

**MAINTENANCE DISTRICT 27 – GOLDSIDE ESTATES
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
JUNE 30, 2016**

**MAINTENANCE DISTRICT 27 – GOLDSIDE ESTATES
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

JUNE 30, 2016

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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 27 – Goldside Estates (District), a component unit of the County of Madera, California as of and for the year then ended June 30, 2016, 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 27 – Goldside Estates as of June 30, 2016, 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.

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
December 4, 2017

BASIC FINANCIAL STATEMENTS

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**MAINTENANCE DISTRICT 27 – GOLDSIDE ESTATES
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

**STATEMENT OF NET POSITION
JUNE 30, 2016**

ASSETS

Current Assets:

Cash and investments	\$	152,397
Cash and investments - restricted		8,655
Accounts receivable		16,394
Interest receivable		378
Due from County of Madera		<u>1,257</u>

Total Current Assets 179,081

Non-Current Assets:

Capital assets:

Land		109,081
Land under roads		21,783
Depreciable assets		881,724
Accumulated depreciation		<u>(403,668)</u>

Total Non-Current Assets 608,920

Total Assets 788,001

LIABILITIES

Current Liabilities:

Accounts payable		6,394
Interest payable		1,409
Deposits from others		1,350
Due to County of Madera		15,524
Unearned revenue		2,300
Note payable, current portion		<u>3,700</u>

Total Current Liabilities 30,677

Non-Current Liabilities:

Note payable		<u>126,300</u>
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Total Non-Current Liabilities 126,300

Total Liabilities 156,977

NET POSITION

Net Investment in capital assets		478,920
Restricted for debt service		8,655
Unrestricted		<u>143,449</u>

Total Net Position \$ 631,024

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

**MAINTENANCE DISTRICT 27 – GOLDSIDE ESTATES
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2016**

Operating Revenues:	
Charges for services	\$ 124,259
Total Operating Revenues	<u>124,259</u>
Operating Expenses:	
Services and supplies	31,762
Maintenance	64,030
Insurance	3,008
Utilities	19,718
Depreciation	<u>16,585</u>
Total Operating Expenses	<u>135,103</u>
Operating Income (Loss)	<u>(10,844)</u>
Non-Operating Revenue (Expenses):	
Taxes	104
Investment income	921
Interest and fiscal charges	<u>(4,283)</u>
Total Non-Operating Revenue (Expenses)	<u>(3,258)</u>
Change in Net Position	(14,102)
Net Position, Beginning of Year	<u>645,126</u>
Net Position, End of Year	<u>\$ 631,024</u>

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

**MAINTENANCE DISTRICT 27 – GOLDSIDE ESTATES
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2016**

Cash flows from operating activities:	
Cash receipts from customers and users	\$ 125,698
Cash paid to suppliers	<u>(106,479)</u>
Net cash provided (used) by operating activities	<u>19,219</u>
Cash flows from noncapital financing activities:	
Taxes	<u>107</u>
Net cash provided (used) by noncapital financing activities	<u>107</u>
Cash flows from capital and related financing activities:	
Principal paid on capital debt	(3,600)
Interest paid on capital debt	<u>(4,321)</u>
Net cash provided (used) by capital and related financing activities	<u>(7,921)</u>
Cash flows from investing activities:	
Interest on investments	<u>982</u>
Net cash provided (used) by investing activities	<u>982</u>
Net increase (decrease) in cash and cash equivalents	
	12,387
Cash and cash equivalents, beginning of the year	
	<u>148,665</u>
Cash and cash equivalents, end of the year	
	<u><u>\$ 161,052</u></u>

Reconciliation of Cash and Cash Equivalents to the Statement of Net Position

Cash and Investments per Statement of Net Position	\$ 152,397
Restricted Cash and Investments per Statement of Net Position	<u>8,655</u>
Total Cash and Investments per Statement of Net Position	<u><u>\$ 161,052</u></u>

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

Operating income (loss)	\$ (10,844)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation	16,585
Changes in operating assets and liabilities:	
Decrease/(Increase) in accounts receivable	2,002
Decrease/(Increase) in due from County of Madera	(1,257)
Increase/(Decrease) in accounts payable	4,142
Increase/(Decrease) in due to County of Madera	7,897
Increase/(Decrease) in deposits from others	450
Increase/(Decrease) in unearned revenues	<u>244</u>
Net cash provided (used) by operating activities	<u><u>\$ 19,219</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 27 – GOLDSIDE ESTATES
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the **MD 27 - Goldside Estates** (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 wastewater and drainage services for 142 residential lots. The District is located in Madera County Supervisorial District 5 between the communities of Ahwahnee and Oakhurst. The district was formed on August 22, 1972 by Resolution No. 72-424.

The Goldside Estates Sewer System provides sewer service to 140 improved units and 2 standby units. The District's drainage system consists of culverts and ditches located throughout the District that collect runoff from the hillsides and roads. The funding for the sewer system and drainage system operations is derived from charges for sewer and drainage services. The sewer and drainage rates are billed monthly and were last set on February 1, 2005 by Ordinance No. 603 with an annual Consumer Price Index adjustment.

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 27 – GOLDSIDE ESTATES
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Receivables

Receivables consist of fees charged for sewer and drainage services, property taxes, 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
Sewer Systems	15-65 years
Structures and Improvements	30-50 years
Equipment	3-20 years

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 or 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 27 – GOLDSIDE ESTATES
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016**

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, 2016 are classified in the financial statements as follows:

Cash and investments – unrestricted	\$152,397
Cash and investments – restricted	<u>8,655</u>
Total cash and investments	<u>\$161,052</u>

The District's cash and investments consisted of the following as of June 30, 2016:

Deposits held with County of Madera Investment Pool	\$161,052
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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, 2016, 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 27 – GOLDSIDE ESTATES
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 3: CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2016, was as follows:

	Total			Balance June 30, 2016
	Balance July 1, 2015	Additions	Deletions	
Capital assets, not being depreciated:				
Land	\$ 109,081	\$ -	\$ -	\$ 109,081
Land under roads	21,783	-	-	21,783
Total capital assets, not being depreciated	<u>130,864</u>	<u>-</u>	<u>-</u>	<u>130,864</u>
Capital assets, being depreciated:				
Infrastructure	33,596	-	-	33,596
Sewer systems	848,128	-	-	848,128
Total capital assets, being depreciated	<u>881,724</u>	<u>-</u>	<u>-</u>	<u>881,724</u>
Less accumulated depreciation for:				
Infrastructure	(33,596)	-	-	(33,596)
Sewer systems	(353,487)	(16,585)	-	(370,072)
Total accumulated depreciation	<u>(387,083)</u>	<u>(16,585)</u>	<u>-</u>	<u>(403,668)</u>
Total capital assets being depreciated, net	<u>494,641</u>	<u>(16,585)</u>	<u>-</u>	<u>478,056</u>
Total capital assets, net	<u>\$ 625,505</u>	<u>\$ (16,585)</u>	<u>\$ -</u>	<u>\$ 608,920</u>

Depreciation expense of \$16,585 was charged to the District.

	Sewer			Balance June 30, 2016
	Balance July 1, 2015	Additions	Deletions	
Capital assets, not being depreciated:				
Land	\$ 107,671	\$ -	\$ -	\$ 107,671
Total capital assets, not being depreciated	<u>107,671</u>	<u>-</u>	<u>-</u>	<u>107,671</u>
Capital assets, being depreciated:				
Sewer systems	848,128	-	-	848,128
Total capital assets, being depreciated	<u>848,128</u>	<u>-</u>	<u>-</u>	<u>848,128</u>
Less accumulated depreciation for:				
Sewer systems	(353,487)	(16,585)	-	(370,072)
Total accumulated depreciation	<u>(353,487)</u>	<u>(16,585)</u>	<u>-</u>	<u>(370,072)</u>
Total capital assets being depreciated, net	<u>494,641</u>	<u>(16,585)</u>	<u>-</u>	<u>478,056</u>
Total capital assets, net	<u>\$ 602,312</u>	<u>\$ (16,585)</u>	<u>\$ -</u>	<u>\$ 585,727</u>

Depreciation expense of \$16,585 was charged to the sewer service function of the District.

**MAINTENANCE DISTRICT 27 – GOLDSIDE ESTATES
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 3: CAPITAL ASSETS (Continued)

	Drainage & Roads			Balance June 30, 2016
	Balance July 1, 2015	Additions	Deletions	
Capital assets, not being depreciated:				
Land	\$ 1,410	\$ -	\$ -	\$ 1,410
Land under roads	21,783	-	-	21,783
Total capital assets, not being depreciated	<u>23,193</u>	<u>-</u>	<u>-</u>	<u>23,193</u>
Capital assets, being depreciated:				
Infrastructure	33,596	-	-	33,596
Total capital assets, being depreciated	<u>33,596</u>	<u>-</u>	<u>-</u>	<u>33,596</u>
Less accumulated depreciation for:				
Infrastructure	(33,596)	-	-	(33,596)
Total accumulated depreciation	<u>(33,596)</u>	<u>-</u>	<u>-</u>	<u>(33,596)</u>
Total capital assets being depreciated, net	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total capital assets, net	<u>\$ 23,193</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,193</u>

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 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, 2016 is \$15,524.

NOTE 5: NOTE PAYABLE

The following is a summary of long-term liabilities transactions for the year ended June 30, 2016:

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016	Due Within One Year
USDA-RD Note Payable	\$ 133,600	\$ -	\$ (3,600)	\$ 130,000	\$ 3,700
Total	<u>\$ 133,600</u>	<u>\$ -</u>	<u>\$ (3,600)</u>	<u>\$ 130,000</u>	<u>\$ 3,700</u>

**MAINTENANCE DISTRICT 27 – GOLDSIDE ESTATES
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 5: NOTE PAYABLE (Continued)

United States Department of Agriculture Rural Development Note Payable

On December 9, 1999 the District borrowed \$175,190 from the United States Department of Agriculture Rural Development for facilities improvements. The term of this loan is 40 years at a stated interest rate of 3.25%. Payments are due semi-annually on March 2nd and September 2nd of each year. The repayment period commenced on March 2, 2000. As of June 30, 2016 the outstanding balance on this loan is \$130,000.

The debt service requirements for the District's note payable are as follows:

Year ending June 30,	Principal	Interest	Total
2017	\$ 3,700	\$ 7,865	\$ 11,565
2018	3,800	7,843	11,643
2019	3,900	7,818	11,718
2020	4,000	7,789	11,789
2021	4,200	7,856	12,056
2021-2026	22,900	39,028	61,928
2026-2031	26,900	38,992	65,892
2031-2036	31,500	38,853	70,353
2036-2041	<u>29,100</u>	<u>31,028</u>	<u>60,128</u>
Total	<u>\$ 130,000</u>	<u>\$ 187,072</u>	<u>\$ 317,072</u>

NOTE 6: 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.

SUPPLEMENTARY INFORMATION

**MAINTENANCE DISTRICT 27 – GOLDSIDE ESTATES
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

**COMBINING STATEMENT OF NET POSITION
JUNE 30, 2016**

	Sewer	Drainage & Roads	Total
ASSETS			
Current Assets:			
Cash and investments	\$ 141,209	\$ 11,188	\$ 152,397
Cash and investments - restricted	8,655	-	8,655
Accounts receivable	16,394	-	16,394
Interest receivable	352	26	378
Due from County of Madera	1,257	-	1,257
Total Current Assets	167,867	11,214	179,081
Non-Current Assets:			
Capital assets:			
Land	107,671	1,410	109,081
Land under roads	-	21,783	21,783
Depreciable assets	848,128	33,596	881,724
Accumulated depreciation	(370,072)	(33,596)	(403,668)
Total Non-Current Assets	585,727	23,193	608,920
Total Assets	753,594	34,407	788,001
LIABILITIES			
Current Liabilities:			
Accounts payable	6,394	-	6,394
Interest payable	1,409	-	1,409
Deposits from others	1,350	-	1,350
Due to County of Madera	15,481	43	15,524
Unearned revenue	2,300	-	2,300
Note payable, current portion	3,700	-	3,700
Total Current Liabilities	30,634	43	30,677
Non-Current Liabilities:			
Note payable	126,300	-	126,300
Total Non-Current Liabilities	126,300	-	126,300
Total Liabilities	156,934	43	156,977
NET POSITION			
Net Investment in capital assets	455,727	23,193	478,920
Restricted for debt service	8,655	-	8,655
Unrestricted	132,278	11,171	143,449
Total Net Position	\$ 596,660	\$ 34,364	\$ 631,024

**MAINTENANCE DISTRICT 27 – GOLDSIDE ESTATES
(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, 2016**

	<u>Sewer</u>	<u>Drainage & Roads</u>	<u>Total</u>
Operating Revenues:			
Charges for services	\$ 122,488	\$ 1,771	\$ 124,259
Total Operating Revenues	<u>122,488</u>	<u>1,771</u>	<u>124,259</u>
Operating Expenses:			
Services and supplies	31,762	-	31,762
Maintenance	64,030	-	64,030
Insurance	2,785	223	3,008
Utilities	19,718	-	19,718
Depreciation	<u>16,585</u>	<u>-</u>	<u>16,585</u>
Total Operating Expenses	<u>134,880</u>	<u>223</u>	<u>135,103</u>
Operating Income (Loss)	<u>(12,392)</u>	<u>1,548</u>	<u>(10,844)</u>
Non-Operating Revenue (Expenses):			
Taxes	104	-	104
Investment income	849	72	921
Interest and fiscal charges	<u>(4,283)</u>	<u>-</u>	<u>(4,283)</u>
Total Non-Operating Revenue (Expenses)	<u>(3,330)</u>	<u>72</u>	<u>(3,258)</u>
Change in Net Position	(15,722)	1,620	(14,102)
Net Position, Beginning of Year	<u>612,382</u>	<u>32,744</u>	<u>645,126</u>
Net Position, End of Year	<u>\$ 596,660</u>	<u>\$ 34,364</u>	<u>\$ 631,024</u>

**MAINTENANCE DISTRICT 27 – GOLDSIDE ESTATES
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

**COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2016**

	Sewer	Drainage & Roads	Total
Cash flows from operating activities:			
Cash receipts from customers and users	\$ 123,927	\$ 1,771	\$ 125,698
Cash paid to suppliers	(105,961)	(518)	(106,479)
Net cash provided (used) by operating activities	17,966	1,253	19,219
Cash flows from noncapital financing activities:			
Taxes	107	-	107
Net cash provided (used) by noncapital financing activities	107	-	107
Cash flows from capital and related financing activities:			
Principal paid on capital debt	(3,600)	-	(3,600)
Interest paid on capital debt	(4,321)	-	(4,321)
Net cash provided (used) by capital and related financing activities	(7,921)	-	(7,921)
Cash flows from investing activities:			
Interest on investments	921	61	982
Net cash provided (used) by investing activities	921	61	982
Net increase (decrease) in cash and cash equivalents	11,073	1,314	12,387
Cash and cash equivalents, beginning of the year	138,791	9,874	148,665
Cash and cash equivalents, end of the year	\$ 149,864	\$ 11,188	\$ 161,052

Reconciliation of Cash and Cash Equivalents to the Statement of Net Position

Cash and Investments per Statement of Net Position	\$ 141,209	\$ 11,188	\$ 152,397
Restricted Cash and Investments per Statement of Net Position	8,655	-	8,655
Total Cash and Investments per Statement of Net Position	\$ 149,864	\$ 11,188	\$ 161,052

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

Operating income (loss)	\$ (12,392)	\$ 1,548	\$ (10,844)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	16,585	-	16,585
Changes in operating assets and liabilities:			
Decrease/(Increase) in accounts receivable	2,002	-	2,002
Decrease/(Increase) in due from County of Madera	(1,257)	-	(1,257)
Increase/(Decrease) in accounts payable	4,142	-	4,142
Increase/(Decrease) in due to County of Madera	8,192	(295)	7,897
Increase/(Decrease) in deposits from others	450	-	450
Increase/(Decrease) in unearned revenues	244	-	244
Net cash provided (used) by operating activities	\$ 17,966	\$ 1,253	\$ 19,219