

Hacker Accounting LLC

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

Phoenix, AZ 85029

May 1, 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 March 31, 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
Profit Loss Budget vs Actual
March 2013**

Ordinary Income/Expense	Mar 13	Budget	Variance	Jul '12 - Mar 13	YTD Budget	Variance
Income						
211 · Water Fees	19,129.50	18,225.00	904.50	201,204.00	185,490.00	15,714.00
212 · Member Fees	28,234.80	28,235.00	-0.20	254,181.40	254,115.00	66.40
213 · Other Services	0.00	0.00	0.00	250.00	0.00	250.00
214 · Escrow Transfer Fees	200.00	250.00	-50.00	2,300.00	2,250.00	50.00
215 · Finance Charges	970.42	414.00	556.42	9,463.59	3,726.00	5,737.59
219 · Misc/Other Income	2,300.00	62.00	2,238.00	13,304.16	563.00	12,741.16
Total Income	<u>50,834.72</u>	<u>47,186.00</u>	<u>3,648.72</u>	<u>480,703.15</u>	<u>446,144.00</u>	<u>34,559.15</u>
Cost of Goods Sold						
310 · Direct Costs of Water Delivery						
311 · Purchases-Power	15,350.90	11,556.00	3,794.90	122,701.62	117,614.00	5,087.62
331 · State Water Fees	421.41	449.00	-27.59	3,792.69	4,557.00	-764.31
351 · Pump Supply "Oil"	0.00	188.00	-188.00	0.00	1,915.00	-1,915.00
352 · Transportation Gas/Oil	1,189.54	929.00	260.54	8,177.38	9,457.00	-1,279.62
361 · Irrigation Labor	2,059.50	4,331.00	-2,271.50	37,204.62	44,081.00	-6,876.38
371 · Payroll Taxes & Fringe	157.55	400.00	-242.45	2,846.15	4,072.00	-1,225.85
372 · Irrigators-Health Insurance	582.30	378.00	204.30	5,046.60	3,847.00	1,199.60
Total 310 · Direct Costs of Water Delivery	<u>19,761.20</u>	<u>18,231.00</u>	<u>1,530.20</u>	<u>179,769.06</u>	<u>185,543.00</u>	<u>-5,773.94</u>
Total COGS	<u>19,761.20</u>	<u>18,231.00</u>	<u>1,530.20</u>	<u>179,769.06</u>	<u>185,543.00</u>	<u>-5,773.94</u>
Gross Profit	31,073.52	28,955.00	2,118.52	300,934.09	260,601.00	40,333.09
Expense						
400 · Overhead Costs						
362 · Salaries-Supervisor	2,961.88	3,240.00	-278.12	29,178.33	29,160.00	18.33
363 · Admin Payroll Expense	2,896.28	3,168.00	-271.72	28,538.73	28,512.00	26.73
364 · Payroll Taxes/Fringe-Admin	530.34	592.00	-61.66	5,163.37	5,322.00	-158.63
365 · MNGR Gas Transportation	253.29			1,115.39	0.00	1,115.39
366 · Health Insurance "Salary"	370.10	388.00	-17.90	3,313.75	3,492.00	-178.25

**Sunburst Farms Irrigation District
Profit Loss Budget vs Actual
March 2013**

	<u>Mar 13</u>	<u>Budget</u>	<u>Variance</u>	<u>Jul '12 - Mar 13</u>	<u>YTD Budget</u>	<u>Variance</u>
375 · State Compensation Fund	1,682.97	402.00	1,280.97	4,457.97	3,614.00	843.97
411 · Depreciation Expense	7,954.83	7,876.00	78.83	71,593.47	70,884.00	709.47
414 · Building & Equipment Repair	0.00	167.00	-167.00	599.56	1,499.00	-899.44
416 · Pumps-Maintenance	455.33	167.00	288.33	4,087.33	1,499.00	2,588.33
417 · Maint/Repairs-Water System						
417.1 · Direct Labor	3,793.14	5,370.00	-1,576.86	31,192.56	48,386.00	-17,193.44
417.2 · Materials	656.57	833.00	-176.43	5,954.83	7,501.00	-1,546.17
417.3 · Outside Service	10,647.70	1,250.00	9,397.70	11,661.56	11,250.00	411.56
417.4 · MT Payroll Taxes	290.18	424.00	-133.82	2,504.69	3,825.00	-1,320.31
417.5 · MT Health Insurance	0.00	511.00	-511.00	1,164.60	4,593.00	-3,428.40
Total 417 · Maint/Repairs-Water System	15,387.59	8,388.00	6,999.59	52,478.24	75,555.00	-23,076.76
419 · Repairs-Transportation						
419.1 · Fleet Vehicles	159.23	417.00	-257.77	11,836.09	3,749.00	8,087.09
419.2 · Tractor	0.00	84.00	-84.00	123.04	748.00	-624.96
Total 419 · Repairs-Transportation	159.23	501.00	-341.77	11,959.13	4,497.00	7,462.13
420 · MNT Gas Transportation						
421 · Electricity	667.66	196.00	-88.55	2,296.47	0.00	2,296.47
422 · Sewer & Water	107.45	14.00	-2.15	1,821.95	1,762.00	59.95
423 · Telephone Expense	11.85	14.00	-2.15	94.38	133.00	-38.62
431 · Insurance Expense	416.27	375.00	41.27	2,943.97	3,375.00	-431.03
441 · Legal Expense	1,140.50	1,250.00	-109.50	9,019.50	11,250.00	-2,230.50
442 · Accounting Expenses	2,500.00	500.00	2,000.00	10,778.50	4,500.00	6,278.50
443 · Auditing Expenses	0.00	250.00	-250.00	900.00	2,250.00	-1,350.00
444 · Collection Services	500.00	0.00	500.00	4,500.00	3,000.00	1,500.00
446 · Other Contracted Services	0.00	40.00	-40.00	330.00	360.00	-30.00
451 · Postage	189.90	291.00	-101.10	3,533.96	2,627.00	906.96
461 · Licenses & Taxes	322.00	341.00	-19.00	2,910.92	3,077.00	-166.08
471 · Misc & Public Relations	0.00	0.00	0.00	4.00	0.00	4.00
483 · Office Supplies	10.00	16.67	-6.67	-40.00	150.03	-190.03
484 · Mileage	110.93	400.00	-289.07	2,856.47	3,600.00	-743.53
	33.52	22.00	11.52	126.76	184.00	-57.24

Sunburst Farms Irrigation District
Profit Loss Budget vs Actual
March 2013

	<u>Mar 13</u>	<u>Budget</u>	<u>Variance</u>	<u>Jul '12 - Mar 13</u>	<u>YTD Budget</u>	<u>Variance</u>
485 · Bank Charges	0.00	0.00	0.00	6.00	0.00	6.00
486 · Dues & Subscriptions	43.00	113.00	-70.00	1,711.71	1,011.00	700.71
Total 400 · Overhead Costs	<u>38,704.92</u>	<u>28,697.67</u>	<u>10,007.25</u>	<u>256,279.86</u>	<u>261,313.03</u>	<u>-5,033.17</u>
Total Expense	<u>38,704.92</u>	<u>28,697.67</u>	<u>10,007.25</u>	<u>256,279.86</u>	<u>261,313.03</u>	<u>-5,033.17</u>
Net Ordinary Income	<u>-7,631.40</u>	<u>257.33</u>	<u>-7,888.73</u>	<u>44,654.23</u>	<u>-712.03</u>	<u>45,366.26</u>
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	18,630.00	18,630.00	0.00
511 · Interest Income	57.57	50.00	7.57	362.86	450.00	-87.14
Total Other Income	<u>2,127.57</u>	<u>2,120.00</u>	<u>7.57</u>	<u>18,992.86</u>	<u>19,080.00</u>	<u>-87.14</u>
Net Other Income	<u>2,127.57</u>	<u>2,120.00</u>	<u>7.57</u>	<u>18,992.86</u>	<u>19,080.00</u>	<u>-87.14</u>
Net Income	<u><u>-5,503.83</u></u>	<u><u>2,377.33</u></u>	<u><u>-7,881.16</u></u>	<u><u>63,647.09</u></u>	<u><u>18,367.97</u></u>	<u><u>45,279.12</u></u>

Sunburst Farms Irrigation District
Balance Sheet
As of March 31, 2013

Accrual Basis

	Mar 31, 13
ASSETS	
Current Assets	
Checking/Savings	
111 · Cash on Hand	100.00
114 · Compass Cap/Expd/Dep	294,724.13
116 · Cash-MM	106,438.62
117 · Checking/Compass	27,524.08
Total Checking/Savings	428,786.83
Accounts Receivable	
121 · Accounts Receivable	116,449.90
Total Accounts Receivable	116,449.90
Other Current Assets	
140 · Prepaid Insurance	14,926.74
199 · Suspense	891.57
Total Other Current Assets	15,818.31
Total Current Assets	561,055.04
Fixed Assets	
1210 · Land	9,000.00
1220 · Water District System	1,797,521.92
1230 · Buildings & Improvements	13,366.41
1240 · Machinery & Equipment	22,782.00
1241 · Motor for 43rd Avenue	24,679.00
1250 · Transportation Equipment	69,377.45
1260 · Office Furn & Fixtures	21,677.94
1281 · GPS Tracking - 2012	703.65
1320 · Accum Depreciation	-907,067.62
Total Fixed Assets	1,052,040.75
Other Assets	
120 · Refundable Deposits	2,038.00
Total Other Assets	2,038.00
TOTAL ASSETS	1,615,133.79
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
203 · Accrued Power/Water	6,948.65
204 · Other Accrued Expenses	5,224.83
220 · 43rd Ave Pump	-2,315.74
221 · 39th Ave Pump	-5,518.85
Total Other Current Liabilities	4,338.89
Total Current Liabilities	4,338.89
Total Liabilities	4,338.89
Equity	
209 · Retained Earnings	1,547,147.81
Net Income	63,647.09
Total Equity	1,610,794.90
TOTAL LIABILITIES & EQUITY	1,615,133.79

Sunburst Farms Irrigation District
A/R Aging Summary
As of March 31, 2013

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
Total A/R 2013	30,347.12	-3,592.53	7,645.95	547.00	81,502.36	116,449.90
Total A/R 2012	29,231.28	-1,776.10	13,067.31	-1,821.87	84,872.39	123,573.01
Variance- Better/(Worse)	-1,115.84	1,816.43	5,421.36	-2,368.87	3,370.03	7,123.11

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Accrual Basis

Sunburst Farms Irrigation District
General Journal Transaction
March 31, 2013

Num	Adj	Name	Memo	Account	Class	Debit	Credit
MJE ...	*			311 · Purchases-Po...		15,350.90	
	*			220 · 43rd Ave Pump			7,884.88
	*			221 · 39th Ave Pump			7,466.02
						<u>15,350.90</u>	<u>15,350.90</u>
TOTAL						<u>15,350.90</u>	<u>15,350.90</u>

Actual Bills - no Fund Report