



**AGENDA**  
**FINANCE COMMITTEE**  
**Wednesday, October 4, 2023, at 10:00 A.M.**  
**Administrative Office, 1<sup>st</sup> Floor Community Room**  
**138 S. Brandon Rd., Fallbrook, CA**

In accordance with California Government Code Section 54953 teleconferencing will be used for this meeting. Board members, staff and members of the public will be able to participate by webinar by using the following link: <https://us02web.zoom.us/j/87929560845?pwd=OGZtcjJUOEQ3WXVmOUlwUVdEMXo4Zz09>  
Meeting ID: 879 2956 0845 Passcode: 149092. Participants will need to download the Zoom app on their mobile device. Members of the public will also be able to participate by telephone using the following dial in information: Dial #1.669.444.9171 \*All meetings are hybrid unless otherwise noted.

**1. Call to Order/Roll Call**

**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 August 2023**

Report 1 – Balance Sheet of **August 2023**

Report 2 – Income Statement for the Month Ended **August 2023 & Fiscal Year to Date**

Report 3 – Profit & Loss Actual vs YTD Budget – **August 2023**

Report 4 – Local Agency Investment Fund (LAIF) Statement - **August 2023**

Report 5 – CalTrust Statement – **August 2023**

Report 6 – California CLASS Statement- **August 2023**

FRHD Compliance Report

Report 7 - Check Detail Report as of **August 2023**

Report 8 – VISA Credit Card Statement – **August 2023**

Report 9 – Community Development Disbursement as of **August 2023**

**5. Discussion Items-**

Review FY22.23 Audit DRAFT

**6. Board Member Comments and Future Agenda Items-**

**7. Adjournment-**

I certify that on September 29, 2023, 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 District office 24 hours prior to the meeting at 760-731-9187.

A handwritten signature in blue ink, reading "Rachel Kilbi". The signature is written in a cursive style with a large initial "R".

---

Executive Assistant/Board Clerk

# Fallbrook Regional Health District

## Report #1 - Balance Sheet Comparison

As of August 31, 2023

|  | TOTAL                  |                         |                 |
|--|------------------------|-------------------------|-----------------|
|  | AS OF AUG 31, 2023     | AS OF JUL 31, 2023 (PP) | % CHANGE        |
| <b>ASSETS</b>                            |                        |                         |                 |
| Current Assets                           |                        |                         |                 |
| Bank Accounts                            |                        |                         |                 |
| Five Star Bank Account                   | 250,000.00             | 250,000.00              | 0.00 %          |
| Pacific Western Bank - Checking          | 61,751.37              | 145,145.37              | -57.46 %        |
| Petty Cash                               | 138.47                 | 138.47                  | 0.00 %          |
| <b>Total Bank Accounts</b>               | <b>\$311,889.84</b>    | <b>\$395,283.84</b>     | <b>-21.10 %</b> |
| Other Current Assets                     |                        |                         |                 |
| Interest Receivable - LAIF               | 0.00                   | 0.00                    |                 |
| Prepaid Insurance                        | 26,534.04              | 29,560.54               | -10.24 %        |
| Reimbursement Receivable - CDD           | -335.57                | -335.57                 | 0.00 %          |
| Tax Apportionment Receivable             | 18,369.18              | 39,707.87               | -53.74 %        |
| <b>Total Other Current Assets</b>        | <b>\$44,567.65</b>     | <b>\$68,932.84</b>      | <b>-35.35 %</b> |
| <b>Total Current Assets</b>              | <b>\$356,457.49</b>    | <b>\$464,216.68</b>     | <b>-23.21 %</b> |
| Fixed Assets                             |                        |                         |                 |
| Accumulated Depreciation - All Buildings |                        |                         |                 |
| E. Mission Road                          | -256,380.40            | -251,787.40             | -1.82 %         |
| E. Mission Road - Improvements           | 1,441,539.86           | 1,441,539.86            | 0.00 %          |
| E. Mission Road - Land                   | 400,595.79             | 375,345.79              | 6.73 %          |
| <b>Total E. Mission Road</b>             | <b>2,202,764.65</b>    | <b>2,177,514.65</b>     | <b>1.16 %</b>   |
| Equipment                                |                        |                         |                 |
| Equipment - Depreciation                 | 85,471.17              | 85,471.17               | 0.00 %          |
| S. Brandon Road                          | -56,970.84             | -56,079.42              | -1.59 %         |
| S. Brandon Road - Improvements           | 161,578.00             | 161,578.00              | 0.00 %          |
| S. Brandon Road - Land                   | 233,355.76             | 233,355.76              | 0.00 %          |
| <b>Total S. Brandon Road</b>             | <b>524,595.76</b>      | <b>524,595.76</b>       | <b>0.00 %</b>   |
| <b>Total Fixed Assets</b>                | <b>\$2,499,480.34</b>  | <b>\$2,479,714.76</b>   | <b>0.80 %</b>   |
| Other Assets                             |                        |                         |                 |
| California Class                         | 1,005,517.41           | 1,000,887.03            | 0.46 %          |
| CalTrust                                 | 5,687,655.51           | 5,670,194.04            | 0.31 %          |
| LAIF                                     | 1,636,215.05           | 1,636,215.05            | 0.00 %          |
| Note Receivable - East Alvarado Street   | 356,037.89             | 357,897.53              | -0.52 %         |
| <b>Total Other Assets</b>                | <b>\$8,685,425.86</b>  | <b>\$8,665,193.65</b>   | <b>0.23 %</b>   |
| <b>TOTAL ASSETS</b>                      | <b>\$11,541,363.69</b> | <b>\$11,609,125.09</b>  | <b>-0.58 %</b>  |

# Fallbrook Regional Health District

## Report #1 - Balance Sheet Comparison

As of August 31, 2023

|  | TOTAL                  |                         |                 |
|--|------------------------|-------------------------|-----------------|
|  | AS OF AUG 31, 2023     | AS OF JUL 31, 2023 (PP) | % CHANGE        |
| <b>LIABILITIES AND EQUITY</b>          |                        |                         |                 |
| Liabilities                            |                        |                         |                 |
| Current Liabilities                    |                        |                         |                 |
| Accounts Payable                       |                        |                         |                 |
| Accounts Payable (A/P)                 | 39,370.72              | 14,726.73               | 167.34 %        |
| <b>Total Accounts Payable</b>          | <b>\$39,370.72</b>     | <b>\$14,726.73</b>      | <b>167.34 %</b> |
| Other Current Liabilities              |                        |                         |                 |
| Payroll - Tax Payable                  | 9,600.46               | 8,029.40                | 19.57 %         |
| Payroll - Vacation & Sick Payable      | 47,153.96              | 47,153.96               | 0.00 %          |
| Payroll - Wages Payable                | 23,941.36              | 21,151.45               | 13.19 %         |
| Simple IRA Plan - Payable              | 4,736.01               | 4,736.02                | -0.00 %         |
| <b>Total Other Current Liabilities</b> | <b>\$85,431.79</b>     | <b>\$81,070.83</b>      | <b>5.38 %</b>   |
| <b>Total Current Liabilities</b>       | <b>\$124,802.51</b>    | <b>\$95,797.56</b>      | <b>30.28 %</b>  |
| <b>Total Liabilities</b>               | <b>\$124,802.51</b>    | <b>\$95,797.56</b>      | <b>30.28 %</b>  |
| Equity                                 |                        |                         |                 |
| Community Development Disbursement     | 8,792,578.12           | 8,792,578.12            | 0.00 %          |
| Opening balance equity                 | 0.00                   | 0.00                    |                 |
| Retained Earnings                      | 0.00                   | 0.00                    |                 |
| Unrestricted Operations Fund           | 2,878,622.88           | 2,878,622.88            | 0.00 %          |
| Net Income                             | -254,639.82            | -157,873.47             | -61.29 %        |
| <b>Total Equity</b>                    | <b>\$11,416,561.18</b> | <b>\$11,513,327.53</b>  | <b>-0.84 %</b>  |
| <b>TOTAL LIABILITIES AND EQUITY</b>    | <b>\$11,541,363.69</b> | <b>\$11,609,125.09</b>  | <b>-0.58 %</b>  |

# Fallbrook Regional Health District

## Report #2 - Profit and Loss & Fiscal YTD

August 2023

|  | TOTAL              |                       |
|--|--------------------|-----------------------|
|  | AUG 2023           | JUL - AUG, 2023 (YTD) |
| Income                                       |                    |                       |
| Property Tax Revenue                         | 18,369.18          | 58,077.05             |
| <b>Total Income</b>                          | <b>\$18,369.18</b> | <b>\$58,077.05</b>    |
| GROSS PROFIT                                 | <b>\$18,369.18</b> | <b>\$58,077.05</b>    |
| Expenses                                     |                    |                       |
| Advertising & Promotions                     | 1,394.07           | 2,321.03              |
| Ask My Accountant                            |                    | 3,731.00              |
| Auto Expenses                                | 225.76             | 403.26                |
| Community Health Contracts                   |                    |                       |
| Bonsall/Fallbrook Little League              | 5,000.00           | 5,000.00              |
| Boys & Girls Club of North County            | 5,000.00           | 32,233.25             |
| Boys Warriors Soccer Booster, Inc.           | 5,000.00           | 5,000.00              |
| Community Health Systems, Inc.               |                    | 15,000.00             |
| Fallbrook Band Boosters                      | 5,000.00           | 5,000.00              |
| Fallbrook Food Pantry                        |                    | 18,750.00             |
| Fallbrook Senior Citizens                    |                    | 11,750.00             |
| Foundation for Senior Care                   |                    | 35,000.00             |
| Michelle's Place Cancer Ctr                  |                    | 12,165.50             |
| Palomar Family Counseling                    |                    | 16,715.00             |
| Reins Therapeutic Horsemanship Program       |                    | 6,250.00              |
| <b>Total Community Health Contracts</b>      | <b>20,000.00</b>   | <b>162,863.75</b>     |
| District Direct Care Services                |                    |                       |
| District Sponsored Events                    | 5.90               | 5.90                  |
| Health Services & Clinics                    | 18.64              | 18.64                 |
| <b>Total District Direct Care Services</b>   | <b>24.54</b>       | <b>24.54</b>          |
| Dues & Subscriptions                         | 35.00              | 8,915.02              |
| Education & Conferences                      | 4,593.47           | 10,592.15             |
| Equipment Lease                              | 1,592.55           | 3,185.10              |
| General Insurance                            | 2,715.58           | 5,431.16              |
| IT Services                                  | 600.00             | 1,200.00              |
| Legal & Accounting services                  |                    |                       |
| Accounting                                   | 3,338.75           | 6,677.50              |
| Independent Audit                            | 8,000.00           | 8,000.00              |
| <b>Total Legal &amp; Accounting services</b> | <b>11,338.75</b>   | <b>14,677.50</b>      |
| Medical Records Expense                      | 2,625.46           | 5,211.93              |
| Meeting Expenses                             | 190.18             | 392.23                |
| Office Expenses                              |                    |                       |
| General Office Expenses                      | 56.76              | 604.74                |
| Maintenance & Repairs                        | 8,065.62           | 15,343.48             |
| Office Equipment & Fixtures                  | 3,718.50           | 3,718.50              |

# Fallbrook Regional Health District

## Report #2 - Profit and Loss & Fiscal YTD

August 2023

|                                     | TOTAL                 |                       |
|-------------------------------------|-----------------------|-----------------------|
|                                     | AUG 2023              | JUL - AUG, 2023 (YTD) |
| Office Supplies                     | 2,660.59              | 3,326.64              |
| Postage & Shipping                  | 179.05                | 188.70                |
| Software & Website                  | 1,253.38              | 1,475.84              |
| <b>Total Office Expenses</b>        | <b>15,933.90</b>      | <b>24,657.90</b>      |
| Payroll Expenses                    |                       |                       |
| Board Stipends                      | 2,535.75              | 4,299.75              |
| Employee Benefits                   | 7,879.12              | 15,766.78             |
| Payroll Processing Fees             | 263.23                | 526.46                |
| Payroll Taxes                       | 4,575.91              | 8,741.57              |
| Salaries                            | 58,267.94             | 111,832.97            |
| Simple IRA Match                    | 1,324.06              | 2,648.13              |
| Workers Compensation                | 310.92                | 621.84                |
| <b>Total Payroll Expenses</b>       | <b>75,156.93</b>      | <b>144,437.50</b>     |
| Utilities                           |                       |                       |
| Cell Phones                         | 350.00                | 700.00                |
| General Utilities                   | 3,746.95              | 6,894.43              |
| Internet/Telephone                  | 1,241.18              | 2,854.09              |
| <b>Total Utilities</b>              | <b>5,338.13</b>       | <b>10,448.52</b>      |
| <b>Total Expenses</b>               | <b>\$141,764.32</b>   | <b>\$398,492.59</b>   |
| NET OPERATING INCOME                | <b>\$ -123,395.14</b> | <b>\$ -340,415.54</b> |
| Other Income                        |                       |                       |
| Interest/Dividend Income            | 23,732.21             | 48,694.32             |
| Unrealized Gain/Loss - LAIF         |                       | 39,669.25             |
| <b>Total Other Income</b>           | <b>\$23,732.21</b>    | <b>\$88,363.57</b>    |
| Other Expenses                      |                       |                       |
| Depreciation Expense                |                       |                       |
| Depreciation Expense - Brandon Road | 1,480.92              | 2,961.84              |
| Depreciation Expense - Mission Road | 4,003.50              | 8,007.00              |
| <b>Total Depreciation Expense</b>   | <b>5,484.42</b>       | <b>10,968.84</b>      |
| Other Miscellaneous Expense         | -8,381.00             | -8,380.99             |
| <b>Total Other Expenses</b>         | <b>\$ -2,896.58</b>   | <b>\$2,587.85</b>     |
| NET OTHER INCOME                    | <b>\$26,628.79</b>    | <b>\$85,775.72</b>    |
| NET INCOME                          | <b>\$ -96,766.35</b>  | <b>\$ -254,639.82</b> |

**Fallbrook Regional Health District**  
**Report #3 - Budget vs. Actuals: FY 23-24 - Administrative Class**  
 July - August, 2023

|  | Administrative       |                      |                       |                |
|--|----------------------|----------------------|-----------------------|----------------|
|  | Actual               | Budget               | over Budget           | % of Budget    |
| <b>Income</b>                                |                      |                      |                       |                |
| Property Tax Revenue                         | 58,077.05            | 53,763.32            | 4,313.73              | 108.02%        |
| Rental Income                                |                      | 3,713.75             | -3,713.75             | 0.00%          |
| <b>Total Income</b>                          | <b>\$ 58,077.05</b>  | <b>\$ 57,477.07</b>  | <b>\$ 599.98</b>      | <b>101.04%</b> |
| <b>Gross Profit</b>                          | <b>\$ 58,077.05</b>  | <b>\$ 57,477.07</b>  | <b>\$ 599.98</b>      | <b>101.04%</b> |
| <b>Expenses</b>                              |                      |                      |                       |                |
| Advertising & Promotions                     | 571.18               | 5,250.00             | -4,678.82             | 10.88%         |
| Auto Expenses                                | 299.12               | 460.12               | -161.00               | 65.01%         |
| Community Health Contracts                   |                      |                      | 0.00                  |                |
| Boys & Girls Club of North County            | 32,233.25            | 27,233.25            | 5,000.00              | 118.36%        |
| Community Health Systems, Inc.               | 15,000.00            | 15,000.00            | 0.00                  | 100.00%        |
| Fallbrook Food Pantry                        | 18,750.00            | 18,750.00            | 0.00                  | 100.00%        |
| Fallbrook Senior Citizens                    | 11,750.00            | 11,750.00            | 0.00                  | 100.00%        |
| Foundation for Senior Care                   | 35,000.00            | 35,000.00            | 0.00                  | 100.00%        |
| Michelle's Place Cancer Ctr                  | 12,165.50            | 12,165.50            | 0.00                  | 100.00%        |
| NC Fire JPA (Ambulance)                      |                      | 161,250.00           | -161,250.00           | 0.00%          |
| Palomar Family Counseling                    | 16,715.00            | 16,715.00            | 0.00                  | 100.00%        |
| Reins Therapeutic Horsemanship Program       | 6,250.00             | 6,250.00             | 0.00                  | 100.00%        |
| <b>Total Community Health Contracts</b>      | <b>\$ 147,863.75</b> | <b>\$ 304,113.75</b> | <b>-\$ 156,250.00</b> | <b>48.62%</b>  |
| District Direct Care Services                |                      |                      | 0.00                  |                |
| District Sponsored Events                    |                      | 750.00               | -750.00               | 0.00%          |
| <b>Total District Direct Care Services</b>   | <b>\$ 0.00</b>       | <b>\$ 750.00</b>     | <b>-\$ 750.00</b>     | <b>0.00%</b>   |
| Dues & Subscriptions                         | 8,915.02             | 10,220.00            | -1,304.98             | 87.23%         |
| Education & Conferences                      | 10,125.67            | 8,625.00             | 1,500.67              | 117.40%        |
| Equipment Lease                              | 1,592.56             | 3,185.10             | -1,592.54             | 50.00%         |
| General Insurance                            | 2,715.58             | 2,533.08             | 182.50                | 107.20%        |
| IT Services                                  | 1,200.00             | 600.00               | 600.00                | 200.00%        |
| Legal & Accounting services                  |                      |                      | 0.00                  |                |
| Accounting                                   | 6,677.50             | 6,200.00             | 477.50                | 107.70%        |
| Independent Audit                            | 8,000.00             | 10,000.00            | -2,000.00             | 80.00%         |
| Legal  |                      | 6,750.00             | -6,750.00             | 0.00%          |
| <b>Total Legal &amp; Accounting services</b> | <b>\$ 14,677.50</b>  | <b>\$ 22,950.00</b>  | <b>-\$ 8,272.50</b>   | <b>63.95%</b>  |
| Medical Records Expense                      | 5,211.93             | 5,185.70             | 26.23                 | 100.51%        |
| Meeting Expenses                             | 332.23               | 141.66               | 190.57                | 234.53%        |
| Office Expenses                              |                      |                      | 0.00                  |                |
| General Office Expenses                      | 364.29               | 500.00               | -135.71               | 72.86%         |
| Maintenance & Repairs                        | 4,709.29             | 12,138.00            | -7,428.71             | 38.80%         |
| Office Supplies                              | 483.98               | 3,000.00             | -2,516.02             | 16.13%         |
| Postage & Shipping                           | 188.70               | 160.00               | 28.70                 | 117.94%        |
| Software & Website                           | 1,445.84             | 3,086.00             | -1,640.16             | 46.85%         |

|                                 |                       |                       |                       |                |
|---------------------------------|-----------------------|-----------------------|-----------------------|----------------|
| <b>Total Office Expenses</b>    | <b>\$ 7,192.10</b>    | <b>\$ 18,884.00</b>   | <b>-\$ 11,691.90</b>  | <b>38.09%</b>  |
| <b>Payroll Expenses</b>         |                       |                       | 0.00                  |                |
| <b>Board Stipends</b>           | 4,299.75              | 6,900.00              | -2,600.25             | 62.32%         |
| <b>Employee Benefits</b>        | 8,659.14              | 14,103.90             | -5,444.76             | 61.40%         |
| <b>Payroll Processing Fees</b>  | 526.46                | 663.96                | -137.50               | 79.29%         |
| <b>Payroll Taxes</b>            | 5,889.39              | 5,901.90              | -12.51                | 99.79%         |
| <b>Salaries</b>                 | 72,274.24             | 73,773.66             | -1,499.42             | 97.97%         |
| <b>Simple IRA Match</b>         | 1,748.90              | 2,213.20              | -464.30               | 79.02%         |
| <b>Workers Compensation</b>     | 310.92                | 184.00                | 126.92                | 168.98%        |
| <b>Total Payroll Expenses</b>   | <b>\$ 93,708.80</b>   | <b>\$ 103,740.62</b>  | <b>-\$ 10,031.82</b>  | <b>90.33%</b>  |
| <b>Property Management Fees</b> |                       | 100.00                | -100.00               | 0.00%          |
| <b>Utilities</b>                |                       |                       | 0.00                  |                |
| <b>Cell Phones</b>              | 400.00                | 250.00                | 150.00                | 160.00%        |
| <b>General Utilities</b>        | 2,784.86              | 2,258.00              | 526.86                | 123.33%        |
| <b>Internet/Phone</b>           |                       | 1,020.00              | -1,020.00             | 0.00%          |
| <b>Total Utilities</b>          | <b>\$ 3,184.86</b>    | <b>\$ 3,528.00</b>    | <b>-\$ 343.14</b>     | <b>90.27%</b>  |
| <b>Total Expenses</b>           | <b>\$ 297,590.30</b>  | <b>\$ 490,267.03</b>  | <b>-\$ 192,676.73</b> | <b>60.70%</b>  |
| <b>Net Operating Income</b>     | <b>-\$ 239,513.25</b> | <b>-\$ 432,789.96</b> | <b>\$ 193,276.71</b>  | <b>55.34%</b>  |
| <b>Other Income</b>             |                       |                       |                       |                |
| <b>Interest/Dividend Income</b> | 48,694.32             | 10,654.87             | 38,039.45             | 457.01%        |
| <b>Total Other Income</b>       | <b>\$ 48,694.32</b>   | <b>\$ 10,654.87</b>   | <b>\$ 38,039.45</b>   | <b>457.01%</b> |
| <b>Net Other Income</b>         | <b>\$ 48,694.32</b>   | <b>\$ 10,654.87</b>   | <b>\$ 38,039.45</b>   | <b>457.01%</b> |
| <b>Net Income</b>               | <b>-\$ 190,818.93</b> | <b>-\$ 422,135.09</b> | <b>\$ 231,316.16</b>  | <b>45.20%</b>  |

Tuesday, Sep 26, 2023 02:27:30 PM GMT-7 - Accrual Basis



**Fallbrook Regional Health District**  
**Report #3 - Budget vs. Actuals: FY 23-24 - Wellness Center**  
 July - August, 2023

|  | Wellness Center     |                      |                      |                |
|--|---------------------|----------------------|----------------------|----------------|
|  | Actual              | Budget               | over Budget          | % of Budget    |
| <b>Income</b>                                |                     |                      |                      |                |
| Program Fees                                 |                     | 0.00                 | 0.00                 |                |
| Wellness Center Income - Event/Space Rental  |                     | 250.00               | -250.00              | 0.00%          |
| <b>Total Income</b>                          | <b>\$ 0.00</b>      | <b>\$ 250.00</b>     | <b>-\$ 250.00</b>    | <b>0.00%</b>   |
| <b>Gross Profit</b>                          | <b>\$ 0.00</b>      | <b>\$ 250.00</b>     | <b>-\$ 250.00</b>    | <b>0.00%</b>   |
| <b>Expenses</b>                              |                     |                      |                      |                |
| Advertising & Promotions                     | 1,749.85            | 10,390.00            | -8,640.15            | 16.84%         |
| District Direct Care Services                |                     |                      | 0.00                 |                |
| District Sponsored Events                    | 5.90                | 0.00                 | 5.90                 |                |
| Health Services & Clinics                    | 18.64               | 6,660.00             | -6,641.36            | 0.28%          |
| <b>Total District Direct Care Services</b>   | <b>\$ 24.54</b>     | <b>\$ 6,660.00</b>   | <b>-\$ 6,635.46</b>  | <b>0.37%</b>   |
| Dues & Subscriptions                         |                     | 522.00               | -522.00              | 0.00%          |
| Education & Conferences                      | 466.48              | 7,500.00             | -7,033.52            | 6.22%          |
| Equipment Lease                              | 1,592.54            | 1,886.10             | -293.56              | 84.44%         |
| General Insurance                            | 2,715.58            | 2,533.08             | 182.50               | 107.20%        |
| IT Services                                  |                     | 600.00               | -600.00              | 0.00%          |
| Legal & Accounting services                  |                     |                      | 0.00                 |                |
| Legal  |                     | 2,250.00             | -2,250.00            | 0.00%          |
| <b>Total Legal &amp; Accounting services</b> | <b>\$ 0.00</b>      | <b>\$ 2,250.00</b>   | <b>-\$ 2,250.00</b>  | <b>0.00%</b>   |
| Meeting Expenses                             | 60.00               | 50.00                | 10.00                | 120.00%        |
| Office Expenses                              |                     |                      | 0.00                 |                |
| General Office Expenses                      | 240.45              | 500.00               | -259.55              | 48.09%         |
| Maintenance & Repairs                        | 10,634.19           | 12,070.00            | -1,435.81            | 88.10%         |
| Office Supplies                              | 2,842.66            | 6,000.00             | -3,157.34            | 47.38%         |
| <b>Total Office Expenses</b>                 | <b>\$ 13,717.30</b> | <b>\$ 18,570.00</b>  | <b>-\$ 4,852.70</b>  | <b>73.87%</b>  |
| Payroll Expenses                             |                     |                      | 0.00                 |                |
| Employee Benefits                            | 7,107.64            | 11,283.12            | -4,175.48            | 62.99%         |
| Payroll Processing Fees                      |                     | 370.92               | -370.92              | 0.00%          |
| Payroll Taxes                                | 2,852.18            | 3,297.10             | -444.92              | 86.51%         |
| Salaries                                     | 39,558.73           | 41,213.66            | -1,654.93            | 95.98%         |
| Simple IRA Match                             | 899.22              | 1,236.40             | -337.18              | 72.73%         |
| Workers Compensation                         | 310.92              | 140.00               | 170.92               | 222.09%        |
| <b>Total Payroll Expenses</b>                | <b>\$ 50,728.69</b> | <b>\$ 57,541.20</b>  | <b>-\$ 6,812.51</b>  | <b>88.16%</b>  |
| Property Management Fees                     |                     | 100.00               | -100.00              | 0.00%          |
| Utilities                                    |                     |                      | 0.00                 |                |
| Cell Phones                                  | 300.00              | 200.00               | 100.00               | 150.00%        |
| General Utilities                            | 4,109.57            | 2,970.00             | 1,139.57             | 138.37%        |
| Internet/Phone                               |                     | 1,080.00             | -1,080.00            | 0.00%          |
| <b>Total Utilities</b>                       | <b>\$ 4,409.57</b>  | <b>\$ 4,250.00</b>   | <b>\$ 159.57</b>     | <b>103.75%</b> |
| <b>Total Expenses</b>                        | <b>\$ 75,464.55</b> | <b>\$ 112,852.38</b> | <b>-\$ 37,387.83</b> | <b>66.87%</b>  |

|                             |                      |                       |                     |               |
|-----------------------------|----------------------|-----------------------|---------------------|---------------|
| <b>Net Operating Income</b> | <b>-\$ 75,464.55</b> | <b>-\$ 112,602.38</b> | <b>\$ 37,137.83</b> | <b>67.02%</b> |
| <b>Net Income</b>           | <b>-\$ 75,464.55</b> | <b>-\$ 112,602.38</b> | <b>\$ 37,137.83</b> | <b>67.02%</b> |

Tuesday, Sep 26, 2023 02:46:58 PM GMT-7 - Accrual Basis

California State Treasurer  
**Fiona Ma, CPA**



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

September 04, 2023

[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

August 2023 Statement

**Account Summary**

|                  |      |                    |              |
|------------------|------|--------------------|--------------|
| Total Deposit:   | 0.00 | Beginning Balance: | 1,636,215.05 |
| Total Withdrawal | 0 00 | Ending Balance     | 1,636,215.05 |



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

08/01/2023 through 08/31/2023

## Report 5

### SUMMARY OF INVESTMENTS

| Fund   | Account Number | Total Shares Owned | Net Asset Value per Share on Aug 31 (\$) | Value on Aug 31 (\$) | Average Cost Amount (\$) | Cumulative Change in Value (\$) |
|--|----------------|--------------------|--|----------------------|--------------------------|---------------------------------|
| <b>FALLBROOK REGIONAL HEALTH DISTRICT</b>      |                |                    |  |                      |                          |                                 |
| CalTRUST Medium Term Fund                      |                | 586,961.353        | 9.69                                     | 5,687,655.51         | 5,882,894.83             | (195,239.32)                    |
| <b>Portfolios Total value as of 08/31/2023</b> |                |                    |  | <b>5,687,655.51</b>  |                          |                                 |

### 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) (\$) |
|---------------------------------|---------------|---|------------------|--------------------|-----------------------------------|---------------------|-----------------------|---------------------------|
|                                 |               | <b>FALLBROOK REGIONAL HEALTH DISTRICT</b> |                  |                    | <b>Account Number: [REDACTED]</b> |                     |                       |                           |
| Beginning Balance               | 08/01/2023    |   |                  | 585,159.344        | 9.69                              | 5,670,194.04        |                       |                           |
| Accrual Income Div Reinvestment | 08/31/2023    | 17,461.47                                 | 1,802.009        | 586,961.353        | 9.69                              | 5,687,655.51        | 0.00                  | 0.00                      |
| Change in Value                 |               |   |                  |                    |                                   | 0.00                |                       |                           |
| <b>Closing Balance as of</b>    | <b>Aug 31</b> |   |                  | <b>586,961.353</b> | <b>9.69</b>                       | <b>5,687,655.51</b> |                       |                           |

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

August 31, 2023

Page 1 of 3

Investor ID: [REDACTED]

0000077 0000291 PDF 565401

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

## Report 6

### California CLASS

#### California CLASS

Average Monthly Yield: 5.4471%

|                                  | Beginning Balance   | Contributions | Withdrawals | Income Earned   | Income Earned YTD | Average Daily Balance | Month End Balance   |
|----------------------------------|---------------------|---------------|-------------|-----------------|-------------------|-----------------------|---------------------|
| CA-01-0082-0001 FRHD_CLASS_Prime | 1,000,887.03        | 0.00          | 0.00        | 4,630.38        | 5,517.41          | 1,001,036.40          | 1,005,517.41        |
| <b>TOTAL</b>                     | <b>1,000,887.03</b> | <b>0.00</b>   | <b>0.00</b> | <b>4,630.38</b> | <b>5,517.41</b>   | <b>1,001,036.40</b>   | <b>1,005,517.41</b> |



# Account Statement

August 31, 2023

Page 2 of 3

Account Number: [REDACTED]

FRHD\_CLASS\_Prime

## Account Summary

Average Monthly Yield: 5.4471%

|                  | Beginning Balance | Contributions | Withdrawals | Income Earned | Income Earned YTD | Average Daily Balance | Month End Balance |
|------------------|-------------------|---------------|-------------|---------------|-------------------|-----------------------|-------------------|
| California CLASS | 1,000,887.03      | 0.00          | 0.00        | 4,630.38      | 5,517.41          | 1,001,036.40          | 1,005,517.41      |

## Transaction Activity

| Transaction Date | Transaction Description      | Contributions | Withdrawals | Balance      | Transaction Number |
|------------------|------------------------------|---------------|-------------|--------------|--------------------|
| 08/01/2023       | Beginning Balance            |               |             | 1,000,887.03 |                    |
| 08/31/2023       | Income Dividend Reinvestment | 4,630.38      |             |              |                    |
| 08/31/2023       | Ending Balance               |               |             | 1,005,517.41 |                    |



California CLASS

California CLASS

| Date       | Dividend Rate | Daily Yield |
|------------|---------------|-------------|
| 08/01/2023 | 0.000148899   | 5.4348%     |
| 08/02/2023 | 0.000148984   | 5.4379%     |
| 08/03/2023 | 0.000148991   | 5.4382%     |
| 08/04/2023 | 0.000447180   | 5.4407%     |
| 08/05/2023 | 0.000000000   | 5.4407%     |
| 08/06/2023 | 0.000000000   | 5.4407%     |
| 08/07/2023 | 0.000149051   | 5.4404%     |
| 08/08/2023 | 0.000149054   | 5.4405%     |
| 08/09/2023 | 0.000149086   | 5.4416%     |
| 08/10/2023 | 0.000149113   | 5.4426%     |
| 08/11/2023 | 0.000447144   | 5.4402%     |
| 08/12/2023 | 0.000000000   | 5.4402%     |
| 08/13/2023 | 0.000000000   | 5.4402%     |
| 08/14/2023 | 0.000149096   | 5.4420%     |
| 08/15/2023 | 0.000149329   | 5.4505%     |
| 08/16/2023 | 0.000149463   | 5.4554%     |
| 08/17/2023 | 0.000149422   | 5.4539%     |
| 08/18/2023 | 0.000448026   | 5.4510%     |
| 08/19/2023 | 0.000000000   | 5.4510%     |
| 08/20/2023 | 0.000000000   | 5.4510%     |
| 08/21/2023 | 0.000149386   | 5.4526%     |
| 08/22/2023 | 0.000149232   | 5.4470%     |
| 08/23/2023 | 0.000149178   | 5.4450%     |
| 08/24/2023 | 0.000149186   | 5.4453%     |
| 08/25/2023 | 0.000447834   | 5.4486%     |
| 08/26/2023 | 0.000000000   | 5.4486%     |
| 08/27/2023 | 0.000000000   | 5.4486%     |
| 08/28/2023 | 0.000149391   | 5.4528%     |
| 08/29/2023 | 0.000149639   | 5.4618%     |
| 08/30/2023 | 0.000149832   | 5.4689%     |
| 08/31/2023 | 0.000149762   | 5.4663%     |

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

### **LOCAL AGENCY INVESTMENT FUND (LAIF)**

Through the Pooled Money Investment Account (PMIA), the State Treasurer invests taxpayers' money to manage the State's cash flow and strengthen the financial security of local governmental entities. PMIA policy sets as primary investment objectives safety, liquidity and yield. Total assets under LAIF Management at month-end were \$22.4 billion.

As of August 31, 2023, the PMIA's holdings included US Treasury Bills and Notes (59.91% of portfolio), Federal Agency Debentures and Discount Notes (24.30% of portfolio), CDs and Commercial Paper (12.20% of portfolio).

As of August 31, 2023, the District's balance was \$1,636,215.05. This represents 19.64% of the District's investment portfolio. The Average Monthly Effective Yield for the month of August, 2023 was 3.434%. In August, 2023, the District reported \$0.00 in quarterly earnings.

### **CalTRUST**

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

The District is invested in the CalTRUST Medium Term Fund which held, in part, the following sectors at August 31, 2023: Corporate Bonds (23.36% of portfolio), US Government and Agencies (61.58% of portfolio) and CDs (0.55% of portfolio). Total assets under CalTRUST Management at month-end were \$3.1 billion.

As of August 31, the District's closing Net Asset Value was \$5,687,655.51. This represents 68.28% of the District's investment portfolio.

In August, 2023, the District earned \$17,461.47 in dividend income and reported no unrealized gain or loss. The One Year Yield on the Medium-Term Fund was 2.93%

### **California CLASS**

The California Cooperative Liquid Assets Securities System (California CLASS) is a pooled investment option that invests in high-quality, short-to-medium-term securities that prioritizes principal preservation. The California CLASS management has appointed Public Trust Advisors, LLC to serve as the Investment Advisor and Administrator. As of August 31, the District's balance was \$1,005,517.41. This represents 12.08% of the District's investment portfolio. In August, 2023, the District reported \$4,630.38 in earnings. The 30-day average yield was 5.552%.

The investments of the District are in compliance with the District's 2022-2023 Investment Policy. The balances in the District's investment accounts give the District the ability to meet its expenditure requirements for the next eighteen (18) months.



# Fallbrook Regional Health District

## Report #7 - Check Detail

August 2023

| DATE                            | NUM   | VENDOR                                   | AMOUNT    |
|---------------------------------|-------|--|-----------|
| Pacific Western Bank - Checking |       |  |           |
| 08/01/2023                      | 13626 | Spectrum - Mission                       | -485.91   |
| 08/01/2023                      | 13627 | Spectrum Business-Brandon                | 0.00      |
| 08/01/2023                      | 13628 | T-Mobile                                 | -79.80    |
| 08/01/2023                      | 13629 | FPUD - 7720-001                          | -287.09   |
| 08/01/2023                      | 13630 | FPUD - 7720-003 - E. Mission Rd.         | -374.76   |
| 08/01/2023                      | 13631 | FPUD - 7721-000                          | -52.09    |
| 08/01/2023                      | 13632 | Juana Diaz                               | -470.00   |
| 08/01/2023                      | 13633 | Jasmine Thomas                           | -10.48    |
| 08/01/2023                      | 13634 | Katia Elizondo Marquez                   | -51.48    |
| 08/01/2023                      | 13635 | Portero Services                         | -1,838.75 |
| 08/01/2023                      | 13636 | Rachel Mason                             | -115.54   |
| 08/01/2023                      | 13637 | SDG&E - 5971 - E. Mission                | -1,162.79 |
| 08/01/2023                      | 13638 | SDG&E - 6994 - Brandon                   | -987.37   |
| 08/01/2023                      | 13639 | Village News                             | -358.00   |
| 08/01/2023                      | 13640 | Spectrum Business-Brandon                | -302.93   |
| 08/08/2023                      | 13641 | 24 Hour Elevator Inc.                    | -249.17   |
| 08/08/2023                      | 13642 | CellGate                                 | 0.00      |
| 08/08/2023                      | 13643 | Culligan of Escondido                    | -60.26    |
| 08/08/2023                      | 13644 | Culligan of San Diego                    | -142.00   |
| 08/08/2023                      | 13645 | Fallbrook Chamber of Commerce            | -15.00    |
| 08/08/2023                      | 13646 | Fallbrook Local Locksmith                | -145.81   |
| 08/08/2023                      | 13647 | Fallbrook Waste & Recycling - S. Brandon | -89.00    |
| 08/08/2023                      | 13648 | Fallbrook Waste & Recycling - E. Mission | -283.38   |
| 08/08/2023                      | 13649 | Iron Mountain                            | -2,586.47 |
| 08/08/2023                      | 13650 | Juana Diaz                               | -440.00   |
| 08/08/2023                      | 13651 | Darren Key                               | -130.00   |
| 08/08/2023                      | 13652 | Knight Security & Fire Systems           | -44.00    |
| 08/08/2023                      | 13653 | LDC Always Green Landscape               | -2,210.00 |
| 08/08/2023                      | 13654 | Rotary Club of Fallbrook Village         | -35.00    |
| 08/08/2023                      | 13655 | SDRMA                                    | -750.09   |
| 08/08/2023                      | 13656 | Springston Design LLC                    | -600.00   |
| 08/08/2023                      | 13657 | Susan Woodward                           | -1,500.00 |
| 08/08/2023                      | 13658 | Village News                             | -358.00   |
| 08/08/2023                      | 13660 | JK Drywall and Construction              | -3,100.00 |
| 08/08/2023                      | 13661 | JK Drywall and Construction              | -1,400.00 |
| 08/08/2023                      | 13662 | JK Drywall and Construction              | -2,900.00 |
| 08/08/2023                      | 13663 | JK Drywall and Construction              | -1,725.00 |
| 08/15/2023                      | 13664 | Amazon Capital Services                  | -86.17    |
| 08/15/2023                      | 13665 | Fowler Pest Control, Inc.                | -246.00   |
| 08/15/2023                      | 13666 | Juana Diaz                               | -470.00   |
| 08/15/2023                      | 13667 | Langdon Floorcovering                    | -700.00   |
| 08/15/2023                      | 13668 | Pitney Bowes - Purchase Power            | -160.00   |
| 08/15/2023                      | 13669 | Uline                                    | -2,316.71 |
| 08/15/2023                      | 13670 | UMPQUA Bank                              | -1,254.90 |

# Fallbrook Regional Health District

## Report #7 - Check Detail

August 2023

| DATE   | NUM   | VENDOR                             | AMOUNT               |
|--|-------|------------------------------------|----------------------|
| 08/11/2023                                       |       | Spectrum Business-Brandon          | -302.93              |
| 08/22/2023                                       | 13671 | Konica Minolta                     | -1,592.55            |
| 08/22/2023                                       | 13672 | Amazon Capital Services            | -119.38              |
| 08/22/2023                                       | 13673 | Darren Key                         | -225.00              |
| 08/22/2023                                       | 13674 | Fallbrook Rooter & Drain Service   | -612.44              |
| 08/22/2023                                       | 13675 | Juana Diaz                         | -440.00              |
| 08/30/2023                                       | 13681 | Darren Key                         | -155.00              |
| 08/30/2023                                       | 13683 | FPUD - 7720-001                    | -322.49              |
| 08/30/2023                                       | 13684 | FPUD - 7720-002 - E. Mission Rd.   | -104.18              |
| 08/30/2023                                       | 13685 | FPUD - 7720-003 - E. Mission Rd.   | -392.42              |
| 08/30/2023                                       | 13686 | FPUD - 7721-000                    | -52.09               |
| 08/30/2023                                       | 13688 | Juana Diaz                         | -470.00              |
| 08/30/2023                                       | 13692 | Uline                              | -3,718.50            |
| 08/30/2023                                       | 13690 | Raquel Williams                    | -19.05               |
| 08/30/2023                                       | 13691 | T-Mobile                           | -79.80               |
| 08/30/2023                                       | 13678 | Bonsall/Fallbrook Little League    | -5,000.00            |
| 08/30/2023                                       | 13679 | Boys & Girls Club of North County  | -5,000.00            |
| 08/30/2023                                       | 13680 | Boys Warriors Soccer Booster, Inc. | -5,000.00            |
| 08/30/2023                                       | 13682 | Fallbrook Band Boosters, Inc.      | -5,000.00            |
| 08/30/2023                                       | 13693 | Village News                       | -198.00              |
| 08/30/2023                                       | 13689 | Portero Services                   | -1,838.75            |
| 08/30/2023                                       | 13687 | Iron Mountain                      | -2,625.46            |
| <b>Total for Pacific Western Bank - Checking</b> |       |                                    | <b>\$ -63,841.99</b> |



UMPQUA BANK

BL ACCT 00002840-20000001
FALLBROOK REG HEALTH DIST
Account Number: ####-####-####-7117
Page 1 of 3



Report 8

Account Summary

Table with 3 columns: Description, Sign, Amount. Rows include Billing Cycle, Days In Billing Cycle, Previous Balance, Purchases, Cash, Balance Transfers, Special, Credits, Payments, Other Charges, Finance Charges.

NEW BALANCE \$1,348.71

Credit Summary

Table with 2 columns: Description, Amount. Rows include Total Credit Line, Available Credit Line, Available Cash, Amount Over Credit Line, Amount Past Due, Disputed Amount.

Account Inquiries

- Call us at: (866) 777-9013
Lost or Stolen Card: (866) 839-3485
Go to www.umpquabank.com
Write us at PO BOX 35142 - LB1181, SEATTLE, WA 98124-5142

Payment Summary

Table with 2 columns: Description, Amount. Rows include NEW BALANCE \$1,348.71, MINIMUM PAYMENT \$1,348.71, PAYMENT DUE DATE 09/25/2023

NOTE: Grace period to avoid a finance charge on purchases, pay entire new balance by payment due date. Finance charge accrues on cash advances until paid and will be billed on your next statement.

Corporate Activity

Table with 5 columns: Trans Date, Post Date, Reference Number, Transaction Description, Amount. Row: 08/21 08/21 0000000LBX2308213308016 PAYMENT - THANK YOU \$1,254.90-

Cardholder Account Summary

Table with 5 columns: Cardholder Name, Payments & Other Credits, Purchases & Other Charges, Cash Advances, Total Activity. Row: LINDA BANNERMAN, \$0.00, \$1,409.30, \$0.00, \$1,409.30

Cardholder Account Detail

Table with 6 columns: Trans Date, Post Date, Plan Name, Reference Number, Description, Amount. Rows include ADOBE \*ACROPRO SUBS, WWW COSTCO COM, FACEBK WMUHERXH42.

PLEASE DETACH COUPON AND RETURN PAYMENT USING THE ENCLOSED ENVELOPE - ALLOW UP TO 7 DAYS FOR RECEIPT

UMPQUA BANK
PO BOX 35142 - LB1181
SEATTLE WA 98124-5142



Account Number
####-####-#### 7117

Check box to indicate name/address change on back of this coupon

AMOUNT OF PAYMENT ENCLOSED

Table with 4 columns: Closing Date, New Balance, Total Minimum Payment Due, Payment Due Date. Row: 08/31/23, \$1,348.71, \$1,348.71, 09/25/23

\$



BL ACCT 00002840-20000001
FALLBROOK REG HEALTH DIST
138 SOUTH BRANDON ROAD
FALLBROOK CA 92028

MAKE CHECK PAYABLE TO:

UMPQUA BANK COMMERCIAL CARD OPS
PO BOX 35142 - LB1181
SEATTLE WA 98124-5142

09 0004 7117 0000 0000 00000000 00000000 0

| Cardholder Account Detail Continued |           |           |                         |  |          |
|-------------------------------------|-----------|-----------|-------------------------|--|----------|
| Trans Date                          | Post Date | Plan Name | Reference Number        | Description                            | Amount   |
| 08/24                               | 08/25     | PPLN01    | 24765013237400003003949 | FALLBROOK ACE HARDWARE FALLBROOK CA    | \$39.30  |
| 08/24                               | 08/25     | PPLN01    | 24445003237000887832956 | DOLLAR TREE FALLBROOK CA               | \$6.73   |
| 08/27                               | 08/28     | PPLN01    | 24906413239181396933567 | EIG*CONSTANTCONTACT.COM 855-2295506 MA | \$110.00 |
| 08/29                               | 08/29     | PPLN01    | 24692163241107870217263 | NNA SERVICES LLC 800-876-6827 CA       | \$624.55 |
| 08/30                               | 08/31     | PPLN01    | 24692163242109229744517 | VBS*VONAGE BUSINESS 866-901-0242 GA    | \$372.54 |
| 08/30                               | 08/31     | PPLN01    | 24204293242000056237756 | FACEBK D4W4URPH42 650-5434800 CA       | \$29.38  |
| 08/30                               | 08/31     | PPLN01    | 24204293242000311436078 | FACEBK LLT3MRXH42 650-5434800 CA       | \$4.94   |

| Cardholder Account Summary |  |                                       |                                       |                         |                           |
|----------------------------|--|---------------------------------------|---------------------------------------|-------------------------|---------------------------|
| RACHEL MASON<br>##### 2600 |  | Payments & Other Credits<br>\$101.95- | Purchases & Other Charges<br>\$160.18 | Cash Advances<br>\$0.00 | Total Activity<br>\$58.23 |

| Cardholder Account Detail |           |           |                         |   |           |
|---------------------------|-----------|-----------|-------------------------|---|-----------|
| Trans Date                | Post Date | Plan Name | Reference Number        | Description   | Amount    |
| 08/08                     | 08/09     | PPLN01    | 24692163220101514132645 | SQ *THE COAL BUNKER Fallbrook CA  | \$70.18   |
| 08/10                     | 08/11     |           | 74431053222700999798770 | CREDIT VOUCHER  | \$101.95- |
| 08/21                     | 08/22     | PPLN01    | 24011343233000040432452 | BACKGROUNDCHECKS.COM} DALLAS TX<br>FALLBROOK* CA HTTPSWWWW.FALL CA                      | \$60.00   |
| 08/27                     | 08/29     | PPLN01    | 24431063240036454378341 | ALASKA AIR 0272345437834 SAN DIEGO CA<br>MASON RUNNELLS/RACHE<br>082723<br>SAN MRY AS K | \$30.00   |

| Cardholder Account Summary       |  |                                       |                                       |                         |                             |
|----------------------------------|--|---------------------------------------|---------------------------------------|-------------------------|-----------------------------|
| THERESA GERACITANO<br>##### 9073 |  | Payments & Other Credits<br>\$483.52- | Purchases & Other Charges<br>\$364.70 | Cash Advances<br>\$0.00 | Total Activity<br>\$118.82- |

| Cardholder Account Detail |           |           |                         |  |           |
|---------------------------|-----------|-----------|-------------------------|--|-----------|
| Trans Date                | Post Date | Plan Name | Reference Number        | Description  | Amount    |
| 08/03                     | 08/04     | PPLN01    | 24765013216400002840791 | FALLBROOK ACE HARDWARE FALLBROOK CA                              | \$21.54   |
| 08/08                     | 08/10     | PPLN01    | 24129423221100000639683 | MAJOR MARKET FALLBROOK CA  | \$5.90    |
| 08/11                     | 08/13     | PPLN01    | 24011343223000048412136 | FALLBROOK* CA HTTPSWWWW.FALL CA                                  | \$60.00   |
| 08/13                     | 08/14     | PPLN01    | 24011343225000047342472 | CALENDLY HTTPSCALENDLY GA  | \$15.00   |
| 08/14                     | 08/15     | PPLN01    | 24999893226900011000155 | MANOR DRY CLEANERS INC FALLBROOK CA                              | \$64.00   |
| 08/14                     | 08/16     |           | 74000973227264406876120 | CREDIT VOUCHER   | \$483.52- |
| 08/23                     | 08/24     | PPLN01    | 24011343235000039683485 | EVERLINE RESORT & SPA 530-4127034 CA<br>MIXTILES MIXTILES.COM DE | \$198.26  |

| Finance Charge Summary / Plan Level Information  |                  |                  |                       |                 |                   |                 |               |                              |               |                |
|--|------------------|------------------|-----------------------|-----------------|-------------------|-----------------|---------------|------------------------------|---------------|----------------|
| Plan Name  | Plan Description | FCM <sup>1</sup> | Average Daily Balance | Periodic Rate * | Corresponding APR | Finance Charges | Effective APR | Effective Fees **            | Effective APR | Ending Balance |
| <b>Purchases</b>   |                  |                  |                       |                 |                   |                 |               |                              |               |                |
| PPLN01<br>001  | PURCHASE         | E                | \$0.00                | 0.06024%(D)     | 21.9900%          | \$0.00          | \$0.00        | 0.0000%                      |               | \$1,348.71     |
| <b>Cash</b>  |                  |                  |                       |                 |                   |                 |               |                              |               |                |
| CPLN01<br>001  | CASH             | A                | \$0.00                | 0.06572%(D)     | 23.9900%          | \$0.00          | \$0.00        | 0.0000%                      |               | \$0.00         |
| * Periodic Rate (M)=Monthly (D)=Daily  |                  |                  |                       |                 |                   |                 |               | Days In Billing Cycle: 31    |               |                |
| ** includes cash advance and foreign currency fees   |                  |                  |                       |                 |                   |                 |               | APR = Annual Percentage Rate |               |                |
| <sup>1</sup> FCM = Finance Charge Method   |                  |                  |                       |                 |                   |                 |               |                              |               |                |
| (V) = Variable Rate If you have a variable rate account the periodic rate and Annual Percentage Rate (APR) may vary. |                  |                  |                       |                 |                   |                 |               |                              |               |                |

# Fallbrook Regional Health District

## Report #9 - Community Development Disbursements

July - August, 2023

| DATE                             | NUM       | NAME                             | MEMO/DESCRIPTION | SPLIT  | AMOUNT             |
|----------------------------------|-----------|----------------------------------|------------------|--|--------------------|
| <b>Wellness Center</b>           |           |                                  |                  |  |                    |
| 07/14/2023                       | 22448     | Brand Assasins                   |                  | Office Expenses:Maintenance & Repairs          | 2,478.00           |
| 07/28/2023                       | 23905     | Village News                     |                  | Advertising & Promotions                       | 358.00             |
| 08/06/2023                       | EST224    | JK Drywall and Construction      |                  | E. Mission Road:E. Mission Road - Improvements | 3,450.00           |
| 08/06/2023                       | EST223    | JK Drywall and Construction      |                  | E. Mission Road:E. Mission Road - Improvements | 5,800.00           |
| 08/06/2023                       | EST222    | JK Drywall and Construction      |                  | E. Mission Road:E. Mission Road - Improvements | 2,800.00           |
| 08/06/2023                       | EST221    | JK Drywall and Construction      |                  | E. Mission Road:E. Mission Road - Improvements | 6,200.00           |
| 08/08/2023                       | 166962042 | Uline                            |                  | Office Expenses:Office Supplies                | 2,316.71           |
| 08/09/2023                       | MASON2    | Langdon Floorcovering            |                  | E. Mission Road:E. Mission Road - Improvements | 7,000.00           |
| 08/16/2023                       | 23336     | Fallbrook Rooter & Drain Service |                  | Office Expenses:Maintenance & Repairs          | 612.44             |
| 08/23/2023                       | 167560567 | Uline                            |                  | Office Expenses:Office Equipment & Fixtures    | 3,718.50           |
| 08/29/2023                       | 361       | Kent Bandy                       |                  | Office Expenses:Maintenance & Repairs          | 1,375.00           |
| <b>Total for Wellness Center</b> |           |                                  |                  |  | <b>\$36,108.65</b> |

**FALLBROOK REGIONAL HEALTH DISTRICT**  
**Report to the Board of Directors**  
**For the Fiscal Year Ended**  
**June 30, 2023**

**NIGRO & NIGRO<sup>PC</sup>**

**FALLBROOK REGIONAL HEALTH DISTRICT**

*Table of Contents*

*For the Fiscal Year Ended June 30, 2023*

---

|   | <u>Page</u> |
|---|-------------|
| <b>Letter to Board of Directors .....</b>         | <b>1</b>    |
| <b>Required Communications .....</b>              | <b>2</b>    |
| <b>Summary of Adjusting Journal Entries .....</b> | <b>4</b>    |



Board of Directors  
Fallbrook Regional Health District  
Temecula, California

We are pleased to present this report related to our audit of the financial statements of the Fallbrook Regional Health District (District) as of and for the year ended June 30, 2023. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for the District's financial reporting process.

This report is intended solely for the information and use of the Board of Directors and management and is not intended to be, and should not be, used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have about this report. We appreciate the opportunity to continue to be of service to the District.

Very truly yours,

Murrieta, California  
September 15, 2023



---

---

## ***Required Communications***

---

---

**FALLBROOK REGIONAL HEALTH DISTRICT**

*Required Communications*

*For the Fiscal Year Ended June 30, 2023*

Generally accepted auditing standards (AU-C 260, *The Auditor’s Communication With Those Charged With Governance*) require the auditor to promote effective two-way communication between the auditor and those charged with governance. Consistent with this requirement, the following summarizes our responsibilities regarding the financial statement audit as well as observations arising from our audit that are significant and relevant to your responsibility to oversee the financial reporting process.

| Area  | Comments   |
|---|--|
| <p><b>Our Responsibilities with Regard to the Financial Statement Audit</b></p>         | <p>Our responsibilities under auditing standards generally accepted in the United States of America have been described to you in our arrangement letter dated June 1, 2023. Our audit of the financial statements does not relieve management or those charged with governance of their responsibilities, which are also described in that letter.</p>  |
| <p><b>Overview of the Planned Scope and Timing of the Financial Statement Audit</b></p> | <p>An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit involved judgment about the number of transactions and the account-type of areas tested. There were no changes to the planned scope and timing of our audit testwork.</p>   |
| <p><b>Accounting Policies and Practices</b></p>   | <p><b>Accounting Policies and Practices</b><br/>Under generally accepted accounting principles, in certain circumstances, management may select among alternative accounting practices. During our audit, no such circumstances were noted.</p> <p><b>Adoption of, or Change in, Significant Accounting Policies or Their Application</b><br/>Management has the ultimate responsibility for the appropriateness of the accounting policies used by the District. The District did not adopt any significant new accounting policies, nor have there been any changes in existing significant accounting policies during the current period.</p> <p><b>Significant or Unusual Transactions</b><br/>We did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.</p> <p><b>Management’s Judgments and Accounting Estimates</b><br/>Accounting estimates are an integral part of the preparation of financial statements and are based upon management’s current judgement. No such significant accounting estimates were noted or estimate applications were changed from the previous year.</p> |
| <p><b>Audit Adjustments</b></p>   | <p>Audit adjustments are summarized in the attached <b>Summary of Adjusting Journal Entries</b>.</p>   |
| <p><b>Uncorrected Misstatements</b></p>   | <p>We are not aware of any uncorrected misstatements other than misstatements that are clearly trivial.</p>  |

**FALLBROOK REGIONAL HEALTH DISTRICT**

*Required Communications*

*For the Fiscal Year Ended June 30, 2023*

---

| <b>Area</b>   | <b>Comments</b>  |
|---|--|
| <b>Discussions With Management</b>                                  | We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditor. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.   |
| <b>Disagreements With Management</b>                                | We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit, or significant disclosures to be included in the financial statements.   |
| <b>Consultations With Other Accountants</b>                         | We are not aware of any consultations management had with other accountants about accounting or auditing matters.  |
| <b>Significant Issues Discussed With Management</b>                 | No significant issues arising from the audit were discussed or the subject of correspondence with management.  |
| <b>Significant Difficulties Encountered in Performing the Audit</b> | No significant difficulties were encountered in performing our audit.  |
| <b>Required Supplementary Information</b>                           | We applied certain limited procedures to the:<br><ol style="list-style-type: none"><li>1. Management's Discussion and Analysis</li><li>2. Budget to Actual Comparison</li></ol> Which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI. |

This information is intended solely for the information and use of Board of Directors and management of the District and is not intended to be, and should not be, used by anyone other than these specified parties.

---

---

***Summary of Adjusting Journal Entries***

---



---

**FALLBROOK REGIONAL HEALTH DISTRICT**

*Summary of Adjusting Journal Entries  
For the Fiscal Year Ended June 30, 2023*

---

| <b>Account</b>                          | <b>Description</b>                     | <b>Debit</b>     | <b>Credit</b>    |
|---|--|------------------|------------------|
| <b>Adjusting Journal Entries</b>        |  |                  |                  |
| <b>Adjusting Journal Entries JE # 1</b> |  |                  |                  |
| To gross up property tax                |  |                  |                  |
| 581                                     | County collection fees (new account)   | 23,510.25        |                  |
| 402                                     | Property Tax Revenue                   |                  | 19,981.43        |
| 403                                     | Interest / Dividends                   |                  | 3,528.82         |
| <b>Total</b>                            |  | <b>23,510.25</b> | <b>23,510.25</b> |
| <b>Adjusting Journal Entries JE # 2</b> |  |                  |                  |
| To reconcile net position               |  |                  |                  |
| 300                                     | Unrestricted Operations Fund           | 1,837.01         |                  |
| 500.04                                  | Office Expenses                        |                  | 1,837.01         |
| <b>Total</b>                            |  | <b>1,837.01</b>  | <b>1,837.01</b>  |
|   | <b>Total Adjusting Journal Entries</b> | <b>25,347.26</b> | <b>25,347.26</b> |
|   | <b>Total All Journal Entries</b>       | <b>25,347.26</b> | <b>25,347.26</b> |



**FALLBROOK REGIONAL HEALTH DISTRICT  
FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS' REPORT  
For the Fiscal Year Ended  
June 30, 2023  
(With Comparative Amounts as of June 30, 2022)**

**NIGRO & NIGRO<sup>PC</sup>**

**FALLBROOK REGIONAL HEALTH DISTRICT**

*For the Fiscal Year Ended June 30, 2023*

*Table of Contents*

---

**FINANCIAL SECTION**

**Page**

Independent Auditors' Report ..... 1  
Management's Discussion and Analysis..... 4  
Basic Financial Statements:  
    Government-wide Financial Statements:  
        Statement of Net Position.....11  
        Statement of Activities.....12  
    Governmental Funds Financial Statements:  
        Governmental Funds Balance Sheet.....13  
        Reconciliation of the Governmental Funds Balance Sheet to Statement of Net Position .....14  
        Statement of Governmental Fund Revenues, Expenditures, and Changes in  
            Fund Balances .....15  
        Reconciliation of the Statement of Governmental Fund Revenues, Expenditures, and Changes  
            in Fund Balances to the Statement of Activities.....16  
Notes to Financial Statements .....17

**REQUIRED SUPPLEMENTARY INFORMATION**

Budgetary Comparison Schedule – General Fund .....28

**OTHER INDEPENDENT AUDITORS' REPORTS**

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*.....29

---

---

***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, 2023, 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, 2023, 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.

### 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, 2022, 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 September 15, 2023, 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  
September 15, 2023

**FALLBROOK REGIONAL HEALTH DISTRICT**  
*Management's Discussion and Analysis (Unaudited)*  
*For the Fiscal Year Ended June 30, 2023*

---

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, 2023. 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 1.73%, or \$197,964 from the prior year's net position of \$11,473,515 to \$11,671,479 as a result of this year's operations.
- Total revenues from all sources increased by 29.98%, or \$589,257 from \$1,965,665 to \$2,554,922, from the prior year, primarily due to an increase in property taxes and investment earnings.
- Total expenses for the District's operations increased by 17.60% or \$352,771 from \$2,004,187 to \$2,356,958, from the prior year, primarily due to an increase in materials and services of \$149,469 and an increase in depreciation of \$182,096.

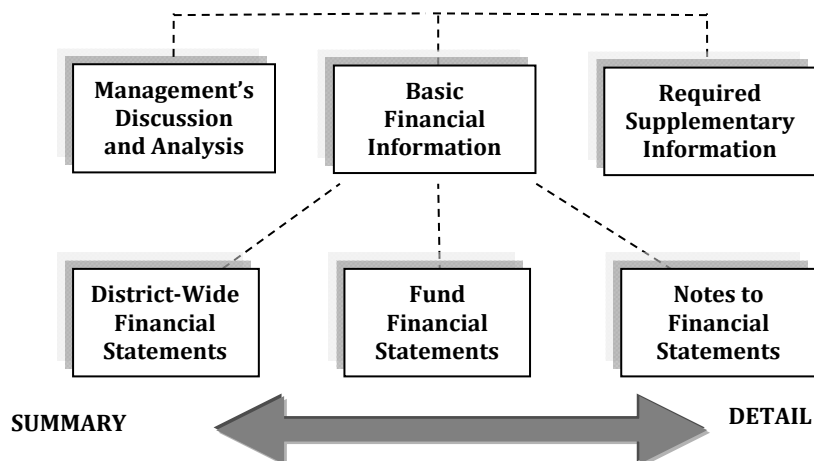
**OVERVIEW OF THE FINANCIAL STATEMENTS**

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, 2023*

---

**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**

| <b>Type of Statements</b>                     | <b>District-Wide</b>   | <b>Governmental Fund</b>   |
|---|--|--|
| <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"> <li>• Statement of Net Position</li> <li>• Statement of Activities</li> </ul> | <ul style="list-style-type: none"> <li>• Balance Sheet</li> <li>• Statement of Revenues, Expenditures &amp; Changes in Fund Balances</li> </ul>  |
| <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, 2023*

---

**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, 2023*

---

**FINANCIAL ANALYSIS AND CONDENSED FINANCIAL INFORMATION**

**Analysis of Net Position**

**Table A-1: Condensed Statement of Net Position**

|  | <u>June 30, 2023</u>        | <u>June 30, 2022</u>        | <u>Change</u>           |
|--|-----------------------------|-----------------------------|-------------------------|
| <b>Assets:</b>   |                             |                             |                         |
| Current assets   | \$ 8,951,149                | \$ 8,647,361                | \$ 303,788              |
| Non-current assets   | 336,966                     | 462,285                     | (125,319)               |
| Capital assets, net  | <u>2,485,200</u>            | <u>2,570,131</u>            | <u>(84,931)</u>         |
| <b>Total assets</b>  | <u><u>\$ 11,773,315</u></u> | <u><u>\$ 11,679,777</u></u> | <u><u>\$ 93,538</u></u> |
| <b>Liabilities:</b>  |                             |                             |                         |
| Current liabilities  | \$ 78,259                   | \$ 189,811                  | \$ (111,552)            |
| Non-current liabilities  | <u>23,577</u>               | <u>16,451</u>               | <u>7,126</u>            |
| <b>Total liabilities</b>   | <u>101,836</u>              | <u>206,262</u>              | <u>(104,426)</u>        |
| <b>Net position:</b>   |                             |                             |                         |
| Investment in capital assets   | 2,485,200                   | 3,032,416                   | (547,216)               |
| Unrestricted   | <u>9,186,279</u>            | <u>8,441,099</u>            | <u>745,180</u>          |
| <b>Total net position</b>  | <u>11,671,479</u>           | <u>11,473,515</u>           | <u>197,964</u>          |
| <b>Total liabilities, deferred inflows<br/>of resources and net position</b> | <u><u>\$ 11,773,315</u></u> | <u><u>\$ 11,679,777</u></u> | <u><u>\$ 93,538</u></u> |

At the end of fiscal year 2023, the District shows a positive balance in its unrestricted net position of \$9,186,279 that may be utilized in future years.

**FALLBROOK REGIONAL HEALTH DISTRICT**  
*Management's Discussion and Analysis (Unaudited)*  
*For the Fiscal Year Ended June 30, 2023*

---

**FINANCIAL ANALYSIS AND CONDENSED FINANCIAL INFORMATION (Continued)**

**Analysis of Revenues and Expenses**

**Table A-2: Condensed Statement of Activities**

|   | <u>June 30, 2023</u> | <u>June 30, 2022</u> | <u>Change</u>     |
|---|----------------------|----------------------|-------------------|
| <b>Operating expenses</b>                 | \$ 2,356,958         | \$ 2,004,187         | \$ (352,771)      |
| <b>Operating loss</b>                     | (2,356,958)          | (2,004,187)          | (352,771)         |
| <b>Non-operating revenues</b>             | 2,554,922            | 1,965,665            | 589,257           |
| <b>Change in net position</b>             | 197,964              | (38,522)             | 236,486           |
| <b>Net position – beginning of period</b> | 11,473,515           | 11,512,037           | (38,522)          |
| <b>Net position – end of period</b>       | <u>\$ 11,671,479</u> | <u>\$ 11,473,515</u> | <u>\$ 197,964</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 \$197,964 during the fiscal year ended June 30, 2023.

**Table A-3: Total Revenues**

|                                | <u>June 30, 2023</u> | <u>June 30, 2022</u> | <u>Increase<br/>(Decrease)</u> |
|--------------------------------|----------------------|----------------------|--------------------------------|
| <b>Non-operating revenues:</b> |                      |                      |                                |
| Property taxes                 | 2,353,404            | 2,144,480            | 208,924                        |
| Investment earnings            | 103,044              | (189,005)            | 292,049                        |
| Grants                         | 96,827               | -                    | 96,827                         |
| Other revenues                 | 1,647                | 10,190               | (8,543)                        |
| <b>Total general revenues</b>  | 2,554,922            | 1,965,665            | 589,257                        |
| <b>Total revenues</b>          | <u>\$ 2,554,922</u>  | <u>\$ 1,965,665</u>  | <u>\$ 589,257</u>              |

Total revenues from all sources increased by 29.98%, or \$589,257 from \$1,965,665 to \$2,554,922, from the prior year, primarily due to an increase in property taxes and investment earnings.



**FALLBROOK REGIONAL HEALTH DISTRICT**  
*Management's Discussion and Analysis (Unaudited)*  
*For the Fiscal Year Ended June 30, 2023*

---

**FINANCIAL ANALYSIS AND CONDENSED FINANCIAL INFORMATION (Continued)**

**Analysis of Revenues and Expenses (Continued)**

**Table A-4: Total Expenses**

|                               | <u>June 30, 2023</u> | <u>June 30, 2022</u> | <u>Increase<br/>(Decrease)</u> |
|-------------------------------|----------------------|----------------------|--------------------------------|
| <b>Operating expenses:</b>    |                      |                      |                                |
| Salaries and wages            | \$ 640,349           | \$ 483,466           | 156,883                        |
| Employee benefits             | 88,537               | 54,870               | 33,667                         |
| Materials and services        | 578,539              | 429,070              | 149,469                        |
| Community healthcare programs | 806,129              | 975,473              | (169,344)                      |
| Depreciation                  | <u>243,404</u>       | <u>61,308</u>        | <u>182,096</u>                 |
| <b>Total expenses</b>         | <u>\$ 2,356,958</u>  | <u>\$ 2,004,187</u>  | <u>\$ 352,771</u>              |

Total expenses for the District's operations increased by 17.60% or \$352,771 from \$2,004,187 to \$2,356,958, from the prior year, primarily due to an increase in materials and services of \$149,469 and an increase in depreciation of \$182,096.

**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, 2023, the District reported a total fund balance of \$8,873,685. An amount of \$8,826,531 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 more than actual. The variance is principally due to under budgeting materials and service and salaries and wages. Actual revenues were more than the anticipated budget by \$448,391, mostly due to excess property tax received then budgeted.

**FALLBROOK REGIONAL HEALTH DISTRICT**  
*Management's Discussion and Analysis (Unaudited)*  
*For the Fiscal Year Ended June 30, 2023*

---

**CAPITAL ASSET ADMINISTRATION**

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

|                                  | <u>Balance</u><br><u>June 30, 2023</u> | <u>Balance</u><br><u>June 30, 2022</u> |
|----------------------------------|--|--|
| <b>Capital assets:</b>           |  |  |
| Non-depreciable assets           | \$ 490,291                             | \$ 641,023                             |
| Depreciable assets               | 2,297,291                              | 2,169,030                              |
| Accumulated depreciation         | <u>(302,382)</u>                       | <u>(239,922)</u>                       |
| <b>Total capital assets, net</b> | <u>\$ 2,485,200</u>                    | <u>\$ 2,570,131</u>                    |

At the end of fiscal year 2023, the District's investment in capital assets amounted to \$2,485,200 (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 \$158,473.

See Note 4 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, 2023**(With Comparative Amounts as of June 30, 2022)*

---

| <u>ASSETS</u>   | <u>2023</u>          | <u>2022</u>          |
|---|----------------------|----------------------|
| <b>Current assets:</b>  |                      |                      |
| Cash and investments (Note 2)   | \$ 8,880,870         | \$ 8,621,629         |
| Accrued interest receivable   | 22,622               | 3,359                |
| Property taxes receivable   | 24,875               | 15,670               |
| Note receivable (Note 3)  | 22,782               | 6,703                |
| <b>Total current assets</b>   | <u>8,951,149</u>     | <u>8,647,361</u>     |
| <b>Non-current assets:</b>  |                      |                      |
| Note receivable (Note 3)  | 336,966              | 462,285              |
| Capital assets – not being depreciated (Note 4)                           | 490,291              | 641,023              |
| Capital assets – being depreciated, net (Note 4)                          | 1,994,909            | 1,929,108            |
| <b>Total non-current assets</b>   | <u>2,822,166</u>     | <u>3,032,416</u>     |
| <b>Total assets</b>   | <u>\$ 11,773,315</u> | <u>\$ 11,679,777</u> |
| <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</u></b> |                      |                      |
| <b>Current liabilities:</b>   |                      |                      |
| Accounts payable and accrued expenses                                     | 54,682               | 173,360              |
| Compensated absences (Note 5)   | 23,577               | 16,451               |
| <b>Total liabilities</b>  | <u>78,259</u>        | <u>189,811</u>       |
| <b>Non current liabilities:</b>   |                      |                      |
| Compensated absences (Note 5)   | 23,577               | 16,451               |
| <b>Total deferred inflows of resources</b>                                | <u>23,577</u>        | <u>16,451</u>        |
| <b>Net position:</b>  |                      |                      |
| Investment in capital assets  | 2,485,200            | 3,032,416            |
| Unrestricted  | 9,186,279            | 8,441,099            |
| <b>Total net position</b>   | <u>11,671,479</u>    | <u>11,473,515</u>    |
| <b>Total liabilities and net position</b>                                 | <u>\$ 11,773,315</u> | <u>\$ 11,679,777</u> |

**FALLBROOK REGIONAL HEALTH DISTRICT***Statement of Activities**For the Fiscal Year Ended June 30, 2023**(With Comparative Amounts for the Fiscal Year Ended June 30, 2022)*

---

|  | <u>2023</u>          | <u>2022</u>          |
|--|----------------------|----------------------|
| <b>Operating expenses:</b>                   |                      |                      |
| Salaries and wages                           | 640,349              | 483,466              |
| Employee benefits                            | 88,537               | 54,870               |
| Materials and services                       | 578,539              | 429,070              |
| Community healthcare programs                | 806,129              | 975,473              |
| Depreciation                                 | 243,404              | 61,308               |
| <b>Total operating expenses</b>              | <u>2,356,958</u>     | <u>2,004,187</u>     |
| <b>Operating loss</b>                        | <u>(2,356,958)</u>   | <u>(2,004,187)</u>   |
| <b>Non-operating revenues:</b>               |                      |                      |
| Property taxes                               | 2,353,404            | 2,144,480            |
| Investment earnings and change in fair-value | 103,044              | (189,005)            |
| Grant revenue                                | 96,827               | -                    |
| Other revenues                               | 1,647                | 10,190               |
| <b>Total non-operating revenues</b>          | <u>2,554,922</u>     | <u>1,965,665</u>     |
| <b>Change in net position</b>                | 197,964              | (38,522)             |
| <b>Net position:</b>                         |                      |                      |
| Beginning of year                            | <u>11,473,515</u>    | <u>11,512,037</u>    |
| End of year                                  | <u>\$ 11,671,479</u> | <u>\$ 11,473,515</u> |

**FALLBROOK REGIONAL HEALTH DISTRICT**  
*Balance Sheet – Governmental Funds*  
*June 30, 2023*  
*(With Comparative Amounts as of June 30, 2022)*

---

|   | <u>General Fund</u> |                     |
|---|---------------------|---------------------|
|   | <u>2023</u>         | <u>2022</u>         |
| <b><u>ASSETS</u></b>  |                     |                     |
| <b>Assets:</b>  |                     |                     |
| Cash and investments  | \$ 8,880,870        | \$ 8,621,629        |
| Accrued interest receivable                                   | 22,622              | 3,359               |
| Property taxes receivable                                     | 24,875              | 15,670              |
| Note receivable   | 336,966             | 468,988             |
| <b>Total assets</b>   | <b>\$ 9,265,333</b> | <b>\$ 9,109,646</b> |
| <b><u>LIABILITIES AND FUND BALANCE</u></b>                    |                     |                     |
| <b>Liabilities:</b>   |                     |                     |
| Accrued payroll and related liabilities                       | \$ 54,682           | \$ 173,360          |
| <b>Total liabilities</b>                                      | <b>54,682</b>       | <b>173,360</b>      |
| <b>Deferred inflows of resources</b>                          |                     |                     |
| Unavailable revenues from note receivable                     | 336,966             | 468,988             |
| <b>Total deferred inflows</b>                                 | <b>336,966</b>      | <b>468,988</b>      |
| <b>Fund balances: (Note 6)</b>                                |                     |                     |
| Assigned  | 47,154              | 32,902              |
| Unassigned  | 8,826,531           | 8,434,396           |
| <b>Total fund balances</b>                                    | <b>8,873,685</b>    | <b>8,467,298</b>    |
| <b>Total liabilities, deferred inflows, and fund balances</b> | <b>\$ 9,265,333</b> | <b>\$ 9,109,646</b> |

## FALLBROOK REGIONAL HEALTH DISTRICT

### Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position June 30, 2023

(With Comparative Amounts as of June 30, 2022)

|   | <u>2023</u>                 | <u>2022</u>                 |
|---|-----------------------------|-----------------------------|
| <b>Fund Balance of Governmental Funds</b>   | <b>\$ 8,873,685</b>         | <b>\$ 8,467,298</b>         |
| 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.                            | 2,485,200                   | 2,570,131                   |
| 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  | (47,154)                    | (32,902)                    |
| Deferred inflows from unavailable revenues, which arise only under a modified accrual basis of accounting, are reported only in the governmental funds balance sheet. These amounts are deferred and recognized as revenue in the period that amounts become available. | 359,748                     | 468,988                     |
| <b>Total adjustments</b>  | <b><u>2,797,794</u></b>     | <b><u>3,006,217</u></b>     |
| <b>Net Position of Governmental Activities</b>  | <b><u>\$ 11,671,479</u></b> | <b><u>\$ 11,473,515</u></b> |

**FALLBROOK REGIONAL HEALTH DISTRICT***Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds  
For the Fiscal Year Ended June 30, 2023**(With Comparative Amounts for the Fiscal Year Ended June 30, 2022)*

|   | <b>General Fund</b> |                     |
|---|---------------------|---------------------|
|   | <b>2023</b>         | <b>2022</b>         |
| <b>Revenues:</b>                            |                     |                     |
| Property taxes                              | \$ 2,353,404        | \$ 2,144,480        |
| Investment earnings change in fair-value    | 103,044             | (189,005)           |
| Grant revenue                               | 96,827              | -                   |
| Other revenues                              | 1,647               | 10,190              |
| <b>Total revenues</b>                       | <b>2,554,922</b>    | <b>1,965,665</b>    |
| <b>Expenditures:</b>                        |                     |                     |
| Current operations:                         |                     |                     |
| Salaries and wages                          | 626,097             | 471,505             |
| Employee benefits                           | 88,537              | 54,870              |
| Materials and services                      | 578,539             | 429,070             |
| Community healthcare programs               | 806,129             | 975,473             |
| Capital outlay                              | 158,473             | 231,403             |
| <b>Total expenditures</b>                   | <b>2,257,775</b>    | <b>2,162,321</b>    |
| <b>Excess of revenues over expenditures</b> | <b>297,147</b>      | <b>(196,656)</b>    |
| <b>Other financing sources (uses):</b>      |                     |                     |
| Principal received from note receivable     | 109,240             | 18,512              |
| <b>Net change in fund balance</b>           | <b>406,387</b>      | <b>(178,144)</b>    |
| <b>Fund Balance:</b>                        |                     |                     |
| Beginning of year                           | 8,467,298           | 8,645,442           |
| End of year                                 | <b>\$ 8,873,685</b> | <b>\$ 8,467,298</b> |

**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, 2023*

*(With Comparative Amounts for the Fiscal Year Ended June 30, 2022)*

---

|   | <u>2023</u>       | <u>2022</u>         |
|---|-------------------|---------------------|
| <b>Net Change in Fund Balance – Governmental Funds</b>  | <u>\$ 406,387</u> | <u>\$ (178,144)</u> |
| 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  | 158,473           | 231,403             |
| Depreciation expense  | (243,404)         | (61,308)            |
| 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  | (14,252)          | (11,961)            |
| 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. | (109,240)         | (18,512)            |
| <b>Total adjustments</b>  | <u>(208,423)</u>  | <u>139,622</u>      |
| <b>Change in Net Position of Governmental Activities</b>  | <u>\$ 197,964</u> | <u>\$ (38,522)</u>  |



# FALLBROOK REGIONAL HEALTH DISTRICT

## Notes to Financial Statements

June 30, 2023

---

### 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).

#### 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.

###### 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, 2023

---

### 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, 2023

---

#### 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

It is the District's policy to permit contract employees to accumulate earned but unused vacation leave time, Noncontract employees may accumulate earned but unused vacation leave time up to a maximum of 30 days. All employees may accrue unused sick leave time up to a maximum of 30 days. Upon termination, all employees are entitled to a lump-sum payment of 25% of accrued sick leave, not to exceed 15 days.

###### 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, 2023

---

#### 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, 2023.

**FALLBROOK REGIONAL HEALTH DISTRICT**  
*Notes to Financial Statements*  
*June 30, 2023*

---

**NOTE 2 – CASH AND INVESTMENTS**

Cash and cash equivalents at June 30, 2023, consist of the following:

| <u>Description</u>                          | <u>June 30, 2023</u> |
|---|----------------------|
| Petty Cash                                  | \$ 138               |
| Demand deposits with financial institutions | 659,376              |
| Local Agency Investment Fund (LAIF)         | 2,573,588            |
| CalTRUST Medium Term Fund                   | 5,647,768            |
| <b>Total cash and investments</b>           | <b>\$ 8,880,870</b>  |

**Demand Deposits**

At June 30 2023, the carrying amount of the District’s demand deposits were \$659,376, and the financial institution’s balance was \$725,360. The net difference of \$65,984 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.

## **FALLBROOK REGIONAL HEALTH DISTRICT**

### *Notes to Financial Statements*

*June 30, 2023*

---

#### **NOTE 2 – CASH AND INVESTMENTS (Continued)**

##### **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, 2023, the District held \$2,573,588 in LAIF.

##### **CalTRUST Medium Term Fund**

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 treasurers 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. 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, 2023, the District's investment in CalTRUST is \$5,647,768, all of which is invested in the Medium-Term Pool. 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. Cal TRUST investments are subject to market risk as a result of changes in interest rates.

#### **NOTE 3 – NOTE RECEIVABLE**

The District's note receivable is from the sale of one of the District's properties in the amount of \$487,500 in June 2020. The original note called for interest only payments due monthly with the entire amount of the principal due March 27, 2022. During the fiscal year ended June 30, 2022, the note was renegotiated. The renegotiated note called for a \$17,500 lump-sum payment toward the existing principal balance, a one-year extension at 5% interest with \$2,500 per month payments during the one year, and a lump-sum payment due at the end of the one-year extension. During the fiscal year ended June 30, 2023, the note was renegotiated. The renegotiated note called for a \$100,000 lump-sum toward existing principal balance, a one-year extension at 5.50% interest with \$3,500 per month payments during the one year, and a lump-sum payments due March 2024. Principal and interest payments received during the fiscal year ended June 30, 2023 amounted to \$109,240 and \$22,761 respectively.

**FALLBROOK REGIONAL HEALTH DISTRICT**  
*Notes to Financial Statements*  
*June 30, 2023*

---

**NOTE 4 – CAPITAL ASSETS**

Changes in capital assets for the year were as follows:

| <u>Description</u>                    | <u>Balance<br/>July 1, 2022</u> | <u>Additions/<br/>Transfers</u> | <u>Deletions/<br/>Transfers</u> | <u>Balance<br/>June 30, 2023</u> |
|---------------------------------------|---------------------------------|---------------------------------|---------------------------------|----------------------------------|
| Non-depreciable capital assets:       |                                 |                                 |                                 |                                  |
| Land                                  | \$ 490,291                      | \$ -                            | \$ -                            | \$ 490,291                       |
| Construction-in-progress              | 150,732                         | -                               | (150,732)                       | -                                |
| Total non-depreciable capital assets  | <u>641,023</u>                  | <u>-</u>                        | <u>(150,732)</u>                | <u>490,291</u>                   |
| Depreciable capital assets:           |                                 |                                 |                                 |                                  |
| Buildings and improvements            | 2,094,081                       | 298,683                         | (180,944)                       | 2,211,820                        |
| Equipment                             | 74,949                          | 10,522                          | -                               | 85,471                           |
| Total depreciable capital assets      | <u>2,169,030</u>                | <u>309,205</u>                  | <u>(180,944)</u>                | <u>2,297,291</u>                 |
| Accumulated depreciation:             |                                 |                                 |                                 |                                  |
| Buildings and improvements            | (193,247)                       | (234,890)                       | 180,944                         | (247,193)                        |
| Equipment                             | (46,675)                        | (8,514)                         | -                               | (55,189)                         |
| Total accumulated depreciation        | <u>(239,922)</u>                | <u>(243,404)</u>                | <u>180,944</u>                  | <u>(302,382)</u>                 |
| Total depreciable capital assets, net | <u>1,929,108</u>                | <u>65,801</u>                   | <u>-</u>                        | <u>1,994,909</u>                 |
| <b>Total capital assets, net</b>      | <u><u>\$ 2,570,131</u></u>      | <u><u>\$ 65,801</u></u>         | <u><u>\$ (150,732)</u></u>      | <u><u>\$ 2,485,200</u></u>       |

**NOTE 5 – COMPENSATED ABSENCES**

Compensated absences comprise unpaid vacation leave which is accrued as earned. The District's liability for compensated absences is determined annually. The changes to the compensated absences balance at June 30, 2023 were as follows:

| <u>Balance<br/>July 1, 2022</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance<br/>June 30, 2023</u> | <u>Due Within<br/>One Year</u> | <u>Due in More<br/>Than One Year</u> |
|---------------------------------|------------------|------------------|----------------------------------|--------------------------------|--------------------------------------|
| \$ 32,902                       | \$ 44,050        | \$ (29,798)      | \$ 47,154                        | \$ 23,577                      | \$ 23,577                            |

**FALLBROOK REGIONAL HEALTH DISTRICT**  
*Notes to Financial Statements*  
*June 30, 2023*

---

**NOTE 6 – FUND BALANCES**

At June 30, 2023, fund balances of the District’s governmental funds were classified as follows:

| <u>Description</u>         | <u>Balance</u>             |
|----------------------------|----------------------------|
| <b>Assigned:</b>           |                            |
| Compensated absences       | \$ 47,154                  |
| <b>Unassigned</b>          |                            |
| Unassigned                 | <u>8,826,531</u>           |
| <b>Total fund balances</b> | <u><u>\$ 8,873,685</u></u> |

**NOTE 7 – 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 \$12,845.

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, 2023

---

#### NOTE 8 – 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.

|   |   |
|---|---|
| <b>Entity</b>   | SDRMA   |
| <b>Purpose</b>  | To pool member contributions and realize the advantages of self-insurance |
| <b>Participants</b>   | As of June 30, 2022 – 493 member agencies                                 |
| <b>Governing board</b>  | Seven representatives employed by members                                 |
| <b>District payments for FY 2023:<br/>Property/Liability policy</b> | \$27,833  |
| <b>Condensed financial information</b>                              | June 30, 2022   |
| <b>Statement of net position:</b>                                   | <b>June 30, 2022</b>  |
| <b>Total assets</b>   | <u>\$ 140,005,598</u>   |
| <b>Deferred outflows</b>  | <u>750,427</u>  |
| <b>Total liabilities</b>  | <u>72,967,545</u>   |
| <b>Deferred inflows</b>   | <u>445,351</u>  |
| <b>Net position</b>   | <u><u>\$ 67,343,129</u></u>   |
| <b>Statement of revenues, expenses and changes in net position:</b> |   |
| <b>Total revenues</b>   | \$ 82,252,069   |
| <b>Total expenses</b>   | <u>(81,252,227)</u>   |
| <b>Change in net position</b>                                       | 999,842   |
| <b>Beginning - net position</b>                                     | <u>66,343,287</u>   |
| <b>Ending - net position</b>  | <u><u>\$ 67,343,129</u></u>   |
| <b>Member agencies share of year-end financial position</b>         | Not Calculated  |

## **FALLBROOK REGIONAL HEALTH DISTRICT**

### *Notes to Financial Statements*

*June 30, 2023*

---

#### **NOTE 8 – RISK MANAGEMENT (Continued)**

At June 30, 2023, 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 2023, 2022, and 2021. 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, 2023, 2022, and 2021.

## **FALLBROOK REGIONAL HEALTH DISTRICT**

*Notes to Financial Statements*

*June 30, 2023*

---

### **NOTE 9- 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.

### **NOTE 10 – SUBSEQUENT EVENTS**

The District has evaluated subsequent events through September 15, 2023, 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, 2023*

---

|   | <b>Adopted<br/>Original<br/>Budget</b> | <b>Actual</b>       | <b>Variance<br/>Positive<br/>(Negative)</b> |
|---|--|---------------------|---|
| <b>Revenues:</b>                            |  |                     |   |
| Property taxes                              | \$ 2,078,597                           | \$ 2,353,404        | \$ 274,807                                  |
| Investment earnings                         | 26,734                                 | 103,044             | 76,310                                      |
| Grant revenue                               | -                                      | 96,827              | 96,827                                      |
| Other revenues                              | 1,200                                  | 1,647               | 447   |
| <b>Total revenues</b>                       | <b>2,106,531</b>                       | <b>2,554,922</b>    | <b>448,391</b>                              |
| <b>Expenditures:</b>                        |  |                     |   |
| Current:                                    |  |                     |   |
| Salaries and wages                          | 553,740                                | 626,097             | (72,357)                                    |
| Employee benefits                           | 107,519                                | 88,537              | 18,982                                      |
| Materials and services                      | 479,558                                | 578,539             | (98,981)                                    |
| Community healthcare programs               | 761,106                                | 806,129             | (45,023)                                    |
| Capital outlay                              | 103,000                                | 158,473             | (55,473)                                    |
| <b>Total expenditures</b>                   | <b>2,004,923</b>                       | <b>2,257,775</b>    | <b>(252,852)</b>                            |
| <b>Excess of revenues over expenditures</b> | <b>\$ 101,608</b>                      | <b>297,147</b>      | <b>\$ 195,539</b>                           |
| <b>Other financing sources (uses):</b>      |  |                     |   |
| Principal received from note receivable     |  | 109,240             |   |
| <b>Net change in fund balance</b>           |  | <b>406,387</b>      |   |
| <b>Fund balance:</b>                        |  |                     |   |
| Beginning of year                           |  | 8,467,298           |   |
| End of year                                 |  | <b>\$ 8,873,685</b> |   |

---

---

***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 as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Fallbrook Regional Health District's basic financial statements, and have issued our report thereon dated September 15, 2023.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Fallbrook Regional Health 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 Fallbrook Regional Health District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Fallbrook Regional Health 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 may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Fallbrook Regional Health 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  
September 15, 2023