

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

March 26, 2018

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 February 28, 2018 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.

Hacker Accounting LLC

**Sunburst Farms Irrigation District
A/R Aging Summary
As of February 28, 2018**

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
Total A/R 2018	49,456.58	4,040.12	905.20	1,317.89	72,792.77	128,512.56
Total A/R 2017	9,777.42	-595.27	-913.77	194.17	71,129.94	79,592.49
Variance- Better/(Worse)	-39,679.16	-4,635.39	-1,818.97	-1,123.72	-1,662.83	-48,920.07

Sunburst Farms Irrigation District
Balance Sheet
 As of February 28, 2018

	Feb 28, 18	Feb 28, 17
ASSETS		
Current Assets		
Checking/Savings		
117 · Checking/Compass	56,407.36	93,489.82
118 · First Bank	90,753.21	123,266.44
111 · Cash on Hand	100.00	100.00
114 · Compass Cap/Expd/Dep	18,580.87	122,674.10
Total Checking/Savings	165,841.44	339,530.36
Accounts Receivable		
121 · Accounts Receivable	128,512.56	79,592.49
Total Accounts Receivable	128,512.56	79,592.49
Other Current Assets		
180 · Inventory	13,631.64	0.00
140 · Prepaid Insurance	4,371.62	366.85
1499 · Undeposited Funds	2,866.46	5,917.26
Total Other Current Assets	20,869.72	6,284.11
Total Current Assets	315,223.72	425,406.96
Fixed Assets		
1200 · Fixed Assets		
1210 · Land	9,000.00	9,000.00
1220 · Water District System	2,566,839.00	2,400,214.99
1230 · Buildings & Improvements	163,901.86	163,901.86
1240 · Machinery & Equipment	59,843.75	19,668.65
1250 · Transportation Equipment	111,571.11	75,490.64
1260 · Office Furn & Fixtures	15,986.94	15,986.94
Total 1200 · Fixed Assets	2,927,142.66	2,684,263.08
1300 · Accumulated Depreciation		
1320 · Accum Depr-Water Distr Sys	-1,544,462.55	-1,435,648.71
Total 1300 · Accumulated Depreciation	-1,544,462.55	-1,435,648.71
Total Fixed Assets	1,382,680.11	1,248,614.37
TOTAL ASSETS	1,697,903.83	1,674,021.33
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
200 · Accounts Payable	3,852.96	1,166.37
Total Accounts Payable	3,852.96	1,166.37
Credit Cards		
Credit Cards		
CITI Card	1,406.90	0.00
Total Credit Cards	1,406.90	0.00
Total Current Liabilities	1,406.90	0.00
Other Current Liabilities		
201 · Payroll Liabilities		
2011 · Dental/Vision Payable	14.64	26.07
201 · Payroll Liabilities - Other	286.25	286.25
Total 201 · Payroll Liabilities	300.89	312.32
203 · Accrued Power/Water		
2031 · Accrued Power	7,323.68	2,543.81
2032 · Accrued Water	-3,142.56	-1,374.50
Total 203 · Accrued Power/Water	4,181.12	1,169.31

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Accrual Basis

Sunburst Farms Irrigation District
Balance Sheet
As of February 28, 2018

	<u>Feb 28, 18</u>	<u>Feb 28, 17</u>
204 · Other Accrued Expenses	5,019.92	3,145.17
205 · Accrued Vacation	6,370.80	5,822.66
Total Other Current Liabilities	<u>15,872.73</u>	<u>10,449.46</u>
Total Current Liabilities	21,132.59	11,615.83
Long Term Liabilities		
230 · Wells Fargo Bobcat Lease	28,276.43	0.00
Total Long Term Liabilities	<u>28,276.43</u>	<u>0.00</u>
Total Liabilities	49,409.02	11,615.83
Equity		
209 · Retained Earnings	1,681,234.06	1,627,897.83
Net Income	-32,739.25	34,507.67
Total Equity	<u>1,648,494.81</u>	<u>1,662,405.50</u>
TOTAL LIABILITIES & EQUITY	<u>1,697,903.83</u>	<u>1,674,021.33</u>

Sunburst Farms Irrigation District
Revenue & Expense Budget Performance
February 2018

	Feb 18	Budget	Variance	Jul '17 - Feb 18	YTD Budget	Variance
Ordinary Income/Expense						
Income						
211 · Water Fees	14,170.08	10,176.00	3,994.08	185,974.16	160,272.00	25,702.16
212 · Member Fees	37,549.80	37,549.83	-0.03	300,398.40	300,398.68	-0.28
213 · Other Services	0.00	40.00	-40.00	132.50	320.00	-187.50
214 · Escrow Transfer Fees	300.00	300.00	0.00	1,700.00	2,400.00	-700.00
215 · Finance Charges	1,021.38	750.00	271.38	6,977.46	6,000.00	977.46
Total Income	53,041.26	48,815.83	4,225.43	495,182.52	469,390.68	25,791.84
Cost of Goods Sold						
310 · Direct Costs of Water Delivery						
311 · Purchases-Power	12,919.11	6,668.00	6,251.11	123,706.67	104,986.00	18,720.67
331 · State Water Fees	500.00	500.00	0.00	4,000.00	4,000.00	0.00
351 · Pump Supply "Oil"	0.00	133.33	-133.33	931.98	1,066.68	-134.70
352 · Transportation Gas/Oil	359.34	247.00	112.34	3,772.08	3,901.00	-128.92
361 · Irrigation Labor	3,940.60	2,456.00	1,484.60	44,210.59	38,647.00	5,563.59
371 · Payroll Taxes & Fringe	390.53	208.00	182.53	3,597.08	3,234.00	363.08
372 · Irrigators-Health Insurance	257.84	791.66	-533.82	2,578.40	6,333.36	-3,754.96
Total 310 · Direct Costs of Water Delivery	18,367.42	11,003.99	7,363.43	182,796.80	162,168.04	20,628.76
Total COGS	18,367.42	11,003.99	7,363.43	182,796.80	162,168.04	20,628.76
Gross Profit	34,673.84	37,811.84	-3,138.00	312,385.72	307,222.64	5,163.08
Expense						
400 · Overhead Costs						
362 · Salaries-Supervisor	3,309.96	3,435.56	-125.60	28,326.63	29,199.56	-872.93
363 · Admin Payroll Expense	3,244.56	3,362.40	-117.84	28,257.51	28,579.80	-322.29
364 · Payroll Taxes/Fringe-Admin	671.07	611.55	59.52	4,796.62	5,198.10	-401.48
365 · MNGR Gas Transportation	96.40	133.34	-36.94	1,651.07	1,066.64	584.43
366 · Health Insurance "Salary"	864.36	875.00	-10.64	6,982.88	7,000.00	-17.12
375 · State Compensation Fund	5,952.00	583.33	5,368.67	5,952.00	4,666.64	1,285.36

Sunburst Farms Irrigation District
Revenue & Expense Budget Performance
February 2018

	<u>Feb 18</u>	<u>Budget</u>	<u>Variance</u>	<u>Jul '17 - Feb 18</u>	<u>YTD Budget</u>	<u>Variance</u>
411 · Depreciation Expense	12,250.00	12,250.00	0.00	98,000.00	98,000.00	0.00
414 · Building & Equipment Repair	17.14	41.67	-24.53	17.14	333.32	-316.18
416 · Pumps-Maintenance	0.00	90.50	-90.50	0.00	724.00	-724.00
417 · Maint/Repairs-Water System						
417.1 · Direct Labor	9,685.63	5,078.84	4,606.79	62,122.41	43,170.22	18,952.19
417.2 · Materials	2,129.15	1,666.67	462.48	11,438.23	13,333.32	-1,895.09
417.3 · Outside Service	30.00	833.33	-803.33	5,549.38	6,666.64	-1,117.26
417.4 · MT Payroll Taxes	959.84	477.69	482.15	5,374.33	4,060.43	1,313.90
417.5 · MT Health Insurance	1,027.23	1,209.25	-182.02	9,461.64	9,674.00	-212.36
Total 417 · Maint/Repairs-Water System	13,831.85	9,265.78	4,566.07	93,945.99	76,904.61	17,041.38
419 · Repairs-Transportation						
419.1 · Fleet Vehicles	1,012.37	700.00	312.37	8,710.87	5,600.00	3,110.87
419.2 · Tractor	693.89	50.00	643.89	5,700.71	400.00	5,300.71
Total 419 · Repairs-Transportation	1,706.26	750.00	956.26	14,411.58	6,000.00	8,411.58
420 · MNT Gas Transportation	354.02	230.76	123.26	2,034.88	1,961.58	73.30
421 · Electricity	126.48	208.34	-81.86	1,665.32	1,666.64	-1.32
422 · Sewer & Water	17.34	16.67	0.67	141.20	133.32	7.88
423 · Telephone Expense	314.36	350.00	-35.64	2,765.35	2,800.00	-34.65
424 · Alarm	156.30	60.00	96.30	468.90	480.00	-11.10
431 · Insurance Expense	1,000.00	1,000.00	0.00	8,255.00	8,000.00	255.00
441 · Legal Expense	5,000.00	166.67	4,833.33	5,000.00	1,333.32	3,666.68
442 · Accounting Expenses	400.00	400.00	0.00	2,800.00	3,200.00	-400.00
443 · Auditing Expenses	3,150.00	425.00	2,725.00	5,100.00	3,400.00	1,700.00
444 · Collection Services	0.00	30.00	-30.00	60.00	240.00	-180.00
445 · Rent	0.00	0.00	0.00	0.00	0.00	0.00
446 · Other Contracted Services	305.76	400.00	-94.24	2,524.49	3,200.00	-675.51
451 · Postage	3.89	375.00	-371.11	2,674.81	3,000.00	-325.19
461 · Licenses & Taxes	0.00	0.00	0.00	0.00	0.00	0.00
471 · Misc & Public Relations	0.00	16.67	-16.67	150.04	133.32	16.72
483 · Office Supplies	203.17	458.34	-255.17	2,040.89	3,666.64	-1,625.75

Sunburst Farms Irrigation District
Revenue & Expense Budget Performance
February 2018

	Feb 18	Budget	Variance	Jul '17 - Feb 18	YTD Budget	Variance
484 · Mileage	-3.84	50.00	-53.84	-32.64	400.00	-432.64
485 · Bank Charges	0.00	5.00	-5.00	26.45	40.00	-13.55
486 · Dues & Subscriptions	0.00	83.33	-83.33	1,200.56	666.64	533.92
Total 400 · Overhead Costs	52,971.08	35,674.91	17,296.17	319,216.67	291,994.13	27,222.54
Total Expense	52,971.08	35,674.91	17,296.17	319,216.67	291,994.13	27,222.54
Net Ordinary Income	-18,297.24	2,136.93	-20,434.17	-6,830.95	15,228.51	-22,059.46
Other Income/Expense						
Other Income						
510 · Misc/Other Income	-5,154.94	200.00	-5,354.94	18,927.28	1,600.00	17,327.28
511 · Interest Income	24.68			307.19	0.00	307.19
541 · Gain/Loss on Sale of Equipment	0.00			15.90		
Total Other Income	-5,130.26	200.00	-5,330.26	19,250.37	1,600.00	17,650.37
Other Expense						
542 · Loss on 39th Avenue Pump	0.00			45,078.67		
512 · Bridle Path Cleanup	0.00			80.00	0.00	80.00
Total Other Expense	0.00			45,158.67	0.00	45,158.67
Net Other Income	-5,130.26	200.00	-5,330.26	-25,908.30	1,600.00	-27,508.30
Net Income	-23,427.50	2,336.93	-25,764.43	-32,739.25	16,828.51	-49,567.76