

# LAKEWAY MUD FINANCE COMMITTEE

## Meeting Minutes – July 2nd, 2013

**Members in Attendance:** Larry Burmeier (Chair), Lawrence Christian (Vice-Chair), Jack Lewis, Earl Foster (General Manager), and Kay Andrews (Board Liaison)

**Members Absent:** Bill Cobb, Vince Maggio

**Meeting Called to Order at:** 2:30 PM

### Agenda Items

#### 1. Review May, 2013 Financial Report

The Committee reviewed the May Financial Report, with particular emphasis on revenue and expense items which exceeded budget by 150% or more. Earl provided satisfactory explanations for budget variations. Special attention was drawn to “**Bad Debts**” expense which has exceeded YTD budget by **926%** (\$30,665). Earl explained that a \$29,000 debt, owed by The Lakeway Inn was written off due to a bankruptcy. The Committee also expressed satisfaction that Year-to-date, Total Revenues exceeded budget by \$381,665 (112%), and Year-to-date Expenses were over budget by \$38,986 (102%).

#### 2. Review of Proposed Capital Expenditures/Special Projects for Fiscal Year 2014

Earl presented the Committee with written descriptions and requested approval of seven (7) proposed Capital Expenditures Items, which included: **(1)** Remodel Reception Area **(2)** New Camera/DVR for recording BOD meetings **(3)** Four Turbid meters, **(4)** Surge Suppression Equipment for W-3 **(5)** Radio Network for Tank Levels **(6)** Two new Ford F-150 trucks to replace older 2005 model trucks, and **(7)** Compressors for I-6. The total cost of these seven items is projected at **\$108,858**. By a vote of 3-0, the Committee approved these items, for budgeting purposes only, delaying final recommendation to the Board until it can determine impact on the final 2014 Budget.

#### 3. Review of Budget from 2008 to Present

Responding the Committee’s previous request, Earl provided the Committee with charts, showing Budgeted amounts for all revenue and expense items for the last five years. This tool will aid both Earl and the Committee in preparing the 2014 Budget. Earl also presented graphs which visually displayed revenue and expense trends for the last five years.

#### 4. Review Merit Increase Recommendation of APC Committee

Earl presented the Committee with a ECI Percentage Chart and the APC Committee Meeting Minutes of 6-14-2013, which included the APC Committee’s recommendation to the Board of an overall 2.8% Salary Increase for 2014. The Finance Committee, by a vote of 3-0 approved using 2.8%, for budgeting purpose only, delaying final recommendation to the Board until it can determine impact on the final 2014 Budget.

**Meeting Adjourned at:** 5:25 PM

**Next Meeting Scheduled for:** 2:30 pm, Friday, July 19<sup>th</sup>, 2013. This will be a Budget work session..

The July 2<sup>nd</sup>, 2013 Minutes have been read by and approved by all Committee Members by e-mail. These minutes approved the 4th day of July, 2013.

Yeas: 3. Nays: 0. Absent: 2

**Submitted by:**

Jack Lewis

Secretary

