Fallbrook Regional HEALTH DISTRICT

AGENDA
FINANCE COMMITTEE MEETING
Wednesday, November 4, 2026, at 4:00 pm
138 S. Brandon Road, Fallbrook, CA 92028

***All meetings are hybrid unless otherwise noted**
In accordance with California Government Code Section 54953 teleconferencing will be used for this meeting. Members of the public will be able to participate by webinar by using the following link: https://us02web.zoom.us/j/84454637096?pwd=He30rbvt1iorYCwOcmmLDJFu3TY2Gx.1 Meeting ID: 844 5463 7096 Passcode: 322074. Participants will need to download the Zoom app onto their mobile device. Members of the public will also be able to participate by telephone using the following dial in information: Dial #1.669.900.6833 Meeting ID: 844 5463 7096 Passcode: 322074

Finance Committee Members – Treasurer/Chair Cindy Acosta & Director Sally DeVito

1. **Call to Order-**

2. **Public Comments – Announcement**
   Members of the public may address the Board regarding any item listed on the Agenda at the time the item is being considered. Members of the public attending in-person need to fill-out a "Request to Speak" card and those attending by webinar need to raise their hand at this time and identify the Agenda item they would like to speak on. The Board has a policy limiting any speaker to not more than five minutes.

3. **Review of Financial Statements for September 2026**
   Report 1 – Balance Sheet of **September 2026**
   Report 2 – Profit & Loss - **September 2026**
   Report 3 – Profit & Loss Actual vs YTD Budget – **September 2026**
   Report 4 – Investment Compliance Report – **September 2026**
   Report 5 - Check Detail Report/ACH as of **September 2026**
   Report 6 – Credit Card Statements– **September 2026**
   Report 7 – Community Development Disbursement as of **September 2026**

4. **Discussion Items –**
   a. ACH Compliance and Internal Control with Vendor List Process
   b. FRHD Retirement plan - Social Security Exemption

5. **Board Member Comments and Future Agenda Items-**
   Next Finance Committee Meeting Wednesday, December 2, 2026, at 4:00 pm.

6. **Adjournment-**

Raquel A Williams
Executive Assistant/Board Clerk

Fallbrook Regional Health District

Report #1 - Balance Sheet Comparison

As of September 30, 2026

	TOTAL		
	AS OF SEP 30, 2026	AS OF AUG 31, 2026 (PP)	% CHANGE
ASSETS			
Current Assets			
Bank Accounts			
ADP Payroll Bank -7700	79,302.28	159,539.90	(50.29 %)
Banc of California - Checking	297,909.81	441,079.99	(32.46 %)
Bank of Commerce-0897	50,000.00	50,000.00	0.00 %
Five Star- NEW Operating account- 0101	123,147.82	99,913.68	23.25 %
Total Bank Accounts	**$550,359.91**	**$750,533.57**	**(26.67 %)**
Other Current Assets			
Employee Reimbursement Receivable	0.00	0.00	
Interest Receivable - Foundation	1,528.96	1,362.92	12.18 %
Interest Receivable - LAIF	0.00	0.00	
Loan Receivable - FRHD Foundation	26,567.05	26,567.05	0.00 %
Prepaid Expenses	5,685.34	5,794.67	(1.89 %)
Prepaid Insurance	28,863.83	32,070.95	(10.00 %)
Reimbursement Receivable - CDD	(1,569.02)	(1,569.02)	0.00 %
Tax Apportionment Receivable	34,074.49	26,627.03	27.97 %
Total Other Current Assets	**$95,150.65**	**$90,853.60**	**4.73 %**
Total Current Assets	**$645,510.56**	**$841,387.17**	**(23.28 %)**
Fixed Assets			
Accumulated Depreciation - All Buildings	(452,897.26)	(448,047.84)	(1.08 %)
Accumulated Depreciation - Equipment	(78,629.50)	(78,166.00)	(0.59 %)
Construction in Progress	33,415.92	33,415.92	0.00 %
E. Mission Road	1,441,539.86	1,441,539.86	0.00 %
E. Mission Road - Improvements	2,113,155.59	2,113,155.59	0.00 %
E. Mission Road - Land	360,629.00	360,629.00	0.00 %
Total E. Mission Road	**3,915,324.45**	**3,915,324.45**	**0.00 %**
Equipment	85,471.17	85,471.17	0.00 %
S. Brandon Road	161,578.00	161,578.00	0.00 %
S. Brandon Road - Improvements	264,480.55	264,480.55	0.00 %
S. Brandon Road - Land	129,662.00	129,662.00	0.00 %
Total S. Brandon Road	**555,720.55**	**555,720.55**	**0.00 %**
Total Fixed Assets	**$4,058,405.33**	**$4,063,718.25**	**(0.13 %)**
Other Assets			
California Class	1,519,315.05	1,514,562.15	0.31 %
CalTrust - Liquidity Fund	1,452,041.23	1,447,419.48	0.32 %
CalTrust - Medium Term Fund	4,967,338.61	5,007,628.09	(0.80 %)
LAIF	397,707.96	397,707.96	0.00 %
Total Other Assets	**$8,336,402.85**	**$8,367,317.68**	**(0.37 %)**
TOTAL ASSETS	**$13,040,318.74**	**$13,272,423.10**	**(1.75 %)**

Fallbrook Regional Health District

Report #1 - Balance Sheet Comparison

As of September 30, 2026

	TOTAL		
	AS OF SEP 30, 2026	AS OF AUG 31, 2026 (PP)	% CHANGE
LIABILITIES AND EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
Accounts Payable (A/P)	13,996.98	5,530.40	153.09 %
Total Accounts Payable	**$13,996.98**	**$5,530.40**	**153.09 %**
Credit Cards			
Columbia Bank-CC-7117	0.00	0.00	
Five Star Bank - CC	0.00	4,218.90	(100.00 %)
Total Credit Cards	**$0.00**	**$4,218.90**	**(100.00 %)**
Other Current Liabilities			
Payroll - Tax Payable	0.00	0.00	
Payroll - Vacation & Sick Payable	59,285.36	49,155.75	20.61 %
Payroll - Wages Payable	0.00	0.00	
Refundable Deposits - Rental Security	480.00	480.00	0.00 %
Simple IRA Plan - Payable	0.06	0.04	50.00 %
Total Other Current Liabilities	**$59,765.42**	**$49,635.79**	**20.41 %**
Total Current Liabilities	**$73,762.40**	**$59,385.09**	**24.21 %**
Total Liabilities	**$73,762.40**	**$59,385.09**	**24.21 %**
Equity			
Community Development Disbursement	8,391,943.70	8,391,943.70	0.00 %
Opening balance equity	0.00	0.00	
Retained Earnings	24,050.77	24,050.77	0.00 %
Unrestricted Operations Fund	5,196,399.44	5,196,399.44	0.00 %
Net Income	(645,837.57)	(399,355.90)	(61.72 %)
Total Equity	**$12,966,556.34**	**$13,213,038.01**	**(1.87 %)**
TOTAL LIABILITIES AND EQUITY	**$13,040,318.74**	**$13,272,423.10**	**(1.75 %)**

Fallbrook Regional Health District

Report #2 - Profit and Loss and YTD

September 2026

	TOTAL	
	SEP 2026	JUL - SEP, 2026 (YTD)
Income		
Interest Income - Foundation	166.04	166.04
Property Tax Revenue	34,074.49	114,317.72
Rental Income	800.00	2,400.00
Total Income	**$35,040.53**	**$116,883.76**
GROSS PROFIT	**$35,040.53**	**$116,883.76**
Expenses		
Advertising & Promotions	1,160.61	3,323.29
Auto Expenses		
Mileage Reimbursement	335.77	484.51
Total Auto Expenses	**335.77**	**484.51**
Community Health Contracts		
Boys & Girls Club of North County - TP		15,641.50
Community Health Systems, Inc.		28,523.00
D'Vine Path		22,500.00
Fallbrook Food Pantry		50,000.00
Interfaith Community Services		3,860.00
Reins Therapeutic Horsemanship Program		11,141.50
San Diego Children's Discovery Museum		2,200.00
The Center for Senior Wellbeing		50,000.00
Vista Community Clinic		11,634.00
Voices for Children		4,500.00
Youth Fitness Grants		
Bonsall/Fallbrook Little League	4,000.00	4,000.00
Boys & Girls Club North County - Soccer	4,000.00	4,000.00
Boys Warriors Soccer Booster	4,000.00	4,000.00
Fallbrook Band Boosters	4,000.00	4,000.00
Girls Warriors Soccer Booster	4,000.00	4,000.00
Total Youth Fitness Grants	**20,000.00**	**20,000.00**
Total Community Health Contracts	**20,000.00**	**220,000.00**
District Direct Care Services		
Health Services & Clinics	52,517.00	56,565.03
CNA Services - Consulting	15,666.67	15,666.67
Total Health Services & Clinics	**68,183.67**	**72,231.70**
Total District Direct Care Services	**68,183.67**	**72,231.70**
Dues & Subscriptions	198.53	10,323.30
Education & Conferences	477.44	8,181.69
Equipment Lease	1,592.55	4,854.94
General Insurance	2,791.58	8,374.74

Fallbrook Regional Health District

Report #2 - Profit and Loss and YTD

September 2026

	TOTAL	
	SEP 2026	JUL - SEP, 2026 (YTD)
IT Services	2,141.00	6,423.00
Legal & Accounting services	158.00	158.00
Accounting	1,500.00	4,500.00
Independent Audit		8,500.00
Legal	3,713.00	9,835.50
Total Legal & Accounting services	**5,371.00**	**22,993.50**
Medical Records Expense	239.40	7,453.58
Meeting Expenses	80.06	729.53
Office Expenses		
General Office Expenses	134.69	1,182.45
Maintenance & Repairs	6,202.41	56,304.58
Office Supplies	328.19	6,608.82
Postage & Shipping	100.00	133.06
Software & Website	14,726.47	20,685.77
Total Office Expenses	**21,491.76**	**84,914.68**
Payroll Expenses		
Board Stipends	1,543.50	3,622.50
Employee Benefits	17,643.87	56,366.23
Payroll Processing Fees	379.00	1,283.22
Payroll Taxes	5,889.98	14,693.96
Salaries	78,188.83	192,773.94
Simple IRA Match	1,272.84	3,818.52
Vacation & Sick Leave	10,129.61	10,129.61
Workers Compensation	415.54	1,246.62
Total Payroll Expenses	**115,463.17**	**283,934.60**
Property Management Fees	412.50	975.00
Utilities		
Cell Phones	503.08	1,352.08
General Utilities	4,089.22	9,399.39
Internet/Telephone	763.11	2,859.51
Total Utilities	**5,355.41**	**13,610.98**
Total Expenses	**$245,294.45**	**$748,809.04**
NET OPERATING INCOME	**$ (210,253.92)**	**$ (631,925.28)**
Other Income		
Interest/Dividend Income	25,523.60	78,705.91
Unrealized Gain/Loss - LAIF		448.46
Unrealized Gain/Loss CalTrust - Medium Term	(56,438.43)	(77,127.90)
Total Other Income	**$ (30,914.83)**	**$2,026.47**

Fallbrook Regional Health District

Report #2 - Profit and Loss and YTD

September 2026

	TOTAL	
	SEP 2026	JUL - SEP, 2026 (YTD)
Other Expenses		
Depreciation Expense		
Depreciation Expense - Brandon Road	1,108.42	3,325.26
Depreciation Expense - Mission Road	4,204.50	12,613.50
Total Depreciation Expense	**5,312.92**	**15,938.76**
Total Other Expenses	**$5,312.92**	**$15,938.76**
NET OTHER INCOME	**$ (36,227.75)**	**$ (13,912.29)**
NET INCOME	**$ (246,481.67)**	**$ (645,837.57)**

Fallbrook Regional Health District
Budget vs. Actuals: Budget FY 26 - 27 - FY27 P&L Classes
July - September, 2026

	Administrative			Wellness Center			TOTAL		
	Actual	Budget	over Budget	Actual	Budget	over Budget	Actual	Budget	over Budget
Income									
Interest Income - Foundation	166.04		166.04			0.00	166.04	0.00	166.04
Property Tax Revenue	114,317.72	110,116.06	4,201.66			0.00	114,317.72	110,116.06	4,201.66
Rental Income	2,400.00	2,400.00	0.00			0.00	2,400.00	2,400.00	0.00
Wellness Center Income - Event/Space Rental		450.00	(450.00)		0.00	0.00	0.00	450.00	(450.00)
Total Income	**$ 116,883.76**	**$ 112,966.06**	**$ 3,917.70**	**$ -**	**$ -**	**$ -**	**$ 116,883.76**	**$ 112,966.06**	**$ 3,917.70**
Gross Profit	**$ 116,883.76**	**$ 112,966.06**	**$ 3,917.70**	**$ -**	**$ -**	**$ -**	**$ 116,883.76**	**$ 112,966.06**	**$ 3,917.70**
Expenses									
Advertising & Promotions	1,625.00	6,075.00	(4,450.00)	1,698.29	6,100.00	(4,401.71)	3,323.29	12,175.00	(8,851.71)
Auto Expenses		125.00	(125.00)		150.00	(150.00)	0.00	275.00	(275.00)
Mileage Reimbursement	267.91		267.91	216.60		216.60	484.51	0.00	484.51
Total Auto Expenses	**$ 267.91**	**$ 125.00**	**$ 142.91**	**$ 216.60**	**$ 150.00**	**$ 66.60**	**$ 484.51**	**$ 275.00**	**$ 209.51**
Community Health Contracts									
Boys & Girls Club of North County - TP	15,641.50	15,641.50	0.00			0.00	15,641.50	15,641.50	0.00
Community Health Systems, Inc.	28,523.00	28,523.00	0.00			0.00	28,523.00	28,523.00	0.00
D'Vine Path	22,500.00	22,500.00	0.00			0.00	22,500.00	22,500.00	0.00
Fallbrook Food Pantry	50,000.00	50,000.00	0.00			0.00	50,000.00	50,000.00	0.00
Interfaith Community Services	3,860.00	3,860.00	0.00			0.00	3,860.00	3,860.00	0.00
Reins Therapeutic Horsemanship Program	11,141.50	11,141.50	0.00			0.00	11,141.50	11,141.50	0.00
San Diego Children's Discovery Museum	2,200.00	2,200.00	0.00			0.00	2,200.00	2,200.00	0.00
The Center for Senior Wellbeing	50,000.00	50,000.00	0.00			0.00	50,000.00	50,000.00	0.00
Vista Community Clinic	11,634.00	11,634.00	0.00			0.00	11,634.00	11,634.00	0.00
Voices for Children	4,500.00	4,500.00	0.00			0.00	4,500.00	4,500.00	0.00
Youth Fitness Grants									
Bonsall/Fallbrook Little League	4,000.00	4,000.00	0.00			0.00	4,000.00	4,000.00	0.00
Boys & Girls Club North County - Soccer	4,000.00	4,000.00	0.00			0.00	4,000.00	4,000.00	0.00
Boys Warriors Soccer Booster	4,000.00	4,000.00	0.00			0.00	4,000.00	4,000.00	0.00
Fallbrook Band Boosters	4,000.00	4,000.00	0.00			0.00	4,000.00	4,000.00	0.00
Girls Warriors Soccer Booster	4,000.00	4,000.00	0.00			0.00	4,000.00	4,000.00	0.00
Total Youth Fitness Grants	**$ 20,000.00**	**$ 20,000.00**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 20,000.00**	**$ 20,000.00**	**$ -**
Total Community Health Contracts	**$ 220,000.00**	**$ 220,000.00**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 220,000.00**	**$ 220,000.00**	**$ -**
District Direct Care Services									
Health Services & Clinics		125,000.01	(125,000.01)	56,565.03	74,527.00	(17,961.97)	56,565.03	199,527.01	(142,961.98)
CNA Services - Consulting			0.00	15,666.67		15,666.67	15,666.67	0.00	15,666.67
NCFD Ambulance		100,000.00	(100,000.00)			0.00	0.00	100,000.00	(100,000.00)
Total Health Services & Clinics	**$ -**	**$ 225,000.01**	**$ (225,000.01)**	**$ 72,231.70**	**$ 74,527.00**	**$ (2,295.30)**	**$ 72,231.70**	**$ 299,527.01**	**$ (227,295.31)**
Total District Direct Care Services	**$ -**	**$ 225,000.01**	**$ (225,000.01)**	**$ 72,231.70**	**$ 74,527.00**	**$ (2,295.30)**	**$ 72,231.70**	**$ 299,527.01**	**$ (227,295.31)**
Dues & Subscriptions	10,085.30	17,848.59	(7,763.29)	238.00	456.00	(218.00)	10,323.30	18,304.59	(7,981.29)

39	**Education & Conferences**	1,625.17	4,800.00	(3,174.83)	6,556.52	1,200.00	5,356.52	8,181.69	6,000.00	2,181.69
40	**Equipment Lease**	2,427.49	2,435.00	(7.51)	2,427.45	2,435.00	(7.55)	4,854.94	4,870.00	(15.06)
41	**General Election**		0.00	0.00			0.00	0.00	0.00	0.00
42	**General Insurance**	4,187.37	4,125.00	62.37	4,187.37	4,125.00	62.37	8,374.74	8,250.00	124.74
43	**IT Services**	3,211.50	1,050.00	2,161.50	3,211.50	1,050.00	2,161.50	6,423.00	2,100.00	4,323.00
44	**Legal & Accounting services**									
45	**Accounting**	4,500.00	4,500.00	0.00			0.00	4,500.00	4,500.00	0.00
46	**Independent Audit**	8,500.00	8,000.00	500.00			0.00	8,500.00	8,000.00	500.00
47	**Legal**	9,638.00	14,850.00	(5,212.00)	355.50	1,650.00	(1,294.50)	9,993.50	16,500.00	(6,506.50)
48	**Total Legal & Accounting services**	**$ 22,638.00**	**$ 27,350.00**	**$ (4,712.00)**	**$ 355.50**	**$ 1,650.00**	**$ (1,294.50)**	**$ 22,993.50**	**$ 29,000.00**	**$ (6,006.50)**
49	**Medical Records Expense**	7,453.58	8,910.00	(1,456.42)			0.00	7,453.58	8,910.00	(1,456.42)
50	**Meeting Expenses**	466.80	225.00	241.80	262.73	200.00	62.73	729.53	425.00	304.53
51	**Office Expenses**									
52	**General Office Expenses**	532.18	199.32	332.86	650.27	240.00	410.27	1,182.45	439.32	743.13
53	**Maintenance & Repairs**	12,756.30	17,467.61	(4,711.31)	43,548.28	9,167.61	34,380.67	56,304.58	26,635.22	29,669.36
54	**Property Management Fees**	693.75	0.00	693.75	281.25		281.25	975.00	0.00	975.00
55	**Total Maintenance & Repairs**	**$ 13,450.05**	**$ 17,467.61**	**$ (4,017.56)**	**$ 43,829.53**	**$ 9,167.61**	**$ 34,661.92**	**$ 57,279.58**	**$ 26,635.22**	**$ 30,644.36**
56	**Office Supplies**	2,156.74	1,080.00	1,076.74	4,452.08	1,200.00	3,252.08	6,608.82	2,280.00	4,328.82
57	**Postage & Shipping**	133.06	163.89	(30.83)		75.00	(75.00)	133.06	238.89	(105.83)
58	**Software & Website**	11,994.58	2,841.37	9,153.21	8,691.19	2,241.48	6,449.71	20,685.77	5,082.85	15,602.92
59	**Total Office Expenses**	**$ 28,266.61**	**$ 21,752.19**	**$ 6,514.42**	**$ 57,623.07**	**$ 12,924.09**	**$ 44,698.98**	**$ 85,889.68**	**$ 34,676.28**	**$ 51,213.40**
60	**Payroll Expenses**									
61	**Board Stipends**	3,622.50	11,250.00	(7,627.50)			0.00	3,622.50	11,250.00	(7,627.50)
62	**Employee Benefits**	17,523.02	19,920.00	(2,396.98)	38,843.21	28,440.00	10,403.21	56,366.23	48,360.00	8,006.23
63	**Payroll Processing Fees**	641.62	700.23	(58.61)	641.60	474.75	166.85	1,283.22	1,174.98	108.24
64	**Payroll Taxes**	9,329.11	9,803.10	(473.99)	5,364.85	6,646.53	(1,281.68)	14,693.96	16,449.63	(1,755.67)
65	**Salaries**	118,513.15	140,044.17	(21,531.02)	74,260.79	94,950.33	(20,689.54)	192,773.94	234,994.50	(42,220.56)
66	**Simple IRA Match**	2,344.92	4,201.32	(1,856.40)	1,473.60	2,848.50	(1,374.90)	3,818.52	7,049.82	(3,231.30)
67	**Vacation & Sick Leave**	7,056.09		7,056.09	3,073.52	0.00	3,073.52	10,129.61	0.00	10,129.61
68	**Workers Compensation**	623.31	4,500.00	(3,876.69)	623.31	4,500.00	(3,876.69)	1,246.62	9,000.00	(7,753.38)
69	**Total Payroll Expenses**	**$ 159,653.72**	**$ 190,418.82**	**$ (30,765.10)**	**$ 124,280.88**	**$ 137,860.11**	**$ (13,579.23)**	**$ 283,934.60**	**$ 328,278.93**	**$ (44,344.33)**
70	**Utilities**									
71	**Cell Phones**	593.90	360.00	233.90	758.18	240.00	518.18	1,352.08	600.00	752.08
72	**General Utilities**	4,703.00	4,050.00	653.00	4,696.39	6,045.00	(1,348.61)	9,399.39	10,095.00	(695.61)
73	**Internet/Telephone**	1,551.87	2,190.00	(638.13)	1,307.64	2,220.00	(912.36)	2,859.51	4,410.00	(1,550.49)
74	**Total Utilities**	**$ 6,848.77**	**$ 6,600.00**	**$ 248.77**	**$ 6,762.21**	**$ 8,505.00**	**$ (1,742.79)**	**$ 13,610.98**	**$ 15,105.00**	**$ (1,494.02)**
75	**Total Expenses**	**$ 468,757.22**	**$ 736,714.61**	**$ (267,957.39)**	**$ 280,051.82**	**$ 251,182.20**	**$ 28,869.62**	**$ 748,809.04**	**$ 987,896.81**	**$ (239,087.77)**
76	**Net Operating Income**	**$ (351,873.46)**	**$ (623,748.55)**	**$ 271,875.09**	**$ (280,051.82)**	**$ (251,182.20)**	**$ (28,869.62)**	**$ (631,925.28)**	**$ (874,930.75)**	**$ 243,005.47**
77	**Other Income**									
78	**Interest/Dividend Income**	78,705.91	0.00	78,705.91			0.00	78,705.91	0.00	78,705.91
79	**Unrealized Gain/Loss - LAIF**	448.46		448.46			0.00	448.46	0.00	448.46
80	**Unrealized Gain/Loss CalTrust - Medium Term**	(77,127.90)		(77,127.90)			0.00	(77,127.90)	0.00	(77,127.90)
81	**Total Other Income**	**$ 2,026.47**	**$ -**	**$ 2,026.47**	**$ -**	**$ -**	**$ -**	**$ 2,026.47**	**$ -**	**$ 2,026.47**
82	**Other Expenses**									

83	**Depreciation Expense**													
84	**Depreciation Expense - Brandon Road**	3,325.26		3,325.26				0.00	3,325.26		0.00	3,325.26		
85	**Depreciation Expense - Mission Road**			0.00	12,613.50			12,613.50	12,613.50		0.00	12,613.50		
86	**Total Depreciation Expense**	**$ 3,325.26**	**$ -**	**$ 3,325.26**	**$ 12,613.50**	**$ -**	**$ 12,613.50**	**$ 15,938.76**	**$ -**	**$ 15,938.76**				
87	**Total Other Expenses**	**$ 3,325.26**	**$ -**	**$ 3,325.26**	**$ 12,613.50**	**$ -**	**$ 12,613.50**	**$ 15,938.76**	**$ -**	**$ 15,938.76**				
88	**Net Other Income**	**$ (1,298.79)**	**$ -**	**$ (1,298.79)**	**$ (12,613.50)**	**$ -**	**$ (12,613.50)**	**$ (13,912.29)**	**$ -**	**$ (13,912.29)**				
89	**Net Income**	**$ (353,172.25)**	**$ (623,748.55)**	**$ 270,576.30**	**$ (292,665.32)**	**$ (251,182.20)**	**$ (41,483.12)**	**$ (645,837.57)**	**$ (874,930.75)**	**$ 229,093.18**				

INVESTMENT COMPLIANCE REPORT

This report is provided in compliance with Section 53646 of the California Government Code and aligns with best practice recommendations outlined in the Local Agency Investment Guidelines (LAIG).

LOCAL AGENCY INVESTMENT FUND (LAIF)

Through the Pooled Money Investment Account (PMIA), the State Treasurer invests taxpayers' money to manage the State's cash flow and strengthen the financial security of local governmental entities. PMIA policy sets as primary investment objectives safety, liquidity and yield.

As of September 30, 2026, the District's balance was $397,707.96. This represents 4.77% of the District's investment portfolio. The Average Monthly Effective Yield for the month of September, 2026 was 3.908%, up from prior month 3.863%. In September 2026, the District reported $0.00 in quarterly earnings.

As of September 30, 2026, the PMIA's holdings include US Treasury Securities, Federal Agency Debentures and Discount Notes, along with CDs and Commercial Paper.

CalTRUST

The CalTRUST Board works closely with the investment manager, State Street Global Advisors, to ensure that public dollars are managed securely and efficiently and are in full compliance with California Law. The primary objective is to safeguard the preservation of principal.

The District is invested in two CalTRUST Funds: Medium Term Fund and Liquidity Fund. As of September 30, 2026, the District's closing Net Asset Value was $6,419,379.84. This represents 77.00% of the District's investment portfolio.

In September, 2026, the District earned $20,770.70 in dividend income and reported $56,438.43 in unrealized losses. The One Year Yield on the Medium-Term Fund was 3.98%, unchanged from prior month and the One Year Yield on the Liquidity Fund was 3.93%, down from prior month 3.96%.

As of September 30, 2026, CalTRUST's holdings include US Treasury Securities, Investment Grade Corporates, Commercial Paper and CD's.

California CLASS

The California Cooperative Liquid Assets Securities System (California CLASS) is a pooled investment option that invests in high-quality, short-to-medium-term securities that prioritize principal preservation. The California CLASS management has appointed Public Trust Advisors, LLC to serve as the Investment Advisor and Administrator. As of September 30, 2026, the District's balance was $1,519,315.05. This represents 18.23% of the District's investment portfolio. In September, 2026, the District reported $4,752.90 in earnings. The 30-day average yield was 3.8181%, up from prior month 3.7484%.

As of September 30, 2026, California CLASS's holdings include US Treasury Securities, Federal Agency Securities, and CD's.

The investments of the District are in compliance with the District's 2026-2027 Investment Policy. The balances in the District's investment accounts give the District the ability to meet its expenditure requirements for the next twelve (12) months.

CalTRUST
50 Iron Point Circle, Suite 140
Folsom, CA 95630
www.caltrust.org
Email: admin@caltrust.org
Fax: 402-963-9094
Phone: 833-CALTRUST (225-8787)

Investment Account Summary

09/01/2026 through 09/30/2026

SUMMARY OF INVESTMENTS

Fund	Account Number	Total Shares Owned	Net Asset Value per Share on Sep 30 ($)	Value on Sep 30 ($)	Average Cost Amount ($)	Cumulative Change in Value ($)
FALLBROOK REGIONAL HEALTH DISTRICT						
CalTRUST Medium Term Fund		514,750.115	9.65	4,967,338.61	5,147,229.32	(179,890.71)
CalTRUST Liquidity Fund		1,452,041.230	1.00	1,452,041.23	1,452,041.23	0.00
	Portfolios Total value as of 09/30/2026			**6,419,379.84**		

DETAIL OF TRANSACTION ACTIVITY

Activity Description	Activity Date	Amount ($)	Amount in Shares	Balance in Shares	Price per Share ($)	Balance ($)	Average Cost Amt ($)	Realized Gain/(Loss) ($)
CalTRUST Medium Term Fund			**FALLBROOK REGIONAL HEALTH DISTRICT**				**Account Number:**	
Beginning Balance	09/01/2026			513,076.649	9.76	5,007,628.09		
Accrual Income Div Reinvestment	**09/30/2026**	**16,148.95**	**1,673.466**	**514,750.115**	**9.65**	**4,967,338.61**	**0.00**	**0.00**
Change in Value						(56,438.43)		
Closing Balance as of	**Sep 30**			**514,750.115**	**9.65**	**4,967,338.61**		
CalTRUST Liquidity Fund			**FALLBROOK REGIONAL HEALTH DISTRICT**				**Account Number:**	
Beginning Balance	09/01/2026			1,447,419.480	1.00	1,447,419.48		
Accrual Income Div Reinvestment	**09/30/2026**	**4,621.75**	**4,621.750**	**1,452,041.230**	**1.00**	**1,452,041.23**	**0.00**	**0.00**
Change in Value						0.00		
Closing Balance as of	**Sep 30**			**1,452,041.230**	**1.00**	**1,452,041.23**		

Please note that this information should not be construed as tax advice and it is recommended that you consult with a tax professional regarding your account.

Official website of the State of California

State of California
Office of the
State Treasurer

LAIF Monthly Statements

LAIF Monthly Statement

FALLBROOK REGIONAL HEALTH DISTRICT
DISTRICT ADMINISTRATOR
138 SOUTH BRANDON ROAD
FALLBROOK, CA 92028

LAIF Account #: [redacted]
September 2026 Statement

No transactions were found for this reporting period.

Account Summary

Beginning Balance:	397,707.96
Total Deposit:	0.00
Total Withdrawal:	0.00
Ending Balance:	397,707.96

California CLASS

Summary Statement

September 30, 2026

0000079-0000401 PDFT 238723

Fallbrook Regional Health District
138 South Brandon Road
Fallbrook, CA 92028

California CLASS

California CLASS

Average Monthly Yield: 3.8181%

	Beginning Balance	Contributions	Withdrawals	Income Earned	Income Earned YTD	Average Daily Balance	Month End Balance
FRHD_CLASS_Prime	1,514,562.15	0.00	0.00	4,752.90	41,774.18	1,514,720.58	1,519,315.05
TOTAL	**1,514,562.15**	**0.00**	**0.00**	**4,752.90**	**41,774.18**	**1,514,720.58**	**1,519,315.05**

California CLASS

Account Statement

September 30, 2026

FRHD_CLASS_Prime

Account Summary

Average Monthly Yield: 3.8181%

	Beginning Balance	Contributions	Withdrawals	Income Earned	Income Earned YTD	Average Daily Balance	Month End Balance
California CLASS	1,514,562.15	0.00	0.00	4,752.90	41,774.18	1,514,720.58	1,519,315.05

Transaction Activity

Transaction Date	Transaction Description	Contributions	Withdrawals	Balance	Transaction Number
09/01/2026	Beginning Balance			1,514,562.15	
09/30/2026	Income Dividend Reinvestment	4,752.90			
09/30/2026	Ending Balance			1,519,315.05	

California CLASS

Daily Rates

September 30, 2026

California CLASS

	California CLASS	
Date	Dividend Rate	Daily Yield
09/01/2026	0.000103007	3.7598%
09/02/2026	0.000102942	3.7574%
09/03/2026	0.000102863	3.7545%
09/04/2026	0.000411872	3.7583%
09/05/2026	0.000000000	3.7583%
09/06/2026	0.000000000	3.7583%
09/07/2026	0.000000000	3.7583%
09/08/2026	0.000103000	3.7595%
09/09/2026	0.000102897	3.7557%
09/10/2026	0.000102981	3.7588%
09/11/2026	0.000308301	3.7510%
09/12/2026	0.000000000	3.7510%
09/13/2026	0.000000000	3.7510%
09/14/2026	0.000102800	3.7522%
09/15/2026	0.000102919	3.7565%
09/16/2026	0.000102966	3.7583%
09/17/2026	0.000103769	3.7876%
09/18/2026	0.000318069	3.8698%
09/19/2026	0.000000000	3.8698%
09/20/2026	0.000000000	3.8698%
09/21/2026	0.000106004	3.8691%
09/22/2026	0.000106370	3.8825%
09/23/2026	0.000106707	3.8948%
09/24/2026	0.000106923	3.9027%
09/25/2026	0.000321510	3.9117%
09/26/2026	0.000000000	3.9117%
09/27/2026	0.000000000	3.9117%
09/28/2026	0.000107501	3.9238%
09/29/2026	0.000107406	3.9203%
09/30/2026	0.000107326	3.9174%

Performance results are shown net of all fees and expenses and reflect the reinvestment of dividends and other earnings. Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. **Past performance is no guarantee of future results. Any financial and/or investment decision may incur losses.**

Fallbrook Regional Health District

Report #5 - Check Detail

September 2026

DATE	TRANSACTION TYPE	NUM	NAME	AMOUNT
Banc of California - Checking				
09/09/2026	Bill Payment (Check)	15707	United Nursing International Healthcare Recruiters	(260.00)
				(260.00)
09/09/2026	Bill Payment (Check)	15695	Clearsight Inc. (DBA Sowen)	(15,666.67)
				(15,666.67)
09/09/2026	Bill Payment (Check)	15704	Specialized Elevator Corp	(285.77)
				(285.77)
09/09/2026	Bill Payment (Check)	15696	Fallbrook Printing Corporation	(234.50)
				(234.50)
09/09/2026	Bill Payment (Check)	15698	Leslie Salmon	(913.75)
				(913.75)
09/09/2026	Bill Payment (Check)	15702	SDTEK	(2,141.00)
				(2,141.00)
09/09/2026	Bill Payment (Check)	15703	Sofia Webber	(560.00)
				(560.00)
09/09/2026	Bill Payment (Check)	15699	Revize LLC	(13,962.00)
				(13,962.00)
09/09/2026	Bill Payment (Check)	15693	Amazon Capital Services	(3.23)
				(3.23)
09/09/2026	Bill Payment (Check)	15706	Uline	(822.15)
				(822.15)
09/09/2026	Bill Payment (Check)	15697	Knight Security & Fire Systems	(44.00)
				(44.00)
09/09/2026	Bill Payment (Check)	15694	Classic Handyman Services	(2,780.64)
				(2,780.64)
09/09/2026	Bill Payment (Check)	15705	Susan Woodward	(1,500.00)
				(1,500.00)
09/09/2026	Bill Payment (Check)	15700	Safe and Sound Security	(123.86)
				(123.86)
09/09/2026	Bill Payment (Check)	15701	SDRMA	(18,618.47)
				(18,618.47)

Fallbrook Regional Health District

Report #5 - Check Detail

September 2026

DATE	TRANSACTION TYPE	NUM	NAME	AMOUNT
09/15/2026	Bill Payment (Check)	15710	Fallbrook Printing Corporation	(106.67)
				(106.67)
09/15/2026	Bill Payment (Check)	15712	Juana Diaz	(600.00)
				(600.00)
09/15/2026	Bill Payment (Check)	15708	Amazon Capital Services	(58.82)
				(58.82)
09/15/2026	Bill Payment (Check)	15713	SDRMA	(1,254.64)
				(1,254.64)
09/15/2026	Bill Payment (Check)	15714	Small Steps Coaching	(100.00)
				(100.00)
09/15/2026	Bill Payment (Check)	15711	Five Star Bank - CC	(4,218.90)
				(4,218.90)
09/15/2026	Check	15719	Skinny Gene Project	(12,600.00)
				12,600.00
09/15/2026	Check	15717	Michelle’s Place Cancer Resource Center	(21,250.00)
				21,250.00
09/15/2026	Check	15715	Fallbrook Land Conservancy	(750.00)
				750.00
09/15/2026	Check	15716	Hospice of the Valleys	(2,277.00)
				2,277.00
09/15/2026	Check	15718	North County Health Project Inc. dba TrueCare +PFCS	(14,040.00)
				14,040.00
09/23/2026	Check	15721	Boys & Girls Club of North County	(4,000.00)
				4,000.00
09/23/2026	Check	15722	Fallbrook Band Boosters, Inc.	(4,000.00)
				4,000.00
09/23/2026	Check	15723	Fallbrook Band Boosters, Inc.	0.00
				0.00
09/23/2026	Check	15724	Girls Warriors Soccer Booster, Inc	(4,000.00)
				4,000.00

Fallbrook Regional Health District

Report #5 - Check Detail

September 2026

DATE	TRANSACTION TYPE	NUM	NAME	AMOUNT
09/23/2026	Check	15725	Bonsall/Fallbrook Little League	(4,000.00)
				4,000.00
09/23/2026	Check	15726	Boys Warriors Soccer Booster, Inc.	(4,000.00)
				4,000.00

Fallbrook Regional Health District

Automated Clearing House Detail Report
September 2026

Date	Transaction type	Name	Amount
ADP Payroll Bank -7700			
09/03/2026	Expense	ADP, LLC	(11,002.18)
09/03/2026	Expense	ADP, LLC	(29,931.46)
09/11/2026	Expense	ADP, LLC	(204.44)
09/17/2026	Expense	ADP, LLC	(28,398.49)
09/17/2026	Expense	ADP, LLC	(10,588.38)
09/25/2026	Expense	ADP, LLC	(174.56)
Total for ADP Payroll Bank -7700			**($80,299.51)**
Banc of California - Checking			
09/08/2026	Expense	SDG&E	(1,242.89)
09/08/2026	Expense	SDG&E	(1,262.18)
09/09/2026	Expense	American Funds Investment	(2,746.52)
09/23/2026	Expense	American Funds Investment	(2,746.52)
Total for Banc of California - Checking			**($7,998.11)**
Five Star- NEW Operating account- 0101			
09/09/2026	Expense	FPUD - 7720-003 - E. Mission Rd.	(515.83)
09/09/2026	Expense	FPUD - 7720-002 - E. Mission Rd.	(53.05)
09/09/2026	Expense	FPUD - 7720-001	(525.78)
09/09/2026	Expense	FPUD - 7721-000	(53.05)
09/09/2026	Expense	Fallbrook Waste & Recycling - E. Mission	(218.22)
09/10/2026	Expense	Spectrum - Mission	(582.10)
09/10/2026	Expense	Spectrum - Mission	(138.51)
09/11/2026	Expense	Spectrum - Mission	(260.72)
09/18/2026	Expense	T-Mobile	(153.08)
09/23/2026	Expense	Fallbrook Waste & Recycling - E. Mission	(218.22)
09/25/2026	Expense	Konica Minolta	(1,592.55)
09/30/2026	Expense	Pitney Bowes - Purchase Power	(100.00)
Total for Five Star- NEW Operating account- 0101			**($4,411.11)**
TOTAL			**($92,708.73)**

FIVE STAR BANK

ACCOUNTS PAYABLE

Account Number: XXXX XXXX XXXX 0944

ACCOUNT SUMMARY

Credit Limit	$15,000.00
Credit Available	$12,888.00
Statement Closing Date	September 30, 2026
Days in Billing Cycle	30
Previous Balance	$4,218.90
- Payments & Credits	$4,317.90
+ Purchases & Other Charges	$1,725.45
+ Cash Advances	$0.00
+ Finance Charges	$0.00
= New Balance	$1,626.45

Questions? Call Cardmember Services 1-855-401-4743
Or Write: PO Box 332509
Murfreesboro, TN 37133-2509
Or visit: MyApexCard.com

PAYMENT INFORMATION

New Balance	$1,626.45
Minimum Payment Due	**$1,626.45**
Payment Due Date	**October 25, 2026**

Notice: SEE REVERSE SIDE FOR MORE IMPORTANT INFORMATION

TRANSACTIONS

Tran Date	Post Date	Reference Number	Transaction Description	Amount
			TOTAL XXXXXXXXXXXX 0944 $4,218.90-	
09/22	09/22	8559325LT00XV81EW	PAYMENT - THANK YOU	4,218.90-
		JASMINE THOMAS	**TOTAL XXXXXXXXXXXX 8726 $335.61**	
09/14	09/14	1230202LH0061S6RN	FACEBK *3F2KF3JH44 WILMINGTON DE	173.00
09/30	09/30	1230202M100LYX3RX	FACEBK *MY83Y5EH44 WILMINGTON DE	162.61
		RACHEL MASON-RUNNELLS	**TOTAL XXXXXXXXXXXX 6849 $198.53**	
09/18	09/18	5548077LN7QQFMF5S	GRANT GOPHER PINE MOUNTAIN CA	174.00
09/22	09/22	8271116LSEHMB5QXD	VOICEOFSANDIEGO.ORG SAN DIEGO CA	10.53
09/23	09/23	5530959LVAJE49W58	SAN DIEGO UNION TRIB-S IRVINE CA	14.00
		JESSALYN LOPEZ	**TOTAL XXXXXXXXXXXX 6498 $40.84**	
09/11	09/11	5265384LETZ39GL83	SMARTSIGN.COM BROOKLYN HEIG NY	25.38
09/14	09/14	5265384LHS29KFQAP	SMARTSIGN.COM BROOKLYN HEIG NY	15.46
		RAQUEL WILLIAMS	**TOTAL XXXXXXXXXXXX 2761 $31.66**	
09/09	09/09	0543684LD00Q6VX4F	DOLLAR TREE FALLBROOK CA	10.68
09/09	09/09	5526352LDTXG2J4PE	ALBERTSONS #4786 FALLBROOK CA	20.98

Transactions continued on next page

Please detach bottom portion and submit with payment using enclosed envelope

FIVE STAR BANK

Cardmember Services
PO BOX 332509
Murfreesboro TN 37133

Payment Information

Account Number:	XXXX XXXX XXXX 0944
Payment Due Date	**October 25, 2026**
New Balance	**$1,626.45**
Minimum Payment Due	$1,626.45
Past Due Amount	$0.00

Make Check Payable to:

Amount Enclosed: **$**

ACCOUNTS PAYABLE
FALLBROOK REGIONAL HD
138 S BRANDON RD
FALLBROOK CA 92028-2205

Cardmember Services
PO BOX 306005
Nashville TN 37230-6005

5533120310050944001626450016264 53

TRANSACTIONS (continued)

Tran Date	Post Date	Reference Number	Transaction Description	Amount
		THERESA GERACITANO	**TOTAL XXXXXXXXXXXX 9242 $536.52**	
09/09	09/09	5543286LD5SK6M7D5	TST*SORRENTO SAN DIEGO CA	30.86
09/10	09/10	5543687LE7LG9VLLM	HILTON HOTEL SAN DIEGO SAN DIEGO CA	40.00
		CHECK-IN 09/08/26	FOLIO #3055742	
09/10	09/10	5543687LE7LG9VMD5	HILTON HOTEL SAN DIEGO SAN DIEGO CA	383.69
		CHECK-IN 09/08/26	FOLIO #3055742	
09/10	09/10	5543687LE7XSAP3B0	HILTON THE CANNERY SAN DIEGO CA	6.38
09/11	09/11	0230537LE2X8WMJS8	TST* SWEET THINGS FROZ SAN DIEGO CA	16.51
09/22	09/22	5550080LSSBH45ENA	MAJOR MARKET FALLBROOK FALLBROOK CA	59.08
		FRHD DEFAULT 4 VENDORS	**TOTAL XXXXXXXXXXXX 0090 $483.29**	
09/03	09/03	1230202L600RE08JT	ADOBE SAN JOSE CA	211.89
09/17	09/17	1230202LL0070Q5V5	MICROSOFT*STORE REDMOND WA CREDIT	99.00-
09/25	09/25	5550629LWSE5X7HHS	SHAREFILE LLC BURLINGTON MA	70.40
09/27	09/27	7541823LY7TMKL0FP	CCI*CONSTANT-CONTACT WALTHAM MA	250.00
09/29	09/29	8271116M1EHM65P2Q	OPENAI *CHATGPT SUBSCR SAN FRANCISCO CA	50.00

INTEREST CHARGE CALCULATION

Your **Annual Percentage Rate (APR)** is the annual interest rate on your account

Type of Balance	**ANNUAL PERCENTAGE RATE (APR)**	Expiration Date	Balance Subject to Interest Rate	Days in Billing Cycle	**Interest Charge**
Purchases	23.99% (v)	-	$0.00	30	$0.00
Cash Advances	21.00% (f)	-	$0.00	30	$0.00

(v) = variable (f) = fixed

Fallbrook Regional Health District

Report #7 - Community Development Disbursements

July - September, 2026

DATE	NUM	NAME	MEMO/DESCRIPTION	SPLIT	AMOUNT
07/25/2026	248048	WCA Inc.	Emailing: AmazonBusiness_Invoice_11DN-DK6D-9KWJ, 248048_TreeServices_West Coast Arborists Inc, ...	Office Expenses:Maintenance & Repairs	23,400.00
07/29/2026			SAMSUNG SAMSUNG.COM/UNJ - TV for Classroom B6	Office Expenses:Office Supplies	2,376.49
07/30/2026	1Q44-4PM7-4G63	Amazon Capital Services		Office Expenses:Office Supplies	122.82
08/03/2026		County of San Diego Planning Services	COUNTY OF SAN DICOUNTY OF 122375 COUNTY OF SAN DICOUNTY OF XXXXXX5714 TRACE#-XXXXXX0145	Construction in Progress	(1,105.00)
08/12/2026	1FRY-V9YV-H967	Amazon Capital Services		Office Expenses:Office Supplies	276.21
08/20/2026	1DLW-4MN1-DPM9	Amazon Capital Services	Emailing: AmazonBusiness_Invoice_11DN-DK6D-9KWJ, 248048_TreeServices_West Coast Arborists Inc, ...	Office Expenses:Office Supplies	19.38
08/21/2026		County of San Diego Planning Services	COUNTY OF SAN DIcounty Of 122375 COUNTY OF SAN DIcounty Of XXXXXX5714 TRACE#-XXXXXX0161	Construction in Progress	(1,313.00)
09/01/2026	0605	Clearsight Inc. (DBA Sowen)	Emailing: Falbrook Invoice #0605_Sowen_Clearsight	District Direct Care Services:Health Services & Clinics:CNA Services - Consulting	15,666.67
09/02/2026	#1066	Classic Handyman Services	Emailing: invoice-1066, Invoice SEPTEMBER- SOFIA-FALLBROOK 2026-	Office Expenses:Maintenance & Repairs	2,780.64

Fallbrook Regional HEALTH DISTRICT
138 S. Brandon Rd, Fallbrook, CA 92028
(760) 731-9187 ◆ fallbrookhealth.org

Automatic Clearing House Compliance and Internal Control for Special District.

Automatic Clearing House Workflow.

1.Purpose:

This Standard Operating Procedure establishes a consistent, secure, transparent, and efficient process for preparing, authorizing, approving, processing, recording, reconciling, and reporting Automatic Clearing House Payments to the Board of Directors.

The process is designed to provide practical internal controls, an appropriate level of segregation of duties for the District's staffing structure, transparency, and clear audit trail without creating unnecessary. This procedure applies to all electronic disbursement payments made by District, including payments processed thought Quick Books Online BillPay, Vendor payment portals, the Bank's ACH platform, and recurring autopay arrangements.

All procedures align explicitly with the advanced treasury management controls provided through the District's primary financial institution, Five Star Bank Government Banking Division, which specializes in public-sector fund security.

2. Payment Preparation and Segregation of Duties:

The Finance Officer (FO) shall complete the following for every ACH payment before processing:

Review of the invoice and supporting documentation

Verify the vendor, amount, and purpose

Check the duplicate payments

Confirm account coding and budget availability

Enter or prepare the payment in the applicable system.

3. Approval and Bank Release Workflow and Segregation of Duties:

3.1. Non-Recurring – Under $5,000

Internal Routing: The FO reviews, stages, and records the payment. No separate management approval is required prior to staging.

Bank Release: To maintain dual custody at the bank level, a secondary authorized signer (CEO) must log in into the banking portal to release the ACH file via the ACH Positive Pay approval queue.

Compensation control: The independent CPA's monthly review of financial statements and bank reconciliations serves as the retrospective control.

3.2. Non-Recurring over $5,000 or more

Pre-Approval: The FO stages the payment and emails the CEO with the vendor's name, amount, invoice, purpose, and proposed payment date.

Authorization: The CEO must reply with approval within the same email thread. The FO shall save this approval email as a PDF inside the digital payment file.

Bank Release: Once pre-approved, the FO initiates the transfer. The CEO (or separate authorized Board Designee) must log into the banking portal to execute the final release via the ACH Positive Pay Dual Authorization portal.

Anti-Structuring Rule: Payments shall not be split or batched into smaller increments to evade the $5,000 authorization threshold.

3.3. Board-Approved Recurring Vendors (Any Amount)

Vendors on the Board-Approved Recurring ACH Vendor List may be processed by the FO without individual pre-approval, provided the payment remains within the approved vendor, purpose, method and amount range. Staged files are released through the bank portal utilizing standard dual-authorization tokens.

Positive Pay Rule Setup: Once the Board of Directors approves the Board-Approved Recurring ACH Vendor List, the FO would establish permanent ACH Positive Pay Filter Rules for each vendor using their unique ACH Company ID and maximum allowable dollar thresholds.

For all subsequent monthly bills matching these rules, the bank will automatically clear and process the transaction. The CEO is completely bypassed and does not need to manually log in to approve these routine recurring events.

If a recurring vendor attempts to pull an amount higher than the approved threshold, or if their Company ID changes, Five Star Bank will instantly freeze the payment as an Exception. The CEO will be automatically notified to log into the portal to manually review and explicitly pass or reject the transaction before the daily banking cut-off deadline of 12pm.

Payment Type	**Approval Requirement**	**Compensating Control**
Non-recurring, under $5,000	CEO logs in to manual release via ACH Positive Pay Queue.	CPA monthly review and Bank Reconciliation, Board Detail ACH Report
Non-recurring, $5,000 +	CEO Emal approval before processing, CEO logs in to manually release via Dual Authorization module.	CEO approval, CPA monthly review, Board Detail Report, Bank portal electronic audit trail
Recurring vendor on Board list	Board pre-approved	Board ACH Detail Report, CPA monthly review; Annual Board List ratification

4. Board Approved Recurring ACH Vendor List

The Board of Directors maintains ultimate oversight over ongoing automated disbursements via an approved master schedule.

List Governance & Maintenance: All payments executed under this section must be clearly isolated and detailed on the ACH Detail Report presented at regular financial meetings.

Fallbrook Regional HEALTH DISTRICT
138 S. Brandon Rd, Fallbrook, CA 92028
(760) 731-9187 ◆ fallbrookhealth.org

Adding a Vendor: The FO must present proposed additions to the Board during a regular meeting. Presentations must include the vendor's name, business purpose, estimated expenditure range, payment mechanism, and the underlying executed contract. Board approval is required prior to implementation.

Removing a Vendor: The FO shall update the master list and terminate the bank authorization or delete the Five Star Bank Positive Pay Filter Rule immediately upon contract expiration or service cessation.

Material changes: Renewed Board approval is required when Vendor bank information changes, the amount materially exceeds the approved range, the purpose changes, or the payment method changes. Routine fluctuations within the approved range do not require separate approval.

Bank information changes: New or changed vendor bank information shall be verified independently using the contact method already on file. Email confirmations or invoices alone are strictly insufficient for validating bank routing changes.

5. Recording and reconciliation

All ACH payments shall be recorded in QBO with supporting documentation and payment confirmation retained. ACH transactions shall be included in the monthly bank reconciliation. Unusual, duplicate, unauthorized, or unsupported transactions shall be investigated and resolved.

6. Board Reporting

Prior to each Financial Board meeting, the FO shall prepare and present an ACH Detail Report – all electronic disbursements for the period along with Check Detail Report as an Addendum. Both Reports are presented together to guarantee full Board visibility over all disbursements. Board review of these reports provides oversight and transparency.

7. Independent Compensating Control

The District's CPA independently reviews the monthly financial statements and bank reconciliation. This review serves as the primary compensating control for payments processed without individual pre-approval and includes identification of unusual, unauthorized or duplicate transactions.

8. Audit Trail

Each ACH payment file shall document shall document:

Invoice – FO review – CEO approval (if $5,000+ nonrecurring) or Board – approved list coverage – ACH processed – ACH Positive Pay -Recorded in QBO – Bank reconciliation – Report to Board of Directors.

9. Exceptions and emergency protocols

Exceptions to this procedure shall be documented and approved by the CEO. Emergency payments may be processed in accordance with District Policy including documented justification and authorization.

10. Review and Adoption

This SOP shall be reviewed by the District's independent CPA or Auditor, approved by the CEO, and formally adopted via Resolution by the Board of Directors. It shall be reviewed periodically and updated when policies, systems, staffing, or requirements change.

Vendor's list for Board of Directors approval:

Vendor Name	ACH	Frequency	Approved Range
Iron Mountain	Auto on vendor portal	monthly	0-5k
Spectrum	Auto on vendor portal	monthly	0-500
American Funds IRA	Auto on vendor portal	semimonthly	0-3k
Fallbrook Waste EDCO	Auto on vendor portal	monthly	0-1k
FPUD	Auto on vendor portal	monthly	0-1k
Konica	Auto on vendor portal	monthly	0-1k
SDG&E	Auto on vendor portal	monthly	0-1k
ADP	Auto on vendor portal	semimonthly	0-50k
Pitney Bowes	Auto on vendor portal	monthly	0-1k
QuickBooks	Bank Operational	yearly	0-3k
T-Mobile	Auto on vendor portal	monthly	0-500
Culligan of San Diego	Auto on vendor portal	monthly	0-200
Culligan of Escondido	Auto on vendor portal	monthly	0-200
Classic Handyman Services	QBO Pay bill ACH	per project	0-100k
Colantuono, Highsmith & Whatley, PC	QBO Pay bill ACH	per invoice	0-5k
Fowler Pest Control, Inc.	QBO Pay bill ACH	monthly	0-500
LDC Always Green Landscape	QBO Pay bill ACH	monthly	0-500
Leslie Salmon	QBO Pay bill ACH	per invoice	0-2k
Sofia Webber	QBO Pay bill ACH	per invoice	0-2k
Protera CPR	QBO Pay bill ACH	per invoice	0-1k
Safe and Sound Security	QBO Pay bill ACH	monthly	0-3k
United Nursing International Healthcare Recruiters	QBO Pay bill ACH	per invoice	0-300

Fallbrook Regional HEALTH DISTRICT
138 S. Brandon Rd, Fallbrook, CA 92028
(760) 731-9187 ◆ fallbrookhealth.org

Vendor Name	ACH	Frequency	Approved Range
Susan Woodward	QBO Bill Pay	Monthly	0-2k
Sowen Clearsight	QBO Bill Pay	Monthly	0-16k
Uline	QBO Bill Pay	per invoice	0-1k
SDTEK	QBO Bill Pay	Monthly	0-3k
Knights Security	QBO Bill Pay	Monthly	0-100
24hour elevator	Vendor Portal	Monthly	0-2k
America's Janitorial Service	QBO Bill Pay	Monthly	0-2k
CellGate	QBO Bill Pay	Monthly	0-90