

Hacker Accounting LLC

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

Phoenix, AZ 85029

April 21, 2014

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, 2014 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 March 31, 2014

	Mar 31, 14
ASSETS	
Current Assets	
Checking/Savings	
117 · Checking/Compass	57,705.00
111 · Cash on Hand	100.00
114 · Compass Cap/Expd/Dep	247,975.65
116 · Cash-MM	106,531.45
Total Checking/Savings	412,312.10
Accounts Receivable	
121 · Accounts Receivable	94,517.05
Total Accounts Receivable	94,517.05
Other Current Assets	
140 · Prepaid Insurance	10,425.81
199 · Suspense	6,658.10
Total Other Current Assets	17,083.91
Total Current Assets	523,913.06
Fixed Assets	
1200 · Fixed Assets	
1210 · Land	9,000.00
1220 · Water District System	1,818,594.03
1230 · Buildings & Improvements	13,366.41
1240 · Machinery & Equipment	19,423.00
1241 · Motor for 43rd Avenue	38,989.23
1242 · 39th Ave Pump-2013	63,641.67
1243 · 43rd Ave Pump-2013	69,424.26
1244 · 39th Ave motor	2,501.14
1250 · Transportation Equipment	57,674.55
1260 · Office Furn & Fixtures	15,986.94
1281 · GPS Tracking - 2012	245.65
Total 1200 · Fixed Assets	2,108,846.88
1300 · Accumulated Depreciation	
1320 · Accum Depr-Water Distr Sys	-973,296.04
1330 · Accum Depr-Bldgs & Imp	-12,915.20
1340 · Accum Depr-Machinery & Equip	-19,423.00
1350 · Accum Depr- Transportation	-12,454.76
1360 · Accum Depr-Off Furn & Fix	-6,770.97
1300 · Accumulated Depreciation - Other	48,159.17
Total 1300 · Accumulated Depreciation	-976,700.80
Total Fixed Assets	1,132,146.08
Other Assets	
120 · Refundable Deposits	1,169.00
Total Other Assets	1,169.00
TOTAL ASSETS	1,657,228.14
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
201 · Payroll Liabilities	859.95
203 · Accrued Power/Water	
2031 · Accrued Power	15,119.09
2032 · Accrued Water	5,186.99
203 · Accrued Power/Water - Other	-7,162.93
Total 203 · Accrued Power/Water	13,143.15

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Accrual Basis

Sunburst Farms Irrigation District
Balance Sheet
As of March 31, 2014

	<u>Mar 31, 14</u>
204 · Other Accrued Expenses	2,376.69
205 · Accrued Vacation	1,895.20
Total Other Current Liabilities	<u>18,274.99</u>
Total Current Liabilities	<u>18,274.99</u>
Total Liabilities	18,274.99
Equity	
209 · Retained Earnings	1,601,618.25
Net Income	37,334.90
Total Equity	<u>1,638,953.15</u>
TOTAL LIABILITIES & EQUITY	<u><u>1,657,228.14</u></u>

Sunburst Farms Irrigation District Profit/Loss Budget vs Actual March 2014

Ordinary Income/Expense	Mar 14	Budget	Variance	Jul '13 - Mar 14	YTD Budget	Variance
Income						
211 · Water Fees	12,371.34	11,556.00	815.34	185,136.66	177,192.00	7,944.66
212 · Member Fees	31,439.16	31,439.16	0.00	282,952.44	282,952.52	-0.08
213 · Other Services	0.00	40.00	-40.00	400.90	360.00	40.90
214 · Escrow Transfer Fees	300.00	300.00	0.00	2,200.00	2,700.00	-500.00
215 · Finance Charges	781.00	600.00	181.00	7,990.91	5,400.00	2,590.91
Total Income	<u>44,891.50</u>	<u>43,935.16</u>	<u>956.34</u>	<u>478,680.91</u>	<u>468,604.52</u>	<u>10,076.39</u>
Cost of Goods Sold						
310 · Direct Costs of Water Delivery						
311 · Purchases-Power	14,588.49	7,100.00	7,488.49	125,651.49	110,700.00	14,951.49
331 · State Water Fees	583.34	583.33	0.01	5,250.06	5,250.01	0.05
351 · Pump Supply "Oil"	0.00	100.00	-100.00	0.00	900.00	-900.00
352 · Transportation Gas/Oil	148.82	567.00	-418.18	5,698.20	8,694.00	-2,995.80
361 · Irrigation Labor	1,301.57	2,880.00	-1,578.43	38,163.02	44,160.00	-5,996.98
371 · Payroll Taxes & Fringe	99.57	233.50	-133.93	2,894.21	3,636.00	-741.79
372 · Irrigators-Health Insurance	798.06	515.52	282.54	5,852.44	5,026.56	825.88
Total 310 · Direct Costs of Water Delivery	<u>17,519.85</u>	<u>11,979.35</u>	<u>5,540.50</u>	<u>183,509.42</u>	<u>178,366.57</u>	<u>5,142.85</u>
Total COGS	<u>17,519.85</u>	<u>11,979.35</u>	<u>5,540.50</u>	<u>183,509.42</u>	<u>178,366.57</u>	<u>5,142.85</u>
Gross Profit	27,371.65	31,955.81	-4,584.16	295,171.49	290,237.95	4,933.54
Expense						
400 · Overhead Costs						
362 · Salaries-Supervisor	3,050.72	3,065.52	-14.80	30,122.31	29,889.06	233.25
363 · Admin Payroll Expense	2,983.16	2,997.29	-14.13	29,464.09	29,224.48	239.61
364 · Payroll Taxes/Fringe-Admin	509.66	559.44	-49.78	4,888.36	5,454.82	-566.46
365 · MNGR Gas Transportation	120.49	133.33	-12.84	756.22	1,199.98	-443.76
366 · Health Insurance "Salary"	442.02	477.25	-35.23	4,110.18	4,295.25	-185.07
375 · State Compensation Fund	1,689.00	411.58	1,277.42	3,653.00	3,704.26	-51.26

Sunburst Farms Irrigation District Profit/Loss Budget vs Actual March 2014

	Mar 14	Budget	Variance	Jul '13 - Mar 14	YTD Budget	Variance
411 · Depreciation Expense	9,166.67	9,166.66	0.01	82,500.03	82,500.02	0.01
414 · Building & Equipment Repair	0.00	183.33	-183.33	305.66	1,650.01	-1,344.35
416 · Pumps-Maintenance	635.88	241.66	394.22	993.27	2,175.02	-1,181.75
417 · Maint/Repairs-Water System						
417.1 · Direct Labor	5,097.84	4,769.23	328.61	39,521.54	46,500.00	-6,978.46
417.2 · Materials	637.43	1,000.00	-362.57	16,432.33	9,000.00	7,432.33
417.3 · Outside Service	1,445.94	1,250.00	195.94	13,071.91	11,250.00	1,821.91
417.4 · MT Payroll Taxes	389.97	391.08	-1.11	2,999.94	3,813.00	-813.06
417.5 · MT Health Insurance	266.02	0.00	266.02	1,862.14	0.00	1,862.14
Total 417 · Maint/Repairs-Water System	7,837.20	7,410.31	426.89	73,887.86	70,563.00	3,324.86
419 · Repairs-Transportation						
419.1 · Fleet Vehicles	844.21	1,080.00	-235.79	12,977.89	9,720.00	3,257.89
419.2 · Tractor	28.35	0.00	28.35	128.73	0.00	128.73
Total 419 · Repairs-Transportation	872.56	1,080.00	-207.44	13,106.62	9,720.00	3,386.62
420 · MNT Gas Transportation	245.96	300.00	-54.04	2,261.10	2,700.00	-438.90
421 · Electricity	104.61	200.00	-95.39	1,747.32	1,800.00	-52.68
422 · Sewer & Water	12.18	16.66	-4.48	107.58	150.02	-42.44
423 · Telephone Expense	484.48	466.66	17.82	4,521.37	4,200.02	321.35
431 · Insurance Expense	1,333.34	1,333.33	0.01	12,255.06	12,000.01	255.05
441 · Legal Expense	0.00	1,250.00	-1,250.00	500.00	11,250.00	-10,750.00
442 · Accounting Expenses	0.00	300.00	-300.00	1,800.00	2,700.00	-900.00
443 · Auditing Expenses	560.00	400.00	160.00	4,630.00	3,600.00	1,030.00
444 · Collection Services	20.00	40.00	-20.00	260.00	360.00	-100.00
446 · Other Contracted Services	405.63	458.33	-52.70	3,545.12	4,125.01	-579.89
451 · Postage	538.51	358.33	180.18	3,381.39	3,225.01	156.38
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	29.29	150.02	-120.73
483 · Office Supplies	549.00	400.00	149.00	5,229.10	3,600.00	1,629.10
484 · Mileage	0.00	22.00	-22.00	352.80	198.00	154.80
485 · Bank Charges	0.00	0.00	0.00	36.00	0.00	36.00

**Sunburst Farms Irrigation District
Profit/Loss Budget vs Actual
March 2014**

	<u>Mar 14</u>	<u>Budget</u>	<u>Variance</u>	<u>Jul '13 - Mar 14</u>	<u>YTD Budget</u>	<u>Variance</u>
486 · Dues & Subscriptions	598.84	200.00	398.84	1,428.17	1,800.00	-371.83
Total 400 · Overhead Costs	32,159.91	31,488.34	671.57	285,871.90	292,233.99	-6,362.09
Total Expense	32,159.91	31,488.34	671.57	285,871.90	292,233.99	-6,362.09
Net Ordinary Income	-4,788.26	467.47	-5,255.73	9,299.59	-1,996.04	11,295.63
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	2,072.50	2,070.00	2.50	18,632.50	18,630.00	2.50
219 · Misc/Other Income	151.00	100.00	51.00	9,196.64	900.00	8,296.64
511 · Interest Income	54.89	125.00	-70.11	559.17	1,125.00	-565.83
541 · Gain/Loss on Sale of Equipment	-353.00			-353.00		
Total Other Income	1,925.39	2,295.00	-369.61	28,035.31	20,655.00	7,380.31
Net Other Income	1,925.39	2,295.00	-369.61	28,035.31	20,655.00	7,380.31
Net Income	-2,862.87	2,762.47	-5,625.34	37,334.90	18,658.96	18,675.94

**Sunburst Farms Irrigation District
A/R Aging Summary
As of March 31, 2014**

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
Total A/R 2014	22,438.74	-708.81	8,533.36	1,114.45	63,139.31	94,517.05
Total A/R 2013	30,347.12	-3,592.53	7,645.95	547.00	81,502.36	116,449.90
Variance- Better/(Worse)	7,908.38	-2,883.72	-887.41	-567.45	18,363.05	21,932.85