

**TRAVIS COUNTY
WATER CONTROL AND
IMPROVEMENT DISTRICT
NO. 17**

**Financial Statements and
Supplemental Information
as of and for the Year Ended
September 30, 2017 and
Independent Auditors' Report**

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

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ANNUAL FILING AFFIDAVIT

THE STATE OF TEXAS

COUNTY OF TRAVIS

I, Jeffrey N. Roberts
(Name of Duly Authorized District Representative)

of the TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

hereby swear, or affirm, that the District named above has reviewed and approved at a meeting of the Board of Directors of the District on the 15th day of March, 2018, its annual audit report for the fiscal year ended September 30, 2017 and that copies of the annual audit report have been filed in the District office, located at 3812 Eck Lane, Austin, Texas 78734.

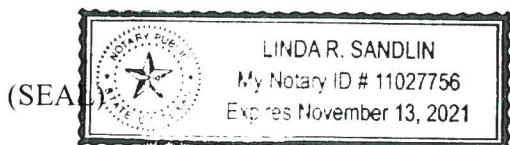
The annual filing affidavit and the attached copy of the annual audit report are being submitted to the Texas Commission on Environmental Quality in satisfaction of all annual filing requirements within Section 49.194 of the Texas Water Code and to the Texas Comptroller of Public Accounts in satisfaction of the annual filing requirements of Section 140.008 of the Texas Local Government Code.

Date: March 15, 2018.

By: [Signature]
(Signature of District Representative)

Jeffrey N. Roberts, Board President
(Typed Name and Title of above District Representative)

Sworn to and subscribed to before me this 15th day of March, 2018.



[Signature]
(Signature of Notary)

Linda R. Sandlin
(Printed Name of Notary)

My Commission Expires On: 11-13-21
Notary Public in and for the State of Texas.



MAXWELL LOCKE & RITTER LLP

Accountants and Consultants

An Affiliate of CPAmerica International

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Austin, TX 78701

Round Rock: 411 West Main Street, Suite 300
Round Rock, TX 78664

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Travis County Water Control and Improvement District No. 17:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Travis County Water Control and Improvement District No. 17 (the "District"), as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Affiliated Company

ML&R WEALTH MANAGEMENT LLC

"A Registered Investment Advisor"

This firm is not a CPA firm

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of September 30, 2017, and the respective changes in financial position and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 9 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplemental information required by the Texas Commission on Environmental Quality (the "TCEQ") and the other supplemental information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental information required by the TCEQ listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information required by the TCEQ listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The other supplemental information listed in the table of contents has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Maxwell Locke + Ritter LLP

Austin, Texas
March 14, 2018

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED SEPTEMBER 30, 2017

In accordance with Governmental Accounting Standards Board Statement No. 34 ("GASB 34"), the management of Travis County Water Control and Improvement District No. 17 (the "District") offers the following narrative on the financial performance of the District for the year ended September 30, 2017. Please read it in connection with the District's financial statements that follow.

For purposes of GASB 34, the District is considered a special purpose government. This allows the District to present the required fund and government-wide statements in a single schedule. The requirement for fund financial statements that are prepared on the modified accrual basis of accounting is met with the "Total Governmental Funds" column. An adjustment column includes those entries needed to convert to the full accrual basis government-wide statements. Government-wide statements are comprised of the Statement of Net Position and the Statement of Activities.

Overview of the Basic Financial Statements

The District's reporting is comprised of two parts:

- *Management's Discussion and Analysis* (this section)
- *Basic Financial Statements*
 - *Statement of Net Position and Governmental Funds Balance Sheet*
 - *Statement of Activities and Governmental Funds Revenues, Expenditures, and Changes in Fund Balances*
 - *Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund*
 - *Notes to Basic Financial Statements*

Other supplementary information is also included.

The *Statement of Net Position and Governmental Funds Balance Sheet* includes a column (titled "Total Governmental Funds") that represents a balance sheet prepared using the modified accrual basis of accounting. The adjustments column converts those balances to a balance sheet that more closely reflects a private-sector business. Over time, increases or decreases in the District's net position will indicate financial health.

The *Statement of Activities and Governmental Funds Revenues, Expenditures, and Changes in Fund Balances* includes a column (titled "Total Governmental Funds") that derives the change in fund balances resulting from current year revenues, expenditures, and other financing sources or uses. These amounts are prepared using the modified accrual basis of accounting. The adjustments column converts those activities to full accrual, a basis that more closely represents the income statement of a private-sector business.

The *Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund* presents a comparison statement between the District's adopted budget to its actual results.

The *Notes to Basic Financial Statements* provide additional information that is essential to a full understanding of the information presented in the *Statement of Net Position and Governmental Funds Balance Sheet* and the *Statement of Activities and Governmental Funds Revenues, Expenditures, and Changes in Fund Balances*.

Schedules required by the Texas Commission on Environmental Quality are presented immediately following the *Notes to Basic Financial Statements*.

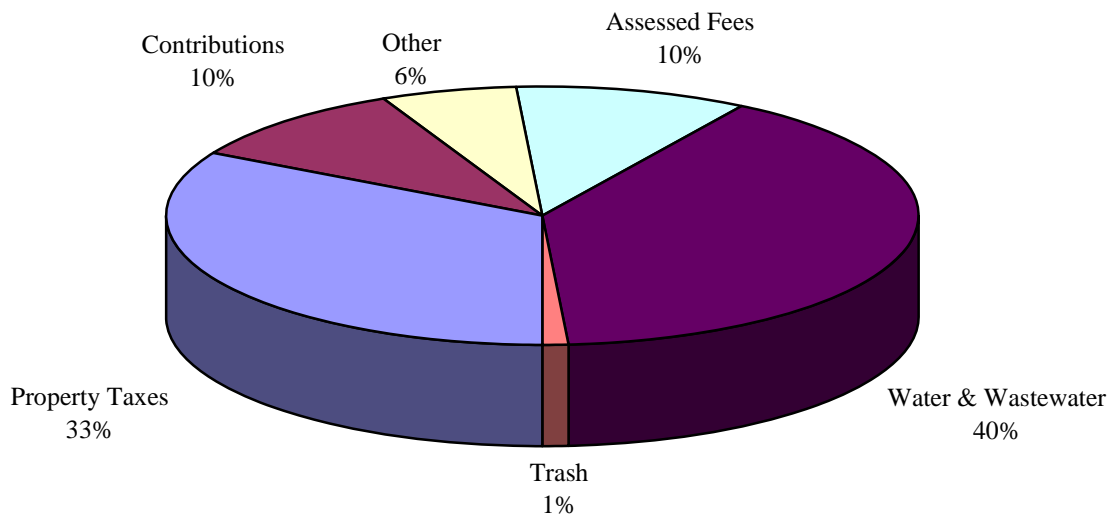
Comparative Financial Statements

Statement of Net Position

	Governmental Activities		
	2017	2016	% Change
Current and other assets	\$ 55,848,283	\$ 57,384,211	(3%)
Capital assets	232,030,358	219,782,926	6%
Total assets	287,878,641	277,167,137	4%
Deferred outflows of resources	1,950,482	1,718,958	13%
Current liabilities	14,212,764	14,446,056	(2%)
Long-term liabilities	138,149,553	131,409,666	5%
Total liabilities	152,362,317	145,855,722	4%
Net investment in capital assets	97,322,051	99,837,485	(3%)
Restricted	8,842,167	7,324,026	21%
Unrestricted	31,302,588	25,868,862	21%
Total net position	\$ 137,466,806	\$ 133,030,373	3%

The District's total assets were approximately \$287.9 million as of September 30, 2017. Of this amount, approximately \$232 million is accounted for by capital assets. The District had outstanding liabilities of approximately \$152.4 million of which \$140.2 million represent bonds payable.

Sources of Revenue



Statement of Activities

	Governmental Activities		
	2017	2016	% Change
Water and wastewater	\$ 14,614,267	\$ 13,722,221	7%
Trash and recycling	392,024	364,560	8%
Property taxes	11,987,614	12,402,125	(3%)
Contributions	3,742,352	377,719	891%
Assessed fees	3,591,498	4,244,352	(15%)
Other	2,214,493	2,039,028	9%
Total Revenues	36,542,248	33,150,005	10%
Water and wastewater	1,610,263	1,408,152	14%
Trash and composting	375,898	364,560	3%
Salary and related expenditures	4,423,427	4,106,103	8%
Professional services	785,182	718,005	9%
Materials and supplies	851,657	645,310	32%
Repairs and maintenance	2,631,418	1,461,467	80%
Utilities	1,907,393	1,930,641	(1%)
Insurance	278,492	241,271	15%
Apache Shores	835,140	734,562	14%
Chemicals and lab tests	523,543	418,887	25%
Other	1,310,838	1,392,471	(6%)
Debt service	5,759,757	6,341,121	(9%)
Depreciation	10,812,807	6,382,705	69%
Total Expenses	32,105,815	26,145,255	23%
Change in net position	4,436,433	7,004,750	(37%)
Beginning net position	133,030,373	126,025,623	6%
Ending net position	\$ 137,466,806	\$ 133,030,373	3%

Operating revenues increased by approximately \$3.4 million to approximately \$36.5 million for the fiscal year ended September 30, 2017. Water and wastewater provided approximately \$14.6 million, various assessed fees provided approximately \$3.6 million, and property taxes generated approximately \$12 million in revenues. Total expenses increased approximately \$6 million to approximately \$32.1 million for the fiscal year ended September 30, 2017. Net position increased approximately \$4.4 million and \$7.0 million for the fiscal years ended September 30, 2017 and 2016, respectively.

Analysis of Governmental Funds

Government Funds by Year

	2017	2016
Cash	\$ 6,249,715	\$ 2,253,657
Temporary investments	46,749,922	52,445,006
Accounts receivable	2,406,423	2,308,259
Inventory	5,000	5,000
Prepaid and other assets	12,142	45,875
Due from other funds	4,685,389	3,234,801
Total assets	<u>\$ 60,108,591</u>	<u>\$ 60,292,598</u>
Accounts payable	\$ 3,459,319	\$ 1,286,273
Accrued liabilities	166,915	158,692
Other liabilities	-	519,204
Customer deposits	819,818	732,761
Due to other funds	4,685,389	3,234,801
Total liabilities	<u>9,131,441</u>	<u>5,773,731</u>
Deferred inflows of resources	<u>119,415</u>	<u>136,549</u>
Nonspendable	17,142	45,875
Restricted for debt service	10,636,273	13,513,009
Restricted for capital projects	10,724,845	8,602,938
Committed	2,915,973	6,473,293
Unassigned	26,563,502	25,747,203
Total fund balances	<u>50,857,735</u>	<u>54,382,318</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 60,108,591</u>	<u>\$ 60,292,598</u>

The *General Fund* pays for daily operating expenditures. When comparing actual to budget, actual revenues were greater than budgeted revenues due to an increase in water and sewer service revenue related to drought conditions in the current year. Expenditures were less than budgeted primarily due to less capital outlay expenditures. More detailed information about the District's budgetary comparison is presented in the *Basic Financial Statements*.

The *Debt Service Fund* remitted bond principal of \$5.7 million and interest of \$6.3 million. More detailed information about the District's debt is presented in the *Notes to Basic Financial Statements*.

The *Capital Projects Fund* primarily purchases the District's infrastructure and capital outlay expenditures were \$17.2 million for the year ended September 30, 2017.

The District issued \$11,125,000 in bonds in the Serene Hills Defined Area. The District issued \$14,505,000 of tax refunding bonds in the Flintrock Ranch Estates Defined Area to repay principal and interest due on Series 2009 and Series 2009A bonds. More detailed information about these bond issuances are presented in the *Notes to Basic Financial Statements*.

Capital Assets and Long-Term Debt Activity

Capital Assets

	2017	2016
Land and easements	\$ 2,659,764	\$ 2,659,764
Construction in progress	11,031,205	3,359,977
Infrastructure	286,356,246	271,387,679
Buildings	1,621,723	1,581,587
Furniture, fixtures & equipment	5,008,252	4,714,383
Subtotal	<u>306,677,190</u>	<u>283,703,390</u>
Accumulated depreciation	<u>(74,646,832)</u>	<u>(63,920,464)</u>
Total	<u>\$ 232,030,358</u>	<u>\$ 219,782,926</u>

More detailed information about the District's capital assets is presented in the *Notes to Basic Financial Statements*.

Long-Term Debt Activity

	2017	2016
Current portion	\$ 7,913,183	\$ 5,657,378
Long term portion	<u>138,149,553</u>	<u>131,409,666</u>
Total	<u>\$ 146,062,736</u>	<u>\$ 137,067,044</u>

During the year, the principal payments (including principal refunded) were \$18,777,378 and new debt was issued in the amount of \$25,630,000. More detailed information about the District's long-term debt is presented in the *Notes to Basic Financial Statements*.

Currently Known Facts, Decisions, or Conditions

The adopted budget for 2018 projected an increase in revenue of approximately \$1.2 million compared to the 2017 final operating budget and a decrease in expenditures of approximately \$214,000 from the 2017 final operating budget. The tax rate has been set at \$0.0599 and \$0.1644 per \$100 of assessed value for the District wide area and the Serene Hills Defined Area, respectively, for operations and maintenance funds, and \$0.2987, \$0.3996, and \$0.4606 per \$100 assessed value for the Steiner Ranch Defined Area, Flintrock Ranch Estates Defined Area, and Serene Hills Defined Area, respectively, which is for debt service funds.

Requests for Information

This financial report is designed to provide a general overview of the District's finances and to demonstrate the District's accountability for the funds it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the District at 3812 Eck Lane, Austin, Texas 78734. For an updated description of the areas served by the District and the facilities operated by the District, please refer to the District's website at www.wcid17.org.

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS BALANCE SHEET SEPTEMBER 30, 2017

	GENERAL FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	TOTAL GOVERNMENTAL FUNDS	ADJUSTMENTS (NOTE 2)	STATEMENT OF NET POSITION
<u>ASSETS</u>						
Cash	\$ 3,990,213	20,920	2,238,582	6,249,715	-	6,249,715
Temporary investments	24,493,785	14,718,785	4,262,163	43,474,733	-	43,474,733
Restricted investments	-	-	3,275,189	3,275,189	-	3,275,189
Accounts receivable:						
Taxes receivable	59,992	59,423	-	119,415	-	119,415
Service accounts	2,143,942	-	-	2,143,942	-	2,143,942
Other	-	-	143,066	143,066	-	143,066
Due from other funds	68,984	-	4,616,405	4,685,389	(4,685,389)	-
Inventory	5,000	-	-	5,000	-	5,000
Prepaid and other assets	12,142	-	-	12,142	425,081	437,223
Capital assets (net of accumulated depreciation):						
Land and easements	-	-	-	-	2,659,764	2,659,764
Construction in progress	-	-	-	-	11,031,205	11,031,205
Infrastructure	-	-	-	-	216,295,269	216,295,269
Buildings	-	-	-	-	587,044	587,044
Furniture, fixtures and equipment	-	-	-	-	1,457,076	1,457,076
Total assets	<u>\$ 30,774,058</u>	<u>14,799,128</u>	<u>14,535,405</u>	<u>60,108,591</u>	<u>227,770,050</u>	<u>287,878,641</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>						
Deferred charges on bond refundings	-	-	-	-	1,950,482	1,950,482
Total deferred outflows of resources	-	-	-	-	1,950,482	1,950,482
Total assets and deferred outflows of resources	<u>\$ 30,774,058</u>	<u>14,799,128</u>	<u>14,535,405</u>	<u>60,108,591</u>		
<u>LIABILITIES</u>						
Accounts payable	\$ 2,564,732	-	894,587	3,459,319	-	3,459,319
Accrued liabilities	166,915	-	-	166,915	-	166,915
Due to other funds	581,957	4,103,432	-	4,685,389	(4,685,389)	-
Accrued bond interest payable	-	-	-	-	1,853,529	1,853,529
Customer deposits	819,818	-	-	819,818	-	819,818
Long-term liabilities:						
Due within one year	-	-	-	-	7,913,183	7,913,183
Due after one year	-	-	-	-	138,149,553	138,149,553
Total liabilities	4,133,422	4,103,432	894,587	9,131,441	143,230,876	152,362,317
<u>DEFERRED INFLOWS OF RESOURCES-</u>						
Property taxes	59,992	59,423	-	119,415	(119,415)	-
Total deferred inflows of resources	59,992	59,423	-	119,415	(119,415)	-
<u>FUND BALANCES/NET POSITION</u>						
Fund balances:						
Nonspendable:						
Inventory	5,000	-	-	5,000	(5,000)	-
Prepays and other assets	12,142	-	-	12,142	(12,142)	-
Restricted for:						
Debt service	-	10,636,273	-	10,636,273	(10,636,273)	-
Capital projects	-	-	10,724,845	10,724,845	(10,724,845)	-
Committed to-						
Impact fee expenditures	-	-	2,915,973	2,915,973	(2,915,973)	-
Unassigned	26,563,502	-	-	26,563,502	(26,563,502)	-
Total fund balances	26,580,644	10,636,273	13,640,818	50,857,735	(50,857,735)	-
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 30,774,058</u>	<u>14,799,128</u>	<u>14,535,405</u>	<u>60,108,591</u>		
Net position:						
Net Investment in capital assets					97,322,051	97,322,051
Restricted for debt service					8,842,167	8,842,167
Unrestricted					31,302,588	31,302,588
Total net position					<u>\$ 137,466,806</u>	<u>137,466,806</u>

The notes to the financial statements are an integral part of this statement.

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES YEAR ENDED SEPTEMBER 30, 2017

	GENERAL FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	TOTAL GOVERNMENTAL FUNDS	ADJUSTMENTS (NOTE 2)	STATEMENT OF ACTIVITIES
EXPENDITURES/EXPENSES:						
Service operations:						
Water and wastewater	\$ 1,610,263	-	-	1,610,263	-	1,610,263
Trash and composting	375,898	-	-	375,898	-	375,898
Salary and related expenditures	4,423,427	-	-	4,423,427	-	4,423,427
Professional services	699,388	85,794	-	785,182	-	785,182
Material and supplies	851,657	-	-	851,657	-	851,657
Repairs and maintenance	2,631,418	-	-	2,631,418	-	2,631,418
Utilities	1,907,393	-	-	1,907,393	-	1,907,393
Insurance	278,492	-	-	278,492	-	278,492
Apache Shores	835,140	-	-	835,140	-	835,140
Chemicals and lab tests	523,543	-	-	523,543	-	523,543
Other	1,249,768	70	61,000	1,310,838	-	1,310,838
Capital outlay	2,136,932	-	17,201,675	19,338,607	(19,338,607)	-
Debt service:						
Principal payments	-	5,657,378	-	5,657,378	(5,657,378)	-
Interest payments	-	6,287,901	-	6,287,901	(1,594,400)	4,693,501
Fiscal agent fees and other	-	567,619	624,304	1,191,923	(125,667)	1,066,256
Depreciation	-	-	-	-	10,812,807	10,812,807
Total expenditures/expenses	<u>17,523,319</u>	<u>12,598,762</u>	<u>17,886,979</u>	<u>48,009,060</u>	<u>(15,903,245)</u>	<u>32,105,815</u>
REVENUES:						
Program revenues:						
Water and sewer service	14,614,267	-	-	14,614,267	-	14,614,267
Trash and recycling service	392,024	-	-	392,024	-	392,024
Connection and service fees	210,801	-	-	210,801	-	210,801
Permit/inspection income	428,892	-	-	428,892	-	428,892
Impact fees	-	-	2,951,805	2,951,805	-	2,951,805
Apache Shores income	1,032,201	-	-	1,032,201	-	1,032,201
Total program revenues	<u>16,678,185</u>	<u>-</u>	<u>2,951,805</u>	<u>19,629,990</u>	<u>-</u>	<u>19,629,990</u>
Total program expense						<u>(12,475,825)</u>
General revenues:						
Property taxes, including penalties and interest	3,766,673	8,238,075	-	12,004,748	(17,134)	11,987,614
Interest income	158,820	116,889	45,334	321,043	-	321,043
Penalties and fines	285,485	-	-	285,485	-	285,485
Contributions	20,720	-	-	20,720	3,721,632	3,742,352
Other income	334,284	241,480	-	575,764	-	575,764
Total general revenues	<u>4,565,982</u>	<u>8,596,444</u>	<u>45,334</u>	<u>13,207,760</u>	<u>3,704,498</u>	<u>16,912,258</u>
Total revenues	<u>21,244,167</u>	<u>8,596,444</u>	<u>2,997,139</u>	<u>32,837,750</u>	<u>3,704,498</u>	<u>36,542,248</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	3,720,848	(4,002,318)	(14,889,840)	(15,171,310)	19,607,743	4,436,433
OTHER FINANCING SOURCES (USES):						
Issuance of bonds	-	587,567	10,537,433	11,125,000	(11,125,000)	-
Issuance of refunding bonds	-	14,505,000	-	14,505,000	(14,505,000)	-
Discount on sale of bonds	-	(247,222)	(168,382)	(415,604)	415,604	-
Premium on sale of bonds	-	108,801	130,033	238,834	(238,834)	-
Payment to refunded bond escrow agent	-	(13,806,503)	-	(13,806,503)	13,806,503	-
Transfers in (out)	(2,933,282)	(22,061)	2,955,343	-	-	-
Total other financing sources (uses)	<u>(2,933,282)</u>	<u>1,125,582</u>	<u>13,454,427</u>	<u>11,646,727</u>	<u>(11,646,727)</u>	<u>-</u>
CHANGES IN FUND BALANCES/ NET POSITION	787,566	(2,876,736)	(1,435,413)	(3,524,583)	4,436,433	4,436,433
FUND BALANCES/NET POSITION:						
Beginning of year	25,793,078	13,513,009	15,076,231	54,382,318	78,648,055	133,030,373
End of year	<u>\$ 26,580,644</u>	<u>10,636,273</u>	<u>13,640,818</u>	<u>50,857,735</u>	<u>83,084,488</u>	<u>137,466,806</u>

The notes to the financial statements are an integral part of this statement.

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND YEAR ENDED SEPTEMBER 30, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE
REVENUES:				
Water and sewer service	\$ 13,427,540	13,427,540	14,614,267	1,186,727
Trash and recycling service	350,000	350,000	392,024	42,024
Property taxes, including penalties and interest	3,336,356	3,336,356	3,766,673	430,317
Connection and service fees	185,300	185,300	210,801	25,501
Penalties and fines	212,000	212,000	285,485	73,485
Interest income	30,000	30,000	158,820	128,820
Permit/inspection income	425,000	425,000	428,892	3,892
Apache Shores income	1,101,455	1,101,455	1,032,201	(69,254)
Contributions	2,369,000	2,369,000	20,720	(2,348,280)
Other income	137,100	137,100	334,284	197,184
Total revenues	21,573,751	21,573,751	21,244,167	(329,584)
EXPENDITURES:				
Service Operations:				
Water and wastewater	1,431,988	1,431,988	1,610,263	(178,275)
Trash and composting	270,000	270,000	375,898	(105,898)
Salary and related expenditures	4,344,954	4,344,954	4,423,427	(78,473)
Professional services	815,000	815,000	699,388	115,612
Material and supplies	539,000	539,000	851,657	(312,657)
Repairs and maintenance	2,110,298	2,365,298	2,631,418	(266,120)
Utilities	1,856,000	1,856,000	1,907,393	(51,393)
Insurance	191,000	191,000	278,492	(87,492)
Apache Shores	698,105	698,105	835,140	(137,035)
Chemicals and lab tests	422,900	422,900	523,543	(100,643)
Other	1,083,700	1,083,700	1,249,768	(166,068)
Capital outlay	4,193,050	4,507,100	2,136,932	2,370,168
Total expenditures	17,955,995	18,525,045	17,523,319	1,001,726
EXCESS OF REVENUES OVER EXPENDITURES	3,617,756	3,048,706	3,720,848	672,142
OTHER FINANCING USES-				
Transfers out	-	-	(2,933,282)	(2,933,282)
CHANGE IN FUND BALANCE	3,617,756	3,048,706	787,566	(2,261,140)
FUND BALANCES:				
Beginning of year	25,793,078	25,793,078	25,793,078	-
End of year	\$ 29,410,834	28,841,784	26,580,644	(2,261,140)

The notes to the financial statements are an integral part of this statement.

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED SEPTEMBER 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Travis County Water Control and Improvement District No. 17 (the “District”), was created by an order of the Commissioners’ Court of Travis County, Texas on December 8, 1958, and confirmed by the electorate of the District at a confirmation election held on February 28, 1959. The Board of Directors (the “Board”) held its first meeting in December 1958, and the first bonds were sold on November 15, 1959. The District operates and maintains a water treatment and distribution system in Travis County, Texas under Chapter 51 of the Texas Water Code. The District is a political subdivision of the State of Texas and operates under an elected Board of Directors. Additional information related to the District, including information on the utility service territory and water and wastewater facilities operated by the District, is available on the District’s website at www.wcid17.org.

The reporting entity of the District encompasses those activities and functions over which the District’s elected officials exercise significant oversight or control. The District is governed by a five member Board of Directors (the “Board”) which has been elected by District residents or appointed by the Board. The District is not included in any other governmental “reporting entity” as defined by the Governmental Accounting Standards Board (“GASB”) since Board members are elected by the public and have decision making authority, the power to designate management, the responsibility to significantly influence operations, and primary accountability for fiscal matters. In addition, there are no component units which are included in the District’s reporting entity.

Government-Wide and Fund Financial Statements

For purposes of GASB Statement No. 34, the District is considered a special purpose government. This allows the District to present the required fund and government-wide statements in a single schedule. The requirement for fund financial statements that are prepared on the modified accrual basis of accounting is met with the “Total Governmental Funds” column. An adjustment column includes those entries needed to convert to the full accrual basis government-wide statements. Government-wide statements are comprised of the statement of net position and the statement of activities.

The government-wide financial statements report information on all of the activities of the District. The effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the expenses are offset by program revenues. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by the District. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Amounts reported as program revenues include charges to customers or applicants for goods, services, or privileges provided. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Major revenue sources considered susceptible to accrual include interest income. No accrual for property taxes collected within sixty days of year end has been made as such amounts are deemed immaterial; delinquent property taxes at year end are reported as deferred inflows of resources.

The District reports the following major governmental funds:

The General Fund includes financial resources used for general operations. It is a budgeted fund, and any unassigned fund balance is considered resources available for current operations.

The Debt Service Fund includes debt service taxes and other revenues collected to retire bond principal and to pay interest due.

The Capital Projects Fund is used to account for financial resources restricted for or committed to authorized construction and other capital asset acquisitions.

Budgets and Budgetary Accounting

Formal budgetary integration is employed as a management control device for the General Fund. Formal budgetary integration is not employed for the Debt Service Fund and the Capital Projects Fund. The budget is proposed by the District General Manager for the fiscal year commencing the following October 1, and is adopted on the modified accrual basis, which is consistent with generally accepted accounting principles.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity

Investments - Temporary investments throughout the year consisted of investments in external local government investment pools and money market mutual funds. The external local government investment pools are recognized at amortized cost as permitted by GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. The District's deposits and investments are invested pursuant to the investment policy, which is approved annually by the Board. The District's investment policies and types of investments are governed by Section 2256 of the Texas Government Code ("Public Funds Investment Act"). The District's management believes that it complied with the requirements of the Public Funds Investment Act and the District's investment policy. The District accrues interest on temporary investments based on the terms and effective interest rates of the specific investments. Restricted investments consist of escrowed bond proceeds.

Accounts Receivable - The District provides for uncollectible accounts receivable using the allowance method of accounting for bad debts. Under this method of accounting, a provision for uncollectible accounts is charged to earnings. The allowance account is increased or decreased based on past collection history and management's evaluation of accounts receivable. All amounts considered uncollectible are charged against the allowance account, and recoveries of previously charged off accounts are added to the allowance. As of September 30, 2017, there was no allowance for uncollectible accounts.

Prepaid Items - Certain payments to vendors reflect costs applicable to future periods and are recorded as prepaid assets in both the government-wide and fund financial statements. Prepaid assets are charged to expenditures when consumed.

Capital Assets - Capital assets, which include land and easements, construction in progress, infrastructure (water, wastewater, drainage and distribution systems, and water tanks purchased, constructed or donated), buildings, and furniture, fixtures and equipment, are reported in the governmental activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of at least \$5,000. Such assets are recorded at historical cost if purchased or estimated acquisition value at the date of donation if donated. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets lives are not capitalized.

Capital assets (other than land and easements and construction in progress) are depreciated using the straight line method over the following estimated useful lives: infrastructure - twenty to fifty years, buildings - thirty years, furniture, fixtures and equipment - five to ten years.

Long-Term Debt - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts, including bond insurance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond insurance costs are reported as assets and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, including bond insurance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Ad Valorem Property Taxes - Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. Allowances for uncollectibles within the General and Debt Service Funds are based upon historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

Deferred Outflows and Deferred Inflows of Resources - The District complies with GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, which provides guidance for reporting the financial statement elements of deferred outflows of resources, which represent the consumption of the District's net position that is applicable to a future reporting period, and deferred inflows of resources, which represent the District's acquisition of net position applicable to a future reporting period.

The District complies with GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, which establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. See Note 6 for additional information on deferred outflows of resources.

Fund Equity - The District complies with GASB Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions* which establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. See Note 9 for additional information on those fund balance classifications.

Included in restricted fund balance in the Debt Service Fund are funds collected from customers of the Apache Shores water system for the payment of annual debt service requirements. These fees, which are assessed through debt service fees and capacity buy-in fees on the customer's monthly water bill, cannot be used in the daily operation of the system or combined with the District's debt service collections or operating needs.

Fair Value Measurements - The District complies with GASB Statement No. 72, *Fair Value Measurement and Application*, which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction. Fair value accounting requires characterization of the inputs used to measure fair value into a three-level fair value hierarchy as follows:

- Level 1 inputs are based on unadjusted quoted market prices for identical assets or liabilities in an active market the entity has the ability to access.
- Level 2 inputs are observable inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent from the entity.
- Level 3 inputs are unobservable inputs that reflect the entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available.

There are three general valuation techniques that may be used to measure fair value:

- Market approach - uses prices generated by market transactions involving identical or comparable assets or liabilities.
- Cost approach - uses the amount that currently would be required to replace the service capacity of an asset (replacement cost).
- Income approach - uses valuation techniques to convert future amounts to present amounts based on current market expectations.

Use of Estimates - The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Recently Issued Accounting Pronouncements

In June 2017, the GASB issued GASB Statement No. 87, *Leases*, effective for fiscal years beginning after December 15, 2019. The objective of GASB Statement No. 87 is to improve accounting and financial reporting for leases by governments by requiring recognition of certain lease assets and liabilities that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. GASB Statement No. 87 establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under GASB Statement No. 87, a lessee is required to recognize a lease liability and an intangible right-to-use asset, and a lessor is required to recognize a lease receivable and deferred inflow of resources. Management is evaluating the effects that the full implementation of GASB Statement No. 87 will have on its financial statements for the year ended September 30, 2021.

2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Amounts reported for governmental activities in the statement of net position are different because:

Governmental funds total fund balance	\$ 50,857,735
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Prepaid bond insurance costs	425,081
Capital assets, net of accumulated depreciation	232,030,358
Deferred tax revenue is not available to pay for current-period expenditures and, therefore, is deferred in the funds.	119,415
The following liabilities are not due and payable in the current period, and therefore, are not reported in the funds:	
Bonds payable, including premiums and discounts	(143,472,502)
Less: Deferred charges on bond refunding	1,950,482
Accretion payable	(2,590,234)
Bond interest payable	<u>(1,853,529)</u>
Total net position	<u>\$ 137,466,806</u>

Amounts reported for governmental activities in the statement of activities are different because:

Deficiency of revenues and other sources under expenditures and other uses	\$ (3,524,583)
Governmental funds report capital outlays as expenditures.	
However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense:	
Capital outlay	19,338,607
Depreciation expense	(10,812,807)
Contributed capital assets	3,721,632
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:	
Change in deferred tax revenue	(17,134)
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Bond proceeds, including premium and discount	(25,453,230)
Repayment of bond principal	5,657,378
Payment to refunded bond escrow agent	13,806,503
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:	
Change in bond interest payable	106,497
Change in accretion payable	1,699,488
Amortization of deferred charges on bond refunding	(454,979)
Amortization of bond premium	313,386
Amortization of original issue discount	(42,992)
Bond insurance premium	125,667
Amortization of bond insurance costs	<u>(27,000)</u>
Change in net position	<u>\$ 4,436,433</u>

3. CASH AND TEMPORARY INVESTMENTS

The District's deposits are required to be secured in the manner provided by law for the security of the funds. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. As of September 30, 2017, the District's bank deposits were entirely covered by Federal Deposit Insurance Corporation ("FDIC") insurance or secured by collateral pledged by the depository.

The Public Funds Investment Act authorizes the District to invest in funds under a written investment policy. The District's deposits and investments are invested pursuant to the investment policy, which is approved annually by the Board. The primary objectives of the District's investment strategy, in order of priority, are safety, liquidity, and yield.

The District is entitled to invest in obligations of the United States, the State of Texas and their agencies or any state, county, city and any other political subdivisions of any state rated by a nationally recognized investment rating firm with a rating not less than A or its equivalent, certificates of deposit of state or national banks or savings and loan associations within the State, prime domestic bankers' acceptances, commercial paper with a stated maturity of 270 days or less from the date of its issuance, fully collateralized repurchase agreements, no-load money market mutual funds regulated by the United States Securities and Exchange Commission, and eligible public funds investment pools.

Investments held at September 30, 2017 consisted of the following:

Type	Fair Value	Weighted Average Maturity (Days)	Standard & Poor's Rating
Local Governmental Investment Pools:			
TexPool	\$ 946	1	AAAm
TexStar	43,473,787	1	AAAm
Money Market Mutual Funds	3,275,189	1	AAAm
Total	<u>\$ 46,749,922</u>		

The District had investments in two external local government investment pools, Texas Local Governmental Investment Pool ("TexPool") and Texas Short-Term Asset Reserve ("TexStar"). Although TexPool and TexStar are not registered with the SEC as investment companies, they operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. These investments are stated at amortized cost, in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*.

TexPool is overseen by the Texas State Comptroller of Public Accounts, who is the sole officer, director and shareholder of the Texas Treasury Safekeeping Trust Company which is authorized to operate TexPool. TexPool also has an advisory board to advise on TexPool's investment policy, which is made up equally of participants and non-participants who do not have a business relationship with TexPool. Federated Investors manages daily operations of TexPool under a contract with the Comptroller and is the investment manager for the pool. TexPool's investment policy stipulates that it must invest in accordance with the Public Funds Investment Act.

TexStar is administered by First Southwest Company and JPMorgan Chase. TexStar is overseen by a five member governing board made up of three participants and one of each of the program’s professional administrators. The responsibility of the board includes the ability to influence operations, designation of management and accountability for fiscal matters. In addition, TexStar has a Participant Advisory Board which provides input and feedback on the operations and direction of the program, and Standard and Poor’s reviews the pool on a weekly basis to ensure the pool’s compliance with its rating requirements. TexStar’s investment policy stipulates that it must invest in accordance with the Public Funds Investment Act.

In accordance with GASB Statement No. 79, the external local government investment pools do not have any limitations and restrictions on withdrawals such as notice periods or maximum transaction amounts. These pools do not impose any liquidity fees or redemption gates.

The District also invests in money market mutual funds. Money market mutual funds are valued using Level 1 inputs that are based on market data obtained from independent sources. The investments are reported by the District at fair value in accordance with GASB Statement No. 72.

The restricted investments (money market mutual funds) in the Capital Projects Fund consist of the remaining proceeds of the Series 2005 Revenue and Refunding Bonds, Series 2006 Unlimited Tax Bonds, Series 2007 Revenue Bonds, Series 2009A Unlimited Tax Bonds, and Series 2010 Unlimited Tax Bonds. These funds can only be released from escrow upon written authorization from the Texas Water Development Board.

Credit Risk - At September 30, 2017, investments were included in external local governmental investment pools and money market mutual funds with ratings from Standard & Poor’s in compliance with the District’s investment policy.

Interest Rate Risk - The District considers the holdings in the external local governmental investment pools and money market mutual funds to have a one day weighted average maturity due to the fact that the share position can usually be redeemed each day at the discretion of the shareholders, unless there has been a significant change in value.

4. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due from other funds” or “due to other funds.” The composition of interfund balances as of September 30, 2017, was as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Debt Service	\$ 68,984
Capital Projects	Debt Service	4,034,448
Capital Projects	General Fund	581,957
Total		<u>\$ 4,685,389</u>

During the year, the General Fund transferred \$2,933,282 to the Capital Projects Fund to reimburse the Capital Projects Fund for capital outlay expenditures related to developer reimbursement, and the Debt Service Fund transferred \$22,061 to the Capital Projects Fund for bond related expenditures.

5. CAPITAL ASSETS

Capital assets activity for the year ended September 30, 2017, was as follows:

	Balance 9/30/2016	Additions	Retirements and Transfers	Balance 9/30/2017
Capital assets not being depreciated:				
Land and easements	\$ 2,659,764	-	-	2,659,764
Construction in progress	3,359,977	7,671,228	-	11,031,205
Total capital assets not being depreciated	6,019,741	7,671,228	-	13,690,969
Capital assets being depreciated:				
Infrastructure	271,387,679	14,968,567	-	286,356,246
Buildings	1,581,587	40,136	-	1,621,723
Furniture, fixtures and equipment	4,714,383	380,308	(86,439)	5,008,252
Total capital assets being depreciated	277,683,649	15,389,011	(86,439)	292,986,221
Less accumulated depreciation for:				
Infrastructure	(59,764,540)	(10,296,437)	-	(70,060,977)
Buildings	(841,529)	(193,150)	-	(1,034,679)
Furniture, fixtures and equipment	(3,314,395)	(323,220)	86,439	(3,551,176)
Total accumulated depreciation	(63,920,464)	(10,812,807)	86,439	(74,646,832)
Total capital assets being depreciated, net	213,763,185	4,576,204	-	218,339,389
Capital assets, net	\$ 219,782,926	12,247,432	-	232,030,358

6. DEFERRED CHARGES ON BOND REFUNDINGS

The following is a summary of changes in deferred charges on bond refundings for the year ended September 30, 2017:

	Beginning Balance	Additions	Retirements	Ending Balance
Deferred charges on bond refundings	\$ 1,718,958	686,503	(454,979)	1,950,482

7. LONG-TERM DEBT

The following is a summary of changes in long-term debt for the year ended September 30, 2017:

	Balance 9/30/2016	Additions	Retirements	Balance 9/30/2017
Bonds payable	\$ 133,384,971	25,630,000	(18,777,378)	140,237,593
Accretion payable	4,289,722	88,134	(1,787,622)	2,590,234
Discount on bonds	(439,558)	(415,604)	42,992	(812,170)
Premium on bonds	4,121,631	238,834	(313,386)	4,047,079
Total	<u>\$ 141,356,766</u>	<u>25,541,364</u>	<u>(20,835,394)</u>	<u>146,062,736</u>

Long-term debt at September 30, 2017 is comprised of the following:

	Balance September 30, 2017	Due in One Year
\$2,100,000, Series 1997, Apache Shores Revenue Bond, maturing annually on October 1 through 2026. Interest varies from 5.95% to 6.10% and is payable on April 1 and October 1 each year. Bonds are callable on October 1, 2007.	\$ 1,035,000	\$ -
\$1,100,000, Series 2004, Travis County Water Control and Improvement District No. 17 River Ridge Unlimited Tax Bonds, maturing annually on November 1 through 2029. Interest varies from 4.80% to 5.75% and is payable on May 1 and November 1 each year. Bonds are callable on May 1, 2014.	755,000	40,000
\$14,040,000, Series 2009, Travis County Water Control and Improvement District No. 17 Steiner Ranch Defined Area Unlimited Tax Bonds, maturing annually on November 1 through 2020. Interest varies from 4.50% to 5.25% and is payable on May 1 and November 1 each year. Bonds are callable on November 1, 2018.	2,470,000	565,000
\$5,150,000, Series 2009, Travis County Water Control and Improvement District No. 17 Flintrock Ranch Estates Defined Area Unlimited Tax Bonds, maturing annually on November 1 through 2019. Interest is 4.00% and is payable on May 1 and November 1 each year. Bonds are callable on November 1, 2018.	490,000	155,000
\$5,409,999, Series 2009, Travis County Water Control and Improvement District No. 17 Steiner Ranch Defined Area Unlimited Tax Refunding Bonds, maturing annually on November 1 through 2020. Interest varies from 3.00% to 4.00% and is payable on May 1 and November 1 each year. Bonds are callable on November 1, 2017.	2,705,000	865,000

\$6,750,000, Series 2009A, Travis County Water Control and Improvement District No. 17 Steiner Ranch Defined Area Unlimited Tax Bonds, maturing annually on November 1 through 2019. Interest varies from 3.125% to 4.55% and is payable on May 1 and November 1 each year. Bonds are callable on November 1, 2017.	805,000	250,000
\$11,330,000, Series 2009A, Travis County Water Control and Improvement District No. 17 Flintrock Ranch Estates Defined Area Unlimited Tax Bonds, maturing annually on November 1 through 2019. Interest is 4.25% and is payable on May 1 and November 1 each year. Bonds are callable on November 1, 2018.	825,000	260,000
\$1,775,000, Series 2010, Travis County Water Control and Improvement District No. 17 Water and Sewer System Revenue Bonds, maturing annually on November 1 through 2032. Interest varies from 2.84% to 5.34% and is payable on May 1 and November 1 each year. Bonds are callable on November 1, 2020.	1,460,000	65,000
\$3,200,000, Series 2010, Travis County Water Control and Improvement District No. 17 Steiner Ranch Defined Area Unlimited Tax Bonds, maturing annually on November 1 through 2032. Interest varies from 3.50% to 6.00% and is payable on May 1 and November 1 each year. Bonds are callable on November 1, 2018.	2,870,000	125,000
\$7,014,997, Series 2011, Travis County Water Control and Improvement District No. 17 Steiner Ranch Defined Area Unlimited Tax Refunding Bonds, maturing annually on November 1 through 2021. Interest varies from 2.00% to 3.25% and is payable on May 1 and November 1 each year. Bonds are callable on November 1, 2020.	4,345,000	790,000
\$2,350,000, Series 2011, Travis County Water Control and Improvement District No. 17 Steiner Ranch Defined Area Unlimited Tax Bonds, maturing annually on November 1 through 2031. Interest varies from 2.00% to 4.00% and is payable on May 1 and November 1 each year. Bonds are callable on November 1, 2020.	2,095,000	95,000
\$11,160,000, Series 2012, Travis County Water Control and Improvement District No. 17 Steiner Ranch Defined Area Unlimited Tax Refunding Bonds, maturing annually on November 1 through 2025. Interest varies from 2.00% to 4.50% and is payable on May 1 and November 1 each year. Bonds are callable on November 1, 2020.	10,425,000	490,000

\$23,915,000, Series 2012, Travis County Water Control and Improvement District No. 17 Water and Sewer System Revenue Bonds, maturing annually on November 1 through 2037. Interest varies from 2.00% to 4.00% and is payable on May 1 and November 1 each year. Bonds are callable on November 1, 2019.	23,130,000	535,000
\$14,834,984, Series 2013, Travis County Water Control and Improvement District No. 17 Steiner Ranch Defined Area Unlimited Tax Refunding Bonds, maturing annually on November 1 through 2031. Interest varies from 2.00% to 3.25% and is payable on May 1 and November 1 each year. Bonds are callable on November 1, 2020.	12,672,595	252,595
\$2,550,000, Series 2013, Travis County Water Control and Improvement District No. 17 Steiner Ranch Defined Area Unlimited Tax Bonds, maturing annually on November 1 through 2031. Interest varies from 2.00% to 3.25% and is payable on May 1 and November 1 each year. Bonds are callable on November 1, 2020.	2,240,000	110,000
\$2,749,997, Series 2013, Travis County Water Control and Improvement District No. 17 Flintrock Ranch Estates Defined Area Unlimited Tax Refunding Bonds, maturing annually on November 1 through 2031. Interest varies from 2.00% to 3.375% and is payable on May 1 and November 1 each year. Bonds are callable on November 1, 2020.	2,415,000	175,000
\$6,830,000, Series 2014, Travis County Water Control and Improvement District No. 17 Steiner Ranch Defined Area Unlimited Tax Refunding Bonds, maturing annually on November 1 through 2025. Interest varies from 2.00% to 4.00% and is payable on May 1 and November 1 each year. Bonds are callable on November 1, 2021.	6,560,000	570,000
\$12,919,989, Series 2015, Travis County Water Control and Improvement District No. 17 Steiner Ranch Defined Area Unlimited Tax Refunding Bonds, maturing annually on November 1 through 2031. Interest varies from 2.00% to 3.125% and is payable on May 1 and November 1 each year. Bonds are callable on November 1, 2022.	12,600,000	565,000
\$2,230,000, Series 2015, Travis County Water Control and Improvement District No. 17 Steiner Ranch Defined Area Unlimited Tax Bonds, maturing annually on November 1 through 2035. Interest varies from 2.00% to 3.50% and is payable on May 1 and November 1 each year. Bonds are callable on November 1, 2022.	2,160,000	75,000

\$4,450,000, Series 2015, Travis County Water Control and Improvement District No. 17 Serene Hills Defined Area Unlimited Tax Bonds, maturing annually on November 1 through 2040. Interest varies from 2.00% to 4.125% and is payable on May 1 and November 1 each year. Bonds are callable on November 1, 2023.	4,450,000	85,000
\$11,574,998, Series 2016, Travis County Water Control and Improvement District No. 17 Steiner Ranch Defined Area Unlimited Tax Refunding Bonds, maturing annually on November 1 through 2030. Interest varies from 2.00% to 4.00% and is payable on May 1 and November 1 each year. Bonds are callable on November 1, 2023.	11,474,998	150,000
\$6,705,000, Series 2016, Travis County Water Control and Improvement District No. 17 Water and Sewer System Revenue Bonds, maturing annually on November 1 through 2032. Interest varies from 2.00% to 4.00% and is payable on May 1 and November 1 each year. Bonds are callable on November 1, 2019.	6,625,000	380,000
\$14,505,000, Series 2017, Travis County Water Control and Improvement District No. 17 Flintrock Ranch Estates Defined Area Unlimited Tax Refunding Bonds, maturing annually on November 1 through 2037. Interest varies from 3.00% to 3.625% and is payable on May 1 and November 1 each year. Bonds are callable on November 1, 2025.	14,505,000	130,000
\$4,125,000, Series 2017, Travis County Water Control and Improvement District No. 17 Serene Hills Defined Area Unlimited Tax Bonds, maturing annually on November 1 through 2041. Interest varies from 3.00% to 4.25% and is payable on May 1 and November 1 each year. Bonds are callable on November 1, 2025.	4,125,000	-
\$7,000,000, Series 2017A, Travis County Water Control and Improvement District No. 17 Serene Hills Defined Area Unlimited Tax Bonds, maturing annually on November 1 through 2042. Interest varies from 2.00% to 5.00% and is payable on May 1 and November 1 each year. Bonds are callable on November 1, 2025.	7,000,000	-
Total long-term debt	<u>\$ 140,237,593</u>	<u>\$ 6,727,595</u>

Accretion payable of \$1,185,588 is due in one year at September 30, 2017.

On January 10, 2017, the District issued \$4,125,000 Serene Hills Defined Area Unlimited Tax Bonds, Series 2017, to reimburse the District's developer for construction, engineering, impact fees, and operating costs, pay interest on funds advanced by the developer on behalf of the District, capitalize interest related to the bonds, and pay certain other costs related to the issuance of bonds. The net proceeds of \$3,892,153 (after payment of \$221,719 in underwriter fees and other bond related costs) were used for the following: \$347,838 was deposited in the Debt Service Fund representing \$347,211 in capitalized interest to pay future debt service and \$627 for excess issuance costs, and \$3,544,315 was deposited in the Capital Projects Fund to provide payments for developer reimbursements and to pay for subsequent bond issue costs.

On May 2, 2017, the District issued \$14,505,000 of Flintrock Ranch Estates Defined Area Unlimited Tax Refunding Bonds, Series 2017, to advance refund \$3,910,000 of its previously issued Series 2009 bonds and advance refund \$9,210,000 of its previously issued 2009A bonds in order to lower its overall debt service requirements. The net proceeds of \$13,821,885 (after payment of \$544,694 in underwriting fees, insurance, and other issuance costs) were used for the following: \$13,806,503 was deposited with an escrow agent to provide the debt service payment on the portion of bonds advance refunded and \$15,382 was deposited in the Debt Service Fund for reimbursement of bond issue costs. As a result, \$13,120,000 of bond principal is considered defeased, and the liability of these bonds was removed from the basic financial statements.

The reacquisition price exceeded the net carrying amount of the old debt by \$686,503. This amount is recorded as a deferred outflow of resources and amortized over the remaining life of the refunded debt which was equal to the life of the new debt issued. The advance refunding reduced debt service payments by \$1,243,516 and resulted in an economic gain of \$854,532.

On September 26, 2017, the District issued \$7,000,000 Serene Hills Defined Area Unlimited Tax Bonds, Series 2017A, to reimburse the District's developer for construction, engineering, impact fees, and land costs, pay interest on funds advanced by the developer on behalf of the District, capitalize interest related to the bonds, and pay certain other costs related to the issuance of bonds. The net proceeds of \$6,608,931 (after payment of \$363,848 in underwriter fees, insurance, and other bond related costs) were used for the following: \$239,729 was deposited in the Debt Service Fund representing \$238,944 in capitalized interest to pay future debt service and \$785 for excess issuance costs, and \$6,369,202 was deposited in the Capital Projects Fund to provide payments for developer reimbursements, to reimburse for bond issue costs, and to pay for subsequent bond issue costs.

The bond resolutions require that the District levy and collect an ad valorem debt service tax sufficient to pay interest and principal on bonds when due and cover the cost of assessing and collecting taxes. These provisions have been met, and the cash allocated for these purposes is sufficient to meet debt service requirements through the fiscal year ended September 30, 2017.

The Series 1997 Bond Resolution requires the District to use fees collected from users in the Apache Shores water system for payment of the interest and principal on bonds when due.

In accordance with the Serene Hills Defined Area Series 2015 bond order, a portion of the bond proceeds was deposited into the Debt Service Fund and restricted for the payment of bond interest during the construction period. Transactions for the current year are summarized as follows:

Restricted for Bond Interest - October 1, 2016	\$ 249,126
Less: Bond Interest Paid - SHDA Series 2015	<u>(163,423)</u>
Restricted for Bond Interest - September 30, 2017	<u>\$ 85,703</u>

As of September 30, 2017, the debt service requirements to maturity on the long-term debt outstanding is as follows:

Fiscal Year	Principal	Interest	Total Requirement
2018	\$ 6,727,595	5,636,379	12,363,974
2019	7,940,000	4,850,835	12,790,835
2020	9,085,000	4,052,778	13,137,778
2021	8,800,000	3,767,160	12,567,160
2022	7,249,998	4,473,907	11,723,905
2023-2027	39,135,000	13,757,411	52,892,411
2028-2032	38,065,000	7,213,449	45,278,449
2033-2037	15,915,000	2,771,363	18,686,363
2038-2042	6,855,000	551,435	7,406,435
2043	465,000	8,138	473,138
Total	<u>\$ 140,237,593</u>	<u>47,082,855</u>	<u>187,320,448</u>

The outstanding Steiner Ranch Defined Area Unlimited Tax Refunding Bonds, Series 2012, Steiner Ranch Defined Area Unlimited Tax Refunding Bonds, Series 2013, Steiner Ranch Defined Area Unlimited Tax Refunding Bonds, Series 2014, and Steiner Ranch Defined Area Unlimited Tax Refunding Bonds, Series 2016, include both current interest bonds and capital appreciation bonds. The interest shown above, with respect to the capital appreciation bonds, includes the interest to be paid on the bonds maturing in the respective years and does not include accrued interest on bonds not maturing in those years.

In current and prior years, the District defeased certain outstanding general obligation bonds by placing the proceeds of the new bonds in irrevocable trusts to provide for all the future debt service payments on the old bonds. Accordingly, the trust account assets and defeased bonds are not included in the District's financial statements. At September 30, 2017, outstanding bonds of \$25,820,000 are considered defeased.

At September 30, 2017, unlimited tax bonds of approximately \$43,655,000 were authorized by the District, but unissued. Of this amount, \$39,425,000 represents unissued Serene Hills Defined Area Bond authority, and \$4,230,000 represents Flintrock Ranch Estates Defined Area Bond authority.

8. PROPERTY TAXES

The Texas Water Code authorizes the District to levy a tax each October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located within its boundaries. Assessed values are established annually by the Travis Central Appraisal District. District property tax revenues are recognized when levied to the extent that they are collected in the current year. The uncollected balance is reported as deferred revenue. Taxes receivable are due January 1 and are delinquent if received after January 31 and are subject to penalty and interest charges.

The combined tax rate was \$0.0599 per \$100 assessed valuation District-wide, except for the Steiner Ranch Defined Area, Flintrock Ranch Estates Defined Area, and the Serene Hills Defined Area. The Steiner Ranch Defined Area, Flintrock Ranch Estates Defined Area, and Serene Hills Defined Area had additional tax rates of \$0.3000, \$0.4320, and \$0.6250 per \$100 assessed valuation, respectively. The total 2016 tax levy was \$12,035,174 based on a taxable valuation of \$8,210,852,392.

9. FUND BALANCES

The District complies with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Those fund balance classifications are described below.

Nonspendable - Amounts that cannot be spent because they are either not in a spendable form or are legally or contractually required to be maintained intact.

Restricted - Amounts that can be spent only for specific purposes because of constraints imposed by external providers, or imposed by constitutional provisions or enabling legislation.

Committed - Amounts that can only be used for specific purposes pursuant to approval by formal action by the Board.

Assigned - For the General Fund, amounts that are appropriated by the Board that are to be used for specific purposes. For all other governmental funds, any remaining positive amounts not previously classified as nonspendable, restricted or committed.

Unassigned - Amounts that are available for any purpose; these amounts can be reported only in the District's General Fund.

The detail of the fund balances is included in the Governmental Funds Balance Sheet on page 10.

Fund balance of the District may be committed for a specific purpose by formal action of the Board, the District's highest level of decision-making authority. Commitments may be established, modified, or rescinded only through a resolution approved by the Board. The Board has delegated the authority to assign fund balance for a specific purpose to the General Manager of the District.

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted fund balance, committed fund balance, assigned fund balance, and lastly, unassigned fund balance.

10. IMPACT FEES

In July 1984, the District's Board voted for an amendment to the District's Rules and Policies which provides for the assessing of certain fees from developers in the area serviced by the District. These fees are kept separate from other revenue of the District and are used for the purpose of constructing improvements to the District's water treatment, storage, pumping and transmission facilities.

In December 1987, the District and Steiner Ranch Development Corporation (the "Developer") entered into an annexation agreement. In May 1988, the voters of the District approved the issuance of Defined Area Bonds for the annexed land. The issuance of the Defined Area Bonds is for payment and reimbursement to the Developer for a portion of all costs to provide water, sewer and drainage facilities for the annexed land. The District cannot issue new Steiner Ranch Defined Area debt if the tax rate for payment of debt service on the Defined Area Bonds is greater than \$0.89 minus the District-wide tax rate per \$100 assessed valuation.

The District's Board has regularly reviewed and approved Land Use Assumptions and Capital Improvements Plans for Water and Wastewater for all regions of the District. By doing so they have approved Water and Wastewater Impact Fees. These fees are kept separate from other revenue of the District and are used for the purpose of constructing improvements to the District's Water and Wastewater treatment, storage, pumping and transmission facilities. At September 30, 2017, the District had committed fund balance related to these impact fees of \$2,915,973.

11. DEFERRED COMPENSATION PLANS

The District offers its employees a deferred compensation plan established in accordance with Internal Revenue Code 457 and a deferred compensation plan established in accordance with Internal Revenue Code 401(a). Assets and income of the District's plans are held in custodial accounts with a bank for the exclusive benefit of participants and their beneficiaries. Accordingly, the plans' assets and liabilities are not recorded in the District's basic financial statements.

12. RISK MANAGEMENT

The District's risk management program includes coverage through third party insurance providers for automobile liability, director and officer liability, public official position liability, and general liability. Losses in excess of the various deductible levels are covered through traditional indemnity coverage. Settled claims have not exceeded insurance limits for the past three years.

13. COMMITMENTS

The District has entered into construction contracts for the following projects as of September 30, 2017:

Project Name	Remaining Commitments
Flintrock Wastewater Treatment Plant Expansion	\$ 811,792
Hughes Park Water Line Improvements	17,400
Wild Cherry Effluent Line Improvements	4,000
Total remaining commitments	\$ 833,192

The District has entered into a cost share agreement with Travis County for the relocation of portions of Flintrock Road, which includes portions of the water and wastewater lines. The District has already paid its pro-rata share, but could be subject to subsequent costs, should any unknown contingencies arise.

The District has entered into several cost share agreements between the District and the developers for the sharing of construction and engineering expenses related to various projects. The Cost Share Agreements represent the respective pro-rata share of capacity each party shall have in the projects.

14. WATER AND WASTEWATER CONTRACTS

Contract 59757

On May 23, 2001, the District entered into a contract with the Lower Colorado River Authority (the "LCRA") for the right to divert up to 8,800 acre-feet (2,867,920,000 gallons) of raw water per annum from Lake Travis in Travis County, Texas. This contract was amended on April 7, 2011. Water supplied under this contract will be utilized for municipal uses only. The term of the contract is 50 years, ending on May 23, 2051.

On a monthly basis, the District agrees to pay an amount equal to the water rate determined by the Board of Directors of the LCRA to then be in effect for all sales of water for municipal purposes times the amount of water diverted during the previous month. On a calendar year basis, the District agrees to pay an amount equal to the rate determined by the Board of Directors of the LCRA, to then be in effect for diversion of water in amounts in excess of the maximum annual quantity (the "Inverted Block Rate"). As of September 30, 2017, the raw water rate was \$145/acre-feet of water and the Inverted Block Rate was \$290/acre-feet of water. During the current fiscal year, the District incurred cost of \$814,718 in relation to Contract 59757 with the LCRA.

Contract 8000287348

On August 16, 2013, the District entered into a contract with the LCRA for the right to divert up to 494 acre-feet of raw water per annum from Lake Travis in Travis County, Texas. Water supplied under this contract will be utilized for recreational uses only. The term of the contract is 10 years.

On a monthly basis, the District agrees to pay an amount equal to the water rate determined by the Board of Directors of the LCRA to then be in effect for all sales of water for recreational purposes times the amount of water diverted during the previous month. On a calendar year basis, the District agrees to pay an amount equal to the water rate times 50% of the “reserved water”, which is the difference between the maximum annual quantity and the amount of water actually diverted. In addition, the District agrees to pay an amount equal to the rate determined by the Board of Directors of the LCRA, to then be in effect for diversion of water in amounts in excess of the maximum annual quantity (the “Inverted Block Rate”). As of September 30, 2017, the raw water rate was \$145/acre-feet of water, the reserved water rate was \$72.50/acre-feet of water and the Inverted Block Rate was \$290/acre-feet of water. During the current fiscal year, the District incurred cost of \$352,234 in relation to this contract with the LCRA.

West Travis County Public Utility Agency

On May 10, 2007, the District entered into a Wholesale Wastewater Service Agreement with the LCRA. The First Amendment to the agreement was approved on January 6, 2009. In addition, on February 16, 2012, the District consented to the assignment of this agreement from the LCRA to the West Travis County Public Utility Agency (the “PUA”). In accordance with the agreement, the PUA agrees to collect, treat and dispose of wastewater originating from the Falconhead West development. The PUA will provide up to a maximum monthly flow rate of 100 gallons per minute and a peak flow rate of 400 gallons per minute. The District has installed flow meters to accurately account for the flow of wastewater to the PUA. The PUA will establish rates, charges and fees for the service provided under the agreement. As of September 30, 2017, the minimum monthly fee being charged to the District was \$17,367. The District is also charged \$6.18 per 1,000 gallons of actual flow through the meters. During the current fiscal year, the District incurred \$365,796 in charges related to this agreement for wastewater delivered to the PUA.

Lakeway Municipal Utility District

On December 23, 2005, the District entered into an Agreement for Wholesale Wastewater Service with Lakeway Municipal Utility District (“Lakeway”). The First Amendment to the agreement was approved on December 17, 2009. In accordance with the agreement, Lakeway commits and agrees to accept and treat up to 600 living unit equivalents (LUE’s), as defined in the agreement, of wastewater from development within the District. The purchase price to be paid by the District for each LUE is \$7,300. As of September 30, 2017, the District had purchased 305 LUE’s from Lakeway. The District is required to make monthly reservation fee payments to Lakeway in the amount \$15 per month per LUE for the remainder of the 600 LUE’s of capacity being made available by Lakeway for purchase under this agreement. The reservation fee paid each month during the current fiscal year was \$4,425 (\$15 multiplied by 295 unfunded LUE’s). In addition, Lakeway charges a monthly volume charge for wastewater that flows through the meter. The current volume charge, as of September 30, 2017, is \$4.88 per 1,000 gallons of flow. During the current fiscal year, the District paid Lakeway \$66,861 for volume charges in relation to actual wastewater flows. As of September 30, 2017, the District will no longer pay this reservation fee.

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

**INDEX OF SUPPLEMENTAL SCHEDULES REQUIRED BY THE
TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
YEAR ENDED SEPTEMBER 30, 2017**

<u>SCHEDULE INCLUDED</u>			
<u>YES</u>	<u>NO</u>		
<u>X</u>	<u> </u>	TSI-0	Notes Required by the Water District Accounting Manual
<u>X</u>	<u> </u>	TSI-1	Schedule of Services and Rates
<u>X</u>	<u> </u>	TSI-2	Schedule of General Fund Expenditures
<u>X</u>	<u> </u>	TSI-3	Schedule of Temporary Investments
<u>X</u>	<u> </u>	TSI-4	Analysis of Taxes Levied and Receivable
<u>X</u>	<u> </u>	TSI-5	Long-Term Debt Service Requirements by Years
<u>X</u>	<u> </u>	TSI-6	Analysis of Changes in Long-Term Bonded Debt
<u>X</u>	<u> </u>	TSI-7	Comparative Schedule of Revenues and Expenditures - General Fund and Debt Service Fund - Five Years
<u>X</u>	<u> </u>	TSI-8	Board Members, Key Personnel and Consultants

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

TSI-0 NOTES REQUIRED BY THE WATER DISTRICT ACCOUNTING MANUAL YEAR ENDED SEPTEMBER 30, 2017

The notes which follow are not necessarily required for fair presentation of the audited financial statements of the District which are contained in the preceding section of this report. They are presented in conformity with requirements of the Texas Commission on Environmental Quality to assure disclosure of specifically required facts.

(A) Creation of District

See Note 1 to basic financial statements.

(B) Contingent Liabilities

See Note 13 to basic financial statements

(C) Pension Coverage

Not applicable.

(D) Pledge of Revenues

See Note 7 to basic financial statements

(E) Compliance with Debt Service Requirements

See Note 7 to basic financial statements

(F) Redemption of Bonds

See Note 7 to basic financial statements.

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

**TSI-1 SCHEDULE OF SERVICES AND RATES
YEAR ENDED SEPTEMBER 30, 2017**

1. Services Provided by the District:

- | | | |
|--|---|-------------------------------------|
| <input checked="" type="checkbox"/> Retail Water | <input type="checkbox"/> Wholesale Water | <input type="checkbox"/> Drainage |
| <input checked="" type="checkbox"/> Retail Wastewater | <input type="checkbox"/> Wholesale Wastewater | <input type="checkbox"/> Irrigation |
| <input type="checkbox"/> Parks/Recreation | <input type="checkbox"/> Fire Protection | <input type="checkbox"/> Security |
| <input checked="" type="checkbox"/> Solid Waste/Garbage | <input type="checkbox"/> Flood Control | <input type="checkbox"/> Roads |
| <input type="checkbox"/> Participates in joint venture, regional system and or wastewater service
(other than emergency interconnect) | | |
| <input type="checkbox"/> Other (specify): _____ | | |

2. Retail Service Providers:

a. Retail Rates for a 5/8" Meter (or equivalent):

Based on rate order effective October 1, 2016.

	Minimum Charge	Minimum Usage	Flat Rate Y/N	Rate per 1,000 Gallons Over Minimum	Usage Levels
WATER	\$ 17.00	-	Y	\$ 1.94	1,000 to 10,000
	36.40	10,000	N	2.91	10,001 to 15,000
	50.95	15,000	N	4.37	15,001 to 30,000
	116.50	30,000	N	6.56	30,001 to 50,000
	247.70	50,000	N	9.83	50,001 to 100,000
	739.20	100,000	N	14.75	Over 100,000
WASTEWATER	\$ 25.50	-	Y	2.50	0 to No Limit
SURCHARGE	0.5%	N/A	N	N/A	Per Water & Wastewater Charges

District employs winter averaging for wastewater usage? Yes No

Total charges per 10,000 gallons usage (including surcharges): Water: \$36.58 Wastewater: \$50.75

(continued)

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

**TS-1 SCHEDULE OF SERVICES AND RATES (continued)
YEAR ENDED SEPTEMBER 30, 2017**

Apache Shores:

Debt Service Fee per Connection	\$5.98 per month
Capacity Buy-In Fee	\$8.90 per month

River Ridge:

Debt Service Fee per Connection	\$20.44 per month
Capacity Buy-In Fee	\$15.36 per month

Apache Shores and River Ridge:

Out of District fee per Connection	\$14.00 per month
------------------------------------	-------------------

b. Water and Wastewater Retail Connections:

<u>Meter Size</u>	<u>Total Connections</u>	<u>Active Connections</u>	<u>ESFC Factor</u>	<u>Active ESFCs</u>
5/8"	<u>5,415</u>	<u>5,406</u>	x 1.0	<u>5,406</u>
3/4"	<u>5,802</u>	<u>5,704</u>	x 1.5	<u>5,704</u>
1"	<u>301</u>	<u>299</u>	x 2.5	<u>747.5</u>
1 1/2"	<u>225</u>	<u>225</u>	x 5.0	<u>1,125</u>
2"	<u>153</u>	<u>153</u>	x 8.0	<u>1,224</u>
3"	<u>34</u>	<u>34</u>	x 15.0	<u>510</u>
4"	<u>2</u>	<u>2</u>	x 25.0	<u>50</u>
6"	<u>4</u>	<u>4</u>	x 50.0	<u>200</u>
8"	<u>1</u>	<u>1</u>	x 90.0	<u>90</u>
10"	<u>-</u>	<u>-</u>	x 115.0	<u>-</u>
Total Water	<u>11,937</u>	<u>11,828</u>		<u>17,909</u>
Total Wastewater	<u>7,002</u>	<u>7,002</u>	x1.0	<u>7,002</u>

3. Total Water Consumption during the Fiscal Year (rounded to the nearest thousand):

Gallons pumped into system:	<u>2,474,759,000</u>	Water Accountability Ratio:
		(Gallons billed/Gallons pumped)
Gallons billed to customers:	<u>2,188,863,000</u>	<u>88.45% (1)</u>

(1) The water accountability ratio does not include water lost to flushing and unmetered water.

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

TSI-1 SCHEDULE OF SERVICES AND RATES (continued)
YEAR ENDED SEPTEMBER 30, 2017

4. Standby Fees (authorized only under TWC Section 49.231):

Does the District have Debt Service standby fees? Yes No

If yes, Date of the most recent Commission Order: N/A

Does the District have Operation and Maintenance standby fees? Yes No

If yes, Date of the most recent Commission Order: N/A

5. Location of District:

County(ies) in which district is located: Travis

Is the District located entirely within one county? Yes No

Is the District located within a city? Entirely Partly Not at all

City(ies) in which District is located: Lakeway, Bee Cave

Is the District located within a city's extra territorial jurisdiction (ETJ?) Entirely Partly Not at all

ETJ's in which district is located: Austin, Lakeway, Bee Cave

Are Board members appointed by an office outside the District? Yes No

If yes, by whom? N/A

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

TSI-2 SCHEDULE OF GENERAL FUND EXPENDITURES YEAR ENDED SEPTEMBER 30, 2017

Personnel Expenditures (including benefits)	\$ 4,423,427
Professional Fees:	
Auditing	50,024
Legal	137,997
Engineering	480,235
Financial Advisor	-
Purchased Services For Resale-	
Bulk Water and Wastewater Service Purchases	1,610,263
Contracted Services:	
Bookkeeping	-
General Manager	-
Appraisal District	-
Tax Collector	-
Other Contracted Services	208,060
Utilities	1,907,393
Repairs and Maintenance	2,631,418
Administrative Expenditures:	
Directors' Fees	18,750
Office Supplies	102,369
Insurance	278,492
Other Administrative Expenditures	441,508
Capital Outlay:	
Capitalized Assets	2,136,932
Expenditures not Capitalized	-
Tap Connection Expenditures	-
Solid Waste Disposal	375,898
Fire Fighting	-
Parks and Recreation	-
Other Expenditures	2,720,553
TOTAL EXPENDITURES	\$ 17,523,319

Number of persons employed by the District:
(Does not include independent contractors or consultants)
Full-Time - 64 Part-Time - 5

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

TSI-3 SCHEDULE OF TEMPORARY INVESTMENTS SEPTEMBER 30, 2017

Funds	Identification or Certificate Number	Interest Rate	Maturity Date	Balance at September 30, 2017	Accrued Interest Receivable at September 30, 2017
<u>General Fund</u>					
Investment in TexStar	80211161	Variable	N/A	\$ 20,759,783	\$ -
Investment in TexStar	80211111	Variable	N/A	1,990,072	-
Investment in TexStar	80225350	Variable	N/A	611,810	-
Investment in TexStar	80225430	Variable	N/A	164,200	-
Investment in TexStar	80211162	Variable	N/A	347,584	-
Investment in TexStar	80205450	Variable	N/A	100,074	-
Investment in TexStar	80200850	Variable	N/A	56,499	-
Investment in TexStar	80211160	Variable	N/A	398,551	-
Investment in TexStar	80211900	Variable	N/A	65,212	-
Total general fund				24,493,785	-
<u>Debt Service Fund</u>					
Investment in TexStar	80210240	Variable	N/A	15,689	-
Investment in TexPool	80200007	Variable	N/A	717	-
Investment in TexStar	80237940	Variable	N/A	11,003	-
Investment in TexStar	80215621	Variable	N/A	2,225,556	-
Investment in TexStar	80207450	Variable	N/A	9,082,017	-
Investment in TexStar	80207453	Variable	N/A	1,654,054	-
Investment in TexStar	80230030	Variable	N/A	278,393	-
Investment in TexStar	80207452	Variable	N/A	141,250	-
Investment in TexPool	80200005	Variable	N/A	229	-
Investment in TexStar	80233331	Variable	N/A	136	-
Investment in TexStar	80233330	Variable	N/A	1,206,414	-
Investment in TexStar	80211910	Variable	N/A	103,327	-
Total debt service fund				14,718,785	-
<u>Capital Projects Fund</u>					
Investment in TexStar	80231000	Variable	N/A	309,778	-
Investment in TexStar	80262330	Variable	N/A	365,997	-
Money Market Mutual Fund	765866	Variable	N/A	1,566,285	-
Money Market Mutual Fund	761575	Variable	N/A	669,444	-
Money Market Mutual Fund	147857	Variable	N/A	578,983	-
Investment in TexStar	80215620	Variable	N/A	62	-
Investment in TexStar	80210300	Variable	N/A	287,977	-
Investment in TexStar	80210304	Variable	N/A	712,570	-
Investment in TexStar	80210301	Variable	N/A	242,300	-
Money Market Mutual Fund	766559	Variable	N/A	442,206	-
Investment in TexStar	80209350	Variable	N/A	413,799	-
Investment in TexStar	80210302	Variable	N/A	145,876	-
Investment in TexStar	80210303	Variable	N/A	53,321	-
Money Market Mutual Fund	147856	Variable	N/A	18,271	-
Investment in TexStar	80220090	Variable	N/A	1,456,520	-
Investment in TexStar	80211890	Variable	N/A	273,963	-
Total capital projects fund				7,537,352	-
Total - All Funds				\$ 46,749,922	\$ -

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

TSI-4 ANALYSIS OF TAXES LEVIED AND RECEIVABLE YEAR ENDED SEPTEMBER 30, 2017

	General Fund	Debt Service Fund		
TAXES RECEIVABLE, SEPTEMBER 30, 2016	\$ 75,784	\$ 60,765		
2016 Tax Roll	3,754,906	8,280,268		
Adjustments	(42,987)	(63,703)		
Total to be accounted for	3,787,703	8,277,330		
Tax collections:				
Current year				
District-wide	3,324,873	-		
Steiner Ranch	-	6,704,499		
Comanche Trail	-	-		
Flintrock Estates	-	1,277,067		
Serene Hills	391,844	261,230		
Prior years				
District-wide	15,039	-		
Steiner Ranch	-	(24,196)		
Comanche Trail	-	-		
Flintrock Estates	-	1,199		
Serene Hills	(4,045)	(1,892)		
Total collections	3,727,711	8,217,907		
TAXES RECEIVABLE, SEPTEMBER 30, 2017	\$ 59,992	\$ 59,423		
TAXES RECEIVABLE, BY YEARS				
2016	\$ 14,359	\$ 20,009		
2015	5,027	6,098		
2014	4,017	4,366		
2013	3,622	3,408		
2012 and prior	32,967	25,542		
TAXES RECEIVABLE, SEPTEMBER 30, 2017	\$ 59,992	\$ 59,423		
PROPERTY VALUATIONS:				
District-wide	\$ 5,570,779,462	\$ 5,072,406,592	\$ 4,601,869,243	\$ 4,226,322,435
Steiner Ranch	2,238,491,541	2,079,216,463	1,891,387,080	1,722,462,641
Comanche Trail	-	-	-	-
Flintrock Estates	296,852,512	281,429,168	253,326,960	227,587,133
Serene Hills	104,728,877	57,061,992	25,115,601	6,976,158
TAX RATES PER \$100 VALUATION:				
District-wide	0.0599	0.0585	0.0575	0.0575
Steiner Ranch	0.3000	0.3751	0.4285	0.4498
Comanche Trail	-	-	-	-
Flintrock Estates	0.4320	0.4505	0.4526	0.4656
Serene Hills	0.6250	0.6500	0.6500	0.6500
ORIGINAL TAX LEVY				
District-wide	3,354,999	2,976,444	2,682,586	2,447,246
Steiner Ranch	6,731,243	7,800,302	8,175,167	7,764,424
Comanche Trail	-	-	-	-
Flintrock Estates	1,282,421	1,268,185	1,168,210	1,064,797
Serene Hills	666,511	370,903	163,251	45,345
	\$ 12,035,174	\$ 12,415,834	\$ 12,189,214	\$ 11,321,812
PERCENT OF TAXES COLLECTED TO TAXES LEVIED*	99.71%	99.91%	99.93%	99.94%

* Collections by taxing unit are substantially equal to the percentages shown for each year.

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

TSI-5 LONG-TERM DEBT SERVICE REQUIREMENTS - BY YEARS SEPTEMBER 30, 2017

DUE DURING FISCAL YEARS ENDING 9/30	APACHE SHORES SERIES 1997			RIVER RIDGE SERIES 2004			SRDA #13 SERIES 2009		
	Principal Due 10/1	Interest Due 4/1, 10/1	Total	Principal Due 11/1	Interest Due 5/1, 11/1	Total	Principal Due 11/1	Interest Due 5/1, 11/1	Total
	2018	\$ -	31,323	31,323	40,000	40,958	80,958	565,000	98,438
2019	90,000	59,945	149,945	45,000	38,768	83,768	600,000	72,225	672,225
2020	95,000	54,371	149,371	45,000	36,416	81,416	635,000	44,438	679,438
2021	100,000	48,473	148,473	50,000	33,898	83,898	670,000	15,075	685,075
2022	110,000	42,120	152,120	50,000	31,198	81,198	-	-	-
2023	115,000	35,314	150,314	55,000	28,309	83,309	-	-	-
2024	120,000	28,205	148,205	55,000	25,243	80,243	-	-	-
2025	125,000	20,794	145,794	60,000	22,008	82,008	-	-	-
2026	135,000	12,929	147,929	65,000	18,460	83,460	-	-	-
2027	145,000	4,423	149,423	65,000	14,755	79,755	-	-	-
2028	-	-	-	70,000	10,908	80,908	-	-	-
2029	-	-	-	75,000	6,756	81,756	-	-	-
2030	-	-	-	80,000	2,300	82,300	-	-	-
2031	-	-	-	-	-	-	-	-	-
2032	-	-	-	-	-	-	-	-	-
2033	-	-	-	-	-	-	-	-	-
2034	-	-	-	-	-	-	-	-	-
2035	-	-	-	-	-	-	-	-	-
2036	-	-	-	-	-	-	-	-	-
2037	-	-	-	-	-	-	-	-	-
2038	-	-	-	-	-	-	-	-	-
2039	-	-	-	-	-	-	-	-	-
2040	-	-	-	-	-	-	-	-	-
2041	-	-	-	-	-	-	-	-	-
2042	-	-	-	-	-	-	-	-	-
2043	-	-	-	-	-	-	-	-	-
	<u>\$ 1,035,000</u>	<u>337,897</u>	<u>1,372,897</u>	<u>755,000</u>	<u>309,977</u>	<u>1,064,977</u>	<u>2,470,000</u>	<u>230,176</u>	<u>2,700,176</u>

(continued)

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

TSI-5 LONG-TERM DEBT SERVICE REQUIREMENTS - BY YEARS (continued) SEPTEMBER 30, 2017

DUE DURING FISCAL YEARS ENDING 9/30	FRDA #3 SERIES 2009			SRDA REFUNDING SERIES 2009			SRDA #14 SERIES 2009A		
	Principal Due	Interest Due	Total	Principal Due	Interest Due	Total	Principal Due	Interest Due	Total
	11/1	5/1, 11/1		11/1	5/1, 11/1		11/1	5/1, 11/1	
2018	\$ 155,000	16,500	171,500	865,000	90,900	955,900	250,000	26,888	276,888
2019	160,000	10,200	170,200	900,000	55,600	955,600	270,000	16,800	286,800
2020	175,000	3,500	178,500	655,000	24,500	679,500	285,000	5,700	290,700
2021	-	-	-	285,000	5,700	290,700	-	-	-
2022	-	-	-	-	-	-	-	-	-
2023	-	-	-	-	-	-	-	-	-
2024	-	-	-	-	-	-	-	-	-
2025	-	-	-	-	-	-	-	-	-
2026	-	-	-	-	-	-	-	-	-
2027	-	-	-	-	-	-	-	-	-
2028	-	-	-	-	-	-	-	-	-
2029	-	-	-	-	-	-	-	-	-
2030	-	-	-	-	-	-	-	-	-
2031	-	-	-	-	-	-	-	-	-
2032	-	-	-	-	-	-	-	-	-
2033	-	-	-	-	-	-	-	-	-
2034	-	-	-	-	-	-	-	-	-
2035	-	-	-	-	-	-	-	-	-
2036	-	-	-	-	-	-	-	-	-
2037	-	-	-	-	-	-	-	-	-
2038	-	-	-	-	-	-	-	-	-
2039	-	-	-	-	-	-	-	-	-
2040	-	-	-	-	-	-	-	-	-
2041	-	-	-	-	-	-	-	-	-
2042	-	-	-	-	-	-	-	-	-
2043	-	-	-	-	-	-	-	-	-
	<u>\$ 490,000</u>	<u>30,200</u>	<u>520,200</u>	<u>2,705,000</u>	<u>176,700</u>	<u>2,881,700</u>	<u>805,000</u>	<u>49,388</u>	<u>854,388</u>

(continued)

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

TSI-5 LONG-TERM DEBT SERVICE REQUIREMENTS - BY YEARS (continued) SEPTEMBER 30, 2017

DUE DURING FISCAL YEARS ENDING 9/30	FRDA #4 SERIES 2009A			Water and Sewer System Revenue Bonds SERIES 2010			SRDA #15 SERIES 2010			SRDA REFUNDING SERIES 2011		
	Principal Due 11/1	Interest Due 5/1, 11/1	Total	Principal Due 11/1	Interest Due 5/1, 11/1	Total	Principal Due 11/1	Interest Due 5/1, 11/1	Total	Principal Due 11/1	Interest Due 5/1, 11/1	Total
2018	\$ 260,000	29,538	289,538	65,000	68,301	133,301	125,000	115,619	240,619	790,000	112,388	902,388
2019	275,000	18,169	293,169	65,000	66,081	131,081	130,000	107,969	237,969	795,000	93,563	888,563
2020	290,000	6,163	296,163	70,000	63,638	133,638	135,000	101,706	236,706	1,105,000	67,050	1,172,050
2021	-	-	-	70,000	60,880	130,880	140,000	96,894	236,894	1,325,000	30,600	1,355,600
2022	-	-	-	75,000	57,804	132,804	150,000	91,538	241,538	330,000	5,363	335,363
2023	-	-	-	80,000	54,380	134,380	155,000	85,628	240,628	-	-	-
2024	-	-	-	85,000	50,612	135,612	165,000	79,325	244,325	-	-	-
2025	-	-	-	85,000	46,647	131,647	170,000	72,625	242,625	-	-	-
2026	-	-	-	90,000	42,453	132,453	180,000	65,625	245,625	-	-	-
2027	-	-	-	95,000	37,882	132,882	190,000	58,225	248,225	-	-	-
2028	-	-	-	100,000	32,967	132,967	195,000	50,525	245,525	-	-	-
2029	-	-	-	105,000	27,724	132,724	205,000	42,525	247,525	-	-	-
2030	-	-	-	110,000	22,171	132,171	215,000	34,125	249,125	-	-	-
2031	-	-	-	115,000	16,303	131,303	225,000	25,325	250,325	-	-	-
2032	-	-	-	120,000	10,116	130,116	240,000	15,725	255,725	-	-	-
2033	-	-	-	130,000	3,471	133,471	250,000	5,313	255,313	-	-	-
2034	-	-	-	-	-	-	-	-	-	-	-	-
2035	-	-	-	-	-	-	-	-	-	-	-	-
2036	-	-	-	-	-	-	-	-	-	-	-	-
2037	-	-	-	-	-	-	-	-	-	-	-	-
2038	-	-	-	-	-	-	-	-	-	-	-	-
2039	-	-	-	-	-	-	-	-	-	-	-	-
2040	-	-	-	-	-	-	-	-	-	-	-	-
2041	-	-	-	-	-	-	-	-	-	-	-	-
2042	-	-	-	-	-	-	-	-	-	-	-	-
2043	-	-	-	-	-	-	-	-	-	-	-	-
	\$ 825,000	53,870	878,870	1,460,000	661,430	2,121,430	2,870,000	1,048,692	3,918,692	4,345,000	308,964	4,653,964

(continued)

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

**TSI-5 LONG-TERM DEBT SERVICE REQUIREMENTS - BY YEARS (continued)
SEPTEMBER 30, 2017**

DUE DURING FISCAL YEARS ENDING 9/30	SRDA SERIES 2011			SRDA REFUNDING SERIES 2012			Water & Sewer Revenue Bond SERIES 2012		
	Principal Due 11/1	Interest Due 5/1, 11/1	Total	Principal Due 11/1	Interest Due 5/1, 11/1	Total	Principal Due 11/1	Interest Due 5/1, 11/1	Total
2018	\$ 95,000	71,500	166,500	490,000	356,794	846,794	535,000	795,538	1,330,538
2019	100,000	69,300	169,300	725,000	877,369	1,602,369	675,000	780,763	1,455,763
2020	105,000	66,475	171,475	1,305,000	306,744	1,611,744	820,000	761,713	1,581,713
2021	110,000	63,250	173,250	1,360,000	260,244	1,620,244	850,000	732,413	1,582,413
2022	115,000	59,875	174,875	1,850,000	198,219	2,048,219	885,000	697,713	1,582,713
2023	125,000	56,275	181,275	1,500,000	126,594	1,626,594	920,000	661,613	1,581,613
2024	130,000	52,450	182,450	1,560,000	73,194	1,633,194	955,000	624,113	1,579,113
2025	135,000	48,306	183,306	1,040,000	34,194	1,074,194	995,000	585,113	1,580,113
2026	145,000	43,756	188,756	595,000	9,297	604,297	1,035,000	544,513	1,579,513
2027	150,000	38,400	188,400	-	-	-	1,075,000	507,688	1,582,688
2028	160,000	32,200	192,200	-	-	-	1,105,000	474,988	1,579,988
2029	170,000	25,600	195,600	-	-	-	1,140,000	441,313	1,581,313
2030	175,000	18,700	193,700	-	-	-	1,175,000	405,853	1,580,853
2031	185,000	11,500	196,500	-	-	-	1,210,000	368,588	1,578,588
2032	195,000	3,900	198,900	-	-	-	1,250,000	329,369	1,579,369
2033	-	-	-	-	-	-	1,295,000	287,203	1,582,203
2034	-	-	-	-	-	-	1,340,000	242,738	1,582,738
2035	-	-	-	-	-	-	1,385,000	194,156	1,579,156
2036	-	-	-	-	-	-	1,440,000	141,188	1,581,188
2037	-	-	-	-	-	-	1,495,000	86,156	1,581,156
2038	-	-	-	-	-	-	1,550,000	29,063	1,579,063
2039	-	-	-	-	-	-	-	-	-
2040	-	-	-	-	-	-	-	-	-
2041	-	-	-	-	-	-	-	-	-
2042	-	-	-	-	-	-	-	-	-
2043	-	-	-	-	-	-	-	-	-
	<u>\$ 2,095,000</u>	<u>661,487</u>	<u>2,756,487</u>	<u>10,425,000</u>	<u>2,242,649</u>	<u>12,667,649</u>	<u>23,130,000</u>	<u>9,691,795</u>	<u>32,821,795</u>

(continued)

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

**TSI-5 LONG-TERM DEBT SERVICE REQUIREMENTS - BY YEARS (continued)
SEPTEMBER 30, 2017**

DUE DURING FISCAL YEARS ENDING 9/30	SRDA REFUNDING SERIES 2013			SRDA SERIES 2013			FRDA REFUNDING SERIES 2013		
	Principal Due 11/1	Interest Due 5/1, 11/1	Total	Principal Due 11/1	Interest Due 5/1, 11/1	Total	Principal Due 11/1	Interest Due 5/1, 11/1	Total
2018	\$ 252,595	1,152,780	1,405,375	110,000	60,088	170,088	175,000	63,481	238,481
2019	295,000	362,425	657,425	115,000	57,838	172,838	180,000	59,931	239,931
2020	310,000	356,375	666,375	120,000	55,488	175,488	180,000	56,331	236,331
2021	395,000	349,325	744,325	125,000	53,038	178,038	185,000	52,681	237,681
2022	390,000	341,475	731,475	130,000	50,325	180,325	190,000	48,931	238,931
2023	405,000	331,500	736,500	135,000	47,344	182,344	205,000	43,956	248,956
2024	415,000	319,200	734,200	140,000	43,900	183,900	210,000	37,731	247,731
2025	430,000	306,525	736,525	150,000	39,913	189,913	115,000	32,856	147,856
2026	450,000	293,325	743,325	155,000	35,525	190,525	120,000	29,331	149,331
2027	1,120,000	269,775	1,389,775	160,000	30,800	190,800	125,000	25,656	150,656
2028	1,850,000	225,225	2,075,225	165,000	25,925	190,925	135,000	21,756	156,756
2029	1,890,000	169,125	2,059,125	175,000	20,825	195,825	135,000	17,538	152,538
2030	1,945,000	110,384	2,055,384	180,000	15,275	195,275	145,000	12,988	157,988
2031	1,655,000	54,134	1,709,134	185,000	9,344	194,344	155,000	8,016	163,016
2032	870,000	14,138	884,138	195,000	3,169	198,169	160,000	2,700	162,700
2033	-	-	-	-	-	-	-	-	-
2034	-	-	-	-	-	-	-	-	-
2035	-	-	-	-	-	-	-	-	-
2036	-	-	-	-	-	-	-	-	-
2037	-	-	-	-	-	-	-	-	-
2038	-	-	-	-	-	-	-	-	-
2039	-	-	-	-	-	-	-	-	-
2040	-	-	-	-	-	-	-	-	-
2041	-	-	-	-	-	-	-	-	-
2042	-	-	-	-	-	-	-	-	-
2043	-	-	-	-	-	-	-	-	-
	<u>\$ 12,672,595</u>	<u>4,655,711</u>	<u>17,328,306</u>	<u>2,240,000</u>	<u>548,797</u>	<u>2,788,797</u>	<u>2,415,000</u>	<u>513,883</u>	<u>2,928,883</u>

(continued)

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

TSI-5 LONG-TERM DEBT SERVICE REQUIREMENTS - BY YEARS (continued) SEPTEMBER 30, 2017

DUE DURING FISCAL YEARS ENDING 9/30	SRDA REFUNDING SERIES 2014			SRDA REFUNDING SERIES 2015			SRDA SERIES 2015		
	Principal Due	Interest Due	Total	Principal Due	Interest Due	Total	Principal Due	Interest Due	Total
	11/1	11/1, 5/1		11/1	5/1, 11/1		11/1	5/1, 11/1	
2018	\$ 570,000	564,150	1,134,150	565,000	344,919	909,919	75,000	64,613	139,613
2019	1,000,000	148,550	1,148,550	580,000	333,469	913,469	75,000	63,113	138,113
2020	1,020,000	128,350	1,148,350	595,000	321,719	916,719	80,000	61,563	141,563
2021	715,000	111,000	826,000	440,000	311,369	751,369	85,000	59,913	144,913
2022	740,000	92,750	832,750	455,000	302,419	757,419	90,000	57,713	147,713
2023	800,000	69,650	869,650	460,000	292,694	752,694	95,000	54,938	149,938
2024	535,000	49,625	584,625	750,000	276,269	1,026,269	95,000	52,088	147,088
2025	560,000	33,200	593,200	775,000	253,394	1,028,394	100,000	49,163	149,163
2026	620,000	12,400	632,400	810,000	229,619	1,039,619	105,000	46,088	151,088
2027	-	-	-	1,505,000	194,894	1,699,894	110,000	42,863	152,863
2028	-	-	-	855,000	159,494	1,014,494	115,000	39,488	154,488
2029	-	-	-	885,000	133,394	1,018,394	120,000	35,888	155,888
2030	-	-	-	2,030,000	89,669	2,119,669	125,000	32,059	157,059
2031	-	-	-	930,000	44,688	974,688	130,000	27,994	157,994
2032	-	-	-	965,000	15,078	980,078	140,000	23,606	163,606
2033	-	-	-	-	-	-	145,000	18,884	163,884
2034	-	-	-	-	-	-	150,000	13,906	163,906
2035	-	-	-	-	-	-	160,000	8,575	168,575
2036	-	-	-	-	-	-	165,000	2,888	167,888
2037	-	-	-	-	-	-	-	-	-
2038	-	-	-	-	-	-	-	-	-
2039	-	-	-	-	-	-	-	-	-
2040	-	-	-	-	-	-	-	-	-
2041	-	-	-	-	-	-	-	-	-
2042	-	-	-	-	-	-	-	-	-
2043	-	-	-	-	-	-	-	-	-
	<u>\$ 6,560,000</u>	<u>1,209,675</u>	<u>7,769,675</u>	<u>12,600,000</u>	<u>3,303,088</u>	<u>15,903,088</u>	<u>2,160,000</u>	<u>755,343</u>	<u>2,915,343</u>

(continued)

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

TSI-5 LONG-TERM DEBT SERVICE REQUIREMENTS - BY YEARS (continued) SEPTEMBER 30, 2017

DUE DURING FISCAL YEARS ENDING 9/30	SHDA SERIES 2015			SRDA REFUNDING SERIES 2016			Water & Sewer Revenue Refunding SERIES 2016		
	Principal Due 11/1	Interest Due 5/1, 11/1	Total	Principal Due 11/1	Interest Due 5/1, 11/1	Total	Principal Due 11/1	Interest Due 5/1, 11/1	Total
2018	\$ 85,000	162,573	247,573	150,000	343,950	493,950	380,000	245,800	625,800
2019	90,000	160,823	250,823	155,000	340,900	495,900	390,000	238,100	628,100
2020	95,000	158,854	253,854	160,000	337,750	497,750	405,000	226,100	631,100
2021	105,000	156,473	261,473	460,000	331,550	791,550	420,000	209,600	629,600
2022	110,000	153,703	263,703	194,998	1,296,952	1,491,950	440,000	192,400	632,400
2023	115,000	150,664	265,664	1,195,000	315,000	1,510,000	460,000	174,400	634,400
2024	125,000	147,208	272,208	1,235,000	290,700	1,525,700	475,000	155,700	630,700
2025	130,000	143,318	273,318	1,275,000	265,600	1,540,600	495,000	136,300	631,300
2026	140,000	139,028	279,028	1,315,000	233,125	1,548,125	515,000	116,100	631,100
2027	145,000	134,215	279,215	1,380,000	185,800	1,565,800	540,000	95,000	635,000
2028	155,000	128,888	283,888	1,450,000	129,200	1,579,200	560,000	73,000	633,000
2029	165,000	123,045	288,045	1,520,000	69,800	1,589,800	585,000	50,100	635,100
2030	175,000	116,711	291,711	475,000	29,900	504,900	605,000	26,300	631,300
2031	185,000	109,915	294,915	510,000	10,200	520,200	115,000	11,900	126,900
2032	200,000	102,400	302,400	-	-	-	120,000	7,200	127,200
2033	210,000	94,200	304,200	-	-	-	120,000	2,400	122,400
2034	225,000	85,500	310,500	-	-	-	-	-	-
2035	235,000	76,300	311,300	-	-	-	-	-	-
2036	250,000	66,600	316,600	-	-	-	-	-	-
2037	265,000	56,300	321,300	-	-	-	-	-	-
2038	285,000	45,300	330,300	-	-	-	-	-	-
2039	300,000	33,413	333,413	-	-	-	-	-	-
2040	320,000	20,625	340,625	-	-	-	-	-	-
2041	340,000	7,012	347,012	-	-	-	-	-	-
2042	-	-	-	-	-	-	-	-	-
2043	-	-	-	-	-	-	-	-	-
	<u>\$ 4,450,000</u>	<u>2,573,068</u>	<u>7,023,068</u>	<u>11,474,998</u>	<u>4,180,427</u>	<u>15,655,425</u>	<u>6,625,000</u>	<u>1,960,400</u>	<u>8,585,400</u>

(continued)

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

TSI-5 LONG-TERM DEBT SERVICE REQUIREMENTS - BY YEARS (continued) SEPTEMBER 30, 2017

DUE DURING FISCAL YEARS ENDING 9/30	FREDA REFUNDING SERIES 2017			SHDA SERIES 2017			SHDA SERIES 2017A		
	Principal Due	Interest Due	Total	Principal Due	Interest Due	Total	Principal Due	Interest Due	Total
	11/1	5/1, 11/1		11/1	5/1, 11/1		11/1	5/1, 11/1	
2018	\$ 130,000	434,235	564,235	-	207,636	207,636	-	137,469	137,469
2019	135,000	431,475	566,475	95,000	157,278	252,278	-	230,181	230,181
2020	135,000	427,425	562,425	100,000	154,353	254,353	165,000	226,056	391,056
2021	630,000	415,950	1,045,950	105,000	151,278	256,278	175,000	217,556	392,556
2022	655,000	396,675	1,051,675	110,000	148,053	258,053	180,000	208,681	388,681
2023	685,000	376,575	1,061,575	115,000	144,678	259,678	190,000	199,431	389,431
2024	710,000	359,200	1,069,200	120,000	141,063	261,063	200,000	190,681	390,681
2025	735,000	343,831	1,078,831	125,000	137,110	262,110	210,000	183,531	393,531
2026	760,000	326,063	1,086,063	130,000	132,805	262,805	215,000	178,231	393,231
2027	785,000	306,750	1,091,750	140,000	128,043	268,043	225,000	173,691	398,691
2028	810,000	285,800	1,095,800	145,000	122,768	267,768	240,000	168,600	408,600
2029	840,000	262,063	1,102,063	150,000	117,163	267,163	250,000	162,775	412,775
2030	875,000	236,338	1,111,338	160,000	111,113	271,113	260,000	156,075	416,075
2031	915,000	209,488	1,124,488	165,000	104,613	269,613	270,000	148,450	418,450
2032	950,000	180,325	1,130,325	175,000	97,813	272,813	285,000	140,125	425,125
2033	980,000	148,963	1,128,963	185,000	90,613	275,613	295,000	131,425	426,425
2034	1,025,000	115,100	1,140,100	190,000	83,113	273,113	310,000	122,350	432,350
2035	650,000	85,788	735,788	200,000	75,313	275,313	325,000	112,622	437,622
2036	670,000	62,688	732,688	210,000	67,113	277,113	340,000	102,231	442,231
2037	700,000	38,713	738,713	220,000	58,403	278,403	355,000	91,150	446,150
2038	730,000	13,231	743,231	235,000	49,075	284,075	375,000	79,288	454,288
2039	-	-	-	245,000	39,235	284,235	390,000	66,613	456,613
2040	-	-	-	255,000	28,794	283,794	410,000	53,113	463,113
2041	-	-	-	270,000	17,638	287,638	425,000	39,022	464,022
2042	-	-	-	280,000	5,950	285,950	445,000	24,063	469,063
2043	-	-	-	-	-	-	465,000	8,138	473,138
	<u>\$ 14,505,000</u>	<u>5,456,676</u>	<u>19,961,676</u>	<u>4,125,000</u>	<u>2,571,014</u>	<u>6,696,014</u>	<u>7,000,000</u>	<u>3,551,548</u>	<u>10,551,548</u>

(continued)

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

**TSI-5 LONG-TERM DEBT SERVICE REQUIREMENTS - BY YEARS (continued)
 SEPTEMBER 30, 2017**

DUE DURING FISCAL YEARS ENDING 9/30	ANNUAL REQUIREMENTS FOR ALL SERIES		
	Principal Due	Interest Due	Total
2018	\$ 6,727,595	5,636,379	12,363,974
2019	7,940,000	4,850,835	12,790,835
2020	9,085,000	4,052,778	13,137,778
2021	8,800,000	3,767,160	12,567,160
2022	7,249,998	4,473,907	11,723,905
2023	7,810,000	3,248,943	11,058,943
2024	8,080,000	2,996,507	11,076,507
2025	7,710,000	2,754,428	10,464,428
2026	7,580,000	2,508,673	10,088,673
2027	7,955,000	2,248,860	10,203,860
2028	8,110,000	1,981,732	10,091,732
2029	8,410,000	1,705,634	10,115,634
2030	8,730,000	1,419,961	10,149,961
2031	6,950,000	1,160,458	8,110,458
2032	5,865,000	945,664	6,810,664
2033	3,610,000	782,472	4,392,472
2034	3,240,000	662,707	3,902,707
2035	2,955,000	552,754	3,507,754
2036	3,075,000	442,708	3,517,708
2037	3,035,000	330,722	3,365,722
2038	3,175,000	215,957	3,390,957
2039	935,000	139,261	1,074,261
2040	985,000	102,532	1,087,532
2041	1,035,000	63,672	1,098,672
2042	725,000	30,013	755,013
2043	465,000	8,138	473,138
	<u>\$ 140,237,593</u>	<u>\$ 47,082,855</u>	<u>\$ 187,320,448</u>

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

TSI-6 ANALYSIS OF CHANGES IN LONG-TERM DEBT SEPTEMBER 30, 2017

	Apache Shores Series 1997	River Ridge Series 2004	TWDB #1 Refunding Series 2005	TWDB Str #2 Series 2006	TWDB #2 Series 2007	SRDA #13 Series 2009	FRDA #3 Series 2009	SRDA Refunding Series 2009
Interest rate	5.95 to 6.10%	4.80 to 5.75%	4.52 to 5.57%	4.52 to 4.67%	4.67 to 5.62%	4.50 to 5.25%	4.00%	3.00 to 4.00%
Dates interest payable	4/1 ; 10/1	5/1 ; 11/1	5/1 ; 11/1	5/1 ; 11/1	5/1 ; 11/1	5/1 ; 11/1	5/1 ; 11/1	5/1 ; 11/1
Maturity dates	10/1/2026	11/1/2029	11/1/2016	11/1/2016	11/1/2016	11/1/2020	11/1/2019	11/1/2020
Bonds outstanding, beginning of year	\$ 1,120,000	795,000	240,000	185,000	100,000	3,005,000	4,545,000	3,540,000
Bonds issued during current year	-	-	-	-	-	-	-	-
Bonds retired during current year	(85,000)	(40,000)	(240,000)	(185,000)	(100,000)	(535,000)	(4,055,000)	(835,000)
Bonds outstanding, end of year	\$ 1,035,000	755,000	-	-	-	2,470,000	490,000	2,705,000
Interest paid during current year	\$ 67,745	42,967	5,604	4,320	2,335	123,188	202,738	120,725

(continued)

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

**TSI-6 ANALYSIS OF CHANGES IN LONG-TERM DEBT (continued)
SEPTEMBER 30, 2017**

	SRDA #14 Series 2009A	FREDA #4 Series 2009A	W&S Revenue Bond Series 2010	SRDA #15 Series 2010	SRDA Refunding Series 2011	SRDA Series 2011	SRDA Refunding Series 2012	W&S Revenue Bond Series 2012
Interest rate	3.13 to 4.55%	4.25%	2.84 to 5.34%	3.50 to 6.00%	2.00 to 3.25%	2.00 to 4.00%	2.00 to 4.50%	2.00 to 4.00%
Dates interest payable	5/1 ; 11/1	5/1 ; 11/1	5/1 ; 11/1	5/1 ; 11/1	5/1 ; 11/1	5/1 ; 11/1	5/1 ; 11/1	5/1 ; 11/1
Maturity dates	11/1/2019	11/1/2019	11/1/2032	11/1/2032	11/1/2021	11/1/2031	11/1/2025	11/1/2037
Bonds outstanding, beginning of year \$	1,040,000	10,280,000	1,520,000	2,985,000	5,115,000	2,185,000	10,900,000	23,525,000
Bonds issued during current year	-	-	-	-	-	-	-	-
Bonds retired during current year	(235,000)	(9,455,000)	(60,000)	(115,000)	(770,000)	(90,000)	(475,000)	(395,000)
Bonds outstanding, end of year	\$ 805,000	825,000	1,460,000	2,870,000	4,345,000	2,095,000	10,425,000	23,130,000
Interest paid during current year	\$ 35,541	483,400	70,314	122,819	128,975	73,350	366,444	807,513

(continued)

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

**TSI-6 ANALYSIS OF CHANGES IN LONG-TERM DEBT (continued)
SEPTEMBER 30, 2017**

	SRDA Refunding Series 2013	SRDA Series 2013	FRDA Refunding Series 2013	SRDA Refunding Series 2014	SRDA Refunding Series 2015	SRDA Series 2015	SHDA Series 2015	SRDA Refunding Series 2016
Interest rate	2.00 to 3.25%	2.00 to 3.25%	2.00 to 3.38%	2.00 to 4.00%	2.00 to 3.13%	2.00 to 3.50%	2.00 to 4.13%	2.00 to 4.00%
Dates interest payable	5/1 ; 11/1	5/1 ; 11/1	5/1 ; 11/1	5/1 ; 11/1	5/1 ; 11/1	5/1 ; 11/1	5/1 ; 11/1	5/1 ; 11/1
Maturity dates	11/1/2031	11/1/2031	11/1/2031	11/1/2025	11/1/2031	11/1/2035	11/1/2040	11/1/2030
Bonds outstanding, beginning of year	\$ 13,014,984	2,345,000	2,590,000	6,650,000	12,744,989	2,230,000	4,450,000	11,574,998
Bonds issued during current year	-	-	-	-	-	-	-	-
Bonds retired during current year	(342,389)	(105,000)	(175,000)	(90,000)	(144,989)	(70,000)	-	(100,000)
Bonds outstanding, end of year	<u>\$ 12,672,595</u>	<u>2,240,000</u>	<u>2,415,000</u>	<u>6,560,000</u>	<u>12,600,000</u>	<u>2,160,000</u>	<u>4,450,000</u>	<u>11,474,998</u>
Interest paid during current year	<u>\$ 1,062,986</u>	<u>62,238</u>	<u>66,981</u>	<u>170,650</u>	<u>1,440,580</u>	<u>66,063</u>	<u>163,423</u>	<u>402,423</u>

(continued)

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

**TSI-6 ANALYSIS OF CHANGES IN LONG-TERM DEBT (continued)
 SEPTEMBER 30, 2017**

	W&S Revenue Refunding Series 2016	FREDA Refunding Series 2017	SHDA Series 2017	SHDA Series 2017A
Interest rate	2.00 to 4.00%	3.00 to 3.63%	3.00 to 4.25%	2.00 to 5.00%
Dates interest payable	5/1 ; 11/1	5/1 ; 11/1	5/1 ; 11/1	5/1 ; 11/1
Maturity dates	11/1/2032	11/1/2037	11/1/2041	11/1/2042
Bonds outstanding, beginning of year	\$ 6,705,000	-	-	-
Bonds issued during current year	-	14,505,000	4,125,000	7,000,000
Bonds retired during current year	(80,000)	-	-	-
Bonds outstanding, end of year	<u>\$ 6,625,000</u>	<u>14,505,000</u>	<u>4,125,000</u>	<u>7,000,000</u>
Interest paid during current year	<u>\$ 194,579</u>	<u>-</u>	<u>-</u>	<u>-</u>

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

**TSI-6 ANALYSIS OF CHANGES IN LONG-TERM DEBT (continued)
SEPTEMBER 30, 2017**

	Grand Totals
Bonds outstanding, beginning of year	\$ 133,384,971
Bonds issued during current year	25,630,000
Bonds retired during current year	<u>(18,777,378)</u>
Bonds outstanding, end of year	<u>\$ 140,237,593</u>
Interest paid during current year	<u>\$ 6,287,901</u>

Paying agent's name & address: All Bond Series
The Bank of New York
Mellon Trust Company, N.A.
Dallas, Texas

	Tax Bonds	Refunding Bonds
	<u> </u>	<u> </u>
Bond authority:		
Amount authorized	\$ 205,690,000	176,300,000
Amount issued	<u>162,035,000</u>	<u>1,465,011</u>
Remaining to be issued	<u>\$ 43,655,000</u>	<u>174,834,989</u>
Debt Service Fund cash and temporary investments balances as of September 30, 2017:		<u>\$ 14,739,705 *</u>
Average annual debt service payments (principal & interest) for remaining term of debt:		<u>\$ 7,204,633</u>

* Within this balance is \$2,225,556 set aside as debt service reserve funds for the payment of interest and principal on Waterworks & Sewer System Revenue Bonds of the District.

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

TSI-7 COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - GENERAL FUND AND DEBT SERVICE FUND FIVE YEARS ENDED SEPTEMBER 30, 2017

	AMOUNTS					PERCENTAGE OF FUND TOTAL REVENUES				
	2017	2016	2015	2014	2013	2017	2016	2015	2014	2013
GENERAL FUND										
REVENUES AND OTHER FINANCING SOURCES (USES):										
Water and sewer service	\$ 14,614,267	13,722,221	11,474,863	11,194,188	10,452,544	79.8 %	75.3	65.3	67.7	68.7
Trash and recycling service	392,024	364,560	338,652	312,234	286,178	2.1	2.0	1.9	1.9	1.9
Property taxes, including penalties and interest	3,766,673	3,231,133	2,684,398	2,506,566	2,363,624	20.6	17.8	15.4	15.2	15.6
Connection and service fees	210,801	203,408	200,148	265,795	217,338	1.2	1.1	1.1	1.6	1.4
Penalties and fines	285,485	942,062	848,458	854,918	812,683	1.6	5.1	4.8	5.2	5.3
Interest income	158,820	309,211	252,105	228,736	201,111	0.9	1.7	1.4	1.4	1.3
Permit/inspection income	428,892	490,242	487,853	549,383	547,423	2.3	2.7	2.8	3.3	3.6
Apache Shores income	1,032,201	68,212	12,882	6,929	15,784	5.6	0.4	0.1	-	0.1
Other income	334,284	337,661	159,852	148,937	134,103	1.8	1.8	0.9	0.9	0.9
Developer contributions	20,720	377,719	779,281	449,924	118,360	0.1	2.1	4.4	2.7	0.8
Proceeds from disposal of fixed assets	-	-	7,442	7,016	64,205	-	-	0.1	0.1	0.4
Transfers in (out)	(2,933,282)	(1,815,404)	324,187	-	-	(16.0)	(10.0)	1.8	-	-
TOTAL REVENUES AND OTHER FINANCING SOURCES (USES)	18,310,885	18,231,025	17,570,121	16,524,626	15,213,353	100.0	100.0	100.0	100.0	100.0
EXPENDITURES:										
Current:										
Water and wastewater	1,610,263	1,408,151	1,162,057	1,171,389	1,192,933	8.8	7.7	6.6	7.1	7.8
Trash and composting	375,898	-	-	-	-	2.1	-	-	-	-
Salary and related expenditures	4,423,427	4,106,105	3,681,756	3,515,717	3,329,247	24.2	22.5	21.0	21.3	21.9
Professional services	699,388	1,140,228	976,233	890,644	1,026,831	3.8	6.3	5.6	5.4	6.7
Material and supplies	851,657	645,310	556,260	594,191	588,260	4.7	3.6	3.2	3.6	3.9
Repairs and maintenance	2,631,418	1,461,467	1,553,918	914,302	1,372,400	14.4	8.0	8.8	5.5	9.0
Utilities	1,907,393	1,930,636	1,711,688	1,670,672	1,780,392	10.4	10.6	9.7	10.1	11.7
Insurance	278,492	-	-	-	-	1.5	-	-	-	-
Chemicals and lab tests	523,543	418,887	-	-	-	2.9	2.3	-	-	-
Other	1,249,768	1,447,090	1,614,599	1,489,783	1,196,920	6.8	7.9	9.2	9.0	7.9
Apache Shores	835,140	734,567	664,742	895,334	627,715	4.6	4.0	3.8	5.4	4.1
Capital outlay	2,136,932	1,096,492	2,018,490	3,234,907	1,775,215	11.7	6.0	11.5	19.6	11.7
TOTAL EXPENDITURES	17,523,319	14,388,933	13,939,743	14,376,939	12,889,913	95.9	78.9	79.4	87.0	84.7
EXCESS OF REVENUES AND OTHER FINANCING SOURCES (USES) OVER EXPENDITURES										
	\$ 787,566	3,842,092	3,630,378	2,147,687	2,323,440	4.1 %	21.1	20.6	13.0	15.3
DEBT SERVICE FUND										
REVENUES:										
Interest	\$ 116,889	53,950	10,716	5,607	14,277	1.4 %	0.6	0.1	0.1	0.2
Property taxes, including penalties and interest	8,238,075	9,191,998	9,451,874	8,867,085	9,151,086	95.8	96.6	97.4	97.2	97.2
Other	241,480	269,532	240,052	248,654	247,892	2.8	2.8	2.5	2.7	2.6
TOTAL REVENUES	8,596,444	9,515,480	9,702,642	9,121,346	9,413,255	100.0	100.0	100.0	100.0	100.0
EXPENDITURES:										
Interest and fiscal charges	6,855,520	4,838,083	5,329,884	6,369,112	5,959,064	79.7	50.8	54.9	69.8	63.3
Bond principal	5,657,378	6,718,843	5,969,566	6,936,743	4,786,977	65.8	70.6	61.5	76.0	50.9
Transfer to refunding escrow agent	-	-	255,000	105,000	280,000	-	-	2.6	1.2	3.0
Bond issuance costs	-	700,485	485,085	296,312	832,291	-	7.4	5.0	3.2	8.8
Tax appraisal/collection	-	91,020	92,301	78,317	79,296	-	1.0	1.0	0.9	0.8
Other	85,864	37,968	-	-	-	1.0	0.4	-	-	-
TOTAL EXPENDITURES	12,598,762	12,386,399	12,131,836	13,785,484	11,937,628	146.5	130.2	125.0	151.1	126.8
OTHER FINANCING SOURCES (USES):										
Proceeds of bond issuance/ refunding	15,092,567	18,270,425	13,280,787	6,830,000	19,380,181	175.6	192.0	136.9	74.9	205.9
Payment to refunded bond escrow agent	(13,806,503)	(20,186,167)	(13,335,260)	(7,016,628)	(18,205,318)	(160.6)	(212.1)	(137.4)	(76.9)	(193.4)
Discount on sale of bonds	(247,222)	-	-	-	-	(2.9)	-	-	-	-
Premium on sale of bonds	108,801	2,222,329	912,899	486,036	1,456,046	1.3	23.4	9.4	5.3	15.5
Transfers in (out)	(22,061)	145,401	1,803,142	4,288,777	1,623,112	(0.3)	1.5	18.6	47.0	17.2
Total other financing sources, net	1,125,582	451,988	2,661,568	4,588,185	4,254,021	13.1	4.8	27.5	50.3	45.2
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES										
	\$ (2,876,736)	(2,418,931)	232,374	(75,953)	1,729,648	(33.4) %	(25.4)	2.5	(0.8)	18.4
TOTAL ACTIVE RETAIL WATER CONNECTIONS										
	11,828	11,602	11,191	10,957	10,757					
TOTAL ACTIVE RETAIL WASTEWATER CONNECTIONS										
	7,002	6,849	6,555	6,387	6,262					

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

TSI-8 BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS SEPTEMBER 30, 2017

Complete District Mailing Address: 3812 Eck Lane, Austin, TX 78734

District Business Telephone Number: (512) 266-1111

Submission date of the most recent District Registration Form:
(TWC Sections 36.054 and 49.054): April 26, 2017

Limit on fees of office that a director may receive during a fiscal year:
(Set by Board Resolution - TWC Sections 49.060): \$7,200

Name and Address	Term of Office Elected & Expires or Date Hired	Fees 9/30/17	Expense Reimbursements 9/30/17	Title at Year End
Board Members:				
Jeffrey N. Roberts	Elected 05/16 - 05/20	\$ 4,200	-	President
Mickey S. Decker	Elected 05/14 - 05/18	4,200	-	Vice-President
Jerri Lynn Ward	Elected 05/16 - 05/20	3,750	-	Secretary
Rob Q. Carruthers	Elected 05/14 - 05/18	3,000	-	Treasurer
David L. Steed	Elected 05/14 - 05/18	3,600	-	Director

Note: No director is disqualified from serving on this board under the Texas Water Code.

Key Administrative Personnel-

Deborah S. Gernes	1996 - 2017	\$ 94,681 (Salary)	Former General Manager / Investment Officer
Jason F. Homan	2017	62,115 (Salary)	General Manager / Investment Officer

(continued)

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

**TSI-8 BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS (continued)
SEPTEMBER 30, 2017**

<u>Name and Address</u>	<u>Date Hired</u>	<u>Fees and Expense Reimbursements 9/30/17</u>	<u>Title at Year End</u>
Consultants:			
River City Engineering/ Trihydro	1983	\$ 728,205	Engineer
Travis Central Appraisal District	1982	58,391	Tax Appraiser
Lloyd Gosselink Rochelle & Townsend, P.C.	1996	101,468	General Counsel
Maxwell Locke & Ritter LLP	2017	-	Auditor
McCall Gibson Swedlund Barfoot PLLC	2012	59,400	Former Auditor
Specialized Public Finance, Inc.	2008	382,953	Financial Advisor
McCall, Parkhust & Horton	1998	265,437	Bond Counsel

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

OSI-1. PRINCIPAL TAXPAYERS SEPTEMBER 30, 2017

District-Wide Area		Tax Roll Year		
Taxpayer	Type of Property	2017	2016	2015
Madrone Acquisition LP	Real and Improved	\$100,681,600	\$ 36,604,600	\$ 31,423,790
FHF I Oaks at Lakeway LLC	Real and Improved	90,534,836	-	-
Sir Steiner Ranch Apartments LLC	Real and Improved	76,000,000	73,600,000	72,100,000
Lakeway Realty LLC	Real and Improved	62,000,000	59,563,456	-
Bell Steiner Ranch LLC	Real and Improved	56,177,278	49,001,754	23,628,083
Western Rim Investors 2013-4 LP	Real and Improved	43,500,000	20,842,413	-
Whitestone Quinlan Crossing LLC	Real and Improved	38,676,881	36,538,490	-
LMV-AL Ventures LLC	Real and Improved	21,106,760	18,817,000	16,362,795
HR Austin Group LTD	Real and Improved	19,879,878	-	-
Comanche Canyon West	Real and Improved	18,976,166	-	12,348,907
Cielo Multifamily LLC	Real and Improved	-	54,692,700	52,126,363
Stratus Lakeway Center LLC	Real and Improved	-	50,142,530	19,425,501
Lakeway Reginal Medical Center LLC	Real and Improved	-	22,296,394	73,212,456
Quinlan Crossing in Steiner Ranch LLC	Real and Improved	-	-	25,685,223
Lakeway Plaza Combined LLC	Real and Improved	-	-	10,017,633
Total		<u>\$527,533,399</u>	<u>\$ 422,099,337</u>	<u>\$336,330,751</u>

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

OSI-1. PRINCIPAL TAXPAYERS SEPTEMBER 30, 2017

Steiner Ranch Defined Area		Tax Roll Year		
Taxpayer	Type of Property	2017	2016	2015
Sir Steiner Ranch Apartments LLC	Real and Improved	\$ 76,000,000	\$ 73,600,000	\$ 72,100,000
Bell Steiner Ranch LLC	Real and Improved	56,177,278	49,001,754	23,628,083
Shops at Steiner Ranch Ltd.	Real and Improved	12,958,464	11,853,002	9,691,293
Varsity Golf Club Ltd.	Real and Improved	5,400,000	5,401,166	5,493,657
S G P Properties Ltd.	Real and Improved	4,883,348	4,732,859	3,700,832
Semiconductor Support Services Co.	Real and Improved	3,864,689	4,151,737	3,724,497
Southstar Bank S.S.B.	Real and Improved	2,542,317	-	-
Homeowner	Real and Improved	2,503,200	-	-
Homeowner	Real and Improved	2,112,017	-	-
Homeowner	Real and Improved	1,977,843	-	-
Homeowner	Real and Improved	-	2,344,279	2,189,907
Homeowner	Real and Improved	-	2,066,269	-
Homeowner	Real and Improved	-	1,995,977	-
Hightech Brokers LLC	Real and Improved	-	1,881,244	-
Board of Regents of the University	Real and Improved	-	-	2,581,996
Taylor Morrison of Texas Inc.	Real and Improved	-	-	2,467,860
SGP Ten Acres Ltd.	Real and Improved	-	-	2,190,952
Total		<u>\$ 168,419,156</u>	<u>\$ 157,028,287</u>	<u>\$ 127,769,077</u>

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

OSI-1. PRINCIPAL TAXPAYERS SEPTEMBER 30, 2017

Flintrock Estates Defined Area		Tax Roll Year		
Taxpayer	Type of Property	2017	2016	2015
Hills II of Lakeway Inc.	Real and Improved	\$ 3,614,863	\$ 3,621,662	\$ 3,775,154
Systems Holding Ltd.	Real and Improved	2,060,148	2,060,148	1,746,478
Gehan Home Ltd.	Real and Improved	1,987,006	-	-
Homeowner	Real and Improved	1,847,579	-	-
Homeowner	Real and Improved	1,463,362	-	-
Castlerock Communities LP	Real and Improved	1,459,568	-	-
Homeowner	Real and Improved	1,409,082	-	-
Ryan Revocable Trust	Real and Improved	1,374,205	1,385,771	1,397,508
Homeowner	Real and Improved	1,359,000	-	-
Ashton Austin Residential LLC	Real and Improved	1,327,750	-	-
Flintrock MV Ltd.	Real and Improved	-	3,230,850	1,657,500
Homeowner	Real and Improved	-	1,866,437	-
Prominence Homes-Vistas LLC	Real and Improved	-	1,509,296	-
Homeowner	Real and Improved	-	1,475,663	1,475,663
Homeowner	Real and Improved	-	1,393,700	1,267,000
Homeowner	Real and Improved	-	1,391,817	1,365,000
Homeowner	Real and Improved	-	1,289,970	1,283,700
Homeowner	Real and Improved	-	-	2,039,862
Homeowner	Real and Improved	-	-	1,261,855
Total		<u>\$ 17,902,563</u>	<u>\$ 19,225,314</u>	<u>\$ 17,269,720</u>

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

OSI-1. PRINCIPAL TAXPAYERS SEPTEMBER 30, 2017

Serene Hills Defined Area		Tax Roll Year		
Taxpayer	Type of Property	2017	2016	2015
Western Rim Investors 2013-4 LP	Real and Improved	\$ 43,500,000	\$ 20,842,413	\$ 2,629,793
Serene Hills Ltd.	Real and Improved	10,024,359	6,660,834	6,492,787
Sitterle Homes - Austin LLC	Real and Improved	3,221,513	2,783,775	3,684,273
HEB Grocery Company LP	Real and Improved	2,768,155	3,690,874	3,690,874
Homeowner	Real and Improved	2,652,903	-	-
Lennar Homes of Texas Land	Real and Improved	2,559,722	3,099,845	2,362,017
Ash Creek Homes Inc.	Real and Improved	2,197,554	-	-
Serene Hills Commons LP	Real and Improved	2,024,885	-	-
Homeowner	Real and Improved	1,875,000	-	-
Serene Hills Partners LP	Real and Improved	1,764,354	2,311,468	1,444,668
Homeowner	Real and Improved	-	2,398,668	882,864
Ambitola LLC	Real and Improved	-	1,920,000	1,815,903
Seven Custom Homes LLC	Real and Improved	-	1,748,000	-
Homeowner	Real and Improved	-	1,716,128	-
Bellaheim Inc.	Real and Improved	-	-	1,431,123
Homeowner	Real and Improved	-	-	861,665
Total		<u>\$ 72,588,445</u>	<u>\$ 47,172,005</u>	<u>\$ 25,295,967</u>

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

OSI-1. PRINCIPAL WATER CUSTOMERS SEPTEMBER 30, 2017

<u>Customer</u>	<u>Usage (gallons)</u>	<u>Percentage</u>
SIR Steiner Ranch Apartments LLC	32,928,340	1.33%
Lake Travis ISD	32,332,580	1.31%
CRSA-Longhorn Village	13,179,990	0.53%
Madrone Acquisition LP	12,026,100	0.49%
Lake Austin Spa and Resort **	10,207,280	0.41%
Austin Water Utility - WTP4	7,537,200	0.30%
La Hacienda	7,317,150	0.30%
Leander ISD	7,142,390	0.29%
Serene Hills HOA	6,894,400	0.28%
Lakeway Regional Medical Center	<u>6,368,700</u>	0.26%
Total	<u><u>135,934,130</u></u>	

* Calculation based on fiscal year usage of 2,474,758,700 gallons

** Out of District - River Ridge customer

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

OSI-2. ASSESSED VALUE BY CLASSIFICATION SEPTEMBER 30, 2017

District-Wide Area Type of Property	Tax Roll Year					
	2017		2016		2015	
	Amount	%	Amount	%	Amount	%
Single Family Residence	\$5,216,374,741	86.1%	\$ 4,904,444,316	88.0%	\$ 4,539,649,735	89.5%
Multifamily Residence	307,000,478	5.1%	246,167,468	4.4%	188,066,676	3.7%
Vacant Lots/Land Tracts	158,690,562	2.6%	158,015,441	2.8%	168,736,509	3.3%
Qualified Ag Land	60,023,161	1.0%	35,730,765	0.6%	32,663,746	0.6%
Improvements on Qualifed Ag Land	2,490,516	0.0%	2,230,002	0.0%	2,229,643	0.0%
Non-Qualified Land	21,310,440	0.4%	16,369,640	0.3%	19,077,401	0.4%
Commercial Real Property	721,376,068	11.9%	608,054,999	10.9%	475,837,791	9.4%
Electric Company	136,274	0.0%	130,993	0.0%	132,573	0.0%
Telephone Company	3,965,208	0.1%	4,416,302	0.1%	4,235,900	0.1%
Cable Television Company	2,407,584	0.0%	2,152,023	0.0%	2,059,644	0.0%
Commercial Personal Property	93,491,981	1.5%	90,127,813	1.6%	86,062,886	1.7%
Industrial and Manufacuring	5,665,467	0.1%	6,401,257	0.1%	4,826,716	0.1%
Tangible Other Personal Property	946,174	0.0%	871,467	0.0%	612,668	0.0%
Residential Inventory	41,575,898	0.7%	45,137,741	0.8%	45,303,336	0.9%
Special Inventory	4,657,593	0.1%	3,250,301	0.1%	1,077,378	0.0%
Total Exempt Property	318,217,258	5.3%	301,709,877	5.4%	253,065,477	5.0%
Adjustments	(902,901,968)	(14.9)%	(854,430,943)	(15.3)%	(753,642,075)	(14.9)%
Total	<u>\$6,055,427,435</u>	<u>100.0%</u>	<u>\$ 5,570,779,462</u>	<u>100.0%</u>	<u>\$ 5,069,996,004</u>	<u>100.0%</u>

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

OSI-2. ASSESSED VALUE BY CLASSIFICATION SEPTEMBER 30, 2017

Steiner Ranch Defined Area Type of Property	Tax Roll Year					
	2017		2016		2015	
	Amount	%	Amount	%	Amount	%
Single Family Residence	\$ 2,178,462,270	93.0%	2,096,470,486	93.7%	\$ 1,963,783,761	94.5%
Multifamily Residence	130,500,000	5.6%	118,430,000	5.3%	95,726,349	4.6%
Vacant Lots/Land Tracts	1,811,368	0.1%	2,377,933	0.1%	3,690,911	0.2%
Qualified Ag Land	7,606,202	0.3%	7,606,202	0.3%	7,606,202	0.4%
Improvements on Qualified Ag Land	192,338	0.0%	192,338	0.0%	192,338	0.0%
Non-Qualified Land	2,782,496	0.1%	2,782,676	0.1%	1,234,035	0.1%
Commercial Real Property	29,279,091	1.3%	25,041,177	1.1%	23,742,472	1.1%
Telephone Company	856,765	0.0%	865,153	0.0%	791,083	0.0%
Commercial Personal Property	8,099,228	0.3%	7,084,372	0.3%	8,587,034	0.4%
Industrial and Manufacturing	3,864,689	0.2%	4,151,737	0.2%	3,724,497	0.2%
Residential Inventory	-	0.0%	2,459,745	0.1%	4,875,170	0.2%
Total Exempt Property	110,216,190	4.7%	110,342,567	4.9%	110,877,324	5.3%
Adjustments	(131,361,162)	(5.6)%	(139,312,845)	(6.2)%	(145,722,463)	(7.0)%
Total	\$ 2,342,309,475	100.0%	\$ 2,238,491,541	100.0%	\$ 2,079,108,713	100.0%

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

OSI-2. ASSESSED VALUE BY CLASSIFICATION SEPTEMBER 30, 2017

Flintrock Estates Defined Area Type of Property	Tax Roll Year					
	2017		2016		2015	
	Amount	%	Amount	%	Amount	%
Single Family Residence	\$ 284,965,451	93.5%	275,096,747	92.7%	\$ 262,050,434	93.2%
Vacant Lots/Land Tracts	4,970,958	1.6%	6,485,832	2.2%	7,017,398	2.5%
Qualified Ag Land	1,462,064	0.5%	1,462,064	0.5%	1,238,454	0.4%
Non-Qualified Land	133,043	0.0%	131,986	0.0%	131,986	0.0%
Commercial Real Property	11,044,437	3.6%	10,793,339	3.6%	9,953,376	3.5%
Commercial Personal Property	1,297,273	0.4%	1,261,813	0.4%	1,282,560	0.5%
Residential Inventory	3,421,763	1.1%	4,543,690	1.5%	2,729,432	1.0%
Adjustments	(2,660,035)	(0.9)%	(2,922,959)	(1.0)%	(3,317,851)	(1.2)%
Total	<u>\$ 304,634,954</u>	<u>100.0%</u>	<u>\$ 296,852,512</u>	<u>100.0%</u>	<u>\$ 281,085,789</u>	<u>100.0%</u>

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

OSI-2. ASSESSED VALUE BY CLASSIFICATION SEPTEMBER 30, 2017

Serene Hills Defined Area Type of Property	Tax Roll Year					
	2017		2016		2015	
	Amount	%	Amount	%	Amount	%
Single Family Residence	\$ 88,563,830	58.5%	61,367,097	58.6%	\$ 34,097,320	61.0%
Multifamily Residence	43,500,000	28.7%	20,842,413	19.9%	2,629,793	4.7%
Vacant Lots/Land Tracts	5,464,434	3.6%	5,834,572	5.6%	5,278,143	9.4%
Qualified Ag Land	4,685,571	3.1%	4,656,113	4.4%	3,426,538	6.1%
Commercial Real Property	2,024,885	1.3%	-	0.0%	-	0.0%
Commercial Personal Property	129,318	0.1%	49,235	0.0%	-	0.0%
Residential Inventory	13,749,295	9.1%	17,196,585	16.4%	14,540,928	26.0%
Total Exempt Property	6,422,189	4.2%	6,350,091	6.1%	6,350,091	11.4%
Adjustments	<u>(13,172,227)</u>	<u>(8.7)%</u>	<u>(11,567,229)</u>	<u>(11.0)%</u>	<u>(10,414,220)</u>	<u>(18.6)%</u>
Total	<u>\$ 151,367,295</u>	<u>100.0%</u>	<u>\$ 104,728,877</u>	<u>100.0%</u>	<u>\$ 55,908,593</u>	<u>100.0%</u>