



BOARD OF DIRECTORS COMMITTEE REPORT

MEETING DATE: **MAY 25, 2023** ITEM: **8B(ii)**

SUBJECT: **Financial Monitoring and Audit Committee**

DATE: May 22, 2023

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:

- 2022 financial audit

SUMMARY OF COMMITTEE MEETING

The committee met on 5/19/2023 to review the April 2023 financial reports:

- Revenue for the month of April 2023 was \$786,632 and was unfavorable to budget by \$55,742, mainly due to the rescheduling of two large events and the cancellation of one event that were originally included in the budget. The revenue loss was mitigated by several successful events that out-performed budget in terms of parking, equipment rentals and concessions. The interest rate on our LAIF investment account continues to increase.
- Operating expenses for the month of April were \$2,252,243 and were favorable to budget by \$381,534.
- For the YTD period ending April 30, 2023, net losses are \$5,080,616 and are favorable to budget by \$2,673,871.
- Cash and cash equivalents as of April 30, 2023 are \$68,862,720.

The committee also reviewed the Department 25 (Equestrian Center) financial report for the period ending April 30, 2023. Revenue for the month was \$110,923 which was \$6,499 unfavorable to budget. Expenses were \$200,780, favorable to budget by \$28,992. (It should be noted that expenses did not include the cost of dedicated overnight security staff which totaled \$4,647 for the month of April and \$18,613 YTD.) Net losses YTD are \$385,358 compared to a budgeted loss of \$469,398. Staff also provided a draft forecast of revenues and operating expenses for the equestrian center through the end of the year.

The 2022 audit is nearing completion. Staff is currently waiting on outstanding pension information from the State, which generally tends to lag behind, but has otherwise completed and submitted all necessary information to the auditors.

Follow-up

- The next meeting of the Financial Monitoring and Audit Committee is 6/16/2023.