

**Lakeway Municipal Utility District
Finance Committee
Meeting Minutes
April 12, 2021**

Attendees: Vince Maggio, Chairperson; Bill Cobb; Ann Smith; Hal Hirsch, Secretary; Earl Foster; General Manager

Absent: Bud Wellborn, Vice Chairperson; Lawrence Christian, LMUD Board Liaison

February Year to Date Profit & Loss

February was Month 5 of Fiscal Year 2021. The odd numbered months, such as February, are not billing months for LMUD customers. However, Revenue continues from other sources such as the MUD 11 support.

Through the first five months, Revenue is \$2.1 M and \$0.2 M better than Plan. This performance is noteworthy since LMUD is merely \$28 Thousand behind February 2020 YTD and the start of fiscal 2020 was quite hot and dry. LMUD is favorable and support to Rough Hollow MUD 11 is also favorable to plan, the latter associated with the increased homes. Interest Income is down vs. FY2020 YTD partially due to not being able to roll the CDs as they become mature as well as the interest rate structure with the older, higher rate CD's now mature. As planned, LMUD is using some mature CD proceeds to fund Capital Projects. YTD Expenses of \$1.9 M are on plan but \$0.1 M Thousand more than the comparable timeframe of FY '20. The year over year growth relates to Labor including the Out of District Waste Water (OODWW) project. The OODWW project Labor stays in the P&L while the Non-Labor costs are associated with the Capital Project.

February YTD LMUD Net before Capital and Bond Repayments is \$0.2 M which is favorable to Plan by \$0.2 M.

Capital Purchase Recommendations

Earl briefed the Finance Committee on the near term Expense and Capital expenditures now headed for Board of Directors approval. These included \$13 K for coating the pipes at the Water Reclamation Plant; \$24 K (based on best warranty) for Heating and Air Conditioning for the Water Plant Office; \$122K for 4,100 feet of 2 inch pipe for the OODWW project, (beyond the current bandwidth of the LMUD staff, given their project workload); Vac-Tron trailer unit replacement for \$65 K.

Info sharing:

- New Lift Station near the Lakeway Air Strip will go-live soon. This is a segment of the OODWW project.
- LMUD closed on the sale of 79 acres on Lohmans Crossing for \$2.195 M. There are 2 smaller parcels to go with tentative transaction dates of January and September of 2022.
- The 79 acres noted above are slated for residential and LMUD is negotiating with MUD 17 to support the Water as well as the Waste Water needs for those homes.
- TX DoT, Texas Department of Transportation, is still interested in LMUD land near Kollmeyer and Rt 620. The price is \$0.3 M.

The **Next Meeting** of the Finance Committee will be **Tuesday May 4, 2021 at 1:30.**