400	100.218
2008	3,365,000	5.250	4.630	2018	9,280,000	5.400	5.420
2009	450,000	4.600	4.680	2019	3,110,000	5.450	5.450
2009	3,640,000	5.250	4.680				

\$18,255,000 5.450% Term Bonds due July 15, 2021 Yield of 5.470%
 (plus accrued interest from August 15, 2000)

The Series 2000A Bonds are offered for delivery when, as and if issued, and are subject to the approval of the Attorney General of the State of Texas and subject to the approval of certain legal matters by Vinson & Elkins L.L.P., Bond Counsel. Certain legal matters will be passed upon for the Underwriters by McCall, Parkhurst & Horton L.L.P. It is expected that the Series 2000A Bonds will be delivered through the facilities of DTC on or about September 19, 2000.

Bear, Stearns & Co. Inc.
Jackson Securities Inc.
Ramirez & Co., Inc.

Goldman, Sachs & Co.
Merrill Lynch & Co.
Southwest Securities

*Priced to par call on July 15, 2010.

OFFICIAL STATEMENT DATED APRIL 11, 2007

NEW ISSUE -- BOOK-ENTRY-ONLY

Ratings: Moody's "Aaa/VMIG1"; Fitch "AAA/F1+"; S&P "AAA/A-1+"
(See "OTHER INFORMATION - Ratings")

In the opinion of McGill, Parkhurst & Houston L.L.P., Bond Counsel, interest on the Series 2007A Bonds is excludable from gross income for federal income tax purposes under statutes, regulations, rulings and court decisions existing on the date of delivery and the Series 2007A Bonds are not "private activity bonds." See "TAX MATTERS" for a discussion of the opinion of Bond Counsel, including a description of alternative minimum tax consequences for corporations and other federal tax consequences.



\$309,240,000
TEXAS WATER DEVELOPMENT BOARD
STATE REVOLVING FUND
SUBORDINATE LIEN REVENUE BONDS
(VARIABLE RATE REFUNDING) SERIES 2007A

Interest Accrual: Date of Delivery

Price: 100%; CUSIP: 892851AZ2

Due: July 15, 2019

The Texas Water Development Board (the "Board") is issuing the above series of bonds (the "Series 2007A Bonds") pursuant to a master resolution adopted by the Board on February 15, 2005, as amended (the "Master Resolution"), and a third supplemental resolution to the Master Resolution adopted by the Board on March 27, 2007 (the "Third Supplemental Resolution"). The Master Resolution and the Third Supplemental Resolution are collectively referred to herein as the "Resolution." Consistent with the adoption of the Third Supplemental Resolution, the Board has determined to adopt a fourth supplemental resolution to the Master Resolution (the "Fourth Supplemental Resolution") and authorize issuance of its Texas Water Development Board State Revolving Fund Subordinate Lien Revenue Bonds (Fixed Rate Refunding) Series 2007B (the "Series 2007B Bonds") and, together with the Series 2007A Bonds, the "Series 2007 Bonds."

The Series 2007A Bonds may bear interest at a Daily Rate, Weekly Rate, Commercial Paper Rate, Dutch Auction Rate or Term Rate. When a Series 2007A Bond bears interest at any of these rates, such Series 2007A Bond will be deemed to be on a Daily Rate Period, a Weekly Rate Period, a Commercial Paper Rate Period, a Dutch Auction Rate Period or a Term Rate Period, respectively (each a "Rate Period"). Initially, all of the Series 2007A Bonds will be issued on a Daily Rate Period. Interest on the Rate Periods will accrue to the Series 2007A Bonds until the first Business Day of each month, commencing June 1, 2007. While the Series 2007A Bonds bear interest at the Daily Rate, the Series 2007A Bonds will be available to purchasers in denominations of \$100,000 and integral multiples of \$5,000 in excess thereof. The Series 2007A Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will initially act as securities depository for the Series 2007A Bonds. So long as the Series 2007A Bonds are in book-entry-only form individual purchasers will be made to book-entry-only form. Purchasers will not receive physical delivery of bond certificates so long as DTC, or a successor securities depository, with respect to the Series 2007A Bonds. So long as DTC, or its nominee, is the registered owner of the Series 2007A Bonds, payments of principal and premium, if any, and interest on the Series 2007A Bonds will be made directly to DTC. Disbursement of such payments to DTC Participants will be the responsibility of DTC and disbursement of such payments to the beneficial owners is the responsibility of DTC Participants. See Appendix I - DESCRIPTION OF BOOK-ENTRY-ONLY SYSTEM.

This Official Statement describes the Series 2007A Bonds in anticipation of the Series 2007A Bonds bearing interest at a Daily Rate or a Weekly Rate. This Official Statement is not intended to provide information to prospective owners of the Series 2007A Bonds who purchase on a Dutch Auction Rate Period, a Commercial Paper Rate Period, a Term Rate Period or a Fixed Rate. A marketing memorandum will be issued prior to any conversion of Series 2007A Bonds to a Dutch Auction Rate Period, a Commercial Paper Rate Period, a Term Rate Period or a Fixed Rate.

While the Series 2007A Bonds are on a Daily Rate Period, Series 2007A Bondholders will have the right to tender their Series 2007A Bonds for purchase at 90% of par and subject to the conditions set forth in the Third Supplemental Resolution. The Series 2007A Bonds also are subject to optional and mandatory, not optional prior to maturity and to optional and mandatory tender for purchase as described herein. See "THE SERIES 2007A BONDS." The Board has designated Morgan Stanley to act as remarketing agent for the Series 2007A Bonds (the "Remarketing Agent"). To the extent and to the extent that the Series 2007A Bonds are not remarketed by the Remarketing Agent, the Series 2007A Bonds bearing interest at a Daily Rate or a Weekly Rate will be purchased pursuant to the terms of a Standby Bond Purchase Agreement, dated as of May 1, 2007 (the "Initial Liquidity Facility"), between the Board and JPMorgan Chase Bank, National Association (the "Liquidity Provider"), subject, however, to the terms and conditions stated therein. The Liquidity Provider will not purchase the Series 2007A Bonds bearing interest at a Commercial Paper Rate, an Auction Rate or a Term Rate. The Initial Liquidity Facility will expire on April 29, 2008 unless extended or terminated sooner in accordance with its terms.



The proceeds from the sale of the Series 2007A Bonds will be used for the purpose of (i) providing funds to refund a portion of the Board's outstanding obligations (the "Series 2007A Refunded Bonds") and (ii) paying the costs of issuance of the Series 2007A Bonds. See "Schedule I - REFUNDED BONDS" and "TAX OF FINANCE."

The Series 2007A Bonds are issued under authority of the laws of the State of Texas, including specifically Subchapter J, Chapter 15 and Subchapter I, Chapter 17, Texas Water Code, as amended, and Chapters 1207 and 1371, Texas Government Code, as amended. The Series 2007A Bonds shall never constitute general obligations of the Board or the State of Texas within the meaning of any constitutional or statutory provision or limitation. Issuance of the Series 2007A Bonds shall not, directly, indirectly or contingently, obligate the State of Texas to levy any form of taxation therefor or make any appropriation for their payment. The Board has no taxing power.

The Series 2007A Bonds, together with the Series 2007B Bonds and any additional bonds, if any, obligations issued pursuant to the Master Resolution (collectively, the "Bonds"), are special obligations of the Board payable solely from a lien on the assets pledged pursuant to the Resolution (the "Security") and are not limited to the all Pledged Revenues; special Political Subdivision Bonds and Government Obligations in the Political Account of the State; and all amounts in the Clearance Account, the Operating Account and the Portfolio Redemption Account of the State Revolving Fund, and all amounts in the Program Account of the State Revolving Fund pending disbursement thereof; and one-half of the proceeds of the foregoing, including, without limitation, proceeds of the sale of par value, the pledge of and lien on the Security is expressly primary and subordinate to the pledge of and lien on such Security in favor of all Senior Lien Obligations as defined hereunder and any Senior Lien Bond Enhancement Agreements heretofore or hereafter issued, including the Board's previously issued State Revolving Fund Senior Lien Revenue Bonds as defined herein, together with any bonds issued on a parity therewith. The Board has reserved the right in the Resolution to issue additional bonds, and/or other obligations or evidences of indebtedness on a parity with the Bonds and to execute Bond Enhancement Agreements on a parity with the Bond Enhancement Agreements including the Initial Liquidity Facility relating to the Bonds. See "Appendix A - INFORMATION REGARDING THE SERIES 2007A BONDS - SECURITY AND RELATED MATTERS."

The Series 2007A Bonds are offered for delivery when issued and are subject to the approval of the Attorney General of the State of Texas and subject to the approval of certain legal matters by McGill, Parkhurst & Houston L.L.P., Bond Counsel. Certain legal matters will be passed upon for the Underwriters by, its counsel, Andrews Kurth LLP and for the Liquidity Provider by its counsel, Fullbright & Juarros L.L.P. It is expected that the Series 2007A Bonds will be delivered through the facilities of DTC on or about May 1, 2007.

MORGAN STANLEY

OFFICIAL STATEMENT DATED APRIL 17, 2007

NEW ISSUE -- BOOK-ENTRY-ONLY**Ratings: Moody's "Aaa"; Fitch "AAA"; S&P "AAA"
(See "OTHER INFORMATION - Ratings")**

In the opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel, interest on the Series 2007B Bonds is excludable from gross income for federal income tax purposes under statutes, regulations, rulings and court decisions existing on the date of delivery and the Series 2007B Bonds are not "private activity bonds." See "TAX MATTERS" for a discussion of the opinion of Bond Counsel, including a description of alternative minimum tax consequences for corporations and other federal tax consequences.



\$211,620,000
TEXAS WATER DEVELOPMENT BOARD
STATE REVOLVING FUND
SUBORDINATE LIEN REVENUE BONDS
(FIXED RATE REFUNDING) SERIES 2007B

Interest Accrual: Date of Delivery**Due:** July 15, as shown on inside cover

The Texas Water Development Board (the "Board") is issuing the above series of bonds (the "Series 2007B Bonds") pursuant to a master resolution adopted by the Board on February 15, 2005, as amended (the "Master Resolution"), and a fourth supplemental resolution to the Master Resolution adopted by the Board on March 27, 2007 (the "Fourth Supplemental Resolution"). The Master Resolution and the Fourth Supplemental Resolution are collectively referred to herein as the "Resolution." Concurrently with the adoption of the Fourth Supplemental Resolution, the Board has determined to adopt a third supplemental resolution to the Master Resolution (the "Third Supplemental Resolution") and authorize the issuance of its Texas Water Development Board State Revolving Fund Subordinate Lien Revenue Bonds (Variable Rate Refunding) Series 2007 (the "Series 2007A Bonds" and, together with Series 2007B Bonds, the "Series 2007 Bonds"). See "INTRODUCTION."

Interest on the Series 2007B Bonds will accrue from the date of their initial delivery at the fixed rates of interest shown on the inside front cover page hereof. Interest will be payable on January 15, 2008 and on each July 15 and January 15 thereafter until maturity or prior redemption, and will be calculated on the basis of a 360-day year composed of twelve 30-day months, until maturity or prior redemption. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Series 2007B Bonds also are subject to optional and mandatory redemption prior to maturity. See "THE SERIES 2007B BONDS - Redemption."

The Series 2007B Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will initially act as securities depository for the Series 2007B Bonds. So long as the Series 2007B Bonds are in book-entry-only form individual purchases will be made in book-entry-only form. Purchasers will not receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as securities depository with respect to the Series 2007B Bonds. So long as its nominee is the registered owner of the Series 2007B Bonds, payments of principal of and premium, if any, and interest on the Series 2007B Bonds will be made directly to DTC. Disbursement of such payments to DTC Participants will be the responsibility of DTC and disbursement of such payments to the beneficial owners is the responsibility of DTC Participants. See "Appendix H - DESCRIPTION OF BOOK-ENTRY-ONLY SYSTEM."

The proceeds from the sale of the Series 2007B Bonds will be used for the purpose of (i) providing funds to refund a portion of the Board's outstanding obligations (the "Series 2007B Refunded Bonds") and (ii) paying the costs of issuance of the Series 2007B Bonds. See "Schedule I - REFUNDED BONDS" and "PLAN OF FINANCE."

The Series 2007B Bonds are issued under authority of the laws of the State of Texas, including specifically Subchapter J, Chapter 15 and Subchapter I, Chapter 17, Texas Water Code, as amended, and Chapters 1207 and 1371, Texas Government Code, as amended. The Series 2007B Bonds shall never constitute general obligations of the Board or the State of Texas within the meaning of any constitutional or statutory provision or limitation. Issuance of the Series 2007B Bonds shall not, directly, indirectly or contingently, obligate the State of Texas to levy any form of taxation therefor or make any appropriation for their payment. The Board has no taxing power.

The Series 2007B Bonds, together with the Series 2007A Bonds and any additional bonds or other obligations issued pursuant to the Master Resolution (collectively, the "Bonds"), are special obligations of the Board payable solely from a lien on the security pledged pursuant to the Resolution (the "Security") including, but not limited to: (i) all Pledged Revenues; (ii) all Political Subdivision Bonds and Government Obligations in the Portfolio Account of the State Revolving Fund, all amounts in the Clearance Account, the Operating Account and the Portfolio Redemption Account of the State Revolving Fund, and all amounts in the Program Account of the State Revolving Fund pending disbursement thereof; and (iii) all of the proceeds of the foregoing including, without limitation, investments thereof; provided, that the pledge of and lien on the Security is **expressly junior and subordinate** to the pledge of and lien on such Security in favor of all Senior Lien Obligations (as defined herein) (and any Senior Lien Bond Enhancement Agreements) heretofore or hereafter issued, including the Board's previously issued State Revolving Fund Senior Lien Revenue Bonds (as defined herein), together with any bonds issued on a parity therewith. The Board has reserved the right in the Resolution to issue additional bonds, notes or other obligations or evidences of indebtedness on a parity with the Bonds and to execute Bond Enhancement Agreements on a parity with any Bond Enhancement Agreements relating to the Bonds. See "Appendix A - INFORMATION REGARDING THE SERIES 2007B BONDS."

CUSIP PREFIX: 882854
MATURITY SCHEDULE & 9 DIGIT CUSIP
 See Schedule on Inside of Cover Page

The Series 2007B Bonds are offered for delivery when, as and if issued, and are subject to the approval of the Attorney General of the State of Texas and subject to the approval of certain legal matters by McCall, Parkhurst & Horton L.L.P., Bond Counsel. Certain legal matters will be passed upon for the Underwriters by, their counsel, Andrews Kurth LLP. It is expected that the Series 2007B Bonds will be delivered through the facilities of DTC on or about May 1, 2007.

UBS Investment Bank

Cabrera Capital Markets, Inc.
Piper Jaffray & Co.
Southwest Securities

Loop Capital Markets, LLC
Ramirez & Co., Inc.
Walton Johnson & Co.

OFFICIAL STATEMENT DATED DECEMBER 13, 2007

NEW ISSUE -- BOOK-ENTRY-ONLY**Ratings: Fitch "AAA"; Moody's "Aaa"; S&P "AAA"**
(See "OTHER INFORMATION – Ratings")

In the opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel, interest on the Program Series 2008A Bonds is excludable from gross income for federal income tax purposes under statutes, regulations, rulings and court decisions existing on the date of delivery and the Program Series 2008A Bonds are not "private activity bonds." See "TAX MATTERS" for a discussion of the opinion of Bond Counsel, including a description of alternative minimum tax consequences for corporations and other federal tax consequences.



\$203,050,000
TEXAS WATER DEVELOPMENT BOARD
STATE REVOLVING FUND
SUBORDINATE LIEN REVENUE BONDS, PROGRAM SERIES 2008A

Interest Accrual: Date of Delivery

Due: July 15, as shown on inside cover

The Texas Water Development Board (the "Board") is issuing the above installment of bonds (the "Program Series 2008A Bonds") pursuant to a master resolution adopted by the Board on March 27, 2007 and effective on May 1, 2007 (the "Master Resolution"), and a fifth supplemental resolution to the Master Resolution adopted by the Board on December 4, 2007 (the "Fifth Supplemental Resolution"). The Fifth Supplemental Resolution authorized the issuance from time to time, in one or more installments, of the Board's State Revolving Fund Subordinate Lien Revenue Bonds, Program Series 2008A, in an aggregate principal amount not to exceed \$350,000,000 (the "Program Series Bonds"). Pursuant to authority conferred by the Fifth Supplemental Resolution, by execution of an installment purchase agreement for each installment of Program Series Bonds (an "Installment Purchase Agreement"), an Authorized Representative of the Board is authorized to act on behalf of the Board in selling and delivering each installment of Program Series Bonds during the "Program Period", which expires on August 31, 2008. The Program Series 2008A Bonds constitute the first installment of Program Series Bonds delivered under authority of the Fifth Supplemental Resolution pursuant to the Installment Purchase Agreement therefor, executed December 13, 2007 (the "Program Series 2008A Bonds Installment Purchase Agreement"). The Master Resolution, the Fifth Supplemental Resolution and the Program Series 2008A Bonds Installment Purchase Agreement are collectively referred to herein as the "Resolution." See "INTRODUCTION." The Board has reserved the right in the Fifth Supplemental Resolution to extend the Program Period and to increase the authorized aggregate principal amount of Program Series Bonds that may be issued during the Program Period without the consent of holders of the Program Series Bonds.

Interest on the Program Series 2008A Bonds will accrue from the date of their initial delivery at the fixed rates of interest shown on the inside front cover page hereof. Interest will be payable on July 15, 2008 and on each January 15 and July 15 thereafter until maturity or prior redemption, and will be calculated on the basis of a 360-day year composed of twelve 30-day months, until maturity or prior redemption. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Program Series 2008A Bonds also are subject to optional and mandatory redemption prior to maturity. See "THE PROGRAM SERIES 2008A BONDS - Redemption."

The Program Series 2008A Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will initially act as securities depository for the Program Series 2008A Bonds. So long as the Program Series 2008A Bonds are in book-entry-only form individual purchases will be made in book-entry-only form. Purchasers will not receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as securities depository with respect to the Program Series 2008A Bonds. So long as DTC or its nominee is the registered owner of the Program Series 2008A Bonds, payments of principal of and premium, if any, and interest on the Program Series 2008A Bonds will be made directly to DTC. Disbursement of such payments to DTC Participants will be the responsibility of DTC and disbursement of such payments to the beneficial owners is the responsibility of DTC Participants. See "Appendix H – DESCRIPTION OF BOOK-ENTRY-ONLY SYSTEM."

The proceeds from the sale of the Program Series 2008A Bonds will be used for the purpose of (i) providing funds to the State Revolving Fund to purchase Political Subdivision Bonds and (ii) paying the costs of issuance of the Program Series 2008A Bonds. See "PLAN OF FINANCE."

The Program Series 2008A Bonds are issued under authority of the laws of the State of Texas, including specifically Subchapter J, Chapter 15 and Subchapter I, Chapter 17, Texas Water Code, as amended, and Chapters 1207 and 1371, Texas Government Code, as amended. The Program Series 2008A Bonds shall never constitute general obligations of the Board or the State of Texas within the meaning of any constitutional or statutory provision or limitation. Issuance of the Program Series 2008A Bonds shall not, directly, indirectly or contingently, obligate the State of Texas to levy any form of taxation therefor or make any appropriation for their payment. The Board has no taxing power.

The Program Series 2008A Bonds, together with any other Program Series Bonds and any additional bonds or other obligations heretofore or hereafter issued pursuant to the Master Resolution (collectively, the "Bonds"), are special obligations of the Board payable solely from a lien on the security pledged pursuant to the Resolution (the "Security") including, but not limited to: (i) all Pledged Revenues; (ii) all Political Subdivision Bonds and Government Obligations in the Portfolio Account of the State Revolving Fund, all amounts in the Clearance Account, the Operating Account and the Portfolio Redemption Account of the State Revolving Fund, and all amounts in the Program Account of the State Revolving Fund pending disbursement thereof; and (iii) all of the proceeds of the foregoing including, without limitation, investments thereof; provided, that the pledge of and lien on the Security is **expressly junior and subordinate** to the pledge of and lien on such Security in favor of all Senior Lien Obligations (as defined herein) (and any Senior Lien Bond Enhancement Agreements) heretofore or hereafter issued, including the Board's previously issued State Revolving Fund Senior Lien Revenue Bonds (as defined herein), together with any bonds issued on a parity therewith. The Board has reserved the right in the Resolution to issue additional bonds, notes or other obligations or evidences of indebtedness on a parity with the Program Series 2008A Bonds and to execute Bond Enhancement Agreements on a parity with any Bond Enhancement Agreements relating to the Program Series 2008A Bonds. See "Appendix A - INFORMATION REGARDING THE PROGRAM SERIES 2008A BONDS."

CUSIP PREFIX: 882854
MATURITY SCHEDULE & 9 DIGIT CUSIP
 See Schedule on Inside of Cover Page

The Program Series 2008A Bonds are offered for delivery when, as and if issued, and are subject to the approval of the Attorney General of the State of Texas and subject to the approval of certain legal matters by McCall, Parkhurst & Horton L.L.P., Bond Counsel. Certain legal matters will be passed upon for the Underwriters by, their counsel, Andrews Kurth LLP. It is expected that the Program Series 2008A Bonds will be delivered through the facilities of DTC on or about January 8, 2008.

Piper Jaffray & Co.
Lehman Brothers

Morgan Keegan & Company, Inc
RBC Capital Markets

OFFICIAL STATEMENT DATED JUNE 24, 2008

NEW ISSUE -- BOOK-ENTRY-ONLY

Ratings: Fitch "AAA"; Moody's "Aaa"; S&P "AAA"
(See "OTHER INFORMATION - Ratings")

In the opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel, interest on the Program Series 2008B Bonds is excludable from gross income for federal income tax purposes under statutes, regulations, rulings and court decisions existing on the date of delivery and the Program Series 2008B Bonds are not "private activity bonds." See "TAX MATTERS" for a discussion of the opinion of Bond Counsel, including a description of alternative minimum tax consequences for corporations and other federal tax consequences.



\$261,425,000
TEXAS WATER DEVELOPMENT BOARD
STATE REVOLVING FUND
SUBORDINATE LIEN REVENUE BONDS, PROGRAM SERIES 2008B

Interest Accrual: Date of Delivery

Due: July 15, as shown on inside cover

The Texas Water Development Board (the "Board") is issuing the above installment of bonds (the "Program Series 2008B Bonds") pursuant to a master resolution adopted by the Board on March 27, 2007 and effective on May 1, 2007 (the "Master Resolution"), and a fifth supplemental resolution to the Master Resolution adopted by the Board on December 4, 2007, as amended on May 27, 2008 (together, the "Fifth Supplemental Resolution"). The Fifth Supplemental Resolution authorized the issuance from time to time, in one or more installments, of the Board's State Revolving Fund Subordinate Lien Revenue Bonds, Program Series 2008, in an aggregate principal amount not to exceed \$480,000,000 (the "Program Series Bonds"). Pursuant to authority conferred by the Fifth Supplemental Resolution, by execution of an installment purchase agreement for each installment of Program Series Bonds (an "Installment Purchase Agreement"), an Authorized Representative of the Board is authorized to act on behalf of the Board in selling and delivering each installment of Program Series Bonds during the "Program Period", which expires on September 30, 2008. The Program Series 2008B Bonds constitute the second installment of Program Series Bonds delivered under authority of the Fifth Supplemental Resolution pursuant to the Installment Purchase Agreement therefor, executed June 24, 2008 (the "Program Series 2008B Bonds Installment Purchase Agreement"). The "Texas Water Development Board State Revolving Fund Subordinate Lien Revenue Bonds, Program Series 2008A" (the "Program Series 2008A Bonds"), delivered on January 8, 2008 in the original aggregate principal amount of \$203,050,000, were the first installment of Program Series Bonds delivered under authority of the Fifth Supplemental Resolution. The Master Resolution, the Fifth Supplemental Resolution and the Program Series 2008B Bonds Installment Purchase Agreement are collectively referred to herein as the "Resolution." See "INTRODUCTION." The Board has reserved the right in the Fifth Supplemental Resolution to extend the Program Period and to increase the authorized aggregate principal amount of Program Series Bonds that may be issued during the Program Period without the consent of holders of the Program Series Bonds.

Interest on the Program Series 2008B Bonds will accrue from the date of their initial delivery at the fixed rates of interest shown on the inside front cover page hereof. Interest will be payable on January 15, 2009 and on each July 15 and January 15 thereafter until maturity or prior redemption, and will be calculated on the basis of a 360-day year composed of twelve 30-day months, until maturity or prior redemption. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Program Series 2008B Bonds also are subject to optional and mandatory redemption prior to maturity. See "THE PROGRAM SERIES 2008B BONDS - Redemption."

The Program Series 2008B Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will initially act as securities depository for the Program Series 2008B Bonds. So long as the Program Series 2008B Bonds are in book-entry-only form individual purchases will be made in book-entry-only form. Purchasers will not receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as securities depository with respect to the Program Series 2008B Bonds. So long as DTC or its nominee is the registered owner of the Program Series 2008B Bonds, payments of principal of and premium, if any, and interest on the Program Series 2008B Bonds will be made directly to DTC. Disbursement of such payments to DTC Participants will be the responsibility of DTC and disbursement of such payments to the beneficial owners is the responsibility of DTC Participants. See "Appendix H - DESCRIPTION OF BOOK-ENTRY-ONLY SYSTEM."

The proceeds from the sale of the Program Series 2008B Bonds will be used for the purpose of (i) providing funds to the State Revolving Fund to purchase Political Subdivision Bonds and (ii) paying the costs of issuance of the Program Series 2008B Bonds. See "PLAN OF FINANCE."

The Program Series 2008B Bonds are issued under authority of the laws of the State of Texas, including specifically Subchapter J, Chapter 15 and Subchapter 1, Chapter 17, Texas Water Code, as amended, and Chapter 1371, Texas Government Code, as amended. The Program Series 2008B Bonds shall never constitute general obligations of the Board or the State of Texas within the meaning of any constitutional or statutory provision or limitation. Issuance of the Program Series 2008B Bonds shall not, directly, indirectly or contingently, obligate the State of Texas to levy any form of taxation therefor or make any appropriation for their payment. The Board has no taxing power.

The Program Series 2008B Bonds, together with the Program Series 2008A Bonds, any other Program Series Bonds and any additional bonds or other obligations heretofore or hereafter issued pursuant to the Master Resolution (collectively, the "Bonds"), are special obligations of the Board payable solely from a lien on the security pledged pursuant to the Resolution (the "Security") including, but not limited to: (i) all Pledged Revenues; (ii) all Political Subdivision Bonds and Government Obligations in the Portfolio Account of the State Revolving Fund, all amounts in the Clearance Account, the Operating Account and the Portfolio Redemption Account of the State Revolving Fund, and all amounts in the Program Account of the State Revolving Fund pending disbursement thereof; and (iii) all of the proceeds of the foregoing including, without limitation, investments thereof; provided, that the pledge of and lien on the Security is **expressly junior and subordinate** to the pledge of and lien on such Security in favor of all Senior Lien Obligations (as defined herein) (and any Senior Lien Bond Enhancement Agreements) heretofore or hereafter issued, including the Board's previously issued State Revolving Fund Senior Lien Revenue Bonds (as defined herein), together with any bonds issued on a parity therewith. The Board has reserved the right in the Resolution to issue additional bonds, notes or other obligations or evidences of indebtedness on a parity with the Program Series 2008B Bonds and to execute Bond Enhancement Agreements on a parity with any Bond Enhancement Agreements relating to the Program Series 2008B Bonds. See "Appendix A - INFORMATION REGARDING THE PROGRAM SERIES 2008B BONDS."

CUSIP PREFIX: 882854

MATURITY SCHEDULE & 9 DIGIT CUSIP

See Schedule on Inside of Cover Page

The Program Series 2008B Bonds are offered for delivery when, as and if issued, and are subject to the approval of the Attorney General of the State of Texas and subject to the approval of certain legal matters by McCall, Parkhurst & Horton L.L.P., Bond Counsel. Certain legal matters will be passed upon for the Underwriters by, their counsel, Andrews Kurth LLP. It is expected that the Program Series 2008B Bonds will be delivered through the facilities of DTC on or about July 15, 2008.

Morgan Keegan & Company, Inc.

Piper Jaffray & Co.

Banc of America Securities LLC

Goldman Sachs & Co.

Morgan Stanley & Co. Incorporated

Southwest Securities

Walton Johnson & Co.

OFFICIAL STATEMENT DATED JULY 29, 2009

NEW ISSUE -- BOOK-ENTRY-ONLY

Ratings: Fitch "AAA"; Moody's "Aaa"; S&P "AAA"
(See "OTHER INFORMATION - Ratings")

In the opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel, interest on the Series 2009A Bonds is excludable from gross income for federal income tax purposes under statutes, regulations, rulings and court decisions existing on the date of delivery and the Series 2009A Bonds are not "private activity bonds." See "TAX MATTERS" for a discussion of the opinion of Bond Counsel, including a description of alternative minimum tax consequences for corporations and other federal tax consequences.



\$224,975,000
TEXAS WATER
DEVELOPMENT BOARD
STATE REVOLVING FUND
SUBORDINATE LIEN
REVENUE BONDS,
SERIES 2009A, SUB-SERIES 2009A-1

\$32,765,000
TEXAS WATER
DEVELOPMENT BOARD
STATE REVOLVING FUND
SUBORDINATE LIEN
REVENUE REFUNDING BONDS,
SERIES 2009A, SUB-SERIES 2009A-2

Interest Accrual: Date of Delivery

Due: July 15, as shown on inside cover

The Texas Water Development Board (the "Board") is issuing the bonds described above in two separate sub-series, the Series 2009A-1 Bonds and the Series 2009A-2 Bonds (as defined below) pursuant to a master resolution adopted by the Board on March 27, 2007 and effective on May 1, 2007 (the "Master Resolution"), and a sixth supplemental resolution to the Master Resolution adopted by the Board on July 16, 2009 (the "Sixth Supplemental Resolution"). The Series 2009A-1 Bonds and the Series 2009A-2 Bonds are collectively defined as the "Series 2009A Bonds." The Master Resolution, the Sixth Supplemental Resolution and the bond purchase agreement pursuant to which the Series 2009A Bonds are sold (the "Bond Purchase Agreement") are collectively referred to herein as the "Resolution." See "INTRODUCTION." Interest on the Series 2009A Bonds will accrue from the date of their initial delivery at the fixed rates of interest shown on the inside front cover page hereof. Interest will be payable on January 15, 2010 and on each July 15 and January 15 thereafter until maturity or prior redemption, and will be calculated on the basis of a 360-day year composed of twelve 30-day months, until maturity or prior redemption. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Series 2009A Bonds also are subject to optional and mandatory redemption prior to maturity. See "THE SERIES 2009A BONDS - Redemption."

The Series 2009A Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will initially act as securities depository for the Series 2009A Bonds. So long as the Series 2009A Bonds are in book-entry-only form individual purchases will be made in book-entry-only form. Purchasers will not receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as securities depository with respect to the Series 2009A Bonds. So long as DTC or its nominee is the registered owner of the Series 2009A Bonds, payments of principal of and premium, if any, and interest on the Series 2009A Bonds will be made directly to DTC. Disbursement of such payments to DTC Participants will be the responsibility of DTC and disbursement of such payments to the beneficial owners is the responsibility of DTC Participants. See "Appendix H - DESCRIPTION OF BOOK-ENTRY-ONLY SYSTEM."

The proceeds from the sale of the Series 2009A Bonds will be used for the purpose of (i) providing funds to reimburse the State Revolving Fund for its previous purchase of Political Subdivision Bonds (the "Series 2009A-1 Bonds"), (ii) providing funds to refund a portion of the Board's outstanding obligations described in Schedule I as the "Refunded Bonds" (the "Series 2009A-2 Bonds") and (iii) paying the costs of issuance of the Series 2009A Bonds. See "Schedule I - REFUNDED BONDS" and "PLAN OF FINANCE."

The Series 2009A Bonds are issued under authority of the laws of the State of Texas, including specifically Subchapter J, Chapter 15 and Subchapter I, Chapter 17, Texas Water Code, as amended, and Chapters 1207 and 1371, Texas Government Code, as amended. The Series 2009A Bonds shall never constitute general obligations of the Board or the State of Texas within the meaning of any constitutional or statutory provision or limitation. Issuance of the Series 2009A Bonds shall not, directly, indirectly or contingently, obligate the State of Texas to levy any form of taxation therefor or make any appropriation for their payment. The Board has no taxing power.

The Series 2009A Bonds and any additional bonds or other obligations heretofore or hereafter issued pursuant to the Master Resolution (collectively, the "Bonds"), are special obligations of the Board payable solely from a lien on the security pledged pursuant to the Resolution (the "Security") including, but not limited to: (i) all Pledged Revenues; (ii) all Political Subdivision Bonds and Government Obligations in the Portfolio Account of the State Revolving Fund, all amounts in the Clearance Account, the Operating Account and the Portfolio Redemption Account of the State Revolving Fund, and all amounts in the Program Account of the State Revolving Fund pending disbursement thereof; and (iii) all of the proceeds of the foregoing including, without limitation, investments thereof; provided, that the pledge of and lien on the Security is **expressly junior and subordinate** to the pledge of and lien on such Security in favor of all Senior Lien Obligations (as defined herein) (and any Senior Lien Bond Enhancement Agreements) heretofore or hereafter issued, including the Board's previously issued State Revolving Fund Senior Lien Revenue Bonds (as defined herein), together with any bonds issued on a parity therewith. In the Sixth Supplemental Resolution, the Board authorized the issuance of bonds, in one or more sub-series, in an aggregate principal amount not to exceed \$300,000,000, and to the extent the Series 2009A Bonds offered for sale under the terms of this Official Statement do not exceed \$300,000,000, in aggregate principal amount, such balance remaining may be issued by the Board. The Board has reserved the right in the Resolution to issue additional sub-series of the Series 2009A Bonds, or other bonds, notes or other obligations or evidences of indebtedness on a parity with the Series 2009A Bonds and to execute Bond Enhancement Agreements on a parity with any Bond Enhancement Agreements relating to the Series 2009A Bonds. See "Appendix A - INFORMATION REGARDING THE SERIES 2009A BONDS."

CUSIP PREFIX: 882854
Maturity Schedule & 9 Digit CUSIP
See Schedule on Inside of Cover Page

The Series 2009A Bonds are offered for delivery when, as and if issued, and are subject to the approval of the Attorney General of the State of Texas and subject to the approval of certain legal matters by McCall, Parkhurst & Horton L.L.P., Bond Counsel. Certain legal matters will be passed upon for the Underwriters by, their counsel, Vinson & Elkins L.L.P. It is expected that the Series 2009A Bonds will be delivered through the facilities of DTC on or about August 18, 2009.

Merrill Lynch & Co.

Estrada Hinojosa & Co., Inc.
Morgan Keegan Company, Inc.

Raymond James & Associates
Stifel Nicolaus & Company, Inc.

Jefferies & Company
Siebert Brandford Shank & Co., LLC
Piper Jaffray & Co.

ATTACHMENT F

Events Subsequent to the End of Fiscal Year 2010

OFFICIAL STATEMENT

Dated October 6, 2010

NEW ISSUE- Book-Entry-Only

Ratings: S&P "AA+"

Moody's "Aaa"

Fitch "AAA"

(See "OTHER INFORMATION - Ratings")

In the opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel, in accordance with statutes, regulations, published rulings and court decisions existing on the date of delivery of said opinion, interest on the Bonds (1) is excludable from gross income of the holders thereof, and (2) is not includable in the owner's alternative minimum taxable income under section 55 of the Internal Revenue Code of 1986. See "TAX MATTERS" for a discussion of the opinion of Bond Counsel.



\$32,350,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS
State of Texas
Water Financial Assistance Bonds, Series 2010D
(Economically Distressed Areas Program)

Dated Date: Date of Delivery

Due: August 1, as shown on page ii

The State of Texas Water Financial Assistance Bonds, Series 2010D (Economically Distressed Areas Program) (the "Bonds") are general obligations of the State of Texas and are issued by the Texas Water Development Board (the "Board" or "TWDB") under the authority of the Constitution and laws of the State of Texas. Interest on the Bonds will accrue from November 2, 2010 (the "Date of Delivery") at the rates of interest shown on the inside cover page hereof and will be calculated on the basis of a 360-day year composed of twelve 30-day months. Interest on the Bonds will be payable on February 1 and August 1 of each year, commencing on February 1, 2011, until maturity or prior redemption. The Bonds will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof within a maturity. The Depository Trust Company, New York, New York ("DTC"), initially will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical delivery of bond certificates except as described herein.

The Board initially will issue the Bonds registered only in the name of Cede & Co., the nominee of DTC, pursuant to the book-entry system described in "APPENDIX E—Book-Entry Only System." Principal of the Bonds will be payable to Cede & Co., which will make distributions of the payments to the participating members of DTC for subsequent remittance to the Beneficial Owners. If the Bonds are not held in the book-entry only system, payment of principal of the Bonds will be made to the registered owner upon maturity or redemption prior to maturity only upon presentation and surrender of such Bonds at the Designated Payment/Transfer Office of The Bank of New York Mellon Trust Company, N.A., as initial Paying Agent/Registrar. As of the date of this Official Statement, the Designated Payment/Transfer Office of the Paying Agent/Registrar is its Dallas, Texas corporate trust office.

THE BONDS ARE GENERAL OBLIGATIONS OF THE STATE OF TEXAS, AND ARE SECURED BY THE FULL FAITH AND CREDIT OF THE STATE OF TEXAS. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The Bonds are issued under the authority of the Constitution and laws of the State of Texas, including particularly Article III, Sections 49-d-8 and 49-d-10, Texas Constitution and Subchapter L of Chapter 17 of the Texas Water Code, as amended (the "Act"), and pursuant to a resolution (the "Resolution") adopted on August 19, 2010 by the Board under authority of pertinent provisions of the Texas Water Code. The Bonds are issued in order to (i) augment the funding of the "EDAP Projects," being financial assistance, in the form of loans or grants, to political subdivisions in economically distressed areas of the State for water supply and water quality enhancement purposes consistent with the provisions of Subsection (b) of Section 49-d-7 of Article III of the Constitution and Subchapter K of Chapter 17 of the Texas Water Code, as amended, from the Texas Water Development Fund II, and (ii) pay expenses arising from the issuance of the Bonds.

SEE PAGE ii HEREIN FOR STATED MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, INITIAL YIELDS, CUSIP NUMBERS, AND REDEMPTION PROVISIONS FOR THE BONDS

The Bonds are offered for delivery when, as and if issued and accepted by the initial purchasers thereof named below (the "Underwriters"), subject to prior sale, withdrawal or modification of the offer without notice and are subject to the approving legal opinions of the Attorney General of Texas and of McCall, Parkhurst & Horton L.L.P., Dallas, Texas, Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Fulbright & Jaworski L.L.P., San Antonio, Texas. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery, through the facilities of DTC, on November 2, 2010.

Sterne, Agee & Leach, Inc.

M.R. Beal & Company
RBC Capital Markets

Piper Jaffray & Co.
Siebert Brandford Shank & Co., LLC

NOTICE OF DEFEASANCE AND REDEMPTION**TEXAS WATER DEVELOPMENT BOARD STATE REVOLVING FUND
SUBORDINATE LIEN REVENUE BONDS (FIXED RATE REFUNDING)
SERIES 2007B**

NOTICE is hereby given that the following obligations issued by the Texas Water Development Board are called for redemption prior to their scheduled maturities:, at a price of par and accrued interest to the date of redemption, without premium, to-wit:

TEXAS WATER DEVELOPMENT BOARD STATE REVOLVING FUND SUBORDINATE LIEN REVENUE BONDS (FIXED RATE REFUNDING) SERIES 2007, all outstanding bonds maturing on July 15 in each of the years 2011 through 2026, aggregating \$195,190,000 in principal amount; Redemption Price: par and accrued interest to the date of redemption, without premium; Redemption Date for Bonds maturing on and after July 15, 2015: JULY 15, 2014.

<u>Maturity Date</u>	<u>Principal Amount (\$)</u>	<u>Interest Rate</u>	<u>Cusip No.</u>
07/15/11	3,520,000	4.000%	882854ND0
07/15/11	2,780,000	5.000%	882854NE8
07/15/12	3,750,000	4.000%	882854NG3
07/15/12	11,295,000	5.000%	882854NF5
07/15/13	700,000	4.000%	882854NJ7
07/15/13	16,845,000	5.000%	882854NH1
07/15/14	1,425,000	4.000%	882854NL2
07/15/14	17,385,000	5.625%	882854NK4
07/15/15	2,500,000	4.000%	882854NN8
07/15/15	12,380,000	5.000%	882854NM0
07/15/16	22,135,000	5.000%	882854NP3
07/15/17	38,345,000	5.000%	882854NQ1
07/15/18	5,750,000	4.500%	882854NR9
07/15/19	6,010,000	4.500%	882854NS7
07/15/20	6,280,000	4.500%	882854NT5
07/15/21	6,565,000	4.500%	882854NU2
07/15/22	6,860,000	4.500%	882854NV0
07/15/23	7,170,000	4.500%	882854NW8
07/15/24	7,490,000	4.500%	882854NX6
07/15/25	7,825,000	4.500%	882854NY4
07/15/26	8,180,000	4.500%	882854NZ1

Due provision for the payment of the above-described obligations has been made with The Bank of New York Mellon Trust Company, N.A. ("BNY"), the paying agent for said obligations, and said obligations shall be presented for payment either in person or by mail, 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 Pkwy.
East Syracuse, New York 13057

By Hand Only
The Bank of New York Mellon
Global Corporate Trust
Corporate Trust Window
101 Barclay Street, 1st Fl. E.
New York, New York 10286

Interest on the redeemed obligations shall cease to accrue thereon after the redemption date.

CUSIP numbers have been assigned to this issue by the CUSIP Service Bureau and are included solely for the convenience of the Bondholder. Neither the Board nor BNY shall be responsible for the selection or correctness of the CUSIP numbers on the obligations or as indicated in any redemption notice.

IMPORTANT NOTICE: Under the provisions of the Jobs and Growth Tax Relief Reconciliation Act of 2003 (the "Act"), paying agents making payments of interest or principal on municipal securities may be obligated to withhold a 28% tax from remittance to individuals who have failed to furnish the paying agent with a valid taxpayer identification number. Owners of the Bonds who wish to avoid the imposition of the tax should submit certified taxpayer identification numbers when presenting the Bonds for payment.

Interested parties may direct telephone inquiries to Bondholder Relations at (800) 254-2826.

THIS NOTICE is given under authority of a resolution adopted by the Texas Water Development Board on July 15, 2010.

**NOTICE OF FULL REDEMPTION TO THE HOLDERS OF
TEXAS WATER DEVELOPMENT BOARD**

ATTACHMENT F

STATE REVOLVING FUND SENIOR LIEN REVENUEBOND PROGRAM SERIES 1999A

NOTICE IS HEREBY GIVEN that there have been called for full redemption on December 1, 2010 all outstanding Bonds of the above captioned bonds, totaling \$22,345,000 in principal amount, plus applicable premium, if any, as listed below:

<u>Maturity</u>	<u>Amount</u>	<u>Rate</u>	<u>Redemption Price</u>	<u>CUSIP No.*</u>
07/15/2021	\$22,345,000	5.50%	100.00%	882854GW6

Since the Bond is held under the book entry system, payment will be made directly to the registered holder.

TEXAS WATER DEVELOPMENT BOARD

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: October 31, 2010

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.*

Notice #:331996 File Name: www.ezdisclose.com