

Hacker Accounting LLC
13201 N. 35th Avenue, Ste. B-3
Phoenix, AZ 85029

March 1, 2015

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, 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.

Hacker Accounting LLC

Sunburst Farms Irrigation District
Balance Sheet
 As of January 31, 2015

	Jan 31, 15
ASSETS	
Current Assets	
Checking/Savings	
117 · Checking/Compass	37,364.44
111 · Cash on Hand	100.00
114 · Compass Cap/Expd/Dep	213,381.57
116 · Cash-MM	106,612.79
Total Checking/Savings	357,458.80
Accounts Receivable	
121 · Accounts Receivable	108,990.66
Total Accounts Receivable	108,990.66
Other Current Assets	
140 · Prepaid Insurance	-1,720.37
Total Other Current Assets	-1,720.37
Total Current Assets	464,729.09
Fixed Assets	
1200 · Fixed Assets	
1210 · Land	9,000.00
1220 · Water District System	1,951,688.11
1230 · Buildings & Improvements	13,366.41
1240 · Machinery & Equipment	19,423.00
1241 · Motor for 43rd Avenue	38,989.23
1242 · 39th Ave Pump-2013	93,435.46
1243 · 43rd Ave Pump-2013	76,082.36
1244 · 39th Ave motor	2,501.14
1250 · Transportation Equipment	57,674.55
1260 · Office Furn & Fixtures	15,986.94
1281 · GPS Tracking - 2012	245.65
Total 1200 · Fixed Assets	2,278,392.85
1300 · Accumulated Depreciation	
1320 · Accum Depr-Water Distr Sys	-1,241,787.53
Total 1300 · Accumulated Depreciation	-1,241,787.53
Total Fixed Assets	1,036,605.32
Other Assets	
120 · Refundable Deposits	1,169.00
Total Other Assets	1,169.00
TOTAL ASSETS	1,502,503.41
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
200 · Accounts Payable	483.40
Total Accounts Payable	483.40
Other Current Liabilities	
201 · Payroll Liabilities	
2011 · Dental/Vision Payable	107.03
201 · Payroll Liabilities - Other	135.72
Total 201 · Payroll Liabilities	242.75
203 · Accrued Power/Water	
2031 · Accrued Power	6,146.14
2032 · Accrued Water	3,983.00
Total 203 · Accrued Power/Water	10,129.14

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Accrual Basis

Sunburst Farms Irrigation District
Balance Sheet
As of January 31, 2015

	<u>Jan 31, 15</u>
204 · Other Accrued Expenses	4,376.48
205 · Accrued Vacation	<u>3,321.92</u>
Total Other Current Liabilities	18,070.29
Total Current Liabilities	<u>18,553.69</u>
Total Liabilities	18,553.69
Equity	
209 · Retained Earnings	1,478,573.77
Net Income	<u>5,375.95</u>
Total Equity	<u>1,483,949.72</u>
TOTAL LIABILITIES & EQUITY	<u><u>1,502,503.41</u></u>

Sunburst Farms Irrigation District
Profit Loss Budget vs Actual
 January 2015

Ordinary Income/Expense	Jan 15	Budget	Variance	Jul '14 - Jan 15	YTD Budget	Variance
Income						
211 · Water Fees	19,883.88	16,143.00	3,740.88	129,438.54	163,612.00	-34,173.46
212 · Member Fees	34,229.52	34,229.41	0.11	239,606.64	239,605.87	0.77
213 · Other Services	0.00	40.00	-40.00	100.00	280.00	-180.00
214 · Escrow Transfer Fees	100.00	300.00	-200.00	1,400.00	2,100.00	-700.00
215 · Finance Charges	1,399.20	833.33	565.87	5,640.15	5,833.31	-193.16
Total Income	55,612.60	51,545.74	4,066.86	376,185.33	411,431.18	-35,245.85
Cost of Goods Sold						
310 · Direct Costs of Water Delivery						
311 · Purchases-Power	10,319.93	10,590.00	-270.07	84,728.25	107,341.00	-22,612.75
331 · State Water Fees	569.00	569.00	0.00	3,983.00	3,983.00	0.00
351 · Pump Supply "Oil"	0.00	496.83	-496.83	0.00	3,477.85	-3,477.85
352 · Transportation Gas/Oil	77.10	625.00	-547.90	3,226.51	6,327.00	-3,100.49
361 · Irrigation Labor	1,837.44	2,990.00	-1,152.56	24,906.10	34,588.00	-9,681.90
371 · Payroll Taxes & Fringe	222.33	281.00	-58.67	1,983.17	2,885.00	-901.83
372 · Irrigators-Health Insurance	687.37	691.83	-4.46	4,811.59	4,842.85	-31.26
Total 310 · Direct Costs of Water Delivery	13,713.17	16,243.66	-2,530.49	123,638.62	163,444.70	-39,806.08
Total COGS	13,713.17	16,243.66	-2,530.49	123,638.62	163,444.70	-39,806.08
Gross Profit	41,899.43	35,302.08	6,597.35	252,546.71	247,986.48	4,560.23
Expense						
400 · Overhead Costs						
362 · Salaries-Supervisor	3,119.36	3,969.00	-849.64	24,457.88	24,607.00	-149.12
363 · Admin Payroll Expense	3,057.72	3,881.00	-823.28	23,978.69	24,070.00	-91.31
364 · Payroll Taxes/Fringe-Admin	742.11	650.00	92.11	4,117.44	4,030.00	87.44
365 · MNGR Gas Transportation	96.46	112.50	-16.04	850.12	787.50	62.62
366 · Health Insurance "Salary"	716.77	694.00	22.77	5,159.39	4,854.00	305.39
375 · State Compensation Fund	0.00	464.25	-464.25	2,347.00	3,249.75	-902.75

Sunburst Farms Irrigation District
Profit Loss Budget vs Actual
January 2015

	Jan 15	Budget	Variance	Jul '14 - Jan 15	YTD Budget	Variance
411 · Depreciation Expense	9,679.66	9,580.33	99.33	67,883.62	67,062.35	821.27
414 · Building & Equipment Repair	0.00	166.66	-166.66	687.71	1,166.70	-478.99
416 · Pumps-Maintenance	0.00	116.66	-116.66	0.00	816.70	-816.70
417 · Maint/Repairs-Water System						
417.1 · Direct Labor	7,207.01	5,390.00	1,817.01	43,938.90	33,418.00	10,520.90
417.2 · Materials	2,194.51	1,167.83	1,026.68	14,575.14	8,174.85	6,400.29
417.3 · Outside Service	442.00	1,250.00	-808.00	10,283.50	8,750.00	1,533.50
417.4 · MT Payroll Taxes	835.90	446.25	389.65	3,416.37	2,766.75	649.62
417.5 · MT Health Insurance	365.88	720.00	-354.12	2,561.16	5,040.00	-2,478.84
Total 417 · Maint/Repairs-Water System	11,045.30	8,974.08	2,071.22	74,775.07	58,149.60	16,625.47
419 · Repairs-Transportation						
419.1 · Fleet Vehicles	242.47	833.33	-590.86	1,646.51	5,833.35	-4,186.84
419.2 · Tractor	164.81	83.33	81.48	1,987.66	583.35	1,404.31
419 · Repairs-Transportation - Other	0.00			401.00		
Total 419 · Repairs-Transportation	407.28	916.66	-509.38	4,035.17	6,416.70	-2,381.53
420 · MNT Gas Transportation	242.88	300.00	-57.12	1,928.26	2,100.00	-171.74
421 · Electricity	167.04	200.00	-32.96	1,868.55	1,400.00	468.55
422 · Sewer & Water	13.45	16.66	-3.21	73.90	116.70	-42.80
423 · Telephone Expense	477.55	500.00	-22.45	3,564.64	3,500.00	64.64
431 · Insurance Expense	1,466.66	1,466.66	0.00	10,621.62	10,266.70	354.92
441 · Legal Expense	0.00	1,250.00	-1,250.00	2,500.00	8,750.00	-6,250.00
442 · Accounting Expenses	400.00	400.00	0.00	2,800.00	2,800.00	0.00
443 · Auditing Expenses	0.00	416.66	-416.66	2,855.00	2,916.70	-61.70
444 · Collection Services	20.00	40.00	-20.00	140.00	280.00	-140.00
445 · Rent	820.80	0.00	820.80	5,314.40	0.00	5,314.40
446 · Other Contracted Services	618.97	458.33	160.64	3,986.08	3,208.35	777.73
451 · Postage	711.96	375.00	336.96	3,199.54	2,625.00	574.54
461 · Licenses & Taxes	0.00	0.00	0.00	0.00	0.00	0.00
471 · Misc & Public Relations	0.00	16.66	-16.66	116.22	116.70	-0.48
483 · Office Supplies	497.13	416.66	80.47	3,118.07	2,916.70	201.37

Sunburst Farms Irrigation District
Profit Loss Budget vs Actual
January 2015

	Jan 15	Budget	Variance	Jul '14 - Jan 15	YTD Budget	Variance
484 · Mileage	88.34	33.33	55.01	515.34	233.35	281.99
485 · Bank Charges	2.00	5.00	-3.00	6.00	35.00	-29.00
486 · Dues & Subscriptions	0.00	125.00	-125.00	532.95	875.00	-342.05
487 · Petty Cash Over/Sht	0.00	0.00	0.00	0.00	0.00	0.00
Total 400 · Overhead Costs	34,391.44	35,545.10	-1,153.66	251,432.66	237,350.50	14,082.16
Total Expense	34,391.44	35,545.10	-1,153.66	251,432.66	237,350.50	14,082.16
Net Ordinary Income	7,507.99	-243.02	7,751.01	1,114.05	10,635.98	-9,521.93
Other Income/Expense						
Other Income						
216 · Assessment Fee Income	0.00	0.00	0.00	0.00	0.00	0.00
217 · Capital Expenditure Reserved	0.00	0.00	0.00	0.00	0.00	0.00
510 · Misc/Other Income	1,503.75	300.00	1,203.75	8,705.00	2,100.00	6,605.00
511 · Interest Income	56.62	41.66	14.96	366.90	291.70	75.20
541 · Gain/Loss on Sale of Equipment	0.00	0.00	0.00	0.00	0.00	0.00
Total Other Income	1,560.37	341.66	1,218.71	9,071.90	2,391.70	6,680.20
Other Expense						
512 · Bridle Path Cleanup	0.00	140.41	-140.41	4,810.00	982.95	3,827.05
Total Other Expense	0.00	140.41	-140.41	4,810.00	982.95	3,827.05
Net Other Income	1,560.37	201.25	1,359.12	4,261.90	1,408.75	2,853.15
Net Income	9,068.36	-41.77	9,110.13	5,375.95	12,044.73	-6,668.78

Sunburst Farms Irrigation District
A/R Aging Summary
As of January 31, 2014

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>TOTAL</u>
Total A/R 2015	30,823.26	-1,768.79	6,335.40	6,773.99	66,826.80	108,990.66
Total A/R 2014	31,698.63	-2,169.58	3,500.95	3,940.68	70,375.85	107,346.53
Variance- Better/-Worse	<u>875.37</u>	<u>-400.79</u>	<u>-2,834.45</u>	<u>-2,833.31</u>	<u>3,549.05</u>	<u>-1,644.13</u>