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26<sup>th</sup> District  
Agricultural  
Association  
**AMADOR  
COUNTY  
FAIR**

For the Year Ending  
December 31, 2014

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**ANNUAL FINANCIAL REPORT**

BOARD OF DIRECTORS  
2014

Laurie Forster - President

Frank Halvorson - Vice President

Micheal Boitano - Director

Jeanne Deaver - Director

Marilyn Hoopes - Director

Janice Howard - Director

Tim King - Director

Jamie Lubenko - Director

Robert Manassero - Director

**26th District Agricultural Association  
Amador County Fair**

**Table of Contents**

	<u>Page</u>
Independent Auditor's Report	1
Financial Statements	
Statement of Net Position	3
Statement of Revenue, Expenses, and Changes in Net Position	4
Statement of Cash Flows	5
Statement of Revenue, Expenses, and Changes in Net Position- Budget and Actual	6
Notes to Financial Statements	7
Supplementary Information	
Expense Detail	14

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
26<sup>th</sup> District Agricultural Association  
Amador County Fair  
Plymouth, California

I have audited the accompanying financial statements of the 26<sup>th</sup> District Agricultural Association (Amador County Fair) as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Fair's basic financial statements as listed in the table of contents.

### Management's Responsibility 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. Management is also responsible for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement whether due to error or fraud.

### Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statements, whether due to error or fraud. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Amador County Fair as of December 31, 2014 and its changes in net position and the results of its cash flows for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

## Report on Summarized Comparative Information

I have previously reviewed the financial statements of the Amador County Fair, and in my report dated January 9, 2015, I stated I was not aware of any material modifications that should be made to those statements for them to be in conformity with accounting principles generally accepted in the United States of America. However, a review is substantially less in scope than an audit and does not provide a basis for the expression of an opinion on the financial statements. In my opinion, the summarized comparative information presented herein and as of and for the year ended December 31, 2013, is consistent in all material respects, with the reviewed financial statements from which it has been derived.

### Other Matters

The Amador County Fair has not presented the Management Discussion and Analysis that accounting principles generally accepted in the United States of America has determined necessary to supplement, although not required to be part of, the financial statements. My opinion on the basic financial statements is not affected by this missing information. The Amador County Fair has elected to include a budgetary comparison as part of the basic financial statements, and not as supplementary information.



Cathy Castillo  
Certified Public Accountant

Sutter Creek, California  
January 27, 2016

26th District Agricultural Association  
Amador County Fair

STATEMENT OF NET POSITION

As of December 31, 2014 with Comparative Totals as of December 31, 2013

ASSETS	2014	2013
Current Assets		
Cash, in banks and on hand	\$ 221,496	\$ 269,560
Accounts receivable, net	48,031	50,925
Prepaid expenses	9,572	2,381
Total Current Assets	<u>279,099</u>	<u>322,866</u>
Non-current Assets		
Land	9,764	9,764
Other capital assets, net of accumulated depreciation	1,088,008	1,113,508
Total Non-current Assets	<u>1,097,772</u>	<u>1,123,272</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 1,376,871</u></b>	<b><u>\$ 1,446,138</u></b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>		
Current Liabilities		
Accounts payable	\$ 27,878	\$ 37,702
Guaranteed deposits	7,675	-
Other liabilities	4,022	4,022
Payroll liabilities	3,239	236
Capital lease payable, due within one year	-	1,861
Long term debt, due within one year	24,169	19,131
Total Current Liabilities	<u>66,983</u>	<u>62,952</u>
Non-current Liabilities		
Compensated absences liability	18,264	20,512
Long-term debt, net of current portion	89,782	85,753
Total Non-current Liabilities	<u>108,046</u>	<u>106,265</u>
Total Liabilities	<u>175,029</u>	<u>169,217</u>
Deferred Inflows of Resources		
Deferred income	1,332	1,332
Total Deferred Inflows of Resources	<u>1,332</u>	<u>1,332</u>
Net Position		
Net investment of capital assets	1,013,761	1,016,528
Junior livestock auction fund	70,508	75,786
Unrestricted	116,241	183,275
Total Net Position	<u>1,200,510</u>	<u>1,275,589</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<b><u>\$ 1,376,871</u></b>	<b><u>\$ 1,446,138</u></b>

The accompanying notes are an integral part of these financial statements

26th District Agricultural Association  
Amador County Fair

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**

For the Year Ended December 31, 2014 with Comparative Totals

For the Year Ended December 31, 2013

	2014	2013
<b>OPERATING REVENUE</b>		
Fairtime admissions	\$ 133,609	\$ 142,879
Fairtime attractions	72,658	75,061
Fairtime miscellaneous	146,317	148,536
Concessions	115,079	112,568
Contributions		
In kind revenue	118,800	87,210
State allocation	33,000	33,000
Exhibits	34,447	30,981
Horse show	24,348	28,496
Industrial and commercial space	32,985	34,077
Interim revenue	87,266	82,593
Junior Livestock Auction	21,056	48,365
Other operating revenues	39,872	14,807
Prior year revenue	-	25,003
Total Operating Revenue	<u>859,437</u>	<u>863,576</u>
<b>OPERATING EXPENSES</b>		
Administration	203,713	195,394
Attendance operations	55,115	51,468
Exhibits	40,960	38,745
Fair entertainment	81,592	82,281
Horse show	16,474	24,223
In kind expenses	83,800	87,210
Interim expense	2,506	-
Junior Livestock Auction expenses	26,334	9,648
Maintenance and operations	250,567	225,343
Miscellaneous fair	21,393	21,711
Premiums	24,752	22,470
Publicity	52,499	51,968
Depreciation expense	71,740	69,552
Total Operating Expenses	<u>931,445</u>	<u>880,013</u>
<b>TOTAL OPERATING INCOME (LOSS)</b>	<u>(72,008)</u>	<u>(16,437)</u>
<b>NON-OPERATING REVENUE (EXPENSES)</b>		
Interest income	133	150
Interest expense	(3,204)	(7,438)
<b>TOTAL NON-OPERATING REVENUE (EXPENSES)</b>	<u>(3,071)</u>	<u>(7,288)</u>
<b>CHANGE IN NET POSITION</b>	(75,079)	(23,725)
<b>NET POSITION AT BEGINNING OF YEAR</b>	1,275,589	1,299,314
<b>NET POSITION AT END OF YEAR</b>	<u>\$ 1,200,510</u>	<u>\$ 1,275,589</u>

The accompanying notes are an integral part of these financial statements

26th District Agricultural Association  
Amador County Fair  
**STATEMENT OF CASH FLOWS**  
For the Year Ended December 31, 2014 with Comparative Totals  
For the Year Ended December 31, 2013

<b>Cash flows from operating activities</b>	<b>2014</b>	<b>2013</b>
Cash received from customers	\$ 689,475	\$ 669,998
Cash received from state government	33,000	33,000
Cash paid to suppliers and vendors	(458,125)	(510,670)
Cash paid to employees	(275,368)	(187,349)
Net cash provided (used) by operating activities	<u>(11,018)</u>	<u>4,979</u>
 <b>Cash flows from capital and related financing activities</b>		
Acquisition of property and equipment	(11,240)	-
Payments of LTD	(22,735)	(20,873)
Interest paid on debt	(3,204)	(7,438)
Net cash provided by capital and financing activities	<u>(37,179)</u>	<u>(28,311)</u>
 <b>Cash flows from investing activities</b>		
Interest income	133	150
Net cash provided from investing activities	<u>133</u>	<u>150</u>
 <b>Net increase (decrease) in cash</b>	<b>(48,064)</b>	<b>(23,182)</b>
Cash beginning of year	269,560	292,742
<b>Cash end of year</b>	<b><u>\$ 221,496</u></b>	<b><u>\$ 269,560</u></b>
 <b>Reconciliation of Operating Income to Net Cash Flows From Operating Activities</b>		
Net Operating Income (Loss)	\$ (72,008)	\$ (16,437)
Adjustment to reconcile net operating income (loss) to net cash provided by operating activities:		
Depreciation	71,740	69,552
Donation of building improvements	(35,000)	-
Change in:		
Accounts receivable	2,894	(18,259)
Prepaid expenses	(7,190)	1,756
Accounts payable	(9,824)	8,464
Guaranteed deposits	7,675	(1,600)
Other liabilities	-	(35,674)
Payroll liabilities	3,003	320
Compensated liabilities	-	3,995
Other long term liabilities	(2,248)	(7,985)
Other long term liabilities	29,940	847
Net Cash Provided by Operating Activities	<u>\$ (11,018)</u>	<u>\$ 4,979</u>

The accompanying notes are an integral part of these financial statements



26th District Agricultural Association  
Amador County Fair  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**Budget and Actual**  
For the Year Ended December 31, 2014

	Original and Final Budget	2014	Variance
<b>REVENUE</b>			
Fairtime admissions	\$ 146,700	\$ 133,609	\$ (13,091)
Fairtime attractions	75,140	72,658	(2,482)
Fairtime miscellaneous	154,850	146,317	(8,533)
Concessions	110,000	115,079	5,079
Contributions			
In kind revenue	-	118,800	118,800
State allocation	33,000	33,000	-
Exhibits	31,500	34,447	2,947
Horse show	23,500	24,348	848
Industrial and commercial space	36,600	32,985	(3,615)
Interim revenue	76,709	87,266	10,557
Junior Livestock Auction	-	21,056	21,056
Other operating revenues	14,481	39,872	25,391
Interest Income	-	133	133
Total Operating Revenue	<u>702,480</u>	<u>859,570</u>	<u>157,090</u>
<b>EXPENSES</b>			
Administration	190,034	206,917	(16,883)
Attendance operations	50,165	55,115	(4,950)
Exhibits	42,034	40,960	1,074
Fair entertainment	79,405	81,592	(2,187)
Horse show	22,100	16,474	5,626
Horse show- nonfair	800	-	800
In kind expenses	-	83,800	(83,800)
Interim expenses	-	2,506	(2,506)
Junior Livestock Auction expenses	-	26,334	(26,334)
Maintenance and operations	228,951	250,567	(21,616)
Miscellaneous fair	11,840	21,393	(9,553)
Premiums	22,000	24,752	(2,752)
Publicity	51,700	52,499	(799)
Depreciation expense	67,676	71,740	(4,064)
Total Operating Expenses	<u>766,705</u>	<u>934,649</u>	<u>(167,944)</u>
<b>CHANGE IN NET POSITION</b>	<u>\$ (64,225)</u>	<u>\$ (75,079)</u>	<u>\$ (10,854)</u>

The accompanying notes are an integral part of these financial statements

26<sup>th</sup> District Agricultural Association  
Amador County Fair  
**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2014

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

*A. Reporting Entity-*

The 26<sup>th</sup> District Agricultural Association was formed for the purpose of sponsoring, managing and conducting the Amador County Fair (Fair) which has been held in Plymouth, California since 1938. The fairgrounds are also used throughout the year for various organizational and private events. The Fair is governed by a nine (9) member board. Board Members are appointed by the Governor of California to serve a four year term. The State of California through the Department of Food and Agriculture, Division of Fairs and Expositions, provides fiscal and policy oversight to the Fair. The Fair is subject to the policies, procedures, and regulations established by the California Government Code, California Business and Professional Code, Public Contracts Code, Food and Agricultural Code, State Administrative Manual, and the Accounting Procedures Manual established by the Division of Fair and Expositions.

*B. Fund Accounting, Basis of Accounting and Presentation-*

The accounting records of the Fair are organized on the generally accepted basis of accounting for an enterprise fund. Enterprise funds are used to account for operations that are financed and operated in a manner similar to a private business enterprise, where they intend is that the costs (expenses, including depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through user charges. The Fair has one operating fund.

Proprietary funds are reported using the economic measurement focus and the accrual basis of accounting. Revenues are reported in the year earned, rather than collected, and expenses are reported in the year incurred, regardless of the timing of the related cash flows. Accordingly, these statements reflect all significant receivables, payables, and other liabilities.

Proprietary funds distinguish between operating revenues and expenses from non-operating items. Operating revenues are generated from the primary operation of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operation of the fund. All other expenses are reported as non-operating expenses.

*C. Net Position-*

Net position comprises the various net earnings from operating income, non-operating revenues and expenses and capital contributions. Net position is classified in the following three components:

*Net investment in capital assets-* This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any borrowings that are attributable to the acquisition, construction or improvement of those assets.

*Restricted-* This component of net position consists of constraints imposed by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. The Fair had no restricted earnings in 2014.

*Unrestricted-* This component of net position consists of net assets that do not meet the definition of "restricted" or "net investment in capital assets". The Junior Livestock Auction (JLA) fund does not meet the definition of "restricted", however the Board has designated this fund to separately account for all JLA activities.

When both restricted and unrestricted resources are available, it is the Fair's policy to use restricted resources first, then unrestricted resources of most to least restricted as they are needed.

26<sup>th</sup> District Agricultural Association  
Amador County Fair  
**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2014

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

*D. Support and Revenue-*

The Fair's general operations are funded primarily through Fair time revenue, like fair admissions, concessions, and entertainment, and year round rental of facilities.

The State of California, Department of Food and Agriculture, through the Division of Fairs and Expositions, allocates funds annually to the Fair 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 allocations. The Fair received \$33,000 in allocations for 2014.

Fair time miscellaneous income consists primarily of various sponsors of the Amador County Fair and other events held at the fairgrounds.

The Fair recognized an insurance recovery claim in the amount of \$12,468 as other operating revenue in 2014. The payment is for business interruption of fair time revenue as a result of the Sand Fire. This claim was paid in January 2015.

Other operating revenue includes refunds, reimbursements, rebates, service and handling charges, and other small incidental revenue.

*E. Budgetary Control:*

The Fair establishes a budget annually and submits the budget to Department of Food and Agriculture. The Board of Directors and Executive Director monitor monthly revenues and expenses against the budget as a control for the District. The 2014 budget was approved December 30, 2013. Any expenditures in excess of budgeted amount were covered by the available fund balance.

*F. Cash and Cash Equivalents-*

The Fair's cash and cash equivalents are held at various local banks. Cash and cash equivalents include cash held in checking, savings and money market accounts, cash on hand and other highly liquid investments with original maturities of three months or less. The cost of all cash equivalents of the Fair approximates market value.

The California State Treasury makes available the Local Agency Investment Fund (LAIF) through which local governments may pool investments. Investments in LAIF are highly liquid, as deposits can be converted to cash within 24 hours without loss of interest. Therefore, the District considers all pooled government funds with LAIF to be cash equivalents.

*G. Capital Assets*

Fixed assets are recorded at cost. Major renewals and improvements are capitalized, while replacements, maintenance and repairs, which do not materially extend the useful lives of the assets, are expensed. It is the Fair's current policy to capitalize expenditures for these items in excess of \$5,000. Upon sale or retirement of fixed assets, the cost and related accumulated depreciation are eliminated from the respective accounts and the resulting gain or loss is recorded. Depreciation on all assets is computed using the straight-line method over the estimated useful lives of the assets. Estimated useful lives range from 5 to 50 years. Depreciation expense for fiscal year ended December 31, 2014 was \$71,740.

26<sup>th</sup> District Agricultural Association  
Amador County Fair  
**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2014

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

*H. Comparative Financial Statements -*

The financial statements include certain prior-year summarized comparative information in total. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Fair's financial statements for the year ended December 31, 2013, from which the summarized information was derived. Certain amounts have been restated to conform with current year presentation.

*I. Compensated Absences -*

Vested unused vacation, personal leave and compensatory time off may be accumulated and, if not taken, is paid at the date of separation from Fair employment. The compensated absences liability is calculated based on the pay rates in effect at the balance sheet date.

*J. Deferred Outflows/Inflows of Resources*

In addition to assets, the statement of net position may report a separate section for deferred outflows of resources. This element represents a consumption of net position that applies to a future period, and will not be recognized until then. The Fair has no deferred outflow of resources.

In addition to liabilities, the statement of net position may report a separate section for deferred inflows of resources. This element represents the acquisition of net position that that applies to a future period and will not be recognized until then. The deferred inflows of resources represent the funds received, but not yet spent for repairs and maintenance of the "Gold Mine" display.

*K. Donated Services*

Many individuals volunteer their time and perform a variety of tasks that assist the Fair. The value of these services for those individuals that contribute specialized skills or create or enhance a nonfinancial asset was reported in the financial statements at an estimated value of \$83,800 and is reported as in-kind contributions.

*L. Guaranteed Deposits -*

The Fair recognizes the advanced monies received to secure the use of fairground services as guaranteed deposits. These deposits are refundable to the customers once the rental contract has been fulfilled.

*M. Other Liabilities*

Other liabilities represent the Miss Amador Scholarship fund.

*N. Prepaid Expenses -*

Prepaid balances are for payments made by the Fair in the current year to provide services occurring in the subsequent fiscal year.

*O. Use of Estimates -*

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

26<sup>th</sup> District Agricultural Association  
 Amador County Fair  
**NOTES TO THE FINANCIAL STATEMENTS**  
 December 31, 2014

**NOTE 2- CASH AND CASH EQUIVALENTS**

The Fair's cash balances as of December 31, 2014 consisted of the following:

ACCOUNT	Interest Rate	
Petty cash		\$ 100
Change fund		1,420
American River Bank- JLA	0.02%	33,931
LAIF	0.249%	51,227
Wells Fargo Bank		
Operating account		123,678
Business checking-PayPal		3,642
Business checking-Premium		1,073
Market rate savings-ATM	0.03%	6,425
<b>Total Cash</b>		<b>\$ 221,496</b>

Investment Policy: In accordance with Section 53601 of the California Government Code, the Fair may invest in the following:

- Securities of the US government or its agencies
- Negotiable Certificates of Deposit
- Local Agency Investment Fund (LAIF)
- Demand accounts with reputable commercial financial institutions

Interest rate risk: Interest rate risk is the risk that changes in the markets interest rates will adversely affect the fair market value of the investment.

Credit Risk: Credit risk is the risk that the issuer of an investment will not fulfill its obligation to the holder of the investment.

Concentration of credit risk: Concentration of credit risk is the risk of loss that may occur by investment in a single issuer.

Custodial credit risk: Custodial credit risk is the risk, that in the event of the failure of a depository institution, the Fair may not be able to recover its deposits. All bank balances were insured by the Federal Depository Insurance Corporation (FDIC). At no time during the year, did the deposits exceed the insured amount of \$250,000.

To mitigate the above mentioned risks, the Fair follows all regulations regarding investments and holds its investments with the Local Agency Investment Fund (LAIF). This program allows local agencies to participate in a major investment portfolio managed by the State Treasurer's Office. The balance is stated at the fair market value, which is based on the quoted market price. Income from this account is distributed on the amortized cost method, which approximates the fair market value. The amortized cost method is not designed to distribute the unrealized gains and loss of the pool's investment. Required disclosure information regarding categorization of investments and other deposit and investment risk disclosures related to the this account can be found at the California State Treasurer's Office located at 915 Capitol Mall C-15 Sacramento, California 95814 or online at [www.treasurer.ca.gov/pmia-laif](http://www.treasurer.ca.gov/pmia-laif) in the reporting documents section listed under PMIA. The LAIF annual average yield for 2014 was .249%.

26<sup>th</sup> District Agricultural Association  
 Amador County Fair  
**NOTES TO THE FINANCIAL STATEMENTS**  
 December 31, 2014

**NOTE 3- ACCOUNTS RECEIVABLE**

At December 31, 2014, accounts receivable consisted of receivables from Junior Livestock Auction sponsors and general trade receivables due from rentals, interim events, and reimbursements. The Fair is required to record an allowance for doubtful accounts based on estimates of collectability.

Junior Livestock Auction sponsors	\$ 32,426
Trade receivables	24,665
Less allowance for doubtful accounts	(9,060)
<b>Accounts Receivable, net</b>	<b>\$ 48,031</b>

**NOTE 4 - CAPITAL ASSETS**

Fixed assets are recorded at cost. Major renewals and improvements are capitalized, while replacements, maintenance and repairs, which do not materially extend the useful lives of the assets, are expensed. It is the Fair's current policy to capitalize expenditures for these items in excess of \$5,000. Upon sale or retirement of fixed assets, the cost and related accumulated depreciation are eliminated from the respective accounts and the resulting gain or loss is recorded. Depreciation on all assets is computed using the straight-line method over the estimated useful lives of the assets. Estimated useful lives range from 5 to 50 years. Depreciation expense for fiscal year ended December 31, 2014 was \$71,740. Capital assets at December 31, 2014, consisted of the following:

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Capital Assets not being depreciated:</b>				
Land	\$ 9,764	\$ -	\$ -	\$ 9,764
<b>Total capital assets not being depreciated</b>	<b>9,764</b>	<b>-</b>	<b>-</b>	<b>9,764</b>
<b>Capital assets being depreciated:</b>				
Buildings and improvements	2,937,850	46,240	-	2,984,090
Equipment	82,308	-	-	82,308
Photovoltaic project	259,429	-	-	259,429
<b>Total capital assets being depreciated</b>	<b>3,279,587</b>	<b>46,240</b>	<b>-</b>	<b>3,325,827</b>
<b>Less accumulated depreciation</b>	<b>(2,166,079)</b>	<b>(71,740)</b>	<b>-</b>	<b>(2,237,819)</b>
<b>Total capital assets being depreciated, net</b>	<b>1,113,508</b>	<b>(25,500)</b>	<b>-</b>	<b>1,088,008</b>
<b>Total Capital Assets, net</b>				<b>\$ 1,097,772</b>

26<sup>th</sup> District Agricultural Association  
 Amador County Fair  
**NOTES TO THE FINANCIAL STATEMENTS**  
 December 31, 2014

**NOTE 5 - LONG TERM DEBT**

*PNC Equipment Financing:*

On July 28, 2010 the Fair entered into an agreement with the California Department of Food and Agriculture, Division of Fairs and Expeditions for a grant to assist in servicing the PNC Equipment Finance debt for the Phase II Photovoltaic project. In October of 2013, the Fair refinanced this loan. The refinances loan requires 60 monthly payments of \$1,759.02 and has an annual interest rate of .246%. The total amount refinanced was \$104,884. Monthly payments in the amount of \$2,193 are paid directly to the California Construction Authority

*Public Employees Retirement System (PERS):*

During 2014, the Fair received a notice from PERS regarding prior year retirement contributions that had not been determined correctly. As a result, the Fair underpaid its retirement contributions in 2011, 2012 and 2013. The underfunded liability is to be paid to PERS in twelve equal installments beginning in November 2015.

The following is a summary of changes in long term debt for the fiscal year ended December 31, 2014:

	Balance 12/31/13	Additions	Deletions	Balance 12/31/14	Amounts Due Within One Year
PERS	\$ -	\$ 29,940	\$ -	\$ 29,940	\$ 4,990
Photovoltaic Loan	104,884	-	(20,873)	84,011	19,179
<b>TOTAL</b>	<b>\$ 104,884</b>	<b>\$ 29,940</b>	<b>\$ (20,873)</b>	<b>\$ 113,951</b>	<b>\$ 24,169</b>

A summary of principal debt service requirements is as follows:

Year Ending	Principal	Interest	Total Payment
2015	19,179	187	19,366
2016	20,973	136	21,109
2017	21,024	84	21,108
2018	21,076	32	21,108
2019	1,759	-	1,759
	<b>\$ 84,011</b>	<b>\$ 440</b>	<b>\$ 84,451</b>

**NOTE 6- RETIREMENT PLANS**

Permanent Fair employees are members of the California Public Employees Retirement System (CALPERS). CALPERS is the largest public pension fund and provides retirement and health benefit services to eligible employees. Retirement contributions made by the Fair and its employees are actuarially determined. CALPERS is a define benefit retirement plans which provides benefits based on the eligible member's years of service, age, and highest compensation. The plan also provides death and disability benefits. CALPERS issues a separate comprehensive financial report that can be obtained online at [www.calpers.ca.gov](http://www.calpers.ca.gov). The expense recognized in 2014 was \$29,940 for expenses incurred in 2011, 2012, and 2013. There were no current year expenses.

26<sup>th</sup> District Agricultural Association  
Amador County Fair  
**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2014

**NOTE 6- RETIREMENT PLANS (continued)**

GASB Statement No. 68 (GASB 68), Accounting and Financial Reporting for Pensions, will require the District to record net pension obligation on the government-wide statement of net position. Net position obligation equals the difference between the total pension liability and the value of assets set aside in a pension plan to pay benefits. GASB 68 will be effective for the Fair for the year ending December 31, 2015.

Temporary, 119 day, employees of the Fair participate on the Part-time, seasonal, Temporary Retirement Plan (PST). The PST program is a mandatory 457 plan under the Internal Revenue Code where employees pay 7.5% of your gross wages before taxes, in lieu of Social Security. All contributions are 100% vested and may be withdrawn upon separation of service.

**NOTE 7- AMADOR COUNTY FAIR FOUNDATION**

The Amador County Fair Foundation is an organization exempt under IRC Section 501 (c)(3). As an exempt organization, the Foundation may receive tax deductible contributions on behalf of the Amador County Fair. The Foundation is an affiliate of the Fair. The Fair has no ownership or voting interest in the Foundation. The activities of the Foundation are not included in the financial statements of the Fair. In 2014, the Foundation provided building improvements to the Amador County Fair valued at \$35,000, which has been recognized in the financial statements.

**NOTE 8- RISK MANAGEMENT**

The Fair is exposed to various risks of loss related to torts; theft, damage or destruction of assets; errors or omissions; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. There were no significant reductions in insurance coverage from prior periods.

**NOTE 9- CONTINGENCIES**

The Fair is unaware of any claims made against it that may have a material effect on the financial statement as of December 31, 2014.

**NOTE 10- SUBSEQUENT EVENTS**

The Fair has evaluated subsequent through January 27, 2016, the date through which the financial statements were available to be issued. There were no events to report.



# Supplementary Information

26th District Agricultural Association  
 Amador County Fair  
**EXPENSE DETAIL**  
 For the Year Ended December 31, 2014

	Admin- istration	Attendance Operations	Exhibit Expenses	Fair Entertain- ment	Horse Show Expenses	Interim Expense	JLA Expense	Maintenance and General Operations	Misc Fair Expenses	Premium Expense	Publicity	In kind expense & Depreciation	Totals (memo only)
Employee benefits	51,329	-	-	-	-	-	-	28,337	-	-	-	-	79,666
Payroll taxes	4,628	391	523	-	72	-	-	4,339	172	-	134	-	10,259
Worker's comp insurance	3,952	1,318	1,215	-	148	-	-	3,607	582	-	86	-	10,908
Advertising	-	-	-	-	-	2,423	-	-	-	-	37,879	-	40,302
Auction expenses	-	-	-	-	-	-	8,698	-	-	-	-	-	8,698
Bank fees	235	-	-	-	-	-	2,141	-	-	-	-	-	2,376
Bad debt expense	390	-	-	-	-	-	-	-	-	-	-	-	390
Salaries & wages	82,171	26,940	24,714	-	3,020	-	-	74,031	11,910	-	-	-	222,786
Cattle fees	-	-	-	-	7,200	-	-	-	-	-	-	71,740	71,740
Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	369
Director's expenses	369	-	-	-	-	-	-	-	-	-	-	-	2,292
Dues and subscriptions	2,292	-	-	-	-	-	-	-	-	-	-	-	53,130
Entertainment	-	-	3,806	46,704	2,620	-	-	-	-	-	-	-	25,640
GL Insurance	25,640	-	-	-	-	-	-	-	-	-	-	-	83,800
In-Kind Expense	-	-	-	-	-	-	-	-	-	-	-	-	67,925
Maintenance of grounds and equip	-	-	-	-	-	-	-	63,861	4,064	-	-	83,800	83,800
Miscellaneous	527	51	2,195	1,430	-	-	-	34	1,353	-	-	-	5,590
Office	3,100	-	-	-	-	-	-	-	-	-	-	-	3,100
Professional services	17,052	19,555	900	15,500	1,632	83	7,500	-	-	-	4,500	-	66,722
Promo. & public relations	-	-	-	-	-	-	-	-	-	-	9,900	-	9,900
Rental expense	-	1,175	-	-	-	-	-	-	-	-	-	-	1,175
Rodeo	-	-	-	-	-	-	-	-	-	-	-	-	1,175
Supplies	5,587	5,685	7,607	17,200	906	-	7,995	511	3,312	-	-	-	20,512
Telephone	1,629	-	-	758	-	-	-	-	-	-	-	-	29,049
Trash removal and clean up	-	-	-	-	-	-	-	7,979	-	-	-	-	1,629
Trophies, medals, cash awards	-	-	-	-	876	-	-	-	-	24,752	-	-	7,979
Unemployment insurance	2,180	-	-	-	-	-	-	-	-	-	-	-	25,628
Utilities	2,632	-	-	-	-	-	-	67,868	-	-	-	-	2,180
	\$203,713	\$ 55,115	\$ 40,960	\$ 81,592	\$ 16,474	\$ 2,506	\$ 26,334	\$ 250,567	\$ 21,393	\$ 24,752	\$ 52,499	\$ 155,540	\$931,445