

LEUCADIA WASTEWATER DISTRICT
Minutes of an Investment & Finance Committee Meeting
November 5, 2020

A meeting of the Investment & Finance Committee (IFC) of the Leucadia Wastewater District (LWD) was held Thursday, November 5, 2020 at 9:30 a.m. via videoconference.

1. Call to Order

Chairperson Hanson called the meeting to order at 9:30 a.m.

2. Roll Call

DIRECTORS PRESENT: Hanson and Omsted

DIRECTORS ABSENT: None

OTHERS PRESENT: General Manager Paul Bushee, Administrative Services
Manager Richard Duffey, Administrative Services
Supervisor Trisha Hill, Executive Assistant Tianne Baity,
and Shannon Ayala from Davis Farr LLP

3. Public Comment

None.

4. New Business

A. Receive and file the Fiscal Year 2020 (FY20) Comprehensive Annual Financial Report (CAFR).

ASM Duffey presented the item. He provided a summary of the CAFR, highlighting the Management's Discussion and Analysis (MD&A). ASM Duffey discussed the District's FY20 Revenues and Expenses, Key Financial Ratios, Net Position, Restricted Reserve Balances, Unrestricted Reserve Balances, Reserves vs. Cash Investment Balances, Operating Revenues by Source, Operating Expenses by Activity, Net Position by Component, and the FY20 Budget to Actual Expenses.

ASM Duffey introduced Shannon Ayala of Davis Farr LLP to provide a summary of the auditor's reports and auditing process.

Ms. Ayala stated that the auditor's internal report indicated that the audit was a clean, unmodified opinion for the year ending FY20. She stated there were no instances of noncompliance with certain provisions of laws, regulations, contracts, and grant agreements that have a material effect on the determination of financial statement amounts. Ms. Ayala noted the areas of audit focus included bank statement and check register testing.

In conclusion, Ms. Ayala stated that staff was prepared for the audit, and the auditors had no recommended material audit adjustments and noted no material weaknesses or significant deficiencies in internal controls.

Vice President Omsted noted that the CAFR does not render an opinion on the financial performance of the District and asked if the auditors could do that or would the District have to engage a separate consultant.

Ms. Ayala replied that if there were specific financial areas that the Board would like to engage the auditors to look at more closely, Davis Farr can do that. GM Bushee asked if the IFC would like staff to discuss further engagement of Davis Farr with the full Board. Vice President Omsted responded not at this time and Director Hanson agreed.

Following discussion, the IFC agreed with staff to recommend that the Board of Directors receive and file the FY20 CAFR.

5. Information Items

None.

6. Directors' Comments

None.

7. General Manager's Comments

GM Bushee thanked ASM Duffey, staff, and Ms. Ayala for their hard work on the audit.

GM Bushee also congratulated Chairperson Hanson on the election.

8. Adjournment

Chairperson Hanson adjourned the meeting at 10:13 a.m.



Paul J. Bushee
Secretary/General Manager
(Seal)