

Hacker Accounting LLC

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

Phoenix, AZ 85029

August 27, 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 July 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 July 31, 2015

	Jul 31, 15	Jul 31, 14
ASSETS		
Current Assets		
Checking/Savings		
117 · Checking/Compass	27,726.14	34,869.47
118 · First Bank	122,488.58	0.00
111 · Cash on Hand	100.00	100.00
114 · Compass Cap/Expd/Dep	226,864.19	192,613.93
116 · Cash-MM	0.00	106,563.07
Total Checking/Savings	377,178.91	334,146.47
Accounts Receivable		
121 · Accounts Receivable	113,282.86	109,185.85
Total Accounts Receivable	113,282.86	109,185.85
Other Current Assets		
140 · Prepaid Insurance	5,920.33	7,079.59
198 · Suspense New Office Building	22,636.82	0.00
Total Other Current Assets	28,557.15	7,079.59
Total Current Assets	519,018.92	450,411.91
Fixed Assets		
1200 · Fixed Assets		
1210 · Land	9,000.00	9,000.00
1220 · Water District System	1,987,994.23	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	2,314,698.97	2,240,503.77
1300 · Accumulated Depreciation		
1320 · Accum Depr-Water Distr Sys	-1,302,013.83	-1,183,583.57
Total 1300 · Accumulated Depreciation	-1,302,013.83	-1,183,583.57
Total Fixed Assets	1,012,685.14	1,056,920.20
Other Assets		
120 · Refundable Deposits	1,169.00	1,169.00
Total Other Assets	1,169.00	1,169.00
TOTAL ASSETS	1,532,873.06	1,508,501.11
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	161.53	0.00
201 · Payroll Liabilities - Other	190.34	182.05
Total 201 · Payroll Liabilities	351.87	182.05
203 · Accrued Power/Water		
2031 · Accrued Power	10,762.71	10,497.48
2032 · Accrued Water	1,389.65	569.00
Total 203 · Accrued Power/Water	12,152.36	11,066.48

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Accrual Basis

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

	<u>Jul 31, 15</u>	<u>Jul 31, 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>20,202.63</u>	<u>18,946.93</u>
Total Current Liabilities	<u>20,686.03</u>	<u>19,430.33</u>
Total Liabilities	20,686.03	19,430.33
Equity		
209 · Retained Earnings	1,495,459.57	1,478,573.77
Net Income	16,727.46	10,497.01
Total Equity	<u>1,512,187.03</u>	<u>1,489,070.78</u>
TOTAL LIABILITIES & EQUITY	<u>1,532,873.06</u>	<u>1,508,501.11</u>

Sunburst Farms Irrigation District
A/R Aging Summary
As of July 31, 2015

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
Total A/R 2015	<u>59,074.50</u>	<u>-3,278.44</u>	<u>3,704.95</u>	<u>1,701.23</u>	<u>52,080.62</u>	<u>113,282.86</u>
Total A/R 2014	<u>45,988.83</u>	<u>-4,248.27</u>	<u>5,475.96</u>	<u>2,955.44</u>	<u>59,013.89</u>	<u>109,185.85</u>
Variance- Better/(Worse)	<u>-13,085.67</u>	<u>-969.83</u>	<u>1,771.01</u>	<u>1,254.21</u>	<u>6,933.27</u>	<u>-4,097.01</u>

Sunburst Farms Irrigation District Profit Loss Actual vs Budget July 2015

Ordinary Income/Expense	Jul 15	Budget	Variance	Jul 15	YTD Budget	Variance
Income						
211 · Water Fees	35,559.55	28,920.00	6,639.55	35,559.55	28,920.00	6,639.55
212 · Member Fees	39,040.20	39,040.75	-0.55	39,040.20	39,040.75	-0.55
213 · Other Services	0.00	40.00	-40.00	0.00	40.00	-40.00
214 · Escrow Transfer Fees	400.00	300.00	100.00	400.00	300.00	100.00
215 · Finance Charges	1,292.19	750.00	542.19	1,292.19	750.00	542.19
Total Income	<u>76,291.94</u>	<u>69,050.75</u>	<u>7,241.19</u>	<u>76,291.94</u>	<u>69,050.75</u>	<u>7,241.19</u>
Cost of Goods Sold						
310 · Direct Costs of Water Delivery						
311 · Purchases-Power	20,057.93	18,420.80	1,637.13	20,057.93	18,420.80	1,637.13
331 · State Water Fees	500.00	500.00	0.00	500.00	500.00	0.00
351 · Pump Supply "Oil"	0.00	266.74	-266.74	0.00	266.74	-266.74
352 · Transportation Gas/Oil	677.19	1,160.00	-482.81	677.19	1,160.00	-482.81
361 · Irrigation Labor	6,767.38	6,840.00	-72.62	6,767.38	6,840.00	-72.62
371 · Payroll Taxes & Fringe	518.01	614.00	-95.99	518.01	614.00	-95.99
372 · Irrigators-Health Insurance	782.94	691.74	91.20	782.94	691.74	91.20
Total 310 · Direct Costs of Water Delivery	<u>29,303.45</u>	<u>28,493.28</u>	<u>810.17</u>	<u>29,303.45</u>	<u>28,493.28</u>	<u>810.17</u>
Total COGS	<u>29,303.45</u>	<u>28,493.28</u>	<u>810.17</u>	<u>29,303.45</u>	<u>28,493.28</u>	<u>810.17</u>
Gross Profit	46,988.49	40,557.47	6,431.02	46,988.49	40,557.47	6,431.02
Expense						
400 · Overhead Costs						
362 · Salaries-Supervisor	3,945.83	3,971.70	-25.87	3,945.83	3,971.70	-25.87
363 · Admin Payroll Expense	3,867.94	3,886.80	-18.86	3,867.94	3,886.80	-18.86
364 · Payroll Taxes/Fringe-Admin	616.84	650.74	-33.90	616.84	650.74	-33.90
365 · MNGR Gas Transportation	119.44	112.50	6.94	119.44	112.50	6.94
366 · Health Insurance "Salary"	807.49	693.24	114.25	807.49	693.24	114.25
375 · State Compensation Fund	0.00	500.00	-500.00	0.00	500.00	-500.00

Sunburst Farms Irrigation District
Profit Loss Actual vs Budget
July 2015

	<u>Jul 15</u>	<u>Budget</u>	<u>Variance</u>	<u>Jul 15</u>	<u>YTD Budget</u>	<u>Variance</u>
411 · Depreciation Expense	9,830.00	9,830.00	0.00	9,830.00	9,830.00	0.00
414 · Building & Equipment Repair	0.00	41.74	-41.74	0.00	41.74	-41.74
416 · Pumps-Maintenance	0.00			0.00		
417 · Maint/Repairs-Water System						
417.1 · Direct Labor	4,757.08	5,188.48	-431.40	4,757.08	5,188.48	-431.40
417.2 · Materials	200.00	1,666.74	-1,466.74	200.00	1,666.74	-1,466.74
417.3 · Outside Service	0.00	1,250.00	-1,250.00	0.00	1,250.00	-1,250.00
417.4 · MT Payroll Taxes	366.40	452.64	-86.24	366.40	452.64	-86.24
417.5 · MT Health Insurance	404.69	720.00	-315.31	404.69	720.00	-315.31
Total 417 · Maint/Repairs-Water System	5,728.17	9,277.86	-3,549.69	5,728.17	9,277.86	-3,549.69
419 · Repairs-Transportation						
419.1 · Fleet Vehicles	261.08	833.37	-572.29	261.08	833.37	-572.29
419.2 · Tractor	0.00	125.00	-125.00	0.00	125.00	-125.00
Total 419 · Repairs-Transportation	261.08	958.37	-697.29	261.08	958.37	-697.29
420 · MNT Gas Transportation	191.39	300.00	-108.61	191.39	300.00	-108.61
421 · Electricity	398.71	250.00	148.71	398.71	250.00	148.71
422 · Sewer & Water	13.06	16.63	-3.57	13.06	16.63	-3.57
423 · Telephone Expense	292.44	383.37	-90.93	292.44	383.37	-90.93
431 · Insurance Expense	1,600.00	1,500.00	100.00	1,600.00	1,500.00	100.00
441 · Legal Expense	0.00	833.26	-833.26	0.00	833.26	-833.26
442 · Accounting Expenses	400.00	400.00	0.00	400.00	400.00	0.00
443 · Auditing Expenses	0.00	416.63	-416.63	0.00	416.63	-416.63
444 · Collection Services	0.00	40.00	-40.00	0.00	40.00	-40.00
445 · Rent	820.80	985.20	-164.40	820.80	985.20	-164.40
446 · Other Contracted Services	137.00	458.26	-321.26	137.00	458.26	-321.26
451 · Postage	0.00	375.00	-375.00	0.00	375.00	-375.00
471 · Misc & Public Relations	0.00	16.63	-16.63	0.00	16.63	-16.63
483 · Office Supplies	1,189.59	416.63	772.96	1,189.59	416.63	772.96
484 · Mileage	-4.80	66.63	-71.43	-4.80	66.63	-71.43
485 · Bank Charges	-74.45	5.00	-79.45	-74.45	5.00	-79.45

**Sunburst Farms Irrigation District
Profit Loss Actual vs Budget
July 2015**

	<u>Jul 15</u>	<u>Budget</u>	<u>Variance</u>	<u>Jul 15</u>	<u>YTD Budget</u>	<u>Variance</u>
486 · Dues & Subscriptions	<u>343.98</u>	<u>125.00</u>	<u>218.98</u>	<u>343.98</u>	<u>125.00</u>	<u>218.98</u>
Total 400 · Overhead Costs	<u>30,484.51</u>	<u>36,511.19</u>	<u>-6,026.68</u>	<u>30,484.51</u>	<u>36,511.19</u>	<u>-6,026.68</u>
Total Expense	<u>30,484.51</u>	<u>36,511.19</u>	<u>-6,026.68</u>	<u>30,484.51</u>	<u>36,511.19</u>	<u>-6,026.68</u>
Net Ordinary Income	<u>16,503.98</u>	<u>4,046.28</u>	<u>12,457.70</u>	<u>16,503.98</u>	<u>4,046.28</u>	<u>12,457.70</u>
Other Income/Expense						
Other Income						
510 · Misc/Other Income	<u>161.25</u>	<u>250.00</u>	<u>-88.75</u>	<u>161.25</u>	<u>250.00</u>	<u>-88.75</u>
511 · Interest Income	<u>62.23</u>	<u>41.63</u>	<u>20.60</u>	<u>62.23</u>	<u>41.63</u>	<u>20.60</u>
Total Other Income	<u>223.48</u>	<u>291.63</u>	<u>-68.15</u>	<u>223.48</u>	<u>291.63</u>	<u>-68.15</u>
Net Other Income	<u>223.48</u>	<u>291.63</u>	<u>-68.15</u>	<u>223.48</u>	<u>291.63</u>	<u>-68.15</u>
Net Income	<u><u>16,727.46</u></u>	<u><u>4,337.91</u></u>	<u><u>12,389.55</u></u>	<u><u>16,727.46</u></u>	<u><u>4,337.91</u></u>	<u><u>12,389.55</u></u>