

Hacker Accounting LLC
13201 N. 35th Avenue, Ste. B-3
Phoenix, AZ 85029

August 30, 2017

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

We have prepared the accompanying balance sheet of Sunburst Farms Irrigation District for July 31, 2017 and the related statement of income for the current month and year to date periods then ended. 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, EA

Hacker Accounting LLC

Sunburst Farms Irrigation District
Balance Sheet 2017-2016
 As of July 31, 2017

	Jul 31, 17	Jul 31, 16
ASSETS		
Current Assets		
Checking/Savings		
117 · Checking/Compass	74,036.39	88,739.25
118 · First Bank	123,473.27	122,977.74
111 · Cash on Hand	100.00	100.00
114 · Compass Cap/Expd/Dep	96,595.60	91,418.49
Total Checking/Savings	294,205.26	303,235.48
Accounts Receivable		
121 · Accounts Receivable	117,186.50	120,748.12
Total Accounts Receivable	117,186.50	120,748.12
Other Current Assets		
140 · Prepaid Insurance	7,579.33	6,783.26
1499 · Undeposited Funds	-368.52	0.00
199 · Suspense	0.00	28,301.65
Total Other Current Assets	7,210.81	35,084.91
Total Current Assets	418,602.57	459,068.51
Fixed Assets		
1200 · Fixed Assets		
1210 · Land	9,000.00	9,000.00
1220 · Water District System	2,447,216.29	2,282,337.11
1230 · Buildings & Improvements	163,901.86	163,901.86
1240 · Machinery & Equipment	59,843.75	19,668.65
1250 · Transportation Equipment	118,470.03	65,773.15
1260 · Office Furn & Fixtures	15,986.94	15,986.94
Total 1200 · Fixed Assets	2,814,418.87	2,556,667.71
1300 · Accumulated Depreciation		
1320 · Accum Depr-Water Distr Sys	-1,502,568.58	-1,354,324.62
Total 1300 · Accumulated Depreciation	-1,502,568.58	-1,354,324.62
Total Fixed Assets	1,311,850.29	1,202,343.09
TOTAL ASSETS	1,730,452.86	1,661,411.60
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
200 · Accounts Payable	1,166.37	1,166.37
Total Accounts Payable	1,166.37	1,166.37
Credit Cards		
CITI Card	1,522.08	0.00
Total Credit Cards	1,522.08	0.00
Total Credit Cards	1,522.08	0.00
Other Current Liabilities		
201 · Payroll Liabilities		
2011 · Dental/Vision Payable	41.26	-10.51
201 · Payroll Liabilities - Other	286.25	286.25
Total 201 · Payroll Liabilities	327.51	275.74
203 · Accrued Power/Water		
2031 · Accrued Power	11,583.39	12,833.41
2032 · Accrued Water	500.00	500.00
Total 203 · Accrued Power/Water	12,083.39	13,333.41

3:12 PM
08/30/17
Accrual Basis

Sunburst Farms Irrigation District
Balance Sheet 2017-2016
As of July 31, 2017

	<u>Jul 31, 17</u>	<u>Jul 31, 16</u>
204 · Other Accrued Expenses	3,145.17	3,145.17
205 · Accrued Vacation	5,822.66	5,822.66
Total Other Current Liabilities	<u>21,378.73</u>	<u>22,576.98</u>
Total Current Liabilities	24,067.18	23,743.35
Long Term Liabilities		
230 · Wells Fargo Bobcat Lease	42,800.12	0.00
Total Long Term Liabilities	<u>42,800.12</u>	<u>0.00</u>
Total Liabilities	66,867.30	23,743.35
Equity		
209 · Retained Earnings	1,666,015.34	1,627,897.83
Net Income	-2,429.78	9,770.42
Total Equity	<u>1,663,585.56</u>	<u>1,637,668.25</u>
TOTAL LIABILITIES & EQUITY	<u>1,730,452.86</u>	<u>1,661,411.60</u>

Sunburst Farms Irrigation District
Revenue & Expense Budget Performance
July 2017

	<u>Jul 17</u>	<u>Budget</u>	<u>Variance</u>	<u>Jul 17</u>	<u>YTD Budget</u>	<u>Variance</u>
Ordinary Income/Expense						
Income						
211 · Water Fees	31,756.88	26,712.00	5,044.88	31,756.88	26,712.00	5,044.88
212 · Member Fees	37,549.80	37,549.87	-0.07	37,549.80	37,549.87	-0.07
213 · Other Services	40.00	40.00	0.00	40.00	40.00	0.00
214 · Escrow Transfer Fees	200.00	300.00	-100.00	200.00	300.00	-100.00
215 · Finance Charges	795.86	750.00	45.86	795.86	750.00	45.86
Total Income	<u>70,342.54</u>	<u>65,351.87</u>	<u>4,990.67</u>	<u>70,342.54</u>	<u>65,351.87</u>	<u>4,990.67</u>
Cost of Goods Sold						
310 · Direct Costs of Water Delivery						
311 · Purchases-Power	19,870.27	17,503.50	2,366.77	19,870.27	17,503.50	2,366.77
331 · State Water Fees	500.00	500.00	0.00	500.00	500.00	0.00
351 · Pump Supply "Oil"	0.00	133.37	-133.37	0.00	133.37	-133.37
352 · Transportation Gas/Oil	780.55	651.00	129.55	780.55	651.00	129.55
361 · Irrigation Labor	6,313.42	6,439.50	-126.08	6,313.42	6,439.50	-126.08
371 · Payroll Taxes & Fringe	543.44	537.50	5.94	543.44	537.50	5.94
372 · Irrigators-Health Insurance	257.84	791.74	-533.90	257.84	791.74	-533.90
Total 310 · Direct Costs of Water Delivery	<u>28,265.52</u>	<u>26,556.61</u>	<u>1,708.91</u>	<u>28,265.52</u>	<u>26,556.61</u>	<u>1,708.91</u>
Total COGS	<u>28,265.52</u>	<u>26,556.61</u>	<u>1,708.91</u>	<u>28,265.52</u>	<u>26,556.61</u>	<u>1,708.91</u>
Gross Profit	<u>42,077.02</u>	<u>38,795.26</u>	<u>3,281.76</u>	<u>42,077.02</u>	<u>38,795.26</u>	<u>3,281.76</u>
Expense						
400 · Overhead Costs						
362 · Salaries-Supervisor	3,277.20	3,436.56	-159.36	3,277.20	3,436.56	-159.36
363 · Admin Payroll Expense	3,212.44	3,362.40	-149.96	3,212.44	3,362.40	-149.96
364 · Payroll Taxes/Fringe-Admin	511.72	611.55	-99.83	511.72	611.55	-99.83
365 · MNGR Gas Transportation	50.79	133.30	-82.51	50.79	133.30	-82.51
366 · Health Insurance "Salary"	824.36	875.00	-50.64	824.36	875.00	-50.64
375 · State Compensation Fund	0.00	583.33	-583.33	0.00	583.33	-583.33

Sunburst Farms Irrigation District
Revenue & Expense Budget Performance
July 2017

	<u>Jul 17</u>	<u>Budget</u>	<u>Variance</u>	<u>Jul 17</u>	<u>YTD Budget</u>	<u>Variance</u>
411 - Depreciation Expense	12,250.00	12,250.00	0.00	12,250.00	12,250.00	0.00
414 - Building & Equipment Repair	0.00	41.66	-41.66	0.00	41.66	-41.66
416 - Pumps-Maintenance	0.00	90.50	-90.50	0.00	90.50	-90.50
417 - Maint/Repairs-Water System						
417.1 - Direct Labor	11,124.63	5,078.86	6,045.77	11,124.63	5,078.86	6,045.77
417.2 - Materials	4,999.61	1,666.66	3,332.95	4,999.61	1,666.66	3,332.95
417.3 - Outside Service	0.00	833.33	-833.33	0.00	833.33	-833.33
417.4 - MT Payroll Taxes	786.62	477.69	308.93	786.62	477.69	308.93
417.5 - MT Health Insurance	1,209.26	1,209.25	0.01	1,209.26	1,209.25	0.01
Total 417 - Maint/Repairs-Water System	<u>18,120.12</u>	<u>9,265.79</u>	<u>8,854.33</u>	<u>18,120.12</u>	<u>9,265.79</u>	<u>8,854.33</u>
419 - Repairs-Transportation						
419.1 - Fleet Vehicles	3,128.56	700.00	2,428.56	3,128.56	700.00	2,428.56
419.2 - Tractor	0.00	50.00	-50.00	0.00	50.00	-50.00
Total 419 - Repairs-Transportation	<u>3,128.56</u>	<u>750.00</u>	<u>2,378.56</u>	<u>3,128.56</u>	<u>750.00</u>	<u>2,378.56</u>
420 - MNT Gas Transportation	258.42	230.79	27.63	258.42	230.79	27.63
421 - Electricity	286.08	208.34	77.74	286.08	208.34	77.74
422 - Sewer & Water	17.65	16.63	1.02	17.65	16.63	1.02
423 - Telephone Expense	494.51	350.00	144.51	494.51	350.00	144.51
424 - Alarm	0.00	60.00	-60.00	0.00	60.00	-60.00
431 - Insurance Expense	1,000.00	1,000.00	0.00	1,000.00	1,000.00	0.00
441 - Legal Expense	0.00	166.64	-166.64	0.00	166.64	-166.64
442 - Accounting Expenses	0.00	400.00	-400.00	0.00	400.00	-400.00
443 - Auditing Expenses	0.00	425.00	-425.00	0.00	425.00	-425.00
444 - Collection Services	20.00	30.00	-10.00	20.00	30.00	-10.00
445 - Rent	0.00	0.00	0.00	0.00	0.00	0.00
446 - Other Contracted Services	123.59	400.00	-276.41	123.59	400.00	-276.41
451 - Postage	725.54	375.00	350.54	725.54	375.00	350.54
461 - Licenses & Taxes	0.00	0.00	0.00	0.00	0.00	0.00
471 - Misc & Public Relations	0.00	16.63	-16.63	0.00	16.63	-16.63
483 - Office Supplies	408.17	458.30	-50.13	408.17	458.30	-50.13

Sunburst Farms Irrigation District
Revenue & Expense Budget Performance
July 2017

	<u>Jul 17</u>	<u>Budget</u>	<u>Variance</u>	<u>Jul 17</u>	<u>YTD Budget</u>	<u>Variance</u>
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	100.70	83.33	17.37	100.70	83.33	17.37
Total 400 · Overhead Costs	44,806.01	35,675.75	9,130.26	44,806.01	35,675.75	9,130.26
Total Expense	44,806.01	35,675.75	9,130.26	44,806.01	35,675.75	9,130.26
Net Ordinary Income	-2,728.99	3,119.51	-5,848.50	-2,728.99	3,119.51	-5,848.50
Other Income/Expense						
Other Income						
510 · Misc/Other Income	253.68	200.00	53.68	253.68	200.00	53.68
Total Other Income	253.68	200.00	53.68	253.68	200.00	53.68
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	253.68	200.00	53.68	253.68	200.00	53.68
Net Income	-2,475.31	3,319.51	-5,794.82	-2,475.31	3,319.51	-5,794.82
Capital Expenditure Fund	2,070.00	2,070.00	0.00	2,070.00	2,070.00	0.00
511 · Interest Income on Capital Account	45.53	0.00	45.53	45.53	0.00	45.53
Net Income after Capital Fund Expenditures	-359.78	5389.51	-5749.29	-359.78	5389.51	-5749.29

**Sunburst Farms Irrigation District
A/R Aging Summary
As of July 31, 2017**

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
Total A/R 2017	46,267.26	-3,561.16	2,758.06	2,358.91	69,363.43	117,186.50
Total A/R 2016	52,071.05	-2,525.21	4,133.32	1,895.19	65,173.77	120,748.12
Variance- Better/(Worse)	5,803.79	1,035.95	1,375.26	-463.72	-4,189.66	3,561.62