

**MAINTENANCE DISTRICT 07 – MARINA VIEW HEIGHTS  
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
JUNE 30, 2017**

**MAINTENANCE DISTRICT 07 – MARINA VIEW HEIGHTS  
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

**JUNE 30, 2017**

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## **Report of Independent Auditors**

To the Board of Supervisors  
Madera County

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the Maintenance District 07 – Marina View Heights (District), a component unit of the County of Madera, California as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

#### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the California Code of Regulations, Title 2, Section 1131.2, State Controller's *Minimum Audit Requirements* for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District'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 District'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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Maintenance District 07 – Marina View Heights as of June 30, 2017, 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.

**Emphasis of Matter**

*Correction of Error*

As discussed in Note 6 to the financial statements, the District restated their net position as of June 30, 2016, for reporting capital assets owned by the County of Madera, California, in particular, land, land under roads, and infrastructure, as owned by the District. Our opinion is not modified with respect to that matter.

**Other Matters**

*Required Supplementary Information*

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 financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. Our opinion on the financial statements is not affected by this missing information.

*Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 12-14 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Fresno, California  
September 25, 2019

## BASIC FINANCIAL STATEMENTS

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**MAINTENANCE DISTRICT 07 – MARINA VIEW HEIGHTS  
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

**STATEMENT OF NET POSITION  
JUNE 30, 2017**

**ASSETS**

Current Assets:

Cash and investments	\$ 658,952
Accounts receivable	9,325
Interest receivable	1,857
Due from Other Governments	2,282
Total Current Assets	<u>672,416</u>

Non-Current Assets:

Capital assets:

Land	86,155
Depreciable assets	355,264
Accumulated depreciation	<u>(159,111)</u>
Total Non-Current Assets	<u>282,308</u>

Total Assets	<u>954,724</u>
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**LIABILITIES**

Current Liabilities:

Accounts payable	5,774
Deposits from others	900
Due to County of Madera	29,054
Unearned revenue	838
Total Current Liabilities	<u>36,566</u>

Total Liabilities	<u>36,566</u>
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**NET POSITION**

Net investment in capital assets	282,308
Unrestricted	<u>635,850</u>

Total Net Position	<u>\$ 918,158</u>
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The notes to the basic financial statements are an integral part of this statement.

**MAINTENANCE DISTRICT 07 – MARINA VIEW HEIGHTS  
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2017**

Operating Revenues:	
Charges for services	\$ 114,339
Other revenues	<u>250</u>
Total Operating Revenues	<u>114,589</u>
Operating Expenses:	
Services and supplies	348,109
Maintenance	75,772
Insurance	998
Utilities	17,558
Depreciation	<u>11,275</u>
Total Operating Expenses	<u>453,712</u>
Operating Income (Loss)	<u>(339,123)</u>
Non-Operating Revenue (Expenses):	
Taxes	59,041
Investment income	6,497
Intergovernmental	<u>9,831</u>
Total Non-Operating Revenue (Expenses)	<u>75,369</u>
Change in Net Position	(263,754)
Net Position, Beginning of Year, restated	<u>1,181,912</u>
Net Position, End of Year	<u>\$ 918,158</u>

The notes to the basic financial statements are an integral part of this statement.



**MAINTENANCE DISTRICT 07 – MARINA VIEW HEIGHTS  
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2017**

Cash flows from operating activities:	
Cash receipts from customers and users	\$ 113,671
Cash paid to suppliers	<u>(163,248)</u>
Net cash provided (used) by operating activities	<u>(49,577)</u>
Cash flows from noncapital financing activities:	
Taxes	59,050
Operating grants	<u>9,831</u>
Net cash provided (used) by noncapital financing activities	<u>68,881</u>
Cash flows from capital and related financing activities:	
Capital grants	12,082
Acquisition and construction of capital assets	<u>(8,312)</u>
Net cash provided (used) by capital and related financing activities	<u>3,770</u>
Cash flows from investing activities:	
Interest on investments	<u>6,119</u>
Net cash provided (used) by investing activities	<u>6,119</u>
Net increase (decrease) in cash and cash equivalents	29,193
Cash and cash equivalents, beginning of the year	<u>629,759</u>
Cash and cash equivalents, end of the year	<u><u>\$ 658,952</u></u>

**Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities**

Operating income (loss)	\$ (339,123)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation	11,275
Abandoned construction costs	301,989
Changes in operating assets and liabilities:	
Decrease/(Increase) in accounts receivable	(963)
Increase/(Decrease) in accounts payable	(32,218)
Increase/(Decrease) in due to County of Madera	9,418
Increase/(Decrease) in deposits from others	300
Increase/(Decrease) in unearned revenues	<u>(255)</u>
Net cash provided (used) by operating activities	<u><u>\$ (49,577)</u></u>

The notes to the basic financial statements are an integral part of this statement.

NOTES TO THE BASIC FINANCIAL STATEMENTS

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**MAINTENANCE DISTRICT 07 – MARINA VIEW HEIGHTS  
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2017**

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

The basic financial statements of the **MD 07 - Marina View Heights** (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental agencies. 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 District's accounting policies are described below.

**A. Reporting Entity**

The District provides water service to 83 improved units and 9 standby units. The District provides sewer service to 83 improved and 9 standby units. The District has approximately 94 parcels with 0.68 miles of paved roads. These roads are minor rural County roads which are included in the County's maintained road system. The District is located along Bass Lake's northeast shore and is accessed from County Road 274 in Madera County.

The District was formed on June 25, 1963 by Resolution No. 63-286. The funding for the water and sewer system operations comes from charges for water and sewer services. The water and sewer rates were last set on May 27, 2008 by Resolution No. 2008-130 with an annual Consumer Price Index adjustment. In addition to the charges for water and sewer services, the District receives property tax to cover operating expenses of the District.

The Board of Supervisors is the governing body of the District. The District is considered a blended component unit of the County of Madera and is reported as an enterprise fund in the County of Madera financial statements. The financial statements included in this report are intended to present the financial position and results of operations of only the District. They are not intended to present the financial position or results of operations of the County of Madera taken as a whole.

**B. Basis of Presentation and Method of Accounting**

Proprietary fund financial statements include a Statement of Net Position and a Statement of Revenues, Expenses, and Changes in Net Position, and a Statement of Cash Flows.

Proprietary funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the Statement of Net Position. The Statement of Revenues, Expenses, and Changes in Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned, while expenses are recognized in the period in which the liability is incurred.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. The principal operating revenues of the District are charges for services. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. Operating expenses for the District include the costs of sales and services, administrative expenses, and depreciation on capital assets. All other expenses are reported as non-operating expenses.

**C. Cash and Investments**

Cash and investments shown in the Statement of Net Position represent the District's share of the County of Madera's cash and investment pool. Interest earnings from this pool are transferred to the District on a quarterly basis based on the District's average daily balance. The County has an investment committee, which performs regulatory oversight for its pool as required by California Government Code Section 27134.

**MAINTENANCE DISTRICT 07 – MARINA VIEW HEIGHTS  
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2017**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Receivables**

Receivables consist of fees charged for water and sewer services and interest from the County of Madera. Management believes its receivables to be fully collectible, and accordingly, no allowance for doubtful accounts is required.

**E. Property Taxes**

Secured and unsecured property taxes are levied in July each year. Property taxes become a lien against the property as of January 1 of each year. Secured property taxes are payable in two installments which are due November 1 and February 1. Unsecured property taxes are due on August 31. All property taxes receivable are due from property owners within the District.

**F. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (such as roads and similar items), are reported in the Statement of Net Position. Capital assets are defined by the District as assets with a cost of more than \$5,000 for machinery and equipment and \$10,000 for the other categories of capital assets with an estimated useful life of more than one year. Capital assets are valued at historical cost or estimated historical cost if actual historical cost was not available. Donated assets are valued at their estimated fair market value on the date donated.

Depreciation is recorded on a straight-line basis over estimated useful lives of the assets as follows:

<u>Depreciable Asset</u>	<u>Estimated Life</u>
Infrastructure	20-50 years
Water and Sewer Systems	15-65 years

The District's construction in progress is related to the preliminary expenses incurred for the water system improvement project. The District is in the process of determining scope changes for the proposed project and exploring funding mechanism for the project.

Maintenance and repairs are charged to operations when incurred. Betterments and major improvements which significantly increase values, change capacities, or extend useful lives are capitalized. Interest accrued during capital assets construction, if any, is capitalized as part of the asset cost.

**G. Net Position**

Net position is classified in the following three components:

- Net investment in capital assets – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.
- Restricted – This category presents external restrictions imposed by creditors, grantors, contributors, laws, or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- Unrestricted – This category represents all other net position of the District, that do not meet the definition of “net investment in capital assets” or “restricted net position.”

When both restricted and unrestricted resources are available for use, unrestricted resources are used only after the restricted resources are depleted.

**MAINTENANCE DISTRICT 07 – MARINA VIEW HEIGHTS  
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2017**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**H. Use of Estimates**

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

**NOTE 2: CASH AND INVESTMENTS**

Cash and investments at June 30, 2017 are classified in the financial statements as follows:

Cash and investments – unrestricted	\$658,952
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The District's cash and investments consisted of the following as of June 30, 2017:

Deposits held with County of Madera Investment Pool	\$658,952
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**Risk Disclosure**

Required disclosures for the District's deposit and investment risks for the cash held in the County of Madera Treasury at June 30, 2017, were as follows:

Credit risk	Not rated
Custodial risk	Not applicable
Concentration of credit risk	Not applicable
Interest rate risk	Refer to County of Madera's financial statements

Required disclosure information regarding categorization of investments and other deposit and investment risk disclosures can be found in the County of Madera's Comprehensive Annual Financial Report and may be obtained by contacting the County Auditor-Controller's Office at 200 W. 4th Street – Madera, CA 93637.

**Fair Value Measurements**

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. These principles recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Investments reflect prices quoted in active markets;
- Level 2: Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active; and,
- Level 3: Investments reflect prices based upon unobservable sources.

The District's cash investments in the County of Madera Investment Pool are carried at fair value. County of Madera invests in numerous types of investments ranging all levels in the fair value hierarchy. Accordingly, County of Madera Investment Pool is not an investment type that can be categorized in any particular level in the fair value hierarchy.

**MAINTENANCE DISTRICT 07 – MARINA VIEW HEIGHTS  
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2017**

**NOTE 3: CAPITAL ASSETS**

Capital assets activity for the year ended June 30, 2017, was as follows:

	<b>Total</b>			
	Balance July 1, 2016, restated	Additions	Deletions	Balance June 30, 2017
Capital assets, not being depreciated:				
Land	\$ 86,155	\$ -	\$ -	\$ 86,155
Construction in progress	465,914	-	(465,914)	-
Total capital assets, not being depreciated	552,069	-	(465,914)	86,155
Capital assets, being depreciated:				
Water and sewer systems	183,027	172,237	-	355,264
Total capital assets, being depreciated	183,027	172,237	-	355,264
Less accumulated depreciation for:				
Water and sewer systems	(147,836)	(11,275)	-	(159,111)
Total accumulated depreciation	(147,836)	(11,275)	-	(159,111)
Total capital assets being depreciated, net	35,191	160,962	-	196,153
Total capital assets, net	\$ 587,260	\$ 160,962	\$ (465,914)	\$ 282,308

Depreciation expense of \$11,275 was charged to the District.

The deletion of \$301,989 in construction in progress is due to the District abandoning the water system improvement consolidation project.

**MAINTENANCE DISTRICT 07 – MARINA VIEW HEIGHTS  
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2017**

**NOTE 3: CAPITAL ASSETS (Continued)**

	<b>Water</b>			Balance June 30, 2017
	Balance July 1, 2016	Additions	Deletions	
Capital assets, not being depreciated:				
Land	\$ 86,155	\$ -	\$ -	\$ 86,155
Construction in progress	465,914	-	(465,914)	-
Total capital assets, not being depreciated	552,069	-	(465,914)	86,155
Capital assets, being depreciated:				
Water systems	93,087	172,237	-	265,324
Total capital assets, being depreciated	93,087	172,237	-	265,324
Less accumulated depreciation for:				
Water systems	(74,376)	(10,036)	-	(84,412)
Total accumulated depreciation	(74,376)	(10,036)	-	(84,412)
Total capital assets being depreciated, net	18,711	162,201	-	180,912
Total capital assets, net	\$ 570,780	\$ 162,201	\$ (465,914)	\$ 267,067

Depreciation expense of \$10,036 was charged to the water service function of the District.

The deletion of \$301,989 in construction in progress is due to the District abandoning the water system improvement consolidation project.

	<b>Sewer</b>			Balance June 30, 2017
	Balance July 1, 2016	Additions	Deletions	
Capital assets, being depreciated:				
Sewer systems	\$ 89,940	\$ -	\$ -	\$ 89,940
Total capital assets, being depreciated	89,940	-	-	89,940
Less accumulated depreciation for:				
Sewer systems	(73,460)	(1,239)	-	(74,699)
Total accumulated depreciation	(73,460)	(1,239)	-	(74,699)
Total capital assets being depreciated, net	16,480	(1,239)	-	15,241
Total capital assets, net	\$ 16,480	\$ (1,239)	\$ -	\$ 15,241

Depreciation expense of \$1,239 was charged to the sewer service function of the District.



**MAINTENANCE DISTRICT 07 – MARINA VIEW HEIGHTS  
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2017**

**NOTE 4: RELATED PARTY TRANSACTIONS**

The District's property taxes are levied and collected through County of Madera Assessor and Treasurer-Tax Collector departments. The District contracts with the County of Madera to provide certain road maintenance services. The District's accounting and clerical functions are performed by County personnel. County of Madera charges the District for administrative costs incurred.

The amount due to the County of Madera as of June 30, 2017 is \$29,054.

**NOTE 5: INSURANCE AND RISK OF LOSS**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; and natural disasters. Because the District does not have employees, it is not exposed to injuries to employees. The District's officers are officials of the County, and therefore coverage for general liability and errors and omissions is provided under the County's program. This program is self-insured to a level of \$100,000, after which excess coverage is obtained through participation in the CSAC Excess Insurance Authority (EIA). Disclosure of complete information on risk management can be found in the County of Madera Comprehensive Annual Financial Report.

**NOTE 6: RESTATEMENT OF BEGINNING NET POSITION**

The beginning net position was overstated by \$69,786 due to land, land under roads, and infrastructure belonging to the County of Madera being reported as belonging to the District. There was no effect on the change in net position for the year ended June 30, 2016.

The restatement of beginning net position is summarized as follows:

	Net investment in capital assets	Unrestricted	Total
Net position at June 30, 2016, as previously stated	\$ 657,047	\$ 594,651	\$ 1,251,698
Land, land under roads, and infrastructure adjustments	(69,786)	-	(69,786)
Net position at June 30, 2016, as restated	\$ 587,261	\$ 594,651	\$ 1,181,912

**NOTE 7: COMMITMENTS AND CONTINGENCIES**

Grants

The District participates in a State grant program subject to financial and compliance audits by the grantor or their representatives. The amount, if any, of expenses which may be disallowed by the granting agency cannot be determined at this time. However, management does not believe that audit disallowances, if any, would have a significant effect on the financial position of the District.

Construction Commitments

At June 30, 2017, the District had a commitment for the water system improvement project. The committed construction amount is \$29,105.

Water Delivery Commitments

At June 30, 2017, the District had a commitment for water delivery services. The committed amount for water delivery is \$11,536.

SUPPLEMENTARY INFORMATION

**MAINTENANCE DISTRICT 07 – MARINA VIEW HEIGHTS  
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

**COMBINING STATEMENT OF NET POSITION  
JUNE 30, 2017**

	<b>Water</b>	<b>Sewer</b>	<b>Roads</b>	<b>Total</b>
<b>ASSETS</b>				
Current Assets:				
Cash and investments	\$ 190,689	\$ 468,233	\$ 30	\$ 658,952
Accounts receivable	3,193	6,132	-	9,325
Interest receivable	636	1,221	-	1,857
Due from other governments	2,282	-	-	2,282
Total Current Assets	196,800	475,586	30	672,416
Non-Current Assets:				
Capital assets:				
Land	86,155	-	-	86,155
Depreciable assets	265,324	89,940	-	355,264
Accumulated depreciation	(84,412)	(74,699)	-	(159,111)
Total Non-Current Assets	267,067	15,241	-	282,308
Total Assets	463,867	490,827	30	954,724
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts payable	3,515	2,229	30	5,774
Deposits from others	308	592	-	900
Due to County of Madera	14,395	14,659	-	29,054
Unearned revenue	287	551	-	838
Total Current Liabilities	18,505	18,031	30	36,566
Total Liabilities	18,505	18,031	30	36,566
<b>NET POSITION</b>				
Net investment in capital assets	267,067	15,241	-	282,308
Unrestricted	178,295	457,555	-	635,850
Total Net Position	\$ 445,362	\$ 472,796	\$ -	\$ 918,158

**MAINTENANCE DISTRICT 07 – MARINA VIEW HEIGHTS  
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Water</u>	<u>Sewer</u>	<u>Roads</u>	<u>Total</u>
Operating Revenues:				
Charges for services	\$ 39,119	\$ 75,220	\$ -	\$ 114,339
Other revenues	86	164	-	250
Total Operating Revenues	<u>39,205</u>	<u>75,384</u>	<u>-</u>	<u>114,589</u>
Operating Expenses:				
Services and supplies	323,405	23,292	1,412	348,109
Maintenance	21,702	52,156	1,914	75,772
Insurance	499	499	-	998
Utilities	11,166	6,392	-	17,558
Depreciation	<u>10,036</u>	<u>1,239</u>	<u>-</u>	<u>11,275</u>
Total Operating Expenses	<u>366,808</u>	<u>83,578</u>	<u>3,326</u>	<u>453,712</u>
Operating Income (Loss)	<u>(327,603)</u>	<u>(8,194)</u>	<u>(3,326)</u>	<u>(339,123)</u>
Non-Operating Revenue (Expenses):				
Taxes	19,077	36,638	3,326	59,041
Investment income	2,266	4,231	-	6,497
Intergovernmental	<u>9,831</u>	<u>-</u>	<u>-</u>	<u>9,831</u>
Total Non-Operating Revenue (Expenses)	<u>31,174</u>	<u>40,869</u>	<u>3,326</u>	<u>75,369</u>
Change in Net Position	(296,429)	32,675	-	(263,754)
Net Position, Beginning of Year, Restated	<u>741,791</u>	<u>440,121</u>	<u>-</u>	<u>1,181,912</u>
Net Position, End of Year	<u>\$ 445,362</u>	<u>\$ 472,796</u>	<u>\$ -</u>	<u>\$ 918,158</u>

**MAINTENANCE DISTRICT 07 – MARINA VIEW HEIGHTS  
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

**COMBINING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2017**

	<b>Water</b>	<b>Sewer</b>	<b>Roads</b>	<b>Total</b>
Cash flows from operating activities:				
Cash receipts from customers and users	\$ 38,775	\$ 74,896	\$ -	\$ 113,671
Cash paid to suppliers	<u>(80,547)</u>	<u>(79,405)</u>	<u>(3,296)</u>	<u>(163,248)</u>
Net cash provided (used) by operating activities	<u>(41,772)</u>	<u>(4,509)</u>	<u>(3,296)</u>	<u>(49,577)</u>
Cash flows from noncapital financing activities:				
Taxes	19,080	36,644	3,326	59,050
Operating grants	<u>9,831</u>	<u>-</u>	<u>-</u>	<u>9,831</u>
Net cash provided (used) by noncapital financing activities	<u>28,911</u>	<u>36,644</u>	<u>3,326</u>	<u>68,881</u>
Cash flows from capital and related financing activities:				
Capital grants	12,082	-	-	12,082
Acquisition and construction of capital assets	<u>(8,312)</u>	<u>-</u>	<u>-</u>	<u>(8,312)</u>
Net cash provided (used) by capital and related financing activities	<u>3,770</u>	<u>-</u>	<u>-</u>	<u>3,770</u>
Cash flows from investing activities:				
Interest on investments	<u>2,095</u>	<u>4,024</u>	<u>-</u>	<u>6,119</u>
Net cash provided (used) by investing activities	<u>2,095</u>	<u>4,024</u>	<u>-</u>	<u>6,119</u>
Net increase (decrease) in cash and cash equivalents	(6,996)	36,159	30	29,193
Cash and cash equivalents, beginning of the year	<u>197,685</u>	<u>432,074</u>	<u>-</u>	<u>629,759</u>
Cash and cash equivalents, end of the year	<u>\$ 190,689</u>	<u>\$ 468,233</u>	<u>\$ 30</u>	<u>\$ 658,952</u>

**Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities**

Operating income (loss)	\$ (327,603)	\$ (8,194)	\$ (3,326)	\$ (339,123)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	10,036	1,239	-	11,275
Abandoned construction costs	301,989	-	-	301,989
Changes in operating assets and liabilities:				
Decrease/(Increase) in accounts receivable	(350)	(613)	-	(963)
Increase/(Decrease) in accounts payable	(33,483)	1,235	30	(32,218)
Increase/(Decrease) in due to County of Madera	7,719	1,699	-	9,418
Increase/(Decrease) in deposits from others	5	295	-	300
Increase/(Decrease) in unearned revenues	<u>(85)</u>	<u>(170)</u>	<u>-</u>	<u>(255)</u>
Net cash provided (used) by operating activities	<u>\$ (41,772)</u>	<u>\$ (4,509)</u>	<u>\$ (3,296)</u>	<u>\$ (49,577)</u>