

**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6**

**FORT BEND COUNTY, TEXAS**

**ANNUAL FINANCIAL REPORT**

**JULY 31, 2017**

**McCALL GIBSON SWEDLUND BARFOOT PLLC**  
Certified Public Accountants



**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6**

**FORT BEND COUNTY, TEXAS**

**ANNUAL FINANCIAL REPORT**

**JULY 31, 2017**



## TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITOR’S REPORT	1-3
MANAGEMENT’S DISCUSSION AND ANALYSIS	4-8
BASIC FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS BALANCE SHEET	9-12
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION	13
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES	14-15
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES	16
NOTES TO THE FINANCIAL STATEMENTS	17-28
REQUIRED SUPPLEMENTARY INFORMATION	
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL-GENERAL FUND	30
SUPPLEMENTARY INFORMATION – REQUIRED BY THE WATER DISTRICT FINANCIAL MANAGEMENT GUIDE	
NOTES REQUIRED BY THE WATER DISTRICT FINANCIAL MANAGEMENT GUIDE (Included in the notes to the financial statements)	
SERVICES AND RATES	32-34
GENERAL FUND EXPENDITURES	35
INVESTMENTS	36
TAXES LEVIED AND RECEIVABLE	37-38
LONG-TERM DEBT SERVICE REQUIREMENTS	39-43
CHANGE IN LONG-TERM BOND DEBT	44-45
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES GENERAL FUND AND DEBT SERVICE FUND - FIVE YEARS	46-49
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS	50-51



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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Fort Bend County Levee  
Improvement District No. 6  
Fort Bend County, Texas

We have audited the accompanying financial statements of the governmental activities and each major fund of Fort Bend County Levee Improvement District No. 6 (the "District"), as of and for the year ended July 31, 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.

### **Auditor's 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 District'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.





Board of Directors  
Fort Bend County Levee  
Improvement District No. 6

## **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 July 31, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Correction of Errors**

As described in Note 13 to the financial statements, the District's government-wide financial statements as of and for the year ended July 31, 2016, have been restated to correct certain misstatements. Our opinions are not modified with respect to these matters.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund 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.



Board of Directors  
Fort Bend County Levee  
Improvement District No. 6

*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 supplementary information required by the Texas Commission on Environmental Quality as published in the *Water District Financial Management Guide* is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information 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. The supplementary information, excluding that portion marked "Unaudited" on which we express no opinion or provide any assurance, 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

McCall Gibson Swedlund Barfoot PLLC  
Certified Public Accountants  
Houston, Texas

November 27, 2017



**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JULY 31, 2017**

Management's discussion and analysis of Fort Bend County Levee Improvement District No. 6's (the "District") financial performance provides an overview of the District's financial activities for the fiscal year ended July 31, 2017. Please read it in conjunction with the District's financial statements.

**USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The basic financial statements include: (1) combined fund financial statements and government-wide financial statements and (2) notes to the financial statements. The combined fund financial statements and government-wide financial statements combine both: (1) the Statement of Net Position and Governmental Funds Balance Sheet and (2) the Statement of Activities and Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances. This report also includes required and other supplementary information in addition to the basic financial statements.

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

The District's annual report includes two financial statements combining the government-wide financial statements and the fund financial statements. The government-wide portion of these statements provides both long-term and short-term information about the District's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The first of the government-wide statements is the Statement of Net Position. This is the District-wide statement of position presenting information that includes all of the District's assets, liabilities and deferred inflows and outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District as a whole is improving or deteriorating. Evaluation of the overall health of the District would extend to other non-financial factors.

The government-wide portion of the Statement of Activities reports how the District's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid.

**FUND FINANCIAL STATEMENTS**

The combined statements also include fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District has three governmental fund types. The General Fund accounts for resources not accounted for in another fund, property tax revenues, operating costs and general expenditures. The Debt Service Fund accounts for ad valorem taxes and financial resources restricted, committed or assigned for servicing bond debt and the cost of assessing and collecting taxes. The Capital Projects Fund accounts for financial resources restricted, committed or assigned for acquisition or construction of facilities and related costs.

**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JULY 31, 2017**

**FUND FINANCIAL STATEMENTS (Continued)**

Governmental funds are reported in each of the financial statements. The focus in the fund statements provides a distinctive view of the District's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of the District and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. The adjustments columns, the Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position and the Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities explains the differences between the two presentations and assists in understanding the differences between these two perspectives.

**NOTES TO THE FINANCIAL STATEMENTS**

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements.

**OTHER INFORMATION**

In addition to the financial statements and accompanying notes, this report also presents certain required supplementary information ("RSI") and other supplementary information. A budgetary comparison schedule is included as RSI for the General Fund.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net position may serve over time as a useful indicator of the District's financial position. In the case of the District, assets exceeded liabilities by \$183,719 as of July 31, 2017. A portion of the District's net position reflects its net investment in capital assets (land and land improvements and drainage facilities less any debt used to acquire those assets that are still outstanding).

**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JULY 31, 2017**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)**

The following is a comparative analysis of government-wide changes in net position:

	<u>Summary of Changes in the Statement of Net Position</u>		
	<u>2017</u>	<u>2016 *</u>	<u>Change Positive (Negative)</u>
Current and Other Assets	\$ 1,457,818	\$ 1,188,752	\$ 269,066
Capital Assets (Net of Accumulated Depreciation)	<u>20,883,403</u>	<u>13,770,295</u>	<u>7,113,108</u>
Total Assets	<u>\$ 22,341,221</u>	<u>\$ 14,959,047</u>	<u>\$ 7,382,174</u>
Due to Landowners/Developers	\$ 11,518,054	\$ 4,071,894	(7,446,160)
Bonds Payable	10,430,000	10,655,000	225,000
Other Liabilities	<u>209,448</u>	<u>228,060</u>	<u>18,612</u>
Total Liabilities	<u>\$ 22,157,502</u>	<u>\$ 14,954,954</u>	<u>\$ (7,202,548)</u>
Net Position:			
Net Investment in Capital Assets	\$ (265,129)	\$ (614,214)	\$ 349,085
Restricted	618,808	517,739	101,069
Unrestricted	<u>(169,960)</u>	<u>100,568</u>	<u>(270,528)</u>
Total Net Position	<u>\$ 183,719</u>	<u>\$ 4,093</u>	<u>\$ 179,626</u>

The following table provides a summary of the District's operations for the years ending July 31, 2017, and July 31, 2016. The District's net position increased by \$179,626.

	<u>Summary of Changes in the Statement of Activities</u>		
	<u>2017</u>	<u>2016 *</u>	<u>Change Positive (Negative)</u>
Revenues:			
Property Taxes	\$ 1,244,750	\$ 934,711	\$ 310,039
Other Revenues	<u>11,258</u>	<u>5,689</u>	<u>5,569</u>
Total Revenues	<u>\$ 1,256,008</u>	<u>\$ 940,400</u>	<u>\$ 315,608</u>
Expenses for Services	<u>1,076,382</u>	<u>1,019,554</u>	<u>(56,828)</u>
Change in Net Position	\$ 179,626	\$ (79,154)	\$ 258,780
Net Position, Beginning of Year	<u>4,093</u>	<u>83,247</u>	<u>(79,154)</u>
Net Position, End of Year	<u>\$ 183,719</u>	<u>\$ 4,093</u>	<u>\$ 179,626</u>

\* As restated

**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JULY 31, 2017**

**FINANCIAL ANALYSIS OF THE DISTRICT'S GOVERNMENTAL FUNDS**

The District's combined fund balances as of July 31, 2017, were \$1,386,696, an increase of \$271,059 from the prior year.

The General Fund fund balance increased by \$188,881, primarily due to maintenance tax revenues exceeding operating costs.

The Debt Service Fund fund balance increased by \$87,707, primarily due to the structure of the District's outstanding debt.

The Capital Projects Fund fund balance decreased by \$5,529 due to the use of bond proceeds.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The Board of Directors annually adopts an unappropriated budget for the General Fund and amended the budget during the current fiscal year. Total revenues were \$8,506 more than budgeted revenues due to higher than anticipated property tax collections. Total expenditures were \$34,413 more than budgeted expenditures due to unbudgeted bond application report costs, which were offset by lower than anticipated repairs and maintenance costs.

**CAPITAL ASSETS**

Capital assets as of July 31, 2017, total \$20,883,403 (net of accumulated depreciation) and include land and land improvements and drainage facilities. Additional information on the District's capital assets can be found in Note 6 of this report.

<u>Capital Assets At Year-End, Net of Accumulated Depreciation</u>			
	<u>2017</u>	<u>2016</u>	<u>Change Positive (Negative)</u>
Capital Assets Not Being Depreciated:			
Land and Land Improvements	\$ 10,644,539	\$ 10,205,567	\$ 438,972
Capital Assets, Net of Accumulated Depreciation:			
Drainage System	<u>10,238,864</u>	<u>3,564,728</u>	<u>6,674,136</u>
Total Net Capital Assets	<u>\$ 20,883,403</u>	<u>\$ 13,770,295</u>	<u>\$ 7,113,108</u>



**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JULY 31, 2017**

**LONG-TERM DEBT ACTIVITY**

As of July 31, 2017, the District had total bond debt payable of \$10,430,000. The changes in the debt position of the District during the fiscal year ended July 31, 2017, are summarized as follows:

Bond Debt Payable, August 1, 2016	\$ 10,655,000
Less: Bond Principal Paid	<u>225,000</u>
Bond Debt Payable, July 31, 2017	<u>\$ 10,430,000</u>

The District's bonds do not carry an underlying rating or any insured ratings.

**CURRENTLY KNOWN FACTS, DECISIONS OR CONDITIONS**

The adopted budget for fiscal year 2018 projects an increase in General Fund fund balance of \$171,738. Compared to the fiscal year 2017 amended budget, revenues are expected to decrease by \$23,500 and expenditures are expected to increase by \$19,550.

**CONTACTING THE DISTRICT'S MANAGEMENT**

This financial report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Fort Bend County Levee Improvement District No. 6, c/o Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, TX 77027-9944.

**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6**  
**STATEMENT OF NET POSITION AND**  
**GOVERNMENTAL FUNDS BALANCE SHEET**  
**JULY 31, 2017**

	General Fund	Debt Service Fund
<b>ASSETS</b>		
Cash	\$ 517,462	\$ 522,281
Investments		250,000
Receivables:		
Property Taxes	11,561	18,024
Penalty and Interest on Delinquent Taxes		
Accrued Interest		157
Due from Other Funds	2,643	
Capital Assets (Net of Accumulated Depreciation):		
Land and Land Improvements		
Drainage System		
<b>TOTAL ASSETS</b>	<b>\$ 531,666</b>	<b>\$ 790,462</b>

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

<u>Capital Projects Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
\$ 134,244	\$ 1,173,987 250,000	\$	\$ 1,173,987 250,000
	29,585		29,585
	157	4,089	4,089
1,500	4,143	(4,143)	157
		10,644,539	10,644,539
		<u>10,238,864</u>	<u>10,238,864</u>
<u>\$ 135,744</u>	<u>\$ 1,457,872</u>	<u>\$ 20,883,349</u>	<u>\$ 22,341,221</u>

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

**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6**  
**STATEMENT OF NET POSITION AND**  
**GOVERNMENTAL FUNDS BALANCE SHEET**  
**JULY 31, 2017**

	General Fund	Debt Service Fund
<b>LIABILITIES</b>		
Accounts Payable	\$ 35,070	\$
Accrued Interest Payable		
Due to Other Funds	1,500	2,643
Due to Taxpayers		1,100
Due to Landowners/Developers		
Long Term Liabilities:		
Bonds Payable, Due Within One Year		
Bonds Payable, Due After One Year		
<b>TOTAL LIABILITIES</b>	<b>\$ 36,570</b>	<b>\$ 3,743</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Property Taxes	\$ 11,561	\$ 18,024
<b>FUND BALANCES</b>		
Restricted for:		
Authorized Construction	\$	\$
Debt Service		768,695
Unassigned	483,535	
<b>TOTAL FUND BALANCES</b>	<b>\$ 483,535</b>	<b>\$ 768,695</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 531,666</b>	<b>\$ 790,462</b>
<b>NET POSITION</b>		
Net Investment in Capital Assets		
Restricted for Debt Service		
Unrestricted		
<b>TOTAL NET POSITION</b>		

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

Capital Projects Fund	Total	Adjustments	Statement of Net Position
\$ 1,278	\$ 36,348	\$	\$ 36,348
		172,000	172,000
	4,143	(4,143)	
	1,100		1,100
		11,518,054	11,518,054
		210,000	210,000
		10,220,000	10,220,000
<u>\$ 1,278</u>	<u>\$ 41,591</u>	<u>\$ 22,115,911</u>	<u>\$ 22,157,502</u>
<u>\$ -0-</u>	<u>\$ 29,585</u>	<u>\$ (29,585)</u>	<u>\$ -0-</u>
\$ 134,466	\$ 134,466	\$ (134,466)	\$
	768,695	(768,695)	
	483,535	(483,535)	
<u>\$ 134,466</u>	<u>\$ 1,386,696</u>	<u>\$ (1,386,696)</u>	<u>\$ - 0 -</u>
<u>\$ 135,744</u>	<u>\$ 1,457,872</u>		
		\$ (265,129)	\$ (265,129)
		618,808	618,808
		(169,960)	(169,960)
		<u>\$ 183,719</u>	<u>\$ 183,719</u>

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

**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**JULY 31, 2017**

Total Fund Balances - Governmental Funds	\$ 1,386,696
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in the governmental funds.	20,883,403
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Deferred tax revenues and uncollected penalty and interest revenues on delinquent taxes for the 2016 and prior tax levies became part of recognized revenue in the governmental activities of the District.	33,674
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Certain liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. These liabilities at year end consist of:

Due to Landowners/Developers	\$ (11,518,054)	
Accrued Interest Payable	(172,000)	
Bonds Payable	<u>(10,430,000)</u>	<u>(22,120,054)</u>

Total Net Position - Governmental Activities	<u>\$ 183,719</u>
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The accompanying notes to the financial statements are an integral part of this report.

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**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6  
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS STATEMENT OF  
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JULY 31, 2017**

	<u>General Fund</u>	<u>Debt Service Fund</u>
<b>REVENUES</b>		
Property Taxes	\$ 471,828	\$ 761,258
Penalty and Interest		6,147
Investment Revenues	678	1,084
Miscellaneous Revenues		470
<b>TOTAL REVENUES</b>	<u>\$ 472,506</u>	<u>\$ 768,959</u>
<b>EXPENDITURES/EXPENSES</b>		
Service Operations:		
Professional Fees	\$ 94,863	\$ 1,487
Contracted Services	37,608	36,451
Repairs and Maintenance	75,539	
Depreciation		
Other	17,135	2,673
Debt Service:		
Bond Principal		225,000
Bond Interest		415,641
Bond Issuance Costs	58,480	
<b>TOTAL EXPENDITURES/EXPENSES</b>	<u>\$ 283,625</u>	<u>\$ 681,252</u>
<b>NET CHANGE IN FUND BALANCES</b>	\$ 188,881	\$ 87,707
<b>CHANGE IN NET POSITION</b>		
<b>FUND BALANCES/NET POSITION - AUGUST 1, 2016, AS RESTATED</b>	<u>294,654</u>	<u>680,988</u>
<b>FUND BALANCES/NET POSITION - JULY 31, 2017</b>	<u>\$ 483,535</u>	<u>\$ 768,695</u>

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



Capital Projects Fund	Total	Adjustments	Statement of Activities
\$	\$ 1,233,086	\$ 11,664	\$ 1,244,750
	6,147	2,724	8,871
155	1,917		1,917
	470		470
\$ 155	\$ 1,241,620	\$ 14,388	\$ 1,256,008
\$ 5,684	\$ 102,034	\$	\$ 102,034
	74,059		74,059
	75,539		75,539
		333,052	333,052
	19,808		19,808
	225,000	(225,000)	
	415,641	(2,231)	413,410
	58,480		58,480
\$ 5,684	\$ 970,561	\$ 105,821	\$ 1,076,382
\$ (5,529)	\$ 271,059	\$ (271,059)	\$
		179,626	179,626
139,995	1,115,637	(1,111,544)	4,093
\$ 134,466	\$ 1,386,696	\$ (1,202,977)	\$ 183,719

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

**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF**  
**REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JULY 31, 2017**

Net Change in Fund Balances - Governmental Funds	\$	271,059
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report tax revenues when collected. However, in the Statement of Activities, revenue is recorded in the accounting period for which the taxes are levied.		11,664
Governmental funds report penalty and interest revenue on property taxes when collected. However, in the Statement of Activities, revenue is recorded when penalties and interest are assessed.		2,724
Governmental funds do not account for depreciation. However, in the Statement of Net Position, capital assets are depreciated and depreciation expense is recorded in the Statement of Activities.		(333,052)
Governmental funds report bond principal payments as expenditures. However, in the Statement of Net Position, bond principal payments are reported as decreases in long-term liabilities.		225,000
Governmental funds report interest expenditures on long-term debt as expenditures in the year paid. However, in the Statement of Net Position, interest is accrued on the long-term debt through fiscal year-end.		<u>2,231</u>
Change in Net Position - Governmental Activities	\$	<u>179,626</u>

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

**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JULY 31, 2017**

**NOTE 1. CREATION OF DISTRICT**

Fort Bend County Levee Improvement District No. 6 (the “District”), located in Fort Bend County, Texas was created, effective July 2, 1984, by the Commissioners Court of Fort Bend County, Texas. The District operates pursuant to provisions of Chapters 49 and 57 of the Texas Water Code, Chapter 7808 of the Texas Special District Local Laws Code (“Chapter 7808”), and provisions of Article XVI, Section 59 of the Constitution of Texas. The District is partially located within the extraterritorial jurisdictions of the Cities of Sugar Land and Richmond. The principal functions of the District include constructing and maintaining levees and other improvements on, along and contiguous to rivers, creeks, and streams; reclaiming lands within the District from these streams; the control and distribution of the waters of rivers and streams within and adjacent to the District by straightening and otherwise improving them; the provisions of proper drainage and other improvements of the reclaimed land within the District; and developing and maintaining recreational facilities. The District is subject to continuing supervision of the Commissioners Court of Fort Bend County and the Texas Commission on Environmental Quality (the “Commission”). The Board of Directors held its first meeting on June 29, 2007, and the first bonds were issued on December 20, 2012.

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES**

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board (“GASB”). In addition, the accounting records of the District are maintained generally in accordance with the *Water District Financial Management Guide* published by the Commission.

The District is a political subdivision of the State of Texas governed by an elected board. GASB has established the criteria for determining whether or not an entity is a primary government or a component unit of a primary government. The primary criteria are that it has a separately elected governing body, it is legally separate, and it is fiscally independent of other state and local governments. Under these criteria, the District is considered a primary government and is not a component unit of any other government. Additionally, no other entities meet the criteria for inclusion in the District’s financial statement as component units.

Financial Statement Presentation

These financial statements have been prepared in accordance with GASB Codification of Governmental Accounting and Financial Reporting Standards Part II, Financial Reporting (“GASB Codification”).

**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JULY 31, 2017**

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Financial Statement Presentation (Continued)

GASB Codification sets forth standards for external financial reporting for all state and local government entities, which include a requirement for a Statement of Net Position and a Statement of Activities. It requires the classification of net position into three components: Net Investment in Capital Assets; Restricted; and Unrestricted. These classifications are defined as follows:

- Net Investment in Capital Assets – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.
- Restricted Net Position – This component of net position consists of external constraints placed on the use of assets imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulation of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- Unrestricted Net Position – This component of net position consists of assets that do not meet the definition of Restricted or Net Investment in Capital Assets.

When both restricted and unrestricted resources are available for use, generally it is the District's policy to use restricted resources first.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the District as a whole. The District's Statement of Net Position and Statement of Activities are combined with the governmental fund financial statements. The District is viewed as a special-purpose government and has the option of combining these financial statements.

The Statement of Net Position is reported by adjusting the governmental fund types to report on the full accrual basis, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. Any amounts recorded due to and due from other funds are eliminated in the Statement of Net Position.

The Statement of Activities is reported by adjusting the governmental fund types to report only items related to current year revenues and expenditures. Items such as capital outlay are allocated over their estimated useful lives as depreciation expense. Internal activities between governmental funds, if any, are eliminated by adjustment to obtain net total revenue and expense of the government-wide Statement of Activities.

**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JULY 31, 2017**

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Fund Financial Statements

As discussed above, the District's fund financial statements are combined with the government-wide statements. The fund statements include a Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances.

Governmental Funds

The District has three governmental funds and considers each to be a major fund.

General Fund - To account for resources not required to be accounted for in another fund, property tax revenues, operating costs and general expenditures.

Debt Service Fund - To account for ad valorem taxes and financial resources restricted, committed or assigned for servicing bond debt and the cost of assessing and collecting taxes.

Capital Projects Fund - To account for financial resources restricted, committed or assigned for acquisition or construction of facilities and related costs.

Basis of Accounting

The District uses the modified accrual basis of accounting for governmental fund types. The modified accrual basis of accounting recognizes revenues when both "measurable and available." Measurable means the amount can be determined. Available means collectable within the current period or soon enough thereafter to pay current liabilities. The District considers revenue reported in governmental funds to be available if they are collectable within 60 days after year end. Also, under the modified accrual basis of accounting, expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, which are recognized as expenditures when payment is due.

Property taxes considered available by the District and included in revenue include taxes collected during the year and taxes collected after year-end, which were considered available to defray the expenditures of the current year. Deferred tax revenues are those taxes which the District does not reasonably expect to be collected soon enough in the subsequent period to finance current expenditures.

Amounts transferred from one fund to another fund are reported as other financing sources or uses. Loans by one fund to another fund and amounts paid by one fund for another fund are reported as interfund receivables and payables in the Governmental Funds Balance Sheet if there is intent to repay the amount and if the debtor fund has the ability to repay the advance on a timely basis. As of July 31, 2017, the Debt Service Fund owed the General Fund \$2,643 for maintenance tax collections and the General Fund owed the Capital Projects Fund \$1,500 for debt issuance costs.

**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JULY 31, 2017**

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Capital Assets

Capital assets which include property, plant, equipment, and infrastructure assets are reported in the government-wide Statement of Net Position. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their acquisition value on the date donated. Repairs and maintenance are recorded as expenditure in the governmental fund incurred and as an expense in the government-wide Statement of Activities. Capital asset additions, improvements and preservation costs, that extend the life of an asset, are capitalized and depreciated over the estimated useful life of the asset. Interest costs, including developer interest, engineering fees and certain other costs are capitalized as part of the asset. Assets are capitalized, including infrastructure assets, if they have an original cost greater than \$5,000 and a useful life over two years. Depreciation is calculated on each class of depreciable property using the straight-line method of depreciation. Estimated useful lives are as follows:

	Years
Drainage System	45

Budgeting

In compliance with governmental accounting principles, the Board of Directors annually adopts an unappropriated budget for the General Fund. The budget was amended during the current fiscal year.

Pensions

A pension plan has not been established. The District does not have employees, except that the Internal Revenue Service has determined that directors are considered to be “employees” for federal payroll tax purposes only. Therefore, a pension plan has not been established.

Measurement Focus

Measurement focus is a term used to describe which transactions are recognized within the various financial statements. In the government-wide Statement of Net Position and Statement of Activities, the governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position, financial position, and cash flows. All assets and liabilities associated with the activities are reported. Fund equity is classified as net position.

**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JULY 31, 2017**

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Measurement Focus (Continued)

Governmental fund types are accounted for on a spending or financial flow measurement focus. Accordingly, only current assets and current liabilities are included on the Balance Sheet, and the reported fund balances provide an indication of available spendable or appropriable resources. Operating statements of governmental fund types report increases and decreases in available spendable resources. Fund balances in governmental funds use the following hierarchy:

*Nonspendable*: amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact. The District does not have any nonspendable fund balances.

*Restricted*: amounts that can be spent only for specific purposes because of constitutional provisions, or enabling legislation, or because of constraints that are imposed externally.

*Committed*: amounts that can be spent only for purposes determined by a formal action of the Board of Directors. The Board is the highest level of decision-making authority for the District. This action must be made no later than the end of the fiscal year. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board. The District does not have any committed fund balances.

*Assigned*: amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. The District has not adopted a formal policy regarding the assignment of fund balances and does not have any assigned fund balances.

*Unassigned*: all other spendable amounts in the General Fund.

When expenditures are incurred for which restricted, committed, assigned or unassigned fund balances are available, the District considers amounts to have been spent first out of restricted funds, then committed funds, then assigned funds, and finally unassigned funds.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and 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.

**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JULY 31, 2017**

**NOTE 3. LONG-TERM DEBT**

The following is a summary of transactions regarding the changes in bonds payable for the year ended July 31, 2017, as well as bonds outstanding at year end:

	August 1, 2016	Additions	Retirements	July 31, 2017
Bonds Payable	\$ 10,655,000	\$	\$ 225,000	\$ 10,430,000
		Amount Due Within One Year		\$ 210,000
		Amount Due After One Year		10,220,000
		Bonds Payable		\$ 10,430,000
		Series 2012	Series 2013	
Amount Outstanding – July 31, 2017		\$ 2,180,000	\$ 3,325,000	
Interest Rates		2.25% - 4.00%	3.00% - 5.00%	
Maturity Dates – Serially Beginning/Ending		September 1, 2017/2037	September 1, 2017/2038	
Interest Payment Dates		September 1/ March 1	September 1/ March 1	
Callable Dates		September 1, 2019*	September 1, 2019*	
		Series 2014	Series 2015	
Amount Outstanding – July 31, 2017		\$ 2,500,000	\$ 2,425,000	
Interest Rates		3.00% - 4.50%	1.50% - 4.00%	
Maturity Dates – Serially Beginning/Ending		September 1, 2018/2038	September 1, 2017/2040	
Interest Payment Dates		September 1/ March 1	September 1/ March 1	
Callable Dates		September 1, 2022*	September 1, 2022*	

\* At the option of the District, in whole or in part, on the call option date or any date thereafter, at par plus accrued interest to the date of redemption. Series 2012 term bonds maturing September 1, 2026, September 1, 2032, and September 1, 2037, are subject to mandatory redemption on September 1, 2025, September 1, 2027, and September 1, 2033, respectively. Series 2013 term bonds due September 1, 2038, are subject to mandatory redemption on September 1, 2030. Series 2014 term bonds due September 1, 2029, September 1, 2033, and September 1, 2038, are subject to mandatory redemption on September 1, 2027, September 1, 2030, and September 1, 2034, respectively. Series 2015 term bonds due September 1, 2031, September 1, 2035, September 1, 2037, and September 1, 2040, are subject to mandatory redemption on September 1, 2030, September 1, 2032, September 1, 2036, and September 1, 2038 respectively.



**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JULY 31, 2017**

**NOTE 3. LONG-TERM DEBT (Continued)**

As of July 31, 2017, the debt service requirements on the bonds outstanding were as follows:

Fiscal Year	Principal	Interest	Total
2018	\$ 210,000	\$ 410,655	\$ 620,655
2019	295,000	404,340	699,340
2020	310,000	396,295	706,295
2021	325,000	387,380	712,380
2022	340,000	377,432	717,432
2023-2027	1,935,000	1,697,844	3,632,844
2028-2032	2,430,000	1,274,061	3,704,061
2033-2037	3,030,000	689,163	3,719,163
2038-2041	1,555,000	90,238	1,645,238
	<u>\$ 10,430,000</u>	<u>\$ 5,727,408</u>	<u>\$ 16,157,408</u>

As of July 31, 2017, the District had authorized but unissued bonds in the amount of \$146,050,000 for the purpose of acquiring or constructing levee and drainage facilities and improvements, as well as available for refunding bonds.

The bonds are payable from the proceeds of an ad valorem tax levied upon all property subject to taxation within the District, without limitation as to rate or amount. During the year ended July 31, 2017, the District levied an ad valorem debt service tax rate of \$0.31 per \$100 of assessed valuation, which resulted in a tax levy of \$769,850 on the adjusted taxable valuation of \$248,338,861 for the 2016 tax year. The bond orders require the District to levy and collect an ad valorem debt service tax sufficient to pay interest and principal on bonds when due and the cost of assessing and collecting taxes. See Note 7 for the maintenance tax levy.

The District's tax calendar is as follows:

- Lien Date - January 1.
- Levy Date - October 1 or as soon thereafter as practicable.
- Due Date - Not later than January 31.
- Delinquent Date - February 1, at which time the taxpayer is liable for penalty and interest.

**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JULY 31, 2017**

**NOTE 4. SIGNIFICANT BOND ORDER AND LEGAL REQUIREMENTS**

The District is required to provide to certain information repositories continuing disclosure of annual financial information and operating data with respect to the District. The information is of the general type included in the annual audit report and must be filed within six months after the end of each fiscal year of the District.

For the bonds sold, the District has covenanted that it will take all necessary steps to comply with the requirement that rebatable arbitrage earnings on the investment of the gross proceeds of the bonds be rebated to the federal government, within the meaning of Section 148(f) of the Internal Revenue Code. The minimum requirement for determination of the rebatable amount is on the five-year anniversary of each issue.

**NOTE 5. DEPOSITS AND INVESTMENTS**

Deposits

Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District's deposit policy for custodial credit risk requires compliance with the provisions of Texas statutes. Texas statutes require that any cash balance in any fund shall, to the extent not insured by the Federal Deposit Insurance Corporation or its successor, be continuously secured by a valid pledge to the District of securities eligible under the laws of Texas to secure the funds of the District, having an aggregate market value, including accrued interest, at all times equal to the uninsured cash balance in the fund to which such securities are pledged. At fiscal year end, the carrying amount of the District's deposits was \$1,423,987 and the bank balance was \$1,427,443. Of the bank balance, \$543,933 was covered by federal depository insurance and the remaining balance was covered by collateral pledged in the name of the District and held in a third party depository.

The carrying values of the deposits are included in the Governmental Funds Balance Sheet and the Statement of Net Position at July 31, 2017, as listed below:

	<u>Cash</u>	<u>Certificates of Deposit</u>	<u>Total</u>
GENERAL FUND	\$ 517,462	\$	\$ 517,462
DEBT SERVICE FUND	522,281	250,000	772,281
CAPITAL PROJECTS FUND	<u>134,244</u>	<u></u>	<u>134,244</u>
TOTAL DEPOSITS	<u>\$ 1,173,987</u>	<u>\$ 250,000</u>	<u>\$ 1,423,987</u>

**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JULY 31, 2017**

**NOTE 5. DEPOSITS AND INVESTMENTS (Continued)**

Investments

Under Texas law, the District is required to invest its funds under written investment policies that primarily emphasize safety of principal and liquidity and that address investment diversification, yield, maturity, and the quality and capability of investment management, and all District funds must be invested in accordance with the following investment objectives: understanding the suitability of the investment to the District’s financial requirements, first; preservation and safety of principal, second; liquidity, third; marketability of the investments if the need arises to liquidate the investment before maturity, fourth; diversification of the investment portfolio, fifth; and yield, sixth. The District’s investments must be made “with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person’s own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived.” No person may invest District funds without express written authority from the Board of Directors.

Texas statutes include specifications for and limitations applicable to the District and its authority to purchase investments as defined in the Public Funds Investment Act. Authorized investments are summarized as follows: (1) obligations of the United States or its agencies and instrumentalities, (2) direct obligations of the State of Texas or its agencies and instrumentalities, (3) certain collateralized mortgage obligations, (4) other obligations, the principal of and interest on which are unconditionally guaranteed or insured by the State of Texas or the United States or its agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States, (5) certain A rated or higher obligations of states, agencies, counties, cities, and other political subdivisions of any state, (6) bonds issued, assumed or guaranteed by the State of Israel, (7) insured or collateralized certificates of deposit, (8) certain fully collateralized repurchase agreements secured by delivery, (9) certain bankers’ acceptances with limitations, (10) commercial paper rated A-1 or P-1 or higher and a maturity of 270 days or less, (11) no-load money market mutual funds and no-load mutual funds with limitations, (12) certain guaranteed investment contracts, (13) certain qualified governmental investment pools and (14) a qualified securities lending program.

As of July 31, 2017, the District had the following investments and maturities:

Fund and Investment Type	Fair Value	Maturities in Years			
		Less Than 1	1-5	6-10	More Than 10
<u>DEBT SERVICE FUND</u>					
Certificate of Deposit	\$ 250,000	\$ 250,000	\$ _____	\$ _____	\$ _____

**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JULY 31, 2017**

**NOTE 5. DEPOSITS AND INVESTMENTS (Continued)**

Investments

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. The District manages credit risk by investing in certificates of deposit with balances below FDIC coverage.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District manages interest rate risk by investing in certificates of deposit with maturities of one year or less.

Restrictions

All cash and investments of the Debt Service Fund are restricted for the payment of debt service and the cost of assessing and collecting taxes. All cash and investments of the Capital Projects Fund are restricted for the purchase of capital assets.

**NOTE 6. CAPITAL ASSETS**

Capital asset activity for the year ended July 31, 2017:

	August 1, 2016	Increases	Decreases	July 31, 2017
<b>Capital Assets Not Being Depreciated</b>				
Land and Land Improvements	\$ 10,205,567	\$ 438,972	\$ -0-	\$ 10,644,539
<b>Capital Assets Subject to Depreciation</b>				
Drainage System	\$ 3,725,779	\$ 7,007,188	\$ -0-	\$ 10,732,967
<b>Accumulated Depreciation</b>				
Drainage System	\$ 161,051	\$ 333,052	\$ -0-	\$ 494,103
<b>Total Depreciable Capital Assets, Net of Accumulated Depreciation</b>	<u>\$ 3,564,728</u>	<u>\$ 6,674,136</u>	<u>\$ -0-</u>	<u>\$ 10,238,864</u>
<b>Total Capital Assets, Net of Accumulated Depreciation</b>	<u>\$ 13,770,295</u>	<u>\$ 7,113,108</u>	<u>\$ -0-</u>	<u>\$ 20,883,403</u>

**NOTE 7. MAINTENANCE TAX**

On November 4, 2008, the voters of the District approved the levy and collection of a maintenance tax in an amount not to exceed \$1.50 per \$100 of assessed valuation of taxable property within the District. The District, Fort Bend County Municipal Utility District No. 187, Fort Bend Municipal Utility District No. 207, Fort Bend County Municipal Utility District No. 215 and Williams Ranch Municipal Utility District No. 1 (the "MUDs") entered into agreements whereby the District and the individual MUDs agreed to an initial tax rate division of the

**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JULY 31, 2017**

**NOTE 7. MAINTENANCE TAX (Continued)**

maintenance tax of \$0.50 and \$1.00 per \$100 of assessed valuation, respectively. During the year ended July 31, 2017, the District levied an ad valorem maintenance tax rate of \$0.19 per \$100 of assessed valuation, which resulted in a tax levy of \$471,844 on the adjusted taxable valuation of \$248,338,861 for the 2016 tax year. This maintenance tax is to be used by the General Fund to pay expenditures of operating the District.

**NOTE 8. RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions and natural disasters for which the District carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

**NOTE 9. COST SHARING AGREEMENTS**

The District has entered into cost-sharing agreements with Fort Bend County (the “County”) and various landowners with the District for the construction of the Project A Levee System (“Project A”). Pursuant to the agreements, the County and the landowners have advanced funds for the cost of construction of Project A. With the completion of Project A, the landowners will be reimbursed by the District from the proceeds of future bond issues or other legally available funds. Included in the total project cost of approximately \$9.3 million is \$1.4 million for the acquisition of land from one of the landowners. This amount was credited against the amount to be advanced for construction costs by the landowner. The final payment on the amounts advanced as part of this project were paid with the proceeds of the Unlimited Tax Bonds, Series 2015.

**NOTE 10. UNREIMBURSED COSTS**

The District has entered into financing agreements with various landowners within the District for the financing of the construction of levee systems and drainage facilities. Under the agreements, the landowners have advanced funds for the construction of District’s share of costs for the construction of a regional levee system. Additionally, the District has agreed to reimburse developers in the District for the construction of detention ponds and other drainage facilities in the District. The landowners and developers will be reimbursed from proceeds of future bond issues or other lawfully available funds subject to approval by the Commission. As of fiscal year-end, the District has recorded \$10,852,998 due to landowners/developers for completed facilities and an additional \$665,056 due to landowners/developers for operating advances.

**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JULY 31, 2017**

**NOTE 11. ECONOMIC DEPENDENCY**

Landowners own a substantial portion of the taxable property within the District. The landowners' willingness to make future operating advances and/or to pay taxes will directly affect the District's ability to meet its future obligations.

**NOTE 12. SUBSEQUENT BOND SALE**

On November 21, 2017, the District sold \$5,000,000 of Unlimited Tax Bonds, Series 2017, with interest rates ranging from 2.00% to 4.00%. The proceeds from the bonds will be used to: reimburse developers for certain construction and engineering costs; reimburse the developers for previously funded operating advances made to the District; provide for capitalized interest; and fund certain costs associated with the issuance of the bonds.

**NOTE 13. PRIOR PERIOD ADJUSTMENT**

In previous years, the District failed to recognize certain operating advances from landowners/developers as developer liabilities. However, operating advances are reimbursable to the landowners/developers and should be considered liabilities of the District in the Statement of Net Position. The effect of this correction is as follows:

Net Position - July 31, 2016	\$ 206,483
Effect of Adjustment	<u>(202,390)</u>
Net Position - July 31, 2016, As Restated	<u>\$ 4,093</u>

**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6**

**REQUIRED SUPPLEMENTARY INFORMATION**

**JULY 31, 2017**





**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED JULY 31, 2017**

	<u>Original Budget</u>	<u>Final Amended Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>				
Property Taxes	\$ 375,000	\$ 464,000	\$ 471,828	\$ 7,828
Investment Revenues			678	678
<b>TOTAL REVENUES</b>	<u>\$ 375,000</u>	<u>\$ 464,000</u>	<u>\$ 472,506</u>	<u>\$ 8,506</u>
<b>EXPENDITURES</b>				
Services Operations:				
Professional Fees	\$ 73,350	\$ 98,350	\$ 94,863	\$ 3,487
Contracted Services	37,400	37,400	37,608	(208)
Repairs and Maintenance	96,652	96,652	75,539	21,113
Other	16,810	16,810	17,135	(325)
Bond Issuance Costs			58,480	(58,480)
<b>TOTAL EXPENDITURES</b>	<u>\$ 224,212</u>	<u>\$ 249,212</u>	<u>\$ 283,625</u>	<u>\$ (34,413)</u>
<b>NET CHANGE IN FUND BALANCE</b>	\$ 150,788	\$ 214,788	\$ 188,881	\$ (25,907)
<b>FUND BALANCE - AUGUST 1, 2016</b>	<u>294,654</u>	<u>294,654</u>	<u>294,654</u>	<u></u>
<b>FUND BALANCE - JULY 31, 2017</b>	<u>\$ 445,442</u>	<u>\$ 509,442</u>	<u>\$ 483,535</u>	<u>\$ (25,907)</u>

See accompanying independent auditor's report.

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**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6**

**SUPPLEMENTARY INFORMATION – REQUIRED BY THE**

**WATER DISTRICT FINANCIAL MANAGEMENT GUIDE**

**JULY 31, 2017**



**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6  
SERVICES AND RATES  
FOR THE YEAR ENDED JULY 31, 2017**

**1. SERVICES PROVIDED BY THE DISTRICT DURING THE FISCAL YEAR:**

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

**2. RETAIL SERVICE PROVIDERS**

**a. RETAIL RATES FOR A 5/8" METER (OR EQUIVALENT):**

Based on the Rate Order Dated: \*

	<u>Minimum Charge</u>	<u>Minimum Usage</u>	<u>Flat Rate Y/N</u>	<u>Rate per 1,000 Gallons over Minimum Use</u>	<u>Usage Levels</u>
WATER:	N/A				
WASTEWATER:	N/A				
SURCHARGE:	N/A				

\* The District does not provide water and sewer services.

See accompanying independent auditor's report.

**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6  
SERVICES AND RATES  
FOR THE YEAR ENDED JULY 31, 2017**

**2. RETAIL SERVICE PROVIDERS (Continued)**

**b. WATER AND WASTEWATER RETAIL CONNECTIONS: (Unaudited)**

<u>Meter Size</u>	<u>Total Connections</u>	<u>Active Connections</u>	<u>ESFC Factor</u>	<u>Active ESFCs</u>
Unmetered	_____	_____	x 1.0	_____
≤ <sup>3</sup> / <sub>4</sub> "	_____	_____	x 1.0	_____
1"	_____	_____	x 2.5	_____
1½"	_____	_____	x 5.0	_____
2"	_____	_____	x 8.0	_____
3"	_____	_____	x 15.0	_____
4"	_____	_____	x 25.0	_____
6"	_____	_____	x 50.0	_____
8"	_____	_____	x 80.0	_____
10"	_____	_____	x 115.0	_____
Total Water Connections	<u>N/A</u>	<u>N/A</u>		<u>N/A</u>
Total Wastewater Connections	<u>N/A</u>	<u>N/A</u>	x 1.0	<u>N/A</u>

**3. TOTAL WATER CONSUMPTION DURING THE FISCAL YEAR ROUNDED TO THE NEAREST THOUSAND: (Unaudited)**

Gallons pumped into system:	N/A	Water Accountability Ratio: (Gallons billed/Gallons pumped)
Gallons billed to customers:	N/A	<u>N/A</u>

See accompanying independent auditor's report.

**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6**  
**SERVICES AND RATES**  
**FOR THE YEAR ENDED JULY 31, 2017**

**4. STANDBY FEES** (authorized only under TWC Section 49.231):

Does the District have Debt Service standby fees?                      Yes       No

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

**5. LOCATION OF DISTRICT:**

Is the District located entirely within one county?

Yes                       No

County in which District is located:

Fort Bend County, Texas

Is the District located within a city?

Entirely                       Partly                       Not at all

Is the District located within a city's extraterritorial jurisdiction (ETJ)?

Entirely                       Partly                       Not at all

ETJs in which District is located:

City of Sugar Land, Texas and City of Richmond, Texas.

Are Board Members appointed by an office outside the District?

Yes                       No

See accompanying independent auditor's report.

**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6**  
**GENERAL FUND EXPENDITURES**  
**FOR THE YEAR ENDED JULY 31, 2017**

PROFESSIONAL FEES:	
Auditing	\$ 8,700
Engineering	37,772
Legal	<u>48,391</u>
TOTAL PROFESSIONAL FEES	<u>\$ 94,863</u>
CONTRACTED SERVICES:	
Bookkeeping	\$ 11,513
Operations	<u>26,095</u>
TOTAL CONTRACTED SERVICES	<u>\$ 37,608</u>
REPAIRS AND MAINTENANCE	<u>\$ 75,539</u>
ADMINISTRATIVE EXPENDITURES:	
Director Fees	\$ 3,600
Insurance	7,276
Office Supplies and Postage	1,446
Payroll Taxes	69
Travel and Meetings	3,874
Other	<u>770</u>
TOTAL ADMINISTRATIVE EXPENDITURES	<u>\$ 17,035</u>
OTHER EXPENDITURES:	
Storm Water Permit	\$ 100
Bond Issuance Costs	<u>58,480</u>
TOTAL OTHER EXPENDITURES	<u>\$ 58,580</u>
TOTAL EXPENDITURES	<u>\$ 283,625</u>

See accompanying independent auditor's report.



**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6**  
**INVESTMENTS**  
**FOR THE YEAR ENDED JULY 31, 2017**

<u>Funds</u>	<u>Identification or Certificate Number</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Balance at End of Year</u>	<u>Accrued Interest Receivable at End of Year</u>
<u>DEBT SERVICE FUND</u>					
Certificate of Deposit	XXXX9711	1.27%	07/13/18	<u>\$ 250,000</u>	<u>\$ 157</u>

See accompanying independent auditor's report.

**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6**  
**TAXES LEVIED AND RECEIVABLE**  
**FOR THE YEAR ENDED JULY 31, 2017**

	Maintenance Taxes		Debt Service Taxes	
TAXES RECEIVABLE -				
AUGUST 1, 2016	\$	8,304	\$	9,617
Adjustments to Beginning				
Balance		<u>3,015</u>	\$	<u>11,319</u>
			<u>(569)</u>	\$
				9,048
Original 2016 Tax Levy	\$	469,934	\$	766,734
Adjustment to 2016 Tax Levy		<u>1,910</u>	<u>471,844</u>	<u>3,116</u>
TOTAL TO BE				<u>769,850</u>
ACCOUNTED FOR		\$	483,163	\$
				778,898
TAX COLLECTIONS:				
Prior Years	\$	8,233	\$	4,852
Current Year		<u>463,369</u>	<u>471,602</u>	<u>756,022</u>
				<u>760,874</u>
TAXES RECEIVABLE -				
JULY 31, 2017		<u>\$</u>	<u>11,561</u>	<u>\$</u>
				<u>18,024</u>
TAXES RECEIVABLE BY				
YEAR:				
2016	\$	8,475	\$	13,828
2015		1,593		2,491
2014		519		609
2013		421		605
2012		<u>553</u>		<u>491</u>
TOTAL		<u>\$</u>	<u>11,561</u>	<u>\$</u>
				<u>18,024</u>

See accompanying independent auditor's report.

**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6**  
**TAXES LEVIED AND RECEIVABLE**  
**FOR THE YEAR ENDED JULY 31, 2017**

	2016	2015	2014	2013
<b>PROPERTY VALUATIONS:</b>				
Land	\$ 71,168,420	\$ 59,062,100	\$ 48,099,220	\$ 38,393,040
Improvements	182,377,825	129,080,300	79,545,530	41,397,880
Personal Property	1,127,550	913,680	894,220	2,018,100
Exemptions	(6,334,934)	(3,588,601)	(3,497,761)	(1,872,990)
<b>TOTAL PROPERTY VALUATIONS</b>	<b>\$ 248,338,861</b>	<b>\$ 185,467,479</b>	<b>\$ 125,041,209</b>	<b>\$ 79,936,030</b>
<b>TAX RATES PER \$100 VALUATION:</b>				
Debt Service	\$ 0.310	\$ 0.305	\$ 0.270	\$ 0.295
Maintenance	0.190	0.195	0.230	0.205
<b>TOTAL TAX RATES PER \$100 VALUATION</b>	<b>\$ 0.500</b>	<b>\$ 0.500</b>	<b>\$ 0.500</b>	<b>\$ 0.500</b>
<b>ADJUSTED TAX LEVY*</b>	<b>\$ 1,241,694</b>	<b>\$ 926,754</b>	<b>\$ 625,206</b>	<b>\$ 399,680</b>
<b>PERCENTAGE OF TAXES COLLECTED TO TAXES LEVIED</b>	<b>98.20 %</b>	<b>99.56 %</b>	<b>99.82 %</b>	<b>99.74 %</b>

\* Based upon adjusted tax at time of audit for the period in which the tax was levied.

Maintenance Tax – Maximum tax rate of \$1.50 per \$100 of assessed valuation approved by voters on November 4, 2008.

See accompanying independent auditor's report.

**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**JULY 31, 2017**

S E R I E S - 2 0 1 2			
Due During Fiscal Years Ending July 31	Principal Due September 1	Interest Due September 1/ March 1	Total
2018	\$ 60,000	\$ 81,081	\$ 141,081
2019	65,000	79,594	144,594
2020	70,000	77,819	147,819
2021	70,000	75,806	145,806
2022	75,000	73,556	148,556
2023	80,000	70,996	150,996
2024	80,000	68,196	148,196
2025	85,000	65,163	150,163
2026	90,000	61,825	151,825
2027	95,000	58,241	153,241
2028	100,000	54,400	154,400
2029	105,000	50,300	155,300
2030	110,000	46,000	156,000
2031	115,000	41,500	156,500
2032	120,000	36,800	156,800
2033	125,000	31,900	156,900
2034	135,000	26,700	161,700
2035	140,000	21,200	161,200
2036	145,000	15,500	160,500
2037	155,000	9,500	164,500
2038	160,000	3,200	163,200
2039			
2040			
2041			
	\$ 2,180,000	\$ 1,049,277	\$ 3,229,277

See accompanying independent auditor's report.

**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**JULY 31, 2017**

S E R I E S - 2 0 1 3

Due During Fiscal Years Ending July 31	Principal Due September 1	Interest Due September 1/ March 1	Total
2018	\$ 90,000	\$ 148,188	\$ 238,188
2019	95,000	145,413	240,413
2020	100,000	142,488	242,488
2021	105,000	139,281	244,281
2022	110,000	135,650	245,650
2023	115,000	131,569	246,569
2024	120,000	127,013	247,013
2025	125,000	122,113	247,113
2026	130,000	116,850	246,850
2027	135,000	111,219	246,219
2028	140,000	105,200	245,200
2029	150,000	98,581	248,581
2030	155,000	91,431	246,431
2031	165,000	83,625	248,625
2032	170,000	75,250	245,250
2033	180,000	66,500	246,500
2034	185,000	57,375	242,375
2035	195,000	47,875	242,875
2036	200,000	38,000	238,000
2037	210,000	27,750	237,750
2038	220,000	17,000	237,000
2039	230,000	5,750	235,750
2040			
2041			
	<u>\$ 3,325,000</u>	<u>\$ 2,034,121</u>	<u>\$ 5,359,121</u>

See accompanying independent auditor's report.

**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**JULY 31, 2017**

S E R I E S - 2 0 1 4			
Due During Fiscal Years Ending July 31	Principal Due September 1	Interest Due September 1/ March 1	Total
2018		\$ 97,388	\$ 97,388
2019	70,000	96,338	166,338
2020	75,000	94,163	169,163
2021	80,000	91,838	171,838
2022	85,000	89,363	174,363
2023	85,000	86,813	171,813
2024	90,000	83,963	173,963
2025	95,000	80,725	175,725
2026	100,000	77,313	177,313
2027	105,000	73,725	178,725
2028	110,000	69,825	179,825
2029	115,000	65,606	180,606
2030	120,000	61,200	181,200
2031	125,000	56,450	181,450
2032	130,000	51,350	181,350
2033	140,000	45,950	185,950
2034	145,000	40,250	185,250
2035	150,000	33,975	183,975
2036	160,000	27,000	187,000
2037	165,000	19,688	184,688
2038	175,000	12,038	187,038
2039	180,000	4,050	184,050
2040			
2041			
	\$ 2,500,000	\$ 1,359,011	\$ 3,859,011

See accompanying independent auditor's report.

**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**JULY 31, 2017**

S E R I E S - 2 0 1 5

Due During Fiscal Years Ending July 31	Principal Due September 1	Interest Due September 1/ March 1	Total
2018	\$ 60,000	\$ 83,998	\$ 143,998
2019	65,000	82,995	147,995
2020	65,000	81,825	146,825
2021	70,000	80,455	150,455
2022	70,000	78,863	148,863
2023	75,000	77,029	152,029
2024	75,000	74,948	149,948
2025	80,000	72,660	152,660
2026	85,000	70,143	155,143
2027	90,000	67,340	157,340
2028	90,000	64,325	154,325
2029	95,000	61,133	156,133
2030	100,000	57,620	157,620
2031	105,000	53,775	158,775
2032	110,000	49,690	159,690
2033	110,000	45,400	155,400
2034	115,000	40,900	155,900
2035	120,000	36,200	156,200
2036	125,000	31,300	156,300
2037	130,000	26,200	156,200
2038	140,000	20,800	160,800
2039	145,000	15,100	160,100
2040	150,000	9,200	159,200
2041	155,000	3,100	158,100
	<u>\$ 2,425,000</u>	<u>\$ 1,284,999</u>	<u>\$ 3,709,999</u>

See accompanying independent auditor's report.

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**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**JULY 31, 2017**

ANNUAL REQUIREMENTS  
FOR ALL SERIES

Due During Fiscal Years Ending July 31	Total Principal Due	Total Interest Due	Total Principal and Interest Due
2018	\$ 210,000	\$ 410,655	\$ 620,655
2019	295,000	404,340	699,340
2020	310,000	396,295	706,295
2021	325,000	387,380	712,380
2022	340,000	377,432	717,432
2023	355,000	366,407	721,407
2024	365,000	354,120	719,120
2025	385,000	340,661	725,661
2026	405,000	326,131	731,131
2027	425,000	310,525	735,525
2028	440,000	293,750	733,750
2029	465,000	275,620	740,620
2030	485,000	256,251	741,251
2031	510,000	235,350	745,350
2032	530,000	213,090	743,090
2033	555,000	189,750	744,750
2034	580,000	165,225	745,225
2035	605,000	139,250	744,250
2036	630,000	111,800	741,800
2037	660,000	83,138	743,138
2038	695,000	53,038	748,038
2039	555,000	24,900	579,900
2040	150,000	9,200	159,200
2041	155,000	3,100	158,100
	<u>\$ 10,430,000</u>	<u>\$ 5,727,408</u>	<u>\$ 16,157,408</u>

See accompanying independent auditor's report.

**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6**  
**CHANGE IN LONG-TERM BOND DEBT**  
**FOR THE YEAR ENDED JULY 31, 2017**

Description	Original Bonds Issued	Bonds Outstanding August 1, 2016
Fort Bend County Levee Improvement District No. 6 Unlimited Tax Bonds - Series 2012	\$ 2,350,000	\$ 2,240,000
Fort Bend County Levee Improvement District No. 6 Unlimited Tax Bonds - Series 2013	3,500,000	3,415,000
Fort Bend County Levee Improvement District No. 6 Unlimited Tax Bonds - Series 2014	2,500,000	2,500,000
Fort Bend County Levee Improvement District No. 6 Unlimited Tax Bonds - Series 2015	<u>2,500,000</u>	<u>2,500,000</u>
<b>TOTAL</b>	<b><u>\$ 10,850,000</u></b>	<b><u>\$ 10,655,000</u></b>

Bond Authority:	<u>Unlimited Tax and Refunding Bonds*</u>
Amount Authorized by Voters	\$ 156,900,000
Amount Issued	<u>10,850,000</u>
Remaining to be Issued	<u>\$ 146,050,000</u>

Debt Service Fund cash, investments and cash with paying agent balances as of  
July 31, 2017: \$ 772,281

Average annual debt service payment (principal and interest) for remaining term  
of all debt: \$ 673,225

See Note 3 for interest rate, interest payment dates and maturity dates.

\* Includes all bonds secured with tax revenues. Bonds in this category may also be secured with other revenues in combination with taxes.

See accompanying independent auditor's report.

<u>Current Year Transactions</u>				
<u>Bonds Sold</u>	<u>Retirements</u>		<u>Bonds Outstanding July 31, 2017</u>	<u>Paying Agent</u>
	<u>Principal</u>	<u>Interest</u>		
\$	\$ 60,000	\$ 82,356	\$ 2,180,000	The Bank of New York Mellon Trust Company, N.A. Dallas, TX
	90,000	150,887	3,325,000	The Bank of New York Mellon Trust Company, N.A. Dallas, TX
		97,388	2,500,000	The Bank of New York Mellon Trust Company, N.A. Dallas, TX
	<u>75,000</u>	<u>85,010</u>	<u>2,425,000</u>	The Bank of New York Mellon Trust Company, N.A. Dallas, TX
<u>\$ - 0 -</u>	<u>\$ 225,000</u>	<u>\$ 415,641</u>	<u>\$ 10,430,000</u>	

See accompanying independent auditor's report.

**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6**  
**COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES**  
**GENERAL FUND – FIVE YEARS**

	Amounts		
	2017	2016	2015
<b>REVENUES</b>			
Property Taxes	\$ 471,828	\$ 361,955	\$ 320,847
Investment Revenues	678	282	137
<b>TOTAL REVENUES</b>	<b>\$ 472,506</b>	<b>\$ 362,237</b>	<b>\$ 320,984</b>
<b>EXPENDITURES</b>			
Professional Fees	\$ 94,863	\$ 116,809	\$ 55,803
Contracted Services	37,608	33,889	31,890
Repairs and Maintenance	75,539	66,511	56,102
Other	17,135	13,413	22,036
Capital Outlay			
Bond Issuance Costs	58,480		
<b>TOTAL EXPENDITURES</b>	<b>\$ 283,625</b>	<b>\$ 230,622</b>	<b>\$ 165,831</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 188,881</b>	<b>\$ 131,615</b>	<b>\$ 155,153</b>
<b>BEGINNING FUND BALANCE</b>	<b>294,654</b>	<b>163,039</b>	<b>7,886</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 483,535</b>	<b>\$ 294,654</b>	<b>\$ 163,039</b>

See accompanying independent auditor's report.

		Percentage of Total Revenue				
2014	2013	2017	2016	2015	2014	2013
\$ 166,377	\$ 153,140	99.9 %	99.9 %	100.0 %	100.0 %	100.0 %
42	51	0.1	0.1			
<u>\$ 166,419</u>	<u>\$ 153,191</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>
\$ 66,358	\$ 118,900	20.0 %	32.2 %	17.4 %	39.9 %	77.6 %
30,100	41,164	8.0	9.4	9.9	18.1	26.9
75,786	35,326	16.0	18.4	17.5	45.5	23.1
18,906	16,478	3.6	3.7	6.9	11.4	10.8
	115,410					75.3
		12.4				
<u>\$ 191,150</u>	<u>\$ 327,278</u>	<u>60.0 %</u>	<u>63.7 %</u>	<u>51.7 %</u>	<u>114.9 %</u>	<u>213.7 %</u>
\$ (24,731)	\$ (174,087)	40.0 %	36.3 %	48.3 %	(14.9) %	(113.7) %
32,617	206,704					
<u>\$ 7,886</u>	<u>\$ 32,617</u>					

See accompanying independent auditor's report.

**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6**  
**COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES**  
**DEBT SERVICE FUND - FIVE YEARS**

	Amounts		
	2017	2016	2015
<b>REVENUES</b>			
Property Taxes	\$ 761,258	\$ 558,850	\$ 335,549
Penalty and Interest	6,147	2,306	
Investment Revenues	1,084	810	666
Miscellaneous Revenues	470	652	
<b>TOTAL REVENUES</b>	\$ 768,959	\$ 562,618	\$ 336,215
<b>EXPENDITURES</b>			
Tax Collection Expenditures	\$ 38,111	\$ 21,731	\$ 16,762
Debt Service Principal	225,000	140,000	55,000
Debt Service Interest and Fees	418,141	359,049	305,819
<b>TOTAL EXPENDITURES</b>	\$ 681,252	\$ 520,780	\$ 377,581
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	\$ 87,707	\$ 41,838	\$ (41,366)
<b>OTHER FINANCING SOURCES (USES)</b>			
Long-Term Debt Issued	\$ -0-	\$ 85,572	\$ -0-
<b>NET CHANGE IN FUND BALANCE</b>	\$ 87,707	\$ 127,410	\$ (41,366)
<b>BEGINNING FUND BALANCE</b>	680,988	553,578	594,944
<b>ENDING FUND BALANCE</b>	\$ 768,695	\$ 680,988	\$ 553,578
<b>TOTAL ACTIVE RETAIL WATER CONNECTIONS</b>	N/A	N/A	N/A
<b>TOTAL ACTIVE RETAIL WASTEWATER CONNECTIONS</b>	N/A	N/A	N/A

See accompanying independent auditor's report.

		Percentage of Total Revenue				
<u>2014</u>	<u>2013</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 233,983	\$ 137,481	99.0 %	99.4 %	99.8 %	99.6 %	99.8 %
		0.8	0.4			
874	317	0.1	0.1	0.2	0.4	0.2
		0.1	0.1			
<u>\$ 234,857</u>	<u>\$ 137,798</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>
\$ 10,103	\$ 11,242	4.9 %	3.9 %	5.0 %	4.3 %	8.2 %
		29.3	24.9	16.4		
162,058	16,796	54.4	63.8	91.0	69.0	12.2
<u>\$ 172,161</u>	<u>\$ 28,038</u>	<u>88.6 %</u>	<u>92.6 %</u>	<u>112.4 %</u>	<u>73.3 %</u>	<u>20.4 %</u>
\$ 62,696	\$ 109,760	11.4 %	7.4 %	(12.4) %	26.7 %	79.6 %
<u>\$ 252,176</u>	<u>\$ 170,313</u>					
\$ 314,872	\$ 280,073					
280,072	(1)					
<u>\$ 594,944</u>	<u>\$ 280,072</u>					
<u>N/A</u>	<u>N/A</u>					
<u>N/A</u>	<u>N/A</u>					

See accompanying independent auditor's report.

**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6**  
**BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS**  
**JULY 31, 2017**

District Mailing Address - Fort Bend County Levee Improvement District No. 6  
c/o Allen Boone Humphries Robinson LLP  
3200 Southwest Freeway, Suite 2600  
Houston, TX 77027

District Telephone Number - (713) 860-6400

<b>Board Members</b>	Term of Office (Elected or Appointed)	Fees of Office for the year ended <u>July 31, 2017</u>	Expense Reimbursements for the year ended <u>July 31, 2017</u>	<u>Title</u>
Gary Pochyla	06/15 06/19 (Appointed)	\$ 900	\$ -0-	President
Kent P. Savage	06/15 06/19 (Appointed)	\$ 1,800	\$ 3,786	Vice President
Linda Jacks	06/15 06/19 (Appointed)	\$ 900	\$ 89	Secretary

Note: No Director has any business or family relationships (as defined by the Texas Water Code) with major landowners in the District, with the District's developer or with any of the District's consultants

Submission date of most recent District Registration Form (TWC Sections 36.054 and 49.054): August 24, 2015.

The limit on Fees of Office that a Director may receive during a fiscal year is \$7,200 as set by Board Resolution (TWC Section 49.060). Fees of Office are the amounts actually paid to a Director during the District's current fiscal year.

See accompanying independent auditor's report.



**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 6**  
**BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS**  
**JULY 31, 2017**

<b>Consultants:</b>	<u>Date Hired</u>	<u>Fees for the year ended July 31, 2017</u>	<u>Title</u>
Allen Boone Humphries Robinson LLP	06/28/07	\$ 53,995	General Counsel
McCall Gibson Swedlund Barfoot PLLC	03/28/16	\$ 8,700	Auditor
Myrtle Cruz, Inc.	02/25/13	\$ 12,549	Bookkeeper
Perdue, Brandon, Fielder, Collins & Mott, L.L.P.	05/01/12	\$ 1,487	Delinquent Tax Attorney
Costello, Inc.	07/10/07	\$ 37,772 \$ 58,480	Engineer Bond Related
Mary Jarmon	02/25/13	\$ -0-	Investment Officer
FirstSouthwest, a Division of Hilltop Securities Inc.	10/01/07	\$ -0-	Financial Advisor
Levee Management Services, LLC	02/25/13	\$ 42,548	Operator
Thomas Lee, RTA	08/01/07	\$ 24,890	Tax Assessor/ Collector

See accompanying independent auditor's report.

