

**Hacker Accounting LLC**  
**13201 N. 35<sup>th</sup> Avenue, Ste. B-3**  
**Phoenix, AZ 85029**

July 28, 2017

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

We have prepared the accompanying balance sheet of Sunburst Farms Irrigation District for June 30, 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, CA*

Hacker Accounting LLC

**Sunburst Farms Irrigation District**  
**Balance Sheet**  
 As of June 30, 2017

	Jun 30, 17	Jun 30, 16
<b>ASSETS</b>		
<b>Current Assets</b>		
<b>Checking/Savings</b>		
117 · Checking/Compass	60,231.56	78,266.49
118 · First Bank	123,431.34	122,938.67
111 · Cash on Hand	100.00	100.00
114 · Compass Cap/Expd/Dep	96,592.00	77,909.26
<b>Total Checking/Savings</b>	280,354.90	279,214.42
<b>Accounts Receivable</b>		
121 · Accounts Receivable	120,576.61	122,016.07
<b>Total Accounts Receivable</b>	120,576.61	122,016.07
<b>Other Current Assets</b>		
140 · Prepaid Insurance	8,579.33	7,699.89
1499 · Undeposited Funds	0.00	1,766.41
199 · Suspense	0.00	58,096.03
<b>Total Other Current Assets</b>	8,579.33	67,562.33
<b>Total Current Assets</b>	409,510.84	468,792.82
<b>Fixed Assets</b>		
<b>1200 · Fixed Assets</b>		
1210 · Land	9,000.00	9,000.00
1220 · Water District System	2,447,216.29	2,250,042.73
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
<b>Total 1200 · Fixed Assets</b>	2,814,418.87	2,524,373.33
<b>1300 · Accumulated Depreciation</b>		
1320 · Accum Depr-Water Distr Sys	-1,490,318.58	-1,342,905.75
<b>Total 1300 · Accumulated Depreciation</b>	-1,490,318.58	-1,342,905.75
<b>Total Fixed Assets</b>	1,324,100.29	1,181,467.58
<b>TOTAL ASSETS</b>	<b>1,733,611.13</b>	<b>1,650,260.40</b>
<b>LIABILITIES &amp; EQUITY</b>		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
<b>Accounts Payable</b>		
200 · Accounts Payable	1,166.37	1,166.37
<b>Total Accounts Payable</b>	1,166.37	1,166.37
<b>Credit Cards</b>		
CITI Card	1,289.42	0.00
<b>Total Credit Cards</b>	1,289.42	0.00
<b>Total Credit Cards</b>	1,289.42	0.00
<b>Other Current Liabilities</b>		
201 · Payroll Liabilities		
2011 · Dental/Vision Payable	102.69	4.72
201 · Payroll Liabilities - Other	286.25	286.25
<b>Total 201 · Payroll Liabilities</b>	388.94	290.97
203 · Accrued Power/Water		
2031 · Accrued Power	11,988.40	11,937.40
<b>Total 203 · Accrued Power/Water</b>	11,988.40	11,937.40

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Accrual Basis

**Sunburst Farms Irrigation District**  
**Balance Sheet**  
**As of June 30, 2017**

	<u>Jun 30, 17</u>	<u>Jun 30, 16</u>
204 · Other Accrued Expenses	3,145.17	3,145.17
205 · Accrued Vacation	5,822.66	5,822.66
<b>Total Other Current Liabilities</b>	<u>21,345.17</u>	<u>21,196.20</u>
<b>Total Current Liabilities</b>	23,800.96	22,362.57
<b>Long Term Liabilities</b>		
230 · Wells Fargo Bobcat Lease	43,772.85	0.00
<b>Total Long Term Liabilities</b>	<u>43,772.85</u>	<u>0.00</u>
<b>Total Liabilities</b>	67,573.81	22,362.57
<b>Equity</b>		
209 · Retained Earnings	1,627,897.83	1,503,984.69
Net Income	38,139.49	123,913.14
<b>Total Equity</b>	<u>1,666,037.32</u>	<u>1,627,897.83</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><b>1,733,611.13</b></u>	<u><b>1,650,260.40</b></u>

**Sunburst Farms Irrigation District**  
**Profit Loss Budget Performance**  
 June 2017

	Jun 17	Budget	Variance	Jul '16 - Jun 17	YTD Budget	Variance
<b>Ordinary Income/Expense</b>						
<b>Income</b>						
211 · Water Fees	34,894.78	25,920.00	8,974.78	278,419.65	259,200.00	19,219.65
212 · Member Fees	36,084.24	36,087.58	-3.34	433,010.88	433,051.00	-40.12
213 · Other Services	0.00	40.00	-40.00	200.00	480.00	-280.00
214 · Escrow Transfer Fees	0.00	300.00	-300.00	3,000.00	3,600.00	-600.00
215 · Finance Charges	767.43	750.00	17.43	10,124.57	9,000.00	1,124.57
<b>Total Income</b>	<u>71,746.45</u>	<u>63,097.58</u>	<u>8,648.87</u>	<u>724,755.10</u>	<u>705,331.00</u>	<u>19,424.10</u>
<b>Cost of Goods Sold</b>						
310 · Direct Costs of Water Delivery						
311 · Purchases-Power	19,301.09	17,500.00	1,801.09	179,391.48	175,000.00	4,391.48
331 · State Water Fees	-125.50	500.00	-625.50	5,374.50	6,000.00	-625.50
351 · Pump Supply "Oil"	0.00	133.33	-133.33	929.70	1,600.00	-670.30
352 · Transportation Gas/Oil	1,412.95	900.00	512.95	5,763.21	9,000.00	-3,236.79
361 · Irrigation Labor	9,579.87	5,380.00	4,199.87	58,332.86	53,800.00	4,532.86
371 · Payroll Taxes & Fringe	892.66	480.00	412.66	5,308.67	4,800.00	508.67
372 · Irrigators-Health Insurance	245.28	750.00	-504.72	7,997.34	9,000.00	-1,002.66
<b>Total 310 · Direct Costs of Water Delivery</b>	<u>31,306.35</u>	<u>25,643.33</u>	<u>5,663.02</u>	<u>263,097.76</u>	<u>259,200.00</u>	<u>3,897.76</u>
<b>Total COGS</b>	<u>31,306.35</u>	<u>25,643.33</u>	<u>5,663.02</u>	<u>263,097.76</u>	<u>259,200.00</u>	<u>3,897.76</u>
<b>Gross Profit</b>	40,440.10	37,454.25	2,985.85	461,657.34	446,131.00	15,526.34
<b>Expense</b>						
400 · Overhead Costs						
362 · Salaries-Supervisor	4,096.50	4,169.05	-72.55	42,879.91	43,360.00	-480.09
363 · Admin Payroll Expense	4,015.55	4,080.75	-65.20	42,038.41	42,440.00	-401.59
364 · Payroll Taxes/Fringe-Admin	639.65	742.80	-103.15	7,157.69	7,725.00	-567.31
365 · MNGR Gas Transportation	221.93	112.50	109.43	1,455.56	1,350.00	105.56
366 · Health Insurance "Salary"	817.24	817.67	-0.43	9,485.03	9,420.00	65.03
375 · State Compensation Fund	0.00	566.67	-566.67	10,935.20	6,800.00	4,135.20

**Sunburst Farms Irrigation District**  
**Profit Loss Budget Performance**  
 June 2017

	<u>Jun 17</u>	<u>Budget</u>	<u>Variance</u>	<u>Jul '16 - Jun 17</u>	<u>YTD Budget</u>	<u>Variance</u>
411 · Depreciation Expense	14,185.00	11,418.83	2,766.17	147,412.83	137,026.00	10,386.83
414 · Building & Equipment Repair	0.00	41.67	-41.67	23.93	500.00	-476.07
416 · Pumps-Maintenance	543.00	126.67	416.33	543.00	1,520.00	-977.00
417 · Maint/Repairs-Water System						
417.1 · Direct Labor	11,833.47	4,600.00	7,233.47	55,959.14	69,000.00	-13,040.86
417.2 · Materials	14,349.85	1,666.67	12,683.18	32,462.77	20,000.00	12,462.77
417.3 · Outside Service	402.00	833.33	-431.33	8,406.32	10,000.00	-1,593.68
417.4 · MT Payroll Taxes	958.38	620.00	338.38	3,947.82	6,210.00	-2,262.18
417.5 · MT Health Insurance	1,129.27	582.33	546.94	4,875.70	7,000.00	-2,124.30
<b>Total 417 · Maint/Repairs-Water System</b>	<b>28,672.97</b>	<b>8,302.33</b>	<b>20,370.64</b>	<b>105,651.75</b>	<b>112,210.00</b>	<b>-6,558.25</b>
419 · Repairs-Transportation						
419.1 · Fleet Vehicles	176.63	625.00	-448.37	15,073.62	7,500.00	7,573.62
419.2 · Tractor	0.00	125.00	-125.00	418.20	1,500.00	-1,081.80
419 · Repairs-Transportation - Other	0.00			10.00	0.00	10.00
<b>Total 419 · Repairs-Transportation</b>	<b>176.63</b>	<b>750.00</b>	<b>-573.37</b>	<b>15,501.82</b>	<b>9,000.00</b>	<b>6,501.82</b>
420 · MNT Gas Transportation	492.81	250.00	242.81	2,719.58	3,000.00	-280.42
421 · Electricity	213.95	250.00	-36.05	2,200.06	3,000.00	-799.94
422 · Sewer & Water	14.46	16.67	-2.21	177.71	200.00	-22.29
423 · Telephone Expense	331.54	383.33	-51.79	3,806.30	4,600.00	-793.70
424 · Alarm	0.00	50.00	-50.00	742.67	1,200.00	-457.33
431 · Insurance Expense	1,016.63	916.67	99.96	11,659.56	11,000.00	659.56
441 · Legal Expense	0.00	166.67	-166.67	0.00	2,000.00	-2,000.00
442 · Accounting Expenses	800.00	400.00	400.00	4,800.00	4,800.00	0.00
443 · Auditing Expenses	0.00	416.67	-416.67	5,000.00	5,000.00	0.00
444 · Collection Services	0.00	40.00	-40.00	230.00	480.00	-250.00
445 · Rent	0.00	0.00	0.00	0.00	0.00	0.00
446 · Other Contracted Services	660.64	458.34	202.30	4,054.95	5,500.00	-1,445.05
451 · Postage	343.00	375.00	-32.00	4,317.27	4,500.00	-182.73
461 · Licenses & Taxes	0.00	0.00	0.00	4.00	0.00	4.00
471 · Misc & Public Relations	18.78	16.67	2.11	232.78	200.00	32.78

**Sunburst Farms Irrigation District**  
**Profit Loss Budget Performance**  
**June 2017**

	<u>Jun 17</u>	<u>Budget</u>	<u>Variance</u>	<u>Jul '16 - Jun 17</u>	<u>YTD Budget</u>	<u>Variance</u>
483 · Office Supplies	286.49	458.33	-171.84	6,709.32	5,500.00	1,209.32
484 · Mileage	62.88	66.67	-3.79	683.40	800.00	-116.60
485 · Bank Charges	0.00	5.00	-5.00	0.00	60.00	-60.00
486 · Dues & Subscriptions	0.00	125.00	-125.00	1,241.60	1,500.00	-258.40
<b>Total 400 · Overhead Costs</b>	<b>57,609.65</b>	<b>35,523.96</b>	<b>22,085.69</b>	<b>431,664.33</b>	<b>424,691.00</b>	<b>6,973.33</b>
<b>Total Expense</b>	<b>57,609.65</b>	<b>35,523.96</b>	<b>22,085.69</b>	<b>431,664.33</b>	<b>424,691.00</b>	<b>6,973.33</b>
<b>Net Ordinary Income</b>	<b>-17,169.55</b>	<b>1,930.29</b>	<b>-19,099.84</b>	<b>29,993.01</b>	<b>21,440.00</b>	<b>8,553.01</b>
<b>Other Income/Expense</b>						
Other Income						
510 · Misc/Other Income	304.60	200.00	104.60	10,361.84	2,400.00	7,961.84
<b>Total Other Income</b>	<b>352.44</b>	<b>241.67</b>	<b>110.77</b>	<b>11,041.48</b>	<b>2,900.00</b>	<b>8,141.48</b>
<b>Other Expense</b>						
512 · Bridle Path Cleanup	0.00	0.00	0.00	2,895.00	0.00	2,895.00
<b>Total Other Expense</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>2,895.00</b>	<b>0.00</b>	<b>2,895.00</b>
<b>Net Other Income</b>	<b>352.44</b>	<b>241.67</b>	<b>110.77</b>	<b>8,146.48</b>	<b>2,900.00</b>	<b>5,246.48</b>
<b>Net Income</b>	<b>-16,817.11</b>	<b>2,171.96</b>	<b>-18,989.07</b>	<b>38,139.49</b>	<b>24,340.00</b>	<b>13,799.49</b>
<b>Capital Expenditure Fund</b>						
511 · Interest Income on Capital Account	2,070.00	2,070.00	0.00	24,840.00	24,840.00	0.00
	47.84	41.67	6.17	679.64	500.00	179.64
	2,117.84	2,111.67	6.17	25,519.64	25,340.00	179.64
<b>Net Income after Capital Fund Expenditures</b>	<b>-14,699.27</b>	<b>4,283.63</b>	<b>-18,982.90</b>	<b>63,659.13</b>	<b>49,680.00</b>	<b>13,979.13</b>

**Sunburst Farms Irrigation District**  
**A/R Aging Summary**  
**As of June 30, 2017**

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>&gt; 90</u>	<u>TOTAL</u>
Total A/R 2017	50,395.15	1,245.24	-374.82	1,701.73	67,609.31	120,576.61
Total A/R 2016	<u>51,325.79</u>	<u>2,988.55</u>	<u>-55.02</u>	<u>1,425.11</u>	<u>66,131.64</u>	<u>121,816.07</u>
Variance- Better/(Worse)	<u>930.64</u>	<u>1,743.31</u>	<u>319.80</u>	<u>-276.62</u>	<u>-1,477.67</u>	<u>1,239.46</u>