

Lakeway Municipal Utility District

Finance Committee

October 1, 2019

Meeting Minutes

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)

LMUD August Year to Date Profit & Loss

August is both a non-revenue month and month eleven of Fiscal Year 2019. A full complement of revenue is booked every other month. September's financial results will end Fiscal Year 2019.

Through August, Revenue of \$4.2 M is \$0.1 M below plan. Revenue of \$01 M in the month of August is associated primarily with the monthly billing for MUD District 11 (in Rough Hollow) support for both Water and Waste Water.

While the slightly unfavorable variance to YTD Plan stems from the wet Spring months; that variance may be offset in September's Full Year results due to the current hot and dry weather.

Through August, Costs and Expenses of \$3.4 M are \$0.2 M better than Plan and only 1% above the comparable 2018 YTD results. That is phenomenal performance since the Labor portion of the Out of District Waste Water project is included in these Financials. The Non-Labor bills for the Out of District Waste Water project are charged to the Capital Project; not this P&L.

The Net Position, Before Capital and Debt Repayment, is \$0.8 M which is \$0.1 M ahead of Plan, although it is almost \$0.4 M behind August YTD 2018 per the wet Spring in 2019.

Long Range Capital Projection

Earl and the staff have identified Capital Projects going out roughly five years. The .estimated times and degree of difficulty are indicated on the Plan. We discussed the need for replacing the water meters at each location. There are two key technology choices and in either case, the customer could log on and profile their meter usage. The Capital Projection is comprehensive. The next steps will include scoping the financials and obtaining Board approval. There is no need for further bond debt to support the Projects.

Info Sharing

Monthly payments to extend the sale closing of the **LMUD Land** on Lohmans Crossing

continue at \$35 K / month for a total of nine possible months and the remaining purchase price was raised by \$0.1 M to \$7.1 M in the most recent amendment. Laying the various pipes for the **Out of District Waste Water Project** is roughly 40% complete. Approximately twelve thousand total feet of piping have been installed.

Next Finance Committee Meeting: *Tues. November 5th at 1:30 PM*