

LEUCADIA WASTEWATER DISTRICT
Minutes of an Investment & Finance Committee Meeting
December 7, 2016

A meeting of the Investment & Finance Committee (IFC) of the Leucadia Wastewater District (LWD) was held Wednesday, December 7, 2016 at 2:30 p.m. at the District Administration Office at 1960 La Costa Ave., Carlsbad, California.

1. Call to Order

Chairperson Hanson called the meeting to order at 2:30 p.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, Accounting Technician Maggie McEniry, and Jonathan Foster and Shannon Ayala of Davis Farr, LLP

3. Public Comment

No public comment was received.

4. New Business

- A. Recommend that the Board of Directors Receive and File the Fiscal Year 2016 (FY16) Comprehensive Annual Financial Report (CAFR).

ASM Duffey presented this item, stating that it is a Fiscal Year 2017 tactical goal. He provided a summary of the CAFR, highlighting the Management's Discussion and Analysis (MD&A). ASM Duffey discussed the District's FY16 Revenues and Expenses, Key Financial Ratios, Net Position, Unrestricted Reserve Balances, Reserves vs. Cash Investment Balances, and the FY16 Budget to Actual Expenses.

ASM Duffey introduced Jonathan Foster of Davis Farr, LLP to provide a summary of the auditors' reports and auditing process.

Mr. Foster stated that the auditor's internal report indicated that the audit was a clean, unmodified opinion for the year ending FY16. He reviewed the Significant Procedures Performed and the Required Auditor Communications letter. He stated that GASB 72 Fair Value Measurement and Application added two additional disclosures to the audit. He also stated that there was no material non-compliance noted.

Director Omsted asked Mr. Foster if he has any advice on how the District can do things better. Mr. Foster answered that LWD's books are in order and there is nothing to warrant a comment of deficiency.

Directors Hanson and Omsted thanked Mr. Foster for his summary.

Following discussion, the IFC agreed with staff to recommend that the Board of Directors receive and file the FY16 CAFR.

5. Information Items

None.

6. Directors' Comments

None.

7. General Manager's Comments

None.

8. Adjournment

Chairperson Hanson adjourned the meeting at 3:05 p.m.



Paul J. Bushee
Secretary/General Manager
(Seal)