

## Lakeway Municipal Utility District Finance Committee

### Final Meeting Minutes -- March 5, 2015

**Attendees:** Lawrence Christian (Chair), Vince Maggio (Vice Chair), Hal Hirsch (Secretary), Kay Andrews, (LMUD Liaison), Earl Foster, (General Manager) **Absent:** Bill Cobb, Bud Welborn

#### Financials

- **January** was the fourth month of Fiscal Year 2015
- January Revenue of \$730K was \$52K less than plan and \$29K below January 2014
- January expenses included a onetime payment of \$75K to LCRA for unused 2014 Capacity
- January contained expense credits totaling \$27.5K for vendor and legal reimbursements for the Baffle issue. Total monthly expenses were \$46K below January's Plan.
- The January Net Revenue / (Loss) P&L was \$6K unfavorable to Plan and \$1K better than 2014
- **January Year To Date** Revenue of \$1681K was \$46K unfavorable to the 2015 Plan but \$43K greater than 2014 at this point
- January YTD Expenses of \$1148K were \$32K favorable to Plan and \$9K greater than prior year.
- Through the first four months, the Net P&L reflects a positive position, before bond payments and Capital Projects, of \$533K, which is \$14K, or 3%, unfavorable to Plan, and \$34K, or 6%, better than January YTD 2014.

#### Purchasing and Spending Authority

- Earl obtained the City of Lakeway's matrix and LMUD's Approval Matrix has been updated. Lawrence is working with Loyd Smith, Office Manager, on an accompanying policy to ensure Lakeway MUD complies with the Water Code which is LMUD's controlling authority.

#### Truck Replacement

- After going from a straightforward recommendation of miles and age and then looking at a more complex set of replacement criteria, including subjective assessments as well as trade-in data, the Committee agreed to a recommendation to replace trucks at **10 years or 100,000 miles**. With the majority of the miles driven locally within Lakeway, the trucks do not generally obtain 'relatively less maintenance intense' highway miles. The sense was that most trucks under these criteria would be replaced at 10 years. Lakeway MUD does a majority of the maintenance, including quarterly oil changes, in-house. Earl provided a spreadsheet that reflected 4 F-150 trucks at 10 years with mileage ranging from 73 thousand to 125 thousand. The latter vehicle is assessed in "poor" shape. Additionally, there is one F250 pickup that is 10 years old and has almost 133 thousand miles. Funding for three new trucks was 'earmarked' from last year's budget.

**Next meeting** will be Tuesday April 7<sup>th</sup> at **1:30 PM**

Hal Hirsch Secretary