

**LEUCADIA WASTEWATER DISTRICT**  
Minutes of an Investment & Finance Committee Meeting  
August 5, 2014

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A meeting of the Investment & Finance Committee (IFC) of the Leucadia Wastewater District (LWD) was held Tuesday, August 5, 2014 at 8:30 a.m. at the District Administration Office at 1960 La Costa Ave., Carlsbad, California.

**1. Call to Order**

Chairperson Omsted called the meeting to order at 8:40 a.m.

**2. Roll Call**

DIRECTORS PRESENT: Omsted

DIRECTORS ABSENT: Hanson.

OTHERS PRESENT: General Manager Paul Bushee, Administrative Services Manager Chuck LeMay, Executive Assistant Trisha Hill, Accounting Technician Maggie McEniry, CPA Richard Duffey and CPA Harvey Schroeder with White Nelson Diehl Evans, LLC.

**3. Public Comment**

No public comment was received.

**4. New Business**

A. Audit Entrance Meeting with White Nelson Diehl Evans, LLP

ASM LeMay presented the item and introduced CPA Harvey Schroeder with White Nelson Diehl Evans LLP.

Mr. Schroeder provided an overview of the audit process discussing the auditor's responsibilities, the planned scope and timing of the audit. He noted that a letter was sent to the Directors indicating that the audit process has begun, along with the auditor's responsibilities.

Mr. Schroeder also explained how issues of material misstatement would be handled. He stated that if there was an issue, staff will be notified first in order to review all the facts. He added that if there is no resolution, the auditors would report to the IFC.

No action was taken on this item. Mr. Schroeder left the meeting at this time.

Director Omsted asked if the District plans on requesting proposals for professional audit services during this fiscal year. GM Bushee stated that staff recommends keeping the current auditors for an additional year due to the transition of the new financial software program, as well as, the implementation of the upcoming GASB 68 requirement. CPA Duffey noted that the GASB 68 requirement will be effective

next fiscal year. Director Omsted agreed with staff's approach to recommend that LWD continue with the current auditor under the current circumstances at a future Board meeting.

- B. Revised Procurement Policy – Adopt Resolution No. 2251 approving LWD's revised Procurement Policy and receive and file the annual review of the policy.

Director Omsted stated that he reviewed the policy and that he had a few minor changes to the policy.

ASM LeMay noted the minor changes to the policy indicating that they are administrative changes.

Director Omsted asked for clarification on the General Manager's spending authority. GM Bushee stated his spending authority is up to \$25,000 and any purchases greater than that amount requires Board approval. EA Hill noted that this language is included in the purchasing policy.

Following discussion, the IFC agreed with staff's recommendation.

**5. Information Items**

None.

**6. Directors' Comments**

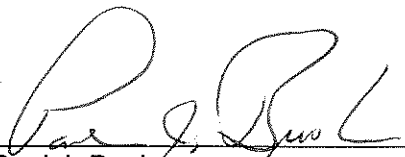
None.

**7. General Manager's Comments**

GM Bushee reported that LWD staff assisted with Carlsbad's July 30<sup>th</sup> spill and he summarized the sequence of events.

**8. Adjournment**

Chairperson Omsted adjourned the meeting at 9:13 a.m.

  
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Paul J. Bushee  
Secretary/General Manager  
(Seal)