

Hacker Accounting LLC

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

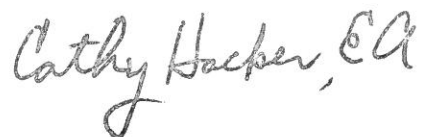
Phoenix, AZ 85029

January 16, 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 November 30, 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.

A handwritten signature in cursive script that reads "Cathy Hacker, CPA". The signature is written in black ink and is positioned to the left of the printed name of the firm.

Hacker Accounting LLC

Sunburst Farms Irrigation District
Balance Sheet
 As of November 30, 2017

	Nov 30, 17	Nov 30, 16
ASSETS		
Current Assets		
Checking/Savings		
117 · Checking/Compass	86,974.69	59,434.45
118 · First Bank	123,638.44	123,144.94
111 · Cash on Hand	100.00	100.00
114 · Compass Cap/Expd/Dep	16,132.37	145,418.96
Total Checking/Savings	226,845.50	328,098.35
Accounts Receivable		
121 · Accounts Receivable	110,619.09	113,850.73
Total Accounts Receivable	110,619.09	113,850.73
Other Current Assets		
180 · Inventory	13,631.64	0.00
140 · Prepaid Insurance	3,579.33	3,116.74
1499 · Undeposited Funds	0.00	1,036.34
199 · Suspense	0.00	35,278.05
Total Other Current Assets	17,210.97	39,431.13
Total Current Assets	354,675.56	481,380.21
Fixed Assets		
1200 · Fixed Assets		
1210 · Land	9,000.00	9,000.00
1220 · Water District System	2,497,792.44	2,333,715.36
1230 · Buildings & Improvements	163,901.86	163,901.86
1240 · Machinery & Equipment	59,843.75	19,668.65
1250 · Transportation Equipment	114,287.05	65,773.15
1260 · Office Furn & Fixtures	15,986.94	15,986.94
Total 1200 · Fixed Assets	2,860,812.04	2,608,045.96
1300 · Accumulated Depreciation		
1320 · Accum Depr-Water Distr Sys	-1,515,251.58	-1,400,000.10
Total 1300 · Accumulated Depreciation	-1,515,251.58	-1,400,000.10
Total Fixed Assets	1,345,560.46	1,208,045.86
TOTAL ASSETS	1,700,236.02	1,689,426.07
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
200 · Accounts Payable	1,166.37	1,166.37
Total Accounts Payable	1,166.37	1,166.37
Credit Cards		
Credit Cards		
CITI Card	3,075.65	0.00
Total Credit Cards	3,075.65	0.00
Total Credit Cards	3,075.65	0.00
Other Current Liabilities		
201 · Payroll Liabilities		
2011 · Dental/Vision Payable	19.45	46.36
201 · Payroll Liabilities - Other	286.25	286.25
Total 201 · Payroll Liabilities	305.70	332.61
203 · Accrued Power/Water		
2031 · Accrued Power	7,221.39	6,221.70
2032 · Accrued Water	2,500.00	2,500.00
Total 203 · Accrued Power/Water	9,721.39	8,721.70

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Accrual Basis

Sunburst Farms Irrigation District
Balance Sheet
As of November 30, 2017

	<u>Nov 30, 17</u>	<u>Nov 30, 16</u>
204 · Other Accrued Expenses	3,145.17	3,145.17
205 · Accrued Vacation	5,822.66	5,822.66
Total Other Current Liabilities	<u>18,994.92</u>	<u>18,022.14</u>
Total Current Liabilities	23,236.94	19,188.51
Long Term Liabilities		
230 · Wells Fargo Bobcat Lease	37,936.47	0.00
Total Long Term Liabilities	<u>37,936.47</u>	<u>0.00</u>
Total Liabilities	61,173.41	19,188.51
Equity		
209 · Retained Earnings	1,671,959.04	1,627,897.83
Net Income	-32,896.43	42,339.73
Total Equity	<u>1,639,062.61</u>	<u>1,670,237.56</u>
TOTAL LIABILITIES & EQUITY	<u>1,700,236.02</u>	<u>1,689,426.07</u>

Sunburst Farms Irrigation District

Revenue & Expense Budget Performance

November 2017

	Nov 17	Budget	Variance	Jul - Nov 17	YTD Budget	Variance
Ordinary Income/Expense						
Income						
211 · Water Fees	10,470.68	10,176.00	294.68	131,621.60	127,200.00	4,421.60
212 · Member Fees	37,549.80	37,549.83	-0.03	187,749.00	187,749.19	-0.19
213 · Other Services	20.00	40.00	-20.00	112.50	200.00	-87.50
214 · Escrow Transfer Fees	200.00	300.00	-100.00	700.00	1,500.00	-800.00
215 · Finance Charges	1,024.27	750.00	274.27	4,345.81	3,750.00	595.81
Total Income	<u>49,264.75</u>	<u>48,815.83</u>	<u>448.92</u>	<u>324,528.91</u>	<u>320,399.19</u>	<u>4,129.72</u>
Cost of Goods Sold						
310 · Direct Costs of Water Delivery						
311 · Purchases-Power	12,343.51	6,668.00	5,675.51	86,751.74	83,315.00	3,436.74
331 · State Water Fees	500.00	500.00	0.00	2,500.00	2,500.00	0.00
351 · Pump Supply "Oil"	0.00	133.33	-133.33	0.00	666.69	-666.69
352 · Transportation Gas/Oil	0.00	248.00	-248.00	2,730.23	3,096.00	-365.77
361 · Irrigation Labor	6,874.57	2,457.00	4,417.57	33,873.67	30,668.00	3,205.67
371 · Payroll Taxes & Fringe	525.94	208.00	317.94	2,652.94	2,560.00	92.94
372 · Irrigators-Health Insurance	257.84	791.66	-533.82	1,804.88	3,958.38	-2,153.50
Total 310 · Direct Costs of Water Delivery	<u>20,501.86</u>	<u>11,005.99</u>	<u>9,495.87</u>	<u>130,313.46</u>	<u>126,764.07</u>	<u>3,549.39</u>
Total COGS	<u>20,501.86</u>	<u>11,005.99</u>	<u>9,495.87</u>	<u>130,313.46</u>	<u>126,764.07</u>	<u>3,549.39</u>
Gross Profit	28,762.89	37,809.84	-9,046.95	194,215.45	193,635.12	580.33
Expense						
400 · Overhead Costs						
362 · Salaries-Supervisor	4,137.45	4,285.60	-148.15	18,196.75	18,890.88	-694.13
363 · Admin Payroll Expense	4,055.70	4,202.70	-147.00	17,837.11	18,492.60	-655.49
364 · Payroll Taxes/Fringe-Admin	649.70	764.40	-114.70	2,853.62	3,363.45	-509.83
365 · MNGR Gas Transportation	0.00	133.34	-133.34	415.27	666.62	-251.35
366 · Health Insurance "Salary"	923.36	875.00	48.36	4,389.80	4,375.00	14.80
375 · State Compensation Fund	0.00	583.33	-583.33	0.00	2,916.65	-2,916.65

Sunburst Farms Irrigation District

Revenue & Expense Budget Performance

November 2017

	Nov 17	Budget	Variance	Jul - Nov 17	YTD Budget	Variance
411 · Depreciation Expense	12,250.00	12,250.00	0.00	61,250.00	61,250.00	0.00
414 · Building & Equipment Repair	0.00	41.67	-41.67	0.00	208.31	-208.31
416 · Pumps-Maintenance	0.00	90.50	-90.50	0.00	452.50	-452.50
417 · Maint/Repairs-Water System						
417.1 · Direct Labor	12,053.59	6,348.55	5,705.04	32,312.31	27,933.70	4,378.61
417.2 · Materials	1,091.86	1,666.67	-574.81	14,115.33	8,333.31	5,782.02
417.3 · Outside Service	0.00	833.33	-833.33	2,904.38	4,166.65	-1,262.27
417.4 · MT Payroll Taxes	922.07	597.13	324.94	2,653.01	2,627.36	25.65
417.5 · MT Health Insurance	1,467.10	1,209.25	257.85	6,819.82	6,046.25	773.57
Total 417 · Maint/Repairs-Water System	15,534.62	10,654.93	4,879.69	58,804.85	49,107.27	9,697.58
419 · Repairs-Transportation						
419.1 · Fleet Vehicles	274.08	700.00	-425.92	5,295.24	3,500.00	1,795.24
419.2 · Tractor	0.00	50.00	-50.00	952.75	250.00	702.75
Total 419 · Repairs-Transportation	274.08	750.00	-475.92	6,247.99	3,750.00	2,497.99
420 · MNT Gas Transportation	0.00	288.45	-288.45	1,199.26	1,269.30	-70.04
421 · Electricity	174.76	208.30	-33.54	1,267.48	1,041.66	225.82
422 · Sewer & Water	17.34	16.67	0.67	89.18	83.31	5.87
423 · Telephone Expense	315.68	350.00	-34.32	1,822.66	1,750.00	72.66
424 · Alarm	156.30	60.00	96.30	312.60	300.00	12.60
431 · Insurance Expense	1,000.00	1,000.00	0.00	5,000.00	5,000.00	0.00
441 · Legal Expense	0.00	166.67	-166.67	0.00	833.31	-833.31
442 · Accounting Expenses	400.00	400.00	0.00	1,600.00	2,000.00	-400.00
443 · Auditing Expenses	0.00	425.00	-425.00	0.00	2,125.00	-2,125.00
444 · Collection Services	30.00	30.00	0.00	60.00	150.00	-90.00
445 · Rent	0.00	0.00	0.00	0.00	0.00	0.00
446 · Other Contracted Services	293.03	400.00	-106.97	1,623.94	2,000.00	-376.06
451 · Postage	369.36	375.00	-5.64	1,825.49	1,875.00	-49.51
461 · Licenses & Taxes	0.00	0.00	0.00	0.00	0.00	0.00
471 · Misc & Public Relations	80.61	16.67	63.94	80.61	83.31	-2.70
483 · Office Supplies	-500.00	458.34	-958.34	1,375.56	2,291.62	-916.06

Sunburst Farms Irrigation District
Revenue & Expense Budget Performance
November 2017

	<u>Nov 17</u>	<u>Budget</u>	<u>Variance</u>	<u>Jul - Nov 17</u>	<u>YTD Budget</u>	<u>Variance</u>
484 · Mileage	-4.80	50.00	-54.80	-21.12	250.00	-271.12
485 · Bank Charges	0.00	5.00	-5.00	0.00	25.00	-25.00
486 · Dues & Subscriptions	291.35	83.33	208.02	569.86	416.65	153.21
Total 400 · Overhead Costs	<u>40,448.54</u>	<u>38,964.90</u>	<u>1,483.64</u>	<u>186,800.91</u>	<u>184,967.44</u>	<u>1,833.47</u>
Total Expense	40,448.54	38,964.90	1,483.64	186,800.91	184,967.44	1,833.47
Net Ordinary Income	-11,685.65	-1,155.06	-10,530.59	7,414.54	8,667.68	-1,253.14
Other Income/Expense						
Other Income						
510 · Misc/Other Income	589.60	200.00	389.60	4,527.61	1,000.00	3,527.61
511 · Interest Income	41.80	0.00	41.80	224.19	0.00	224.19
541 · Gain/Loss on Sale of Equipment	0.00			15.90		
Total Other Income	<u>631.40</u>	<u>200.00</u>	<u>431.40</u>	<u>4,767.70</u>	<u>1,000.00</u>	<u>3,767.70</u>
Other Expense						
542 · Loss on 39th Avenue Pump	0.00			45,078.67		
512 · Bridle Path Cleanup	0.00	0.00	0.00	0.00	0.00	0.00
Total Other Expense	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>45,078.67</u>	<u>0.00</u>	<u>45,078.67</u>
Net Other Income	631.40	200.00	431.40	-40,310.97	1,000.00	-41,310.97
Net Income	<u>-11,054.25</u>	<u>-955.06</u>	<u>-10,099.19</u>	<u>-32,896.43</u>	<u>9,667.68</u>	<u>-42,564.11</u>

**Sunburst Farms Irrigation District
A/R Aging Summary
As of November 30, 2017**

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
Total A/R 2017	<u>27,778.06</u>	<u>2,874.86</u>	<u>-716.75</u>	<u>6,668.96</u>	<u>74,013.96</u>	<u>110,619.09</u>
Total A/R 2016	<u>31,108.32</u>	<u>6,531.38</u>	<u>-107.92</u>	<u>5,058.35</u>	<u>71,260.60</u>	<u>113,850.73</u>
Variance- Better/(Worse)	<u>3,330.26</u>	<u>3,656.52</u>	<u>608.83</u>	<u>-1,610.61</u>	<u>-2,753.36</u>	<u>3,231.64</u>