

**Attachment 1**

**THE 18TH DISTRICT AGRICULTURAL ASSOCIATION  
EASTERN SIERRA TRI-COUNTY FAIR  
BISHOP, CALIFORNIA  
AUDITED FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**BOARD OF DIRECTORS AND ADMINISTRATION  
DECEMBER 31, 2023**

**Members**

Jaqueline Hickman  
Joyce Kaufman  
Alonso Escobar  
Corinna Korpi  
Sarah Fogerty

**Chief Executive Officer**  
Mike Francesconi

**THE 18th DISTRICT AGRICULTURAL ASSOCIATION,  
EASTERN SIERRA TRI-COUNTY FAIR  
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DECEMBER 31, 2023**

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## **FINANCIAL SECTION**

# *Donald R. Reynolds*

Certified Public Accountant

## **INDEPENDENT AUDITOR'S REPORT**

To The Honorable Members of the Association Board of Directors  
18th District Agricultural Association  
Bishop, California

### **Report on the Audit of the Financial Statements**

#### **Opinions**

I have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the 18th District Agricultural Association (Association), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Association's basic financial statements.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the 18th District Agricultural Association, California, as of December 31, 2023, and the respective changes in financial position and the budgetary comparison for the General Fund, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

I conducted my audit in accordance with auditing standards generally accepted in the United States of America (GAAS). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of the Association and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

#### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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 Association's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

**P.O. Box 994508, California 96099-4508 \* (530) 246-AUDIT (2834) \* FAX (530) 244-0331**

## **Auditor's Responsibilities for the Audit of the Financial Statements**

My 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 my opinions. 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 GAAS 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 GAAS, I:

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 Association'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; and

Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association's ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that a Management's Discussion and Analysis and the 10 year Pension and OPEB information and Budgetary Comparison Information on pages 62 through 66, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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. I 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I 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. Management has omitted the Management's

Discussion and Analysis, that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

### **Supplementary Information**

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Association's basic financial statements. The supplementary information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

A handwritten signature in black ink that reads "Donald R. Reynolds". The signature is written in a cursive, flowing style.

Donald R. Reynolds, Certified Public Accountant  
Redding, California  
April 30, 2024

## **BASIC FINANCIAL STATEMENTS**

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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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 Association'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; and

Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association's ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

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Donald R. Reynolds, Certified Public Accountant  
Redding, California  
April 30, 2024

## **BASIC FINANCIAL STATEMENTS**

**18TH DISTRICT AGRICULTURAL ASSOCIATION ,  
EASTERN SIERRA TRI COUNTY FAIR  
STATEMENT OF NET POSITION  
DECEMBER 31, 2023**

**ASSETS**

Cash in banks and on hand	\$	521,090
Accounts receivable, net		113,514
Prepaid Expenses		-
Deferred expenses		23,683
Capital assets		
Assets - not subject to depreciation		144,878
Assets subject to depreciation:		
Buildings and improvements		4,586,192
Equipment		<u>285,092</u>
Total assets subject to depreciation		4,871,284
Less: accumulated depreciation		<u>(3,009,307)</u>
Total assets subject to depreciation, net		<u>1,861,977</u>
<b>Total Assets</b>	<b>\$</b>	<b><u>2,665,142</u></b>
Deferred outflows of resources - Pension, OPEB	<b>\$</b>	<b><u>205,647</u></b>

**LIABILITIES**

Accounts payable	\$	171,608
Payroll liabilities		455
Guaranteed deposits		3,699
Net pension liability		458,312
Net OPEB Liability		54,928
Long-term debt - payable within one year		2,106
Long-term debt - payable in more than one year		-
Other liabilities		<u>-</u>
<b>Total Liabilities</b>	<b>\$</b>	<b><u>691,108</u></b>

**Deferred inflows of resources**

Unearned income		65,301
Pension		<u>29,716</u>
<b>Total Deferred inflows of resources</b>	<b>\$</b>	<b><u>95,017</u></b>

**NET POSITION**

Invested in capital assets	\$	2,006,855
Restricted for Junior Livestock Auction		-
Unrestricted		<u>77,809</u>
<b>Total Net Position</b>	<b>\$</b>	<b><u>2,084,664</u></b>

See accompanying notes and independent accountants review report

**18TH DISTRICT AGRICULTURAL ASSOCIATION,  
EASTERN SIERRA TRI COUNTY FAIR  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
FOR THE YEAR ENDED DECEMBER 31, 2023**

OPERATING REVENUE

State Apportionments	\$ 44,650
Admissions to Grounds	613,327
Commercial Space	7,395
Concessions	256,551
Exhibits	400
Entry Fees	24,433
Horse Show	36,919
Attractions	74,058
Junior Livestock Auction	-
Interim Revenue	851,884
Other Revenue	<u>159,755</u>
Total Operating Revenue	<u>2,069,372</u>

OPERATING EXPENSES

Salaries and Wages	235,625
Benefits	279,669
Supplies & Equipment	252,244
Services	1,171,957
Maintenance Expense	360,308
Depreciation	<u>145,103</u>
Total Operating Expenses	<u>2,444,906</u>
Operating Income (Loss)	<u>(375,534)</u>

NONOPERATING REVENUES AND (EXPENSES)

Other Revenue	-
Interest Revenue	<u>-</u>
Total Nonoperating Revenues and (Expenses)	<u>-</u>
Increase (Decrease) in Net Position	(375,534)
Net Position - Beginning of Year	<u>2,460,198</u>
Net Position - End of Year	<u>\$ 2,084,664</u>

See independent accountants' review report and accompanying notes to financial statements.

**18TH DISTRICT AGRICULTURAL ASSOCIATION,  
EASTERN SIERRA TRI COUNTY FAIR  
STATEMENT OF CASH FLOWS  
For the Year Ended December 31, 2023**

<b>Cash flows from operating activities</b>	
Cash received from customers	\$ 1,911,626
Cash received from state and local contributions	44,650
Cash paid to suppliers and vendors	(1,888,452)
Cash paid to employees	<u>(280,303)</u>
Net cash provided (used) by operating activities	<u>(212,479)</u>
<b>Cash flows from capital and related financing activities</b>	
Financing (purchase) of capital assets	(117,878)
Proceeds of long-term debt	-
Payments on long-term debt	(38,189)
Interest on debt	<u>-</u>
Net cash used by capital and financing activities	<u>(156,067)</u>
<b>Cash flows from investing activities</b>	
Other Income	1
Interest income	<u>-</u>
Net cash provided from investing activities	<u>1</u>
<b>Net Increase (decrease) in cash</b>	(368,545)
<b>Cash beginning of year</b>	<u>889,635</u>
<b>Cash end of year</b>	<u>\$ 521,090</u>
<b>Cash flows from operating activities</b>	
Excess of revenue over expenses from operations	\$ (375,534)
Prior year excess of expense over revenue	-
Adjustment to reconcile excess of revenue over expenses to net cash provided by operating activities:	
Depreciation	145,103
Pension adjustment	155,659
Decrease (Increase) in:	
Accounts receivable	(94,265)
Prepaid Expenses	-
Deferred expenses	(2,410)
Increase (Decrease) in:	
Accounts payable	22,478
Compensated absences Liability	-
Unearned income	(16,630)
Guaranteed deposits	(2,201)
Payroll liabilities	(44,678)
Other liabilities	<u>(1)</u>
<b>Net cash provided (used) by operating activities</b>	<u>\$ (212,479)</u>

See accompanying notes and independent accountants review report

**18TH DISTRICT AGRICULTURAL ASSOCIATION  
EASTERN SIERRA TRI COUNTY FAIR  
FUNCTIONAL EXPENSE SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2023**

**For the Year Ended December 31, 2023**

	<b>Salaries and</b>		<b>Supplies &amp;</b>		<b>Maintenance</b>			
	<b>Wages</b>	<b>Benefits</b>	<b>Equipment</b>	<b>Services</b>	<b>Expense</b>	<b>Depreciation</b>	<b>Total</b>	
Administration	\$ 105,441	\$ 228,360	\$ 19,567	\$ 63,023	\$ 63,018	\$ -	\$ 479,409	
Maintenance & operations	105,236	44,394	-	209,616	286,068	-	645,314	
Publicity expense	-	-	-	198,703	-	-	198,703	
Attendance operations	3,258	433	3,247	6,451	-	-	13,389	
Miscellaneous fair operations	-	-	95,082	34,642	-	-	129,724	
Junior Livestock	14,686	4,586	15,238	34,822	17,088	-	86,420	
Premiums (for Exhibit programs)	-	-	-	-	-	-	-	
Exhibits	6,171	1,815	1,530	19,234	-	-	28,750	
Horse show	-	-	11,815	6,714	-	-	18,529	
Fair entertainment	-	-	8,146	376,779	-	-	384,925	
Interim expense	833	81	97,619	160,961	-	-	259,494	
High School Rodeo	-	-	-	27,214	-	-	27,214	
Mule Days	-	-	-	23,512	-	-	23,512	
Prior -Year Expense	-	-	-	-	(5,866)	-	(5,866)	
Parking	-	-	-	10,286	-	-	10,286	
Depreciation	-	-	-	-	-	145,103	145,103	
<b>Total operating expenses</b>	<b>\$ 235,625</b>	<b>\$ 279,669</b>	<b>\$ 252,244</b>	<b>\$ 1,171,957</b>	<b>\$ 360,308</b>	<b>\$ 145,103</b>	<b>\$ 2,444,906</b>	

See accompanying notes and independent accountants review report

## **NOTES TO FINANCIAL STATEMENTS**

**18TH DISTRICT AGRICULTURAL ASSOCIATION,  
EASTERN SIERRA TRI-COUNTY FAIR  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES**

**Organization**

The Eastern Sierra Tri-County Fair was established in 1953. The Eastern Sierra Tri-County Fair is also known as the 18th District Agricultural Association ("DAA"). The 18th DAA is a State Agency, part of the California Department of Food and Agriculture and Division of Fairs & Expositions. The 18th DAA is overseen by a volunteer Board of Directors from Inyo, Mono, and Alpine Counties and are appointed by the Governor of California. The existing buildings included a horse and cattle barns, the East Arena, the Main Arena, the Home Economics Building, the Charles Brown Auditorium, Floriculture Building, Patio Building and the Tallman Pavilion. The fairgrounds also host several large annual events such as the Jr. Livestock Show and Auction, Mule Days, CHSRA State Rodeo, and Carnival Midway in addition to numerous other public and private events year around. The fairgrounds have an RV Park and RV Storage facility operated by the DAA.

The State of California allocates funds annually to the Association to support operations and acquire fixed assets. However, the level of State funding varies from year to year based on budgetary constraints. The Division of Fairs and Expositions determines the amount of the allocations.

The Association accounts for its financial transactions in accordance with the policies and procedures of the State of California — Uniform System of Accounts for Special Districts. The accounting policies of the Association conform to generally accepted accounting principles (GAAP) as prescribed by the Government Accounting Standards Board and the American Institute of Certified Public Accountants. The following is a summary of significant accounting policies:

**The Reporting Entity**

In evaluating how to define the Association, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The basic - but not the only - criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations and accountability for fiscal matters. The other criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the Association is able to exercise oversight responsibilities. Based upon the application of these criteria the Association has no potential component units.

**18TH DISTRICT AGRICULTURAL ASSOCIATION,  
EASTERN SIERRA TRI-COUNTY FAIR  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (Continued)**

The Association, for financial purposes, includes all funds relevant to the operations of the Association. The Board of Directors has governance responsibilities over all activities related to the Association. The Association receives funding from state government sources and must comply with the requirements of these funding sources. However, the Association is not included in any other governmental "reporting entity" as defined in Section 2100, Codification of Governmental Accounting and Financial Reporting Standards, since board members are appointed by the governor and have decision making authority, the power to designate management, the responsibility to significantly influence operations and primary accountability for fiscal matters.

The DAA is associated with California Fairs Service Authority (CFSA) which is a Joint Powers Authority OPA). The JPA does not meet the criteria for inclusion as a component unit of the DAA. Additional information is presented in Note 9.

**Basis of Presentation**

The accounts of the Association are organized on the basis of fund accounting. Resources are allocated to and accounted for in individual funds based on the purpose for which they are to be spent and the means by which spending activities are controlled. The Association's funds are accounted for as an enterprise fund type of the proprietary fund group.

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or where the governing body has decided periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The Association distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with sponsoring, managing, and conducting the Eastern Sierra Tri-County Fair each year in Bishop, California.

**Basis of Accounting**

The accounting policies applied to and procedures used by the Association conform to accounting principles applicable to District Agricultural Associations as prescribed by the State Administrative Manual and the Accounting Procedures Manual. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The enterprise fund is accounted for on

**18TH DISTRICT AGRICULTURAL ASSOCIATION,  
EASTERN SIERRA TRI-COUNTY FAIR  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (Continued)**

a flow of economic resources measurement focus. This measurement focus emphasizes the determination of net income. The accrual basis of accounting is used for the enterprise fund. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

**Financial Reporting**

The Association's basic financial statements are presented in conformance with the Governmental Accounting Standards Board (GAS) statement regarding basic financial statements for State and Local Governments. This statement established revised financial reporting requirements for state and local governments throughout the United States for the purpose of enhancing the understandability and usefulness of financial reports. A statement of net position replaces the balance sheet and reports outflow and inflow of resources and the difference between them as net position. A statement of revenues, expenses, and changes in net position replaces both the income statement and the statement of changes in retained earnings and contributed capital. GAS also requires that the statement of cash flows be prepared using the direct method.

Under GAS, enterprise funds, such as the Association, have the option of consistently following or not following pronouncements issued by the Financial Accounting Standards Board (FASB) subsequent to November 30, 1989. The Association has elected not to follow FASB standards issued after that date, unless such standards are specifically adopted by GAS.

All proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Their reported fund equity (net total assets) is segregated into retained earnings. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

**Property, Plant and Equipment**

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the financial statements. Capital assets are defined by the Association as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

**18TH DISTRICT AGRICULTURAL ASSOCIATION,  
EASTERN SIERRA TRI-COUNTY FAIR  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (Continued)**

**Property, Plant and Equipment (Continued)**

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives is not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Depreciation of all exhaustible property, plant and equipment used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Property, Plant and Equipment	30 years
Office Equipment	5 years

**Budgets and Budgetary Accounting**

The Association follows these procedures in establishing the budgetary data reflected in the financial statements.

1. Prior to December 31, the Association Manager submits to the Board of Directors a proposed operating and capital budget for the fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted for comments.
3. Prior to September 1, the budget is legally enacted.
4. Formal budgetary integration is employed as a management control device during the year for the Proprietary Funds.
5. Budgets for the Proprietary Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).
6. Budgeted amounts are as originally adopted, or as amended. Individual amendments were not material in relation to the original appropriations which were amended.

**18TH DISTRICT AGRICULTURAL ASSOCIATION,  
EASTERN SIERRA TRI-COUNTY FAIR  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (Continued)**

**Deposits and Investments**

Investments are reported at fair value which is determined using selected bases. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Cash deposits are reported at carrying amount which reasonably estimates fair value.

**Statement of Cash Flows**

For purposes of reporting cash flows all short-term, highly liquid investments (including restricted assets) that are both: 1) readily convertible to known amounts of cash and 2) so near maturity that they present insignificant risk of changes in value because of changes in interest rates. The cost of all cash equivalents of the Association approximates market value. The California State Treasury makes available the Local Agency Investment Fund (LAIF) through which local governments may pool investments with up to \$40,000,000 in the fund invested from each governmental entity.

Investments in the LAIF are highly liquid, as deposits can be converted to cash within twenty-four hours without loss of interest. Therefore, the Association considers all pooled government funds with the LAIF to be cash equivalents.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 expenses during the reporting period. Actual results could differ from those estimates.

**Net Position**

The financial statements utilize a net position presentation. Net position is categorized as follows:

Invested in Capital Assets (net of related debt) - This component of net position consists of capital assets, net of accumulated depreciation and reduced by any debt outstanding against the acquisition, construction, or improvement of those assets.

**EASTERN SIERRA TRI-COUNTY FAIR  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (Continued)**

**Net Position (Continued)**

Restricted Net Position — This component of net position consists of constraints placed on net position use through external constraints imposed by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position — This component of net position consists of net position that does not meet the definition of *restricted* or *net investment in capital assets*.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Association considers restricted funds to have been spent first.

**Operating Revenues**

Proprietary fund operating revenues, such as charges for services and goods, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

Operating revenues includes state apportionments, fair proceeds (which include admissions, carnivals, concessions, and miscellaneous fair activities), junior livestock auctions proceeds, and operating lease proceeds, which are an integral part of the operations and financing of the activities.

**Deferred Inflows and Deferred Outflows of Resources**

Deferred outflows of resources in a consumption of net assets or net position that is applicable to a future reporting period. Deferred inflows of resources is an acquisition of net assets or net position that is applicable to a future reporting period. Deferred outflows of resources and deferred inflows of resources are recorded in accordance with GAS Statement numbers 68 and 87.

**Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net

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**NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Pensions (Continued)**

position of the Calpers Cost-Sharing Multiple-Employer Plan (Calpers Plan) and additions to/deductions from the Calpers Plan's fiduciary net positions have been determined on the same basis as they are reported by the Calpers Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined time frames. For this report, the following time frames are used:

Valuation Date (VD)	December 31, 2023
Measurement Date (MD)	December 31, 2021
Measurement Period (MP)	January 1, 2016 to December 31, 2023

**Income Taxes**

The Association is a state agency and, therefore, is exempt from paying taxes on its income.

**Subsequent Events**

Subsequent events were evaluated through July 9, 2023, which is the date the financial statements were available to be issued.

**NOTE 2 - CASH AND CASH EQUIVALENT**

**General**

Cash and investments as of December 31, 2023, are classified in the accompanying financial statements as follows:

Cash and Cash Equivalents - Unrestricted	\$ 510,365
Cash and Cash Equivalents - Restricted	<u>10,725</u>
	\$ <u>521,090</u>

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**NOTE 2 - CASH AND CASH EQUIVALENTS (Continued)**

The restricted and unrestricted cash and investments consisted of the following at December 31, 2023;

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Minimum Quality Requirements
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
State Obligations - CA And Others	5 years	None	None
CA Local Agency Obligations	5 years	None	None
US Agency Obligations	5 years	None	None
Bankers' Acceptances	180 days	40%	None
Commercial Paper —	270 days	40% of the agency's money	Highest letter and
Commercial Paper—	270 days	25% of the agency's money	Highest letter and
Negotiable Certificates of Deposit	5 years	30%	None
Non-negotiable Certificates of Deposit	5 years	None	None
Placement Service Deposits	5 years	30% (inclusive of placement service CDs)	None
Placement Service Certificates of Deposit	5 years	30% (combine with placement service deposits)	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements and Securities	92 days	20% of the base value of the portfolio	None
Lending Agreements			
Medium-Term Notes	5 years	30%	"A" Rating
Mutual Funds And Money Market Mutual Funds	N/A	20%	Multiple
Collateralized Bank Deposits	5 years	None	None
Mortgage Pass—Through Securities	5 years	20%	"AA" Rating
County Pooled Investment Funds	N/A	None	None
Joint Powers Authority Pool	N/A	None	Multiple
Local Agency Investment Fund (LAIF)	N/A	None	None
Voluntary Investment Program Fund	N/A	None	None
Supranational Obligations	5 years	30%	"AA" Rating

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**NOTE 2 - CASH AND CASH EQUIVALENTS (Continued)**

Investments Authorized by Debt Agreements

Investment of debt proceeds held by bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the Association's investment policy. The Association had no debt proceeds investments as of December 31, 2023.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. As of fiscal year-end, the weighted average maturity of the investments contained in the State of California LAIF Investment Pool is approximately 3 months.

Information about the sensitivity of the fair values of the Association's investments to market interest rate fluctuations is provided by the following table that shows the maturity date of each investment:

	<u>Maturity Date</u>	<u>Carrying Amount</u>	<u>Fair Value Adjustment</u> *	<u>Fair Value</u>
3 month Local Agency Investment Funds (LAIF)	average	\$ 14,230	\$ -	\$ 14,230

\* Due to the immaterial nature of the fair market value difference, the LAIF balance is reflected at the carrying amount in the financial statements.

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. LAIF Investment Pool does not have a rating provided by a nationally recognized statistical rating organization and is considered "exempt from disclosure".

Concentration of Credit Risk

The investment policy of the Association contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code.

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**NOTE 2 - CASH AND CASH EQUIVALENTS (Continued)**

Investments in any one issuer that represent 5% or more of total investments by reporting unit as of December 31, 2023, include nonnegotiable undated investment in the LAIF Investment Pool of \$13,680.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the Association's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: 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% of the total amount deposited by the public agencies. California law also allows financial institutions to secure Association deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. As of December 31, 2023, none of the Association's deposits with financial institutions were in excess of federal depository insurance limits.

The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Association's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools such as LAIF.

Investment in Local Government Investment Pools

The Association is a voluntary participant in the Pooled Investments — State of California that are regulated by the California Government Code under the oversight of the State of California. The fair value of the Association's investment in this pool is reported in the accompanying financial statements at amounts based upon the Association's pro-rata share of the fair value provided by the State of California for the entire portfolio (in relation to the amortized cost of that portfolio). There are no limitations or restrictions on withdrawals and the fund's Authority does not impose liquidity fees or redemption gates.

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**NOTE 3 - ACCOUNTS RECEIVABLE**

Accounts Receivable at December 31, 2023, consists of the following:

Accounts Receivable	\$ 6,435
Allowance for Doubtful Accounts	<u>(3,750)</u>
Net Accounts Receivable	<u>\$ 2,685</u>

**NOTE 4 - RESTRICTED ASSETS**

The use of funds held in the Local Agency Investment Fund (LAIF) classified as cash and equivalents, restricted on the statement of net assets is restricted by provisions under Senate Bill Number 431, Section 1 of Chapter 174 of the statutes of 1999. Under these provisions, the Association is authorized to use the funds for the acquisition of land or to lease and improve real property for a permanent fairground site. Funds available under cash and cash equivalents, restricted as of December 31, 2023, is \$14,230.

**NOTE 5 - CAPITAL ASSETS**

A summary of changes in capital assets for the year ended December 31, 2023, is shown below:

	<u>Balance</u> <u>January 1, 2023</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers &amp;</u> <u>Adjustments</u>	<u>Balance</u> <u>December 31, 2023</u>
Capital assets, not being depreciated:					
Land	\$ -	\$ -	\$ -	\$ -	\$ -
Construction in Progress	<u>27,000</u>	<u>117,878</u>	<u>-</u>	<u>-</u>	<u>144,878</u>
Total capital assets, not being depreciated	<u>27,000</u>	<u>117,878</u>	<u>-</u>	<u>-</u>	<u>144,878</u>
Capital assets, being depreciated:					
Vehicles and Equipment	285,092	-	-	-	285,092
Structures and Improvements	<u>4,586,192</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,586,192</u>
Total capital assets, being depreciated	<u>4,871,284</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,871,284</u>
Less accumulated depreciation	<u>(2,864,204)</u>	<u>(145,103)</u>	<u>-</u>	<u>-</u>	<u>(3,009,307)</u>
Total accumulated depreciation	<u>(2,864,204)</u>	<u>(145,103)</u>	<u>-</u>	<u>-</u>	<u>(3,009,307)</u>
Total capital assets, being depreciated, net	<u>2,007,080</u>	<u>(145,103)</u>	<u>-</u>	<u>-</u>	<u>1,861,977</u>
Total capital assets, net	<u>2,034,080</u>	<u>\$ (27,225)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,006,855</u>

**18TH DISTRICT AGRICULTURAL ASSOCIATION,  
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**NOTE 6 - LONG-TERM DEBT**

A summary of long-term debt liabilities transactions for the year ended December 31, 2023 is as follows:

	<u>Long Term Portion</u>				Amounts Due Within One Year
	<u>Balance January 1, 2022</u>	<u>Additions</u>	<u>Deletions/ Adjustments</u>	<u>Balance December 31, 2023</u>	
SB 84 Pension Note	\$ 38,322	\$ -	\$ 38,322	\$ -	\$ -
Southern California Edison RV Park Development	\$ <u>1,973</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>1,973</u>	\$ <u>1,973</u>
Total Long-Term Liabilities	\$ <u>40,295</u>	\$ <u>-</u>	\$ <u>38,322</u>	\$ <u>1,973</u>	\$ <u>1,973</u>
<u>Other Long Term Liabilities</u>					
Compensated absences	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

As of December 31, 2023, annual debt service requirements to maturity are as follows:

<u>Fiscal Year December 31</u>	<u>Notes Payable</u>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 1,973	\$ -
2024	-	-
2025	<u>-</u>	<u>-</u>
	\$ <u>1,973</u>	\$ <u>-</u>

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**NOTE 7 - UNEARNED REVENUE - DEFERRED OUTFLOWS/INFLOWS OF  
RESOURCES**

The Association implemented GASB Statement No. 65, Items Previously Reported as Assets and Liabilities as of December 31, 2021.

GASB No. 65 establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities.

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The Association has no items to report in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Association has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. Deferred inflows of resources reported in the governmental funds are unavailable revenues of \$5,756,107 related to long-term notes and loans receivable.

At December 31, 2023, the components of unearned revenue in governmental funds consisted of off-sets to notes receivable in the amount of \$5,739,344, in addition there was unearned revenue in the General Fund in the amount of \$16,763.

Deferred inflows of resources are also impacted by the implementation of GASB 87 for lease reporting. Deferred inflows of resources related to leases represent the deferred revenue related to the present value of lease receivable.

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**NOTE 8 - RETIREMENT PLANS**

***A. General Information about the Pension Plans***

***Plan Description***

All qualified permanent and probationary employees are eligible to participate in the Local Government’s separate Safety (police and fire) and Miscellaneous (all other)

***Plan Description (Continued)***

Employee Pension Plans, cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees’ Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and Local Government resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

***Benefit Provided***

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

***Employees Covered by Benefit Terms***

At December 31, 2022, the valuation date, the following employees were covered by the benefit terms:

	<u><b>Miscellaneous Plan</b></u>
Hire date	On or after 01/01/2013
Benefit formula	2%@60
Vesting schedule	5 Years
Benefit payments	Monthly for Life
Retirement age	60
Monthly benefits as a % of eligible compensation	2%

(Continued on the following page)

**18TH DISTRICT AGRICULTURAL ASSOCIATION,  
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DECEMBER 31, 2023**

**NOTE 8 - RETIREMENT PLANS (Continued)**

***A. General Information about the Pension Plans (Continued)***  
**Employees Covered by Benefit Terms (Continued)**

	<u>Miscellaneous Plan</u>
Required employee contribution rate	7%
Required employer contribution rate	7.846%

The Association’s Third Tier plans are currently considered unfunded so no additional disclosures are provided.

**Contributions** Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the January 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of December 31 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Local Government is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended December 31, 2023, the contributions recognized as part of pension expense for each Plan were as follows:

	<u>Miscellaneous Plan</u>
Contributions - Employer	\$ 35,707
Contributions - Employee (Paid by employer)	\$ -

***B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions***

As of December 31, 2023, the Local Government reported net pension liabilities for its proportionate shares of the net pension liability of each Plan as follows:

	<u>Miscellaneous Plan</u>
Proportionate shares of the net pension liability (Continued on the following page)	\$ <u>225,333</u>

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**NOTE 8 - RETIREMENT PLANS (Continued)**

The Local Government's net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of December 31, 2022 and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022 rolled forward to December 31, 2023 using standard update procedures. The Local Government's proportion of the net pension liability was based on a projection of the Local Government's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The Local Government's proportionate share of the net pension liability for each Plan as of December 31, 2021 and 2022 was not available

For the year ended December 31, 2023, the Local Government recognized pension expense of \$93,877. At December 31, 2023, the Local Government reported deferred outflows of resources related to pensions from the following sources:

Pension contributions subsequent to measurement date	\$ 99,205
Differences between actual and expected experience	7,247
Differences between Projected and Actual Investment Earnings	29,364
Changes in assumptions	59,725
Change in employer's proportion	-
Differences between the employer's contributions and the employer's proportionate share of contributions	-
Total	<u>\$ 195,541</u>

At December 31, 2023, the Local Government reported deferred inflows of resources related to pensions from the following sources:

Differences between actual and expected Investment experience	\$ 10,379
Changes in assumptions	-
Change in employer's proportion	-
Differences between Projected and Actual Investment Earnings	-
Differences between the employer's contributions and the employer's proportionate share of contributions	-
Total	<u>\$ 10,379</u>

(Continued on the following page)

**18TH DISTRICT AGRICULTURAL ASSOCIATION,  
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**NOTE 8 - RETIREMENT PLANS (Continued)**

\$195,541 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

	<b>Miscellaneous Plan</b>
2024	\$ 42,389
2025	36,783
2026	20,477
2027	85,514
2028	-
Thereafter	-

***Actuarial Methods and Assumption Used to Determine Total Pension Liability***

The December 31, 2023 total pension liabilities were based on the following actuarial methods and assumptions:

	<b>Miscellaneous Safety Plan      Plan</b>
Valuation Date	-----December 31, 2023 -----
Measurement Date	-----December 31, 2022-----
Actuarial Cost Method	Entry-age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	-----7.15%-----
Inflation	-----2.50%-----
Payroll Growth Rate	-----2.75%-----
Projected Salary Increases	Varies by Entry Age and Service
Interment Rate of Return	-----6.90%----- <sup>2)</sup>
Mortality	Derived using CalPERS Membership Data for all funds <sup>(1)</sup>

<sup>(1)</sup> Mortality table was developed based on CalPERS specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB.

<sup>(2)</sup> Net of pension plan investment expenses, including inflation.

The underlying mortality assumptions and all other actuarial assumptions used in the December 31, 2023 valuation were based on the results of a January 2023 actuarial experience study for the period 1997 to 2022. Further details of the Experience Study can be found on the CalPERS website.

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**18TH DISTRICT AGRICULTURAL ASSOCIATION,  
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DECEMBER 31, 2023**

**NOTE 8 - RETIREMENT PLANS (Continued)**

**Discount Rate**

The discount rate used to measure the total pension liability was 6.90% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 6.90 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 6.90 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 6.90 percent investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 6.90 percent. Using this lower discount rate has resulted in a slightly higher Total Pension Liability and Net Pension Liability. CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference.

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (ALM) review cycle that is scheduled to be completed in February 2023. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB 67 and 68 calculations through at least the 2023-24 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such time as we have changed our methodology. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years)

(Continued on the following page)

**18TH DISTRICT AGRICULTURAL ASSOCIATION,  
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**NOTE 8 - RETIREMENT PLANS (Continued)**

**Discount Rate (Continued)**

using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 <sup>1</sup>	Real Return Years 11+ <sup>1</sup>
Global Equity	50.00%	4.80%	5.98%
Global Fixed Income	28.00%	1.00%	2.62%
Inflation Sensitive	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Estate	13.00%	3.75%	4.93%
Infrastructure and Forest land	0.00%	0.00%	0.00%
Liquidity	1.00%	0.00%	-0.92%
	<u>100.00%</u>		

**Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following presents the Local Government’s proportionate share of the net pension liability for each Plan, calculated using the discount rate for each Plan, as well as what the Local Government’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<b>Miscellaneous Plan</b>
1% Decrease Net Pension Liability	5.90% \$ 687,028
Current Discount Rate Net Pension Liability	6.90% \$ 458,312
1% Increase Net Pension Liability	7.90% \$ 275,751

**18TH DISTRICT AGRICULTURAL ASSOCIATION,  
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**NOTE 8 - RETIREMENT PLANS (Continued)**

**Pension Plan Fiduciary Net Position**

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

**NOTE 9 - OTHER POST-EMPLOYMENT BENEFIT OBLIGATION (OPEB)**

During fiscal year 2023, the 22nd DAA adopted GASB Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*. The primary objective of this statement is to improve information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all POST-EMPLOYMENT benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This OPEB plan is considered an agent-multiemployer plan.

**General information about the OPEB plan:**

**Plan description:** The District contributes to the Plan and CalPERS administers the plan. CalPERS provides lifetime retiree medical coverage to eligible employees and their dependents. In most cases, the employee can retire at age 50 with five years of service credit. If the employee became a member on or after January 1, 2013, they must be at least 52 years old to retire. The medical plan benefits are contracted with CalPERS under the Public Employees' Medical and Hospital Care Act, and dental benefits under the State Employees' Dental Care Act.

**Benefits provided:** The state of California provides medical, prescription drug and dental benefits (healthcare benefits) to retired statewide employees through a single-employer defined benefit plan. The State participates in the CERBT, an agent multiple-employer plan consisting of an aggregation of single-employer plans, including over 531 contributing employers. The state also offers life insurance, long-term care and vision benefits to retirees; however, because these benefits are completely paid for by retirees, there is no GASB Statements No. 74 or 75 liability to the state on behalf of such benefits.

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DECEMBER 31, 2023**

**NOTE 9 - OTHER POST-EMPLOYMENT BENEFIT OBLIGATION (OPEB) (Continued)**

**Contributions:** The District adopted the entry age normal actuarial cost method pre-funding prospectively. The entry age normal actuarial cost method, with the contributions determined as a percent of payroll, is a projected benefit cost method, which takes into account those benefits that are expected to be earned in the future, as well as those already accrued. The plan uses a 7% discount rate, assuming the District continues prefunding 100% of each future year’s annual required contribution. The District assumes a 30-year amortization of the unfunded actuarial liability, with certain adjustments for changes in the net OPEB obligation.

The premium apportionment is set by the Stationary Engineers Bargaining Unit (BU13). The District currently pays the medical plan premiums for both retirees and active employees and their dependents at a rate set by contract at CalPERS.

The District has voluntarily opted for a funding policy under which it will contribute 100% of its actuarially determined annual required contribution. Contributions to the OPEB Plan from the District for the year ended December 31, 2023, was \$54,928.

**California state employees covered by benefit terms:** At December 31, 2023, the following California State employees for each respective valuation group were covered by the benefit terms:

	Stationary Engineers (BU13)
Active Employees or beneficiaries currently receiving payment	\$54,928
Inactive Employees	

**OPEB liabilities, OPEB expense and deferred outflows of resources related to OPEB:** The District’s net OPEB liability was \$54,928 at December 31, 2023. The District’s net OPEB liability was measured as of December 31, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

For the year ended December 31, 2022 the District recognized OPEB benefit of \$69,775 and included in wages, benefits and taxes on the statement of revenues, expenses and changes in net position. At December 31, 2022 the District reported deferred inflows of resources and deferred outflows of resources related to OPEB from the following sources:

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EASTERN SIERRA TRI-COUNTY FAIR  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 9 - OTHER POST-EMPLOYMENT BENEFIT OBLIGATION (OPEB) (Continued)**

Pension contributions subsequent to measurement date	\$ 5,922
Differences between actual and expected experience	5,423
Differences between Projected and Actual Investment Earnings	377
Changes in assumptions	2,453
Change in employer's proportion	-
Differences between the employer's contributions and the employer's proportionate share of contributions	-
Total	<u>\$ 14,175</u>

At December 31, 2022, the Local Government reported deferred inflows of resources related to pensions from the following sources:

Differences between actual and expected Investment experience	\$ 5,939
Changes in assumptions	13,289
Change in employer's proportion	-
Differences between Projected and Actual Investment Earnings	109
Differences between the employer's contributions and the employer's proportionate share of contributions	-
Total	<u>\$ 19,337</u>

Of the total amount reported as deferred outflows related to OPEB, \$5,922 resulting from District contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the net OPEB liability in the year ending December 31, 2023. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years ending December 31:	<u>Miscellaneous Plan</u>
2024	\$ (5,162)
2025	-
2026	-
2027	-
2028	-
Thereafter	-

**Actuarial assumptions:** The total OPEB liability in the December 31, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods

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**NOTE 9 - OTHER POST-EMPLOYMENT BENEFIT OBLIGATION (OPEB) (Continued)**

included in the measurement, unless otherwise specified:

Valuation Date	-----December 31, 2023 -----
Measurement Date	-----December 31, 2022-----
Actuarial Cost Method	Entry-age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	-----7.15%-----
Inflation	-----2.50%-----
Payroll Growth Rate	-----2.75%-----
Projected Salary Increases	Varies by Entry Age and Service
Interment Rate of Return	-----6.90%----- <sup>(2)</sup>
Mortality	Derived using CalPERS Membership Data for all funds <sup>(1)</sup>

<sup>(1)</sup> Mortality table was developed based on CalPERS specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB.

<sup>(2)</sup> Net of pension plan investment expenses, including inflation.

The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using the Society of Actuaries 90% Scale MP 2016. For more details on this table, refer to the 2022 *CalPERS Experience Study and Review of Actuarial Assumptions* report (the Experience Study) for the period from 1997 to 2022. Other demographic assumptions used in the December 31, 2023, valuation were also based on the results of the Experience Study, including updates to termination, disability and retirement rates. The Experience Study report is available at [www.CalPERS.ca.gov](http://www.CalPERS.ca.gov).

The retirement rates that were used in the most recent CalPERS Public Agency Miscellaneous 2% at 60 for actives hired before January 1, 2013, and 2% at 62 for actives hired on or after January 1, 2013.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method, in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. Expected compound (geometric) returns were calculated over a closed period. Based on separate expected nominal returns for the short-term (first 10 years) and the long-term (11+ years), a single expected return rate of 7.0% was calculated for the combined short-term and long-term periods. If applied to expected cash flows during that period, the resulting present value of benefits is expected to be consistent with the present value of benefits that would be determined by applying the short and long-term expected rates to the same cash flows.

As of December 31, 2023, the long-term expected real rate of return for each major asset class in the Plan's portfolio are as follows:

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**NOTE 9 - OTHER POST-EMPLOYMENT BENEFIT OBLIGATION (OPEB)  
(Continued)**

Investment Class	Target Asset Allocation	Real Return Years 1-10	Real Return Years 11+
Global equity	59.0%	4.80%	5.98%
Fixed income	25.0%	1.10%	2.62%
Treasury inflation-protected securities	5.0%	0.25%	1.46%
Real estate investment trusts	8.0%	3.50%	5.00%
Commodities	3.0%	1.50%	2.87%
Total	100%		

The Real Return Years 1-10 used an expected inflation rate of 2.0% for this period. The Real Return Years 11+ used an expected inflation rate of 2.92% for this period.

**Discount rate:** The discount rate used to measure the total OPEB liability was 7.0%. The cash flow projections used to calculate the blended discount rates were developed assuming that prefunding agreements in which actuarially determined normal costs are shared between employees and the state will continue and that the required contributions will be made on time in future years. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The prefunding agreements are subject to collective bargaining and legislative approval. Detailed information on the blended discount rates by valuation group is available in the *State of California Retiree Health benefits Program GASB Nos. 74 and 75 Actuarial Valuation Report as of December 31, 2023*, on the state controller’s office website, at [www.sco.ca.gov](http://www.sco.ca.gov).

**Sensitivity of the net OPEB liability to changes in the discount rate:** The following table presents the net OPEB liability of the District as of the measurement date, calculated using the discount rate for the District, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (6.0%) or one percentage point higher (8.0%) than the current discount rate:

	1% Decrease (6.0%)	Discount Rate (7.0%)	1% Increase (8.0%)
Net OPEB liability	\$ 47,454	\$ 54,928	\$ 64,341

**18TH DISTRICT AGRICULTURAL ASSOCIATION,  
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NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 9 - OTHER POST-EMPLOYMENT BENEFIT OBLIGATION (OPEB) (Continued)**

*Sensitivity of the net OPEB liability to changes in the health care cost trend rates:* The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using health care cost trend rates that are one percentage point lower (3.5%) or one percentage point higher (5.5%) than the current health care cost trend rate:

	Health Care Cost Trend Rates 1% Decrease (6.0%, Decreasing to 3.5%)	Health Care Cost Trend Rates (7.0%, Decreasing to 4.5%)	Health Care Cost Trend Rates 1% Increase (8.0%, Decreasing to 5.5%)
Net OPEB liability	\$ 48,371	\$ 54,928	\$ 63,180

**NOTE 10 - OTHER INFORMATION**

**Subsequent Event**

Management has evaluated events subsequent to December 31, 2023 through April 30, 2024, the date on which the financial statements were available for issuance. Management has determined no subsequent events requiring disclosure have occurred.

**NOTE 11- CONTINGENCIES**

The Association participates in a number of Federal and State assisted grant programs. These programs are subject to program compliance audits by the grantors. Accordingly, the Association's compliance with applicable grant requirements will be established at some future date. While the contingency for un-reimbursed expenditures could potentially be material, the amount, if any, of which may be disallowed by the granting agencies cannot be determined at this time.

**NOTE 12 - RESTRICTION AND DESIGNATIONS OF FUND EQUITY**

Under provisions of GASB Code Section 1800.121-123, an Association may set up "Restrictions" of Fund Equity to segregate fund balances which are not appropriate for

**18TH DISTRICT AGRICULTURAL ASSOCIATION,  
EASTERN SIERRA TRI-COUNTY FAIR  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 12 - RESTRICTION AND DESIGNATIONS OF FUND EQUITY (Continued)**

expenditures in future periods, or which are legally set aside for future use. Fund "designations" may also be established to indicate tentative plans for financial resource utilization in future periods. The Association Restrictions at December 31, 2023, are outlined below followed by explanations as to the nature and purpose of each Restricted:

**Restricted for Contingencies**

Amounts Restricted for contingencies represent funds set aside to meet unusual and/or unexpected needs of the Association.

**NOTE 13 - BUDGETARY PRINCIPLES**

The operating budget of the Association is adopted by the Association Council prior to January 1 each year primarily on a cash basis. The Association Manager is authorized to transfer budget amounts between divisions of a department within any fund; however, any revisions that alter the total expenditures of any fund require Association Council resolution.

Budget information is adopted and presented for the general, special revenue and capital project funds. The presentations represent original appropriations adjusted for supplemental appropriations, if any, made during the year.

The Association does not formally adopt a budget for debt service funds. The bond documents are the controlling factor.

Portions of fund equity are recorded as Restrictions when segregation for future use is necessary and the funds are, therefore, not available for future apportionment or expenditures.

***Summary of Differences between Budgetary Basis and Generally Accepted Accounting Principles (GAAP)***

The following are the differences between the Association's budgetary basis and GAAP:

- A. The Association does not budget for accounts payable or intergovernmental payables.
- B. The Association does not budget for benefit accruals.
- C. The Association does not budget for transfers from the debt service funds when revenue is in excess of debt service requirements.
- D. The Association budgets for certain receivables and payables on a cash basis.

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**NOTE 14 -LEASES**

For the year ended December 31, 2023, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below. The Association has determined that it has only month to month leases that do not fall under GASB 87.

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**REQUIRED SUPPLEMENTARY INFORMATION**

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Unaudited

**18TH DISTRICT AGRICULTURAL ASSOCIATION  
 EASTERN SIERRA TRI COUNTY FAIR  
 SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED DECEMBER 31, 2023**

	<b>ORIGINAL BUDGET</b>	<b>FINAL BUDGET</b>	<b>ACTUAL</b>	<b>OVER (UNDER) BUDGET</b>
<b>REVENUE</b>				
State Apportionments	\$ 200,000	\$ 200,000	\$ 44,650	\$ (155,350)
Admissions to Grounds	387,385	387,385	613,327	225,942
Commercial Space	12,000	12,000	7,395	(4,605)
Concessions	92,000	92,000	256,551	164,551
Exhibits	3,500	3,500	400	(3,100)
Entry Fees	35,000	35,000	24,433	(10,567)
Horse Show	22,500	22,500	36,919	14,419
Attractions	-	-	74,058	74,058
Junior Livestock Auction	52,125	52,125	-	(52,125)
Interim Revenue	845,500	845,500	851,884	6,384
Other Revenue	142,050	142,050	159,755	17,705
<b>Total Revenue</b>	<b>1,792,060</b>	<b>1,792,060</b>	<b>2,069,372</b>	<b>277,312</b>
<b>EXPENSES</b>				
Salaries and Wages	260,810	260,810	235,625	(25,185)
Benefits	98,769	98,769	279,669	180,900
Supplies and Equipment	69,300	69,300	252,244	182,944
Services	727,745	727,745	1,171,957	444,212
MaintenanceExpense	271,739	271,739	360,308	88,569
Depreciation	140,483	140,483	145,103	4,620
<b>Total Expenses</b>	<b>1,568,846</b>	<b>1,568,846</b>	<b>2,444,906</b>	<b>876,060</b>
<b>Operating Income (Loss)</b>	<b>223,214</b>	<b>223,214</b>	<b>(375,534)</b>	<b>(598,748)</b>

The accompanying notes are an integral part of this statement.

**18TH DISTRICT AGRICULTURAL ASSOCIATION  
EASTERN SIERRA TRI COUNTY FAIR  
TEN YEAR PENSION DATA  
DECEMBER 31, 2023**

Measurement Date	6.30.2014	6.30.2015*	6.30.2015**	6.30.2016	6.30.2017	6.30.2018	6.30.2019	6.30.2020	6.30.2021	6.30.2022
DAA's Pensionable Compensation	-	99,148	99,148	137,753	121,421	117,108	108,309	101,565	83,495	178,539
All DAA Pensionable Compensation	30,184,777	30,359,775	30,359,775	31,057,279	31,589,457	34,230,757	37,128,676	35,867,516	22,447,645	26,191,127
Total Pensionable Compensation	10,019,739,286	10,640,883,629	10,640,883,629	11,189,931,826	11,591,576,340	12,254,526,525	12,913,194,954	13,579,610,464	12,909,399,388	14,727,596,410
DAA's Proportionate Share of All DAA	0.000%	0.327%	0.327%	0.444%	0.384%	0.342%	0.292%	0.283%	0.372%	0.682%
DAA's Proportionate Share of Total State (Misc)	0.000%	0.001%	0.001%	0.001%	0.001%	0.001%	0.001%	0.001%	0.001%	0.001%
All DAA's Proportionate Share Percentage of Total State (Misc)	0.301%	0.285%	0.285%	0.278%	0.273%	0.279%	0.288%	0.264%	0.174%	0.178%

\*SCO's initial methodology for MD6.30.2015 only applied proportionate share to the changes from prior year (not to the total ending values)

\*\*SCO made these adjustment at a later date. This reverted the methodology to applying the proportionate share to total ending values rather than just the change

**District Agricultural Association (DAA)**

<b>Net Pension Liability</b>	-	41,308	263,147	407,647	382,708	300,208	282,114	259,990	144,164	458,312
<b>Deferred Outflow</b>										
Changes of Assumptions	-	-	-	-	44,526	27,080	11,884	-	-	34,692
Difference between Expected and Actual Experience	-	4,806	4,806	4,160	1,677	3,221	14,804	12,911	9,231	7,247
Net Difference between Projected and actual Earnings on Pension Plan Investment	-	-	-	45,032	10,856	3,101	-	6,410	-	59,725
<b>Deferred Inflow</b>										
Changes of Assumptions	-	-	-	-	-	9,954	5,918	2,764	217	-
Difference between Expected and Actual Experience	-	-	-	936	3,572	2,092	812	-	-	10,379
Net Difference between Projected and actual Earnings on Pension Plan Investment	-	(38,065)	5,744	-	-	-	2,101	-	60,894	-

**ALL District Agricultural Association (DAA)**

<b>Net Pension Liability</b>	71,724,188	84,373,032	80,577,801	91,906,343	99,566,899	87,751,137	96,709,912	91,815,177	38,758,406	67,233,208
<b>Deferred Outflow</b>										
Changes of Assumptions	-	-	-	-	11,583,962	7,915,643	4,073,915	-	-	5,089,277
Difference between Expected and Actual Experience	-	1,471,592	1,471,592	937,903	436,225	941,418	5,074,947	4,559,650	2,481,874	1,063,108
Net Difference between Projected and actual Earnings on Pension Plan Investment	-	-	-	10,152,833	2,824,321	906,544	-	2,263,523	-	8,761,504
<b>Deferred Inflow</b>										
Changes of Assumptions	-	-	-	-	-	2,909,424	2,028,712	976,185	58,424	-
Difference between Expected and Actual Experience	-	-	-	211,035	929,219	611,362	278,210	-	-	1,522,623
Net Difference between Projected and actual Earnings on Pension Plan Investment	14,164,162	2,508,454	1,758,968	-	-	-	720,182	-	16,371,265	-

**Total State Miscellaneous**

<b>Net Pension Liability</b>										
Beginning	28,867,495,378	23,808,612,511	23,808,612,511	28,241,942,050	33,113,838,352	36,535,522,224	31,414,690,886	33,635,294,688	34,761,658,362	22,289,543,446
Change	(5,058,882,866)	4,433,329,539	4,433,329,539	4,871,896,302	3,421,683,872	(5,120,831,338)	2,220,603,802	1,126,363,674	(12,472,114,916)	15,516,526,050
Ending	23,808,612,512	28,241,942,050	28,241,942,050	33,113,838,352	36,535,522,224	31,414,690,886	33,635,294,688	34,761,658,362	22,289,543,446	37,806,069,496
										MD 6.30.2022 - Be
<b>Deferred Outflow - Changes of Assumptions</b>										
Beginning	-	-	-	-	-	4,250,670,894	2,833,780,596	1,416,890,298	-	-
Change	-	-	-	-	-	(1,416,890,298)	(1,416,890,298)	(1,416,890,298)	-	2,861,763,902
Ending	-	-	-	-	-	4,250,670,894	2,833,780,596	1,416,890,298	-	2,861,763,902
<b>Deferred Outflow - Difference between Expected and Actual Experience</b>										
Beginning	-	-	-	515,782,439	337,926,426	160,070,413	337,025,431	1,765,044,803	1,726,305,091	1,427,299,298
Change	-	515,782,439	515,782,439	(177,856,013)	(177,856,013)	176,955,018	1,428,019,372	(38,739,712)	(299,005,793)	(829,500,444)
Ending	-	515,782,439	515,782,439	337,926,426	160,070,413	337,025,431	1,765,044,803	1,726,305,091	1,427,299,298	597,798,854
<b>Deferred Outflow - Net Difference between Projected and actual Earnings on Pension Plan Investment</b>										
Beginning	-	-	-	-	3,658,063,865	1,036,369,054	324,540,507	-	856,980,565	-
Change	-	-	-	3,658,063,865	(2,621,694,811)	(711,828,547)	(324,540,507)	856,980,565	(856,980,565)	4,926,702,840
Ending	-	-	-	3,658,063,865	1,036,369,054	324,540,507	-	856,980,565	-	4,926,702,840
<b>Deferred Inflow - Changes of Assumptions</b>										
Beginning	-	-	-	-	-	-	1,041,566,583	705,577,363	369,588,143	33,598,923
Change	-	-	-	-	-	-	(335,989,220)	(335,989,220)	(335,989,220)	(33,598,923)
Ending	-	-	-	-	-	-	1,041,566,583	705,577,363	369,588,143	33,598,923
<b>Deferred Inflow - Difference between Expected and Actual Experience</b>										
Beginning	-	-	-	-	76,035,750	340,971,596	218,865,981	96,760,366	-	-
Change	-	-	-	76,035,750	264,935,846	(122,105,615)	(122,105,615)	(96,760,366)	-	856,189,872
Ending	-	-	-	76,035,750	340,971,596	218,865,981	96,760,366	-	-	856,189,872
<b>Deferred Inflow - Net Difference between Projected and actual Earnings on Pension Plan Investment</b>										
Beginning	-	4,701,747,853	4,701,747,853	616,505,717	-	-	-	250,476,356	-	9,414,938,939
Change	4,701,747,853	(4,085,242,136)	(4,085,242,136)	(616,505,717)	-	-	250,476,356	(250,476,356)	9,414,938,939	(9,414,938,939)
Ending	4,701,747,853	616,505,717	616,505,717	-	-	-	250,476,356	-	9,414,938,939	-

**18TH DISTRICT AGRICULTURAL ASSOCIATION  
EASTERN SIERRA TRI COUNTY FAIR  
TEN YEAR OPEB DATA  
DECEMBER 31, 2023**

Measurement Date Valuation Group	6.30.2021	6.30.2021	6.30.2021	6.30.2021	6.30.2021	6.30.2022	6.30.2022	6.30.2022	6.30.2022	6.30.2022
	SEIU	12	13	EEE	OTHER	SEIU	12	13	EEE	OTHER
DAA - OPEB PayGO and Prefunding Contribution	-	-	-	2,004	-	-	-	-	2,415	-
ALL DAA - OPEB PayGO and Prefunding Contribution	348,689	183,851	532	81,368	35,591	373,281	232,240	-	92,460	7,198
STATE - OPEB PayGO and Prefunding Contribution	1,204,613,000	163,285,000	15,467,000	62,478,000	104,214,000	1,576,970,000	203,008,000	19,293,000	81,984,000	98,621,000
DAA's Proportionate Share of STATE Total OPEB Contribution	0.000000%	0.000000%	0.000000%	0.003207%	0.000000%	0.000000%	0.000000%	0.000000%	0.002945%	0.000000%
DAA's Proportionate Share of ALL DAA OPEB Contribution	0.000000%	0.000000%	0.000000%	2.462627%	0.000000%	0.000000%	0.000000%	#DIV/0!	2.611681%	0.000000%
ALL DAA's Proportionate Share of STATE Total OPEB Contribution	0.028946%	0.112595%	0.003440%	0.130235%	0.034152%	0.023671%	0.114399%	0.000000%	0.112778%	0.007299%
<b>District Agricultural Association (DAA)</b>										
<b>Net OPEB Liability</b>	-	-	-	66,468	-	-	-	-	54,928	-
<b>Deferred Outflow</b>	-	-	-	-	-	-	-	-	-	-
Difference in PAY GO Contributions	-	-	-	-	-	-	-	-	-	-
Difference between Expected and Actual Experience	-	-	-	464	-	-	-	-	4,653	-
Changes of Assumptions	-	-	-	3,554	-	-	-	-	2,753	-
Net Difference between Projected and actual Earnings on OPEB Plan Investment	-	-	-	11	-	-	-	-	377	-
<b>Deferred Inflow</b>	-	-	-	-	-	-	-	-	-	-
Difference in PAY GO Contributions	-	-	-	-	-	-	-	-	-	-
Difference between Expected and Actual Experience	-	-	-	8,141	-	-	-	-	5,939	-
Changes of Assumptions	-	-	-	4,049	-	-	-	-	13,294	-
Net Difference between Projected and actual Earnings on OPEB Plan Investment	-	-	-	152	-	-	-	-	104	-
<b>ALL District Agricultural Association (DAA)</b>										
<b>Net OPEB Liability</b>	9,218,125	4,532,423	14,145	2,699,082	762,287	6,398,801	4,071,253	-	2,103,184	141,098
<b>Deferred Outflow</b>	-	-	-	-	-	-	-	-	-	-
Difference in PAY GO Contributions	-	-	-	-	-	-	-	-	-	-
Difference between Expected and Actual Experience	-	-	-	18,844	-	170,682	221,135	-	178,143	6,515
Changes of Assumptions	625,757	263,866	824	144,312	9,487	415,714	206,648	-	105,398	1,225
Net Difference between Projected and actual Earnings on OPEB Plan Investment	2,086	2,146	6	432	-	59,431	48,358	-	14,421	-
<b>Deferred Inflow</b>	-	-	-	-	-	-	-	-	-	-
Difference in PAY GO Contributions	-	-	-	-	-	-	-	-	-	-
Difference between Expected and Actual Experience	1,203,703	644,974	1,362	330,570	74,033	773,300	480,130	-	227,398	7,094
Changes of Assumptions	395,720	130,741	69	164,404	242	1,445,558	775,556	-	509,003	23,041
Net Difference between Projected and actual Earnings on OPEB Plan Investment	28,250	24,482	75	6,176	-	17,249	18,599	-	3,996	-
<b>STATE</b>										
<b>Net OPEB Liability</b>										
Beginning	32,217,085,000	4,135,308,000	419,687,000	1,998,510,000	2,385,666,000	31,845,737,000	4,025,425,000	411,235,000	2,072,466,000	2,232,057,000
Change	(371,348,000)	(109,883,000)	(8,452,000)	73,956,000	(153,609,000)	(4,813,241,000)	(466,620,000)	(46,531,000)	(207,579,000)	(298,856,000)
Ending	31,845,737,000	4,025,425,000	411,235,000	2,072,466,000	2,232,057,000	27,032,496,000	3,558,805,000	364,704,000	1,864,887,000	1,933,201,000
<b>Deferred Outflow - Difference in PAY GO Contributions</b>										
Beginning	-	-	-	-	-	-	-	-	-	-
Change	-	-	-	-	-	-	-	-	-	-
Ending	-	-	-	-	-	-	-	-	-	-
<b>Deferred Outflow - Difference between Expected and Actual Experience</b>										
Beginning	-	-	-	17,857,000	17,248,000	-	-	-	14,469,000	-
Change	-	-	-	(3,388,000)	(17,248,000)	721,067,000	193,301,000	24,982,000	143,490,000	89,267,000
Ending	-	-	-	14,469,000	-	721,067,000	193,301,000	24,982,000	157,959,000	89,267,000
<b>Deferred Outflow - Changes of Assumptions</b>										
Beginning	1,291,874,000	122,348,000	13,057,000	31,015,000	36,407,000	2,161,794,000	234,350,000	23,962,000	110,809,000	27,779,000
Change	869,920,000	112,002,000	10,905,000	79,794,000	(8,628,000)	(405,561,000)	(53,713,000)	(8,581,000)	(17,353,000)	(10,993,000)
Ending	2,161,794,000	234,350,000	23,962,000	110,809,000	27,779,000	1,756,233,000	180,637,000	15,381,000	93,456,000	16,786,000
<b>Deferred Outflow - Net Difference between Projected and actual Earnings on OPEB Plan Investment</b>										
Beginning	9,608,000	2,580,000	252,000	443,000	-	7,206,000	1,906,000	185,000	332,000	-
Change	(2,402,000)	(674,000)	(67,000)	(111,000)	-	243,866,000	40,365,000	4,000,000	12,455,000	-
Ending	7,206,000	1,906,000	185,000	332,000	-	251,072,000	42,271,000	4,185,000	12,787,000	-
<b>Deferred Inflow - Difference in PAY GO Contributions</b>										
Beginning	-	-	-	-	-	-	-	-	-	-
Change	-	-	-	-	-	-	-	-	-	-
Ending	-	-	-	-	-	-	-	-	-	-
<b>Deferred Inflow - Difference between Expected and Actual Experience</b>										
Beginning	2,551,314,000	377,205,000	22,057,000	219,881,000	132,070,000	4,158,417,000	572,827,000	39,602,000	253,825,000	216,776,000
Change	1,607,103,000	195,622,000	17,945,000	33,944,000	84,706,000	(891,520,000)	(153,131,000)	(14,321,000)	(52,192,000)	(119,578,000)
Ending	4,158,417,000	572,827,000	39,602,000	253,825,000	216,776,000	3,266,897,000	419,696,000	25,281,000	201,633,000	97,198,000
<b>Deferred Inflow - Changes of Assumptions</b>										
Beginning	2,018,535,000	218,431,000	9,580,000	178,614,000	1,331,000	1,367,088,000	116,116,000	2,005,000	126,236,000	710,000
Change	(65,147,000)	(102,315,000)	(7,575,000)	(52,378,000)	(621,000)	4,739,845,000	561,821,000	64,812,000	325,095,000	314,976,000
Ending	1,367,088,000	116,116,000	2,005,000	126,236,000	710,000	6,106,933,000	677,937,000	66,817,000	451,331,000	315,686,000
<b>Deferred Inflow - Net Difference between Projected and actual Earnings on OPEB Plan Investment</b>										
Beginning	1,960,000	348,000	41,000	89,000	-	97,596,000	21,743,000	2,184,000	4,742,000	-
Change	95,636,000	21,395,000	2,143,000	4,653,000	-	(24,727,000)	(5,485,000)	(562,000)	(1,199,000)	-
Ending	97,596,000	21,743,000	2,184,000	4,742,000	-	72,869,000	16,258,000	1,632,000	3,543,000	-

Source for STATE information: GASB 74 and 75 Actuarial Valuation Report  
Calculations for the DAA portion is based on OPEB prefunding contributions received by the State Controller's Office

**OTHER SUPPLEMENTARY INFORMATION**

**18TH DISTRICT AGRICULTURAL ASSOCIATION ,  
 EASTERN SIERRA TRI COUNTY FAIR  
 SCHEDULE OF AGED ACCOUNTS RECEIVABLE  
 For the Year Ended December 31, 2023**

**SCHEDULE 1**

<b>Customer</b>	<b>Current</b>	<b>Over 30 Days</b>	<b>Over 60 Days</b>	<b>Over 90 Days</b>	<b>Total</b>
LADWP	\$ -	\$ -	\$ -	\$ 3,000	\$ 3,000
Rebecca Bragdon	-	-	-	3,710	3,710
Inyo County Office of Eucation	4,000	4,500	-	-	8,500
Tolyabe Indian Health	700	700	700	2,100	4,200
Accounts Less Than \$2,000	1,389	-	-	2,000	3,389
Total Accounts Receivable	<u>\$ 6,089</u>	<u>\$ 5,200</u>	<u>\$ 700</u>	<u>\$ 10,810</u>	<u>22,799</u>
Less Allowance for Doubtful Accounts					
Net Accounts Receivable					<u>\$ 22,799</u>

See independent accountant's review report

**18TH DISTRICT AGRICULTURAL ASSOCIATION ,  
 EASTERN SIERRA TRI COUNTY FAIR  
 SCHEDULE OF AGED ACCOUNTS PAYABLE  
 For the Year Ended December 31, 2023**

**SCHEDULE 2**

<b>Vendor</b>	<b>Current</b>	<b>Over 30 Days</b>	<b>Over 60 Days</b>	<b>Over 90 Days</b>	<b>Total</b>
Amerigas	\$ 6,945	\$ -	\$ -	\$ -	\$ 6,945
Bank of America Visa	4,237	4,489	-	-	8,726
Bishop Volunteer Fire Department	-	-	-	-	-
Bishop Waste Disposal	-	-	-	-	-
Cal-PERS	6,491	-	-	-	6,491
CFDA	-	-	-	-	-
CFSA	1,710	-	-	-	1,710
Cromer	-	-	-	-	-
Delta Dental	-	-	-	-	-
Department of General Services	-	-	-	-	-
EDD	1,411	-	-	-	1,411
Internal Revenue Service	2,026	-	-	-	2,026
KBIS/KBOV	-	-	-	-	-
K-Mart	-	-	-	-	-
LADWP	-	38,164	-	-	38,164
Lamar	4,750	-	-	-	4,750
PilTho	2,987	-	-	-	2,987
Southern California Edison	12,995	11,965	10,015	25,195	60,170
SanMan	1,395	-	-	-	1,395
Sierra Employment Services	1,514	-	-	-	1,514
SWCRB	1,269	-	-	-	1,269
Uribe, Victor	2,000	-	-	-	2,000
Accounts less than \$1,000	<u>9,072</u>	<u>-</u>	<u>500</u>	<u>-</u>	<u>9,572</u>
<b>TOTAL</b>	<b><u>\$ 58,802</u></b>	<b><u>\$ 54,618</u></b>	<b><u>\$ 10,515</u></b>	<b><u>\$ 25,195</u></b>	<b><u>\$ 149,130</u></b>

See independent accountant's review report