

**Lakeway Municipal Utility District Finance Committee
May Meeting Minutes 4/30/19**

ATTENDEES

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

PROFIT AND LOSS

March, month six of Fiscal Year 2019, was a revenue month. Through six months, Revenue is now virtually on Plan although the rains caused 2019 Revenue to drop compared with March YTD 2018. Expense performance is favorable to Plan, with the result that the Net bottom line is better than the 2019 Plan although behind March YTD 2018:

LMUD Profit & Loss

\$(000)

	2019 March YTD	Fav / (Unfav) to Plan	Better / (Worse) 2018 YTD	Memo: FY 2019 Plan
Revenue	\$2296	\$(2)	\$(177)	\$5306
Costs & Expenses	1759	145	32	3909
Net Before Bond Repayments & Capital	\$ 537	\$143	\$(145)	\$1397

For the six months of FY2019, water volume was 280 M Gal, 14% *less* than the comparable position a year ago. However, Wastewater, at 113 M Gal, is 8.6% *ahead* of last year.

RATE STUDY POTENTIAL

Earl obtained a proposal, which he worked down to \$25 K of cost, to study his LMUD rate model including In-District vs. Out of District; Residential vs. Commercial; Tiers; and overall adequacy of his LMUD Water and Wastewater rates approach. The Finance Committee asked for two additional bids prior to a potential recommendation for the Board of Directors. It was not apparent that a proposal would be favorably recommended even with the additional bids.

EXTERNAL AUDIT

The Finance Committee will review the four External Audit proposals, (which includes the prior auditor), for our next meeting. Based on criteria to be finalized, we will forward the top two candidates for the LMUD Board's selection of the 2019 External Audit firm.

INFO SHARING

- LMUD is looking at *EarthTec*, a Copper Sulfate product, for added **Zebra Mussel** protection.
- Painting the **Water Tank** on Rolling Green is almost complete.
- Based on customer feedback, the Lift Station near the Airpark will be moved to the Live Oak Golf Course Maintenance Area as part of the **Out of District Wastewater Project**.

NEXT MEETING

Our June meeting is scheduled for Tuesday **May 28th** at 1:30.