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## *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**

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***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