

**OFFICIAL STATEMENT
Dated December 6, 2017**

NEW ISSUE - BOOK-ENTRY-ONLY

ENHANCED/UNENHANCED RATINGS: Fitch - "AAA"/"AA-"
Moody's - "Aaa"/"Aa2"
PSF Guaranteed
(See "THE PERMANENT SCHOOL FUND GUARANTEE PROGRAM" and
"OTHER PERTINENT INFORMATION - Municipal Bond Ratings" herein)

In the opinion of Bond Counsel (defined below), assuming continuing compliance by the District (defined below) after the date of initial delivery of the Bonds (defined below) with certain covenants contained in the Order (defined below) and subject to the matters set forth under "TAX MATTERS" herein, interest on the Bonds for federal income tax purposes under existing statutes, regulations, published rulings, and court decisions (1) will be excludable from the gross income of the owners thereof pursuant to section 103 of the Internal Revenue Code of 1986, as amended to the date of initial delivery of the Bonds and (2) will not be included in computing the alternative minimum taxable income of the owners thereof who are individuals or, except as described herein, corporations. See "TAX MATTERS" herein.

\$55,730,000

**JUDSON INDEPENDENT SCHOOL DISTRICT
(A political subdivision of the State of Texas located in Bexar County)
UNLIMITED TAX SCHOOL BUILDING BONDS, SERIES 2017**

Dated Date: December 1, 2017

Due: February 1st as shown on page -ii- herein

The "Judson Independent School District Unlimited Tax School Building Bonds, Series 2017" (the "Bonds"), as shown on page -ii- herein, are direct obligations of the Judson Independent School District (the "District") and are payable from an annual ad valorem tax levied, without legal limit as to rate or amount, upon all taxable property within the District. The Bonds are being issued pursuant to the Constitution and general laws of the State of Texas (the "State"), particularly Chapter 1371, as amended, Texas Government Code ("Chapter 1371"), Sections 45.001 and 45.003(b)(1) as amended, Texas Education Code, an election held in the District on May 6, 2017 (the "Election"), and an order authorizing the issuance of the Bonds (the "Order") adopted by the Board of Trustees (the "Board") of the District on September 21, 2017. See "THE BONDS - Authority for Issuance" herein. As permitted by the provisions of Chapter 1371, the Board, in the Order, delegated the authority to certain District officials (each an "Authorized Official") to execute an approval certificate (the "Approval Certificate") establishing the final pricing terms for the Bonds. The Approval Certificate was executed by an authorized representative of the District on December 6, 2017.

The District has received conditional approval from the Texas Education Agency for the payment of principal of and interest on the Bonds to be guaranteed under the Permanent School Fund Guarantee Program, which guarantee will automatically become effective when the Attorney General of Texas approves the Bonds. See "THE PERMANENT SCHOOL FUND GUARANTEE PROGRAM" herein.

Interest on the Bonds will accrue from December 1, 2017 (the "Dated Date"), will be payable on February 1 and August 1 of each year, commencing February 1, 2018, until stated maturity or prior redemption, and will be calculated on the basis of a 360-day year of twelve 30-day months. The Bonds will be issued as fully registered obligations in principal denominations of \$5,000, or integral multiples thereof within a stated maturity. The Bonds will be issued in book-entry form only and when issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository (the "Securities Depository"). Book-entry interests in the Bonds will be made available for purchase in the principal amount of \$5,000 or any integral multiple thereof. Purchasers of the Bonds ("Beneficial Owners") will not receive physical delivery of certificates representing their interest in the Bonds purchased. So long as DTC or its nominee is the registered owner of the Bonds, principal and interest on the Bonds will be payable by the Paying Agent/Registrar, initially ZB, National Association, dba Amegy Bank, Houston, Texas, to the Securities Depository, which will in turn remit such principal and interest to its participants, which will in turn remit such principal and interest to the Beneficial Owners of the Bonds. See "BOOK-ENTRY-ONLY SYSTEM" herein.

Proceeds from the sale of the Bonds will be used for the purposes of (i) designing, constructing, renovating, improving, acquiring and equipping school facilities (and any necessary or related removal of existing facilities), the purchase of necessary sites for school facilities, and the purchase of new school buses, with priority given to phase two of Veterans Memorial High School, and (ii) paying costs associated with the issuance of the Bonds. See "SOURCES AND USES OF FUNDS" herein.

**For Maturity Schedule, Principal Amounts, Interest Rates, Initial Yields,
CUSIP Numbers and Redemption Provisions for the Bonds, see page -ii- herein**

The Bonds are offered for delivery when, as and if issued and received by the initial purchasers thereof named below (the "Underwriters") and are subject to the approving opinion of the Attorney General of the State of Texas and the approval of certain legal matters by Norton Rose Fulbright US LLP, San Antonio, Texas, Bond Counsel. See "LEGAL MATTERS" herein for a discussion of Bond Counsel's opinion. Certain legal matters will be passed upon for the Underwriters by their legal counsel, Winstead PC, San Antonio, Texas. It is expected that the Bonds will be available for delivery through the services of DTC, New York, New York, on or about December 20, 2017.

FTN Financial Capital Markets

Estrada Hinojosa & Company, Inc.

Frost Bank

J. P. Morgan

**STATED MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES,
INITIAL YIELDS, CUSIP NUMBERS, AND REDEMPTION PROVISIONS**

\$55,730,000

**JUDSON INDEPENDENT SCHOOL DISTRICT
(A political subdivision of the State of Texas located in Bexar County)
UNLIMITED TAX SCHOOL BUILDING BONDS, SERIES 2017**

CUSIP No. Prefix 481305⁽¹⁾

\$14,060,000 Serial Bonds

Stated Maturity February 1	Principal Amount (\$)	Interest Rate (%)	Initial Yield (%)	CUSIP No. Suffix⁽¹⁾
2019	200,000	2.000	1.550	HM5
2020	200,000	2.000	1.700	HN3
2021	200,000	2.000	1.760	HP8
2022	200,000	3.000	1.860	HQ6
2023	200,000	3.000	1.950	HR4
2024	200,000	3.000	2.010	HS2
2025	200,000	5.000	2.070	HT0
2026	200,000	5.000	2.140	HU7
2027	200,000	5.000	2.220 ⁽²⁾	HV5
2028	225,000	5.000	2.290 ⁽²⁾	HW3
2029	240,000	5.000	2.350 ⁽²⁾	HX1
2030	250,000	4.000	2.610 ⁽²⁾	HY9
2031	225,000	4.000	2.720 ⁽²⁾	HZ6
2032	230,000	4.000	2.770 ⁽²⁾	JA9
2033	230,000	4.000	2.820 ⁽²⁾	JB7
2034	250,000	4.000	2.870 ⁽²⁾	JC5
2035	250,000	4.000	2.920 ⁽²⁾	JD3
2036	1,305,000	5.000	2.650 ⁽²⁾	JE1
2037	1,545,000	5.000	2.680 ⁽²⁾	JF8
2038	3,285,000	5.000	2.700 ⁽²⁾	JG6
2039	4,225,000	5.000	2.710 ⁽²⁾	JH4

(Accrued Interest to be added from the Dated Date)

\$41,670,000 Term Bonds

\$14,025,000 - 4.000% - Term Bond Due February 1, 2042 - Priced to Yield 3.050%⁽²⁾ - CUSIP No. Suffix JL5⁽¹⁾
\$27,645,000 - 4.000% - Term Bond Due February 1, 2046 - Priced to Yield 3.090%⁽²⁾ - CUSIP No. Suffix JQ4⁽¹⁾

(Accrued interest to be added from the Dated Date)

Redemption Provisions

The District reserves the right to redeem the Bonds maturing on and after February 1, 2027 in whole or in part, in the principal amount of \$5,000 or any integral multiple thereof, on February 1, 2026 or any date thereafter, at the redemption price of par plus accrued interest to the date of redemption. In addition, the Bonds maturing on February 1 in each of the years 2042 and 2046 (the "Term Bonds") are also subject to mandatory sinking fund redemption. (See "THE BONDS - Redemption Provisions of the Bonds" herein.)

⁽¹⁾ CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Global Market Intelligence on behalf of The American Bankers Association. CUSIP numbers have been assigned to this issue by the CUSIP Service Bureau and are included solely for convenience of the owners of the Bonds. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. None of the Underwriters, the District or the Financial Advisor is responsible for the selection or correctness of the CUSIP numbers set forth herein.

⁽²⁾ Yield calculated based on the assumption that the Bonds denoted and sold at a premium will be redeemed on February 1, 2026, the first optional call date for the Bonds, at a redemption price of par, plus accrued interest to the redemption date.

JUDSON INDEPENDENT SCHOOL DISTRICT
8012 Shin Oak
Live Oak, Texas 78233

BOARD OF TRUSTEES

Name	Position	Total Years Served	Term Expires May	Occupation
Dr. Melinda Salinas	President	3	2019	Education
Renee Paschall	Vice President	3	2019	Retired Educator
Jose Macias	Secretary	7	2021	Non-profit Organization Manager
Suzanne Kenoyer	Trustee	*	2019	Retired Educator
Richard LaFoilie	Trustee	14	2021	Retired
Debra Eaton	Trustee	*	2021	Retired Military
Jennifer Rodriguez	Trustee	*	2021	Education

* Elected May 6, 2017.

ADMINISTRATION - FINANCE CONNECTED

Name	Title	Total Years Experience	Total Years With District
Dr. Carl Montoya	Superintendent of Schools	42	2
Jose D. Elizondo, Jr.	Chief Financial Officer	28	28
Janice Gangawer	Tax Assessor-Collector	34	21
Nicole Dean	Director of Accounting	10	6

CONSULTANTS AND ADVISORS

ABIP, P.C.
San Antonio, Texas

Certified Public Accountants

Norton Rose Fulbright US LLP
San Antonio, Texas

Bond Counsel

SAMCO Capital Markets, Inc.
San Antonio, Texas

Financial Advisor

For Additional Information Contact:

Duane L. Westerman, Senior Managing Director
SAMCO Capital Markets, Inc.
1020 N.E. Loop 410, Suite 640
San Antonio, Texas 78209
Phone (210) 832-9760
Fax (210) 832-9794
Email: dwesterman@samcocapital.com

Jose D. Elizondo, Jr., Chief Financial Officer
Judson Independent School District
8012 Shin Oak Drive
Live Oak, Texas 78233
Phone (210) 945-5506
Fax (210) 945-6905
Email: jelizondo@judsonisd.org

USE OF INFORMATION IN THE OFFICIAL STATEMENT

No dealer, broker, salesman, or other person has been authorized by the District to give any information or to make any representation with respect to the Bonds, other than as contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by either of the foregoing.

This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person, in any jurisdiction in which it is unlawful for such person to make such offer, solicitation, or sale. The information set forth herein has been obtained from sources which are believed to be reliable but is not guaranteed as to accuracy or completeness and is not to be construed as a representation by the Underwriters.

The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the information or opinions set forth herein after the date of this Official Statement. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder will under any circumstances create any implication that there has been no change in the information or opinions set forth herein after the date of this Official Statement.

The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

THE BONDS ARE EXEMPT FROM REGISTRATION WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION AND CONSEQUENTLY HAVE NOT BEEN REGISTERED THEREWITH. THE REGISTRATION, QUALIFICATION, OR EXEMPTION OF THE BONDS IN ACCORDANCE WITH APPLICABLE SECURITIES LAW PROVISIONS OF THE JURISDICTIONS IN WHICH THESE BONDS HAVE BEEN REGISTERED, QUALIFIED, OR EXEMPTED SHOULD NOT BE REGARDED AS A RECOMMENDATION FOR THE PURCHASE THEREOF.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE THE MARKET PRICE OF THIS ISSUE AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

None of the District, the Financial Advisor, or the Underwriters make any representation or warranty with respect to the information contained in this Official Statement regarding The Depository Trust Company ("DTC") or its book-entry-only system described under the caption "BOOK-ENTRY-ONLY SYSTEM" as such information has been provided by DTC. See "THE PERMANENT SCHOOL FUND GUARANTEE PROGRAM - PSF Continuing Disclosure Undertaking" and "CONTINUING DISCLOSURE" herein for a description of the undertakings of the Texas Education Agency and the District, respectively, to provide certain information on a continuing basis.

The agreements of the District and others related to the Bonds are contained solely in the contracts described herein. Neither this Official Statement, nor any other statement made in connection with the offer or sale of the Bonds, is to be construed as constituting an agreement with the purchasers of the Bonds.

INVESTORS SHOULD READ THE ENTIRE OFFICIAL STATEMENT, INCLUDING ALL APPENDICES ATTACHED HERETO, TO OBTAIN INFORMATION ESSENTIAL TO MAKING AN INFORMED INVESTMENT DECISION WITH RESPECT TO THE BONDS.

TABLE OF CONTENTS

COVER PAGE.....	i	Taxable Property, Exemptions and	
MATURITY SCHEDULE.....	ii	Agricultural Exclusions.....	24
BOARD OF TRUSTEES.....	iii	Levy and Collection of Taxes.....	26
ADMINISTRATION - FINANCE CONNECTED.....	iii	Public Hearing and Rollback Tax Rate.....	27
CONSULTANTS & ADVISORS.....	iii	The District's Rights in the Event	
USE OF INFORMATION IN THE OFFICIAL STATEMENT.....	iv	of Tax Delinquencies.....	27
TABLE OF CONTENTS.....	v	The Texas Tax Code	
OFFICIAL STATEMENT SUMMARY INFORMATION.....	vi	as Applied to the District.....	28
INTRODUCTION.....	1	STATE AND LOCAL FUNDING OF SCHOOL	
THE BONDS		DISTRICTS IN TEXAS.....	28
General Description.....	1	CURRENT PUBLIC SCHOOL FINANCE SYSTEM.....	29
Authority for Issuance.....	1	THE SCHOOL FINANCE SYSTEM	
Use of Proceeds.....	2	AS APPLIED TO THE DISTRICT.....	32
Security for Payment.....	2	TAX RATE LIMITATIONS.....	32
Permanent School Fund Guarantee.....	2	DEBT LIMITATIONS.....	33
Payment Record.....	2	EMPLOYEE RETIREMENT PLAN AND	
Legality.....	2	OTHER POST-EMPLOYMENT BENEFITS.....	33
Delivery.....	2	INVESTMENT POLICIES.....	34
Future Issues.....	2	LEGAL MATTERS	
Redemption Provisions of the Bonds.....	2	Legal Opinions and No-Litigation Certificate.....	36
Selection of Bonds for Redemption.....	3	Litigation.....	36
Notice of Redemption.....	3	TAX MATTERS	
Defeasance.....	3	Opinion.....	36
Amendments.....	4	Tax Changes.....	37
Default and Remedies.....	4	Ancillary Tax Consequences.....	37
SOURCES AND USES OF FUNDS.....	5	Tax Accounting Treatment of Discount Bonds.....	37
REGISTRATION, TRANSFER AND EXCHANGE		Tax Accounting Treatment of Premium Bonds.....	38
Paying Agent/Registrar.....	5	LEGAL INVESTMENTS AND ELIGIBILITY TO	
Successor Paying Agent/Registrar.....	5	SECURE PUBLIC FUNDS IN TEXAS.....	38
Record Date.....	6	CONTINUING DISCLOSURE.....	38
Special Record Date for Interest Payment.....	6	OTHER PERTINENT INFORMATION	
Registration, Transferability and Exchange.....	6	Authenticity of Financial Information.....	40
Limitation on Transfer of Bonds.....	6	Registration and Qualification	
Replacement Bonds.....	6	of Bonds for Sale.....	40
BOOK-ENTRY-ONLY SYSTEM.....	6	Municipal Bond Ratings.....	40
THE PERMANENT SCHOOL FUND		Financial Advisor.....	41
GUARANTEE PROGRAM.....	8	Underwriting.....	41
AD VALOREM TAX PROCEDURES		Certification of the Official Statement.....	41
Property Tax Code and County Wide Appraisal District.....	24	Forward Looking Statements.....	41
Tax Adequacy.....	24	Information from External Sources.....	42
Ad Valorem Taxation.....	24	Authorization of the Official Statement.....	42
SELECTED FINANCIAL INFORMATION OF THE DISTRICT.....			APPENDIX A
GENERAL INFORMATION REGARDING THE DISTRICT AND ITS ECONOMY.....			APPENDIX B
AUDITED FINANCIAL STATEMENTS.....			APPENDIX C
FORM OF OPINION OF BOND COUNSEL.....			APPENDIX D

The cover page hereof, the appendices and any addenda, supplement or amendment hereto are part of this Official Statement.

OFFICIAL STATEMENT SUMMARY INFORMATION

The following information is qualified in its entirety by more detailed information and financial statements appearing elsewhere in this Official Statement:

THE DISTRICT	The Judson Independent School District (the "District"), a political subdivision of the State of Texas, is located in the northeast portion of Bexar County, Texas. The District is approximately 55.87 square miles in area and serves a population of approximately 130,321. Included within the District are the Texas cities of Kirby, Converse, and portions of San Antonio, Universal City, Selma and Live Oak. The District was created under State statute and is governed by a seven-member Board of Trustees (the "Board"). Policy-making and supervisory functions are the responsibility of, and are vested in, the Board. The Board delegates administrative responsibilities to the Superintendent of Schools who is the chief administrative officer of the District. Support services are supplied by consultants and advisors.
THE BONDS	<p>The Bonds mature on February 1 in each of the years 2019 through 2039, inclusive, February 1, 2042, and February 1, 2046.</p> <p>Interest on the Bonds shall accrue from the Dated Date (identified below) and is payable initially on February 1, 2018 and semiannually on August 1 and February 1 thereafter until stated maturity or prior redemption.</p>
DATED DATE	December 1, 2017.
REDEMPTION	The District reserves the right to redeem the Bonds maturing on or after February 1, 2027, in whole or in part, in the principal amount of \$5,000 or any integral multiple thereof, on February 1, 2026 or any date thereafter, at the redemption price of par plus accrued interest to the date of redemption. In addition, the Bonds maturing on February 1 in each of the years 2042 and 2046 (the "Term Bonds") are also subject to mandatory sinking fund redemption. See "THE BONDS - Redemption Provisions of the Bonds" herein.
SECURITY FOR THE BONDS	The Bonds constitute direct obligations of the District payable from an annual ad valorem tax levied against all taxable property located therein, without legal limitation as to rate or amount. Additionally, the payment of the principal of and interest on the Bonds is expected to be guaranteed by the Permanent School Fund of the State of Texas. See "THE PERMANENT SCHOOL FUND GUARANTEE PROGRAM" herein.
PERMANENT SCHOOL FUND GUARANTEE	The District has received conditional approval from the Texas Education Agency for the Bonds to be guaranteed under the Guarantee Program (hereinafter defined), which guarantee will automatically become effective when the Attorney General of Texas approves the Bonds. See "THE PERMANENT SCHOOL FUND GUARANTEE PROGRAM" herein.
TAX MATTERS	In the opinion of Norton Rose Fulbright US LLP, San Antonio, Texas, Bond Counsel, interest on the Bonds will be excludable from gross income for federal income tax purposes under statutes, regulations, published rulings and court decisions existing on the date thereof, subject to the matters described under "TAX MATTERS" herein, including the alternative minimum tax on corporations. See "TAX MATTERS" and "APPENDIX D - Form of Opinion of Bond Counsel".
PAYING AGENT/REGISTRAR	The initial Paying Agent/Registrar is ZB, National Association, dba Amegy Bank, Houston, Texas.
BOOK-ENTRY-ONLY SYSTEM	The District intends to use the Book-Entry-Only System of The Depository Trust Company. See "BOOK-ENTRY-ONLY SYSTEM" herein.
MUNICIPAL BOND RATINGS	Fitch Ratings, Inc. ("Fitch") and Moody's Investors Service, Inc. ("Moody's") have assigned their municipal bond ratings of "AAA" and "Aaa," respectively, to the Bonds based on the guarantee thereof by the Texas Permanent School Fund. In addition, Fitch has assigned its underlying, unenhanced rating of "AA-" to the Bonds and Moody's has assigned its underlying, unenhanced rating of "Aa2" to the Bonds. See "THE PERMANENT SCHOOL FUND GUARANTEE PROGRAM" and "OTHER PERTINENT INFORMATION - Municipal Bond Ratings" herein.
FUTURE BOND ISSUES	The District does not anticipate the issuance of additional ad valorem tax-supported debt in the next twelve months, except potentially refunding bonds for debt service savings.
PAYMENT RECORD	The District has never defaulted on the payment of its bonded indebtedness.
DELIVERY	When issued, anticipated on or about December 20, 2017.
LEGALITY	The Bonds are subject to the approval of legality by the Attorney General of the State of Texas and the approval of certain legal matters by Norton Rose Fulbright US LLP, San Antonio, Texas, Bond Counsel. See "APPENDIX D - Form of Opinion of Bond Counsel" herein.

OFFICIAL STATEMENT

relating to

\$55,730,000

JUDSON INDEPENDENT SCHOOL DISTRICT

(A political subdivision of the State of Texas located in Bexar County, Texas)

UNLIMITED TAX SCHOOL BUILDING BONDS, SERIES 2017

INTRODUCTION

This Official Statement of the Judson Independent School District (the "District") is provided to furnish certain information in connection with the sale of the District's \$55,730,000 Unlimited Tax School Building Bonds, Series 2017 (the "Bonds").

All financial and other information presented in this Official Statement has been provided by the District from its records, except for information expressly attributed to other sources. The presentation of information, including tables of receipts from taxes and other sources, is intended to show recent historic information, and is not intended to indicate future or continuing trends in the financial position or other affairs of the District. No representation is made that past experience, as is shown by such financial and other information, will necessarily continue or be repeated in the future.

This Official Statement, which includes the cover page and the appendices hereto, provides certain information about the District and its finances. All descriptions of documents contained herein are only summaries and are qualified in their entirety by reference to each such document. Copies of such documents may be obtained upon request from the District and, during the offering period, from the District's Financial Advisor, SAMCO Capital Markets, Inc., 1020 N.E. Loop 410, Suite 640, San Antonio, Texas 78209, by electronic mail or upon payment of reasonable copying, mailing, and handling charges.

This Official Statement speaks only as to its date, and the information contained herein is subject to change. A copy of the Official Statement pertaining to the Bonds will be filed by the Underwriters with the Municipal Securities Rulemaking Board through its Electronic Municipal Markets Access ("EMMA") system. See "CONTINUING DISCLOSURE" herein for a description of the District's undertaking to provide certain information on a continuing basis. Capitalized terms used, but not defined herein, shall have the meanings ascribed thereto in the Order (defined below).

THE BONDS

General Description

The Bonds will be dated December 1, 2017 (the "Dated Date") and will accrue interest from the Dated Date, and such interest shall be payable on February 1 and August 1 in each year, commencing February 1, 2018, until stated maturity or prior redemption. The Bonds will mature on the dates and in the principal amounts and will bear interest at the rates set forth on page -ii- of this Official Statement.

Interest on the Bonds is payable to the registered owners appearing on the bond registration books kept by the Paying Agent/Registrar (defined herein) relating to the Bonds (the "Bond Register") on the Record Date (identified below) and such interest shall be paid by the Paying Agent/Registrar (i) by check sent by United States mail, first class, postage prepaid, to the address of the registered owner recorded in the Bond Register or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. The principal of the Bonds is payable at stated maturity or prior redemption upon their presentation and surrender to the Paying Agent/Registrar. The Bonds will be issued only in fully registered form in any integral multiple of \$5,000 principal for any one maturity.

Initially the Bonds will be registered and delivered only to Cede & Co., the nominee of The Depository Trust Company ("DTC") pursuant to the Book-Entry-Only System described herein. **No physical delivery of the Bonds will be made to the owners thereof.** Notwithstanding the foregoing, as long as the Bonds are held in the Book-Entry-Only System, principal of, premium, if any, and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the Beneficial Owners (defined herein) of the Bonds. See "BOOK-ENTRY-ONLY SYSTEM" herein.

Authority for Issuance

The Bonds are being issued pursuant to the Constitution and general laws of the State of Texas (the "State"), particularly Chapter 1371, as amended, Texas Government Code ("Chapter 1371"), Sections 45.001 and 45.003(b)(1) as amended, Texas Education Code, an election held in the District on May 6, 2017 (the "Election"), and an order authorizing the issuance of the Bonds (the "Order") adopted by the Board of Trustees (the "Board") of the District on September 21, 2017.

As permitted by the provisions of Chapter 1371, the Board, in the Order, delegated the authority to certain District officials (each an "Authorized Official") to execute an approval certificate (the "Approval Certificate") establishing the final pricing terms for the Bonds. The Approval Certificate was executed by an authorized representative of the District on December 6, 2017.

Use of Proceeds

The proceeds of the Bonds (which include certain premium allocations) represent the total installment of voted bonds (described below) approved at the Election. Following the issuance of the Bonds, the District will have no remaining unissued bonds as further described below. See "VALUATION AND DEBT DATA - Authorized but Unissued General Obligation Bonds" attached hereto as APPENDIX A.

A summary of the bonds authorized at said election is as follows:

<u>Purpose</u>	<u>Amount Authorized</u>	<u>Amount Previously Issued</u>	<u>Amount This Issue</u>	<u>Amount Remaining</u>
Designing, constructing, renovating, improving, acquiring and equipping school facilities (and any necessary or related removal of existing facilities), the purchase of necessary sites for school facilities, and the purchase of new school buses, with priority given to phase two of Veterans Memorial High School	\$60,000,000	\$ -0-	\$60,000,000*	\$ -0-

* Includes the Bonds and certain premium allocations in the amount of \$4,270,000.

Security for Payment

The Bonds constitute direct obligations of the District payable from an annual ad valorem tax levied against all taxable property located therein, without any legal limitation as to rate or amount.

Permanent School Fund Guarantee

The District has received conditional approval from the Texas Education Agency for the payment of principal of and interest on the Bonds to be guaranteed under the Permanent School Fund Guarantee Program which guarantee will automatically become effective when the Attorney General of Texas approves the Bonds. See "THE PERMANENT SCHOOL FUND GUARANTEE PROGRAM" herein.

Payment Record

The District has never defaulted on the payment of its bonded indebtedness.

Legality

The Bonds are subject to the approval of legality by the Attorney General of the State of Texas and the approval of certain legal matters by Norton Rose Fulbright US LLP, San Antonio, Texas, as Bond Counsel. The legal opinion of Bond Counsel will accompany the certificates deposited with DTC or be printed on the Bonds. The form of the legal opinion of Bond Counsel appears in APPENDIX D attached hereto.

Delivery

When issued; anticipated to occur on or about December 20, 2017.

Future Issues

The District does not anticipate the issuance of additional ad valorem tax-supported debt in the next twelve months, except potentially refunding bonds for debt service savings.

Redemption Provisions of the Bonds

Optional Redemption ... The Bonds stated to mature on and after February 1, 2027 are subject to optional redemption, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof (and if less than all within a stated maturity by lot, selected by the Paying Agent/Registrar), on February 1, 2026 or on any date thereafter, at a price of par plus accrued interest to the date fixed for redemption.

Mandatory Sinking Fund Redemption ... The Bonds maturing on February 1, 2042 and February 1, 2046 (the "Term Bonds") are also subject to mandatory sinking fund redemption in part prior to maturity at the price of par plus accrued interest to the mandatory redemption date on the dates and in the principal amounts as follows:

Term Bonds - 4.00% Maturing February 1, 2042		Term Bonds - 4.00% Maturing February 1, 2046	
Redemption Date (2/1)	Principal Amount(\$)	Redemption Date (2/1)	Principal Amount(\$)
2040	4,740,000	2043	4,545,000
2041	4,675,000	2044	4,475,000
2042*	4,610,000	2045	9,375,000
		2046*	9,250,000

* Stated maturity.

Approximately forty-five (45) days prior to each mandatory redemption date that a Term Bond is to be mandatorily redeemed, the Paying Agent/Registrar shall select by lot the numbers of the Term Bonds within the applicable stated maturity to be redeemed on the next following February 1 from money set aside for that purpose in the Bond Fund maintained for the payment of the Bonds. Any Term Bond not selected for prior redemption shall be paid on the date of its stated maturity.

The principal amount of the Term Bonds required to be redeemed pursuant to the operation of such mandatory redemption provisions may be reduced, at the option of the District, by the principal amount of the Term Bonds which, at least fifty (50) days prior to the mandatory redemption date (i) shall have been acquired by the District and delivered to the Paying Agent/Registrar for cancellation, (ii) shall have been purchased and canceled by the Paying Agent/Registrar at the request of the District, or (iii) shall have been redeemed pursuant to the optional redemption provisions and not theretofore credited against a mandatory redemption requirement.

Selection of Bonds for Redemption

If less than all of the Bonds are to be redeemed, the District shall determine the amounts and maturities thereof to be redeemed and shall direct the Paying Agent/Registrar to select by lot the Bonds, or portions thereof, to be redeemed.

Notice of Redemption

Not less than 30 days prior to a redemption date for the Bonds, the District shall cause a notice of redemption to be sent by United States mail, first class, postage prepaid, to each registered owner of a Bond to be redeemed, in whole or in part, at the address of the holder appearing on the Bond Register at the close of business on the business day next preceding the date of mailing such notice. ANY NOTICE OF REDEMPTION SO MAILED SHALL BE CONCLUSIVELY PRESUMED TO HAVE BEEN DULY GIVEN IRRESPECTIVE OF WHETHER ONE OR MORE BONDHOLDERS FAILED TO RECEIVE SUCH NOTICE. NOTICE HAVING BEEN SO GIVEN, THE BONDS CALLED FOR REDEMPTION SHALL BECOME DUE AND PAYABLE ON THE SPECIFIED REDEMPTION DATE, AND NOTWITHSTANDING THAT ANY BOND OR PORTION THEREOF HAS NOT BEEN SURRENDERED FOR PAYMENT, INTEREST ON SUCH BOND OR PORTION THEREOF SHALL CEASE TO ACCRUE.

The Paying Agent/Registrar and the District, so long as the Book-Entry-Only System is used for the Bonds, will send any notice of redemption, notice of proposed amendment to the Order or other notices with respect to the Bonds only to DTC. Any failure by DTC to advise any DTC participant, or of any DTC participant or indirect participant to notify the Beneficial Owner, shall not affect the validity of the redemption of the Bonds called for redemption or any other action premised on such notice or any such notice. Redemption of portions of the Bonds by the District will reduce the outstanding principal amount of such Bonds held by DTC. In such event, DTC may implement, through its Book-Entry-Only System, a redemption of such Bonds held for the account of DTC participants in accordance with its rules or other agreements with DTC participants and then DTC participants and indirect participants may implement a redemption of such Bonds from the Beneficial Owners. Any such selection of Bonds to be redeemed will not be governed by the Order and will not be conducted by the District or the Paying Agent/Registrar. Neither the District nor the Paying Agent/Registrar will have any responsibility to DTC participants, indirect participants or the persons for whom DTC participants act as nominees, with respect to the payments on the Bonds or the providing of notice to DTC participants, indirect participants, or Beneficial Owners of the selection of portions of the Bonds for redemption. (See "BOOK-ENTRY-ONLY SYSTEM" herein.)

Defeasance

Any Bond will be deemed paid and shall no longer be considered to be outstanding within the meaning of the Order when payment of the principal of and interest on such Bond to its stated maturity or redemption date will have been made or will have been provided by depositing with an authorized escrow agent (1) cash in an amount sufficient to make such payment, (2) Government Obligations (defined below) certified, in the case of a net defeasance, by an independent public accounting firm of national reputation, to be of such maturities and interest payment dates and bear such interest

as will, without further investment or reinvestment of either the principal amount thereof or the interest earnings therefrom, be sufficient to make such payment, or (3) a combination of cash and Government Obligations together so certified sufficient to make such payment; provided, however, that no certification by an independent accounting firm of the sufficiency of deposits shall be required in connection with a gross defeasance of Bonds.

The Order provides that "Government Obligations" means (a) direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America, or (b) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the District authorizes the defeasance, are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent, (c) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that on the date the governing body of the District adopts or approves the proceedings authorizing the financial arrangements have been refunded and are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent, or (d) any additional securities and obligations hereafter authorized by Texas law as eligible for use to accomplish the discharge of obligations such as the Bonds. District officials may restrict such eligible securities as deemed appropriate. There is no assurance that the ratings for U.S. Treasury securities acquired to defease any Bonds, or those for any other Government Obligations, will be maintained at any particular rating category. Further, there is no assurance that current Texas law will not be amended in a manner that expands or contracts the list of permissible defeasance securities (such list consisting of those securities identified in clauses (a) through (c) above), or any rating requirement thereon, that may be purchased with defeasance proceeds relating to the Bonds ("Defeasance Proceeds"), though the District has reserved the right to utilize any additional securities for such purpose in the event the aforementioned list is expanded. Because the Order does not contractually limit such permissible defeasance securities and expressly recognizes the ability of the District to use lawfully available Defeasance Proceeds to defease all or any portion of the Bonds, registered owners of Bonds are deemed to have consented to the use of Defeasance Proceeds to purchase such other defeasance securities, notwithstanding the fact that such defeasance securities may not be of the same investment quality as those currently identified under Texas law as permissible defeasance securities.

Upon such deposit as described above, such Bonds shall no longer be regarded to be outstanding or unpaid. After firm banking and financial arrangements for the discharge and final payment of the Bonds have been made as described above, all rights of the District to initiate proceedings to call the Bonds for redemption or take any other action amending the terms of the Bonds are extinguished; provided, however, the District has the option, to be exercised at the time of the defeasance of the Bonds, to call for redemption at an earlier date those Bonds which have been defeased to their maturity date, if the District (i) in the proceedings providing for the firm banking and financial arrangements; expressly reserves the right to call the Bonds for redemption, (ii) gives notice of the reservation of that right to the owners of the Bonds immediately following the making of the firm banking and financial arrangements, and (iii) directs that notice of the reservation be included in any redemption notices that it authorizes.

Defeasance will automatically cancel the Permanent School Fund Guarantee with respect to those defeased Bonds.

Amendments

The District may amend the Order without the consent of or notice to any registered owners in any manner not detrimental to the interests of the registered owners, including the curing of any ambiguity, inconsistency, or formal defect or omission therein. In addition, the District may, with the written consent of the holders of a majority in aggregate principal amount of the Bonds then outstanding, amend, add to, or rescind any of the provisions of the Order; except that, without the consent of all of the registered owners of the Bonds then outstanding, no such amendment, addition, or rescission may (1) change the date specified as the date on which the principal of or any installment of interest on any Bond is due and payable, reduce the principal amount, the redemption price therefor, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of or interest on the Bonds, (2) give any preference to any Bond over any other Bond, or (3) reduce the percentage of the aggregate principal amount of Bonds required to be held for consent to any amendment, addition, waiver, or rescission.

Default and Remedies

If the District defaults in the payment of principal, interest, or redemption price on the Bonds when due, or if it fails to make payments into any fund or funds created in the Order, or defaults in the observation or performance of any other covenants, conditions, or obligations set forth in the Order, and the State fails to honor the Permanent School Fund Guarantee as hereinafter discussed, the registered owners may seek a writ of mandamus to compel District officials to carry out their legally imposed duties with respect to the Bonds, if there is no other available remedy at law to compel performance of the Bonds or the Order and the District's obligations are not uncertain or disputed. The issuance of a writ of mandamus is controlled by equitable principles and rests with the discretion of the court, but may not be arbitrarily refused. There is no acceleration of maturity of the Bonds in the event of default and, consequently, the remedy of mandamus may have to be relied upon from year to year. The Order does not provide for the appointment of a trustee to represent the interest of the registered owners upon any failure of the District to perform in accordance with the terms of the Order, or upon any other condition and, accordingly, all legal actions to enforce such remedies would have to be undertaken at the initiative of, and be financed by, the registered owners. The Texas Supreme Court ruled in *Tooke v. City of Mexia*, 197 S.W.3d 325 (Tex. 2006) that a waiver of sovereign immunity in a contractual dispute must be provided for