

Wednesday, November 5, 2025, at 10:00 am
138 S. Brandon Road, Fallbrook, CA 92028
1st floor Zoom Room

***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: Zoom Meeting ID: 875 8710 1623 Passcode: 001654.

<https://us02web.zoom.us/j/87587101623?pwd=YrbplaCkpG5qmCSnswTZu5CN0eYSeA.1>

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: 875 8710 1623 Passcode: 001654

Finance Committee Members- Treasurer/Chair Howard Salmon & 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 2025

Report 1 – Balance Sheet of **September 2025**

Report 2 – Profit & Loss - **September 2025**

Report 3 – Profit & Loss Actual vs YTD Budget – **September 2025**

Report 4 – Investment Compliance Report – **September 2025**

Report 5 - Check Detail Report as of **September 2025**

Report 6 – Credit Card Statements– **September 2025**

Report 7 – Community Development Disbursement as of **September 2025**

4. Discussion Items-

a. Approve transfer of \$25,000.00 from LAIF Investment Account to Banc of CA Operating Account

b. Review and recommend approval of the FY24.25 Audit report

c. Review and recommend approval of the new FRHD job description: Administrative Services Coordinator – Finance & Systems

5. Board Member Comments and Future Agenda Item-

Next Finance Committee Meeting Wednesday, December 3, 2025, at 10:00 am.

6. Adjournment

I certify that on October 31, 2025, I posted a copy of the foregoing agenda near the regular meeting place of the Board of Directors of Fallbrook Regional Health District, said time being at least 24 hours in advance of the meeting. The American with Disabilities Act provides that no qualified individual with a disability shall be excluded from participation in or denied the benefits of District business. If you need assistance to participate in this meeting, please contact the Board Clerk at the District office 24 hours prior to the meeting on 760-731-9187.

Raquel A Williams

Executive Assistant/Board Clerk

Fallbrook Regional Health District

Report #1 - Balance Sheet Comparison

As of September 30, 2025

	TOTAL		
	AS OF SEP 30, 2025	AS OF AUG 31, 2025 (PP)	% CHANGE
ASSETS			
Current Assets			
Bank Accounts			
Banc of California - Checking	348,651.35	494,532.16	(29.50 %)
Five Star Bank Account	244,814.09	244,814.09	0.00 %
Petty Cash	0.00	0.00	
Total Bank Accounts	\$593,465.44	\$739,346.25	(19.73 %)
Other Current Assets			
Interest Receivable - LAIF	0.00	0.00	
Loan Receivable - FRHD Foundation	24,825.05	24,825.05	0.00 %
Prepaid Expenses	0.00	0.00	
Prepaid Insurance	27,491.22	30,545.82	(10.00 %)
Reimbursement Receivable - CDD	(1,569.02)	(1,569.02)	0.00 %
Tax Apportionment Receivable	28,108.68	35,827.94	(21.55 %)
Total Other Current Assets	\$78,855.93	\$89,629.79	(12.02 %)
Total Current Assets	\$672,321.37	\$828,976.04	(18.90 %)
Fixed Assets			
Accumulated Depreciation - All Buildings	(374,748.66)	(369,899.24)	(1.31 %)
Accumulated Depreciation - Equipment	(72,965.54)	(72,502.04)	(0.64 %)
Construction in Progress	1,109,384.19	1,109,384.19	0.00 %
E. Mission Road	1,441,539.86	1,441,539.86	0.00 %
E. Mission Road - Improvements	497,873.40	497,873.40	0.00 %
E. Mission Road - Land	360,629.00	360,629.00	0.00 %
Total E. Mission Road	2,300,042.26	2,300,042.26	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	258,645.55	258,645.55	0.00 %
S. Brandon Road - Land	129,662.00	129,662.00	0.00 %
Total S. Brandon Road	549,885.55	549,885.55	0.00 %
Total Fixed Assets	\$3,597,068.97	\$3,602,381.89	(0.15 %)
Other Assets			
California Class	1,462,616.48	1,457,498.57	0.35 %
CalTrust - Liquidity Fund	1,397,172.09	1,392,228.73	0.36 %
CalTrust - Medium Term Fund	5,229,881.07	5,211,737.47	0.35 %
LAIF	405,415.36	405,415.36	0.00 %
Note Receivable - East Alvarado Street	0.00	0.00	
Total Other Assets	\$8,495,085.00	\$8,466,880.13	0.33 %
TOTAL ASSETS	\$12,764,475.34	\$12,898,238.06	(1.04 %)

Fallbrook Regional Health District

Report #1 - Balance Sheet Comparison

As of September 30, 2025

	TOTAL		
	AS OF SEP 30, 2025	AS OF AUG 31, 2025 (PP)	% CHANGE
LIABILITIES AND EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
Accounts Payable (A/P)	3,913.87	35,532.75	(88.99 %)
Total Accounts Payable	\$3,913.87	\$35,532.75	(88.99 %)
Credit Cards			
Five Star Bank - CC			
Five Star Bank - CC	5,536.00	5,523.65	0.22 %
Umpqua Bank - Credit Card			
Umpqua Bank - Credit Card	0.00	0.00	
Total Credit Cards	\$5,536.00	\$5,523.65	0.22 %
Other Current Liabilities			
Payroll - Tax Payable			
Payroll - Tax Payable	10,951.08	10,561.70	3.69 %
Payroll - Vacation & Sick Payable			
Payroll - Vacation & Sick Payable	47,332.59	48,786.29	(2.98 %)
Payroll - Wages Payable			
Payroll - Wages Payable	25,201.68	24,747.30	1.84 %
Refundable Deposits - Rental Security			
Refundable Deposits - Rental Security	680.00	680.00	0.00 %
Simple IRA Plan - Payable			
Simple IRA Plan - Payable	5,024.81	5,024.41	0.01 %
Total Other Current Liabilities	\$89,190.16	\$89,799.70	(0.68 %)
Total Current Liabilities	\$98,640.03	\$130,856.10	(24.62 %)
Total Liabilities	\$98,640.03	\$130,856.10	(24.62 %)
Equity			
Community Development Disbursement			
Community Development Disbursement	8,391,943.70	8,391,943.70	0.00 %
Opening balance equity			
Opening balance equity	0.00	0.00	
Retained Earnings			
Retained Earnings	1,832,651.41	1,832,651.41	0.00 %
Unrestricted Operations Fund			
Unrestricted Operations Fund	2,871,722.00	2,871,722.00	0.00 %
Net Income			
Net Income	(430,481.80)	(328,935.15)	(30.87 %)
Total Equity	\$12,665,835.31	\$12,767,381.96	(0.80 %)
TOTAL LIABILITIES AND EQUITY	\$12,764,475.34	\$12,898,238.06	(1.04 %)

Fallbrook Regional Health District

Report #2 - Profit and Loss and YTD

September 2025

	TOTAL	
	SEP 2025	JUL - SEP, 2025 (YTD)
Income		
Property Tax Revenue	28,108.68	103,481.33
Rental Income	975.00	2,654.29
Wellness Center Income - Event/Space Rental		425.00
Total Income	\$29,083.68	\$106,560.62
GROSS PROFIT	\$29,083.68	\$106,560.62
Expenses		
Advertising & Promotions	1,636.92	9,270.32
Auto Expenses	501.47	589.05
Community Health Contracts		
Boys & Girls Club of North County - TP		9,489.20
Boys & Girls Club of North County - WS		19,539.00
D'Vine Path		14,625.00
Fallbrook Food Pantry		25,000.00
Fallbrook Senior Citizens		11,250.00
Foundation for Senior Care		21,375.00
Reins Therapeutic Horsemanship Program		6,750.00
San Diego Children's Discovery Museum		4,500.00
Voices for Children		3,375.00
Youth Fitness Grants		
Bonsall/Fallbrook Little League	5,000.00	5,000.00
Boys & Girls Club North County - Soccer	5,000.00	5,000.00
Fallbrook Band Boosters	5,000.00	5,000.00
Fallbrook Girls Softball	5,000.00	5,000.00
Total Youth Fitness Grants	20,000.00	20,000.00
Total Community Health Contracts	20,000.00	135,903.20
District Direct Care Services		
District Sponsored Events		33.82
Health Services & Clinics	6,375.50	57,393.21
Total District Direct Care Services	6,375.50	57,427.03
Dues & Subscriptions	622.00	9,242.99
Education & Conferences	8,739.04	44,615.75
Equipment Lease	1,592.55	4,854.94
General Insurance	2,747.80	8,243.40
IT Services	600.00	1,800.00
Legal & Accounting services		
Accounting	3,500.00	10,500.00
Independent Audit		8,000.00
Legal	5,500.00	14,272.50
Total Legal & Accounting services	9,000.00	32,772.50

Fallbrook Regional Health District

Report #2 - Profit and Loss and YTD

September 2025

	TOTAL	
	SEP 2025	JUL - SEP, 2025 (YTD)
Medical Records Expense	3,079.72	6,062.16
Meeting Expenses	286.88	541.16
Office Expenses		
General Office Expenses	156.84	710.19
Maintenance & Repairs	5,763.97	16,916.98
Office Supplies	275.67	1,071.44
Postage & Shipping	35.80	246.03
Software & Website	427.20	4,384.60
Total Office Expenses	6,659.48	23,329.24
Payroll Expenses		
Board Stipends	1,543.50	4,740.75
Employee Benefits	9,783.62	29,365.70
Payroll Processing Fees	388.68	1,174.24
Payroll Taxes	5,390.08	16,141.40
Salaries	69,014.40	206,548.33
Simple IRA Match	1,750.17	5,250.51
Vacation & Sick Leave	(1,453.70)	(1,453.70)
Workers Compensation	789.80	1,403.40
Total Payroll Expenses	87,206.55	263,170.63
Utilities		
Cell Phones	415.91	1,247.73
General Utilities	3,193.46	9,382.78
Internet/Telephone	865.00	3,761.06
Total Utilities	4,474.37	14,391.57
Total Expenses	\$153,522.28	\$612,213.94
NET OPERATING INCOME	\$ (124,438.60)	\$ (505,653.32)
Other Income		
Interest/Dividend Income	28,204.87	81,050.39
Unrealized Gain/Loss - LAIF		(485.81)
Unrealized Gain/Loss CalTrust - Medium Term		10,545.70
Total Other Income	\$28,204.87	\$91,110.28
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	\$22,891.95	\$75,171.52
NET INCOME	\$ (101,546.65)	\$ (430,481.80)

Fallbrook Regional Health District
Report #3 - Profit & Loss Actual vs Operating Plan FY 25 - 26
 July - September, 2025

	Administrative				Wellness Center				TOTAL			
	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget
Income												
Program Fees			0.00			7,500.00	(7,500.00)	0.00%	0.00	7,500.00	(7,500.00)	0.00%
Property Tax Revenue	103,481.33	2,894,708.45	(2,791,227.12)	3.57%			0.00		103,481.33	2,894,708.45	(2,791,227.12)	3.57%
Rental Income	2,479.29	8,160.00	(5,680.71)	30.38%	175.00		175.00		2,654.29	8,160.00	(5,505.71)	32.53%
Wellness Center Income - Event/Space Rental		3,000.00	(3,000.00)	0.00%	425.00	3,000.00	(2,575.00)	14.17%	425.00	6,000.00	(5,575.00)	7.08%
Total Income	\$ 105,960.62	\$ 2,905,868.45	\$ (2,799,907.83)	3.65%	\$ 600.00	\$ 10,500.00	\$ (9,900.00)	5.71%	\$ 106,560.62	\$ 2,916,368.45	\$ (2,809,807.83)	3.65%
Gross Profit	\$ 105,960.62	\$ 2,905,868.45	\$ (2,799,907.83)	3.65%	\$ 600.00	\$ 10,500.00	\$ (9,900.00)	5.71%	\$ 106,560.62	\$ 2,916,368.45	\$ (2,809,807.83)	3.65%
Expenses												
Advertising & Promotions	2,432.12	1,500.00	932.12	162.14%	6,838.20	11,000.00	(4,161.80)	62.17%	9,270.32	12,500.00	(3,229.68)	74.16%
Auto Expenses	425.60	1,568.28	(1,142.68)	27.14%	163.45	900.00	(736.55)	18.16%	589.05	2,468.28	(1,879.23)	23.86%
Community Health Contracts			0.00				0.00		0.00	0.00	0.00	
Boys & Girls Club of North County - TP	9,489.20	37,956.80	(28,467.60)	25.00%			0.00		9,489.20	37,956.80	(28,467.60)	25.00%
Boys & Girls Club of North County - WS	19,539.00	19,539.00	0.00	100.00%			0.00		19,539.00	19,539.00	0.00	100.00%
D'Vine Path	14,625.00	58,500.00	(43,875.00)	25.00%			0.00		14,625.00	58,500.00	(43,875.00)	25.00%
Fallbrook Food Pantry	25,000.00	100,000.00	(75,000.00)	25.00%			0.00		25,000.00	100,000.00	(75,000.00)	25.00%
Fallbrook Senior Citizens	11,250.00	45,000.00	(33,750.00)	25.00%			0.00		11,250.00	45,000.00	(33,750.00)	25.00%
Foundation for Senior Care	21,375.00	85,500.00	(64,125.00)	25.00%			0.00		21,375.00	85,500.00	(64,125.00)	25.00%
NC Fire JPA (Ambulance)		200,000.00	(200,000.00)	0.00%			0.00		0.00	200,000.00	(200,000.00)	0.00%
Reins Therapeutic Horsemanship Program	6,750.00	27,000.00	(20,250.00)	25.00%			0.00		6,750.00	27,000.00	(20,250.00)	25.00%
San Diego Children's Discovery Museum	4,500.00	18,000.00	(13,500.00)	25.00%			0.00		4,500.00	18,000.00	(13,500.00)	25.00%
Voices for Children	3,375.00	13,500.00	(10,125.00)	25.00%			0.00		3,375.00	13,500.00	(10,125.00)	25.00%
Youth Fitness Grants			0.00				0.00		0.00	0.00	0.00	
Bonsall/Fallbrook Little League	5,000.00	5,000.00	0.00	100.00%			0.00		5,000.00	5,000.00	0.00	100.00%
Boys & Girls Club North County - Soccer	5,000.00	5,000.00	0.00	100.00%			0.00		5,000.00	5,000.00	0.00	100.00%
Fallbrook Band Boosters	5,000.00	5,000.00	0.00	100.00%			0.00		5,000.00	5,000.00	0.00	100.00%
Fallbrook Girls Softball	5,000.00	5,000.00	0.00	100.00%			0.00		5,000.00	5,000.00	0.00	100.00%
Total Youth Fitness Grants	\$ 20,000.00	\$ 20,000.00	\$ -	100.00%	\$ -	\$ -	\$ -	-	\$ 20,000.00	\$ 20,000.00	\$ -	100.00%
Total Community Health Contracts	\$ 135,903.20	\$ 624,995.80	\$ (489,092.60)	21.74%	\$ -	\$ -	\$ -	-	\$ 135,903.20	\$ 624,995.80	\$ (489,092.60)	21.74%
District Direct Care Services			0.00				0.00		0.00	0.00	0.00	
District Sponsored Events		0.00	0.00		33.82	10,000.00	(9,966.18)	0.34%	33.82	10,000.00	(9,966.18)	0.34%
Health Services & Clinics		500,000.04	(500,000.04)	0.00%	57,393.21	206,139.96	(148,746.75)	27.84%	57,393.21	706,140.00	(648,746.79)	8.13%
Total District Direct Care Services	\$ -	\$ 500,000.04	\$ (500,000.04)	0.00%	\$ 57,427.03	\$ 216,139.96	\$ (158,712.93)	26.57%	\$ 57,427.03	\$ 716,140.00	\$ (658,712.97)	8.02%
Dues & Subscriptions	8,878.99	18,955.00	(10,076.01)	46.84%	364.00	3,155.00	(2,791.00)	11.54%	9,242.99	22,110.00	(12,867.01)	41.80%
Education & Conferences	30,421.03	63,708.04	(33,287.01)	47.75%	14,194.72	28,956.65	(14,761.93)	49.02%	44,615.75	92,664.69	(48,048.94)	48.15%
Equipment Lease	2,427.48	9,555.36	(7,127.88)	25.40%	2,427.46	9,555.24	(7,127.78)	25.40%	4,854.94	19,110.60	(14,255.66)	25.40%
General Election		0.00	0.00				0.00		0.00	0.00	0.00	
General Insurance	4,121.70	16,020.00	(11,898.30)	25.73%	4,121.70	16,020.00	(11,898.30)	25.73%	8,243.40	32,040.00	(23,796.60)	25.73%
IT Services	900.00	4,200.00	(3,300.00)	21.43%	900.00	4,200.00	(3,300.00)	21.43%	1,800.00	8,400.00	(6,600.00)	21.43%
Legal & Accounting services			0.00				0.00		0.00	0.00	0.00	
Accounting	10,500.00	42,000.00	(31,500.00)	25.00%			0.00		10,500.00	42,000.00	(31,500.00)	25.00%
Independent Audit	8,000.00	18,500.00	(10,500.00)	43.24%			0.00		8,000.00	18,500.00	(10,500.00)	43.24%
Legal	12,894.24	66,000.00	(53,105.76)	19.54%	1,378.26	0.00	1,378.26		14,272.50	66,000.00	(51,727.50)	21.63%

Fallbrook Regional Health District
Report #3 - Profit & Loss Actual vs Operating Plan FY 25 - 26
 July - September, 2025

	Administrative				Wellness Center				TOTAL			
	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget
Total Legal & Accounting services	\$ 31,394.24	\$ 126,500.00	\$ (95,105.76)	24.82%	\$ 1,378.26	\$ -	\$ 1,378.26		\$ 32,772.50	\$ 126,500.00	\$ (93,727.50)	25.91%
Medical Records Expense	6,062.16	43,600.00	(37,537.84)	13.90%			0.00		6,062.16	43,600.00	(37,537.84)	13.90%
Meeting Expenses	433.22	2,550.00	(2,116.78)	16.99%	107.94	600.00	(492.06)	17.99%	541.16	3,150.00	(2,608.84)	17.18%
Office Expenses			0.00				0.00		0.00	0.00	0.00	
General Office Expenses	495.89	3,275.00	(2,779.11)	15.14%	214.30	2,700.00	(2,485.70)	7.94%	710.19	5,975.00	(5,264.81)	11.89%
Maintenance & Repairs	8,184.72	28,245.40	(20,060.68)	28.98%	8,732.26	37,499.00	(28,766.74)	23.29%	16,916.98	65,744.40	(48,827.42)	25.73%
Office Equipment & Fixtures			0.00				0.00		0.00	0.00	0.00	
Office Supplies	313.10	4,500.00	(4,186.90)	6.96%	758.34	4,800.00	(4,041.66)	15.80%	1,071.44	9,300.00	(8,228.56)	11.52%
Postage & Shipping	246.03	1,079.52	(833.49)	22.79%		115.00	(115.00)	0.00%	246.03	1,194.52	(948.49)	20.60%
Software & Website	2,412.99	16,680.16	(14,267.17)	14.47%	1,971.61	19,016.00	(17,044.39)	10.37%	4,384.60	35,696.16	(31,311.56)	12.28%
Total Office Expenses	\$ 11,652.73	\$ 53,780.08	\$ (42,127.35)	21.67%	\$ 11,676.51	\$ 64,130.00	\$ (52,453.49)	18.21%	\$ 23,329.24	\$ 117,910.08	\$ (94,580.84)	19.79%
Payroll Expenses			0.00				0.00		0.00	0.00	0.00	
Board Stipends	4,740.75	26,460.00	(21,719.25)	17.92%			0.00		4,740.75	26,460.00	(21,719.25)	17.92%
Employee Benefits	11,362.76	61,370.89	(50,008.13)	18.51%	18,002.94	72,000.00	(53,997.06)	25.00%	29,365.70	133,370.89	(104,005.19)	22.02%
Payroll Processing Fees	587.12	2,149.20	(1,562.08)	27.32%	587.12	1,432.80	(845.68)	40.98%	1,174.24	3,582.00	(2,407.76)	32.78%
Payroll Taxes	10,949.18	48,679.80	(37,730.62)	22.49%	5,192.22	21,525.58	(16,333.36)	24.12%	16,141.40	70,205.38	(54,063.98)	22.99%
Salaries	138,156.12	608,497.80	(470,341.68)	22.70%	68,392.21	270,168.54	(201,776.33)	25.31%	206,548.33	878,666.34	(672,118.01)	23.51%
Simple IRA Match	3,310.47	18,254.94	(14,944.47)	18.13%	1,940.04	30,476.33	(28,536.29)	6.37%	5,250.51	48,731.27	(43,480.76)	10.77%
Vacation & Sick Leave	(852.73)		(852.73)		(600.97)	0.00	(600.97)		(1,453.70)	0.00	(1,453.70)	
Workers Compensation	943.20	18,000.00	(17,056.80)	5.24%	460.20	17,880.00	(17,419.80)	2.57%	1,403.40	35,880.00	(34,476.60)	3.91%
Total Payroll Expenses	\$ 169,196.87	\$ 783,412.63	\$ (614,215.76)	21.60%	\$ 93,973.76	\$ 413,483.25	\$ (319,509.49)	22.73%	\$ 263,170.63	\$ 1,196,895.88	\$ (933,725.25)	21.99%
Property Management Fees		1,000.00	(1,000.00)	0.00%			0.00		0.00	1,000.00	(1,000.00)	0.00%
Utilities			0.00				0.00		0.00	0.00	0.00	
Cell Phones	662.12	2,400.00	(1,737.88)	27.59%	585.61	1,800.00	(1,214.39)	32.53%	1,247.73	4,200.00	(2,952.27)	29.71%
General Utilities	3,680.66	15,402.53	(11,721.87)	23.90%	5,702.12	24,400.00	(18,697.88)	23.37%	9,382.78	39,802.53	(30,419.75)	23.57%
Internet/Telephone	2,144.81	7,320.72	(5,175.91)	29.30%	1,616.25	6,300.00	(4,683.75)	25.65%	3,761.06	13,620.72	(9,859.66)	27.61%
Total Utilities	\$ 6,487.59	\$ 25,123.25	\$ (18,635.66)	25.82%	\$ 7,903.98	\$ 32,500.00	\$ (24,596.02)	24.32%	\$ 14,391.57	\$ 57,623.25	\$ (43,231.68)	24.98%
Total Expenses	\$ 410,736.93	\$ 2,276,468.48	\$ (1,865,731.55)	18.04%	\$ 201,477.01	\$ 800,640.10	\$ (599,163.09)	25.16%	\$ 612,213.94	\$ 3,077,108.58	\$ (2,464,894.64)	19.90%
Net Operating Income	\$ (304,776.31)	\$ 629,399.97	\$ (934,176.28)	-48.42%	\$ (200,877.01)	\$ (790,140.10)	\$ 589,263.09	25.42%	\$ (505,653.32)	\$ (160,740.13)	\$ (344,913.19)	314.58%
Other Income												
Interest/Dividend Income	81,050.39	0.00	81,050.39				0.00		81,050.39	0.00	81,050.39	
Unrealized Gain/Loss - LAIF	(485.81)		(485.81)				0.00		(485.81)	0.00	(485.81)	
Unrealized Gain/Loss CalTrust - Medium Term	10,545.70		10,545.70				0.00		10,545.70	0.00	10,545.70	
Total Other Income	\$ 91,110.28	\$ -	\$ 91,110.28		\$ -	\$ -	\$ -		\$ 91,110.28	\$ -	\$ 91,110.28	
Other Expenses												
Depreciation Expense			0.00				0.00		0.00	0.00	0.00	
Depreciation Expense - Brandon Road	3,325.26		3,325.26				0.00		3,325.26	0.00	3,325.26	
Depreciation Expense - Mission Road			0.00		12,613.50		12,613.50		12,613.50	0.00	12,613.50	
Total Depreciation Expense	\$ 3,325.26	\$ -	\$ 3,325.26		\$ 12,613.50	\$ -	\$ 12,613.50		\$ 15,938.76	\$ -	\$ 15,938.76	
Total Other Expenses	\$ 3,325.26	\$ -	\$ 3,325.26		\$ 12,613.50	\$ -	\$ 12,613.50		\$ 15,938.76	\$ -	\$ 15,938.76	
Net Other Income	\$ 87,785.02	\$ -	\$ 87,785.02		\$ (12,613.50)	\$ -	\$ (12,613.50)		\$ 75,171.52	\$ -	\$ 75,171.52	
Net Income	\$ (216,991.29)	\$ 629,399.97	\$ (846,391.26)	-34.48%	\$ (213,490.51)	\$ (790,140.10)	\$ 576,649.59	27.02%	\$ (430,481.80)	\$ (160,740.13)	\$ (269,741.67)	267.81%

California State Treasurer *Fiona Ma, CPA*



Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

October 03, 2025

[LAIF Home](#)
[PMIA Average Monthly Yields](#)

FALLBROOK REGIONAL HEALTH DISTRICT

DISTRICT ADMINISTRATOR
138 SOUTH BRANDON ROAD
FALLBROOK, CA 92028

[Tran Type Definitions](#)



Account Number: XXXXXXXXXX

September 2025 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	405,415.36
Total Withdrawal:	0.00	Ending Balance:	405,415.36



CaITRUST
 PO Box 2709
 Granite Bay, CA 95746
 www.caltrust.org
 Email: admin@caltrust.org
 Fax: 402-963-9094
 Phone: 833-CALTRUST (225-8787)

Investment Account Summary

09/01/2025 through 09/30/2025

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	[REDACTED]	527,205.753	9.92	5,229,881.07	5,275,070.51	(45,189.44)
CalTRUST Liquidity Fund	[REDACTED]	1,397,172.090	1.00	1,397,172.09	1,397,172.09	0.00
Portfolios Total value as of 09/30/2025				6,627,053.16		

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) (\$)
		FALLBROOK REGIONAL HEALTH DISTRICT					Account Number: [REDACTED]	
CalTRUST Medium Term Fund								
Beginning Balance	09/01/2025			525,376.761	9.92	5,211,737.47		
Accrual Income Div Reinvestment	09/30/2025	18,143.60	1,828.992	527,205.753	9.92	5,229,881.07	0.00	0.00
Change in Value						0.00		
Closing Balance as of	Sep 30			527,205.753	9.92	5,229,881.07		
		FALLBROOK REGIONAL HEALTH DISTRICT					Account Number: [REDACTED]	
CalTRUST Liquidity Fund								
Beginning Balance	09/01/2025			1,392,228.730	1.00	1,392,228.73		
Accrual Income Div Reinvestment	09/30/2025	4,943.36	4,943.360	1,397,172.090	1.00	1,397,172.09	0.00	0.00
Change in Value						0.00		
Closing Balance as of	Sep 30			1,397,172.090	1.00	1,397,172.09		

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.



Summary Statement

September 30, 2025

Page 1 of 3

Investor ID: [REDACTED]

0000078-0000335 PDF 834242

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

California CLASS

California CLASS

Average Monthly Yield: 4.2725%

		Beginning Balance	Contributions	Withdrawals	Income Earned	Income Earned YTD	Average Daily Balance	Month End Balance
[REDACTED]	FRHD_CLASS_Prime	1,457,498.57	0.00	0.00	5,117.91	40,833.72	1,457,669.17	1,462,616.48
TOTAL		1,457,498.57	0.00	0.00	5,117.91	40,833.72	1,457,669.17	1,462,616.48



Account Statement

September 30, 2025

Page 2 of 3

Account Number: [REDACTED]

FRHD_CLASS_Prime

Account Summary

Average Monthly Yield: 4.2725%

	Beginning Balance	Contributions	Withdrawals	Income Earned	Income Earned YTD	Average Daily Balance	Month End Balance
California CLASS	1,457,498.57	0.00	0.00	5,117.91	40,833.72	1,457,669.17	1,462,616.48

Transaction Activity

Transaction Date	Transaction Description	Contributions	Withdrawals	Balance	Transaction Number
09/01/2025	Beginning Balance			1,457,498.57	
09/30/2025	Income Dividend Reinvestment	5,117.91			
09/30/2025	Ending Balance			1,462,616.48	

Fallbrook Regional Health District

Report #5 - Check Detail

September 2025

DATE	TRANSACTION TYPE	NUM	NAME	AMOUNT
Banc of California - Checking				
09/01/2025	Check	15140	Department of Education - MOHELA	(437.50)
				437.50
09/01/2025	Check	15150	U.S. Department of Education	(437.50)
				437.50
09/02/2025	Bill Payment (Check)	15149	T-Mobile	(115.91)
				(115.91)
09/02/2025	Bill Payment (Check)	15144	Leslie Salmon	(993.75)
				(993.75)
09/02/2025	Bill Payment (Check)	15141	Fallbrook Rooter & Drain Service	(289.51)
				(289.51)
09/02/2025	Bill Payment (Check)	15151	Kuhlman Scott Architecture	(22,950.00)
				(22,950.00)
09/02/2025	Bill Payment (Check)	15148	Susan Woodward	(1,500.00)
				(1,500.00)
09/02/2025	Bill Payment (Check)	15143	Juana Diaz	(400.00)
				(400.00)
09/02/2025	Bill Payment (Check)	15145	Portero Services	(2,000.00)
				(2,000.00)
09/02/2025	Bill Payment (Check)	15142	Jessalyn Lopez	(20.30)
				(20.30)
09/02/2025	Bill Payment (Check)	15146	Spectrum Business-Brandon	(326.25)
				(326.25)
09/02/2025	Bill Payment (Check)	15147	Springston Design LLC	(600.00)
				(600.00)
09/03/2025	Expense		CalPERS	(9,283.98)
				5,748.74
				3,535.24
09/04/2025	Expense		ADP, LLC	(10,561.70)
				(10,561.70)
09/04/2025	Expense		ADP, LLC	(24,747.30)

Fallbrook Regional Health District

Report #5 - Check Detail

September 2025

DATE	TRANSACTION TYPE	NUM	NAME	AMOUNT
				(24,747.30)
09/08/2025	Expense		American Funds Investment	(6,945.97) (6,945.97)
09/08/2025	Expense			(5,523.65) (5,523.65)
09/08/2025	Expense		Fallbrook Waste & Recycling - E. Mission	(203.00) 203.00
09/09/2025	Expense		SDG&E - 5971 - E. Mission	(1,214.68) 1,214.68
09/09/2025	Expense		SDG&E - 6994 - Brandon	(1,009.25) 1,009.25
09/09/2025	Expense		FPUD - 7720-003 - E. Mission Rd.	(437.68) 437.68
09/09/2025	Expense		FPUD - 7720-002 - E. Mission Rd.	(52.48) 52.48
09/09/2025	Expense		FPUD - 7720-001	(223.89) 223.89
09/09/2025	Expense		FPUD - 7721-000	(52.48) 52.48
09/12/2025	Expense		ADP, LLC	(210.74) 105.37 105.37
09/15/2025	Check	15166	Skinny Gene Project	(4,200.00) 4,200.00
09/16/2025	Bill Payment (Check)	15154	Colantuono, Highsmith & Whatley, PC	(5,500.00) (5,500.00)
09/16/2025	Bill Payment (Check)	15153	America's Janitorial Service	(940.00) (940.00)
09/16/2025	Bill Payment (Check)	15159	Juana Diaz	(800.00) (800.00)

Fallbrook Regional Health District

Report #5 - Check Detail

September 2025

DATE	TRANSACTION TYPE	NUM	NAME	AMOUNT
09/16/2025	Bill Payment (Check)	15160	JW Mechanical	(225.00) (225.00)
09/16/2025	Bill Payment (Check)	15152	Amazon Capital Services	(93.19) (93.19)
09/16/2025	Bill Payment (Check)	15163	Rachel Mason	(338.02) (338.02)
09/16/2025	Bill Payment (Check)	15155	Culligan of Escondido	(66.44) (66.44)
09/16/2025	Bill Payment (Check)	15156	Culligan of San Diego	(70.95) (70.95)
09/16/2025	Bill Payment (Check)	15161	Knight Security & Fire Systems	(44.00) (44.00)
09/16/2025	Bill Payment (Check)	15158	Fowler Pest Control, Inc.	(252.00) (252.00)
09/16/2025	Bill Payment (Check)	15162	LDC Always Green Landscape	(1,800.00) (1,800.00)
09/16/2025	Bill Payment (Check)	15164	Rotary Club of Fallbrook Village	(70.00) (70.00)
09/16/2025	Bill Payment (Check)	15168	Theresa Geracitano-reimburse	(267.56) (267.56)
09/16/2025	Bill Payment (Check)	15165	Safe and Sound Security	(75.87) (75.87)
09/16/2025	Bill Payment (Check)	15157	Fallbrook Chamber of Commerce	(20.00) (20.00)
09/16/2025	Bill Payment (Check)	15167	Spectrum - Mission	(538.75) (538.75)
09/16/2025	Check	15169	Bonsall/Fallbrook Little League	(5,000.00) 5,000.00
09/16/2025	Check	15170	Boys & Girls Club of North County - Fitness Grants	(5,000.00) 5,000.00

Fallbrook Regional Health District

Report #5 - Check Detail

September 2025

DATE	TRANSACTION TYPE	NUM	NAME	AMOUNT
09/16/2025	Check	15171	Fallbrook Band Boosters, Inc.	(5,000.00) 5,000.00
09/16/2025	Check	15172	Fallbrook Girls Softball	0.00 0.00
09/16/2025	Check	15173	Howard Salmon - Reimburse	(2,800.46) 2,800.46
09/16/2025	Check	15178	Fallbrook Girls Softball	(5,000.00) 5,000.00
09/18/2025	Expense		ADP, LLC	(10,777.23) (10,777.23)
09/18/2025	Expense		ADP, LLC	(23,900.76) (23,900.76)
09/23/2025	Bill Payment (Check)	15174	24 Hour Elevator Inc.	(272.97) (272.97)
09/23/2025	Bill Payment (Check)	15179	Fallbrook Printing Corporation	(271.89) (271.89)
09/23/2025	Bill Payment (Check)	15183	Theresa Geracitano-reimburse	(4,400.00) (4,400.00)
09/23/2025	Bill Payment (Check)	15176	BETA Healthcare Group	(483.00) (483.00)
09/23/2025	Bill Payment (Check)	15180	Juana Diaz	(400.00) (400.00)
09/23/2025	Bill Payment (Check)	15181	Sergio Rosas	(320.00) (320.00)
09/23/2025	Bill Payment (Check)	15182	Shirley Saenz	(140.00) (140.00)
09/23/2025	Bill Payment (Check)	15175	Amazon Capital Services	(158.09) (158.09)
09/23/2025	Bill Payment (Check)	15177	Fallbrook Chamber of Commerce	(35.00) (35.00)

Fallbrook Regional Health District

Report #5 - Check Detail

September 2025

DATE	TRANSACTION TYPE	NUM	NAME	AMOUNT
09/25/2025	Expense		Konica Minolta	(1,592.55)
				796.27
				796.28
09/26/2025	Expense		ADP, LLC	(177.94)
				88.97
				88.97
09/30/2025	Bill Payment (Check)	15195	Village News	(750.00)
				(750.00)
09/30/2025	Bill Payment (Check)	15188	Rotary Club of Fallbrook	(182.00)
				(182.00)
09/30/2025	Bill Payment (Check)	15194	T-Mobile	(115.91)
				(115.91)
09/30/2025	Bill Payment (Check)	15193	Susan Woodward	(1,500.00)
				(1,500.00)
09/30/2025	Bill Payment (Check)	15186	Juana Diaz	(400.00)
				(400.00)
09/30/2025	Bill Payment (Check)	15187	Portero Services	(2,000.00)
				(2,000.00)
09/30/2025	Bill Payment (Check)	15189	Shirley Saenz	(140.00)
				(140.00)
09/30/2025	Bill Payment (Check)	15190	Small Steps Coaching	(100.00)
				(100.00)
09/30/2025	Bill Payment (Check)	15184	Fallbrook Chamber of Commerce	(275.00)
				(275.00)
09/30/2025	Bill Payment (Check)	15191	Spectrum - Mission	(538.75)
				(538.75)
09/30/2025	Bill Payment (Check)	15192	Spectrum Business-Brandon	(326.25)
				(326.25)
09/30/2025	Bill Payment (Check)	15185	Jennifer Jeffries	(986.26)
				(986.26)
09/30/2025	Bill Payment (Check)	15196	SDRMA	(720.67)

Fallbrook Regional Health District

Report #5 - Check Detail

September 2025

DATE	TRANSACTION TYPE	NUM	NAME	AMOUNT
				(720.67)
09/30/2025	Expense		Iron Mountain	(3,079.72)
				3,079.72



ACCOUNTS PAYABLE

Account Number: XXXX XXXX XXXX 0944

ACCOUNT SUMMARY	
Credit Limit	\$15,000.00
Credit Available	\$8,428.00
Statement Closing Date	September 30, 2025
Days in Billing Cycle	30
Previous Balance	\$5,523.65
- Payments & Credits	\$5,523.65
+ Purchases & Other Charges	\$5,536.00
+ Cash Advances	\$0.00
+ Finance Charges	\$0.00
= New Balance	\$5,536.00
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	\$5,536.00
Minimum Payment Due	\$5,536.00
Payment Due Date	October 25, 2025

Notice: SEE REVERSE SIDE FOR MORE IMPORTANT INFORMATION

TRANSACTIONS

Tran Date	Post Date	Reference Number	Transaction Description	Amount
			TOTAL XXXXXXXXXXXX 0944	\$5,523.65-
09/05	09/05	85593257R00XV2PXA	PAYMENT - THANK YOU	5,523.65-
		JUDITH OSWALD	TOTAL XXXXXXXXXXXX 2307	\$2,175.33
09/03	09/03	12302027N00M8VL5X	ADOBE SAN JOSE CA	149.93
09/25	09/25	55506298QEA00RSR	SHAREFILE PAYLINK BURLINGTON MA	70.40
09/29	09/29	82711168HEHMATPDG	WORLDATEWORK SCOTTSDALE AZ	1,955.00
		JASMINE THOMAS	TOTAL XXXXXXXXXXXX 8726	\$152.00
09/13	09/13	12302028000005BYT	FACEBK *XDBG8Y4J42 WILMINGTON DE	152.00
		BIANCA HEYMING	TOTAL XXXXXXXXXXXX 3600	\$166.11
09/20	09/20	552635288E5SD1B3M	ALBERTSONS #3201 VISTA CA	95.12
09/21	09/21	575402488MMTQ2BBQ	YELP-GRUBHUB*LITTLECAE 8775851085 NY	70.99
		RACHEL MASON-RUNNELLS	TOTAL XXXXXXXXXXXX 6849	\$1,454.12
09/16	09/16	555465083E0JKPVXJ	LAZ PARKING ECOMMERCE HARTFORD CT	6.95
09/18	09/18	5548077864AM7R5KP	GRANT GOPHER PINE MOUNTAIN CA	174.00
09/22	09/22	82711168AEHNXX5LW	VOICEOFSANDIEGO.ORG SAN DIEGO CA	10.53
09/24	09/24	55309598Q65FW64B8	SAN DIEGO UNION TRIB-S IRVINE CA	14.00

Transactions continued on next page

Please detach bottom portion and submit with payment using enclosed envelope



Cardmember Services
PO BOX 332509
Murfreesboro TN 37133

Payment Information

Account Number:	XXXX XXXX XXXX 0944
Payment Due Date	October 25, 2025
New Balance	\$5,536.00
Minimum Payment Due	\$5,536.00
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



553312031005094400553600005536007

ACCOUNTS PAYABLE

Account Number: XXXX XXXX XXXX 0944

TRANSACTIONS (continued)

Tran Date	Post Date	Reference Number	Transaction Description	Amount
09/25	09/25	55432868D6126DXWQ	TST*TOM HAMS LIGHTHOUS SAN DIEGO CA	215.89
09/25	09/25	55432868Q60TNLZY3	SHERATON MARINA F&B SAN DIEGO CA	95.89
		CHECK-IN 09/25/25	FOLIO #M26957	
09/26	09/26	55432868E61F3KKJH	SHERATON MARINA SAN DIEGO CA	805.86
		CHECK-IN 09/23/25	FOLIO #633097	
09/27	09/27	75418238E6Z2VS512	CCI*CONSTANT-CONTACT WALTHAM MA	131.00
		JESSALYN LOPEZ	TOTAL XXXXXXXXXXXXX 6498 \$24.39	
09/22	09/22	55546508AE891M80T	SMARTSIGN BROOKLYN NY	24.39
		RAQUEL WILLIAMS	TOTAL XXXXXXXXXXXXX 2761 \$35.80	
09/11	09/11	02305377Z00JWDRQA	USPS PO 0525920028 FALLBROOK CA	35.80
		THERESA GERACITANO	TOTAL XXXXXXXXXXXXX 9242 \$1,528.25	
09/09	09/09	05140477X2X47SBKW	MAJOR MARKET FALLBROOK CA	50.00
09/09	09/09	55488727W2B4JH1DE	JERSEY MIKES ONLINE UC MANASQUAN NJ	72.50
09/09	09/09	55547507W5Y1PF168	STAT TECHNOLOGIES, INC OSSEO MN	541.73
09/18	09/18	5543687867LJZBMKW	HILTON HUDSON NASH SAN DIEGO CA	28.59
09/18	09/18	5543687867LJZBMRT	HILTON HUDSON NASH SAN DIEGO CA	46.47
09/19	09/19	55436878787762G6Y	HILTON THE CANNERY SAN DIEGO CA	17.54
09/19	09/19	55436878787762PTT	HILTON HOTEL SAN DIEGO SAN DIEGO CA	30.00
		CHECK-IN 09/18/25	FOLIO #2880204	
09/26	09/26	55432868E61F3KKRP	SHERATON MARINA SAN DIEGO CA	370.71
		CHECK-IN 09/25/25	FOLIO #633325	
09/26	09/26	55432868E61F3KKRZ	SHERATON MARINA SAN DIEGO CA	370.71
		CHECK-IN 09/25/25	FOLIO #633324	

INTEREST CHARGE CALCULATION

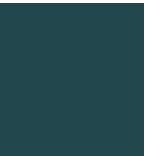
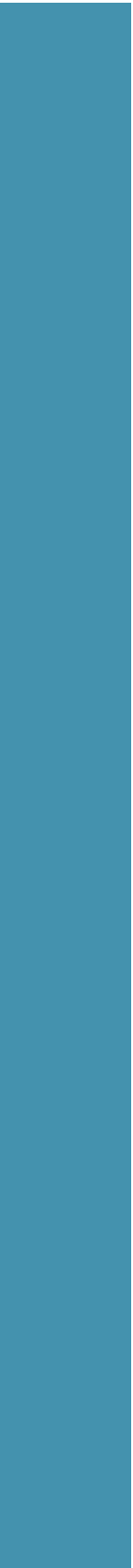
Your **Annual Percentage Rate (APR)** is the annual interest rate on your account

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, 2025

	Date	Num	Name	Memo/Description	Split	Amount
Administration						
	07/09/2025		County of San Diego Planning Services	CDD - Sitelogic - COUNTY OF SAN DIEGO PL SAN DIEGO CA	S. Brandon Road:S. Brandon Road - Improvements	739.87
Total for Administration						\$ 739.87
Wellness Center						
	08/01/2025	1896	Kuhlman Scott Architecture	Permits and Printing	E. Mission Road:E. Mission Road - Improvements	997.35
	08/29/2025	1873	Kuhlman Scott Architecture		E. Mission Road:E. Mission Road - Improvements	22,950.00
Total for Wellness Center						\$ 23,947.35
Total						\$ 24,687.22



**FALLBROOK REGIONAL HEALTH DISTRICT
FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT
For the Fiscal Year Ended
June 30, 2025
(With Comparative Amounts as of June 30, 2024)**

NIGRO & NIGRO^{PC}

FALLBROOK REGIONAL HEALTH DISTRICT
For the Fiscal Year Ended June 30, 2025
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Financial Section



INDEPENDENT AUDITORS' REPORT

Board of Directors
Fallbrook Regional Health District
Fallbrook, California

Opinion

We have audited the accompanying financial statements of the governmental activities and general fund of Fallbrook Regional Health District (District) as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the general fund of the District, as of June 30, 2025, and the respective changes in financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Change in Accounting Principle

As described in Notes 1 and 4 to the financial statements, as of July 1, 2024, the District adopted new accounting guidance, GASB Statement No. 101, Compensated Absences. Our opinion is not modified with respect to this matter.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Prior-Year Comparative Information

The financial statements include partial prior-year comparative information. Such information does not include sufficient detail to constitute a presentation in accordance with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2024, from which such partial information was derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a separate report dated November 12, 2025, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Murrieta, California
November 12, 2025

FALLBROOK REGIONAL HEALTH DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2025

Management's Discussion and Analysis (MD&A) offers readers of Fallbrook Regional Health District's financial statements a narrative overview of the District's financial activities for the fiscal year ended June 30, 2025. This MD&A presents financial highlights, an overview of the accompanying financial statements, an analysis of net position and results of operations, a current-to prior year analysis, a discussion on restrictions, commitments and limitations, and a discussion of significant activity involving capital assets and long-term debt. Please read in conjunction with the financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The District's net position increased 5.98%, or \$738,949 from the prior year's net position of \$12,357,817 to \$13,096,766 as a result of this year's operations.
- Total revenues from all sources increased by 7.41%, or \$219,378 from \$2,961,377 to \$3,180,755, from the prior year, primarily due to an increase in property taxes of \$150,611.
- Total expenses for the District's operations increased by 7.33% or \$166,767 from \$2,275,039 to \$2,441,806, from the prior year, primarily due to an increase in materials and services expense of \$124,629.

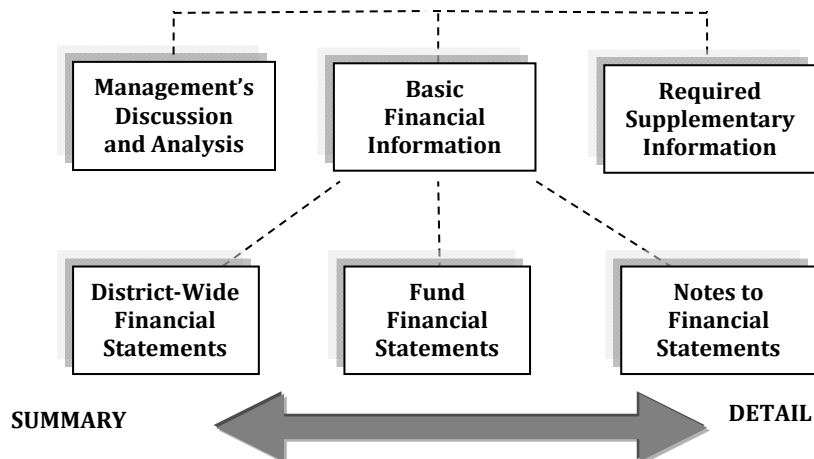
OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts – management discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- *District-wide financial statements* provide both short-term and long-term information about the District's overall financial status.
- *Fund financial statements* focus on individual parts of the District, reporting the District's operations in more detail than the district-wide statements.
 - The *governmental funds* statements tell how basic services were financed in the short term as well as what remains for future spending.

Figure A-1. Organization of Fallbrook Regional Health District's Annual Financial Report

The financial statements also include *notes* that explain some of the information in the statements and provide more detailed data. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.



FALLBROOK REGIONAL HEALTH DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2025

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain.

Figure A-2. Major Features of the District-Wide and Fund Financial Statements

Type of Statements	District-Wide	Governmental Fund
<i>Scope</i>	Entire District	The activities of the District that are not proprietary or fiduciary, such as donations and library programs
<i>Required financial statements</i>	<ul style="list-style-type: none"> • Statement of Net Position • Statement of Activities 	<ul style="list-style-type: none"> • Balance Sheet • Statement of Revenues, Expenditures & Changes in Fund Balances
<i>Accounting basis and measurement focus</i>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus
<i>Type of asset/liability information</i>	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included
<i>Type of inflow/outflow information</i>	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter

FALLBROOK REGIONAL HEALTH DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2025

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

District-Wide Statements

The district-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two district-wide statements report the District's net position and how it has changed. Net position – the difference between the District's assets and deferred outflows of resources and liabilities and deferred inflows of resources – is one way to measure the District's financial health, or *position*.

- Over time, increases and decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the overall health of the District, you need to consider additional nonfinancial factors such as changes in the District's demographics and the condition of buildings and other facilities.
- In the district-wide financial statements, the District's activities are categorized as *Governmental Activities*. Most of the District's basic services are included here, such as library services and administration. State and local programs finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs. Some funds are required by State law and by grantor requirements.

The District has one fund, the General Fund.

FALLBROOK REGIONAL HEALTH DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2025

FINANCIAL ANALYSIS AND CONDENSED FINANCIAL INFORMATION

Analysis of Net Position

Table A-1: Condensed Statement of Net Position

	<u>June 30, 2025</u>	<u>June 30, 2024</u>	<u>Change</u>
Assets:			
Current assets	\$ 9,630,787	\$ 9,740,254	\$ (109,467)
Capital assets, net	<u>3,588,321</u>	<u>2,871,722</u>	<u>716,599</u>
Total assets	<u>13,219,108</u>	<u>12,611,976</u>	<u>607,132</u>
Liabilities:			
Current liabilities	96,083	252,055	(155,972)
Non-current liabilities	<u>26,259</u>	<u>20,104</u>	<u>6,155</u>
Total liabilities	<u>122,342</u>	<u>272,159</u>	<u>(149,817)</u>
Net position:			
Investment in capital assets	3,588,321	2,871,722	716,599
Unrestricted	<u>9,508,445</u>	<u>9,486,095</u>	<u>22,350</u>
Total net position	<u>\$ 13,096,766</u>	<u>\$ 12,357,817</u>	<u>\$ 738,949</u>

At the end of fiscal year 2025, the District shows a positive balance in its unrestricted net position of \$9,508,445 that may be utilized in future years.

FALLBROOK REGIONAL HEALTH DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2025

FINANCIAL ANALYSIS AND CONDENSED FINANCIAL INFORMATION (Continued)

Analysis of Revenues and Expenses

Table A-2: Condensed Statement of Activities

	<u>June 30, 2025</u>	<u>June 30, 2024</u>	<u>Change</u>
Operating expenses	\$ 2,441,806	\$ 2,275,039	\$ (166,767)
Operating loss	(2,441,806)	(2,275,039)	(166,767)
Non-operating revenues	3,180,755	2,961,377	219,378
Change in net position	738,949	686,338	52,611
Net position – beginning of period	12,357,817	11,671,479	686,338
Net position – end of period	<u>\$ 13,096,766</u>	<u>\$ 12,357,817</u>	<u>\$ 738,949</u>

The statement of activities shows how the government's net position changed during the fiscal year. In the case of the District, the net position of the District increased by \$738,949 during the fiscal year ended June 30, 2025.

Table A-3: Total Revenues

	<u>June 30, 2025</u>	<u>June 30, 2024</u>	<u>Increase (Decrease)</u>
Non-operating revenues:			
Property taxes	\$ 2,661,925	\$ 2,511,314	\$ 150,611
Investment earnings	451,159	436,587	14,572
Grants	28,950	-	28,950
Other revenues	38,721	13,476	25,245
Total general revenues	3,180,755	2,961,377	219,378
Total revenues	<u>\$ 3,180,755</u>	<u>\$ 2,961,377</u>	<u>\$ 219,378</u>

Total revenues from all sources increased by 7.41%, or \$219,378 from \$2,961,377 to \$3,180,755, from the prior year, primarily due to an increase in property taxes.

FALLBROOK REGIONAL HEALTH DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2025

FINANCIAL ANALYSIS AND CONDENSED FINANCIAL INFORMATION (Continued)

Analysis of Revenues and Expenses (Continued)

Table A-4: Total Expenses

	<u>June 30, 2025</u>	<u>June 30, 2024</u>	<u>Increase (Decrease)</u>
Operating expenses:			
Salaries and wages	\$ 855,909	\$ 777,285	\$ 78,624
Employee benefits	128,888	121,102	7,786
Materials and services	676,645	552,016	124,629
Community healthcare programs	716,478	759,129	(42,651)
Depreciation	63,886	65,507	(1,621)
Total expenses	<u>\$ 2,441,806</u>	<u>\$ 2,275,039</u>	<u>\$ 166,767</u>

Total expenses for the District's operations increased by 7.33% or \$166,767 from \$2,275,039 to \$2,441,806, from the prior year, primarily due to an increase in materials and services expenses.

GOVERNMENTAL FUNDS FINANCIAL ANALYSIS

The focus of the District's *governmental funds* is to provide information on current inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the District's financing requirements. In particular, the *unreserved fund balance* may serve as a useful measure of the government's net resources for spending at the end of the fiscal year.

As of June 30, 2025, the District reported a total fund balance of \$9,560,963. An amount of \$9,508,445 constitutes the District's *unassigned fund balance*, which is available for future expenditures.

GENERAL FUND BUDGETARY HIGHLIGHTS

The final budgeted expenditures for the District at year-end were \$252,852 less than actual. The variance is principally due to under budgeting materials and services. Actual revenues were more than the anticipated budget by \$448,391, mostly due to excess property taxes received then budgeted.

FALLBROOK REGIONAL HEALTH DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2025

CAPITAL ASSET ADMINISTRATION

Table A-5: Capital Assets at Year End, Net of Depreciation

	<u>Balance</u> <u>June 30, 2025</u>	<u>Balance</u> <u>June 30, 2024</u>
Capital assets:		
Non-depreciable assets	\$ 1,599,675	\$ 852,890
Depreciable assets	2,420,421	2,386,721
Accumulated depreciation	<u>(431,775)</u>	<u>(367,889)</u>
Total capital assets, net	<u><u>\$ 3,588,321</u></u>	<u><u>\$ 2,871,722</u></u>

At the end of fiscal year 2025, the District's investment in capital assets amounted to \$3,588,321 (net of accumulated depreciation). This investment in capital assets includes buildings, improvements and equipment. Major capital asset additions during the year include equipment additions totaling \$780,485.

See Note 3 for further information on the District's capital assets.

FACTORS AFFECTING CURRENT FINANCIAL POSITION

Management is unaware of any item that would affect the District's current financial position.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

The District's basic financial statements are designed to present users with a general overview of the District's finances and to demonstrate the District's accountability. If you have any questions about the report or need additional information, please contact the CEO at (760) 731-9187.

FALLBROOK REGIONAL HEALTH DISTRICT*Statement of Net Position**June 30, 2025**(With Comparative Amounts as of June 30, 2024)*

<u>ASSETS</u>	<u>2025</u>	<u>2024</u>
Current assets:		
Cash and investments (Note 2)	\$ 9,599,726	\$ 9,702,695
Accrued interest receivable	6,691	16,418
Property taxes receivable	24,370	21,141
Prepaid items	-	18,000
Total current assets	<u>9,630,787</u>	<u>9,758,254</u>
Non-current assets:		
Capital assets – not being depreciated (Note 3)	1,599,675	852,890
Capital assets – being depreciated, net (Note 3)	1,988,646	2,018,832
Total non-current assets	<u>3,588,321</u>	<u>2,871,722</u>
Total assets	13,219,108	12,629,976
Current liabilities:		
Accounts payable and accrued expenses	69,824	231,951
Compensated absences (Note 4)	26,259	20,104
Total current liabilities	96,083	252,055
Non current liabilities:		
Compensated absences (Note 4)	26,259	20,104
Total liabilities	<u>122,342</u>	<u>272,159</u>
Net position:		
Investment in capital assets	3,588,321	2,871,722
Unrestricted	9,508,445	9,486,095
Total net position	<u>\$ 13,096,766</u>	<u>\$ 12,357,817</u>

FALLBROOK REGIONAL HEALTH DISTRICT

Statement of Activities

For the Fiscal Year Ended June 30, 2025

(With Comparative Amounts for the Fiscal Year Ended June 30, 2024)

	<u>2025</u>	<u>2024</u>
Operating expenses:		
Salaries and wages	\$ 855,909	\$ 777,285
Employee benefits	128,888	121,102
Materials and services	676,645	552,016
Community healthcare programs	716,478	759,129
Depreciation	63,886	65,507
Total operating expenses	<u>2,441,806</u>	<u>2,275,039</u>
Operating loss	<u>(2,441,806)</u>	<u>(2,275,039)</u>
Non-operating revenues:		
Property taxes	2,661,925	2,511,314
Investment earnings and change in fair-value	451,159	436,587
Grant revenue	28,950	-
Other revenues	38,721	13,476
Total non-operating revenues	<u>3,180,755</u>	<u>2,961,377</u>
Change in net position	738,949	686,338
Net position:		
Beginning of year	<u>12,357,817</u>	<u>11,671,479</u>
End of year	<u>\$ 13,096,766</u>	<u>\$ 12,357,817</u>

FALLBROOK REGIONAL HEALTH DISTRICT
Balance Sheet – Governmental Funds
June 30, 2025
(With Comparative Amounts as of June 30, 2024)

	<u>General Fund</u>	
	<u>2025</u>	<u>2024</u>
ASSETS		
Assets:		
Cash and investments	\$ 9,599,726	\$ 9,702,695
Accrued interest receivable	6,691	16,418
Property taxes receivable	24,370	21,141
Prepaid items	-	18,000
Total assets	<u>\$ 9,630,787</u>	<u>\$ 9,758,254</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accrued payroll and related liabilities	<u>\$ 69,824</u>	<u>\$ 231,951</u>
Total liabilities	<u>69,824</u>	<u>231,951</u>
Fund balances: (Note 5)		
Nonspendable	-	18,000
Assigned	52,518	40,208
Unassigned	<u>9,508,445</u>	<u>9,468,095</u>
Total fund balances	<u>9,560,963</u>	<u>9,526,303</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 9,630,787</u>	<u>\$ 9,758,254</u>

FALLBROOK REGIONAL HEALTH DISTRICT

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position

June 30, 2025

(With Comparative Amounts as of June 30, 2024)

	<u>2025</u>	<u>2024</u>
Fund Balance of Governmental Funds	<u>\$ 9,560,963</u>	<u>\$ 9,526,303</u>
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet. However, the statement of net position includes those assets as capital assets.	3,588,321	2,871,722
Long-term liabilities applicable to the District are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position as follows:		
Compensated absences	<u>(52,518)</u>	<u>(40,208)</u>
Total adjustments	<u>3,535,803</u>	<u>2,831,514</u>
Net Position of Governmental Activities	<u>\$ 13,096,766</u>	<u>\$ 12,357,817</u>

FALLBROOK REGIONAL HEALTH DISTRICT*Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds
For the Fiscal Year Ended June 30, 2025**(With Comparative Amounts for the Fiscal Year Ended June 30, 2024)*

	General Fund	
	2025	2024
Revenues:		
Property taxes	\$ 2,661,925	\$ 2,511,314
Investment earnings change in fair-value	451,159	436,587
Grant revenue	28,950	-
Other revenues	38,721	13,476
Total revenues	3,180,755	2,961,377
Expenditures:		
Current operations:		
Salaries and wages	843,599	784,231
Employee benefits	128,888	121,102
Materials and services	676,645	552,016
Community healthcare programs	716,478	759,129
Capital outlay	780,485	452,029
Total expenditures	3,146,095	2,668,507
Excess of revenues over expenditures	34,660	292,870
Other financing sources (uses):		
Principal received from note receivable	-	359,748
Net change in fund balance	34,660	652,618
Fund Balance:		
Beginning of year	9,526,303	8,873,685
End of year	\$ 9,560,963	\$ 9,526,303

FALLBROOK REGIONAL HEALTH DISTRICT

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities

For the Fiscal Year Ended June 30, 2025

(With Comparative Amounts for the Fiscal Year Ended June 30, 2024)

	<u>2025</u>	<u>2024</u>
Net Change in Fund Balance - Governmental Funds	\$ 34,660	\$ 652,618
Amount reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:		
Capital outlay	780,485	452,029
Depreciation expense	(63,886)	(65,507)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenses in governmental funds as follows:		
Net change in compensated absences	(12,310)	6,946
Principal received on note is reported as a revenue in governmental funds. However, principal payments reduce the note receivable in the statement of net position and does not result in revenue in the statement of activities.	-	(359,748)
Total adjustments	<u>704,289</u>	<u>33,720</u>
Change in Net Position of Governmental Activities	<u>\$ 738,949</u>	<u>\$ 686,338</u>

FALLBROOK REGIONAL HEALTH DISTRICT

Notes to Financial Statements

June 30, 2025

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

A. Description of Organization

The Fallbrook Regional Health District (District) formerly known as the Fallbrook Hospital District, is organized under the provisions of the Health and Safety Code of the state of California to provide and operate health care facilities in Fallbrook, California, and unincorporated areas within the County of San Diego, California (County).

The Fallbrook Regional Health District Foundation (the “Foundation”) is a California non-profit public benefit corporation whose purpose is to establish an organization to raise and administer funds and assets that are donated, bequeathed, or devised by any lawful manner in order to promote the availability of and access to high quality health and wellness related services to the people of the Fallbrook Regional Health District and the communities it serves or for other purposes approved by the Board of Directors in conjunction with the policies established by the Board of Directors of the Fallbrook Regional Health District.

B. Basis of Presentation, Basis of Accounting

1. Basis of Presentation

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the primary government (the District). These statements include the financial activities of the overall government. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, charges for services, and other nonexchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

The consolidated financial statements include the Fallbrook Regional Health District and the Fallbrook Regional Health District Foundation. All significant inter-company transactions have been eliminated.

Fund Financial Statements

The fund financial statements provide information about the District's funds. The District reports only the following governmental fund:

General Fund: This fund is used to account for all financial resources of the District.

FALLBROOK REGIONAL HEALTH DISTRICT

Notes to Financial Statements

June 30, 2025

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation, Basis of Accounting (Continued)

2. Measurement Focus, Basis of Accounting

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and financing from capital leases are reported as other financing sources.

3. Revenues - Exchange and Non-Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year. Generally, available is defined as collectible within 60 days.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, certain grants, entitlements, and donations. Revenue from property taxes is recognized in the fiscal year in which the taxes are received. Revenue from certain grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include time and purpose requirements. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

C. Assets, Liabilities, and Net Position

1. Cash and Cash Equivalents

For purposes of the statement of cash flows, the District considers all highly liquid investments with a maturity of three months or less, when purchased, to be cash equivalents. Cash deposits are reported at carrying amount, which reasonably estimates fair value.

2. Prepaid Items

Certain payments to vendors reflect costs or deposits applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

FALLBROOK REGIONAL HEALTH DISTRICT

Notes to Financial Statements

June 30, 2025

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Assets, Liabilities, and Net Position (Continued)

3. Capital Assets

Capital assets are stated at cost or at their estimated fair value at date of donation. It is the District's policy to capitalize assets costing over \$500. The provision for depreciation is computed using the straight-line method over the estimated service lives of the capital assets which are general 3 to 10 years for both building and improvements and equipment.

4. Compensated Absences

In accordance with GASB Statement No. 101, Compensated Absences, leave is recognized when it is attributable to services already rendered, the leave accumulates, and the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Management evaluates sick leave for other District employees to determine the amount that is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. This analysis includes assessing relevant factors such as historical information about the use, payment or forfeiture of compensated absences, and the District's policies related to compensated absences. The measurement of compensated absences includes salary-related payment such as the employer portion of social security and Medicare taxes.

5. Net Position

Net position is classified into two components: investment in capital assets and unrestricted. These classifications are defined as follows:

- **Investment in capital assets** - This component of net position consists of capital assets net of accumulated depreciation.
- **Unrestricted net position** - This component of net position consists of net position that does not meet the definition of investment in capital assets.

6. Fund Balances

The fund balance for governmental funds is reported in classifications based on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Nonspendable: Fund balance is reported as nonspendable when the resources cannot be spent because they are either in a nonspendable form or legally or contractually required to be maintained intact. Resources in nonspendable form include inventories and prepaid assets.

Assigned: Resources that are constrained by the District's intent to use them for a specific purpose, but are neither restricted nor committed, are reported as assigned fund balance. Intent may be expressed by either the Board, committees (such as budget or finance), or officials to which the Board has delegated authority.

FALLBROOK REGIONAL HEALTH DISTRICT

Notes to Financial Statements

June 30, 2025

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Assets, Liabilities, and Net Position (Continued)

Unassigned: Unassigned fund balance represents fund balance that has not been restricted, committed, or assigned and may be utilized by the District for any purpose. When expenditures are incurred, and both restricted and unrestricted resources are available, it is the District's policy to use restricted resources first, then unrestricted resources in the order of committed, assigned, and then unassigned, as they are needed.

7. Fund Balance Policy

The District believes that sound financial management principles require that sufficient funds be retained by the District to provide a stable financial base at all times. To retain this stable financial base, the District needs to maintain an unrestricted fund balance in its funds sufficient to fund cash flows of the District and to provide financial reserves for unanticipated expenditures and/or revenue shortfalls of an emergency nature. Committed, assigned and unassigned fund balances are considered unrestricted.

The purpose of the District's fund balance policy is to maintain a prudent level of financial resources to protect against reducing service levels or raising assessments and fees because of temporary revenue shortfalls or unpredicted onetime expenditures.

D. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period. Actual results could differ from those estimates.

E. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1, each year. Secured property taxes are levied on July 1 and are payable in two installments, on December 10 and April 10. The County of San Diego Assessor's Office assesses all real and personal property within the County each year.

Property tax in California is levied in accordance with Article 13A of the State Constitution at one (1%) of countywide assessed valuations. The County of San Diego Treasurer's Office remits an undisclosed portion of the one (1%) current and delinquent property tax collections to the District throughout the year.

F. Budgetary Accounting

An annual unappropriated budget, which establishes the total spending authority for the General Fund, is adopted by the Board of Directors just prior to the beginning of the District's fiscal year. Estimated revenue is the original estimate with modifications for new programs which are anticipated to be received during the fiscal year. Expenditures cannot legally exceed appropriations at the fund level. Appropriations for the General Fund lapse at the end of the fiscal year. The Board of Directors may authorize amendments to the budget during the year as deemed necessary. Budgeted amounts were not amended for the fiscal year ended June 30, 2025.

FALLBROOK REGIONAL HEALTH DISTRICT

Notes to Financial Statements

June 30, 2025

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

- G. New Pronouncements – Governmental Accounting Standards Board (GASB)** During the fiscal year ended June 30, 2025, the District has implemented a new pronouncement as follows:

GASB Statement No. 101 – Compensated Absences

This GASB Statement amends the definition of a compensated absence to encompass the various types of benefits offered by governmental employers and establishes a unified model for accounting and reporting. The statement also revises the related financial statement disclosure requirements, including eliminating certain disclosures previously required that GASB research found did not provide essential information to financial statement users. The GASB statement applies to all units of state and local governments. The District adopted the Statement as of July 1, 2024. See Note 4 for the effect of this Statement.

FALLBROOK REGIONAL HEALTH DISTRICT

Notes to Financial Statements

June 30, 2025

NOTE 2 – CASH AND INVESTMENTS

Cash and cash equivalents at June 30, 2025, consist of the following:

<u>Description</u>	<u>June 30, 2025</u>
Demand deposits with financial institutions	\$ 1,502,442
Local Agency Investment Fund (LAIF)	399,210
California CLASS	1,446,826
CalTRUST	<u>6,251,248</u>
Total cash and investments	<u><u>\$ 9,599,726</u></u>

Demand Deposits

At June 30 2025, the carrying amount of the District's demand deposits were \$1,502,442, and the financial institution's balance was \$1,507,600. The net difference represents outstanding checks, deposits-in-transit and/or other reconciling items between the financial institution's balance and the District's balance.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. The District does not have a policy for custodial credit risk for deposits. Cash balances held in banks are insured up to \$250,000 by the Federal Depository Insurance Corporation (FDIC) and are collateralized by the respective financial institutions. In addition, the California Government Code requires that a financial institution secure deposits made by State or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under State law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits.

Local Agency Investment Fund (LAIF)

The California State Treasurer, through the Pooled Money Investment Account (PMIA), invests its funds to manage the State's cash flow and strengthen the financial security of local public agencies. PMIA's policy sets as primary investment objectives safety, liquidity and yield. Through the PMIA, the Investment Division manages the Local Agency Investment Fund (LAIF). The LAIF allows cities, counties and special districts to place money in a major portfolio and, at no additional costs, use the expertise of Investment Division staff. Participating agencies can withdraw their funds from the LAIF at any time as LAIF is highly liquid and has a dollar-in dollar-out amortized cost methodology.

The District is a voluntary participant in LAIF. The fair value of the District's investment in this pool is reported at an amount based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of the portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF. LAIF is not categorized under the fair value hierarchy established by GAAP as it is held at an amortized cost basis and it is Not Rated under the current credit risk ratings format. For financial reporting purposes, the District considers funds in LAIF a cash equivalent due to its highly liquid nature and dollar-in dollar-out amortized cost methodology. As of June 30, 2025, the District held \$399,210 in LAIF.

FALLBROOK REGIONAL HEALTH DISTRICT

Notes to Financial Statements

June 30, 2025

NOTE 2 – CASH AND INVESTMENTS (Continued)

California Cooperative Liquid Assets Securities System (California CLASS)

The California Cooperative Liquid Assets Securities System (California CLASS) is a joint exercise of power entity authorized under Section 6509.7, California Government Code. California CLASS is a pooled investment option that was created via a joint exercise of powers agreement by and among California public agencies. California CLASS provides California public agencies with a convenient method for investing in high-quality, short- to medium-term securities carefully selected to optimize interest earnings while prioritizing safety and liquidity. The California CLASS Prime and Enhanced Cash funds offer public agencies the opportunity to strengthen and diversify their cash management programs in accordance with the safety, liquidity, and yield hierarchy that governs the investment of public funds.

The management of California CLASS is under the direction of a Board of Trustees comprised of eligible Participants of the program. The Board of Trustees has appointed Public Trust Advisors, LLC to serve as the Investment Advisor and Administrator of the program and has appointed U.S. Bank as the Custodian.

The District is a voluntary participant in California CLASS. The fair value of the District's investment in this pool is reported at an amount based upon the District's pro-rata share of the fair value provided by California CLASS for the entire California CLASS portfolio (in relation to the amortized cost of the of that portfolio). The balance available for withdrawal is based on the accounting records maintained by California CLASS. California CLASS is not categorized under the fair value hierarchy established by GAAP as it is held at an amortized cost basis. The California Class Prime and Enhanced Cash funds receive a credit rating of AAAm (S&P Global Ratings) and AAaf/S1 (FitchRatings), respectively. For financial reporting purposes, the District considers California CLASS a cash equivalent due to its highly liquid nature and dollar-in dollar-out amortized cost methodology. As of June 30, 2025, the District held \$1,446,826 in California CLASS.

CalTRUST

The District is a voluntary participant in the Investment Trust of California (CalTRUST) which is a Joint Powers Authority governed by a Board of Trustees made up of local treasures and investment officers. The Board of Trustees sets overall policy for CalTRUST and selects and supervises the activities of the Investment Manager and other agents. As of June 30, 2025, the District has \$6,251,248 invested with CalTRUST in two different funds. The medium-term fund has a targeted portfolio duration of 1 to 3 years. The S&P rating of the medium-term fund is AA-f/S1. As of June 30, 2025, the District's investment in the medium-term fund is \$5,167,439. The liquidity fund has a maximum duration of 60days. The S&P rating of the liquidity fund is AAAm. As of June 30, 2025, the District's investment in the liquidity fund is \$1,083,809. Amounts that may be withdrawn from the Medium-Term Pool are based on the net asset value per share and the number of shares held by participants. CalTRUST investments are subject to market risk as a result of changes in interest rates.

FALLBROOK REGIONAL HEALTH DISTRICT
Notes to Financial Statements
June 30, 2025

NOTE 3 – CAPITAL ASSETS

Changes in capital assets for the year were as follows:

Description	Balance July 1, 2024	Additions/ Transfers	Deletions/ Transfers	Balance June 30, 2025
Non-depreciable capital assets:				
Land	\$ 490,291	\$ -	\$ -	\$ 490,291
Construction-in-progress	362,599	746,785	-	1,109,384
Total non-depreciable capital assets	<u>852,890</u>	<u>746,785</u>	<u>-</u>	<u>1,599,675</u>
Depreciable capital assets:				
Buildings and improvements	2,301,250	33,700	-	2,334,950
Equipment	85,471	-	-	85,471
Total depreciable capital assets	<u>2,386,721</u>	<u>33,700</u>	<u>-</u>	<u>2,420,421</u>
Accumulated depreciation:				
Buildings and improvements	(303,351)	(56,849)	-	(360,200)
Equipment	(64,538)	(7,037)	-	(71,575)
Total accumulated depreciation	<u>(367,889)</u>	<u>(63,886)</u>	<u>-</u>	<u>(431,775)</u>
Total depreciable capital assets, net	<u>2,018,832</u>	<u>(30,186)</u>	<u>-</u>	<u>1,988,646</u>
Total capital assets, net	<u><u>\$ 2,871,722</u></u>	<u><u>\$ 716,599</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 3,588,321</u></u>

NOTE 4 – COMPENSATED ABSENCES

Changes to the compensated absences balance at June 30, 2025 were as follows:

Balance July 1, 2024	Net Change	Balance June 30, 2025	Due Within One Year	Due in More Than One Year
<u>\$ 40,208</u>	<u>\$ 12,310</u>	<u>\$ 52,518</u>	<u>\$ 26,259</u>	<u>\$ 26,259</u>

As of June 30, 2025, the total liability for compensated absences was \$52,518, of which \$26,259 is expected to be paid within one year and is reported as a current liability. The beginning balance of compensated absences as of July 1, 2024, reflected an immaterial difference upon implementation of GASB Statement No. 101; therefore, no restatement was required.

NOTE 5 – FUND BALANCES

At June 30, 2025, fund balances of the District’s governmental funds were classified as follows:

Description	Balance
Assigned:	
Compensated absences	\$ 52,518
Unassigned	
Unassigned	<u>9,508,445</u>
Total fund balances	<u><u>\$ 9,560,963</u></u>

FALLBROOK REGIONAL HEALTH DISTRICT

Notes to Financial Statements

June 30, 2025

NOTE 6- DEFINED CONTRIBUTION PENSION PLAN

The District has a Section 408(p) defined contribution pension plan as allowed under the Internal Revenue Code. The plan type sponsored by the District is the Savings Incentive Match Plan for Employees of Small Employers (SIMPLE), which was effective on January 6, 2006. The Plan is a defined contribution retirement plan in which the employer's contribution is nondiscretionary and is based on a formula that is not related to profit. The Plan sponsor guarantees no benefit and bears no investment risk while the Plan participants bear all investment risk and have no guaranteed level of benefits.

Eligible noncontract employees may begin participating in the Pension Plan following one-month probationary employment period. The Administrator may begin participating on the first day of the month following the employment date of work. The Plan is entirely funded by District contributions of up to 3% of their salary to the deferred compensation plan. Participants are fully vested upon joining the plan. Plan provisions and contribution requirements are established and may be amended by the District. Participants are eligible to begin receiving benefits at age 55.

Total employer contributions paid by the District amounted to \$20,147.

Funds paid into the Plan by the District are placed in a SIMPLE IRA account at a financial institution determined by the Plan participants. The financial information of the defined contribution pension plan is not in the accompanying financial statements.

FALLBROOK REGIONAL HEALTH DISTRICT

Notes to Financial Statements

June 30, 2025

NOTE 7 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District is a member of the Special District Risk Management Authority (SDRMA), an intergovernmental risk sharing joint powers authority created to provide self-insurance programs for California special districts. The purpose of the SDRMA is to arrange and administer programs of self-insured losses and to purchase excess insurance coverage.

A. Entity	SDRMA	
B. Purpose	To pool member contributions and realize the advantages of self-insurance	
C. Participants	As of June 30, 2024 – 503 member agencies	
D. Governing board	Seven representatives employed by members	
E. District payments for FY 2025:		
Property/Liability policy	\$32,020	
F. Condensed financial information	June 30, 2024	
Statement of net position:		June 30, 2024
Total assets		<u>\$ 162,354,367</u>
Deferred outflows		<u>1,620,957</u>
Total liabilities		<u>78,404,034</u>
Deferred inflows		<u>384,924</u>
Net position		<u>\$ 85,186,366</u>
Statement of revenues, expenses and changes in net position:		
Total revenues		\$ 117,816,189
Total expenses		<u>(104,151,026)</u>
Change in net position		13,665,163
Beginning – net position		<u>71,521,203</u>
Ending – net position		<u>\$ 85,186,366</u>
G. Member agencies share of year-end financial position		Not Calculated

FALLBROOK REGIONAL HEALTH DISTRICT

Notes to Financial Statements

June 30, 2025

NOTE 7 – RISK MANAGEMENT (Continued)

At June 30, 2025, the District participated in the liability and property programs of the SDRMA as follows:

- General and auto liability, public officials and employees' errors and omissions: Total risk financing self-insurance limits of \$2,500,000, combined single limit at \$2,500,000 per occurrence.

In addition to the above, the District also has the following insurance coverage:

- Employee dishonesty coverage up to \$1,000,000 per loss includes public employee dishonesty, forgery or alteration and theft, disappearance and destruction coverage.
- Property loss is paid at the replacement cost for property on file, if replaced within three years after the loss, otherwise paid on an actual cash value basis, to a combined total of \$800 million per occurrence, subject to a \$2,000 deductible per occurrence.
- Boiler and machinery coverage for the replacement cost up to \$100 million per occurrence, subject to a \$1,000 deductible per occurrence.
- Public official's personal liability up to \$1,000,000 each occurrence, with an annual aggregate of \$500,000 per each elected/appointed official to which this coverage applies, subject to the terms, with a deductible of \$500 per claim.

The District maintains workers' compensation coverage and employer's liability coverage in accordance with the statutory requirements of the State of California.

Settled claims have not exceeded any of the coverage amounts in any of the last three fiscal years. There were no reductions in insurance coverage in fiscal year 2025, 2024, and 2023. Liabilities are recorded when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated net of the respective insurance coverage. Liabilities include an amount for claims that have been incurred but not reported (IBNR). There were no IBNR claims payable as of June 30, 2025, 2024, and 2023.

FALLBROOK REGIONAL HEALTH DISTRICT

Notes to Financial Statements

June 30, 2025

NOTE 8 – COMMITMENTS AND CONTINGENCIES

Excluded Leases – Short-Term Leases and De Minimis Leases

The District does not recognize a lease receivable and a deferred inflow of resources for short-term leases. Short-term leases are certain leases that have a maximum possible term under the lease contract of 12-months (or less), including any options to extend, regardless of their probability of being exercised.

Also, *de minimis* lessor or lessee leases are certain leases (i.e., room rental, copiers, printers, postage machines) that regardless of their lease contract period are *de minimis* with regards to their aggregate total dollar amount to the financial statements as a whole.

Grant Awards

Grant funds received by the District are subject to audit by the grantor agencies. Such audit could lead to requests for reimbursements to the grantor agencies for expenditures disallowed under terms of the grant. Management of the District believes that such disallowances, if any, would not be significant.

Litigation

The District is involved in routine litigation incidental to its business and may be subject to claims and litigation from outside parties.

Construction Commitments

As of June 30, 2025, the District had commitments with respects to unfinished capital projects of approximately \$355K to be paid from local funds in future years.

NOTE 9 – SUBSEQUENT EVENTS

The District has evaluated subsequent events through November 12, 2025, the date which the financial statements were available to be issued.

Required Supplementary Information

FALLBROOK REGIONAL HEALTH DISTRICT
Budgetary Comparison Schedule – General Fund
For the Fiscal Year Ended June 30, 2025

	Adopted Original Budget	Actual	Variance Positive (Negative)
Revenues:			
Property taxes	\$ 2,414,575	\$ 2,661,925	\$ 247,350
Investment earnings	142,978	451,159	308,181
Grant revenue	-	28,950	28,950
Other revenues	11,408	38,721	27,313
Total revenues	<u>2,568,961</u>	<u>3,180,755</u>	<u>611,794</u>
Expenditures:			
Current:			
Salaries and wages	830,785	843,599	(12,814)
Employee benefits	184,389	128,888	55,501
Materials and services	749,827	676,645	73,182
Community healthcare programs	716,478	716,478	-
Capital outlay	-	780,485	(780,485)
Total expenditures	<u>2,481,479</u>	<u>3,146,095</u>	<u>(664,616)</u>
Excess of revenues over expenditures	<u>\$ 87,482</u>	34,660	<u>\$ (52,822)</u>
Fund balance:			
Beginning of year		<u>9,526,303</u>	
End of year		<u>\$ 9,560,963</u>	

Supplementary Information

FALLBROOK REGIONAL HEALTH DISTRICT
Consolidating Schedule – Statement of Net Position
For the Fiscal Year Ended June 30, 2025

<u>ASSETS</u>	<u>FRHD</u>	<u>Foundation</u>	<u>Intercompany Eliminations</u>	<u>Consolidated</u>
Current assets:				
Cash and investments	\$ 9,571,918	\$ 27,808	\$ -	\$ 9,599,726
Accrued interest receivable	7,405	-	(714)	6,691
Property taxes receivable	24,370	-	-	24,370
Loan due from foundation	24,575	-	(24,575)	-
Total current assets	<u>9,628,268</u>	<u>27,808</u>	<u>(25,289)</u>	<u>9,630,787</u>
Non-current assets:				
Capital assets – not being depreciated	1,599,675	-	-	1,599,675
Capital assets – being depreciated, net	1,988,646	-	-	1,988,646
Total non-current assets	<u>3,588,321</u>	<u>-</u>	<u>-</u>	<u>3,588,321</u>
Total assets	<u>13,216,589</u>	<u>27,808</u>	<u>(25,289)</u>	<u>13,219,108</u>
Current liabilities:				
Accounts payable and accrued expenses	69,824	-	-	69,824
Accrued interest payable	-	714	(714)	-
Compensated absences	26,259	-	-	26,259
Loan due to District	-	24,575	(24,575)	-
Total liabilities	<u>96,083</u>	<u>25,289</u>	<u>(25,289)</u>	<u>96,083</u>
Non current liabilities:				
Compensated absences	26,259	-	-	26,259
Total deferred inflows of resources	<u>26,259</u>	<u>-</u>	<u>-</u>	<u>26,259</u>
Net position:				
Investment in capital assets	3,588,321	-	-	3,588,321
Unrestricted	9,505,926	2,519	-	9,508,445
Total net position	<u>\$ 13,094,247</u>	<u>\$ 2,519</u>	<u>\$ -</u>	<u>\$ 13,096,766</u>

FALLBROOK REGIONAL HEALTH DISTRICT
Consolidating Schedule – Statement of Activities
For the Fiscal Year Ended June 30, 2025

	<u>FRHD</u>	<u>Foundation</u>	<u>Intercompany Eliminations</u>	<u>Consolidated</u>
Operating expenses:				
Salaries and wages	\$ 855,909	\$ -	\$ -	\$ 855,909
Employee benefits	128,888	-	-	128,888
Materials and services	675,975	670	-	676,645
Community healthcare programs	716,478	-	-	716,478
Depreciation	63,886	-	-	63,886
Interest expense	-	505	(505)	-
Total operating expenses	<u>2,441,136</u>	<u>1,175</u>	<u>(505)</u>	<u>2,441,806</u>
Operating loss	<u>(2,441,136)</u>	<u>(1,175)</u>	<u>505</u>	<u>(2,441,806)</u>
Non-operating revenues:				
Property taxes	2,661,925	-	-	2,661,925
Investment earnings and change in fair-value	451,138	526	(505)	451,159
Grant revenue	28,950	-	-	28,950
Other revenues	35,777	2,944	-	38,721
Total non-operating revenues	<u>3,177,790</u>	<u>3,470</u>	<u>(505)</u>	<u>3,180,755</u>
Change in net position	736,654	2,295	-	738,949
Net position:				
Beginning of year	<u>12,357,593</u>	<u>224</u>	<u>-</u>	<u>12,357,817</u>
End of year	<u>\$ 13,094,247</u>	<u>\$ 2,519</u>	<u>\$ -</u>	<u>\$ 13,096,766</u>

Other Independent Auditors' Report



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors
Fallbrook Regional Health District
Fallbrook, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and general fund of Fallbrook Regional Health District (District) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 12, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Murrieta, California
November 12, 2025

**Job Title: Administrative Services
Coordinator – Finance & Systems**

Job Objective: The Administrative Services Coordinator – Finance & Systems plays a key role in supporting the District’s finance and technology operations. This position is responsible for processing purchasing transactions, maintaining accurate financial records in QuickBooks Online, and performing light software administrative duties. The Coordinator ensures day-to-day processes are efficient and aligned with District procedures. This role requires strong organizational, technical, and communication skills to maintain reliable operations across finance and administrative systems.

The ideal candidate has a bookkeeping background and ease with cloud-based software (SaaS), is friendly and professional in demeanor, and approaches every interaction, whether with staff, vendors, or the public with confidence and clarity. They are comfortable working directly with existing vendors to resolve basic issues, and they know when to escalate more complex situations. They bring a solid understanding of general business principles, attention to detail, and sound judgment in balancing multiple priorities

Duties:

1. Perform routine bookkeeping tasks, including invoice tracking, data entry, and account reconciliations.
2. Reconcile credit card receipts at month-end with accuracy and attention to detail.
3. Coordinate purchasing activities by processing purchase orders, confirming deliveries, and monitoring budget expenditures.
4. Assist with software account maintenance, including creating and deactivating user accounts, resetting passwords, and coordinating with vendors for basic system support.
5. Set up and maintain ACH accounts for the District, ensuring ease of use with banking software and compliance with financial procedures.
6. Maintain digital and physical files for financial and service contracts; track contract expirations and coordinate timely renewals.
7. Compile and organize data to support the preparation of financial, operational, and audit-related reports.
8. Assist in the preparation of the District’s annual budget by compiling data, monitoring expenditures, and supporting financial analysis.
9. Maintain up-to-date vendor records, including W-9s, insurance certificates, and compliance documentation.
10. Monitor and support vendor contract renewals, ensuring adherence to DIR requirements and other regulatory standards when applicable.
11. Coordinate with service providers for troubleshooting, inventory documentation, and ticket resolution.
12. Support workflow improvements and maintain systems documentation, with a focus on using digital tools to streamline administrative processes.
13. Escalate technical or financial issues requiring higher-level review, problem-solving, or approval.
14. Crosstrain with the Administrative Coordinator – Finance & Systems to provide coverage and support continuity of operations
15. Provide front office support, including answering phones and assisting with general administrative tasks:
 1. Respond to incoming calls promptly and professionally, ensuring they are answered by the third ring and directed to the appropriate individual or department efficiently
 2. Responsible for opening and closing the office during regular business hours and ensuring secure access on designated business days

The terms of my employment have been discussed with me, and I understand the benefits available and the rate of pay (Hourly/Non exempt \$ _____) and through my employment at FRHD.

Employee Signature: _____

Start Date: _____

09.18.25

3. Greets and provides general information to clients, visitors, vendors, and staff in a professional manner; schedules appointments and meetings and maintains calendars; assists clients by referring them to applicable sources of information; distributes applications and forms and explains how to complete them, answers requests for information by consulting various available sources.
16. Participate actively in staff meetings and contribute to an inclusive, collaborative team environment.
17. Build and maintain effective working relationships with other District staff.
18. Perform other related duties as assigned.

Qualifications:

The Administrative Services Coordinator – Finance & Systems is expected to demonstrate a high degree of initiative and the ability to manage multiple priorities. An Associate’s degree in Business, Accounting, Information Systems, or a related field is required, with a Bachelor’s degree preferred. The ideal candidate will have a minimum of two years of experience in administrative, finance, or IT-related support roles. They should possess a solid background in bookkeeping, including knowledge of purchasing processes, accounts payable, and basic financial reporting. Familiarity with SaaS (cloud-based software platforms) is essential, particularly in areas such as user access and basic troubleshooting. Strong written and verbal communication skills are required, along with a professional and approachable demeanor.

Highly organized and self-motivated to work independently and manage schedules efficiently. Reliable transportation and a clear DMV record is required. Ability to lift at least 20 pounds and arrange office chairs and tables.

Bilingual English/Spanish is preferred but not required; thus, this position is eligible for bi-lingual add-on pay.

Organization Culture: Ability to work independently and/or as a team member. Ability to perform work in an energetic and self-directive manner. Tolerant and able to embrace the ambiguity of an evolving project. As a public entity our mission and values are community focused.

Work Hours: The Administrative Services Coordinator is a full-time, on-site, position. The organization core operating hours are 9:00 a.m. to 5:00 p.m. Monday through Friday; however occasional weekend appointments may be required – schedule to be determined.

Salary Range and Benefits: \$28.00 to \$36.00 per hour, non-exempt. Health, Retirement, and other benefits are available as outlined in the District Employee Handbook.

Supervisor: Chief Administrative Officer

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