

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 January 31, 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
Balance Sheet
 As of January 31, 2018

	Jan 31, 18	Jan 31, 17
ASSETS		
Current Assets		
Checking/Savings		
117 · Checking/Compass	90,678.17	45,581.96
118 · First Bank	62,090.22	123,228.63
111 · Cash on Hand	100.00	100.00
114 · Compass Cap/Expd/Dep	18,579.18	172,443.11
Total Checking/Savings	171,447.57	341,353.70
Accounts Receivable		
121 · Accounts Receivable	143,167.43	95,278.98
Total Accounts Receivable	143,167.43	95,278.98
Other Current Assets		
180 · Inventory	13,631.64	0.00
140 · Prepaid Insurance	5,371.62	1,283.48
1499 · Undeposited Funds	1,282.79	0.00
199 · Suspense	0.00	41,971.97
Total Other Current Assets	20,286.05	43,255.45
Total Current Assets	334,901.05	479,888.13
Fixed Assets		
1200 · Fixed Assets		
1210 · Land	9,000.00	9,000.00
1220 · Water District System	2,566,839.00	2,358,243.02
1230 · Buildings & Improvements	163,901.86	163,901.86
1240 · Machinery & Equipment	59,843.75	19,668.65
1250 · Transportation Equipment	111,571.11	69,675.97
1260 · Office Furn & Fixtures	15,986.94	15,986.94
Total 1200 · Fixed Assets	2,927,142.66	2,636,476.44
1300 · Accumulated Depreciation		
1320 · Accum Depr-Water Distr Sys	-1,532,212.55	-1,423,533.84
Total 1300 · Accumulated Depreciation	-1,532,212.55	-1,423,533.84
Total Fixed Assets	1,394,930.11	1,212,942.60
TOTAL ASSETS	1,729,831.16	1,692,830.73
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	2,437.90	0.00
Total Credit Cards	2,437.90	0.00
Total Credit Cards	2,437.90	0.00
Other Current Liabilities		
201 · Payroll Liabilities		
2011 · Dental/Vision Payable	41.34	-24.02
201 · Payroll Liabilities - Other	286.25	286.25
Total 201 · Payroll Liabilities	327.59	262.23
203 · Accrued Power/Water		
2031 · Accrued Power	7,150.52	1,987.64
2032 · Accrued Water	3,500.00	3,500.00
Total 203 · Accrued Power/Water	10,650.52	5,487.64

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Accrual Basis

Sunburst Farms Irrigation District
Balance Sheet
As of January 31, 2018

	<u>Jan 31, 18</u>	<u>Jan 31, 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>22,368.83</u>	<u>14,717.70</u>
Total Current Liabilities	28,659.69	15,884.07
Long Term Liabilities		
230 · Wells Fargo Bobcat Lease	29,249.16	0.00
Total Long Term Liabilities	<u>29,249.16</u>	<u>0.00</u>
Total Liabilities	57,908.85	15,884.07
Equity		
209 · Retained Earnings	1,681,234.06	1,627,897.83
Net Income	-9,311.75	49,048.83
Total Equity	<u>1,671,922.31</u>	<u>1,676,946.66</u>
TOTAL LIABILITIES & EQUITY	<u>1,729,831.16</u>	<u>1,692,830.73</u>

Sunburst Farms Irrigation District Revenue & Expense Budget Performance January 2018

Ordinary Income/Expense	Jan 18	Budget	Variance	Jul '17 - Jan 18	YTD Budget	Variance
Income						
211 · Water Fees	26,116.28	12,720.00	13,396.28	171,804.08	150,096.00	21,708.08
212 · Member Fees	37,549.80	37,549.83	-0.03	262,848.60	262,848.85	-0.25
213 · Other Services	20.00	40.00	-20.00	132.50	280.00	-147.50
214 · Escrow Transfer Fees	500.00	300.00	200.00	1,400.00	2,100.00	-700.00
215 · Finance Charges	923.92	750.00	173.92	5,956.08	5,250.00	706.08
Total Income	<u>65,110.00</u>	<u>51,359.83</u>	<u>13,750.17</u>	<u>442,141.26</u>	<u>420,574.85</u>	<u>21,566.41</u>
Cost of Goods Sold						
310 · Direct Costs of Water Delivery						
311 · Purchases-Power	11,868.05	8,335.00	3,533.05	110,787.56	98,318.00	12,469.56
331 · State Water Fees	500.00	500.00	0.00	3,500.00	3,500.00	0.00
351 · Pump Supply "Oil"	931.98	133.33	798.65	931.98	933.35	-1.37
352 · Transportation Gas/Oil	351.88	310.00	41.88	3,412.74	3,654.00	-241.26
361 · Irrigation Labor	2,843.90	3,066.00	-222.10	40,269.99	36,191.00	4,078.99
371 · Payroll Taxes & Fringe	281.85	258.00	23.85	3,206.55	3,026.00	180.55
372 · Irrigators-Health Insurance	257.84	791.66	-533.82	2,320.56	5,541.70	-3,221.14
Total 310 · Direct Costs of Water Delivery	<u>17,035.50</u>	<u>13,393.99</u>	<u>3,641.51</u>	<u>164,429.38</u>	<u>151,164.05</u>	<u>13,265.33</u>
Total COGS	<u>17,035.50</u>	<u>13,393.99</u>	<u>3,641.51</u>	<u>164,429.38</u>	<u>151,164.05</u>	<u>13,265.33</u>
Gross Profit	48,074.50	37,965.84	10,108.66	277,711.88	269,410.80	8,301.08
Expense						
400 · Overhead Costs						
362 · Salaries-Supervisor	3,309.96	3,436.56	-126.60	25,016.67	25,764.00	-747.33
363 · Admin Payroll Expense	3,731.28	3,362.40	368.88	25,012.95	25,217.40	-204.45
364 · Payroll Taxes/Fringe-Admin	721.56	611.55	110.01	4,125.55	4,586.55	-461.00
365 · MNGR Gas Transportation	64.85	133.34	-68.49	1,554.67	933.30	621.37
366 · Health Insurance "Salary"	864.36	875.00	-10.64	6,118.52	6,125.00	-6.48
375 · State Compensation Fund	0.00	583.33	-583.33	0.00	4,083.31	-4,083.31

Sunburst Farms Irrigation District Revenue & Expense Budget Performance January 2018

	Jan 18	Budget	Variance	Jul '17 - Jan 18	YTD Budget	Variance
411 · Depreciation Expense	12,250.00	12,250.00	0.00	85,750.00	85,750.00	0.00
414 · Building & Equipment Repair	0.00	41.67	-41.67	0.00	291.65	-291.65
416 · Pumps-Maintenance	0.00	90.50	-90.50	0.00	633.50	-633.50
417 · Maint/Repairs-Water System						
417.1 · Direct Labor	9,821.24	5,078.84	4,742.40	52,436.78	38,091.38	14,345.40
417.2 · Materials	2,200.92	1,666.67	534.25	9,309.08	11,666.65	-2,357.57
417.3 · Outside Service	85.00	833.33	-748.33	5,519.38	5,833.31	-313.93
417.4 · MT Payroll Taxes	973.26	477.69	495.57	4,414.49	3,582.74	831.75
417.5 · MT Health Insurance	1,027.23	1,209.25	-182.02	8,434.41	8,464.75	-30.34
Total 417 · Maint/Repairs-Water System	14,107.65	9,265.78	4,841.87	80,114.14	67,638.83	12,475.31
419 · Repairs-Transportation						
419.1 · Fleet Vehicles	2,389.26	700.00	1,689.26	7,698.50	4,900.00	2,798.50
419.2 · Tractor	413.21	50.00	363.21	5,006.82	350.00	4,656.82
Total 419 · Repairs-Transportation	2,802.47	750.00	2,052.47	12,705.32	5,250.00	7,455.32
420 · MNT Gas Transportation	250.82	230.76	20.06	1,680.86	1,730.82	-49.96
421 · Electricity	125.30	208.34	-83.04	1,538.84	1,458.30	80.54
422 · Sewer & Water	17.34	16.67	0.67	123.86	116.65	7.21
423 · Telephone Expense	314.64	350.00	-35.36	2,450.99	2,450.00	0.99
424 · Alarm	0.00	60.00	-60.00	312.60	420.00	-107.40
431 · Insurance Expense	1,000.00	1,000.00	0.00	7,255.00	7,000.00	255.00
441 · Legal Expense	0.00	166.67	-166.67	0.00	1,166.65	-1,166.65
442 · Accounting Expenses	400.00	400.00	0.00	2,400.00	2,800.00	-400.00
443 · Auditing Expenses	0.00	425.00	-425.00	1,950.00	2,975.00	-1,025.00
444 · Collection Services	0.00	30.00	-30.00	60.00	210.00	-150.00
445 · Rent	0.00			0.00	0.00	0.00
446 · Other Contracted Services	283.38	400.00	-116.62	2,218.73	2,800.00	-581.27
451 · Postage	399.68	375.00	24.68	2,670.92	2,625.00	45.92
461 · Licenses & Taxes	0.00			0.00	0.00	0.00
471 · Misc & Public Relations	69.43	16.67	52.76	150.04	116.65	33.39
483 · Office Supplies	322.50	458.34	-135.84	1,837.72	3,208.30	-1,370.58

Sunburst Farms Irrigation District
Revenue & Expense Budget Performance
 January 2018

	Jan 18	Budget	Variance	Jul '17 - Jan 18	YTD Budget	Variance
484 · Mileage	-3.84	50.00	-53.84	-28.80	350.00	-378.80
485 · Bank Charges	18.45	5.00	13.45	26.45	35.00	-8.55
486 · Dues & Subscriptions	630.70	83.33	547.37	1,200.56	583.31	617.25
Total 400 · Overhead Costs	41,680.53	35,675.91	6,004.62	266,245.59	256,319.22	9,926.37
Total Expense	41,680.53	35,675.91	6,004.62	266,245.59	256,319.22	9,926.37
Net Ordinary Income	6,393.97	2,289.93	4,104.04	11,466.29	13,091.58	-1,625.29
Other Income/Expense						
Other Income						
510 · Misc/Other Income	19,399.68	200.00	19,199.68	24,082.22	1,400.00	22,682.22
511 · Interest Income	21.07			282.51	0.00	282.51
541 · Gain/Loss on Sale of Equipment	0.00			15.90		
Total Other Income	19,420.75	200.00	19,220.75	24,380.63	1,400.00	22,980.63
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	19,420.75	200.00	19,220.75	-20,778.04	1,400.00	-22,178.04
Net Income	25,814.72	2,489.93	23,324.79	-9,311.75	14,491.58	-23,803.33

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

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>TOTAL</u>
Total A/R 2018	58,949.40	-4,335.14	3,457.93	3,156.97	81,938.27	143,167.43
Total A/R 2017	16,183.71	-6,114.99	2,228.33	3,696.85	79,285.08	95,278.98
Variance- Better/(Worse)	-42,765.69	-1,779.85	-1,229.60	539.88	-2,653.19	-47,888.45