

**Lakeway Municipal Utility District
Finance Committee
Meeting Minutes
August 2, 2022**

Attendees: Vince Maggio, Chairperson; Bud Welborn, Vice Chairperson; Ann Smith; Jason Buddin; Hal Hirsch, Secretary; Earl Foster, General Manager; Lawrence Christian, LMUD Board Liaison **Absent:** None

Financials

June, 2022 was month 9 of LMUDs Fiscal Year 2022, (FY22). Through June, in \$Millions:

- Revenue of \$4.2 was \$0.5 better than Plan and \$0.3 ahead of June Year to Date (YTD) of FY21. June was not a revenue collection month for in-district LMUD customers.
- Expenses of \$3.4 were \$0.1 worse than Plan and \$0.2 above June FY21 YTD. Expenses include the Labor portion of the Out of District Waste Water project.
- Net Income, Before Bond Repayments & Capital, at \$0.8, was \$0.4 better than Plan and \$0.1 better than June FY21 YTD. FY22 Financials are tracking well.

Preliminary FY23 Budget

The majority of the meeting dealt with the current version of next year's plan.

- Revenue and Expenses are balanced at \$6.6M. The Expenses are NOT comparable to the YTD discussion above since Capital and Bond Payments are included in this version of the budget.
- Revenue includes a \$2 / month increase in the base rates for Water and for Wastewater.
- A few categories, including Merit Pay increases, and Group Insurance, are preliminary.
- There may be a decision to pass along Credit Card fees, stemming from the companies such as Visa and Mastercard, to LMUD customers.

Discussion Highlights

- Based on their good work for LMUD the past two years, the committee supported retaining Maxwell Locke & Ritter for the upcoming annual financial audit.
- The Out of District Waste Water project has almost 100 connections so far. LMUD is short 3 people on staffing and there are supply chain issues so this is good progress along with positive customer acceptance.
- After September, there is a high chance LMUD will be limiting irrigation to once / week. The local MUD's are working to change in unison. Austin has changed to once a week.
- A recent Grant Application for US Funding ranked LMUD 24th (of 159) for Texas projects.

Next Meeting

Our next session is Tuesday August 30 at 1:30 to continue the budget review and the Tax Rate.