

Texas Water Development Board

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January 22, 2013

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, 2012 (unless expressly stated to the contrary therein).

TEXAS WATER DEVELOPMENT BOARD
THE STATE OF TEXAS



Piper Montemayor
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

Billy R. Bradford Jr., Chairman
Joe M. Crutcher, Vice Chairman

Melanie Callahan, Executive Administrator

Lewis H. McMahan, Member
Edward G. Vaughan, Member

Monte Cluck, Member
F.A. "Rick" Rylander, Member

CONTINUING DISCLOSURE ANNUAL REPORT

**Filed by
TEXAS WATER DEVELOPMENT BOARD**

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

August 31, 2012

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
\$ 30,940,000	State of Texas Water Development Refunding Bonds, Series 2001A	882719
\$ 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
\$ 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
\$ 92,255,000	State of Texas Water Financial Assistance Bonds, Series 2011B	882722
\$ 149,645,000	State of Texas Water Financial Assistance Bonds, Series 2012C	882722

**GENERAL OBLIGATION BONDS
(Economically Distressed Areas Program)**

Original Par Amount	Series Description	CUSIP Prefix
\$ 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
\$ 32,350,000	State of Texas Water Financial Assistance Bonds, Series 2010D (Economically Distressed Areas Program)	882722
\$ 14,955,000	State of Texas Water Financial Assistance Bonds, Series 2012B (Economically Distressed Areas Program)	882722
\$ 15,725,000	State of Texas Water Financial Assistance Refunding Bonds, Taxable Series 2012D (Economically Distressed Areas Program)	882722

**GENERAL OBLIGATION BONDS
(State Participation Program)**

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
\$ 22,215,000	State of Texas Water Financial Assistance Refunding Bonds, Taxable Series 2012E (State Participation Program)	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
\$ 129,540,000	State of Texas Water Financial Assistance Bonds, Series 2011A	882722
\$ 39,390,000	State of Texas Water Financial Assistance Bonds, Series 2012A	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
\$ 150,000,000	Texas Water Development Board State Revolving Fund Senior Lien Revenue Bonds, Program Series 1999B	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
\$ 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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**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, 2012, 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, 2012</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	1,348,045,759	651,954,241
Proposition 2 ⁽⁴⁾	6,000,000,000	-	6,000,000,000
Agricultural Water Conservation.....	200,000,000	35,160,000	164,840,000
EDAP.....	250,000,000	63,963,482	186,036,518
	<u>\$10,956,523,431</u>	<u>\$ 3,953,692,673</u>	<u>\$ 7,002,830,758</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. The 82nd Legislature authorized appropriations of general revenue to support the payment of a portion of the debt service on up to \$200,000,000 in general obligation bonds issued during the 2012-13 biennium for the Water Infrastructure Fund.
- (4) Pursuant to a statewide election on November 8, 2011, voters approved Proposition 2 which adds Section 49-d-11 to Article III of the Constitution and authorizes the Board to issue additional general obligation bonds for one or more accounts of Development Fund II in amounts such that the aggregate principal amount of bonds issued under Section 49-d-11 that are outstanding at any time does not exceed \$6 billion. The effect of the provisions of Section 49-d-11 is that unlike bonds issued under authority of the Development Fund I Constitutional Provisions (Section 49-d-9 and Section 49-d-10), which once no longer outstanding do not result in restoring authority to issue a like principal amount of bonds, once bonds issued under authority of Section 49-d-11 are no longer outstanding by their terms, the authority under Section 49-d-11 to issue bonds in a like principal amount is restored.

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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
\$ 30,940,000	State of Texas Water Development Refunding Bonds, Series 2001A	882719
\$ 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
\$ 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
\$ 92,255,000	State of Texas Water Financial Assistance Bonds, Series 2011B	882722
\$ 149,645,000	State of Texas Water Financial Assistance Bonds, Series 2012C	882722

**ANNUAL UPDATE OF QUANTITATIVE FINANCIAL
INFORMATION AND OPERATING DATA FOR FISCAL YEAR 2012**

The information contained under the heading “ANNUAL UPDATE OF QUANTITATIVE FINANCIAL INFORMATION AND OPERATING DATA FOR FISCAL YEAR 2012” 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 this Attachment.

General

As of August 31, 2012, the Board had twenty five outstanding Bond issues in the aggregate principal amount of \$1,046,030,000, as listed above.

The authorization of DFund II program by Article III, 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, 2012, the Water Financial Assistance Program had received \$437,213,789.11 in loan prepayments and \$51,299,775.31 in State Match prepayments. The loan prepayments consisted of \$434,044,554.88 in principal of which \$64,661,708.88 was received this fiscal year from Political Subdivision Bonds. The State Match prepayments consisted of \$50,969,500 in principal of which \$9,265,000 was received this fiscal year. Water Financial Assistance Program prepayments are deposited in the Program account to purchase additional Political Subdivision Bonds and/or redeem or defease debt.

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**TEXAS WATER DEVELOPMENT FUND II
WATER FINANCIAL ASSISTANCE
SCHEDULE OF DEBT SERVICE REQUIREMENTS
AS OF AUGUST 31, 2012**

Fiscal Year (1)	Principal	Interest	Total Existing Debt Service
2013	\$36,780,000	\$50,751,270	\$87,531,270
2014	\$44,710,000	\$49,067,311	93,777,311
2015	\$45,155,000	\$47,027,799	92,182,799
2016	\$45,495,000	\$44,877,234	90,372,234
2017	\$51,280,000	\$42,708,146	93,988,146
2018	\$52,370,000	\$40,181,779	92,551,779
2019	\$59,425,000	\$37,580,593	97,005,593
2020	\$58,650,000	\$34,651,097	93,301,097
2021	\$56,830,000	\$31,687,549	88,517,549
2022	\$57,920,000	\$29,005,904	86,925,904
2023	\$48,630,000	\$26,106,815	74,736,815
2024	\$42,755,000	\$23,690,652	66,445,652
2025	\$35,375,000	\$21,659,177	57,034,177
2026	\$34,790,000	\$19,900,530	54,690,530
2027	\$37,285,000	\$18,162,516	55,447,516
2028	\$33,955,000	\$16,299,303	50,254,303
2029	\$36,705,000	\$14,688,885	51,393,885
2030	\$28,650,000	\$12,992,794	41,642,794
2031	\$30,070,000	\$11,574,663	41,644,663
2032	\$21,840,000	\$10,053,454	31,893,454
2033	\$22,975,000	\$8,945,251	31,920,251
2034	\$23,985,000	\$7,863,885	31,848,885
2035	\$30,550,000	\$6,737,144	37,287,144
2036	\$23,515,000	\$5,267,719	28,782,719
2037	\$24,615,000	\$4,173,219	28,788,219
2038	\$25,300,000	\$3,026,913	28,326,913
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	-	-	-
2049	-	-	-
2050	-	-	-
2051	-	-	-
2052	-	-	-
2053	-	-	-
2054	-	-	-
2055	-	-	-
2056	-	-	-
	<u>\$1,046,030,000</u>	<u>\$623,929,560</u>	<u>\$1,669,959,560</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)

August 31,

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
ASSETS					
Current Assets:					
Cash and Cash Equivalents:					
Cash in State Treasury	132,190,736	119,155,015	113,715,222	94,332,699	85,043,572
Receivables from:					
Interest and Dividends	7,692,644	8,843,903	7,410,941	6,842,210	8,749,492
Accounts Receivable			129,102	65,469	34,991
Interfund Receivables	16,512,135	18,553,095	10,729,249	12,050,048	13,561,621
Due From Other Funds	31,205,445	27,814,085	40,892,246	44,876,452	43,681,814
Loans and Contracts	18,366,004	18,759,722	18,101,510	19,907,820	16,394,452
Total Current Assets	205,966,964	193,125,820	190,978,270	178,074,698	167,465,942
Non-Current Assets:					
Loans and Contracts	503,010,688	689,933,966	643,852,605	618,914,585	820,366,125
Interfund Receivables	293,021,721	310,035,726	285,362,622	296,988,964	313,427,765
Total Non-Current Assets	796,032,409	999,969,692	929,215,227	915,903,549	1,133,793,890
Total Assets	1,001,999,373	1,193,095,512	1,120,193,497	1,093,978,247	1,301,259,832
LIABILITIES					
Current Liabilities:					
Payables from:					
Accounts Payable	14,143			5,000	14,349
Interest Payable	3,379,191	5,157,213	3,736,745	3,599,661	4,229,272
Due to Other Funds	28,807,271	25,246,767	38,297,762	42,274,438	40,998,829
G. O. Bonds Payable	40,320,000	42,700,000	34,575,000	39,505,000	37,827,856
Total Current Liabilities	72,520,605	73,103,980	76,609,507	85,384,099	83,070,306
Non-Current Liabilities:					
G. O. Bonds Payable (net)	763,065,000	943,495,000	866,280,000	825,540,000	1,031,410,152
Total Non-Current Liabilities	763,065,000	943,495,000	866,280,000	825,540,000	1,031,410,152
Total Liabilities	835,585,605	1,016,598,980	942,889,507	910,924,099	1,114,480,458
NET ASSETS					
Unrestricted	166,413,768	176,496,532	177,303,990	183,054,148	186,779,374
Total Net Assets	166,413,768	176,496,532	177,303,990	183,054,148	186,779,374

(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.

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

For the Fiscal Year Ended August 31,

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
OPERATING REVENUES:					
Interest and Investment Income	56,525,165	58,204,828	54,725,742	50,602,160	53,555,335
Total Operating Revenues	56,525,165	58,204,828	54,725,742	50,602,160	53,555,335
OPERATING EXPENSES:					
Professional Fees and Services	265,852	219,960	317,883	112,487	513,339
Travel		4,017	4,026		4,686
Printing and Reproduction	2,650		1,336		1,571
Interest	43,575,637	41,555,015	53,060,427	44,698,711	47,957,802
Other Operating Expenses	779,651	1,633,251	560,969	8,804	1,352,711
Total Operating Expenses	44,623,790	43,412,243	53,944,641	44,820,002	49,830,109
Operating Income (Loss)	11,901,375	14,792,585	781,101	5,782,158	3,725,226
Income/(Loss) before Other Revenues, Expenses, Gains/Losses and Transfers	11,901,375	14,792,585	781,101	5,782,158	3,725,226
OTHER REVENUES, EXPENSES, GAINS/LOSSES AND TRANSFERS:					
Transfers-In	257,635,692	320,085,869	389,518,751	255,459,708	54,053,857
Transfers-Out	(258,969,256)	(324,795,690)	(389,492,394)	(255,491,708)	(54,053,857)
Total Other Revenue, Expenses, Gain/Losses and Transfers	(1,333,564)	(4,709,821)	26,357	(32,000)	-
Change in Net Assets	10,567,811	10,082,764	807,458	5,750,158	3,725,226
Total Net Assets, September 1, XXXX	155,845,957	166,413,768	176,496,532	177,303,990	183,054,148
Total Net Assets, August 31, Ending	166,413,768	176,496,532	177,303,990	183,054,148	186,779,374

(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.

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

OFFICIAL STATEMENT

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

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

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

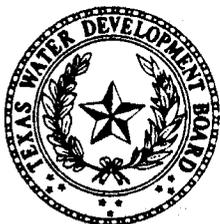
Dated: March 6, 2002

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

Dated: March 26, 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 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

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

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 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

Dated: June 11, 2003

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

OFFICIAL STATEMENT

Dated June 23, 2004

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 DATED JUNE 22, 2005

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.

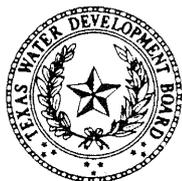
OFFICIAL STATEMENT DATED MAY 23, 2006

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

OFFICIAL STATEMENT DATED AUGUST 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 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**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
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.

**OFFICIAL STATEMENT
SEPTEMBER 14, 2011**

NEW ISSUE - Book-Entry-Only

**Ratings: Fitch "AAA"; Moody's "Aaa"; S&P "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.



**\$92,255,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS
State of Texas
Water Financial Assistance Bonds
Series 2011B**

Dated Date: Date of Delivery

Due: August 1, as shown on inside cover page

The State of Texas Water Financial Assistance Bonds, Series 2011B (the "Bonds") are general obligations of the State of Texas (the "State") and are issued by the Texas Water Development Board (the "Board") under the authority of the Constitution and laws of the State. Interest on the Bonds will accrue from the Date of 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 February 1, 2012, and on each August 1 and February 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 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, in order to (i) augment the funding of the Financial Assistance Account for Water Assistance Projects from the Texas Water Development Fund II and (ii) pay expenses arising from the issuance of the Bonds.

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

The Bonds are issued pursuant to a resolution that authorizes issuance of bonds in one or more series (the "Resolution") adopted on August 18, 2011 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., Dallas, Texas, Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Vinson & Elkins 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 October 4, 2011 ("Date of Delivery").

PIPER JAFFRAY & CO.

**FIDELITY CAPITAL MARKETS
LOOP CAPITAL MARKETS, LLC**

**MORGAN STANLEY
RAYMOND JAMES**

**OFFICIAL STATEMENT
MARCH 20, 2012**

NEW ISSUE - Book-Entry-Only

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

Delivery of the Bonds is subject to the opinion of Andrews Kurth LLP, Bond Counsel, to the effect that, under existing law and assuming continuing compliance with covenants in the Resolution, (1) interest on the Bonds is excludable from gross income for federal income tax purposes, and (2) interest on the Bonds will not be included in the owner's alternative minimum taxable income of individuals. 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.



**\$149,645,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS
State of Texas
Water Financial Assistance Bonds
Series 2012C**

Dated Date: Date of Delivery

Due: August 1, as shown on inside cover page

The State of Texas Water Financial Assistance Bonds, Series 2012C (the "Bonds") are general obligations of the State of Texas (the "State") and are issued by the Texas Water Development Board (the "Board") under the authority of the Constitution and laws of the State. Interest on the Bonds will accrue from the Date of 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, 2012, 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, mandatory and extraordinary mandatory redemption prior to stated 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, 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, in order to (i) augment the funding of the Financial Assistance Account for Water Assistance Projects, as defined herein, from the Texas Water Development Fund II and (ii) pay expenses arising from the issuance of the Bonds.

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

The Bonds are issued pursuant to a resolution that authorizes issuance of bonds in one or more series (the "Resolution") adopted on March 1, 2012 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 Andrews Kurth LLP, Austin, Texas, Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Bracewell & Giuliani LLP, Houston, Texas. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery, through the facilities of DTC, on or about April 10, 2012 ("Date of Delivery").

MORGAN STANLEY

**BofA MERRILL LYNCH
SIEBERT BRANDFORD SHANK & CO., L.L.C.**

ESTRADA HINOJOSA & CO., INC.

**RAMIREZ & CO., INC.
SOUTHWEST SECURITIES**

NOTICE OF PARTIAL REDEMPTION

**STATE OF TEXAS
WATER FINANCIAL ASSISTANCE REFUNDING
AND FINANCIAL ASSISTANCE BONDS
SERIES 2000**

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:

STATE OF TEXAS WATER FINANCIAL ASSISTANCE REFUNDING AND FINANCIAL ASSISTANCE BONDS SERIES 2000, outstanding bond maturing on the date and in the principal amount set forth below:

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Redemption Date</u>	<u>Interest Rate</u>	<u>Cusip No.</u>
August 1, 2019*	\$4,480,000	January 19, 2012	5.800%	882720DD4

*Denotes Term Bond.

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:

<u>First Class/Registered/Certified</u>	<u>Express Delivery Only</u>	<u>By Hand Only</u>
The Bank of New York Mellon Global Corporate Trust P.O. Box 396 East Syracuse, New York 13057	The Bank of New York Mellon Global Corporate Trust 111 Sanders Creek Pkwy. East Syracuse, New York 13057	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, 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 the authority of a resolution adopted by the Texas Water Development Board on July 21, 2011. Any questions regarding this notice may be addressed to the Texas Water Development Board; Attention: Piper Montemayor, Development Fund Manager (512) 475-2117.

NOTICE OF PARTIAL DEFEASANCE AND REDEMPTION

STATE OF TEXAS WATER FINANCIAL ASSISTANCE REFUNDING AND WATER FINANCIAL ASSISTANCE BONDS, SERIES 2000

NOTICE is hereby given that the following obligations issued by the Texas Water Development Board have been defeased and 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:

STATE OF TEXAS WATER FINANCIAL ASSISTANCE REFUNDING AND WATER FINANCIAL ASSISTANCE BONDS, SERIES 2000, maturing on the dates and in the principal amounts set forth below:

<u>Maturity Date</u>	<u>Principal Amount (\$)</u>	<u>Redemption Date</u>	<u>Interest Rate</u>	<u>Cusip No.</u>
August 1, 2012	\$2,105,000	April 26, 2012	6.000%	882720CW3
August 1, 2013	1,600,000	April 26, 2012	5.375%	882720CX1
August 1, 2015	180,000	April 26, 2012	5.500%	882720CZ6

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:

<u>First Class/Registered/Certified</u>	<u>Express Delivery Only</u>	<u>By Hand Only</u>
The Bank of New York Mellon Global Corporate Trust P.O. Box 396 East Syracuse, New York 13057	The Bank of New York Mellon Global Corporate Trust 111 Sanders Creek Pkwy. East Syracuse, New York 13057	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 the authority of a resolution adopted by the Texas Water Development Board on July 21, 2011. Any questions regarding this notice may be addressed to the Texas Water Development Board; Attention: Piper Montemayor, (512) 475-2117.

NOTICE OF PARTIAL DEFEASANCE AND REDEMPTION**STATE OF TEXAS WATER FINANCIAL ASSISTANCE BONDS, SERIES 2000A**

NOTICE is hereby given that the following obligations issued by the Texas Water Development Board have been defeased and 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:

STATE OF TEXAS WATER FINANCIAL ASSISTANCE BONDS, SERIES 2000A, maturing on the dates and in the principal amounts set forth below:

<u>Maturity Date</u>	<u>Principal Amount (\$)</u>	<u>Redemption Date</u>	<u>Interest Rate</u>	<u>Cusip No.</u>
August 1, 2015	\$3,335,000	April 26, 2012	5.75%	882720GK5
August 1, 2016	3,440,000	April 26, 2012	5.75%	882720GL3

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:

<u>First Class/Registered/Certified</u>	<u>Express Delivery Only</u>	<u>By Hand Only</u>
The Bank of New York Mellon Global Corporate Trust P.O. Box 396 East Syracuse, New York 13057	The Bank of New York Mellon Global Corporate Trust 111 Sanders Creek Pkwy. East Syracuse, New York 13057	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 the authority of a resolution adopted by the Texas Water Development Board on July 21, 2011. Any questions regarding this notice may be addressed to the Texas Water Development Board; Attention: Piper Montemayor, (512) 475-2117.

NOTICE OF PARTIAL DEFEASANCE AND REDEMPTION

**State of Texas Water Financial Assistance
Bonds, Series 2000A**

NOTICE IS HEREBY GIVEN is hereby given that the following obligations issued by the Texas Water Development Board have been defeased and 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:

STATE OF TEXAS WATER FINANCIAL ASSISTANCE BONDS, SERIES 2000A, maturing on the dates and in the principal amounts set forth below:

<u>Maturity Date</u>	<u>Principal Amount(\$)</u>	<u>Redemption Date</u>	<u>Interest Rate</u>	<u>Cusip No.</u>
August 1, 2013	\$3,430,000	August 29, 2012	5.75%	882720GH2
August 1, 2014	3,625,000	August 29, 2012	5.75%	882720GJ8
August 1, 2015	500,000	August 29, 2012	5.20%	882720HF5
August 1, 2016	320,000	August 29, 2012	5.75%	882720GL3

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:

<u>First Class/Registered/Certified:</u>	<u>Express Delivery Only:</u>	<u>By Hand Only:</u>
The Bank of New York Mellon Global Corporate Trust P.O. Box 396 East Syracuse, New York 13057	The Bank of New York Mellon Global Corporate Trust 111 Sanders Creek Pkwy. East Syracuse, New York 13057	The Bank of New York Mellon Global Corporate Trust Corporate Trust Window 101 Barclay Street, 1st Fl. E. New York, NY 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 the authority of a resolution adopted by the Texas Water Development Board on July 21, 2011. Any questions regarding this notice may be addressed to the Texas Water Development Board; Attention: Piper Montemayor, (512) 475-2117.

ATTACHMENT B

**General Obligation Bonds
(Economically Distressed Areas Program)**

**GENERAL OBLIGATION BONDS
(Economically Distressed Areas Program)**

Original Par Amount	Series Description	CUSIP Prefix
\$ 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
\$ 32,350,000	State of Texas Water Financial Assistance Bonds, Series 2010D (Economically Distressed Areas Program)	882722
\$ 14,955,000	State of Texas Water Financial Assistance Bonds, Series 2012B (Economically Distressed Areas Program)	882722
\$ 15,725,000	State of Texas Water Financial Assistance Refunding Bonds, Taxable Series 2012D (Economically Distressed Areas Program)	882722

**ANNUAL UPDATE OF QUANTITATIVE FINANCIAL
INFORMATION AND OPERATING DATA FOR FISCAL YEAR 2012**

The information contained under the heading “ANNUAL UPDATE OF QUANTITATIVE FINANCIAL INFORMATION AND OPERATING DATA FOR FISCAL YEAR 2012” 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 this Attachment.

As of August 31, 2012, the Board had nine outstanding Bond issues in the aggregate principal amount of \$197,100,000, as listed above. The 82nd legislative session authorized the issuance of up to \$100,000,000 during the 2012-2013 biennium.

As of August 31, 2012, the Economically Distressed Areas Program had received \$10,100,070.82 in prepayments (which consisted of \$10,050,692 in principal of which \$244,000 was received this fiscal year) from Political Subdivision Bonds. Economically Distressed Areas 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
ECONOMICALLY DISTRESSED AREAS PROGRAM
SCHEDULE OF DEBT SERVICE REQUIREMENTS
AS OF AUGUST 31, 2012**

Fiscal Year (1)	Principal	Interest	Total Existing Debt Service
2013	\$13,795,000	\$8,358,327	\$22,153,327
2014	14,160,000	7,872,499	22,032,499
2015	14,540,000	7,347,609	21,887,609
2016	14,770,000	6,782,233	21,552,233
2017	15,215,000	6,166,160	21,381,160
2018	15,650,000	5,520,876	21,170,876
2019	15,905,000	4,845,211	20,750,211
2020	13,560,000	4,254,734	17,814,734
2021	12,580,000	3,632,321	16,212,321
2022	12,690,000	3,044,801	15,734,801
2023	11,710,000	2,469,056	14,179,056
2024	11,330,000	1,939,231	13,269,231
2025	8,390,000	1,432,275	9,822,275
2026	6,520,000	1,070,406	7,590,406
2027	3,390,000	796,081	4,186,081
2028	3,520,000	644,750	4,164,750
2029	3,655,000	468,750	4,123,750
2030	2,095,000	286,000	2,381,000
2031	2,160,000	181,250	2,341,250
2032	1,465,000	73,250	1,538,250
2033	-	-	-
2034	-	-	-
2035	-	-	-
2036	-	-	-
2037	-	-	-
	\$197,100,000	\$67,185,820	\$264,285,820

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

UNAUDITED (1)

Texas Water Development Board
Balance Sheet / Statement of Net Assets – Economically Distressed Area Program (EDAP) Funds

August 31,

	Governmental Funds Total 2008 (2)	Long-Term Liabilities Adjustments 2008 (2)	Statement of Net Assets 2008 (2)	Governmental Funds Total 2009 (2)	Long-Term Liabilities Adjustments 2009 (2)(3)	Statement of Net Assets 2009 (2)(3)
ASSETS						
Current Assets:						
Cash and Cash Equivalents:						
Cash in State Treasury	49,564,682		49,564,682	9,073,791		9,073,791
Receivables From:						
Interest and Dividends	344,077		344,077	342,447		342,447
Accounts Receivable	125,389		125,389	26,740		26,740
Loans and Contracts	1,038,321		1,038,321	993,343		993,343
Total Current Assets	51,072,469	-	51,072,469	10,436,321	-	10,436,321
Non-Current Assets:						
Loans & Contracts	17,625,140		17,625,140	21,755,630		21,755,630
Total Noncurrent Assets	17,625,140	-	17,625,140	21,755,630	-	21,755,630
Total Assets	68,697,609	-	68,697,609	32,191,951	-	32,191,951
LIABILITIES AND FUND BALANCES						
Liabilities:						
Current Liabilities:						
Payables From:						
Accounts Payable	875		875			-
Interest Payable		710,881	710,881		662,452	662,452
Due To Other Funds			-			-
General Obligation Bonds Payable		8,055,000	8,055,000		8,449,005	8,449,005
Total Current Liabilities	875	8,765,881	8,766,756	-	9,111,457	9,111,457
Non-Current Liabilities:						
General Obligation Bonds Payable		164,440,000	164,440,000		156,147,046	156,147,046
Total Non-Current Liabilities	-	164,440,000	164,440,000	-	156,147,046	156,147,046
Total Liabilities	875	173,205,881	173,206,756	-	165,258,503	165,258,503
Fund Financial Statement - Fund Balances						
Fund Balances (Deficits):						
Restricted						
Reserved for:						
Debt Service	12,820			2,230		
Loans and Contracts	18,663,461			166,746,795		
Unreserved Designated for:						
Other	50,020,453			(134,557,074)		
Total Fund Balances	68,696,734			32,191,951		
Total Liabilities and Fund Balances	68,697,609			32,191,951		
Government-wide Statement - Net Assets						
Net Assets:						
Restricted for:						
Debt Retirement		12,820	12,820		2,230	2,230
Unrestricted		(173,218,701)	(104,521,967)		(165,260,733)	(133,068,782)
Total Net Assets		(173,205,881)	(104,509,147)		(165,258,503)	(133,066,552)

- (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) 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.
- (3) 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.
- (4) Beginning on 9/1/2010 fund balance categories changed due to Government Accounting Standards Board Statement No. 54 implementation. Fund balances are no longer reported as reserved or unreserved. Instead they are reported as restricted.

UNAUDITED (1)

Governmental Funds Total 2010 (2)	Long-Term Liabilities Adjustments 2010 (2)	Statement of Net Assets 2010 (2)	Governmental Funds Total 2011 (2)(4)	Long-Term Liabilities Adjustments 2011 (2)	Statement of Net Assets 2011 (2)	Governmental Funds Total 2012 (2)	Long-Term Liabilities Adjustments 2012 (2)	Statement of Net Assets 2012 (2)
16,554,631		16,554,631	27,037,768		27,037,768	13,112,131		13,112,131
285,218		285,218	212,220		212,220	199,916		199,916
16,913		16,913	18,513		18,513	4,787		4,787
1,392,282		1,392,282	1,334,360		1,334,360	1,428,103		1,428,103
18,249,044	-	18,249,044	28,602,861	-	28,602,861	14,744,937	-	14,744,937
26,719,104		26,719,104	23,743,713		23,743,713	23,444,661		23,444,661
26,719,104	-	26,719,104	23,743,713	-	23,743,713	23,444,661	-	23,444,661
44,968,148	-	44,968,148	52,346,574	-	52,346,574	38,189,598	-	38,189,598
	688,989	-		749,895	-	55,884		55,884
		688,989			749,895		696,527	696,527
	10,129,006	-		12,797,055	-		14,201,235	14,201,235
-	10,817,995	10,817,995	-	13,546,950	13,546,950	55,884	14,897,762	14,953,646
	165,838,041	-		185,741,726	-		187,239,906	187,239,906
-	165,838,041	165,838,041	-	185,741,726	185,741,726	-	187,239,906	187,239,906
-	176,656,036	176,656,036	-	199,288,676	199,288,676	55,884	202,137,668	202,193,552
			52,346,574			38,133,714		
2,313								
26,719,103								
18,246,732								
44,968,148			52,346,574			38,133,714		
44,968,148			52,346,574			38,189,598		
	2,313	2,313		-	-		-	-
	(176,658,349)	(131,690,201)		(199,288,676)	(146,942,102)		(202,137,668)	(164,003,954)
	(176,656,036)	(131,687,888)		(199,288,676)	(146,942,102)		(202,137,668)	(164,003,954)

UNAUDITED (1)

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

For the Fiscal Year Ended August 31,

	Governmental Funds Total 2008 (2)	Long-Term Liabilities Adjustments 2008 (2)	Statement of Activities 2008 (2)	Governmental Funds Total 2009 (2)	Long-Term Liabilities Adjustments 2009 (2)(3)	Statement of Activities 2009 (2)(3)
REVENUES						
Interest and Other Investment Income	3,261,529		3,261,529	1,841,463		1,841,463
Total Revenues	3,261,529	-	3,261,529	1,841,463	-	1,841,463
EXPENDITURES						
Professional Fees and Services	28,061		28,061	76,050	190,870	266,920
Travel			-	1,225		1,225
Printing and Reproduction			-			-
Intergovernmental Payments	1,683,006		1,683,006	7,952,921		7,952,921
Public Assistance Payments	498,274		498,274	1,813,818		1,813,818
Other Expenditures	13		13	12,553		12,553
Debt service:						
Principal	7,690,000	(7,690,000)	-	8,930,000	(8,930,000)	-
Interest (FFS)	8,866,189	(8,866,189)	-	7,660,044	(7,660,044)	-
Interest on Long-Term Debt (GWFS)		8,853,662	8,853,662		8,345,712	8,345,712
Total Expenditures/Expenses	18,765,543	(7,702,527)	11,063,016	26,446,611	(8,053,462)	18,393,149
Excess (Deficiency) of Revenues Over Expenditures	(15,504,014)	7,702,527	(7,801,487)	(24,605,148)	8,053,462	(16,551,686)
OTHER FINANCING SOURCES (USES)						
Bond and Note Proceeds		-	-	106,084	(106,084)	-
Transfers In	21,060,202		21,060,202	19,894,734		19,894,734
Transfers Out	(12,750,972)		(12,750,972)	(31,900,453)		(31,900,453)
Total Other Financing Sources and Uses	8,309,230	-	8,309,230	(11,899,635)	(106,084)	(12,005,719)
Net Change in Fund Balances/Net Assets	(7,194,784)	7,702,527	507,743	(36,504,783)	7,947,378	(28,557,405)
Fund Financial Statement - Fund Balances						
Fund Balances--Beginning	75,891,518			68,696,734		
Fund Balances--August 31, Ending	68,696,734			32,191,951		
Government-wide Statement - Net Assets						
Net Assets--Beginning		(180,908,408)	(105,016,890)		(173,205,881)	(104,509,147)
Net Assets--August 31, Ending		(173,205,881)	(104,509,147)		(165,258,503)	(133,066,552)

(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) 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.

(3) 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.

UNAUDITED (1)

Governmental Funds Total 2010 (2)	Long-Term Liabilities Adjustments 2010 (2)	Statement of Activities 2010 (2)	Governmental Funds Total 2011 (2)	Long-Term Liabilities Adjustments 2011 (2)	Statement of Activities 2011 (2)	Governmental Funds Total 2012 (2)	Long-Term Liabilities Adjustments 2012 (2)	Statement of Activities 2012 (2)
1,187,422		1,187,422	1,084,770		1,084,770	836,968		836,968
1,187,422	-	1,187,422	1,084,770	-	1,084,770	836,968	-	836,968
38,157	115,794	153,951	109,932	198,606	308,538	157,604	10,645	168,249
		-	4,573		4,573	902		902
274		274	3,347		3,347	1,194		1,194
10,443,027		10,443,027	23,268,395		23,268,395	28,578,797		28,578,797
394,733		394,733	2,498,434		2,498,434			-
9,500		9,500	9,500		9,500	31,114		31,114
12,970,000	(12,970,000)	-	11,950,000	(11,950,000)	-	12,630,000	(12,630,000)	-
8,443,204	(8,443,204)	-	9,200,808	(9,200,808)	-	9,312,285	(9,312,285)	-
	7,651,565	7,651,565		8,904,659	8,904,659		8,852,682	8,852,682
32,298,895	(13,645,845)	18,653,050	47,044,989	(12,047,543)	34,997,446	50,711,896	(13,078,958)	37,632,938
(31,111,473)	13,645,845	(17,465,628)	(45,960,219)	12,047,543	(33,912,676)	(49,874,928)	13,078,958	(36,795,970)
25,043,378	(25,043,378)	-	34,680,183	(34,680,183)	-	15,927,950	(15,927,950)	-
32,489,395		32,489,395	29,661,315		29,661,315	21,940,112		21,940,112
(13,645,103)		(13,645,103)	(11,002,853)		(11,002,853)	(2,205,994)		(2,205,994)
43,887,670	(25,043,378)	18,844,292	53,338,645	(34,680,183)	18,658,462	35,662,068	(15,927,950)	19,734,118
12,776,197	(11,397,533)	1,378,664	7,378,426	(22,632,640)	(15,254,214)	(14,212,860)	(2,848,992)	(17,061,852)
32,191,951			44,968,148			52,346,574		
44,968,148			52,346,574			38,133,714		
	(165,258,503)	(133,066,552)		(176,656,036)	(131,687,888)		(199,288,676)	(146,942,102)
	(176,656,036)	(131,687,888)		(199,288,676)	(146,942,102)		(202,137,668)	(164,003,954)

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

Dated June 23, 2004

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.

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, 2011 and on each August 1 and February 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 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 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

OFFICIAL STATEMENT
JANUARY 18, 2012

NEW ISSUES - Book-Entry-Only

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

Delivery of the Bonds is subject to the opinion of Andrews Kurth LLP, Bond Counsel, to the effect that, under existing law and assuming continuing compliance with covenants in the Resolutions, (1) interest on the Bonds is excludable from gross income for federal income tax purposes, and (2) interest on the Bonds will not be included in the owner's alternative minimum taxable income of individuals. See "TAX EXEMPTION" for a discussion of the opinion of Bond Counsel, including the alternative minimum tax consequences for corporations.



\$54,885,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS

\$39,930,000
State of Texas
Water Financial Assistance Bonds
Series 2012A
(Water Infrastructure Fund)

\$14,955,000
State of Texas
Water Financial Assistance Bonds
Series 2012B
(Economically Distressed Areas Program)

Dated Date: Date of Delivery

Due: August 1, as shown on inside cover pages

The State of Texas Water Financial Assistance Bonds, Series 2012A (Water Infrastructure Fund) (the "2012A Bonds") and the State of Texas Water Financial Assistance Bonds, Series 2012B (Economically Distressed Areas Program) (the "2012B Bonds" and, together with the 2012A Bonds, the "Bonds") are general obligations of the State of Texas (the "State") and are issued by the Texas Water Development Board (the "Board") under the authority of the Constitution and laws of the State. Interest on the Bonds will accrue from the Date of 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, 2012, and on each August 1 and February 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 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 2012A 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, as defined herein, from the Texas Water Development Fund II (the "Development Fund II") and (ii) pay expenses arising from the issuance of the 2012A Bonds. The proceeds of the 2012A Bonds are expected to be transferred from Development Fund II 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, as amended ("Subchapter Q"), to provide financial assistance to eligible Texas political subdivisions. The 2012B 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-10, Texas Constitution and the Act, in order to (i) augment the funding of the "EDAP Projects," being financial assistance in the form of loans and 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 Article III, Section 49-d-7, Texas Constitution and Subchapter K of Chapter 17 of the Texas Water Code, as amended, from Development Fund II, and (ii) pay expenses arising from the issuance of the 2012B Bonds.

SEE INSIDE COVER PAGES HEREIN FOR STATED MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES,
INITIAL YIELDS, CUSIP NUMBERS, AND REDEMPTION PROVISIONS FOR THE BONDS

The Bonds are issued pursuant to two separate resolutions, which authorize issuance in one or more series, (the "2012A Resolution" and the "2012B Resolution", respectively, and, collectively, the "Resolutions") adopted on December 15, 2011 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 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., Houston, Texas. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery, through the facilities of DTC, on or about February 7, 2012 ("Date of Delivery").

CITIGROUP
FROST BANK

M. R. BEAL & COMPANY

J.P. MORGAN
SAMCO CAPITAL MARKETS, INC.

**OFFICIAL STATEMENT
MAY 1, 2012**

NEW ISSUES - Book-Entry-Only

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

The Bonds are not obligations described in section 103(a) of the Internal Revenue Code of 1986. See "Certain Federal Income Tax Considerations" herein.



**\$37,940,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS**

**\$15,725,000
State of Texas
Water Financial Assistance Refunding Bonds
Taxable Series 2012D
(Economically Distressed Areas Program)**

**\$22,215,000
State of Texas
Water Financial Assistance Refunding Bonds
Taxable Series 2012E
(State Participation Program)**

Dated Date: Date of Delivery

Due: August 1, as shown on inside cover pages

The State of Texas Water Financial Assistance Refunding Bonds, Taxable Series 2012D (Economically Distressed Areas Program) (the "2012D Bonds") and the State of Texas Water Financial Assistance Refunding Bonds, Taxable Series 2012E (State Participation Program) (the "2012E Bonds" and, together with the 2012D Bonds, the "Bonds") are general obligations of the State of Texas (the "State") and are issued by the Texas Water Development Board (the "Board") under the authority of the Constitution and laws of the State. Interest on the Bonds will accrue from the Date of 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, 2012, 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 2012E Bonds are subject to optional and mandatory redemption prior to stated maturity as provided herein. See "THE BONDS - Redemption Provisions." The 2012D Bonds are **not** subject to redemption prior to their scheduled maturities.

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 2012D 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-10, Texas Constitution, Subchapter L of Chapter 17 of the Texas Water Code, as amended (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 Refunding and Financial Assistance Bonds, Series 1998C (Economically Distressed Areas Program) (the "1998C Refunded Bonds") and Water Financial Assistance Bonds, Series 2001A (Economically Distressed Areas Program) (the "2001A Refunded Bonds") and (ii) pay expenses arising from the issuance of the 2012D Bonds. The 2012E 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, the Act, and Chapter 1207 in order to (i) refund certain outstanding State of Texas Water Financial Assistance Bonds, Series 2001C (State Participation Program) (the "2001C Refunded Bonds" and, together with the 1998C Refunded Bonds and the 2001A Refunded Bonds, the "Refunded Bonds") and (ii) pay expenses arising from the issuance of the 2012E Bonds. See "Schedule I - Schedule of Refunded Bonds."

SEE INSIDE COVER PAGES HEREIN FOR STATED MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES,
INITIAL YIELDS, CUSIP NUMBERS, AND REDEMPTION PROVISIONS FOR THE BONDS

The Bonds are issued pursuant to two separate resolutions (the "2012D Resolution" and the "2012E Resolution", respectively, and, collectively, the "Resolutions") adopted on April 19, 2012 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., Dallas, Texas, 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 30, 2012 ("Date of Delivery").

RBC CAPITAL MARKETS

LOOP CAPITAL MARKETS RAYMOND JAMES | MORGAN KEEGAN COASTAL SECURITIES, INC.

ATTACHMENT C

**General Obligation Bonds
(State Participation Program)**

**GENERAL OBLIGATION BONDS
(State Participation Program)**

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
\$ 22,215,000	State of Texas Water Financial Assistance Refunding Bonds, Taxable Series 2012E (State Participation Program)	882722

**ANNUAL UPDATE OF QUANTITATIVE FINANCIAL
INFORMATION AND OPERATING DATA FOR FISCAL YEAR 2012**

The information contained under the heading “ANNUAL UPDATE OF QUANTITATIVE FINANCIAL INFORMATION AND OPERATING DATA FOR FISCAL YEAR 2012” 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 statements relating to these bonds, the copies of the covers of which are included in this Attachment.

General

As of August 31, 2012, the Board had seven outstanding Bond issues in the aggregate principal amount of \$149,010,000, as listed above.

As of August 31, 2012, the State Participation Program had received \$80,131,806.06 in prepayments (which consisted of \$67,515,000 in principal of which \$26,175,000 was received this fiscal year) from Political Subdivision Bonds. State Participation 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
STATE PARTICIPATION PROGRAM
(DEDICATED BONDS)
SCHEDULE OF DEBT SERVICE REQUIREMENTS
AS OF AUGUST 31, 2012**

Fiscal Year (1)	Principal	Interest	Total Existing Debt Service
2013	\$1,330,000	\$6,983,917	\$8,313,917
2014	1,365,000	6,933,717	8,298,717
2015	1,410,000	6,882,067	8,292,067
2016	2,960,000	6,823,467	9,783,467
2017	3,505,000	6,705,067	10,210,067
2018	3,580,000	6,552,217	10,132,217
2019	3,630,000	6,395,617	10,025,617
2020	5,390,000	6,236,467	11,626,467
2021	5,890,000	5,983,918	11,873,918
2022	8,690,000	5,715,552	14,405,552
2023	8,870,000	5,348,294	14,218,294
2024	8,825,000	4,948,712	13,773,712
2025	8,735,000	4,531,792	13,266,792
2026	8,565,000	4,118,467	12,683,467
2027	8,850,000	3,715,841	12,565,841
2028	9,170,000	3,298,180	12,468,180
2029	8,700,000	2,854,038	11,554,038
2030	9,015,000	2,429,854	11,444,854
2031	7,110,000	1,990,246	9,100,246
2032	7,450,000	1,638,509	9,088,509
2033	7,820,000	1,277,945	9,097,945
2034	8,195,000	898,077	9,093,077
2035	8,115,000	499,990	8,614,990
2036	1,840,000	92,000	1,932,000
	<u>\$149,010,000</u>	<u>\$102,853,951</u>	<u>\$251,863,951</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 – State Participation Program Funds

August 31,

	Governmental Funds Total 2008	Long-Term Liabilities Adjustments 2008	Statement of Net Assets 2008	Governmental Funds Total 2009	Long-Term Liabilities Adjustments 2009	Statement of Net Assets 2009
ASSETS						
Current Assets:						
Cash and Cash Equivalents:						
Cash in State Treasury	\$ 19,564,282		\$ 19,564,282	\$ 20,005,822		\$ 20,005,822
Interest and Dividends	674,473		674,473	759,777		759,777
Accounts Receivable			-	24,898		24,898
Total Current Assets	20,238,755	-	20,238,755	20,790,497	-	20,790,497
Non-Current Assets:						
Loans & Contracts	144,991,165		144,991,165	144,991,165		144,991,165
Total Noncurrent Assets	144,991,165	-	144,991,165	144,991,165	-	144,991,165
Total Assets	165,229,920	-	165,229,920	165,781,662	-	165,781,662
LIABILITIES AND FUND BALANCES						
Liabilities:						
Current Liabilities:						
Payables From:						
Accounts Payable			-			-
Interest Payable		621,608	621,608		594,949	594,949
General Obligation Bonds Payable		155,000	155,000		165,000	165,000
Total Current Liabilities	-	776,608	776,608	-	759,949	759,949
Non-Current Liabilities:						
General Obligation Bonds Payable		139,975,000	139,975,000		139,585,000	139,585,000
Total Non-Current Liabilities	-	139,975,000	139,975,000	-	139,585,000	139,585,000
Total Liabilities	-	140,751,608	140,751,608	-	140,344,949	140,344,949
Fund Financial Statement-Fund Balances						
Fund Balances (Deficits):						
Restricted						
Reserved for:						
Encumbrances						
Debt Service	2,865			1,027		
Loans and Contracts	144,991,165					
Unreserved Designated for:						
Other	20,235,890			165,780,635		
Total Fund Balances	165,229,920			165,781,662		
Total Liabilities and Fund Balances	165,229,920			165,781,662		
Government-wide Statement - Net Assets						
Net Assets:						
Restricted for:						
Debt Retirement		2,865	2,865		1,027	1,027
Unrestricted		(140,754,473)	24,475,447		(140,345,976)	25,435,686
Total Net Assets		(140,751,608)	24,478,312		(140,344,949)	25,436,713

(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) Beginning on 9/1/2010 fund balance categories changed due to Government Accounting Standards Board Statement No. 54 implementation. Fund balances are no longer reported as reserved or unreserved. Insead they are reported as restricted.

Governmental Funds Total 2010	Long-Term Liabilities Adjustments 2010	Statement of Net Assets 2010	Governmental Funds Total 2011 (2)	Long-Term Liabilities Adjustments 2011	Statement of Net Assets 2011	Governmental Funds Total 2012	Long-Term Liabilities Adjustments 2012	Statement of Net Assets 2012
\$ 20,091,010		\$ 20,091,010	\$ 47,780,492		\$ 47,780,492	\$ 52,683,921		\$ 52,683,921
893,856		893,856	893,856		893,856	893,855		893,855
19,567		19,567	31,893		31,893	19,050		19,050
21,004,433	-	21,004,433	48,706,241	-	48,706,241	53,596,826	-	53,596,826
191,040,164		191,040,164	160,319,000		160,319,000	134,144,000		134,144,000
191,040,164	-	191,040,164	160,319,000	-	160,319,000	134,144,000	-	134,144,000
212,044,597	-	212,044,597	209,025,241	-	209,025,241	187,740,826	-	187,740,826
	739,553	739,553		728,170	728,170		581,993	581,993
	3,802,316	3,802,316		1,442,316	1,442,316		1,487,316	1,487,316
-	4,541,869	4,541,869	-	2,170,486	2,170,486	-	2,069,309	2,069,309
	177,409,008	177,409,008		175,966,692	175,966,692		150,354,375	150,354,375
-	177,409,008	177,409,008	-	175,966,692	175,966,692	-	150,354,375	150,354,375
-	181,950,877	181,950,877	-	178,137,178	178,137,178	-	152,423,684	152,423,684
			209,025,241			187,740,826		
1,053								
191,040,165								
21,003,379								
212,044,597			209,025,241			187,740,826		
212,044,597			209,025,241			187,740,826		
	1,053	1,053		-	-		-	-
(181,951,930)		30,092,667		(178,137,178)	30,888,063		(152,423,684)	35,317,142
(181,950,877)		30,093,720		(178,137,178)	30,888,063		(152,423,684)	35,317,142

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 2008	Long-Term Liabilities Adjustments 2008	Statement of Activities 2008	Governmental Funds Total 2009	Long-Term Liabilities Adjustments 2009	Statement of Activities 2009
REVENUES						
Licenses, Fees & Permits						
Interest and Other Investment Income	\$ 7,421,860		\$ 7,421,860	\$ 8,086,113	\$ 907,250	\$ 8,993,363
Total Revenues	7,421,860	-	7,421,860	8,086,113	907,250	8,993,363
EXPENDITURES						
Professional Fees and Services	18,453		18,453	48,009	274,387	322,396
Travel			-	493		493
Printing and Reproduction			-			-
Other Expenditures	11		11	12,587		12,587
Debt service:						
Principal	150,000	(150,000)	-	155,000	(155,000)	-
Interest (FFS)	7,451,808	(7,451,808)	-	7,298,457	(7,298,457)	-
Interest on Long-Term Debt (GWFS)		7,466,174	7,466,174		7,638,533	7,638,533
Total Expenditures/Expenses	7,620,272	(135,634)	7,484,638	7,514,546	459,463	7,974,009
Excess (Deficiency) of Revenues Over Expenditures	(198,412)	135,634	(62,778)	571,567	447,787	1,019,354
OTHER FINANCING SOURCES (USES)						
Bond and Note Proceeds			-	41,128	(41,128)	-
Transfers In	19,125,954		19,125,954	20,079,346		20,079,346
Transfers Out	(18,409,215)		(18,409,215)	(20,140,299)		(20,140,299)
Total Other Financing Sources and Uses	716,739	-	716,739	(19,825)	(41,128)	(60,953)
Net Change in Fund Balances/Net Assets	518,327	135,634	653,961	551,742	406,659	958,401
Fund Financial Statement-Fund Balances						
Fund Balances--Beginning	164,711,593			165,229,920		
Fund Balances--August 31, Ending	165,229,920			165,781,662		
Government-wide Statement - Net Assets						
Net Assets--Beginning		(140,887,242)	23,824,351		(140,751,608)	24,478,312
Net Assets--August 31, Ending		(140,751,608)	24,478,312		(140,344,949)	25,436,713

(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.

Governmental Funds Total 2010	Long-Term Liabilities Adjustments 2010	Statement of Activities 2010	Governmental Funds Total 2011	Long-Term Liabilities Adjustments 2011	Statement of Activities 2011	Governmental Funds Total 2012	Long-Term Liabilities Adjustments 2012	Statement of Activities 2012
\$ 354,578		\$ 354,578						
8,995,996		8,995,996	\$ 9,541,698		\$ 9,541,698	\$ 15,605,420		\$ 15,605,420
9,350,574	-	9,350,574	9,541,698	-	9,541,698	15,605,420	-	15,605,420
39,102	207,906	247,008	6,247		6,247	90,554	321,274	411,828
1,373		1,373			-	259		259
974		974			-			-
9,088		9,088			-	23,797		23,797
3,965,000	(3,965,000)	-	3,645,000	(3,645,000)	-	25,825,000	(25,825,000)	-
7,543,723	(7,543,723)	-	8,874,640	(8,874,640)	-	11,036,177	(11,036,177)	-
	7,531,011	7,531,011		8,705,941	8,705,941		10,732,684	10,732,684
11,559,260	(3,769,806)	7,789,454	12,525,887	(3,813,699)	8,712,188	36,975,787	(25,807,219)	11,168,568
(2,208,686)	3,769,806	1,561,120	(2,984,189)	3,813,699	829,510	(21,370,367)	25,807,219	4,436,852
45,375,734	(45,375,734)	-		-	-	93,725	(93,725)	-
39,966,888		39,966,888	63,817,379		63,817,379	41,357,374		41,357,374
(36,871,001)		(36,871,001)	(63,852,546)		(63,852,546)	(41,365,147)		(41,365,147)
48,471,621	(45,375,734)	3,095,887	(35,167)	-	(35,167)	85,952	(93,725)	(7,773)
46,262,935	(41,605,928)	4,657,007	(3,019,356)	3,813,699	794,343	(21,284,415)	25,713,494	4,429,079
165,781,662			212,044,597			209,025,241		
212,044,597			209,025,241			187,740,826		
	(140,344,949)	25,436,713		(181,950,877)	30,093,720		(178,137,178)	30,888,063
	(181,950,877)	30,093,720		(178,137,178)	30,888,063		(152,423,684)	35,317,142

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

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 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

Dated: June 11, 2003

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 State of Texas Water Financial Assistance Bonds Series 2009C-1	\$57,260,000 State of Texas Water Financial Assistance Refunding Bonds, Series 2009C-2	\$49,775,000 State of Texas 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
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.**

OFFICIAL STATEMENT
MAY 1, 2012

NEW ISSUES - Book-Entry-Only

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

The Bonds are not obligations described in section 103(a) of the Internal Revenue Code of 1986. See "Certain Federal Income Tax Considerations" herein.



\$37,940,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS

\$15,725,000
State of Texas
Water Financial Assistance Refunding Bonds
Taxable Series 2012D
(Economically Distressed Areas Program)

\$22,215,000
State of Texas
Water Financial Assistance Refunding Bonds
Taxable Series 2012E
(State Participation Program)

Dated Date: Date of Delivery

Due: August 1, as shown on inside cover pages

The State of Texas Water Financial Assistance Refunding Bonds, Taxable Series 2012D (Economically Distressed Areas Program) (the "2012D Bonds") and the State of Texas Water Financial Assistance Refunding Bonds, Taxable Series 2012E (State Participation Program) (the "2012E Bonds" and, together with the 2012D Bonds, the "Bonds") are general obligations of the State of Texas (the "State") and are issued by the Texas Water Development Board (the "Board") under the authority of the Constitution and laws of the State. Interest on the Bonds will accrue from the Date of 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, 2012, 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 2012E Bonds are subject to optional and mandatory redemption prior to stated maturity as provided herein. See "THE BONDS - Redemption Provisions." The 2012D Bonds are **not** subject to redemption prior to their scheduled maturities.

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 2012D 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-10, Texas Constitution, Subchapter L of Chapter 17 of the Texas Water Code, as amended (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 Refunding and Financial Assistance Bonds, Series 1998C (Economically Distressed Areas Program) (the "1998C Refunded Bonds") and Water Financial Assistance Bonds, Series 2001A (Economically Distressed Areas Program) (the "2001A Refunded Bonds") and (ii) pay expenses arising from the issuance of the 2012D Bonds. The 2012E 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, the Act, and Chapter 1207 in order to (i) refund certain outstanding State of Texas Water Financial Assistance Bonds, Series 2001C (State Participation Program) (the "2001C Refunded Bonds" and, together with the 1998C Refunded Bonds and the 2001A Refunded Bonds, the "Refunded Bonds") and (ii) pay expenses arising from the issuance of the 2012E Bonds. See "Schedule I - Schedule of Refunded Bonds."

SEE INSIDE COVER PAGES HEREIN FOR STATED MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES,
INITIAL YIELDS, CUSIP NUMBERS, AND REDEMPTION PROVISIONS FOR THE BONDS

The Bonds are issued pursuant to two separate resolutions (the "2012D Resolution" and the "2012E Resolution", respectively, and, collectively, the "Resolutions") adopted on April 19, 2012 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., Dallas, Texas, 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 30, 2012 ("Date of Delivery").

RBC CAPITAL MARKETS

LOOP CAPITAL MARKETS RAYMOND JAMES | MORGAN KEEGAN COASTAL SECURITIES, INC.

ATTACHMENT D

**General Obligation Bonds
(Water Infrastructure Fund)**

**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
\$ 129,540,000	State of Texas Water Financial Assistance Bonds, Series 2011A	882722
\$ 39,930,000	State of Texas Water Financial Assistance Bonds, Series 2012A	882722

**ANNUAL UPDATE OF QUANTITATIVE FINANCIAL
INFORMATION AND OPERATING DATA FOR FISCAL YEAR 2012**

The information contained under the heading “ANNUAL UPDATE OF QUANTITATIVE FINANCIAL INFORMATION AND OPERATING DATA FOR FISCAL YEAR 2012” 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 statements relating to these bonds, the copies of the covers of which are included in this Attachment.

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 82nd legislative session authorized the issuance of up to \$200,000,000 during the 2012-13 biennium. As of August 31, 2012, the Board had seven outstanding Bond issues in the aggregate principal amount of \$733,410,000, as listed above. The program also has \$2,840,000 additional interfund debt outstanding.

As of August 31, 2012, the Water Infrastructure Fund had received \$156,825.90 in prepayments (which consisted of \$155,000 in principal of which \$155,000 was received this fiscal year) from Political Subdivision Bonds. Water Infrastructure Fund prepayments are deposited in the Program account to purchase additional Political Subdivision Bonds and/or defease debt.

**WATER INFRASTRUCTURE FUND
SCHEDULE OF DEBT SERVICE REQUIREMENTS
AS OF AUGUST 31, 2012**

Fiscal Year (1)	Total Principal	Total Interest	Total Existing Debt Service
2013	\$30,955,000	\$35,116,957	\$66,071,957
2014	35,585,000	33,761,378	69,346,378
2015	36,135,000	32,415,773	68,550,773
2016	36,725,000	30,882,801	67,607,801
2017	37,465,000	29,187,857	66,652,857
2018	38,500,000	27,409,512	65,909,512
2019	40,850,000	25,676,544	66,526,544
2020	40,490,000	23,722,775	64,212,775
2021	42,585,000	21,756,854	64,341,854
2022	43,685,000	19,626,830	63,311,830
2023	44,765,000	17,466,709	62,231,709
2024	45,970,000	15,227,523	61,197,523
2025	47,220,000	12,993,763	60,213,763
2026	48,545,000	10,631,545	59,176,545
2027	49,905,000	8,253,303	58,158,303
2028	50,245,000	5,763,761	56,008,761
2029	48,620,000	3,315,938	51,935,938
2030	15,960,000	884,938	16,844,938
2031	2,045,000	102,250	2,147,250
	<u>\$736,250,000</u>	<u>\$354,197,007</u>	<u>\$1,090,447,007</u>

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

(2) Self Supporting debt consists of Series 2008A and Series 2009A.

(3) Not Self Supporting debt consists of Series 2009B, Series 2009E, Series 2010B , Series 2011A, Series 2012A and Interfund Debt.

Texas Water Development Board
Balance Sheet / Statement of Net Assets – Water Infrastructure Fund
August 31, 2012

	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)
ASSETS						
Current Assets:						
Cash and Cash Equivalents:						
Cash in State Treasury	52,013,468		52,013,468	127,722,334		127,722,334
Receivables From:						
Interest and Dividends				799,383		799,383
Accounts Receivable	144,155		144,155	194,089		194,089
Due From Other Funds	9,500		9,500			
Loans and Contracts	975,000		975,000	2,680,000		2,680,000
Total Current Assets	53,142,123	-	53,142,123	131,395,806	-	131,395,806
Non-Current Assets:						
Loans & Contracts	63,980,000		63,980,000	308,144,000		308,144,000
Total Noncurrent Assets	63,980,000	-	63,980,000	308,144,000	-	308,144,000
Total Assets	117,122,123	-	117,122,123	439,539,806	-	439,539,806
LIABILITIES AND FUND BALANCES						
Liabilities:						
Current Liabilities:						
Payables From:						
Interest Payable		409,919	409,919		1,843,561	1,843,561
Interfund Payable				115,000		115,000
Due To Other Funds						
General Obligation Bonds Payable		3,260,000	3,260,000		8,088,791	8,088,791
Total Current Liabilities	-	3,669,919	3,669,919	115,000	9,932,352	10,047,352
Non-Current Liabilities:						
Interfund Payables	-			3,085,000		3,085,000
General Obligation Bonds Payable	-	102,860,000	102,860,000	-	399,511,358	399,511,358
Total Non-Current Liabilities	-	102,860,000	102,860,000	3,085,000	399,511,358	402,596,358
Total Liabilities	-	106,529,919	106,529,919	3,200,000	409,443,710	412,643,710
Fund Financial Statement - Fund Balances						
Fund Balances (Deficits):						
Restricted						
Reserved for:						
Debt Service	8,834			3,998		
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			436,339,806		
Total Liabilities and Fund Balances	117,122,123			439,539,806		
Government-wide Statement - Net Assets						
Net Assets:						
Restricted for:						
Debt Retirement	8,834		8,834		3,998	3,998
Unrestricted		(106,538,753)	10,583,370		(409,447,708)	26,892,098
Total Net Assets		(106,529,919)	10,592,204		(409,443,710)	26,896,096

- (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 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.
- (3) Beginning on 9/1/2010 fund balance categories changed due to Government Accounting Standards Board Statement No. 54 implementation. Fund balances are no longer reported as reserved or unreserved; they are now reported as restricted.

Governmental Funds Total 2010	Long-Term Liabilities Adjustments 2010	Statement of Net Assets 2010	Governmental Funds Total 2011 (3)	Long-Term Liabilities Adjustments 2011	Statement of Net Assets 2011	Governmental Funds Total 2012	Long-Term Liabilities Adjustments 2012	Statement of Net Assets 2012
75,378,351		75,378,351	5,324,095		5,324,095	4,175,246		4,175,246
1,456,704		1,456,704	1,841,758		1,841,758	1,928,576		1,928,576
78,763		78,763	66,883		66,883	1,060		1,060
12,965,000		12,965,000	25,267,000		25,267,000	32,912,000		32,912,000
89,878,818	-	89,878,818	32,499,736	-	32,499,736	39,016,882	-	39,016,882
615,649,000		615,649,000	804,927,000		804,927,000	821,360,000		821,360,000
615,649,000	-	615,649,000	804,927,000	-	804,927,000	821,360,000	-	821,360,000
705,527,818	-	705,527,818	837,426,736	-	837,426,736	860,376,882	-	860,376,882
120,000	4,041,481	4,041,481	125,000	2,870,492	2,870,492	130,000	2,913,696	2,913,696
41,034		41,034	18,315		18,315	19,076		19,076
	21,330,844	21,330,844		27,245,117	27,245,117	34,146,922	34,146,922	34,146,922
161,034	25,372,325	25,533,359	143,315	30,115,609	30,258,924	149,076	37,060,618	37,209,694
2,965,000	632,200,719	632,200,719	2,840,000	744,431,801	744,431,801	2,710,000	756,764,171	756,764,171
2,965,000	632,200,719	635,165,719	2,840,000	744,431,801	747,271,801	2,710,000	756,764,171	759,474,171
3,126,034	657,573,044	660,699,078	2,983,315	774,547,410	777,530,725	2,859,076	793,824,789	796,683,865
			834,443,421			857,517,806		
4,220								
615,649,000								
86,748,564								
702,401,784			834,443,421			857,517,806		
705,527,818			837,426,736			860,376,882		
	4,220	4,220		-	-		-	-
	(657,577,264)	44,824,520		(774,547,410)	59,896,011		(793,824,789)	63,693,017
	(657,573,044)	44,828,740		(774,547,410)	59,896,011		(793,824,789)	63,693,017

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

For the Fiscal Year Ended August 31,

	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)
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)	(57,566,630)		(57,566,630)
Total Other Financing Sources and Uses	124,306,306	(116,611,483)	7,694,823	343,260,832	(319,322,895)	23,937,937
SPECIAL ITEMS						
EXTRAORDINARY ITEMS						
Natural Disaster						
Net Change in Fund Balances/Net Assets	117,122,123	(106,529,919)	10,592,204	319,217,683	(302,913,791)	16,303,892
Fund Financial Statement - Fund Balances						
Fund Balances--Beginning	-			117,122,123		
Fund Balances--August 31, Ending	117,122,123			436,339,806		
Government-wide Statement - Net Assets						
Net Assets--Beginning		-	-		(106,529,919)	10,592,204
Adjustments to Beginning Net Assets						
FY01 GO Bonds Payable in GLTDAG						
Net Assets, September 1, XXXX, as Adjusted		-	-		(106,529,919)	10,592,204
Net Assets--August 31, Ending		(106,529,919)	10,592,204		(409,443,710)	26,896,096

- (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 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	Governmental Funds Total 2011	Long-Term Liabilities Adjustments 2011	Statement of Activities 2011	Governmental Funds Total 2012	Long-Term Liabilities Adjustments 2012
6,706,709		6,706,709	8,906,364		8,906,364	10,276,162	
6,706,709	-	6,706,709	8,906,364	-	8,906,364	10,276,162	-
299,358	1,249,495	1,548,853	215,008	698,837	913,845	115,324	211,169
4,598		4,598	2,592		2,592	1,606	
2,140		2,140	1,198		1,198		
19,000		19,000	9,500		9,500	9,500	
19,790,000	(19,790,000)	-	24,455,000	(24,455,000)	-	25,310,000	(25,310,000)
22,154,344	(22,154,344)	-	31,567,232	(31,567,232)	-	35,065,388	(35,065,388)
	21,307,629	21,307,629		27,471,125	27,471,125		31,786,670
42,269,440	(19,387,220)	22,882,220	56,250,530	(27,852,270)	28,398,260	60,501,818	(28,377,549)
(35,562,731)	19,387,220	(16,175,511)	(47,344,166)	27,852,270	(19,491,896)	(50,225,656)	28,377,549
267,516,554	(267,516,554)	-	144,826,636	(144,826,636)	-	47,654,928	(47,654,928)
178,393,533		178,393,533	153,927,359		153,927,359	60,864,834	
(144,285,378)		(144,285,378)	(119,368,192)		(119,368,192)	(35,219,721)	
301,624,709	(267,516,554)	34,108,155	179,385,803	(144,826,636)	34,559,167	73,300,041	(47,654,928)
266,061,978	(248,129,334)	17,932,644	132,041,637	(116,974,366)	15,067,271	23,074,385	(19,277,379)
436,339,806			702,401,784			834,443,421	
702,401,784			834,443,421			857,517,806	
	(409,443,710)	26,896,096		(657,573,044)	44,828,740		(774,547,410)
	(409,443,710)	26,896,096		(657,573,044)	44,828,740		(774,547,410)
	(657,573,044)	44,828,740		(774,547,410)	59,896,011		(793,824,789)

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.**

OFFICIAL STATEMENT

May 17, 2011

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

Delivery of the Bonds is subject to the opinion of Andrews Kurth LLP, Bond Counsel, to the effect that, under existing law and assuming continuing compliance with covenants in the Resolution, (1) interest on the Bonds is excludable from gross income for federal income tax purposes, and (2) interest on the Bonds will not be included in the alternative minimum taxable income of individuals. See "TAX EXEMPTION" for a discussion of the opinion of Bond Counsel, including the alternative minimum tax consequences for corporations.

\$129,540,000

**STATE OF TEXAS
GENERAL OBLIGATION BONDS
State of Texas
Water Financial Assistance Bonds
Series 2011A
(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 2011A (Water Infrastructure Fund) (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 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, 2011, 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 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 Bonds. The proceeds of the 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, as amended ("Subchapter Q"), to provide financial assistance to eligible Texas political subdivisions.

The Bonds are issued pursuant to a resolution that authorizes issuance of bonds in one or more series (the "Resolution") adopted on November 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 Andrews Kurth LLP, Austin, Texas, Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Vinson & Elkins 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 June 14, 2011 ("Date of Delivery").

JEFFERIES & COMPANY

**BoFA MERRILL LYNCH
RAMIREZ & CO., INC.**

**CITI
SOUTHWEST SECURITIES**

**COASTAL SECURITIES, INC.
STIFEL, NICOLAUS & COMPANY,
INCORPORATED**

OFFICIAL STATEMENT
JANUARY 18, 2012

NEW ISSUES - Book-Entry-Only

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

Delivery of the Bonds is subject to the opinion of Andrews Kurth LLP, Bond Counsel, to the effect that, under existing law and assuming continuing compliance with covenants in the Resolutions, (1) interest on the Bonds is excludable from gross income for federal income tax purposes, and (2) interest on the Bonds will not be included in the owner's alternative minimum taxable income of individuals. See "TAX EXEMPTION" for a discussion of the opinion of Bond Counsel, including the alternative minimum tax consequences for corporations.



\$54,885,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS

\$39,930,000
State of Texas
Water Financial Assistance Bonds
Series 2012A
(Water Infrastructure Fund)

\$14,955,000
State of Texas
Water Financial Assistance Bonds
Series 2012B
(Economically Distressed Areas Program)

Dated Date: Date of Delivery

Due: August 1, as shown on inside cover pages

The State of Texas Water Financial Assistance Bonds, Series 2012A (Water Infrastructure Fund) (the "2012A Bonds") and the State of Texas Water Financial Assistance Bonds, Series 2012B (Economically Distressed Areas Program) (the "2012B Bonds" and, together with the 2012A Bonds, the "Bonds") are general obligations of the State of Texas (the "State") and are issued by the Texas Water Development Board (the "Board") under the authority of the Constitution and laws of the State. Interest on the Bonds will accrue from the Date of 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, 2012, and on each August 1 and February 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 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 2012A 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, as defined herein, from the Texas Water Development Fund II (the "Development Fund II") and (ii) pay expenses arising from the issuance of the 2012A Bonds. The proceeds of the 2012A Bonds are expected to be transferred from Development Fund II 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, as amended ("Subchapter Q"), to provide financial assistance to eligible Texas political subdivisions. The 2012B 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-10, Texas Constitution and the Act, in order to (i) augment the funding of the "EDAP Projects," being financial assistance in the form of loans and 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 Article III, Section 49-d-7, Texas Constitution and Subchapter K of Chapter 17 of the Texas Water Code, as amended, from Development Fund II, and (ii) pay expenses arising from the issuance of the 2012B Bonds.

SEE INSIDE COVER PAGES HEREIN FOR STATED MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES,
INITIAL YIELDS, CUSIP NUMBERS, AND REDEMPTION PROVISIONS FOR THE BONDS

The Bonds are issued pursuant to two separate resolutions, which authorize issuance in one or more series, (the "2012A Resolution" and the "2012B Resolution", respectively, and, collectively, the "Resolutions") adopted on December 15, 2011 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 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., Houston, Texas. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery, through the facilities of DTC, on or about February 7, 2012 ("Date of Delivery").

CITIGROUP
FROST BANK

M. R. BEAL & COMPANY

J.P. MORGAN
SAMCO CAPITAL MARKETS, 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
\$ 150,000,000	Texas Water Development Board State Revolving Fund Senior Lien Revenue Bonds, Program Series 1999B	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
\$ 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 2012

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, 2012, the Board had seven outstanding Bond issues in the aggregate principal amount of \$881,493,000, as listed above. The total outstanding consisted of two Senior Lien issues of Prior Bonds (the Program Series 1998A Bonds and the Program Series 1999B Bonds), in the aggregate principal amount of \$116,625,000 and five Subordinate Lien issues (the Series 2007A Variable 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 \$764,868,000.

A Standby Bond Purchase Agreement is provided by JPMorgan Chase Bank, National Association in connection with the Texas Water Development Board State Revolving Fund Subordinate Lien Revenue Bonds (Variable Rate Refunding) Series 2007A.

As of August 31, 2012, debt obligations of the Trinity River Authority represent approximately 39% of the State Revolving Fund portfolio, of which 5.94% are insured. The City of Houston, Texas, represents approximately 19% of the State Revolving Fund portfolio, of which 71.15% 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. For fiscal year 2013, the Board is required to provide at least \$3,590,067 of its CWSRF grant of \$64,597,000 as subsidy for disadvantaged communities in the form of loan forgiveness.

Federal Stimulus Act. On February 17, 2009, the American Recovery and Reinvestment Act of 2009 (“ARRA”) became law. Among its numerous provisions, the ARRA provides additional grant funds that may be distributed to the Board for use in its State Water Pollution Control Revolving Fund program in the amount of \$179,121,900. The ARRA also provides additional grant funds that may be distributed to the Board for use in its State Safe Drinking Water Revolving Fund program in the amount of \$160,656,000. The Board has applied for and received the State Water Pollution Control Revolving Fund and Drinking Water Revolving Fund grants. To date the Board has committed all of the funds provided under the State Water Pollution Control Revolving Fund and Drinking Water Revolving Fund ARRA grants and expects the funds for each grant to be drawn upon by September 2013.

Background on the State Revolving Fund

As of August 31, 2012, the State Revolving Fund had received Capitalization Grant commitments of \$1,773,717,141.

As of August 31, 2012, the Board had transferred to the State Revolving Fund \$319,764,170 in proceeds of general obligation bonds to provide State Match, of which \$192,974,577 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-fifth year of operation. As of August 31, 2012, the Board has utilized funds on deposit in the State Revolving Fund to purchase \$5,986,871,089 original principal amount of Political Subdivision Bonds for deposit within the Portfolio Account of the State Revolving Fund of which \$2,794,608,000 in principal remains outstanding. As of August 31, 2012, the Board has also committed to purchase an additional \$136,720,000 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, 2012, 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, 2012, general obligations represent 2.62% (\$73,290,000 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, 2012, revenue obligations represent 51.84% (\$1,448,822,000 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, 2012, combination general obligation and revenue obligations represent 9.67% (\$270,236,000 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, 2012, contract revenue bonds represent 35.86% (\$1,002,260,000 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, 2012, the CWSRF program received a total of \$1,978,214,357.78 in prepayments (which represents \$1,953,768,733.54 in principal of which \$130,245,000 was received this fiscal year) 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.

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TEXAS WATER DEVELOPMENT BOARD
 CLEAN WATER STATE REVOLVING FUND
 PROJECTED ANNUAL CASH FLOW COVERAGE
 AS OF AUGUST 31, 2012

Operational Minimum DSC: 1.10
 Lowest Total DSC: 2.76

Fiscal Year	Funds On Hand Debt Service & Prior Year Balance	Loan Receipts 9/1 - 9/31 (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)	Subordinate Lien Debt Service Coverage (5)	Combined Sr. & Sub. Debt Service Coverage (5)	Total Existing Match Bond Debt Service (4)	Debt Service Coverage (5)	Total Debt Service Coverage (5)	Total Existing Debt Service Requirements (4)	Balance	Loan Receipts 6/1 - 9/31	Net Balance After Debt Service
2013 (1)	\$79,099,963	\$112,425,787	\$44,731	\$6,047,863	31.68	\$49,642,470	18.12	3.44	\$13,634,247	2.76	2.76	\$69,324,580	\$122,245,903	\$39,658,653	\$161,904,556
2014	161,904,556	121,726,184	-	6,047,863	46.91	55,713,032	18.12	4.59	13,653,161	3.76	3.76	75,414,056	208,276,684	45,804,388	254,081,072
2015	254,081,072	124,307,935	33,880	40,222,863	9.41	55,806,470	18.94	3.94	13,669,792	3.45	3.45	109,699,124	268,723,762	50,716,770	319,440,531
2016	319,440,531	131,179,173	12,769,674	32,737,288	14.15	58,286,570	19.04	5.09	13,708,266	4.42	4.42	104,742,123	358,647,254	58,276,685	416,923,939
2017	416,923,939	132,903,019	12,769,674	29,513,088	19.04	54,163,320	22.48	6.72	13,718,658	5.77	5.77	97,395,066	464,801,949	68,959,949	533,561,515
2018	533,561,515	132,109,436	12,769,674	6,029,188	112.53	75,002,170	22.78	8.37	13,728,323	7.16	7.16	94,759,681	563,580,944	75,340,911	659,021,855
2019	659,021,855	131,797,929	12,769,674	2,115,188	379.91	118,886,670	30.09	6.64	11,187,330	6.08	6.08	132,189,188	671,400,269	75,194,546	746,594,815
2020	746,594,815	130,341,973	12,769,674	22,537,688	39.48	55,890,138	30.09	6.64	11,187,330	6.08	6.08	132,189,188	671,400,269	75,194,546	746,594,815
2021	876,320,194	129,618,922	12,769,674	12,769,674	39.48	56,211,138	18.12	11.34	10,361,922	10.02	10.02	88,789,747	800,916,714	75,403,480	876,320,194
2022	1,032,612,622	128,771,756	12,769,674	12,769,674	39.48	61,994,800	18.94	18.12	10,373,355	15.30	15.30	86,584,492	952,124,298	80,488,325	1,032,612,622
2023	1,182,576,717	123,761,949	12,769,674	12,769,674	39.48	62,638,988	21.06	18.94	10,400,359	16.22	16.22	71,086,220	1,011,758,893	80,817,824	1,182,576,717
2024	1,327,726,984	119,554,015	12,769,674	12,769,674	39.48	66,524,088	21.95	21.06	8,447,232	18.56	18.56	74,983,682	1,248,022,120	79,704,864	1,327,726,984
2025	1,465,399,035	110,538,536	12,769,674	12,769,674	39.48	70,670,900	22.48	22.48	7,521,564	19.47	19.47	74,983,682	1,385,066,991	80,332,044	1,465,399,035
2026	1,689,903,501	91,333,756	12,769,674	12,769,674	39.48	68,238,438	24.78	22.48	7,555,669	22.31	22.31	78,192,464	1,510,514,780	76,388,722	1,689,903,501
2027	1,891,891,131	77,566,625	12,769,674	12,769,674	39.48	78,379,650	22.74	22.74	6,502,830	21.00	21.00	84,882,480	1,615,212,804	76,678,327	1,891,891,131
2028	1,775,815,066	67,739,577	12,769,674	12,769,674	39.48	60,949,438	30.46	30.46	4,752,306	28.25	28.25	65,701,743	1,790,622,574	73,601,033	1,864,223,607
2029	1,864,223,607	58,864,369	12,769,674	12,769,674	39.48	64,343,938	30.09	30.09	4,756,718	28.02	28.02	69,100,655	1,866,777,014	68,676,146	1,935,453,160
2030	1,935,453,160	52,977,928	12,769,674	12,769,674	39.48	18,116,250	110.46	110.46	4,442,937	88.71	88.71	22,559,187	1,978,641,574	70,675,964	2,049,317,538
2031	2,049,317,538	46,362,569	12,769,674	12,769,674	39.48	7,201,250	292.79	292.79	2,217,549	223.86	223.86	9,418,799	2,099,030,981	69,924,104	2,168,955,085
2032	2,168,955,085	42,095,289	12,769,674	12,769,674	39.48	3,151,750	705.58	705.58	-	705.58	705.58	3,151,750	2,220,668,297	68,192,683	2,288,860,981
2033	2,288,860,981	36,194,169	12,769,674	12,769,674	39.48	3,157,000	741.05	741.05	-	741.05	741.05	3,157,000	2,334,670,074	18,596,843	2,353,266,916
2034	2,353,266,916	35,615,907	12,769,674	12,769,674	39.48	3,157,000	760.74	760.74	-	760.74	760.74	3,157,000	2,398,495,497	12,140,018	2,410,635,514
2035	2,410,635,514	34,562,088	12,769,674	12,769,674	39.48	3,148,250	780.74	780.74	-	780.74	780.74	3,148,250	2,454,819,026	4,874,584	2,459,693,609
2036	2,459,693,609	33,996,622	12,769,674	12,769,674	39.48	3,153,750	790.76	790.76	-	790.76	790.76	3,153,750	2,490,691,385	4,906,064	2,495,597,448
2037	2,495,597,448	32,934,896	12,769,674	12,769,674	39.48	3,147,500	803.39	803.39	-	803.39	803.39	3,147,500	2,525,537,747	3,509,955	2,529,047,702
2038	2,529,047,702	32,937,955	12,769,674	12,769,674	39.48	3,144,750	814.74	814.74	-	814.74	814.74	3,144,750	2,558,993,811	2,084,788	2,561,078,599
2039	2,561,078,599	21,564,320	12,769,674	12,769,674	39.48	3,144,750	814.74	814.74	-	814.74	814.74	3,144,750	2,582,785,822	1,222,068	2,584,007,890
2040	2,584,007,890	14,264,945	12,769,674	12,769,674	39.48	-	-	-	-	-	-	-	2,598,425,738	720,268	2,599,146,006
2041	2,599,146,006	10,275,490	12,769,674	12,769,674	39.48	-	-	-	-	-	-	-	2,609,574,399	731,828	2,610,306,226
2042	2,610,306,226	3,632,649	12,769,674	12,769,674	39.48	-	-	-	-	-	-	-	2,614,091,778	497,334	2,614,589,112
2043	2,614,589,112	81	12,769,674	12,769,674	39.48	-	-	-	-	-	-	-	2,614,742,097	5,081	2,614,747,178
2044	2,614,747,178	-	12,769,674	12,769,674	39.48	-	-	-	-	-	-	-	2,614,900,081	-	2,614,900,081
2045	2,614,900,081	-	12,769,674	12,769,674	39.48	-	-	-	-	-	-	-	2,615,052,985	-	2,615,052,985
2046	2,615,052,985	-	12,769,674	12,769,674	39.48	-	-	-	-	-	-	-	-	-	-
2047	-	-	12,769,674	12,769,674	39.48	-	-	-	-	-	-	-	-	-	-
2048	-	-	12,769,674	12,769,674	39.48	-	-	-	-	-	-	-	-	-	-
		\$2,321,427,868	\$257,001,118	\$145,251,025	\$1,160,727,465	\$179,091,833	\$1,485,070,323	\$1,485,070,323	\$1,485,070,323	\$1,485,070,323	\$1,485,070,323	\$1,485,070,323	\$1,485,070,323	\$1,442,584,358	\$1,442,584,358

- (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. Fees in all years are based upon the assumption that \$371,524,400 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.
- (6) Projected fee income is derived from fees charged to borrowers to cover the administrative costs of the program.

TEXAS WATER DEVELOPMENT BOARD
 CLEAN WATER STATE REVOLVING FUND
 PROJECTED SOURCES OF REVENUES
 AS OF AUGUST 31, 2012

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)
2013 (1)	\$112,425,787		\$44,731	\$112,470,519	\$39,658,653
2014	\$121,786,184			121,786,184	45,804,388
2015	124,307,935	\$33,880		124,341,814	50,716,770
2016	131,179,173	\$12,769,674		143,948,846	58,276,685
2017	132,303,019	12,769,674		145,072,693	68,959,949
2018	132,109,436	12,769,674		144,879,110	75,340,911
2019	131,797,929	12,769,674		144,567,602	75,194,546
2020	130,341,973	12,769,674		143,111,647	75,403,480
2021	129,618,922	12,769,674		142,388,596	80,488,325
2022	128,771,756	12,769,674		141,541,429	80,817,824
2023	123,761,949	12,769,674		136,531,623	79,704,864
2024	119,554,015	12,769,674		132,323,689	80,332,044
2025	110,538,536	12,769,674		123,308,209	76,388,722
2026	91,333,756	12,769,674		104,103,430	76,678,327
2027	77,566,625	12,769,674		90,336,299	78,470,117
2028	67,739,577	12,769,674		80,509,251	73,601,033
2029	58,884,389	12,769,674		71,654,063	68,676,146
2030	52,977,928	12,769,674		65,747,602	70,675,964
2031	46,362,569	12,769,674		59,132,242	89,924,104
2032	42,095,289	12,769,674		54,864,962	88,192,683
2033	36,194,169	12,769,674		48,963,843	18,596,843
2034	35,615,907	12,769,674		48,385,581	12,140,018
2035	34,562,088	12,769,674		47,331,762	4,874,584
2036	33,998,622	152,903		34,151,525	4,906,064
2037	32,934,896	152,903		33,087,799	3,509,955
2038	32,937,955	152,903		33,090,859	2,084,788
2039	21,584,320	152,903		21,707,223	1,222,068
2040	14,264,945	152,903		14,417,848	720,268
2041	10,275,490	152,903		10,428,393	731,828
2042	3,632,649	152,903		3,785,552	497,334
2043	81	152,903		152,985	5,081
2044		152,903		152,903	
2045		152,903		152,903	
2046		152,903		152,903	
2047		152,903		152,903	
2048		152,903		152,903	
	\$2,321,427,868	\$256,956,386	\$44,731	\$2,578,428,986	\$1,442,584,358

(1) The Texas Water Development Board's fiscal year runs from 9/1 to 8/31.
 (2) Represents scheduled repayments of \$2,794,608,000 in outstanding principal amount of Political Subdivision Bonds as of August 31, 2012.
 (3) Represents projected repayments from (a) \$10,075,000 in Board commitments which include \$5,495,000 in Tier II loans, \$4,580,000 in Tier III loans, and \$0 in Tier II Disadvantaged loans; and (b) \$246,311,276 in projected loans to be made with excess available program funds.
 (4) Assumes investment income on fund balances at 0.02% for 6 months.

TEXAS WATER DEVELOPMENT BOARD
 CLEAN WATER STATE REVOLVING FUND
 DEBT SERVICE ON OUTSTANDING BONDS
 AS OF AUGUST 31, 2012

Fiscal Year	Senior Lien		Variable Rate Bonds (2)		Subordinate Lien		State Match		Total Debt Service
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
2013 (1)									
2014	\$6,047,863	\$6,047,863	\$102,232	\$102,232	\$14,935,000	\$34,605,238	\$7,693,813	\$5,940,434	\$13,634,247
2015	\$6,047,863	\$6,047,863	102,232	102,232	21,675,000	33,935,800	8,033,805	5,619,356	13,653,161
2016	\$4,217,288	\$4,217,288	102,232	102,232	22,800,000	32,904,238	8,395,915	5,273,877	13,669,792
2017	\$2,733,088	\$2,733,088	102,232	102,232	26,405,000	31,789,338	8,806,730	4,901,536	13,708,266
2018	\$1,349,188	\$1,349,188	102,232	102,232	23,685,000	30,476,088	9,218,405	4,500,254	13,718,658
2019	\$1,115,188	\$1,115,188	102,232	102,232	45,570,000	29,329,938	9,656,565	4,071,759	13,728,323
2020	\$1,067,688	\$1,067,688	69,220,232	69,220,232	22,910,000	27,156,438	7,573,357	3,613,974	11,167,330
2021	-	-	-	-	29,755,000	26,135,138	7,099,024	3,262,898	10,361,922
2022	-	-	-	-	31,560,000	24,651,138	7,442,347	2,931,007	10,373,355
2023	-	-	-	-	38,935,000	23,059,800	61,994,800	2,575,364	10,400,359
2024	-	-	-	-	41,565,000	21,073,988	62,638,988	2,195,176	8,447,232
2025	-	-	-	-	47,570,000	18,954,088	66,524,088	1,896,990	8,459,594
2026	-	-	-	-	54,125,000	16,545,900	70,670,900	1,578,730	7,521,564
2027	-	-	-	-	54,430,000	13,808,438	68,238,438	6,263,777	7,555,669
2028	-	-	-	-	67,325,000	11,054,650	78,379,650	5,517,925	6,502,830
2029	-	-	-	-	53,310,000	7,639,438	60,949,438	4,032,797	4,752,306
2030	-	-	-	-	59,370,000	4,973,938	64,343,938	4,233,650	4,756,718
2031	-	-	-	-	16,100,000	2,016,250	18,116,250	4,129,133	22,559,187
2032	-	-	-	-	5,990,000	1,211,250	7,201,250	2,109,861	9,418,799
2033	-	-	-	-	2,240,000	911,750	3,151,750	-	3,151,750
2034	-	-	-	-	2,355,000	799,750	3,154,750	-	3,154,750
2035	-	-	-	-	2,475,000	682,000	3,157,000	-	3,157,000
2036	-	-	-	-	2,590,000	558,250	3,148,250	-	3,148,250
2037	-	-	-	-	2,725,000	428,750	3,153,750	-	3,153,750
2038	-	-	-	-	2,855,000	292,500	3,147,500	-	3,147,500
2039	-	-	-	-	2,995,000	149,750	3,144,750	-	3,144,750
2040	-	-	-	-	-	-	-	-	-
2041	-	-	-	-	-	-	-	-	-
2042	-	-	-	-	-	-	-	-	-
2043	-	-	-	-	-	-	-	-	-
2044	-	-	-	-	-	-	-	-	-
2045	-	-	-	-	-	-	-	-	-
2046	-	-	-	-	-	-	-	-	-
2047	-	-	-	-	-	-	-	-	-
2048	-	-	-	-	-	-	-	-	-
	\$116,625,000	\$28,626,025	\$145,251,025	\$69,833,627	\$895,750,000	\$395,143,838	\$1,160,727,465	\$52,302,241	\$1,179,091,833
					\$1,060,893,638	\$126,789,593			\$1,485,070,233

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

(2) Assumes an interest rate of 0.15% 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, 2012**

Fiscal Year Ending 8/31 (1)	Total Current Sr. Lien Bond Debt Service (2)	Total Current Sub. Lien Bond Debt Service (3)	Total Current Match Bond Debt Service (4)	Total Debt Service
2013	\$6,047,863	\$49,642,470	\$13,634,247	\$69,324,580
2014	6,047,863	55,713,032	13,653,161	75,414,056
2015	40,222,863	55,806,470	13,669,792	109,699,124
2016	32,737,288	58,296,570	13,708,266	104,742,123
2017	29,513,088	54,163,320	13,718,658	97,395,066
2018	6,029,188	75,002,170	13,728,323	94,759,681
2019	2,115,188	118,886,670	11,187,330	132,189,188
2020	22,537,688	55,890,138	10,361,922	88,789,747
2021	-	56,211,138	10,373,355	66,584,492
2022	-	61,994,800	10,400,359	72,395,159
2023	-	62,638,988	8,447,232	71,086,220
2024	-	66,524,088	8,459,594	74,983,682
2025	-	70,670,900	7,521,564	78,192,464
2026	-	68,238,438	7,555,689	75,794,127
2027	-	78,379,650	6,502,830	84,882,480
2028	-	60,949,438	4,752,306	65,701,743
2029	-	64,343,938	4,756,718	69,100,655
2030	-	18,116,250	4,442,937	22,559,187
2031	-	7,201,250	2,217,549	9,418,799
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	-	-	-	-
2044	-	-	-	-
2045	-	-	-	-
2046	-	-	-	-
2047	-	-	-	-
2048	-	-	-	-
	<u>\$145,251,025</u>	<u>\$1,160,727,465</u>	<u>\$179,091,833</u>	<u>\$1,485,070,323</u>

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

(2) Reflects debt service on \$116,625,000 outstanding principal amount of Senior Lien Bonds as of August 31, 2012.

(3) Reflects debt service on \$764,868,000 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 \$126,789,593 outstanding principal amount of Match Bonds issued as matching funds for Federal Grants.

Development Fund General Obligation Bonds (5)

Series	Amount Provided	Balance Outstanding as of 8/31/2012
1986B	\$21,038,050.00	\$241.88
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	11,165,372.72	1,340,281.26
1997B	13,951,810.00	6,135,681.86
1998A	25,000,000.00	10,285,000.00
2000	985,000.00	906,716.47
2000A	25,000,000.00	14,860,000.00
2001B	9,265,000.00	8,945,095.00
2002B	26,000,000.00	18,655,000.00
2002E	3,281,268.53	2,644,702.44
2003C	9,218,731.47	7,430,297.56
2004D	23,427,633.45	18,644,990.58
2005A	8,126,114.61	7,060,096.92
2006A	674,639.84	585,819.21
2008B	5,363,408.00	4,829,784.07
2009C-1	3,366,296.00	3,036,849.00
2009C-2	6,518,796.00	5,718,876.46
2011B	16,346,260.00	15,710,160.00
	<u>\$320,256,669.90</u>	<u>\$126,789,592.71</u>

(5) 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.

Top Ten Entities Funded by the Clean Water State Revolving Fund
(As of August 31, 2012)

Entity	Outstanding Balances of Loans Closed	Percentage Amount of Loan Balances
TRINITY RIVER AUTHORITY	\$1,091,965,000	39.07%
HOUSTON, CITY OF	\$538,970,000	19.29%
SAN ANTONIO WATER SYSTEM	\$244,770,000	8.76%
FORT WORTH, CITY OF	\$84,880,000	3.04%
EL PASO, CITY OF	\$55,583,000	1.99%
LAREDO, CITY OF	\$48,750,000	1.74%
MCALLEN, CITY OF	\$35,900,000	1.28%
CIBOLO CREEK MA	\$32,080,000	1.15%
BELL CO WCID #1	\$31,410,000	1.12%
AUSTIN, CITY OF	\$30,890,000	1.11%
Top Ten Borrowers Totals	\$2,195,198,000	78.55%

State Revolving Fund Commitments
(As of August 31, 2012)

Entity	Commitment Amount
Arlington, City of	\$ 7,845,000
Bedford, City of	630,000
Brady, City of	1,210,000
Burnett, City of	1,905,000
Del Rio, City of	5,000,000
Eldorado, City of	1,200,000
Grand Prarie, City of	495,000
Greater Texoma Utility Authority	2,825,000
Houston, City of	49,900,000
Houston, City of	48,750,000
Kerr County	570,000
Marlin, City of	3,000,000
Mercedes, City of	3,255,000
Palestine, City of	9,835,000
Ranger, City of	300,000
Total Commitments	\$ 136,720,000

Clean Water State Revolving Fund
--Loans Outstanding--
8/31/2012

Borrower	Bond Description	Commitment Amount	Outstanding Balance	Final Maturity	Call Date	Loan Number
ALAMO, CITY OF	WWKS & SS REV BONDS SER 2007	\$4,000,000.00	\$3,310,000.00	3/1/2027	9/1/2017	L070015
ALEDO, CITY OF	TAX & WWKS & SS SURP REV CO SER 2009	\$675,000.00	\$675,000.00	8/15/2042	8/15/2019	L090036
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
ALEDO, CITY OF	TAX & WWKS & SS SURP REV CO SER 2011A	\$3,345,000.00	\$3,345,000.00	8/15/2042	8/15/2021	L090038
ALEDO, CITY OF	TAX & WWKS & SS SURP REV CO SER 2012	\$1,900,000.00	\$1,900,000.00	8/15/2042	8/15/2022	L090039
ALICE, CITY OF	COMB TAX & SUR REV CO SER 2009	\$4,257,000.00	\$4,257,000.00	2/1/2042	2/1/2013	L100001
ALICE, CITY OF	COMB TAX & SURP REV CO SER 2010	\$2,054,000.00	\$2,054,000.00	2/1/2042	2/1/2013	L100041
ALTO, CITY OF	COMB TAX & UTILITY SYSTM REV CERT OF OBLGA SRS 1997	\$425,000.00	\$145,000.00	7/15/2017	7/15/2008	L03700
ALVORD, CITY OF	TAX & WWKS & SS REV CO'S SER 2004A	\$420,000.00	\$265,000.00	10/1/2024	10/1/2014	L13800
ALVORD, CITY OF	TAX & WW & SS SURPLUS REV CERT OF OBLIG SER. 1996	\$390,000.00	\$135,000.00	10/1/2016	10/1/2006	94900
ANAHUAC, CITY OF	COMBINATION TAX & REVENUE CERT OF OBL, SERIES 1999	\$1,465,000.00	\$830,000.00	8/1/2020	2/1/2010	L115100
ANGELINA & NECHES RA	CONTRACT REVENUE BONDS, SERIES 1998	\$620,000.00	\$265,000.00	2/1/2018	4/1/2008	97800
ANGLETON, CITY OF	COMBINATION TAX & REVENUE CO'S, SERIES 2002	\$645,000.00	\$395,000.00	8/15/2022	8/15/2012	L12800
ANTHONY, TOWN OF	COMB TAX & SURPLUS REV CO SER 2009A	\$4,000,000.00	\$3,920,000.00	8/15/2039	2/15/2020	L090001
ARANSAS PASS CITY OF	COMB TAX & SUBORDINATE LIEN REV CO SERIES 2005	\$1,115,000.00	\$800,000.00	2/1/2025	2/1/2015	L136100
ARCOLA, CITY OF	COMB TAX & REV CO SER 2008A	\$1,380,000.00	\$1,285,000.00	3/1/2038	6/15/2018	L080047
ARLINGTON, CITY OF	W&WW REV BONDS SERIES 2010	\$13,885,000.00	\$12,500,000.00	6/1/2030	12/1/2020	L090035
AUBREY, CITY OF	COMB TAX & REV CO'S SERIES 2003	\$1,740,000.00	\$1,100,000.00	8/15/2023	8/15/2013	L127200
AUSTIN, CITY OF	COMB UTIL SYS SUBOR LIEN REV BONDS,SERIES 1998B	\$10,000,000.00	\$625,000.00	11/15/2017	11/15/2008	L09000
AUSTIN, CITY OF	W & WWKS REV BONDS SER 2010	\$31,815,000.00	\$30,265,000.00	11/15/2041	11/15/2012	L100020
AZLE, CITY OF	WWKS & SS REV BONDS SERIES 2010	\$13,595,000.00	\$13,595,000.00	2/1/2030	2/1/2020	L100069
BACLAFF MUD	UNLIMITED TAX BONDS, SRS 2002	\$4,890,000.00	\$3,200,000.00	9/1/2023	9/1/2012	L25900
BACLAFF MUD	UNLIMITED TAX BONDS, SRS 2004	\$4,890,000.00	\$3,655,000.00	9/1/2025	9/1/2014	L26000
BARDEWELL, CITY OF	COMB TAX & W&S SYS REV CERT OF OBLIG, SERIES 1996	\$200,000.00	\$110,000.00	8/1/2017	8/1/2007	98300
BAYTOWN, CITY OF	COMB TAX & REV CO SERIES 2005	\$13,370,000.00	\$10,240,000.00	2/1/2025	8/1/2015	L134100
BAYTOWN, CITY OF	COMB TAX & REV CO SERIES 2006B	\$19,700,000.00	\$15,140,000.00	2/1/2026	8/1/2016	L134200
BAYVIEW MUD	UNLIMITED TAX & REVENUE BONDS, SERIES 1996A	\$490,000.00	\$180,000.00	9/1/2016	9/1/2006	96500
BELL CO WCID #1	SANITARY SS REV BONDS SERIES 2004	\$34,310,000.00	\$27,760,000.00	7/10/2024	1/10/2015	L133400
BELL CO WCID #1	SPECIAL PROJ BONDS TAXABLE SERIES 2004B	\$5,215,000.00	\$3,650,000.00	7/10/2024	1/10/2015	L133500
BELL CO WCID #2	UTIL SYST REV BONDS SER 2008	\$1,055,000.00	\$985,000.00	9/1/2029	9/1/2018	L080020
BELLS, CITY OF	COMB TAX & REV CO SERIES 1997 A	\$130,000.00	\$60,000.00	2/15/2018	2/15/2007	L02800
BLOSSOM, CITY OF	TAX & UTILITY SYST REV CO'S, SERIES 1999	\$275,000.00	\$140,000.00	1/1/2019	7/1/2009	L113200
BONHAM, CITY OF	COMB TAX & REV CO SERIES 2005A	\$1,675,000.00	\$1,165,000.00	2/15/2026	2/15/2016	L136900
BRIDGEPORT, CITY OF	COMBINATION TAX & REVENUE CO'S, SERIES 2001	\$1,200,000.00	\$630,000.00	8/15/2021	2/15/2012	L21300
BRIDGEPORT, CITY OF	COMB TAX & REV CO SERIES 2003	\$2,365,000.00	\$1,250,000.00	8/15/2023	2/15/2014	L26600
BRIDGEPORT, CITY OF	UTILITY SYSTEM REVENUE BONDS, SERIES 1993	\$2,200,000.00	\$460,000.00	7/1/2013	7/1/2003	74800
BROWNSBORO, CITY OF	COMB TAX & REV CO SERIES 2004	\$700,000.00	\$460,000.00	8/15/2024	2/15/2014	L130900
BRYAN, CITY OF	W & SS REV BONDS SERIES 2009B	\$1,270,000.00	\$920,000.00	7/1/2019	7/1/2019	L090075
BRYAN, CITY OF	WW & SS REV BONDS NEW SER 2011	\$15,685,000.00	\$15,485,000.00	7/1/2030	7/1/2021	L100094
BUFFALO GAP, TOWN OF	COMB TAX & REV CO SER 2011	\$400,000.00	\$400,000.00	11/15/2041	11/15/2021	L100088
BURNET, CITY OF	COMBO TAX & SUR REV CO'S SERIES 2010	\$11,425,000.00	\$11,030,000.00	2/1/2040	2/1/2020	L090014
BURNET, CITY OF	COMB TAX & REV CO SER 2012	\$9,900,000.00	\$9,900,000.00	2/1/2042	2/1/2023	L100084
CADDO MILLS, CITY OF	COMBINATION TAX AND SRPLS REVENUE CERT OF OBLG, SERIES 2012	\$4,430,000.00	\$4,430,000.00	8/15/2041	8/15/2022	L110073
CAMERON, CITY OF	COMB TAX & SURPLUS REV, CO, SRS 2003A	\$710,000.00	\$490,000.00	2/1/2024	8/1/2013	L28300
CAMERON, CITY OF	COMB TAX & REV CO SER 2004	\$1,800,000.00	\$1,280,000.00	2/1/2024	8/1/2014	L32000
CAMERON, CITY OF	Comb Tax & Surplus Rev Cert of Oblig, Series 2012	\$860,000.00	\$860,000.00	3/1/2032	9/1/2022	L110084
CAMPBELL, CITY OF	COMB TAX & REV CERTIFICATES OF OBLIG SERIES 1997	\$240,000.00	\$110,000.00	8/15/2019	2/15/2008	L03300
CELINA, CITY OF	TAX & WWKS & SS REV CO SER 2008	\$4,480,000.00	\$1,660,000.00	9/1/2028	9/1/2017	L070067
CENTER, CITY OF	COMB TAX & WW & SS SUR REV CERT OF OBLG, SRS 2012	\$2,070,000.00	\$2,070,000.00	2/15/2035	2/15/2022	L110070
CIBOLO CREEK MA	REVENUE BONDS, SERIES 2002	\$1,500,000.00	\$810,000.00	7/10/2022	1/10/2013	L127700
CIBOLO CREEK MA	Revenue Bonds Series 2004	\$6,415,000.00	\$4,285,000.00	7/10/2024	1/10/2015	L130700
CIBOLO CREEK MA	Revenue Bonds SER 2010	\$2,545,000.00	\$2,545,000.00	7/10/2031	1/10/2020	L100026
CIBOLO CREEK MA	Revenue Bonds, Series 2012	\$24,440,000.00	\$24,440,000.00	7/10/2037	1/10/2022	L110083
CLEVELAND, CITY OF	WASTEWATER SYSTEM REVENUE BONDS, SERIES 1997	\$2,250,000.00	\$825,000.00	2/1/2017	6/1/2007	L01200
CLEVELAND, CITY OF	WATERWORKS & SEWER SYSTEM REVENUE BONDS, SRS 2000	\$1,960,000.00	\$1,175,000.00	8/1/2020	2/1/2011	L20400
CLEVELAND, CITY OF	COMB TAX & REV CO SER 2009	\$555,000.00	\$495,000.00	3/1/2029	9/1/2019	L070083

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CLEVELAND, CITY OF	COMB TAX & REV CO SER 2011	\$2,360,000.00	\$2,265,000.00	3/1/2031	9/1/2021	L070084
COMMERCE, CITY OF	CERTIFICATES OF OBLIGATION SERIES 2007	\$2,005,000.00	\$1,500,000.00	8/15/2027	2/15/2018	L070054
COMMERCE, CITY OF	COMB TAX & REV CO SER 2010C	\$3,490,000.00	\$3,260,000.00	2/15/2040	2/15/2021	L090002
COMMODORE COVE ID	UNLIMITED TAX BONDS, SERIES 1995	\$490,000.00	\$150,000.00	2/15/2016	2/15/2005	92200
CORINTHIAN POINT MUD #2	SS COMBINATION UNLIMITED TAX & REV BONDS SER 1997A	\$1,310,000.00	\$390,000.00	2/1/2017	8/1/2007	101400
CORPUS CHRISTI, CITY OF	UTILITY SYST REV REFUND&IMPROV BONDS,SERIES 1999A	\$15,750,000.00	\$6,900,000.00	7/15/2019	7/15/2009	111800
CRANFILLS GAP, CITY OF	COMBINATION TAX & REVENUE CO'S, SERIES 2001	\$605,000.00	\$365,000.00	9/1/2021	9/1/2011	115500
DAYTON, CITY OF	COMB TAX & SUBORD LIEN REV CO SER 2006	\$8,500,000.00	\$8,060,000.00	2/1/2028	8/1/2016	L060032
DE LEON, CITY OF	COMB TAX & REV CO SER 2009	\$1,990,000.00	\$1,990,000.00	2/15/2029	2/15/2020	L090047
DEER PARK, CITY OF	WW & SS REVENUE BONDS, SRS 2002	\$5,000,000.00	\$2,750,000.00	3/1/2023	9/1/2012	127300
DEKALB, CITY OF	WATERWORKS & SEWER SYSTEM REVENUE BONDS, SRS 1999	\$565,000.00	\$355,000.00	12/1/2019	12/1/2011	112300
DEL RIO, CITY OF	COMB TAX & REV CO SERIES 2003C	\$2,190,000.00	\$1,480,000.00	7/1/2024	1/1/2014	127400
DETROIT, CITY OF	WW & SS REVENUE BONDS, SERIES 2000	\$925,000.00	\$510,000.00	7/1/2020	1/1/2011	119600
DRIPPING SPRINGS, CITY OF	COMB TAX & JR. LIEN REV CO SERIES 2005	\$9,430,000.00	\$8,165,000.00	6/1/2026	12/1/2014	131000
EAGLE PASS, CITY OF	WW & SS REVENUE BONDS, SERIES 2003C	\$10,110,000.00	\$7,045,000.00	12/1/2024	6/1/2013	125700
EAGLE PASS, CITY OF	WW & SS REV BONDS, SRS 2004B	\$700,000.00	\$60,000.00	12/1/2023	12/1/2014	128100
EAGLE PASS, CITY OF	WW & SS REVENUE BONDS, SERIES 1992	\$2,795,000.00	\$250,000.00	12/1/2012	12/1/2002	79900
EAST CEDAR CREEK FWSD	UTILITY SYS REV BONDS SER 2004	\$1,500,000.00	\$1,080,000.00	1/1/2025	1/1/2015	134000
EASTLAND, CITY OF	COMB TAX & REV CO SERIES 2008A	\$975,000.00	\$870,000.00	2/15/2029	8/15/2018	L080050
EDINBURG, CITY OF	W & SS JR LIEN REV BONDS SERIES 2008	\$4,020,000.00	\$3,560,000.00	3/1/2029	3/1/2019	L070023
EL PASO, CITY OF	W&SS REV BONDS SERIES 2003B	\$10,000,000.00	\$9,965,000.00	3/1/2024	3/1/2014	130800
EL PASO, CITY OF	W & SS REV BONDS SERIES 2005	\$10,000,000.00	\$7,595,000.00	3/1/2026	9/1/2015	136200
EL PASO, CITY OF	W & SS REV BONDS SER 2008A	\$14,000,000.00	\$13,985,000.00	3/1/2029	9/1/2018	L080076
EL PASO, CITY OF	W & SS REV BONDS SER 2008B	\$22,000,000.00	\$21,985,000.00	3/1/2029	9/1/2018	L080077
EL PASO, CITY OF	MUNI UTIL SYST REV BONDS SER 2009	\$2,163,000.00	\$2,053,000.00	3/1/2031	3/1/2012	L100021
EVADALE WCID #1	TAX & SEWER SYSTEM REVENUE BONDS, SRS 2001	\$1,550,000.00	\$925,000.00	7/1/2022	7/1/2012	113300
FAIRFIELD, CITY OF	COMB TAX & REV CO'S, SRS 2002	\$4,415,000.00	\$2,675,000.00	9/1/2022	3/1/2013	126700
FIRST COLONY MUD #9	WW & SS COMB UNLTD TAX & REV BONDS, SERIES 1998	\$4,000,000.00	\$65,000.00	10/1/2018	10/1/2008	101800
FORT BEND CO FWSD #1	SANITARY SWR SYST UNLTD TAX BONDS SER 2006A	\$6,935,000.00	\$5,500,000.00	8/15/2027	8/15/2016	132800
FORT BEND CO FWSD #1	UNLTD TAX BONDS SER 2010	\$5,285,000.00	\$5,165,000.00	8/15/2039	8/15/2020	L100027
FORT WORTH, CITY OF	WATER & SEWER SYS SUB LIEN REV BONDS, SERIES 2002	\$34,310,000.00	\$20,130,000.00	3/1/2022	9/1/2012	122300
FORT WORTH, CITY OF	W&SS SUBORD LIEN REV BONDS SER 2005	\$7,890,000.00	\$5,405,000.00	3/1/2025	3/1/2015	132700
FORT WORTH, CITY OF	W&WW SYS SUBORD LIEN REV BONDS SER 2005A	\$11,500,000.00	\$6,355,000.00	3/1/2025	12/1/2015	133000
FORT WORTH, CITY OF	W&WW SYST SUBORD LIEN REV BONDS SERIES 2007A	\$33,560,000.00	\$27,550,000.00	3/1/2027	9/1/2017	L070070
FORT WORTH, CITY OF	WWS & SS REV BONDS SERIES 2010B	\$28,000,000.00	\$25,440,000.00	2/15/2030	8/15/2020	L090003
GALVESTON CO MUD #12	UNLIMITED TAX BONDS, SERIES 1996A	\$1,820,000.00	\$700,000.00	9/1/2015	9/1/2005	92800
GALVESTON CO WCID #1	REVENUE NOTES, SERIES 2002A	\$6,395,000.00	\$3,865,000.00	3/1/2022	9/1/2012	119100
GARLAND, CITY OF	W & SS REVENUE BONDS, SERIES 2004	\$38,485,000.00	\$27,895,000.00	3/1/2024	9/1/2014	129600
GREATER TEXOMIA UA	CONTRACT REVENUE BONDS, SER 97 (ECTOR PROJECT)	\$300,000.00	\$105,000.00	4/1/2017	6/1/2007	101000
GREATER TEXOMIA UA	CONTRACT REVENUE BONDS, SERS 98 (SAVOY)	\$155,000.00	\$60,000.00	4/1/2018	3/1/2008	105500
GREATER TEXOMIA UA	CONTRACT REVENUE BONDS, SERIES 2000 (TOM BEAN)	\$500,000.00	\$440,000.00	7/1/2020	1/1/2011	113500
GREATER TEXOMIA UA	CONTRACT REVENUE BONDS, SERIES 2001 (GUNTER)	\$150,000.00	\$95,000.00	4/1/2021	12/1/2009	114600
GREATER TEXOMIA UA	CONTRACT REVENUE BONDS (WHITEWRIGHT) SERIES 1995	\$150,000.00	\$95,000.00	10/1/2020	4/1/2010	114800
GREATER TEXOMIA UA	CONTRACT REV BONDS, SRS 2002A (VAN ALSTYNE)	\$955,000.00	\$605,000.00	6/1/2022	12/1/2012	126100
GREATER TEXOMIA UA	CONTRACT REV BONDS, SRS 2002A (SHERMAN)	\$3,440,000.00	\$2,380,000.00	10/1/2021	10/1/2012	126200
GREATER TEXOMIA UA	CONTRACT REV BONDS, SRS 2002 (LEONARD)	\$865,000.00	\$530,000.00	10/1/2021	10/1/2012	126300
GREATER TEXOMIA UA	CONTRACT REVENUE BONDS, SRS 2003A	\$1,035,000.00	\$930,000.00	10/1/2022	4/1/2013	127800
GREATER TEXOMIA UA	CONTRACT REV BONDS, SER 93-A (VALLEY VIEW)	\$350,000.00	\$30,000.00	4/1/2013	4/1/2003	83100
GREATER TEXOMIA UA	CONTRACT REV BONDS SERIES 2006	\$400,000.00	\$315,000.00	6/1/2026	6/1/2016	L060018
GREATER TEXOMIA UA	CONTRACT REVENUE BONDS SERIES 2006	\$3,870,000.00	\$2,990,000.00	6/1/2026	12/1/2016	L060048
GREATER TEXOMIA UA	CONTRACT REVENUE BONDS SERIES 2007	\$3,943,000.00	\$2,945,000.00	6/1/2028	12/1/2017	L060049
GREATER TEXOMIA UA	CONTRACT REV BONDS SER 2008	\$3,710,000.00	\$3,140,000.00	10/1/2029	4/1/2018	L080022
GREATER TEXOMIA UA	CONTRACT REV BONDS, SER 2009	\$2,705,000.00	\$2,555,000.00	10/1/2029	10/1/2019	L080067
GREATER TEXOMIA UA	CONTR REV BONDS (MELISSA) SER 2009B	\$1,400,000.00	\$1,335,000.00	6/1/2029	12/1/2019	L090107
GREATER TEXOMIA UA	CONTR REV BONDS SER 2009A	\$3,975,000.00	\$3,940,000.00	10/1/2029	10/1/2019	L090109
GREENVILLE, CITY OF	WW & SS REVENUE BONDS SERIES 2008	\$20,000,000.00	\$18,345,000.00	2/15/2030	2/15/2018	L080006
GREENWOOD UD	WW & SS COMB UNLTD TAX & REVENUE BONDS, SRS 1998A	\$2,465,000.00	\$580,000.00	8/1/2017	2/1/2008	105600

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GROESBECK, CITY OF	CERTIFICATES OF OBLIGATION SERIES 2007	\$2,000,000.00	\$1,500,000.00	2/15/2027	8/15/2017	L070056
GROVES, CITY OF	CO Series 2004 (Combo Tax & Rev)	\$715,000.00	\$585,000.00	9/1/2026	9/1/2015	L34900
GROVES, CITY OF	CO Series 2006 (Combo Tax & Rev)	\$5,000,000.00	\$4,265,000.00	9/1/2027	3/1/2016	L137900
HALLSVILLE, CITY OF	WATERWORKS & SS SUBRODINATE LEIN REV BONDS, SRS 1998	\$2,250,000.00	\$1,235,000.00	5/1/2019	11/1/2008	L109100
HALTOM CITY, CITY OF	WW & SS JUNIOR LIEN REVENUE BONDS, SERIES 2002	\$3,120,000.00	\$1,250,000.00	2/1/2022	2/1/2013	L113900
HARRIS CO FWSD #47	WTRWKS & SWR SYS REV BONDS, SERIES 2008A	\$4,365,000.00	\$4,050,000.00	9/1/2028	9/1/2018	L080062
HARRIS CO MUD #148	UNLIMITED TAX BONDS SERIES 2009A	\$2,855,000.00	\$2,725,000.00	4/1/2020	4/1/2020	L090050
HARRIS CO MUD #33	UNLIMITED TAX BONDS, SERIES 2012	\$2,175,000.00	\$2,195,000.00	3/1/2036	12/1/2023	L110056
HARRIS CO MUD #46	UNLTD TAX BONDS SER 2009	\$2,275,000.00	\$2,260,000.00	5/1/2032	11/1/2019	L080057
HARRIS CO MUD #50	WWKS & SS COMB UNLTD TAX & REV BONDS SER 2007	\$1,500,000.00	\$1,275,000.00	3/1/2028	9/1/2017	L070043
HARRIS CO WCID #136	WATERWORKS & SEWER SYSTEM REVENUE BONDS SRS 1997	\$565,000.00	\$195,000.00	4/1/2017	6/1/2007	L100900
HARRIS CO WCID #36	UNLTD TAX BONDS SER 2008	\$5,000,000.00	\$4,585,000.00	9/15/2028	3/1/2018	L080013
HARRIS CO WCID #89	UNLIMITED TAX BONDS SERIES 2009	\$7,565,000.00	\$7,055,000.00	10/1/2029	10/1/2019	L070107
HIDALGO CO MUD #1	WWKS & SS REV BONDS SER 2008A	\$3,520,000.00	\$3,175,000.00	2/15/2039	2/15/2018	L080052
HIDALGO CO MUD #1	WATERWORKS & SEWER SYSTEM REVENUE BONDS, SERIES 2012	\$1,500,000.00	\$1,500,000.00	2/15/2032	8/15/2022	L1000005
HILLCREST VILLAGE, CITY OF	COMBINATION TAX & REVENUE CERT OF OBL, SERIES 2000	\$300,000.00	\$135,000.00	3/15/2019	3/15/2010	L115200
HONEY GROVE, CITY OF	TAX & REVENUE CERTIFICATES OF OBLIGATION, SRS 1999	\$1,000,000.00	\$505,000.00	9/1/2019	9/1/2009	L113600
HOUSTON, CITY OF	WATER & SS JUNIOR LIEN REVENUE BONDS, SERIES 2004-A-2	\$96,705,000.00	\$88,080,000.00	12/1/2024	12/1/2014	L128200
HOUSTON, CITY OF	WATER & SS JUNIOR LIEN REVENUE BONDS, SERIES 2004-A-1	\$84,385,000.00	\$75,950,000.00	12/1/2024	12/1/2014	L129800
HOUSTON, CITY OF	COMBINED UTILITY SYS FIRST LIEN REV & REF BONDS SERIES 2006A	\$69,595,000.00	\$66,595,000.00	5/15/2026	5/15/2016	L132500
HOUSTON, CITY OF	COMBINED UTILITY SYS FIRST LIEN REV & REF BONDS SERIES 2006	\$61,545,000.00	\$58,545,000.00	5/15/2026	5/15/2016	L132600
HOUSTON, CITY OF	W & SS First Lien Rev Bonds Series 2008B	\$45,050,000.00	\$43,350,000.00	11/15/2037	5/15/2018	L060013
HOUSTON, CITY OF	W&SS First Lien Revenue Bonds Series 2008C	\$52,650,000.00	\$50,950,000.00	11/15/2037	5/15/2018	L060016
HOUSTON, CITY OF	COMB UTIL SYST REV BONDS SERIES 2008-E	\$61,545,000.00	\$60,045,000.00	11/15/2038	11/15/2018	L070016
HOUSTON, CITY OF	COMB UTIL SYST FIRST LIEN REV BONDS SER 2010A	\$15,110,000.00	\$14,425,000.00	11/15/2039	5/15/2020	L080012
HOUSTON, CITY OF	COMB UTIL SYST FIRST LIEN REV BONDS SERIES 2011C	\$58,240,000.00	\$58,240,000.00	11/15/2040	11/15/2021	L090006
HOUSTON, CITY OF	COMB UTIL SYST FIRST LIEN REV BONDS SERIES 2011B	\$22,795,000.00	\$22,790,000.00	11/15/2040	11/15/2021	L100067
HUMBLE, CITY OF	COMB TAX & REV CERT OF OBL SERIES 1998	\$4,800,000.00	\$2,130,000.00	3/1/2019	3/1/2009	L080000
HUNTERS GLEN MUD	UNLIMITED TAX AND REVENUE BONDS, SERIES 1998	\$1,885,000.00	\$310,000.00	4/1/2015	7/10/2008	L08100
HUTTO, CITY OF	TAX & WW & SS SUB LIEN REV CO'S SERIES 2011A	\$2,520,000.00	\$2,520,000.00	8/1/2036	8/1/2021	L110003
INGLESIDE, CITY OF	WW & SS REVENUE BONDS, SERIES 2002	\$2,915,000.00	\$1,605,000.00	2/1/2022	2/1/2013	L119300
INGRAM, CITY OF	TAX & SURP REV CO SER 2009	\$803,000.00	\$749,000.00	2/15/2040	2/15/2011	L100002
JACINTO CITY, CITY OF	CERTIFICATES OF OBLIGATION, SRS 2002	\$7,255,000.00	\$5,230,000.00	5/1/2024	11/1/2012	L125600
JARRELL, CITY OF	TAX & REV CO SERIES 2006	\$7,895,000.00	\$7,145,000.00	8/1/2026	8/1/2016	L060022
JASPER, CITY OF	COMB TAX & REV CO SER 2008	\$1,520,000.00	\$1,455,000.00	8/1/2038	8/1/2018	L090010
JEFFERSON CO WCID #10	COMB TAX & REV CERT OF OBLIGATION SERIES 1997	\$2,495,000.00	\$970,000.00	2/15/2018	12/15/2007	L103600
KAUFMAN, CITY OF	UNLTD TAX BONDS SER 2010	\$2,750,000.00	\$2,650,000.00	8/15/2030	8/15/2020	L100028
KAUFMAN, CITY OF	COMBINATION TAX & REVENUE CO'S, SERIES 2002	\$2,455,000.00	\$120,000.00	2/15/2022	2/15/2012	L124400
KAUFMAN, CITY OF	COMB TAX & REV CO'S, SERIES 2005	\$1,325,000.00	\$965,000.00	8/15/2025	8/15/2015	L127500
KELLER CITY OF	COMB TAX & SURP REV CO SER 2012	\$5,835,000.00	\$5,835,000.00	2/15/2032	2/15/2022	L110057
KENDALL CO WCID #1	REVENUE NOTES, SERIES 2000	\$2,500,000.00	\$1,305,000.00	1/1/2020	1/1/2010	L117900
KERMIT, CITY OF	CO SERIES 2008	\$4,595,000.00	\$3,830,000.00	2/15/2028	8/15/2018	L080004
LA COSTE, CITY OF	WATERWORKS AND SEWER SYSTEM REVENUE BONDS, SER 93	\$665,000.00	\$55,000.00	2/1/2013	2/1/2003	L07700
LA FERIA, CITY OF	WATERWORKS & SEWER SYSTEM REVENUE BONDS, SERIES 2004-A	\$385,000.00	\$305,000.00	9/15/2025	3/15/2015	L115000
LA JOYA, CITY OF	W & WW'S FIRST LIEN REV BONDS SERIES 2007	\$2,155,000.00	\$1,698,000.00	3/1/2027	3/1/2017	L060030
LA JOYA, CITY OF	W & WW SYS 1ST LIEN REV BONDS SERIES 2009	\$4,565,000.00	\$4,255,000.00	9/1/2039	9/1/2019	L060031
LAKE WORTH, CITY OF	UTIL SYST REV BONDS SER 2009	\$290,000.00	\$262,000.00	2/1/2030	2/1/2011	L100003
LAKEWAY MUD	WTR & SWR SYTM COMB UNLMDT TAX & REV BND SRS 1997	\$3,040,000.00	\$1,195,000.00	9/1/2017	9/1/2009	L102600
LAREDO, CITY OF	SUB LIEN WW & SS REVENUE BONDS, SERIES 2012	\$48,750,000.00	\$48,750,000.00	3/1/2042	3/1/2022	L120019
LIBERTY HILL CITY OF	COMB TAX & JR LIEN REV CO SER 2006A	\$1,345,000.00	\$1,150,000.00	9/1/2027	3/1/2017	L070009
LIBERTY HILL CITY OF	COMB TAX & JR LIEN REV CO SER 2006B	\$6,785,000.00	\$5,795,000.00	9/1/2027	3/1/2017	L070010
LIBERTY, CITY OF	TAX & REV CO SER 2007	\$8,100,000.00	\$6,745,000.00	3/1/2028	9/1/2017	L070072
LITTLEFIELD, CITY OF	COMBINATION TAX & REV CERTS OF OBLIGATION SER 97	\$2,565,000.00	\$870,000.00	2/15/2017	2/15/2007	L01100
LITTLEFIELD, CITY OF	COMB TAX & REV CO SER 2006	\$1,910,000.00	\$1,540,000.00	2/15/2027	2/15/2017	L060035
LORAINE, CITY OF	COMB TAX & WWKS & SS SURPLUS REV CO'S, SRS 2001	\$665,000.00	\$470,000.00	9/1/2023	3/1/2012	L121900
LORENA, CITY OF	Tax & Rev CO Series 2007	\$2,260,000.00	\$1,935,000.00	7/1/2028	7/1/2017	L060002
LORENZO, CITY OF	COMB TAX AND REV CERT OF OBLIGATION, SERIES 1998	\$705,000.00	\$315,000.00	8/15/2019	8/15/2009	L106100

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LOS FRESNOS, CITY OF	COMB TAX & SUBORDINATE LIEN REV CO SERIES 2009	\$4,975,000.00	\$4,950,000.00	2/1/2039	2/1/2019	L070108
LOVELADY, CITY OF	TAX & UTIL SYS SURPLUS REV CERT OF OBLG, SER 1994	\$330,000.00	\$75,000.00	5/1/2015	5/1/2005	76400
LOWER VALLEY WD	UTIL SYST REV BONDS SERIES 2007	\$20,600,000.00	\$17,415,000.00	9/15/2027	3/15/2017	L070008
LUMBERTON MUD	SANITARY SEWER SYSTEM COMB TAX & REV BONDS SERIES 2005	\$8,765,000.00	\$7,040,000.00	8/15/2027	8/15/2015	136000
MACEDONIA-EYLAU MUD #1	REVENUE BONDS, SERIES 1998	\$225,000.00	\$90,000.00	7/1/2018	1/1/2009	99500
MANVEL, CITY OF	COMB TAX & REV CO SERIES 2005	\$845,000.00	\$765,000.00	8/15/2026	8/15/2015	135600
MARBLE FALLS, CITY OF	COMB TAX & SUB LIEN REV CO SERIES 2005	\$2,950,000.00	\$2,130,000.00	2/1/2025	2/15/2015	131100
MARFA, CITY OF	WWKS & WW REV BONDS SER 2007	\$1,265,000.00	\$1,065,000.00	3/15/2026	9/15/2017	L070053
MARLIN, CITY OF	Comb Tax & Rev CO'S SERIES 2005A	\$2,255,000.00	\$2,180,000.00	7/1/2026	7/1/2015	136500
MART, CITY OF	COMB TAX AND REV CERT OF OBLIGATION, SERIES 1998 B	\$810,000.00	\$565,000.00	9/1/2018	1/10/2008	105300
MCALLEN, CITY OF	WWKS & SS REV BONDS SER 2009	\$39,485,000.00	\$34,710,000.00	2/1/2040	2/1/2011	L100042
MCALLEN, CITY OF	WATER AND SEWER SYSTEM REVENUE BONDS, SERIES 2012	\$1,190,000.00	\$1,190,000.00	2/1/2022	8/1/2022	L120016
MERCEDES, CITY OF	COMB TAX & SUBORD LIEN REV CO SER 2006	\$1,265,000.00	\$870,000.00	2/15/2027	8/15/2016	137200
MERCEDES, CITY OF	COMB TAX & SUBORD LIEN REV CO SERIES 2008	\$7,530,000.00	\$6,650,000.00	2/15/2029	10/1/2018	L070068
MISSION, CITY OF	WW & SEWER SYSTEM JUNIOR LIEN REV BONDS SERIES 95B	\$2,032,000.00	\$444,000.00	4/1/2015	4/1/2005	77200
MONITGOMERY CO MUD # 15	UNLIMITED TAX AND REVENUE BONDS, SERIES 1998	\$675,000.00	\$465,000.00	3/1/2017	9/1/2008	107100
MONTGOMERY CO MUD # 15	UNLIMITED TAX AND REVENUE BONDS, SERIES 1997	\$815,000.00	\$665,000.00	3/1/2017	3/1/2007	90200
MONTGOMERY CO UD #3	COMB UNLIMITED TAX & REVENUE BONDS, SERIES 1998	\$1,290,000.00	\$430,000.00	4/1/2015	7/1/2008	108400
MOUNT CALM, CITY OF	WATER & WASTEWATER REVENUE BONDS, SERIES 1998	\$100,000.00	\$40,000.00	9/1/2019	9/1/2008	106300
MOUNT VERNON, CITY OF	COMB TAX & REVENUE CERTIFICATES OF OB, SRS 1998	\$1,520,000.00	\$680,000.00	9/1/2018	9/1/2008	107500
NACOGDOCHES, CITY OF	WWKS & SS REVENUE BONDS SER '04	\$10,365,000.00	\$7,075,000.00	3/1/2025	3/1/2014	131500
NEW CANEY MUD	UNLIMITED TAX BONDS, SERIES 2003	\$380,000.00	\$300,000.00	4/1/2024	10/1/2013	122200
NEW CANEY MUD	UNLIMITED TAX BONDS SERIES 2004	\$3,095,000.00	\$3,065,000.00	4/1/2026	4/1/2015	130400
NEW CANEY MUD	COMBINATION UNLIMITED TAX & JR LIEN REV BONDS,SR95	\$1,720,000.00	\$530,000.00	4/1/2015	4/1/2005	92700
NEWTON, CITY OF	UTILITY SYSTEM REVENUE BONDS, SERIES 1998	\$1,855,000.00	\$795,000.00	3/15/2019	3/15/2009	107300
OAK RIDGE NORTH, CITY OF	COMB TAX & REV CO SER 2009	\$4,600,000.00	\$4,595,000.00	4/1/2034	10/1/2019	L090040
ODEM, CITY OF	COMBINATION TAX & JR LIEN REV CO'S, SRS 2002	\$1,940,000.00	\$1,295,000.00	8/1/2023	8/1/2013	122000
OLNEY, CITY OF	COMB TAX & REV CO'S, SRS 2002B	\$265,000.00	\$175,000.00	9/1/2022	3/1/2013	124500
ORANGE CO WCID #1	UNLTD TAX BONDS SER 2007	\$2,500,000.00	\$2,225,000.00	2/15/2029	2/15/2018	L070105
ORANGE CO WCID #1	Unlimited Tax Bonds, Series 2009	\$11,115,000.00	\$10,940,000.00	2/15/2031	8/15/2019	L070106
ORANGE CO WCID #1	REVENUE NOTES SERIES 2011	\$13,610,000.00	\$13,155,000.00	8/15/2031	8/15/2021	L080003
ORANGE GROVE, CITY OF	COMB TAX & JR LIEN REV CERT OF OBLIG, SERIES 95	\$400,000.00	\$115,000.00	8/15/2016	8/15/2005	91200
PADUCAH, CITY OF	COMB TAX & REV CO SERIES 2008	\$945,000.00	\$885,000.00	2/15/2038	8/15/2018	L080063
PALESTINE, CITY OF	WW & SS REVENUE BONDS, SRS 2003	\$3,745,000.00	\$2,865,000.00	7/15/2022	7/15/2013	126400
PALESTINE, CITY OF	WW & SS REV BONDS, SERIES 2006	\$860,000.00	\$625,000.00	7/15/2025	7/15/2016	130300
PALESTINE, CITY OF	WWKS & SS REV BONDS SERIES 2007	\$4,665,000.00	\$3,660,000.00	7/15/2027	7/15/2017	136400
PALESTINE, CITY OF	WWKS & SS REV BONDS SER 2009	\$600,000.00	\$525,000.00	7/15/2029	1/15/2020	L070021
PANHANDLE, CITY OF	COMBINATION TAX & REVENUE CO'S, SERIES 2002	\$1,875,000.00	\$1,100,000.00	2/15/2022	2/15/2013	126500
PASADENA, CITY OF	WTRWKS & SEWER SYSTEM REVENUE BONDS, SERIES 1998A	\$31,370,000.00	\$1,580,000.00	4/1/2019	6/1/2008	108500
PECOS CITY, TOWN OF	W & WWS REV BONDS SER 2008	\$6,870,000.00	\$6,050,000.00	3/15/2034	9/15/2018	L080065
PHARR, CITY OF	Wwks & Ss Rev Bonds Series 2007	\$29,000,000.00	\$26,050,000.00	9/1/2027	9/1/2017	L060006
PINE VILLAGE PUD	WW&SS COMB UNLIMITED TAX & REV BONDS, SERIES 2000B	\$845,000.00	\$785,000.00	3/1/2020	3/1/2010	117300
PINE VILLAGE PUD	WW & SS COMB UNLTD TX & REVENUE BONDS, SERIES 1995	\$810,000.00	\$195,000.00	9/1/2014	9/1/2005	85000
POINT CITY OF	TAX & REV CO SERIES 2005	\$1,370,000.00	\$1,070,000.00	7/1/2025	1/1/2016	136800
POLK CO FWSHD #2	SEWER SYSTEM REVENUE BONDS, SERIES 2002	\$1,955,000.00	\$1,905,000.00	7/10/2022	1/10/2013	125200
QUINLAN, CITY OF	TAX & WW & SS SURPLUS REV CERTS OF OB SERIES 1997	\$845,000.00	\$365,000.00	9/1/2017	9/1/2007	100700
RAYMONDVILLE, CITY OF	COMB TAX & SUBORD LIEN REV CO SER 2010	\$1,365,000.00	\$1,285,000.00	4/1/2040	4/1/2020	L100043
REDWATER, CITY OF	Tax & Rev CO Series 2005	\$470,000.00	\$375,000.00	6/1/2026	12/1/2015	137500
RIO GRANDE CITY, CITY OF	CO SERIES 2007A	\$2,885,000.00	\$2,605,000.00	2/15/2030	2/15/2019	L070022
RIVIERA WCID	SEWER SYSTEM REVENUE BONDS, SERIES 1995	\$280,000.00	\$105,000.00	11/1/2016	11/1/2005	90100
ROBSTOWN, CITY OF	GAS & SEWER SYSTEM REVENUE BONDS, SERIES 1992	\$775,000.00	\$65,000.00	12/1/2012	12/1/2001	79000
ROBSTOWN, CITY OF	SS REV BONDS SER 2011	\$2,635,000.00	\$2,635,000.00	12/1/2041	12/1/2021	L110033
ROCKDALE, CITY OF	COMB TAX & REV CO SERIES 2005	\$6,300,000.00	\$5,075,000.00	8/15/2025	8/15/2015	134700
ROMA, CITY OF	COMB TAX & REB CERT OF OBLGA SERIES 1999	\$3,035,000.00	\$1,535,000.00	5/1/2020	2/25/2009	103100
ROMA, CITY OF	COMB TAX & REVENUE CO, SRS 2003	\$1,150,000.00	\$776,000.00	5/1/2024	5/1/2013	103200
ROSCOE, CITY OF	COMB TAX & REV CO SERIES 2007	\$1,560,000.00	\$1,160,000.00	2/15/2027	2/15/2018	L070050
ROSENBERG, CITY OF	COMB TAX & REV CO SER 2010	\$410,000.00	\$350,000.00	8/1/2029	8/1/2010	L100004

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ROXTON CITY OF	COMB TAX & REV CO SER 2007	\$1,000,000.00	\$830,000.00	7/1/2027	7/1/2017	L070089
SABINAL, CITY OF	COMB TAX & REV CO SERIES 2010	\$600,000.00	\$570,000.00	8/15/2031	8/15/2020	L080053
SAN ANTONIO WATER SYSTEM	JR LIEN REV BONDS SERIES 2003	\$34,000,000.00	\$26,055,000.00	5/15/2023	5/15/2013	125400
SAN ANTONIO WATER SYSTEM	JR LIEN REV & REFUNDING BONDS, SRS 2004A	\$26,365,000.00	\$22,110,000.00	5/15/2024	11/15/2014	127900
SAN ANTONIO WATER SYSTEM	JR LIEN REVENUE BONDS, SERIES 2004	\$10,635,000.00	\$8,790,000.00	5/15/2024	11/15/2014	130500
SAN ANTONIO WATER SYSTEM	JR LIEN REV & REFUNDING BONDS, SERIES 2007A	\$35,375,000.00	\$28,360,000.00	5/15/2027	5/15/2017	133300
SAN ANTONIO WATER SYSTEM	WS JR LIEN REV & REFUNDING BONDS SERIES 2007	\$8,070,000.00	\$6,330,000.00	5/15/2027	5/15/2017	135700
SAN ANTONIO WATER SYSTEM	WS JR LIEN REVENUE BONDS SERIES 2008	\$30,000,000.00	\$27,115,000.00	5/15/2038	5/15/2018	L070028
SAN ANTONIO WATER SYSTEM	JR LIEN REV & REFUNDING BONDS, SERIES 2008A	\$23,260,000.00	\$17,305,000.00	5/15/2038	5/15/2018	L070029
SAN ANTONIO WATER SYSTEM	W SYS JR LIEN REV BONDS SER 2009	\$54,300,000.00	\$50,370,000.00	5/15/2039	11/15/2019	L090007
SAN ANTONIO WATER SYSTEM	WS JR LIEN REV & REFUNDING BONDS SERIES 2010A	\$17,930,000.00	\$16,945,000.00	5/15/2040	5/15/2020	L090013
SAN ANTONIO WATER SYSTEM	WS JR LIEN REV BONDS SER 2011A	\$18,095,000.00	\$17,760,000.00	5/15/2041	5/15/2021	L100077
SAN ANTONIO WATER SYSTEM	JUNIOR LIEN REVENUE BONDS, SERIES 2012	\$19,630,000.00	\$19,630,000.00	5/15/2042	11/15/2022	L110061
SAN AUGUSTINE, CITY OF	TAX & REV CO SER 2010	\$1,050,000.00	\$1,045,000.00	2/15/2040	2/15/2021	L110006
SAN JUAN, CITY OF	Wwks & SS Jr Lien Rev Bonds Series 2006	\$2,180,000.00	\$1,655,000.00	3/1/2026	3/1/2016	137400
SAN JUAN, CITY OF	WATERWORKS AND SEWER SYSTEM REVENUE BONDS, SERIES 2012	\$445,000.00	\$445,000.00	1/1/2022	1/1/2023	L1000008
SAN PATRICIO MWD	TAX SPEC CONT REV & SUBOR LIEN REV OBL,SERIES 1998	\$3,050,000.00	\$1,420,000.00	2/1/2018	2/1/2009	108800
SEMINOLE, CITY OF	TAX & Wwks & SS SURP REV CO SERIES 2009	\$2,960,000.00	\$2,780,000.00	2/15/2034	8/15/2019	L090052
SONORA, CITY OF	COMB TAX & SUBORD LIEN REV CO SERIES 2007	\$6,000,000.00	\$5,520,000.00	12/1/2029	6/1/2017	L070062
SPRINGTOWN, CITY OF	COMBO TAX AND SURPLUS REVE CERT OF OBLIG, SERIES 2012	\$3,930,000.00	\$3,930,000.00	8/15/2032	8/15/2022	L120020
STAMFORD, CITY OF	COMB TAX & REV CO SERIES 2004	\$265,000.00	\$160,000.00	2/15/2025	2/15/2015	134500
SUGAR LAND, CITY OF	WW & SS REVENUE BONDS, SERIES 2002	\$3,215,000.00	\$1,825,000.00	8/15/2022	8/15/2012	130200
SUNBELT FWSD	WW & SS REVENUE BONDS, SERIES 2000	\$5,310,000.00	\$3,000,000.00	12/1/2020	6/1/2010	117800
SUNBELT FWSD	WW & SS REVENUE BONDS, SERIES 2000B	\$495,000.00	\$280,000.00	12/1/2020	6/1/2010	118200
SUNBELT FWSD	WATERWORKS & SEWER SYSTEM REVENUE NOTES, SRS 2001B	\$945,000.00	\$695,000.00	12/1/2022	12/1/2011	121500
TAF T, CITY OF	COMB TAX & SURP REV CO SER 2010	\$5,780,000.00	\$5,780,000.00	3/1/2042	3/1/2020	L090063
TAHOCA, CITY OF	COMBINATION TAX & REVENUE CERT OF OBL, SERIES 1999	\$1,780,000.00	\$710,000.00	2/15/2018	8/15/2009	109800
TATTOR ROAD MD	COMB WW&SS UNLIMITED TAX & REVENUE BONDS, SER 1996	\$560,000.00	\$45,000.00	3/1/2016	3/1/2007	98500
TAYLOR LANDING, CITY OF	UTIL SYST REV BONDS SER 2007	\$710,000.00	\$635,000.00	9/1/2028	3/1/2018	L070086
TOGA, CITY OF	COMB TAX & REVENUE CERT OF OBLIGATION, SERIES 1998	\$300,000.00	\$125,000.00	4/1/2018	4/1/2008	107400
TOMBALL, CITY OF	WATER AND SEWER SYSTEM REVENUE BONDS, SERIES 1999	\$7,550,000.00	\$3,315,000.00	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	\$585,000.00	8/15/2018	8/15/2008	109500
TRINIDAD, CITY OF	COMB TAX & REV CO SERIES 2007A	\$400,000.00	\$340,000.00	1/1/2027	1/1/2018	L070045
TRINITY RIVER AUTHORITY	CENT REGION WW SYST REV BONDS SER 2004	\$106,475,000.00	\$104,965,000.00	8/1/2026	2/1/2015	135300
TRINITY RIVER AUTHORITY	CONTRACT REV BONDS SER 2007	\$120,000,000.00	\$118,990,000.00	8/1/2027	8/1/2017	L070090
TRINITY RIVER AUTHORITY	CONTRACT REV BONDS SER 2008	\$90,000,000.00	\$89,985,000.00	8/1/2028	8/1/2017	L070096
TRINITY RIVER AUTHORITY	CONTRACT REV BONDS SER 2009	\$86,770,000.00	\$86,770,000.00	8/1/2030	2/1/2019	L070097
TRINITY RIVER AUTHORITY	SYSTEM REVENUE BONDS, SERIES 2007	\$46,190,000.00	\$40,075,000.00	8/1/2027	8/1/2017	L070098
TRINITY RIVER AUTHORITY	WWS REV IMPROVEMENT BONDS, SERIES 2007	\$47,595,000.00	\$47,080,000.00	2/1/2027	8/1/2017	L070099
TRINITY RIVER AUTHORITY	CONTRACT REV BONDS SERIES 2008	\$24,800,000.00	\$24,785,000.00	2/1/2028	2/1/2018	L080005
TRINITY RIVER AUTHORITY	CONTR REV BONDS SER 2009	\$7,760,000.00	\$7,755,000.00	2/1/2036	2/1/2020	L090008
TRINITY RIVER AUTHORITY	CONTR REV BONDS SER 2009	\$1,775,000.00	\$1,775,000.00	8/1/2032	2/1/2020	L090009
TRINITY RIVER AUTHORITY	WW SYS REV BONDS SER 2010 (CENTRAL REG WWS)	\$107,180,000.00	\$106,875,000.00	8/1/2034	2/1/2020	L100029
TRINITY RIVER AUTHORITY	DENTON CREEK RWW TREATMENT SYS REV BONDS, SER 2011A	\$23,765,000.00	\$23,765,000.00	2/1/2032	2/1/2022	L100030
TRINITY RIVER AUTHORITY	MOUNTAIN CREEK RWW SYS REV BONDS SER 2011	\$7,945,000.00	\$7,945,000.00	8/1/2038	2/1/2022	L100031
TRINITY RIVER AUTHORITY	SYS REV BONDS SER 2010 (TEN MI CR SYSTEM)	\$23,410,000.00	\$23,395,000.00	8/1/2036	2/1/2020	L100032
TRINITY RIVER AUTHORITY	SYS REV BONDS SER 2009 (RED OAK CREEK)	\$8,280,000.00	\$8,170,000.00	2/1/2031	2/1/2020	L100033
TRINITY RIVER AUTHORITY	Denton Creek RWTS Rev Bonds, Series 2011	\$19,465,000.00	\$19,465,000.00	2/1/2038	2/1/2021	L100038
TRINITY RIVER AUTHORITY	MOUNTAIN CREEK RWW SYS REV BONDS SER 2011	\$3,070,000.00	\$3,070,000.00	8/1/2038	2/1/2021	L100039
TRINITY RIVER AUTHORITY	RED OAK CREEK SYS REV BONDS, SERIES 2011	\$11,710,000.00	\$11,710,000.00	2/1/2033	2/1/2022	L100040
TRINITY RIVER AUTHORITY	REV BONDS SER 2010A (CENTRAL REG WWS)	\$127,005,000.00	\$127,005,000.00	8/1/2043	2/1/2021	L100065
TRINITY RIVER AUTHORITY	TEN MILE CREEK SYS REV BONDS SER 2011	\$26,540,000.00	\$26,540,000.00	8/1/2034	2/1/2022	L100066
TRINITY RIVER AUTHORITY	RWW SYS REV BONDS, SER 2011A	\$30,345,000.00	\$30,345,000.00	8/1/2032	2/1/2022	L110004
TRINITY RIVER AUTHORITY	DENTON CREEK RWW TREATMENT SYS REV BONDS, SER 2011A	\$14,000,000.00	\$14,000,000.00	2/1/2038	2/1/2022	L110005
TRINITY RIVER AUTHORITY	RWW SYS REV BONDS, SER 2011A	\$7,050,000.00	\$7,050,000.00	8/1/2031	2/1/2022	L110014
TRINITY RIVER AUTHORITY	RWW SYS REV BONDS, SER 2012	\$28,900,000.00	\$28,900,000.00	8/1/2032	8/1/2022	L110075
TRINITY RIVER AUTHORITY	RWW SYS REV BONDS, SER 2012	\$45,370,000.00	\$45,370,000.00	8/1/2032	8/1/2022	L110076

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TRINITY RIVER AUTHORITY	RWW SYS REV BONDS, SER 2011A	\$71,000,000.00	\$71,000,000.00	8/1/2033	2/1/2022	L110078
TRINITY RIVER AUTHORITY	DENTON CREEK RWW TREATMENT SYS REV BONDS, SER 2012	\$14,035,000.00	\$14,035,000.00	2/1/2040	8/1/2022	L110079
TRINITY RIVER AUTHORITY	TEN MILE CREEK SYS REV BONDS SER 2011	\$1,145,000.00	\$1,145,000.00	8/1/2031	2/1/2022	L110080
UPPER TRINITY REGIONAL WATER DISTRICT	NONPOTABLE WATER SUPPLY SYSTEM REV BONDS, SER 1996	\$940,000.00	\$940,000.00	8/1/2016	2/1/2006	96300
VERNON, CITY OF	COMB TAX & REVENUE CO'S, SERIES 2002	\$2,855,000.00	\$1,865,000.00	3/15/2023	3/15/2012	125300
VICTORIA CO WCID #1	UNLIMITED TAX & WW & SS REVENUE BONDS, SERIES 1997	\$1,280,000.00	\$510,000.00	3/1/2018	3/1/2007	99400
WELLMAN, CITY OF	TAX & SEWER SYSTEM REVENUE CO'S, SERIES 1993	\$600,000.00	\$95,000.00	3/1/2014	3/1/2004	82300
WELLS BRANCH MUD	UNLIMITED TAX BONDS, SERIES 1999	\$1,400,000.00	\$630,000.00	8/1/2019	8/1/2009	107800
WESTWOOD SHORES MUD	COMB TAX & UTILITY SYSTEM REV CERT - SERIES 1995	\$250,000.00	\$60,000.00	1/1/2015	1/1/2005	88500
WHITE OAK BEND MUD	UNLTD TAX BONDS SER 2010B	\$1,825,000.00	\$1,825,000.00	5/1/2030	5/1/2020	L090079
WHITE OAK, CITY OF	WW&SS COMB UNLMTD TAX & REV BONDS, SRS 2003	\$470,000.00	\$80,000.00	10/1/2022	4/1/2013	128600
WHITESBORO, CITY OF	WATERWORKS & SEWER SYSTEM REVENUE BONDS, SRS 2001	\$1,845,000.00	\$480,000.00	3/1/2015	3/1/2011	120800
WILLIS, CITY OF	COMBINATION TAX & REV CO'S, SERIES 2002	\$2,725,000.00	\$1,645,000.00	8/15/2022	8/15/2013	114900
WILLIS, CITY OF	COMBINATION TAX & REVENUE CO'S, SERIES 2001	\$1,000,000.00	\$605,000.00	8/1/2022	8/1/2013	124200
WILLIS, CITY OF	WATERWORKS & SEWER SYSTEM REV BONDS, SERIES '95B	\$1,170,000.00	\$380,000.00	8/1/2016	8/1/2005	89200
WILMER, CITY OF	COMB TAX & REV CO SER 2010	\$1,355,000.00	\$1,350,000.00	8/1/2031	8/1/2020	L100071
WILSON, CITY OF	WATERWORKS & SEWER SYSTEM JR LIEN REV BOND SER 93	\$250,000.00	\$50,000.00	4/15/2014	4/15/2003	F76800
WINNSBORO, CITY OF	COMB TAX & REV CO SERIES 2009	\$1,705,000.00	\$1,610,000.00	2/15/2039	8/15/2019	L090091
WINNERS, CITY OF	COMB TAX & REV CO SERIES 2005	\$1,050,000.00	\$825,000.00	2/15/2026	8/15/2015	134300
YOAKUM, CITY OF	TAX & WWKS & SS SURP REV CO SER 2007A	\$655,000.00	\$580,000.00	10/1/2028	10/1/2017	L070064
YOAKUM, CITY OF	COMB TAX & SUBORD LIEN REV CO SERIES 2006	\$5,000,000.00	\$4,690,000.00	8/15/2028	2/15/2017	L070004
YOAKUM, CITY OF	COMB TAX & SUBORD LIEN REV CO SER 2008	\$2,500,000.00	\$2,155,000.00	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

UNAUDITED (1)

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

August 31,

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
ASSETS					
Current Assets:					
Cash and Cash Equivalents:					
Cash in Bank	\$ -	\$ -	\$ -	\$ -	\$ 255,485
Cash Equivalents	\$ 75,969,438		\$ 60,722,501	\$ 13,588,535	\$ 18,250,557
Short Term Investments	597,528,714	\$ 752,308,137	596,712,275	433,040,093	379,872,101
Receivables from:					
Federal	433,494	991,562	328,293	601,479	409,802
Interest and Dividends	26,123,268	26,713,765	19,779,583	17,037,650	15,916,984
Loans and Contracts	93,470,000	104,399,000	99,419,000	78,902,000	73,921,000
Total Current Assets	\$ 793,524,914	\$ 884,412,464	\$ 776,961,652	\$ 543,169,757	\$ 488,625,929
Non-Current Assets:					
Loans and Contracts	2,516,503,766	2,668,719,766	2,575,998,000	2,491,100,000	2,720,687,000
Total Non-Current Assets	\$ 2,516,503,766	\$ 2,668,719,766	\$ 2,575,998,000	\$ 2,491,100,000	\$ 2,720,687,000
Total Assets	\$ 3,310,028,680	\$ 3,553,132,230	\$ 3,352,959,652	\$ 3,034,269,757	\$ 3,209,312,929
LIABILITIES					
Current Liabilities:					
Payables from:					
Accounts Payable	433,659	113,619	21,897	314,369	238,109
Interest Payable	7,066,705	7,044,802	7,082,869	5,294,366	5,203,042
Interfund Payables	13,027,675	14,344,643	5,650,063	6,395,590	7,693,813
Due to Other Funds	1,310,627	1,794,147	950,247	1,174,449	1,139,196
Deferred Revenue	34,751,084	37,402,193	36,885,020	38,416,904	42,859,751
Revenue Bonds Payable	42,555,000	46,045,000	22,895,474	13,330,473	16,990,474
Total Current Liabilities	\$ 99,144,750	\$ 106,744,404	\$ 73,485,570	\$ 64,926,151	\$ 74,124,385
Non-Current Liabilities:					
Interfund Payable	135,561,880	129,392,001	96,610,005	102,134,338	119,095,780
Revenue Bonds Payable (net)	1,319,611,841	1,508,466,282	1,303,215,334	938,879,861	889,914,387
Total Non-Current Liabilities	\$ 1,455,173,721	\$ 1,637,858,283	\$ 1,399,825,339	\$ 1,041,014,199	\$ 1,009,010,167
Total Liabilities	\$ 1,554,318,471	\$ 1,744,602,687	\$ 1,473,310,909	\$ 1,105,940,350	\$ 1,083,134,552
NET ASSETS					
Unrestricted	1,755,710,209	1,808,529,543	1,879,648,743	1,928,329,407	2,126,178,377
Total Net Assets	\$ 1,755,710,209	\$ 1,808,529,543	\$ 1,879,648,743	\$ 1,928,329,407	\$ 2,126,178,377

- (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.

UNAUDITED (1)

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,

	2008	2009	2010	2011	2012
OPERATING REVENUES:					
Interest and Investment Income	\$ 103,791,571	\$ 100,876,544	\$ 101,532,886	\$ 81,494,324	\$ 80,267,699
Net Increase (Decrease) Fair Market Value	(131,593)	715,892	(324,490)	217,676	(459,297)
Other Operating Revenues	2,975,319	3,100,244	5,640,693	5,170,803	3,096,975
Total Operating Revenues	\$ 106,635,297	\$ 104,692,680	\$ 106,849,089	\$ 86,882,803	\$ 82,905,377
OPERATING EXPENSES:					
Salaries and Wages	3,680,165	4,211,635	5,650,381	5,286,745	3,770,443
Payroll Related Costs	538,534	864,548	864,800	990,109	682,048
Professional Fees and Services	857,134	554,158	1,437,911	354,127	364,436
Travel	46,528	42,593	53,626	41,430	28,119
Materials and Supplies	60,359	170,646	(1,638)	34,782	13,643
Communication and Utilities	17,246	22,715	27,924	61,776	28,762
Repairs and Maintenance	5,392	8,593	29,844	4,949	1,168
Rentals and Leases	30,872	36,145	60,296	80,718	86,294
Printing and Reproduction		3,137	2,227	630	272
Interest	48,278,397	63,155,968	67,951,668	79,159,558	45,143,080
Other Operating Expenses	1,483,779	2,122,988	1,898,630	1,091,307	749,399
Total Operating Expenses	\$ 54,998,406	\$ 71,193,126	\$ 77,975,669	\$ 87,106,131	\$ 50,867,664
Operating Income (Loss)	\$ 51,636,891	\$ 33,499,554	\$ 28,873,420	\$ (223,328)	\$ 32,037,713
NONOPERATING REVENUES (EXPENSES):					
Federal Revenue	63,450,515	19,319,780	67,708,724	118,493,468	201,883,129
Other Nonoperating Revenues (Expenses)			(26,744,342)	(69,594,694)	(36,077,090)
Total Nonoperating Revenues (Expenses)	\$ 63,450,515	\$ 19,319,780	\$ 40,964,382	\$ 48,898,774	\$ 165,806,039
Income/(Loss) before Other Revenues, Expenses, Gains/Losses and Transfers	115,087,406	52,819,334	69,837,802	48,675,446	197,843,752
OTHER REVENUES, EXPENSES, GAINS/LOSSES AND TRANSFERS:					
Transfers-In			1,281,398	5,218	5,218
Total Other Revenues, Expenses, Gain/Losses and Transfers	-	-	1,281,398	5,218	5,218
Change in Net Assets	\$ 115,087,406	\$ 52,819,334	\$ 71,119,200	\$ 48,680,664	\$ 197,848,970
Total Net Assets, September 1, XXXX	1,640,622,803	1,755,710,209	1,808,529,543	1,879,648,743	1,928,329,407
Total Net Assets, August 31, Ending	\$ 1,755,710,209	\$ 1,808,529,543	\$ 1,879,648,743	\$ 1,928,329,407	\$ 2,126,178,377

(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.

OFFICIAL STATEMENT

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

OFFICIAL STATEMENT

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

Maturity July 15	Principal Amount	Interest Rate	Price or Yield	Maturity July 15	Principal Amount	Interest Rate	Price or Yield
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 DATED APRIL 11, 2007

NEW ISSUE -- BOOK-ENTRY-ONLYRatings: Moody's "Aaa/VMIG1"; Fitch "AAA/FI+"; S&P "AAA/A-1+"
(See "OTHER INFORMATION - Ratings")

In the opinion of McCall, Parkhurst & Horton 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 882854 MZ2

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." Concurrently 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. While a Series 2007A Bond bears interest at any of these rates, such Series 2007A Bond will be deemed to be in 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 in a Daily Rate Period and will remain in that Rate Period until converted to another Rate Period as described herein. Interest on the Series 2007A Bonds, while such Series 2007A Bonds bear interest at the Daily Rate, is payable on 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 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 2007A Bonds. So long as DTC or its nominee is the registered owner of the Series 2007A Bonds, payments of principal of 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 after conversion to a Dutch Auction Rate Period, a Commercial Paper Rate Period, a Term Rate Period or a Fixed Rate. A remarketing 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 in a Daily Rate Period, Series 2007A Bondholders will have the right to tender their Series 2007A Bonds for purchase at the times and subject to the conditions set forth in the Third Supplemental Resolution. The Series 2007A Bonds also are subject to optional and mandatory redemption 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"). In the event 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 "PLAN 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 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 (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, 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 Underwriter by, its counsel, Andrews Kurth LLP and for the Liquidity Provider by its counsel, Fulbright & Jaworski 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 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 Fiscal Year 2012

EVENTS SUBSEQUENT TO FISCAL YEAR 2012

GENERAL OBLIGATION BONDS
(Economically Distressed Areas Program)

Date	Series Description	Original Par Amount
09/05/2012	State of Texas Water Financial Assistance Bonds, Series 2012F (Economically Distressed Areas Program) – New Issue	\$ 29,385,000

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

Date	Series Description	Original Par Amount
10/2/2012	State of Texas Water Financial Assistance Bonds, Series 2012G – New Issue	\$156,065,000

Date	Series Description	Maturities Impacted
11/09/2012	State of Texas Water Financial Assistance Bonds, Series 2000A – Partial Redemption	2016-2017

Date	Series Description	Maturities Impacted
12/31/2012	State of Texas Water Financial Assistance Bonds, Series 2001B – Partial Redemption	2031

GENERAL OBLIGATION BONDS
(State Participation Program)

Date	Series Description	Maturities Impacted
11/16/2012	State of Texas Water Financial Assistance Refunding Bonds, Series 2007B (State Participation Program) – Partial Defeasance	2020-2025

Date	Series Description	Maturities Impacted
11/16/2012	State of Texas Water Financial Assistance Refunding Bonds, Series 2009D (State Participation Program) – Partial Defeasance	2020-2028

Date	Series Description	Maturity Impacted
11/16/2012	State of Texas Water Financial Assistance Bonds, Series 2001C (State Participation Program) – Partial Redemption	2035

The information contained under the heading “EVENTS SUBSEQUENT TO FISCAL YEAR 2012” in **Attachment F** of this Annual Report is hereby incorporated 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.

OFFICIAL STATEMENT
AUGUST 14, 2012

NEW ISSUE - Book-Entry-Only

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

In the opinion of Bond Counsel, under existing law interest on the Bonds is excludable from gross income for federal income tax purposes and the 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.



\$29,385,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS
State of Texas
Water Financial Assistance Bonds
Series 2012F

(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 2012F (Economically Distressed Areas Program) (the "Bonds") are general obligations of the State of Texas (the "State") and are issued by the Texas Water Development Board (the "Board") under the authority of the Constitution and laws of the State. Interest on the Bonds will accrue from the Date of Delivery (defined below) 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 February 1, 2013, and on each August 1 and February 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 (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 optional and extraordinary mandatory redemption prior to stated 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, including particularly Article III, Section 49d8 and 49d10, Texas Constitution, and Subchapter L of Chapter 17 of the Texas Water Code, as amended (the "Act"), in order to (i) provide funds for conserving and developing the water resources of the State, to wit, providing funds for the "EDAP Account" (defined herein) to provide financial assistance for "EDAP Projects," being financial assistance in the form of loans and 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 Article III, Section 49-d-7, Texas 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 INSIDE COVER HEREIN FOR STATED MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES,
 INITIAL YIELDS, CUSIP NUMBERS, AND REDEMPTION PROVISIONS FOR THE BONDS

The Bonds are issued pursuant to a resolution that authorizes issuance of bonds in one or more series (the "Resolution") adopted on July 19, 2012 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 Bracewell & Giuliani LLP, Houston, Texas, Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Fulbright & Jaworski LLP, San Antonio, Texas. See "LEGAL MATTERS - Legal Opinions." It is expected that the Bonds will be available for delivery, through the facilities of DTC, on or about September 5, 2012 ("Date of Delivery").

STIFEL, NICOLAUS & COMPANY, INCORPORATED
STERNE, AGEE & LEACH, INC. FIDELITY CAPITAL MARKETS SAMCO CAPITAL MARKETS, INC.

OFFICIAL STATEMENT
September 11, 2012

NEW ISSUE - Book-Entry-Only

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

In the opinion of Bond Counsel, interest on the Bonds will be excludable from gross income for federal income tax purposes under statutes, regulations, published rulings and court decisions existing on the date thereof, subject to the matters described under "TAX MATTERS" herein, including the alternative minimum tax on corporations.



\$156,065,000
STATE OF TEXAS
GENERAL OBLIGATION BONDS
State of Texas
Water Financial Assistance Bonds
Series 2012G

Dated Date: Date of Delivery

Due: August 1, as shown on inside cover page

The State of Texas Water Financial Assistance Bonds, Series 2012G (the "Bonds") are general obligations of the State of Texas (the "State") and are issued by the Texas Water Development Board (the "Board") under the authority of the Constitution and laws of the State. Interest on the Bonds will accrue from the Date of Delivery (defined below) 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 February 1, 2013, and on each August 1 and February 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 (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 optional, mandatory and extraordinary mandatory redemption prior to stated 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, 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, in order to (i) augment the funding of the Financial Assistance Account from the Texas Water Development Fund II for Water Assistance Projects, as defined herein, and (ii) pay expenses arising from the issuance of the Bonds.

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

The Bonds are issued pursuant to a resolution that authorizes issuance of bonds in one or more series (the "Resolution") adopted on July 19, 2012 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, 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., Dallas, Texas. See "LEGAL MATTERS." It is expected that the Bonds will be available for delivery, through the facilities of DTC, on or about October 2, 2012 ("Date of Delivery").

BARCLAYS

FROST BANK

JEFFERIES

M.R. BEAL & COMPANY

SIEBERT BRANDFORD SHANK & Co., L.L.C.

NOTICE OF DEFEASANCE AND PARTIAL REDEMPTION**STATE OF TEXAS WATER FINANCIAL ASSISTANCE BONDS, SERIES 2000A**

NOTICE is hereby given that the following obligations issued by the Texas Water Development Board and 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:

STATE OF TEXAS WATER FINANCIAL ASSISTANCE BONDS, SERIES 2000A, maturing on the dates and in the principal amounts set forth below:

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Redemption Date</u>	<u>Interest Rate</u>	<u>Cusip No.</u>
August 1, 2016	\$290,000	November 9, 2012	5.75%	882720GL3
August 1, 2017	\$1,130,000	November 9, 2012	5.75%	882720HK4

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:

<i><u>First Class/Registered/Certified</u></i>	<i><u>Express Delivery Only</u></i>	<i><u>By Hand Only</u></i>
The Bank of New York Mellon Global Corporate Trust P.O. Box 396 East Syracuse, New York 13057	The Bank of New York Mellon Global Corporate Trust 111 Sanders Creek Pkwy. East Syracuse, New York 13057	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 the authority of a resolution adopted by the Texas Water Development Board on August 16, 2012. Any questions regarding this notice may be addressed to the Texas Water Development Board; Attention: Piper Montemayor, (512) 475-2117.

NOTICE OF PARTIAL DEFEASANCE AND REDEMPTION**STATE OF TEXAS WATER FINANCIAL ASSISTANCE BONDS,
SERIES 2001B**

NOTICE is hereby given that the following obligations issued by the Texas Water Development Board have been defeased and 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:

STATE OF TEXAS WATER FINANCIAL ASSISTANCE BONDS, SERIES 2001B, maturing on the dates and in the principal amounts set forth below:

<u>Maturity Date</u>	<u>Principal Amount (\$)</u>	<u>Redemption Date</u>	<u>Interest Rate</u>	<u>Cusip No.</u>
August 1, 2031	705,000	December 31, 2012	5.75%	882720MN2

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:

<u>First Class/Registered/Certified</u>	<u>Express Delivery Only</u>	<u>By Hand Only</u>
The Bank of New York Mellon Global Corporate Trust P.O. Box 396 East Syracuse, New York 13057	The Bank of New York Mellon Global Corporate Trust 111 Sanders Creek Pkwy. East Syracuse, New York 13057	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 the authority of a resolution adopted by the Texas Water Development Board on August 16, 2012. Any questions regarding this notice may be addressed to the Texas Water Development Board; Attention: Piper Montemayor, (512) 475-2117.

NOTICE OF PARTIAL DEFEASANCE AND REDEMPTION

**STATE OF TEXAS WATER FINANCIAL ASSISTANCE REFUNDING BONDS,
SERIES 2007B (STATE PARTICIPATION PROGRAM)**

NOTICE is hereby given that the following obligations issued by the Texas Water Development Board have been defeased and 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:

STATE OF TEXAS WATER FINANCIAL ASSISTANCE REFUNDING BONDS, SERIES 2007B (STATE PARTICIPATION PROGRAM), outstanding bonds maturing on the dates and in the principal amounts set forth below and aggregating \$8,700,000 in principal amount:

<u>Maturity Date</u>	<u>Principal Amount (\$)</u>	<u>Redemption Date</u>	<u>Interest Rate</u>	<u>Cusip No.</u>
August 1, 2020	\$1,255,000	August 1, 2017	5.00%	882721YR8
August 1, 2021	1,580,000	August 1, 2017	5.00%	882721YS6
August 1, 2022	1,665,000	August 1, 2017	5.00%	882721YT4
August 1, 2023	1,670,000	August 1, 2017	5.00%	882721YU1
August 1, 2024	1,430,000	August 1, 2017	5.00%	882721YV9
August 1, 2025	1,100,000	August 1, 2017	5.00%	882721YW7

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:

<u>First Class/Registered/Certified</u>	<u>Express Delivery Only</u>	<u>By Hand Only</u>
The Bank of New York Mellon Global Corporate Trust P.O. Box 396 East Syracuse, New York 13057	The Bank of New York Mellon Global Corporate Trust 111 Sanders Creek Pkwy. East Syracuse, New York 13057	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 the authority of a resolution adopted by the Texas Water Development Board on August 16, 2012. Any questions regarding this notice may be addressed to the Texas Water Development Board; Attention: Piper Montemayor, (512) 475-2117.

NOTICE OF PARTIAL DEFEASANCE AND REDEMPTION

**STATE OF TEXAS WATER FINANCIAL ASSISTANCE REFUNDING BONDS,
SERIES 2009D (STATE PARTICIPATION PROGRAM)**

NOTICE is hereby given that the following obligations issued by the Texas Water Development Board have been defeased and 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:

STATE OF TEXAS WATER FINANCIAL ASSISTANCE REFUNDING BONDS, SERIES 2009D (STATE PARTICIPATION PROGRAM), outstanding bonds maturing on the dates and in the principal amounts set forth below and aggregating \$17,165,000 in principal amount:

<u>Maturity Date</u>	<u>Principal Amount (\$)</u>	<u>Redemption Date</u>	<u>Interest Rate</u>	<u>Cusip No.</u>
August 1, 2020	\$930,000	August 1, 2019	5.00%	882722X30
August 1, 2021	1,740,000	August 1, 2019	4.00%	882722X48
August 1, 2022	1,810,000	August 1, 2019	4.10%	882722X55
August 1, 2023	1,885,000	August 1, 2019	4.25%	882722X63
August 1, 2024	1,950,000	August 1, 2019	5.00%	882722X71
August 1, 2025	2,055,000	August 1, 2019	5.00%	882722X89
August 1, 2026	2,155,000	August 1, 2019	5.00%	882722X97
August 1, 2027	2,260,000	August 1, 2019	5.00%	882722Y21
August 1, 2028	2,380,000	August 1, 2019	5.00%	882722Y39

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 the authority of a resolution adopted by the Texas Water Development Board on August 16, 2012. Any questions regarding this notice may be addressed to the Texas Water Development Board; Attention: Piper Montemayor, (512) 475-2117.

NOTICE OF PARTIAL DEFEASANCE AND REDEMPTION**STATE OF TEXAS WATER FINANCIAL ASSISTANCE BONDS,
SERIES 2001C (STATE PARTICIPATION PROGRAM)**

NOTICE is hereby given that the following obligations issued by the Texas Water Development Board have been defeased and 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:

STATE OF TEXAS WATER FINANCIAL ASSISTANCE BONDS, SERIES 2001C (STATE PARTICIPATION PROGRAM), maturing on the dates and in the principal amounts set forth below:

<u>Maturity Date</u>	<u>Principal Amount (\$)</u>	<u>Redemption Date</u>	<u>Interest Rate</u>	<u>Cusip No.</u>
August 1, 2035	225,000	November 16, 2012	5.25%	882720MP7

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:

<u>First Class/Registered/Certified</u>	<u>Express Delivery Only</u>	<u>By Hand Only</u>
The Bank of New York Mellon Global Corporate Trust P.O. Box 396 East Syracuse, New York 13057	The Bank of New York Mellon Global Corporate Trust 111 Sanders Creek Pkwy. East Syracuse, New York 13057	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 the authority of a resolution adopted by the Texas Water Development Board on August 16, 2012. Any questions regarding this notice may be addressed to the Texas Water Development Board; Attention: Piper Montemayor, (512) 475-2117.