

Lakeway Municipal Utility District Finance Committee

Meeting Minutes August 4, 2015

Attendees: Lawrence Christian (Chair), Bud Welborn, Hal Hirsch (Secretary), Earl Foster (General Manager), Kay Andrews, (LMUD Board Liaison)

Absent: Vince Maggio (Vice Chair), Bill Cobb

Financials:

- There were two questions on the Miscellaneous Revenue section of the June P&L that Earl is checking so we will not reflect that P&L in these minutes.

Committee Discussion:

- Earl provided the 2014 Travis County Appraisal district info. The current data is slated for late August publication. We discussed, but did not recommend, increasing the **Over 65 Homestead Exemption** which is currently \$5 Thousand per eligible household. If the OV65 Homestead Exemption were doubled to \$10 Thousand, roughly 1/3 of the households would enjoy an \$8 / year savings, offset by the 2/3 of the members having to make up that LMUD shortfall. Committee members concurred that was too insignificant to pursue.
- We discussed the LMUD Board's recent **Procedure Revision covering LMUD Board members / Liaison attending Committee meetings**. A Board member is categorized as a visitor and should respond to Committee questions, but not participate in Committee deliberations.
- Earl provided and took us through the worksheets supporting the **Compensation elements of the 2016 Preliminary Budget**. The wage increase and the insurance increase are not yet finalized pending the APC committee meeting which Earl is now scheduling.
Lawrence reminded the group that coming out of last year's budget process there was a recommended direction from the Finance Committee with the APC Committee concurring to begin implementing a 50 % / 50 % cost sharing on employee benefit insurance increases with all employees. It was ultimately agreed to start with a cost sharing increase of only \$25 per month and then the Board agreed to defer that for one year and start with the 2016 Budget.
- There is an upcoming Public Meeting on the **2016 LMUD Tax Rate**. The rate will reflect a reduction from 2015 primarily relating bond maturity.

The next Finance Committee meeting is scheduled for Tuesday September 1st at 1:30 PM.