

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

April 22, 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 March 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

1:25 PM

04/22/15

Accrual Basis

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

	<u>Mar 31, 15</u>	<u>Mar 31, 14</u>
ASSETS		
Current Assets		
Checking/Savings		
117 · Checking/Compass	8,770.06	57,705.00
111 · Cash on Hand	100.00	100.00
114 · Compass Cap/Expd/Dep	237,075.98	247,975.65
116 · Cash-MM	106,610.02	106,531.45
Total Checking/Savings	<u>352,556.06</u>	<u>412,312.10</u>
Accounts Receivable		
121 · Accounts Receivable	104,903.13	94,517.05
Total Accounts Receivable	<u>104,903.13</u>	<u>94,517.05</u>
Other Current Assets		
140 · Prepaid Insurance	11,820.31	10,425.81
1499 · Undeposited Funds	1,477.80	0.00
199 · Suspense	0.00	6,658.10
198 · New Office Building	12,147.53	0.00
Total Other Current Assets	<u>25,445.64</u>	<u>17,083.91</u>
Total Current Assets	<u>482,904.83</u>	<u>523,913.06</u>
Fixed Assets		
1200 · Fixed Assets		
1210 · Land	9,000.00	9,000.00
1220 · Water District System	1,951,688.11	1,818,594.03
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	69,424.26
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	<u>2,278,392.85</u>	<u>2,108,846.88</u>
1300 · Accumulated Depreciation		
1320 · Accum Depr-Water Distr Sys	-1,261,524.85	-976,700.80
Total 1300 · Accumulated Depreciation	<u>-1,261,524.85</u>	<u>-976,700.80</u>
Total Fixed Assets	<u>1,016,868.00</u>	<u>1,132,146.08</u>
Other Assets		
120 · Refundable Deposits	1,169.00	1,169.00
Total Other Assets	<u>1,169.00</u>	<u>1,169.00</u>
TOTAL ASSETS	<u><u>1,500,941.83</u></u>	<u><u>1,657,228.14</u></u>
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
200 · Accounts Payable	483.40	0.00
Total Accounts Payable	<u>483.40</u>	<u>0.00</u>
Other Current Liabilities		
201 · Payroll Liabilities		
2011 · Dental/Vision Payable	106.99	0.00
201 · Payroll Liabilities - Other	135.72	859.95
Total 201 · Payroll Liabilities	<u>242.71</u>	<u>859.95</u>

1:25 PM
04/22/15
Accrual Basis

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

	<u>Mar 31, 15</u>	<u>Mar 31, 14</u>
203 · Accrued Power/Water		
2031 · Accrued Power	6,818.27	14,564.92
2032 · Accrued Water	-817.35	-1,421.77
Total 203 · Accrued Power/Water	<u>6,000.92</u>	<u>13,143.15</u>
204 · Other Accrued Expenses	4,376.48	2,376.69
205 · Accrued Vacation	3,321.92	1,895.20
Total Other Current Liabilities	<u>13,942.03</u>	<u>18,274.99</u>
Total Current Liabilities	<u>14,425.43</u>	<u>18,274.99</u>
Total Liabilities	<u>14,425.43</u>	<u>18,274.99</u>
Equity		
209 · Retained Earnings	1,478,573.77	1,601,618.25
Net Income	7,942.63	37,334.90
Total Equity	<u>1,486,516.40</u>	<u>1,638,953.15</u>
TOTAL LIABILITIES & EQUITY	<u>1,500,941.83</u>	<u>1,657,228.14</u>

Sunburst Farms Irrigation District
A/R Aging Summary
As of March 31, 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	<u>28,626.92</u>	<u>-3,376.20</u>	<u>8,622.38</u>	<u>2,469.47</u>	<u>68,560.56</u>	<u>104,903.13</u>
Total A/R 2014	<u>22,438.74</u>	<u>-708.81</u>	<u>8,533.36</u>	<u>1,114.45</u>	<u>63,139.31</u>	<u>94,517.05</u>
Variance- Better/(Worse)	<u>-6,188.18</u>	<u>2,667.39</u>	<u>-89.02</u>	<u>-1,355.02</u>	<u>-5,421.25</u>	<u>-10,386.08</u>

Sunburst Farms Irrigation District
Profit Loss Budget vs Actual
March 2015

	<u>Mar 15</u>	<u>Budget</u>	<u>Variance</u>	<u>Jul '14 - Mar 15</u>	<u>YTD Budget</u>	<u>Variance</u>
Ordinary Income/Expense						
Income						
211 · Water Fees	17,747.52	14,228.00	3,519.52	159,156.06	191,520.00	-32,363.94
212 · Member Fees	34,229.52	34,229.41	0.11	308,065.68	308,064.69	0.99
213 · Other Services	20.00	40.00	-20.00	240.00	360.00	-120.00
214 · Escrow Transfer Fees	100.00	300.00	-200.00	1,700.00	2,700.00	-1,000.00
215 · Finance Charges	810.53	833.33	-22.80	7,378.14	7,499.97	-121.83
Total Income	<u>52,907.57</u>	<u>49,630.74</u>	<u>3,276.83</u>	<u>476,539.88</u>	<u>510,144.66</u>	<u>-33,604.78</u>
Cost of Goods Sold						
310 · Direct Costs of Water Delivery						
311 · Purchases-Power	12,536.78	9,334.00	3,202.78	107,540.53	125,650.00	-18,109.47
331 · State Water Fees	569.00	569.00	0.00	5,121.00	5,121.00	0.00
351 · Pump Supply "Oil"	0.00	496.83	-496.83	0.00	4,471.51	-4,471.51
352 · Transportation Gas/Oil	237.47	551.00	-313.53	3,777.85	7,408.00	-3,630.15
361 · Irrigation Labor	1,608.51	3,126.00	-1,517.49	29,233.49	40,704.00	-11,470.51
371 · Payroll Taxes & Fringe	181.15	250.00	-68.85	2,493.31	3,375.00	-881.69
372 · Irrigators-Health Insurance	687.37	691.83	-4.46	6,186.33	6,226.51	-40.18
Total 310 · Direct Costs of Water Delivery	<u>15,820.28</u>	<u>15,018.66</u>	<u>801.62</u>	<u>154,352.51</u>	<u>192,956.02</u>	<u>-38,603.51</u>
Total COGS	<u>15,820.28</u>	<u>15,018.66</u>	<u>801.62</u>	<u>154,352.51</u>	<u>192,956.02</u>	<u>-38,603.51</u>
Gross Profit	<u>37,087.29</u>	<u>34,612.08</u>	<u>2,475.21</u>	<u>322,187.37</u>	<u>317,188.64</u>	<u>4,998.73</u>
Expense						
400 · Overhead Costs						
362 · Salaries-Supervisor	3,119.36	3,174.00	-54.64	30,696.60	30,956.00	-259.40
363 · Admin Payroll Expense	3,057.72	3,104.00	-46.28	30,094.13	30,279.00	-184.87
364 · Payroll Taxes/Fringe-Admin	543.26	520.00	23.26	5,432.30	5,070.00	362.30
365 · MNGR Gas Transportation	88.85	112.50	-23.65	1,041.07	1,012.50	28.57
366 · Health Insurance "Salary"	716.77	692.00	24.77	6,592.93	6,239.00	353.93
375 · State Compensation Fund	0.00	464.25	-464.25	3,912.70	4,178.25	-265.55

Sunburst Farms Irrigation District
Profit Loss Budget vs Actual
March 2015

	<u>Mar 15</u>	<u>Budget</u>	<u>Variance</u>	<u>Jul '14 - Mar 15</u>	<u>YTD Budget</u>	<u>Variance</u>
411 · Depreciation Expense	9,805.66	9,580.33	225.33	87,620.94	86,223.01	1,397.93
414 · Building & Equipment Repair	0.00	166.66	-166.66	687.71	1,500.02	-812.31
416 · Pumps-Maintenance	0.00	116.66	-116.66	0.00	1,050.02	-1,050.02
417 · Maint/Repairs-Water System						
417.1 · Direct Labor	6,854.38	4,312.00	2,542.38	57,347.62	42,042.00	15,305.62
417.2 · Materials	196.21	1,167.83	-971.62	15,638.78	10,510.51	5,128.27
417.3 · Outside Service	0.00	1,250.00	-1,250.00	10,283.50	11,250.00	-966.50
417.4 · MT Payroll Taxes	588.93	357.00	231.93	4,798.40	3,480.75	1,317.65
417.5 · MT Health Insurance	365.88	720.00	-354.12	3,292.92	6,480.00	-3,187.08
Total 417 · Maint/Repairs-Water System	8,005.40	7,806.83	198.57	91,361.22	73,763.26	17,597.96
419 · Repairs-Transportation						
419.1 · Fleet Vehicles	1,230.35	833.33	397.02	3,280.84	7,500.01	-4,219.17
419.2 · Tractor	8.06	83.33	-75.27	2,283.22	750.01	1,533.21
419 · Repairs-Transportation - Other	0.00			401.00		
Total 419 · Repairs-Transportation	1,238.41	916.66	321.75	5,965.06	8,250.02	-2,284.96
420 · MNT Gas Transportation	115.50	300.00	-184.50	2,250.69	2,700.00	-449.31
421 · Electricity	164.45	200.00	-35.55	2,211.75	1,800.00	411.75
422 · Sewer & Water	20.67	16.66	4.01	108.02	150.02	-42.00
423 · Telephone Expense	477.11	500.00	-22.89	4,551.76	4,500.00	51.76
431 · Insurance Expense	1,466.66	1,466.66	0.00	13,554.94	13,200.02	354.92
441 · Legal Expense	0.00	1,250.00	-1,250.00	2,500.00	11,250.00	-8,750.00
442 · Accounting Expenses	531.00	400.00	131.00	3,731.00	3,600.00	131.00
443 · Auditing Expenses	0.00	416.66	-416.66	6,005.00	3,750.02	2,254.98
444 · Collection Services	20.00	40.00	-20.00	230.00	360.00	-130.00
445 · Rent	1,641.60	0.00	1,641.60	6,956.00	0.00	6,956.00
446 · Other Contracted Services	174.64	458.33	-283.69	4,222.59	4,125.01	97.58
451 · Postage	435.94	375.00	60.94	3,661.44	3,375.00	286.44
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	150.02	-33.80
483 · Office Supplies	45.24	416.66	-371.42	3,336.69	3,750.02	-413.33

UNAUDITED-SEE ACCOUNTANT'S COMPILATION REPORT

Sunburst Farms Irrigation District
Profit Loss Budget vs Actual
March 2015

	<u>Mar 15</u>	<u>Budget</u>	<u>Variance</u>	<u>Jul '14 - Mar 15</u>	<u>YTD Budget</u>	<u>Variance</u>
484 · Mileage	113.57	33.33	80.24	730.24	300.01	430.23
485 · Bank Charges	10.00	5.00	5.00	26.00	45.00	-19.00
486 · Dues & Subscriptions	908.58	125.00	783.58	1,441.53	1,125.00	316.53
487 · Petty Cash Over/Sht	0.00	0.00	0.00	0.00	0.00	0.00
Total 400 · Overhead Costs	<u>32,700.39</u>	<u>32,673.85</u>	<u>26.54</u>	<u>319,038.53</u>	<u>302,701.20</u>	<u>16,337.33</u>
Total Expense	<u>32,700.39</u>	<u>32,673.85</u>	<u>26.54</u>	<u>319,038.53</u>	<u>302,701.20</u>	<u>16,337.33</u>
Net Ordinary Income	4,386.90	1,938.23	2,448.67	3,148.84	14,487.44	-11,338.60
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	1,201.50	300.00	901.50	10,140.70	2,700.00	7,440.70
511 · Interest Income	50.30	41.66	8.64	473.09	375.02	98.07
541 · Gain/Loss on Sale of Equipment	0.00	0.00	0.00	0.00	0.00	0.00
Total Other Income	<u>1,251.80</u>	<u>341.66</u>	<u>910.14</u>	<u>10,613.79</u>	<u>3,075.02</u>	<u>7,538.77</u>
Other Expense						
512 · Bridle Path Cleanup	0.00	140.41	-140.41	5,820.00	1,263.77	4,556.23
Total Other Expense	<u>0.00</u>	<u>140.41</u>	<u>-140.41</u>	<u>5,820.00</u>	<u>1,263.77</u>	<u>4,556.23</u>
Net Other Income	<u>1,251.80</u>	<u>201.25</u>	<u>1,050.55</u>	<u>4,793.79</u>	<u>1,811.25</u>	<u>2,982.54</u>
Net Income	<u><u>5,638.70</u></u>	<u><u>2,139.48</u></u>	<u><u>3,499.22</u></u>	<u><u>7,942.63</u></u>	<u><u>16,298.69</u></u>	<u><u>-8,356.06</u></u>