# $10,620,000
# Rockwall County, Texas
# Unlimited Tax Road Bonds,
# Series 2009

## Rebate Computation for the Period
## July 01, 2009 to September 30, 2009

FirstSouthwest
A PlainsCapital Company℠

FirstSouthwest
A PlainsCapital Company

Shelley D. Weiske, CPA
Senior Vice President

January 26, 2010

Mr. Bill Sinclair
County Treasurer
Rockwall County, Texas
101 E. Rusk Street
Suite 201
Rockwall, TX 75087-

**$ 10,620,000**
**Rockwall County, Texas**
**Unlimited Tax Road Bonds,**
**Series 2009**

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In accordance with the terms of the "Agreement for Arbitrage Rebate Compliance Services" for the above-captioned obligations (the "Obligations"), we have completed an annual estimation of the rebate amount as defined in Section 148(f)(2) of the Internal Revenue Code of 1986, as amended. The estimate included in the report is intended for informational and internal reporting purposes only and not for filing requirements with the Internal Revenue Service. A separate calculation will be performed in connection with any required filing date.

The estimation of the rebate amount, included in this report, covers the investment of gross proceeds from July 1, 2009 (the delivery date of the Obligations) through September 30, 2009 (the "Computation Date"). The period from the delivery date of the Obligations to the Computation Date is hereinafter referred to as the "Computation Period."

In order to determine the rebate amount for the Computation Period, we were provided with all the information regarding the issuance of the Obligations and the investment of the gross proceeds, as well as other information as deemed necessary under the circumstances. We did not perform any procedures to test the accuracy of the information provided to us. Certain information and definitions used in preparing the attached schedules are described in the Summary of Computational Information.

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Based upon the computations included in this report, the rebate amount for the above-defined Computation Period is summarized as follows:

**Summary of Rebatable Arbitrage:**

| | | |
|---|---|---|
| Actual Interest Earnings | $ | 6,841.24 |
| Allowable Interest Earnings at Bond Yield | $ | 72,839.27 |
| Cumulative Rebatable Arbitrage (net of allowable rebate credits) | **($** | **65,998.03)** |

The estimated rebate amount was determined using the provisions of Treasury Regulations Section 1.148, or the applicable regulations in effect on the date that the Obligations delivered. These regulations may be revised or replaced and, accordingly, the computations contained in this report may be subject to modification in order to comply with the revised regulations, if any, when issued. The terms of our engagement are such that we have no obligation to update the results of this report for events occurring or information coming to our attention subsequent to the date of this report.

We appreciate this opportunity to serve you. If you have any questions regarding the computations contained in this report, please do not hesitate to contact First Southwest Asset Management, Inc.

Sincerely,

FIRST SOUTHWEST ASSET MANAGEMENT, INC.

# Table of Contents

# Summary of Computational Information

Section I

SUMMARY OF COMPUTATIONAL INFORMATION

ROCKWALL COUNTY, TEXAS

COMPUTATIONAL INFORMATION:

1. The following information was used to compute the debt service requirements and yield on the Obligations for the Computation Period:

| | |
|---|---|
| Dated Date: | June 1, 2009 |
| Delivery Date: | July 1, 2009 |
| First Coupon Date: | February 1, 2010 |

2. Principal amounts, interest rates, and reoffering prices are as shown in the section entitled "Computation of Yield on the Obligations." The target used for computing the yield on the Obligations was as follows:

| | |
|---|---|
| Issue price to the public | $10,665,720.95 |
| Accrued Interest on the Obligations | 38,705.21 |
| Target | $10,704,426.16 |

3. Computations of yield are based upon a 360-day year and semiannual compounding.

4. The value of any fixed rate investments outstanding on the Computation Date was determined by calculating the present value of future receipts on the Computation Date using the purchased yield on the investments. The value of variable rate investments outstanding on the Computation Date was determined by using the investment's fair market value on that date. Premiums and discounts from the purchase of securities are treated as an adjustment to actual interest earned when the investment matures or is sold. Gains and losses from the sale of securities are treated as an adjustment to actual interest earned during the Computation Period.

5. The purchase price of investments is assumed to be at their fair market value, representing an arms length transaction which did not result in an abusive arbitrage device by reducing the rebate amount required to be paid to the United States. The purchase price is also assumed to exclude all costs which are not qualified administrative costs.

## SUMMARY OF COMPUTATIONAL INFORMATION (continued)

## ROCKWALL COUNTY, TEXAS

6. The County maintains a common Debt Service Fund for all outstanding bond issues. The portion of the Debt Service Fund which will be depleted at least once a year except for a reasonable carryover amount not to exceed the greater of (a) prior year's earnings on the Debt Service Fund or (b) one-twelfth of the prior year's annual debt service, will be treated as a separate fund (the "Bona Fide Portion") and will not be included in the arbitrage rebate computation. Amounts remaining in the Debt Service Fund, other than such reasonable carryover amount, will be treated as a separate fund (the "Reserve Portion") and will be included in the computation of Rebatable Arbitrage. The Reserve Portion in each year was determined as of the date the Debt Service Fund was depleted to its minimum balance and held constant during the year. Interest earnings were allocated to the Obligations using the average daily balances associated with the Bona Fide and Reserve Portions of the Obligations in the Debt Service Fund.

## DEFINITIONS

7. **Yield:** That yield, which, when used in computing the present worth of all payments of principal and interest to be paid on an obligation during the Computation Period, produces an amount equal to, in the case of the Obligations, the initial offering price to the public, and in the case of the investments, the fair market value on the date the investment becomes a nonpurpose investment.

8. **Allowable Earnings:** The amount which would have been earned if all investments had been invested at a rate equal to the yield on the Obligations.

9. **Excess Earnings:** The excess of actual investment earnings over the allowable earnings.

10. **Rebatable Arbitrage:** Cumulative excess earnings, plus cumulative interest earnings thereon.

# Computation of Yield on the Obligations

Section II

**$ 10,620,000.00**
Rockwall County, Texas
Unlimited Tax Road Bonds,
Series 2009

## Debt Service Schedule



| Date | Principal | Coupon | Interest | Total P+I |
|---|---|---|---|---|
| 02/01/2010 | 185,000.00 | 3.000% | 309,641.67 | 494,641.67 |
| 08/01/2010 | - | - | 229,456.25 | 229,456.25 |
| 02/01/2011 | 270,000.00 | 3.000% | 229,456.25 | 499,456.25 |
| 08/01/2011 | - | - | 225,406.25 | 225,406.25 |
| 02/01/2012 | 280,000.00 | 2.750% | 225,406.25 | 505,406.25 |
| 08/01/2012 | - | - | 221,556.25 | 221,556.25 |
| 02/01/2013 | 285,000.00 | 2.875% | 221,556.25 | 506,556.25 |
| 08/01/2013 | - | - | 217,459.38 | 217,459.38 |
| 02/01/2014 | 295,000.00 | 3.125% | 217,459.38 | 512,459.38 |
| 08/01/2014 | - | - | 212,850.00 | 212,850.00 |
| 02/01/2015 | 305,000.00 | 3.250% | 212,850.00 | 517,850.00 |
| 08/01/2015 | - | - | 207,893.75 | 207,893.75 |
| 02/01/2016 | 315,000.00 | 3.500% | 207,893.75 | 522,893.75 |
| 08/01/2016 | - | - | 202,381.25 | 202,381.25 |
| 02/01/2017 | 325,000.00 | 3.625% | 202,381.25 | 527,381.25 |
| 08/01/2017 | - | - | 196,490.63 | 196,490.63 |
| 02/01/2018 | 340,000.00 | 3.750% | 196,490.63 | 536,490.63 |
| 08/01/2018 | - | - | 190,115.63 | 190,115.63 |
| 02/01/2019 | 350,000.00 | 4.000% | 190,115.63 | 540,115.63 |
| 08/01/2019 | - | - | 183,115.63 | 183,115.63 |
| 02/01/2020 | 365,000.00 | 4.000% | 183,115.63 | 548,115.63 |
| 08/01/2020 | - | - | 175,815.63 | 175,815.63 |
| 02/01/2021 | 380,000.00 | 4.000% | 175,815.63 | 555,815.63 |
| 08/01/2021 | - | - | 168,215.63 | 168,215.63 |
| 02/01/2022 | 400,000.00 | 4.125% | 168,215.63 | 568,215.63 |
| 08/01/2022 | - | - | 159,965.63 | 159,965.63 |
| 02/01/2023 | 415,000.00 | 4.250% | 159,965.63 | 574,965.63 |
| 08/01/2023 | - | - | 151,146.88 | 151,146.88 |
| 02/01/2024 | 435,000.00 | 4.375% | 151,146.88 | 586,146.88 |
| 08/01/2024 | - | - | 141,631.25 | 141,631.25 |
| 02/01/2025 | 450,000.00 | 4.500% | 141,631.25 | 591,631.25 |
| 08/01/2025 | - | - | 131,506.25 | 131,506.25 |
| 02/01/2026 | 475,000.00 | 4.500% | 131,506.25 | 606,506.25 |
| 08/01/2026 | - | - | 120,818.75 | 120,818.75 |
| 02/01/2027 | 495,000.00 | 4.625% | 120,818.75 | 615,818.75 |
| 08/01/2027 | - | - | 109,371.88 | 109,371.88 |
| 02/01/2028 | 520,000.00 | 4.750% | 109,371.88 | 629,371.88 |
| 08/01/2028 | - | - | 97,021.88 | 97,021.88 |
| 02/01/2029 | 545,000.00 | 4.875% | 97,021.88 | 642,021.88 |
| 08/01/2029 | - | - | 83,737.50 | 83,737.50 |
| 02/01/2030 | 575,000.00 | 5.250% | 83,737.50 | 658,737.50 |
| 08/01/2030 | - | - | 68,643.75 | 68,643.75 |
| 02/01/2031 | 605,000.00 | 5.250% | 68,643.75 | 673,643.75 |
| 08/01/2031 | - | - | 52,762.50 | 52,762.50 |
| 02/01/2032 | 635,000.00 | 5.250% | 52,762.50 | 687,762.50 |
| 08/01/2032 | - | - | 36,093.75 | 36,093.75 |
| 02/01/2033 | 670,000.00 | 5.250% | 36,093.75 | 706,093.75 |
| 08/01/2033 | - | - | 18,506.25 | 18,506.25 |
| 02/01/2034 | 705,000.00 | 5.250% | 18,506.25 | 723,506.25 |
| **Total** | **$10,620,000.00** | - | **$7,513,566.77** | **$18,133,566.77** |

**$ 10,620,000.00**
Rockwall County, Texas
Unlimited Tax Road Bonds,
Series 2009

## Debt Service Schedule



| Date | Principal | Coupon | Interest | Total P+I |
|---|---|---|---|---|

**Yield Statistics**

| | |
|---|---|
| Accrued Interest from 06/01/2009 to 07/01/2009 | $38,705.21 |
| Bond Yield for Arbitrage Purposes | 4.62799180% |
| Weighted Average Maturity | 14.849 Years |

**$ 10,620,000.00**
Rockwall County, Texas
Unlimited Tax Road Bonds,
Series 2009

## Pricing Summary



| Maturity | Type of Bond | Coupon | Yield | Issuance Value | Maturity Value | Price | | DollarPrice |
|---|---|---|---|---|---|---|---|---|
| 02/01/2010 | Serial | 3.000% | 1.000% | 185,000.00 | 185,000.00 | 101.159% | | 187,144.15 |
| 02/01/2011 | Serial | 3.000% | 1.600% | 270,000.00 | 270,000.00 | 102.179% | | 275,883.30 |
| 02/01/2012 | Serial | 2.750% | 2.050% | 280,000.00 | 280,000.00 | 101.751% | | 284,902.80 |
| 02/01/2013 | Serial | 2.875% | 2.430% | 285,000.00 | 285,000.00 | 101.517% | | 289,323.45 |
| 02/01/2014 | Serial | 3.125% | 2.750% | 295,000.00 | 295,000.00 | 101.603% | | 299,728.85 |
| 02/01/2015 | Serial | 3.250% | 3.000% | 305,000.00 | 305,000.00 | 101.274% | | 308,885.70 |
| 02/01/2016 | Serial | 3.500% | 3.210% | 315,000.00 | 315,000.00 | 101.706% | | 320,373.90 |
| 02/01/2017 | Serial | 3.625% | 3.420% | 325,000.00 | 325,000.00 | 101.357% | | 329,410.25 |
| 02/01/2018 | Serial | 3.750% | 3.630% | 340,000.00 | 340,000.00 | 100.875% | | 342,975.00 |
| 02/01/2019 | Serial | 4.000% | 3.820% | 350,000.00 | 350,000.00 | 101.430% | | 355,005.00 |
| 02/01/2020 | Serial | 4.000% | 4.000% | 365,000.00 | 365,000.00 | 100.000% | | 365,000.00 |
| 02/01/2021 | Serial | 4.000% | 4.130% | 380,000.00 | 380,000.00 | 98.809% | | 375,474.20 |
| 02/01/2022 | Serial | 4.125% | 4.240% | 400,000.00 | 400,000.00 | 98.884% | | 395,536.00 |
| 02/01/2023 | Serial | 4.250% | 4.360% | 415,000.00 | 415,000.00 | 98.878% | | 410,343.70 |
| 02/01/2024 | Serial | 4.375% | 4.490% | 435,000.00 | 435,000.00 | 98.775% | | 429,671.25 |
| 02/01/2025 | Serial | 4.500% | 4.610% | 450,000.00 | 450,000.00 | 98.783% | | 444,523.50 |
| 02/01/2026 | Serial | 4.500% | 4.700% | 475,000.00 | 475,000.00 | 97.710% | | 464,122.50 |
| 02/01/2027 | Serial | 4.625% | 4.770% | 495,000.00 | 495,000.00 | 98.283% | | 486,500.85 |
| 02/01/2028 | Serial | 4.750% | 4.870% | 520,000.00 | 520,000.00 | 98.539% | | 512,402.80 |
| 02/01/2029 | Serial | 4.875% | 4.970% | 545,000.00 | 545,000.00 | 98.815% | | 538,541.75 |
| 02/01/2030 | Term 1 | 5.250% | 5.000% | 575,000.00 | 575,000.00 | 101.880% | c | 585,810.00 |
| 02/01/2031 | Term 1 | 5.250% | 5.000% | 605,000.00 | 605,000.00 | 101.880% | c | 616,374.00 |
| 02/01/2032 | Term 1 | 5.250% | 5.000% | 635,000.00 | 635,000.00 | 101.880% | c | 646,938.00 |
| 02/01/2033 | Term 1 | 5.250% | 5.000% | 670,000.00 | 670,000.00 | 101.880% | c | 682,596.00 |
| 02/01/2034 | Term 1 | 5.250% | 5.000% | 705,000.00 | 705,000.00 | 101.880% | c | 718,254.00 |
| **Total** | - | - | - | **$10,620,000.00** | **$10,620,000.00** | - | - | **$10,665,720.95** |

### Bid Information

| | |
|---|---|
| Par Amount of Bonds | $10,620,000.00 |
| Reoffering Premium or (Discount) | $45,720.95 |
| Gross Production | $10,665,720.95 |
| | |
| Accrued Interest from 06/01/2009 to 07/01/2009 | $38,705.21 |
| Total Purchase Price | $10,704,426.16 |

**$ 10,620,000.00**
Rockwall County, Texas
Unlimited Tax Road Bonds,
Series 2009

## Proof of Bond Yield @ 4.6279918%



| Date | Cashflow | PV Factor | Present Value | Cumulative PV |
|---|---|---|---|---|
| 02/01/2010 | 494,641.67 | 0.9736640x | 481,614.79 | 481,614.79 |
| 08/01/2010 | 229,456.25 | 0.9516430x | 218,360.44 | 699,975.23 |
| 02/01/2011 | 499,456.25 | 0.9301201x | 464,554.29 | 1,164,529.51 |
| 08/01/2011 | 225,406.25 | 0.9090839x | 204,913.20 | 1,369,442.71 |
| 02/01/2012 | 505,406.25 | 0.8885235x | 449,065.34 | 1,818,508.05 |
| 08/01/2012 | 221,556.25 | 0.8684281x | 192,405.68 | 2,010,913.73 |
| 02/01/2013 | 506,556.25 | 0.8487872x | 429,958.47 | 2,440,872.20 |
| 08/01/2013 | 217,459.38 | 0.8295905x | 180,402.24 | 2,621,274.44 |
| 02/01/2014 | 512,459.38 | 0.8108280x | 415,516.42 | 3,036,790.86 |
| 08/01/2014 | 212,850.00 | 0.7924898x | 168,681.46 | 3,205,472.32 |
| 02/01/2015 | 517,850.00 | 0.7745664x | 401,109.21 | 3,606,581.52 |
| 08/01/2015 | 207,893.75 | 0.7570483x | 157,385.61 | 3,763,967.14 |
| 02/01/2016 | 522,893.75 | 0.7399265x | 386,902.92 | 4,150,870.06 |
| 08/01/2016 | 202,381.25 | 0.7231918x | 146,360.47 | 4,297,230.52 |
| 02/01/2017 | 527,381.25 | 0.7068357x | 372,771.88 | 4,670,002.41 |
| 08/01/2017 | 196,490.63 | 0.6908495x | 135,745.44 | 4,805,747.85 |
| 02/01/2018 | 536,490.63 | 0.6752248x | 362,251.77 | 5,167,999.62 |
| 08/01/2018 | 190,115.63 | 0.6599535x | 125,467.47 | 5,293,467.09 |
| 02/01/2019 | 540,115.63 | 0.6450276x | 348,389.47 | 5,641,856.56 |
| 08/01/2019 | 183,115.63 | 0.6304392x | 115,443.28 | 5,757,299.84 |
| 02/01/2020 | 548,115.63 | 0.6161808x | 337,738.34 | 6,095,038.18 |
| 08/01/2020 | 175,815.63 | 0.6022449x | 105,884.07 | 6,200,922.25 |
| 02/01/2021 | 555,815.63 | 0.5886242x | 327,166.51 | 6,528,088.76 |
| 08/01/2021 | 168,215.63 | 0.5753115x | 96,776.38 | 6,624,865.15 |
| 02/01/2022 | 568,215.63 | 0.5622999x | 319,507.59 | 6,944,372.73 |
| 08/01/2022 | 159,965.63 | 0.5495826x | 87,914.32 | 7,032,287.06 |
| 02/01/2023 | 574,965.63 | 0.5371529x | 308,844.44 | 7,341,131.50 |
| 08/01/2023 | 151,146.88 | 0.5250043x | 79,352.76 | 7,420,484.26 |
| 02/01/2024 | 586,146.88 | 0.5131305x | 300,769.83 | 7,721,254.09 |
| 08/01/2024 | 141,631.25 | 0.5015252x | 71,031.64 | 7,792,285.73 |
| 02/01/2025 | 591,631.25 | 0.4901824x | 290,007.23 | 8,082,292.96 |
| 08/01/2025 | 131,506.25 | 0.4790961x | 63,004.14 | 8,145,297.10 |
| 02/01/2026 | 606,506.25 | 0.4682606x | 284,002.99 | 8,429,300.08 |
| 08/01/2026 | 120,818.75 | 0.4576701x | 55,295.13 | 8,484,595.22 |
| 02/01/2027 | 615,818.75 | 0.4473192x | 275,467.55 | 8,760,062.77 |
| 08/01/2027 | 109,371.88 | 0.4372024x | 47,817.64 | 8,807,880.41 |
| 02/01/2028 | 629,371.88 | 0.4273143x | 268,939.61 | 9,076,820.02 |
| 08/01/2028 | 97,021.88 | 0.4176499x | 40,521.18 | 9,117,341.20 |
| 02/01/2029 | 642,021.88 | 0.4082041x | 262,075.96 | 9,379,417.16 |
| 08/01/2029 | 83,737.50 | 0.3989719x | 33,408.91 | 9,412,826.07 |
| 02/01/2030 | 658,737.50 | 0.3899485x | 256,873.70 | 9,669,699.77 |
| 08/01/2030 | 68,643.75 | 0.3811292x | 26,162.14 | 9,695,861.90 |
| 02/01/2031 | 673,643.75 | 0.3725093x | 250,938.59 | 9,946,800.49 |
| 08/01/2031 | 52,762.50 | 0.3640844x | 19,210.01 | 9,966,010.50 |
| 02/01/2032 | 687,762.50 | 0.3558501x | 244,740.34 | 10,210,750.84 |
| 08/01/2032 | 36,093.75 | 0.3478020x | 12,553.48 | 10,223,304.32 |
| 02/01/2033 | 706,093.75 | 0.3399359x | 240,026.58 | 10,463,330.90 |

**$ 10,620,000.00**
Rockwall County, Texas
Unlimited Tax Road Bonds,
Series 2009

## Proof of Bond Yield @ 4.6279918%



| Date | Cashflow | PV Factor | Present Value | Cumulative PV |
|---|---|---|---|---|
| 08/01/2033 | 18,506.25 | 0.3322477x | 6,148.66 | 10,469,479.56 |
| 02/01/2034 | 723,506.25 | 0.3247333x | 234,946.60 | 10,704,426.16 |
| **Total** | **$18,133,566.77** | - | **10,704,426.16** | - |

### Derivation Of Target Amount

| | |
|---|---|
| Par Amount of Bonds | $10,620,000.00 |
| Reoffering Premium or (Discount) | 45,720.95 |
| Accrued Interest from 06/01/2009 to 07/01/2009 | 38,705.21 |
| Bond Insurance Premium | 0.00 |
| Original Issue Proceeds | $10,704,426.16 |

# Detail of Investment Transactions

Section III

Issue Number: 0807-022

**Rockwall County, Texas**
**Unlimited Tax Road Bonds,**
**Series 2009**

Purchase Date: 07/01/2009 Description: LOGIC 07/01/09-9/30/09 Yield: 0.4326% Record: 1
Maturity Date: 09/30/2009 Type: Activity IRS Yield: 0.4326% Fund: 1

| Date | Principal | Interest | Total | |
|---|---|---|---|---|
| 07/01/2009 | (10,500,000.00) | 0.00 | (10,500,000.00) | $10,500,000.00 |
| 07/13/2009 | 1,020,000.00 | 0.00 | 1,020,000.00 | $9,480,000.00 |
| 07/13/2009 | 3,500,000.00 | 0.00 | 3,500,000.00 | $5,980,000.00 |
| 07/31/2009 | (3,116.39) | 3,116.39 | 0.00 | $5,983,116.39 |
| 08/31/2009 | (2,062.50) | 2,062.50 | 0.00 | $5,985,178.89 |
| 09/17/2009 | 1,297,412.51 | 0.00 | 1,297,412.51 | $4,687,766.38 |
| 09/25/2009 | 9,200.00 | 0.00 | 9,200.00 | $4,678,566.38 |
| 09/30/2009 | (1,662.35) | 1,662.35 | 0.00 | $4,680,228.73 |
| 09/30/2009 | 4,680,228.73 | 0.00 | 4,680,228.73 | $0.00 |
| Totals | 0.00 | 6,841.24 | 6,841.24 | |

# Summary of Taxable Transactions and Yield on the Investment Portfolio

Section IV

**Rockwall County, Texas**
**Unlimited Tax Road Bonds,**
**Series 2009**

**Summary of Taxable Transactions**

Issue Number: 0807-022

Calculation Date 09/30/2009 Annual Compoundings 2 Calc Basis: 30/360 Portfolio Yield: 0.432633%

| Date | Principal | Interest | Total | PV Factor | Present Value | Principal Balance |
|---|---|---|---|---|---|---|
| 07/01/2009 | (10,500,000.00) | 0.00 | (10,500,000.00) | 1.0000000 | (10,500,000.00) | 10,500,000.00 |
| 07/13/2009 | 4,520,000.00 | 0.00 | 4,520,000.00 | 0.9998560 | 4,519,348.91 | 5,980,000.00 |
| 07/31/2009 | (3,116.39) | 3,116.39 | 0.00 | 0.9996399 | 0.00 | 5,983,116.39 |
| 08/31/2009 | (2,062.50) | 2,062.50 | 0.00 | 0.9992800 | 0.00 | 5,985,178.89 |
| 09/17/2009 | 1,297,412.51 | 0.00 | 1,297,412.51 | 0.9990881 | 1,296,229.36 | 4,687,766.38 |
| 09/25/2009 | 9,200.00 | 0.00 | 9,200.00 | 0.9989921 | 9,190.73 | 4,678,566.38 |
| 09/30/2009 | 4,678,566.38 | 1,662.35 | 4,680,228.73 | 0.9989322 | 4,675,231.00 | 0.00 |
| Totals | 0.00 | 6,841.24 | 6,841.24 | | 0.00 | |

# Computation of Allowable Earnings and the Rebate Amount

Section V

**Rockwall County, Texas**
**Unlimited Tax Road Bonds,**
**Series 2009**

**Calculation of Actual and Allowable Earnings**

Issue Number: 0807-022

Calculation Date 09/30/2009 Annual Compoundings: 2 Calc Basis: 30/360 Bond Yield: 4.627991%

| Date | Principal | Interest | Total | FV Factor | Future Value At Allowable Yield |
|---|---|---|---|---|---|
| 07/01/2009 | (10.500,000.00) | 0.00 | (10,500,000.00) | 1.0113753 | (10,619,440.17) |
| 07/13/2009 | 4,520,000.00 | 0.00 | 4,520,000.00 | 1.0098340 | 4,564,449.73 |
| 07/31/2009 | (3,116.39) | 3,116.39 | 0.00 | 1.0076546 | 0.00 |
| 08/31/2009 | (2,062.50) | 2,062.50 | 0.00 | 1.0038200 | 0.00 |
| 09/17/2009 | 1,297,412.51 | 0.00 | 1,297,412.51 | 1.0016535 | 1,299,557.83 |
| 09/25/2009 | 9,200.00 | 0.00 | 9,200.00 | 1.0006357 | 9,205.85 |
| 09/30/2009 | 4,678,566.38 | 1,662.35 | 4,680,228.73 | 1.0000000 | 4,680,228.73 |
| Totals | 0.00 | 6,841.24 | 6,841.24 | | (65,998.03) |

Summary of Rebatable Arbitrage:

| | |
|---|---|
| Actual Interest Earnings | 6,841.24 |
| Allowable Interest Earnings | 72,839.27 |
| **Cumulative Rebatable Arbitrage** | **(65,998.03)** |

Form **8038-G** (Rev. November 2000) Department of the Treasury Internal Revenue Service

# Information Return for Tax-Exempt Governmental Obligations

▶ Under Internal Revenue Code section 149(e)
▶ See separate instructions.
Caution: *If the issue price is under $100,000, use Form 8038-GC.*

OMB No. 1545-0720

## Part I Reporting Authority

If Amended Return, check here ▶ ☐

| | |
|---|---|
| 1 Issuer's name: Rockwall County, Texas | 2 Issuer's employer identification number: 75-6001129 |
| 3 Number and street (or P.O. box if mail is not delivered to street address): 101 East Rusk Street | Room/suite: |
| | 4 Report number: 3 02 |
| 5 City, town, or post office, state, and ZIP code: Rockwall, Texas 75087 | 6 Date of issue: July 1, 2009 |
| 7 Name of issue: Unlimited Tax Road Bonds, Series 2009 | 8 CUSIP number: 774268JV9 |
| 9 Name and title of officer or legal representative whom the IRS may call for more information: John A. Blackwood, County Auditor | 10 Telephone number of officer or legal representative: (972) 204-6050 |

## Part II Type of Issue (check applicable box(es) and enter the issue price) See instructions and attach schedule

| | | | |
|---|---|---|---|
| 11 | ☐ Education | 11 | |
| 12 | ☐ Health and hospital | 12 | |
| 13 | ☐ Transportation | 13 | |
| 14 | ☐ Public safety | 14 | |
| 15 | ☐ Environment (including sewage bonds) | 15 | |
| 16 | ☐ Housing | 16 | |
| 17 | ☐ Utilities | 17 | |
| 18 | ☒ Other. Describe ▶ roads | 18 | 10,665,721 |
| 19 | If obligations are TANs or RANs, check box ▶ ☐ If obligations are BANs, check box ▶ ☐ | | |
| 20 | If obligations are in the form of a lease or installment sale, check box ▶ ☐ | | |

## Part III Description of Obligations. (Complete for the entire issue for which this form is being filed.)

| | (a) Final maturity date | (b) Issue price | (c) Stated redemption price at maturity | (d) Weighted average maturity | (e) Yield |
|---|---|---|---|---|---|
| 21 | 2/01/2034 | $ 10,665,721 | $ 10,620,000 | 14.932 years | 4.6280 % |

## Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

| | | | | | |
|---|---|---|---|---|---|
| 22 | Proceeds used for accrued interest | | | 22 | 38,705 |
| 23 | Issue price of entire issue (enter amount from line 21, column (b)) | | | 23 | 10,665,721 |
| 24 | Proceeds used for bond issuance costs (including underwriters' discount) | 24 | 163,613 | | |
| 25 | Proceeds used for credit enhancement | 25 | 0 | | |
| 26 | Proceeds allocated to reasonably required reserve or replacement fund | 26 | 0 | | |
| 27 | Proceeds used to currently refund prior issues | 27 | 0 | | |
| 28 | Proceeds used to advance refund prior issues | 28 | 0 | | |
| 29 | Total (add lines 24 through 28) | | | 29 | 163,613 |
| 30 | Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here) | | | 30 | 10,502,108 |

## Part V Description of Refunded Bonds (Complete this part only for refunding bonds.)

31 Enter the remaining weighted average maturity of the bonds to be currently refunded ▶ ______ years
32 Enter the remaining weighted average maturity of the bonds to be advance refunded ▶ ______ years
33 Enter the last date on which the refunded bonds will be called ▶ ______
34 Enter the date(s) the refunded bonds were issued ▶ ______

## Part VI Miscellaneous

| | | | |
|---|---|---|---|
| 35 | Enter the amount of the state volume cap allocated to the issue under section 141(b)(5) | 35 | (0) |
| 36a | Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (see instructions) | 36a | (0) |
| b | Enter the final maturity date of the guaranteed investment contract ▶ | | |
| 37 | Pooled financings: a Proceeds of this issue that are to be used to make loans to other governmental units | 37a | (0) |

b If this issue is a loan made from the proceeds of another tax-exempt issue, check box ▶ ☐ and enter the name of the issuer ▶ ______ and the date of the issue ▶ ______
38 If the issuer has designated ~~the issue under section~~ 265(b)(3)(B)(i)(III) (small issuer exception), check box ▶ ☐
39 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ▶ ☐
40 If the issuer has identified a hedge, check box ▶ ☐

**Sign Here**

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

John A Blackwood (signature) — Signature of issuer's authorized representative
7/01/2009 — Date
John A. Blackwood, County Auditor — Type or print name and title