

Hacker Accounting LLC

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

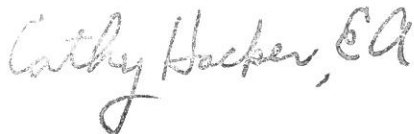
Phoenix, AZ 85029

April 19, 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 March 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.

A handwritten signature in cursive script that reads "Cathy Hacker, EA". The signature is written in dark ink and is positioned above the printed name of the firm.

Hacker Accounting LLC

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

	Mar 31, 18	Mar 31, 17
ASSETS		
Current Assets		
Checking/Savings		
117 · Checking/Compass	27,309.71	69,365.81
118 · First Bank	119,419.69	123,308.32
111 · Cash on Hand	100.00	100.00
114 · Compass Cap/Expd/Dep	18,581.58	127,686.04
Total Checking/Savings	165,410.98	320,460.17
Accounts Receivable		
121 · Accounts Receivable	129,769.94	89,499.50
Total Accounts Receivable	129,769.94	89,499.50
Other Current Assets		
180 · Inventory	13,631.64	0.00
140 · Prepaid Insurance	16,088.62	11,215.22
1499 · Undeposited Funds	0.00	419.83
Total Other Current Assets	29,720.26	11,635.05
Total Current Assets	324,901.18	421,594.72
Fixed Assets		
1200 · Fixed Assets		
1210 · Land	9,000.00	9,000.00
1220 · Water District System	2,566,839.00	2,438,859.64
1230 · Buildings & Improvements	163,901.86	163,901.86
1240 · Machinery & Equipment	59,843.75	59,843.75
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	2,763,082.83
1300 · Accumulated Depreciation		
1320 · Accum Depr-Water Distr Sys	-1,556,712.55	-1,447,763.58
Total 1300 · Accumulated Depreciation	-1,556,712.55	-1,447,763.58
Total Fixed Assets	1,370,430.11	1,315,319.25
TOTAL ASSETS	1,695,331.29	1,736,913.97
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	769.48	0.00
Total Credit Cards	769.48	0.00
Total Credit Cards	769.48	0.00
Other Current Liabilities		
201 · Payroll Liabilities		
2011 · Dental/Vision Payable	56.90	70.05
201 · Payroll Liabilities - Other	286.25	286.25
Total 201 · Payroll Liabilities	343.15	356.30
203 · Accrued Power/Water		
2031 · Accrued Power	9,414.24	10,523.80
2032 · Accrued Water	-2,642.56	-874.50
Total 203 · Accrued Power/Water	6,771.68	9,649.30

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Accrual Basis

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

	<u>Mar 31, 18</u>	<u>Mar 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>18,505.55</u>	<u>18,973.43</u>
Total Current Liabilities	23,127.99	20,139.80
Long Term Liabilities		
230 · Wells Fargo Bobcat Lease	29,249.16	40,175.10
Total Long Term Liabilities	<u>29,249.16</u>	<u>40,175.10</u>
Total Liabilities	52,377.15	60,314.90
Equity		
209 · Retained Earnings	1,681,234.06	1,627,897.83
Net Income	-38,279.92	48,701.24
Total Equity	<u>1,642,954.14</u>	<u>1,676,599.07</u>
TOTAL LIABILITIES & EQUITY	<u>1,695,331.29</u>	<u>1,736,913.97</u>

Sunburst Farms Irrigation District

Revenue & Expense Budget Performance

March 2018

Ordinary Income/Expense	Mar 18	Budget	Variance	Jul '17 - Mar 18	YTD Budget	Variance
Income						
211 · Water Fees	20,040.36	20,352.00	-311.64	206,014.52	180,624.00	25,390.52
212 · Member Fees	37,549.80	37,549.83	-0.03	337,948.20	337,948.51	-0.31
213 · Other Services	0.00	40.00	-40.00	132.50	360.00	-227.50
214 · Escrow Transfer Fees	100.00	300.00	-200.00	1,800.00	2,700.00	-900.00
215 · Finance Charges	830.77	750.00	80.77	7,808.23	6,750.00	1,058.23
Total Income	<u>58,520.93</u>	<u>58,991.83</u>	<u>-470.90</u>	<u>553,703.45</u>	<u>528,382.51</u>	<u>25,320.94</u>
Cost of Goods Sold						
310 · Direct Costs of Water Delivery						
311 · Purchases-Power	15,749.66	13,336.00	2,413.66	139,456.33	118,322.00	21,134.33
331 · State Water Fees	500.00	500.00	0.00	4,500.00	4,500.00	0.00
351 · Pump Supply "Oil"	0.00	133.33	-133.33	931.98	1,200.01	-268.03
352 · Transportation Gas/Oil	460.38	495.00	-34.62	4,232.46	4,396.00	-163.54
361 · Irrigation Labor	4,730.22	4,908.00	-177.78	48,940.81	43,555.00	5,385.81
371 · Payroll Taxes & Fringe	391.94	412.00	-20.06	3,989.02	3,646.00	343.02
372 · Irrigators-Health Insurance	257.84	791.66	-533.82	2,836.24	7,125.02	-4,288.78
Total 310 · Direct Costs of Water Delivery	<u>22,090.04</u>	<u>20,575.99</u>	<u>1,514.05</u>	<u>204,886.84</u>	<u>182,744.03</u>	<u>22,142.81</u>
Total COGS	<u>22,090.04</u>	<u>20,575.99</u>	<u>1,514.05</u>	<u>204,886.84</u>	<u>182,744.03</u>	<u>22,142.81</u>
Gross Profit	36,430.89	38,415.84	-1,984.95	348,816.61	345,638.48	3,178.13
Expense						
400 · Overhead Costs						
362 · Salaries-Supervisor	4,137.45	4,294.72	-157.27	32,464.08	33,494.28	-1,030.20
363 · Admin Payroll Expense	4,055.70	4,202.70	-147.00	32,313.21	32,782.50	-469.29
364 · Payroll Taxes/Fringe-Admin	650.25	764.40	-114.15	5,446.87	5,962.50	-515.63
365 · MNGR Gas Transportation	120.72	133.34	-12.62	1,771.79	1,199.98	571.81
366 · Health Insurance "Salary"	923.36	875.00	48.36	7,906.24	7,875.00	31.24
375 · State Compensation Fund	-287.00	583.34	-870.34	5,665.00	5,249.98	415.02

Sunburst Farms Irrigation District
Revenue & Expense Budget Performance
March 2018

	<u>Mar 18</u>	<u>Budget</u>	<u>Variance</u>	<u>Jul '17 - Mar 18</u>	<u>YTD Budget</u>	<u>Variance</u>
411 · Depreciation Expense	12,250.00	12,250.00	0.00	110,250.00	110,250.00	0.00
414 · Building & Equipment Repair	0.00	41.67	-41.67	17.14	374.99	-357.85
416 · Pumps-Maintenance	0.00	90.50	-90.50	0.00	814.50	-814.50
417 · Maint/Repairs-Water System						
417.1 · Direct Labor	10,690.29	6,348.55	4,341.74	72,812.70	49,518.77	23,293.93
417.2 · Materials	687.02	1,666.67	-979.65	12,125.25	14,999.99	-2,874.74
417.3 · Outside Service	270.00	833.34	-563.34	5,819.38	7,499.98	-1,680.60
417.4 · MT Payroll Taxes	1,081.17	597.11	484.06	6,455.50	4,657.54	1,797.96
417.5 · MT Health Insurance	1,027.23	1,209.25	-182.02	10,488.87	10,883.25	-394.38
Total 417 · Maint/Repairs-Water System	13,755.71	10,654.92	3,100.79	107,701.70	87,559.53	20,142.17
419 · Repairs-Transportation						
419.1 · Fleet Vehicles	125.32	700.00	-574.68	8,836.19	6,300.00	2,536.19
419.2 · Tractor	0.00	50.00	-50.00	5,700.71	450.00	5,250.71
Total 419 · Repairs-Transportation	125.32	750.00	-624.68	14,536.90	6,750.00	7,786.90
420 · MNT Gas Transportation	327.96	288.45	39.51	2,362.84	2,250.03	112.81
421 · Electricity	156.74	208.34	-51.60	1,822.06	1,874.98	-52.92
422 · Sewer & Water	17.34	16.67	0.67	158.54	149.99	8.55
423 · Telephone Expense	440.72	350.00	90.72	3,206.07	3,150.00	56.07
424 · Alarm	0.00	60.00	-60.00	468.90	540.00	-71.10
431 · Insurance Expense	1,170.00	1,000.00	170.00	9,425.00	9,000.00	425.00
441 · Legal Expense	3,080.47	166.67	2,913.80	8,080.47	1,499.99	6,580.48
442 · Accounting Expenses	400.00	400.00	0.00	3,200.00	3,600.00	-400.00
443 · Auditing Expenses	0.00	425.00	-425.00	5,100.00	3,825.00	1,275.00
444 · Collection Services	0.00	30.00	-30.00	60.00	270.00	-210.00
445 · Rent	0.00			0.00	0.00	0.00
446 · Other Contracted Services	289.76	400.00	-110.24	2,814.25	3,600.00	-785.75
451 · Postage	400.00	375.00	25.00	3,074.81	3,375.00	-300.19
461 · Licenses & Taxes	0.00			0.00	0.00	0.00
471 · Misc & Public Relations	39.07	16.67	22.40	189.11	149.99	39.12
483 · Office Supplies	555.93	458.34	97.59	2,596.82	4,124.98	-1,528.16

Sunburst Farms Irrigation District

Revenue & Expense Budget Performance

March 2018

	Mar 18	Budget	Variance	Jul '17 - Mar 18	YTD Budget	Variance
484 · Mileage	-4.80	50.00	-54.80	-37.44	450.00	-487.44
485 · Bank Charges	0.00	5.00	-5.00	26.45	45.00	-18.55
486 · Dues & Subscriptions	0.00	83.34	-83.34	1,200.56	749.98	450.58
Total 400 · Overhead Costs	42,604.70	38,974.07	3,630.63	361,821.37	330,968.20	30,853.17
Total Expense	42,604.70	38,974.07	3,630.63	361,821.37	330,968.20	30,853.17
Net Ordinary Income	-6,173.81	-558.23	-5,615.58	-13,004.76	14,670.28	-27,675.04
Other Income/Expense						
Other Income						
510 · Misc/Other Income	605.95	200.00	405.95	19,533.23	1,800.00	17,733.23
511 · Interest Income	27.19			334.38	0.00	334.38
541 · Gain/Loss on Sale of Equipment	0.00			15.90		
Total Other Income	633.14	200.00	433.14	19,883.51	1,800.00	18,083.51
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	633.14	200.00	433.14	-25,275.16	1,800.00	-27,075.16
Net Income	-5,540.67	-358.23	-5,182.44	-38,279.92	16,470.28	-54,750.20

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

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
Total A/R 2018	<u>32,777.07</u>	<u>-4,560.95</u>	<u>27,663.11</u>	<u>183.79</u>	<u>73,706.92</u>	<u>129,769.94</u>
Total A/R 2017	<u>26,440.78</u>	<u>-3,141.10</u>	<u>4,687.36</u>	<u>-1,165.42</u>	<u>62,677.88</u>	<u>89,499.50</u>
Variance- Better/(Worse)	<u>-6,336.29</u>	<u>1,419.85</u>	<u>22,975.75</u>	<u>-1,349.21</u>	<u>-11,029.04</u>	<u>-40,270.44</u>