



BOARD OF DIRECTORS COMMITTEE REPORT

MEETING DATE: **SEPTMEBER 22, 2022** ITEM: **8H(ii)**

SUBJECT: **Financial Monitoring and Audit Committee**

DATE: September 16, 2022

FROM: Directors Kovacevich and Bagneris

PRESENTATION BY: Directors Kovacevich and Bagneris

Purpose:

This committee monitors the organization's financial position and ensures financial controls are in place.

Focus:

- *Monthly financial oversight*
- *Annual budget review*
- *Annual audit process*
- *Participate in the scoring process for key RFPs, including for Carnival Services*

Special Projects:

- *2021 Financial Audit*

SUMMARY OF COMMITTEE MEETING

2021 Finance Audit:

The committee met on 8/11/22 with Adam Odom from Lance, Soll & Lunghard to review the 2021 audit report. Mr. Odom indicated that the financial statements present fairly in all material respects and that there are no deficiencies in internal controls.

Review of the August Financial Reports:

The committee also met on 9/16/22 to review the August 2022 financials and discuss the performance of the 2022 OC Fair.

- District operations continue to perform favorably to the 2022 budget.
- YTD August 2022 revenue is \$48.2M and is unfavorable to budget by \$1.9M. Revenue for the month of August was unfavorable to budget by \$846K, mainly due to lower than budgeted paid fair attendance and fewer than budgeted Pacific Amphitheatre concerts.

- Operating expenses for YTD August 2022 are \$31.5M and are favorable to budget by \$4.8M.
- For the YTD period ending August 31, 2022, net proceeds are \$13.8M and are \$3.06M favorable to budget.
- For the period ending August 31, 2022, cash and investments are \$80.2M.
- Staff also reviewed the preliminary unaudited P&L statement from the 2022 OC Fair.

Follow-up

- The next meeting of the Financial Monitoring and Audit Committee is scheduled for 10/21/22