



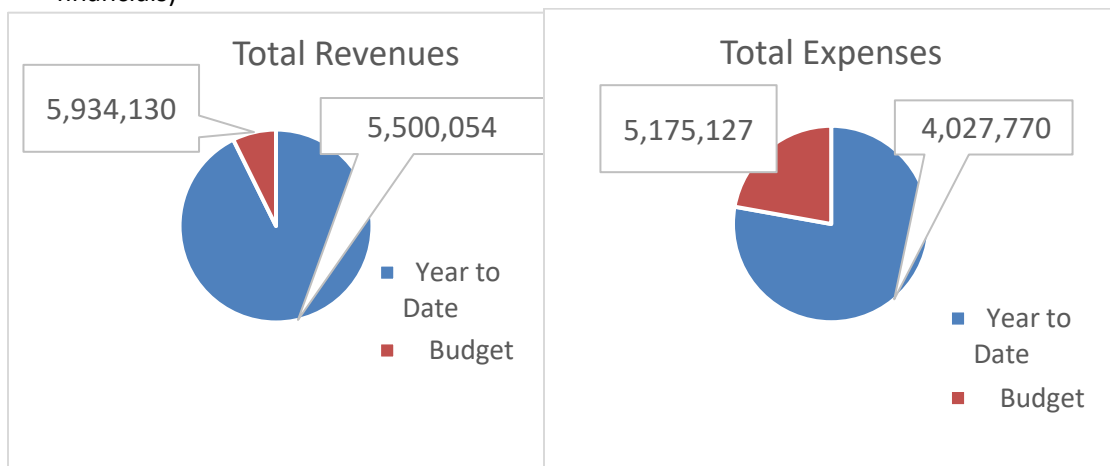
Lakeway MUD Finance Committee Meeting Tuesday September 12, 2023 1:30pm

Attendees: Lee Smith Ann Kivisild Smith
 Vincent Maggio Jason Buddin
 Bud Welborn Frank Cooley, Board Liaison
 Mike Cripe Earl Foster, GM

Minutes:

Review July Financials – The July financial, which represent 10 months of the 2023 fiscal year or 83.3% of the annual budget, were reviewed with a brief discussion.

- *Total Revenue* for the month compared to last year was down 10.0% and YTD was up 12.1% at 92.7% of budget. Water revenue = 61.3% of total revenue and wastewater = 36.7%.
- *Total Expenses* for the month were up 62.5% as a result of prior year and unbudgeted capital expenditures. YTD expenses represent a total 80.8% of the annual budget.
- *Net Revenue* was down 62.6% for the month but up substantially for YTD. (See attached financials)



1. Review Fines and Noncompliance letters that were sent out:

There were 500 noncompliance letters sent out in July notifying each customer that due to excess irrigation they could be fined \$200, 44 actual fines to date. Of those 500 customers only 200 have responded even though they all received several emails; customer response has not been kind. There will be another 500 letters sent out this month. The current trigger for noncompliance is watering more than one day a week. With the continuing drought, future watering schedule may be change to one day a week between the hours of 7pm and midnight on your watering day.

2. Review Basin Conditions:

Lake Travis has dropped 50 – 60,000 acre-feet in August and continues to drop. The current level is approximately 800,000 acre-feet which is less than the drought of 2012. The trigger to further restrict customer irrigation is 750,000 acre-feet. LCRA is trying to claw back some dormant contracts but they will probably sell the water to other customers vs increasing the reserve. (See attached lake storage report)

3. 2024 Budget Update:

The 6% merit increase was approved by HR however the change in the health benefits is still in discussion. The move to “Curative Care” will increase the budgeted benefits by \$35,000 however with some changes to other parts of the budget the bottom line will remain the same as the draft. (See attached draft budget)

4. Other Business – There being no other business the meeting was adjourned.

- Next meeting is October 3rd at 1:30pm.