

Hacker Accounting LLC

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

Phoenix, AZ 85029

January 1, 2016

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, 2015 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 black ink that reads "Cathy Hacker, EA". The signature is written in a cursive style with a large initial "C" and "H".

Hacker Accounting LLC

Sunburst Farms Irrigation District Balance Sheet As of November 30, 2015

	Nov 30, 15	Nov 30, 14
ASSETS		
Current Assets		
Checking/Savings		
117 · Checking/Compass	63,000.53	30,782.87
118 · First Bank	122,652.08	0.00
111 · Cash on Hand	100.00	100.00
114 · Compass Cap/Expd/Dep	166,987.24	215,929.73
116 · Cash-MM	0.00	106,596.69
Total Checking/Savings	352,739.85	353,409.29
Accounts Receivable		
121 · Accounts Receivable	92,979.06	114,826.59
Total Accounts Receivable	92,979.06	114,826.59
Other Current Assets		
140 · Prepaid Insurance	-79.67	1,212.95
1499 · Undeposited Funds	370.00	0.00
198 · Suspense New Office Building	129,462.06	0.00
Total Other Current Assets	129,752.39	1,212.95
Total Current Assets	575,471.30	469,448.83
Fixed Assets		
1200 · Fixed Assets		
1210 · Land	9,000.00	9,000.00
1220 · Water District System	1,996,921.63	1,913,799.03
1230 · Buildings & Improvements	13,366.41	13,366.41
1240 · Machinery & Equipment	19,423.00	19,423.00
1241 · Motor for 43rd Avenue	38,989.23	38,989.23
1242 · 39th Ave Pump-2013	93,435.46	93,435.46
1243 · 43rd Ave Pump-2013	76,082.36	76,082.36
1244 · 39th Ave motor	2,501.14	2,501.14
1250 · Transportation Equipment	57,674.55	57,674.55
1260 · Office Furn & Fixtures	15,986.94	15,986.94
1281 · GPS Tracking - 2012	245.65	245.65
Total 1200 · Fixed Assets	2,323,626.37	2,240,503.77
1300 · Accumulated Depreciation		
1320 · Accum Depr-Water Distr Sys	-1,341,333.83	-1,222,302.21
Total 1300 · Accumulated Depreciation	-1,341,333.83	-1,222,302.21
Total Fixed Assets	982,292.54	1,018,201.56
Other Assets		
120 · Refundable Deposits	1,169.00	1,169.00
Total Other Assets	1,169.00	1,169.00
TOTAL ASSETS	1,558,932.84	1,488,819.39
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
200 · Accounts Payable	483.40	483.40
Total Accounts Payable	483.40	483.40
Other Current Liabilities		
201 · Payroll Liabilities		
2011 · Dental/Vision Payable	-11.29	-384.55
201 · Payroll Liabilities - Other	190.34	135.72
Total 201 · Payroll Liabilities	179.05	-248.83
203 · Accrued Power/Water		
2031 · Accrued Power	4,510.08	4,305.07
2032 · Accrued Water	3,389.65	2,845.00
Total 203 · Accrued Power/Water	7,899.73	7,150.07

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Accrual Basis

Sunburst Farms Irrigation District
Balance Sheet
As of November 30, 2015

	<u>Nov 30, 15</u>	<u>Nov 30, 14</u>
204 · Other Accrued Expenses	4,376.48	4,376.48
205 · Accrued Vacation	3,321.92	3,321.92
Total Other Current Liabilities	<u>15,777.18</u>	<u>14,599.64</u>
Total Current Liabilities	<u>16,260.58</u>	<u>15,083.04</u>
Total Liabilities	16,260.58	15,083.04
Equity		
209 · Retained Earnings	1,495,459.57	1,478,573.77
Net Income	47,212.69	-4,837.42
Total Equity	<u>1,542,672.26</u>	<u>1,473,736.35</u>
TOTAL LIABILITIES & EQUITY	<u>1,558,932.84</u>	<u>1,488,819.39</u>

Sunburst Farms Irrigation District
Profit/Loss Budget vs Actual
November 2015

Ordinary Income/Expense	Nov 15	Budget	Variance	Jul - Nov 15	YTD Budget	Variance
Income						
211 · Water Fees	12,763.36	18,798.00	-6,034.64	144,537.34	124,356.00	20,181.34
212 · Member Fees	39,040.20	39,040.75	-0.55	195,201.00	195,203.75	-2.75
213 · Other Services	0.00	40.00	-40.00	60.00	200.00	-140.00
214 · Escrow Transfer Fees	400.00	300.00	100.00	1,285.54	1,500.00	-214.46
215 · Finance Charges	812.32	750.00	62.32	3,662.91	3,750.00	-87.09
Total Income	<u>53,015.88</u>	<u>58,928.75</u>	<u>-5,912.87</u>	<u>344,746.79</u>	<u>325,009.75</u>	<u>19,737.04</u>
Cost of Goods Sold						
310 · Direct Costs of Water Delivery						
311 · Purchases-Power	10,775.60	11,973.84	-1,198.24	86,448.46	79,210.12	7,238.34
331 · State Water Fees	500.00	500.00	0.00	2,500.00	2,500.00	0.00
351 · Pump Supply "Oil"	0.00	266.66	-266.66	0.00	1,333.38	-1,333.38
352 · Transportation Gas/Oil	310.55	754.00	-443.45	3,419.15	4,988.00	-1,568.85
361 · Irrigation Labor	3,564.07	4,446.00	-881.93	28,100.91	29,432.00	-1,331.09
371 · Payroll Taxes & Fringe	272.64	396.50	-123.86	2,171.05	2,628.00	-456.95
372 · Irrigators-Health Insurance	754.67	691.66	63.01	3,821.62	3,458.38	363.24
Total 310 · Direct Costs of Water Delivery	<u>16,177.53</u>	<u>19,028.66</u>	<u>-2,851.13</u>	<u>126,461.19</u>	<u>123,549.88</u>	<u>2,911.31</u>
Total COGS	<u>16,177.53</u>	<u>19,028.66</u>	<u>-2,851.13</u>	<u>126,461.19</u>	<u>123,549.88</u>	<u>2,911.31</u>
Gross Profit	<u>36,838.35</u>	<u>39,900.09</u>	<u>-3,061.74</u>	<u>218,285.60</u>	<u>201,459.87</u>	<u>16,825.73</u>
Expense						
400 · Overhead Costs						
362 · Salaries-Supervisor	3,181.76	3,177.36	4.40	17,468.31	17,475.46	-7.15
363 · Admin Payroll Expense	3,118.88	3,109.44	9.44	17,123.18	17,101.84	21.34
364 · Payroll Taxes/Fringe-Admin	497.28	520.52	-23.24	2,730.28	2,862.97	-132.69
365 · MNGR Gas Transportation	103.85	112.50	-8.65	576.52	562.50	14.02
366 · Health Insurance "Salary"	764.94	693.16	71.78	3,878.51	3,465.88	412.63
375 · State Compensation Fund	0.00	500.00	-500.00	1,077.77	2,500.00	-1,422.23
411 · Depreciation Expense	9,830.00	9,830.00	0.00	49,150.00	49,150.00	0.00
414 · Building & Equipment Repair	0.00	41.66	-41.66	0.00	208.38	-208.38
416 · Pumps-Maintenance	0.00			805.45	700.00	105.45

Sunburst Farms Irrigation District
Profit/Loss Budget vs Actual
November 2015

	Nov 15	Budget	Variance	Jul - Nov 15	YTD Budget	Variance
417 · Maint/Repairs-Water System						
417.1 · Direct Labor	9,829.69	4,150.96	5,678.73	31,519.71	22,830.06	8,689.65
417.2 · Materials	2,955.71	1,666.66	1,289.05	6,479.68	8,333.38	-1,853.70
417.3 · Outside Service	0.00	1,250.00	-1,250.00	409.15	6,250.00	-5,840.85
417.4 · MT Payroll Taxes	804.57	362.28	442.29	2,505.38	1,992.33	513.05
417.5 · MT Health Insurance	398.77	720.00	-321.23	1,999.77	3,600.00	-1,600.23
Total 417 · Maint/Repairs-Water System	<u>13,988.74</u>	<u>8,149.90</u>	<u>5,838.84</u>	<u>42,913.69</u>	<u>43,005.77</u>	<u>-92.08</u>
419 · Repairs-Transportation						
419.1 · Fleet Vehicles	1,454.63	833.33	621.30	2,614.41	4,166.69	-1,552.28
419.2 · Tractor	0.00	125.00	-125.00	0.00	625.00	-625.00
Total 419 · Repairs-Transportation	<u>1,454.63</u>	<u>958.33</u>	<u>496.30</u>	<u>2,614.41</u>	<u>4,791.69</u>	<u>-2,177.28</u>
420 · MNT Gas Transportation	146.09	300.00	-153.91	736.64	1,500.00	-763.36
421 · Electricity	176.95	250.00	-73.05	1,657.17	1,250.00	407.17
422 · Sewer & Water	13.90	16.67	-2.77	69.50	83.31	-13.81
423 · Telephone Expense	294.36	383.33	-88.97	1,583.61	1,916.69	-333.08
431 · Insurance Expense	1,755.00	1,500.00	255.00	7,855.00	7,500.00	355.00
441 · Legal Expense	0.00	833.34	-833.34	0.00	4,166.62	-4,166.62
442 · Accounting Expenses	400.00	400.00	0.00	1,600.00	2,000.00	-400.00
443 · Auditing Expenses	3,080.00	416.67	2,663.33	3,080.00	2,083.31	996.69
444 · Collection Services	0.00	40.00	-40.00	70.00	200.00	-130.00
445 · Rent	0.00	985.20	-985.20	3,283.20	4,926.00	-1,642.80
446 · Other Contracted Services	330.35	458.34	-127.99	1,181.96	2,291.62	-1,109.66
451 · Postage	338.10	375.00	-36.90	1,867.52	1,875.00	-7.48
471 · Misc & Public Relations	17.33	16.67	0.66	17.33	83.31	-65.98
483 · Office Supplies	796.40	416.67	379.73	2,910.12	2,083.31	826.81
484 · Mileage	-3.84	66.67	-70.51	162.19	333.31	-171.12
485 · Bank Charges	0.00	5.00	-5.00	-74.45	25.00	-99.45
486 · Dues & Subscriptions	0.00	125.00	-125.00	753.06	625.00	128.06
Total 400 · Overhead Costs	<u>40,284.72</u>	<u>33,681.43</u>	<u>6,603.29</u>	<u>165,090.97</u>	<u>174,766.97</u>	<u>-9,676.00</u>
Total Expense	<u>40,284.72</u>	<u>33,681.43</u>	<u>6,603.29</u>	<u>165,090.97</u>	<u>174,766.97</u>	<u>-9,676.00</u>
Net Ordinary Income	-3,446.37	6,218.66	-9,665.03	53,194.63	26,692.90	26,501.73

Sunburst Farms Irrigation District
Profit/Loss Budget vs Actual
 November 2015

	<u>Nov 15</u>	<u>Budget</u>	<u>Variance</u>	<u>Jul - Nov 15</u>	<u>YTD Budget</u>	<u>Variance</u>
Other Income/Expense						
Other Income						
510 · Misc/Other Income	451.00	250.00	201.00	826.00	1,250.00	-424.00
511 · Interest Income	74.22	41.67	32.55	372.06	208.31	163.75
Total Other Income	<u>525.22</u>	<u>291.67</u>	<u>233.55</u>	<u>1,198.06</u>	<u>1,458.31</u>	<u>-260.25</u>
Other Expense						
512 · Bridle Path Cleanup	4,440.00			7,180.00		
Total Other Expense	<u>4,440.00</u>			<u>7,180.00</u>		
Net Other Income	<u>-3,914.78</u>	<u>291.67</u>	<u>-4,206.45</u>	<u>-5,981.94</u>	<u>1,458.31</u>	<u>-7,440.25</u>
Net Income	<u>-7,361.15</u>	<u>6,510.33</u>	<u>-13,871.48</u>	<u>47,212.69</u>	<u>28,151.21</u>	<u>19,061.48</u>

Sunburst Farms Irrigation District
A/R Aging Summary
As of November 30, 2015

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
Total A/R 2015	28,041.59	5,498.70	-549.33	3,992.93	55,995.17	92,979.06
Total A/R 2014	41,891.37	3,806.94	-678.31	5,419.36	64,387.23	114,826.59
Variance- Better/(Worse)	13,849.78	-1,691.76	(128.98)	1,426.43	8,392.06	21,847.53