

Hacker Accounting LLC

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

Phoenix, AZ 85029

July 30, 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 June 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.

Cathy Hacker, EA

Hacker Accounting LLC

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

	Jun 30, 15	Jun 30, 14
ASSETS		
Current Assets		
Checking/Savings		
117 · Checking/Compass	27,756.88	23,303.91
118 · First Bank	106,679.04	0.00
111 · Cash on Hand	100.00	100.00
114 · Compass Cap/Expd/Dep	226,827.68	222,367.22
116 · Cash-MM	-74.45	106,556.02
Total Checking/Savings	361,289.15	352,327.15
Accounts Receivable		
121 · Accounts Receivable	99,657.39	104,993.21
Total Accounts Receivable	99,657.39	104,993.21
Other Current Assets		
140 · Prepaid Insurance	7,420.33	8,546.25
1499 · Undeposited Funds	0.00	1,613.45
198 · Suspense New Office Building	22,389.96	0.00
Total Other Current Assets	29,810.29	10,159.70
Total Current Assets	490,756.83	467,480.06
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	63,641.67
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	2,210,709.98
1300 · Accumulated Depreciation		
1320 · Accum Depr-Water Distr Sys	-1,292,183.83	-1,173,903.91
Total 1300 · Accumulated Depreciation	-1,292,183.83	-1,173,903.91
Total Fixed Assets	1,022,515.14	1,036,806.07
Other Assets		
120 · Refundable Deposits	1,169.00	1,169.00
Total Other Assets	1,169.00	1,169.00
TOTAL ASSETS	1,514,440.97	1,505,455.13
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
200 · Accounts Payable	483.40	8,095.78
Total Accounts Payable	483.40	8,095.78
Other Current Liabilities		
201 · Payroll Liabilities		
2011 · Dental/Vision Payable	106.93	0.00
201 · Payroll Liabilities - Other	190.34	47.50
Total 201 · Payroll Liabilities	297.27	47.50
203 · Accrued Power/Water		
2031 · Accrued Power	9,612.68	11,039.68
2032 · Accrued Water	889.65	0.00
Total 203 · Accrued Power/Water	10,502.33	11,039.68

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Accrual Basis

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

	<u>Jun 30, 15</u>	<u>Jun 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>18,498.00</u>	<u>18,785.58</u>
Total Current Liabilities	<u>18,981.40</u>	<u>26,881.36</u>
Total Liabilities	<u>18,981.40</u>	<u>26,881.36</u>
Equity		
209 · Retained Earnings	1,478,573.77	1,427,055.75
Net Income	16,885.80	51,518.02
Total Equity	<u>1,495,459.57</u>	<u>1,478,573.77</u>
TOTAL LIABILITIES & EQUITY	<u><u>1,514,440.97</u></u>	<u><u>1,505,455.13</u></u>

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

	<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	46882.19	1650.90	-1412.70	1480.44	51056.56	99657.39
Total A/R 2014	45420.98	1941.85	-865.38	1867.30	56628.46	104993.21
Variance- Better/(Worse)	-1461.21	290.95	547.32	386.86	5571.90	5335.82

Sunburst Farms Irrigation District Profit Loss Actual vs Budget

June 2015

	<u>Jun 15</u>	<u>Budget</u>	<u>Variance</u>	<u>Jul '14 - Jun 15</u>	<u>YTD Budget</u>	<u>Variance</u>
Ordinary Income/Expense						
Income						
211 · Water Fees	33,835.20	32,832.00	1,003.20	253,035.06	281,808.00	-28,772.94
212 · Member Fees	34,229.52	34,229.49	0.03	410,754.24	410,753.00	1.24
213 · Other Services	0.00	40.00	-40.00	260.00	480.00	-220.00
214 · Escrow Transfer Fees	200.00	300.00	-100.00	2,600.00	3,600.00	-1,000.00
215 · Finance Charges	636.83	833.37	-196.54	9,326.49	10,000.00	-673.51
Total Income	<u>68,901.55</u>	<u>68,234.86</u>	<u>666.69</u>	<u>675,975.79</u>	<u>706,641.00</u>	<u>-30,665.21</u>
Cost of Goods Sold						
310 · Direct Costs of Water Delivery						
311 · Purchases-Power	17,832.53	21,540.00	-3,707.47	161,968.08	184,885.00	-22,916.92
331 · State Water Fees	569.00	569.00	0.00	6,828.00	6,828.00	0.00
351 · Pump Supply "Oil"	0.00	496.83	-496.83	0.00	5,962.00	-5,962.00
352 · Transportation Gas/Oil	958.38	1,272.00	-313.62	5,847.02	10,906.00	-5,058.98
361 · Irrigation Labor	5,145.91	6,984.00	-1,838.09	43,004.30	59,960.00	-16,955.70
371 · Payroll Taxes & Fringe	393.69	580.00	-186.31	3,653.72	4,965.00	-1,311.28
372 · Irrigators-Health Insurance	687.37	691.83	-4.46	8,248.44	8,302.00	-53.56
Total 310 · Direct Costs of Water Delivery	<u>25,586.88</u>	<u>32,133.66</u>	<u>-6,546.78</u>	<u>229,549.56</u>	<u>281,808.00</u>	<u>-52,258.44</u>
Total COGS	<u>25,586.88</u>	<u>32,133.66</u>	<u>-6,546.78</u>	<u>229,549.56</u>	<u>281,808.00</u>	<u>-52,258.44</u>
Gross Profit	43,314.67	36,101.20	7,213.47	446,426.23	424,833.00	21,593.23
Expense						
400 · Overhead Costs						
362 · Salaries-Supervisor	3,119.36	3,174.00	-54.64	40,834.52	41,272.00	-437.48
363 · Admin Payroll Expense	3,057.72	3,104.00	-46.28	40,031.72	40,367.00	-335.28
364 · Payroll Taxes/Fringe-Admin	487.80	520.00	-32.20	7,017.65	6,760.00	257.65
365 · MNGR Gas Transportation	-96.88	112.50	-209.38	1,312.28	1,350.00	-37.72
366 · Health Insurance "Salary"	716.77	693.00	23.77	8,792.24	8,318.00	474.24
375 · State Compensation Fund	1,077.77	464.25	613.52	6,767.47	5,571.00	1,196.47

Sunburst Farms Irrigation District Profit Loss Actual vs Budget

June 2015

	<u>Jun 15</u>	<u>Budget</u>	<u>Variance</u>	<u>Jul '14 - Jun 15</u>	<u>YTD Budget</u>	<u>Variance</u>
411 · Depreciation Expense	9,805.66	9,580.33	225.33	118,279.92	114,964.00	3,315.92
414 · Building & Equipment Repair	0.00	166.66	-166.66	687.71	2,000.00	-1,312.29
416 · Pumps-Maintenance	0.00	116.66	-116.66	757.76	1,400.00	-642.24
417 · Maint/Repairs-Water System						
417.1 · Direct Labor	6,202.70	4,312.00	1,890.70	78,433.91	56,056.00	22,377.91
417.2 · Materials	5,465.48	1,167.83	4,297.65	24,349.16	14,014.00	10,335.16
417.3 · Outside Service	2,747.91	1,250.00	1,497.91	13,426.41	15,000.00	-1,573.59
417.4 · MT Payroll Taxes	496.80	357.00	139.80	6,361.08	4,641.00	1,720.08
417.5 · MT Health Insurance	365.88	720.00	-354.12	4,390.56	8,640.00	-4,249.44
Total 417 · Maint/Repairs-Water System	<u>15,278.77</u>	<u>7,806.83</u>	<u>7,471.94</u>	<u>126,961.12</u>	<u>98,351.00</u>	<u>28,610.12</u>
419 · Repairs-Transportation						
419.1 · Fleet Vehicles	121.54	833.33	-711.79	6,560.92	10,000.00	-3,439.08
419.2 · Tractor	0.00	83.33	-83.33	2,283.22	1,000.00	1,283.22
419 · Repairs-Transportation - Other	<u>0.00</u>	<u></u>	<u></u>	<u>401.00</u>	<u></u>	<u></u>
Total 419 · Repairs-Transportation	<u>121.54</u>	<u>916.66</u>	<u>-795.12</u>	<u>9,245.14</u>	<u>11,000.00</u>	<u>-1,754.86</u>
420 · MNT Gas Transportation	229.54	300.00	-70.46	2,814.90	3,600.00	-785.10
421 · Electricity	265.25	200.00	65.25	2,886.88	2,400.00	486.88
422 · Sewer & Water	13.03	16.66	-3.63	147.95	200.00	-52.05
423 · Telephone Expense	292.33	500.00	-207.67	5,801.66	6,000.00	-198.34
431 · Insurance Expense	1,466.66	1,466.66	0.00	18,228.92	17,600.00	628.92
441 · Legal Expense	3,435.00	1,250.00	2,185.00	5,935.00	15,000.00	-9,065.00
442 · Accounting Expenses	400.00	400.00	0.00	4,800.00	4,800.00	0.00
443 · Auditing Expenses	0.00	416.66	-416.66	6,005.00	5,000.00	1,005.00
444 · Collection Services	10.00	40.00	-30.00	290.00	480.00	-190.00
445 · Rent	820.80	0.00	820.80	9,418.40	0.00	9,418.40
446 · Other Contracted Services	428.42	458.33	-29.91	6,040.80	5,500.00	540.80
451 · Postage	356.48	375.00	-18.52	4,716.90	4,500.00	216.90
461 · Licenses & Taxes	0.00	0.00	0.00	0.00	0.00	0.00
471 · Misc & Public Relations	13.27	16.66	-3.39	129.49	200.00	-70.51
483 · Office Supplies	231.99	416.66	-184.67	4,632.03	5,000.00	-367.97

Sunburst Farms Irrigation District Profit Loss Actual vs Budget

June 2015

	<u>Jun 15</u>	<u>Budget</u>	<u>Variance</u>	<u>Jul '14 - Jun 15</u>	<u>YTD Budget</u>	<u>Variance</u>
484 · Mileage	36.99	33.33	3.66	902.11	400.00	502.11
485 · Bank Charges	10.00	5.00	5.00	58.00	60.00	-2.00
486 · Dues & Subscriptions	0.00	125.00	-125.00	1,441.53	1,500.00	-58.47
487 · Petty Cash Over/Sht	0.00	0.00	0.00	0.00	0.00	0.00
Total 400 · Overhead Costs	<u>41,578.27</u>	<u>32,674.85</u>	<u>8,903.42</u>	<u>434,937.10</u>	<u>403,593.00</u>	<u>31,344.10</u>
Total Expense	<u>41,578.27</u>	<u>32,674.85</u>	<u>8,903.42</u>	<u>434,937.10</u>	<u>403,593.00</u>	<u>31,344.10</u>
Net Ordinary Income	1,736.40	3,426.35	-1,689.95	11,489.13	21,240.00	-9,750.87
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	250.00	300.00	-50.00	10,590.70	3,600.00	6,990.70
511 · Interest Income	46.28	41.66	4.62	625.97	500.00	125.97
541 · Gain/Loss on Sale of Equipment	0.00	0.00	0.00	0.00	0.00	0.00
Total Other Income	<u>296.28</u>	<u>341.66</u>	<u>-45.38</u>	<u>11,216.67</u>	<u>4,100.00</u>	<u>7,116.67</u>
Other Expense						
512 · Bridle Path Cleanup	0.00	140.41	-140.41	5,820.00	1,685.00	4,135.00
Total Other Expense	<u>0.00</u>	<u>140.41</u>	<u>-140.41</u>	<u>5,820.00</u>	<u>1,685.00</u>	<u>4,135.00</u>
Net Other Income	<u>296.28</u>	<u>201.25</u>	<u>95.03</u>	<u>5,396.67</u>	<u>2,415.00</u>	<u>2,981.67</u>
Net Income	<u><u>2,032.68</u></u>	<u><u>3,627.60</u></u>	<u><u>-1,594.92</u></u>	<u><u>16,885.80</u></u>	<u><u>23,655.00</u></u>	<u><u>-6,769.20</u></u>