DEBT POLICY

1.0 Purpose

The purpose of the Fort Bend County, Texas Commissioners Court's ("Commissioners Court") Debt Policy is to establish guidelines for the utilization of debt instruments issued by the County of Fort Bend, Texas ("County"), whether payable from County taxes or payable from certain revenues of the County or its enterprise funds. "Debt Instruments" may include general obligation tax bonds, revenue bonds, subordinate-lien bonds, commercial paper, variable rate demand notes, variable rate auction notes, bond anticipation notes, revenue anticipation notes, tax anticipation notes and capitalized leases, as well as combinations of the foregoing. These Debt Instruments shall only be used to fund the lease, purchase or construction costs of capital assets, infrastructure improvements, and additions, to refund or decrease existing debt, to fund capitalized interest, costs of issuance or to make deposits to reserve funds and other funds required or provided for in debt instruments. Debt Instruments will not be used to fund operating expenses except in extreme circumstances for very short terms. This policy will apply to all debt issued by the County or any district or authority where the Commissioner's Court acts as the governing body. It also may apply to those entities over which the Commissioners Court has oversight authority if the entities governing body approves a recommendation of the Commissioners Court to adopt this policy. This debt policy does not apply to debt issued by the Housing Improvement Corporation, or similar agencies operating in Fort Bend County but responsible to another entity.

The County will ensure all uses of Debt Instruments are in compliance with all statutory requirements, and in accordance with the guidelines contained herein, outstanding ordinances, insurance covenants, and existing agreements. Further, the County will ensure that the utilization of any Debt Instrument provides the most prudent and cost-effective funding possible taking all material matters into account.

2.0 Method of Sale

Due to the complexities related to credit issues and the increasing size of the debt issues at the County, the County will normally use a negotiated sale process unless the type or amount of debt warrants either a competitive bidding process or a private placement. A negotiated sale allows flexibility in pricing and establishing terms due to the issuer's involvement.

3.0 Parties Involved in a Debt Transaction

3.1 Financial Working Group of the Commissioners Court

The Financial Working Group ("Group") will consist of two members of the Commissioners Court, the County Auditor and the Budget Officer. The Commissioners Court will elect the two members of the Court to sit on the Group. The Group will receive and evaluate all debt proposals, and will consider and recommend debt issues to the whole Commissioners Court.

3.2 Underwriters

The responsibilities of the underwriters and/or commercial paper dealers are to:

- Adhere to the policies, objectives, and guidelines established by the Commissioners Court
- Comply with applicable laws and regulations
- Meet with designated staff members as warranted

DEBT POLICY

The Financial Working Group may recommend and the Commissioners Court may approve underwriting firms and/or commercial paper/variable rate auction note dealers to market the County's debt instruments. These underwriters and dealers will be evaluated based on criteria such as (arranged alphabetically):

- Capital strength and capital commitment to support County financings
- DBE/MBE/WBE commitment
- Distribution capabilities
- Innovative financing ideas
- Knowledge of the County and its bond ordinances
- Local, Houston-region, and state presence
- Ongoing commitment to make a market in County bonds
- Past experience with the types of financings considered by the County
- Regulatory issues

Upon commencement of the issuance of a Debt Instrument, the senior managing underwriter shall provide a detailed estimate of all components of the issue costs, including underwriting fees and anticipated participation of DBE/MBE/WBE firms. An updated estimate must be provided no later than one week prior to pricing. After pricing and prior to closing, the senior managing underwriter shall provide the County and its financial advisors with a post sale analysis of the bond issue, including comparable bond issues, purchasers, and allocation of bonds and takedown. Thirty days after the close of a syndicate, the senior book running manager will make a detailed report on overall economic compensation to each syndicate manager. This will include a summary of allocations and designations of each member.

3.3 Bond Counsel

The County shall engage external bond counsel for each debt issue to perform all services customarily provided by bond counsel, including preparation or review of all debt-authorizing resolutions and related documents and agreements.

3. 4 Financial Advisors

The County shall engage an external financial advisor (the “Financial Advisor”) for each debt issue to provide recommendations (including the type of financing, call, security and credit enhancement features, term, time and manner of sale, reasonableness of costs, and other terms and conditions) and evaluate at the time of issuance the reasonableness of interest rates, underwriter fees, financing costs, and other related issues. The Financial Advisor will also coordinate communication with rating agencies and potential and existing credit enhancers. The Financial Advisor will sit as ex officio member of the Financial Working Group. For specific issuances and debt transactions, the County may engage an expert financial advisor with specialized knowledge in the specific area being considered.

3.5 Debt Ratings and Rating Agency Presentations

Periodically, the County will provide updates to investors, bond insurers and rating agencies on developments at the County. In addition, ratings from one or more of the nationally recognized municipal bond rating agencies, including Moody's, Standard & Poor's, and Fitch, will be requested for each issuance of a Debt Instrument, unless the size and placement of the debt does not indicate the need for a rating. Full disclosure and open lines of communication shall be maintained with respect to the rating agencies.

DEBT POLICY

4.0 Debt Structure and Maturity

Any capital assets or projects financed through the issuance of Debt Instruments shall be financed for a period not to cause the weighted average life of the debt instruments to exceed the expected average useful life of the asset(s) or project(s). Further, the maturity of any Debt Instrument shall not exceed 30 years. There shall be no "balloon" amortization schedules, except for short-term Debt Instruments when long-term arrangements are planned for permanent financing.

Texas County law does not define limitations on debt issuance, but counties are limited by the Texas Administrative Code, Section 53.5 to ½ of the tax rate available to counties, or ½ of $0.80. So there is a defined debt service tax rate limit of $0.40 in this code. Since our county is nowhere near this limit, we have no immediate concerns. The county's policy is to issue no more than 25 percent of the total tax rate as a debt service tax rate. The current tax rate would be limited to no more than $0.08 per $100 of assessed values for debt service.

4.1 Capitalized Interest

Interest expense may be capitalized only when it is incurred prior to actual operation of the facilities and for a period no greater than one year after the date of beneficial occupancy. Capitalization of interest shall comply with Federal tax provisions and be subject to the review and approval of tax counsel and bond counsel.

4.2 Call Provisions

Call provisions should be included in all bond issues with maturities greater than ten (10) years and should be as short as possible, preferably at 10 years or less, preferably callable at par, and consistent with the lowest interest cost to the County. Instances may exist when issuing bonds that there are no call provisions.

5.0 Debt Refunding Parameters

If market conditions are favorable, the County may undertake a current refunding, a forward refunding, or a taxable refunding. The following criteria should be considered when evaluating any of the above refunding transactions:

- Overall transaction inclusive of costs of issuance, should produce positive net present value ("PV") and gross debt service savings
- PV target of at least 4% if maturity greater than 5 years, 3% if maturity less than 5 and greater than 3 years and then positive net PV savings if the remaining average life of the refunding is less than 3 years unless restructuring versus savings is the goal
- Administrative goal of administrative time or money savings
- The need to structure or restructure the County's overall debt structure and to provide permanent financing
- No extensions of maturity or average life will be made unless needed to restructure the debt portfolio or provide financial relief for the County.

DEBT POLICY

6.0 Types of Debt

6.1 Fixed Rate Debt

Fixed Rate Debt includes all bonds and notes issued at fixed interest rates for individual maturity dates. These rates are established at the date of sale and will not change during the term of each bond. Bond insurance may be used to enhance the marketability of the bonds, as detailed in Section 9.0.

6.2 Variable Rate Debt

The County recognizes that in general, its borrowing for capital requirements are typically best served by fixed rate permanent financing, with adequate call features to allow the County to refinance to lower interest rates if market conditions allow.

The use of variable rate debt shall be used primarily for interim construction debt to mitigate against negative arbitrage during the construction period, and upon accumulation of sufficient variable rate debt, such debt shall be converted to fixed rate debt unless market conditions and other specific factors are sufficient for the County to determine to leave such debt in a variable rate mode for a period of time longer than initially expected.

The County's outstanding debt shall contain no more than 20% of variable rate debt with respect to planned permanent financing. Interim construction debt may exceed 20% if permanent long-term financing arrangements are planned. Any variable rate program should enable the County to match asset and liability lives over the long term. The Commissioners Court will explore the use of interest rate caps and may utilize if found to be cost effective.

6.2.1 Swaps and Other Derivatives

Swaps and other derivatives proposals shall be reviewed individually. The County recognizes that derivatives issued solely to generate revenues or to relieve rate pressure may be viewed as speculating on direction of interest rates over the term of the contract. The County shall not unduly encumber existing flexibility (call features) or incur additional continuing risk (interest rate and counterparty risk, flexibility, "make whole" provisions) or in any manner adversely affect the credit of the County. Any counter-party to a swap transaction must have a superior credit rating and history. The counterparty's current credit rating should be no less than AA+ or equivalent, and preferably AAA or equivalent.

6.2.2 Commercial Paper

A tax-exempt commercial paper ("TECP") program may be used to provide projected interim financing at short term borrowing rates. Any outstanding or available TECP shall be counted as variable rate debt per the above policy. The County shall select commercial paper dealers, letter of credit ("LOC") and/or liquidity providers through the request for proposal ("RFP") process. The maximum maturity of any TECP instrument shall not exceed 270 days. A TECP program for a specific project shall not extend more than one year beyond the date of beneficial occupancy for that project. Principal outstanding under a TECP program will be expected to be refinanced to a longer term with fixed or variable rate debt.

DEBT POLICY

6.3 Capitalized Lease Agreements

Capitalized lease agreements or other equipment financing will generally be used only if the present value of lease payments is less than the present value of debt service payment on Debt Instruments issued for the same time frame. Over the lifetime of a lease, the total cost to the County will generally be higher than purchasing the asset outright. As a result, the use of lease/purchase agreements and certificates of participation in the acquisition of vehicles, equipment, and other capital assets shall only be used when other advantages to the County more than offset the additional cost.

7.0 Conversion of Variable Rate Debt to Fixed Rate Debt

It may be desirable for the County to convert some or all of its variable rate debt to fixed rate debt to mitigate the possible negative impact of rising short-term interest rates. The Commissioners Court desires to have an established methodology to determine when the Commissioners Court should consider if such a conversion is appropriate. Accordingly, the following policy shall be followed by the County.

- If the Financial Working Group determines that the projection of average variable interest rates is rising to a level that would approach the projected long term interest rates, or if other financial factors exist (e.g., need for additional variable rate borrowing that would otherwise exceed the limitations of the policy), then the Budget Officer, as representative of the working group shall brief the Commissioners Court on the issue and give the groups recommendation that variable rate debt be converted to fixed rate, and the time frame for doing so and other pertinent information as deemed necessary.

After reviewing this information, the Commissioners Court shall consider this information and decide if it wants to convert to fixed rate debt. The Budget Officer, as representative of the Financial Working Group, shall report the status of projected variable interest rates and long term rates to the Commissioners Court as the situation warrants.

8.0 Rolling Coverage

The Commissioners Court recognizes that certain coverage for revenue debt is required by the relative bond ordinances and could produce coverage revenues in excess of the capital needs of the County and the particular enterprise fund. This coverage requirement could cause rates, fees and charges to be imposed so as to make the County less competitive with other regions. If permitted by ordinance, the Commissioners Court shall consider in such situations applying up to 50% of the prior fiscal year's coverage in order to meet the next fiscal year's coverage requirement with a limitation that revenues must be at least one times coverage in any year.

9.0 Bond Insurance and Other Credit Enhancements

The County and its Financial Advisor will evaluate the use of bond insurance in the marketing of each debt issuance. In conjunction with the commercial paper program or variable rate demand or auction notes the County may utilize a letter of credit or liquidity facility. Bond insurance shall be obtained when a present value cost/benefit analysis indicates that the cost of the insurance is less than the net debt service, assuming the bonds were issued without the enhancement, or, in such other cases as factors may require, despite an unfavorable cost analysis.

Letters of credit or liquidity facilities shall be used only when the marketability of the debt is enhanced.

DEBT POLICY

10.0 Surety Bonds

A surety bond may be used in lieu of fully funding the required reserve funds if the cost of the surety bond is less than the incremental present value of the net debt service required for funding the reserve fund. The use of surety bonds shall not exceed more than fifty percent (50%) of the reserve requirement.

11.0 Continuing Disclosure

The County shall provide certain updated financial information annually and shall provide timely notice of specified material events to each Nationally Recognized Municipal Securities Information Repository (a "NRMSIR") then recognized by the Securities and Exchange Commission ("SEC") and any public or private repository designated by the State of Texas as the state information depository (the "SID") in compliance with Rule 15c2-12.

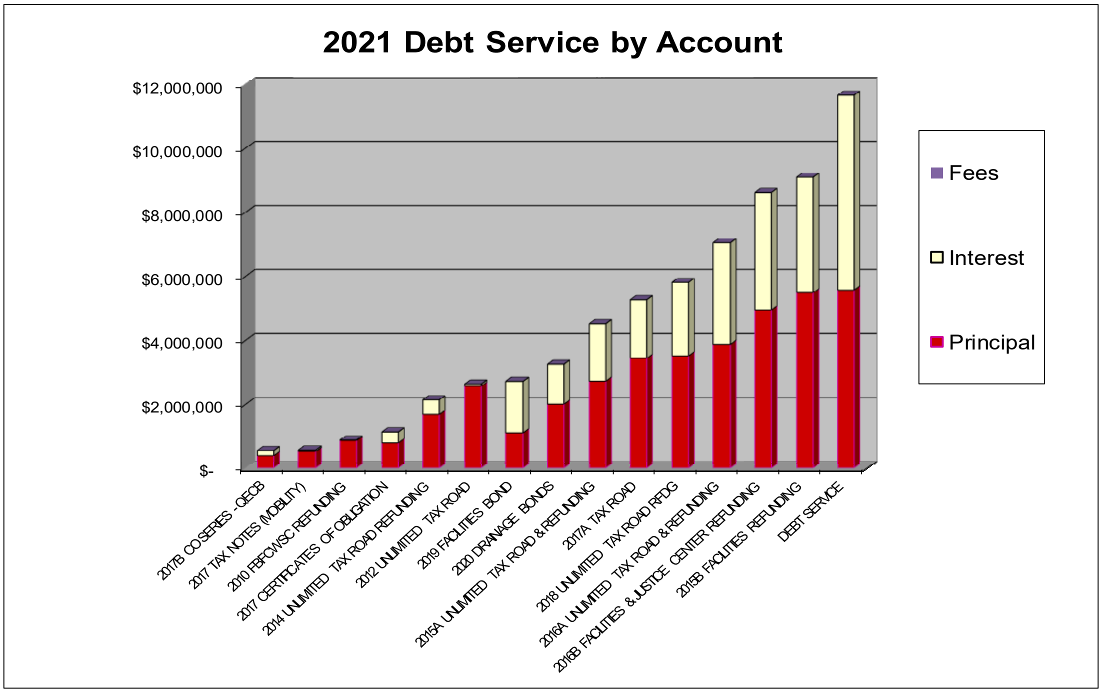
BOND RATINGS

In November 2020, Fort Bend County was rated by two rating agencies for Certificates of Obligation, Series 2020A and Fort Bend County Drainage District Permanent Improvement Bonds, Series 2020. Our current ratings are AA+ by Fitch and Aa1 by Moody's, both very solid ratings. Considering that the County recently successfully passed a mobility bond referendum, it is essential that we maintain these excellent ratings.

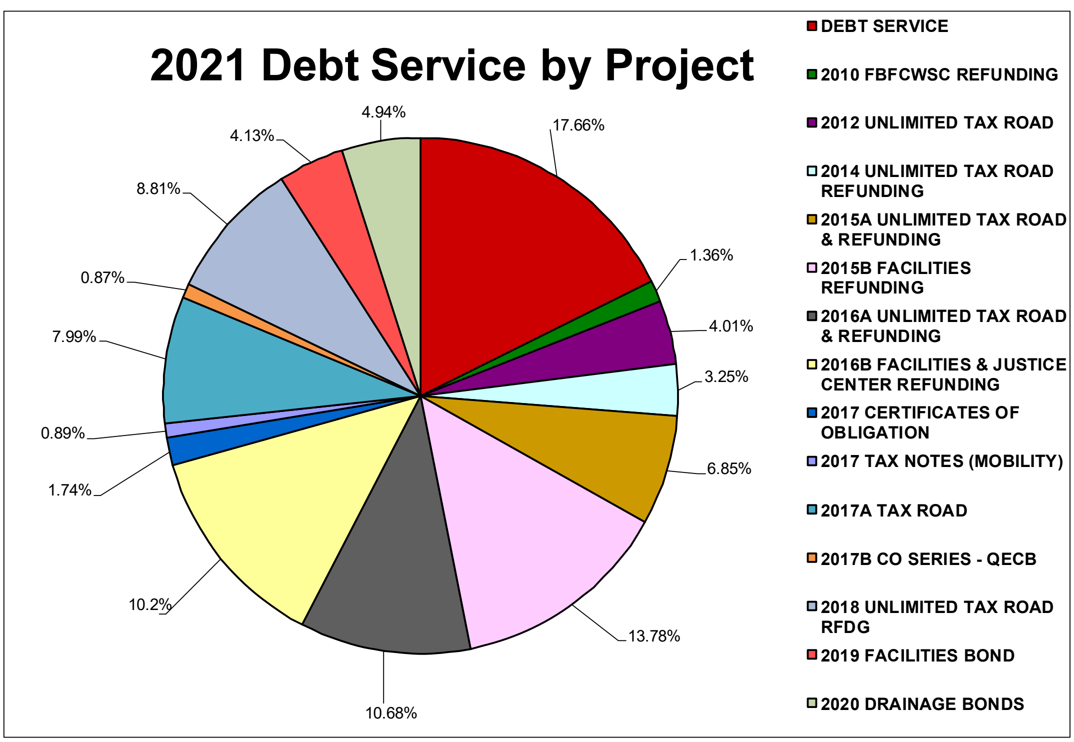
DEBT LIMITS

Section 4.0 of the Fort Bend County Debt Policy shown above is to limit issuance of no more than 25 percent of the total tax rate as an Interest & Sinking tax rate. The current total tax rate for Fort Bend County and Fort Bend County Drainage District is $0.4600 per $100 valuation, therefore the total debt service tax rate may not exceed $0.115 per $100 valuation. The Fort Bend County Interest & Sinking rate is $0.0752 while the Drainage District Interest & Sinking rate is $0.00180 for a total of $0.077 per $100 valuation, well below Fort Bend County's limit.

DEBT SERVICE FUNDS



The bar graph shown above illustrates how much principal versus interest is budgeted for each bond. The total amount budgeted for principal payments in 2021 is $39,653,580, which includes $969,004 in anticipated debt budgeted in 605680200. The total amount budgeted for interest payments is $26,377,469, including $461,599 of anticipated debt budgeted in 605680200.



DEBT SERVICE REVENUES

FUND 605: Debt Service

REVENUE BUDGET

REVENUE SOURCE	2019 ACTUAL	2020 ADOPTED	2021 ADOPTED
Property Taxes-Current	$ 41,397,303	$ 52,156,173	$ 55,836,644
Property Taxes-Delinquent	$ 395,138	$ 373,633	$ 355,624
Property Taxes-P & I	$ 250,205	$ 320,673	$ 225,185
Local Revenue	$ 5,933,086	$ -	$ 700,000
Federal Payments	$ 137,649	$ -	$ 130,000
Interest Earned	$ 477,356	$ 588,796	$ 358,017
Facility Reimbursements	$ 1,047,048	$ -	$ 1,047,048
Bond Premium Revenue	$ -	$ -	$ -
Bond Funds	$ -	$ -	$ -
Operating Transfers In	$ 177,995	$ -	$ -
TOTAL	**$ 49,815,780**	**$ 53,439,275**	**$ 58,652,518**

DEBT SERVICE REVENUES

FUND: 610 Drainage Debt Service

REVENUE BUDGET

REVENUE SOURCE	2019 ACTUAL	2020 ADOPTED	2021 ADOPTED
Property Taxes-Current	$ -	$ 1,238,144	$ 3,204,062
TOTAL	**$ -**	**$ 1,238,144**	**$ 3,204,062**

DEBT SERVICE EXPENDITURES

FUND: 605 Debt Service

EXPENSE BUDGET BY ACCOUNTING UNIT

ACCOUNT NAME	ACCOUNT	2019 ACTUAL	2020 ADOPTED	2021 ADOPTED
605680200 **DEBT SERVICE**	64500-0- CAPITAL ACQUISITIONS	$ -	$ 1,706,349	$ -
	67000-0- PRINCIPAL	$ -	$ 1,220,000	$ 5,579,004
	68000-0- INTEREST	$ -	$ -	$ 6,082,313
	68500-0- FEES	$ 10,000	$ -	$ 6,000
	TOTAL	**$ 10,000**	**$ 2,926,349**	**$11 ,667,317**
605680250- **2012 UNLIMITED TAX ROAD**	67000-0- PRINCIPAL	$ 2,345,000	$ 2,455,000	$ 2,580,000
	68000-0- INTEREST	$ 2,148,500	$ 2,040,225	$ 64,500
	68500-0- FEES	$ 550	$ 2,000	$ 2,000
	TOTAL	**$ 4,494,050**	**$ 4,497,225**	**$ 2,646,500**

DEBT SERVICE EXPENDITURES

FUND: 605 Debt Service

EXPENSE BUDGET BY ACCOUNTING UNIT

ACCOUNT NAME	ACCOUNT	2019 ACTUAL	2020 ADOPTED	2021 ADOPTED
605680255- **2014 UNLIMITED TAX ROAD REFUNDING**	68000-0- PRINCIPAL	$ 1,545,000	$ 1,620,000	$ 1,690,000
	68000-0- INTEREST	$ 602,925	$ 523,800	$ 457,950
	68500-0- FEES	$ 750	$ 2,000	$ 2,000
	TOTAL	**$ 2,148,675**	**$ 2,145,800**	**$ 2,149,950**
605680260- **2015A UNLIMITED TAX ROAD & REFUNDING**	67000-0- PRINCIPAL	$ 2,495,000	$ 2,615,000	$ 2,735,000
	68000-0- INTEREST	$ 2,022,075	$ 1,907,400	$ 1,786,725
	68500-0- FEES	$ 1,000	$ 2,000	$ 2,000
	TOTAL	**$ 4,518,075**	**$ 4,524,400**	**$ 4,523,725**
605680265- **2015B FACILITIES REFUNDING**	67000-0- PRINCIPAL	$ 4,970,000	$ 5,225,000	$ 5,495,000
	68000-0- INTEREST	$ 4,132,650	$ 3,877,775	$ 3,609,775
	68500-0- FEES	$ 1,000	$ 2,000	$ 2,000
	TOTAL	**$ 9,103,650**	**$ 9,104,775**	**$ 9,106,775**
605680270- **2016A UNLIMITED TAX ROAD & REFUNDING**	67000-0- PRINCIPAL	$ 3,515,000	$ 3,705,000	$ 3,890,000
	68000-0- INTEREST	$ 3,533,875	$ 3,353,375	$ 3,163,500
	68500-0- FEES	$ 1,000	$ 2,000	$ 2,000
	TOTAL	**$ 7,049,875**	**$ 7,060,375**	**$ 7,055,500**
605680275- **2016B FACILITIES & J.C. REFUNDING**	67000-0- PRINCIPAL	$ 4,475,000	$ 4,710,000	$ 4,950,000
	68000-0- INTEREST	$ 4,141,425	$ 3,911,800	$ 3,670,300
	68500-0- FEES	$ 1,000	$ 2,000	$ 2,000
	TOTAL	**$ 8,617,425**	**$ 8,623,800**	**$ 8,622,300**
605680280- **2017 TAX NOTES (MOBILITY)**	67000-0- PRINCIPAL	$ 516,000	$ 516,000	$ 537,000
	68000-0- INTEREST	$ 71,828	$ 71,861	$ 46,999
	68500-0- FEES	$ -	$ -	$ 2,000
	TOTAL	**$ 587,828**	**$ 587,861**	**$ 585,999**

DEBT SERVICE EXPENDITURES

FUND: 605 Debt Service

EXPENSE BUDGET BY ACCOUNTING UNIT

ACCOUNT NAME	ACCOUNT	2019 ACTUAL	2020 ADOPTED	2021 ADOPTED
605680285- **2017A TAX ROAD**	67000-0- PRINCIPAL	$ 3,125,000	$ 3,285,000	$ 3,450,000
	68000-0- INTEREST	$ 2,155,625	$ 2,155,625	$ 1,827,000
	68500-0- FEES	$ 1,000	$ 2,000	$ 2,000
	TOTAL	**$ 5,281,625**	**$ 5,442,625**	**$ 5,279,000**
605680290- **2017 CERTIFICATES OF OBLIGATION**	67000-0- PRINCIPAL	$ 740,000	$ 770,000	$ 805,000
	68000-0- INTEREST	$ 372,508	$ 357,894	$ 339,309
	68500-0- FEES	$ -	$ -	$ 2,000
	TOTAL	**$ 1,112,508**	**$ 1,127,894**	**$ 1,146,309**
605680295- **2017B CO SERIES - QECB**	67000-0- PRINCIPAL	$ -	$ 196,217	$ 403,076
	68000-0- INTEREST	$ 177,995	$ 177,995	$ 167,353
	68500-0- FEES	$ -	$ 2,000	$ 2,000
	TOTAL	**$ 177,995**	**$ 376,212**	**$ 572,429**
605680315- **2010 FBFCWSC REFUNDING**	67000-0- PRINCIPAL	$ 945,000	$ 905,000	$ 880,000
	68000-0- INTEREST	$ 81,500	$ 44,500	$ 13,200
	68500-0- FEES	$ 750	$ 2,000	$ 2,000
	TOTAL	**$ 1,027,250**	**$ 951,500**	**$ 895,200**
605680320- **2018 UNLIMITED TAX ROAD REFUNDING**	67000-0- PRINCIPAL	$ 3,400,000	$ 3,455,000	$ 3,525,000
	68000-0- INTEREST	$ 2,621,950	$ 2,467,575	$ 2,293,075
	68500-0- FEES	$ 1,000	$ 2,000	$ 2,000
	TOTAL	**$ 6,022,950**	**$ 5,924,575**	**$ 5,820,075**
605680325- **2019 FACILITIES BOND**	67000-0- PRINCIPAL	$ -	$ -	$ 1,120,000
	68000-0- INTEREST	$ -	$ -	$ 1,609,200
	68500-0- FEES	$ -	$ -	$ 2,000
	TOTAL	**$ -**	**$ -**	**$ 2,731,200**

DEBT SERVICE EXPENDITURES

FUND: 605 Debt Service

EXPENSE BUDGET BY ACCOUNTING UNIT

ACCOUNT NAME	ACCOUNT	2019 ACTUAL	2020 ADOPTED	2021 ADOPTED
605701010- **LEASE GA-BUILDING**	67000-0- PRINCIPAL	$ 12,810	$ -	$ -
	68000-0- INTEREST	$ -	$ -	$ -
	68500-0- FEES	$ -	$ -	$ -
	TOTAL	**$ 12,810**	**$ -**	**$ -**
TOTAL FOR FUND 605		**$ 50,164,716**	**$ 53,293,391**	**$ 62,802,279**

DEBT SERVICE EXPENDITURES

FUND: 610 Drainage Debt Service

EXPENSE BUDGET BY ACCOUNTING UNIT

ACCOUNT NAME	ACCOUNT	2019 ACTUAL	2020 ADOPTED	2021 ADOPTED
610680205 **2020 DRAINAGE BONDS**	64500-0- CAPITAL ACQUISITIONS	$ -	$ 1,712,698	$ -
	67000-0- PRINCIPAL	$ -	$ -	$ 2,014,500
	68000-0- INTEREST	$ -	$ -	$ 1,246,270
	68500-0- FEES	$ -	$ -	$ 2,000
	TOTAL	**$ -**	**$ 1,712,698**	**$ 3,262,770**
TOTAL FOR FUND 610		**$ -**	**$ 1,712,698**	**$ 3,262,770**

DEBT SERVICE PRINCIPAL

FUND: 605 Debt Service and 610 Drainage District Debt Service

EXPENSE BUDGET BY ACCOUNT

ACCOUNT NAME	ACCOUNT	2019 ACTUAL	2020 ADOPTED	2021 ADOPTED
605680200 **DEBT SERVICE**	67000-0- PRINCIPAL	$ -	$ 1,220,000	$ 5,579,004
605680250- **2012 UNLIMITED TAX ROAD**	67000-0- PRINCIPAL	$ 2,345,000	$ 2,455,000	$ 2,580,000
605680255- **2014 UNLIMITED TAX ROAD REFUNDING**	67000-0- PRINCIPAL	$ 1,545,000	$ 1,620,000	$ 1,690,000
605680260- **2015A UNLIMITED TAX ROAD & REFUNDING**	67000-0- PRINCIPAL	$ 2,495,000	$ 2,615,000	$ 2,735,000
605680265- **2015B FACILITIES REFUNDING**	67000-0- PRINCIPAL	$ 4,970,000	$ 5,225,000	$ 5,495,000
605680270- **2016A UNLIMITED TAX ROAD & REFUNDING**	67000-0- PRINCIPAL	$ 3,515,000	$ 3,705,000	$ 3,890,000
605680275- **2016B FACILITIES & J.C. REFUNDING**	67000-0- PRINCIPAL	$ 4,475,000	$ 4,710,000	$ 4,950,000
605680280- **2017 TAX NOTES (MOBILITY)**	67000-0- PRINCIPAL	$ 516,000	$ 516,000	$ 537,000
605680285- **2017A TAX ROAD**	67000-0- PRINCIPAL	$ 3,125,000	$ 3,285,000	$ 3,450,000
605680290- **2017 CERTIFICATES OF OBLIGATION**	67000-0- PRINCIPAL	$ 740,000	$ 770,000	$ 805,000
605680295- **2017B CO SERIES - QECB**	67000-0- PRINCIPAL	$ -	$ 196,217	$ 403,076
605680315- **2010 FBFCWSC REFUNDING**	67000-0- PRINCIPAL	$ 945,000	$ 905,000	$ 880,000
605680320- **2018 UNLIMITED TAX ROAD REFUNDING**	67000-0- PRINCIPAL	$ 3,400,000	$ 3,455,000	$ 3,525,000
605680325- **2019 FACILITIES BOND**	67000-0- PRINCIPAL	$ -	$ -	$ 1,120,000
605701010- **LEASE GA-BUILDING**	67000-0- PRINCIPAL	$ 12,810	$ -	$ -
610680205- **2020 DRAINAGE BONDS**	67000-0- PRINCIPAL	$ -	$ -	$ 2,014,500
TOTAL PRINCIPAL		**$ 28,083,810**	**$ 30,677,217**	**$ 39,653,580**

DEBT SERVICE INTEREST

FUND: 605 Debt Service and 610 Drainage District Debt Service

EXPENSE BUDGET BY ACCOUNT

ACCOUNT NAME	ACCOUNT	2019 ACTUAL	2020 ADOPTED	2021 ADOPTED
605680200 **DEBT SERVICE**	68000-0-INTEREST	$ -	$ -	$ 6,082,313
605680250- **2012 UNLIMITED TAX ROAD**	68000-0-INTEREST	$ 2,148,500	$ 2,040,225	$ 64,500
605680255- **2014 UNLIMITED TAX ROAD REFUNDING**	68000-0-INTEREST	$ 602,925	$ 523,800	$ 457,950
605680260- **2015A UNLIMITED TAX ROAD & REFUNDING**	68000-0-INTEREST	$ 2,022,075	$ 1,907,400	$ 1,786,725
605680265- **2015B FACILITIES REFUNDING**	68000-0-INTEREST	$ 4,132,650	$ 3,877,775	$ 3,609,775
605680270- **2016A UNLIMITED TAX ROAD & REFUNDING**	68000-0-INTEREST	$ 3,533,875	$ 3,353,375	$ 3,163,500
605680275- **2016B FACILITIES & J.C. REFUNDING**	68000-0-INTEREST	$ 4,141,425	$ 3,911,800	$ 3,670,300
605680280- **2017 TAX NOTES (MOBILITY)**	68000-0-INTEREST	$ 71,828	$ 71,861	$ 46,999
605680285- **2017A TAX ROAD**	68000-0-INTEREST	$ 2,155,625	$ 2,155,625	$ 1,827,000
605680290- **2017 CERTIFICATES OF OBLIGATION**	68000-0-INTEREST	$ 372,508	$ 357,894	$ 339,309
605680295- **2017B CO SERIES - QECB**	68000-0-INTEREST	$ 177,995	$ 177,995	$ 167,353
605680315- **2010 FBFCWSC REFUNDING**	68000-0-INTEREST	$ 81,500	$ 44,500	$ 13,200
605680320- **2018 UNLIMITED TAX ROAD REFUNDING**	68000-0-INTEREST	$ 2,621,950	$ 2,467,575	$ 2,293,075
605680325- **2019 FACILITIES BOND**	68000-0-INTEREST	$ -	$ -	$ 1,609,200
610680205- **2020 DRAINAGE BONDS**	68000-0-INTEREST	$ -	$ -	$ 1,246,270
TOTAL INTEREST		**$22,062,856**	**$20,889,825**	**$26,377,469**

Debt Service Requirements to Maturity

All debt service requirements to maturity are combined in the schedule below. The County's debt service policy is reflected in the Budget Policy Statement on Page 40. The County has operated on the basis of "pay as you go" in the past; however, in FY2020 and again in FY2021 the Commissioners Court chose to finance vehicles, capital equipment, and Capital Improvement Projects. The County issued Certificates of Obligation Series 2020 for these items which would have been included in the operating budget in prior years. Only when long-term projects with estimated lives longer than the term of the debt are determined to be in the best interests of the County will issuance of debt be considered. Bonds will not be issued when it will impair the financial stability of the County.

Fiscal Year Ending September 30	Unlimited Tax Road Bonds Series 2012 605680250		Unlimited Tax Road Refunding Bonds Series 2014 605680255		Unlimited Tax Road & Refunding Bonds Series 2015A 605680260	
	Principal	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
2021	2,580,000	64,500	1,690,000	457,950	2,735,000	1,786,725
2022			1,750,000	397,600	2,875,000	1,646,475
2023			1,830,000	316,850	3,020,000	1,499,100
2024			1,920,000	227,900	3,180,000	1,344,100
2025			2,010,000	134,450	3,340,000	1,181,100
2026			2,105,000	42,100	3,510,000	1,009,850
2027					3,685,000	829,975
2028					2,055,000	707,025
2029					2,135,000	633,500
2030					2,220,000	546,400
2031					2,315,000	455,700
2032					2,405,000	361,300
2033					2,505,000	263,100
2034					2,610,000	160,800
2035					2,715,000	54,300

Debt Service Requirements to Maturity (Cont.)

Fiscal Year Ending September 30	Facilities Limited Tax Refunding Bonds Series 2015B 605680265		Unlimited Tax Road & Refunding Bonds Series 2016A 605680270		Facilities Limited Tax & J.C. Refunding Bonds Series 2016B 605680275	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	5,495,000	3,609,775	3,890,000	3,163,500	4,950,000	3,670,300
2022	5,780,000	3,327,900	4,095,000	2,963,875	5,200,000	3,416,550
2023	6,075,000	3,031,525	4,300,000	2,754,000	5,465,000	3,149,925
2024	6,390,000	2,719,900	4,520,000	2,533,500	5,750,000	2,869,550
2025	6,715,000	2,392,275	4,755,000	2,301,625	6,040,000	2,574,800
2026	7,055,000	2,048,025	5,000,000	2,057,750	6,355,000	2,264,925
2027	7,420,000	1,686,150	5,255,000	1,801,375	6,680,000	1,939,050
2028	7,800,000	1,305,650	5,520,000	1,532,000	7,020,000	1,596,550
2029	8,205,000	905,525	5,805,000	1,248,875	7,340,000	1,274,250
2030	8,580,000	528,800	2,700,000	1,036,250	7,640,000	974,650
2031	8,930,000	178,600	2,840,000	897,750	2,950,000	762,850
2032			2,985,000	752,125	3,070,000	642,450
2033			3,135,000	599,125	3,215,000	500,675
2034			3,300,000	438,250	3,345,000	370,125
2035			3,470,000	269,000	3,475,000	241,763
2036			3,645,000	91,125	3,635,000	81,788
2037						
2038						
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2043						
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Debt Service Requirements to Maturity (Cont.)

Fiscal Year Ending September 30	Tax Notes (Mobility) 2017 605680280		Unlimited Tax Road Bonds Series 2017A 605680285		Certificates of Obligation 2017 605680290	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	537,000	46,999	3,450,000	1,827,000	805,000	339,309
2022	548,000	34,196	3,630,000	1,650,000	835,000	319,957
2023	579,000	20,897	3,815,000	1,463,875	870,000	299,838
2024	595,978	7,033	4,010,000	1,268,250	905,000	278,893
2025			4,215,000	1,062,625	945,000	257,063
2026			4,435,000	846,375	980,000	234,348
2027			4,660,000	619,000	1,020,000	210,748
2028			4,900,000	380,000	1,065,000	186,145
2029			5,150,000	128,750	1,105,000	160,539
2030					1,150,000	133,930
2031					1,200,000	106,200
2032					1,245,000	77,349
2033					2,655,000	31,329
2034						
2035						
2036						
2037						
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2043						
2044						

Debt Service Requirements to Maturity (Cont.)

Fiscal Year Ending September 30	2017 CO Series - QECB 605680295		Fort Bend Flood Control and Water Supply Corporation Refunding Series 605680315		Unlimited Tax Road Refunding 605680320	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	403,076	167,353	880,000	13,200	3,525,000	2,293,075
2022	417,692	152,736			1,880,000	2,157,950
2023	432,839	137,590			1,975,000	2,061,575
2024	448,535	121,894			2,075,000	1,960,325
2025	464,801	105,629			2,185,000	1,853,825
2026	481,655	88,774			2,295,000	1,741,825
2027	499,121	71,307			2,415,000	1,624,075
2028	517,222	53,208			2,535,000	1,500,325
2029	535,977	34,452			2,665,000	1,370,325
2030	555,414	15,016			2,805,000	1,233,575
2031					2,945,000	1,089,825
2032					3,100,000	938,700
2033					3,240,000	796,400
2034					3,370,000	664,200
2035					3,510,000	526,600
2036					3,655,000	383,300
2037					3,800,000	234,200
2038					3,955,000	79,100
2039						
2040						
2041						
2042						
2043						
2044						

Debt Service Requirements to Maturity (Cont.)

Fiscal Year Ending September 30	Facilities Limited Tax Bond Series 2019 605680325		Unlimited Tax Road Bonds Series 2020 605680335 *		Certificates of Obligation Series 2020 605680330 *	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	1,120,000	1,609,200	1,115,000	2,683,875	2,370,000	1,466,200
2022	1,175,000	1,557,425	1,175,000	2,626,625	2,500,000	1,344,450
2023	1,215,000	1,515,900	1,235,000	2,566,375	2,630,000	1,216,200
2024	1,260,000	1,472,250	1,295,000	2,503,125	2,765,000	1,081,325
2025	1,325,000	1,407,625	1,365,000	2,436,625	2,900,000	939,700
2026	1,390,000	1,339,750	1,435,000	2,366,625	1,320,000	834,200
2027	1,460,000	1,268,500	1,505,000	2,293,125	1,395,000	766,325
2028	1,535,000	1,193,625	1,585,000	2,215,875	1,460,000	694,950
2029	1,615,000	1,114,875	1,665,000	2,134,625	1,530,000	620,200
2030	1,700,000	1,032,000	1,750,000	2,049,250	1,610,000	541,700
2031	1,785,000	944,875	1,840,000	1,959,500	1,125,000	473,325
2032	1,875,000	853,375	1,935,000	1,865,125	1,190,000	415,450
2033	1,975,000	757,125	2,035,000	1,765,875	1,245,000	354,575
2034	2,075,000	655,875	2,140,000	1,661,500	1,305,000	290,825
2035	2,180,000	549,500	2,250,000	1,551,750	1,380,000	223,700
2036	2,290,000	437,750	2,365,000	1,436,375	535,000	178,500
2037	2,410,000	320,250	2,485,000	1,315,125	555,000	156,700
2038	2,535,000	196,625	2,615,000	1,187,625	575,000	134,100
2039	2,665,000	66,625	2,745,000	1,053,625	600,000	110,600
2040			2,885,000	912,875	2,465,000	49,300
2041			3,035,000	764,875		
2042			3,190,000	609,250		
2043			3,355,000	445,625		
2044			3,525,000	273,625		
2045			3,710,000	92,750		

* These three accounting units had not been created when the budget was adopted, therefore, the debt service is budgeted in 650680200 Debt Service. We will transfer the budgeted amounts into the correct three accounting units.

Debt Service Requirements to Maturity (Cont.)

Fiscal Year Ending September 30	General Obligation Refunding Taxable Series 2020 605680340 *		Drainage Bonds ** 2020 610680205	
	Principal	Interest	Principal	Interest
2021	1,125,000	1,470,639	2,014,500	1,246,270
2022	2,160,000	1,388,514		
2023	2,495,000	1,272,139		
2024	2,810,000	1,139,514		
2025	2,955,000	995,389		
2026	3,105,000	843,889		
2027	3,265,000	684,639		
2028	3,415,000	517,639		
2029	3,590,000	342,514		
2030	3,790,000	213,083		
2031	3,870,000	131,528		
2032	3,960,000	44,827		
2033				
2034				
2035				
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2040				
2041				
2042				
2043				
2044				

* These three accounting units had not been created when the budget was adopted, therefore, the debt service is budgeted in 650680200 Debt Service. We will transfer the budgeted amounts into the correct three accounting units.

**These bonds will be issued in late December 2021, therefore the amount listed here is an estimate for FY2021. Subsequent years will be added to the schedule in FY2022.

Debt Service Requirements to Maturity (Cont.)

Fiscal Year Ending September 30	TOTAL			Fiscal Year Total Payment	Total Bonded Indebtedness
	Principal	Interest	Fees		
2021	39,653,580	26,377,469	34,000	66,065,049	551,680,810
2022	34,020,692	22,984,253	28,000	57,032,945	512,996,234
2023	35,936,839	21,305,789	28,000	57,270,628	478,975,542
2024	37,924,513	19,527,559	28,000	57,480,072	443,038,703
2025	39,214,801	17,642,731	26,000	56,883,532	405,114,190
2026	39,466,655	15,718,436	26,000	55,211,091	365,899,389
2027	39,259,121	13,794,269	24,000	53,077,390	298,257,734
2028	39,407,222	11,882,992	24,000	51,314,214	287,173,613
2029	41,340,977	9,968,430	24,000	51,333,407	247,766,391
2030	34,500,414	8,304,654	22,000	42,827,068	206,425,414
2031	29,800,000	7,000,153	20,000	36,820,153	171,925,000
2032	21,765,000	5,950,701	18,000	27,733,701	142,125,000
2033	20,005,000	5,068,204	16,000	25,089,204	120,360,000
2034	18,145,000	4,241,575	14,000	22,400,575	100,355,000
2035	18,980,000	3,416,613	14,000	22,410,613	82,210,000
2036	16,125,000	2,608,838	12,000	18,745,838	16,125,000
2037	9,250,000	2,026,275	8,000	11,284,275	47,105,000
2038	9,680,000	1,597,450	8,000	11,285,450	9,680,000
2039	6,010,000	1,230,850	6,000	7,246,850	28,175,000
2040	5,350,000	962,175	4,000	6,316,175	22,165,000
2041	3,035,000	764,875	2,000	3,801,875	16,815,000
2042	3,190,000	609,250	2,000	3,801,250	13,780,000
2043	3,355,000	445,625	2,000	3,802,625	10,590,000
2044	3,525,000	273,625	2,000	3,800,625	7,235,000
2045	3,710,000	92,750	2,000	3,804,750	3,710,000