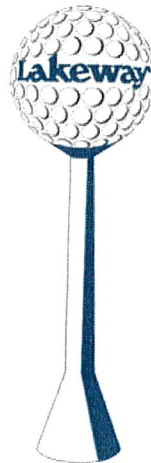


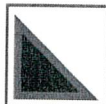
# Outstanding Debt

*FY 2019*



## Lakeway Municipal Utility District

Specialized Public Finance Inc.  
248 Addie Roy Road,  
Suite B103  
Austin, Texas 78746  
512.275.7300  
512.275.7305 Fax  
[www.spubfin.com](http://www.spubfin.com)



**SPECIALIZED PUBLIC FINANCE INC.**  
FINANCIAL ADVISORY SERVICES



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## Table of Contents

Section	Tab
Summary of Debt.....	A
Debt Service Requirements .....	B
Aggregate Debt Service Schedule	
Graph of Aggregate Debt Service Schedule	
Unlimited Tax Refunding Bonds, Series 2005	
Unlimited Tax Bonds, Series 2013	
Unlimited Tax Refunding Bonds, Series 2018	
Texas Municipal Report .....	C
Rating Report .....	D





**TAB A**

**SUMMARY OF DEBT**



**Lakeway MUD**  
**Outstanding Unlimited Tax Debt as of FY 2019**

	\$7,304,990 U/L Tax Ref Bds Series 2005		\$7,430,000 U/L Tax Bds Series 2013		\$3,400,000 U/L Tax Ref Bds Series 2018	
FYE 9/30	Principal (000s)	Coupon	Principal (000s)	Coupon	Principal (000s)	Coupon
2019	885	3.57%	315	2.000%	250	4.000%
2020	795	3.57%	330	2.000%	260	4.000%
2021	660	3.57%	345	2.200%	270	2.000%
2022	470	3.57%	360	2.400%	280	2.000%
2023			375	2.600%	295	2.000%
2024			395	2.800%	305	3.000%
2025			410	3.000%	315	2.250%
2026			430	3.500%	330	3.000%
2027			450	3.625%	345	3.000%
2028			470	4.000%	365	3.000%
2029			490	4.000%	385	3.000%
2030			515	4.000%		
2031			535	4.000%		
2032			560	4.125%		
2033			585	4.125%		
Total	\$2,810		\$6,565		\$3,400	

Issue Details			
Next Call	CIB: September 1, 2014 @ par plus Prepay; CABs: Non Callable	September 1, 2022 @ par	September 1, 2023 @ par
Delivery Date	May 24, 2005	December 10, 2013	September 6, 2018
Interest Due	March 1	March 1	March 1
Principal Due	September 1	September 1	September 1
Insurance	none	none	none
Paying Agent	CIB: Bank of America; CAB: Southside Bank	The Bank of New York	The Bank of New York
Use of Funds	Ref of Ser 99, 00, 00A	New Money	Ref of Ser 09

Noncallable  
Callable



**TAB B**

**DEBT SERVICE REQUIREMENTS**





## Lakeway Municipal Utility District

### Aggregate Debt Service

## Aggregate Debt Service

Part 1 of 2

Date	Principal	Interest	Total P+I	Fiscal Total
09/30/2018	-	-	-	-
03/01/2019	-	207,581.80	207,581.80	-
09/01/2019	1,450,000.00	208,919.13	1,658,919.13	-
09/30/2019	-	-	-	1,866,500.93
03/01/2020	-	184,971.88	184,971.88	-
09/01/2020	1,385,000.00	184,971.88	1,569,971.88	-
09/30/2020	-	-	-	1,754,943.76
03/01/2021	-	162,281.13	162,281.13	-
09/01/2021	1,275,000.00	162,281.13	1,437,281.13	-
09/30/2021	-	-	-	1,599,562.26
03/01/2022	-	144,005.13	144,005.13	-
09/01/2022	1,110,000.00	144,005.13	1,254,005.13	-
09/30/2022	-	-	-	1,398,010.26
03/01/2023	-	128,495.63	128,495.63	-
09/01/2023	670,000.00	128,495.63	798,495.63	-
09/30/2023	-	-	-	926,991.26
03/01/2024	-	120,670.63	120,670.63	-
09/01/2024	700,000.00	120,670.63	820,670.63	-
09/30/2024	-	-	-	941,341.26
03/01/2025	-	110,565.63	110,565.63	-
09/01/2025	725,000.00	110,565.63	835,565.63	-
09/30/2025	-	-	-	946,131.26
03/01/2026	-	100,871.88	100,871.88	-
09/01/2026	760,000.00	100,871.88	860,871.88	-
09/30/2026	-	-	-	961,743.76
03/01/2027	-	88,396.88	88,396.88	-
09/01/2027	795,000.00	88,396.88	883,396.88	-
09/30/2027	-	-	-	971,793.76
03/01/2028	-	75,065.63	75,065.63	-
09/01/2028	835,000.00	75,065.63	910,065.63	-
09/30/2028	-	-	-	985,131.26
03/01/2029	-	60,190.63	60,190.63	-
09/01/2029	875,000.00	60,190.63	935,190.63	-
09/30/2029	-	-	-	995,381.26
03/01/2030	-	44,615.63	44,615.63	-
09/01/2030	515,000.00	44,615.63	559,615.63	-
09/30/2030	-	-	-	604,231.26
03/01/2031	-	34,315.63	34,315.63	-
09/01/2031	535,000.00	34,315.63	569,315.63	-
09/30/2031	-	-	-	603,631.26
03/01/2032	-	23,615.63	23,615.63	-

Aggregate | 11/14/2018 | 10:57 AM

Specialized Public Finance Inc.  
Austin, Texas

## Lakeway Municipal Utility District

### Aggregate Debt Service

## Aggregate Debt Service

Part 2 of 2

Date	Principal	Interest	Total P+I	Fiscal Total
09/01/2032	560,000.00	23,615.63	583,615.63	-
09/30/2032	-	-	-	607,231.26
03/01/2033	-	12,065.63	12,065.63	-
09/01/2033	585,000.00	12,065.63	597,065.63	-
09/30/2033	-	-	-	609,131.26
<b>Total</b>	<b>\$12,775,000.00</b>	<b>\$2,996,756.07</b>	<b>\$15,771,756.07</b>	<b>-</b>

### Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculations	2/15/2016
Average Life	7.751 Years
Average Coupon	3.4138453%

### Par Amounts Of Selected Issues

05 go ref-14.47% water -water	406,607.00
05 go ref-14.47% water -tax	2,403,393.00
13 \$7.43 w/t bds (11/13) FINAL	6,565,000.00
2018 w/t ref (8/13) FINAL	3,400,000.00
<b>TOTAL</b>	<b>12,775,000.00</b>

Before Refunding

17,513,130.96

Difference

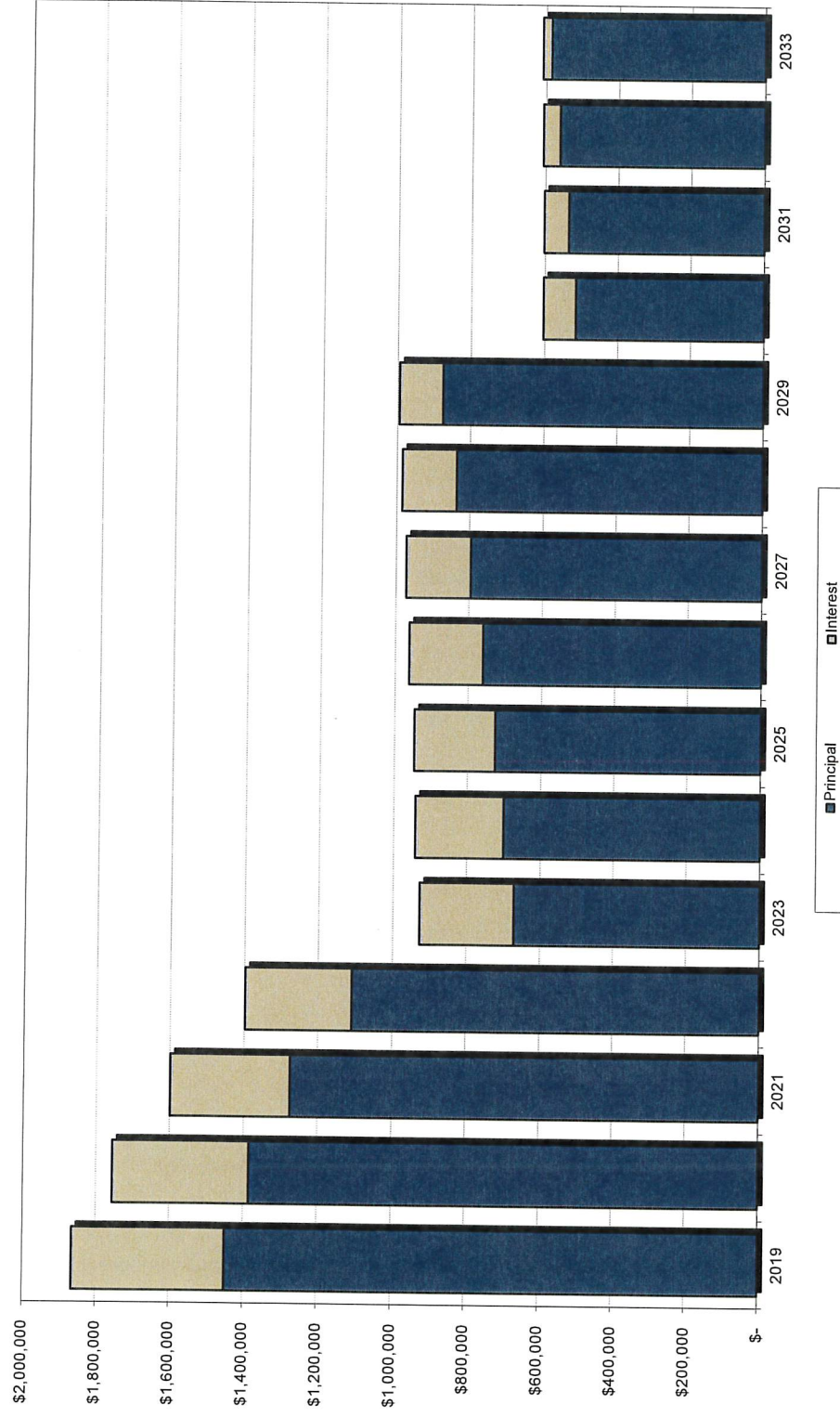
1,741,374.89

Payed

1,200,000.00

541,374.89

**Lakeway MUD**  
**Aggregate Unlimited Tax Debt**  
*As of Fiscal Year 2019*





## Lakeway Municipal Utility District

\$7,304,990 Unlimited Tax Refunding Bonds, Series 2005

Total

### Debt Service Schedule

Date	Principal	Interest	Total P+I	Fiscal Total
09/30/2018	-	-	-	-
03/01/2019	-	50,158.50	50,158.50	-
09/01/2019	885,000.00	50,158.50	935,158.50	-
09/30/2019	-	-	-	985,317.00
03/01/2020	-	34,361.25	34,361.25	-
09/01/2020	795,000.00	34,361.25	829,361.25	-
09/30/2020	-	-	-	863,722.50
03/01/2021	-	20,170.50	20,170.50	-
09/01/2021	660,000.00	20,170.50	680,170.50	-
09/30/2021	-	-	-	700,341.00
03/01/2022	-	8,389.50	8,389.50	-
09/01/2022	470,000.00	8,389.50	478,389.50	-
09/30/2022	-	-	-	486,779.00
<b>Total</b>	<b>\$2,810,000.00</b>	<b>\$226,159.50</b>	<b>\$3,036,159.50</b>	<b>-</b>

#### Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculations	2/15/2016
Average Life	3.369 Years
Average Coupon	3.5700000%

#### Par Amounts Of Selected Issues

05 go ref-14.47% water -water	406,607.00
05 go ref-14.47% water -tax	2,403,393.00
<b>TOTAL</b>	<b>2,810,000.00</b>

**Lakeway Municipal Utility District**

\$7,430,000 Unlimited Tax Bonds, Series 2013

**Debt Service Schedule**

Part 1 of 2

Date	Principal	Interest	Total P+I	Fiscal Total
09/30/2018	-	-	-	-
03/01/2019	-	110,616.88	110,616.88	-
09/01/2019	315,000.00	110,616.88	425,616.88	-
09/30/2019	-	-	-	536,233.76
03/01/2020	-	107,466.88	107,466.88	-
09/01/2020	330,000.00	107,466.88	437,466.88	-
09/30/2020	-	-	-	544,933.76
03/01/2021	-	104,166.88	104,166.88	-
09/01/2021	345,000.00	104,166.88	449,166.88	-
09/30/2021	-	-	-	553,333.76
03/01/2022	-	100,371.88	100,371.88	-
09/01/2022	360,000.00	100,371.88	460,371.88	-
09/30/2022	-	-	-	560,743.76
03/01/2023	-	96,051.88	96,051.88	-
09/01/2023	375,000.00	96,051.88	471,051.88	-
09/30/2023	-	-	-	567,103.76
03/01/2024	-	91,176.88	91,176.88	-
09/01/2024	395,000.00	91,176.88	486,176.88	-
09/30/2024	-	-	-	577,353.76
03/01/2025	-	85,646.88	85,646.88	-
09/01/2025	410,000.00	85,646.88	495,646.88	-
09/30/2025	-	-	-	581,293.76
03/01/2026	-	79,496.88	79,496.88	-
09/01/2026	430,000.00	79,496.88	509,496.88	-
09/30/2026	-	-	-	588,993.76
03/01/2027	-	71,971.88	71,971.88	-
09/01/2027	450,000.00	71,971.88	521,971.88	-
09/30/2027	-	-	-	593,943.76
03/01/2028	-	63,815.63	63,815.63	-
09/01/2028	470,000.00	63,815.63	533,815.63	-
09/30/2028	-	-	-	597,631.26
03/01/2029	-	54,415.63	54,415.63	-
09/01/2029	490,000.00	54,415.63	544,415.63	-
09/30/2029	-	-	-	598,831.26
03/01/2030	-	44,615.63	44,615.63	-
09/01/2030	515,000.00	44,615.63	559,615.63	-
09/30/2030	-	-	-	604,231.26
03/01/2031	-	34,315.63	34,315.63	-
09/01/2031	535,000.00	34,315.63	569,315.63	-
09/30/2031	-	-	-	603,631.26

Aggregate | 11/14/2018 | 11:04 AM

**Specialized Public Finance Inc.**  
Austin, Texas

## Lakeway Municipal Utility District

\$7,430,000 Unlimited Tax Bonds, Series 2013

### Debt Service Schedule

Part 2 of 2

Date	Principal	Interest	Total P+I	Fiscal Total
03/01/2032	-	23,615.63	23,615.63	-
09/01/2032	560,000.00	23,615.63	583,615.63	-
09/30/2032	-	-	-	607,231.26
03/01/2033	-	12,065.63	12,065.63	-
09/01/2033	585,000.00	12,065.63	597,065.63	-
09/30/2033	-	-	-	609,131.26
<b>Total</b>	<b>\$6,565,000.00</b>	<b>\$2,159,621.40</b>	<b>\$8,724,621.40</b>	<b>-</b>

#### Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculations	2/15/2016
Average Life	10.223 Years
Average Coupon	3.6199964%

#### Par Amounts Of Selected Issues

13 \$7.43 u/t bds (11/13) FINAL	6,565,000.00
<b>TOTAL</b>	<b>6,565,000.00</b>



**Lakeway Municipal Utility District****\$3,400,000 Unlimited Tax Refunding Bonds, Series 2018****Debt Service Schedule**

Date	Principal	Interest	Total P+I	Fiscal Total
09/30/2018	-	-	-	-
03/01/2019	-	46,806.42	46,806.42	-
09/01/2019	250,000.00	48,143.75	298,143.75	-
09/30/2019	-	-	-	344,950.17
03/01/2020	-	43,143.75	43,143.75	-
09/01/2020	260,000.00	43,143.75	303,143.75	-
09/30/2020	-	-	-	346,287.50
03/01/2021	-	37,943.75	37,943.75	-
09/01/2021	270,000.00	37,943.75	307,943.75	-
09/30/2021	-	-	-	345,887.50
03/01/2022	-	35,243.75	35,243.75	-
09/01/2022	280,000.00	35,243.75	315,243.75	-
09/30/2022	-	-	-	350,487.50
03/01/2023	-	32,443.75	32,443.75	-
09/01/2023	295,000.00	32,443.75	327,443.75	-
09/30/2023	-	-	-	359,887.50
03/01/2024	-	29,493.75	29,493.75	-
09/01/2024	305,000.00	29,493.75	334,493.75	-
09/30/2024	-	-	-	363,987.50
03/01/2025	-	24,918.75	24,918.75	-
09/01/2025	315,000.00	24,918.75	339,918.75	-
09/30/2025	-	-	-	364,837.50
03/01/2026	-	21,375.00	21,375.00	-
09/01/2026	330,000.00	21,375.00	351,375.00	-
09/30/2026	-	-	-	372,750.00
03/01/2027	-	16,425.00	16,425.00	-
09/01/2027	345,000.00	16,425.00	361,425.00	-
09/30/2027	-	-	-	377,850.00
03/01/2028	-	11,250.00	11,250.00	-
09/01/2028	365,000.00	11,250.00	376,250.00	-
09/30/2028	-	-	-	387,500.00
03/01/2029	-	5,775.00	5,775.00	-
09/01/2029	385,000.00	5,775.00	390,775.00	-
09/30/2029	-	-	-	396,550.00
<b>Total</b>	<b>\$3,400,000.00</b>	<b>\$610,975.17</b>	<b>\$4,010,975.17</b>	<b>-</b>

**Yield Statistics**

Base date for Avg. Life & Avg. Coupon Calculations	2/15/2016
Average Life	8.968 Years
Average Coupon	2.8116742%

**Par Amounts Of Selected Issues**

2018 u/t ref (8/13) FINAL	3,400,000.00
<b>TOTAL</b>	<b>3,400,000.00</b>

Aggregate | 11/14/2018 | 11:05 AM

**Specialized Public Finance Inc.**  
Austin, Texas





**TAB C**

**TEXAS MUNICIPAL REPORT**





# Lakeway MUD

(General Obligation Debt)

Travis County

## Texas Municipal Reports

©

Last Revised: 8/27/2018

TMR # 5519

Page 1 of 6

### FINANCIAL STATEMENT

FINANCIAL STATEMENT (As of May 31, 2018)

Net Taxable Assessed Valuation ("A.V."), 2018	\$1,320,992.635
New Debt	\$3,400,000
Outstanding Debt	10,845,000
Total General Obligation Debt	\$14,245,000
Less: Self-Supporting (a) Water & Sewer	10,097,767
GO Debt payable from Ad Valorem Taxes	\$4,147,233
Less: I&S Fund	2,573,121
Net Debt	\$1,574,112

(a) The September 30, 2017 Audit reports the following General Obligation Debt being paid from revenues other than ad valorem taxes; thus considered self-supporting.

Net Debt Per Net Taxable Assessed Valuation - 0.12%  
Net Debt Per Acre - \$842.67  
Net Debt Per Capita - \$161.18

Net Taxable Assessed Valuation Per Capita - \$135,264.45

2017 Estimated Population - 9,766  
Area: 1,868.00 Acre

### PAYMENT RECORD

Never defaulted.

### SECURITY

SECURITY FOR BONDS All bonds are secured by a pledge of ad valorem taxes which may be levied without limitation as to rate or amount. The Combination Tax and Revenue Bonds are additionally secured by a pledge of the net revenues from the operation of the waterworks and sewer system.

The Texas Water Code authorizes the levy of a maintenance tax if approved by the voters. An election was held on May 12, 2007, at which a maintenance tax not to exceed \$1.00/\$100 assessed valuation was approved. An election was held on November 8, 1983, at which a fire protection tax was approved not to exceed \$0.015 per \$100 assessed valuation.

### TAX DATA

Tax Year	A.V.	Tax Rate	Adjusted Levy	% Collected within FY	Total % Collected as of 09/30/2017*
2012	\$940,308,021	\$0.2052	\$1,928,890	99.10	99.65
2013	978,797,382	0.1963	1,910,620	98.76	99.71
2014	1,039,623,881	0.1836	1,908,954	99.27	99.71
2015	1,106,119,772	0.1536	1,699,468	99.50	99.66
2016	1,167,187,921	0.1360	1,594,965	99.18	99.18
2017	1,251,845,619	0.1258	1,574,822	98.67**	98.67**
2018	1,320,992,635				

\* Delinquent tax collections are allocated to the respective years in which the taxes are levied.

\*\* Partial collections as of June 30, 2018.

Tax Rate Distribution	2017	2016	2015	2014
-----------------------	------	------	------	------

Operations	\$0.0176	\$0.0189	\$0.0186	\$0.0100
I&S	0.1082	0.1171	0.1350	0.1736
Totals	\$0.1258	\$0.1360	\$0.1536	\$0.1836

### DETAILS OF OUTSTANDING DEBT

#### Details of Unlimited Tax Debt (Outstanding 5/31/2018)

##### U/L Tax Ref Bds Ser 2005

Tax Treatment:	Bank Qualified
Original Issue Amount	\$7,304,990.00
Dated Date:	05/01/2005
Sale Date:	04/26/2005
Delivery Date:	05/24/2005
Sale Type:	Private Placement
Record Date:	MSRB
Bond Form:	FR
Denomination	\$5,000
Interest pays	Semi-Annually: 03/01, 09/01
1st Coupon Date:	09/01/2005

Paying Agent: Bank of America, N.A., Dallas, TX  
Financial Advisor: First Southwest Company, Austin, TX  
Purchaser:  
Bank of America, N.A., Austin, TX purchased the Current Interest Bonds  
Southside Bank, Tyler, TX purchased the Compound Interest Bonds

Water & Sewer 14.47%

Use of Proceeds: Refunding.

Refunding Notes: This issue defeased mty(s) 09/01/2012-09/01/2014, 09/01/2017, 09/01/2020 of U/L Tax Bds Ser 99 @ par.  
This issue defeased mty(s) 09/01/2011-09/01/2021 of U/L Tax Bds Ser 2000 @ par.  
This issue defeased mty(s) 09/01/2015-09/01/2019 & 09/01/2014 & 09/01/2022 of U/L Tax Bds Ser 2000A @ par.

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
09/01/2022T	3,695,000.00	3.5700%	N/A
-----\$3,695,000.00			

Bank of America, N.A., Austin, TX purchased the Current Interest Bonds  
Southside Bank, Tyler, TX purchased the Compound Interest Bonds

Call Option: Current Interest Bds: Bonds maturing on 09/01/2022 callable in whole or in part on any date beginning 09/01/2014 @ par plus a redemption premium as follows: (1) Zero if the Owner can reinvest the prepaid principal amount at a rate of interest greater than 3.57% annually, as determined by the owner; or (2) 3% of the prepaid principal amount if prepayment occurs after September 1, 2014 but on or before September 1, 2019, or (3) 2% of the prepaid principal amount if prepayment occurs after September 1, 2019. The following term bonds are subject to mandatory sinking fund redemption each 9/1 @ par as follows: Mty 09/01/2022: 85M-09/01/2005; 90M-09/01/2006; 95M-09/01/2007; 100M-09/01/2008; 105M-09/01/2009; 105M-09/01/2010; 640M-09/01/2014; 755M-09/01/2015; 660M-09/01/2016; 780M-09/01/2017; 885M-09/01/2018; 885M-09/01/2019; 795M-09/01/2020; 660M-09/01/2021; 470M matures 09/01/2022.  
Capital Appreciation Bds: Non Callable

Term bonds maturing on 09/01/2022:

Mandatory Redemption Date	Principal Amount
09/01/2018	\$885,000
09/01/2019	\$885,000
09/01/2020	\$795,000
09/01/2021	\$660,000
09/01/2022	\$470,000

This Texas Municipal Report ("TMR") was prepared by employees of the Municipal Advisory Council of Texas ("MAC") for informational purposes only and is not intended to be, and should not be considered as, a recommendation, endorsement or solicitation to buy or sell any security of the issuer(s) to whom it applies. The information set forth in this TMR has been obtained from the issuer and from sources believed to be reliable, but the MAC has not independently verified such information. The MAC specifically disclaims any responsibility for any inaccuracies or omissions, warranties or guarantees about the content hereof or accuracy of such information in this connection. This TMR reflects information as of the date indicated in the TMR, as derived from filings received by the MAC from the issuer. This TMR will be updated if the issuer provides any filings as filings are received from the issuer. The MAC specifically disclaims any responsibility for doing so. The reader of this TMR is advised to obtain current information from other sources before making any investment decision resulting from the information in this report.



# Lakeway MUD

(General Obligation Debt)

Travis County

## Texas Municipal Reports

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Last Revised: 8/27/2018

TMR # 5519

Page 2 of 6

### U/L Tax Bds Ser 2009

Tax Treatment: Bank Qualified  
Original Issue Amount: \$5,870,000.00  
Dated Date: 04/15/2009  
Sale Date: 04/15/2009  
Delivery Date: 05/12/2009  
Sale Type: Competitive  
NIC: 4.4068%  
Record Date: OTHER  
Bond Form: BE  
Denomination: \$5,000  
Interest pays: Semi-Annually: 09/01, 03/01  
1st Coupon Date: 03/01/2010

Paying Agent: The Bank of New York Mellon Trust Company, N.A., Dallas, TX  
Bond Counsel: Phyllis Paul W. P.C.  
Financial Advisor: Specialized Public Finance Inc., Austin, TX  
Lead Manager: Morgan Keegan & Co., Inc.

Insurance: Assured Guaranty Corp

Water & Sewer 80.00%

Use of Proceeds: Water & Sewer.

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
09/01/2018	285,000.00	4.3750%	3.700%
-----\$285,000.00			

Call Option: Non-callable

Refunded Notes: Maturities refunded by U/L Tax Ref Bds Ser 2018

Refunded Amount	Mat Date	Coupon	Price	Sched Call
305,000.00	09/01/2019	4.375	Par	09/17/2018
320,000.00	09/01/2020	4.375	Par	09/17/2018
335,000.00	09/01/2021	4.375	Par	09/17/2018
355,000.00	09/01/2022	4.375	Par	09/17/2018
380,000.00	09/01/2023	4.375	Par	09/17/2018
400,000.00	09/01/2024	4.375	Par	09/17/2018
420,000.00	09/01/2025	4.375	Par	09/17/2018
445,000.00	09/01/2026	4.375	Par	09/17/2018
470,000.00	09/01/2027	4.375	Par	09/17/2018
500,000.00	09/01/2028	4.500	Par	09/17/2018
530,000.00	09/01/2029	4.500	Par	09/17/2018

### U/L Tax Bds Ser 2013

Tax Treatment: Bank Qualified  
Original Issue Amount: \$7,430,000.00  
Dated Date: 11/15/2013  
Sale Date: 11/13/2013  
Delivery Date: 12/10/2013  
Sale Type: Competitive  
NIC: 3.5450%  
Record Date: MSRB  
Bond Form: BE  
Denomination: \$5,000  
Interest pays: Semi-Annually: 03/01, 09/01  
1st Coupon Date: 09/01/2014

Paying Agent: The Bank of New York Mellon Trust Company, N.A., Dallas, TX  
Bond Counsel: McCall Parkhurst & Horton L.L.P.  
Financial Advisor: Specialized Public Finance Inc., Austin, TX  
Lead Manager: First Southwest Company

Water & Sewer 100.00%

Use of Proceeds: Water & Sewer.

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
09/01/2018	300,000.00	2.0000%	1.400%
09/01/2019	315,000.00	2.0000%	1.700%
09/01/2020	330,000.00	2.0000%	1.900%
09/01/2021	345,000.00	2.2000%	100.00%
09/01/2022	360,000.00	2.4000%	100.00%
09/01/2023	375,000.00	2.6000%	100.00%
09/01/2024	395,000.00	2.8000%	100.00%
09/01/2025	410,000.00	3.0000%	100.00%
09/01/2026	430,000.00	3.5000%	3.250%
09/01/2027	450,000.00	3.6250%	3.400%
09/01/2028	470,000.00	4.0000%	3.550%
09/01/2029	490,000.00	4.0000%	3.700%
09/01/2030	515,000.00	4.0000%	3.850%
09/01/2031	535,000.00	4.0000%	100.00%
09/01/2033T	1,145,000.00	4.1250%	4.200%
-----\$6,865,000.00			

Call Option: Bonds maturing on 09/01/2023 to 09/01/2031 and term bonds maturing on 09/01/2033 callable in whole or in part on any date beginning 09/01/2022 @ par.

Term Call: Term bonds maturing on 09/01/2033:  
Mandatory Redemption Date Principal Amount  
09/01/2032 \$560,000  
09/01/2033 \$585,000

### U/L Tax Ref Bds Ser 2018

Tax Treatment: Bank Qualified  
Original Issue Amount: \$3,400,000.00  
Dated Date: 09/06/2018  
Sale Date: 08/13/2018  
Delivery Date: 09/06/2018  
Sale Type: Negotiated  
NIC: 2.7868%  
Record Date: MSRB  
Bond Form: BE  
Denomination: \$5,000  
Interest pays: Semi-Annually: 09/01, 03/01  
1st Coupon Date: 03/01/2019

Paying Agent: The Bank of New York Mellon Trust Company, N.A., Dallas, TX  
Bond Counsel: McCall, Parkhurst & Horton L.L.P., Austin, TX  
Financial Advisor: Specialized Public Finance Inc., Austin, TX  
Lead Manager: SAMCO Capital Markets, Inc.  
Underwriter's Counsel: Norton Rose Fulbright US LLP, Houston, TX

Water & Sewer 72.65%

Use of Proceeds: Refunding.

Refunding Notes: This bond refunded maturities from the following issues:

U/L Tax Bds Ser 2009	Refunded Amount	Mat Date	Coupon	Price	Sched Call
	305,000.00	09/01/2019	4.375	Par	09/17/2018
	320,000.00	09/01/2020	4.375	Par	09/17/2018
	335,000.00	09/01/2021	4.375	Par	09/17/2018
	355,000.00	09/01/2022	4.375	Par	09/17/2018
	380,000.00	09/01/2023	4.375	Par	09/17/2018
	400,000.00	09/01/2024	4.375	Par	09/17/2018
	420,000.00	09/01/2025	4.375	Par	09/17/2018
	445,000.00	09/01/2026	4.375	Par	09/17/2018
	470,000.00	09/01/2027	4.375	Par	09/17/2018
	500,000.00	09/01/2028	4.500	Par	09/17/2018
	530,000.00	09/01/2029	4.500	Par	09/17/2018

Orig Reoffering

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# Lakeway MUD

(General Obligation Debt)

Travis County

## Texas Municipal Reports

©

Last Revised: 8/27/2018

TMR # 5519

Page 3 of 6

Maturity	Amount	Coupon	Price/Yield
09/01/2019	250,000.00	4.0000%	1.800%
09/01/2020	260,000.00	4.0000%	1.950%
09/01/2021	270,000.00	2.0000%	2.100%
09/01/2022	280,000.00	2.0000%	2.250%
09/01/2023	295,000.00	2.0000%	2.400%
09/01/2024	305,000.00	3.0000%	2.550%
09/01/2025	315,000.00	2.2500%	2.700%
09/01/2026	330,000.00	3.0000%	2.850%
09/01/2027	345,000.00	3.0000%	2.950%
09/01/2028	365,000.00	3.0000%	100.00%
09/01/2029	385,000.00	3.0000%	3.100%
			-----\$3,400,000.00

Call Option: Bonds maturing on 09/01/2024 to 09/01/2029 callable in whole or in part on any date beginning 09/01/2023 @ par.

Grand Total =====> \$14,245,000.00

### Bond Debt Service

Period Ending	Principal	Interest	Debt Service
09/30/18	1,470,000.00	568,026.50	2,038,026.50
09/30/19	1,450,000.00	416,500.92	1,866,500.92
09/30/20	1,385,000.00	369,943.75	1,754,943.75
09/30/21	1,275,000.00	324,562.25	1,599,562.25
09/30/22	1,110,000.00	288,010.25	1,398,010.25
09/30/23	670,000.00	256,991.25	926,991.25
09/30/24	700,000.00	241,341.25	941,341.25
09/30/25	725,000.00	221,131.25	946,131.25
09/30/26	760,000.00	201,743.75	961,743.75
09/30/27	795,000.00	176,793.75	971,793.75
09/30/28	835,000.00	150,131.25	985,131.25
09/30/29	875,000.00	120,381.25	995,381.25
09/30/30	515,000.00	89,231.25	604,231.25
09/30/31	535,000.00	68,631.25	603,631.25
09/30/32	560,000.00	47,231.25	607,231.25
09/30/33	585,000.00	24,131.25	609,131.25
			-----
	14,245,000.00	3,564,782.42	17,809,782.42

COMPUTED ON BASIS OF MANDATORY REDEMPTION

### Debt Amortization Rates

Period Ending	Principal	% of Principal Retired
09/30/2018	1,470,000.00	10.32%
09/30/2019	1,450,000.00	20.50%
09/30/2020	1,385,000.00	30.22%
09/30/2021	1,275,000.00	39.17%
09/30/2022	1,110,000.00	46.96%
09/30/2023	670,000.00	51.67%
09/30/2024	700,000.00	56.58%
09/30/2025	725,000.00	61.67%
09/30/2026	760,000.00	67.01%
09/30/2027	795,000.00	72.59%
09/30/2028	835,000.00	78.45%
09/30/2029	875,000.00	84.59%
09/30/2030	515,000.00	88.21%
09/30/2031	535,000.00	91.96%
09/30/2032	560,000.00	95.89%
09/30/2033	585,000.00	100.00%

### DEBT SERVICE FUND MANAGEMENT INDEX

G.O. Debt Service Requirements for fiscal year-ending 09/30/2018	\$2,038,026
I&S Fds all G.O. issues 09/30/2017	\$850,659
2017 I&S Fund Tax Levy @ 90%	1,219,047
Water & Sewer	1,069,485

### OPERATING STATEMENT

WATERWORKS & SEWER SYSTEM OPERATING EXPERIENCE The following condensed statements have been compiled using accounting principles customarily employed in the determination of net revenues available for debt service, and in all instances exclude depreciation, transfers, and debt service payments.

	09-30-2017	09-30-2016	09-30-2015	09-30-2014
Revenues:				
W&S Service	\$4,892,430	\$4,982,542	\$4,622,121	\$4,599,378
Customer Charges	75,476	74,654	80,020	107,134
Property Taxes	219,944	206,171	104,527	145,928
Other	187,805	127,655	306,781	290,833
-----				
Total Revenues	\$5,375,655	\$5,391,022	\$5,113,449	\$5,143,273
Expenses:				
Capital Outlay	\$277,742	\$178,574	\$256,147	\$348,026
W & S Purchased	1,305,879	1,342,250	1,370,640	1,361,626
Other	2,284,596	1,858,788	2,007,537	2,004,231
-----				
Total Expenses	\$3,868,217	\$3,379,612	\$3,634,324	\$3,713,883
Available For Debt Service	\$1,507,438	\$2,011,410	\$1,479,125	\$1,429,390
Customer Count:				
Sewer	3,096	3,072	3,084	3,059
Water	4,129	4,113	4,135	4,105
EFSC	4,578	4,524	4,524	4,671

### SYSTEM DESCRIPTION AND PERTINENT CONTRACTS

WATER SUPPLY Lake Travis. The District has two wholesale water contracts with Travis Co MUD #11 and Travis Co WC&ID #17. The District has emergency interconnections with Hurst Creek MUD and Travis Co WC&ID #17.

WATER PURCHASE CONTRACT The District is authorized to purchase and divert up to a maximum of 1 billion gallons of raw water annually from Lake Travis pursuant to contract with the Lower Colorado River Authority on November 28, 1994, as amended. Under terms of the contract, the District pays the Authority \$0.45/M gallons under a minimum take-or-pay provision of 1 billion gallons of raw water per annum.

JOINT OPERATING AGREEMENT During 2012, the District entered into a joint ownership and operating agreement for Lakeway Regional Raw Water Transportation System. The agreement was entered into between the District, Hurst Creek MUD, Travis County MUD #11, and Lakeway Rough Hollow South Community Inc. Each party has a separate agreement with LCRA. The District has a 59% share in this agreement.

SEWER SYSTEM The District owns and operates 2 wastewater treatment plants, one with 810,000 gpd capacity and the other with 400,000 gpd capacity. The District has wholesale wastewater contracts with Travis Co MUD #11 and Travis Co WC&ID #17.

### RATES AND FEES

Water Rates

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# Lakeway MUD

(General Obligation Debt)

Travis County

## Texas Municipal Reports

©

Last Revised: 8/27/2018

TMR # 5519

Page 4 of 6

Old Rates (Effective as of September 30, 2014)  
Base fee: \$23.00

	Gallons	Residential
First	15,000	\$2.50(Min)
Next	15,000	3.25/M
Next	20,000	3.50/M
Next	30,000	4.00/M
Next	20,000	4.50/M
Over	100,000	5.00/M

New Rates (Effective as of October 1, 2017)  
Base fee (Bi-Monthly): \$40.00

	Gallons	Residential
First	15,000	\$2.50(Min)
Next	15,000	3.25/M
Next	20,000	3.75/M
Next	30,000	4.30/M
Next	20,000	5.00/M
Over	100,000	5.75/M

Sewer/Wastewater Rates

Old Rates (Effective as of September 30, 2014)  
Base fee: \$17.00 plus \$2.50/M

New Rates (Effective as of October 1, 2017)  
Base fee: \$28.00 plus \$2.50/M

### AUTHORIZED BUT UNISSUED

GENERAL OBLIGATION BONDS AUTHORIZED BUT UNISSUED None

### PENSION FUND LIABILITY

All qualified employees of the Special District are members of the Texas County and District Retirement System. The Special District employees also participate in the U.S. Social Security program.

Required Contribution Rates (Percentage of gross covered salary)

	2018	2017
Employee:	7.00%	7.00%
Maximum Rate:	11.00%	11.00%
Special District:	12.10%	11.69%

Actuarial Valuation as of	12/31/2016	12/31/2015
Assets	\$5,611,261	\$4,209,339
Accrued Liabilities	\$6,375,364	\$4,905,860

(Unfunded)/Overfunded Liab. (\$764,103) (\$696,521)

Funded Ratio	88.01%	85.80%
Annual Covered Payroll	\$1,185,392	\$1,151,618
(Unfunded)/Overfunded Liability as a % of Covered Payroll	(64.46)%	(60.48)%

Pension Liability - Beginning	\$5,695,371	\$5,322,031
Pension Liability - Ending (a)	\$6,187,334	\$5,695,371

Contributions Employer	\$140,943	\$137,964
Contributions Employee	\$82,977	\$80,613

Plan Fiduciary Net Position Beg	\$5,060,265	\$5,011,696
Plan Fiduciary Net Position End (b)	\$5,518,832	\$5,060,265

Net Pension Liability (a) - (b) (Pension Liab - Fiduciary Position)	\$668,502	\$635,106
--	-----------	-----------

Plan Fiduciary Net Position as a % of Total Pension Liability	89.20%	88.85%
Covered Employee Payroll	1,185,392	1,151,618
Net Pension Liability as a % of Covered Payroll	56.40%	55.15%
Membership Data		
Inactive employees or beneficiaries currently receiving benefits	6	6
Inactive employees entitled to but not yet receiving benefits	8	8
Active employees	21	28
Total	35	42

Source: Lakeway MUD 09/30/2017 Audit

### NON FUNDED DEBT

NON-FUNDED DEBT PAYABLE (As of September 30, 2017)

The District reports additional debt in the principal amount of \$668,502 under Govt Activities as follows:

	Amount Outstanding	Reported Under
Pension Liability*	\$668,502	Govt Activities

\* See PENSION FUND LIABILITY section for details of this obligation.

### OVERLAPPING DEBT

ESTIMATED OVERLAPPING DEBT STATEMENT

Taxing Body	Debt Amount	As Of	%Ovlp	Ovlp Amt
Lake Travis ISD	\$338,405,000	* 07/31/18	9.44	\$31,945,432
Lakeway, City of	33,401,071	05/01/17	28.47	9,509,285
Travis Co	685,851,423	03/07/18	0.59	4,046,523
Travis Co ESD # 6	3,380,000	* 07/31/18	8.13	274,794
Travis Co Healthcare Dis	9,380,000	* 07/31/18	0.59	55,342

Total Overlapping Debt: \$45,831,376

Lakeway MUD 05/31/18 \$1,574,112

Total Direct and Overlapping Debt: \$47,405,488

Total Direct and Overlapping Debt % of A.V.: 3.59%

Total Direct and Overlapping Debt per Capita: \$4,854

\* Gross Debt

### MATERIAL EVENTS AND OTHER FILINGS

This section contains excerpt(s) from or a summary of filings made by or on behalf of the issuer. The information below is an extract or summary only. The complete filing should be viewed on the Texas MAC website ([www.mactexas.com](http://www.mactexas.com)) or the Electronic Municipal Market Access (EMMA) System of the Municipal Securities Rulemaking Board (<https://emma.msrb.org/>). See TMR disclaimer at the bottom of this page.

11/14/2013 - Notice of Failure to File Disclosure (FYE 2009-2011)

The Issuer failed to file their Fiscal Year 2009 Annual Financial Statements by the required deadline. This document has since been filed. In addition, the

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## Lakeway MUD

(General Obligation Debt)

Travis County

## Texas Municipal Reports

©

Last Revised: 8/27/2018

TMR # 5519

Page 5 of 6

Issuer failed to file some additional financial information that was required for Fiscal Years 2009, 2010 and 2011. That information is included in this filing. This was due to an administrative error that has now been corrected.

10/11/2013 - Notice of Failure to File Disclosure (FYE 2011)

In FY 2011 the district failed to provide their Annual Disclosure document by the required March 31, 2012 deadline. The report was filed on October 11, 2013.

### ECONOMIC BACKGROUND

Lakeway MUD, formerly called Lakeway MUD #1, was created on February 17, 1972 to provide a water and wastewater system for the Lakeway development area, a mixed-use development, and the Village of Lakeway. The District is located on the southwest shore of Lake Travis, approximately 20 miles northwest of Austin and encompasses an area of 1,868 acres. The District is located mostly within the boundaries of the Cities of Lakeway and the Village of the Hills and partially within the extraterritorial jurisdiction of the Village of the Hills.

COUNTY CHARACTERISTICS: Travis County, located in central Texas, was created in 1840 when Austin became the capital of the Republic of Texas. Tourists are attracted to the State Capitol Building, LBJ Library, and the terrain of the "Hill Country". Lake Travis, Lake Austin, and Town Lake provide a wide range of recreational facilities. The county is one of America's leading areas for computer related industries and Austin is often referred to as the "Live Music Capital of the World."

COUNTY SEAT: Austin

2010 census: 1,024,266 increasing 26.1% since 2000  
2000 census: 812,280 increasing 40.9% since 1990  
1990 census: 576,407

#### ECONOMIC BASE

Mineral: stone, sand, oil, lime, gravel and gas.

Industry: technology, research and development, government and education.

Agricultural: sorghums, small grains, pecans, nursery crops, hogs, cotton, corn and cattle.

#### OIL AND GAS - 2017

The county ranks 192 out of all the counties in Texas for oil production.

#### OIL PRODUCTION (Texas Railroad Commission)

Year	Description	Volume	% Change From Previous Year
2014	Oil	2,895 BBL	-3.47
2015	Oil	4,192 BBL	44.80
2016	Oil	4,944 BBL	17.94
2017	Oil	4,353 BBL	-11.95

#### PARKS (Texas Parks & Wildlife)

Year	Description	Volume
2014	McKinney Falls State Park	187,459 Visitors
2015	McKinney Falls State Park	233,367 Visitors
2016	McKinney Falls State Park	268,211 Visitors

#### RETAIL SALES & EFFECTIVE BUYING INCOME (The Nielsen Company)

Year	2017	2016	2015
Retail Sales	\$21.1B	\$27.0B	\$26.8B
Effective Buying Income (EBI)	\$37.8B	\$36.4B	\$32.1B
County Median Household Income	\$54,970	\$54,803	\$49,607
State Median Household Income	\$57,227	\$55,352	\$53,037
% of Households with EBI below \$25K	20.3%	9.1%	9.9%
% of Households with EBI above \$25K	68.8%	68.6%	68.0%

#### EMPLOYMENT DATA (Texas Workforce Commission)

	2018		2017		2016	
	Employed	Earnings	Employed	Earnings	Employed	Earnings
1st Q:	733,953	\$12.5B	714,111	\$11.6B	693,571	\$10.5B

2nd Q:	N/A	N/A	726,023	\$11.2B	704,858	\$10.3B
3rd Q:	N/A	N/A	726,569	\$11.2B	708,024	\$10.8B
4th Q:	N/A	N/A	736,861	\$12.2B	717,592	\$11.6B

MAJOR COLLEGES AND UNIVERSITIES: The University of Texas at Austin, St. Edward's University, Huston-Tillotson University, Concordia University Texas, Austin Community College

#### COLLEGES AND UNIVERSITIES

Year	Total	Fall Enrollment
2017	5	97,645
2016	5	98,844
2015	5	98,109
2014	5	97,450
2013	5	99,533
2012	5	100,962
2011	5	102,466
2010	5	101,763
2009	5	97,332
2008	5	91,084

### TOP TAXPAYERS

Principal Taxpayers	2017 A.V.	% of A.V.
1. Ashford Lakeway LP Real Estate Investment	\$25,500,000	2.04%
2. Lakeway Commons 900 Ltd. Property Leasing	15,924,461	1.27%
3. Genecov Investments Ltd Oil & Gas	10,874,169	0.87%
4. Jeffrey J. Decoux Residential	5,421,192	0.43%
5. Clubcorp Golf of Texas LP Golf Course	4,970,619	0.40%
6. Craig & Suzanne Courtney Residential	3,324,439	0.27%
7. Rocky-Stewart Family LLC Commercial	3,050,155	0.24%
8. Judith L. & Charles N. Renneker Residential	2,795,000	0.22%
9. Al Noor Store Inc. Convenience Store	2,793,991	0.22%
10. Daryl & Sammie A. Anderson Residential	2,688,127	0.21%
Total:	\$77,342,153	6.17%

### FINANCE CONNECTED OFFICIALS

#### General Manager

Earl Foster  
1097 Lohmans Crossing  
Lakeway, TX 78734-4459  
Phone: 512-261-6222 Ext: 140  
Fax: 512-261-6681  
efoster@lakewaymud.org

#### Finance & Administration

Lloyd Smith  
1097 Lohmans Crossing  
Lakeway, TX 78734-4459  
Phone: 512-261-6222 Ext: 150  
Fax: 512-261-6681  
lsmith@lakewaymud.org

#### Tax Assessor/Collector

Bruce Elfant  
Travis County Tax Office  
5501 Airport Blvd

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## Lakeway MUD

(General Obligation Debt)

Travis County

## Texas Municipal Reports

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Last Revised: 8/27/2018

**TMR # 5519**

Page 6 of 6

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**RP**

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## **TAB D**

### **RATING REPORT**





# RatingsDirect®

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## Summary:

# Lakeway Municipal Utility District, Texas; General Obligation

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## Table Of Contents

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Rationale

Outlook

Related Research

## Summary:

# Lakeway Municipal Utility District, Texas; General Obligation

### Credit Profile

US\$3.32 mil Unltd tax rfdg bnds ser 2018 dtd 09/06/2018 due 09/01/2029

<i>Long Term Rating</i>	AA-/Stable	New
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Lakeway Mun Util Dist GO (ASSURED GTY)

<i>Unenhanced Rating</i>	AA-(SPUR)/Stable	Affirmed
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Lakeway Mun Util Dist GO

<i>Long Term Rating</i>	AA-/Stable	Affirmed
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Many issues are enhanced by bond insurance.

## Rationale

S&P Global Ratings assigned its 'AA-' long-term rating to Lakeway Municipal Utility District (MUD), Texas' series 2018 unlimited-tax refunding bonds. At the same time, S&P Global Ratings affirmed its 'AA-' long-term rating and underlying rating (SPUR) on the district's unlimited-tax and general obligation (GO) debt outstanding. The outlook is stable.

The rating reflects our view of the district's:

- Access to the broad and diverse Austin-Round Rock-San Marcos metropolitan statistical area;
- Mature development status, indicating limited-future capital needs;
- Very strong finances; and
- Very low property tax rate.

The rating is constrained, in our opinion, by the district's moderate overall debt burden.

An unlimited-ad valorem tax levied on all taxable property in the district secure the bonds. Officials intend to use bond proceeds to refund the district's outstanding series 2009 GO bonds to achieve debt service savings.

The MUD is located on the southwest shore of Lake Travis, approximately 20 miles northwest of Austin's central business district. It encompasses 1,868 acres of land primarily within the city of Lakeway and the Village of the Hills. The service base is largely residential with a small commercial component. The MUD's development status is mature, with approximately 90% of all developable acreage containing utility infrastructure. The property tax base continues to increase each year, with net taxable assessed value (AV) increasing at an average annual rate of 6.3% for the past three years. In fiscal 2018, the district's AV reached \$1.3 billion. We view the tax base as diverse, with the 10 largest taxpayers accounting for only 6.2% of fiscal 2018 AV.

In our view, the MUD's finances are very strong. The district ended fiscal 2017 with an available general fund balance

of approximately \$5.5 million, or 142.8% of expenditures. The district also maintains a debt service fund for additional support. At fiscal year-end 2017, the fund reported a balance of \$850,659, or 43.9% of the maximum annual debt service (MADS) payment, which we consider adequate. MADS is scheduled to occur in 2018. The budget for fiscal 2018 anticipates a surplus of approximately \$967,000. Officials report year-to-date performance is in line with budget.

The direct tax rate for fiscal 2018 decreased slightly to 13 cents per \$100 of AV, which we consider very low. Officials indicate the tax rate will be maintained for the upcoming years. We consider the district's total tax rate in fiscal 2018, which includes all overlapping entities, to be very low at \$2.28 per \$100 of AV.

The district's overall net debt burden remains moderate, in our view, at about 4.8% of market value. Approximately 75% of the overall net debt burden is from overlapping entities, with Lake Travis Independent School District being the largest contributor. In our opinion, the debt amortization rate is rapid, with 72% of principal expected to be retired within 10 years and 100% by 2033.

Subsequent to this issuance, the district will have no authorized but unissued debt remaining. Officials indicate there are no plans to issue additional debt within the next two years.

## Outlook

The stable outlook is based on our assessment of the district's very strong finances and moderate debt burden. We expect the mature development status of the district will likely limit significant capital needs. In addition, we believe the district's very low overall property tax rate and growing tax base will provide revenue-raising flexibility and allow finances to remain very strong. Therefore, we do not expect to change the rating within the two-year outlook horizon.

### Upside scenario

Substantial tax base growth within the district, leading also to material decline in the debt burden could result in a higher rating.

### Downside scenario

Deterioration in the tax base, leading to increased debt-to-AV ratio, could lower the rating.

## Related Research

- Texas' Property Tax Infrastructure Districts: Ongoing Growth Contributes To Credit Stability Despite Concerns Over Low Oil Prices, July 14, 2015
- Texas MUD Sector Stability Is Buoyed By Strong Economic Growth And Finances, Dec. 18, 2017

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at [www.standardandpoors.com](http://www.standardandpoors.com) for further information. Complete ratings information is available to subscribers of RatingsDirect at [www.capitaliq.com](http://www.capitaliq.com). All ratings affected by this rating action can be found

*Summary: Lakeway Municipal Utility District, Texas; General Obligation*

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