

**Lakeway MUD Finance Committee  
Meeting Minutes  
November 6, 2018**

Members in **Attendance**: Vince Maggio (Chair), Bud Wellborn (Vice Chair), Ann Smith, Hal Hirsch (Secretary), Lawrence Christian (Board Liaison), Earl Foster (General Manager)  
**Absent**: Bill Cobb

We reviewed the early **September, 2018 Full Year P&L Performance** which is:

<b>LMUD P&amp;L</b>					
	<b>Sept YTD</b>	<b>(Fiscal Month 12) Full Year</b>			
	<b>(\$ Mill)</b>				
	<b>Fav / (Unf)</b>	<b>Fav / (Unf)</b>	<b>Fav / (Unf)</b>	<b>Memo:</b>	
	<b>Actual</b>	<b>Plan</b>	<b>2017 YTD</b>	<b>FY 2018</b>	<b>Plan</b>
<b>Revenue</b>	\$5.6	0.5	0.2	\$5.1	
<b>Costs &amp; Expenses</b>	<u>3.7</u>	-	<u>(0.1)</u>	<u>3.7</u>	
<b>Net*</b>	<u>\$1.9</u>	<u>0.5</u>	<u>0.1</u>	<u>\$1.4</u>	

\* Before Bond Payments & Capital

The P&L will change slightly after the Out of District Wastewater revenue and expenses are further reassigned to the project. The bottom line impact is anticipated to be modest since both Revenue and Expenses will be moved to the project.

Congratulations to Earl and his entire team for another fine year of financial performance. The consistency is phenomenal, the results are appreciated, and the ongoing financial discipline is obvious.

There is **\$6.3 M invested outside of Texpool**, with the majority at FNC. Interest rates continue to increase and the committee of Earl, Loyd Smith and Lawrence Christian wisely opted to invest in two Certificates of Deposit of 1 year duration each in anticipation of further rate increases. The alternative of a 2 year commitment did not have sufficient incremental return to be relatively attractive. The invested rates for the CD's are 2.8% and 2.65% per annum. The expectation is that LMUD will migrate exclusively to FNC in the future based on rates and reporting.

Earl updated us on the operational impact of the recent water deluge and advised of the **fine employee performance** on keeping the barge operational.

We briefly discussed the **financial highlights of fiscal 2018** which included: Bond refinancing, Tax Rate reduction, investments outside of Texpool, continued excellent P&L performance, and self-funding the Out of District Waste Water project. Nice year!

Earl covered a pragmatic approach to avoid major reconfiguration of the parking lot to support **handicapped persons dropping off their bi-monthly LMUD payment**.

**Next Finance Committee Meeting: Tuesday December 4th at 1:30**