

**RIVERDALE IRRIGATION DISTRICT
FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED DECEMBER 31, 2023**

**RIVERDALE IRRIGATION DISTRICT
FOR THE YEAR ENDED DECEMBER 31, 2023**

Table of Contents

	<u>Page</u>
Board of Directors and Administration	1
Independent Auditor's Report	2-3
Management's Discussion and Analysis (Required Supplementary Information)	4-6
Basic Financial Statements:	
Statement of Net Position	7
Statement of Revenues, Expenditures and Changes in Net Position	8
Statement of Cash Flows	9
Notes to Financial Statements	10-15

**RIVERDALE IRRIGATION DISTRICT
FOR THE YEAR ENDED DECEMBER 31, 2023**

Board of Directors

John L. Mendes President

Leonard Acquistapace Vice President

Tony Fontes Director

Administration

Kimberly Mayfield & Yareli Zarate Assessor/Collector/Treasurer/Secretary

David Kahn Attorney



Independent Auditor's Report

To the Board of Directors
Riverdale Irrigation District
Riverdale, California

Opinion

We have audited the accompanying statements of Riverdale Irrigation District (the district) as of and for the year ended December 31, 2023, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Riverdale Irrigation District, as of December 31, 2023, and the changes in its financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Riverdale Irrigation District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 Riverdale Irrigation District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility for the Audit of the Financial Statements

Our 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 our opinion. 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 generally accepted auditing standards 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.

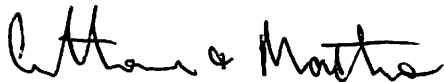
In performing an audit in accordance with generally accepted auditing standards, we:

- 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 Riverdale Irrigation District'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.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate that raise substantial doubt about the Riverdale Irrigation District's ability to continue as a going concern for a reasonable period of time.

We are 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 we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis 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. We 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 our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We 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.



May 22, 2024

RIVERALE IRRIGATION DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Riverdale Irrigation District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the District's financial performance during the year ended December 31, 2023. Please read in conjunction with the District's financial statements, which follow this section.

Financial Highlights

- The District's total net position increased \$192,442 or 14.81% over the course of the year's operations.
- The District's operating revenue increased \$86,871 or 14.80% and operating expenses increased \$113,624 or 22.34% during the year ended December 31, 2023.
- The District's capital assets increased by \$123,106 before accumulated depreciation during the year ended December 31, 2023. The increase is mostly related to the Blythe Recharge Project that is in progress.

Overview of the Financial Statements

This annual financial report includes this management's discussion and analysis, the independent auditor's report, the basic financial statements of the District and selected additional information. The financial statements also include notes that explain in more detail some of the information in the financial statements.

Required Financial Statements

The financial statements of the District report information of the District using accounting methods similar to those used by private sector companies. These statements offer short- and long-term financial information about its activities. The Statement of Net Position includes all of the District's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to District creditors (liabilities). It also provides the basis for evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District.

All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses and Changes in Net Position. This statement can be used to determine whether the District has successfully recovered all of its costs through its user fees and other charges, its profitability, and its credit worthiness.

The final required financial statement is the Statement of Cash Flows. This statement reports cash receipts, cash payments, and net changes in cash resulting from operations, financing, and investing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in the cash balance during the reporting period.

Financial Analysis of the District

One of the most important questions asked about the District's finances is "Is the District, as a whole, better off or worse off as a result of this year's activities?" The Statement of Net Position and Statement of Revenues, Expenses and Changes in Net Position report information about the District's activities in a way that will help answer this question. These two statements report the net position of the District and the changes in them. One can think of the District's net position—the difference between assets and liabilities—as one way to measure financial health or financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. However, one will need to consider other non-financial factors such as changes in economic conditions, population growth, and new or changed government legislation.

**RIVERDALE IRRIGATION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)**

Net Position

A comparison of the Statement of Net Position can determine the change in the components of financial position (the assets and liabilities) of the District from year-end to year-end. This comparison is presented in the following table:

**Condensed Statement of Net Position
December 31, 2023 and 2022**

	<u>2023</u>	<u>2022</u>	<u>Dollar Change</u>	<u>Percentage Change</u>
Current Assets	\$ 883,008	\$ 794,062	\$ 88,946	11.20%
Capital Assets	<u>1,043,235</u>	<u>969,549</u>	<u>73,686</u>	<u>7.60%</u>
Total Assets	<u>1,926,243</u>	<u>1,763,611</u>	<u>162,632</u>	<u>9.22%</u>
Current Liabilities	111,274	86,873	24,401	28.09%
Long Term Debt	<u>323,099</u>	<u>377,310</u>	<u>(54,211)</u>	<u>-14.37%</u>
Total Liabilities	<u>434,373</u>	<u>464,183</u>	<u>(29,810)</u>	<u>-6.42%</u>
Total Net Position	<u>\$ 1,491,870</u>	<u>\$ 1,299,428</u>	<u>\$ 192,442</u>	<u>14.81%</u>

The table shows that the District's net position increased \$192,442 in 2023. Factors contributing to this change include:

- An increase in assets of \$123,106, of which \$109,840 is CIP for the Blythe Recharge Project.

Revenues, Expenses and Changes in Net Position

A comparison of the Statement of Revenues, Expenses and Changes in Net Position for each year will explain the changes in financial position that resulted from the operating activities during that year. This comparison is presented in the following table:

**Condensed Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended December 31, 2023 and 2022**

	<u>2023</u>	<u>2022</u>	<u>Dollar Change</u>	<u>Percentage Change</u>
Operating Revenues	\$ 673,718	\$ 586,848	\$ 86,870	14.80%
Operating Expenses	<u>622,197</u>	<u>508,573</u>	<u>113,624</u>	<u>22.34%</u>
Operating Income (Loss)	<u>51,521</u>	<u>78,275</u>	<u>(26,754)</u>	<u>-34.18%</u>
Non-Operating Revenues	<u>140,921</u>	<u>8,969</u>	<u>131,952</u>	<u>1471.20%</u>
Change In Net Position	192,442	87,244	105,198	120.58%
Net Position - Beginning of Year	<u>1,299,428</u>	<u>1,212,184</u>	<u>87,244</u>	<u>7.20%</u>
Net Position - End of Year	<u>\$ 1,491,870</u>	<u>\$ 1,299,428</u>	<u>\$ 192,442</u>	<u>14.81%</u>

**RIVERDALE IRRIGATION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)**

The table shows that during 2023 operating revenues increased by \$86,870 or 14.80% over 2022. The table also shows that during 2023, operating expenses increased \$113,624 or 22.34% over 2022.

Factors contributing to this change include:

- Assessments of \$598,915 were up by \$20,098 from 2022
- Expenses increased during the year primarily due to increased payroll and repairs and maintenance.

Budgetary Highlights

The District does not maintain a formal budget. It does analyze prior financial reports and current needs in determining the proper assessments for the current year.

Capital Assets

As of December 31, 2023, the District had \$1,043,235 in net capital assets as shown in the following table:

Capital Assets December 31, 2023 and 2022				
	<u>2023</u>	<u>2022</u>	<u>Dollar Change</u>	<u>Percentage Change</u>
Land	\$ 535,106	\$ 535,106	\$ -	0.00%
Irrigation System	305,729	292,463	13,266	4.54%
Building Improvements	6,800	6,800	-	0.00%
Machinery, Equipment and Auto	158,772	158,772	-	0.00%
CIP	109,840	-	109,840	100.00%
Source of Supply - Pine Flat Reservoir	328,419	328,419	-	0.00%
Less Accumulated Depreciation	<u>(401,431)</u>	<u>(389,572)</u>	<u>(11,859)</u>	<u>3.04%</u>
 Net Capital Assets	 <u>\$ 1,043,235</u>	 <u>\$ 931,988</u>	 <u>\$ 111,247</u>	 <u>11.94%</u>

Contacting the District's Management

This annual financial report is designed to provide our customers and creditors with a general overview of the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Riverdale Irrigation District, P.O. Box 683, Riverdale, CA 93656.

**RIVERDALE IRRIGATION DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2023**

Assets

Current Assets	
Cash	\$ 549,886
Current Assessments Receivable	255,407
Accrued Interest Receivable	2,227
Other Receivable	47,395
Delinquent Assessments Receivable	20,417
Prepaid Insurance	<u>7,676</u>
Total Current Assets	883,008
Capital Assets - Net	<u>1,043,235</u>
Total Assets	<u>1,926,243</u>

Liabilities

Current Liabilities	
Note Payable, Current Portion	54,210
Accounts Payable	50,992
Interest Payable	4,487
Payroll Taxes Payable	<u>1,585</u>
Total Current Liabilities	111,274
Long-Term Liabilities	
Note Payable, Less Current Portion	<u>323,099</u>
Total Liabilities	<u>434,373</u>

Net Position

Net Investment In Capital Assets	665,926
Unrestricted	<u>825,944</u>
Total Net Position	<u>\$1,491,870</u>

The accompanying notes are an integral part of these financial statements.

RIVERDALE IRRIGATION DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2023

Operating Revenues	
Current Assessments	\$ 598,915
Penalties, Interest Costs and Other Charges	4,948
Pine Flat Water Use Fees	<u>69,855</u>
Total Operating Revenues	<u>673,718</u>
Operating Expenses	
Payroll - General	141,985
Payroll - Office	26,076
Payroll - Directors	11,106
Payroll Taxes	13,345
Assessments and Dues	139,131
Depreciation	11,859
Engineering	3,419
Fuel	9,041
Insurance	78,832
Legal and Accounting	40,117
Miscellaneous	3,186
Office	11,471
Repairs and Maintenance	80,032
Supplies	2,864
Utilities	7,204
Vehicle	<u>42,529</u>
Total Operating Expenses	<u>622,197</u>
Operating Income	<u>51,521</u>
Nonoperating Revenues and Expenses	
Grants	89,000
Interest Income	10,652
Miscellaneous Income	53,414
Interest Expense	<u>(12,145)</u>
Total Nonoperating Revenues	<u>140,921</u>
Change In Net Position	192,442
Net Position at Beginning of Year, Restated	<u>1,299,428</u>
Net Position at End of Year	<u>\$1,491,870</u>

The accompanying notes are an integral part of these financial statements.

**RIVERDALE IRRIGATION DISTRICT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023**

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received From Customers	\$ 572,318
Cash Paid to Suppliers	(417,408)
Cash Paid to Employees	<u>(170,621)</u>
Net Cash Flows From Operating Activities	<u>(15,711)</u>
 CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Other Income	<u>53,414</u>
 CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES	
Payments on Notes Payable	(52,462)
Interest Paid on Notes Payable	<u>(12,714)</u>
Net Cash Flow From Capital Financing Activities	<u>(61,721)</u>
 CASH FLOWS FROM INVESTING ACTIVITIES	
Cash Received From Interest Earned	<u>9,561</u>
Net Change in Cash	(14,457)
Cash at the Beginning of Year	<u>564,343</u>
Cash at the End of Year	<u><u>\$ 549,886</u></u>
 Reconciliation of Operating Income to Net Cash Flows from Operating Activities:	
Operating Income	\$ 51,521
Adjustments to reconcile operating Income to net cash provided by operating activities:	
Depreciation	11,859
Changes in Assets and Liabilities	
Current Assessments Receivable	(60,948)
Other Receivable	(45,215)
Delinquent Assessments Receivable	4,763
Prepaid Insurance	(912)
Accounts Payable	22,787
Payroll Taxes Payable	<u>434</u>
Net Cash Flows From Operating Activities	<u><u>\$ (15,711)</u></u>

The accompanying notes are an integral part of these financial statements.

**RIVERDALE IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

(1) Description of Entity

(a) Description of Operations

Riverdale Irrigation District (the District) was formed April 19, 1920 as a special district in the State of California and is governed by a three-person Board of Directors. The District operates entirely within the County of Fresno, California. The principal function of the District is to provide water for the benefit of lands within the District.

(b) Reporting Entity

In accordance with the requirements of *The Financial Reporting Entity, of the Governmental Accounting Standards Board (GASB)*, the financial statements must present the District (the primary government) and its component units. Pursuant to this criterion, no component units were identified for inclusion in the accompanying financial statements.

(2) Summary of Significant Accounting Policies

(a) Basis of Presentation and Accounting

The financial statements of the Riverdale Irrigation District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's policies are described below.

The accompanying financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting and reflect transactions on behalf of the District, the reporting entity. The District accounts for its operations as an enterprise fund.

Operating revenues and expenses consist of those revenues that result from the ongoing principal operations of the District. Operating revenues consist primarily of charges for services. Nonoperating revenues and expenses consist of those revenues and expenses that are related to financing and investing type of activities and result from non-exchange transactions or ancillary activities.

(b) Cash Equivalents and Investments

The District considers all highly liquid investments (including restricted cash and investments) with maturities of three months or less when purchased to be cash equivalents. It is the policy of the District to invest only in banks or savings and loans and the California Local Agency Investment Fund.

(c) Accounts Receivable

Uncollectible accounts included in accounts receivable are considered to be immaterial. Therefore, no allowance for uncollectible accounts has been established.

**RIVERDALE IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023
(Continued)**

(d) Capital Assets

Capital assets are stated at historical cost. Depreciation of property, plant and equipment are computed using the straight-line method over the useful lives of the assets. Depreciation is charged against operations and accumulated depreciation is reported net with capital assets. Repairs and maintenance are recorded as expenses; renewals and betterments are capitalized. The sale or disposal of fixed assets are recorded by removing cost and accumulated depreciation from the accounts and charging the resulting gain or loss to nonoperating revenue.

The estimated useful lives of the various assets of the District are as follows:

<u>Type of Assets</u>	<u>Estimated Useful Life In Years</u>
Irrigation System	10 - 40
Building and Improvements	10 - 20
Office Equipment	5 - 10

(e) Net Position

Equity is classified as net position and displayed in three components:

- a. **Net investment in capital assets**—Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings (if any) that are attributable to the acquisition, construction, or improvement of those assets.
- b. **Restricted net position**—Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. **Unrestricted net position**—All other net position that do not meet the definition of “restricted” or “net investment in capital assets”.

(f) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies 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.

(3) Cash and Cash Equivalents

Cash and cash equivalents at December 31, 2023 consisted of the following:

Cash On Hand	\$ 40
Cash In Bank - Bank of the West	193,658
Investment in Local Agency Investment Fund	<u>356,188</u>
 Total Cash	 <u>\$ 549,886</u>

**RIVERDALE IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023
(Continued)**

(a) Fair Value Measurement

The framework for measuring fair value provides a fair value hierarchy that categorizes the inputs to valuation techniques used to measure fair value into three levels. The fair value hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described as follows:

Level 1: Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.

Level 2: Inputs to valuation methodology include inputs – other than quoted prices included within Level 1 – that are observable for an asset or liability, either directly or indirectly.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset’s or liability’s fair value measurement level within a fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments by fair value level:				
State of California - LAIF	\$ 356,188	\$ -	\$ 356,188	\$ -

(b) Investment in State Investment Pool

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the District’s investment in this pool is reported in the accompanying financial statements at amounts based upon the District’s pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

(c) Authorized Deposits and Investments

The District’s investment policy authorizes investments in the Local Agency Investment Fund. The District’s investment policy does not contain specific provisions intended to limit its exposure to interest rate risk, credit risk, custodial risk, and concentration of credit risk.

(d) 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. The District does not have a formal investment policy that would further limit investment maturities as a means of managing its exposure to fair value losses arising from increasing rates.

RIVERDALE IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023
(Continued)

(e) 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; however, the Local Agency Investment Fund is not rated.

(f) Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer of securities. When investments are concentrated in one issuer, this concentration presents a heightened risk of potential loss. The District's deposit portfolio with governmental agencies consists of the Local Agency Investment Fund at 65% as of December 31, 2023, of the District's total depository and investment portfolio. The District does not have a formal investment policy that would further limit exposure to concentration of credit risk.

(g) 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 does 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. As of December 31, 2023, the District did not have cash with banks that exceeded federal depository insurance limit of \$250,000.

The custodial risk for investments is the risk that, in the event of the failure of the counterparty 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 does 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 the Local Agency Investment Pools).

**RIVERDALE IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023
(Continued)**

(4) Note Payable

Note payable - Ally Auto Loan, due in monthly insallments of \$590, through October 22, 2025, with interest at 5.89% per annum.	\$ 12,261
Note payable - Westamerica Bank, due in semi-annual insallments of \$29,051, through August 6, 2030, with interest at 2.95% per annum.	<u>365,048</u>
	377,309
Less Current Portion	<u>54,210</u>
Net Long-Term Portion	<u><u>\$ 323,099</u></u>

Notes payable activity for the year ended Decmber 31, 2023 was as follows:

	<u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u>
	<u>January 1, 2023</u>			<u>December 31, 2023</u>
Notes Payable	<u>\$ 429,771</u>	<u>\$ -</u>	<u>\$ 52,462</u>	<u>\$ 377,309</u>

Matrurities of long-term debt as of June 30 are as follows:

2024	\$ 54,210
2025	54,833
2026	50,558
2027	52,061
2028	53,608
Thereafter	<u>112,039</u>
	<u><u>\$ 377,309</u></u>

**RIVERDALE IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023
(Continued)**

(5) Capital Assets

Capital asset activity for the year ended December 31, 2023 was as follows:

	Balance January 1, 2023	Increases	Decreases	Balance December 31, 2023
Land	\$ 535,106	\$ -	\$ -	\$ 535,106
Irrigation System	292,463	13,266	-	305,729
Building Improvements	6,800	-	-	6,800
Machinery, Equipment and Auto	158,772	-	-	158,772
CIP	-	109,840	-	109,840
Source of Supply-Pine Flat Reservoir	328,419	-	-	328,419
	<u>1,321,560</u>	<u>123,106</u>	<u>-</u>	<u>1,444,666</u>
Less Accumulated Depreciation	<u>(389,572)</u>	<u>(11,859)</u>	<u>-</u>	<u>(401,431)</u>
	<u>\$ 944,798</u>	<u>\$ 111,247</u>	<u>\$ -</u>	<u>\$ 1,043,235</u>

Depreciation expense charged to income for the year is \$11,859.

(6) Groundwater Sustainability Agency

The District belongs to the North Fork Kings Groundwater Sustainability Agency (GSA). The District has made payments to the Agency since 2016. These payments have been expensed as incurred by the District.

(7) Restatement of Beginning Financial Position

The beginning net position has been restated to reflect the capitalization of assets by the district for a capital project which was in progress as of December 31, 2023. The amount of the capitalized costs was \$37,561.

Net Position at Beginning of Year, As Previously Stated	\$ 1,261,867
Restatement Amount	<u>37,561</u>
Net Position at Beginning of Year, Restated	<u>\$ 1,299,428</u>