

**Hacker Accounting LLC**

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

**Phoenix, AZ 85029**

December 22, 2016

Sunburst Farms Irrigation District  
16040 N. 43<sup>rd</sup> Ave  
Glendale, AZ 85306-2733

We have prepared the accompanying balance sheet of Sunburst Farms Irrigation District for November 30, 2016 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.

*Cathy Hacker, EA*

Hacker Accounting LLC

9:08 AM  
 12/22/16  
 Accrual Basis

**Sunburst Farms Irrigation District**  
**Balance Sheet**  
 As of November 30, 2016

	Nov 30, 16	Nov 30, 15
<b>ASSETS</b>		
<b>Current Assets</b>		
Checking/Savings		
117 · Checking/Compass	59,434.45	63,000.53
118 · First Bank	123,144.94	122,652.08
111 · Cash on Hand	100.00	100.00
114 · Compass Cap/Expd/Dep	145,418.96	166,987.24
<b>Total Checking/Savings</b>	328,098.35	352,739.85
Accounts Receivable		
121 · Accounts Receivable	113,850.73	92,979.06
<b>Total Accounts Receivable</b>	113,850.73	92,979.06
<b>Other Current Assets</b>		
140 · Prepaid Insurance	-273.98	4,325.17
1499 · Undeposited Funds	1,036.34	370.00
199 · Suspense	34,987.47	8,927.40
198 · Suspense New Office Building	0.00	129,462.06
<b>Total Other Current Assets</b>	35,749.83	143,084.63
<b>Total Current Assets</b>	477,698.91	588,803.54
<b>Fixed Assets</b>		
1200 · Fixed Assets		
1210 · Land	9,000.00	9,000.00
1220 · Water District System	2,376,413.61	2,199,002.42
1230 · Buildings & Improvements	163,901.86	13,366.41
1240 · Machinery & Equipment	19,668.65	19,668.65
1250 · Transportation Equipment	65,773.15	57,674.55
1260 · Office Furn & Fixtures	15,986.94	15,986.94
<b>Total 1200 · Fixed Assets</b>	2,650,744.21	2,314,698.97
1300 · Accumulated Depreciation		
1320 · Accum Depr-Water Distr Sys	-1,463,896.61	-1,335,560.04
1330 · Accum Depr-Bldgs & Imp	12,078.41	0.00
1300 · Accumulated Depreciation - Other	5,000.00	0.00
<b>Total 1300 · Accumulated Depreciation</b>	-1,446,818.20	-1,335,560.04
<b>Total Fixed Assets</b>	1,203,926.01	979,138.93
<b>Other Assets</b>		
120 · Refundable Deposits	1,443.47	1,443.47
<b>Total Other Assets</b>	1,443.47	1,443.47
<b>TOTAL ASSETS</b>	<b>1,683,068.39</b>	<b>1,569,385.94</b>
<b>LIABILITIES &amp; EQUITY</b>		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts Payable		
200 · Accounts Payable	562.07	562.07
<b>Total Accounts Payable</b>	562.07	562.07
<b>Other Current Liabilities</b>		
201 · Payroll Liabilities		
2011 · Dental/Vision Payable	46.36	-63.60
201 · Payroll Liabilities - Other	286.25	286.25
<b>Total 201 · Payroll Liabilities</b>	332.61	222.65
203 · Accrued Power/Water		
2031 · Accrued Power	6,221.70	5,138.50
2032 · Accrued Water	1,335.10	2,500.00
<b>Total 203 · Accrued Power/Water</b>	7,556.80	7,638.50

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12/22/16  
Accrual Basis

**Sunburst Farms Irrigation District**  
**Balance Sheet**  
As of November 30, 2016

	<u>Nov 30, 16</u>	<u>Nov 30, 15</u>
204 · Other Accrued Expenses	5,590.78	5,590.78
205 · Accrued Vacation	4,174.56	4,174.56
<b>Total Other Current Liabilities</b>	<u>17,654.75</u>	<u>17,626.49</u>
<b>Total Current Liabilities</b>	<u>18,216.82</u>	<u>18,188.56</u>
<b>Total Liabilities</b>	<u>18,216.82</u>	<u>18,188.56</u>
<b>Equity</b>		
209 · Retained Earnings	1,628,288.17	1,503,984.69
Net Income	36,563.40	47,212.69
<b>Total Equity</b>	<u>1,664,851.57</u>	<u>1,551,197.38</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>1,683,068.39</u></u>	<u><u>1,569,385.94</u></u>

**Sunburst Farms Irrigation District**  
**Profit/Loss Budget Performance**  
November 2016

	<u>Nov 16</u>	<u>Budget</u>	<u>Variance</u>	<u>Jul - Nov 16</u>	<u>YTD Budget</u>	<u>Variance</u>
<b>Ordinary Income/Expense</b>						
<b>Income</b>						
211 · Water Fees	14,510.88	20,736.00	-6,225.12	147,430.79	132,192.00	15,238.79
212 · Member Fees	36,084.24	36,087.58	-3.34	180,421.20	180,437.94	-16.74
213 · Other Services	20.00	40.00	-20.00	100.00	200.00	-100.00
214 · Escrow Transfer Fees	100.00	300.00	-200.00	1,300.00	1,500.00	-200.00
215 · Finance Charges	909.23	750.00	159.23	4,167.87	3,750.00	417.87
<b>Total Income</b>	<u>51,624.35</u>	<u>57,913.58</u>	<u>-6,289.23</u>	<u>333,419.86</u>	<u>318,079.94</u>	<u>15,339.92</u>
<b>Cost of Goods Sold</b>						
310 · Direct Costs of Water Delivery						
311 · Purchases-Power	10,969.90	14,000.00	-3,030.10	89,772.60	89,250.00	522.60
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	929.70	666.69	263.01
352 · Transportation Gas/Oil	451.38	720.00	-268.62	3,476.62	4,590.00	-1,113.38
361 · Irrigation Labor	3,667.83	4,304.00	-636.17	30,128.80	27,438.00	2,690.80
371 · Payroll Taxes & Fringe	401.86	384.00	17.86	2,670.07	2,448.00	222.07
372 · Irrigators-Health Insurance	1,203.09	750.00	453.09	3,897.74	3,750.00	147.74
<b>Total 310 · Direct Costs of Water Delivery</b>	<u>17,194.06</u>	<u>20,791.33</u>	<u>-3,597.27</u>	<u>133,375.53</u>	<u>130,642.69</u>	<u>2,732.84</u>
<b>Total COGS</b>	<u>17,194.06</u>	<u>20,791.33</u>	<u>-3,597.27</u>	<u>133,375.53</u>	<u>130,642.69</u>	<u>2,732.84</u>
<b>Gross Profit</b>	34,430.29	37,122.25	-2,691.96	200,044.33	187,437.25	12,607.08
<b>Expense</b>						
400 · Overhead Costs						
362 · Salaries-Supervisor	3,277.20	3,335.40	-58.20	17,181.61	17,510.85	-329.24
363 · Admin Payroll Expense	3,212.44	3,264.65	-52.21	16,842.00	17,139.35	-297.35
364 · Payroll Taxes/Fringe-Admin	511.72	594.24	-82.52	2,682.95	3,119.64	-436.69
365 · MNGR Gas Transportation	193.89	112.50	81.39	621.14	562.50	58.64
366 · Health Insurance "Salary"	768.24	768.67	-0.43	3,960.35	3,892.31	68.04
375 · State Compensation Fund	0.00	566.67	-566.67	3,372.80	2,833.31	539.49

**Sunburst Farms Irrigation District**  
**Profit/Loss Budget Performance**  
November 2016

	<u>Nov 16</u>	<u>Budget</u>	<u>Variance</u>	<u>Jul - Nov 16</u>	<u>YTD Budget</u>	<u>Variance</u>
411 · Depreciation Expense	11,418.87	11,418.83	0.04	57,094.35	57,094.19	0.16
414 · Building & Equipment Repair	0.00	41.67	-41.67	23.93	208.31	-184.38
416 · Pumps-Maintenance	0.00	126.67	-126.67	0.00	633.31	-633.31
<b>417 · Maint/Repairs-Water System</b>						
417.1 · Direct Labor	6,590.22	5,456.67	1,133.55	23,867.54	20,896.67	2,970.87
417.2 · Materials	4,842.51	1,666.67	3,175.84	8,893.44	8,333.31	560.13
417.3 · Outside Service	920.00	833.33	86.67	6,586.45	4,166.69	2,419.76
417.4 · MT Payroll Taxes	503.05	498.00	5.05	2,207.77	3,166.00	-958.23
417.5 · MT Health Insurance	290.17	583.33	-293.16	290.17	2,917.69	-2,627.52
<b>Total 417 · Maint/Repairs-Water System</b>	<b>13,145.95</b>	<b>9,038.00</b>	<b>4,107.95</b>	<b>41,845.37</b>	<b>39,480.36</b>	<b>2,365.01</b>
<b>419 · Repairs-Transportation</b>						
419.1 · Fleet Vehicles	1,109.88	625.00	484.88	6,765.37	3,125.00	3,640.37
419.2 · Tractor	0.00	125.00	-125.00	103.50	625.00	-521.50
419 · Repairs-Transportation - Other	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total 419 · Repairs-Transportation</b>	<b>1,109.88</b>	<b>750.00</b>	<b>359.88</b>	<b>6,868.87</b>	<b>3,750.00</b>	<b>3,118.87</b>
420 · MNT Gas Transportation	298.64	250.00	48.64	940.88	1,250.00	-309.12
421 · Electricity	136.83	250.00	-113.17	1,240.46	1,250.00	-9.54
422 · Sewer & Water	15.22	16.67	-1.45	73.00	83.31	-10.31
423 · Telephone Expense	396.54	383.33	13.21	1,607.40	1,916.69	-309.29
424 · Alarm	153.30	50.00	103.30	436.07	850.00	-413.93
431 · Insurance Expense	1,171.63	916.67	254.96	4,938.15	4,583.31	354.84
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	1,730.00	416.67	1,313.33	1,730.00	2,083.31	-353.31
444 · Collection Services	10.00	40.00	-30.00	70.00	200.00	-130.00
445 · Rent	0.00	0.00	0.00	0.00	0.00	0.00
446 · Other Contracted Services	254.80	458.34	-203.54	1,158.29	2,291.62	-1,133.33
451 · Postage	802.63	375.00	427.63	1,855.55	1,875.00	-19.45
461 · Licenses & Taxes	0.00	0.00	0.00	0.00	0.00	0.00
471 · Misc & Public Relations	40.14	16.67	23.47	40.14	83.31	-43.17

**Sunburst Farms Irrigation District**  
**Profit/Loss Budget Performance**  
**November 2016**

	<u>Nov 16</u>	<u>Budget</u>	<u>Variance</u>	<u>Jul - Nov 16</u>	<u>YTD Budget</u>	<u>Variance</u>
483 · Office Supplies	0.00	458.33	-458.33	3,348.98	2,291.69	1,057.29
484 · Mileage	-3.84	66.67	-70.51	-20.16	333.31	-353.47
485 · Bank Charges	-14.24	5.00	-19.24	0.00	25.00	-25.00
486 · Dues & Subscriptions	256.60	125.00	131.60	387.02	625.00	-237.98
<b>Total 400 · Overhead Costs</b>	<u>39,286.44</u>	<u>34,412.32</u>	<u>4,874.12</u>	<u>169,899.15</u>	<u>168,798.99</u>	<u>1,100.16</u>
<b>Total Expense</b>	<u>39,286.44</u>	<u>34,412.32</u>	<u>4,874.12</u>	<u>169,899.15</u>	<u>168,798.99</u>	<u>1,100.16</u>
<b>Net Ordinary Income</b>	-4,856.15	2,709.93	-7,566.08	30,145.18	18,638.26	11,506.92
<b>Other Income/Expense</b>						
<b>Other Income</b>						
510 · Misc/Other Income	100.00	200.00	-100.00	9,041.60	1,000.00	8,041.60
511 · Interest Income	60.53	41.67	18.86	271.62	208.31	63.31
<b>Total Other Income</b>	<u>160.53</u>	<u>241.67</u>	<u>-81.14</u>	<u>9,313.22</u>	<u>1,208.31</u>	<u>8,104.91</u>
<b>Other Expense</b>						
512 · Bridle Path Cleanup	0.00	0.00	0.00	2,895.00	0.00	2,895.00
<b>Total Other Expense</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>2,895.00</u>	<u>0.00</u>	<u>2,895.00</u>
<b>Net Other Income</b>	<u>160.53</u>	<u>241.67</u>	<u>-81.14</u>	<u>6,418.22</u>	<u>1,208.31</u>	<u>5,209.91</u>
<b>Net Income</b>	<u><u>-4,695.62</u></u>	<u><u>2,951.60</u></u>	<u><u>-7,647.22</u></u>	<u><u>36,563.40</u></u>	<u><u>19,846.57</u></u>	<u><u>16,716.83</u></u>

**Sunburst Farms Irrigation District  
A/R Aging Summary  
As of November 30, 2016**

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>&gt; 90</u>	<u>TOTAL</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>
Total A/R 2015	<u>28,041.59</u>	<u>5,498.70</u>	<u>-549.33</u>	<u>3,992.93</u>	<u>55,995.17</u>	<u>92,979.06</u>
Variance- Better/(Worse)	<u>-3,066.73</u>	<u>-1,032.68</u>	<u>(441.41)</u>	<u>-1,065.42</u>	<u>-15,265.43</u>	<u>-20,871.67</u>