

**LEUCADIA WASTEWATER DISTRICT**  
Minutes of an Investment & Finance Committee Meeting  
November 16, 2017

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A meeting of the Investment & Finance Committee (IFC) of the Leucadia Wastewater District (LWD) was held Thursday, November 16, 2017 at 1:30 p.m. at the District Administration Office at 1960 La Costa Avenue, Carlsbad, California.

**1. Call to Order**

Chairperson Hanson called the meeting to order at 1:30 p.m.

**2. Roll Call**

DIRECTORS PRESENT: Hanson and Omsted

DIRECTORS ABSENT: None

OTHERS PRESENT: General Manager Paul Bushee, Administrative Services Manager Richard Duffey, Accounting Technician Maggie McEniry, Executive Assistant Tianne Baity, Jennifer Farr and Shannon Ayala with Davis Farr, LLP

**3. Public Comment**

None.

**4. New Business**

Recommend that the Board of Directors Receive and File the Fiscal Year 2017 (FY17) Comprehensive Annual Financial Report (CAFR).

ASM Duffey presented this item. He provided a summary of the CAFR, highlighting the Management's Discussion and Analysis (MD&A). ASM Duffey discussed the District's FY17 Revenues and Expenses, Key Financial Ratios, Net Position, Unrestricted Reserve Balances, Reserves vs. Cash Investment Balances, Operating Revenues by Source, Operating Expenses by Activity, Net Position by Component, and the FY17 Budget to Actual Expenses.

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

Ms. Farr stated that the auditor's internal report indicated that the audit was a clean, unmodified opinion for the year ending FY17. She reviewed the Government Auditing Standard letter and the Required Auditor Communications letter. She noted that Government Auditing Standards Results found no material non-compliance. She also noted that Cash Disbursement Testing found adequate support, proper approvals, and adherence to the purchasing policy.

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

Directors Hanson and Omsted thanked Ms. Farr for her summary.

Following discussion, the IFC agreed with staff to recommend that the Board of Directors receive and file the FY17 CAFR.

**5. Information Items**

None.

**6. Directors' Comments**

None.

**7. General Manager's Comments**

GM Bushee wished everyone a happy Thanksgiving.

**8. Adjournment**

Chairperson Hanson adjourned the meeting at 2:16 p.m.



Paul J. Bushee  
Secretary/General Manager  
(Seal)