

Lakeway MUD Finance Committee Meeting Minutes

March 11, 2014

Members in Attendance: Larry Burmeier (Chair), Lawrence Christian (Vice Chair), Kay Andrews (Board Liaison), Earl Foster (General Manager), Vince Maggio, Hal Hirsch (Secretary),

Absent: Bill Cobb

- Earl reviewed the January Financials with the group. Earl is confident of the Full Year Revenue budget. The bottom line Net P&L is positive by almost \$24 through January, 2014 which is now 4 months into the fiscal year.
- Earl explained the activity that caused the overage in truck Maintenance expenses and will research the causals for the \$70K drop in Retirement expense in comparison to January 2013. The assumption was that this drop stems from the categorization on the MS Excel spreadsheet that summarizes the data.
- Capital Allocation is an agenda item for the LMUD Board meeting on March 12th. Lakeway Facilities Department is now reviewing the Clear Well project which is \$3.3 Mill plus a contingency. The timeline for this project, which is part of the 2013 Bond Package, is to be at Final Bid by April 10, 2014.
- About half of the 4 thousand meters have been upgraded.
- In response to Larry's question, Earl covered the average customer usage for Sept – Dec 2013:

<u>Volume (Gal 000)</u>	<u># Customers</u>	<u>%</u>
0	117	3%
1-15	2048	51
15-30	1004	25
30-50	504	14
50-80	222	5
80-100	34	1
>100	30*	1

* Mostly Commercial

- Expenses have been held flat to decreasing for the past 3 years.
- Annual Debt Service drops by over \$0.7 Mill between 2015 and 2016.
- The top 10 taxpayers account for roughly 4% of the Total Taxable Assessments.
- Lakeway MUD Debt was 2% of Taxable Assessed Value, (vs. max allowed of 10%).
- The next Finance Committee Meeting will be April 1 at 3 PM. There should be LCRA Rate Feedback available at that meeting.

Hal Hirsch (Secretary)

3/12/14