



CALIFORNIA DEPARTMENT OF
FOOD & AGRICULTURE

Karen Ross, Secretary

February 7, 2019

D2019-01

TO: District Agricultural Association CEOs & Accounting Staff

SUBJECT: Pension Liability Update and 2018 STOP Extension

The purpose of this letter is to address developments regarding the unfunded pension liability per Governmental Accounting Standards Board Statement Number 68 (GASB 68) and its impact on the 2018 Statement of Operations (STOP).

As you are aware, the most current information pertaining to the pension liability has been delayed for some time due to the unavailability of information from the State Controller's Office (SCO). During mid-January, F&E was provided the needed pension liability information from SCO to calculate the proportionate share for each District Agricultural Association (DAA). Due to certain changes in the information provided, F&E sought clarification for the updated information on the treatment of these new figures. At this time, we believe that we have the necessary information and documents to prepare and distribute the DAA-specific pension liability information in the forthcoming weeks.

With the documents planned to be released in the coming weeks, F&E will require the 2018 STOP submissions to include the updated GASB 68 information. Due to these changes, **the deadline for the 2018 STOP submission is extended to April 1, 2019.**

Given the timing for year-end closing of the accounting books, we understand that these adjustments may cause significant inconveniences. For DAAs that have already closed their books for the 2018 year, F&E will accept STOPs without the updated GASB 68 information. However, please keep in mind that your auditor may want these updated figures to be reflected in the years which they deem appropriate.

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,

John Quiroz
Branch Chief
Fairs & Expositions Branch

