

# LAKEWAY MUD FINANCE COMMITTEE

## Meeting Minutes – July 19, 2013

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

**Members Absent:** Larry Burmeier and Vince Maggio

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

### Agenda Items

#### 1. Review of Proposed Budget for Fiscal Year 2014

The Committee reviewed the Manager's proposed Budget for FY 2014 and noted the following

- (1) **Total Revenue** Budgeted for FY 2014 is \$7,141,119, an increase of \$77,158 (or approximately +1% over FY 2013's Budget).
- (2) **Residential Water revenue**, which is the most significant item in the budget, is expected to decline for the third consecutive year due to the drought. Earl is projecting that there will be a Stage IV curtailment in 2014, and is also projecting a water rate decrease, both of which will have an impact on revenue. The proposed Budget of \$2,630,000 for Residential Water Revenue, which is \$70,000 less than the FY 2103 Budget appears to be realistic.
- (3) Budgeted Increases in **Wastewater Revenues (+\$94,000)** and **Miscellaneous Revenues (+\$53,958)** also appear appropriate, in the Committee's view.
- (4) **Total Expenses** Budgeted for FY 2014 is \$6,967,443, an increase of \$42,148 (or approximately +.06% over FY 2013's Budget). The Committee had hoped to examine the impact of Health Insurance on the Salaries and Benefits Budget, but Earl explained that Blue Cross has not yet advised him of the expected rates for 2014 so he estimated a 15% increase In Life and Health Insurance premiums for Budget purposes. The Committee reviewed the remaining Expense Budget items and agreed that all were reasonable and necessary, **except for the Administrative Capital Expenditure Budget.** The Committee recommends to the Board of Directors that the proposed Administration Capital Expenditure Budget of \$12,000 for "Remodel of Reception Area" be reduced to \$8,000, and that \$4,000 budgeted for rug and furniture be excluded for the reason that it is not necessary.

2. The Committee also discussed the necessity of holding a joint meeting with the APC Committee in order to gain a better understanding of Employee Benefit Programs, so that they may provide the Board with better Financial and Budget advice on those Programs. Earl agreed to check the schedules of Committee members to see when such a Joint Meeting could be held.

**Meeting Adjourned at:** 5:10 PM

**Next Meeting Scheduled for:** 2:30 pm, Tuesday, August 6th, 2013.

The July 19, 2013 Minutes have been read by and approved by all Committee Members by e-mail. These minutes approved the 23rd day of July, 2013.

Yeas: 3. Nays: 0. Absent: 2

**Submitted by:**

Jack Lewis

Secretary

