

LEUCADIA WASTEWATER DISTRICT
 Minutes of an Investment & Finance Committee Meeting
 August 20, 2024

A meeting of the Investment & Finance Committee (IFC) of the Leucadia Wastewater District (LWD) was held Tuesday, August 20, 2024 at 1:00 p.m. at the District Office.

1. Call to Order

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

2. Roll Call

DIRECTORS PRESENT: Pacilio, Sullivan

DIRECTORS ABSENT:

OTHERS PRESENT: General Manager Paul Bushee, Director of Finance and Administration Ryan Green, Administrative Services Supervisor Trisha Hill, Executive Assistant Tianne Baity, and Scott Mano with Rogers, Anderson, Malody & Scott, LLP (RAMS)

3. Public Comment

No public comment was received.

4. New Business

A. Audit Entrance Meeting with Rogers, Anderson, Malody & Scott, LLP.

DFA Green presented the item and introduced Scott Manno with Rogers, Anderson, Malody & Scott, LLP (RAMS). Mr. Manno provided an overview of the audit process. He indicated that the audit process has begun and he reviewed the following:

- Audit Issues / Pronouncements;
- General Audit Info;
- Responsibilities;
- Audit Timing; and
- Risk Assessment Procedures

Mr. Manno noted that the auditors will have the audit report out in October 2024. GM Bushee noted that it will be presented to the Board at the November Board Meeting.

Chairperson Pacilio asked Mr. Manno how many years has RAMS worked for the District and have there ever been any problems. Mr. Manno answered 3 years and that there have never been any problems with the audits.

The IFC thanked Mr. Manno. No action was taken on this item.

B. Annual Review of LWD's Investment Policy – Adopt Resolution No. 2413 re-delegating authority to manage LWD's investment program to the General Manager effective September 1, 2024 through August 31, 2025.

DFA Green presented the item and provided background information on the Investment Policy. He noted that staff recently conducted an annual review of the Policy to determine if any amendments are warranted. DFA Green then stated that following review, there are no recommended policy changes.

Chairperson Pacilio asked various questions regarding the rate of return on the District's investments. GM Bushee and DFA Green answered his questions.

Following discussion, the IFC agreed with staff to recommend that the Board of Directors adopt Resolution No. 2413 and redelegate authority to manage LWD's investment program to the General Manager effective September 1, 2024 through August 31, 2025.

- C. General Managers Purchasing Authority - Adopt Resolution No. 2420 authorizing the General Manger to purchase on behalf of LWD, goods, materials, supplies, and services not to exceed \$50,000 at any one time.

DFA Green presented the item and provided background information on the item. DFA Green noted that it has been nearly seven years since Resolution No. 2289 set the General Manager's purchasing authority at \$35,000. He continued that Staff thought it would be appropriate to adjust the purchasing authority amount to adjust for the inflationary pressures and to align with other local agencies.

DFA Green stated that Staff conducted a survey of the purchasing authority limits requiring Board/Council approval for other local agencies that provide water or wastewater services and the survey was included in the IFC agenda.

Following discussion, the IFC agreed with staff to recommend that the Board of Directors adopt Resolution No. 2420 authorizing the General Manger to purchase on behalf of LWD, goods, materials, supplies, and services not to exceed \$50,000 at any one time.

- D. Annual Review of LWD's Procurement Policy.

DFA Green presented the item and provided background information on the Procurement Policy noting it was most recently updated in 2022. He stated that staff recommends increasing the current procurement thresholds to adjust for inflationary pressures, and making minor clerical updates. DFA Green then reviewed the threshold adjustments.

Chairperson Pacilio asked various questions regarding the Procurement Policy thresholds and how they align with the General Manager's purchasing authority. GM Bushee answered his questions.

Following discussion, the IFC agreed with staff to recommend that the Board of Directors adopt Resolution no. 2421 approving LWD's revised Procurement Policy.

5. Information Items

None.

6. Directors' Comments

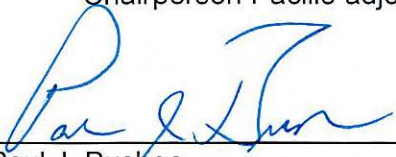
None.

7. General Manager's Comments

GM Bushee reported that the District assisted the City of Encinitas with a spill that the City had over near Grandview Street. GM Bushee acknowledged the LWD Field Services team for their help.

8. Adjournment

Chairperson Pacilio adjourned the meeting at 1:31 p.m.



Paul J. Bushee
Secretary/General Manager
(Seal)