



# Journal Entry

JE- 90904

PREPARED BY: Milly Rodriguez

DATE: 03/17/09

APPROVED BY:



DATE: 3/17/09

Account Name	Account Number	Debit	Credit
AMT TO BE PROV-BONDS PAYABLE	9-9000-182-01-000-400-0-000	6,995,000.00	
BONDS PAYABLE-REFUNDING BONDS,2009A	9-9000-231-10-000-440-0-000		6,995,000.00
1 TO RECORD LIMITED TAX REFUNDING BONDS, SERIES 2009A.			
REF BONDS,2009A-CASH	9-1440-101-00-000-000-0-000	7,121,682.38	
REF BONDS,2009A-ISSUANCE COSTS	9-1440-476-00-000-000-0-339 <i>866</i>	102,408.80	
REF BONDS,2009A-ISSUANCE <i>UNDERWRITER DISCOUNT</i>	9-1440-476-00-000-000-0-339 <i>866</i>	36,995.70	
REF BONDS,2009A-ISSUANCE <i>INSURANCE PREMIUM</i>	9-1440-476-00-000-000-0-339 <i>866</i>	27,302.65	
REF BONDS,2009A-BOND PROCEEDS	9-1440-393-10-000-000-0-000		6,995,000.00
REF BONDS,2009A-BOND PREMIUM	9-1440-393-60-000-000-0-000		258,046.20
REF BONDS,2009A-INTEREST EARNINGS	9-1440-361-10-000-000-0-000		35,343.33
2 TO RECORD RECEIPT BOND PROCEEDS AND ISSURANCE COSTS FOR REFUNDING BONDS, SERIES 2009A.			
NOTES PAYABLE-SERIES 2007	9-9000-235-01-000-302-0-000	4,550,000.00	
AMT TO BE PROV-N/P-SERIES 2007	9-9000-182-01-000-302-0-000		4,550,000.00
3 TO REDUCE LONG TERM DEBT OBLIGATION FOR HIDALGO COUNTY C.O SERIES 2007 DUE TO REFUNDING BONDS SERIES 2009A.			
NOTES PAYABLE-SERIES 1998	9-9000-231-01-000-428-0-000	2,490,000.00	
AMT TO BE PROV-N/P-SERIES 1998	9-9000-182-01-000-400-0-000		2,490,000.00
4 TO REDUCE LONG TERM DEBT OBLIGATION FOR HIDALGO COUNTY TAX NOTES SERIES 2007 DUE TO REFUNDING BONDS SERIES 2009A.			
REF BONDS,2009A-PMT TO REF BND ESCROW	9-1440-492-00-000-000-0-865	7,086,339.05	
REF BONDS,2009A-CASH	9-1440-101-00-000-000-0-000		7,086,339.05
5 TO RECORD BONDS, 2009A SERIES PAYMENT TO REF BOND ESCROW AGENT.			
TRANSFERS OUT-REF BONDS, 2009A	9-1428-491-01-000-440-0-891	9,386.22	
DUE/TO FROM REF BONDS, 2009A	9-1428-130-01-000-440-0-000		9,386.22
DUE/TO FROM CERT OF OBLIG, SR 1998	9-1440-130-01-000-428-0-000	9,386.22	
TRANSFERS IN-CERT OF OBLIG, SR 1998	9-1440-391-01-000-428-0-000		9,386.22
6 TO REC TRANSFER FROM CERTIFICATE OF OBLIGATION, SERIES 1998 TO REFUNDING BONDS, SERIES 2009A FOR COUNTY CASH CONTB PORTION.			
TRANSFERS OUT-REF BONDS, 2009A	9-1401-491-01-000-440-0-891	17,431.56	
DUE/TO FROM REF BONDS, 2009A	9-1401-130-01-000-440-0-000		17,431.56
DUE/TO FROM TAX NOTES,2007	9-1140-130-01-000-401-0-000	17,431.56	
TRANSFERS IN-TAX NOTES,2007	9-1440-391-01-000-401-0-000		17,431.56
7 TO REC TRANSFER FROM TAX NOTES SERIES 2007 TO REFUNDING BONDS, SERIES 2009A FOR COUNTY CASH CONTRIBUTION PORTION.			
REF BONDS,2009A-ADVANCE REFUNDING ES	9-1440-477-00-000-000-0-865	26,817.78	
REF BOND, 2009A-CASH	9-1440-101-00-000-000-0-000		26,817.78
8 TO RECORD REFUNDING BONDS, SERIES 2009A COUNTY CASH CONTRIBUTION DUE2 BANK OF NEW YORK.			
<b>TOTALS:</b>		<b>\$ 14,283,389.53</b>	<b>\$ 14,283,389.53</b>

COMMENTS:

1. REC REFUNDING BONDS SERIES 2009A
2. REC 2009 BOND PROCEEDS & INSURANCE COSTS
3. RED'07 TAX SER L/T DEBT TX NOTE '09A SER
4. RED'98C.O.SER L/T DEBT TX NOTE '09A SER
5. REC RFD BNDS SERIES 2009A ESCROW AGENT
6. REC RFD BNDS'09A SER CSH CNTRB 4C.O.'98
7. REC RFD BND'09A SER CSH CNTRB 4TAX/N'07
8. REC REF BND '09A SERIES BANK OF NY

CO,  
1998

2,490,000.00  
7,040,000.00  
0.55\*

0.0\*

TAX  
NOTE

4,550,000.00  
7,040,000.00  
0.65\*

0.0\*

26,817.78x

0.55=

9,585.22x

0.0\*

26,817.78x

0.65=

17,431.56x

0.0\*

9,385.22x

17,431.56x

002

26,817.78x

# ESTRADA • HINOJOSA

March 13, 2009

To: All parties on attached distribution list

From: Wally Sevier, Estrada Hinojosa & Company, Inc.

## CLOSING MEMORANDUM

HIDALGO COUNTY, TEXAS

\$6,995,000

### LIMITED TAX REFUNDING BONDS, SERIES 2009A

Date of Closing: Tuesday, March 17, 2009  
Time of Closing: 10:00 A.M. (CDT)  
Location of Closing: Mr. Jesus Ramirez  
Ramirez & Guerrero, LLP  
600 E. Nolana Loop Suite 200  
McAllen, TX 78504  
(956) 664-0007  
(956) 664-1770 Fax  
[jramirez@rg-legal.com](mailto:jramirez@rg-legal.com)

#### A. RECEIPTS

##### 1. Bond Proceeds

Southwest Securities (the "Purchaser"), on behalf of itself and Stifel Nicolaus, will pay Hidalgo County, Texas (the "Issuer") for its Certificates of Obligation, Series 2009A (the "Obligations") the amount of \$7,251,393.83, computed as follows:

Principal Amount of the Obligations <sup>(A)</sup>	\$6,995,000.00
Plus: Accrued Interest <sup>(C)</sup>	35,343.33
Plus: Net Premium <sup>(C)</sup>	258,046.20
Less: Underwriters' Discount <sup>(D)</sup>	<u>(36,995.70)</u>

**Total Paid by the Purchaser for the Obligations** **\$7,251,393.83**

ESTRADA HINOJOSA & COMPANY, INC.  
1717 Main Street  
47th Floor, Suite 4700 Dallas, Texas 75201  
(214) 656-4700 • (214) 656-4701 • Fax (214) 656-4701

DALLAS HOUSTON MIAMI SAN ANTONIO SAN DIEGO

FINAL  
3/13/2009, 10:30 AM

The amount of \$7,251,393.83, paid by the Purchaser will be wire-transferred in same day Federal Funds by 9:00 A.M. (CDT) to the following for disbursements as described herein:

Bank: The Bank of New York Mellon Trust Company, N.A.  
ABA #: 021 000 018  
Acct Name: Dallas Issuer Administrative Services  
Account: GLA211-065  
F/F/C: TAS# 428493  
Contact: Michelle Baldwin (214) 468-6254

**2. Issuer Contribution**

A cash contribution of \$26,817.78 paid by the Issuer, will be wire-transferred in same day Federal Funds by 9:00 A.M. (CDT) on **Monday, March 16, 2009** to the following for disbursements as described herein:

Bank: The Bank of New York Mellon Trust Company, N.A.  
ABA #: 021 000 018  
Acct Name: Dallas Issuer Administrative Services  
Account: GLA211-065  
F/F/C: TAS# 428493  
Contact: Michelle Baldwin (214) 468-6254

The following is a summary of the receipts:

Paid by the Purchaser	\$7,251,393.83
Issuer Cash Contribution	<u>26,817.78</u>
<b>Total Receipts</b>	<b><u>\$7,278,211.61</u></b>

**B. DISBURSEMENTS**

The proceeds available, as described above, will be treated as follows:

**1. Insurance Premium**

The Paying Agent will wire-transfer \$27,302.65 to the following to pay the Insurance Premium for the Obligations:

Bank: JP Morgan Chase New York  
ABA number: 021-000-021  
Account name: Assured Guaranty Corp. - Premium  
Account number: 323-355919  
Reference: Hidalgo County, Texas Limited Tax Refunding Bonds, Series 2009A  
Insurance Policy #: D-2009-203  
Attn: Nicole DiMarco (212) 261-5593

2. The Paying Agent will internally transfer to The Bank of New <sup>(F)</sup> York Mellon Trust Company, N.A. (the "Escrow Agent"), who will deposit \$7,113,156.83 into the "Escrow Fund", as defined in the Escrow Deposit Letter between the Issuer and the Escrow Agent, to be applied in accordance with the terms of the Escrow Deposit Letter for the defeasance of the "Refunded Obligations" identified in Schedule I herein.
3. The Paying Agent will wire-transfer \$35,343.33<sup>(P)</sup>, representing accrued interest, to the Issuer's Debt Service Fund as follows:

Bank: First National Bank  
ABA #: 114921415  
Account #; 14009471  
Account Name: County of Hidalgo Debt Service Fund  
Attn: Roxanna De Leon

4. The Paying Agent will wire transfer \$101,358.80<sup>(G)</sup> to pay certain cost of issuance expenses related to the sale of the Obligations to the following:

ABA#: 113-010-547  
Bank Name: Compass Bank  
Preston Road, Dallas, Texas  
Account #: 2513706696  
REF: Estrada Hinojosa & Company, Inc.

Estrada Hinojosa is requested and instructed to provide an accounting for all expenses associated with cost of issuance to the Issuer.

5. The Paying Agent will retain \$500.00<sup>(G)</sup> for paying agent fees and \$550.00 for escrow agent and call fees.

The following is a summary of the disbursements:

Disbursements:

Insurance Premium	(F) \$27,302.65
Deposit to Escrow Fund	7,113,156.83
Deposit to Debt Service Fund	(P) 35,343.33
Cost of Issuance (including Paying Agent and Escrow Agent Fees)	(G) 102,408.80
Total	<u>\$7,278,211.61</u>

If there are any questions regarding the above information, please call (214) 658-1670.

**SCHEDULE I  
SCHEDULE OF REFUNDED OBLIGATIONS**

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Limited Tax Certificates of Obligation, Series 1998					
Serials	8/15/2010	4.500%	\$ 230,000.00	3/18/2009	100.00
	8/15/2011	4.600%	240,000.00	3/18/2009	100.00
	8/15/2012	4.700%	250,000.00	3/18/2009	100.00
	8/15/2013	4.750%	260,000.00	3/18/2009	100.00
	8/15/2014	4.800%	275,000.00	3/18/2009	100.00
	8/15/2015	4.900%	285,000.00	3/18/2009	100.00
	8/15/2016	5.000%	300,000.00	3/18/2009	100.00
	8/15/2017	5.000%	315,000.00	3/18/2009	100.00
	8/15/2018	5.000%	335,000.00	3/18/2009	100.00
			<u>\$ 2,490,000.00</u>		
Tax Notes, Series 2007					
Term 2010	8/15/2010	3.990%	\$ 4,550,000.00	3/18/2009	100.00
			<u>\$ 7,040,000.00</u>		

35%

45%

**COUNTY OF HIDALGO, TEXAS  
2009 PAYMENTS SCHEDULE**

<b>FUND</b>	<b>NAME OF INDEBTEDNESS INSTRUMENT</b>	<b>PAYEE</b>	<b>BALANCE AT 12/31/2008</b>	<b>DUE DATE</b>	<b>INTEREST AMOUNT</b>	<b>PRINCIPAL AMOUNT</b>	<b>TOTAL</b>	<b>BALANCE AT 12/31/2009</b>
<b>CERTIFICATES OF OBLIGATION AND BONDS - 1ST PAYMENT</b>								
1428	Certificates of Obligation - Ser 1998	Bank of NY	2,975,000.00	02/15/09	70,747.50	-	70,747.50	2,975,000.00
1430	Certificates of Obligation - Ser 2000	Texas State Bank	4,310,000.00	02/15/09	109,380.00	-	109,380.00	4,310,000.00
1431	Certificates of Obligation - Ser 2001	Texas State Bank	3,085,000.00	02/15/09	73,868.75	-	73,868.75	3,085,000.00
1432	Certificates of Obligation - Ser 2002	Texas State Bank	6,615,000.00	02/15/09	129,199.38	-	129,199.38	6,615,000.00
1434	Certificates of Obligation - Ser 2004	Texas State Bank	16,260,000.00	02/15/09	362,156.25	-	362,156.25	16,260,000.00
1435	Refunding Bonds - Ser 2005	Texas State Bank	51,330,000.00	02/15/09	1,273,512.50	-	1,273,512.50	51,330,000.00
1436	Certificates of Obligation - Ser 2006	Texas State Bank	36,675,000.00	02/15/09	839,756.25	-	839,756.25	36,675,000.00
1437	Refunding Bonds - Ser 2006	Texas State Bank	1,145,000.00	02/15/09	22,900.00	-	22,900.00	1,145,000.00
1438	Refunding Bonds - Ser 2007	Texas State Bank	26,180,000.00	02/15/09	544,141.25	-	544,141.25	26,180,000.00
			<b>148,575,000.00</b>		<b>3,425,661.88</b>	<b>-</b>	<b>3,425,661.88</b>	<b>148,575,000.00</b>
<b>CERTIFICATES OF OBLIGATION AND BONDS - 2ND PAYMENT</b>								
1428	Certificates of Obligation - Ser 1998	Bank of NY	2,975,000.00	08/15/09	70,747.50	485,000.00	555,747.50	2,490,000.00
1430	Certificates of Obligation - Ser 2000	Texas State Bank	4,310,000.00	08/15/09	109,380.00	2,100,000.00	2,209,380.00	2,210,000.00
1431	Certificates of Obligation - Ser 2001	Texas State Bank	3,085,000.00	08/15/09	73,868.75	940,000.00	1,013,868.75	2,145,000.00
1432	Certificates of Obligation - Ser 2002	Texas State Bank	6,615,000.00	08/15/09	129,199.38	840,000.00	969,199.38	5,775,000.00
1434	Certificates of Obligation - Ser 2004	Texas State Bank	16,260,000.00	08/15/09	362,156.25	2,070,000.00	2,432,156.25	14,190,000.00
1435	Refunding Bonds - Ser 2005	Texas State Bank	51,330,000.00	08/15/09	1,273,512.50	90,000.00	1,363,512.50	51,240,000.00
1436	Certificates of Obligation - Ser 2006	Texas State Bank	36,675,000.00	08/15/09	839,756.25	765,000.00	1,604,756.25	35,910,000.00
1437	Refunding Bonds - Ser 2006	Texas State Bank	1,145,000.00	08/15/09	22,900.00	485,000.00	507,900.00	660,000.00
1438	Refunding Bonds - Ser 2007	Texas State Bank	26,180,000.00	08/15/09	544,141.25	125,000.00	669,141.25	26,055,000.00
			<b>148,575,000.00</b>		<b>3,425,661.88</b>	<b>7,900,000.00</b>	<b>11,325,661.88</b>	<b>140,675,000.00</b>
			<b>148,575,000.00</b>		<b>6,851,323.76</b>	<b>7,900,000.00</b>	<b>14,751,323.76</b>	<b>140,675,000.00</b>
<b>PLEGDED NOTE PAYMENTS</b>								
1401	Tax Notes, Series 2007	Texas State Bank	8,925,000.00	02/15/09	178,053.75	-	178,053.75	
				08/15/09	178,053.75	4,375,000.00	4,553,053.75	4,550,000.00
1401	R&B Precinct No. 1 (Mile 2 & 6 V S-2008-003-06)	SIB	911,009.00	09/05/09	36,440.36	75,878.81	112,319.17	835,130.19
			<b>9,836,009.00</b>		<b>392,547.86</b>	<b>4,450,878.81</b>	<b>4,843,426.67</b>	<b>5,385,130.19</b>
<b>UNPLEGDED NOTE PAYMENTS</b>								
1401	R&B Precinct No. 1 (Mile 2 W) S-2005-001-01	SIB	790,838.73	06/09/09	29,656.45	146,741.62	176,398.07	644,097.11
1401	R&B Precinct No 1 (FM1015) S-2005-002-02	SIB	909,464.53	08/15/09	34,104.92	168,752.86	202,857.78	740,711.67
			<b>1,700,303.26</b>		<b>63,761.37</b>	<b>315,494.48</b>	<b>379,255.85</b>	<b>1,384,808.78</b>
<b>ALL NOTE PAYMENTS</b>			<b>11,536,312.26</b>		<b>456,309.23</b>	<b>4,766,373.29</b>	<b>5,222,682.52</b>	<b>6,769,938.97</b>
<b>GRAND TOTALS</b>			<b>160,111,312.26</b>		<b>7,307,632.99</b>	<b>12,666,373.29</b>	<b>19,974,006.28</b>	<b>147,444,938.97</b>

Norma G. Garcia

Hidalgo County Treasurer

2810 South Business Hwy 281, Edinburg, Texas 78539-6243

Telephone: (956) 318-2506 Fax: (956) 318-2507



March 17, 2009

Roxanna De Leon  
First National Bank  
100 West Cano  
Edinburg, Texas 78539

Dear Ms. De Leon:

This letter will serve as authorization for First National Bank to issue transfer(s) on behalf of Hidalgo County as follows:

From: Debt Service Account, #14019471

To: The Bank of New York Mellon Trust Company, N.A.  
ABA: 021000018  
Acct Name: Dallas Issuer Administrative Service  
Account #: GLA211-065  
F/F/C: TAS# 428493  
Contact: Michelle Baldwin (214) 468-6254

Amount: \$26,817.78

Please fax confirmation of transfer. Your Prompt attention to this matter is greatly appreciated.

Should you have any questions or concerns, please do not hesitate to contact my office at (956) 318-2506.

Sincerely,

  
Norma G. Garcia  
Hidalgo County Treasurer

  
Raymundo Eufrazio, CPA  
Hidalgo County Auditor

## IFTS Message Print - Message Inquiry Display Dialog Box

User: RDELEON Bank: First National Bank Date: 03/18/09 10:07:02

Message Status: PNRM

Seq Num: 20090760010900 Related Seq Num: 20090760011800

Pay Method: FED Output Message ID: FTI0811

Date Recvd: 03/17/2009 10:08:05 Value Date: 03/17/2009

Sender: 114921415

Amount: \$26,817.78

Debit info --

Account: 14009471

Name: COUNTY OF HIDALGO

Addr1: ATTN ROXANNA DE LEON

Addr2: FNB CASH MANAGEMENT PUBLIC FUNDS

Addr3:

Addr4:

Credit info --

Account: 114921415

Name: BANK OF NEW YORK

Addr1:

Addr2:

Addr3:

Addr4:

Advice: Dept: BR-98 Trancode: DOMESTIC  
Category: Linesheet: Create Template:

Message Text:

Sndr Info	{1500}02	P *
Msg Type	{1510}1000	
IMAD	{1520}20090317K4B74W1C000027	
Amount	{2000}000002681778	
Sender DI	{3100}114921415*	
Sndr Ref	{3320}20090760010900*	
Rcvr DI	{3400}021000018*	
Bus Func	{3600}CTR*	
BNF	{4200}DGLA 211065*	
	DALLAS ISSUER ADMINISTRATIVE SVC*	
	ONE WALL ST *	
	NEW YORK NY*	
ORG	{5000}D14009471*	
	COUNTY OF HIDALGO*	
	ATTN ROXANNA DE LEON*	
	FNB CASH MANAGEMENT PUBLIC FUNDS*	
OBI	{6000}FFC TAS# 428493*	
	CONTACT MICHELLE BALDWIN *	
	214 468 6254*	

Norma G. Garcia

Hidalgo County Treasurer

2810 South Business Hwy 281, Edinburg, Texas 78539-6243

Telephone: (956) 318-2506 Fax: (956) 318-2507



March 17, 2009

Roxanna De Leon  
First National Bank  
100 West Cano  
Edinburg, Texas 78539

Dear Ms. De Leon:

This letter will serve as authorization for First National Bank to issue transfer(s) on behalf of Hidalgo County as follows:

From: Debt Service Account, #14019471

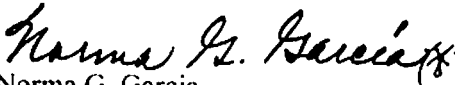
To: The Bank of New York Mellon Trust Company, N.A.  
ABA: 021000018  
Acct Name: Dallas Issuer Administrative Service  
Account #: GLA211-065  
F/F/C: TAS# 428493  
Contact: Michelle Baldwin (214) 468-6254

Amount: \$26,817.78

Please fax confirmation of transfer. Your Prompt attention to this matter is greatly appreciated.

Should you have any questions or concerns, please do not hesitate to contact my office at (956) 318-2506.

Sincerely,

  
Norma G. Garcia  
Hidalgo County Treasurer

  
Raymundo Eufrazio, CPA  
Hidalgo County Auditor