



**MINUTES  
FINANCE COMMITTEE**

**Wednesday, August 7, 2019 at 5:30 P.M.  
Board Conference Room, 138 S. Brandon Rd., Fallbrook CA 92028**

1. Call to Order/Roll Call

Chair Jennifer Jeffries called the meeting to order at 5:31 p.m.

Committee Members Present: Jennifer Jeffries & Barbara Mroz

Others Present: Executive Director: Rachel Mason; Administrative Assistant: Linda Bannerman; Accountant: Kathy Bogle; Bookkeeper: Wendy Lyon; Susan Woodward and Thomas Stuver. Howard Salmon and Kate Schwartz-Frates arrived during the meeting.

2. Public Comments

None

3. Review of Financial Statements for June 2019

1) Balance Sheet Comparison of June to May

Total Liabilities and Equity May \$12,718,911.46

Total Liabilities and Equity June \$12,716,559.92 resulting in a decrease month-to-month of \$2,352.54

2) Income Statement for the Month Ended June 30, 2019 & Fiscal Year to Date

The 2018-19 approved budget projected an income of \$2,210,176.

Total Income through June was \$2,328,473, exceeding projected income by \$118,297.

Net income for July 2018 to June 2019 was \$130,681.

3) Profit & Loss Actual vs Budget July 2018 through June 2019

Based on the approved budget, the District is to date:

- Over budget by \$26,373 in the area of administrative expenses and overhead due to unexpected personnel costs and necessary legal and demographic assistance with the formation of the District zoned voting map.

The Year-to-Date net income was \$130,681. The CalTRUST account reports unrealized income of \$89,930.

4) Profit & Loss – Approved Annual Budget Overview July 2018 – June 2019

This report is available on the District website.

5) Local Agency Investment Fund (LAIF) Statement – June 2019

The LAIF balance was \$1,365,850.41, reflecting no quarterly interest nor transfers from the Community Investment Fund to the FRHD Operating Account.

6) CalTrust Statement – June 2019

The CalTRUST balance of \$6,996,645 reflects a one month increase due to dividends and interest of \$12,326.

Of note: The District pays less than 0.25% for the management of these accounts. It is paid quarterly.

7) Property Tax Revenue – fiscal year to date

Property Tax Revenue Fiscal Year-to-Date was \$1,972,692. This reflects two payments in June totaling \$26,083.

The District budget projected 2018-19 property tax revenue of \$2,056,367; a shortfall of \$83,675 or 4% less than projected.

8) Check Detail as of – June 2019

This report is available on the District website.

9) Checkbook Report as of – June 2019

The beginning balance in the Community Investment Fund was \$9,559,160. Funds spent on overhead and wellness initiatives totaled \$9,979, leaving an ending balance of \$9,549,180.

4. Discussion Items

a. Revised Fiscal Year 2019-2020 Budget

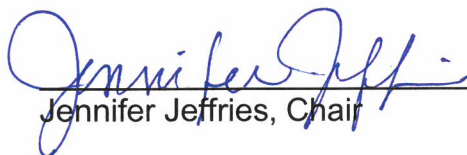
Following approval of the annual 2019-2020 budget in May, it was determined that revision was needed for three reasons. There were some additional ending year balances to consider, a \$35,000 increase in income that had not been considered and the spreadsheet did not fill all the cells correctly. A revised annual budget will be presented to the Board at the August Board meeting.

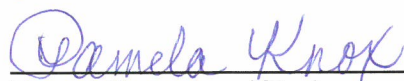
A brief discussion ensued regarding the process for approval of new staff positions. It was agreed that the Finance Committee would review justification for new staff positions and make recommendations to the Board as to whether the position should be approved.

Recommendation: The Finance Committee recommends to the Board approval of the revised budget. Packet to include narrative and the three reasons for revision.

5. Adjournment

There being no further business, the meeting was adjourned at 5:54 p.m.

  
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Jennifer Jeffries, Chair

  
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Board Secretary/Clerk