

Hacker Accounting LLC

13201 N. 35th Avenue, Ste. B-3

Phoenix, AZ 85029

August 23, 2018

Sunburst Farms Irrigation District
16040 N. 43rd Ave
Glendale, AZ 85306-2733

We have prepared the accompanying statement of income for the current month and year to date periods then ended and the balance sheet of Sunburst Farms Irrigation District for July 31, 2018. We have also attached an Aging Summary comparing this year's receivables with last year's.

The objective of these reports is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the reports. The intended purpose of these reports is for management discussion and review.

Cathy Hacker, CA

Hacker Accounting LLC

Sunburst Farms Irrigation District

Profit/Loss Actual vs Budget

July 2018

Ordinary Income/Expense	Jul 18	Budget	Variance	Jul 18	YTD Budget	Variance
Income						
211 · Water Fees	22,302.04	26,460.00	-4,157.96	22,302.04	26,460.00	-4,157.96
212 · Member Fees	35,604.00	35,604.00	0.00	35,604.00	35,604.00	0.00
213 · Other Services	80.00	30.00	50.00	80.00	30.00	50.00
214 · Escrow Transfer Fees	200.00	200.00	0.00	200.00	200.00	0.00
215 · Finance Charges	1,159.95	791.74	368.21	1,159.95	791.74	368.21
Total Income	59,345.99	63,085.74	-3,739.75	59,345.99	63,085.74	-3,739.75
Cost of Goods Sold						
310 · Direct Costs of Water Delivery						
311 · Purchases-Power	18,353.11	17,661.00	692.11	18,353.11	17,661.00	692.11
331 · State Water Fees	607.50	607.50	0.00	607.50	607.50	0.00
351 · Pump Supply "Oil"	0.00	0.00	0.00	0.00	0.00	0.00
352 · Transportation Gas/Oil	796.87	651.00	145.87	796.87	651.00	145.87
361 · Irrigation Labor	4,262.33	4,899.24	-636.91	4,262.33	4,899.24	-636.91
371 · Payroll Taxes & Fringe	326.10	485.60	-159.50	326.10	485.60	-159.50
372 · Irrigators-Health Insurance	238.03	284.00	-45.97	238.03	284.00	-45.97
Total 310 · Direct Costs of Water Delivery	24,583.94	24,588.34	-4.40	24,583.94	24,588.34	-4.40
Total COGS	24,583.94	24,588.34	-4.40	24,583.94	24,588.34	-4.40
Gross Profit	34,762.05	38,497.40	-3,735.35	34,762.05	38,497.40	-3,735.35
Expense						
400 · Overhead Costs						
362 · Salaries-Supervisor	3,309.96	3,376.24	-66.28	3,309.96	3,376.24	-66.28
363 · Admin Payroll Expense	3,244.56	3,309.59	-65.03	3,244.56	3,309.59	-65.03
364 · Payroll Taxes/Fringe-Admin	519.76	662.56	-142.80	519.76	662.56	-142.80
365 · MNGR Gas Transportation	151.78	150.00	1.78	151.78	150.00	1.78
366 · Health Insurance "Salary"	981.43	916.74	64.69	981.43	916.74	64.69
375 · State Compensation Fund	0.00	0.00	0.00	0.00	0.00	0.00

Sunburst Farms Irrigation District

Profit/Loss Actual vs Budget

July 2018

	Jul 18	Budget	Variance	Jul 18	YTD Budget	Variance
411 - Depreciation Expense	12,738.00	12,738.00	0.00	12,738.00	12,738.00	0.00
414 - Building & Equipment Repair	0.00	41.72	-41.72	0.00	41.72	-41.72
416 - Pumps-Maintenance	0.00	0.00	0.00	0.00	0.00	0.00
417 - Maint/Repairs-Water System						
417.1 - Direct Labor	6,367.53	3,594.40	2,773.13	6,367.53	3,594.40	2,773.13
417.2 - Materials	5,565.03	1,500.00	4,065.03	5,565.03	1,500.00	4,065.03
417.3 - Outside Service	445.00	833.37	-388.37	445.00	833.37	-388.37
417.4 - MT Payroll Taxes	487.08	356.22	130.86	487.08	356.22	130.86
417.5 - MT Health Insurance	732.90	753.37	-20.47	732.90	753.37	-20.47
Total 417 - Maint/Repairs-Water System	13,597.54	7,037.36	6,560.18	13,597.54	7,037.36	6,560.18
419 - Repairs-Transportation						
419.1 - Fleet Vehicles	0.00	625.00	-625.00	0.00	625.00	-625.00
419.2 - Tractor	0.00	250.00	-250.00	0.00	250.00	-250.00
Total 419 - Repairs-Transportation	0.00	875.00	-875.00	0.00	875.00	-875.00
420 - MNT Gas Transportation	291.49	276.92	14.57	291.49	276.92	14.57
421 - Electricity	272.69	298.37	-26.68	272.69	298.37	-26.68
422 - Sewer & Water	14.90	16.74	-1.84	14.90	16.74	-1.84
423 - Telephone Expense	308.59	350.00	-41.41	308.59	350.00	-41.41
424 - Alarm	0.00	60.00	-60.00	0.00	60.00	-60.00
431 - Insurance Expense	1,159.75	1,059.75	100.00	1,159.75	1,059.75	100.00
441 - Legal Expense	0.00	1,125.00	-1,125.00	0.00	1,125.00	-1,125.00
442 - Accounting Expenses	400.00	400.00	0.00	400.00	400.00	0.00
443 - Auditing Expenses	0.00	0.00	0.00	0.00	0.00	0.00
444 - Collection Services	40.00	20.00	20.00	40.00	20.00	20.00
446 - Other Contracted Services	288.61	475.00	-186.39	288.61	475.00	-186.39
451 - Postage	376.80	300.00	76.80	376.80	300.00	76.80
471 - Misc & Public Relations	0.00	16.66	-16.66	0.00	16.66	-16.66

Sunburst Farms Irrigation District

Profit/Loss Actual vs Budget

July 2018

	Jul 18	Budget	Variance	Jul 18	YTD Budget	Variance
483 · Office Supplies	883.05	400.00	483.05	883.05	400.00	483.05
484 · Mileage	-3.84	50.00	-53.84	-3.84	50.00	-53.84
485 · Bank Charges	0.00	5.00	-5.00	0.00	5.00	-5.00
486 · Dues & Subscriptions	237.07	100.00	137.07	237.07	100.00	137.07
Total 400 · Overhead Costs	38,812.14	33,970.65	4,841.49	38,812.14	33,970.65	4,841.49
Total Expense	38,812.14	33,970.65	4,841.49	38,812.14	33,970.65	4,841.49
Net Ordinary Income	-4,050.09	4,526.75	-8,576.84	-4,050.09	4,526.75	-8,576.84
Other Income/Expense						
Other Income						
510 · Misc/Other Income	453.68	200.00	253.68	453.68	200.00	253.68
511 · Interest Income	111.12	41.69	69.43	111.12	41.69	69.43
541 · Gain/Loss on Sale of Equipment	0.00	0.00	0.00	0.00	0.00	0.00
Total Other Income	564.80	241.69	323.11	564.80	241.69	323.11
Other Expense						
512 · Bridle Path Cleanup	0.00	0.00	0.00	0.00	0.00	0.00
Total Other Expense	0.00	0.00	0.00	0.00	0.00	0.00
Net Other Income	564.80	241.69	323.11	564.80	241.69	323.11
Net Income	-3,485.29	4,768.44	-8,253.73	-3,485.29	4,768.44	-8,253.73

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Accrual Basis

Sunburst Farms Irrigation District

Balance Sheet Prev Year Comparison

As of July 31, 2018

	Jul 31, 18	Jul 31, 17
ASSETS		
Current Assets		
Checking/Savings		
117 · Operating Fund	35,707.02	74,036.39
118 · Emergency Fund	125,413.12	123,473.27
111 · Cash on Hand	100.00	100.00
114 · Capital Fund	43,319.33	96,595.60
Total Checking/Savings	204,539.47	294,205.26
Accounts Receivable		
121 · Accounts Receivable	145,216.62	117,186.50
Total Accounts Receivable	145,216.62	117,186.50
Other Current Assets		
180 · Inventory	13,631.64	0.00
140 · Prepaid Insurance	12,028.87	11,371.62
1499 · Undeposited Funds	-378.92	-368.52
Total Other Current Assets	25,281.59	11,003.10
Total Current Assets	375,037.68	422,394.86
Fixed Assets		
1200 · Fixed Assets		
1210 · Land	9,000.00	9,000.00
1220 · Water District System	2,566,839.00	2,462,972.06
1230 · Buildings & Improvements	163,901.86	163,901.86
1240 · Machinery & Equipment	59,843.75	59,843.75
1250 · Transportation Equipment	111,571.11	115,754.09
1260 · Office Furn & Fixtures	15,986.94	15,986.94
Total 1200 · Fixed Assets	2,927,142.66	2,827,458.70
1300 · Accumulated Depreciation		
1320 · Accum Depr-Water Distr Sys	-1,606,200.55	-1,495,029.55
Total 1300 · Accumulated Depreciation	-1,606,200.55	-1,495,029.55
Total Fixed Assets	1,320,942.11	1,332,429.15
TOTAL ASSETS	1,695,979.79	1,754,824.01
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
200 · Accounts Payable		
2001 · Attorney Fees	19,691.00	0.00
200 · Accounts Payable - Other	3,852.96	3,852.96
Total 200 · Accounts Payable	23,543.96	3,852.96
Total Accounts Payable	23,543.96	3,852.96
Credit Cards		
Credit Cards		
CITI Card	1,872.56	1,522.08
Total Credit Cards	1,872.56	1,522.08
Total Credit Cards	1,872.56	1,522.08
Other Current Liabilities		
201 · Payroll Liabilities		
2011 · Dental/Vision Payable	192.43	41.26
201 · Payroll Liabilities - Other	286.25	286.25
Total 201 · Payroll Liabilities	478.68	327.51

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Accrual Basis

Sunburst Farms Irrigation District

Balance Sheet Prev Year Comparison

As of July 31, 2018

	<u>Jul 31, 18</u>	<u>Jul 31, 17</u>
203 · Accrued Power/Water		
2031 · Accrued Power	10,470.58	11,583.39
2032 · Accrued Water	-535.06	500.00
Total 203 · Accrued Power/Water	<u>9,935.52</u>	<u>12,083.39</u>
204 · Other Accrued Expenses	5,019.92	5,019.92
205 · Accrued Vacation	6,370.80	6,370.80
Total Other Current Liabilities	<u>21,804.92</u>	<u>23,801.62</u>
Total Current Liabilities	<u>47,221.44</u>	<u>29,176.66</u>
Long Term Liabilities		
230 · Wells Fargo Bobcat Lease	25,358.24	37,031.00
Total Long Term Liabilities	<u>25,358.24</u>	<u>37,031.00</u>
Total Liabilities	<u>72,579.68</u>	<u>66,207.66</u>
Equity		
209 · Retained Earnings	1,626,885.40	1,681,234.06
Net Income	-3,485.29	7,382.29
Total Equity	<u>1,623,400.11</u>	<u>1,688,616.35</u>
TOTAL LIABILITIES & EQUITY	<u>1,695,979.79</u>	<u>1,754,824.01</u>

Sunburst Farm Irrigation District
A/R Aging Summary
As of July 31, 2018

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
Total A/R 2018	39,544.90	-4,194.83	5,471.13	2,826.96	101,568.46	145,216.62
Total A/R 2017	46,267.26	-3,561.16	2,758.06	2,358.91	69,363.43	117,186.50
Variance- Better/(Worse)	6,722.36	633.67	-2,713.07	-468.05	-32,205.03	-28,030.12