

**Lakeway Municipal Utility District
Finance Committee Meeting Minutes
March 1, 2022**

Attendees: Vince Maggio, Chairperson; Ann Smith; Hal Hirsch, Secretary; Lawrence Christian, LMUD Board Liaison; Earl Foster; General Manager

Absent: Bud Wellborn, Vice Chairperson

LMUD is one third of the way through Fiscal Year 2022 and the **Year to Date P&L results** are tracking well:

Jan '22 YTD (\$ M)	LMUD P&L		Fiscal Month 4	
	<u>Actual</u>	<u>B/(W) Plan</u>	<u>B/(W) '21 YTD</u>	<u>Full Year '22 Plan</u>
Revenue	\$2.2	\$0.2	\$0.2	\$5.6
Costs / Expenses	<u>1.7</u>	-	<u>(0.1)</u>	<u>4.8</u>
Net Before Capital and Bond Payments	<u>\$0.5</u>	<u>\$0.2</u>	<u>\$0.1</u>	<u>\$0.8</u>

We reviewed some of the key variances between Plan and Actual at the account level.

LMUD's gas pumps have been in place for roughly a year now. Cost savings are primarily based on avoiding the state tax of 20 cents per gallon; as well as the US tax which is 18.4 cents on gasoline, and 24.4 cents on diesel fuel.

One time credits were booked in January resulting from selling brass from the water meters that were recently replaced as part of the upgrade program.

The mapping project has increased costs for Purchased Services.

Discussion highlights:

- LMUD applied for US funding available for conservation such as the Out of District Waste Water (OODWW) project. So far, the application has cost \$4.5 K for a grant writer. With attachments, the 14 page submission grew to roughly 150 pages. A response is expected in this summer.
- Generators to be installed in response to the Texas Senate Bill #3 (to address the February 2021 freeze issues) will possibly incur a 36 week delivery due to universal supply chain issues. All bids are subject to significant inflation.
- Employees below the supervisor level were awarded raises per their relationship to the pay midpoint for their jobs as a "Midyear Market True Up". There are currently three job openings.
- For the first third of the year, water and waste water volumes through the plants were up 2%; and 24% respectively vs. Jan '21 YTD.
- There were 7 hookups completed in February in the OODWW project.
- Earl provided a new set of graphs highlighting water and wastewater revenue and expense trends from FY '19 through the FY '22 Plan.

The **Next Meeting** of the LMUD Finance Committee will be April 5th at 1:30 PM.