

**LEUCADIA WASTEWATER DISTRICT**  
 Minutes of an Investment & Finance Committee Meeting  
 January 30, 2023

A meeting of the Investment & Finance Committee (IFC) of the Leucadia Wastewater District (LWD) was held Monday, January 30, 2023 at 1:00 p.m. via video conference.

**1. Call to Order**

Chairperson Omsted called the meeting to order at 1:00 p.m.

**2. Roll Call**

DIRECTORS PRESENT: Omsted and Hanson

DIRECTORS ABSENT: None

OTHERS PRESENT: General Manager Paul Bushee, Director of Finance and Administration Ryan Green, Administrative Services Supervisor Trisha Hill, Executive Assistant Tianne Baity

**3. Public Comment**

No public comment was received.

**4. New Business**

**B. Annual Review of LWD Reserve Fund Policy.**

DFA Green presented the recommendation indicating the purpose of the policy. He noted that the policy calls for annual review of the level of reserve funds by the Board of Directors. DFA Green stated that the Reserve Fund Policy was last revised in February 2022. DFA Green then provided an overview of the fiscal year 2022 reserve activity.

DFA Green noted that staff had reviewed the Reserve Policy and is recommending the following changes to the policy:

- Remove the Capital Improvement Reserve  
LWD is nearing build-out and has sufficient capacity to service the remaining connections. Therefore, this fund is no longer needed;
- Change the purpose of the Encina Wastewater Reserve  
In May 2022 the EWA Board of Directors modified its billing methodology and reserve policy, and in June 2022 EWA began billing its member agencies one-month in advance of the upcoming quarter based on estimated capital and operating expenditures for the upcoming quarter. This action theoretically eliminated the need for the Encina Wastewater Reserve; and
- Minor grammatical and clarifying edits  
Minor grammatical edits made throughout the policy, and four reserve designations were modified to reflect the source of funds that contributed to each reserve

Chairperson Omsted asked if it is a requirement to have capital reserve funds. GM Bushee answered it is not a requirement.

Following discussion, the IFC concurred with staff to recommend that the Board of Directors adopt a Revised Reserve Fund Policy.

**5. Information Items**

None.

**6. Directors' Comments**

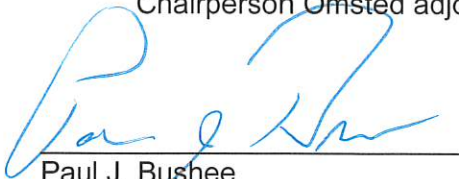
None.

**7. General Manager's Comments**

None.

**8. Adjournment**

Chairperson Omsted adjourned the meeting at 1:13 p.m.



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Paul J. Bushee  
Secretary/General Manager  
(Seal)