

Hacker Accounting LLC

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

Phoenix, AZ 85029

July 29, 2013

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 June 30, 2013 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 June 30, 2013

Accrual Basis

	Jun 30, 13
ASSETS	
Current Assets	
Checking/Savings	
111 · Cash on Hand	100.00
114 · Compass Cap/Expd/Dep	218,744.64
116 · Cash-MM	106,467.53
117 · Checking/Compass	41,824.63
Total Checking/Savings	367,136.80
Accounts Receivable	
121 · Accounts Receivable	111,106.22
Total Accounts Receivable	111,106.22
Other Current Assets	
140 · Prepaid Insurance	11,186.44
Total Other Current Assets	11,186.44
Total Current Assets	489,429.46
Fixed Assets	
1210 · Land	9,000.00
1220 · Water District System	1,745,765.02
1230 · Buildings & Improvements	13,366.41
1240 · Machinery & Equipment	22,782.00
1241 · Motor for 43rd Avenue	24,679.00
1242 · 39th Ave Pump-2013	63,641.67
1243 · 43rd Ave Pump-2013	106,235.63
1250 · Transportation Equipment	69,377.45
1260 · Office Furn & Fixtures	21,677.94
1281 · GPS Tracking - 2012	245.65
1320 · Accum Depreciation	-930,932.11
Total Fixed Assets	1,145,838.66
Other Assets	
120 · Refundable Deposits	2,038.00
Total Other Assets	2,038.00
TOTAL ASSETS	1,637,306.12
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
200 · Accounts Payable	-5,761.86
Total Accounts Payable	-5,761.86
Other Current Liabilities	
203 · Accrued Power/Water	11,820.92
204 · Other Accrued Expenses	5,224.83
Total Other Current Liabilities	17,045.75
Total Current Liabilities	11,283.89
Total Liabilities	11,283.89
Equity	
209 · Retained Earnings	1,549,860.55
Net Income	76,161.68
Total Equity	1,626,022.23
TOTAL LIABILITIES & EQUITY	1,637,306.12

Sunburst Farms Irrigation District
Profit & Loss Budget vs Actual
 June 2013

	<u>Jun 13</u>	<u>Budget</u>	<u>Variance</u>	<u>Jul '12 - Jun 13</u>	<u>YTD Budget</u>	<u>Variance</u>
Ordinary Income/Expense						
Income						
211 · Water Fees	31,644.00	33,760.00	-2,116.00	288,623.25	274,600.00	14,023.25
212 · Member Fees	28,234.80	28,224.00	10.80	338,885.80	338,809.00	76.80
213 · Other Services	0.00	0.00	0.00	290.00	0.00	290.00
214 · Escrow Transfer Fees	200.00	250.00	-50.00	3,200.00	3,000.00	200.00
215 · Finance Charges	788.88	414.00	374.88	2,537.16	4,968.00	-2,430.84
219 · Misc/Other Income	212.75	63.00	149.75	14,086.16	750.00	13,336.16
Total Income	<u>61,080.43</u>	<u>62,711.00</u>	<u>-1,630.57</u>	<u>647,622.37</u>	<u>622,127.00</u>	<u>25,495.37</u>
Cost of Goods Sold						
310 · Direct Costs of Water Delivery						
311 · Purchases-Power	25,450.09	21,342.00	4,108.09	185,271.25	174,052.00	11,219.25
331 · State Water Fees	421.41	825.00	-403.59	5,056.92	6,741.00	-1,684.08
351 · Pump Supply "Oil"	0.00	349.00	-349.00	0.00	2,836.00	-2,836.00
352 · Transportation Gas/Oil	1,045.05	1,718.00	-672.95	11,185.07	14,000.00	-2,814.93
361 · Irrigation Labor	5,903.50	8,016.00	-2,112.50	57,915.88	65,254.00	-7,338.12
371 · Payroll Taxes & Fringe	451.63	737.00	-285.37	4,257.29	6,023.00	-1,765.71
372 · Irrigators-Health Insurance	194.10	699.00	-504.90	6,405.30	5,694.00	711.30
Total 310 · Direct Costs of Water Delivery	<u>33,465.78</u>	<u>33,886.00</u>	<u>-220.22</u>	<u>270,091.71</u>	<u>274,600.00</u>	<u>-4,508.29</u>
Total COGS	<u>33,465.78</u>	<u>33,886.00</u>	<u>-220.22</u>	<u>270,091.71</u>	<u>274,600.00</u>	<u>-4,508.29</u>
Gross Profit	<u>27,614.65</u>	<u>29,025.00</u>	<u>-1,410.35</u>	<u>377,530.66</u>	<u>347,527.00</u>	<u>30,003.66</u>
Expense						
400 · Overhead Costs						
362 · Salaries-Supervisor	2,961.88	3,238.00	-276.12	38,804.44	38,878.00	-73.56
363 · Admin Payroll Expense	2,896.28	3,169.00	-272.72	37,951.64	38,017.00	-65.36
364 · Payroll Taxes/Fringe-Admin	461.92	591.00	-129.08	6,694.86	7,097.00	-402.14
365 · MNGR Gas Transportation	0.00			1,376.13	0.00	1,376.13
366 · Health Insurance "Salary"	370.10	389.00	-18.90	4,468.05	4,658.00	-189.95

Sunburst Farms Irrigation District
Profit & Loss Budget vs Actual
 June 2013

	<u>Jun 13</u>	<u>Budget</u>	<u>Variance</u>	<u>Jul '12 - Jun 13</u>	<u>YTD Budget</u>	<u>Variance</u>
375 · State Compensation Fund	0.00	402.00	-402.00	5,626.97	4,820.00	806.97
411 · Depreciation Expense	7,954.83	7,877.00	77.83	95,457.96	94,515.00	942.96
414 · Building & Equipment Repair	0.00	167.00	-167.00	599.56	2,000.00	-1,400.44
416 · Pumps-Maintenance	0.00	167.00	-167.00	4,087.33	2,000.00	2,087.33
417 · Maint/Repairs-Water System						
417.1 · Direct Labor	353.00	5,370.00	-5,017.00	35,402.44	64,496.00	-29,093.56
417.2 · Materials	552.48	833.00	-280.52	9,797.23	10,000.00	-202.77
417.3 · Outside Service	556.58	1,250.00	-693.42	14,012.81	15,000.00	-987.19
417.4 · MT Payroll Taxes	27.00	423.00	-396.00	2,826.73	5,095.00	-2,268.27
417.5 · MT Health Insurance	0.00	511.00	-511.00	1,164.60	6,126.00	-4,961.40
Total 417 · Maint/Repairs-Water System	1,489.06	8,387.00	-6,897.94	63,203.81	100,717.00	-37,513.19
419 · Repairs-Transportation						
419.1 · Fleet Vehicles	6,596.30	417.00	6,179.30	18,936.41	5,000.00	13,936.41
419.2 · Tractor	14.31	84.00	-69.69	137.35	1,000.00	-862.65
Total 419 · Repairs-Transportation	6,610.61	501.00	6,109.61	19,073.76	6,000.00	13,073.76
420 · MNT Gas Transportation	29.01			2,688.00	0.00	2,688.00
421 · Electricity	278.03	196.00	82.03	2,464.67	2,350.00	114.67
422 · Sewer & Water	1.63	14.00	-12.37	107.04	175.00	-67.96
423 · Telephone Expense	477.92	375.00	102.92	4,200.14	4,500.00	-299.86
431 · Insurance Expense	104.50	1,250.00	-1,145.50	11,841.80	15,000.00	-3,158.20
441 · Legal Expense	0.00	500.00	-500.00	9,649.60	6,000.00	3,649.60
442 · Accounting Expenses	2,400.00	250.00	2,150.00	2,400.00	3,000.00	-600.00
443 · Auditing Expenses	0.00	0.00	0.00	4,500.00	3,000.00	1,500.00
444 · Collection Services	10.00	50.00	-40.00	390.00	500.00	-110.00
446 · Other Contracted Services	1,393.10	291.00	1,102.10	5,534.90	3,500.00	2,034.90
451 · Postage	318.76	341.00	-22.24	3,911.96	4,100.00	-188.04
461 · Licenses & Taxes	0.00	0.00	0.00	4.00	0.00	4.00
471 · Misc & Public Relations	35.00	16.63	18.37	35.59	200.00	-164.41
483 · Office Supplies	98.09	400.00	-301.91	3,502.78	4,800.00	-1,297.22
484 · Mileage	52.49	22.00	30.49	239.70	250.00	-10.30

Sunburst Farms Irrigation District
Profit & Loss Budget vs Actual
 June 2013

	<u>Jun 13</u>	<u>Budget</u>	<u>Variance</u>	<u>Jul '12 - Jun 13</u>	<u>YTD Budget</u>	<u>Variance</u>
485 · Bank Charges	0.00	0.00	0.00	8.00	0.00	8.00
486 · Dues & Subscriptions	-100.00	113.00	-213.00	1,611.71	1,350.00	261.71
Total 400 · Overhead Costs	<u>27,843.21</u>	<u>28,706.63</u>	<u>-863.42</u>	<u>330,434.40</u>	<u>347,427.00</u>	<u>-16,992.60</u>
Total Expense	<u>27,843.21</u>	<u>28,706.63</u>	<u>-863.42</u>	<u>330,434.40</u>	<u>347,427.00</u>	<u>-16,992.60</u>
Net Ordinary Income	-228.56	318.37	-546.93	47,096.26	100.00	46,996.26
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	2,070.00	2,070.00	0.00	24,840.00	24,840.00	0.00
511 · Interest Income	68.21	50.00	18.21	575.42	600.00	-24.58
541 · Gain/Loss on Sale of Equipment	0.00			3,650.00		
Total Other Income	<u>2,138.21</u>	<u>2,120.00</u>	<u>18.21</u>	<u>29,065.42</u>	<u>25,440.00</u>	<u>3,625.42</u>
Net Other Income	<u>2,138.21</u>	<u>2,120.00</u>	<u>18.21</u>	<u>29,065.42</u>	<u>25,440.00</u>	<u>3,625.42</u>
Net Income	<u>1,909.65</u>	<u>2,438.37</u>	<u>-528.72</u>	<u>76,161.68</u>	<u>25,540.00</u>	<u>50,621.68</u>

Sunburst Farms Irrigation District
A/R Aging Summary
As of June 30, 2013

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>TOTAL</u>
Total A/R 2013	<u>45,156.62</u>	<u>4,769.25</u>	<u>-872.22</u>	<u>2,539.51</u>	<u>59,513.06</u>	<u>111,106.22</u>
Total A/R 2012	<u>49,552.23</u>	<u>5,152.82</u>	<u>64.96</u>	<u>3,070.78</u>	<u>81,019.52</u>	<u>138,860.31</u>
Variance- Better/(Worse)	<u>4,395.61</u>	<u>383.57</u>	<u>937.18</u>	<u>531.27</u>	<u>21,506.46</u>	<u>27,754.09</u>