MINUTES
BRAZORIA-FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

December 2, 2011

The Board of Directors (the "Board") of Brazoria-Fort Bend County Municipal Utility District No. 1 (the "District") met in regular session, open to the public, on the 2nd day of December, 2011, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Michael D. Rozell	President
Tamara Miller Lee	Vice President
Chris Swedlund	Secretary
Karri Axtell	Assistant Vice President
Jalene Palmer	Assistant Secretary

and all of the above were present except Director Swedlund, thus constituting a quorum.

Also present at the meeting were Terry Ruiz, a resident of the District; Rick Hale of Perry Homes ("Perry"); David Patterson of Assessments of the Southwest, Inc.; James Ross of LJA Engineering & Surveying, Inc.; Erin Garcia of Myrtle Cruz, Inc.; and Lynne B. Humphries and Michelle Bryan of Allen Boone Humphries Robinson LLP ("ABHR").

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Garcia distributed and reviewed the bookkeeper's report, including the investment report, budget comparison, and list of checks presented for approval, a copy of which is attached. After review and discussion, Director Axtell moved to approve the bookkeeper's report and payment of the bills. Director Lee seconded the motion, which passed unanimously.

AMEND BUDGET FOR FISCAL YEAR ENDING SEPTEMBER 30, 2012

Ms. Garcia presented an amended budget for the fiscal year ending September 30, 2012, a copy of which is attached to the bookkeeper's report. After review and discussion, Director Palmer moved to adopt the amended budget for the fiscal year ending September 30, 2012. Director Axtell seconded the motion, which passed unanimously.

Discussion ensued regarding funds remaining in the District's capital projects account after developer reimbursement for construction projects.

MINUTES

The Board considered approving the minutes of the November 4, 2011, regular meeting, which were provided in advance of the meeting. After review and discussion, Director Palmer moved to approve the minutes of the November 4, 2011, regular meeting, as submitted. Director Axtell seconded the motion, which passed unanimously.

SUPPLEMENTAL SECURITY SERVICES

Ms. Humphries discussed the Security Patrol and Coordination Services Agreement and Security Patrol Services Agreement (collectively, the "Agreements") between the District, Brazoria County Municipal Utility District No. 26 ("MUD 26"), and officers of the City of Pearland (the "City") Police Department to provide security patrol services within the District and MUD 26. She stated that the Agreements are currently being reviewed by the City's attorney and the City Police Department. Ms. Humphries added that she has requested that the City attorney review and approve the Agreements on an expedited basis.

REPORT ON DEVELOPMENT

Mr. Hale discussed the platted and partially developed lots acquired by Perry in Shadow Creek Ranch Sections 45B, 45C, and 49. He reported on home sales in the District.

PREPARATION OF ANNUAL REPORT

Ms. Humphries stated that the District is required to file updated financial information and operating data in the form of an annual report with the EMMA System, as designated for the Municipal Securities Rulemaking Board. She requested authorization for ABHR to work with the District's consultants to prepare the report. Following discussion, Director Lee made a motion to authorize preparation of the annual report. Director Palmer seconded the motion, which passed unanimously.

TRAVEL REIMBURSEMENT GUIDELINES AND DIRECTOR EXPENSES FOR ASSOCIATION OF WATER BOARD DIRECTORS WINTER CONFERENCE

The Board discussed the District's Travel Reimbursement Guidelines and considered establishing travel guidelines for the upcoming Association of Water Board Directors winter conference in Dallas. After review and discussion, Director Lee moved to establish maximum limits of two director fees of office, two nights of lodging, and reasonable and necessary meals for any director attending the Association of Water Board Directors winter conference. Director Palmer seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Mr. Patterson distributed and reviewed the tax assessor/collector's report, including the delinquent tax roll, a copy of which is attached. He noted that the 2011 taxes were 5.22% collected as of November 30, 2011. After review and discussion, Director Palmer moved to approve the tax assessor/collector's report. Director Axtell seconded the motion, which passed unanimously.

ENGINEERING MATTERS

Mr. Ross distributed and reviewed the engineer's report and a corrected boundary map for the District and MUD 26 from the City's website, copies of which are attached. After review and discussion, Director Axtell made a motion to approve the engineer's report. Director Palmer seconded the motion, which passed unanimously.

CONSTRUCTION CONTRACT FORMS

Ms. Humphries distributed and reviewed with the Board a memorandum from ABHR on Construction Contract Forms, a copy of which is attached. She stated that legislation has changed the enforceability of broad-form indemnity provisions used in construction contracts. Ms. Humphries stated that House Bill 2093, which becomes effective January 1, 2012, provides that any indemnity provision that seeks to require a contractor to indemnify an owner for the owner's own negligence or fault is unenforceable. She noted that ABHR has prepared a new form of construction contact for use on all construction projects awarded on or after January 1, 2012.

ARTICLES FOR NEWSLETTERS AND WEBSITE

The Board considered information to be included in the District's monthly notice published in the Shadow Creek Area Community Newsletter and the homeowners' association, *The Current*. After discussion, the Board concurred to direct ABHR to run the standard monthly notice directing residents to the website for information about District meetings.

COMMENTS FROM THE PUBLIC

Ms. Ruiz asked if any other District residents attended the November 4, 2011, Board meeting, to which the Board responded no. The Board requested that Ms. Bryan forward to Ms. Ruiz the emails between Director Axtell and Ms. Kern, a resident of the District, regarding meetings inside the District and requesting that she attend the November 4, 2011, Board meeting.

DATE, TIME, AND PLACE FOR JANUARY, 2012 MEETING

The Board concurred to meet in January at the regular meeting time on January 6, 2012.

Ms. Humphries presented a questionnaire from Fort Bend County regarding the conduction of the District's 2012 Directors' election.

There being no further business to come before the Board, the meeting was adjourned.

(SEAL)

Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

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bookkeeper's report	1
tax assessor/collector's report	3
corrected map from the City of Pearland	3
engineer's report	3
ABHR memorandum on construction contract form	3

12/2/2011

CASH

175

Myrtle Cruz, Inc.

BRAZORIA FORT BEND COUNTY MUD #1

Summary for Cash Report of December 2, 2011

	Debt Service Funds	Capital Projects Fund	General Operating Fund
Checking accounts			
PREVIOUS CASH BALANCE	0.00	22,173.43	13,876.02
CASH RECEIPTS	0.00	0.00	16,476.72
INTEREST	0.00	0.00	0.00
TRANSFERS	0.00	0.00	0.00
DISBURSEMENTS	0.00	(240.45)	(11,462.79)
ENDING CASH BALANCE	0.00	21,932.98	18,889.95
Demand Deposit Investments			
PREVIOUS INVESTMENTS	2,446,811.00	2,202,094.52	1,706,834.10
DEPOSITS	30,000.00	0.00	0.00
INTEREST	2,862.14	582.16	3,456.18
TRANSFERS	(50.00)	(20.00)	(10.00)
ENDING INVESTMENTS	2,479,623.14	2,202,656.68	1,710,280.28
CURRENT BALANCE	2,479,623.14	2,224,589.66	1,729,170.23

62%

Percentage of 2012 Debt Service
Remaining payment

(1)

BRAZORIA-FT BEND CO.MUD#1

Cash Report for Meeting of December 2nd, 2011

DEBT SERVICE (175BF) : NO ACTIVE CHECKING

Previous cash balance, November 4th, 2011			0.00
TIME DEPOSIT INVESTMENTS:			
Allegiance Bank; 10/6/11 to 4/3/12 @ .70%			240,000.00
Bank of Fort Bend; 10/6/11 to 4/3/12 @ .80%			99,000.00
Enterprise Bank; 10/6/11 to 4/3/12 @ .80%			240,000.00
Independence Bank; 10/6/11 to 4/3/12 @ .50%			240,000.00
Preferred Bank; 10/6/11 to 4/3/12 @ .50%			240,000.00
Texas Community Bank; 11/8/11 to 5/7/12 @ .800%			240,946.84
previous balance	240,000.00		
interest earned	946.84		
Libertad Bank; 11/8/11 to 5/7/12 @ .60%			240,887.67
previous balance	240,000.00		
interest earned	887.67		
Green Bank; 11/9/11 to 5/7/12 @ .500%			240,828.49
previous balance	240,000.00		
interest earned	828.49		
Bank Of Houston; 3/8/11-2/27/12 @ .80%			245,000.00
DEMAND DEPOSIT INVESTMENTS:			
Texpool Acct # 78925.78925.0000.2			52,841.02
previous balance	52,837.23		
10/31 Interest	3.79		
Compass Bank Acct # 2530955632			198,616.63
previous balance	168,523.06		
10/31 interest	103.57		
bank s/c	10.00-		
tax transfer	30,000.00		
Central Bank Acct # 3287031			201,502.49
previous balance	201,450.71		
10/31 interest	91.78		
bank s/c	40.00-		
previous investments		2,446,811.00	
deposits		30,000.00	
interest		2,862.14	
withdrawals		< 50.00 >	
ending investments			2,479,623.14
DEBT SERVICE FUNDS AVAILABLE December 2nd, 2011			$2,479,623.14

SCHEDULE OF DEBT SERVICE PAYMENTS

	Due Date	Principal	Interest	Total
*				
Wells Fargo	3/1/2012		1,355,118.76	1,355,118.76
Wells Fargo	9/1/2012	1,290,000	1,355,118.76	2,645,118.76

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BRAZORIA-FT BEND CO.MUD#1

Cash Report for Meeting of December 2nd, 2011

CAPITAL PROJECTS (175CA) : COMPASS BANK 2530956833

Previous cash balance, November 4th, 2011			22,173.43
less checks to be presented at this meeting :			
1019 Allen Boone Humphries Robinson LLP; Inv#48762.....			240.45
previous cash balance		22,173.43	
1 current checks	<	240.45 >	
ending cash balance			21,932.98
DEMAND DEPOSIT INVESTMENTS:			
Central Bank Acct # 3233791.....			1,356,668.49
previous balance	1,356,170.17		
10/31 interest	518.32		
bank s/c	20.00-		
Texpool Acct # 78925.78925.0000.7.....			845,988.19
previous balance	845,924.35		
10/31 interest	63.84		
previous investments		2,202,094.52	
interest		582.16	
withdrawals	<	20.00 >	
ending investments			2,202,656.68
CAPITAL PROJECTS FUNDS AVAILABLE December 2nd, 2011			$2,224,589.66

BRAZORIA FORT BEND COUNTY MUD #1

$4,000,000 Series 2009 Bonds

REMAINING DESIGNATED FUNDS

		Designated	Disbursed	BALANCE REMAINING
B. District Items				
1.City of Pearland IMPACT Fees		2,310,500	283,626	2,026,874
Surplus Funds / Interest earnings from Series 2009		197,715		197,715
Balance remaining Capital Projects	**12/2/2011**			**2,224,589**

Myrtle Cruz, Inc; 1621 Milam, 3rd Floor, Houston, Tx 77002-8017 (713) 759-1368

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BRAZORIA-FT BEND CO.MUD#1

Cash Report for Meeting of December 2nd, 2011

OPERATING ACCOUNT (1750P) : COMPASS BANK 73973

Previous cash balance, November 4th, 2011		13,876.02
plus: 11/07 Maintenance tax transfer		4,451.72
plus: 11/28 City of Pearland; October rebate		12,025.00
Total Deposits :		16,476.72
Beginning cash balance, December 2nd, 2011		30,352.74
less checks to be presented at this meeting :		
1935 Jalene Palmer; director fees & exp		169.27
6310 director fees	150.00	
6354 travel expense	27.75	
6514 payroll taxes	8.48-	
1936 Tamara Miller; director fee and exp		185.92
6310 director fees	150.00	
6354 travel expense	44.40	
6514 payroll taxes	8.48-	
1937 Mike Rozell;director fee & exp		169.27
6310 director fees	150.00	
6354 travel expense	27.75	
6514 payroll taxes	8.48-	
1938 Chris Swedlund; director fee & exp		165.39
6310 director fees	150.00	
6354 travel expense	23.87	
6514 payroll taxes	8.48-	
1939 Karri Axtell; director fee & exp		161.50
6310 director fees	150.00	
6354 travel expense	19.98	
6514 payroll taxes	8.48-	
1940 Allen Boone Humphries Robinson LLP; Inv#48761		3,906.83
1941 Myrtle Cruz Inc; Nov 2011 Bookkeeping		2,150.00
6333 bookkeeping expenses	2,000.00	
6340 office expenses	150.00	
1942 LJA Engineering; Inv#20114976		4,004.61
1943 AWBD; annual membership fees		550.00
6370 membership fees	550.00	
previous cash balance	13,876.02	
2 receipts	16,476.72	
9 current checks	< 11,462.79 >	
ending cash balance		18,889.95

TIME DEPOSIT INVESTMENTS:

Allegiance Bank; 11/16/11 to 5/14/12 @ .40%		240,829.80
previous balance	240,000.00	
interest earned	829.80	
Green Bank; 11/16/11 to 5/14/12 @ .50%		240,828.49
previous balance	240,000.00	
interest earned	828.49	
Texas Community Bank; 11/16/11 to 5/14/12 @ .80%		240,946.84
previous balance	240,000.00	
interest earned	946.84	
Icon Bank; 11/16/11 to 5/14/12 @ .50%		240,710.66
previous balance	240,000.00	
interest earned	710.66	
Tradition Bank; 5/23/11 to 5/23/12 @ 1.0%		240,000.00

BRAZORIA-FT BEND CO.MUD#1

Cash Report for Meeting of December 2nd, 2011

DEMAND DEPOSIT INVESTMENTS:			
Texpool Acct # 78925.78925.0000.1.....			5,749.03
previous balance	5,748.66		
10/31 interest	0.37		
Texstar Acct # 26725.1111.000.....			1,000.23
previous balance	1,000.16		
10/31 interest	0.07		
Compass Bank;Acct # 2519434795.....			500,215.23
previous balance	500,085.28		
10/31 interest	139.95		
bank s/c	10.00-		
previous investments		1,706,834.10	
interest		3,456.18	
withdrawals		< 10.00 >	
ending investments			1,710,280.28
OPERATING ACCOUNT FUNDS AVAILABLE December 2nd, 2011			$1,729,170.23

(4)

BRAZORIA FORT BEND COUNTY MUD #1
Budget for Fiscal Year Ending September 30, 2012

12/2/2011

				2 months		v
Revenue :	**Actual MTD**	Budget MTD	**Actual YTD**	Budget YTD	**Annual Budget**	*variance*
City of Pearland Wtr/Swr Payment	12,025.00	13,250.00	12,025.00	26,500.00	159,000.00	*(14,475.00)*
Interest earned	3,456.18	250.00	3,473.09	500.00	3,000.00	*2,973.09*
Maintenance Tax Revenue	4,451.72	0.00	4,451.72	0.00	228,000.00	*4,451.72*
	19,932.90	13,500.00	19,949.81	27,000.00	390,000.00	*(7,050.19)*

Expenses :	Actual MTD	Budget MTD	Actual YTD	Budget YTD	Annual Budget	*variance*
Director Fees	750.00	837.50	1,350.00	1,675.00	10,050.00	*325.00*
Payroll Taxes	-42.40	61.67	302.72	123.33	740.00	*(179.39)*
Legal Fees/General	3,906.83	5,375.00	13,423.16	10,750.00	64,500.00	*(2,673.16)*
Legal Fees/Park	0.00	0.00	0.00	0.00	0.00	*0.00*
Engineering	4,004.61	2,083.33	7,106.25	4,166.67	25,000.00	*(2,939.58)*
Audit Fees	0.00	0.00	0.00	0.00	12,500.00	*0.00*
Insurance	0.00	0.00	0.00	0.00	2,500.00	*0.00*
Bookkeeping	2,000.00	2,000.00	4,000.00	4,000.00	24,000.00	*0.00*
Legal Notices	0.00	50.00	0.00	100.00	600.00	*100.00*
Travel Expenses (Directors)	143.75	625.00	263.63	1,250.00	7,500.00	*986.37*
Election Expenses /Pk Bond	0.00	1,250.00	0.00	2,500.00	15,000.00	*2,500.00*
Membership Fees	550.00	550.00	550.00	550.00	550.00	*0.00*
Office Expenses	160.00	208.33	320.00	416.67	2,500.00	*96.67*
Security	0.00	2,500.00	915.00	5,000.00	30,000.00	*4,085.00*
Website/ Newsletter	0.00	62.50	23.75	125.00	750.00	*101.25*
Capital Reserve	0.00	0.00	0.00	0.00	183,810.00	*0.00*
Miscellaneous	0.00	0.00	0.00	0.00	0.00	*0.00*
Inspection of Facilities	0.00	833.33	0.00	1,666.67	10,000	*1,666.67*
TOTALS	11,472.79	16,436.67	28,254.51	32,323.33	390,000	*4,068.82*

Prior cash balance	1,720,710.12	1,737,474.93	
Braz 26- Reimb Pearland Rebate	0.00	0.00	
Credit Pk Design/Eng	0.00	0.00	
Net Income	8,460.11	(8,304.70)	0.00
Cash Report Balance of 12/2/2011	1,729,170.23	1,729,170.23	

Myrtle Cruz, Inc 1621 Milam, 3rd Floor, Houston, Texas 77002-8017.
Phone #713-759-1368 Fax #713-759-1264

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INVESTMENT REPORT, AUTHORIZATION AND REVIEW

Report for
BRAZORIA FORT BEND COUNTY MUD #1 Prepared for the reporting period ("Period") from **11/1/2011** to **11/30/2011**

Investment Pools	Rate	Beginning Value for Period Book	N.A.V.	Market	Interest earned this period	Deposits or (Withdrawals)	Ending Value for Period Book	N.A.V.	Market
BF Bond Fund TexPool	0.0839%	52,837.23	1.00004	52,839.34	3.79	0.00	52,841.02	1.00007	52,844.72
CA Construction TexPool	0.0839%	845,924.35	1.00004	845,958.19	63.84	0.00	845,988.19	1.00007	846,047.41
OA Operating Texstar	0.0807%	1,000.16	1.00001	1,000.17	0.07	0.00	1,000.23	1.00007	1,000.30
OA Operating TexPool	0.0839%	5,748.66	1.00004	5,748.89	0.37	0.00	5,749.03	1.00007	5,749.43
	0.0839%	905,510.40		905,546.59	68.07	0.00	905,578.47		905,641.86

Money Market Funds	Rate	BEGINNING BALANCE			Interest earned this period	Deposits or (Withdrawals)	ENDING BALANCE	
BF Compass Bank	0.4000%	168,523.06			93.57	30,000.00	198,616.63	
BF Central Bank	0.4000%	201,450.71			51.78	0.00	201,502.49	
CA Central Bank	0.4000%	1,356,170.17			498.32	0.00	1,356,668.49	
OA Compass Bank	0.4000%	500,085.28			129.95	0.00	500,215.23	
		2,226,229.22			773.62	30,000.00	2,257,002.84	

Certificates of Deposits fund		Rate	Purchase Value	Term in Days	Begin Value for Period	Interest accrued this period	Deposits or (Withdrawals)	Ending Value for Period	Date of Purchase	Date of Maturity
BF	Bank of Houston	0.80%	245,000.00	356	246,278.03	161.10	0.00	246,439.12	03/08/11	02/27/12
BF	Texas Community Bank	0.80%	240,000.00	180	240,910.03	36.81	(240,946.84)	0.00	05/12/11	11/08/11
BF	Libertad Bank	0.75%	240,000.00	180	240,853.15	34.52	(240,887.67)	0.00	05/12/11	11/08/11
BF	Green Bank	0.70%	240,000.00	180	240,791.67	36.82	(240,828.49)	0.00	05/13/11	11/09/11
BF	Texas Community Bank	0.80%	240,946.84	181	0.00	116.18	240,946.84	241,063.02	11/08/11	05/07/12
BF	Libertad Bank	0.60%	240,887.67	181	0.00	87.12	240,887.67	240,974.79	11/08/11	05/07/12
BF	Green Bank	0.50%	240,828.49	180	0.00	69.28	240,828.49	240,897.77	11/09/11	05/07/12
BF	Allegiance Bank	0.70%	240,000.00	180	240,119.67	138.08	0.00	240,257.75	10/06/11	04/03/12
BF	Enterprise Bank	0.80%	240,000.00	180	240,136.77	157.81	0.00	240,294.58	10/06/11	04/03/12
BF	Preferred Bank	0.50%	240,000.00	180	240,085.48	98.63	0.00	240,184.11	10/06/11	04/03/12
BF	Independence Bank	0.50%	240,000.00	180	240,085.48	98.63	0.00	240,184.11	10/06/11	04/03/12
BF	Bank of Fort Bend	0.80%	99,000.00	180	99,056.42	65.10	0.00	99,121.51	10/06/11	04/03/12
OP	Allegiance Bank	0.70%	240,000.00	180	240,759.45	70.35	(240,829.80)	0.00	05/20/11	11/16/11
OP	Green Bank	0.70%	240,000.00	180	240,759.45	69.04	(240,828.49)	0.00	05/20/11	11/16/11
OP	Texas Community Bank	0.80%	240,000.00	180	240,867.95	78.89	(240,946.84)	0.00	05/20/11	11/16/11
OP	Icon Bank	0.60%	240,000.00	180	240,650.96	59.70	(240,710.66)	0.00	05/20/11	11/16/11
OP	Allegiance Bank	0.40%	240,829.80	180	0.00	36.95	240,829.80	240,866.75	11/16/11	05/14/12
OP	Green Bank	0.50%	240,828.49	180	0.00	46.19	240,828.49	240,874.68	11/16/11	05/14/12
OP	Texas Community Bank	0.80%	240,946.84	180	0.00	73.93	240,946.84	241,020.77	11/16/11	05/14/12
OP	Icon Bank	0.50%	240,710.66	180	0.00	46.16	240,710.66	240,756.82	11/16/11	05/14/12
OP	Tradition Bank	1.00%	240,000.00	366	241,065.21	197.26	0.00	241,262.47	05/23/11	05/23/12
		0.6816%	4,909,978.79	366	3,232,419.70	1,778.55	0.00	3,234,198.26		146

Federal Obligations fund	Simple APR	Purchase Value	Term in Days	Begin Period Market Value	Gain (Loss) to Market Value	Deposits or (Withdrawals)	Ending Period Market Value	Date of Purchase	Date of Maturity
n/a									
		0.00	0	0.00	0.00	0.00	0.00		
total investments	0.6816%	7,136,208.01	366	3,232,419.70	2,552.17	30,000.00	5,491,201.10	wam:	86

Compliance Statement. The investments (reported on above) for the Period are in compliance with the investment strategy expressed in the District's Investment Policy and the Public Funds Investment Act.

Review. This report and the District's Investment Policy are submitted to the Board for its review and to make any changes thereto as determined by the Board to be necessary and prudent for the management of District funds.

Signatures.

Investment Officer 11/29/11 (please sign & date)

Bookkeeper (Myrtle Cruz, Inc.)

Myrtle Cruz, Inc. \invest.xls version 2.4a

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CENTRAL BANK - PUBLIC FUNDS DEPOSIT COLLATERAL REPORT ALL DISTRICTS

Effective Date: 10/31/2011
Accounts Through: 10/31/2011 7:00 PM
Memo Posts Through:

BRAZORIA FT BEND COUNTY MUD 1

Tax ID: 10817023
FHLB Pledge Code: 20701
1st Consultant: MCI
2nd Consultant:

DEPOSITS

Acct No	Funds Type	Class	Balance	Interest	Total	Current Month Average	Prior Month Average	YTD Average	Prior Year Average
Bond Fund									
3287031	MMA	32	$201,502.49	$0.00	$201,502.49	$231,486.54	$501,378.47	$429,983.05	
Subtotal Bond Fund			**$201,502.49**	**$0.00**	**$201,502.49**	**$231,486.54**	**$501,378.47**	**$429,983.05**	**$0.00**
Interest									
3233791	MMA	32	$1,356,668.49	$0.00	$1,356,668.49	$1,356,452.41	$1,355,970.98	$1,454,336.49	$1,505,557.89
Subtotal Interest			**$1,356,668.49**	**$0.00**	**$1,356,668.49**	**$1,356,452.41**	**$1,355,970.98**	**$1,454,336.49**	**$1,505,557.89**
Total Deposits			**$1,558,170.98**	**$0.00**	**$1,558,170.98**	**$1,587,938.95**	**$1,857,349.45**	**$1,884,319.54**	**$1,505,557.89**

SECURITIES

Safekeeping	Agency	CUSIP	Pool No.	Maturity	Date Pledged	Units Pledged	Market Value
FHLB-D	GNMA	36225DAP9	80913	05/20/2034	02/28/2011	1,000,000	$226,390.14
FHLB-D	GNMA	36225DSE5	81416	07/20/2035	06/08/2011	3,527,884	$1,136,051.78
FHLB-D	GNMA	36225EVP4	82421	11/20/2039	03/18/2010	150,000	$129,020.31
Total Securities Pledged						4,677,884	$1,491,462.22

DEPOSIT COLLATERAL CALCULATION

	Account Balances	FDIC Insurance	Collateral Required
Subtotal Non-Interest Deposits:	$0.00	$0.00	$0.00
Subtotal Interest Deposits:	$1,356,668.49	$250,000.00	$1,106,668.49
Subtotal Bond Fund Deposits:	$201,502.49	$201,502.49	$0.00
TOTALS:	**$1,558,170.98**	**$451,502.49**	**$1,106,668.49**

DEPOSIT COLLATERAL POSITION

	Deposits Requiring Collateral	Securities Pledged	Excess Collateral	% Pledged
At 100 %	$1,106,668.49	$1,491,462.22	**$384,793.73**	**135 %**
At 105 %	$1,162,001.91	$1,491,462.22	**$329,460.31**	**128 %**

Deposit / Collateral Report by District

BRAZORIA FORT BEND CO MUD 1

Tax ID - Pledge: 010817023-20701
1st. Consultant: MCI-MYRTLE CRUZ, INC.
2nd. Consultant:

BBVA Compass Bank
Pledge Date: 11/01/2011
Accounts Through: 10/31/2011 10:00 PM
Memo Posts Through: NO MEMO POSTS

Deposits

Interest Account

Acct No	Funds Type	Class	Balance	Interest	Total
0000073973	Interest Account		$30,434.09	$0.00	$30,434.09
2519434795	Interest Account		$500,215.23	$0.00	$500,215.23
2530956833	Interest Account		$27,542.68	$0.00	$27,542.68
Subtotal Interest Account			**$558,192.00**	**$0.00**	**$558,192.00**

Bond Fund

Acct No	Funds Type	Class	Balance	Interest	Total
2530955632	Bond Fund		$173,616.63	$0.00	$173,616.63
Subtotal Bond Fund			**$173,616.63**	**$0.00**	**$173,616.63**
Total Deposits			**$731,808.63**	**$0.00**	**$731,808.63**

Securities

Agency	Custodian	CUSIP	Maturity Date	Date Pledged	Units Pledged	Market Value
FHLMC	FHLB-A	31397CB99	11/15/2036	10/05/2011 02:33 PM	1,025,000	$465,557.00
FHLMC	FHLB-A	31395KZ22	01/15/2025	01/06/2011 01:31 PM	500,000	$551,895.00
FNMA	FHLB-A	31410GQ55	05/01/2033	03/02/2011 02:25 PM	1,350,000	$508,832.08
Total Securities Pledged					**2,875,000**	**$1,526,284.08**

DEPOSIT / COLLATERAL POSITION CALCULATION

Subtotal Interest Deposits	$558,192.00
Subtotal Non-Interest Deposits	$0.00
Subtotal Bond Fund Deposits	$173,616.63
TOTAL DEPOSITS	$731,808.63
LESS APPLICABLE FDIC	
Subtotal Interest Deposits	$250,000.00
Subtotal Non-Interest Deposits	$0.00
Subtotal Bond Fund Deposits	$173,616.63
Deposits Requiring Collateral	$308,192.00
TOTAL SECURITIES PLEDGED	$1,526,284.08
DEPOSIT COLLATERAL POSITION - 100%	$1,218,092.08
DEPOSIT COLLATERAL POSITION - 105%	$1,202,682.48
	495%

I, Thomas W. Lee, Tax Assessor/Collector for Brazoria-Fort Bend County MUD #1 do affirm this to be an accurate report of collections and disbursements pertaining to the tax fund to the best of my knowledge.

Thomas W Lee

TAX ASSESSOR / COLLECTOR CASH RECEIPTS AND DISBURSEMENTS REPORT

	Current Month (11/1/2011 - 11/30/2011)	Fiscal Year (10/1/2011 - 9/30/2012)	Tax Year (10/1/2011 - 9/30/2012)
Beginning Balance :	**77,915.54**	**15,027.52**	**15,027.52**
Plus Collections :			
Taxes Collected:			
Debt Service Taxes	128,632.72	199,858.53	199,858.53
Maintenance Taxes Due General Operating Fund	8,039.74	12,491.46	12,491.46
Contract Taxes	0.00	0.00	0.00
Penalties and Interest on Tax Accounts	0.06	991.15	991.15
Delinquent Attorney Fees and Court Costs	0.00	928.01	928.01
Overpayments	0.00	0.00	0.00
Current Year Value Reduction Refund	0.00	0.00	0.00
Prior Year Value Reduction Refund	0.00	0.00	0.00
Litigation Refund	0.00	0.00	0.00
Redeposit of Returned Checks	0.00	0.00	0.00
Interest Earned	13.73	16.94	16.94
Certificate and Notice To Purchaser Income	0.00	280.00	280.00
Outstanding Credit Card Payment	0.00	0.00	0.00
Deposit from Other District or Rebate from CAD	0.00	0.00	0.00
Transfer from Gen Fund or Other Sources or Additional Fees	1,940.70	1,940.70	1,940.70
Total Collections Received :	**138,626.95**	**216,506.79**	**216,506.79**
Less Disbursements :			
Debt Service Transfers	30,000.00	30,000.00	30,000.00
Maintenance Transfers	4,451.72	4,451.72	4,451.72
Contract Tax Transfers	0.00	0.00	0.00
Overpayments Refunded	0.00	0.00	0.00
Current Year Value Reductions Refunded	0.00	0.00	0.00
Prior Year Value Reductions Refunded	0.00	0.00	0.00
Litigation Refund	0.00	0.00	0.00
Professional Consultant Fees	0.00	0.00	0.00
Delinquent Tax Attorney Fees	928.01	928.01	928.01
Hourly Fees - Meeting Attendance	0.00	0.00	0.00
Tax Assessor/Collector	0.00	11,303.10	11,303.10
CAD Payment	1,421.50	1,421.50	1,421.50
Late Rendition Penalty Reimbursement to CAD	0.00	0.00	0.00
Data Processing	0.00	0.00	0.00
Aerial Photography	0.00	0.00	0.00
Truth in Taxation Publication	0.00	0.00	0.00
Postage	0.00	3,648.72	3,648.72
Bank Charges	0.00	0.00	0.00
Statutory Interest	0.00	0.00	0.00
Insurance Bond Premiums	0.00	0.00	0.00
Returned Checks	0.00	0.00	0.00
Refund of Other District's Deposit	0.00	0.00	0.00
Escheated Funds Transferred to State	0.00	0.00	0.00
Certificate Reimbursement	0.00	40.00	40.00
Delivery Reimbursement	0.00	0.00	0.00
Other Fees	0.00	0.00	0.00
Total Disbursements :	**36,801.23**	**51,793.05**	**51,793.05**
Ending Balance :	**179,741.26**	**179,741.26**	**179,741.26**

Tax Fund balance covered by FDIC.

Prepared by Assessments of the Southwest, Inc.
P.O. Box 1368
Friendswood TX 77549-1368
(281)-482-0216

Brazoria-Fort Bend County MUD #1 TAX ASSESSOR / COLLECTOR
TAX RATE AND VALUE REPORT AS OF November 30, 2011

Cert Taxable Value	Supplemental Value	Net Taxable Value	Total Tax Rate
459,270,333	10,847,560	470,117,893	0.85000

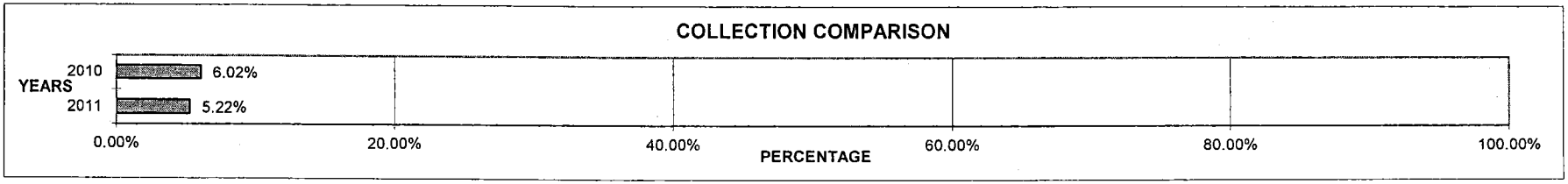
Year	Taxable Value	I & S Rate	I & S Levy	M & O Rate	M & O Levy	Contract Rate	Contract Levy	Total Tax Rate
2011	470,117,893	0.80000	3,760,943.14	0.05000	235,058.95	0.00000	0.00	0.85000
2010	458,485,464	0.80000	3,667,883.71	0.05000	229,242.73	0.00000	0.00	0.85000
2009	424,976,514	0.80000	3,399,812.11	0.05000	212,488.26	0.00000	0.00	0.85000
2008	370,132,387	0.80000	2,961,059.10	0.05000	185,066.19	0.00000	0.00	0.85000
2007	254,610,225	0.70000	1,782,271.58	0.15000	381,915.34	0.00000	0.00	0.85000
2006	135,179,600	0.70000	946,257.20	0.15000	202,769.40	0.00000	0.00	0.85000
2005	69,125,500	0.00000	0.00	0.85000	587,566.75	0.00000	0.00	0.85000
2004	1,923,450	0.00000	0.00	0.85000	16,349.33	0.00000	0.00	0.85000

Prepared by Assessments of the Southwest, Inc.
P.O. Box 1368
Friendswood TX 77549-1368
(281)-482-0216

Brazoria-Fort Bend County MUD #1 TAX ASSESSOR / COLLECTOR
RECEIVABLES REPORT AS OF November 30, 2011

Land Value	Improvement Value	Personal Property	Exemption Value	Total Value
140,384,600	336,546,137	4,795,396	11,608,240	470,117,893

Year	Value Levy	Rollback / Uncollectibles	Rendition Penalty	Total Levy	Taxes Due 10/1	Adjustments	Collections	Balance	% Collected
2011	3,996,002.09	0.00	0.00	3,996,002.09	3,903,803.39	92,204.26	208,701.02	3,787,306.63	5.22%
2010	3,897,126.44	0.00	0.00	3,897,126.44	13,877.07	0.00	1,775.65	12,101.42	99.69%
2009	3,612,300.37	0.00	13.17	3,612,313.54	5,575.08	0.00	1,873.32	3,701.76	99.90%
2008	3,146,125.29	0.00	33.15	3,146,158.44	2,027.42	0.00	0.00	2,027.42	99.94%
2007	2,164,186.91	0.00	0.00	2,164,186.91	0.00	0.00	0.00	0.00	100.00%
2006	1,149,026.60	0.00	0.00	1,149,026.60	0.00	0.00	0.00	0.00	100.00%
2005	587,566.75	0.00	0.00	587,566.75	0.00	0.00	0.00	0.00	100.00%
2004	16,349.33	0.00	0.00	16,349.33	0.00	0.00	0.00	0.00	100.00%
				TOTALS	3,925,282.96	92,204.26	212,349.99	3,805,137.23	



Prepared by Assessments of the Southwest, Inc.
P.O. Box 1368
Friendswood TX 77549-1368
(281)-482-0216

Cash Balance : November 30, 2011 **$179,741.26**

Collections Received to Date : **$0.00**

Check No.	Payee	Amount	Type of Disbursement
1147	Brazoria/Ft Bend Co MUD #1 Operating Fund	8,039.74	Maintenance Transfers

otal Disbursements : **$8,039.74**

ash Balance: December 2, 2011 **$171,701.52**

ax Fund balance covered by FDIC.

ACCOUNT NUMBER / OWNER NAME / DELQ DATE | LAND | IMPROVEMENT | DEFERRED AG | APPR. VALUE | EXEMPTIONS | TAXABLE VALUE | TAX AMOUNT | LEVY DUE | PENALTY & INTEREST | COLLECTION FEES | TOTAL DUE

74/6887960010150 6887960010150 SHADOW CREEK RANCH SF-46B,
MUSE JANIE BLOCK 1,
13616 ORCHARD WINE LN ROLL R ACRES 0.0000 LOT 15 PARTIAL EXEMTIONS: HOM O65 DEF
PEARLAND TX 77584-1772 13616 ORCHARD WIND LN DEFERRAL 08-18-10

2008	074	02/01/2009	67,200	171,320	0	238,520	0	238,520	2,027.42	2,027.42	932.61	592.01	3,552.04
2009	074	02/01/2010	57,750	159,200	0	216,950	0	216,950	1,844.08	1,844.08	626.99	494.21	2,965.28
2010	074	02/01/2011	63,530	153,650	0	217,180	0	217,180	1,846.03	1,846.03	123.13	.00	1,969.16
							TOTALS FOR ACCOUNT		5,717.53	5,717.53	1,682.73	1,086.22	8,486.48

74/6887530020040 6887530020040 SHADOW CREEK RANCH SF-53,
TATE BENJAMIN F III BLOCK 2,
2707 GREEN MOUNTAIN DR ROLL R ACRES 0.0000 LOT 4
PEARLAND TX 77584-3437 2807 GREEN MOUNTAIN

2010	074	02/01/2011	43,400	0	0	43,400	0	43,400	368.90	368.90	81.16	90.01	540.07

BRAZORIA-FORT BEND CO MUD #1
UNPAID ACCOUNTS TAX ROLL
AS OF 11/30/2011

JR	YEAR	NUMBER OF ACCOUNTS		TOTAL LEVY	LEVY PAID	PAYMENT AMOUNT	LEVY BALANCE	PENALTY & INTEREST	TOTAL DUE
074	2010	2		2,214.93			2,214.93	204.29	2,419.22
074	2009	1		1,844.08			1,844.08	626.99	2,471.07
074	2008	1		2,027.42			2,027.42	932.61	2,960.03
074			TOTALS FOR THIS JURISDICTION	6,086.43			6,086.43	1,763.89	7,850.32
000			LEVY NOT DELINQUENT (SUPPL)				0.00		
000			LEVY ON TAX EXEMPT PROPERTY				0.00		
000			LEVY IN VALUE SUIT (42.08)				0.00		
000			LEVY WITH OVER65 DEFERRAL				5,717.53		
000			LEVY IN BANKRUPTCY				0.00		
000			LEVY UNDER TAX SUIT				0.00		
000			INSTALLMENT AGREEMENT LEVY				0.00		
000			LEVY ON UNCOLLECTABLE ROLL				0.00		
000			LEVY WITH BAD ADDRESS CODE				0.00		
000			TOTAL LEVY IN SUSPENSE				5,717.53		
000			TOTAL UNRESTRICTED LEVY DUE				368.90		

JR	YEAR	NUMBER OF ACCOUNTS		TOTAL LEVY	LEVY PAID	PAYMENT AMOUNT	LEVY BALANCE	PENALTY & INTEREST	TOTAL DUE
000			GRAND TOTALS FOR ALL JURISDICTIONS	6,086.43			6,086.43	1,763.89	7,850.32

***** END OF REPORT *****

ACCOUNT NUMBER / OWNER NAME / DELQ DATE	LAND	IMPROVEMENT	DEFERRED AG	APPR. VALUE	EXEMPTIONS	TAXABLE VALUE	TAX AMOUNT	LEVY DUE	PENALTY & INTEREST	COLLECTION FEES	TOTAL DUE
75/75023221013 BLAKE VANETTA T 2102 CRESTWIND CT PEARLAND TX 77584-3628	75023221013 ROLL R ACRES 0.0000			SHADOW CREEK RANCH SF-32B, BLOCK 1, LOT 13 2102 CRESTWIND COURT	PARTIAL EXEMTIONS: HOM						
2010 075 02/01/2011	36,040	158,480	0	194,520	0	194,520	1,653.42	1,653.42	363.75	403.43	2,420.60
75/87003069020 COMCAST OF HOUSTON LLC 1 COMCAST CTR PHILADELPHIA PA 19103-2833	87003069020 TAX DEPARTMENT ROLL P ACRES 0.0000			CABLE MILEAGE CONVERTS & PERSONAL PROPERTY BRAZORIA-FT BEND MUD #1 (M11), 289 MTRS							
2010 075 02/01/2011	0	590,220	0	590,220	0	590,220	5,016.87	2,842.31	625.31	693.52	4,161.14
75/75023822014 DAKOTA BLUE HOMES LP 8554 KATY FWY STE 300 HOUSTON TX 77024-1851	75023822014 ROLL R ACRES 0.0000			SHADOW CREEK RANCH SF-38B (PEARLAND), BLOCK 2, LOT 14 12810 WINTER SPRINGS							
2010 075 02/01/2011	36,020	74,870	0	110,890	0	110,890	942.57	942.57	207.37	229.99	1,379.93
75/75023825007 JEBB MARCIA 12903 SOUTHPORT DR PEARLAND TX 77584-3396	75023825007 ROLL R ACRES 0.0000			SHADOW CREEK RANCH SF-38B (PEARLAND), BLOCK 5, LOT 7 12903 SHADY GATE LANE	PARTIAL EXEMTIONS: HOM O65						
2010 075 02/01/2011	36,740	144,090	0	180,830	0	180,830	1,537.06	460.69	101.35	112.41	674.45
75/75023213011 JUDGE GLADYS 2023 SHORE BREEZE DR PEARLAND TX 77584-3619	75023213011 ROLL R ACRES 0.0000			SHADOW CREEK RANCH SF-32A , BLOCK 3, LOT 11 2023 SHORE BREEZE DR	PARTIAL EXEMTIONS: HOM O65 DEF						
2010 075 02/01/2011	30,740	148,340	0	179,080	0	179,080	1,522.18	1,522.18	101.53	.00	1,623.71
75/75023605021 STAPP BERTHA LORENA 2402 CENTERBROOK CT PEARLAND TX 77584-2502	75023605021 ROLL R ACRES 0.0000			SHADOW CREEK RANCH SF-36 (PEARLAND), BLOCK 5, LOT 21 2402 CENTERBROOK COU	ADDRESS FLAG: MC						
2009 075 02/01/2010	41,950	176,600	0	218,550	0	218,550	1,857.68	1,857.68	631.61	497.86	2,987.15
2010 075 02/01/2011	41,950	244,180	0	286,130	0	286,130	2,432.11	2,432.11	535.06	593.43	3,560.60
				TOTALS FOR ACCOUNT			4,289.79	4,289.79	1,166.67	1,091.29	6,547.75

ACCOUNT NUMBER / OWNER NAME / DELQ DATE	LAND	PARCEL ADDRESS: IMPROVEMENT	DEFERRED AG	APPR. VALUE	EXEMPTIONS	TAXABLE VALUE	LEGAL DESCRIPTIONS	TAX AMOUNT	LEVY DUE	PENALTY & INTEREST	COLLECTION FEES	TOTAL DUE
75/75023221038 WELLS FARGO 8742 LUCENT BLVD SUITE 300 HIGHLANDS RANCH CO 80129-0000	75023221038 ROLL R ACRES 0.0000	2114 BREEZEWAY LANE					SHADOW CREEK RANCH SF-32B, BLOCK 1, LOT 38 PARTIAL EXEMTIONS: HOM O65 DEF					
2010 075 02/01/2011	31,290	167,950	0	199,240	0	199,240		1,693.54	33.21	2.22	.00	35.43

BRAZORIA-FORT BEND CO MUD #1
UNPAID ACCOUNTS TAX ROLL
AS OF 11/30/2011

JR	YEAR	NUMBER OF ACCOUNTS		TOTAL LEVY	LEVY PAID	PAYMENT AMOUNT	LEVY BALANCE	PENALTY & INTEREST	TOTAL DUE
075	2010	7		14,797.75	4,911.26	5,405.16	9,886.49	1,936.59	11,823.08
075	2009	1		1,857.68			1,857.68	631.61	2,489.29
075			TOTALS FOR THIS JURISDICTION	16,655.43	4,911.26	5,405.16	11,744.17	2,568.20	14,312.37
000			LEVY NOT DELINQUENT (SUPPL)				0.00		
000			LEVY ON TAX EXEMPT PROPERTY				0.00		
000			LEVY IN VALUE SUIT (42.08)				0.00		
000			LEVY WITH OVER65 DEFERRAL				1,555.39		
000			LEVY IN BANKRUPTCY				0.00		
000			LEVY UNDER TAX SUIT				942.57		
000			INSTALLMENT AGREEMENT LEVY				0.00		
000			LEVY ON UNCOLLECTABLE ROLL				0.00		
000			LEVY WITH BAD ADDRESS CODE				4,289.79		
000			TOTAL LEVY IN SUSPENSE				6,787.75		
000			TOTAL UNRESTRICTED LEVY DUE				4,956.42		

JR	YEAR	NUMBER OF ACCOUNTS		TOTAL LEVY	LEVY PAID	PAYMENT AMOUNT	LEVY BALANCE	PENALTY & INTEREST	TOTAL DUE
000			GRAND TOTALS FOR ALL JURISDICTIONS	16,655.43	4,911.26	5,405.16	11,744.17	2,568.20	14,312.37

***** END OF REPORT *****

LJA Engineering & Surveying, Inc.

2929 Briarpark Drive
Suite 600
Houston, Texas 77042-3703

Phone 713.953.5200
Fax 713.953.5026
www.ljaengineering.com

ENGINEER'S REPORT
BRAZORIA-FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

December 2, 2011

AGENDA ITEM NO. 9

Action Item

a. Design of District facilities and approval of plans and specifications, authorization to advertise for bids, award of construction contracts for District or joint District/TIRZ contracts, execution of any related construction and reimbursement agreements, and letter financing agreements;

Shadow Creek Ranch SF-54 – WS&D (Design Complete)

Shadow Creek Ranch SF-56 – WS&D (Design Complete)

Shadow Creek Ranch SF-57 – WS&D (Design Complete)

Shadow Creek Ranch SF-58 – WS&D (Design Complete)

Shadow Creek Ranch SF-61 – WS&D (Design Complete)

Shadow Creek Ranch SF-62 – WS&D (Design Complete)

b. Construction of water, sewer, and drainage facilities to serve land within the District, including approve pay estimates, change orders and final acceptance as appropriate;

Shadow Creek Ranch SF-45B, 45C, and 49 – WS&D

Shadow Creek Ranch SF-52 (Phase 1 WS&D Construction Complete)

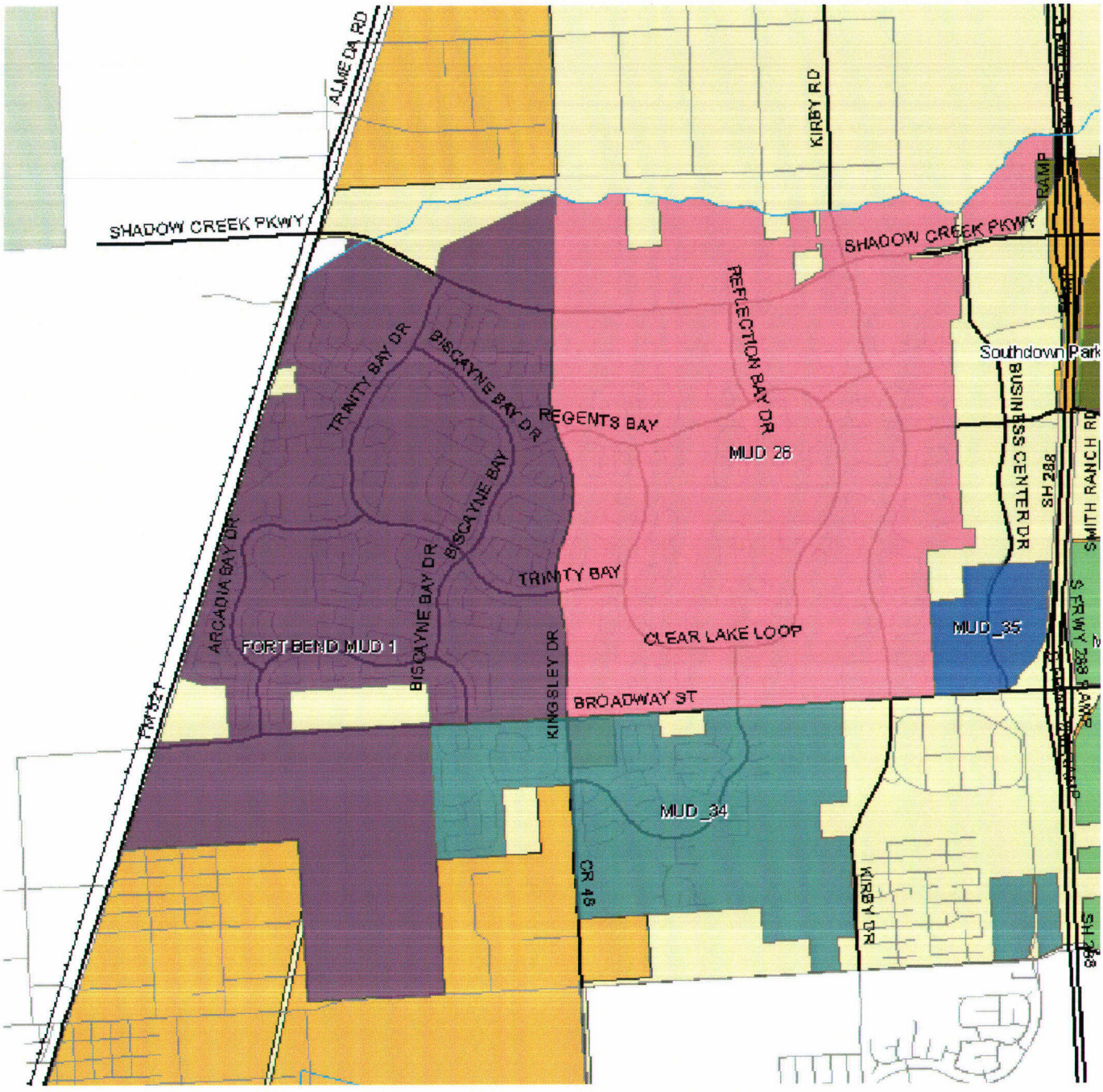
Shadow Creek Ranch SF-60 (Phase 1 WS&D Construction Complete)

c. Inspection/maintenance of facilities;

LJA Engineering will discuss with the Board an inspection of facilities in March of 2012.

d. Deeds and easements;

None.



Vicinity Map - Pearland, TX

This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

ALLEN BOONE HUMPHRIES ROBINSON LLP

MEMORANDUM

TO: Board of Directors

DATE: December 1, 2011

RE: Construction Contract Form

Recent legislation has changed the enforceability of broad-form indemnity provisions used in construction contracts. House Bill 2093, which becomes effective January 1, 2012, provides that any indemnity provision that seeks to require a contractor to indemnify an owner for the owner's own negligence or fault is unenforceable.

In response to this new legislation, and to the growing need for uniformity among contracts, ABHR has prepared a new form of construction contract for use on all construction projects awarded on or after January 1, 2012.

If you have any questions regarding this issue, please contact your district's attorney.

JBH