

Lakeway Municipal Utility District
Finance Committee Meeting Minutes

October 7, 2014

Attendees: Lawrence Christian (Chair), Vince Maggio (Vice Chair), Bud Wellborn, Hal Hirsch (Secretary), Kay Andrews, (LMUD Liaison), Earl Foster, (General Manager)

Absent: Bill Cobb

1. The group welcomed and shared background on the programs with new member **Bud Wellborn**.
2. Through August, eleven months into the fiscal year, **Revenue** of \$4.2M is \$0.2M below this point last year. The Full Year Revenue Plan is \$5.1M. September is a billing month and that will conclude Fiscal 2014.
Expenses at \$3.0M through August are \$0.1M less than this point last year. The Full Year 2014 Expense Plan is \$3.6M. Capital Expenditures are contributing to the favorable expense performance.
Through August **Net Income** is \$1.2M or roughly \$150K less than August YTD 2013. The Full Year Plan is potentially achievable based on September's Revenue billings and continued expense controls.
3. The **2015 Budget** will be calendarized based on the last two years of experience. These last two years have similar characteristics based on Lake Travis water levels and irrigation controls.
4. Roughly 1200 of the roughly 4 thousand **Automated Meters** are yet to be installed. That completion will enable Monthly Billing in Fiscal 2016.
5. We discussed a more detailed version of a **truck replacement** matrix vs. merely the miles and years we discussed last meeting. Earl will review this approach and possibly suggest some simplifications for discussion at the next meeting.
6. There was an issue with **delaminating baffles** in the water plant this week. There were small pieces of hard plastic distributed with some of the water supplied. The vendor has been asked to provide funding.
7. The Summit employees, on Lohmans Crossing, have been **parking on MUD property**. Earl and the lawyers have worked on an approach to obtain \$1 thousand per year including arrears.
8. Earl (Thanks) has made more progress with TCEQ on the potential **Cedar Tract** disposition.
9. Our **next monthly Finance Committee Meeting** will be Tuesday November, 4, 2014 at 3PM. Lawrence will be on vacation. We should cover Full Year 2014 Financials, the upcoming Financial Audit, Truck Replacement, and possibly start on topics such as a Long Range Financial Plan and Key Performance Indicators.

Hal Hirsch, October 7, 2014