

**LEUCADIA WASTEWATER DISTRICT**  
Minutes of an Investment & Finance Committee Meeting  
January 5, 2021

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A meeting of the Investment & Finance Committee (IFC) of the Leucadia Wastewater District (LWD) was held Tuesday, January 5, 2021 at 9:30 a.m. via video conference.

**1. Call to Order**

Chairperson Hanson called the meeting to order at 9:28 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, and Executive Assistant Tianne Baity

**3. Public Comment**

No public comment was received.

**4. New Business**

A. Comprehensive Financial Plan Tracking Update.

ASM Duffey explained the purpose of the Comprehensive Financial Plan. He stated that the District has a Comprehensive Financial Plan prepared about every 5 years, since conditions and assumptions change. He noted that the most recent Financial Plan Update was completed in 2018 and staff does an internal update of the Financial Plan on an annual basis to see how actual results are tracking with the original projections.

ASM Duffey stated the financial plan model looks out over 20 years. He noted that information from the FY 2018, FY 2019, and FY 2020 Audit and the FY 2021 Budget was used to update revenues, expenses, and capital projections in the financial plan model. ASM Duffey then provided an overview on the following topics.

- Comparison of projected and actual revenues and expenditures;
- Comparison of projected and updated reserve balances; and
- Monthly Sewer Service Rate Comparison

ASM Duffey concluded that the District's finances remain strong, while maintaining low rates, and the District is tracking well with the Comprehensive Financial Plan. ASM Duffey also noted that staff will continue to monitor the Financial Plan closely. He stated that for FY 2022, staff is recommending the District implement the 3-year, 10% rate increase, which was postponed in FY 2021 due to the COVID-19 pandemic.

President Omsted asked how many rate payers are unable to pay their sewer fees on the property taxes. GM Bushee answered that last fiscal year around 98% of expected sewer revenues were received by the District.

President Omsted asked what happens if the rate payers do not pay their sewer fees. ASM Duffey answered that the San Diego County Tax Collector has enforcement options for collecting the fees.

President Omsted asked what would be the monthly rate increase. ASM Duffey answered that monthly rates would increase by \$2.86 per month.

Based on the IFC's input, GM Bushee stated that staff plans to present a recommended rate increase with an associated Proposition 218 Notice to the full Board in either February or March 2021.

The IFC was pleased with the report and following discussion agreed to present this item for the Board's consideration at the January 13<sup>th</sup> Board Meeting.

**5. Information Items**

None.

**6. Directors' Comments**

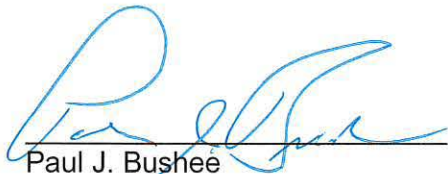
None.

**7. General Manager's Comments**

None.

**8. Adjournment**

Chairperson Hanson adjourned the meeting at 9:59 a.m.



Paul J. Bushee  
Secretary/General Manager  
(Seal)