

**MAINTENANCE DISTRICT 33 – FAIRMEAD
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
JUNE 30, 2020**

**MAINTENANCE DISTRICT 33 – FAIRMEAD
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

JUNE 30, 2020

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INDEPENDENT AUDITORS' REPORT

To the Board of Supervisors
Madera County

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of Maintenance District 33-Fairmead (the District), a component unit of the County of Madera, California as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District'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 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.

Auditors' 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 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.

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 respective financial position of the business-type activities of the District as of June 30, 2020, and the respective changes in its financial position, and, where applicable, 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 basic financial statements. Such missing information, 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. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District’s basic financial statements. The combining financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

HUDSON HENDERSON & COMPANY, INC.

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Fresno, California
January 27, 2021

BASIC FINANCIAL STATEMENTS

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**MAINTENANCE DISTRICT 33 – FAIRMEAD
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

**STATEMENT OF NET POSITION
JUNE 30, 2020**

ASSETS

Current Assets:

Cash and investments	\$	100,736
Accounts receivable		51,535
Interest receivable		277
Due from other governments		<u>17,969</u>
 Total Current Assets		 <u>170,517</u>

Non-Current Assets:

Capital assets:

Land		3,800
Construction in progress		448,575
Depreciable assets		1,329,987
Accumulated depreciation		<u>(547,088)</u>
 Total Non-Current Assets		 <u>1,235,274</u>

Total Assets		<u>1,405,791</u>
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LIABILITIES

Current Liabilities:

Accounts payable		21,025
Interest payable		2,733
Deposits from others		4,050
Due to County of Madera		44,109
Unearned revenue		<u>3,136</u>
 Total Current Liabilities		 <u>75,053</u>

Non-current Liabilities:

Advances from County of Madera		<u>182,195</u>
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Total Non-Current Liabilities		<u>182,195</u>
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Total Liabilities		<u>257,248</u>
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NET POSITION

Net investment in capital assets		1,215,856
Unrestricted		<u>(67,313)</u>

Total Net Position	\$	<u>1,148,543</u>
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The notes to the basic financial statements are an integral part of this statement.

**MAINTENANCE DISTRICT 33 – FAIRMEAD
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2020**

Operating Revenues:	
Charges for services	\$ 149,698
Other revenues	<u>54</u>
Total Operating Revenues	<u>149,752</u>
Operating Expenses:	
Services and supplies	21,175
Maintenance	91,901
Insurance	9,446
Utilities	45,609
Depreciation	<u>37,900</u>
Total Operating Expenses	<u>206,031</u>
Operating Income (Loss)	<u>(56,279)</u>
Non-Operating Revenue (Expenses):	
Taxes	12,310
Investment income	1,452
Capital grants	17,969
Interest expense	<u>(2,013)</u>
Total Non-Operating Revenue (Expenses)	<u>29,718</u>
Change in Net Position	(26,561)
Net Position, Beginning of Year	<u>1,175,104</u>
Net Position, End of Year	<u>\$ 1,148,543</u>

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

**MAINTENANCE DISTRICT 33 – FAIRMEAD
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020**

Cash flows from operating activities:	
Cash receipts from customers and users	\$ 148,314
Cash paid to suppliers	<u>(166,217)</u>
Net cash provided by (used for) operating activities	<u>(17,903)</u>
Cash flows from noncapital financing activities:	
Taxes	<u>12,310</u>
Net cash provided by (used for) noncapital financing activities	<u>12,310</u>
Cash flows from capital and related financing activities:	
Acquisition and construction of capital assets	<u>(5,554)</u>
Net cash provided by (used for) capital and related financing activities	<u>(5,554)</u>
Cash flows from investing activities:	
Investment income received	<u>1,640</u>
Net cash provided by (used for) investing activities	<u>1,640</u>
Net increase (decrease) in cash and investments	(9,507)
Cash and investments, beginning of the year	<u>110,243</u>
Cash and investments, end of the year	<u>\$ 100,736</u>

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

Operating income (loss)	\$ (56,279)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:	
Depreciation	37,900
Changes in operating assets and liabilities:	
Decrease/(Increase) in accounts receivable	(2,814)
Decrease/(Increase) in due from County of Madera	18
Increase/(Decrease) in accounts payable	(4,660)
Increase/(Decrease) in due to County of Madera	6,574
Increase/(Decrease) in deposits from others	450
Increase/(Decrease) in unearned revenues	<u>908</u>
Net cash provided by (used for) operating activities	<u>\$ (17,903)</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 33 – FAIRMEAD
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the **MD 33 - Fairmead** (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

MD 33 provides water and street light services for a residential community. The District is located in Madera County Supervisorial District 2 midway between the cities of Madera and Chowchilla at Avenue 19 ½ and State Route 99. The district was formed on July 12, 1977 by Resolution No. 77-438. The Fairmead Water System provides water service to 181.15 improved units and 63 standby units. The water rates were last set on July 18, 2017 by Resolution 2017-083 and are based on a flat rate structure with an annual rate Consumer Price Index adjustment. The rates are \$65 per month for improved lots and \$5 per month for standby lots.

There are 25 street lights within the District; however, there is not a current assessment for street lights. The District allocates water charges to cover the costs of operating the 25 street lights.

MD 33A provides road maintenance to approximately 32 parcels served by 0.13 miles of paved road including curb and gutter, and 0.22 miles of unpaved road. MD 33A is located in the community of Fairmead and is accessed northeast from Fairmead Boulevard. The District was formed on November 10, 1992 by Resolution 92-356 and is approximately 9 acres in size. When MD 33A was formed, there was a direct assessment of \$100 per parcel, per year, for road maintenance approved.

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.

**MAINTENANCE DISTRICT 33 – FAIRMEAD
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

D. Receivables

Receivables consist of fees charged for water services, interest from the County of Madera, and grant revenue from California State Water Resources Control Board. Management believes its receivables to be fully collectible, and accordingly, no allowance for doubtful accounts is required.

E. Property Taxes/Assessments

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

**MAINTENANCE DISTRICT 33 – FAIRMEAD
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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, 2020 are classified in the financial statements as follows:

Cash and investments – unrestricted	\$100,736
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The District’s cash and investments consisted of the following as of June 30, 2020:

Deposits held with County of Madera Investment Pool	\$100,736
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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, 2020, 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.

**MAINTENANCE DISTRICT 33 – FAIRMEAD
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 2: CASH AND INVESTMENTS (Continued)

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.

NOTE 3: CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2020, was as follows:

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020
Capital assets, not being depreciated:				
Land	\$ 3,800	\$ -	\$ -	\$ 3,800
Construction in progress	443,021	5,554	-	448,575
Total capital assets, not being depreciated	446,821	5,554	-	452,375
Capital assets, being depreciated:				
Water systems	1,329,987	-	-	1,329,987
Total capital assets, being depreciated	1,329,987	-	-	1,329,987
Less accumulated depreciation for:				
Water systems	(509,188)	(37,900)	-	(547,088)
Total accumulated depreciation	(509,188)	(37,900)	-	(547,088)
Total capital assets being depreciated, net	820,799	(37,900)	-	782,899
Total capital assets, net	<u>\$ 1,267,620</u>	<u>\$ (32,346)</u>	<u>\$ -</u>	<u>\$ 1,235,274</u>

Depreciation expense of \$37,900 was charged to the water service function of the District.

**MAINTENANCE DISTRICT 33 – FAIRMEAD
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 4: RELATED PARTY TRANSACTIONS

The District's property taxes and assessments 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 services to the District. The District's accounting and clerical functions are performed by County personnel. The County of Madera charges the District for administrative costs incurred. Total expenses to the County of Madera for the year ended June 2020 were \$117,245.

The amount due to the County of Madera as of June 30, 2020 was \$44,109. See additional related party liabilities to the County of Madera in Note 5.

NOTE 5: ADVANCES FROM COUNTY OF MADERA

The following is a summary of the advances from the County of Madera for the year ended June 30, 2020:

	Balance July 1, 2019	Additions/ Reclassifications	Deletions	Balance June 30, 2020	Due Within One Year
Advance from County of Madera	\$ 97,195	\$ -	\$ -	\$ 97,195	\$ -
Advance from County of Madera	30,000	-	-	30,000	-
Advance from County of Madera	<u>55,000</u>	<u>-</u>	<u>-</u>	<u>55,000</u>	<u>-</u>
 Total	 <u>\$ 182,195</u>	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ 182,195</u>	 <u>\$ -</u>

The District has been advanced funds from the County in the amounts of \$97,195 for water service function. The advance is unsecured, noninterest bearing, and is due on demand. The County does not anticipate demanding repayment in the next fiscal year; therefore, the balance has been shown as a noncurrent liability on the statement of net position.

The District obtained a \$30,000 loan for the water division, from the County of Madera on June 29, 2018 to help fund the District's daily operations. The loan is to be repaid with interest at the County of Madera Treasury pool rate, plus 50 basis points, as soon as funds are available from the District. Interest will be accrued on the unpaid principal balance until loan is paid in full.

The District obtained a \$55,000 loan for the water division, from the County of Madera on June 20, 2019 to help fund the District's daily operations. The loan is to be repaid with interest at the County of Madera Treasury pool rate, plus 50 basis points, as soon as funds are available from the District. Interest will be accrued on the unpaid principal balance until loan is paid in full.

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.

**MAINTENANCE DISTRICT 33 – FAIRMEAD
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 7: COMMITMENTS AND CONTINGENCIES

Grants

The District participates in the 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 significant effect on the financial position of the District.

Coronavirus Disease (COVID-19)

On March 11, 2020 the World Health Organization declared the outbreak of Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic is having significant effects on global markets, supply chains, businesses and communities. Specific to Maintenance District 33, COVID-19 may impact the timing of receipts for utility and assessment billings. Management believes MD33 is taking appropriate actions to mitigate the potential negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events are still developing.

NOTE 8: SUBSEQUENT EVENTS

Advances From County of Madera

The District obtained a \$4,300 loan for the water division, from the County of Madera on August 24, 2020 to help fund the District's daily operations. The loan is to be repaid with interest at the County of Madera Treasury pool rate, plus 50 basis points, as soon as funds are available from the District. Interest will be accrued on the unpaid principal balance until loan is paid in full.

Grant anticipation Note from County of Madera

The District obtained a \$1,500,000 Grant Anticipation Note (the Note) from the County on September 17, 2020 to provide a short-term cash advance for the construction of a new well and installation of water meters. The Note is to be repaid with interest at the County of Madera treasury pool rate plus 50 basis points and matures no later than June 30, 2021. Principal and interest are due upon maturity. In the event of principal and or interest default, funds for repayment shall be paid from the County of Madera Road Impact Fees Special Revenue Fund.

SUPPLEMENTARY INFORMATION

**MAINTENANCE DISTRICT 33 – FAIRMEAD
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

**COMBINING STATEMENT OF NET POSITION
JUNE 30, 2020**

	Water	Lighting	Roads	Total
ASSETS				
Current Assets:				
Cash and investments	\$ 53,468	\$ -	\$ 47,268	\$ 100,736
Accounts receivable	50,785	-	750	51,535
Interest receivable	199	-	78	277
Due from other governments	17,969	-	-	17,969
Total Current Assets	122,421	-	48,096	170,517
Non-Current Assets:				
Capital assets:				
Land	3,800	-	-	3,800
Construction in progress	448,575	-	-	448,575
Depreciable assets	1,329,987	-	-	1,329,987
Accumulated depreciation	(547,088)	-	-	(547,088)
Total Non-Current Assets	1,235,274	-	-	1,235,274
Total Assets	1,357,695	-	48,096	1,405,791
LIABILITIES				
Current Liabilities:				
Accounts payable	21,025	-	-	21,025
Interest payable	2,733	-	-	2,733
Deposits from others	4,050	-	-	4,050
Due to County of Madera	44,109	-	-	44,109
Unearned revenue	3,136	-	-	3,136
Total Current Liabilities	75,053	-	-	75,053
Non-current Liabilities:				
Advances from County of Madera	182,195	-	-	182,195
Total Non-Current Liabilities	182,195	-	-	182,195
Total Liabilities	257,248	-	-	257,248
NET POSITION				
Net investment in capital assets	1,215,856	-	-	1,215,856
Unrestricted	(115,409)	-	48,096	(67,313)
Total Net Position	\$ 1,100,447	\$ -	\$ 48,096	\$ 1,148,543

**MAINTENANCE DISTRICT 33 – FAIRMEAD
(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, 2020**

	<u>Water</u>	<u>Lighting</u>	<u>Roads</u>	<u>Eliminations</u>	<u>Total</u>
Operating Revenues:					
Charges for services	\$ 146,469	\$ -	\$ 3,229	\$ -	\$ 149,698
Other revenues	54	-	-	-	54
	<u>146,523</u>	<u>-</u>	<u>3,229</u>	<u>-</u>	<u>149,752</u>
Total Operating Revenues					
Operating Expenses:					
Services and supplies	21,159	-	16	-	21,175
Maintenance	91,901	-	-	-	91,901
Insurance	6,599	-	2,847	-	9,446
Utilities	42,261	3,348	-	-	45,609
Depreciation	37,900	-	-	-	37,900
	<u>199,820</u>	<u>3,348</u>	<u>2,863</u>	<u>-</u>	<u>206,031</u>
Total Operating Expenses					
Operating Income (Loss)	<u>(53,297)</u>	<u>(3,348)</u>	<u>366</u>	<u>-</u>	<u>(56,279)</u>
Non-Operating Revenue (Expenses):					
Taxes	12,310	-	-	-	12,310
Investment income	699	-	753	-	1,452
Capital grants	17,969	-	-	-	17,969
Interest expense	(2,013)	-	-	-	(2,013)
	<u>28,965</u>	<u>-</u>	<u>753</u>	<u>-</u>	<u>29,718</u>
Total Non-Operating Revenue (Expenses)					
Income (Loss) Before Transfers	(24,332)	(3,348)	1,119	-	(26,561)
Transfers in	-	3,348	-	(3,348)	-
Transfers out	(3,348)	-	-	3,348	-
Change in Net Position	(27,680)	-	1,119	-	(26,561)
Net Position, Beginning of Year	<u>1,128,127</u>	<u>-</u>	<u>46,977</u>	<u>-</u>	<u>1,175,104</u>
Net Position, End of Year	<u>\$ 1,100,447</u>	<u>\$ -</u>	<u>\$ 48,096</u>	<u>\$ -</u>	<u>\$ 1,148,543</u>

**MAINTENANCE DISTRICT 33 – FAIRMEAD
(A COMPONENT UNIT OF THE COUNTY OF MADERA, CALIFORNIA)**

**COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020**

	Water	Lighting	Roads	Total
Cash flows from operating activities:				
Cash receipts from customers and users	\$ 145,190	\$ -	\$ 3,124	\$ 148,314
Cash paid to suppliers	<u>(159,668)</u>	<u>(3,348)</u>	<u>(3,201)</u>	<u>(166,217)</u>
Net cash provided by (used for) operating activities	<u>(14,478)</u>	<u>(3,348)</u>	<u>(77)</u>	<u>(17,903)</u>
Cash flows from noncapital financing activities:				
Taxes	12,310	-	-	12,310
Transfers from (to) other divisions	<u>(3,348)</u>	<u>3,348</u>	<u>-</u>	<u>-</u>
Net cash provided by (used for) noncapital financing activities	<u>8,962</u>	<u>3,348</u>	<u>-</u>	<u>12,310</u>
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	<u>(5,554)</u>	<u>-</u>	<u>-</u>	<u>(5,554)</u>
Net cash provided by (used for) capital and related financing activities	<u>(5,554)</u>	<u>-</u>	<u>-</u>	<u>(5,554)</u>
Cash flows from investing activities:				
Investment income received	<u>808</u>	<u>-</u>	<u>832</u>	<u>1,640</u>
Net cash provided by (used for) investing activities	<u>808</u>	<u>-</u>	<u>832</u>	<u>1,640</u>
Net increase (decrease) in cash and investments	(10,262)	-	755	(9,507)
Cash and investments, beginning of the year	<u>63,730</u>	<u>-</u>	<u>46,513</u>	<u>110,243</u>
Cash and investments, end of the year	<u>\$ 53,468</u>	<u>\$ -</u>	<u>\$ 47,268</u>	<u>\$ 100,736</u>

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

Operating income (loss)	\$ (53,297)	\$ (3,348)	\$ 366	\$ (56,279)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation	37,900	-	-	37,900
Changes in operating assets and liabilities:				
Decrease/(Increase) in accounts receivable	(2,709)	-	(105)	(2,814)
Decrease/(Increase) in due from County of Madera	18	-	-	18
Increase/(Decrease) in accounts payable	(4,542)	-	(118)	(4,660)
Increase/(Decrease) in due to County of Madera	6,794	-	(220)	6,574
Increase/(Decrease) in deposits from others	450	-	-	450
Increase/(Decrease) in unearned revenues	<u>908</u>	<u>-</u>	<u>-</u>	<u>908</u>
Net cash provided by (used for) operating activities	<u>\$ (14,478)</u>	<u>\$ (3,348)</u>	<u>\$ (77)</u>	<u>\$ (17,903)</u>