

Lakeway Municipal Utility District

Finance Committee

Meeting Minutes

Monday January 30, 2017

- **Attendees** were Vince Maggio, Ann Smith, Hal Hirsch, Earl Foster (GM) and Lawrence Christian (Board Liaison). Bill Cobb and Bud Wellborn were absent.
- Through December, which was month 3 of Fiscal Year 2017, the **P&L** contains:
 - Revenue of \$1.0 Mill which is \$0.2 Mill, or 17%, below plan
 - Expenses of \$0.8 Mill, 6% favorable to plan
 - Net P&L, before Capital and before Bond repayments, of \$0.2 Mill, \$0.1 Mill worse than plan, and also \$0.1 Mill behind the comparable 2016 Year To Date
- We reviewed the “**Monthly Financial Report**” that summarizes both P&L as well as cash items. Earl has relabeled a series of the assets that were formerly Reserves so they now appear as “Balances”. This recommendation was an LMUD Board request. The investments outside of Texpool are now at \$4 Mill. The interest on these investments will start appearing on the P&L shortly as the first set of 6 month laddering will come due in March.
- The Group voted 3-0 in favor of adding \$0.5 Mill to the **Investments outside of Texpool**. Earl is to decide the best placement for these funds at the time of commitment. The FNC Group currently provides higher rates but that may change. This recommendation is slated for delivery at the LMUD Board meeting on February 8th.
- Employee Feedback was favorable regarding the **one-time \$250 cash payment**, via payroll, for continued excellent expense control in 2016.
- The **Billing Software Conversion** is in training phase now for a parallel run with the existing system in February 2017. Calls and e-mails are planned for the Credit Card customer’s re-setup required in April for that subset of the Auto Pay accounts.
- The **Annual Audit** was not available for our review but will be on the February LMUD Board agenda. Last year’s Retirement expense addition has now been rescinded and is reflected in the monthly P&L charge which has been \$12 K / Month so far in Fiscal 2017.
- **Next Finance Committee Meeting** will be Tuesday, February 28th at 1:30.