



February 4, 2020

F2020-04

TO: All Fair CEOs & Accounting Staff

SUBJECT: 2019 STATEMENT OF OPERATIONS

We are pleased to present the 2019 Statement of Operations (STOP) instruction package. Please read the enclosed instructions prior to submitting your STOP. All documents are available on Fairs & Expositions' (F&E) website at www.cdfa.ca.gov/FairsAndExpositions.

The submission of an annual STOP maintains the fairs' eligibility to receive funds and is a requirement if the fair is utilizing state assets (B&P 19622). The information from the STOP is compiled in the annual STOP publication, which is a document that includes all STOP financial information by class size. Furthermore, the financial information in the STOP for the District Agricultural Associations (DAAs) is compiled into a set of financial statements and submitted to the State Controller's Office (SCO) for the annual Comprehensive Annual Financial Report (CAFR). The CAFR is a set of governmental financial statements comprising the financial report of the state.

Submittal Deadline

The STOP must be submitted to F&E by **Monday, April 6, 2020**.

Fairs on the Watch - Additional Reporting Requirements

Additional reporting requirements will be required for all DAAs with negative reserves as stated on the 2019 STOP. F&E will contact the DAAs with negative reserves to outline additional reporting requirements.

GASB 68 and GASB 75 Reporting Requirements

GASB 68 (Accounting and Financial Reporting for Pensions) and GASB 75 (Accounting and Financial Reporting for Postemployment Benefits Other Than Pension Plans / OPEB) are effective for fiscal years beginning after June 15, 2014 and June 15, 2017, respectively. If your fair has any reportable pension or OPEB liabilities, then they should be reported on the STOP.

For DAAs: In order to book GASB 68 and GASB 75, DAAs require information provided by F&E. At the time of this writing, F&E has not yet received the GASB 75 information needed from SCO to distribute to the DAAs. Due to these timing issues, DAAs will not be required to report GASB 75 figures on the STOP; however, GASB 68 figures must be reported.



F2020-04 2019 STOP Packet

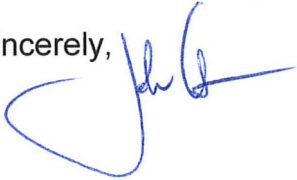
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Please note that although the 2019 STOP will not have GASB 75 adjustments, your auditor will most likely recommend that these adjustments be made to your 2018 financial records when the relevant information is made available from SCO.

If you have any questions regarding this package, please contact Joji Kume by email at joji.kume@cdfa.ca.gov or by phone at 916-900-5367.

Sincerely,

A handwritten signature in blue ink, appearing to read 'John Quiroz', with a large loop at the end.

John Quiroz
Branch Chief

Enclosures