

LLANO COUNTY MUD #1
BOARD OF DIRECTORS MEETING
08/15/2017

The Llano County Municipal Utility District #1 Board of Directors held a workshop on August 15, 2017 at 10:23 a.m., at the District Office.

Board member(s) present: Rod Bond, Bruce Lomax, L. D. Stewart, and John Walters.

Board member(s) absent: Warner Tweed

Also present were General Manager, Angela Thomas

1. 2017-2018 FISCAL YEAR BUDGET REVIEW

General Manager, Angela Thomas provided a review off the following items:

- **Tax Rate Proposals** – The submitted proposed tax rate of .2948 is the max that can be assessed before it hits the rollback rate. Unfortunately, due to the number of homestead properties increasing from 82 to 86 and the different mix of properties in the current versus prior year, the income was affected negatively. The Debt & Fire Rates are rates that are based on debts owed to bonds and loans and that are set by the contract amount for the City of Horseshoe Bay fire emergency services. The General and Street fund can be changed to keep from hitting the rollback rate but at .2948 there are not enough funds to breakeven in those accounts. Rod Bond proposed setting the rate at .3034, this would allow the District to maintain the budget without using reserves. This will be the proposed tax rate for approval at the 08/29/2017 meeting.
- **Budget Proposals** – The goal of the Board is to maintain the budget and at the very least break even. Reserves have been built up over the years to cover Capital Outlays or unexpected expenditures and if this ideal is not maintained and the District has to use reserves to pay expenses they will eventually be depleted. A rate review is underway for increase proposals to the Water rates to increase funds for future updates to the infrastructure.
- **POA Time Study** – Update the POA Contract Services and get the Proposed Lease Agreement for 2017-2018.
- **Capital Outlay vs. Project Expenses** – A placeholder in the Street & Light Fund will be transferred from the General Fund of \$20,000 for drainage repairs on Packsaddle. Capital Outlay for the Water Plant is ongoing with committee meetings and reviews. A determination will be made when all the information has been acquired per the Action Plan. The Sewer infrastructure was updated in the 2016-2017 fiscal year and does not require any commitments for projects or outlays in the new fiscal year.


2. 2016-2017 BUDGET REVISION REVIEW

The 2016-2017 Budget Revisions will be discussed at the 09/26/17 meeting.

All items were discussions for the proposed Tax Rate and Budget. No motions or decisions were officially made at this meeting. The work session concluded at 12:00 pm.



Respectfully Submitted,


Angela Thomas, General Manager
Llano County MUD 1

