

Hacker Accounting LLC

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

Phoenix, AZ 85029

July 5, 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 May 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, CA

Hacker Accounting LLC

10:16 AM
07/05/17
Accrual Basis

Sunburst Farms Irrigation District
Balance Sheet
As of May 31, 2017

	<u>May 31, 17</u>	<u>May 31, 16</u>
ASSETS		
Current Assets		
Checking/Savings		
117 · Checking/Compass	70,719.53	65,901.35
118 · First Bank	123,390.77	122,898.26
111 · Cash on Hand	100.00	100.00
114 · Compass Cap/Expd/Dep	90,011.51	189,154.15
Total Checking/Savings	<u>284,221.81</u>	<u>358,053.76</u>
Accounts Receivable		
121 · Accounts Receivable	114,758.62	118,584.73
Total Accounts Receivable	<u>114,758.62</u>	<u>118,584.73</u>
Other Current Assets		
140 · Prepaid Insurance	9,495.96	6,809.17
1499 · Undeposited Funds	6,113.87	0.00
199 · Suspense	46,831.78	17,066.48
Total Other Current Assets	<u>62,441.61</u>	<u>22,875.65</u>
Total Current Assets	<u>461,422.04</u>	<u>499,514.14</u>
Fixed Assets		
1200 · Fixed Assets		
1210 · Land	9,000.00	9,000.00
1220 · Water District System	2,440,647.96	2,258,183.28
1230 · Buildings & Improvements	163,901.86	163,901.86
1240 · Machinery & Equipment	59,843.75	19,668.65
1250 · Transportation Equipment	71,690.64	47,232.15
1260 · Office Furn & Fixtures	15,986.94	15,986.94
Total 1200 · Fixed Assets	<u>2,761,071.15</u>	<u>2,513,972.88</u>
1300 · Accumulated Depreciation		
1320 · Accum Depr-Water Distr Sys	-1,476,133.58	-1,396,624.80
1330 · Accum Depr-Bldgs & imp	0.00	12,078.41
1300 · Accumulated Depreciation - Other	0.00	5,000.00
Total 1300 · Accumulated Depreciation	<u>-1,476,133.58</u>	<u>-1,379,546.39</u>
Total Fixed Assets	<u>1,284,937.57</u>	<u>1,134,426.49</u>
Other Assets		
120 · Refundable Deposits	0.00	1,443.47
Total Other Assets	<u>0.00</u>	<u>1,443.47</u>
TOTAL ASSETS	<u><u>1,746,359.61</u></u>	<u><u>1,635,384.10</u></u>
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
200 · Accounts Payable	1,186.37	562.07
Total Accounts Payable	<u>1,186.37</u>	<u>562.07</u>
Credit Cards		
Credit Cards		
CITI Card	1,193.90	0.00
Total Credit Cards	<u>1,193.90</u>	<u>0.00</u>
Total Credit Cards	<u>1,193.90</u>	<u>0.00</u>
Other Current Liabilities		
201 · Payroll Liabilities		
2011 · Dental/Vision Payable	25.31	-18.21
201 · Payroll Liabilities - Other	286.25	286.25
Total 201 · Payroll Liabilities	<u>311.56</u>	<u>268.04</u>

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Accrual Basis

Sunburst Farms Irrigation District
Balance Sheet
As of May 31, 2017

	<u>May 31, 17</u>	<u>May 31, 16</u>
203 - Accrued Power/Water		
2031 - Accrued Power	13,510.38	12,190.90
2032 - Accrued Water	125.50	-1,664.90
Total 203 - Accrued Power/Water	13,635.88	10,526.00
204 - Other Accrued Expenses	3,145.17	5,590.78
205 - Accrued Vacation	5,822.66	4,174.56
Total Other Current Liabilities	22,915.27	20,559.38
Total Current Liabilities	25,275.54	21,121.45
Long Term Liabilities		
230 - Wells Fargo Bobcat Lease	38,732.08	0.00
Total Long Term Liabilities	38,732.08	0.00
Total Liabilities	64,007.62	21,121.45
Equity		
209 - Retained Earnings	1,627,897.83	1,503,984.69
Net Income	54,454.16	110,277.96
Total Equity	1,682,351.99	1,614,262.65
TOTAL LIABILITIES & EQUITY	<u>1,746,359.61</u>	<u>1,635,384.10</u>

Sunburst Farms Irrigation District
Profit Loss Budget Performance
May 2017

	<u>May 17</u>	<u>Budget</u>	<u>Variance</u>	<u>Jul '16 - May 17</u>	<u>YTD Budget</u>	<u>Variance</u>
Ordinary Income/Expense						
Income						
211 · Water Fees	34,108.56	28,512.00	5,596.56	243,524.87	233,280.00	10,244.87
212 · Member Fees	36,084.24	36,087.58	-3.34	396,926.64	396,963.42	-36.78
213 · Other Services	0.00	40.00	-40.00	200.00	440.00	-240.00
214 · Escrow Transfer Fees	200.00	300.00	-100.00	3,000.00	3,300.00	-300.00
215 · Finance Charges	743.92	750.00	-6.08	9,357.14	8,250.00	1,107.14
Total Income	<u>71,136.72</u>	<u>65,689.58</u>	<u>5,447.14</u>	<u>653,008.65</u>	<u>642,233.42</u>	<u>10,775.23</u>
Cost of Goods Sold						
310 · Direct Costs of Water Delivery						
311 · Purchases-Power	20,385.19	19,250.00	1,135.19	160,090.39	157,500.00	2,590.39
331 · State Water Fees	500.00	500.00	0.00	5,500.00	5,500.00	0.00
351 · Pump Supply "Oil"	0.00	133.33	-133.33	929.70	1,466.67	-536.97
352 · Transportation Gas/Oil	0.00	990.00	-990.00	4,350.26	8,100.00	-3,749.74
361 · Irrigation Labor	6,936.16	5,918.00	1,018.16	48,752.99	48,420.00	332.99
371 · Payroll Taxes & Fringe	688.22	528.00	160.22	4,416.01	4,320.00	96.01
372 · Irrigators-Health Insurance	-21.34	750.00	-771.34	7,752.06	8,250.00	-497.94
Total 310 · Direct Costs of Water Delivery	<u>28,488.23</u>	<u>28,069.33</u>	<u>418.90</u>	<u>231,791.41</u>	<u>233,556.67</u>	<u>-1,765.26</u>
Total COGS	<u>28,488.23</u>	<u>28,069.33</u>	<u>418.90</u>	<u>231,791.41</u>	<u>233,556.67</u>	<u>-1,765.26</u>
Gross Profit	<u>42,648.49</u>	<u>37,620.25</u>	<u>5,028.24</u>	<u>421,217.24</u>	<u>408,676.75</u>	<u>12,540.49</u>
Expense						
400 · Overhead Costs						
362 · Salaries-Supervisor	3,277.20	3,335.40	-58.20	38,783.41	39,190.95	-407.54
363 · Admin Payroll Expense	3,212.44	3,264.60	-52.16	38,022.86	38,359.25	-336.39
364 · Payroll Taxes/Fringe-Admin	511.72	594.24	-82.52	6,518.04	6,982.20	-464.16
365 · MNGR Gas Transportation	0.00	112.50	-112.50	1,233.63	1,237.50	-3.87
366 · Health Insurance "Salary"	768.24	768.67	-0.43	8,667.79	8,602.33	65.46
375 · State Compensation Fund	948.00	566.67	381.33	10,935.20	6,233.33	4,701.87

Sunburst Farms Irrigation District
Profit Loss Budget Performance
May 2017

	<u>May 17</u>	<u>Budget</u>	<u>Variance</u>	<u>Jul '16 - May 17</u>	<u>YTD Budget</u>	<u>Variance</u>
411 · Depreciation Expense	14,185.00	11,418.83	2,766.17	133,227.83	125,607.17	7,620.66
414 · Building & Equipment Repair	0.00	41.67	-41.67	23.93	458.33	-434.40
416 · Pumps-Maintenance	0.00	126.67	-126.67	0.00	1,393.33	-1,393.33
417 · Maint/Repairs-Water System						
417.1 · Direct Labor	5,719.78	3,620.00	2,099.78	44,125.67	64,400.00	-20,274.33
417.2 · Materials	566.03	1,666.67	-1,100.64	18,112.92	18,333.33	-220.41
417.3 · Outside Service	606.00	833.33	-227.33	8,004.32	9,166.67	-1,162.35
417.4 · MT Payroll Taxes	451.16	682.00	-230.84	2,989.44	5,590.00	-2,600.56
417.5 · MT Health Insurance	2,005.41	583.33	1,422.08	3,746.43	6,417.67	-2,671.24
Total 417 · Maint/Repairs-Water System	<u>9,348.38</u>	<u>7,385.33</u>	<u>1,963.05</u>	<u>76,978.78</u>	<u>103,907.67</u>	<u>-26,928.89</u>
419 · Repairs-Transportation						
419.1 · Fleet Vehicles	4,646.88	625.00	4,021.88	14,896.99	6,875.00	8,021.99
419.2 · Tractor	0.00	125.00	-125.00	418.20	1,375.00	-956.80
419 · Repairs-Transportation - Other	0.00			10.00	0.00	10.00
Total 419 · Repairs-Transportation	<u>4,646.88</u>	<u>750.00</u>	<u>3,896.88</u>	<u>15,325.19</u>	<u>8,250.00</u>	<u>7,075.19</u>
420 · MNT Gas Transportation	0.00	250.00	-250.00	2,226.77	2,750.00	-523.23
421 · Electricity	154.62	250.00	-95.38	1,986.11	2,750.00	-763.89
422 · Sewer & Water	14.76	16.67	-1.91	163.25	183.33	-20.08
423 · Telephone Expense	303.27	383.33	-80.06	3,474.76	4,216.67	-741.91
424 · Alarm	153.30	50.00	103.30	742.67	1,150.00	-407.33
431 · Insurance Expense	1,016.63	916.67	99.96	10,642.93	10,083.33	559.60
441 · Legal Expense	0.00	166.67	-166.67	4,700.50	1,833.33	2,867.17
442 · Accounting Expenses	800.00	400.00	400.00	4,000.00	4,400.00	-400.00
443 · Auditing Expenses	0.00	416.67	-416.67	5,000.00	4,583.33	416.67
444 · Collection Services	40.00	40.00	0.00	230.00	440.00	-210.00
445 · Rent	0.00	0.00	0.00	0.00	0.00	0.00
446 · Other Contracted Services	518.93	458.34	60.59	3,394.31	5,041.66	-1,647.35
451 · Postage	362.77	375.00	-12.23	3,974.27	4,125.00	-150.73
461 · Licenses & Taxes	0.00	0.00	0.00	4.00	0.00	4.00
471 · Misc & Public Relations	147.12	16.67	130.45	214.00	183.33	30.67

Sunburst Farms Irrigation District
Profit Loss Budget Performance
May 2017

	<u>May 17</u>	<u>Budget</u>	<u>Variance</u>	<u>Jul '16 - May 17</u>	<u>YTD Budget</u>	<u>Variance</u>
483 · Office Supplies	1,196.49	458.33	738.16	6,422.83	5,041.67	1,381.16
484 · Mileage	317.11	66.67	250.44	620.52	733.33	-112.81
485 · Bank Charges	0.00	5.00	-5.00	0.00	55.00	-55.00
486 · Dues & Subscriptions	330.88	125.00	205.88	1,241.60	1,375.00	-133.40
Total 400 · Overhead Costs	<u>42,253.74</u>	<u>32,759.60</u>	<u>9,494.14</u>	<u>378,755.18</u>	<u>389,167.04</u>	<u>-10,411.86</u>
Total Expense	<u>42,253.74</u>	<u>32,759.60</u>	<u>9,494.14</u>	<u>378,755.18</u>	<u>389,167.04</u>	<u>-10,411.86</u>
Net Ordinary Income	394.75	4,860.65	-4,465.90	42,462.06	19,509.71	22,952.35
Other Income/Expense						
Other Income						
510 · Misc/Other Income	353.68	200.00	153.68	14,757.74	2,200.00	12,557.74
511 · Interest Income	55.11	41.67	13.44	631.80	458.33	173.47
Total Other Income	<u>408.79</u>	<u>241.67</u>	<u>167.12</u>	<u>15,389.54</u>	<u>2,658.33</u>	<u>12,731.21</u>
Other Expense						
512 · Bridle Path Cleanup	0.00	0.00	0.00	2,895.00	0.00	2,895.00
490 · Interest-Expense	248.95			502.44		
Total Other Expense	<u>248.95</u>	<u>0.00</u>	<u>248.95</u>	<u>3,397.44</u>	<u>0.00</u>	<u>3,397.44</u>
Net Other Income	<u>159.84</u>	<u>241.67</u>	<u>-81.83</u>	<u>11,992.10</u>	<u>2,658.33</u>	<u>9,333.77</u>
Net Income	<u>554.59</u>	<u>5,102.32</u>	<u>-4,547.73</u>	<u>54,454.16</u>	<u>22,168.04</u>	<u>32,286.12</u>
Capital Expenditure Fund	<u>2,070.00</u>	<u>2,070.00</u>	<u>0.00</u>	<u>22,770.00</u>	<u>22,770.00</u>	<u>0.00</u>
Net Income after Capital Fund Expenditure	<u>-1,515.41</u>	<u>3,032.32</u>	<u>-4,547.73</u>	<u>31,684.16</u>	<u>-601.96</u>	<u>32,286.12</u>

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

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
Total A/R 2017	50,073.26	-3,612.50	3,100.93	-109.71	65,306.64	114,758.62
Total A/R 2016	47,465.13	-148.74	3,594.74	2,837.41	66,176.19	118,584.73
Variance- Better/(Worse)	-2,608.13	3,463.76	493.81	2,947.12	869.55	3,826.11