

**Hacker Accounting LLC**

**13201 N. 35<sup>th</sup> Avenue, Ste. B-3**

**Phoenix, AZ 85029**

September 26, 2018

Sunburst Farms Irrigation District  
16040 N. 43<sup>rd</sup> 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 August 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, EA*

Hacker Accounting LLC

**Sunburst Farms Irrigation District**  
**Profit Loss vs Budget Performance**  
 August 2018

Ordinary Income/Expense	Aug 18	Budget	Variance	Jul - Aug 18	YTD Budget	Variance
<b>Income</b>						
211 - Water Fees	35,994.00	27,720.00	8,274.00	58,296.04	54,180.00	4,116.04
212 - Member Fees	35,604.00	35,604.00	0.00	71,208.00	71,208.00	0.00
213 - Other Services	0.00	30.00	-30.00	80.00	60.00	20.00
214 - Escrow Transfer Fees	400.00	200.00	200.00	600.00	400.00	200.00
215 - Finance Charges	1,214.81	791.66	423.15	2,374.76	1,583.40	791.36
<b>Total Income</b>	<b>73,212.81</b>	<b>64,345.66</b>	<b>8,867.15</b>	<b>132,558.80</b>	<b>127,431.40</b>	<b>5,127.40</b>
<b>Cost of Goods Sold</b>						
<b>310 - Direct Costs of Water Delivery</b>						
311 - Purchases-Power	19,509.08	18,502.00	1,007.08	37,862.19	36,163.00	1,699.19
331 - State Water Fees	607.50	607.50	0.00	1,215.00	1,215.00	0.00
351 - Pump Supply "Oil"	0.00	0.00	0.00	0.00	0.00	0.00
352 - Transportation Gas/Oil	874.93	681.00	193.93	1,671.80	1,332.00	339.80
361 - Irrigation Labor	8,661.19	6,124.05	2,537.14	12,923.52	11,023.29	1,900.23
371 - Payroll Taxes & Fringe	662.58	606.80	55.78	988.68	1,092.40	-103.72
372 - Irrigators-Health Insurance	238.03	284.00	-45.97	476.06	568.00	-91.94
<b>Total 310 - Direct Costs of Water Delivery</b>	<b>30,553.31</b>	<b>26,805.35</b>	<b>3,747.96</b>	<b>55,137.25</b>	<b>51,393.69</b>	<b>3,743.56</b>
<b>Total COGS</b>	<b>30,553.31</b>	<b>26,805.35</b>	<b>3,747.96</b>	<b>55,137.25</b>	<b>51,393.69</b>	<b>3,743.56</b>
<b>Gross Profit</b>	<b>42,659.50</b>	<b>37,540.31</b>	<b>5,119.19</b>	<b>77,421.55</b>	<b>76,037.71</b>	<b>1,383.84</b>
<b>Expense</b>						
<b>400 - Overhead Costs</b>						
362 - Salaries-Supervisor	4,137.45	4,220.30	-82.85	7,447.41	7,596.54	-149.13
363 - Admin Payroll Expense	4,055.70	4,136.99	-81.29	7,300.26	7,446.58	-146.32
364 - Payroll Taxes/Fringe-Admin	649.70	828.20	-178.50	1,169.46	1,490.76	-321.30
365 - MNGR Gas Transportation	148.64	150.00	-1.36	300.42	300.00	0.42
366 - Health Insurance "Salary"	1,040.43	916.66	123.77	2,021.86	1,833.40	188.46
375 - State Compensation Fund	0.00	0.00	0.00	0.00	0.00	0.00
411 - Depreciation Expense	12,738.00	12,738.00	0.00	25,476.00	25,476.00	0.00
414 - Building & Equipment Repair	0.00	41.68	-41.68	0.00	83.40	-83.40
416 - Pumps-Maintenance	0.00	0.00	0.00	0.00	0.00	0.00

**Sunburst Farms Irrigation District**  
**Profit Loss vs Budget Performance**  
**August 2018**

	Aug 18	Budget	Variance	Jul - Aug 18	YTD Budget	Variance
<b>417 - Maint/Repairs-Water System</b>						
417.1 - Direct Labor	6,388.49	4,493.10	1,895.39	12,756.02	8,087.50	4,668.52
417.2 - Materials	4,231.81	1,500.00	2,731.81	9,796.84	3,000.00	6,796.84
417.3 - Outside Service	1,358.32	833.33	524.99	1,803.32	1,666.70	136.62
417.4 - MT Payroll Taxes	489.79	445.28	44.51	976.87	801.50	175.37
417.5 - MT Health Insurance	732.90	753.33	-20.43	1,465.80	1,506.70	-40.90
<b>Total 417 - Maint/Repairs-Water System</b>	<b>13,201.31</b>	<b>8,025.04</b>	<b>5,176.27</b>	<b>26,798.85</b>	<b>15,062.40</b>	<b>11,736.45</b>
<b>419 - Repairs-Transportation</b>						
419.1 - Fleet Vehicles	271.44	625.00	-353.56	271.44	1,250.00	-978.56
419.2 - Tractor	272.61	250.00	22.61	272.61	500.00	-227.39
<b>Total 419 - Repairs-Transportation</b>	<b>544.05</b>	<b>875.00</b>	<b>-330.95</b>	<b>544.05</b>	<b>1,750.00</b>	<b>-1,205.95</b>
<b>420 - MINT Gas Transportation</b>						
420 - MINT Gas Transportation	386.53	346.15	40.38	678.02	623.07	54.95
421 - Electricity	318.17	208.33	109.84	590.86	416.70	174.16
422 - Sewer & Water	14.90	16.66	-1.76	29.80	33.40	-3.60
423 - Telephone Expense	298.16	350.00	-51.84	606.75	700.00	-93.25
424 - Alarm	156.30	60.00	96.30	156.30	120.00	36.30
431 - Insurance Expense	1,059.75	1,059.75	0.00	2,219.50	2,119.50	100.00
441 - Legal Expense	53.00	1,125.00	-1,072.00	53.00	2,250.00	-2,197.00
442 - Accounting Expenses	400.00	400.00	0.00	800.00	800.00	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	80.00	40.00	40.00
446 - Other Contracted Services	669.02	475.00	194.02	957.63	950.00	7.63
451 - Postage	463.40	300.00	163.40	840.20	600.00	240.20
471 - Misc & Public Relations	0.00	16.66	-16.66	0.00	33.32	-33.32
483 - Office Supplies	619.90	400.00	219.90	1,502.95	800.00	702.95
484 - Mileage	120.17	50.00	70.17	116.33	100.00	16.33
485 - Bank Charges	0.00	5.00	-5.00	0.00	10.00	-10.00
486 - Dues & Subscriptions	0.00	100.00	-100.00	237.07	200.00	37.07
<b>Total 400 - Overhead Costs</b>	<b>41,114.58</b>	<b>36,864.42</b>	<b>4,250.16</b>	<b>79,926.72</b>	<b>70,835.07</b>	<b>9,091.65</b>
<b>Total Expense</b>	<b>41,114.58</b>	<b>36,864.42</b>	<b>4,250.16</b>	<b>79,926.72</b>	<b>70,835.07</b>	<b>9,091.65</b>

**Sunburst Farms Irrigation District**  
**Profit Loss vs Budget Performance**  
**August 2018**

	<u>Aug 18</u>	<u>Budget</u>	<u>Variance</u>	<u>Jul - Aug 18</u>	<u>YTD Budget</u>	<u>Variance</u>
Net Ordinary Income	1,544.92	675.89	869.03	-2,505.17	5,202.64	-7,707.81
Other Income/Expense						
Other Income						
510 · Misc/Other Income	4.60	200.00	-195.40	458.28	400.00	58.28
511 · Interest Income	108.10	41.69	66.41	219.22	83.38	135.84
541 · Gain/Loss on Sale of Equipment	0.00	0.00	0.00	0.00	0.00	0.00
Total Other Income	112.70	241.69	-128.99	677.50	483.38	194.12
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	112.70	241.69	-128.99	677.50	483.38	194.12
Net Income	<u>1,657.62</u>	<u>917.58</u>	<u>740.04</u>	<u>-1,827.67</u>	<u>5,686.02</u>	<u>-7,513.69</u>

**Sunburst Farms Irrigation District**  
**Balance Sheet**  
 As of August 31, 2018

	<u>Aug 31, 18</u>	<u>Aug 31, 17</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
<b>Checking/Savings</b>		
117 · Operating Fund	40,053.41	53,750.00
118 · Emergency Fund	125,519.63	123,515.22
111 · Cash on Hand	100.00	100.00
114 · Capital Fund	56,886.92	110,919.70
<b>Total Checking/Savings</b>	<u>222,559.96</u>	<u>288,284.92</u>
<b>Accounts Receivable</b>		
121 · Accounts Receivable	145,307.24	112,936.27
<b>Total Accounts Receivable</b>	<u>145,307.24</u>	<u>112,936.27</u>
<b>Other Current Assets</b>		
180 · Inventory	13,631.64	0.00
140 · Prepaid Insurance	10,969.12	10,371.62
1499 · Undeposited Funds	1,506.05	741.58
199 · Suspense	0.00	7,500.00
<b>Total Other Current Assets</b>	<u>26,106.81</u>	<u>18,613.20</u>
<b>Total Current Assets</b>	<u>393,974.01</u>	<u>419,834.39</u>
<b>Fixed Assets</b>		
<b>1200 · Fixed Assets</b>		
1210 · Land	9,000.00	9,000.00
1220 · Water District System	2,566,839.00	2,410,233.16
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
<b>Total 1200 · Fixed Assets</b>	<u>2,927,142.66</u>	<u>2,774,719.80</u>
<b>1300 · Accumulated Depreciation</b>		
1320 · Accum Depr-Water Distr Sys	-1,618,938.55	-1,488,716.55
<b>Total 1300 · Accumulated Depreciation</b>	<u>-1,618,938.55</u>	<u>-1,488,716.55</u>
<b>Total Fixed Assets</b>	<u>1,308,204.11</u>	<u>1,286,003.25</u>
<b>TOTAL ASSETS</b>	<u><b>1,702,178.12</b></u>	<u><b>1,705,837.64</b></u>
<b>LIABILITIES &amp; EQUITY</b>		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
<b>Accounts Payable</b>		
200 · Accounts Payable		
2001 · Attorney Fees	19,691.00	0.00
200 · Accounts Payable - Other	3,852.96	3,852.96
<b>Total 200 · Accounts Payable</b>	<u>23,543.96</u>	<u>3,852.96</u>
<b>Total Accounts Payable</b>	<u>23,543.96</u>	<u>3,852.96</u>
<b>Credit Cards</b>		
Credit Cards		
CITI Card	1,411.78	2,480.79
<b>Total Credit Cards</b>	<u>1,411.78</u>	<u>2,480.79</u>
<b>Total Credit Cards</b>	<u>1,411.78</u>	<u>2,480.79</u>

Sunburst Farms Irrigation District  
**Balance Sheet**  
As of August 31, 2018

	<u>Aug 31, 18</u>	<u>Aug 31, 17</u>
<b>Other Current Liabilities</b>		
<b>201 · Payroll Liabilities</b>		
2012 · Wages Payable	0.00	3.45
2011 · Dental/Vision Payable	389.10	148.12
201 · Payroll Liabilities - Other	286.25	286.25
<b>Total 201 · Payroll Liabilities</b>	<u>675.35</u>	<u>437.82</u>
<b>203 · Accrued Power/Water</b>		
2031 · Accrued Power	12,102.73	1,572.32
2032 · Accrued Water	72.44	1,000.00
<b>Total 203 · Accrued Power/Water</b>	<u>12,175.17</u>	<u>2,572.32</u>
<b>204 · Other Accrued Expenses</b>	5,019.92	5,019.92
<b>205 · Accrued Vacation</b>	6,370.80	6,370.80
<b>Total Other Current Liabilities</b>	<u>24,241.24</u>	<u>14,400.86</u>
<b>Total Current Liabilities</b>	<u>49,196.98</u>	<u>20,734.61</u>
<b>Long Term Liabilities</b>		
230 · Wells Fargo Bobcat Lease	24,385.51	36,058.27
<b>Total Long Term Liabilities</b>	<u>24,385.51</u>	<u>36,058.27</u>
<b>Total Liabilities</b>	<u>73,582.49</u>	<u>56,792.88</u>
<b>Equity</b>		
209 · Retained Earnings	1,630,423.30	1,681,234.06
Net Income	-1,827.67	-32,189.30
<b>Total Equity</b>	<u>1,628,595.63</u>	<u>1,649,044.76</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><b>1,702,178.12</b></u>	<u><b>1,705,837.64</b></u>

**Sunburst Farms Irrigation District**  
**A/R Aging Summary**  
**As of August 31, 2018**

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
Total A/R 2018	46,694.81	-1,992.00	4,414.30	2,526.99	93,663.14	145,307.24
Total A/R 2017	41,982.57	-3,624.37	3,291.85	251.64	71,037.58	112,939.27
Variance- Better/(Worse)	-4,712.24	-1,632.37	-1,122.45	-2,275.35	-22,625.56	-32,367.97

1:09 PM  
 09/17/18  
 Accrual Basis

**Sunburst Farms Irrigation District  
 General Journal Transaction  
 September 20, 2018**

Num	Adj	Name	Memo	Account	Class	Debit	Credit
	*		Brenda	363 · Admin Payroll ...		811.14	
	*		Richard	362 · Salaries-Super...		827.49	
	*		MNT Salary	417.1 · Direct Labor		1,175.76	
	*		INS RM	366 · Health Insuran...		59.00	
	*		IRRI Salary	361 · Irrigation Labor		1,606.27	
	*		IRRI Taxes	371 · Payroll Taxes ...		122.87	
	*		Vacation	417.1 · Direct Labor		0.00	
	*		Holiday	417.1 · Direct Labor		0.00	
	*		sick	417.1 · Direct Labor		0.00	
	*		Dental/Vision	2011 · Dental/Vision ...			109.72
	*		Co Auto	484 · Mileage			0.96
	*		Salary Taxes	364 · Payroll Taxes/...		129.94	
	*		MNT Taxes	417.4 · MT Payroll T...		89.96	
	*		Child Support	2012 · Wages Payable			3.45
	*		Child Support	510 · Misc/Other Inc...			0.92
	*		Taxes 09/20	2012 · Wages Payable			4,707.38
						4,822.43	4,822.43
<b>TOTAL</b>						<b>4,822.43</b>	<b>4,822.43</b>



# Sunburst Farms Irrigation District

16040 N. 43<sup>rd</sup> Avenue  
Glendale, AZ 85306  
602-938-8760

As you may be aware, Sunburst Farms Irrigation District has changed to the acreage system for polling and elections. This requires many property owners within the Irrigation District to follow some new requirements. Below is an extract from **A.R.S. Title 48 CH.19 48-3043**  
**Qualifications of electors**

*D. The trustee of a trust, and the trustee who is designated and authorized in writing by all of the trustees of a trust in which there are more than one trustee, in whose name title to property within the district is vested as a holder of title or evidence of title, may register and cast the vote of the trust.*

**To become authorized and registered to vote please provide the information the below.**

**Name of Trust**.....

**Lot #**.....**Address**.....

**Names of Trustees**.....  
Name Name

**Name of Authorized Trustee** .....

The above named Trustee is designated and authorized to register and vote on behalf of the Trust for elections in Sunburst Farms Irrigation District.

**Signed**.....**by**.....**Date**.....  
Trustee Printed Name

**Signed**.....**by**.....**Date**.....  
Authorized Trustee Printed Name

**This form must be returned at least 30 days prior to the election.  
This designation and authorization will remain in effect unless withdrawn, replaced or cancelled.**