

**Lakeway MUD Finance Committee
Meeting Minutes
December 4, 2018**

Members Attending

Vince Maggio, Chair; Bud Wellborn, Vice Chair; Ann Smith; Hal Hirsch, Secretary; Lawrence Christian, (Board Liaison); and Earl Foster, (General Manager)

Absent

Bill Cobb

Fiscal October Year to Date 2019 LMUD Profit and Loss

October 2018 was a non-revenue month which began LMUD's Fiscal Year 2019.

The Full Fiscal 2019 budget is complete but Earl is tuning the monthly calendarization, so we are comparing to last October's actuals:

- Revenues of \$78 K were \$6 K ahead of October 2017. District 11 Water and Wastewater were a major revenue component while LMUD bi-monthly billings will be booked starting with the November P&L.
- Costs and Expenses of \$290 K were \$6 K more than October 2017.
- The October Net P&L (prior to accounting for Capital purchases or debt repayments) of \$(212) K is virtually equal to October 2018.

Investments outside Texpool Total \$8.6 M

LMUD has \$6.6 M invested with FNC. Additionally, there is \$2 M invested with CDARS. CDARS includes \$1.5 M that recently matured. This is an optimal time to move that \$1.5 M to FNC to take advantage of their favorable rates, superior customer service, and more robust reporting. That move would leave two roughly equal value CD's at CDARS, with maturities of April 2019 and April 2020 respectively.

Capital Equipment for OOD W/W Project

Earl provided video and quotes to review \$269 K of capital equipment to support the Out of District Wastewater project. The LMUD Board will be asked to approve the \$269 K to purchase a Portable Air Compressor, Ditch Witch, Radio Controlled Tracker, Rock Hammer Kit, and Trailer. The equipment is required and more costly to rent given the scope and duration of the OOD W/W project. This \$269 K is a portion of the \$18 M scoped budget for this project that reflects one thousand homes at \$18 K / home.

Potential Future Project

LMUD may finalize a project with MUD's 11, 12 and 13 to have Lakeway MUD operate, but not own, MUD's 11, 12 and 13 clean water system and billing. LMUD currently provides wastewater support. This may become a viable project based on economics and the required approvals.

Next Meeting of the Finance Committee

Tuesday, February 5, 2019 at 1:30 PM --- unless Earl deems that we need January 8th or another meeting to review the current Financial Audit